

Terms and Conditions

1-PRE-LETTING REQUIREMENTS

a-) Sub-letting

If you are a tenant or a lessee of the property you hereby warrant and represent that (1) the intended letting is permitted by your lease, or if not, that you have your landlord's written permission (2) the intended letting is a period expiring prior to the expiry of your lease. Unless, we are advised in writing of any restrictions or requirements, we will assume that any permission is in place and there are no special restrictions to bring to the tenants' attention. You also hereby agree to provide us with copies of all lease and title documents in relation to the property on demand.

b-) Mortgages

If the property is subject to a mortgage, you hereby warrant and represent that you have obtained your mortgagee's written permission to let the property. Please note that applying for permission after a tenant has been found could prejudice the tenancy. You hereby also agree to provide us with copies of all mortgage documentation pertaining to the property on demand.

c-) Insurances

You hereby warrant and represent that you are fully insured for both building and contents and that policy covers furnished lettings; please note that, many household policies do not automatically provide such cover. Blue Crystal cannot advise on insurance matters and we recommend that you contact your insurance company or broker direct.

d-) Fitting and Equipment

You hereby warrant and represent that all equipment, gas, electrical or otherwise provided with the property is fully operational and safe at all times and, if possible, recently serviced prior to the commencement of the tenancy.

e-) Important safety notices

The Fire Furnishings (Fire) (Safety) Regulations 1988

The Fire Furnishings (Fire) (Safety) (Amendment) Regulations 1993

The landlord warrants and represents that all furniture presently in the property or to be included in a property to which this agreement applies, complies in all respects with the Regulations. The landlord further warrants that any furniture purchased for the property after the date of the agreement will also comply with the Regulations referred to above for the duration of the tenancy and undertakes compliance throughout the duration of the lease.

The Gas Safety (Installation & Use) Regulations 1998

All gas equipment, pipe work and appliances must accord with these regulations including annual inspections by a Gas Safe registered installer and record maintained of work undertaken. A safety inspection must be completed satisfactorily prior to any letting and a report provided to the tenant and/or displayed at the property. You warrant and undertake to Blue Crystal that these regulations have and will continue to be fully complied with by you. We can, upon your instructions, obtain the necessary report for you.

The Electrical Equipment (Safety) Regulations 1994

The landlord warrants and undertakes that all electrical appliances, plugs, sockets and wiring in the property and the electrical supply is 'safe' and will not cause 'danger' and complies with all statutory requirements. From 1st January 1997, all new electrical appliances must carry a 'CE' mark and instruction booklets or clear working instructions must be provided. Newly installed plugs and sockets must also comply with regulations. We can, upon your instruction obtain the necessary certificate. As of 1st July 2020, a safety inspection must be completed satisfactorily prior to any letting and a report provided to the tenant and/or displayed at the property. You warrant and undertake to Blue Crystal that these regulations have and will continue to be fully complied with by you. We can, upon your instructions, obtain the necessary report for you.

Portable Appliance Testing (PAT) is the examination of electrical appliances and equipment to ensure they are safe to use.

Where a landlord provides an electrical appliance as part of a tenancy, the law expects the appliance to be maintained in a safe condition that will not cause harm to the tenant. We can, upon your instructions, obtain the necessary report for you.

Legionella Under the HSE Approved Code of Practice 'Legionnaires' disease: The control of legionella bacteria in water systems' (ACOP L8)

Landlords of residential property have a legal responsibility to ensure that the risk of legionella is properly assessed and controlled and does not cause a danger. All water systems must be periodically risk assessed and appropriate measures implemented where a reasonable risk of exposure is identified. You hereby warrant that the property has been risk assessed by a competent person to identify the risk of legionella and risk controls implemented where necessary. We can, upon your instructions, obtain the necessary report for you.

f-) Indemnity

The landlord undertakes to keep Blue Crystal fully and effectively indemnified in respect of any claim, demand, liability, cost, expense or prosecution which may arise due to the failure of the landlord to comply fully with the terms of all the above Regulations referred to in these Terms and Conditions, including any subsequent amendments thereto or replacement Regulations.

g-) EPC

From the 1st October 2008, prospective tenants of residential properties will have to be provided with an Energy Performance Certificate free of charge and at the earliest opportunity, prior to entering into any contract to rent out the property. EPCs must be provided by accredited energy inspectors and will last for 10 years. Details of the regulations can be found in full at www.opsi.gov.uk/si/si2007/uksi_20070991-en_1. The requirement is set out in regulation 5. Blue Crystal can arrange an EPC on your behalf unless provided with a valid copy of one. The cost of this report is charged at £120.

