

Landlord Information Pack



homefromhome
property lettings & management

LANDLORD

Information Pack

Home from Home Sales, Lettings and Property Management have been successfully providing letting services for landlords since 2008 and have established ourselves as one of the leading letting agencies in the Ipswich area. Our offices are situated close the Ipswich waterfront which provides us with a sound base from which to serve the community. At Home from Home we believe in offering a quality service unmatched by other agents. Our services are designed to put the landlord first and to ensure the successful management of your property.

Tenants

Finding the right tenant for a property is fundamental. We start by establishing criteria for the sort of person you wish to occupy your property. We then match this to prospective tenants who must provide us with references. Only after checking these references will we then proceed with a tenancy.

When dealing with private tenants we take references, usually from their employer and bank. Payments are due every calendar month, in advance, starting from the commencement of the tenancy agreement. We do encourage tenants to pay their rent by standing order. However, should they pay by card or cash, we must allow time for this to clear our bank before forwarding payment to you.

Rent

When we initially assess a property we indicate what we believe to be a realistic rent, based on present market conditions. Prospective tenants usually accept our valuation, but there may need to be some room for negotiation.

Deposits

We request a deposit for all tenancies. For private tenants, the deposit is usually equal to six weeks' rent.

Deposits are held to help ensure the tenant looks after the property and as a safeguard against unpaid rent. It is refundable at the end of a tenancy, only after the tenant has vacated the property, providing the property and their account are in an acceptable condition.

When the tenant vacates the property, you will have an opportunity to inspect the property yourself prior to the deposit being refunded. Should you wish to do so, you must make arrangements to view the property as soon as possible, once the tenant has vacated.

Commencement of Tenancy

The tenancy commences on the date shown in the tenancy agreement. Prior to the tenant moving in we will compile an inventory and schedule of condition of the property. The inventory will list all furnishings and contain a description of the condition of the property. A copy of the inventory will be sent to yourself and the tenant. This provides both parties with an opportunity to confirm the accuracy of the document.

Whilst compiling the inventory we also take any meter readings. These readings are then passed on to the appropriate utility companies. At the same time we also inform the council of the change in tenancy.

We are unable to inform British Telecom of the change in tenancy. This must be done by the user of the service. Consequently you must ensure that BT know you no longer require a service at the property. The tenants then have to contact BT should they wish to be re-connected.

Tenancies

Tenancies may commence with a six month or twelve month assured shorthold contract. We will contact you three months before the end of the tenancy period to ask if you would like to renew the tenancy. If you do not want to renew the tenancy you must inform us **immediately**. We will then make arrangements for the statutory notice to be served (where this notice has not already been served).

After contacting you, we will then contact the tenants. They can opt to leave the property at the end of the lease or request permission to stay on. If the tenants wish to stay in the property you have the right to decline if you wish, in which case a notice requiring possession must be served, giving the tenants a statutory two month notice period to vacate the property.

Alternatively, you can allow the tenancy to continue, in which case you can then choose to renew for a period of six months or more. A significant number of tenants do request twelve month contracts.

If you do not wish to commit yourself to a definite period, the contract can become 'statutory periodic' whereby the tenant is able to remain in the property, under the terms of the original contract, without signing for a new fixed period. Should they wish to leave at any stage during the periodic term, they only need to give one month's notice. If you require possession of the property we will still need to give two months' notice.

Please note: when a tenant is issued a notice requiring possession (a Section 21 notice), the tenant must vacate the property on the date specified. However, should the tenant fail to vacate the property, enforcement of this notice can only be arranged through the courts.

Serving a notice requiring possession does not always guarantee that the tenant will vacate the property on the agreed date.

End of Tenancy

Once a tenancy comes to an end, we make arrangements to meet the tenant at the property. We then inspect the property again and take meter readings and also obtain a forwarding address for the tenant. The deposit is refunded to the tenant once we are convinced that everything is in order.

Should there be any disputes regarding the property condition, the first course of action is to give the tenant an opportunity to rectify the problem. If the tenant does not rectify the situation, we can then make a deduction from the deposit (valid estimates must be obtained indicating the exact cost of repair). Should an agreement not be reached between the landlord and tenant, we will act as arbitrators. We will aim to resolve the disagreement as quickly and amicably as possible. Our decision is final and both parties must agree to abide by our judgement.

Inspections

We conduct regular inspections of all tenanted properties. These inspections serve numerous purposes and allow us to visit the tenant to ensure they are taking care of the property. We also check for signs that something may be wrong with the property. If anything needs attention, we will then inform you as soon as possible, helping to reduce the risk of the problem escalating and the potential cost increasing. These visits also enable us get to know the tenants better, so that when the lease is due for renewal we can be confident in the advice we offer you.

