

## TERMS OF BUSINESS – v1.5 updated November 2018

Upon receipt of the signed acceptance of our Terms of Business from the Landlord, Regal will offer the premises subject to confirmation of compliance with the following legislation: Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1993 (as amended), The Gas Safety (Installation and use) Regulations 1994, The Smoke and Carbon Monoxide Alarm (England) Regulations 2015 and the Electrical equipment (Safety) regulations 1994, to prospective tenants. It is a legal requirement for Regal to hold an Energy Performance Certificate (EPC) prior to advertising a premise.

### 1. DEFINITIONS

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

- 1.1 “Tenant” shall mean any one or more individuals or corporate entities introduced by us to you or the premises or named as Tenant in an existing Tenancy Agreement or Lease or referred to in Paragraph 2.4 herein.
- 1.2 “The Tenancy” shall mean the entire period that the tenant remains in occupation of the Premises including the extension or renewal or period holding whether by way of memorandum, agreement or otherwise
- 1.3 “Rent” shall mean any payment to be made by the Tenant or the Agent(s) of the Tenant for use of the premises whether expressed to be rent, a premium or any other form of payment, whether paid directly by the Tenant or his Agent(s) or obtained from other means such as deduction from the deposit.
- 1.4 “Commission” shall mean the commission or fees details of which are set out in Section 7 hereof.
- 1.5 “Regal” shall mean Regal Estates Kent Ltd, 57 Castle Street, Canterbury, CT1 2PY.
- 1.6 “Agent” shall mean Regal Estates Kent Ltd, 57 Castle Street, Canterbury, CT1 2PY.
- 1.7 “Landlord” includes the person or persons for the time being who owns the interest in the premises which gives the right to possession of it when the tenancy ends.
- 1.8 “Premises” references to “the premises” include references to any part or parts of the premises and to the furniture, fixtures fittings and effects therein.
- 1.9 “Deposit” meaning a sum of money paid by the tenant to the Landlord as security against any breach of the tenancy including damage to the premises or non-payment of rent in accordance with the Housing Act 2004.
- 1.10 “Stakeholder” shall mean that no deduction can be made from the deposit without the consent, in writing from both parties, the consent of the court or an adjudication decision from the Tenancy Deposit Scheme (TDS).
- 1.11 “ICE” shall mean the Independent Case Examiner of The Dispute Service.
- 1.12 “Tenancy Agreement” shall mean any assured short hold tenancy agreement under the housing act 1988 created prior to, during or after any instruction between the “Landlord” and “Regal”.

### 2. THE SERVICES

#### 2.1 Introduction Service – to Include Tenant Find Only Service

- 2.2 In providing the Letting Service Regal will:
- 2.3 Agree with you in advance a rent to be quoted for your premises and market your premises as appropriate at the agreed rental.
- 2.4 Introduce any prospective tenants for the premises by way of an accompanied viewing unless specified otherwise by you in writing.
- 2.5 Apply for appropriate references (and forward to you for approval where requested) including, but not limited to, an external referencing agency which is regulated by The Financial Services Authority.
- 2.6 Negotiate the terms of the Tenancy between the Landlord and the Tenant and ensure that an appropriate Tenancy Agreement is prepared and signed by or on behalf of the Landlord and Tenant (see paragraph 7.6 for costs).
- 2.7 Collect and pay to you any deposit paid by the Tenant against damages and reimbursements unless you have instructed Regal to secure the deposit using a Tenancy Deposit Scheme which has been established under the Housing Act 2004. Should you require Regal Lettings to secure the Deposit on your behalf there will be a fee payable of £100.00 plus VAT. Please note that this fee is for securing the Deposit only, you will be required to carry out the check out and confirm with the Tenants any deductions applicable and send Regal full confirmation once it has been agreed so that the Deposit can be unsecured. Should a dispute arise you will be in direct communication with the Deposit Scheme to submit any evidence you have for any claims made.

