

Terms and Conditions of Business - Residential Lettings

The Property:		
The Client/s: (FULL NAME/S IN BLOCK CAPITALS of <u>ALL</u> THE LEGAL OW	•	
Please tick the box of the service required		
Letting and Rent Management Sole Agent: (of the total rent payable under the tenancy or period of extension)		8% plus VAT (9.6% incl. VAT)
Letting and Rent Management – Multi- Agent: (of the total rent payable under the tenancy or period of extension)		10% plus VAT (12% incl. VAT)
Plus Property Management: (of the total rent payable under the tenancy or period of extension)		5% plus VAT

THE FOLLOWING TERMS AND CONDITIONS GOVERN THE CONTRACTUAL RELATIONSHIP BETWEEN US. PLEASE READ THEM CAREFULLY AS ONCE THEY ARE SIGNED BY THE CLIENT AND OUR SERVICES HAVE COMMENCED IT WILL BE A BINDING CONTRACT (SUBJECT TO THE RIGHT TO CANCEL AS DETAILED WITHIN).

1. Letting and Rent Management

Letting, Rent Management and Fees

Homes by Sophie will act on the Client's behalf as the **Lettings Agent** to source and secure a tenant for The Property. The Client will be liable to pay fees to Homes by Sophie in event that an introduced party, or indirectly introduced party, proceeds to enter into a tenancy with the Landlord/s of The Property. The Letting and Rent Management Fee will become payable at the commencement of the tenancy and where possible deducted from rent received from the Tenant or invoiced to the Client in the event that rent is paid to the Landlord direct and payable within 14 days of the date of the invoice.

Rent Management

If the Landlord requests Homes by Sophie to receive rent for the tenancy on the Landlords behalf; Homes by Sophie will account to the Landlord without unreasonable delay. In the event the rent is not paid Homes by Sophie will endeavour to obtain the rent for the Landlord by telephone and a series of written notices and keep the Landlord informed during this process.

This service will terminate only when the occupant or party introduced directly or indirectly ceases to have a liability to pay rent.

The Property Management fee (if applicable)

Tenancy rent must be paid by the Tenant to the Landlord via Homes By Sophie, so the management fee can be deducted from the incoming rent. If the rent is not paid to Homes By Sophie, the fee shall become payable within 14 days of the date of invoicing. Fees will be payable at the rate detailed above, of the total rent payable for the term of the tenancy and any renewal of the term or period of holding over, where the introduced party, or indirectly introduced party remains in occupation of The Property the fee will remain payable.

2. For your Protection

Should you have any concerns about our service at any time please let us know at once. Homes by Sophie is a member of Propertymark's Association of Residential Letting Agents (ARLA), The Property Redress Scheme with access to Alternative Dispute Resolution, Client Money Protection and MyDeposits

3. Property Management

Should the Client instruct Homes by Sophie to manage the property during the tenancy, Homes by Sophie will deal with the "day to day" management of the tenancy and be the contact point for the Tenant for any wants of repair or tenancy needs. Homes by Sophie will retain a working fund from the Client for any necessary repairs and is hereby authorised by the Client to action any works/repairs required up to a

limit of £400 plus VAT on any one item on their behalf. In the event of any emergency and only when Homes by Sophie have not been able to reasonably contact the Client, the Client hereby authorised Homes by Sophie to exceed that limit to ensure the Landlord is not in breach of their obligations under the Tenancy Agreement or Statute of Law, and will reimburse (if necessary) Homes by Sophie immediately upon invoicing.

The Property will be visited by Homes by Sophie on a regular basis throughout the tenancy and our findings will be reported back to the Client. The Client may request in writing for any regular bills for The Property, to be paid on their behalf for the Client upon receipt of an invoice, such as service charges and ground rent. Homes by Sophie will make these payments only on the Client's behalf from available funds. It must be noted that we will pay all demands which appear in order.

Should Homes by Sophie or the Client wish to terminate this additional service, two months written notice may be given by either party to cease Property Management, in which case the service will revert to the Letting and Rent Management service only.

4. Referencing and proof of identity

- Homes by Sophie will reference any proposed tenant and obtain proof of their identity and supply the Landlord with the reference/s obtained for their consideration and approval prior to signing the Tenancy Agreement. Upon signing the Tenancy Agreement approval by the Landlord of such references will be considered received.
- ♣ Homes by Sophie are required under the Consumer Protection legislation to confirm the identity of the Client and ownership of this Property via Land Registry. The Client hereby confirms they will co-operate with Homes by Sophie and provide the necessary documents to do this check and pay the administration charge of £25.00 plus VAT for the Land Registry check.

