

PROPERTY MANAGEMENT AGREEMENT 2023



Between

The Owner, Mr/Mrs/Ms

resident of:

and 1stpropertiesUK , the Agent

THIS PROPERTY MANAGEMENT AGREEMENT ("Agreement") is made effective as of

between the Owner(s) and 1stpropertiesUK, the Management Company ("Agent"). This Agreement pertains to the properties located at:

Owner desires to contract with Agent to provide full property management services. In consideration of the covenants and agreements below, the parties agree to the following charges:

1. Monthly Management Fees charged as % of the monthly rent.
2. Set up Fees for a Tenancy (to include Marketing, Tenant Find, Reference Check and Deposit Protection) - Four Weeks of Rent Achieved.
3. Annual Renewal Fees for an ongoing Tenancy will be charged at Two weeks of the rent achieved.

The following form the agreement between 1stpropertiesUK and the Landlord specified above. They are, in conjunction with the Agent's information, the level of service required and selected by the Landlord and are reliant upon the information given to the Agent by the Landlord:

Definitions:

The "Landlord", "you", or "your" means the person or persons named above as Landlord of the subject property and will include any others with a legal interest in the property, whether this has been disclosed or not. Where the party consists of more than one entity or person the obligations apply to and are enforceable against them jointly and severally. Joint and several liability means that any one of the members of a party can be held responsible for the full obligations under the agreement if the other members do not fulfill their obligations.

The "Agent", "we" or "us" means 1stpropertiesUK

The "Tenant" means the party named in the tenancy agreement as the Tenant of the Property.

The "Property" means the property noted above as the address of the property to be let including all outbuildings, grounds fences boundaries etc.

Service level

The Agent will use its best endeavours to arrange minor repairs, general maintenance and replacements to the property without necessarily consulting the Landlord beforehand up to the limit agreed in writing upon giving instruction, (or up to the value of one month's rent where no figure has been specifically agreed). The Agent will not be responsible for damage or loss incurred to the Property or the Landlord in the event of repairs, general maintenance or replacements not being carried out.

Visits and reports can only be regarded as general oversight of the Property and its care by the Tenant. The Agent does not accept responsibility for actual variance between the report and the items reported upon. The Agent will liaise with the Tenant on all day to day matters arising.

The Agent will use its best endeavours to recover possession of the Property in accordance with instructions received but cannot be liable for any delays, damages or costs incurred because such vacant possession is not achieved within the time scale requested. It will be the responsibility of the Landlord to instruct solicitors with whom the Agent will liaise. The Agent can of course introduce the landlord to a solicitor to instruct if required. The Agent will not be liable for any legal or other costs incurred in any action against current or previous tenants undertaken on the Landlord's instructions.

Landlord

The Landlord will be responsible for the arrangement and valid continuance of adequate buildings and contents insurance on the Property unless specifically agreed otherwise in writing with the Agent.

Furthermore, the Landlord will particularly inform the Agent in writing of any action that needs to be taken to ensure continuance of insurance either for renewal or because the Property is vacant.

The Agent should be informed immediately of any substantial change affecting the Property and/or the Agent's management of it. The Landlord accepts that the Agent can best carry out their management function if they are aware of possible problems arising.

The Landlord agrees to indemnify the Agent for (refund to the Agent) all reasonable costs incurred in connection with the management of the Property including the cost of complying with any existing or future legislation affecting the letting of the Property and the cost of repairing and removing and replacing any dangerous and/or defective equipment and/or furnishings with safe and compliant equipment and/or furnishings.

If the Agent feels it will provide better service, the Agent can arrange to instruct other agents to assist in the marketing of the Property. This will be at no additional cost to the Landlord unless specifically agreed and confirmed in writing.

The Landlord agrees and confirms:

2.1 That the Landlord is the legal owner of the Property or that the Landlord is authorised by the owner to enter into this agreement and is entitled to receive rental income.

2.2 That the Agent is appointed as agent for the Landlord on the Property.

2.3 That the Landlord gives the Agent authority to act on the Landlord's behalf and to do anything which the Landlord could do and that the Landlord will approve of everything done by the Agent in good faith except for negligent acts or omissions or breach of contract.

2.4 That the Landlord will compensate and reimburse the Agent for all costs and expenses, claims and liabilities incurred or imposed upon the Agent under this agreement, unless the loss or liability arises through negligence or breach of contract.

2.5 That the Property is fit to be let, compliant with all statutory requirements, safe to be let and all appliances and goods are in full working order, serviced and have safety instructions for use.

