Property Factor Registration Number
PF000372

WRITTEN STATEMENT OF FACTORING SERVICES TO

(insert client address)
@ today's date

A New Generation of Property Managers
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1.0 INTRODUCTION

1.1 This document sets out the minimum standard of service which Dunedin Canmore Property Management (herein referred to as DCPM) will provide in the delivery of its residential factoring service. These minimum standards will apply across all properties managed regardless of the tailored services provided.

1.2 For the purposes of this document, a factor is a person who manages the common parts of blocks of flats or land owned by two or more persons and used to any extent for residential purposes.

1.3 Property factors are responsible for complying with all relevant legislation in addition to the Property Factors (Scotland) Act 2011 and the Code of Conduct. In particular this includes duties and responsibilities as set out by legislation in relation to consumer protection, financial services, consumer credit licenses, title conditions, health and safety, data protection and equalities.

1.4 DCPM is the trading arm of Dunedin Canmore Housing’s commercial subsidiary – Dunedin Canmore Enterprise Ltd. Dunedin Canmore Enterprise Ltd is an Industrial and Provident Society, 2432R(S), vat registration number 809 3805 19. Property Factor registration number PF000372.

1.5 This Written Statement of Services has been approved by the board of Dunedin Canmore Enterprise Ltd and will be reviewed every 5 years and where required through changes in legislation, operational requirements or from feedback from homeowners.

2.0 Authority to Act

2.1 There are a number of ways in which a factor can be appointed and these include as prescribed in the development deeds, the individual property titles and by a scheme decision under the Tenements (Scotland) Act 2004. All of the above will be supported with a Management Contract.

A current Management Contract for your stair/block/development can be found in Appendix B.

2.2 DCPM has the authority to act as factor for your stair/block/development as per Appendix A, Section A, attached.
3.0 Services Provided

3.1 DCPM is responsible for the general management and administration of all common parts of your stair/block/development as defined within Appendix A, Section B, Core Services, attached.

3.2 Inspections

DCPM carries out planned maintenance on all properties within its portfolio. This planned maintenance will involve the following activities and within the frequency defined below. Any repairs identified during any of the inspections will be noted immediately and dealt with under the timelines detailed within Section 3.4 below.

3.2.1 General inspections (a minimum of 6 visits per annum although frequency is likely to be greater) which include a visual inspection of all common parts including the fabric of the building, common stairs, external and landscape areas/wider estate. Copies of inspections are available upon request.

3.2.2 Annual stock condition survey which will include a more detailed inspection covering all common parts as prescribed above. A Stock Condition Survey Report will be compiled and issued to all owners/committee. Included within the body of this report will be a list of recommendations with further action as appropriate. All owners will be consulted following issue of the stock condition survey and action will be taken as instructed by owners and with the correct authority as specified in Appendix A, Section A, attached.

3.2.3 According to the requirements of the individual stair/block/development, a Planned Maintenance Program is in place for the common areas of your property which will include inspection visits by suitably qualified specialist 3rd party contractors as per the Development Operating Manuals, legislation or other best practice being adhered to.

3.3 Reactive repairs

Reactive repairs required to the common areas of your building may be identified by a member of the DCPM team or its sub-contractor, or as reported by an owner/resident. We aim to deal with all repairs within a reasonable and practical timescale as soon as we become aware of them. Timescales for repairs are detailed within 3.3.1 below. However, where circumstances prevent us from carrying out a full repair, we will instruct our contractor to carry out a temporary repair meantime and continue to keep owners up-to-date as to progress. Updates will be provided at reasonable intervals and
details of arrangements for communication with you can be found in Section 6.

3.3.1 As soon as a repair is reported to us we will classify the repair into one of the following categories and the respective timescales will apply:

- **Emergency Conditions** – emergency repairs are those which if not attended to will otherwise seriously affect the structural integrity of the property, the occupation of the property, constitute a danger to health or compromise the security of the premises. We aim to attend to these and make safe within a 4 hour period.

- **Routine Conditions** – routine repairs are those repairs not detailed above. We aim to respond to these within 10 working days.

- **Major Emergencies** are dealt with under our Critical Incidents Policy – a copy of which is available upon request.

3.4 We will operate at all times within the delegated authority and financial limits as specified within your property titles (see Appendix A, Section A, attached) or as agreed with owners and detailed within our Management Contract. The only exception to this would be when dealing with an emergency repair as defined in 3.3.1 above. Where the estimated cost of repair falls out with our delegated authority, we will seek competitive estimates in line with our Procurement Policy. A copy of this is available upon request. Where a tendering exercise has taken place/competitive quotes obtained, copies of contractors' quotations are available upon request. A reasonable charge may be made for providing copies of quotations. Where DCPM has chosen not to carry out a competitive tendering exercise, DCPM will confirm on request details of how and why a contractor was selected.

