



## Personal Homefinders Update

What has traditionally been a quieter time of year for us has been much busier than in previous years, not only because of an increase in new properties, but also due to the process review work we have been doing, including reviewing the feedback collected from current landlords.

The main focus therefore of this newsletter is to feedback the results from the completed questionnaires received and update you on our developments to date.

In addition to this work, we have also been installing the new database system and transferring the files across. This went live on 1st January and centralises all records across all branches, as well as automating several processes and improving our data knowledge.

This quarter we welcome three new permanent team members as a result of the creation of an additional function within each office of Finance Administrator. This role is responsible for managing the day to day finances of the offices and the properties, ensuring rents are received on time, late payments are chased and balances are transferred to landlords as efficiently and speedily as possible. For further details please contact your branch or visit our website.

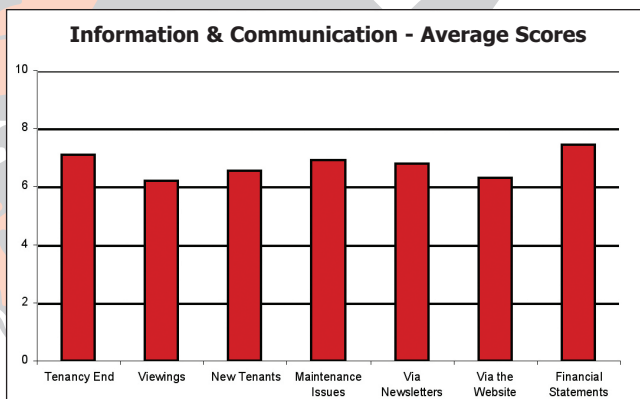
## Customer Satisfaction Survey

In September we sent all current landlords a questionnaire, asking for feedback and comments on our services. We plan to issue this every year, to monitor progress and ensure we continue to develop and adapt our services to meet our customers needs in an ever changing market place.

We had more than 25% responses, versus a normal response rate of c.10% for this type of questionnaire, which was excellent! The average length of time of managing a property was 4 years, with an average of two properties per landlord.

The overall Customer Satisfaction score was a very positive 7.5, on a scale where 10 was very satisfied and 0 was very dissatisfied. The chart below shows how we were scored on the provision of information and general communication in different circumstances, all of which were above average.

However, far from making us complacent, all comments received have been instrumental in shaping our process review work and we shall strive to increase all these scores over the next nine months.



## Changes & Developments

As a direct result of both the feedback from our landlords and also our own internal review the following are examples of some of the changes and developments which have taken place or are planned in the next few months;

- Teams have been expanded with an additional permanent member of staff in each office
- Friday afternoon review meetings have been instigated in each branch, facilitating sharing of issues, knowledge and experience. This is an opportunity to go through each planned move-in as a team to ensure all preparation is complete and review any empty properties to collectively propose recommendations or marketing support
- Systems have been improved and updated to provide a central location for all documents to facilitate sharing of information and also improve consistency in processes.
- Functional teams have been set up to review and agree Best Practices across all locations.
- There is a greater emphasis on and commitment to improving communication to both Landlords and Tenants through all stages of a tenancy, including viewings.
- The student action plan has been communicated to and agreed by all members of the teams and is currently being implemented to ensure maximum occupancy levels for 2005/06
- Copies of invoices will be sent with statements from February. Should you not want this service, please inform the relevant branch.

These are just a selection of some of the keys changes we are implementing. Please contact any of the team if you would like further details.

## Interesting Facts About Renting!

A recent report from Paragon published the following data:

- 74% of 18-24 year olds leaving home choose renting over purchasing
- Young people are leaving home earlier than in previous generations
- 68% of the UK population have lived in rented accommodation
- The average number of years living in rented accommodation is 11.6 years
- The number of people buying homes by the age of 30 is decreasing – 60% compared to 68% previously
- There is an increase in the number of home owners living in rented accommodation between house sales & purchases

All of which leads to a buoyant and positive outlook for the rental market!



## FAQs – Personal Homefinders Services

There were several common themes and questions raised via the feedback questionnaires, the most frequent of which are addressed below. If you have any additional queries, please contact us.

### Q. Why are there differences in the services or communications received from different branches?

A. Each branch in the past was set up as an individual entity, with an internal branch computer system. This meant that documents could only be viewed within one location and often changes made to landlord details or processes were not easily or consistently communicated to the other branches.

We have now invested in a new system to ensure that all branches communicate through one central system, meaning that shared documents and all files are integrated and accessible by all from any location. This will facilitate sharing of information and data more readily.

In addition, we have instigated functional working teams, to ensure that the relevant team members in each branch work together across the locations to develop best practices and share their experiences and learnings.

