# JC LIVING Terms OF Business for Lettings









JIANCHUAN Ltd is a Limited Liability Company.

Registration No 09977980.

Registered Office: Office 7 35-37 Ludgate Hill, London, UK, EC4M 7JN

The terms of the Agreement set out in this document will constitute a binding legal contract. If you are unsure of your obligations under this Agreement, then you are advised to take independent legal advice before signing. This Agreement is set to comply with the requirement of Provision of Services Regulations 2009 SI 2999.

This Agreement is made between the Landlord of the Property (as named at the end of this Agreement) and THE JIANCHUAN LTD (JC LIVING) who agree to act as agent for the landlord and are hereinafter referred to as "the Agent". The purpose of this document is to set out clearly and concisely the extent of the letting and management service offered and the scale fees charged.

In return for our Services, whether they are letting, renewal, rent collection or management services, you will pay us a Commission Fee which will be based on the commission rates set out in the Confirmation of Instruction From attached to these Terms of Business.

#### TERMS OF BUSINESS

#### 1. GENERAL AUTHORITY

The Landlord confirms that he/she is the sole or joint owner of the property and has the right to rent out the Property under the terms of the mortgage or head lease. Where necessary, the Landlord confirms that permission to let has been granted by the mortgagee. The Landlord authorises the Agent to carry out the various usual duties of property management including those listed in Clause 25- LIST OF MAIN SERVICES OFFERED BY JIANCHUAN. The Landlord also agrees that the Agent may take and hold deposits and comply with the requirements of any tenancy deposit scheme that may apply to that deposit. It is declared that the Agent may earn and retain commissions on insurance policies issued.

#### 2. LIABILITY FOR TENANT DEFAULT

Although the aim is to take every care in managing the Property, the Agent cannot accept responsibility for non-payment of rent, damage or other default by tenants, or any associated legal cost incurred in their collection where the Agent has act correctly in terms of this Agreement, or on the landlord's instructions. An insurance policy is recommended for this eventuality.

# 3. REASONABLE COSETS AND EXPENSES

The Landlord agrees to repay the Agent for any reasonable cost, expense or liability incurred or imposed on the Agent provided that they were incurred on behalf of the Landlord in pursuit of the Agent's normal duties. To assist the Agent in carrying out his duties effectively, the Landlord agrees to respond promptly with instructions where necessary to any correspondence or requests from Agent.

Where the agreement is cancelled under the Cancellation of Contracts Made in a Consumers' home or Place of Work etc Regs.2008 the landlord agrees to repay any reasonable costs incurred by the Agent in carrying out his duties before the cancellation of the contract.

#### 4. MAINTENANCE:

- 1.1 The landlord agrees to provide the property in good and lettable condition and that the Property, beds, sofas and all other soft furnishings conform to the current Fire and Furnishings (fire) (safety) Regulations 1988 (as amended) by the Furniture and Furnishings (fire) (safety) Regulations 1993. The landlord agrees to make the Agent aware of any ongoing maintenance problems
- 1.2 For managed properties and subject to a retained maximum expenditure limit of £ 200 on any single item or repair, and any other requirements or limits specified by the landlord, the Agent will administer any miscellaneous maintenance work that needs to be carried out on the property. "Retained maximum expenditure limit" means that the Agent has authority to spend up to this amount (or other amount as individually agreed) on reasonable improvements or repairs in any single monthly accounting period without prior reference to the Landlord.

For expenditure in excess of the agreed expenditure limits, the Agent would normally request authorisation in advance, although it is agreed that in an emergency or for reasons of contractual or legal necessity where reasonable endeavours have been made to contact the landlord, the Agent may reasonably exceed the limits specified. By law, it is necessary to carry out an annual inspection of any gas appliance. The Agent will carry this out on the landlord's behalf and expense and administer the necessary inspection and maintenance records. The reasonable costs involved will be debited to the landlord's account.

When the agent is managing the property and required to co-ordinate repair and maintenance work on behalf of the landlord, the Agent will not be responsible for any negligence, damage, or breach of contract by any contractor employed in this way.

# 5. CONTRACTORS

The agent will appoint its preferred contractors unless the landlord stipulates in writing his/her wishes to use alternative contractors.

JIANCHUAN will use a Landlord's preferred contractors providing full details are provided in writing prior to commencement of the Tenancy. JIANCHUAN will confirm with the landlord the basis on which the contractors will be engaged on his behalf.

The landlord also confirms to JIANCHUAN that the landlord's preferred contractor is suitable for the works intended and JIANCHUAN shall have no liability whatsoever for the appointment of the nominated contractor.

When a contractor nominated by the landlord is unable to respond within a reasonable timescale or in emergency, JIANCHUAN reserves the right to appoint a contractor nominated by them and charge accordingly.

Whilst exercising all due skill and care in the choice and administration of contractors, JIANCHUAN does not accept responsibility for any loss or damage caused by the neglect or default of any contractor.

# 6. OVERSEAS RESIDENTS: (Finance act 1995)

When letting property and collecting rents for non-UK resident landlords (NRL), the Agent is obliged by Income and Corporation Taxes Act 1988 and the Taxation of Income Form Land (Non-Residents) Regulation 1995 to deduct tax (at the basic tax rate) to cover any tax liability, unless the landlord has been authorised in writing by HM Revenue and Customs (HMRC) to receive rent gross. In this situation, the agent also requests that the landlord appoints an accountant in order to manage correspondence with the Inland Revenue. In many cases, landlord's tax liability is minimal when all allowable costs are deducted.

