

Nationwide
LETTINGS



The Landlords Guide

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The Benefits of Letting

The decision to offer your property for let deserves serious consideration. There can be a number of reasons, for instance if you are an investor, you may be considering starting your own investment portfolio, you may have inherited the property, be relocating to another area or even abroad whilst retaining your stake in the UK housing market. Irrespective of your reasons the lettings market has never demonstrated such buoyancy.

Nationwide Lettings was established as a specialist lettings and management firm providing a range of services by experienced staff with excellent local knowledge, to gain the maximum income from your property. Our main focus is to offer unparalleled service to all our clients, which will instil peace of mind throughout the entire lettings process.

In recent years the North West has been the subject of significant economic growth in turn increasing demand for rental properties. We realise how important a reliable agent is for any investment especially for one as large as your property; therefore we have devised this lettings guide to make it as stress free as possible. We aim to make sure that this guide will alleviate any concerns you may have in addition to providing information on the services we can offer and their importance to you.



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Our commitment to you

We will provide you with an appraisal on your property, giving you advice on the best possible rent, to maximise your income. This can be booked either by telephone, email or consultation in one of our offices. This service is free and with no obligations.

If you are wishing for advice on purchasing a property, our staff can provide you with information on popular areas where demand is greatest, we also have a legal team that are well established in property law.

We can offer advice on maximising your property's potential to let, this will include compiling information on comparable properties, market trends, and discuss any issues that may negatively affect the rental amount i.e., Any work that may be needed. First impressions are essential. Our experience shows that presentation increases marketability; optimising the rental figure whilst minimising void periods. We have access to an extensive database of approved contractors that may suitable to assist with any works required.

We will provide information on your legal obligations / requirements pertaining to letting. This includes energy performance, gas safety, electrical safety, appliances, maintenance, upholstery, furnishings, legal & mortgage requirements.

Getting the most out of your property

Presentation is key. Over recent years tenants expectations and requirements have increased. Whether you are considering offering the property furnished or unfurnished the quality of decoration and furnishings will have a marked effect on the level of rent and the timescale involved in securing suitable tenants.

We recommend decorating to a neutral palette rather than catering to personal tastes. Your property will therefore appeal to the widest possible audience

Our top ten presentation tips

- 1) Keep decoration and floor coverings as neutral as possible
- 2) Kerb appeal is crucial
- 3) Furnishings should be able to withstand wear and tear
- 4) All furnishing should comply to regulations (See landlord obligations / legal requirements)
- 5) Gardens should be maintained whilst vacant in readiness for tenant occupation
- 6) Property should be clean, especially bathroom, kitchen and oven
- 7) Electrical's are not usually needed in a furnished property as tenants provide their own
- 8) Property should be free of clutter
- 9) Windows clean and dressed where possible
- 10) Minimum of one working smoke alarm within the property



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Marketing

In order to find a suitable tenant and prepare for the tenancy, we will market the property extensively through our local offices.

This will be done in several different ways, these include:

- Matching current prospective applicants from our computer database

- Weekly advertisements in the local press

- Uploading the property to several property portals

- Take multiple photographs and prepare details of the property for advertising and mailing

- Accompanied viewings to ensuring your property is presented to it's best advantage

When a suitable tenant is found, they are subject to a strict referencing process. This includes: credit checks, employer references, previous landlord's reference and character reference (Where applicable).

You can rest assured through employing this process we minimise the risk of defaulting tenants.

We will contact you and keep you updated throughout the whole process and only when you are completely satisfied with the tenants, will we proceed with the tenancy.



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When we have found you have a tenant

We will conduct a thorough photographic statement of condition and inventory of the property, allowing the assessment of any liabilities for the checkout at the end of the tenancy.

We prepare an 'Assured Shorthold Tenancy Agreement' which complies with current legislation. This also protects your rights to possession, your interests and responsibilities in relation to both landlord and tenant.

Collection of the first months rent and a security deposit prior to the tenant moving in, these are always cleared funds and held in a client account via ourselves. The deposit will be registered with the DPS for a registration fee. If you choose to execute this yourself we must be provided with a copy of your landlord's registration certificate by law.

