

# Residential Lettings

## Terms and Conditions of Business and Fees (Page 1 of 4)

'The Client': \_\_\_\_\_

'The Property': \_\_\_\_\_

Contact Address: \_\_\_\_\_

Daytime tel: \_\_\_\_\_

Mobile: \_\_\_\_\_

Home tel: \_\_\_\_\_

Email: \_\_\_\_\_

### Property and Asking Price

Property Type:  House  Flat

Contents:  Furnished  Unfurnished

Earliest Move-In Date:

Asking Price: £ 0000 per calendar week

### Commission Fees

Harper Finn's Fees are set out in detail in this agreement and The Client is reminded to read the terms very carefully. Harper Finn's Fees are set out in clauses 1, 2 and 3 of this agreement.

Under these Terms and Conditions, The Client will be liable to pay Harper Finn's Fees in respect of the Initial Period of the tenancy AND ALSO in respect of periods after the end of that Initial Period where the original tenant introduced by Harper Finn remains in occupation, whether under a new agreement or by the Initial Period being extended or the tenant being allowed to hold-over (all of these being "Renewals"). Where there is more than one tenant, Renewals Fees will be payable in full where any or all of them remain in occupation. Renewal Fees will be charged in advance and will only be payable for the first two years' of Renewals.

The Client will be liable to pay Harper Finn's Renewals Fees whether or not any Renewal is negotiated by Harper Finn; even if any Renewal is negotiated by another agent; and even if The Client does not require Harper Finn to perform any additional services over and above the introduction of a tenant.

After the Initial Period of tenancy and two years' of Renewals, Harper Finn's obligations under this agreement will cease. Harper Finn will offer The Client the opportunity of continuing to receive the benefit of Harper Finn's services. This period will be referred to as the "Continuation Period".

#### INITIAL PERIOD FEE (First Year)

House: Sole Agency - £2,399      Flat: Sole Agency - £1,199

#### RENEWALS FEES (Second Year and Third Year)

House: £1,999 (Per Annum)      Flat: £999 (Per Annum)

#### CONTINUATION PERIOD FEES (Fourth Year onwards)

House: £1,599 (Per Annum)      Flat: £799 (Per Annum)

### 1. Initial Period Fee

1.1 In the event that Harper Finn introduces a tenant who enters into an agreement to rent The Client's property (the "Initial Period"), a Fee becomes payable to Harper Finn ("Initial Period Fee"). See clause 6 regarding outstanding Fees.

1.2 The Initial Period Fee is payable on the commencement of the tenancy.

1.3 The Initial Period Fee is charged as a fixed fee, subject to clause 1.5 below. The scale of Initial Period Fee is £2,399 for any house or £1,199 for any flat.

1.4 The Initial Period Fee is payable for any tenant introduced to the property by Harper Finn, whether or not the tenancy is finalised by Harper Finn.

1.5 If the tenancy agreement terminates prior to the end of the Initial Period, Harper Finn WILL NOT refund any Initial Period Fee already received for the remaining period of the tenancy.

### 2. Renewals Fees

2.1 Harper Finn will endeavour to contact both The Client and tenant before the end of the Initial Period to negotiate an extension of the tenancy, if so required.

2.2 In the event that the tenant renews, extends, holds-over and or/ enters into a new agreement for which rental income is received, Fees become payable to Harper Finn ("Renewals Fees"), subject to the cap set in clause 2.3 below.

2.3 The Client will not be liable for Renewals Fees relating to any period beyond the end of the second year from expiry of the Initial Period.

2.4 The Renewals Fees are due and payable on the commencement of each Renewal taking place within two years from the expiry of the Initial Period.

2.5 Where a Renewal is for an agreed term, the Renewals Fees are charged as a fixed fee, subject to the limit under clause 2.3. where applicable.

2.6 Where there is no agreed term for a Renewal, the Renewals Fees are charged as a fixed fee as if the Renewal would be for the same duration as the Initial Period, subject to the limit in clause 2.3. if applicable. See also clause 2.8 in respect of rebates once the tenant vacates the property.

