



## THE LANDLORDS GUIDE TO RESIDENTIAL LETTINGS

People from all walks of life are becoming involved in the rental market and increasingly, large numbers of people are entering the 'Buy to Let' sector as an opportunity for investment. In light of increasing legislation and regulation in this sector, landlords have come to expect extensive knowledge and expertise from the Agency they choose. Our expert team are here to ensure that you are guided safely through this increasingly challenging environment. We will assist you with everything from energy performance certificates through to landlord insurance obligations and much more.

John Wood & Co has an excellent reputation for letting and managing a variety of properties throughout East Devon, the Axe Valley and surrounding areas. With over forty years proven experience, our aim is to build strong, long-term client relationships to ensure the rental of your property goes as smoothly as possible.

Letting your property will take some initial planning and is likely to throw up some concerns. Our experienced team is here to minimise the challenges and make the process stress free for you. Our research tells us that landlords have three principle concerns;

### Property Damage

Under our Full Management Scheme we carry out rigorous property inspections that will reassure you that your property is being well looked after. We will inspect during the first month of the tenancy and regular intervals thereafter. Should any maintenance be required, we will instruct our trusted contractors to get to work, with as little disruption to the tenants as possible. We pride ourselves on building strong relationships with our landlords and tenants which is an invaluable when managing your investment.

### Rent Arrears

There is always the risk of rent default by your tenant as you cannot predict them falling on hard times, losing their job or becoming ill and then not being able to pay the rent. Recovering rent arrears can be a challenge, very costly and without any guarantee of recovery. Arrears insurance will cover you against your tenant defaulting or failing to pay the rent.

Our Gold Manage Plus Package offers arrears insurance (which is tax deductible against your rental income). This, combined with in depth referencing pre-tenancy, manages to minimise these difficult periods and offers landlords real peace of mind.

### Empty Periods

If we manage your property, you can be assured that it will be maintained in good order. We keep up frequent dialogue with our tenants and carry out regular property inspections, which minimise any refurbishment, empty periods and additional cost at the end of the tenancy.

### Charges to Tenants

We are fully aware of the Government proposals to bar initial charges for tenants pre-tenancy. We will be offering landlords a suitable solution once the legislation is forthcoming.

If you choose John Wood & Co as your letting agent, you will need to decide on how involved you would like to be in the process. We have a choice of options available to you:

## **A SERVICE TAILORED FOR YOU....**

### **Bronze Package - Tenant Find**

This service is for those landlords wishing to be fully involved in the day-to-day activities post tenancy and offers all of the following:

- Comprehensive marketing package which includes; colour advertising on our website, on the major property portals and in the local newspapers.
- Match your property out to our registered tenants
- Accompanied viewings
- Comprehensive tenant checks and full referencing
- Collection of holding deposit and security deposit
- Schedule of condition
- Moving the tenant in, including; keys and utility readings

### **Silver Package - Full Management**

This service has been tailored for those landlords wishing to take a step back from their investment and let the agent manage the property and includes:

- Comprehensive marketing package which includes; colour advertising on our website, on the major property portals and in the local newspapers.
- Match your property out to our registered tenants
- Accompanied viewings
- Comprehensive tenant checks and full referencing
- Collection of holding deposit and security deposit
- Schedule of condition
- Moving the tenant in, including; keys and utility readings
- Collection and transfer of rent, less any fees and maintenance expenses
- Regular property inspections and report to landlords
- We will organise the annual gas safety check and certificate
- We will obtain competitive quotations and, upon approval, arranging for the necessary repairs and maintenance to be carried out
- Moving the tenant out including; check-out inspection, collection of keys and utility readings
- Remarketing for your next tenant
- Our fee is paid as a percentage of the rent collected

### **Gold Package - Manage Plus**

This service is for complete piece of mind and tailored for busy landlords who need to concentrate their time on other projects and commitments. This service offers all aspects of the Gold Package and in addition;

- Comprehensive inventory (essential for furnished properties)
- Rent guarantee and legal protection

## **STEP 1 – GETTING STARTED**

John Wood & Co will offer you a free lettings appraisal of your property. Your appraisal is unique to your property and before any recommendations we consider all aspects of the property, including; size, condition, location and market conditions.

## **STEP 2 – PREPARING YOUR PROPERTY**

First impressions count, so preparing your property for rental is key to its success. The rental market is very competitive, so to attract the best and most reliable tenants, you should present your property in the most effective way. We have listed a few guidelines below to assist you:

- Interior walls should be kept neutral colours and carpets plain
- Fabrics and furnishings (if any) should be able to withstand reasonable wear and tear and be of suitable quality
- Animals odours should be completely eliminated
- The front aspect, front door and entrance hall should be clean and clear of any obstructions
- Throughout the property, it should be clean and well-aired
- The garden should be pruned and tidy
- Most tenants prefer the property to be unfurnished and it has been found that a tenant is more likely to respect the property if they have their own possessions

If the property is not in a good state of repair at the commencement of the tenancy, the tenant has the right to insist that repairs are carried out and in the event that the damage is serious, the tenant will be entitled to consider the letting as terminated as the Landlord will be in breach of his obligations.

