

ACCOMMODATION FOR STUDENTS SURVEY REVEALS JUST HOW MUCH STUDENTS PAY FOR ACCOMMODATION

-Over half of all students (51%) spend over 40% of their available income on accommodation-

- The average student rent around the UK is between £61 and £65 per week. In London, it is £85 to £90, with many students (41%) paying over £100 per week
- For 51% of students (61% in London), rent and related accommodation costs (utilities etc) account for over 40% of their weekly expenditure. For 30% it's more than half – 40% in London!
- One-third of all student households comprise five or more occupants
- Over a half (52%) of students have not held a party in their house/flat in the last year!
37% of landlords think the student buy-to-let market is over-subscribed

(London, 19/1/07) As we approach the peak time for students seeking rented accommodation, Accommodation for Students (www.accommodationforstudents.com), the UK's No 1 student accommodation website, has just completed the most comprehensive survey on student rented accommodation, gathering data from over 3000 students and over 300 landlords across the UK. The research was conducted online at the end of 2006 and furnishes a comprehensive snapshot of the student rented accommodation market, covering everything from accommodation costs and specifications right down to landlord behaviour.

High accommodation costs

Rents are at their most frequently occurring level between £51 and £70 per person per week (43% of all students). However 41% of students in London pay over £100 per week. Associated accommodation costs (utility bills, service charges) account for between another £11 and £30 per week for nearly half of all students (49%).

It's not surprising then that accommodation expenses is by far the biggest chunk of a student's weekly expenditure. For half of students (51%) it comprises more than 40% of their weekly expenditure. For 30% it's more than half! In London the situation for students is even grimmer, the figures being 61% and 40% respectively.

The corollary is that students don't have much to spend in other areas. 60% spend less than 10% of their weekly expenditure on study related items and clothing. Four out of 10 students even spend less than 10% on going out: pub, cinema, club, restaurant etc.

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Student Households and Facilities

Some of the key findings confirm expectations: 90% of students in rented accommodation share and nearly 60% of those share with members of the opposite sex. However perhaps more surprising is the large size of student rented households, with nearly a third (32%) comprising five and more tenants. Houses are the most popular form of accommodation, 57% of students living in them, except for London where nearly two-thirds of students (64%) live in a flat. Nearly a third (32%) of students found their current accommodation via the internet.

Student accommodation belies its 'Young Ones' image and most accommodation is well-appointed with the vast majority having central heating and a washing machine. However, only 20% have a dishwasher. 68% of students have broadband internet access but less than a quarter have Sky or cable TV. 50% of students enjoy a garden and 38% even have off-street parking, although the figures for London are only 37% and 32% respectively.

Students rate value for money, location and safety as the top three criteria for their accommodation requirements. 81% of students rate value for money as being very important. However, only 41% believe their current accommodation provides it. Similarly, whilst 78% of students rate safety as being very important, that factor only scores 45% for their actual current accommodation.

Simon Thompson, co-founder and director of Accommodation for Students, said:

"Accommodation for Students has already been very busy as early as November and December 2006 with first year students looking for rented accommodation for September 2007, the start of their second year. However January and February are even busier. Students can find specific information on rental costs by city on our website, plus information on how these locations are rated in terms of various criteria: shopping, transport, going out, facilities community etc. Features like these are one reason why Accommodation for Students has over 400,000 registered student users, receives over 475,000 unique visitors in peak months, and has students spending an average of over 7 minutes on the site per visit."

Landlords, parties and the Tenancy Deposit Scheme

Landlords generally emerge well when rated on helpfulness, trustworthiness, respect for privacy and rent collection logistics. However they don't score so well in respect of prompt attention to repairs and maintenance. A third (32%) are rated poor or very poor.

Almost unbelievably, over half (52%) of all students had not had a party in their house/flat in the last year. Accordingly, damage to property caused by parties was primarily nil (89%) or minimal (10%). Only 1% recorded 'considerable' damage. Only 12% of students expected any negative impact on the return of their deposits.

88% of students have not heard of the Tenancy Deposit Scheme which comes into effect later this year, but, when questioned on its impact, 73% believed it would reduce related malpractice.

Thompson added:

“This research helps Accommodation for Students to continue to optimise its service to the student and landlord population. It’s particularly heartening that some of our recent additional website features: our student sharing notice board, the stats on rents and reviews and our guides on letting agreements all scored well in this research.”

Landlord research

Accommodation for Students also conducted research amongst over 300 landlords and letting agents. The student letting market is a fragmented one with 28% of landlords having only one property to rent and a further 29% two or three properties. Landlords see rents remaining stable over the next year. 43% think rents will remain the same and 40% foresee them rising by 5%. 46% of landlords think that the current student buy-to-let market is stable but 37% believe it is over-subscribed. Most landlords operate as sole traders (73%). 64% rate their business as ‘quite’ or ‘very profitable’ and as many as 29% only operate at break-even level. Only 40% of landlords belong to a landlord association.

On legal matters, two-thirds of landlords (65%) viewed the upcoming Tenancy Deposit Scheme’s introduction as negative. Re the recent HMO legislation, over half of all landlords (52%) were affected by it but only 29% viewed the new laws as positive.

Thompson concluded:

“The gulf between student and landlord perceptions of the desirability of the upcoming Tenancy Deposit Scheme shows that there is work to be done to ensure that both sides recognise the benefits. The introduction of specialist schemes like that recently approved for the National Landlords Association should provide private landlords with just the sort of help and advice they need.”

- ENDS -

Notes on research

The research was conducted online during December 2006 amongst over 3000 students and 300 landlords throughout the UK.

Further data, tables and charts are available on request.

About Accommodation for Students

Accommodation for Students Ltd. was founded by Simon Thompson and William Berry, graduates from Manchester Metropolitan University, in June 2000.

Accommodation for Students is sponsored by UNITE, STA Travel, Virgin Mobile and Endsleigh Insurance.

Accolades

- Winner BT Business, Essence of the Entrepreneur Award , June 2006
- Featured in BBC's Dragons' Den in November 2005
- Nominated for Best Use of Web in 2005 and 2004 New Media Age Awards.
- Highly Commended in the Best Industry Innovation category at the inaugural 2002 Property Business Awards

The site's features include:

For students

- A powerful search engine accessing a nationwide database of student accommodation properties
- An easy-to-use, comprehensive set of accommodation criteria, including geographical location, number of rooms (including required size of room), rent, availability dates, interior facilities (from satellite/cable television to dishwasher), exterior facilities (from garden to off-street parking) and service facilities (e.g. CORGI registered gas central heating)
- Notice board facility with student profile and avatar features. Also detailed messaging services.
- Clipboard facility to save accommodation details
- Landlord email facility which sends an e-mail to the landlord with one click when a student finds a property they like. The e-mail specifies the house and student details and effects an introduction between the student and landlord.
- Chatroom to allow potential housemates to talk to each other and review house options.

For Landlords

- Sophisticated, user-friendly 'landlord admin suite' which allows landlords to directly upload and edit their property details and pictures on the Accommodation for Students website. The unique measurement facility allows landlords to judge the effectiveness of the website in attracting student interest to their properties and ultimately their letting.
- Fully integrated online payment system with full transaction history and invoice reporting functionality.
- Multiple image and logo upload facility

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- Easy contact system: Accommodation for Students 'e-mail landlord service'. This service enables students to send a generic e-mail of interest to a landlord with one click. This also ensures the privacy of landlord email addresses.
- Free website

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