Repairs

Every property at some point will need some work doing to it. If things go wrong and the tenant contacts us, we will immediately contact you. In many cases the problem will be resolved quickly. However, there are two important points to remember when it comes to repairs:

Firstly, if a serious fault occurs (water burst, flood, etc) and we are unable to reach you, we will authorise a repair up to the cost equivalent of three times the agreed monthly rent. Authorisation for this is contained within our agency agreement. There is a statutory obligation* for a landlord to make emergency repairs within a specified time frame and therefore, we occasionally need to make a quick decision.

Secondly, once a property is tenanted, landlords have an obligation to ensure it is well maintained. Carrying out repairs quickly is as important for you as it is for the tenant. After all, repairs caught early can save money.

Tenants have the right to contact Environmental Health if repairs are not being attended to promptly and any ensuing enforcement order could include extra repairs. Work not done can be undertaken by them and they may add an additional charge on top of the repair bill, which could be hefty.

(*The obligation of the landlord is stated in the Landlord & Tenants Act 1985, section 11).

Gas Appliances

It is a legal requirement that gas installations in residential tenanted properties are inspected on an annual basis. Inspections must be carried out by a Gas Safety Register registered engineer and have to meet strict conditions before a safety report is issued. A copy of the report must be left at the premises. In addition, we must keep a copy in our files.

We normally arrange for the safety inspection to be carried out for you by our local gas engineer, unless you have a preferred contractor.

Central heating systems occasionally break down and the cost of repairs can be substantial. For this reason we recommend a service contract issued by British Gas. You are able to spread the cost and pay by monthly instalments. If you decide to take out a service contract or are currently in possession of one, please let us know. The details will be kept in the files and should the tenant have any problems, we will contact your service provider on your behalf.

Alarms

Since 1 October 2015 it is a legal requirement that all properties should be fitted with a smoke alarm on each floor of the property. Smoke alarms are inexpensive and are easily fitted. They must be tested at the start of each new tenancy and we also test them during our periodic inspections.

It is now also a legal requirement to have a carbon monoxide detector fitted (these detect the build up of dangerous gasses) in all properties with coal fires or smokeless fuel heating. If your property has gas appliances then we would also recommend you have carbon monoxide alarms fitted. These units cost more than smoke alarms, but again serve a very useful purpose.

Some landlords have burglar alarms fitted that have a user code as well as a master code, (something that must be kept secure). The only means of changing the alarm number is with the Master code. Consequently while your tenants can have the benefit of the alarm they cannot change its settings. Due to the potential environmental impact of a malfunctioning alarm, they should be serviced on a regular basis.

Furnishings

Any furniture left in a property should be safe to use and well maintained. Any soft furnishings must comply with fire regulations and the original fire regulation labels should be attached. If not, the furnishings must be removed from the property and they cannot be stored at the rented address.

Mortgages

If the property is subject to a mortgage, the mortgage lender must be informed of your intention to let. This should be done before a tenant moves into the property. Gaining permission from the building society usually depends upon the mortgage account not being in arrears.

Some lenders ask to see a copy of the lease, which the tenant will be required to sign. We will provide them with this at your request. Lenders may make a small charge to cover administration costs.

Insurance

As a landlord you are still responsible for the building and accordingly the buildings insurance. Please note buildings insurance will not cover the costs of replacing or repairing carpets if they become damaged but it does however cover fixtures and fittings. If the property is furnished or part-furnished you may also wish to consider contents insurance.

Tax

Income received from renting property is subject to tax and therefore we strongly recommend that you take advice from an accountant. Expenses incurred can be set against tax liability, as can the interest paid on the mortgage, subject to whether you are a standard or higher bracket tax payer.

Overseas Landlords

Landlords who reside overseas and own rented property in the UK are able to apply to the Inland Revenue for an exemption certificate, which enables us to pay them gross rent (subject to our deductions). However, if they do not apply for exemption, it is a statutory requirement that letting agents deduct tax at source, currently rated at the lowest prevailing tax rate.

In these circumstances, we will withhold the necessary funds from your account on a monthly basis and will issue a certificate at the end of each tax year indicating how much tax we have paid to the Inland Revenue, on your behalf.

Should you reside or subsequently move overseas, you may decide to contact the Centre For Non-Residents, an Inland Revenue office based in Bootle, for an exemption certificate. We are happy to offer more advice about this.

Empty Property

The provisions within our agency agreement do not cover your property when it is vacant. If you are concerned about the property and want us to manage it while it is empty, please inform us and we will make arrangements to do so. There may be an extra cost for this service.

Keys

We require two sets of keys for the property. One set is handed to the tenant upon occupation and the other is retained in our office for use in the event of an emergency. Please be aware that should you wish to use or collect these keys at any time, we will require proof of your identification as a security measure.

Fees

Tenant Find Only - £360 including VAT

Fully Managed Fee - £240 including VAT and monthly management fee of 8.2% including VAT (7.2% including VAT for multiple properties).

Renewal Fee - £60 including VAT

Should you have any questions, please don't hesitate to contact us - we are here to help.

