

# Holding deposit Agreement

Whereas \_\_\_\_\_ ("the Prospective Tenant")

wishes to take a tenancy of the property known as \_\_\_\_\_

("the Property") at a rent of £\_\_\_\_\_ per calendar month and has paid to London Estates a Holding Deposit of £\_\_\_\_\_ ("the Deposit");

## Terms are agreed as follow:

1. The Prospective Tenant has provided information to the Landlord/Agent of their basic income and advised as to any adverse credit scores. The Landlord or Agent believes that the Prospective Tenants income is acceptable level of income.
2. The Prospective Tenant has been provided with a copy of the draft Tenancy Agreement.
3. The Deadline for Agreement is the 15th day beginning from the Date of Receipt of the Holding Deposit. The parties can agree to extend the deadline in writing.
4. Upon receipt of the Holding Deposit the Property will be removed from the lettings market in favour of the Prospective Tenant until the Deadline for Agreement has expired.
5. The Prospective Tenant agrees to provide the Landlord or Agent accurate information and documents requested in respect of their income, tenancy history and references within 7 working days beginning from the Date of Receipt of the Holding Deposit.

## REPAYMENT OF THE HOLDING DEPOSIT

6. The Holding Deposit will be repaid to the Prospective Tenant in the event of the following: -
  - a. The Landlord and Prospective Tenant enter into a Tenancy Agreement. The Holding Deposit is to be applied towards the first's month rent payable under the terms of that Tenancy Agreement.
  - b. The Landlord decides before the Deadline for Agreement not to enter into a tenancy agreement with the Prospective Tenant. The Holding Deposit to be returned within 7 days from the date that the Landlord confirms to the Prospective Tenant that the Landlord intends not to proceed with the Tenancy agreement with the Prospective Tenant.
  - c. The Landlord and the Prospective Tenant fail to enter into a tenancy agreement relating to the Property before the Deadline for Agreement. The Holding Deposit will be returned within 7 days of the expiry of the Deadline for Agreement. Save that The Landlord will not be required to return the Holding Deposit to the Prospective Tenant : -
    - i. if the Landlord and or Agent has taken all reasonable steps to enter into the tenancy agreement but the Prospective Tenant has failed to take all reasonable steps to enter into a tenancy agreement by the Deadline for Agreement; or
    - ii. if the Prospective Tenant notifies the Landlord or Agent that they do not wish to enter into the tenancy agreement.

## WITHHOLDING THE HOLDING DEPOSIT

7. The Landlord may retain the Holding Deposit if: -
  - d. the Landlord is prohibited from granting a tenancy to the Prospective Tenant by section 22 of the Immigration Act 2004 and the Landlord or its Agent could not have reasonably been expected to know that the prohibition applied before the Holding Deposit was accepted;
  - e. the Prospective Tenant provides false or misleading information to the Landlord or Letting agent;
  - f. the Landlord and or Agent has taken all reasonable steps to enter into the tenancy agreement but:
    - i. the Prospective Tenant has failed to take all reasonable steps to enter into a tenancy agreement by the Deadline for Agreement; or
    - ii. the Prospective Tenant has notified the Landlord or Agent that they do not wish to enter into the Tenancy Agreement.
  - g. Where the prospective tenant fails to progress the tenancy, or gives false or misleading information, an appropriate amount for the landlord's justifiable costs and any losses will be deducted from the holding deposit.
8. The Landlord or Agent will provide the Prospective Tenant reasons in writing for the Landlords decision not to enter into the Tenancy Agreement within 7 days of the Deadline for Agreement or the Landlords decision not to enter into the Tenancy Agreement if before the Deadline for Agreement. Reasonable evidence in support will be provided where available.

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## Prospective tenants should be aware that:

- The checks and references will be carried out using an approved credit reference agency in strictest confidence and on the basis of information supplied in the Tenancy Application Form.
- All personal information supplied to the Landlord or Agent will be kept secure at all times and will be permanently and securely destroyed when no longer required as per the principles of the Data Protection Act 1998.
- False statements made could result in early termination of a tenancy under Ground 17 of the Housing Act 1998

## ACCEPTANCE

I confirm that I have read and fully understand the implications and requirements of this agreement.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_



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