



PROPERTY LETTING GUIDE

Thank you for the interest you have shown in our letting and property management service. This booklet provides some basic guidelines, which we hope will be of assistance to you.

At Independent Estates it is our main objective to relieve you of the responsibility and worry surrounding the letting of your property. We endeavor to provide a first class service tailored to meet your requirements.

We enclose details of our Landlords guidance notes, which are intended to provide information on the main aspects of letting your property. This includes comprehensive details of our fees.

We would be delighted to provide you with more details of our service and can carry out a no-obligation rental assessment, at no cost to yourself.

Thank you for the interest you have shown in Independent Estates.

Yours faithfully

Independent Estates

SERVICES

Independent Estates will

Inspect your property and agree a monthly rental figure

Include your property within our weekly letting list and on Independent Estates website, S1Homes.com and rightmove.co.uk.

Your property will also be advertised in windows across all of our branches in prime High Street locations in Wishaw and Carlisle.

Arrange for accompanied viewings with prospective tenants

For All properties we will compile and photograph a full inventory of furnishings, fittings and contents of the property. This information will be agreed with your tenant.

Draw up a Short Assured Tenancy agreement and process all necessary legal notices associated with same

Obtain credit references for prospective tenants

Arrange for signing of lease and attend the check-in with tenant

Contact utility companies and local authority on entry and exit of tenant

Carry out regular inspections of the property and inform the landlord of any general maintenance or repairs required

Instruct on your behalf (if required), any maintenance or repairs, up to a maximum of £150 (any such accounts will be settled from rents received). For repairs above this figure we will seek the landlord's authority to proceed. In this instance we may request advanced funding from the landlord to meet the cost. In the event of an emergency, we reserve the right to instruct repairs out with normal working hours, the cost of such repairs to be met by the landlord (any such accounts will be settled from rents received). All repairs are subject to an uplift of 10% handling fee.

Collect the monthly rental from the tenant and provide a monthly Statement to the landlord.

Arrange for an annual Gas Safety Inspection to be carried out in accordance with current Health and Safety Legislation (please note that it is a criminal offence not to provide a Gas Safety Certificate), at a charge of £75.00

Arrange for the property to be professionally cleaned on entry, if required, at cost to the landlord and upon exit of the property, if necessary, at a cost to the tenant.

Complete a full check out service and produce a list of any dilapidations, once the tenant vacates the property.

FEES & EXPENSES

Marketing Fee	£125 + VAT To register your property.
Management Fee	Between 10% and 15% + VAT of the monthly rental. Please note a minimum charge of £45 applies.
Lease Renewal fee	£45 + VAT administration fee to re-draw new lease.
Re-marketing fee	£65 + VAT payable when property is re-marketed to find a new tenant.

ADVERTISING

We charge an “all-inclusive”, one-off fee of £125 + Vat to register your property with us. This covers display in our window and inclusion in our lease list and mailing list. In addition a „To Let” board will be erected at your property and full property details included on our website at www.independentstates.com, www.rightmove.co.uk, and www.S1homes.co.uk. On finding a tenant we will take up references, carry out an inventory, take meter readings and prepare the lease

In the event of you withdrawing your property from the market prior to us finding a tenant this fee will not be refunded.

n.b. If required, we can arrange extra, specific advertising of your property however the cost of this would be born by the property owner.

LANDLORD REGISTRATION

As a landlord you are required to register the property with the local housing association, www.landlordregistrationscotland.gov.uk tell: 01236 632377 This is a required element needed before we can market the property.by registering online you get a 10% reduction in the cost of £55.00

Registration no. 93727/320/09120 North Lanarkshire

Registration no. 02924/380/13250 South Lanarkshire

Registration no. 02924/260/09140 Glasgow City Council

FINDERS FEE

We offer a “find only” service. The cost for this service is £125 + Vat plus one month’s rent plus Vat when the property is successfully let. This would include us carrying out viewings, advertising the property as detailed above, and referencing the Tenant. The rest would be up to you.

