



## Landlords Guide to Letting

Hensons Homes are an online letting and property management agents. We are solely 100% focused on residential and Student rental market, covering Cardiff and surrounding areas with our offices located in Cathays close to the city center.

We are also regulated and licensed with Rent Smart Wales Scheme which is run by Cardiff county council. Hensons Homes have also successfully achieved our letting and property management qualification with NFopp (National Federation of Property Professionals) - A professional body representing the property and letting sector.

We hope you find the information provided regarding our brochure useful and if there are any aspects, of which you are unsure, please contact us or you are welcome to pop in to our office. We look forward to being assistance to you.

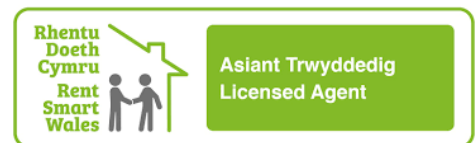
The Property Experts

EASY INSTANT

Competitive fee Structure

Hensons  
property management & letting agents  
Hensons  
029 2115 8000  
hensons.com

UK-WIDE Network  
Property Agents



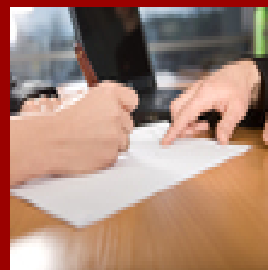
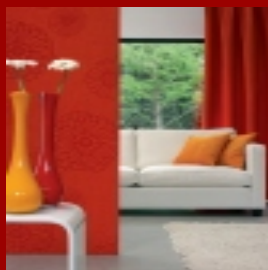
Our main priority as a Letting Agent is to secure a suitable tenant at the right rent in the shortest period of time



## Our Services

- Visiting you at your property and providing rental valuation and other advice.
- Help and assistance with Statutory Regulations.
- Locating suitable tenants. Marketing and advertising your property.
- Accompanying tenants applicants to view your property.
- Obtaining and evaluating references and credit checks.
- Preparing tenancy agreement and notices.
- Collecting tenancy deposit which will be treated in accordance with current legislation.
- Optional: Arranging Independent Inventory and schedule of conditions.
- Checking the tenant into the property and agreeing the inventory.
- Notifying utilities of change of occupancy and meter readings.
- Payment of net rental income promptly into your bank account with detailed monthly statements from our computerised management system.
- If required paying regular outgoing from your rental payment.
- Inspecting the property periodically and reporting any problems to you.
- Arrangement of maintenance and property repairs.
- Keeping in touch with the tenant on a routine basis and arranging renewals of the agreement when necessary.
- Checking tenants out, reletting and continuing the process with the minimum vacant periods.

**At Hensons 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, but it is important that the tenants should feel comfortable in their rental home and that they are receiving value for their money.



## Managing & Preparing for Letting

### **Appraisal of Your Property**

When advising a landlord on letting we need to take several factors into consideration, these will include location, size, condition, standard of fixtures and fitting plus local demand for the accommodation. A representative from Hensons will visit you at your property and carry out initial appraisal and if necessary advise you on any areas that may require improvement. This enables you to ask any questions that you may have and discuss any particular concerns. This service is provided free with no obligation to yourself.

### **Professional Inventory**

We offer as an option to landlords an independent inventory service which we recommend even if the property is unfurnished. The report will provide a detailed description of the accommodation and schedule of condition, this will include taking photographs of all rooms, communal areas and specific items where deemed necessary. We use the inventory as a record of the condition of the property at the beginning of the tenancy as to avoid any difference of opinion upon the tenants vacating. This service is more important than ever before due to the introduction of the Tenancy Deposit Scheme.

### **Finding the Right Tenant**

One of the principal functions of our letting agency is the identification and referencing of quality tenants to ensure a smooth tenancy. Your property will be extensively marketed using both advertising, including our own website and direct contact with relocation organisations. All viewing with prospective tenants will be accompanied by us and will be pro-active with follow ups. Our main priority is to secure a suitable tenant at the right rent, in the shortest period of time.

### **Referencing**

On your behalf we will take references on every professional tenant named on the tenancy agreement. We will ensure this vital procedure is carried out thoroughly using an independent professional referencing company. This process will include full referencing which will include financial profile and credit check together with an employment and previous landlord reference. To further strengthen your position we may decide to also take a Guarantor to reinforce the tenant's ability to meet their commitments to you. **Student lets we require them to provide a guarantor in place of a reference.**

### **Legal Paperwork**

When a suitable tenant has been found Hensons will prepare the tenancy agreement for you and will create an Assured Shorthold Tenancy and any other legal documentation in accordance with current legal legislation. The tenancy agreement details all areas of responsibility between you, your tenant and us as your agent, confirming to all parties who is liable for what with connection to your property. As your agent we will organize and execute the signing of the documents on your behalf. With all tenancies the usual period is six months, we can draw up alternative agreement following your instructions.

