



ASSOCIATION OF RESIDENTIAL LETTING AGENTS

PRIVATE RENTED SECTOR REPORT

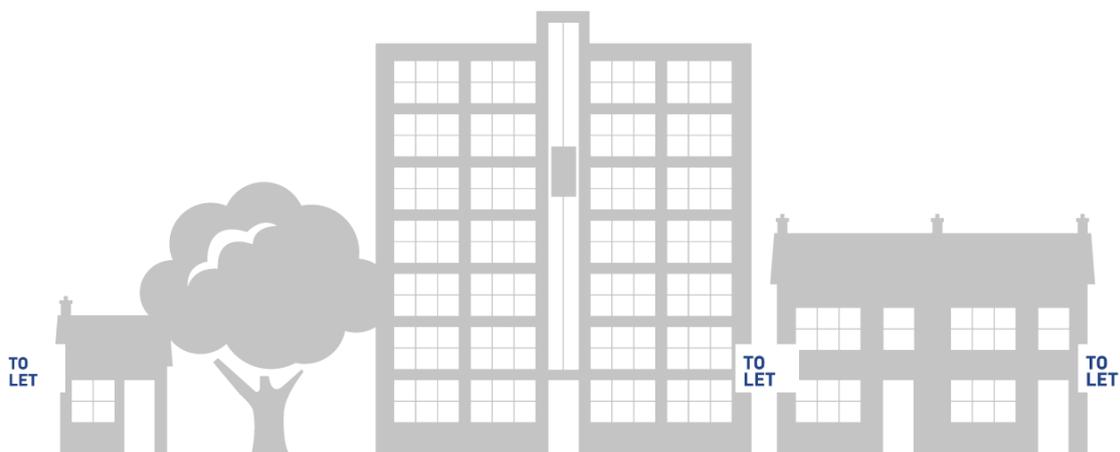
August 2016

For further information:

Association of Residential Letting Agents Press Office

020 7566 9777

propertyprofessionals@lansons.com





August 2016 PRS Report

DEMAND FOR RENTAL HOMES RIDING HIGH

KEY FINDINGS

- Demand from prospective tenants rose in August
- Supply dipped marginally from July, which saw the highest level so far this year
- The average number of tenants negotiating rent reductions rose to 3 per cent in August; the highest since records began
- Tenants stayed in rental properties for 19 months on average
- In August, properties were viewed on average five times before a let was agreed
- The average void period between tenancies was three weeks

Supply and demand are both high in August, with demand at joint highest level this year and supply only dipping marginally from last month's annual high.

NUMBER OF PROSPECTIVE TENANTS

*Average number of prospective tenants increased in August to **37** registered per branch*



In August, letting agents had 37 prospective tenants registered on average per branch, the highest number since June when there were also 37 tenants per branch. Demand is lowest in Northern Ireland, and highest in London, closely followed by Yorkshire and Humberside, North East and the North West.

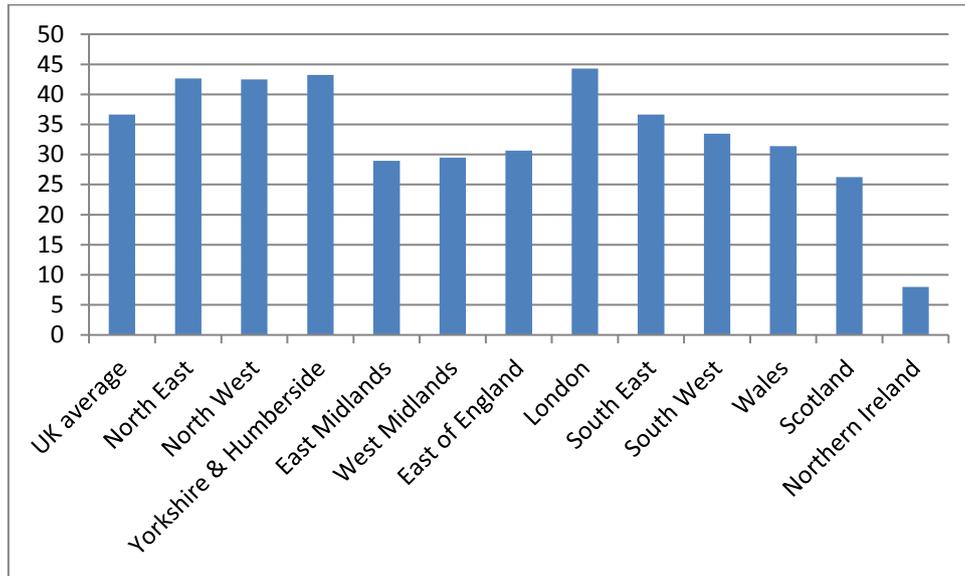


Figure 1: Average number of prospective tenants per branch in August

NUMBER OF MANAGED PROPERTIES

*Average number of properties managed per branch was **183** in August, decreasing from 184 last month*



In August, the number of properties managed per branch dipped marginally to 183. This is down from July which saw the highest levels seen since November 2015, with 184 properties managed on average per branch.

Year on year supply is up; in August 2015, there were 178 properties registered per branch.

The number of properties registered per branch was lowest in London where agents managed an average of 97 properties per branch – a significant drop from the 136 recorded last month. Supply was highest in the North East where there were 275 rental properties managed per branch on average.