We will ensure a standing order is set up to be paid on a monthly basis. A full monthly statement of account, invoices and receipts will be duly issued by email or post as required.

During the tenancy

Any property maintenance issues, once authorised by yourselves, will be overseen by us. We can arrange any payment with the contractors from rental income received, therefore ensuring that all maintenance is dealt with in an efficient manner.

Interim property inspections (These are usually quarterly) are undertaken to ensure the tenants are settled and looking after the property. After each visit a report will be issued detailing the condition and any repairs the property may need.

On the rare occasion a tenancy falls into arrears, we will take prompt action. We have a very strong in-house legal team who can assist with all circumstances concerning a defaulting tenant.

At the end of the tenancy

You will be notified prior to the end of the fixed term as to whether you would wish to continue with the current tenants and if so, under what terms. We can either issue another fixed term contract or allow the tenancy to fall on to periodic notice, allowing you flexibility should you require possession of the property at any time (Subject to the statutory two month's notice).

Upon termination of the tenancy from either party, we will meet the tenant at a mutually agreeable time to perform an inventory review. This would entail preparing a final statement of condition and ensuring the property is ready for re-let or your occupation. Only once we are all satisfied will the deposit then be released, less any discrepancies or deductions.

Our Service Levels

	Let Only	Rent Collection	Fully Managed
Full marketing, internet / property portals, let board			
Accompanied viewings			
Photographic inventory & schedule of condition			
Full referencing service to find suitable tenants			
Visit the property, advise on rents, furnishing and related matters			
Collect initial payment of one months rent and deposit			
Deposit is registered with DPS			
Full check in & meter readings			
Tenancy agreement drawn up			
Collect monthly rent payments			
Chase arrears & other outstanding monies			
Tenancy extensions / renewals organised and propted			
Complete three monthly interim inspections			
Complete move out inspection			
Notify all relevant utility companies on occupation and vacation			
Maintenance issues taken & work organised			
Deal with the Inland Revenue where necessary			



Landlords obligations and legal requirements

The Housing Act of 1988 (As amended by the Housing Act – 1996)

This made large changes to the rental sector of the property market, the new act specifies the types of tenancies and whilst there are several types of tenancy the most probable one would be the Assured Shorthold Tenancy or Company Lets.

Gas Safety (Installation & use) Regulations 1998

This covers any gas appliances, pipes fittings within the property, a gas certificate MUST be provided before the tenants move in to a property and a copy given to them by law. The gas safety certificate is then due annually from that date. A record of these certificates must be kept and they must be carried out by a qualified gas safe engineer. This is of the highest importance and we reserve the right on this regulation to arrange for gas inspections to be arranged at the landlord's expense, should the appropriate certificate not be available.

Landlords should note the maximum penalty for non compliance with these regulations is a fine of at least £5000 or even 6 months imprisonment.

Furniture & Furnishings (Fire) (Safety) Regulations 1988 Amendment Regulations 1989 & 1993

This act covers all upholstery and upholstered furniture supplied by the landlord in a rented property, including beds, footstools, pillows, headboards, mattresses, beanbags, sofa beds etc. Furniture manufactured between 1950 & 1990 cannot be supplied to a tenant unless it has been re-upholstered with conforming materials, fire retardant spray treatment is not acceptable by the Department of Trade and Industry as it is ineffective in affording protection to foam fittings.

The Electrical Equipment (Safety) Regulations 1994

These regulations apply to everyone, who let accommodation which contains electrical equipment. If landlords are installing the electrics or are supplying connected appliances, it is imperative that these are compliant. There are currently no legal requirements for landlords to have a formal annual safety check of electrical equipment. However this is open to interpretation, as far as trading standards are concerned a landlord must be able to demonstrate that electrical appliances are safe before the property is let. Should any piece of electrical equipment have a fault, which results in injury or fatality, the person responsible for supplying the equipment could be open to prosecution. Therefore we recommend annual checks of all appliances by professionals. Failure to comply with these regulations may constitute a criminal offence under the consumer protection act 1987.

Energy Performance Certificates (E.P.C) 2008

Since October 2008, EPC's have been mandatory in the UK. The certificate provides the A-G ratings for each building, with A being the most energy efficient and G being the least, with the average usually around D. The certificates have been introduced to help understand the energy efficiency of buildings. An accredited energy assessor will produce the certificate which will suggest improvements on how to make a building more energy efficient.

