

KFH Rent and Legal Protection - Terms and Conditions

KFH offers an excess-free rent and legal protection to landlords who wish to protect themselves against the risk of **Rent Arrears** and associated **Professional Costs**.

In the unfortunate event where **Your Tenant** stops paying their **Rent**, KFH's Rent and Legal Protection protects eligible landlords against loss of income, ensuring **You** can continue to meet **Your** own financial commitments, such as mortgage payments, insurance cover and service charges.

The service also includes the provision of legal support enabling **You** to undertake possession proceedings for the return of **Your Property**, with all legal proceedings taken care of on **Your** behalf.

This document is a contract between **You** and **Kinleigh Folkard & Hayward**. It is important that **You** read the contents of this agreement carefully to ensure that **You** understand the circumstances and terms upon which **Rent Arrears** will be covered.

Definitions – Definitions can be found in part 1 should **You** not be familiar with any of the terminology contained within these terms.

Please note:

Eligibility is subject to the terms and conditions within this document. **You** must also instruct **KFH** to fully manage **Your Property** or collect the **Rent** for the duration of the term where the Rent and Legal Protection is provided.

Activation of the Rent and Legal Protection service in the event of the **Tenant** falling into arrears may also initiate eviction proceedings against the **Tenant**. See the full terms and conditions for further details.

Confirmation of Landlord Instruction

Please complete, initial each page and sign these Terms and Conditions and return them to **KFH** in order for the Rent and Legal Protection to commence.

1. Property details

Full address of **Property** to be let: _____

Postcode _____

2. Landlord details

Landlord 1
Full name _____

Landlord 2
Full name _____

3. Confirmation of Rent and Legal Protection Fee and Period of Cover:

£45 (£37.50 plus VAT) per month - where the contractual rent is £3,000 per month or less

£120 (£100 plus +VAT) per month- where the contractual rent is between £3,001-£4,000 per month

£150 (£125 plus +VAT) per month- where the contractual rent is between £4,001-£5,000 per month

Subject to acceptance by **Our** Insurer the Rent and Legal Protection will commence from the first day of the new **Tenancy**, or any day thereafter if the service is purchased at a later date. The Rent and Legal Protection will remain in place for the entire term of the **Tenancy** and also for any subsequent tenancies arranged by **KFH** until it is cancelled by **You**, subject to the conditions of the Rent and Legal Protection service being met.

4. Declaration & Acceptance of Terms and Conditions

KFH is prepared to provide to the **Landlord** a Rent and Legal Protection service in accordance with and subject to the terms set out below for the payment of certain limited **Rent** in respect of such **Tenancy** should it fall into **Rent Arrears** and will procure that this **Rent** is paid for the account of the **Landlord**. **Our** obligation to **You** is that in the event that there are any defaults in the payment of the **Rent** (as set out in the **Tenancy Agreement**) by the **Tenant(s)/Guarantor(s)**, **We** will pay **You Rent** monthly for a maximum of 15 months or until **Vacant Possession** has been gained, whichever happens soonest. There is no applicable excess in respect of this service.

A claim must be notified to **Us** by **You** no later than 21 days from when the **Rent Arrears** or **Event** first occurs.

Payments will be made subject to any deductions agreed in the Lettings Terms and Conditions and this **Rent and Legal Protection Agreement**. Deductions will also be made for any outstanding charges due from **You**. In the event of payments being made under this **Rent and Legal Protection Agreement**, all rights of **You** to recover such sums shall be subrogated to **Us**, **Goodlord** or **Our Insurer** in order to affect recovery of sums paid (in the name of the **Landlord** if necessary or expedient). By signing this **Rent and Legal Protection Agreement** **You** confirm and agree to the same. Recovery of rents paid out shall be at **Our** sole discretion.

Should **You** receive any funds from any **Tenant(s)/Guarantor(s)** after any date of default which results in **Us** having to pay **You** any monies under the terms of this **Rent and Legal Protection Agreement**, **You** shall immediately notify **Us** of such receipt and shall forward such funds (up to the amount paid by **Us**) to **Us** immediately on receipt of the same.

It is a condition of this **Rent and Legal Protection Agreement** that any eligible claim may automatically instigate eviction proceedings against the **Tenant(s)**, with the cost of possession proceedings included in the Rent and Legal Protection. The proceedings will be handled by **Goodlord** and the **Professional Adviser** on **Your** behalf. Please do not ask for help from a lawyer, accountant or anyone else before **We** or **Goodlord** have agreed. If **You** do, the Rent and Legal Protection may be invalidated.

