

CONSORT

PROPERTY MANAGEMENT



SUBLETTING YOUR PROPERTY

A Guide for leaseholders, owners and
buy-to-let investors



About this guide

If you're a buy-to-let investor, you'll probably have a good understanding of what is required. This guide has been published to provide you with useful information if you intend letting out your property.

About us

We're Consort Property Management, a property management company that looks after complex privately owned residential developments in South England & South Wales. As the managing agent, we provide services on behalf of a building's owners (the freeholders) making sure that everything runs smoothly so residents can enjoy their home and surroundings in peace and safety.

Part of our legal duty as the property management company is to make sure that all owners in the building meet the terms of their lease. This includes any properties that are sublet (rented out by property owners).

Getting in touch with our Sublets Team:

t: 01582 407701 **e:** sublets@consortpm.co.uk
www.consorptm.co.uk

What is subletting?

Subletting is when you rent your property to someone else under a contractual agreement (usually through a tenancy agreement). You become the landlord of your property, and your tenants live in the property.

Can anyone sublet their property?

You'll need to check what it says in your lease, and comply with anything it says. If your lease says that you can sublet, there will probably be some restrictions, so check it very carefully.

Do you need permission to sublet?

You'll need to check your lease. It's common for property leases to say that you must tell us (as the property's managing agent for the freeholder) if you're planning to sublet, and provide a copy of the contract you'll have with the people renting your property (the tenancy agreement).

Some property leases will have greater restrictions. You may find that you need to ask for formal 'consent' before you sublet.

Why do you need permission?

It will be a requirement of your lease. In buildings with lots of properties, residents have to rely on the goodwill and conduct of their neighbours. Leases and their terms are put in place to help this – setting out what can and can't be done with individual properties.

As the managing agents, we're responsible for making sure that all properties in the building follow these terms, making sure people can enjoy their homes peacefully and safely. We have to know who is living in the building, under what terms (owners or tenants) and how to contact them.



QUICK TIP:

Check your lease

Your property's lease will tell you everything you need to know about what you can and can't do.

If you need help understanding your lease, please get in touch.



Getting permission to sublet

Your lease will tell you what type of permission you'll need to have.

If you just need to tell us you're subletting

If you don't need formal consent, you'll still need to let us know you're subletting. You can do this by writing to us (by letter or email) and giving us a copy of the tenancy agreement you'll have with your tenants.

If you need to have formal consent

Getting consent is an easy process;

- You'll need to have a clear service charge account before the process begins; and
- You'll need to complete a 'Sublet Application Form' and return it to us.

You can find the form on our website or we can send you a form in the post.

What we offer

Subletting Consent

This covers a single tenancy, on an Assured Shorthold Tenancy agreement, for a period of six months to three years.

Does it cost anything to get our consent?

Yes. There's a fee for gaining consent and registering your tenants. This fee covers our administration – checking your lease, tenancy agreement and any legal requirements and obligations and issuing consent.

Our current fee for consent to sublet, and the annual renewal fee, are published on our website in the Help & Advice section under 'Other Fees & Charges'.

What do we check before giving permission?

Before we give you permission to sublet, we'll check:

- That your lease says you're allowed to sublet your property, and if there are any restrictions.
- Your tenancy agreement has the same restrictions and regulations as your property's lease.
- That you haven't created a legally-binding, long-term tenancy agreement that will cause you problems, or interfere with our management rights set out in the lease.
- That you won't be subletting in a way that causes nuisance or disruption to other residents.
- That you comply with any legislation or legal obligations as the property's landlord.

What happens if you sublet without permission or consent?

You'll be breaching your lease. Subletting without permission or consent is taken very seriously. There are severe repercussions and you could lose the property.



QUICK TIP:

Type of tenant

We may not allow tenants who are:

- Department of Work & Pensions (DWP)
- Housing Association or Local Authority
- A group of unrelated flat sharers, such as students.
- Claiming housing benefit, unless they can provide an employment benefit reference.

Our development number

When your tenant or lettings agent needs to get in touch with us, please

make sure that they know the **first 5 digits of your customer account number**. Quoting this number helps us quickly identify the development when they call us.



QUICK TIP:

Things to consider before you sublet

Getting permission from your mortgage lender

If you need a mortgage on the property, it may need to be a buy-to-let mortgage

What action will the freeholder take against you?

The freeholder (or ourselves as managing agents) will take action to 'put right' the subletting breach. This means that you may either have to get permission or consent, register your tenants and pay any consent fees required, or face legal action.

