



MrGreen

GUIDE TO

Residential Landlords





Mr Green Estate Agents was established in 2009 and has offices in Southbourne and Christchurch, offering both lettings and sales services. Our letting department has gone from strength to strength and is based on providing a first class service to both landlords and tenants.

At Mr Green we place an emphasis on customer service and making sure the service that is offered is tailored to meet the needs of the individual. We offer a personalised service to ensure that you are not just a number. Putting your property with Mr Green to manage ensures that it is being professionally looked after and is in safe hands

Tell me more ...

What we can offer you

- Free “no obligation” rental valuation
- Professional photography package
- Lettings compliance advice and information
- Large database of searching tenants matched to your property
- Advertising on all major portals
- Professional inventory service
- Comprehensive referencing for all tenants and guarantors
- Rent guarantee service available
- Accounts processing via Payprop including annual tax statement
- Members of The Property Ombudsman Redress Scheme
- Members of ARLA
- Members of the Tenancy Deposit Scheme
- Full floorplan on each property
- 3D Virtual Tour

High calibre tenants

Mr Green will source tenants for your property and will do their utmost to ensure that they tick all the boxes to ensure that they are the right fit for your property. The key to a successful rental is having a good tenant in place.

We will start by establishing with you the sort of person/s that you wish to occupy your property. We then start advertising the property, match this to prospective tenants we have on our database and start the viewing process. Once we have secured tenants, we will then begin the referencing process. Once these references are completed and you are satisfied with them, we will then get cracking with the tenancy and all the arrangements.

At Mr Green we use the biggest provider of tenant referencing, Homelet to reference all our tenants. Homelet will undertake an employment reference, landlord reference, bank validation check and a credit check to ensure that the tenant we have sourced matches our strict criteria for renting your property. We can also provide rent guarantee for all our properties and actively encourage all landlords to seriously consider this option. The rent is due monthly in advance, starting from the commencement of the tenancy. We actively encourage tenants to pay their rent by standing order and this is our most popular method of payment.

Achieve the highest rent for your property

At Mr Green, we always give what we believe to be a realistic and achievable rental figure to a landlord, whilst ensuring that you achieve the best possible rent according to market conditions. We never actively negotiate on rents but if a tenant does try and negotiate, we will of course do our best to achieve the highest possible figure and make sure you are happy.



Let's get started

Once you have instructed us to find tenants for your property, we will begin creating marketing materials for your property. Here is a brief outline of what happens next once you have instructed us to find tenants for your property.

Professional Photography

All of our services include professional photography of your property. We will book our in-house photographer to attend your property.

Advertising and Accompanied Viewings

Your property will be advertised on our website, Rightmove and social media platforms. A representative from Mr Green Lettings will accompany all viewings at the property, and we will provide feedback after each viewing.

Referencing

Once we have found a suitable prospective tenant, we will carry out full referencing checks using our market-leading referencing service Homelet.

Compliance

You will need to make sure your property is fully compliant with legal regulations before your tenants move in. We can take care of this for you and make sure nothing is missed.

Keys and Parking Permits

You will need to provide us with a minimum of three full sets of keys before the commencement of the tenancy. This will also include any parking permits/passes and key fobs.

Tenancy Agreement

All new tenancies commence with a minimum six-month Assured Shorthold Tenancy. We can offer longer-term leases on request.

Detailed Inventory

Once the tenancy start date is agreed, we will carry out an inventory of the property with a detailed description and photographs of its condition and contents (fees apply), which will also include meter readings.

Where the **deposit is protected**

We will collect the maximum deposit allowed for a tenancy. The maximum amount of deposit is equivalent to five weeks rent.

Mr Green is a member of the Tenancy Deposit Scheme, which is administered by:

The Dispute Services Ltd
PO Box 541
Amersham
Bucks
HP6 6ZR
Phone: 0845 226 7837
Email: deposits@tds.gb.com
Fax 01494 431 123

If Mr Green is instructed by the landlord to hold the deposit, we shall do so under the terms of the Tenancy Deposit Scheme. Mr Green holds tenancy deposits as Stakeholder.