### **Managing Your Money**

We will collect the rent on your behalf every month by direct debit and we will process the payments with deductions of which the remaining amount will be forwarded to you either by cheque or direct debit to your bank by the 16<sup>th</sup> of each month. We will then send you a statement with a full breakdown of payments either by email or by logging into our landlord's portal to view and download your statement

### **Tenants Security Deposits**

On taking occupancy the tenant pays a security deposit of a minimum of one month's rent. Their deposit is registered with the Dispute Service in line with Tenancy Deposit Scheme government regulations. The deposit is held by Hensons for the duration of the tenancy and is not negotiable under any circumstance.



# When your Property is Tenanted

## Check-In

Once a tenant has been agreed, the check-in process ensures the inventory provides fair and accurate descriptions of the property and contents. At the check-in stage both the representative of Hensons and tenant must sign and date the inventory. We will record utility meter readings and hand over the keys to tenants when the process has been completed.

## Utilities

Tenants are responsible for gas, electricity and water/sewage bills generated by their usage during their tenancy, including council tax and any standing charges; this is written into their tenancy agreement. Their liabilities in this respect will clearly finish on the date the tenancy ends. During the void periods the utilities will be the landlord's responsibility but if instructed we can arrange payments for you, by carrying forward some small sums in your rental account. As part of our service Hensons will arrange for these supplies to be transferred into new tenants name from start of tenancy.

## Inspection during Tenancy

From experience we know that if a tenant understands their occupancy is being closely monitored they are more likely to maintain a higher standard of care in your property. During the period of tenancy we will inspect your property to make sure it's being maintained in good condition and the terms of the tenancy are being adhered to.

## Repairs & Maintenance

The tenant is required to take good care of your property and is responsible for maintaining the property in good order. However repairs are of course necessary to each and every property throughout the tenancy agreement and landlords must be prepared for this eventuality. Maintaining the property and the appliances supplied, including the central heating is the landlord's responsibility. Hensons's can on your behalf with our local contractors or contractor of your choice arrange to carry out such works. We will in advance agree the level of responsibility you wish us to have in arranging repairs and replacements and then proceed accordingly, without reference to you as per agreement. When there is an emergency repair such as burst pipes or gas leaks there are different obligations on all parties and common sense must be exercised to limit damage to property or minimise health & safety risks to tenant.

## Tenants Vacating Property

At the end of the tenancy we will carry out a final report. This will include a full and detailed inspection against the original inventory report that was agreed by the tenant at the beginning of their tenancy. Any changes noted and a full report sent to you. The report is used to assess any costs for which the tenant is responsible and calculated. The balance of the security deposit is then returned back to the tenants. Final meter readings will be taken for gas and electricity. During the void periods the Landlord is responsible for council tax, gas and electricity and we will transfer these accounts back into the landlord's name.

## Tenant Renewals

About two months prior to the end of the tenancy we will contact you to receive your further instructions. We will then take the appropriate action with the tenant to renew their tenancy or schedule their check-out. If the tenant decides not to renew their tenancy your property will be remarketed to ensure a swift re-let.



# Safety Regulations

## Gas Safety

There are very important obligations placed upon Landlords regarding mains or bottled gas appliances supplied in the rented property which must have a certificate of safety. This will cover all gas appliances, flues and associated pipe work is maintained in a safe condition at all times. The safety check must be carried out by a corrgi registered gas engineer who will issue the necessary certificate on an annual basis. Hensons's can arrange for this check to be carried out on your behalf; however the responsibility rests with the landlord to comply with this law (Gas Safety Installation & Use Regulations 1994). We would like to make it clear regarding this matter to the extent that we are unable to accept or retain a property on our books unless your property fully complies with the Gas Safety Regulations, as stated we can arrange this for you.

## Electrical Safety

The landlord is also responsible that all electrical equipment supplied with the accommodation must be safe to use. This is part of the Electrical Equipment Safety Regulations 1994). It is high recommended for Landlords to acquire an Electrical Safety Certificate for your property. Hensons's are happy to arrange for the necessary electrical inspections to be carried out on your behalf.

## Smoke Detectors

Building regulations require that all properties built after June 1992 must have mains operated inter-connected smoke detectors installed on each floor. Older properties are exempt from this requirement, we strongly recommend that smoke detectors to be installed on each floor in all rental properties.

**SAFTEY TIP:** Ensure that all instructions booklets & manuals for appliances are available at the property for tenants reference

## HMO Licensing

When a landlord offers a property for rent which is three storeys high (habitable) and with five bedrooms or more or people from two or more households, the landlord is then required to register the HMO with the local council. The license will be granted by the local Authority which will be subject to a fee and the license will last initially for 5 years. The requirements apply to properties which share facilities and do not apply to self-contained flats or apartments.

