

Why you should read this

I have been investing in buy to let properties since 1993.

Since that time I have purchased 8 properties, all through my limited company. The company was not initially a property company but my aim is to make the larger part of business, property business (mainly lettings).

The business is based in Derby and all the properties are within 2 miles of where I live.

Since I started property letting I must have done something right as I have been approached by literally dozens of potential buy to let (or BTL as it is more commonly known) investors asking my advice.

I am quite happy to share this knowledge as I know my market and I have no problem with competition.

I have had experience in all sorts of lettings from holiday caravans to student properties to houses that normal people live in!

In the 10 years I have been letting, I have had a lot of good experiences with tenants and one or two bad experiences that have taught me a thing or two.

The circumstances and strategies shown in this document are (of course) particular to my aims, but knowledge can be gained from them.

Aims

You must have a clear aim, because it is around this aim that you will plan your strategy to achieve that aim.

You can of course modify those aims as you gain experience in the property market, but you must initially know what you want to do.

Here are some of the common aims –

- ~~///~~ Long term investment in the property market, building a property portfolio to enable early retirement with a good income.
- ~~///~~ Investment in property whilst the returns from the stock market are in decline, with the intention of returning to the stock market when times are better.
- ~~///~~ Short term gain, buying a property at a discount , minimal refurbishment , and a quick sale at a profit.

Here is my aim –

To achieve an asset base that would exceed the expected return from a pension fund of similar investment, and to provide an ongoing income in later years.

I am not particularly interested in short term gains, I am in this business for the long term.

Or to put it simply -

Gordon Brown has shafted my pension fund to such an extent that I think I can do better by myself – I can achieve better returns than my pension provider.

What do I buy?

You should not consider buying a property unless you know what your market is, the watchword here is **research research research**.

I concentrate on the lettings market.

All properties that I buy are within 2 miles of where I live because I know the area well, I know where the jobs hang out and which are the streets to avoid, I also know which are the quiete streets.

When you buy a property you should consider how much it is likely to rise in value before you sell it, ask local estate agents which are the areas people want to live in.

Try to spot potential problems, the open space that faces your property might not be an open space in years to come, this will affect the value of the property.

New roads can be a blight and a blessing, whilst they are being built some people will sell to get away from the disruption. After they are built houses near the new road will shoot up in value because of the improved road access (prime examples here being the Manchester and Wolverhampton tram systems, the A50 link road between the M6 and the M1 and the new Birmingham ring road).

Get the advice of lettings agents, they want your business so they are always willing to help.

Ring up the letting agents you see on to let signs and enquire about the rents, even view the properties to see what standard of accomodation the competition is providing.

If there are many properties to let in your chosen area, and the signs stay up for weeks, then this may be a saturated market.

There is now a queue of landlords waiting to buy in some areas, many of them first time buy to let investors whos will get financially burnt because all they can see is ~~£££££~~ signs, they are too eager to get something .. anything . Don't be one of them.

A mistake often made by new buy to let investors is that they choose a property that they themseleves would like to live in, and consequently overspend .

In my experience –

- ~~££~~ Off road parking or a parking space is essential (but not a garage .. too expensive).
- ~~££~~ Semi-detached house is fine (detatched is too expensive).
- ~~££~~ It doesn't matter what the décor is like because you ARE going to paint it white and magnolia aren't you.
- ~~££~~ It must have a shower.
- ~~££~~ Consider all electric heating and cooking.
- ~~££~~ It must have plumbing for a washing machine.
- ~~££~~ Don't get a big garden .. grass and a few slabs is fine.

Lecture over ...

Freehold or Leasehold

Aim to buy properties that are freehold (you own the land as well as the property), however consider leasehold (someone else own the land) if the yearly rent is reasonable AND there is a long time to run on the lease.

If you do buy a leasehold property, the leasehold rents are tax deductible from your letting profits.

Here is my assessment of the lettings market.

1 bedroomed properties

Usually a good investment, quite often these properties are flats and have no garden which is ideal for the idle youth of today. The rents achieved on these properties is usually good when compared to the purchase price.