In the absence of an approval number from the Inland Revenue, JIANCHUAN is legally obliged to retain tax at the prevailing rate and account to Inland Revenue for these monies.

#### 7. COUNCIL TAX

Payment of Council tax will normally be the responsibility of the tenants in the Property. However, Landlords should be aware that where a property is empty, let as holiday accommodation, or let as a house in multiple occupation (HMO) responsibility for payment of council tax then rests with the owner of the property.

#### 8. UTILITIES

The agent's appointed Inventory clerk will take meter readings whenever possible at each change of occupation in the Property. However, it is the Tenants responsibility to inform the service companies (electricity, gas, water) of these readings and change of occupation. Regarding mail, landlords should take care to inform all parties (e.g. Banks, clubs, societies etc.) of their new address; as it is not always possible to rely on tenants to forward mail.

For properties managed by The Agent, The Agent will check that The Tenants have transferred those services when The Agent carries out the first inspection of The Property, usually three (3) months from the beginning of The Tenancy

## 9. INVENTORY

The deposit protection schemes established under the terms of Housing Act 2004 require that all Landlords need to be protected by good inventory and condition reports from the outset. The Agent will instruct an inventory clerk to prepare an inventory for the property and a charge will be made for this depending on the size of the Inventory and the property. The standard inventory will include all removable items in the Property (Except those of negligible value) plus carpets, paintwork, wall coverings, curtains, mirrors, sanitary ware and other articles that in the opinion of the Agent, need regular checking. Landlords should not leave any articles of exceptional value in the property without prior arrangement with the Agent. The standard inventory service will include a full schedule of condition (Condition, color & decoration of ceilings, walls, door fittings etc). Evidence of condition or damage (i.e. photography) will be prepared as required, or at the Landlord's request, and will be charged accordingly.

Check-in costs are met by the Landlord and check-out costs are met by the Tenant, unless the Tenancy Agreement states otherwise.

In the absence of a professional independent inventory the Landlord may be unable to claim compensation from the Tenant for any loss or damages suffered at the Property and JIANCHUAN accepts no liability for any loss or damage suffered under these circumstances.

JIANCHUAN accepts no liability for any error or omission on the inventory clerk behalf.

# 10. TENANCYAGREEMENT

All our Services include the preparation of a Tenancy Agreement in the Agent's standard form(s) and provision of a copy of this agreement to a designated advisor or building society. Should the Landlord, advisors or mortgagees require amendment of the contract or require the Agent to enter into further work or correspondence, a fee for this extra work may be requested (or The Landlord may have the tenancy agreement amended by your own adviser at your own expense). It is agreed that the Agent is authorised to sign the tenancy agreement(s) on behalf of the Landlord.

The Agent cannot accept responsibility in relation to their standard form of Tenancy Agreement or other agreements in respect of "security of tenure" that may be conferred on or attached to any Tenant or any other person and excludes all liability in respect thereof, The Landlord should seek independent legal advice in this respect.

# 11. NOTICES

The Agent will, when agreed and as necessary, serve the usual legal notices on the tenant(s) in order to terminate the tenancy, increase the rent, or for any other purpose that supports the good management of the property, or the timely return of the deposit at the end of the tenancy.

# 12, SECTION 48 LANDLORD AND TENANT ACT 1987

In accordance with Section 48 of the Landlord and Tenant act 1987, the Landlord must provide an address in England or Wales where Notice of Issue of Proceedings may be served upon them by the Tenant. Please note that the rent is not legally due to the Landlord unless this requirement of the Act is satisfied.

# 13. RESERVATION FEES

A reservation fee is generally taken from a Tenant applying to rent a Property. The purpose of this fee is to verify the Tenant's serious intent to proceed, and to protect the Agent against any administrative expenses (taking out references, conducting viewings, re-advertising) that may be incurred should the tenant decide to withdraw the application. The reservation fee does not protect the Landlord against loss of rent due to the tenant deciding to withdraw, or references being unsuitable. Landlords should notify the Agent in advance when they wish a larger security fee to be carried to protect against loss of rent, or insurance undertaken. This fee is not a deposit until it is transferred to the establishment of the tenancy

# **14. TENANCY DEPOSITS:**

Assured Shorthold Tenancy Deposits

- 14.1 If a tenant pays a deposit in connection with an assured short hold tenancy ("AST") the deposit must, from the moment it is received, be dealt with in accordance with a government-authorised tenancy deposit protection scheme.
- 14.2 The landlord must give the tenant and any Relevant Person 'prescribed information' about the deposit and comply with the initial requirements of an authorised scheme within the Statutory Time Limit.
- 14.3 We are a member of the Tenancy Deposit Scheme, which is a government- authorised tenancy deposit protection scheme.
- 14.4 If we receive an AST deposit on your behalf, we will serve the prescribed information and comply with the initial requirements of the Tenancy Deposit Scheme on your behalf, unless you give us prior written instructions to the contrary before we receive the deposit.
- 14.5 If you do not want us to protect the deposit on your behalf, it will be your responsibility to protect it as required by law. A valid notice seeking possession under s21 of the Housing Act 1988 cannot be served on a tenant whose deposit is not protected. A tenant or any Relevant Person may apply through the courts for compensation of at least the amount of the deposit, and up to three times the deposit, if the landlord (or someone acting on the landlord's behalf):
  - o) fails to give prescribed information within the Statutory Time Limit; or
  - p) fails to comply with the initial requirements of an authorised scheme within the Statutory Time limit; or
  - q) notifies the tenant or Relevant Person that the deposit has been protected in a scheme, but the tenant or Relevant Person cannot obtain the scheme's confirmation that the deposit is protected.
- 14.6 If you do not give us written instructions that you want to make your own arrangements for deposit protection, we will hold deposits relating to your properties under the terms of the Tenancy Deposit Scheme. We must comply with the rules of the Scheme, and this means that we will not be able to act on your instructions with regard to the deposit if those instructions conflict with the Scheme rules.
- 14.7 The Scheme rules are available to view and download from <a href="https://www.mydeposits.co.uk">https://www.mydeposits.co.uk</a>. A very important point for you to bear in mind is that we must hold the deposit as "stakeholder". This means that we can only pay money from the deposit if:
  - a) both landlord and tenant (and any Relevant person) agree; or
  - b) the court orders us to do so; or
  - c) the Tenancy Deposit Scheme directs us to do so.

