



Millennial Renting: What do renters look for in 2018?

#MillennialRenting

Contents

Introduction - 3

The rise of the millennial renter - 4

Profile of the millennial renter - 5

Renting versus buying for the millennial tenant - 6

The advantages of renting over buying for millennials - 6

So what are some of the other main benefits of renting? - 7

Tips and advice for landlords today - 8

The importance of safety - 8

Other ways to appeal to the millennial renter - 9

What millennials really want - 10

The added extras that count - 10

Keeping the tenant-landlord relationship on track - 12

Tips for tenants - 12

Tips for landlords - 13



Introduction

The renting sector appears to be increasing substantially year on year as millennials stray further away from the property buying market. What we want to know is: what exactly is it that renters are looking for in 2018?

With the market of millennial renters expanding continually, we wanted to offer some hints and tips for both tenants and landlords. In this eBook, we offer a look into the current renting landscape, insight into what millennials are looking for in a property and how landlords can provide this for them. Keep reading for more tips on maintaining a harmonious relationship between tenant and landlord.

If you have any of your own tips or experiences from either a tenant or landlord perspective, we would love to hear from you. Share your stories and join the conversation online by tagging [@HomeLet](#) and using the hashtag [#MillennialRenting](#).

The rise of the millennial renter

With the longer term trend of rising house prices, it comes as no surprise that millennials now make up the dominant demographic within the rental market. In fact, it's estimated that almost half of the current housing market are millennials with 90% of those being renters⁽¹⁾. With that in mind, 2018 will likely show a continuation in the rise of the millennial tenant.

⁽¹⁾ <https://www.appfolio.com/blog/2014/08/10-things-you-need-to-know-about-the-millennial-renter-infographic/>



Profile of the millennial renter

Millennials currently make up a majority of the housing market. For landlords in 2018, it's important to acknowledge the profiles of this group in order to appeal to their lifestyles and desires. A millennial is anyone who reaches young adulthood (18-25) in the early 21st century.

- Pet-friendly properties can be a popular choice for millennials as many tend to own animals.
- They may own and regularly use a bicycle, so storage for this is a huge plus.
- A millennial tenant may be particularly eco-conscious so energy saving features are a bonus.
- They're tech-savvy and are likely to prefer to communicate via text message or email.
- Millennial renters are showing more interest in spending time outdoors so access to fresh air and shared garden spaces might be appealing to them.



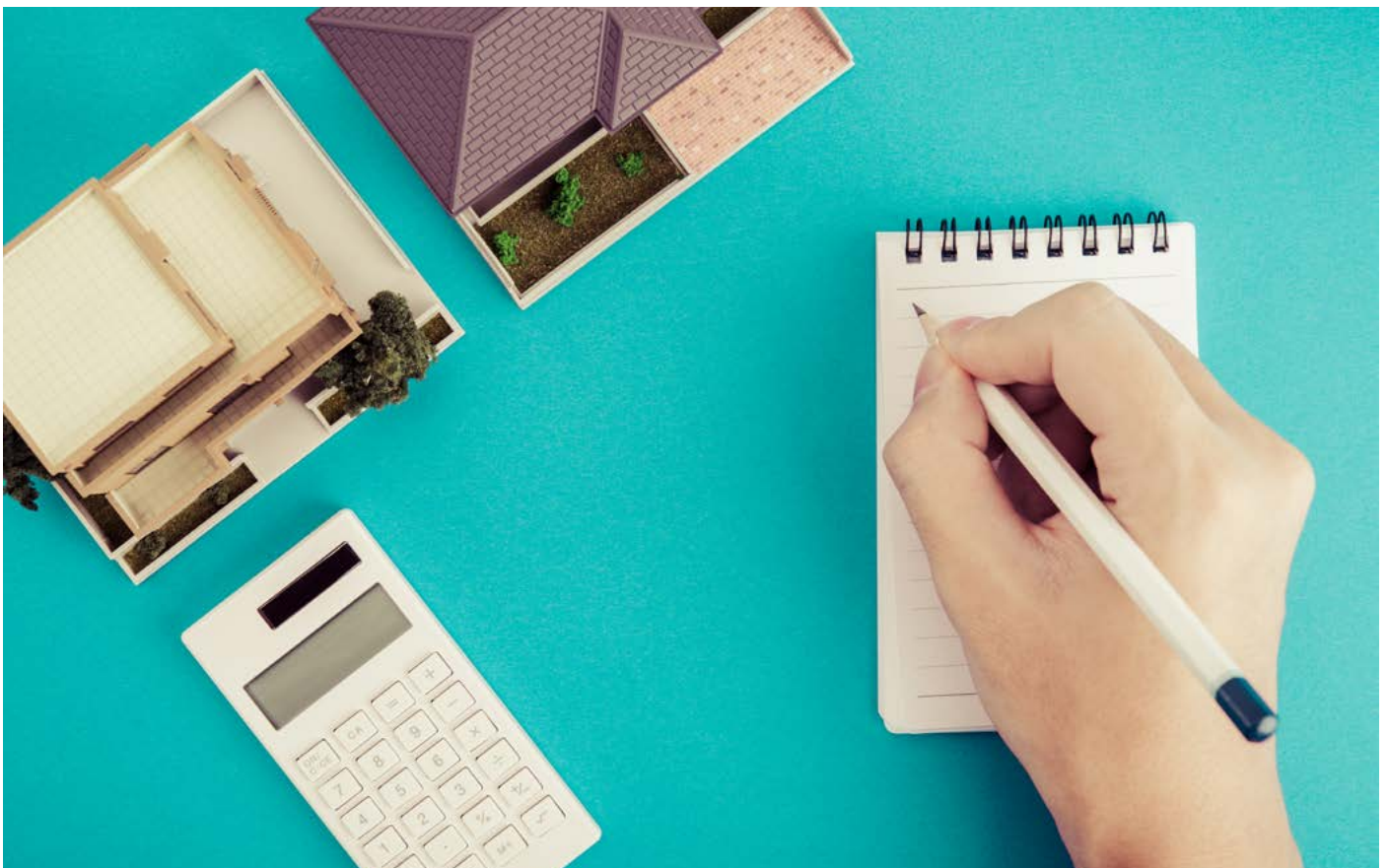
Renting versus buying for the millennial tenant

