

snms

estates

Landlord Guide .



Introduction .


Property investment has for many years consistently outperformed other investments and, in the current economic climate, demand for rental investments has increased significantly as excellent yields can be obtained together with capital growth, which has averaged over 20% per annum in recent years.

Amos Estates have been established since 1972 and we pride ourselves on over 43 years' worth of experience, knowledge and customer service, building long-standing relationships with many of our clients.

We are members of many of the governing bodies, including the National Association of Estate Agents (NAEA) and the Association of Residential Lettings Agents (ARLA), and are also signed up with The Property Ombudsman.

It is important to employ an agent registered with ARLA in order to be consulting with qualified and trained agents who can give you professional, up-to-date advice and guidance.

Our staff are fully trained and qualified in the letting and management of property and our aim is to offer a high quality and bespoke level of service to all of our clients.





Rental Income .

The rent we achieve for your property will reflect the current market levels based on comparable lettings within the local area. We will be happy to supply you with a report detailing these similar properties and their prices.

The rent will usually be exclusive of all consumables, including gas, electricity, water rates and council tax but inclusive of buildings insurance and freeholders charges.

The rent will be fixed for at least the term of the initial tenancy agreement but can then be adjusted to reflect market rentals, generally by mutual consent. Amos Estates will ensure that your rental income remains competitive and will pro-actively liaise with you on this basis.

Taxation .

In general terms the rental income, after deductions of allowable expenditure (fees, repairs, mortgage payments etc), will be treated as unearned income and will be subject to tax.

Non-resident landlords (those that do not live in the UK) will require an approval number from the Inland Revenue for the treatment of their taxable income. An NRL1 Form (Non-Resident Landlord Form) will need to be completed and submitted to the Inland Revenue.

If this approval has not been sought there is now a legal obligation on managing agents to deduct basic rate tax at source from the rental income and so it is strongly recommended that you contact your local tax office in this respect.

Individual circumstances dictate that every client's taxation position is different and we would therefore strongly suggest that professional advice is taken from a Chartered or Certified Accountant. We are happy to recommend our own accountants, Mudd & Co of Billericay (01277 630999), should you require any further assistance.

Tenancy Agreement .

All tenancies issued by Amos Estates will come within the scope of the Housing Act 1988 to ensure maximum protection for the landlord, including guaranteed repossession should circumstances dictate.

The Act stipulates that the initial fixed term agreement must be for a minimum term of 6 months but may then revert to a periodic tenancy, with a rolling notice period, or a further fixed term agreement. A fixed term agreement does not provide for an early termination other than by mutual consent or repossession due to a breach of the tenancy.

We recommend that the initial term for a new tenancy be the minimum of 6 months to comply with the act and ensure compatibility with the tenant. We would then recommend a longer fixed term agreement if long-term security is required or alternatively revert to a periodic tenancy if short-term flexibility is sought. A charge will be made for the renewal of a new fixed term tenancy agreement to the same tenant.

If you would like to see a copy of our Tenancy Agreement, we would be happy to show you in branch.



FCC Paragon Referencing .

Working in partnership with FCC Paragon, the UK's largest independent referencing agency, all of our prospective tenants are put through strict in-depth checks. As well as checking information about the tenant, FCC Paragon also speak to the relevant personnel i.e. employers, previous landlords etc.

Some of the checks are listed below, including:

- ✔ Checking for any adverse credit history, such as bankruptcy, CCJ's and court decrees.
- ✔ Confirming that bank details provided are for a genuine bank account.
- ✔ Investigating as to whether there is any undisclosed credit history which is linked to any previous or current homes.
- ✔ Contacting the applicant's current landlord or managing agent for a reference.
- ✔ Contacting the applicant's employer or accountant to confirm that their income is as stated and that their employment is not due to be terminated.
- ✔ A check will also be done against FCC Paragon's own database – this will identify if the applicant has been known to them previously for non-payment of rent or any legal claims.

Only when both Amos Estates and FCC Paragon have approved the application will the case be progressed further. Should you wish to meet the proposed tenants at any stage, you are more than welcome to do so.

Rent Guarantee .

The first six months of any tenancy are obviously the most crucial as you get to know your tenant. Whilst they will have been referenced and successfully approved when first put forward, circumstances can change.

