

Full Scale of Charges – September 2022

RELEVANT INFORMATION:

VAT

Acorn Properties is registered for VAT. Our VAT Number is: 331 0843 38. All charges outlined within this document will incur VAT.

Client Money & Insurance

All client money is kept in a segregated Client designated Barclays bank account, completely separate from all monies belonging to Acorn Property Solutions (Norfolk) Limited. Deposit payments collected by Acorn Properties are either kept in the aforementioned Client account, or where applicable remitted to the Deposit Protection Services under their custodial scheme. Client money is protected via Propertymark Client Money Protection.

Acorn Property Solutions (Norfolk) Ltd holds professional indemnity insurance with Hiscox Insurance Company Limited (Policy reference: PL-PSC10001916971/04. The company also carries separate Client Money Protection insurance with Propertymark Client Money Protection Scheme (Reference Number: C0132664).

LANDLORD FEES & CHARGES:

Fees & Charges for – FULLY MANAGED PROPERTIES

Please see additional charges payable for fully-managed tenant referencing (page 3).

Initial Property Registration Fee

70% of the achieved monthly rental plus VAT (84% of the achieved monthly rental including VAT) for unfurnished properties payable on arrangement of the first tenancy. Total fee payable subject to a minimum fee of £350.00 plus VAT (£420.00 including VAT).

Please ask for our 'Letting agency agreement' for a full description of the services this fee covers.

Monthly Management Fee

12% - 16% of any rent collected for unfurnished properties, depending on service selected (see below):

- | | |
|---|---------------------|
| (a) Standard Management | – 12% including VAT |
| (b) Legal Plus Management (inclusive of legal expenses insurance) | – 14% including VAT |
| (c) Rent Plus Management (inclusive of rent guarantee & legal expenses Insurance) | – 16% including VAT |

Please ask for our Services for Landlords Terms of Business document for a full description of the services each fee covers.

Rent Increase Agreement (to current tenants, without extending the tenancy term)

Agreement with the tenant and preparation of correspondence with the tenant to document an agreed increase in the rent without a new tenancy agreement **£25.00 plus VAT (£30.00 including VAT)**.

Tenancy Renewal Agreement (to current tenants)

Preparation of a new fixed-term tenancy agreement to the same tenant to extend the term of the tenancy including the provision of updated statutory prescribed information as required.

A fixed fee of **£50.00 plus VAT (£60.00 including VAT)** for tenancy agreements of up to 12 months, plus an additional fee of **£15.00 plus VAT (£18.00 including VAT)** per year for two year or three-year agreements.

Tenancy Change-Over Fee

60% of the monthly rental plus VAT (72% of the monthly rental including VAT) for unfurnished properties
Includes full check-out service at the end of the current tenancy and full re-letting service to establish a new tenancy. Minimum fee £300.00 plus VAT (£360.00 including VAT).

Please ask for our 'Letting Agency Agreement' terms of business document for a full description of the services this fee includes.

Additional property visits

Additional visits to the property on the request of the landlord may be charged at £30.00 plus VAT (£36.00 including VAT) per visit.

Service of Section 13 Notice (*imposing a rent increase on a tenancy where allowable*) £96.00 incl. VAT
Service of Section 21 Notice (*no-fault Notice required to bring a tenancy to an end*) £96.00 incl. VAT

Deposit dispute & preparation for arbitration

Where a landlord disputes the recommendations made by Acorn Properties for the apportionment / return of the deposit to the tenants at the end of a tenancy, Acorn Properties will charge for all ongoing negotiation required and the preparation of documents for the arbitration process at the rate of £30.00 plus VAT (£36.00 including VAT) per hour.

Landlord late withdrawal after instruction to proceed

In the event that the landlord withdraws his consent for a tenancy after instructions have been received to proceed, the landlord may be charged 50% of the registration fee. **If the tenancy agreement has been signed by the tenant, then 100% of fee is payable as agreement is binding*.*

Furnished Properties

A surcharge of 20% on all the above fees is made for furnished properties to cover the increased costs of inventory preparation, check-in/check-out time and property management.

WORK THAT IS NOT INCLUDED IN ANY OF THE ABOVE FEES:

Costs for, or associated with, the following are not included within any of the above fees, and Acorn Properties reserves the right to either decline to undertake, or to charge for these separately. All charges will be agreed with the client in advance of any chargeable work being undertaken.