5. Tenancy Deposit

It is recommended that all Tenants pay a deposit against any potential loss suffered by the Landlord and detailed in the tenancy agreement; equivalent to a minimum of 5 weeks rent as part of their tenancy obligations. The deposit will be held by Homes by Sophie in accordance with the terms of the Tenancy Agreement, as Stakeholders in a designated tenancy deposit account. The deposit for Assured Shorthold Tenancies will be registered with Tenancy Deposit Solutions Ltd, trading as MyDeposits for the duration of the tenancy in line with current legislation on behalf of the Client at an additional charge of £50 plus VAT (if applicable). At the end of the tenancy, Homes by Sophie will release any undisputed monies to the Tenant within 10 days of the end of the tenancy.



6. Tenancy Deposit Dispute

At the end of the tenancy Homes by Sophie will uses their reasonable endeavours to agree with both parties the return and appropriate distribution of the Tenancy Deposit. In the event the deposit return cannot be agreed, and the Deposit is passed to the independent arbitrator for MyDeposits, Homes by Sophie will make reasonable representation on the Landlord behalf but cannot be held responsible for their final decision. An administration fee of £30 plus VAT will be payable (for managed properties) or £240 plus VAT (for Clients on our Letting and Rent management service).

7.Energy Performance Certificated (EPCs)

It is a legal requirement to have an EPC with a rating of E or above or have one commissioned before marketing can commence on The Property. Homes by Sophie can arrange this for the Client at an additional cost of £100 + VAT if required.

8. Legal Requirements

★ The Gas Safety (installation & Use) Regulations 1998

The Landlord must ensure all gas appliances and fixed installation are supplied and maintained in good working order and checked for safety every 12 months by a Gas Safe registered engineer. Homes by Sophie must be supplied with this certificate prior to the start of the tenancy and any replacement certificates must be given to Homes by Sophie a minimum of 7 days prior to the expiry of the current certificate. If this certificate is not supplied Homes by Sophie will arrange for the inspection to be done on the Clients behalf and the Landlord will reimburse Homes by Sophie the fee charged by the independent Gas Safe Registered engineer.

■ The Electrical Equipment (Safety) Regulations1994

The Landlord must ensure all electrical equipment and installations are in good working order and safe to use and this should be checked regularly by a qualified electrician by doing a fixed wiring inspection and portable appliance test. The Landlord hereby warrants that all electrical equipment is safe for uses unless they instruct Homes by Sophie to arrange for these inspections to be done at the Clients cost.

■ Furniture and Furnishings (Fire)(Safety) Regulations 1998 as amended.

It is an offence to "supply" during the course of business any furniture or furnishings that do not comply with these regulations and the Client hereby warrants that any items pertinent to this legislation and left on The Property or made available to the Tenant complies with this legislation.

Anti-Money Laundering Regulations 2007

Homes by Sophie will require proof of the Clients identity in the form of a passport and recent utility bill and will be unable to proceed with any work on the Clients behalf if this is not supplied. Homes by Sophie further advises the Client that in line with this legislation Homes by Sophie, without notification, may freeze funds Homes by Sophie feel or suspect may be subject to this legislation.

■ The Protection from Eviction Act 1977

This legislation prohibits a Landlord from forcing a tenant against their will to leave a property. However, Section 21 of the Housing Act 1988 provides the Landlord with rights of repossession at the expiration of a tenancy let on an Assured Shorthold Tenancy subject to conditions. If the Landlord requires Homes by Sophie to serve notice to end the tenancy, written instructions to this effect must be given and confirmed received by a minimum of three months in advance of the required date

Data Protection and Privacy Policy

Homes by Sophie is registered under the Data Protection Act 1998 and undertake to comply with the Act in all dealings with the Client's personal data. Homes by Sophie will keep the Client's personal information secure however if a complaint is registered with The Property Redress Scheme the Client agrees that Homes by Sophie may, if asked, disclose information relating to the Tenancy and the Clients contact details. Additionally, the Client authorises Homes by Sophie to disclose their information to their Tenant, government departments, law enforcement and utility suppliers (where necessary). Occasionally, Homes by Sophie may contact the Client by letter, telephone, email or otherwise to inform the Client about other products and services Homes by Sophie offer. To opt out, simply write to/email Homes by Sophie to be excluded.

