**LANDLORDS GUIDE**

**You will be required to prepare your property for letting, here are a few guidelines which we hope will assist you when instructing us at Normans Property Group:**

**WHERE TO START?**  
**1. The rental market as with any other is competitive therefore, in order to obtain the best possible Tenants; you must present your property in the most effective way, here are some of the measures we suggest:**

**-** Interior walls should be neutral colours and carpets plain

**-** Fabrics and Furnishings (if any) should be able to withstand reasonable wear and tear and be of suitable quality

**-** Animals and their odours should be eliminated

**-** The front door should be clean and the Entrance Hall clear of any obstructions as first impressions are important

**-** The entire property should be clean and well-aired including the garden tidy.

**-** If the weather is cold, heating should be turned on and, in warmer conditions, windows opened

**2. Other important considerations for Landlords before Letting:**

**-** Written consent must be obtained from your Mortgage Provider/Freeholder (if property is leasehold).

**-** Your Insurance Company must be notified that the property is to be rented out and appropriate insurance obtained for a tenanted property. There are specialist insurance companies who can provide this and we would be happy to assist you.

**-** The Inland Revenue must also be informed within 6 months of letting your property, flat or apartment in the UK and failure to do so will incur penalties, interest and other consequences.

**-** Mail should be redirected with the Post Office.

**-** Further copies of keys will need to be provided, at least two if we Manage the property for you.

**-** Utilities such as Gas/Electricity/Water/Telephone & Council Tax will have to be transferred to the successful Tenant.

**-** An Inventory and Check In should be drawn up. This is an important legal document which forms an integral part of the Tenancy Agreement.

**-** The Inventory is required whether the property to let is furnished or unfurnished and accurate descriptions of the overall condition of wall/floor coverings, kitchen and bathroom fittings to name but a few are essential. Amounts cannot be withheld from the Tenant’s deposit unless the loss or damage is proved to have been caused by the Tenant.

**-** In the event that any dispute concerning loss or damage to your property is not amicably resolved then the matter will be referred to the Courts and arbitration but should be noted that any judgement will be on the basis of written documentation – the Inventory

**3. TENANCY** – The Housing Act 1988 (amended 1996) has given rise to two types of Tenancy: Assured and Assured Short hold Tenancy as well as the existing Company Tenancy and Contractual Tenancy.  
  
**Assured Tenancy**  
Certain criteria’s have to be satisfied for a tenancy to qualify for assured status. Assured Tenancy gives the Tenant security of tenure but at a market rent negotiated between the parties. The Landlord may request back possession of the property let on an Assured Tenancy but must obtain a COURT ORDER. This has its advantages but is not as flexible.  
  
**Assured Shorthold Tenancy (AST)**  
This Tenancy is attractive to Landlords as it offers market rents without security of tenure beyond the contractual term and the majority of Tenancies are based on this format. However, certain criteria must first be met:  
i) The Tenant must be an individual  
ii) The property must be the Tenant’s main residence/home  
iii) The rent cannot exceed £25,000 per annum  
iv) The Landlord must not occupy the same property  
  
If the property is let under an Assured Short hold Tenancy, the Landlord can issue a Section 21 Notice to guarantee possession provided the term of the Short hold is expired and not less than two months notice has been given by the Landlord stating he requires possession.   
If court action is needed, this can be obtained on a number of different grounds against the Tenant. However, it should be noted that is a criminal offence under the Protection from Evictions Act 1977, for a Landlord to threaten or forcibly evict a Tenant from their property.  
  
**Company Tenancy**  
This is governed by contract law and is not regulated by the Housing Acts of 1988 or 1996. It is used when a Private or Public Limited Company (excluding partnership or sole trader) want to enter into a Tenancy.  
  
There is no security of tenure and rental payments are often made on a quarterly basis by prior agreement.   
  
**Contractual Tenancy**  
Contractual Tenancy also falls outside the provisions of the Housing Acts of 1988 and 1996 and is not regulated by statute. It is most commonly used where the rent exceeds £25,000 per annum and both parties have the freedom to contract as they choose, but must then rely solely on the provisions of that Agreement.  
  
**5. FURNISHED OR UNFURNISHED** - Most professional Tenants prefer the property to be unfurnished and it has been found that a Tenant is likely to respect the property more if they have their own possessions. Moreover the difference between rent for furnished or unfurnished is negligible and the Landlord remains responsible for the repair of replacement of any furnishings which become broken or worn (unless this was caused by a deliberate act of the Tenant – see Security Deposits).  
  
**6. MARKETING / FINDING A TENANT** – you will need to decide whether you require Normans Property Group to simply market your property and find a Tenant or whether you would prefer to engage the services of our Management.  
  
Whether you chose to opt for our Management services or not, Normans Property Group as your Letting Agent will firstly provide colour property particulars and a rental valuation which will be based on the popularity of the area, proximity to transport, rental price of similar property handled and decorative condition to name but a few.   
  
It is important to price your rent fairly but realistically in order to attract the most suitable Tenant.  
Your rental property will be regularly advertised in the local press and publications dedicated to the letting industry as well as displayed in our offices and feature on our website and other property portals to ensure maximum exposure. We also contact any listed prospective Tenants, local companies and relocation agents.  
  