FCC Paragon can offer a Rent Guarantee and Legal Cover to protect you should things change and the tenant becomes unable to pay. Some of the benefits are listed below:

- Cover for the total monthly rent.

- 100% of the monthly rent covered up to a maximum of 5 months.

- Legal expenses up to £25,000 to cover eviction costs if the tenant is in breach of the tenancy agreement.

- Cover for breaches of the tenancy agreement by the tenant, including non-payment of rent and expired Section 21 notices.

- 6 or 12 month cover to suit the needs of the tenancy.

- The policy covers the property, meaning it continues even when/if the tenants change.

- No excess on the policy.

We highly recommend this policy as it gives you total cover and protection against a change in the tenant's circumstances and non-payment of rent. Because of this we give you a 6 month policy for free as part of our marketing programme with the option to continue with the advantages of this scheme thereafter at extremely preferential rates due to our relationship with FCC Paragon.

Tenancy Deposit Scheme .

Legislation came into effect in April 2007 within the provisions of the 2004 Housing Act requiring that any rental deposits are fully protected. There is also the requirement that an independent arbitrary process is available if there are any disputes regarding deductions from the security deposit.

Amos Estates are fully registered with the Tenancy Deposit Scheme in order to comply with this legislation.

To this effect we will always obtain at least one month's rent (with a minimum of £1,000) held against the property and where we manage the property we will register and hold this on your behalf. Should there be any disputes with the release of the deposit we will be on hand to manage this for you and, if needed, refer the case to the Tenancy Deposit Scheme. Should we not manage the property then, as a landlord, you will need to be a member with the Tenancy Deposit Scheme or another scheme and register the deposit yourself.

Condition .

In our experience a landlord will generally obtain the type of tenant that their property deserves. So the better the condition and decor, the better the tenant and rental income.

The property should be clean and tidy throughout, in good decorative order, with well-maintained gardens and safe, modern appliances. Central heating should be serviced regularly and all appropriate instruction manuals should be readily available.

The terms of our Tenancy Agreement stipulate that, upon vacation, your property should be returned in the same condition as when a tenant entered at the start of the tenancy, subject to fair wear and tear. With a managed service regular inspections are carried out to ensure that your property is kept in satisfactory condition during the course of the tenancy. Should a dispute arise between the parties at the final inspection, the rental deposit can be held where appropriate while compensation is negotiated.



Professional Inventories .

We will provide a full professional, independent, photographic and descriptive inventory – arguably one of the best on the market – to give you the best protection we can.

This will accurately document the property’s current condition and give us the benchmark to use when inspecting the property. When the tenant moves out, it will be this inventory that will be used to compare the original condition to the new condition. Should there be any disputes, this thorough inventory will be extremely important when deciding which party is awarded any monies. Should you want to see an example of one of our inventories, please contact us. We will be happy to show you a copy in branch.



Legal Requirements .

There are a number of important safety regulations that your property must comply with before you can offer it for let on the rental market.



Gas Safety Certificate .

The Gas Safety (Installation and Use) Regulations 1998 ensure that it is a legal, mandatory requirement that all gas appliances, pipework and flues are checked every 12 months and that a Gas Safety Certificate is issued.

These regulations apply to all landlords with gas appliances, and failure to comply can lead to heavy financial penalties and/or imprisonment.

If Amos Estates are instructed to manage the property, we, along with our contractors, will ensure that a valid Gas Safety Certificate is held on file at all times and will require a certificate before any tenancy can begin.



Electrical Safety .

Whilst there is no legal requirement for having your property's electrics tested, the Electrical Equipment (Safety) Regulations 1994 do state that any electrical appliance, plug or socket must be safe.

Only a qualified engineer can carry out an inspection, and we recommend using our NICEIC registered contractor, who will provide a certificate.

Energy Performance Certificate .