Flats are often in a communal block and share common entrances, you may also have to pay a yearly service charge.

2/3 bedroomed properties

This is my chosen area

These properties are a good investment as the property value (certainly of my properties) has nearly doubled over 4-5 years.

The properties are ideal for young couples, divorced and single mums, professional couples and contract workers (engineers, IT etc).

Company lets will need the property to be furnished.

It is also fair to say that these properties seem to be the choice for first time buy to let investors, so the market is becoming a bit crowded. Some people will certainly get financially burnt here.

Tip

Try to find a property that has had a **to let** sign displayed for months – ring up the agent and ask if the landlord wants to sell (hopefully not if he has done his sums right), but he might be desperate for the money now having overstretched himself.

4 bedroomed or more

This is a specialised market, the rents are not particularly good when compared to the purchase price of the property.

These properties tend more to the company let market, as they are suitable for staff moving into an area.

These properties also cost more to maintain.

Student Properties

Having dipped my toe in this market and gotten scalded it is a market I will not enter again, I did manage to exit this market (after only one term) with a small profit.

Students –

- ~~///~~ do not look after the property
- ~~///~~ they disappear without paying the rent
- ~~///~~ they run up large heating and electricity bills.
- ~~///~~ they take in their mates for £20 a week

There is no doubt that some people have made a fortune in this market, good luck to them but it is not for me.

Student properties are usually large houses that have been converted to Houses of Multiple Occupancy (or HMOs as they are commonly known), there is now a whole industry of red tape and expense surrounding these types of properties –

- ✂ they are licensed by the local authority
- ✂ there are strict fire regulations (which means expense)
- ✂ they often need accreditation by the university

Holiday Caravans

I bet you never thought of this one!

Yes I even invested in holiday caravans -

Did you know you can buy a static caravan for about £12,000 and get holiday rents of about £3,000-£4,000 a year (minus site charges and expenses) and after 4 years sell the van for £6,500.

Not for every one .. but worth a mention.

Holiday Villas

I don't have any experience of this market, but you should consider it.

Rent a Room Scheme

Applies only to owner occupiers, you can rent a room only in your main home.

Provided the income does not exceed £4,250 per year (tax year ending Apr 5th 2003), it is tax exempt.

See leaflet IR223

http://www.inlandrevenue.gov.uk/pdfs/2001_02/self_employment/ir223.pdf

Leasing or Renting

A question often asked by new buy to let investors is what is the difference between leasing and renting?

Leasing is often a very long-term let (say 4-5 years), the property is handed over to the council or a housing association and they find the tenants and collect the rent. You are paid an agreed sum of money whether the house is occupied or not.

The house is given back to you after the lease has expired, in the same state as at the beginning of the lease, after making allowances for wear and tear.

The money that you receive for the lease will normally be less than that received for renting (after all it is a guaranteed let for a long time) and the council or housing association will often make a charge for managing the property (that seems fair to me).

Renting is where you have a tenant, usually on an Assured Shorthold Tenancy agreement (or AST as it is commonly known) for 6 to 12 months, and you receive the market rent for the property.

When the property is not occupied, you receive no income.

Housing Benefit

Do I take Housing Benefit (or HB as it is commonly known) tenants?

In general you are better off not to take HB tenants –

- ✂ It is more expensive to get house insurance
- ✂ They are (generally) more trouble
- ✂ The local authorities, which pay the HB, **always** drag their feet over claims.
- ✂ If the HB tenant has the rent paid directly to you, and they have a fraudulent claim, then the HB can be reclaimed from you by the council.
- ✂ HB tenants (generally) do not have the money to pay the deposit.
- ✂ You cannot (generally) get an HB tenant to pay a market rate

However, HB tenants do have one advantage –

- ✂ They will be in the property for years

I currently have 3 properties let to HB tenants. All 3 tenants were scrutinised before the lets were agreed, and have not been any trouble at all.

All 3 tenants pay a top up over and above the HB they receive to bring the rent up to a near market level (see note ¹)

HB tenants (and they are plentiful) need somewhere to live, and there are plenty of landlords making a good income from housing them.

Consider this market if it will help you achieve your aims.

