

Service agreement



Between **Cleeve Residential Lettings Ltd, 5 Church Road, Bishops Cleeve, Cheltenham, GL52 8LR**
01242 674775 / lettings@cleeve.co.uk

and

Full name(s) of all owner / Landlord(s):

Title (Mr / Mrs / Miss / Other)

Title (Mr / Mrs / Miss / Other)

Title (Mr / Mrs / Miss / Other)

Correspondence address:

Postcode:

The following conditions form the agreement between Cleeve Residential Lettings Ltd and the Landlords specified above. They define the level of service required and selected by the Landlord and are reliant upon the information given to Us by the Landlord.

DEFINITIONS

- The "Landlord", "You", or "Your" means the person or persons named above as Landlord of the 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 fulfil their obligations.
- The "Agent", "We" or "Us" means Cleeve Residential Lettings Ltd. Cleeve Residential Lettings Ltd is a company registered in England and Wales, Company Number 8847166. Cleeve Residential Lettings Ltd will often use the trading style of Cleeve Residential Lettings and the two titles can be taken as synonymous.
- The "Tenant" means the party named in the tenancy agreement as the Tenant of the Property.
- The "Property" means the Property in the Landlord & Property Details form as the address of the Property to be let including all outbuildings, grounds fences boundaries etc.

LEVEL OF SERVICE

We offer four levels of service to Landlords and the Landlord will indicate the service they require in the Landlord and Property details form and the Action List form.

The below should be reviewed with the Levels of Service – In Detail form for easy comparison of the different levels.

Let Only Service

- We will arrange to provide a guide on the rental price of the Property.
- We will arrange for production of the legally required paperwork for the Property. This may include a gas safety certificate, an energy performance certificate, mains electrical and portable appliance testing, and a Legionella risk assessment. All costs will be borne by the Landlord, even if the Property is not actually let through Us.
- We will advertise the Property in appropriate ways to find a suitable Tenant for the Property.
- We will arrange viewings with prospective Tenants either using the keys supplied by the Landlord or in coordination with the current occupier. All viewings will be accompanied by Us unless agreed otherwise.
- Once a prospective Tenant is found who is interested in the Property, they will be asked to complete an application form providing information about themselves.
- We will then take references appropriate to the circumstances of the prospective Tenant. This may be carried out either by Cleeve Residential Lettings Ltd or may be outsourced to a referencing agency as We think fit.
- We will take responsibility for checking the immigration status of the applicants as required by law.
- On receipt of satisfactory references We will set up the necessary paperwork to let the Property on an appropriate tenancy.
- We will arrange for the initial production and subsequent agreement of an inventory and schedule of condition of the Property at the move in.
- We will arrange for the paperwork to be signed by the Tenant, and We will sign on behalf of the Landlord.

- We collect all money due by way of Rent (for the first month only) and the Deposit.
- We will arrange to secure the Deposit in our account with the Deposit Protection Service and retain the associated paperwork. For Deposits which do not need to be so protected, We will retain the funds in our Client Account for the duration of the tenancy.
- We will send the Landlord the funds due, less our fees and expenses, and the tenancy paperwork (within 10 days of move-in).
- Once the Tenant has moved in to the Property under the Let Only Service the management of the Property and the Tenancy will become the responsibility of the Landlord who should supply the Tenant with contact details and procedures for future Rent payments, repairs and maintenance. The Landlord will need to ensure the Property and tenancy remain compliant with changes in legislation, particularly with regards to safety certificates. Cleeve Residential Lettings Ltd will not issue reminders or updates.

Rent Collection Service

In addition to the Let Only Service provisions above and after the Tenants move into the Property:-

- We will collect rents or others charges due from the Tenant and provide monthly accounts to the Landlord.
- Should the Rent fall late we will pursue any non-payment of Rent and provide advice on action only. We will not be liable for the amount of any arrears nor for any legal or other costs incurred by Us or the Landlord or any other party in respect of the recovery of such arrears.
- If the Landlord lives overseas, We must account to HM Revenue and Customs for the rental received and this can include deducting basic rate income tax. To avoid this, the Landlord can apply to HM Revenue and Customs for approval for gross rents to be paid. The Landlord agrees that they Agent may charge a fee of £100 +VAT to the Landlord for doing an end of year return as they are handling the account.

Part Managed Service

In addition to the Rent Collection Service provisions above and after the Tenants move into the Property:-

- We will arrange for an annual Gas Safety Certificate for the Property (if necessary) without consulting the Landlord beforehand.
- We will make periodic visits to the Property and send a report to the Landlord but such visits and reports can only be regarded as general oversight of the Property and its care by the Tenant. This includes Fit For Human Habitation checks and Fire Risk Assessment. We will liaise with the Landlord and Tenant on all matters arising. Cleeve Residential Lettings Ltd does not accept responsibility for variance between the report and the items reported upon.
- We will use our 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 We will liaise. We 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.

