

## Lettings and Property Management Services

Sussex Property Management offers a comprehensive service at all levels of letting and/or managing your property. We aim to take the worry out of the process for you so that you can be confident that your property is being managed professionally. We hope that the general points covered in this guide will be of some assistance to you. If there are any aspects of which you are unsure, please telephone our office. Alternatively we can visit you at your home to discuss your individual requirements, at your convenience.

## Our Services

### Specialists

We are a local, independent firm specialising in Residential Lettings and Property Management. As specialists we are fully focused on the priorities and needs of the Landlord, and, unlike Estate Agents, our loyalties are not divided by dealing with property sales and mortgages. We understand that letting your property, especially for the first time, can be a worrying experience and with this in mind our most important consideration is providing you the Landlord with the best possible service and the right tenant for your property. We never forget that the property is your most important asset and we can confidently assure you that by instructing us to act as your Letting and Management Agents your asset will be in professional and caring hands.

Our staff are trained, attending both ARLA and TFP training courses as well as NAEA qualifications.

We refer to a specialist legal help line provided by TFP - leaders in the legal aspects of residential lettings.

### A Personal Service

We pride ourselves in offering a personal and friendly service, whilst at the same time maintaining a high standard of competence and professionalism.

### Carefully Selected Quality Tenants

Drawn from a continually updated register, all prospective Tenants are thoroughly referenced and credit checked. In some cases we will also require a guarantor.

### Out of Hours Service

For our initial meetings with you we will, if necessary, be pleased to visit your property outside normal office hours, at a time that is convenient to you and thus fit in with your busy schedule. A member of staff is also available on the telephone out of hours for our Full Management Service clients.

### Letting your Property

When you instruct Sussex Property Management to manage your rental property initially we would meet you to view your property in order to advise you on - likely attainable rent, Housing Act legislation, Insurance, Tax liabilities and your responsibilities as a Landlord.



## Records

Full records must be kept for at least 7 years of the inspections of each appliance and flue, of any defects found and of any remedial action taken.

## Copies to tenants

A copy of the safety certificate issued by the engineer must be given to each new tenant before their tenancy commences, or to each existing tenant within 28 days of the check being carried out.

## Health and Safety - Electrical

Under the Electrical Equipment (Safety) Regulations 1994, and certain other regulations, electrical appliances and equipment provided in tenanted premises must be safe. It is therefore advised to have an electrical safety check carried out to ensure that all electrical items, plugs and leads are completely safe and undamaged, and to remove or replace any faulty items.

## Consumer Protection - Fire

The Furniture and Furnishings (Fire) (Safety) Regulations 1988 (amended 1989 & 1993) provide that specified items supplied in the course of letting property must meet minimum fire resistance standards. The regulations apply to all upholstered furniture, beds, headboards and mattresses, sofa-beds, futons and other convertibles, nursery furniture, garden furniture suitable for use in a dwelling, scatter cushions, pillows and non-original covers for furniture. They do not apply to antique furniture or furniture made before 1950, bedcovers including duvets, loose covers for mattresses, pillowcases, curtains, carpets or sleeping bags.

Items which comply will have a suitable permanent label attached. Non-compliant items must be removed from the property before a tenancy commences.

## Smoke Alarms

All properties built since June 1992 must have been fitted with mains powered smoke detector alarms from new. Although there is no legislation requiring smoke alarms to be fitted in other ordinary tenanted properties, it is generally considered that the common law 'duty of care' means that Landlords and their Agents could be liable should a fire cause injury or damage in a tenanted property where smoke alarms are not fitted. We therefore strongly recommend that the Landlord fit at least one alarm on each floor (in the hall and landing areas).

## Insurance

Landlords are responsible for the insurance of the building and of your own contents included as part of the rental. Your insurers must be informed of your intention to let. We offer a range of competitively priced insurance products designed specially for Landlords, providing extra security and peace of mind. These include:

- RENTAL GUARANTEE COVER
- LEGAL EXPENSES COVER
- CONTENTS INSURANCE
- BUILDINGS INSURANCE

Sussex Property Management is authorised and regulated by the FSA. This means that we are approved by the Financial Services Authority to discuss, recommend and handle rent guarantee, legal expenses cover, contents and buildings insurances.

As a principle we are able to choose between suppliers and offer you, the Landlord a choice.

## Income Tax for UK & Non Resident Landlords

### **UK based Landlords**

Landlords need to inform the Inland Revenue of any income received from rental property. Tax deductions can be made for maintenance and other costs, your tax consultant can advise fully. On request from the Inland Revenue, Sussex Property Management will need to report income and expenditure of all Landlords we are appointed to act on behalf of.

### **Non Resident Landlords**

Income tax is payable on income received from rental property until such time that we are provided with an approval for exemption. An application can be made to the Inland Revenue for an exemption certificate, this would exempt your Managing/Letting agent from deducting tax. If a certificate is not obtained the statutory requirement to deduct tax remains.

