

Step-by-Step Guides for Landlords

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Step-by-Step Landlords Guide

For the majority of landlords the main objective when letting a property is getting the best possible rental return. If you are or want to be a landlord, Properties on the Market can help, whether you are a first time landlord, an experienced landlord, property guru or portfolio manager.

Our step by step guide to letting your property is a great start!

Step 1. Arrange a valuation

Properties on the Market and our property valuation experts carry out thousands of valuations every month giving us intimate and unparalleled knowledge of property values in your area.

You will also be provided with comparable prices and additional suggestions to increase the chances of renting your property out in the best possible way.

Step 2. Selecting an agent or property manager

If you are looking to self-manage your property investments, you may not need an agent or property manager, however experienced landlords will always have a good understanding of the services offered by local letting, property or independent agents.

It is a very competitive market so when choosing a letting agent consider things such as their opening hours, when they will be available to conduct viewings, their support network and whether or not they have a high street presence. There are a number of ways agents can assist you so also take into consideration what kind of marketing your property will receive and what kind of checks the agent carries out on the tenants.

Each of these points is critical when looking to achieve the maximum rental value for your residential property or commercial property, it's an investment after all so you need to know it's being well looked after. A good agent will always check or organise your government required Energy Performance Certificate (EPC) on your behalf if you are taking advantage of a fully managed service.

If you have any questions about selecting a property agent speak to a member of the Properties on the Market team today.

Step 3. Considering a short let?

Short term lets can be extremely lucrative. In the right location yields can be far better, and can be enhanced by aspects such as the location of the property, the style of furnishings, time of the year and how you advertise the property.

In some cases high returns on your property may be available and rents can be paid in advance thereby improving cash flow. There may also be flexibility of commitments, in the right location or with the right contracts minimum void periods, and with the right management team, high quality corporate tenants.

To find out more about short term lettings and Properties on the Market solutions contact a member of the team today.

Step 4. Benefits of Corporate Services

Properties on the Market Corporate Services provide assistance to those looking for corporate or executive accommodation anywhere in the UK. If you are looking for executive property services for delegates, contractors, employees, clients and everything in between, contact us today.

Step 5. Consider Property Management

Property Management can be the key to reaping maximum rental returns on your property. Many tenants insist on renting managed properties and are often prepared to pay a premium for this.

Step 6. Presenting your property

First impressions count and the presentation of your property is critical to a successful let.

Consider addressing any DIY jobs you have been meaning to get done, add a fresh coat of paint where necessary and try to declutter to make rooms appear larger.

Step 7. Preparing your property for tenancy

Before you let your property for the first time you must obtain a professional and comprehensive inventory. This will set out the condition and contents of the property.

Step 8. Marketing your property

To find your perfect tenant you need to give your property maximum exposure across a wide range of media.

Step 9. Accompanied viewings

Accompanied viewings mean we can use our knowledge to help let your property.

Our office is open 9am-6pm Monday to Friday and 9am-5pm on Saturday.

Step 10. Receiving an offer

As soon as an offer is received we will contact you to communicate full details of the offer along with any special conditions to help you decide whether or not to accept.

Step 11. Offer agreed

Once you accept an offer we will do the following, regardless of whether your property is managed:

- Collect references from the tenants
- Arrange signing of the Tenancy Agreement
- Collect moving-in payment (rent + deposit)

We can also, subject to a fee, get your property ready for move-in and:

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- Carry out check-in and inventory
- Organise a Gas Safety Inspection and Portable Appliance test
- Arrange professional cleaning of your property

For your added peace of mind, where applicable we will hold the deposit as a stakeholder and register this with a deposit protection scheme, resulting in a faster and more efficient deposit release process at the end of the tenancy.

Step 12. Completion

Upon completion, keys will be released to the inventory clerk or the tenant on moving-in day.

For managed properties, we will provide the tenant with contact details of their dedicated Property Manager.

Fees, Terms & Conditions

Properties on the Market, Lincolnshire's premiere residential letting and property management specialists, offers an unrivalled service to its landlords.

If you have a room, part house, flat or complete house to rent, let us make it easy for you – give us a call so we can tailor-make a package that will suit your requirements at very competitive price.

From Basic to Full Property Management, our wide range of services means that you can rent your property knowing that Properties on the Market will take care of everything on your behalf.

If you would like to make an appointment or have an informal chat with one of our friendly staff about your service needs, why not give us a call on 0300 303 8500.

Tips For Landlords

If you own a rental property you are obliged to pay tax on any income or profit you make from it. Income tax is payable on any rental income you receive from letting out your property.

The good news is that there are a number of deductions or allowable charges that can be written off as non-taxable expenses.

Below is a run-down of those charges and a number of tips to help you make the most of your property investment.

