

“Firstly, thank you for your time in considering our multi-award winning group for the rental & management for your property/ portfolio. One of our experts will show you why thousands of clients instruct our group every year and how we’ve grown to become Birmingham’s No.1 performance property brand with experience of managing over 1,000 exclusive homes since 2009.

With so much invaluable experience, a keen eye on customer experience and a work hard/ play hard ethic we are confident you too will love our approach.

Wishing you the very with your decision.”

Bobby Singh & Catalina Lopez (Co- Founders) June 2019

In our experience, a good investment is all about the investment looking after itself, generating a passive income and of course rising in value over time. So, at some point in the future, you can live your dreams by releasing the equity or playing a part in the future of your children’s dreams. This is where we can help. Our core focus is to ensure that you make the correct investment and achieve the best return, but have an enjoyable journey.

In brief, our services include:

1. Assisting with portfolio growth
2. Devising a smart strategy so that you outperform the market
3. Providing a realistic rental valuation
4. One point account management services
5. A personal property concierge service*
6. Locating suitable long term professional tenants
7. Advising on compliance and regulatory updates
8. Obtaining and evaluating references and credit checks
9. Preparing suitable legally binding contracts in simple English
10. Preparing professional photographic inventories
11. Checking new tenants in and out of properties
12. Supervising the transfer of utilities
13. Receiving & forwarding of rental payments within 10 days
14. Forwarding account statements and helping in the preparation of year end accounts information
15. Paying regular outgoings linked to block management
16. Inspecting the property periodically
17. Arranging any necessary repairs or maintenance
18. Arranging automatic contract renewals

A Guide for Landlords

Before a property can be let, there are many matters, which the owner will need to deal with to ensure that the tenancy runs smoothly, and also that he/she complies with the law. We provide summarised information below. If you require further advice or assistance with any matter, please do not hesitate to contact us.

Preparing the Property

We have found that a good relationship with Tenants is the key to a smooth-running tenancy. As Property Managers this relationship is our job, but it is important that the Tenants should feel comfortable in their temporary home, and that they are receiving value for their money. It follows, therefore, that a well-presented and maintained property in good decorative order will go towards this, whilst also achieving a higher rental figure. Tenants are also more inclined to treat such a property with greater respect.

General Condition

Electrical, gas plumbing, waste, central heating and hot water systems must be safe, sound and in good working order. Repairs and maintenance are at the Landlords expense unless misuse can be established. Interior decorations should be in good condition and preferably plain, light and neutral.

Furnishings

Your property can be let fully furnished, part furnished or unfurnished. Which of these is appropriate, will depend on the type of property and local market conditions. We will be pleased to give you advice on whether to furnish or not and to what level. As a minimum you will need to provide decent quality carpets, curtains and light fittings. Remember that there will be wear and tear on the property and any items provided.

Personal items, ornaments etc.

Personal possessions, ornaments, pictures, books etc. should be removed from the premises, especially those of real or sentimental value. Some items may be boxed, sealed and stored in the loft at the owner’s risk. All cupboards and shelf space should be left clear for the Tenant’s own use.

Gardens

Gardens should be left neat, tidy and rubbish free, with any lawns cut. Tenants are required to maintain the gardens to a reasonable standard, provided they are left the necessary tools. However, few Tenants are experienced gardeners, and if you value your garden, or if it is particularly large, you may wish us to arrange visits by our regular gardener.

Cleaning

At the commencement of the tenancy the property must be in a thoroughly clean condition, and at the end of each tenancy it is the Tenants’ responsibility to leave the property in a similar condition. Where they fail to do so, cleaning will be arranged at their expense.

Information for the Tenant

It is helpful if you leave information for the Tenant, e.g. on operating the central heating and hot water system, washing machine and alarm system, and the day refuse is collected etc.

Keys

You should provide one set of keys for each Tenant. We will also retain the master set in our property management centre.

Other considerations

Mortgage

If your property is mortgaged, you should obtain your lender’s written consent to the letting. They may require additional clauses in the tenancy agreement of which you must inform us.

Leaseholds

If you are a leaseholder, you should check the terms of your lease, and obtain any necessary written consent before letting out your property.

