



ASSOCIATION OF RESIDENTIAL LETTING AGENTS

PRIVATE RENTED SECTOR REPORT

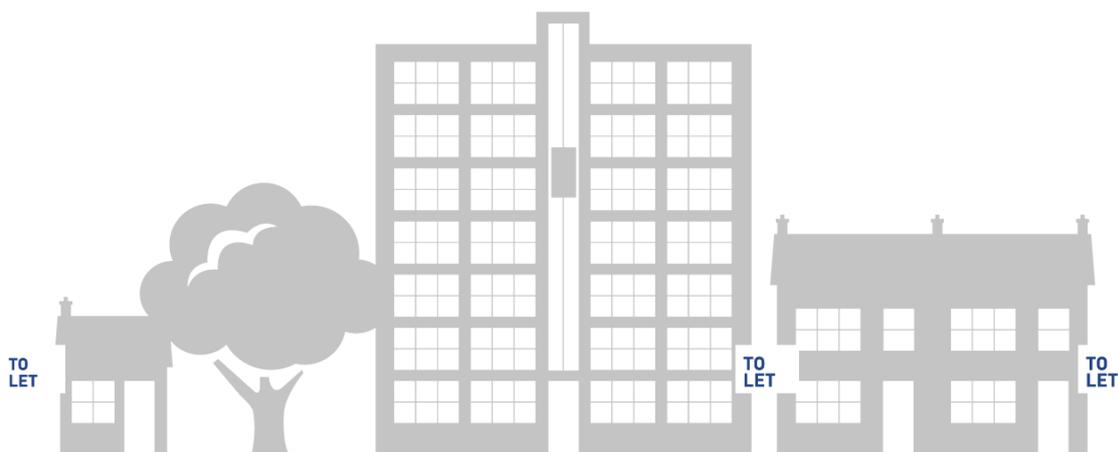
March 2015

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March 2015 PRS Report: THREE QUARTERS OF LETTING AGENTS THINK LABOUR'S THREE YEAR TENANCY PROPOSALS WILL DEplete HOUSING STOCK

KEY FINDINGS

GENERAL ELECTION

- Almost three quarters of letting agents (72%) believe that Labour's proposed three-year tenancy agreements will see landlords pull out of the market
- Further, 74% of letting agents believe that Labour's proposals won't benefit tenants at all

MONTHLY TENANCIES

- ARLA members reported an average of 36 prospective tenants per branch in March, down from 40 in January
- ARLA letting agents managed an average 192 properties per branch in March, up from 184 in February
- ARLA members recorded three landlords per branch were selling their buy-to-let properties, a figure which has remained stable since February
- Of those buy-to-let properties put up for sale, on average only one came back onto the rental market after failing to sell
- ARLA agents reported that on average tenants stay in a property for 17 months
- Almost a third of ARLA agents (32%) said that rents increased between February and March
- Only a fraction (4%) of ARLA agents said that on average they had seen a decrease in rent in the last month
- 31% of ARLA agents were successfully involved in negotiating rent reductions for their tenants
- The average void period ARLA agents reported between tenancies in January was three weeks
- ARLA agents reported that on average it took five viewings per property before it was let.