The renting versus buying discussion is an ongoing debate that can present a number of arguments in favour and against both sides. The main advantages of renting over buying typically include more flexibility in location, no (or little) responsibility to perform maintenance or repair work, and smaller down payments or deposits. While these have long been identified as benefits, they are particularly prolific for the current housing demographic.

The advantages of renting over buying for millennials

According to recent data, renting is now cheaper than buying in more than 50% of British cities, with this figure having increased by 14% since October 2016⁽²⁾. Marry that with increasing conveyancing costs and removal fees and millennials find themselves in an extremely expensive situation that their salaries often can't match. Renting a property extracts large deposits, mortgages and home moving payments from the equation, making it a far more accessible choice for millennials.

⁽²⁾ <http://www.independent.co.uk/news/business/news/housing-market-property-renting-cheaper-buying-half-uk-cities-house-prices-too-high-london-cambridge-a7742721.html>





So what are some of the other main benefits of renting?

- **Flexibility** - This is one of the main advantages of renting over buying for millennials who might not want to put roots down in a permanent location. With fluidity in the job market and an increased desire to travel, entering into six-month or year-long lease contracts is a much more viable option.
- **Chance for diverse cohabiting** - Renting a property not only opens up flexibility on where a tenant can live, it also means they have more flexibility when changing who they live with over a period of time. From friends and family to romantic relationships, renting leaves room for versatile and adaptable living arrangements.
- **An alternative to the property ladder** - The past few years have been difficult for first-time buyers to get onto the property ladder. This has led to a surge of people opting to rent instead. Many millennials are now viewing renting as a long-term housing solution and not the short-term temporary arrangement it has been in generations previously.

Tips and advice for landlords today

The importance of safety

In a study of millennials in the housing market it was revealed that a vast 76% reported safe streets as being priority when picking out a place to live⁽³⁾. This demonstrates that it is now becoming increasingly important for landlords and letting agencies to both provide and promote the safety benefits surrounding their properties.

Ways in which landlords can improve the safety of their properties include:

- Outdoor lighting
- Double glazing
- Burglar alarm
- Smoke alarm
- Carbon monoxide detector
- Annual gas safety check



⁽³⁾ <https://blog.appfolio.com/wp-content/uploads/2014/08/AppFolio-Millennial-10-Facts-Final-Draft-1.png>

Other ways to appeal to the millennial renter

While safety seems to be coming out on top of the ranks, there are a number of other features which are regularly cited as being beneficial to the millennial way of living. These include:

- Space to keep a bike
- Clear rules
- Allowing pets in the property (which may require a higher deposit)
- Off-street parking where possible

Another feature which is particularly attractive to eco-savvy and money-conscious millennials are any steps taken towards reducing the cost of utility bills and the expense of energy. Some of the ways in which landlords can appeal to this are by doing things like opting for double glazing, fitting cavity wall insulation, installing thermostats or programmers and updating their heating systems.