2.7 The scale of Renewals Fees charged is £1,999 per annum for any house or £999 per annum for any flat.

2.8 If the tenant vacates the property prior to the end of the period for which Renewals Fees have been paid in accordance with clauses 2.4 to 2.6 above, Harper Finn WILL NOT refund any Renewals Fees already received for the remaining period.

2.9 Renewals Fees will be due in respect of Renewals where the original tenant remains in occupation. Where there is more than one tenant, Renewals Fees will be payable in full where any or all of them remain in occupation.

2.10 Renewals Fees will be due whether or not the renewal, extension, hold-over or new agreement with the tenant is negotiated by Harper Finn, a third party or The Client.

2.11 Liability for Renewal Fees will cease if The Property is sold. Fees will be applicable until completion of the sale and upon Harper Finn receiving confirmation of the sale via The Clients legal representative.

### 3. Continuation Period Fees (Optional)

3.1 Harper Finn will endeavour to contact The Client prior to the end of the period set out in clauses 2.1 to 2.3 above to offer The Client the option of continuing Harper Finn's services after the expiry of the period in clause 2.3. The Client is under NO obligation to take Harper Finn's services during the Continuation Period.

3.2 The charge for Harper Finn's services during the Continuation Period ("Continuation Period Fees") are charged at a fixed fee of £1,599 per annum for any house or £799 per annum for any flat. Continuation Period Fees are due and payable on the commencement of the Continuation Period in respect of the first twelve months of the Continuation Period and will become due and payable every twelve months thereafter for the following twelve month period.

3.3 Harper Finn will deduct the Continuation Period Fees from the first rental payment of the Continuation Period and any outstanding balance will be deducted from subsequent rental payment(s).

# Residential Lettings

## Terms and Conditions of Business and Fees (Page 2 of 4)

**3.4** Continuation Period Fees are payable for as long as the original tenant (or any of the original tenants) remains in occupation until notice is given pursuant to clause 3.6 below.

**3.5** If the tenant vacates the property prior to the end of the period for which Continuation Period Fees have been paid in accordance with clauses 3.2 to 3.4 above, Harper Finn WILL NOT refund any Fee already received for the remaining period.

**3.6** Harper Finn's obligations during the Continuation Period can be terminated by either side giving one month's written notice, such notice not to take effect before the start of the Continuation Period. If such notice takes effect prior to the end of the period for which Continuation Period Fees have been paid in accordance with clauses 3.2 to 3.4 above, Harper Finn WILL NOT refund any Fee already received for the remaining period.

**3.7** Upon receipt of a valid notice in accordance with 3.6 all of Harper Finn's obligations shall cease.

### 4. Payment of Initial Period and Renewals Fees

**4.1** Where Harper Finn collects the rent, Harper Finn will deduct the Fees as follows:-

(a) Harper Finn will deduct the Initial Period Fee from the first rental payment of the Initial Period; and

(b) Harper Finn will deduct the Renewals Fees from the first rental payment of any renewal, extension, hold-over or new agreement.

If the Fees exceed the first rental payment, the balance will be deducted from subsequent rental payment(s).

**4.2** Where Harper Finn does not collect the rent the Fees must be paid in accordance with clause 1.2 and clause 2.4 above.

### 5. Interest or Other Income

**5.1** Any interest or other income earned by Harper Finn while carrying out our duties as agent for the letting of The Property, for example tenant administration fees, will be retained by Harper Finn.

### 6. Outstanding Fees

**6.1** The Client agrees that, where Harper Finn's Fees remain outstanding for more than seven days, Harper Finn may use any sums obtained or held on The Client's behalf to pay the outstanding sums, including rental payments on this or any other Property on which Harper Finn is instructed.

### 7. Interest

**7.1** Harper Finn's Fees are payable on demand, as and when they fall due. Harper Finn reserves the right to charge interest on any amounts outstanding 7 days after the Fees are first demanded. Interest will be charged from the date the Fees become due at the annual rate of 3% above the Bank of England's base rate.

### 8. VAT

**8.1** All Harper Finn Fees include VAT.

### 9. Cost of Tenancy Agreement

**9.1** Harper Finn do not charge either party for a tenancy agreement. Harper Finn will not accept amendments to provided agreements.

