

# 5 top tips for first time landlords

Are you or your client struggling to secure finance to start a buy-to-let portfolio?



For first time landlords, specialist finance is often the best way to secure funds for a buy-to-let property. The high street can often be a challenge but Enterprise are specialist finance experts with a wealth of experience in complex buy-to-let cases. Navigating your way through the first phase of becoming a landlord can take up a lot of time. From searching for tenants or hiring a lettings agency, to getting a license (where required) and getting through all the legal paperwork – there is a lot to take in! So, if you're a first-time landlord and are feeling overwhelmed here are five top tips to get you started!

## 1 Getting the property up to standard

It is paramount that you have done your homework on all the health and safety regulations when renting a property. You will also need to provide an EPC (energy performance certificate), which is a document that states the level your house is at when it comes to saving energy. This is a legal requirement, and you will be fined if you are found renting a property without it. An annual gas inspection is also a legal requirement to make sure all the gas appliances are safe. Every five years an electrical engineer needs to come and do PAT testing to make sure all appliances are safe.

There is a wealth of information on the government website about renting a property. [Click here for the main guidelines.](#)

## 2 Tenant checks

These need to be rigorous. There are many people out there who have provided landlords with false references and have moved into their properties and refused to pay rent. This kind of situation can cause an enormous amount of stress and take a lengthy court case to get them out. Always check references and screen your tenants thoroughly. Make sure you include a credit check in the process – it is vital for picking tenants that can afford to pay the rent on your property.

If you do not follow the correct protocol you could risk legal action that could result in fines or even criminal prosecution. You need to make sure you are following the government's rules on renting. Always carry out a Right to Rent check and read up on the Immigration Acts 2014 & 2016.

## 3 Tenancy Agreement & Insurance

You might be surprised to know that a tenancy agreement isn't actually a legal requirement. This is quite shocking in today's world. It is highly recommended that you have a tenancy agreement drawn up and signed before the tenants moved in. This will cover you as a landlord if you come up with issues such as damaged property or unpaid rent. To cover yourself even further you will need to take out insurance. Again, this isn't a legal requirement, but it is essential if you want peace of mind and know that you are protected against problems such as floods, fire and theft.

## 4 Taking care of the tenants' deposit

It is essential that you put your tenant's deposit into a tenancy deposit scheme. There are a few to choose from which can all be found online. It is a legal requirement, and you will need to show proof of this and send it to the tenants.

## 5 Licensing

The first thing you need to do before you even consider renting out a property is finding out if you need a license. The fundamental rule is that where a property is classed as an HMO it needs to be licensed by the Local Authority. In the majority of cases, the landlord must pay a fee and the property has to be inspected to ensure there are no health and safety risks before the license is granted.

## About Enterprise

Enterprise Finance is the UK's largest specialist finance distributor for Complex Buy-to-Let mortgages, entirely dedicated to intermediaries.

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