9. Tenancy Agreement

Homes by Sophie will supply a tenancy agreement for the tenancy proposed and negotiate the mutually agreed terms or supervise any an agreement presented by a third-party to the Landlord. The cost of this service attracts an additional fee of £300.00 plus VAT. Contracts signed in person or electronically (whether by fax, email or website authentication) are binding and admissible in evidence and will be subject to the exclusive jurisdiction of The High Court and the County Courts of England and Wales. Whilst the agreements are regularly reviewed Homes by Sophie are not solicitors therefore the Client should consult their own legal advisors to seek any specific advice as to the appropriateness of any tenancy documentation.

Should Tenancy Agreement terms be amended (with both parties' consent) and Addendum shall be drafted for both parties consent and this will attract an additional fee of £100 plus VAT. This will include the but not exclusively an extension of the tenancy term and/or an adjustment to the rent payable.

10. Keys

Where the Client provides Homes by Sophie with a set of keys, Homes by Sophie operate a secure key tag system that ensures that third parties cannot identify which

property a set of keys belongs to. As a result, should a set of keys be lost or unaccounted for Homes by Sophie will replace the lost keys without charge to the Client but will not be liable for changing or paying for lock/s to be replaced or for any other sets of keys

11. Interest and Other Income

Any interest or other income earned by Homes by Sophie while carrying out our duties as agent for the letting or managing of The Property, for example introductory fees to other suppliers will be retained by Homes by Sophie

In the event an invoice for fees from the Client remains outstanding and unpaid in whole or in part, for more than 24 days after the date of the invoice, Homes by Sophie reserve the right to charge interest on the outstanding amount at the annual rate of 4% above the Bank of England's base rate plus any reasonable incurred legal costs or charges in obtaining payment

12. Additional Service

If the Client instructs Homes by Sophie to contract the professional services of another party, The Client hereby confirms these instructions will be given to the companies by Homes by Sophie on behalf of the Client and the Client will remain responsible for the payment of their bill. Homes by Sophie will endeavour to only instruct reputable companies but cannot be held liable for any acts, omissions or failures by their part. Such parties may include inventory or clean companies

13. Redecoration/ Refurbishment (Full management service only)

Upon request, Homes by Sophie will obtain estimates for work required and manage the work done. Should work not proceed an administration fee of £50 plus VAT shall be payable. However, should the work proceed our fee will be 10% plus VAT of the total nett invoice of the works completed for the Client

14. Residential and Correspondence Address

The Client warrants that they will supply Homes by Sophie with their residential address for correspondence and the service of legal notices and will immediately advise Homes by Sophie in writing should their place of residence change during the tenancy

15. Clients Residing Outside The United Kingdom

All rental income received in the UK is subject to income tax. In line with the Finance Act 1995, Homes by Sophie may be liable to pay this tax if the Client resides outside the UK for more than six months of the year. Therefore, all Clients residing outside the UK must obtain approval from the Inland Revenue to receive their rent without deduction and supply Homes by Sophie with their approval number: otherwise Homes by Sophie will deduct income tax at the basic rate and submit quarterly and annual returns to the Inland Revenue. Each submission will be chargeable to the Client at a cost of £100 plus VAT per submission. The Clients can request approval to receive rent without deduction by completing an Inland Revenue NRL1 form, available on the internet. Other forms will apply if the Client is a company or registered charity. The Client hereby warrants that they will indemnify Homes by Sophie against all payments of tax, interest thereon or penalties levied on or made by Homes by Sophie and shall pay to Homes by Sophie any shortfall of such monies (if any) together with interest thereon of 4% above the National West minster Bank PLC base lending rate in force on a daily basis from the date of payment to Homes by Sophie until reimbursement is made in full

16. Court Attendance

In the event Homes by Sophie are required to attend court on the Clients behalf the fee payable shall be £200 plus VAT per day or part thereof

7. Service of Notices

Homes by Sophie will serve on the Tenant a Section 13 Notice (to increase the rent for a statutory periodic assured shorthold tenancy) or a Section 21 Notice/Notice to Quit (or its equivalent) upon written instructions of the Client only. This service will attract a fee for Letting and Rent Management only of £50 plus VAT

18. Introduction of the Tenant

If a tenant we have introduced, or an approved sharer with that tenant, introduces another tenant to the property or to another of the Clients' properties, which proceeds to a Tenancy, the Client will incur a fee on the same basis as set out in these Terms of Business for the Tenant introduced. A tenancy where at least one of the original tenants or approved sharers of the property remains in occupation it will be treated as a continuation or renewal of the original tenancy for the purposes of these Terms of Business