Getting it **right**

If the landlord warrants that all the information he has provided to the agent is correct to the best of his knowledge and belief.

If the landlord provides incorrect information to Mr Green which causes Mr Green to suffer loss or causes legal proceedings to be taken, the landlord agrees to reimburse and compensate Mr Green for all losses suffered.

Utility bills sorted

Mr Green has a referral agreement in place with HomeLet, who they use to aid with the process of notifying local councils, water/sewerage and energy suppliers of any change of occupancy at the property. Also, Just Move In can offer Home Setup Services to movers. Mr Green earns a commission of £10.00 - £15.00 from any supplier that the mover chooses to use or switch to. This commission does not affect the premium that the mover would pay to the supplier. This service is used upon move in and move out.

Checking in and **inspecting your property**

We will call your tenants in the first week of the tenancy to check in on how they are settling in and deal with any initial questions or problems. After the first four weeks, we will inspect your property and send you a report.

We will then inspect your property at least twice per year, but we will offer further inspections if required.

Repairs



At some point, every property will need some maintenance carried out to ensure it is kept to a good standard. The tenant will report maintenance to us directly via our maintenance reporting system Fixflo. We will contact you via Fixflo with details and permission to resolve.

In the majority of cases, the problem can be resolved quickly; however, if a serious fault does occur (water burst/flood) and we cannot contact you, we will authorise a repair without your instruction as we may need to act quickly to prevent further damage. We will discuss this with you when we formally take the property on and come to an agreement on amounts/costs.

We have a dedicated property manager who deals with maintenance for our managed properties.

As a landlord, you must ensure that the property is well maintained and in good order. Repair works that are left, often end up costing more money in the long run. Tenants can contact Environmental Health if works are not completed promptly, which can result in enforcement action from the council, and fines if the repair work is not carried out in time, or to a satisfactory standard.

In the Landlord & Tenants Act 1985 under Section 11, it is implied as a convenient in the tenancy agreement that the landlord is:

- (a) to keep in repair the structure and exterior of the dwelling (including its drains, gutters and external pipes).
- (b) to keep in repair and proper working order the installations in the dwelling, for sanction and the supply of water, gas and electricity as well as those for space heating and heating water”.

Let's talk **tenancy renewals**

Once the tenancy has been in force for just over four months, the tenancy is reviewed, and we will write to you asking if you wish the tenancy to continue.

Once we have contacted you, we will contact the tenants and they can opt to leave the property at the end of the lease or ask to stay on. If the tenants wish to stay, you have three options:

- 1 You can offer to allow the tenants to sign a renewal agreement for a further fixed term.
- 2 If you do not wish to commit yourself to a definite period, you can allow the contract to become periodic whereby the tenants stay in the property under the terms of the original contract. You have the flexibility to serve statutory notice to vacate at any point, however, the tenants can serve one months' notice if they wish to vacate.
- 3 If you do not want to renew the tenancy you must inform us immediately and we will then make arrangements for the Statutory Notice to be served. You will need to serve notice per Section 21 of the Housing Act 1988.

Please note if the tenants do not leave when the Section 21 notice expires, it can only be enforced through the courts. We offer first-class rent protection policies which includes legal cover (fees apply) and have great links with local solicitors. Please ask us for more information.

End of the tenancy

Once a tenancy comes to an end, we will arrange for a detailed inspection and report of your property to be carried out by our independent inventory clerk, which will include meter readings. We will ensure that the property is returned to you in the best condition possible, taking into consideration fair wear and tear.

Returning the deposit



The deposit is refundable to the tenants once everything is in order and everything has been dealt with in compliance with the Tenancy Deposit Scheme guidelines.

At the end of a tenancy covered by the Tenancy Deposit Scheme, if there is no dispute, Mr Green will keep any amounts agreed as deductions where expenditure has been incurred, on behalf of the landlord or repay the whole balance of the deposit according to the conditions of the tenancy agreement between the landlord and the tenant. Payment of the deposit will be made within ten working days, following written consent from both parties.

