

DWELLINGS  
of WARWICKSHIRE  
RESIDENTIAL LETTING & MANAGEMENT AGENTS



*Landlord Package*

## INTRODUCTION

We are a specialist Residential Letting Agent and Property Management Company operating out of our busy centrally based office in Stratford upon Avon town centre and serving the immediate area, villages and surrounding towns.

We are able to provide a variety of services from Let Only to Full Management and are flexible and able to tailor our services to your specific requirements.

We offer impartial advice without obligation and guidance towards suitable buy to let properties.

We want to make sure any investment you make is the right choice; and can offer you advice which includes:

- Current letting market conditions
- Predicted future market conditions
- Locations for specific property types
- Possible locations to avoid
- Yield information on all of your short listed properties
- Full rental appraisal and recommendations
- Access to specialist 'buy to let' mortgage advisers
- Recommendations on property presentation
- Specialist landlord and tenants insurance providers

Why not call into our office at 46 Rother Street, Stratford upon Avon, CV37 6LT, telephone us on 01789 299512 or email us at [lettings@dwellingsofwarwickshire.co.uk](mailto:lettings@dwellingsofwarwickshire.co.uk)

Best wishes and regards

**Dwellings of Warwickshire**



## **MARKET CONDITIONS**

As the lettings market is constantly changing, make sure you are well informed as to current trends and predicted trends for future rentals.

## **YIELD INFORMATION**

Knowing how to achieve the best possible returns for your investment is key.

This would include making the right choice of investment property based upon current market conditions.

Important information on how rental levels have changed over the years and predicting how they might change in the future.

## **MARKET APPRAISALS**

We are able to offer free rental property valuations in order for you to make an informed decision for a buy to let mortgage.

# IMPORTANT INFORMATION FOR THE LANDLORD



## **I. PRIOR TO LETTING YOUR PROPERTY**

Before we can enter into a lease you will need, if applicable, to notify or seek permission from the following parties :-

### **Your Mortgage Lender**

It is your responsibility to notify your mortgage lender that you intend to let the property, to gain their permission and of course to maintain your monthly payments.

Normally the Lender will have no objection to you letting the property provided that you are up to date with your mortgage payments and that the lease contains the correct notices of mortgage repossession.

### **Leasehold Landlord**

If your property is Leasehold, you may be required under the head lease to obtain approval of the prospective let. In addition certain Clauses and lease terms on the head lease will have to be incorporated into the Assured Shorthold Lease drawn by us for the property. Again we will gladly undertake this for you if required.

### **Your Insurance Company**

It is essential that your insurer be informed that there will be tenants in your property. Your cover may be invalidated if they are not aware of the change and a problem or claim occurs. If you present your property furnished then you will be responsible for insuring the contents and again the insurance company must be aware that it is tenanted.

We can, through our connection with HomeLet, assist you with both your Building and Contents Cover as well as Legal Protection Cover, Rent Protection Cover and Tenants Contents Cover. You will find our premiums very competitive.

## **2.THE PREPARATION OF THE PROPERTY**

A well maintained and well presented property is easier to let and will almost certainly justify a higher rental level. It is also important to leave as many booklets and manuals for the appliances as possible as well as any details of service contracts and maintenance contracts for all appliances including boilers.

The property should be cleaned and the garden tidied. The lease will bind the tenant to return the property in a similar condition, fair wear and tear accepted. We suggest you correct any faults and maintenance issues prior to letting your property.

### **Furniture**

If you decide to let your property unfurnished, the minimum requirements would be carpets, curtains (or blinds), light fittings (please not just bare bulbs on wires), a cooker, fridge and washing machine.

The Kitchen should be functional with adequate units and work surfaces.

However you should be aware that as a Landlord you will be responsible for the ongoing maintenance of any appliance left for the tenants use. Therefore if the breakdown occurs from normal wear and tear and not through neglect by the tenant then the landlord would ordinarily be expected to repair or replace the appliance. If the tenant causes the breakdown through neglect, then the repair becomes the tenant's responsibility.

### **Gardens**

Generally the tenant will be responsible for the upkeep of the garden as they must return the property, including the garden, in the same condition as at occupation. However some tenants do not have any tools such as lawn mowers and if it is possible a small range of tools should be left for their use.