Tip

If you take on a HB tenant the rent can be paid directly to the tenant or to you.

The difference being that if the claim is found to be fraudulent then the council will reclaim any HB overpaid from the person it has paid the HB to

If that person happens to be you, you will have to repay the council.

Even worse, if the tenant had a fraudulent claim with a previous landlord, and they were unable to get the money from the previous landlord, they can now try and get it from you.

If the council pays the HB to the tenant who then pays it to you, it is the tenant who will have to repay the HB. (You do run the risk here of the tenant receiving the HB and spending it on other things).

You will have to fill in a section of the HB tenants claim form for them.

The council will inform you that 'it is your duty to inform the council of any changes in circumstances of the tenant'.

What this means is that they expect you to spy on the tenant and tell them if they are secretly working or have a live in partner whilst receiving HB.

I always write to the council for each HB tenant and inform them that -

¹ The rent charged is currently below market level, but if I were to add in the same letting agency commission as charged on the other properties, the rent charged would be **above** the market rate.

'The tenant has a legal right to a peaceful occupation of the property and as such MyCompany LTD will honour this right. MyCompany LTD will not be in a position to monitor the personal circumstances of the tenant, as it would render us liable for a possible legal claim of harassment by the tenant.

If however the council will guarantee to pay in full any claim that may be made against MyCompany LTD in complying with the request of the council to inform them in any changes in the personal circumstances of the tenant, then MyCompany LTD will gladly comply with this requirement.

MyCompany LTD will inform the council of any changes in circumstances of the tenant determined by the tenancy (termination of tenancy, changes in property etc.).'

Strangely, to date I have never received any confirmation that the council would pay any claims against my company by the tenant for spying on the tenant (nor did I expect that they would).

The purpose of the letter was to inform the council that I would comply with the requirement where it was practical to do so, but I would not spy on the tenants personal circumstances as this could be interpreted by the tenant as harassment. It was also proof that I had good intentions towards the tenant should the tenant ever sue me for anything (whether it would have any weight in court I have no idea, but it has only cost me a piece of paper, an envelope and a stamp!).

Housing Benefit regulations require that the **first** payment –

~~///~~ Goes to the landlord, if that was agreed with the tenant.

~~///~~ Be sent to the landlord as a cheque payable to the tenant. This is so the landlord knows the payment has been made and can make arrangements to collect the rent due.

Circular HB/CTB A9/96 states that this must be done if the payment exceeds £100 to stop the tenant absconding with the money.

This applies to the first payment only.

The tenant can agree to have the HB paid directly to the landlord, and then later, inform the council that it is to be paid directly to them.

This is called a determination, and the council must write to the landlord informing you of this switch. If the council do not, you have a case against the council of maladministration.

Should I use a Letting Agent?

There are many benefits of using a letting agent, the agent will –

- ~~///~~ Find tenants.
- ~~///~~ Deal with disputes.
- ~~///~~ Conduct pre-tenancy checks against the tenant
- ~~///~~ Organise property maintenance
- ~~///~~ Collect the rent
- ~~///~~ Issue the tenancy agreement and extensions
- ~~///~~ Arrange gas and electricity checks.
- ~~///~~ Optionally, organise house and rent insurance
- ~~///~~ Collect tax at source (if you are not resident in the UK)

☞ Give you 'peace of mind', you should be able to sleep at night!

The two main problems with a letting agent are –

- ☞ They are not cheap
- ☞ You don't learn anything

For the first 3 properties, I used a letting agent.

The use of a letting agent will never guarantee that you have bad tenants, I had a professional couple and their kids in a property (you know, Range Rover squad, leather suits ect), this didn't stop their kids from trashing the place.

Do I blame the letting agent? .. NO

They did all the checks that I would have done and I don't see what else they could have done.

As experience was gained (by losing money and having problem tenants), I started to manage the properties myself, however in recent years I have gone back to using a letting agent simply because I do not have the time to manage the properties myself.

Frequently the 'buy to let' investor will manage his first property himself, and doing so will write tenancy agreement that are not legal and make all sorts of disastrous mistakes. You learn by making mistakes, but the letting market is very unforgiving (especially if you have to take the tenant to court).

