

Help sheet: 0009

## Property Services Regulatory Authority (PSRA) Compliance Help Sheet

# Management of a Commercial/Industrial Property

This is a property service where the Agent, in addition to the letting, is contracted to provide management and services, on behalf of the Client, to a commercial, industrial, office, or retail property that is described in a specific Schedule of Particulars and Services

The PSRA has published guidance on the:

- “Activities which can be carried out as Letting Services” which is [available by clicking here](#) or at [www.scsi.ie/Regulation/PSRACompliance](http://www.scsi.ie/Regulation/PSRACompliance)
- “Activities which can be carried out as Letting Management” which is [available by clicking here](#) or at [www.scsi.ie/Regulation/PSRACompliance](http://www.scsi.ie/Regulation/PSRACompliance)
- “Activities which can be carried out as Additional Services” which is [available by clicking here](#) or at [www.scsi.ie/Regulation/PSRACompliance](http://www.scsi.ie/Regulation/PSRACompliance)

The PSRA has also specified three Letters of Engagement for the letting management and services to a commercial, industrial, office, or retail property:

- 1. Services Agreement for Letting of Land Sole Agency** - The nature of this agency agreement is that of sole agency and as sole agent, the named agent is the only agent with the right to let and provide letting management and services to a commercial, industrial, office, or retail property for the duration of the agreement. PSRA/S43 Form C1-2012 was specified on 10th September 2012 and agents should check on the PRSA website [www.psr.ie](http://www.psr.ie) that it has not been superseded before using it. Any items within brackets should be replaced with the appropriate text or any option which is inappropriate should be removed to confirm the agreement between the client and agent. For example, “*within (NUMBER) days*” could be changed to “*within 21 days*” or “*Arrangements ([will] OR [will not])\* be made by the Agent*” would be changed to “*Arrangements will not be made by the Agent*” as appropriate. Additional clauses, which do not negate or conflict with those in the specified form or breach any statutory provision, may be added by agreement of both client and agent. The Society has additional guidance on this Letter of Engagement which is [available by clicking here](#) or at [www.scsi.ie/Regulation/PSRACompliance](http://www.scsi.ie/Regulation/PSRACompliance)
- 2. Services Agreement for Letting of Land Joint Sole Agency** - The nature of this agency agreement is that of joint sole agency and as joint sole agents, the named agents are the only agents with the right to let and provide letting management and services to a commercial, industrial, office, or retail property for the duration of the agreement and agree to share the fees. PSRA/S43 Form C2-2012 was specified on 22nd May 2013 and agents should check on the PRSA website [www.psr.ie](http://www.psr.ie) that it has not been superseded before using it. Any items within brackets should be replaced with the appropriate text or any option which is inappropriate should be removed to confirm the agreement between the client and agent. For example, “*within (NUMBER) days*” could be changed to “*within 21 days*” or “*Arrangements ([will] OR [will not])\* be made by the Agent*” would be changed to “*Arrangements will not be made by the Agent*” as appropriate. Additional clauses, which do not negate or conflict with those in the specified form or breach any statutory provision, may be added by agreement of both client and agent. The Society has additional guidance on this Letter of Engagement which is [available by clicking here](#) or at [www.scsi.ie/Regulation/PSRACompliance](http://www.scsi.ie/Regulation/PSRACompliance)
- 3. Services Agreement for Letting of Land Multiple Agency** - The nature of this agency agreement is that of multiple agency. The Client is free to enter agreements with other agents to let and provide letting management and services to a commercial, industrial, office, or retail property. PSRA/S43 Form C3-2012

was specified on 22nd May 2013 and agents should check on the PSRA website [www.psr.ie](http://www.psr.ie) that it has not been superseded before using it. Any items within brackets should be replaced with the appropriate text or any option which is inappropriate should be removed to confirm the agreement between the client and agent. For example, “*within (NUMBER) days*” could be changed to “*within 21 days*” or “*Arrangements ([will] OR [will not])\* be made by the Agent*” would be changed to “*Arrangements will not be made by the Agent*” as appropriate. Additional clauses, which do not negate or conflict with those in the specified form or breach any statutory provision, may be added by agreement of both client and agent. The Society has additional guidance on this Letter of Engagement which is **available by clicking here** or at [www.scsi.ie/Regulation/PSRACompliance](http://www.scsi.ie/Regulation/PSRACompliance)

In order to create awareness of the new mandatory statutory letters of engagement for property services, the Society has published a consumer guide which is **available by clicking here** or at [www.scsi.ie/Regulation/PSRACompliance](http://www.scsi.ie/Regulation/PSRACompliance) and it may be useful for agents to incorporate it into their information packs to potential clients

**Advised Letting Value (ALV)** - Agents are required to provide clients with a statement of the advised letting value of the commercial, industrial, office, or retail property which they have been asked to value for the purpose of letting. The advised letting value is the agents reasonable estimate, at the **time** of such valuation of the **amount**, or of the relevant price **range**, that would be paid by a willing tenant on appropriate letting terms in an arm's length transaction after proper marketing where both parties act knowledgeably, prudently and without compulsion

In addition to the clause in the Letter of Engagement, the PSRA has also specified a Statement of Advised Letting Value and PSRA/S55(2)-2012 was published on 23rd October 2012 and agents should check on the PSRA website [www.psr.ie](http://www.psr.ie) that it has not been superseded before using it. The Society has additional guidance on Advised Letting Value which is **available by clicking here** or at [www.scsi.ie/Regulation/PSRACompliance](http://www.scsi.ie/Regulation/PSRACompliance)

**New Commercial Lease Return** - A Commercial Property Lease is an instrument creating a tenancy in respect of commercial property that is used for the purposes of business within the meaning of section 3 of the Landlord and Tenant (Amendment) Act 1980. Tenants, or their authorised person, are required to provide the PSRA with particulars of each commercial lease entered into on or after 3rd April 2012 within 30 days of receiving the stamp certificate from the Revenue Commissioners

The PSRA has published guidance on “*Commercial lease Return FAQ's*” which is **available by clicking here** or at [www.scsi.ie/Regulation/PSRACompliance](http://www.scsi.ie/Regulation/PSRACompliance) and Tenants, or their authorised person, should complete the New Commercial Lease Return - PSRA/CL1-13 on the PSRA website [www.psr.ie](http://www.psr.ie)

**Building Energy Ratings (BER)** - A person offering a property for rent on or after 9th January 2013, or their agent, must ensure that the energy performance indicator of the current BER certificate for the building is stated in any advertisements. The Sustainable Energy Authority of Ireland (SEAI) has published guidance for complying with S.I. 243 of 2012 European Union (Energy Performance of Buildings) Regulations 2012 which is available on the SEAI website [www.seai.ie](http://www.seai.ie)

**Money Laundering and Terrorist Financing** - The DRAFT guidance that was published in July 2010 to prevent the use of agents for the purpose of money laundering and terrorist financing is **available by clicking here** and the appendices are **available by clicking here** or at [www.scsi.ie/Regulation/PSRACompliance](http://www.scsi.ie/Regulation/PSRACompliance)

The Society has published a series of regulation helpsheets which are available at: [www.scsi.ie](http://www.scsi.ie) or if you have any further queries please do not hesitate to contact us at: [regulation@scsi.ie](mailto:regulation@scsi.ie)

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