



Lettings - Sedgley Park 29 Bury New Road, Prestwich, M25 9JY
0161 798 6633 lettings@herwald.co.uk www.herwald.co.uk

Sole Agency Agreement

You should read this document thoroughly. If you have difficulty in understanding any of the terms or conditions laid out in this document, we strongly recommend that you seek the advice of a solicitor or Citizens Advice Bureau before signing.



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Sole Agency Agreement

I/We hereby appoint **Herwald** to undertake the duties of Letting Agent for the purpose of arranging a Tenancy in respect of

Herwald are hereby granted Sole Letting Rights until cancelled in writing, the landlord having given fourteen days notice.

Tenancy Term

The Tenancy will be for a minimum period of **six months/twelve months**, at a calendar monthly target rent of **£**

exclusive in accordance with the Housing Act 1988. The Tenant shall be responsible for all other services.

Fees and Commissions

Letting Only Service – The Legal owner/owners agree to pay a letting fee equivalent to one full month’s rent + VAT on completion of a letting.

Full Management Service – The Legal owner/owners agree to pay a letting fee of **£474 including vat (£395 + VAT)** on completion of a letting, together with a monthly management fee of **12% inc VAT (10% plus VAT)**, deducted monthly from the rent at source.

In the event that the tenancy is renewed on a fixed term basis, a fee of **£72 inc VAT (£60 plus VAT)** will be charged. If the tenancy renews on a periodic basis a fee of **£48 inc VAT (£40 plus VAT)** will be charged. Should the tenant vacate and we are instructed to re-let the property a fee of **£300 inc VAT (£250 plus VAT)** will be charged on completion of a new letting.

Payments

I/We authorise payments to be made directly into the account whose details are given below. I/We acknowledge that this payment method is to be set up by **Herwald** at no expense to myself/ourselves. However, should any of the bank details change or should I/We require payments to be made to a different account, I/We accept that a charge of **£____ + VAT** may become payable prior to the changes taking effect.

Bank/Building Society Name:							
Address:	Acct Name:						
	Acct No:						
Postcode:	Sort Code:						



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Cancellation Charge

In the event that this agreement is cancelled by the landlord, once marketing has begun and prior to the arranging of a tenancy, an administration charge of £_____+ VAT is payable. If this agreement is cancelled during the period of a tenancy then the charge will be equal to the greater of either:

- a. the management fees due to the end of the tenancy agreement.

or

- b. the management fees due to the end of the tenant's occupation of the property.

Property Maintenance

I/We authorise **Herwald** to arrange for any works/repairs that **Herwald** consider to be of an urgent nature (to an amount equivalent to three months rent). I/we also agree to the invoices in relation to such work being deducted from the rent monies collected. Where no such funds are held by **Herwald**, we hereby agree to pay any relevant invoices within seven days. **Herwald** hereby agrees to seek prior authorisation, wherever practical.

The landlord hereby acknowledges that **Herwald** is unable to accept responsibility to arrange for any works/repairs or to carry out regular inspections in respect of unoccupied properties available for letting, without prior arrangement with the landlord. Any works/repairs or inspections carried out to said unoccupied properties may be subject to further charges.

Arbitration

Should a dispute arise between the landlord and the tenant, I/We hereby agree to let **Herwald** act as arbitrators and agree to abide by their decision.



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Terms & Conditions

1) Fees & Commissions

Fees are due and payable immediately on a tenant entering into a tenancy agreement with the Landlord. It is agreed that **Herwald** will deduct such fees due from rent monies collected. In the event of a local authority demanding repayment whether in part or in full of housing benefit from **Herwald** and where the funds being demanded have been passed to the Landlord, then I/We hereby acknowledge that I/We (the Landlord) shall be responsible for immediately refunding all monies to the agent without any deductions whatsoever.

Should the property at any time be sold to the tenant introduced by **Herwald** the Landlord will be liable to a charge of six months loss of commission as compensation, together with our Agency Fee of 1% plus VAT payable on exchange of contracts of the sale.

2) Sole Agency/Sole Letting Rights

Herwald will be the sole Letting Agents from the date of this Agreement for a period of 8 weeks and thereafter until terminated in writing, by either party, giving 14 days notice. Should the property be let during our agency period, all fees will be payable to **Herwald** irrespective of the introducer. During the period of Sole Agency the Landlord will not instruct any other agent to let the property.

I/We confirm that no introduction of a prospective Tenant has already been made. The right is specifically reserved to terminate this agreement at any time if the terms and conditions are unacceptably changed by the Landlord or become unacceptable to **Herwald**. In these circumstances, the cancellation fee, as outlined above, would then become payable.

3) Insurance.

The Landlord is hereby advised to ensure that there is insurance cover in force in respect of buildings, third party claims and contents if applicable, and that the insurer is aware that the property is available for letting. The insurance company must also be notified of the date of occupancy. In addition, if the tenant is claiming housing benefit the insurer must be made aware of this fact.

