

# Lettings Terms and Conditions

Residential Lettings and Management



draker.

KFH



## AN INTRODUCTION TO DRAKER KFH TERMS AND CONDITIONS

You have chosen to appoint Draker Limited and Kinleigh Limited trading as “Draker KFH” as Your agents in connection with the letting and/or management of the Property referred to in the Confirmation of Instructions section. Therefore You need to read and understand Our terms and conditions, which form this document, and which will form a contract between You and Draker KFH and which will be binding on both of Us.

In these terms and conditions various words, which often have capital letters to start them, contain specific meanings which may be more onerous than You think they are and these definitions are set out in clause 1.



## 1. DEFINITIONS

The following expressions shall have the following meaning unless the context otherwise requires.

**1.1. "Commission" or "Fees"** shall mean the Commission or Fees, details of which are set out in clause 2, in the Schedule of Commissions and Fees section and as agreed by You in the Confirmation of Instructions section.

**1.2. "Draker KFH", or "Agent", or "Managing Agent", or "We", or "Our", or "Us"** shall mean Draker Limited and Kinleigh Limited trading as Draker KFH whose Registered Office address is KFH House, 5 Compton Road, Wimbledon SW19 7QA and its successors in title and assigns.

**1.3. "Landlord(s)" or "You", or "Your"** shall mean anyone owning an interest in the Property, whether freehold or leasehold, entitling them to possession upon the termination or expiry of the Tenancy and anyone who subsequently owns the Property. It may also include anyone acting as the Landlord's letting agent, rental collection agent, or managing agent.

**1.4. "Agreement"** shall mean these terms and conditions of business, the Schedule of Commissions and Fees and the Confirmation of Instructions.

**1.5. "Joint and Several"** shall mean that together and individually client Landlords are liable to pay the Commission, fees and any other charges of Draker KFH specified in the Agreement and individually each client Landlord is liable to pay the Commission fees and any other charges of Draker KFH specified in this Agreement until all payments are made in full.

**1.6. "Tenant"** shall mean any one or more individuals or corporate entities introduced by Us or named as Tenant in the tenancy agreement or lease. Where the Tenant is a company the definition of the Tenant will include any parent company, any subsidiary or member of the same group.

**1.7. "Occupant" or "Occupier"** means the person, firm or company in actual occupation of the Property and includes the Tenant.

**1.8. "Connected Party"** means a relative of the Tenant or permitted Occupant(s) or a company which the Tenant owned at least 25% of the issued share capital as at the date of the Tenancy Agreement or Trust of which one of the beneficiaries was the Tenant as at the date of the Tenancy Agreement.

**1.9. "Sole Agency"** means where you instruct Draker KFH as your sole Agent for a minimum marketing period.

**1.10. "Property"** shall mean the Property address detailed on the Confirmation of Instructions section of this Agreement, or any other property placed by the Landlord with Draker KFH for letting or management.

**1.11. "The Tenancy"** shall mean the entire period that the Tenant remains in occupation of the Property.

**1.12. "Assured Periodic Tenancy"** shall mean where a tenancy is open ended with no fixed end date, operating on a rolling basis.

**1.13. "Rent" or "Rental"** shall mean any payment to be made by the Tenant or the rental agent(s) of the Tenant

for use of the Property 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 Tenant's Deposit.

**1.14. "Zero Deposit" or "ZD"** is the trading name for Global Property Ventures Limited. Zero Deposit is registered by the FCA (ref. no. 797026) and its privacy policy can be found at: [www.zerodeposit.com/privacy-notice.pdf](http://www.zerodeposit.com/privacy-notice.pdf)

**1.15. "Zero Deposit Guarantee", "ZDG"** means the deposit replacement product provided by Global Property Ventures t/a Zero Deposit.

**1.16. "Cash Deposit"** shall mean the money held during the Tenancy in case the Tenant should fail to comply with the terms of the tenancy agreement.

**1.17. "Stakeholder"** means that Draker KFH will hold the Tenant's Cash Deposit in a client account until the termination of the Tenancy and the written agreement of both parties to any deductions to be made from the Deposit.

**1.18. "Relevant Person"** means the person who paid the Deposit or any part of it on behalf of a Tenant.

**1.19. The "Tenancy Deposit Scheme" ("TDS" or "Scheme")** is one of the authorised tenancy deposit protection schemes.

**1.20. "Working day"** means a day that is not a Saturday or Sunday, nor any day which is a bank holiday.

**1.21. "Data Protection Legislation"** means all applicable data protection and privacy regulations and associated guidance including but without limitation pursuant to the Regulation (EU) 2016/679, Electronic Communications (EC Directive) Regulations 2003 and the Data Protection Act 2018.

## 2. COMMISSIONS AND FEES

We set out Our Commission, Fees and charges for the services We offer in the Schedule of Commissions and Fees section and You agree these in the 'Confirmation of Instructions' section (both of which can be found towards the back of this Agreement). You should read these very carefully.

### 2.1. LETTING SERVICE COMMISSION

Our Letting Commission is due if We introduce a Tenant to You, either directly or indirectly. It is payable monthly for the entire duration of the tenancy and deducted from rent received. There will be no reduction in Our Letting Service Fee should you decide to collect Rent yourself directly from the tenant, or if You instruct another party to do so at the start or during the term. Should You choose to collect the rent yourself, our fees will be payable quarterly in advance.

Our minimum commission is £1440 (£1200 + VAT)

### 2.2. LETTING AND MANAGEMENT SERVICE COMMISSION

Our Lettings and Management Commission is payable for the entire length of the Tenancy and deducted monthly from rents received. The Management service included in the Lettings and Management Service can be terminated

by giving three months notice, after the initial three month period has passed. Should You choose to terminate the Management Service, the commission for the Lettings service included in the Letting and Management Service remains payable at 12% (10% plus VAT) for the duration of the Tenancy.

### **2.3. RENEWAL COMMISSION (NON-HOUSING ACT TENANCIES ONLY)**

Our Renewal Commission is due monthly throughout the duration of the Tenancy and is subject to the rate of fees as shown in the 'Confirmation of Instructions' section. If the Tenancy is terminated by the Tenant giving proper notice.

### **2.4. MANAGEMENT SERVICE COMMISSION**

Our Management Service is a separate service to the above; it can be taken in conjunction with the Lettings Service or Short Let Service, or on its own.

Commission is payable for the entire length of the Tenancy and fees are payable monthly and deducted from Rents received. However it can be paid in advance if agreed between Us. In the event that Draker KFH is not required to collect the Rent, the full Management Service Commission will be payable in advance.

### **2.5. SHORT LET COMMISSION**

Short Let Commission is due if We introduce a Tenant to You who wishes to enter into a short term tenancy of less than 6 months and for whom the property is not their principal home. Our fees are payable in advance for the duration of the Let.

### **2.6. CARETAKING SERVICE COMMISSION**

Our Caretaking Service Commission is charged in advance and at the same rate as property visits.

### **2.7 SALE TO THE TENANT COMMISSION**

If a Tenant, Occupant, Connected Party or someone we have introduced purchases the Property, a commission is payable to Us as outlined in the Schedule of Commission and Fees. To facilitate the sale we will provide you with a sales service to include discussing the sale price, agreeing the purchase price with the buyer and support you in progressing the sale to completion.

### **2.8. SOLE AGENCY INSTRUCTION**

Should You instruct Draker KFH on a sole agency basis the minimum period is six weeks. Should You further instruct another agent to act for You during the six-week sole agency period, subject to The Property being let by Us or the other agent then You will be liable to pay Draker KFH commission even if You owe a fee to the other agent. Fees will be due to Us when either: We or the other Agent introduce a Tenant during or after the six-week sole agency period; A Tenancy is agreed (whether or not by Us) with a Tenant whom We had negotiations with during or after the six-week sole agency period or with a Tenant who was introduced to the Property by Us.

### **2.9. RE-INSTRUCTION**

In the event of the Tenancy ending, You agree to re-instruct Draker KFH to find a replacement Tenant on a Sole Agency basis for a minimum duration of eight weeks from the date of notice being served on the current Tenancy.

### **2.10. OUTSTANDING FEES**

In the event that You own other properties which You subsequently instruct Draker KFH to let or manage, then this Agreement equally applies to the letting or management of those properties as if they had been specifically referred to in the 'Confirmation of Instruction' form and all Commissions and other payments will be due to Us accordingly. We reserve the right to settle unpaid Commission, fees or other funds owing under the terms of this Agreement by offsetting these against any funds due to you including Rent received from one property against fees owed on another property where these fees remain outstanding for more than seven days.

### **2.11. INTEREST**

We reserve the right to charge You interest at 4% above Lloyds' Bank plc Base Rate from time to time on any sums owing from the due date until payment is made, whether before or after judgement has been obtained.

### **2.12. REFUND POLICY**

If the Tenancy is terminated in accordance with the Tenancy Agreement, Draker KFH will refund any Commission paid for the unexpired period. The refund will be calculated on a pro rata basis from the expiry of the notice or the date of vacation of the Tenant, whichever is the later. However, please note that Our minimum Commission (as stated in 2.1 above) will still apply.

However, if a new Tenancy is created due to a change of Tenant during an ongoing Tenancy, then We will credit You with any Commission already paid for the unexpired period of the previous tenancy. The refund will be calculated on a pro rata basis from the start date of the new Tenancy until the date the previous Tenancy would have ended, or up until the end of the period for which a Letting Fee has already been paid, whichever is the sooner.

