

## Information about our services

Thank you for requesting our brochure, which we hope you will find useful. As Residential Letting and Managing Agents we provide a comprehensive property letting service.

Bowen have been involved in the letting and management of residential properties for five generations. We currently let and manage over 750 properties throughout Shropshire, North & Mid Wales and into Cheshire.

This experience combined with our in-depth knowledge of the local and regional rental market, enables us to find the right tenant for each and every property, maintaining our high levels of client satisfaction

The following pages contain a landlord's guide to property letting along with details of our terms and conditions. If after reading the brochure you have any queries, please feel free to call the office and we will be happy to assist in any way we can.

### **Letting The Property**

Once instructed as sole agents we will commence a search for a suitable tenant. As soon as a suitable prospective tenant has been found we will negotiate the terms and commence the vetting procedure. If you wish we could arrange a meeting with you before a decision is made.

### **References**

Under our full management service, we take references appropriate to the potential tenant. This may involve using a specialist agency to carry out a detailed check including the credit and employment history of the prospective tenant. If there were any question of doubt about the ability to pay the rent, or perhaps job security, we would only advise upon proceeding if a suitable Guarantor could be provided.

### **The Tenancy Agreement**

We will discuss with you the best terms and conditions then prepare the appropriate legal agreement. In most cases we recommend an Assured Shorthold Tenancy Agreement, usually for a minimum term of six months. If you require the property back at the end of this period, notice must be served at least two months before the expiry date. On request, we will deal with this and also the necessary procedures should you decide with the tenant that the term might be extended.

### **Mortgaged Property**

It may be that your property is mortgaged to a building society, bank or other lender. If so, the mortgage deed will almost certainly require the written consent of the lender to be obtained before you let the property. If your property is mortgaged, you should apply for consent. Lenders will not deal with us in relation to the mortgage and so you will need to fill out their application form, though we would be happy to help and provide any information necessary. Occasionally it will be a condition of consent to the proposed letting that your mortgage interest rate is increased, and it is therefore advisable for you to approach your mortgagee at an early stage to see what the financial consequences are likely to be. Some lenders charge an administration fee.

### **Leasehold Flat And Other Property**

If your property is leasehold, you may require the consent of the freeholder for your proposed letting that the intended letting is for a period expiring to the termination of your lease.

### **Restrictions etc. Affecting Your Property**

Whether your property is freehold or leasehold there may be special rights or restrictions affecting it (for example, a prohibition on more than one family or the parking of a caravan on the drive). We will need to have details of these to include in the Tenancy Agreement.

### **Development Permissions**

If the property has been redeveloped in recent years, the planning consent issued by the Local Authority will have stipulated how the property can be used post redevelopment. It is the Owner's responsibility to check that the necessary consents are in order to rent out the property.

The Owner and not Bowen will remain solely responsible for any breach of this obligation and will indemnify Bowen against any loss arising in any way from such breach.

## **Attic, Cellar and Excluded Areas**

We do not inspect the above areas, but we may ask you to confirm the contents of these areas (if any) as this may affect safety issues. During our routine visits to managed properties we will not inspect these areas unless requested to do so. It is strongly recommended that you do not store items in the property once let.

## **Specialist Landlord Insurance**

We always advise Landlords to make sure that the property and its contents are adequately insured (unfurnished properties may still have contents such as curtains, carpets, white goods etc) under a specialist landlord insurance which includes a rent guarantee/insurance scheme. It is extremely important that you advise your insurance company that you are proposing to let your property and that you confirm to them once this has been done. Failure to do so could result in you losing insurance cover. Some insurers impose letting conditions and we would require details as this may affect the choice of tenant. In particular Bowen cannot accept responsibility for the inadequacy of any insurance cover.

## **Income Tax**

Income received from letting your property will be subject to income tax and you will need to include details of the income and allowable expenses when completing your income tax return. The Inland Revenue may ask us directly for details of any income we pay you and we are obliged to supply these details.

If you live abroad we, as your agents, will be required by the Inland Revenue to pay any tax liability that arises on rents collected by us on your behalf. We will therefore deduct income tax at the basic rate from rent payments received. You may be entitled to receive rent without deductions of tax and we strongly recommend you consider this and seek advice from your accountant.