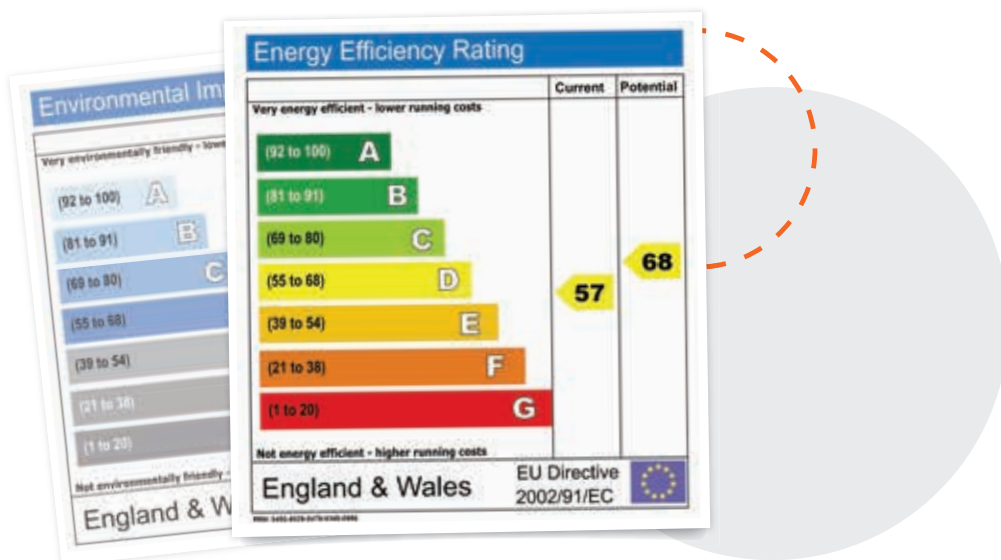
An EPC is required for any dwelling offered to let or for sale as of October 2008 and must be made available for any home, free of charge, to a prospective tenant at the earliest opportunity.

The landlord is the 'relevant person' under EPC legislation and is responsible for making the EPC available. The landlord, not the agent, is liable to a penalty charge if the EPC is not made available. It would be good practice, however, for any estate agent offering a property to let on a landlord's behalf to inform the landlord of the legal obligation and to recommend that an EPC is obtained as soon as possible, even though the agent is not liable to a penalty.

Where a tenant is in occupation before 1st October 2008 and continues to be in occupation after this date an EPC is not required. If, at a later point the tenant changes, an EPC will be required to show prospective tenants.

The EPC in full must be provided to the eventual tenant. It would be good practice for the landlord or estate agents to attach the full EPC to the tenancy agreement and ensure that it is initialled as received by the tenant in order to avoid any later questions about whether the EPC was given or not.

The most recent EPC carried out is the only valid EPC and all previous versions will be out of date.





Smoke Alarms & Carbon Monoxide Detectors .

The Smoke and Carbon Monoxide Regulations 2015 require landlords in the private sector in England to ensure that a smoke alarm is equipped on every storey of their rented dwelling when occupied under a tenancy.

A carbon monoxide alarm needs to be equipped in any room which contains a solid fuel burning combustion appliance. The regulations also require landlords to ensure that such alarms are in proper working order at the start of each new tenancy.

Fire Regulations .

The Furniture and Furnishings (Fire Safety) Regulations 1993 (amended 1997) stipulate that all rental properties must have furniture complying with fire regulations and display a permanent green triangle label clearly indicating that they are fire-resistant.

There are severe penalties for non-compliance and the terms of the regulations cannot be avoided by giving or selling furniture to the tenant.

In our experience most of the tenants we seek do not require soft furnishings to which the above regulations relate. For this reason, and because of the aforementioned regulations, we would generally recommend that properties are let unfurnished.

Disability & Equality Act 2010 .

The law states that it is illegal to discriminate when providing goods and services, including rented accommodation, on the basis of age, religion, sex, disability, race or sexual orientation. Although this is not an exhaustive list these are known as the protected characteristics.

As a landlord you are able to stipulate tenants that are non-smokers, have no pets, are in employment and are not looking to be sharers, as this is outside of the protected characteristics previously mentioned. If tenants do not meet the FCC Paragon referencing criteria then we are able to refuse them under this basis.

Legionnaires' Disease .

Legionnaires' Disease is a pneumonia like illness caused by Legionella bacteria and can be fatal. The infection is caused by breathing in small droplets of water contaminated by the bacteria.

