



MICHAEL G. LEWIS & SON

Established - 1966

Residential Letting Agents & Property Managers

***Web summary of our Letting & Management
Terms & Conditions***



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Background

In 1966 Michael Lewis bought out P. L. Pick & Co. then a long established company and established himself in his own right as Tawe Mutual Estate Agents. After several years he changed the name to that of Michael G. Lewis, Estate & Letting Agent.

After leaving education, Robert joined the practice in 1982. In 1985 the firm's name changed to Michael G. Lewis & Son.

Since then our company have specialised in the field of private rented accommodation rather than sales and letting, and we currently manage properties in most areas of Swansea.

Since 1977 there have been many changes in housing legislation and we have strived to maintain the level of expertise to deal with the most demanding situations. The rental sector has again gone through even more changes with the introduction of the Housing Act 2004, which has not only brought in licensing for Houses in Multiple Occupation or HMO properties, but has also given the initiative for an independent redress system for deposit disputes. Energy Performance Certificates or EPC's have now been introduced for rented property.

Our Property Management Coordinator, Mrs. Annette Grinter deals very efficiently with the day-to-day running of the office and liases with contractors, tenants etc. as well as preparing our Client's monthly income and expenditure statements.

Robert, who is an Honoured Fellow of the National Association of Estate Agents has been a member since 1989 and has served on the South Wales Branch Committee since 1991. In October 2003 Robert was one of first 17 in the country that attained the National Association's Technical Award in Residential Letting & Management.

His roles have included Recruitment Officer, Chairman and currently the Branch Treasurer. His other duty to the Association is that of Assistant Business Practices Officer a disciplinary officer -assessing cases between landlords or tenants who are in dispute with agents that are members of the Association and if necessary, for more serious breaches preparing the case for a disciplinary tribunal.

Michael is now semi-retired, although still maintains contact with our long-standing clients for whom he pays personal attention.

Rental Assessment

When we make our first visit to your property we will give you an indication of the current market value based on our experience in the field.

We will advise you of any obvious remedial works required in order to attract a suitable tenant. We will also advise you on the necessary works to comply with current safety regulations.

Advertising/Marketing

We will erect our "To Let" board at the property, having regard to planning regulations. Certain property locations may make it fruitless to erect a board and therefore we reserve the right not to erect a board in these circumstances.

Your property will be marketed in the following ways: -

"In House" with details being made available for walk in applicants.

24/7 on our website www.mglewisandson.co.uk to include one photograph

24/7 on www.findaproperty.com , www.primelocation.com and soon on www.propertylive.co.uk to include several photographs (as appropriate)

You property will also be marketed through paper based advertising in the local property guide (known as Find a Property). There is a charge for this due to printing costs. The costs are split between the properties being advertised, if this includes a photograph there will be a slightly higher cost accordingly. We aim to advertise bi weekly, however, we are dependent on market forces and reserve the right to change advertising sizes and frequency from time to time.

You will be invoiced the cost of the advertising through our normal accounting process. However, should you decide to withdraw from our services prior to the property being let, you will be invoiced for the cost of any advertising separately. Please read the section headed "**Agreed Period**" overleaf

Referencing

We reference prospective tenants, at no charge to you via MARAS Group. However, should you require any other form of reference we reserve the right to make a reasonable charge for such a request.

Once a referenced tenant is found (A or B), we shall proceed to tenancy. If requested we shall forward you a copy of the tenancy when signed, otherwise a copy will be held on file. .

For any other type of Tenant ie: Housing Benefit or tenant with bad credit history, these will only be considered based on your written confirmation, which we would seek prior to acceptance.

Viewings

Prospective tenants are accompanied on viewings without exception. Prior arrangements are made if the property is occupied.

Letting – setting up of the tenancy

As these terms relate to the Letting and management of your property, there is an initial charge that covers:

- Production of marketing material including photographs
- Erection of a “To Let Board” at a suitable location*
- Arranging accompanied viewing with applicants during normal business hours
- Drafting the tenancy agreement for a minimum term of six months and thereafter month to month (periodic basis) unless otherwise agreed between landlord and tenant.

