

Keeping it in the company

Worried about your tenants? Make them your employees too, says Andrew Bolger

Three young businessmen are pioneering a distinctive approach to the student letting market – by offering flats to tenants who are also their employees. Splendid Property Management claims to offer landlords an unrivalled vetting service, plus the promise that students with jobs are more likely to treat the properties with respect.

The property management arm was launched in Edinburgh last year as an offshoot of Splendid, a company that organises society, fashion and corporate events in London and Edinburgh. The Edinburgh branch of the company employs about 400 people on a part-time basis, mainly university students who rent flats in the city.

"Speaking to students, we learned they had serious concerns about how their properties were being run," says Nicholas Webber, one of the company's founders. He and fellow founder James Brooks also had experience as landlords, renting out two flats through agencies in Edinburgh. But "we were very unimpressed by how both we and the tenants were treated," he says.

They acknowledge all the legitimate reasons why relations between students, landlords and the wider community are often strained, citing areas such as Marchmont, near Edinburgh University, where high concentrations of tenement flats multi-occupied by students and frequent late-night parties have caused problems. But they think their business model – which they believe to be unique – can help.

"Our aim is to reopen the channels of communication and concentrate on what really matters to all parties," Brooks says.

And it seems to be working. "We launched in September. Our target was 30 flats in our first year and we already have 32," Webber says. "Ultimately we would like 500 properties, although that would probably involve expanding into other university towns such as St Andrews and Durham."

Because Splendid employs many of its tenants, it has detailed information about their background and employment history. "We would like to have each property [occupied by] at least one member of staff but obviously can't stipulate that they continue working with the company," Webber says.

"If we don't know them well, we get references and do a credit check on their guarantors – people who will pay the rent and for any damage in the event of a dispute," Brooks adds.

The third member of the founding trio is Darren Hobbs, a civil engineering graduate who is responsible for the company's information technology, accounts and quality control.

Critically, the company also holds induction courses, teaching students how to be good tenants – what is expected of them and how to avoid losing their deposit. "For many of these students it is the first time they have lived away from mummy and daddy and running a

curve," Webber says. "Even if they have travelled round the world on a gap year, they will have stayed in youth hostels – so may never have bled a radiator or even changed a light bulb."

The company also encourages tenants to introduce themselves to neighbours to get away from an "us and them" mentality and uses newsletters and community meetings to enhance communication. "If people are going to have a post-exams bash, we encourage them to write a nice letter to their neighbours informing them," Webber says. "We also write directly to all the neighbours, encouraging them to contact us directly if they have any concerns. If four strapping lads move in, an old lady might not want to approach them directly."

The service continues through the tenancy as well. "We inspect the properties every two months, which means they get a decent clean at least that often," Brooks says. "It gives tenants the chance to mention small niggles they may not have raised formally and also gives us an opportunity to spot gradually developing problems, such as a damp patch on the wall the tenants may not have realised was growing."

Splendid also gives its landlords and student-tenants a bit of a financial



Nicholas Webber ATOM

advice, encouraging them to sign less expensive full-year leases, which can then be supplemented by sub-letting the property in August when the Edinburgh Festival creates high demand for – and boosts prices of – accommodation.

Splendid charges a flat 15 per cent commission, which it claims eliminates the added costs and charges typically associated with property management. It targets high-quality flats in central Edinburgh to encourage tenants to be proud of where they live and to respect their surroundings.

Asked whether they have had any problems to date, Brooks says there were "a few noise issues but a few words in the right ears have sorted those out. We [also] have some very mucky guys in one flat. But we have told them the name of a professional cleaner they should use at the end of the let, to get it back to an acceptable standard, and they have all put £50 in a pot to cover the cost of the cleaning. We do not tell people how to live."

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Page 13