

LANDLORD GUIDE

Mark Jones
PROPERTY LETTING

Letting out your property can be daunting but getting the all important preparation right ensures your property meets legal requirements, is safe, and is suitable for letting. This in turn will help maximise rent potential, encourage good tenants who stay longer and eases the whole letting process.

THE BORING LEGAL BUT VERY IMPORTANT BIT

Legislation covering the letting of property is constantly being reviewed and updated by Governments. This is one of the main reasons it is advisable to use qualified and experienced letting agents like Mark Jones Property Letting. When letting your property we will ensure that the property and the letting process meet current requirements and that you stay within the law.

Listed below are just some of the more important legal requirements you should be aware of before letting out a property:-

Ownership

Can you demonstrate you are the legal owner of the freehold or leasehold? As a leaseholder you may need permission of the lessor if you want to let out your property. If you have a mortgage you will need to check with your mortgage provider that you can let. All owners must be named on our tenancy agreement.

Money Laundering

Under the Proceeds of Crime Act 2002 we are legally obliged to carry out basic identity checks on all the property owners. This needs to be in the form of photographic ID (passport or driving licence) and confirmation of your current address (e.g. recent utility bill, bank statement)

Insurance

It is important that the Landlord insures the building and if furnished the contents also. Even if you intend to let unfurnished it is wise to check to see if your insurance still covers you for any items such as carpets and kitchen appliances.

We would also recommend you check that your policy covers you for public liability to protect you against any claims of injury by the tenant, their visitors, contractors, officials or even trespassers.

You must make your insurance company aware that the property is to be let. Landlord specific insurance policies are available so we strongly advise you speak to your broker.

We will require a copy of the current insurance details.



Energy Performance Certificate (EPC)

All rental properties are legally required to have an EPC before they can be let. This provides a rating in terms of energy efficiency and the environmental impact of the property. The rating must be displayed on any marketing material and the full EPC must be made available to any potential tenant. A copy must also be provided to the tenant on commencement of any tenancy agreement.

Please note as of 1st April 2018 a property falling within the lowest two ratings (F or G) will not be legal to let to a new tenant. As of 1st April 2020 it will be illegal to let a property with an F or G rating and this will include any existing tenancies.

Mark Jones Property Letting can provide you with an EPC, please ask for more details.

Landlord Gas Safety Certificate

Under the Gas Safety (Installation and Use) Regulations 1998 it is the Landlord's legal obligation to ensure all gas appliances, pipe work leading to the appliance and flues are safe and must be checked on a yearly basis.

A Gas Safe Registered engineer will be required to carry out these checks and a Landlord Gas Safety Certificate must be given to all new tenants before the tenancy starts and at least 28 days of any subsequent checks.

You must retain the gas safety certificates for at least two years.

Electrical Certificate

Under new regulations electrical equipment must also be checked to ensure electrical equipment is safe, made in line with safety measures and meets safety objectives.

A let property should have an electrical safety check carried out by a "competent engineer" before a tenancy starts and it is recommended this is rechecked every 5 years.

New regulations were changing at time of writing so please check with our office for the up to date legislation.



Furniture & Furnishings (Fire) (Safety) Regulations

Covers items of upholstery (soft coverings) such as beds, headboards, cushions, sofas etc. All must pass the Furniture & Furnishings (Fire) (Safety) Regulations 1988 to protect tenants against the spread of fire.

Furniture when bought will come with a safety label attached stating that it complies. If there is no label and/or you are in any doubt remove the item from the property.

Smoke and Carbon Monoxide Alarms

Landlords are legally obliged to ensure each storey of their property has a working smoke alarm fitted.

In addition carbon monoxide alarms are legally required in any room containing a solid fuel burning appliance. We would also highly recommend a carbon monoxide alarm is fitted in any room with a gas burning appliance for both you and your tenant's piece of mind.

Maintenance of both smoke and carbon monoxide alarms are the Landlords responsibility.

Though Landlords are legally required to ensure the alarms are working at commencement of a tenancy it is the tenant's responsibility to replace any batteries and report any faults during the tenancy.

Risk Assessment

Landlords must ensure their properties have undertaken a risk assessment including those for both legionnaires and fire.

Non-UK Resident Landlords

All Landlords who live abroad must complete the relevant HM Revenue & Customs form to receive full rental income with no Tax deducted. If approval is not granted from the HMRC, Mark Jones Property Letting is legally required to deduct tax from your rental income.

Right To Rent

The Immigration Act 2016 and the provisions relating to immigration right to rent came into effect on 1st December 2016 which made amendments to the Immigration Act 2014.

Landlords and Agents have to make simple checks on the immigration status of all tenants to deem if they have a legal right to rent in the UK.

All prospective tenants will have to produce documents to either prove they are a UK citizen or are legally entitled to live in the UK.



WHAT WE WILL NEED FROM YOU

Terms of Appointment

Please read through our terms of appointment carefully. This is our standard agreement, however we are happy to make any agreed alterations, so please do not hesitate to discuss this with us.

Contact Details

Your home address, contact telephone numbers, email address and any emergency contacts should you be unavailable.

Bank Account Details

Where and how you want your income to be paid

Availability

When is the property going to be available to view and when will the property be available for a tenant to move into?

Keys

For carrying out viewings or alternative arrangements for viewings.

Ideally we require three sets of all keys. Two to give the tenant when they take residence and one for our office that we will hold in a secure location for any emergencies.

PRESENTING YOUR PROPERTY

Ok, so you've done all the above now lets prepare for a tenant!

