

TERMS AND CONDITIONS OF LETTINGS AND MANAGEMENT

In these Terms and Conditions of Business the following expressions shall have the following meaning unless the context otherwise requires:

“Tenant” shall mean any one or more individuals or corporate entities introduced by us or named as Tenant in the Tenancy Agreement or Lease or referred to in paragraph 4.10 herein.

“The Tenancy” shall mean 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 memorandum, agreement or otherwise.

“Rent” shall mean any payment to be made by the Tenant or the Agent(s) of the tenant for the 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 of deposit or insurance settlement.

“Commission” shall mean the commission or fees, details of which are set out in section 4 hereof.

“Right Home” shall mean Right Home Estates Ltd (trading as Right Home Estates).

THE SERVICES

1. Let Only Service

- a) Agree with you in advance a rent to be quoted for your property and market your property as appropriate at the agreed rental.
- b) Introduce a prospective Tenant for the property.
- c) Apply for appropriate references, either directly or through the use of an approved Credit Referencing Company, and apply when instructed for a rent guarantee insurance policy under the terms and conditions of the insurers, subject to approval by their underwriters.
- 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 yourself and the Tenant.
- e) Collect and if applicable forward on to you any deposit paid by the Tenant.
- f) In the event that you agree to a change of Tenant during an existing tenancy, we reserve the right to make an additional charge to cover the cost of taking references, arranging for any new tenant(s) to enter into the Tenancy Agreement and the service of any appropriate Notices.

2. Rent Collection Service

In providing the Rent Collection Service, in addition to the services outlined in the paragraphs a) to f) above, Right Home Estates will:

- g) Set up standing order for rental payments for Tenants.
- h) Collect the monthly instalments of rent on your behalf and forward net rents to your bank accounts or other nominated beneficiary.
- i) Prepare and submit monthly or annual statements to yourself and/or your accountant.
- j) 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 commencement of the tenancy. We cannot accept any responsibility for inaccuracies or delays on the part of the Local Authority or Service Company concerned. Please note that these bodies increasingly require instructions from a Landlord or Tenant as appropriate, not from an Agent.
- k) Arrange for the inventory at the start of the tenancy and provide a move in report.
- l) Arrange for the inventory to be checked at the termination of the tenancy and a checkout report to be supplied. Any damage that may have occurred during the tenancy are recorded on this report. A copy of this is sent to the Landlord and Tenant who must mutually agree what amount (if any) is to be deducted from the security deposit.
- m) Visit the property once per annum to check the condition and state of the property. Provide a midterm inspection report to the Landlord.

3. Full Management Service

In providing the Full Management Service, in addition to the service outlined in paragraphs a) to m) above Right Home Estates will:

- n) Carry out a routine inspection of the property three times a year (if no serious defect requiring an inspection has been reported to us in the meantime) and report to you on each occasion. It should be noted that any such inspection and assessment of those defects which are brought to our notice would be of 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 structural, or us 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 repairs and maintenance. We will contact you for approval before arranging any works. However, if we do not receive a response within 48 hours for the minor repairs

and maintenance, we are authorised to approve and arrange works costing up to £250 for any one item on your behalf. This ensures tenant safety, reduces legal and compliance risks, and helps prevent minor issues from developing into more costly problems.

- p) Where you instruct us to arrange any redecoration, replacement or repair works at the Property on your behalf, an administration fee of 10% of the total cost of the works will apply to any job costing more than £300. The administration fee will be deducted from the next rent payment received by us on your behalf.
- q) Arrange and pay from rent received for any cleaning on a change of tenancy during our management appointment.

INITIAL AND RENEWAL FEE

Any fee agreed as per the above is payable from the first month of rent. Renewal Fees become due and payable in full on or before the first day of the new term (as long as our tenants are in occupation of the property you are liable to pay the renewal commission at the agreed rate).

Fees are not refundable. If a tenant exercises the option to terminate an agreement early by means of a break clause (if applicable), a proportional credit will be allowed against a further re-letting. For any other breach in the agreement, your right of recourse is direct with the tenant. This applies to the initial tenancy or any renewal of tenancy.

