



D'mur Limited

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The contents of this document may be confidential and subject to limitations and obligations laid out in a non-disclosure agreement.

## **TERMS AND CONDITIONS OF BUSINESS FOR PROPERTY SOURCING SERVICES/PROPERTY CONSULTING SERVICES**

In accordance with the Estate Agency Act 1979 we are required to set out our terms of business and any related services offered to you prior to taking instructions to act on your behalf.

This document outlines the services we provide to landlords & investors. If you do not understand or wish to accept them, please tell us and we will be pleased to discuss them with you.

### **1. PROPERTY SOURCING SERVICE**

#### **Duration of the Property Sourcing Service agreement**

The minimum term of this instruction is 4 months from the start date and will continue beyond this date until cancelled by either party.

#### **Termination of the Property Sourcing Service Agreement & Fee Entitlement**

This agreement may be cancelled by either party in writing giving one month's notice to either side at any time; however, the client acknowledges that we will be entitled to a commission fee if this instruction is terminated and the client goes on to exchange contracts on a property the details of which we have previously provided to the client, even if this property is later introduced through another agent within 12 months of the date this instruction was ended.

If cancelled before the minimum instruction term of 4 months an administration fee of £500 will be charged for reasonable costs incurred.

The client may be liable to pay more than one fee if:

- i. The client has previously instructed another buying agent to find a property on their instructions and been introduced to the same property
- ii. See also General Conditions of Business (Para 10)

### **2. BUY TO LET ADVISORY MEETING**

You will attend a buy to let advisory meeting, to explore the options in relation to which properties rent well in an area, explore different rental markets, property types and locations as well as identify your objectives for rental property purchase.



## Property Sourcing Service

We will act on your instructions in good faith and based upon the criteria supplied by you our client in:

- i. The Investor Enquiry Form (IEF)
- ii. The Property Investors Profile (PIP)
- iii. The Property Enquiry Form (PEF)

We would send either of these forms to you via e-mail. It is our responsibility to:

- i. Select properties from those available on the market and present them to you as potential investment properties and handle all negotiations to get the best deals.
- ii. Present an accurate market appraisal based on comparable evidence for both the purchase price and rental valuation
- iii. Manage the conveyancing process on your behalf
- iv. To ensure that any refurbishment works are estimated and costed and that any works carried out on behalf of the client are done so in compliance with HMO, CDM, Building and Planning Regulations
- v. Refer a Mortgage Broker if needed and work with you until you secure one.
- vi. Manage the entire process on your behalf until you move into the property or let the property out.

Please note that valuation evidence given may be historic and may not represent the market conditions on the completion date of a purchase. It is always recommended that the client do their own due diligence before agreeing to purchase a property. It is recommended that the client carry out full local searches and a professional survey prior to making a purchase.

For the avoidance of doubt, we will not offer financial advice in connection with the purchase or in relation to financial products to aid you in the purchase as we are not authorised to do so. You must seek the guidance of a financial advisor or mortgage broker. We would however refer or recommend.

We will not arrange any surveys on any of the subject properties or the facilities they provide, without your consent to do so in writing.

We will NOT check any Lease for Leaseholder consent in relation to any lettings or works you may be planning to carry out at the property, you will need to check this yourself through your solicitor. We would only guide.

We will share information with you on local planning laws. Any consents required will be sought by us and as when applicable if you are planning to extend or change the use of a property. We do not offer guarantee of planning approval or HMO licensing approval prior to application or purchase of property. Agreement to purchase property without the necessary consent will be done entirely at your own risk.

### 3. FEES

The Property Sourcing Service is charged at £1500 per property, or 2.5% of the market value, whichever is higher. The fee is not subject to VAT at the time of writing this agreement but may be subject to VAT in the future. Please note that £500 is payable upfront, which is deductible upon completion. All General Property Consultancy Services



is £1,500 and £500 payable upfront, and we would do every thing including sourcing/negotiating for a property for you.

Final Balance of the Fees are payable upon completion of the property purchase and must be settled within 7 days of completion. Letting and management fees are not included and will be separate to any property sourcing fees. Any retainers charged upfront will be deducted from the final balance upon completion.

