



Landlord Guide

Established in 1933, Wills & Smerdon are independent Estate and Letting agents. We are a forward-looking dynamic company and proud of our long and successful history. We have an expert and intimate knowledge of the property market in the Horsleys, Ripley, The Clandons, Send, Effingham and the surrounding villages.

Our successful Lettings department is based at our East Horsley office. We have let hundreds of properties for satisfied landlords, many of whom are long standing clients. We manage a growing portfolio of properties and focus on the priorities and needs of our landlords. Use of specialist Letting and Management software ensures your property investment is efficiently looked after and rents paid over promptly. We are members of The Property Ombudsman and ARLA (Association of Residential Letting Agents) and our Lettings team are ARLA trained and qualified to ensure the highest standards are met at all times. We are proud of our integrity and our commitment to customer service and as a small dedicated team really take the time to get to know you, your property and your tenants.

"The team at Wills and Smerdon have given us excellent advice over the years which has made our investment in property a pleasure.....People are the heart of any business and I have always found your team very friendly and caring, as well as being quick, knowledgeable and very competent. The clients that you have found for us have been reliable and well behaved and the properties have never remained empty between lets."

Mr J Hill

Letting your property



The first step is for us to carry out a market appraisal to advise you on: market conditions; how to present your property to appeal to the best tenant ; the expected market rental and your legal obligations as a landlord. You need to choose a letting agent who knows the market so you can achieve the maximum rent for your property and keep expensive void periods to a minimum. This appraisal is free of charge and without obligation.

Once you have instructed us to let your property, and signed our Terms of Business, we will re-visit your property to take photographs and prepare the particulars. We will list your property on our own website and upload the details onto the popular property portals Rightmove and On the Market. We will immediately contact prospective tenants by telephone and email, and arrange accompanied viewings. We also advertise in Local and National newspapers and magazines. If agreeable, we will erect a prominent To Let board.

When an offer is received we will negotiate on your behalf and confirm the terms of the offer to you for your acceptance. Any offer is subject to references and contract. Our selection process is meticulous and we use a referencing agency to verify the financial status of the applicants.

Once the references have been approved to your satisfaction we prepare a tenancy agreement setting out the rights and obligations of both parties which is forwarded to you and your tenant for signature. We can, in turn, negotiate the renewal of the tenancy at the end of the fixed term.

We recommend that an inventory and schedule of condition is prepared and we can organise this on your behalf. The inventory is a detailed document listing the condition of the property and its decor and contents. Inventories are charged at a rate dependent upon the size of the property and whether furnished or unfurnished. An inventory is essential to reduce the risk of a dispute at the end of the tenancy. Professional cleaning of the property is also highly recommended before the tenancy commences. As part of the inventory service we will notify the utility companies of the new occupier's details.

On the tenancy start date once we have receipt of the signed tenancy agreement and cleared initial monies, we will release the keys to the tenants and provide a copy of the inventory. We will inform the tenant of who to contact throughout the tenancy. The deposit is then registered with the Tenancy Deposit Scheme and the rent due forwarded to you by BACS payment.

Renting through Wills & Smerdon not only means that your tenant has the peace of mind of a quality rental property, they know they are dealing with professionally qualified staff who follow a strict Code of Practice and Rules of Conduct. In the unlikely event of anything going wrong, your tenants have a formal route to redress any issues should they occur.

We offer three flexible levels of professional service:

- Tenant Find
- Rent Collection
- Fully Managed



Tenant Find Service

This service is suitable for experienced local landlords who wish to remain involved in the day to day running of the tenancy and legalities. At Wills & Smerdon we will:

- Prepare property particulars and arrange appropriate advertising
- Actively market your property and keep you informed of progress
- Arrange and accompany viewings for prospective tenants
- Take up references on all prospective tenants using an independent referencing agency
- Inform you of current safety regulations relating to letting residential property and arrange for an EPC and Gas Safety Record if required
- Prepare the Tenancy Agreement
- Collect the first month's rent and deposit
- Arrange for the inventory
- Inform the relevant utility suppliers at the beginning of the tenancy
- Register the deposit (if required)
- Negotiate tenancy renewal and carry out a rent assessment at the end of the first term
- Serve Section 21 Notice as appropriate

Rent Collection Service

This service is designed for landlords who still prefer a more “hands on” approach to letting their property but opt for professional rent collection. In addition to the Tenant find service Wills & Smerdon will:

- Collect and remit monthly rents to you promptly by BACS with a payment statement
- Chase any late rental payments immediately and, if necessary, pursue tenants in accordance with the Housing Act
- Keep you advised accordingly

Fully Managed Service

This service is our most comprehensive and suitable for landlords looking for the convenience and reassurance that all maintenance issues are swiftly dealt with using contractors who understand that a speedy, cost effective solution is essential. We manage our portfolio in-house which means tenants can pop into the office if they prefer to. We have a 24 hour emergency call out team to ensure your tenant always has a point of contact. In addition to the Tenant find and rent collection service Wills & Smerdon will:

- Oversee all contact from your tenants regarding maintenance problems
- Instruct tried and trusted contractors accordingly and process invoices
Carry out regular property visits and provide written feedback with photographs if appropriate
- Mediate on your behalf regarding the deposit return

Additional Services

- Vacant property visits
- Buy to let advice
- Insurance
- Property refurbishment

So, whether you are a first time or an experienced landlord, please be assured that we will take the time to understand your needs and concerns and we are here to help as little or as often as you choose.