We appreciate that some of our landlords have invested a lot of time and effort in their gardens and may well wish to consider employing the services of a gardener.

We would be happy to provide you with a quote from our experienced contractors and we can also look into building these costs into the monthly rental.

## **3. IMPORTANT LEGISLATION**

### **The Furniture & Fire Regulations 1993**

These regulations affect all Landlords in the private and public sector who let accommodation. They apply to furniture and furnishings included in holiday homes and residential accommodation which are let in the course of business.

### **Gas Safety (Installation and Use) Regulations 1994**

These regulations now state that Landlords are responsible for ensuring that all gas appliances left in the property must be inspected annually and that each appliance should have a Landlords Gas Safety Certificate in force at all times during the tenancy.

This annual certificate must be made available to the tenant. We again will gladly organise this for you as part of our management service.

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

Landlords must ensure that rental homes are electronically safe and as such we recommend that a Periodic Inspection Report (PIR) be carried out by a qualified electrician as required (between 1-5yrs) with a routine annual check.

### **Smoke Alarms**

The Building Regulations 1991 require that all properties built since 1992 must have mains operated interlinked smoke alarms fitted on every floor.

Should your property not be fitted with any smoke alarms, we strongly recommend that you at least have basic battery models fitted. Again this is something we can arrange.

We strongly recommend that Carbon Monoxide detectors are installed too.

## **Energy Performance Certificates**

As part of a European directive called 'The Energy Performance of Buildings Directive' all domestic and non-domestic buildings will require an energy report carried out to show energy used and CO2 emissions of the property.

We use a local company that provides these surveys efficiently and at a competitive cost. We need to ensure this inspection is undertaken once we market the property to let.

Upon payment, we shall forward details to our surveyors who will make the necessary appointments to proceed.

Please note if you have a HIPS report on the property, the EPC should be included in that report and we would simply need a copy to hold on file in our office.

## **Legionella Risk Assessment**

Landlords who provide residential accommodation have a legal duty to ensure that the risk of exposure of tenants to legionella is properly assessed and controlled.

Landlords are obliged to have a risk assessment conducted out at their properties followed by subsequent periodic reviews.

Dwellings are able to organise this for you at a competitive cost.

A copy of the HSE Essential Information for Providers of Residential Accommodation is available upon request.

## 4. INCOME TAX LIABILITY

### UK Resident

Income Tax is payable on UK lettings irrespective of where you live and whilst any rental income is considered, you are only taxed on the profit and can offset certain costs against this income, these include:-

Letting and Management fees

Insurance

Mortgage interest

Repairs and maintenance

Unused personal allowance

Wear and tear of furniture

Legal and professional fees

### Non UK Residents

If you are classed as a non UK resident during the term of tenancy, you should check the implications of the Taxes and Management Act 1970.

These impose an obligation to us, your agent to account to the Inland Revenue for any taxes due on your rental income. To cover this liability they require that we retain currently 20% of the gross rent and pay this to them quarterly.

You can however apply to the Inland Revenue to receive the rent gross of any tax deductions, by completing an approval (FICO) form online for overseas landlords to receive UK rental income gross (Form NRL1).

## **5.THE RANGE and OPTIONS OR SERVICES AVAILABLE**

*1. Let Only (Basic Letting Service)*

*2. Let Only with Rent Collection*

*3. Fully Managed*

### **5.1 LET ONLY (THE BASIC LETTING OPTION)**

This service would be for the Landlord who wish for day to day management control of the property.

The Basic Letting service includes:-

#### **Rental Valuation**

Upon your instructions, we will visit the property and advise on the rental level but also on any possible work required to allow your property to reach its full market potential.

#### **Marketing**

On receiving your instruction to proceed we shall arrange to take digital photograph's and will have A4 details of your property together with digital photographs on our own website ([www.dwellings.co.uk](http://www.dwellings.co.uk)) and also on ([www.rightmove.co.uk](http://www.rightmove.co.uk)) which is the No.1 property portal website.

We will display these details in our office in order for prospective tenants to view.

Using our extensive database of prospective tenants, we will match your property to potential tenants.

