

fbm

Residential
Lettings

Residential Lettings

A guide for landlords

FBM Residential lettings
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Tenby, Pembrokeshire SA70 7AU
Tel: 01834 849288
Web: www.fbmlettings.co.uk

Offices also at:
Haverfordwest, Milford Haven,
Narberth and Pembroke.

Zoopla

Find a Property.com

Property
Live .co.uk



An Introduction



Amanda McCabe
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Residential Lettings



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FBM is an independent partnership of established and experienced Estate and Letting Agents, with over 150 years involvement in all aspects of property management, operating to standards laid down by the National Association of Estate Agents.

This document outlines the services of our specialist Lettings Department and provides information for the prospective Landlord.

Our business is dedicated to managing your property, as if it were our own. We have built up a large portfolio of properties, an in-depth knowledge of the Pembrokeshire property market and a second to none experience from overseeing hundreds of tenancies.

FBM offer a highly personal service concentrating on quality properties in Pembrokeshire. We know that our owners benefit from our service, which attracts quality tenants, provides relief from stressful property worries and as we constantly review rent levels, maximises rental income.

The Residential Lettings Department of the FBM Group is based at:-

Slate House,
St Julian Street,
Tenby,
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SA70 7AU

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Why use a letting agent?.

"I know people who are renting property and who appear to have a good relationship with their landlords – why can't I just advertise in the local shop and decide which of the applicants will make the best tenant?"

Of course that option is open to you BUT if you pick the wrong tenant the results can be very expensive e.g. damage to the property, arrears in rent, which might lead to difficult meetings with the tenant.

We believe that the service we offer relieves the landlord of the stress that letting out a property can produce.

Why use FBM Residential Lettings?

With over 150 years in property management FBM has gained much experience in managing let properties.

Our advertising budget is substantial and includes regular press advertising in local newspapers as well as a high profile website (www.fbm.co.uk) amongst other websites such as Zoopla, Rightmove, PropertyLive, FindAProperty and Homes on View.

Once an enquiry has been received the "selection/approval" process begins! All prospective tenants are interviewed – this is where the experience of our staff comes into play and prospective tenants can be rejected at this stage. We carry out accompanied viewings on your property. An application form is completed and gain this document can provide valuable information as to whether or not the interviewee is a suitable tenant. References are obtained from at least two sources, including bank and employer, if appropriate.

If all the information and interview suggests that the applicant would make a suitable tenant then you, as the property owner, are briefed with our recommendations to proceed. The final decision is always yours. An Assured Shorthold Tenancy agreement is drawn up and signed by both the Tenant and FBM (on your behalf).

Our previous inspection of the property will confirm that it meets all the legal requirements e.g. Gas Safety Certificate etc. As required by the Housing Act, deposits now have to be lodged under the Deposit Protection Scheme, which protects both you and the Tenant.

One of our team will then arrange to "see the tenant in" to explain where the services are, how the heating works etc. In order to do this correctly we will need instruction manuals for the heating and hot water from you.

Disputes often arise at the end of the tenancy between Landlord and outgoing Tenant with regard to damage, cleaning and missing furniture or equipment. Disputes that cannot be resolved informally between Landlord and Tenant now have to be referred to The Dispute Service and the respective claims must be supported by written and/or photographic evidence. The most essential document is the "Inventory and Schedule of Condition". This document records the condition of the property and its contents at the time the Tenant takes possession and is signed by the Tenant. At the end of the Tenancy the inventory is checked and defects noted. This itself is usually sufficient to avoid potential disputes materialising.

Inventory



FBM will therefore require an inventory. We strongly recommend that it is prepared by an independent inventory clerk. The very independence of the inventory clerk can also assist should a dispute arise. Years of experience have shown that it is not worth holding a deposit if an inventory has not been prepared, since a deduction from the deposit would be difficult to justify without an inventory. Landlords must remember that occupancy of their property by tenants will result in general wear and tear to the property and a "fair wear and tear" adjustment must be made to any deposit deduction.

We are able to offer the services of an independent inventory clerk and fees for this service will depend on the work involved. For the majority of properties the cost will be in the region of £100 - £200, depending on the size of the property, whether it is furnished or unfurnished.

An essential part of the service we provide is a quarterly visit to the property. In return for a small fee, one of our Property consultants will inspect the property to ensure that the tenant is abiding by the conditions of the Tenancy Agreement. This service has a three fold effect – as the Landlord you receive an early warning if a tenant is mistreating the property or has problems that might cause difficulties in the near future.

Secondly if a Tenant has failed to formally notify us of a problem, it provides an opportunity for the Tenant to raise these matters fact to face and thirdly the Tenant is very much aware that monitoring is taking place.

As you will have noted from the above the letting process is complex and contains numerous pitfalls. We have to confess that on occasions despite all our procedures and best intentions, circumstances occur that can give rise to problems between Landlord and Tenant. Examples include relationship breakdown, redundancy and long-term illness for Tenants getting into rent arrears.

We believe that by maintaining good contact with our Tenants we can assist in managing potential problems to achieve acceptable results/solutions for all parties.