Should you decide to employ us as your Managing Agent, we will also field calls, arrange viewings, vet prospective Tenants and obtain references, draw up contracts and advise you on your Safety and Repairs obligations (see LEGAL DUTY OF CARE).  
  
**7. FULL CREDIT CHEKING** – thorough credit checks are carried out on all prospective Tenants as we can reserve the right to decline an application where necessary in the interests of protecting the Landlord’s investment.  
  
**8. REFERENCES** – these can be obtained through us as your Managing Agent and include references from the Tenant’s employer and previous Landlord.  
We can also provide you with/assist you in obtaining a linked insurance policy to safeguard your rental income and provide legal protection (RENT GUARANTEE).  
  
**9. DRAFTING of TENANCY AGREEMENT / LEASES** – the Letting team at Normans Property Group can prepare and supply you with all legal documentation and give practical general legal advice.  
  
**10. SECURITY DEPOSITS** – This is usually equivalent to one month’s rent and is taken from the Tenant to be submitted and held in our Deposit Protection Account until the end of the Tenancy. Upon vacation of your property, there will be a re-inspection and any refunds will be made within a maximum of 28 days, provided that there are no disputes and all utility accounts have been settled.  
  
The costs of everyday repairs and maintenance are the responsibility of the Landlord but, if we are instructed to manage your property on your behalf, we will pay the contractor out of the Tenant’s rent. We can also organise quotes for approval on any major repair as this becomes apparent.  
Under the Landlord and Tenant Act 1985, Landlords are responsible for repair of the structure and exterior of the property, together with installations for the supply of gas, electricity, water and sanitation.  
  
If the property is not in a good state of repair at the commencement of the Tenancy, the Tenant has the right to insist that repairs are carried out and, in the event that the damage is serious, the Tenant will be entitled to consider the letting as terminated as the Landlord will be in breach of his obligations.  
  
**11. COLLECTION OF RENT** – this is usually done on a calendar monthly basis and is forwarded to the Landlord via any previously approved method after any agreed deductions have been made for contractors etc.  
  
**12. LEGAL DUTY of CARE** – Under common law, the Landlord must ensure that properties to let are safe and failure to comply with Safety Legislation is considered a criminal offence resulting in legal action and prosecution.  
  
**As your Managing Agent, we can carry out safety checks upon your request, deducting the cost from your rent.**  
  
**Gas (CP12)** – (The Gas Safety (Installation & Use) Regulations 1994 (amended 1998) – the Landlord must maintain gas installations and all gas appliances through annual inspections and safety checks carried out by a CORGI registered engineer and a copy of the Current Inspection Certificate must be left at the property.  
  
**Electricity (EICR)** - (The Electrical Equipment (Safety) Regulations 1994 & Electricity at Works Regulations 1989-  the Landlord must ensure that all mains voltage household electrical appliances and equipment is tested and safe to use. Any non-repairable items must be replaced and removed.   
  
An NIC/EIC or similarly qualified electrical engineer must carry out these tests on an annual basis and we would also recommend this is done upon change of Tenancy.  
  
All operating instructions must be left in the property for the Tenant’s benefit.

**Energy Performance Certificate (EPC)** - EPCs compare the current energy effinciency and carbon dioxide emissions of your property with potential figures it could achieve – any house that is bought, sold or rented requires a valid EPC.  
  
**Furniture and Furnishings** – The Furniture and Furnishings (Fire) (Safety)Regulations 1988 (amended 1989 & 1993)  - Soft furnishings (such as mattresses, settees, bed bases, cushions and padded headboards) must meet fire resistance standards and bear a permanent  label confirming this. If compliance cannot be proved, the item must be removed and replaced.  
  
**Smoke Detectors** – whilst only properties built after 1992 legally require the fitting of smoke detectors (Building Regulation 1991), we would strongly recommend that smoke detectors are fitted to each floor of the property being let.  
  
**NB**: The penalty for failure to comply with statutory safety legislation is currently a maximum of £5,000 and/or 6 months imprisonment for each offence. This can be harsher in the case of injury or fatality.  
  
The above is only a guide to the legal safety requirements and should you have any further enquiries, we would recommend that you contact a qualified solicitor who will be able to verify these in full.   
  
**13. OVERSEAS LANDLORDS** – you are considered an overseas Landlord if you live abroad or go to work abroad for lengthy periods of time.  
  
It is important to firstly note that Inland Revenue regulations apply even if you are a non-UK resident. Moreover, non-resident Landlords must apply to the Inland Revenue Financial Intermediaries Claims Office (FICO) for authorisation (by way of an exemption certificate) to receive payment of property rental “gross”, that is without deduction of Income Tax by the letting agent or Tenant as required by law.   
  
**NB**: The above is merely a guideline and for fully qualified advice, you should contact an appropriate Accountant or Tax Expert.

**WHAT TO DO NEXT**

Considering Letting a Property? Do you require a Valuation? Please fill in our ‘Request a Valuation’ form and we will endeavour to reply back to your request within 24 hours, alternatively you can contact us on 020 8550 1405 our friendly team of lettings advisors will be able to advise you throughout the process.