I/We are the sole legal owner(s) of The Property and have read, are in agreement with and accept these Terms and Conditions and are bound by its entire contents:

Signed Landlord 1 _____

Signed Landlord 2 _____

DATED: _____

DATED: _____

1. DEFINITIONS

Agent, KFH, We, Us, Our

Kinleigh Limited trading as Kinleigh Folkard & Hayward ("KFH") whose Registered Office address is KFH House, 5 Compton Road, London, SW19 7QA and its successors in title and assigns.

Counterclaim

Any claim, brought against the **Landlord**, whether in set-off or otherwise, in relation to the **Property** and/or Tenancy and commenced after Proceedings are issued by the Professional Adviser, **Landlord** or **Agent**.

Defence

Any Proceedings in which the Tenant, or an agent/ representative acting on their behalf, objects to the same.

Deposit

A sum of money at least equal to the value of one month's **Rent** as outlined in the Tenancy, either held in a Tenancy Deposit Scheme or secured by way of a separate policy of indemnity or nil deposit scheme and which is available to **Us** without prejudice, for use as outlined in the description of cover provided by this **Service**.

Event

One of the following:

- i) the Tenant's failure to deliver up to the **Landlord Vacant Possession** of the **Property** upon the expiry of a notice requiring possession served pursuant to Section 21 Housing Act 1988 (as amended by the Housing Act 1996)
- ii) an incident or circumstances which give rise to a claim for possession by the **Landlord** upon one or more grounds for possession as set out in Schedule 2, Housing Act 1988 (as amended by the Housing Act 1996)
- iii) occupation of the **Property** by person or persons unknown to the **Landlord** and/or persons allowed into occupation by a lawful Tenant but without the **Landlord's** authority
- iv) the failure of the Tenant or where applicable any Guarantor, to pay the whole or any part of the **Rent**.

Guarantor

Any person(s) who is a resident of the UK and is providing a financial guarantee for the terms of the Tenancy. Guarantors must provide a Passed Reference and have signed a **Guarantor Indemnity/ Deed of Guarantee**.

Guarantor's Indemnity/ Deed of Guarantee

Legally enforceable, signed and if applicable independently witnessed confirmation of the Guarantor's commitment to stand as Guarantor for the Tenant's obligations, under the Tenancy, for the duration of the Tenant's occupation of the **Property**.

Goodlord

Goodlord is a trading name of Oh Goodlord Limited, registered in England and Wales, registered number 08933499. Registered Office: The Hickman, 2-4 Whitechapel Road, London, England, E1 1EW.

Insurance Policy

Our insurance policy, underwritten by DAS Legal Expenses Insurance Company Limited, of which **We** are the sole policy holder;

Landlord, You, Your

The person(s) or company, being the person entitled to the revisionary interest in the **Property**, who enters into

a **Tenancy** with the **Tenant**, or in the event of their death a legal personal representative.

Our Insurer

In the matters of a claim, our insurer is DAS Legal Expenses Insurance Company Limited.

Period of Cover

The period for which **We** have agreed to cover **You** as shown in the **Rent and Legal Protection Agreement**.

Proceedings

Civil Court action or arbitration or appeal arising therefrom.

Professional Adviser

The solicitor or accountant or other suitably qualified person, firm or company appointed to act on **Your** behalf under the terms of this **Rent and Legal Protection Agreement**.

Professional Costs

Fees, costs and disbursements, properly and necessarily incurred in respect of an Event, by the **Professional Adviser**.

Property

The residential premises stated in the **Rent and Legal Protection Agreement** and specified as the rental address in the **Tenancy Agreement**.

Rent

The monthly amount payable under the **Tenancy Agreement** at the time of the **Event**.

Rent and Legal Protection Agreement

This document which provides specific details of the KFH Rent and Legal Protection service.

Rent Arrears

Any portion of unpaid **Rent** that is owed to **You** or **Us** under a **Tenancy Agreement**. The first date of **Rent Arrears** is deemed to be the date on which they are due to be paid, as outlined in the **Tenancy Agreement**.

Satisfactory / Passed Reference

A Goodlord reference report showing a 'Pass'.

