

Tenants Guide to securing a property

Have you viewed a property you would like to rent?

The following pages of this guide will walk you through the complete process of making an offer to rent a property we are marketing.

Please note –

It is important that you read this document carefully before completing the Offer to Rent form.

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1. Your 'Offer to Rent'

If you see a property that you like and want to secure a tenancy, then you will need to contact our office to discuss your interest and complete an 'Offer to Rent' form so that we can discuss your position with the landlord.

By completing our 'Offer to rent' form does not commit you or the landlord to a tenancy. If your offer is agreed in principle by the landlord, you will then need to complete an application to secure a property.

When you are completing this form, you must consider and be aware of the following:

1.1 - Include any conditions of your offer

Make sure you include in detail on the 'offer to rent' form a list of any items or requirements that are a condition of your offer for the landlord to consider. To avoid confusion or misunderstanding this form will be the point of reference should confusion with any details arise. **Please highlight** any conditions that are non-negotiable.

1.2 - Who will be living in the property?

We need to know everyone including children/students that are going to be living at the property including their names, address details, employment information, salaries, and ages.

1.3 - Clearly state your preferred moving in date

Whilst we cannot guarantee this date, we will make every effort to accommodate you as best we can. We cannot accept liability for issues that may arise due to exiting tenancy delays or works required due to defects identified by the check-out clerk. Every effort will be made to rectify any issues that arise to enable your preferred move in dates to be met.

1.4 - How long do you want to stay?

It is important to state whether your initial requirements are for a term of 6 or 12 months. But we also ask you give an approximate time indication if your intentions are to stay beyond the initial period. We ask for future intentions only to guide you regarding our landlord's position.

1.5 - Do you have any pets?

We will also need to be informed of any pets that will reside at the property.

1.6 - Will any tenants be smokers?

This is an important factor that landlord/s will want to know. Most landlords will allow smoking outside, but this must be disclosed before referencing can commence as it is ultimately the landlord's decision.

1.7 - What security deposit amount will be required for this property?

The security deposit amount will be equal to five or six weeks' rent depending on whether the annual rent is above or below £50,000.

Where the annual rent is below £50,000 - Deposits will be 5 weeks rent for tenancies.

The Security Deposit figure is calculated as follows - The Monthly Rent x 12 months ÷ by 52 Weeks x 5 weeks)

Where the annual rent is above £50,000 - Deposits will be 6 weeks rent for tenancies.

The Security Deposit figure is calculated as follows - The Monthly Rent x 12 months ÷ by 52 Weeks x 6 weeks)

2. Application To Secure A Property

Once we are able to advise that your offer is accepted in principle you will need to complete the **Application To Secure A Property**. Completing the application to secure a property does not commit you or the landlord to a tenancy, and a shared or single tenancy will not be created until all applicants have been qualified and have signed the tenancy agreement.

2.1 - Documents you must receive prior to completing the application

Current legislation requires the following information to be supplied to the prospective tenants prior to accepting a Holding Deposit or commencing a tenancy. Please do not sign the application to secure a property if any of the information below has not been received.

- A. Receipt of the Energy Performance Certificate (EPC) relating to this property.
- B. Receipt of the 'How to Rent' guide published by the Government.
- C. Receipt of a draft copy of the Tenancy Agreement.

2.2 - Tenancy Start Date

The tenancy start date is subject to:

- A. Satisfactory references/credit status being established.
- B. The property still being available for the Landlord to let, for example not damaged by fire or flood etc
- C. Any current occupants moving out before the anticipated commencement date.
- D. All relevant occupiers passing Right to Rent checks under the Immigration Act 2014.

2.3 - Deadline For Agreement

The deadline for agreement is the date by which the tenancy agreement needs to be completed or the Holding Deposit will become refundable, unless one of the events listed in Schedule 2 of the Tenant Fees Act 2019 occurs. The deadline for agreement is identified as the fifteenth day from the day when the landlord or letting agent receives the holding deposit, or a date beyond this period agreed by both tenant and landlord.

- A. The 'Deadline for Agreement' date will not be before the proposed move in date.
- B. You will be required to confirm you are aware the deadline for agreement date will not automatically be the move in date and is a deadline that the agreement needs to be completed by.

2.4 - Holding Deposit (Equal to one week's rent) & when to pay it

In consideration of the Landlord agreeing to process an application and stop advertising the property for the Prospective Tenant, the Prospective Tenant will need to agree to pay a Holding Deposit and confirm the following.

- A. The Holding Deposit will be paid by one of the applicants applying for the tenancy.
- B. The Holding Deposit is retained in accordance with the Tenant Fees Act 2019 Schedule 2 Para 6(a) until the commencement of the tenancy and then deducted from the first month's rent.
- C. To pay the holding Deposit within 24 hours of receiving confirmation by email or telephone that your application to secure a property has been signed by the landlord.
- D. If you fail to complete the referencing agency online application within 48 hours of receiving the application link may result in the holding fee being returned and the landlord offering the property to another applicant.