# **During the tenancy**

- 14.8 We will hold the deposit as stakeholder in our client account (separate from the money we use to run our business).
- 14.9 Interest earned on the deposit will belong to the Agency

14.10 If the Tenancy Deposit scheme directs us to send the deposit to them, we must do that within 10 days of receiving their direction. The Scheme will not normally direct us to send them the deposit unless there is a dispute about how it is to be paid at the end of the tenancy.

#### Where there is No dispute about the deposit at the end of the tenancy

- 14.11 At the end of an AST we will liaise with you to ascertain what (if any) deductions you propose to make from the deposit, or have already agreed with the tenant. If we managed the property we will help you to try and resolve any areas of dispute within a reasonable time obtaining quotations, estimates or arranging contractors on your behalf in accordance your instructions.
- 14.12 once you and the tenant have agreed how the deposit should be allocated, we will ask you both to confirm your agreement in writing. We will then pay the deposit according to what you have agreed, within 10 days of receiving confirmation of agreement from you and the tenant(s). We cannot pay until we have the tenant's agreement. If you have joint tenants, all of them must agree.

Where there is a dispute about the deposit at the end of the tenancy

- 14.13 You must use reasonable efforts to reach a sensible resolution to the dispute as soon as practicable after the tenancy ends. If we managed the property we will help you to try and resolve time any areas of dispute within a reasonable time obtaining quotations, estimates or arranging contractors on your behalf in accordance your instructions.
- 14.14 A tenant can ask us to repay the deposit at any time after the tenancy has ended. You must agree to us releasing promptly any part of the deposit that does not need to be held back to cover breaches of the tenancy agreement. We will take your instructions at the time regarding the amount to be withheld.
- 14.15 If the tenant asks us to repay some or all of the deposit, and we do not do so within 10 days from and including the date of in6 tenant's request, the tenant can notify the Tenancy Deposit Scheme. The scheme will then direct us to pay the dispute amount to the scheme. We have 10 days, from and including the date we receive the-Scheme's direction, to send in the money.
- 14.16 If we protect a deposit with the Scheme on your behalf, **you hereby authorise us to pay to the scheme as much of the deposit as the scheme requires us to send**. We will contact you to keep you informed, but we will not need to seek your further authority to send the money to the Scheme.
- 14.17 The Tenancy Deposit scheme will review the tenant's claim and decide whether it is suitable for independent alternative dispute resolution. Usually, this will take the form of adjudication, but it may involve assisted negotiation or mediation. "Alternative" in this context means an alternative to court proceedings. It is intended to be a faster and more cost-effective way of resolving disputes. The

Scheme does not make a charge to landlords or tenants for using the alternative dispute resolution service if it relates to an AST.

14.18 If the tenant's claim is referred for alternative dispute resolution, we and you will be invited to accept or contest the claim. You must notify the Scheme whether you agree to submit the dispute for alternative dispute resolution within 10 Working Days from (but not including) the date of the Scheme's communication to you. If you do not respond to the Scheme by the deadline, you will be treated as having given your consent to alternative dispute resolution.

14.19 Agents and landlords are permitted to refer a dispute about a deposit to the Tenancy Deposit Scheme. If you or we refer a deposit dispute to the Scheme, the Scheme will contact the tenant to confirm whether the tenant will agree to alternative dispute resolution. If there are joint tenants, all the joint tenants must agree. A tenant who does not reply to the Scheme is NOT deemed to consent to alternative dispute resolution. If the tenant (or all joint tenants) do not agree to alternative dispute resolution, and do not agree to the deposit deduction(s) you claim, you will need to begin court proceedings if you wish to pursue your claim.

14.20 If the parties agree to adjudication, the adjudicator's decision is final and there is no right of appeal. Further information about adjudication is available free to download from <a href="https://www.mydeposits.co.uk/">https://www.mydeposits.co.uk/</a>.

14.21 The Tenancy Deposit Scheme will pay the disputed amount to the person(s) entitled within 10 days beginning on the date the Scheme receives notice of (a) the adjudicator's decision or (b) an order from the court that has become final or (c) an agreement being reached between you and the tenant(s).

14.22 If you order any work to be done at the property before a dispute has been resolved, you do so at your own risk. There is no guarantee, if you incur expense, that a dispute will ultimately be resolved in your favour.

## Consent to use personal information

14.23 When you agree to use our services, you agree that we may use information you give us, including information about yourself, for the purposes of performing our obligations to you.

