

GUIDE TO TENANTS

You will want an estimate of the costs of renting through us. Here is a guide to standard costs (including VAT) payable to us as your landlord's agent. Some of these will vary dependent upon our client's instructions, the size of the property and the agreed terms of the tenancy agreement you sign.

Once your offer on a property is agreed, our fees upon your application:

- Applicant administration fee: £160 (for each prospective tenant)
- Guarantor administration fee: £160 (for each prospective guarantor)
- £80 (where responses to reference checks not provided within 30 days of application date)

Fees During Tenancy or Before Tenancy is Renewed:

- Administration fee: £34 (on each occasion where rent is not paid by standing order)
- Tenancy renewal fee: £99.96 (plus £49.98 per tenant should the landlord wish to re-reference), or £49.98 where a tenancy becomes a statutory periodic tenancy for whatever reason
- Re-presented cheques: £75
- Gas and electrical safety appointment: £90 per hr (where tenant requests CGEAL to attend in place of the tenant)
- Tenancy Agreement Renewal: £75 (where a re-issue is required due to tenant providing inaccurate information)

Fees when you vacate:

- The amount of the independent inventory clerk's invoice for conducting the check-out if so stated in the Tenancy Agreement. See the Vacation at End of Tenancy and Deposit Disbursal section in this guide for how much. Any price quoted can be expected to rise by the amount of inflation over the term of the tenancy.
- *If stated in the tenancy agreement, the cost of having the property and its contents professionally cleaned. The cost will depend on the size of the property and the amount of cleaning required.*
- The amount of any agreed compensation for not returning the property in the condition it was at the start of the tenancy fair wear and tear excepted. See the Vacation at End of Tenancy and Deposit Disbursal section.
- Early termination (where agreed with the landlord): 3 weeks' rent (plus VAT) (these are our fees for acting for you to find a new tenant: you can make your own marketing arrangements); £200 towards the landlord's administration costs of setting up a new tenancy; and £19.98 towards the landlord's administration costs of registering the deposit with the TDS (Tenancy Deposit Scheme) should the landlord be registered with this scheme.
- Administration fee for mid-tenancy swap of a tenant: £99.96 (for the landlord's administration fee, payable by the tenant)
- Administration fees for tenancy swap: £99.96 per existing tenant or guarantor when referencing required; £49.98 per existing tenant when referencing is not required;
- Administration fee to refund payments: £34.50 (where a tenant fails to cancel their standing order and pays rent not due after the end of the tenancy)
- Administration fee for arranging contractors: £34.50 for each individual contractor arranged.
- Reference request fee: £18.

Other charges for non-compliance with the terms of the tenancy agreement are set out in the following guide in the relevant section.

A standard tenancy agreement is available at: www.chancellors.co.uk/pdf/ta.pdf

CGEAL is a member of the National Federation of Property Professionals Client Money Protection Scheme.



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COMPLAINTS

Complaints about the service of The Chancellors Group of Estate Agents Ltd should be sent in writing to: The Directors, The Chancellors Group of Estate Agents Ltd, One Station Square, Bracknell RG12 1QB or emailed to: directors@chancellors.co.uk. We are a member of the Property Redress Scheme which may be able to help with your complaint if we are unable to.

The Property Redress Scheme website is www.theprs.co.uk

SECTION A: APPLICATION

TENANCY APPLICATION

When the Tenant has chosen the Property they wish to Rent, the Tenant must formally apply for the Tenancy by completing a Tenancy Application Form and a Property Application Form. These provide us with the details that we need to submit to our clients, the Landlord, for their consideration. If our clients, Landlords, instruct us to proceed, we will need to take up references. When applying for a Tenancy the Tenant/s agree to be bound by the terms contained in this Guide to Tenants which is subject to change without notice.

STUDENT LETTINGS

- If insufficient information has been obtained to satisfy a landlord of a tenant's applicants ability to meet the tenant's responsibilities under a tenancy agreement it may be necessary to nominate a Guarantor who will act as security for the percentage rent of the named tenant within the tenancy agreement for the term of the Tenancy Agreement (including any extension or renewal and any further period of occupation not specified in the Agreement extension or renewal agreements).
- The Guarantor must be a UK based Property owner and will be referenced in the same way as the proposed Tenant. Each prospective Guarantor is liable to pay a documentation charge as outlined on the first page of this guide.

Guaranteeing and Responsibility under the Tenancy Agreement

A guarantor guaranteeing a specific sharer tenants percentage rent will still be jointly and severally liable for all of the other tenant's obligations set out in the tenancy agreement.

As Guarantor, your personal information will be retained by us in order to administer the tenancy agreement. During this process, you will be included via email in correspondence with the tenants and any other guarantor there may be. Accordingly, your personal email address may well be shared with the parties to that correspondence. If you do not wish us to share your email address details with the aforementioned parties, then please provide us with alternative email address that you are content to be shared. If this is not agreeable to you, then you will need to advise us in writing or by email that you do not wish your email address to be shared and accordingly we will not include you in correspondence passing between the parties. Please be advised that in these circumstances you will be reliant upon the other parties to the tenancy agreement to keep you informed of matters for which you act as guarantor.

Points to remember before you submit your offer to us:

- Agents act for Landlords and their first responsibility is to the Landlord. The Landlord will expect us to offer the property in its best light and negotiate the highest rent the market is prepared to pay consistent with the Landlord's own ongoing requirements.
- We will always answer questions asked in an honest and open manner, acting in good faith, in providing information we have been given by the Landlord.
- When viewing a property take care of yourself and others who accompany you by looking out for and avoiding hazards. These may include steps, slopes, beams or obstructions of various types.
- See below suggestions on web sites that will provide material information that you should consider before you make your offer.
- We cannot act for applicants who should take their own professional advice to ensure that the chosen property meets their individual requirements.
- We are not surveyors, and do not survey properties or check that the services or appliances work.
- Ensure you know what goods belong to any existing tenants as they will be removed on their vacation.
- Ask to see an inventory of Landlord goods if at all unclear.

- It is our policy unless agreed or instructed otherwise to continue to market properties until a bespoke tenancy agreement has been ordered from our contracts department. Our Memorandum of Lettings document will confirm this for each transaction.

To ensure your individual requirements are met we strongly recommend the following to all applicants:

- It is expected that you will make yourself aware of all matters that are in the public domain. You should therefore make enquiries and searches, for example, of the numerous websites that provide information about properties, locations, services to properties as well as to locations, transport links, schooling and environmental issues that would include noise, planning, flooding, pollution and congestion.
- On the final page of this guide we list links to web pages which contain valuable information for tenants.
- It is important that the prospective tenants and their advisors ask questions to ensure that they have all the information they need to make an informed decision as to the properties suitability for meeting their personal requirements.

Any discussions or correspondence with the Landlord or our staff; and any offer or acceptance of an offer by the Landlord are expressly deemed to be Subject to Application, Reference and Contract. Please note that an occupier of the property cannot speak on behalf of the Landlord or us.

ADMINISTRATION CHARGE

Each prospective applicant and each Guarantor is liable to pay an administration charge as outlined on the first page of this guide. This charge is for considering the application, taking up references and preparing documentation relating to the Tenancy. The administration charge is non-returnable in the event that references prove unsatisfactory or the Tenant withdraws the application before completion. There is an additional administration charge as outlined on the first page of this guide where an applicant or Guarantor does not provide suitable responses to enable us to complete the reference checks on that applicant or Guarantor within 30 days of the reference application date.

