

Assured Shorthold Tenancy Agreement

FOR

DRAFT

Tenants:

Lead Tenant Second Tenant

Particulars

Important Notes for Tenants

This tenancy agreement is a legal and binding contract and the Tenant is responsible for payment of the rent for the entire agreed term. The agreement may not be terminated early unless the agreement contains a break clause, or written permission is obtained from the Landlord.

Where there is more than one tenant, all obligations, including those for rent and repairs can be enforced against all of the tenants jointly and against each individually. Where the tenancy is subject to deposit protection then joint tenants may have to nominate a lead tenant to act on their behalf with the Landlord or Tenancy Deposit Scheme provider or their alternative dispute resolution service provider.

If you are unsure of your obligations under this agreement, then you are advised to take independent legal advice before signing.

General Notes

1. This tenancy agreement is for letting furnished or unfurnished residential accommodation on an assured shorthold tenancy within the provisions of the Housing Act 1988 as amended by Part III of the Housing Act 1996. As such, this is a legal document and should not be used without adequate knowledge of the law of landlord and tenant.

- 2. Prospective tenants should have an adequate opportunity to read and understand the tenancy agreement before signing in order for this agreement to be fully enforceable.
- 3. This agreement may be used for residential tenancies of three years or less. Agreements for tenancies of a longer duration should be drawn up by deed.
- 4. Section 11, Landlord and Tenant Act 1985 these obligations require the Landlord to keep in repair the structure and exterior of the dwelling, and to keep in repair and proper working order the installations for the supply of water, gas and electricity and the installations in the Property for space heating and heating water.
- 5. Section 196 of the Law of Property Act 1925 provides that a notice shall be sufficiently served if sent by registered or recorded delivery post (if the letter is not returned undelivered) to the Tenant at the Property or the last known address of the Tenant or left addressed to the Tenant at the Property.
- 6. This agreement has been drawn up after consideration of the Office of Fair Trading's Guidance on Unfair Terms in Tenancy Agreements.

More Information

For more information on using this tenancy agreement please refer to the 'Letting Information Point' on The Letting Centre website. Website address: www.letlink.co.uk

THIS AGREEMENT is made on the date specified below BETWEEN the Landlord and the Tenant. It is intended that the tenancy created by this Agreement is and shall be an assured shorthold tenancy within the meaning of the Housing Acts

Date: DRAFT

Landlord(s):

DRAFT

Landlord's Agent: C/O Abode Property Management Limited 132 Whiteladies Road Clifton Bristol BS8 2RS

Telephone: 01179 738 866

Note: Under s. 48, Landlord and Tenant Act 1987, notices can be served on the Landlord at the above address

Tenant(s):

1. Name : Email :

Phone : Address : 2. Name : Email : Phone : Address :

Property: The dwelling known as: DRAFT

Contents: The fixtures and fittings at the Property together with any furniture, carpets, curtains and other effects listed in the Inventory.

Term: Commencing on DRAFT Expiring on DRAFT

Rent: As per the Rent Schedule below. Provisions and other considerations to the rent are detailed in Additional Considerations.

Payment: In advance as per the Rent Schedule below

Rent Schedule

Tenant number	Tenant name
1	DRAFT

	Tenant number	
Charge date	1	Sub-total
XX/XX/XX	DRAFT	DRAFT
Sub-total	DRAFT	DRAFT

Deposit: A deposit of £ DRAFT is payable on signing this Agreement. It is protected by the following scheme: My \mid Deposits

Management: This property is managed directly by Abode Property Management Limited.

- * Lead Tenant is the first name listed above
 - 1. The Landlord agrees to let and the Tenant agrees to take the Property and Contents for the Term at the Rent payable as above.
 - 2. The Tenant pays the Deposit as security for the performance of the Tenant's obligations and to pay and compensate the Landlord for the reasonable costs of any breach of those obligations. It is specifically agreed that this money is not to be used by the Tenant as payment for any rent due under this agreement. No interest shall be payable on this Deposit. The balance of the Deposit to be paid to the Tenant as soon as reasonably possible after conclusion of the tenancy, less any reasonable costs incurred for the breach

of any obligation as agreed by the appropriate deposit scheme, details of which are contained in the scheme's deposit information in the first schedule contained within this tenancy.

