

Maximising income

Harry Singh explores the practicalities of putting the ideal set-up in place.

There's more to renting out property than fixing a fee to make a profit. Landlords and tenants each have rights and responsibilities, and it is important to bear these in mind, not only so that you don't fall foul of the law but also to ensure you, as the landlord, can get the most from your investment.

Making money

A landlord needs to know, and adhere to, the laws governing tenancy agreements and calculate the associated costs before deciding on how much rent to charge. For example, as a landlord you are responsible for gas, electrical and fire safety within

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the property. In addition, you will be responsible for repairs to:

- the property's structure and exterior;
- basins, sinks, baths and other sanitary fittings including pipes and drains;
- heating and hot water;
- gas appliances, pipes, flues and ventilation;
- electrical wiring;
- any damage they cause through attempting repairs.

Depending on the tenancy agreement, the landlord may also be responsible for common areas such as hallways or stairs in a block of flats.

Clearly, to meet a landlord's financial responsibilities, there is more to setting the rent than covering any mortgage on the property. The right rent needs to:

- take into consideration the location of the property (for example is it in a nice or not so nice area? Is there a garden or car park view?);
- be competitive with similar properties;
- reflect what appliances and fixtures are in the property, and how new they are;
- take into account whether you are renting furnished or unfurnished;
- bear in mind that more windows, more closet space, gardens, balconies and higher floors are all desirable;
- cover letting agent's fees, if you choose to use one;
- allow for the purchase of appropriate insurance policies;
- pay for safety checks and building maintenance; and
- provide you with a profit.

Bear in mind, too, that if you have periods without a tenant and therefore no rent coming in, you will still need to be able to cover the mortgage and any other ongoing costs.

There are no hard and fast rules to calculate fair but profitable rent, but if you do your homework to achieve an understanding of how the rental market works, you shouldn't go far wrong. Always remember you need not enter into such a venture alone; there are organisations that can help you in this endeavour.

Minimising stress

It is fair to comment that managing rental properties can be stressful if you are working alone. Sometimes just having a mortgage to pay on your own home can be a source of worry, never mind that of additional properties, as well as meeting landlord responsibilities, finding tenants, chasing rent, being available to take a tenant's calls 24/7 – the list goes on.

But I haven't mentioned these aspects of the landlord's role to scare you away from the buy-to-let (BTL) market; rather I want to share with you that there is a way to reduce that stress. If you find the right partner, all of this can be minimised to the point where BTL allows you to achieve exactly what you want without the worry.

There are a number of businesses that can help you to achieve success in your property investing. One such enterprise is the Dental Property Club, offering advice to dentists hoping to get a good return on their hard-earned money to provide for their family's future. By working with the right partner, combining time, talents and expertise, both parties can benefit from stress-free, money-making property investment.

References available on request.