



# LANDLORD RENT GUARANTEE

## OVERVIEW

This Service is administered by The Letting Partnership and is only available to Landlords whose properties are let under Full Management or Rent Collection agreements.

It provides cover for rent payments when a Tenant fails to pay and will meet legal costs associated with possession proceedings that arise as a result of a claim for non-payment of rent as stipulated under this Service.

- **100%** of the monthly Rent paid for up to 12 months.
- **100%** of the monthly Rent paid 28 days after the due day.
- **100%** of all costs for obtaining vacant possession following a claim.
- **100%** of Rent paid for up to 2 months following possession for loss of rent\*.

## COST

**1.99%** of Rent deducted monthly from Rent payments made (*VAT not applicable*)

## SUMMARY

What the Service covers:

### 1. Loss of Rental Income:

If a Tenant(s) or their Guarantor(s) fails to pay the Rent when it falls due (in line with the Terms & Conditions of the Tenancy Agreement and any supporting Guarantor agreement) **100%** of the Rent will be paid 28 days *after* the due date until vacant possession of the Property has been obtained with or without the necessity of possession proceedings.

### 2. Costs of Possession Proceedings:

Once any rent payment (full or partial) has been made to the Landlord under this Service The Letting Partnership will begin formal action to gain vacant possession of the Property on behalf of the Landlord. In these circumstances all fees in relation to obtaining possession of the Property including court filing fees, bailiff costs etc will be met.

### 3. Loss of Rental Income Following Possession Proceedings\*

If vacant possession is obtained by way of possession proceedings brought through the court the Landlord may be entitled to claim for loss of rental income of up to a further two months rent where the Property cannot be re-let until repairs or remedial work required as a direct result of the tenancy has been carried out.

A claim can be made as soon as the property is re-let by the original Agent under a Full Management or Rent Collection agreement.



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## DEFINITIONS

The intention of providing this list of definitions is to help explain or clarify some terms or expressions that may be found in this document. It is not meant to be an exhaustive or complete list. In the event of a dispute, only a court can decide on a definitive interpretation or meaning of any clause, or part of this agreement.

### **Check-In Inventory and Schedule of Condition**

The document drawn up prior to the commencement of the tenancy by the Landlord's Agent or an Inventory Clerk appointed by the Landlord's Agent and provided to the Tenant recording the Landlord's fixtures, fittings, furnishings, equipment etc., and the decor and condition of the Property generally.

### **Deposit**

Any single amount of money paid by the Tenant or a Third Party to the Landlord or to the Agent under the Tenancy Agreement as security against the performance of the Tenant's obligations under the Tenancy Agreement, the discharge of any liabilities, any damage to the Property and/or non-payment of Rent during the tenancy.

### **The Service**

"The Service" and/or "This Service" means Landlord Rent Guarantee provided and administered by The Letting Partnership Limited

### **Tenant(s)**

The person(s), company or association as defined in the Tenancy Agreement renting the Property. "The Tenant" includes anyone to whom the tenancy has been lawfully transferred.

### **Landlord(s)**

The expression "the Landlord" shall include any person or company lawfully entitled to the Property upon the termination of the tenancy.

### **Landlord's Agent / Agent**

"The Landlord's Agent" or "Agent" means the Agent who created the tenancy on behalf of the Landlord and has been appointed by the Landlord to act on their behalf in respect of the tenancy.

### **Month / Monthly**

Means a calendar month

### **Property**

References to "the Property" mean the residential building as specified in the Tenancy Agreement.

### **Rent**

The sum payable under the Tenancy Agreement

### **Tenancy**

An Assured Shorthold Tenancy as defined in the Housing Act 1988 (as amended) or a Common Law Tenancy or a Company Tenancy (Company Let) where a residential Property is let to a public limited company (Plc) or limited company (Ltd) purely for residential purposes.

### **Tenancy Agreement**

The written Tenancy Agreement between the Landlord(s) and the Tenant(s). (see "Tenancy")

*The masculine gender includes the feminine gender and any reference to the singular includes reference to the plural and vice versa.*



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## TERMS & CONDITIONS

- 1) All Rent must be collected and processed through The Letting Partnership
- 2) The Rent is paid from The Rent Guarantee in arrears 28 days after it falls due.
- 3) All Tenants and their supporting Guarantors (if any) must have been fully referenced by The Letting Partnership and Rent Guarantee offered before the start of the Tenancy Agreement.
- 4) There must be a valid written Tenancy Agreement in place that complies with the requirements of all current legislation.
- 5) The Tenancy Agreement must have been executed correctly and all and any prescribed information and documents served in line with the legislation in place at the time.
- 6) The first Rent payment under the terms of the Tenancy Agreement must have been paid by the Tenant.
- 7) A Deposit of no less than one (1) months Rent must have been collected from the Tenant on or before the start day of the Tenancy.
- 8) The Deposit collected must be held and/or protected by The Letting Partnership on behalf of the Landlord.
- 9) At any time during the Tenancy The Letting Partnership will initiate the Rent Guarantee process once 5 days has elapsed after the Rent due day where the Tenant has defaulted on the Rent either fully or partially
- 10) Once the Rent Guarantee Process is initiated The Letting Partnership will contact the Tenant and if applicable the Guarantor to request immediate payment of the arrears and will continue to pursue the arrears directly
- 11) The Landlord and the Landlord's Agent agree to refer any correspondence and/or knowledge in relation to the arrears or the situation of the Tenant or Guarantor immediately to The Letting Partnership and not to engage with the Tenant or Guarantor in agreeing any repayment plan without prior written authorisation from The Letting Partnership
- 12) If any Rent is outstanding from the Tenant 28 days after it is due then Rent Guarantee will be paid out (full or partial Rent) and formal action will be started to gain vacant possession of the Property on behalf of the Landlord.
- 13) All court fees incurred in regaining possession of the Property as a result of a claim under the Rent Guarantee are covered under the Rent Guarantee
- 14) The maximum amount the Rent Guarantee will pay is twelve (12) monthly Rent payments at 100% before vacant possession of the Property is obtained
- 15) Upon the Property being re-let following vacant possession obtained through the Rent Guarantee process the Landlord may be entitled to claim for loss of rental income equivalent to up to two (2) months Rent where the Property, when compared to the inventory and schedule of condition in place at the start of the Tenancy (save for wear and tear), is found to be reasonably in need of remedial work before it can be re-let.



