



SPENCERS

NEW FOREST

A GUIDE TO RESIDENTIAL LETTING



Peace of Mind for Landlords

The lettings market is growing as many appreciate that letting out property can offer regular income, optimum returns and long-term capital appreciation.

At the heart of every successful tenancy is the right lettings and management service. Here at Spencers our team offer a service that combines experience, local expertise and reliability with a professional and friendly approach.

We are an independent lettings and property management business with a head office on the coast in vibrant Lymington and a network of sales offices across The New Forest National Park.

We listen to our clients and tailor our service to meet their individual requirements as we recognise that every landlord is different and has specific needs. Some are professional landlords with a portfolio of properties providing their primary income, others may be investing in buy-to-let properties as part of a pension fund, while others are letting, rather than selling, the family home following a move out of the area or abroad.

But what all landlords require is peace of mind.

Professional & Personal Service

Spencers are accredited members of the National Approved Letting Scheme (NALS), Ombudsman for Estate Agents (OEA) and Tenancy Deposit Scheme (TDS). This means we are accountable for our level of service and our systems are regulated.

We are committed to guide and advise our landlords every step of the way as required. This starts with our exemplary local knowledge enabling us to assess each property's rental value and advise on how to maximise the property's value and marketability.

Marketing & Presentation

We know that excellent presentation and maximum exposure play a key role in achieving the best possible rental income for our landlords. We will put in place a comprehensive marketing and publicity campaign including broad internet coverage on our own website and the major portals such as Rightmove, complemented by advertising in local and national newspapers and lifestyle publications, as appropriate.

In addition, as our sales and letting teams work closely together, the team also has a 'heads up' on purchasers who have decided to rent instead.

Our team have in-depth knowledge about The New Forest National Park and surrounding area which means they understand what tenants expect, and they know all about facilities, schools, transport links and more.



The Letting Process

Following valuing and marketing the property, we will accompany all viewings with potential tenants and once a tenant has been found we will organise references through an independent referencing agency, including an employment reference and a credit status check. Following a satisfactory outcome we will prepare a suitable Tenancy Agreement (depending on the management service chosen).



The team at Spencers have all been very clued up and really supportive. They did exactly what they said they were going to do. They kept to their word and it really did impress me... I've got peace of mind, for the first time in a long time.

A Tailored Management Service

Broadly we offer four types of management service which can be tailored to each landlord's requirements with our fee varying as a percentage of rental income depending on which service is chosen.

Our most popular service is the all-inclusive Premier Management Service. This is for landlords who prefer us to take care of every detail of the lettings process with no additional costs and total peace of mind. As part of our Premier Management Service we also offer our landlords a rent guarantee, subject to the property being let under a tenancy as defined by the Housing Act 1988. This rent guarantee includes: a warranty covering five months' rent arrears should your tenant default; any legal, bailiff and court costs, should you need to re-gain possession of the property; 50 per cent rent coverage for a further two months while new tenants are found.



| PROPERTY MANAGEMENT PACKAGE | TENANCY FIND | RENT COLLECTION | FULLY MANAGED | PREMIER MANAGEMENT SERVICE |
|--|--------------|-----------------|---------------|----------------------------|
| Marketing and advertising | • | • | • | • |
| Accompanied viewings | • | • | • | • |
| Tenant referencing | • | • | • | • |
| Tenancy Agreement | | | | • |
| First month rental collection | • | • | • | • |
| Notification to utilities and meter readings | • | • | • | • |
| EPC | | | | • |
| Monthly rental collection | | • | • | • |
| Security deposit | • | • | • | • |
| Inventory preparation | | | | • |
| Move in and inventory check | | | | • |
| Quarterly inspections | | | • | • |
| Organisation of maintenance and contractors | | | • | • |
| End tenancy / notices | | | • | • |
| Tenancy renewal | | | | • |
| Check-out and inventory | | | • | • |
| Landlord rent guarantee | | | | • |
| Annual property management report for HMRC | | | | • |

Pre-Tenancy Permissions and Other Requirements

We will guide you, ensuring that you obtain important and necessary permissions from relevant third parties prior to letting the property. These may include:

Your mortgage company. It is likely that you will need to obtain consent from your lender before entering in to a Tenancy Agreement. Most lenders will generally agree subject to sight of references and the proposed Tenancy Agreement, although some lenders may levy a 'licence fee' or impose a surcharge on the rate of interest.

Leasehold property. If the property is leasehold you will continue to be liable for ground rent or service charges. We will ask you to provide us with a copy of the Head Lease, so that we can attach it to the Tenancy Agreement and ensure your tenants are clear on their responsibilities.