### **2.13. TERMINATION**

Our Management Service can be terminated by either You or by Us giving three months' written notice after the initial three months. Termination of the Management Service does not cancel Your liability to pay Our standard Commission.

If You reasonably consider that We are in fundamental breach of this Agreement You agree to give Us 14 days written notice of the breach and after 14 days if We have not remedied the said breach the Agreement shall be terminated.

We reserve the right to immediately terminate this Agreement if You do not agree to carry out or maintain Your statutory obligations including, but not limited to, Your failure to apply for a licence for the Property when one is required, Your failure to provide Us with a copy of such licence once this has been issued, or Your failure to

comply with the conditions imposed by such licence. Our Fees and Commissions shall remain payable in line with the terms of this Clause 2 in the event that the Agreement is terminated.

## 2.14. ABORTIVE CHARGES

Once You accept an offer either orally or in writing, We will draw up the tenancy agreement. If You subsequently inform Us that You do not wish to proceed with the Tenancy then You will pay to Us an abortive charge in the sum set out in the Schedule of Commissions and Fees.

## 2.15. VAT

All Commissions, fees and charges are subject to VAT at the current prevailing rate (currently 20%) of the net charge/cost and could be subject to change during this Agreement. VAT applies even if You permanently reside outside the United Kingdom.

## 2.16. VARIATION OF FEES AND TERMS

We reserve the right to review our fees and/or the non-core terms of this Agreement from time to time to reflect changes in market conditions, regulatory requirements, operational costs, or the services provided. Any variation will take effect no earlier than 30 days after We provide You with written notice.

## 3. THE SERVICES

**3.1.** You agree to provide us with the following at the point of marketing:

- a valid Energy Performance Certificate (EPC) with an energy efficiency rating of between A-E at the same time as instructing Us to market the Property. You authorise Us to instruct an EPC at Your expense if You have not provided this to Us by that time, but You will remain responsible for any works required to bring the rating up to at least the minimum standard;
- a satisfactory electrical installation condition report (EICR) for the duration of the tenancy. Any remedial works identified on the report (Code 1, Code 2 or Further Investigation (FI)) must be completed before the start of the Tenancy, with evidence of such. Draker KFH can arrange this for You subject to a fee as outlined in the Schedule of Commission and Fees and You hereby authorise Us to instruct an EICR at Your expense if You have not provided this to Us at least 1 week prior to the tenancy commencing.
- a valid gas safety record (unless there is no gas supply to the Property) for the duration of the tenancy. Draker KFH can arrange this for You subject to a fee as outlined in the Schedule of Commission and Fees; and You hereby authorise Us to instruct a gas safety check at Your expense if You have not provided this to Us at least 1 week prior to the tenancy commencing.
- a valid gas safety record for any communal boiler supplying the Property with gas central heating or hot water;
- a copy of any local authority mandatory, additional or selective licence required for the Property where required, or written evidence from the local authority

that you have recently submitted an application for such a licence and with evidence of the payment for such;

and to ensure that you comply with all safety legislation. Please refer to Our booklet 'Safety regulations for residential landlords' or visit Our website at [www.kfh.co.uk/safetyregulations](http://www.kfh.co.uk/safetyregulations)

**3.2.** The renewal of any type of licence remains Your responsibility. If in Our reasonable opinion You are in breach of the licence application or any conditions associated with the licence we may take such steps to remedy the breach on Your behalf, then you agree to reimburse Us in full for our costs of doing so.

**3.3.** Unless You instruct our Management Service the renewal of any safety records remains Your responsibility. Copies of safety records for must be provided to Us irrespective the service We are instructed on by You. For non-managed properties, Draker KFH can assist you with arranging new gas certificates or electrical installation condition reports subject to a fee as outlined in the Schedule of Commission and Fees. You hereby authorise Us to instruct either an EICR or gas safety check at Your expense if You have not provided this to Us at least 2 weeks prior to the previous record expiring.

**3.4.** If in Our reasonable opinion You are in breach of any regulations relating to the letting of the Property We may take such steps as are necessary (including repairing or replacing equipment or engaging tradesmen, contractors, or any other agents) to remedy the breach on Your behalf. If We remedy the breach on Your behalf, then You agree to reimburse Us in full for our costs of doing so.

You authorise Us to spend an unlimited amount of money to comply with any notice served by a local housing authority or any other governmental body requiring works at the Property or to rectify any problem that We reasonably believe creates a risk of death or injury to the Tenant.

### LET ONLY SERVICE

#### Conditions of Let Only Service

In providing our Let Only Service We will:

**3.5.1.** Market Your Property appropriately and at a Rental agreed with You in advance. Where You instruct Draker KFH on a Sole Agency basis, You agree that We will be the only agent marketing Your property for a minimum period of six weeks from the date of this Agreement.

**3.5.2.** Introduce a prospective Tenant to the Property either by Our own direct marketing, or by instructing another agent to jointly market the Property with Us on Your behalf.

**3.5.3.** Take a holding deposit from a prospective Tenant to be offset against the Tenant's initial Rental payment. For the avoidance of doubt, should the offer not proceed and where the prospective Tenant is not eligible for a full refund, the holding deposit or the balance thereof will be retained by Draker KFH against Our administration expenses.

**3.5.4.** Carry out referencing and Right to Rent checks.

Negotiate the terms of the Initial Tenancy between You and the Tenant and provide Our standard tenancy agreement, unless instructed by You otherwise. We can arrange for the Tenancy Agreement to be signed by both the Landlord and the Tenant; or sign the Tenancy Agreement as 'Agent of the Landlord' which means the Landlord is bound legally to all conditions contained therein. By signing this Agreement, the Landlord authorises the Agent to sign the Tenancy Agreement on their behalf unless instructed otherwise. Once the Tenancy Agreement has been executed, all parties are legally bound to the Tenancy

Execute and make the tenancy agreement binding as soon as this has been signed by You, or by Us as 'Agent of the Landlord', and the Tenant

**3.5.5.** Collect the initial Rental payment detailed in the tenancy agreement

**3.5.6.** Draker KFH fees are payable in advance of the tenancy commencing.

### **LETTING SERVICE (INCLUDING RENT PROCESSING)**

#### **3.6 .Conditions of Lettings Service**

In providing Our Lettings Service We will:

**3.6.1.** Market Your Property appropriately and at a Rental agreed with You in advance. Where You instruct Draker KFH on a Sole Agency basis, You agree that We will be the only agent marketing Your property for a minimum period of six weeks from the date of this Agreement.

**3.6.2.** Introduce a prospective Tenant to the Property either by Our own direct marketing, or by instructing another agent to jointly market the Property with Us on Your behalf.

**3.6.3.** Take a holding deposit from a prospective Tenant to be offset against the Tenant's initial Rental payment. For the avoidance of doubt, should the offer not proceed and where the prospective Tenant is not eligible for a full refund, the holding deposit or the balance thereof will be retained by Draker KFH against Our administration expenses.

**3.6.4.** Carry out referencing and Right to Rent checks.

**3.6.5.** Negotiate the terms of the Initial Tenancy between You and the Tenant and provide Our standard tenancy agreement, unless instructed by You otherwise. We can arrange for the Tenancy Agreement to be signed by both the Landlord and the Tenant; or sign the Tenancy Agreement as 'Agent of the Landlord' which means the Landlord is bound legally to all conditions contained therein. By signing this Agreement, the Landlord authorises the Agent to sign the Tenancy Agreement on their behalf unless instructed otherwise. Once the Tenancy Agreement has been executed, all parties are legally bound to the Tenancy.

**3.6.6.** Execute and make the tenancy agreement binding as soon as this has been signed by You, or by Us as 'Agent of the Landlord', and the Tenant.

**3.6.7.** Collect the initial Rental payment detailed in the tenancy agreement at the start of the Tenancy and receive Rent on Your behalf during the term (unless You instruct Us or the Tenant to the contrary).

**3.6.8.** Where a Zero Deposit Guarantee is not being used, we will collect and hold as Stakeholder any Cash Deposit paid by the Tenant against damage or breach of the tenancy agreement so long as You use Our standard tenancy agreement. If the tenancy is to be an assured shorthold and You (or any person on Your behalf) wish to hold the Cash Deposit during the Tenancy then We will arrange for the Tenant to pay the Cash Deposit directly to You before the start of the Tenancy and it will be Your responsibility to properly protect this according to current legislation. We will have no liability if You fail to do so.

**3.6.9.** Upon Your instructions, arrange for a combined inventory listing and check-in appointment on Your behalf with an independent inventory company. In the event of a change of Tenant during the Tenancy and so long as We are notified, negotiate that change with You, arrange to end the current Tenancy and draw up the appropriate documentation for the new Tenancy.

Any such new Tenancy will be charged as for a new Tenancy and at the Commission rates agreed in the Confirmation of Instructions section for such.

#### **We will not be responsible for:**

**3.6.10.** Notifying the utility companies (gas, electricity, water) or Local Authority of a change of occupant or user at the commencement and termination of the Tenancy, this remains Your responsibility..