- specialist tenancy clauses required by the landlord
- arrangement of valuations, viewings or additional paperwork if the property is offered for sale
- additional work required as a result of insurance claims
- deposit disputes and preparation of paperwork for arbitration where the landlord disputes the recommendations made by Acorn Properties

TENANT REFERENCING CHARGES FOR - FULLY MANAGED PROPERTIES

PAYABLE BY THE LANDLORD

For landlords subscribing to the **Legal Plus or Rent Plus services** it is a requirement of the insurance that all tenants pass a **full reference check*** so this cost is not optional. Otherwise whilst full reference checks are recommended they are optional. References required will be charged as follows:

Full Reference Check (per tenant)* - includes: **£45.00 plus VAT (£54.00 incl. VAT) each**

- Credit score and search of public records (for CCJ's, bankruptcies etc).
- Verification of the applicant's identity
- Income verification and assessment
- Current and previous address checks - including undisclosed addresses
- Current employer references obtained and assessed
- Current landlord references obtained and assessed
- Previous landlord reference assessment in some circumstances
- Personal referee check in some circumstances

Guarantor Reference Check (per guarantor) - includes: **£40.00 plus VAT (£48.00 incl. VAT) each**

- Credit score and search of public records (for CCJ's, bankruptcies etc).
- Verification of the guarantor's identity
- Income verification and assessment
- Current and previous address checks - including undisclosed addresses

Drawing up and executing of the Deed of Guarantee to successful applicants, to include provision of statutory documentation as required **£40.00 plus VAT (£48.00 incl. VAT) each**

FEES & CHARGES FOR – LET-ONLY PROPERTIES

After the check-in, full responsibility for managing both the tenancy and the property is passed back to the landlord. Please see additional charges payable for let-only tenant referencing (page 6)

Let-Only Fee

One month's rent plus VAT for unfurnished properties – either fee subject to a minimum total charge of £400.00 plus VAT (£480.00 including VAT).

Please ask for our Letting Agency Agreement (Terms of Business) document for a full description of the services this fee covers.

Provision of Inventory

£100 plus VAT (£120 including VAT) fixed fee for unfurnished properties and £120 plus VAT (£144.00 including VAT) fixed fee for furnished properties.

Compliance with tenancy deposit protection regulations

£50.00 plus VAT (£60.00 including VAT) fixed fee to include initial compliance, provision of the prescribed information and the administration costs for returning the deposit at the end of the tenancy. It does not include any negotiations with the tenant regarding the amount of deposit to be returned or the preparation, or submission, of any evidence to either The Dispute Service or Deposit Protection Service where the amount of the deposit is in dispute. Landlords choosing to receive their own deposit are reminded that they are wholly responsible for their compliance with this legislation.

Tenancy renewal

Provision of three copies of a renewal Assured Shorthold Tenancy agreement with the same tenant(s), in accordance with your instructions (does not include any negotiations with the tenant or arranging for the agreement to be signed or executed), £85.00 plus VAT (£102.00 including VAT) for tenancies of 6 or 12 months (providing the tenancy is already in compliance with the deposit protection regulations)

Optional Check-out Service

To include the provision to the tenants of a full pre-vacating pack and instructions, 25% of monthly rental plus VAT, subject to a minimum fee of £125.00 plus VAT (£150.00 including VAT). This service is only available to Landlords where the tenant has been checked-in by Acorn Properties.

Furnished Properties

A surcharge of 20% on all the above fees is made for furnished properties to cover the increased costs of inventory preparation, check-in/check-out time and property management.

WORK THAT IS NOT INCLUDED IN ANY OF THE ABOVE FEES:

Costs for, or associated with, the following are not included within any of the above fees, and Acorn Properties reserves the right to either decline to undertake, or to charge for these separately. All charges will be agreed with the client in advance of any chargeable work being undertaken.

- any rent collection after the first month's rent
- any ongoing management
- any ongoing repairs or maintenance
- any visits to the property
- any reminders or updates on either legal or compliance issues
- specialist tenancy clauses required by the landlord
- any arrangement of valuations, viewings or additional paperwork if the property is offered for sale
- any work resulting from an insurance claim
- any preparation or serving of any statutory notices on the tenant
- check-out of the tenant at the end of the tenancy unless purchased separately and agreed (there is no obligation on Acorn Properties to undertake your check-out)
- deposit disputes and preparation of paperwork for arbitration where the landlord disputes the recommendations made by Acorn Properties
- any assistance with litigation

TENANT REFERENCING CHARGES FOR - LET-ONLY PROPERTIES

PAYABLE BY THE LANDLORD

References required will be charged as follows:

Full Reference Check (per tenant) - includes: £80.00 plus VAT (£96.00 incl. VAT) each

- Credit score and search of public records (for CCJ's, bankruptcies etc).
- Verification of the applicant's identity
- Income verification and assessment
- Current and previous address checks - including undisclosed addresses
- Current employer references obtained and assessed
- Current landlord references obtained and assessed
- Previous landlord reference assessment in some circumstances

Guarantor Reference Check (per guarantor) - includes: £65.00 plus VAT (£78.00 incl. VAT) each

- Credit score and search of public records (for CCJ's, bankruptcies etc).
- Verification of the applicant's identity
- Income verification and assessment
- Current and previous address checks - including undisclosed addresses

Deed of Guarantee

Drawing up and executing of the Deed of Guarantee to successful applicants, to include provision of statutory documentation as required **£65.00 plus VAT (£78.00 incl. VAT) each**

TENANT PERMITTED PAYMENTS AND SCHEDULE OF FEES:

These are the fees we are entitled to charge to Tenants under the Tenant Fees Act 2019 and apply to all assured shorthold tenancies signed after 1st June 2019.