Managing agent/'superior landlord'. Many Head Leases require landlords to obtain consent or a licence to sub-let. This is usually a straightforward formality to ensure the property is let to bona fide tenants who will abide by the terms of the Head Lease. Many managing agents charge a licence fee for providing consent to sub-let.



As part of our Fully Managed and Premier Management Services, we would be pleased to work with our landlords to gain permission from these third parties, by supplying the relevant paperwork, such as references.

Buildings and contents insurance. Your property must have adequate buildings insurance and your insurers must be notified that the property is to be rented out. We recommend that landlord's contents insurance is in place to cover your own fixtures, fittings and any white goods and furniture.

Tax liabilities. If you are a UK-resident landlord you are liable to pay income tax on any profit made on the property, however many expenses such as repairs and agency fees are tax deductible. Even if you are considered by HM Revenue and Customs to be a non-resident landlord for the purposes of UK taxation we are legally required to withhold tax from the net rental income at the basic rate of income tax and to pay this tax quarterly to HMRC unless an exemption certificate (NRL1) is provided to us. A landlord can apply to HMRC for this certificate in order to allow us to pay the rent with no tax deducted, this form is available online at www.hmrc.co.uk

Utility and council tax. It is the tenant's responsibility to pay all utility and council tax bills for the duration of the tenancy. We will inform the relevant companies of the date tenants move in and meter readings where appropriate. The tenants have to arrange telephone and broadband accounts if required. They must also arrange and pay for their own TV licence.

Preparing the Property

We advise landlords on preparing the property for occupation prior to check-in day with a thorough clean by a professional cleaning company, including carpets. Any personal effects and furniture should be removed unless the property is to be let furnished.

At this stage an independent inventory clerk will draw up a full Inventory/Schedule of Condition. Applicable safety checks will be carried out and certificates issued. This can all be arranged by Spencers as part of our Premier Service.

On check-in day we will arrange for the tenants to meet a member of staff in our office in order to sign the Tenancy Agreement. We will collect from them the first month's rent and the security deposit on the landlord's behalf and this will be held in a nominated client account for the duration of the tenancy in accordance with the regulations of the Tenancy Deposit Scheme.



As a professional landlord I have used several letting agents over the years. Now I am using Spencers I have no need to shop around. Excellent professional service from a company that clearly knows what they are doing.



Need to Know: Rules & Regulations

Spencers are able to advise on the safety regulations and requirements which apply to rented properties and ensure that landlords are protected and complying with all relevant regulations. Non-compliance is not a recommended option for landlords!

These include:

Energy Performance Certificate. Landlords are legally required to provide tenants with an Energy Performance Certificate, which should be obtained before marketing commences. We can arrange for this to be carried out. We also often meet landlords who are unaware of the Landlord's Energy Savings Allowance (LESA). This allows landlords to offset the cost of installing energy saving measures, including loft, cavity wall and floor insulation, against income tax up to a value of £1,500.

Gas Safety (Installation and Use) Regulations 1998. A landlord must ensure that all gas appliances and installations at the property remain safe at all times and are checked for safety at least once every 12 months by a Gas Safe engineer; and a Gas Safety certificate issued. If a certificate is not issued, or the property fails the safety check, a tenant cannot move into or remain in the property until the problem has been rectified and the certificate issued.

The Furniture & Furnishings (Fire Safety) Regulations. These apply to all upholstery and upholstered furniture supplied by a landlord and all relevant items must carry the appropriate safety label. Any non-compliant furniture must be removed from the property.

Electrical Equipment (Safety) Regulations 1994.

These regulations apply to all landlords who let accommodation which contains electrical equipment. The requirement is for all electrical equipment to be safe. Although there is no mandatory requirement for equipment to be checked by a qualified electrician, we do recommend annual safety checks of all electrical appliances by a suitably qualified professional as well as providing instruction books for the user where appropriate.

The Plugs and Sockets etc (Safety) Regulations 1994.

These regulations require any plug, socket or adapter which is intended for domestic use to comply with the appropriate current standard (BS1363) or approved alternatives, and that plugs are fitted with a fuse that conforms to the appropriate current standard (BS1362).

Part P of Building Regulations January 2005. Any electrical work carried out in homes and gardens should follow the rules set out in Part P of the building regulations to ensure compliance with the law. These rules are designed to ensure that electrical work is safe. Work that is subject to the provisions of Part P will need to be carried out and approved by an appropriately qualified electrician, or notified to the local authority and inspected by the local authority building control service.

Carbon Monoxide and Smoke Detectors. Landlords are required by law to install a working smoke detector on each floor of their property and a carbon monoxide monitor in any room with a solid fuel burning appliance, such as wood burner, open fire or Aga.