The Tenant agrees with the Landlord:

3. Rent & charges

- 1. To pay the Rent on the days and in the manner specified to the Landlord's Agent.
- 2. To pay promptly to the authorities to whom they are due Gas, Electricity, Water, Internet, Phone, Contents Insurance, TV Licence, Council Tax bills and sewerage charges relating to the Property, where they are incurred during the period of the agreement, including any which are imposed after the date of this Agreement (even if of a novel nature) and to pay the total cost of any re-connection fee relating to the supply of water, gas, electricity and telephone if the same is disconnected. The Tenant agrees to notify the Landlord prior to changing supplier for any of the utility services stated above.
- That in the case of a breach of the terms of the tenancy by the Tenant, a
 reasonable administration charge may be made in addition to the costs of any
 remedial work, in order to compensate the Landlord or Agent his reasonable
 expenses.
- 4. The Landlord reserves the right to increase the rent in line with market rates on the anniversary of this agreement should the tenant remain in occupation of the property after the expiry of any fixed term.
- 5. To pay the Landlord or his agent administration costs; for copy documentation £5.00 per item plus VAT. For sending rent chasing letters or telephone reminders £12.50 VAT. For administering and dealing with bounced cheques, standing orders or any form of agreed bank payments £30 plus VAT, for processing late rent payments £12.50 + VAT, for preparing and serving a schedule of dilapidations £20.00 plus VAT, for extra visits to the property after the tenancy has ended if required as a result of tenants neglect or other failure to comply with the terms of this agreement £25.00 plus VAT, for returning overpaid rents due to standing orders not being cancelled £25.00 plus VAT, for returning deposits by bank transfer rather than cheque £25 + VAT.
- 6. In the event that Abode Property Management have to instruct a credit agency as debt collectors, the Tenants will be charged £150 + VAT. All accounts sent to them will incur a £40 late collection fee per invoice and interest charged at 5% above bank base rate if applicable. In line with Government Late Payment Legislation of 7th August 2002.
- 7. The Tenant shall be responsible for obtaining and for payment of a television license, where applicable. Please note that this applies equally if the Landlord supplies a television or does not and also if a television has been left at the property by former Tenants.
- 8. The Tenant is responsible for performing his obligation (under the Local Government Finance Act 1992 or regulations made) to pay Council Tax (or any similar tax or levy) where applicable Hereunder. The Tenant agrees that if during the Tenancy they cease to be granted an exemption from paying council tax, by the council, then they will immediately become responsible for the council tax in full. If the council tax is not paid either directly to the Council or to the Landlord the Tenant agrees that the Landlord will deduct the relevant amount from the Tenant's deposit at the end of the Tenancy. If this amount is greater than the

- deposit amount held the Tenant agrees to pay the balance in full directly at the expiry of the Tenancy.
- 9. To pay the Landlord or his agent £200 + VAT if any court action is taken by the Landlord or Agent due to any breach of this Tenancy Agreement.

4. Use of the Property

- Not to assign, or sublet, part with possession of the Property, or let any other
 person live at the Property except that during the fixed term of the tenancy the
 Tenant may assign or sublet with the Landlord's express consent which will not
 be unreasonably withheld. Such consent, as a variation of the tenancy agreement
 to be agreed in writing.
- 2. To use the Property as a single private dwelling and not to use it or any part of it for any other purpose nor to allow anyone else to do so.
- 3. Not to receive paying guests or carry on or permit to be carried on any business, trade or profession on or from the Property.
- 4. Not to do or permit or suffer to be done in or on the Property any act or thing which may be a nuisance, damage or annoyance to a person residing, visiting or otherwise engaged in lawful activity or the occupier of the neighbouring premises.
- 5. Not to keep any cats or dogs at the property and not to keep any other animals, reptiles or birds (or other living creatures that may cause damage to the Property, or annoyance to neighbours) on the Property without the Abode Pet contract or the Landlord's written consent. Such consent, if granted, to be revocable, on reasonable grounds by the Landlord.
- 6. Not to use the Property for any illegal or immoral purposes.
- 7. Where the Landlord's interest is derived from another lease ("the Headlease") then it is agreed that the Tenant will observe the restrictions in the Headlease applicable to the Property. A copy of the Headlease, if applicable, is attached.
- 8. Items in the inventory are in good condition, unless noted to the contrary.
- 9. Not to keep or store any bicycles/motorised vehicle equipment or appliance of any type whatsoever within the premises or common parts except in the position (if any) specifically designated by the landlord for the purpose.
- 10. Not to damage or injure the premises or make any alterations or additions to the premises, including putting up shelves (without consent) and decorating.
- 11. Not to smoke in the Property.