### **MANAGEMENT SERVICE**

#### **3.7. Conditions of Our Management Service**

In providing a Management Service:

**3.7.1.** You will need to provide Us with a minimum working float of £500. This sum will be withheld from the first payment of Rent and maintained from subsequent net Rents paid by Your Tenant. You agree to top up the float at Our request. We are unable to arrange for any works during a Tenancy, unless We are holding sufficient funds.

**3.7.2.** Where possible, We will arrange for the current energy supplier to be changed to Our preferred supplier, prior to the start of the Tenancy by using 'Helphthemove', who will also notify the relevant water supplier and the local authority of the change of occupant for council tax purposes. If You do not wish for this, then You must let Us know in writing at least ten working days before the start of the Tenancy and We will opt You out of this service. Helphthemove will also contact the relevant suppliers and local authority at the end of the Tenancy to transfer the accounts back into Your name. Helphthemove's privacy policy can be found at [helphthemove.co.uk/privacy-policy/](https://helphthemove.co.uk/privacy-policy/). Should You not wish to use the services of Helphthemove then We will make reasonable endeavours to notify the energy suppliers, water supplier and local authority at the start and end of each Tenancy.

The water supplier may contact You in order to provide further information about it's services and products and conclude an agreement with You for those services and products.

The Tenant(s) in occupation, for the duration of the Tenancy, will be inherently responsible for the service detailed above unless otherwise agreed.

You hereby note that a minimum notice period of 21 days is required in order for energy supply management of Your Property to take place.

**3.7.3.** We will pay any current outgoings, such as service charges, insurance premiums, maintenance contracts etc, subject to Us holding sufficient funds on Your behalf and provided that the relevant accounts are sent direct to Us. 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 insurers, managing agent, etc, in writing, to send their accounts to Us for payment. We cannot accept any liability for any inadequacy of any insurance cover or for the verification of service and maintenance charge demands, or estimates, where applicable.

**3.7.4.** We will carry out routine property visits twice a year and report to You. Any such visit and assessment of those defects which are brought to Our notice would be of a cursory nature and would embrace only visible, apparent or obvious defects. It would not amount in any way to a structural or other survey.

**3.7.5.** By signing this Agreement You will give Us authority to organise routine works to comply with Your statutory repairing obligations including, but not limited to, the requirements under the Health and Housing Safety Regulations (HHSRS), Homes (Fitness for Human Habitation) Act 2018 and Section 11 of the Landlord and Tenant Act 1985, as well as any future similar legislation.

**3.7.6.** We will deal with day-to-day management matters including works up to a maximum of £500 (£417 + VAT) for any one item without further instruction from You.

**3.7.7.** We will deal with matters of redecoration, renewal, replacement or repair up to a maximum of £500 (£417 + VAT) with Your oral authority (except in the case of an emergency or when it is impractical to do so).

**3.7.8.** Upon Your request, (where practical and except in the case of an emergency) We can obtain estimates and submit these to You where works are likely to exceed £500 (£417 + VAT). With Your written approval We will organise the works providing We are in receipt of sufficient cleared funds.

**3.7.9.** All works carried out exceeding £1,200 (£1,000 + VAT) carry a supervision charge of 12% (10% of the net invoiced cost + VAT).

**3.7.10.** We will arrange for the inventory to be checked out by an independent inventory clerk at the end of the Tenancy at Your expense. We will deduct this charge from the working float wherever possible, otherwise We will require You to make payment to Us to cover the charge before We can instruct an inventory clerk on Your behalf.

**3.7.11.** Once We receive an inventory check-out report We will notify You of any damage that may have occurred during the Tenancy and which are recorded in the report. A copy of the report will be sent to You and the Tenant. Both parties must agree if any amount is to be deducted from the Deposit. We are unable to release Deposit monies to either You or the Tenant without the prior written consent of both parties.

**3.7.12.** We will not automatically instruct professional cleaning, repairs or works to the Property at the end of the Tenancy. We can do so on Your instruction so long as we hold sufficient funds and We will obtain estimates for major works if appropriate.

**3.7.13.** We cannot support the use of British Gas Home Care as restrictions within its policy do not allow Us to arrange access to Properties. Should You elect to retain such cover then You should provide Your Tenant with details at the start of the Tenancy.

**3.7.14.** Our standard Management Service does not apply when the Property is not let. We shall be pleased to discuss Your requirements for Our Caretaking Service during void periods, or any pre tenancy works under Our Pre Let Service.

### **Conditions of Our Management Service for Houses in Multiple Occupation (HMO)**

**3.7.15.** Some local authorities may insist on the licence holder being based in the UK during the Tenancy. In such cases, and only if You have no one else based in the UK who can act as licence holder in Your place, We will agree to be named as the licence holder and manager of the Property during the Tenancy. If We are not required to be named as licence holder then We agree to act as managers of the Property only on the licence. Either case is subject to You agreeing to the conditions below.

**3.7.16.** Should You wish us to do so, We can complete the license application on Your behalf and at your cost. This is subject to You providing all required information for Us to do so. The fee payable by You to Us is set out in the Fees and Commissions schedule.

**3.7.17.** You agree to provide Us with a copy of the proposed licence conditions before We agree to act on Your behalf and/or sign any application, in order that We are aware of such conditions. We reserve the right to instruct works to ensure Licence conditions are met at Your cost.

**3.7.18.** Where a licence application is still pending You agree to provide Us with written evidence from the local authority that you have applied and paid for any necessary application, together with all necessary supporting documents.

**3.7.19.** We reserve the right to remove Our name from the licence should You or We be unable to comply with conditions later imposed by the local authority, or You cancel our Management Service, even if a Tenancy has started.

**3.7.20.** You understand that under current legislation a licence cannot be transferred from one licence holder to another (including any new owner) and that You would need to apply to the local authority for a new licence and pay a new licence fee if You wish a licence to be transferred.

**3.7.21.** You agree to provide Us with an annual Portable Appliance Test (PAT) and any other certification or condition required in accordance with the letting of a HMO before the start of the Tenancy and when necessary during the Tenancy, or allow Us to instruct such on Your behalf. You instruct Us to carry out any works shown as necessary by such reports.

**3.7.22.** We will charge the standard rate set out in the Schedule of Commissions and Fees for any additional property visits above which may be required under the licence conditions.

### **RENT REVIEWS**

We will contact You approximately three months before the anniversary of the date the rent was last agreed to establish whether You wish to increase the Rent. Upon Your instructions and subject to our charges (as set out in the Schedule of Commissions and Fees), We will serve a Section 13 notice in accordance with the Renters' Right Act 2025.

### **PRE LET SERVICE**

**Please note that any safety checks will only be carried out once under Our Pre Let Service and only if the Property is vacant at that time. We will not carry out safety checks during a Tenancy or any subsequent Tenancies unless You instruct us or subscribe to Our full Management Service.**

#### **3.8. Conditions of Our Pre Let Service**

Under Our Pre Let Service We can:

- Instruct an EPC
- Instruct floor plans
- Arrange for cleaning/furnishing and equipping
- Instruct a gas safety check\*
- Instruct EICR\* and PAT testing
- Instruct a legionella risk assessment
- Instruct works/maintenance/refurbishment and redecorating

\* Gas safety checks and EICRs will be subject to charges as outlined in Our Schedule of Commissions and Fees below.

**3.8.1.** We can provide a written report with suggested works or additions and a list of safety checks required.

**3.8.2.** Where works are required either before or between tenancies, We will act in an administrative role only. We will not act as site supervisor, surveyor, or contractor. However We will oversee works valued over £1,200 (£1,000 + VAT) subject to the charge set out in Our Schedule of Commissions and Fees section.

**3.8.3.** Where property visits are undertaken (whether by Us or by contractors or agents) these are not carried out by qualified building surveyors. We will investigate any obvious fault or defect brought to Our attention but this will not amount in any way to a structural or other survey. It will be for You to satisfy Yourself that all works have been properly completed before any payment is made.

**3.8.4.** We can obtain up to three estimates for Your approval for works over £1,200 (£1,000 + VAT) but We accept no responsibility for the accuracy of the same or any increase prior to acceptance.

**3.8.5.** Any dates given for completion of works are strictly an estimate only unless otherwise agreed in writing between You and the contractor.

**3.8.6.** It will be Your responsibility to ensure that all

necessary consents – planning, building, freeholder, mortgagee, insurer or otherwise – are obtained before any works commence.

### **CARETAKING SERVICE**

**Many insurance policies contain their own requirements in respect of vacant properties. If Your Property is not regularly inspected whilst vacant, this could invalidate Your policy.**

#### **3.9. Conditions of Our Caretaking Service**

In providing Our Caretaking Service:

**3.9.1.** Upon receipt of Your written instructions Draker KFH can arrange for scheduled visits to meet Your requirements. We will charge You the fees set out in the Schedule of Commissions and Fees for property visits. We will agree a schedule of visits with You in advance.

**3.9.2.** Any visit will only extend to obvious visual defects and will not amount in any way to an expert investigation or structural survey of the Property. Draker KFH cannot accept any responsibility for hidden or latent defects.

**3.9.3.** In the event that necessary works are identified as a result of these visits and in order to carry out any works, We will require the necessary funds in advance and a supervision charge as shown in the Schedule of Commissions and Fees section will apply

#### **4. ADDITIONAL SERVICES, CHARGES AND FEES**

**The costs of any additional or optional services and charges are shown in the Schedule of Commissions and Fees section.**

##### **4.1. Tenancy Agreement**

We offer Our own standard tenancy agreements and cannot offer advice on tenancy agreements which We do not prepare. You should seek independent legal advice if You wish to use Your own tenancy agreement, or agree to a Tenant or any third party using their own tenancy agreement.

