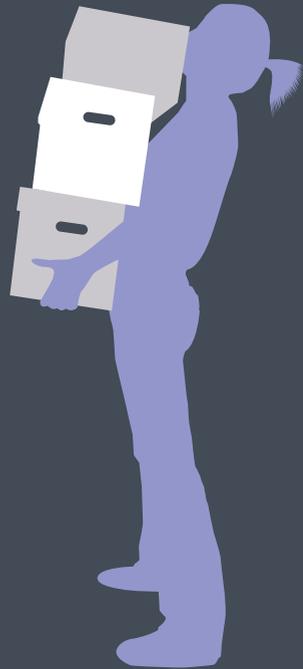


A clear, impartial guide to...

Renting a property

Tenant | Moving in | Checklist



RICS

The mark of
property professionalism worldwide

www.rics.org/usefulguides

Contents

- | | | | |
|----|-------------------------------------------------|----|--------------------------------|
| 03 | How an RICS member can help you rent a property | 11 | Energy Performance Certificate |
| 04 | The process | 12 | Tenant's checklist |
| 05 | Finding a property to rent | 13 | Useful links |
| 07 | Role of the letting agent | 14 | Free RICS guides |
| 08 | Agreeing the let | 15 | Further information |
| 10 | Moving in | 15 | Find an RICS member |

How an RICS member can help you rent a property

This guide has been written by RICS (Royal Institution of Chartered Surveyors) and explains the basic legal and practical issues involved in renting a flat or house. It gives a checklist of the process you will need to go through and also explains how RICS members can help if you need any professional advice

As the world's largest professional body for property professionals, RICS offers clear, impartial, expert advice on renting a property. Using the services of RICS members offers real peace of mind because:

- They give you clear, impartial and expert advice
- They follow strict rules of conduct – including having insurance to protect you
- RICS members have to update their skills and knowledge throughout their careers, so you can rely on their expertise
- You are protected by a complaints procedure.

Look out for firms that are 'Regulated by RICS'. Lettings and managing agent firms that are regulated by RICS will be easier to spot as they will be using 'Regulated by RICS' on their stationery and advertising material.

Once you have decided on the type of property you are looking to rent, here is the process you need to follow to secure your property:

The process

1. Finding a property to rent

There are number of factors to consider before finding a property to rent. These will largely depend on your personal circumstances, location and needs.

2. Role of the letting agent

Once you have decided on a property, check the letting agent is an RICS member and the firm is 'Regulated by RICS'.

3. Agreeing the let

Once you have found a suitable property, you will have to agree the terms of the let which will involve some negotiation. On agreement, formal documentation will need to be signed between the landlord and tenant setting out the terms and conditions of the let.

4. Moving in

You will not be able to move in until you have paid your deposit, first month's rent and any fees.

1. Finding a property to rent

Whether you have rented before or this is your first time, when you rent a home there is a lot to think about:

Does the property meet your needs?

Many factors need to be considered, including:

- Cost – how much is the rent and will you need to pay extra for bills?
- Location – is the property close to local amenities? e.g. shops, doctors, schools etc?
- Infrastructure – are there good transport links? e.g. trains, buses etc?
- Size – will the property accommodate your needs? e.g. number of bedrooms required?

What type and length of tenancy should you have?

If the rent on the property is less than £25,000 per year and you do not live with the landlord, the tenancy automatically becomes an Assured Shorthold Tenancy (AST). An AST usually lasts for 6 to 12 months unless you agree a fixed term for the tenancy in advance with the landlord.

What happens at the end of the tenancy?

When the fixed term of the tenancy has expired, the landlord is able to gain back possession of the property provided they give two months written notice to the tenant. In addition, if you owe at least 2 months or 8 weeks rent, the landlord can ask you to leave.



What can you afford?

Before you even look at a property, work out what you can afford by looking at what your basic outgoings are likely to be.