If there is a deposit dispute

If, after ten working days following notification of a dispute to Mr Green and reasonable attempts have been made in that time to resolve any differences of opinion, there remains an unresolved dispute between the landlord and the tenant over the allocation of the deposit it will be submitted to the Independent Case Examiner (ICE) of the Dispute Service for adjudication. All parties agree to cooperate with any adjudication.

When the amount in dispute is over £5,000 the landlord and the tenant will agree by signing the Tenancy Agreement to submit the dispute to formal arbitration through the engagement of an arbitrator appointed by the ICE although, with the written consent of both parties, the ICE may at his discretion accept the dispute for adjudication. The appointment of an arbitrator will incur an administration fee, to be fixed by the Board of The Dispute Service Ltd from time to time, shared equally between the landlord and the tenant. The liability for any subsequent costs will be dependent upon the award made by the arbitrator.

The statutory rights of either the landlord or the tenant(s) to take legal action against the other party remain unaffected.

The parties don't need to refer the dispute to the ICE for adjudication. The parties may, if either party chooses to do so, seek the decision of the Court.

However, this process may take longer and may incur further costs. Judges may, because it is a condition of the tenancy agreement signed by both parties, refer the dispute back to the ICE for adjudication. If the parties do agree that the ICE should resolve the dispute, they must accept the decision of the ICE as final and binding.

Health and Safety taken care of ...

Gas Appliances

It is a legal requirement that every gas appliance and gas central heating system is inspected on an annual basis. The appliance, or heating system, must meet strict conditions for a Gas Safe Record to be issued and this certificate, or a copy, must be held on our files.

Electrical Appliances

From 1st June 2020, new legislation came into effect making an Electrical Installation Condition Report (EICR) mandatory for private rented properties (as per the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020).

As a result, landlords must now have the electrical installations in their properties inspected and tested by a qualified professional at least every five years.

Also, landlords must provide a copy of the Electrical Installation Condition Report to their tenants, and this safety certificate can also be requested by local authorities. This new law is in line with best practices already recommended by electrical safety bodies and was already being practiced by many landlords to demonstrate the safety of their properties.

Smoke Alarms

From the 1st of October 2015, properties must have at least one smoke alarm installed on every storey of their rental property, and a carbon monoxide alarm in any room where solid fuel is used.

The smoke alarm must be checked on the first day of the tenancy in the presence of the tenant and must be valid and in working order. Failure to take adequate precautions (such as fitting smoke alarms) will lead to you being prosecuted. Smoke alarms are inexpensive and are easily fitted and they can, and do, save lives. It is then the tenant's responsibility to replace the batteries and report if the smoke alarm stops working. As part of our full management package, we will ensure this is taken care of for you. Fees apply.

Carbon Monoxide Alarms

If your property has gas appliances then we recommend the installation of carbon monoxide alarms, even if there is no solid fuel being used in the property. These units are slightly more expensive than smoke alarms but again do serve a very useful purpose.

Legionella

Legionnaires' disease is a potentially fatal form of pneumonia caused by the inhalation of small droplets of contaminated water containing Legionella. It is the responsibility of the landlord to conduct a simple risk assessment at the property they intend to let, to ensure their tenant's safety.

Furnishings

If any furniture is left in a property then you, as the landlord, have a duty to ensure it is maintained and for electrical/mechanical equipment to be repaired should it become faulty, provided of course this is not as a result of negligence or malicious damage by the tenant. Any soft furnishings (chairs/ beds etc.) that are left in the property must comply with The Fire and Furnishings Regulations, and a label clearly stating this should be attached. If not, the furnishings have to be removed from the property, as they can not be stored in the property.

Energy Performance Certificate

You may be aware that from the 1st October 2008, all properties placed on the rental market will require an Energy Performance Certificate. The report will be required for any property being marketed to a new tenant and will be valid for ten years. We must have a copy of the Energy Performance Certificate before the marketing of your property can commence.

