

## Housing Tips and Advice

### Advertising

All advertising should be Legal, Decent, Honest and Truthful and, in accordance with the Trade Descriptions Act 1968 and the Supply of Good and Services Act, a property must match its description and be fit for purpose. If this is not the case then you can reject a contract on the grounds of its advertising being misleading or a misrepresentation especially if you only chose that property based on a false statement. This could be a breach of contract and you should be able to reject it early on and request a full refund especially if the agent/landlord were putting pressure on you to sign.

**REMEMBER:** Don't rush into a Housing decision, check out the property, never accept anything that you haven't viewed, make sure that everyone is happy with the place!

### Fees

According to the Accommodation Agencies Act 1953 it is unlawful to require payment for registering your interest, taking your details or supplying addresses of properties to let. If a company tries to charge you to see their list of properties or to register your interest this is unlawful!

If a company tries to charge you to view a property this is potentially unlawful unless they could prove that there is a genuine administrative cost attached to the process, you would need to have a receipt and evidence of what the charge was for and you would need to be getting a service in return.

There are other of forms fees; booking fee, admin fee, etc. with all fees you must always remember:

- Never pay in cash
- Always get a receipt
- Make sure that you have evidence of what the fee was for
- And make sure you know what you are getting in return

Admin fees are non-refundable (once you pay it you are not getting it back!) these are usually charged by companies for processing your application for accommodation. A Booking fee is often used as a holding fee which holds the property for you for a period of time. There is **no set amount** for a fee; it could be whatever the company want to charge, or whatever you are willing to pay! Remember to ask:

- What is it for?
- What do you get in return?
- Why are you paying it?
- Is it worth it?
- Are there any cheaper agents/companies?
- Will it be refunded?
- If so, how?

Make sure you know what happens next, do all of you need to get paperwork signed, and will you lose your money if you don't all get the paperwork back in time?

### How much does it cost?

Companies will charge a NON-refundable admin fee which needs to be paid upfront by each of you before the house is secured. There will usually be a time limit within which you need to get all your forms signed otherwise you will lose your money. This means that every person in the group needs to get their families to sign the guarantor forms and get them back to the company! Most companies will also charge a Refundable (once you leave the house) Deposit, this again is another cost that each of you would need to pay upfront. The cost of the Admin fee and Deposit can soon mount up; this is an example of just some of the companies in Canterbury and what they charge:

Company	NON-Refundable Admin Fee	Time Limit to get Guarantor Forms signed	Refundable Deposit	TOTAL
A	£150	none	none	£150
B	£240	24 hours	depends on property	£240
C	£250	7 days	depends on landlord	£250
D	£320	10 days	none	£320
E	£225	7 days	£200	£425
F	£200	2 weeks	£350 due upfront	£550
G	£175	2 weeks	£400 in 2 weeks	£575
H	£200	2 weeks	£400 due upfront	£600
I	£180 due on 1st April	by 31st March	£400 due upfront	£680

### Deposits

A deposit must be refundable, less any agreed deductions which would need to have been highlighted in the contract. There again is **no set amount** for a deposit, technically a deposit does not have to be charged, but if it is it often is around 4-6 weeks rent. Remember to ask:

- Why are you paying it?
- What is it for?
  - Rent arrears
  - Damages
  - Unpaid utilities
- Will it be refunded?

- When do you get it returned?
- Will it be protected?
- Can you dispute any deductions?
- If so, how?

The Housing Act 2004 states that all deposits should be held in a protection scheme. Make sure if your deposit is held in a protection scheme that all tenants are listed. There is no obligation to ensure that deposits are returned to each tenant when in a joint tenancy agreement. Therefore it can sometimes be the case that the full amount of the deposit for the whole house could be returned just to the lead tenant; this could cause problems if you happen to fall out with them! You can change the name of the lead tenant at any time with the protection scheme.

### Guarantors

A guarantor takes on all the legal obligations of the tenant in the contract but essentially gets nothing from it. As students it is likely that you will have no real credit history, i.e. you have not borrowed and successfully repaid monies and therefore would not be reasonably financially sound. Your parents however are likely to have borrowed and repaid or have a mortgage and therefore would be considered to be more financially secure / economically active. This is why companies require guarantors. Your guarantor must sign to say that they would cover the cost of the rent if you default on your payments. This must be in signed writing. Companies will usually then carry out a credit check on your guarantor. This is unlikely to be effective if your parents are overseas. This essentially forms a contract between the landlord and your parent, your parent now has a legitimate interest in asking the landlord questions about the contract. However this is not a license to invade your privacy!

**WARNING:** if you are signing a joint tenancy you have JOINT liability for the entire house. Therefore your guarantor is taking on the risk of owing the total rent for the TOTAL HOUSE. Therefore if your rent is £100 a week, that's £400 a month, that £4,000 for the 10 months of the contract, however if you are in a five bedroom house that is a total of £20,000

Make sure that it is clear how much the liability is, your guarantor could set a limit on their responsibility and make it clear in writing the sum for which they are willing to be responsible.