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Which?GuidetoRentingandLetting -2ndEdition
ByPeterWildeandPaulButt -2003
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ISBN0852029470PriceNew:£7.91

LandlordsLettersbyAdamChurch

Alllandlordsatsometimeoranotherwillhavetowritetotheirtenantsbutifyouarenotusedtowriting lettersthismaybedifficult.Whatisthebestwaytowordit?Howpoliteorthreateningshouldyoube? Arethereanylegalpointsthatshouldbemade?

LandlordsLetters
ByAdamChurch
LawPackPublishingLimited
ISBN190526108XPrice:£6.27

FireSafety

Thisbookshouldberequiredreadingforalllandlords,inparticularlandlordsofHMOproperties. Itwillalsoeveryhelpfulfortenantsandtenantgroupsandwillbeausefuladditionforthe bookshelfoftenantadvisors.

FireSafetyGuide
ByDeborahGarvisandRogerCritchley
Shelter
ISBN1870767853Price:£6.95

WebsiteLinksyoumayfinduseful:

PlymouthCityCouncil:www.plymouth.gov.uk
BristolCityCouncil:www.bristol-city.gov.uk
ValuationOffice(DistrictValuer)www.voa.gov.uk
Buy-To-LetFinance:www.themoneycentre.co.uk
RentalPropertyKnowledge:www.landlordzone.co.uk

Courtesy&thankstoLettingNetwork, Landlord -Law,NFRL,NLAandall othersfortheuseofsomearticleswithinthisnewsletter



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TheAssociationprovidesassistanceandadvice.However,theAssociationdoesnot holditselfoutasprovidingspecialistlegaladviceandthereforewhilstwrittenandoral adviceisgivinggoodfaith,noresponsibilitycanbeacceptedbytheAssociation,its officersormembersfortheaccuracyofitsadvice,norshalltheAssociationbeheld liablefortheconsequencesofrelianceuponsuchadvice.

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NEWSLETTER

April/May2007

Welcometoyouall,

WearehavingaLandlordsSpringExpo (19thAprilattheStonehouse Leisure&SocialClub)Plymouth —ManystandsincludingTenancyDeposits,Fire Safety,Anti -Socialbehaviour,Buy -To-Let.....Andmanymore

We'llalsobeattendingtheBristolExpo —HolidayInnFilton...

Lookingforwardtoseeingyou —Theseeventsarenottobemissed.....

TenancyDepositScheme NOWINFORCE —AREYOUREADY?

From6thApril,alllandlordsandlettingagentswill havetocomplywiththeGovernmentlegislation, whichrequiresthemtouseoneoftwotenancy depositprotectionmethods,acustodialor insurancebasedscheme.

Despitethelegislationpromisingtocreatethe biggestevershakeupofthepropertyrentalmarket, manylandlordssstillappeartobeinthedarkabout exactlywhattheyneedtodoandhowitisgoingto affectthem.

TheDPSalsosurveyedlettingagentsandfound thatasubstantial95%wereawareofthelegislation andthattwothirds(67%)wereinfavourofthe scheme.Sixoutofteftenlandlordsquestionedwere supportiveofthenewlegislation.

MattTrevett,SeniorProjectManager,TheDeposit ProtectionService,said:"Itisvitalthatlandlords don'tsticktheirheadsinthelandandgettogrips nowwithhowthenewlegislationisgoingtoimpact them.

"Thereisplentyofinformationavailableonthe specificsofthelegislationandtheschemeson offer,sothereisnoreasonforlandlordstnottobe preparedforthe6thAprildeadline."

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TenancyDepositScheme

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ServiceofNotices

RentIncrease

RentBook?

CouncilTax —WhoPays?

LandlordsVulnerabletoIDFraud

HomeInformationPack

BuyToLet

PCInfo

PropertyWebsites

LandRegistry/PropertyMarket

Questions&Answers

Removingtrespassers/squatters

TrustsandTax

FlytippingStrategy

MixedDwelling/Repossession

BristolBranchUpdate

MemApplicationForm

BookReview&UsefulLinks
(RearCover)

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TenancyDeposits —(Continued)

CommunitiesandLocalGovernment(CLG) estimates that 80% of qualifying tenancies will join one or the other of the schemes. Currently, 85% of all private sector tenancies require the tenant to pay a deposit and the average value of a deposit for a tenancy is to be £695.