HOLDING DEPOSIT (per tenancy)

A **holding deposit** of **£50.00** will be payable at the time of application to reserve the property and will be held by us for a period of 15 days unless we agree otherwise. At the end of the 15-day period (or longer as we may agree) the deposit will be refunded to you or be offset against your rent or deposit as agreed unless any of the proposed tenants or guarantors:

- Changes their mind and withdraws their application; or
- Provides significant incorrect or misleading information which makes a material difference to whether the landlord would have accepted your application for the tenancy (for example if you have not declared a poor credit history or have overstated your earnings); or
- Fails a Right-to-Rent check; or
- Despite our best efforts we are unable to obtain complete the reference checks required within 15 days of your application being submitted; or
- Fails to sign the tenancy documents or pay the deposit and/or advance rental payments required within the timescale we have agreed with you.

PERMITTED PAYMENTS

Tenancy amendment charge – Where an amendment can be made to the existing Tenancy Agreement

There is no obligation on the Landlord to agree to a mid-term amendment to the tenancy. Amendments to the tenancy agreement where agreed will be charged at a cost not to exceed £50.00 per amendment.

Tenancy amendment charge – Where a new Tenancy Agreement is required

There is no obligation on the Landlord to agree to a mid-term amendment to the tenancy. Where a change to the tenancy is agreed that results in a new tenancy agreement being required (eg: a change to the tenants) then costs for this will exceed those of a simple tenancy amendment as this work will normally require the existing tenancy to be legally ended and a new tenancy to be granted. As each case will vary in its complexity the agent will provide the tenant with the costs that will be incurred on a case-by-case basis.

Replacement Keys or Assistance with Access

The tenant will be liable for the cost of replacing any keys or other security devices that they lose or damage during the tenancy. If the locks need to be changed because of your actions you will be responsible for the locksmith's costs together with the cost of the new lock and replacement keys, including replacing any keys held by the landlord or the agent. If the agent's time is required this will be charged at £15.00 per hour. Visits by the agent to enable the tenant to gain access to the property using the pass-keys will be charged at time spent at £15.00 per hour for call-outs within normal office hours (9am – 5pm Monday-Friday) + travel costs at 45p per mile. Replacement key cutting will be charged at cost plus the agent's time for organising works required and bank charges for the processing of any payments to third parties where the agent has to arrange the key cutting and payment for you. After hours or weekend call-outs will require you to arrange for a locksmith to attend the property at your own expense.

Interest on unpaid rent

The tenancy agreement allows the landlord to charge the tenant interest for any rent unpaid. Overdue rent will be subject to interest at the rate of Bank of England base rate + 3% per annum calculated on a daily rate from the date the payment was first overdue up until the date the payment is received. The charge will be applied once the payment is 15 days in arrears.

BREACHES OF TENANCY – CONTRACTUAL DAMAGES

The Tenant Fees Act 2019 does not affect our right to claim reasonable compensation from you where you have breached the terms of the tenancy agreement or where you have requested that we undertake work that was your responsibility under the contract on your behalf. This charge will reflect the time and work incurred. This list is not exclusive but some common examples include:

Late rental payments

Non-payment of rent on the due date is considered to be a breach of tenancy.

If the rent remains unpaid after 7 days of the due date

If rent has not been received from the Tenant within 7 days of the due date a 7 day overdue rent demand letter will be sent and this breach of the tenancy will be noted on your file.

If the rent remains unpaid after 14 days

If the rent still remains unpaid at 14 days after the due date the rent will be considered to be seriously in arrears. A 14 day overdue rent demand letter will be sent and this breach of the tenancy will be noted on your file. The Tenant will incur bank interest on the overdue rent.

If the rent remains unpaid 21 days after the due date

If the rent remains unpaid at 21 days after the due date a 21 day overdue rent demand letter will be sent and this breach of the tenancy will be noted on your file. Bank interest will continue to accrue and your Landlord will be advised to consult a solicitor with regard to starting proceedings to regain possession of the property. The Tenant will be required to pay to the Landlord any costs awarded by the Courts.

If tenants have any difficulty with the payment of rent they are strongly advised to stay in contact with Acorn Properties as this will minimize your costs and it may well be possible for all parties to come to an amicable agreement without the need to resort to litigation.

Returned cheques / bank payments

The Tenant will be required to pay all bank charges incurred for any payments made that are returned, refused, or required to be represented by the bank.

Return of overpaid rent at the end of the tenancy

Bank costs for returning monies overpaid at the end of the tenancy (eg: where the tenant has forgotten to cancel their standing order payment) are payable by the tenant.

Costs incurred for missed appointments

Where the tenant has agreed to a visit being made to the property and are then not available to give access to the property at the agreed time and date, the tenant will be in breach of contract so will be liable for the reasonable costs incurred for any cancelled call-out charge made by a third-party contractor and the time spent by the agent in re-visiting the property or re-organising the works arranged.

End of tenancy cleaning, gardening etc (if required)

Work required to return the property to the same clean condition as at the start of the tenancy.

Replacement documents

Replacement copies of documents previously provided (eg: tenancy agreement, check-in inventory, deposit protection certificate etc) will be charged at a cost which reflects any printing and postage costs incurred and the agent's time at £15.00 per hour.