

Property Lettings

A landlord's guide



Introduction

Welcome to the George F White handbook for landlords - our comprehensive guide to the letting and management of your property. If you want the best tenant, the best rent and an efficient and professional service, then appointing George F White to let and manage your property is a great place to start.

We hope that this handbook proves a useful source of reference to our services and experience. For further information please contact your local George F White branch.

About Us

George F White is one of the leading property agencies in the North East. Our offices are situated at strategic locations to provide us with a sound base from which to serve the community. As well as sales and acquisitions we also specialise in lettings and management.

Our letting department has been established over a number of years. The department believes 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.

We are members of the Royal Institution of Chartered Surveyors (RICS) and are proud of the fact that we have the most qualified rural surveyors within the region. As members we are bound by a strict code of conduct which means our practices and client accounting systems are fully regulated which in turn means that we are accountable and that your money is both protected and insured. In addition we are also members of the Ombudsman of Estate Agents (OEA) and The Guild of Professional Estate Agents.

Why Let?

There are many practical and financial reasons why people choose to let property:

- Purchasing residential property to let can be a secure and worthwhile form of investment, with returns rivalling many other kinds of investment. More and more people are turning to investment property as a way of providing for their retirement.
- Moving abroad, whether it's temporary or permanent has become increasingly popular and letting your property offers you the opportunity to maintain an income from your property with the option to return at a later date.
- Changes in the job market mean more than ever, mobility and flexibility are important career issues - letting offers a swift solution.

Why Choose George F White?

- We employ the best people in the business - our staff undertake rigorous training and attend regular refresher courses.
- We provide a set of service standards, ensuring a high level of service for all our clients.
- We offer a choice of short or long lets.
- We are a member of the Royal Institution of Chartered Surveyors (RICS) and Ombudsmen of Estate Agents (OEA).
- We provide RICS audit report on our client accounts.
- We are committed to maximising value for our clients.
- Our core values include honesty, integrity, communication and service excellence.

Buy To Let

'Buy to Let' properties have become hugely popular in recent years because mortgage providers have developed numerous products to suit landlord's needs. Provided you have an adequate deposit to put down, or alternatively enough equity in your main home, 'Buy to Let' remains an excellent long term investment providing both income and capital growth despite occasional fluctuations in the housing market. Buy to Let should always be viewed as a medium to long term investment.

There are also some tax advantages in buying to let: you can claim tax relief against items such as the interest on your mortgage, letting agency fees, insurance premiums and upkeep on the property.

Choosing a Property

The key to success with 'Buy to Let' is choosing the right property. If you are buying a property to let choose one that will appeal to the type of people who live in that area.

For example, the main tenant market could be made up of busy professionals, single people or couples who may be looking for:

- A two or three bedroom property
- Good transport links
- Small or no garden

Our staff can tell you about what gaps there are in the rental market. Before you buy, check that the property you are interested in conforms to health and safety regulations. Otherwise you could find yourself needing to replace boilers, gas fires and appliances.

Presenting The Property

It is a fact of life: properties that look their best let quicker and achieve higher rents, so it is worth considering the kind of tenant you are trying to attract and decorate accordingly. Whether the property you are letting is your own home or a rental investment, it pays to make sure that the décor is chosen to suit your target market.

Your local George F White lettings department will be only too happy to provide further guidance and advice if required, and can also put you in touch with specialist furnishings and interior design service providers if necessary.

When decorating an investment property the following guidelines should be followed:

- Keep carpets and wall colours neutral - whites and creams make a cleaner, fresher impression.
- Paint finishes are easiest to maintain. However, wallpaper may be expected in higher value properties.
- Good quality carpets and curtains are important, particularly in unfurnished properties where they are more visible.
- Bathrooms should have high quality fittings and be well lit. Power showers and fully tiled floors and walls are preferred by most tenants.
- There should be ample wardrobe space in the bedrooms.
- Corporate tenants will expect a high finish. Wooden floors, low voltage lighting are all commonplace at the top end of the market.

Marketing & Letting Your Property

The right tenant is the essential ingredient for successful letting and George F White have the experience to find the appropriate tenant for your property.