Inquiries about tax liabilities for Non Resident Landlords can be made to:

Telephone - 0151 472 6000

Sussex Property Management Limited is registered with this scheme and will provide you with the relevant form to complete to apply.

*Please note that for Non Resident Landlords who arrange a power of attorney to sign Tenancy Agreements on their behalf a copy of this document is required for our files. If you require Sussex Property Management to perform this service for you an agreement will be drawn up for signature.*

### **Mortgages and Leaseholds**

The mortgage lender of your property must be advised that the property is to be let under a Shorthold Tenancy Agreement.

If your property is leasehold you will require consent before letting. In both cases, the lender and/or the head lessor may require Tenant references and a copy of the Tenancy Agreement. The Landlord will remain responsible for payment of ground rent and services charges which may apply.

We also require a copy of all covenants relating to the property to attach to the tenancy agreement.

## Preparing the Property

It is the Landlord's statutory responsibility to ensure that the rented property is structurally sound and is habitable. We have found that a good relationship with Tenants is the key to a smooth-running tenancy. As Property Managers this relationship is our job. It is important that the Tenants should feel comfortable in their temporary home, and that they are receiving value for their money. It follows therefore that a well maintained property in a good decorative order will go towards this, whilst also achieving a higher rental figure. Tenants are also more inclined to treat such a property with greater respect.

### **General Condition**

Electrical, gas, plumbing, waste, central heating and hot water systems must be safe, sound and in good working order. Repairs and maintenance are at the Landlords expense unless misuse can be established. Interior decorations should be in good condition and preferably plain, light and neutral.

### **Furnishings**

It is recommended that you leave only minimum furnishings, and these should be of reasonable quality. It is preferable that items to be left are in the property during viewings. If you are unsure about certain items we will be able to advise.

### **Personal items, ornaments etc.**

Personal possessions, ornaments, pictures, books etc. should be removed from the premises, especially those of real or sentimental value. Some items may be boxed, sealed and stored in the loft at the owner's risk. All cupboards and shelf space should be left clear for the Tenant's own use.

### **Gardens**

Gardens should be left neat, tidy and rubbish free, with any lawns cut. Tenants are required to maintain the gardens to a reasonable standard, provided they are left the necessary tools. However, few Tenants are experienced gardeners, and if you value your garden, or if it is particularly large, you may wish us to arrange visits by our regular gardener.

### **Cleaning**

At the commencement of the tenancy the property must be in a thoroughly clean condition, and at the end of each tenancy it is the Tenants' responsibility to leave the property in a similar condition. Where they fail to do so, cleaning will be arranged at their expense. Sussex Property Management can draw up a Schedule of Cleaning along with the inventory in order that the Tenant has guidelines for cleaning at the end of their tenancy.

### **Information for the Tenant**

It is helpful if you leave information for the Tenant, e.g. on operating the central heating and hot water system, washing machine and alarm system, and the day refuse is collected etc.

## **Utilities**

Sussex Property Management will take meter readings and inform utility suppliers of any changes of occupancy. We will also inform the local authority for payment of council tax. If you are the current occupier of your property we recommend the mail forwarding service from the Royal Mail.

## **Keys**

A minimum of three sets of keys to your property are required. One set will remain with Sussex Property Management in case of an emergency.

## **Tenant Responsibilities**

It is the Tenants responsibility to pay for services to the property during the rental period, these include:

- Gas
- Electricity
- Drainage
- Telephone
- Satellite/Cable TV
- Water (payment by either party agreed with Landlord)

The Tenant is also responsible for payment of the Local Authority Council Tax. During void periods this responsibility reverts to the Landlord although exemptions may apply.

It is the Tenants responsibility to report any fault which may breach safety regulations and to report failure of appliances which will require repair or replacement. Tenants will also be required to report structural damage i.e. from adverse weather conditions and internal faults i.e. burst pipes. Tenants will report to your Managing/Letting agent in all cases with the exception of those Landlords using our Tenant Introduction Service.

## **Tenancy Agreements**

Sussex Property Management provides an Assured Shorthold Tenancy Agreement for rentals up to £25,000 per year to give you protection under the Housing Act 1988 amended 1996 to ensure your rights to possession at the end of the tenancy are protected. This applies to properties where the Landlord is not resident. Suitable agreements are prepared for properties falling outside of the Housing Act 1988 amended 1996.

An Assured Shorthold Tenancy lasts for a determined period i.e. 6 months or 12 months and is a fixed term tenancy. It can also run indefinitely from one rental period to the next which is termed as a contractual period tenancy. Sussex Property Management recommends a minimum rental period of six months which can be renewed in the form of either a fixed term or a periodic tenancy.

In addition we will prepare Notice Requiring Possession and Memorandum of Agreement to renew tenancy as required.

### **Security Deposits**

Sussex Property Management Limited is registered with two of the available schemes as required by the protection of deposits Housing Act 2004.