14.24 You agree that we may supply such information as is reasonably required to the Scheme. You agree that the Scheme, or the government department responsible for the Scheme, may contact you from time to time to ask you to participate in surveys. If at any time you do not with the Scheme to contact you for that purpose, you should write to the Scheme as explained in the Scheme Leaflet (see <a href="https://www.mydeposits.co.uk/">https://www.mydeposits.co.uk/</a>).

# Our duty to provide correct and complete information

14.23 When you agree to use our services, you guarantee that all the information you provide to us is complete and correct to the best of your knowledge and belief. You agree to inform us immediately if it comes to your attention that any information was incorrect.

14.24 If we suffer any loss or incur any cost because information you have given us is or was incomplete and/or incorrect, you agree to pay us the amount necessary to put us in the position we would have been in if the information had been complete and correct. This clause does not relieve us of our own obligation to use reasonable skill and care in providing our services to you, or to take reasonable steps to keep our losses and costs to a minimum once we realise that there is a problem.

# Where the tenancy is not an AST

14.25 The deposit does not have to be protected by law. However, the Tenancy Deposit Scheme will make its independent alternative dispute resolution service available to you as our client, because we are a member of the Scheme.

14.26 If a dispute arises you, we or the tenant will contact the Scheme. Then:

- 1..2 the Scheme will propose what they consider to be the most effective way of resolving the dispute (assisted negotiation, mediation, adjudication or arbitration);
- a) you, we and the tenants must consent in writing to the proposed method if we all want to proceed (if we don't, the options are to negotiate or litigate);
- b) the parties will have to pay a fee of £500 + VAT (or such other minimum fee as the Scheme may set from time to time) or 10% of the deposit plus VAT, whichever is the larger amount.
- 14.27 The Scheme will not start the dispute resolution process until all parties have agreed in writing to use the Scheme and paid the applicable fee and the disputed deposit to the Scheme.

# Where you instruct us that you do not want us to protect an AST deposit

14.28 If the deposit relates to an AST and you decide to hold the deposit yourself, you must tell us before the tenancy agreement is signed. We will notify you of the date we receive the deposit and aim to transfer the deposit to you within 5 days of receiving it. By law you must then register the deposit with an authorised tenancy deposit protection scheme within 30 days of the date we received it. You must also give the tenant(s) and any Relevant Person 'prescribed information' about the deposit. If you do not do both these things within 30 days of us receiving the deposit, the tenant or any Relevant Person can take legal action against you. The court can make an order stating that you must pay the deposit back to the tenant, or lodge it with the custodial scheme run by the Deposit Protection Service. The court will then also order you to pay compensation to the tenant of between one and three times the amount of the deposit.

14.29 By law, you may not serve a notice seeking possession under section 21 of the Housing Act 1988 notice until you have served the prescribed information. If you have not complied with the initial requirements of an authorised tenancy deposit protection scheme, you cannot serve a s21 notice until you have returned the deposit (or the agreed balance of it) to the tenant or court proceedings relating to the return of the deposit have been disposed of.

14.30 If you instruct us that you do not want us to protect an AST deposit, we shall not be liable to you for any loss suffered or cost incurred if you fail to comply with your obligations to protect the deposit and give prescribed information. You must pay us for any loss or inconvenience suffered or cost incurred by us if you fail to comply with those obligations. This clause will not apply if the reason for your failure is because we failed to send you the deposit within 20 days of receiving it.

# Joint Landlords

14.31 If there is more than one landlord, any of you will be able to participate in alternative dispute resolution. TDS does not accept liability to any one or more joint landlords for acting on the instructions of any other joint landlord. TDS does not accept directions from joint landlords to deal only with instructions agreed unanimously by joint landlords. If you want all decisions to be made jointly, this is something that should be agreed between the landlords. It will then be a matter for the landlords to resolve among themselves if one or more of them have not complied with that agreement.

# **TENANCY DEPOSIT DISPUTES:**

14.32. When instructed to manage the property, The Agent will endevour to resolve any deposit disputes by negotiation between the Landlord, the Agent and the Tenant, Where the deposit is

subject to statutory tenancy deposit protection, and a dispute cannot be resolve between the parties, then it will be necessary to submit the claim to the tenancy deposit administrator for adjudication under an Alternative Dispute Resolution (ADR) process. (See clause 14,6 above) An estimate of the likely costs of preparing and submitting the claim to adjudication will be submitted to the Landlord before any case is started.

14.33. When the Agent is not instructed to manage the property, the Landlord and the Tenant need to resolve any dispute between themselves. Where the deposit is subject to statutory tenancy deposit protection, and a dispute cannot be resolve between the parties, then it will be necessary to submit the claim to the tenancy deposit administrator for adjudication under an alternative dispute resolution (ADR) process. (See clause 14.6 above) An estimate of the likely costs of preparing and submitting the claim to adjudication will be submitted to the Landlord before any case is started.

# **INSPECTIONS:**

For properties under the Management Service, the Agent will carry out inspections every six months starting after the first three months of the start of such tenancy. Such inspections do not constitute a formal survey of the Property, and it is not the intention to check every item of the inventory at this stage. The inspection is concerned with verifying the good order of the tenancy (i.e. house being used in "tenant-like" manner) and the general condition of the Property. This would normally include inspecting the main items (carpets, walls, cooker, main living areas and gardens.) Where these were felt to be unsatisfactory, a followed up inspection would be made soon after.

