

# Letter of Appointment

Property Address:  
(‘the Property’)

Full name(s) of owner(s):

Correspondence Address:

UK Service Address:  
(if different from  
Correspondence Address)

Phone / Mobile:

Email:

## Bank Details for payments to you

Account Name:

Account No:

Sort Code:

Bank/Building Society:

Branch

Address:

I/We hereby appoint **Druce** to act as  Sole Agent, or  Multiple Agent for the above property and opt for

Rent Collection  Full Management  Exclusive Property Management;

Weekly Rent:

Availability Date:

Minimum Term:

The advance fee of

% inc VAT

for the Rent Collection Service would be

£

inc VAT

The monthly fee of

% inc VAT

for the Management Service at the asking rent would be

£

inc VAT

if applicable, which will be charged monthly throughout the duration of the tenancy as set out overleaf.

I/We confirm that:

- I/We have read and accept the terms and conditions set out overleaf and that no alterations to these terms and conditions will be accepted unless agreed and confirmed in writing by a Director of Druce;
- I/We instruct that Druce pays, upon receipt of signed documents and following the commencement of the tenants occupation of the property, the net rental income direct to the account detailed above;
- I/we am/are the legal owner(s) of the above property;
- Druce has made me aware of all my legal obligations regarding the electrical safety regulations, statutory Gas Safety Certificate, Energy Performance Certificate (EPC) and I will ensure that all furniture complies with current fire regulations;
- I/We have permission wherever necessary from any superior the landlord or mortgage provider to let the property;
- I/We have notified my/our insurance company and/or managing agent of the intention to let the property and will maintain the buildings insurance throughout the tenancy;
- I/We understand that where possible a ‘To Let’ board will be erected to assist in advertising the property;

SIGNED

## 1. DEFINITIONS

In these terms and conditions the following words mean:

1.1 "Druce"/"the agent"/"we"/"us"/"our" - the agent hereby instructed by you. Druce is a trading name of Druce & Co (International) Limited, Company Registration No. 123695288 whose registered office is at Montpellier House, 106 Brompton Road, London, SW3 1JJ.

1.2 "you"/"your"/"the Landlord" - the person(s) named overleaf and any successors in title being the owner(s) of the Property.

1.3 "the Property" - the property referred to overleaf or any part of it including any garage, outbuildings, fixtures, fittings, appliances and items of furniture listed in the inventory, but excluding any common parts and excluded parts.

1.4 "Tenant" - any person or persons occupying the Property. If the Tenant is a company it shall include any subsidiary or parent company.

1.5 "Tenancy Agreement" - the Tenancy Agreement or Contract between you and your Tenant and any formal or informal continuation or extension.

1.6 "Rent" - any payment made by the Tenant or anyone on behalf of the Tenant pursuant to the Tenancy Agreement and for use of the Property.

1.7 "Fee" - the commission or fees detailed in clauses 2, 3 and 4.

## 2. SOLE AGENCY

2.1 Our appointment as sole agent has a minimum duration of 12 weeks from the date of appointment, to enable us to find the most suitable Tenant for you. If you wish to terminate our appointment you must give us 28 days' notice in writing.

2.2 Under a Sole Agency appointment the fee will be due to us if at any time a Tenant moves into the Property: (a) who has been directly or indirectly introduced by us during the period of our agency agreement; or (b) with whom we have had negotiations about the Property during the said period; or (c) who has been introduced by any other party during our Sole Agency agreement or its termination period.

2.3 Our fee for the first three years of the Tenant's stay in the Property will be:

- 17% + VAT for our Exclusive Management service
- 16% + VAT for our Full Management service
- 10% + VAT for our Rent Collection service

2.4 Our fee for any subsequent years will reduce by 1% per annum subject to a minimum annual fee of:

- 14% + VAT for our Exclusive Management service
- 13% + VAT for our Full Management service
- 8% + VAT for our Rent Collection service

2.5 After six years of the Tenant renting the Property our fee will remain at the reduced level for the duration of the Tenant's occupation. Alternatively, if after six years, you no longer require our services you must give us 12 months' notice in writing to end this agreement at the end of the sixth year of the Tenant's stay in the Property.

2.6 Our Full Management and Exclusive Management services can be reduced to a Rent Collection service at a fee of 11% + VAT by either party giving 6 months' notice in writing, which can expire no less than 12 months from the date of the appointment.

2.7 Should you opt for the Druce Exclusive Management service (only available where the Tenancy term is a minimum of 12 months) we will include the cost of the EPC, annual gas safety check, professional inventory and check-in and check-out reports within the fee detailed in clauses 2.3 and 2.4.