The Deposit Protection Service, which is being run by ComputerShare, is the only accredited custodial scheme, will be free to use and open to all landlords, letting agents and tenants. The tenants will pay their deposit to the landlord who will then pay the deposit into the scheme.

This service is funded entirely from the interest earned from deposits held. Landlords and letting agents will be able to register and make transactions either online or using traditional paper methods. At the end of the tenancy, the deposit will be paid back to either the tenant or landlord as appropriate, with interest.

With the insurance-based schemes, tenants pay their deposit to the landlord who then retains the deposit and pays a premium to the insurer.

Both the custodial and insurance schemes will also provide an independent dispute resolution service with the sole aim of speedily resolving any disputes that arise between landlords and tenants.

As part of the survey conducted by TDPS, landlords and letting agents were also asked what they considered the most important features when deciding whether to use the custodial or insurance based schemes.

The features that came out top amongst respondents were ease of use, simple to understand, free of charge and provision of an independent dispute resolution service.

Only 2% of landlords and letting agents said they would determine which scheme to choose according to tenant input.

For more information on Tenancy Deposit Protection legislation and the available schemes, go to The Deposit Protection Service website
<http://www.depositprotection.com>
or the CLG website
<http://www.communities.gov.uk>

How will the scheme work?

From 6 April landlords will be required to choose between two versions of the scheme: custodial and insurance-based. Both schemes are free for tenants. The custodial scheme is also free for landlords to use, and requires them to pay the deposit to the company running the scheme within 14 days of receiving it from the tenant.

Under the insurance-based scheme, the landlord can keep the deposit but pays a premium to the company running the scheme. The National Landlords' Association (NLA), one of the two companies running the insurance-based scheme, will charge non-members £60 a year and NLA members £47 a year to join and a further £26 per deposit. Landlords who go for this option will be able to use the money in the short term in the running of their business. Under both versions, tenants must have their deposit paid back within 10 days of their tenancy agreement ending - assuming that there is no dispute over the money.

How will disputes over the deposit be resolved?

Under the custodial scheme, if there is a dispute, the company will simply hold the disputed amount until an independent resolution service - or the courts if it goes that far - decides what is fair. Under the insurance-based scheme, if there is a disagreement the landlord must hand over the amount under dispute to the insurer for safekeeping until it is sorted out by the independent resolution service. They must pay the rest back to the tenant.

Can tenants enter a rental agreement free of worry?

If a person was to be a prospective tenant, this isn't an excuse not to read the small print in the contract. We are reasonably confident this new scheme is a robust system.

Continued →

WestcountryLandlordsAssociation

Membership Application Form

Please complete the details below and return with a cheque for **£35** (This amount includes a "one-off" joining fee of £10) payable to "Westcountry Landlords Association".

Westcountry Landlords Association
P.O. Box 454
Plymouth PL34WL

After Completion return to

Trading Name:

Surname (Mr/Mrs/Ms/Dr) etc:

Christian Name(s):

Partners Surname (if applicable):

Partners Christian Names):

Address:

Postcode:

Telephone No. (Day):

Telephone No. (Evening):

Email Address

Preferred password
For members area access

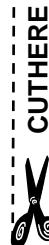
Where did you hear about us?

Signed:

Dated:

Above information will be held on a computer system and shall be kept Private & Confidential.

Membership year runs from 1st January — 31st December



Mixed Dwelling Restricts Repossession Terms

Landlords who let out properties to tenants for mixed use (commercial and residential) have been dealt a blow by the Court of Appeal. One of the remedies which landlords have in cases in which a commercial tenant does not pay the rent due is to enforce forfeiture of the lease and to take possession of the premises by peaceable entry. This method is not available to residential landlords, who must obtain a court order due to the provisions of the Protection from Eviction Act 1977 which apply to property 'let as a dwelling'.

Recently, a landlord sought to take possession of a shop and flat which were occupied by a tenant who was in arrears with his rent. The tenant lived in the flat above the shop. The landlord argued that he could enforce forfeiture because the premises were not let as a dwelling because of the mixed use.

The tenant claimed that Article 8 of the European Convention on Human Rights, which guarantees respect for the home, required that the interpretation of the relevant law should mean that the definition of 'let as a dwelling' should include mixed use property in order to be compatible with rights guaranteed under the Convention.

