



TERMS OF BUSINESS

Lisa's Homes specialise in the rental market, property developing, managing freeholds and can also help with your financial matters. With over 10 years experience in letting, sales and financial services we feel that we can provide a professional, efficient service without losing that friendly, personal touch which is just as important. We make everything as hassle free as possible. If any of our services are of interest to you please do not hesitate to contact us so a meeting can be arranged where they can be discussed further.

Detailed below are the conditions of the rental service we provide, you have two types to choose from:

Full Management

This service covers the initial introduction and set up:

- Making sure the property is of a good rental standard
- Full advertising of the property
- Finding a suitable tenant and moving them into the property
- Collection of rent each month and forwarding it on to yourself
- With this service you have the flexibility to either hand over full control of the property or be involved as much as you would like to be. Also with Lisa's Homes we want to reward people for their custom with us so we therefore charge NO UPFRONT STARTER FEES. Listed below in more detail are the various aspects of the full management service and what Lisa's Homes will do for you.
- Full management of any repairs that need carrying out

Rental Assessment To assess the property free of charge to determine the rental figure expected and if theres anything that is required to be carried out to the property before it is up to a good rental standard.

Landlord Application Form Our contract together, we can not do anything with your property until we have received this back from you fully completed. This gives us full authority to sign all agreements on your behalf.

Energy Performance Certificate EPC's were introduced on rental properties as from 1st October 2008 and must be completed on all new tenancies dated after this date. They show the Energy Efficiency Rating and Environmental (CO2) Impact Rating of the property. It is required before the property can be advertised and has a validation of 10 years. If you have only recently purchased the property, you should already have this in place. We require you to give us a copy of this when you return your Landlord Application Form. If we do not receive a valid EPC we will complete one on your behalf so there are no delays, with this service costing £50 plus VAT.

Gas Inspections It is a legal obligation that all rental properties are required to have a valid gas certificate and that all gas appliances are checked by a gas safe engineer annually. This gas safe engineer will provide a CP 12 Gas Safety Certificate which is held on file. If this has not been carried out we will instruct our approved contract plumber to complete this and will organise this each year on its expiry on your behalf. This service costs £60 plus VAT for the full gas inspection and a further £10 plus VAT for each appliance tested.

Electrical Inspections Although it is not a legal requirement to have an Electrical Certificate on rental properties (unless HMO) we feel that electricity can be just as dangerous and harmful as gas and would not want anyone housed in any of our properties to be in danger for any reason. We would also not want any of our landlords to be responsible for an incident that could occur because of unfound faulty electrics. It is therefore our company policy that a full electrical inspection be carried out before tenants can move in. The electrical inspection must be completed by a electrician that is NIC qualified and will cost between £70 - £110 depending on the size of the property. This certificate is valid for 5 years.

Insurance This is your obligation as a landlord to have buildings insurance in place. You must notify your insurer that the property is to be let, as you will require a landlords policy. You must notify them if your tenant is claiming housing benefit and also notify your insurer if the property is empty for any period of time.

Smoke Alarms One working smoke alarm is legally required on each floor of the property, this should be located in the hall way. If these have not been fitted then we will automatically get these installed and there will be a charge incurred for these according to what work has been carried out.

Carbon Monoxide Detector You are also legally required to have a working carbon monoxide detector at the property. We will automatically instal one on behalf if required and there will be a charge incurred for this.

Legionella Risk Assessment Is now a legal requirement on all rented properties. We will automatically complete one of these on your behalf. You will receive a copy of the Legionella Risk Assessment Form for your records and will be charged a discounted price of £48 including vat providing we manage your property. This is then required annually.

Keys We will require two or three sets of keys for the property, one/two of which will be given to your tenants when they move into the property. The other set will be held by us for safe keeping.

Cleaning The property, windows and carpets must all be cleaned prior to any tenant moving in. We have professional cleaners available that we can instruct on your behalf if required. Any garages/sheds must be emptied and the garden area must be tidy and to a reason standard.

Furnished Properties A list is required of all the furniture that you wish to leave in the property. All furniture must be in compliance with the fire and furnishing safety regulations with appropriate labels attached to display this information. Any non-compliant items of furniture, fixtures and fittings must be changed by you the landlord or removed from the property before it is advertised and let.

Advertising and Marketing A to let board will be erected at the property. The property will be advertised in the local newspaper, internet, and may even be advertised on various social networking sites all with your consent. We already have a large tenant data base, so we are always actively looking for new properties. More often than not it is possible that we already have a tenant waiting in the wings to move straight in.

Viewings Showing potential tenants around the property, we will dress the property with flowers and other house hold decorations, and will have candles burning to give the property that little extra personal touch. We will sell the property to the tenants and provide as much information about it as we can, this is why it is very important that you fully complete the Landlord Application Form.

Prospective Tenants If they want the property, they will need to apply for it. This involves completing a Tenant Application Form and providing us with identification and proof of income. We will assess every aspect of their application, checking income on a affordability calculator and obtaining references from employer and previous landlords. A credit search may also be completed if we feel it is necessary. Lastly we will discuss their application with you the landlord to make sure you are happy with everything involved and with the prospective tenants we are putting in your property.