2- PREPARING THE PROPERTY FOR LETTING

In order to maximise the rental return; it is essential that the property is well presented for prospective tenants. We can provide the following services to help achieve this:

a-) Refurbishment and Furnishing

We can provide a refurbishment service for larger projects such as a new kitchen, bathroom, redecoration or new carpets. Upon receipt of your written instruction as to specifications of the projects and funds, we can administer any project from start to finish. We can obtain quotations from our recommended suppliers for your approval. We can also arrange to equip and furnish properties. The cost of either of these services is a once-off fee of 10% of the total expenditure incurred in relation to this refurbishment, subject to a minimum fee of £50 for this service.



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b-) Vacant Management

If the property is vacant between tenancies, we can make monthly or fortnightly visits, deal with any minor or major maintenance issues and pay utility bills on your behalf. A minimum fee of £140 applies for this service.

3-BLUE CRYSTAL LETTING SERVICE

This service includes finding a prospective tenant through estate agents, and taking up customary references (but not including any charges for Company investigations should these be requested) and can forward these to you for your written approval. It is specifically recorded that such fee shall be payable on any renewal, periodic, extension, holding over or entering into of an agreement (including new agreement) for which rental income is received by the landlord from the same tenant (or any tenant introduced to the premises by the tenant directly or indirectly) in respect of the property. Blue Crystal is to be provided with all prescribed information and certificates when instructed on a tenanted property, Blue Crystal is not liable for missing certificates, prescribed information or incorrectly set up tenancies when taking over a tenanted property.

b-) Renewals and extensions

We recognise that renewal represents an excellent opportunity to review all aspects of the tenancy. Not only is the perfect time to increase the rental (if market conditions dictate) but also to discuss any necessary enhancement/refurbishment of the property a) in order to maintain it and b) to maximise the rental yield. In the event that the landlord and tenant agree to a renewal or extension of the tenancy a charge of £169 will be made to Blue Crystal for the renewal contract.

4- PROPERTY MANAGEMENT SERVICES

The management fee is based on 6% of the total rent for the period of Blue Crystal's instruction to manage the property and is payable annually in advance. Either party can terminate this management arrangement by giving one month's notice to the other. The minimum period of our appointment for this service is three months. There is a minimum management fee of £1,000 per annum in advance. Unless the landlord has given notice of its intention to terminate, and such termination has occurred prior to the renewal, extension or holding over of the lease, it is specifically recorded that such fee shall be payable on any renewal, extension, holding over or entering into of an agreement (including new agreement) for which rental income is received by the landlord from the same tenant (or any tenant introduced to the premises by the tenant directly or indirectly) in respect of the premises.

a-) Inventories

Where instructed, Blue Crystal will arrange the booking of an inventory for the property and check-in of the tenant, the cost of both will be the responsibility of the landlord. Charges vary according to the size of the property but approximate estimates can be given on request. Whilst care will be taken in producing inventories, Blue Crystal can accept no liability for any error or omission.

b-) Transfer of utilities

When provided with the necessary information, such as the names of the suppliers and utility account numbers, Blue Crystal can notify existing service providers and the local authority of the tenant(s) liability (if appropriate) for payment of the services and Council Tax during the tenancy. The utility companies and the local authority should send the relevant forms to the new occupier(s) to be completed and signed and it remains the tenant's responsibility to ensure that a new account is opened in their name. Blue Crystal cannot be held liable if services are disconnected or are not transferred by the utility companies. At the end of the tenancy, Blue Crystal can contact the service companies and request transfer of responsibility for the service accounts to the landlord. Blue Crystal can pay bills received from monies held on the landlord's behalf until the property is re-let. Blue Crystal cannot be held liable should the service companies cut off the services for whatever reason. Blue Crystal do not provide a mail forwarding service. Fees for this service shall be subject to agreement between Blue Crystal and the landlord in advance.