Service

Our rent and legal protection service more fully described in this clause

Tenancy Agreement

An agreement between the **Landlord** and Tenant in relation to the **Property** which is an Assured Shorthold Tenancy as defined by the Housing Act 1988 or any other **Tenancy Agreement** which is in writing, properly executed and contains an enforceable forfeiture clause and is approved by **Us** or **Goodlord**.

Tenant

Any one or more individuals introduced by **Us** or named as Tenant in the **Tenancy Agreement** and who received a Passed Reference prior to occupation.

Territorial Limit

The United Kingdom of Great Britain and Northern Ireland.

Vacant Possession

The date on which possession of the **Property** is returned to the **Landlord**. The following acts, which is not an exhaustive list, are likely to constitute the return of possession:

- The return of the keys to the **Property**; and/or
- Confirmation from the **Tenant(s)** that they have vacated the **Property**; and/or
- The date on which an abandonment notice expires.

RENT & LEGAL PROTECTION

1. **We** will ask **Our** insurer to note **Your** interest on the **Insurance Policy** which will mean that **You** will be provided with the protections listed below. That means that if **Your Tenant** defaults on their **Rent** payments, for example, **You** can inform **Us** and **We** will make a claim under the **Insurance Policy**. If the claim is successful, **We** will pay any sums recovered that are due to **You**.
2. The **Service** includes protection for:
 - 2.1 Full **Rent** protection for the total monthly **Rent**, as listed in the **Tenancy Agreement**.
 - 2.2 **Rent** payable until **Vacant Possession** is obtained.
 - 2.3 Service of eviction notices to reclaim possession of the **Property**.
 - 2.4 Legal costs to obtain possession of the **Property** if the **Tenant** fails to pay the **Rent**.
 - 2.5 A total limit of indemnity of £100,000.
 - 2.6 Breaches of the **Tenancy Agreement** by the **Tenant** if they are grounds for possession, including non-payment of **Rent**, expired Section 21 notices, subletting, and illegal activity.
 - 2.7 Defence costs if a **Tenant** raises a counter claim during the eviction process.
 - 2.8 Costs and expenses to evict anyone who is not the **Tenant** or ex-tenant from the **Property** and who has not got permission to reside in the **Property** i.e. eviction of squatters.
 - 2.9 Court attendance by a legal representative appointed by **Us**. Attendance by a Kinleigh Folkard & Hayward representative is charged as per **Our** schedule of fees.
 - 2.10 90% of the **Rent**, as listed in the **Tenancy Agreement**, payable after **Vacant Possession** is obtained until re-let, up to a maximum of six weeks. This is subject to **You** re-letting the **Property** via **Kinleigh Folkard & Hayward**.
 - 2.11 Legal expenses for pursuing a civil dispute after an event caused by the **Tenant**, which results in physical damage to the **Property** in excess of £1,000.00.
 - 2.12 Costs and expenses relating to a dispute with a party **You** have a direct contractual relationship with arising from an agreement or an alleged agreement, which **You** have entered into for buying and hiring any goods or services in relation to the **Property**.
3. The **Service** is only available providing the **Tenant** has passed satisfactory references approved by a referencing agent appointed by **Us**.
4. The **Service** is still provided in the event that the full sum of **Rent** is paid in advance by the **Tenants** prior to the **Tenancy** start date because it provides **You** with protection against breaches of contract which enable grounds for possession.
5. If **You** do not cancel the **Service** within the 14 days of the tenancy commencing, the **Service** will remain in place for 12 months and the cost to **You**, the **Landlord**, will be deducted from the monthly **Rent**. Charges are detailed in **Our** schedule of fees.
6. The **Service** is not available to **You** where the **Rent** for the **Property** exceeds £10,000.00 per calendar month.
7. The **Service** will automatically be renewed annually. If **You** do not wish to renew the **Service**, **You** must write to **Us** to cancel within 14 days of the policy renewal date. This can be sent via email to rentguarantee@kfh.co.uk. **We** will require at least five working days to action **Your** request. If **You** do not notify **Us** of **Your** wish to cancel, the **Service** will remain in place for 12 months and the cost to **You**, the **Landlord**, will be deducted from the monthly **Rent**.
8. If the **Tenant** falls into arrears and **You** are receiving any of the benefits of the **Service**, **You** will not be entitled to cancel the **Service**, until such time that either the **Tenant** puts **Us** in funds, or possession of the **Property** is taken.
9. If the **Tenant** has not paid the full **Rent** due within 31 days of the **Rent** due date, then the late **Rent** payments equating to two months will be payable to **You** within a 75-day period from when the first full month's **Rent** payment was initially due.
10. Monthly payments, equating to a maximum of 15 months' **Rent**, subject to a limited indemnity of £100,000, will then be paid to **You** one month in arrears on an on-going basis until such time that either the **Tenant** puts **Us** in funds or possession of the **Property** is taken.
11. Payments will be made subject to any deductions detailed within **Our** agency agreement and **Our** schedule of fees, such as **Our** management charge and contractor invoices.
12. The **Service** is fully transferable between tenancies for the same **Property** to ensure continuous protection even when the **Tenants** change.
13. If legal representation is necessary, **We** will appoint a preferred law firm as the legal representative and full co-operation from **You** as may be required by **Us** or the appointed legal representative.
14. Costs for repossession of the **Property** will not be covered by the **Service** unless the **Property** is let under one of the following agreements:
 - 14.1 An Assured Shorthold Tenancy under the 1988 Housing Act.
 - 14.2 A Company Residential Tenancy (Company let) created after the 28th of February 1997 where the **Tenant** is a Private Limited Company (Ltd) or Public Limited Company (Plc) and the **Property** is let purely for residential purposes to an employee of the **Tenant**.
 - 14.3 A Law of Contract Agreement not governed by the Housing Act 1988, the Housing (Scotland) Act 1988 and the Private Housing (Tenancies) (Scotland) Act 2016.
 - 14.4 A Short Assured Tenancy or Assured Tenancy as defined in the Housing (Scotland) Act 1988.
 - 14.5 A Private Residential Tenancy Agreement created after 1st December 2017 as defined within the Private Housing (Tenancies) (Scotland) Act 2016.
15. If **You** are an existing **Landlord** completing and signing this new **Rent and Legal Protection Agreement** and **You** request to add the **Service** mid-tenancy i.e. after the commencement of the **Tenancy Agreement**, **You** will only benefit from the **Service** after 60 days but will be

