



TERMS OF BUSINESS AND GUIDANCE FOR LANDLORDS

Assured Shorthold Tenancies Under normal circumstances, we use an Assured Shorthold Tenancy Agreement, a form of tenancy introduced by the Housing Act 1988 and amended by the Housing Act 1996. This tenancy agreement offers the Landlord the right to regain possession of the property at the end of the fixed term tenancy and is applicable to either furnished or unfurnished properties. Diment Property will sign the tenancy agreement on behalf of the Landlord for both 'Let Only' and 'Fully Managed' services. A copy will be retained on file by Diment Property and 'Let Only' Landlords will also receive an electronic copy of the signed agreement.

Length of tenancy: We recommend an initial fixed term of at least six months. An Assured Shorthold Tenancy may be granted for a longer or shorter fixed term. The tenancy agreement cannot usually be terminated by either Landlord or Tenant before the end of the initial fixed term, unless the Tenant is in breach of the agreement, for example, for non-payment of rent.

Continuation of tenancy: At the end of the initial fixed term tenancy, if the Landlord is happy to renew and with agreement from both Landlord and Tenant, renewal can take the form of either another fixed term tenancy (Assured Shorthold Tenancy) or a rolling month to month contract (Statutory Periodic Tenancy). A Statutory Periodic Tenancy can continue indefinitely until either party decides to terminate the agreement, by giving the appropriate notice.

Notice to leave: The Landlord must serve at least two months' written notice to the Tenant in order to regain possession at the end of the fixed term Assured Shorthold Tenancy or any time during a Statutory Periodic Tenancy. To end the tenancy during a Statutory Periodic Tenancy the Tenant must serve at least one month's written notice to the Landlord or Landlord's Agent to expire at the end of a rental period. A rental period starts on the day of the month that the rent is due.

Consent to Let: If there is a mortgage on the property, Landlords will need to obtain the written consent of the lender, to any proposed letting. Similarly, if the property is leasehold it is essential that Landlords approach the freeholders prior to letting to gain the necessary permission.

Repairs: The Landlord is responsible for repairs to the structure of the building and exterior of the property (including drains, gutters and external pipes) and for maintaining and repairing the installations for supplying gas, oil, water and electricity, the sanitation appliances and water heating appliances. Apart from those matters which, under Section 11 of the Housing Act 1985, Landlords Repairing Obligation Act, are the Landlord obligation, the Tenant is obliged to maintain the Landlord's fixtures and fittings, the garden (if any) and the internal decorations, at least up to the same standard to which the property was supplied.

Gas: To comply with the Gas Safety (Installation & Use) Regulations 1998, Landlords must service all gas burning appliances including fires, water heaters, central heating boilers and cookers on an annual basis. The appropriate safety record must be issued by a GAS SAFE registered engineer and a copy of this record is to be made available to the Tenant and the Agent for their records.

Oil: All oil fired boilers require servicing as per the manufacturer's instruction or recommendation.

Electricity: To comply with the Electrical Equipment (Safety) Regulations 1994, Landlords must ensure that all electrical installations and equipment in the property are "safe" and (unless they are tampered with) cause no risk of injury to people or domestic animals or damage to the property. It is advisable to have the wiring and any electrical appliances tested by an approved NICEIC engineer, to show due diligence on the part of the Landlord. It is also worth bearing in mind that the electrical items can at this time also be tested to ensure that they comply with the Plugs and Sockets Regulation 1994.

Smoke Alarms & Carbon Monoxide Alarms: The Smoke and Carbon Monoxide Alarm (England) Regulations 2015 require private rented properties to have at least one smoke alarm installed on every floor, and a carbon monoxide (CO) alarm in any room where solid fuel is burnt (eg where there are wood, coal and/or multifuel burners and open fires). Best practice advises that smoke alarms are mains operated with a battery backup, and that CO alarms are in every high-risk room, including where oil and gas appliances and boilers are located.

Energy Performance Certificate: Legislation requires that an EPC, which measures the energy efficiency of a property, graded from 'A' (being the most efficient) to 'G' (being the least efficient), must be available for a prospective Tenant to view at the earliest opportunity. The EPC will also offer recommendations on how to make the property more energy efficient. Regulations from April 2018 require the EPC to be between A and E for all new tenancies. For existing tenancies where the EPC is F or G the Tenant has a right to request improvements are made. From April 2020 these standards apply to all tenancies unless the property has an exemption.

Furniture & Furnishings: Under the Furniture and Furnishings (Fire) (Safety) Regulations 1988, it is unlawful to let a property with noncomplying furniture. All soft furnishings are covered by this legislation and to show their compliance will have a paper or fabric label attached. If Landlords wish to let on a furnished basis, they must be absolutely sure that all beds and upholstered furniture etc comply with the regulations. We can advise on this legislation and if necessary items may need to be replaced or removed.

Legionnaires' Disease: Landlords have a duty to ensure that the risk of exposure to Tenants, residents and visitors by Legionella is properly assessed and controlled. The responsibility lies with the Landlord to ensure an appropriate risk assessment is done and any remedial measures are taken in order to comply with this legislation. Please refer to HSE INDG458 at <http://www.hse.gov.uk/pubns/indg458.pdf>. Landlords should make a note that they have carried out a risk assessment after any period when the property has not been occupied and a new tenancy is about to start. Diment Property does not carry out such risk assessments but can arrange one via a third party contractor.

Insurance: The Landlord is responsible for maintaining buildings and contents insurance for all items that belong to the Landlord, and you must also advise your insurers of the fact that the property is being let. It is important to check what cover you have during periods when the property is empty or if the Tenant should cause any malicious damage. The Tenant is responsible for insuring their own contents and in addition we advise them to take out accidental damage cover for the Landlord's belongings, so far as they are able, in respect of their repairing liabilities under the terms of the tenancy agreement. We cannot undertake to ensure that the Tenant has taken out such cover, but ultimately they are still bound by the repairing covenants contained in the agreement. Landlords can take

out various insurance schemes which can cover buildings and contents insurance, void periods and emergency repair cover etc.

Rent guarantee insurance schemes are also available.

Utility Bills: In addition to the rent, and unless otherwise agreed, the Tenant is normally responsible for the payment of water rates, council tax, gas, electricity, telephone bills, TV licence etc. These will be paid directly by the Tenant to the appropriate authorities/companies, and the Landlord should therefore ensure that he has terminated his own account prior to the commencement of a tenancy. For properties which are leasehold, the Landlord is responsible for any ground rent and service charges. For Managed properties, Diment Property use a facilitator company to inform all the utility providers of the Tenant's details, the start date of the tenancy and the meter readings. The Landlord's address, email address and telephone number will also be passed on so that the utility companies have the correct contact details for the end of the tenancy. Links to the data protection policies of the facilitator companies can be found on our website.

Payment of Rent: Rent is payable by the Tenant, monthly, in advance. For properties which are 'Let Only' the Tenant is required to arrange for the monthly rent to be paid directly to the Landlord by standing order. For properties which are managed by us, once we are in receipt of cleared funds, we endeavour to account the rent, less our fee (and any repairs if necessary), to the Landlord within 10 working days.

Security Deposit: Due to legislation in the Housing Act 2004, it has become mandatory that Agents or individual Landlords are a member of an approved Tenancy Deposit Protection Scheme. This applies to all assured shorthold tenancies that commence after 6 April 2007.

Diment Property is a member of the Tenancy Deposit Scheme, which is administered by:

Tenancy Deposit Solutions Ltd T/A My Deposits.

Membership Name: Diment Property

Membership Number: m00736948

Registered Address: Lumiere House Suite 1-3, 1st Floor Elstree Way Borehamwood WD6 1JH.

At the commencement of the tenancy the Tenant will pay a deposit of up to a maximum of 5 weeks' rent. This will be held by My Deposits under the custodial scheme. Some Landlords who take the option of our "Let Only" service may wish to hold the deposit. Due to the legislation of the Housing Act, deposits will not be forwarded to the Landlord unless we have written proof that they are members of a Tenancy Deposit Protection Scheme. In these cases, the deposit will be forwarded to the Landlord within 5 days of us receiving it. The Landlord must then register the deposit with a Tenancy Deposit Protection Scheme within a further 9 days. Failure to adhere to this can result in the Tenant taking legal action and it may result in the Landlord having to pay 3 times the deposit as compensation. It also affects the rights of the Landlord to gain vacant possession of his property as a Court will not grant a Court order where a deposit is not registered in a protection scheme.

