

ANDREW GRANGER & CO

LEICESTER · LOUGHBOROUGH · MARKET HARBOROUGH · LONDON



ANDREW GRANGER & CO RESIDENTIAL LETTINGS DEPARTMENT

PROPERTY MANAGEMENT SERVICES FOR LANDLORDS



RESIDENTIAL LETTINGS DEPARTMENT PROPERTY MANAGEMENT SERVICES FOR LANDLORDS

1. TERMS

OPTION 1

a) Full Management

- i) Finding suitable tenants through marketing the property via agreed newspaper advertising, mailing register and dedicated website with links to Rightmove and On The Market.
- ii) Arranging viewings for prospective tenants, accompanied where necessary.
- iii) Taking up references (credit check, bank, employer, previous landlord - if applicable.) Arranging for suitable guarantors where appropriate.
- iv) Preparing Tenancy Agreement and appropriate Notices. We suggest that the initial rental period runs for six months and thereafter by agreement.
- v) Preparing Statement of Condition record/basic inventory with supporting photographs. For preparation of a detailed inventory for fully furnished properties there will be an additional charge of £200.00 plus VAT.
- vi) Undertaking rent reviews and renewals of Tenancy Agreements. Our Assured Shorthold Tenancy Agreements usually run for a period of six months. Before the end of the initial fixed term, we will write to both landlord and tenant to see if another fixed term agreement is required. If both parties agree we will arrange to provide a further tenancy agreement or continue on a 'month-by-month' basis ('roll-over'/'periodic' agreement).
- vii) Arranging for maintenance and repair work, obtaining quotations subject to landlord's approval. Any major works with a value of over £500.00 will incur an additional management fee of 8 per cent of the total invoice. The Landlord can choose to personally manage any significant works at his own risk.
- viii) Rental payments for your property/s will be received into the following Client Rent Accounts:-

Andrew Granger & Co. Client Rent Account C, and Andrew Granger & Co. Client Rent Account Residential LM Deposit Account which are held at Nat West Bank, St Mary's Road, Market Harborough, Leicestershire, LE16 7DY.

Bank charges on these accounts are met by Andrew Granger & Co. and interest on the account is retained by Andrew Granger & Co.

- ix) Collection of rent and accounting on a monthly basis, less agreed commission and deductions for repairs or maintenance work, insurance where appropriate and VAT. Should the tenant pay 6 months rent in advance, then Andrew Granger & Co., will withhold 1 months rent (maximum of £500) to cover any repairs or maintenance work that may be necessary during the 6 month period, unless instructed to the contrary.

Landlords should be aware that the first rental payment for any tenancy will be paid direct to the landlord very quickly because we demand cleared funds at the outset of the tenancy. All subsequent rental payments will be received by standing order and landlords can expect funds to reach their account no later than 10 days after the rent payment date.

- x) Informing utility companies (gas, electricity, water & council) that the tenant will be responsible for payments with effect from the start of the tenancy. Advising utility companies of start meter readings.
*Landlord/Tenant must inform British Telecom; they will not accept instructions from third parties.
- xi) We are members of the Tenancy Deposit Scheme run by the Dispute Service Limited. Please see attachment (1) for further details.
- xii) Commission rate 12% of rents collected, plus VAT. No additional costs will be incurred for set up, inspections, preparation of statement of condition records (with digital photographs), basic inventories and day to day management unless otherwise stated herein. However if the Landlord instructs hand delivery of a 'Notice Requiring Possession' at any time, this will incur a charge of £100 plus VAT.
- xiii) Inspections are carried out on fully managed properties every six months or on a periodic basis agreed between the Landlord and Andrew Granger & Co.

Landlord to provide two sets of keys for tenant's use and a further set if agent is instructed to hold a spare set of keys. Landlords should be prepared to have carpets professionally cleaned throughout so that we can insist this carried out at the end of every tenancy.

Option 2

b) Introduction, Referencing & Preparation of Agreements

Where landlords select our introduction, referencing and preparation of agreements service, we confirm that with effect from 6th April 2007, new regulations came into force controlling the holding of tenancy deposits, as laid down by the Housing Act 2004.

The deposit taken by a landlord in respect of an Assured Shorthold Tenancy (AST) must be held in accordance with one of the three schemes run by bodies appointed by the government.

