

property **FIRST**  
Edinburgh Ltd



landlord **GUIDE**

# Who We Are?

Property First Edinburgh Ltd is an ARLA registered residential property management company with over 20 years' experience in the industry managing property for a large portfolio of clients. As well as being landlords ourselves, we know letting inside out and can advise on all aspects from property presentation, marketing and tenant selection, through the minefield of legislation to dealing with the first appliance fault or leaky tap.

We have a range of services designed to meet the needs of every landlord and whether you require full day-to-day management, a tenant finding service, or just a lease or inventory, we provide a down to earth, professional service that you can rely on.

We pride ourselves on our personal touch, honest approach and giving realistic advice as well as always going the extra mile to ensure you feel valued and that your property is in safe hands.



## Services and Charges Summary

| <b>Service</b>                | <b>Charge</b>                       |
|-------------------------------|-------------------------------------|
| Full Management               | 10% of monthly rent                 |
| First Let Fee                 | £250.00                             |
| Re-let Fee                    | £125.00                             |
| Lease Renewal/Tenancy Swap    | £50.00                              |
| Let Only Fee                  | 50% of 1st month's rent (min. £400) |
| Lease Only                    | £75.00                              |
| Advert Only                   | £100.00                             |
| Referencing and Lease         | £175.00                             |
| Advert, Referencing and Lease | £250.00                             |
| Rent Collection               | 4% of monthly rent                  |
| Inventory Only                | £125.00                             |
| Project Management            | 10% of job cost                     |
| HMO Licence Administration    | £150.00                             |

# Our Services

## Full Management

Our core business is full day-to-day property management and it's what we do best. From your first contact with us to the first repair issue your tenants have, our aim is to make the management of your property as straightforward and cost effective as possible. We are always happy to discuss how we can tailor our services to best suit your needs and you can have as much or as little involvement as you like.

This list summarises the steps involved in successfully letting your property.

- Visit your property to give a market appraisal and advice on presentation
- Assess legislation requirements and arrange outstanding certificates or installation of safety equipment
- Marketing photos for online advertising
- Accompanied viewings
- Tenant application and selection – importantly we'll never accept on a first come first served basis if the prospective tenant can't provide adequate references
- References – ID, credit check, employer and landlord references, guarantor (if required)
- Create and digitally sign Private Residential Tenancy
- Written and photographic inventory produced
- Pro-rata rent collection with first full rent due on the 1<sup>st</sup> of the following month
- Transfer utilities and council tax to the tenant's names and deal with interim bills
- Register deposit with Safe Deposits Scotland

We produce monthly statements by email and can give you a tax year-end statement on request

We're the first point of contact for all tenant queries and organising repairs using our trusted tradesmen, your own contractor or any warranty you may have in place. We take a hands-on approach to maintenance and will talk tenants through simple issues such as bleeding radiators or topping up boiler pressure to avoid unnecessary call outs. We will always assess repairs to determine whether a call out is warranted or not and where tenant misuse is obvious the cost will be passed back to them.

Where appliances can't be repaired, we will work to your budget to have them replaced.

All invoices are stored in a secure area of our management portal for which you'll have a login to view and download them at any time.

## Let Only

Our Let Only or Tenant Finding service is for those landlords that feel comfortable managing their own tenancy but don't have the time to carry out viewings or prepare all the legal paperwork.

The service is broadly similar to full management up to the point that the tenants move in but doesn't include an inventory, utilities admin or lodging of the security deposit. You still benefit from our appraisal, marketing, accompanied viewings, tenant referencing and selection, lease preparation and signing, collection of the first rent and deposit though, and we are always available to offer free advice throughout the tenancy. We can also offer our assistance with ensuring all the safety certificates are in place and up to date should you

require it.

Once a tenancy has been agreed and signed, we collect the first rent and deposit, deduct our fee and pass the remainder to you. You'll then be responsible for lodging the deposit in an approved protection scheme and you should also provide the tenants with a copy of the property inventory. As an optional service we can prepare a full written and photographic inventory and thereafter conduct the final inspection and prepare a check-out report.

### Lease Only

For those landlords who have already selected tenants and just require a tenancy agreement. You provide all the details to us and we'll prepare and deliver an electronically signed tenancy. This is emailed in turn to the tenant(s) and their guarantor(s), where included, then to the landlord for an eSignature and once all parties have signed they each receive a final copy complete with electronic verification trail. Our signing app acts as a legal witness to the document. It's very neat and means an end to piles of paper!

