

CLYDE VALLEY PROPERTY SERVICES LIMITED

FACTORING AGREEMENT WITH OWNER OF A DWELLINGHOUSE

In this Agreement the following expressions shall have the meanings set respectively opposite to them:-

Property Company	Clyde Valley Property Services Limited, having their registered office at 50 Scott Street, Motherwell, ML1 1PN. ("Property Company")
Owner	
Property	
Deposit	The sum of ONE HUNDRED POUNDS (£100) Sterling.
Estate	The larger area where the Property is located and generally known as
Estate Owners	The owners of all the houses in the Estate (which includes the Owner).
Common Charge Costs	The costs referred to in the Schedule Part 2.
Management/ Administration Charge	The sum of FIFTY FOUR POUNDS AND FORTY NINE PENCE (£54.49) or other sum as shall be notified by the Property Company to the Owner.
Year	Each period of twelve months beginning on 1 April 2009 or such other date as the Property Company may from time to time notify in writing.

1. The Owner is the owner of the Property. Where two or more persons own the Property any obligations under this Agreement are undertaken by them jointly and also separately as if each were the sole owner of the Property.
2. The Property Company is appointed as manager to manage the Estate.
3. The Property Company will carry out the Duties set out in the Schedule Part 1. The Property Company will have no liability to the Owner or other persons for their failure to instruct repairs on their own initiative following a visit to the Property by the Property Company.
4. The Owner shall pay to the Property Company the Deposit at the time the Owner signs this Agreement. The Property Company will hold the Deposit and may use same at their discretion towards payment of the Owner's Common Charge Costs and Management Charge. The Deposit will be returned to the Owner less any sums due by the Owner to the Property Company when the Owner or his executors cease to own the Property. No interest shall be paid on the Deposit.
5. The Owner authorises the Property Company to carry out the duties listed in the Schedule Part 1 and to instruct and have carried out the repairs, maintenance and other work referred to in Schedule Part 2 provided that the anticipated cost to each Owner of any one item at the time when it is instructed will not exceed **£150** (or such other reasonable sum as shall be determined by the Property Company according to circumstances). If the anticipated cost of any item is more than this sum it shall be instructed and carried out only when the work has been approved by a simple majority of the Estate Owners and the Property Company has been put in funds by the Estate Owners for the estimated cost. The Property Company may instruct works at a cost exceeding £150 per Owner in an emergency, or if they consider the expense to be justifiable on grounds of health or safety and to recover the costs of that work on the same basis as under Condition 9 of this Agreement.

6. For the financial year commencing 1 April 2009 and ending 31 March 2010, the annual Administration Charge shall be **£54.49** Payable three monthly in arrears, in respect of each quarter. The Management Charge will be reviewed in January each year and the Property Company will thereafter notify the Owner of the Management Charge applicable for the following financial year.
7. If the Property is let the Owner shall notify the Property Company of any change in tenants, prior to the commencement of any new let.
8. The Owner will make full and prompt payment on demand to the Property Company of his share (calculated in accordance with the provisions of the title deeds for the property) of the costs of repairs and maintenance, insurance premiums, common and other charges and all factorial and management fees and charges specified in terms of this Agreement. In the event of the payment payable by the Owner or any other sum due by the Owner remaining unpaid 14 days after the issuing of an invoice by the Property Company, said sum shall bear interest at the rate of four per centum per annum above the base rate of The Bank of Scotland from the due date until payment.
9. When the Owner sells or disposes of the Property he shall immediately notify the Property Company of the date of sale or disposal and the identity of the new owner who has bought the Property and shall use his best endeavours to ensure the said new owner enters into an Agreement with the Property Company on the same or similar terms as contained in this Agreement. On notification of the sale, the Property Company will apportion the Common Charge Costs due by the Owner for the period to the date of the sale and any over payment or under payment by the Owner will be accounted for to the Owner or the Property Company within 1 month after the Property Company has certified the Common Charge Costs for that Year and notified same to the Owner. The Owner agrees to provide the Property Company with their forwarding address in the event of a sale of the Property and the Owner shall instruct his solicitor to retain from the proceeds of sale of the Property and to send to the Property Company such sum as shall be reasonably requested by the Property Company to cover any under payment by the Owner of Common Charge Costs and/or the Management Charge. A charge of £50.00 is also made by the Property Company to cover all work involved in processing resale details and in addition, a charge of £5.00 per copy certificate of apportionment will be charged for any documentation requested, subject to a maximum of £30.00.
10. The appointment of the Property Company may be terminated by the Estate Owners or by the Property Company upon giving not less than three months' prior notice in writing.
11. Decisions by the Estate Owners on (1) the appointment of the Property Company or termination of their appointment or (2) on the authorisation of repairs or maintenance or on the insurance cover required for the common property of the Estate shall be made by a majority in number of the Estate Owners whose decision shall be binding upon all of the Estate Owners.
12. For decisions on any matter under this Agreement each of the Owners and/or the Estate Owners shall have one vote for each property.

