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HOW TO MAKE MONEY FROM

Student Property

Investing in student buy-to-let



Lynette Tomlinson

This is an excerpt from Lawpack's guide *How to Make Money from Student Buy-to-Let Property*.

To find out more about becoming a student landlord, [click here](#).

How to Make Money from Student Property
by Lynette Tomlinson

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For convenience (and for no other reason) 'him', 'he' and 'his' have been used throughout and should be read to include 'her', 'she' and 'her'.

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Introduction

The days of happily buying an old Victorian house, throwing open the doors and renting it to students are unfortunately over. What once used to pass as student accommodation is now becoming history; the modern student now demands a much higher-quality house. The whole climate in this privately rented sector has changed dramatically due to a variety of factors and trends, such as oversupply fuelled by university development programs, the ‘credit crunch’, the economic climate and increasing government legislation. Today’s student accommodation market is facing new pressures and landlords need to adapt to meet the demands of this ‘millennium’ generation of students. Also, the stereotypical relationship between the landlord and student tenant has changed; students want to be recognised as customers, and landlords who treat them as such will be the ones who succeed in this increasingly competitive world of student letting.

This book has been written to provide an easy-to-read, down-to-earth guide to success in the student letting business. Common misconceptions, likely pitfalls and real-life examples are given throughout to bring a practical and unpretentious flavour to the advice. It is full of useful tips and principles for success, both for the seasoned landlord and the first-time investor alike. Each chapter also contains useful standard forms and letters for the new landlord.

This book focuses on providing an overview of the whole student letting process from property purchase, through the yearly letting cycle, to tips on expanding your property portfolio.

Recent trends in property investment may indicate a move away from the 'boom-time' years of escalating house prices; however, the good news is there is still money to be made from student property even in the current economic climate.

This book is of interest to:

- Novice landlords with one or two properties who are struggling to compete and are in need of a new direction in this ever-changing student market.
- First-time investors or parents thinking of buying a property to let to students.
- Students who want to learn more about the private accommodation options outside of university halls.
- Experienced landlords wanting to expand their portfolio.

The aim of this book is to provide an easy-to-read, understandable guide to the student letting market.

It is full of practical useful advice for the experienced landlord struggling in today's market, the part-time investor looking to expand into full-time business, or the inexperienced first-time buyer who is looking to gain a foothold in the student accommodation market. It is also a useful insight for students and their parents making the transition from the family-nest into the minefield of student accommodation.

This guide is packed full of success principles and mistakes to avoid in this ever-competitive housing market. With an emphasis on lifestyle and marketing to the emerging 'millennium' generation of students, this is an enjoyable, but practical read full of tips and advice; letting processes; key regulations; standard forms and letters; and everything else you need to know!

About the author

Lynette Tomlinson is the Managing Director of Tomlinson Estate Management, a successful student letting agency in Nottingham managing more than 130 properties, including many of her own properties. Her pioneering vision is to provide contemporary, high-quality student accommodation. She is Vice-Chair of East Midlands Property Owners (EMPO), a member of the Landlords Liaison Executive Committee and Nottingham Housing Strategic Partnership. She networks on a national level with student landlords and letting agents and has her finger on the pulse of the ever-changing student market.

CHAPTER 1

The student market is changing

The Millennium Generation

What picture comes to mind when you think of the stereotypical student? Maybe you imagine a character out of the ‘Young Ones’, who has mouldy mattresses and goes to political protests. Well, think again. The modern-day student has changed as fast as the world we live in. Students of the twenty-first century are increasingly assimilating into mainstream affluent society in terms of their purchasing power, habits and preferences. They eagerly consume the latest fashions, leisure activities, communication mediums and technological advances. In line with today’s service culture, students expect, and demand, much more than previous generations – in all aspects of their lives – from the restaurants they eat in, the universities they study at and, of course, the properties they live in.

So how have students changed from previous generations? They may be labelled with a host of catchy tag lines, such as ‘Echo Boomers’ or the ‘Millennium Generation’, but there are real people behind these flashy buzzwords. The Millennium Generation is defined as those being born from the mid-eighties onwards. Since this is the student market of today, you need to know what criteria defines this teenage generation, and how to relate to them, so that you can market to them successfully.

This generation represents the first wave of prosperous, technologically switched-on young people who are experiencing rapid advancements in technology and this is continuing to ever widen the generation gap. *TIME Magazine* calls them 'Generation M' – the 'multi-tasking generation' – a generation of youth who spend more than six hours a day hooked up to some form of media. A snapshot of their lives and values may be as follows:

Who are they?

- Media is their life. They use it all of the time and simultaneously.
- Diversity is considered normal, and they have an international outlook.
- They believe in 'making the world a better place'.
- Ethical and organic emphasis is important to them.
- They are a 'thinking' generation.
- They are 'fabulous followers', rather than rebels.

Why are they this way?

- Their parents are indulgent and over-committed.
- They are partly, or largely, financially supported by their well-off parents.
- They were born in the technology boom.
- They have impressive buying potential and plenty of leisure time.

What do they want?

- The 'feel-good' factor is in.
- Creativity and originality is important to them.
- They want to discover the true meaning to their lives.

So how does this relate to student accommodation and becoming a successful landlord? By understanding the student, you can tailor your product – the house –to fit their desires and expectations. If you want to catch the trend, you need to know and be able to influence this kind of student. If you want to be run over in this competitive environment, ignore them at your peril!

Psychology

Sometimes Generation M's increased awareness of their rights, coupled with their high expectations, leads to a pronounced gulf between what is wanted and what is provided, and this results in them being both high performance and high maintenance. Many have been brought up in a very child-centred environment and have been programmed and nurtured by their parents, and this has resulted in them having a great belief in their own worth. To make a success of renting out to students, an understanding of the psychology of today's student and how to bridge that gap is vital. This book aims to provide a guide to what the modern student is looking for, and how to achieve it.

Lifestyle

They are bombarded with lifestyle programming from every direction by the media – whether it is TV shows featuring Jamie Oliver in a hip modern kitchen, or al fresco living across the pages of a glossy magazine. Young adults have revised their ideas about the typical student lifestyle. It is less about smelly carpets and kebabs and instead 'student digs' are more likely to mirror their parental homes, with dinner parties and IKEA furniture.

Consumer generation

The students themselves are a consumer generation; they are used to a bombardment in choice of products, whether it is shampoo or soft drinks. Student housing is being approached in the same way. Students are less likely to settle for second-rate properties and instead take more time to shop around for a property that meets their expectations.