### 10. Transfer of Money to The Client

**10.1** Once the tenancy has started and Harper Finn are in receipt of cleared funds from the tenant, Harper Finn aim to transfer any money due to The Client within three working days.

**10.2** In some cases it may take up to seven working days to process the payment. If Harper Finn exceed this, Harper Finn will pay The Client interest (at an annual rate of 3% above the Bank of England's base rate) from the eighth working day, until payment is made to The Client. Harper Finn are not responsible for any bank charges that The Client may incur as a result of delays in payment.

**10.3** The Client must provide Harper Finn with UK bank details. Harper Finn WILL NOT make payments to any Non UK bank account. Harper Finn use the BACS system to make payments to Client's accounts and do not charge for this service. Harper Finn WILL NOT make payments by any alternative methods (for example: Telegraphic Transfer, CHAPS, FASTER Payment, Bitcoin, Cash, or Cheque).

### 11. Collection of Rent

**11.1** Harper Finn will collect rent in accordance with the terms of the tenancy agreement.

**11.2** The Client may direct Harper Finn to stop collecting the rent by giving one month's notice in writing to Harper Finn.

**11.3** Where Harper Finn collects the rent, if the rent has not been paid five days after it falls due, Harper Finn will endeavour to notify The Client at the earliest possible opportunity, and will attempt to obtain payment from the tenant by means of telephone calls and a series of written notices.

### 12. References

**12.1** Harper Finn will request the prospective tenant/s to provide references by means of a specialist provider. Harper Finn make no charges to either party for this arrangement.

### 13. Agency

**13.1** By instructing Harper Finn, The Client is appointing Harper Finn on a SOLE AGENCY basis. For the avoidance of doubt Sole Agency is defined as Harper Finn will be the only estate agent or property related website advertising The Property. The Client also agrees not to advertise The Property privately unless agreed in writing with Harper Finn. The period of Harper Finn's Sole Agency will be ongoing until either party terminates. Either party may terminate such a contract by giving 14 days notice in writing. As SOLE AGENT, The Client agrees to give Harper Finn the sole and exclusive right to let The Property. This means that The Client will be liable to pay Harper Finn's Fees as set out in clauses 1, 2 and 3 if at any time a tenant who views or is otherwise introduced to The Property during the period of SOLE AGENCY enters into an agreement to rent The Property, whether the viewing or introduction was conducted by Harper Finn, or not.

**13.2** By instructing Harper Finn as sole agent, in circumstances where The Client has confirmed verbally to commence with a tenancy, and for example Harper Finn cannot obtain written confirmation or need to proceed quickly, The Client authorises Harper Finn to sign any of the necessary tenancy documentation on The Client's behalf.

### 14. Deposit

**14.1** The deposit will be held in accordance with the terms of the tenancy agreement.

**14.2** Under the terms of our Assured Shorthold Tenancy agreement the Deposit will be held by the Deposit Protection Service ("DPS") in accordance with the Housing Act 2004. Harper Finn will lodge the deposit with the DPS within 30 days of initial receipt. Harper Finn will release all undisputed deposits back to the tenant within ten days of termination of the tenancy.

Harper Finn make no charge for registration of the deposit into the DPS scheme. Harper Finn takes no responsibility for the failure of a deposit being registered where held by The Client or an alternative appointed agent.

**14.3** For all non Assured Shorthold Tenancies, Harper Finn will obtain and hold as stakeholder a deposit from the tenant against unpaid rent or bills, dilapidations and any other costs of losses incurred as a result of any breach of the terms of the tenancy agreement by the tenant. Harper Finn excludes liability in relation to loss caused by the insolvency of a financial institution which holds deposits in its contracts with landlords and tenants.

**14.4** In the event that The Client holds the deposit The Client warrants to protect the deposit in line with legal requirements and that The Client will be responsible for all fees and charges associated with obtaining membership to an authorised scheme (where required) and protecting the deposit itself. The Client further agrees to fully indemnify Harper Finn against any claim by the tenant howsoever arising, as a result of The Client holding the deposit. The Client will be required to provide proof of membership of an authorised scheme.

