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**Terms and Conditions/ Property Management Agreement**

TERMS AND CONDITIONS FOR CLIENTS

Please see our current price list for 2020 charges

We reserve the right to refuse management of dwellings that do not comply with Government requirements or that may pose a health and safety risk to tenants

Please note that all let dwellings must be registered with the Rent Smart Wales licencing scheme (Part 1 The Housing (Wales) Act 2014). We will give free advice.

Letting

Sourcing Tenants:

We will advise on the probability of finding tenants for your property, and a realistic rental rate for the property. Once this is agreed and your property is placed on our books for letting it will be marketed locally and on Zoopla & Right Move (for 3 months) until a suitable tenant is found.

We will interview possible tenants and will also take up references following the Rent Smart Wales guidelines on referencing for tenants and guarantors. We will then prepare tenancy agreements. Please note that although we do have private rental tenants, many of our tenants are in receipt of housing benefit. If the tenant is a single person under age 35 and without children, we require a guarantor.

From September 2019 in Wales, tenants cannot be charged any administration fees, but we require that they either pay a deposit which will be deposited with the TDS custodial scheme, or pay for a zero deposit by means of the equivalent of one weeks rent as an insurance payment to “Zero Deposit Scheme”. We will ask for rent in advance as well.

Our charge for finding a tenant is one month’s rent or £240 - whichever is lower, to be paid when the first rent is received either from the tenant if private, or from the Council or Universal Credit if housing benefit. If the tenant leaves before the completion of the initial six months tenancy agreement, Agent Lewis will find a replacement tenant without additional charge.

We will send you by email a copy of the tenancy agreement and a photograph of your tenant. The photo is for your information only and must not be shared or used on social media or any other data sharing platform.

Transfer from another agent or taking on a property with a sitting tenant:

There is an initial set-up charge of **FREE** per property for accepting a new account with current tenants from you or from another letting agent. If you give us a property to manage with a sitting tenant already there, we will get them to sign a new tenancy agreement, but will not require a deposit, guarantor or advance rent.

Benefit Administration:

Currently Housing Benefit is assessed by Local Housing Allowance which is paid directly to the tenant. However, if the tenant is 8 weeks in arrears this benefit is paid to the landlord or letting agent. In order to qualify for this, we put in the tenancy agreement that the tenant must pay 8 weeks in advance when taking on the property. As a result of this the benefit is paid directly to us from the start, eliminating the possibility of the tenant using the rent allowance for other expenses. Please note that this means the tenant will technically always be 8 weeks in arrears, even when their rent is completely up to date for the weeks they have lived in the property. We will keep landlords informed of any changes to benefits, either to your individual tenant, or major changes within the benefits system itself, such as claimants being moved to Universal Credit. We insist that tenants sign a disclosure statement so the council can speak to us about suspended benefit. Agent Lewis works closely with the council and tenants to ensure that benefits continue to be paid. We also assist tenants in the initial completing of forms needed to claim Local Housing Allowance, and work closely with the council to process applications as part of the initial Tenant Finding Fee. Agent Lewis also works with the DWP and Universal Credit and do our best to collect the housing benefit element of this payment as efficiently as possible.

We pass the rent collected (less the management charge) on to you every four weeks or monthly, depending on how the benefit is paid to us. You will be sent a statement giving a 4 weekly or monthly consolidated report of full details of the rent collected, rent passed to you and management fee.

Occasionally rents paid out to tenants are subsequently clawed back by the council or Universal Credit if they made the payment in error, or if it was fraudulently claimed. This is deducted from total rent amounts remitted to Agent Lewis, in effect underpaying the rents due for other properties. The Landlord is responsible for refunding to Agent Lewis any and all housing benefit payments clawed back by the authorities. You, the landlordmust repay any clawback of rents from properties you own.

Private Rent:

We have a number of private tenants who pay rent from their own resources rather than from benefits, as well as tenants who get limited housing benefit and pay the difference between the benefit and rent due. We encourage tenants to set up standing orders for the rent, but we can call at the properties and collect the rent by arrangement with the tenant.

Letting Full Management:

Rent Collection

Our commission is based on the rent collected. Our fees depend on the number, location and condition of the properties we manage for individual landlords, and range between 9% and 14%, depending on the number of properties managed and their location. Our duties as managing agents will be as follows:

Collecting rent from the council or Universal Credit in the case of housing benefit, and from the tenant in the case of private tenants and tenants who are paid benefits directly from the DWP or council. We do our best to get benefits paid directly to us but sometimes UC is paid to the tenant. We make every effort to collect this from the tenant directly, but Agent Lewis cannot be held responsible for benefits the tenant fails to pay to us for the rent due.

Collecting any top-up rents agreed (please note, although tenants may agree to top up, in practice it is not always possible to collect this, but we do our best and keep you informed). We notify the landlord of any issues raised by the tenant regarding necessary repairs. We respond to emergency call-outs, deal with any emergencies and generally oversee the property and tenant.

Making 6 monthly visits to the property, to ensure the property is being maintained by the tenant in accordance with the Tenancy Agreement.

Notifying you of any matters relating to the basic structure, repairs and maintenance, and main services of the property.

