



CHARLTON GRACE

INDEPENDENT ESTATE AGENTS

Good to know.

A guide to **letting**
your property

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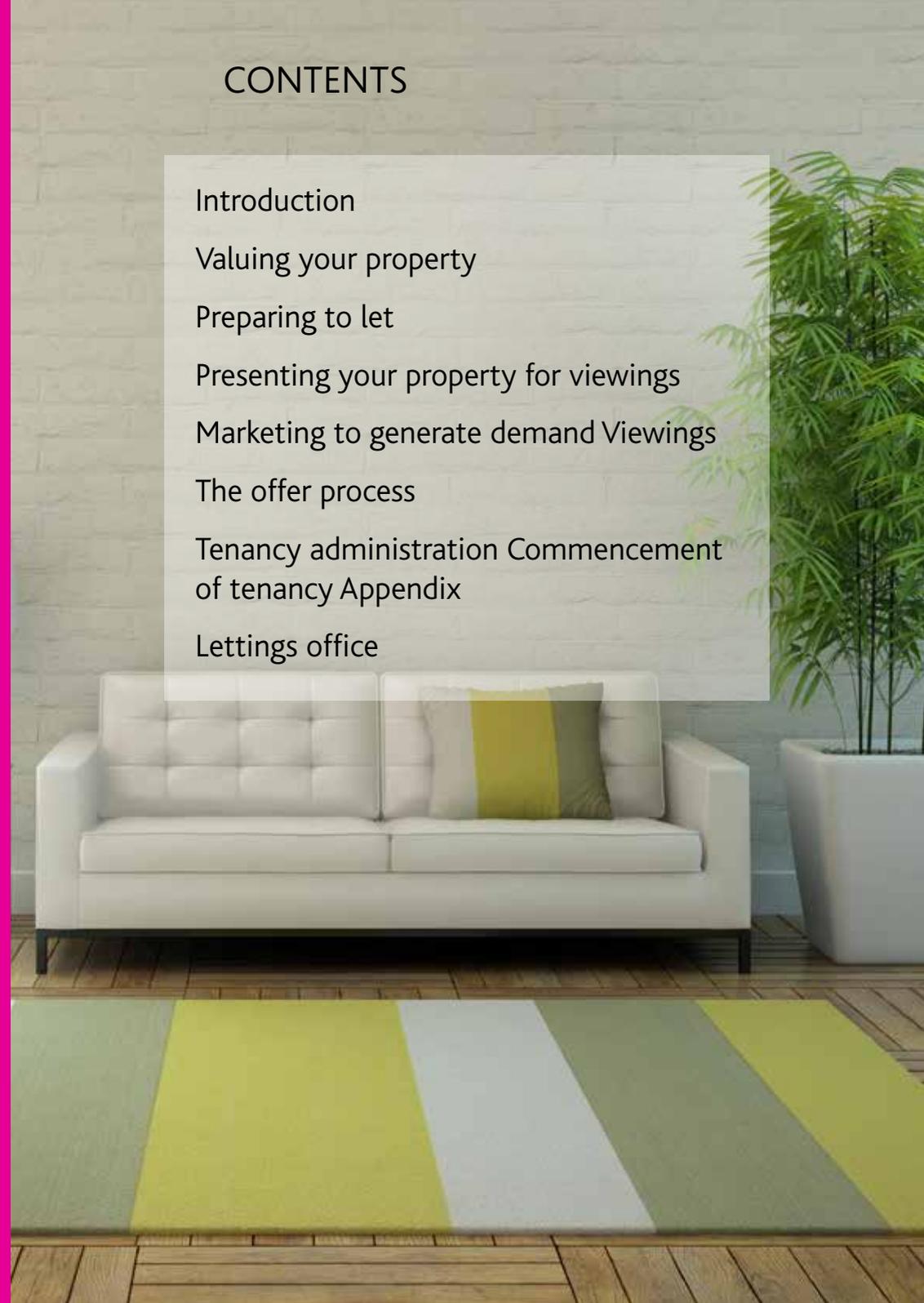
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Introduction

Letting your property involves some important decisions about a hugely valuable asset. It also requires a great deal of hard work and organisation, so it really pays to talk to the right people from the outset.

As one of Hampshire's leading estate agents, we understand how a landlord can maximise the value of their property, and how careful preparation can make the whole process run more smoothly. As a member of The Property Ombudsman and a licensed ARLA agent, we adhere to the industry codes of practice to ensure that your property transaction follows the latest regulations.

This guide contains our 'Good to know' tips for a successful lettings process, be that a short or long let. We hope you find them useful.