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- 16)** On condition that the remedial work is undertaken as soon as is practically possible and the Property is re-let by the original Agent under a Full Management or Rent Collection agreement within three (3) months the Landlord will be entitled to claim an amount equivalent to Rent (up to a maximum of 2 months) which could reasonably have been expected to be paid for the Property had the work being carried out not been required.
- 17)** If action is not taken through the Rent Guarantee to re-possess the Property or the Property is not going to be re-let after securing vacant possession through formal possession proceedings then the additional amount of up to the equivalent of two (2) months Rent 'vacant possession payment' cannot be claimed.
- 18)** If at any time during the tenancy the Landlord breaches their obligations under the Tenancy Agreement and such breach is of a nature significant enough that the Tenancy would be lawfully deemed as being frustrated no claim can be made by the Landlord for Rent withheld or not paid by the Tenant from the time the breach was notified by the Tenant to the Landlord or their Agent.
- 19)** If action is taken under the Rent Guarantee to repossess the Property on behalf of the Landlord then the Landlord agrees to co-operate with the Agent and The Letting Partnership fully and in a timely manner in answering/responding to any queries relating to the Tenancy and signing and returning legal documents.
- 20)** The Landlord cannot claim any amount for any disputes for circumstances that they knew about or should have known about, before the start of the Tenancy Agreement which results in a claim.
- 21)** Where there is more than one named Tenant the Landlord cannot claim any amount if the Tenant(s) are not held equally and jointly responsible under the terms of the Tenancy Agreement.
- 22)** If during the term of the tenancy where there is more than one named Tenant one or more Tenants vacate with the knowledge or permission of the Agent who in turn does not inform the Rent Guarantee then no claim will be considered.
- 23)** The Landlord cannot claim any interest amount which may be payable to them by the Tenant(s) under the terms of the Tenancy Agreement for late payment of Rent.
- 24)** There must be a detailed 'Check-In Inventory and Schedule of Condition' and a full checkout report with relevant photos accompanying both which has been signed and dated and/or agreed to in writing by the Tenant to support any claim on the Deposit for dilapidations.
- 25)** The Landlord or the Landlord's Agent will provide several quotes for any claim against the Deposit.
- 26)** Any claim against the Deposit is based on compensation for losses suffered and not for 'betterment'
- 27)** In the event that a payment is made to the Landlord under the Rent Guarantee the Landlord agrees to authorise and co-operate with The Letting Partnership to make legal arrangements for the eviction of the Tenant(s). Recovery of monies paid out from the Rent Guarantee shall be at the discretion of The Letting Partnership and by agreeing to this the Landlord accepts that The Letting Partnership may pass details about them to other parties appointed in order to take such action as necessary to recover said monies.



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- 28)** The Rent Guarantee agreement will become void and will be cancelled with immediate effect under the following conditions:
- a. Rent is not collected by The Letting Partnership;
  - b. The Landlord or their Agent agrees to accept any late payment of Rent arrears from the Tenant without the explicit prior written agreement of The Letting Partnership;
  - c. The Landlord or the Agent agree a repayment plan with the Tenant or Guarantor without the explicit prior written agreement of The Letting Partnership;
  - d. Tenancy documents provided by the Agent or the Landlord are incorrect or incomplete;
  - e. Tenancy documents have not been executed correctly;
  - f. The Landlord chooses not to proceed with a possession claim for the Property;
  - g. The Landlord chooses to discontinue a possession claim against for the Property;
  - h. The Landlord or the Agent do or say anything or fail to pass on information which jeopardises the Rent Guarantee process or the ability of The Letting Partnership to make a claim against the Tenant or the Guarantor for Rent arrears and if applicable legal fees;
  - i. The Landlord or the Agent fail to co-operate fully and/or provide, when requested, information or documents within a timely manner.
- 29)** Should Rent Guarantee be cancelled as a result of any actions under paragraph 28 above then no refund of prior deductions made from the Rent in respect of Rent Guarantee will be made to the Landlord. Additionally The Letting Partnership will be entitled to reclaim from the Landlord any payments made or costs incurred under the Rent Guarantee.
- 30)** The Letting Partnership reserve the right to make changes to these Terms & Conditions from time to time with one (1) months notice to the Landlord's Agent.
- 31)** The Landlord may cancel the Rent Guarantee at any time in writing with immediate effect. No refund of previous payments is due to the Landlord.
- 32)** Opting in to the Rent Guarantee constitutes agreement of the above Terms and Conditions.
- 33)** These Terms and Conditions were published<sup>1</sup> on 26/07/2019 and replace with immediate effect all previous Terms and Conditions previously published.

<sup>1</sup> *published* Terms & Conditions refer to the Terms and Conditions made available to the Agent through their lettings software and/or emailed to them directly.

**Please sign below to confirm your agreement to the above Terms & Conditions**

Landlord's  
Signature: \_\_\_\_\_

Print name: \_\_\_\_\_

Date: \_\_\_\_\_