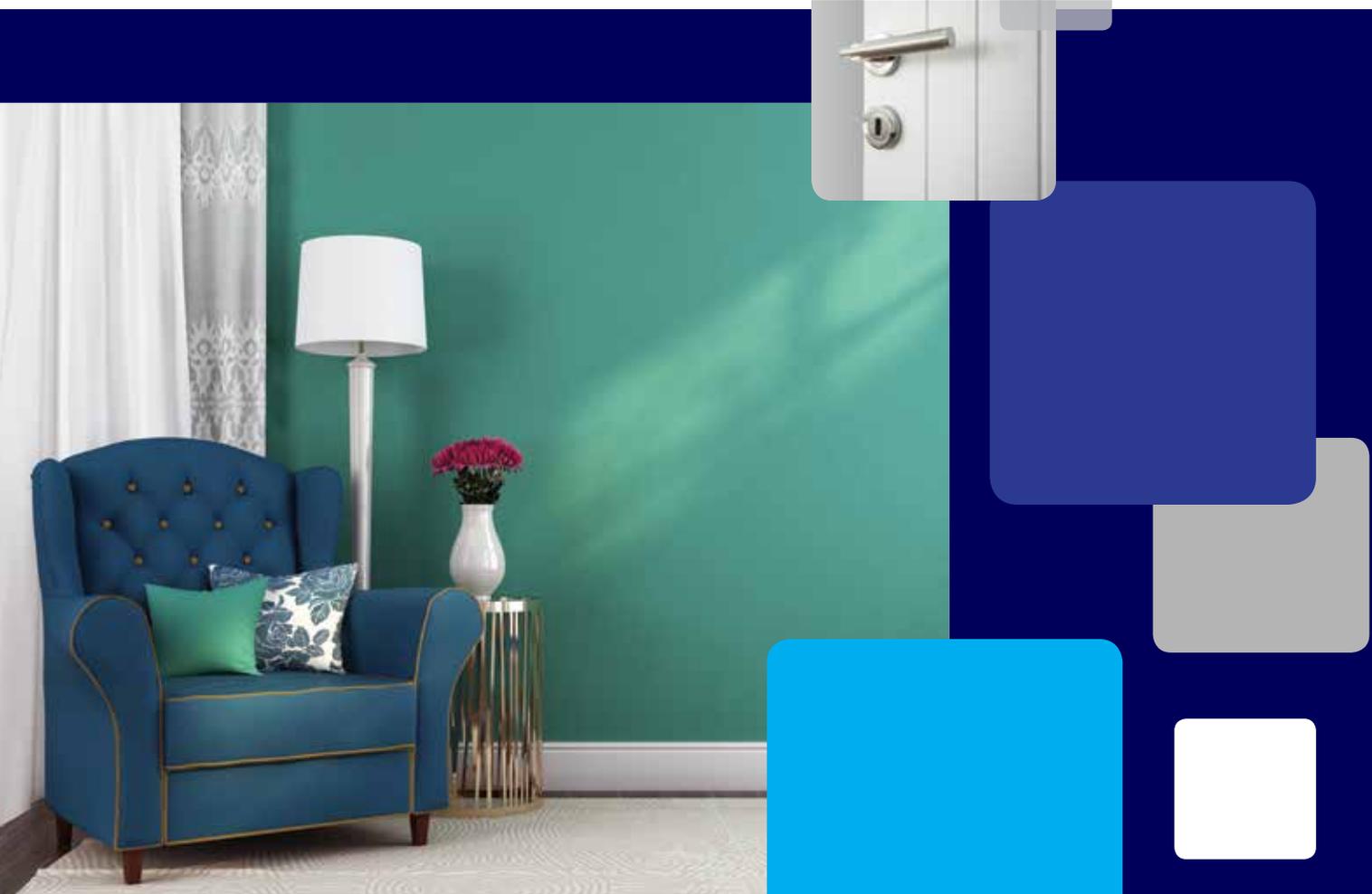


Your Guide to Residential Lettings





Welcome

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Davies & Partners are probably the largest Residential Property Management Agents in the Brackley area and property management is a very important part of our business. We have undertaken such service for over 45 years and pride ourselves in managing property for both single and multiple portfolio clients.