LEAD TENANT

Where you are applying for a shared tenancy you will be asked to nominate a Lead Tenant on your Lettings Property Application Form. This person will act on behalf of all other named tenants in agreeing any deductions from the deposit at the end of the tenancy and we will accept their instructions confirming how any deposit balance is to be disbursed between the tenants.

It is therefore important that the tenants agree on this point and choose a suitable Lead Tenant. In the event that the tenants wish to nominate a different Lead Tenant this can be changed at any time by notice to CGEAL served by all tenants as per the notice section of the Tenancy Agreement.

REFERENCES

References are taken up on all prospective Tenants in order to satisfy Landlords that their Property is likely to be well looked after and that the Rent will be paid on time. These will include a credit check and, as appropriate, references from an employer, an accountant, a solicitor, and a previous Landlord. For company lets we will review the company's trading position.

If insufficient information has been obtained it may be necessary to nominate a Guarantor who will act as security for the term of the Tenancy Agreement. The Guarantor must be a UK based Property owner and will be referenced in the same way as the proposed Tenant. Each prospective Guarantor is liable to pay a documentation charge as outlined on the first page of this guide.

In some cases it may be appropriate to ask that all the Rent is paid at the start of the Tenancy.

The Tenant's references will be forwarded to our client – the Landlord.

The references are the property of the Landlord and will not be disclosed to the applicants under any circumstances.

If you require a Visa to be resident in the UK then a copy of this will be required in order for us to review any Visa conditions that may restrict you from adhering to the terms of the Tenancy Agreement you plan to enter into.

COMMITMENT FEES

A Landlord may require the payment of a 'Commitment Fee' by prospective tenants when their application to rent a property is made. You will be advised if this is the case when considering a property. The 'Commitment Fee' if payable will be held by us as stakeholder in a Client Monies account. It will be non-refundable in the event that (a) information you have provided turns out not to be accurate with specific reference to the Employment/Employer, Accountant and Affordability sections; (b) references, in the sole opinion of our client, prove unsatisfactory on the basis of a reference fail or where the tenant has provided false information; (c) you request material changes be made to your application after it is submitted; (d) you at any point withdraw the application before completion; or (e) our client withdraws because completion cannot not take place at the agreed date due to any delay on your part or that of your referees or guarantors in completing the application process. In all such cases, you agree that the Commitment Fee be passed to our client within ten working days without reference to you. Where an applicant disputes the retention of the Commitment Fee they must raise this dispute with the Specialist Lettings Team or the Central Lettings team prior to the ten working days set out above.

If the Tenant's Application proceeds successfully to a Tenancy the Commitment Fees will be offset against the initial payment of rent, deposit and other charges.

Additional Commitment Fee - Right To Rent: Immigration Act 2014

If your application is successful and you sign and return a copy of your Tenancy Agreement to us and fail to enable the landlord or us to undertake the checks required by the Immigration Act 2014 and verify that each applicant has a "Right To Rent" in the UK before the tenancy start date set out in the signed Tenancy Agreement, you expressly agree that an additional Commitment Fee is due from you. Please see the RIGHT TO RENT: IMMIGRATION ACT 2014 section for the basis of calculation of that fee.

IDENTIFICATION

We will require evidence of the Tenant's and guarantor's identity before proceeding with the application. It is necessary to provide one of each primary and secondary identification as detailed below. One of these documents must be a photo I.D. (primary) and one must show the Tenant's address and be less than three months old (secondary). We reserve the right to carry out ongoing tenant monitoring.

In order to process your tenancy as quickly and efficiently as possible we require any guarantors to the tenancy to attend our offices so that we can certify their photo identification prior to the commencement of the tenancy. Should this not be possible then we would be prepared to accept a copy of the guarantors certified photo identification. Your local bank, solicitor or post office should be able to certify your identification for a small fee. Where you are unable to attend our offices and a fee is levied for certifying your identification, you agree that you will bear this cost.

Primary

- Full Valid Passport
- Valid HM Forces ID Card
- Driving Licence (with photo ID)

Secondary

- Original utility bill. Or original council tax bill
- Original mortgage statement for the year just ended
- Firearm or shotgun certificate
- Original bank statement for current account

RIGHT TO RENT: IMMIGRATION ACT 2014

This section applies in addition to the IDENTIFICATION section above. Landlords, or agents appointed on their behalf, must check that a tenant or lodger can legally rent their residential property in England if a tenancy starts on or after 1 February 2016.

The Required Checks

Landlords, or agents appointed on their behalf, must:

- check which adults will live at the property as their only or main home – we will assume that it will be a tenant's only or main home unless appropriate and acceptable evidence that complies with the law is provided that demonstrates otherwise
- see the original documents that allow the applicant to live in the UK;
- check that the documents are genuine and belong to the applicant, with the applicant present; and
- make and keep copies of the documents and record the date the check was made.

Which original documents are acceptable?

There are different categories of acceptable documents

- List A – Groups 1 and 2: non time-limited documents.
- List B – time-limited documents.

The documents that make up this list can be found in the Home Office Code of Practice: www.gov.uk/government/publications/right-to-rent-landlords-code-of-practice

For the avoidance of doubt, if you provide a time-limited document that expires before the start date of the tenancy for which you are applying it will not be acceptable.

Further checks

If an applicant's permission to stay in the UK is time limited (for example, their visa expires during the tenancy), landlords, or agents appointed on their behalf, must make a further check on that person to make sure they can still stay in the UK. This further check must be made within 28 days before:

- the expiry date of the tenant's right to stay in the UK; or
- 12 months after your previous check,

whichever is the later.

No further check is required if an applicant does not have any time restrictions on their right to stay in the UK.

For the avoidance of doubt, if a landlord, or agent appointed on their behalf:

- conducts a further check and discovers that the applicant no longer has a “Right To Rent” in the UK; or
- seeks to conduct a further check and the applicant does not provide the relevant original documents required to conduct the check; or
- seeks to conduct a further check and the applicant does not provide the relevant original documents required to conduct the check but the applicant claims to have an ongoing application or appeal with the Home Office to vary or extend their leave in the UK, or that their documents are with the Home Office, the landlord, or agent appointed on their behalf, must request a right to rent check from the Landlords Checking Service and if the Landlords Checking Service informs the landlord, or their agent, that the applicant no longer has a right to rent, by way of a “no” response,

the landlord, or agent appointed on their behalf, must make a report to the Home Office.

Failure to provide Right To Rent documents

If an applicant has returned a signed copy of their Tenancy Agreement to us and fails to enable the landlord or us to undertake the checks required by the Immigration Act 2014 and verify that each applicant has a “Right To Rent” in the UK before the tenancy start date set out in the signed Tenancy Agreement, the Tenancy Agreement will not complete (unless expressly agreed by the landlord) and the applicant expressly agrees that:

1. the Tenancy Agreement, even if exchanged, will not complete (meaning that it will never, unless expressly agreed by the landlord, come into force) and shall be treated as null and void;
2. it shall be responsible for meeting the landlord’s costs as if an early termination of the Tenancy Agreement occurred on the start date of the signed Tenancy Agreement (“Landlord’s Costs”);
3. the Landlord’s Costs shall take the form of an additional Commitment Fee due from the applicant; and
4. the additional Commitment Fee may be deducted by us from any monies paid to us by the applicant(s) prior to the tenancy start date with the remaining balance being returned to the applicant(s) on the basis that the Tenancy Agreement cannot proceed.

Furthermore, the applicant(s) agree that it(they) shall have no right to the return of any administration or other costs paid to us.