Bristol Branch Update

Our Bristol Branch is fully operational with Bristol City Council full support, our thanks go to Philip Gilbert (Liason Officer) and the rest of the team for his tremendous support recently.

EXPO—Holiday Inn Filton 17th May 2007

We are looking forward to this event being the biggest in the Westcountry. Working together with Bristol City Council will mean that we can keep you abreast and informed of developments within your area.

We encourage you to support this event —bring a friend along and come along to see us at stand 40.

*Do You have any articles for your newsletter?
Share them with others*

**Please recommend a friend to join YOUR association..
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Many benefits including: Discounted insurance rates through the Bateman Group, Supplier Discounts, Newsletters, Meetings, Interactive Website, Free Downloadable Stationery...and much More.....

It does depend on both sides understanding how the schemes work, but also on tenants being clear about what is covered under their deposit and what isn't, says Adam Sampson, chief executive of housing charity Shelter. 'It is still essential that both parties pay attention to inventories at the beginning and the end of the tenancy. The tenants should make sure they have a list of the contents, preferably with photographs, at the beginning of the tenancy.'

Will tenants end up paying in other ways?

Both versions of the scheme are free for tenants, but last year Citizens Advice expressed concern over the increasing numbers of additional charges that landlords and letting agents are imposing on tenants. These include fees, sometimes running into hundreds of pounds, for services such as reference checking and renewal of tenancies.

Citizens Advice said that, while it welcomed the deposit protection scheme, it was concerned that the size and prevalence of other fees may increase with its introduction.

Already, one online company, TenantAssure.com, has started marketing an alternative to the Tenancy Deposit Protection Scheme, under which landlords and letting agents will not have to take a deposit at all. It is one of the companies already charging for vetting tenants' creditworthiness. Now it is offering a 'free' service, acting as a guarantor for two months' rent if a tenant fails to pay rent or damages the property. The landlord or letting agent can pass this fee on to the tenant.

Simon Cutting of TenantAssure.com says this will be 'more than £50 but less than £200'. 'All the landlords I've spoken to say they think it's going to be a bit of a nightmare under the Tenancy Deposit Protection Scheme if there is a dispute over the deposit, 'heads. 'As a result many landlords are desperately seeking a simple alternative to taking a deposit

Please remember that you will not be able to obtain possession under Section 21 if the deposit isn't placed into the scheme!

And failure may lead to compensation being due to the tenant of THREE times the deposit!

Section 48 — Declaration of Landlord Address

Section 48 of the Landlord and Tenant Act 1987 requires that a tenant is provided with an address where notices may be served on the landlord. This address must be in England and Wales and can be the name and address of a managing agent.

Where no such notice has been served, rent and/or service charge payments are not legally due until such time as the notice has been served. Nor can an action for possession due to rent arrears be made, unless the tenant's arrears accrued after the service of the notice.

A section 48 notice can be included within the tenancy agreement and this is the easiest way to ensure that all tenants receive the notice. In this case, where the notice has not been served, you should serve a notice under section 48 and the tenant will be liable to pay rent.

Service Of Notices

It is essential that you prove to a Court that Notice of the Proceedings by way of Service of Summons has come to the notice of the Defendant. If you cannot prove this, any Order you obtain may be subsequently overturned on Appeal.

The best form of service is Personal Service where you or a member of staff or a professional Process Server serves the summons on the defendant.

The next best form of service is by sending it through the post by Registered Post or Recorded Delivery. Ask for proof of receipt at the time of sending the item. Difficulties will still be caused if the signature of the person receiving the item is not the person to whom it was addressed. Sending by ordinary post gives the defendant the chance to deny receipt and, of course, you cannot prove service.

At Common Law service can be effected by actual delivery to the tenant (or spouse or servant) or by other evidence that the Notice has come to the attention of the defendant.

The Law of Property Act 1925 S196(5) allows notice to be sufficiently served if left at the premises if such method of service was required by the Tenancy Agreement itself.

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Rent Increase Notification

If the Tenancy Agreement makes no provisions for the landlord to make a rent increase, then you have two options to increase the rent:

Renew the contract at the end of the fixed term but at an increased rent.

At the end of the fixed term, serve a Section 13(2) Notice of the Housing Act 1988, proposing an increase in rent. (Download this document from the members area of the website)

Please note - the amount of increases should be considered in relation to other rental charges for other similar properties in the same area.

