

GUARANTOR'S INFORMATION SHEET FOR RENTAL AGREEMENTS

Important Information Before Becoming a Guarantor

A rental guarantor is a person who undertakes to fulfil all the obligations of the tenant if the tenant fails to do so. As a guarantor, you assume liability for the tenant's obligations towards the landlord, including but not limited to:

- Payment of rent and utilities;
- Compensation for damages caused to the property;
- Compliance with all contractual obligations;
- Any penalties, late fees, or legal costs related to breach of contract.

What You Should Know

- **Scope of Guarantee:** By becoming a guarantor, you guarantee *all* obligations of the tenant arising from the rental agreement, including obligations that may increase over time (e.g., due to rent increases, damage claims, etc.).
- **Type of Guarantee:** Unless agreed otherwise, the guarantee is typically **joint and several**, meaning the landlord can claim payment from the guarantor without first trying to collect from the tenant.
- **Duration:** The guarantee is valid until the tenant has fully discharged all obligations under the rental agreement. If the lease is extended, the guarantee remains valid.
- **Risks:** If the tenant breaches the lease, the guarantor may be required to:
 - Pay overdue rent, utilities, or penalties;
 - Cover the cost of repairs or damages;
 - Pay legal and collection costs;
 - Settle debts even if unaware of the tenant's misconduct.

Before Agreeing to Become a Guarantor

Ask yourself:

- Do I fully understand the tenant's obligations under the rental agreement?
- Am I financially capable of fulfilling these obligations if necessary?
- Am I aware that this commitment can affect my creditworthiness and financial standing?

You have the right to:

- Review the lease agreement and the handover act, and request legal advice.;
- Request Information on the tenant's payment history;
- Clarify the details of the guarantee terms.

Validity of the Guarantee

The guarantee remains valid until the termination of the lease agreement, the return of possession of the rental premises, and the full settlement of all potential claims.

In Summary

Becoming a guarantor is a **serious and legally binding commitment**. You may be held responsible for another person's debts and obligations in full without prior notice. Think carefully, seek legal advice if necessary, and ensure you are fully informed before signing a guarantor's agreement.

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