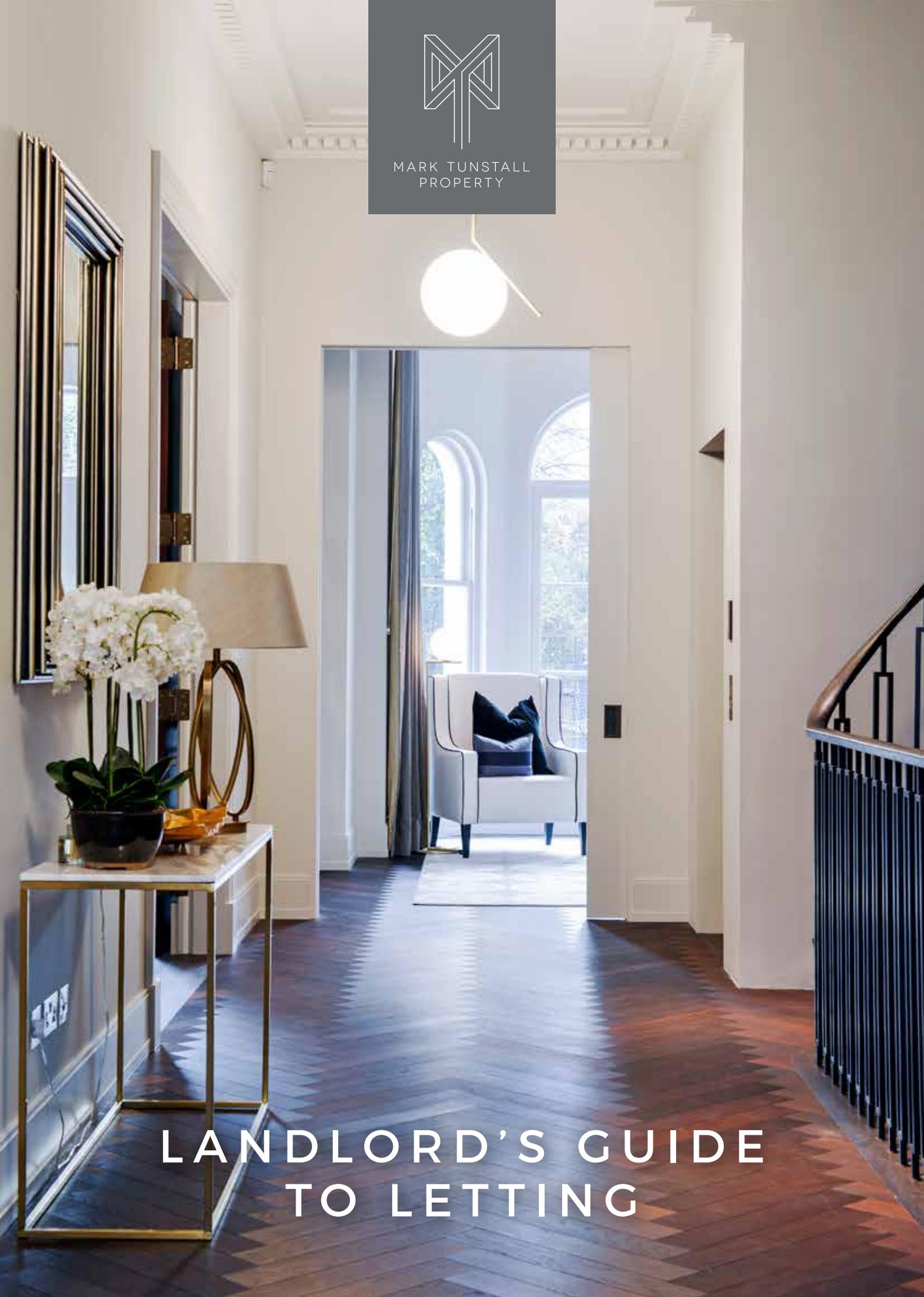




MARK TUNSTALL  
PROPERTY



LANDLORD'S GUIDE  
TO LETTING

## LANDLORDS GUIDE TO LETTING

If you are thinking about letting out your property then we will be delighted to advise you how to go about this, from how to maximize your rental return, to what your responsibilities are as a landlord and what we can do to take the stress out of what can be a fairly complex process. Our aim is to make matters as straightforward and painless as possible.

We are committed to providing you with exceptional customer service from the moment you contact us. Our wealth of property experience and expertise gives our clients the very best knowledge and advice.