Parental support

We are now seeing the current parental generation of ‘baby boomers’ take care of their children into adulthood. These children become modern young adults who are increasingly supported by their family network well into their twenties. This support often includes emotional, as well as financial involvement, with many parents taking an active interest in the decisions made by their teenagers, even after they have flown the parental nest. The concept of family has changed rapidly for young people, as divorce rates have increased. However, in spite of this, these young adults trust their parents more than any other person of authority. In conclusion, this means that the parents can get very involved with choosing accommodation for their son or daughter.

Value for money

As the onus of responsibility to pay for their own education has increased more and more, this generation of students has tended to become more discerning about their accommodation. They are becoming much more interested in price, the standard of housing and what they are actually getting for their money. It is also the case that increasing numbers of students are recognising that they will have to find some sort of part-time work to help fund their studies.

Expectations

Students these days, have high material expectations. ‘Essential’ possessions of modern life in the 21st century now include a car, a computer, a dishwasher, a washer/dryer, a power shower, and broadband/wireless internet access. These are items which only a decade ago would have been considered as luxuries. En suite accommodation – once a luxury for the professional – now brings in a 25 per cent rental premium in the student market, according to Savills Research (summer 2005 report).

Technology

Generation M is totally comfortable with technology. The internet has become the source of all knowledge in today's modern society, and is increasingly being used as the primary tool to search for accommodation. So the marketing business of student lettings has changed and a scrappy advert tacked on a student union board will no longer draw interest. A slick advert on the web, however, will maximise exposure in the student world. The technological freedom brought by mobile phones and the internet has also fuelled their independence.

International students

The UK is seen as an attractive place to study, and international students are forming an increasing percentage of demand for student accommodation. In fact, the UK is second only to the US as the most popular place to study overseas. Currently, international students make up 15 per cent (2008/2009 UK CISA data). International exchanges are increasingly common, and some universities have a vision to see a truly global university. Nottingham University, for example, has led the way with its ground-breaking partnership with Zhejiang Wanli University in China and its Malaysia campus is the first ever branch of a UK campus abroad. With this increasing international diversity, cultural factors and expectations cannot be ignored when you are adapting to this modern student market.

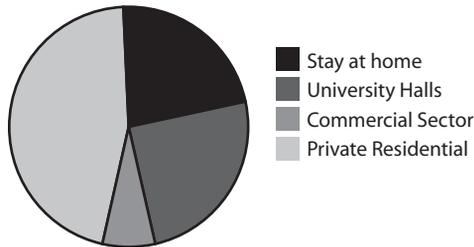
Government factors and legislation

The government was aiming for half of all 18–30 year olds to go into higher education by 2010, with the current level being 43 per cent (DIUS: Participation Rates in Higher Education: Academic Years 1999/2000-2008/09 (Provisional)). The good news is that, as a result of such an accelerated drive to promote university education, the market for suitable student accommodation will continue to expand.

Supply and demand

There are approximately 2.3 million students at UK universities today. However, custom-built student accommodation is only available for a small percentage of this potential demand. Of this 2.3 million:

- 480,000 (21 per cent) stay at home
- 575,000 (25 per cent) live in university halls
- 160,000 (7 per cent) live in commercial accommodation
- 1,060,000 (46 per cent) live in the private residential sector



The majority of the student sector is still taken with the private landlord. However, the commercial operators are expanding fast and are having an influence beyond their size. The commercially operated halls sector tends to be mainly supplied by private companies, but there are also new participants, such as public private partnerships (PPPs), city councils, housing associations and charities. Leading commercial operators include, for example, Derwent Living, UNITE, Liberty Living, Opal, Sanctuary Housing Association, Shaftesbury Housing Group and the University Partnership Program (UPP).

The greatest imbalance between supply and potential demand is in London, Scotland and the North West. However, markets differ significantly from city to city and it is crucial to understand the unique environment in which you have rental properties. Nottingham is a good example of a thriving university city, but in recent years the private letting market has shifted into oversupply.

University fees and student loans

In September 2006, the government readjusted the tuition fee burden on students and now they do not have to pay any fees before they start university or while they are studying. Instead, eligible students can apply for a Student Loan for Tuition Fees (linked to inflation) to cover these costs. This means that the fees are paid directly to their university or college on their behalf and students only have to repay these loans once they have left university and are earning over £15,000. Students can also apply for a Student Loan for Maintenance to cover living costs; this is usually paid to the student by Student Finance Direct in three instalments, one at the start of each term. Also, the government has reintroduced Maintenance Grants, which means that students from lower income households are eligible for a grant worth up to £2,835 a year (see the table below).

Government finance in and out 2008/2009

Finances in 2008/2009	Finances out in 2008/2009
Maximum Student Loan for Tuition Fees (up to £3,145)	Tuition Fee Charge (up to £3,145)
Maximum Maintenance Grant (up to £2,835 non-repayable)	
Maximum Student Loan for Maintenance (up to £6,475)	Living expenses and accommodation
Bursaries from universities and colleges (non-repayable)	

This system means that there are both winners and losers. Parents benefit as the financial weight is shifted onto the students, since the fees are no longer required to be paid upfront. Students from lower income families should also benefit due to the reintroduction of grants, and bursary availability. However students now graduate with a significant burden of debt.

Data from the Universities and Colleges Applications Service (UCAS) show that the number of full-time students accepted onto undergraduate courses starting in 2007 rose from 390,809 to 413,430 – a 5.8% rise between 2006 and 2007. Rises were also noted for students from lower socio-economic backgrounds and overseas-accepted students.

Housing legislation

Other legislation impacting on the student accommodation market was brought about in the Housing Act 2004. Since April 2006, the Housing Act 2004 has extended the definition of a House in Multiple Occupation (HMO). HMOs with three or more storeys and five or more occupants currently need a mandatory licence which may cost anywhere between £360 and £1,000. Many private landlords have faced the choice of refurbishing their properties to the required standard or leaving the student sector. But good landlords have nothing to fear from licensing. Good landlords will easily meet the licensing standard; but the frustrating thing is that they have to pay to make it official!

Increasing regulation

All businesses have to face the growth of red tape. This has led to increased pressure on landlords and it could potentially stifle the rented sector. Professional letting agencies may be winners as it now makes sense to hand over the property management to experts in the complex field of tenancy legislation, tax, building standards and a wealth of other regulatory requirements.

Competent individual landlords can still compete in this world of restrictive regulations, but it will help if they take part in training schemes, take advantage of the accreditation schemes and become part of a recognised landlords' association.

University factors

Universities are rising to the challenge of managing the increasing influx of students to their towns or cities. Approximately 25 per cent of students live in university accommodation, while 46 per cent are in the private rented sector, but these figures may vary from city to city. In Nottingham, for example, the University of Nottingham provides accommodation for around 8,000 students in owned, leased, managed or nominated property on or near its campuses. At 33 per cent of its student population, such provision is one of the largest to be found in any university in the whole of England.

