

# REGENT ESTATES

Residential Lettings Department



# LANDLORDS

## *Information Pack*

## **REGENT ESTATES**

**Regent Estates** has established itself as one of the leading estate agencies in the Thurrock area. 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 financial services we specialise in lettings & management.

Our letting department has been established now for over 25 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.

### **Tenants**

Finding the right tenant for a property is fundamental. We start by establishing criteria for the sort of person you wish to occupy your property. We then match this to prospective tenants who must provide references. When dealing with private tenants we use a tenancy referencing application company, Homelet, who carry out credit checks and can take up full references, usually from their employer and landlords. Once they meet and pass their criteria we can then proceed with a tenancy and are also able to offer rent protection with a Rent Recovery Plus Insurance Product\* we take out enabling us to Guarantee your rental income. It is our recommendation that Landlords meet their tenants.

Payments are due every calendar month, in advance, starting from the commencement of the tenancy agreement. We do encourage tenants to pay their rent by standing order. However, should they pay by cheque, we must allow time for this to clear our bank before forwarding payment to you.

### **Rent**

When we initially assess a property we indicate what we believe to be a realistic rent, based on present market conditions. Prospective tenants usually accept our valuation, but there may need to be some room for negotiation.

### **\*GUARANTEE RENT SCHEME – Inspire Pro Policy**

This is a rent and legal protection product which covers residential properties that are let under a written Assured Shorthold Tenancy or an Assured Tenancy as defined in the 1988 Housing Act or equivalent legislation. Residential properties let to a company can also be covered providing the property is occupied by a director or employee of the company

Rent recovery & Legal Expenses Insurance provides cover for:

- Cover for the TOTAL MONTHLY RENT, no matter how many tenants are on the tenancy agreement
- 100% of the monthly rent paid for up to a maximum of six months from the date of the first arrears
- Legal expenses up to £50,000 to cover eviction costs if the tenant is in breach of their agreement
- Covers breaches of the tenancy agreement by the tenant, including non-payment of rent and expired section 21 notices

- 50% of the rent paid for up to 2 months after vacant possession has been obtained, whilst new tenants are found
- 6 or 12 month cover to suit the tenancy
- Nil excess
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We will purchase a Rent Recovery Plus policy in our name, and note you as having an 'interest in'. Homelet will then write to you confirming your 'interest in' our policy.

**This is included as part of our GOLD service but the renewal for this to continue after the first year is £195 per property.**

### Deposits

We request a deposit on all tenancies, for private tenants the deposit is equal to one month's rent and where a tenant is allowed to have pets our procedure is to take another deposit, the amount is negotiable but normally another month or less. All deposits have to be registered, by law, with a government backed scheme and we are registered with The Tenancy Deposit Scheme.

Deposits are held to help ensure the tenant looks after the property and as a safeguard against unpaid rent. It is refundable at the end of a tenancy only after the tenant has vacated the property and providing the house and their account is in order.

When the tenant vacates the property you will have an opportunity to inspect the property yourself prior to the deposit being refunded. Should you wish to do so, you must make arrangements to view the property within as few days as possible (no greater than 5) of the date the tenant vacates the property.

### Commencement Of Tenancy

The tenancy commences on the date shown in the lease. Prior to the tenant moving in then we will carry out a full colour written & photo inventory of the property, with a full description of its condition. We then send a copy of this inventory to yourself and the tenant to ensure agreement.

Whilst compiling the inventory we also take the meter readings, these readings are then passed on to the appropriate companies, and at the same time we also inform the council of the change in tenancy. We **cannot** inform British Telecom of the change in tenancy. The user of the service must do this; consequently you must ensure BT knows you no longer require a service at the property. The tenants then have to contact BT should they wish to be re-connected.

### Tenancies

All new tenancies commence with a minimum six-month assured short hold contract. Once this contract has been in force for just over three months the tenancy is reviewed and we will write to you asking if you wish the tenancy to continue, if you do not want to renew the tenancy you must inform us **immediately**, we will then make arrangements for the statutory notice to be served (where this notice has not already been served).

