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Landlord Terms and Conditions For Residential Lettings

2018



Terms and Conditions of Business for Residential Lettings

These Terms of Business form the total contract between the Landlord (and their successor(s) (“you”) in title and Kings of Surrey Ltd (“us”) on all the properties on which you instruct us to act as agent whether verbally or in writing. If you accept these Terms of Business and wish to instruct us to act for you, please sign and return a copy to us. All fees are subject to VAT at the prevailing rate.

1. Services and Agency Fees

1.1 Full Management service

Fees

- 1.1.1 12% (plus VAT) (14.4% Inc. VAT)- of the gross rent for the period of the agreed tenancy term. For example, if the monthly rental is Commission....% Inc. VAT, therefore if the agreed rental is £....., the commission fee would be £..... Inc. VAT.
- 1.1.2 Should the agreed rental be higher or lower than the example rent, our commission fee will be correspondingly higher or lower. This fee is due in full at the beginning of the term; we will, however, accept monthly payment from the rental collected whilst we are instructed.
- 1.1.3 Renewal of tenancy to the same tenant or a related party and renegotiation of rent £120.00 Inc. vat (if required by Landlord).
- 1.1.4 Pre Tenancy Admin fee, including the Preparation of the Tenancy Agreement £295.00 plus VAT (£354.00 Inc. VAT)
- 1.1.5 Reference, credit and Right to Rent Checks for each tenant and guarantor: £75 plus VAT per application (£90.00 Inc. VAT).

We will:

- 1.1.6 Prepare particulars of the property for Let immediately and circulate to prospective tenants and will market and advertise as necessary.
- 1.1.7 Erect a company “To Let” board (subject to the Town and Country Planning (control of Advertisements) Regulations 1992).
- 1.1.8 Conduct identity and residency checks on all applicants.
- 1.1.9 Obtain financial and credit references and take up employer and previous landlord references unless otherwise instructed by you.
- 1.1.10 Arrange for an inventory clerk to provide an inventory of fixtures and fittings and a schedule of condition on your behalf. The fees of the inventory clerk will be given to you prior to instruction.
- 1.1.11 Draw up all tenancy agreements and relevant deeds and ensure they are properly signed by all tenants.
- 1.1.12 Notify the electricity, gas, water and telephone companies and the local authority when the tenant occupies your property provided you have supplied us with the full details of your utility suppliers. We will need to provide the utility suppliers with your new address and the meter readings at the commencement of the Tenancy to ensure that there are no discrepancies with the change-over. Some suppliers will not take instructions from us in which case you must contact them direct to take the accounts out of your name.
- 1.1.13 Hold the Deposit if it is an Assured Shorthold Tenancy unless specifically requested by you in writing to transfer it to you and the prospective Tenant agrees in writing. If we are protecting the Deposit to comply with current legislation under the Housing Act 2004 we will register the Deposit within thirty days of the Tenancy commencing or the Deposit being taken whichever is earlier and arrange signature of the relevant Certificate by the Tenant..
- 1.1.14 On a quarterly basis, visit the property whilst tenanted and provide a written report at your request.
- 1.1.15 Deal with day-to-day management matters, including minor repairs up to a maximum figure £300. Except in the case of an emergency an estimate is obtained and submitted to you for approval for works of redecoration, renewal or repair likely to cost more than £300. By signing this Agreement you agree that we can instruct contractors on your behalf and deduct the cost of repairs and maintenance from the Rent.
- 1.1.16 Once we are in receipt of cleared funds, we will normally transfer funds to your nominated account within 2 working days.
- 1.1.17 If the rent has not been paid for 7 days after its due date, we will notify you as soon as possible and will attempt to obtain payment form the tenant via telephone calls and written Notices. If this does not have the

desired effect we will advise you to instruct specialist solicitors to take further action. You will be responsible for any legal charges and expenses incurred.

- 1.1.18 We will arrange for the tenant to be checked out against the original inventory at the end of the tenancy and ensure a copy is sent to you. The cost of this is normally borne by the tenant.

1.2 Rent Collection Service

Fees

- 1.2.1 9% (plus VAT) – (10.8% Inc. VAT) of the gross rent for the period of the agreed tenancy term. For example, if the monthly rental is Commission...% Inc. VAT, therefore if the agreed rental is £......, the commission fee would be £.....Inc. VAT. Should the agreed rental be higher or lower than the example rent, our commission fee will be correspondingly higher or lower. This fee is due in full at the beginning of the term. We will, however, accept monthly payments from the rental collected whilst we are instructed.
- 1.2.2 Renewal of tenancy to the same tenant or a related party and renegotiation of rent £120.00 Inc. VAT; £100 plus VAT (if required by Landlord).
- 1.2.3 Pre Tenancy Admin fee, including the Preparation of the Tenancy Agreement £295.00 plus VAT (£354.00 Inc. VAT)
- 1.2.4 Reference, credit and Right to Rent Checks for each tenant and guarantor: £75 plus VAT per application (£90.00 Inc. VAT).