3.5 **Major Repairs**

Where major repairs are identified as necessary to maintain the common property, we shall seek competitive quotations from our contractors in line with our Procurement Policy. The process for seeking agreement to proceed with major repairs is set out in Appendix A, Section A, attached. For certain high value works, payment will be required from all owners up front before works will commence. Such monies will be held in a separate nominal (non-interest bearing) account.
3.6 Out of Hours

Provisions are in place for an Out of Hours Emergency Repairs service for the common areas of your property. Details of this can be found on our website www.dcpm.org.uk

3.7 Reporting a Repair

In the event that you believe a repair or other service covered by us as factors is required, you should contact us direct. Our contact details and opening hours can be found in Appendix E attached, or on our website - www.dcpm.org.uk

3.8 Other Services

A range of other services are provided to each stair/block/development as set out within Appendix A, Section B – Core Services, or as per the terms of our appointment.

3.9 Contractor Arrangements

DCPM operates from a list of approved contractors as well as utilizing the Dunedin Canmore Property Services in-house maintenance team. All external contractors are fully vetted and accredited by the Dunedin Canmore Group. As such they are required to confirm that they comply with all current legislation relating to Health and Safety, hold all relevant insurances as well as providing evidence of sound financial trading through the provision of 3 years accounts.

Our accredited contractors’ standard of work is regularly assessed based on inspections and feedback from clients and only those contractors who continue to demonstrate high quality workmanship and value for money are retained on our panel of approved contractors. DCPM will be responsible for pursuing a contractor for satisfactory completion of works where the product or service delivered falls below the required standard/specification.

We do not receive any commission and/or benefits from works carried out by external contractors. DCPM passes on the exact cost of the contractors invoice to the respective clients. Copies of contractors’ invoices are available for inspection at our offices at 8 New Mart Road, Edinburgh, EH14 1RL, for a period of two years following completion of works.

On certain repairs, DCPM reserves the right to apply a service charge onto the cost of the repair as payment for the organisation, supervision and management of the repair. A detail of this service charge is available upon request.
4.0 Financial and Charging Arrangements

4.1 Homeowners will be charged for the service provided to them by DCPM.

4.2 DCPM must ensure that all costs relating to services provided are fully and correctly charged back to homeowners.

4.3 Management Fee

DCPM will charge a Factoring Management Fee to all homeowners to recover the professional, management and administration costs of providing a factoring service. This fee will be subject to an annual review and any change to the fee will be communicated to owners in advance for implementation on 1st April each year. Our current management fee for your property can be found in Appendix D attached.

4.4 Float/Deposit

Where specified in the Titles/Deed of Conditions, a float/deposit will be charged and payable immediately by an owner on taking entry to the property. Where applicable this is detailed in Appendix A, Section C, Financials – Factoring Floats. Float/deposit monies will be payable as a contribution towards the common charges for the development and will be refunded when the owner sells their property under deduction of any sums due to the factor in terms of the Deed of Conditions. No interest will be payable on the float/deposit.

4.5 Contingency Funds

Where the Titles/Deed of Conditions makes provision for collection and administration of a contingency fund, we will upon instruction from a formally appointed committee or by agreement of owners in line with the Deeds, collect a contingency payment from owners and such funds are non-refundable and will be held under a separate nominal (non-interest bearing) account. Where applicable this is detailed in Appendix A, Section C.

4.6 Common Charges

The charges we are entitled to charge in respect of the development are detailed in Appendix A, Section B, attached.

4.7 Apportionments

Details of how your share of fees is calculated can be found in Appendix A, Section D and F attached.
4.8 **Invoicing**

We will provide to owners in writing at least once a year, a detailed financial breakdown of charges made and a description of the activities and works carried out which are charged for.

4.9 **Contractor Invoices**

Copies of all contractors’ invoices and supporting documentation (excluding any commercially sensitive information) are available for inspection at our offices at 8 New Mart Road, Edinburgh, EH14 1RL, for a period of two years following completion of works. If a copy of an invoice is required this will be charged at £10 + vat.

4.10 **Payment Terms**

Factoring invoices are due for payment within 14 days of date of receipt.

4.11 **Payment Methods**

DCPM’s preferred payment method is direct debit. Discounts apply to customers paying by direct debit. Direct debit mandates are enclosed within your Welcome Pack or to set up a direct debit call DCPM on 0131 624 5850. Alternative methods of payment are detailed on our invoice/statement and can also be found on our website.

Please ensure you include you individual account number as detailed on your factoring invoice as a reference for all payment methods.

