

## Guarantor Policy

### **1. Introduction**

Home-Share Lettings Ltd recognises that some applicants may be required to provide a guarantor to secure a rental property. This Guarantor Policy outlines the circumstances in which a guarantor may be required, the criteria a guarantor must meet, and the responsibilities they undertake when acting as a guarantor for a tenant.

### **2. Definition of a Guarantor**

A guarantor is a person who agrees to assume financial responsibility for the tenant's obligations under the tenancy agreement. This may include paying rent, covering the cost of damages, or fulfilling other obligations in the event that the tenant fails to meet these commitments. A guarantor can be a friend, family member, or any other individual willing to act in this capacity, provided they meet the criteria outlined in this policy.

### **3. Criteria for a Guarantor**

To be eligible to act as a guarantor, an individual must:

- a) Be based in the UK.
- b) Have a gross annual income of at least thirty-six (36) times the monthly rent of the property.
- c) Possess an excellent credit history.
- d) Be willing to sign the tenancy agreement and a deed of guarantee, acknowledging their responsibilities and liability as a guarantor.

### **4. Circumstances Requiring a Guarantor**

Home-Share Lettings Ltd may consider the use of a guarantor in the following circumstances:

- a) The applicant's earnings are only slightly below the required income for the property (a gap of 20% or less).
- b) The applicant is a full-time student.

Please note that Home-Share Lettings Ltd will not offer a guarantor option for applicants whose earnings are more than 20% below the required income threshold, unless they are full-time students.

### **5. Landlord's Discretion**

The use of a guarantor is subject to the landlord's discretion. A landlord associated with Home-Share Lettings Ltd may refuse to allow a guarantor, provided that the decision is in compliance with the Home-Share Lettings Ltd Anti-Discrimination Policy.

### **6. Guarantor Responsibilities**

By signing the tenancy agreement and a deed of guarantee, a guarantor agrees to:

- a) Pay any rent arrears on behalf of the tenant, should the tenant fail to do so.
- b) Cover the cost of any damages caused by the tenant within the property.

c) Fulfil any other obligations specified in the tenancy agreement that the tenant fails to meet.

## **7. Conclusion**

This Guarantor Policy aims to provide a fair and transparent framework for applicants who may be required to provide a guarantor in order to secure a rental property. Home-Share Lettings Ltd is committed to ensuring that the guarantor process is consistent, equitable, and in compliance with our Anti-Discrimination Policy.

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Home-Share Lettings Ltd