Service

We will:

- 1.2.5 Prepare particulars of the property for Let immediately and circulate to prospective tenants and will market and advertise as necessary.
- 1.2.6 Erect a company “To Let” board (subject to the Town and Country Planning (control of Advertisements) Regulations 1992).
- 1.2.7 Conduct identity and residency checks on all applicants.
- 1.2.8 Obtain financial and credit references and take up employer and previous landlord references unless otherwise instructed by you.
- 1.2.9 Arrange for an inventory clerk to provide an inventory of fixtures and fittings and a schedule of condition on your behalf. The fees of the inventory clerk will be given to you prior to instruction.
- 1.2.10 Draw up all tenancy agreements and relevant deeds and ensure they are properly signed by all tenants.
- 1.2.11 Notify the electricity, gas, water and telephone companies and the local authority when the tenant occupies your property provided you have supplied us with the full details of your utility suppliers. We will need to provide the utility suppliers with your new address and the meter readings at the commencement of the Tenancy to ensure that there are no discrepancies with the change-over. Some suppliers will not take instructions from us in which case you must contact them direct to take the accounts out of your name.
- 1.2.12 Hold the Deposit if it is an Assured Shorthold Tenancy unless specifically requested by you in writing to transfer it to you and the prospective Tenant agrees in writing. If we are protecting the Deposit to comply with current legislation under the Housing Act 2004 we will register the Deposit within thirty days of the Tenancy commencing or the Deposit being taken whichever is earlier and arrange signature of the relevant Certificate by the Tenant.
- 1.2.13 Once we are in receipt of cleared funds, we will normally transfer funds to your nominated account within 5 working days.
- 1.2.14 If the rent has not been paid for 7 days after its due date, we will notify you as soon as possible and will attempt to obtain payment from the tenant via telephone calls and written Notices. If this does not have the desired effect we will advise you to instruct specialist solicitors to take further action. You will be responsible for any legal charges and expenses incurred.
- 1.2.15 When instructed by you, we will arrange for the tenant to be checked out against the original inventory at the end of the tenancy and ensure a copy is sent to you. The cost of this is normally borne by the tenant.

1.3 Let Only Service

Fees

- 1.3.1 7% (plus vat) – (8.4% Inc. VAT) of the gross rent for the period of the agreed tenancy term. For example, if the monthly rental is Commission...% Inc. VAT, therefore if the agreed rental is £... .., the commission fee would be £... .. Inc. VAT. Should the agreed rental be higher or lower than the example rent, our commission fee will be correspondingly higher or lower. This fee is due in full at the beginning of the term.
- 1.3.2 Renewal of tenancy to the same tenant or a related party and renegotiation of rent £120.00 Inc. vat (if required by Landlord).
- 1.3.3 Pre Tenancy Admin fee, including the Preparation of the Tenancy Agreement £295.00 plus VAT (£354.00 Inc. VAT)
- 1.3.4 Reference, credit and Right to Rent Checks for each tenant and guarantor: £75 plus VAT per application (£90.00 Inc. VAT).

Service

We will:

- 1.3.5 Prepare particulars of the property for Let immediately and circulate to prospective tenants and will market and advertise as necessary.
- 1.3.6 Erect a company “To Let” board (subject to the Town and Country Planning (control of Advertisements) Regulations 1992)
- 1.3.7 Conduct identity and residency checks on all applicants.
- 1.3.8 Obtain financial and credit references and take up employer and previous landlord references unless otherwise instructed by you.
- 1.3.9 Arrange for an inventory clerk to provide an inventory of fixtures and fittings and a schedule of condition on your behalf. The fees of the inventory clerk will be given to you prior to instruction.
- 1.3.10 Draw up all tenancy agreements and relevant deeds and ensure they are properly signed by all tenants.
- 1.3.11 Hold the Deposit if it is an Assured Shorthold Tenancy unless specifically requested by you in writing to transfer it to you and the prospective Tenant agrees in writing. If we are protecting the Deposit to comply with current legislation under the Housing Act 2004 we will register the Deposit within thirty days of the Tenancy commencing or the Deposit being taken whichever is earlier and arrange signature of the relevant Certificate by the Tenant
- 1.3.12 When instructed by you, we will arrange for the tenant to be checked out against the original inventory at the end of the tenancy and ensure a copy is sent to you. The cost of this is normally borne by the tenant