SALE OF THE PROPERTY

In the event that a tenant introduced to you by us negotiates the purchase of the property, which he/she is renting, or has rented within the previous 6 months, we will charge a fee of one month's rent plus VAT.

TERMINATION OF CONTRACT

Independent Estates will continue to act as Letting Agents until either party by way of 1 month's written notice terminates the agreement. It is agreed that, if the contract is terminated by the landlord during a tenancy agreement, then the landlord will pay a termination fee equal to the remaining monthly management fees left in the agreement. A placement fee equivalent to one-month rent will be payable where the landlord intends to continue letting to the tenants introduced by the Agent after the termination of this agreement.

A COMPREHENSIVE LETTING SERVICE

There is an element of risk when letting a property; our aim is to minimise that risk. This booklet is designed to answer all the practical questions you may have in relation to letting your property.

ENERGY PERFORMANCE CERTIFICATE

From 4 January 2009, all rented properties will be required to display an Energy Performance Certificate. An Energy Performance Certificate shows the official energy efficiency rating of a property.

Before your property can be advertised for rent this check will have to be carried out. Independent Estates can arrange this check for you at a cost of £75.00+VAT

For more information please see www.homeinformationpacks.gov.uk

TENANTS

Our experienced staff, interview all tenants and credit references are taken up prior to a lease being granted to a prospective client.

RENT GUARANTEE SCHEME

We offer a rent guarantee scheme whereby in the event of default by your tenant your rent may be paid. Please contact us for further details of this scheme.

DEPOSITS

The Tenant at the commencement of the let pays a Deposit, which may vary dependant upon the circumstances of the let, but will normally be equivalent to at least one month's rental. Deposits are taken and retained by My Deposit Scotland a registered deposit scheme, as Agents for the landlord, against damage or dilapidation's that may be caused by the tenant, allowing for fair wear and tear until the termination of the tenancy. The tenant is also required to provide receipted accounts in relation to Gas and Electricity and provide a forwarding address to allow us to confirm the end of tenancy to Council Tax.

We must also be satisfied that the property is left in a clean and tidy condition when the final inspection takes place, before the return of their deposit. Any interest accrued on these monies is retained by Independent Estates.

PRIVATE TENANTS

Tenants who will fund the rent money themselves will pay their rent by standing order every month at our offices. This will then be forwarded by BACS transfer to the owner minus the management fee and any other expenses incurred.

HOUSING ALLOWANCE TENANTS

Local Housing Allowance (LHA) is a new way of working out Housing Benefit for private tenants, which was introduced nationally on 7 April 2008. LHA is a flat rate allowance based on the size of household and the area in which a person lives. There are no changes to the entitlement rules – this will be based on a person's income and savings and proof of a valid tenancy. Payment will normally be to the tenant, who will then pay the landlord.

Each local authority will be divided into Broad Rental Market Areas (BRMA). Rent Officers will set individual LHA rates for each BRMA. The local authority will publish these so that landlords and prospective LHA customers can be clear about the amount of rent that LHA will cover.

For more information regarding LHA please see <http://www.dwp.gov.uk>

LEASES & OBTAINING POSSESSION

Once a tenant has been selected we will prepare a lease agreement in terms of the Housing Scotland Act (1988) for a minimum fixed term of six months. We take every precaution to ensure that possession can be regained at the end of the tenancy. It should be noted however, that once let, the Tenant is entitled to remain in occupation for the full duration of the fixed term providing the covenants contained within the Tenancy Agreement are being complied with. In the event of the Tenant not vacating the property at the end of the Tenancy, possession can only be obtained by Court Order.

RENT ARREARS/LEGAL ACTION

It can sometimes occur that Tenants, for a variety of reasons, find themselves in difficulties and this can result in problems of rent arrears. If legal action were required in order to obtain payment of rent arrears and/ or repossession of your property then this would involve the services of a solicitor or debt collection agency. You would be responsible directly for all costs in connection with any legal action taken against the Tenant.

