landlord's guide to letting

READINGS

Putting great property on the map

Introduction
why choose Readings?

Letting your property involves some important decisions about a hugely valuable asset. It also requires a great deal of hard work and organisation so it really pays to talk to the right people from the outset.

As one of Leicester's leading independent estate agents, we've been doing this for a long time! We understand how landlords can maximise the value of their property and how careful preparation can make the whole process run more smoothly. As members of the Royal Institution of Chartered Surveyors, The Property Ombudsman, And ARLA, we adhere to strict industry codes of practice to ensure that your property transaction follows the latest regulations. This guide contains a number of useful tips which we hope will lead to a successful lettings process, where ever you are in either city or county. We hope you find it useful!


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0116 222 7575
www.readingspropertygroup.com

Preparing your property to let.

There are several key areas to be addressed before placing your property on the market to let.

1. Condition of property.

The standard of decor and fittings make a bigger difference and you might think! Properties that have been nicely decorated in neutral colours with modern kitchens and bathrooms and nice flooring really do rent faster and for higher prices. To help you maximise your property's potential, we are always happy to advise in this respect.

2. Appliances and manuals.

All appliances and machinery, including the boiler, must be in good working order and serviced appropriately. It's also really useful if you can include manufacturers operating and instruction manuals to be left at the property. Similarly if you have any maintenance contracts it will be useful to have details of these supplied.

3. Energy Performance Certificate (EPC).

All rental properties in England and Wales are required to have an EPC which rates the energy efficiency and environmental impact of your property on a scale from A to G. It's important to order an EPC before you market your property to rent. We can arrange this for you with a number of accredited Domestic Energy Assessors that we use, or you can arrange to have this done yourself. Either way, it's a legal requirement we're afraid!

4. Safety regulations.

As a landlord it's important that you adhere to a number of legal requirements regarding the safety of your property. Please find more information on the appendix at the back of this guide.

5. Letting furnished or unfurnished?

There is often no difference between the level of rent achieved for a property whether it's let furnished or unfurnished. The main difference to you as a landlord is that you have more potential obligations by letting a furnished property. We're happy to advise you in this respect.

6. Management.

It's important to identify early on who will be looking after the property whilst it is let. We can provide a really comprehensive property management service. Please ask us if you'd like more details.

7. Term of letting.

Most tenancies are for an initial term of 6 or 12 months. Tenant's options to renew and early termination clauses can be negotiated.

8. Consents.

You need to check the requirements of your mortgage lender (if applicable) or ground lease and obtain the necessary consent if required.

9. Insurance.

Landlords are required to make sure that the property is fully insured. The tenants should take out their own contents insurance, but some specialist landlord policies may cover you in this respect. We can recommend a good insurance broker if you're in need of landlord cover. Please contact us for more information.

10. Utilities and council tax.

The tenant is normally responsible for paying all gas, electricity, telephone, water, council tax and television licence bills during the tenancy. The landlord may be responsible for some of these charges during any void periods. The landlord is also responsible for any ground rent and service charges payable on leasehold properties.

11. Tax.

Income generated from letting property in the UK is, unfortunately, liable to UK tax whether the landlord lives in the UK or not! Non-resident landlords will need to apply to HMRC to pay tax on the rental income through self assessment in order to receive UK rental income without deduction of tax. You must pay tax on the profit you make from renting out the property after deductions for "allowable expenses." The tax liabilities associated with letting the property will vary from person to person. We therefore recommend you seek the advice of a property tax specialist in order to minimise your liabilities. Do bear in mind of course, that government policy is constantly changing regarding landlords and tax!

12. Legal ownership.

If your property is jointly owned, co-owners must be named on our terms and conditions and on the tenancy agreement please!

Marketing your property for Let.

1. **Photography and details.**
   We present your property in the best light possible by preparing colour details with copious amounts of photography! This makes sure that potential tenants receive as much proactive information as possible about the property.

2. **Online marketing.**
   We advertise all our properties on both the Rightmove and On the Market portals. We also have an excellent website which is simple to use, intuitive and, dare we say it pretty innovative! Visit www.readingspropertygroup.com

3. **Eye-catching to let boards.**
   We've had so many complimentary remarks regarding our large, orange, map pin boards! They help get your property noticed and are still one of the most effective forms of advertising (yes even in this slick digital age in which we live!)

4. **Superbly positioned offices.**
   We get thousands of people a day walking past our busy city centre showroom. It's calm, welcoming environment attracts lots of potential clients off the street. Being so accessible is still a really good way of talking to people and finding them the property that they want. Meeting face to face is still so important to many people.

5. **Friendly, approachable staff.**
   We know it's something of a cliché to say that our staff are one of the best things about our business, but in the case of Readings it really is true! Our team take their jobs seriously, but not themselves!

Agreeing a letting.

Once we've had a tenant apply for your property, will talk through the application with you. If you're happy with it, we'll then submit the application for referencing and write to you and the tenant to confirm the terms of the tenancy, subject to contract.
That way everybody knows what to expect!

Inventory and Schedule of Condition.

If we're holding and protecting a tenant's deposit on your behalf, it's imperative that you have a thorough inventory and condition schedule carried out. Contact us for more details and prices!

Valuing your property for rent.