2.8 In the event of the Tenancy ending, it is agreed that we will be instructed to find a replacement Tenant on a Sole Agency basis for a minimum duration of 12 weeks from the date of notice being served. If you wish to terminate our appointment you must give us 28 days' notice in writing.

## 3. MULTIPLE AGENCY

We will do the following:

3.1 Our appointment as a multiple agent is for a minimum period of six weeks from the date of appointment. If you wish to terminate this appointment you must give us 28 days notice in writing.

3.2 Under a Multiple Agency instruction the fee will be due to us if at any time a Tenant moves into the Property who has been introduced by us or we have had negotiations about the Property on your behalf.

3.3 Our fee for the first three years of the Tenant's stay in the Property will be:

- 17% + VAT for our Full Management service
- 11% + VAT for our Rent Collection service

3.4 Our fee for any subsequent years of the Tenant's stay in the Property will then reduce by 1% + VAT per annum subject to a minimum annual fee of:

- 14% + VAT for our Full Management service
- 9% + VAT for our Rent Collection service

3.5 After six years of the Tenant renting the Property our fee will remain at the reduced level for the duration of the Tenant's occupation. Alternatively, if after six years, you no longer require our services you must give us 12 months' notice in writing to end this agreement at the end of the sixth year of the Tenant's stay in the Property.

3.6 Our Full Management service can be reduced to a Rent Collection service at a fee of 12% + VAT by either party giving six months' notice in writing, which can expire no less than six months from the date of the appointment.

## 4. OUR FEES

4.1 Our fee is calculated as a percentage of the rent for the initial term and any extension or renewal of the Tenancy.

4.2 Our fee becomes due upon the signing of the Tenancy Agreement; Druce reserves the right to deduct the full value of the fee(s) in from the initial and subsequent rental payment(s) made by the tenant.

4.3 If you and your tenant mutually agree to end the tenancy agreement early, outside of the terms of the Tenancy Agreement, then the remainder of all fees due up to the end date agreed in the contract are still owed and must be paid in full. However, if the early end of the Tenancy Agreement is due to your Tenant requesting to leave, we will on your behalf, seek to recover the lettings fees from your Tenant along with a proportion of the costs of re-letting.

4.4 If you agree to a request to end the Tenancy Agreement early in order for one or more Tenants, but not all Tenants, to be replaced there is an administration charge of £300.

4.5 Should you decide to collect the rent directly from your Tenant we require one month's notice to change the service and advise your Tenant. As we would no longer be able to deduct the fee from the rent, all fees due up to the end date in the contract are payable immediately and lettings fees will remain due for any extension or renewal of the Tenancy.

4.6 Where more than one Tenant is introduced by us the fee will be payable for any period that any of the Tenants remain in the Property.

4.7 Where a Tenant introduced by us is replaced as a Tenant (whether or not under a formal Tenancy Agreement) the fee will remain payable to Druce for as long as the new Tenant continues to rent the Property.

4.8 If your Property is let for less than six months, we will obtain identification from the Tenant and collect rent for the duration of the contract in advance. Our fee for our Short Let Full Management service is 26% + VAT for the duration of the Tenant's occupation (minimum fee £1,440 inc VAT) payable in advance.

4.9 If you decide to sell the Property, or change the ownership of the Property during the Tenancy, then all fees due up to the end date in the contract are payable immediately.

4.10 Throughout the duration of the Tenant's stay in the Property we reserve the right to alter our terms and conditions or administration charges by giving no less than three months written notice.

4.11 If you do not sign this document but instruct us to proceed with marketing the Property or accept viewings at the Property then you will be bound by all of its terms.

4.12 We reserve the right to charge the contractor an administration fee for the services and insurance that we provide to them (further information available upon request).

## 5. OUR CHARGES

Prices quoted in this section include VAT.

5.1 We will arrange at your cost one set of keys for each Tenant and one set for us.

5.2 If we are required to visit the Property, other than for scheduled visits, there will be a charge of £72 for up to one hour and £36 per hour thereafter (to include attending for deliveries, and/or meeting contractors).

5.3 A fee of £30 will be charged for every international bank transfer we are required to arrange.

5.4 If you instruct us to arrange an Energy Performance Certificate, Druce can instruct an approved contractor at a cost of £144.

5.5 Where we arrange an inventory, check-in and check-out report, Druce will instruct an approved contractor. Prices are dependent on the number of rooms and level of furnishings.

