

Where to start.

SK Property Group will always prioritise your and your property's needs. Being landlords ourselves we are aware of what landlords expect and we aim to not only meet but exceed these expectations.

The following guide is provided to assist you in understanding your obligations as a Landlord and to help you decide which level of service you require from SK Property Group.

Obtaining Relevant Consent

The first step to a successful Let is obtaining permission to let the property.

- All joint owners or parties listed on the title deeds must sign agency terms and conditions and must be named on the tenancy agreement. Where any party comprises of more than one person, the liabilities and obligations of the party, under the Agreement will be joint and several.
- Any bank or building society whose loan or mortgage is secured against the property must be made aware. If you do not do so the tenancy may be deemed unlawful which gives the lender the automatic right to take possession of the property.
- The landlord's insurance company must confirm that the cover will be maintained if the property is let. In particular it is important that the Public Liability element covers any loss or injury occurring at the property. The landlord will need to continue both buildings and contents cover for the property and insurance companies should be notified of any void periods.
- The head landlord, in respect of leasehold properties permission may be required under the terms of the lease and if so must be applied for. If there are any additional clauses that the mortgagee or head landlord requires to be incorporated into the tenancy agreement then the landlord must inform SK Property Group of these clauses prior to any agreement being drawn up. There may be additional administration charges for amendments and/or addendums to an agreement.

After obtaining the relevant permissions to rent out your property the next step is the Market Appraisal, SK Property Group will meet you at the property on a day and time suitable to yourself and give you an up to date, achievable market appraisal. This is the first difference that we at SK Property Group are proud of. We will not pluck a figure of the sky, we will research the market, provide comparable properties and show you how we have come to the figure. We will also make suggestions of what you may be able to do to achieve slightly more, what the market trends are and how we can make your property work best for you. This service is of course provided free of charge and with no obligation.

SK Property Group are aware that each property is different, each landlord is different and with this in mind when assessing the market value we will take everything in account, accommodation, condition, location, current demand and the individuals aspirations. On top of this we have extensive market knowledge and research on the other agent's strengths and weaknesses.

Furnishings

One of the first questions you will need to consider is whether you will be offering the property furnished or unfurnished. This will be dependent upon the property type, the location and of course the landlords needs. SK Property Group let properties unfurnished, part furnished or fully furnished and the landlords legal rights are the same whichever option is taken. SK Property Group find that demand for unfurnished accommodation is higher than the demand for furnished and also, there is little difference in the rental value you will receive. However, if the property is already furnished then you may need to consider the costs of removal and storage.

Unfurnished

Unfurnished lettings generally include;

- Carpets / Floor coverings
- Curtains / blinds- curtain poles or tracks are essential
- Light fittings and working bulbs
- Kitchen appliances (white goods) in good working order, with instructions and preferably insured for breakdown, however a cooker is the only appliance considered as essential

Please note if you are providing white goods then if they fail or need replacing it would be your responsibility unless adequate proof is found that it was the user error that created the fault.

Furnished

You may choose to let your property furnished. If so, you need to be aware of the following;

- All soft furnishings including beds, upholstered chairs and sofas must comply with the Furniture and Furnishings (Fire) (Safety) Regulations Act 1988. Any furniture manufactured before 1988 will generally not comply
- All bed linen, towels and ornaments should ideally be removed
- If an electrical appliance such as a television or toaster breaks down, it is your responsibility to repair or replace it.

It always pays to spent a bit of time and effort on furnishings to get ahead of any competition- there is no firm rules on exactly what you should include, however as a general guideline each room should be adequately furnished for its purpose.

Presentation

First impressions are PRICELESS. With this in mind when prospective tenants arrive at your property it's always worth doing everything you can to ensure their first impression is a positive one. We can provide simple adjustments to the presentation of the property to ensure it looks its best. If your property is presented well then it may not only achieve a higher rental figure but the tenants are more likely to respect it also.

It is highly important to ensure that;

- The property is professionally cleaned throughout including the carpets

If you can keep invoices as proof this work has been performed we can insist the tenants do the same at the end of the tenancy as they are to return the property in the same order as it was presented to them (subject to fair wear and tear)

- The windows are cleaned inside and out

Again keeping the invoices, there is also a note within the SK Property Groups Assured Shorthold Tenancy stating all windows to be cleaned internally and externally on a regular basis and at the end of the Term.