If you've already sublet the property, but we're unable to give consent retrospectively, we'll take legal action against you, on behalf of the freeholders. This could include:

- Getting an injunction to stop you breaching your lease – stopping you subletting.
- Forfeiture of the property – your lease will be terminated and the property will be returned to the ownership of the freeholder.
- Charging you legal costs.

Things to consider before you sublet

This section will take you through some of the main areas you'll need to consider before you sublet a property. You must also be aware of the law and any regulations and obligations surrounding subletting. You may wish to take appropriate independent legal advice.

Getting permission from your mortgage lender

If you need a mortgage on the property, it may need to be a buy-to-let mortgage.

If you take out a standard mortgage, or sublet your property without the knowledge or consent of the mortgage lender, they have the right to take legal action against you. This can include being made to repay the mortgage loan immediately, having the property repossessed or having to pay substantial fines and charges.

How you'll manage your property and tenants

You'll need to decide how you're going to manage your property and tenants. You can manage the property yourself, or get a professional letting agent to manage it for you.

Managing the property yourself

You can manage your rented property and tenants yourself. Tenants will deal directly with you and you'll manage internal property repairs and maintenance, rent payments, tenancy agreements, property inspections and take on certain legal responsibilities.

Some of these responsibilities include:

- Organising professional gas and electrical safety checks.
- Making sure furniture and furnishings comply with fire safety regulations.
- Providing an Energy Performance Certificate for the property.
- Protecting your tenant's deposit in a government-approved scheme.

Using a letting agent

You may want a letting agent to manage your property for you.

You should consider finding a letting agent that's a member of the Association of Residential Letting Agents (ARLA), the National Association of Estate Agents (NAEA), the Royal Institution of Chartered Surveyors (RICS) or the National Approved Letting Scheme (NALS). As members of these organisations, they will work to specified standards of service.

However, well-established, smaller letting agents may choose not to be members of these organisations but are still worth considering. If you've any concerns, ask them to explain why they're not members.

Getting the right insurance

You'll need to take out an appropriate subletting insurance policy. You may want to consider a 'Landlord Insurance' policy. This type of policy covers:

- **Third-party liability** - if a tenant damages or destroys the structure of the property.
- **Lost rent income** - if the property is damaged and becomes uninhabitable.



QUICK TIP:

Making sure your property is safe for tenants

As the landlord, you'll be responsible for making sure the property is safe. You must make sure that:

- All electrical equipment is professionally installed, maintained and safety-checked regularly.
- You check, repair and maintain gas pipework, flues and appliances.
- You arrange annual gas safety checks by a Gas Safe registered engineer.
- Your tenants have, and are aware of, a fire escape route from your property, and that they are supplied with a fire blanket.
- You install a hard-wired smoke detector that's tested regularly.



Customer Information Card - Noise Nuisance

- **Contents cover** - for any furniture or appliances in the property provided.
- **Liability cover** – in case the tenants or their visitors get injured and claim against you.

Renting your property as a House in Multiple Occupation (HMO)

Most leases don't allow the creation of HMOs, so we don't usually allow these to be created.

The Housing Act 2004 introduced regulations for Houses in Multiple Occupation (HMO's) to improve the living accommodation and management standards of properties with multiple tenants. Some properties with multiple tenants need a HMO license.

What counts as a HMO?

A House in Multiple Occupation (HMO) is a rented property that;

- has at least three tenants who form more than one household (a household is classed as families or co-habiting couples); and
- they share toilet, bathroom or kitchen facilities.

Making your tenants aware of your property's lease 'covenants'

The property's lease will set out certain 'covenants'. They usually cover subjects like noise, pets, communal areas, parking and so on.

It's crucial that these legally binding obligations are reflected in your tenancy agreement and that you (or your agent) make your tenants aware of them.

The main covenant issues that usually arise are as follows:

1. Noise nuisance

- Noise will, and does, travel, which may interfere with other residents' right to be able to relax in their own home. The vast majority of leases will state that all residents have the right to 'Quiet enjoyment' within their property.
- This, in simple terms, means that residents shouldn't make excessive noise, either by playing musical instruments, playing loud music, singing, or carrying out works which may be heard outside of the property.
- Please make sure that your tenants understand how loud noise can disturb other residents, particularly if they have no previous experience of apartment living. If we're made aware of continual noise issues, we may be able to take further steps via our legal department which includes withdrawing Consent to sublet the property.
- We recommend you check if your lease requires carpeting to be in place as hard floors can generate unacceptable noise nuisance.