We appreciate that your property may very well be one of the largest single investments that you make in your lifetime. As members of the Association of Residential Letting Agents (ARLA), Davies & Partners work within strict codes of conduct and professional standards.

Our management service focuses on maximising income yield and capital appreciation by delivering a professional and efficient management service.



Our service

Over recent years, changes in both the housing market and social patterns have resulted in an unprecedented and inexorable rise in demand for property within the private rental sector.

Investing in buy-to-let property is proving to be a prudent decision for many people looking for an alternative to stock markets or savings accounts. Key to a successful investment are factors such as location and the type of property, but it is also important to consider achievable rent levels, tenant demand and expectations, maintenance and potential capital growth.

With so much to consider Davies & Partners will take the time to assist you, from the start, by providing honest and reliable advice on potential investment opportunities. We recognise that this is likely to be your second biggest investment, after buying your own home, and whether you



are a first-time landlord or an experienced investor you can trust our guidance.



Preparing your house for letting

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Mortgages

Where the property to be let is subject to a mortgage, permission must be granted from the mortgagee in writing. It is sometimes appropriate to remortgage with a buy-to-let specialist and our mortgage advisor, who can offer an across-the-market perspective, will be happy to provide completely impartial advice in this regard.

Insurance

It is essential that the property and your contents are adequately insured, both while the property is empty and while it is let. Your insurers must be told that the property is to be let since failure to do so may well invalidate cover.

We can provide details of competitive insurance specifically for rented property, if required.

Security

Security systems (locks on windows and external doors, lights, and even full alarm systems) are often considered essential by prospective tenants, and are taken into consideration by all the leading insurance companies when calculating premiums.

Decorations and Carpets

We recommend these should be fresh and neutral in terms of colour and style. Higher quality properties will always attract better quality tenants and therefore it is vital that a property is well presented to meet the expectations of a potential tenant.

Furnished or Unfurnished?

By far the greatest level of demand from tenants is for properties that are available unfurnished.

This traditionally includes just carpets, curtains and a cooker. This has the advantage, from the landlord's perspective, of avoiding the need for additional maintenance/replacement and for annual testing of electrical appliances.

Domestic Appliances

These should also be of good quality and condition and subject to regular servicing. It is important that full instructions for use are left on the premises to avoid the need to call in an engineer to demonstrate. Gas and electrical appliances must meet legal safety requirements and oil appliances should be tested annually.

Cleaning

It is essential that the property is handed over in a clean condition. We very strongly recommend that the property be professionally cleaned throughout, including all carpets. This creates a benchmark that will be recorded in the Inventory and Schedule of Condition, and will allow us to maintain a high standard through subsequent tenancies. We can provide the names of reputable and economical cleaning contractors.

Gardens

Gardens should be left in good seasonal order so that the benchmark is set for the tenants, whose responsibility it will be to maintain the same standard. If the garden is particularly large, or complicated to maintain, it may be appropriate for the landlord to retain responsibility for maintenance, in which event this will be reflected in the rent. We will be happy to help find suitable gardeners, be it for a full maintenance programme, hedge/lawn cutting, pruning or an occasional tidy.

Gas, Electricity and Water

These services should be left connected and we will notify utility providers of the change of occupier and relevant meter readings. Under the Housing Health and Safety Rating System,

Tenants must be able to control and regulate heating systems.

Council Tax

We will notify the local council tax office of each change of occupier and of any void period between tenancies.

Keys

A complete set of keys should be provided for each tenant along with an additional set to be retained at our office. We will be obliged to charge for key cutting if insufficient keys are provided at the outset.

Telephone

If a telephone line is installed at the property you should instruct the provider to put a temporary stop on the line, when you vacate, and send you a closing account.