“We understand how a landlord can maximise the value of their property.”



Valuing your property

Our property valuations are always carried out by a senior member of the lettings team. They hold a wealth of knowledge about the market, and will be able to show you recent rental prices for comparable properties in your area.

They will also be able to provide you with area-specific research and market updates.

“ Our property valuations are always carried out by a senior member of the lettings team. ”



Preparing to let

There are a number of key areas to be addressed before placing your property on the market.

1. Condition of property

The decoration and furnishings of a property make a bigger difference than you might think. Properties that have been recently decorated in neutral colours, with modern kitchens and bathrooms, wooden floors in reception areas and good storage really do rent faster and for higher prices. To help you maximise your property's potential, ask us about our professional Refurbishment & Interior Services Department – we have successfully let every property they have improved within two weeks.

2. Appliances and manuals

All appliances and machinery, including the boiler, must be in good working order and serviced

as appropriate. Manufacturers' operating and instruction manuals for all appliances and electrical equipment should be left in the property. Details of any maintenance contracts should also be supplied.

3. EPC

All rental properties are required to have an Energy Performance Certificate (EPC) which rates the energy efficiency and environmental impact of your property on a scale from A to G. You must have an EPC for potential tenants before you market your property to rent. We use a number of accredited EPC providers and can organise the certificate on your behalf.

4. Safety regulations

As a landlord you must adhere to a number of legal requirements regarding the safety of your property. For more information please refer to the Appendix at the back of this guide.

5. Consents

You need to check the requirements of your lease in connection with sub-letting and obtain the necessary consent if required. If you have a mortgage on your property, consent may also be required.

6. Insurance

Landlords are required to make sure both the property and its contents are fully insured. You must inform your insurance company that the property is to be let and adjust your policy as required.

7. Tax implications

All income generated from letting property in the UK is liable to UK tax, whether the landlord lives

in the UK or not. Non-resident landlords will need to apply to HMRC to pay tax on their rental income through Self-Assessment in order to receive UK rental income without deduction of tax. You must pay tax on the profit you make from renting out the property, after deductions for 'allowable expenses'. The tax liabilities associated with letting a property will vary from person to person, we therefore recommend you seek the advice of a property tax specialist in order to minimise your liabilities.

8. Legal ownership

If your property is jointly owned, co-owners must be named on our terms and conditions and on the tenancy agreement.



Long lets: six months or more

1. Furnished or unfurnished?

There is often no difference between the level of rent achieved for a property whether it is furnished or unfurnished. An 'unfurnished' property will include curtains or blinds, carpets or other flooring and white goods in the kitchen. A 'furnished' property usually means a property ready for someone to move into. We can advise you on what should be left and what should be removed.

2. Property Management

It is important to identify early on who will be looking after the property whilst it is let. We can provide a comprehensive property management service. Please ask us for more details.

3. Term of letting

Most tenancies are for an initial term of one or two years. Tenants' options to renew and early termination clauses can be negotiated.

4. Utilities and Council Tax

The tenant is normally responsible for paying all gas, electricity, telephone, water, council tax and television licence bills during the tenancy. The landlord is responsible for any ground rent and service charges payable.



Short lets: from one to six months

1. Furnished

A short let property needs to be fully furnished. This includes sufficient bedding, bed linen, towels, bathmats etc. for the number of bedrooms, bath/shower rooms and occupants.

2. Fully equipped

All properties must be fully equipped. This means all kitchen equipment such as crockery, serving dishes, cutlery, glassware, utensils, pots and pans. As well as all the usual white goods, you are also required to provide a working microwave, toaster, kettle, vacuum cleaner, iron and ironing board.

3. Utilities

Utility bills and council tax are included in the weekly rent. The management and payment of all bills are the landlord's responsibility. However, if the property is let with a working landline telephone, the tenant will be responsible for the cost of any calls.

4. TV and internet facilities

Most short term tenants will require a working internet connection and television. If you do not have one installed already, this can be negotiated separately. All monthly costs will be included in the tenants' weekly rent.

5. Personal items

All personal items must be removed. Some landlords may wish to close off and lock a room or cupboards in order to store personal belongings. In this instance we will add a clause to the tenancy agreement to make it clear the area is not available for use by the tenant(s).

6. Property Management

Short let tenants want a completely hassle-free tenancy and therefore all properties will be fully managed by Charlton Grace's Property Management department.

Presenting your property for viewings

We suggest you consider the following when showing your property to prospective tenants.