We believe that at FBM Residential Lettings we provide a value for money service at very competitive rates.



Furniture and Furnishings (Fire Safety) Regulations 1988 – as amended 1993

All furniture and furnishings in the property must meet the requirements of these regulations which set levels of fire resistance for domestic upholstered furniture. All new and second hand furniture provided in accommodation that is let for the first time, or replacement furniture in existing let accommodation, must meet the fire resistance requirements, unless it was manufactured before 1950. Generally, furniture purchased after March 1990 should comply with the regulations and should have a manufacturer's label confirming that the item meets those regulations.

The Electrical Equipment (Safety) Regulations 1994

Although, at present, it is not a direct legal requirement (although of course it could be considered to be a Health and Safety matter) it is advised that all electrical appliances and wiring in the property are checked to ensure that they are safe and will not cause injury or damage. This should be carried out when you commence letting and at least every five years after the initial inspection.

All electrical equipment should meet safety regulations prior to letting

Legal Matters.

Smoke Detectors Act 1991

Since June 1992 all newly built properties must have been fitted with mains powered smoke alarms. Whilst the legislation does not apply to properties that predate this Act it is strongly recommended that landlords fit at least one smoke alarm to each floor.

An Energy Performance Certificate remains valid for up to 10 years.

The Housing Act 2004

This Act introduced the Tenancy Deposit Protection Scheme in respect of Assured Shorthold Tenancies. This means the deposit is held throughout the term of the tenancy by FBM Residential lettings and registered on behalf with the scheme. You cannot hold the deposit yourself, unless you are a member of the scheme.



Energy Performance Certificates

From the 1st October 2008, if you intend to rent out your property, you will have to provide an Energy Performance Certificate to any prospective tenant. A certificate remains valid for up to ten years. You do not have to provide an Energy Performance Certificate for a tenancy that commenced prior to October 2008

Legal Matters.

Tax on Rental Income

Whilst you will be liable to pay tax on the rents received from letting a property, you can set most expenses against the rent e.g. legal and professional costs, interest on mortgages, the costs incurred in replacing furniture etc. Your accountant or local HMRC office will be able to provide detailed advice on your particular tax position. We are able to forward the yearly accounts for your rental properties to you or your accountant (for a small fee).

Permission to Let

If you are a lessee, you must make certain that the intended letting is permitted by your lease. If your property is subject to a mortgage, then permission to let will be required from the mortgagor and seen by FBM. We will also need a copy of the head lease.

These are your responsibility and we will assume you have made the necessary checks and obtained necessary consents. We cannot be held responsible for any claim a tenant may bring against you, should you face repossession action as a result of contravening the terms of your mortgage.



Insurance

Please ensure that you review any existing policies when first deciding to let your property. Some standard household policies will not provide adequate cover when the property is let, by excluding certain events or at worst by not providing any cover at all. It is essential therefore that you contact your insurer or broker to advise them of your plans. You will then be offered cover or will need to seek cover elsewhere.

It is the Landlord's responsibility to insure the buildings and the fixtures/fittings/contents that he or she provides. It is the Tenant's responsibility to insure their own possessions.

Insurance policies contain various conditions and, for example, how a vacant property is treated can vary from insurer to insurer. Should your property become vacant between lets it is important that you are aware of restrictions that are in place – some areas of cover will be excluded or limited but as always it is better to be aware of these limitations than to find out when a claim occurs. Please send us a copy of your insurance policy.



What do FBM offer?

What do FBM offer?

Many lettings agents offer several levels of services, we offer just two:-

Managed Property Service

Our Managed Property Service is aimed at the Landlord who is looking for a trouble and stress free property management service and comprises:-

- Full marketing service including "to let" boards, local press and website advertising and inclusion in our lettings available listings and displays in each of our offices.
- Interviewing prospective tenants and accompanying them to view the property.
- Obtaining references from prospective tenants.
- Providing Landlords with the details of prospective tenants.
- Preparation of an Assured Shorthold Tenancy agreement ("AST") with a minimum term of six months which will continue on a month –to – month basis beyond the initial six month tenancy unless otherwise instructed.
- The initial rent will be collected, along with the bond, which will be held in trust (see note 2 overleaf).
- Rent will be collected in accordance with the tenancy agreement and accounted to the Landlord by the Banks Automated Clearing System (BACS) within 14 days of the due date.
- Utility supplies (except telephone services) and the local Council will be notified of new tenancies, making tenants responsible for charges, and given meter readings where appropriate.
- We arrange inspection of the property on a quarterly basis, with reports being presented to the landlord (see note 3 overleaf).
- We can arrange for an inventory to be completed by a specialist inventory clerk (see note 4 overleaf)
- We will advise if a Gas Safety Certificate is required and advise the Landlord accordingly.
- In the event of breakdowns or repairs being needed at the property, tenants are responsible in contacting FBM and we will contact you promptly.
- At the end of the tenancy, the property will be inspected, meter readings taken and the inventory checked. If there is damage, breakages or if the property requires cleaning any resultant charges will be deducted from the bond (fair wear and tear excepted). If required the Landlord can accompany the FBM representative during this final inspection. All disputes should be rectified within 14 days.
- All utility suppliers will be notified and accounts transferred back to the Landlord.
- We will maintain compliance with HMRC tax regulations for overseas Landlords. (see note 1a overleaf).

