

# Your dwell guide to letting your property



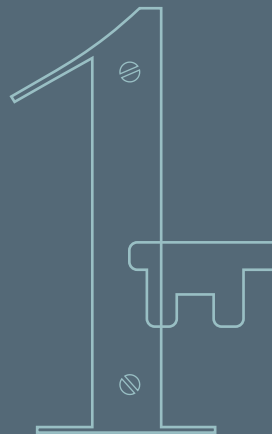
*Letting*



dwell

# Contents

1. Letting in Leeds
2. Getting your property ready for the market
3. Who are Dwell?
4. Why use a managing agent?
5. Management service details
6. ARLA Propertymark Letting Agents



# 1. Letting in Leeds

Leeds is the UK's 4th largest city and is the 2nd largest in the North of England. One of the nation's most important financial centres, our great city is growing faster than any other city in the UK! With a population of 3 million people and an economy worth £65 billion, Leeds is truly thriving.

Leeds' economy is expected to grow by over 20% in the next 5 years. Massive redevelopment plans around the city centre are bringing several multi million pound schemes to our horizons in the next few years. HS2 (the new high speed rail route connecting the North to London) will undoubtedly also bring with it a huge boost for our local area when the existing Leeds station will be expanded to accommodate over 60 million rail travellers per year.

Leeds has very high levels of employment opportunities and is home to several universities including the formidable University of Leeds, and the highly successful Leeds Metropolitan University.

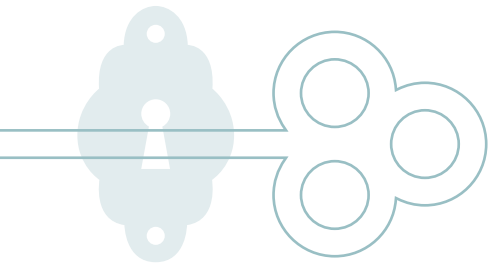
Not only do people relocate to Leeds for new employment opportunities, but there are many first-class schools which pull thousands of families to our city each year.

Property in Leeds consistently outperforms almost every other city for rental yield, whilst maintaining consistent and steady long-term capital growth. In the last 20 years our area has seen the average property value increase from £81,000 to £189,000. Net rental yields for typical Buy-To-Let properties range from around 5%-9%, depending on their location (the lower yielding properties usually attracting higher capital growth, and visa versa).

The rental market is consistently very strong across the board with high levels of tenant demand ranging from 1 bed urban flats, to 2 bed terraced homes, 3 bed semi's in the suburbs right up to semi-rural 4+ bedroom family homes.

It's no wonder then that Leeds, with all it has to offer to people of all ages, is one of the very best places to own property that you will find anywhere.

There are a couple of different ways you can invest in the Leeds property market and Dwell can assist you whichever way appeals to you most. Here we will look at the information you will need to know – it might look daunting if you are new to this – but that's why you have the experts on hand to guide you through the process!



## 2. Getting your property ready for the rental market

If you're letting your property for the first time, or even if you done have this before, it's useful to go over our basic tips to ensure you get the best results. In considering this, you will be looking to achieve the following:

- Maximise your rent
- Minimise you void period (the time the property is empty)
- Find the best tenants
- Ensure you are fully compliant with the law and you fulfil all of your requirements as a Landlord
- Provide a safe environment for your tenants

### Presentation

How your property is presented is an extremely important factor when it comes to marketing. In a competitive market you will need to do what you can to ensure your property is appealing and stands out to prospective tenants. The property should be free of clutter, clean and tidy for photographs and for viewings. Décor should be fresh and furniture (if provided) should usually be modern and consistent throughout the property.

Colour scheme has always been a much-debated topic, being open to personal preference and taste. Favourable colours can also change with whatever is fashionable at the time. Fortunately however, this doesn't change quickly and is more likely to be in decades than years! For the past 20 years magnolia walls and brown carpets have been rental staples. Nowadays magnolias and browns have tended to move over to whites and greys. Whatever way you decide to go, you should make your property appeal to its target market first and foremost. Plain, light, neutral colours work best since they appeal to the most people. That said, the occasional bright coloured feature wall may also be effective to help your property stand out from the crowd, particularly when the property is targeted towards the younger generation. You should also consider a colour scheme and choice of interiors that are sympathetic to the property.