Empty properties

It is important that you comply with any insurance requirements during vacant periods, especially during the winter months.



Safety regulations and precautions



Failure to comply with the following Safety Regulations may constitute a criminal offence under the Consumer Protection Act 1987 and could lead to a fine or imprisonment. In any case, landlords have always had a duty of care under common law to ensure that rented property is kept in a safe condition and it is therefore essential to examine the property and its contents closely before letting.

Housing Health and Safety Rating system (HHSRS)

The Housing Health and Safety Rating System was introduced under the 2004 Housing Act. It is a risk based evaluation tool, designed to identify potential hazards to health and safety from any deficiencies identified in dwellings. Common breaches of this legislation include a lack of extractor fans in bathrooms and kitchens, trip hazards such as uneven patio slabs and loosely fitted carpets, or staircases without handrails.

Fire and Furnishings Regulations

Under the Furniture and Furnishings (Fire) (Safety) Regulations 1988 (as amended) a landlord who is letting a property in the course of business is responsible for seeing that the furniture carries the appropriate fire resistance labels. Bedding, carpets and curtains and furniture manufactured before 1950 falls outside the regulations.

Electricity

The Electrical Equipment (Safety) Regulations 1994 state that all electrical appliances, both

fixed and portable, in rented accommodation must be safe. The only sure method of checking this is to have them all tested and labelled periodically by a qualified electrician with the appropriate portable appliance testing equipment.

Gas Safety Regulations for Landlords & Agents

From 31st October 1994 it became law for gas equipment in rented properties to be serviced and safety checked before a tenancy and then annually by a registered installer - and for landlords or their agents to keep accurate records of work carried out on all appliances in their control, confirmed by an official safety certificate. It is a legal requirement that we ensure that a Gas Safety Certificate is provided to the tenant annually.

This, of course, includes all gas appliances like cookers, fires and flues as well as boilers and water heaters. Landlords are reminded that only British Gas or Gas Safe registered plumbers should carry out this work. It is desirable to leave all gas appliances with service contracts in place.

Smoke Detectors and Carbon Monoxide Alarms

The Department of the Environment have regulations governing the installation of smoke detectors in new-build homes and these are incorporated in the Building Regulations 1991. These state that all new-build homes must be

fitted with interlinked mains operated smoke detectors, one on each floor. There are no such regulations governing older properties but all Fire and Safety Officers would advise the installation of at least battery operated devices, if not mains operated ones.

We therefore strongly recommend that all landlords of pre-1992 properties agree to the installation of smoke alarms in their property. This may also be a requirement under the terms of your building insurance policy.

It is also advisable to install audible carbon monoxide detectors which comply with British Standard BS7860 in the property. We recommend one alarm for each room that contains a gas appliance.

Regulatory Reform (Fire Safety) Order 2005

This came into effect in October 2006, and it applies to the common parts of blocks of flats and houses in multiple occupation (HMOs). It is a mandatory requirement that a detailed fire risk assessment be carried out to identify any risks or hazards and any such findings should be eliminated or reduced.

Energy Performance Certificate

From 1st October 2008, all rental properties with a new tenancy in England and Wales are required to have an Energy Performance Certificate (EPC). The EPC will rate the energy efficiency of a property and its environmental impact. The EPC survey must be completed prior to marketing a property, and a tenant is required to receive a copy of the report before entering into a Tenancy agreement. The first page of the EPC must be with any particulars and we upload the full EPC to websites marketing the property.





Services we provide

We provide the following three levels of service, full details are provided within our Terms & Conditions.