If you opt for our Management Service, you'll see that we are committed to providing you with an outstanding service of a personal kind. Our meticulous attention to detail ensures we get to know each property thoroughly and we adopt a practical, hands-on approach. For further information on this service please refer to our separate Property Management Guide.



## THE APPRAISAL PROCESS

During our initial meeting with you at the property we will discuss:

- The current state of the lettings market at both a national and local level.
- The legal requirements that will apply to you as a landlord (see the section below for more information).
- How you can present your property in the best possible light, including any enhancements that are likely to increase the rental return.
- The achievable rent. In the high-value London market, quoting a fair rent is often key to securing a tenant quickly, which is critical in achieving a market return. In providing our rental valuation we will also provide comparable evidence and agree on the correct marketing price.
- Which of our two services will be more relevant to you: the Letting, Rent Collection & Renewal Service; or the Full Management Service. You need to decide whether you want to look after your property yourself or appoint qualified lettings experts to do this for you. If you are a professional landlord familiar with landlord and tenant rights and responsibilities, have good trade contacts and you are able to keep abreast of the latest lettings legislation then the Letting, Rent Collection & Renewal Service may be appropriate. For new landlords and all overseas landlords we suggest our Full Management Service.

At all times we will give you honest advice, not simply the advice we think you want to hear. Because we are a letting agent only, we are uniquely placed to offer unbiased advice as to the suitability of a new residential development as a lettings investment. We understand the financial, legal and tax implications of such investments and can provide you with the best advice.

## THE LETTING PROCESS

Presenting your property in the best possible light is key to securing the right tenant, and if you instruct us we will arrange professional photographs and detailed floor plans in order to do this. Assuming you are happy for us to advertise the property on the internet, then as well as our own website it will be featured on the major property portals

including Rightmove and On The Market.

Because of our reputation and experience, we are ideally placed to promote your property to prospective tenants who have registered with us directly, as well as via the network of relocation and search agents with whom we work closely and the HR departments of leading City firms.

Please note that by law, as the landlord you are required to have a valid Energy Performance Certificate (EPC), which must either be included in any marketing material or be available during viewings.

Before your property goes on the market, our team will visit to familiarise themselves with it. Once they have matched your property to a tenant they will arrange a viewing, during which they will be able to explain how the property and area matches the tenant's brief. We will always try to confirm the identity of any potential tenant prior to arranging a viewing.

As soon as we receive an offer from a prospective tenant we will send it to you formally in writing, including any special requests made by the tenant for changes or additions to the property. Once you accept an offer, we will confirm this to the tenant in writing, take a reservation fee and start the referencing process.

The best tenants are those who pay on time, in full and take care of a property. In order to check that this is likely to be the case, we will endeavour to check the financial credibility of a tenant by using an external credit-referencing agency. However, because many tenants in London come from overseas, this method sometimes proves ineffective, so we may obtain references from the tenant's banker, lawyer and accountant for your approval.

We will advise you about the appropriate form of tenancy and prepare a draft agreement accordingly. Our tenancy agreements are specially prepared and updated with the latest legislation and we try wherever possible to use our own form of agreement. We will advise you if a tenant proposes the use of their own agreement (this sometimes happens where the tenant is a company).

Before the start of a tenancy it is important that you have adequate contents insurance cover in place as well as buildings insurance, and you should inform your insurers that the property is

to be rented out to ensure you have the right policy. We can help to organise this for you. At the start of the tenancy you will need to provide your tenants with copies of the relevant policies.

As mentioned already, you will also need to obtain written consent to the letting from your lender if the property is subject to a mortgage, and if it is held on a lease then you will need the freeholder's permission too.

