



ADAMS
ESTATES



READING'S ESTABLISHED AGENT

The lettings market has changed beyond all recognition over recent years. The biggest legislative change was made with the 1988 Housing Act, which brought with it the Assured Shorthold Tenancy which has revolutionised the market. With the much-publicised uncertainty in the world of investment and pensions, more and more landlords have entered the residential lettings market as an alternative form of investment.

Adams Estates has been working in the Reading area since 1999 and as such our knowledge of the market and properties is vast. We have a strong team of experienced lettings professionals who understand the individual needs of the landlords and tenants alike.

This booklet has been produced to enable you to have a better understanding on all the aspects involved in letting and managing your property. If you require any further information relating to Adams Estates or our service's, please contact the office on **01189 351616** where a member of our team will be delighted to help



Successful rental investment comprises of three main factors – long term capital growth, maximum rental yield achievable and near constant occupation. Long term growth is deemed by economic factors beyond the control of the agents and landlords, however, one can maximise the rental achieved and increase the desirability of the property, thus reducing void periods, by ensuring that the property is presented in the best possible way.

PREPARING YOUR PROPERTY FOR RENT

It is important that the property looks as inviting as possible to prospective tenants. Now is a good time to finish those maintenance issues that you may have not quite got around to. Adams Estates has a variety of reputable contractors who will be able to carryout any required works. This will reduce those expensive void periods and the possibility of a small problem becoming a larger issue. Décor should be of a high standard and we generally recommend a choice of neutral colours with good quality furnishings which are in-keeping with the property.



We strongly recommend that all properties be professionally cleaned before the commencement of the tenancy. It is a condition of the tenancy that the property is left in the same condition at the end of the tenancy as it was found at the commencement. The rooms should be free from clutter with only the fixtures and fittings that are to be left for use by the incoming tenant on display.

Any maintenance issues should be addressed and décor should be of a high standard. We generally recommend a choice of neutral colours. Adams Estates has a number of approved contractors who can provide quotes free of charge for cleaning, decorating, general repair and supply of furnishings upon request. Furnishings should be of a quality and style in-keeping with the property.

The investment you put into your property will pay dividends as it will ensure not only the best rental, but will reduce marketing time finding a tenant thus reducing any of the dreaded void periods.

FINDING A TENANT

There are many aspects to renting, but few so important as finding a suitable tenant quickly. Adams Estates always tries to find the right tenant whether private individuals or a Company let.

Marketing is the key. Adams Estates uses traditional advertising in a wide range of publications. Our website ensures all properties are displayed the same day as instructions are received to find a tenant. Additionally, all properties are advertised with an increasing number of portals such as Rightmove, Fish4homes, Homesonview and many others ensuring continuous worldwide marketing. Our prominent office in Crawley High Street ensures significant walk-in enquiries and our years of acting for a large number of prominent Financial Institutions generate a huge number of recommendations and Company lets.

All viewing appointments are accompanied by an experienced member of our lettings team.

Once a tenant agrees to rent a property, a holding deposit is taken together with referencing fees. An independent, Specialist Company who report to us on the suitability of the tenant seeks references. These findings are of course reported to you for your approval.

Each tenant is assessed on the basis of:

Employment reference

Previous Landlords reference (where applicable)

Search of public records for previous address and credit score

Once we have finalised all the details of the tenancy, we will arrange for all parties to sign the agreement and collect one months advanced rent with the balance of the security deposit, equivalent to one and a half months rent prior to release of keys.



LEGAL ISSUES

Tenancy agreements are constantly evolving in accordance with the changes in legislation. Adams Estates prides themselves on having up to date agreements that reflect the latest changes. They are written in plain English and are consistent with the Office of Fair Trading guidance in respect of Unfair Terms of Contract. Our agreements have been pre-approved by most High Street lenders and all prior notice grounds of possession are included as required. We regret that we are unable to use landlords own tenancy agreements unless they have been approved by one of our Directors.

