



For Immediate Release  
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## **HMO guidelines to prompt student rent increases**

### ***Extra costs for landlords could see shortfall in student property***

Implementation of government guidelines which will mean extra costs for existing landlords could result in an unforeseen increase in student rents experts at Cullen Property have warned.

The government's HMO (Houses of Multiple Occupancy) guidelines recently implemented by The City of Edinburgh Council state that all properties above 7.5 metres must have a secondary fire escape and, if not, a suitable alternative means of providing safe escape. This will often mean the installation of a sprinkler or mist system on one or both levels and typically costs will exceed £6,000.

Malcolm Warrack, MD of Edinburgh-based Cullen Property, says: "Licensing of double upper flats, a type of four and five bedroom flats popular with students, for Houses in Multiple Occupation (HMO) purposes will have greater costs and, as a result, some landlords will consider the imposition too expensive and come out of the market. Remaining landlords will then be able to charge higher rents for compliant flats in light of the reducing numbers of suitably sized flats available. The resulting increased student rents could have a serious long-term impact on attracting students to the city."

Edinburgh has seen a 10% rise in student rentals in the last year alone, a result of the 12% increase in university applications for 2010-2011, so opportunities for existing landlords or potential student property investors are significant according to Mr Warrack. However a lack of suitable traditional property for students could result in a student property shortfall next year and beyond.

Mr Warrack adds: "Students keen on experiencing traditional living in Edinburgh may be forced to live in student apartment blocks unless more characterful properties are made available in response to the booming student property sector."



“Student accommodation can have a rather ‘soul-less’ feel to it and more and more students are keen to live in traditional properties but, unless more landlords consider letting such properties to students, there will be a shortfall in suitable student accommodation from next year onwards.”

Cullen Property specialises in acquiring and managing properties for clients looking to invest in and let out residential property, to both the student and professional markets, in Edinburgh.

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For further media information, high resolution images or to arrange an interview contact Samantha McKay or Fiona Vernon at Niche Works on 0131 669 0333 or [samantha@nicheworks.co.uk](mailto:samantha@nicheworks.co.uk) / [fiona@nicheworks.co.uk](mailto:fiona@nicheworks.co.uk).

Notes to editors

### **Cullen Property**

- Cullen Property was founded in 1998 by two directors who believe passionately in the future of Edinburgh’s property market
- The company specialises in acquiring and managing properties for clients looking to invest in and let out residential property in Edinburgh
- It currently manages approximately 300 properties and consistently achieves over 98% occupancy levels