If increases put the rent well above market rents, tenants can apply for the rent to be assessed by a Rent Assessment Committee. If they then reduce the rent, you are bound to this figure for 12 months.

Should a rent book be provided?

If the tenant has to pay rent every week, by law you must provide a rent book. This should contain your name and address, and the terms of the tenancy. Landlords may be committing a criminal offence if they fail to provide a rent book in these circumstances.

Who should pay the Council Tax?

The person who lives in the property normally pays Council Tax. If you let a self-contained flat or house, your tenant will have to pay Council Tax.

If you are a landlord of a House in Multiple Occupation (HMO), for example, bedsits and shared facilities, you are responsible for paying the Council Tax. However, you can get back the amount you have paid through the rents you charge.

Council Tax does not apply to properties where all the occupants are full-time education.

Landlords Vulnerable to ID Fraud

Landlords are easy targets for identity fraud, with tenants the guilty party. Information database giant Experian says that one in two ID fraud victims who knew the person who had used their identity are landlords.

Its credit monitoring wing, CreditExpert.co.uk, warned that landlords are one of the groups most at risk.

at risk from identity theft, and that the risk was greatest for those renting out their own previous homes. Four out of ten cases of identity fraud occur in such circumstances.

In some cases, fraudulent tenants have used the landlord's name and the rented property's address to apply for credit, credit cards, loans and mail-order goods in the landlord's name.

Tenants have also intercepted mail addressed to their landlord and used personal details enclosed in the mail to open fraudulent credit accounts. In both scenarios, the credit application is logged on the landlord's credit report and bills of thousands of pounds can be run up in the landlord's name, seriously affecting his or her future borrowing power.

With ID theft the fastest growing white collar crime in the UK, landlords are urged to ensure that they contact the Post Office to direct all post, to ensure tenant checks are carried out before contract stage, and to get references from previous landlords.

Hips will be good for business, say Rics

The introduction of home information packs (Hips) in June may help to boost newsale instructions, say the Royal Institution of Chartered Surveyors (Rics).

The numbers of properties going up for sale have remained the same for the ninth month in a row, the longest time this has happened for seven years.

In its latest report, Rics comments that interest rate and house price hikes have made house buyers and sellers more cautious since the last interest rate rise in January.

Rics spokesman Ian Perrys said: "The interest rate rises have started to worry would-be buyers with many concerned that they will be unable to meet mortgage repayments.

"Market conditions remain tight but greater awareness of Hips, in the run-up to their introduction, might push more property onto the market in the coming months increasing choice for the short-term."

Rics also states that house price increases have slowed down overall, with the strongest increases seen in London, the south of England, Scotland and Northern Ireland, though in other parts of the country house prices actually fell.

It will become essential for house vendors and landlords to have a Hip from June 2007.

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Trusts and Tax

The Hidden Costs of Owning Foreign Property

Do you own an overseas home?

If you do, you are at risk of storing up fiscal problems for your heirs. Substantial sums may be at stake as the result of dealing with two different fiscal jurisdictions. Good advice is needed from a knowledgeable solicitor to make sure that you:

- Take account of foreign property in drafting UK wills
- Ensure that UK wills do not conflict with arrangements made for foreign property
- Minimise inheritance taxes - if you are UK domiciled, British Inheritance Tax will include your worldwide assets
- Take account of Succession duties and Wealth Tax in the country where you buy your property

A local will which takes into account local state tax rules is essential to ensure that the property is left in a tax-efficient manner as possible. Are you aware, for example, that:

- Spain, France, and Italy all have some type of forced heirship mechanism under their civil law codes
- Spanish law only permits one third of an estate to be freely distributed, as the remaining two thirds must be distributed to close heirs of the deceased
- France imposes an inheritance tax at rates between 5% and 40%
- Spain imposes inheritance tax at rates up to 68pc
- Wealth taxes apply to non-French and non-Spanish residents with assets above certain values in France and Spain
- A common form of French tax avoidance could trigger an immediate income tax charge and the possible risk of criminal prosecution in Britain.

Given the potentially substantial sums at stake and the complexities involved in dealing with foreign fiscal rules, it is essential to seek expert advice before problems arise.