Not only do we have a constant supply of tenants actively seeking a property but we have established contacts with major local companies and relocation agencies, who have regular requirements for good quality accommodation. We also operate the latest in computer software which automatically matches potential tenants to your property and emails/texts the particulars to them immediately.

Our internet coverage is second to none using leading property portals including Rightmove, Globrix, Fish4homes, Email4Property and The Guild of Professional Estate Agents in addition to our own website www.georgefwhite.co.uk.

Finding a Tenant

Our Tenant Find service involves the assessment and appropriate marketing of your property to secure a tenant:

- We will arrange to visit your property in order to discuss your requirements.
- We will prepare a full market appraisal report detail, our thoughts and recommendations on how to successfully market the property and follow this up to discuss in more depth.
- Your property will be placed onto our own website and leading property portals including Rightmove, Globrix, Fish4homes and The Guild of Professional Estate Agents.
- Your property will be displayed upon our general residential lettings list.
- Details of the property will be circulated via our fully computerised system to potential tenants.
- In assessing a prospective tenant's suitability we gather references using a specialist agency and standard checks of financial, employment and previous tenant history are made where applicable.
- We take a security deposit equivalent to one month's rent to protect you against damage caused by your tenant. Under the provisions of the Housing Act 2004 it is illegal for you as a landlord to hold a tenant's deposit unless you have individual membership of an approved scheme. However, with George F White holding your tenant's deposit as stakeholder, you are fully compliant with this legislation as we are members of the Tenancy Deposit Scheme for regulated agents (TDS).
- We will prepare the appropriate legal documents and supervise their correct completion.
- Finally, we will assist in the move in of the new tenant and ensure that all parties are fully satisfied with the arrangements and have been provided with all necessary information.

Property Management

George F White offers you the benefit of over 25 years management experience, providing a complete management solution whether you own one property or a portfolio, and whether you live right next door or on the other side of the world.

Your dedicated property manager will oversee your property through its letting cycle, from organising safety checks to dealing with tenant's queries and your maintenance obligations during the tenancy. Our property management service delivers total peace of mind.

Benefits of George F White Property Management service include:

- A single point of contact within an experienced team backed by RICS trained and qualified, professionals.
- Pre-tenancy preparations - we arrange all the preparation required to get a property ready to be let including: gas safety check; portable appliance test; inventory report and check-in; professional cleaning; necessary maintenance.
- Clear and accurate statements - produced monthly with copies sent to your accountants if requested.
- Property visits - we visit after three months and six monthly thereafter. Each visit is followed up with a comprehensive written report.
- Peace of mind, 24/7 - we know you have more important things to do than worry about your property, so we'll take care of any day-to-day problems.
- Access to a range of local experienced contractors.
- Deposit returns - we ensure the correct apportionment of the deposit at the end of the tenancy.
- Key-holding service - for you and your tenant's benefit.
- Rent review service - we will look at the rent annually and agree with you whether or not a review should take place, and we will deal with the review as necessary.

Tenant Find v Full Management

George F White offer two distinct services, 'Tenant Find' and 'Full Management' - the scope of these services are discussed within this brochure, but as a useful guide we set out below a quick reference to the main features of both services:

Tenant Find

The key features of this service are:

- Marketing appraisal of your property followed by written report
- Clear terms of engagement
- Schedule of proposed marketing
- Circulation of the property details to our tenant register
- Advertising where required
- Placement on our website and several leading portals
- Arranging viewings, accompanied where necessary
- Advice on legal compliance of the actual property including gas, electric, furnishings, insurance.
- Undertaking of thorough checks, including credit checks, on potential tenants
- Negotiation of tenancy commencement and terms
- Preparation and completion of the Tenancy Agreement
- Collection of a deposit, advice on holding a deposit

Full Management

Includes all features of Tenant Find plus:

- Collection of rent payments
- Advice on tax for overseas landlords
- Preparation of detailed inventory
- Monthly statements of all financial transactions
- Regular interim inspections of the property
- The initial point of contact for the tenants
- Handle maintenance and repairs to the property*
- Issue appropriate legal notices to initiate termination of a tenancy agreement
- Advice for the rare occasion when things go wrong
- Full inspection of the property once vacated by a tenant
- Negotiation on return of deposit, required repairs, etc
- Rent Reviews

