

Important warning to intended guarantors: By signing this document you agree to ensure that the contract-holder does everything they have promised to do under their contract including paying the rent and other obligations. This means that if the contract-holder fails to pay rent on time or causes damage to the property you will have to pay instead. You should consider taking legal advice before signing this document.

For the landlord: Please make sure that before this guarantee is signed the guarantor has the opportunity of reading it through. Also before the guarantee is signed you must give the intended guarantor a completed copy of the occupation contract and allow them sufficient opportunity to read it through before they sign this guarantee.

Selecting an appropriate witness: This document is a deed and all signatures must be witnessed. This witness should be an independent party, unrelated to the guarantor or the landlord. The witness must be present and observe the person whose signature they are witnessing signing the agreement.

Dates: The date at the top of this agreement should be inserted by the landlord after all parties have signed and their signatures have been witnessed.

This agreement is made on _____ between the landlord and the guarantor.

Landlord details

Name(s): _____

Address: _____
 _____ Postcode _____

Guarantor details

Name(s): _____

Address: _____
 _____ Postcode _____

Phone No.: _____

Name of contract-holder(s) to be guaranteed under this agreement: _____

Relationship to contract-holder: _____

Rental property details

Address: _____
 _____ Postcode _____

Contract details

Rent: £_____ payable in advance per _____

Contract commencement date: _____

Duration of contract: _____
 and any standard periodic occupation contract which replaces the fixed term occupation contract.

Guarantee

Definitions

For the purposes of this guarantee –

“Agreement” means the terms of the guarantee between the landlord and the guarantor.

“Losses” include any damages, expenses or costs (including legal costs) which result from any Rent or other monies payable not being paid if any term of the contract is broken.

“Personal representative” means the person or persons that are responsible for making decisions relating to the estate of the contract-holder if the contract-holders dies.

“Contract” means the occupation contract between the Landlord and the Contract-holder for the occupation by the contract-holder of the rental property

1.0 Terms of the Guarantee

1.1 At the request of the guarantor who has agreed to give this guarantee, the landlord has agreed to let the rental property to the contract-holder for the duration and the rent set out above, on the terms set out in the contract.

1.2 In consideration of the landlord’s contract to let the rental property to the contract-holder, the guarantor guarantees the performance by the contract-holder to the landlord of all obligations under the contract.

1.3 In consideration of the landlord’s contract to let the rental property to the contract-holder, the guarantor further agrees to indemnify the landlord against any loss they incur as a result of letting the rental property to the contract-holder.

2.0 More than one contract-holder or guarantor

2.1 If the contract comprises of more than one contract-holder each individual contract-holder is jointly and severally liable to pay the rent for the contract and otherwise comply with the other terms of the contract. As the guarantor is guaranteeing the contract-holder’s obligations under the contract this includes guaranteeing the liability for any other contract-holder making up the contract on a joint and several basis.

2.2 If there is more than one guarantor then all of them are jointly and severally liable to guarantee the terms of the contract and indemnify the landlord and the landlord may pursue any one or all of them for any loss they incur due to a breach of the contract.

2.3 Where the contract-holder(s) guaranteed by this agreement exercise their right to withdraw from the contract under Section 130 of the Renting Homes (Wales) Act 2016, then the guarantee is not cancelled. However, the guarantor shall only be liable for any failure to pay the rent or other money from any loss resulting from any non-compliance with the terms of the contract occurring up to the date that they withdraw from the contract and give up possession of the dwelling.

3.0 Payment on demand

3.1 If the contract-holder fails to pay the rent or any other money payable under the terms of the contract the guarantor will, upon written demand by the landlord, pay the landlord the rent or other money which is unpaid.

3.2 If the contract-holder does not comply with any of the terms of the contract which are the contract-holder’s responsibility the guarantor will, on written demand by the landlord, pay the landlord all losses which the landlord is entitled to recover as a result of the contract-holder breaking the terms of the contract. Details of the amount of the loss and how it is calculated must be provided.

4.0 Continuation of guarantee

4.1 This guarantee shall continue if a periodic occupation contract replaces the fixed term occupation contract through Section 184 of Renting Homes (Wales) Act 2016, or where the terms of the periodic occupation contract have been agreed as part of the fixed term occupation contract.

4.2 The guarantor agree that the guarantor will pay the rent and any other money payable and also pay any losses if any of the other terms of the contract are broken.