The Fly - Tipping Strategy

Defra also consulted on the [fly-tipping strategy](#) in previous years. The strategy aims to help improve local environmental quality and deal with fly-tipping. It puts local authorities in the front line for dealing with small-scale local fly-tipping issues, providing them with the tools necessary to investigate and trace the perpetrators.

The Agency will primarily focus on tackling the large-scale fly-tipping of non-hazardous wastes, the fly-tipping of certain hazardous wastes and the involvement of organised crime in fly-tipping and illegal waste management. They are also well placed to ensure strategic support for local authorities and advice on implementation of environmental regulation.

Five key strands of the Fly - Tipping Strategy

In liaison with the key stakeholders the Government has been developing policies based around five strands:

- Ensuring better prevention, investigation and enforcement of fly-tipping and other forms of illegal waste dumping. More efforts spent on these aspects will mean less need to be spent on clean-up and will result in cost savings;
- Making existing legislation more usable and effective;
- Extending the range of powers available in the toolkit so that the Agency and local authorities can be more flexible when dealing with fly-tipping;
- Improving the data and knowledge bases so that resources can be targeted; and
- Ensuring the Agency and local authorities can do their job as effectively as possible while ensuring that waste producer stakeholder responsibility for having their waste legally managed.

KeepingintouchwiththeLandRegistry

Please remember that under the new Land Registry Practice Regulations it is highly advisable to notify the Land Registry of your new address if you move from the address known to the Land Registry.

The Land Registry can enter up to three addresses for service for each person. This is important. For example if the Land Registry serves a Notice on you at your old address and the time limit expires, you may lose your right to challenge a claim made against the property - perhaps by a squatter.

Removing trespassers and squatters

What do you do first?

You have discovered trespassers in your property. What are the first steps to take?

You will need evidence to prove to the Court that there are unauthorised persons in your property so you should make one or two visits at different times of day and keep a record of what you see. If you speak with any of the trespassers, you should ask for a name. If you have not seen the trespassers yourself, we shall need a statement from someone who has.

You should contact a Solicitor immediately. You will fall foul of the Protection from Eviction Act if you attempt to remove the unlawful occupiers yourself. You must obtain a Court Order.

Beginning proceedings through the County Court — you may require evidence that the property is unlawfully occupied and evidence that you are the owner of the property. Obtain this by applying for Office Copy Entries from the Land Registry.

Proceedings should be issued. Once issued, the Court will allocate an early hearing date. The trespassers must be given five clear days' notice and we must personally serve the proceedings upon the trespassers. We would usually instruct a process server to do this. If he cannot serve the trespassers personally, he will affix the notice of proceedings to the door of the property.

What happens at the hearing?

The hearing is usually straightforward. The trespassers may turn up but, unless they can show they have some sort of legal interest in the property, they can have no defence to the claim for possession and the Court will usually make an Order, giving you possession immediately.

If the trespasser(s) refuse to leave voluntarily, you should then ask the Bailiff to fix an eviction appointment and have the Police on stand by to assist, if necessary. Once possession has been handed over by the Bailiff, you will need to change the locks and make sure the property is secure.

How long will it take?

The entire process should be completed within no more than two weeks assuming everything proceeds smoothly.

Tenant demand keeps buy-to-let healthy

Tenant demand for rental properties has been rising at the fastest pace for nine years, the latest quarterly RICS Lettings Survey has reported.

Accelerated demand came on the back of strengthening economic activity, buoyant employment conditions and sustained migration from EU accession countries, said RICS.

Some 30 per cent more chartered surveyors reported a rise than reported a fall in tenant lettings, up from a 21 per cent margin in October 2006. This is the highest recorded rise in tenant demand since July 1998 when the figure was 41 per cent.

Demand rose for both flats and houses, with the latter experiencing the biggest rise with 34 per cent more chartered surveyors reporting a rise than a fall in demand — up from 22 per cent in October.

Rising household incomes are leading to increased rental demand for larger properties while affordability issues continue to prevent would-be buyers from purchasing a home.

New landlord instructions (an indicator of buy-to-let activity) showed a modest upturn, said RICS. For the quarter to January, 10 per cent more chartered surveyors reported a rise in landlord instructions compared to six per cent in the previous quarter. Higher investor activity reflects the pull of strongly rising house prices with interest rates yet to have a negative impact on landlord demand. However, strength in landlord construction is moderate compared to the boom years of 2002–2004 with investor activity capped by relatively low property yields.