### Q. What happens when a tenancy is due to end?

A. Two months before the end of a tenancy you should receive communication from us notifying you of this and asking if you would like to re-market the property. If you would, we firstly contact the current occupants to see if they would like to renew their tenancy and, if they do, we would arrange for the new tenancy agreement to be drawn up and signed.

If they do not wish to renew, we market the property through our vacancy lists, windows, website and weekly paper ads, locating and referencing new applicants as normal. You should receive regular feedback on viewings and also any recommendations for maintenance.

This is slightly different for student properties as the majority of lets are arranged by March for the following academic year. We have recently contacted landlords of those properties to see if they would like to market the properties again at the end of the current tenancies.

### Q How often are inventories updated?

A. A Statement of Condition is taken as standard when a property is first taken on by Personal Homefinders, which is often upgraded by the landlord to a more detailed full Inventory.

This is reviewed and updated at the end of each tenancy, including taking into account any maintenance work which would affect the condition of the property such as decorating. A charge for updating is only made every two years, irrespective of the number of

tenancies that have expired during that time.

When a new tenancy commences, the in-going tenants are given a copy of the Inventory and asked to check it and feedback any comments or discrepancies within seven days.

### Q. Why do I have void periods?

A. As managing agents part of our role is to minimise void periods. We usually allow a two week window between tenancies where possible to allow for the checking of the property and any essential maintenance works such as cleaning. This is particularly important during peak seasons such as the Summer months.

Due to the increasing popularity of property as an investment, there has been an increase in the numbers of properties available for renting during the past year. This means that your property needs to compete for tenants and it is increasingly important to ensure all maintenance works are carried out when needed and that the property is kept to a high standard. We have been working over the past months to improve the quality and condition of all properties by making recommendations to our landlords on improvements that can be made. This also maximises rental income as well as reducing any void periods.

The other important factor to minimise void periods is to target our communications and marketing effectively to the right type of tenants. We have more than quadrupled our spend on ongoing marketing, in addition to investing heavily in areas such as the website, to improve our overall communication.

### Q. Why do I have Maintenance Charges on my statement for work I was not aware of?

A. When the management of a property is first taken over it is agreed as standard that any essential maintenance up to the value of £100 can be undertaken by Personal Homefinders without pre-notifying the landlord to avoid unnecessary delays. If you would prefer to be notified on all maintenance work before it commences, please contact the relevant office. However, please be aware that if the work is an emergency or if no action will breach the terms of the tenancy agreement in place, then we do reserve the right to undertake the work and charge it to your account.

For all work in excess of this level you will be contacted for approval in writing before any maintenance is undertaken. In addition, in order to comply with FSA regulations that do not allow client accounts to have a debit balance, any works costing in excess of one months rent will now require payment in advance.

To support Landlords who prepare their own tax returns, we shall also now be issuing invoices with the monthly statements for all maintenance work maximising your equity and investments.

## Updates for Landlords

### Mortgage Interest Rates & House Prices Updates

Despite the frequent increases in interest rates this year, the level has not risen beyond 4.75%, below our initial prediction of 5.0% for the end of the year.

There has been some impact on house price growth in recent months. However, the overall annual increase was still 16.8% at the end of November, ahead of the forecasts of 9% made by the industry at the start of the year and also ahead of the growth of 15% achieved in 2003.

The overall indicators for property value growth for the market for the next few months continue to be positive, although the industry is expecting the current levelling out of prices to reduce the growth figures for 2005 in comparison to the boom of recent years

Employment levels have increased further and this has shown to be the major factor in driving demand for property. Overall there

is still a shortage of property and there is a General Election planned. Adding into the mix the trends to support an increase in renting, as mentioned overleaf, and therefore property is still a positive long term investment.

### Rent & Legal Guarantees

The majority of applicants are referenced through an agency called MARAS. For fully managed properties, if all tenants or their Guarantors have been approved by MARAS, we provide free Rent & Legal Guarantee for the first 6 months of that tenancy. This means that if the tenancy falls into arrears in this period, costs to recover this money will be reimbursed. If you wanted to extend this cover for tenancy periods longer than six months, this needs to be arranged at the start of the tenancy. For a 12 month tenancy, the cost for the additional 6 months is £54.95 and if you want to take advantage of these rates, please contact the Property Administrator before the new tenancy commences.

This insurance is also available for properties not fully managed, please contact us for details and prices.

Please contact Shelley Cole if you have any comments or suggestions on this newsletter and it's contents via [shelley.cole@personal-homefinders.com](mailto:shelley.cole@personal-homefinders.com)