* we can only handle repairs within a certain limit which is set by agreement between ourselves and you the landlord

Landlord's Guide to Safety & Environmental Regulations

The Furniture & Furnishings (Fire Safety) Regulations 1998 (As amended)

All upholstered furniture made after 1950 is included within these regulations. The furniture covered by the regulations includes sofas, settees, seat pads, beds, head boards, pillows, arm chairs, scatter cushions, futons, mattresses and bean bags, but not curtains, carpets, bed clothes (including duvets) and mattresses and mattresses covers. To comply with the regulations these types of furniture must be fire resistant and in most cases carry a permanent label to this effect. To be 'Fire Resistant' most furniture and upholstery must have passed an 'ignitability test' specified in the Regulations.

If you ask us to let or manage your property you must remove any furniture which does not comply with these Regulations before the tenancy begins. Any replacement furniture you place in the property must comply with the Regulations.

There are heavy penalties imposed by these regulations on landlords who do not comply with them. The penalties for non-compliance include a maximum of six months' imprisonment and/or up to a £5,000 fine. You can obtain further guidance on these regulations from your local Trading Standards office.

The Gas Safety (Installation and Use) Regulations 1998

These regulations came into effect on the 31st October 1994 to ensure that gas appliances are properly installed and maintained in a safe condition so as to avoid the risk of carbon monoxide poisoning. It is the responsibility of the landlords of domestic properties that ALL 'gas appliances' and 'gas installation pipework' under the ownership of the landlord are checked for safety at least once a year by a members of the Gas Safe Register and that accurate records of those safety inspections and any work carried out are recorded. These records must be provided to the tenant. These regulations also apply to new properties.

'Gas appliances' - includes any fitted gas appliances, for example:

- Central heating system
- Gas heaters
- Gas fires
- Gas cookers

'Gas Installation Pipework' includes gas pipe work, valves, regulators and meters. Faulty equipment can lead to death and a conviction of unlawful killing on a landlord. Under the Regulations any appliance that does not conform to the regulations can be disconnected.

Failure to comply with these regulations may jeopardise the life of your tenant and lead to prosecution with penalties of imprisonment or fines up to £5,000.

The Electrical Equipment (Safety) Regulations 1994

The above regulations impose an obligation on the Landlord to ensure that all electrical appliances and installations left as a part of a let property are safe. We recommend that all electrical appliances are regularly checked and serviced.

Failure to comply with these regulations may jeopardise the life of your tenant and lead to prosecution with penalties of imprisonment or fines up to £5,000. As part of our service we can arrange gas and electrical safety inspections if requested. There are particular requirements for houses in multiple occupancy (HMOs).

Energy Performance Certificates (EPCs)

Since 1st October 2008 any residential property offered to let must have an EPC. This is prepared by a qualified Domestic Energy Assessor who visits the property and prepares a detailed report which covers such elements as glazing, insulation and heating. The property is then given a rating similar in format to those seen on refrigerators and washing machines.

The certificate is designed to give prospective tenants information on the energy efficiency and carbon emissions of the building so that they may compare it to others on the market. We can arrange the EPC and ensure your compliance with the new regulations using a reputable organisation.

Frequently Asked Questions

Why do I need an agent?

There is nothing to prevent a Landlord acting without an agent. However, there are many legal requirements that a Landlord has to fulfil, failure to comply with these requirements may result in criminal prosecution. Our staff are trained to understand current and future requirements and have systems in place to ensure they are complied with.

We have facilities to properly vet potential tenants allowing you to make the right choice.

What services do you offer?

We provide both a 'Tenant Find' and a 'Full Management' service. The 'Tenant Find' service is geared towards experienced Landlords whose day to day business is the management of their portfolio. The majority of our clients choose the 'Full Management' option, as this provides a complete service from start to finish, offering peace of mind and the satisfaction of knowing that your property is in capable hands.

Our comprehensive Tenancy Agreements will make sure that your interests are protected in line with current legislation.

How is the rent paid?

Typically a standing order is set up from the tenant's bank account and the rent will be paid monthly in advance.