1. Additional Services

The following Services are in addition to the above, and are subject to an additional charge:

- 1.1 Preparation of an Inventory and Schedule of Condition on behalf of the Landlord by an inventory clerk will depend on the size and style of the Premises. Estimates will be given upon request. The cost of the preparation of the Inventory is borne by you.
- 1.2 Energy Performance Certificates – these remain valid for 10 years and can be instructed on your behalf for £78 Inc. VAT.
- 1.3 Gas Safety Certificates – please note that it is your responsibility to comply with these regulations and failure to comply can result in costly fines and / or imprisonment. We can arrange for the appropriate Certificates to be obtained on your behalf, and will give estimates upon request. You will be responsible for any fees.
- 1.4 Checking and making any alterations requested by your solicitor to our standard Tenancy Agreement: £120.00 Inc. vat per hour or part of an hour.
- 1.5 Service of Notices to terminate a Tenancy when we are not managing the Premises will be subject to an administration fee of £60 Inc. VAT.
- 1.6 During a void period using our caretaking service will be £42.00 (Inc. VAT) for one visit each week during office hours.

- 1.7 Instructing contractors during a void period or if we are not managing the Premises will incur an administration fee of £42.00 (Inc. VAT) payable in advance together with the cost of the contractor. This Service is only offered provided we have written instructions from the Landlord and hold sufficient cleared funds to cover the cost of the work plus our fees.
- 1.8 A supervisory fee of 10% of the total cost of any work in excess of £500 but subject to a minimum fee of £60 Inc. VAT is charged for supervising the work.
- 1.9 Supervise the partial or total refurbishment of the Premises for a fee of 10% of the total cost of the work but subject to a minimum fee of £60 Inc. VAT.
- 1.10 If the Landlord is not resident in the UK we will charge an administration fee of £30 Inc. VAT each quarter for tax retention and completion of the documentation required by the Centre for Non Residents.
- 1.11 The administration fee for membership of the deposit scheme is not charged to Landlords.
- 1.12 Preparation of documentation for County Court proceedings or deposit adjudication will be £90 Inc. VAT plus our reasonable costs and expenses and attendance at court or any tribunal on your behalf will be charged at £95 Inc. VAT per hour plus our reasonable costs and expenses.
- 1.13 Duplicate statements can be provided to you or your accountant for a fee of £6 Inc. VAT per statement or £60 Inc. VAT for all the statements covering a tax year.
- 1.14 The cost of advertisements in specialist publications, preparation of brochures detailing the particulars of the Premises including photographs (where applicable) will be subject to an additional charge. Full details will be provided on request.
- 1.15 Should at any time after the commencement of the tenancy unconditional contracts for the sale of any of the tenanted property be exchanged with the tenant or any associated party, then a fee of 1.5% of the sale price including fixtures and fittings shall be due to us.
- 1.16 Assignment -We reserve the right to assign our rights and or obligations under this Agreement upon giving you one months' written notice

2. Your Responsibilities

- 2.1 Consent for Letting: By signing these Terms and Conditions you warrant to us that you are the owner of the Premises, or otherwise lawfully entitled to enter into an Occupation Agreement
- 2.2 Mortgage: If the premises are subject to a mortgage, you will need your mortgagee's written consent to the proposed rental

3. Energy Performance Certificates

- 3.1 Energy Performance Certificates (EPCs) are needed whenever a property is:
 - Built
 - Sold
 - Rented

You must order an EPC for potential buyers and tenants before you market your property to sell or rent.

An EPC contains:

- Information about a property's energy use and typical energy costs
- Recommendations about how to reduce energy use and save money

An EPC gives a property an energy efficiency rating from A (most efficient) to G (least efficient) and is valid for ten years.

The Department for Business, Energy and Industrial Strategy has released guidance to landlords of privately rented non-domestic property on complying with the 2018 'minimum level of energy efficiency' standard (EPC band E).

The Energy Efficiency (Private Rented Property)(England and Wales) Regulations 2015 mean that, from April 2018, private non-domestic (and domestic) landlords must ensure that properties they rent in England and Wales reach at least an EPC rating of E before granting a tenancy to new or existing tenants.

