

## Buy-to-Let

### ...things to consider...

**Purchase** – It sounds obvious, but don't pay over the odds for your investment as you'll start off with an uphill struggle. Look for yields above 5% and don't count on capital growth – treat it as a bonus.

**Saleability** – Whatever your future plans, a buy-to-let property will at some point need to be resold in the future. The chances are that if you've done your homework properly and maintained the property then it will suit another investor, making the sale swift, hassle-free and even leaving your tenant in situ so costly void periods can be avoided.

**Tenure** – Is it leasehold or freehold? If leasehold, check the duration remaining and look carefully at service charges which can eat into your overall returns. Flats tend to be leasehold, it's worth looking at any communal areas and the upkeep of these.

**EPC** – This is essential, whilst certain exemptions will be in place, unless the property is rated E or better, you might not be able to rent it out in the future!

**Age of Property** – As a rule of thumb, older properties tend to require more maintenance but this is not always the case. Leading on to.....

**Condition** – What needs to be done to achieve the best yield and what are the potential longer term maintenance issues? Think boiler, roof and windows.

**Preparation** – Some simple tips can keep a property in better shape for longer:

- Carpets – choose something neutral, hardwearing and with a quality underlay to extend its life.
- Paint – use silk rather than matt as it's easier to clean and maintain.
- Keep receipts for everything.

**Think Tenants** – Are you trying to attract professionals, families or singletons for an HMO? The property selection and preparation will be different for each category. It is also important to match the needs of the tenants to a property so choose double bedrooms over single and that 1-bed might not need a conservatory! Other tenant considerations:

- Tenants prefer central heating to storage heaters.
- A good internet connection is increasingly considered essential.
- Gardens should be low maintenance.
- Consider storage – tenants will invariably need plenty of space.
- The bathroom(s) and kitchen should be where any attention is lavished.
- If you supply appliances then you will be responsible for maintaining them throughout the tenancy.
- Parking – not always essential but it can attract a premium.

**Legal Responsibilities** – Your property needs to comply with the relevant gas and electrical safety regulations. Furnishings and fixtures must also comply with fire regulations. Smoke detectors should always be fitted, preferably these should be hard-wired.

**Supply & Demand** – Talk to your local Martin & Co to find out what type of properties are currently in high demand.