

## **Management Agreement**

Between

Michael Rogers Property Management Limited

and

[ Client ]

Michael Rogers Property Management Ltd  
Chapter House  
33 London Road  
Reigate  
Surrey  
RH2 9HZ

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**Directors:** Quentin C Thompson BSc (Hons) MRICS Michael J Lewis FRICS  
David H Smith BSc(Hons) MRICS

Registered office: 20 Westlands Way, Oxted, Surrey RH8 0ND  
Registered number: 3865227

**Regulated by RICS**

**THIS AGREEMENT** is made on [ ] **2017**

between

**Michael Rogers Property Management Ltd** of Chapter House, 33 London Road, Reigate, Surrey, RH2 9HZ (**MRPM**)

and

[ name ] (**the Client**) of [ address ]

## **GENERAL PROVISIONS**

1. The terms of this agreement will apply to the exclusion of all other terms and conditions. Any variations to these terms shall only be effective if confirmed in writing by both MRPM and the Client.
2. This agreement will be for an initial term of [ ] months from ..... **2017** and will continue thereafter unless terminated in accordance with the termination provisions below.

## **MRPM OBLIGATIONS**

3. MRPM agrees to provide property management services, as specified in **Schedule A** of this agreement (**the Services**), in respect of the property listed in **Schedule B (the Property)**.
4. MRPM agrees to exercise reasonable skill, care and diligence in performing its obligations to the Client, in accordance with currently accepted standards of professional practice.
5. MRPM undertakes to provide to the Client, or its duly authorised representative, copies of accounts, documents and other information relating to the Property and to generally keep the Client updated on matters relevant to the Property in accordance with the principles of good estate management
6. MRPM shall at all times comply with the members' accounts regulations of the Royal Institution of Chartered Surveyors.
7. MRPM shall maintain professional indemnity insurance up to £5 million and produce details of this insurance cover when requested by the Client.
8. MRPM undertakes to account to the Client for all VAT receipts in respect of the Property.

## **CLIENT OBLIGATIONS**

9. In consideration of the Services undertaken by MRPM, the Client agrees to pay to MRPM the remuneration as detailed out in **Schedule C (the Remuneration)**.
10. The Client undertakes to provide all necessary information in respect of the Property to enable MRPM to properly perform its duties as set out in this agreement

- 11.The Client agrees to ensure that it has adequate Property Owners Liability insurance in respect of the Property at all times and to join MRPM as an insured party to that policy in respect of that liability.
- 12.The Client agrees to indemnify MRPM against any demands made by the Inland Revenue, Customs & Excise and the relevant Local Authorities in respect of any taxation liabilities relating to the Property.

## **CLIENTS AUTHORISATION**

13.The Client authorises MRPM to:

- 13.1 defray expenditure in respect of the Property, from funds held on behalf of the client, up to a limit of **£ [ amount ]** per item of expenditure;
- 13.2 incur any necessary expenditure to ensure compliance with statutory requirements affecting the Property;
- 13.3 take such reasonable measures in case of emergency as MRPM considers appropriate;
- 13.4 deduct from monies held on behalf of the Client any amounts due in relation to its Remuneration together with any expenses or disbursements incurred by MRPM on behalf of the Client;
- 13.5 retain interest on reasonable working balances in the clients' account (other than funds held separately as a long term or reserve fund).

## **LIABILITY**

- 14.MRPM's duty of care is to the Client solely and no other person may rely on its advice or other aspects of its services without its prior approval.
- 15.For the avoidance of any doubt MRPM has sole liability for the Services that it undertakes for its clients. No employee of MRPM is to have any personal legal liability for these Services. In particular, when an employee signs in his or her own name any letter, document or report whilst providing the contracted Services to the Client, the employee shall not be deemed to have assumed any personal legal liability for that letter, document or report.
- 16.MRPM always aims to ensure that the provision of its Services is satisfactory to its clients. In the event of a problem arising, the following terms set out what MRPM reasonably believes to be fair restrictions on its potential liability to the CLIENT given the Services that it is providing, the Remuneration to which it is entitled and the availability and cost of professional indemnity insurance. These limits apply to the extent that they are permitted by law. If any part of these restrictions is found by a court to be void or ineffective or not in accordance with any professional obligation, the remaining provisions shall continue to be effective.
- 17.In the event that MRPM is in breach of its obligations to the Client, it is agreed that its liability will be limited as follows
  - 17.1 The maximum liability of MRPM in any event is £5 million including interest unless a different amount is specifically agreed with the Client;