- Any necessary redecoration has been carried out

When decorating we would suggest choosing neutral colours and using emulsion paint on the walls rather than wallpaper as it would be quicker and easier to redecorate in the future.

- The garden is well tended

The garden would form part of the tenancy so routine garden maintenance would be the tenant's responsibility. However if your property has a large garden or well established shrubs we would recommend employing a gardener with the cost being reflected within the rent.

Attracting the RIGHT Tenants.

SK Property Group fully understands that maximum exposure and excellent marketing has a huge influence in securing the right tenants for you and your property.

Comprehensive Marketing

When SK Property Group receive your instruction to proceed the team will commence with the search for suitable tenants. Your property will feature locally and nationally on our own website skpg.co.uk as well as Rightmove, Zoopla amongst other property portals. We also hold successful open house events attracting maximum interest and accelerates the process of letting your property, we advertise in property magazines, we also have a database of registered applicants that will be called and or emailed with your property details. 'To Let' boards are one of the most effective promotional tools, they ensure your property is signposted 24 hours a day.

With our experience enquiries from boards are amongst the most positive as the tenant has already approved of the location and exterior of your property.

Unless otherwise instructed we would always erect a To Let board outside your property. We continually advertise proactively until we find a suitable applicant.

SK Property Group representatives are available 24 hours a day seven days a week- if no one is in the office the phones are diverted to our personal mobiles, these mobile numbers



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are also given to applicants and landlords so we really do go the extra mile to build relationships and gain desired results for you.

Internet Marketing

The internet today is the number one tool in the marketing of rental properties. Over 70% of people looking to move home use the internet to search for properties. All our properties are visible online 24 hours a day 7 days a week and therefore prospective tenants can view anywhere in the world at any time of the day.

Company Relocation

There are a significant amount of house moves as a result of job re-location. SK Property Group have formed many relationships with the large local businesses and therefore have a database of Executive Professional families and individuals looking for properties. There is also the option of 'Company Lets' where the company is the name on the tenancy and guarantees the rent and stipulations within the contract. With the processes in place SK Property Group negotiate rewarding outcomes for all parties.

Tenant Selection.

SK Property Group will discuss your requirements in detail during the original market appraisal. Before we begin the reference process with any applicant we would call or email you to discuss their application- we are keen to have you as involved in the process as you please.

Some landlords do not want to have anything to do with the process and some appreciate the opportunity to be involved- this is again something that will be discussed throughout the market appraisal.

Different landlords have different stipulations regarding what they will and won't or can and can't accept. SK Property Group will negotiate any special conditions that are required and ensure these conditions are inserted into the signed tenancy agreement.

References and Financial Credit Checks

When a tenant's application has been put forward and accepted we carry out our strict referencing process. We secure an employee reference, current landlord/agent reference, photographic identification as well as a detailed financial credit check going back not only 6 years but is updated throughout the tenancy also.

The Assured Shorthold Tenancy Agreement

The Tenancy agreement is one of the most important documents we hold within Lettings. A comprehensive agreement and detailed inventory and schedule of condition are essential to a successful Let.





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Tenancy Agreement

SK Property Group have invested in solicitors to work alongside our experience to produce a tenancy agreement ensuring full compliance with the Housing Act, written in plain English making sure they are easy to read and understand. Our tenancy agreements are carefully designed to protect your rights to possession and to help control the tenant's activities.

Preparing an Inventory and Schedule of Condition

An inventory and schedule of condition is an essential element of the tenancy. This important information provides a comprehensive record of the condition of the property and is vital to avoid differences of opinion during or at the end of the tenancy. We recommend that the inventory and schedule of condition is prepared by an experienced third party inventory clerk.

It is standard practice for the landlord to pay for the inventory and check out report and for the tenant to pay an administrative cost associated with the check-out service.

SK Property Group will organise a detailed inventory and schedule of condition on your behalf and furthermore will attend a check in meeting with the tenant where they will sign a copy of these documents. Inventory costs vary according to the size of the property and the cost of this service will be quoted after the rental valuation.

In addition to the provision of the check in we are able to instruct the inventory clerk to flag any potential hazards under HHSRS which will help identify potential hazards prior to the commencement of the tenancy.

