
CUSTOMER INFORMATION SHEET: SUBLETTING

This information sheet explains our approach to subletting.

The current economic climate has impacted the rate of turnover in the housing market, with many customers finding it more difficult to sell their properties. This has resulted in a number of requests from you to sublet your property.

Although a small amount of leases at estates allow for properties to be sublet to occupants meeting the age criteria, the majority prohibit any form of subletting.

Our approach

We are keen to help you as much as possible and in order to do this we will allow you to sublet your property, providing the following criteria is met:

	What we require	Reason
✓	The person making the request must be either the named leaseholder, the executor of the estates of power or attorney.	This is to make sure you have a legal right to enter into a license.
✓	You enter into a license to sublet and pay the associated fee of £175.00 + VAT made payable to Anchor. This amount is non-refundable. The license can take approximately 3 weeks to	This confirms your role in managing the tenancy including things like the tenants behaviour. We suggest that you seek independent legal advice before signing this

	administer.	document.
✓	<p>You must pay a monthly contribution to the sinking fund. <i>This amount will depend on your lease. Most leases say you will pay a percentage of the purchase price multiplied by the years you have owned the property. We will work out the calculation based on the annual amount. For example</i></p> <p><i>1% of £100,000 = £1,000 per year this will therefore be £83.33 per month.</i></p> <p><i>If your lease says you will pay a percentage of the sale price. We will ask that you pay a contribution of £50 per month.</i></p>	<p>Payment into the sinking fund is usually made when a property is sold. If a property is sublet this income is not collected and we therefore require a monthly contribution.</p> <p>When the property is sold we will calculate the remaining sinking fund contributions.</p> <p>Any overpayments made to the sinking fund will be non-refundable.</p>
✓	<p>You must agree to pay the monthly service charge along with any outstanding service charge arrears (in full or monthly). We ask you to contribute at least 50% of the rental income you will receive until the account is up to date.</p>	<p>As per the terms of the lease the service charge must be paid monthly.</p>
✓	<p>The tenant must meet the age criterion set out in the lease and must be capable of living independently (with care in place if required). We will meet with the tenant and write to you to tell you if we approve of them subletting the property.</p> <p>We also ask that you check if</p>	<p>It is a requirement of the lease that all occupiers must meet this criteria.</p> <p>Your estate manager will be able to tell you the minimum age for your estate.</p>

	the tenant has any convictions and ask that these are declared to us.	
--	---	--

What do I need to do next?

- If you would like to sublet your property and agree to our criteria, please provide us with your contact details and details of your potential tenant.
- We will then arrange a meeting with the estate manager and the tenant. This is to talk about living on the estate and to take some information to help us approve the tenant.
- We will confirm in writing whether or not we approve the tenant. At this point we will also provide you with an estimate of the monthly charge (sinking fund and any arrears) we will ask you to make.
- If you wish to proceed with the approved tenant we ask you to send a cheque for £175.00 +VAT (which is non-refundable). You will also provide us with a tenancy start date; this should allow us three weeks to prepare the license.
- Once the tenancy has started we will write to you with details of the payments that we require you to make.

Further information

If you would like further information you can contact the Customer Centre on 01274 381649.

Subletting: customer information sheet
Relevance: retirement housing for sale