19. Insurance

The Client should comprehensively insure The Property and their Contents during the tenancy to include third party and occupiers' liability. The Client must advise the insurance company when The Property is let and check the Tenancy Agreement to ensure cover continues during the term of the tenancy. If Homes by Sophie are managing the Property for the Client, please check and advise Homes by Sophie in writing of any policy requirement whilst The Property is vacant. Copies of the policy should be made available to the Tenant prior to the Tenancy commencing. Financial Conduct Authority (FCA) regulations prevent us from handling any building or contents insurance claims



20. Remarketing - end of tenancy

Should the tenancy be terminated by either party or reach its natural end, Homes by Sophie will immediately commence the remarketing of the Property under these terms, unless otherwise instructed, so as to minimise any vacant periods for the Client

21. Utilitie:

The Data Protection Act prevents us from speaking to utilities companies on the Clients behalf as they will not take instructions from a third party, so we are unable to open or close accounts on the Clients behalf. It is very important that the Client contact their utilities suppliers to ensure their accounts are closed on the start date of the tenancy using the meter readings if applicable taken at the start of the tenancy. Tenants are usually responsible for the payment of Gas, Electricity, Water and Council tax during the Tenancy, but Landlords remain responsible for any service charges or ground rent. This should be clarified in the Tenancy Agreement

22. Redirection of Post

It is recommended that the Client's arranges for the redirection of post the post office. This can be done on line at: https://www.royalmail.com/personal/receiving-mail/redirection. If post arrives at the property addressed to the Landlord Homes by Sophie will forward upon request by the Client, the post to the Landlord, at a cost of £25 plus VAT plus any cost charged by the post office for this forwarding service

23. Tenant Fee Act 2019

In line with the Tenant Fee Act any Tenancy Security Deposit can now longer exceed the equivalent of five weeks rent if the annual rent is less than £50,000 pa and no more than six weeks rent if the annual rent is above £50,000. However, it is permitted to increase the rent if the proposed tenant has been advised of any potential premium in advance, for tenancies with a higher risk, for example should the tenant wish to keep a pet at the property. Holding/Reservation deposits are now limited to the equivalent of one week's rent for all Assured Tenancies. The Tenant can no longer be held liable for any joint cost incurred for the drafting of the Tenancy Agreement or checking of the inventory. There are only specific permitted payments allowed which will be detailed in your Tenancy Agreement if supplied by Homes By Sophie. All other costs incurred must be borne by the Landlord.

24. Recover of Fees from the Tenants Deposits

The Client authorises Homes by Sophie to deduct from the Tenants Deposit any fees or other monies properly due and payable by the Tenant to Homes by Sophie and to retain any holding deposit paid by a prospective Tenant in the event that it is withheld for a legally permissible reason

25. VAT

All fees are subject to Valued Added Tax at the prevailing rate

25. Incorrect information

The Client warrants that all the information provided to Homes by Sophie is correct to the best of their knowledge and belief. In the event that the Client provides incorrect information to Homes by Sophie which causes Homes by Sophie to suffer loss or cause legal proceedings to be taken, the Client agrees to reimburse and compensate Homes by Sophie for all losses and costs suffered.

25. Houses in Multiple Occupation (HMO) and selective Licensing

You undertake that all Landlord responsibilities are complied with where the property is a House in Multiple Occupation or where it is subject to selective licensing for let residential property. A house in multiple occupation (HMO) is a property rented out by at least 3 people who are not from 1 'household' (for example a family) but share facilities like the bathroom and kitchen. It's sometimes called a 'house share'. If you want to rent out your property as a house in multiple occupation in England or Wales, you must contact your council to check if you need a licence. You must have a licence if you're renting out a large HMO in England or Wales. Your property is defined as a large HMO if all of the following apply:

- it is rented to 5 or more people who form more than 1 household
- some or all tenants share toilet, bathroom or kitchen facilities
- at least 1 tenant pays rent (or their employer pays it for them)

Even if your property is smaller and rented to fewer people, you may still need a licence depending on the area. Check with your council

28. Housing Health and Safety Rating System (HHSRS)

The Housing Act 2004 introduced this system for local authorities to assess housing conditions in England and Wales and it is the owner/landlord's responsibility to ensure that properties are let in a suitable condition. You undertake that the property is compliant in all respects

29. The Contracts (Rights of Third Parties) Act 1999

This Agreement will not be enforceable by any third party.