For the custodial scheme refer to www.depositprotection.com. This scheme is free to landlords and tenants and covers its costs by earning interest on the deposits held.

For the insurance-based schemes, refer to www.mydeposits.co.uk – this scheme is aimed at landlords. Or refer to www.tds.gb.com – this scheme is aimed at letting agents and is run by the Dispute Service Limited.

For Landlords who select Option 2 we will prepare a detailed inventory and schedule of condition, along with supporting photographs. A copy of this information will be passed to the tenant prior to the start of the tenancy. We recommend that the tenants sign off a copy of the information or make any relevant comments and then return the document to the landlord who will arrange to register the deposit and carry out the final inspection. Andrew Granger & Co will only hold the deposit under Option 1 as part of a Full Management service.

During the initial marketing period, we are entitled to charge a £150 withdrawal fee if the landlord withdraws the property for any reason (including the property being let privately or by another agent). This covers our set up fees in the event of withdrawal.

2. FURNISHED LETTINGS

The local demand is almost entirely for unfurnished properties and we do not recommend furnished properties. However should the Landlord decide to offer the property fully furnished then care must be taken to confirm to the Furniture and Furnishings (Fire) (Safety) Regulations 1988 (amended 1989 & 1993). The Amendment Regulations introduced in 1993 draw specific attention to the responsibilities of letting agents and those engaged in the 'letting of accommodation'. The Regulations refer to the 'supply' of furniture and furnishings and it has been established that in many cases, a letting agent or commercial landlord is deemed to be 'supplying in the course of business' when these types of items are included within a property. The Landlord is personally liable for any breach of these regulations.

The bulk of the regulations deal with the duties of manufacturers (and importers if manufactured abroad) in producing and supplying domestic furniture and furnishings to the required new standards for fire

resistance. These standards include two tests; the **match test** and the **cigarette test**. For new furniture, the net effect of the regulations is that any such products which have been **manufactured after 1st March 1989** or **sold by a retailer after 1st March 1990** must be to the new standards and labelled accordingly.

It is recommended that any portable electrical appliances are covered by an electrical test (PAT Testing) to ensure they are safe. The Landlord is personally liable for any injury or loss caused by faulty appliances.

Please note that carpets and curtains are not currently included within the regulations but may be in the future. It is recommended that unfurnished properties at least be provided with curtains, carpets and a cooker.

3.* GAS INSTALLATIONS

*See Page 10

Landlords and their agents are obliged by law to arrange for annual safety checks, fully documented, to be carried out on all gas appliances in the property. Any defects must be remedied immediately. When confirming your instructions, please state whether you wish us to attend to this on your behalf, or whether you will be arranging it yourself. In any event a certificate will be necessary for our file before we are able to proceed with the let.

Unless instructed otherwise by you we will arrange for an annual service and safety check of all gas appliances at the property at your expense.

Rented properties are now required to have a functional smoke alarm on each floor.

4.* ELECTRICAL INSTALLATIONS

*See Page 10

The agent will arrange for an annual electrical inspection at the same time as the gas inspection. This will be a visual inspection and will confirm whether any further work is necessary to ensure the safety of the property.

5.* ENERGY PERFORMANCE CERTIFICATES

*See Page 10

With effect from 1 October 2008, Energy Performance Certificates have become mandatory for all new lets. The certificates will be valid for 10 years. Unless instructed otherwise we will arrange to provide an EPC at your expense.

6. FLOOR PLANS

Rightmove estimate that over a third of their users will not enquire about a property if it has no floor plan. Therefore in order to maximise your property's potential, Andrew Granger & Co are able to provide you with a floor plan.

Prices for floor plans are as follows:

- Properties with up to 3 bedrooms - £45.00 inc VAT
- Properties with up to 4 bedrooms - £51.00 inc VAT
- Properties with up to 5 bedrooms - £57.00 inc VAT
- Properties with up to 6 bedrooms - £63.00 inc VAT

The agent will obtain consent from the landlord before producing a floor plan.

7.* LEGIONELLA RISK ASSESSMENT

*See Page 10

As a landlord you are legally required to protect your tenants from contracting Legionnaires' disease. A periodic assessment will be necessary to comply with the current laws in this respect. Further information can be found at www.hse.gov.uk/legionnaires.