University housing strategies

Universities are facing increasing pressure from local residents to address the issue of student ‘ghettos’ within the local residential communities. This is leading to the development of housing strategies by the universities to deal with issues surrounding the influx of students into cities. University housing strategies will vary from city to city; for example, the universities of Leeds and Nottingham are proactively trying to manage the student housing market, linking with organisations such as Unipol.

New-build private developments

Since there is no direct government funding for accommodation, universities are finding that constructing halls of residence is not a cost-effective option. Instead, universities are supporting the development of purpose-built student accommodation built by private developers in city centre sites close to university campuses. The developers claim that these ‘student villages’ can kick start inner city regeneration, with noise and environmental problems being closely monitored. More students are attracted to apartment-style living, compared with the traditional halls of residence.

Professionals such as UNITE – Britain’s largest student landlord – take a research-based approach to their investment decisions. They target popular university cities where there is a high demand for good quality, en suite accommodation. Increasingly, developers see this as a lucrative market, so private student landlords need to be aware that this can affect the competition and so need to fine-tune the product and service they are offering.

Accreditation

In this competitive market, universities are also insisting on accreditation as standard. Accreditation is the voluntary compliance by private landlords with good standards in the condition and management of their properties and their relationship with their tenants. Accreditation schemes are run at a local level by local councils, universities and their agents, and

landlords' associations. Both landlords and/or their property can be accredited. Accreditation schemes may mean more work for the private landlord upfront, but, on the positive side, they may help to secure you a place in the ever-competitive market for student tenants. To find out more about these schemes, contact your local council or university.

Local community factors

The student neighbourhood has always had a stereotypical reputation for 3am parties, beeping taxis, overflowing bins and poorly maintained housing. However, this is no longer acceptable to other residents living side by side with the student tenants.

University and landlord responsibilities

Universities can no longer afford to ignore the effect of suddenly releasing thousands of young people into the local community. They are realising that they have a duty to manage this transition responsibly. In addition to the universities, landlords also have to take 'reasonable and practical steps to prevent or reduce antisocial behaviour', according to the recent Housing Act 2004, and the impact of this is not yet clear. Universities are increasingly taking a proactive approach, working with local councils and police to deal with antisocial behaviour and to promote good neighbour relationships.

Studentification

Problems of student 'ghettos', whether perceived or real, include a diverse range of symptoms, such as crime, noise nuisance, retail changes, the impact on schools, the lack of repair on houses, dumped rubbish and neglect, litter, price increases, a high turnover of different neighbours every year, and 'ghost town syndrome', which is the absence of residents outside of term times. It is still a relatively new concept, but it is being addressed on a governmental level, as well as locally, with the creation of neighbourhood helplines and community liaison officers.

Antisocial behaviour

Student community relations have to be addressed and tackled by the modern private landlord. Antisocial behaviour and neighbour complaints cannot just be brushed under the carpet, but they must be tackled head on to achieve compromise and good relationships all round. A lot of problems can actually be reduced with the careful selection of tenants in the first place. It is also true that a good house will attract good tenants, and a house already in disrepair will not be looked after by its tenants. If you are a new landlord, you need to think about how you can interact with the local community. Local committees can help a new landlord get fully established on the student accommodation property ladder by providing a forum where current issues and trends are highlighted and discussed.

The Olympic effect

With the Olympic Games coming to the UK in 2012, many universities across the UK are expected to benefit, such as the University of East London, Greenwich University, Queen Mary's, University of London, Essex and Loughborough. Universities will be able to host events during the Games and provide facilities for training athletes, as well as supply residential accommodation for athletes and visitors. This may have a knock-on effect on demand in the private sector.

Conclusions

Growth in the student sector

The 'fundamentals' in the student letting sector are still good and it is enjoying a period of sustained growth. By fundamentals, we mean that university admission numbers are still increasing, and the yield from student-occupied houses is always higher than family-occupied properties. Increasing student numbers, however, does not mean that naive investors will be a success simply by buying any property in a student location. As a new landlord, you need to understand and meet the needs of your local market. In the past, unscrupulous landlords have provided

poor quality housing and managed to get away with it, because of the booming market. However, over the past five years, the market has gradually become much more consumer-led, with students facing a greater choice of accommodation options.

Oversupply

Despite increasing student numbers, there has also been a corresponding increase in property investment overall. Pension schemes have failed to produce the expected returns, the stock market has lost its glitz as the favoured investment for old age provision, and buy-to-let mortgages have made rental property an attractive option for many new investors.

Consequently, in the private-landlord sector we are seeing an oversupply of rental properties. This oversupply is also being fuelled by the university-linked private development schemes, as mentioned previously. Oversupply is the main hazard coming to university cities if it has not arrived already. Landlords have to adjust to such a change in the market, or risk empty houses and a hefty mortgage to pay.

The 'credit-crunch'

The recent credit crunch has been felt by many commercial businesses across Britain and the aftermath has seen commercial property values fall, with big companies such as British Land wiping £4 billion off its capital value at the start of 2008. The idea that the effects of a slowing economy will seep down to the small business and individual consumer is not a new one. However, as those who are old enough to remember, the boom and recession of the property market is a cyclical process, with the last recession hitting in the early nineties. The nature of recession means that there are opportunities to buy property at hugely reduced prices from desperate sellers, for those who are cash rich or not risk adverse. When considering whether the higher rents (premiums) obtained by the successful student landlord will weather the storm, you must consider the foundations that have been built by the quality of the house. Better quality houses will always let first. Landlords with low-quality houses where an investment in improvements was not made at the beginning, may find

themselves in a situation where the house fails to let, and they do not have the capital to make the necessary improvements, resulting in them having to sell the house at a low price.

During these tougher economic times a landlord may have to lower the rent. This will result in lower quality houses being washed out of the increasingly competitive market (as rents are lowered across the board, students will no longer take the low quality houses which will then fold due to lack of demand). One of the aims of this book is to help the student landlord ride the tough economic times by providing a high-quality house and service, which will still be in demand. This is why it's so important for a new investor to get their figures right at the beginning. The good news is that historically during a recession, applications for Higher Education increase, as people try to weather the downturn and become better qualified by the time the economic climate picks up again. Recent figures from UCAS are showing an increase in mature student applications and in those from EU countries due to the weak pound.

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Research your specific market

In light of these factors, it is necessary to research and identify your particular market, since every university city is different. For example, in Nottingham there are countless small-scale landlords, numerous letting agencies and a privately-developed 'student village' with a marked trend towards oversupply. In York, however, the situation is entirely different, with a high performing letting agency creating a monopoly on student accommodation with few rivals in this particular housing market. It is likely that Nottingham University is providing a pattern to which many other university cities may shortly follow.

