

Residential Lettings

Covering The Chilterns and South Buckinghamshire
From offices at High Wycombe, Hazlemere, Prestwood
& Princes Risborough

TENANTS GUIDE TO RENTING

IT IS IMPORTANT THAT YOU READ THIS LEAFLET THROUGH CAREFULLY BEFORE SIGNING THE DECLARATION, COMPLETING AN APPLICATION FORM AND PAYING THE ADMINISTRATION & REFERENCING FEES.

PROCEDURE FOR APPLYING FOR RENTAL ACCOMMODATION:

On application, all prospective be required to pay an Administration and referencing fee of 8 days of the monthly rent plus VAT. This is per household not per tenant and is subject to a minimum of £175 plus VAT. Any guarantors will be required to pay an additional £80 plus VAT. If it is a Company Application the Administration & Administration Fee is 12 days of the monthly rent plus VAT. Payments by personal cheque or cash are **NOT** accepted by JNP. Please ensure that payments are made to the office by banker's draft/building society cheque made payable to The JNP Partnership and/or debit/credit card. Card payments may be made over the phone directly to JNP. NB: Credit card payments carry a surcharge of 3% by the provider. On payment, Application for Tenancy forms will be issued for referencing purposes. These referencing forms should be completed in full either online or returned to our High Wycombe office within **7 days**. Please note that the declaration to the end of this 'Tenant's Guide to Renting' must be signed by all prospective tenants. In the event of unsatisfactory references or the applicant(s) not proceeding with the let the Administration & Referencing Fee will be non-refundable

OVERSEAS APPLICANTS

Any applicant that is based overseas or has moved to the United Kingdom less than 6 months ago will need to pay either rent in advance for at least the initial term of tenancy (minimum of 6 months) or provide a UK based guarantor. Unfortunately, our referencing company is not necessarily able to accept references from outside the UK. Please speak to a member of staff for further details.

REFERENCES

We will apply for references in respect of each tenant using a professional referencing company. A Financial, Personal, current/previous Landlord's (where applicable) and Employer's references will be sought. Currently,

in order to meet the referencing company's affordability criteria, the gross annual earnings must be in the region of 30x the monthly rental figure e.g. with a property at £750.00pcm, the applicant should be able to prove minimum earnings of approximately £22,500 (£750 x 30) per annum. If the applicant cannot meet this criteria, either rent can be paid in advance for the full term of tenancy (usually a minimum of 6 months) or possibly a UK based guarantor can be provided. If a guarantor is required, the guarantor will also be required to under-go full referencing and prove their annual income with regards to covering the rental commitment

All applicants must ensure that at tenancy application **photographic identity** e.g. passport, photographic driver's license and **proof of address** in the form of a utility bill dated within the last 3 months is provided.

NB: The final report received from the referencing company will be issued to the Landlord(s) for approval prior to tenancy commencement.

RENT

Unless rent is payable in advance for the full term of the tenancy, the rent is payable per calendar month in advance. The rent will be collected by standing order from the one bank account (even if the tenancy is held jointly between 2x or more tenants) on the same day of each month to coincide with the anniversary date of tenancy commencement. If rental payments are made late, in arrears or rejected by the bank, charges may be incurred by the tenant (refer to the Tenancy Agreement).

The first month's rent along with the balance of the initial monies is payable to The JNP Partnership in cleared funds by tenancy commencement. As previously stated, the on-going/subsequent rental payments will be paid by standing order on a month by month basis.

DEPOSIT

A deposit equivalent to approximately 6 weeks rent will be required to settle any

claim for dilapidations, or any other breach of the tenancy agreement, which may arise, during the tenancy or at the termination of the tenancy. The deposit will be held by us as Stakeholder under the terms of the Tenancy Deposit Scheme. We hold the deposits for those Landlords under the Full Management and Rent Collection services. Under the Let Only service, there are occasions whereby the Landlord will request that they hold the deposit. This is permitted so long as if the tenancy is an Assured Shorthold Tenancy it has to be held in a registered scheme and the Landlord will need to provide evidence of this. The deposit held cannot be used by the Tenant to off-set payment of rent during the tenancy, including the last month's rental payment for the tenancy. The deposit is refunded at tenancy expiry only once the check-out process has taken place, any deductions applicable have been agreed by both Tenant and Landlord and the Landlord has provided us with written consent to release. If there are any disputes raised over any claims made against the deposit that cannot be settled amicably between the two parties then the dispute will need to be referred to an independent adjudicator. No interest is accrued on deposits. (See section on Inventories).