2.8 Make all reasonable endeavours to notify the Local Authority and Service companies (council tax, gas, electricity, water) of a change of occupant or user at the commencement and termination of the tenancy. We cannot accept any responsibility for inaccuracies or delays on the part of the Local Authority or Service companies concerned. Regal recommend that any telephone line accounts be closed but not disconnected prior to any let as British Telecommunications PLC or other telecommunications provider will not accept instructions from Regal.

2.9 In the event you agree to a change of tenant during an existing tenancy, Regal reserve the right to charge a fee of £300.00 Inc of VAT to cover the cost of taking references, arranging for any new tenant(s) to enter into the Tenancy Agreement and the service of any appropriate Notices.

### 3. Rent Collection Service

3.1 In providing the Letting and Rent Collection Service, in addition to the services outlined in paragraph 2 Regal will:

3.2 Collect the due instalment of rent on your behalf and forward net rents to your bank account as soon as is administratively possible.

3.3 Prepare and submit statements in accordance to your rent to yourself and/or your accountant as instructed in section 8.11.

3.4 Arrange rental guarantee and legal expenses insurance through a third party insurer where instructed, separate fee applies. Please request a quote.

3.5 Collect and hold any deposit (as Stakeholder) paid by the Tenant against damages and reimbursements in accordance with the Housing Act 2004. Regal Lettings will be entitled to the interest accrued from the holding of the deposit in a secure client account in accordance with the Deposit Scheme regulations.

3.6 Unless otherwise agreed in writing in advance, our appointment as agents is for the whole duration of the tenancy as defined in these Terms of Business, subject to three months' written notice to terminate on either side. In the event, such termination takes place, Regal remains entitled to commission for introducing the tenant(s) as defined in paragraphs 2, 3 and 4 hereof.

### 4. Management Service

4.1 In providing the Letting and Management Service, in addition to the services outlines in paragraphs 2 and 3 Regal will:

4.2 Make all reasonable endeavours to notify the Local Authority and service companies (telephone, gas, electricity, water) of a change of occupant or user at the commencement and termination of the tenancy on the basis of 2.8 above however this remains the Tenants responsibility.

4.3 Arrange for the preparation of an inventory at the commencement of the tenancy and for the inventory to be checked at the termination of the tenancy and a checkout report to be supplied. Any damage or dilapidations that may have occurred during the tenancy are recorded on this report. Copies of which are forwarded to the Landlord and Tenant. (See enclosed schedule of costs in section 8.20)

4.4 Pay from rent received current outgoings such as ground rent, insurance premiums (on receipt of demands), service charges, utility bills for void periods, maintenance contracts etc subject to us holding sufficient funds on your behalf. Although we will do our best to query any obvious discrepancies it must be understood we are entitled to accept and pay without question demands and accounts which appear to be in order. Please note you are expected to instruct your Insurance Company, Managing Agent etc to send their accounts to us. We cannot accept responsibility for the inadequacy of any insurance cover or for the verification of service/maintenance charge demands or estimates where applicable.

4.5 Carry out routine premise's visits of no less than three times a year (if no serious defect requiring our inspection has been reported to us in the meantime) and report to you on each occasion.

4.6 Any such inspections and assessments of those defects which are brought to our notice would be of a cursory nature and would embrace only apparent or obvious defects, and would not amount in any way to a structural or other survey. Any further inspection by us or structural or other survey by a qualified body would be by special arrangement and subject to an additional fee. We shall not be responsible for any hidden or latent defects within the premises.