TENANCY DEPOSIT & TENANCY DEPOSIT SCHEME

Upon signing the tenancy agreement, the Right Home Estates will take a dilapidations deposit (sometimes referred to as security deposit or tenant deposit) in addition to any rents due. The deposit is taken to protect the landlord for any loss of rent or damage to the property and or its contents, fixtures & fittings during the tenancy.

From 6th April 2007 all tenants' deposits must be protected by one of the three government authorised tenancy deposit schemes in accordance with the Housing Act 2004 and, all landlords must ensure they comply with these regulations.

There are two insurance backed schemes and a custodial scheme. The two insurance backed schemes can be joined by the landlord should they wish to hold the deposit but there is a premium for using these services. The custodial scheme is free to use.

For landlords using our Let Only Service the deposit shall be sent to you upon receipt. You must ensure that you register the deposit within 14 days with one of the schemes for each new tenancy. Failure to do so could incur a severe penalty of paying the tenant, an amount up to three times the rent. Possession of the property under Section 21 Notice cannot be obtained if the deposit isn't protected.

For landlords using our Rent Collection Service and Full Management Service we will protect the deposit with one of the Government's insurance backed Tenancy deposit Schemes. There is no cost for this service.

Right Home Estates cannot be held liable for any loss suffered if the landlord fails to comply.

TENANCY DEPOSIT DISPUTES

Right Home Estates will attempt, by negotiation, to resolve any deposit disputes between landlord and tenant. Any claims of deposit due to damages caused by the tenant has to be made within 14 days of the tenancy ending.

Where dispute cannot be settled between the parties, it will be necessary to submit a claim to tenancy deposit administrator for adjudication under alternative dispute resolution (ADR). An estimate of the likely costs of preparing and submitting the claim to adjudication or for Small Claims will be submitted to the Landlord and this payment would be a separate fee.

GUARANTOR REQUIREMENTS

Where a tenant, or tenants applying jointly, cannot demonstrate a combined gross annual income equal to at least 2.5 times the annual rent, an acceptable guarantor will be required.

The guarantor must be a UK homeowner and provide satisfactory evidence of property ownership, such as an official Land Registry title register, recent mortgage statement, service charge bill or solicitor's confirmation of ownership. The guarantor must also pass all required identity, affordability, credit and referencing checks before being accepted.

SMOKE ALARMS

All new homes built after 1992 must be fitted with mains operated smoke alarms. There are no specific regulations for older properties or buildings, however we strongly recommend to all landlords that for safety reasons smoke alarms be fitted and at least one per floor as a minimum.

UTILITIES

Right Home Estates will take meter readings at the beginning of the tenancy and will notify each service company (gas, electric and water) of the change of occupancy. Right Home Estates will 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 commencement of the tenancy. We cannot accept any responsibility for inaccuracies or delays on the part of the Local Authority or Service Company concerned. Please note that these bodies increasingly require instructions from a Landlord or Tenant as appropriate, not from an Agent. For landlords using our Full Management Service there is no cost for this service.

COUNCIL TAX

Council Tax is usually the responsibility of the tenants in the property. However, landlords should be aware that if the property is empty, let as holiday accommodation or let as a house in multiple occupation (HMO) then the landlord is responsible for payment.

TELEPHONE AND TV

For telephone connections (e.g. Sky) the service companies formally request that the new occupier contact them. It is not possible for Right Home Estates to do this on behalf of the landlord. It is the tenant's responsibility to pay for the TV licence and to notify them of their tenancy.

INSURANCE

The landlord shall be responsible for sufficiently insuring the property against the usual risks for both buildings and his contents once the property is let.

CONSENT TO LET

It is the landlord's responsibility to obtain consent to let from either a mortgage lender or managing company/freeholders.

LICENCING

It is the landlord's responsibility to obtain the necessary licencing from the local authority Council. However, if instructed, we can apply for the licence on landlord's behalf and will charge a Licencing Administration Fee of £150 + VAT for this service.

INSTRUCTIONS

It is agreed that instructions from the landlord regarding major works, refurbishments, proceedings, payment details or any other significant details must be confirmed in writing to Right Home Estates without delay. In the case of emergency works, the Landlord will have 24 hours to respond to our notification before we, as the Agent, instruct the appropriate contractors, builders or services to carry out the necessary works to protect the property and tenants.