Tenancy Agreement

We use the Assured Shorthold Tenancy as our main tenancy agreement, so unless there are issues that we cannot use this type of agreement, this will be our stock tenancy

We initially create the tenancy for the minimum term of six months and thereafter month to month. We can (with your written instructions) create the tenancy for twelve months. We are willing to discuss the pros and cons of this with you if you wish.

Letting and Management

We charge a management fee of 12.5% plus VAT on all rents collected, which include the following services:

a) Collection of rents

Michael G. Lewis & Son will take reasonable steps for the collection of rents that become lawfully due. This will normally be by way of standing order, however some tenants prefer to pay by cheque or cash. If by cheque, this will need to be cleared before we can account to you. We allow 7 – 10 days for clearing

Should tenant fail to respond to our written requests for payment of rent, we shall refer the matter to you for instructions.

Should the landlord collect any fees direct from the tenant or if a tenant is in arrears of rent and later pays the outstanding amount to the landlord (via a court or other party), management fees will be due on all monies recovered, that became due during the period of our management agreement.

b) Income and expenditure Accounts

Preparation of rental income and expenditure at agreed intervals – for example, monthly or quarterly. These will show the rent collected for a period and what expenditure (if any) we have made on your behalf. Please have regard to the expenditure level per repair.

c) Organising contractors

Part of our management is dealing with general faults that occur during the tenancy We will organise for a suitable contractor to attend to the fault within a reasonable time having regard to the nature of the fault. So long as we are in funds to do so, we shall pay the contractor out of these funds. Should we not have suitable funds at that time we may refer the contractor to you for payment. At all times you will be responsible for the payment of contractor’s reasonable accounts that have been properly presented and the job completed satisfactorily.

d) Property Visits

The property will be visited at the time of the commencement of the tenancy and on vacation of the tenant. During the tenancy routine visits to the property to check on the general behaviour of the tenant and the general condition of the property. It will not be a survey. The visits would generally be carried out halfway through the fixed term and then from time to time if the let continues on a periodic basis. If we have cause to visit the property at any other time, we may use this opportunity to make a general inspection rather than a separate visit.

e) Keeping records of tenancies

We keep records of tenancies for a statutory period of 6 years, plus the current financial year. Following this timescale all documents relating to the tenancy and general file will be destroyed.

f) Legal requirements and statutory notices

Housing law is subject to constant change. We may inform you for time to time any changes in the law which will involve you

g) Informing authorities of incoming and outgoing tenants

Please inform the utility companies of your vacation with closing meter readings – Please do not transfer the accounts in to our name, these will not be paid and we will refer the companies back to you for payment. We may inform authorities regarding changes of occupiers. However, we are not duty bound to do so. Tenants are responsible for informing the authorities of changes.

h) “Day to Day Matters”

“Day to Day Matters” is to be defined as those duties an agent will reasonably need to act on for the general overseeing of a tenancy. This will NOT include any actions outside the business of landlord and tenant such as, but limited to major repair work, or non tenancy related matters such a neighbourly or boundary disputes.

It should be noted that, if we were to accept to deal with any matters outside the realms of dealing directly with the running of the tenancy these would be charged for accordingly and you would informed of the cost prior to undertaking such matters

i) “Out of Hours”

Our office will be closed on weekends and Bank Holidays. We provide tenants with an emergency mobile telephone number for out of hours contact. However, unless it is a matter of life and death we do not normally operate an out of hours service. Should we be called to attend the property by Tenant or Landlord out of office hours we shall make a reasonable charge for doing so, having account for the time of day. We may refuse to attend the property out of hours for trivial matters that can be dealt with during a normal working day.