Organise a "To Let" sign.

We also have contacts with relocation companies in the area and Human Research departments of large corporations which allow us to make them aware of particular properties becoming available for their relocating personnel in their employ.

#### **Viewings**

We would require keys, alarm code and any other access details as we always accompany prospective tenants to your property for viewings.

## **References**

We endeavour to obtain the following references on each tenant:-

- Financial: *A financial reference from reputable credit data company or their bank, providing CCJ information, bankruptcy, registered and linked addresses.*
- Employer: *A current employers reference and three recent pay slips.*
- Landlord: *A current or previous landlords reference if applicable.*
- Character reference: *At least two character references.*
- Passport / Driving Licence / Identity Card: *A photocopy of each with a current photograph, and current bank statement.*

We may also request a guarantor if we feel it appropriate.

## **Legal Documentation**

We will prepare full documentation including the lease, notices, standing orders, tenant obligations and invoices for rent and deposit.

The lease will include details of the rental, term of lease, rental amount, deposit amount and tenants obligations. Specialist CFP based software continues to be updated to ensure it conforms to the legal requirements of all recent legislation of the 1988 Housing Act. Two copies of the lease are produced and both signed by the tenants and ourselves on your behalf.

## **Inventory and Condition Reports**

We strongly encourage all of our landlords to ensure a comprehensive report is provided to the tenants detailing all portable items in the property together with the condition of decoration, carpets and furnishings. This should be signed off by the tenant and retained as a record of the condition of the property upon occupation. These reports (included with our Management option as part of the package) can be prepared for you if necessary at a very reasonable cost.

## **Tenant Handover**

We will, upon full documentation being signed and witnessed and all monies paid in cleared funds, hand your property over to the tenant for their occupation.

They will be handed a welcome pack containing a letter detailing the relevant contact details for ourselves and emergency contractors. Alternatively where the property is a Let Only the landlords preferred contact details will be available. A further letter providing local information, deposit protection information, copy inventory/condition report and of course the keys to their new home.

## **5.2 RENT COLLECTION**

This option to include all as per Section 5.1 'Basic Letting Option' but in addition we undertake a rent collection service.

We will collect the rents each month, this is usually done via standing orders from the tenant's bank and forward payment to you by bacs transfer to your nominated account.

You will then receive a statement of account each month detailing all transactions,.

## **5.3 THE PROPERTY MANAGEMENT OPTION**

This option includes all the services required to let and perform the day to day management of your property. This option would suit a landlord who wants a hassle free let, leaving us to undertake all the necessary work within our total management control.

In addition to the Letting Services, 5.1 & 5.2 as detailed above, our Management service includes the following:-

### **Inventory and Condition Reports**

We shall prepare an inventory and condition report of your property as part of the management option.

In addition we will undertake the property 'check-out' when the tenancy comes to an end, this involves undertaking a final inspection, detailed check against the inventory, appraising any damage and obtaining estimates for remedial work including cleaning, undertaking works and recovering the monies from the tenant.

Upon total satisfaction that the property has been returned to its original condition, with wear and tear taken into consideration, we will complete the transaction by returning the balance of the deposit to the tenant.

### **Inspection Visits**

Dwellings will undertake to inspect your property during the tenancy. This takes the form of a visit to check the overall condition of the property. It is at these inspections that we monitor the tenants behaviour, tidiness and upkeep of the property including gardens. Any adverse findings will be reported to you and we will notify the tenants of our report and insist on immediate

rectification. Our inspections are carried out approximately every 3-4 months on fully managed properties unless we feel it appropriate to inspect on a more frequent basis.

## **Deposit**

We will insist that the tenant makes available a sum of money equal to at least one month's rent +£100 extra to act as a dilapidation deposit, this sum is held by us in a segregated Client call account, unless specifically requested by the landlord.

## **Tenants Deposits: New Legislation Housing Act 2004**

As part of recent legislation under The Housing Act 2004, you are legally required to protect your tenants deposit with effect from 6th April 2007.

We utilise 'mydeposits' for deposit protection who are a company jointly owned by The National Landlords Association and Hamilton Fraser Insurance plc. 'mydeposits' are one of three companies who have been awarded a contract to operate this government approved scheme. The scheme is administered by Hamilton Fraser Insurance plc who are regulated by the Financial Services Authority.