Tenant Introduction

This service includes the following:

- Production and distribution of promotional materials, to include photographs and a floorplan.
- Organising, where appropriate, an initial Energy Performance Certificate (EPC), Gas Safety Certificate and other legally required certification.
- Provision of a To Let board.
- Advertisements in the local press and on various websites, including major portals and www.daviesandpartners.co.uk
- Accompanied viewing service.
- Completion of comprehensive credit and income checks on prospective tenants, for which we employ a third party specialist.
- Collection of an appropriate deposit, which is lodged in our bonded client account.
- Registration of the deposit with TDS (The Dispute Service), in accordance with current legislation.
- Collection of the first month's rent. We arrange for subsequent payments to be paid direct to you.
- Production of an appropriate tenancy agreement and associated documentation.
- Production of an Inventory and Schedule of Condition where instructed (signed by the tenant) for you to use as a basis for comparison when the tenant vacates.



Letting and Rent Collection

Our letting & rent collection service includes all the benefits of our tenant find service and in addition, Davies & Partners Property Management will:

- Arrange for the collection of rent in accordance with the terms of the tenancy agreement.
- Prepare and submit a regular Statement of Account to the landlord and/or the landlord's accountant.
- Transfer the net monies to the landlord.
- At the end of the tenancy, we will arrange for the inventory to be checked by the inventory clerk and for a schedule of dilapidation (if any) to be prepared. A copy of this is normally sent to both landlord and tenant for approval before a tenant's deposit can be returned.
- As instructed by you, we will pay ground rent, service charges, insurance premiums and any other outgoings from the rental income as and when it is received. We do our best to query any obvious discrepancies but it must be understood that we are entitled to pay without question demands and accounts which appear to be in order.

Full Management Service

This provides landlords with comprehensive and thorough administration of their property, allowing them to distance themselves from the day-to-day management of the property. In addition to the Tenant Find service, as detailed above, this includes:

- Taking meter readings and notifying utility companies of a change of occupier.
- Regular visits to ensure that the tenant is taking care of the property and to investigate proceedings are necessary or defects brought to our attention by the tenant. You will be provided with a written report following each visit.
- Organising and overseeing any necessary repair works to the property, with your prior authorisation.
- Collecting the rent, pro-actively pursuing it when necessary, and forwarding this, net of charges, on a monthly basis to yourselves by BACS
- Provision of a detailed statement of account on a monthly basis.
- Production of a check-out report and negotiation with regard to the retention of deposit funds, when appropriate.
- Issuing relevant notices, including the notice to quit, as and when required by yourself.
- Working with your solicitor in the unlikely event that eviction proceedings are necessary or that rent arrears have to be pursued through the court system. We are able to arrange Rent Guarantee and Legal Expenses Insurance to protect you against this eventuality.

Important considerations



The Tenancy Agreement

The Housing Act 1988 specifies different types of tenancy. Whilst there are several different types, it is almost certain that the tenancy of your property will either be an Assured Shorthold Tenancy or a Contractual Tenancy.

The Tenancy Deposit Scheme

At the outset of each tenancy we will collect a deposit from the tenant. The amount of the deposit is usually equivalent to six weeks' rent. Since April 2007, in line with The Housing Act 2004, all deposits collected under an Assured Shorthold tenancy (or any renewal thereof) must be protected in one of the Government's authorised tenancy deposit schemes. As an ARLA accredited agent we are approved members of the Tenancy Deposit Scheme. This allows us to retain custody of your tenants deposit under the scheme.

Inventory and Schedule of Condition

It is essential to have an inventory/schedule of condition prior to each tenancy. We can arrange this using local independent inventory companies who we work with on a regular basis. At the end of a tenancy the property is inspected against the inventory and any deterioration to its condition is noted. The tenant is responsible for the cost of rectifying any damage, over and above what is considered to be fair wear and tear caused by them at the property.

Security Deposits

We will obtain a deposit equal to 1.5 months' rent from the tenant. This security deposit is held by ourselves, as stakeholder, throughout the tenancy. Once damages, if any, have been agreed and copies of all receipted final invoices have been checked, the balance of the deposit will be returned to the tenant.

Davies & Partners Property Management is a member of The Tenancy Deposit Scheme, which is administered by:

The Dispute Service Ltd
PO Box 1255
Hemel Hempstead
Herts
HP1 9GN
Tel: 0845 226 7837
Fax: 01442 253 193
Email: deposits@tds.gb.com

Instruction to Solicitors

You will be informed of any rent arrears or breaches of covenant brought to our attention. Should it prove necessary to employ the services of solicitors you will be responsible for instructing them, and for all fees involved.

