



My House
online

Holding Deposits

For all your property needs, all in one place!

What is a holding deposit?

In summary, a holding deposit is a payment to a landlord or agent to reserve a property that you're looking to rent. In most cases, prospective tenants are entitled to a refund if the landlord makes the decision not to let the property out to them. It is advised that Tenants only pay a holding deposit if you are serious about the tenancy. If you make the decision not to go ahead and accept the tenancy offer we, the agent, or the landlord may keep the holding deposit.

How much you can be charged

From 1 June 2019, a holding deposit cannot be more than 1 week's rent. Ask us, the agent, or the landlord to refund any money you've paid above this limit.

How to calculate: Monthly rent x 12 ÷ 52 = maximum holding deposit

What will happen when you pay

We and the landlord will stop advertising the property. We are not allowed to take a holding deposit from more than one person for the same property at the same time.

Entering into a tenancy agreement

You have 15 days from when you pay a holding deposit to enter into a tenancy agreement. This is called the deadline for agreement. You can agree a different deadline with us, the agent, or the landlord in writing.

If you enter into a tenancy agreement, the landlord can either:

- return your holding deposit within 7 days of agreeing the contract,
- put it towards a tenancy deposit or the first rent payment with your permission.

You could lose your holding deposit if you decide not to go ahead, or don't take reasonable steps to agree a tenancy by the deadline.

Once you've signed a tenancy agreement, this will usually be legally binding unless you can end the tenancy early. The landlord might be able to keep the holding deposit as part of any agreement to release you from the contract.

If the landlord decides not to rent to you

You should normally get your holding deposit back within 7 days if either the:

- landlord decides not to offer you a tenancy,
- deadline has passed but you took all reasonable steps to agree a tenancy by then.

When the landlord can keep a holding deposit

The landlord or agent can only keep your holding deposit if you:

- decide not to rent the property,
- misled the landlord or agent,
- fail a right to rent immigration check.

The landlord can't keep the money for any other reason. For example, you should still get your holding deposit back if you fail a credit check, provided you told the truth about your situation.

The landlord must write to you within 7 days to explain why they are keeping the holding deposit. If they don't, they must return the holding deposit in full.

If you decide not to rent the property

Your landlord or agent can normally keep the holding deposit if you either:

- decide not to go ahead with the tenancy,
- don't take the necessary steps to agree a tenancy by the deadline.

You should still get your money back if you decide not to rent the property because the landlord has acted unreasonably. This could include if they significantly change the terms of the tenancy or ask you to pay a banned fee.

Misleading statements

We, the agent, or the landlord can keep the money if you have misled them/us about something that affects whether we/they offer you a tenancy. For example, if you said your income was a lot higher than it is.

How to get your holding deposit back

Although we aim to provide the best possible service, it is good to know how to get your deposit back in the situation that the landlord or agent keeps a holding deposit when they shouldn't do. You can write to us, the agent, or your landlord and ask for your money back in full.

If need be, you can also complain to:













- trading standards at your council,
- a letting agent redress scheme if the agent is a member.

Trading standards can help you apply to a tribunal to get your money back and can fine the landlord or agent. You can find out more on GOV.UK about applying to a tribunal. A redress scheme can investigate your complaint and tell the agent to apologise or compensate you.

What are the rules when collecting a housing deposit?

A prospective tenant is not required to provide a Holding Deposit unless specified information has been provided to them in advance. Contact details of the landlord and/or agent managing the property are also required. This prevents a landlord from having to provide a home address to a prospective tenant before a holding deposit is taken; especially relevant where their property is being managed by an agent and where only the agent's contact details will be required.

What details need to be supplied to a prospective tenant?

- | | |
|---|---|
|  Amount of Holding Deposit. |  Rental period. |
|  The dwelling in respect of which the deposit is paid. |  Any proposed additional contract terms or proposed modifications or exclusions to fundamental or supplementary terms. |
|  Name, address, telephone number and any email address of the letting agent or landlord where self-managing. |  Amount of any Security Deposit. |
|  Nature and duration of the contract. |  Whether a guarantor is required and, if so, any relevant conditions. |
|  Proposed occupation date. |  Reference checks the landlord or letting agent will undertake. |
|  Amount of rent or other consideration. |  What the landlord or letting agent requires from the prospective tenant. |

How should the information be supplied to the prospective tenant?

All the information the landlord or letting agent requires from the prospective contract-holder must be provided to a prospective contract-holder in writing. This may be given in person or sent either by post or e-mail if the prospective tenant is happy and has confirmed they are able to receive it electronically.

My House Online Ltd is an estate agency and a property management company, providing short and long term accommodation.

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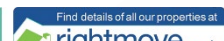
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