5.0 Death or Bankruptcy of the guarantor

5.1 This guarantee shall be cancelled if the guarantor dies or becomes bankrupt. If there is more than one guarantor on this agreement then it shall only be cancelled on the death or bankruptcy of the last guarantor to die or become bankrupt. Cancellation shall take effect on the next rent payment day after the date of the death or bankruptcy.

6.0 Death or bankruptcy of the contract-holder

6.1 This guarantee will not be cancelled on the death of the contract-holder if anyone is entitled to succeed the contract-holder under Section 74 of the Renting Homes (Wales) Act 2016.

6.2 If no-one is entitled to succeed the contract-holder, the guarantee will end one month after the death of the contract-holder or when the landlord is notified of the death by the personal representatives of the contract-holder, or all occupants of the property aged 18 or over.

6.3 Where the guarantee ends through the death of the contract-holder the guarantor shall only be liable for any failure to pay the rent or other money from any loss resulting from any non-

compliance with the terms of the contract occurring up to the date that the guarantee ends as per clause 6.2 of this agreement.

6.4 This guarantee will not be cancelled if the contract-holder is declared bankrupt and the guarantor's obligations under this contract will not be reduced or limited if the contract-holder is declared bankrupt.

7.0 Variations to the contract

7.1 The guarantee shall continue in force even if there is a variation to the terms of the contract with or without the guarantor's consent (including any increase in the amount of rent payable in respect of the property by the contract-holder) but subject to the provisions of this clause.

7.2 The guarantee will apply to a periodic occupation contract which arises at the end of the fixed term as set out in clause 4.1.

7.3 However, for these purposes a variation shall not include any further contracts entered into by the contract-holder and the landlord under which a contract of the property is granted or extended unless the guarantor also agrees to guarantee the extended or new contract. This means that the guarantor will only be responsible for guaranteeing any further contracts if they expressly agree to this at the time. This guarantee will apply to the contract up to the date the existing contract ends or to the day before the extended term takes effect.

7.4 If there is any variation to the contract with the guarantor's written consent the guarantor will be bound by it and will guarantee the contract as varied.

8.0 Termination of the contract

8.1 This guarantee shall not be cancelled because the contract is terminated by court order, re-entry, forfeiture notice or otherwise. The guarantor shall only be liable for any failure to pay the rent or other money from any loss resulting from any non-compliance with the terms of the contract occurring up to the date of termination.

9.0 Non-cancellation

9.1 This guarantee cannot be cancelled and the guarantor will not cease to be liable or have his or her liability reduced or limited -

- 9.1.1 if the Landlord does not take or delays any action to enforce compliance with the contract.
- 9.1.2 if the landlord gives any time to pay or opportunity to make good any non-compliance with the terms of the contract
- 9.1.3 if the landlord refuses to accept the rent, or any other monies following any failure to comply with the terms of the contract, in order to protect the landlord's rights under the contract.

10.0 Demands

10.1 Any demand shall be valid if sent by post or left at the guarantor's address specified above, or any alternative address that the guarantor notifies the landlord of in writing.

11.0 Joint and individual liability of more than one guarantor

11.1 If there is more than one guarantor the liability under this guarantee is joint and individual (several) so that if either guarantor fails to pay then the other will be fully liable to pay.

12.0 Legal costs

12.1 The landlord will be entitled to recover any legal costs which the landlord may incur in recovering any payment due from the guarantor under this guarantee.

13.0 Notice to the landlord

13.1 Any notice the guarantor gives to the landlord shall be effective if sent by post or left at the landlord address specified above.

This document is a DEED and has been executed as a DEED.

First/Sole Guarantor Signature

Signature: _____

Full name: _____

Date: _____

in the presence of:

Signature of witness: _____

Full name of witness: _____

Address of witness: _____

_____ Post Code _____

Second Guarantor Signature (if required)

Signature: _____

Full name: _____

Date: _____

in the presence of:

Signature of witness: _____

Full name of witness: _____

Address of witness: _____

_____ Post Code _____

Landlord Signature

Signature: _____

Full name: _____

Date: _____

in the presence of:

Signature of Witness: _____

Full name of witness: _____

Address of Witness: _____

_____ Post Code _____

Second Landlord Signature (if required)

Signature: _____

Full name: _____

Date: _____

in the presence of:

Signature of Witness: _____

Name of witness: _____

Address of Witness: _____

_____ Post Code _____