Full Management Service

In addition to the Part Managed Service provisions above and after the Tenants move in to the Property:-

- We will make periodic visits to the Property and send a report to the Landlord but such visits and reports can only be regarded as general oversight of the Property and its care by the Tenant. This includes Fit For Human Habitation checks and Fire Risk Assessment. We will liaise with the Landlord and Tenant on all matters arising. Cleeve Residential Lettings Ltd does not accept responsibility for variance between the report and the items reported upon.
- We will use our 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 We will liaise. We 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.
- We will provide income and expenditure reports, file an end of year overseas Landlord return with HMRC (if applicable), amend tenancies and arrange works at the Property with your chosen contractor within this service.

GENERAL TERMS

The Landlord agrees and confirms:-

- 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.
- That Cleeve Residential Lettings Ltd is appointed as Agent for the Landlord with regard to the Property.
- That the Landlord gives Us authority to act on the Landlord's behalf and to do anything which the Landlord would reasonably do.
- That the Landlord will approve of everything done by Us in good faith except for negligent acts or omissions or breach of contract.
- That the Landlord will compensate and reimburse Us for all reasonable costs and expenses, claims and liabilities incurred or imposed upon Us under this agreement for the management of the Property, unless the loss or liability arises through negligence or breach of contract. Such expense may include (but not be limited to) compliance with current or future legislation, repairing or replacing any defective equipment or fittings
- 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.
- That all soft furnishings comply with fire resistance requirements that came into force in 1988.
- That the Property will be clean prior to letting and any garden is neat and tidy for the season.
- 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.
- That, where the Property is subject to a mortgage, the Landlord has consent of the lender to let the Property.
- That if the Property is leasehold the Landlord will obtain any necessary consent for letting the Property.
- That Cleeve Residential Lettings Ltd may sign the tenancy agreement, notices and any relevant documentation for and on behalf of the Landlord.
- 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.
- That the Landlord(s) confirm that they are not subject to a Banning Order and have not been entered onto the database established by the Housing and Planning Act 2016.
- That all the information he has supplied to Us is correct to his/her knowledge and belief. If any information proves to be incorrect and We suffer loss as a result, then the Landlord agrees to compensate Us for all such losses.

Cleeve Residential Lettings Ltd:-

- 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 Us in writing prior to the commencement of the project and upon terms to be agreed.
- 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 Us, unless there has been any negligent act by Us in relation to the selection or management of the contractor or the repair work.
- Is not responsible for redirecting the Landlord's post delivered to the Property.
- Is not responsible for managing the Property when it is not let, unless prior arrangements have been agreed in writing with the Landlord.
- May delegate any of the services to be provided to the Landlord, such as inventory making or referencing of prospective Tenants, where it does not adversely prejudice the Landlord by doing so.
- Is not responsible for any latent (hidden) defect in the Property.
- We will not be responsible for damage or loss incurred to the Property or the Landlord in the event of repairs, maintenance or replacements not being carried out.
- 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 Us.
- Will notify the Landlord of any notices We receive in relation to the Property.
- May prepare and serve legal notices required relating to the letting, after consultation with the Landlord.
- Will attend court or tribunal in relation to the Property where it becomes necessary, but reserves the right to charge a fee for such attendance as stated in the Level of Service – In Detail Form
- May arrange for periodic testing of electrical appliances to ensure compliance with the Consumer Protection Act 1987 and to fulfil a duty of care to the Tenant. The Landlord agrees to refund the cost of such testing.

FINANCIAL

Payments due to the Landlord will be made directly into the bank account detailed in the Landlord & Property Information. Payments to the Landlord will be made up to ten working days after receipt from the Tenants, but not before the start of the tenancy. The Landlord agrees to pay to Us fees and commission appropriate to the level of service required by the Landlord as set out in the Schedule of Fees attached and that all such charges will be deducted from rental income. We will pay for repairs out of Rent held, as agreed with the Landlord, and where the monies held are insufficient to cover the cost of a repair the Landlord will pay Us any shortfall upon demand.

We 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.

We shall be entitled to retain interest earned on any money held on the Landlord's behalf and any commission or referral fees earned while acting on the Landlord's behalf up to the amount of 12% including VAT, but not to exceed the sum of £100 per transaction. The Landlord and Cleeve Residential Lettings Ltd will comply with all requirements of HM Revenue and Customs, in particular if the Landlord lives abroad.