In summary, the choice to enter into the student accommodation market is not as simple and lucrative as it once was a few years ago. The market has changed dramatically and has become increasingly sophisticated and competitive.

Flexibility

It is vital to understand the current market, and then stay flexible enough to adapt to the changes. It is no longer possible to find a successful formula and simply stick with it, for a real long-term success, it is necessary to be one step ahead of the game.

Raise the standard

This leaves two choices for private student landlords: to seek to fill their empty houses by moving even more downmarket, which increases the spiral of degeneration; or to rise to the challenge of the demands of this new student market by improving the standard of the housing and decor, by excelling in service, by proactively building neighbourhood relations, and by generating a new identity for the modern private landlord. In short, good houses attract good tenants.

Your product is the key to success

The key to success is in the product. The house is your product. The right look, as well as the location for the property, is essential. Students want a property that reflects their lifestyle and independence, and they want it to be cosy too. This will pull them away from the clinical halls of residence and the sterile private developments.

Trends are suggesting that this sector of student accommodation is becoming increasingly sophisticated as the students are becoming increasingly discerning. Private landlords with sub-standard housing or a poor choice of property location will not survive in this changing market.

Landlord success

As a landlord, you need to focus not only on your product, but the whole package of service that you provide. The four buzzwords you should remember while reading this book are:

- 1. Location.** The house must be in a popular student location.
- 2. Quality.** The house must be renovated to a high standard.
- 3. Service.** You must provide an excellent service.
- 4. Price.** You must select the right rent, which has been adapted to the market.

This book provides methods, information and advice to help you meet all four of these goals.

The warning signs are everywhere – landlords with an ‘it’s only students’ attitude will end up becoming the property dinosaurs of this millennium! But you can still become the successful landlord of tomorrow, even in this increasingly competitive arena, by applying the principles set out in this book and by rising to the exciting challenges and rewards of this ever-changing student letting market!

The changing market attitudes for success

Wrong thinking	Right thinking
It's only students	This is the next generation of working professionals
Buy cheap	Buy location
Accreditation is laborious	Accreditation is the way forward
I am selling the students a house	I am selling the students a lifestyle
A good house will just get wrecked by bad tenants	A good house will attract good tenants
The student market is the same everywhere	The student market differs dramatically from city to city

Summary

To conclude, there appear to be a myriad of different legal issues that you are facing, but the basics covered here will see you through the first steps in setting up as a landlord. My general advice is to avoid getting into legal wrangles, whatever the cost. There is always an element of gut feeling involved when you are dealing with issues such as tenant arrears and it is essential to focus on communication and negotiation. Take a view when dealing with student tenants and assess the best course of action. Sometimes it is worth the cost to take a slight shortfall, especially when the cost to recoup the sum through the courts would be more than the amount disputed!

CHAPTER 6

Handy tips!**Students - how to relate!**

The house is ready, the location is perfect and the profit margins look good, but a bad student tenant could turn it all sour. Generally, landlords prefer not to think about difficulties until they happen, but, by then, it has already become an enormous problem. Referencing tenants is an option; however, for most small-scale student landlords this is not usually a practical option because the students have no significant credit history so an element of gut feeling is needed to select the right tenant.

In addition to this, the old stereotypes of students are disappearing, and a forward-thinking approach is needed for the landlord to connect with the new consumer of the 21st century. A profile of a typical student today would be:

Demographic	Statistic
ABC1 background (i.e: upper, middle or lower-middle class according to National Readership Survey (NRS) demographic background)	70%
Female	56%
Has a part-time job	47%
The tenant's average debt when he has finished his course	£10,000

How to Make Money from Student Property

Has received £500 per term from his parents	53%
Has received £1,500 per term from his parents	21%
The percentage of the tenant's spending on entertainment	29%
Goes clubbing at least once a week	46%
Owns a car	33%
Owns an MP3 player	80%
Owns a laptop	50%
Owns a desktop computer	63%
Intends to go travelling when he has finished his course	13%
Intends to get a job when he has finished his course	41%

(Sources: *Guardian* Weekend ICM Poll, Harriet Swain, Tuesday May 2, 2006, *The Guardian*, www.reachstudents.co.uk/pages/student_statistics.htm, UNITE /MORI Poll)

So here are a few points to consider when you are managing the relationship with the students.

Concentrate on communication

It is good to encourage open and honest communication with the student tenants. Explain to the students that it is better for them to inform you about cashing the rent cheque a few days late, if their student loan payments have been delayed, rather than you having cheques bouncing backwards and forwards. This just ends up causing ill-feeling and distrust.

Be honest and transparent in all your dealings. Admit when you have made a mistake. Also, do not forget your sense of humour! You may find yourself in difficult situations during the course of the year, but remember that it is not personal!

Trust your gut feeling

Students often talk to the second and third years and learn from their good and bad experiences. They can save themselves a huge amount of hassle and stress by avoiding landlords with bad reputations. Generally, it can be said that if the landlord looks seedy, he is! Advise them to always go on their gut feeling. This applies the other way around also. As a landlord, you need to trust your instinct about potential tenants. Rogue students who go on to default on their rent may show signs of bad attitudes or make telling remarks early in the viewing process. Spot the warning signs!

Be genuine

You need a genuine heart for the students, and care about improving their living conditions. You need a careful balance between professionalism and a caring approach. The students often need help making the transition out of their family home into independent living as they have not had this life experience before, but, at the same time, they need to learn for themselves as part of the process of growing up and maturing as an adult.

Respect your students

Talk to the naive first years as though they are second years already. By avoiding patronising them, you are more likely to secure two years of business from them as they will return when they are looking for their third-year house.

Do not be condescending

Avoid falling into the trap of being condescending to those students who have started looking for accommodation late. Often these students have just realised that everyone else in their hall has got 'fixed up' for next year and they are already feeling low, lacking self-confidence, and feeling a bit stupid that they may have missed the boat for the best houses. Other landlords may treat them condescendingly, and their parents may not trust them to do anything, so make life a little easier for them by having an

understanding attitude. They are much more likely to take a house with you, even if all of the top-notch ones have gone, if they have been treated kindly.

Avoid complacency

No-one can afford to become complacent in today's changing marketplace. More and more big players have started to realise the financial clout of the student and are entering a market that in the not too distant past they would have steered well clear of.