Despite a 'firm increase' in rental levels, RICS reported that gross yields had declined for the second consecutive quarter.

'The buy-to-let market remains healthy with interest rates yet to bite, but there are few signs that the market is booming. Further interest rate rises will squeeze the position of would-be landlords, slowing investment as profit margins diminish', concluded RICS spokesperson Jeremy Leaf.

The National Association of Estate Agents has also reported 'a strong market place for UK residential lettings over the last quarter of 2006'.

'The market is looking particularly healthy, aided by rising property prices and increased immigration in 2006', said NAEA letting expert Jan Bartlett. 'Interest rate rises are a concern as many landlords may choose to sell and "cash in" on their investment at the threat of increasing expenses. However, I am confident that there is still significant return to be gained from buy-to-let property and I hope that the initiation of the tenancy deposit protection initiative will not deter investors'.

If rates continue to rise throughout 2007 this sector of the market will inevitably be affected and some landlords may be forced to increase rents in order to cover their increased overheads, said NAEA.

As it was, rents continued to rise at a significant pace right to the very end of 2006. The increase per month in the last quarter of the year averaged at 1.5 per cent, with rents increasing in December by 1.79 per cent, according to NAEA. During the same period in 2005 agents reported an increase in rents of just 0.72 per cent.

The new Tenancy Deposit Protection requirement due to come into force in April 2007 is unlikely to have as much effect on the residential lettings market as the recent introduction of licensing of Houses in Multiple Occupation — when surveyed on the subject, some 35 per cent of NAEA members reported that HMO landlords were selling up rather than face the increase in bureaucratic red tape. However, landlords could experience slightly reduced returns as a consequence of the new tenant deposit protection rules. In its latest house prices survey Nationwide also reported that the buy-to-let sector, 'which provided an important boost to the market in 2006', remains very firm.

'Although the rate of growth of lending has decelerated, gross buy-to-let lending was still 43 per cent higher in the second half of 2006 than a year earlier. Some of this will reflect refinancing, but the number of buy-to-let mortgages is 20 per cent higher than at the end of 2005', said chief economist Fionnuala Earley.

P. C I n f o

"Phishing Emails" currently pose the biggest security threat to computer users. They're fairly easy to spot. A major giveaway is that 'phishers' will ask for your account number, username or password and any other sensitive information. Genuine financial institutions never ask for such information. In any event, emails are not a secure form of communication.

**WISHING TO ADVERTISE
IN THIS NEWSLETTER?
PLEASE CONTACT US**

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Property websites are estate agents

LANDLORDS WHO try to cut costs when they sell properties by using an internet service are warned to tread carefully, particularly if they have also instructed an estate agent on a sole agency basis.

This follows a ruling by the Office of Fair Trading which says that many property internet shops are in fact estate agents – even if they say that they are not.

An internet property shop is an estate agent if they provide For Sale boards and other services, on top of advertising properties.

All estate agents have to comply with legislation, including the Property Misdescriptions Act and the Estate Agents Act. Sole agency agreements with estate agents mean that sellers have to pay their commission, even if they have had nothing to do with the sale, if they go to another agent.

The OFT's ruling means that the sole agency agreement would have been breached. David Philpott, the deputy director of enforcement at the OFT, said: "We have sought to clarify the law. Many private sale websites were claiming that they were not acting as estate agents when they were."

Sellers with sole agency agreements were left unsure as to whether they would be forced to pay two sets of fees. "People can still choose to go to internet property retailers but they need to know the risks."

Land Registry and the Property Market

The January data from the Land Registry shows that 2007 has begun with another rise in house prices for England and Wales.

The first month of the year demonstrates an annual house price increase of 7.7% and a monthly increase of 0.9%. This increase has led to the average property now being worth £174,827.