After contacting yourself we will then contact the tenants, they can opt to leave the property at the end of the lease or request permission to stay on. If the tenants wish to stay in the property you can either decline in which case the notice to quit must be served this then gives the tenants two months to vacate the property. Alternatively you can allow the tenancy to continue, here you can choose to renew for a period from six month upwards. (A significant number of tenants do request twelve-month contracts.)

If you do not wish to commit yourself to a definite period the contract can become a *periodic* whereby the tenant stays in the property (under the terms of the original contract). Should they wish to leave however they only need to give one months notice, if you require possession of the property as the section requiring possession has already been served you can proceed with possession proceedings.

Please note that once a section 21 notices has been served on the tenants enforcement of this notice can only be enforced through the courts. Serving the notice does not guarantee that the tenant will vacate the property on the agreed date.

### **End Of Tenancy**

Once a tenancy comes to an end we make arrangements to meet the tenant at the property. We inspect the property again and take meter readings as well as obtaining details as to where the tenant is moving. We do not close utility accounts that responsibility lies with the tenant. The deposit is refundable to the tenant once we are satisfied that everything is in order. If you wish you can inspect the property before the deposit is refunded, this must be done within a few days of the tenants moving out as the deposit has to be returned within 14 days to the tenant.

If for any reason there are any disputes with how the property has been left the first course of action is to give the tenant an opportunity to rectify the problem. If the tenant does not rectify the situation we can then make a deduction from the deposit with their agreement (valid estimates must be obtained indicating the exact cost of repair). Failing an agreement between the landlord and tenant, we will act as arbitrators. We will aim to resolve the disagreement as quickly and amicably as possible. If this is still not successful then we raise a dispute with the Tenancy Deposit Scheme and submit all our evidence and they arbitrate and make a final decision that cannot be appealed unless you wish to take the matter further to court.

### **Inspections**

We conduct regular inspections of all tenanted properties. These inspections serve numerous purposes, they allow us to visit the tenant in the property and ensure they are looking after it. We also check for signs that something may be wrong with the property, if something needs attention we can then inform you as soon as is practical helping to reduce the risk of the problem becoming worse and the cost escalating. These visits also help us get to know the tenants better, so that when the lease is due for renewal we can be confident in the advice we give to you.

### Repairs

Every property at some point will need some work doing to it, if things go wrong and the tenant contacts us, we then contact you. In the majority of cases the problem can be resolved quickly. However there are two important points to remember when it comes to repairs. **Firstly, if a serious fault does occur (pipe burst/ flood/fire or no heating or hot water) and we cannot contact you we can authorise a repair up to a cost equivalent of three times the agreed monthly rent. Authorisation for this is contained within the sole agency agreement you signed.**

Secondly, once a property is tenanted you do have an obligation to ensure it is well maintained. Carrying out repairs quickly is often as important for you as it is for the tenant, after-all repair caught early enough can save you a lot of money. Remember tenants do have rights; tenants can contact the Environmental Health because repairs are not being attended to quickly, and the ensuing 'enforcement order' could include extra repairs and significantly higher final bill. They will carry out work not done and they will add a hefty additional charge on top of the repair bill.

\*"In the Landlord & Tenants Act 1985 under section 11, it is implied as a convenient in the tenancy agreement that the landlord is:

- (a) To keep in repair the structure and exterior of the dwelling (including it's drains, gutters and external pipes).
- (b) to keep in repair and proper working order the installations in the dwelling, for sanction and for the supply of water, gas and electricity as well as those for space heating and heating water"

\*(Journal for residential property professionals- July 1996, issue2, volume4)

### Gas Appliances

It is a legal requirement that every gas appliance and gas central heating system has to be inspected on an annual basis, they have to meet strict conditions and a safety certificate must be issued. (This certificate or copy of it must be kept with our files). You can ask British Gas (who charge per item inspected) or a private gas engineer (some of whom have a flat rate, regardless of the number of appliances). Remember for a inspection to be complete the piping must also be inspected and the person conducting the inspection **MUST** be CORGI registered.