The Landlord’s Costs include the following:

- the equivalent of all rent in respect of the relevant property until a replacement tenant is found that is acceptable to the landlord;
- the equivalent of our fees for acting for the landlord to find a new Tenant, which shall, in these circumstances, be three weeks’ rent (plus VAT);
- £160.00 inc VAT towards the landlord’s administration costs of setting up the new Tenancy;
- the cost for a new inventory to be created (this cost varies with different Inventory Clerks and should be clarified with the negotiator you are dealing with).

IMMIGRATION (HOTEL RECORDS) ORDER 1972

Because we live in security conscious times it is possible that this regulation may be used against Lettings Agents, Landlords or Tenants, in the event of an act of terrorism.

The regulation imposes a duty on any person who receives another person to stay in premises, to ascertain the full name and nationality of the persons staying (i.e. Tenants). If the Tenant is not a British Citizen we must establish their identity by means of a passport or other photographic document, and keep a record of

this information. A non-British Citizen must also provide their destination address when they leave the property.

To protect our Landlord's interests we also require evidence that a non-British Citizen has the right to be in the United Kingdom for the term of the tenancy.

PERSONAL INFORMATION

Any personal information provided by the Tenant(s) to the Landlord or Landlord's Agent before, during the course of the tenancy or after the tenancy has ended may be made available:

To any applicant, tenant, occupier or guarantor named in the application form or tenancy agreement.

To the Tenancy Deposit Scheme (TDS) via their evidence portal in the event of a dispute concerning the deposit upon which the Tenancy Deposit Scheme have been asked to adjudicate.

SECTION B: GUIDELINES FOR SHARED TENANCIES

TENANT RESPONSIBILITIES

When considering applying to take a Tenancy with other sharers it is important to understand the obligations the Tenant and their fellow occupants will be entering into. This guide highlights some of the issues that will need to be considered:

The Tenancy Agreement will make each sharer jointly and individually responsible for all of the Tenants' conditions set out in the Tenancy Agreement.

A guarantor guaranteeing a sharer tenant will also be responsible for all of the tenants conditions set out in the tenancy agreement on a joint and several basis.

All parties to the Tenancy Agreement will have these responsibilities even if they leave the property before the end of the Tenancy term.

Rent must be paid under one banker's standing order unless otherwise agreed. Any Rent not paid is the responsibility of all sharers.

At the end of the Tenancy the Inventory will be checked and all of the Tenants will be responsible for any dilapidations even if they as individuals did not cause the dilapidations.

Only when all Rent for the full term and any properly agreed compensation for any dilapidations has been accounted for will any of the deposit monies held be disbursed.

The named Lead Tenant will act on behalf of all other tenants in agreeing any deductions from the deposit and confirming how any deposit balance is to be disbursed between the tenants.

The Tenant must supply information about the relationships between each occupant to enable the Landlord to assess whether the Tenancy being created will result in a House in Multiple Occupation (HMO)

SECTION C: HOUSES IN MULTIPLE OCCUPATION

The Housing Act 2004 re-defined Houses in Multiple Occupation (HMOs).

The purpose of this Guide is to give Tenants a brief explanation of HMOs and how the new legislation may affect their tenancy.

Firstly, The Act is good news for Tenants in that it is concerned with ensuring that properties are fit for occupation and are free from hazards to their health and safety.

A House in Multiple Occupation or HMO is:-

A house or flat which has more than 2 people who form two or more households living in it, (a household is a single person, people of the same family either by blood, marriage, adoption or some other recognised criteria (e.g. fostering) so for example three unrelated occupants are three households

AND

Where the households are sharing basic amenities such as:-

- toilets
- bathroom or washing facilities
- cooking facilities

Even if the individual flat within a property is not an HMO, a building in its entirety can be a House in Multiple Occupation or HMO if:-

The building has been converted into self contained flats where the conversion does not conform to the 1991 Building Regulations or of which less than two thirds of the flats are owner occupied. Owner Occupiers are:-

- Freeholders, and their family;
- Lease holders of more than 21 years and their family.

Note that a Purpose Built Blocks of Flats is not an HMO but an individual flat within a converted block of flats may be an HMO depending upon the occupants.

SECTION D: TENANT RESPONSIBILITIES

In 1954, Lord Denning ruled that there is an obligation on every residential Tenant to treat the Property in a "Tenant-like manner". This means that the Tenant must take proper care of the Property; must, if going away for the winter, turn off all the taps and arrange for the tank to be drained; must clean chimneys when necessary; must unstop the sink when it is blocked; must mend electrical fuses and change electric light bulbs when necessary.

In short, the Tenant must do the little jobs about the Property that the reasonable Tenant would do. In addition, the Tenant must not damage the Property wilfully or negligently, and must see that family or guests do not damage it. If they do the Tenant must bear the cost.

The Tenant's full responsibilities are set out in the Tenancy Agreement.

TENANT RESPONSIBILITIES IN A HMO

Being a Tenant brings with it responsibilities to the Landlord and the Property the Tenant is renting. The Housing Act (2004) specifically states that:-

"Every occupier must conduct himself in a way that will not hinder or frustrate the manager of the HMO."

This means that:-

- The Tenant must provide information about the relationships between each occupant in the Property to enable the Landlord to assess whether the Tenancy being created will result in an HMO (see "What is an HMO")
- The Tenant must respect the number of occupants allowed by the Tenancy Agreement and not allow any others to occupy the Property
- The Tenant must co-operate with the Landlord and Local Authority inspectors when they are carrying out an HMO assessment
- The Tenant must co-operate and allow the Landlord at reasonable times to enter the Property to carry out the repairs following any improvement order, or any other HMO duty
- The Tenant must comply with all reasonable instructions regarding the prevention of fire and use of fire equipment

WHAT IF TENANTS BREACH THE ACT?

Section 234 of the Act makes it a criminal offence for an occupier to frustrate the manager of an HMO in exercising his duties under these regulations. The offence carries a fine of up to £5,000.

FURTHER INFORMATION

If Tenants have concerns about health and safety in the Property they are renting they should initially contact the Landlord's Managing Agent.

SECTION E: DOCUMENTS

DECLARATION

As Agent for the owner we require the Tenant to provide us with the information requested in the Property Application Form so that we have a clear and complete understanding of the offer, circumstances and associated matters. This will enable our client to consider the Tenant's offer in its entirety and make an informed decision as to the acceptability of the offer and circumstances. All reference verifications will be made available to the client.

The tenancy agreement has a clause that prohibits the keeping of any pets at the property be it in the property or, if there are any, in the properties grounds and out buildings. This includes all pets, including dogs, cats, reptiles, birds, small rodents etc, but does not include fish kept in a bowl less than 25 Litres. If this prohibition is to be lifted or qualified in any way it will require our client landlords consent in writing and the agreement reached documented in the Special Terms of the Tenancy Agreement . It is therefore very important that you declare as soon as possible and no later than the submission of the Property Application form if you seek such consent to keep a pet at the property.

Landlords who give such consent often impose conditions that can include the following:

A limitation on size, number or type. A documented requirement that the property is professionally cleaned at the end of the tenancy by the landlord at the tenants expense. A documented requirement that any damaged item or part of the premises will be replaced / renewed / repaired by the landlord at the tenant's expense. Note however that in arriving at the compensation due by the tenant no consideration will be given as to betterment or fair wear and tear.

TENANCY AGREEMENTS

It is important that the Tenant reads their Tenancy Agreement carefully and ensures they understand all the clauses in it. Anything the Tenant does not understand can be explained by us or, should the Tenant wish to take independent advice, a Solicitor.