4.7 Deal with day to day management matters including minor works up to a maximum of £150 for any one item without further instruction from you. In order to provide this service a float would be set up (£150 for professional properties and £350 for Houses in Multiple Occupation, HMO'S) from the initial payment of rent and maintained at the agreed level from subsequent net rents passing from the Tenant to yourself. **Please note that we are not able to arrange for any works prior to a letting unless we are holding sufficient funds from you to cover the costs.**

4.8 Deal with matters of redecoration, renewal, replacement or repair between £151 + VAT and £500 + VAT with your verbal authority (save in the case of emergency and/or when it is impractical to do so). Except in an emergency whenever practical, estimates will be obtained and submitted to you for works likely to cost more than £500 + VAT. Upon receipt of your written approval of such estimates we will organise and inspect works in excess of £500 + VAT. Such charge will be deducted from any monies received by us unless payment is received from you direct. **N.B some contractors may charge for estimates.**

- 4.9 Put in hand any cleaning and repair works arising from the schedule of dilapidations as outlined in 4.7 above (subject to availability of funds held on your behalf) and to obtain estimates for major works if appropriate. We will submit the same to both the Landlord and Tenant, requesting verbal agreement from the Landlord as to what amount is to be deducted from the dilapidations deposit. If an Agreement cannot be reached between Landlord and Tenant within a reasonable time frame, Regal reserve the right to refer the case to independent arbitration as per The Dispute Service guidelines. **The Landlord will be required to cover the cost of any works carried out until the TDS Dispute has been agreed. Should you not agree with the final decision of the TDS court action would need to be taken by the Landlord against the Tenants.**
- 4.10 Arrange and pay from rent for any cleaning or minor repairs prior to the first let on a change of tenancy during our management appointment.
- 4.11 When managing a premises let by another party Regal will require copies of the tenancy agreement, necessary certificates, inventory, appliance guarantees, and insurances for emergency purposes.
- 4.12 Unless otherwise agreed in writing in advance, our appointment as Managing Agents is for the whole duration of the tenancy as defined in these Terms of Business, subject to three months' written notice to terminate on either side. In the event, such termination takes place, Regal remains entitled to commission for introducing the tenant(s) as defined in paragraphs 2, 3 and 4 hereof.
- 4.13 It must be noted that our standard management service as set out above does not apply when the premises is not let; management during void periods is subject to a separate charge as defined in paragraph 7.6

## 5. GENERAL INFORMATION

### 5.1 *Rent*

- 5.2 Unless otherwise agreed, the rent quoted to a tenant by us on your behalf will be inclusive of all outgoings for which you are liable as a Landlord such as ground rent, service charges etc, but will exclude gas, electricity and other fuel charges, telephone, water rates and council tax (or any charge that may replace it) which are payments for which the tenant is in most circumstances responsible for.

### 5.3 *Dilapidations Deposit*

Regal Lettings are members of the Tenancy Deposit Scheme  
Which is administered by:

The Dispute Service  
PO BOX 1255  
Hemel Hempstead  
Herts  
HP1 9GN

Phone 0845 226 7837  
Fax 01442 253193  
Email [enquiries@tds.gb.com](mailto:enquiries@tds.gb.com)

- 5.4 If Regal Lettings are instructed by you/the Landlord to hold the Deposit; we shall do so under the terms of the Tenancy Deposit Scheme.
- 5.5 If you decide to hold the Deposit yourself, we will transfer it to you within 5 working days of receiving it. You must then register it with another Tenancy Deposit Protection Scheme within 30 days if the Tenancy is an Assured Shorthold Tenancy and provide the prescribed information to the Tenant directly. If you fail to do so the Tenant can take legal action against you in the County Court. The Court will make an order stating that you must pay the Deposit back to the Tenant or lodge it with the custodial scheme which is known as the Deposit Protection Scheme. In addition, a further order will be made requiring you to pay compensation to the Tenant of an amount of up to three times the Deposit. You will be unable to serve a Section 21 Notice on your Tenant until compliance with the above conditions. The Court will not grant you a possession order and the Tenant will be entitled to withhold rent. Regal Lettings have no liability for any loss suffered if you fail to comply.
- 5.6 The Agent holds tenancy deposits as Stakeholder and is entitled to retain any interest accrued.
- 5.7 If there is no dispute we 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 working days of written consent from both parties.
- 5.8 If, after 10 working days following notification of a dispute to the Agent/Member 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 will (subject to 5.9 below) be submitted to the ICE for adjudication. All parties agree to co-operate with any adjudication. Regal Lettings will be the principal communicator for all disputes unless the Landlord

specifically requests to the principal communicator themselves in which case Regal Lettings cannot be involved in the dispute process but can supply relevant documents if required.