Call Wills & Smerdon today on 01483 284141 to discuss your requirements

Legislation

Your tenant's safety is of the utmost importance as landlords could be held liable if any accidents happen in their property. There is a raft of complex legislation and as members of ARLA we are kept up to date with changes and we implement these as appropriate and in conjunction with you. This gives our landlords the confidence their property is in good hands.



Safety Legislation

The Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1993

It is a criminal offence to let Premises with upholstered furniture or soft furnishings containing foams that cannot be proven to comply with the above Regulations. The Regulations require that specified items must be must be match resistant, cigarette resistant and carry a permanent label.

Electrical Equipment (Safety) Regulations 1994

Landlords are responsible for providing instruction books for all items of electrical equipment and for ensuring that all electrical appliances within the Premises comply with the above Regulations. All electrical installations should be safe and checked regularly.

Gas Safety (Installation and Use) Regulations 1998

It is a criminal offence to let Premises with gas appliances, installations and pipe-work that have not been checked by a Gas Safe Registered Engineer. The Gas Safety Record (GSR) will need to be renewed at twelve monthly intervals. A Tenancy cannot commence until there is a valid GSR. If we are not managing the Premises it is the legal responsibility of the Landlord

Legionnaires' Disease

In order to comply with the Health and Safety Executive's Code of Practice, Landlords are strongly advised to carry out a risk assessment at their premises prior to letting especially if there are open water tanks, cooling systems or a swimming pool.

Part "P" Building Regulations (Electrical Safety in Dwellings)

From January 1 2005 the above Regulations came into force requiring qualified personnel to carry out certain electrical work at premises.

Smoke Alarms and Carbon Monoxide Alarms

Under current legislation, being the Building Regulations 1991, it is the law that all newly built premises from June 1992 must have mains fitted smoke alarms with battery back up. Other properties do not require smoke alarms by law, however, if battery operated smoke alarms are fitted to the Premises the Landlord must ensure that the alarms are in working order at the start of a Tenancy. It is not the law that carbon monoxide alarms are fitted to premises although we advise all landlords to consider the installation of alarms to protect the Occupier and help prevent any legal action being taken against a landlord.

Energy Performance Certificate (“EPC”)

All properties going on the market for letting must have an EPC. A copy must be given to the Tenant with written details or prior to the first viewing. The property cannot be marketed without an EPC as the first page must be provided to the applicant with any written information. A fixed penalty for every property marketed without an EPC may be imposed by the Trading Standards Officer. We can arrange an EPC on your behalf.

Landlord’s Undertakings

Mortgage

If the Premises are subject to a mortgage, you will need your mortgagee’s written consent to the proposed letting. The mortgagee may want to see a copy of the Tenancy Agreement, which can be supplied upon written request. The mortgagee may charge you a fee for giving their permission. If your mortgagee has any special conditions relating to the Tenancy, or type of Tenant you have, you must provide this information to us prior to the start of the Tenancy to be included within the Tenancy Agreement. Conditions cannot be imposed upon a Tenant at a later date.

Sub-Letting

If you are a leaseholder, you will normally require the consent from your Superior Landlord, freeholder or their managing agent before you can sub-let the Premises to an applicant. In giving this consent the Superior Landlord or their managing agent may require you to provide references for your Tenant and for you and your Tenant to enter into an agreement to observe the covenants contained in your Head Lease. A fee may be charged for granting consent to sub-let, which is your liability, and for the licence granted prior to the start of the Tenancy and upon renewal. We will need a copy of any sections of the head lease that impose restrictions on the behaviour of the Occupier, together with any schedules referred to therein so that we can attach a copy of this to the Occupancy Agreement. If the Occupier is not given a copy of the relevant sections of the Head Lease you cannot impose any obligations contained in it upon them. This could lead you to breach the terms of your lease.

Insurance

It is essential that the Premises and the contents included in the Inventory and Schedule of Condition are adequately insured and that your insurers are aware that the Premises are let. Failure to do so may invalidate your insurance. You must inform your insurers whenever the Premises remain vacant for a period greater than specified in your insurance policy. You should also check that your insurance policies include third party liability to protect you if the Tenant or a visitor to the Premises is injured. You must give us copies of any section of your insurance policies that impose restrictions on the behaviour of any Occupier of the Premises to attach to the Occupancy Agreement at its commencement, including any conditions for vacant premises. If these are not given to the Occupier then they have no obligation to comply, which could be in breach of your insurance contract rendering any claim void. We strongly recommend you arrange for an insurance policy that covers loss of rent, contents and legal expenses.

