

Appendix 1

The Managing Agent will perform the following Services during the Term:

1. Service Charge Collection

The Managing Agent will:

- a. collect current Service Charge payments and any other payments due from Owners of the Units of the Property, and hold such sums in accordance with the Code of Practice issued by Royal Institution of Chartered Surveyors "Service charge residential management code and additional advice to landlords, leaseholders and agents" 3rd edition and
- b. ensure Service Charge demands are sent to each Owner at the commencement of each Management Year and will ensure such demands comply with all statutory requirements for the time being now or in the future in force.

2. Service Charge Arrears

The Managing Agent will:

- a. under the instruction of the Client's directors, monitor and use its reasonable endeavours to collect all arrears of Service Charges and other amounts owed to the Client by the Owners. The Managing Agent will, where necessary institute legal proceedings in the name of the Client for the collection of service charges unless otherwise instructed by the Client; and
- b. will provide in writing a schedule of debtors for any amounts owing under any Lease or transfer of ownership (including, but not limited to, unpaid Service Charges) to the Client when accounts are produced or within a reasonable time following a written request from the Client.

3. Service Charge Budget Preparation

The Managing Agent will draw up a proposed budget for the Property with estimates of all charges to be levied on the Owners or Lessees in respect of the Property by the Client. The Budget for the Service Charge will be distributed to all directors of the Client for final approval.

The final decision relating to the Service Charge and the Reserve Fund adopted in relation to the Property shall be made by the Client.

4. Site Inspections

Inspections (without the use of equipment) of the common parts of the Property, so far as these can be completed safely and to ascertain its general condition for the purpose of day to day management, will be completed in accordance with the number inserted at the start of this Agreement. A report of the inspection will be made available to the directors shortly after the inspection has been made.

The Managing Agent will attend the Property to respond to routine enquiries from the Client or any Owner or Lessee.

5. Accounts

The Managing Agent will:

- a. undertake general day to day book keeping for the Client and will maintain financial records for the Client in respect of any expenditure and income for the Property for which it is or becomes aware.
- b. Will provide quarterly budget vs. actual statements of account to the Client.

6. Regular Payments

The Managing Agent will administer contracts and check demands for payment for goods and services supplied to the Client in accordance with clause 3.1.

7. End of Year Accounts

The Managing Agent will liaise as necessary with the Client regarding the Client's choice of accountants and/or auditors (as appropriate) to act for and on behalf of the Client with regard to the Property's finances. Such information and reports as may reasonably be requested by the Client's accountant will be provided in order to produce the statutory end of year accounts.

8. Response Maintenance Arrangements

The Managing Agent will provide a response maintenance service and arrange for contractors to attend the Property as required where it is reasonably anticipated that the final cost will fall within the Expenditure Limit and for which the Client is specified as being responsible in the relevant Leases and Transfers, subject to funding.

9. Regular Contracts

The Managing Agent will monitor maintenance contracts such as gardening and cleaning and arrange as required. The Managing Agent will make the regular required payments to the contractor provided these fall within the Budget allowance and will not seek separate authorisation from the client for these payments.

The Managing Agent will review all utility supply contracts and the Client authorises the Managing Agent to place such contracts at the best market rate available. All utility contracts will not be for a period in excess of 12 months unless a longer period is instructed by the Client.

10. Major Works

The Managing Agent will prepare specifications, issue S20 notifications as required, undertake the tendering of the specification and will monitor a project on site where the scope of work is reasonably within the bounds of a managing agent.

For all other works The Managing Agent will advise the Client as to the need for external professional guidance.

11. Insurances

The Managing Agent will ensure the Property is insured having regard to the requirements of any lease. The Managing Agent shall be entitled to retain any payment received from the insurers relating to the insurance(s) in respect of the Property. If applicable this such payment will be advised to the Client upon request.

The Client authorises the managing agent upon appointment to transfer all existing insurances to Mainstay Insurance our partner insurance broker, there will be no detriment to your current cover, terms or premium and upon renewal all options for alternative providers will be given.

12. Health & Safety

The Managing Agent will assist the client on the implementation of relevant Health and Safety legislation in respect of the Client's obligations to the Owners of the Property and if

required arrange Health and Safety inspections to be carried out by an external provider at a frequency to be agreed with the Client.

13. Client Information

The Managing Agent will keep files of leases and other documents relating to the Property. Should documents be required to be supplied to any third party organisations, such as in the event of the sale of a Unit, an additional fee will be chargeable.

14. Removal of Items from Communal Areas

The Client authorises the Managing Agent to remove items from communal areas in line with the Managing Agents Disposal of Goods & Management of Communal Areas Policy.

15. Client Meetings

The Managing Agent will attend director's meetings if and when required out of Usual Office Hours up to a maximum of 4 meetings per calendar year. Any meetings required beyond 20.00hrs will be chargeable for which an hourly rate may be applied of £75+VAT per hour or part thereof.

Meetings during Usual Office Hours are not included within this figure nor are attendances to site during Usual Office Hours to undertake general management duties.

16. Exclusions to the Contract

For the sake of clarity, the following are excluded from the Services to be provided to the Client by The Managing Agent:

- a) Carrying out an inspection of the Property (other than in accordance with paragraph 4, Appendix 1), or a building survey or valuation of the Property as a security or for insurance purposes or preparing any schedule of dilapidations or inventory;
- b) Offering a vacant property to let, advising the Client on the terms of any lease or negotiating the terms of any new or varied lease;
- c) Initiating, conducting, preparing evidence for and attending hearings for and otherwise dealing with any rent review, party wall proceedings, application for a grant or for consent, arbitration or litigation;
- d) Dealing with local government matters including council tax valuations, planning permission, building regulation consent and grant applications;
- e) Dealing with the HMRC or advising in relation to taxation;
- f) Any advertising and recruitment of staff on behalf of the Client;
- g) Supplying extra copies of statements of account and copies of any other documents;
- h) Dealing with or advising upon applications for assignment of tenancies or leases, sub lettings, alterations and changes of use.