

# **LETTING REQUIREMENTS CRITERIA**

April 2026



This document applies where your mortgage is a Buy-to-Let mortgage for the purposes of the Mortgage Standard Terms. You are required to comply with the conditions in this document which may be updated from time to time and supplements the Mortgage Standard Terms and forms part of your Mortgage Agreement. You must review this document before completing any new mortgage with Rely Mortgages.

Terms which are defined in the Mortgage Standard Terms have the same meaning in this document.

### **YOUR RESPONSIBILITIES AS LANDLORD**

You must make sure you have all the consents and licences needed to lawfully rent out your property. You must comply with the Renters Rights Act 2025 from time to time in force.

You must always follow all legal rules and any terms in contracts, licences, or permissions that apply to your property or renting it out. This includes when advertising, before letting, and while it's rented. These are your legal duties.

#### **You must also:**

- (a)** Keep proof that you've met your legal obligations (like copies of agreements and registrations) and give this to us when we ask.
- (b)** Register your property on any required landlord database or register and keep it up to date.
- (c)** Have adequate building insurance and tell your insurer when you rent out your property.
- (d)** Keep your property in good condition. Do not rent out your property if it's unsafe or if does not meet the minimum legal standards for rental properties.

**WARNING: If you don't follow these rules, you could face legal action by local authorities and/or the person you're renting your property to. This could mean you have to pay fines or stop you from getting your property back. It will also mean that you have breached the terms of your mortgage.**

You agree we can access information about you or your property from national databases, local authorities, or regulators.

### **IF THE PROPERTY IS SITUATED IN WALES, THE FOLLOWING REQUIREMENTS WILL APPLY TO ANY LETTING:**

You must confirm to your solicitor that you are registered with the Rent Smart Wales Scheme and that the property is compliant with the Renting Homes Wales Act 2016 (RHWA) from time to time in force.

Any tenancy must be a standard occupation contract for a term not exceeding 12 months and contain an acknowledgement from the contract-holder that the property is subject to a mortgage and be clear on the grounds which we may be entitled to possession.

#### **You must during the term of the mortgage:**

- a)** comply in all respects with the provisions of the RHWA and all the conditions above; and
- b)** keep clear up to date records and evidence of compliance with all statutory obligations under the RHWA and produce them to us or our solicitor, if required.

### **ALL TENANCY AGREEMENTS MUST COMPLY WITH THE FOLLOWING:**

#### **The following applies in the case of any tenancy:**

- (i)** the tenancy agreement must be in writing and you must provide us with a copy when we ask for it;
- (ii)** the rent payable under the tenancy agreement must be payable no less frequently than monthly;
- (iii)** the letting must only allow the property to be used as a private dwelling for occupation of the tenant and the tenant's immediate family for residential purposes;
- (iv)** the letting must not confer any security of tenure on the tenant(s) beyond the end of the contractual term of the tenancy agreement;
- (v)** the letting must not be for more than a fixed term of 3 years, (unless the law requires otherwise);
- (vi)** the tenancy agreement must
  - (i)** be in a form normally used for residential agreements; and
  - (ii)** contain no terms which can adversely affect our interest in the property as mortgagee. Some rules require you to give the person who rents your property written notice that we have a mortgage over your property. It is important that you do this
- (vii)** the tenancy agreement must provide that no sub-letting is allowed;
- (viii)** the tenancy agreement must not contain an option allowing the tenant to renew the tenancy agreement upon expiry;

- (ix)** references about ability to pay the rent and character must be obtained for the proposed tenant(s) and must be made available to us when we ask for them;
- (x)** if the property is leasehold you must obtain the consent of the landlord to any letting if required by the terms of the lease of the property and comply with any other relevant lease conditions;
- (xi)** you must ensure compliance both before and during the tenancy with the ancillary obligations incumbent on a landlord under a tenancy including but not limited to repair and repairing standards, the provision of an Energy Performance Certificate, Gas and Electrical Safety testing, Fire Safety including the provision of mains smoke alarms;
- (xii)** you must ensure that the buildings insurer of the property is aware the Property is occupied under a tenancy and obtain a relevant Landlord's insurance policy; and
- (xiii)** You must provide our solicitors with confirmation that you comply and meet obligations incumbent on a landlord (both before and during the tenancy) in relation to the Minimum Energy Efficiency Standards (as defined in The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (as amended and applicable from time to time) and all legislation and regulations in force and as amended from time to time in respect of the security Property. It will be unlawful to rent a property which breaches the requirement for a minimum energy efficiency rating unless there is an applicable exemption.

