



Residential Lettings

Terms & Conditions

Version 3.7

GENERAL INFORMATION FOR LANDLORDS

Before a contract is entered into between you, the landlord, and us, Terra Firma, as Letting Agents, we suggest you take note of the following points.

Both parties are legally obliged to show a 'duty of reasonable care' with regard to the property and the safety and well being of the tenants in your rented property. Terra Firma will not allow a tenancy to commence until the property complies with all current safety regulations.

CONSENT TO LETTING

In order to avoid delays in granting tenancies, the Landlord should ensure that consent for letting has been granted by all applicable authorities including Head Lessors, Mortgage Companies, Banks etc. Failure to provide this information contravenes the Accommodation Agencies Act 1953.

CONDITION OF THE PROPERTY

It is the Landlords responsibility to ensure that the Property is well maintained. Prior to the commencement of the Tenancy, the Landlord should ensure that the structure, plumbing, wiring etc are in good order. Safety regulations are fairly extensive and generally getting stricter each year. The cost of non-compliance can be high and poor quality housing attracts less rent. In addition to this, poor quality housing rarely attracts the best tenants.

CARPETS AND DECORATION

We would strongly advise neutral colours for the walls and carpets (avoiding light carpets). It is the landlord's requirement to ensure that the property is clean and tidy throughout including the windows prior to commencement of a tenancy.

MAINTENANCE OF GARDEN

Up until the commencement of the tenancy, it is the Landlords duty to ensure that the garden is clean, tidy and in good order.

SERVICES

We will inform the relevant suppliers and will instruct the tenant to sign his or her own agreements with the suppliers. It will be the Landlords responsibility to terminate all previous agreements with the services before the premises are vacated. We strongly suggest that you have the meters read the day of vacation and arrange all final accounts to be settled. We will then read the meters on the commencement of the tenancy and again inform all relevant companies of the new figures. In the event of non-payment of services, Terra Firma cannot be held responsible.

REDIRECTION OF MAIL

Terra Firma cannot undertake the responsibility of forwarding mail and it is suggested that Landlords requiring this service liaise directly with the Post Office.

SAFETY LEGISLATION

THE CONSUMER PROTECTION ACT 1987

The consumer protection act 1987 section 12(1) and the 1988 Regulations make it an offence to supply/provide any furnishings to which the regulations apply, all soft furnishings and foam filled furniture, unless that furniture meets what is known as the 'cigarette/match test' and must meet the Fire Regulations Requirement and have a non detachable label to that effect.

HEALTH AND SAFETY RATING SYSTEM

The Housing Health and Safety Rating System (HHSRS) is a new risk assessment tool used by the local Authority to assess potential risk to health and safety of occupants in rented properties in England and Wales. This new legislation came into force on 6th April 2006 in England.

HHSRS replaces the Housing Fitness Standard, which was set out in the Housing Act 1985.

All private landlords are advised to assess their properties to determine whether there are serious hazards that may cause a health or safety risk to tenants.

Landlords should carry out any improvements to reduce the risk to tenants.

HHSRS is a tool which allows for a risk assessment to be carried out. It looks at the likelihood of an incident arising from the condition of the property and the likely harmful outcome, for example how likely is a fire to break out, what will happen if one does?

Failure to comply with a statutory Notice served by the Local Authority could lead to a fine of up to £5000.

GAS SAFETY REGULATIONS



All gas installations and appliances must be checked and maintained annually by a suitably qualified CORGI (Council of Registered Gas Installers) registered gas installer and the installation must meet the requirements of the Gas Safety (Installation and use) Regulations 1998.

This check must be carried out prior to commencement of the tenancy, a record must be kept of all inspections and a copy must be made available to the tenants.

Breach by the landlord or the Managing Agent of these regulations is a criminal offence and penalties for non-compliance could be a fine of up to £20,000 for an incident, charges for manslaughter and in severe cases, imprisonment.

ELECTRICAL INSTALLATIONS



All electrical installations should be in compliance with BS7671: 1992 requirements for electrical installations with the work carried out by an NICEIC (National Inspection Council for Electrical Installation Contracting) contractor.

HMO LICENSING

The Housing Act 2004 introduced mandatory licensing for high risk Houses in Multiple Occupation (HMO'S).

The new legislation came into force on the 6th April 2006.

Properties covered by the licensing scheme are rented properties that have

- 3 or more storeys
- 5 or more people living there, as 2 or more households.
- There must also be shared amenities such as bathrooms, toilets or cooking facilities.