Taxation

You will be liable for tax on income arising from letting the Premises and you must inform Her Majesty's Revenue and Customs ("HMRC") that you are letting the Premises. There are a number of allowances that you can claim against this income. You should seek advice on these allowances from your accountant or from the HMRC website which can be accessed on www.hmrc.gov.uk. You must also keep all your invoices for six years for tax purposes. You should be aware that we are obliged to forward a form to the HMRC annually detailing all landlords whose Premises we have let and the rental income they have received, regardless of the country of residence of that landlord.

Overseas Landlords

The HMRC has special rules regarding the collection of tax on rental income if you are a landlord who is resident overseas for a period of more than six months in any tax year, or you subsequently move abroad. If you fall into this category it is your responsibility to obtain a tax approval number from HMRC. The relevant form and guidance notes can be downloaded from www.hmrc.gov.uk/cnr/nr_landlords.htm. Until that approval number is given to us by the HMRC we are legally obliged to deduct tax from your rental income at the prevailing rate, which is currently 20%. This money is forwarded to HMRC on a quarterly basis. For any period during which we deduct tax from your lettings income due to you not providing us with an Approval Number or you are not being accepted into the Non Resident Landlord Scheme we shall make an administration charge as shown in Schedule 1. If the Tenant pays you direct, you are non-resident in this country and he has not received approval from HMRC to pay the Rent gross, they must deduct tax and forward that to HMRC on your behalf. No person or organisation is exempt from this scheme.

Private Rental Sector Code of Conduct

In September 2014 the Government, in conjunction with leading organisations representing Landlords, Letting agents and Property Managers, worked together to develop a code of practice. This document can be found at: www.rics.org/global/private_rented_sector_code.2014.pdf



Checklist

Once you have decided to let out your property, you need to:

1. Instruct Wills & Smerdon to let the property – ideally 6 – 8 weeks before the availability date
2. Obtain the necessary Consent to Let from mortgage lender if applicable
3. Obtain the necessary Consent from the Freeholder if the property is leasehold
4. Advise your insurance companies of intention to rent and obtain landlord insurance
5. Arrange for an Energy Performance Certificate (EPC) if necessary
6. Ensure the property is compliant with safety regulations
7. Arrange for the central heating to be serviced and a gas safety record obtained
8. If moving abroad, notify HMRC and obtain Non Resident Landlord approval
9. Prior to the commencement of the tenancy, arrange professional cleaning
10. Leave a set of appliance manuals at property
11. Arrange for 3 sets of keys to be given to Wills & Smerdon
12. Contact the utility companies and services
13. Redirect mail to a suitable forwarding address
14. Sit back and relax while Wills & Smerdon manage your property for you!

Landlord Commission Fees and Charges



Please find below a summary of fees and charges.
Full information is provided in our Terms of Business.

Client money protection
provided by: **arla**

Independent redress
provided by: **tpos**



Tenant Find Service	12% inc VAT of the first term's rent payable in advance at start of tenancy and on renewal of the tenancy
Rent Collection Service	15% inc VAT payable pro-rata (usually monthly)
Fully Managed Service	18% inc VAT payable pro-rata (usually monthly)
Float	It may be necessary for us to hold a float, usually equivalent to one month's rent
Sale of Property	1.5% inc VAT of the sale price if sold to the tenant payable on completion of the sale
Tenancy Agreement	£150 inc VAT

Inventory charges inc VAT	Inventory Make		Inventory Check Out	
	Unfurnished	Furnished	Unfurnished	Furnished
Studio/1 bedroom	120	132	108	120
2 Bedroom property	132	144	120	132
3 Bedroom property	156	168	144	156
4 Bedroom property	180	204	168	180
5 Bedroom property	252	264	216	228
6 Bedroom property	288	300	240	252

Deposit registration fee	£36 inc VAT payable annually
Tenancy extension/ renewal fee	£60 inc VAT
Non residents landlord tax certificate	£42 inc VAT
Instruction withdrawal	£234 inc VAT
Refurbishment supervisory fee	12% inc VAT of cost of works over £2000

Presenting your property

It is well worth remembering that first impressions count and so presenting your property in the right way can make your property stand out from the competition, reduce void periods and achieve the for the maximum rent. We also find that tenants tend to stay longer in properties that are well presented and well maintained.



Furnished or Unfurnished?

Unfurnished properties generally include carpets, curtains/blinds, light fittings and white goods in the kitchen.

Furnished properties include the above and also furnishings such as beds, sofas and sometimes kitchen contents such as kettles and crockery.

Our top tips on how to present your property

- Make sure your property is clean and tidy, including windows.
- Décor should be neutral. Emulsion is easier to maintain than wallpaper.
- Carpets and curtains should be as plain as possible and in a good clean condition.
- Try to keep gardens as low maintenance as possible.
- Keep the property warm and welcoming in winter months and cool and airy in summer months.
- Stay on top of minor maintenance (before, during and after any tenancy) and redecorate where necessary.
- Bathroom and Kitchen floorings should be ceramic tiling, vinyl or laminate and not carpeted
- Try to provide as much storage as possible.

For specific presentation advice, please call Wills & Smerdon on 01483 284141