Written Statements shall be issued a minimum of once a year and shall include a detailed financial breakdown of all changes made and a description of works carried out.

4.12 **Debt Recovery**

DCPM recognizes the necessity of ensuring that customer’s individual factoring accounts are kept up-to-date. We take very firm and fast action in dealing with non-payment of our factoring bills. We have a clear written procedure for dealing with the recovery of debt which outlines the steps DCPM will follow. DCPM’s Debt Recovery Procedure is clear, consistent and reasonably applied. A copy of this procedure is available upon request.

4.13 **Late Payment Penalties**

Any sums reaching Stage 3 (2nd Reminder Letter) of our Debt Recovery Procedure will incur an administration charge of £20.00 + VAT.
Any sums reaching Stage 5 of our Debt Recovery Procedure and having been passed to our solicitors to commence litigation will be charged interest daily from date the debt is passed to solicitors until date payment is received.

Interest will be charged at the rate of 6% per annum or as otherwise notified to you.

4.14 Account Dispute

If an owner disputes all or any element of their factoring invoice, the owner must contact us and provide details of the specific dispute. We may agree to place the account on hold and allow you to delay payment to your account until the matter is resolved. However if only certain charges within the invoice(s) are in dispute then owners must pay the undisputed balance within the standard terms of the invoice.

Any debt that is currently in dispute and under investigation by the Homeowner Housing Panel shall not attract any interest or payment charge, specific to that debt, during the period of investigation.

4.15 Non-paying Owner(s)

If an owner/owners fail to pay their factoring fee, we shall pursue such individuals for payment in line with our Debt Recovery Procedure. Where we have taken all reasonable steps to recover unpaid charges from any homeowner who has not paid their share of the factoring costs delivered to the development, we shall be entitled to split the cost of the arrears across the other owner/owners of the the development/stair in line with the development Deed of Conditions or as outlined in the Tenements (Scotland) Act 2004. Under exceptional circumstances where it is deemed not financially viable to continue to provide a factoring service to a stair/development due to exceptionally high levels of arrears, DCPM may temporarily withdraw their services including access to our 24/7 response for emergency repairs.

5.0 Insurance

5.1 Buildings Insurance

Where specified within the Titles/Deed of Conditions or at the request of all owners within a stair/development, we shall effect comprehensive insurance for the full replacement value of all buildings and erections on the property including the development areas. The insurance shall be effected by a common policy in the name of Dunedin Canmore Group on behalf of the proprietors of all the dwelling houses.

Policy details including name of insurance provider can be found in Appendix C – Summary of Cover – attached. A copy of the groups’ insurance policy is
available for inspection at our offices. If a copy of the policy is required this will be charged at £10 + vat.

5.2 Public Liability Insurance

We have in place Public Liability Insurance. Details of this policy are outlined in Appendix C. DCPM will charge a nominal fee for the administration of Public Liability Insurance. A detail of this fee is available upon request and fee amount is detailed on your invoice/statement.

5.3 Professional Indemnity and Employer Liability Insurance

The Dunedin Canmore Group has in place adequate professional indemnity insurance as well as employer liability insurance. Details of this policy are outlined in Appendix C.

5.4 Other Insurance Cover

DCPM will also provide other insurance cover as requested and in line with the requirements of the development (for example, engineering insurance).

5.5 Sub-contractors Public Liability Insurance

The Dunedin Canmore Group will ensure that all contractors appointed have evidenced they have in place Public Liability Insurance.

5.6 Tendering/Selection Process

The group insurance policy is formally tendered every 3 years in line with our Procurement Policy to ensure that the most competitive rates, best terms and value for money is achieved. A copy of the tendering process is available for inspection at our offices.

5.7 Sum Insured

Where building cover for property is arranged through DCPM group insurance policy, it is the owners’ responsibility to instruct a revaluation survey by an independent, 3rd party revaluation surveyor, at a frequency to be agreed by the owners, to ensure the subjects are adequately covered. The costs of any revaluation survey shall be borne solely by owners. DCPM accepts no liability for any revaluation, provided by an independent 3rd party surveyor.

5.8 Claims Procedure

A procedure is in place for submitting an insurance claim under the block buildings insurance policy. Details of “How to make an insurance claim” can be found on our website or are available upon request. Where DCPM have
submitted a claim for repair to communal parts on behalf of owners, DCPM will provide owners with an update on the progress of the claim at reasonable intervals. Where owners are submitting a claim direct to the insurers for a repair to the internal parts of the building, details of how to contact the insurer to obtain an update can be found on our website.

5.9 Additional Charges

DCPM receives no commission or payment from the company providing insurance cover. DCPM charges an administration fee for the administering of the policy, arranging for the provision of cover, issuing of policy documents and for submitting insurance claims relating to repairs to common elements of the building on behalf of owners. Details of the insurance administration fee are detailed on your invoice and available upon request.