5. Repairs

- 1. Not to damage the Property and Contents or make any alteration or addition to the property without the written permission of the Landlord not to be unreasonably refused.
- 2. To keep the interior of the Property and the Contents in at least as good and clean condition and repair as they were at the commencement of the tenancy, with fair wear and tear excepted, and to keep the Property reasonably aired and warmed.
- 3. To pay the reasonable costs reasonably incurred by the Landlord or his Agent in replacing or repairing any furniture or other contents, lost, damaged or destroyed

- by the Tenant or at the option of the Landlord, replace immediately any furniture or other contents, lost, damaged or destroyed by the Tenant, and not to remove or permit to be removed any furniture or other contents from the Property.
- 4. That the Landlord or any person authorised by the Landlord or his Agent may at reasonable times of the day on giving 24 hours' notice, (unless in the case of an emergency) enter the Property for the purpose of inspecting its condition and state of repair.
- 5. To keep the gardens (if any) driveways, pathways, lawns, hedges and rockeries as neat, tidy and properly tended as they were at the start of the tenancy and not remove any trees or plants.
- 6. To replace all broken glass in doors and windows damaged during the tenancy where the damage has been caused by the Tenant, a member of the Tenant's family or their guests.
- 7. Not to alter or change or install any locks on any doors or windows in or about the Property or have any additional keys made for any locks without the prior written consent of the Landlord, such consent not to be unreasonably withheld, and the cost of providing a set of keys for the Landlord or his Agent to be met by the Tenant.
- 8. To notify the Landlord promptly of any disrepair, damage or defect in the Property or of any event which causes damage to the Property.
- 9. Not to affix any notice, sign, blue tak, attach poster or other thing to the internal or external surfaces of the Property in such a way as to cause damage.
- 10. To take all reasonable precautions to prevent damage by frost by leaving the heating on twice a day while away or over the Christmas period.
- 11. In order to comply with the Gas Safety Regulations, it is necessary:
 - a) that the ventilators provided for this purpose in the Property should not be
 - b) that brown or sooty build up on any gas appliance should be reported immediately to the Landlord or Agent.
- 12. Not to cause any blockage to the drains, pipes, sinks or baths.
- 13. Not to introduce into the Property any portable heaters fired by liquid or bottled gas fuels without the Landlord's prior written consent.
- 14. That the Tenant shall be responsible for testing all smoke detectors (if any) fitted in the Property on a regular basis and replace the batteries as necessary.

6. Other tenant responsibilities

- Within seven days of receipt thereof, to send to the Landlord all correspondence addressed to the Landlord or the owner of the Property and any notice order or proposal relating to the Property (or any building of which the Property forms part) given, made or issued under or by virtue of any statute, regulation, order, direction or bye-law by any competent authority.
- 2. To pay the Landlord fully for any reasonable costs or damage suffered by the Landlord as a consequence of any breach of the agreements on the part of the Tenant in this Agreement.

- 3. During the tenancy to permit the Landlord or any person authorised by the Landlord or the Landlord's Agent at reasonable hours in daytime to enter and view the Property with prospective tenants or purchasers, having first given the Tenant a minimum of 24 hours' notice.
- 4. That where the Property is left unoccupied, without prior notice in writing to the Landlord or Agent, for a prolonged period, the Tenant has failed to pay rent for that period, has shown no intention to return, the Tenant is deemed to have surrendered the Tenancy. This means that the Landlord may take over the Property and re-let it.
- 5. To properly secure all locks and bolts to the doors, windows and other openings when leaving the Property unattended and where the Property is left vacant for more than 28 consecutive days and the rent is paid, to notify the Landlord or his agent, and to allow him access to the property in order to secure it where necessary.
- The tenant agrees that only he or she will contact the landlord's office with any
 complaints or maintenance problems. The landlord will not enter into
 correspondence or conversation with any third party even if related to the
 Tenant.
- 7. Ensure that all electrical and mechanical equipment is used in an appropriate manner and kept in good working order.
- 8. Not to change or install utility providers, satellite dish or roof aerial without express prior written consent from the Landlord or Agent.
- 9. Not to wear any footwear which may cause damage to hard floor areas within the Property.
- 10. Shower heads must be cleaned regularly, if they are not clean when vacating the property, specific cleaning will take place and charged to the tenants.
- 11. If you are away from the property for more than 30 days, or do not use specific taps or showers for this period, the taps and showers must be run for more than 60 seconds before they are used.
- 12. Not to install, take into, use or keep in, the property any heater or like object which requires paraffin or other gaseous fuel, and not to burn candles in the Property.