- 17.2 Unless caused by negligence on the part of MRPM or its employees, MRPM shall not be liable for any loss arising as a result of:
- 17.2.1 MRPM having acted on the basis of information provided by the Client when it was reasonable to assume that such information was accurate.
  - 17.2.2 Any inaccurate forecast by MRPM in respect of income and expenditure projections.
  - 17.2.3 Any defects in the property, or plant machinery or equipment used in the property whether or not such defects be latent or apparent on examination.
  - 17.2.4 Any act or omission by any person other than duly authorised employees of MRPM.
- 17.3 The Client shall indemnify MRPM in respect of any claims arising as a result of matters referred to in 17.2 above
- 17.4 Where MRPM is jointly liable for the client's loss, its liability is to be limited to that proportion of the Client's loss that is fairly and reasonably attributable to its breach. It shall not be liable to compensate the Client for the proportion that is attributable to other parties whether or not the Client is able to recover that proportion of the Client's loss from the other party or parties.
- 17.5 MRPM shall have no liability to the Client unless the Client informs MRPM in writing of the breach of its obligations within 6 months of the Client becoming aware of the breach.
- 17.6 MRPM shall not be liable for any consequential loss or damage.

## **CONFIDENTIALITY**

- 18.MRPM will use all reasonable endeavours to keep information about the client and its business confidential and will not disclose it to anyone outside MRPM and Michael Rogers LLP or their agents without the Client's consent unless the information is already in the public domain. The Client's consent to such disclosure is implied in relation to the proper handling of the Client's instruction or when compelled by professional regulations or law.
- 19.MRPM regularly uses email to communicate and will use reasonable measures to ensure that the transmission of its emails is secure. Subject to this the Client acknowledges and accepts the risk associated with the use of emails.
- 20.MRPM is registered as a Data Controller under the Data Protection Act 1998 and complies with the current law on data protection. You accept that MRPM does store and use information about its clients within the parameters of its registration under that legislation.

## **COMPLAINTS HANDLING PROCEDURE**

- 21.MRPM has a formal complaints handling procedure, a copy of which is also available from its offices. It is agreed that in the event of a dispute or a complaint both parties will follow the complaints handling procedure which provides the Client with access ultimately to the Surveyors Ombudsman scheme.

## **INTELLECTUAL PROPERTY RIGHTS**

22.The intellectual property rights in all documents prepared by MRPM in providing its services to the Client will not be transferred to the Client but MRPM will give the Client a licence to use these documents for the purposes for which they were created but not for any other use

## **TERMINATION**

23.This agreement can be terminated:

- 23.1 at any time after the initial contract period by either party giving three months notice in writing;
- 23.2 at any time by the Client in the event of a significant breach of contract by MRPM provided always that the Client has in the first instance followed MRPM's formal Complaints Handling Procedure.
- 23.3 At any time by MRPM if after 28 days written notice, the Client fails to pay the Remuneration due to MRPM under the terms of this agreement.

## **UNENFORCEABILITY OF TERMS**

24.If any provision of these terms is found by a court to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of these terms, which shall remain in full force and effect.

## **NOTICES**

25.All formal notices should be sent in writing to the registered office of MRPM at Chapter House, 33 London Road, Reigate, Surrey, RH2 9HZ. All formal notices to the Client will be sent to the address shown in the introduction to this contract unless notified otherwise by the Client

## **LAW**

This contract shall be governed by and construed in accordance with English law.