6.0 Communication Arrangements

6.1 We at DCPM pride ourselves in providing a first class service to all our customers. Our Customer Care Standards dictate that we provide a dedicated Property Officer for each development, carry out satisfaction surveys and keep owners informed with our regular newsletters and attendance at meetings.

Our Property Officers are on site regularly and are happy to meet with individual customers during these visits, as agreed in advance. Our Property Officers are also readily available to be contacted for any matters requiring their attention. Contact details for individual Property Officers is provided directly to all customers at the commencement of factoring your stair/development. Our Property Officers are also readily available to attend Association Committee Meetings and Annual General Meetings, subject to sufficient notice being given.

As part of our service to our clients, we liaise with third parties (such as local authorities, developers, NHBC) acting on behalf of owners on issues affecting your property.

We make a point in fostering strong relationships directly with our customers and believe it is critical to our success.

6.2 Our Customer Promise

- All property owners will receive a welcome pack which includes all relevant Information relating to the commencement of our services.
- All information provided to customers is accurate and provided in good faith.
- DCPM undertake to treat all customers politely and with respect.
• We shall provide clear and easy to understand literature and correspondence.

A copy of our Customer Service, Communication and Consultation Policy is available upon request.

6.3 Contact Details

Our contact details can be found in Appendix E attached or on our website www.dcpm.org.uk As detailed in 3.6 above, provisions are in place for an Out of Hours Emergency Repairs Service for the common areas of your property. Details of this can be found on our website.

6.4 Complaints

We aim to provide a high quality service to the owners of the properties we factor and get things right first time. However, despite our best intention and efforts, we acknowledge that from time to time people may be unhappy with our services. If this is the case we want to hear from you so that we can put things right. Complaints and feedback also help us to make further improvements to our services.

If you wish to make a complaint please email or write to us at the address detailed in Appendix E or telephone us on 0131 624 5850 in the first instance. We will ensure your complaint is fully investigated and it is our aim to resolve customers concerns quickly and effectively.

A copy of our Complaints Procedure and our full Complaints Policy are available on our website. You should refer any complaint to the Homeowners Housing Panel if this is not adequately addressed by our internal complaints policy.

You are required to raise any concern relating to our service with us, in writing, and allow us a reasonable opportunity to address your complaint before applying to the Homeowner Housing Panel.

In addition, any specific provisions made within your titles for the resolution of disagreements can be found in Appendix A, Section D – Communication Arrangements (where applicable).

Our staff are instructed not to deal with abusive or intimidating communication, by whatever means, from an owner or representative

7.0 Declaration of Interest

7.1 We declare that:
7.1.1 There is no interest to be declared in your stair/development.

7.2 Where applicable under 7.1.1, the share of the maintenance costs allocated to the properties which we own are collected from tenants as part of the rental charge.

8.0 Transfer of Management

8.1 In the event that owners wish to terminate our factoring service, owners should refer to the Deed of Conditions/Titles for their stair/development in order to establish the procedure to be followed. Where titles are silent, owners should refer to the Tenements (Scotland) Act 2004.

8.2 A majority of owners or DCPM may be entitled to terminate the factoring agreement providing 3 months prior written notification including evidence of majority support, details of any vote taken and a signed mandate from those owners. Where the factoring agreement is terminated, DCPM will provide a final statement plus all other relevant information to owners no earlier than 3 months from the date of termination.

8.3 We will operate a 7 day “Cooling Off” period for any termination notice to ensure that the wishes of all proprietors are fully expressed and acknowledged by us.

9.0 Sale of Property

9.1 An owner must notify DCPM when they sell a property and provide details of date of exchange and name of new owner. If ownership of the property changes, you must ensure your solicitor notifies us in writing and the new owner must be advised that the property is factored by DCPM.

9.2 Where a property is sold, we are required to provide solicitors with certain information in respect of annual factoring fees and outstanding liabilities. In addition the change of owner information must be administered on our factoring system. These additional administrative burdens fall out with our normal management service and a charge fee of £35+vat will apply to cover the cost of this. This charge fee will be included in the seller’s common charges account and will appear as a deduction on owner’s final statement.

