

## Prospective Resident Referencing Criteria

**\*If you are unsure about any of the reference criteria – please call us on 0161 537 7277. If the criteria cannot be met in many cases, alternative methods of completing the referencing will be considered such as Guarantors or Rental Payment in Advance.**

### 1. Affordability / Rent Ratio;

- The affordability is based on 2.5 times the annual rent for residents (combined if there is more than one resident). For example, £750pcm x 12 x 2.5 = £22,500 per annum minimum combined salary. Please confirm the required income prior to starting the referencing process if you are at all unsure.
- Bonus, commission or ad hoc payments that are not fixed and/or guaranteed unfortunately cannot be taken into account, unless in exceptional circumstances.

**Guarantors Affordability** The affordability for guarantors is 3.5 times the annual rent.

### 2. Employment;

- Reference must be given in writing and be from a reputable and known employer, listed on Companies House and of sound financial status.
- The person providing the reference must be listed as a Company Director or Secretary, HR Manager or Line Manager.
- Reference must state annual salary, position, length of service and any bonus payments.
- Prospective resident must not be in probationary period of employment and must be employed on a permanent basis\*.
- Verbal verification of referee and content of reference can be obtained.
- If prospective resident is employed by a family member, we will request three of their most recent payslips or bank statements showing earnings, and P60 to verify income.

#### **Self-Employment**

- If any prospective resident is the owner of their own company, then they will be required to give the details of a Chartered Accountant who has been working with the company for the last two years\*, and can provide a financial reference which states that the Company meets the affordability criteria.
- A Companies House check will be carried out to ensure that the company is not in liquidation or similar.
- The prospective resident must be listed as a Director or Company Secretary.
- Company Accounts, Annual Returns and List of Appointments will be downloaded from Companies House.
- If any prospective resident is self-employed, they can either provide the details of their Chartered Account who has acted on their behalf for at least two years, or provide their last two years' worth of self-assessment forms.
- A due diligence check would be made against all Chartered Accountants.

#### **Contractual Employment\***

- Prospective residents on employed on a Contractual basis should consider themselves as self-employed and apply the same provisions as detailed in the section Self-Employment section above.

### **3. Previous Landlord (if applicable)**

- References will be sought from previous landlords to cover a minimum of 12 months.
- The reference will include;
  - Property address
  - Length of tenancy
  - Amount of Rent
  - Consistency or rent payment and any arrears
  - The condition of the property and any damage or dilapidations at the end of the tenancy or at inspections throughout the tenancy
  - Whether the landlord would rent to you again
  - Whether the tenancy as a whole was conducted in a satisfactory manner
- If the reference provided is less than 12 months a secondary Landlord reference will be sought.

### **4. Credit Check**

- Must not have any adverse credit\* (i.e. CCJ's, IVAs, Bankruptcy, and Defaults etc.)
- If a resident has a satisfied CCJ on their record, and can prove it, then this will be acceptable, although guarantor may be required
- If prospective resident fails to disclose they have adverse credit, then they may be deemed unacceptable for the proposed tenancy, or may need to provide a suitable UK-based guarantor.

### **5. Residency**

- Prospective resident must provide address history for the past 3 years along with a proof a residency for current address dated within the last three months. Acceptable documents include; bank statements, utility bills, council tax demand, and driver's license.
- Proof of residence is also required from prospective residents relocating from overseas.

### **6. Identity and Visa Check**

- In all circumstances proof of ID is required for every prospective resident– this must be an original passport
- If the prospective resident is a non-EU national, they must provide a visa valid at the commencement of the tenancy. If the visa is not valid for the entire length of the tenancy, the maximum term that can be offered is 12 months and an updated visa must be provided before any renewal or extension of the tenancy agreement is agreed,