

PROPERTY MANAGEMENT TERMS AND CONDITION

Version 1.6

Updated on 20/11/2024

1. Appointment of Property Manager

1.1 The Landlord appoints the Property Management Company as the exclusive property manager for the Properties. This appointment can be made via phone, email, or text.

1.2 Regardless of the method of appointment, the engagement of the Property Management Company is subject to these Terms and Conditions.

1.3 The Property Management Company will manage the Properties, including leasing, maintenance, repairs, rent collection, and tenant relations

2. Term

2.1 These Terms and Conditions commence on the Effective Date and remain in effect until terminated by either Party.

2.2 The Landlord may terminate the contract by providing a written notice at least ten days before the desired termination date.

2.3 Termination does not relieve either Party from any obligations or liabilities accrued prior to the effective date of termination.

2.4 As long as the Property Management Company manages the Properties, the Landlord agrees to these Terms and Conditions, and the Property Management Company will manage the Properties accordingly.

3. Property Management Services

3.1 The Property Management Company agrees to:

- Advertise and market the Properties.
- Screen tenants, including background, credit, and rental history checks.
- Execute lease agreements on behalf of the Landlord.
- Collect rent and other charges.
- Coordinate maintenance and repairs.
- Handle tenant complaints, inquiries, and emergencies.
- Conduct periodic property inspections.
- Maintain accurate records of income and expenses.
- Provide monthly financial statements and reports.
- Manage the eviction process, if necessary, in compliance with laws and regulations.
- Keep track of all safety certificates required and order new ones as they expire, especially gas and electric certificates.

3.2 The Property Management Company shall exercise reasonable care and diligence but is not liable for losses, damages, or claims arising from good faith actions within its responsibilities.

4. Commission

4.1 The Landlord agrees to pay the Property Management Company a management fee of 6% of the total rent collected from the tenants.

4.2 The management fee is calculated by multiplying the total rent collected by 6%, and the Property Management Company retains the fee before remitting the balance to the Landlord.

4.3 A letting fee of £300 is charged for each new tenancy secured, covering tenant acquisition and lease execution costs (for properties within a 1-hour drive from the registered office).

4.4 For properties more than a 1-hour drive from the registered office, an additional charge of 45p per mile (based on the national mileage rate) for the full drive will be applied.

4.5 All fees are deducted from the collected rent before remitting the balance to the Landlord.

5. Responsibilities of the Landlord

5.1 The Landlord must provide all necessary information, documents, and access to the Properties required for proper management.

6. Confidentiality

6.1 Both Parties must maintain confidentiality of any non-public information disclosed during the management of the Properties.

7. Right to Increase Fees

7.1 The Property Management Company may increase the management and letting fees with a 60-day written notice to the Landlord.

7.2 Fee increases must be reasonable and justified based on market conditions, inflation, changes in expenses, or other relevant factors. A detailed explanation must be provided.

7.3 The Landlord can terminate the agreement without penalty by providing a written notice within 20 days of receiving the proposed increase notice.

7.4 If the Landlord does not terminate the agreement within the specified timeframe, the fee increase takes effect as specified in the notice.

7.5 Standard charges for regular safety certificates are listed on the Property Management Company's website.

8. Commissions and Kickbacks

8.1 All financial incentives received by the Property Management Company in relation to the managed Properties belong solely to the Property Management Company.

8.2 The Property Management Company must act in the best interest of the Landlord and avoid any conflicts of interest.

9. Maintenance

9.1 The Property Management Company does not add any extra charge on maintenance.

9.2 For most small maintenance jobs, the Property Management Company will send out its builders, charging £22.5 per hour Per person plus materials.

9.3 This charge covers the cost of traveling, lost time, and administration work, the costing to the Property Management Company ranging £18-20 Per hour per builder.

9.4 The Property Management Company has the right to carry out maintenance jobs below £200 without prior authorization from the Landlord. Any job over £200 requires Landlord authorization.

9.5 In case of emergency maintenance, the Property Management Company will make an effort to contact the Landlord but there is no limit on the amount that can be spent to address the emergency.

10. Rent Payouts

10.1 The Property Management Company will provide monthly statements to the Landlord on the 6th of every month, or the next working day if the 6th falls on a holiday.

10.2 Rent payments will be made after the statement is sent but may take a few hours to process.

11. Updates to Terms and Conditions

11.1 The Property Management Company reserves the right to update these Terms and Conditions.

11.2 The Property Management Company will notify the Landlord of any updates via email at least 30 days prior to the effective date of the changes.

11.3 If the Landlord does not agree to the updated terms, they can terminate as stated in Sections 7.3 and 7.4.

11.4 All managed properties are subject to the most current version of these Terms and Conditions, as long as the Landlord is notified.

12. Damage and Loss Caused by the Management

12.1 The Property Management Company will not bear the costs of any damages caused by mistakes unless covered by the Property Management Company's liability insurance.

12.2 For example, if a gas safety certificate expires and the Landlord is trying to evict a tenant, as long as the Property Management Company has instructed someone and done their best to ensure the certificate was obtained, any delays or reasons for not having the certificate on time, including any costs and losses caused by this delay, will not be at the cost of the Property Management Company. If the court rejects the eviction case due to a gap in the gas safety certificate, it will not be the Property Management Company's responsibility, provided they can prove they have fulfilled their part.

12.3 The Property Management Company will act in good faith and with due diligence. However, the Landlord acknowledges that unforeseen issues or delays may occur despite the Property Management Company's best efforts.

12.4 Any claims or disputes regarding damages or losses must be communicated to the Property Management Company in writing within 30 days of the occurrence.

13. Entire Agreement

13.1 These Terms and Conditions constitute the entire understanding between the Parties and supersede all prior agreements, whether oral or written.

13.2 Amendments or modifications must be in writing and signed by both Parties.