The definition of a House in Multiple Occupation has been widened and in general all rented accommodation occupied by more than 2 households will be a HMO.

A shared house will no longer be deemed a single household.

The Regulations basically apply to all upholstery and upholstered furnishings, loose fittings, permanent or loose covers, manufactured after 1950. It is a criminal offence to rent a flat with furniture that does not comply as above and doing so carries a punishment of six months imprisonment or a fine to a maximum of £5,000 or both.

A Landlord letting their home for a 'temporary' period and not in the course of business has a moral, not legal, responsibility to comply. All second homes or investment properties MUST comply.

Further information relating to HMO's is available on Bournemouth Borough Council's website; www.bournemouth.gov.uk, as well as a downloadable property information form that must be completed should you believe your property qualifies for HMO registration.

REFERENCING

When a let has been agreed the following references can be requested;

- Bank
- Employers
- Previous Landlords' (*where applicable*)
- Character
- Guarantors' (*where applicable*)
- Credit (*where applicable*)

References are processed by
Terra Firma

Our aim is to complete the referencing within seven days; however this is reliant upon third parties responding to our requests promptly. All references achieved are supplied to you prior to commencing the tenancy, for your approval.

Should there be references outstanding on the proposed tenancy start date, the landlord may authorise the commencement of the tenancy, however Terra Firma cannot be held liable for the suitability of the tenant during any point of the tenancy or any point thereafter.

Where credit references are required a charge to the landlord is applicable. This is 50% of the overall price of the product.

Where rent guarantee products are required, the cost of the product is split equally between tenant and landlord.

Should the landlord execute a claim against a rent guarantee product, it is the landlords' responsibility to pursue the claim directly with the insurance provider.

Dependant upon the status of the tenant, not all types of reference may be available. Terra Firma will indicate what references can be requested upon receiving the tenancy application from the proposed tenant.

Should the type/quality of available references be unacceptable it is the landlords responsibility to inform Terra Firma not to proceed with the references within two days of Terra Firma receipting the proposed tenants administration charge.

Where a landlord has agreed to accept housing benefit applicants, credit references and rent guarantee products are not available.

Terra Firma will endeavour to provide true and accurate references. Should the integrity of any reference be in dispute, Terra Firma cannot be held responsible.

MARKETING AND FINDING A TENANT

As a diligent and comprehensive agent we aim to introduce a prospective tenant promptly. We have focused on providing maximum exposure for our client's by utilising several different marketing media's which include:

- Pre tenancy meeting - Meet the people who are going into your property.
- ASP marketing software allowing full integration with online services and websites. (All updates are simultaneous)
- Online access for clients to monitor viewing levels and subsequent feedback.
- Property Particulars and window display representation.
- 24 hour exposure on  **rightmove**.co.uk
The UK's number one property website
- Feedback within 24 hours of viewings.
- Regular exposure in the  **DAILY ECHO**
ADVERTISING
- All viewings accompanied with evening appointments available through until 8pm

INSTRUCTION TO MARKET

Should Terra Firma be instructed to market the property where other letting agents are also instructed, Terra Firma will charge an upfront Marketing Fee.

Should Terra Firma be given exclusivity to market the property for a minimum period of four weeks, and up front marketing fee is not payable.

After the four week period should additional agents be instructed Terra Firma will not charge a marketing fee.

Should a landlord introduce a tenant privately, Terra Firma requires the landlord to provide the credentials of the applicant. If it is proven the tenant has been directly or indirectly introduced by Terra Firma, the landlord will be liable to pay the 'upfront' marketing fee.

RENT REMITTANCES

At the beginning of the tenancy Terra Firma will collect a deposit and the initial rental payment. The tenant's rental will be inclusive of any maintenance/service charges to the property and therefore the landlord remains liable for making these payments.

We have the facility to receive payments by the following methods;

- Cash
- Cheque
- Electronic Transfer
- Credit/Debit Cards (subject to 2% handling charge)

Typical banking procedures are such that it is necessary to allow ten working days for cheques to be cleared before transferring the money to a clients account. If the property is managed by Terra Firma, please refer to the management section of these terms and conditions regarding monthly rental payments and statements.

The landlord is responsible for any legal costs incurred. Terra Firma cannot be held responsible for any tenant's breach of contract or non-payment of rent, or any costs incurred in obtaining such.