SIGNING THE TENANCY AGREEMENT, EXCHANGE AND COMPLETION

The Landlord signs one copy of the Tenancy Agreement and all Tenants and Guarantors sign a duplicate copy. Each page needs to be initialled and dated in the appropriate place by all persons named as Tenants or Guarantors.

To ensure that the Tenancy Agreement is legally enforceable, all dates on the Tenancy Agreement must be no later than the Start Date of the Tenancy.

The Tenancy Agreement refers to a schedule of documents including, as appropriate, mortgage, insurers and head lease requirements for occupancy. In the case of renewals, as these should have been attached to the previous Tenancy Agreement, additional copies will not be sent unless the Tenant's Landlord has advised us of any changes, or if they are provided for the first time.

The signed documents must then be returned to us, before the Start Date, to enable us to execute the Tenancy Agreement.

When the Tenancy Agreements have been exchanged we will send the Tenant's signed Agreement to the Landlord and we will send the Landlord's signed Agreement to the Tenant.

You accept a Tenancy is created, and a binding contract exists between the Tenant and the Landlord, at the point the Tenancy Agreement is completed (being the point at which the Tenancy Agreement has been "exchanged" and the landlord or we have completed the checks required by the Immigration Act 2014 and verified that each Prospective Tenant has a "Right To Rent" in the UK).

CGEAL is not and cannot be a party to the Tenancy Agreement which is a contract between the Tenant and the Landlord. It must be understood that CGEAL has no responsibility for either party meeting their obligations to the other party.

INVENTORY

Before the Tenancy starts, an inventory will be prepared to provide a detailed schedule of the contents and their condition and the condition of the premises. The inventory is a very important document because it protects both Tenant and Landlord from disagreements about these matters at the end of the Tenancy (See Section L – Deposits).

The costs for the preparation of the Inventory and Schedule of Condition are borne by the Landlord. The Tenant is responsible for the costs of conducting the Check-in and Check-out. If the Tenant chooses not to be present at the Check-in, the inventory clerk will sign the Inventory and Schedule of Condition on the Tenants behalf. It will not be possible to subsequently amend the document in any way other than with the agreement of the inventory clerk.

If the Tenant decides not to be present at the Check-out it will not be possible to amend the Check-out report without the agreement of the inventory clerk. In both instances the Tenant will be responsible for the inventories charges. If the Tenant decides not to proceed with the Tenancy at any time after the Check-in appointment has been made with the inventory clerk the Tenant will remain liable for the clerk's cancellation charges.

SECTION F: STAMP DUTY LAND TAX (SDLT)

Please note that this section is intended as information only and should not be relied up as advice. You should seek independent professional advice if you have any concerns regarding SDLT.

WHAT IS SDLT AND HOW IS IT CALCULATED?

From December 2003 residential tenancies have the potential to be liable for Stamp Duty Land Tax (SDLT). The SDLT threshold was raised in March 2005 to £120,000 and in March 2006 to £125,000. SDLT is a tax levied on tenancy transactions, paid by Tenants and is calculated on the amount of gross rent for the term of the tenancy less a pre-set discount (Temporal Discount Rate) (currently 3.5%). This computation produces an amount known as the Net Present Value (NPV).

From 17 March 2006 if the Net Present Value (NPV) is less than £125,000, no Stamp Duty Land Tax is payable.

If the NPV is greater than £125,000, Stamp Duty Land Tax is calculated as 1% of the difference between the NPV and £125,000. E.g. If the NPV is £128,000 the SDLT to be paid is 1% of the difference between the NPV figure and £125,000, ie 1% of £3,000 which is £30. These are example numbers and vary from time to time. You are advised to take legal advice on what your liabilities for SDLT may be.

Other Examples:

	Rent per month	Period of Tenancy	Gross rent for the term	Net Present Value	Difference between NPV & £125,000	SDLT Due to be paid by the Tenant
Property 1	£10,000	1 year	£120,000	£116.908	NPV is less than £125,000	Nil
Property 2	£11,000	1 year	£132,000	£127,536	£2,536	£25,36
Property 3	£11,500	1 year	£138,000	£133,333	£8,333	£83.33

HOW DOES "TERM OF THE TENANCY" AFFECT SDLT?

SDLT is calculated across the total time a Tenant takes a tenancy for, up to a maximum of seven years. If a Tenant takes a one year tenancy and exercises an option to renew for a further year, this will be considered by the Inland Revenue to be a linked transaction and the NPV calculation will be based on the gross rent paid for both years.

The SDLT will be recalculated at the start of the second year, taking the rent and SDLT paid for the first year into consideration. If the Tenant takes a tenancy for one year, and continues to occupy the property at the end of that term on a monthly basis, the Inland Revenue will presume that this is also a linked transaction and will calculate the SDLT on the presumption that the Tenant will spend another full year in the property. The NPV calculation will be for the full two years.

Example 1 – Tenant renews a tenancy for a second year @ £10,000 per month

	Rent per month	Period of tenancy	Gross rent for the term	Net Present Value	Difference between NPV & £125,000	SDLT Due to be paid by the Tenant
Year 1	£10,000	1 year	£120,000	£116.908	NPV is less than £125,000	Nil
Year 2	£10,000	2 nd year	£240,000	£227,963	£102,963	£1,029.63

Example 2 – Tenant extends a tenancy for 1 month @ £11,000 per month

	Rent per month	Period of tenancy	Gross rent for the term	Net Present Value	Difference between NPV & £125,000	SDLT Due to be paid by the Tenant
Year 1	£11,000	1 year	£132,000	£127,536	£2,536	£25,36
Year 2	£11,000	1 month	£11,000 x 12 = £132,000 + £132,000 = £264,000	£239,557	£114,557	£1,145.57

The SDLT payable at the start of year 2 will be £1,145.57 - £25.36 (paid in year 1) = £1,120.21

WHO PAYS SDLT?

SDLT is paid by the Tenant. When SDLT is due the Tenant must complete and submit a declaration form SDLT1 to the Inland Revenue within 30 Days of the date the tenancy commences or the date the lease was executed, whichever is the earlier.

WILL SDLT BE REFUNDED IF THE TENANT TERMINATES EARLY?

There are penalties for late submissions. Once SDLT has been paid there will be no refund for early termination for whatever reason.

SECTION G: PAYMENTS

INITIAL PAYMENT

The first rent instalment, deposit and check-in costs must be received in cleared funds no later than our receipt of the signed Tenancy Agreement.

CHEQUES

If payment of the initial costs is to be made by cheque, a period of 6 working days prior to the commencement of the Tenancy is required for clearance.

Any cheque that has to be re-presented is subject to a charge of £75 inc VAT.

CREDIT / DEBIT CARDS

If payment of the initial costs is to be made by credit / debit card a period of 4 working days prior to the commencement of the Tenancy is required for clearance.

The handling charge levied by the card organization will be payable by the Tenant. We DO NOT accept American Express.

BACS/CHAPS TRANSFERS

If payment is by BACS transfer, allow 3 working days for clearance.

If payment is by CHAPS/EFT/Fastpay transfer, same day clearance. CHAPS transfers also incur extra costs.

Any bank charges on money transfers will be added to the total.

BANKERS DRAFT

Payment by banker's draft to us is preferable and is essential where an agreement has to be completed within a short period of time.

CASH PAYMENTS

We do not accept any payments in cash.