Taxation of UK-Resident Landlords

Landlords who remain resident in the UK are required to declare rental income annually, together with all other income, as it is assessable, after allowable expenses, for income tax.

Taxation of the Non-Resident Landlords

Where the landlord of the property is resident abroad for six months or more and has not been approved under the Non-Resident Landlords Scheme (see below), the Commissioners for Inland Revenue will, under UK income tax law, hold the managing agent (or the tenant where there is no managing agent appointed) personally liable for the payment of tax on income from rent collected on the landlord's behalf. The taxation of income from landlords (Non Residents) regulations 1995 requires the rent-receiving agent to retain the tax element on the net rent and to pay it to the Inland Revenue on a quarterly basis, within thirty days of the end of the quarter.





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Mortgage Consent

If you have a mortgage on the property you are letting you will need to obtain consent from your mortgage lender.

Most will give consent but they may charge an administration fee. To allowing consent they

may require information on the type of Tenancy Agreement you intend to use and the length of the tenancy.

They will probably also require reassurance that you are using a professional and ARLA registered agent.

Insurance

As a landlord you should ensure that you have both buildings and contents insurance in place to cover your investment. Tenants are responsible for insuring their own contents and personal belongings.

Please also note that standard homeowner insurance policies will not suffice once a tenant is in residence and you are not an owner occupier. The policy will need to be specifically designed for let property.

We also offer Rent Guarantee and legal cover insurance. A quote can be provided to you once the referencing of your tenants has been completed.

Council Tax and Utility Bills

In addition to the rent, tenants are responsible for paying water charges, council tax, gas and electricity bills.



Keys

You will need to provide each tenant with one set of keys. If your property is being managed by Davies & Partners, a further set of keys will need to be held at our office.

Property Folder

Many landlords choose to make a property folder. This should include copies of manuals and guides. It is also advisable to leave a local guide and any other information that your tenants may find useful such as details on parking, refuse collections etc.

Professional Cleaning

Prior to occupation, all properties should be professionally cleaned. When the property is returned, the tenant is expected to do the same. Any outside space should also be left in seasonal order.

Value Added Tax

All our fees, and any other charges made by Davies & Partners, will be subject to Value Added Tax at the prevailing rate.

You Can Be Reassured

Davies & Partners are proud to be members of:

- The Property Ombudsman (Lettings)
- National Association of Estate Agents
- Association of Residential Letting Agents
- The Guild of Professional Estate Agents





Choosing a Guild Member can help you achieve a far better result.

