

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.

The logo for Chancellors, featuring the word "Chancellors" in a yellow, serif font with a crown over the 'i', set against a red background.

Chancellors is a trading name of The Chancellors Group of Estate Agents Ltd. Registered office is at One Station Square, Bracknell RG12 1QB. Registered in England No. 2345397

Once your offer on a property is agreed:

- You will be required to enter into a Commitment To Rent Agreement at application stage whereby a sum equal to one week's rent will be due by you should you withdraw from the tenancy process, fail to complete that process due to a failure administratively on your part, and/or information you provide proves to be false and causes the Landlord to be unable or reasonably unwilling to enter into a tenancy with you.

Fees During Tenancy or Before Tenancy is Renewed:

- Tenancy Agreement Change: £50.00 inc. VAT (where a re-issue is required due to tenant providing inaccurate information or a change of instructions on each occurrence)

Fees when you vacate:

- 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: the amount of rent owing until the end of the shortened term created by another tenancy commencing with a new tenant group; a handling fee of £50.00 inc. VAT or the reasonable costs of us carrying out the Early Termination, the landlord's referencing fee of £50.00, £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 and the landlord's associated costs of setting up the new tenancy including the Inventory and Check-In fees.
- Administration fees for tenancy swap: £50.00 inc. VAT per occurrence;

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

Note: charges will not apply in Wales in line with requirements set out by Welsh Government Guidance and Rent Smart Wales.

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: REGISTRATION/APPLICATION

REGISTRATION

At the point of registering with CGEAL to search for a property to rent we will, with your agreement, share your details with The Lettings Hub who will be responsible for the referencing journey. You will receive an automated email invite to begin your referencing journey through The Lettings Hub platform (by way of either mobile app or website).

The references will be actioned in two stages: instant and full references.

Stage 1 - The instant references will be carried out through open banking (or an alternative manual journey, if you so choose) which will quickly provide a result on your Identity, affordability, credit history and rental history. This will be carried out as early as possible in your renting journey and the reported information provided to us by The Lettings Hub will enable us to support your search for a property efficiently and effectively as a pre-referenced applicant.

Stage 2 – The full references will be requested through The Lettings Hub platform at the point an offer is agreed with the Landlord, for a property. At this stage The Lettings Hub will approach previous landlord details in order for an employment and landlord references to be performed.

TENANCY APPLICATION

When the Tenant has chosen the Property they wish to Rent, the Tenant must formally apply for the Tenancy by completing a Lettings Property Application Form, and enter into an agreement to compensate us for failure to ultimately enter into the tenancy agreement should terms be agreed and administration processes commence. 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 begin the second stage in the reference process. 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.

- 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 obligations the named tenant has entered into within the tenancy agreement for the term of the Tenancy Agreement (including any extension/continuation or renewal and any further period of occupation not specified in the Agreement extension or renewal/continuation agreements).
- The Guarantor must be a UK based Property owner and will be referenced in the same way as the proposed Tenant.

Guaranteeing and Responsibility under the Tenancy Agreement

A guarantor guaranteeing a specific sharer tenant's obligation will be jointly and severally liable for all of the other tenant's obligations set out in the tenancy agreement in the same way as the tenant is.

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.

As part of this process we ask that a lettings property application form is completed by all applicants whereby all relevant information for qualification of the application is shared. This data includes information on your employment, income and address history. This form may be shared with other applicants that form a part of this application. 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 data to be shared.

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 and they 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.
- Ensure details of your offer, pre tenancy conditions and other important property information, such as parking arrangements, are detailed clearly and agree with your understanding in both the Memorandum of Lettings and Tenancy Agreement.
- It is our policy unless agreed or instructed otherwise to continue to market properties until all terms of an agreement are fully agreed between the parties. Our Memorandum of Lettings document will confirm this for each transaction. Re marketing will commence without delay should an application fail to proceed in line with committed timeframes and undertakings.

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.

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 history check, adverse credit data check, income verification, rental history, employment and Landlord reference. For company lets we will review the company's trading position, and where required by law, will need to undertake referencing or ID checks of controlling Directors.

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.