VALUE ADDED TAX

VAT will be charged on all applicable fees and services at the prevailing rate.

GENERAL DATA PROTECTION REGULATION

In line with GDPR regulations, you give consent to use the data collected which will be used in confidential, secure, accurate manner and limited to the requirement. In case of landlord obtaining any data related to the tenants, landlord has the obligation to meet with the same regulation. Landlords who have chosen the Let Only Service or Rent

Collection Service will be in contact with the tenants themselves and must abide by the same regulations.

PURCHASE OF PROPERTY

Should the tenant in occupation, an associated party or any person introduced by Right Home Estates purchase the property at any time, a sale commission would be due to Right Home Estates at 2% of the sale price plus VAT upon completion, as per our standard terms of sale.

RELATED TENANCY

If a Tenant introduced by Right Home Estates subsequently introduces another person who takes a tenancy of the Property, the Landlord will remain liable to pay the applicable fee, irrespective of whether Right Home Estates carried out the negotiations.

TENANT MOVE-IN CANCELLATION POLICY

Once the rent and move-in date have been confirmed in writing by both the Landlord and the Tenant, the Landlord may only terminate this Agreement prior to the Tenant's move-in date by paying an exit fee of £1,000. This clause is intended to protect all parties and cover administrative costs and potential losses to tenants arising from the cancellation.

ENERGY PERFORMANCE CERTIFICATES (EPC)

In accordance with The Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007 SI 2007/991 from 1st October 2008, all Residential let properties will require an Energy Performance Certificate (EPC).

LANDLORD GAS SAFETY REGULATIONS 1988

Property with a gas supply / connection must have a valid Gas safety Certificate which is valid for one year and need to be obtained every subsequent year whilst the tenants remain in the property.

ELECTRICAL SAFETY STANDARDS REGULATION 2020

Effective from 1st April 2021 all residential let properties must have Electrical Installation Condition Report for a Domestic Installation.

Right Home can organise the above certificates on behalf of a landlord and we would recommend that this is applied for before we commence marketing of the property. Alternatively, a landlord can organise the certificates themselves and a copy must be supplied to Right Home Estates as soon as possible in order for marketing to commence.

Failure to comply with the regulations is punishable and may result in a fine.

GENERAL CONDITIONS

1. If the tenancy is extended or should a tenant remain in occupation on a continuous casual basis or on a tenancy that has gone into periodic tenancy, renewal fees beyond the initial year of occupation are based on our renewal rate (see Renewals & Extensions), regardless of whether any extension is negotiated through Right Home Estates or directly between landlord and tenant.

2. It is the landlord's responsibility to ensure that the property is in good repair, the services and appliances are operational and in working order and that gas fire, electrical equipment (safety) regulations and smoke alarm legislation are complied with, as detailed by the following legislation:

The Consumer Protection Act 1987

Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1993

Furniture and Furnishings (Fire) (Safety) Regulations 1988

Electrical Equipment (Safety) Regulations 1994

Gas Safety (Installation and Use) Regulations 1994

Smoke Detectors Act 1991

Defective Premises Act 1972

Plugs and Sockets etc (Safety) Regulations 1994

It is a condition of our appointment as Letting Agents that you must comply with all of the above Regulations, as non-compliance with certain Safety Regulations (under certain circumstances) may incur prosecution under Criminal Law, with a successful conviction leading to a fine or prison sentence or both.

3. Your tenants will be bound through the Head Lease via the terms of the Tenancy Agreement. Should this document not be provided prior to the commencement of the tenancy, Right Home Estates cannot be held responsible for any actions arising from the breach of terms of the Head Lease. We also recommend that you inform your mortgage lender, insurance company and leaseholder (if applicable) of your intention to let the property and have your post re-directed via the Royal Mail re-direction service.

4. The landlord acknowledges by signing this agreement that if a prospective tenant(s) introduced by Right Home Estates takes a tenancy on the property whether organised by Right Home Estates, by the landlord and tenant directly or through another agent, our fees will become payable as outlined in these Terms of Business.

