

GUARDS REAL ESTATE LTD
**RESIDENTIAL LETTINGS & MANAGE-
MENT**
TERMS & CONDITIONS OF BUSINESS

DRAFT COPY ALL TERMS ARE TAILORED TO EACH CLIENT'S REQUIREMENTS

To be completed by all clients

1. Address of Property to be Let:

Postcode:

Tel No:

Garage/Parking/Garden:

Alarm Details: (location/code)

2. Guards Real Estate Fees

Please tick the service you wish us to take on:

- **Letting Service (Heritage Package) 10% plus VAT (12% inc VAT) (Payable upfront at the start of the tenancy) (For long lets i.e. initial tenancy of 6 months or longer)**

This fee is based on annual rent plus VAT at the prevailing rate which is 20% at the moment. The fee will be deducted from the rent as we collect it and the balance will be remitted to your bank account. []

- **Management Service (Guards Protection Management Package) 6% plus VAT (or 7.2% inc VAT) (paid monthly) (For long lets i.e. initial tenancy of 6 months or longer)**

This fee is based on annual rent plus VAT and will be deducted each month as the rent is collected. []

Associated Fees for any renewal, extended tenancy, or new agreement after the initial term (payable month in advance subject to clause 4). In the event the tenant renews, extends or a new agreement which continues the original tenancy, our fee will be 8% plus the VAT (9.6% inc VAT) for the 1st renewal, extension or new agreement, the 2nd renewal, extension or new agreement will be 7% plus VAT (8.4% inc VAT), and the 3rd and subsequent renewal, extension or new agreement thereafter will be 6% + VAT (7.2% inc VAT) and 5% plus VAT (6% inc VAT) for subsequent renewals beyond the 3rd renewal.

- **Short-term let 24% plus VAT (28.8 % inc VAT) (i.e. initial tenancy of less than 6 months)**

This fee is based on the length of the tenancy plus VAT and will be payable upfront at the start of the tenancy. Please note that all our short-term lettings include both letting and management service. []

- **Introduction of tenants only 10% plus VAT (or 12% inc VAT)**

The fee is based on annual rent plus VAT and the fee is taken in advance for the term from the first 2 months' rent paid by the tenant []

(Please delete as appropriate)

3. Owners Details

Name:

Address:

City:

Postcode:

Tel (Home):

Tel (Work):

Mobile:

Fax:

Email:

N.B. if a c/o address is used we will assume you are abroad for tax purposes.

Land Registry Number (Copy of Land Registry Entry): _____

Copy of Passport: Y/N

Copy of Utility Bill: Y/N

4. Owner's Representative in England/Wales, if abroad:

Name:

Address:

Postcode:

Tel No:

COPY OF CURRENT GAS CERTIFICATE Y/N
(The property cannot be let without a valid certificate)

COPY OF CURRENT EICR TEST CERTIFICATE Y/N
(Electrical Installation Condition Report)

Energy Performance Certificate (EPC) Y/N
(See the EPC section of terms and conditions)

5. Bank/Building Society Details:

Name:

Address:

Postcode:

A/C No:

Sort Code:

A/C Name:

Ref:

6. Date from which property is available:

Initial period of Letting required

6 months / 1 Year / more:

Do you require a professional inventory?

Yes _____ No _____

Do you require a check in/check out?

Yes _____ No _____

Notice of Right to Cancel

ONCE THE TERMS AND CONDITIONS HAVE BEEN SIGNED THERE IS AN AUTOMATIC 14 DAYS WITHIN WHICH YOU CAN CANCEL THE INSTRUCTION FOR US TO LET OUT YOUR PROPERTY.

1. DEFINITIONS AND INTERPRETATION

The following definitions and rules of interpretation apply in this Agreement.

1.1 Definitions

Tenant: shall mean any one or more individuals or corporate entities introduced by us or named as tenant in the tenancy agreement or lease.

The Tenancy: the entire period that the tenant remains in occupation of the property including any extension or renewal or period of holding over whether by way of agreement, memorandum or otherwise.

Rent: any payment to be made by the tenant or the agent(s) of the tenant for use of the property whether expressed to be rent, a premium or any other form of payment, whether paid directly by the tenant or his agent(s) or obtained from other means such as deduction from the deposit.