Repairs and Maintenance:

We would like to be given a free hand on repairs without referral, say up to £150 which will enable us to deal with urgent repairs immediately. For more substantial items of repair, we will quote you our best price and no work will be carried out until we have you or your representative’s consent. If you do not want us to undertake the repair, there is a charge for a schedule of work and quotation from Agent Lewis*.*  You are free to appoint your own contractor to carry out work. However, it will be your responsibility to arrange access with the tenant and inspect when the work is completed. If the property is empty, we will give keys to your contractor on your instructions.

Please Note: We must have an emergency number or email to contact you at all times in case of emergency. If we cannot contact you we will proceed with emergency repairs and will with-hold the cost of this emergency work from your next rent.

The Landlord is responsible for any bills including council tax, rates, or utilities bills incurred prior to tenants moving in, or between tenant’s occupancy. The Landlord is responsible for boarding/security arrangements for the property when it is unoccupied.

Empty Properties:

The Landlord will normally ask Agent Lewis to re-let empty properties, and sometimes properties need to be refurbished or redecorated between tenancies. If the landlord opts to leave the property boarded up and does not seek to re-let it, Agent Lewis will charge a monthly fee for periodic visits to the property. (Please refer to the current price list) If there are any call-outs to the property, the monthly fee covers Agent Lewis attendance. This includes going to the property plus up to one-hour attendance. If we have to stay longer (for example waiting for the Police for a crime reference number) there is an additional charge for extended waiting time (please see price list). The same applies for call-outs to meet insurance adjustors, meet council environmental officers, show the property to prospective buyers or similar attendance requirements for properties on our books but not available to let.

Mortgage and Insurance Surveys:

There will be a charge for Agent Lewis to arrange access to properties by surveyors and to meet them at the property for mortgage or insurance purpose (please refer to the price list) Tenants do not like being disrupted in their homes, and we try to sort these with minimum disturbance to the tenants. However, if the property is empty and you just want us to give the key to your surveyor there will be no charge.

Bank Accounts:

Agent Lewis has a separate Client Bank Account with Barclays bank, and all client money is kept in that account, separate from other business accounts. Rent money and any deposits for repairs or refurbishments go into that account, and all money there is fully accountable as Client’s money. Your rent will be paid to you from that account. That account also pays Agent Lewis the agent fee on rent collected, and money for repairs that are being with-held from rents at the landlord’s request. The account is a current non-interest paying account protected by Client Money Insurance . I am a member of SafeAgent\* (The National Approved Letting Scheme) and comply with all their regulations. I am a registered SafeAgent and the PRS redress scheme and also a Rent Smart Wales licensed agent.

I require that our landlords have a bank account into which we can transfer the rent due to you, and you must supply us with the bank account name, sort code and account number.

*\*The SafeAgent Scheme is an accreditation scheme for lettings and management agents offering peace of mind to landlords and tenants in knowing that they are dealing with a firm which agrees to meet defined standards of customer service, together with having in place the necessary insurances to protect clients' money plus a customer complaints procedure offering independent redress. Our independent redress scheme is “The Property Redress Scheme”.*

AML – Anti Money Laundering legislation

Agent Lewis has an anti-money laundering policy, and as part of that, before we can take on a new Landlord, we need to carry out due diligence to ensure verification of your identity. We will need proof of your identity and address.

The following documentation must be presented by all Landlords on our books. If you are a company client rather than an individual, we need this information about the company directors.

Your name and address, date of birth and place of birth

A valid passport, driver’s licence, or government issued document featuring a photograph of the individual, and full name and date of birth matching those provided.

An original utility bill dated within the last year, bank statement or government issued document with the name and address matching those provided by the individual.

If Agent Lewis fails to verify the identity of a client with reasonable certainty it will not establish a business relationship or proceed with any transaction.

Refurbishing

Agent Lewis will obtain competitive quotes from reputable builders and present the client with the best available offer. We require 25% of the refurbishment cost up front before work can start. The release of the funds/cheques to the builders will be controlled by Agent Lewis in order to keep the work progressing under our supervision. A second interim payment of 25% of the cost will be due when the work is well underway. When the work is completed the client is invited to visit and sign it off. At that stage the final 50% is due or as agreed in advance with the Landlord.

Refurbishment work will be carried out according to the client’s wishes. NOTE: By law any property to let must have a Gas Safe Certificate and EPC (Energy Performance Certificate) and some councils are now asking for an Electrical Certificate as well. These are normally obtained before or at the same time as the refurbishment works are signed off. Refurbishment work will also have damp course certificates and FENSA certificates for replacement windows where this work is part of the job. Building Regulation compliance may be required for some alterations. We will quote for Building Control fees and costs.

Ending the agreement

You are required to give us 2 calendar months’ notice if you wish to end this agreement, and you must settle any outstanding invoices prior to our handing over certificates, keys etc to you or to a new managing agent. Alternatively, you can settle any outstanding bills and pay an exit fee of £150 if you wish to leave without giving notice.

Property addresses (s)

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| --- | --- |
| Address | Town and post code |
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Agent Lewis Terms and conditions signature page: By signing this agreement, the property owner enters a contract with Agent Lewis and agrees to comply with the terms and conditions listed above.

Client (Landlord)

Name

Address

Telephone contact number

Email

Bank account details

NRL number (for overseas Landlords)

Signature

Date

Countersigned on behalf of Agent Lewis

Name and position

Signature

Date