What do FBM offer?

FBM Lettings' charges for the Managed Property Service are:-

- 1 Fee's for landlords are subject to FBM's terms
- 2 Fee's for overseas landlords are subject to FBM's terms
- 3 In respect of Deposit Registration and Deregistration - £16.00 plus VAT.
- 4 In respect of quarterly visits - £32.00 plus VAT per visit.
- 5 Charges for the independent inventory vary depending on size and location of the property but are typically between £100 - £200.

All charges are subject to annual review.

Let Only Service

This service is aimed at the local landlord who is quite comfortable in managing his or her property, dealing with problems etc. but requires assistance with marketing to find suitable tenants and administration to set up the tenancy.

Our Let Only Service includes:-

- Full marketing service including "to let" boards, local press and website advertising and inclusion in our lettings available listings in each of our offices.
- Interviewing prospective tenants.
- Obtaining references from prospective tenants.
- Providing Landlords with the details of prospective tenants.
- Preparation of an Assured Shorthold Tenancy agreement for an initial period of six months.
- The initial rent will be collected, along with the bond, which will be held in trust (see note 2 below)
- We will set up a Standing Order between Tenant and Landlord for rent payment.
- We will check the tenant into the property and take meter readings and check the inventory.
- We will notify the relevant council and utility companies of meter readings.
- At the end of the tenancy, the property will be inspected, meter readings taken and the inventory checked. If there is damage, breakages or if the property requires cleaning any resultant charges will be deducted from the bond (fair wear and tear excepted). If required the Landlord can accompany the FBM representative during this final inspection (see note 3 below).

Any questions?



What else do we need to tell you?

We believe that communication is the key to good relationships – good relationships both with our owners and with our tenants. We will do our best to ensure that you are kept up to date with all matters concerning your property, e.g. Legislative changes that effect the property and your responsibilities, as well as any problems arising from the tenancy.

We hope we have covered the most important areas in this guide – but if you have any questions, please give us a ring and we'll do our best to provide the answer. We are only a phone call away!

We hope we can be of service to you.

If you wish to proceed, please contact FBM Residential Lettings on 01834849288 who will arrange a convenient appointment for completion of the necessary paperwork.

Thank you.

FBM RESIDENTIAL LETTINGS

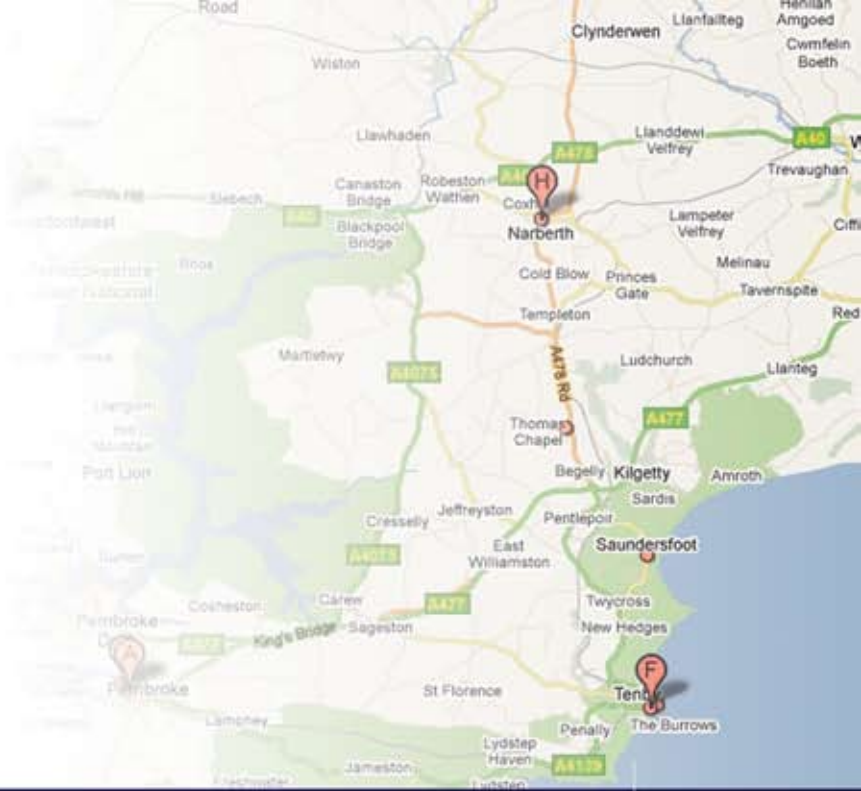


fbm

your estate agent

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PEMBROKE

45/47 Main Street, Pembroke,
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Tel: 01646 682396
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Mortgage Advice Bureau

6 Picton Place, Haverfordwest,
Pembrokeshire, SA61 2LX
Tel: 01437 761455
Web: www.mortgageadvicebureau.com

FBM Commercial

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The FBM Group