



WINTER 2020

NEWSLETTER





Welcome

Hello! Welcome to our Winter 2020 Horizon Lets Newsletter. We hope this finds you well, if not particularly warm!

We know how important it is for landlords to be fully informed, especially in these unprecedented times... Covid 19, Brexit, and yet more landlord legislation! It is vital, more so than ever, for landlords to have their properties managed well to protect against potential issues. We provide these newsletters with up to date information to keep you ahead of the rest.

Despite continual turbulence from many areas in 2020, the UK residential property market remains buoyant with only a short pause during the first Lockdown. It is clearly far too early to comment on the effects of Covid-19 and the various events this has caused, such as mass increase in working from home, huge quantitative easing and the government furlough scheme on UK housing and its demand. It is clear however that the desire from tenants for good quality housing has only risen as we have seen rents rising through the year and demand consistent.

This year has seen mortgage holidays and stamp duty holidays, both extended. There has been a halt on evictions and constant murmurings from Westminster about an end to the Section 21 process. All these will have far reaching repercussions in 2021 and undoubtedly, beyond. Will cities become less popular as people prefer to live in the countryside; will everyone be able to work from home; will the government create further opportunities for the creation of residential units under Permitted Development?

As the Greek philosopher, Heraclitus said, "change is the only constant in life" it feels almost certain there will be new significant developments in the battle to fight Covid-19, however at the time of this writing it seems there is cause for optimism with the approval of a vaccine.

All at Horizon Lets wish our readers a wonderful Christmas and we thank landlords, old and new, for entrusting Horizon to manage what is likely to be their most valuable investment and hope to continue evolving and providing an even better service in 2021!

Condensation vs Damp

It would be a safe assumption that most landlords and letting agents have lost count of the number of times a tenant had contacted them to report they had damp in their home and needed a contractor straight away. Majority of the time, after some digging it turns out to be condensation.

So many people will wonder why they have mould below windows when the windows themselves are streaming with condensation. The simple fact is that 9 times out of 10, it is condensation and often tenants and even some landlords, do not understand why this is being caused so will therefore misdiagnose it as 'severe damp'.

Tenants and landlords can cause themselves a lot of frustration by not dealing effectively with the condensation which results in unhappiness from both parties, the tenants' belongings becoming covered in mould spores and the landlord's investment being damaged.

So, look at the below picture, is it damp or is it condensation?



What about the next one, damp or condensation?



The first picture AND second picture are both **condensation** and have both been caused by the way someone is living in a property rather than any structural issues.

If you are a **tenant** living in a property, it is important you understand the ways of combatting this.

Landlords, it is also important you know how to spot this, so that you do not spend money on unnecessary and expensive damp reports or repairs.

So, What is Condensation?

In an average household of four people each person will contribute approximately four pints of moisture per day everyday through things such as taking showers or baths, boiling kettles, cooking etc. This adds up to a huge amount of moisture that then must go somewhere.

Condensation is caused when you have warm moist air hitting a cold surface. Therefore, you will often see windows streaming with moisture in the winter when the warm air from inside a home is hitting a window which is cold from the air outside. If the warm moist air is cooled by a cold surface, such as a window or external wall, it is then no longer able to hold the same amount of water vapour. The moisture then turns into droplets of water and collects on the cold surface.

When is it a Problem in Homes?

All homes get condensation- usually when lots of moisture and steam are being produced- for example, when a main meal is being cooked the moisture from the cooking gets into the air and will need somewhere to go. Similarly, this issue occurs in bathrooms from hot showers if windows are not opened or extractor fans turned on.

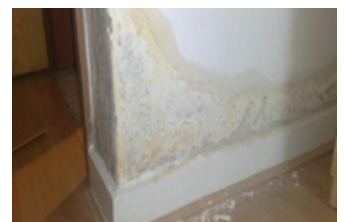
But When is it Really Damp?