4) Residence/Domicile

In the event that the Landlord takes up residence outside the United Kingdom, then, in accordance with the **Finance Act 1995**, a deduction from the rent paid to the Landlord in respect of Income Tax will be made until a valid exemption certificate is obtained from the Inland Revenue and lodged with **Herwald**.

5) Mortgage

I/We, (the landlord(s)), hereby certify that should this property be the subject of a mortgage agreement, prior permission has been sought and obtained from the mortgage lender **and that I/We have a copy of this authorisation which I/We am/are willing to produce on request for the letting of the property.**

6) Deposits

Deposits taken from tenants are held by Tenancy Deposit Solutions Ltd (t/a *my deposits*) in accordance with the provisions of the Housing Act 2004. **Herwald** will provide the Landlord and Tenant with full details of the deposit scheme, which can also be obtained via www.mydeposits.co.uk.

A Landlord is now also required to confirm the following information and, by signing this Agreement, you confirm:

- That you have never been convicted of (or have a hearing pending) relating to money laundering, fraud or any other financial crime.



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- That you have never been refused membership of any other Tenancy Deposit Protection Scheme either Insurance based or Custodial based.
- That you have never been refused a licence to operate a lettings business in England or Wales, which is required under The Housing Act 2004.

IF FOR ANY REASON YOU CANNOT CONFIRM THE ABOVE, YOU MUST CONTACT US IMMEDIATELY AS FAILURE TO DO SO IS AN OFFENCE UNDER THE ACT.

Any disputes arising in respect of the deposit will be referred to the Scheme Arbitrators.

The cost of protecting the deposit on your behalf will be £35 plus vat and will be deducted from the first month's rent.

7) Bank Details

The client's money, obtained from both deposit and rent, is held with:

- Nat West Bank, 10 Great Underbank, Stockport, Cheshire, SK1 1LL.
- The sort code of the bank is 01-08-38
- The rent is held in account number 5585 9399.
- No interest will be paid on money held within the account whether the accounts are interest-bearing or not.

Deposit money is transferred to *my deposits* immediately the letting commences.

8) Legal Requirements

It is illegal to let the property until we have been issued with current safety records:

- Gas Safety (Installation & Use) Regulations 1994.** I/We accept that gas appliances and installations must be checked and found to be safe by a Gas Safety Register registered engineer annually. I/We undertake to ensure that the above mentioned property is inspected in accordance with the aforementioned regulations annually. I/We agree that carbon monoxide detectors will be installed prior to the commencement of a tenancy and if they are not installed, then i/We agree that Herwald may install them at my/our cost. *If you require Herwald to have the safety check carried out on your behalf, prior to a tenant's occupation, the fee is required to be paid in advance.*
- Electrical Equipment (Safety) Regulations 1995.** I/We hereby certify that the wiring at the property in both fixed electrical equipment and the building itself meets all electrical and fire safety regulations.
- Smoke Alarms.** I/We hereby acknowledge that, where smoke alarms are installed at a property, I/We shall be responsible for ensuring that they are fully functional and fitted with new batteries (unless hard-wired) before a new tenant moves into the above mentioned property.
- Furniture and Furnishings (Fire) (Safety) Regulations 1993.** All soft furnishings in furnished or partially furnished properties must comply with fire resistance requirements that came into force in 1988. I/We confirm that in relation to the above mentioned property no furniture exists which in any way contravenes these regulations.
- From the 1st October 2008 all rental properties with a new tenancy in England and Wales are required to have an Energy Performance Certificate (EPC). We require this document in place at the time that the property is marketed. I/We require Herwald to arrange for this to be organised at a cost of £66 inc VAT (£55 + VAT). We require payment for this, prior to marketing the property.

The above mentioned regulations are subject to change and I/We accept responsibility for ensuring that any amendments to either existing legislation and conditions made mandatory by new legislation are fully met. I/We accept that Herwald have the right to have mandatory work and / or inspections undertaken at the property if I/We fail to comply with any act of legislation affecting my property. I/We hereby agree that this does not make Herwald responsible for doing the work and agree to meet all cost incurred ensuring the tenancy or property complies with legislation.



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9) Complaints Handling Procedure

Herwald operates a complaints handling procedure that complies with RICS Rules of Conduct. A copy of this procedure is available on request.

10) Data Protection

The landlord(s) hereby acknowledge(s) and agree(s) to the agent storing information relating to both the property and the landlord on computer.

11) Definition

Landlord. The person who, by signature hereunder, instructs Herwald to act as Sole Letting Agent and thereby agrees to be bound by this agreement whether in the capacity of owner or duly authorised person.

*All charges may be subject to change given a minimum ninety days notice.

I/We have read and understood the Terms and Conditions stated herein and duly name Herwald as Sole Letting Agents.

Signature: for and on behalf of <INSERT AGENT NAME>		Date:			
Print Name:					
Signature: Landlord		Date:			
Print Name:					