9.3 New owners will be issued with a Written Statement of Factoring Services within 28 days of us becoming aware of the change of ownership.
# Appendix A

## DEED OF CONDITIONS

**SUMMARY OF INFORMATION WHERE COMMON PARTS ARE OWNED BY HOMEOWNERS**

**DEVELOPMENT X**

<table>
<thead>
<tr>
<th>A</th>
<th>Authority to Act</th>
<th>Reference</th>
</tr>
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<tbody>
<tr>
<td></td>
<td><strong>How Factor is appointed</strong></td>
<td>A meeting will be called for the purpose by the proprietors and a majority present/represented at said meeting. The developer reserves the right to appoint a Factor for three years from the date that the final flat in the development area.</td>
</tr>
<tr>
<td></td>
<td><strong>Process for removal</strong></td>
<td>At a meeting called for the purpose.</td>
</tr>
<tr>
<td></td>
<td><strong>Delegated Authority</strong></td>
<td>Majority vote of the Proprietors can delegate to the Factor sole charge of all matters in relation to the Common Ground, the Blocks and the Common Parts (including the establishment and administration of the Management Float). The quorum of such a meeting shall be the Flat Proprietors of any ten or more of the Flats or the Flat Proprietors of any nine Flats and the Commercial Unit Proprietor or their mandatories. Each Proprietor or mandatory shall be entitled to one vote for each Flat or the Commercial Unit owned by them. (For the avoidance of doubt that if any of the Flats are owned by two or more persons, only one such delegate vote will count.)</td>
</tr>
<tr>
<td></td>
<td><strong>Areas with no limitation/need to consult</strong></td>
<td>Delegated Authority</td>
</tr>
<tr>
<td></td>
<td><strong>Any financial limits</strong></td>
<td>Delegated Authority</td>
</tr>
</tbody>
</table>
owner shall be counted in ascertaining a quorum and only one shall be entitled to vote.

<table>
<thead>
<tr>
<th>B Services</th>
<th>Core Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detail all elements covered by std charge</td>
<td>Factor shall take sole charge of all matters in relation to the management of the Common Ground, the Blocks and the Common Parts (including the establishing and administration of the Management Float)</td>
</tr>
</tbody>
</table>

“Block” means one of the six blocks of flatted dwelling houses comprised in the two buildings erected or to be erected on the Development Area containing flatted dwelling houses, and, in the case of Block 3 and Block 4, part of the Commercial Unit

“Common Ground” in relation to the Development Area means all common or amenity ground or open space areas, the car parking spaces, the walls, ceiling, roadway and solum of the pend between Blocks 2 and Block 3, all pathways serving the Development Area as a whole, the slipway, generally all ground within the development area which is not disposed or intended to be disposed by us for ownership by individual Proprietors or groups of Proprietors or to third parties other than for maintenance purposes, all lighting, all systems controlling entry to the Development Area, all security gates and fences within the Development Area and all security equipment relative thereto, and security cameras installed therein and thereon, the recycling centre thereon, the water tank thereon and the storage housing and pumps pertaining thereto, all
walls and fences thereon, all pipes, cables, wires and transmitters therein serving more than one Block and any common television aerial system and/or satellite receiver serving more than one Block

“Common Parts” means (i) the solum, foundations, outside walls, gables, all or any attic space (other than such attic space as is conveyed exclusively to a Flat Proprietor), roof, hatchway leading to the roof and any vents and stalks of the Block and any such internal division walls between any Flat and any of the other Common Parts (ii) the drains, soil and rainwater pipes, water supply pipes, tanks, cisterns, rhones, gutters, conductors, gas and electric mains, common television aerial and/or heating system, lighting, satellite receiver, video entry phone systems (but excluding the handsets/controls for the same located within each Flat which shall be the responsibility of the Flat Proprietor) serving exclusively the Block and all pipes, cables, wires and transmitters and connections within the Block, so far as used in common by the proprietors of more than one Flat in a Block (iii) the parts and pertinents, fixtures and fittings of or in connection with a Block which are used in common by the proprietors of more than one Flat in a Block (iv) the entrance vestibule and stairs, landings, stair railings, the walls, and ceilings enclosing the same, the lift, and all associated parts and systems including engineering and electrical parts, any disability lifts or lifts and the bin store

