

# GUIDE TO LETTINGS



Please read and keep this information for future reference - Once you have viewed a property and wish to rent through us, you must act quickly so that we can obtain/secure it for you. Here is what to do next.....

## HOLDING DEPOSIT (PER TENANCY) — ONE WEEK'S RENT.

This is to reserve a property; We are permitted under the Tenant Fees Act 2019 to take a Holding Deposit from a tenant to reserve a property whilst reference checks and preparation for a tenancy agreement are undertaken. This payment will not exceed one week's rent, the amount will be displayed on the property advert and details will be given on each property viewing. When all prospective tenants have paid the Holding Deposit, we will then take the property off the market.

A Holding Deposit can be held for up to 15 calendar days, which is known as the Deadline for Agreement. From taking the Holding Deposit, the tenancy agreement must be entered into (signed by both parties and dated) before the Deadline for Agreement is executed on the 15th calendar day. A settlement appointment email will be sent to all tenant(s) to confirm the 15th calendar day. Details of this appointment are explained further on in our guide to lettings.

Please Note: The Holding Deposit will be withheld if any relevant person (including any guarantor(s) withdraw from the tenancy, fail a Right to Rent check, provide materially significant false or misleading information, or fail to sign their tenancy agreement (and/or Deed of Guarantee) within 15 calendar days. The landlord and letting agent can agree with the tenant in writing that a different day (for example an extension) is to be the Deadline for Agreement.

## SECURITY DEPOSIT (PER TENANCY)

Five weeks' rent. This covers damages or defaults on the part of the tenant during the tenancy.

The security deposit will be Six weeks' rent if the total annual rent exceeds £50,000 per year. This covers damages or defaults on the part of the tenant during the tenancy.

## GUARANTORS

All student tenants and in some cases professional tenants are required to have a Guarantor – someone (usually a parent) who is legally responsible for covering the rent if the tenant were to default. To qualify they must be over 18, be a UK resident, a UK homeowner and earn sufficient income. Under General Data Protection Regulation (GDPR) we cannot enter into any discussion with them on your behalf. We will take all tenants contact details and those of their guarantors and send a Guarantor Indemnity form for them to sign. This is a legal document but states that they will accept any legal and financial responsibility should the tenant fail to pay. The tenant and the guarantor have 15 calendar days to return all the paperwork to us. If a tenant is unable to provide a Guarantor, they will be expected to pay the rent in full for the whole term of the tenancy.

## REFERENCING

All our professional tenants will undergo comprehensive referencing through a legal and professional company, HomeLet. HomeLet will carry out financial checks to ensure the tenant earns sufficient income to cover the rent, along with up to three years previous accommodation history. This process requires to be completed online so access to a computer is necessary.

## ASSURED SHORTHOLD TENANCY (AST)

The most common type of contract for rentals is an Assured Shorthold Tenancy (AST), including the names of all tenants which will be “jointly and severally liable”. This means that if one housemate does not pay the rent, the others are still responsible for paying that persons rent; all tenants are legally responsible for all the rent, not just your own portion.

## SETTLEMENT APPOINTMENT

We will book a settlement appointment for all tenants to complete the relevant paperwork involved with renting a property at this point you will need to pay the deposit (5 weeks rent) and the first month's rent (minus the holding deposit) which must be paid in advance and in cleared funds. This will need to be paid by bank transfer and bank details will be provided on our settlement appointment letter, again this is to be completed within the 15 calendar days.

All tenants are required to bring photographic identification to this appointment. If you are a British Citizen, European Economic Area (EEA) or a Swiss National a PASSPORT is acceptable. Alternatively, a driving licence and birth certificate/adoption certificate is acceptable.

If you are an international tenant, please contact the office with regards to what identification we require.

This is a legal requirement for Right to Rent checks under Section 22 of the Immigration Act 2014 as we must verify your status.

The deposit will be protected in accordance with current legislation.

## DOCUSIGN

We use a system called DocuSign to complete our legal paperwork as it is convenient for most individuals to complete at home where they can take the time to read and take advice on the paperwork received. DocuSign allows the documents to be signed remotely as the system records your IP address and it also date and time stamps the document.

