

Landlord Guide to Letting Property

This guide is designed to help you as landlord understand the various responsibilities that come with the decision to let out residential property.

Leasehold Property

If your property is leasehold, as opposed to freehold, then you effectively have the right to occupy a portion of a building for the given duration of the lease, for example 65, 99 or 999 years. This form of ownership typically applies to buildings that comprise more than one unit, such as blocks of flats, though there are increasingly more freehold flats and apartments.

If you are a leaseholder you should check the terms of your lease documentation and obtain the necessary written consent from the Freeholder or the Management Company for the building before letting your property.

Mortgage

If your property is mortgaged or you have a loan secured on the property then you must obtain written consent from your lender prior to the tenancy commencing. Your lender may also require additional clauses in the tenancy agreement of which you must inform us and they will often charge a fee for giving their consent for the letting to take place.

As regard to mortgage payments, we recommend that these are always paid directly by you via standing order.

Council Tax

Every property in the UK has a yearly council tax rate that is calculated from a formula based upon the value of the property, the number of occupants and the financial status of those occupants. It is the responsibility of the tenant or tenants to pay council tax due on a property. There are exemptions and reductions available to single occupants and students upon application to the local council.

Utilities

It is standard in most tenancy agreements to stipulate that it is the responsibility of the tenant to arrange and pay for utility services such as gas, electricity, water, telephone and television license.

As your agent we can arrange for the transfer of utility accounts to the tenant and between tenants if your property is let again. Meter readings will be taken at the start and end of each tenancy allowing for closing gas and electricity accounts to be drawn up. We will handle all these matters for you, but telecommunication providers will usually require instructions direct from both the landlord and tenant.

As landlord you are also responsible for all standing charges whilst the property is not subject to a tenancy agreement. i.e. when the property is vacant.

Income Tax

If you reside in the UK then it is your responsibility to inform the Inland Revenue of any rental income received and to pay any tax due on it. Before taking the decision to let your property, it is advisable to consult an accountant who can offer professional advice on tax matters. This will usually save you money in the long term. It is also useful to remember that that income tax on rental incomes is charged on the profit received after the deduction of allowable expenses.

If you are not residing in England and Wales during the tenancy then we, as your agents, are required to deduct basic rate tax from any rent that we collect on your behalf. You can apply to the Inland Revenue for an exemption certificate depending on your current tax situation.

Building and Structural Condition

A well-maintained property in good decorative order will help towards a smooth-running tenancy. This will also have a positive impact in the form of a potentially higher rental figure. Moreover, we have found that tenants are more inclined to treat a nicely presented property with greater respect.

As landlord you are legally responsible to keep in repair the structure and exterior of the property and keep in repair and proper working order the installations in the property for the supply of water, gas, electricity, sanitation and for space and water heating. Repairs and maintenance are at the landlord's expense unless misuse can be established. Also, interior decorations should be in good clean condition and preferably plain, light and neutral in presentation.

Furnished or unfurnished

The majority of properties on the letting market are 'unfurnished'. A good working definition of this term is that it will usually include carpeting or flooring, curtains / blinds and a cooker. A 'partly furnished' property will usually contain the usual 'white good' kitchen appliances such as washing machine and fridge.

We recommend that you leave only minimum furnishings and that these should be of reasonable quality. Any items to be left should be in the property during viewings. Personal possessions such as ornaments, pictures and books should definitely be removed from the premises, especially those of financial or sentimental value. Some items may be boxed, sealed and stored in the loft at the owner's risk. All cupboards and shelf space should be left clear for the tenant's own use.

Gardens

Gardens should be left neat, tidy and rubbish free, with any lawns cut. Tenants are required to maintain the gardens to a reasonable standard, provided they are left the

necessary tools. However, if you have very high standards for your garden or if it is particularly large then you may wish for us to arrange visits by a regular gardener.

Cleaning

At the commencement of the tenancy the property must be in a thoroughly clean condition and at the end of each tenancy it is the responsibility of the tenant to leave the property in a similar condition. Where they fail to do so, cleaning will be arranged at the tenant's expense.

Information for the tenant

It is helpful to the tenant if you leave a 'useful information' folder at the property containing manuals and documentation for operating the central heating and hot water system, washing machine and any alarm system. It is also good to include details of when the refuse is collected.

Provision of keys

You should provide one set of keys for each tenant. Where we are managing your property we will arrange to have duplicates cut as required.