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 TO RENT AGREEMENT

We require all tenants to enter into a Commitment To Rent Agreement as part of making an offer to rent. This agreement confirms that the tenant will be liable to pay an amount equal to 1 week's rent in the event that:

- a) information you have provided turns out to be false or misleading which reasonably affects the landlord's decision to let the property to you with specific reference to the Employment/Employer, Accountant and Affordability, past tenancy and credit sections;
- b) references prove unsatisfactory on the basis that they identify that the tenant has provided false or misleading information;
- c) you request material changes be made to your application that are not agreeable to the Landlord as new conditions after the offer has been submitted and accepted;
- d) you at any point withdraw the application before the deadline for agreement;
- e) our client withdraws because completion cannot not take place at the agreed date due to any failure on your part to take all reasonable steps to enter an agreement when the landlord and/or its agent has done so; or
- f) fail a Right to Rent check.

As part of entering into this agreement you agree to provide debit or credit card information and to have this verified as an account capable of making payment of this level (Note no monies will be taken from this account prior to them becoming due in accordance with this agreement)

Note: charges will not apply in Wales in line with requirements set out by Welsh Government Guidance and Rent Smart Wales.

REFUNDABLE HOLDING DEPOSIT

On occasion a landlord may require the applicant group to make payment to them of a Refundable Holding Deposit instead of asking for the Commitment To Rent Agreement to be entered into. In these circumstances CGEAL will not be party to any payment arrangements or terms associated with the payment. You should deal directly with the landlord on this payment arrangement and will be given contact details to do so. You should not make payment to a CGEAL named bank account for these monies.

You should ensure that you are wholly satisfied that the landlord's payment arrangements and terms are in line with regulations and we recommend that you seek suitable advice to confirm this fact before making payment to a Landlord.

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). You agree as part of your application and subsequent tenancy agreement that we will carry out ongoing tenant monitoring throughout the term of the tenancy.

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 a liability for payment under the Commitment to rent Agreement; and

4. the payment due under the Commitment to Rent Agreement 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.

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.

ANTI MONEY LAUNDERING REGULATIONS

We require confirmation of certain personal information requested as part of your application to let a property. Once an offer is agreed we will use this information to carry out sanction checks in order to fulfil our requirements under the Sanctions and Anti-Money Laundering Act 2018. This will apply to tenants, guarantors and occupants over the age of 18.

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, including but not limited to:

- any applicant, tenant, occupier or guarantor named in the application form or tenancy agreement.
- the Property Redress Scheme, our Anti-Money Laundering identification verification service, contractors, utility providers, our referencing providers and 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.

TRANSPARENCY OF REFERRAL FEES

The National Trading Standards Estate Agency Team have published its Guidance on Transparency of Fees Involving Property Sales in February 2019.

Pursuant to the guidance estate agencies are required to provide their clients and customers with information relating to the price of its services and any additional services provided under a referral agreement or arrangement for which they are paid a fee. In order to discharge this obligation, we have set out the services available to our clients and the average of those services in our Referral Facts Guide.

The Referral Facts Guide intends to provide a comprehensive table of all the potential referrals made to third parties, depending on whether or not the client or customer has opted to benefit from that service.

See our [Referral Facts Guide](#) link for further information.

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 shared tenancy will also be responsible for all of the tenant's 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.

The tenant is required to notify the landlord or agent about any deterioration in the condition of the property during the tenants occupation. Proactive action should be taken to mitigate any damage that this deterioration causes and consistent updates should be provided where remedy or repair has not been completed, for whatever reason, and ongoing deterioration or damage is evident or likely to be found at a later stage.

TENANT RESPONSIBILITIES IN A HMO

Being a Tenant brings with its 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 property's 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 specifically pet cleaned at the end of the tenancy by the landlord at the tenants expense if the tenant fails to leave the property in a to a the same professional standard of cleanliness that they received it in. 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/continuation, 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.

Tenants will be supplied with one set of keys for the property at the start of the tenancy, should further copies need to be made the tenant agrees to inform the landlord or agent and agrees to release all sets at the end of the tenancy to the landlord or agent.

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. 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.

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: £0 DEPOSIT REPLACEMENT SCHEME

If you would find it more convenient not to provide a deposit as part of the initial account (and you meet our eligibility criteria), you may opt for our £0 Deposits Replacement Scheme. This is subject to the landlord's agreement to accept a £0 Deposit in place of a traditional deposit as part of the offer you make to rent the property. There is no additional charge to the tenant for access to this scheme.