Keys will not be released until either cleared funds are showing in our bank account or the Tenant presents a valid Bankers Draft

SECTION H: ONCE THE TENANCY HAS STARTED

RENT PAYMENTS

After the initial payment, Rent must be paid by one standing order for each payment period. The appropriate form will be given to the Tenant upon signing the Tenancy Agreement. It is the Tenants responsibility to submit the completed form to their bank in good time and to provide us with a copy as proof that payment arrangements have been put in place with their bank. **We require this proof before access can be allowed to the property at the commencement of the tenancy.** To ensure that the Tenant's Rent arrives on the correct day, it is important to date the standing orders for over £10,000 at least three Days before the Rent is due as payment will be made by BACS transfer.

If Rent payments are more than 14 Days late, they will attract interest at 3% above the Bank of England Bank Rate.

UTILITIES, COUNCIL TAX AND WATER SUPPLY

At the start of the tenancy gas and electricity will be provided, or will be in the process of being provided by Spark Energy Supply Limited ("Spark Energy"). However this will not prevent the Tenant from changing to a different energy provider if desired.

The Tenant agrees that the letting agent may pass the Tenant's name and contact details to Spark Energy for the purposes of:

- registering the gas and electricity meters at the property in the Tenant's name with Spark Energy, providing gas and electricity to the Tenant and administering the Tenant's account with Spark Energy;
- registering the Tenant with the relevant local authority for the payment of council tax; and
- registering the Tenant with the incumbent water supplier to the property. The water supplier may contact the Tenant in order to provide further information about its services and products and conclude an agreement with the Tenant for those services and products.

Spark Energy will use the Tenant's details only for the purposes set out above and not in any other way. Spark Energy will comply with its obligations as a data controller in the Data Protection Act 1998 and will handle Tenant's data in the manner set out in Spark Energy's standard terms and conditions and/or privacy policy which is available at:

www.sparkenergy.co.uk/documents/spark_energy_supply_contract_terms_sept15.pdf Details of tariffs are available at www.sparkenergy.co.uk/welcome, If the Tenant has any questions regarding details or use of the Tenant's data held by Spark Energy, the Tenant may contact Spark Energy at: Ettrick Riverside, Dunsdale Road, Selkirk TD7 5EB or customerservice@sparkenergy.co.uk or 0345 034 7474.

The Tenancy Agreement makes the Tenant responsible for the payment of gas, electricity, telephone and water charges. It is important that the Tenant registers with the telephone and water companies directly in order to ensure continuity of service, and billing in the Tenants name. The Television License, burglar alarm, cable TV charges and any local parking permits are also the Tenants responsibility.

The Tenant is liable for paying Council Tax whilst Tenants are occupying the property so it is important that Tenants register with the Local Authority.

INSURANCE

The Landlord is responsible for providing buildings insurance, and contents insurance for his own belongings, but he is not responsible for the Tenant's possessions. Tenants are strongly advised to make arrangements to insure their own contents and valuables.

The Tenant is also responsible for any injury or death at the property caused by the Tenant or the Tenant's guests' fault, Tenants are strongly advised to take out insurance to cover this. We have a range of Tenant Insurances available through Agent Assure.

SUBLETTING

For the avoidance of doubt, tenants may not under any circumstance sublet a property they rent through the CGEAL. This is expressly prohibited within the tenancy agreement under the section headed '*Not to Sell Charge Sublet or Share the Property*'. This includes holiday swaps, letting whilst on holiday, and letting whilst

working away. Indeed, allowing anyone other than a named occupant or an occasional guest to stay at the property is a serious breach of the tenancy agreement, which could result in the tenancy being terminated by a Court of Law.

LEGIONNAIRES' DISEASE

Legionellosis is the collective name given to the pneumonia-like illness caused by legionella bacteria. This includes the most serious Legionnaires' disease, as well as the similar but less serious conditions of Pontiac fever and Lochgoilhead fever. Legionnaires' disease is a potentially fatal form of pneumonia and everyone is susceptible to infection. However, some people are at higher risk, including:

- people over 45 years of age;
- smokers and heavy drinkers;
- people suffering from chronic respiratory or kidney disease; and
- Anyone with an impaired immune system.

If, on applying for a tenancy, you know you (or any applicants) suffer from any two of the above and are over 45 or chronically any one you must inform us on your application. Please see the Lettings Property Application Form.

SMOKE ALARMS

Landlords are obliged to provide a smoke alarm on each floor of the property where there is a room used wholly or partly for living accommodation. The alarms must be in working order and tested prior to the start of each tenancy. We will ask the landlord to confirm that smoke alarms have been provided and have been tested or we will arrange for these to be fitted and tested on their behalf. Tenants are responsible for regular testing of the alarms and replacing batteries where not fixed wired throughout the tenancy and we recommend that testing is undertaken monthly. Should a smoke alarm become faulty and require replacement then this should be reported to your landlord/Property manager for action.

CARBON MONOXIDE DETECTORS

It is a requirement that landlords provide a Carbon Monoxide detector in each room where solid fuel is burnt in an appliance such as a wood burning stove or range cooker and includes rooms containing an open fire. We will ask the landlord to confirm whether solid fuel burning apparatus is present in the property and that Carbon Monoxide detectors have been fitted in these rooms and tested/serviced prior to the tenancy. Alternatively, we will arrange for these to be fitted and tested/serviced. Where these are battery operated, Tenants are responsible for regular testing throughout the tenancy and replacement batteries and we recommend that testing is undertaken monthly.

In the event that you believe you may be suffering from the effects of Carbon Monoxide poisoning you should switch off any solid fuel appliances in use, extinguish any open fires, open all doors and windows to ventilate the room, call the National Gas Emergency Service on 0800 111 999 and seek medical attention.

SECTION I: PROPERTY MANAGEMENT

The Tenant will be informed by letter when they move in whether we, the Landlord, or the Landlord's other representative will be managing the Property during the Tenancy. The lettings staff will have no further involvement with The Tenancy from this point.

PERIODIC INSPECTIONS

If we are managing the Property, we will wish to ensure that it is being kept in good order. For this reason it will be necessary to arrange periodic inspections under the terms of the Tenancy Agreement. It is important that these visits are organised in advance in order that Tenants are put to the minimum inconvenience.

We will write to inform Tenants when we will be visiting. We hope that the Tenant will be present during the visit. However, if Tenants are unable to attend, we will use our security key. For information on the areas we will check during an inspection, please see our website for the Inspection Checklist.

As part of our reporting process to Landlords, Tenants should be aware we will be taking photographs of the property.

GAS AND ELECTRIC SAFETY INSPECTIONS

During the Tenancy it may be necessary for us to arrange Gas and/or Electrical Safety inspections. If Tenants occupy a Property with British Gas 3 star cover on the Gas boiler, the Tenant or a representative will be required be present at the Property for inspections, to facilitate access. British Gas will not collect keys to visit a property.

Appointments are notified by British Gas for a.m. or p.m. on a weekday with no fixed time. CGEAL are able to attend these appointments on the Tenants behalf. If CGEAL are requested to attend these appointments our charge will be £90 inc VAT per hour.

SECTION J: RENEWAL OF A TENANCY

NOTICES

Any Notice will only be deemed to have been served by the Tenant if sent by registered post to CGEAL's Renewals Department, PO Box 4213, Bracknell, RG42 9PD. If Notice is served by the Tenant via e-mail it will only be deemed to have been served if the Tenant receives confirmation of the receipt of the said Notice whether by post or by e-mail.

OPTION TO RENEW

If the Tenants current Tenancy Agreement includes an "Option to Renew" clause we now need to know whether they intend to exercise that Option. If Tenants do, provided they advise us in writing within the time limits stated in the Tenancy Agreement, we will seek to agree on the Landlords behalf the terms for the new agreement and prepare the new Tenancy Agreement and associated documents.

