Pisoria
101 Roman Road
London
E2 0QN
www.pisoria.com

PISORIA

# Information for Landlords
# Property Management Options

For more information:
info@pisoria.com
0208 709 8125

# Our Service Options

- Everyone's circumstances are different, that's why we offer a range of service levels to fit your needs.
- On the next page, we have summarised the various lettings and management service packages that we can offer: Management Options.
- Down the left-hand side of the page, we have broken down the typical lettings and property management cycle into a series of sensible chunks, which follow the life-cycle of a tenancy:
    - Tenant Find, Deposit Protection, Rent Collection, and Full Management.
- Across the top of the page we have listed our Management Options package names (and a helpful little phrase about what we think each package means for our landlords):
    - Let Only, Let & Rent, Fully Managed, and Guaranteed Rent.
- The Pisoria logo symbols indicate which of the tenancy life-cycle tasks are covered by each of the packages.
- To help you to decide which package is right for you, think about the tasks that you would like assistance with, and check which package would cover those for you.
- Don't be afraid to ask! We have years of experience and would be very happy to help guide you towards the package that would best suit your needs.
- If none of them quite fit – don't worry, we can also mix and match a little, perhaps providing a simpler base level service and occasionally topping up with a one-off service (we have listed these later on in this guide: Additional Services).

* Our lettings and management services are provided by 5dProperty Ltd, a Pisoria Ltd group company. Please see "Regulatory Information" for further information

| Stage | Services/ Management Option | Let only<br>*"Find the tenants"* | Let & Rent<br>*"Collect the rent and protect my deposit"* | Fully Managed<br>*"Take care of everything for me"* | Guaranteed rent<br>*"Guarantee my income"* |
|---|---|---|---|---|---|
| **Tenant Find** | Property marketing |  |  |  |  |
| | Tenant referencing |  |  |  |  |
| | Tenant contracts |  |  |  |  |
| **Deposit Protection** | Deposit Lodgement | |  |  |  |
| | Deposit Management | |  |  |  |
| **Rent Collection** | Rent Collection | |  |  |  |
| | Chasings Arrears | |  |  |  |
| **Full Management** | Inventory Reports | | |  |  |
| | Tenant issues | | |  |  |
| | Maintenance arrangements | | |  |  |
| | Maintenance costs * | | | |  |

* Excluding structural repairs, and the servicing or replacement of appliances and boiler.
This slide provides a summary of service levels. Please refer to your landlord contract for detailed terms and conditions

# Our Management Fees

- The following slide sets out how we calculate our Management Fees for each of our Management Options. The names of our different Management Options are shown along the left-hand side of the page. Along the top of the page we have listed the three broad different types of living arrangement in the property (Unit Type):
    - Live-in landlord: You live in the property yourself and are renting out your spare room, or rooms, to tenants.
    - Whole Unit: You own a property and you will rent it out in its entirety on a single rental agreement, although more than one person may live in the property (this is the most typical traditional arrangement – but we think it's a bit old-fashioned!).
    - Flatshare: Each of the bedrooms in the property is rented out separately to an individual tenant (or a couple where allowed), with their own separate rental agreement. This arrangement is also commonly referred to as an HMO (house in multiple occupation).
- To determine the appropriate Management Fee level, find the intersection of your preferred Management Option, with the Unit Type for your property.
- Generally speaking, our fees of course increase with the more services that we are providing. They are also higher for a Flatshare, as this type of arrangement involves more work for us, but ultimately normally higher income for the landlord (even after slightly higher fees).
- Our Management Fees are calculated as a percentage of the rent. For any packages where we will collect the rent on your behalf, the fee is applied based on the rent actually collected, and fees are deducted monthly from that rent. These packages spread the fees out over time.
- For our "Let Only" package, our fee is calculated based on 12 months of the agreed rent and is deducted in full from the first month's rent collected from the tenant. The fee will be charged at each anniversary or renovation of the tenant's stay, and charged via invoice to the Landlord.
- Our Management Fees cover the activities that we undertake on your behalf, and the arrangements that we make for your property. However, where skilled tradesmen are required to perform maintenance or repair work, or where other third party costs are incurred, these costs will be recharged to you*.
- With our Fully Managed package, we can also provide optional landlord insurance, which is backed by British Gas, to provide you with peace of mind over maintenance costs.
- If you are looking for an even greater level of certainty we can provide a "Guaranteed Rent" service. With this type of arrangement, we will agree to rent your property from you for a fixed monthly price, whether it is full or not, and will cover the cost of all routine repairs and maintenance for you.

