



ASSOCIATION OF RESIDENTIAL LETTING AGENTS

PRIVATE RENTED SECTOR REPORT

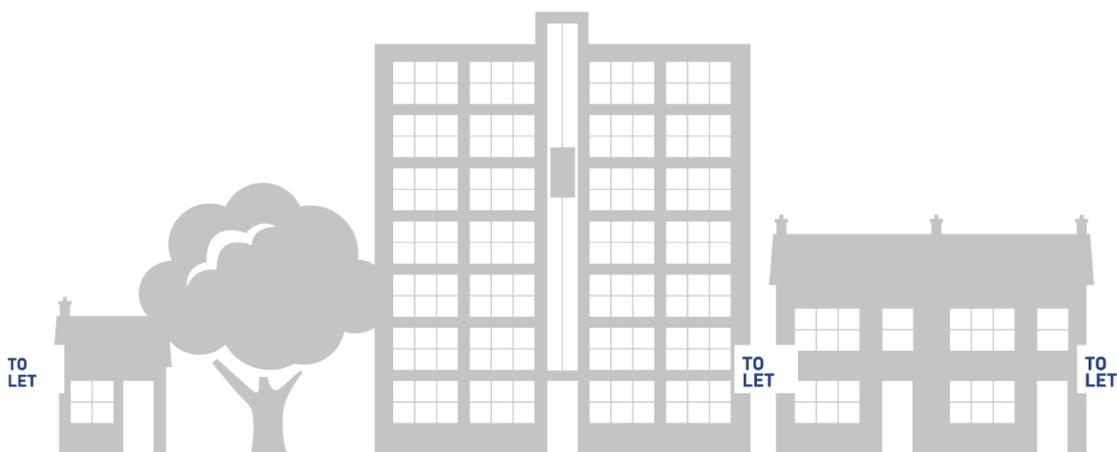
August 2015

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August 2015 PRS Report

NUMBER OF LANDLORDS INCREASING RENTS DROPS

KEY FINDINGS

- The supply of rental housing fell in August – with 178 properties managed per branch this month on average, compared to 189 in July and back to levels seen in June
- In August, ARLA letting agents had 36 prospective tenants register per branch, an increase from 35 in July
- A third (33%) of ARLA letting agents saw a rise in the number of tenants experiencing rent increases in August, compared to 37% in July
- ARLA agents reported that on average tenants stay in a property for 17 months
- In August it took five viewings per property on average before it was let
- The average void period between tenancies in August was three weeks

NEXT FIVE YEARS

- Over three quarters (79%) of ARLA agents think rents will continue to rise over the next five years
- A third (32%) of ARLA agents expect supply to continue to increase over the next five years, whilst 82% see demand rising too

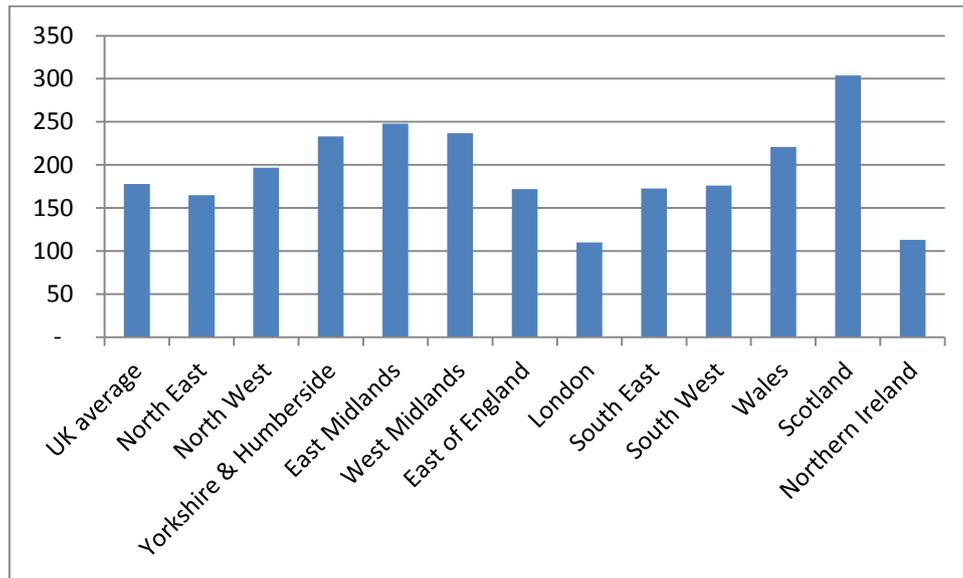
NUMBER OF MANAGED PROPERTIES

*Average number of properties managed per branch was **178** in August, decreasing from **189** in July*



Three fifths (60%) of ARLA agents managed fewer than 200 properties per branch in August; 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 304 per branch – 70 per cent above national average. The lowest recorded number per branch was in London with 110 properties.