This must be undertaken, before the property is put on the open market as no viewings can take place without the EPC. A viewer must be able to view the certificate before renting, either on the internet, on the viewing itself or in the office. On the day of the move in for your tenant a copy of the EPC must be given to your tenants.

The government are performing stringent checks on EPC's, failure to comply with this legislation may lead to a fine of £5000.

Taxation on letting income

We can advise on issues regarding taxable income for UK and Non UK (N.R.L) resident landlords. If you are a landlord resident within the UK, your net taxable profit will need to be added to any other taxable income in order to calculate your overall tax liability within the tax year.

If you are a Non UK resident landlord, (N.R.L) you will still have to pay tax due to any rents arising in the UK. In certain circumstances a certificate of exemption can be provided, if you are not eligible for this or cannot provide the certificate, we are obliged to, by law, deduct a base rate tax from rents received. This will be accounted for in conjunction with the Inland Revenue on a quarterly basis.

It is a landlord's responsibility for obtaining their own exemption certificate. This certificate will be required by any person named on the agreement, living abroad.

Reducing your tax liabilities

The letting income on which you are subject to tax is gross income less certain expenses usually incurred which may include the following:

- Loan interest
- Rent, rates and ground rent
- Cost of providing services included in the rent.
- Professional fees, agents, accountancy and legal fees
- Cost of repairs
- Maintenance charges
- Water rates
- Wear & tear allowances (for furnished properties)

Legal Support

Are you currently paying for your tenants to live in your property?

In conjunction with Latimer Lee LLP we can also help with problems you may already be experiencing prior to instruction.

We have a wealth of experience to deal with all landlord and tenants issues, the most common being rent arrears and possession claims. In this current economy to be in this situation we know is unacceptable.

At Latimer Lee LLP solicitors we offer a fixed fee service ensuring each stage of the process is undertaken efficiently and therefore cost effectively to resolve your worries.

In the case of rent arrears there are one of many options that are available to you, for instance;

- Small Claims Summons: if the debt is less than £5K we can draft the necessary documentation to make an application for a small claims summons.
- Attachment of Earnings: if the tenant's employer is known it may be possible to request an attachment of earnings.
- Third Party debt order: if someone owes your tenant money we can request the court to make an order for that debt to be paid directly to you.

We shall discuss the various options with you and help you to decide which option best meets your needs. It may be necessary for you take action to evict the tenants from your property; again at Latimer Lee

LLP Solicitors we aim to do this with minimal fuss and financial loss to yourselves. We keep the process simple:

- Preparing Possession Notices: we shall complete all the relevant Possession Notices based on the information that you have provided to us. Getting this stage right is critical; let us get it right for you from the start.
- Preparing Court Papers: If the tenants do not leave the property we can have the Court papers prepared and ready for a possession hearing at the County Court. Our proactive approach means no time is wasted.
 - Court Representation: at this stage we shall ensure that you have full legal representation for the first Court hearing. It is usually possible to resolve matters at this hearing, however if there are further complication we shall advise you what further work is required.
- Forceful Eviction: this is the final stage and if necessary we shall arrange for the Court Bailiffs to forcefully remove the tenants.

The final checklist

Do you have everything that you require in order to let your property?

- Copy of current buildings and landlord's insurance
- Copy of current 'gas safe' certificate and electrical 'N.I.C.E.I.C' certificate
- Copy of lenders permission on rental (if applicable)
- Copy of EPC certificate
- Instruction booklets on any appliances in the property
- Minimum of one working smoke alarm in the property
- Minimum of two complete sets of keys
- Gas, electric, water and telephone suppliers & contact telephone numbers
- Correct tax forms and money laundering forms from Inland Revenue
- Clean, tidy, presentable and safe property

Thank You

We hope this guide has been helpful to you, however if you require any further assistance, please do not hesitate to contact your nearest local office:

Adlington Office:

8 Market Place

Adlington

PR7 4EZ

01257 475566

info@nationwideletts.co.uk

Chorley Office:

33 Clifford Street

Chorley

PR7 1SE

01257 275217