

Lettings Terms and Conditions of Business, Fees and Expenses



As of December 2018

Summary of our Main Conditions



Table 1 – Commissions and fees

All prices include VAT.

	Initial Period	Renewal 2 years	Continuation
Letting and/or Rent Collection only	9.60%	9.60%	9.60%
Full Management £24.00/week minimum	13.20%	12.00%	12.00%
Short-term and HMO Management £42.00/week minimum	24.00%	24.00%	24.00%
Premium Management £72.00/week minimum	30.00%	30.00%	30.00%
Vacant Management per month	£180.00		
Other Commissions:			
Initial commission	48.00% of 1 month rent		
Renewal commission	36.00% of 1 month rent		
Continuation commission	24.00% of 1 month rent		

Table 2 – Periods of Service & Cancellation Notices

	Minimum Period of Service	Notice to Cancel
Long-term letting + Rent Collection only	8 months	2 months
Full Management	8 months	2 months
Short-term Full Management	3 months	2 months
HMO Management	12 months	3 months
Premium Management	8 months	3 months
Vacant Management	1 month	1 month

**Table 3
Cashflow**

	Amount
Float: (Per tenancy)	£250.00
Repair Fund: (Per property)	£ .00

Table 4 – Charges for Additional Services

All prices include VAT.

		Lettings & Rent Collection	Management	
			All except Vacant	Vacant
1.	About Tenancy Agreements			
1.1	Preparing a long-let Tenancy Agreement	£120	£120	
1.2	Preparing a short-let Tenancy Agreement	£96	£96	
1.3	Reviewing Agreement prepared by Landlord's solicitor	£180	£180	
1.4	Extensive changes to our Landlord's Agreement	£72	£72	
1.5	Deposit registration and management	£30	£24	
1.6	Arranging Check-in or Checkout (+ cost of check-in or checkout)	£30	0	
1.7	Arranging professional cleaning of Premises (+ cost of cleaning)	£30	£24	£24
1.8	Arranging any certificate: Gas Safe, DEIC, PAT, EPC... (+ cost of certificate)	£30	£24	£24
1.9	Arranging removal and storage of furniture (+ cost of removal-storage)	£120	£60	£60
1.10	Deed of Variation, each change	£120	£120	
1.11	Renewal Addendum	£96	£96	
1.12	Applying for Mortgagee's, insurance Cy's, Freeholder's consent to let	£120	£120	£120
1.13	Deciding not to proceed with approved tenancy agreement	£360	£360	
2.	Other Administrative Aspects			
2.1	Overseas and/or international telephone calls, courier	At cost	At cost	At cost
2.2	Arranging quarterly/annual reports for not-approved Non-Resident Landlords	£156	£156	
2.3	Statement of accounts by post - free by email	£12	£12	£12
2.4	Duplicate: signed Tenancy Agreement	£48	0	
2.5	Duplicate: statements of accounts	£30	0	£30
2.6	Transfer of tenancy from another Property Manager - initial	£300	£240	£300
2.7	Transfer of tenancy from another Property Manager - when delayed	£120	£96	£120
2.8	Transfer of tenancy to another Property Manager	£360	£360	£360
2.9	Waiting at Premises for more than 30mn, flat fee	£60	£48	£60
2.10	Purchasing items from specific sources, per hour	£48	£48	£48
2.11	Additional visit/inspection of Premises (+ transportation costs)	£120	£96	£120
2.12	Consultancy services, per hour (+ transportation costs)	£156	£156	£156
2.13	Cutting a new set of keys (+ cost of keys), or holding keys (Rent Collection only)	£24	£24	£24
2.14	Business trip cancellation fee (Premium Management only)		£120	
2.15	Licence handling fee (for HMRC, HMO and other properties)	£360	£360	£360
2.16	Outgoing handling fee	£1	£1	£1
2.17	Other administrative tasks	£36	£36	£36
3.	Dealing with Contractors			
3.1	Condition report for works prior to re-letting	£150	£150	£150
3.2	Supervision of works based on cost of works	18%		
3.3	Supervision of works in excess of £500 based on cost of works		15%	15%
3.4	Letting contractors in (+ transportation costs)	£30	0	£30
4.	Landlord & Tenant - Dispute Management			
4.1	Service of Notices	£36	£36	
4.5	Preparing Schedule of Dilapidation (damages)	£180	0	
4.4	Assisting with Deposit disputes, per hour	£48	£48	
4.2	Preparing documentation for Arbitration and/or Court, per hour	£80	£80	
4.3	Attending Court as a witness, per half-day (+ transportation costs)	£360	£300	

For our Premium Management Services only:

Table 5 - Travelling Costs

Travel	Cost
5.1 For normal business hours meetings within London	Included in our fees
5.2 For “ <i>early morning</i> ” and “ <i>evening</i> ,” weekends and bank holiday meetings in London (return journey)	Cost of taxi
5.3 For meetings outside of London	Train fares, airfares, car rental, taxi
5.4 When staying overnight	£300.00 per night including room & breakfast. Supper and lunch are extra on a flat £50.00 basis per meal.