8.* CARBON MONOXIDE DETECTOR

*See Page 10

The agent will arrange for a carbon monoxide detector to be installed in all properties, apart from properties that are benefitting from total electrical heating systems.

9. RIGHT TO RENT

The agent will carry out the necessary immigration status checks required by the Right to Rent legislation which came into effect on 01 February 2016.

10. INSURANCE

If required, the agent will provide details of specialist insurance providers for buildings and contents cover. The landlord is not responsible for the insurance of any items belonging to the tenant unless damage is caused by something maintained by the Landlord.

Unless we are specifically instructed otherwise by you, it is your responsibility to insure the property and any landlord's contents. We suggest that Landlords arrange for minimum contents insurance where properties are let on an unfurnished basis. This should include public liability insurance as well as minimum cover for carpets/curtains.

Insurance policies are important documents and you should take the time to read them. There may be certain conditions in your insurance policy which you have to comply with failing which the policy may be void.

If there is anything you specifically need us to do so as to comply with your insurance policy, you must notify us of this in writing. For the avoidance of doubt this must be a specific request.

11. TAXATION AND MORTGAGES

In the case of landlords not resident in the U.K. we will ask landlords to call the HMRC helpline on 03000 516644 who will send a letter to Andrew Granger & Co with an approval number. This will avoid us having to withhold tax.

Landlords are advised to seek the advice of an accountant regarding their tax liabilities. If the property is subject to a mortgage the landlord must obtain the consent of the mortgagor before the property is let and provide a copy of the consent.

In circumstances where the Tenant is to be paying rent direct to a non-resident or overseas Landlord, even where that is into a UK bank account, the Tenant must be made aware of a tenant's obligations to the Inland Revenue in respect of a non-resident or overseas Landlord's tax liability.

12. OUTGOINGS

These are the responsibility of the tenant. We will write to the authorities concerned, when the tenant takes possession to notify them of the tenant's liability for these charges during the period of the letting. This covers Council Tax and charges for gas, water and electricity. Meter readings are taken at the outset of the tenancy.

13. INSPECTIONS

We carry out inspections of the property at the landlord's request where appropriate; in any event the property will be inspected every six months for full management landlords. Inspections are of limited scope and are of a superficial nature and are neither an inventory check nor a survey.

14. RENT INCREASES

If appropriate, we negotiate rent increases on an annual basis after obtaining landlord's approval.

15. RENT ARREARS

We ask all tenants to pay rent by standing order, however in the event of non-payment we make every endeavour to ensure the tenants do not fall into further arrears. If the tenant continues to build up arrears, (with the landlord's permission) we issue a "Notice Requiring Possession". However if the tenants fail to vacate we will then suggest suitable options with the landlord which may include passing the file to a specialist solicitor in order to apply for a Court Order for possession.

16. INSTRUCTING SOLICITORS/DEBT COLLECTION AGENCIES

In the event that the tenant fails to pay rent on time or commits some other breach of the tenancy agreement, we will inform you and unless you specifically instruct us otherwise in the first instance we will seek to resolve the matter with the tenant by negotiation.

If we are unable to resolve the issue with the tenant by negotiation, we will contact you and seek your authorisation to instruct solicitors or debt collection agencies on your behalf. We will not instruct solicitors or debt collection agencies until we have your authorisation.

The cost of instructing solicitors/debt collection agencies will be borne by you and to the extent that we hold insufficient money on our client account on your behalf, we may require you to pay the solicitor's/debt collection agencies costs in advance.

17. LANDLORD'S WARRANTIES

Prior to the formal creation of a tenancy, we will need to inspect the necessary consents which may be the mortgage lender, joint owners, somebody holding a legal charge against the property, superior Landlord and/or freeholder.

The property complies with all statutory requirements applicable to rental properties including in particular any health and safety and fire regulations.

18. MONEY LAUNDERING

The agent will ask Landlords to visit our offices and complete the PropertyMark Identification Form to comply with the above regulations. Sight of various original identity documents will be necessary and we will forward details on request.

19. SELECTION OF TENANT

Sometimes a potential tenant with apparently good references and good credit rating turns out to be a bad tenant. This is one of the risks of letting property. Under the "introduction only" service the decision whether to accept a potential tenant introduced by us is entirely yours. You are free to reject any potential tenants put forward by us.