Group dynamics

Students need to be careful of the slow decision maker in their group, as this person may be backing two friendship groups! He may have a stake in another offer and is waiting to see which one is the best deal. It can be a hard lesson to learn when the group waits patiently for this person to make a decision while he keeps coming up with flimsy excuses as to why he can't commit. They then hear that this student has signed with another 'more exciting' group. The original group of friends lose their home and their friend! Also, you need to be aware of the hidden agendas of another type of student that runs along the same theme; for example, a student who is leaving or transferring universities but does not tell the group with whom he is house-hunting. The student will often even go as far as signing a contract, but then 'delay' paying the deposit or returning the Deed of Guarantee and Indemnity. He will use this delaying tactic to buy time while he confirms his other option. This then leaves the group committed to a house with one vacancy and they find that they must pay the total rent on the property, as they are usually 'jointly and severally' liable, and everyone else is in a housing group by now.

The best advice is for the students to be as transparent as possible. Advise them to be up front with their group of friends, as it is better to lose a house than a friend, especially if you spend the next few years together on the same course!

Explain the legal issues

Take the students through the legal issues as this is likely to be the first legal contract they have signed for such a considerable amount of money. Make it clear that they are signing a legal contract and be available for questions. As a landlord, you must be freely available for contact and access by your tenants. You are required to provide your home address by law, in case you are served with any legal notices. You should also give a landline, mobile and email address.

Allow the tenants to have plenty of time to read through the contract, to discuss it at length, and to talk it over with their parents before signing it. Be ready to answer key questions, such as those listed later on in this chapter.

Reassure the parents

As a landlord, the relationship with a student's parents is very important. You may have chosen a trouble-free student, but you then encounter his more 'difficult' parents! Get the parents on board right from the beginning and explain to the student that if his parents want to telephone and ask any questions, then they are more than welcome. Parents will often want to ask questions as they are usually covering a lot of the rent! As a student landlord, you must take the parents seriously, as they are often financing the accommodation, and are a customer in the same way as the student.

Bad landlords give the good landlords a bad name, and so the parents are, understandably, apprehensive. Usually the parents just need a bit of reassurance that you are not some 'cowboy landlord' and are running a professional business. Some parents may be solicitors or landlords themselves, so they may have very relevant questions. It is worthwhile investing time at this stage to create a hassle-free year ahead.

Common questions and answers

You cannot beat hands-on-experience in this game, but I have put together a fast-track guide to student letting, with a quick rundown of

common questions and answers that I wish I had known the first time around! Here are some questions that students may ask, with the standard answers you should provide. Obviously, the responses need to be adapted according to your own standard practice. Simple answers using non-technical jargon have been provided. They have been arranged in order to take you through the letting cycle from start to finish.

Q. When should I start looking for a house?

A. As a rule of thumb, you should usually start looking in January for the next academic year (but this can vary between different university cities). It is important to be quick off the mark, as many students leave it too late and then find that the only choices available are second-rate properties.

Q. Are your houses accredited? Who runs the scheme?

A. Yes. The scheme is [*Name of scheme*]. Explain the standards of the scheme (see chapter 3).

Q. Does the scheme have an independent complaints procedure and offer deposit protection?

A. Yes.

Q. What will the initial outlay be? My parents are helping with this and want to know.

A. The agency fee is £[*Amount*] (if you use a letting agent), the damage deposit is £[*Amount*], and the first rent payment is £[*Amount*].

Q. How much do I actually have to pay upfront?

A. The damage deposit is £[*Amount*]. This is returnable when you leave and have fulfilled the terms of your contract. For both a 48-week and 52-week tenancy, the first rent payment is due during the summer. For 52-week tenancies, this is at full rent for August. For 48-week tenancies, you do not pay full rent for August but a summer ‘retainer’ instead. (Note that this is just one method and you can advise according to your own arrangements.)

Q. What does the deposit cover?

- A.** It is a damage deposit. Therefore, any damage caused to the property's fixtures, fittings and furniture will result in a deduction from your deposit. Fair wear and tear will not be deducted.

Q. What is a 'summer retainer'?

- A.** For 48-week tenancies, starting from 1 September, a reduced amount of rent money is taken to cover the month of August until you move in. In this way you avoid paying full rent for August, as it is often half-rent or a one-off fee of £[Amount]. This means that the house is 'retained' or reserved over the summer for you.

Q. What is a 'property reservation deposit' or 'retainer'? Is it deducted from my deposit?

- A.** It is a small amount in cash which reserves the property until the contract is signed on an agreed date. Yes, it is taken off your main damage deposit when you sign

Q. I am an international student and I do not have a UK bank account; how can I arrange payments?

- A.** I can provide you with my bank account details, IBAN and BIC codes, so that you can make direct transfers.

Q. Why do you take post-dated cheques? My bank advises against this practice.

- A.** Post-dated cheques for collecting rent are used by the majority of landlords. They provide a simple way for collecting rent. They give assurance to landlords as they can be collected at the beginning of the tenancy, held on file and cashed throughout the year. They can be easily traced back to a particular tenant if they 'bounce'. Banks give this standard advice as they do not like the risk of banking a cheque ahead of time, but all cheques are kept on file and are not presented to the bank until the date required. You also have the option of cancelling cheques at any time if there is a problem.

Q. What is an AST?

- A.** This is an Assured Shorthold Tenancy agreement. This is the name given to a standard contract between the student and the landlord to agree the terms for renting out the house. It includes the amount of rent, the length of time for occupying the house, and the agreed rules for looking after the property.

Q. What does 'joint and severally liable' mean?

- A.** This means that you are responsible, not just for your own portion of the rent, but also, as a group, for the rent of one of the others in the group, if one of the group drops out. In practice, however, I will always chase up the student who has dropped out for payment first and, if necessary, his parents who acted as guarantor. Only as a last resort will I approach you, as co-tenants, for the defaulted rent.

Q. What/who is a 'guarantor'?

- A.** This is someone (usually a parent or guardian) who signs to say that he will cover the rent for the whole year if the student fails to pay or drops out.

Q. If I drop out, then does this mean that the other students have to pay my rent under the joint contract?

- A.** No, you have still signed a legal contract and are still personally responsible for the payment of rent even if you drop out. I will seek to recover this money from you and your guarantor. It is only as a last resort that I will ask for your share of the rent from the other students.

Q. What happens if someone else in the group drops out? Whose responsibility is it to fill the room?

- A.** As you have all signed a joint tenancy agreement, it is both the group's responsibility, and the student who dropped out, to find a replacement. In practice, often the student who has dropped out wants nothing more to do with the house so he may not find another student (even though he is still liable for the rent). As a landlord, I will work with you to look for a replacement.

Q. If you find a replacement, can you move him in without our approval first?

A. No, I would always introduce the new student to the group to make sure that everyone is agreeable. However, bear in mind that unless the room is filled, potentially as a group, you will have to cover the extra rent.