Following the departure of tenants, a final inspection of the Property is carried out by the Agent's appointed Inventory Clerk, Testing of all electrical appliances, heating system and plumbing is not feasible during this inspection; a qualified contractor should be appointed for this purpose should it be required by the Landlord. For managed properties, The Agent check would normally check any deficiencies or dilapidations and submit a report to The Landlord (and, if appropriate, to the relevant tenancy deposit scheme administrator) together with any recommended deductions or replacements values.

# 15. TERMINATION OF THIS AGREEMENT

## **Termination of Agency Agreement**

The Landlord has the right to cancel this agreement at any time prior to JIANCHUAN securing a tenant for the property.

In the event that such notice is served by the Landlord during the tenancy period, then the Agent will be entitled to their normal fee applicable for the remainder of the tenancy and any subsequent renewal.

JIANCHUAN reserves the right to suspend the provision of our Standard Lettings Service or Management Service in the event that any payments from the Landlord are outstanding. JIANCHUAN shall not be obliged to continue to provide our Services until full payment of any outstanding amount has been made, JIANCHUAN will not be liable for any loss suffered by the Landlord during any period of suspended service.

JIANCHUAN reserves the right to terminate the Services we provide in the event that the Landlord commits a breach of these agreed Terms of Business or discriminates against any applicant, tenant or any employee or subcontractor of JIANCHUAN for gender, race, disability, religious belief or sexual orientation.

#### Agreements signed away from the Agents Office

Where this Agency Agreement is signed away from the office the Landlord has a right to cancel under consumer protection legislation within 14 days ('a cooling off period') of the date of this Agreement. A cancellation notice is available at the end of this Agreement. Where the Landlord waives his right to cancellation (see paragraph 40) by agreeing to the Agent carrying out works immediately following the date of this Agreement he will be responsible for any outstanding fees and any reasonable costs incurred by the Agent in carrying out their duties if the Landlord cancels this contract during the 'cooling off' period.

#### 16. CURRENT HOUSING HEALTH AND SAFETY REGULATION

WARNING: You should read and understand these obligations before signing overleaf.

The letting of property is now closely regulated with respect to consumer safety. The law makes particular demands regarding the safety, servicing and inspection of the gas and electric appliances and Installations within a property and with respect to the safety of furniture and soft furnishings provided. The following regulations apply:

#### - Energy Performance Certificate (EPC).

The Landlord must order an EPC for potential tenants before you market your property to rent

#### - Furniture and Furnishings (Fire) (Safety) Regulations 1988

It is a criminal offence to let a Property with upholstered furniture which cannot be proven to comply with the safety regulations. In signing these Terms of Business the Landlord warrants that all furniture at the Property, together with any added by the Landlord during the Tenancy, complies with the safety regulations.

# - General Product Safety Regulations 2005

The General Product Safety Regulations 2005 ("the Regulations") implement Directive 20011951EC on general product safety ("the GPSD") and came into force on 1st October 2005 (when they replaced the 1994 Regulations). They have the aim of ensuring that non-food consumer products placed on the market are safe.

#### - Gas Safety (Installation and Use) Regulations 1998

Under the provisions of these regulations the Landlord must ensure that all gas appliances and installations are checked annually by a Gas Safe Registered engineer and the Tenant must be provided with a copy of the Gas Safe Record prior to the commencement of the Tenancy and within 28 days of the renewal of the Safety Record. Failure to comply is a criminal offence.

# - Electrical Equipment (Safety) Regulations 1994

Under the provisions of these regulations the Landlord must ensure that electrical installations and appliances at the Property are maintained in good order and checked regularly for safety by a qualified engineer. They must be completely safe at all times.

JIANCHUAN recommends that instruction manuals for all electrical appliances are left at the Property.

JIANCHUAN recommends that a fixed electrical wiring test is carried out every five years and can arrange this at the Landlords' request and expense.

#### - Smoke Detectors

As per new regulation the Landlord must instruct a suitably qualified person to install smoke detectors at the Property and place a fire blanket or extinguisher in the kitchen. These items must be checked by the Landlord at the start of each new Tenancy to ensure they are in full working order and have been regularly serviced. These items can be arranged by JIANCHUAN at the Landlord's request and expense.

Monoxide Carbon detectors should also be installed and maintained.

## - Plugs and Sockets (Safety) regulations 1994

This regulation applies to electrical plugs, sockets and adaptors ordinarily intended for domestic use at a voltage of not less than 200 volts and to fuse links suitable for use with such plugs and adaptors. They also require that most domestic electrical products must be supplied correctly fitted with a fused and approved UK three-pin plug (BS 1363) or approved "conversion plug", i.e. a device which may be engaged with a socket conforming to BS 1363 and which is designed to enable a non-UK plug to be engaged with such a socket.

#### - Houses in Multiple Occupation (HMOs)- Housing Act 2004

The Landlord's property will require a mandatory license if it comprises three or more storeys and has five or more occupiers who do not form one household and who share kitchen or bathroom facilities. It is the Landlord's responsibility to obtain a license and to comply with any conditions imposed by the local authority when granting it.

Local authorities can enforce discretionary licensing and it is the Landlords' responsibility to check whether his property is subject to discretionary licensing. If the property requires a license it is the Landlords responsibility to acquire and pay for one.

#### -Legionnaires' Disease

Legionnaires Disease is a type of pneumonia found within water systems in properties such as spa baths the assessment yourself but, if not, you should call on help and advice from either within your own organisation or from outside sources, e.g. consultancies.

