



Rent Guarantee & Legal Expenses Conditions

References are required for anyone who is party to the tenancy agreement.

The following may require a guarantor:

- Tenants with a shortfall
- Students
- Foreign Nationals
- Tenants where benefits form part of the income

For a satisfactory reference we will need the following:

- A positive employment reference (or other financial source) confirming
 - a) the position is permanent and not likely to be changed during the initial term of the tenancy
 - b) gross annual salary in order that an affordability check can be carried out
- A positive previous landlord check, or written confirmation as to why this is not applicable.
- A positive credit history check to include the Enforcement of Judgments Office, County Court judgments and bankruptcy records.
- 1 form of proof of ID containing a clear photograph
- 1 form of proof of address (if the party being referenced has not been traced on the electoral register at their previous property)
- Guarantor Agreement to be signed by Guarantor if Guarantor is required

If the applicant is self employed

- Then confirmation of gross annual income must be provided by an accountant, or by providing copies of 3 years of filed accounts or by providing HMRC Self-Assessment and SA302 forms.

Affordability

- A **tenant** will pass an affordability check if their gross annual income is at least **(2.5 x proposed monthly rental amount) x 12**.
- For a **guarantor**, to take into account their own outgoings, this is amended to at least **(3 x proposed monthly rental amount) x 12**

Satisfactory proof of ID (if a form without a photograph is used, then a certified copy photograph of the applicant will be needed in addition):

- A new style driving licence
- Current signed passport
- Resident permit issues to EEA by Home Office
- State Pension or Benefits book / Notification letter
- Firearms / shotgun certificate
- Sub Contractors Tax Certificate
- HMRC tax notification letter
- Credit Card statement
- Criminal Records Bureau certificate
- Police Warrant Card
- Forces ID Card



Satisfactory proof of Address (dated within 3 months of application unless otherwise specified below)

- Utility Bill (not mobile phone bill)
- Driving Licence (need not be dated within 3 months of application)
- Letter from employer, on headed paper, confirming applicant's home address
- Bank / Building Society statement
- Most recent mortgage statement
- Current Local Authority Tax bill (if not dated within 3 months of the application it must be supported by a new style driving licence, passport or European ID card)
- Local authority rent card or tenancy agreement
- House or motor insurance certificate
- State Pension or Benefits book / Notification letter
- Credit Card statement
- Criminal Records Bureau Certificate
- Payslip
- TV Licence (if not dated within 3 months of the application it must be supported by a new style driving licence, passport or European ID card)

Conditions relating to the Tenancy Agreement

- The insured property must be residential and remain solely for residential use
- The tenant must be aged 18 years or over
- All posted pre-agent notices and pre-proceeding notices must be sent by recorded delivery post
- Guarantor Agreement **MUST** be signed by the Guarantor if Guarantor is required
- Additional or exceptional clauses must be added to the tenancy agreement
- You or your agent must not allow the tenant into possession of the insured property until:
 - The tenancy agreement has been signed by all parties
 - A tenant reference has been obtained
 - All necessary statutory pre-grant notices to the tenant have been issued
 - The first month's rent and the deposit have been received in cash or cleared funds
 - The dilapidations inventory has been signed by the tenant
- During the tenancy agreement you or your agent must:
 - Keep full and up to date rental records
 - Not allow the tenancy agreement to be transferred to any other individual or organisation

Conditions specific to Rent Guarantee

- Rent will be paid in accordance with the above and monthly in arrears at a rate of 1/30th for each continuous day that it is in arrears.
- Where this section is subject to an Excess, as shown in the Policy Schedule, one full month's rent must be in arrears after deduction of the excess.
- If the tenant is claiming Housing Benefit, rent will not be paid until the outcome of the Housing Benefit claim is known. If the tenant's Housing Benefit claim is rejected, rent will be paid under the Policy backdated to the date that you could first claim. There is no cover under the Policy for any shortfall between the amount paid to the tenant as Housing Benefit and the rent.
- If the deposit is more than the excess, the cover under the Policy will pay rent arrears after deduction of the balance of the deposit. If the balance of the deposit is subsequently required to meet the cost of dilapidations, this will be paid to you.