5. By signing these Terms & Conditions the Landlord confirms that all necessary consents and permissions have been granted in order to let the property. These permissions include consents as outlined in ADDITIONAL SERVICES – CONSENT TO LET, and any other such permissions that may be required including where there is more than one owner of the property.

TERMINATION OF CONTRACT

This contract may be terminated by either party with a 14 day notice before the commencement of the first tenancy. Once the Tenant is in occupation, the Landlord may withdraw from the services of Right Home Estates, under the condition where the Landlord will pay Right Home Estates a Withdrawal Fee equivalent to two months' rent at the most recent rental rate together with VAT.

GENERAL INFORMATION

1. Rent

Unless otherwise agreed, the rent quoted to a tenant by us on your behalf will be inclusive of all outgoings 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 other charge that may replace it) which are payments for which the tenants are in most circumstances responsible for.

2. Inventories

For properties under our Rent Collection or Full Management Service, Right Home Estates will prepare and record an inventory as part of the service at no additional charge. Landlords using our Let Only Service will be required to pay the applicable inventory fee, which will be confirmed in accordance with our current fee schedule.

3. Rent Remittance

The UK banking system is such that it can take up to 10 working days to clear funds paid to us by means of standing order. Rent will only be paid to the Landlord once the payment has been received from the Tenant, has fully cleared, and is showing as available funds in our bank account. Any applicable fees or other monies due to us will be deducted before the balance is transferred to the Landlord.

4. Insurance

The property and its contents should be comprehensively insured to include third party and occupiers 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 of the cover required.

5. Tenants' deposits

In the event of collecting a deposit from a tenant, the tenants deposit will be lodged with a deposit protection scheme. In the event of us holding the deposit this will be held in our separate client account.

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.

7. Mortgages

Where a property is subject to a mortgage or loan, it is the Landlord's responsibility to ensure that written permission is obtained from the mortgage and/or lender. 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.

8. Ownership

All individuals named as legal owners of the Property on the title deed must be named as Landlords in the Tenancy Agreement and must sign all relevant contracts and documentation. Where the Property is jointly owned, each owner shall be jointly and individually responsible for all obligations and liabilities arising under this Agreement.

9. Contractors

Where you instruct us to arrange works, we may appoint one of our approved contractors. If you choose to appoint your own contractor, you must notify us within 24 hours and provide the exact date and time of attendance. Without this information, we cannot coordinate access to the Property or ensure compliance with our obligations to the Tenant.

10. Keys

We require four sets of keys for your property. If you are unable to supply four complete sets then we will have them cut at your expense. We recommend that if there are any lost or unaccounted keys for your property, locks to be changed

before a tenancy commences. Right Home Estates be held liable for lost or unaccounted keys it may be necessary for you to provide Right Home Estates with the letter of authority for some security keys to be cut.

11. Keys for Contractors

In the event of contractors being appointed by you and should you require us to wait at the property to provide access, then an attendance charge of £25.00 inclusive of vat, per hour will apply.

12. Complaints

If a client has a complaint or dispute concerning the services provided by Right Home Estates, the client should submit a formal complaint by email to the management team and directors at info@righthomeestates.co.uk.

If the complaint cannot be resolved through our internal complaints' procedure, the client may refer the matter to The Property Ombudsman. Further information is available through The Property Ombudsman's website or by telephone.

13. Bank Interest

Any funds held by us in a designated client account, including rent payments, maintenance floats or other monies, will not earn interest for the Landlord or Tenant. Any interest paid by the bank on such funds will be retained by Right Home Estates.

14. Client Money Protection

We are proud members of the Propertymark Client Money Protection scheme, [view our certificate here \(PDF\)](#).

15. Instruction to Solicitors

Should any 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 as necessary and for all fees and charges involved. We cannot take legal action for you as the tenancy is between you and your tenant(s), nor can we accept liability for arrears and breaches of covenant. We can recommend a solicitor to you if required.

16. Courts and Tribunals

Applications for fair rent or preparation for, or appearance before the Rent Officer, Rent Assessment Committee or any other court or tribunal will be by

special arrangement and subject to additional charge that will be agreed with you in advance.

