

# **Residential Lettings & Property Management**

## **Guidance Notes for Tenants**

Doc Ref: GNFT v4/2017

### **Looking for a suitable property**

When you start looking for a home to rent, you should try to allow at least two weeks to find a suitable property. Sometimes we can arrange a tenancy very quickly, even within a few days.

Your first step is to consider your requirements and priorities. The following are examples of the variables to be considered:

- The maximum rent you wish to pay.
- The type of property you would like.
- How long you want to rent for, including any initial fixed-term.
- Where you need to live, e.g. School catchment areas.
- What furniture, if any, you need to be included in the tenancy.

### **Viewing the property**

You must make arrangements to view the properties you are interested in, directly with one of our lettings staff. When viewing you must consider all aspects of the property, particularly what fixtures and fittings are/are not included in the tenancy.

Any discussions or correspondence with ourselves or the owner are expressly deemed to be subject to application, references and contract.

### **Tenancy application**

When you have chosen the property you wish to rent, we ask you to formally apply for the tenancy by completing an online Tenancy Application Form. A link to the relevant website will be e-mailed to you to enable you to do this. This provides us with the details that we need to submit to our clients for consideration, and will form the basis of the referencing procedure carried out by our nominated Referencing Agents.

Once we receive back the results of the checks and searches, we will report the results back to the Landlord and request their authorisation to draw-up draft Tenancy Agreements.

Whilst we await a decision of your tenancy, we will discuss with you a provisional date and time you would like to move in to the property. However, please note all arrangements are still subject to contract at this stage.

Should the Landlord instruct us to proceed with drawing-up the Tenancy Agreements, the arrangements continue still to be subject to contract until they have been signed and executed.

### **Tenancy application charge**

Each prospective tenant is liable to pay a charge before being able to secure the property. This is £186 including VAT for single adult occupant, or first tenant. Each additional tenant will be charged £80 including VAT. The charge for a couple would therefore be £266 including VAT. This is the cost of processing your application, taking up references and preparing documentation relating to your proposed tenancy. In the case of Company Tenancies, the cost is £500 including VAT.

The charge is non-refundable in the event that references prove unsatisfactory or the tenant withdraws the application before completion.

Should your application require a Guarantor, we will need a Guarantor Application completed and returned to us for processing and referencing. Guarantor applications are subject to a charge of £140 including VAT per application.

**Payment can be a cash payment made in our office or through online banking. Our account is with LLOYDS and our details are as following;**

<b>ACCOUNT NAME</b>	<b>-</b>	<b>MORTIMERS (AYLESBURY) LTD LETTINGS CLIENT</b>
<b>ACCOUNT NUMBER</b>	<b>-</b>	<b>01165507</b>
<b>SORT CODE</b>	<b>-</b>	<b>30-90-77</b>

**Please give your surname, or the first line of the address to be rented as a payment reference.**

## References

References are taken up on all prospective Tenant(s) and Guarantor(s) in order to satisfy the Landlord of your character, credit history, and ability to pay the rent on time. The references may include a credit check, references from your employer/accountant, your previous Landlord or lender and a personal reference. For company tenancies we will review the company's trading position and accounts.

Should a Guarantor be required for your tenancy, he/she will need to be living in the UK, in full-time employment, and with a clean credit history.

## Tenancy Agreement

The form of the Tenancy Agreement is designed to specifically cater for the circumstances of both you and the Landlord.

**It is extremely important that you read the Tenancy Agreement carefully** and make sure you understand all the clauses in it. If there is anything which you do not understand or would like clarified, you should initially discuss it with one of our lettings staff. You should also seek independent legal advice to satisfy yourself that you understand all aspects of the document.

## Signing the Tenancy Agreement

We produce three identical copies of the Tenancy Agreement. Once you and the Landlord are happy with the agreements, we ask all parties to sign all three copies. We also ask all parties to initial the corner of every page to confirm they have read that page, and that no new pages have been inserted after signing. Once all parties have signed the Tenancy Agreements, we will date each copy and execute them. They will then be legally binding on all parties.

You will be forwarded one original, executed copy of the Tenancy Agreement for your own files. The second copy will be sent to your Landlord, whilst the third is retained in our own files. Should you ever lose your original copy, we can supply a photocopy to you for a fee of £30.00 including VAT.

## Stamp Duty

In some cases, you may be liable to pay Stamp Duty on your lease. You are therefore advised to contact HM Revenue & Customs to ascertain whether Stamp Duty is applicable to your tenancy. For more information, visit [www.hmrc.gov.uk](http://www.hmrc.gov.uk). You are responsible for arranging and paying any Stamp Duty that may apply.

## Deposit

Your Deposit is usually equivalent to one-and-a-half-month's rent. This may be higher if the landlord has given permission for you to keep pets/pet. This is usually held by Mortimers as Stakeholder for the duration of your tenancy. If your Deposit is to be held by your Landlord, we will notify you of this. The Deposit is intended to be used to offset any costs required to remedy the failure of the tenant to fulfil the conditions of the Tenancy Agreement. Please note that in extreme cases it is possible that deductions due from the deposit may exceed the actual deposit amount. In these cases, you will be required to meet any shortfall.