For example, bright feature walls and funky modern furniture is unlikely to work in a graded period home.

The result of well-presented properties may be obvious; namely maximised rents and lowered void periods. Combining both of these significant benefits can be the difference of turning a good profit, over the property making a loss, therefore it's very important this is given the due care and attention it needs.

## **Furnishing**

To furnish or not to furnish? That is the question! Again, the best place to start when asking this question is "Who is my target market?". Smaller urban properties, for example a 1 bed city flat, usually cater to the needs of single young people (say early 20's). These people are unlikely to have accrued furnishings of their own yet and they seek convenience and mobility. Therefore, furnished is likely to work best here. On the flip side, a 5 bed detached home in the country is likely to appeal to a medium or large family with children who will almost certainly want to bring their own furniture (unless in the case of a company let, for example).

If it is not convenient or desirable to leave existing furniture for new tenants, it is likely that you won't want to incur the extra expense of providing and maintaining furniture, unless of course it increases the rent sufficiently to make this worth while.

Generally speaking it is not common to charge sufficiently more rent for furnished properties than unfurnished properties, therefore usually Landlords will prefer to offer their properties unfurnished if tenant demand is high enough to support this.

Usually, even in an unfurnished property the Landlord will supply white goods (a fridge and a washing machine etc) because tenants who have their own furniture usually won't have white goods to bring with them.

The Landlord may ask the tenant to bring their own white goods but the added expense for tenants often mean they will choose another unfurnished rental property which does supply these.

This can increase voids periods for Landlords which means supplying white goods makes sense. Cooking facilities (a cooker) must be provided by the Landlord by law.

Should you need any further advice on this, please don't hesitate to ask our team.

## Health, safety, and legislation

During the last few years in particular, this has become a real minefield for private landlords. Legislation relating to the private rented sector increases year on year as successive governments fail to get a grip with this quickly expanding sector and there is a distinct lack of any cohesive framework. There are now nearly 200 pieces of separate legislation to consider when renting out your home, and this is very likely to increase every year. But don't worry, we continually update our processes and systems to keep up and our team have ongoing training to ensure that our clients are protected and compliant at all times. Here are some of the points Landlords need to be aware of when renting their property:

- Landlords will need to ensure they have a Landlord's Gas Safety Certificate (provided there is a gas supply) and that this is carried out every 12 months.
- To comply with their responsibilities, Landlords should also have an Electric Installation Certificate which is carried out every 5 years.

- Landlords must provide smoke detectors to the property and ensure that they are positioned correctly. They must be tested regularly and upon the start of each new tenancy. Where there are solid fuel burning appliances a carbon monoxide detector must be installed close to the appliance. We recommend that carbon monoxide detectors are also installed close to gas appliances too.
- An Energy Performance Certificate (EPC) is a legal requirement for any property in the UK that is to be let or sold. A new EPC is required every 10 years. If your EPC energy rating scores below an E rating, then it is not lawful to let the property under the Minimum Energy Efficiency Standards (MEEES) 2018

Recent changes to the law also apply stringent conditions upon Landlords or managing agents in connection with gaining possession of their property should they want the tenant to leave for any reason. If one or more of these conditions has not been met, then a notice for possession would be invalid and the tenant would not be legally obliged to leave. Obviously this may have serious repercussions for the Landlord, for example if they needed to sell the property or they wished to move back in.



## Permission to let

The Lender - Landlords should have the correct permission from their mortgage lender in order to rent out the property for its intended use. Landlords may commonly have Buy-To-Let mortgages, but this isn't a requirement as long as the lender grants permission to let without having to move the mortgage to a buy to let product. It is quite common for lenders to grant this, and commonly they will charge a small administration fee for doing so. You should seek this permission in writing before going any further.