1. First impressions

A clean front door and a litter-free entrance gives an excellent first impression. Any communal areas within the property should also be cleared of junk mail and vacuumed regularly. Depersonalising the property and removing unnecessary clutter will help attract potential tenants.

2. Lighting

Clean windows and drawn back curtains are essential in maximising natural light. In the winter months, good lighting is equally important – consider using lamps to add extra warmth to a room. If the property is empty, ensure that the mains power is on and all light bulbs are working.

3. Temperature

Appropriate temperature for the season helps prospective tenants imagine themselves in the home. Open windows in the summer and use a working fireplace or regular bursts of central heating in the winter.

4. Freshness

The damp smell that is often prevalent in cellars can be kept to a minimum by good ventilation or a dehumidifier. Beds should be made

up with fresh linen in preparation for photographs and viewings.

5. Cleaning

Regular cleaning is essential. It takes a very short time for dust and dirt to collect on shelves and window sills, which could easily put off potential tenants.

6. Garden

Gardens, front and back, should be kept tidy and attractive, with well-mown lawns, hedges cut and colour emphasised where possible.

“Nothing is as important as the first impression.”



Marketing to generate demand

At Charlton Grace, we have a dedicated marketing team who work closely with your local lettings office. We recognise that properties often require different marketing strategies, so we use cutting edge marketing techniques, alongside more traditional methods, to help your property achieve its potential.

1. Photography and floor plans

When letting a property, it is important that it is presented in the best possible light. Our photographers are experts at capturing the correct property features. We also use experts to construct accurate and detailed floor plans.

2. Brochures

We combine well-written property descriptions with photography and technical information to ensure potential tenants have everything they need in one place.

3. The Internet

We know that 90% of tenants start their property search online. We therefore use a number of digital marketing techniques to ensure your property is seen by as many potential tenants as possible. All of our properties are listed on our website as well as leading property search sites; Rightmove, Prime Location and Zoopla.

4. Our tenant network

We maintain a central database of potential tenants, so we can instantly call and email matches for your property. Additionally, our association with leading independent agents in London & the home counties allows us to target tenants further afield.

5. Corporate services

This specialist department is dedicated to creating and maintaining long lasting relationships with major blue chip companies, relocation and property search agents, who regularly consult us on briefs. Our professionalism and responsiveness as well as our honest approach to property means we are frequently their first port of call during a search. Our experience in corporate lettings enables us to advise you on the best way to present your property in order to secure this type of tenant.





6. 'To Let' boards

To Let' boards are a very effective marketing tool for landlords. A large number of potential tenants register as a direct result of seeing one of our boards. We would therefore always recommend one where possible.

7. Office windows

Many of our enquiries come from potential tenants walking into our offices. We therefore regularly update our window displays with the latest listings.

8. Charlton Grace brand advertising

In addition to these property- specific marketing techniques, we invest heavily in the Charlton Grace brand. Our brand presence is designed to put Charlton Grace top of mind for anyone looking to rent property.

“ We recognise that properties often require different marketing strategies. ”



Viewings

The most successful landlords ensure their property is looking its best throughout the viewing process. Finishing touches such as fresh flowers and good lighting can make a real difference.

It is important that restrictions on viewings are avoided wherever possible. A potential tenant may have many properties to look at and if they cannot access yours at a time that suits them, you may miss out.

We will always provide you with details and feedback from each viewing within 24 hours.

“ Finishing touches such as fresh flowers and good lighting can make a real difference. ”

The offer process

Receiving an offer for your property is an exciting moment. At this point the help and support of your Charlton Grace agent will be critical. With some properties in Hampshire attracting multiple offers, it is important that this stage is handled carefully, fairly and ethically.

Agreeing the tenancy

Your Charlton Grace agent will be experienced in negotiating confidently with prospective tenants on your behalf. They will work hard to protect your interests and will obtain the best possible terms for the tenancy. We will provide advice and support during negotiations. Close communication and teamwork will be key for a successful outcome.

Accepting an offer

Once you have accepted an offer, the let is agreed in principle and the proposed start date of the tenancy is agreed; although it is not legally binding, it forms the basis of the Tenancy Agreement.

Deposit

Once the Tenancy Agreement has been signed, the tenant must pay a deposit, usually the equivalent of six weeks rent.

Referencing

For all long term tenancies, we will carry out the referencing process through our preferred supplier. For short term tenancies, due to the rent being taken in full before the tenancy commences, we will either carry out basic referencing through our preferred supplier or take manual references.