We cannot hold or protect Deposits for Assured Periodic tenancies where You wish to use Your own tenancy agreement or that of a third-party, nor can We offer a Zero Deposit Guarantee.

##### **4.2. Referencing**

**4.2.1.** Where You instruct us to draw up Our standard assured periodic tenancy agreement then We will include the cost of initially referencing the potential Tenant(s) (and any guarantor(s) required) via Goodlord, an independent referencing company.

**4.2.2.** We will confirm the outcome of the references to you. Where a Landlord signs a Draker KFH tenancy agreement You are deemed to have accepted the references where provided.

##### **4.3. Right to Rent Check**

**4.3.1.** Where We carry out the referencing on Your behalf. We will also carry out free of charge any initial Right to Rent check in line with the Immigration Act 2014 on any proposed Tenant introduced to You by Us and also on any agreed Permitted Occupant.

**4.3.2.** Under our Management Service We will automatically carry out free of charge any further Right to Rent checks required for the Tenant during the Term. If We are not providing You with the Management Service any Right to Rent checks after the initial checks will be Your responsibility.

**4.3.3.** If We do not carry out referencing for You as in 4.2.1 or 4.2.3 then, unless You choose to pay for the Right to Rent check as set out in Our Schedule of Commissions and Fees section, We will not undertake any Right to Rent checking on Your behalf before the start of the Tenancy or at any time thereafter and this will remain Your legal responsibility.

#### **4.4 Rent & Legal Protection Service**

We provide rent and legal protection to landlords allowing them to protect themselves against the risk of rent arrears and associated legal costs.

Where You appoint Us as your Agent to fully manage Your Property or collect the Rent, You will be automatically opted in to the Service which is chargeable monthly as outlined within Our Schedule of Fees. Eligibility is subject to the terms and conditions outlined in this Agreement.

If You wish to opt out of the Service before charges apply, You must indicate so within these Terms and Conditions or write to Us to cancel within 14 days of the Tenancy commencing by emailing [RLP@kfh.co.uk](mailto:RLP@kfh.co.uk).

#### **4.5. Inventory**

**4.5.1.** We recommend that an independent inventory clerk is employed to prepare an inventory and to check it at the commencement and termination of the Tenancy at Your expense. We can arrange for this on Your behalf. Please note this is a requirement if We are providing Our Management Service.

**4.5.2.** We will always recommend an inventory clerk known to Us and ensure they carry Public Liability insurance, However, We cannot accept responsibility or liability for any errors or omissions on their behalf. In the event of any errors or omissions which come to light We will of course contact the inventory clerk in an effort to correct and amend the errors and omissions.

**4.5.3.** Unless You instruct our Management Service We will not book an inventory check-out appointment on Your behalf, this will remain Your responsibility.

#### **4.6. Taxation**

You are responsible for notifying HM Revenue & Customs (HMRC) of the Tenancy and of any income derived from letting Your Property.

If Your usual place of abode is outside of the UK and You are recognised by HMRC as a non-resident landlord, We will deduct income tax from Rents We receive on Your behalf at the prevailing basic income tax rate and remit this to HMRC on a quarterly basis (for which We will make an administration charge), unless We receive written approval directly from HMRC to the contrary.

Further information can be obtained from the HMRC website: [www.gov.uk/guidance/paying-tax-on-rent-to-landlords-abroad](http://www.gov.uk/guidance/paying-tax-on-rent-to-landlords-abroad).

#### **4.7. Statements**

When We receive Rent We will prepare and submit statements to You or Your accountant electronically. If You require a hardcopy statement You must inform Us, otherwise it will not be posted to You.

We can provide additional copies of individual statements or for an annual tax period as per the charge set out in our Schedule of Commissions and Fees.

#### **4.8. Income and expenditure report**

We can provide an income and expenditure report required for annual tax purposes or other accountancy requirements. The charge(s) is payable in advance and will be deducted from Rents received on Your behalf where possible.

#### **4.9. Waiting at properties**

Under Our Management Service, if Draker KFH or You need to instruct a contractor to attend the Property but who is unable to collect keys from Our local branch, or give a specific date and time of call, then We can arrange to wait at the Property on Your behalf. We will charge the fees set out in the Schedule of Commissions and Fees.

#### **4.10. Courts and tribunals**

We can attend court on Your behalf. This will be charged per half day, or part thereof, plus any reasonable costs associated with Our attendance.

#### **4.11. Key cutting**

At the start of a Tenancy We will require a full set of keys for each Tenant and/or Occupant. If the Tenancy is let under Our Management Service then We will require further set of keys to be held by Our local branch. If You are unable to supply Us with the correct number of keys We can arrange for further keys to be cut at Your expense plus an administration charge as set out in the Schedule of Commissions and Fees.

### **5. RENT**

**5.1.** Wherever possible We will use a faster payment method to pay the Rent to Your nominated UK bank account. We will make reasonable endeavours to forward the balance of the Rent (less any deductions We may make) to You within five working days

**5.2.** We cannot be held responsible if the Tenant fails to pay their contractual Rent or for any late payment of Rent. We will however issue up to four written communications to the Tenant, copies of which will be forwarded to You upon Your request. The final communication informs the Tenant that We are advising You to take legal advice to recover the outstanding Rent; We will not actively chase Your Tenant for outstanding Rent after this time.

It remains Your responsibility to instruct solicitors and/or notify the provider of any Rent and/or legal insurance policy You may hold. We will not do this on Your behalf. Please note such policies have a time limit in which to activate a claim and should be reviewed as soon as arrears occur.

**5.3.** Should a payment be made towards any Rent arrears then We will allocate part payments of the Rent received to Your account on the basis of the earliest outstanding period first.

**5.4.** In the event the Tenant pays Rent which is later reclaimed by the card provider or bank after We have passed the funds to You, then We retain the right to reclaim such sum from You or future Rental payments made by the Tenant or future Tenant.

**5.5.** In the event that the Tenant receives housing benefit, We will not receive the Rent directly from local authority but only from the Tenant.

## **6. DEPOSITS**

**We will market all Properties available for letting by means of an Assured Periodic Tenancy with Zero Deposit Guarantee ("ZDG") option. If You do NOT wish to accept a Zero Deposit Guarantee you must inform Us before marketing begins and We will advise applicants that You require a Cash Deposit.**

**The charge for tenancy deposit protection is shown in the Schedule of Commissions and Fees section.**

### **6.1. Zero Deposit Guarantee**

**6.1.1.** The ZDG will be subject to ZDG documentation which will be provided to Us by ZD and is also available by contacting [help@zerodeposit.com](mailto:help@zerodeposit.com). We will provide You with a summary of the product before marketing Your Property.

**6.1.2.** We will notify You as soon as reasonably practical in the event the ZDG is cancelled and in which case We shall, on Your instructions, request a Cash Deposit from the Tenant, to be protected.

**6.1.3.** You should refer to the ZD rules for details as to how breaches to the tenancy agreement will be dealt with at the end of the Tenancy.

### **6.2. Cash Deposits**

**6.2.1.** If We are instructed to hold a Cash Deposit during a Tenancy, We will hold this as Stakeholder in a designated and protected client account. Any interest accrued thereon will be retained by Us.

As Stakeholder We can only pay money from the Deposit if:

- a) both Landlord and Tenant (and any Relevant Person) agree in writing; or
- b) the court orders Us to do so; or
- c) a tenancy deposit protection scheme instructs Us to do so

### **6.3. Protecting Cash Deposits with the TDS**

**6.3.1.** Any Cash Deposit received for an assured periodic tenancy (APT) must be handled and protected in accordance with a government authorised tenancy deposit protection scheme.

We are members of the Tenancy Deposit Scheme administered by The Dispute Service Ltd. (TDS), who can be contacted at:

The Dispute Service Limited

West Wing, First Floor  
200 Marylands Avenue  
Hemel Hempstead HP2 7TG  
Email [deposits@tenancydepositscheme.com](mailto:deposits@tenancydepositscheme.com)  
Tel: 0300 037 1000  
Web: [www.tenancydepositscheme.com](http://www.tenancydepositscheme.com)

We are not able to protect Cash Deposits which relate to non-APT tenancies.

**6.3.2.** When using Our standard tenancy agreement such Cash Deposits will be held by Us and protected by the TDS. We will comply with the initial requirements of the TDS and within 30 days of receiving the Cash Deposit from the Tenant (or other Relevant Person).

**6.3.3.** We must comply with the rules of the TDS, and this means that We will not be able to act on Your instructions with regard to the Cash Deposit if those instructions conflict with the Scheme rules (which are available to view and download as in 6.3.1 above).

### **6.4. Deposit Disputes**

**6.4.1.** At the end of the Tenancy if You wish to make a claim against the Tenant for any damages, breakages, breach of the terms of the tenancy agreement, etc then We will require the written agreement from both You and Your Tenant as to the amount. Then either:

- i) for a Cash Deposit, We will pay any undisputed amount to the relevant party within 10 days of receiving such confirmation, or
- ii) for a ZDG, the Tenant is responsible to pay to You the agreed sum.