Our fully computerised systems mean that once the monies have 'cleared' through the banking system the rent is paid promptly into the account of your choice. A detailed statement of account is provided.

What sort of Tenancy Agreement is used?

There are a number of different types of agreement that can be used depending on the circumstances of the tenants, the Landlord and indeed the property. In the majority of cases it will be what is called an Assured Shorthold Tenancy (AST) for a fixed period of a least 6 months.

What happens if the tenant doesn't pay the rent?

As part of our service we endeavour to ensure that the rent is paid on time. Having carefully selected the tenant in the first place, there's unlikely to be a problem. However peoples' circumstances do sometimes change during a tenancy and if the rent is not paid, we'll advise you on the appropriate course of action.

What about a deposit?

We ask tenants for a deposit which is usually equal to one months' rent. It will only be returned when the tenant has given vacant possession of the property and left it in a satisfactory condition, allowing for wear and tear, and complied with his or her responsibilities under the Tenancy Agreement.

What happens when my property is empty?

You must advise your insurance company in accordance with their requirements regarding empty property. Please check your insurance policy for the relevant details.

What are my outgoings?

These will usually include:

- Mortgage
- Insurance (Buildings and Contents)
- Repairs to the property (unless caused by the tenants)
- Ground rent and services charges (where applicable)
- Managing agent fees
- Utility bills and services (when property vacant)

What about tax?

You will be liable to pay tax on any profit generated from letting your property - the amount of tax you pay will depend on your circumstances.

If you are overseas for more than six months in any tax year, you will be regarded as a non-resident Landlord. The current legislation requires us to deduct and pay over to the Inland Revenue tax at the basic rate unless we are in receipt of an exemption letter from the Inland Revenue. Once we are notified by the Revenue that you are exempt, we will no longer need to deduct tax.

Please note that where there are joint Landlords (including married couples) an exemption is required for each Landlord. Our staff will be happy to discuss these arrangements with you.

Do I need to tell my insurance company?

Most certainly yes - otherwise you may find your insurance is invalid. Your insurer may wish to increase the premiums or be unable to accommodate your wishes. Should you need it, we are able to offer alternative Buildings and Contents cover. Please ask our staff for further details.

Do I need to tell my mortgage company?

Most certainly yes - prior to the letting of your property you must seek written consent from your lender. Please ask our staff for further details.

What do I do if my property is leasehold?

The managing agents or freeholders must be advised as a change in the type of occupancy may affect the buildings' insurance. You should obtain the freeholders or managing agents consent prior to letting and advise us of any restrictions within the head lease which your tenant should be aware of.

Who looks after the garden?

The maintenance and upkeep of the garden is usually the responsibility of the Tenant. However, should you have a particularly large garden or any precious plants then it may be advisable to arrange for a gardener - the cost of which should be incorporated in the rental value.

Do I have to provide furniture?

No, interestingly enough, in most cases we have found that there is very little difference in rental values between furnished and unfurnished lettings. An unfurnished property would usually have carpets, curtains and white goods.

Are smoke alarms required?

Smoke alarms have to be installed in any new building or conversion. We would strongly recommend that you install at least one alarm per floor of your property.

What am I responsible for repairing?

As a Landlord you have a legal obligation under the Landlord and Tenant Act 1985 to maintain the structure of the building, the sanitation and the supply of services. In addition, should an item in the property require replacing or repairing through fair wear and tear then you would be expected within the terms of the Tenancy Agreement to deal with this.

The George F White Group:

George F White LLP

Property Agency & Acquisitions
Valuations
Property Management
Grants & Subsidies
Compulsory Purchase & Compensation
Planning & Development
Landlord/Tenant
Strategic Business Management
Project Delivery
Expert Witness & Dispute Resolution
Waste, Minerals & Energy
Plant, Machinery & Livestock

gfw-Renewables

Renewable Heat
Biogas
Solar
Wind

Water-Value



www.georgefwhite.co.uk

Northumberland & Borders Offices

Alnwick: 01665 603231

Yorks & North Lincs Offices

Bedale: 01677 425301

Shiptonthorpe: 01430 876010

County Durham Offices

Wolsingham: 01388 527966

Barnard Castle: 01833 690390

London Office

Tel: 0207 409 8307