Safety regulations are legal requirements for letting residential property. Non-compliance with these regulations carries substantial fines and possible imprisonment and is decided by the Courts. At all times, both the landlord and their agent have a duty of care to the tenant. There are four key areas one must consider.

Gas Safety – Gas equipment and appliances must be in accordance with the Gas safety (installation and Use) Regulations 1994, as amended in 1998. The test covers general operation and safety, inspections of combustion, pressure test, vent and flue check. All checks must be undertaken by a CORGI registered engineer. It is a statutory requirement that all properties that have any gas appliances are tested annually. A written record must be kept and made available for inspection by a tenant. These inspection records must be kept for a period of not less than two years.

Furniture and Furnishings – Anything in the property which is upholstered or has a filling material must comply with Fire Safety Regulations with the exception of antique furniture. All furniture manufactured after the 1st March 1989 is required to comply with this legislation and will be labelled accordingly. If items are not labelled, they do not comply and must not be left in the property.

Electrical safety - There are a number of regulations pertaining to electrical safety. The law requires that all equipment supplied is safe. In practice, the only effective way to ensure compliance and tenant's safety is by employing a competent person to test the equipment before the property is let. Instruction booklets for operation of electrical equipment should be supplied.



Smoke detectors – The Smoke Detector Act 1991 places the responsibility on the Landlord to install adequate smoke detectors, we recommend at least one per storey in all tenanted properties. The 1991 Building Regulations require all properties built since June 1992 must be fitted with mains operated interlinked smoke detectors/alarms on each floor.

Houses in Multiple Occupation (HMO) – From 6th April 2006, the old fitness standard which has been in use for nearly a century was replaced by the risk inspection assessment inspection system for residential accommodation. The type of properties that will now require a HMO Licence are those with three storeys (including basement and loft conversions if used for living accommodation), which provide homes for five or more people from two or more families where not all the accommodation is self contained.

This includes shared housing such as:

Houses shared by young working people, or students.

Old style bedsit houses, where people have their own cooking facilities but share bathroom and/or WC.
Hostel accommodation.

Converted properties that contain both flats and non-self contained accommodation.

Other safety regulations – Generally, any products supplied with the property must be in good working order. For example, lawnmowers should be connected through RCD protected plugs, smoke detectors must be in good working order, glass up to a height of 1500mm in doors and 800mm in glass panels from floor level must be 6mm toughened safety glass. Additionally, a landlord must provide the tenant with relevant operational information for any product which may have any risk associated with its use.



The simplest way to deal with the regulations is to instruct Adams Estates to arrange the necessary inspections through our approved contractors.

Consents – If your property is mortgaged you will need to obtain the consent from your Bank or Building Society prior to letting. If your property is leasehold, you will also require consent from the Head Leaser, Freeholder or Management Company.

Insurance – You will need to advise your Insurance Company that you are renting the property and ensure that you comply with any conditions imposed. This applies to both buildings and contents insurance. Your tenant should also have contents insurance in place. You are not responsible for their possessions. Adams Estates is happy to arrange Landlords insurance quotes that are specific to your needs to give you complete peace of mind. Please ask for more information if you require this service.

Tax – Income tax is payable on all rental income arising from the property in the UK regardless of the residential status of the Landlord.

Under the 1995 Finance Act, a Letting agent is obliged to advise the Inland Revenue that a letting has been arranged For a landlord who is non-resident for UK tax purposes.

As a Managing Agent, we are legally responsible for payment of any tax that arises and will retain monies to cover this liability

Non-resident landlords can apply to the Inland Revenue for approval to receive gross income. Without this approval we are obliged to deduct tax. We strongly advise any landlord to appoint an accountant to deal with their tax affairs as many of the costs incurred in renting can be offset against income.



Inventory – We consider it imperative that an independent, professional inventory be commissioned. This comprises not only a full list of contents, but also a schedule of condition. At the termination of tenancy, a schedule of dilapidations will be drawn up to assess if there should be any deductions from the security deposit. Where we act as managing agent, we hold tenants' deposits as stakeholder and will arbitrate in any disputes which may arise.