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

The Agent will, if required, supply duplicate rental statements and annual statements and the Landlord will pay the additional cost as set out on the Level of Service – In Detail form.

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 Levels of Service – In Detail form.

The Landlord will pay, reimburse and indemnify Us (refund to Us) for all costs incurred by Us, after discussion with the Landlord, in order to keep the Property compliant with the law.

If a holding Deposit, as permitted by the Tenant Fees Act 2019, is held by the Agent then, in circumstances detailed in Schedule 2 of the Act, the holding Deposit may be retained. These funds will firstly be used to reimburse the Agent's costs and expenses.

The tenancy Deposit will be processed in accordance with the requirements of the Housing Act 2004 and Deposit protection. The Deposit will be held by the Deposit Protection Service for the duration of the tenancy. If the Landlord chooses to administer the Deposit himself then he takes responsibility for carrying out all the legal requirements associated with registering the Deposit. Cleeve Residential Lettings Ltd cannot be held responsible for any negligence or miss-appropriation by the Landlord.

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 is concluded.

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.

The Agent will try and assist in resolving any dispute but has the right to charge as per the Levels of Service – In Detail form.

All our charges are subject to VAT at the standard rate. All charges are subject to change given a minimum thirty day's notice.

BANK ACCOUNTS

Landlords' and Tenants' money is held in a registered client account. The account is in the name of Cleeve Residential Lettings Ltd CC Client Account and is held at Lloyds Bank PLC in Cheltenham.

TENANCY TERM

The Tenancy will usually be for an initial FIXED TERM of six months and will move into a PERIODIC TENANCY from then on, if acceptable to both parties.

ARBITRATION

Should a dispute arise between the Landlord and the Tenant, the Landlord agrees to allow Cleeve Residential Lettings Ltd to act as arbitrators and agrees to abide by their decision. Where disputes arise regarding retention of all or part of the Deposit then any dispute may be referred to the Alternative Dispute Resolution Service.

Should the Landlord have cause for complaint with Cleeve Residential Lettings Ltd, which cannot be amicably resolved between the two parties, then the dispute can be referred to the Ombudsman Service for adjudication.

REDRESS AND CLIENT MONEY PROTECTION

Letting Agents are required to be a member of a redress scheme. We belong to the following Property Redress Scheme (PRS) and you can seek redress by writing to the scheme at:

Address: Premiere House, 1st Floor, Elstree Way, Borehamwood, Hertfordshire, WD6 1JH

Telephone no: 0333 321 9418

Website: www.theprs.co.uk

Email: info@theprs.co.uk

Before a complaint can be escalated to the redress scheme, clients are initially required to go through Cleeve Residential Lettings Ltd complaints procedure, a copy of which is enclosed.

From 1 April 2019 Letting Agents are required to have Client Money Protection. Our provider is NALS and their website is www.nalscheme.co.uk. A copy of our Client Money Protection Certificate is available upon request.

ENERGY PERFORMANCE CERTIFICATE

All properties advertised for Rent must have an Energy Performance Certificate (EPC) available to prospective Tenants before it can be advertised. The Landlord authorises Cleeve Residential Lettings Ltd to arrange for the certificate to be produced and agrees to meet the cost of the certificate.

SOLE AGENCY

By signing this agreement the Landlord will grant to Cleeve Residential Lettings Ltd the sole rights to seek a Tenant for the Property for a period of 12 weeks from the date of this agreement. Should We fail to secure a Tenant during the period of 12 weeks then the Landlord will be free to end the contract or appoint other Letting Agents as he may wish. If the Landlord appoints other Letting Agents within 12 weeks of the date of this agreement, who secures a Tenant, then the Landlord will pay a fee to CRL of 50% (+vat) of the advertised monthly Rent.

VARIATIONS TO AGREEMENT

It is agreed that Cleeve Residential Lettings Ltd may from time to time vary the terms of this agreement and the Scale of Charges in writing. Cleeve Residential Lettings Ltd 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 of any changes. Variation will not happen more frequently than annually.

CANCELLATION NOTICES

If the Landlord wishes to cancel this agreement the Landlord may do so by writing to Cleeve Residential Lettings Ltd at Our office address or emailed to lettings@cleeve.co.uk giving three months notice to allow for the orderly handover of the Property.

Notice can be posted first class, recorded delivery, or hand delivered to Our office for notices to Us, or to the last known address of the Landlord for notices to the Landlord.