- 5.9 When the amount in dispute is over £5,000 the Landlord and the Tenant will agree by signing the Tenancy Agreement to submit the dispute to formal arbitration through the engagement of an arbitrator appointed by the ICE although, with the written consent of both parties, the ICE may at his discretion accept the dispute for adjudication. The appointment of an arbitrator will incur an administration fee, to be fixed by the Board of The Dispute Service Ltd from time to time, shared equally between the Landlord and the Tenant. The liability for any subsequent costs will be dependent upon the award made by the arbitrator.
- 5.10 The statutory rights of either you or the Tenant(s) to take legal action against the other party remain unaffected.
- 5.11 It is not compulsory for the parties to refer the dispute to the ICE 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 ICE for adjudication. If the parties do agree that the dispute should be resolved by the ICE, they must accept the decision of the ICE as final and binding.
- 5.12 If there is a dispute we 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 working days of being told that a dispute has been registered whether or not you or Regal Lettings 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 both parties. Any disputes must be submitted to the The Dispute Service Ltd within three months from the end of the Tenancy.
- 5.13 Regal lettings must co-operate with the ICE in the adjudication of the dispute and follow any recommendations concerning the method of the resolution of the dispute.
- 5.14 The Deposit amount, unless otherwise agreed, will normally be a sum equivalent to six weeks rent. Where appropriate Regal hold the deposit as "Stakeholder" in a designated client account and any interest accrued thereon will not be credited to either Landlord or Tenant. In the case of HMO properties, a minimum deposit of £400.00 per person is taken.
- 5.15 **Zero Deposit Guarantee**

Where, following an introduction by [INSERT AGENT NAME], the tenant purchases a Zero Deposit Guarantee ("ZDG") from Zero Deposit ("ZD"), which is the trading name of Global Property Ventures Limited, and the Tenant maintains the ZDG throughout the rental period in substitution of the Cash Deposit referred to in clause:-  
Regal Estates Kent Limited shall be entitled to receive a commission payable by ZD;  
The Landlord accepts that the ZDG will be subject to the ZDG documentation, which will be provided to the Landlord by ZD and is also available by contacting [help@zerodeposit.com](mailto:help@zerodeposit.com); and  
Regal Estes Kent Limited shall as soon as reasonably practicable inform the Landlord in the event the ZDG is cancelled, in which case the Regal Estates Kent Limited shall, at the request of the Landlord, collect the Cash Deposit from the Tenant.

## 6. Incorrect Information

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

### 6.1 Inventories

Regal will arrange if instructed for an Independent Inventory clerk to compile a full and independent inventory of the condition and fixtures and fittings of the premises. An additional "check-out" will then be organised to be carried out at the premises by the Independent Inventory Clerk at the end of the Tenancy, the check-out fee is payable by the Tenant(s). Where Regal manage your property the Check-out report would be used by Regal as the sole basis for reaching a conclusion in the disbursement of the damages and reimbursements deposit, if you have chosen the Let Only or Rent and Collect Service this report will be forwarded to you to deal with any dilapidations or maintenance that may be required. Regal shall not be responsible for any failure or negligence of a third party in the provision of an inventory, but will provide details on request. (See page 10 for costs). Please note, the property requires to be ready a minimum of 2 days before the start of the tenancy so the inventory can show a true representation of the current condition. **If you choose not to have this report carried out you will need to visit the property at the end of the Tenancy and confirm to Regal any deductions, you feel are necessary to return the property to the condition it was at the start of the Tenancy. Please note should any Tenant dispute the deductions it would be your responsibility to prove these deductions are justified in any adjudication process.**