Commission: the commission or fees, details of which are set out in Section 4.

2. THE SERVICES

2.1 Lettings Service

- a) To reach agreement with you, the landlord, in advance a rent to be quoted for the property and market the property as appropriate at the agreed rental.
- b) Introduce a prospective tenant for the property.
- c) Apply for appropriate references and forward to you for approval (or agree with you in writing in advance the extent of the agent's authority to accept a tenant on the landlords' behalf). Any company investigations or searches would be charged separately.
- d) Negotiate the terms of the tenancy between yourself and the tenant and ensure that an appropriate tenancy agreement and notices are prepared and signed by or on behalf of the landlord and tenant.
- e) Collect and hold any security deposit paid by the tenant against rent arrears or dilapidations.
- f) Arrange for the preparation of an independent inventory prior to the commencement of the tenancy (if requested), and for the inventory to be checked at the commencement of the tenancy (see para 4.4 for costs)
- g) Make all reasonable endeavours to notify the Local Authority and service companies (gas, electricity, water) of a change of occupant or user at the commencement of the tenancy. We cannot accept any responsibilities for inaccuracies or delays on the part of the Local Authority or Service Companies concerned. Please note that these bodies increasingly require instructions from a landlord or tenant as appropriate, not from an agent.
- h) In the event you agree to a change of tenant during an existing tenancy, we reserve the right to make an additional charge to cover the costs of taking references, arranging for any new tenant(s) to enter into the tenancy agreement and the service of any appropriate notices.
- i) Collect the monthly or quarterly instalments of rent on landlord's behalf and forward net rents to the landlord's bank account.
- j) Prepare and submit monthly or quarterly statement to yourself and /or your accountant.
- k) Arrange for the inventory to be checked at the termination of the tenancy and a check-out report to be supplied. Any damage or dilapidation's that may have occurred during the tenancy are recorded on this report. A copy of this sent to the Landlord and Tenant who must mutually agree what amount (if any) is to be deducted from the dilapidation's deposit.

2.2 Letting and Management Service

In addition to the services outlined in 2.1 above, we will:

- l) Make all reasonable endeavours to notify the Local Authority and service companies (telephone, gas, electricity, water) of a change of occupant or user at the termination of the tenancy

- cy on the basis of g) above.
- m) Pay from rent received current outgoings such as ground rent, insurance premiums (on receipt of demands), service charges, maintenance contracts etc., subject to the agent holding sufficient funds on your behalf. Although we will best attempt to query any obvious discrepancies it must be understood we are entitled to accept and pay without question demands and accounts which appear to be in order. Please note you are expected to instruct your Insurance Company, Management Agent, etc., to send their accounts to us. We cannot accept responsibility for the adequacy of any insurance cover or for the verification of service/maintenance charge demands or estimates where applicable.
 - n) Carry out a routine inspection of the property twice a year (if no serious defect requiring our inspection has been reported to us in the meantime) and report to the landlord on each occasion. It should be appreciated that any such inspection and assessment of those defect which are brought to our notice would be of a cursory nature and would embrace only apparent or obvious defects and would not amount in any way to a structural or other survey. Any further inspection by us or structural or other survey by a qualified body would be by special arrangement and subject to an additional fee. We shall not be responsible for any hidden or latent defects within the property.
 - o) Deal with day to day management matters including minor works up to a maximum of [amount] inc VAT for any one item without further instruction from you, the cost of such work to be paid from the initial payment of rent and maintained at the agreed level from subsequent net rents passing from the tenant to yourself. Please note that we are not able to arrange for any works prior to a letting unless we are holding sufficient funds from you to cover the costs.
 - p) Deal with matters of redecoration, renewal, replacement or repair between [price] and [price] with your verbal authority (save in the case of an emergency and/or when it is impractical to do so). Except in an emergency, whenever practical, estimates will be obtained and submitted to the landlord for works likely to cost more than [amount]. Upon receipt of the landlord's written approval of such estimates we will organise and inspect works in excess of [amount] for an additional administration fee of [percentage] of the cost of the works. Such charge will be deducted from any monies received by us on your behalf unless payment is received from you direct.
 - q) Lodge and progress any insurance claim relating to the property on your behalf. An additional fee of [amount] of total value of the claim will be charged, for which we will pursue the claim (without liability as to its merits) through to payment or rejection by your insurers. Should you decide not to proceed with any insurance claim, we shall be entitled to charge for the work undertaken. In the event the claim is not successful, we shall be entitled to charge for the work undertaken.
 - r) Put in hand any cleaning and repair works arising from the schedule of dilapidation's as outlined in k) above (subject to availability of funds held on your behalf) and obtain estimates for major works if appropriate. We will submit the same to both the landlord and tenant and it will be your responsibility to agree with the tenant what amount is to be deducted from the dilapidations deposit.
 - s) Arrange and pay from rent received for any cleaning and minor repairs on a change of tenant during the management appointment.
 - t) When managing a property let by another party, we will require copies of the tenancy agreement, inventory, appliance guarantees or warranties, tenant references and any other relevant notices or documents relating to the property. We will also require a set of keys for the property for emergency purposes.