### 15. Energy Performance Certificate (EPC)

**15.1** All buildings in the private rented sector require an EPC. This certificate will remain valid for ten years. The Client is required by law to obtain and make available a copy of the EPC, free of charge, to prospective tenants at the earliest opportunity and must provide the person who takes up the tenancy with a copy. Harper Finn can organise an EPC from an approved supplier at a rate of £100.

### 16. Inventory, Check-In and Check-Out

**16.1** Where instructed, Harper Finn will arrange for an independent contractor to draw up an inventory of the Property's fixtures, fittings and contents. The cost of this will be the responsibility of The Client.

**16.2** Where instructed, Harper Finn will arrange for an independent contractor to compile a check-in report at the start of each tenancy. The cost of this will be the responsibility of The Client.

**16.3** Where instructed, Harper Finn will arrange for the tenant to be checked out against the initial inventory report at the end of the tenancy and send The Client a copy of the report. The cost of this is borne by The Client.

**16.4** Harper Finn does not accept liability for losses resulting from any errors or omissions within any inventory, check-in or check-out documents that are produced by a third party.

### 17. The Gas Safety (Installation & Use) Regulations 1998

**17.1** Under the above regulations, it is The Client's responsibility to ensure that all gas appliances and the fixed installation are maintained in good order and checked for safety at least every 12 months by a Gas Safe registered engineer.

**17.2** If Harper Finn is not provided with a valid certificate prior to the commencement of the tenancy, Harper Finn reserve the right to appoint a Gas Safe registered engineer to inspect all gas appliances and their installations and carry out any remedial works where necessary. The cost will be debited from The Client's account.

**17.3** If the tenant is remaining in occupation beyond the expiry of the original certificate and Harper Finn has not received a replacement valid certificate 14 days before the expiry of that original certificate, Harper Finn reserve the right to appoint a Gas Safe registered engineer to inspect all gas appliances and their installations and carry out any remedial works where necessary. The cost incurred will be debited from The Client's account.

### 18. The Electrical Equipment (Safety) Regulations 1994

**18.1** The Client is legally responsible for ensuring that the electrical installation and all appliances within The Property are maintained in good order and regularly checked for safety by an appropriate registered engineer.

**18.2** If Harper Finn is not provided with a valid certificate prior to the commencement of the tenancy, Harper Finn reserve the right to appoint an appropriate registered engineer to make the necessary checks and carry out any remedial works where necessary. The cost incurred will be debited from The Client's account.

**18.3** Where the tenant is remaining in occupation beyond the expiry of the original certificate and Harper Finn has not received a replacement valid certificate 14 days before the expiry of that original certificate, Harper Finn reserve the right to appoint an appropriate registered engineer to make the necessary checks and carry out any remedial works where necessary. The cost incurred will be debited from The Client's account.

### 19. Furniture & Furnishings Fire/Safety Regulations 1988 & 1993

**19.1** The Client warrants that he/she is fully aware of the terms and conditions of the above Regulations including any subsequent amendments or replacement Regulations (hereafter referred to as the Regulations). The Client declares that all furniture presently in The Property or to be included in a property to which this agreement applies, complies in all respects with the Regulations.

**19.2** The Client further warrants that any furniture purchased for The Property after the date of this agreement will also comply with the Regulations for the duration of the tenancy and any renewals.

### 20. Building Regulations and Planning Consent

**20.1** The Client warrants that he/she is fully aware of the terms and conditions of the above Regulations and Consents including any subsequent amendments or replacement Regulations. The Client declares that The Property complies in all respects with Building Regulations and Planning Consents.

### 21. Indemnity

**21.1** The Client undertakes to keep Harper Finn fully and effectively indemnified in respect of any claim, demand, liability, cost, expense

or prosecution which may arise due to the failure of The Client to comply fully with the terms of all the Regulations detailed in clauses 17, 18, 19 and 20, including any subsequent amendments thereto or replacement Regulations.

**21.2** The Client agrees to indemnify Harper Finn as agent against any costs, expenses or liabilities incurred or imposed on Harper Finn, provided they were incurred on The Client's behalf in pursuit of Harper Finn's normal duties and or upon receipt of Harper Finn receiving written instructions from The Client.