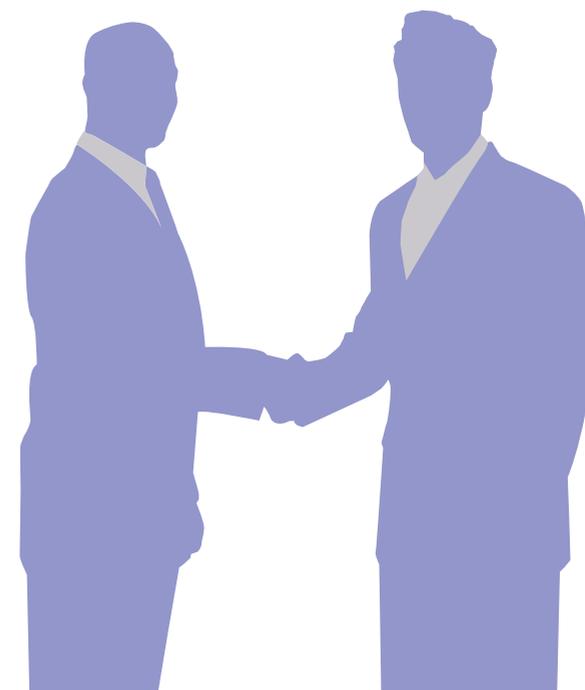
For instance:

The monthly rent	£ _____
The costs of getting your references	£ _____
Inventory and tenancy agreement costs	£ _____
The deposit and any maintenance costs	£ _____
Council tax	£ _____
Water rates, gas, electricity and telephone charges	£ _____
TV licence	£ _____
Insurance for your belongings	£ _____
Total	£ _____

2. Role of the letting agent

You can find property to rent by looking in the rental property section of local newspapers, on property websites or by going to estate and letting agents in the area they are looking to move to. However if you find a place to rent, it will be managed either directly by the landlord or more usually by a letting agent.

Remember the agent is acting for the landlord and has no contractual duty to you. Check whether the agent is an RICS member. It is also important to identify whether the agent is a 'sole agent'. If not, other agents may be trying to let the same property.



3. Agreeing the let

When you find a property, before you sign anything you should:

- Look at the property – is it clean, what kind of condition is it in and is anything broken?
- Find out what furniture, furnishings, and other equipment are included in the rent
- Ask about any management and maintenance costs
- Find out what your responsibilities are, such as cleaning or replacing broken furnishings.

Health and safety requirements

You should check and get assurances or certificates from the landlord that the property complies with these regulations:

- Furniture and Furnishings (Fire) (Safety) Regulations 1988, amended in 1993
- Gas Safety (Installation and Use) Regulations 1998
- Smoke Detectors Act 1991, (if the property doesn't have smoke alarms ask if they can be installed)
- Electrical Equipment (Safety) Regulations 1994.

Visit the Department for Communities and Local Government website for more information.

In addition, you are advised to check whether electrical appliances have been PAT tested (Portable Appliance Testing) by the landlord.

References

Once you have found a property, you will need to agree the terms and conditions with the landlord. For these purposes you will need to supply the landlord with relevant information and ensure you sign the necessary paperwork required for renting the property.

Becoming the tenant usually takes anywhere from a few days to three or four weeks.

Before you sign anything, the landlord or agent should provide you with a clear statement of rent, tenancy, deposit and any costs of setting up the tenancy. This includes the administration costs of getting your references. The letting agent will get references by contacting either:

- Your bank
- Credit referencing agencies
- Current and previous employer(s)
- Current and previous landlord(s).

If you are self-employed you may need to provide copies of trading accounts and an accountant's reference. Even if someone is going to be your guarantor you will still need references.

Tenancy agreement and deposit

Once the letting agent and landlord are happy with your references you can sign the tenancy agreement. Before signing, read and if necessary get professional advice on any documents you are asked to sign. Check the paperwork mentions the following important points:

- Length of tenancy – most lettings are 'Assured Shorthold Tenancies'
- How often and when to pay rent, as well as any other costs
- What the deposit is – usually either a month's rent or the equivalent of six weeks rent
- How the money will be held. Letting agents who are RICS members hold money in a special account called a 'client account' where it will be protected
- Tenancy Deposit Protection requires anyone holding a tenancy deposit (either a landlord or managing agent) to belong to an authorised scheme which protects the deposit during the tenancy and deals quickly and independently with any dispute over its return at the end of the tenancy.