Tenancy Agreements

The Inland Revenue produce an excellent set of booklets which are very easy to read and are invaluable to the new landlord.

The booklet **97 HC 228B**

Assured and assured shorthold tenancies – a guide for landlords

Is available form -

<http://www.housing.odpm.gov.uk/order/pdf/landlords.pdf>

This is a MUST.

Really, for a new tenant you should not consider anything other than a Shorthold Tenancy Agreement (or AST, as it is commonly known).

The initial let to a tenant should be for 6 months. You can issue a tenancy agreement for less than 6 months, but the tenant has a legal right to stop at the property for 6 months.

You and the tenant must give 2 months notice that the agreement is to be terminated.

A lot of new 'buy to let' investors think that when a tenancy agreement ends after 6 months the tenant will leave. there is more change of pigs flying!

Even though the tenancy agreement is for a fixed 6 months, YOU have to give AT LEAST 2 MONTHS notice that you intend to terminate the tenancy.

Not only that, the notice period must expire no later than the day before the rent is due for the next month, otherwise the tenant gets another months occupancy.

If you do not give the tenant the required 2 months notice and both you and the tenant want the tenancy to continue, then you have 2 choices –

~~✍~~ You can issue another fixed length AST (for longer than 12 months is not recommended).

Remember though that the tenant has the right to stop in the property for the period stated on the AST.

~~✍~~ You can do nothing and the tenancy will automatically convert to a Periodic Assured Shorthold Tenancy.

This means that you must give the tenant 2 months notice to terminate the tenancy, and the tenant must give you one months notice to terminate the tenancy.

How you extend the tenancy depends really on your future aims -

~~✍~~ If you are looking for continuity of tenancy then go for another fixed period AST.

~~✍~~ If you are worried that you might want to terminate the tenant at 'short' notice (just in case the tenant proves to be troublesome in the future), then go for the periodic AST option.

Standard tenancy agreements can be purchased from Staples, legal stationers, or from the Internet –

<http://www.oyezformslink.co.uk>

In recent years the Office of Fair Trading has indicated that tenancy agreements should now be in 'plain English' and not contain any legal jargon.

A plain English tenancy agreement can be downloaded (for free) from the Residential Landlords Association website

<http://www.rla.org.uk>

But you must be a member of the RLA (more on this later)

Furthermore, tenancy agreements can no longer contain onerous or restrictive clauses.

A good example of this is pets.
Previously, almost everyone had the clause

'The keeping of pets is not allowed'

Written into the tenancy agreement, and if a tenant suddenly started keeping a dog, then the landlord potentially had a way of ending the tenancy agreement (although I don't know if this has ever been tested in court).

Now, because of the human rights legislation you can no longer do this, you must have a clause that says something like –

'The keeping of pets that could harm the property, or be of a nuisance to the neighbours is prohibited'.

In other words, you cannot realistically stop a tenant from keeping pets! you can only charge them if the pets cause damage.

An example of an onerous clause might have been –

‘The hanging of posters or pictures is not allowed’

Now, you have to say something like –

‘You must not hang pictures or posters on the walls without the written consent of the landlord, which will not be reasonably withheld’.

Buy a pre-written tenancy agreement that has been checked by a legal beagle, NEVER try and write your own (unless you are a legal beagle).

Get the tenancy agreement even slightly wrong, then if you have to evict your tenants in court you run the VERY HIGH risk of months of legal wrangling and expense.

If you use a letting agent, they will always use a legally watertight (approved) tenancy agreement.

Stamp Duty

A tenancy agreement is (potentially) a ‘stampable agreement’ and duty is payable on it, this is basically a government tax. Some agreements need to be stamped and some do not.

Changes in the March 2000 Budget mean that the majority of shorthold tenancy agreements no longer attract duty. These changes apply to agreements dated on or after 28 March 2000.

If the annual rent is £5,000 or less there is no longer any duty to pay. This also applies to cases where the term is less than 1 year and the rent for that period is £5,000 or below.