Rental valuations are always carried out by an experienced, ARLA qualified member of staff. Being such a multi disciplined firm, we can even provide you with capital values, if required. We are also well placed to coordinate all types of works to your property-from small repairs to major refurbishment. Just ask for further details and an idea of costs.

Tenancy deposit protection.

From sixth of April 2007 legislation came into effect requiring that any landlord or agent who takes a deposit from a tenant for an assured short hold tenancy must safeguard it in an approved tenancy deposit scheme. We are members of the Tenancy Deposit Scheme which is administered by The Dispute Service Ltd. For all assured short hold tenancies where we hold the deposit it will be protected by the scheme. For more information about the dispute service please visit www.thedisputeservice.co.uk

Our Lettings Service

Please see the table below which shows what our three different levels of service can offer you

	Tenant Find Only	Tenant Find & Rent Collect	Fully Managed
Free Market Appraisal	✔	✔	✔
Advertising (Includes internet and local newspaper)	✔	✔	✔
Accompany Viewings	✔	✔	✔
Reference prospective tenant(s)	✔	✔	✔
Prepare tenancy agreement	✔	✔	✔
Prepare inventory (If required - Please see scale of fees)	✔	✔	✔
Undertake EPC (If required - Please see scale of fees)	✔	✔	✔
Collect first months rent and deposit	✔	✔	✔
Inform utilities of tenants occupation	✔	✔	✔
Monthly rent collect		✔	✔
Monthly landlord statements sent by email		✔	✔
Holding of deposits under TDS		✔	✔
Interim property visits			✔
Co-ordination of any maintenance			✔
Arrange annual Gas Safety (Additional contractors charge)			✔
Final tenancy inspection			✔
Negotiating deposit release			✔
Serving notices (For possesion or rent review)		✔	✔

Appendix.

1. Gas.

In accordance with the Gas Safety (Installation and Use) Regulations 1988 it is the landlords responsibility to ensure that all gas appliances (boilers, cookers, gas fires, pipe work and flues including flues in voids), are checked for safety by a Gas Safe registered engineer. This should be done before a tenancy begins and then every 12 months. The regulations also state that you must retain the gas safety record for a period of two years. For more information please visit
www.gassaferegister.co.uk

2. Fire.

As a landlord you must ensure that all upholstered furniture, soft furnishings, beds, mattresses, pillows, cushions, headboards, loose and stretch covers for furniture and seat pads comply with the Furniture and Furnishings (Fire Safety) regulations 1988 and the subsequent amendments to that act. Exempted items are: curtains, carpets, bed linen, duvets, period and antique furniture manufactured before 1950. All furniture purchased new, since 1st March 1990, should comply - if it does it will have a safety label attached to it. If in doubt, the items should be removed. For more information you can download a copy of the regulations by visiting
www.legislation.gov.uk

3. Legionella risk assessment.

Landlords and their letting agents are now obliged by law to carry out risk assessments for legionnaire's disease and if necessary, take action. These guidelines apply primarily to England. For more information just ask one of our helpful members of staff or go to
www.hse.gov.uk/legionnaires

3. Right to rent checks.

Yes, yet more legislation from the government! If you are found letting a property to someone who does not have the right to be in the UK and you cannot show that you have made right to rent checks, then you could face a substantial penalty. We have various procedures in place to do this on your behalf, but for more information, please visit: https://www.gov.uk/check-tenant-right-to-rent-documents/who-to-check

4. Electrical appliances.

The Electrical Equipment (Safety) Regulations 1994 place a legal responsibility on landlords to make sure all electrical wiring, installations and appliances supplied as part of the property are safe. To comply with the Act, all electrical installations and appliances in the property need to be regularly checked and serviced by an appropriately qualified engineer. We would recommend that landlords carry out regular checks on such equipment.

5. Smoke and carbon monoxide alarms.

All tenanted properties must be equipped with a working smoke alarm on each story that has living accommodation. They also need a working carbon monoxide alarm in any room used as living accommodation and which contains a solid fuel burning combustion appliance. The landlord (or their representative) must ensure that the alarms are in proper working order on the day of the tenancy starts. New homes built since June 1992 are required to have mains operated and interlinked smoke alarms fitted on every floor.
https://www.gov.uk/government/publications/smoke-and-carbon-monoxide-alarms-explanatory-booklet-for-landlords

6. HMOs.

Any property let to 3 or more unrelated people is deemed to be a House in Multiple Occupation (HMO). The management of Houses in Multiple Occupation (England) regulations 2006 require that all HMOs have every fixed electrical installation inspected and tested at least every five years and an Electrical Installation Condition Report (EICR) prepared by a qualified electrician. Landlords should also ensure that they have proper licensing from the relevant local authority in respect of an HMO.
https://www.leicester.gov.uk/media/87666/hmo-information-for-landlords.pdf

7. Safety checks.

We can arrange for gas and electrical safety checks to be carried out on your behalf, by a qualified engineer. Likewise we can arrange for legionella risk assessments and energy performance certificates to be compiled on your behalf.
The world of the legislation when it comes to letting properties is ever changing. As experienced, qualified agents with our fingers on the pulse of the property industry, we are well placed to keep you advised of all the latest obligations that could affect you, our landlord client. We're always available for a coffee and a chat!

READINGS

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RICS
the mark of property professionalism worldwide

ARLA
Association of Residential Letting Agents

NAEA
National Association of Estate Agents