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Please read this information **BEFORE** **YOU PAY** your Holding Fee

Below explains how your holding fee works, why it may be withheld if you are not successful in your application, and the process of paying funds after the holding fee

Subject to the proposed Landlord (arranged via LEA Property Solutions Ltd) wishing to enter into an Agreement with the tenant, the tenant will be responsible for paying the initial funds to secure the room into which they wish to move. The funds required to secure the room is equivalent to one weeks rent.

e.g if your monthly rent is £400, then a £92 holding fee is required to secure the room.

To enable you to budget accordingly, we will require a total payment of two months rent (e.g. £800 if your room rent is £400 per month) upfront before you can move in. This includes the holding fee and will be paid in three stages as explained below.

You must complete the Deadline of Agreement form if your move in date is more than 15 days away from the date you have/intend to pay your holding fee. This allows us to hold your fee (and therefore the room) until the date the room is required.

When you have paid the one week's holding fee, you then have 72 hours to send to us by email any further information we have requested from you otherwise you lose your holding fee and room goes back on the market. This is because we are not able to start the application process fully until we have all the information that we require and we are not able to hold the room longer that 72 hours.

When we have received your information, we will check through it all, collect your references and then report back to you with any issues. If you do not earn enough (please see Affordability Checks) or your landlord reference comes back as being an unsuitable tenant, or you are in rent arrears, then the room may not be offered to you; you will lose your holding fee and the room will go back on the market.

Once the application process is complete and a few days before you move in, we will then put your one week's holding fee towards the full month's rent as the security deposit and ask you to pay this remaining amount. E.g. if your monthly rent was £400 and you had already paid the £92 holding fee, then the remaining amount would be £308 for you to pay and this would then be protected as £400 as your security deposit. Your first month's rent

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would also be due at this stage. All of these payments have to be made before we can meet you at the property to move you into the room.

PLEASE REMEMBER: we want your application to be successful so if there is anything you think may cause concern then please be upfront with us and we will try to find a way around it so we are able to offer you the room. We aren't miracle workers but we are human and most likely we have been in your situation at one time and want to help 😊

Other Conditions of LEA Property Solutions holding the Holding Fee

The Agent/Proposed Landlord acknowledges receipt of the Initial Holding Deposit so as to reserve the room in the property you require.

The proposed Landlord/agent shall not let the Property to any other person other than the Proposed Tenant. This condition will last until this reservation is cancelled by either party (subject to reference and affordability checks), or until the last date for the signing of the tenancy agreement (whichever is the earlier).

The proposed landlord/agent will not take additional Initial Holding Deposits from any parties aside from the Proposed Tenant. This restriction will last until the Initial Holding Deposit has been partially or fully refunded to the Proposed Tenant or allocated to the Proposed Landlord where these Special Conditions, or Schedule 2 of the Tenant Fees Act 2019 allows for this.

If a Tenancy Agreement is entered into in respect of the Property at the proposed rent between the parties, the Initial Holding Deposit shall be credited in its entirety against the deposit payable under the Tenancy Agreement by the Proposed Landlord.

If the Tenancy Agreement in respect of the Property is not signed by the end of the last date for signing the Tenancy Agreement, or if the reservation has been cancelled by either party, the Initial Holding Deposit shall only be repaid as provided below and not otherwise. Where the Proposed Landlord/Agent is entitled to retain the Initial Holding Deposit, the reason for this and the amount retained shall be communicated to you in writing within 7 days of the deadline for agreement or the date on which the Proposed Landlord decides not to enter into a Tenancy Agreement. This will be in accordance with these Special Conditions or Schedule 2 of the Tenant Fees Act 2019.

This agreement is not intended to create a tenancy in respect of the Property. It does not oblige any party to enter into a Tenancy Agreement. Either party may cancel the reservation. The precontract deposit is therefore not a tenancy deposit which is subject to protection under the Tenancy Deposit Protection Scheme in accordance with the provisions of the Housing Act 2004.

The Proposed Landlord/agent does not have to refund any of the Initial Holding Deposit in the following circumstances:

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- Where the Proposed Tenant provides false or misleading information that the Proposed Landlord/agent may reasonably believe impacts on their decision whether to offer a Tenancy Agreement to the Proposed Tenant;
- Where the Proposed Tenant cancels their reservation prior to the deadline for agreement and the Proposed Landlord and/or Agent has acted in a reasonable manner towards the Proposed Tenant where, prior to paying the Initial Holding Deposit, the Proposed Tenant has confirmed to the Proposed Landlord or their Agent that they have sufficient proof to establish permanent or time limited right to rent in England, and subsequent checks reveal this is not the case
- Where the Proposed Landlord and/or Agent has taken all reasonable steps to enter into a Tenancy Agreement by the deadline for agreement and the Proposed Tenant does not take all reasonable steps to enter into a Tenancy Agreement; examples of the parties taking reasonable steps include, but are not limited to, providing sufficient information to collect references, contacting all referees in a timely fashion to allow for responses, performing credit checks, attending an appointment to verify the Proposed Tenant's right to rent status, providing the security deposit and rent no later than the deadline for agreement.

The Initial Holding Deposit is refundable in full in any of the following circumstances:-

- If the Proposed Landlord does not accept the reservation or does not agree to abide by these Special Conditions (where this agreement is entered into by the Agent);
- The Proposed Landlord withdraws the Property and cancels the reservation; where all parties have taken all reasonable steps to enter into a Tenancy Agreement but did not sign the Tenancy Agreement by the deadline for agreement; or
- In all of the above, the Initial Holding Deposit will be refunded in full to the Proposed Tenant within 7 days of the deadline for agreement, or within 7 days of the Proposed Landlord's decision if it is before the deadline for agreement.

Any cancellation of the reservation by either party must be in writing to be effective.

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