2.6 That the Property will be clean prior to letting and any garden is neat and tidy for the season.

2.7 That the Property and contents (if applicable) are adequately insured and that the insurance company is aware of, and consents to, the letting of the Property.

2.8 That where the Property is subject to a mortgage, the Landlord has consent to let the Property and that the Landlord will supply a written copy of the consent to the Agent prior to letting.

2.9 That if the Property is leasehold the Landlord will obtain any necessary consent for letting and supply the Agent with a copy of the lease and the lessor's consent prior to the letting.

2.10 That the Agent or any of the employees of the Agent may sign the tenancy agreement, notices and any relevant documentation for and on behalf of the Landlord.

2.11 That the property will be supplied with a minimum of one working smoke alarm per floor and a carbon monoxide alarm in every room with a solid fuel burning appliance, and if this is not present, the Agent can arrange for the fitting of appropriate alarms at the Landlord's expense. Some properties may need more than simple smoke alarms.

3. The Agent:

3.1 Will not, as part of the regular management of the Property, be responsible for the supervision or management of any major building work or refurbishment of the Property, unless agreed between the Landlord and the Agent in writing prior to the commencement of the project and upon terms to be agreed.

3.2 Is not liable for any loss or damage arising from the defective work, sub-standard repair or any other default by a contractor engaged by the Agent, unless there has been any negligent act by the Agent in relation to the selection or management of the contractor or the repair work.

3.3 Is not responsible for redirecting the Landlord's post delivered to the Property.

3.4 Is not responsible to manage the Property when it is not let.

3.5 May delegate any of the services to be provided to the Landlord, such as inventory taking or referencing of prospective tenants, where it does not adversely prejudice the Landlord by doing so.

3.6 Is not responsible for any latent (hidden) defect in the Property.

3.7 Will not be liable for any loss or damage suffered by the Landlord via the act, negligence, and omission of any third party which may arise, otherwise than through the negligence of the Agent.

3.8 Will not attend court or any tribunal in relation to the Property as part of the regular management of the Property unless agreed between the Landlord and the Agent beforehand or unless as a matter of law the Agent is required to attend. Prices for such work are in the Scale of Charges.

3.9 Will notify the Landlord of any notices the Agent receives in relation to the Property.

3.10 May, at their discretion, prepare and serve legal notices required relating to the letting, subject to the level of service requested.

3.11 The Agent will arrange for periodic testing of electrical appliances to ensure compliance with the Consumer Protection Act 1987 and to fulfill a duty of care to the Tenant. The Landlord agrees to refund the cost of such testing.

4. Financial matters:

4.1 The Landlord will indemnify the Agent (not hold the Agent liable) for any claim, damage or liability suffered by the Agent as a result of acting on the Landlord's behalf unless this arises through the Agent's negligence or breach of contract.

4.2 The Landlord will pay to the Agent fees, commission and expenses appropriate to the level of service required by the Landlord as set out on the attached Scale of Charges or any revision of the Scale of Charges notified to the Landlord in accordance with this agreement.

4.3 The Agent will pay for repairs out of rent money held and where the monies held are insufficient to cover the cost of a repair the Landlord will pay the Agent any shortfall upon demand.

4.4 The Agent will negotiate the level of rent to be charged in consultation with the Landlord and may review the rent from time to time as the tenancy agreement, law and rental market permits.

4.5 The Agent shall be entitled to retain interest earned on any money held on the Landlord's behalf and any commission or referral fees from but not limited to insurance companies, referencing companies, utility companies, contractors and any fees charged to tenants earned while acting on the Landlord's behalf in accordance with Scale of Charges attached. Details of such income received by the Agent can be provided to the Landlord on request.

4.6 The Landlord and the Agent will comply with all requirements of HM Revenue and Customs.

4.7 Where the Tenant is in receipt of Housing Benefit, the Landlord will pay and indemnify the Agent for (refund to the Agent) any requirement to refund Housing Benefit to the local authority.

4.8 Where there is a claim on the Landlord's insurance, the Agent will, as far as the law permits, assist with the claim where necessary and the Landlord will pay the Agent's fees for this service in accordance with the Scale of Charges.

4.9 The Landlord will pay, reimburse and indemnify the Agent (refund to the Agent) for all costs incurred by the Agent, howsoever arising or incurred by the Agent, in order to keep the Property compliant with the law.

4.10 If the Agent takes a holding deposit on the Property from a prospective tenant, if the prospective tenant should default, these funds will firstly be used to reimburse the Agent's costs and expenses and then any surplus will be applied to lost rent.