subject to charges as per **Our Schedule of Fees**. The **Tenant** must not accrue any **Rent** arrears which have not been paid in full, before the 60 day timescale, or the service will be cancelled on day 61.

16. The **Service** does not include:

16.1 Pay-outs where the **Professional Adviser We** appoint does not believe that **We** will be more likely than not to win the case.

16.2 Any legal problems which started prior to the commencement of the **Service**.

16.3 Any costs which exceed the indemnity limit of £100,000.

16.4 Any costs if **You** appoint Your own legal representative or professional adviser.

16.5 Any legal action **You** take, which **We** or the appointed **Professional Adviser** have not agreed to, or where **You** do anything that hinders **Us**, or the appointed **Professional Adviser**.

16.6 **Property** damage legal expenses where the amount in dispute is £1,000.00 or less.

16.7 The cost of any **Property** damage caused by the **Tenant**.

16.8 Costs relating to everyday maintenance of the **Property** for which the **Tenant** is not liable under the **Tenancy Agreement**, for example general wear and tear.

16.9 Any fines, penalties, compensation or damages **You** are ordered to pay by a court or other authority.

16.10 **Rent** arrears once the **Property** is re-let.

16.11 Contract disputes where the agreement entered into is dated before the commencement of this **Service**.

16.12 **Contract disputes** where the amount in dispute is less than £100.00 (including VAT).

16.13 The non-performance of Your obligations under the **Tenancy Agreement** and the Housing Act 1988 (excluding defence costs).

16.14 The payment or non-payment of service charges as defined within the Landlord and Tenant Act 1985.

16.15 Any costs relating to registering rents, reviewing rents, rent control, buying the freehold of the **Property**, or any other matter that relates to rent tribunals, rates tribunals, land tribunals, rent assessment committees and rent officers.

16.16 Any costs and expenses arising from or relating to judicial review, coroner's inquest or fatal accident enquiry.

16.17 Any costs or expenses caused by, contributed to or arising from:

- i. Ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from burning nuclear fuel;
- ii. The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear part of it;

iii. War, invasion, act of foreign enemy, hostiles (whether war is declared or not), civil war, rebellion, revolution, military force or coup, or any other act of terrorism as defined in the Terrorism Act 2000;

iv. Pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.

17. For the avoidance of doubt, **Kinleigh Folkard & Hayward** is not authorised by the Financial Conduct Authority. The **Service** offered is a contractual guarantee, but not an insurance policy.