Your landlord or agent must tell you within 14 days of your handing over the deposit which one of the three authorised schemes your deposit is protected by and provide you with details of the scheme. For more details on the authorised schemes please visit www.rics.org/tds.

You should also agree with your landlord/letting agent:

- How you will get the deposit back at the end of the tenancy
- How much, and who will pay for, work at the end of the tenancy, such as checking the inventory, renewing the agreement or cleaning the property
- The contact details of the manager responsible for the property
- Whether gas, electricity and other services have been connected and that meters have been read

In addition:

- Your landlord must, by law give you an address in England and Wales for serving your notice
- You will not be discriminated against because of sex, race, sexual orientation, age, religion, marital status or disability.

4. Moving in

You will not be able to move in until you have paid your deposit, first month's rent and any fees. But once on your way, this can be a very exciting time and it's very easy to forget a few important things:

- Insure your own belongings at the property – the landlord's insurance will not provide cover for them
- Make sure you know how all equipment in the property works and you have their manuals
- Find out the telephone number for the various emergency maintenance services
- Tell your gas, electricity, water and telephone companies the day you move in, making your own note of the meter readings
- If you are responsible for Council tax, speak to your local authority
- You may also want to speak to your local Neighbourhood Watch co-ordinator or the resident's association if the property is in a block of flats.

Looking after your rented property

You will need to pay for fixing or replacing any damage to the property while you are renting it, otherwise it comes out of your deposit. So return the property to the landlord at the end of the tenancy in the same condition as at the start, allowing for fair wear and tear.

Remember, if you are away, for whatever reason:

- You still need to pay rent on the right date
- You are responsible for the property's security
- Make sure the property is not damaged by the weather
- Let your insurer and your landlord know so that insurance arrangements can be made
- Give the landlord emergency contact details.

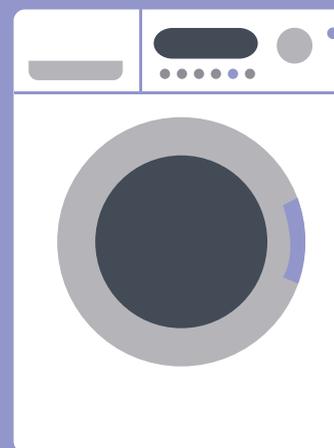
Energy Performance Certificate

From 1 October 2008 all homes being let will be required to have an Energy Performance Certificate (EPC). The Energy Performance Certificate (EPC) is broadly similar to the labels now provided with domestic appliances such as refrigerators and washing machines.

Its purpose is to record how energy efficient a property is as a building. The certificate will provide a rating of the energy efficiency and carbon emissions of a building from A to G, where A is very efficient and G is very inefficient.

EPCs are produced using standard methods with standard assumptions about energy usage so that the energy efficiency of one building can easily be compared with another building of the same type. This allows prospective tenants to see information on the energy efficiency and carbon emissions so they can consider energy efficiency and fuel costs as part of their investment.

An EPC is always accompanied by a recommendation report that lists cost effective and other measures to improve the energy rating of the home. The certificate is also accompanied by information about the rating that could be achieved if all the recommendations were implemented.



Tenant's checklist

Here's a brief summary of the various costs you will have to consider when you rent a property:

Insurance

The landlord is most likely to obtain building insurance for the property although it is up to the tenants to insure their personal possessions. It is advisable to check with the landlord what exactly is covered in the policy.

Letting agent's charges

The letting agent may make an administration charge for processing the application and for completing the relevant paperwork.

Reference costs

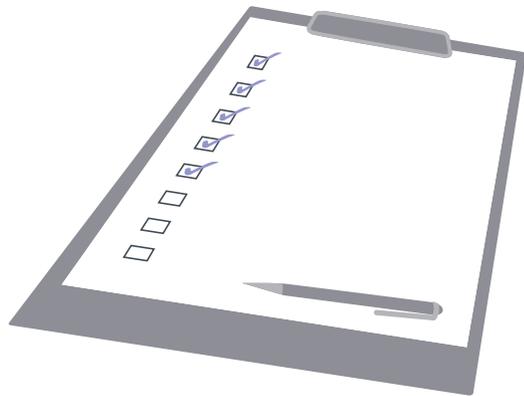
There is likely to be a cost made by the bank in order to undertake the credit checks and references.