CREDIT CHECK AT RENEWAL

Before we draw up any documents a new credit check may be required if rent payment frequencies and amounts or deposit terms are, in our opinion, to change significantly, and/or there have been significant changes in the circumstances of the Tenants or occupiers.

COSTS

It is at this point that the administration charge for documenting the new Tenancy Agreement becomes due for immediate payment. Where we produced the original Tenancy Agreement the fee will be payable. If we have to re-issue documentation because the first draft contains mistakes which were the result of the Tenant providing inaccurate information, or failing to check the data supplied, or changing their requirements we will charge the Tenant an additional £75, inc VAT to reproduce the appropriate documents. Where the Tenant(s) elects to enter into a renewal Tenancy Agreement, CGEAL's standard Administration charge of £99.96 including VAT will be payable by the Tenant(s) for the preparation of the renewal Tenancy Agreement. If the Tenant(s) remains in occupation of the property after the end of the Fixed Term under a periodic tenancy (for any reason) then 50% of the standard Administration Charge (£49.98 including VAT) will be payable by the Tenant(s) until such time as the Renewal Tenancy Agreement is issued at which time the balance of the standard Renewal Administration Charge will become payable.

Where the Tenant(s) confirms that they are prepared to renew an existing Tenancy of a Property but occupation of the Property continues as a Periodic Tenancy (for any reason) then CGEAL's standard Administration Charge will still be payable in full by the Tenant(s) unless a Renewal Tenancy Agreement has not been issued to the Tenant(s) for signature in which case only 50% of the standard Administration Charge will be payable until such time as the Renewal Tenancy Agreement is issued at which time the balance of the standard Renewal Administration Charge will become payable.

If due to any actions or inaction of the Tenant, CGEAL is required to issue amended Renewal Tenancy Agreements at any time then as compensation for the additional work required by CGEAL, an additional Standard Renewal Administration Charge will be payable in full by the Tenant.

LATE PAYMENT

Failure to pay this charge will incur interest at a rate of 3% above the Bank of England Bank Rate and will be calculated from the date the administration charge is due until the date it is paid in full.

WITHOUT AN OPTION TO RENEW

If the Tenancy Agreement does not contain an automatic Option to Renew we will have written to the Landlord to ask for instructions as to whether they are willing to agree to the granting of a new tenancy agreement from the expiry of the current term. If the Tenant and the Landlord both wish for a new Tenancy Agreement to be granted we will act on the Landlords behalf and seek to agree the terms subject to contract and prepare the new Tenancy Agreement and associated documents.

SECTION K: TERMINATIONS

NATURAL END OF A TENANCY

During the last two months of the period of the Tenancy the Tenancy Agreement allows for access by the Landlord and/or the Landlord's Agent, to show the Property to prospective new Tenants.

EARLY TERMINATION (EXCEPT THOSE EXERCISED UNDER THE TERMS OF THE TENANCY AGREEMENT)

TENANT RESPONSIBILITIES

When considering applying for an early termination of a Tenancy, Tenants should bear in mind the obligations they have. This section highlights some of the issues that will need to be considered by Tenants.

- The Tenancy Agreement makes the Tenant responsible for all of the Tenant's conditions set out in the Agreement until the Tenancy is formally brought to an end.
- Unless the Tenancy Agreement contains a break clause there is not an obligation upon the Landlord to agree to the Tenancy ending earlier than the end date in the Tenancy Agreement.
- Only when a replacement Tenant has been found, who meets the requirements of the Landlord, can a surrender of the existing agreement take place. Only when the surrender has taken place will the Tenant's obligations under the Tenancy Agreement end.
- With the Landlord's written agreement the Tenant can instruct us to seek a replacement Tenant.
- To action Tenants instructions to seek a replacement Tenant we will require the Tenant's written confirmation.
- **Our fees for acting for Tenants to find a new Tenant are equal to three weeks rent, plus VAT. Alternatively Tenant(s) can make their own marketing arrangements.**
- **Tenants will also be required to pay £160.00 inc VAT towards the Landlord's administration costs of setting up the new Tenancy. In addition Tenants will be required to pay for a new inventory to be created (this cost varies with different Inventory Clerks and should be clarified with the negotiator they are dealing with).**
- Only when these sums have been received can we begin marketing.
- All negotiations with the prospective replacement Tenants must be handled by us.
- The consideration of an application will be handled like any other Tenancy application, with the usual full referencing.
- All applications received will be presented to the Landlord, whose formal written instructions to proceed will be required to enable a replacement Tenancy to be created and the existing Tenancy to be surrendered.
- The Tenant(s) will be required to vacate the Property five working Days before the start of the replacement Tenancy. The Tenant will be responsible for all costs as per the Tenancy Agreement until the start date of this new Tenancy.
- The standard vacation costs and arrangements will apply as per The Guide To Tenants

TENANCY SWAPS

In the event that an individual or individuals wish to vacate the Property early and have arranged for another to take their place, this can be arranged subject to the following.

VACATING TENANTS

Vacating Tenants must provide a minimum of one months' written notice of the proposed date of vacation (this date must be one day preceding a rental due date). The letter must also include the following:

- Amount of deposit the vacating Tenant(s) paid at the beginning of Tenancy (this must be counter signed by all Tenants)
- Forwarding address details and contact telephone numbers of all vacating Tenant(s)
- Bank details where deposit should be remitted, if applicable.

All Tenants remain responsible for the Tenant obligations in the Tenancy Agreement until the end date of the Tenancy.

KEYS

All vacating Tenants must return their keys directly to CGEAL as soon as they vacate the Property. CGEAL will then release the keys to the new Tenant once all paperwork is complete and correct monies are paid in cleared funds.

NEW APPLICANTS

Each proposed new Tenant needs to complete a Tenancy Application form and submit this to CGEAL with an administration charge of £160.00 inc VAT per Tenant a minimum of one month before the proposed vacated date.

If the Application is approved a surrender of the old Tenancy Agreement will be accepted, subject to contract and references, and a new Tenancy Agreement will be drawn up. This will not be executed until the funds and charges have been paid.

The first month's rental and full deposit must be paid and be in cleared funds before the new tenancy can commence.

EXISTING TENANTS APPLYING FOR NEW TENANCY

The existing tenants who are applying to remain in the property will be subject to an administration charge of £99.96 inc VAT per person should the landlord wish to re-reference them or £49.98 inc VAT per person without re-referencing.

LANDLORD'S COST

Should the proposed date of the swap of Tenants be mid-tenancy, the Landlord administration charge of £99.96 inc VAT must also be borne by the Tenant(s) and new applicant.

OFFER STAGE

Only once we are in receipt of the Property Application Form and the administration charge has been paid will we discuss the proposed application with the Landlord, and if the offer is accepted, proceed with the application subject to references and contract. In the event that the Lead Tenant is leaving the tenancy, all tenants must agree and confirm to us in writing the replacement Lead Tenant for the proposed new tenancy.

INVENTORY AND CHECK-OUT

It is important to understand that an inventory check out cannot be conducted unless all Tenants vacate the Property including the removal of all personal belongings. Therefore in signing the Tenancy Agreement the new Tenants agree to accept the Property in accordance with the Inventory & Schedule of Condition which was agreed at the beginning of the initial Tenancy. When vacant possession of the Property is returned to the Landlord at the end of the Tenancy, an inventory check out report will be conducted and the deposit handled as stated in our deposit disbursement procedure.

