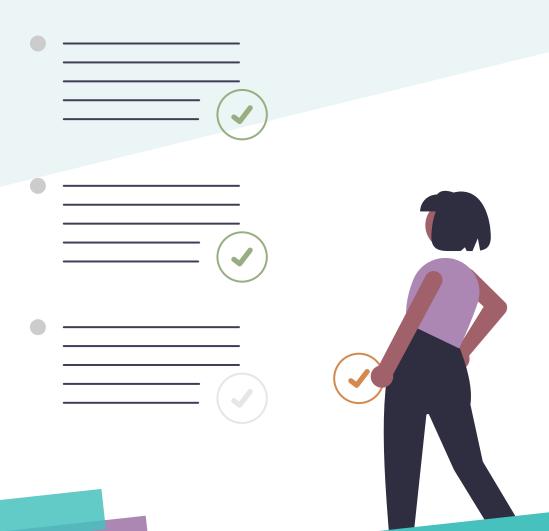
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EXPERT ADVICE

Advice for check in and check out



When it comes to managing your rental property, there's more to it than just finding tenants and signing agreements. A critical aspect that can make or break the rental experience for both landlords and tenants is the process of inventory management and completing thorough check-in and check-out inspections. In this comprehensive guide, we'll provide expert advice that can help you navigate these crucial aspects of property management with confidence.

The importance of check-in and check-out inspections

Once you've carried out and completed the tenant checks and the tenancy agreement has been signed, the next important step will be to organise a comprehensive check-in inventory and a schedule of condition just before the tenant moves in.

This detailed report documents the property's contents and condition at the beginning of the tenancy. It sets the expectations for the tenant on how to maintain the property and how it should be returned, allowing for fair wear and tear, acting as a safeguard for the landlord against potential damage. It also provides the tools for negotiation if it is needed at the end of the tenancy.

At the end of the tenancy, the check-out inspection should be compared with the check-in documents to identify any discrepancies, deterioration or damages.

Having these quality documents helps facilitate discussions and commonly promotes successful resolution, preventing the need for formal resolution.

However, in the unfortunate event that any negotiation is unsuccessful, the signed check-in and check-out reports will be crucial pieces of evidence when justifying any proposed settlements.

Guidelines for an effective check-in process

Whoever compiles the inventory - the landlord, the agent or an independent inventory company, you should make sure that a comprehensive inventory is completed shortly before or on the day of check-in and that this is done to a professional standard. It is vital that the written description used in the inventory accurately reflects the true condition of the contents, is objective and should include the following:

- The property address and date when the inventory was carried out
- Meter readings, serial numbers, key lists
- A thorough list of the interior and exterior decor, fixtures and fittings, along with the condition of these items as well as the standard of cleanliness in each area
- Embedded photographs If these are not embedded in the inventory they should be referenced to the corresponding part of the inventory and initialled by the tenant
- Signatures from you and your tenants including dates, following the checking of the inventory (at the very least, you must be able to prove the tenant has had the opportunity to see the inventory and a reasonable time to record, and report, any amendments)
- Best practice is for all pages to be initialled, or an online copy digitally signed

Along with your photographs, the descriptive detail used in the inventory will be vital at the end of the tenancy for comparison during check out and will be used as your reference. Some tenants may be in the property for a while so the inventory will be your documentary evidence of the condition of the property when the tenants moved in.





TIPS

- Be sure to describe the standard of cleanliness as well as the condition of the contents and fixtures in the property. e.g. 'Small scratches to surface', 'grease marks on oven and hob' or 'brand new, never used'. Avoid generic terms such as 'all good' or 'in need of cleaning' as this is too vague and people's opinions can vary
- A comprehensive and detailed inventory with accompanying photographs will allow for an accurate comparison following the check-out inspection at the end of the tenancy and will demonstrate the extent of any differences. If there are any proposed deposit deductions at the end of the tenancy, the descriptive detail should help both parties to negotiate and resolve any issues

Best practice at check in:

- Where possible, make sure that all the tenants have the opportunity to be present to check the inventory before moving in any of their belongings
- If the tenant is not present for the check-in inspection, be sure to provide them with a copy and give them a reasonable time to amend, sign and return it along with any other documents such as digitally dated photographs
- Remind your tenants at check in:
 - to check their responsibilities written in the tenancy agreement
 - to check the inventory and advise of any amendments within a reasonable time (seven to 10 days is the industry standard)
 - how and when rent is to be paid
 - how all appliances work make sure you supply operating instructions
 - how and when bins need to be put out
 - how to sign up for all the utilities including getting a TV licence (if not included in the rent)
 - how to maintain any specialist items/ equipment
 - how to maintain any specialist items/ equipment
- ✓ It's a good idea to provide your tenants with a welcome pack for more guidance on what to include, Total Landlord, also powered by Total Property, have created a comprehensive guide, 'Why you need a tenant welcome pack and what you should include', featuring a template which you can download



Best practice during the tenancy

- Regular inspections can highlight any issues or problems in the property before they become serious e.g. build-up of mould and damp and unreported damages. Make sure that you let your tenants know in advance if you plan to visit the property. Three or six monthly checks are reasonable, to avoid breaching a tenants right to quiet and peaceful living
- Checking the property again one month before your tenants are moving out can identify any issues which could be dealt with before the end of the tenancy. The tenant can then address any issues they may be responsible for which reduces the potential for issues requiring resolution at the end of the tenancy and/or delay in new tenants moving in
- ✓ Prepare and deliver end of tenancy guidance, one month before the tenant is moving out, to remind them of their contractual responsibilities, e.g. replacing light bulbs, returning keys, make sure final bills are paid and about any possible charges or deposit deductions if the property is not returned in the same condition it was in at the start, allowing for fair wear and tear. Total Landlord have created an end of tenancy cleaning checklist to share with your tenants, to reduce the risks of end of tenancy negotiations about cleaning

Guidelines for effective check-out

- It's best practice to give the tenant the opportunity to attend the final inspection
- When carrying out the final inspection, use the check-in inventory for reference and comparison so the differences can be clearly highlighted using the same terminology
- Focus on cleanliness, damage, missing items, gardens, items left, keys and meter readings
- ✓ Note all changes and deterioration, even if you are unsure and use pictures to support your findings
- If the tenant is present and accepts the content of the final report, all parties should sign to confirm they agree

TOP TIPS:

- A detailed check-out report also provides the perfect opportunity to discuss and agree with your tenant any end of tenancy settlements you want to propose Be prepared to listen to the tenant and compromise. If you reach an agreement make sure this is recorded in writing and signed by both parties
- When proposing any settlements, consider the most reasonable way of making good the damages e.g. repair rather than replacement may be more appropriate. This will be the extent of the tenant's responsibility even if you choose to do more than necessary. When calculating a reasonable settlement remember to consider fair wear and tear which the tenant is not responsible for. This should factor in the condition and quality of the item/area at the start, the age and potential lifespan of the item, the length of the tenancy and the number of tenants. Our guide on the lifespan of rental property products contains more useful information

Mastering the intricacies of inventory management and check-in/check-out inspections is an integral part of successful property management. By following our advice, landlords can establish clear expectations, prevent issues requiring formal resolution at the end of the tenancy, and create a smooth and harmonious rental experience for both parties. Remember, quality, detailed documentation and clear communication are your strongest allies in navigating this essential aspect of property management. For more detailed guidance on inventory management, read 'Inventories – the complete guide'.

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