If in doubt of your responsibilities or you require further information please refer to <a href="http://www.hse.gov.uk/legionnaires/what-you-must-do.htm">http://www.hse.gov.uk/legionnaires/what-you-must-do.htm</a> for further guidance.

The Landlord confirms that they are aware of these obligations and that the Agent has provided sufficient information in the form of explanatory leaflets accompanying this agreement to assist

with compliance. It is agreed that the Landlord shall ensure that the property is made available for letting in a safe condition and in compliance with above regulations. The Agent shall ensure that all relevant equipment is checked at the beginning of the tenancy or during the tenancy as required. The Landlord agrees to repay the Agent costs in incurring any reasonable expenses or penalties that may be suffered as a result of noncompliance of the property to fire and appliance safety standards.

# 17. INTEREST

The Agent's fees become payable on demand, as and when they fall due. The Agent reserves the right to charge interest on any amount s outstanding for more than 14 (fourteen) days after the initial demand and interest shall then be charged at a rate of 2% per annum over and above the Bank of England's base rate. Should this clause be invoked, interest will be charged from the date upon which the fees became due.

# 18. SUB.AGENCY

In some cases, the Agent may seek the assistance of other reputable agents to assist in the marketing of the property, and reserve the right to instruct these agents on the Landlord's behalf where necessary. This will be of no extra cost to the Landlord and the Agent assumes (unless instructed otherwise) that this is acceptable.

#### 19. PROPERTY PRESENTATION

The Agent requests as part of the Tenancy Agreement that Tenant's ensure the property is professionally cleaned, including all curtains, carpets and bed linen (where applicable) prior to handing back the property at the end of the tenancy, Therefore, it is necessary for the Landlord to ensure the property is handed to the Tenant at the commencement of any tenancy having been professionally cleaned including all curtains, carpets and bed linen (where applicable) if required. The Agent reserves the right to instruct professional cleaners (at the Landlord's expense) if in the Agents opinion the property is not in a suitable state of cleanliness for a Tenant to take occupation. All machines, appliances and heating and water systems should be in good working order and recently serviced, with all instruction manuals being left in the property (to be included on the Inventory).

# 20. INSTRUCTIONS

It is agreed that any instructions to the Agent from the Landlord regarding termination, proceedings, major repairs, payment, or other significant details regarding the letting be confirmed to the Agent in writing

# **21. DATA PROTECTION**

JIANCHUAN complies with the data protection laws in the United Kingdom and takes all reasonable care to prevent any authorised access to, or use of, your personal data.

The personal details that we use to provide or promote our products and services, as well as any information taken from you will not be passed to any organisation beyond JIANCHUAN. Your details may, on occasion, be shared with approved contractors or agents in order to provide you with products and services that you have requested.

# **22. INSURANCE**

The Landlord shall be responsible for the property being adequately insured and that the insurance policy covers the situation where the property is let. The Agent would normally be responsible for the administration of any claims arising during the period of management where the property is being managed (i.e. this only applies to properties under the full "Standard Management Service") and subject to an additional charge for major works (see "Maintenance").

# 23. REFERENCES

Wherever appropriate, references on prospective Tenants will be obtained.

In signing the Tenancy Agreement, the Landlord is deemed to have accepted any such references and thereby grants consent for the Tenancy to proceed,

Referencing agencies will be happy to offer you appropriate Rent Guarantees and insurance policies so it is down to the Landlord to let JIANCHUAN know in advance of the desire of acquiring such policies.

# 24. LEGAL PROCEEDINGS

Any delays of payment or other defaults will be acted on by the Agent in the first instance. Where the Agent has been unsuccessful in these initial actions, or there are significant rent arrears or breaches of the tenancy agreement, the Landlord will be advised accordingly. A solicitor may then be appointed and instructed by the Landlord (except where the Agent in unable, after taking reasonable efforts, to contact the landlord. In the event the Agent is authorised to instruct a solicitor on the Landlord's behalf). The landlord is responsible for payment of all legal fees and any related

# 25. LIST OF MAIN SERVICES OFFERED BY JIANCHUAN

| SERVICES                              | LET<br>ONLY | LENT+RE<br>NT | LET+<br>MANAGEM<br>ENT |
|---------------------------------------|-------------|---------------|------------------------|
| ADVERTISING AND MARKETING             | ×           | ×             | ×                      |
| CONDUCTING VIEWINGS (EVENINGS AND     | ×           | ×             | ×                      |
| WEEKENDS BY APPOINTMENT)              |             |               |                        |
| TAKING UP FULL REFERENCES             | ×           | ×             | ×                      |
| DRAWING UP TENANCY AGREEMENTS (IN     | ×           | ×             | ×                      |
| LINE WITH CURRENT LEGISLATION)        |             |               |                        |
| LIASING WITH MANAGING AGENTS TO       |             |               | ×                      |
| OBTAIN SUBLET LICENSES                |             |               |                        |
| DEPOSIT REGISTRATION (TDS scheme)     |             | ×             | ×                      |
| ARRANGING INVENTORY CHECK IN & CHECK  | ×           | ×             | ×                      |
| OUT                                   |             |               |                        |
| RENT COLLECTION                       |             | ×             | ×                      |
| PROPERTY INSPECTIONS                  |             |               | ×                      |
| PROPERTY MAINTENANCE                  |             |               | ×                      |
| TENANT'S & LANDLORD EMERGENCY PHONE   |             |               | ×                      |
| LINE                                  |             |               |                        |
| INSTRUCTING & PAYING CONTRACTORS      |             |               | ×                      |
| PREPARING A SCHEDULE OF DILAPIDATIONS |             |               | ×                      |
| AND COST AT THE END OF THE TENANCY    |             |               |                        |
| PROPERTY ACCOUNTS                     |             | ×             | ×                      |
| RENEWAL NEGOTIATIONS                  |             |               | ×                      |
| RENEWAL AGREEMENTS                    | ×           | ×             | ×                      |

# **27. LETTING ONLY SERVICE**

Where the Landlord does not wish The Agent to undertake the full management, the Agent can provide a LETTING ONLY SERVICE / INTRODUCTION OF TENANT ONLY. This service is suitable for experienced Landlords who feel comfortable maintaining relationships with their tenants, collecting rent, managing any property issues and most importantly have a good understanding of the current lettings legislation.