### 22. Clients Resident Outside the UK

**22.1** The Non-Resident Landlords Scheme is a scheme operated by HM Revenue & Customs (HMRC) for taxing the UK rental income of non-resident Clients. The scheme requires UK lettings agents to deduct basic rate tax from any rent collected. Clients are considered to be non-resident if a Client's usual place of abode is outside the UK, or The Client is absent from the UK for a period of more than six months.

**22.2** Client's can apply to HMRC for approval to receive rents without tax being deducted. If an application is successful then once Harper Finn have received written confirmation of their decision Harper Finn will pay The Client the rent without deducting tax. Even though the rent may be paid to The Client without tax being deducted, it remains liable to UK tax and The Client must include it on each and every applicable annual tax return.

**22.3** Where a non-resident Client does not have approval from HMRC, Harper Finn charge £100 for submitting quarterly returns and an annual return. Harper Finn complete the annual return and send The Client a certificate showing the amount of tax that Harper Finn have paid on The Client's behalf. No interest is paid to Client's on tax retentions held by Harper Finn.

**22.4** Harper Finn must be provided with a UK residential address for service. If Harper Finn are not provided with a UK residential address then Harper Finn are obliged to assume that The Client is non-resident and Harper Finn will operate the provisions of the scheme. Harper Finn will also be obliged to state The Client's correspondence address on the tenancy agreement as c/o Harper Finns' registered head office address.

**22.5** Where Harper Finn do not deduct tax which should have been deducted under the scheme Harper Finn are entitled to recover this money from The Client at a later date, along with any other costs that are imposed on Harper Finn by HMRC.

**22.6** Clients who are resident outside the UK are not entitled to hold the deposit for the duration of the tenancy.

**22.7** Clients who become non-resident within the Initial Period, Renewals or Continuation Period are obliged to inform Harper Finn of the change in tax obligations and provide correspondence details.

### 23. Connected Persons

**23.1** As required by Section 21 of the Estate Agents Act 1979, unless specifically stated otherwise, Harper Finn are not aware of any personal interest existing between Harper Finn or anyone in Harper Finn's employ or any connected person(s) and The Client. If The Client becomes aware of such an interest The Client should notify Harper Finn immediately. Upon notification Harper Finn will inform all parties in writing of the declared personal interest.

### 24. Permissions and Consents

**24.1** The Client warrants that he/she is the legal owner of The Property and The Client warrants he/she has full capacity and the right to instruct Harper Finn and consequently Let The Property, and

**24.2** The Client warrants that consent to let from mortgagees has been obtained, and

**24.3** Where The Client is a lessee, the lease extends beyond the term of the proposed letting and that any necessary consents have been obtained, and

**24.4** The Client has notified insurance companies of his/her intention to let and has obtained their agreement to extend the insurance cover on The Property and its contents to cover the changed circumstances, and

**24.5** Where The Client is a joint owner, he/she has ensured that all the owners are named in the tenancy agreement and that he/she is authorised to give instructions on their behalf.

# Residential Lettings

## Terms and Conditions of Business and Fees (Page 4 of 4)

### 25. Keys

**25.1** Where The Client provide Harper Finn with a set of keys (or authorise Harper Finn to use keys held by another agent), Harper Finn operate a secure key tag system that ensures that third parties cannot identify which property a set of keys belongs to, therefore, in the event that keys are lost or unaccounted for, Harper Finns' liability is strictly limited to the cost of cutting a new set of keys.

**25.2** Harper Finn require The Client to provide one set of keys for each occupant of the property plus one spare, for example: for a property with two occupants Harper Finn will require The Client to provide three sets of keys. Where Harper Finn are managing The Property, Harper Finn will hold a set of keys at the office. Where Harper Finn are not provided with sufficient sets, Harper Finn may cut additional sets. The cost of cutting keys will be added to The Clients account.

### 26. Legal Proceedings

**26.1** Harper Finn is not responsible for any legal steps for the recovery of rent or repossession of the property. Appearances before any Court or Tribunal will be by special arrangement and the Fee for any such attendance will be £500 per day, or part thereof. Harper Finn will not accept service of legal proceedings on The Client's behalf in any circumstances. Any legal proceedings received will be returned to sender and The Client will be notified.