Return of Deposit: If there is no dispute at the end of the tenancy, the full amount of the deposit or part of the deposit (as agreed by both the Landlord and Tenant) according to the conditions of the Tenancy Agreement will be made within 10 working days of written consent from both parties. If a dispute arises, and differences of opinion have not been

resolved despite reasonable attempts within 10 working days of notifying Diment Property the matter will be passed to the Dispute Resolution Service. Both Landlord and Tenant must agree to their decision. It is not compulsory for the dispute to be referred; either party can seek the decision of the Court. This, however, may take longer and incur costs and a Court may refer it back to the Dispute Service to be resolved. The decision of such service is binding and Diment Property, as Agents, must follow any recommendations concerning the method of resolving the dispute. When a dispute arises, Diment Property will remit to MyDeposits the proportion of the deposit that is in dispute.

Diment Property is reliant on the information provided by the Landlord being correct. In situations where incorrect information has been provided and causes the Agent to suffer loss or causes legal proceedings to be taken, the Landlord agrees to compensate the Agent for all losses suffered.

Inventory: A full Schedule of Condition and Inventory is drawn up and meter readings taken at the commencement of the tenancy.

Tax: UK Resident Landlords Income tax is payable on net profits received from residential properties. Landlords must declare any income derived from the letting of the property. It is advisable for you to consult an accountant to discuss any tax implications and the best financial route forward. You are able to offset certain expenses against this unearned income, which include agency fees, repairs & maintenance and legal fees.

Tax: Non-UK Resident Landlords If Landlords become non-UK residents during the period of the letting, we are required under the Taxation of Income from Land (non-residents) Regulations 1995, to deduct tax (20%) from the rent (after taking into account deductible expenses paid out) and to pay the tax to the Inland Revenue each quarter. Overseas Landlords can apply to the Inland Revenue for exemption from this requirement and, providing their tax history is good and tax affairs are up to date, the Inland Revenue will issue an approval number to us as managing agents, authorising payment of rent without deduction of tax. We strongly recommend that overseas Landlords apply to the Revenue for exemption and we can provide the necessary application forms.

Money Laundering Requirements: Named Landlords will be required to provide Diment Property with identification in the form of photo ID (eg passport) and ID showing their current address (eg a utility bill or bank statement less than three months old). Our privacy policy setting out how we use and store your data can be found on our website.

Empty Properties: We do not assume any responsibility for properties while they remain unoccupied. During the winter months we recommend that appropriate precautions are taken to prevent frost damage and if requested we can arrange inspections or draining down etc on the Landlord's behalf. The cost of this will be met by the Landlord.

Condition of Properties: We do not guarantee that the property will be returned to the Landlord in the same condition in which it was originally let. Whilst we make every effort to ensure that the property is left in good condition (fair wear and tear accepted), and will take appropriate action where damage has occurred, the Landlord will be responsible for legal fees incurred in connection with a claim for damages against a Tenant. Generally speaking, the deposit should cover the cost of repairs or minor damage.

Interest: No interest is paid to Landlords or Tenants on either client account monies or Tenants' deposits.

Eviction: On rare occasions a Tenant will refuse to vacate a property despite their tenancy being terminated. If this occurs, as soon as the notice terminating the tenancy

has expired, an application must be made to the Court for an order for possession and a solicitor should be instructed to carry out this procedure at the Landlord's expense. Diment Property will provide the solicitor with the necessary tenancy documentation to aid their case and will charge their time to do this on an hourly rate. The period from the date of such application to the date the property is vacated may be several months. Solicitors' costs and Court costs involved in such action which cannot be recovered from the Tenant are payable by the Landlord. An insurance policy against such costs may be taken out. Diment Property will charge for time assisted at an agreed fixed rate or an hourly fee as per the fees schedule.