17. Income Tax and Corporation Taxes 1988

The Landlord is responsible for notifying the Inland Revenue of the tenancy. Income from the letting UK property is subject to UK income tax, even if the Landlord is resident abroad, whether the non-resident Landlord is an individual, an overseas registered/resident company or an overseas resident trust. You hereby indemnify Right Home Estates against any action as a result of your omission to notify Right Home Estates of your non-UK residency at any point.

18. Landlord and Tenant Act 1987

We are obliged to include your full name and address on all rent demands. 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 commences. If the information first provided changes during the tenancy we must be informed immediately. The reissue of the tenancy documents with your new details is subject to additional charge that will be agreed with you in advance.

19. Furniture, Furnishings, Gas, and Electrical safety Regulations and Requirements

We draw to your attention your obligation relating to the Furniture and Fittings (Fire) (Safety) Regulations 1988 amended 1993, The Gas Safety (Installation and use) Regulations 1994 and the Electrical Equipment (Safety) Regulations 1994 all of which impose important requirements upon Landlords of residential property. Please ensure that you are fully acquainted with your liabilities under the regulations and ask for further advice or guidance should you require it. Please note that Right Home Estates are obliged to refuse to take on a property where the furniture, furnishings, gas installations or electrical equipment do not comply. Your acceptance of the Terms and Conditions of the Business will be deemed as having indemnified Right Home Estates against any liability occasioned by any breach of any of the regulations mentioned above.

COMMISSIONS, FEES and CHARGES

20. Let Only Service

Right Home Estates is 8% (exclusive of vat) of the total rent payable for the first full year of the tenancy, payable in advance at the commencement of each Tenancy, thereafter at a rate of 8% exclusive of VAT for any extension or renewal

payable in advance at the commencement of the renewal/extension period. Where a new tenant(s) is introduced to follow on from a previous Tenancy, the full commission of 8% + VAT will apply.

Our minimum Letting Service Commission is £700 + VAT.

21. Rent Collection Service:

Right Home Estates Commission for Rent Collection Service is as specified above at a fee of 10% + VAT for the entire Tenancy including renewal/extension periods payable from and at the same frequency as rent received.

22. Full Management Service

Right Home Estates Commission for the Full Management Service is as specified above at a fee of 12% + VAT for the entire Tenancy including renewal/extensions periods payable from and at the same frequency as rent received.

23. Tenancy Agreement

We will use our standard form of Tenancy Agreement and Memorandum. Although our documents are reviewed and updated regularly, we must advise you that we are not solicitors. You should consult your own solicitor if you require further information about rights and obligations as a Landlord.

24. Sale of Property:

In the event that a Tenant, any associated party or any person introduced at any time by Right Home Estates purchases the property or any interest in it (either after entering into 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 on the rate of 2.00% + VAT of the sale price should be payable to Right Home Estates on completion of the sale.

In the event that a third party purchases the Property, or acquires any interest in it, while the tenancy continues, your liability to pay the agreed commission will also continue unless the purchaser enters into an agreement with Right Home Estates on the same terms as your existing agreement. Any such agreement will be subject to Right Home Estates completing and being satisfied with all required due-diligence checks on the purchaser. Right Home Estates reserves the right to refuse to enter into such an agreement at its sole discretion.

25. Variations and Jurisdictions

Variations to the Right Home Estates Terms and Conditions of Business will only be valid if agreed in writing with the Manager of the Right Home Estates office

dealing with the Lettings and/or Management of your property. 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.

Liability of a Landlord to Commissions, Fees and Charges:

Commission and any other charges are due to payable by the Landlord in accordance with paragraph 4 hereof on any letting of the property to a Tenant and references to the Tenant include

Any "associate" of the Tenant as defined in section 303(8) of the Income and Corporation Taxes Act 1970

any close company as defined in section 282 of the Act in which that person or any associate as defined is a participator as defined in Section 303(i) of the Act. Any company (or any connected person or entity of the company), which shall be the employer, former employer, guarantor, or former or proposed guarantor of that person. 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 for the and includes any company which is a holding company of the company or subsidiary company of the company or as member of the same group, as defined in Section 272 of the Act, as a company.

Any person or entity introduced by the Tenant or the occupier of the property

26. Penalty Charges

Once the Landlord has accepted an offer verbally or in writing, we shall draw up agreements and take up references.