#### **4. REFURBISHMENT AND FURNISHING SERVICE**

We have experienced professionals who can arrange the design and refurbishment of your property to achieve the maximum from your investment. The cost of arranging and project managing this work is not included in the sourcing fee. Our fee for project managing large-scale refurbishments (e.g. whole house conversions) is dependent on project scope and property size, subject to a minimum fee of £2,000 or 5% to 10% of the cost of the project whichever is higher, and negotiable.

The cost of conveyancing, property refurbishment, specialist professional advice, Planning & HMO license applications, fixtures, furniture and fittings and any other associated costs are to be paid by the landlord / Investor in a timely manner so as not to cause any necessary delays in bringing the project to completion.

#### **5. OFFERS PUT FORWARD TO THE CLIENT**

For the avoidance of doubt, we wish to make the client aware that any offers put forward do NOT constitute a valuation and any figure we advise be put forward as an offer is given in good faith but is not based upon our formal valuation of the property.

##### **Post offer and before completion**

We will do the following:

- i. Monitor progress of the purchase.
- ii. Report information deemed helpful to bringing the transaction to fruition.
- iii. Keep the client informed of progress along with any professionals involved in the chain.

##### **Ongoing Letting and Management Service**

With all the above services, if you wish to rent; you agree to allow us to let and manage the purchased property for a minimum term of 2 years or to the end of the initial tenant's occupation, whichever is the later, and all the standard terms of our letting and management terms of business apply as would be advised.

#### **6. HOUSES IN MULTIPLE OCCUPATION: THE HOUSING ACT 2004**

A house in multiple occupation is a property rented out by at least 3 people who are not from 1 'household' (e.g. a family) but share facilities like the bathroom and kitchen. It's sometimes called a 'house share'.

You must have a licence if you're renting out a large HMO. Your property is defined as a large HMO if all the following apply:



- i. It is rented to 5 or more people who form more than 1 household
- ii. It is at least 3 storeys high
- iii. Tenants share toilet, bathroom or kitchen facilities

Even if your property is smaller and rented to fewer people, you may still need a licence depending on the area. In addition, where a building is fully converted into self-contained flats and the conversion does not comply with the building standards of the 1991 Building Regulations and less than two thirds of the flats are owner-occupied, this type of building is an HMO and may need to be licensed.

Landlords who fail to obtain necessary consent can face enforcement measures including fines of up to £20,000. Further information can be obtained from [www.propertylicence.gov.uk](http://www.propertylicence.gov.uk) or from your Local Authority.

We therefore strongly recommend that a check is carried out with the relevant Local Authority to ascertain whether your property is subject to licensing. We would conduct this check on your behalf and share the findings with you. We cannot be held liable for any difficulties arising because of your failure to observe this requirement.

## **7. HOUSING HEALTH & SAFETY RATING SYSTEM**

Where an HMO is licensed, the Property will be subject to inspection under the Housing Health & Safety Rating System within five years of the application for a license. However, you should be aware that any Property that is either let or available for rent, can also be subject to inspection under the Housing Health & Safety Rating System to assess potential hazards. Further information can be obtained from your Local Authority or from [www.communities.gov.uk](http://www.communities.gov.uk).

## **8. REGULATORY REFORM (FIRE SAFETY) ORDER 2005**

With effect from 1 October 2006 a property which is an HMO must have, as a minimum requirement, mains linked smoke detectors in the common parts (e.g. hallways) and fire blankets and fire extinguishers in the kitchen. Further alterations dependant on the age and character of the property may be required. Further information can be obtained from the Local Authority or from [www.communities.gov.uk](http://www.communities.gov.uk).

## **9. TAXATION/OVERSEAS LANDLORDS**

In accordance with the **Finance Act 1995**, Agents are required to deduct tax at the basic rate from rent monies they receive on behalf of a Landlord resident overseas net of expenses prior to paying these monies to the Landlord.

Agents are required to pass monies withheld to HM Revenue & Customs quarterly and at the end of the tax year. If there have been excess payments Landlords can, on submission of detailed paperwork, apply to HM Revenue & Customs for a rebate.

Please note that this same requirement is also placed on tenants who pay rent directly to most overseas Landlords. HM Revenue & Customs do allow a system of Self-Assessment whereby all overseas Landlords may apply to HM Revenue & Customs for exemption. If granted the Agent is issued with an Exemption Approval Number which permits passing the rent monies to the Landlord without deduction of tax.