<p>| Routine works |  |
| Provision for emergency repairs |  |
| Frequency of property inspections |  |</p>
<table>
<thead>
<tr>
<th>Additional/Optional Services</th>
<th>Insurance – The proprietors are bound to maintain a policy or policies through an established Insurance Company against</th>
</tr>
</thead>
<tbody>
<tr>
<td>List of any such services</td>
<td>(i) Property Owners Liability in the names of the Proprietors for their respective rights and interests or of the Factor on their behalf for the sum of £2m for any one accident or such greater sum as may from time to time fixed at a meeting of the Proprietors of the Flats in each Block and the Commercial Unit proprietor in respect of Block 3 and Block 4 convened as provided</td>
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<tr>
<td></td>
<td>(ii) Loss or damage against fire, explosion, storm and tempest (including lightning) and (in peacetime) aircraft and any articles dropped therefrom for the full rebuilding value thereof</td>
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<td></td>
<td>(iii) in the case of the lift, any disability lift, or lifts pertaining to the relevant Block, the recycling centre, the water tank, and the storage housing and pumps relative thereto and all ancillary parts and equipment relative to all of the foregoing items, accidental damage, breakdown and explosion and collapse and damage to surrounding property as a direct consequence of damage to pressure plant or due to an accident, error or fault in the ordinary use of lifting plant. The proprietors will be bound to allow free and unimpeded access to such suitably qualified professionals as may be appointed by the insurers or the Factor to inspect and maintain all such equipment and plant in accordance with the terms of the relevant policy and will further be bound to concur with such recommendations as may be directed in any inspections reports by such professionals.</td>
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<tr>
<td></td>
<td>Repair and reinstatement works shall be bound to restore and rebuild the same and repair the damage within three years of the occurrence of such destruction or damage. All insurance sums must be applied as soon as practicable. In the event of the repairs exceeding the cost of such sum recovered from the Insurance</td>
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<table>
<thead>
<tr>
<th>Financials</th>
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<tbody>
<tr>
<td><strong>Management Fee</strong></td>
<td></td>
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<tr>
<td><strong>Amount payable</strong></td>
<td>To be determined at a meeting called to appoint the factor, including the remuneration (which shall be payable by the Proprietors to the Factor in equal proportions)</td>
</tr>
<tr>
<td><strong>Process for review</strong></td>
<td></td>
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<tr>
<td>Flat fee or % or fraction payable</td>
<td></td>
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<tr>
<td><strong>Common works and services</strong></td>
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<tr>
<td>% or fraction payable by each owner</td>
<td>The costs shall be payable in equal proportion as stated in the Schedule to the Deed of Declaration of Conditions.</td>
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<tr>
<td><strong>Development</strong></td>
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<tr>
<td>Block</td>
<td></td>
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<tr>
<td>Others</td>
<td></td>
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<tr>
<td><strong>Confirmation of Debt Recovery Process</strong></td>
<td></td>
</tr>
<tr>
<td>Liability for non-payment of others</td>
<td>The factor shall be entitled to sue for and to recover the same in his/their own name from the Proprietor/Proprietors so failing together with all expenses incurred by the Factor. The proportion due shall bear interest at the equivalent to four per centum per annum above the base rate of the Royal Bank of Scotland plc.</td>
</tr>
<tr>
<td><strong>Period for payment of invoice</strong></td>
<td>One month</td>
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<tr>
<td><strong>Factoring Float</strong></td>
<td></td>
</tr>
<tr>
<td>Amount payable</td>
<td>£300</td>
</tr>
<tr>
<td>When payable</td>
<td>The float shall be payable immediately upon acquisition</td>
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<tr>
<td>When returnable</td>
<td>The float shall be returned in the event of a Proprietor selling a Flat after the deduction of any share of the changes accrued to the date of sale. No interest shall be payable on the deposit.</td>
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<tr>
<td>Specific Projects/cyclical maintenance</td>
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<td>----------------------------------------</td>
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<td>Details of any provisions</td>
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<td>Amounts payable</td>
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<td>Any other provisions (e.g. change of ownership, repayment)</td>
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<th>Billing Process</th>
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<td>Frequency of bills</td>
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<td>Method of billing</td>
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<td>Method of payment</td>
<td></td>
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<tr>
<td>Charges for late payment</td>
<td></td>
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<tr>
<td>Amount of late payment fee</td>
<td></td>
</tr>
<tr>
<td>Timescale for late payment fee</td>
<td></td>
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<tr>
<td>Interest Provision</td>
<td></td>
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<td>Interest Rate</td>
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<td>Timescale for interest to apply</td>
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<th>Communications arrangements</th>
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<td>Any complaints/dispute resolution provision</td>
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<th>Termination</th>
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<td>Details of termination</td>
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<td>Process for reappointing alternative factor</td>
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<td>Any cooling off period</td>
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<td>Payment provisions in event of termination</td>
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**Notes**
- Deed of Conditions as attached to Land Certificate MID54065
APPENDIX B

MANAGEMENT CONTRACT

In respect of PROPERTY MANAGEMENT SERVICES between

Dunedin Canmore Enterprise Ltd
Trading as Dunedin Canmore Property Management
Industrial & Provident Society - No 2432R(S)
Part of the Dunedin Canmore Group
at 8 New Mart Road, Edinburgh, EH14 1RL
And

Owner of

PROPERTY ADDRESS

(Referred to as "the Property")

Forming part of the Tenement

TENEMENT ADDRESS

(Referred to as "the Tenement")

Whereas

FIRST, the Owner is the heritable proprietor of the Property, forming part of the Tenement. Where two or more persons own the Property any obligations under this Agreement are undertaken by them jointly and severally as if each were the sole Owner of the Property.

