

## ONLINE LETTING AGENTS – GOOD OR BAD?

The fact is, they can be both. Just like letting agents that you can touch and feel, Online Letting Agents have their place and, depending on what you need from your agent, they may be absolutely fine. For the purpose of this article we are assuming a baseline that all agents are honest, professional and work within industry standard procedures.

On that subject, ALWAYS choose your agent wisely and look for reviews. The trust between a landlord and their agent is sacrosanct and therefore, before committing to an agent one should research whether they are worthy of your business! The agent has a fiduciary duty toward you as their client and they must be in a position to both understand that and remember it in ALL of their dealings. If you don't know what a Fiduciary Duty is...

<https://en.wikipedia.org/wiki/Fiduciary>

Now, if you are an experienced landlord then there is an argument to say that an Online Letting Agent can save you money over a traditional High Street operator. They work on turnover and run their business from centralised locations usually with call centres which cover a larger geographical area. That way they can offer products such as referencing, creation of legal documents, deposit protection, rent protection insurance etc at competitive rates and these will 'add value' to your lettings business and give you access to things that perhaps you cannot obtain yourself either at all or at a competitive price.

**IF YOU ARE A 'HANDS ON' LANDLORD THEREFORE, THESE AGENTS MAY BE VERY USEFUL TO YOU.**

**HOWEVER**, if you are a novice landlord or lack the confidence or knowledge to be able to manage your investment yourself, Online Agencies may prove to be a false economy. It is unlikely that they will be able to provide the 'Hand On' personal attention that is required by non-professional landlords. In that case you would be well advised to seek the services of a High Street or 'local' professional who will have answers to all of your questions and, crucially, will know the local market and its' potential plus AND minus points. Not only that but a local professional will ensure that you are fully compliant which is becoming more and more important as time goes by and the PRS (Private Rented Sector) comes of age. There is a lot of compliance that even professional landlords may not know about such as the Immigration Act, Deregulation Act, Deposit Protection Regulations & Selective Licensing. The list goes on.....BUT none of this has to be daunting, you just need the right agent to ensure full compliance.

In summary therefore, if you can't honestly say that you know what you are doing, you need an agent in your corner. If you intend to be hands on (ie get involved with your tenant personally) then MAYBE the services of an online agent could help you and save you money. However, you would be well advised to compare cost as online agents may not be that much cheaper than their High Street counterparts. If you are a novice (or don't want to get involved with your tenant) then a professional, local, skilled Letting Agent should prove to be a worthwhile partner.

**WE HOPE THAT THIS HAS BEEN USEFUL.**