

THE MANAGEMENT OF PREMISES

The following comments are provided to help all clients for whom we manage property.

INTRODUCTION:

Unless otherwise agreed in writing it is assumed that as managing agents our instructions are:

- To ensure the income generated by your property continues and/or improves.
- To ensure a good ongoing relationship with existing and new tenants.
- To keep you informed of properties which, in our opinion, may be of interest to you to purchase.
- To be aware of opportunities for the disposal of assets.

Our aim is to be constructive and professional at all times. We fully appreciate however that as our client you have the right to ignore our advice!

CONFLICTS OF INTEREST:

As the longest established Agency/Chartered Surveying practice in North Oxfordshire dealing exclusively with industrial, commercial and retail properties we do occasionally face a potential conflict of interest. We will always notify you in advance of such concerns and seek your further instructions.

Since establishing Bankier Sloan in 1984 we have notified clients on fifteen occasions when we believed such a conflict might potentially occur. On all occasions the parties have agreed an acceptable course of action.

PROFESSIONAL NEGLIGENCE:

Bankier Sloan holds a professional indemnity policy, in accordance with the requirements of the Royal Institution of Chartered Surveyors, with R.S.A. Insurance Group Plc.

PROFESSIONAL WORK:

All professional work is undertaken by the sole proprietor, Ian Bankier Sloan, who is a Fellow of the Royal Institution of Chartered Surveyors.

COMMUNICATIONS:

Clients are welcome to make contact by calling our office on 01295 688384 / 07831 338111 or by emailing reception@centre-p.co.uk

RENT COLLECTION:

It is our normal policy to invoice tenants approximately twenty one days before the rent is due using client's notepaper (or paper produced by us on behalf of clients!). We ask tenants to make payment directly to our client.

SERVICE CHARGES:

We recommend that all service charges are collected on a quarterly basis, even when the sums are relatively small.

If no service charge is due for any given quarter, we nevertheless recommend a note is sent to the tenant setting out the situation, thus ensuring that they continue to be aware that a service charge may become payable at the appropriate time.

REPAIR LIABILITIES:

We will always advise our clients of their repair liabilities, while at the same time trying to ensure all tenants meet the liabilities to repair/maintain premises. Landlords do sometimes need to carry-out work for the long term benefit of a property without short term financial gain.

TENANTS INFORMATION:

We often provide tenants on an annual basis with a single sheet of information which will be helpful to the good management of premises. A copy of any information will be provided to our clients.

CLIENT ACCOUNT:

Bankier Sloan does not hold clients money and does not operate a Clients Account.

MAINTENANCE ACCOUNT:

In most cases we do not recommend holding "service charges" in separate accounts. Our advise is to add a % to the annual rent which can be spent by the freeholder with our advise.

FEES:

Management:

It is our policy to agree an initial fee structure.

It will be appreciated therefore by clients that this fee structure allows us to reflect an increase in our costs, without necessarily benefiting from any major uplift in income received by our clients as a result of rent reviews/lease renewals that may have occurred during any given calendar year. Our fees will be based on our anticipated costs, not on the income generated.

Acquisitions:

1.25% of the acquisition price, on freehold purchases. Leaseholds by negotiation.

Sales/Lettings:

We assume, unless otherwise agreed, that our clients are prepared to accept our standard fee structure which is:

- a) 2% of freehold sales.
- b) 10% of the first years rent on new leases (excluding any rent free period that may be given).
- c) 8% of rents achieved on review, although we usually agree actual fees with clients in advance (this will usually be a minimum of £350 and a maximum of £5,000).

Expenses:

Expenses are usually included within our fee structures, with the exception of marketing and out-of-pocket expenses incurred when marketing either freehold or leasehold units. In all cases we will agree expenses **in advance** with clients.

VAT:

VAT is charged on all fees. If our clients are not registered this will not be recoverable.



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