Planning - Landlords should check that they have the correct planning permission in place to let the property for its intended purpose. The standard planning class for a typical rental property is C3 - Dwelling House. This is for families, couples, single people renting on an Assured Shorthold Tenancy for 6 months or more. You should be aware that if you decide to rent your property out to 3 or more unrelated sharers then C4 - HMO planning permission should be sought first, if you are inside an area of Article 4 Direction.



*There are now over 200 pieces of separate legislation to consider when renting out your home*

### 3. Who are Dwell?

We, Dwell, are an independent Estate and Letting Agency providing high quality services to people looking to move home, or those that own or are looking to own residential property in Leeds.

Our sole focus is the quality of service that we provide to our customers.

It's pleasing then that we're one of the highest rated agents in our entire area. You can see what the people we have served say about us here:

[dwell-leeds.com/customer-reviews](https://dwell-leeds.com/customer-reviews)

We operate successfully in all Leeds postcodes, although we are most commonly seen in West and North Leeds.

**We are here to help...**

#### **Landlords**

We help Landlords to rent their properties. But it doesn't stop there. We also help them to achieve the best returns on their investment by maximising rents and reducing void periods, whilst providing excellent homes to tenants.

Our management services enable Landlords to enjoy passive income from their property by removing the time and hassle involved in looking after their properties themselves.

Legislation surrounding lettings and property management is wide-ranging, complex, incoherent, confusing, and the legal burden on Landlords increase as every year goes by. We take all of this on so our Landlords don't have to.



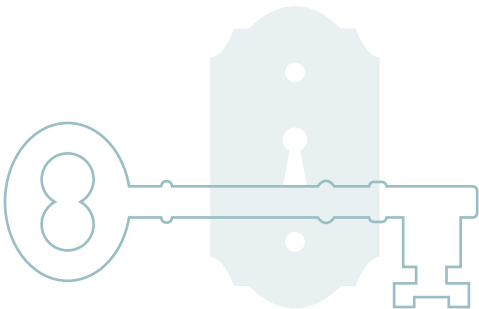


Our team engage in regular ongoing training and by choice, we're regulated, licensed, and accredited by ARLA Propertymark meaning we have a strict code of professional conduct that we adhere to; safeguarding the interests of our customers at all times.

Our remit not only covers legislative requirements but also accounts, maintenance, administration, and the highest levels of customer service to you and your tenants.

COTTAGE  
ROAD

*Our management services enable Landlords to enjoy passive income from their property*



## Tenants

Renting a home can be a stressful and complicated process. Our aim is to provide a range of quality homes for tenants to rent across Leeds and we're here to help navigate them through the process smoothly.

Once we find the right home, we'll guide tenants through referencing and help them set up with utilities, rates and insurance.

We'll show new tenants what to do when they have any problems during their tenancy. Our managed tenants will benefit from a prompt and friendly service from start to finish with excellent systems such as our online maintenance system where they can report problems or request a repair. We're at the end of the phone during office hours should they have any queries, and we've got our emergency out of hour repair service, where that is required too.

We welcome tenants to their new home, then they can get on with enjoying the freedom and flexibility of this new chapter in their life!

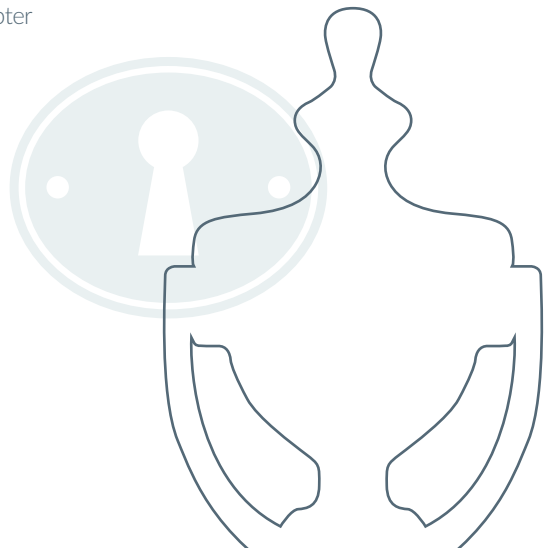
## Investors

We are property investment specialists and we help Investors to buy properties that perform well for both yield and long-term capital growth.