Under the scheme you will not be required to pay an upfront deposit at the start of the tenancy but will remain financially liable for all rent payments owing, any damage to the property or failure to abide by the terms of the tenancy during your tenancy period.

Conditions for £0 Deposit Replacement Scheme

In order to qualify for our £0 Deposit Replacement Scheme, the following criteria must be met:

- All tenant(s) and/or Guarantors will need have a The Lettings Hub credit rating of between 40 – 100 with no active CCJ's
- The landlord must agree to accept £0 Deposit as part of the terms of your offer before the £0 Deposit Replacement Scheme is provided;
- The rent must be paid directly to Chancellors throughout the tenancy and in accordance with the terms of the tenancy

The End of the Tenancy

After you have vacated the property a Check-Out will be carried out at the property. If the condition of the property is acceptable in the sole discretion of Chancellors, then the scheme comes to an end.

If there is any damage or dilapidations, cleaning or gardening required then the landlord will be required to submit a claim to Chancellors who will pass on the claim to the tenant(s) requesting payment of the sum claimed, in the usual way of a traditional deposit scheme. Failure to make payment for any such costs incurred by your landlord may result in legal action to the fullest extent of the laws of England being imposed upon you.

Disputes

Where you do not agree and dispute the findings of the Check-Out report, you will be required to notify us in writing within seven days of the date you receive your landlord's demand for payment from Chancellors.

The issue will then be referred to an independent adjudicator, who has extensive experience assessing deposit disputes. You and the Landlord will then be asked to provide evidence in support of your costs in dispute. The adjudicator will then assess all the evidence and provide a final decision on the outstanding sums owed. In the event the adjudicator upholds the claim wholly in favour of the landlord, you will be held liable for the adjudicators fee payable to Chancellors within 5 working days from the date of the adjudicators decision.

Your Chancellors Property Manager will assist you with the end of tenancy process.

SECTION H: 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.

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 I: ONCE THE TENANCY HAS STARTED

RENT PAYMENTS

After the initial payment, Rent must be paid by one standing order for each payment period. We require proof of this 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. Furthermore, we request that you enable the RentTracking feature on the The Lettings Hub platform which will allow us to track your rental payments as well as allowing you to build a credit history by way of your rental payments.

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

Chancellors works with Homebox to ensure that utility suppliers are notified of a change in occupancy. This is important work to be completed to ensure that the supplier of gas, electricity, water and council tax are aware that you, The Tenant, are responsible for the services within the property.

The Tenant acknowledges that we will pass your details (first name, last name, email address and mobile phone number) to Homebox, in order to send your information to the suppliers of gas, electricity, water and council tax once your tenancy is confirmed.

Homebox will send you a series of text messages and emails explaining and providing you with options for how to set up your bills and explaining who your suppliers are for your new home. You can opt out of communications from Homebox at any point.

The tenant acknowledges that your personal information will be passed to Homebox, who will attend to the continuity of your energy and service supply by passing your details over to the current utility providers and to Homebox's preferred supplier where the property has gone through the void switching scheme. However, this will not prevent the Tenant from changing to a different energy provider if desired

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 are also the Tenants responsibility. Any parking permits required is the responsibility of the tenant (s) to obtain and adhere to the parking company or local authority restrictions at all times, whether in possession or not of a parking permit. Chancellors Group of Estate Agents have no responsibilities in relation to the adherence to restrictions, administering of permit arrangements or settling of costs, including penalties and will not be responsible for any breaches that are made by the tenant (s).

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 The Lettings Hub.

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 must provide a Carbon Monoxide alarm in all rooms that are used as living accommodation which contain a fixed combustion appliance such as gas boilers, gas fires but excluding any room where there is only a gas cooker. We will ask the landlord to confirm 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 J: 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 not able to attend these appointments on the Tenants behalf.

SECTION K: RENEWAL/CONTINUATION 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, One Station Square, Bracknell, RG12 1QB. 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/CONTINUATION

Before we draw up any documents a new credit check may be required by the Landlord.

LATE PAYMENT

Failure to pay monies rightly due will incur interest at a rate of 3% above the Bank of England Bank Rate and will be calculated from the date the 14th day after monies are 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 or continuation agreement from the expiry of the current term. If the Tenant and the Landlord both wish for a new/continuation 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 L: TERMINATIONS

NATURAL END OF A TENANCY

During 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 purchasers. If the property is sold during a tenancy the landlord status is transferred to the new owner and the tenancy continues under the existing terms.