c-) Redirection of mail

It is the landlord's undertaking to arrange postal redirection services, with the Royal Mail. Blue Crystal shall not be liable for items of post which are lost or delayed or any costs incurred by the landlord for items of mail which are delivered to the property address after it is let. Blue Crystal will send letters when necessary at an additional charge of £25 per mail.

d-) Rent Collection

Blue Crystal can receive rent on your behalf, make demands for rent in the absence of payment which will take the form of a series of letters to the tenants requesting payment, the forwarding of net rents to your bank and the preparation of regular rent statements to yourself and/or your accountant. The fee for such service shall be included in the property management fee.

e-) Payment of outgoings

Where instructed by the landlord, and provided we hold sufficient funds, Blue Crystal can pay ground rents, service charges, council tax, water rates, insurance premiums and any regular outgoings out of the rental income, as and when demands are received. Please note that you are expected to instruct your insurance company, the local authority etc. to send their accounts to us. Blue Crystal can endeavour to query any obvious discrepancies, however, it must be understood that it is entitled to accept and pay, without question, demands and accounts that it believes to be in order. Blue Crystal shall not be liable for the inadequacy of any insurance cover or for the verification of services/maintenance charge demands or estimates where applicable.

f-) Repairs, maintenance and replacement

Blue Crystal can attend to the day-to-day minor repairs and maintenance of the property and its contents. A float of £500 is required (subject to variation depending on the individual property) at the commencement of the term of the management and shall be maintained throughout the rental of your property, to enable Blue Crystal to meet any expenditure on the landlord's behalf. Blue Crystal cannot undertake to meet any outgoings beyond the funds it holds. Blue Crystal can obtain estimates for consideration by the landlord for any major repairs or maintenance over £250+vat and submit them for approval prior to the commencement of the works. However, in emergencies and when Blue Crystal considers it necessary, it will be entitled to protect the landlord's interest without further consultation. Blue Crystal will be entitled to use the landlords preferred contractors on the basis that the contractor can resolve the entire issue in a timely manner but at all times reserves the right to use its own contractors. Where the issue is not solved after a maximum of 2 visits or where the contractor takes more than 1 week to resolve an issue or where the contractor fails to attend to an appointment, Blue Crystal reserves the right to use its own contractors at the landlord's expense. Blue Crystal will not be responsible where the landlord has briefed in and organised a quotation for work in the first instance or for following up on work or where the landlord has ordered something to be delivered at the property including access or removal of old appliances and/or goods. Where the landlord has taken special insurance (such as Gas or appliance insurance) Blue Crystal can call said insurance to arrange a visit but waiting times are not included; these waiting times will be charged at £100 per hour. Blue Crystal



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will need to be provided with correct, up to date information on all insurance matters at all times or will call their own suppliers to resolve issues.

g-) Property visits and defects

Our management service can include non-expert investigation of defects, which come to our notice or are clearly and adequately brought to our notice by the tenant. If instructed to do so and provided it receives the payment of its fee in advance, Blue Crystal shall visit the property on a periodic basis at an additional charge of £100 per visit. It should be appreciated that any such visit can extend only for apparent and obvious defects and will not amount in any way to a structural survey of the property. We cannot accept liability for hidden or latent defects.

h-) Purchase of items or land registry searches for the property

Blue Crystal can be instructed to purchase specific items for the property. Time spent on this service is charged at £70 per hour or part thereof. Blue Crystal will carry out land registry searches on your behalf when instructed, time spent on this service is charged at £25 per search.