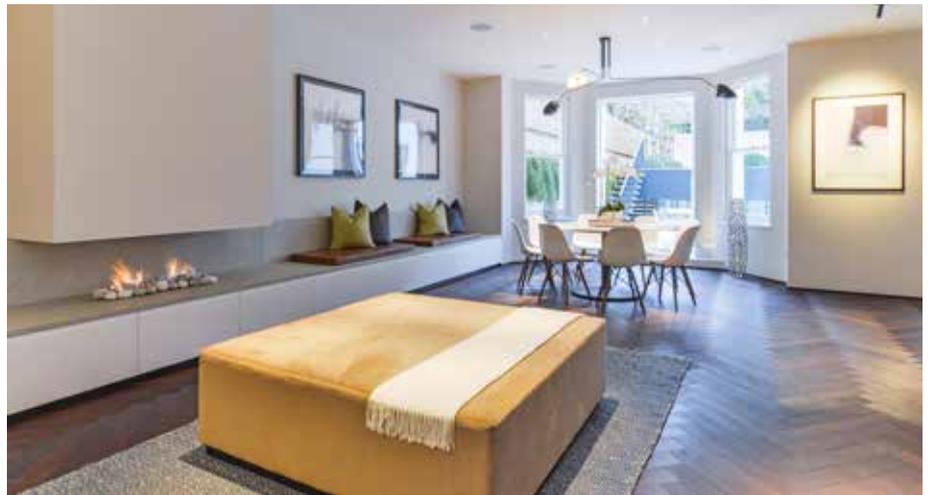
We will work with you to ensure that you are compliant with all the latest legislation applicable to landlords (for example by arranging a Gas Safe check), which is explained in more detail below.

To minimise the risk of a dispute at the end of a tenancy, we can appoint an independent third party clerk to produce an Inventory & Schedule of Condition at the start. This document is a detailed record of the condition of the property and any contents at the start of the tenancy that is then crosschecked at the end to determine whether there has been any damage for which the tenant is liable or whether any changes are attributable to fair wear and tear.

Legally, the majority of tenants' deposits must be protected in one of the government authorised tenancy deposit protection schemes. We are members of The Tenancy Deposit Scheme and so can organise this for you. Alternatively you may provide the details of the scheme you already use yourself along with your membership certificate and leaflet for the tenant.

We undertake to pay rent received by us to you (subject to the deduction of any fees due to us) as quickly as we can. Generally, we pass rent to you within one working day of receipt, although we aim to pay you the same day, and because we are ARLA licensed agents, you can rest assured your rental income is protected. Please note that we cannot release rent received for new tenancies earlier than the start date.

Agents are required by law to inform HMRC about all properties that are let, as rental income is liable to tax. Your overall liability will depend on factors such as your overall income and assets, not simply your earnings from property. Expenses that can be offset against your income include the interest element of any mortgage payment on the property,



agents' fees, maintenance costs, repairs, insurance, service charges and ground rents. However this list is not exhaustive and you should seek the advice of an accountant.

#### **Pre-Tenancy Check List for Landlords of Non-Managed Properties**

Prior to the start of the tenancy, if you have opted for our Letting, Rent Collection & Renewal Service then you will need to ensure that you have followed the checklist below. If you have opted for the Full Management Service then we will take care of these matters for you.

All appliances, boilers and other machinery must be in good working order, and serviced as appropriate.

Manufacturers' operating and instruction manuals for all appliances and electrical equipment should be left in the property and details of any maintenance contracts should be supplied to the tenant.

Ensure that all available utilities are connected to the property including a telephone line, electricity, gas and water. You should take meter readings at the start of the tenancy, submit them to the relevant suppliers and notify all service providers of the tenants' names.

A minimum of three complete sets of keys must be provided per property.

Immediately prior to the inventory check-in, it is your responsibility to ensure that the property and the contents are professionally cleaned. Conversely, by signing the tenancy agreement, the tenant undertakes to return the property and all contents at the termination of the tenancy in the same condition as

recorded at the start, save for fair wear and tear.

If you want your tenants to enjoy and take care of your home, you will need to arrange a walk-through to explain how the heating system and other appliances work and what to do in an emergency, for example how to turn the water off if there is a leak.

If you are relocating elsewhere in the UK, we suggest that you arrange for the Post Office to redirect mail to your new address to avoid delays and reduce the risk of identity theft.

## **LEGAL REQUIREMENTS**

Letting a property is a complex business. As a landlord you must comply with a range of legislation to ensure the safety of your tenants, the most important pieces of which are listed below. Much of this legislation changes regularly (and it is for this reason that many landlords appoint us to manage their properties for them) but as an ARLA Licensed Firm we are committed ensuring that you are kept constantly up to date about the latest rules and requirements.

### **Right to Rent**

"Right to Rent" checks give all landlords a legal duty to check that every tenant and occupant has the right to live in the UK. Therefore on your behalf we will take copies of the appropriate government-approved documents proving that your tenants and occupants have the right to rent or live in a property here before a tenancy begins. The same checks apply equally to all adults living in any rented property including British citizens.

nationals from the European Economic Area (EEA) and people from elsewhere in the world.