Insurance

You should ensure that you are suitably covered for letting under both your buildings and contents insurance. Failure to inform your insurers may invalidate your policies. We can advise on Landlords Legal Protection, Rent Guarantee Cover and Landlords Contents and Buildings Insurance if required.

Bills and regular outgoings

We recommend that you arrange for regular outgoings e.g. service charges, maintenance contracts etc. to be paid by standing order or direct debit. However where we are managing the property, by prior written agreement we may make payment of certain bills on your behalf, provided such bills are received in your name at our office, and that sufficient funds are held to your credit.

Council tax and utility accounts

The Tenant is responsible for arranging of the transfer of Council Tax and utility accounts to themselves. Our office at the check will take meter readings in and check out stage, allowing your closing gas and electricity accounts to be drawn up.

Social Media

You hereby consent Love Your Postcode to display photographs of you *and/or* your property on our Social Media platforms and multimedia systems to showcase our business growth and success.

Income tax

when resident in the UK, it is entirely the Landlords responsibility to inform the Revenue & Customs of rental income received, and to pay any tax due. Where the Landlord is resident outside the UK during a tenancy, he will require an exemption certificate from the Revenue & Customs before he can receive rental balances without deduction of tax. Where we are managing the property we will provide advice and assistance on applying for such exemption.

We recommend **P&J Tax Consultancy on 07969008186.**

The inventory

It is most important that an inventory of contents and schedule of condition be prepared, in order to avoid misunderstanding or dispute at the end of a tenancy. Without such safeguards, it will be impossible for the Landlord to prove any loss, damage, or significant deterioration of the property or contents. In order to provide a complete Service, we will if required arrange for a member of staff to prepare an inventory and schedule of condition, at the cost quoted in our Agency Agreement.

INHOUSE non-photographic inventory is charged at £75.00

EXTERNAL photographic inventory is charged at £150.00

What is an Assured Shorthold Tenancy?

Most tenancies will automatically be Assured Shorthold Tenancies (ASTs), provided the rent is under £25,000 a year and the property is let to private individuals. Tenancies are usually granted for an initial fixed term of either 6 or 12 months. When the fixed term has expired the landlord is able to regain possession of the property provided two months written notice is given to the tenant. In addition, if the tenant owes at least 2 months or 8 weeks rent on the property, a possession order can be applied for through the courts.

Health and Safety, and other Legal Requirements

The following requirements are the responsibility of the owner (Landlord). Where we are managing the property they are also our responsibility. Therefore where we are managing we will ensure compliance, any costs of which will be the responsibility of the landlord.

Gas

Annual safety check: Under the Gas Safety (Installation and Use) Regulations 1998 all gas appliances and flues in rented accommodation must be checked for safety within 12 months of being installed, and thereafter at least every 12 months by a competent engineer (e.g. a GAS SAFE registered gas installer). There is a duty to ensure that all gas appliances, flues and associated pipe work are maintained in a safe condition at all times. Records: Full records must be kept for at least 2 years of the inspections of each appliance and flue, of any defects found and of any remedial action taken. Copies to tenants: A copy of the safety certificate issued by the engineer must be given to each new tenant before their tenancy commences, or to each existing tenant within 28 days of the check being carried out.

Note: Where a gas certificate is not provided to our office by the contract start date, we will instruct our own Gas Safety contractors to conduct one at a cost of £75.00. This cost will be offset against the first net payment. Annual renewals will be provided by LYP at a renewal fee of £75.00 per annum.

Property Maintenance/ Repairs/ Breakdown

Our specially trained in house teams will handle property maintenance and management issues. A dedicated 24/7-telephone care line system will deal with all issues up to a cost of £250.00. Beyond this amount we will contact the owner for approval of works, unless we consider the matter to be an emergency. In the event that you may require a contractor quotation for any works, there will be a minimum fee charge of £30.00 per visit unless otherwise stated/agreed.

