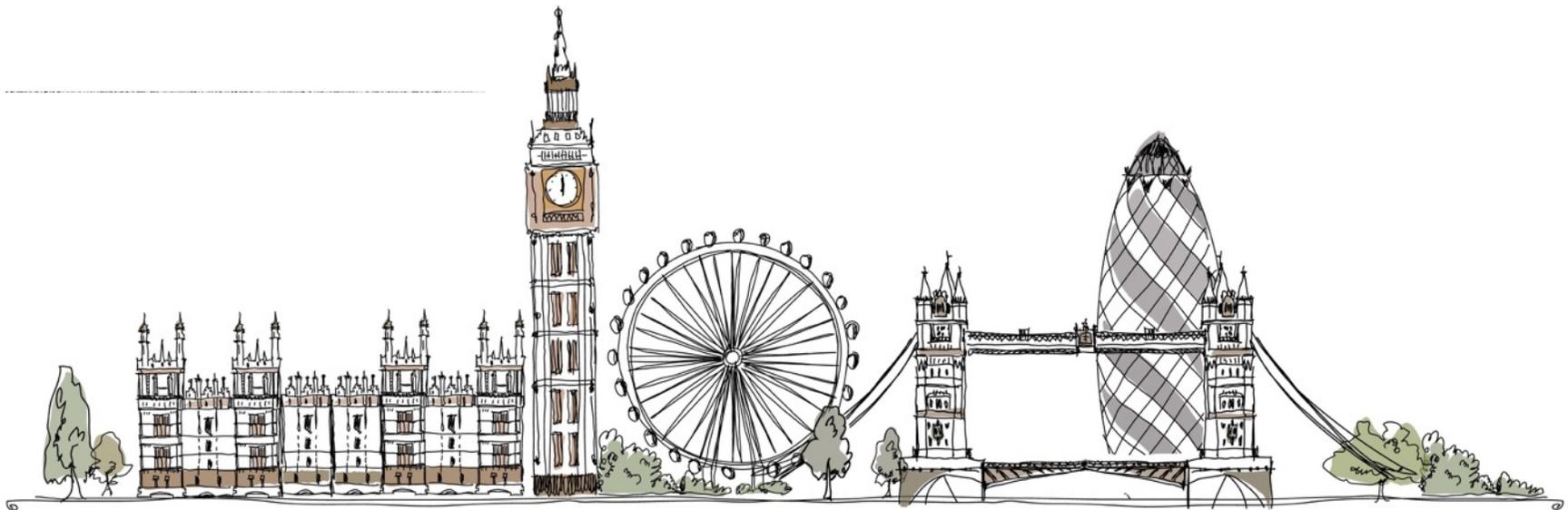




LANDLORDS' GUIDE & FEES



Castor Bay Property Ltd | 020 8892 5656 | lettings@castorbay.property

Before marketing your property

Condition of the property

The way your property is presented to prospective tenants makes a big difference. Clean, recently decorated properties finished to a high standard - with modern kitchens, bathrooms and new carpets (if any) - rent faster and have a higher chance of securing a long term tenant.

Consents

If you have a mortgage on your property, consent may be required to let it. If your property is leasehold, you may require the consent of the freeholder to proceed. We need a copy of the lease conditions so that we can ensure your potential tenant is aware of any restrictions and abides by the terms of the lease.

Smoke/carbon monoxide alarms

Landlords must ensure a smoke alarm is fitted on every floor of the property that includes living accommodation. They also need a carbon monoxide alarm in any room where solid fuel is burned, such as wood, as coal or biomass (including open fires).

Energy Performance Certificate (EPC)

All rental properties are required to have an EPC before going on the market. It is valid for 10 years, and gives potential new occupiers an indication of the energy efficiency and environmental impact of the property, on a scale from A to G. If you don't have one, we can organise this for you at a cost of £100 incl. vat

Utilities, ground rent & service charges

The tenant is normally responsible for utility during the tenancy, including gas, electricity, telephone, internet, water, council tax and TV licence. The Landlord is responsible for any ground rent and service charges.

Legal ownership

If your property is jointly owned, all co-owners must be listed on our terms of business and on the tenancy agreement.

Safety regulations

It is the Landlord's responsibility to ensure all gas and electrical 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. And under new guidance from the Health and Safety Executive, you are strongly advised to carry out a **risk assessment** for **legionella**.

Income tax

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

If you live abroad, you may be entitled to receive rent without tax deductions - and we strongly recommend you consider this. We will be happy to advise you and supply the necessary application form.

Insurance

We always advise landlords to ensure the property and its contents are adequately insured (unfurnished properties may still include contents such as curtains, white goods). It is extremely important that you advise your insurance company that you are proposing to let your property, and that you confirm once this has been done. Failure to do so could result in you losing insurance cover. Some insurers impose letting conditions and we require details of these because it may affect the choice of tenant. If your insurer is not happy with you letting the property, we can introduce you to companies who specialise in insurance for the rental market.

