

Summary of Landlord Fees

Lettings Fees

Saxon Kings have a wide range of professional and corporate tenants seeking to rent properties exclusively through us. As a Landlord, keeping up to date with the constant change in legislation can be difficult, unless you instruct an experienced and diligent agent. We regularly train our staff, are fully ARLA licensed and are a member of The Property Ombudsman (www.tpos.co.uk). When it comes to lettings we offer two options as standard and one by special arrangement only, as we know not every landlord's needs are the same. A break down of our landlord fees are detailed below:

Let Only - 7% + VAT

This is calculated as 7% of the rent each month, times the length of the tenancy we agree for you with your tenant. This is payable upfront to Saxon Kings from the first day the tenancy starts. Our let only service is inclusive of; extensive advertising on all major property portals, colour photographs, accompanied viewings and full referencing (including employment and previous landlord checks). This service also includes the preparation/arrangement of any paperwork or certification needed in relation to the tenancy. All Tenants are welcomed into their new home with a card and gift.

For more details, please see clause 6 on page 3 of this document.

Full Management - 10% + VAT

In addition to all of the above services included in our let only package, with full management, you receive a dedicated property manager who liaises with your Tenant, rather than you being disturbed with broken boilers or leaking pipes. We use a local insured panel of qualified and experienced contractors, who can attend to any emergencies at your property quickly. Included within this service is rent collection on your behalf, as well as a complimentary 6 month rent guarantee policy for all Landlords. Saxon Kings will also carry out frequent property inspections to ensure your home is maintained as if it were our own. Your management fee is one simple monthly fee which is deducted from your rent each month. This means no hidden/extra charges whether there is a new tenant or a renewal.

For more details, please see clauses 12 to 13 on pages 4 & 5 of this document.

Rent Collection - 8% + VAT by special arrangement only

Our rent collection package is inclusive of all the services that we offer with our let only package however, in addition we will collect rent payments on your behalf as specified in the Tenancy Agreement.

For more details, please see clause 14 on page 5 of this document.

For more information, call, email or drop in to see us today.

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Terms & Conditions of Our Services

1 Parties

This agreement and terms & conditions; which includes the terms set out on the Confirmation of Instruction and Terms of Business Form on page 13 (“the Form”) is made between:

- 1.1 Saxon Kings, 7 Park Road, Kingston upon Thames, KT2 6BX (herein referred to as ‘Saxon Kings/we’) and;
- 1.2 The landlord or, if more than one, the landlords named on the form, on page 13 (herein referred to as ‘Landlord/you’).

2 On Accepting Instructions

We will assume the following:

- 2.1 any intended letting is permitted by the terms of your lease
- 2.2 any Tenancy is for a period expiring prior to the termination of your lease
- 2.3 the written permission of your Landlord, if necessary is obtained for sub-letting
- 2.4 the written permission from any joint owner(s)
- 2.5 if the property is subject to a mortgage, permission has been obtained from the mortgagee to the letting. It should be noted that the mortgagee would usually have power to terminate the letting if mortgage payments are not maintained and other requirements they set are not complied with.
You should advise us if there is a mortgage in place so the requisite notice can be served on the Tenant.

3 Prior to Letting

Unless Saxon Kings are in receipt of sufficient funds to do so, and have agreed otherwise prior to the commencement of the Tenancy, you are responsible for ensuring that the property is in good condition for letting.

In particular you will ensure the property is professionally cleaned and in good repair with all appliances in working order. All properties on the market for let require an Energy Performance Certificate by law prior to a Tenancy commencing. The property must comply with all current legislation regarding the electrical installation and equipment, the gas installation and appliances, in addition to all furniture and soft furnishings. The appropriate testing and valid certificates are mandatory prior to any Tenancy commencing.

If we are not supplied with valid certificates we may instruct contractors to carry out the relevant testing at a cost to the Landlord. Should you not sign this agreement prior to instructing us to start marketing and accept viewings on the property you will be bound by all of its terms.

4 Rent

We will agree with you a rental price to be quoted for the property. Unless specifically agreed otherwise this will include all payments for which you are responsible, such as ground rent and service charges. Please note however, that it is normal for the Tenant to take over responsibility for all utilities, television, telephone/ broadband accounts and council tax during a Tenancy.

5 Fees

We will contact you for approval of any potential Tenant(s) or agree in advance with you the extent of our authority to accept a Tenancy on your behalf.

Once a Tenant whom we have introduced has entered into an agreement, our Letting Service commission is payable, in full, in advance, on commencement of the Tenancy. Our commission is an agreed % of the total rent payable for the initial term of the Tenancy, subject to a minimum of £600.

