



TOWN &
COUNTRY
BUILDING
MANAGEMENT

CONTRACT/AGREEMENT FOR
RESIDENTIAL BUILDING MANAGEMENT

CONTRACT / AGREEMENT

FOR RESIDENTIAL BUILDING MANAGEMENT



CONTRACT/AGREEMENT FOR THE MANAGEMENT OF A BLOCK OF FLATS PARTIES TO THE CONTRACT:

MANAGEMENT COMPANY/FREEHOLDER:

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MANAGING AGENT: **Town and Country Property Services**

TERMS OF APPOINTMENT

The contract term is 12 months from instruction with fees being taken annually and in advance. Fees are taken in March of each year and prorated on instruction. The contract must be renewed annually for continuation of services provided by Town and Country Property Services. To provide a management service to the best of the Agent's ability which complies with the freeholder(s)/management company's management & maintenance obligations under the terms of the lease. This would normally include the following:

ACCOUNTING

To include the collection of ground rents, service charges, special levies and any other payment due from leaseholders. Setting up or continuance of separate, designated trust accounts; setting up or continuance of interest bearing accounts, for reserve fund and service charge monies held in excess of that required for immediate expenditure. All accounts to be held in accordance with the requirements of Section 42 of the Landlord and Tenant act as amended by Section 156 of the Commonhold and Leasehold Reform Act 2002. Submitting all relevant accounting records at year-end to the independent accountant retained by the Client for preparation of year-end accounts. Ensuring accountants comply with Section 152 of the Commonhold and Leasehold Reform Act 2002 which provides for prescribed detailed information within the annual serviced charge statement. Prepare, if required an annual estimate of anticipated expenditure for approval by the Client.

INSURANCE

Arrange/renew insurance cover in respect of the property, if requested by the Client. Pay all premiums promptly. Dealing with building insurance claims on behalf of the Client where appropriate. (After January 2005, new FSA restrictions will apply whereby a managing agent will not be able to deal with insurance or claims unless regulated. However if the agent is company secretary they can deal with insurance in that capacity only). Arrange/renew other insurances if requested such as Directors and Officers Liability; Lift; Terrorism etc.(again only in compliance with FSA regulations after January 2005)

MAINTENANCE AND REPAIR

Administer contracts, such as cleaning, gardening, window cleaning, lift maintenance etc. Review of and re-allocation of contracts where necessary. Obtaining of estimates, where appropriate and issuing instructions to contractors on minor items of maintenance and repair, within the agreed limit specified with the Client. Check demands for payment of goods, services, etc, supplied for the benefit of the property and settle such demands.

MAJOR ITEMS OF EXPENDITURE, EXTERIOR AND INTERIOR RE-DECORATION/CONSULTATION PROCEDURES

Provide advice to the client in respect of leasehold legislation requirements. Recommending the appointment of surveyors, architects and other professionals where appropriate. The issuing of Notices under Section 20 of the Landlord and Tenant Act 1985 (as amended by the CLRA 2002) and acting as liaison between the surveyor and the Client, is not included within the standard management fee and would be subject to a reasonable administration fee of 10% + VAT of the total cost of works.

GENERAL RESPONSIBILITIES

To inspect the communal areas of the building, without use of equipment, as can be inspected safely in order to ascertain its general condition. To extend a courteous and professional service to lessees. To attend promptly to correspondence and telephone calls received relating to the property.

DETERMINATION FOR BREACHES OF COVENANT

(e.g. non payment of service charges)

If the client requires the agent to pursue a leaseholder for breach of covenant, then additional fees will apply although advice will be given within the standard management fee. Similarly, applications to the Leasehold Valuation Tribunal, or extensive involvement with solicitors/county courts etc would be an additional fee, as agreed in advance with directors.

MANAGEMENT FEES

With effect from the commencement date, our management fee is £200 per unit per annum and is subject subject to annual review and agreement with Directors.

Remuneration for any additional work which is not part of the service by the agent shall be agreed in advance by both parties. Additional works not included in this agreement charged at **£150 + VAT** per hour.

AUTHORISATION OF THE AGENT BY THE CLIENT

The Client authorises the agent to expend any sums for the benefit of the Property that are within the expenditure limit agreed as specified below and also, in cases of emergency, to take such reasonable measures as the agent shall consider appropriate.

Specified expenditure limit

All instruction of the Client to the agent with regard to the service to be performed by the Agent, shall be given to the Agent in writing or, if given orally, shall be confirmed in writing within seven days.

The client is to provide all information necessary to initiate and undertake the management service and any additional work necessitated by the absence of such information, as carried out by the agent, would attract an additional charge.

The client to authorise the Agent to re-imburse himself for agreed management fees (in advance where appropriate), administrative fees and any other agreed expenses/disbursements whenever expended. The basis of the Agent's remuneration as recorded in the Agreement shall apply.

TERMINATION

Either party may terminate this Agreement by serving on the other three months' notice in writing.

Notwithstanding the above, if either party is in breach of this Agreement

- a)** the other may serve on the party in breach written notice specifying the breach or breaches and requiring them to be remedied within 60 days and
- b)** if the party fails within 60 days of the service of such notice to remedy such breach or breaches, then
- c)** the party who served the notice may terminate the Agreement upon serving written notice to that effect on the other party.

LIABILITY OF THE AGENT

Unless caused by the Agent's negligence in the provision of Service, the Agent is not liable either in contract or in tort for any loss, injury, damage or legal or other expenses sustained as a result of:

- a)** the Agent having reasonably relied upon the Client to provide accurate information
- b)** any inaccurate estimation/forecast by the Agent of future income or expenditure
- c)** any failure to identify any defect in the property, equipment or materials used for the property
- d)** the act, omission or insolvency of any person other than the Agent.

The client shall indemnify the Agent should any claim be made by a third party for any loss, injury, damage or legal or other expenses referred in a) to d) above.

The Agent shall not be liable to indemnify the Client in respect of any similar claims by a third party against them.

CONTRACT / AGREEMENT

FOR RESIDENTIAL BUILDING MANAGEMENT

Date

Client

Agent Town and Country Property Services

Registered Office 81 Church Road, Hove, BN3 2BB

The Property
(subject of
this agreement)

Signed on behalf
of the Client

Print Name

Signing As

(DIRECTOR)

In the
presence of

(WITNESS)

Print Name

Signed on behalf
of the Agent

Print Name

In the
presence of

(WITNESS)

Print Name



TOWN &
COUNTRY
BUILDING
MANAGEMENT

TOWN & COUNTRY

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