The JNP Partnership are members of mydeposits.co.uk, which is an insurance based scheme sponsored by the National Landlords Association (NLA) and administered by Hamilton Fraser insurance. For further information, please visit: www.mydeposits.co.uk

TENANCY AGREEMENT

When we have received acceptable references and after consultation with the Landlord, a Tenancy Agreement will be prepared in readiness for the new tenancy which both Landlord and Tenant are required to sign by tenancy commencement. All named tenants and guarantors where applicable will be required to sign the Agreement. The cost for preparing the Tenancy Agreement on renewal is £55.00 (plus VAT).

PETS

Many landlords are unable to accept pets. As such please ensure you confirm with us the Letting Agent of any pets you may have, or are intending to have, before applying for tenancy, so that it can be confirmed with the landlord prior. For those Landlords who will accept pets, please be aware that an increased deposit equivalent to approximately 8 weeks rent will be applicable and it will be a requirement of the Tenancy Agreement that tenants pay for a professional de-fumigation throughout and a professional clean of all carpets and upholstery at tenancy expiry. Original receipts will need to be issued to the inventory clerk or Landlord at the Check-out as evidence that this has been carried out.

SERVICES

It is a condition of the Tenancy that the services (i.e. electricity, gas and water) are transferred into the Tenant's name for the duration of the Tenancy. If you require the telephone service you will need to contact BT or the telephone provider directly.

COUNCIL TAX/WATER CHARGES/TV LICENSE

Tenants will be responsible for the payment of the Council Tax for the property they are renting and will pay this direct to the Local Authority. A 25% discount is usually available on Council Tax for single occupancy. It is the responsibility of the tenant to pay for a TV License in respect of the property they are renting. The tenant is also responsible for payment of the water charges (as with the electricity and gas) against the property, whether the water is metered or on rates.

INVENTORIES

A professional inventory detailing the condition of the property and any contents will normally be prepared in readiness for any new tenancy. All tenants pay for a professional check-in (which carries a £10.00+VAT handling fee by the agent) with an independent inventory clerk who will check over the condition of the property on the day of tenancy commencement against the inventory with the in-going tenant(s). Any defects or discrepancies found can be recorded against the check-in report at this time and should be signed by the tenant in attendance. At tenancy expiry, likewise an appointment will be made to assess the condition of the property against the inventory with the tenant.

A check-out report will be compiled following the appointment which will include a schedule of dilapidations that may be applicable. If, we as Agents have to arrange for any repairs, cleaning, estimates and replacements due to any dilapidations resulting from the tenant, there will be an administration charge to the tenants of 10%+VAT of the final invoice for the work involved. (Minimum charge of £25.00). Tenants will be provided with a copy of the inventory, check-in and check-out reports. The cost for a new inventory/inventory up-date and the check-out is borne by the landlord.

CONTENTS INSURANCE

As a requirement of the Tenancy Agreement all tenants must ensure that they have a Contents Insurance policy in place against the property for when tenancy commences. Proof should be supplied to JNP prior to check-in. We are more than happy to provide you with details in-office on a specialised Tenants Contents Insurance policy available via our referencing company, please do not hesitate to ask us for a leaflet. Alternatively you can make your own arrangements directly. If you need further advice or would like to discuss through those specialist products available on the market for tenants (including income protection), please contact us and we will refer you to our in-house FSA regulated Financial Advisor.

SHARING RENTED ACCOMMODATION

Some properties will lend itself to a sharing arrangement. If there are 2x or more applicants looking to take-up tenancy at the one property, they must be aware that the responsibility for the property and the tenants obligations under the contract (including the rental payments) are held jointly and severally between all tenants. All tenants entering into the tenancy need to be aware that it is **not** standard practice for a tenant to be released mid-tenancy should the sharing arrangement not work out for any reason. If one or more tenant decides they wish to leave then they will be required to serve written notification in accordance with the contract and the joint tenancy will be terminated accordingly. Should existing tenants wish to stay on and/or a new tenant(s) found to replace the out-going tenant(s), this would be subject to the Landlord's consent and a new Tenancy Agreement drawn-up. Full references under these circumstances will need to be taken-up against **all** tenants including those who may already exist at the property. It will be the responsibility of the tenants (whether in-coming

or out-going) to pay for the administration cost of £200.00+VAT to cover full tenant referencing and the preparation of new tenancy agreements for both the landlord(s) and the tenant(s). Rental payments should continue to be paid on the same day each month from the one bank account by standing order.

EARLY TERMINATION OF TENANCY

Tenants are not able to break the tenancy early unless a) a break clause is applicable and is evoked in the correct manner as per the terms of the tenancy agreement or b) under extenuating circumstances the landlord grants explicit consent for the tenant to break the tenancy agreement early or before the end of the fixed term of tenancy.

Please note that should early termination of a tenancy be agreed, tenants will be liable for an Early Release Fee of £200.00 +VAT (payable to The JNP Partnership) and the Landlord reserves the right to charge the out-going tenant(s) for the Check-out fee and set-up costs involved for the arrangement of a new tenancy. These fees will be payable prior to tenancy end in cleared funds.

PLEASE NOTE THAT ALL PROPERTIES ARE TAKEN AS SEEN AND NO ALTERATIONS OR ADDITIONS WILL BE MADE BY THE LANDLORD UNLESS SPECIFICALLY AGREED BEFORE THE COMMENCEMENT OF THE TENANCY AND APPROVED IN WRITING BY BOTH PARTIES.

IF JNP HAS TO REFUND ANY PAYMENT IT WILL ALWAYS BE BY BACS TRANSFER OR CHEQUE FROM OUR CLIENTS ACCOUNT AND NEVER IN CASH

**The JNP Partnership has offices at
Crendon Street, High Wycombe,
Hazlemere Crossroads, Hazlemere,
High Street Prestwood
Market Square, Princes Risborough**

The JNP Partnership Residential Lettings

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I/We hereby confirm that the attached 'Tenant's Guide to Renting' has been read and understood in full.

I/We accept the above terms outlined regarding the application process and payments involved.

TENANT 1

Name/s in Full (Block Capitals please)

Signed:

Dated:

TENANT 2

TENANT 3

Name/s in Full (Block Capitals please)

Signed:

Dated:

TENANT 4



Residential Lettings Glossary Terms

If you have never rented or let a property before some of the words using can be rather confusing. Listed below is a short glossary of jargon used in the UK rental market.



Agent: A letting – rent collection – management – estate agent or other duly authorised person (or company/organisation) who is acting on behalf of the landlord.

AST: (Assured Shorthold Tenancy). An assured shorthold tenancy is a type of assured tenancy, which offers the landlord a guaranteed right to repossess his/her property at the end of the term. (See also Tenancy Agreement)

Bankers Draft: It is similar to a cheque, however the money has been directly debited from your bank account and is classified as ‘guaranteed funds’. You will normally need to give a bank in the UK a minimum of 24 hours notice to issue a bankers draft and an administration fee by the bank is usually charged for this service.

Break Clause: Also referred to as a Release Clause. This is a clause sometimes inserted in a fixed term tenancy, typically if the initial fixed term is for a year or more. It will not normally be applicable during the first six months of an Assured Shorthold Tenancy. A break clause will usually be worded in such a way as to allow either landlord or tenant to give two months written notice at any stage after a particular date or period of the tenancy, thus terminating the tenancy earlier than the end of the original fixed term

Credit Search references: Financial references taken up on a tenant applying for rented accommodation. Most agents and some private individual landlords use an external company who for a fee will apply for references by contacting the applicant’s employer, landlord etc and to check the tenant’s credit history and affordability. A report will be compiled from their findings as to the tenant’s financial suitability. See also references.

Company let: Let to a bona fide company.

The company will need to be UK based and be able to provide a UK Company Registration Number. The company will need to pass formal credit referencing before a let can proceed.

Council Tax: Local authority tax for England, Wales and Scotland. In most cases this will be the responsibility of a tenant to pay.

Covenants: The terms of the tenancy agreement – obligations - “promises” made by either Landlord or Tenant.

Deposit: An agreed amount of money paid by the tenant against a property and held by either the Agent or Landlord for security against damages to the premises. In Britain, it is usual that the amount held is equivalent to approximately 6 week’s rent. The JNP Partnership are members of mydeposits.co.uk and as such, any deposits that are held by us as Agent will be registered and protected under this scheme.

Direct Debit: See section on Standing Orders.

EPC - Energy Performance Certificate: This is a report detailing how energy efficient a particular property is. This is demonstrated in a graph format with an efficiency scale ranging from A-G. (A indicating the highest level of energy efficiency). The property will be assessed throughout by a trained Energy Assessor who will check items such as loft insulation, wall cavities, kitchen appliances, light bulbs etc and will make recommendations as to how the Landlord can improve the energy efficiency by making certain adjustments to their property. Landlords must supply an EPC for their property before it can be marketed. The certificate will be valid for 10 years. All tenants should be supplied with a copy of the EPC for their records.

Fixtures and fittings: Items usually provided in a letting – curtains, carpets, blinds, light fittings, kitchen units, appliances, (in the case of some lettings there will be beds, chairs, tables and other items of fixtures and fittings provided). It is advisable to always check as to what is provided and not to assume that items will be provided. All furniture/upholstery items supplied to the property must comply with current fire and safety regulations.

Gas safety regulations: The Landlord of a rented property must have a gas safety check carried out prior to a let and then annually. A copy of the record must be given to the tenant. An authorised Gas Safe Registered engineer can only carry out the check. It is a legal requirement that a valid gas safety certificate is in place whilst there is a live tenancy running.

Guarantor: A person who is prepared to guarantee rental payments and other obligations of a tenancy on behalf of the tenant(s). The guarantor will be liable for rental payments if a tenant is unable to pay them, so the guarantor will need to have a regular income. Normally references or credit search references will be taken up on a guarantor.

High Rent tenancy: Tenancy agreement when the annual rent is over £100,000 per annum and known as a contractual tenancy.

HMO (Licensed): Houses in Multiple Occupation - An Assured Shorthold Tenancy Agreement cannot be used against a tenancy that is to be a Licensed HMO. The Landlord will be required to obtain a License from the Local Authority prior to letting if the following 3x criteria are **all** met; the accommodation is spread over **three floors** including a basement and loft conversion, the property is to be let to **five** or more tenants comprising of **two** or more unrelated persons/households.

Inventory: A detailed schedule of condition

report detailing the individual property's fittings and fixtures and contents. The report would cover the exterior areas belonging to the property including the garden and will state any visible defects/damages that may be applicable already. The inventory will be utilised at check-in at tenancy commencement and again at check-out at tenancy expiry so that any changes that have occurred over the course of the tenancy can be recorded. It is essential that the inventory is comprehensive and a true reflection of the condition of the property as will be used for evidence against any dilapidation claims being brought against the deposit that may arise. The inventory is usually prepared through an independent, professional inventory company at the cost of the Landlord.

Joint & several liability: Where there is to be more than one (adult) person living in the property, the tenancy will say they are "jointly and severally" responsible. This means that, jointly, the tenants are liable for the payment of all rents and all liabilities falling upon the tenants during the tenancy, as well as any breach of the Agreement. Individually each tenant is responsible for payment of all rent and all liabilities falling upon the tenant, as well as any breach of the Agreement until all payments have been made in full.

Landlord: Is a person, persons, company or body that has a formal interest in the premises and has the right to let the property.

Lease: Often confused with tenancy agreement this is normally a long lease on an apartment (see Superior Lease) where as the actual document governing a rental is normally known as a Tenancy Agreement.

PCM: Rental figure "pcm" – per calendar month.

References: References are taken-up against the individual tenant and/or guarantor to assess their suitability to be able to pay the rent and also to qualify the tenant's previous rental history. This involves a professional referencing company contacting the previous

landlord, employer (or accountant if the applicant is self-employed) and bank. (See also Credit Search References).

Release Clause: see break clause

Services: See utilities

Stamp Duty: The tenant is responsible for paying any Stamp Duty (SDLT Stamp Duty Land Tax) The starting point is currently is £125,000 in one agreement, therefore unless for example the rental (without any gardening / cleaning or other additions included) is under £10,000 a month there will not be any Stamp Duty Land Tax to pay.

Standing order: A standing order mandate is an instruction that the tenant makes to his/her bank for payment of rent. It can either be set up on a form or on line (by the tenant). Normally payments are made each month and the instruction will state the number of payments or will continue to be paid until cancelled by the tenant. A landlord or agent cannot cancel a standing order, only the person whose bank account the funds are being drawn from can authorise this. It is therefore important that tenants are aware it is their responsibility to cancel their standing order directly once their final rental payment for the last month of their tenancy has been taken. A standing order should not be confused with a Direct Debit.

Studio apartment/flat: A flat where the accommodation comprises of the bedroom and living area combined. The kitchen may be open-plan or separate and the flat will have its own bathroom/shower room and wc facilities.

Superior Landlord: People or person to whom the ownership of a property might revert to at a later stage. e.g. an apartment with a 99 year lease. See also Superior Lease.

Superior Lease or Head Lease: This is the lease that the landlord holds. This is often the case in an apartment/flat where the owner has the leasehold interest, but another individual owns the freehold. If the property is lease-hold the landlord must ensure that letting is allowed

under the head lease or superior lease. If under the head lease or superior lease there are any specific agreements or restrictions which will affect any tenant(s) the landlord must provide the agent with the necessary documents to attach to The Tenancy Agreement. The tenant(s) must comply with any of those obligations.

Tenant: A person, persons (company or organization) who is entitled to occupy a property under the terms and conditions of a tenancy agreement.

Tenancy agreement: This is a legal binding document containing details about the rental terms. Sometimes known as a rental agreement. It will state the parties involved i.e. the Landlord(s) and Tenant(s), the full address of the property that is being let, the term of tenancy, the agreed monthly rental value and deposit amount along with the "Covenants"/ obligations of the let. It should be written in plain language as to being clear and easy to understand.

The Term of Tenancy: Length of tenancy - most initial tenancy agreements are for a minimum of six months, they can be shorter or longer.

Utilities: Or Services - These are normally electricity, gas and water. Under most circumstances the tenant is responsible for paying for these.

Water Charges: see utilities

The above has been compiled to assist people with rental terminology. We advise that this information is for guidance only and cannot be relied on for accuracy and that you should consult a qualified legal representative if you require full explanation.