Also, from 1st April 2018, landlords of privately rented domestic and non-domestic property in England or Wales must ensure that their properties reach at least an Energy Performance Certificate (EPC) rating of 'E' before granting a new tenancy to a new tenant. If your property is below an E rating, then unless an exemption applies, you will need to raise the rating of the EPC to an 'E'.

Should an EPC expire whilst your tenancy is in situ, there is only a legal requirement to renew this when the property is re-marketed to a new tenant or if a new fixed-term tenancy agreement is agreed.

Mortgages

If the property that you are looking to purchase, or currently own is to be let by another party then you must inform your mortgage lender of your intentions.

This should be done before a tenant moves into the property as gaining permission from the building society usually depends upon the mortgage account not being in arrears. Some lenders will ask to see a copy of the lease, which the tenant will be asked to sign and we will happily provide them with this. Mr Green will need to see permission from your lender/freeholder that you have permission to let, as legally, without it, a tenancy cannot be created.

We also require ID for the landlord, along with a copy of the deeds, to confirm ownership.

Building's Insurance

As the landlord, you are still responsible for the building and accordingly, the buildings insurance. Please note buildings insurance will not cover the costs of replacing or repairing carpets if they become damaged, however, it does cover fixtures and fittings. If the property is furnished or part furnished, you may also wish to consider contents insurance.

Rent Guarantee Insurance

Mr Green offer rent guarantee and legal cover insurance via Homelet. We strongly recommend that you take out a rent guarantee to protect your property. While we carry out strict referencing, it is only a snapshot in time, and the tenant's circumstances can change, so rent protection is strongly advised. Please contact us for a quote.

Tax

Income received from renting any property is subject to tax (we strongly recommend that you take advice from your accountant). Expenses incurred can be set against this liability.



Overseas Landlords

Landlords who have moved out of the United Kingdom are liable for tax deducted by their agents. You will need to complete a "Non-Resident Landlord Form – 1" (NRL-1) with the Inland Revenue to exempt you paying 20% tax on the income you receive, whilst living outside the UK.

The form can be completed online and Mr Green will need evidence this has been submitted before the tenancy commencement date. If you are awarded an exemption certificate then this must also be held on our files. You need to pay tax on your rental income if you rent out a property in the UK. If you live abroad for six months or more per year, you're classed as a 'Non-Resident Landlord' by HM Revenue and Customs (HMRC) - even if you're a UK resident for tax purposes.

Right to Rent

What does it mean for you? From 1st February 2016, all private landlords in England will have to make right to rent checks. This means checking that tenants have the right to be in the UK.

The Immigration Act 2014 introduced the power to impose a civil penalty on private rental sector landlords, homeowners or lettings agents who rent property to a person with no right to rent in the UK, known as the 'Right to Rent scheme'. The purpose of the rules is to deny those in the UK illegal access to the rental sector and to address persistent rental of property to illegal migrants by rogue landlords.

The scheme requires that anyone, including landlords, their agents and homeowners offering rental accommodation in the private rented sector, should carry out document checks on new adult occupiers before renting to them. This is to check they have the right to rent, within the UK.

Mr Green will ensure all the necessary documentation is taken and kept on file, giving you peace of mind and making sure that you are fully compliant.



Tenant Find Only service

£540.00 per tenancy (tenancy agreement included)
£100.00 per tenant reference including the first guarantor
*please see costs for inventory in additional services

Our tenant find service includes

- Professional photography
- Advertising your property
- Accompanied viewings
- Legal paperwork including tenancy agreement

Full referencing

Mr Green use Homelet to undertake all tenant referencing to ensure that the referencing process is carried out to the highest industry standard possible.

HomeLet's specialist referencing department perform a multitude of checks including adverse credit history, undisclosed addresses, bank validation, financial checks, and landlord references to provide an objective assessment. Additionally, there are some important features, including:-

CIFAS checks (Credit Industry Fraud Avoidance System) – By directly checking the national fraud database, they detect applications where an applicant has either previously committed fraud or has a confirmed case of committed fraud against them.