If JIANCHUAN introduces a Tenant who enters into an agreement to rent The Landlord's property, a Commission fee becomes payable to JIANCHUAN by the Landlord,

The Landlord would remain responsible for all other aspects of the letting including the maintenance of the property and any gas and electrical appliances. The Landlord is also responsible for ensuring there is valid gas certificate for the property where there are tenants in place. Please refer to the table in paragraph 28 for the list of the main services offered under our LET ONLY SERVICE.

The Commission Fee is payable on or before the commencement of the Tenancy and upon any extension, renewal or period when the Tenancy holds over and for any further periods for which Rent is payable whether or not negotiated by JIANCHUAN. The fee for the Letting Service is 8% + VAT of the gross rental for the term of the tenancy and will be deducted from monies received by the Agent on the Landlord's behalf, If the tenant leaves prior the end of the term of the tenancy or prior the end of the break clause, through no fault of the Agent, the landlord shall not be entitle to reimbursement of any fees paid.

The Commission Fee payable by the Landlord in the event of a renewal, extension or period of holding over is hereafter referred to as Renewal Commission.

Where there is more than one person comprising the Tenant or Occupant, the Commission Fee in the form of Renewal Commission will be payable in full where any or all of them remain in occupation after any renewal, extensions or period of hold over.

#### 28. LETTING AND RENT COLLECTION SERVICE

This service is designed for Landlords who are happy to deal with day to day maintenance issues that may arise during The Tenancy, but like the rental collection dealt with for them. Please refer to the table in paragraph 28 for the list of the main services offered under our **LETTING AND RENT COLLECTION SERVICE.** 

The fees charged for this service are 10% + VAT (of the gross rental income for the term of the tenancy) and will be charged and will be deducted from rents collected.

The Landlord would remain responsible for all other aspects of the letting including the maintenance of the property and any gas and electrical appliances. The Landlord is also responsible for ensuring there is valid gas certificate for the property where there are tenants in place.

#### **COLLECTION OF RENT**

JIANCHUAN will collect the rent in accordance with the terms of the Tenancy Agreement.

Where Rent is outstanding five days after it becomes due JIANCHUAN will endeavour to notify the Landlord at the earliest opportunity and obtain payment from the Tenant over the following 21 day period, At the expiry of the 21 day period JIANCHUAN will then offer advice on the next steps to be taken to undertake legal proceedings on behalf of the Landlord but JIANCHUAN cannot accept any liability for rent arrears or breaches of the Tenancy Agreement.

#### TRANSFER OF MONIES

JIANCHUAN will endeavour to transfer monies received and due to the Landlord (less any deductions due under these Terms of Business) within five working days of receipt, On occasion it may take up to ten working days for funds to clear and then be processed, allocated and transferred.

# **STATEMENTS**

JIANCHUAN will provide the Landlord with monthly statements and copy these to an appointed accountant, lawyer of financial adviser free of charge, providing the Landlord has stipulated this request in writing prior to the commencement of the Tenancy.

Rent, float, tax deductions and Tenant's deposits will pass through JIANCHUAN's Clients Accounts, and any interest credited by virtue of the aggregate accumulated balance will be retained by JIANCHUAN to cover administrative expenses in maintaining this account.

# 29. LETTING AND MANAGEMENT SERVICE:

Our comprehensive property management service is designed to relieve you of the commitment of being a full-time landlord whilst providing you with peace of mind that your property is in safe hands. We are trusted by landlords residing in the UK and abroad to manage a large property portfolio in Central London. We have experienced property managers who are assigned to look after your property and the tenants on a day-to-day basis, ensuring everything is well maintained and cared for. We offer a service that is inclusive of accommodation, utility bills and professional cleaning to the Tenant. If tenants want to use our extra services, JIANCHUAN will charge the Tenant a rental sum that is inclusive of these services and additional charges and fees. Thus, it will be HIFHER than the rental. Please refer to the table in paragraph 25 for the list of the main services offered under our **LETTING AND FULL MANAGEMENT SERVICE**.

The fees charged for this service are 12%+VAT (of the gross rental income for the term of the tenancy) and will be charged and will be deducted from rents collected

#### COLLECTION OF RENT

JIANCHUAN will collect the rent in accordance with the terms of the Tenancy Agreement.

Where Rent is outstanding five days after it becomes due JIANCHUAN will endeavour to notify the Landlord at the earliest opportunity and obtain payment from the Tenant over the following 21 day period, At the expiry of the 21 day period JIANCHUAN will then offer advice on the next steps to be taken to undertake legal proceedings on behalf of the Landlord but JIANCHUAN cannot accept any liability for rent arrears or breaches of the Tenancy Agreement.

