

Bank rent guarantee

What is a bank guarantee?

A bank rent guarantee represents a sum of money general equivalent to 3x the monthly net rent blocked in a bank account throughout the term of the lease. During this period, only interest may be withdrawn. Having a rent guarantee is obligatory when leasing a property and allows the lessor to have financial security if the rent is not paid or there is material damage in the property.

What is the best choice between Emeria Switzerland's Passe Location (Rental Pass), a surety bond or a bank guarantee?

Emeria Switzerland gives its tenants the choice of the most suitable solutions for their needs through three options: the Emeria Switzerland guarantee called the Passe Location, surety bonds and bank guarantees.

Emeria Switzerland's Passe Location is undoubtedly the simplest and fastest solution! It offers unique benefits to facilitate the life of the future tenant of a property managed by Emeria Switzerland. The tenant is exempt from providing a rent guarantee, as an amount is withdrawn directly from the rent in lieu of the rent guarantee. There is no action to be taken with a third party banking establishment and no sum is blocked.

The rent guarantee through a surety bond is also a quick and simple way of providing a rent guarantee. The surety company chosen by the tenant, for example SmartCaution with whom we work closely, undertakes to pay debts that may arise with regard to the lessor in return for an annual premium that is billed. The surety bond avoids 3 months of rent being blocked in an account and allows the lessee to keep their money while moving.

The bank rent guarantee allows the tenant to use their own bank to deposit the equivalent of 3 months' net rent into an account and to recover this sum at the end of the lease agreement, if no fees are owed by the tenant.

When will my bank guarantee be returned?

The bank rent guarantee is returned to the tenant when the lease agreement ends, once the inventory of fixtures at the end of rental has been drawn up and the keys are returned to the lessor. For a rent guarantee to be returned in full, no invoice must remain unpaid. If technical or monthly fees remain unpaid when the keys are returned, the tenant has the option of paying the amount owed using a deposit slip or by deducting the amount from their rent guarantee. Once the tenant's financial situation is settled, the lessor order the release of the rent guarantee by the bank.