‘Rent’ includes any payment to be made by the Tenant for the use of the property, whether expressed as rent premium, or any other form of payment and whether paid directly by the Tenant or obtained by other means such as deduction from the Security Deposit.

If we are providing our Management Service (which includes rent collection on your behalf), our fees are an additional % of the total rent payable. We will deduct our management fees on a pro-rata basis from the rent we collect and pay the

balance over to you within 10 working days of receipt of cleared funds.

Please note that if we are providing our Letting Service and Management Service, we will collect our introduction fee at the commencement of the Tenancy.

In the event of the Landlord withdrawing the property from the market, after the proposed terms of the Tenancy have been confirmed in writing with satisfactory references, a fee of £100 will be payable by the Landlord to cover Saxon Kings' costs.

Commission will be due to Saxon Kings if at anytime a lease is signed with a Tenant who has been introduced to the property during the period of our agency agreement. Our appointment as sole agent is subject to a minimum period of two weeks, after which termination is subject to two weeks written notice.

6 Letting Service / Introduction Only (7%+VAT)

The services included in our commission are as follows:

- 6.1** marketing the property via the internet and other advertising mediums
- 6.2** accompanying prospective Tenants to view the property and receiving offers
- 6.3** confirming the details of any offers in writing to both parties including any special conditions
- 6.4** collecting up references, via a credit referencing company or bank, employer, 'Right to Rent', check, previous Landlord if applicable and/or personal reference. A company search can be undertaken if required and would be charged separately
- 6.5** arrange for both parties to sign a Tenancy Agreement
- 6.6** prepare a breakdown of costs for the Tenant(s), and arrange for payment by the tenant of the initial rent to the Landlord or Saxon Kings' account
- 6.7** collecting any security deposit paid by the Tenant (subject to the Tenancy Agreement agreed between both parties)
- 6.8** unless specifically instructed otherwise we will erect an advertising board which shall be maintained for the duration of the marketing period and at least until the commencement of the Tenancy.

After the initial fixed term we will charge renewal commission if the Tenancy is renewed - whether or not we are instructed to act for the Landlord, if the Tenant remains in occupation. Our renewal fee for Letting Service / Introduction Only is 2% less the initial agreed fee for each subsequent renewal.

7 Tenancy Agreement

We will, unless instructed otherwise draw up a Tenancy Agreement in accordance with current Housing Act legislation and insert any applicable extra clauses as necessary.

The fee payable for the preparation and execution of the new tenancy and all associated administration is £50. Should you wish to use your own Tenancy Agreement you can do so at no additional cost.

8 Insurance

Your property and contents must be comprehensively insured. You must inform your insurers of your intention to let the property as failure to do so may mean rejection of any future claim.

9 Deposit

Unless otherwise instructed, the amount of deposit for each letting will be a minimum of 1.5 times the total monthly rent. Where Saxon Kings hold the deposit it is as stakeholder to both parties in a designated client account. Interest is not payable on this deposit. Saxon Kings is a member of an approved Tenancy Deposit Scheme. Further details are available on request.

If you decide to hold the Deposit yourself, we will transfer it to you within 7 days of receiving it. You must then register it with another Tenancy Deposit Protection Scheme within a further 7 days if the tenancy is an Assured Shorthold Tenancy. 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 equal to three times the Deposit.

You will be unable to serve a Section 21 notice on your Tenant until compliance with the above conditions, and the Court will not grant you a possession order. Saxon Kings has no liability for any loss suffered if you fail to comply. At the end of the tenancy covered by the Tenancy Deposit Scheme;

- 9.1** If there is no dispute Saxon Kings 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.
- 9.2** If, after 10 working days following notification of a dispute to Saxon Kings and reasonable attempts have been made to resolve any differences of opinion, there remains a dispute between the Landlord and the Tenant over the allocation of the Deposit it will be submitted to the ICE for adjudication. All parties agree to cooperate with any adjudication.
- 9.3** The statutory rights of either you/the Landlord or the Tenant(s) to take legal action against the other party remain unaffected.
- 9.4** 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.
- 9.5** Saxon Kings must co-operate fully with the ICE and follow any recommendations concerning the method of the resolution of the dispute.

10 Inventories

Unless specifically requested and paid for by the Landlord, Saxon Kings will not arrange on your behalf an inventory. Should you wish us to arrange on your behalf an inventory by an independent inventory company prior to keys being released, then you must advise us on page 13. We cannot be held responsible for any error or omission on the part of the inventory company. The fee for making the inventory is payable by the Landlord, the fee for checking in and also checking out the inventory is payable equally by the Landlord and the Tenant. The appropriate sums will be charged to both parties to meet the inventory company's invoice.

Saxon Kings will release keys to the tenant upon commencement of the Tenancy (subject to both parties having signed the Tenancy Agreement and cleared funds having been received).