If stamp duty is payable, you should normally get the agreement stamped within 30 days of the agreement date, however most tenancy agreements are never stamped (even ones that should be!).

For more details on stamp duty, see:

<http://www.inlandrevenue.gov.uk/so/so8.htm>

Or ring the Inland Revenue Help Line on 0845 603 0135

If you have to take your tenant to court, then make sure the tenancy agreement HAS been stamped (if stamp duty is payable), otherwise your court claim may be rejected.

If you should have had the agreement stamped, but you didn’t then no need to panic. You can pay the stamp duty late, although a penalty may be incurred.

What do I do with Problem Tenants?

If you have a problem tenant you have to be very careful about being sued for harassment.

You may own the property but you DO NOT have a legal right to enter the property unless for emergencies (e.g. a gas leak).

This legal precedent was set in 1986 in the House of Lords in STREET -v- MOUNTFORD where it was stated that the tenant can "exclude anyone, including the landlord if they so wish".

- ~~///~~ Never let yourself into the property.
- ~~///~~ Never change the locks on the property or you will be sued for thousands (and the tenant WILL win)
- ~~///~~ Never threaten the tenant
- ~~///~~ Only call for the rent on the day it is due, or shortly after.
- ~~///~~ Never hassle the tenant for money apart from on the day it is due.

- ~~///~~ Write to the tenant when you need access to the property for repairs or inspection (which he can refuse).

This advice will probably stick in your throat, especially if the tenant owes you back rent or has mistreated the property, but in essence THERE IS NOTHING YOU CAN DO apart from take the legal course of action.

The law is HEAVILY stacked in favour of the tenant.

Long gone are the days when you could personally evict the tenant.

Generally if the tenant owes you back rent, and you apply to the court to terminate tenancy -

- ~~///~~ The tenant has to be at least two months in arrears at the time of the court hearing
- ~~///~~ If you get possession of the house and the tenant does not leave you CANNOT evict the tenant; you must re-apply to the court for a possession order.
- ~~///~~ If granted you must ask the bailiffs to re-possess the house.

There are some 'professional' tenants who know the law like a legal beagle.

- ~~///~~ They will pay you one months rent, then never pay you another penny.
- ~~///~~ They will leave the door of the property open hoping you will change the locks, then sue you for unlawful eviction (and they WILL win).

Tip

Once a tenant has left the property, and he owes you back rent ONLY consider the small claims court if you have any prospect of receiving any money.

IE. If the tenant is penniless you are wasting your time and money going to court.

Stand back and take an objective (businesslike) view, and write the back rent off to experience.

(Even MyCompany LTD has had to do this)

Furnished or Unfurnished?

This is a matter of personal choice, and depends on the tenants you are trying to attract.

Company lets are usually furnished.

Generally you would charge more money for furnished properties, but the difference between the rents for furnished and unfurnished can be small, making it often not worth the bother to supply furnished properties.

Certainly over the past five years I have changed my strategy to provide only unfurnished properties, this has a number of advantages –

- ~~///~~ The initial outlay is less
- ~~///~~ You don't have anything to fix.
- ~~///~~ The tenant can't steal anything
- ~~///~~ The inventory is easier to produce, and check
- ~~///~~ Less chance of the tenant suing you for injury caused by something you supplied.

Remember though, that an unfurnished property should include –

- ~~///~~ Carpets (and sometimes curtains)
- ~~///~~ A cooker

I often include a washing machine and a fridge freezer, as it seems to attract tenants.

If you want the tenant to tend the garden you must include this in the tenancy agreement AND provide the gardening tools.

The tenant is NEVER responsible for pruning trees; you have to arrange that.

Should I Gas the Tenant, or not?

Experience has proved that properties that have all electric central heating and electric cooker are less expensive for the landlord.

Have you ever tried to get a plumber/gas fitter the week before Christmas when the central heating has broken (I have), believe me that such a person does not exist.

Consider all electric.

What do I need to do before the tenant moves in?

This is not a comprehensive list, but covers the basics -

- ~~///~~ If the property is mortgaged, then the lender may want a sample copy of the tenancy agreement.
- ~~///~~ Make sure you have pre-tenancy checks on the tenant –

- Letter from any previous landlord
- Employers reference
- Bank reference (you will need to get a signed letter from the tenant for this)
- Credit check.