We can arrange for the safety inspection to be carried out for you by our local gas engineer. Once the inspection has been completed we keep a record of the date. A safety certificate must be issued every twelve months.

Central heating systems do break down, unfortunately it always seems to happen at the most inconvenient of times such as a Bank Holiday or when you are away. The cost of repair can be substantial and there is often little option but to have the work done. For this reason we recommend a service contract. British Gas offer a policy which serves the majority of systems very well, they also allow you to spread the cost and pay monthly instalments (details of the scheme along with an application form can be found in your pack). If you do take out a service contract or have one already then please let us know, the details will be kept in the files and should the tenant have any problems we can contact your service provider on your behalf.

### **Alarms**

It is our recommendation that all properties should be fitted with at least two smoke alarms. While this is not a legal requirement for two, failure to take adequate precautions (such as fitting smoke alarms) could lead to a landlord being prosecuted if something did happen. Smoke alarms are inexpensive and are easily fitted; they can and do save lives. Once installed these devices must be checked on a regular basis.

If your property has gas appliances then you may wish to consider the installation of carbon monoxide alarms (these detect the build up of dangerous gasses). These units cost a little more than smoke alarms but again do serve a very useful purpose.

More and more landlords are having burglar alarms fitted, which have a master code as well as a user code this must be kept secret. A master code means that changing the alarm number is only possible with this number. Consequently while your tenants can have the benefit of the alarm they cannot change its settings. Alarms (like any piece of electrical equipment) can malfunction. This is not only annoying for yourself and neighbours but it is also leading to increased calls from police officers for a list of such nuisance alarms (the implication being that if an alarm is frequently sounding for no valid reason the police refuse to respond). We would therefore recommend that the alarm is checked on a regular basis.

### **Furnishings**

If any furniture is left in a property, then you as landlord have a duty to ensure it is maintained and (for electrical / mechanical equipment) repaired should it become faulty, provided of course this is not as a result of negligence or malicious damage by the tenant. Any soft furnishings (Chairs & beds etc.) that are left in the property must comply to fire regulations, and a label clearly stating so should be attached. If not then the furnishings must be removed from the property; they cannot be stored at the rented address.

### **Mortgages**

If the property you wish to rent is subject to a mortgage then the mortgage lender should be informed that you intend to let the property. This should be done before a tenant moves into the property. Gaining permission from the building society usually depends upon the mortgage account not being in arrears. Some lenders do ask to see a copy of the lease, which the tenant will be asked to sign, we will happily provide them with this. The lender may make a small charge to cover administration costs.

### **Insurance**

As landlord you are still responsible for the building and accordingly the buildings insurance. Please note buildings insurance will not cover the costs of replacing or repairing carpets if they become damaged, it does however cover fixtures and fittings. If the property is furnished or part- furnished you may also wish to consider contents insurance.

### **Tax**

Income received from renting any property is subject to tax (we strongly recommend that you take advice from your accountant). Expenses incurred can be set against this liability (see enclosed leaflet) as can the interest paid on the mortgage (if MIRAS is dropped or does not apply to the property). Enclosed in this pack you will find A Brief Guide to Lettings & Tax. **Overseas Landlords** Up until April 1996 landlords who moved out of the United Kingdom had to have tax deducted by their agents. Now however a landlord can apply for an exemption certificate from the Inland Revenue (we can supply the application forms). If you are awarded exemption we can send all the rent money to yourself (a copy of the exemption certificate must be held by ourselves) without a deduction for tax.

### **Empty Property**

The agreement you signed when the property was put on our books does not cover periods when the property is vacant. If you are concerned about the property and want us to manage it while it is empty you must inform us of this and we can make arrangements to do so (there will be an extra cost for this service).

### **Keys**

We would normally require three sets of keys to the property, one will be handed to the tenant on occupation, and the others will be retained in our office for emergencies. Note: If you wish to use or collect these keys at any time- you must bring proof of identification as a security measure.

### **Finally**

If you do have any problems, feel free to contact us - we are here to help.