## Energy Performance Assessment

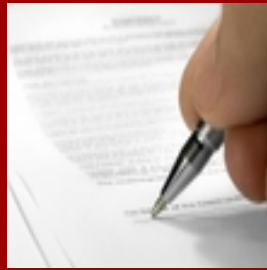
It is a legal requirement for all rental properties to have a valid Energy Performance Certificate before we can commence with marketing your property. Your property will be assessed for the energy performance of your rental accommodation by a qualified Domestic Energy Assessor to ensure it meets all legal requirements. This certificate will be valid for a period of ten years.

## Furniture & Furnishing Fire Safety

Since 1988 all upholstered furniture must be flame resistant by law and this will include furniture supplied to the tenant as part of the accommodation. If any property found not to comply the landlord faces fines or imprisonment or both. Any landlord placing a property on the rental market **MUST** comply with these regulations immediately and any furniture not complying **MUST** be removed before the tenancy commences.

## Legionella Risk Assessment

Landlords who provide residential accommodation have a legal duty to ensure that the risk of exposure of tenants to legionella is properly assessed and controlled. Legionella is a bacteria which causes the potentially fatal Legionnaires Disease. The bacteria is found in Domestic Hot & Cold Water systems



# Legal & Financial Position

## Consent to Let

If your property is mortgaged then you must inform your bank, building society or other lender of your intention of letting your property and obtain their written consent. Hensons's will assume all necessary checks have been made, therefore we cannot be held responsible should a tenant decide to make a claim against you or if you face repossession due to mortgage arrears. If your property is leasehold, your headlease will state whether or not you require permission from the Freeholder to sublet.

## Proof of Ownership

We are required due to the Money Laundering Act to ensure each property we let is owned by the individual we are instructed by. This will require you to show proof of ownership and this can be obtained from the land registry, mortgage statement or solicitor completion paperwork. We will also require in addition proof of your home address in the form of a bank statement, utility bill or photo identity. We can obtain this document for you for an additional fee.

## Insurance

Tenants are responsible for their own belonging during the period of their tenancy, however it is essential that you ensure that your property is correctly insured, so don't assume that an existing insurance policy will continue to provide cover while your property is let and recommend that you get professional advice.

## Income Tax

Landlords must declare this income on your tax returns. You will be liable to pay income tax on your net income from the property, which is the gross income less allowable expenses which are incurred in letting property. This may impose a considerable burden on the landlord, however through careful planning and assistance you should not incur any financial penalties. Where an owner lives abroad permanently or is working abroad for an extended period you will still normally be required to pay income tax. The Inland Revenue will hold the managing agent responsible for payment of any tax liability under the Tax Exemption Act and is due directly from the rental receipts. You may avoid this by applying for a Tax Exemption Certificate which can be obtained from your local tax office and would recommend that you get professional advice concerning your tax affairs.

## Rent Smart Wales

Landlords who rent out their property within Wales will now be required to register with Rent Smart Wales while those who self-manage must also obtain a licence.

As experts we can help landlords with registration and licensing to comply with this new legislation which has been brought out.

### Some expenses usually allowable against rental income

- Mortgage interest
- The cost of providing services included in the rent e.g. gas electric, water rates
- Legal and accounting costs
- Insurance for buildings and contents
- Ground rent
- Wear and tear allowance for furniture, fixtures and fitting.



## Taking Care of Your Interests

### **Licensed Agents**

Hensons are regulated by Rent Smart Wales as a letting and property management agency giving landlords and tenant's peace of mind that they are dealing with a professional agent who has also been awarded the NFOPP qualification for Letting and property management.

### **Will my Money be Safe?**

It is important for landlords to ensure they only entrust their properties, monthly rents, deposits, maintenance funds to reputable letting agents who operate their business with integrity and honesty.

### **Our Professional Standards**

Although Hensons's is part of national network of independent letting agencies, we maintain separate clients, accounts and operate these accounts to the highest Professional standards which protect both our Landlords and Tenants alike.

### **Protecting Your Interest**

We hold comprehensive Indemnity Insurance to cover against claims for errors including fidelity CMP insurance to protect against the loss or misuse of clients money. This protection offers you the last resort, giving you security and peace of mind knowing your investment is in safe hands.

### **Can I be sure my Rent will be paid?**

A landlord's rights and remedies are quite clearly set out in the legalisations regulating tenancies; the tenancy agreement is a legal contract and is enforceable by law. We do everything we can to ensure that the right tenant is chosen and in most cases their tenancy is all we can hope for. However on rare occasions when problems may arise due to redundancy, sickness and relationship breakdown can affect the best tenants. For peace of mind you can take out rent protection insurance to cover your monthly rent with the many insurance companies that specialise with this.

