

# Your responsibilities as a Buy to Let (BTL) landlord

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Letting a residential property is a commercial transaction and it involves you in obligations and responsibilities towards your tenants (England) or contract-holders (Wales).

## **Our decision to offer you a Principality BTL mortgage was based on these principles:**

- As the landlord, you are responsible for adhering to all terms and conditions of the mortgage and keeping up with your mortgage payments.
- If you arranged your BTL mortgage on an interest only payment basis, it is your responsibility to repay the capital at the end of the mortgage term.
- The property is always used for letting and not for you to live in.

It is also vital that you understand your responsibilities as a landlord, and your obligations to your tenants (England) or contract-holders (Wales), and keep to them. We can't give you any advice on this, as your mortgage provider, we can only give you information about your BTL mortgage and how we provide and administer it. However, you can get advice from the organisations detailed overleaf.

## Although we can't advise you on your responsibilities, we expect you to:

- Understand and comply with the legal requirements of being a landlord (depending on whether the property you let is located in England or Wales), including health and safety obligations towards your tenants (England) or contract-holders (Wales), and implications associated with any licensing or registration requirements.
- Treat your tenants (England) or contract-holders (Wales) fairly.
- Understand that there is a commercial risk in becoming a landlord.
- Have a plan for how you'll keep up your mortgage payments at times when your BTL property is empty.
- Protect the property's value by maintaining it well and, if it's a leasehold property, responding to valid requests including demands for ground rent and service charges from the freeholder and/or its managing agent.
- Make sure the building is fully insured for the full term of your BTL mortgage.
- Have adequate specialist insurance in place.

### Where to get advice about your responsibilities

Recognised landlord bodies can help you understand your responsibilities, and you can find out more from these associations:

- Landlord.org.uk
- The National Residential Landlords Association (NRLA) - [nrla.org.uk](http://nrla.org.uk)
- Propertymark - [propertymark.co.uk](http://propertymark.co.uk)

Please check the relevant government website for updates in relation to your responsibilities. If your property is located in Wales visit: [gov.wales](http://gov.wales). If your property is located in England please visit: [gov.uk](http://gov.uk).

Although we are regulated by the Financial Conduct Authority and Prudential Regulation Authority, Buy to Let mortgages are not regulated.

### Here to help if you have trouble making your repayments

If at any time you believe you may have difficulty keeping up with your mortgage payments, please let us know as soon as possible. You can call us on **0330 333 4020\*** and we will do all we can to help.

Remember, if you fall behind with your payments and your BTL mortgage goes into arrears, you will have to pay extra charges – you'll find full details in our Tariff of Fees and Charges which can be found on our website [principality.co.uk/feesandcharges](http://principality.co.uk/feesandcharges)

**IF YOU FAIL TO KEEP UP WITH PAYMENTS ON YOUR MORTGAGE A 'RECEIVER OF RENT' MAY BE APPOINTED AND/OR YOUR RENTAL PROPERTY MAY BE REPOSSESSED.**

- To help us maintain our service and security standards, telephone calls may be monitored and recorded. Principality Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, reference number 155998. Whilst residential mortgages are regulated, a conventional Buy to Let mortgage is not regulated. Principality Building Society, Principality House, The Friary, Cardiff, CF10 3FA.