## **Schedule A**

### **Services to be provided by MRPM**

#### **FINANCIAL**

1. Preparing and agreeing service charge budgets for the provision of services to the property in accordance with lease terms and client's requirements.
2. The collection of instalments of rent and any other payments due from tenants of the properties together with any arrears. All such payments received to be held in accordance with the RICS Members Accounts Regulations. All payments of rent collected on behalf of client to be remitted to the client as soon as reasonably practical after receipt of cleared funds by MRPM.
3. Collecting provisional and final service charge payments from tenants and holding such sums in clients' accounts.
4. MRPM to produce annual service charge accounts as soon as reasonably practical after the service charge year-end.
5. Providing statements of account to the Client, and any appointed advisors, in respect of payments received on behalf of the Client and any expenses and disbursements made on behalf of the Client.
6. Producing for inspection, as required by the Client receipts or other evidence of expenditure and providing appropriate VAT invoices in the required form.
7. Attending to routine enquiries from the Client and tenants.

#### **PROPERTY**

8. Keeping copies of all tenancy agreements, leases and other documents relating to the property that have been supplied by the Client.
9. Maintaining an event diary in respect of the property and notifying the Client when notices should be served.
10. Inspecting, without use of equipment, the property at a frequency in accordance with the principles of good estate management, or as agreed from time to time with the Client, to ascertain the general condition and provide an appropriate report to the Client.
11. Administering contracts and checking demands for payment for goods services plant and equipment supplied to the property and paying invoices for such services from funds held on behalf of the Client within the expenditure limits agreed from time to time in writing with the Client. Payments exceeding the previously agreed expenditure limit to be settled on receipt of authorisation from the Client.
12. Obtaining competitive quotations from contractors for the provision of services to the property and appointing contractors by agreement with the Client.

13. Supervising contractors employed to provide services to the property and arranging payment of invoices from service charge funds held on behalf of the Client.
14. Ensuring that use and occupation of the property by tenants complies with lease terms and statutory requirements.
15. Ensuring that all client's liabilities in respect of current statutory, health and safety and fire regulations are complied with.

## **EXCLUDED SERVICES**

For the avoidance of doubt the following services (the excluded services) do not form part of the services to be provided by MRPM under the terms of this agreement.

- a. Inspecting the property for building survey, valuation or insurance purposes or preparing schedules of dilapidations of inventory.
- b. Offering the property for sale or to let.
- c. The negotiation of rent reviews, lease renewals, and lease re-structure.
- d. Making planning applications in respect of the property.
- e. Advice on rating matters and any negotiations with the District Valuer and Valuation Officer.
- f. The cost of any specialist reports required in respect of Health & Safety matters.
- g. The recruitment of any staff on behalf of the client.
- h. Acting as company secretary where the client is a limited company.
- i. Dealing with tenant applications in respect of assignments, sub-lettings, alterations and change of use. The preparation of plans and specifications in respect of property improvements or major building works over and above normal routine maintenance requirements.
- j. Attendance in court and solicitor's costs incurred in relation to proceedings for recovery of rent arrears, recovery of possession or eviction of illegal occupiers.
- k. The cost of employing any other consultant or professional on the instructions of the client.

## Schedule B

### **Properties:**

[ list of property addresses, including post codes ]



## Schedule C

## MRPM Remuneration

The remuneration due to MRPM in relation to the Services that MRPM has contracted to undertake in respect of the properties in **Schedule B** shall be:

£ [ ] per quarter/annum], payable [ quarterly/half yearly/annually in advance/arrears]

All remuneration and fees will be subject to review on an annual basis and/or in the event of a change in the nature of the services to be provided under this contract.

In the event that the Client requests that MRPM undertakes services not detailed in **Schedule A**, then MRPM reserves the right to charge the Client on a time and expense basis at its current fixed hourly rates. For the avoidance of doubt time spent on such additional instructions may include inter alia time spent in meetings, travelling, preparation of documentation, research, telephone calls, correspondence and compliance with statutory requirements.

All remuneration and fees are quoted exclusive of VAT which will be applied at the prevailing rate to all quoted remuneration and additional fees in accordance with current legislation.

**Signed for and on behalf of** **S**  
**Michael Rogers Property Management Ltd**

**Signature.....**

**Name** .....

**Position** .....

**Signed on behalf of**  
[ \_\_\_\_\_ ] **Client**

**Signature.....**

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Name .....

**Position** .....