2. Pet Consents

- Getting permission from the freeholder (or managing agent) to keep pets is a standard covenant in most leases. Pets such as dogs and cats can cause issues for other residents if they are not looked after by considerate owners.
- If the lease says that you pets are not allowed, you must make sure your tenants don't keep pets.

QUICK TIP:

Are your tenants aware of your property's lease 'covenants'?

The property's lease will set out certain 'covenants'. They usually cover subjects like noise, pets, communal areas, parking and so on.

It's crucial that these rules are reflected in your tenancy agreement and that you or your agent make your tenants aware of them.



Customer Information Card - Storage in communal areas

- If the lease says that you need permission to keep pets, you must write to us. We'll assess the situation and give permission if we believe that it won't cause a nuisance to other residents. We reserve the right to withdraw permission, just in case other residents are given cause to complain.
- If the lease allows for pets but you personally don't want to allow pets in the property, speak to your letting agent and have it written into your tenancy agreement

3. Storing items in communal areas

- Unless there's allocated storage with the property, the lease may state that storage of anything outside the property or in communal areas (places like hallways, corridors or stairwells) isn't allowed.
- That's because anything placed in these areas can be a fire or trip hazard. It invalidates the building's insurance and breaks fire and safety regulations.
- Make sure that your tenants don't store anything outside the property, unless there are allocated storage areas.

4. Parking

- The lease may also state if the property has an allocated parking space, if other parking is available (such as visitor spaces) and how they can be used.
- You should make sure that your tenants are aware of, and follow, parking conditions so they don't cause problems for other residents.
- If vehicles need to have parking permits, you should make sure your tenants have them.

5. Satellite dishes

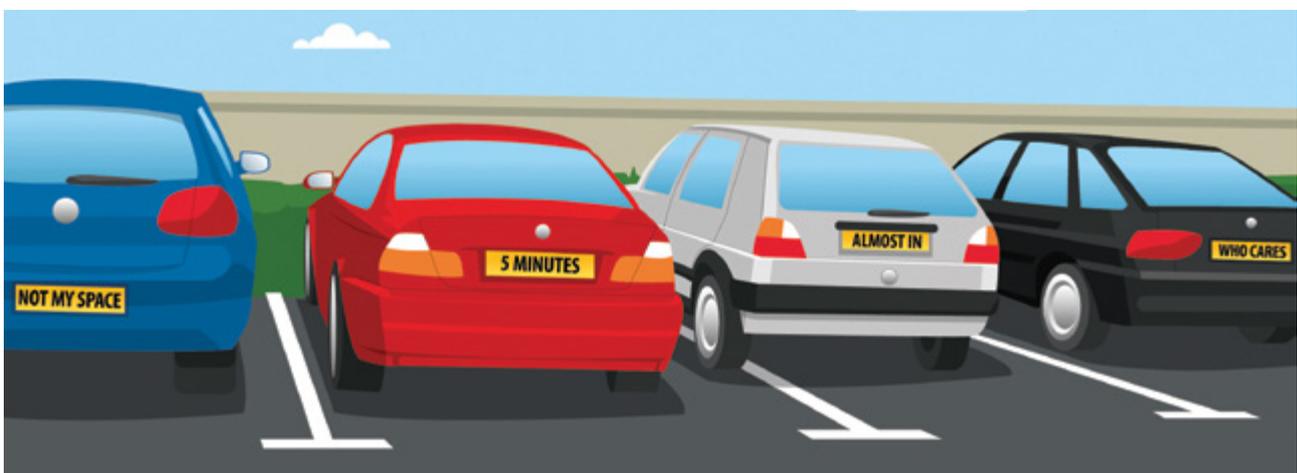
- The lease may state that you must not attach anything to the exterior of the building, without the consent of the freeholder (or managing agent). This includes satellite dishes.
- You should make sure that your tenants are aware of this.
- In most cases, there will already be a communal satellite dish that they can connect to. We'll be able to tell you if this is the case.

What we'll do for you

1. Ensure you meet your lease obligations

After receiving and reviewing your application, we'll issue the necessary documentation to ensure you comply with the terms of your lease.

Customer Information
Card - Inconsiderate
Parking



2. Actively monitor sub-tenanted properties

Our sublet department will maintain a record, where we're advised, of tenanted properties for the benefit of freeholders, their agents, RMC (Residential Management Company) Directors and you.

3. Keep tenants informed

We'll liaise with your tenants, letting agents and landlords to ensure tenants moving into your community are aware of the developments policies.

What to do next

If your lease requires you to serve notification or obtain consent to sublet your property then you can obtain the necessary documents by contacting our sublet team.

The team will review your application and, subject to complying with our guidelines and making payment, provide you with approval to sublet your property.