Schedule of Condition/Inventory

“List of items left at the property and condition of the property”

There is no legal obligation for an inventory to be provided. Due recent changes in redress schemes and deposit handling in order to provide proof of unfair wear and tear at the end of a tenancy it is far easier to do so with an inventory/schedule of condition

Unless otherwise instructed we shall prepare a schedule of condition and inventory of items left at the property in order that we can assess unfair wear and tear at the end of the tenancy. This will be of a reasonable scale, but will not include such items as screws in door handles, cables or other such fine detail. Should you wish to have such a report made, we recommend that you outsource this to an independent inventory clerk for which you will be responsible for payment.

We shall take suitable photographs of areas or items thought to be of importance, but would advise that we are unable to completely photograph all items or all areas of the property

There is a charge of compiling this inventory/schedule of condition

Should you elect to compile an inventory yourself; we will have no responsibility to check this inventory, but only to highlight any obvious areas of discrepancy to that of the original one (attic spaces will not be checked). Any future inventory must be freshly prepared and therefore, would have no liability to compile such, but refer this back to you to undertake.

Expenditure

“Expenditure” means general accounts/bills to be paid either as final accounts or as recurring accounts such as maintenance charges

We pay current outgoings, such as water rates, council tax due when the property is unoccupied or when the landlord is obliged to pay them, insurance premiums/service charge and/or maintenance charge or similar contribution to shared expenses, and account to you as agreed. Although we shall do our best to query any obvious discrepancies, it must be understood that we are entitled to accept and pay without question, demands and accounts, which appear to be in order. In particular, we cannot accept responsibility for the adequacy of any insurance cover or for verification of service/maintenance charge demands or estimates where applicable.

Void Periods

"Void Periods" means when the property is vacant/unoccupied

Our management function does not include the supervision of the property while it is unoccupied. Although in normal course of letting, periodic visits may be made to the accommodation by our letting staff. The landlord is responsible for the supervision of the property when unoccupied and therefore should make suitable arrangements with a suitable person especially in winter for checks on the property to be carried out to avoid freeze ups etc. Please note that you should contact your insurance company when the property is vacant as it may not be covered for all perils when vacant for more than 30 days.

Taxation of Non-Resident Landlords

Finance Act 1995

Where the Landlord of the property resides abroad for more than 90 days in one financial year, the Commissioners for the Inland Revenue will hold us, as your agent, responsible for the payment of any tax liability, which arises on rents collected by us on your behalf unless you have obtained an exemption approval number. If you do not have exemption approval number and you are resident abroad, it will be necessary for us to deduct income tax at the rate of 20% of the net rent and pay such sums over to the Collector of Taxes on a quarterly basis. Similarly, if you at present live within the U.K. but subsequently move abroad, it will be necessary for us to commence this deduction from the time you leave this country until you are in receipt of an exemption approval number.

Please note that should the Government change the rate of tax to be deducted during the course of this agreement, the new rate will be effective, whether increase or decrease at the appropriate time.

The Inland Revenue will not accept a "care of" address as residence.

Certificates will be required for all legal owners of the property or the appropriate amount of tax due will be deducted as required.

We will make a charge for preparing tax accounts and submitting them to the Inland Revenue on a quarterly basis of **£34.50**. If you as Landlord are resident in the UK you should declare your residential letting income to the Inland Revenue annually as it is assessable for income tax.

Please note that we are duty bound to inform the Inland Revenue of rental income received, whether you resident or non resident for tax purposes

Commissions and Interest

The company will retain any commission, discount or interest earned by us, during the letting and management of the property.

Money Laundering Regulations

To comply with current Money Laundering Regulations we will need proof of identity in the form of a copy of your passport or copy of a photo driving licence. We will require you to sign a declaration as to the reason you are letting the property.

Utilities

Please note: Due to a change in utility company's actions we no longer deal with change of occupier details. Utility companies require that the previous occupier (landlord or tenant) to formally open or close the account.

We will not accept responsibility for these readings. It should be noted that, as part of the terms of the tenancy agreement, the Tenant is responsible for informing the utility companies and for the discharge of accounts at the end of their tenancy.