Notice of Termination of Services

Unless otherwise agreed in writing in advance, our appointment as agents is for the duration of the tenancy as defined in these Terms of Conditions of Business, subject to 14 days written notice to terminate on either side. In the event such termination takes place, we will remain entitled to commission for introducing the tenant(s) as defined in paragraph 4.1 and 4.2.

It must be noted that our standard management service as set out above does not apply when the property is not let, but we shall be please to discuss with your requirements for management during void periods.

3. GENERAL INFORMATION

3.1 Rent

Unless otherwise agreed, the rent quoted to a tenant by us on your behalf will be inclusive of all out

going for which you are liable as a landlord such as ground rent, service charges, etc., but will exclude gas electricity and other fuel charges, telephone, water rates and council tax (or any charge that may replace it) which are payments for which the tenant is in most circumstances responsible for.

3.2 Dilapidation's Deposit

Unless otherwise agreed, this will normally be a sum equivalent to five weeks rent. The agent will collect and hold the security deposit in a separate client account.

3.3 Inventories

We recommend that an independent Inventory Clerk is employed to prepare an Inventory and check it at the commencement and termination of the tenancy. Please note this is a requirement if we are providing the Letting and Management Service. In arranging for the preparation of an Independent Inventory, we cannot be held responsible for an error or omission on the part of the appointed clerk.

3.4 Rent Remittances

The UK banking system is such that it can take up to 10 days to clear funds paid to us by means of standing order or cheque and to transfer them (less fees and any other monies due to us) to your account. Any monies dispatched will be without prejudice to final clearance.

3.5 Insurance

The property and its contents should be comprehensively insured to include third party and occupier's liability risks. Failure to inform your insurer that the property is let could render the policy void. You should obtain detailed advice from your insurers as to the nature and extent of the over required.

3.6 Leasehold Property

If the property to be let is leasehold, it is the landlord's responsibility to ensure that (1) any intended letting is permitted under the terms of the lease; (2) the intended letting is for a period expiring prior to the expiry of your lease; (3) the written permission of your superior landlord is obtained and Licence to Sub-Underlet is granted if necessary.

3.7 Mortgage

Where the property is subject to a mortgage or loan, it is the landlord's responsibility to ensure that written permission is obtained from the mortgagee and/or lender. We require you to confirm that you have obtained this permission in writing. Please note that applying for permission after a tenant has been found could prejudice the tenancy. Some tenants may also request sight of written confirmation that permission has been granted.

3.8 Ownership

Authority to let the property should be obtained from any joint owner(s) who should be named in the tenancy agreement. Where any party comprises more than one person the obligations and liabilities of

that party under this agreement shall be joint and several obligations and liabilities of those persons.

3.9 Contractors

Our panel of appointed contractors is constantly monitored to ensure that all members comply with our high standards of quality, cost and reliability. We will endeavour to use any contractor specified by you but cannot guarantee to do so, particularly in an emergency. Whilst exercising all due care and attention in our choice and administration of contractors we cannot accept any responsibility for any loss or damage caused by the neglect or default of any contractor.

3.10 Waiting at properties

In the event that you instruct a contractor to attend the property who is unable to collect keys from our offices or give and keep to a specific date and time of call, the agent will charge waiting time at the property of [£amount] per hour.