EPC – Energy Performance Certificates (EPC) are a mandatory legal requirement for property rented from 1st October 2008. EPCs are valid for 10 years for rental properties and can be reused as many times as required during that period.

Landlords must ensure a copy of the EPC and the recommendation report, is available free of charge to prospective tenants at the earliest opportunity. A copy of the EPC must be given, free of charge, to the person who ultimately becomes the tenant before the rental contract is signed. Trading Standards can enforce this requirement with a notice and penalty charge of £200.00 per dwelling if the landlord has failed to provide an EPC to a tenant or a Trading Standards enforcement officer. Additionally, the landlord will still have to provide an EPC.

Adams Estates can offer advice on EPCs or any other letting or property management issue. Please call our office on 01189 351616

GENERAL ADVICE

Check in and Check out - The inventory is checked and agreed with the tenant upon moving in and checked again on moving out. An inventory report will be issued itemising any damage that is deemed to be beyond normal wear and tear, as well as any missing contents. Adams Estates will agree with the landlord the amount to be deducted from the tenant's deposit.

Inspections – These are carried out quarterly by Adams Estates. Should any problems arise on these inspections a cautionary letter will be sent to the tenant advising them of the problem and a suitable course of action to rectify the problem. A copy will also be sent to the landlord. Inspections are carried out free of charge (Plus service only) however an additional fee will be charged for a detailed report compiled by the inventory clerks.

Rent – Adams Estates arrange for the tenant's rent to be paid by standing order. It is then paid via BACs to a landlord's nominated account. The entire process usually takes 4 - 5 working days. generally we would aim to pay you on the rent due date.

Maintenance and General Repairs - The landlord will be asked upon the initial contact to list any preferred contractors to be used if any routine work is required at the property. If you do not specify particular companies Adams Estates appoint various reputable local firms to carry out work, however service contracts are recommended for any major appliances.

Adams Estates cannot accept any liability for work carried out with any contractor, however we ensure all contractors have relevant qualifications and necessary insurance policies.



Gardens and Gardening – For larger gardens, arrangements should be made for a gardener to maintain the grounds. This is reflected in a higher rent and avoids disputes between parties and neighbours. Tenants are usually responsible for the maintenance of a smaller garden providing all the necessary equipment is supplied.

Mail – We do advise you to arrange a redirection by Royal Mail if you have been residing in the property prior to the letting term commencing. This can be arranged through your local post office.

Cleaning – It is very important that properties are let in a clean condition by the Landlord, to set the standard for the tenant and to avoid any dispute at the end of the tenancy. This applies especially to the kitchen with cupboards left empty and clean with door ajar. We can arrange cleaners if you would like a pre-let 'Spring clean'. If the tenants do not leave the property in a satisfactory condition they will be given the opportunity to rectify the situation. If they fail to do so a professional cleaning company will be instructed by us and the charge will be made to the tenant's security deposit.

Keys – When we are instructed to let a property we will need at least three sets of keys, one set will be held by Adams Estates and the others will be given to the tenant once final monies are clear and the tenancy agreements have been signed. We do recommend that the landlord keeps an additional set of keys. Should Adams Estates not be supplied with the required complete sets of keys, arrangements will be made for copies to be obtained and the expense will be deducted from the next available paid rent.

VAT - Where applicable our charges are subject to V.A.T which is charged at the prevailing rate.

WHY CHOOSE ADAMS ESTATES

Adams Estates have heavily invested in a state of the art computer system that will automatically match tenant's criteria to properties, it also enables us to produce full colour property details of a very high standard.

Most letting agencies are open between the hours of 9am – 5pm, 5 days a week. We are open 6 days a week and remain open until at least 8pm during the week, as most people like to view houses outside of normal working hours.