7. End of tenancy

- 1. To return the Property and Contents at the end of the tenancy in the same clean state or condition as they were at the commencement of the tenancy.
- 2. To leave the Contents at the end of the tenancy in approximately the same places in which they were positioned at the commencement of the tenancy.
- 3. To return the keys of the Property to the Agent on the agreed termination date, or the end of the tenancy (whichever is sooner). The Tenant also agrees to pay for any reasonable charges incurred by the Agent in securing the Property against re-entry where keys are not returned.
- 4. The tenant will hand over the keys issued and any duplicates to the Landlord by 12 noon on the last day of the tenancy or such other time which has been mutually agreed.

8. The tenancy deposit

- 1. The Deposit is paid to the Agent, Abode Property Management
- 2. The Deposit is held by the Agent as Stakeholder. The Agent is a member of mydeposits.co.uk. The deposit can only be released or part released in accordance with mydeposits.co.uk scheme rules.
- 3. Any interest earned will belong to the Agent.
- 4. The Deposit has been taken for the following purposes:
 - Any damage, or compensation for damage, to the premises its fixtures and
 fittings or for missing items for which the Tenant may be liable, subject to
 an apportionment or allowance for fair wear and tear, the age and
 condition of each and any such item at the commencement of the tenancy,
 insured risk and repairs that are the responsibility of the Landlord.
 - 2. The reasonable costs incurred in compensating the Landlord for, or for rectifying or remedying any major breach by the Tenant of the tenants' obligations under the Tenancy Agreement, including those relating to the cleaning of the premises, its fixtures and fittings.
 - 3. Any rent or other money due or payable by the Tenant under the Tenancy Agreement of which the Tenant has been made aware and which remains unpaid after the end of the Tenancy.
 - 4. Any sum repayable by the Landlord to a local authority where housing benefit has been paid direct to the Landlord's Agent by the local authority.
 - 5. Any damage caused or cleaning required as a result as a result of any pets occupying the Premises either with or without the consent of the Landlord or the Landlord's Agent.
 - 6. Any reasonable legal and other professional fees incurred by the Landlord, including those incurred by the Landlord's Agent in enforcing the terms of this agreement, except where a court orders the Landlord to pay his own costs in any court proceedings.
 - 7. Any reasonable costs incurred by the Landlord through the early termination of the Tenancy by the Tenant in breach of this Agreement including the Landlord's re-letting costs.

Protection of the deposit

 The Deposit is safeguarded by Tenancy Deposit Solutions Limited (trading as MyDeposits) which is administered by: MyDeposits, Tenancy Deposit Solutions Limited, Third Floor, Kingmaker House, Station Road, Barnet, Herts, EN5 1NZ. Phone 08449800290, Email mailto:info@mydeposits.co.uk, Fax 08456343403.

At the end of the Tenancy

- 6. The statutory rights of the Landlord and the Tenant to take legal action through the County Court remain unaffected by clauses 8 to 8.11 and the MyDeposits tenant information booklet.
- 7. At the end of the term and before returning the deposit the Landlord or the Landlord's Agent on the instruction of the Landlord shall, but subject to clause 8.6 above, first be entitled to deduct from the Deposit all such Rent, monies, loss, expenses and sums as are due under this Agreement. In addition, the Landlord or the Landlord's Agent will be entitled to deduct from the Deposit reasonable costs to reflect the administration work required to arrange any remedial work. The reason for the nature of these deductions will be notified to the Tenant in