If the Landlord wishes to cancel this agreement within the first fourteen days of signing the contract then no charges will apply, but see Declaration below

If the Landlord wishes to cancel the contract before a Tenant has been found for the Property then no charges will apply. However, in the event that We have incurred costs on behalf of the Landlord, for example an Energy Performance Certificate or Gas Certificate, then the Landlord agrees to reimburse Us with those costs.

If the Landlord wishes to cancel the contract after a Tenant has been found for, or installed into, the Property then the minimum fee that would be payable is the Let Only fee plus other costs incurred, including a reasonable fee for the time management which has been provided.

We will not be able to transfer any Deposit without the written agreement of the Landlord and Tenant and We will need to be satisfied that the Deposit will be properly re-protected after handover.

If Cleeve Residential Lettings Ltd wishes to end this agreement at any stage We will write to the Landlord giving Three Month's notice to allow the Landlord time to make alternative arrangements. This can be done in writing to the Landlords address or email address provided by them.

COMPLAINTS

If you are a Landlord, Tenant or contractor with whom we are conducting business and you feel it necessary to make a complaint about the services we have supplied, or failed to supply, you should write to Us in the first instance, addressing your complaint to Bex Lewis and sending it to our office address or emailed to lettings@cleeve.co.uk.

Your letter should provide as much information about the circumstances of the complaint as possible including Property, dates and people involved.

We will record your complaint and will provide an acknowledgement to you within three working days.

We will commence an immediate investigation into the issues surrounding the complaint. This will be undertaken by a senior member of staff who has not been involved in the original matter, and we will aim to provide a full written response, or an update, within 15 working days.

Following the conclusion of the investigation if you are not satisfied with the outcome you have the opportunity to refer the matter to the Ombudsman Services of which we are members. They can be contacted at <http://www.ombudsman-services.org> or by telephone on 0330 440 1634. The Ombudsman Services are free and any complaint must be made within six months of receiving the final view from ourselves.

DATA PROTECTION

Cleeve Residential Lettings Ltd is committed to ensuring your personal information is protected and not misused. As a responsible Data Controller, registered with the Information Commissioner's Office (ICO), we will process any personal data in accordance with the required Data Protection rules. Your personal details are protected by law under the Data Protection Act 1998 and we will take all reasonable precautions to comply with these privacy rules.

For your peace of mind, we have explained precisely what information we collect, why we collect it, how we protect it, and the controls you have to change it or delete it on our website.

For full details please visit www.cleeve.co.uk/privacy

You, the Landlord will also be a controller in respect of the Tenant and other personal data and should be registered with the ICO and process all data in accordance with the General Data Protection Regulations.

VARIOUS

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

This agreement will form the basis for Cleeve Residential Lettings Ltd to manage each and every Property the Landlord has asked Us to manage at which ever level of service the Landlord chooses for each Property.

When a tenancy comes to an end Cleeve Residential Lettings Ltd will advise the Landlord and ask for instructions as to future requirements. If the Landlord instructs that the Property is to be relet, then the terms of this agreement will continue unless an alternative agreement is put in place.

Schedule of fees



Level of service: Let only Rent collection Part managed Fully managed

LET ONLY

80% +VAT (96% INC VAT) of first months Rent £

RENT COLLECTION

8% +VAT (9.6% INC VAT) of monthly Rent £

& 50% + VAT (60% INC VAT) set up fee of first months Rent £

PART MANAGED

10% +VAT (12% INC VAT) of monthly Rent £

& 50% + VAT (60% INC VAT) set up fee of first months Rent £

FULLY MANAGED

12% +VAT (14.4% INC VAT) of monthly Rent £

& 50% + VAT (60% INC VAT) set up fee of first months Rent £

DECLARATION

I have read and understand the Terms and Conditions stated within this Service Agreement and the Landlord & Property Details Form hereto and duly name

Cleeve Residential Lettings Ltd as my Agent.

I confirm that I have the authority as owner/ owner's Agent to enter into this agreement.

I confirm that all the information provided to Cleeve Residential Lettings Ltd is correct to the best of my knowledge and belief.

I confirm that Cleeve Residential Lettings Ltd can start its services within the 14 day cancellation period allowed by the Consumer Contracts (Information, Cancellation, and Additional Charges) Regulations 2013, and I accept that, as Landlord, I will be liable for any costs incurred if I decide to cancel this agreement within 14 days.

Signature of Landlord: _____ Name: _____ Date: _____

Signature of Landlord: _____ Name: _____ Date: _____

Signature of Landlord: _____ Name: _____ Date: _____

Cleeve Residential Lettings Ltd agrees to provide services to the Landlords in respect of the Property detailed in this Agreement and the Landlord & Property Information attached hereto.

Signed on behalf of Cleeve Residential Lettings Ltd

Name: _____ Date: _____