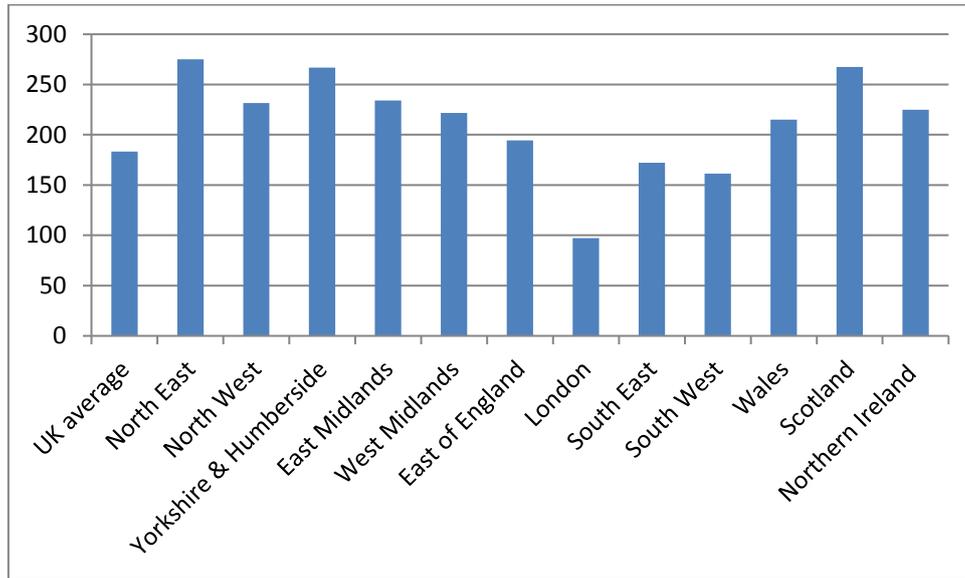


Figure 2: Average number of properties managed per branch in August

AVERAGE MONTHLY RENT

Three per cent of tenants have negotiated a rent reduction in August



A record number of tenants successfully negotiated a rent reduction in August – three per cent compared with 2.1 per cent in July.

EU REFERENDUM

Nearly three-quarters of agents (72%) saw no sign of a market wobble following Brexit



Member agents reported very little change to rent prices, demand and supply following Brexit.

What immediate effects have you seen following the Brexit vote?	Rent	Demand	Supply
Increase	12%	16%	17%
Decrease	11%	17%	12%
Stay same	72%	63%	67%

LANDLORDS SELLING BTL PROPERTIES

The number of landlords selling their BTL properties remained at three



Letting agents recorded an average three landlords selling their buy-to-let (BTL) properties at each branch in August – a figure which has not changed since April.

LENGTH OF TENANCY

Average length of a tenancy in July was 19 months



Those in the East of England typically stayed in their rental properties longest, with the average tenancy lasting 29 months, whereas those in the North West stayed for 12 months on average.

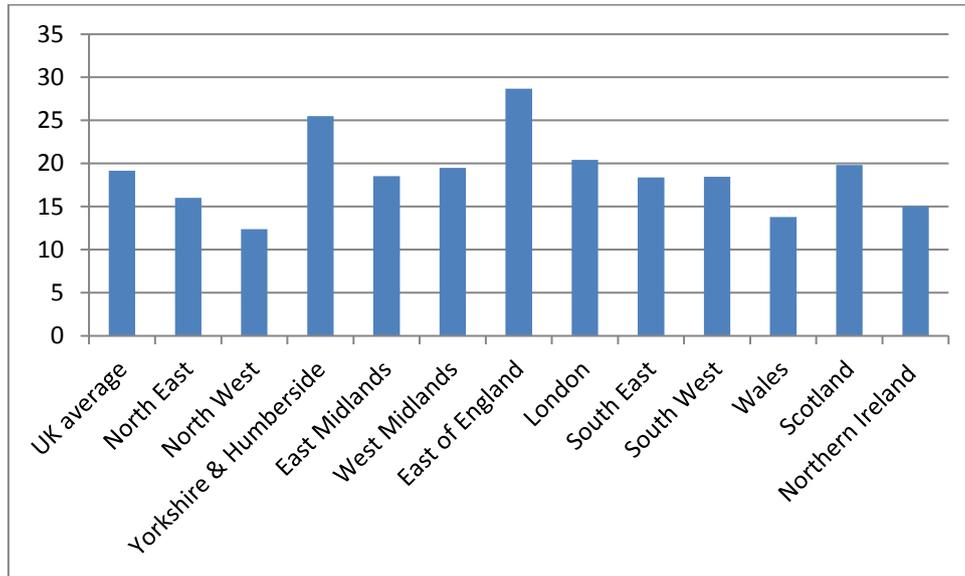


Figure 3: Average length of tenancy per branch in August

AVERAGE VOID PERIODS

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



In London and North East, properties were empty for four weeks on average.

-END-

Notes to Editors:

About the research

Opinium Research carried out an online survey among 190 ARLA member branches in 2 August – 11 August 2016. 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 8,500 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.

For further information contact:



ARLA Press Office

Tel: 020 7566 9777

E-mail: propertyprofessionals@lansons.com

