



Tenant Guide & Fee's

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So you have found a property that you would like to live in. The first step is to make an offer to the Landlord. Should your offer be accepted then it will be strictly subject to contract, satisfactory references and vacant possession.

References & identification

References need to be obtained and approved by the Landlord prior to the Tenancy commencing. As the Tenancy cannot go ahead without these, it is imperative referees are made aware of the need to respond as soon as possible. Typically, the type of references required are as follows;

Work Reference

(which must be provided on company headed paper). Confirmation will be needed to confirm, start date, salary and position within the company.

Current/Previous Landlord

Confirming rent, length of Tenancy and condition of property.

Character Reference

From someone who has known you for 2 years or more.

Company Lets

Should the Tenancy be in your Company's name, agents will usually require the following;

Company Name & Address

(which must be provided on company headed paper)

Proof of who is the Authorised Signatory (for signing the Tenancy Agreement)

This could be a letter which must be provided on company headed paper)

Solicitors Reference

Accountants Reference

(in house accounts references are not acceptable)

Trade Reference

From a supplier.

Students

It is generally appreciated that students will be unable to provide some of the above, however, agents will still need to be in receipt of satisfactory references. Therefore the following will be required;

Tutors Reference

Previous/Landlord Reference

NOTE: It will also be necessary to provide a UK based Guarantor who is a UK Property Owner. They will be required to sign a Deed of Guarantor, which is a legally binding document stating that in the event you breach the Contract, the responsibility to, for example, pay the rent falls to the guarantor. If it not possible to provide an appropriate guarantor then the majority of the rent will need to be paid in advance. This is calculated on a case by case basis. Please note the Guarantor will also need to be referenced as per above.

Identification

In order to proceed with a tenancy through any reputable agency and to comply with money laundering legislation you will be required to provide proof of identity and residency, this should include at least one item from List A and two items from List B.

List A;

Full Current National Passport; Full Current National Driving License; Pension Book/Child Benefit Book; Armed Forces I.D. Card; Signed Employer I.D. Card; Pensions Travel Pass; Building Society Passbook.

List B;

Gas, Electricity or Telephone Bill (not a mobile bill); Mortgage Statement; Council Tax Demand; Bank/Building Society/Credit Card Statement; Reference from Accountant/Bank or Solicitor.

Rent / Deposit Payments

Your first rent payment should include the deposit. This must be received in Cleared Funds in order for the Tenancy to commence. All reputable agents are members of a Government backed Deposit Protection Scheme (DPS) and will pay over the deposit in accordance with their terms (a copy of which will be provided to you along with the Tenancy Agreement). Be aware that most agencies are only able to accept payment of the initial monies by the following methods;

- Direct Transfer (BACS)
- Cash
- Bank Draft

Tenancy Agreements

This is the legal document you sign. It must be returned complete to your agency prior to the tenancy commencing. The agreement must have been signed by all parties to the Tenancy or by a pre-confirmed authorised signatory, in the event a company is the tenant. Each page should be initialled and the signatures witnessed by an independent party. Employees of the agency are able to witness such signatures, but we would recommend having a neutral third party present if possible. Do note that in the event the Tenancy documentation is not returned promptly/within the agreed time frame, agencies do reserve the right to continue marketing the property.

Insurance

During your tenancy you will be responsible for ensuring your possessions are adequately insured. It is usual that any insurance the Landlord may have will not cover your possessions or accidental damage to the Landlord's contents during your Tenancy. You will therefore, as part of most good Tenancies, be encouraged to acquire insurance for the duration of your Tenancy. A good agent should be able to introduce you to some providers of specialist Tenant insurance products who are authorised and regulated by the Financial Services Authority. Please feel free to contact Napier Watt for more details on this as with any of the above.

Removals

All good agents will be able to recommend a number of reputable local and international removal companies, who can ensure a stress free moving experience.

Stamp Duty Land Tax

On commencement of the Tenancy you will be sent a copy of the original Tenancy Agreement signed by the Landlord. An obligation exists to have this document stamped by the Inland Revenue. This is ONLY applicable where the Tenancy figure exceeds £125,000 for the full term of the Tenancy including any extensions or periods of holding over. Stamp Duty Information can be found on the Inland Revenue website: www.hmrc.gov.uk or get more info by telephoning 0845 60 30 135.

Finally...

These guidance notes are intended purely to assist you and will not necessarily contain all of the conditions of your proposed Tenancy, nor do they contain your obligations, which will be detailed in your Tenancy Agreement and other related documentation.

