

# LUXURIOUS LEISURE LTD

## TERMS OF BUSINESS

Luxurious Leisure is required under the Estate Agents Act 1979 (and the Orders and Regulations) made under it to confirm fees and conditions of business in writing. Clients of Luxurious Leisure are assumed to have understood and agreed to these terms by signing the copy of these terms and returning them to Luxurious Leisure.

### 1. INSTRUCTIONS

In the absence of written advice from the Client to the contrary within 7 days of receipt of these terms of business, Luxurious Leisure will be entitled to assume that the addressee of its accompanying letter is the owner of the property and, therefore, entitled to sell the property and accepts liability for all sums due to Luxurious Leisure under the agency contract between Luxurious Leisure and the Client and the terms of that contract as set out below even if the property is held in the name of a company or trust.

### 2. THE AGENCY

Luxurious Leisure is appointed as the Sole Agent for a period of 12 weeks from the date of the accompanying letter. This means that the Client will be liable to pay commission to Luxurious Leisure in addition to any authorised costs or expenses if at any time unconditional contracts for the sale of the property are exchanged:

(i) In the period during which Luxurious Leisure are Sole Agents a purchaser is found who goes onto sign unconditional contracts.

(ii) After the expiry of the period during which Luxurious Leisure have been Sole Agents but to a purchaser who was introduced to the Client during that period or with whom Luxurious Leisure had negotiations about the property during that period.

### 3. COMMISSION

Commission is calculated as a percentage of the total sale price, which is deemed to include any additional sums payable for fixtures and fittings, if included in negotiations. The commission and any outstanding marketing costs and expenses are due and payable on exchange of contracts to Luxurious Leisure. Payments may be delayed until completion of the sale at Luxurious Leisure discretion providing there is an undertaking by the Client's solicitor to pay those monies from the proceeds of the sale on the day of completion.

### 4. OFFERS

All offers for the Clients property received by Luxurious Leisure will be confirmed to the Clients. Once instructed to accept an offer this will be confirmed in a Memorandum of Sale, subject to contract, to all parties concerned and their solicitors.

### 5. RELATED SERVICES

Luxurious Leisure may be approached or instructed by a purchaser to provide advice with regards to a property related service and may earn some form of remuneration. Their services could include sale, purchase, rental or management of a property or provision of services through a third party.

### 6. PERSONAL INTERESTS

- a. Where a director of Luxurious Leisure or any of its employees acting as an estate agent has any personal interest in a property no negotiation will be entered into before the extent of that interest is disclosed to the Client or the purchaser.
- b. The Client is requested to inform Luxurious Leisure if the Client has any personal connection with Luxurious Leisure's business, which should be disclosed to prospective purchasers.

#### 7. ACTING FOR PURCHASER

Luxurious Leisure reserve the right to act for the Client's purchaser in the sale of the purchaser's own property unless, by doing so, Luxurious Leisure would prejudice the Client's interests.

#### 8. SUB-AGENTS

Luxurious Leisure will be entitled to instruct sub-agents on behalf of the Client where they consider such a step to be in the Client's best interest. Any additional fee will be agreed in writing with the Client.

#### 9. UNOCCUPIED PROPERTY

Luxurious Leisure will not be responsible for the management, maintenance or repair of the client's property.

#### 10. FAILURE TO EXCHANGE

If Luxurious Leisure have introduced directly or indirectly a ready, willing and able purchaser who has made an offer acceptable to the Client and thereafter the Client declines to exchange contracts with that purchaser irrespective of the Client's reason, then one third of the commission that would have been payable in the event of a sale shall become payable immediately and calculated on the price agreed. A purchaser is a "ready, willing and able" purchaser if he/she is prepared and is able to exchange unconditional contracts for the purchaser of the Client's property.

#### 11. TERMINATION OF THE AGENCY

The agency will continue after the agreed period unless terminated by Luxurious Leisure or the Client giving 14 days written notice. Luxurious Leisure's right to commission under Clause 2 above shall not be affected by termination and on termination any outstanding charges or expenses will become payable immediately.

#### 12. FAILURE TO SETTLE INVOICES

If an account remains unpaid 7 days following completion of the sale, or after issue of the account (whichever is the sooner), Luxurious Leisure reserve the right to charge interest on the balance outstanding at 4% above bank base rate per annum. Any costs incurred by Luxurious Leisure in recovering monies owing to the firm will be charged in addition to the Client.

#### 13. THE PROPERTY MISDESCRIPTIONS ACT 1991

- a. The act makes it a criminal offence for estate agents to make inaccurate or misleading statements about property they are marketing.
- b. Draft particulars will be forwarded to the Client for approval before being circulated.
- c. The Client will be required to check the draft particulars carefully and confirm they are accurate and do not contain any error or misrepresentations. It will be necessary for the Client to countersign and return a copy of the draft as approval of their accuracy and advise Luxurious Leisure of any material change, which might make them inaccurate in the future.
- d. The Client undertakes to instruct his Solicitor to answer any points which Luxurious Leisure raise with them in connection with the property or its title.
- e. Having first informed the Client, Luxurious Leisure reserve the right to make any changes to the particulars that may be necessary to comply with the act and the right to terminate its agency immediately if the Client does not agree to the change.

#### 14. NOTE

You will be liable to pay remuneration to us, in addition to any other costs or charges previously agreed, if during the period of our agency or within nine months of its termination, unconditional contracts for the sale of the property are exchanged with a purchaser introduced by us during the period of our agency or which whom we had negotiations about the property during the period of our agency or with a purchaser introduced by another agent during that period.

17/01/07