This month is the first time since May 2005 that house prices have experienced annual price growth of greater than 7% in two consecutive months. In January 2006 the rate of annual change in house prices was 3.6% compared with 7.7% for January 2007.

| Average prices by property type (England and Wales) | January 2007 | January 2006 | Difference (%) |
|---|--------------|--------------|----------------|
| Detached | £266,770 | £246,041 | 8.4 |
| Semi-detached | £165,969 | £153,887 | 7.9 |
| Terraced | £136,106 | £126,193 | 7.9 |
| Flat/maisonette | £162,665 | £152,606 | 6.6 |
| All | £174,827 | £162,392 | 7.7 |

As with last month, the London property market continues to outperform the rest of the country. London can be seen alongside Yorkshire & the Humber and the South East as the most consistent drivers behind recent national house price growth. The rate of annual increase in London's house prices has been greater than that of England and Wales since March 2006 and London's annual growth this month is 9.9% compared with the 7.7% increase of England and Wales as a whole.

| Region | Monthly change (%) | Annual change (%) | Average price (£) |
|------------------------|--------------------|-------------------|-------------------|
| Yorkshire & The Humber | 2.2 | 9.4 | £141,868 |
| West Midlands | 2.1 | 6.3 | £150,710 |
| Wales | 2.0 | 7.5 | £139,017 |
| East | 2.0 | 8.7 | £185,023 |
| North East | 1.6 | 5.0 | £126,422 |
| South West | 1.2 | 8.6 | £187,318 |
| London | 1.1 | 9.9 | £316,296 |
| South East | 1.1 | 8.5 | £216,163 |
| North West | 0.8 | 7.3 | £131,294 |
| East Midlands | 0.3 | 5.6 | £142,397 |

WestcountryLandlordsAssociation

Some useful Questions and Answers

Landlord in residence (Question from a new member)

Q. I will shortly start work as a teacher. I am keen to buy my own home but will struggle to pay the mortgage that I will need to take on. Therefore, I will let out as many rooms as I can.

This will make me a residential landlord?

I would like to know the full list of my responsibilities and rights and how they would compare to a landlord who lives elsewhere.

A. The comparison with a non-resident landlord would be interesting to all of us, however, there is really insufficient room to go through a full list of responsibilities, but a few are:

Lodgers have few rights and little security – landlords need only give 'reasonable notice' to leave.

Tenants of residential landlords not sharing the property have far greater security – and must be given at least two months' notice or a ground to evict.

In both instances landlords have a duty to provide a property that is in safe condition and to provide clear accounting procedures for payment of rent. Lodgers would also be expected to pay towards bills.

Non-paying tenant losses keys

Q. I have a tenant whom I am in the process of evicting for non-payment of rent (I expect we will beat court in about four to five weeks time). He has now rung to accuse me of changing his locks (which is untrue). He has lied so much that I don't know what to make of this situation and suspect he has perhaps lost his keys and wants me to let him in.

What is my obligation?

A. We are sure you have not changed the locks, but you need to be very careful about tenants making these kinds of allegations, which amount to claims of illegal eviction. It would be best to get the tenant a new key, but ensure you change the locks when he leaves. You have an obligation to allow him residence of the property until a court orders possession, and if there remains then, you need to get a bailiff's warrant – you cannot evict him or deny him access to the property until this happens.

Q: What is Taper Relief?

A. The longer you hold assets the more taper relief you get. For example, if you sell a property after three years, you qualify for the minimum of 5% taper relief, whereas if you hold a property for ten years or more you qualify for the maximum of 40% taper relief.

Example

Mr. X buys a property for £100,000 and sells it after ten years for £300,000. Ignoring various costs his capital gain is £200,000. His taper relief is 40% of this amount: £80,000. In other words, he does not have to pay any capital gains tax on £80,000 worth of profit.

Some assets such as certain commercial property qualify for 75% taper relief after just two years!

Q. How Long Do I Have to Live in a Property to Claim Main Residence Relief?

A. This is a question we get asked all the time. It's not so much the 'quantity', or length of occupation, but the 'quality' of occupation, that matters. In other words, the property must genuinely become your main residence.

Gas appliance checks

Q1 I have just let out a property for the first time. Am I right in saying that I have 12 months from the start of the tenancy to do the gas appliances safety checks?

Also a three unrelated people who share the property have separate agreements, do I need a licence.

A. The new gas safety certificate needs to date from when the tenancy commenced, otherwise your tenants could be living with unsafe appliances. Carbon monoxide leakage is very dangerous and if the worst happened and someone was taken ill (or worse) because of that, a court would not be interested in the fact that they had only lived there six months – it stands or reason it should be done at the start of tenancy.

With regard to licensing, it is only three storey HMOs with five or more tenants in two or more households that are covered by the mandatory licensing requirement. It does not sound as though your property comes within the definition, but it would be as well to check with the local authority since it may have introduced discretionary additional or special licensing.