**Under the new Tenancy Deposit Legislation which came into force in on the 6th April 2007, if you fail to provide an inventory and full condition statement at the beginning of a tenancy you will find it extremely difficult to make any deductions from the tenant's deposit.**

6.2 ***Rental Guarantee and Legal Expenses Insurance Cover:***

Where the above service is provided, Regal will instruct a third-party insurer to arrange the provision of Rental Guarantee and Legal Expenses Insurance cover the terms of which will be provided to you if possible at the commencement of any tenancy. Regal cannot be held liable for any claims loss or damage that may arise in the instance of any claim where inadequate cover may have been provided by the insurer or where the third-party insurer may prove negligent. Regal are not accountable in any way for the payment of rent or the costs of any legal expenses incurred. Please refer to the policy for full terms and conditions.

6.3 ***Rent Remittances***

The UK banking system is such that it can take up to 10 days to clear funds paid to us by means of standing order or cheque. Regal will make payments on a weekly basis (less fees and any other monies due to us) to your account. Where rental payments are received less than five days prior to your usual payment date, your payment will be made on the next payment run. Any monies dispatched will be without prejudice to final clearance.

6.4 ***Insurance***

The premises and its contents must be comprehensively insured to include third party and occupier's liability risks. Failure to inform your insurer that the premises are let could render the policy void. You should obtain advice from your insurers as to the nature and extent of the cover required. Whilst we encourage tenants to insure their own contents it can not always be assumed that a policy will be in place. **Please provide a copy of the buildings insurance cover to Regal, We are required by law to provide a copy to the Tenant(s).**

6.5 ***Leasehold Premises***

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

6.6 ***Mortgages***

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

6.7 ***Ownership***

Authority to let the premises should be obtained from any joint owner(s) who should be named in the Tenancy Agreement. Where any party comprises of more than one person the obligations and liabilities of that party under this agreement shall be joint and several obligations and liabilities of those persons.

6.8 ***Contractors***

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

6.9 ***Waiting at Properties and Additional Inspections***

In the event that you instruct a contractor to attend the premises who is unable to collect keys from our offices, or give a specific date and time of call, we will charge waiting time at the premises of £45.00 per hour + VAT.

If at any time during your tenancy you wish Regal to carry out an additional inspection at your premises a single charge of £40 + VAT will be due.

6.10 ***Handling Working Floats and Rental Transfers***

Working floats (for managed premises) and rental transfers are handled by Regal through a dedicated client account. Due to the speed and number of transactions involved Regal do not attempt to calculate or credit to the client account any interest, which may be earned as a result of handling these monies.

6.11 ***Keys***

We require a set of keys for your premises to be provided for each tenant and a further set to be held by Regal where the management service has been requested; if you are unable to supply the required sets, we will have them cut at your expense. We recommend that if there are any lost or unaccounted keys to your premises, locks are changed before a tenancy commences. Regal cannot be held liable for lost or unaccounted keys. It may be necessary for you to provide Regal with a letter of authority for some security keys to be cut.

6.12 ***Instructions to Solicitors***

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

6.13 ***Courts & Tribunals***

Applications for fair rent or preparation for, or appearances before the Rent Officer Rent Assessment Committee or any other court or tribunal will be by special arrangement and subject to an additional charge of £200+VAT per half day.

6.14 ***Income Tax***

The Landlord is responsible for notifying the HMRC of the tenancy. Income from letting UK premises is subject to UK income tax, even if the Landlord is resident abroad, whether the non-resident Landlord is an individual, an overseas registered/resident company or an overseas-resident trust.

In April 1996 the legislation under section 42A, Income Tax and Corporation Taxes 1988 came into effect. This means Regal as your agent must account for tax at the basic rate on United Kingdom rental income if you are a Landlord whose usual place of abode is outside the UK (a 'non-resident Landlord'). From 6<sup>th</sup> April 1996 the non-resident Landlord can apply directly to the Inland Revenue (or through Regal as their managing agent or through their accountant) for exemption from deduction of tax at source from rental income.