~~///~~ The deposit, if you are willing to take HB tenants you may have to waive this.

~~///~~ Insure the property for buildings and (if the property is furnished) the contents of the property. Most landlord policies also include public liability insurance. Make sure it has this!

Do not under insure the property; equally do not over insure it.

It is quite common for landlords to insure the property for the property value. Remember that the value includes the freehold value of the land it is built on, which is often quite substantial.

You only need to insure for the clearance and re-building cost (which may be 80% or less of the property value, saving you money).

~~///~~ You must have an electrical check at least every 5 years, and if you have supplied electrical items as part of the furnishings (e.g. A toaster or microwave) then you are supposed to have them checked before each tenancy starts (to see that the fuses are correct and that the item is correctly earthed).

You are also supposed to supply an instruction book with every electrical item you supply.

Note. This was going to be law, but I am not sure whether it is yet on the statute book.

~~///~~ Check that ALL soft furnishings comply with the law and have the safety label attached.

~~///~~ If you have any gas appliances you MUST have a landlords gas safety certificate, which is issued yearly. The tenant MUST have a copy of this – I put it in a frame and hang it in the kitchen of the houses that have gas).

You should also have the gas appliances serviced once a year.

~~///~~ Produce an inventory – even if the property is unfurnished, you will still be providing them with a carpet and a cooker (state in the inventory the state of the carpet E.g. recently cleaned).

~~///~~ Take the meter readings - Gas, electric and water and get the tenant to confirm this in writing and signed.

~~///~~ Produce a booklet to tell the tenant the basics –

- ~~///~~ Who the gas and electricity supplier is
- ~~///~~ Where the water stopcock is
- ~~///~~ Emergency telephone numbers
- ~~///~~ What day the bin is emptied
- ~~///~~ How timers or storage heaters work
- ~~///~~ The community charge council property number

~~///~~ Tidy the garden and cut the grass.

When the tenancy starts

~~///~~ Write to the council and tell them about the new tenant.

~~///~~ Give the gas, electric and water companies the meter readings.

What do I need to do after the tenancy ends?

- ✍️ Get a termination of tenancy from the tenant in writing and signed.
- ✍️ Inspect the property with the tenant present.
- ✍️ Check the loft and shed to make sure the tenant hasn't stored anything there that he hasn't removed.
- ✍️ Agree any damage and missing items
- ✍️ Remember that you MUST allow for fair wear and tear –
 - There will be some wear and tear on the carpet, although any stains should have been removed
 - There might be marks on the wall around the light switches.
 - The property should be generally clean, but don't expect windows to have been cleaned or curtain nets washed, the bath cleaned etc.
 - The garden should be tidy, but don't expect it to have been dug over and weeds removed.
- The point here being that both you and the tenant have to be reasonable.
- ✍️ Agree any deductions
 - In general, if there is the odd knife or fork missing I don't bother charging the tenant for it.
 - Don't try and make a profit from the tenant
- ✍️ Take the meter readings - Gas, electric and water and get the tenant to confirm this in writing and signed.
 - Give the gas, electric and water companies the meter readings.
 - Check with the tenant in case he has changed the gas/electric utility supplier (this one has caused me endless trouble not knowing who the supplier was).
- ✍️ Inform the council the tenant has left.
 - Whilst the property is VACANT AND UNFURNISHED you qualify for up to 6 months rates free, after 6 months you will have to pay half rates.
- ✍️ Get a forwarding address if possible (very important), and ask the tenant what he wants to happen about any post for him. If he says 'throw it away' get this in writing and signed!
- ✍️ Tell the tenant you will post his deposit back to him (that way he does have to give you a forwarding address)
- ✍️ Get the keys.
- ✍️ Keep the tenancy agreement and any correspondence with the tenant for at least 6 years.

Repairs and Maintenance

You must budget for repairs, I find that although it is more expensive in the short term preventative maintenance is better than letting something reach crisis point, at that time you will find that you can't get hold of a tradesman (voice of experience talking here!)