The Holding Deposit will be held within our client account which is covered by the PropertyMark Client Money Protection scheme.

Should the Prospective Tenant:

- A. Withdraw from the application before entering into the tenancy agreement,
- B. Provide false or misleading information for referencing,
- C. Fail to act reasonably to provide the information required to enter into the tenancy before the deadline for agreement,
- D. Fail Right to Rent checks,

then you will be liable for the reasonable costs incurred by the Landlord and his Agent up to the value of the Holding Deposit.

The following costs will be deducted from the Holding Deposit. Any surplus of the Holding Deposit will be returned to the Prospective Tenant, without interest, as soon as possible. A refund to any one of the joint and several Prospective Tenants will be considered adequate as a total refund to all concerned. The costs that may be deducted from the Holding Deposit can include, but are not limited to, the following:

- i. Costs of any references or credit checks sought
- ii. Costs of any administration undertaken to prepare for the tenancy
- iii. Costs of re-advertising the property to let
- iv. Costs of any guarantor agreements
- v. Costs, in lieu of rent, of keeping the property empty for the tenant

2.5 - Referencing and right to rent immigration check

Referencing and your 'right to rent' check is a condition of all rental properties we advertise. References are carried out by a credit reference agency. When the landlord has agreed in principle to your offer it will be subject to full referencing by a credit referencing agency, a right to rent check, and payment of your holding fee.

Each adult over the age of 18 will be asked to complete a full referencing form and be independently assessed. These usually take 4 – 10 working days depending on the information requested being returned.

If any prospective tenants have been issued with a county court judgement or have had any other adverse credit history in the last 3 years, please let us know prior to referencing. You must declare any bad credit history as this is likely to fail referencing and result in the loss of your holding deposit on the property.

2.6 - Are you employed or self-employed?

You will need to confirm permanent employment and most reference agencies will be looking for proof of the total combined salary or profit earnings in the region of 30 times the monthly rent. If you are self-employed then you will need to provide 3 year's accounts or SA302s. If they are not acceptable to the referencing agency, they may request a guarantor.

2.7 - Will you need a guarantor?

Should your references come back unacceptable we will, subject to the landlord's agreement to continue, give you the option to provide a guarantor. They will also need to be fully referenced and have an income in the region of 30 times the monthly rent. Guarantors must be aware they will be jointly and severally liable for the rent should any tenant fail to pay for their rent.

If any prospective guarantor has been issued with a county court judgement or have had any other adverse credit history in the last 3 years, please let us know prior to referencing. You must declare any bad credit history as this is likely to fail referencing and result in the loss of your holding deposit on the property.

2.8 - Supply proof of ID and address

We will require each tenant, in person, to supply original photographic identification in the form of a valid passport, or driving license plus birth certificate, together with proof of address and national insurance number/card.

3. Contract, deposit and rental payments

3.1 - The rental agreement

When the references are accepted, we will then prepare an **Assured Shorthold Tenancy Agreement** between landlord/s and tenant/s. This is a legally binding agreement that sets out the responsibilities of both parties and we ask you to read this carefully and ensure it is fully understood.

We would advise that you seek legal advice if you have any concerns with the terms of the contract before signing into a legally binding agreement.

All tenants over the age of 18, including guarantors, will sign the agreement.

3.2 - Protecting your deposit

When you have signed the tenancy agreement and paid the deposit, we will register your deposit within an approved tenancy deposit scheme. This is a legal requirement, and we will provide you with the relevant **Prescribed Information Certificate** notifying you where your deposit is registered.

3.3 - Will you have to pay stamp duty?

Please be aware that should the rent you pay eventually exceed £125,000 in total from the start of the tenancy then you will be liable for stamp duty.

Please refer to www.inlandrevenue.gov.uk for any changes to this law, or for further information.

3.4 - How to pay your first month's rent and deposit

Your first month's rent and agreed deposit must be paid in advance in 'cleared funds'. This payment must be in our client account before the tenancy can start. You can make payment by bank transfer, internet banking or via a branch of your bank. If we do not have cleared funds you will not be able to move into the property.

Fairfield Lettings Client Account details for payment of your holding deposit / first month's rent / security deposit:

Bank Name and Branch: Barclays Bank PLC

Bank Address: Rickmansworth

Account name: Fairfield Lettings Limited, Client Account

Sort Code: 20-91-79

Account Number: 93391078

Reference: (Insert property address)

3.5 - How to pay your monthly rent

Subsequent rental payments are required by standing order, bank transfer or internet banking and must be in the nominated bank **on or before** the due date. Cash or monthly cheques are not acceptable.