Electrical

there are several regulations relating to electrical installations, equipment and appliance safety, and these affect landlords and their agents in that they are 'supplying in the course of business'. They include the Electrical Equipment (Safety) Regulations 1994, the Plugs and Sockets Regulations 1994, the 2005 Building Regulation - 'Part P, and British Standard BS1363 relating to plugs and sockets. Although with tenanted property there is currently no legal requirement for an electrical safety certificate (except in the case of all HMOs) it is now widely accepted in the letting industry that the only safe way to ensure safety, and to avoid the risk of being accused of neglecting your 'duty of care', or even of manslaughter is to arrange such an inspection and certificate.

Fire

The Furniture and Furnishings (Fire) (Safety) Regulations 1988 (amended 1989 & 1993) provide that specified items supplied in the course of letting property must meet minimum fire resistance standards. The regulations apply to all upholstered furniture, beds, headboards and mattresses, sofa beds, futons and other convertibles, nursery furniture, garden furniture suitable for use in a dwelling, scatter cushions, pillows and non-original covers for furniture. They do not apply to antique furniture or furniture made before 1950, bedcovers including duvets, loose covers for mattresses, pillowcases, curtains, carpets or sleeping bags. Items, which comply, will have a suitable permanent label attached. Non-compliant items must be removed before a tenancy commences.

Smoke and Carbon Monoxide Alarm (England) Regulations

This new legislation came into effect from 1st October 2015 and is part of a wider effort to improve fire and Carbon Monoxide safety across the UK. It means that every landlord (with some very specific exceptions) now has to take precautions to ensure that their Tenants are adequately protected. Every rental property will require having a suitable number of smoke detectors and CO monitors installed throughout the premises. Local housing authorities will enforce the legislation and failure to comply can be costly as fines can be anything up to £5000. If your property is not fitted with either smoke detector / carbon monoxide detector, LYP Group will automatically get it installed for £125.00 + VAT per property.

Legionella Prevention/ Risk Assessment (as of November 2014)

From 1st November 2015, the HSE issued a revised version of their Approved Code of Practice. The mandatory requirement to manage this risk now also extends to landlords and letting agents, regardless of the size or complexity of the hot and cold water system. As duty holder's landlords have a duty to assess the risk from exposure to legionella to their tenants and customers by implementing appropriate control measures. Failure to comply could result in a significant fine. From this assessment there may also be remedial actions that are required to be carried out to make and keep the water safe for tenants use. LYP Group can provide this service to landlords at a cost of £125.00 plus VAT per property.

The Housing Health and Safety Rating System (HHSRS)

The HHSRS provides an analysis of how hazardous a property is through assessment of 29 potential hazards found in housing. Landlords have to maintain their properties to provide a safe and healthy environment. Local authorities enforce the HHSRS. For further information visit <http://www.communities.gov.uk/hhsrs>

Club Guarantee

Our private club guarantee has been running since 2009. It provides default cover for up to £2,000 (versus the standard cover of one month's rent in standard government custodial scheme) for a Landlord's peace of mind. We do not use the custodial deposit system. This amount will cover any damage to the property or/and short fall in rent subject to our conditions of business being met. The Membership product will be void against any cover or claim if you have failed to uphold your duties or landlord obligations. Our bespoke product provides maximum protection on over 1,000 managed properties. Please read all terms and conditions relating to this products on line before signing this agreement or call free phone 0800 862 0870 for a full explanation.

The Disability Discrimination Act 2005

The DDA 2005 addresses the limitations of current legislation by extending disabled people's rights in respect of premises that are let or to be let, and common hold premises. Landlords and managers of let premises and premises that are to let will be required to make reasonable adjustments for disabled people. Under the new duties, provided certain conditions are met (for example, that a request has been made), landlords and managers of premises which are to let, or of premises which have already been let, must make reasonable adjustments, and a failure to do so will be unlawful unless it can be justified under the Act.