It is always advisable to seek guidance on how to reduce your tax liability both legitimately and effectively. Properties on the Market have experience in a range of elements within the rental market and can provide comprehensive income tax guidance in relation to lettings.

Income Tax Deductions

In calculating the profits and therefore the income tax liability, expenses are allowable where they are incurred wholly and exclusively for the purposes of the rental business and are not of a capital nature e.g. not the cost of the land, buildings, improvements or alterations.

Subject to the above and any unforeseeable changes, the following expenses will normally be deductible:

- Accountancy expenses (incurred in preparing rental business accounts but not for preparing personal tax returns)
- Advertising costs of attracting new tenants
- Charge for inventories
- Cleaning
- Costs of rent collection
- Council Tax while the property is vacant and available for letting
- Gardening
- Ground rent
- Insurance against loss of rents
- Insurance claim fees
- Insurance on buildings and contents
- Mortgage interest charges. As such you can deduct any funds used to pay the mortgage interest charged by your lender. The capital repayment element of your mortgage is not deductible (further conditions apply)
- Interest paid on loans to build or improve premises (further conditions apply)
- Legal and professional fees. Any fees incurred in the day to day management of your rental property can be deducted. Such fees include; the cost of preparing leases and inventories, collecting rent, preparing your tax return for the rental property and letting agent charges
- Letting agent fees
- Agreement fees for leases of less than a year
- Maintenance charges made by freeholders, or superior leaseholders, of leasehold property
- Maintenance contracts (for example gas servicing)
- Provision of services (for example gas, electricity, hot water)
- Rental warranty and legal expenses insurance
- Replacing windows
- Repairs which are not significant improvements to the property, including: damp and rot treatment; mending broken windows, doors, furniture, cookers, lifts etc; painting and decorating; replacing roof slates, flashing and gutters; repainting; and stone cleaning

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- Revenue costs of travelling between different properties solely for the purposes of the rental business are an allowable deduction in computing rental business profits
- Water rates

Maintenance and Repairs

Legitimate maintenance and repair costs can be deducted from your tax liability. Expenses such as cleaning, maintenance charges and fixtures and fittings replacements are allowable, significant improvements however, are not. As a guideline 'wear and tear allowance' generally allows you to claim 10% of your rental income as a tax deduction on a fully furnished property with certain conditions.

Remember to keep your paperwork

It is recommended that you retain the following information and documents relating to the rental property:

- All contracts relating to the purchase, sale or lease of the property
- Details of any properties you have put into trust or transferred to others
- Any evidence of significant gains or losses
- Records of all mortgage accounts detailing the interest and capital repayment elements of each payment
- Bills and invoices displaying payment records for any costs relating to the purchase, repair, improvement or sale of the property
- Any evidence proving when you may have lived in your rental property e.g. tenancy agreements proving commencement dates

Landlord Insurance

Property Owner's / Landlord's Insurance – Guide

Property Owners Insurance (also referred to as Landlord's Insurance or Let Property Insurance) is a cover specifically designed for owners of property who let it out to tenants. These could either be commercial tenants (eg. - shops, offices, warehouses, industrial units etc) or residential tenants.

Some landlords have their let properties insured on a Home Owners policy, often for historical or convenience reasons (ie. - they used to live in it, or it is adjoining / nearby their home), but this is often not the best solution for the following reasons:

- The premium is probably higher than a specialised Property Owners policy
- There are probably many householders' extensions of cover on the policy that are useless to a landlord
- Specific extensions and covers for landlords may not feature
- Managing a multi-property portfolio can be unnecessarily complicated
- At worst, the whole cover may be at risk of being voidable by the insurer if they are not fully aware of the tenanted circumstances of the property

A specialised Property Owners policy addresses the above issues and should include the following covers and extensions:

- Buildings Cover against All Risks (including Fire, Subsidence, Theft, Storm, Flood etc)
- Automatic uplift on the Sums Insured (to allow for inflation through the policy and claim period - known as "Day One Uplift")
- Property Owners Liability cover (ideally at least £5,000,000 limit)
- Eviction of Squatters and other Legal Costs protection
- Loss of Rent cover
- Trace and Access
- Replacement of Locks
- Failure of Third Party Insurances
- Unauthorised use of Electricity, Gas or Water
- Temporary removal of any Landlords Fixtures, Fittings or Property
- Additional costs of upgrading sprinkler installations if required by insurers following a loss

EPC

An Energy Performance Certificate is required by law for properties when:

- New Built
- For Sale
- To Let

The Energy Performance Certificate provides details about property's energy use and typical energy costs and recommendations about how to reduce energy use and save money.

EPC is valid for 10 years and can be used multiple times during that period. An accredited energy assessor will visit the property to carry out an assessment.