Property has always outperformed every other asset class and it is very popular and common way to invest money. We help people that want to invest, but may not have the knowledge, experience, time or know how to buy the right properties.

Buying the wrong property in the wrong area can cost many thousands of pounds. By using a local expert, our investors are able to de-risk the process and avoid such costly mistakes.

If you would like to know more about how we can help please refer to our investor booklet for more details.



## Vendors

We help local Vendors to achieve the best price for their home in a timeframe that is convenient to them. This enables them to have the choices they need for their next move on the property ladder.

We are a full-service Estate Agents that get paid only on performance. Selling your home and moving is one of the most stressful experiences you will ever have, and it's our job to make the process as smooth as it can be.

Should you decide to sell your property we'll share your journey with you, taking a proactive role in finding the right buyers for you.

The process doesn't finish when a buyer is found. We're on hand to hold together the solicitors, mortgage brokers and lenders, the surveys, and the many complexities of buying and selling chains.

Communication underpins the service and we're there for you from listing your home, to handing the keys to your buyer.



## 4. Why use a managing agent?

If you have recently bought a property to rent out, or if you have been a Landlord for a while, you might be weighing up the cost versus the benefits of employing an agent to manage your property.

It's natural to look at the cost and think "I'd rather keep that in my back pocket". But have you considered what you will have to do in order to keep the saving, or how much time it will take?

What is your time worth to you?

It's worth thinking about...

Firstly, what is your hourly rate in your job or career? One extra hour at work might pay for a month's worth of agency management fees!

How valuable is your spare time outside of work, and is it worth sacrificing that to work on your property?

What could you be doing with that time instead?

What is important to you? Is it family, or your career?

Everyone's different. But not many people enjoy managing their tenants or fixing maintenance issues with their spare time. Who wants calls about the boiler breaking down at midnight?

Time is one issue.

The second issue is knowledge.

Legislation surrounding lettings and property management is vast, incoherent, complex, and it changes every year. With all the pieces of legislation you need to be aware of as a Landlord, and this is increasing every year, have you got the time or inclination to keep up? What if you don't keep up and something goes wrong? The consequences could be dire.

In many ways you are personally liable for the tenant's health and safety. Would you want that on your conscience? There are legal consequences, fines, and prison sentences for getting it wrong - and as mentioned you can't legally regain possession of your property if you don't follow a strict set of procedures. We are not trying to frighten you, just to tell you the facts.

A good managing agent is continually trained, qualified, licensed, and insured to look after all of this for you. They have all the systems, software, and processes in place to deal with all of this.