VAT: Diment Property is not currently VAT registered however terms will be updated and VAT will be payable at the applicable rate on all fees and charges.

Sale of Property: In the event that a sale of the property should be agreed with the Tenant or any associated party, during or after the tenancy, and contracts should be exchanged, Diment Property are entitled to an introductory fee of 1% of the purchase price (excluding VAT)

Financial Loss and Inconvenience: Diment Property will not be liable to compensate the Landlord, the Tenant or any third party for any financial loss or inconvenience howsoever suffered due to the failure of any appliances or systems on the property or (if applicable) in the common part or any other part of the building of which the property forms part and which may be managed by Diment Property due to any software or operating system malfunction.

Holding Deposits: A holding deposit of the equivalent of 1 week's rent is taken from a prospective Tenant before we commence the process of arranging a tenancy. This holding deposit is non-refundable, and will be retained by Diment Property should this prospective Tenant decide not to take the tenancy, fail the right to rent checks, provide false or misleading information or fail to provide information needed to carry out checks within 15 days.

ADDITIONAL TERMS OF BUSINESS FOR MANAGEMENT SERVICE ONLY

Rent Statement: A statement of income and expenditure will be issued on a monthly basis and the balance of rent due to you will be sent to your bank account by BACS. We endeavour to account within 10 working days and it may often be earlier than this if all outstanding monies have been collected.

Rent Arrears: If the Tenant defaults on rental payments, we will make every effort to ensure arrears are cleared. However, if it is necessary to instruct a solicitor to take further action, the cost of this is payable by the Landlord.

Maintenance: Running repairs to a maximum sum of £200 and emergency repairs will be organised by us without reference to the Landlord, the cost of which will be deducted from the monthly rent. The supporting invoices will be supplied with the monthly rent statement. All major repairs will be reported to the Landlord and we will take instructions before organising any work. If substantial repairs are necessary, we can obtain quotes and supervise work, but we may have to make a charge in addition to our normal management commission. This would obviously be discussed with the Landlord beforehand.

All invoices for project management/overseeing refurbishment projects are subject to an uplift of 10% of the contractors total invoice.

Termination: Our management contract may be terminated after a minimum of 12 months by either party upon giving two calendar months' notice. If the Landlord terminates the management contract, he will be liable to pay a lump sum termination fee equivalent to the percentage management commission that would have been payable over the balance of the contractual term of the tenancy agreement had we continued to manage the property.

In the event that the Landlord withdraws from this agreement prior to Diment Property obtaining a tenant, the Landlord will be liable to pay advertising and inventory costs incurred by the Agency up to the sum of £295. In the circumstances where Diment Property has found a suitable tenant who has not yet taken occupation, the Landlord will be charged a fee equivalent to one months' rent.

MANAGEMENT SERVICE (see Fees Table)

For Landlords who prefer the property to be managed on their behalf, which involves the day to day running of a property during the period whilst the property is let.

Our tenancy set up and management fee includes:

1. Preliminary inspection of the property and advice on the current market rent, furnishings and other related matters.
 2. Advertising on the internet via our website and social media along with any other platforms we feel would boost the advertising.
 3. Matching to suitable Tenants using existing applicant database, business contacts and relocation companies.
 4. Arranging viewings, accompanied by a representative of Diment Property.
 5. Obtaining references through a professional referencing company.
 6. Preparation of an Assured Shorthold Tenancy agreement.
 7. Receiving and holding a security deposit, payable by the Tenant at the commencement of the tenancy. This will be registered with MyDeposits and held within their custodial scheme account for the duration of the tenancy.
 8. Arranging of a full Schedule of Condition and Inventory, which is signed and agreed by the Tenant.
 9. Providing in-going Tenants with the following information as is required by law: a current Gas Safety Certificate, if applicable; the property EPC; the Government Handbook "How to Rent"; and The Dispute Service (MYDeposits) leaflet, along with the MyDeposits prescribed information.
 10. Registering new Tenants with the utility providers and the local authority.
 11. Collection of the monthly rent.
 12. Providing an itemised monthly rent statement of income and expenditure.
 13. Making periodic management inspections of the property at least once in the first six months and every six months thereafter, more frequently if necessary.
 14. Organising minor repairs and paying bills on the Landlord's behalf.
 15. Arranging for the renewal of Gas Safety (Installation and Use) Certificates and an annual boiler service.
 16. Dealing with any queries from the Tenant.
 17. Arranging for renewal or termination of the tenancy at the end of the fixed term, dependent on the Landlord's instruction.
 18. Carrying out an End of Tenancy Inspection and preparation of the "check out" report.
- Extra statements (additional fee applies) Diment Property can supply extra statements or