### **Gas Safety (Installations and Use) Regulations 1998**

These regulations apply wherever there is a gas fire or other appliance in a property. The landlord must ensure that any such appliances are maintained in a safe condition to prevent risk of injury to any person and they must be checked at intervals of not less than every 12 months. An appropriate certificate must be issued by an approved contractor registered to carry out domestic work, a copy of which must be given to the tenant before the start of a tenancy. Failure to comply is a criminal offence.

### **Building Regulations 1991**

These regulations require that all properties built since June 1992 must be fitted with mains-fitted interlinked smoke alarms on each floor with battery back-up. This statutory requirement does not apply to properties built before that date, but we recommend that you consider the installation of smoke alarms in your property nonetheless. If battery operated smoke alarms are fitted to the property, you must ensure they are in working order at the start of a tenancy. Carbon monoxide detectors must also be fitted in any room containing an appliance capable of burning solid fuel, although Gas Safe now suggests that a detector be fitted in all properties regardless.

### **Electrical Equipment (Safety) Regulations 1994**

Under these regulations a landlord must ensure that the earthing and insulation of all electrical appliances in the property is safe. Cabling, fuses and plugs should also be inspected and replaced with the correct rating for that particular appliance where necessary.

### **Part "P" Building Regulations (Electrical Safety in Dwellings)**

From January 1 2005 the above Regulations came into force. They require that qualified personnel must be employed to carry out certain electrical work, so if you are managing the property yourself you must ensure that any contractor you appoint to carry out electrical work is currently registered with an approved self-certification scheme.

### **Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1993**

It is a criminal offence to let property with upholstered furniture or soft furnishings that do not comply with what is called the "cigarette test", the "match test" or the "ignitability test". The regulations, which apply to all rented property, cover in general all upholstery and upholstered furniture, loose fittings, permanent or loose covers. However, they do not apply to any furniture manufactured before 1st January 1950. The way to check whether furniture complies is to look for labels attached to the furniture. If there are no labels, you must establish when and where the furniture was bought and contact the retailer or manufacturer to check whether the item complies. If you are unable to establish where the furniture came from or its compliance, it must be replaced. It is illegal to let a property with furniture that does not comply with these regulations.

### **Disability Discrimination Act 1995**

Amendments to the above Act came into effect in December 2006 giving a disabled person the right to ask a landlord for reasonable adjustments to a property to enable him to enjoy the property and its features as an able-bodied person could. Any such alterations may be made temporarily and can be reinstated at the end of the tenancy. They might include changes to wall colour, provision of a portable wheelchair ramp, changes to door handles, doorbells and taps. Such reasonable adjustments must be made at the landlord's expense.

### **Energy Performance Certificate ("EPC")**

All properties going on the market for letting must have an EPC. A copy must be given to the Tenant with any written details or prior to the first viewing. A property cannot be marketed without an EPC.

## **DURING THE TENANCY**

During the tenancy it is your responsibility to ensure the upkeep of the property. It is therefore important to have good trade contacts to ensure that any problems are dealt with quickly and effectively; and that you keep abreast of the latest lettings legislation. It is a good idea to arrange regular inspections to ensure that any matters that require attention

are dealt with as they arise. If you look after your tenants they are likely to stay for longer.

## **RENEWALS & END OF TENANCY**

We will contact you well ahead of the end of the tenancy to determine whether you would be happy for your tenant to stay on, either under the terms of a previously negotiated option to renew contained in the tenancy agreement, or under a newly negotiated term. We will then approach them to find out what they would like to do and either make arrangements to renew the tenancy or, if they wish to vacate we will make sure you have adequate notice so you can prepare for a re-letting.

On the day your tenant vacates the property, we can arrange for an independent inventory clerk to check the Inventory & Schedule of Condition. Comparing this against the document that was compiled at the start of the tenancy, you will then be able to compile a schedule of any legitimate deductions you are proposing to make from the deposit for submission to the tenant. If we are managing the property for you then we will organise this on your behalf. Once you have agreed any such deductions with the tenant you must arrange for the deposit to be returned.

## **PROPERTY MANAGEMENT**

In light of the complexities of letting and managing a property throughout a tenancy, many landlords appoint us to look after the day-to-day running of their properties.

We have a 24-hour on-call team and an extensive list of experienced, qualified contractors to ensure that problems are dealt with as quickly and efficiently as possible, giving both landlords and their tenants peace of mind. For more information on this service please refer to our Property Management Guide.

Please don't hesitate to contact us on 020 3011 1775 or email us at [info@tunstallproperty.co.uk](mailto:info@tunstallproperty.co.uk)