

**DUNDEE CITY COUNCIL
EMPTY HOMES INITIATIVE**

GENERAL GUIDANCE FOR EMPTY HOME OWNERS

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If you have any questions or would like more information regarding the Dundee City Council Empty Homes Initiative, then please contact:

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Section 1: Selling your Empty Home

(i) Increasing Saleability of your Property

If you are considering selling your empty home, you probably want to achieve a prompt sale. It is frustrating and costly to have a property on the market for a long period, and if you are carrying out the viewings yourself, this can be very time consuming. A quick sale will reduce your costs for the property, and also reduce the risk of the property being vandalised or falling into a greater degree of disrepair.

Setting an Asking Price

Dedicated advice and guidance is available from the Empty Homes Officer, but in brief, you should set an asking price that reflects the condition of the property, the location and the current housing market. The currently accepted way to get a clear idea of what the “market value” might be, is to look at what similar properties have actually sold for in the very recent past and then to adjust for the property condition and area between that house and yours.

First Impressions

You should always consider how to present your property for sale, and who your target purchaser is. Is your property habitable or is it a development opportunity? Depending on who your likely purchaser will be will overall influence the way in which you market a property. If it is habitable, albeit with a small degree of repair, the property is likely to be marketed on the internet or the Estate Agents Particulars, so that will mean photos. If the garden is untidy, or the exterior of the property is dirty or in a state of disrepair that can be easily fixed, make the effort to do it. You can't sell your property if a buyer doesn't view it and many viewers will be put off by issues like those stated. Washing down paintwork or replacing broken windows makes a difference. The photos really are worth a thousand words; so make sure they are all positive!

Demonstrate the Potential

While small repair issues are ideally dealt with before marketing your property, properties can be sold with works outstanding. Where this is the case it can be useful to take some small steps to help buyers see the potential of the property.

Where works are required, obtain quotes to show buyers the costs involved so they can factor them in. This can make the work less daunting to buyers.

Similarly, if the property has potential for an extension or loft conversion, you can apply for those permissions yourself. Whilst you will have to pay for plans and application fees, the increase in value of your property could be significant with that permission in place.

Give careful thought before you invest in renovations such as a new kitchen or bathroom suite. Studies show that reducing the price of the property to reflect these works is actually more cost effective than replacing these items prior to selling.

Selling at Auction

If the property requires major refurbishment or is a development opportunity, you may be considering other options for selling, such as at auction.

Whilst auction websites generally show very little photography, there will be property information such as basic details about the location, local amenities and a description. Make sure that any Planning Permission or Building Warrants are included in the marketing of the property. Potential purchasers will know that redevelopment is possible, and therefore they are not purchasing the property speculatively.

(ii) Estate Agent Tips

The important thing to remember is that the Estate Agent is there to work for you and sell your property. Don't be afraid to ask them plenty of questions prior to agreeing to sell with them and throughout the process.

Selecting a Shortlist of Estate Agents

Make sure the agent has experience of selling property like yours – check there are properties similar to yours in the window or online.

Look at the agent's website – are the pictures well taken, and the descriptions clear and relevant?

A good agent will always invest in marketing to ensure they get the best price for each property, while a poor one will just wait for customers to come to them.

Gain more than one valuation; some will value the property higher than others to win your custom. Be aware that they may inflate the value to win your business.

How will they Market your Property?

Will they use the internet – if so, do they use other sites apart from their own? Ask if they use the big online advertisers such as Zoopla or Rightmove.

Will they use newspapers? And if so, which ones? Find out what local newspapers there are and if they will feature your property in them.

How good is their own website, does it include both photography and text? Is it easily accessible?

Attracting Buyers

Photographs

Do not underestimate the power of a photograph- these persuade people to book viewings so ensure the Estate Agent has captured your property in the best light. If you are not happy with the photos ask for them to be changes, as they can make all the difference.

Tidy up the Garden

Cut bushes back, clean the patio and any furniture of lichen and dirt, and cut the grass. It may not add value but a photograph of a tidy garden suggests that the house was cared for.

De-Clutter

Show the space and not the furniture. People need to imagine the room as theirs. People often find this difficult, so make it easy for them to see all the fantastic living space that you are offering them. Consider removing any bulky furniture that makes the room feel small.

A Fresh Lick of Paint

Giving your walls a fresh lick of paint, neutral paint will make your home seem lighter and bigger. Research shows that most buyers prefer natural, earthy colours to bright, bold shades.

DIY- Repair the Cracks

Make any minor repairs necessary to finish off small DIY jobs- touch up chipped woodwork and replace washers on dripping taps.

Remember: The Agent Works for You

As the seller, you are in a strong position with estate agents – they need properties to sell to make commission. Contact them regularly to ensure they are doing all they can to sell the property. Prompt them for answers if your property is not attracting viewers – it is what you pay them for.

(iii) Alternative Methods of Selling

Auction

Putting an empty property up for auction can be an affordable and quick way to sell. As well as the general fees charged by the auction house, the sellers using this route would also need to budget for: a solicitor to draw up the auction contract; as well as a Home Report.

There are a large number of auction houses who operate across Scotland. The auctions are predominantly held in either Glasgow or Edinburgh, and they are generally held every two weeks to two months.

Your local Empty Homes Officer can provide you with an up to date list of property auctions that operate in Scotland.

Property Buying Companies

Property buying companies offer to buy 'any' residential property, promising a guaranteed sale very quickly (from as little as 10 days in some cases). The catch is that they offer below market value.

This type of sale will not suit everyone, but may be worth perusing if the costs and stresses associated with your empty property are so great that you just want a quick resolution.

Your local Empty Homes Officer can provide you with an up to date list of property buying companies who currently operate within Scotland.

Section 2: Renting your Empty Property

(i) Renting and Becoming a Landlord

Becoming a Landlord

If you are thinking of becoming a landlord, you will need to make sure that your property is fit to be lived in, and therefore meets the tolerable standard.

A rented property must meet the 'Repairing Standards', with a checklist of these being available from your local Empty Homes Officer.

You will need to apply to register as a landlord with Landlord Registration Scotland. Landlord registration is a system that helps councils monitor private landlords and ensure that they are suitable people to let out property. Before any person or agency is registered, the council will have to check that the applicant is a fit and proper person to let property.

You can apply directly on the Landlord Registration Scotland Website:

<https://www.landlordregistrationscotland.gov.uk>

You can also contact your local council to request a paper application.

The Council's Private Sector Housing team provides guidance and support to landlords at all stages of the process of renting your property, and can help you to register as a landlord and to ensure your property meets legal requirements.

They can also meet with you to talk you through the things you would need to think about if you choose to become a landlord, and to help you decide if this would be an appropriate option for you.

Renting your property out – mygov.scot

<https://www.mygov.scot/renting-your-property-out>

You can find information about your legal requirements, as well as topics covering the following areas:

- Registering as a landlord
- Your responsibilities
- Starting a tenancy as a landlord
- Tenancy deposit
- Dealing with disputes
- Ending a tenancy as a landlord
- Download the Tenant Information Pack for free

Finding a tenant

You can find a tenant yourself through advertising in a local paper, local shop advertisement boards, hospital or education notice boards or online sites such as Gumtree (www.gumtree.com)

Similarly, a lettings agent can also be used to market your property, find a tenant, and deal with contracts. If you wish they will also be able to manage the property on your behalf.

Lettings companies will charge a fee for their services, ranging from a flat rate for finding a tenant and arranging a contract through to a percentage of the rental income for comprehensive property management.

Dundee City Council can also offer additional support in finding tenants through our dedicated Homefinders Scheme. More information can be found at:

<https://www.dundee.gov.uk/service-area/neighbourhood-services/housing-and-communities/dundee-homefinder-service/dundee-homefinder-service-information-for-landlords>

Section 3: Available Incentives to Empty Home Owners

(i) Builders Merchants Discount

Empty homes practitioners have secured discounts from a number of national Builder's Merchants on a range of products that can help owners of empty homes return them to use. The discounts are standardised, so no matter which branch the owner shops at, the discount will be the same.

Products

The companies offering discounts can supply a wide range of products that should enable owners to address most repairing and improvement projects, for example:

- Building materials: bricks, cement etc.
- Painting and decorating
- Kitchens and bathrooms
- Flooring and tiles
- Doors, windows and ironmongery
- Timber and sheet materials
- Landscaping
- Insulation
- Renewable energy solutions

How do Owners Access the Discounts?

If you are an empty home owner who would like to explore the benefit of purchasing goods from a relevant company, you should contact your local Empty Homes Officer to discuss your plan for bringing the empty property back into use. The officer will then contact the Builders Merchant giving the owners details, and either issue a letter for the owner to take to the merchant or arrange to have a Trade Discount card issued.

You can receive a full list of participating Builders Merchants by contacting your local Empty Homes Officer.

(ii) VAT Reductions

If your property has been empty for over two years and you are having the works carried out by a VAT approved contractor, you then qualify for a discounted rate of 5% VAT on building supplies.

If your property has been empty for more than 10 years, you are eligible to pay 0% VAT on building supplies.

To access these discounts you need a letter from your local Empty Homes Officer verifying how long your property has been empty.

You can receive detailed guidance documents on the VAT reductions by contacting your local Empty Homes Officer.

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