3.11 Keys

We require three sets of keys for your property; if you are unable to supply three complete sets, we will have them cut at your expense. It is recommended to replace locks before the tenancy commence if there are any lost or unaccounted keys to the property. We cannot be held liable for lost or unaccounted keys. It may be necessary for you to provide to us with a letter of authority for some security keys to be cut.

3.12 Instructions to Solicitors

Should any rent arrears or breaches of contract be brought to our attention, you will be informed as soon as is reasonably practicable. Thereafter you become responsible for instructing your own solicitor or as necessary and for all fees and charges involved. We cannot take legal action for you as the tenancy contract is between you and your tenant(s), nor can we accept liability for arrears or breaches of covenant.

3.13 Courts & Tribunals

Application for fair rent or preparation for, or appearances before the Rent Officer Rent Assessment Committee or any other court or tribunal will be by special arrangement and subject to an additional charge that will be agreed with you in advance.

3.14 Landlord and Tenant Act 1987

We are obliged to include your full name and address on all rent demands. If your address is outside England and Wales then we must provide the tenant with an address within England and Wales to which notices (including Notices in proceedings) may be served upon you. We will require this information before a tenancy comes. If the information provided changes during the tenancy the agent must be informed immediately.

4. COMMISSION, FEES AND CHARGES

4.1. Letting (Heritage Package) and Management service (Guards Protection Management Package)

The commission for Lettings Service is 10% plus VAT (12% inc VAT) for the entire length of the tenancy, payable monthly directly from rents received. Our commission for Management Service is 6% plus VAT (7.2% inc VAT) of the total rent payable for the duration of the tenancy, payable from and at the same frequency as rent received. For short-term lettings, a 24% plus VAT (28.8% inc VAT) of the total rent payable for the duration of the tenancy and the commission will be payable upfront at the

start of the tenancy.

4.2 Renewal Fees

If the letting continues for a period exceeding the aggregate twelve months, whether pursuant to the original tenancy agreement or a continuation (Periodic Tenancy), extension or renewal of the term originally granted or any new tenancy granted to the same tenant or any person nominated or introduced by the original tenant, the commission will be :

8% plus VAT (9.6% inc VAT) for first renewal

7% plus VAT (8.4% inc VAT) for second renewal

6% plus VAT (7.2% inc VAT) for the third renewal

5% plus VAT (6% inc VAT) for subsequent renewals beyond the third renewal.

The appropriate fee payable as set out above for the second and any subsequent term and is irrespective of whether Guards Real Estate Ltd have been involved in negotiation. We will be entitled in this case to receive rent directly from the tenant in payment of fees.

3. Tenancy Agreement

Unless we are instructed otherwise, we will use our standard form of tenancy agreement. Our standard form of memorandum is used to renew the tenancy to an existing tenant unless otherwise agreed with you. Although our documents are reviewed and updated regularly by our legal advisers. We must advise you that we are not solicitors.

You should consult your own solicitor should you require further information about rights and obligations as a landlord.

4. Inventory

The charge for preparing an independent Inventory and for checking in and out will vary depending upon the property involved. The cost of preparation of the Inventory is borne by the landlord and where the tenant has not employed his own representative, the cost of the check-in and check-out is shared between landlord and tenant. The appropriate sums will be withheld from rents received to meet the inventory clerk's invoice. The tenant will pay the cost of the check-out inventory.

5. Value added Tax

Except where otherwise stated our commissions, fees and charges will be subject to VAT at the prevailing rate or any other tax which may take its place.

6. Variation and Jurisdiction

Variation to our Lettings Terms and Conditions of Business will only be valid if agreed in writing with the manager of Guards Real Estate Ltd. Acceptance of these Terms and Conditions of Business forms a binding legal agreement in accordance with English law and is subject to the jurisdiction of English Courts alone.