Should we introduce a tenant who is receiving Housing Benefits of any description and their claim is subsequently found to be fraudulent, the government is entitled to claim back these benefits from the agent and the landlord. The landlord agrees to indemnify the agent against any losses arising from fraudulent claims where the monies have been paid to the landlord.

20. VIEWINGS

Where a property is being re-marketed with the current tenant in residence, Andrew Granger & Co may not necessarily accompany the potential tenant on a viewing. The current tenant will often request viewings when they are present which may mean evenings/weekends, occasionally making it difficult for Andrew Granger & Co to accompany.

When the property becomes vacant, Andrew Granger & Co will always accompany any individual wishing to view the property.

21. REPAIRS

Wherever possible we will ring you before arranging for any repairs. However you authorise us to instruct appropriate contractors to carry out any repairs which are either required to be carried out by the landlord under the tenancy agreement or which we at our absolute discretion consider it necessary to carry out on the property. You agree to reimburse us for the actual cost of such repairs (whether such cost is reasonable or not) up to the sum of £250. We will seek your specific authorisation for repairs costing more than £250 unless we have an emergency and we are unable to make contact with you to confirm authority.

22. CONTRACTORS

All contractors used by Andrew Granger & Co carry insurance and have provided evidence that they are suitably qualified. The contractor will act as agent for the Landlord and Andrew Granger & Co. Andrew Granger & Co accept no responsibility for situations whereby the landlord chooses to carry out repairs themselves or instructs their own contractor. The landlord must take responsibility not only to instruct their own contractor but to ensure that they carry suitable insurance. Landlords may wish to take independent legal advice in this respect.

23. VAT

All fees payable under this agreement are subject to VAT.

24. UNOCCUPIED PROPERTY

We are not responsible for the maintenance, repair or security of the property if it is unoccupied. It is your responsibility to ensure that all mains services are turned off, water and heating systems are professionally drained and the insurers of the property are notified. If the landlord prefers the heating system to run during unoccupied winter periods then plumbers will be instructed to set up the system as appropriate.

25. JOINT AND SEVERAL LIABILITY

In the event that the property is being let by a limited company, the person signing this agreement on behalf of the limited company agrees to be jointly and severally liable with the limited company for all sums due to us under this agreement.

26. VARIATION

It is agreed that this written agreement contains all the terms of the agreement between the parties and that there are no oral terms. Any variation to this agreement must be in writing and signed by both parties.

27. TERMINATION

There is a minimum contract period of 12 months for full management. However should either party (landlord or agent) wish to terminate this agreement then three month's written notice will be required after the initial 12 month term. We charge an administration fee of £100 plus VAT to cover our administration costs in respect of informing the tenant, forwarding the deposit to the landlord etc. This sum will be deducted from the final rent payment.

Should a landlord withdraw their property after we have commenced marketing then a withdrawal fee of £150 + VAT to cover our costs will be charged.

28. REPEAT VISITS TO PROPERTY PRIOR TO START OF TENANCY

Andrew Granger & Co provide a Schedule of Condition and Inventory Report as part of our Full Management and Introduction, Referencing and Tenancy Agreements services. The cost of the report is included within our fee structure however we reserve the right to charge a fee of £25 for any repeat visits that are necessary due to the property not being fully prepared at our original visit. We will aim to contact you in advance to confirm when we will carry out our Schedule of Condition/Inventory Report and we

require the property to be fully prepared a minimum of 3 working days prior to the start of the tenancy. The Schedule of Condition/Inventory Report provides an important record of the condition of the property at the start of the tenancy and it is therefore essential that the property is fully prepared when the report is carried out.

29. TENANCY DEPOSIT SCHEME

Any disputes that are referred to the above scheme will be subject to a fee of £500 plus VAT, or 10% of the deposit plus VAT, whichever is the greater for submitting the papers and dealing with the relevant administration. Please note that we make every attempt to settle a dispute by reasonable negotiation so that we do not have to refer it to the Tenancy Deposit Scheme.

30. COMPLAINTS PROCEDURE

We make every effort to provide a highly professional service for our clients but, should you not be happy with any aspect of this, we have in place a Complaints Handling Procedure which is available on request.