5.6 If you instruct us to apply for a licence on your behalf we will apply an administration fee to the cost of the licence. Prices are dependent on the type of licence required.

5.7 If you instruct us to arrange any repairs to the Property of between £350 and £2,500 we will apply a project management and administration fee of 12%. If we are instructed to arrange any work exceeding £2,500 we will apply a project management and administration fee of up to 24% of the total cost of the work. All contractors are only instructed by us on your behalf.

5.8 We reserve the right to charge the contractor an administration fee for the services and insurance that we provide to them (further information available upon request).

5.9 If you withdraw the Property from the market within the contract period after an offer is made to you by a Tenant at the asking rent and you decline that offer we reserve the right to charge a fee of £1,440.

5.10 A minimum fee of £1,440 is applicable to every Tenancy.

5.11 All other charges are due and payable when incurred and we reserve the right to withhold any part of the rent to meet these costs and/or to discharge them from any sum held by us on your behalf.

A setup fee of £395.00 (inc. VAT) for the preparation of our standard Tenancy Agreement, tenant referencing, the Right to Rent check and registration of the deposit with the Tenancy Deposit Scheme (TDS).

A renewal administration fee of £192.00 (inc. VAT) for an Extension Agreement prepared for extending a Tenancy including a Rent review and re-registering the deposit.

## 6. OUR SERVICES

### Collecting Rent:

6.1 Please allow up to five working days for cleared funds to reach your account.

6.2 We may carry out a Land Registry search on your property and request proof of identification, prior to paying rent to you.

6.3 We will make a formal demand for, and take all other reasonable steps necessary (without issuing court proceedings) to recover any arrears or rent.

6.4 We may deduct basic rate tax if you live outside the UK for more than six months in any calendar year. However, you can apply to HMRC to receive your rental income without a tax deduction at source. Please speak to us if you would like more information.

### Deposit:

6.5 We will retain the Deposit as stakeholders under the Tenancy Agreement for all non-Assured Shorthold Tenancies and under the terms of the Tenancy Deposit Scheme for all Assured Shorthold Tenancies. Interest accrued from the Deposit, if any, will be retained by Druce.

### Full Management and Exclusive Management:

6.7 We will inform you of any works or repairs and contact you for permission to proceed if the cost is likely to exceed £500, except in the case of emergencies. Ensure the Property is compliant with all legislation relating to the electrics within the Property.

6.8 We will look to instruct approved contractors with whom we have a service agreement, or our internal contractors. We reserve the right to charge the contractor an administration fee for the services and insurance that we provide to them (further information available upon request).

6.9 We will deduct a float of £250 from the final rental payment to cover any expenditure incurred between the final rent date and the end of the Tenancy period. This will be returned to you once all outstanding invoices have been paid.

6.10 We will retain a float of £500 if the rent is paid six months in advance, or £1,000 when the rent is paid annually in advance. This is to cover any expenditure incurred prior to the next rental payment.

## 7. GENERAL

7.1 Druce will at all times endeavour to provide the best service possible but accepts no responsibility for any loss or damage suffered by you as a result of:

- (a) Any failure on the part of the Tenant to observe the terms of the Tenancy Agreement, or comply with any obligation imposed by law; or
- (b) Any defective workmanship or problems associated with third party contractors instructed to do work on your behalf; or
- (c) Any failure by you to Provide the Tenant with all the legally required documents prior to the start of the Tenancy including the 'How to Rent' booklet.
- (d) Any failure by you to adhere to any Local Authority licensing schemes, including mandatory HMOs, additional and selective licence schemes. Additionally, we reserve the right to notify the Local Authority if you have not provided us with a copy of a required licence.
- (e) Any failure by you to comply with the terms of any relevant lease, mortgage or insurance policy relating to the Property, or any failure by you to maintain adequate insurance cover.

7.2 Please refer to our comprehensive Privacy Policy online at Druce.com which is also available in hard copy upon request from our Druce office.

7.3 You agree that Druce can use your property details for future marketing.

7.4 Goodlord and Just Move in provide insurance products and may pay Druce a commission should you take out an insurance policy with them.

7.5 You acknowledge that Druce has a procedure for handling any complaints and may disclose information relating to the lettings and management of the Property to The Property Ombudsman should you or the tenant register a complaint, or any other regulatory body for the purpose of monitoring Druce's with the Code of Practice.

7.6 If you experience a problem with any aspect of the service you receive from Druce, which you are unable to resolve with the local office, please write to our Managing Director using md@Druce.com for a response on behalf of the Company. Your complaint will be acknowledged within 3 working days and a formal written response will be provided within fifteen working days.