Deposits are registered either with the Tenancy Deposit Solutions Limited scheme, details available at [www.mydeposits.co.uk](http://www.mydeposits.co.uk) or with The Deposit Protection Service scheme, details available at [www.depositprotection.co.uk](http://www.depositprotection.co.uk)

### **Inventories and Property Visits**

#### **Inventories**

An inventory is a schedule of the property showing its condition and contents prior to letting. Your inventory will include the condition of paintwork, wallcoverings and floors/carpeting as well as any furnishings and appliances to be left in the property during the rental period. The inventory will also include the condition of the garden (if applicable).

Lofts, attics and cellars are not included, condition of the exterior of the property and outbuildings/garages not included.

The Tenant will be given a copy of the Inventory and Schedule of Conditions at check in. At the end of the tenancy we perform a check-out to ensure there are no variations to the agreed inventory.

#### **Property Visits**

Visits to fully managed properties are carried out after the first month, the third month and at either three or six monthly intervals thereafter. The first visit will enable us to determine quickly if the upkeep of the property is being managed adequately by the Tenant. If there are initial problems they can be rectified and in doing so will offer the Tenant and, you, the Landlord peace of mind.

Lofts, attics and cellars are not included in property visits.

### **Letting and Management Service**

This service is recommended for absentee Landlords whether you are a Non Resident Landlord or, living outside the immediate area. The service includes: Property visit to advise on likely rental value: Advice on legislation, tax, insurance as required: Advertising your property on the internet, in the press and our details: 'To Let' board if required: Referencing of Tenants: Inventory: Tenancy Agreement: Deposit and rent receivable: Inspections of your property as detailed in 'Inventories and Property Visits'

Our Letting and Management service also includes arrangement of any repairs/maintenance on your behalf up to an agreed sum to be held as a

reserve fund. Reimbursement of expenses paid on repairs/maintenance will be made out of the monthly rental collection to maintain the reserve fund. Details will be shown on your rental statement.

The service includes remitting you received rent less our commission on either a monthly or, a quarterly basis and issuing a quarterly rental statement. An end of tax year statement will also be prepared for you on an annual basis.

Should the occasion arise that rent becomes overdue on your property Sussex Property Management undertakes to issue reminders to Tenants and, to liaise with your solicitors if legal action becomes required for recovery of unpaid rent.

At the end of a tenancy period Sussex Property Management will serve the appropriate notices, arrange a check-out of the Tenant and deal with return of their deposit.

In addition, should you require arrangement of your outgoings concerned with the property i.e. service charges, ground rent, insurance premiums etc. we would be happy to deal with these for you.

#### **Fees**

A monthly commission of 13% (+ V.A.T)of the property rental is charged for all above services. This commission will be deducted from rent received with the balance remitted to you on an agreed basis.

A £20 annual charge is made for set up of all requested insurance products.

<b>Let and Rent Receivable Service</b>
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The service includes: Property visit to advise on likely rental value: Advice on legislation, tax, insurance as required: Advertising your property on the internet, in the press and our details: 'To Let' board if required: Referencing of Tenants: Inventory: Tenancy Agreement: Deposit and rent receivable

Our Let and Rent Receivable service does not include arrangement of any repairs/maintenance on your behalf.

The service includes remitting you received rent less our commission on either a monthly or, a quarterly basis and issuing a quarterly rental statement.

Should the occasion arise that rent becomes overdue on your property Sussex Property Management undertakes to issue reminders to Tenants and, to liaise with your solicitors if legal action becomes required for recovery of unpaid rent.

At the end of a tenancy period Sussex Property Management will serve the appropriate notices, arrange a check-out of the Tenant and deal with return of their deposit.

#### **Fees**

A monthly commission of 10% (+V.A.T) of the property rental is charged for all above services. This commission will be deducted from rent received with the balance remitted to you on an agreed basis.

A £20 annual charge is made for set up of all requested insurance products.

Tenancy agreements, Inventories and renewals are charged as per page 10

### Tenant Introduction Service

This service is for Landlords who manage their own rented property and require Tenants to be introduced. The service includes, Property visit to advise on likely rental value: Advice on legislation, tax, insurance as required: Advertising your property on the internet, in the press and our details: 'To Let' board if required: Referencing of Tenants: Inventory (as charged): Tenancy Agreement (as charged): Collection of deposit to be forwarded to landlord as required.

#### **Fees**

A fee equivalent to 8% (+V.A.T) of the gross rental due for the agreed term of the tenancy (up to 12 months) is charged. The fee is payable at the commencement of the tenancy being deducted from the first months rent which is received by Sussex Property Management. Subsequent rental is paid directly to the Landlord by the Tenant.

A £20 annual charge is made for set up of all requested insurance products.

Tenancy agreements, Inventories and renewals are charged as per page 10

Please note\* new legislation in 2006 will provide for a new structure for the holding of Tenant's Deposits. If you determine to look after the Tenant's Deposit we shall require proof of it's deposit as stated by law. Alternatively you can lodge the deposit with Sussex Property Management.

*If the rental of your property results in a sale of the property to the tenant introduced by Sussex Property Management, a fee of 0.5% of the property value will be charged.*