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**RENEWALS** 

Where the tenancy is renewed or extended to the same tenant (or any person associated with the

tenant) originally introduced by the Agent, the Landlord will continue paying the Agent the

agreed fee. The Agent shall prepare the tenancy agreement or addendum, if required, for the new

or extended tenancy and the terms of this Agreement shall continue until the tenant leaves, or this

Agreement is required.

**EARLY TERMINATION** 

The landlord may terminate the Tenancy after one year by giving to us not less than two calendar

months prior notice in writing.

**IMMIGRATION CHECKS:** 

The Landlord agrees that the Agent will carry out any checks required under the Immigration Act

and the Agent will be responsible for taking the steps necessary to establish an excuse against a

penalty. The Landlord agrees to pay the Immigration Checking Fee for carrying out the necessary

checks

**GOMPLAINTS:** 

Where the Landlord is dissatisfied with any service provided by the Agent he should contact the

Agent in the first instance to try to resolve matters. The Agent has an in-house complaints policy

which must be followed, The Agent is a member of The Property Ombudsman and where the

Landlord is unsatisfied with the way the complaint has been handled he may refer the matter to the scheme for a further decision, details of which are available upon request from the Agent.

**KEEPING RECORDS:** 

The Agent agrees to keep copies of all forms, agreements and other correspondence in relation to

the tenancy for the period of the tenancy and for a year from the date of expiry of the tenancy.

The Agent will keep copies of all financial information for seven years.

**DEFINITIONS** 

<u>Unless the context otherwise requires, references to one gender shall be deemed to include the</u>

other, and references to the singular shall be deemed to include the plural in vice versa.

·JIANCHUAN / The Agent

Shall mean The JIANCHUAN LET of Ground Floor, 6 Union Street, SE1 1SZ

Tel: 020 3369 6888 Email: landlord@jcliving.co.uk

· Letting

Letting of the Property under a Tenancy Agreement for any renewal or extension thereof or of

the Tenant's right to occupy the Property.

# · Person

Includes individuals, partnerships and bodies corporate or unincorporated,

# · Tenancy Agreement

The Agreement for the Letting of the Property by the Landlord to the Tenant (whether or not supplied by the Agent or the Landlord or his Solicitor).

# · The property

Shall mean the residential property identified by you for JIANCHUAN to provide a Service and listed in the Confirmation of Instruction Form or subsequently added

#### · The Tenant

A person introduced by the Agent to the Landlord and who enters into a Tenancy Agreement or in respect of whom the Agent is instrumental in arranging that enters into a Tenancy Agreement.

# · Occupant

Shall mean the person, firm or company in actual occupation of the Property and includes the Tenant

#### · The Landlord

The person who lets the property and is the legal owner.

# · Services(s)

Shall mean any or all of the residential letting, rent processing, deposit management, renewal, management and vacant management services and additional services provided by JIANCHUAN under these Terms of Business

# · Tenancy

Shall mean the entire period that The Tenant remains in occupation of The Property under the terms of a Tenancy Agreement including any extension or renewal period or the holding over whether by memorandum, agreement or otherwise.

#### · Renewal Commission

Shall mean the Commission Fee payable to JIANCHUAN by the Landlord in the event of a renewal, extension or holding over.

#### · The Deposit

Sum of money paid in relation to a rented property to ensure it is returned in good condition.

The Landlord or the agent of the property will take a sum of money from the tenant. If the property is returned in good condition at the conclusion of the tenancy the owner or agent should return the deposit.

Damages, dilapidations, and other relevant cost may be charged against the deposit, and part (or none) of the deposit will be returned.

For Assured Shorthold Tenancies the deposit must be protected by an approved deposit scheme (please refer to the **TENANCY DEPOSIT CLAUSE** of this agreement) and released upon agreement from both parties, failing accord of the two parties, an independent case examiner or tribunal will determine the distribution of the deposit.

## · The ICE / Independent Case Examiner

The Independent Case Examiner's purpose is to act as an independent referee for people who feel that the following Government Agencies or Businesses have not treated them fairly or have not dealt with complaints in a satisfactory manner. The Agencies/Businesses

#### · Member

Person who belongs to a http://en.wikipedia.orglwiki/Groups\_ofJeople or a group such as a company or nation who belongs to another group like an http://en.wikipedia.org/wiki/Alliance or http://en.wikipedia.org/wiki/Consortium. By extension it can refer to any part of a whole.

#### ·Stakeholder

The term stakeholder, as traditionally used in the English language in law, is a third party who temporarily holds money while its owner is still being determined.

- · Calendar Day or day means any day of the year, including Saturdays, Sundays and bank holidays.
- "Relevant Person" means person who paid the deposit or any part of it on behalf of a tenant.
- "stakeholder" means a person or body who holds the deposit at any time from the moment it has been paid by the tenant until its allocation has been agreed by the parties to the tenancy agreement, determined by the ADR process, or ordered by the court.
- "Scheme" means an authorised tenancy deposit protection scheme (set up in accordance with the Housing Act 2004 and operated under a service concession agreement with the government) administered by The Dispute Service Limited.
- "Statutory Time Limit" means the time limit set out in the Housing Act 2004 (as amended) in which the initial requirements of the Scheme must be met, and prescribed information must be provided to the Tenant and any Relevant Person.
- "Working Day" means a day that is not a Saturday or Sunday, nor any day that is a bank holiday under the Banking and Financial Dealings Act 1971 or any customary or public holiday in England and Wales.