The table below summarises the features of our 3 main services:

|                            | Full Management                     | Let Only                            | Lease Only                          |
|----------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Appraisal                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Marketing Photos           | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Advertising                | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Accompanied Viewings       | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Tenant Referencing         | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Optional                            |
| Electronic Lease           | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Utilities Admin            | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Inventory Preparation      | <input checked="" type="checkbox"/> | Optional                            | Optional                            |
| Rent Collection            | <input checked="" type="checkbox"/> | First rent only                     | <input checked="" type="checkbox"/> |
| Deposit Collection/Lodging | <input checked="" type="checkbox"/> | Collection only                     | <input checked="" type="checkbox"/> |
| Periodic Inspections       | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Final Inspection           | <input checked="" type="checkbox"/> | Optional                            | Optional                            |

Besides the three main letting services we also offer the following:

### Advert Only

We take marketing photos, write a description and advertise your property on Citylets ([www.citylets.co.uk](http://www.citylets.co.uk)), our website ([www.propertyfirstedinburgh.com](http://www.propertyfirstedinburgh.com)) and, if necessary, Gumtree. We will field all enquiries and set up viewings to suit your schedule.

### Inventory Only

Full written and photographic inventory designed to ensure full compliance with deposit scheme regulations and make the final inspection process go smoothly. This service can be combined with a final inspection check and check-out report but we can't offer the check out as a stand-alone service using a 3<sup>rd</sup> party inventory.

### Project Management

We can project manage the refurbishment of your property whether it's just a cosmetic upgrade or a complete overhaul - from decoration and floor coverings to kitchens, bathrooms

and heating systems we have a host of experienced and professional contractors who can work to your budget. With our advice on what would be best for letting, the income generated by your property will be maximised and value added to the capital investment.

## Rent Collection

If you take our Let Only service but still want an agent to collect the monthly rent from the tenants then we can do that too. You'll benefit from monthly statements and an annual tax statement when you require it.

# Legislation

In the last 10-15 years the landscape of letting in Scotland has changed dramatically. HMO licensing, increased fire safety measures, energy performance, deposit protection, electrical safety, landlord registration, and wholesale changes to the tenancy system, to name a few, have ensured a tightly regulated sector which can be difficult for new landlords to negotiate. There is also a new Letting Agent Code of Practice, registration and training requirements for all letting agents and the introduction of the First Tier Tribunal for Scotland. At Property First we're always aware of changes to the law surrounding property letting and are best placed to ensure you are too.

## Legislation for Landlords

Every landlord is required to be registered with each separate local authority in which they own let property. Each property should then be assigned to their registration. Registration is a legal declaration and must therefore be completed by the landlord and not by a 3<sup>rd</sup> party such as their agent. The registration lasts 3 years and it is the responsibility of the landlord to ensure it is renewed on time. Fees for registration are £65 for application to a single local authority with a 50% discount if you are applying to two or more authorities. Joint owners must all register although only the lead owner pays the fee with other owners registering free of charge. For each property assigned to your registration there is a fee of £15. See [www.landlordregistrationscotland.gov.uk](http://www.landlordregistrationscotland.gov.uk) for more details and to be able to apply online.

As a landlord you should ensure you have the permission of your mortgage provider to let your property. You should also ensure you have appropriate Landlord's Insurance in place which is instead of your normal buildings and contents cover. We can help with a quote for this, just ask.

## Legislation for Letting Agents

Legislation for letting agents has also increased over the years in a bid to rid the industry of rogue landlords and to ensure certain standards of practice are met and maintained. The Letting Agent Code of Practice began on 31<sup>st</sup> January 2018 setting out minimum standards and helping landlords and tenants alike understand what they should expect when dealing with an agent. At Property First we're proud to uphold the values and rules contained in the code and believe it goes to the core of good property management.

As part of the code all letting agents in Scotland are required to be registered, here's our number: **LARN1909037**

We're ARLA registered, members of a property redress scheme operated by The Property Ombudsman and have all relevant public liability and professional indemnity insurances in place. Our tenant's and landlord's money is held in a dedicated client account which is covered by specific client money protection insurance.



We protect all tenant's deposits in a government approved scheme and have chosen Safe Deposits Scotland as our preferred provider.



Going hand in hand with the Code of Practice the Scottish Government introduced the new First-tier Tribunal for Scotland (Housing and Property Chamber) which provides a free redress system should you feel that we have not adhered to the code and you have not been able to resolve the issue through our company complaints procedure first.

## Legislation for all let property

### Private Residential Tenancies (PRT)

Once tenants have been secured a PRT is created and signed electronically by all parties. This is emailed to the signatories and held on file. It's important to understand that these tenancies are open ended and that the tenants can give 28 days' notice to vacate at any time. As a landlord you can give 28 days' notice within the first 6 months of the tenancy and 84 days' notice thereafter; you can only give notice using 1 or more of 18 legally prescribed grounds. We will prepare and serve the notice papers on your behalf or for our non-managed properties prepare for you to serve. The beauty of the PRT is that is not subject to the Writing Act and therefore all paperwork can be digitally signed and sent by email. We'll keep you right.