5- PAYMENT OF FEES

a-) Sale of property by landlord

Where a property is sold, transferred or otherwise dealt with, with the benefit of a tenancy, Blue Crystal's fees remain the responsibility of the original landlord for the duration of the tenancy and for any extension, renewals or periods of holding-overs, irrespective of who carried out negotiations. The landlord undertakes to instruct his solicitor to assign responsibility for Blue Crystal's fees to the purchaser. It is specifically recorded that such fees shall be payable on any renewal, extension, holding over or entering into of an agreement (including new agreement) for which rental income is received by the landlord from the same tenant (or any tenant introduced to the premises by the tenant directly or indirectly). Flat fees shall increase by 5% every 12 months.

b-) Commission and interest

Any commission, interest or other income earned by Blue Crystal while carrying out its duties as agent for any aspect of the management of the property as chosen by the landlord, for example by referrals to contractors or inventory clerks, will be retained by Blue Crystal.

c-) Outstanding fees

The landlord undertakes that where any of Blue Crystal's fees, commission charge and/or renewal commission charges remain outstanding for more than several days, Blue Crystal may use sums obtained or held on the landlord's behalf to pay the outstanding sums, including rental payments on this or any other property on which Blue Crystal is instructed.

d-) Interest

Blue Crystal fees are payable on demand, as and when they fall due. Blue Crystal reserves the right to charge interest on any amounts outstanding 30 days after the fees are first demanded. Interest will be charged from the date the fees become due at the annual rate of 8% above Bank of England base rate. A fix charge compensation amount to be obtained depending on the size of the outstanding amount plus additional reasonable costs incurred as per late payment fees legislation. The term Late Payment legislation refers to the Late Payments of Commercial Debts (Interest) Act 1998, the Late Payment of Commercial Debts Regulations 2002 and the Late Payment of Commercial Debts Regulations 2013.

e-) Cancellation fee

Once an offer for letting the property has been accepted by both parties and tenancy agreements prepared, (whether in final draft or not), you undertake to inform Blue Crystal immediately if you do not wish to proceed and a fee of £150 will then be payable by you forthwith. This agreement between landlord and Blue Crystal will continue until written 30 day notice is given to cancel, and should a tenant hand in notice, a new tenancy will follow under this same agreement.

6- GENERAL

a-) Repairs and statutory obligations

Where Blue Crystal is managing the property for you then this paragraph applies during the entire tenancy period. Blue Crystal has the authority to carry out any appropriate action related to all Statutes and Regulations and to incur such expenditure as they deem necessary to comply with the same. In particular, Blue Crystal may instruct any Gas Safe registered installer, at your expense, to carry out any repairs or works needed to comply with any recommendation or requirement relating to any gas appliance or pipe work in the property.

You undertake to pay Blue Crystal all costs, claims, damages, and other payments incurred or made under this authority or arising out of any breach or non-observance or non-performance by yourself of statutory obligations or regulations.

Blue Crystal do not supervise any contractors and are not liable to you for any failure or delay by a contractor or workmen.

Furthermore, you undertake to ratify whatever Blue Crystal shall do in the performance of their management service and to pay Blue Crystal all costs, claims, payments and expenses incurred by Blue Crystal.

You will pay any payment of Council Tax or rates (if any) payable in respect of the property if it remains unpaid by the tenant and this shall not be the responsibility of Blue Crystal.

b-) Indemnity

The landlord agrees to indemnify Blue Crystal as managing agent against any costs, expenses or liabilities incurred or imposed on it, provided they were incurred on the landlord's behalf in pursuit of Blue Crystal's normal duties.

c-) Amendments/variations

This contract constitutes the entire agreement between Blue Crystal and the landlord and supersedes all prior agreements, understandings, representations or communications between the parties. NO amendment or variation to this contract will have any contractual effect unless approved in writing by a Director of Blue Crystal Residential Ltd.

d-) Disclaimer

Blue Crystal will carry out all services with reasonable care and skill. However, it is unable to guarantee the suitability of tenants, timely

rental payments or vacant possession at the end of a tenancy and cannot be held liable by the landlord for such events.

e-) Instructions to solicitors

You will be entitled to be informed of any rent arrears, deposit disputes

or breaches of the tenancy brought to our attention. However, if legal action is required, you will be responsible for instructing your own solicitor and for all fees involved.



