

mydeposits

EXPERT ADVICE

Top tips for letting to student tenants





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If you have a property in an area with a large student population, letting to student tenants can be an attractive prospect with high demand for accommodation, good rental yields and straightforward annual contracts. Whether you're one of the many landlords already letting to students, or if you're considering doing so, our Head of Dispute Resolution Suzy Hershman has written this helpful guide containing his tips to help you ensure the tenancy runs smoothly.

Suzy Hershman | Resolution Department Lead at mydeposits

1. Choose the right agreement

To start, you'll need to decide whether you are going to issue a single or joint tenancy for your student tenants. There will be different liabilities and responsibilities for your tenants depending on the type of agreement you choose.

TYPE OF TENANCY	DESCRIPTION	EXAMPLE
Joint tenancy for whole property	Under joint and several liability agreements, the landlord may pursue an obligation against any one tenant as if they were jointly liable and it becomes the responsibility of the tenants to sort out their respective proportions of liability and payment.	If one of the four tenants had rent arrears, the rent arrears could be claimed from all four tenants. The non-arrears tenants would then have to pursue the tenant with the rent arrears for reimbursement.
Assured Shorthold Tenancy (AST) for single rooms in a shared property	Each deposit is protected separately; one tenant on the tenancy agreement only; the tenancy agreement defines the room and the communal areas.	The tenant has exclusive occupation of their designated room and will share the use and facilities of the house or flat (e.g. bathroom, toilet, kitchen and sitting room) with other occupiers of the furnished property.

2. Conduct a detailed check in with tenants

Make sure that you conduct a thorough and robust check in and check out report. Best practice is to have the tenants present at the time of carrying these out. Also, provide any instructions or manuals that show them how to operate appliances such as the cooker and the heating. It is always good to refer to the manual in the tenancy agreement to ensure that the appliances are used correctly.

TOP TIP: Again, it is best practice to do a midterm check in to see how the tenants are getting on. You will be able to point out any issues which may mean that you need to make deductions to the deposit at the end of the tenancy. By bringing these issues up now you can give your tenants the opportunity to make things right, saving you a lengthy dispute.

3. Outline your policy on smoking

The Smoke-free (Exemptions and Vehicles) Regulations 2007 now make it an offence to smoke in the shared parts of residential premises e.g. hallways, common stairways and corridors. If a tenant smokes in the property then they are in breach of the Tenancy Agreement. This is also potentially a discretionary ground for possession under the section 8 procedure.

TOP TIP: It is possible that you may need to claim for deductions from the deposit at the end of the tenancy for cleaning, fumigation and decorating if your tenant has broken the terms of the agreement so it is worth highlighting this to your tenants, preferably in person and in writing.

4. Include a clause in the tenancy agreement about nuisance

It's happened before, some student tenants may have a party so it's good to include a clause in the tenancy agreement referencing nuisance. Outline what is considered a nuisance, annoyance or may reasonably be considered anti-social behaviour, including making any unreasonable noise by way of a musical instrument, loud music, a television or anything that may cause damage or be an inconvenience to you or the neighbours. This is also potentially a discretionary ground for possession under the section 8 procedure.

5. Furnish the property appropriately

Try to furnish student properties with strong furniture, this does not mean it has to be expensive but it should be durable. Also, you should expect more fair wear and tear on any furniture in a student property, than in a property that has two professionals, for example.

6. Make your tenants aware of deposit deductions

Lastly, whether you have a joint or single tenancy, you will need to make your tenants aware who is responsible for the communal areas in the property and what happens to the deposit if there is any damage or cleaning is required in the communal areas. Make sure it is outlined in the tenancy agreement.

Working with you to protect student tenancy deposits

mydeposits provides government-authorized tenancy deposit protection in England & Wales, Scotland and Northern Ireland. We work with a large number of corporate landlords, student accommodation providers, letting agents and other businesses with tenants to ensure they comply with their legal tenancy deposit protection obligations. We offer outstanding customer service, a simple, effective way to manage deposits, and free alternative resolution service to resolve issues over the deposit's return.

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