

# MAIDSTONE & MEDWAY

## Property Management

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### TENANTS DEPOSITS

It is our policy to request a deposit from tenants equal to one and a half months rent at the start of the tenancy, to ensure there are sufficient funds to cover any minor refurbishment costs there may be, at the end of a tenancy.

Under certain circumstances, and with the landlords agreement, we will accept a minimum deposit equal to one months rent at the start of the tenancy. We would not recommend landlords consider any less than this.

From the 6<sup>th</sup> April 2007, new rules came into effect governing tenants deposits under an ***Assured Shorthold Tenancy***, and it is now a requirement that all tenants deposits be protected either under an Insurance Backed scheme, or by a Government appointed Custodial scheme.

The Insurance backed schemes requires agents or landlords to register with an approved body and take out an Insurance policy protecting tenants deposits. The deposits themselves can then be held by the agent or landlord in a dedicated client bank account. There are 2 Insurance backed schemes: ***THE DEPOSIT PROTECTION SCHEME*** and ***TENANCY DEPOSIT SOLUTION LTD.***

The Custodial scheme requires agents or landlords to deposit all tenants deposits, within 14 days of receipt, with the Government appointed ***DEPOSIT PROTECTION SERVICE***. It is a ***FREE*** service, so there is no additional cost passed on to the landlord. Each deposit is given a unique ID number which can be used to keep track of the deposit by either agents, landlords or the tenants themselves.

Maidstone & Medway Property Management has decided on the custodial scheme provided by the ***DEPOSIT PROTECTION SERVICE***.

Both schemes offer fast arbitration in the event of a dispute without the need for taking court action.

Further information, please view the section on ***Tenant's Deposits*** to download copies of the Government issued leaflets on the schemes available.

You may also contact us direct if you would like to discuss protecting tenants deposits in person.