

## Cavendish Residential Rent Guarantee Cover – Full Terms and Conditions

As with any cover, it is there to protect you from the unexpected. There are many pitfalls that are associated with being a landlord such as tenants refusing to pay rent and therefore having to take them to court. We have designed this service to keep you as the owner protected against rental loss should your Tenant fail to make a payment and leave your property with account arrears.

It is important you read these Terms and Conditions carefully, together with your Landlord Terms and Conditions confirming the service you have already instructed us to put in place for you as these form the basis of your Agreement with us. If anything is not correct, or if you have any questions, please call us on 0115 941 0656.

### What we do look after under this Policy

This policy will only become active when we have vacant possession of your property. The reason for this is because we will not be able to determine the amount of arrears until your property has been vacated.

Upon vacation we will add up the arrears on your account, process a rent payment on your behalf and pass to you within 7 days (note that this payment will be subject to Management Fee and VAT as per your main Terms and Conditions for rental payments).

For example, this cover will pay for:

- Rental loss for any period where your Tenant has failed to pay rent whilst living in your property
- All processes and costs required and incurred in obtaining a Vacant Possession Order, to include:
  - a) Legal process and dealings with applications
  - b) Court fees/expenses
  - c) Court appearances and representation
  - d) Legal fees

### Definitions

- “Arrears” refers to the amount in pounds for any unpaid rent within the dates set out in the Tenancy Agreement. Arrears will always be worked out to the nearest day and will never be rounded to the nearest rent payment period (whether it’s weekly, fortnightly, monthly, quarterly or any other payment period).
- “Vacant Possession” refers to the status of the property after your Tenants have left the property or been successfully evicted by way of a court summons. For the purposes of this Agreement, if your Tenant sub-lets the property we will deem that this is vacant possession also.
- “Tenancy” refers to the Agreement between yourself and your Tenant that you have instructed us to manage. This term will run from your Tenancy Start Date through to when the Deposit we are holding is released to your Tenant, we will deem this to be the end of your Tenancy



- “Fixed Term” can be identified by looking at the front page of your Tenancy Agreement; it is the period defined by the Start and End Date

## General Conditions that apply to All Agreements

### Setting up your Agreement (for new and existing Tenancies)

We will carry out a full reference check for any Tenants moving into your property. If we deem it necessary, we may ask for additional references to assess their suitability prior to accepting your request for this policy. We reserve the right to refuse your application should we be advised by our referencing company that there is any adverse information whether it be financial or not. At this point, we will share the referencing report with you, you will be able to choose whether you wish to continue with the Tenancy in light of this knowledge and without the Rent Guarantee cover.

If you are applying to set up Rent Guarantee cover for an existing Tenancy, we will carry out new references in order to determine your Tenants’ suitability. As above, we reserve the right to refuse your application should we be advised of any past or current rent arrears, or any other adverse information whether it be financial or not.

### Start Date and Period of Agreement

The length of your Agreement will run in line with your Tenancy, cover will commence on your Tenancy Start Date. You will be covered until we have successfully moved your Tenant out of your property.

### Price and Price Changes

The charge for this cover is an additional 2% to our Management Fee. This additional fee will not change throughout your Tenancy, any changes in pricing can only take place in between Tenancies – we will write to you in order to advise of any changes in advance if/when required.

### Payments

The fee for this service will be collected along with our monthly management commission upon collection of your rent. We reserve the right to invoice our fee separately on rental income reserved for your Tenancy (in the event you offer a discounted rental period, or if your Tenant should default on their payment).

### Renewals

At the end of your Tenancy, we will write to you to ask if you would like to remarket your property in order to find new Tenants. If yes, we will secure new Tenants and will write to you to confirm what is included in your service along with all fees and any changes to your prices for the future. Unless you tell us when we write to you that you do not want to renew, we will automatically renew this policy to run in line with your new Tenancy.

### Our responsibilities

We will meet our responsibilities under your Agreement within a reasonable time unless it is impossible because of circumstances outside our control. If we cannot meet our responsibilities, we will let you know



as soon as possible confirming the reasons why we cannot meet our responsibilities. We will also give you another time when we expect we can meet our responsibilities to you.