Useful questions and answers

How do I get permission or apply for consent to sublet the property?

- Get in touch with us. You can call us to discuss it with us first, and we'll need your request for permission in writing (by letter or email).
- If you need a Consent to Sublet, you'll need to fill in a 'Consent Application Form' and send it to us with your registration fee.
- We can post you a copy of the form, or you can find it on our website at www.ompropertymanagement.co.uk



Getting in touch with our Sublets Team:

t: 01582 407701 **e:** sublets@consortpm.co.uk

www.consortpm.co.uk

How long does it take to receive your subletting consent?

- If your application is complete and correct, you should receive our consent within 8 working days after we have received your request.

Can I sublet the property to a company?

- If you want to rent your property to a company (so that they can house employees) and the lease allows it, you can do so. If the lease says you need permission or consent, you should contact us.
- We can only grant consent if you're sub-letting to a limited company, where the occupant will be an employee of the company and where any "simple family" provisions of the covenants allow. When you apply for consent, along with your Consent Application Form, you'll also need to send us copies of the company's last three years' accounts and the name of the employee.
- If the company is not a limited company, we may still be able to grant consent. We'll review your application and issue consent as we would for standard subletting application.

Can you manage the property for me?

- Yes. We can provide a letting agency service through **Insero Lettings**. They are members of the Association of Residential Letting Agents (ARLA) and work with house builders, property developers, buy-to-let specialists and private individuals.
- Insero can find reliable, quality tenants, manage the letting process from start to finish and use our expertise and experience to manage your property smoothly and professionally.
- Insero are a trading division of Consort Property Management Limited and part of the Peverel Group of companies.

How can I get copies of my property's communal keys, fobs or remotes?

- The development may have keys, fobs or remotes for communal entrance doors, meter cupboards, bike and bins stores and gates.



QUICK TIP:

Insero Lettings



We provide a letting agency service through Insero Letting Professionals.

T: 08450 345792

E: info@insero-lettings.co.uk

www.insero-lettings.co.uk



- **If you need additional sets for your tenants, get in touch with our customer care team.** We can arrange for them to be made and posted to either yourself or your tenants.
- If your development has a concierge, caretaker or site supervisor, they might be able to provide you with a set as well. If they have, you can arrange this with them directly.
- There will be a small fee for this service.

Can my tenants report any problems on the development directly to you?

- Yes they can, by using our online service (see details on next page) calling us, or emailing us. Our contact details can be found on the back page.

What will happen if my tenants break the terms of their tenancy agreement?

- If your tenants break the terms of their tenancy agreement,

they will also be breaking the terms of the property's lease. As the managing agents, we have a duty to make sure all the properties in the building meet the terms of their lease, and make sure all residents can enjoy their home and surroundings in peace and safety.

- Our Property Manager actively manage sublet properties, along with our dedicated sublet team. If we become aware that tenants are breaking their agreement, the lease or causing a nuisance, we'll take suitable action.
- We'll contact you (as the property owner) and your tenants, and work with you to put things right. Depending on the situation, and to protect the building and residents, we may have to take legal action.
- It's crucial that landlords manage their tenants conscientiously and diligently.

Consort - Your Property Online

Why not sign up to 'Consort - Your Property Online' via www.consortpm.co.uk where you can access various information relating to your property.

Any more questions?

If you've any more questions about subletting, you'd like some advice or you need our help, we're right here. Just call our sublet team on **01582 407701** or email sublets@consortpm.co.uk

It's really important we have the correct contact details for you, so if you've changed address or telephone number recently, then do let us know.

SPECIALISTS IN MANAGING COMPLEXITY

CONSORT
PROPERTY MANAGEMENT



Customer Services

08451 947044 (lo-call*) or **01582 4001819**

So we can get your call to the right team, please call us with the first five digits of your Customer Account Number handy. You can find the number on your statement or invoice - these 5 digits help us quickly identify your development.

Email: customercare@consortpropertymanagement.co.uk

Opening hours 8am - 8pm, Monday to Friday
9am - 12pm on Saturday

Consort Property Management. Marlborough House,
Wigmore Place, Wigmore Lane, Luton, Bedfordshire, LU2 9EX

www.consortpm.co.uk

*The 08451 number allows customers calling from BT land lines to have their call charged at a 'lo-call' rate wherever they are in the country. As mobile and other providers' charges may vary you can also call our customer services team on 01582 401819.

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Management

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Getting in touch with our Sublets Team:

t: 01582 407701

e: sublets@consortpm.co.uk



ARMA



**INVESTORS
IN PEOPLE**