

## A guide to adding an all-inclusive utility bills option

A common question asked by students is whether we can include the cost of utility bills within the rental price. By offering an all-inclusive bolt on you will be increasing your properties attraction to potential tenants. Outlined below are the estimated utility costs, along with the recommended price we tend to charge on top of the rent, to cover utility bills.

In order to cover the costs of all the utility bills (water, gas, electricity and internet) we recommend the following bolt on option for students:

*1-2 Bedroom house – all bills option not offered*

*3 Bedroom house - £20 extra per person per week*

*4-5 Bedroom house - £17.50 - £20 (negotiable) extra per person per week*

*6+ Bedroom house - £15 extra per person per week*

*For example if we offer an all-inclusive package for the tenants of a 4 bedroom property this is how it would work:*

*We charge the tenants an additional £20 per person per week x 4 tenants = £80 p/wk. Multiply that by 48 weeks (tenancy duration with 8 weeks calculated as a half rent summer retainer) = £3,840 extra income received.*

*We will take our commission rate on that figure (e.g. 10% + VAT) reducing it down to = £3,379.20. This is the net amount you will receive to pay for the bills.*

*These are example figures of what the bills could cost you:*

**Fixed utilities:**

*Water = £500 p/a*

*WiFi = £300 p/a*

*TV Licence = £150 p/a*

**Total = £950**

*Take this away from the £3,379.20 means you are left with £2,429.20 to pay for the variable utilities of gas and electricity.*

*If you work that out for the 10 months they are actually in the property it will give the tenants £242.92 p/m to spend on gas and electricity, and that doesn't take into account the 3 weeks the students are away over Christmas and the 3 weeks they are usually away over Easter, it also assumes they move in on the 1<sup>st</sup> of September and move out at the end of June (which very rarely happens).*

*The benefits are that your property is well heated, more likely to be ventilated and therefore less prone to condensation and mould growth. When we are conducting viewings on the property for the forthcoming academic year it also makes it more appealing to walk into a nice warm and dry house with happy tenants.*