Q. Is it not better to sign individual contracts? Why do we, as a group, have to be 'joint and severally liable'?

A. As a landlord, the joint contracts provide me with rent protection, as it means that the group acts as a whole to help to find a replacement in case one of you drops out. It is also beneficial to you as a group, as it means that you do not need to obtain individual television licences as the house is classed as a single shared place of residence.

Q. What are your contact details, in case of an emergency?

A. Emergency numbers are provided in the house file, which is in the house. In addition to this, I will provide you with my work mobile number.

Q. Can I give notice to leave before the agreement comes to an end?

A. Under a fixed-term contract, there is an end date for when the tenancy comes to an end. Therefore, if you decide to leave before this date, you are still responsible for paying the rent up until the end date.

Q. Are we, as a household, responsible for all of the utility bills?

A. Yes. This includes gas, electricity, telephone and broadband. (Advise them if the water rates are included too). You need to call the suppliers when you move in to register with them and provide them with the meter readings and all the housemates' names, so the bills are addressed correctly. (As a landlord, you would also do this, but it is good practice to tell the students that they should do this too.)

Q. Do I have to pay Council Tax?

A. When a house is occupied entirely by full-time students, the house is

exempt from Council Tax. If you are not a student, you are liable for Council Tax and you will have to pay the Council Tax due on the property yourself. Please call the Council Tax office when you move in to let the council know that you are a full-time student and provide them with your housemates' details.

Q. Are there any financial penalties, such as for non-payment of rent?

A. Yes, I charge an administration fee for sending out letters chasing rent.

Q. Do we have to arrange any household insurance?

A. You will need to have your own personal belongings insurance when you move into the property. I cannot advise on insurance, but companies, such as Endsleigh, are able to provide student deals. The 'bricks and mortar' of the property are insured by me.

Q. Do you provide an up-to-date copy of the inventory?

A. I provide an inventory for you to complete and I will sign it off when it has been agreed on.

Q. Do I have to bring a microwave, kettle, pots and pans, etc.?

A. (You can advise according to your practice, but here is an example.) Vacuum cleaners, microwaves, toasters, kettles and televisions are, generally, not provided in all the houses, and neither are irons, cutlery, crockery, towels, bed linen or small lamps. Students usually pool together to provide these items. A vacuum cleaner can be borrowed, but it must be returned.

Q. Is there a charge for carrying out an inventory check at the end of the term?

A. No. This is part of my standard check-out procedure.

Q. Why do I have to provide two stamped-addressed envelopes?

A. These are required so that I can send you your moving-in arrangements and so I can return your deposit at the end of the tenancy. They should have your home (parental) address written on them.

Q. What are the moving-in arrangements?

- A.** A letter is sent to your home address around the middle of July with clear instructions, as well as information on parking permits and advice about key collection and utilities.

Q. How do we get the keys for everyone before moving in?

- A.** The first person out of the group to arrive picks up all the keys from me and he can then distribute them to the rest of the group.

Q. Do I have to buy a television licence?

- A.** If you have signed individual contracts and each person has a TV in their own rooms, each person is required to purchase their own licence. However, if there is only one TV in a communal area, then only one TV licence is required for the house. However, if a joint tenancy agreement was signed, then only one licence is required, irrespective of the number of TVs in the property.

Q. What do we do if something goes wrong and there is a leak, for example?

- A.** Look through your house file as it has a list of contact numbers. You can email me with the problem if it is a non-emergency. Call me on my mobile number if it needs more urgent attention.

Q. What do I do if I smell gas?

- A.** Call Transco and they will come out free of charge to investigate. You should also call me on my mobile number.

Q. Can I paint my bedroom another colour?

- A.** No, unless I give you specific permission.

Q. How do we get repairs done?

- A.** Report any problems straight away. In the house file there is a list of numbers (electrician/plumber, etc.) for you to call directly.

Q. Can I withhold rent to get repairs done?

- A.** This is not legal. The legal route would be to sue me for disrepair. Get in touch with me to discuss the problems, as they can be resolved without taking action through the courts.

Q. Who should mow the lawn?

- A.** You should look after the garden, and maintain it, which includes mowing the lawn. I can provide you with a lawnmower on request.

Q. Whose responsibility is it to clean the windows?

- A.** You have a general responsibility for keeping the house in good repair and working order, so, legally, organising and paying for window cleaning is down to you. However, in practice, the landlord will normally arrange for this to be done.

Q. Can I put pictures/posters up, etc.?

- A.** If you have any pictures that require hanging, I can put up hooks, etc. I would like you to find an alternative to 'Blu Tack' as it marks the walls and you will be billed for the necessary redecoration. A pinboard is provided in each room, so you can display your photos (or pictures) without them marking the paintwork on the walls.

Q. The smoke alarm is beeping; should I disconnect it?

- A.** Do not under any circumstances disconnect the smoke alarms as they are installed for your own safety. If they bleep, contact me and I will repair (or replace) the alarm.

Q. Can I smoke in the house?

- A.** No, it is a fire risk. You have entered into a contract that states that the house is non-smoking. Please be aware that if you decide to flaunt this agreement, any redecoration needed will be deducted from your deposits.

Q. Can I store things in the cellar?

- A.** Please do not store anything in the cellars, as this is a fire hazard.

Q. When do we put the bins out? Can I leave larger items of rubbish on the street for collection?

- A.** You can advise your tenant accordingly regarding bin collection days for the area. No, do not leave rubbish on the street. Contact the number provided for the local council, which will make arrangements to collect bulky items.

Q. What happens if I lose my key?

- A.** Contact me straight away. There is a £[Amount] charge for a replacement.

Q. What happens if I get old bills addressed to the occupier?

- A.** Destroy any junk mail, but it is against the law to destroy someone else's mail. Send it on to the occupier if he has left forwarding addresses. If not, keep it for two months, since he may call in to collect it. After that, write 'RTS/return to sender' and post it in a post box. After you leave, you also need to remember to redirect your mail.

Q. What is your 'allowed access' to the house once we are resident?

- A.** It is standard for me to provide 24 hours' prior notice of a visit to the house. If a visit is not convenient, you can arrange another time. However, with prior notice you must allow access for inspections during the year and for necessary repairs.

Q. When do I have to move out? What if I want to stay longer?

- A.** The end date on your contract is the final date for moving out. You can move out before this date, but the rent is payable until the end. If you wish to stay longer, this needs to be discussed on an individual basis with the landlord, and is only an option when there is time before the next group moves in (48-week contracts).