13. The Property Company will endeavour to have these conditions accepted by all the Estate Owners.
14. The Property Company will consult and discuss the management of the Estate with the Owner regularly. Both the Property Company and the Owner will maintain good communication with each other and work together to assist each other in resolving any problems affecting the proper management of the Estate.
15. The Owner will assist the Property Company by reporting any complaints of unsatisfactory work to the Property Company as soon as possible: IN WITNESS WHEREOF these presents typewritten on this and the two preceding pages are together with the Schedule annexed and executed as follows:-

By the said owner _____ Signature of Owner
 _____ Signature of Owner

at

on

Two thousand and nine before the following witness:-

_____ (witness) _____

_____ (full name) _____

_____ (address) _____

_____ (occupation)

And they are executed for and on behalf of Clyde Valley Property Services Limited

at

on

Two thousand and nine

By _____ Clyde Valley Property Services Officer

_____ Witness

SCHEDULE PART 1

SCHEDULE OF DUTIES REFERRED TO IN THE FOREGOING

AGREEMENT

THE PROPERTY COMPANY WILL

1. make visits to the Estate and take appropriate action to deal with any matters relating to common property.
2. instruct repairs and other work to firms which, from their experience, they believe to be reliable and capable of completing the repairs and other work satisfactorily and at a reasonable cost.
3. when instructing repairs and when appropriate, consult with the contractors as to the type of repair and the materials to be used.
4. arrange (where a repair requires the services of more than one trade) for the several firms of tradesmen to co-ordinate their work.
5. obtain estimates from several tradesmen for the same job where they consider it to be in the interests of the Owner or the Estate Owners (as appropriate), advise the Owner or the Estate Owners (as appropriate) and obtain their instructions before proceeding.
6. investigate any complaints of unsatisfactory work and where authorised by the Estate Owners, arrange for a professional report on the completed repair subject to any fees for same being chargeable to the Estate Owners.
7. check tradesmen's accounts when rendered, including any charge of VAT.
8. agree the Management Charge with the Estate Owners – such charge will be revised as necessary from time to time thereafter but not normally more frequently than once each year.

Note: The Management Charge covers the routine management duties set out in this Agreement. If the Property Company is requested to carry out extra duties such as advising on improvement grant forms or court actions, the Property Company will charge a reasonable additional fee for the time spent on such matters. The Owner will be consulted on any additional fees which the Property Company proposes to charge.

SCHEDULE PART 2

COMMON CHARGE COSTS

Common Charge Costs include expenditure incurred by the Property Company in carrying out their duties and their reasonable charges including expenditure on and charges for:-

1. Repairs etc of the Common Parts

Maintaining, repairing, decorating, lighting, cleansing, renewing, reinstating and rebuilding the common parts of the Estate, any unsold areas of the Estate and Estate signs (irrespective of the cause of damage) and advising on statutory notices, planning applications and other similar notices or orders affecting the Estate.

2. Other Costs

Charges for water, electricity, fuel, telephone and other services, which may be payable for the common parts of the Estate.

3. Insurance

Insurance premiums for the common parts of the Estate boundary walls and fences, the common parts of the Estate, and the Property Owners and Third Party liability.

4. Repairs to Equipment

Inspecting, maintaining in good working order, repairing, overhauling, replacing, renewing and operating the plant and equipment used in common by the Estate Owners as appropriate including the cost of its renewal and replacement, the costs of repair and maintenance staff and the cost of any maintenance/service contracts that the Property Company consider necessary.

5. Professional Fees

The proper and reasonable fees and charges of the Property Company and of any professionals employed to certify any matter or to advise on or carry out work (such as landscape maintenance) under this Agreement or any other necessary matter.

6. VAT

Value Added Tax at the applicable rate due for any item of expenditure.