If approval is granted by the HMRC, then effective from the date approval was granted Regal as your agent will be entitled to pay over rents without making tax deductions. If you are a non-resident Landlord who has not been granted exemption from tax deduction at source, Regal as your agent must pay to the HMRC on a quarterly basis the basic rate of income tax of net rentals collected by us on your behalf. The calculations of tax paid by Regal will not take into account mortgage interest, wear and tear allowance or other tax deductible items which we do not pay on your behalf. The eventual liability for tax may therefore be less than the amount forwarded to the HMRC, but any overpayment will have to be reclaimed at the end of each tax year by the Landlord submitting a self-assessment tax return to the HMRC directly. We regret the necessity to make such deductions, but have no alternative in view of our responsibility to meet the tax liability on your behalf.

6.15 ***Landlord and Tenant Act 1987***

We are obliged to include your full name and address on all rent demands. If your address is outside of England and Wales then we must provide the Tenant with an address within England and Wales to which notices (including Notices in Proceedings) may be served upon you. We will require this information before a tenancy commences. If the information provided changes during the tenancy we must be informed immediately. Additionally, under Section 47 we are required to provide an address to the tenant detailing where you are living at any given time. Please ensure that you supply Regal with these details as soon as possible.

6.16 ***Condition of Property***

To avoid complications on cleanliness of the property at the start of the tenancy, Regal advise the property to be cleaned to a 'professional standard'. This can be completed by yourself or you can instruct us to arrange with a professional cleaning company, at an additional cost, to clean the property on your behalf. Regal shall not be responsible for any failure or negligence of a third party in the provision of a clean, but will provide details on request.

6.17 ***Furniture, Furnishings, Gas and Electrical Safety Regulations and Requirements.***

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

**It is the Landlord's responsibility to provide a copy of an appropriate Gas Safety Certificate carried out by a GAS SAFE engineer either at the commencement of the tenancy or for any renewal period. Regal reserve the right to instruct such works as may be necessary and to deduct any costs incurred from the passing rental to ensure a current Gas Safety Certificate is in place at all times where Regal Estates collect rent.**

6.18 ***The Smoke and Carbon Monoxide Alarm (England) Regulations 2015***

The law now requires Landlord(s) to install smoke alarms to every floor of their property and they need to be tested at the start of every Tenancy and should the Tenancy continue they must be tested annually. Landlords would also need to install carbon monoxide alarms in high risk rooms such as those where a solid fuel burning appliances are installed. A penalty of up to £5,000.00 could be issued for noncompliance. Mains wired smoke and heat detectors are required for HMO properties.

6.19 ***The Housing (Management of Houses in Multiple Occupation) Regulations 2004 Act***

Where appropriate Regal require all premises to comply with all appropriate legislation and requirements relating to the renting of a premises to a house occupied by persons who do not form a single household

6.20 ***The Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007 SI 2007/991 and SI 2007/1669***

From the 1<sup>st</sup> October 2008, all buildings, whether residential, commercial or industrial, will be required to have an Energy Performance Certificate (EPC) that is no more than 10 Years old, for every occasion when they are bought, sold or rented. The requirement for such certificates came into force for all premises let after 1<sup>st</sup> October 2008 with a minimum requirement now to be a rating of an E. **Please note we are legally unable to advertise a premise without a current Energy Performance Certificate (EPC).**

6.21 ***Legionella and Legionnaires' Disease***

There is a legal duty for Landlord(s) to assess and control the risk of exposure to legionella bacteria.

6.22 ***Right to Rent – Immigration Act 2014***

From 01 February 2016 Landlord(s) and Agents are legally required to check the immigration status of all Tenant(s). Original forms of Identification must be checked and verified with the applicant present and a copy of the identification taken and dated. Civil penalties apply for noncompliance.