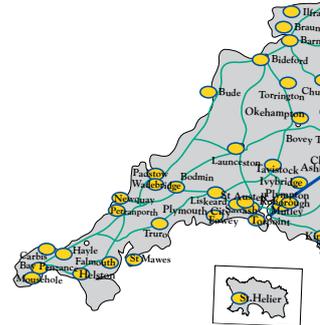


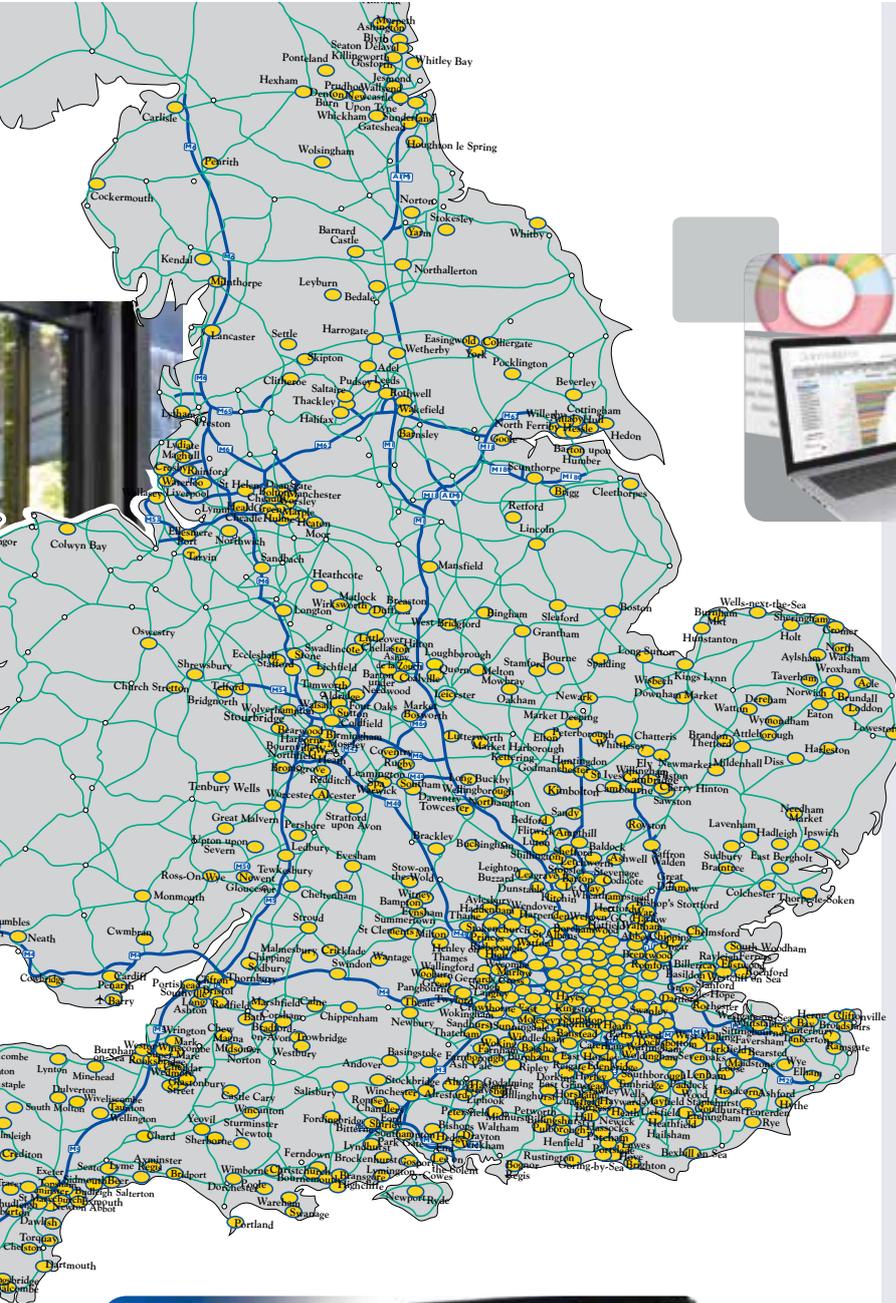
Members of The Guild of Professional Estate



Davies & Partners are proud to be members of the biggest independent estate agency network of its kind in the UK. The Guild of Professional Estate Agents is a network of over 750 offices across the UK and as a member, we can offer your property more, with access to tools and facilities that can assist in the marketing and exposure of your property enabling you to maximise your returns.

Through our membership we have access to the prestigious Park Lane showroom which presents properties to the lucrative London rental and international investor markets.





We connect to The Guild, a national network of over 750 independent estate agents

Our regional magazines produced by the Guild deliver your property widespread exposure across the 750 member agency offices

With a network of over 750 members, Guild websites provide a national property search ensuring broad visibility for your property

Through The Guild, we have access to a studio, creating bespoke marketing materials ensuring professional presentation of your property

Guild Members are highly informed agencies with access to market intelligence systems

Fully trained and educated staff mean Guild Members provide your property with the best resources available

Through The Guild we have access to widespread marketing systems providing your property with all the tools to achieve a better result





**davies &
partners**

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www.daviesandpartners.co.uk