7. Liability of a landlord to Commissions, Fees and Charges

Commission and other charges are due and payable by the landlord in accordance with paragraph 4 of any letting of the property to a tenant and references is to the tenant include:

- a) Any "associate" of the tenant as defined in Section 303(8) of the Income and Corporation Taxes Act 1970.
- b) Any close company as defined in Section 282 of the Act in which that person or any as-

- sociate as defined is a participator as defined in Section 303(i) of the Act.
- c) Any company (or any connected person or entity of that company) which shall be the employer or former employer or proposed guarantor of that person.
 - d) Where the tenant is a company, any person employed by the company or for whom the company is, or has become, or proposes to become guarantor and includes any company which is a holding company of the company or subsidiary company of the company or a member of the same group, as defined in Section 272 of the Act, as a company.
 - e) Any person or entity introduced by the tenant or the occupier of the property.

8. Administration charges in the event of landlord failure to proceed:

Once an offer has been accepted verbally or in writing by the landlord, we shall draw up agreements and take up references. If the landlord subsequently informs us they do not wish to proceed with the Tenancy, there will be a penalty charge of £1000.

9. Mail

It is not part of the usual function of Guards Real Estate Ltd to forward any mail. Therefore, no responsibility can be taken for your mail and it is recommended that it be re-directed via the Post Office.

10. Lettings boards

Unless otherwise instructed by you, we will place a To-Let board outside the property if we deem necessary.

11. Indemnity

You will indemnify and keep us indemnified from and against any and all losses, damage or liability whether criminal or civil, suffered from and during the time that we are or were acting on your behalf.

12. Private dealings

You will not enter into negotiations nor conclude any binding agreement to lease or sell (as the case may) be your property with:

- a) Any prospective or former tenant introduced to you by us and on the basis of our standard terms and conditions applicable from time to time.
- b) Any prospective purchaser introduced to you (in whatever capacity) by us, the standard terms and conditions is applicable.

13. Sale of Property

In the event that a tenant, any associated party or any person introduced at any time by Guards Real Estate Ltd purchase the property or any interest in it (either after entering into a tenancy agreement or otherwise and whether by transfer of the landlord's interest in the property or the grant of a lease) the commission on the sale at the rate of [amount] of the sale price shall be payable to the agent on completion of sale.

5. LEGISLATION

5.3. Furniture and Furnishings

In 1988 the Government introduced new regulations on the use of any filling material or re-upholstery whether foam or non-foam and the requirements of furniture to meet the "cigarette test" introduced in

1980. From March 1993 all newly rented furnished properties should only be furnished with contents that meet the “cigarette test” and carrying the appropriate label. Furniture manufactured prior to 1950 is exempt from these regulations as the Department of Trade and Industry has pointed out that most of the defective materials that cause fire were not in used prior to 1950. All furniture manufactured after 1983 should already comply with the regulations but there is a particular concern for foam filled furniture manufactured between 1950 and 1983. The landlord must ensure that furniture complies with the above legislation for tenant(s) occupy the property and any furniture failing to comply must be removed by the landlord and stored at the landlord’s expense. All properties must also have a smoke alarm fitted

5.4. The Gas Safety (Installation and Use) Regulation 1994

On 31 October 1994 the Gas Safety (Installation and Use) Regulation 1994 came into force. Under Regulations 35(2) it is the duty of any person (i.e. landlord) who owns a gas appliance and pipework installed in the premises to ensure that such appliance and pipework is maintained in a safe condition so as to prevent risk or injury to any person. The Regulations cover all appliances and all types of gas, i.e. mains, propane or calor gas for heating, lighting, cooking or other purposes for which gas can be used. The owner (i.e. the landlord) of any gas appliance must ensure that each appliance is checked for safety at least every 12 months by a qualified gas engineer, e.g. an employee of British Gas or a GAS SAFE registered person. A record must be kept of all safety inspections and the results open to the tenant’s inspection by law. The landlord must have a Gas Safety Inspection carried out before a tenant(s) occupies the property and signs the tenancy agreement. (Further information can be obtained from British Gas on 0800 300 363). (A copy of the certificate must now be given to the tenant before the tenancy commences). If the landlord is unable to, Guards Real Estate Ltd will provide the certificate at the landlord’s expense.

5.5. The Electrical (Safety) Regulation 1994 and the Plug & Sockets etc. (Safety) Regulations 1994

It is a criminal offence to supply unsafe electrical equipment with rented accommodation. The maximum fine is £5,000.