Occasionally, the increased moisture in a property is not caused just by condensation. Damp is generally only ever caused by leaking pipes, a leaking roof, a weakness in an external wall or rising damp, whereas condensation is always surface dampness. Leaks often result in patches of damp coming through the plaster and wallpaper near where the leak is.

Rising damp can be identified by a damp 'tidemark' low down on the walls indoors.



Damp from a leak



Rising damp

Notice the difference between these photos and the ones before? If the issue is damp, then a qualified damp contractor will need to attend to carry out an intensive damp treatment course, generally costing a lot of money.

Anything Suspicious?

If anything similar to the above pictures is found, get in touch with us and we can get a specialist contractor to investigate. We encourage tenants to raise issues such as these via our tenant mobile app so we can pass photos to our contractors for their view before they even get to a property.



What Could Condensation Mean for a Landlord or Tenant in a Rented Property?

The maintaining of condensation is generally included as a clause within most Assured Shorthold Tenancy Agreements as a tenants' responsibility. If a rented property does have condensation issues and the tenant does not maintain it themselves, a landlord can claim the costs back to repair any damage from a tenant's deposit. Also, a tenant could suffer damage to their own property if this mould is appearing, so it is important it is maintained, and each party is educated about the dangers of not keeping on top of it.

If you are a tenant and recognise the first two photos as something like what you see in your home, please follow the steps in the acronym **P-A-T-C-H** below.

PRODUCE LESS water vapour. Many everyday activities add to the water vapour level in your home, but their effect can be kept to a minimum.

- Cooking- cover pans when you are cooking and do not leave kettles and pans boiling longer than necessary. Ensure your extractor fan is turned on and a window is opened.
- Drying clothes- Hang washing outside to dry whenever you can and if you must use a tumble dryer make sure it is vented to the outside. Do not hang wet washing on radiators all around your home, doing so is highly likely to cause condensation problems.
- Bathing- Keep the bathroom door shut and the room well ventilated.

AIM TO VENTILATE your home. The best way to remove water vapour is by providing adequate ventilation. Nobody likes draughts but some ventilation is vital.

- Keep a small window ajar, or a trickle ventilator open, in each occupied room to give background ventilation.
- Open the windows to let the water vapour out, especially when you are doing the washing or cooking.
- Windows near the ceiling are more effective at letting water vapour out than ones lower down.

TRY TO CONTAIN any water vapour/steam: Your bathroom and kitchen are 'wet rooms'- keep these doors shut so that the wet air cannot spread to the rest of your home. Especially when you are washing, cooking, or taking a shower or bath, keep the door shut to stop the moist air spreading into the rest of your home. This is even more important if some of the other rooms are very cold. If rooms are not being used and are unheated it is a good idea to keep their doors shut.

CLEAN OFF SPORES when they appear: When you notice mould spores or moisture appear on or around windows, ensure you clean it off with a cloth as soon as possible. You can also use a mould solution or a weak watered down with water bleach solution to clean away the mould which should help with stopping it returning

HEAT your home: Ideally, it needs to be 'dry heat' such as central heating or gas fires, not paraffin or portable gas heaters. The best approach to heating to reduce condensation, is to heat your home at a low level for a long time. Keep the heating on but set it to provide just a minimum of background heating. This will warm the whole building up and keep it warm so there are no cold surfaces.

You may also wish to consider installing trickle vents, maintaining extractor fans, and purchasing a dehumidifier for your tenants. At the end of the day, it is you that will be left to put the property back to an acceptable condition at the end of the tenancy if your tenants do not keep on top of it, so its best you put these steps in place before hand to limit this possibility.

Tenants - if you follow these steps, then your condensation will be kept at bay and the condition of your home will likely stay the same throughout your tenancy. If you do not, your landlord could hold you responsible for not following these steps and claim the cost of putting the property back to the condition it was at the start of the tenancy.

Landlords - it is helpful to advise tenants of these steps before the tenancy begins and keep reiterating these steps to your tenant throughout if you notice a problem. If your property is managed by a Letting agent, they will often do this on your behalf and will reiterate it following inspections if there are any issues. If you can prove you have provided this information to them, it will also help your case should you need to claim costs back from a deposit at the end of a tenancy.

Preparing for The Winter

As the months change from beautiful sunshine to the gloomy weather, we are currently experiencing we feel it is important to advise landlords of empty properties and also tenants living in our properties how to look after them within the colder months.

Starting with the outside, make sure any general works are up to date and that any repairs have been carried out before the winter creeps in. Firstly, check the roof to ensure that the entire thing is intact, if you are a tenant this may also include going into the loft to check you cannot see any holes if this is possible. Any damage to the roof can cause leaks and internal damage to the property. Plus, nobody wants a poorly maintained roof that collapses because it has too much snow on it! You may also find it useful to clear the gutters which will no doubt be full of leaves and other debris after the autumn months – this will eliminate the risk of overflowing or damaged gutters which could easily cause water damage or internal damp issues.

It is also important to protect pipework during the colder months to limit the risks of leaks within the property which could cause damage whether this be to an empty property or a tenant's belongings if the property is occupied. The most appropriate way to limit the risk of any issues occurring is simply to ensure the heating comes on for a few hours every day, preferably during the morning and evening at separate intervals – this can be effective even at the lowest of temperatures. If the property is unoccupied for any reason and you prefer to be not being utility bills you also have the option of draining the plumbing and heating system down. It is not 100% fool proof solution as some water may remain in parts of the system, but it should limit any damage if there happens to be any. If you chose to drain the system down, you may need to be aware that the property may be more susceptible to condensation when the heating is turned back on.

Unfortunately, an empty property can be obvious, particularly at night-time during the months where we have less daylight to enjoy their security is a particularly good idea if you plan on leaving a property empty. Ensure all windows and doors are securely locked and if you have an intruder alarm make sure it is switched on at all times – obviously this will not ensure that nothing bad happens but at least if it does then somebody will be aware of it.

Let's ensure we keep your properties safe this winter and the Spring months do not take too long to come round, even in Yorkshire!!!



The Housing Market & a Second Wave of COVID-19

After the last few months, you might have thought that the uncertainty was over – how wrong we were, especially after the introduction of new tier-based restrictions and the potential of a 2-3-week circuit breaker lockdown. There is no sign, yet, of any further closures within the housing market that we saw from March to May thankfully, however it does not mean this will not happen. From its low point in April, the economy has bounced back a lot, more than 20%. People have been spending, so retail sales are not only growing again but they are higher than they were a year ago.

The economic outlook is, of course, entirely dependent on the course of the virus, and the severity of the second wave. But lessons have been learned, and many businesses have adapted, including across the housing industry. It would be foolish to describe the second wave as anything other than a huge source of uncertainty, which is why the next few weeks are crucially important for the housing market. Its post-lockdown resurgence has taken many by surprise, with reports that house-price inflation has hit its highest level since 2016.

These things can take time to change but there is no sign yet that the increased uncertainty has killed off the revival. All the forward-looking indicators in the latest Royal Institution of Chartered Surveyors residential market survey were positive. The survey showed that a net balance of 17% of surveyors expect sales to rise over the next three months. The house-price balance also showed expectations of continued price rises over a similar timeframe.

Respondents were more cautious about the sales outlook over a longer-term horizon, 12 months, with most expecting weaker sales because of higher unemployment once the job support offered by the chancellor, Rishi Sunak, is phased out. Surveyors remained marginally positive about house prices over 12 months, though there must be a note of caution about one aspect of this. Some of the strongest price expectations were in the North West, currently the epicentre of the coronavirus's second wave.

One feature of the post-lockdown revival of the housing market has been an increase in both new buyer enquiries and sales instructions. The balance between the two is what matters for house prices. Too many properties coming onto the market relative to demand will push down prices, and vice versa.

The asking price index for October shows that this is a factor pushing down asking prices in the South West and South East, though not yet for London. As for the rest of the country: "While agents have been busier than is usual for September in all other English regions and in Scotland and Wales, it is important to note that the increase in supply is much less pronounced in the northern regions, with the North East indicating a mere 7% increase year-on-year.

An interesting market, as we head into an uncertain winter.

Our Insurance Partner

We have partnered up with Sention Insurance Brokers for all your insurance needs. As ever we're happy to assist landlords with insurance queries and provide feedback on the most appropriate products for landlords.

It's often seen as a very boring topic until the unfortunate circumstance when it becomes needed!

Visit Sention to get preferential rates & tell them you came from Horizon! www.sentioninsurance.co.uk



Did You Know?

Did you know that Horizon Lets can also help you with your refurbishment and renovation projects?

Our sister company, Horizon Build, are very happy to visit a property and give you frank, no-nonsense advice for any refurb or construction works. We have an extensive reach of good quality and proven contractors for all construction needs in Yorkshire and beyond.

Horizon Lets and Horizon Build can combine to provide a turnkey solution that many landlords, especially those living remotely from their investment properties, are attracted to. We are even able to visit properties not yet purchased to offer advice and feedback on proposed works. Horizon Build have also been instructed on purely a consultancy or Project Management role for clients, which can work well when a landlord wishes to have another pair of eyes on the ground.

If you would like further information on this, get in touch or visit www.horizonbuild.com



Top Tips for Winter

- Be sure that you know the location of all mains stop taps and that they are fully working – This could save a lot of damage if there was ever a leak or burst pipe.
- Check your roof – this should be well maintained and not have any cracked or broken tiles. If there are any which are not up to standard, then make sure you get them professionally fixed.
- Get your boiler checked – getting it serviced and making sure it is in full working order will ensure that your pipes do not freeze.
- Check your outside pipework – if you see any cracks in them make sure you get this seen to immediately.
- Leaving the heating on low during the day will stop your pipes getting too cold and eliminate the risk of them freezing.
- If you are away it would be advisable to drain the heating system and any water tanks the property may have.
- Ask a neighbour to keep an eye on your property and give them your number for if anything should happen.
- Set a lamp on a timer and cancel any daily deliveries so that your property does not look empty!

Covid-19... The Affect On Property Valuations

Property valuation is often overlooked as one of the key pillars of the property sector. In many respects, this is not surprising; assessing the value of a property can, to the untrained eye, seem like a straightforward process. The reality is very different!

Over recent years, buyers and sellers have become able to receive a valuation of a property by inputting details into one of the online property sites. While useful, these platforms are by no means accurate. Sales comparisons, income capitalisation, land value and building costs can be assessed as part of a valuation.

It's worth noting for many years mortgage valuations instructed by lenders for re-mortgages or purchases have been conducted on a "drive by basis" or by desktop survey which means that in these times of restricted movement, these shouldn't be unduly affected. However we've seen mortgage lenders are even slower than usual during the Lockdown period with staff working from home and a surge in demand as the property market stays resilient in these uncertain times.

This is the reason qualifications through bodies such as the Royal Institution of Chartered Surveyors (RICS) are important for professional valuers – this is more relevant than ever in 2020, given the way COVID-19 has impacted things, in particular, the art of giving an accurate property valuation.

Turning to Online Solutions

As with almost every industry, the property sector has seen an increase in digital options this year. Between April and May 2020, Zoopla recorded a 90% rise in the number of virtual property valuations completed by agents. The idea of a valuation being undertaken via a video platform is appealing as the owner can

give a real-time tour of the property, and this virtual inspection can be added to by additional research by the valuer.

Virtual valuations have been vital in keeping the property market ticking along throughout the COVID-19 pandemic. Houses and flats could be listed, mortgages could be issued, and transactions could be completed despite the challenges posed by social distancing; without virtual valuations, this would not have been possible, at least during the stricter lockdown periods.

Convenience Over Standards?

Necessity may have forced us to make the change, but whether virtual valuations become part of the 'new normal' comes down to how reliable they are. The key is whether video calls can provide the same high level of service as a physical meeting.

It goes without saying that viewing a property virtually is likely to be hindered by things such as poor camera angles, video quality or lighting which might result in potential issues being overlooked. There is also the risk of the camera operator avoiding parts of the property they do not want the valuer to see.

However, we should not forget that much of the valuation process remains accessible regardless of the virtual tour of the property. From the square footage through to comparisons and market trend analysis, a surveyor gets much of what they need from these figures, which they can still access remotely.

Virtual options are definitely a viable option, and as demonstrated in recent months, a creative solution when faced with social distancing measures that prevent access to a property.



Buyer Demands are Changing

Just as COVID-19 has changed the valuation process, it has also changed our general attitude to property. And the sudden rise of remote working has been a key factor in this.

Millions of us have been working from home as a consequence of the pandemic and with strict social distancing measures being in place it has meant that people are spending more time at home when not working – these experiences are changing what people are looking for in a property and this has affected property valuations too.

More people are now adding things to their “non-negotiable” list such as a spare room to use as a home office, followed closely behind are outside spaces such as garden, roof terrace or balcony. These changing preferences are likely to continue, so it is up to property valuers to become a social observer, able to delve into the demand in market to understand just what people are after. Doing so will ensure a property can be given an accurate value in these uncertain times with changing market conditions.

Only people skilled in the aspects of valuing property will be able to adapt and stay on top of the developments, providing accurate valuations while also taking full advantage of newer digital tools.

Chris Browne, our Director, comments that “We are very proud to say that Covid-19 has not affected our business detrimentally, we have been able to quickly adapt our way of working to continue our levels of service, while most importantly, keeping everyone safe. Our primary concern is the safety of our staff, the contractors we employ and our tenants.”

Our Final Thoughts

What to say about a very unusual year? One thing is for sure, and that is that nobody expected to be spending 2020 the way we have. With more talk of furlough and COVID-19 than stories of day trips and nights out we have had to make the best of what we were handed ... here at Horizon Lets we have done just that by continuing to provide our landlords and tenants the same excellent service we always have done.

Clearly, as a company we have faced many obstacles and challenges to ensuring we provide landlords and tenants with a great service, from limited contractor availability due to furlough and isolation, to safety concerns with viewings and move-ins, changing government guidance on allowable activity and of course we are very mindful many tenants have experienced financial difficulties. We feel as a small and pro-active company with strong historic relationships with many of our tenants, the negative potential effects of the above have been reduced significantly. We are proud that at this time there is not an increase in arrears since February and void periods of properties under our management have been historically low.

With things the way they are in the world now we know that buying and renting properties can be a daunting experience but hopefully we can be there to make the experience a little easier. The property market is still very much moving despite all the reasons it could have come to a standstill, especially the rental market, so we still feel very positively about property investment in the UK and perhaps 2020 is the year, despite the global events, that has shown UK residential property to be an unfaltering asset class for the prudent investor.

Keep in touch with us on all the social media channels or our website to find out about all the exciting things Horizon Lets have planned for 2021!

We hope you have a very Merry Christmas and a Happy New Year!!!

Christmas Opening Hours:

Horizon Lets never closes & phone calls will continue to be answered 24 / 7. As ever we guarantee to never miss a phone call.

23rd Dec

24th – 28th Dec

29th – 30th Dec

31st Dec – 1st Jan

2nd Jan

normal operation until midday

emergency appointments only

normal operation

emergency appointments only

normal operation



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SUPPORTING
THOSE WHO
SERVE.**