Deposits

As part of the Housing Act 2004 the Government introduced tenancy deposit protection for all assured shorthold tenancies (ASTs) in England and Wales where a deposit is taken. From April 6th 2007, all deposits paid under an AST should have been protected within 14 calendar days of receipt by the landlord. From 6th April 2012, deposits for all assured shorthold tenancies (ASTs) in England and Wales must now be protected within 30 calendar days of receipt by the landlord, this change is as a result of the Localism Bill 2011.

SK Property Group are a member of the DPS custodial scheme.

As part of our full management and rent collection service SK Property Group will automatically register the tenant's deposit with The Deposit Protection Service upon receipt. If the landlord requires us to register the deposit under an alternative scheme we must be informed in advance of marketing the property. If it is necessary to amend the tenancy documents to reflect the change to an alternative scheme there will be an administration charge of £100.00 plus VAT.



Legislations

Legislation and case laws are always on the move, for example determining the handling of deposits (Superstrike vs Rodrigues or Johnson Vs Old) or introducing Local Housing Allowances. We expect to see the following become increasingly significant over the next few years but there will, no doubt be a plethora of developments across the board.

- Legionnaires disease assessments
- Tighter environmental controls
- Licensing of Houses in Multiple Occupation
- Compulsory Redress schemes
- Immigration checks
- Planning regulations and permitted development

Tenants' safety is of utmost importance to SK Property Group and to our landlords, who could be held liable if any accidents happen in their property. There is a raft of legislation to protect all parties and we are extremely familiar with it. We provide expert advice on current legislation, our staff are trained to understand these requirements and we have systems in place to ensure that they are complied with.

Energy assessments

It has been a legal requirement, since 1 October 2008, for all landlords to have a valid EPC for their property before it can be let. An EPC must be prepared by a registered assessor. Once issued the EPC is valid for 10 years.

The EPC can be used time and time again during this period however the landlord should consider renewing the EPC during the 10 year period if significant energy saving modifications are made to the property e.g. installation of double glazed windows. SK Property Group are able to arrange for an EPC to be carried out in order to avoid any delays in letting the property. The cost of an EPC will be £95 (+ VAT equivalent).

Gas Safety (Installation and Use) Regulations 1998

The above act consolidates the 1994 and 1996 regulations. These regulations compel landlords to have all gas equipment, pipe work, valves, regulators, meters and flues checked on an annual basis by a GAS SAFE registered contractor and to keep records of these inspections. By law the tenant must be given a copy of a valid gas safe certificate prior to the tenancy commencing.

Statutory repair obligations - Landlord and Tenant Act 1995

It is the landlord's responsibility to ensure that both the inside and outside of the rented property is well maintained and kept in good repair. The landlord must comply with the obligations to repair the Premises as set out in the sections 11 - 16 of the Landlord and Tenant Act 1995 (as amended by the Housing Act 1988). These sections impose on the landlord obligations to repair the structure of the premises and exterior (including drains, gutters and pipes):

- Certain installations for the supply of water
- Electricity and gas
- Sanitary appliances including basins, sinks baths and sanitary conveniences
- Space heating
- Water heating

Smoke Alarms

All properties built after 1993 are required by law to be fitted with smoke alarms (ideally mains operated) to all floors. Properties of any age in which there are three or more stories must have their ceiling mounted alarms interlinked (hardwired or radio interlinked) so that all floors alarms sound simultaneously in the event of a fire, giving residents occupying the upper floors, a better chance of escape. In older properties of two stories or less landlords should supply and fit at least two ceiling mounted smoke alarms.

The Furniture and Furnishings (Fire) (Safety) Regulations 1988

Landlords should be aware that the furniture and furnishings supplied in rental accommodation must comply with The Furniture and Furnishings (Fire) (Safety) Regulations 1988 (as amended). Some materials used to fill or cover furniture, particularly older and second hand furniture, may be a fire risk and often produce poisonous gases when burning, such as cyanide or carbon monoxide.

