Property Management Agreement

**Property Management Agreement**

**Between**

**Parkinson Property, Burrow Farm, Burrow Road, Lancaster, LA2 0AP**

**And**

**Insert name & address here**

**Property address:**

Term of the contract is one year from 1st January 2024

1. Parkinson Property agrees to let and manage the above property, acting as the owner’s sole agent.

2. The standard fee for finding a tenant or re-letting the property to a new tenant is £450 including VAT, which includes advertising on the internet and in local papers, arranging viewings, taking up references on prospective tenants and carrying out credit checks; also drawing up, signing and agreeing the tenancy agreement. Drawing up and recording of a full inventory including the condition of the property. Collecting the deposit and paying it to the Deposit Protection Service.

3. The fee for the full management service is 15% including VAT per month, which will only be payable during the months when the rent is paid. No fee is payable if the property is empty, or if no rent is collected.

The management service includes:

a. Collecting the rent and paying over the balance to the owner within fourteen (14) days of receipt. The management fee of 15% including VAT and any maintenance bills will be deducted from the rent.

b. Dealing with all issues relating to the tenancy, communicating directly with the tenant as the owner’s representative.

c. Promptly and efficiently carry out any necessary maintenance or repairs to the property.

d. Any maintenance or replacement item that has a cost of more than £200.00 to be referred back to the owner for authorization.

e. Providing a financial summary every month, including a full year summary at the end of the tax year, up to 5th April.

f. To internally inspect the property at least every three months to make sure that the property is being kept in a reasonable condition.

g. Ensure that all relevant legislation and regulatory requirements for safety are kept and adhered to. These include annual gas safety checks, annual emergency light test, annual smoke alarm test and five year electrical tests.

h. Serving notice on the tenant if the rent falls more than 21 days in arrears. A possession order may be required if the tenant does not leave the property at the end of the statutory two month notice period. A possession order is obtained from the county court and can only be applied for by the owner or their solicitor.

i. Checking the property at the end of a tenancy. Providing a report and photos on the condition of the property. Apply for any necessary deductions from the tenant’s deposit.

j. To advise the owner of their obligations with regard to taxation.

4. Parkinson Property cannot be held responsible for any damage to the property caused by the tenant or for any debts incurred by a tenant.

5. The contract can be cancelled by either party, after the first six months have expired, with one months notice in writing by recorded delivery. The management fee due, will be calculated on the rent payable, up to the last day of the period of notice.

Signed:        \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
    
                   Insert name

Date:           \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed:        \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

                   Andrew Parkinson for Parkinson Property

Date:           \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_