Removal

The cost of moving will vary depending on how much belongings you have and how far you are moving.

Services

You don't usually have to pay to have gas, electricity or water reconnected, but there may be a charge to reconnect the phone.



Useful links

Here are some useful websites for advice when you are renting a property:

Royal Institution of Chartered Surveyors

www.rics.org

Department for Communities and Local Government

www.communities.gov.uk
www.propertylicence.gov.uk

Inland Revenue

www.hmrc.gov.uk

Local councils

www.direct.gov.uk

National Approved Letting Scheme

www.nalsscheme.co.uk

Residential Property Tribunal Service

www.rpts.gov.uk/

Tenancy Deposit Schemes The Dispute Service

www.tds.gb.com

Tenancy Deposit Solutions

www.mydeposits.co.uk

The Deposit Protection Scheme

www.depositprotection.com



Free RICS guides



RICS have a range of free guides available for the property issues listed below.

- Buying a home
 - Selling your home
 - Property surveys
 - Extending your home
 - Subsidence
 - Boundary disputes
 - Party walls
 - Right to light
 - Compulsory purchase
 - Letting a property
 - Renting a property
 - Flooding
 - Property auctions
 - Buying and selling art and antiques at auction
- To order your free copies, visit www.rics.org/usefulguides alternatively email contactrics@rics.org or call the RICS Contact Centre **0870 333 1600**

For more information

We hope this guide is useful to you. If you'd like to know more about renting a property, or how RICS can help, please contact us.

Visit our website
www.rics.org/renting

alternatively email
contactrics@rics.org

or call the RICS Contact Centre
0870 333 1600

Consumer helplines

RICS offers telephone helplines giving you 30 minutes free advice on:

- Boundary disputes
- Party walls
- Compulsory purchase

Just call **0870 333 1600** and you will be put in touch with an RICS member local to you, willing to provide a free 30 minute initial consultation. Lines are open 0830 - 1730 (GMT), Monday to Friday.

Find an RICS member

If you want to find independent, impartial advice from a qualified professional with good local knowledge, contact us.

Look out for firms that are 'Regulated by RICS'. Estate agents and surveying firms that are regulated by RICS will be easier to spot as they will be using 'Regulated by RICS' on their stationery and advertising material.

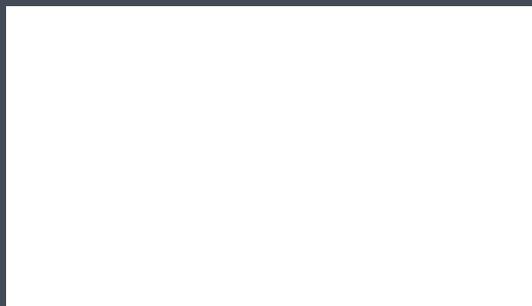
To find a chartered surveyor in your area visit
www.ricsfirms.com

alternatively email
contactrics@rics.org

or call the RICS Contact Centre
0870 333 1600

RICS (Royal Institution of Chartered Surveyors) is the leading organisation of its kind in the world for professionals in property, land, construction and related environmental issues. As part of our role we help to set, maintain and regulate standards – as well as providing impartial advice to Governments and policymakers. RICS has 140,000 members who operate out of 146 countries, supported by an extensive network of regional offices located in every continent around the world. To ensure that our members are able to provide the quality of advice and level of integrity required by the market, RICS qualifications are only awarded to individuals who meet the most rigorous requirements for both education and experience and who are prepared to maintain high standards in the public interest. With this in mind it's perhaps not surprising that the letters RICS represent the mark of property professionalism worldwide.

Your local RICS member



The Royal Institution of Chartered Surveyors

12 Great George Street
Parliament Square
London SW1P 3AD
United Kingdom

T 0870 333 1600
F 020 7334 3811
contactrics@rics.org
www.rics.org



RICS

The mark of
property professionalism worldwide