



**For immediate release: Friday 20<sup>th</sup> February 2015**

### **ONE IN FOUR LETTING AGENTS WITNESS RENT HIKES IN THE NEW YEAR**

- A quarter of ARLA Licensed agents reported an increase in monthly rent in January
  - On average it takes five viewings for a property to be let
  - London has the highest demand for rental property out of any UK region
  - ARLA launches first monthly Private Rented Sector Report for January

Association of Residential Letting Agents (ARLA) has today launched the first of its new monthly Private Rented Sector Report<sup>1</sup>, which tracks key market trends within the private rented sector.

The January report, which was conducted among ARLA members, reveals that on average just over a quarter (27%) of ARLA Licenced branches saw an increase in the cost of monthly rent for tenants from December 2014 to January 2015.

The East of England, which includes Bedford, Cambridge and Norwich, saw the highest number of landlords increasing rent per calendar month, with just over a third (35%) of ARLA letting agents reporting an increase in the New Year. Welsh agents on the other hand only saw one in ten (11%) landlords increasing monthly rent, leaving less tenants facing rising costs.

**David Cox, Managing Director of ARLA comments:** “The new ARLA Private Rented Sector Report is designed to gain invaluable insight on the lettings market month-to-month from ARLA member agents.

“With house prices still high, along with stricter lending criteria for mortgages, the rental market is currently a much more accessible and affordable option to buying. Due to this, the demand for rental property is increasing, which impacts the cost of renting; people are willing to pay more to secure their desired property. If house prices continue to rise in 2015, we expect this trend to continue in the rental sector.”

### **Housing hurry**

Despite rising rent costs, on average, ARLA letting agents reported it takes around five viewings for a property to be taken off the market. Whilst rent increased the most in the East of England, ARLA letting agents revealed it also only takes an average of three viewings for a property to be let in the region. This is less than half the viewings it takes for properties in London, which take an average of seven viewings.

**David Cox continues:** “With rental properties in the East of England being quickly snapped up off the market, people don’t appear to be put off by the rising cost of rent in the region. Clearly property in the area is popular; this will be an interesting trend to watch.”

### **Supply and demand**

ARLA Licensed agents reported an average of 38 prospective tenants registered per branch in January. Unsurprisingly this was the highest in London, with an average 45 registered prospective tenants per branch.

However, it seems that unlike the sales market, there is more supply in the rental market. The average number of managed rental properties per branch was 184. The highest was recorded in East Midlands at an average of 266 per branch, while the lowest was recorded in London at 140 on average per branch.

**David Cox concludes:** “London has the highest demand for rental property on average per branch, yet supply in the area is the lowest out of any UK region. Many Londoners simply cannot afford to buy and therefore look to the private rented sector instead. This means available property is highly sought after, and it highlights the issue of supply and demand; particularly in the Capital but also throughout the UK.”

For a full overview of the PRS, please see full report here: <http://www.arla.co.uk/info-guides/market-surveys/monthly-arla-private-rented-sector-report.aspx>

**ENDS**

<sup>1</sup>Opinium Research carried out an online survey among 465 ARLA member branches in February 2015. ARLA Licensed letting agents were surveyed on a number of key rental sector issues including supply and demand, the management of BTL properties, and monthly rent prices. [www.opinium.co.uk](http://www.opinium.co.uk)

### **About ARLA**

ARLA is the UK's foremost professional and regulatory body for letting agents; representing over 7,500 members. Our members operate to professional standards far higher than the law demands and we campaign for greater regulation in this growing and increasingly important sector of the property market. By using an ARLA Licensed agent, consumers have the peace of mind their agent will provide a professional service and their money is safeguarded by a Client Money Protection scheme.

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