copies of statements previously supplied. Key copying (additional fee applies) Should a Landlord need extra copies of keys, Diment Property can arrange this. Additional work (additional fee applies) Any additional work will be charged at our hourly rate.

CONFIRMATION OF MANAGED INSTRUCTION

If you are in agreement with our terms of business and charges, simply complete the enclosed Confirmation of Instruction form and return to Diment Property.

LET ONLY SERVICES (see Fees Table)

Primarily for Landlords who prefer to manage the property themselves.

Tenancy set up fee includes;

1. Preliminary inspection of the property and advice on the current market rent, furnishings and other related matters.
2. Advertising on the internet via our website and social media along with any other platforms we feel would boost the advertising.
3. Matching to suitable Tenants using existing applicant database, business contacts and relocation companies.
4. Arranging viewings, accompanied by a representative of Diment Property.
5. Obtaining references through a professional referencing company.
6. Preparation of an Assured Shorthold Tenancy agreement.
7. Arranging or updating a full Schedule of Condition and Inventory, which is signed and agreed by the Tenant, and a copy emailed to the Landlord. Should the landlord which to arrange their own inventory a copy must be provided to the agent no later than 48 hours prior to check in.
8. Providing in-going Tenants with the following information as is required by law: a current Gas Safety Certificate, if applicable; the property EPC; the Government Handbook "How to Rent"; and The Dispute Service leaflet. NB: Landlord will need to issue the prescribed information from the landlords approved deposit scheme.
9. A reminder of the tenancy renewal date. Tenancies will roll on to a Statutory Periodical tenancy unless otherwise instructed.

NB: The Landlord is responsible for "Checking Out" Tenants at the end of the tenancy.

Check in and key handover / Let Only

Diment Property can provide the keys to the Tenant, check the Tenant into the property and agree the Schedule of Condition and Inventory with the Tenant.

Receiving and registering the security deposit/ Let Only

The Landlord is required to provide details of their chosen deposit scheme and all registration details. The deposit but be protected and the information forwarded to Diment Property to release the deposit into the approved fund. Please note that we will not release the tenants deposit to the landlord without this information.

Renewal fee

Diment Property can provide a renewal service for a further fixed term at the end of a fixed term tenancy which is charged at the applicable rate as stated in the fees schedule.

Renewal negotiation

Diment Property can negotiate different terms, such as an increase in rent, additional or

fewer Tenants, additional pets etc, and provide a new tenancy agreement on behalf of the Landlord.

Check out fee

Diment Property can provide a “check out” service at the end of a tenancy. We will communicate with the out-going Tenant prior to the end of the tenancy to ensure that they understand their obligations and give them advice on meeting all their obligations. Using the Schedule of Condition prepared at the start of the tenancy the property will be inspected and a “check out” report will be prepared. The Landlord will be advised of any case for making deductions for dilapidations from the Tenant’s security deposit.

Tenancy deposit dispute fee

Diment Property can collate the documents and photographs necessary to send to the relevant dispute service in the event of a dispute at the end of a tenancy.

Notice of possession

Diment Property can issue the legal paperwork necessary to serve a Section 21 or Section 8 Notice should the Landlord require a tenancy to be brought to an end.

Property inspection and email of findings

Should a Landlord require it, Diment Property can carry out a property inspection and send the findings to the Landlord by email. Any further work requested will be subject to a payment at our hourly rate.

Extra statements

Diment Property can supply extra statements or copies of statements previously supplied.

Key copying

Should a Landlord need extra copies of keys, Diment Property can arrange this at an additional cost to the landlord.