What to do when things go wrong

A student drops out

This is a pitfall that most landlords are likely to experience at some point in their business. Students dropping out can fall into three categories:

1. A student drops out from the group **before signing the tenancy agreement**. When there is a drop out from a group during the house searching process, then it can stop an expected lease from going through and this can be frustrating. Encourage groups to be upfront at the start, so that you can help by providing different property options for viewing.
2. A student drops out from the group **after signing the tenancy agreement**. If there is a drop out after the contracts have been signed, the rest of the group may panic and think that they will lose the house. Reassure them that they can still move in, but remind them that they have signed a joint tenancy agreement and so need to try and find a replacement as soon as possible. Also, communicate to them that it may be necessary for you, as a landlord, to find a single tenant to move into the empty room. The first course of action will be to inform the tenant who has dropped out that he is still liable for the rent until a replacement is found, and if he cannot pay the rent, then the guarantor will be contacted.
3. A student drops out from a group **after the move in**. If a tenant drops out of his university course in the middle of the year, then it may be more difficult to find a replacement, both for you and the tenants. The guarantor should be contacted to cover the outstanding rent.

Often a group are currently in a house and want to stay for another year, but, at the last minute, one member of the group decides that he no longer wants to stay. What is the best course of action? A judgement needs to be made depending on how late in the letting season it is, how reliable the rest of the group are, and whether there is other interest from another group. If it is late in the letting season, it is worth keeping the group and encouraging them to find a replacement. Avoid this situation by asking all

the current tenants to sign a new contract for the coming academic year early on (e.g. February). A general rule of thumb is that keeping the existing group and putting gentle pressure on them to find a replacement is the best course of action. It is worth letting them know if another group is interested in the house so that new contracts are signed quickly.

A tenant does not pay the rent

Even with a system for screening and referencing of tenants, there is always the potential for the odd maverick tenant to slip through the net. If you have built a good relationship at the beginning, most non-payment issues can be avoided. By encouraging the students to communicate if they have any financial problems, you can avoid the stress of bounced cheques and unanswered phonecalls. Often the issue is not so much non-payment, but delays in finances. Encourage the students to communicate if there has been a delay with student loan transfers or parental issues. It is better to present a cheque a week or so later than both sides to face the stress of bounced cheques.

However, if a tenant's cheque bounces and he has not been in touch with an explanation, the following course of action should be taken:

- Call and leave messages for him to contact you as soon as possible.
- Send a letter to the tenancy address advising of the situation.
- Advise him that an administration charge will be made for further letters and phone calls chasing the rent.
- If there is still no satisfactory communication, contact the other housemates to make them aware of the situation. They will often put pressure on the housemate to pay.

The rent is legally due on or before the dates specified in the contract. When rent has not been received within a week of the date it is due, it is deemed as a failure to pay. As a landlord, it is usual practice to contact the tenant at seven, 14, and 21-day intervals – either by telephone or by letter. It is important to strike a balance between sending the students appropriate reminders and not harassing them.

Some landlords take out rent protection and legal expenses warranty for

rent arrears. In my opinion, rent insurance is not worth it **if** you properly vet and assess your students and have guarantors and post-dated cheques collected in advance.

A Section 8 Notice is used to obtain possession if the tenant has defaulted on rent and still refuses to pay. If the rent is payable weekly, monthly, quarterly, or yearly, ground 8 of this notice requires that there are rent arrears of eight weeks, two months, three months or six months respectively.

A parent refuses to be a guarantor

Some parents may refuse to sign a Deed of Guarantee and Indemnity. Usually, this is because a parent may have some kind of legal experience and he wants to argue out the legal nitty-gritty, or it could be due to a lack of understanding and explanation from his son or daughter. If he objects in relation to the joint tenancy agreement, i.e. he thinks that he could be responsible for the entire rent due to the joint contract, highlight the **maximum sum** that has been calculated on a per person basis and put it on the Deed of Guarantee and Indemnity. This should put his mind at ease.

The legal situation can be argued from either side, but the legal experts advise me to use a Deed of Guarantee and Indemnity that has the student's name and the total amount of his personal rent for the year on it. This provides 'intention of the parties', i.e. your intention not to pursue the parental guarantor for the entire rental amount for all of the students. More often than not, a reassuring phonecall can explain the reasons why you use this form and you can answer any questions. If the parent still refuses to act as a guarantor, it may be wise to accept the tenant as you don't want to risk the whole house falling through. Ultimately, if this tenant defaults on his rent payments you will be able to get the rent from the other students under 'joint and several liability'.

A tenant is sloppy in returning the required paperwork

Some students take a long time in returning the necessary paperwork, so it is crucial to stay on top of this, as one student dropping out could affect

the whole group. For example, a student may also be applying to another university and is stalling for time. Keep track of missing paperwork and have a system for checking what has been received. It is very easy for time to pass and, before you know it, the first payment date has been reached and you are still missing cheques!

The property has an ant infestation

If the tenants report a problem with ants, the first step is to provide them with ant killer and see if this is resolved. If this problem persists, you may need to visit the house yourself to find the source and spray ant killer. Depending on your local council, most provide free pest control services for infestations such as rats, mice, cockroaches and bedbugs. Charges may be made for dealing with wasp, bee, flea or even larger animals, such as squirrels!

The rubbish is overflowing

Some tenants, especially in the larger occupancy houses, may leave their rubbish so that it overflows onto the street. This will cause friction with the local residents and problems with the local authority, if items are left out that are not collected by the refuse collectors. Explain to the students their responsibilities at the beginning of the tenancy. It is also a very good idea to drive around and check your houses after students have recently vacated, as the bins will have been left out for a final emptying and there will be no one to bring them back in. Local councils are very hot on this issue now and there can be hefty fines for landlords if bins are left on the street.

The houses are messy

If you have a number of properties, it is a good idea to organise a system to arrange formal house inspections. In this way, you can avoid small problems turning into expensive big problems, if they are spotted and dealt with early on. Also, you can identify the houses that have messy tenants. It is worth reminding the tenants that they need to look after the property and it is good to warn potential tenants about the state of the

property when they are viewing the house. Then they can look past the messy surroundings and see that it is a good quality property. If there are consistent problems, you could always offer to provide a cleaner to come in and clean on a monthly basis, for a fee.

The tenants are taking drugs

If you find evidence of drug-taking at your property, then it needs to be followed up by the police.

There is antisocial behaviour at the property

This has always been a problem as students move away from home for the first time and are released from normal parental control! These days the usual complaints are loud noise from parties or stereos, beeping taxis late at night and litter. Common sense tips to turn stress into success when dealing with disputes include the following:

- Always listen to the problem or complaint first.
- Acknowledge it and be ready to deal with it in an open manner.
- Do not say sorry, but ask instead how you can help.
- Identify the root of the issue, discuss a course of action, or delegate it to someone else who can help.
- Make sure that it is followed up to resolution.