## **Deposit**

We normally collect a security deposit from the tenant. This is held in our client account. At the end of the letting this is returned to the tenant, less any deductions made to cover breaches of the Agreement. We will hold the deposit as Stakeholder. This means we will be unable to refund all or part of the deposit to the tenant without your consent. Similarly, we are unable to deduct monies from the deposit without the tenant's consent. We have a procedure for dealing with disputes over the deposit and we will always use every endeavor to settle matters quickly and professionally. We do not pay interest on deposit monies held.

## **Dilapidations**

It may well be that the deposit collected at the start of the tenancy, fails to cover the cost of remedying the dilapidations. In such cases the cost of pursuing a legal claim may well be in excess of the amount owed, Landlords should be prepared to spend sufficient money between tenancies to remedy such excess dilapidations and 'fair wear and tear' for which the tenant is not responsible.

## **Rent**

The rent is usually payable monthly in advance. Under our full management service, we will collect the rent and account to you at agreed periods (usually monthly), bank charges and interest are not payable on this account.

## **Bills and Services**

We will always use our best endeavors to collect the rent on time. Should a tenant be late we will advise you and pay the due rent as soon as it is received. In common with all letting agents, we cannot be liable for non-payment of rent. It is usual for the tenant to pay charges for Council Tax, electricity, water, oil and gas. We will notify the authorities and service suppliers and, if necessary, take meter readings. (Tenants are entitled to change suppliers for gas and electric although we always encourage them to remain with the existing suppliers.)

## Landlord Obligations

It is always the Landlord's obligation/responsibility to keep the property and the services such as central heating in repair. Under our full management service we will agree with you provision for emergency repairs such as a burst pipe. If major expenditure is required in a non emergency situation we will always obtain quotations from our approved contractors for you before proceeding.

## Cleaning

Whether the property is furnished or unfurnished, it is important that the property is clean throughout before the tenants move in. We strongly recommend that the property, including carpets, is professionally cleaned and if necessary, the garden made tidy. For our managed properties an inventory will be taken to help us ensure that the tenants meet their obligations.

## Legionella

It is a legal duty to assess the risk of exposure of tenants of legionella. The responsibility is joint between agent, landlord and tenant. A legionella risk assessment will form part of our mandatory annual checks, however if the property has been vacant for a period of more than seven days then an additional risk assessment will be required.

## Inventory

Our fully managed service includes production of a detailed inventory of the property including a Schedule of Condition. We will update this during the period we are letting the property as each tenant moves out. When a tenant is checked into the property, we give the tenant a fair opportunity to check the inventory and we will deal with any discrepancies. We also do a detailed check out (full management service only) when the tenant vacates, and we will report our findings to you.

## Tenant Information

Prior to taking possession we will provide the tenant with a Tenancy Information Pack setting out necessary details for residing in the property, detailing their obligations and explaining our procedures and expectations.

## Legal Regulations

There are strict regulations relating to the fire resistance of soft furnishings that are included in the letting. There are some exemptions, but a breach of these regulations can result in criminal proceedings. If you propose to include soft furnishings, this is a specialist area and you are advised to comply with Furnishings (Fire) Safety Regulations. The regulations make it clear that there must be no non-compliant furniture on any part of the property including garage and attic.

Under current safety regulations it is the Landlord's responsibility to ensure that the gas and electrical systems, heating and water systems and appliances at the property are maintained in a safe condition and serviced by a qualified contractor. A gas safety check must be carried out and a safety record issued annually by a Gas Safe engineer. For properties in England an Electrical Installation Condition Report must be carried out every 5 years.

The property must be a safe environment for tenants and we will assist you in checking all safety aspects of the property prior to the tenant moving in.

If any appliances are included in the letting it will be the Landlord's responsibility to ensure they are safe when the property is let. The law may also require the landlord to repair or replace these should they become defective.

All properties require an Energy Performance Certificate before any advertising can take place. Legislation dictates that the standard of a rental property should be a EPC rating of a grade E or above.

