Dear Landlord

Over recent months, we have written to you regarding the evolving regulatory landscape across the Private Rented Sector, including the introduction of the Renters' Rights Act and the increasing level of compliance required of landlords.

These communications have outlined the direction of travel within the sector and the growing responsibilities associated with property management.

What Has Changed

The management of residential property has become significantly more complex and compliance driven.

Landlords are now subject to increased legal obligations, including:

- Stricter compliance and documentation requirements
- Formalised processes for rent reviews and tenancy changes
- Greater scrutiny from local authorities and tribunals
- Increased exposure to financial penalties for non-compliance

As a result, property management, whilst still operationally complex, now demands a greater focus on landlord risk management and regulatory oversight.

Our role has evolved accordingly.

We are responsible not only for day-to-day management, but for:

- Protecting your legal position
- Ensuring full compliance with current and forthcoming legislation
- Safeguarding rental income continuity
- Managing risk exposure across your asset

This is particularly critical under the Renters' Rights Act, where rent increases must now follow a formal statutory process (Section 13), limited to once per year and requiring a minimum of two months' notice, increasing the importance of accuracy, timing and supporting evidence.

Investment & Market Position

Rental Performance

We remain focused on maximising and protecting rental income across your property.

This includes the launch of a dedicated Tenancy Review Department, which continuously monitors market conditions and enables us to provide both you and your tenant with a comprehensive annual Rent Review Pack.

This ensures your rent is optimised through a structured, compliant and evidence-based process, aligned with the Renters' Rights Act framework. As part of this, we will proactively identify and act on opportunities to implement rental increases at the earliest appropriate point, including the compliant service of a Section 13 notice where applicable.

Our objective is to ensure your property consistently achieves the strongest possible rental performance, both now and over the long term.

Charging Structure

As part of this transition, we are also updating the way our fees are applied.

Historically, letting fees have been charged upfront, with management fees charged on a monthly basis.

From 1 June 2026, fees will be applied on a monthly basis and deducted from rent collected.

This will apply from the point at which your next fee becomes due, ensuring a consistent and aligned transition without duplication of charges.

This creates a more consistent structure, with fees paid in line with rental income and removing the need for upfront payments in most cases.

Fee Adjustment

The scale of regulatory change means property management now requires a more intensive and structured approach, with greater resource dedicated to compliance, rent reviews and ensuring properties are positioned to achieve the strongest possible performance.

Over a sustained period, we have deliberately maintained our management fee without passing on the increasing regulatory burden to our landlords. However, we

Accordingly, your management fee percentage will increase by 1% (plus VAT), effective from 1 June 2026.

For clarity:

- A 5% + VAT management fee will increase to a 6% + VAT management fee

On a property rented at **£2,000 per month**, this equates to **£24 per month** (approximately £0.80 per day)
On a property rented at **£3,000 per month**, this equates to **£36 per month** (approximately £1.20 per day)
On a property rented at **£4,000 per month**, this equates to **£48 per month** (approximately £1.60 per day)

This adjustment reflects:

- The increased cost of delivering our management service in a fully compliant environment
- The additional regulatory responsibilities now required
- The enhanced level of protection and oversight we provide to landlords
- The introduction of a dedicated Rent Review function to proactively manage and optimise rental performance

Acceptance & Continuation

This change will take effect from **1 June 2026** and will apply to all properties under management from that date.

You do not need to take any action. We will continue to act on your behalf, and our ongoing management of your property will be on the basis of the updated fee and charging structure.

If you have any questions in advance of this date, please contact us.

This adjustment ensures we can continue to provide a fully compliant, professionally managed service, while protecting your legal position, income and asset in an increasingly regulated environment.

Kind regards,
Johns&Co

This communication is provided for general information purposes only and does not constitute legal advice. The full