31. THE PROPERTY OMBUDSMAN

We are also members of the Property Ombudsman Scheme (TPO) and subscribe to this Code of Practice for Letting Agents.

32. GENERAL DATA PROTECTION REGULATIONS (GDPR) POLICY

Andrew Granger & Co observe the data protection rules under the General Data Protection Regulations (GDPR). Please rest assured that we will never release your personal data to any third party who has not been approved by you and we will store your details securely.

For landlords who select our part management service we will pass on your details direct to your tenants, including bank details so they can set up a standing order to make rent payments direct. Please also note for landlords who manage their own lettings, the GDPR require you to register with the Information Commissioner's Office (ICO). The ICO helpline telephone contact number is 03031231113. Please refer any queries direct to the ICO in this respect.

A link to the ICO website is as follows:

<https://ico.org.uk/>

* We reserve the right to charge an administration fee for arranging the aforementioned checks marked with an asterisk. If the checks are required, we will confirm our charges before we instruct the work on behalf of the landlord.

Attachment 1

Calendar Day or **day** means any day of the year, including Saturdays, Sundays and bank holidays.

“Relevant Person” means person who paid the deposit or any part of it on behalf of a tenant.

“Stakeholder” means a person or body who holds the deposit at any time from the moment it has been paid by the tenant until its allocation has been agreed by the parties to the tenancy agreement, determined by the ADR process, or ordered by the court.

“Scheme” means an authorised tenancy deposit protection scheme (set up in accordance with the Housing Act 2004 and operated under a service concession agreement with the government) administered by The Dispute Service Limited.

“Statutory Time Limit” means the time limit set out in the Housing Act 2004 (as amended) in which the initial requirements of the Scheme must be met, and prescribed information must be provided to the Tenant and any Relevant Person.

“Working Day” means a day that is not a Saturday or Sunday, nor any day that is a bank holiday under the Banking and Financial Dealings Act 1971 or any customary or public holiday in England and Wales.

1. Assured Shorthold Tenancy Deposits

- 1.1 If a tenant pays a deposit in connection with an assured shorthold tenancy (“AST”) the deposit must, from the moment it is received, be dealt with in accordance with a government-authorised tenancy deposit protection scheme.
- 1.2 The landlord must give the tenant and any Relevant Person ‘prescribed information’ about the deposit and comply with the initial requirements of an authorised scheme within the Statutory Time Limit.
- 1.3 We are a member of the Tenancy Deposit Scheme, which is a government-authorised tenancy deposit protection scheme, administered by:

The Dispute Service Limited
PO Box 1255
Hemel Hempstead
Herts HP1 9GN

Phone: 0845 226 7837
Web: www.tds.gb.com
Email: deposits@tds.gb.com
Fax: 01442 253193

- 1.4 If we receive an AST deposit on your behalf, we will serve the prescribed information and comply with the initial requirements of the Tenancy Deposit Scheme on your behalf, unless you give us prior written instructions to the contrary before we receive the deposit.

- 1.5 If you do not want us to protect the deposit on your behalf, it will be your responsibility to protect it as required by law. A valid notice seeking possession under s21 of the Prescribed Housing Act 1988 cannot be served on a tenant whose deposit is not protected. **A tenant or any Relevant Person may apply through the courts for compensation of at least the amount of the deposit, and up to three times the deposit**, if the landlord (or someone acting on the landlord's behalf):
- a) fails to give prescribed information within the Statutory Time Limit; or
 - b) fails to comply with the initial requirements of an authorised scheme within the Statutory Time limit; or
 - c) notifies the tenant or Relevant Person that the deposit has been protected in a scheme, but the tenant or Relevant Person cannot obtain the scheme's confirmation that the deposit is protected
- 1.6 If you do not give us written instructions that you want to make your own arrangements for deposit protection, we will hold deposits relating to your properties under the terms of the Tenancy Deposit Scheme. We must comply with the rules of the Scheme, and this means that we will not be able to act on your instructions with regard to the deposit if those instructions conflict with the Scheme rules.
- 1.7 The Scheme rules are available to view and download from www.tds.gb.com. A very important point for you to bear in mind is that we must hold the deposit as "stakeholder". This means that we can only pay money from the deposit if:
- a) both landlord and tenant (and any Relevant Person) agree; or
 - b) the court orders us to do so; or
 - c) the Tenancy Deposit Scheme directs us to do so.