Should you fail to reach agreement with the Tenant (or the Tenant fails to make any agreed payment) then you may need to apply to the TDS for an adjudication, or refer the matter to ZD, as appropriate

**6.4.2.** For a Cash Deposit a Tenant can ask Us to repay some or all of the Cash Deposit at any time after the Tenancy has ended. You must agree to Us releasing promptly any part of the Deposit that is not in dispute and does not need to be held back to cover breaches of the tenancy agreement. We will take Your instructions at the time regarding the amount to be withheld, but We will not need to seek Your further authority to send the money to the TDS if instructed by it to do so.

**6.4.3.** If You instruct our Management Service (and upon Your written instructions) We will present Your case for adjudication either to the TDS, or ZD, as appropriate.

**6.4.4.** If You do not instruct our Management Service We will not become involved in agreeing or negotiating the settlement and You must agree this directly with the Tenant or ZD. However, subject to You providing all the necessary documentary evidence and paying the charge set out in our Schedule of Commissions and Fees section, We can prepare a case on Your behalf to be presented to the TDS or ZD for adjudication.

### **6.5. Cash Deposits for APTs not held by Draker KFH**

**6.5.1.** If You wish:

- to hold and protect a Cash Deposit during the Tenancy, or

- You do not instruct us to provide a standard Draker KFH tenancy agreement then We will instruct the Tenant to pay the Deposit directly to You before the start of the Tenancy.

**6.5.2.** By law You must register the Cash Deposit with one of the authorised tenancy deposit protection schemes within 30 days of receiving the funds and You must abide by the schemes rules, including the serving of the relevant scheme's prescribed information and other documents. Failure to do so or to do so properly will mean that any notice seeking possession of the Property under section 21 of the Housing Act 1988 will be invalid. The Tenant may also claim for the Deposit be refunded in full and compensation of between 1 – 3 times the amount of the Deposit.

**6.5.3.** We shall not be liable to You for any loss You may suffer or any cost incurred if You fail to comply with Your obligations to properly protect the Cash Deposit and You must pay Us for any loss or inconvenience suffered or cost incurred by Us if You fail to comply with those obligations.

## **6.6. Transferring the Deposit during the Tenancy**

If during the Tenancy You instruct Us that You no longer wish Us to hold and protect the Deposit, then the terms outlined in 6.5.2 and 6.5.3 above will apply.

## **7. AT THE END OF THE TENANCY**

### **7.1. Service of notice**

**7.1.1.** Under an assured periodic tenancy unless the Tenant agrees to vacate a Property voluntarily, You will need to serve a valid Section 8 Notice to regain possession under the specified allowed grounds.

**7.1.2.** If you instruct our standard tenancy agreement and you give us your written instructions. We can serve a Section 8 notice for you.

## **8. GENERAL INFORMATION**

### **8.1. Information Provided**

You warrant that all the information You provide to Draker KFH is correct to the best of Your knowledge and belief. In the event that You provide Us with incorrect information which causes Us to suffer loss or causes legal proceedings to be taken You agree to reimburse and compensate Us for all losses suffered.

**8.1.1.** You confirm that You will provide Us with all material information that may affect an applicant's decision to rent the Property, such as council tax banding, previous or current problems with infestation, condensation, damp, mould, flooding, noise (flight paths, train lines, neighbours, etc) or works to be carried out to the Property or within the proximity of the Property, etc.

### **8.2. Insurance and void periods**

**8.2.1.** The Property and its contents should be comprehensively insured to include third party and occupiers' liability risks. Failure to inform Your insurer that the Property is let could render the policy void. You should obtain detailed advice from Your insurers as to the nature and extent of the cover required. We strongly recommend

You arrange for an insurance policy for contents, loss of Rent, legal expenses and public liability cover.

**8.2.2.** If Your insurer has specified requirements regarding vacant period You must ensure that the Tenant is made fully aware of such. You should also advise Your property manager if We manage the Property on Your behalf. See also our Caretaking Service at 3.10 above.

**8.2.3.** A Tenant cannot be held liable for any loss suffered if he is not made aware of policy restrictions.

### **8.3. Consents**

**8.3.1.** You must provide Us with any conditions that need to be included within the tenancy agreement under any head lease or lender agreement at the time of instructing Our services.

### **8.4. Warranties**

**8.4.1.** You warrant that You have consent to let the Property from any joint owner(s) and who should also be named in the tenancy agreement.

**8.4.2.** You warrant that You have all necessary consent to let the Premises including those from any lender, freeholder or insurer.

**8.4.3.** Where any party comprises more than one person the obligations and liabilities of that party under the Agreement shall be Joint and Individual.

**8.4.4.** You agree to put arrangements in place to notify Us promptly should You or any joint Landlord die during the course of the Tenancy. Please be aware that We cannot be held liable for any financial loss Your estate may suffer if We are not so notified and/or not given the appropriate documents and information to enable Us to fulfil Our obligations under this Agreement and by law.

### **8.5. Contractors**

**8.5.1.** We may instruct a contractor on Your behalf but any contract or arrangement will be directly between You and the contractor. Any recourse in relation to the works or to payment for the works will be between You and the contractor.

**8.5.2.** We will endeavour to use any contractor specified by You, but cannot guarantee to do so, particularly in an emergency.

**8.5.3.** Whilst exercising all due care and attention in Our choice and administration of any contractors We accept no responsibility for any loss or damage caused by the neglect or default of any contractor.

### **8.6. Commission and interest**

Draker KFH may receive a referral fee from any contractor or service provider (including but not limited to Zero Deposit and Goodlord) instructed by Us on Your behalf and retained by Us towards our administration costs. This may range between 12% - 20%.

Such payments do not affect the quality of the work, the service provided, or the amount You pay for such service. Further details are available on request.

## 8.7. Interest on client's monies

Any interest accrued on clients' money We hold, including (but not limited to) working floats and Rental transfers, will be retained by Us to cover bank and other administration charges, etc.

## 8.8. Instructions to solicitors

We will notify You as soon as reasonably practicable if any Rent arrears or breaches of contract by the Tenant are brought to Our attention. Thereafter You will become responsible for instructing Your own solicitor as necessary and for all fees and charges involved. We cannot take legal action for You or notify Your insurers as the Tenancy contract is between You and Your Tenant. We have no liability for arrears of Rent or other breaches of the tenancy agreement.

## 8.9. Reimbursement of agent

You agree to keep Us indemnified in respect of any claim, damage, or liability suffered during the time that We are, or were acting on Your behalf, unless due to a Fundamental Breach of Obligation on Our part. For the avoidance of any doubt We reserve the right to have work carried out on Your behalf, and to charge You for that work, to ensure that You fulfil Your contractual and statutory obligations as Landlord.

## 8.10. Acts of third parties

The Contract (rights of Third Parties) Act 1999 does not apply to this Agreement. We will not be responsible for any loss, or damage, that You suffer through the act, default or negligence of any third party, including any bank, which may arise, other than through a Fundamental Breach of Obligation on Our part.

## 8.11. Mail

It is not part of Our normal function to forward Your mail. No responsibility can be taken for mail sent to You at the Property. We recommend that You arrange for it to be redirected by the Post Office.

## 8.12. Marketing

**8.12.1.** We reserve the right to erect a board at the Property for marketing purposes before the start or during the Tenancy unless instructed to the contrary or this is not allowed by local legislation and/or property covenants.

**8.12.2.** As Landlord, You agree not to allow the display of any other board whilst a Draker KFH board is displayed as this would contravene Town and Country Planning Regulations. You must arrange the removal of any other estate agent's board displayed before a Draker KFH board can be erected.

**8.12.3.** We reserve the right to use any photographs, images and marketing material associated with the Property in future marketing and publicity campaigns. Any photographs instructed by or taken by a Draker KFH employee, or contractors instructed by Draker KFH, remain the property of Draker KFH.

## 8.13. Connected Party introductions

In the event a Connected Party enters into a subsequent Tenancy, without any intervening Tenancy, commission will be payable to Draker KFH at the commencement of

the Tenancy in accordance with Clause 2.

## 8.14. Complaints

We are committed to providing the best possible service. In the unlikely event that You have reason to complain about Our service or staff please let Us know as soon as possible by contacting our Client Liaison Manager at: Nelson House, 58 Wimbledon Hill Road London SW19 7PA, by telephone on 020 8739 2000, or by email [customerservice@kfh.co.uk](mailto:customerservice@kfh.co.uk).

We are members of The Property Ombudsman (TPO) and should We be unable to resolve Your complaint, then You are able to contact the TPO and ask them to investigate in line with their published Conditions of Complaints, once Our internal complaints process has been completed.

Additionally, We are members of ARLA Propertymark and its Client Money Protection Scheme details can be found on our website at [www.kfh.co.uk](http://www.kfh.co.uk).

## 8.15. Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of England and Wales and the Courts of England and Wales shall have exclusive jurisdiction in respect of any disputes under it.

## 8.16. Exclusions

We will not be responsible for any loss or damage that You suffer through the act, default or negligence of any third party. You undertake to keep Us fully indemnified at all times against any claim, prosecution, loss, liability, damages, demand, cost or expense which may arise out of or in relation to our appointment as Your agent.

## 9. HOUSES IN MULTIPLE OCCUPATION (HMO)

If three or more people (including children) live in a Property and they form more than one household, then the Property will be a House in Multiple Occupation (HMO). Depending upon the number of unrelated occupiers the Property may require a licence from the local authority. Some local authorities also impose selective licences for all private rented properties in its borough for any number of occupiers.