Every property that we are instructed on benefits from a colour floor plan representation to further enhance the appearance of our details. To date we are the only letting agent in the Crawley/Gatwick area to offer this service free of charge to our landlords.

At Adams Estates we realise that your property is your most valued asset and with this in mind we have developed management packages which can be tailor made to suit your individual requirements.

Another first for Adams Estates is the adoption of a text messaging system. This works in conjunction with our office computers and enables us to send out property details via text message. This is particularly useful for airline orientated employees who may either be working shifts or may be overseas. We have found that virtually every potential tenant will register on our mailing list using a mobile phone but most are unable to answer a phone call during normal working hours.



Economy Tenant Search & Find service

Our economy service is suited for experienced landlords who have the time and resources to deal with issues that arise from renting a property. One must consider issues such as emergency call outs, lost keys, insurance claims, faulty appliances etc. Additionally, the service of notices is crucially important in order to regain possession of the property at the appropriate time. If you live overseas, you must by law provide a UK address at which notices can be served.

Our economy service includes:

- Initial market valuation
- Advice on presentation
- Arrangement of safety checks upon request
- Accompanied viewings
- Submission and reporting of references
- Arrangement of a professional independent inventory where required
- Receipt of cleared move in monies together with security deposit
- Arrange set up of standing order directly to your account
- Arrange any extensions to initial term



Plus + Rent Collection & Insurance

Our plus service is particularly suitable to Landlords who do not have the time to chase late payment of rents and who want the additional security of rent guarantee and legal protection insurances. They will like to be closely involved with the ongoing maintenance of the property on a regular basis.

In addition to our economy service, our plus service further includes:

- Rent guarantee insurance
- Initial check in and report
- Collection of rent and monthly statements of account
- Service of notices
- Holding tenants deposits



Premium Full Management Service

The responsibility of a landlord can be daunting. The property needs to be well cared for and problems must be resolved quickly. If you live out of the area or simply do not have the time to look after the day-to-day issues which arise from having a rental property, then our premium management service is tailored to suit your needs. Our property management service deals with all aspects of looking after your investment.

In addition to our plus service, our premium service further includes:

- Initial Assured Shorthold tenancy Agreements and renewals
- Meter readings and gas checks
- Quarterly inspections to identify any issues
- Inspection reports
- Check out reports
- Dealing with maintenance issues using approved contractors
- Holding tenants deposits and assessing dilapidations
- Estimates for repairs and refurbishments
- Payment of routine outgoings
- Arrangement of gas, electrical and furniture safety checks

OTHER SERVICES

Our Financial Advisers can offer advice on the best way to finance your investment. Many lenders now offer specialist buy-to-let mortgages and we can search the market place to find the best deal available to you. We always relish the opportunity to better any quote you may have already obtained. If we cannot find a better quote, then you have peace of mind knowing that you have the best deal available. You must remember that your home is at risk if you do not keep up repayments on your mortgage or any other loan secured on it.

CONCLUSION

Choosing a letting agent is an important decision, and choosing a managing agent even more so. Adams Estates prides itself on our experience and technical knowledge. Both our lettings team and property management department are overseen by a Director. Through an established network of professional contacts, Adams Estates has the resources to deal with all issues that may arise and provide whatever assistance is required.

We would be delighted to assist in finding a tenant for your property and ask you simply sign a copy of our terms and conditions in order that we can commence marketing without delay. Please do not hesitate to contact us should you require any further information.

KEY POINTS TO REMEMBER

- Invest in presentation of your property to obtain the best rent quickly
- Ensure you have gained the necessary permissions and check lease requirements
- A professional inventory is an investment not an expense
- Safety checks are an essential requirement and must be evidenced
- If you have any questions, we are here to help so please ask

Although care has been taken to ensure the accuracy of the information provided in this guide Adams Estates Lettings or any member of Adams Estates staff cannot be held responsible for the consequences of any inaccuracies herein. Landlords remain responsible for compliance with all laws and regulations applicable to the letting of their properties.



Contact us today and let us make your property stand out

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