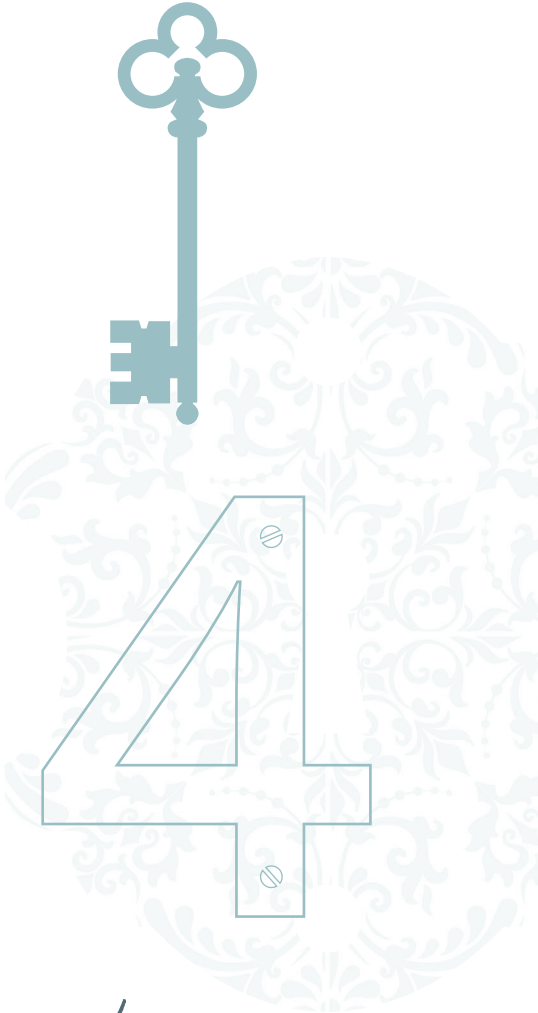
By outsourcing this work, your property will be looked after much more efficiently and effectively than the vast majority of Landlords who manage their property investments themselves. In fact we know from personal experience that almost all self managing Landlords are in fact in breach of the law in one way or another. We don't blame them, its very difficult to fully comply with all of the burdens put upon them under the law. But this isn't going to change any time soon. Every year it gets more and more complex as the Government grapple with the demands of a growing private rented sector and its disjointed legal system.

By leaving it to an expert, you are giving yourself peace of mind, and removing all the time and hassle so you can sleep soundly at night in the knowledge it's all being looked after for you.

Unless being a Landlord is your only job and you live very close to the property, it doesn't make sense for you to manage it. We believe property should provide passive income.

Don't leave yourself exposed, don't give yourself another stressful job, don't waste your time. Go and do the things that are important to you instead.

*A good managing agent  
is continually trained*



## 5. Management service details

Our management services take care of the process from end-to-end, meaning that you, the Landlord, need not have any direct involvement with the tenant. Remember this is the hands-off and hassle-free approach to owning investment property. You're leaving all the hard work to the experts while you can relax and have peace of mind knowing your assets are being looked after properly. This is the way to passive income from your property. But don't worry, we'll keep in close communication with you so you know what is happening at every key step.

### Valuation and Marketing

The first step is for us to come and meet you at the property. This not only gives us an introduction to the property and the opportunity for us to provide a valuation, we can also talk you through how the services work, what the cost is, and answer any queries you may have. Importantly it means we get to meet and start to get to know each other. This is very important as you'll need to know and trust the people looking after your assets. We'll give an ambitious but achievable valuation and we always aim to get the best rent we can for your property, in the shortest time, whilst selecting the best (not necessarily the first) tenants available. Good tenants, fast!

Your property will benefit from the best exposure possible. We utilise the best property portals including Rightmove and we continually market to our own database of current matching applicants.

Our team will carry out the viewings for you and we'll give you regular feedback and advice. We follow up every viewing and negotiate the best outcome. We'll always agree tenants with you before progressing to referencing.



## Tenant Vetting

Once we have secured the best tenants available, we'll then carry out thorough tenant referencing using a quality third party referencing agency. Checks include income, credit searches, Landlord reference, ID verification and Right To Rent Checks. Only once we're happy with all of this will we approve the references and go to signing of the tenancy agreement. We will then register the tenant's deposit and issue the statutory deposit paperwork as required by law.

## Health & Safety

We'll ensure you are compliant with your many requirements as a Landlord including gas, electrical, smoke and carbon monoxide detector checks. Safety certificates will be routinely renewed as required.

## Legislation

We're constantly engaged in legal training to ensure that we're overseeing and managing our properties in a fully compliant way. We'll look after the complex and ever-changing legal landscape to constantly protect your interests.



### **Inventory & Schedule of Condition**

Before tenants move in we'll compile a detailed time-stamped photographic report for the property including fittings and fixtures, décor, carpets, as well as any furnishings and appliances. This is designed to protect you in the case of a dispute over how the deposit is split after the tenant moves out. We need to evidence the condition of the property to be able to successfully make any claim against the deposit, and this report along with our other tenancy documentation allows us to do that.