30. Exclusive Jurisdiction

The High Court and the County Courts of England and Wales shall have exclusive jurisdiction over this agreement

31. Entire Agreement and Variations

This contract constitutes the entire agreement between Homes by Sophie and the Client and supersedes all prior agreements, understandings, representations or communications between the parties. No amendment or variation to this contract will have any contractual effect unless approved in writing by a Director of Homes By Sophie

32. Assignment

Homes by Sophie may assign, or otherwise dispose of any of our rights and/or obligations under this contract.

33. Responsibility

Homes by Sophie

- We will make all reasonable efforts to provide the Services to a satisfactory standard and in a timely manner.
- PLEASE NOTE THE FOLLOWING IMPORTANT RESERVATIONS AND LIMITATIONS.
- We accept liability without limit for death or personal injury which is due to our negligence.
- Any estimate or advice about future income or expenditure is a general indication only and shall not be treated as a binding assurance or warranty.
- We shall not be liable to you for any loss, injury, damage or for legal or other expenses arising from any defect in the property or its contents (whether or not such defect is apparent) or as a result of any act, omission or insolvency of any third party.
- We shall not be liable to you in respect of any claims made by a third party relating to the property or the letting (unless caused by our negligence) and you will indemnify if any such claim is made against us.
- Our Services shall not be taken as imposing any obligation upon us to enforce collection of rent or other charges payable by the tenant or a third party.
- In no circumstances shall we be liable for any indirect consequential or economic loss or expense.

The Client

- You accept liability without limit for death or personal injury which is due to your negligence.
- You shall pay and indemnify us for all costs, claims, damages, expenses, fines, loss or for legal or other expenses in full incurred by us as a result of your fraud, breach, negligence or default (whether arising as an act or omission) or from any defects in, or emissions or other dangers arising from the property or its contents.
- You shall pay (or shall repay) us any costs howsoever arising in relation to the arbitration of the deposit.
- You accept responsibility for any works undertaken by contractors whom you instruct or whom we instruct on your behalf (including where we give instructions in our discretion) and for payment of the contractors.
- You warrant that the property complies with all regulatory and statutory requirements.

33. Notice of the Right to Cancel

The Client may have the right to cancel this contract under the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 within 14 calendar days from the date upon which it was signed.

Notice of Cancellation MUST BE IN WRITING and should be sent by post to Homes by Sophie, 5 Dartmouth Place, Chiswick, London W4 2RH. Any Notice of Cancellation is deemed served on the day that it is posted or sent. If the Client has given Homes by Sophie written agreement to market The Property within the cancellation period, the Client will be required to pay Homes By Sophie's fees if Homes by Sophie have introduced a purchaser to The Property prior to the Client serving notice to cancel this agreement



Summary of additional fees:

Section	(Inclusive of VAT @ 20%)
■ Land Registry Check	£30.00
Referencing of a proposed tenant (pp)	£80.00
Tenancy Deposit registration	£60.00
Tenancy Deposit Dispute Resolution assistance - Letting and Rent Man	nagement £240.00
Tenancy Deposit Dispute Resolution assistance – Managed Properties	£60.00
Tenancy Agreement drafting and supervision of the Tenancy Agreement	ent £360.00
Drafting and supervision of Tenancy Agreement Addendum	£96.00
Refurbishment and Redecoration – Obtaining estimates	£60.00
Or management of Refurbishment and Redecoration - 10% + VAT (20	%) of invoices works.
Inland Revenue submissions for non-resident Landlord per ¼.	£120.00
Court attendance – per day or part thereof	£360.00
Service of Notices	£60.00
Redirection of Post	£25.00
▲ Additional charge for Short Lets (ie. tenancies of less than six months	6%
The total Letting & Rent Management Fee for a short let is therefore 1	5.6% including VAT.

Confirmation of Instructions

The Client confirms they are the **sole legal owners** of The Property and have obtained all necessary consents to allow a tenancy to take place at The Property and will comply with all British Statue with regard to the residential letting of The Property and will further indemnify Homes by Sophie against all reasonable costs and expenditure incurred on the Clients behalf whilst acting as the Clients Agent. The Client has read understood and agrees to the terms and conditions contained within this document. The Client understands that they may have the right to cancel this agreement under the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 within 14 calendar days from the date upon which it was signed and confirm that the Client wishes Homes by Sophie to commence marketing The Property immediately, which will include marketing The Property on the internet and in/on other mediums and erect a To Let board to assist in the marketing. The Client accepts that in signing this document the Client is bound by its entire contents.

The Client signature:	Print Name:
Date:/	
For and on behalf of all legal owners of The Property	
Correspondence Address:	
Tel: Email:	
&	
Next of Kin:	