## Inventory & Schedule of Condition

In most cases, prior to the commencement of a tenancy, an Inventory will be prepared to provide a detailed schedule of the contents and their condition, and the condition of the property. The Inventory is a very important document because it protects both you and your Landlord from disagreements about these matters at the end of the tenancy. See 'Returning your Deposit to you'.

The costs for the preparation of the Inventory and Schedule of Condition are paid by the Landlord.

### Check-in & Check-out

The Inventory and Schedule of Condition is reviewed at the beginning and at the end of the tenancy. Once you have agreed the contents of the Inventory, you will be asked to sign it. A copy will be given or sent to you for your own files. You are responsible for the cost of the check-out report, and the Landlord normally meets the cost of the check-in. Check-out prices for unfurnished properties are as follows:

Size of Property	Price of Check-out
Studio / 1 Bedroom	£216 including VAT
2 Bedrooms	£216 including VAT
3 Bedrooms	£216 including VAT
4+ Bedrooms	£216 including VAT

**All charges include VAT at the prevailing rate and include a fee for arranging, copying, checking, storing and distributing the details. These charges apply for 12 months from commencement of your tenancy. For tenancies lasting in excess of one year in total, the charges in place at the time will apply and will be notified to you before the end of your tenancy.**

For unfurnished properties with more than two reception rooms (three for properties with more than three bedrooms), or part-furnished or fully-furnished properties, higher charges will apply to cover the increased time required to complete the report. The size of the increase will depend upon the property size and the extent of the furnishing. If you are renting an unusually large unfurnished, or part or fully furnished property, we will confirm the exact check-out price to you prior to the end of your tenancy.

During the check-out, any discrepancies against the original Inventory are noted, including discrepancies over the condition, cleanliness etc. A Check-out report will then be drawn-up and sent to us. It is important that you attend the check-out appointment, in order to discuss any possible discrepancies with the Inventory Clerk whilst at the property.

The charge for the Check-out can be deducted from any deposit due to be returned to you.

### Initial Payment

The following payments must be received as cleared funds prior to your tenancy commencing:

- The first month's rental payment; plus
- Your Deposit (usually equivalent to 1½ month's rent); plus
- The fee required to register your deposit with the TDS (£60 including VAT) (payable annually)

Ideally, payment should be made by Banker's Draft or direct credit transfer into Mortimers' account (e.g. CHAPS or BACS payment). Please bear in mind that often these types of 'electronic payments' may take a few days to reach our account. Therefore, if you are in any doubt as to the best way to make these payments, please contact a member of our Lettings staff.

Bankers Drafts and cheques should be made payable to 'Mortimers (Aylesbury) Ltd'.

### Overall Responsibilities

You are required to take proper care of the property. This includes, for example, cleaning chimneys when necessary, unblocking the sink when it is blocked, replacing electrical fuses if required, changing electric light bulbs and general pest-control where necessary.

In addition, you must not damage the property wilfully or negligently, and you must ensure that family or guests do not damage it. If they do, you will be liable to bear the costs.

The above information is intended for brief guidance only. The Tenant's full responsibilities are set out in your Tenancy Agreement.

### **Rent Payments**

After the initial payment, your rent should be paid by Standing Order. The appropriate form will be given to you prior to the start of your tenancy. Due to the delay in our receiving your rent through 'electronic-payment', your payment date will be shown as up to three days before the relevant 'due date'. Please ensure that there are sufficient funds in your account on the day to meet the payment.

If any rent payments are received 7 days late or more, they will be subject to a 'late payment charge' of £30 including VAT, and may also attract interest at 3% above the Bank of England base rate.

### **Utilities**

You are responsible for the payment of all utility companies' charges (for example gas, electricity, telephone and water) during your tenancy. You must notify all these companies of your contact details and meter-readings. You are also responsible to notify them of your departure at the end of the tenancy. If you have a television, you will require a TV licence. If you require any local parking permits, these are also your responsibility.

### **Council Tax**

You are responsible for registering with the local authority Council Tax department for the duration of your tenancy. You are responsible for paying appropriate Council Tax for the period of your tenancy.

### **Insurance**

You are strongly advised to arrange your own insurance to protect your belongings, contents and valuables. Any insurance the Landlord may have will not cover the tenant's belongings.

You are also responsible for any injury or death at the property caused by you or your guests, and insurance should be taken out to cover this.

### **Property Management & Maintenance**

We will notify you when you start your tenancy who to contact with maintenance issues or problems. In some instances, this will be Mortimers, but on others it may be your Landlord or their nominated repairers.

We will always endeavour to deal with maintenance issues swiftly but we may be limited by contractor availability.

### **Periodic Inspections**

Your Landlord may wish to ensure that the property is being kept in good order. In such circumstances, it will be necessary to arrange periodic inspection(s). You can opt to be present at such an inspection if you would like to be. We always endeavour to arrange these visits well in advance to ensure you are put to the minimum inconvenience.