11 Deposit Administration

At the termination of a Tenancy, subject to the Landlord having arranged an inventory initially, there will be a check out and schedule of condition of the property. Any missing items or damage which may have occurred during the Tenancy will be recorded and a copy will be sent to both the Tenant and the Landlord.

The Landlord and Tenant will endeavour to mutually agree what amount, if any, is to be deducted from the security deposit. Saxon Kings shall administrate all paperwork and liaise with the relevant Tenancy Deposit Scheme should the Tenancy end in dispute. A fee of £40 will be charged for the service.

Where we are providing only our Letting Service, we will not become involved in any way in the agreement of deductions which must be negotiated directly between the Landlord and Tenant. In the event of any dispute, Saxon Kings reserve the right to refer the matter directly to the relevant Tenancy Deposit Scheme. Saxon Kings cannot be held responsible for any error or omission on the part of the inventory company.

12 Full Management (10% + VAT)

The services included in our management commission are as follows:

- 11.1** We will collect rent payments on your behalf as specified in the Tenancy Agreement.
- 11.2** We will arrange to pay on your behalf from rent received, current outgoings such as service charges, ground rent, insurance premiums etc. that we are made aware of. Saxon Kings cannot accept responsibility for the adequacy or otherwise of any insurance cover, nor can we verify service/maintenance charges, demands

or estimates.

Although we use our best endeavors and query any obvious discrepancies as we uncover them, we must emphasise that we are entitled to accept and will pay on your behalf demands and accounts, which appear to be correct at the time of such payments.

- 11.3** We will carry out inspections every six months after the commencement of the Tenancy and will continue to do so until the expiration of the Tenancy, unless otherwise instructed. It should be appreciated that any such inspection and assessment would be of a cursory nature and would include only apparent or obvious defects and would not amount in any way to a structural or complete survey. Any further inspection by us or survey carried out by a qualified surveyor would be by special arrangement and subject to an additional fee.
- 11.4** Management includes the investigations of defects, which may come to our notice, or any defect, which is properly brought to our attention by the Tenant. Work costing up to £150 for any one item will be dealt with as they arise by Saxon Kings without further instruction from the Landlord. Where works are likely to exceed £150 as advised by the relevant contractor, we will contact you prior to instructing works except in the case of an emergency. We will endeavour to use any contractors that you have specifically nominated for repair work at the property but cannot guarantee to do so. Where works, repairs, replacements or necessary repairs are likely to cost more than £500 we will wherever practical submit to you proper estimates, the exception being cases of an emergency. Upon your acceptance of any estimates, providing that we are in receipt of funds, we will instruct contractors. For work arranged which exceeds £250 (excluding VAT) Saxon Kings will charge an arrangement fee equivalent to 10% of the total works invoice. Saxon Kings will charge the same arrangement fee for works carried out on your behalf which is not classed as routine maintenance.
- 11.5** We will hold a set of keys at our office to be used in the event of any emergencies. The Landlord must supply one set for each Tenant and in addition one set for Saxon Kings. If you are unable to supply the necessary keys, we will cut additional keys on your behalf at your expense.

13 Terms of Management

Unless otherwise agreed in advance, our appointment as managing agent is for the duration of the Tenancy and any subsequent renewal or extension thereof to the same Tenant, subject to two months written notice to terminate, in writing from either side.

From the moment of instruction and during the full term of management, we will hold a maintenance reserve of £150 from the rent received, to enable us to instruct works to be carried out on the property, both in an emergency and in the normal course of management. We reserve the right to reimburse this working balance out of net rent received from the Tenant. Such funds are held in Saxon Kings' client account and as the balance will fluctuate no interest is payable. We cannot service any outgoings exceeding the amount held by us on your account. In particular please note, that in no circumstance will we arrange works prior to a letting (whether requested by the Landlord or the intended Tenant), unless we are already holding sufficient funds to cover the cost.

Our standard management as set out above and detailed in clauses 12 and 13 does not apply when the property is vacant. If you wish Saxon Kings to conduct a property inspection whilst your property is vacant, our charge for this will be £50.

14 RC (Rent Collection), by Special Arrangement Only (8%+VAT)

We will collect rent payments on your behalf as specified in the Tenancy Agreement. Saxon Kings will not be responsible for any late payments made by the Tenant. We will transfer funds to your nominated bank account less any Rent Collection fee within 10 working days of receipt of cleared funds.

15 Instruction of Solicitors

Should any rent arrears or breaches of covenant be brought to our attention you will be informed. Thereafter should

legal action be thought necessary, you will be responsible for instructing your own solicitor and for any fees or charges pertaining thereto. Saxon Kings cannot take legal action on your behalf, as the Tenancy Agreement is between the Landlord and Tenant, not ourselves.