Please do not hesitate to contact us here at Napier Watt on +44 (0) 20 7935 0011 should you require any further clarification on any of the above. Napier Watt are here to make finding your perfect rental as easy and stress free as possible for you. Why not come in to see us to hear how.

Tenant Fees

To protect both tenants and landlords rights you'll have to go through a series of checks, referencing and sign tenancy agreements.

We always want you to rent through us, so we don't just organise viewings; we help you at every stage of the complex rental process, including making and agreeing an offer. On the 1st June 2019 the UK Government introduce a Tenant Fee Ban Act, this means landlords or agents are no longer permitted to request charges onto tenants or Guarantors to make certain payments in connection with a tenancy. The Law also capped Tenancy Deposits and letting fees which had been charged to Tenants at the outset and throughout the tenancy There are a few exemptions from the allowed charges, these are referred as 'Permitted Payments'.

We have detailed everything below to give you an idea of what to expect. NB: The rules for how fees will be charged for Assured Shorthold Tenancies (AST) are different to how fees will be charged for Non-Housing Act Tenancies (NHA).e

Housing act tenancies

Assured shorthold tenancies (AST)

An AST is the most common type of tenancy if you rent from a private landlord or letting agent.

You usually have an AST if:

- you don't share any accommodation with your landlord and they live elsewhere
- the rent is less than £100,000 a year
- the tenant is an individual and is using the property as their main home

Permitted payments and charges

Rent (paid in advance)

Reservation fee (holding deposit)

Equivalent of one weeks rent, which will be put towards your first rent due on completion of the tenancy. The rules for how and when we withhold any funds from your holding deposit are set out in our letter called Your 'Holding Deposit Explained' which is provided when your offer has been accepted.

Security deposit (annual rent less than £50,000)

Capped at Five weeks' rent – (covers Landlord for damages or defaults)

Late, unpaid, returned rent payments

Interest charged at 3% above the base rate of Bank of England, calculated daily from rent due date (not levied until rent is more than 14 days in arrears).

Lost, extra sets keys or security devices

Charges for the cost of replacing extra sets or lost keys/security devices charged at £15 per hour (inc.VAT).

Variation/renewal/extension of contract (tenant's request)

Charge of £50 + VAT for the cost of preparing and executing the new legal documents.

Early termination (tenant's request)

Charge of no more than the maximum amount of rent outstanding on the tenancy (inc.VAT) if the tenant should wish to terminate their contract early, as they are liable to the landlord's costs in re-letting the property.

Non-housing act tenancies Common law tenancies (NHA)

A tenancy would be created as a NHA if the rent is over £100,000 a year, or where it is not the tenant's main home.

COMPANY TENANCIES ARE ALSO NHAS.

A company let is when a company takes on a residential tenancy agreement as the tenant, rather than an individual. The tenancy will be in the company name. The company employee will live in the property.

Permitted payments and charges

Rent (paid in advance)

Admin fees – £400 + vat

Reservation fee (holding deposit)

Equivalent of one weeks rent, which will be put towards your first rent due on completion of the tenancy. The rules for how and when we withhold any funds from your holding deposit are set out in our letter called Your 'Holding Deposit Explained' which is provided when your offer has been accepted.

Security deposit (annual rent more than £50,000)

Capped at Six weeks' rent – (covers Landlord for damages or defaults)

Late, unpaid, returned rent payments

Interest charged at 3% above the base rate of Bank of England, calculated daily from rent due date (not levied until rent is more than 14 days in arrears).

Lost, extra sets keys or security devices

Charges for the cost of replacing extra sets or lost keys/security devices charged at £15 per hour (inc.VAT).

Variation/renewal/extension of contract (tenant's request)

Charge of £200 + VAT for the cost of preparing and executing the new legal documents.

Early termination (tenant's request)

Charge of no more than the maximum amount of rent outstanding on the tenancy (inc.VAT) if the tenant should wish to terminate their contract early, as they are liable to the landlord's costs in re-letting the property.

Signed

Date

Signed

Date

We recently moved from the United States and needed a place to stay for a one year job reassignment for my husband. Harry was wonderful to work with, listened to what we needed and was always right on time. I would highly recommend him if you are looking for a flat. We recently moved from the United States and needed a place to stay for a one year job reassignment for my husband. Harry was wonderful to work with, listened to what we needed and was always right on time. I would highly recommend him if you are looking for an apartment.



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