All remaining Tenants must abide by the agreed Check In Report at the start of the Tenancy.

SECTION L: VACATION AT END OF TENANCY AND DEPOSIT DISBURSAL

INVENTORY CHECK-OUT

Tenants are responsible for the costs of an inventory clerk conducting the Check-out. Whilst costs vary from time to time the current indicative cost of a checkout for a 2 bedroom apartment is £140.00 (inc VAT) inside of the M25 and £100.00 (inc VAT) for other areas. If Tenants choose not to be present at the Check-out, the inventory clerk will sign the Inventory and Schedule of Condition on their behalf.

Keys must be handed to the Inventory Clerk at this appointment, if Tenants are not present at the Check Out they must ensure that all keys are delivered to CGEAL before the appointment.

Deposit disbursement will be carried out in accordance with our standard procedures. See Deposit Guidelines.

RESPONSIBILITIES WHEN VACATING THE PROPERTY

Failure to comply with these requirements could seriously delay the return of the deposit and result in deductions being made from it. The Tenancy Agreement makes Tenants liable to pay the Agent's reasonable fees and disbursements for arranging the making good of any breach or non-compliance by the Tenant.

At the end of a tenancy it is important to cancel the standing order for payments of rent. This is the responsibility of the Tenant. Where payments are received from ex Tenants after the tenancy has ended, they have vacated and there are no outstanding monies due, an administration charge of £34.50 inc VAT will be made to cover the costs of administering a refund. This charge will be taken directly from any refunds due.

DEPOSIT GUIDELINES

DEPOSIT

A deposit equivalent to at least one and a half months rent is held for the duration of the Tenancy to offset any costs required to remedy the failure of the Tenant to fulfil the conditions of the Tenancy Agreement.

If we the Agent, CGEAL are instructed by the Landlord to hold the Deposit, the Agent shall do so under the terms of the Tenancy Deposit Scheme where the Tenancy is an Assured Shorthold Tenancy. The interest upon the Deposit is retained by the Landlord's Agent.

THE TENANCY DEPOSIT

The Chancellors Group Of Estate Agents Ltd is a member of the Tenancy Deposit Scheme, which is administered by:

Tenancy Deposit Scheme - The Dispute Service Ltd

PO Box 1255

Hemel Hempstead

Herts HP1 9GN

Phone 0300 037 1000

Fax 01442 253193

Web www.tenancydepositscheme.com Email deposits@tds.gb.com

TDS means The Dispute Service Ltd

ICE means the Independent Case Examiner of The Dispute Service Ltd.

Agent means a person who is authorized to act on behalf of another, in this instance the Landlord.

Member means the Landlord's agent who is also a member of the Tenancy Deposit Scheme.

Stakeholder means that the person holding the tenancy deposit during the tenancy between the parties (landlord and tenant) should obtain the agreement of both sides before making any deductions for damage, cleaning etc.

GUIDELINES

We hold tenancy deposits as Stakeholder. These Deposits will be disbursed in accordance with our standard procedures as documented in this guide and where the tenancy is an Assured Shorthold Tenancy the requirements of the Tenancy Deposit Scheme.

At the end of the Tenancy CGEAL will arrange a Check-out and an Inventory/Schedule of Condition/ Check-out Report will be produced by an independent inventory company. The Inventory/Schedule of Condition/Check-out Report will be returned to CGEAL Property Management. The cost will be borne by the party stated in the Tenancy Agreement.

When there is no dispute or a dispute has been settled between parties CGEAL will keep any amounts agreed as deductions where expenditure has been incurred on behalf of the Landlord, or repay the whole or the balance of the Deposit according to the conditions of the Tenancy Agreement with the Landlord and the Tenant.

The Lead Tenant will confirm on behalf of all other Tenants agreement to any proposed deductions and how the deposit should be disbursed between all Tenants.

The statutory rights of either the Landlord or the Tenant(s) to take legal action against the other party remain unaffected.

AT THE END OF A TENANCY COVERED BY THE TENANCY DEPOSIT SCHEME

If there is no dispute CGEAL will keep any amounts agreed as deductions where expenditure has been incurred on behalf of the Landlord, or repay the whole or the balance of the Deposit according to the conditions of the Tenancy Agreement with the Landlord and Tenant. Payment of the deposit or any part of it will be made within 10 calendar days of the Landlord and Tenant reaching an agreement and providing their written consents to CGEAL. In the absence of a response from either party or absence of agreement from either party, the deposit will be retained by CGEAL until such time as agreement is reached or the deposit is called for by the TDS for adjudication or a Court Order is issued- this applies irrespective of when the tenancy ended.

At the end of the tenancy covered by the Tenancy Deposit Scheme where there is a dispute:

If, after 10 calendar days following notification of a dispute to CGEAL and reasonable attempts have been made in that time to resolve any differences of opinion, there remains an unresolved dispute between the Landlord and the Tenant over the allocation of the Deposit it can be submitted by either the Landlord or Tenant to the Independent Case Examiner of the TDS (ICE) for adjudication. All parties agree to co-operate with any adjudication.

All parties agree to co-operate with any adjudication. Landlord or Tenant can instigate a dispute by raising a dispute online at www.tenancydepositscheme.com

The TDS scheme rules state that the first Tenant to raise or respond to a dispute will do so on behalf of all joint tenants. All submissions of evidence and comment will be through this nominated person only and the TDS will not accept submissions from any other tenant. The TDS will make this Tenant aware of their responsibilities to other Tenants as part of their application or response to a dispute

The statutory rights of either the Landlord or the Tenant(s) to take legal action against the other party remain unaffected.

It is not compulsory for the parties to refer the dispute to the TDS for adjudication. The parties may, if either party chooses to do so seek the decision of the Court. However, this process may take longer and may incur further costs. Judges may, because it is a condition of the Tenancy Agreement signed by both parties, refer the dispute back to the TDS for adjudication. If the parties do agree that the dispute should be resolved by the TDS, they must accept the decision of the TDS as final and binding.

If there is a dispute CGEAL must remit to The Dispute Service Ltd the full deposit, less any amounts already agreed by the parties and paid over to them. This must be done within 10 calendar days of being told by the TDS that a dispute has been registered whether or not you or we want to contest it. Failure to do so will not

delay the adjudication but The Dispute Service Ltd will take appropriate action to recover the deposit and discipline CGEAL.

CGEAL must co-operate with the TDS in the adjudication of the dispute and follow any recommendations concerning the method of the resolution of the dispute.

TENANT'S FORWARDING ADDRESSES

Failures by all Tenants to provide forwarding addresses and email addresses may delay if not prevent the return of deposit monies. See attached "Deposit Release Department- Forwarding Address Slip".

DEPOSIT DISBURSAL GUIDELINES

At the end of the Tenancy CGEAL will arrange a Check-out and an Inventory/Schedule of Condition/ Check-out Report will be produced by an independent inventory company. The Inventory/Schedule of Condition/Check-out Report will be returned to CGEAL Property Management. The cost will be borne by the party stated in the Tenancy Agreement.

If there is no dispute or a dispute has been settled between parties CGEAL will keep any amounts agreed as deductions where expenditure has been incurred on behalf of the Landlord, or repay the whole or the balance of the Deposit according to the conditions of the Tenancy Agreement with the Landlord and the Tenant. Payment of the Deposit will be made within 10 calendar days of written consent from both parties.