“ Close communication & teamwork will be key for a successful outcome. ”



Tenancy administration

We will draw up an appropriate Tenancy Agreement; this is a legally binding contract between you and your tenant. It will set out clearly the contractual obligations both parties will be bound by, including any special conditions which may apply.

Signing the Tenancy Agreement

There are two types of tenancy which can be created when letting residential property:

- **Assured Shorthold Tenancy (AST)**
- **Contractual Tenancy**

There are different criteria which apply for each type of tenancy, depending on whether the tenant is an individual or a company and how much the annual rent is, etc. We will advise you accordingly. In order to protect your position, it is extremely important that the Tenancy Agreement is professionally drawn up, includes all the necessary provisions and is up-to-date in terms of the latest legislation.

Inventory

In order to minimise the risk of any dispute over the deposit at the end of the tenancy, it is essential to have a detailed Inventory and Schedule of Condition prepared by a professional inventory clerk; this is something we normally arrange on your behalf. This will accurately record the state and condition of the property and its contents before the tenant moves in. The property must be professionally deep-cleaned to

include carpets and soft furnishings, if necessary, before the start of the tenancy. The tenant is contracted to return the property and all contents at the end of the tenancy in the same state and condition as recorded on the inventory at the start, with the exception of 'fair wear and tear'.

Tenancy Deposit Protection

From 6th April 2007, legislation came into effect requiring that any landlord or agent who takes a deposit from a tenant for an Assured Shorthold Tenancy must safeguard it in an approved tenancy deposit scheme. We are members of the Tenancy Deposit Scheme which is administered by My Deposits. For all Assured Shorthold Tenancies where we hold the deposit, it will be protected by this scheme. For more information about The Dispute Service please visit www.mydeposits.co.uk

Entire Agreement
 This Agreement, including any referenced attachment, and its terms and conditions, which are hereby incorporated by reference (including any amendments) on the internet at <http://www.noreahurl.com/policy.html> – see Policy and Procedures and contain the entire agreement of the parties and supersede all prior agreements and understanding, oral or otherwise, between the parties. No modification or amendment of this Agreement shall be effective unless the same shall be in writing duly executed by all parties hereto.

AGREED TO BY:

By: _____
 (Signature)

AGREED TO BY:

By: _____
 (Signature)

JOHN SMITH
 (Printed name)

23.02.05
 (Date)

Commencement of tenancy

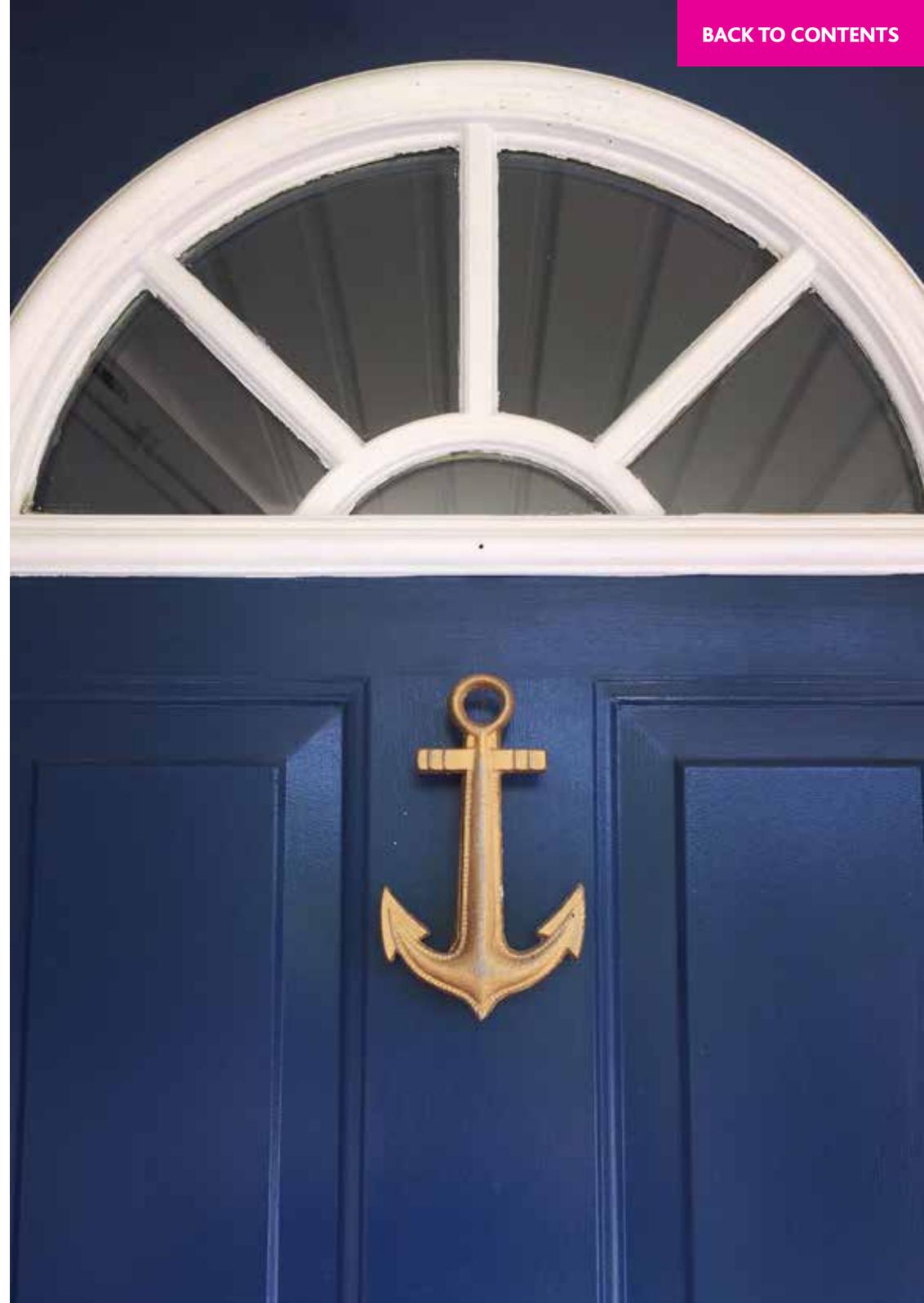
Before the tenancy starts, we collect the initial monies payable by the tenant, including the deposit and first instalment of rent (for long lets) or the deposit and rent in full (for short lets).