GAS SAFETY CHECKS

Please note that all Gas installations & appliances must be serviced and inspected annually by British Gas or a C.O.R.G.I. registered contractor. We will arrange to have these checks done when taking on a property and on a yearly basis thereafter. Owners must agree to this work being carried out before we will take the property on. A charge of £75.00 including VAT per Gas Safety Certificate will be deducted from any rental payment due to you.

ELECTRICAL INSTALLATION CERTIFICATE

Similarly all electrical installations and appliances must be checked regularly to comply with safety standards. Owners must agree to this work being carried out before we will take the property on. The cost for an electrical installation certificate is £90.00 this can vary on the size of the house.

TELEPHONE, ELECTRICITY & GAS

We recommend that telephones in your name be disconnected when you vacate the property and tenants should make their own arrangements to have the line reconnected.

Tenants are responsible, under the terms of the agreement, for their own Gas & Electricity Supply, we will advise the relevant services of the tenants moving in and vacating dates.

Owners are responsible for all vacant periods, however we will take entry readings for the tenants and pass the readings to the relevant services.

COUNCIL TAX

The responsibility for the payment of council tax up until the date when a tenant moves in and during any subsequent vacant periods lies with the property owner. We will advise Council Tax of any new tenants moving into and vacating the property, it is the owner's responsibility to claim any discounts, and pay any accounts, which may be due by them. For properties that are unfurnished and we have to apply for exemption please supply us with a copy of your existing council tax bill for the property that you are living in.

REPAIRS

Upon notification from the Tenant of any repairs needing dealt with, we will contact the owner in the first instance to inform them. It will then be the owner's decision as to whether or not they are going to contact a particular trade's person with regards to repairs/maintenance or alternatively we have contact with reputable contractors who will deal with matters promptly.

Please note we reserve the right to have work carried out should your own choice of trade's person not have carried out the work within 24 hours of the report.

MAIL

Arrangements should be made by you with the Post Office to have your mail forwarded to your new address. Neither Independent Estates nor the tenant can be held responsible for the redirection of mail.

FURNISHED, PARTFURNISHED, UNFURNISHED

Deciding whether to let Furnished, Part furnished or Un-furnished depends on your individual circumstances. We will give our recommendation when we call to your property. Details of furnishings required for fully furnished properties can be found are contained within this booklet.

From our experience we know that the standard to which your home is presented has a huge bearing on the quality of tenant who will choose it, and on the rent level it will achieve. We strongly advise that any personal, delicate or irreplaceable objects including Hi-Fi & television should be removed. Remember that any furnishings, which you decide to leave in the property for the tenant's use, will have to be maintained by you.

It is essential for owners to provide a folder containing instructions for Central Heating, Electrical and Gas appliances. It would also be helpful to tenants if details of the day, on which the refuse is collected, arrangements for stair cleaning etc. are left in the property.

INSURANCE & FACTORS ACCOUNTS

Owners must ensure that their property and its contents are adequately insured. You should inform your Property and Contents Insurers, in writing, of your intention to let the property, as failure to do so may result in the rejection of any subsequent claim. You should ensure that all premiums continue to be paid when due and that the insurance cover does not lapse.

We can offer t various insurance products relating to the letting of your property. Further information is available on request.

A copy of your building's insurance (and contents where applicable) must be lodged with us.

Factoring accounts will still be payable by the owner, you should however notify the Factor of your home address to enable them to bill you direct.

LANDLORDS LEGAL PROTECTION

We are currently able to offer a comprehensive legal protection policy for Homeowners or Landlords letting their residential property. The policy is available to any Landlord, private individual or company whose property is let under an Assured Short hold Tenancy or other protected tenancy under the Housing Scotland Act 1988. A brochure is available upon request should you be interested in this service.