2 During the tenancy

- 2.1 We will hold the deposit as stakeholder in our client account (separate from the money we use to run our business).
- 2.2 Interest earned on the accounts is retained by Andrew Granger & Co and any bank charges are borne by Andrew Granger & Co.
- 2.3 If the Tenancy Deposit Scheme directs us to send the deposit to them, we must do that within 10 days of receiving their direction. The Scheme will not normally direct us to send them the deposit unless there is a dispute about how it is to be paid at the end of the tenancy.

Where there is NO dispute about the deposit at the end of the tenancy

- 2.4 At the end of an AST we will liaise with you to ascertain what (if any) deductions you propose to make from the deposit, or have already agreed with the tenant. [We will help you to try and

resolve any areas of dispute within a reasonable time obtaining quotations, estimates or arranging contractors on your behalf in accordance your instructions].

- 2.5 Once you and the tenant have agreed how the deposit should be allocated, we will ask you both to confirm your agreement in writing. We will then pay the deposit according to what you have agreed, within 10 days of receiving confirmation of agreement from you and the tenant(s). We cannot pay until we have the tenant's agreement. If you have joint tenants, all of them must agree.

3 Where there IS a dispute about the deposit at the end of the tenancy

- 3.1 You must use reasonable efforts to reach a sensible resolution to the dispute as soon as practicable after the tenancy ends.
- 3.2 A tenant can ask us to repay the deposit at any time after the tenancy has ended. You must agree to us releasing promptly any part of the deposit that does not need to be held back to cover breaches of the tenancy agreement. We will take your instructions at the time regarding the amount to be withheld.
- 3.3 If the tenant asks us to repay some or all of the deposit, and we do not do so within 10 days from and including the date of the tenant's request, the tenant can notify the Tenancy Deposit Scheme. The Scheme will then direct us to pay the disputed amount to the Scheme. We have 10 days, from and including the date we receive the Scheme's direction, to send in the money.
- 3.4 If we protect a deposit with the Scheme on your behalf, **you hereby authorise us to pay to the Scheme as much of the deposit as the Scheme requires us to send.** We will contact you to keep you informed, but we will not need to seek your further authority to send the money to the Scheme.
- 3.5 The Tenancy Deposit Scheme will review the tenant's claim and decide whether it is suitable for independent alternative dispute resolution. Usually, this will take the form of adjudication, but it may involve assisted negotiation or mediation. "Alternative" in this context means an alternative to court proceedings. It is intended to be a faster and more cost-effective way of resolving disputes. The Scheme does not make a charge to landlords or tenants for using the alternative dispute resolution service if it relates to an AST.
- 3.6 If the tenant's claim is referred for alternative dispute resolution, we and you will be invited to accept or contest the claim. You must notify the Scheme whether you agree to submit the dispute for alternative dispute resolution within 10 Working Days from (but not including) the date of the Scheme's communication to you. **If you do not respond to the Scheme by the deadline, you will be treated as having given your consent to alternative dispute resolution.**
- 3.7 Agents and landlords are permitted to refer a dispute about a deposit to the Tenancy Deposit Scheme. If you or we refer a deposit dispute to the Scheme, the Scheme will contact the tenant to confirm whether the tenant will agree to alternative dispute resolution. If there are joint tenants, all the joint tenants must agree. A tenant who does not reply to the Scheme is NOT deemed to consent to alternative dispute resolution. **If the tenant (or all joint tenants) do not agree to**

alternative dispute resolution, and do not agree to the deposit deduction(s) you claim, you will need to begin court proceedings if you wish to pursue your claim.

- 3.8 If the parties agree to adjudication, the adjudicator's decision is final and there is no right of appeal. Further information about adjudication is available free to download from www.tds.gb.com.
- 3.9 The Tenancy Deposit Scheme will pay the disputed amount to the person(s) entitled within 10 days beginning on the date the Scheme receives notice of (a) the adjudicator's decision or (b) an order from the court that has become final or (c) an agreement being reached between you and the tenant(s).
- 3.10 If you order any work to be done at the property before a dispute has been resolved, you do so at your own risk. There is no guarantee, if you incur expense, that a dispute will ultimately be resolved in your favour.