16 Income Tax

If you are a resident in the United Kingdom during the Tenancy, any rental income is treated like any other investment income and you will be taxed. You accept it is your responsibility to seek advice through an accountant or tax advisor in respect of this.

Saxon Kings must comply with Sections 971 and 972 Income Tax Act 2007, which is supported by the Taxation of Income from Land (Non-residents) Regulations 1995, SI 1995 No. 2902. The primary legislation was previously in Section 42A Income and Corporation Taxes Act 1988. If you are not a resident in the United Kingdom during the Tenancy we can provide you with a NRL1 form from HM Revenue and Customs. HM Revenue and customs will contact you with an approval/exemption letter and a copy of this must be given to Saxon Kings prior to a Tenancy commencing. Once in receipt of this Saxon Kings are able to send rent direct to you with no tax deduction. We cannot accept any documentation unless it is from HM Revenue and Customs.

17 Incorrect Information

In the event that you provide incorrect information to us, which causes Saxon Kings to suffer loss or causes legal proceedings to be taken, you agree to reimburse and compensate Saxon Kings for all losses suffered.

18 Money Laundering

Saxon Kings require proof of identity and residency from you in order to comply with current legislation. This must be in the form of photographic identification such as a passport or driving license in addition to a utility bill or bank statement dated within the previous three months and showing your current address.

19 Purchase

In the event that a sale of the property should arise directly or indirectly as a result of the letting to the Tenant(s), leading to an exchange of contracts, we will be entitled to commission on the sale at the rate of 1% of the sale price. This commission will become payable once the sale has completed or one month after exchange of contracts, whichever date is sooner.

20 Sale

In the event that you sell the property that we have let for you and the Tenancy is to continue, then it is in your own interest to ensure that the purchaser agrees to pay the commission due to us in respect of the remainder of the Tenancy (including any extension), after completion of the sale. If this is not done you will be liable to pay it yourself even though you no longer receive the rent.

21 Gas Safety (Installation and Use) Regulations 1998

It is a criminal offence to let any property without ensuring that gas appliances are properly maintained in a safe condition so as to avoid the risks of carbon monoxide poisoning. The regulations specify that all gas appliances and pipe work should be inspected annually by a Gas Safe Registered Engineer. You will need to provide us with a valid copy of a Gas Safety Certificate prior to any Tenancy commencing. If you are unable to supply the necessary certificate, we will arrange this on your behalf at your expense.

22 Electrical equipment (Safety) Regulations 1994

These regulations relate to any electrical equipment between 50 and 1000 volts of alternating current, and 75 to 15000 volts of direct current. This applies to new and second hand appliances such as kettles and TVs, as well as fixed

appliances such as electric cookers and immersion heaters. You are responsible for ensuring that all electrical appliances within the property comply with the above Regulations. You must also ensure that all electrical installations are safe and have them checked regularly and to establish this, the appliances should be tested by a qualified electrician who has the necessary equipment to carry out such testing.

You confirm that Saxon Kings reserve the right to arrange for a qualified electrician to attend and inspect, the cost of which will be deducted from the rent received.

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

These regulations set levels of fire resistance for domestic upholstered furniture, furnishings and other products containing a foam filling which may give off highly poisonous fumes from the man-made foams and coverings. All new furniture (except some mattresses and bed bases) must also carry a permanent and non-detachable label. Any furniture manufactured after 1/3/88 or sold by a retailer after 1/3/90 should be to the new standards and should be labelled accordingly. Pre-1950 furniture produced prior to 1950 is exempt from the Regulations. You confirm that all furnishings situated at and incorporated within the lettings of the property comply with the requirements of the Furniture and Furnishings (Fire) (Safety) (Amendments) Regulations 1993.

24 Energy Performance Certificates

Under the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Order 2007, from 1st October 2008 it is a legal requirement to provide any prospective applicant for a Tenancy with an Energy Performance Certificate (EPC). If you already have one then you must provide us with this. If you are unable to supply the necessary certificate, we will arrange this on your behalf at your expense. Please note that we will be unable to market your property until we have an EPC.

25 VAT

Value Added Tax will be chargeable on all commission at the prevailing rate. This rate may change from time to time and the total cost will change accordingly. All fees, unless otherwise stated, are shown exclusive of VAT.

26 Withdrawal Liability

If you instruct Saxon Kings to proceed with a proposed Tenancy and subsequently withdraw your instructions, you agree by signing this Agreement to cover all Administrative costs incurred up to the sum of £500+VAT.

27 Variation of terms

Any variation of the foregoing Terms and Conditions will only be valid if agreed in writing by a Director of Saxon Kings.

————— **END OF CLAUSES** —————