Typically, rent will be transferred by BACS payment unless instructed otherwise. Should you prefer an alternative payment method please inform Terra Firma at the time of instruction.

Terra Firma cannot be held responsible for any charges incurred by your bank/building society for receipt of funds either electronically or manually.

If you are endeavouring to use our Management Service please ensure you complete your bank/payment details accurately. If funds are transferred to an incorrect account due to inaccurate information being provided, Terra Firma will not be liable for any costs/charges that are accrued as a result.

DEPOSITS



The Deposit Protection Service

As of 6th April 2007 deposits will be held by the Deposit Protection Service (DPS) in accordance with the housing act 2004.

There are a number of procedures that have to be undertaken by either Terra Firma or the Landlord. Terra Firma strongly advises Landlords to seek comprehensive advice regarding Tenant Deposit Protection (TDP) to avoid breaching the act. By utilising our management services we will endeavour to handle the tenants deposit ensuring that the necessary protocols are adhered to, however, if instructed on any other basis other than 'full management', the landlord will hold the responsibility of servicing the deposit return in accordance with the prescribed information relating to the scheme subscribed to.

Below is a brief description of how the Deposit Protection Services (TDPS) functions:

- The tenant pays the deposit to the landlord or agent.
- The landlord or agent pays the deposit into the scheme within 14 days.
- Within 14 days of receipt of the deposit, the landlord or agent must give the tenant prescribed information about which scheme is being used and how it works.
- At the end of the tenancy, if the landlord and tenant agree how the deposit should be dealt with, the landlord and tenant write to the scheme, who will send back the deposit according to the agreement.
- If there is a dispute, the scheme will hold the amount in dispute until the dispute resolution service or courts decide what is fair.

TDP dictates that the individual responsible for receipting the tenants deposit holds the responsibility of placing the funds into an approved scheme. Terra Firma will pay all deposits receipted in to the TDPS regardless of the Instruction Term and there is a charge for completing this.

Should you have you own subscription to any of the government approved schemes, please ensure you provide these details in the Landlord questionnaire. If you wish to receipt the deposit, please instruct Terra Firma at point of instruction. If Terra Firma does not receive this in writing at no point will the deposit be transferred to the Landlord.

INVENTORIES AND SCHEDULE OF CONDITION

As a result of the legislation surrounding deposit protection it is vital for you to protect your property with a comprehensive inventory and schedule of condition. We use an independent clerk to compile the inventory/schedule of condition.

INSURANCE

Make sure that your property and contents are adequately insured and cover is index linked to keep up with inflation. It is advisable to notify your insurers that you will be letting the property; we advise that you discuss these matters with your insurance broker. Should you require insurance quotations and advise, Terra Firma can refer you to a specialist insurance provider.

TERRA FIRMA MANAGEMENT SERVICE

Terra Firma's management service has been tailored to manage all aspects of your property both prior to the commencement of a tenancy, through to its management when vacant. Our aim is to eradicate the misconceptions, prominently held by Landlords, surrounding the variety of management services that are available in the industry. With a wealth of experience in multiple portfolio management and facility management our agency can alleviate the burden often experienced by Landlords when trying to manage their own portfolio. Enclosed within our terms and conditions is an outline of our management service, however, each Landlord will have a different set of requirements and additional services are available. Should you wish to discuss the specific requirement of your portfolio, please arrange a consultation with us at you convenience.

Terra Firma use a tenancy agreement that is continually revised and updated to ensure our Landlords best interests and legal security is upheld at all times.

Terra Firma's management charge is based on an agreed percentage of the monthly income Terra Firma collects on behalf of the Landlord. Please refer to your signed agency agreement for the agreed rate.

COLLECTION OF RENT

The rent is collected on the date that the tenancy started each month. Management fees and any invoices that accrue during that period will be deducted and the balance will be paid to the landlord on the 11th day of each calendar month. Should the rent due date fall within seven days prior to the 11th, the account balance will be held until the following month to allow for sufficient clearance time.

STATEMENT OF ACCOUNTS

These are made to the Landlord on the 11th day of each month.

DURING THE TENANCY

MOVE IN

Terra Firma will liaise with the proposed tenants during referencing and provide a date to 'move in'. Prior to the move in date, Terra Firma will provide an inventory and schedule of condition (subject to charge - please refer to charge table) and will take meter readings for any services connected to the property.

Terra Firma will allow tenants occupation once all parties have signed the tenancy. Terra Firma will sign on behalf of the landlord should we have express, written authority.