- writing. Such correspondence will be emailed to the Lead Tenant. This email will be sent within 30 days of the end of the Tenancy.
- 8. Should any such deductions exceed the deposit held then the amount of any excess shall be paid by the Tenant within 14 days of written demand.
- 9. Any property or belongings of the Tenant or members of the Tenant's household left behind at the Premises will be considered abandoned if, after the end of the Tenancy and after expiry of 48 hours' notice the Tenant has not removed or retrieved them. After this time the Landlord or the Landlord's Agent can dispose of such property. In such circumstances the Tenant shall be liable to pay to the Landlord or the Landlord's Agent the reasonable costs incurred by the Landlord or Landlord's Agent in storing, removing or disposing of such property. If the Tenant does not pay these damages and expenses, the Landlord or the Landlord's Agent shall be entitled to deduct such damages and expenses from the Deposit or from the proceeds of the sale of any property or belongings left by the Tenant.
- 10. If the Landlord shall sell or transfer the legal interest in the Premises, members must promptly inform the Tenants, and within no more than 30 working days, of those properties covered by mydeposits.co.uk that they are transferring to another Member (or manager); or otherwise are ceasing to manage their own properties. They must also tell them who is now managing their property and that either the rules of MyDeposits still apply or that their deposit will be covered by another specified, designated scheme.
- 11. Neither the Landlord nor the Landlord's Agent shall be obliged to refund the Deposit or any part of the Deposit where there is a change in the person or persons for the time being comprise the Tenant.

9. Notices

- 1. The Landlord may bring this tenancy to an end by giving written notice to the tenant of not less than two months' notice, to expire, at the end of the fixed term (not less than 6 months from the tenancy start date). Or if notice is served after the end of the fixed term to expire at the end of a complete rental month.
- 2. If the Tenant wishes to leave on the last day of the fixed term the Tenant must give the Landlord one months' written notice of the intention to vacate the premises.
- 3. If the tenant wishes to leave after the end of a fixed term the tenant must give the Landlord one months' written notice of the intention to vacate the premises expiring at the end of a complete rental month. Payments are made Calendar monthly hence a rental month equals a calendar month.
 - (e.g Giving notice during January for the 28th Feb, giving notice during Feb for the 31st March, giving notice during November for the 31st Dec etc).
- 4. At the end of the fixed term, if neither the Landlord or the Tenant has given notice to the end of the tenancy, it will become a statutory periodic assured shorthold tenancy on the same terms as contained in this agreement.

10. The Landlord agrees with the Tenant that:

 The Landlord shall permit the Tenant to have quiet enjoyment of the Property without interruption by the Landlord or his Agent, however this does not preclude the Landlord from taking action through the courts should the Tenant fail to pay the rent due or be in breach of the Tenancy Agreement

- 2. The Landlord will return to the Tenant any rent payable for any period during which the Property may have been rendered uninhabitable by fire or any other risk which the Landlord has insured
- 3. Subject to the condition that a Landlord must obtain a court order for possession of the Property before re-entering the premises; if the Tenant does not:
 - (a) pay the rent (or any part of it) within 14 days of the date on which it is due; or (b) comply with the obligations set out in the agreement,

then the landlord may re-enter the Property and end the Tenancy.

This right must be exercised in the correct way through the Courts and only the Court can order the Tenant to give up possession of the Property.

- 4. The Landlord will keep the Property and the Landlord's Contents insured against loss or damage by fire, lightning, explosion, aircraft, riot, civil commotion, strikes, lockouts, earthquakes, storm or flood, escape of water from any tank apparatus or pipe, impact of any road vehicle, accidental escape of water from any automatic sprinkler installation, theft, subsidence ground heave or landslip, accident and any other risks perils and usual contingencies as the Landlord may properly deem necessary in the full cost of rebuilding and reinstatement including architects and other professional fees the costs payable on applications for planning permission or other permit or consent that may be required in relation to the rebuilding or reinstatement of the Property the cost of debris removal demolition site clearance and any works that may be required by statute and incidental expenses and one year's loss of Rent.
- 11. The Landlord agrees to carry out any repairing obligations as required by section 11 of the Landlord and Tenant Act 1985 (see note 4).
- 12. In this Agreement, unless the context otherwise requires, the following expressions shall have the following meanings:

"The Landlord" includes the persons who during the period of the tenancy have a legal interest in the property.

"The Tenant" includes those who might inherit the tenancy. Whenever there is more than one Tenant all covenants and obligations can be enforced against all of the Tenants jointly and against each individually. Joint and several liability means that any one of the members of a party can be held responsible for the full rent and other obligations under the agreement if the other members do not fulfil their obligations.