Remember that a well-maintained property attracts tenants, if you deal with an agency they give their best tenants to 'favoured' landlords (although they won't admit to that) ones that maintain their properties and generally give the tenants a 'good deal'.

Find reliable local tradesman (probably 3 or 4) –

Painter and decorator and general handyman
Electrician
Gas fitter and plumber

Once you have found them, keep them. Don't mess them about; send them Christmas cards and bottles of drink. Invite them to your barbeques; treat them like family and you will be rewarded!

Based on my 2-bed semi-detached in Derby, here are some typical items to budget for –

~~££~~ (every 3 years) Varnishing the windows/doors (if the house is painted have it done every 4 years)

~~££~~ (every 5 years)
Painting the inside, skirting boards white, everything else magnolia

There is much to be said about white paint and magnolia; they are particularly cheap, and acceptable to most people.

~~££~~ (every 4 years) Creosote the fences and shed.

~~££~~ (every 5 years) Full electrical wiring check

~~££~~ Landlords Gas Safety Check and service of all gas appliances (yearly)

~~££~~ Tree pruning (every 2 years)

~~££~~ (every year) Remove leaves from guttering and drains

~~££~~ Interior furniture has a depreciation life of 10 years, but in my experience rarely last that long; this is one reason why I now provide unfurnished properties.

Other things that you need to consider are slabs, if you have a slabbed driveway/path/patio check it for settlement each spring. If any of the slabs have sunk so that the tenants can trip and injure themselves I would advise you to have them re-laid, this is cheaper than being sued.

Some of these maintenance points may seem unnecessary, for example the clearing of leaves from the guttering. However it doesn't take long for a blocked guttering to deposit water in places that you don't want water to be deposited and causing wood rot or ruining your newly varnished property.

Sources of information

Crazy Browser

All of the web sites mentioned here offer a wealth of information for the property dealer and Buy to Let investor, but some are plagued with pop up adverts.

Download this free software and install it, this should stop most of the pop ups.

<http://www.crazybrowser.com>

The Residential Landlords Association

<http://www.rla.org.uk>

This site has a property forum board open to anyone, and a member's area where you can download tenancy agreements (free of charge to members).

Housemouse Investor Services

Run by 'Lady Lea', she knows her stuff and frequents many of the property forum boards. Site has a discussion forum on 'buy to let' **and is a must.**

<http://www.housemouseinvestorservices.com>

PAN Board

This board used to be the foremost property discussion board, but a lot of people have now gravitated to the Housemouse board (see above). PAN board is still used though.

<http://pub32.ezboard.com/bpropertyauctions>

LandlordZone Forum

A host of information here for new Buy to Let investors, plus another discussion forum

<http://www.landlordzone.co.uk>

LettingZone

This gives a list of all the local landlords associations in the UK, and their web addresses

<http://www.lettingzone.com>

Small Landlords Association

A web site for small landlords, not a lot of information unless you are a member

<http://www.landlords.org.uk>

Landlord Action

I hope you never need this site, but it assists with problem tenants and offers legal services

<http://www.landlordaction.co.uk>

Court Service

The court service website, here you can get general advice and most of the forms needed for tenancy (possession and eviction) matters.

http://www.courtservice.gov.uk/fandl/menu_house.htm

Assured and Shorthold Tenancies – Government Advice

Download the booklet describing ASTs

<http://www.housing.dtlr.gov.uk/order/aaalandlords/index.htm>

Property Auction Directory

Site where you can find forthcoming property auctions, and order auction catalogs

<http://www.ukpad.com>

Corgi Registered Gas Installers

Check out the tradesman here, or find one !

<http://www.corgi-gas.com>

Gas and Electricity Inspections

A national company that provides a service to landlords, safety checks etc.

<http://www.gas-elec.co.uk>

Companies House

For those of you that want to invest in property companies, you can check here for bankrupt companies and directors. You can also check if the company actually exists !

<http://www.companieshouse.gov.uk>

Association of Residential Letting Agents

Official website of ARLA, gives good background on Buy to Let and an agent list.

<http://www.arla.co.uk>

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