4 Consent to use personal information

- 4.1 When you agree to use our services, you agree that we may use information you give us, including information about yourself, for the purposes of performing our obligations to you.
- 4.2 You agree that we may supply such information as is reasonably required to the Scheme. You agree that the Scheme, or the government department responsible for the Scheme, may contact you from time to time to ask you to participate in surveys. If at any time you do not wish the Scheme to contact you for that purpose, you should write to the Scheme as explained in the Scheme Leaflet (see www.tds.gb.com).

5 Our duty to provide correct and complete information

- 5.1 When you agree to use our services, you guarantee that all the information you provide to us is complete and correct to the best of your knowledge and belief. You agree to inform us immediately if it comes to your attention that any information was incorrect.
- 5.2 If we suffer any loss or incur any cost because information you have given us is or was incomplete and/or incorrect, you agree to pay us the amount necessary to put us in the position we would have been in if the information had been complete and correct. This clause does not relieve us of our own obligation to use reasonable skill and care in providing our services to you, or to take reasonable steps to keep our losses and costs to a minimum once we realise that there is a problem.

6 Where the tenancy is not an AST

- 6.1 The deposit does not have to be protected by law. However, the Tenancy Deposit Scheme will make its independent alternative dispute resolution service available to you as our client, because we are a member of the Scheme.
- 6.2 If a dispute arises you, we or the tenant will contact the Scheme. Then:

- a) the Scheme will propose what they consider to be the most effective way of resolving the dispute (assisted negotiation, mediation, adjudication or arbitration);
- b) you, we and the tenants must consent in writing to the proposed method if we all want to proceed (if we don't, the options are to negotiate or litigate);
- c) the parties will have to pay a fee of £500 + VAT (or such other minimum fee as the Scheme may set from time to time) or 10% of the deposit plus VAT, whichever is the larger amount.

6.3 The Scheme will not start the dispute resolution process until all parties have agreed in writing to use the Scheme and paid the applicable fee and the disputed deposit to the Scheme.

7 Where you instruct us that you do not want us to protect an AST deposit

- 7.1 If the deposit relates to an AST and you decide to hold the deposit yourself, you must tell us before the tenancy agreement is signed. We will notify you of the date we receive the deposit and aim to transfer the deposit to you within 5 days of receiving it.
By law you must then register the deposit with an authorised tenancy deposit protection scheme within 30 days of the date we received it. You must also give the tenant(s) and any Relevant Person 'prescribed information' about the deposit. If you do not do both these things within 30 days of us receiving the deposit, the tenant or any Relevant Person can take legal action against you. The court can make an order stating that you must pay the deposit back to the tenant, or lodge it with the custodial scheme run by the Deposit Protection Service. The court will then also order you to pay compensation to the tenant of between one and three times the amount of the deposit.
- 7.2 By law, you may not serve a notice seeking possession under section 21 of the Housing Act 1988 until you have served the prescribed information. If you have not complied with the initial requirements of an authorised tenancy deposit protection scheme, you cannot serve a s21 notice until you have returned the deposit (or the agreed balance of it) to the tenant or court proceedings relating to the return of the deposit have been disposed of.
- 7.3 If you instruct us that you do not want us to protect an AST deposit, we shall not be liable to you for any loss suffered or cost incurred if you fail to comply with your obligations to protect the deposit and give prescribed information. You must pay us for any loss or inconvenience suffered or cost incurred by us if you fail to comply with those obligations. This clause will not apply if the reason for your failure is because we failed to send you the deposit within 20 days of receiving it.

8 Joint Landlords

- 8.1 If there is more than one landlord, any of you will be able to participate in alternative dispute resolution. TDS does not accept liability to any one or more joint landlords for acting on the instructions of any other joint landlord. TDS does not accept directions from joint landlords to deal only with instructions agreed unanimously by joint landlords. If you want all decisions to be made jointly, this is something that should be agreed between the landlords. It will then be a matter for the landlords to resolve among themselves if one or more of them have not complied with that agreement.

C3 Incorrect information

The Landlord warrants that all the information he has provided to the Agent is correct to the best of his knowledge and belief. In the event that the Landlord provides incorrect information to the Agent which causes the Agent to suffer loss or causes legal proceedings to be taken the landlord agrees to reimburse and compensate the Agent for all losses suffered.

Signed Landlord (s)

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