Following receipt of cleared funds and an exchange of signed Tenancy Agreements, the keys can be handed over to the tenant at the inventory check-in.

It is important that an appropriate number of key sets are made available, bearing in mind security keys will need to be copied in advance.

Congratulations, your property is now successfully let.

“ It is important that an appropriate number of key sets are made available. ”



Appendix

1. Fire

As a landlord, you must ensure that all upholstered furniture; soft furnishings, beds, mattresses, pillows, cushions, headboards, loose and stretch covers for furniture and seat pads comply with the Furniture and Furnishings (Fire Safety) Regulations 1988 and the subsequent amendments to that Act. Exempted items are: curtains, carpets, bed linen, duvets, period and antique furniture manufactured before 1950. All furniture purchased new, since 1st March 1990, should comply – if it does it will have a safety label attached to it. If in doubt, the items should be removed. For more information you can download a copy of the regulations by visiting www.legislation.gov.uk.

2. Gas

In accordance with the Gas Safety (installation and use) Regulations 1988, it is the landlord's responsibility to ensure that all gas appliances (boilers, cookers, gas fires, pipework and flues) are checked for safety by a Gas Safe registered engineer before a tenancy begins and then rechecked for safety at least every 12 months. The regulations also state that you must retain the gas safety record for a period of two years. For more information please visit www.gassaferegister.co.uk.

3. Electrical appliances

The Electrical Equipment (Safety) Regulations 1994 place a legal responsibility on landlords to make sure all electrical wiring, installations and appliances supplied

as part of the property are safe. To comply with the Electrical Equipment (Safety) Regulations 1994, all electrical installations and appliances in the property need to be regularly checked and serviced by an appropriately qualified engineer. We would recommend that landlords carry out regular checks of such equipment. Properties that are managed by us are required to have a Portable Appliance Test (PAT) on an annual basis.

4. Smoke and carbon monoxide alarms

All tenanted properties must be equipped with a working smoke alarm on each storey that has living accommodation. They also need a working carbon monoxide alarm in any room used as living accommodation and which contains a solid fuel burning combustion appliance. The landlord (or representative) must ensure that

the alarms are in proper working order on the day the tenancy starts. New homes built since June 1992 are required to have mains operated and interlinked smoke alarms fitted on every floor.

5. Safety checks

We can arrange for gas and electrical safety checks to be carried out, by a qualified engineer, on your behalf.

6. HMOs

Any property let to three or more unrelated people is deemed to be a House in Multiple Occupation (HMO). The Management of Houses in Multiple Occupation (England) Regulations 2006, require that all HMO's have every fixed electrical installation inspected and tested at least every five years and an Electrical Installation Condition report (EICR) prepared by a qualified electrician.



Lettings Office

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