### Safety Certificates

All let properties - from a studio flat to a detached house - are required to meet basic standards of safety and have regular inspections of gas, electricity, and appliances. As a managed client we'll ensure that these are in place and update and organise any renewals as required. As a Let Only client we will expect you to provide us with the certificates when we take the property on but we can also arrange any that you still require.

The following certificates are required and need to be in place before the tenancy commences:

| <b>Certificate</b>                              | <b>Frequency</b>                       | <b>Cost</b> |
|---|--|-------------|
| Energy Performance (EPC)                        | 10 yearly                              | £75.00      |
| Landlord's Gas Safety (LGSC)                    | Annually                               | £85         |
| Electrical Installation Condition Report (EICR) | 5 yearly                               | £130-£170   |
| Portable Appliance Testing (PAT)                | min. 5 Yearly, best practice annually. | £40-60      |
| Legionella Risk Assessment (LRA)                | As changes occur                       | £75         |

## **Fire Safety**

In addition to checking the electrics, appliances and gas, properties being offered for let must have a minimum of one smoke detector in each regularly used common space (lounge, hall, dining room, landing) and a heat detector in the kitchen. These detectors no longer need to be hard wired but they must be interlinked and have a sealed long-life battery. AICO have an excellent product which complies with the Scottish Government regulation and we can ensure these are fitted properly in your property.

There must be a sealed long-life Carbon Monoxide alarm in each room containing a fossil fuel burning appliance - gas boiler, hob, oven or fire, log fire etc.

It is best practice to provide a fire extinguisher and fire blanket in the kitchen.

## **Float Payment**

As required by the Code of Practice all fully managed landlords are required to make a float payment of £250 to be held in our client account and which ensures funds are available for small to medium repairs each month. The float payment can be deducted from the first rental income

## **HMO**

Houses in Multiple Occupation (HMO) concerns properties being let to three or more unrelated individuals and the safety measures for these are far more stringent. Interlinked smoke detectors must extend to all bedrooms and cupboards of a certain size, doors must be fire resistant and self-closing, there is a minimum requirement for bedroom size and common areas as well as a minimum requirement for the number power outlets available to each tenant. Emergency lighting may need to be provided and the main entrance/exit must have a lock that can be operated from the inside without a key (thumb-turn lock). Internal fanlights may need to be replaced or boarded up and hallways, kitchens and living rooms may require the provision of additional floor coverings to dampen noise.

In addition to the infrastructure changes to your property that may be necessary the safety certificate requirements are much more rigorous with PAT testing an annual requirement and certificates for emergency lighting, fire-fighting equipment (compulsory extinguishers and fire blanket), fire alarm system and a fire risk assessment all being required.

In 2017 3 year licences were introduced although first time applicants will need to renew after 1 year before being granted the full 3 year term. The non-refundable cost of applying for a licence is £540 for a 3 bed, £720 for a 4 bed and £900 for a 5 bed whether for 1 or 3 years. Landlord registration fees are waived for those landlords applying for an HMO licence.

You can see more on the fee structure and application process here <http://www.edinburgh.gov.uk/hmollicence>

HMO regulations are extensive and constantly evolving but we have extensive knowledge and excellent contacts to help manage the process of both converting your property for HMO suitability and applying for or renewing your licence.

### Overseas Landlords

We are more than happy to represent landlords living abroad. Our statements are all emailed and you can access copies of your expense invoices via our online portal. If you are a non-resident landlord (living abroad for 6 months or more per year) then you must complete an NRL1 form either online or by post in order to receive your income gross and pay tax through self-assessment. The form can be accessed at the following link: <https://www.gov.uk/government/publications/non-resident-landlord-application-to-receive-uk-rental-income-without-deduction-of-uk-tax-individuals-nrl1i>

## Charitable Initiative

The Scottish Government estimates that there are between 10-11,000 households in temporary accommodation at any time in Scotland and that around 5,300 adults sleep rough at least once in a year: this equates to an estimate of just over 700 people on a typical night most of which are concentrated in our larger cities.

Social Bite <https://social-bite.co.uk> is a national organisation on a mission to end homelessness in Scotland. Started as a sandwich shop in Edinburgh's Rose Street which donated all profits to good causes it has grown to operate a chain of 5 social enterprise sandwich shops employing homeless people, distributing free food, connecting vulnerable people and offering support and opportunities to enable homeless people to live a normal life.



The Social Bite Fund, established in 2015, aims to raise funds and awareness with the goal of eradicating homelessness and we support their initiative by donating some of our profits and personal income to the cause. We would like our clients to follow suit by making a small donation of £2 per property per month through their property statement. The donation is, of course, optional and can be made monthly or as a single annual payment from your first rent but as we've all been lucky enough to own property we think it is a relatively insignificant amount that could make a big difference in the long run.