### **Maintenance**

Our excellent online system allows tenants to report any maintenance issues or request a repair 24 hours a day. The system allows for full audit trails, photographs, feedback and efficient communication between us, the tenant, the contractor and you the Landlord. We have a full team of third party contractors who provide good value, a high quality of workmanship and prompt service to us. Out of hours emergencies are covered by our professional around-the-clock team.

### **Accounts**

We have a team member dedicated to managing rents and ensuring prompt payments. We operate a separate Client Account following strict client accounting procedures for our regulating body, ARLA Propertymark. Our accounts are audited annually by an external Chartered Accountant, and all our client funds are insured and protected.

### **Administration**

There is a huge amount of administration to deal with which is managed by our team. All data is processed and stored securely in accordance with data protection law and GDPR. Dwell Leeds are registered Data Controllers with the ICO.

### **Tenancy renewals**

As part of our service (with the exception of HMOs rented room-by-room) we negotiate tenancy renewals on a fixed term basis. Periodic renewals are also optional (or as standard for HMOs rented room-by-room) which come without any renewal fee. We carry out routine rent assessments at the same time as fixed term tenancy renewals and we will advise the Landlord where we feel a rent increase would be appropriate in line with current market conditions.





## End of tenancy

We will carry out a Check Out on the working day following the end of the tenancy. We will produce a detailed Check Out Report which references the Inventory and Schedule Of Condition which was detailed at the start of the tenancy. The property will be returned to the condition it was in at the start of the tenancy, allowing for wear and tear. We will negotiate and agree deductions from the tenant's deposit as appropriate. Where agreement cannot be made, we will make a claim to the adjudication service submitting all tenancy documents and evidence to support the claim on behalf of the Landlord.

*Our excellent online system allows tenants to report any maintenance issues or request a repair 24 hours a day*



## 6. ARLA Propertymark Letting Agents

We understand that Landlords have a choice of agency. Whoever you decide to use we would implore you to choose an ARLA Propertymark agent.

### **Why use an ARLA Propertymark agent?**

The lettings industry is currently unregulated meaning that anyone can set up and trade as a Letting Agent without any knowledge, experience, training, and with very little insurance. Clearly this does not serve the interests of their clients well, but do their clients know?

Most Landlords still haven't heard of ARLA Propertymark. They just don't have the funding for the marketing required for them to become a widely recognised name. However, this is the leading regulatory body in the lettings industry that the government turn to for expert advice and when making policy decisions.

To be a licensed member of ARLA Propertymark, agents have to sit and pass exams to demonstrate they have sufficient expert knowledge covering health and safety, law, and property management. Not only that but their agents must operate a client account and follow strict client accounting rules which were developed for solicitors. The agent's accounts must be audited annually by an independent Chartered Accountant qualified in auditing. Client funds must be reconciled and processed regularly and these funds must be insured with Client Protection Insurance.

ARLA agents have to follow strict standards of professional conduct and accrue points annually for ongoing training and development time.

Without a separate client account, client funds get mixed up with business funds and without regular reconciliations, before long the agent can't tell whose funds are whose and a big financial mess ensues..!

You as a Landlord can choose whoever you wish to manage your property, but without the above safeguards, it's possible for your agent to vanish over night with your rent and tenant deposits, and there is no recourse for their customers. It's for this reason that the bad apples have given letting agents in general a very bad reputation and are often unfairly viewed as "the bad guys".

We're sure you wouldn't book an expensive holiday overseas without using a regulated travel company or without insurance. Why would you risk your biggest assets to the unregulated wild west of lettings?

With the pace that the private rented sector is growing, we find it hard to believe that regulation still does not exist in the UK. We avidly support the campaign for mandatory regulation across the industry to remove the rogue agents, to improve standards in our industry and the reputation of letting agents in general, who by vast majority provide a good service to their customers.



**Dwell Leeds**  
**Estate & Letting Agents**

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