### **Resolving Rent Arrears**

Hensons's will always try to resolve problem situations as swiftly as possible by promptly sending reminder letters for outstanding rents, visiting the tenants and discussing as far as possible problems being experienced by the tenant and agreeing the solutions. However we must take into consideration how far the tenant will take us into their confidence. Our landlords and clients have direct access for advice on difficult situations which may arise, but we will wherever possible try to avoid the need for legal action.

**We will always help and support our landlords** regarding these matters. There is a range of Insurance products which you may consider that are especially designed for landlords against legal costs and potential lost of rent which might arise in litigation cases.



## Additional Services

### **Investments**

With typical returns of 7% achievable on capital investments in residential property to let in much of the UK, the buy-to-let market provides a highly efficient long-term investment medium.

### **Pre-purchase Guidance**

Our considerable local experience in this field, together with our independent status, means that we are able to provide practical and impartial advice on such matters as type of property and the area that you should consider, and also on a choice of lenders to approach to suit your circumstances. Pre-purchase guidance is available free of charge

### **Post-purchase Refurbishment**

From minor works to complete refurbishment, we are able to assist in the process of preparing the property for letting in a variety of ways, including the arranging and supervising of redecoration and repairs. Our relationship with local suppliers and trades people ensures competitive pricing and quality workmanship

### **Tips on Presentation**

- Neutral décor works best
- Painted surfaces are easier to maintain than wall paper
- Remove all clutter
- Gardens kept neat & tidy
- Professional cleaning is recommended
- Furnishing modern contemporary styles
- Ensure all maintenance items have been attended to

## Landlords Insurance Products

- Building and contents
- Legal protection
- Rent and indemnity insurance
- Emergency callout repairs





## Levels of Service

### Personal Service

As well as offering the regular management packages we also offer a range of professional services to meet each and any one of your needs, whether it's property management or just a quick gas check that you need – we can help.

### .Services Offered

**Managed:** This level of service will be offered if you wish to take a back seat and we will take full responsibility of your property as agreed by our terms of business. Our management fee of 10% will be deducted from the monthly rental receipts paid by the tenant and we do not charge a setup or a tenancy renewal fee to landlords with this option.

**Let Only:** This level of service will be offered if you wish to manage the property yourself, our arrangement fee of 50% will be deducted from the first month's rent paid by the tenant. We will, draft up and execution of all legal documents, advertising and marketing your property, and accompanied viewings by a member of staff. Our arrangement fee will be deducted from the first month's rent paid by the tenant.

**Please note:** any costs incurred by us on behalf of the landlord, such as maintenance or ground rent, will also be deducted from the monthly rental income.

**Wave Goodbye to Late Rent Payments with Rent on Time.** Guarantee rent due from tenants on time, every time even if the tenant doesn't pay.



## Fee Structure

Service	Management	Let Only
<b>Arrangement Fees</b>	N/a	2 Weeks Rent
<b>Management Fees</b>	10%	N/a
Services Included		
Rent Appraisal	✓	✓
Tenants Viewing	✓	✓
Marketing Property	✓	✓
Legal Paperwork	✓	✓
Security Deposits	✓	✓
Rent Collection	✓	
Safety Certificates Arranged	✓	
Check in / Check Out	✓	
Inspections	✓	
Property Repairs Arranged	✓	
No Re-let Fees	✓	
Rent on Time Guarantee	Optional	Optional
Independent Inventories	Optional	Optional












We do not charge landlords costly management re-let fees for renting your property out to future tenants as we believe these are unfair.



## Landlords Checklist

### Please Check Off The Following



-  Energy Performance Certificate. This must be provided before we can market and arrange viewings of landlords properties
-  Mortgage lenders or Head leaser's permission in writing to be obtained and forwarded to us.
-  Your property & contents to be insured & the insurers have been made aware of your intentions to let.
-  Gas fires, boilers ECT to be tested and serviced by a registered contractor and a copy forward to us.
-  Safety checks to be carried out on all electrical compliances and forward a copy to us
-  Any smoke detectors within the property to be tested.
-  If applicable Hmo or additional license for property and proof that you are registered with Rent Smart Wales.
-  Ensure property and garden are tidy and in good order.
-  Notify all utility companies of your departure and ensure all accounts are closed & mail redirected.
-  Overseas landlords to have arranged their tax matters including landlord tax exemption form.
-  Complete and sign our Management Agreement, Confirmation of Instructions and provide two forms of identification together with proof of ownership.

We hope that you found the information in our brochure useful. If there are any aspects of which you are unsure, please ask us. We look forward to being of assistance to you in the letting and management of your property.