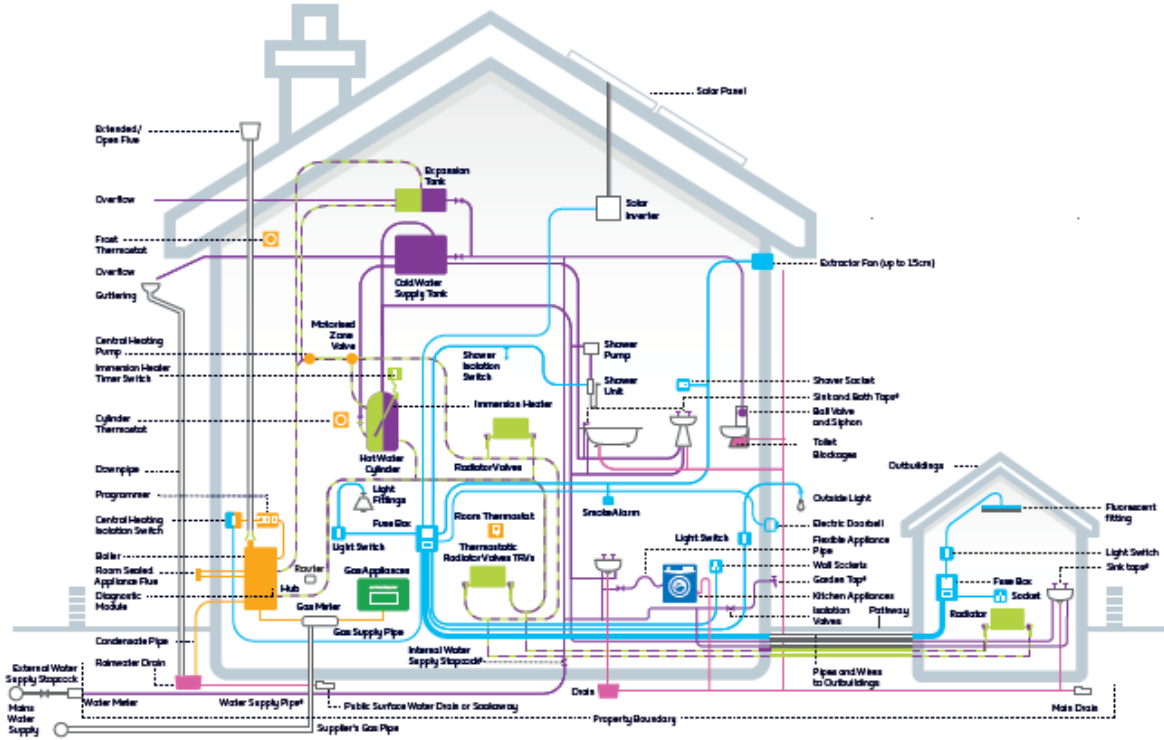
* We will always consult you to get your approval before incurring significant costs, in excess of our authorised level, which is normally set at £150.