6.23 ***HMO Article 4 Direction – (Change from C3 to C4 Class)***

From 25 February 2016 permitted development rights will be removed under planning legislation for changes of use from dwelling houses (Class C3) to small Houses in Multiple Occupation (Class C4). This means that planning permission would be required to carry out such changes of use. A C3 Class is where there is a residential family living in a property (either rented or privately owned), a C4 Class is a small HMO dwelling where there are 3 or more unrelated people living in one property (this can be students or professionals). After the 25 February you would need to obtain planning consent to put 3 or more unrelated people into your property if it has not previously been rented out as such or there is no current HMO Tenancy in place.

**7 COMMISSIONS, FEES & CHARGES**

7.1 ***Tenant Find only Service:*** Regal commission is 75% of the first month's rent, payable in advance at the commencement of each tenancy plus VAT, and/or extension except by written agreement. (16% of the total rent payable for tenancies of 3 months or less) Regal reserve the right to change the fees at any point in accordance with current market conditions, subject to one months' notice. Our minimum Letting Service Commission is £300 + VAT. An additional fee of £100 plus VAT will be levied if you wish for Regal Lettings to hold your Tenants deposit. If you are a HMO Landlord on our Let only service and some of your tenants decide to renew, you will be charged the percentage let only fee in proportion to the new tenants introduced to the premises.


7.2 ***Letting and Rent Collection Service:*** Regal commission for this Service is 10.5% of the total rent payable for the entire length of the tenancy plus VAT, payable from and at the same frequency as rent received. (18.5% of the total rent payable for tenancies of 3 months or less). Regal reserve the right to change the fees at any point in accordance with current market conditions, subject to one months' notice. In the case of HMO Properties an additional 1% will be added. An initial set up fee for new Tenancies is payable to cover administration and Tenancy Agreements costs of £125.00 + VAT.

7.3 ***Lettings and Management Service:*** Regal commission for this Service is 12.5% of the total rent payable for the entire length of the tenancy plus VAT, payable from and at the same frequency as rent received. Our minimum Management Service commission is £600 + VAT per annum. Regal reserve the right to change the fees at any point in accordance with current market conditions, subject to one months' notice. An initial set up fee for new Tenancies is payable to cover administration and Tenancy Agreements costs of £125.00 + VAT.

7.4 ***HMO Registered Properties:*** Regal commission for this Service is 14% of the total rent payable for the entire length of the tenancy plus VAT, payable from and at the same frequency as rent received. An initial set up fee for new Tenancies is payable to cover administration and Tenancy Agreements costs of £125.00 + VAT.

7.5 ***Tenancy Agreement Renewals:*** Unless we are instructed otherwise we will use our standard form of Tenancy Agreement, the charge for which is payable in addition to our commission. Upon renewal a new tenancy will be produced using a standard format unless otherwise instructed by you. The cost of this will be £50.00 + Vat. If you are a HMO Landlord on our Managed or Rent and collect service and some of your tenants have decided to renew or all, a new Tenancy agreement fee will be payable of £90.00+Vat. Although our documents are reviewed and updated regularly by our legal advisers, we must advise you that we are not solicitors. **You should consult your own solicitor if you require further information about your rights and obligations as a Landlord.**

7.6 ***Void Management:*** Where there may be a void period in your premises Regal can provide fortnightly checks, retrieving and forwarding of mail, cursory checks of the gas, electric and water supplies and appliances and the examination of security arrangements. Regal cannot be held responsible for any damage theft or loss at any time during the management of your premises. The cost of the void management service is £35.00 + VAT per calendar month.