Letting Agents

Renting is becoming increasingly popular and property investors looking to capitalise on the growing demand will benefit greatly by working with a well-established, professional letting agent.

Properties on the Market offer:

- A range of letting and property management services
- Competitive fees
- Timely rental payment
- Effective marketing
- Tenant profiling
- RICS compliant

Hundreds of landlords looking to let their property quickly and easily choose to work with Properties on the Market each week. We have hundreds of new tenants registering with our lettings branches each week and a comprehensive range of services helping you to let your property successfully.

Landlords Safety Responsibilities

As a landlord it is your responsibility to ensure your rental properties are safe, free from health hazards and that your tenants are properly protected. There are a number of regulations designed to make certain that this is the case.

Gas safety

The landlord must:

- Make sure gas equipment they supply is safely installed and maintained by a Gas Safe registered engineer
- Have a registered engineer do an annual gas safety on each appliance and flue
- Give you a copy of the gas safety check record before you move in, or within 28 days of the check

Electrical safety

The landlord must make sure:

- The electrical system is safe, eg sockets and light fittings
- All appliances they supply are safe, eg cookers and kettles

Fire safety

The landlord must:

- Follow fire safety regulations, eg check you have access to escape routes at all times
- Make sure the furniture and furnishings they supply are fire safe
- Provide fire alarms and extinguishers (if the property is a large House in Multiple Occupation (HMO))

At Properties on the Market we take all the stress out of renting your property with our comprehensive letting service we will make sure you meet and exceed your legal responsibilities.

Customer Care Policy

As a member of the Association of Residential Letting Agents (ARLA) and National Association of Estate Agents (NAEA), we aim to provide the highest standard of service to all customers, in line with their Code of Practice. One of the requirements of our membership of ARLA & NAEA is that we have a process for assessing complaints about our service, appropriate to our firm's size and structure.

At Properties on the Market we are committed to providing a quality service, if in the unlikely event that things have gone wrong and we do not achieve the high standards that we set for ourselves and you are dissatisfied in some way then we would like to know about it at the first opportunity.

All branch staff will deal with the normal day to day problems on a one to one basis but once a formal complaint as such has been raised, i.e. "I am not satisfied with the standard of your work/conduct/behaviour etc and I wish to make a formal complaint", then at that stage you will be requested to put your complaint in writing, setting out your concerns by reference to any related documents – terms of business, tenancy agreement, inventory etc, and send it to Manager at: 65 High Street, Lincoln, Lincolnshire, LN5 8AD

The grievance letter will be acknowledged promptly, investigated in accordance with established "in-house" procedures and a reply sent to you within ten working days of receipt of the original letter. You will be invited to make any comments that you may have in relation to this response.

Subsequently, if you remain dissatisfied with the way we have handled your complaint, please write to Senior Manager at: 65 High Street, Lincoln, Lincolnshire, LN5 8AD

Finally, having exhausted our in-house procedures, if you are still not satisfied with our response, then it may be appropriate for the matter to be referred to an independent third party.

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**The Property Ombudsman
Milford House,
43 - 55 Milford Street,
Salisbury,
Wiltshire
SP1 2BP**

Tel No: 01722 333306

Fax No: 01722 332296

www.tpos.co.uk

This is a free service.

FAQs Landlords

How will you work out the rental value of my property?

At Properties on the Market we will work out your rental value based on a broad knowledge of properties and demand in your area, we use our expert knowledge to ensure that your property will be let at the best price with the right tenant as soon as possible.

Who does the viewing on the properties?

We carry out all the viewings to your property. This way we can answer any questions about the services we provide and what we expect from the tenants. We also find that the tenants often feel more relaxed when the owner is not present.

Who chooses the tenants?

We will compile a list of prospective tenants that have passed our rigorous requirements and present them to you with our recommendations, but the final decision is always yours.

What are my obligations as a landlord?

Residential landlords have certain obligations as set out by law including:

- The Gas Safety (Installation and Use) Regulations 1988
- The Landlord and Tenant Act 1985
- The Furniture and Furnishings (Fire) (Safety) Regulations 1988

At Properties on the Market we take all the stress out of renting your property with our comprehensive letting service we will make sure you meet and exceed your legal responsibilities.

Do I need to inform my mortgage lender before I let my property?

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Yes. You will need to gain the permission of your mortgage lender before you can let your property, unless you already have a Buy to Let mortgage then permission as already been granted. If your property is Leasehold then you should also seek permission from them.

What if the tenant damages the property?

We will contact the tenant asking them to pay to fix the damage, or the cost for fixing the damage will be removed from the tenant's security deposit at the end of the tenancy. This does not apply to fair wear and tear.

How do you ensure that my property is been look after?

At Properties on the Market as part of our comprehensive letting service. We do regular inspections of your property to ensure that it is been kept to a high standards.