Energy Performance Certificate HM Government

LEATHERHEAD, KT22

Building type: Ground floor flat Reference number: 2005-1032-4267-0010-4910
 Date of assessment: 21 March 2018 Type of assessment: RDSAP existing dwelling
 Date of certificate: 21 March 2018 Total floor area: 29 m²

Use this document to:

- Compare current ratings of properties to see which properties are more energy efficient
- Find out how you can save energy and money by making improvements

Estimated energy costs of dwelling for 3 years: £ 1,835

Over 3 years you could save: £ 99

Estimated energy costs of this home

Current energy cost	Current rating	Potential future savings
Lighting	£ 90 over 3 years	No over 3 years
Heating	£ 717 over 3 years	£ 618 over 3 years
Hot Water	£ 208 over 3 years	No over 3 years
Totals	£ 1,015	£ 618

Energy Efficiency Advice

The graph shows the current energy efficiency of your home. The higher the rating the lower your fuel bills are likely to be. The potential rating shows the effect of undertaking the recommendations on page 3. The average energy efficiency rating for a dwelling in England and Wales is band C (rating 65). The EPC rating shown here is based on standard assumptions about occupancy and energy use and may not reflect how energy is consumed by individual occupants.

Top actions you can take to save money and make your home more efficient

Recommended measure	Indicative cost	Typical savings over 3 years
1 Floor insulation (under floor)	£4,000 - £8,000	£ 99

To find out more about the recommended measures and other actions you could take today to save money, visit the government's energy advice website at www.gov.uk/energy-advice or call 0300 123 1234 (texted number only). The Green Deal also provides a way of financing energy efficiency improvements. Visit www.gov.uk/green-deal for more information.

For further information, please follow this link to Guidance for landlords and Local Authorities on the minimum level of energy efficiency required to let domestic property under the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 information:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/698541/Domestic_Private_Rented_Landlord_Guidance_-_March_18.pdf

How to get an EPC

You'll need to find an accredited assessor if you're selling or renting out your home in:

[England, Wales and Northern Ireland](#)

[Scotland](#)

They'll assess your property and produce the certificate.

You can be fined if you don't get an EPC when you need one

The person selling the house, the landlord or the letting agent must show the EPC if you're buying or renting.

Mortgage

- 1.0 If the Premises are subject to a mortgage, you will need your mortgagee's written consent to the proposed letting. By signing this agreement you confirm that you have your mortgagee's consent to grant a Tenancy. The mortgagee may want to see a copy of the Tenancy Agreement, which can be supplied upon written request. If your mortgagee has any special conditions relating to the Tenancy or type of Tenant you must provide them to us prior to the start of the Tenancy to be included within the Tenancy Agreement.
- 1.1 Sub-letting: If you are a leaseholder, you will normally require the consent from your Superior Landlord, freeholder or their managing agent before you can sub-let the Premises to an applicant.
- 1.2 It is essential that the Premises and the contents included in the Inventory and Schedule of Condition are adequately insured and that your insurers are aware that the Premises are let. Failure to do so may invalidate your insurance. You must inform your insurers whenever the Premises remain vacant for a period greater than specified in your insurance policy. You should also check that your insurance policies include third party liability to protect you if the Tenant or a visitor to the Premises is injured. We cannot be responsible for the renewal of your insurance cover. We strongly recommend you arrange for an insurance policy that covers loss of Rent and contents, and legal expenses.
- 1.3 You will be liable for tax on income arising from letting the Premises and you must inform Her Majesty's Revenue and Customs ("HMRC") that you are letting the Premises. There are a number of allowances that you can claim against this income. You should seek advice on these allowances from your accountant or from the HMRC website which can be accessed on www.hmrc.gov.uk. You must also keep all your invoices for six years for tax purposes. You should be aware that we forward a form to the HMRC annually detailing all landlords whose Premises we have let and the rental income they have received, regardless of the country of residence of that landlord.
- 1.4 The HMRC has special rules regarding the collection of tax on rental income if you are a landlord who is resident overseas for a period of more than six months in any tax year, or you subsequently move abroad. If you fall into this category it is your responsibility to obtain a tax approval number from HMRC. The relevant form and guidance notes can be downloaded from: www.hmrc.gov.uk/cnr/nr_landlords.htm. Until that approval number is given to us by the HMRC we are legally obliged to deduct tax from your rental income at the prevailing rate.