- 7.7 **Sale of Premises:** In the event that a Tenant, any associated party or any person introduced at the time by Regal purchases the premises or any interest in it (either after entering into a Tenancy Agreement) or otherwise and whether by transfer of the Landlord's interest in the premises or the grant of lease) the commission on the sale at a rate of 1.5% + VAT of the sale price shall be payable to Regal on completion of the sale. In the event that a third party purchases the premises or any interest in it and the tenancy is to continue, then the purchaser is permitted to enter into an agreement with Regal on the same terms as your own, and Regal agrees to enter such an agreement. Regal reserves the right to refuse to enter into such an agreement for any reason whatsoever.
- 7.8 **Value Added Tax:** Except where otherwise stated our commissions, fees and charges will be subject to VAT at the prevailing rate or any other tax which may take its place.
- 7.9 **Variations and Jurisdictions:** Variations to the Regal Terms and Conditions of Business will only be valid if agreed in writing with the Manager of the Regal office dealing with the Lettings and/or Management of your premises. Acceptance of these Terms of Business forms a binding legal agreement in accordance with English law and is subject to the jurisdiction of English courts alone.
- 7.10.1 **Liability of a Landlord to Commissions, Fees and Charges:** Commission and other charges are due and payable by the Landlord in accordance with paragraph 2 hereof on any letting of the Premises to a Tenant and reference to the Tenant including:
- 7.10.2 Any 'associate' of the Tenant as defined in Section 303(8) of the Income and Corporation Taxes Act 1970.
- 7.10.3 Any close company as defined in Section 282 of the Act in which that person or any associate as defined is a participator as defined in Section 303(i) of the Act.
- 7.10.4 Any company (or any connected person or entity of that company) which shall be the employer former employer guarantor or former or proposed guarantor of that person.
- 7.10.5 Where the tenant is a company any person employed by the company or for whom the company is or has become or proposes to become guarantor and includes any company which is a holding company of the company or subsidiary company of the company or a member of the same group, as defined in Section 272 of the Act as a company.
- 7.10.6 Any person or entity introduced by the Tenant or occupier of the premises.
- Where a tenant is introduced to your premises by Regal and subsequently takes up a tenancy of your premises whether arranged by Regal or not we shall be entitled to a commission fee equivalent to that of our finder's fee.
- 7.11 **Penalty charges:** Once a tenant has been issued a receipt and we have informed you either verbally or in writing we shall draw up agreements and take up references. If the Landlord subsequently informs us that they do not wish to proceed with the Tenancy for any reason there will be a penalty charge of £500.00 + VAT plus any associated cost that the tenant/s have paid. Where a Tenant is introduced to your property by Regal and subsequently takes up a Tenancy of your property whether arranged by Regal or not we shall be entitled to a commission fee equivalent to that of our Let Only Fee.
- 7.12 **Rent Guarantee and Legal Expenses:** Where it is requested for the Rent Guarantee and Legal Expenses an additional fee is payable. Details are available on request.
- 7.13 **Inventory Costs:** The use of an Independent Inventory Clerk incurs additional costs for which you the Landlord will be responsible. As a third party is used any scale of charges available from our offices will be subject to changes from time to time.
- 7.14 **Additional Works:** From time to time you may require Regal to carry out remedial works to your premises during a void period. In these instances, payment will either need to be made direct to the appropriate contractors or to Regal prior to the works being carried out. Regal will make a charge of 10%+VAT on all works arranged.
- 7.15 **New-Build Properties:** Regal will attempt to deal with any snagging lists that arise during a tenancy of a new-build premises. Where a developer fails to repair or remedy any fault within 10 days of the original report the matter must be taken up with the developer directly by you as the landlord.
- 7.16 **Third Party Companies:** Regal have working relationships with market leading companies who, we believe, are able to offer the most competitive quotations and advice. Please tick here if you want us to provide your details (including telephone numbers and email addresses) to third party companies who may contact you with information about goods and  services which we feel may be of interest to you.
- 7.17 **Consumer Protection from Unfair Trading Regulations 2008:** You will have a 14 day cooling off period from when this document has signed to withdraw your instruction to Regal Lettings. The terms as laid out above were correct at the time of printing and Regal cannot be held responsible for any changes to cover by the third party insurers. For full details please request a copy of the insurers Terms and Conditions.