SECOND, Dunedin Canmore Enterprise Ltd (DCEL) is to provide the Owner with a property management service in respect of the repairs and maintenance of the common parts of the Tenement.

THIRD, the Owner agrees to pay DCEL the management and customer service fees as stated in the "Service Agreement" for the provision of DCEL property management service. All programmes of common repairs will accrue a customer service fee on the total repair costs each quarter. The management fee and customer service fee will be reviewed annually.

Provided that, as the majority of Owners of the Tenement, in terms of s.28 Title
Conditions (Scotland) Act 2003, have agreed to appoint DCEL as factor, then DCEL and the Owner agree as follows:

1. The Owner appoints DCEL for the purpose of managing common repairs and regular maintenance to ensure that the Tenement is kept in a good state of repair.

2. This agreement will run continuously from 01 December 2012
The majority of Owners of the Tenement may request termination of the agreement, giving not less than three months prior notice in writing to DCEL.
DCEL may terminate this agreement, giving not less than three months prior notice in writing to all Owners of the Tenement.

3. COMMON REPAIRS

(a) The cost of common repairs and general maintenance shall be split between Owners by way of a mutually agreed apportionment method.
It is the responsibility of the Owners to alert DCEL if the Title Deeds identify a specific apportionment method.

(b) DCEL will carry out necessary reactive and minor repairs reported by any Owner when the maximum reactive repair value is under £100 per individual property in any quarterly period.

(c) When the repairs are under the total value of £5,000 DCEL will invoice the Owners in the following quarter.

(d) When the total cost of the repair work exceeds £5,000 DCEL will request payment in advance from all the Owners of the Tenement. If the total amount has not been paid within three months DCEL will return the monies collected back to those Owners who made a payment.

(e) In the event of Owners objecting to any common repairs proposed the majority of the Owners must agree on how to proceed.
The two options are:
The majority of Owners agree to cover the cost of the non-contributing Owner(s) in the first instance to enable the repair work to commence. Upon completion and invoicing the majority of owners are then able to instruct DCEL to carry out legal enforcement on their behalf to collect the debt from any non-contributing Owners.
or
To postpone the proposed repair work until all the Owner(s) have contributed to the repair cost. This may involve the majority of Owners instructing DCEL to use legal measures to collect the amounts due prior to any repair work commencing.
4. **MAJOR COMMON REPAIRS**

DCEL will arrange for the preparation of all necessary contract documents and will appoint an appropriate contractor on behalf of the Owners. When the repair value is in excess of £3,000 DCEL will obtain three competitive quotes to enable DCEL to appoint a contractor which represents best value to the Owners.

(b) For major repair works DCEL may require to appoint an independent Construction Co-ordinator to meet the Construction (Design and Management) Regulations 2007. The fees incurred by any such consultants will be recovered from all the Owners within the Tenement.

**FINANCIAL TRANSACTIONS**

5. (a) Fixed annual fees for our service (such as stair cleaning, garden maintenance and management fees) should be paid for in advance by monthly direct debit.

Reactive common repairs will be paid for quarterly in arrears. All Owners will receive an invoice detailing the services and common repairs with their apportioned share.

Any repairs exceeding £5,000 must be paid for in full, in advance, and in accordance with clause 3(d) above. Each Owner will be invoiced for their apportioned share of the total repair cost; work will only begin once full payment from all Owners has been received.

(b) All payments made by the Owners in advance of common repairs being completed will be paid into an interest bearing bank account.

(c) DCEL will arrange payment to the contractor from the said Account, of all costs involved in executing the said common repairs.

(d) DCEL may request payment from the Owner for further estimated or actual costs when such costs exceed those previously estimated and paid. Payment shall be made not later than fourteen days after the date on which the Owner receives such a request in writing or within such other period as may be agreed in writing by DCEL.

(e) If the Owner fails to pay any of their estimated costs or other charges, DCEL shall be entitled to recover such sums, with interest measures by the Base Rate of the Bank of England, from the Owner as a debt. If the outstanding amount is not settled, following DCEL's debt recovery litigation, this amount will be split equally and charged back to all the Owners in the Tenement.

6. **INSURANCE**

DCEL has in place Public Liability Insurance cover in respect of accidental injury or damage sustained by third parties as a result of negligent acts or omissions by DCEL or its employees. DCEL also carries Professional Indemnity Insurance cover of £5,000,000 against claims for breach of professional duty.
arising out of negligence in the performance of said duty.

7. **SELLING YOUR PROPERTY**
The Owner must notify DCEL of the Property's date of sale and the identity of the new owner. The Owner shall try and ensure the new owner enters into an Agreement with DCEL on the same terms as contained in this Agreement.