We strongly recommend that you apply for Self-Assessment and we can provide you with the appropriate application form.

Should you not wish to apply, or if you are refused exemption, we are obliged to withhold tax as described above. All sums withheld will be paid into a non-individually designated client's tax holding account. Any interest which may accrue in respect of these monies before they are remitted to HM Revenue & Customs will be retained for our own account. The Agent is obliged to inform HM Revenue & Customs of any Landlord who is resident overseas. When you sign these Terms and Conditions you are confirming that you have informed us of your true residency status and that you will notify us within 14 days if this changes.

## **10. GENERAL CONDITIONS OF BUSINESS**

### **10.1 Client Account**

Please note that all income and expenditure which we receive and make on your behalf will pass through our client account and will be ring fenced against the property you purchase.

### **10.2 Commissions from Third Parties**

In the normal course of business, we may be offered commissions by third parties, such as insurance companies, to whom we might introduce our clients' business. We will not solicit such commissions but will select such companies based on their competence and/or availability.

If we are satisfied that our clients' interests are not adversely affected, then we may accept such commissions for our own benefit and not account for them to our clients.

### **10.3 Splits with Other Agents**

We reserve the right to give to other agents, details of premises to let, on a commission-sharing basis in the absence of instructions to the contrary. No additional commission is payable by you.

## **11. EXCLUSION OF LIABILITY**

**Associates:** We may recommend the services of associate companies, with whom we have worked with regularly in the past, they are not connected to our company and we make no guarantee for their services.

We do not employ contractors and cannot be held responsible for any error or omission on the part of any contractor or other third party instructed on your behalf.

Keys held under our management service will be released only to authorised contractors for maintenance purposes.

We cannot forward or hold mail received at the property for you. You must arrange directly with the Post Office to redirect your mail.

The Landlord undertakes to indemnify us against all costs and expenses properly incurred by us in lawfully carrying out our duties on his behalf by virtue of these Terms and Conditions.



If we reasonably suspect any funds paid or payable under these Terms and Conditions or otherwise represent the proceeds of activities involving criminal acts, we will immediately take such action as is required of us by law.

We agree to keep in force Professional Indemnity Insurance.

## **12. CONFIRMATION OF INSTRUCTION**

No variation to these Terms and Conditions will be effective unless agreed in writing.

The services fees and charges outlined in these Terms and Conditions are subject to review at our discretion. If these services fees or charges are to be adjusted, we shall inform you in writing prior to any service being completed.

These Terms and Conditions supersedes, cancels and replaces any existing or prior Terms and Conditions or contract between yourself and us in relation to this same property and shall be binding and beneficial to their respective administrators, executor's heirs, successors and assignees.

## **13. TERMINATION OF THIS AGREEMENT**

The Agreement detailed in these Terms and Conditions may be terminated for any reason by either party serving no less than one month's prior written notice of their intention to terminate under the following conditions:

If such intent to terminate is because of a breach or default of these Terms & Conditions, the party in breach or Default will be given 30 days from the service of notice to remedy the breach or default, upon which the Agreement will continue.

This Agreement will be immediately terminated in the event of the insolvency or bankruptcy of the Landlord or at commencement of any legal proceedings by Mortgage Lenders or others to take repossession of the property.

If either party terminates this Agreement, it shall be without prejudice to any claim by either party against the other in respect of any monies due to any breach of the terms outlined in this document.

## **14. FAIR CONTRACT TERMS**

Under the Unfair Terms in Consumer Contracts Regulations 1999 we are legally required to ensure that our standard Terms and Conditions of Business are fully understood by and acceptable to the Landlord.

If you have any questions, please let us know. By signing and returning the instruction attached to these Terms and Conditions of Business you are accepting the terms included therein.

## **15. NOTICE OF THE RIGHT TO CANCEL**

Where this contract is signed by the consumer client (you) during a visit by us to your home or place of work or any other place away from our business premises, you have a right to cancel the contract under the Cancellation of Contracts Made in a Consumer's Home or Place of Work etc. Regulations 2008. This should be done in writing within 7 days of signing the contract.



## 16. PERFORMANCE OF THE CONTACT

Whilst retaining the right to cancel the contract within 7 days detailed in Para 16, the client hereby authorises D'mur to immediately commence the property sourcing service.