MAINTENANCE AND REPAIRS

Should we need to act as an agent of necessity, we will provide an itemised statement once the specified works are carried out. Depending on the extent of these works, we may have to request immediate settlement of the outstanding balance.

It is recommended that a folder be compiled with all the relevant information, including operating instructions and the guarantee cards, which should be given to Terra Firma as applicable.

Please note that our management service is strictly for the term of the tenancy. Any other management requirements are only by direct approval of Terra Firma and a schedule of charges is available upon request.

If instructed under our management service Terra Firma will instruct a Gas Safety Inspection and electrical (NICEIC) report, without notice if valid certificates are not available. This is undertaken at the discretion of Terra Firma and will be invoiced or added to your monthly statement.

ARRANGE ROUTINE REPAIRS AND MAINTENANCE

We will investigate any faults reported at the property and instruct contractors to carry out repairs. In the case of minor repairs or emergencies (up to £200 + VAT), these works will be carried out immediately without reference to the Landlord, providing we are holding sufficient funds. Where major works are necessary (over £200 + VAT), for example roofing or the replacement of a boiler, an estimate/quote will be obtained and sent to the Landlord for approval.

REGULAR PROPERTY VISITS

Terra Firma will arrange for quarterly property inspections to take place, which will provide an up-to-date report and enable us to monitor the performance of the Tenant in respect of their contractual obligations. A report will be sent to you for

information, which will include reference to the condition of the property and recommendations, for remedy and or Tenant requests. These visits should not be relied upon to pick up any structural defects, and do not include lofts.

TENANCY RENEWAL

Terra Firma endeavour to supply tenants who can be relied upon for a healthy tenancy period. Typically our tenancies are offered for an initial 6 month period with the option to renew there after. Should Terra Firma renew the tenancy the cost is £40.00 + VAT for preparation and signing of the agreement.

During the term of the tenancy, addendums may be required. Depending on the nature of these changes, Terra Firma may raise an administration fee.

NOTIFY UTILITIES AT THE BEGINNING AND END OF TENACY

Terra firma will notify the Service Utilities at the beginning and at the end of every tenancy, to include electrical, gas and water authorities, of a user change. The Landlord must notify us of any special arrangements with the supplying bodies. Terra Firma cannot accept responsibility for inaccuracies or delays on the part of the Utility Service Boards/Companies concerned.

MOVE OUT

When either the Landlord wishes to take possession of their property or if the tenant serves notice Terra Firma will complete a move out inspection checking the inventory, schedule of condition and meter readings. Depending on the length of the move out inspection Terra Firma may charge an administrative fee.

TENANT FIND SERVICE

Although a full management service is thoroughly recommended so as to provide a comprehensive lettings solution, as an established and experienced Landlord you may only require our tenant finding capabilities in order to service the intended let.

As part of our tenant find service we undertake to market the property as detailed on page 6 and will undertake the required referencing as detailed on page 5.

Terra Firma use a tenancy agreement that is continually revised and updated to ensure our Landlords best interests and legal security is upheld at all times. Use of this tenancy by Terra Firma is a prescribed item and the charge is £50.00.

Once a successful move in has been completed we will hand over copies of the signed tenancy and references and invoice you for the services rendered.

At this point the management of the tenancy will become your sole responsibility and should you require the services of Terra Firma during the course of the tenancy including the service of notices under the Landlord and Tenants Act we will charge you on an hourly rate as a consultancy fee.

TENANT FIND FEES

Our tenant find service will accrue a fee upon successful move in of tenant at the rate of 50% of the quoted per calendar month asking price.

This is a one off fee and is payable from the proceeds collected by Terra Firma for the start of the tenancy.

FURTHER SERVICES AND FEES

KEY CUTTING

Terra Firma will be pleased to arrange for extra keys to be cut for your property at an additional cost of £4.00 per key.

TENANT BREACHES

Should the Tenant fall behind with the rent, we will automatically adopt our arrears procedure and should Terra Firma become aware of any other breaches of the Tenancy Agreement, you will be informed accordingly. If it becomes necessary to take legal action, you will be responsible for instructing your solicitor and for all fees arising. If Terra Firma are required to attend court on your behalf there will be a charge of £20 + VAT per hour at the prevailing rate.

COMMISSIONS AND INTEREST

Where Terra Firma arrange any external services or insurance cover, they may earn commission. Money held by Terra Firma will be held in our Client Account and any interest applied to such monies will remain exclusive property of Terra Firma and the Landlord agrees to forego any right to the interest which he is or may be entitled.