Table 6 - Provisions for our time

Billing our time	Cost
When meetings AND their associated transportation time are:	
6.1 Up to 5 hours	Included in our fees
6.2 More than 5 hours and up to 8 hours (one day), fixed fee of:	£1,200.00 inc. VAT
6.3 More than one day and up to five days, fixed fee of:	A fixed fee of £1,200.00 for the first day, and £1,000.00 per day, for any day started after first day
6.4 More than 5 days, on a daily basis, fixed fee of:	A fixed fee of £1,200.00 for the first day, and £1,000.00 for any day started from the second day, with an additional £960.00 per 5-day period started from day 6.

Table 7 - Comparison of our Main Services

Our Services		Rent Collection	Full Management	Premium Management
Preparing Tenancy:				
Getting Ready	Arranging an <i>Energy Performance Certificate</i> (EPC)	for a fee	for a fee	✓
	Arranging a <i>Gas Safe Certificate</i>	for a fee	for a fee	✓
	Arranging an <i>Electrical Domestic Installation Certificate</i>	for a fee	for a fee	✓
	Arranging a <i>Portable Appliances Test</i> (PAT)	for a fee	for a fee	✓
	Arranging Tenant References	✓	✓	✓
Agreement	Negotiation of Terms	✓	✓	✓
	Drafting tenancy agreement (second half paid by Tenant)	for a fee	for a fee	for a fee
	Signing by both parties	✓	✓	✓
	Taking and holding of the Deposit	✓	✓	✓
	Service of prescribed information (for ASTs)	✓	✓	✓
During Tenancy:				
Start	Check-in: Inventory & Schedule of Conditions			
	- Arranging	✓	✓	✓
	- Attending	for a fee	✓	✓
Life of tenancy	Key holding	for a fee	✓	✓
	Rent Collection	✓	✓	✓
	Payment of outgoings	X	✓	✓
	Addressing tenant's queries	X	✓	✓
	Arranging routine maintenance & repairs	X	✓	✓
	Automatic Renewal of <i>Gas Safe</i> & other Certificates	X	✓	✓
	Dedicated Property Manager	X	✓	✓
	Preparation of accounts	✓	✓	✓
	Property inspections	for a fee	1/year	2/year
	Automatic service of a Section 21 notice (for ASTs)	X	✓	✓
End	Checkout: Inventory & Schedule of Conditions			
	- Arranging	for a fee	✓	✓
	- Attending	for a fee	for a fee	for a fee
	Preparing schedule of dilapidation (damages)	for a fee	✓	✓
Deposit Dispute Resolution	for a fee	2 hours	5 hours	
Additional Services				
Reporting & Support	Advising landlords on tax implications of letting	✓	✓	✓
	Advising non-resident Landlords with HMRC	✓	✓	✓
	Full colour individual property report	X	✓	✓
	Comprehensive Property Portfolio report	X	X	✓
	Portfolio Arbitrage services	X	X	✓
	Access to investment strategies designed for Property Investment Funds	X	X	✓
Availability	Short-notice availability outside business hours	X	X	✓
	Extended hours availability - Weekends & Bank Holidays	X	X	✓
	UK and international mobility	X	X	✓

APPENDIX I

Examples of our Fees and Commissions

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Table 8 – Examples of fees & commissions	Commissions	Main Fees		Total
		Rent Collec.	Management	
All prices include VAT.				
Long Let – Management				
<ul style="list-style-type: none"> Example #1 - Pouné AM finds a tenant for a 12-month letting at £1,000 per month (period 1). - Cost of drafting the Tenancy Agreement: 	480 Initial fee at 48% 120	 	1,584 Fee at 13.2%	£2,184
<ul style="list-style-type: none"> Example #2 Existing tenant <u>Continuation</u> (period 3) for another 6-month letting at £1,000 per month. Same tenancy rolling on. 	240 Continuation fee at 24%	 	720 Fee at 12%	£960
<ul style="list-style-type: none"> Example #3 <u>Transfer</u> of existing tenant from another manager for a 12-month letting at £1,000 per month (period 1). 	300 Initial flat fee	 	1,584 Fee at 13.2%	£1,884
Long Let – Letting & Rent Collection Only				
<ul style="list-style-type: none"> Example #4 - Pouné AM finds a tenant for a 12-month letting at £1,000 per month (period 1). - Cost of drafting the Tenancy Agreement: 	480 Initial fee at 48% 120	1,152 Fee at 9.6%	 	£1,752
<ul style="list-style-type: none"> Example #5 Existing tenant for a 12-month <u>Renewal</u> (period 2) long letting at £1,000 per month. Same tenancy rolling on. 	360 Renewable fee at 36%	1,152 Fee at 9.6%	 	£1,512
Short Let – Managed only				
<ul style="list-style-type: none"> Example #6 - Pouné AM finds a tenant for a 5-month letting at £1,000 per month (period 1). - Cost of drafting the Tenancy Agreement: 	480 Initial fee at 48% 96	 	1,200 Fee at 24%	£1,776
Long Let – Premium Management				
<ul style="list-style-type: none"> Example #7 Existing tenant <u>Renewal</u> (period 2) for another 12-month letting at £1,000 per month. Same tenancy rolling on. 	360 Renewal fee at 36%	 	3,600 Fee at 30%	£3,960

When Landlords need additional services such as arranging for safety certificates, check-in and inventory, applying for mortgagee's consent to let... costs will vary accordingly.

See *Executive Summary, Tables #1 to 6*, for the full list of our services and their related costs.