

LANDLORD GUIDE

Information about our services



LETTING THE PROPERTY

Once Seddons have been instructed as agents, we will commence a search for a suitable tenant. As and when we have applicants interested in viewing your premises, we will accompany them with keys provided by you, or arrange a mutually convenient appointment for them and us to meet you at the premises. As soon as a suitable prospective tenant has been found we will negotiate the terms and commence the vetting procedure.

When satisfactory references, including I.D. verification, are obtained we will contact you to arrange a date for the tenancy to commence. If you wish we can arrange for you to meet with the prospective tenants before a decision is made.

REFERENCES

We will take up full references and a credit reference report, checking the financial standing of the applicant, including income and credit rating. We also contact the previous landlord and employer (if appropriate). If there were any question of doubt about the ability to pay the rent, or perhaps job security, we would only advise upon proceeding if a suitable Guarantor could be provided.

THE TENANCY AGREEMENT

We will discuss with you suitable terms and conditions then prepare the appropriate legal agreement. In most cases we recommend an Assured Shorthold Tenancy Agreement, usually for a minimum term of six months.

If you require the property back at the end of this period, notice must be served at least two months before the expiry date. On request, we will deal with this and also the necessary procedures should you decide with the tenant that the term might be extended. Where we do not manage the property we will make a charge to prepare the notice.

MORTGAGED PROPERTY

It may be that your property is mortgaged to a building society, bank or other lender.

If so, the mortgage deed will almost certainly require the written consent of the lender to be obtained before you let the property. If your property is mortgaged you should apply for consent. Lenders will not deal with us in relation to the mortgage and so you will need to fill out their application form.

Occasionally it will be a condition of consent to the proposed letting that your mortgage interest rate is increased and it is therefore advisable for you to approach your mortgagee at an early stage to see what the financial consequences are likely to be. Some lenders charge an administration fee.

LEASEHOLD FLAT AND OTHER PROPERTY

If your property is leasehold, you may require the consent of the freeholder for your proposed letting.

RESTRICTIONS ETC. AFFECTING YOUR PROPERTY

Whether your property is freehold or leasehold there may be special rights or restrictions affecting it (for example, a prohibition on more than one family or the parking of a caravan on the drive). We will need to have details of these to include in the Tenancy Agreement.

ATTIC, CELLAR AND EXCLUDED AREAS

We do not inspect the above areas but we may ask you to confirm the contents of these areas (if any) as this may affect safety issues. During our routine visits to managed properties we will not visit these areas unless requested to do so. It is strongly recommended that items are not stored in the property once let.

INSURANCE

We always advise Landlords to make sure that the property and its contents are adequately insured (unfurnished properties may still have contents such as curtains, white goods etc). It is extremely important that you advise your insurance company that you are proposing to let your property and that you confirm to them once this has been done. Failure to do so could result in your insurance becoming null and void. Some insurers impose letting conditions and we would require details as this may affect the choice of tenant. If they are not happy with you letting the property we may be able to introduce you to companies that specialise in insurance for the rental market.

INCOME TAX

Income received from letting your property will be subject to income tax and you will need to include details of the income and allowable expenses when completing your income tax return. The Inland Revenue may ask us directly for details of any income we pay you and we are obliged to supply these details. If you live abroad we, as your agents, will be required by the Inland Revenue to pay any tax liability that arises on rents collected by us on your behalf. We will therefore deduct income tax at the basic rate from rent payments received and these monies will be held to your credit in a specially nominated account. You may be entitled to receive rent without deductions of tax and we strongly recommend you contact HMRC and complete the necessary paperwork. Info can be found on www.gov.uk/tax-uk-income-live-abroad/rent

DEPOSIT

We normally collect a security deposit from the tenant. This is held within the Deposit Protection Service (DPS) for the duration of the tenancy. At the end of the letting this is returned to the tenant, less any deductions made to cover breaches of the Agreement. The deposit money will be held by the DPS which means we will be unable to refund all or part of the deposit to the tenant without your consent. Similarly, we are unable to deduct monies from the deposit without the tenant's consent. We have a procedure for dealing with disputes concerning the deposit and we will always use every endeavour to settle matters quickly and satisfactorily. We do not receive interest on deposit monies held.

RENT

The rent is usually payable monthly in advance. Under our full management service, we will collect the rent and account to you at agreed periods (usually monthly). If more than one month's rent is paid to us we will only be able to account to you monthly, as the rent is due under the agreement. We try and pay rent to landlords within five working days of receipt of cleared funds. Occasionally this can be later during periods such as Christmas. We will always use our best attempts to collect the rent on time. Should a tenant be late we will advise you and pay the due rent as soon as it is received. In common with all letting agents, we cannot be liable for non-payment of rent.

BILLS AND SERVICES

It is usual for the tenant to pay charges for Council Tax, electricity, gas and water.

Where we are managing the property we will notify the authorities and service suppliers and, if necessary, take meter readings at the beginning and end of a tenancy. (Tenants are, of course, entitled to change suppliers for gas and electric although we always encourage them to remain with the existing suppliers. Tenants are also legally within their rights to have a water meter installed if there is not already one in the property.)

LANDLORD OBLIGATIONS

It is always the Landlord's liability to keep the property and the services such as central heating in good repair. Under our full management service we will agree with you provision for emergency repairs such as a burst pipe. When major expenditure is required in a non-emergency situation we will always obtain quotations for you before proceeding.

CLEANING

Whether the property is furnished or unfurnished, it is important that the property is clean throughout before the tenants move in. We strongly recommend that the property, including carpets, is professionally cleaned and, if necessary, the garden made tidy.