4.11 The tenancy deposit will be processed in accordance with the requirements of the Housing Act 2004 and deposit protection.

4.11.1 The Agent will choose a suitable scheme and comply with the initial requirements of that scheme.

4.11.2 If the deposit is to be held by the Agent it will be held in the Agent's client account until the Tenant has vacated and the move out inspection concluded.

4.11.3 Deposit monies shall be paid out upon agreement between the Landlord and the Tenant, the decision of an adjudicator or an order of the court.

4.11.4 The Agent will try and assist in resolving any dispute.

4.11.5 If the deposit is required to be protected by the Housing Act 2004 then the Agent will have to pay the deposit into the scheme once a formal dispute is raised with the scheme.

4.11.6 If the deposit is not required to be protected under the Housing Act 2004 then the Agent will retain the deposit during negotiations on the refund pending agreement or a court order.

4.11.7 For avoidance of doubt the Agent will hold the deposit as Stakeholder and will be entitled to retain any interest earned on the deposit.

5. Notices

5.1 If the Landlord wishes to cancel this agreement before a tenancy has commenced, the Landlord may do so by writing to the Agent at the Agent's address.

5.1 If the Agent has committed expenditure or undertaken work, the Landlord agrees to reimburse the Agent with those costs and expenses.

5.2 If the Landlord wishes to cancel this agreement during a tenancy (Rent Collection and Full Management only), the Landlord may do so by writing to the Agent giving reasonable notice to allow for the orderly handover of the Property. A reasonable charge will be applicable depending upon the work required.

5.2.1 Please note the Agent will not be able to transfer the deposit without the written agreement of the Landlord and the Tenant. The Agent will also need to be satisfied that it will be properly re-protected after being handed over.

some additional responsibilities and charges are listed as below: Please tick those that the Landlord can do themselves.

		Agency Charge
1. The Landlord will be responsible for notifying the insurer of the property that the Property is to be let.	Yes	£75
2. The Landlord is the legal owners of the Property, or is authorised to let the Property on behalf of the owners. Land registry documents provided.	Yes	£50
3. The Landlord will immediately inform the Agent if the Landlord instructs another firm to let the Property and/or if the Landlord finds other prospective tenants to rent the property.	Yes	£600 to handover
4. The Landlord will arrange for permission from any mortgage lender and provide a copy of that permission to the Agent.	Yes	Can only be done by Owner.
5. The Landlord confirms that all soft furnishings at the Property comply with the current fire safety regulations and that all non-compliant furniture has been removed from all parts of the Property	Yes	£150 to arrange inspection
6. The landlord authorises the agent to carry out the necessary to ensure that the property has a valid Gas Safety Certificate and EPC, as well as Smoke & Carbon Monoxide Detectors as required, before the tenancy has commenced, which the landlord will be charged for (landlord will be communicated the charges before going ahead)	Yes	£150 plus cost of gas and ECIER certificates.
7. Empty Property Charge 5% of previous achieved rent.	Yes	

5.2.2 In the event of cancellation during a tenancy the minimum fee that would be payable is the Let Only fee plus other costs incurred, including a two months rent for the time management has been provided.

5.3 If the Agent wishes to end this agreement at any stage the Agent will write to the Landlord giving one month notice to allow the Landlord to appoint another agent.

5.4 Notice can be posted first class, recorded delivery, or hand delivered to the Agent's office for notices to the Agent or the last known address of the Landlord for notices to the Landlord.

6. Variations

6.1 It is agreed that the Agent may from time to time vary the terms of this agreement (usually annually) and the Scale of Charges in writing. The Agent will notify the Landlord of the proposed variations and such variations shall then form part of this agreement unless the Landlord declines the amendments, by written notification to the Agent within fourteen days of receipt. At least one month's notice will be provided.

6.2 The Contacts (Rights of Third Parties) Act 1999 will not apply to this agreement.

6.3 This agreement will form the basis for the Agent managing any other properties for the Landlord at which ever level of service the Landlord chooses for each property.

The Landlord agrees and accepts this Agency Agreement and instructs the Agent to undertake the level of service indicated below at the rate in the prevailing Scale of Charges.

SIGNATURES

Signed

Full Name

Landlord/ or for and on behalf of all owners of the Property

Dated

Note: Where more than one party is stated in this agreement as the Landlord, those parties will be jointly and severally liable for all of the Landlord's obligations contained in this agreement.

Signed

Full Name

Agent/ or for 1stpropertiesUK

Dated