8. (a) On notification of the sale DCEL 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, a final invoice will be submitted to the Owner for payment not later than fourteen days after the date on which the Owner receives such a request in writing or within such other period as may be agreed in writing by DCEL.

(b) The Owner agrees to provide DCEL with their forwarding address in the event of a sale of the Property.

9. **DUNEDIN CANMORE ENTERPRISE LTD DUTIES**
**QUALITY OF WORK**
DCEL or its representatives will inspect repair work prior to issuing payments to contractors. DCEL will investigate any complaints of unsatisfactory work.

In addition, DCEL will conduct regular tenement visits to ensure the common areas are kept in a good state of repair to the reasonable satisfaction of both parties.

10. **OWNERS MEETINGS**
DCEL will attend the Tenements Annual General Meeting whereby all Owners are encouraged to attend and contribute to the agenda.

An DCEL representative will be made available to attend any requested on-site meetings during working hours.

11. **MUTUAL REPAIRS**
Where any repair is mutual to an adjoining building, it may be necessary for a Statutory Notice to be raised and managed by the local authority.

12. **MONITORING ACCOUNTS**
DCEL will check all invoices when rendered, including the charge of vat, prior to paying contractors.

13. **DATA PROTECTION**
DCEL will ensure efficient collection and storage of data in line with the Data Protection Act 1998. The Owner hereby agrees to the following:

Information about the Owner will be held on both computer and paper file. The Owner can ask to see the information held about them or ask for a printed
OWNERS DUTIES

14. ACCESS
Owners will provide DCEL with all relevant keys for all the common areas of the Tenement, such as main stair door, back door, attic and basements. The Owners will allow DCEL access to inspect the building in order to report on its condition and will allow contractors to carry out required work.

15. INSURANCE
Owners will notify their insurers prior to any major repairs being undertaken.

16. PAYMENTS
The Owner will pay all charges when requested notwithstanding any repair works have not been commenced/completed.

17. STATUTORY NOTICES
Owners must declare any City of Edinburgh Council Statutory Notices to DCEL by providing the relevant documentation.

18. TITLE DEEDS
The Owner will make DCEL aware of any conditions contained within the Tenements Title Deeds relating to the apportionment of common repair and maintenance costs.
IN WITNESS WHEREOF these presents typewritten on this page and the preceding pages are executed as follows:

They are subscribed by the said: ........................................... Owner(s) Name
Signature: ............................................................Date........................................... If Different
Principal Home Address: ....................................................
Email: ........................................................................
Mobile Number: ................................................................

Before this witness: .......................................................... Witness Name
Address: ........................................................................
On date: ........................................................................
Signature: ..................................................................

And they are executed on behalf of DCEL on .........................
By: ................................................................................ Manager
APPENDIX C

ZURICH MUNICIPAL

To Whom It May Concern

Our ref: AHMND 22 November, 2012

Zurich Municipal Customer: Dunedin Canmore Housing Association and Subsidiary Companies

This is to confirm that Dunedin Canmore Housing Association and Subsidiary Companies have in force with this Company until the policy expiry on 31 December 2012 Insurance incorporating the following essential features:

Policy Number: JHA-228170-0013

Limit of Indemnity:

Public Liability: £ 10,000,000
Products Liability: £ 10,000,000
Pollution: any one event

Employers’ Liability: £ 10,000,000

Excess:

Public Liability/Products Liability/Pollution: Nil any one event
Employers’ Liability: Nil any one claim

Indemnity to Principals:
Covers include a standard Indemnity to Principals Clause in respect of contractual obligations.

Full Policy:
The policy documents should be referred to for details of full cover.

Yours faithfully

Signature

Underwriting Services
Zurich Municipal
Farnborough

©
Appendix D

Management Fee

DCPM will charge a Factoring Management Fee to all home owners to recover the professional, management and administration costs of providing a factoring service. This fee will be subject to an annual review and any change to the fee will be communicated to owners in advance for implementation on 1st April each year.

Our current management fee for customers paying by direct debit is £99 plus vat per annum or £111 plus vat per annum for non-direct debit customers.
APPENDIX E

Contact Details

Dunedin Canmore Property Management
8 New Mart Road
Edinburgh
EH14 1RL

Tel: 0131 624 5850
Email: enquiries@dcpm.org.uk

Opening Hours

Our office is open:
Monday to Thursday from 9am till 5pm
Friday from 9am till 4pm

Response Times

- We reply to all letters within 5 working days.
- We reply to all emails within 48 hours.
- Our telephones are constantly manned during office hours.
- In the event that all our operatives are all on calls, we aim to reply to all voicemails within 24 hours.