If you let your residential property furnished you must ensure that certain types of furniture and furnishings provided meet the current safety regulations – failure to comply with the regulations is a criminal offence and may result in:

- A fine of £5,000 per item not complying
- Six month's imprisonment
- Possible manslaughter charges in the event of death
- The Tenant may also sue you for civil damages
- Your property insurance may be invalidated

Electrical Equipment (Safety) Regulations 1994

Although there is no legal obligation in the case of rented residential accommodation to carry out a portable appliance test (PAT test) The Electrical Safety Council's Guidance recommends portable appliance testing to satisfy the obligation to ensure that any portable electrical appliances which the landlord provides under the tenancy are safe at the point of letting and at periodic intervals after that.

When providing portable appliances for tenants the landlord should check that each appliance has a CE mark and should only provide appliances with additional safety marks e.g. the British Standard Guidance mark or the BEAB approved mark. Tenants should be provided with instruction manuals and be told to read and follow them.

If the landlord decides not to instruct PAT tests it is recommended that portable electrical appliances are checked by the landlord before letting to ensure that there are no

cuts/abrasions to the cable, the plug is satisfactory, there are no loose parts or screws, that there are no signs of burning and there is no damage. It is also recommended that regular checks are carried out after the commencement of the tenancy.

Taxation

The rent after deducting allowable expenses will be subject to UK tax whether you are resident in the UK or not. If you are resident in the UK you must declare your rental income on your self-assessment form.

The following deductions can usually be made from your rental income for tax purposes:

- Interest on mortgage
- Property repairs
- Letting and management charges
- Buildings insurance
- Ground rent
- Service charges

For non-resident UK taxpayers we are required to deduct and hold at source sufficient funds from each rental payment received in order to discharge the landlord's responsibilities. If the landlord completes a NRL1 form the Inland Revenue may grant an exemption certificate and once we have received proper notification of this we shall cease to withhold further funds. The Non-Resident Landlord (NRL) scheme is for taxing the UK rental income of persons whose 'usual place of abode' is outside the UK for six months or more.

Discrimination Legislation

A landlord is committing an offence under the Disability Discrimination Act (1995) if they refuse to let a property because a person is disabled. It is also an offence to impose higher rental or deposit charges based on disability. Landlords are not obliged to alter a property to accommodate a person with a disability under the Disability Discrimination Act (1995), but they must not prevent a disabled tenant making reasonable alterations to improve access.

Landlord's liability insurance

It is vital that landlords have adequate landlords insurance in place. A household policy will not cover a landlord for a third party. As a Landlord you are responsible for the safety of the property that your tenants are living in. This means that should a tenant harm themselves due to something dangerous in the property they can make a claim against you for damages. For example, a tenant may electrocute themselves on a faulty light switch and badly burn their hand as a result. The Landlord Liability cover will pay for any damages that are awarded to the tenant as well as all legal costs.

If you require a quotation for landlords insurance we will be happy to arrange for a broker to call you directly.

Landlords FAQs

We hope that the information provided within the landlord's guide is useful, here is some additional information compiled from the most common questions asked by new and existing landlords. If you have a specific question about the letting process or property management please call the lettings team on **01202 287487**.

Who is responsible for the bills?

Unless it has been otherwise negotiated the tenant will be responsible for paying all utilities including electric, water, and gas or oil where applicable. Payment of council tax will normally be the responsibility of the tenants. However landlords should be aware that where a property is empty, let as holiday accommodation or as a house in multiple occupation responsibility for the payment of the council tax rests with the owner of the property.

Who is responsible for collecting mail?

You should arrange for redirection of their mail via the post office. Mortgagers and Banks should be advised and direct debits altered where necessary.

What are security deposits?

Before the tenant is allowed to take occupation a security deposit is taken which as standard is the equivalent to one and a half times the monthly rent.

This deposit will then be registered with and transferred to The Deposit Protection Service as part of our obligations under the Housing Act 2004. At the end of the tenancy, if the landlord and tenant agree how the deposit should be repaid they will inform the scheme administrator, who will pay out the money as agreed

We will provide support and advice throughout the deposit registration and deposit return process.

How do I receive my rental income?

You will receive your rental income monthly via a BACS payment direct into your bank account less our management fees and any agreed invoices for maintenance works.

What happens if my tenant does not pay the rent?

We will contact the tenant if the rent is not paid within 2 days of the rent due date, informing the landlord immediately if there is a problem. We endeavor always to resolve payment difficulties by mediating with the tenant and landlord to agree a satisfactory remedy. Our fully managed service offers a full rental guarantee and insurance to ensure full peace of mind (terms and conditions apply).

