

Chard Robinson Property Investment: Fees & Terms of Engagement



Chard Robinson provides an initial consultancy entirely free for clients, who range from private individuals to consortiums and investment funds, seeking to purchase one, or more, residential investment properties. For clients who are not UK based the consultation can be held over the telephone.

Chard Robinson will give as much initial advice as required on both the most appropriate route to sourcing your investment property (Chard Robinson Property Investment), and the on-going property management thereafter (Accent Property Management).

Please note: Chard Robinson does not operate as an IFA (Independent Financial Advisor) and will be unable to comment on other forms of investments or the relative merits or otherwise of residential property investment over other forms of investment. As part of our service we will recommend the services of an independent IFA.

Property Acquisition Service

We will act as your agent in the purchase of the freehold / leasehold interest in a property either named by you, or found by us and introduced to you whilst these terms remain in force and you will be liable to pay our fees if at any time contracts are exchanged with the vendor of such a property. We shall use all reasonable skill and care in matching properties to your requirements, but you shall be solely responsible for determining whether the property is suitable, also utilising in this respect the services of an independent Chartered Surveyor to provide you with an independent survey and valuation of the property prior to purchasing. You or your appointed solicitor will be solely responsible for making any local search or other enquiries of local or any other authorities or investigations of title regarding the property. We insist in all cases that an independent survey and valuation of the property is carried out prior to exchanging contracts. The associated fee is paid directly to the independent surveyor by the purchaser.

Property Acquisition Fees: 1.5% of the negotiated purchase price paid. The fee is due on exchange of contracts of the purchase, and is subject to a minimum of £1500.00 for each property acquired.

Mortgage Sourcing

Whilst not mortgage brokers, we do have excellent contacts with various independent mortgage advisers able to provide competitive quotations to suit clients' requirements. The fee for researching the availability of suitable finance meeting the criteria set by each client is set by and negotiable with the broker concerned, although this is often free. Chard Robinson does not charge for this service.

Letting & Management

The on-going lettings and property management services offered by Accent Property Management including fees and terms & conditions are treated separately by way of their agency agreement. See accentproperty.com or call 01223 500387.

Property Management for Refurbishment

We provide advice regarding property refurbishment and carry out the works utilising reliable independent architects and contractors. Our refurbishment service includes the provision of advice and recommendations regarding the required works, the specification of works, obtaining competitive and comparable estimates ensuring that costs are kept to a minimum, overseeing all approved works ensuring that they are completed quickly and to a high standard.

Project Management for Refurbishment Fees: 15% of the total cost of the refurbishment works paid by the client. Please note: Estimated costs for the refurbishment are included where appropriate within the Residential Investment Property Profile. Funds must be received by Chard Robinson from clients prior to work commencing in respect of the detailed estimates for the refurbishment works and our project management fee. This will enable contractors and other suppliers to commence their activities without unnecessary delays. Clients receive a full statement in acceptable completion of all works.

Property Preparation (for Letting) & Furnishing

We provide advice regarding the preparation of new and refurbished properties for letting either part-furnished (unfurnished) or fully furnished with consideration to decoration, flooring,

window dressings, kitchen appliances and furnishing. Each property is equipped utilising expert and reliable contractors, and our service includes the provision of competitive estimates, overseeing works required and the supply and installation of suitable budgeted items.

Property Preparation & Furnishing Fees: 15% of the total cost of the property preparation or furnishing paid by the client. Please note: Estimated costs for the property preparation (or letting) and where applicable furnishing and each property are included where appropriate within the Residential Investment Property Profile. Funds must be received by Chard Robinson from clients prior to work commencing in respect of the detailed estimates for any property preparation and / or furnishing and our project management fee. This will enable contractors and other suppliers to commence their activities without unnecessary delays. Clients receive a full statement in acceptable completion of all works.

Property / Portfolio Analysis

This on-request service includes the provision of a report for each property detailing the net rental return and the estimated capital and total returns for the preceding twelve month period, details of measures (if any) which in our view may improve future returns and a summary of our views on longer term market trends. In calculating the estimated net capital and estimated total net returns for each property, we have regard to an opinion at the effective date of the analysis of what we believe the likely worth of each property to be. This is not to be construed as, and is not, a formal capital valuation of each property, and is given as with all other comments contained in the Portfolio Analysis, without any liability on our part as an informal opinion only, and is not to be relied upon.

Property / Portfolio Analysis Fees: £150 per property. The fee is payable in advance of the report being received by the client.

Property Disposal

We will act as a broker between existing clients wishing to sell their properties and any potential investment purchaser. The sale price will be agreed by you and based on at least two independent valuations. Alternatively we will arrange for a recommended firm of estate agents to sell the property for you.

Property Disposal Fees: 1.5% of the agreed sale price (for sole agency instruction). The fee is due on completion of the sale. This fee basis will also apply where the existing tenant, occupant or any associated party introduced by us, purchases the property.

Termination of Agency

Termination of Chard Robinson by a client as either property acquisition or disposal agents shall have no effect upon, nor alter retrospectively a clients' liability to pay fees as outlined in these terms of engagement.

Payment of Fees

All fees quoted are exclusive of Value Added Tax (VAT) which will be payable in addition at the prevailing rate. Fees unpaid 28 days after the due date will incur interest charges calculated at 4% above Lloyds Bank plc base rate. If we incur costs in securing late payments you will be required to pay any such expenses incurred. We reserve the right to change our level of fees and terms of business.

Exclusion of Liability and Disclaimer

Chard Robinson takes all reasonable care in respect of advice given, and recommendations made. The legal liability of Chard Robinson, its principals, agents and employees, for damages or other remedies for any loss or damage to the client or others claiming under him, howsoever caused as a result of any breach of duty or as a result of error or due to any act of omission on the part of Chard Robinson, its principals, agents and employees, whether negligent or not shall be limited in all cases to the extent of the fees payable to Chard Robinson for the service in which such act or error occurred.

Acceptance

Our fees and terms of engagement as herein stated shall come into force upon the clients completing and signing a Confirmation of Instruction form acknowledging that you understand and agree to our fees and terms of engagement, subject always to proviso that you are under no obligation to pay any fees, costs or other disbursements to Chard Robinson or any sub-contractors, sub-agents and suppliers employed on your behalf until such time as such fees, costs or other disbursements become payable for each service as detailed herein. You hereby indemnify us against all losses, damage, costs and expenses (including legal fees) arising out of or by virtue of your instructions save for any losses, damages, costs and expenses arising by virtue of our default or negligence. Any variation by you of our terms and fees must be agreed in advance and in writing.

Chard Robinson
October 2009