DocuSign follows industry-leading best practises for your securing your data and transactions. Each electronic signature is unique, documentable, encrypted, and tamper evident. DocuSign ensures the confidentiality of all transactions and maintains a comprehensive audit trail of signing events.

## REPAYING THE HOLDING DEPOSIT

The landlord or letting agent who received the Holding Deposit must repay it if:

- The landlord and tenant enter into a tenancy agreement. (Please note your holding deposit will be credited to the first months' rent due under that tenancy)
- The landlord decides before the Deadline for Agreement not to enter into a tenancy agreement.
- The landlord and the tenant fail to enter into a tenancy agreement before the Deadline for Agreement.

If one of the above applies, the Holding Deposit must be refunded within seven calendar days of the date of that decision or the Deadline for Agreement.

NB: Holding Deposits must be repaid if the landlord or agent does not give the person who paid the deposit written notice (within 7 calendar days) explaining why they intend not to repay it.

With a tenant's written consent landlords and letting agents may 'repay' the Holding Deposit by allowing the tenant to deduct the equivalent sum from the first payment of rent or the Tenancy Deposit.

NB: If the Holding Deposit is applied to the Tenancy Deposit, under the deposit protection requirements, that money is classed as received on the date the tenancy agreement was signed.

## RETAINING THE HOLDING DEPOSIT

The landlord or letting agent who received the Holding Deposit can keep it if:

- The tenant fails a Right to Rent check regardless of when the deposit was accepted.
- The tenant provides false or misleading information to the landlord or letting agent, which the landlord is reasonably entitled to consider in deciding whether to grant the tenancy because this materially affects their suitability to rent the property.
- The tenant notifies the landlord or letting agent before the Deadline for Agreement that they have decided not to enter into a tenancy agreement.
- The tenant fails to take all reasonable steps to enter into a Tenancy Agreement.

## UNPAID RENT

Interest at 3% above the Bank of England Base Rate from Rent Due Date until paid in order to pursue non-payment of rent. Please Note: This will not be levied until the rent is more than 14 days in arrears.

## LOST KEY(S) OR OTHER SECURITY DEVICE(S)

Tenants are liable to the actual cost of replacing any lost key(s) or other security device(s). If the loss results in locks needing to be changed, the actual costs of a locksmith, new lock and replacement keys for the tenant, landlord any other persons requiring keys will be charged to the tenant. If extra costs are incurred there will be a charge of £15 per hour (Inc. VAT) for the time taken replacing lost key(s) or other security device(s).

## CHANGE VARIATION OF CONTRACT (TENANT'S REQUEST)

£50 (Inc. VAT) per agreed variation. To cover the costs associated with taking landlord's instructions as well as the preparation and execution of new legal documents.

## CHANGE OF SHARER (TENANT'S REQUEST)

£50 (Inc. VAT) per replacement tenant or any reasonable costs incurred if higher. To cover the costs associated with taking landlord's instructions, new tenant referencing and Right-to-Rent checks, deposit registration as well as the preparation and execution of new legal documents.

## EARLY TERMINATION (TENANT'S REQUEST)

Should the tenant wish to leave their contract early, they shall be liable to the landlord's costs in re-letting the property as well as all rent due under the tenancy until the start date of the replacement tenancy. These costs will be no more than the maximum amount of rent outstanding on the tenancy.

## THE LAST PART

Once signed the group are under contract to take the property and are liable to pay the rent as stated. We will provide all tenants with a Standing Order Mandate to enable them to pay rent. Tenants will be given Landlord's contact details only if they will be managing the property themselves. Please note that all tenancies are on a 12-month basis at the Landlords' request unless otherwise stated on our brochure.

We will arrange an appointment for one tenant to collect keys on behalf of everyone for the property on your move in date. If tenants arrive without a prior appointment, we will be unable to assist.

Once tenants have moved in, we are the first point of contact for repairs only if we are the managing agents. In this case you must email [lettings@lhlettings.co.uk](mailto:lettings@lhlettings.co.uk) and follow the property management procedure.

For further information or advice please call our Oldfield Park office on 01225 481 219

Alternatively, you can email [lettings@lhlettings.co.uk](mailto:lettings@lhlettings.co.uk)

All details correct as of June 2024 but are subject to change at our discretion.