Clean well maintained properties will always be more appealing to prospective tenants. They let quicker, command a higher rent and tenants are more likely to look after their new home if the property was clean and well maintained at the start of their tenancy.



Cleaning

It is surprising how many prospective tenants are put off by the small things such as, crumbs in a kitchen drawer or dirty sealant around a bath.

Clean and vacuumed carpets, polished metal works, sparkling bathrooms, kitchens, windows and a fresh smell throughout will help create a good feeling about a property. And don't forget any communal areas. A vacuum of the communal hallways and removing any items of rubbish or junk will also help.

If the property is to be let unfurnished then remove any odd bits of furniture. Tenants often do not want these or take this as an excuse to leave their unwanted pieces of furniture when they vacate the property.

No matter how clean the previous tenant has left the property we would always recommend the property is given a thoroughly good clean before the next tenant takes possession.

Even empty properties can become dusty and musty in a surprisingly short space of time so during any void periods ensure the property is regularly given a spruce up.

Decoration

Well maintained décor will also help sell your property to a prospective tenant. Neutral, freshly decorated properties will always have more appeal. We would usually recommend avoiding bold colours or wallpapers as these can be very subjective, however a small splash of colour to rooms such as bathrooms, kitchens or even feature wallpaper to a fireplace in a living room can create a modern homely feel.

Carpets and Floorings

Clean well maintained floorings are essential. Avoid very light coloured floorings as these can easily mark or stain. Neutral colours again are best, and avoid highly patterned prints or deep colours as these can darken a room and make them appear smaller.



Gardens and Outside Areas

Ideally a rented property needs an easily maintained garden. Well mown lawns, swept paths and driveways, trimmed shrubs and bushes and where possible a splash of floral colour will add attraction to your property. Make sure fences and gates are in good order and consider treating any wood in between tenants.

Ensure outside storage such as garages and sheds are clean and empty. If there is no outside storage and space allows consider adding some.

Consider removing any large trees especially firs as these can grow very quickly and are often a source of neighbourly complaints. It may be unfair to ask a tenant to maintain large, quick growing trees or shrubs.

Improvements

You may feel your property would benefit from adding an extension or a loft conversion. Careful consideration should be given before carrying out improvements such as these as they are expensive and it may be some time before a Landlord sees a return on their outlay.

However improvements such as fitting double glazing throughout, a more economical heating system, a modern bathroom suite or new kitchen will add to the appeal of the property and help command a higher rent.

Smaller improvements like replacing an unsightly fireplace in a lounge or adding fitted wardrobes to a bedroom may not increase the rent but could help let the property more easily.

THE TENANCY

The Tenancy Agreement

As part of our terms of appointment you will be agreeing for us, acting as agent, to sign the tenancy agreement, guarantee forms and any other legal documents associated with letting your property on your behalf. If you wish to sign these documents yourself then you will need to notify us in writing.

The tenancy agreement sets out the legal obligations between the tenant, the landlord and the agent. Our tenancy agreement has been drafted by The Letting Centre in accordance to the OFT Guidance of Unfair Terms and therefore designed to protect all parties involved.



Our tenancy agreement is an assured shorthold tenancy and will be for a minimum of six months. Therefore all parties are committed for that six month period. After the six months we usually hold over a tenant as a statutory periodic tenant. However if you and the tenant require longer fixed terms we are happy to negotiate with each party at our standard fee rate.

You cannot give a tenant notice within the six month period and then two month's notice from the date of the tenancy is the minimum requirement. Tenants are obliged to give at least one month's notice.

Deposits

From April 2007 all monies taken as a deposit on a property must be protected under one of the government approved deposit protection schemes. Once a deposit is paid it must be registered with one of these schemes and the tenant provided with the prescribed information within 30 days. Failure to do so could result in the Landlord being fined up to three times the amount of the deposit and could delay any notices to the tenant being made.

Mark Jones Property Letting is a member of the My Deposit and TDS schemes and we are monitored to ensure the deposits are all secure.

At the end of tenancy providing all outstanding bills relating to the tenancy are paid and the property has been left in an acceptable condition the deposit will be returned to the tenant. If there is a dispute and the tenant does not agree to any deductions the deposit protection scheme will act as arbitrators and from the evidence presented to them decide who is entitled to which parts of the deposit.

Management

Regardless of the level of service with Mark Jones Property Lettings you have selected, we will always manage your property to the best of professional ability.

We can make regular inspections of your property, organise repairs, ensure rent is being paid and deal with any notices if necessary.

Whichever level of service you choose we will always work to the best of our abilities to ensure there is a good relationship between tenants, so that rent is paid on time, minimise dilapidations and keep void periods as short as possible.

OTHER USEFUL TIPS TO REMEMBER

To help your new tenant settle in here are a few things you can organise for them:

Utility Companies

Who are the current suppliers and how are the bills paid? Make sure you read the meters and close any accounts before the new tenant moves in. Remember during any void periods you as owner are responsible for any bills relating to the utilities. This might include daily standing charges even if there are no utilities being used.

Council Tax

Notify Council Tax Office of any new tenants. Again the Landlord will be responsible during any void periods.

Manuals

Manuals should be made available for all appliances to show the tenant how to use them correctly. It can often be difficult to argue that a tenant has broken an appliance through misuse, if they have never been show how to use it in the first place.

Provide a House File

Consider leaving a house file that can be left at the property full of useful information for the new tenant. This could include any specific instructions for running the property you feel might help, the location of fuse boxes and stop taps, bin days and even names of the friendly neighbours or the nearest local shops. It helps welcome a tenant into their new home and build a good relationship.

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