We ask that the Landlord provide us with confirmation that on their vacation that meters are read and that the utility companies have been informed of the readings for the closure of accounts.

Please do not place any accounts in our name as these will be returned to the supplier.

Please inform us of the utility companies that service the Property in order that we can pass these to the new occupier.

Tenants can freely change the supplier of utilities. We do ask them that they notify us of any change in supplier for administration purposes.

Variation of Terms

Should the need arise where we need to vary some or all of the terms and conditions contained in this document. We reserve the right to vary terms and conditions, subject only to written notice to the landlord of such variation(s), and that the landlord will have an opportunity to discuss those variations prior to them being implemented. Should no written reply be made within one month, then, the variation(s) will take place with immediate effect.

Third Party Rights

Third parties cannot benefit from this agreement under the Contracts (Rights of Third Parties) Act 1999. This agreement is solely between Michael G. Lewis & Son and the parties detailed on the acceptance form.

Limitation of Liability

We have no liability other than the duty to exercise the reasonable skill and care of a competent letting and management agent. We do not accept liability for indirect or consequential loss, such as rent arrears from a tenant with a grade A or B reference (with a guarantor), so long as we have made written requests to the tenant of such arrears, damage by tenants, costs or expenses (unless such losses were foreseeable by both parties) at the time this agreement was entered into or any other form of economic loss.

We accept liability for death or personal injury resulting from our own negligence. The Landlord would be liable as a result of property neglect or their own or other negligence.

If we are found liable to you our liability will not exceed £1,000 (except in paragraph 2)

Matters beyond our control

If either of us cannot do what we have promised in this agreement because of something which is beyond our reasonable control such as tenant damage, war, civil unrest, acts or omissions of persons for whom we are not responsible, or other act of local or central government or other competent authorities, we will not be liable for this.

Use & disclosure of information

The information supplied may be used by us and other parties in fulfilling our instruction to let and manage your property these may include, but not limited to:

Local authorities; Utility Companies; Law enforcement or debt recovery agents; Tenants; Insurance companies
Contractors; Inland Revenue ; Banks/Building Societies .

We may use the information supplied for checking identity.

We are duty bound to give the name and address of the landlord upon request of the tenant. Under normal circumstances the address given will be 54 Mansel Street, Swansea (as Agent) In the event that we are no longer managing the property, the tenant will have the right to have your personal

Letting Regulations

As a landlord you are obligated to ensure that the property you let is safe and therefore, you will be required to comply with

Gas Safety Regulations 1998 or any other amendment
Electrical Regulations 1994 or any other amendment
Furniture and Furnishings (Fire) Safety Regulations Act 1988 Amended 1993
General Product Safety Regulations 2005
Housing Health & Safety Rating System (HHSRS)

It will be necessary for the property to be inspected by a Gas Safe Registered installer to provide a gas safety certificate (if the property has gas appliances.

Have the main electrical installation tested every five years and portable appliances tested annually.

The furniture supplied by the landlord must comply with the above Regulations.

Any product that is defective is therefore unsafe and thus would not comply with the GPSR 2005.

The property must be free from Category 1 or 2 Hazards as described under the HHSRS

All glass in windows and doors must be of appropriate type.

An Energy Performance Certificate (EPC) must be in place prior to marketing the property

Customer Complaints Handling Procedure

We operate a Customer Complaints Procedure under the National Association of Estate Agents and Property Ombudsman code of conduct. These are detailed in our full terms and conditions.

Cancellation Policy

We operate under a 7 day cancellation policy after the terms and conditions are signed by the Client. Full information is contained in a terms and conditions agreement

PLEASE NOTE:

This document is a summary only and does not imply any commitment on behalf of Michael G. Lewis & Son for statements made. It will not form any part of a legal contract between Landlord and Agent or create an agreement by its receipt

While every care is taken to obtain accurate details, Michael G. Lewis & Son do not accept responsibility for any incorrect statement or figures, and it is on that understanding, and that a full set of terms and conditions be agreed and signed by both parties.

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