Do not turn up with cash for rental payment as you will be directed to your nearest bank!

You have the following options to make payment:

Standing order: Your bank will only confirm that a money transfer will happen in 3-5 days. Your payment date must be set up 5 days before the rent due date. This is because it can take up to 5 days from the date the money leaves your account until it reaches the designated account. For example, if the rent is due on the 30th of each month the standing order will need to be set up to leave your account on the 25th day of each month. (You will need to have cleared funds available to transfer by that date)

Bank transfer: Each month you can go into your bank to send a money transfer (if the bank belongs to the 'faster payment' scheme) so that the rent arrives in the designated account on the required day. If the bank does not belong to the 'faster payments' scheme, then you will have to transfer at least 3 days before the due date.

Internet banking: If you use internet banking you can either set up a monthly transfer to the designated account or manually instruct the payment monthly online (again if the bank do not belong to the 'faster payments' scheme then you will need to transfer at least 3 days before the due date.)

Cash: We have no facility to hold cash in our offices. Cash payments cannot be accepted.

3.6 - If you have a different payment day in mind.

If you request a different payment date to the start date, then you will need to pay the additional rent in advance. Should you wish to change your rent payment date during the tenancy then you must make this request in writing to us, and we will approach the landlord. There will also be an administration fee to draw up this amendment if the landlord agrees to your request.

3.7 - Your monthly payments must have the property address to stop late payments

Your rent is due on the same day each month as stated in the Assured Shorthold Tenancy Agreement. The rent must have the property address clearly stated as the reference. Failing to do this can stop us allocating rent and causing your account to fall into arrears.

3.8 - Remember the risk if you share the tenancy

Your tenancy agreement will have a clause making all tenants 'jointly and severally' liable. This essentially means if anyone of the tenants causes damage or stops paying their rent for any reason then the remaining tenants will be liable for any costs or to pay the balance of the rent due. In the case of a guarantor then this liability will pass onto them.

4. Moving in

4.1 - Your Property Passport

When you move into your new home you will receive your Property Passport – a folder containing essential information about your new home including details of your landlord or management agent; who to contact, when and how, for any issues which may arise including an emergency. The folder will also be the place to keep all your important documents including your tenancy agreement, inventory, copy of 'other charges that may apply during and after your tenancy', security deposit certificate, instruction books and any correspondence regarding the property.

4.2 - Inventory, check in and check out

Inventory: Your landlord is likely to request a professional inventory to be organised prior to you taking up occupation at the property. This will be used to assess any deductions required from the security deposit at the end of your tenancy.

Check in: On the date of commencement of the tenancy the inventory clerk will attend the property with you at an agreed time to check the inventory. They will supply you with documentation that you will be asked to sign to say that you agree with the contents of the Inventory.

If the landlord declines a professional inventory, a member of staff from Fairfield Lettings will meet you at the property to hand over keys and any required documents.

Check out: At the termination of the tenancy the inventory clerk will visit the property to complete the check-out report. Again, if there is not a professional inventory then a member of staff from Fairfield Lettings will meet you at the property to carry out a basic check out, take meter readings and collect keys. This check out will be sent to you and your landlord for consideration prior to the release of your deposit.

Please note that an inventory is a vital document which protects your deposit. It is advised that the tenant attends the check-out, and this will be booked with you.

4.3 - Setting up your utility services

New tenant details: if Fairfield Lettings are managing the tenancy, we will advise the utility companies (gas, electric, council tax and water) of the occupation date and meter readings for your tenancy.

We will advise you if the tenancy is non-managed and you are required to contact the utility companies directly.

5. During the tenancy

5.1 - Costs which may apply during your tenancy - Permitted Charges

Loss of property keys & communal security door keys:

Landlords may charge a reasonable cost that can be proven in writing. The cost to replace will depend on the style of the security key used and the difficulty in obtaining a replacement. This will be charged if you lose any keys for the property and need duplicates during or at the end of your tenancy. All keys must be returned at the end of the tenancy. You have the option to carry this out in your own time and cost.

Late payment of rent:

Interest will be charged at **3%** above the Bank of England base rate on the late payment of rent from the date the payment is missed.

Payment to change tenancy agreement;

A charge will be applied for agreeing or arranging the variation of the tenancy. The charge will not exceed £50, or the reasonable costs incurred by the landlord or agent.

Payment to terminate the tenancy early;

A tenant who wishes to surrender the tenancy early can be charged for the '**Landlord Losses**', which include agents' reasonable costs.

Future landlord reference request

If we are requested at a future date by a third-party referencing agency to provide a reference for a landlord that is not a client of Fairfield Lettings, there will be an administration charge for the time required to collate the information requested and preparing a reference. The agency or their landlord will be responsible for this fee. The fee is per tenant and payment will be required in advance of preparing the reference.