Additional work

Any additional work will be charged at our hourly rate or a fixed cost as set out in our fees schedule.

CONFIRMATION OF LET ONLY INSTRUCTION

If you are in agreement with our terms of business and charges, simply complete the enclosed Confirmation of Instruction form and return to

Diment Property

Tel 01454 294155 | 07488 337624

www.dimentproperty.co.uk

info@dimentproperty.co.uk

Registered Company:

DCJ Services LTD trading as Diment Property

21 Brick House Horse Street, Chipping Sodbury, Bristol, England, BS37 6DA

Registered in England and Wales: 13440349

Members of the Property Redress Scheme (PRS) membership - PRS029190

| LANDLORD FEES | |
|--|---|
| See Price Guide for full details of each service | |
| Fee Description | Fixed Price / Percentage % |
| SELF MANAGED PROPERTY FEES | |
| Let Only | 50% of the first months rent with a minimum charge £450.00 |
| Rent Collection | 8% of the monthly rent. |
| Guaranteed Rent Protection *Available subject to terms & conditions. | £38 per property, per month |
| Periodic Property Inspections To include a full report and recommendations to both tenant and landlord. | £75.00 per visit |
| Compliance Checks | £55.00 1 Hour appointment |
| Maintenance Property Inspections *Please enquire for further information. | £135.00 |
| Arrangement Fees- Annual Safety Testing | £20 + Invoice cost |
| <u>MANAGED PROPERTY FEES</u> | |
| Managed Property Set up fee | £295.00 per property / per tenancy. |
| Fully Managed | 12.5% of monthly rental value |
| Annual Safety Testing | £25 + Invoice cost |
| Professional Fees | £140 per hour |
| ADDITIONAL FEES | |
| Arrangement of Inventory | £30 + Invoice cost |
| <u>Contractor Fees</u> General Maintenance Renovation Project Management | 10% Of the invoice total (Fully Managed) 12% Of the invoice total (All Services) |



Confirmation of Instruction

Rental Property
Address _____

_____ Postcode _____

Landlord Name(s) _____

SERVICE REQUIRED Please tick as applicable.

| | |
|----------------------------|--|
| LET ONLY | |
| RENT COLLECTION | |
| GUARANTEED RENT PROTECTION | |
| FULLY MANAGED | |

Having read the foregoing Terms of Business and Guidance for Landlords I / we agree to be bound by the terms. I / we can confirm following:

I / we authorise Diment Property to sign the tenancy agreement and statutory notices on my / our behalf.

I / we confirm that all upholstered furniture at the property complies with the Furniture (Fire)(Safety) Regulations 1988.

I / we confirm that all electrical installations and appliances at the property comply with the Electrical Equipment (Safety) Regulations 1994.

I / we confirm that the gas appliances at the property have been serviced with in the last 12 months and, where valid, enclose a Gas Safety Certificate.

I / we authorise Diment Property to arrange for the Landlord Gas Safety Record to be issued at my / our cost, in the event that it is not already in place at the commencement of a tenancy.

I / we authorise Diment Property to arrange for the Landlord Energy Performance Certificate (EPC) to be issued at my / our cost prior to the marketing of the property, in the event that it is not already in place at the commencement of marketing.

I / we confirm that I / we have obtained consent to let from my / our Mortgagees and have notified my / our property insurers and, where applicable, lessors.

I / we agree at any time upon request, to put Diment Property in funds to settle any bills or outgoings that may exceed deposits held by them in connection with the property.

Please delete as applicable

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|---|--|
| I / we confirm that I / we are aware that income tax is payable on net profits received from residential properties, and I / we take responsibility for declaring this. * | I / we confirm that I / we are to be non-resident in the country for a period of six months or more and Form NRL 1 from the Inland Revenue has been completed to be self-assessed for tax. * |
|---|--|

Signed _____

Name in Capitals _____

Date _____

Signed _____

Name in Capitals _____

Date _____

Please return the completed form with a copy of your ID (Passport or Photo Driving Licence and a Utility Bill, less than 3 months old at your current address) in the name of each person stated above. You may email documentation to office.dimentproperty@gmail.com.