Marketing your property

Advertising

Most people start for property online, and use one or both of the major portals, Rightmove and Zoopla. We advertise all our properties on both, as well as social media platforms and our own website, to ensure we give your property the exposure needed to attract the right tenants. Our descriptive text and photography highlight all the key features of your property to prospective tenants.



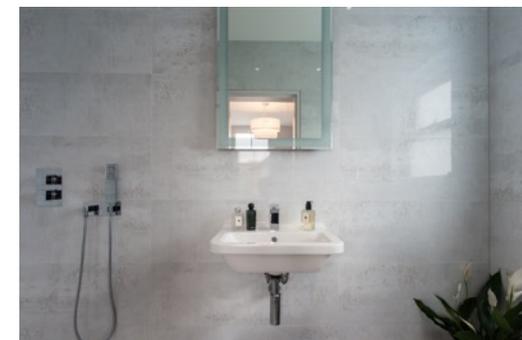
Valuing your property

With more than 60 years of experience, our team can assist you with their wealth of knowledge, along with insight into the current market conditions and recent comparable rental prices achieved in your area. We weigh up all relevant factors, including anything specific you may require, and suggest a rental price your property can achieve.

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Presenting your property

First impressions are incredibly important. Your property needs to be well presented, not only just when we take photographs of it, but for every viewing. A welcoming home that looks and smells present will make that good first impression. So make sure the property is cleaned, aired and full of light - Ideally natural light, but good internal lighting will also help. If you have a garden, make sure it is keep tidy and looks attractive.



Viewings

We attend all viewings and our team's lengthy experience means we can handle the majority of inquiries a potential tenant may have. Whether the property is owner-occupied or there are tenants in place, we will always try to organise viewings so that minimal disruption is caused.

Once a suitable tenant is found

1. Offer terms

Once an offer is received, our expert team negotiate terms on your behalf until all parties are satisfied and happy to proceed.

2. Offer confirmation

Once you accept an offer, your property is let in principle - subject to successful referencing checks. We send you an offer confirmation letter setting out the terms of tenancy and any agreed special conditions.

3. Tenant referencing

We work with referencing agencies that carry out detailed checks on a potential Tenants. These checks include their right to rent, credit history, previous landlord and employment history. If there are any doubts over their ability to pay the rent - or maybe job security - we advise proceeding only if a suitable guarantor can be found and referenced. We recommend proceeding only with tenants who pass referencing.

4. Rental warranty

Even tenants who pass referencing easily can go through unforeseen changes in their own circumstances during a tenancy, such as redundancy. Whilst legal steps can be taken to enforce the terms of the tenancy agreement, this is expensive and it is unlikely you will be able to recover the full costs involved from your tenant. Our chosen rental warranty providers can provide cover to our Landlords, so your income from rent is not lost if the tenant stops paying. The legal costs of eviction due to rent arrears are also covered, if required. Ask us for more details.

5. Tenancy agreement

We work with you to draw up the ideal terms and conditions, then prepare the appropriate legal document. In most cases we recommend an Assured Shorthold Tenancy Agreement (AST), which offers a minimum term of six months. If you want the property back at the end of this period, notice must be served at least two months before the expiry date. We can deal with this, as well as the necessary procedures if you decide with the tenant to extend their term.

6. Pre-tenancy cleaning

Before the tenant moves in, the property must be professionally cleaned. An "end-of-tenancy clean" includes carpet shampooing and cleaning of any soft furnishings. The tenant is then contracted to return the property in the same state at the end of their tenancy, subject to fair wear and tear. Invoices for the cleaning will be recorded with the inventory at the start and finish of the tenancy.

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8. Tenancy start and check-in

After an exchange of signed tenancy agreements and the receipt of cleared funds (usually the first month's rent & five weeks' deposit), the keys are handed to the tenant at the inventory check-in. Smoke and carbon monoxide alarms are also tested on the day the tenant moves in, and recorded in the report.



7. Inventory

We strongly recommend you use an independent inventory company to carry out a full inspection of the property. This will provide an accurate account record (including photographic evidence) of the condition of the property before the tenant moves in. At the end of the tenancy a check-out report is drawn up, this minimises the risk of any dispute over the deposit at the end of the tenancy.

9. Deposit protection

We always collect a five-week security deposit from the tenant. This is held by the Deposit Protection Scheme (DPS). It is returned at the end of the tenancy, less any deductions to cover any breaches of the Agreement. We are unable to refund all or part of the deposit to the tenant without your consent. Similarly, we cannot deduct money from the deposit without the tenant's consent. The DPS has a mediation procedure to deal with deposit disputes - we will make every effort to settle matters quickly and satisfactorily. Because we do not hold the deposit, there is no interest on deposit money held.

10. After move-in

Once your tenants move in and the deposit has been registered, we make sure they have all the correct documentation required. We advise you of all the tenants' details and any useful information you may need during the tenancy.