The above Regulations apply to portable domestic electrical equipment such as:

Electric heaters, lamps, televisions, radios, vacuum cleaners, irons, toasters, microwaves, refrigerators and other kitchen equipment.

Built-in electrical goods such as cookers and certain storage heaters are not covered by the Regulation, however, and landlords should be aware that any person injured by the landlord’s property could sue for damages.

Electrical items must be examined by a qualified electrician prior to tenants taking occupation and if required we can instruct at an approved Contractor to carry out this check on your behalf. The portable appliance test must be undertaken for each new set of tenants.

5.6. Tax

The 1995 Finance Act deals with the collection of tax on rent income for non-resident landlords as follows:

- a) The Act will not affect the landlord’s actual tax liability but it will affect the way in which monies are collected by the Inland Revenue.
- b) A non-resident landlord will be able to apply directly or through his UK accountant to the Inland Revenue for self-assessment on the tax from rental income. If granted and confirmed by the Inland Revenue this will enable the agent to release the rent gross without making a tax retention thereby easing the landlord’s tax flow. Joint owners must each apply to Inland

Revenue.

- c) If the landlord is not granted self-assessment, the agent will have to pay to the Inland Revenue on a quarterly basis the appropriate income tax percentage of the net rentals. The calculation for tax paid by the agent will not include mortgage interest, depreciation or other tax-deductible items. Any overpayment of tax will then need to be reclaimed at the end of each tax year by the landlord submitting a statement of accounts to the Inland Revenue directly.
- d) When considering applications for self-assessment the Inland Revenue will look favourably on landlords who have their tax affairs in order to April 1995.

5.7. Housing Act 1996

From Friday 28 February 1997 there is no longer the need for a private landlord to serve a Notice of an Assured Shorthold Tenancy before making a tenancy agreement. All new Tenancies are automatically deemed to be Assured Shorthold Tenancies. The new legislation has also ensured that landlords are now able to evict tenants more easily for rent arrears.

5.8. Legionnaires Disease

The landlord must comply with the Health and Safety Executive's Code of Practice, you are strongly advised to carry out a risk assessment at the Property prior to letting in order to highlight any risk of legionnaire's disease.

SECURITY DEPOSITS

From the 6 April 2007, when you either rent your property out or renew an existing tenancy agreement, you must protect the security deposit using a government authorised tenancy deposit scheme. (From 1st October 2010, the maximum rent threshold was increased from £25,000 to £100,000 per year for tenancies in England).

Who does this affect?

The legislation covers all Assured Shorthold Tenancy Agreement i.e. tenancy agreements in the names of individuals (opposed to a company or charity etc.) and where the rent is no more than £250,000.00 per annum. If the property falls outside this range, the legislation does not affect the landlord.

As the landlord, you have the following options:

The Custodial Scheme

The security deposit is paid into the scheme i.e. it is not held with either the landlord or the agent. At the end of the tenancy an application is made to the scheme to have the deposit refunded to the tenant less any agreed costs for dilapidations. If there is a dispute between the landlord and the tenant, there will be a free service offered by the scheme protecting the deposit to resolve the dispute. The Scheme will pay to the tenant the undisputed amount and will retain the disputed amount until an agreement is reached.

Whilst there is no cost for this service, it must be stressed that neither the landlord nor the agent will hold the deposit. Therefore, the process of returning the deposit may take longer than normal. Furthermore, any proposed dilapidations must be made in writing to the scheme before any costs are incurred.

Insurance-based scheme

The security deposit is held by either the landlord or agent in the normal way (but registered with one of the two Insurance schemes). If at the end of the tenancy agreement there is a dispute in respect of the amount of the deposit that is to be returned, the insurance company are notified. At this point the deposit is then immediately paid over the insurance company who will then act as adjudicator. The conclusions they come are purely evidence based and are binding.

The cost for this scheme will be £50+vat per deposit.

Deposits currently held by Guards Real Estate Ltd

If the tenants do not renew their tenancy, the deposit will be dealt with in the normal way i.e. an inventory check out will be carried out with a schedule of dilapidations (if any) posted to you for your consideration.

If the tenancy is being renewed, we must hand over the security deposit amount to the custodial scheme or confirm in writing to both the landlord and the tenant that the deposit will remain with us but will not be protected by the insurance-based scheme. The cost £50+vat will be paid by the landlord.