If the fully managed service including the rent guarantee has not been chosen, we advise landlords to take out a Legal and Rent Protection insurance which will provide cover should the tenant fail to meet his financial obligations.

What happens if my tenant damages my property?

Regular inspections help to identify potential breaches of the Tenancy Agreement and any visible damage to the property. If a breach or damage is discovered during the inspection the tenant will be instructed to put the property into good order and will be notified that failure



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to comply may jeopardise future tenancy renewals. The deposit is held against damage to the property and this can be used for genuine repairs which are the tenant's responsibility. Should the deposit not cover the damage, Legal Protection Insurance, if taken out, would pay for legal action to recover costs.

Why choose SK Property Group to let and manage your property

Longer opening hours

Longer opening hours are essential to maximise viewing opportunities for your property and to ensure effective management of your property.

We are available 7 days a week- we do not employ a company that answers our phones who are unable to assist with your enquiry- if no one is in the office then the phone call is diverted to one of the directors personal mobile numbers.

Market knowledge

Regular market analysis and intimate knowledge of the local area ensures an accurate and honest valuation of your property. SK Property Group can undertake a thorough appraisal of your home and assess its value based on:

- Condition and presentation
- General location and exact position
- Comparisons with other similar properties that are available
- Current market conditions
- Historic price data

Comprehensive marketing

We will market your property to local and national tenants by advertising on Rightmove, Zoopla and the SK Property Group website and with regular hot property features in House magazine.

Our successful Open House events attract maximum interest in rental property, accelerating the process of letting and help to expand our unique database of professional tenants.

'To let' boards are one of the most effective promotional tools: ensuring your property is signposted 24 hours per day. Our experience shows that enquiries from boards are among the most positive as the tenant has already approved of the location and exterior look of your home.

Upon instruction we will provide a 'to let' board outside the property unless otherwise instructed by the landlord.

Tenant vetting and obtaining references

We will carry out stringent checks on prospective tenants including verifying their identification and income details.

We use an independent company to conduct the references. Once completed they offer a full rent guarantee and insurance subject to terms and conditions.

Dedicated property manager

We provide our clients with one main point of contact so we can establish a relationship and ensure we understand your requirements.



Arranging Inventory and Schedule of Condition and Check out Inspection

We will arrange the Inventory and Schedule of Condition and Check out Inspection on your behalf, attend the inventory check in and check out appointments and manage the completion and signing of the inventory documents.

Utility and Council Tax transfer

We will contact utility companies and local authority with the new tenant's details and where applicable the previous tenants forwarding address.

Maintenance management

We will investigate any faults reported at a property whether they are flagged during the inventory inspection, reported to us by the tenant or identified during the check-out inspection. In the case of minor repairs or emergencies (up to £200 excluding VAT per item of repair) we will instruct our trusted contractors to carry out repairs, with reference to you, providing we are holding sufficient funds. Where major works are necessary at least two estimates will be obtained and sent to you for approval.

Rent collection and provision of statements

Provided we are given the landlord's bank or building society details we will automatically transfer the net rental receipts to that account as soon as funds have cleared our account. Statements will be sent to the landlord each month. Rents will normally be collected each calendar month on the rent due date unless otherwise agreed at the outset of the tenancy.

Comprehensive management inspections

We will carry out a thorough inspection each quarter providing a report of the overall condition of the property with recommendations and details for any improvements should they be required. Giving the landlord assurance that their property remains in good repair throughout the tenancy and assisting to minimise costs by acting in good time.

Before marketing commences copies of relevant safety certificates, warranties and insurance schedules are required.

PLEASE REFER TO THE SECTION - LEGISLATION AFFECTING LANDLORDS.

If you require further assistance obtaining the necessary inspection certificates please complete the order form attached to the enclosed Landlord's Questionnaire.

Keys

There should be at least one full set of keys provided for each adult tenant and one for Capital and Coastal as the managing agent (for maintenance and/or emergency access requirements). All keys are coded and stored securely.

Information about security features

It is crucial that clear detailed instructions are given where security alarms are installed before viewings commence. A 24-hour service contract should be arranged and key holder and local police should be notified of the arrangements.