TENANT FIND

Fee: 8% excl. VAT
(9.6% inc. VAT)

RENT COLLECTION

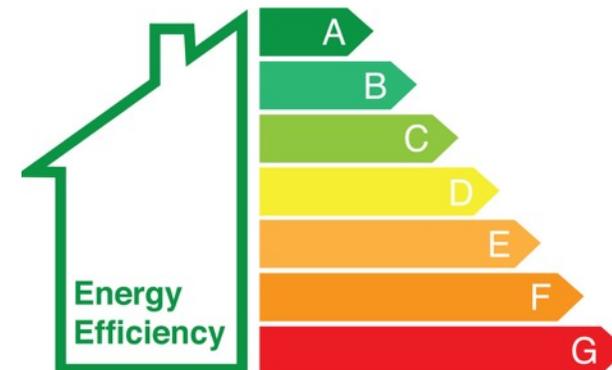
Fee: 10% excl. VAT
(12% inc. VAT)

FULL MANAGEMENT

Fee: 15% excl. VAT
(18% inc. VAT)

Landlords' checklist

- Contact** your building society, bank or other lender for their requirements
- Contact** your insurer (buildings & contents) for 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**.
 - Consider removing any valuables or items of irreplaceable value to you
- Discuss any **safety issues** with us.
- How maintainable is the **garden** for a tenant? Should you think about some form of gardening service.
- If you are moving **overseas**, apply for an approval certificate to enable us to pay rent to you without deduction of tax.
- EPC** (Energy Performance Certificate)
- Gas Safety Certificate** (if applicable)
- Electrical Safety Certificate** (advisable)
- Legionella** risk assessment
- Smoke alarms** installed
- Carbon Monoxide Alarm** installed (If applicable)
- Copy of **lease conditions** (if leasehold)
- Any **improvements** required and professional **cleaning**



Services and fees

TENANT FIND

Fee: 8% excl. VAT (9.6% inc. VAT)

Includes:

- Organising EPC, Gas Safety Certificate (if applicable), smoke/carbon monoxide alarms
- Advertise property and attend viewings
- Full tenant reference checks
- Negotiating terms of tenancy and creating agreement
- Arranging inventory and check in
- Deposit registration (DPS)
- Provision of correct documentation pre-tenancy and within 30 days of tenant move-in date

RENT COLLECTION

Fee: 10% excl. VAT (12% inc. VAT)

Includes, in addition to the Tenant Find service:

- Collection and delivery of monthly rent received
- Deduction of our fee on a monthly basis once the rent is collected, allowing you to spread the cost
- Pursuit of unpaid rent and provision of advice on rent arrears actions
- Deduction of commission and other works
- Discussion of renewal or termination of the tenancy

FULL MANAGEMENT

Fee: 15% excl. VAT (18% inc. VAT)

Includes, in addition to the Tenant Find and Rent Collection services:

- Informing all relevant utility providers of changes
- Dealing with day-to-day management, including repairs
- Access to our independent, vetted and competitively-priced contractors
- Arrangement of routine repairs, including instruction of approved contractors
- Property inspections and reports on request
- Keeping you up to date with any changes in legislation
- Advice throughout the tenancy
- Holding keys throughout the tenancy

ADDITIONAL OPTIONAL & NON-OPTIONAL FEES AND CHARGES (IRRESPECTIVE OF LEVEL OF SERVICE):

- Tenancy set-up and administration fee: £180.00 inc. VAT per new tenancy
- Tenant Referencing: £45.00 inc VAT per Tenant
- Tenancy renewal administration fee: £120.00 inc. VAT - new AST and rent review
- Inventory and check-in (dependent on size of property): from £150.00 inc. VAT for studio
- Professional pre-tenancy cleaning: dependent on size of property and current condition
- Rental Warranty: from £180.00 including VAT (dependent on the warranty length, type and rent value)
- Renewal Fee: 6% inc. VAT (applicable to Tenant Find service only)
- Preparation of yearly accounts (if required): £120 inc. VAT
- Void property inspections (if required): £45 inc. VAT
- Preparing and serving Section 21 / 13 notices: £60 inc. VAT. (fee included for managed clients)
- Professional hourly rate: £45.00 inc. VAT. Charged by the agent when required to carry out any additional services
- Deposit disputes: £45 inc. VAT per hour, if required to proceed on the Landlords behalf, with a single claim process
- Major Works Fee: TBC with works detail

Client Money Protection: This firm is a member of Safeagent. Accreditation No. A6826

Redress Scheme: This firm is a member of The Property Ombudsman: www.tpos.co.uk



5 CORE VALUES

- **Have fun** - we make the sale process exciting for our clients
- **Give value first** - we share and give value first to empower people
- **Be humbly confident** - we won't tell you, we'll show you
- **Do what you say and do the right thing** - we keep our commitments



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property



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