### **Renewal**

At the end of your initial period of tenancy, it is often possible to extend your tenancy if you so wish. Any such extension may include an increase in the rent payable. Should agreement be reached between both you and your Landlord to extend your tenancy, we will draw-up paperwork to confirm this.

Should your tenancy be extended, we will charge you a fee of £90 including VAT which includes arranging, copying, checking, storing and distributing. You will receive an invoice for this charge with the tenancy extension documents, and your payment should be returned to us with the signed documents.

If your rent has increased as part of the renewed agreement, please remember to amend your Standing Order mandate appropriately.

Any such proposal to extend/renew your tenancy remains 'Subject to Contract' until the necessary paperwork has been signed and executed.

## **Early Termination**

***If you enter into a tenancy, you are legally bound by its terms, including any fixed minimum period of tenancy shown. You should not have the expectation that you can change the length or terms of the tenancy.***

However, in *rare* circumstances, Landlords *may* agree to a request to release you early from your tenancy. But this is solely at the landlord's discretion, and will likely be subject to conditions which will be made clear to you. These conditions are likely to include paying rent until and continuing to pay utility bills until a new tenant moves in.

**If your Landlord agrees to your early termination of the tenancy, you will be responsible for the costs and charges incurred due to the early termination, and also our fee of £475 including VAT which includes marketing, making necessary arrangements between tenancies and distributing the details. For absolute clarity – you should not have the expectation that you can leave a tenancy early.**

## **Your responsibilities when vacating the property**

At the end of your tenancy you must ensure that all your obligations are met, including making sure that rent and utilities charges are paid up to date. You must arrange for final meter-readings of electricity, gas, telephone and water (if applicable) and give the utilities companies a forwarding address for final accounts. You must also notify the Local Authority with regard to Council Tax charges.

You must ensure that the property is left in a thoroughly clean and tidy condition. You must:

- return all items of fixtures/fittings to their original position as detailed in the Inventory;
- replace all broken/missing items to equivalent standards;
- return all keys, including duplicates, to us;
- arrange for the Post Office to redirect your mail;
- Pay all final utilities accounts and provide your forwarding address to the utilities companies and Council Tax department of the Local Authority.
- Ensure the garden is left properly-tended for the time of year.

Failure to comply with these requirements will delay the return of your Deposit and result in deductions being made from it, including our charges for undertaking tasks which are your responsibility.

**Please note that we do not forward any mail for tenants, or hold it in our offices. If any mail addressed to you is delivered to the property after you have vacated it, it will be returned to sender.**

## **Returning your Deposit to you**

At the end of your tenancy, your Deposit will be returned to you (less any deductions agreed) once we have received the Check-out report and any queries arising have been resolved.

This may take some time particularly if quotes for work are required. You should not rely on your deposit being returned in a particular timescale (for example to make other payments).

Where Mortimers are holding your Deposit, we will liaise between you and your Landlord to establish if any deductions are necessary. Once we have written agreement from both Landlord and Tenant of any deductions to be made, the balance of Deposit will be sent to via an online transfer. At the end of your tenancy, please provide confirmation of the account details to which this transfer should be made. We cannot divide the Deposit into more than one payment.

Where Mortimers do not hold your Deposit, you will need to liaise direct with your Landlord to finalise the return of the Deposit.

If your Tenancy Agreement had provision to settle any deposit disputes via the 'Tenancy Deposit Scheme', this scheme will apply in the event that agreement cannot be reached between Landlord and Tenant.

## **'Shared' Tenancies**

### **Tenants' responsibilities**

In some instances, a Landlord may accept an application for tenancy from sharers i.e. multiple occupants who are not a couple or a family. Sharers are jointly and severally liable for all aspects of the Tenant's responsibilities. This means that each Tenant is individually and completely responsible for all aspects of the tenancy, including rent payments. When considering entering into a Tenancy with other sharers it is important to understand the obligations you and your fellow occupants will be entering into. Here are some issues to note and consider:

- All parties to the Tenancy Agreement will have these responsibilities even if they leave the property before the Tenancy term, unless otherwise agreed in writing.
- Rent must be paid by one single Standing Order. Any rent not paid is the responsibility of all sharers.
- At the end of the Tenancy the Inventory will be checked and all of the Tenants will be responsible for any deductions even if they themselves did not cause the damage.

### **Changes to sharers**

Should any mid-tenancy changes be made to the sharers (for example the replacement of one sharer with a different one), these can only be made with the agreement of your Landlord, and may be subject to conditions. Any new sharer will also be subject to our referencing charge of £186 including VAT. In addition, we do charge to arrange the necessary paperwork revisions of £100 including VAT per change.

**Your signature(s)**

I confirm that I have been provided with a copy of Guidance Notes for Tenants (Doc Ref: GNFT v4/2017) and have read and understood the terms and charges laid out within the document. I understand and agree to pay the charges outlined in this document and in Mortimers advertised fees to Tenants document, when required.

Your signature(s):

Print name(s):

Date of birth

.....	.....	.....
.....	.....	.....
.....	.....	.....

Date: .....

© Mortimers Estate Agents 2015  
Guidance Notes for Tenants – Jan 2017

Office use only: