

# wj. meade's guide to renting

 391 Mile End Road, Bow, E3 4QS

 020 8981 3331

 [hello@wjmeade.net](mailto:hello@wjmeade.net)

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# Choosing a property.

## CHOOSING WHO TO LIVE WITH

The minimum length a tenancy can be is six months, but most are usually a year. As you will be spending a lot of time with your co-tenants, it is important to think about who you want to live with. We always recommend to choose people you know and would trust, as you will be sharing the property and its amenities with them.

## BUDGET

Before you begin the search for your desired home, you need to work out if you are financially equipped for the property. Not only will you have to pay rent, but you will have other utilities to pay for, such as; electricity, gas and water. As a student you will not be liable for council tax, however you will also have to factor in; TV licence, broadband, telephone line.

If you are working as well, it is advised that you spend no more than 30% of your household income on rent, therefore if you are earning £21,000 per annum, you should be looking at spending no more than £525 on your share of rent. Once you have worked out how much you can afford to spend on rent, you can start researching areas and properties you can afford.

## GUARANTORS

Most students will require a guarantor in order to secure a tenancy. In simple terms, a guarantor is someone who you nominate (which they have to agree to) to be the backup for your rental payments. This means if you miss a payment or can no longer afford it, the rent charges will become the guarantor's responsibility and your landlord may start chasing them for the money instead of you. Guarantors need to earn 3x the yearly (proportion of your) rent in order to meet affordability. Referencing companies will also take savings into account and any additional employment you may have, or potentially paying rent in advance. If you do not have a guarantor, then you may be able to pay advanced rent of six months, every six months. Always check with the agency first.

## YOUR PROPERTY SEARCH

Firstly, you should think about the type of property you want, and what features it must have to be suitable? What are your priorities and what are you willing to compromise on? Things to consider: storage space, parking, outdoor space, number of bedrooms, number of bathrooms. You will probably have a location in mind already, but here are some things you need to consider...

What is the commute to your Campus?

How close is your Workplace?

Where are the nearest Transport Links?

What local amenities are nearby?

Visit the areas you would like to live in and check the above along with any other requirements you may have. As the tenancy market is very competitive you may have to be more open-minded on the type of property or location. As always, have an open discussion with your proposed housemates, so that you can all agree on what you are looking for.

# Finding & securing a property.

## **FINDING A PROPERTY**

Once you have decided who you are going to live with, and your list of requirements for your home (location, size, amenities), then you need to begin your search. We recommend looking 4-8 weeks before. Whilst most students/ tenants want to register with agencies, as the lettings market moves very quickly, it is hard for agencies to keep track of applicant databases. Therefore, the best process is to sign up for property alerts with all the major property portals; Rightmove, Zoopla and OnTheMarket. This means that when a property which meets your criteria is uploaded, you will receive an email alert and you can then contact the agency for a viewing. Always check availability dates of properties, as most properties added are available from a specific date.

## **FURNISHINGS/ ROOMS**

It is important to read property descriptions carefully and enquire (if it is not clear) about the furnishings in the property. Some properties are fully furnished, some part furnished and other unfurnished. Always ask the agent what furniture comes with the property and if the landlord is willing to provide certain items (this might have to reflect in your offer price). Together, you will be responsible for choosing who has what room and if certain rooms should cost more than others. We expect the total rent to be paid and do not distinguish who should pay what.

## **DEPOSIT**

Most tenancies will require a deposit being paid, which is held against the tenancy and will be released back to you when you vacate, as long as rent has been paid in full and no damages have been caused. The maximum deposit a landlord/ agent can take is 5 week's rent (unless the rent is over £50,000 a year, where the cap is 6 week's rent). This should be detailed on the property advert, but if it is not, always ask the agent for details about the deposit.

## **PREPARING FOR AND ATTENDING A VIEWING**

Only book and attend viewings for properties that you are actually interested in seeing. Prior to the viewing, make sure you have discussed with your housemates about being prepared to secure the property, as time is of the essence. It is always advised for all tenants who will be moving in, to attend the viewing. If for some reason not all of you can attend, then nominate someone to take a lead on securing the property and to do a video tour at the property for all to see.

During the viewings, take time to walk round the property and check what type of heating it has, windows, storage etc, and of course double check about the furniture options.

## **SECURING A PROPERTY**

When you have found a property which you all agree on, you will need to move quickly to secure it. You will need to fill out an offer form (physical or email) and send it to the agent. You will need to detail your offer amount, any requests, the names and occupations of the applicants, a brief history of how the group know each other and details of employment or guarantors. If the landlord accepts the offer, you will then be required to pay a holding deposit to secure the property.

# Tenancy administration.

## MAKING AN OFFER

As outlined on the previous page, when you are trying to secure the property, you will be required to fill out an **offer form** or email with details about the applicants and how they are going to pay the rent. This is usually shared with the landlord and helps them decide who they want to proceed with, so be as detailed as possible. When deciding how much to offer on a property, use the advertised price as a guideline and look at what other similar properties have been let for. We find tenants tend to 'outbid' each other by offering higher than the advertised price, but only offer what you are comfortable with. It does not necessarily mean the highest bidder will win.

## HAVING AN OFFER ACCEPTED

If you are selected for the property, you will be sent an 'offer of acceptance' email with details of the proposed tenancy and the 'funds due' breakdown due prior to the tenancy commencing. You will be required to pay a one week's holding deposit to reserve the property and this will be offset against the balance of move in monies. At this point you will be sent **applicant terms & conditions** to sign which details how your data is used, what steps you need to take to enter the tenancy and the repercussions if you do not follow the terms.

## RIGHT TO RENT

You must have the **right to rent** in the UK in order to be eligible for a tenancy. If you hold a British or Irish passport then this will suffice, otherwise you need to present the agency with your right to rent **share code**. You need to meet the agent face to face to present them with your ID (usually in the office so they can take a scan). This is a code produced by the government which prove your right to rent. Your landlord can use the share code to check if you can rent and how long for. Full details on right to rent can be found on the link below:

<https://www.gov.uk/government/publications/right-to-rent-document-checks-a-user-guide>

## REFERENCING

When completing the reference application form will need to have the following supporting information available:

- Proof of ID (copy of driver's licence, passport or birth certificate)
- Your most recent **three month's bank statements**.
- Proof of address history for the last three years.
- Reference from your previous landlord.
- Details of current employer (company name, email address and telephone number).
- Details of annual salary (include your basic salary plus any regular bonuses or commissions).
- Details of guarantor.

You are required to provide financial, employer, character and landlord/agent references as we can only agree to a tenancy on behalf of the landlord, subject to satisfactory replies from those referees. Our checks will also include a search of the Credit Registers to establish your financial credibility. This is necessary for your prospective landlord to confirm that your application is suitable and

satisfactory. For your own guidance you should be aware that to meet the required affordability, your salary/earnings must be at least 2.5 x annual rent.

If you are unable to provide satisfactory references or credit, check you may still be offered a Tenancy subject to a satisfactory Guarantor being provided. This person should be over 24, a home owner, with assets in the UK and in full time employment, earning at least 3 times your proposed annual rent. The Guarantor will be contacted to ensure that they are aware of a Guarantor's obligations and they will be asked to complete a Deed of Guarantee or Guarantor Form. They will be referenced and credit checked.

If you have County Court Judgements (CCJ) IVAs or have been declared bankrupt it may prove impossible to grant you a Tenancy unless satisfactory evidence of the clearance of debt is produced prior to the commencement of the Tenancy. If you have any adverse credit or defaults registered against you but do not declare them on your application form, you will be automatically disqualified from proceeding with the tenancy. You are therefore advised in all circumstances of known or suspected bad credit to discuss the situation fully at the outset so we may properly advise you of how your application may proceed before you commit to any application fee.

## **GUARANTORS**

Having detailed the use of guarantors earlier in this document, it is important to know what documentation is involved. After a guarantor has been referenced to check their affordability, and shared a copy of their ID and proof of address, they will be sent a **deed of guarantee** to sign which outlines their ties to the tenancy. As most tenancies have joint and several liability (read more in the section below), this means that each guarantor tied to the tenancy covers the whole tenancy, not just one particular tenant.

## **THE TENANCY AGREEMENT**

The tenancy agreement is a legally binding contract. Once you have read it, agreed its contents and signed it – you are bound by its terms and conditions. It is important that you understand exactly what it says. The agreement will contain standard clauses that will not be altered, however, there may be additional mutually agreed clauses added at either the wish of the landlord or tenant. Make sure you ask the letting consultant any questions you may have regarding the tenancy agreement prior to signing it. Most tenancies are assured shorthold tenancies, and if there are multiple tenants, it is known as a joint and several contract. All tenants who 'share' a tenancy with another have 'joint & several liability' which gives them all equal responsibility for adhering to the terms and conditions of the tenancy agreement. It is important to remember this, as your actions or inactions will affect your co-tenants and vice versa. Therefore, if one of you wants to vacate, the others are put in an awkward position. You (singular) will only be released from the contract if you find a replacement tenant. If all of you want to vacate, then you need to serve notice to leave.

## **PAYMENTS**

Usually there are only three payments which you will make during your tenancy; the holding deposit (capped at one week's rent), the dilapidations deposit (capped at 5 week's rent) and the monthly rent. Since the tenant fees act 2019, most tenant fees have been abolished, however if you request for any amendments to be made to the contract, certain **permitted payments** are due. Speak with the agency before requesting any changes to find out more.

# During the tenancy.

## RIGHTS

As a tenant, you have a number of rights which are outlined in certain laws or regulations. This begins when you secure a property and continues you whilst you are a tenant and finishes when you vacate.

- Prior to the commencement of your tenancy, you should be provided with; an Energy Performance Certificate, Electrical Report, Gas Certificate (if there is gas), Government 'How to Rent' guide, along details of the deposit provider and the Prescribed Information.
- The deposit you pay must be protected in a government back scheme, so make sure you receive paperwork confirming this.
- Legally tenancies cannot be shorter than six months, so landlords cannot demand their property back before then (check your contract length).
- The property you are occupying must be safe and in a good state of repair.
- You are entitled to know who your landlord is. Should you wish to find out, you can ask your agency.
- Your deposit should not be unlawfully kept from you when you vacate (unless you have breached the contract).

## RESPONSIBILITIES

You also have several responsibilities as a tenant and must remember that even though you are occupying the property, you are not the legal owner. You must:

- Take good care of the property, for example turn off the water at the mains if you're away in cold weather.
- Pay the agreed rent, even if repairs are needed or you're in dispute with your landlord.
- Pay other charges as agreed with the landlord, for example Council Tax or utility bills.
- Repair or pay for any damage caused by you, your family or friends.
- Not to sublet any part of the property.

You are responsible for the property's upkeep and maintenance and you are expected to take reasonable care of the property and any of its contents. Below is a list of some of the responsibilities, you should refer to your tenancy agreement for more detailed clauses.

- Pay the rent when it falls due
- Changing fuses and lightbulbs.
- Keep the property properly ventilated so as to avoid damage caused by condensation.
- Keep drains and gutters clear and maintain any garden attached to the property.
- Ensure that all windows, doors etc., are secured and locked properly when the property is unattended.
- Make sure that all rubbish is properly disposed of or made ready for collection.
- Report any problems immediately they occur.
- Not cause any nuisance or noise to neighbours or the neighbourhood.

- Make sure that the property is returned at the end of the tenancy in a good, clean and presentable condition.
- Not to decorate the property.
- Not to keep pets/animals of any kind in the property.

## MAINTENANCE

Small maintenance jobs as detailed previously so fall under tenant's responsibility, but the majority of maintenance and repairs fall under landlord's responsibility. Obviously if you have broken something or caused damaged, you will be responsible for the cost.

When maintenance issues occur, it is the tenant's responsibility to report these to the agent/landlord as soon as possible. Failure to report the issue or any delay in reporting it, can change the liability from the landlord to the tenant.

Landlords are responsible for gas appliances, electrical wiring, white goods, bathrooms and toilets. They are also responsible for ensuring the property is structurally sound and has heating and hot water.

Landlords and agents tend to use a select number of trusted contractors, so never instruct a contractor yourself as you will be liable for the cost of the invoice. Always report the issue through the correct channels.

It is also important to remember that if your property is in a block of flats or development, there will be a **block management** company that is responsible for some of the maintenance. This may include; lifts, communal gardens, leaks from flat above, intercom systems.

## WHO IS MANAGING THE PROPERTY?

At the start of the tenancy, it is important to ask the agent who is **managing the property** and responsible for the maintenance. If it is the agent, then you should report any maintenance queries directly to them. You should also be provided with their **out of hours maintenance** process, in case an issue occurs when the office is closed. If the agent has only been instructed to find tenants or collect the rent, then it is your landlord who is responsible for repairs and you should be given their contact details to report issues to.

## INSURANCE

The landlord will be required to insure the property against certain issues, either through their service charge for the flat or through private insurance for the entire property, which should cover damage against the property in cases of fire or floods. However, it is the tenant's responsibility to take out **content's insurance** to cover items either owned by the landlord or by the tenant in case of accidental damage, theft or fire.



# Ending your tenancy.

## LANDLORD'S GIVING NOTICE

Usually, the landlord can only give notice for the tenancy to end as they approach the last two months of the fixed term (if it was a 12-month contract, they can serve notice on the 10<sup>th</sup> month), however, if you break any of the clauses in your tenancy agreement, you may be asked to leave before the period is up. Either way the landlord must give at least 2 months' notice before they can get you to leave.

## GIVING NOTICE TO TERMINATE THE AGREEMENT

Whilst you are in a fixed term contract, tenants also have to give two months' notice to terminate the agreement. Unless there is a break clause (which we will discuss shortly), you need to wait until you approach the last two months of the fixed term to be able to serve this. Notice has to be in writing, and the most common way would be by email. Always speak with your agency/ landlord to check they have received it. If your fixed term has expired and the contract is rolling month by month, this is known as a periodic contract. At this point, you need only give one month's written notice to terminate the agreement.

## BREAK CLAUSES

If the tenancy agreement has a **break clause** in the contract, this means that either party can break the contract earlier than the fixed term. When securing a property and finalising the terms, make sure to ask the agent if the contract comes with a break clause. The earliest a break clause can be added is at 6 months, so make sure to read through your contract to find out where it is.

## AN INDIVIDUAL TENANT WISHES TO VACATE

As mentioned previously in this guide, most tenancies with more than one occupant are known as **joint & several** meaning you are tied to the contract together. Should one of the occupants wish to vacate, they need to check with the agency if it is possible. If one occupant just leaves, all occupiers remain liable for the rent, so discussions need to be had first.

Usually, the request for a **tenancy addendum** will not be reasonable withheld, but the outgoing tenant will need to find a suitable replacement tenant to take their place. It is always advised that all the occupiers are made aware of the change, so that they can agree on the new person joining the tenancy. They will then need to be referenced and added to the tenancy.

## EXTENDING YOUR TENANCY

As you approach the end of your fixed term, the agency will reach out to the landlord to see if they wish to continue renting the property and advise them on the market conditions and rental value. The agent will then reach out to the tenants to inform them that either; the landlord wishes to serve notice (they do not need a reason) to have the property back, that they wish to renew with the tenants for another fixed term or that they want the tenancy to roll onto a periodic (month by month). When negotiating to remain in the property past your fixed term, you will probably be

informed that the rent will be increasing. Should you feel you jointly cannot afford it, then you need to voice that to the agent and if you may need to vacate and find an alternative property.

### **VACATING THE PROPERTY**

When preparing to vacate the property, you must return the property in the same condition it was let to you in. If you are unsure of the expectation, ask your agent. It is always advised to get a professional cleaner in rather than cleaning yourself as they are professionals and do a great job. You will be liable for rent up until the day you gave the keys back to the agency (and longer if you failed to give the appropriate notice). Once you have given the keys back, you will not be able to return, so make sure all your belongings have been removed and the property has been cleaned. It is only at this point will the agent complete the checkout report.

### **RETURN OF THE DEPOSIT**

Once the checkout of the property is completed, the agent will share a copy of this with the landlord along with their comments on the condition of the property. They will compare this to the check in report to see if you (the tenant) are responsible for any dilapidations which should be claimed from your deposit. They will also check to see if there was any rent unpaid and claim this from the deposit. Once they have heard back from the landlord, they will discuss any dilapidations with the tenant for their comments. If an agreement cannot be reached regarding deposit deductions, then the agent will have to submit a claim to the deposit company and submit evidence for the claim. The tenant will also be given the same opportunity. Any amount that has not been disputed will be released immediacy and the balance will be held until the deposit company make a decision on who is right. You must look out for email notification from the deposit company as you will need to log into your deposit account to action any release/ agreement or to submit evidence.