| Management Option/ Unit Type | Live-in Landlord<br>*"Send them my way"* | Whole Unit<br>*"Keep it simple"* | Flatshare – room by room<br>*"Max my income!"* |
|---|---|---|---|
| **Let Only**<br>*"Find the tenants"* | 1st Month Rent<br>(10% for <12m contracts) | 1st Month Rent<br>(10% for <12m contracts) | 1st Month Rent<br>(10% for <12m contracts) |
| **Let & Rent**<br>*"Collect the rent and protect my deposit"* | 7.5% | 10% | 12.5% |
| **Fully Managed**<br>*"Take care of everything for me"* | 10% | 12.5% | 15% |
| **Landlord Insurance**<br>*"Peace of mind on maintenance costs"* | +£40 pcm | +£40 pcm | +£40 pcm |
| **Guaranteed Rent**<br>*"Mi casa es tu casa"* | Fixed Rent<br>(paid to Landlord) | Fixed Rent<br>(paid to Landlord) | Fixed Rent<br>(paid to Landlord) |

- Let only fees are collected via the tenant's first month's rent and are 1m Rent (inc VAT) or 10%+VAT (<12M). Fees are charged at the outset and at each renewal. All other fees are calculated and collected monthly with reference to rent paid, and are exclusive of VAT at 20%.

# Landlord Insurance

- Our landlord insurance is provided through our highly reputed partner: British Gas.
- Peace of mind and protection against major maintenance costs.
- Main features:
  - 24-hour hotline for your tenants: Problems reported and inspected quickly
  - No call-out charges for qualified British Gas engineer to attend
  - No charges for repairs or parts covering*:
    - Boiler and controls
    - Central heating
    - Plumbing
    - Drains
    - Home electrics (excluding appliances)
  - Includes annual gas safety inspection and certificate




* Some exclusions apply. See full terms and conditions for details: https://www.britishgas.co.uk/aem6/content/dam/britishgas/downloads/home-care/HomeCare-Range-Terms-and-Conditions.pdf

# Additional Services

- Our Management Fees, which are set at levels calculated as a percentage of the rent, cover the core range of services to look after your property, in each of our Management Options. The Management Fees are what you will typically pay each month for the duration of your agreement with us.
- At particular times during our agreement, we are required to undertake additional administrative work, and incur related expenses, for which we will make one-off charges.
    - For example, at the outset of our relationship with a new landlord, the law requires us to undertake several checks to confirm the identity of the landlord, their legal ownership of the property, as well as anti-money laundering checks, and further checks referred to as know-your-client (KYC).
    - Increasingly, the government has introduced regulations and legislation including the licensing of certain types of properties, and we must also ensure that all of the necessary licences are in place for any property we work with, and that the requirements of all relevant regulations and legislation are met.
    - When we place a new tenant in a property we must perform credit and referencing checks, and also ensure that the tenant has a "right to rent" in the UK. From 1 June 2019, the law prevents the costs of performing these checks from being recharged to tenants.
- From time-to-time, you may also ask us to perform additional services, which are not typically covered by your Management Option, but which you might want us to perform for you on a one-off, or occasional, basis.
- The level of these one-off charges is set out on the following two pages.
- One-off charges can be deducted from the rent that we collect on your behalf, so that you do not need to worry about paying them separately.

All of our fees are subject to VAT at the prevailing rate (20% as at April 2019)
Our fee levels may be updated from time-to-time, and will be charged as effective at the relevant date. Our current fees are published on our website here: https://www.pisoria.com/our-fees/

# Additional Services and Fees (i)

- New landlord admin fee: £99
  - This fee covers a variety of admin tasks necessary when introducing a new landlord, including but not limited to, obtaining verification of landlord identification, confirming legal ownership of the property, performing anti-money laundering checks.
- New property admin fee: £149
  - This fee covers a variety of work when introducing a new property, including but not limited to, attending to assess the property, performing a comparables based valuation exercise, obtaining property floor plans, reviewing relevant licensing regimes to verify that correct licences are in place, and verifying that all property certificates are up to date.
- Professional photography and video tour: £249
  - Where necessary, we can arrange for a professional photographer to obtain new photographs and a video tour of the property for the use of marketing.
- Licensing application fee: £299
  - Where necessary, we can gather and submit all of the information required to obtain any licenses necessary for your property. We will oversee the licence application and act as the licence holder.
- Tenant check-in and referencing: £99 (not applicable to Guaranteed Rent)
  - This fee covers a variety of admin work necessary when introducing a new tenant, including but not limited to, verifying identification, performing right-to-rent checks, performing employment, reference, and credit checks, and preparing the tenancy agreement. Ensuring smooth move-in of the tenant, including arranging key collection, and ensuring property cleanliness on arrival.
- Tenancy renewal: £49 (Not applicable to Guaranteed Rent)
  - This fee covers the admin work necessary when renewing a tenancy agreement, including corresponding with tenant to determine their plans regarding renewal and producing new tenancy agreements for signature.
- Tenant check-out: (Not applicable to Guaranteed Rent)
  - This fee covers a variety of admin work necessary when a tenant leaves a property, including but not limited to, issuing a check-out report, managing the deposit return process, including coordinating possible dispute and arbitration procedures. Ensuring smooth move-out of tenant, including key return, and ensuring that the property is left in a clean condition.
  - Tenant stay 12 months or less: £99
  - Tenant stay more than 12 months: £149