INVENTORY

We will take and produce a detailed inventory of the property including a Schedule of Condition – charges for this are subject to the size of the property, and not included within our standard set up fee. We will update this during the period we are letting the property prior to each new tenant moving in. The tenant is given seven days to check the inventory and make any additions. Should the inventory not be returned within the seven days we assume that the copy given is a true and accurate record of the property.

Where we manage the property we also do a detailed check out when the tenant vacates and we will report our findings to you.

TENANT INFORMATION

Prior to taking possession we will provide the tenant with a Move In Pack setting out necessary details for residing in the property, breaking down their obligations and explaining our procedures and expectations.

LEGAL REGULATIONS

Fire resistance

There are strict regulations relating to the fire resistance of soft furnishings that are included in the letting. There are some exemptions but a breach of these regulations can result in criminal proceedings. If you propose to include soft furnishings we will advise you on the appropriate regulations. The regulations make it clear that there must be no non-compliant furniture in any part of the property including garage and attic.

Gas and electrical appliances

Under current safety regulations it is the Landlord's responsibility to ensure that the gas and electrical systems and appliances at the property are maintained in a safe condition and serviced by a qualified contractor. It is a legal requirement to get the gas safety carried out on a yearly basis.

If any appliances are included in the letting it will be the Landlord's responsibility to ensure they are safe when the property is let. The law may also require the landlord to repair or replace these should they become defective. We advise excluding very old or defective appliances such as cookers from the letting. Where electrical appliances are included we are obliged to supply safety instructions and carry out Portable Appliance Testing (PAT). We would advise that all plugs, leads and sockets are checked for safety and correctly fused before a tenant takes possession.

Legionnaires Disease.

As a landlord of residential property you have responsibilities for controlling Legionnaires disease. Health and Safety legislation requires that landlords carry out Risk Assessments for the Legionella bacteria which cause Legionnaires disease, and thereafter maintain control measures to minimize the risk. Most rented properties are likely to be low risk, but it is important that risk assessments are carried out and control measures introduced by a competent person or company.

LEGAL REGULATIONS cont....

Carbon Monoxide Alarm

From October 2015 it is a legal requirement for all properties that are let out to include a working carbon monoxide alarm (where necessary) and smoke detectors at the rate of at least one per floor, unless the property has a full fire alarm system. A carbon monoxide alarm is required in any room that contains a gas, oil or solid fuel burning appliance. These must be checked and working when a tenant takes possession, but our Tenancy Agreement places the liability for on-going testing on the tenant.

Working Fireplaces

If the property has working open fireplaces it is your responsibility to have these swept and certified prior to a tenancy starting. The Tenancy Agreement places the liability on the tenant for chimney sweeping thereafter. We can arrange these matters on your behalf.

Housing Health and Safety Rating System

The property must be a safe environment for tenants and we will assist you in checking all safety aspects of the property prior to the tenant moving in. A tenant or other party may ask the local authority to carry out an inspection of the property under the Housing Health and Safety Rating System. The local authority has significant powers to require property owners to make the property safe. The system is based on who-ever may be considered the most vulnerable person to occupy the property. We will explain how these regulations may affect you. We will also assist you with outcomes of such an inspection. However this is not included in our standard fee structure and we will charge fees based upon an hourly rate applicable at the time if you require our assistance.

There are definitions about what constitutes a house (residential property) in multiple occupation (HMO). We will advise you about this as there are legal consequences in Letting a property to sharers.

ROUTINE VISITS

With our management service we make regular visits to the property on your behalf and advise you of any potential problems. The main purpose of such visits is to check if there are any matters that require your attention. We also seek to ensure that the tenant is abiding by the agreement and not damaging the property. We also give the tenant advice, if necessary, on any defects we may find. However, tenants do have a right of privacy and we, and you as landlord, can only enter the property with their consent. Similarly, we are not able to comment on the tenant's life style or cleaning ability unless the property is being adversely affected.

LANDLORD'S PROTECTION INSURANCE AND RENT GUARANTEE

No matter how well prospective tenants are vetted, there is always the risk that a tenant will prove to be unsatisfactory, sometimes due to unforeseen changes in their own circumstances. Whilst court proceedings can be taken to enforce the terms of the tenancy agreement this is often expensive and it is unlikely that you will be able to recover the full costs involved from the tenant. We strongly recommend that you consider taking out legal protection insurance to guard against the risks involved. Similarly, insurance is available so that your income from rent is not lost in the event the tenant stops paying.

PROBLEMS WITH THE TENANT

In the event of difficulty, whether because the tenant is failing to pay rent or has broken other terms of the Tenancy Agreement, we will be pleased to discuss with you the steps to enforce the terms of the Tenancy Agreement. However, we would stress that the vast majority of lettings we manage are uneventful and trouble free. We will assist with any eviction proceedings, but our management fee does not cover this. We will charge fees based on time and will always be happy to give details of the charging rate and an estimate where appropriate.

PETS

Our standard agreement provides that a tenant may not allow pets in the property. However, a tenant is entitled to ask the landlord for consent. We advise that each case is considered on an individual basis. If consent is to be given by the landlord we may request an extra deposit and may insist on a full carpet clean at the end of the let including proof that the carpets have been treated for flea infestation.

GARDEN AND OUTSIDE AREAS

Tenants are required to keep these areas neat and tidy. Standard of gardening ability and knowledge can vary considerably. If the garden is particularly important or has special features, we usually suggest that the landlord provide a gardener, the cost being included in the rent. The extent of this can be negotiable and we will make the necessary arrangements and monitor the work as part of our management service



TIVERTON Tel 01884 253500

CULLOMPTON Tel 01884 32100 HONITON Tel 01404 32100

www.seddons.com