13. The parties agree:

- 1. Notice is hereby given that possession might be recovered under Ground 1, Schedule 2 of the Housing Act 1988 if applicable. That is, that the Landlord used to live in the Property as his or her main home; or intends to occupy the Property as his or her only or main home.
- 2. The tenancy may be brought to an end if the mortgagee requires possession on default of the borrower under Ground 2, Schedule 2 of the Housing Act 1988.
- 3. Before the Landlord can end this tenancy, he shall serve any notice(s) on the Tenant in accordance with the provisions of the Housing Acts. Such notice(s) shall be sufficiently served if served at the last known address of the tenant in

accordance with section 196 of the Law of Property Act 1925. (see note 5).

14. The Property is let together with the special conditions (if any) listed in the Additional Considerations attached hereto.

15. Miscellaneous

- 1. If premises comprise part only of a building the letting shall also include the use of any common areas including access ways to and from the building, jointly with other similarly entitled.
- 2. If more than one person is named as tenant their obligations under this agreement are joint and several.
- 3. If there is a change of sharer there is a £150 plus VAT charge to re-reference the new tenant, check the inventory and produce a new one, return the deposit for the person leaving and re-register the new deposit. If it is still within the fixed term of the contract, the outgoing tenant will be responsible for paying the landlords re-letting costs of £300+VAT. The outgoing Tenant shall not be clear of obligations until the references, funds, inventory check is completed by remaining Tenants and the new tenancy is signed by all parties.
- 4. In the event of a fire, leave immediately via the safest route, closing doors and windows where possible. Stand in a safe location away from the building and await further instructions from the fire services.
- 5. If at the end of the fixed Tenancy period the Tenants wish to sign a new fixed term Tenancy Agreement there is a charge of £75 + VAT. There is no charge to continue as a Periodic Tenancy.

16. Contents Insurance

The tenant is recommended to take out insurance with a reputable insurer for the Tenant's possessions as such possessions will not be covered by any insurance effected by the Landlord.

Guarantor contract

PLEASE ARRANGE FOR A UK BASED PARENT OR GUARANTOR TO COMPLETE AND SIGN GUARANTOR FORM

To: DRAFT (or such other landlord who may purchase the property during the continuance of the tenancy specified below) owner of DRAFT

I/We Example Guarantor

Of (address) DRAFT

Telephone number (including STD code) DRAFT

I/We stand as guarantor for: Tenant and will subsequently agree to guarantee:

- a) I/We hereby guarantee to you the payment of the total rent due by Tenant and payable under the Tenancy Agreement or any extension thereof arising now or at any time or times hereafter deducting there from any payments previously made by Tenant.
- b) This guarantee shall only extend to the payment of rent and not to any other liability arising under the

Tenancy Agreement.

c) I/We agree that you are at liberty to grant to the Tenants under the Tenancy Agreement such extension of credit or time for payment or other indulgence as you may think proper without discharging or impairing my/our liability hereunder.

This guarantee will stand for the course of the Tenancy (dates specified below) and any extension of the tenancy. The guarantee will only cease when the tenants have moved from the property and all payments in respect of that property have been received.

Dates of Assured Shorthold Tenancy Period: XX/XX/XXXX - XX/XX/XXXX

Rental due:

Tenant number	Tenant name
1	DRAFT

	Tenant number	
Charge date	1	Sub-total
XX/XX/XX	DRAFT	DRAFT
Sub-total	DRAFT	DRAFT

Notes

- 1) This guarantor creates a binding legal contract. If you do not fully understand the nature of the agreement, then it is recommended that you take independent legal advice before signing.
- 2) Any neglect of the Landlord in endeavouring to obtain payment of the Rental by the Tenant shall not release or exonerate the Guarantor or in any way affect the liability of the Guarantor under this Agreement.
- 3) Where the rent, or any portion of it, is paid by housing benefit or other benefit scheme, the Guarantor agrees to indemnify the Landlord or Agent against any claims arising from overpayment which may be made by the local authority in relation to the specified Tenant(s), and to pay such claims on demand. Such overpayments may occur at any time, either during the currency of the tenancy or within six years thereafter.
- 4) A full credit check will be completed on the guarantor to ensure he/she are capable of covering any payments on behalf of the tenant if necessary.