All of our fees are subject to VAT at the prevailing rate, which is currently 20%. In addition to our fees, you will be required to reimburse any third-party costs which we necessarily incur on your behalf whilst performing our services. Our fee levels may be updated from time-to-time, and will be charged as effective at the relevant date. Our current fees are published on our website here: https://www.pisoria.com/our-fees/

# Additional Services and Fees (ii)

- Deposit protection: £99
  - Where not already included in your Management Option, deposit lodgement and protection can be provided as a one-off optional extra.
- Inventory Report: £199
  - Where not already included in your Management Option, an inventory report can be provided as a one-off optional extra.
- Cleaning service £14.00 per hour
  - For shared flats, we highly recommend the provision of a cleaning service in the communal areas.
  - Landlords may elect whether to provide a cleaning service, and may provide their own cleaners*.
- Gas Safety Certificate: £149
- Energy Performance Certificate: £149
- Portable Appliance Test (PAT): £199
- Electrical Condition Report: £199
- HMRC Landlords Rent Return: £149
- HMRC Non-Resident Landlord Rent Return: £199
- Issuing a Housing Act notice to tenants: £99
- Issuing a Money Claim to tenants: £99 (+ disbursement for any court fees)
- Court appearance (charged per day or part thereof): £399
- Third-party contractor costs are charged at £60 + VAT for call out and first hour of work, and then at £60 + VAT for each additional hour or part hour.
- All third-party costs, not listed elsewhere, which we may necessarily incur whilst performing our services, may be recharged as disbursements.

* Election of cleaning service will be included in advertising. Once elected cleaning service should be maintained or may result in a requirement to reduce rents below those advertised.
All of our fees are subject to VAT at the prevailing rate, which is currently 20%. In addition to our fees, you will be required to reimburse any third-party costs which we necessarily incur on your behalf whilst performing our services. Our fee levels may be updated from time-to-time, and will be charged as effective at the relevant date. Our current fees are published on our website here: https://www.pisoria.com/our-fees/

# Regulatory Information

Lettings and property management services are provided by 5dProperty Ltd.

5dProperty Ltd is a company incorporated and registered in England and Wales with company number 09236790 and VAT registration number 202127861.

5dProperty Ltd is a group company of Pisoria Ltd, a company incorporated and registered in England and Wales with company number 07380828.

5dProperty Ltd holds money in a client money account, provided by HSBC Bank at 465 Bethnal Green Road, London, E2 9QW.

5dProperty Ltd is a member of the Property Redress Scheme, with membership number PRS001269. 5dProperty Ltd is a member of Client Money Protect: a government approved Client Money Protection Membership Scheme, with membership number CMP003931.

Pisoria Ltd holds money in a client money account, provided by HSBC Bank at 465 Bethnal Green Road, London, E2 9QW.

Pisoria Ltd is a member of the Property Redress Scheme, with membership number PRS013306. Pisoria Ltd is a member of Client Money Protect: a government approved Client Money Protection Membership Scheme, with membership number CMP003937.

CMP Client Money Protect

DPS Deposit Protection Service

PRS Property Redress Scheme

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