**9.1.** It remains Your responsibility to make enquiries from the local authority and to obtain any necessary licence. We cannot let a Property on Your behalf if a licence is required and You have not obtained one, unless You can provide evidence from the local authority that You have made and paid for such an application and it is being considered.

**9.2.** We will not accept liability for any failure on Your part in obtaining any necessary licence or failure to abide by any licencing conditions.

## 10. SAFETY REGULATIONS

**By signing this Agreement You agree to comply with all necessary safety regulations before and during a Tenancy.**

Please refer to our booklet 'Safety regulations for residential landlords', our website at [www.kfh.co.uk/safetyregulations](http://www.kfh.co.uk/safetyregulations), or ask Our staff for further information.

## 11. SIGNING DOCUMENTS

### 11.1. Instruction of agent

By signing and returning this Agreement, You irrevocably instruct Us to act on Your behalf, as Your Agent with Your full authority to sign, or complete on Your behalf, all documents necessary to carry out the effective letting and management of Your Property, upon terms We consider to be reasonably acceptable to You.

## 12. DATA PROTECTION

Draker KFH is committed to safeguarding the privacy of all individuals whose personal data We store and process. Your personal data will only be used in accordance with Our Privacy Policy which can be found at [www.kfh.co.uk/privacy-policy](http://www.kfh.co.uk/privacy-policy)

Draker KFH is registered with the Information Commissioners Office as a data controller within the meaning of Regulation (EU) 2016/679, the Data Protection Act 2018 and the Privacy and Electronic Communications (EC Directive) Regulations 2003.

## 13. THE MONEY LAUNDERING REGULATIONS 2017

Draker KFH is regulated under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and the Proceeds of Crime Act 2002. In order to comply We must verify the identity of each Landlord named on the Land Registry prior to marketing and for each Tenant, Occupant or Guarantor at the point an offer is accepted. These checks will be paid for by the Landlord, please refer to the fee schedule below. As a result, We will need to obtain and hold evidence confirming Your identity, proof of Your address and proof of ownership. This will include utility bills and/or Land Registry Title Information and photographic ID as a minimum. Corporate Landlords must provide evidence of the legal existence of the organisation and details of any beneficial company owners, as well as confirmation that the person acting on behalf of the entity is authorised to do so.

Any personal data We receive from You in respect of Our money laundering checks will only be processed for the purposes of preventing money laundering and terrorist financing, or as otherwise permitted by law or with Your express consent. You are informed that We may retain such data for longer than the five year statutory period. If We suspect that a supplier (customer/ client or employee) is committing a money laundering offence as defined by the Proceeds of Crime Act, We will in accordance with Our legal responsibilities disclose the suspicion to the National Crime Agency.

## 14. RENT AND LEGAL PROTECTION

**14.1.** In this clause, the following definitions apply: **Insurance Policy** Our insurance policy, underwritten by Hadron UK Insurance Company Limited, of which We are the sole policyholder; **Service** Our rent and legal protection service more fully described in this clause.

**14.2.** If You appoint Us as your Agent, You will be automatically opted in to the Service which is chargeable monthly as outlined within Our Schedule of Fees. If You wish to opt out of the Service before charges apply, You must indicate so within these Terms and Conditions

or write to Us to cancel within 14 days of the Tenancy commencing by emailing [RLP@kfh.co.uk](mailto:RLP@kfh.co.uk).

**14.3.** We will ask Our insurer to note Your interest on the Insurance Policy which will mean that You will be provided with the protections listed below. This means that if Your Tenant defaults on their Rent payments, for example, upon Your request We will make a claim under the Insurance Policy. If the claim is successful, We will pay any sums recovered that are due to You.

**14.4.** The Service includes protection for:

**14.4.1.** Full Rent protection for the total Monthly Rent, as listed in the Tenancy Agreement.

**14.4.2.** Rent payable until vacant possession is obtained.

**14.4.3.** Service of eviction notices to reclaim possession of the Property.

**14.4.4.** Legal costs to obtain possession of the Property if the Tenant fails to pay the Rent.

**14.4.5.** A total limit of indemnity of £100,000.00

**14.4.6.** Breaches of the Tenancy Agreement by the Tenant if they are grounds for possession, including non-payment of Rent, expired Section 21 notices, subletting, and illegal activity.

**14.4.7.** Defence costs if a Tenant raises a counter claim during the eviction process.

**14.4.8.** Costs and expenses to evict anyone who is not the Tenant or ex-Tenant from the Property and who has not got permission to reside in the Property i.e. eviction of squatters.

**14.4.9.** Court attendance by a legal representative appointed by Us. Attendance by a Draker KFH representative is charged as per Our Schedule of Fees.

**14.4.10.** 90% of the Rent, as listed in the Tenancy Agreement, payable after vacant possession obtained until re-let, up to a maximum of six weeks. This is subject to You re-letting the Property via Draker KFH.

**14.4.11.** Legal expenses for pursuing a civil dispute after an event caused by the Tenant, which results in physical damage to the Property in excess of £1,000.00

**14.4.12.** Costs and expenses relating to a dispute with a party You have a direct contractual relationship with arising from an agreement or an alleged agreement, which You have entered into for buying and hiring any goods or services in relation to the Property.

**14.4.13.** Where the tenancy agreement has ended and You are seeking vacant possession of the Property under a claim covered by this Service and You confirm in writing that you intend to reside in the Property as Your permanent place of residence following vacant possession;

i) £175 (including VAT) per day for a maximum period of 90 days towards the costs of Your alternative accommodation (subject to You providing Us with receipted VAT invoices for alternative accommodation); and/or

ii) £15 (including VAT) per day for a maximum period of 90 days towards the cost of storing Your personal possessions (subject to You providing Us with receipted VAT invoices for storage charges).

**14.5.** The Service is only available providing Tenants have passed satisfactory references approved by a referencing agent appointed by Us.

**14.6.** The Service is only available where Draker KFH are instructed by You to fully manage Your Property or collect the Rent for the duration of the term where the Rent and Legal Protection service is provided.

**14.7.** The Service is still provided in the event that the full sum of Rent is paid in advance by the Tenants prior to the Tenancy start date because it provides You with protection against breaches of contract which enable grounds for possession.

**14.8.** If You do not cancel the Service within the 14 days of the tenancy commencing, the Service will remain in place for 12 months and the cost to You will be deducted from Your monthly Rental income commencing from the second month of the Tenancy. The charges are detailed in the Schedule of Fees.

**14.9.** The Service is not available to You where the Rent for the Property exceeds £10,000.00 per calendar month.

**14.10.** The Service will automatically be renewed annually. If You do not wish to renew this service, You must write to Us to cancel within 14 days of the policy renewal date. This can be sent via email to Us at [RLP@kfh.co.uk](mailto:RLP@kfh.co.uk). We will require up to five Working Days to action Your request. If You do not notify Us of Your wish to cancel, once renewed, the service will remain in place for 12 months and the cost to You, the Landlord, will be deducted from the monthly Rent.

**14.11.** If the Tenant falls into arrears and You are receiving any of the benefits of the Service You will not be entitled to cancel the Service until such time that either the Tenant puts Us in funds or possession of the Property is taken.

**14.12.** If the Tenant has not paid the full Rent due within 31 Days of the Rent due date, then the late Rent payments (equating to two months) will be payable to You within a 75 Day period from when the first full month's Rent payment was initially due.

**14.13.** Monthly payments, subject to a limited indemnity of £100,000.00 will then be paid to You one month in arrears on an ongoing basis until such time that either the Tenants put Us in funds or possession of the Property is taken.

**14.14.** Payments will be made subject to any deductions detailed within Our Agency Agreement and Our Schedule of Fees, such as Our Letting or Management charges and contractor invoices.

**14.15.** The Service is fully transferable between tenancies for the same Property to ensure continuous protection even when the Tenants change (subject to clause 14.5).

**14.16.** If legal representation is necessary, We will appoint a preferred law firm as the legal representative and full co-operation from You as may be required by Us or the appointed legal representative.

**14.17.** Costs or repossession of the Property will not be covered by the Service unless the Property is let under one of the following agreements:

**14.17.1.** A Company Residential Tenancy (Company let) created after the 28th February 1997 where the Tenant is a Private Limited Company (Ltd) or Public Limited Company (Plc) and the Property is let purely for residential purposes to an employee of the Tenant.

**14.17.2.** A Law of Contract Agreement not governed by the Housing Act 1988, the Housing (Scotland) Act 1988 and the Private Housing (Tenancies) (Scotland) Act 2016.

**14.17.3.** A Short Assured Tenancy or Assured Tenancy as defined in the Housing (Scotland) Act 1988.

**14.17.4.** A Private Residential Tenancy Agreement created after 1st December 2017 as defined within the Private Housing (Tenancies) (Scotland) Act 2016.

**14.18.** If You are an existing Landlord completing and signing this new Terms of Business and You request to add the Service mid-Tenancy i.e. after the commencement of the Tenancy Agreement, You will only benefit from the service after 60 Days but will be subject to charges as per Our Schedule of Fees. The Tenant must not accrue any Rent arrears which have not been paid in full, before the 60 Day timescale, or the Service will be cancelled on Day 61.