- 1.5 You will keep us reimbursed and indemnified for and against any claim, damage, expense or liability whether criminal or civil suffered by us from and during the time that we are or were acting on your behalf unless it is due to our negligence or breach of contract. If any Notice is served on the Agent under the Housing Health and Safety Rating Scheme of the Housing Act 2004 requiring the Agent to carry out any work, repairs or maintenance of the Premises you will reimburse the Agent promptly on demand for all costs expenses and fees incurred.
- 1.6 You should endeavor to obtain a forwarding address from the Tenant at the end of the Tenancy if we do not manage the Premises to give to the water company to comply with the Flood and Water Management Act 2010 which makes payment of the final water account the liability of the Landlord as from October 2011 if no forwarding address is provided. We cannot be held liable if we do not manage the Premises; the Tenant does not provide an address or gives an address that is not deemed acceptable by the water company.
- 1.7 Any other party, including but not limited to, external inventory clerks, gas, electrical or water engineers, builders or surveyors, Domestic Energy Inspectors, or solicitors who we instruct will be instructed on your behalf. This means that you are the contracting party and that you have the primary liability for the payment of that sub-contractor's invoices, fees, charges or other expenses and that they, and not we, owe you a liability for the quality of their work.
- 1.8 Due to Housing Act 2004 certain types of property may require a licence before they can be let. These properties are primarily Houses of Multiple Occupation ("HMOs") occupied by three or more people who are not related but, in certain areas, licenses can be required for non-HMO property. It is your responsibility to determine whether you need a property licence and to obtain that licence. You agree to keep us fully indemnified against all losses, costs or damages we might incur, whether criminal or civil, due to your failure to obtain an adequate licence for the letting of your Premises. If we become aware that the Premises is let in a manner which requires a licence and you refuse to obtain one we reserve the right to terminate our instruction immediately and to inform any Occupiers of the Premises and the Local Housing Authority of the situation.
- 1.4 You will ensure that the following Safety Regulations are fully complied with:
 - a) The Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1993
 - b) Electrical Equipment (Safety) Regulations 1994
 - c) Gas Safety (Installation and Use) Regulations 1998
 - d) Part "P" Building Regulations (Electrical Safety in Dwellings).
- 1.5 You will ensure that the property has Smoke Alarms fitted and in working order prior to the commencement of the tenancy. As from October 2015, it is a legal requirement for Carbon Monoxide Detectors to be fitted.

Declarations

1. I/we the Landlord(s) or authorised representative(s) warrant that I/we have title and power to enter into a tenancy agreement and that all necessary licenses and consents (if any) have been obtained.
2. I/we hereby authorise Kings of Surrey Ltd to act on my/our behalf in the letting of the property during the letting period and to sign any tenancy agreements where required.
3. I/we have read and understand these Terms of Business and agree that they will apply for the letting of any property which you instruct us act on your behalf.
4. I/we agree to pay to Kings of Surrey Ltd all fees due in respect of the tenancy or related fees as detailed above and to pay such fees in respect of the period for which any tenant introduced by us occupies the property whether or not the company is instructed in connection with the letting.
5. I/we understand that the fees must be paid direct by me/us to Kings of Surrey Ltd who are hereby authorised to deduct any fee due from rental income received.
6. I/we confirm that we are resident \ non-resident (delete as applicable) for tax purposes

Please complete your details:

Landlord Name (s)	
Home Address	
Home Phone Number	
Work Phone Number	
Mobile Phone Number	
E-Mail Address	
Address of Property to be let	

IF YOU ARE A NON RESIDENT LANDLORD, YOU WILL NEED TO DECLARE YOUR RENTAL INCOME TO HMRC. HERE IS A LINK TO THEIR PAGE FYI.

<https://www.gov.uk/tax-uk-income-live-abroad/rent>

Please instruct Kings how you would like this dealt with.

Contact in the UK in case of emergency:

Name	Relation to You	Home No.	Mobile No.	E-mail Address

Service requested – check box as required:

Full Management Service () Rent Collection Service () Let only Service ()

If the following are not in place, would you like us to arrange for:

Energy Performance Certificate () Gas Safety Certificate ()

Right to Cancel - This applies only to contracts signed off our premises.

You have the right to cancel this contract at any time within fourteen days starting from receipt of this notice. If you wish to cancel this contract, you must do so in writing and deliver it to our office: Fetcham Park House, Lower Road, Fetcham, Surrey KT22 9HD, or email: info@kingsofsurrey.com. Notice of cancellation is deemed to be served once an official document has been received by us.

We have read and understood the fees and Terms and Conditions stated herein:

Landlord/Owner Signature (e)		
Full Name		
Address		
Date		

Signed by the Agent: Kings of Surrey Ltd	<i>Karen King</i>
Address	Fetcham Park House, Lower Road, Fetcham, Surrey KT22 9HD
Full Name	Karen King of Kings of Surrey Ltd
Date	



Kings of Surrey are part of the NFOPP (National Federation of Property Professionals) Client Money Protection Scheme (CMP)



Independent redress provided by: TPOS (The Property Ombudsman)