¹ Figure 1: Average number of properties managed per branch in August

NUMBER OF PROSPECTIVE TENANTS

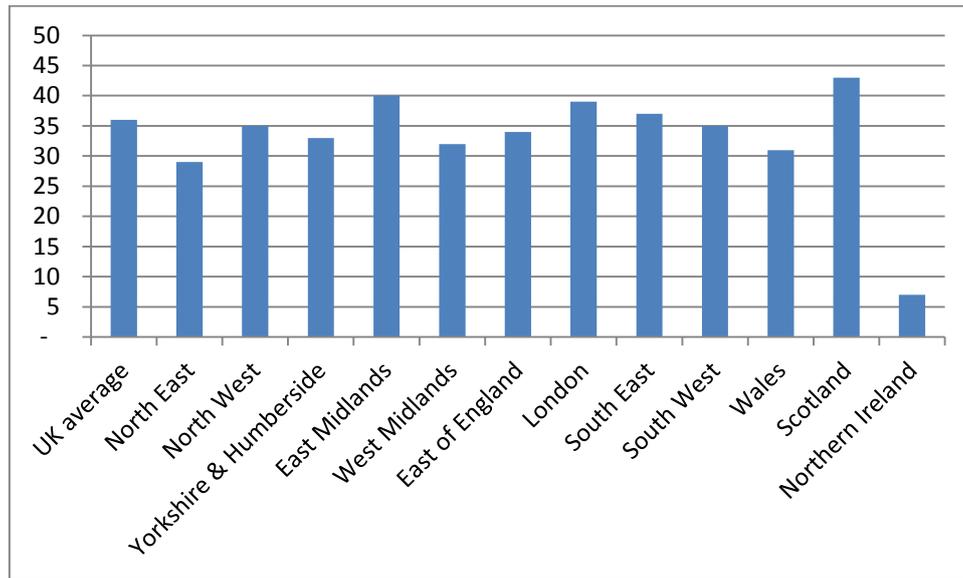
*Average number of prospective tenants in **August** increased slightly with an average of **36 registered per branch**, compared to 35 in July*



Two thirds of ARLA letting agents (66%) reported that they registered between 1 and 50 prospective tenants in August. Almost three in ten agents (28%) registered over 50.

Demand is highest in the Scotland, where there were 43 prospective tenants registered per branch, on average.

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



² Figure 2: Average number of prospective tenants per branch in August

NUMBER OF LANDLORDS SELLING BUY-TO-LET INVESTMENTS

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



The number of landlords selling their buy-to-let investment properties remained the same this month, with an average of three for sale per branch.

Just over half (51%) of ARLA agents said that between one and five landlords on their books were selling their buy-to-let investment properties in August.