PREMIUM LEASE

Should a Premium Lease be negotiated on a Full Management Service, whereby the Tenant pays the whole rent in advance, Terra Firma will manage the funds and pay the Landlord on a monthly basis. If a Premium Lease is negotiated on a Let Only or Rent Collection Service, our fees will be payable in full at the outset of the Tenancy and then again at the outset of any extension.

GENERAL

Fees and commission becomes payable where a Tenant is introduced by Terra Firma whether or not the Landlord proceeds with Terra Firma as Agent. The fees are confirmed in the Landlord/Agent contract and will be payable by the Landlord to the Agent, subject to VAT at the prevailing rate. There is a minimum fee for any Service and should the Landlord withdraw from a prospective Tenancy where satisfactory references have been sought, and legal documents prepared, the minimum fee will become payable.

TERMINATION OF CONTRACT

Two months written notice must be given, if for any reason, Landlord or Agent, should wish to terminate this contract. However, fees remain due on any Tenancy for which Terra Firma has found a Tenant until the Tenant vacates the property.

INDEMNITY

The owner undertakes to ratify whatsoever Terra Firma shall lawfully and reasonable do by virtue of this agreement and to indemnify them against all costs and expenses properly incurred by them in carrying out their duties and all other actions and acts pursuant hereto including legal expenses.

Information Required from Landlord When Property Let.			
DATE.			
PROPERTY.			
FULL NAME OF OWNER			
Name and Address for Correspondence.			
Tel No.	(Home)	Office)	
	(Mobile)	(E-mail)	
Name and Address of Bank Rent to Be Paid To:			
Account No.		Sort Code.	
Arrangements for Payment of:			
Water Rates/Sewerage Accounts.		Meters.	
Yes/No			
Gas			
Electric			
Telephone			
Terra Firma to Arrange Final Accounts			
Yes/No			
Where should Final Accounts be Sent?			
Repairs/Maintenance Problems:			
Names of Contractors the Landlord wishes to carry out repairs to property.			
Does the Landlord wish Terra Firma to have authority to use their discretion to arrange emergency/minor repairs without prior authority up to approx £50/75.			
Restrictions			
Pets Allowed:	Yes/No	Children Allowed:	Yes/No
Smokers:	Yes/No	D.S.S.	Yes/No
Has the Landlord notified his Bank/Building Society. Insurance Company that the property is going to be Let.			Yes/No
If the Landlord is going overseas has the question of Income Tax been discussed			Yes/No
Name and Address of Accountant.			
How did the Landlord hear of Terra Firma?			

Let By Board	Yes/No
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Property Details

House/Bungalow/Flat/Cottage/Maisonette/Other	
Detached/Semi/Terrace/Ground/1.2 Floor	
No; of Bedrooms:	To Be Let Furnished/Unfurnished/Part Furnished
Heating: Gas/Storage heaters/Economy 7/ Oil/Other	
Gas check to be arranged by LL /Terra Firma	
Lounge	Dining Room
Kitchen.	Cloakroom
Bathroom Bath/Electric/Shower Yes/No	Bed No 1
Bed No 2	Bed No 3
Bed No 4	Study/Office/Lounge/Conservatory
Garage Integral/Separate. Power Yes/No	Parking
Gardens. L/Lord to Maintain Yes/No	Recommendations made by L/Lord
Furniture/Furnishings:Comply - Yes/No	
Terms Agreed:-	
Term Available:	Rent Agreed: £
Date Available:	Monthly Comm Agreed %
	Set Up Fee £
	Let Only Fee £

Terra Firma

Property Information

The following information will be of great assistance to your tenants. Please complete and return to us.

Address of Property:
Location of Services.
Mains Water Stop Cock
Electricity Meter
Electricity Mains/Fuse Box - On/Off Switch
Gas Meter - On/Off Switch
Central Heating Controls and Programmer
Water Heater
Any Other Information
Refuse Collection
Where is the Dustbin Collected from.
What Day is Collection?
Window Cleaner
Boundaries
Please state which Boundary Fences/Walls/Hedges are your responsibility (if applicable)
Miscellaneous Information

Terra Firma

Information required from Landlord

The following information is only required for Overseas Landlords:

Mortgage	
Mortgage Account Number.	
Accountant	
Tax Office	Reference No:
Property Insurance Co.	
Emergency Contact: Name and Tel/Fax No:	