

# What happens when... I'm a Guarantor?

People often agree to act as a guarantor to enable a relative or a friend to rent a home.

If you are thinking of doing this, that is very kind. If you agree to it, you will probably be helping someone who wouldn't otherwise be able to become a private renter. But being a guarantor is a big responsibility and there are risks attached which you need to understand before you sign anything. This information is for you if you are thinking of becoming a guarantor.

The extent of your legal responsibility (the law calls this 'liability') will depend on the wording of the guarantee. We will be happy to provide you with a copy of the tenancy agreement and guarantee to look at before you commit.

It is very important that you read the guarantee and tenancy agreement carefully to ensure that you understand what you are signing up to.

If there's anything in either document that you don't understand, you should get independent legal advice.:

You will be responsible for any rent money owed (you may hear this called 'arrear's' we will normally contact you when rents have been unpaid for 5 days), the cost of putting right any damage to the property and any other costs that the tenancy agreement allows the landlord to charge the tenants as a result of them not complying with the tenancy agreement in some way.

If the tenant you are guaranteeing shares the tenancy, for example, with friends, the guarantee will probably make you liable for all the rent, not just their individual share. You may also be responsible for any damage caused by any one of the tenants, not just the one you want to help.

This may not be what you expected and why it's important that you understand the terms of the guarantee before you agree to them.

When does a guarantor's legal responsibility end?

You will continue to be responsible for however long the tenancy lasts and for any rent increases. If this is the case, you will be legally responsible if the tenant breaks any of the promises they made in their tenancy agreement before the tenancy ends and will remain liable for a period of six years from the date they break their promise. So, for example, if the tenant fails to pay the last month's rent, the landlord has 6 years from the date that the rent became due to take action against you and/or the tenant.

The Guarantor Agreement applies to the current tenancy being undertaken and any periodic extension or renewal of that tenancy, so you could be signing up for an extended period of time. You would have 10 days of receipt of a written demand to pay or arrange payment of any out standing monies unpaid by the Tenant(s) due under the Tenancy Agreement.

You may also be liable for any reasonable losses, damages and expenses of the Landlord incurred as a result of default by the Tenant in the performance or observance of the Tenant's covenants under the Tenancy Agreement. Where the Rent, or any portion of it, is paid by housing benefit or other benefit scheme, the Guarantor agrees to pay the Landlord or Agent for the amount of any claims arising from any overpayment, which may be made by the local authority in relation to the specified Tenant(s).

Such overpayments may be reclaimed by the local authority up to six years from the date of overpayment.

If you wish to end the agreement, after the initial 6 months, you are required to give two months' written notice to terminate the guarantee and the

guarantee shall end on the earliest date when possession is or can be legally obtained, subject to the Tenant vacating on this date.

If the Tenant fails to vacate the Property according to the Landlord's Notice Requiring Possession, then the guarantee shall continue until the Tenant vacates.

If you are still happy to act as Guarantor, we will ask you to fill in the application form and take up references with our referencing agency, please be aware any incorrect information on this form resulting in a failure on referencing means the prospective tenant will lose their holding deposit. When you have passed referencing, a guarantee agreement will be drawn up for you to sign, this will be provided with a copy of the agency agreement.

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to find out more

## Guarantor Questionnaire

Who are you standing Guarantor for:	
Are you currently acting as guarantor for any other tenancy/mortgage is so please give details:	
Your Full Name:	
Current address (we require your address for the last 3 years):	
Do you rent or own the above property?	
Contact Details, Phone and Email:	
Date of Birth:	
Your current employment details: (If relocating please supply new employment details)	
How long have you been at this Employment/Start date/ Probationary Period or not?	
Annual Salary: Basic taxable pay, not to include overtime and bonus/commissions	
Any other income such as Housing/Disability Benefit, Tax Credit, Working Tax Credit, Universal Credit?	
<b>Have you any County Court Judgements' or Payment Plans?</b> This may affect the success of your application	
Do you have a current form of ID such as Passport or Driving Licence? Please supply.	

**Please be aware that we will discuss with the Landlord the information provided. If the landlord decides to proceed with the application we will then pass your details onto our referencing company. Please be aware that should referencing be unsuccessful due to incorrect information being supplied by you in this form, or if the applicant decides not to proceed with the application Poole Townsend will not be in a position to refund the Holding Deposit paid by the applicant.**

**Please be aware that once you have entered this agreement you will act as guarantor for the whole period of the tenancy. Please sign below that the information you have provided is correct and that you understand the terms for acting as guarantor.**

**Signed** \_\_\_\_\_

**Date** \_\_\_\_\_

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