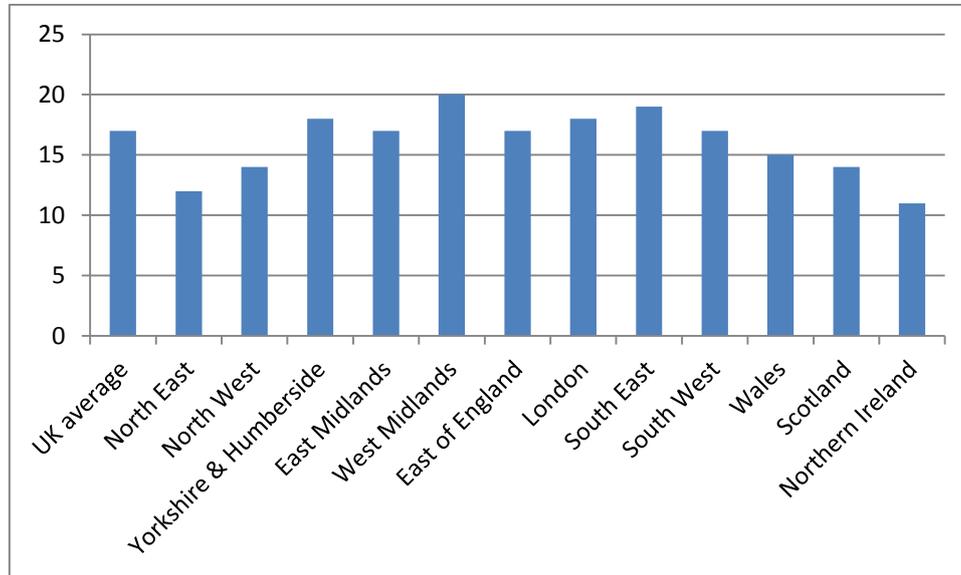
AVERAGE LENGTH OF TENANCY

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



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

In the West Midlands, ARLA agents reported that tenants typically stay in a property longer than the UK average, at 20 months. In contrast, those in the North West stayed for only 14 months on average.



³ Figure 3: Average length of tenancy per branch in August

AVERAGE MONTHLY RENT

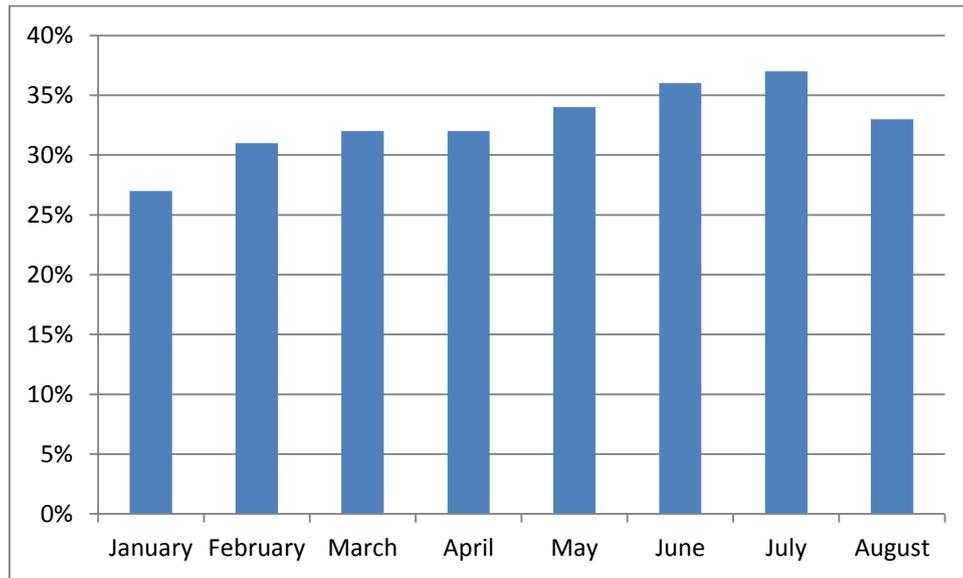
Two in five (33%) ARLA agents saw monthly rents increase in August



The number of ARLA agents reporting rent increases has been rising since January, but this month shows the first slow-down in rent increases for tenants

The West Midlands saw the highest number of landlords increasing rent per calendar month, with over half (53%) of ARLA letting agents in this region reporting an increase. On the other hand, only 12% in the North West saw rents rise. In Wales, 36% letting agents saw rents increase for tenants, compared to just 11% in July.

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



⁴ Figure 4: Percentage of agents that saw monthly rent increase in August

AVERAGE VOID PERIODS

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



Two in five (40%) ARLA agents said the average void period was less than two weeks, while slightly more (44%) said void periods were typically two to four weeks. Just over a tenth (14%) reported properties had been left void for five weeks or more in August.

AVERAGE NUMBER OF VIEWINGS

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



⁴ Figure 4 – Data in the chart should be used indicatively due to the base sizes for certain regions being below 50



Two thirds (67%) of ARLA agents said properties were most likely to be let following one to five viewings, while three in ten (30%) said it would take a property more than five viewings before it was let.

-END-

Notes to Editors:

About the research

Opinium Research carried out an online survey among 287 ARLA member branches between 4th and 17th August 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 8,000 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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