DEPOSIT RELEASE PROCEDURE FOR PROPERTIES NOT MANAGED BY CGEAL

- a) Where it is available to us, we will send a copy of the Check-out report to both Landlord and Tenant with a letter stating that they should discuss any dilapidations with each other and come to an agreement as to dilapidation costs.
- b) Where CGEAL hold the Deposit:
When Landlord & Tenant reach agreement we need written confirmation from both parties that this is so before we arrange deposit disbursement. When written agreement is received we will arrange deposit release within 10 calendar days of receipt of consents of all parties.
- c) Where CGEAL hold the Deposit under the rules of the TDS:
If after 10 days of receiving the check-out report Landlord and Tenant have failed to agree on the disbursement of the deposit either party can refer the dispute to the TDS, where the deposit is protected by the TDS.

If the TDS, Landlord and Tenant want to refer the case to the Courts or other external adjudication body, they must inform us in writing of their intention.

Either Landlord or Tenant can independently submit the dispute to the TDS for resolution. Details and Application Forms are on www.tenancydepositscheme.com

DEPOSIT RELEASE PROCEDURE FOR PROPERTIES MANAGED BY CGEAL

- a) Where it is available to us, we will send a copy of the Check-out report to the Landlord and Tenant asking for their comments in writing. If dilapidations have been costed these may be included with the Check-out Report.
- b) The Landlord's/Tenant's comments, when received, will be sent to the other party.
- c) When the Tenant's comments on any Landlord's comments are received and if there are no issues CGEAL will distribute the deposit in line with the Check-out Report findings. When written agreement is received from both parties we will arrange deposit release within 10 calendar days of receipt of consents of all parties
- d) If there are differences between the Landlord's & Tenant's comments, we will write to both requesting further observations. If, when the respective comments are received the Landlord and Tenant are now in agreement, CGEAL will disperse the deposit accordingly and within 10 calendar days of receipt of consents of all parties.
- e) Where the Deposit is held under the rules of the TDS:
If 10 days after receiving the check-out report the Landlord and Tenant have failed to agree on the disbursement of the deposit either the Landlord or the Tenant can independently submit the dispute to the TDS for resolution. Details and Application Forms are on www.tenancydepositscheme.com
- f) Where the Deposit is NOT held under the rules of the TDS:
If, when the respective comments are received the Landlord and Tenant are still not in agreement CGEAL may acting as Stakeholder make a professional judgement and propose a settlement based on the known facts. This proposal will be sent to Landlord and Tenant and if they agree to the professional judgement the deposit will be dispersed accordingly. If the parties do not agree to the settlement the matter can be referred to the TDS for adjudication by either party.

MONIES PROPERLY OWED TO CGEAL

Any monies properly owed to CGEAL by the Landlord will be deducted from the deposit amount due to the Landlord. The Tenant agrees that any monies properly owed to CGEAL (and/or any unpaid costs to third parties incurred on the Tenant's behalf by the Landlord or Agent) by the Tenant will be deducted from the deposit amount due to the Tenant and/or deposit monies being paid to the Landlord.

STATUTORY INSTRUMENT 2007 NO. 797

The Housing (Tenancy Deposits) (Prescribed Information) Order 2007 can be found at:
<http://www.opsi.gov.uk/si/si2007/20070797.htm>

REFERENCE REQUEST

After you have vacated the property and you request that we provide you with a reference regarding your suitability as a tenant, our fee for providing such references is £18 (incl. VAT).

SECTION M: ENERGY PERFORMANCE CERTIFICATES (EPC'S)

Legislation has introduced an obligation on persons letting certain types of residential property to provide an EPC to the Tenant of the property prior to the exchange of contracts for the rental of the property.

If, in our opinion, the property requires an EPC we will provide Tenants with this no later than exchange of contracts or at the Tenants request once it has been provided to us by the Landlord or his EPC provider unless we have been specifically instructed not to do so by the Landlord.

LEGISLATION

This term includes any legislation relating to EPC's including without limitation the Housing Act 2004, Home Information Packs (No 2) Regulations 2007, Home Information Packs (No 2) Redress Regulations 2007 all as amended from time to time.

EPC OWNERSHIP

Ownership of the EPC does not pass to the Tenant(s) at any time. It remains the property of the Landlord.

SECTION N: TAXATION ON NON-RESIDENT LANDLORDS

Non-resident landlords are persons:

- who have rental income, and
- whose 'usual place of abode' is outside the UK
- This includes anyone who leaves the UK for more than 6 months even though their local tax office may continue to treat them as a resident in the UK following their departure.

Members of HM Armed Forces and other Crown Servants including Diplomats are treated no differently from any other non-resident landlord. So if they receive UK rental income and have a usual place of abode outside the UK the NRL Scheme applies to them.

When rent is paid to the Landlord via CGEAL we ensure all of the tax matters relating to the landlord are dealt with correctly and that the tenant has no liability. If the Tenant pays the rent directly to an Overseas Landlord (as defined above) and the Landlord does not pay the correct tax to HMRC it is possible that HMRC will issue a tax demand to the tenant.

This problem is avoided if the Landlord has an Approval Notice issued by HMRC for rents to be paid without deduction.

SECTION O: DEFINITIONS

“Deposit” The Deposit is a sum of money paid by the Tenant and held against any damages, or dilapidations to the property caused by the Tenant, or for rent arrears or other breaches of the Tenancy Agreement by the Tenant. The Tenant will pay a deposit at the commencement of the initial term. We will hold the deposit as stakeholders pending the satisfactory termination of the Tenancy.

“Lead Tenant “ The individual Tenant that acts on behalf of all other Tenants and upon whose authorisation deposit negotiations and repayment will be conducted.

“Guarantor” A Guarantor is someone who guarantees all the obligations of another person. A Tenant’s Guarantor, is liable for all the Tenant’s obligations under the Tenancy Agreement.

“Ice” The Independent Case Examiner of the Dispute Service.

“Offer” An offer is the price and attendant conditions made by a prospective Tenant who wants to rent a property.

“Stakeholder” The term stakeholder, in law is a third party who temporarily holds money while its owner is still being determined.

SECTION P: GUIDES FOR TENANTS

We recommend that all prospective tenants review the information on the web sites below.

Guides on Renting

<http://www.communities.gov.uk/documents/housing/pdf/138289.pdf>

<https://www.gov.uk/private-renting>

http://www.adviceguide.org.uk/england/housing_e/housing_renting_a_home_e.htm

<https://www.gov.uk/private-renting-tenancy-agreements>

www.gov.uk/government/publications/how-to-rent

Tenancy Deposit Protection

<https://www.gov.uk/tenancy-deposit-protection>

<https://www.tenancydepositscheme.com/>

Information on Local Authorities

<https://www.gov.uk/>

Schools - <https://www.gov.uk/find-school-in-england>

Parks - <https://www.gov.uk/find-your-local-park>

Environment - <http://www.environment-agency.gov.uk/homeandleisure/37793.aspx>

Air Pollution - <http://www.environment-agency.gov.uk/homeandleisure/124274.aspx>

Crime - <http://www.police.uk/>

Flight Paths - <http://www.flightradar24.com/>

Flooding - <http://www.environment-agency.gov.uk/homeandleisure/37837.aspx>

Flood Warning Areas - <http://www.environment-agency.gov.uk/homeandleisure/37835.aspx>

Historic Landfill - <http://www.environment-agency.gov.uk/homeandleisure/37829.aspx>

Landfill Sites - <http://www.environment-agency.gov.uk/homeandleisure/37823.aspx>

Industrial Pollution - <http://www.environment-agency.gov.uk/homeandleisure/37827.aspx>

We trust that this information will be of assistance to you. If you have any questions, please do not hesitate to contact your local branch.