Be careful about admitting liability as this business can involve many contentious areas. See chapter 3 for an example letter to send out to student tenants.

The property has been vacated without it being cleaned

Some tenants, despite reminders, will have a final end-of-year party and leave the house without cleaning it at all. Sometimes students from another country may also vacate without cleaning the property, if it is not

usual, in their culture, to do so. The only solution is to bring the cleaners in for a full clean and make the necessary deductions from the deposits.

This problem can normally be avoided if clear instructions are given about cleaning with a breakdown list of all the areas which need to be covered. The students will then understand the scale of the task and realise that the financial penalties may be considerable.

There is a dispute about deductions from the deposit

The deductions made should be transparent and specific invoices should be attached, where appropriate, for the cost of repairs. Generally, if the tenants can see why and for what reason money has been deducted, then disputes can be avoided. Refer to chapter 5 for more information on the new Tenancy Deposit Schemes.

A tenant refuses to leave at the end of the tenancy

This is a clear breach of the tenancy agreement. If you have served a Section 21 Notice on the tenant two months prior to the end of the tenancy, then you can start eviction proceedings immediately. The procedure and court action is usually carried out by a solicitor, as specialist knowledge and legal skills are required. Unfortunately, the cost of eviction proceedings will need to be paid by the landlord.

An application is made to the court for a hearing date. If there are no other issues, such as rent arrears, and the tenant is not defending the action, a procedure known as an 'accelerated possession procedure' can be used, which can speed up the process. Once the court confirms the landlord's right of repossession, a possession date is ordered on which the tenant must vacate. However, if the tenant still fails to leave the property, application can then be made for a bailiff's warrant. A bailiff is empowered to evict tenants as an officer of the court – landlords and agents can never evict the tenants themselves. It is a criminal offence for a landlord to go into a property using his own keys, to pack and leave the tenant's belongings on the pavement and to change the locks! This would result in a criminal record and a considerable fine. Never accept rent after the tenancy expires without consulting your solicitor.

The tenants will not allow you to enter into the property

You have a right to access, as long as you have given the tenants 24 hours' written notice, but you must also respect the tenants' right of 'quiet enjoyment', so constant visits are not appropriate. If, however, the tenants refuse you entry despite you giving them prior notice, then this is a breach of the contract, and the tenants should be made aware that this is a serious issue and, if necessary, proceedings can be taken. Make the tenants aware of your statutory rights and explain that it is in their best interests to allow access, especially if it is due to a safety reason, such as an annual gas safety check.

The tenants have failed to report problems

Students may not bother reporting issues (e.g. a small leak in the roof), but they can later turn into serious problems. If they fail to report a problem, then it is also a breach of their tenancy agreement. This situation can be avoided by you stressing to the students that they have a responsibility not just to pay rent, but also to look after and report any problems with the house.

There are extra tenants in the property

If you discover that there are tenants living at the property who are not detailed on the tenancy agreement, then this needs to be addressed, as it is a breach of their tenancy agreement. Start to deal with the problem by discussing the situation with the tenant concerned, but if this cannot be resolved, follow it up in writing. If necessary, commence legal proceedings to terminate the tenancy due to a breach of the contract.

The house is empty

Avoid a void at all costs! This situation can be prevented by careful planning and timely decision making. The key letting season is the winter months, but it may vary according to each university town. If the property

still has not been let by the beginning of the summer, alternative strategies need to come into play.

Be quick to assess the reasons for the property remaining on the market; for example, is it due to poor furnishings, one small bedroom or the location? Reassess the rent, as it may be overpriced compared to other properties, and, if necessary, lower it. If there is one small room, for example, in a four-bedroom house, it may be worth letting it as a three-bedroom property. Upgrade and 'style' the house with props, such as plants, rugs and cushions. It is better to spend money on some extra armchairs than to have an empty house for a year. If the location is an issue, you can get a feel for the place before the summer, as letting agents will also have properties sticking in certain areas.

If you need an alternative strategy, then try to let the house to individual students, rather than to a group of friends. International students may also be arriving on their own, and they are a great source of potential tenants. Contact the university to see if it has details of international students who are still looking for accommodation.

Long term you may need to address issues that result in the house being unpopular (e.g. a small living space) and you may have to knock through two rooms or extend the kitchen area.

The general principles of success!

Now, do not give up after reading all the pitfalls listed in the previous section! If you have got this far, you should have a good understanding of how to run a student property. Here are some final reminders on how to be a success and keep ahead of your competitors:

How to Make Money from Student Property

A-Z success principles for student letting

A-Z	Right thinking
A = Attitude	Get rid of the 'it is only students' mindset – they are the next generation of professionals
B = Builders	Good builders and relationships are key to renovating and maintaining a property
C = Cosiness	Sell the students a lifestyle – warm and cosy houses will entice students away from university halls
D = Driver	Choose a key student to communicate with regarding house issues
E = Enemy	Remember the golden rule – students are not the enemy!
F = Find the right tenant	Good tenants will make your life a whole lot easier. A bad tenant = a nightmare
G = Garden	Do not just concrete the garden – see it as an extra 'room'
H = Help	Use every source of help from friends and family
I = Incentives	Use financial incentives to encourage students to let difficult properties
J = January	This is a key letting month and most of your effort needs to be focused on this month
K= Knowledge	Local knowledge will determine whether you are able to compete with other landlords
L = Lifestyle	'Lifestyle' is the new buzzword
M = Mistakes	Second-time mistakes cost you money – the first time around they are valuable training, but the second time around you are operating at a loss
N = No quitting	Quitting is not an option! Keep your discipline and carry on doing what you know is best – this is the only difference between success and failure

How to Make Money from Student Property

O = Organisation	Planning and organisation are necessary to stay at the cutting edge of things
P = Promotion	Marketing is crucial – word of mouth and a good reputation are the best!
Q = Quality	Stamp everything you do with quality – your house is your product, so never settle for a botch job!
R = Respect	Respect the student as your customer
S = Sense of humour	A sense of humour is always important and it will carry you through the rough patches!
T = Think ahead	You need to stay one step ahead of the game
U = Underpromise	Underpromise and overperform
V = Void	Avoid the void at all costs!
W = Why not me?	Someone is going to do it, so why not me? This is the difference between the person who has the concept and the person who actually carries it through, which is the driving force behind most successful business people
X = Excellence	Provide excellent service in everything from furnishing the house to answering the phone
Y = Yes	Always have a 'can-do' attitude
Z = Zeal	Having a genuine passion to see students live in high quality accommodation will lift you above your competitors