Should the right to cancel be exercised the client will be liable for reasonable expenses incurred, which may include costs for work undertaken. An estimate of these costs will be provided on request.

## DEFINITIONS

**"The Agent"** D'mur Limited

**"The Landlord / Investor"** Any one or more individuals or corporate entities with legal right as freeholder or leaseholder to buy and let the property or his successors in title or assigns.

**"The Property"** The Property specified in the instruction or any part thereof together with any common ways or shared facilities and any fixtures fittings and furniture belonging to the Landlord.

**"Working Day"** 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.

**"Overseas Landlords"** Where a Landlord is resident overseas

## DUPLICATE CONFIRMATION OF LANDLORD INSTRUCTION

**Please complete and KEEP this duplicate copy for your own records**

Please read the Terms and Conditions of Business.

If you have any queries, please contact us immediately.

When you are satisfied that you understand and agree to be bound by all the Terms and Conditions stated please complete this form and return it to us to confirm your instructions.

**RE: PROPERTY SOURCING & ONGOING LETTING AND MANAGEMENT SERVICE I/WE**

NAME:

ADDRESS:

TELEPHONE: E MAIL:

hereby appoint D'MUR to undertake the Property Sourcing Service and make the following arrangements and act on my/our behalf under the terms outlined herein in their Terms and Conditions (but no further or otherwise unless specified in writing) at any property introduced via the Service.

**I/WE hereby warrant that:**



- i. I/We are able to purchase property as outlined in the property sourcing service and agree to pay the stated fee for any purchases completed.
- ii. Where the property and tenancy is an HMO (House in Multiple Occupancy) I/we have notified the Local Authority and obtained any license required and will provide Limelight with all related information. In the event this work has not been done we authorise Limelight to carry out this work on our behalf.
- iii. I/We will notify, immediately of any change of address or other relevant change in status or circumstance and indemnify **DMUR** in respect of all proceedings, claims, losses, costs or expenses which they may suffer or incur as a result of any breach of this Warranty.

Signed by **THE LANDLORD / INVESTOR NAME:**

SIGNATURE:

DATE:

**NOTICE OF THE RIGHT TO CANCEL**

Where this contract is signed by a consumer client during a visit by us to your home or place of work or any other place away from our business premises, the client has a right to cancel the contract as outlined in this document.

**NOTICE OF THE RIGHT TO CANCEL THIS CONTRACT**

**CANCELLATION OF CONTRACTS MADE IN A CONSUMER’S HOME OR PLACE OF WORK ETC. REGULATIONS 2008**

Where this contract is signed by the client within their home or any other place away from the Agent’s business premises, the client has a right if he wishes to cancel the contract within 7 days of the date of this contract and receipt of this Notice.

This right can be exercised by delivering, or sending (including by electronic mail) a cancellation notice **IN WRITING** to the Agent shown below. You may use this form if you want to but you do not have to. Notice of Cancellation is deemed to be served as soon as it is posted or sent to the Agent or in the case of electronic communication, from the day it is sent to the Agent.

<b>AGENT’S NAME AND POSTAL ADDRESS</b>	DMUR PROPERTIES LTD 86-90 PaulStreet London England United Kingdom, EC2A 4NE
<b>Agent’s E-Mail</b>	dmurproperties@dmur.co.uk
<b>Name and Address of Consumer Client</b>	
<b>Address of Property</b>	
<b>to which the Contract Refers</b>	Enter if known <property being purchased>

The form below may be used if you wish to cancel this contract.  
**Complete and return this form ONLY IF YOU WISH TO CANCEL THE CONTRACT**

**NOTICE OF CANCELLATION**  
 (Delete as appropriate)

I/We hereby give notice that I/we wish to cancel my/our contract as identified above.





<b>Signed by the Consumer Client(s) named above .....</b> ..... <b>Date .....</b>
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D'mur Limited is not authorised to provide financial or investment advice to investors. We can discuss purchasing options based on our understanding of a client's personal circumstances and financial position; however, as part of their due diligence process, clients are strongly urged to seek the guidance of a registered financial advisor of their own choosing before committing to a purchase or financial product. All financial calculations conducted as part of due diligence activity are derived using industry accepted methods and presented in good faith and are correct at time of printing / distribution.