INCOME TAX CONSIDERATIONS

In April 1996 a new Self-Assessment taxation system was introduced. All income from property letting, of unfurnished will be assessed under Schedule A, furnished under Schedule D and the wear and tear allowance will remain for furnished properties. Records of rents received and expenditure incurred in relation to ownership of rented property will need to be kept by the owner, as this information will have to be included in the individual landlord's tax return when it is submitted to the relevant Tax Office. You must therefore keep all monthly statements received from us for this purpose.

If you are intending to live abroad please note that in accordance with Inland Revenue Regulation regarding income received by owners of rented property you are required to complete form NRL1. In the event of us not receiving confirmation of exemption from the Inland Revenue, we must deduct Tax at the basic rate, from all rentals collected on your property. These monies are held in an interest bearing account for payment to the Inland Revenue as and when requested.

MORTGAGE

Mortgage lenders insist that their consent must be given before a letting is arranged, and many lenders usually make a charge for this. You should consult with your mortgage lender at the earliest opportunity. We can, if required provide your mortgage company with a copy of our lease agreement.

INVENTORY

We will prepare and also photograph an inventory of furniture and effects within the property. This information will be retained on disc and enables us to check the property at the end of a tenancy and quantify as far as is practical, any discrepancies that there may be. Although we make every effort to ensure there is no damage to the property by carrying out a walk through inspection, we cannot be held responsible for any such damage. These inspections are carried out after the tenant has lived in the property one month and then every three months.

UN-FURNISHED, PART-FURNISHED & FURNISHED LETTING

When you let a property it is recommended that it be presented in neutral colours with clean modern furnishings and ready for immediate occupation. This makes your property more appealing and therefore more marketable. There is no legal definition for furnished or un-furnished properties but custom and practice would suggest that the following items

Un-Furnished accommodation

Carpets only.

Part Furnished accommodation

Carpets, Curtains/Blinds, Light Fittings, Washing Machine, Cooker and Fridge.

Furnished Accommodation

LOUNGE: Carpet

- Curtains
- Centre light with shade
- Lounge suite
- Occasional tables and lamps

KITCHEN: Cooker

- Washing Machine
- Fridge
- Kettle
- Iron and Board
- Vacuum cleaner
- 4-pce.Crockery
- 4-pce cutlery
- Cooking utensils
- Pots and pans
- Curtains
- Carpet/lino
- Centre light with shade

BEDROOM: Bed (double or single)

- Duvet, duvet cover, sheet
- Wardrobe
- Chest of drawers
- Curtains
- Centre light with shade
- Carpets

All items of person nature should be removed with the exception of a few pictures, ornaments etc. Further necessary items include mains operated Smoke Alarm & Garden equipment where applicable. If there is not Central Heating in the property each room should have an independent heater provided.

A LANDLORDS GUIDE TO SAFETY REGULATIONS

This guide explains the implications and requirements of the various safety legislations that are currently applied to rented residential property. It is intended for guidance purposes only and is not an authoritative statement of the law. Should you require further clarification you are advised to contact the appropriate authorities direct.

THE FURNITURE AND FURNISHINGS (Fire) (Safety) Regulations 1988

THE FURNITURE AND FURNISHINGS (Fire) (Safety) (Amended) 1989 – 1993

The above regulations were amended in 1993 and have set new levels of fire resistance for domestic upholstered furniture and furnishings. It is now an offence to “supply” in the course of a business any furniture that does not comply with the regulations. This includes supplying furniture as part of a let residential property.

The regulations apply to sofas, bed, headboards, children’s furniture, and garden furniture suitable for use in a dwelling, scatter cushions and pillows, stretch or loose covers for furniture and other similar items. The regulations do not apply to: curtains, carpets, bedclothes (incl. duvets) and mattress covers.

All furniture manufactured before 1st January 1950 is not covered by the regulations, as defective inflammable materials were not used prior to that date.

Any furniture manufactured after March 1990 is likely to comply but if the appropriate labels are not on the furniture, compliance is in doubt and checks should be made with manufacturer.

We can only accept instructions from you on the understanding that all appropriate furnishings that you are providing as part of the proposed letting comply with the above Regulations.