**IN ADDITION TO THE ABOVE, THE TERMS OF THE TENANCY AGREEMENT MUST (IN SO FAR AS IS POSSIBLE AT LAW, TAKING ACCOUNT OF YOUR STATUTORY LEGAL DUTIES):**

- (a)** the rent should be set high enough to cover (at a minimum) your mortgage payments to us and any bills you pay for your property.
- (b)** allow us to recover possession of your property if we become entitled to under your mortgage (for example if you miss your payments). This includes making sure you refer to any statutory right that we may be able to rely on within the tenancy agreement.
- (c)** Stop anyone renting the property from staying after the letting agreement ends. For example, where you can, you should exclude any succession rights, security of tenure or rights to remain in your property after the letting agreement ends;
- (d)** Let you end the letting agreement if the person renting your property does not meet their responsibilities;
- (e)** Ban the person renting your property from transferring the agreement to someone else or subletting all or part of the property.; and
- (f)** Any fixed term tenancy must be for less than 36 months (3 years).

**The following are unacceptable as tenants for the property:**

- tenants who do not have the right to live or rent in the UK;
- multiple tenancies (including for the avoidance of doubt houses in multiple occupation unless the property is licensed as an HMO);
- Local Authority tenants;
- people who could claim diplomatic immunity;
- holiday lets;
- your family members (including for example your spouse, civil partner, parents, grandparents, siblings, children, grandchildren, children of your siblings or grandparents).

**WHAT YOU NEED TO PROVIDE YOUR SOLICITOR WITH PRIOR TO COMPLETION OF YOUR MORTGAGE:**

- Where the Property is an HMO (House in Multiple Occupation) we refer you to the Mortgage Offer Special Conditions. However please note the following in respect of our requirements:
  - You will need to provide a copy to your solicitor of any relevant Local Authority HMO Licence (if applicable) or Private Rented Property Licence required under the Housing Act 2004 for the property which confirms that the borrower(s) is the licence holder. If the HMO Licence is on another property, our solicitor will require a signed undertaking from you to apply for a licence within 60 days from completion. The borrower(s) shall comply with all Local Authority licensing requirements, the licence and any conditions attached to the licence during the mortgage.
  - The solicitor will need to ensure there are no restrictions on the use of the property as an HMO and use is authorised by either:
    - a)** valid planning permission, C4 or Sui Generis; or
    - b)** a certificate of lawful use; or
    - c)** permitted development rights (PDR),

- If the property was converted to an HMO under PDR before any revocation of PDR following an Article 4 direction, our solicitor must ensure they obtain a statutory declaration from the seller evidencing continued use as an HMO.
- If the property is a multi-unit freehold block (MUFb) each separate self-contained flat must be let on a single tenancy agreement for use as a private dwelling by the tenant and the tenant's immediate family for residential purposes and references to the property apply to each separate self-contained flat. All tenancy conditions in these criteria apply to each self-contained flat. The property **MUST NOT** be an HMO. Please note you must also let us know if any self-contained flat is unoccupied for 28 or more consecutive days.
- If the property is situated in England, you must ensure you have carried out the required Government Right to Rent checks in relation to the tenant(s) who currently occupies the property or who will occupy the property on completion and in the future. You must confirm to the acting solicitor that the tenant(s) is legally able to rent the property and meet the requirements of the Government Right to Rent Check throughout the term of the mortgage.
- If the property or the letting of it is subject to any mandatory licensing scheme (for example the selective licensing scheme laid down by Part 3 of the Housing Act 2004 or any licensing requirements in the Housing (Wales) Act 2014), you must have and maintain any applicable mandatory licence throughout the term of the mortgage and supply confirmation to the acting solicitor.

#### **THINGS YOU NEED TO INFORM US OF DURING THE TERM OF YOUR MORTGAGE:**

- You must let us know if the property is unoccupied for 28 or more consecutive days.
- You must take all action that is legally possible to ensure that your tenants carry out their obligations under the tenancy agreement. If any act or omission of your tenant causes you to be in breach of your obligations to us under the mortgage you are responsible to us for this as if it were your own act or omission.

#### **GENERAL**

In addition to any other rights to vary the terms of your mortgage we may have under the Mortgage Standard Terms, we may vary any of the provisions of this Letting Requirements Criteria (and introduce new provisions to it relating to the letting of the Property) to reflect:

- (a)** any change in the law or regulation affecting:
  - (i)** the property;
  - (ii)** the letting of properties generally (or in any location); or
  - (iii)** mortgage lenders making loans to borrowers who are letting properties; or
- (b)** any change in the market practice of landlords or mortgage lenders making loans to borrowers who are letting properties.

Any change will be proportionate to the reason(s) for it and will not affect any tenancy which is already in place prior to the change taking effect for the remaining term of such tenancy, except where this is required to comply with any legal obligation.