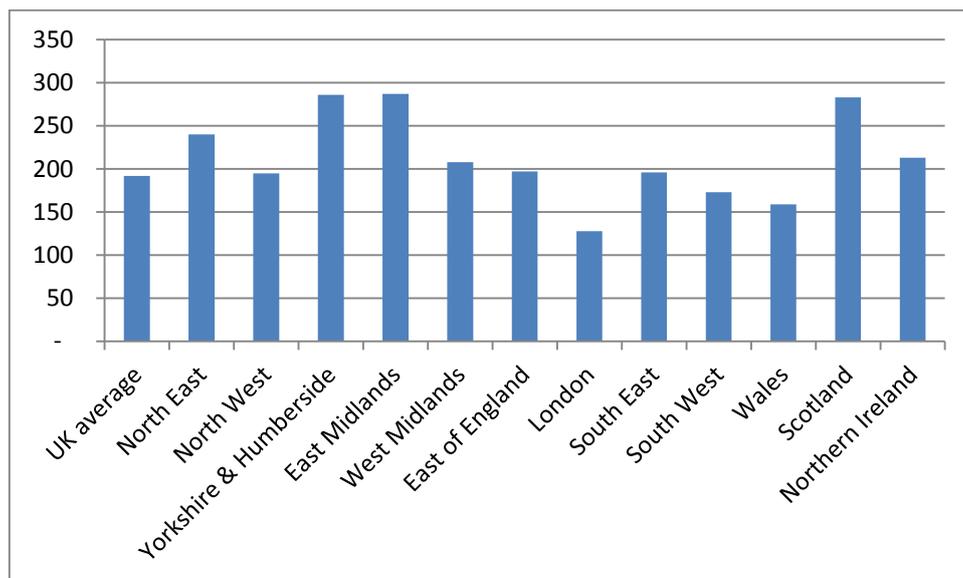
NUMBER OF MANAGED PROPERTIES

*Average number of properties managed per branch was **192** in March, up from 184 in February*



The majority (56%) of ARLA agents managed less than 200 properties per branch, while just under a third (30%) said they managed 300 properties or more.

The highest number of properties recorded per branch regionally was in Scotland with an average of 293 per branch. The lowest recorded number per branch was in Wales with 150 properties.



¹ Figure 1: Average number of properties managed per branch

NUMBER OF PROSPECTIVE TENANTS

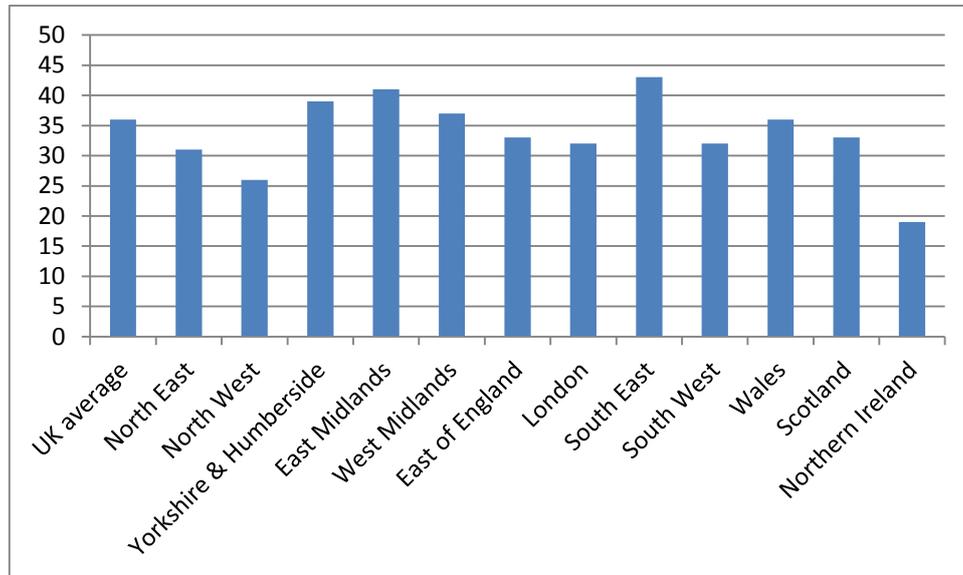
Average number of prospective tenants in March was 36 per branch, down from 40 in February



¹ Figure 1 – Data in the chart should be used indicatively due to the base sizes for certain regions being below 50

Over half of ARLA letting agents (66%) reported that they registered between 1 and 50 prospective tenants in April. Just over a quarter (29%) reported that they registered over 50 per branch.

The region with the highest number of prospective tenants registered per branch was the South East, with an average 43 registered per branch.



² Figure 2: Average number of prospective tenants per branch

NUMBER OF LANDLORDS SELLING BUY-TO-LET INVESTMENTS

*Average number of landlords selling buy-to-let investments in March was **three per branch***



The average number of landlords selling buy-to-let investments in March remained the same since February.

