

## TENANT FEES ACT 2019 – INFORMATION FOR TENANTS

### WHAT FEES CAN BROWN & CO ASK YOU TO PAY?

(On tenancies signed on or after 1 June 2019)

Utilities, rent, council tax and TV licence	Yes
A holding deposit	Yes
A security deposit	Yes
Default fees e.g replacement key or security fob or charge for a late rent payment	Yes
Fees for changing a tenant or ending a tenancy early	Yes
Administration fees	No
Application fees	No
Set up fees	No
Referencing fees	No
Credit checks	No
Guarantor fees	No
Permitted Occupier fees	No
Right to Rent fees	No
Contract negotiation fees	No
Inventory charges	No
Saturday move-in fees	No
Check-in fees	No
Check-out fees	No
Renewal fees	No
End of tenancy fees	No

<b>HOLDING DEPOSIT (PER TENANCY) - ONE WEEK'S RENT</b>	This is to reserve a property. Please Note: This will be withheld if any relevant person (including any guarantor(s) withdraw from the tenancy, fail a Right -to-Rent check, provide materially significant false or misleading information, or fail to sign their tenancy agreement (and/or Deed of Guarantee) within 15 calendar days (or other Deadline for Agreement as mutually agreed in writing
<b>SECURITY DEPOSIT (PER TENANCY) for RENT UNDER £50,000 PER YEAR)</b>	Five weeks' rent. This covers damages or defaults on the part of the tenant during the tenancy. If rent is over £60,000 per year, six weeks' rent deposit is taken
<b>UNPAID RENT</b>	Interest at 3% above the Bank of England Base Rate from Rent Due Date until paid in order to pursue non-payment of rent. Please Note: This will not be levied until the rent

<b>LOST KEYS(S) OR OTHER SECURITY DEVICE(S)</b>	Tenants are liable to the actual cost of replacing any lost key(s) or other security devices(s). If the loss results in locks needing to be changed, the actual costs of a locksmith, new lock and replacement keys for the tenant, landlord or any other persons requiring keys will be charged to the tenant. If extra costs are incurred there will be a charge of £15 per hour (inc VAT) for the time taken replacing lost key(s) or other security device(s)
<b>VARIATION OF CONTRACT (TENANT'S REQUEST)</b>	£50 (inc. VAT) per agreed variation. To cover the costs associated with taking landlord's instructions as well as the preparation and execution of new legal documents. A Variation would be any amendment which alters the obligations of the original Agreement
<b>CHANGE OF SHARER (TENANT'S REQUEST)</b>	£50 (inc. VAT) per replacement tenant or any reasonable costs incurred if higher. To cover the costs associated with taking landlord's instructions, new tenant referencing and Right-to-Rent checks, deposit registration as well as the preparation and execution of new legal documents
<b>EARLY TERMINATION (TENANT'S REQUEST)</b>	Should the tenant wish to leave their contract early, they shall be liable to the landlord's costs in re-letting the property as well as all rent due under the tenancy until the start date of the replacement tenancy. These costs will be no more than the maximum amount of rent outstanding on the tenancy.

## EXISTING TENANCIES

While a letting agent cannot charge fees to tenants (other than permitted payments) on tenancies starting after 1 June 2019, the agent is allowed to charge fees on pre-existing tenancies until 31 May 2020.

## WHAT IS AND ISN'T A NEW TENANCY?

The fee ban applies to Assured Shorthold Tenancies (ASTs). If your tenancy renews and a new contract is signed after 1 June 2019, then the agent can't charge any further fees and has to repay your check-out fee if this was taken at the start of the tenancy.

However, if the tenancy continues after the end of the fixed term (what is known as a "periodic tenancy") then your letting agent can continue charging fees until 31 May 2020 when they fall due under the terms of your tenancy agreement.

## FREQUENTLY ASKED QUESTIONS

### **DO I STILL HAVE TO PAY FOR MY REFERENCES?**

No, reference fees cover the costs of checks made by a letting agent to gauge whether a prospective tenant will be able to afford the rent throughout the tenancy. On new tenancies from 1 June 2019, the costs of these checks will be met by the landlord.

***DOES THIS AFFECT MY SECURITY DEPOSIT?***

Yes it does. For new tenancies signed on or after 1 June 2019, security deposits are capped at the equivalent of five weeks' rent (or six weeks if the annual rent is over £50,000). If you have paid a higher deposit for your existing tenancy, when you sign a new contract, the letting agent will have to refund, within 28 calendar days, anything which is more than five or six weeks of the new rent.

***WHAT IF I WANT TO END MY TENANCY EARLY?***

Where a tenant wants to leave their tenancy early, the agent is entitled to charge fees. If the tenancy agreement allows for one tenant to leave and another to take their place (a change of sharer) the agent can charge up to £50 (inc.VAT) or their reasonable costs if higher. The agent will have to prove their costs are more than £50 if they charge more. If the tenant wants to leave altogether, the agent can charge their costs in re-letting the property up to the maximum rent still due under the tenancy.