The costs of everyday repairs and maintenance are the responsibility of the landlord but, if we are instructed to manage your property on your behalf, we will pay the contractor out of the Tenant's rent. We can also organise quotes for approval on any major repair as this becomes apparent.

## **STEP 3 – ADVERTISING & VIEWINGS**

Our team will prepare detailed information for your rental property which will be displayed in our office and advertised on our website, on the major property portals and in the local newspapers. The details will include; property summary, room descriptions, colour photographs, room sizes and any specific requirements (i.e. no pets). It is important to price your rent fairly but realistically in order to attract the most suitable tenant.

We always do accompanied viewings and we will inform you when these are to take place. We will also contact you afterwards with any feedback.

## **STEP 4 – FINDING A SUITABLE TENANT**

When we have found a potential tenant we will carry out comprehensive checks and referencing. We use a referencing agency called Rent4Sure for this process and includes a full credit check. When a satisfactory report is returned for the tenant, we will inform you and arrange a suitable date for the start of the tenancy.

## **STEP 5 – SECURITY DEPOSIT**

As members of the National Association of Estate Agents (NAEA), we are required to hold all tenant security deposits in a government approved, separately audited and designated client account that is fully insured under a Tenancy Deposit Protection Scheme and we currently use MyDeposits.

The security deposit is held for the duration of the tenancy against loss, damage or charges payable at the termination of the tenancy. It is returnable in full at the end of the tenancy subject to final inspection of the property. Should the property and garden not have been left in a satisfactory condition, deductions will be made for cleaning, gardening, removal of rubbish, etc.

## **STEP 6 – TENANT MOVING IN**

The Lettings Team at John Wood & Co will prepare and supply you with all the legal documentation you require including the Tenancy Agreement. We will also brief you on your legal requirements when letting a property (i.e. gas safety certificate, smoke alarms, electrical safety and legionella).

On the moving in date, we will complete a Schedule of Condition for the property which the tenant is required to sign together with them signing the Tenancy Agreement. This is an important document with accurate descriptions of the overall condition of wall/floor coverings, kitchen and bathroom fittings to name but a few. Monies cannot be withheld from the Tenant's deposit unless the loss or damage is proved to have been caused by the Tenant. Also, an inventory will also be drawn up at the start of the tenancy for furnished properties (fees apply) and is a false economy to prepare your own.

We will issue your new tenants with the necessary paperwork, including the gas safety certificate and energy performance certificate, and we will also provide them with two sets of keys.

The tenant is responsible for setting up a standing order with their bank for the rent to be paid; this is usually on a calendar monthly basis. If you have chosen us as management agents, the rent is then forwarded to you after any agreed deductions have been made for contractors, repairs, etc. For our tenant find only package the rental payments will be paid directly to you from the tenant.

## **OTHER CONSIDERATIONS:**

1. Before embarking on a new rental, it is essential landlords familiarise themselves with current legislation and regulations, including but not exhaustive;
  - Landlord and Tenant Act 1985
  - The Electrical Equipment Safety Regulations 1994
  - Gas Safety Installation and Use Regulations 1998
  - Furniture and Furnishings (Fire Safety) Regulations 1988
  - Energy Performance Certificate
  - Asbestos
  - Smoke Detectors
  - Carbon Monoxide Detectors
  - Water Supplies
  - Risk of Scalding
  - Roller Blinds
  - Immigration Act
  - Health & Safety
  - Legionella

2. Written consent must be obtained from your mortgage lender or freeholder if the property is leasehold.
  3. Your insurance company must be notified that the property is to be rented out and appropriate insurance obtained for a tenanted property. There are specialist insurance companies who can provide this cover.
  4. The Inland Revenue must also be informed within 6 months of letting your property, flat or apartment in the UK and failure to do so will incur penalties, interest and other consequences. The following deductions can usually be made from your rental income;
    - Mortgage interest
    - Insurance
    - Costs of property maintenance and repairs
    - Agent fees
    - Ground Rent and Service Charges for leasehold properties
  5. Mail should be redirected with the Post Office.
  6. Utilities such as gas, electricity, water, telephone and council tax will be taken over by the tenant. They are responsible for notifying the suppliers and can change the supplier if they so wish.
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***You require a professional, reliable service and as such, the team at John Wood & Co are here to make the rental process for landlords as stress free as possible. We are a member of the Property Ombudsman which ensures that professional standards are met and often exceeded.***