To comply with the law, landlords and agents need to be aware that Legionella bacteria can multiply in hot or cold water systems and storage tanks, and be spread via showers and taps. They survive at low temperatures and thrive at temperatures between 20 – 45°C if the conditions are right. They are killed by high temperatures at 60°C or above. Risk assessments must identify potential sources of exposure, and steps must be taken to prevent or control any risk that is identified. Most rented premises will be low risk but it is important that risk assessments are carried out and control measures introduced.

Normally there is no reason why the landlord should not carry out this risk assessment themselves so long as they are competent. Usually there will be no need to employ a consultant. Steps taken to control the threat of Legionella include disinfecting the system, ensuring no water can stagnate anywhere, insulating pipework and keeping water cisterns covered and free of debris. Tenants should also be advised about risks and told to take precautions such as flushing through showers they rarely use. We would recommend taking professional independent advice if you require further information.

Permission to let .

Before you can proceed with offering your property to let, there are various permissions that must be sought first.



All Legal Owners

All legal owners must consent to the letting of the property and must sign and be listed on our contract.



Mortgage Lender

Please ensure that you have informed your lender that the property will be let or check the conditions of your mortgage confirming that you have permission to let.



Managing Agents on Leasehold Property

Please ensure that you have informed your managing agents or checked the contents of the head lease provided for subletting.




Buildings and Contents and Public Liability Insurance

You should inform your current insurance provider of your intention to let the property so that they are aware that there will be tenants living in the property. They will then be able to adjust your current policy or suggest a new one that best suits your needs.



Amos Estates Marketing Programme .

At Amos Estates we pride ourselves on our tailored marketing programme to ensure that we are able to find you a high-quality tenant in the fastest possible time, therefore reducing any costly void periods with your property being untenanted.



Promoting your Property .

When it comes to renting your property, we develop a tailored and comprehensive marketing strategy to reach as wide an audience as possible.

Making your home stand out all starts with the photography. To ensure we capture your home in its best possible light, we have professional photographers to take all of the images that will be used in your property's lettings adverts.

When combined with floor plans, engaging property descriptions and clever layouts designed to highlight key features of your home, these photographs help to create the most informative and eye-catching property particulars on the market.





Quality photographs are taken

Quality photographs are taken with professional cameras by fully trained staff.



Proactive Tenant Contact

We actively contact the applicants we have stored on our database.



TO LET boards

Our 'eye-catching' boards highlight that the property is on the market to local applicants.



Window Display

We are able to expose your property in our High Street window displays to local passers-by.



Website Advertising

We advertise on the most popular property websites, including Rightmove, Zoopla and team.



Social Media

We have our own Amos Estates Facebook page with a local following to present your property to.



Newspaper Adverts

Our prominent and distinctive adverts catch the attention of readers looking to rent.



Opening Hours

Our longer opening hours mean we are able to book viewings and not miss important enquiries.

● Letting Service .

Market the property using our Amos Estates specialist marketing programme

Accompanied viewings

Negotiation of offers to achieve the best possible price

Obtaining at least one month's security deposit

Production of the Tenancy Agreement

Completing thorough checks on all applicants via FCC Paragon Enhance and Insight Referencing

Arranging of move-in monies from the tenant

Advising the utility companies/council of the new tenant

Free Rent Guarantee and Legal Protection (6 Months)

Free Professional Independent Photographic and Descriptive Inventory

● Rent Collection Service .

In addition to the above:

Registration of the tenant's security deposit

Rent collection and accounting

Arrears checks and chasing

We will action any Rent Guarantee policy if required

Monthly accounts statements

● Full Management Service .

In addition to all of the above:

The main contacts between the landlord and tenant

Arranging of yearly gas safety inspection and certificate

All maintenance and repairs reported to and handled by us

Access to our high-quality and trusted contractors

Mid-term property inspections with an inspection report

Negotiation of the tenancy renewal

Tenancy check out on tenant's vacation

Negotiation of the tenant's deposit return

Action of dispute to the TDS if required

Serving of notices to regain possession of the property

For more information .

For more information about our property lettings services for landlords, please contact our lettings team using the details below.

Call **01702 555 888**

Email **lettings@amosestates.com**

Visit **amosestates.com**

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