### 27. Disclaimer

**27.1** Harper Finn will carry out all services with reasonable care and skill. However, we are unable to guarantee the suitability of tenants, timely rental payments or vacant possession at the end of a tenancy and cannot be held liable by The Client or any third party for such events or for any associated costs/expenses.

### 28. Exclusive Jurisdiction

**28.1** The High Court and the County Courts of England and Wales shall have exclusive jurisdiction to hear and determine any action or proceedings in respect of this agreement.

### 29. Governing Law

**29.1** This agreement and any dispute arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.

### 30. Data Protection and Privacy Policy

**30.1** Harper Finn is registered under the Data Protection Act 1998 and Harper Finn undertake to comply with the Act in all dealings with The Clients personal data. Harper Finn will keep Clients personal information secure. Occasionally, Harper Finn may contact Clients by letter, SMS, telephone, email or otherwise to inform our Clients about other products and services Harper Finn may offer. Harper Finn try to limit this contact to acceptable levels, but if Clients wish to opt out, simply write to: HARPERFINN Limited, Suite 3, 295 Chiswick High Road, London, W4 4HH.

### 31. Entire Agreement and Variations

**31.1** Harper Finn intends to rely upon the written terms set out in these Terms and Conditions of Business and Fees as the full agreement and they supersede any oral representation. Clients are reminded again to read them very carefully. If you, The Client require any changes, please make sure to ask for these to be put in writing. In that way, Harper Finn can avoid any problems surrounding what Harper Finn and The Client are each expected to do. If you, The Client want to make any changes to this agreement, please discuss them with the person that you are dealing with at Harper Finn and make sure that any changes of this agreement are confirmed in writing and signed by both parties. Any amendments will only become effective if confirmed in writing and signed by both parties. Verbal amendments to this agreement will not be considered as effective.

### 32. Electronic Documentation

**32.1** Contracts signed electronically (whether by fax, email or website authentication) are binding and admissible in evidence.

### 33. Assignment of Agreement

**33.1** The Client agrees to obtain consent from Harper Finn prior to any assignment of this agreement.

### 34. Severability

**34.1** Should any provision be deemed invalid then the remainder of the agreement shall remain in full force and effect

### 35. Money Laundering and Immigration Act Requirements

**35.1** Harper Finn are required to verify that tenants have the 'right to rent' in England and to ensure that monies received are from a legitimate source (MLR). Harper Finn will request sight and hold a copy of a valid passport/visa from all Clients and tenants. Harper Finn may pass this information to relevant government bodies.

### 36. Complaints Procedure

**36.1** Should The Client have any problems with Harper Finn's service which The Client is unable to resolve with the Negotiator involved The Client should write to the Lettings Manager. This complaint will be acknowledged within three working days of receipt and an investigation undertaken. A formal written outcome of the investigation will be sent to The Client within 14 working days. If The Client remain dissatisfied, The Client should write to the Managing Director of Harper Finn (MD). The same time limits will apply. Following the MD's investigation, a written statement expressing Harper Finns' final view will be sent to The Client and will include any offer made. This letter will confirm that The Client is entitled, if dissatisfied, to refer the matter to the Property Redress Scheme (PRS) within six months for a review. The PRS will only review complaints made by consumers.

### 37. Declaration

**37.1** The Client declares that he/she is the sole/joint owner(s) of the Freehold/Leasehold property as stated above and that prior to the commencement of the tenancy all furniture and upholstered furniture, soft furnishings, beds, mattresses, pillows and cushions (if any) supplied to The Property, comply (if appropriate) with the provisions of the Furniture and Furnishings (Fire) (Safety) Regulations 1988 and (Amendment) 1993, and warrant that The Property complies with the Gas Safety (Installation and Use) Regulations 1998 and the Electrical Equipment (Safety) Regulations 1994.

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 Harper Finn to commence marketing the property immediately.**

**Before accepting this agreement The Client should carefully read all of the terms and conditions set out in this document. It is very important that The Client reads and understands all of the terms and conditions that will apply to this agreement before entering into this agreement. Only accept this agreement if The Client wishes to be bound by all of the terms and conditions it contains.**

Signed:  
(The Client)

Name:

Date: