

New report finds that students make the best tenants

As a landlord or letting agent, there are many factors to consider when renting a property, including finding your ideal tenants. On first glance students may not be your first choice, but a recent report we put together with Accommodation for Students, found that students are in fact the most desirable tenants.

69%

69% of landlords and letting agents prefer to let to students.

43%

This was consistent across all regions in the UK with the exception of London, where just 43% preferred student tenants.

84%

84% of all respondents also agreed that students make good tenants.

Despite these benefits, some challenges were also highlighted when letting to students.

These included

- 76.5% - The cost of maintaining a HMO
- 53.7% - The fact students are more time consuming than letting to non-students
- 45.6% - The turnover of tenancies
- 25% - Damage caused to the property

One in ten reported experiencing no issues associated with letting to student tenants.

Those with smaller portfolios more commonly reported issues relating to costs, such as the cost of maintaining a HMO. Those who manage larger portfolios were more likely to report issues relating to property damage and students being more time consuming as tenants than non-students.

This was put down to their associated benefits:

- 76.5% - Better rental yields
- 53.7% - Annual market for new students
- 45.6% - Rent is guaranteed by a parent/guardian
- 25% - Rent is paid promptly

Only 3.7% of those surveyed reported experiencing no benefit associated with letting to students.

With less than one month until A-Level results day, which sparks an annual peak in the search for accommodation, Richard Price head of Business Development for Glide offers guidance for landlords and letting agents who are thinking of letting their property to students for the first time:



“There is a lot of confidence in the student rental market. Gone are the days where students dig equals sub standard. The truth is, students make great tenants – they’re in constant supply and have guaranteed means to pay the rent. With annual turnovers and a desire to rent to this market, landlords and letting agents should make their properties as attractive and visible to students during the clearing period.”

Tips to attract student tenants

1. HMO

If you are planning to let your property to more than two students, a HMO licence is essential. Although this can feel like a hefty sum up front (£770 per property per year), you will soon recoup this, as it enables you to let out every room in your property.

2. Advertise

If you have left it too late to advertise in print, utilise specialist websites which offer an inexpensive platform to advertise your property or contact your local universities’ accommodation office – this is often the first place new students will look for accommodation.

3. Plan

Rather than leave it to chance, schedule dedicated times for group viewings. This gives potential tenants a chance to meet one another. If they get on well, they are more likely to stay together and stay in your property.

4. Social Media

If you have a portfolio of properties, developing social media pages are an inexpensive way to showcase images and post availability. Be creative – if you have one or more tenants interested, find out a bit about them and use their hobbies or personality traits to engage with others like them.

5. Keep things simple

71.9% of students rate inclusive bills as either an essential or important factor when choosing a property. Bills can cause stress and create arguments in a shared house, while landlords and letting agents can sometimes be left with unpaid bills. Inclusive bills are an easy solution to avoid these issues.

6. Insurance

While our research suggests that students make the best tenants, it still pays to be covered in case anything goes wrong.

7. Get the balance right

After your tenants have moved in there are likely to be questions, so it’s good to be available and approachable, but you also need to set boundaries. It is not your job to change light bulbs and they should all know where the fuse box is!