Pets If a prospective tenant has a pet, this will be discussed with you. Please do not rule them out straight away, as many people have pets and still have a house that is immaculate and odour free. If you decide you are happy to accept a pet, we will complete a pet application, we may want to meet the pet and will visit their current home. A higher deposit will be required to protect your property from possible damage. It is a condition that all carpets in the property are professionally cleaned once the tenant and their pet has vacated the property, the cost of this will be deducted from tenants deposit.

Housing Benefit This is paid directly to the tenant every 4 weeks, they will have to pay this to us along with a possible top up as the housing benefit may not be enough to cover the monthly rent. If the top up is not affordable then the tenants application will be declined. Tenants are also required to pay the rent until their claim is completed. In the event that there is a concern about affordability of the monthly rent then a guarantor will be required, the guarantor would then be liable to pay the rent could the tenant not afford to do so.

Deposit Is taken normally equal to one months rents and held by the Deposit Protection Scheme. At the end of the tenancy agreement the deposit will be returned to the tenant providing there are no deductions for rent or damage sustained to the property.

Inventory This is a document completed by us to provide details of the contents and condition of the property. A copy of the inventory will be kept by us and another will be given to you the landlord for your records.

Utilities Tenants are informed as to who their utilities are provided by and that they must contact them to inform them they are the new occupier of the property.

Tenancy Agreement At Lisa's Homes we use a 6 monthly Assured Short Hold Tenancy Agreement. After the 6 months are completed, providing everyone is happy it will roll over on a month to month basis. If you wish to take the property back we have to give the tenants 2 months notice and vice versa if the tenant wishes to vacate the property they must give us 1 months written notice.

Payment Date Will be the date of when the tenancy agreement first commenced and you will receive your first payment the day your tenant moves into the property. And each month there after, excluding weekends or bank holidays.

Rent Is only paid to you on your payment date each month providing we have received funds and they are cleared for us to forward them onto you.

Late Rent Where rent has not been paid on time, you will be notified and we will chase the outstanding amount by phone, text messages, letters and property visits. All until the matter has been rectified and the outstanding rent has been paid in full.

Rent Arrears If these ever occur, a payment plan will be set up until all arrears have been cleared. If the payment plan is not adhered to and kept up to date further action would be required and if necessary legal action.

Repairs You will be informed of all repairs that are required on the property with a full explanation and photographic evidence. You can either use your own contractors to carry out the work or we will be happy to instruct ours on your behalf. It is only in the event of an emergency that we will give the go ahead for work to be carried out and you are required to pay the cost of this. We complete spot checks on contractors work to ensure it is kept to the highest standard and do regular checks so we know that their prices are also competitive. Invoices can be sent directly to yourselves, a copy will be held by us so that we know the job has been completed and so we can check the costs of charges. If it is necessary for us to pay for the work to be carried out then the cost can be deducted from you monthly rent.

Inspections We inspect the property on a 6 monthly basis. A copy of this report will be sent to yourself. We cannot accept responsibility for hidden or patent defects in the property.

Notice to Vacate When we receive this from the tenant you will be informed and the property will be advertised immediately looking for another suitable tenant.

Final Inspection This is an inspection completed upon the termination of the tenancy agreement. It will detail how the tenant has left the property, the condition it has been left in comparing it to the Inventory. Meter readings will be taken and if the property is furnished, furniture will be checked it is free from defects.

Value Added Tax VAT will be levied on all charges.

Tax You must declare your rental income to HMRC annually, we would also suggest you use an accountant to do this. We would be happy to recommend an accountant to you.

Non Resident Landlords If you live abroad the HMRC will hold us responsible for the payment of any tax liability which arises on rents collected by us on your behalf, unless you have obtained an exception certificate giving you a NRI number. Therefore, tax will be deducted on your net income.

Void periods Our management does not include supervision of the property when it is inlet. Utility bills will be sent directly from the supplier to your home address. We would recommend you turn the water main off during the winter months.

Property Sale If a property is sold by us, then there will be a 1% plus VAT charge occurred of the purchase price, this is for introducing the property to the new vendor and for the hassle free negotiation of the sale. This fee will be deducted upon completion of the sale by your solicitor.

Data Protection & Confidentially Act All information and records held by us about landlords, tenants and prospective tenants is kept with the strictest of confidence and in accordance with the data protection act.

The rates for the **Full Management Service** are as follows:

10% commission plus VAT on any rent collected

or

8% commission plus VAT on any rent collected if you have 5 or more properties with Lisa's Homes

or

8% commission plus vat if we receive 3 business leads by referral from you. You would only receive this deduction once the business from the leads has started.

Further deals are available and can be negotiated with landlords that have larger portfolios.

Introduction Only

This service is when we find a tenant only, a tenant who is acceptable to you. We will assess their application, make sure all inspections have been completed and that you have all the required certificates. We will collect an initial deposit and the first months rent, complete a tenancy agreement, inventory, and move them into the property. We then hand the property back to yourself for the day to day management. We therefore cannot accept any liability for any rent arrears or damage caused to the property by the tenant you accept. As with the full management service there is NO UPFRONT STARTER FEES charged.

The rates for the **Introduction Only Service** are as follows:

80% commission plus VAT on the first months rent.