The scheme is primarily designed to legally enable Landlords or Agents to hold tenants deposits throughout the duration of a tenancy, and at the end of the Assured Shorthold Tenancy Agreement the tenant's deposit is returned without dispute.

Should a dispute arise which cannot be resolved amicably between all parties, then the scheme administrator will arbitrate the disputed amount.

Dwellings of Warwickshire Ltd are members of this scheme with 'mydeposits' and have borne the cost of membership and will continue to cover the annual renewal fee. However Landlords will be required to cover the Deposit Protection Fee which is currently £35 plus VAT (£7.00) (Total £42.00) per deposit held.

## **Maintenance and Repairs**

During the tenancy certain issues involving repairs or maintenance may occur at your property. The tenant will have been informed that all repairs required must first be reported to Dwellings of Warwickshire Ltd and only we can authorise any such works. Before doing so we would ascertain the cause and if we believe it was caused through tenant neglect then the tenant will be liable to pay for rectification. However, if the repair is due to wear and tear and general living, then the cost

may fall to the landlord. We will at all times endeavour to obtain the most reasonable quote for the work. In certain cases we may use our own Contractors to undertake such repairs and will attempt to contact you before we undertake any work. We do however reserve the right to commission work without contacting you if we believe it to be an emergency, unless specifically requested otherwise.

### **Utilities Notification**

As part of the Management service, we will read meters at the commencement of the tenancy and notify the relative utility authorities of the change of occupier. Any final bills due can be forwarded to us where upon we can settle from rentals received or indeed forward to you for settlement.

In addition we will notify the Council to have the liability for Council Tax changed to reflect that of the occupier.

### **Income Tax Certificates**

If required we will prepare at your year-end a statement showing gross rental together with a full breakdown of all costs, repairs, maintenance and fees, giving a net rental figure for tax submission purposes.

### **Problem Tenants**

Whilst every attempt is made to locate the best possible tenants for your property, circumstances may change and the tenant may become a problem tenant, either late paying or non paying.

If your tenant is late in paying, we send a letter of demand after 7 days, followed by a very strong letter warning of Legal Procedure after 14 days. We have found historically that this works in the majority of cases. We can happily report that over past years and many hundreds of tenancies, we have taken very few to court for non-payment of rent.

Should the matter however be more serious and not able to be resolved by us, then you now have a greater degree of protection under the Housing Act.

However, it can be a drawn out procedure taking the matter through the courts. Should this situation arise, you would be responsible for legal costs and court fees. This however can be insured against by a simple yearly Legal Protection Insurance available from us and underwritten by Homelet.

Dwellings however will not be responsible for any rent arrears due from tenants.

## **Notice to Quit**

In order to bring the tenancy to an end, the Landlord is required to serve a “Notice to Quit” on the tenant, which must give the tenant at least two months notice of the termination date. Service of this notice requiring possession under the Housing Act 1988 s21. will be required before you can enforce your rights of possession at the end of a fixed term or during a periodic term.

Should you wish your tenant to vacate at either the end of the fixed term or during the periodic term, then you must instruct us in writing to subsequently bring the tenancy to an end.

However under the same section of the Housing Act 1988, the tenant needs only give you one month notice of their intention to vacate the property at the end of the fixed term or during the statutory periodic term.

## **6. AGENTS CONTRACT**

Our Terms and Conditions of Business are contained in the Agents Contract at the rear of this booklet. You will be asked to sign both copies, indicating the service you require, and return it to Dwellings prior to your property being let.

## **7. CODE OF PRACTICE**

Dwellings of Warwickshire are registered members of The Property Ombudsman, [www.tpos.co.uk](http://www.tpos.co.uk), which means we have to adhere to a code of practice. A full copy of our code of practice is available from our office upon request.



*Head Office:* 46 Rother Street, Stratford-upon-Avon, Warks. CV37 6LT.

Tel: 01789 299512 Fax: 01789 262649

Website: [www.dwellings.co.uk](http://www.dwellings.co.uk) Email: [lettings@dwellings.co.uk](mailto:lettings@dwellings.co.uk)