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 facilitating a change in tenant are £50.00 including VAT and are payable upon the re-marketing of the property or the memorandum of let being produced with a new proposed tenant, whichever is the sooner.
- Tenant(s) can make their own marketing arrangements to look to source a new tenant that can be proposed to the landlord for their consideration.
- Tenants will also be required to pay the rent until the end of the term or the commencement of a new tenancy, whichever is the earlier.
- 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 a fee of £50.00 including VAT, payable prior to the production of a memorandum of let and the following.

Note: charges will not apply in Wales in line with requirements set out by Welsh Government Guidance and Rent Smart Wales.

VACATING TENANTS

Vacating Tenants must provide a minimum of one month's 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/ SECURITY DEVICES

All vacating Tenants must return their keys & security devices 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. Should the tenant(s) fail to return all keys & security devices, the landlord and/or the agent reserve the right to recover the costs of a lock change and/or replacement of device from the tenant(s).

NEW APPLICANTS

Each proposed new Tenant needs to complete a Tenancy Application form, enter into a Commitment To Rent Agreement and submit this, alongside evidence of credit/debit card validation via the CGEAL web link, to CGEAL 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.

OFFER STAGE

Only once we are in receipt of the Property Application Form and the tenancy swap 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 original Tenancy.

SECTION M: VACATION AT END OF TENANCY AND DEPOSIT DISBURSAL

INVENTORY CHECK-OUT

Landlords are responsible for the costs of an inventory clerk conducting the Check-out. 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 or Deposit Replacement review will be carried out in accordance with our standard procedures. See Deposit Guidelines and Deposit Replacement Guidelines (Section G).

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, or claim being made in line with the Deposit Replacement Guidelines. 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, the Tenant has no rights to claim compensation for any bank charges incurred by them for this overpayment.

DEPOSIT GUIDELINES

DEPOSIT (where the Deposit Replacement Scheme is not being used)

A deposit equivalent to 5 weeks (6 weeks if the rent is equal or more than £50,000 pa) 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.

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.

Where there is a dispute between the parties 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.

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

If there is an agreement that an amount is due from the tenant under the terms of the Tenancy deposit scheme then written confirmation will be provided to both parties of the figures involved and the tenant should make arrangements for payment of the agreed sum within 10 calendar days following the notification being received. If monies are not received by that point, it will be assumed that the parties are in dispute over the amount and the below process to submit the case to the ICE will apply without further notice to the tenant.

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.

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 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 and 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 N: 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 O: 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 P: DEFINITIONS

Canopy is the trading name of InsureStreet Limited a company registered in England & Wales under company number 10287920. Canopy supplies £0 Deposit Replacement to tenancies where the references have been supplied and there criteria was met.

“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.

“The Lettings Hub” The Lettings Hub Ltd is an Appointed Representative of Let Insurance Services Ltd (FCA reference 474985) supplies tenant referencing, £0 Deposit insurance as well as other services to Chancellors.

SECTION Q: GUIDES FOR TENANTS

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

Guides on Renting

www.communities.gov.uk/documents/housing/pdf/138289.pdf

www.gov.uk/private-renting

www.gov.uk/government/collections/tenant-fees-act

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

www.gov.uk/private-renting-tenancy-agreements

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

Tenancy Deposit Protection

www.gov.uk/tenancy-deposit-protection

www.tenancydepositscheme.com

Information on Local Authorities

www.gov.uk

www.gov.wales

www.rentsmart.gov.wales

Schools - www.gov.uk/find-school-in-england

Parks - www.gov.uk/find-your-local-park

Environment - www.environment-agency.gov.uk/homeandleisure/37793.aspx

Air Pollution - www.environment-agency.gov.uk/homeandleisure/124274.aspx

Crime - www.police.uk

Flight Paths - www.flightradar24.com

Flooding - www.environment-agency.gov.uk/homeandleisure/37837.aspx

Flood Warning Areas - www.environment-agency.gov.uk/homeandleisure/37835.aspx

Historic Landfill - www.environment-agency.gov.uk/homeandleisure/37829.aspx

Landfill Sites - www.environment-agency.gov.uk/homeandleisure/37823.aspx

Industrial Pollution - 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.