What millennials really want

The added extras that count

One thing that is also becoming increasingly apparent is that the millennial tenant wants more than the bare necessities and is looking for added extras before entering into any tenancy agreement.

Gone are the days of picking out a property to purely supply for basic needs as renters in 2018 keep a close eye on things like interior decor, location, technological features and more flexible attitudes towards diverse lifestyles.

Examples of the supplementary benefits landlords might like to consider if they're aiming to appeal to the millennial renter are:

- Underfloor heating
- Provision and maintenance of white goods (fridge freezer, dishwasher, washing machine, tumble dryer etc)
- Chances to 'give back' i.e. being a landlord who is involved in the local community
- Outdoor communal spaces



Once a landlord has entered into a rental contract, there are a number of things they can do and provide in order to cater to what the market really desires. With our fast-paced lifestyles, demanding workloads and hectic social schedules, a lot of these things are based around improving speed and efficiency. They include:

- Digital maintenance logs e.g. online portal
- Communication via text message
- Speedy response times
- Fast internet connection/WiFi



Keeping the tenant-landlord relationship on track

With the requirements of millennial renters expanding and the demands on landlords to meet them increasing, property letting can sometimes feel like a challenge. From late rental payments to unforeseen repairs, the relationship between landlord and tenant can become strained. With this in mind, we've put together some tips for both parties to help keep the connection as harmonious as possible.



Tips for tenants

As a renter, it's important to remember that although the property is now your home, you don't actually own it. This means there are certain rules and regulations that must be adhered to, including sticking to the terms of your tenancy agreement strictly. Although pets are high on the priority list for millennial renters, it's essential to respect the landlord's rules if they do not allow animals in the property.

Other steps which will help a tenant's relationship with their landlord run smoothly are:

- Running a thorough inventory check once the keys have been passed over.
- Informing the landlord immediately of outstanding repairs or issues.
- Keeping the property clean and tidy.
- Building up a rapport with the landlord.
- Considering tenants insurance that includes cover for possessions and tenancy liability insurance.

Tips for landlords

For landlords, it isn't just all about trying to impress any potential renters — it's about finding the right tenants for you. Running the right checks before handing over a tenancy agreement will make sure that renters fit the bill and align with legal requirements. Running tenant checks to ensure the person(s) have the legal right to rent and taking advantage of tenant referencing services is an effective way to do this.

Other steps landlords should stick to include:

- **Making sure health & safety responsibilities are met.**
- **Being prompt with any repairs or maintenance requests.**
- **Agreements around reasonable access.**
- **Having suitable insurance cover.**

Note that landlord insurance policies are different from standard home cover and can protect against potential risks associated with letting a property. Landlord insurance can cover everything from building and contents to emergency repairs, non-payment of the rent or malicious damage to the property. For more information on insurance options, speak to one of our experts today.

If you'd like more tips for landlords, take a look at the [HomeLet landlord blog](#).





<https://www.appfolio.com/blog/2014/08/10-things-you-need-to-know-about-the-millennial-renter-infographic/> (1)

<http://www.independent.co.uk/news/business/news/housing-market-property-renting-cheaper-buying-half-uk-cities-house-prices-too-high-london-cambridge-a7742721.html> (2)

<https://blog.appfolio.com/wp-content/uploads/2014/08/AppFolio-Millennial-10-Facts-Final-Draft-1.png> (3)

<http://renterswarehouse.com/top-trends-rental-market-2018/>

<http://www.housebeautiful.co.uk/lifestyle/property/news/a1243/what-tenants-want-from-a-rental-home/>

<https://www.theguardian.com/housing-network/2016/feb/25/families-renting-2016-english-housing-survey>

<https://www.express.co.uk/life-style/property/753307/Property-market-renting-better-than-buying-homeownership>

<https://www.mysmartmove.com/SmartMove/blog/anatomy-millennial-renter-infographic.page>

<https://homelet.co.uk/tenants/blog/article/explained-the-advantages-of-renting-over-buying>

<https://www.incharge.org/housing/homebuyer-education/homeownership-guide/advantages-and-disadvantages-of-owning-a-home/>