**14.19.** The Service does not include:

**14.19.1.** Pay-outs where the legal representative We appoint does not believe that We will be more likely than not to win the case.

**14.19.2.** Any legal problems which started prior to the commencement of the Service.

**14.19.3.** Any costs which exceed the indemnity limit of £100,000.00

**14.19.4.** Any costs if You appoint Your own legal representative.

**14.19.5.** Any legal action You take, which We or the appointed legal representative have not agreed to, or where You do anything that hinders Us, or the appointed legal representative.

**14.19.6.** Property damage legal expenses where the amount in dispute is £1,000.00 or less.

**14.19.7.** The cost of any Property damage caused by the Tenant.

**14.19.8.** Costs relating to everyday maintenance of the Property for which the Tenant is not liable under the Tenancy Agreement, for example general wear and tear.

**14.19.9.** Any fines, penalties, compensation or damages You are ordered to pay by a court or other authority.

**14.19.10.** Any rental payments due after vacant possession has been obtained

**14.19.11.** Any rent that has increased above that which is stated within the tenancy agreement, unless the satisfactory reference report shows that the tenant named on the tenancy agreement has affordability for the new rent amount, in-line with Goodlords referencing criteria, or; the tenant has received a satisfactory reference for the new rental amount, or; the rent has not increased by more than 10% of the monthly Rent from when this Service was first requested, and; the Rent increase has been conducted in-line with any statutory, contractual or legislative requirements.

**14.19.12.** Contract disputes where the agreement entered into is dated before the commencement of this Service.

**14.19.13.** Contract disputes where the amount in dispute is less than £100.00 (including VAT)

**14.19.14.** The non-performance of Your obligations under the Tenancy Agreement and the Housing Act 1988 (excluding defence costs).

**14.19.15.** The payment or non-payment of service charges as defined within the Landlord and Tenant Act 1985.

**14.19.16.** Any costs relating to registering rents, reviewing rents, rent control, buying the freehold of the Property, or any other matter that relates to rent tribunals, rates tribunals, land tribunals, rent assessment committees and rent officers.

**14.19.17.** Any costs and expenses arising from or relating to judicial review, coroner's inquest or fatal accident enquiry.

**14.19.18.** Any costs or expenses caused by, contributed to or arising from:

i) Ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from burning nuclear fuel;

ii) The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear part of it;

iii) War, invasion, act of foreign enemy, hostiles (whether war is declared or not), civil war, rebellion, revolution, military force or coup, or any other act of terrorism as defined in the Terrorism Act 2000;

iv) Pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.

**14.20.** For the avoidance of doubt, Draker KFH is not authorised by the Financial Conduct Authority. The Service offered is a contractual guarantee but not an insurance policy.

## SCHEDULE OF COMMISSIONS AND FEES

The table below lists our commission and fees. The full details of each service or fee are set out within our Terms and Conditions

Commission	Exc. VAT	Inc. VAT
<b>Letting Service, payable</b> monthly for the duration of the tenancy. Subject to a minimum fee of £1,440 (£1,200 + VAT)		
<b>Management Service</b> , payable monthly in advance Subject to a 3 month minimum notice period		
<b>Letting and Management Service</b> , payable monthly in advance Subject to a minimum letting fee of £1,440 (£1,200 + VAT)		
<b>Short Let and Management Service</b> payable in advance. For tenancies under 6 months		
<b>Non Housing Act renewal, payable monthly</b>	10%	12%
<b>Pre-Let Service</b> , before tenancy starts or between tenancies and charged as a percentage of works invoiced over £1,200 (£1,000 + VAT). Contractors charge is in addition to this. This is not chargeable under our Management Service or Short Let Service if these services are in place.	10%	12%
<b>Caretaking Service</b> for vacant properties, charged per property visit Contractors charge is in addition to this.	£100	£120
<b>Sale of Property</b> to the Tenant, Occupant or Connected Party	2%	2.4%
<b>Abortive letting charge</b> , if landlord withdraws from an agreed offer, other than for failed tenant references	£500	£600
<b>Tenancy documents</b> (for documents provided by Draker KFH only)		
<b>Initial tenancy arrangement fees</b> - long or short let		
<b>Assured periodic tenancy</b> (APT) - to include the preparation and negotiation of the tenancy agreement or 'change of tenant' agreement, referencing each initial tenant (inc. Right to Rent check) and guarantor, per tenancy	£375	£450
<b>Non-APT agreement and/or Change of Sharer</b> - to inc. the preparation and negotiation of the initial or 'change of tenant' agreement, serving Notice to Quit, per party	£250	£300
<b>AML, Referencing and Right to Rent checks</b>		
Per tenant, guarantor or company, to include Right to Rent check where applicable (where not included in AST agreement above)	£55	£66
Subsequent Right to Rent checks (free under Management Service), per person	£35	£42
Landlord ID and AML check per landlord or company beneficial owner	£8.34	£10
Annual AML check per tenant, guarantor or company beneficial owner, to be paid by the Landlord	£8.34	£10
Land Registry Check	£7	n/a
<b>Addendum or Memorandum</b>		
To add to or change terms of tenancy agreement	£100	£120

<b>Rent &amp; Legal Protection Service</b>		
Contractual Rent is £3,000 per month or less	£40	£48
Contractual Rent is between £3,001-£4,000 per month	£100	£120
Contractual Rent is between £4,001-£5,000 per month	£125	£150
Contractual Rent is above £5,000 per month	3%	3.6%
<b>Deposit protection administration</b>		
Administration covering initial 12 months protection with Tenancy Deposit Scheme (TDS). To include registering the deposit with TDS, issuing prescribed information, scheme leaflet and certificate	£50	£60
Administration covering annual protection with TDS, after first 12 months	£25	£30
Administration covering Initial 12 month Zero Deposit Guarantee (ZDG)	£50	£60
Administration covering annual ZDG, after first 12 months	£25	£30
Preparing case for adjudication with TDS (free under Management Service)	£200	£240
<b>HMO Licence Application</b>		
Preparation and submission of an HMO Licence, per property	£450	£540
<b>Inventory</b>		
Third party charge - using independent specialist inventory clerks		
Preparing inventory listing and check-in appointment		
1 - 3 bedroom property	-	£185
4 - 5 bedroom property	-	£245
6+ bedroom property	Price on application	
<b>Gas Certificates and Electrical Installation Condition Reports (non-managed properties only)</b>		
Gas Certificate Arrangement Fee	£35*	£42*
Electrical Installation Condition Report Arrangement Fee	£35*	£42*
Energy Performance Certificate Arrangement Fee (mid-tenancy only)	£35*	£42*
*plus the cost of the certificate or report, which is a third party charge to be confirmed upon application		
<b>Additional management services</b>		
Arranging cutting of standard keys, per set (exc. cost of keys)	£20	£24
Arranging cutting of security keys or obtaining security devices, per hour (exc. cost of keys or device)	£50	£60
Additional property visits, per visit	£100	£120
Waiting at properties (deliveries, contractors, etc), per hour	£50	£60
Supervision of works, as a percentage of net invoiced costs and where invoiced works exceed £1,200 (£1,000 + VAT)	10%	12%
<b>Income tax and statements</b>		
Tax administration (for non-UK residents), per quarter	£75	£90
Copy statements, per copy	£10	£12
Copy statements, per annual tax period	£80	£96
Income and expenditure report, per report	£100	£120

<b>Miscellaneous</b>		
Court attendance, per half day, or part thereof (plus cost incurred as a result of Our attendance)	£400	£480
Applying for consent to let (excluding any charges imposed by other party)	-	£60
First Tier Tribunal	£250	£300
Rent Review / Service of Section 13 Notice (per notice)	£250	£300
Service of Section 8 notice	£200	£240

**VAT is charged at 20% of the next charge/cost. The rate may vary during the course of this agreement. Any charges will be subject to the prevailing rate of VAT at the time the cost is incurred.**

## **CONFIRMATION OF INSTRUCTIONS**

**This Agreement is legally binding and therefore We advise You to seek advice from a legal advisor or the Citizens' Advice Bureau before entering into it.**

You should complete, sign, date and return this Agreement to Us if You wish to instruct Us to let and/or manage Your Property. By doing so You are committed to the Commissions, fees and charges contained herein. In the event that You do not sign this Agreement but proceed to instruct Us to act on Your behalf to either i) market the Property or ii) You arrange viewings of Your Property by any prospective Tenants We find for the Property, You accept that You will be bound by the terms and conditions contained in this Agreement as if You had signed the same.

<b>Services</b> Please tick service(s) required:				<b>Draker KFH use only</b>	
<b>Service</b>	<b>Exc. VAT</b>	<b>Inc. VAT</b>	<b>Sole Agency (six weeks)</b>	<b>Multi Agency</b>	
Letting Service (sole agency only)	10%	12%			
Management Service	5%	6%			
Letting Service together with Management Service	14%	16.8%			
<b>Short Term Letting</b>					
Short Let and Management Service	26%	31.2%			

<b>Property details</b>			
Full address of Property to be let:			
Address .....			
..... Postcode .....			
Is the Property let with a garage, allocated parking bay, other (specify).....			
.....			
Is the Property	Furnished	Unfurnished	Part-furnished
Is the Property subject to any Green Deal?	Yes	No	

**Landlord details**

**Landlord 1**

Full name .....  
(as appears on passport).....

Address for Correspondence .....