A check against HomeLet's own Default Database. This system highlights whether a tenant may have failed to pay their rent in the past.

Powerful eviction service

If your tenants default on their rent, HomeLet's in-house Legal and Claims team will step in to manage the eviction process. They'll guide you through the complex eviction process, at every step.

HomeLet's average eviction time is just 136 days, compared to a national average of 322 days – so they'll help you obtain vacant possession quicker than the industry standard (source: Ministry of Justice, May 2018).

Up to £50,000 of legal expenses covered

Get the peace of mind that up to £50,000 of legal expenses are covered including eviction costs following non-payment of rent, or a lapsed Section 21.

INCLUSIVE OF VAT



Fully Managed service

10% +VAT of the rent collected

Our fully managed service includes:

We will manage everything related to the property on your behalf, including any day-to-day problems with your property or tenant, collecting the rent, regular inspections, arranging and co-ordinating any maintenance, ensuring your property is compliant with any legal requirements, paying the rent by BACs payment on a monthly basis and providing a rent statement, advertising and finding tenants, informing utility companies of move in and move out and professional photography. We will register the tenants' deposit and deal with the deposit return and any disputes at the end of the tenancy.

There is **no setup fee** with our fully managed package, however additional fees will apply for related services. Please see our price guide.

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Rent Guarantee service

In addition to the fully managed and tenant find only packages we also offer two levels of rent guarantee service:

Option 1 (recommended) Nil excess: £36.00 PCM including VAT

Option 2 1 month's excess - £30.00 PCM including VAT.

Rent guarantee is available for tenant find only landlords at £540.00 inc VAT and is payable in advance rather than monthly. Please note that a tenant find only landlord will be sent a certificate of interest on the policy and will need to deal with all matters related to making a claim.

What is included:

WHEN TENANTS CAN'T OR WONT PAY, YOU'RE COVERED.

Nil excess policy:

- Cover for the total monthly rent, no matter how many tenants are on the tenancy agreement
- Missed rental payments until vacant possession of the property or for up to 15 months, whichever comes first
- Up to three months' rental payments at 75% following vacant possession (where applicable) Legal expenses up to £100,000 to cover eviction costs if the tenant is in breach of their tenancy agreement
- Covers breaches of the tenancy agreement by the tenant, including non-payment of rent and expired section 21 notices
- Cover should a tenant defend the action taken, meaning we'll continue to pay the claim until the challenge has been resolved
- 12 months of cover Rent Recovery Plus covers the whole property meaning the policy continues even when/if the tenants change
- No policy excess - your rental payments are covered straightaway

One month's excess policy as above but with the below variations:

- Missed rental payments until vacant possession of the property or for up to 14 months, whichever comes first
- Excess equivalent to one months' rent



MrGreen

Additional services

Inventories and Schedule of Condition

A professional highly detailed Inventory and Schedule of Condition is prepared for the landlord's protection and is required for furnished and unfurnished properties.

Preparation of Inventory

Unfurnished Properties

Studio Flats **£120.00**

For each bedroom, please add on the following cost per bedroom **£15.00**

Furnished Properties

Studio Flats **£130.00**

For each bedroom, please add on the following cost per bedroom **£15.00**

Checking the Inventory upon vacation

And; arranging any necessary cleaning or works and accounting to the landlord with regards to the tenant's deposit. **Fees as per the check-in**

Shorthold Tenancy Agreement

A legal document securing the tenancy for the fixed term (including any supplementary agreements). **£120.00 for each agreement**

Serving legal notices

£84.00

Testing smoke alarm at tenancy commencement

£48.00

Rent Protection Products

Please refer to our **management package**

Inspections

Additional inspections **£60.00**

Checking property during void periods

Per visit, weekly, fortnightly or monthly as instructed **£60.00**

Please note, all relevant fees will be deducted from your first month's rent, including the cost of the checkout report.

Contact Us

Mr Green Sales & Lettings

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