There is a legal obligation that all properties we let include smoke and carbon monoxide detectors. These must be checked and working when a tenant takes possession, but our Tenancy Agreement places the liability for on-going testing on the tenant.

If the property has working open fireplaces, we recommend that you arrange for these to be swept prior to a new tenant occupation.

A tenant or other party may ask the local authority to carry out an inspection of the property under the Housing Health and Safety Rating System. The local authority has significant powers to require property owners to make the property safe. The system is based on whoever may be considered the most vulnerable person to occupy the property. We will explain how these regulations may affect you. We will also assist you with outcomes of such an inspection. However, this is not included in our standard fee structure and we will charge fees based upon an hourly rate applicable at the time if you require our assistance.

There are definitions about what constitutes a house (residential property) in multiple occupation. We will advise you about this as there are legal consequences in letting a property to sharers.

## **Routine Visits**

With our full management service we may make regular visits to the property on your behalf and advise you of any potential problems. The main purpose of such visits is to check if there are any matters that require your attention. We also seek to check that the tenant is abiding by the agreement and not damaging the property. We also give the tenant advice, if necessary, on any defects we may find. However, tenants do have a right of privacy and we, and you as landlord, can only enter the property with their consent. Similarly, we are not able to comment on the tenant's life style or cleaning ability unless the property is being adversely affected.

## **Landlord's Protection Insurance And Rent Guarantee**

No matter how well prospective tenants are vetted, there is always the risk that a tenant will prove to be unsatisfactory, sometimes due to unforeseen changes in their own circumstances. Whilst court proceedings can be taken to enforce the terms of the tenancy agreement this is often expensive, and it is unlikely that you will be able to recover the full costs involved from the tenant. We strongly recommend that you consider taking out legal protection insurance to guard against the risks involved. Similarly, insurance is available so that your income from rent is not lost in the event the tenant stops paying.

## **Problems With The Tenant**

In the event of difficulty, whether because the tenant is failing to pay rent or has broken other terms of the Tenancy Agreement, we will be pleased to discuss with you the steps to enforce the terms of the Tenancy Agreement. However, we would stress that the vast majority of lettings we manage are uneventful and trouble free. We will assist with any eviction proceedings, but our management fee does not cover this. We will charge fees based on time and will always be happy to give details of the charging rate and an estimate where appropriate.

## **Pets**

Our standard agreement provides that a tenant may not allow pets in the property. However, a tenant is entitled to ask the landlord for consent. We advise that each case is considered on an individual basis. If consent is to be given by the landlord, under the current Tenant Fee Ban legislation we cannot request an additional security deposit but can add a reasonable additional amount onto the monthly rental payment.

## **Garden And Outside Areas**

Tenants are required to keep these areas neat and tidy. Standard of gardening ability and knowledge can vary considerably. If the garden is particularly important or has special features, we usually suggest that the landlord provide a gardener, the cost being included in the rent.

## Checklist

### Steps to be taken before a tenancy begins;

- Tell us which service you require
- Contact your Building Society, Bank or other lender for their requirements
- Contact your insurer (buildings and contents) for details of their requirements
- Decide which items (if any) are to be left at the property and remove all valuables
- If the property is furnished, ensure the furnishings comply with fire regulations
- Discuss safety issues with us
- Arrange for gas, legionella and electrical safety checks or request that we deal with this.
- Arrange for annual service of the heating and water systems and appliances or request that we deal with this
- Arrange an Energy Performance Certificate or request that we deal with this
- Arrange for the property to be cleaned and presented ready for the letting or request that we deal with this
- Think about what level of work needs to be done in the garden – is this reasonable for a tenant or should you think about some form of gardening service.
- Arrange for three sets of keys to be given to us, one for us to keep and two for the new tenants.
- If you are moving overseas apply for an approval certificate to enable us to pay rent to you without deduction of tax details available at [www.gov.uk](http://www.gov.uk).
- If the property resides with Wales ensure that you are registered with Rent Smart Wales scheme details available at [www.rentsmart.gov.wales](http://www.rentsmart.gov.wales)