Landlords will only have to make reasonable adjustments. And they will not have to remove or alter physical features of the premises. Learn more here: http://www.dwp.gov.uk/aboutus/dda_factsheet4-premises.pdf

Energy Performance Certificates (EPCs)

From 1st October 2008 landlords in England and Wales offering property for rent will be required by law to provide prospective tenants with an Energy Performance Certificate for their property. In Scotland EPCs for rental properties will be required by January 2009. The certificates must be provided free either when (or before) any written information about the property is provided to prospective tenants or a viewing is conducted. A new certificate will not be required on each let since, in the case of rental property, EPCs will be valid for 10 years. The requirement is being introduced to comply with the EU's Energy Performance of Buildings Directive (EPBD), which applies to all property, including rented property. This became law in 2003 and allowed until January 2009 for full implementation so as to provide time for sufficient numbers of energy assessor to be trained. The Directive's requirements were introduced in England and Wales along with the controversial Home Information Pack regulations that require sellers to produce packs providing information about their title, local searches, plus an EPC. We can arrange an EPC inspection for our landlord clients upon request. Some relevant links:

Note: Where an Energy Performance Certificate is not provided to our office by the contract start date, we will instruct our own contractors to conduct one at a cost of £75.00. This cost will be offset against the first net payment.

Insurance

We are able to suggest a variety of insurance policies for both landlords and tenants, including the following - Buildings Insurance

Covers the rebuilding of your property following loss or damage caused by fire, aircraft, smoke, malicious persons (including tenants), accidental damage to bathroom fixtures & fittings and glass, lightning, explosion, collision or impact, falling trees and earthquake, theft (by forcible means), subsidence, riot/civil commotion, storm, flood, escape of water or oil leakage and loss of rent up to 20% of the sum insured following damage. Also includes property owner's liability.

Limited Contents Cover

Where the property is let unfurnished limited contents cover is available; this generally provides cover for the following items: Carpets, Curtains, Sun Blinds, Light Fixtures & Fittings, and Kitchen

White Goods. Cover can be on a new for old basis and also includes landlord's liability.

Contents Insurance

Cover can be on a new for old basis for loss or damage caused by fire, aircraft, smoke, malicious persons, lightning, explosion, impact, theft (by forcible means), subsidence, riot/civil commotion, storm, flood, escape of water or oil leakage, breakage of mirrors or glass in furniture, replacement of locks following theft of keys, and loss of rent up to a given percentage of the sum insured following damage. This can also include landlord's liability.

Legal Expenses

You may be unable to collect the rent, your tenants may damage or remove your personal possessions, or they may cause a nuisance to your neighbours. All these problems can be resolved by legal action but this is expensive. You can get cover to include all of your legal expenses up to a set figure and even with no policy excess to pay.

Rent Guarantee for an extra £20 per month (optional)

This policy provides total peace of mind for landlords. Cover includes the rent you are expecting from your property until vacant possession is obtained for up to 12 months.

PRS Scheme Regulation & Readdress

Membership No PRS007658

Reverse Take Over of Management

In the event that management of the property is taken off our group by mutual consent, a fee of 6 x monthly rental income will become payable before handover.

Sale of Property & Sole Selling Rights

Should you wish to sell this or any Group managed property, Love Your Postcode Ltd will automatically have sole-selling rights (please request our sale agreement). All sales must go through our division. In the event that a private buyer or different estate agent is used, our fees will still become payable.

Our professional sales fee of 3.00% plus VAT will become payable.

Price Plans & Package

Our club members can upgrade or down grade any managed package on page four of this contract. LYP premium management margin is not a fixed amount; it can increase without prior notice. Such changes will not affect your property plan and the net financial rental income amount fixed on page 4. You as a client can also request for upgrades or a rental increase in month 37 only and every 24 months thereafter. This must be done in writing only and will take 2 months to implement.

Notice of Your Right to Cancellation

You have the right to cancel our agency agreement within 14 calendar days from when you received this notice of your right to cancel ("the Cooling Off Period") subject to our group having not incurred any costs in finding a tenant. This right may be exercised by delivering or sending (including by electronic mail to lettings@loveyourpostcode.com) a cancellation notice to the name and address stated below within the Cooling Off Period.

The notice of cancellation is deemed as served as soon as it is sent. Although you are not obliged to state the reason (and this will NOT affect your statutory rights), we request that you state the reason or reasons for cancelling the contract(s).

Sales, Lettings & Property Management

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