### Governing law

The Terms and Conditions for all Agreements are written in English and all correspondence will be in English. Your Agreement is governed by the laws of England and Wales if your Home is based in England or Wales and by the laws of Scotland if your Home is in Scotland.

## Your Cancellation Policy

### Your Cancellation Rights

You may cancel this Agreement with us at any time after the expiration of your Fixed Term (as stated in your Tenancy Agreement) – all you need to do is let us know by calling 0115 941 0656 or by writing to us at: Accounts Department, Cavendish Residential, One Fletcher Gate, Nottingham NG1 1QS. If you cancel within the first 14 days we will give you a full refund of any money you have paid in relation to this cover, unless we have incurred costs, in which case cancellation charges may apply (see section directly below).

### Cancellation Charges

If you cancel this cover within 14 days there is no cancellation charge. After the first 14 days has expired you will be in contract to continue with this policy until your Fixed Term end date. If you decide to cancel within this time frame we reserve the right to charge an addition 2% plus VAT until your fixed contract expires. When your Tenancy becomes Periodic (month by month rolling), you will be eligible to cancel this policy by submitting a month notice to us in writing to the address in the paragraph above.

### Our cancellation rights

We may cancel your Agreement in the following circumstances if:

- You have provided us with false information
- You do not make an agreed payment
- There are health and safety issues (perhaps harassment of your Tenant or our staff whether verbal or physical)
- You do not give us access to your property if this is needed
- You increase the agreed rent on your property without our knowledge, or you make any changes to the said Tenancy without consulting with us

If we cancel due to any of the reasons stated above we will not charge you for this policy for any time after the cancellation, however there will be no refund of any payment made to us up to and including your cancellation date.



## Exclusions and Exemptions that apply to this Agreement – what we **do not** look after under this Policy

### Rental payments for rent reserved for the duration of a Fixed Term contract

We will not cover the cost of rental for any time after vacant possession has been obtained. For example, if you have a 12 month Fixed Term Tenancy and we experience problems with your Tenant in month 2 and they are successfully evicted by month 5 you will receive a payment for months 2, 3 and 4 but not for months 5 – 12. The reason for this is because you will have vacant possession and the opportunity to re-let therefore making additional payments from us excluded from this Agreement.

### Vacant Possession versus Lettable Condition

This policy will not pay for costs that may be incurred in bringing the property back to its original condition as per the inventory. If a Tenant moves out of a property that requires work to bring back to a presentable condition it is your responsibility as the owner to absorb the costs involved. If this work takes two weeks to complete, this cover will not pay loss of rent for this additional period.

### Risks normally covered under household or other insurances

This cover is for Rent Guarantee only and does not extend to any form of property maintenance. We will not include the repairing of faults or damage or replacement of your boiler or appliances. If there is a maintenance issue that has arisen due to you not receiving rental income the repair of these items will not be included within this policy. We strongly advise that you check your household insurance to make sure you have enough cover for these risks.

### Sub-letting

This cover is runs specifically in line with your Tenant(s) on your Tenancy Agreement. Should they sub-let your property to an unknown party you will not be covered under this policy.

### Changing of locks

New locks are not included within this policy.

### Third-party rights

Nobody other than you will be able to benefit from your Agreement, which cannot be passed to someone else without our written permission.

### If a Tenant ups and leaves

If a Tenant packs their bags and leaves your property within a fixed term period but has no rent arrears this policy will have zero to pay and therefore it would be your responsibility to pursue them if you decided to.

### Other monies owing

Should a situation arise where a Tenant agrees to pay for something other than rent, for example the purchasing of furniture from you, this will not be included under this Agreement.



### Matters outside of the Tenancy

Any issues raised outside of the Tenancy will not be considered under this policy. This can sometimes happen if you have direct dealings with a Tenant therefore we strongly advise that you speak to us before making any financial arrangements/decisions in respect to your Tenancy.

### Selling your property

Should you decide to sell your property after vacant possession has been gained by us, this policy will not pay for rental until your property has sold.

### Offer you other alternatives instead of a payment of rent

Any arrears due to you will be paid to a UK bank account by BACS transfer. We will not consider any other form of payment option to you within this policy. We will also not be able to off-set any monies owed against any maintenance issue or property defect.