Payment of council tax;

You are liable to pay these direct to the local authority. The legislation clearly links paying council tax to the billing authority and not to include as part of the rent payment. This is not a permitted payment if paid direct to landlord.

Payment of utilities;

You are liable to pay all the utility bills direct to the supplier.

Payment of television license;

You are liable to pay this charge direct.

Payment of communication services;

You are liable to pay this charge direct to the supplier. This includes satellite, internet, and telephone services.

5.2 - Property inspections

These will be carried out throughout your tenancy, either by your landlord or Fairfield Lettings. This is the time for us to check the condition of the property, and for you to advise us of any problems you may be encountering.

You will be contacted to suggest a time and day, giving approximately one week's notice. Should the day or time be inconvenient for yourself, we would ask you to call to arrange an alternative appointment within 3 days of receiving contact.

5.3 - Who can have access to the property during the tenancy?

During your tenancy you have the legal right to live in a reasonable fashion without being disturbed by landlord or their agent. The landlord or letting agent must give at least 24 hours' notice to arrange access to the property. The tenant also has a legal obligation to provide access for repairs if the correct notice is given.

5.4 - Vacating the property mid term

Under some circumstances it may be possible for you to be released early from your tenancy obligations, subject to the consent of your landlord and any conditions imposed. If you wish to be released early from a Fixed Term Tenancy Agreement a request should be made to our Tenancy Manager at Fairfield Lettings.

The landlord is under no obligation to release you early and can hold you liable until the end of the fixed term agreement that you have signed for, or they may request one month's notice, in writing for periodic tenancies.

If however, the landlord agrees to a mutual release of the tenancy you will be liable for rental payments up to the day that a new tenancy commences or to the date agreed and signed by the landlord on a mutual release form. There will be costs to cover the landlord/s losses including their agents' reasonable costs.

6. End of the tenancy

6.1 - Giving notice to move out

To end the tenancy, you must give two months' notice in writing to terminate at the end of the fixed term. The notice period must coincide with the date on which you pay rent. For example, if you give us two months' notice on 30th July and your rent is next due on 6th August your two months' notice will run from 6th August and will expire on 5th October.

6.2 - Vacating the property

The most usual type of tenancy that we prepare is an Assured Shorthold Tenancy, which requires you to give the landlord two months' notice (in writing) to vacate at the end of the fixed term. If you do not give the landlord sufficient notice, then the tenancy will not automatically finish at the end of the fixed term, and you will remain liable for the rent until your notice has expired. If you wish to re-negotiate your Tenancy at the end of the fixed term and remain at the property, you should contact Fairfield Lettings at least 10 weeks prior to the end date to give sufficient time to contact the landlord and prepare new Tenancy Agreements.

6.3 - Check-out appointment

If you wish to vacate the property at the end of the tenancy and you have given the correct notice to the landlord, we will arrange a check out inspection. A report will be created that will list any deductions necessary from your security deposit, in order to bring the property back to the same condition as when you moved in, less any fair wear and tear. The landlord cannot use your security deposit to make improvements to the property and we will ask for your agreement for any amount to be retained from your deposit. Likewise, under no circumstances may your security deposit be used by you to cover the payment of the rent, in full or in part, during the period of the tenancy or for settling the final month's rent.

Please note: you must leave the property in the same condition as listed in the inventory and schedule of condition at the outset of the tenancy, allowing for fair wear and tear, which is calculated of fixtures and fittings, the name and age of the tenants or named occupiers living in the property; the tenancy length and any special arrangement made for pets or smokers.

For example - If a lightbulb is blown and you decide not to replace it, you will be liable for the cost of the bulb and the cost of sending a contractor to replace it for you.

6.4 - Returning your deposit

Once the check-out report has been finalised and agreed by the landlord and tenant you will need to follow the Deposit Scheme instructions to activate the return of your funds. It is important to be aware that when you apply for the tenancy you will be asked to supply an address for after the tenancy has ended. This is the address that will be used to return your deposit. It would be a good idea to use your family or work address, and should it change before the end of the tenancy make sure you notify us or the landlord immediately.

Next Steps

If you're happy to continue, please complete the 'Offer to Rent Form' and return it to us so that we can put your offer and position to the landlord.

Feel safe and secure in the hands of a regulated lettings agent!

Fairfield Lettings are so confident of delivering excellent service standards that we are member of and subscribe to the Association of Residential Letting Agents (ARLA) and The Property Ombudsmen for Lettings. Both demand high levels of professionalism and commitment to customer service from its members. We are required to work within a strict code of practice and the Tenant Fees Act 2019.

We also subscribe to the DPS 'Deposit Protection Scheme' for your total peace of mind.