Three in five (59%) ARLA agents said that between 1 and 5 landlords on their books were selling their buy-to-let investment properties in March. However, a fifth (22%) said that no landlords were doing so this month.

² Figure 2 – Data in the chart should be used indicatively due to the base sizes for certain regions being below 50

AVERAGE LENGTH OF TENANCY

*Average length of tenancy reported in March was **17 months***



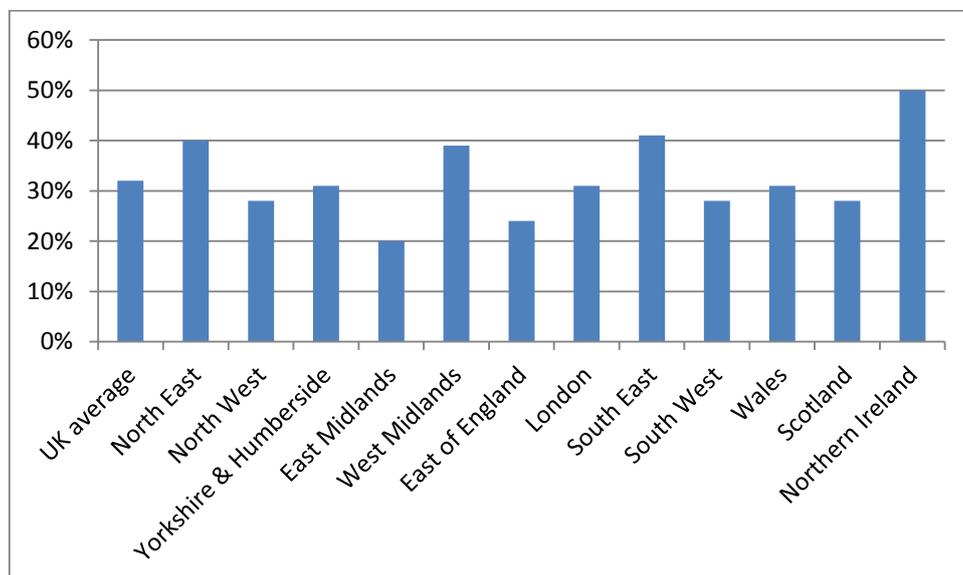
In London, ARLA agents reported that tenants typically stay in a property marginally longer than the UK average at 19 months.

AVERAGE MONTHLY RENT

*Almost a third (**32%**) of ARLA agents saw monthly rent increase in March*



Northern Ireland saw the highest number of landlords increasing rent per calendar month, with half (50%) of ARLA letting agents reporting an increase. Agents in the East Midlands on the other hand only saw just one in five (20%) landlords increasing monthly rent, leaving less tenants facing rising costs.



³ Figure 3: Percentage of agents that saw monthly rent increase

RENT NEGOTIATION

31% of ARLA agents were successfully involved in negotiating rent reductions for their tenants in March



ARLA member agents in Wales were most successful at negotiating rent reductions for their tenants in March (62%), whilst those in the East of England were least likely to successfully negotiate a rent reduction (12%).

AVERAGE VOID PERIODS

*Average void period for properties between tenancies in March was **three weeks***



Two in five (43%) ARLA agents said the average void period was less than two weeks, while a further two in five (38%) said void periods were typically two to four weeks. Just over a tenth (15%) reported properties had been left void for five weeks or more.

AVERAGE NUMBER OF VIEWINGS

*Average number of viewings per property before it was let was **five** in March*



³ Figure 3 – Data in the chart should be used indicatively due to the base sizes for certain regions being below 50



Two-thirds (65%) of ARLA agents said a property was most likely to be let after between one and five viewings, while almost a third (32%) said it would take a property more than five viewings before it was taken off the market.

-END-

Notes to Editors:

About the research

Opinium Research carried out an online survey among 409 ARLA member branches between 10th and 17th April 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

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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