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f-) Keys

Blue Crystal require three sets of keys for the property and will have duplicates cut at your expense if these are not provided by you. In the event that keys are lost or unaccounted for our liability is strictly limited to the cost of cutting a replacement set of keys. When the property is let you must provide at least one full set of keys to each and every tenant and Blue Crystal will obtain copies at your if necessary but we will require all necessary certificates in order to do so. Key cutting and fob orders would be subject to £25 administration fee.

g-) Tax: Non-resident landlords

The income you receive from letting your property may be subject to income tax even if you are a resident abroad. Your tax affairs relating to the property are your responsibility. If you are deemed for tax purposes to be resident abroad Blue Crystal may under current legislation, become liable if you default in the payment or relevant tax. Where it seems to us that this is likely, Blue Crystal will retain rent, and you will indemnify us and keep us indemnified against all costs, claims, proceedings and legal costs or other expenses arising out of, or in connection with, any such tax (including penalties or interest payable on it) to which Blue Crystal become liable.

FICO Exemption Certificate

Overseas landlords need to complete NRL1 OR NRL2 and send the application form to: The Centre for non-residents (CNR), St John's House, Merton Road, Bottle, Merseyside, L69 9BB. Quote Blue Crystal's Reference Number. For more information go to www.inlandrevenue.gov.uk

h-) Deposits

We will use our reasonable endeavours to obtain a deposit (usually five weeks rent) from the tenant which can be held against rent if unpaid at the end of the tenancy, outstanding bills, dilapidations or any other costs or losses incurred as a result of any breach of the terms of the tenancy agreement by the tenant.

For all non-Assured shorthold tenancies, Blue Crystal will be entitled to retain the deposit in line with the tenancy agreement as stakeholder.

For Assured Shorthold Tenancies, the deposit may be held in accordance with the Housing Act 2004 and under the terms of MyDeposits which is administered by MyDeposits, 1st Floor, Premiere House, Elstree Way, Borehamwood, Hertfordshire, WD6 1JH, Telephone number: 0333 321 9401. Under this scheme we require any claim against the deposit to be submitted within 10 days after the tenant vacates. If the deposit held falls under this scheme failure to submit a claim within this timeframe may compromise the claim completely as outlined in the scheme guidelines. Our aim is to finalise the deposit release as quickly as possible for the benefit of all parties, a final written instruction from you detailing any deductions that you wish to make is required. If the deposit remains outstanding for 28 days or more without a claim after the lease end we reserve the right to refund it. No interest will be payable on the deposit during the tenancy. Deposit holding fee is £50pa and an additional £50 would be charged each subsequent year or part year.

i-) Insurance claims

Any insurance claim work undertaken on your behalf will be subject to an administration charge of 10% of the claim amount. Blue Crystal cannot be held liable for an insurance claim not going through with prospective insurers.

j-) Dealing with third parties

Blue Crystal will be entitled to but not obliged to liaise where necessary with the landlord's accountants, solicitors, superior landlords, managing agents, mortgagees and insurance companies.

k-) Bank Accounts

All funds are held in client accounts of RBS, Liverpool, Wavertree Technology Park, Stephenson Way, Liverpool, L13 1HE

l-) Property Licensing

Where instructed by the landlord, and provided we hold sufficient funds, Blue Crystal can pay property licensing fees, this will be subject to £350 fee for dealing with the license application. It is the landlord's responsibility to ensure that a property managed by Blue Crystal has a property license in place, where possible Blue Crystal will inform landlords of any licensing responsibilities and updates.

m-) Rental Protection and Legal Expenses Insurance

Monthly Rent upto £2500 the cost of insurances £325

If the landlords has taken out Rent Guarantee and Legal Costs Protection with Blue Crystal via Alan Boswell Insurance then Blue Crystal will undertake the filing and management of claims with Alan Boswell in accordance with the terms of its contract. In accordance with Blue Crystal Terms and Conditions, Blue Crystal is authorised to claim under Alan Boswell Rental Protection Insurance Contract. An administration fee of £150 would be applicable per claim. This fee also include one court appearance if required by the insurance providers.

n-) Emergencies

In the event of an emergency i.e burst pipes, broken heating system, waste blockages or effects of fire, Blue Crystal has full discretion without consulting the landlord to authorise the necessary works to comply with Landlord's legal obligations, to protect the property or its contents and/or to protect the health and safety of the Tenant.



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