Deposit currently held by Guards Real Estate Ltd for Overseas landlord clients

The agent has the authority of the landlord to make decisions on the return of the deposit to the tenant on his/her behalf on any matters pertaining to the deposit and its reimbursement and can lodge any disputed deposit monies with the Mydeposit Tenancy Deposit Protection scheme if required to do so by the Scheme without the need of any recourse to the Overseas landlord whose property we are managing and holding the deposit.

We cannot be held liable for any costs or losses in relation to or as a result of any verdict given by the adjudication panel of the Mydeposit scheme.

Deposits currently held by the landlord

If the tenancy is renewed, the landlord must place the deposit in one of the approved schemes.

What if the landlord does not want to hold the deposit?

The deposit can be paid to us and we will hold the deposit in their client account. We will however need to register the deposit with Mydeposit. Whilst the agent will not charge you for holding the deposit, the Insurance Fee of [amount] must be paid by the landlord in advance.

What can happen if the landlord does not comply with the new legislation?

The court can order the landlord to either repay the deposit to the tenant or protect it in a scheme. If the landlord has not protected the deposit, and they fail to do so within 30 days, they will be ordered to pay the tenant up to three times the amount of the deposit. Furthermore, you will not be able to regain possession of the property using notice-only grounds for possession under Section 21 of the Housing Act 1988.

What's next?

You can contact us if you wish us to hold the security deposit which will be registered with one of the insurance-based schemes.

If you are already holding the security deposit, we must receive confirmation in writing as to which scheme you will be using. Please note that this must be done within 30 days of any new tenancy or renewal date.

NEW LEGISLATION FOR LANDLORDS – EPC

If you let or re-let your property after 1st October 2008, you will be required to provide your tenant with an Energy Performance Certificate (EPC). The EPC gives home owners, tenants and buyers information on the energy efficiency of their property. It gives the building a standard energy and carbon emission efficiency grade from “A” to “G”, where “A” is the best and with the average to date being D/E.

As of 1st April 2018, the requirement for any properties rented out in the private rented sector to have a minimum energy performance rating of “E” on an Energy Performance Certificate (EPC) for all new tenancies and for all existing tenancies on 1st April 2020. It will be unlawful to rent a property which breaches the requirement for a minimum E rating, unless there is an applicable exemption. A civil penalty of up to £4,000 will be imposed for breaches.

What else does the certificate do?

EPCs are measured using the same calculations for all homes, so you can compare the energy efficiency of different properties.

Part of the EPC is a recommendation report which will list the potential rating that you home could achieve, if you made changes. The report lists improvements that you could carry out and how this would change the energy and carbon emission rating of the property.

The landlord can use this information to:

- Cut fuel bills.
- Improve energy performance of the property.
- Help cut carbon emissions.

Once the EPC is carried out, it will be valid for 10 years.

THE PROPERTY REDRESS SCHEME

Guards Real Estate Ltd is a member of The Property Redress Scheme. For full detail please open the following link: <https://www.theprs.co.uk/consumer/how-it-works>

The ARLA Propertymark

Guards Real Estate Ltd is a member of the ARLA Propertymark. ARLA Propertymark is the UK’s foremost professional and regulatory body for letting agents. We are required to operate at the highest standard, beyond the levels required by law. This gives our clients a peace of mind that we will provide a professional service and your money is protected by Propertymark’s Client Money Protection Scheme.

AUTHORISATION OF INSTRUCTIONS

I/We declare that prior to commencement of the tenancy all furniture and upholstered furniture, soft furnishings, beds, mattresses, pillows and cushions (if any) supplied to the property, comply (if appropriate) with the provisions of the Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1993, and warrant that the property complies with the Gas Safety (installation and Use) Regulations 1998 and the Electrical Equipment (Safety) Regulations 1994.

I/We confirm that I/We have read and understood the aforementioned Terms and Conditions and wish to instruct Guards Real Estate Ltd to undertake the selected service on page 2 as per the above Terms and Conditions of:

(Correct full property address and postcode)

Signed: _____

(Full names of all legal owners of the property)

Signed

(Full names of all legal owners of the property)

Dated _____

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