Residential Address during the Tenancy  
(if different from above).....

Address in England or Wales for service of notices  
(if different from above. Can be business address  
or c/o address).....

Tel. No .....

Email .....

**Landlord 2**

Full name .....  
(as appears on passport).....

Address for Correspondence .....

Residential Address during the Tenancy  
(if different from above).....

Residential Address during the Tenancy  
(if different from above. Can be business address  
or c/o address).....

Tel. No .....

Email .....

**Landlord bank details (for rental payments – UK bank only)**

Name of bank .....

Sort code .....

Account holder’s name .....

Account No .....

**Financial status**

NRL TAX – Please read:

Your ‘usual place of abode’ is seen by HMRC as outside of the UK if You are absent from the UK for six months or more, regardless of whether You are a ‘UK resident for tax purposes’.

I/We declare that for the duration of the Tenancy

My ‘usual place of abode’ is outside of the UK therefore a Non-Resident Landlord Landlord 1 Landlord 2

My ‘usual place of abode’ is in the UK Landlord 1 Landlord 2

and that should My/Our ‘usual place of abode’ change during the Tenancy I/We will notify Draker KFH immediately of that change and will fully compensate Draker KFH for any loss if I/We fail to do so

Please provide email address for statements .....

**Rent & Legal Protection**

I/ We acknowledge and agree to Draker KFH providing Rent & Legal Protection in accordance of this Agreement.

I/We understand that I/We may opt out of this Service by ticking below or by emailing RLP@kfh.co.uk within 14 days of the Tenancy commencing.

I/We understand that if I/We do not opt out then the Service will remain in place for 12 months and the cost, outlined in the Schedule of Fees, will be deducted from the monthly Rent.

I/We acknowledge that where I/We are an existing landlord signing new Terms of Business and have opted for Rent & Legal Protection mid-Tenancy i.e., after the commencement of the Tenancy Agreement, I/We understand I/We will only benefit from the service after 60 days but will be subject to charges as per the Schedule of Fees.

I/We would like to opt out of the Rent & Legal Protection Service.

**Power of Attorney**

Is there a Power of Attorney in place giving another person authority to sign documents relating to the letting of the Property on Your behalf?

Yes No

Are You an authorised Power of Attorney on behalf of the owner of the Property, with authority to sign documents relating to the letting of the Property?

Yes

No

If YES to either, give details and provide a copy of the authorised Power of Attorney document:

Full name(s) .....

### **Safety compliance**

Safety advice can be found in Our leaflet 'Safety regulations for residential landlords' and at [www.kfh.co.uk/safetyregulations](http://www.kfh.co.uk/safetyregulations). Failure to comply with statutory safety requirements is a criminal offence.

### **Gas safety**

I/We acknowledge that it is My/Our statutory duty to ensure the safe installation and maintenance of all gas appliances, flues and pipework within a tenanted Property, obtaining a gas safety record and providing each Tenant with a copy of this before the start of any Tenancy. Where the Property benefits from gas, but the gas boiler is not housed within the Property itself, I/We will obtain a copy of the current gas safety record from the freeholder.

### **either**

I/We undertake to provide Draker KFH with a copy of an original current satisfactory gas safety record before the start

..... of the tenancy .....

### **or**

There is no gas supply to the Property, including any meter or communal boiler in the building

### **The Tenancy cannot proceed unless one of the options is selected**

### **Electrical safety**

I/We acknowledge that it is My/Our statutory duty to:

- provide a current, satisfactory EICR for the Property and to provide Draker KFH with a copy of such before the tenancy can begin;
- make good any remedial works identified on the EICR under Code 1, Code 2 of Further Investigation (FI) and to provide evidence of such to Us of such before the tenancy can begin;

I/We confirm that all the electrical appliances in the Property are safe (or will provide a satisfactory portable appliance test record (PAT) to this effect)

### **Legionnaire's Disease**

I/We acknowledge that it is Our statutory duty to carry out a risk assessment on the water system, installations and outlets in the Property to ensure these are safe.

### **Furniture and fittings**

I/We understand that it is My/Our statutory duty to ensure that any soft furnishings and upholstery supplied to a tenanted Property is safe. I/We agree to remove any item from the Property before the start of the Tenancy which does not comply with the Furniture and Furnishings (Fire)(Safety) Regulations 1988 (amended 1993)

### **SMOKE AND CARBON MONOXIDE ALARMS**

I/We acknowledge that it is My/Our statutory duty to ensure that:

1. A smoke alarm is fitted on each storey of the Property where there is at least one room used wholly or partially as accommodation, including bathrooms and lavatories
2. A carbon monoxide alarm is fitted in every room of the Property used wholly or partly as accommodation and which contains a fixed combustion appliance, including bathrooms and lavatories
3. All alarms are tested on the day the Tenancy starts to ensure they are in working order

**The Tenancy cannot proceed unless the required alarms are in place and are in working order. Please note that all alarms should be replaced before the recommended date shown on the alarm itself, or at least every five years.**

**Consumer protection regulations**

You must ensure that any information You provide to Us or any prospective Tenant is not false or misleading. You must provide Us with all material information that may affect an applicant’s decision to rent the Property, such as previous or current problems with infestation, condensation, damp, mould, flooding, noise (flight paths, train lines, neighbours, etc), or works to be carried out to Property or neighbouring properties, etc.

Please give details (or use a separate sheet):.....  
.....  
.....  
.....

**Declaration and acceptance of terms of business**

1. I am/We are the sole legal owner(s) of the Property (or hold Power of Attorney for the sole legal owner(s) of the Property).
2. I/We warrant that all the information provided by Me/Us is correct to the best of My/Our knowledge or belief and I/We know no reason why I/We should not let the Property.
3. I/We certify that all necessary consent to let the Property have been obtained from the superior landlord, mortgagees and insurers (and local authority, if required, for a Short Let) and will comply with any restrictions in place.
4. I/We certify that We hold or have applied and paid for any necessary licences (mandatory, additional or selective) in order to let the Property as well as any planning permission required and I/We will comply with any requirements of such licence and/or planning permission.
5. I/We declare that I/We agree to comply with the ' Safety Regulations for Residential Landlords' leaflet provided and which can be found on the KFH website [www.kfh.co.uk/safetyregulations](http://www.kfh.co.uk/safetyregulations)
6. I/We certify that there are no major repairs, construction or maintenance works of which I/We are aware are due to be carried out to the Property or neighbouring buildings (other than listed under Consumer protection regulations above, if applicable).

**I/We have read and understood the “Right to Cancel” contained in this Agreement and request that work starts immediately and before the end of the cooling-off period and confirm this by placing an ‘X’ in this box . I/ We confirm that I/We will be responsible for all professional fees, costs and expenses reasonably incurred in accordance with this Agreement if this Agreement is cancelled within the cooling-off period.**

I/We have read, fully understand and accept these terms and conditions and are bound by its entire contents and I/ We wish You to provide the service shown in the Confirmation of Instructions.

In signing these terms I/We confirm that neither Ground 1 nor Ground 1a of Schedule 2 of the Housing Act 1988 has been relied upon in respect of the Property in the last 12 months.

**Landlord 1**

Signed .....

Date .....

**Landlord 2**

Signed .....

Date .....

Please do not detach

## Right to cancel

If You have signed this Agreement away from our offices and You are a Consumer then You have a right to cancel this Agreement at any time within 14 days of signing without giving any reason.

To exercise the right to cancel, You must inform Us of Your decision to cancel this Agreement by a clear statement sent to the address detailed below (e.g. a letter sent by post, fax or e-mail). You may use the attached model cancellation form, but it is not obligatory.

To meet this cancellation deadline, it is sufficient for You to send Your communication concerning Your exercise of the right to cancel before the cancellation period has expired.

## Effects of cancellation

If You cancel this contract, We will reimburse to You all payments received from You including the costs of delivery (except for the supplementary costs arising if You chose a type of delivery other than the least expensive type of standard delivery offered by Us).

We will make the reimbursement without undue delay, and not later than 14 days after the day on which We are informed about Your decision to cancel this contract.

We will make the reimbursement using the same means of payment as You used for the initial transaction, unless You have expressly agreed otherwise; in any event, You will not incur any fees as a result of the reimbursement.

If You requested to begin the performance of service during the cancellation period, You shall pay Us an amount which is in proportion to what has been performed until You have communicated to Us Your cancellation from this contract, in comparison with the full coverage of the contract.

(Complete and return this document if You wish to cancel the Agreement)

To Lettings Manager, Draker KFH

Address\* .....

..... Postcode .....

Email address: ..... Fax No .....

(\*Draker KFH to insert address of the branch to where the notice should be sent)

I/We (delete as appropriate) hereby give notice that I/We (delete as appropriate) cancel My/Our (delete as appropriate) Agreement for the supply of the following service

Landlord 1 (full name) .....

Landlord 2 (full name) .....

Signed by Landlord 1 .....

(only if this form is notified on paper)

Signed by Landlord 2 .....

(only if this form is notified on paper)

Landlord(s) address .....

..... Postcode .....

Address of Property to be let .....

..... Postcode .....

Date ..... 20 .....





**KFH House**

5 Compton Road, London SW19 7QA

Tel 020 8739 2000 Fax 020 8181 6755

Email [ho@kfh.co.uk](mailto:ho@kfh.co.uk)



PAPER

KN6696 05/26