THE GAS SAFETY (INSTALLATION AND USE) REGULATIONS 1994

These regulations came into effect on 31st October 1994 to ensure that all gas appliances are properly installed and maintained in a safe condition so as to avoid the risks of carbon monoxide poisoning.

As from 31st October 1994 it became law for all “Gas Appliances” and “Gas Installation Pipe work” in rented property to be checked and serviced annually by British Gas or a member of the Council for Registered Gas Installers (CORGI) and that accurate records are kept of these safety inspections and any work carried out. These records must be made available to any tenant on entry to the property. Copies of all records must be submitted to us as your agent. PLEASE NOTE – from 1 April 2009, the new Gas Safe Register TM replaces the CORGI gas registration scheme as Great Britain’s gas safety authority. By law, from 1 April 2009, only Gas Safe registered engineers should be employed to carry out work on gas installations or appliances – CORGI gas registration will not be valid.

“Gas Appliances” includes any fitted gas appliance, for example: - Central Heating Systems, Gas Heaters, Gas Fires, Gas Water Heaters, Gas Cookers

“Gas Installation Pipe work” includes gas pipe work valves, regulators and meters.

We can only accept instructions on the basis that either Independent Estates or you arrange for all gas appliances, fittings and installation pipe work to be safety checked and serviced prior to the proposed letting of the property. A Landlord’s Safety Certificate must be supplied for our records.

THE LOW VOLTAGE ELECTRICAL EQUIPMENT (SAFETY) REGULATIONS 1989 & ELECTRICAL EQUIPMENT (SAFETY) REGULATION 1994

The above regulation imposes an obligation on the landlord to ensure that all electrical appliances left as part of a let property are tested for earthing, insulation and leakages. Cabling, fuses and plugs should also be inspected and replaced where necessary to the correct rating for that particular appliance.

By law, you must ensure that the electrical system and any electrical appliances supplied with the let such as cookers, kettles, toasters, washing machines and immersion heaters are safe to use. If you are supplying new appliances, you should also provide any accompanying instruction booklets. For more information on your responsibilities as a landlord please check NICEIC (National Inspection Council for Electrical Installation Contracting) website.

Other legislation covering electrical installations is currently in force and in order to avoid prosecution, we recommend that all electrical appliances in let property are regularly checked and serviced. Landlords must consider the following action prior to letting: -

1. Check electrical appliances for defects e.g. frayed wiring, badly fitting plugs etc. This can be done by conducting PAT testing which we can arrange for a fee.
2. Remove unsafe electrical items.
3. Have appliances checked by a qualified electrical engineer. An N.I.E.C.I.C Periodic Inspection Report must be supplied for our records. We can arrange for this report to be carried out from £90+ vat. Depending on the size of property.
4. Ensure that instruction booklets are available at the property for all appliances and that any necessary safety warnings are given to tenants.

Faulty equipment can lead to fatalities and a subsequent conviction against the landlord.

THE BUILDING REGULATIONS 1991 – SMOKE ALARMS

The 1992 Building Regulations require that all properties built since June 1992 must be fitted with mains operated (with battery back up) interlinked smoke detectors/alarms on each floor.

Although it is best to install mains powered smoke alarms, an existing smoke alarm may be mains or battery powered. However, please note, that a smoke alarm installed from 3 September 2007 onwards MUST be mains powered. The alarms should be strategically placed in the property with a minimum of one on each floor. In single storey buildings, corridors of over 10m are required to have 2 smoke detectors with at least one between the most high-risk area (usually the kitchen) and bedroom.

We can arrange for the supply and fit of mains powered smoke alarms at a cost of £92.82 for one smoke alarm and £200.00 for two.

N.B.

FAILURE TO COMPLY WITH ANY SAFETY REGULATIONS MAY ENDANGER THE LIFE OF YOUR TENANT AND LEAD TO PROSECUTION OF UP TO SIX MONTHS IMPRISONMENT AND/OR A FINE OF UP TO £5000.