



ASSOCIATION OF RESIDENTIAL LETTING AGENTS

PRIVATE RENTED SECTOR REPORT

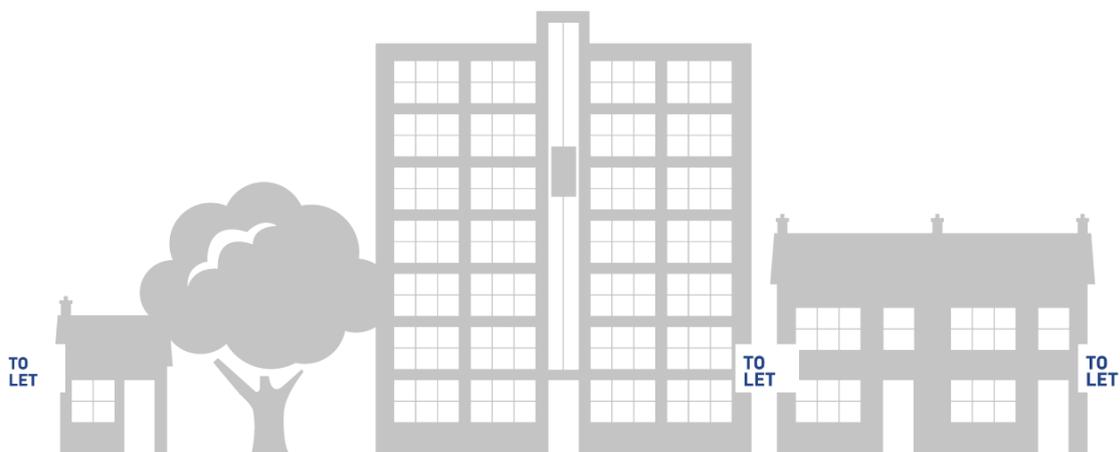
October 2016

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October 2016 PRS Report

TENANT RENT HIKE FINALLY START TO SLOW, AS CHANCELLOR TRIGGERS COUNTRY-WIDE INCREASES

KEY FINDINGS

- The number of agents witnessing rent hikes for tenants is at the lowest level since December 2015
- Supply of rental property decreased in October
- Demand from prospective tenants also fell in October
- Tenants stayed in rental properties for 18 months on average
- In October, properties were viewed on average five times before a let was agreed
- The average void period between tenancies was three weeks

The number of letting agents witnessing rent increases in October was the lowest level seen since December 2015. However, given last week's Autumn Statement news that letting agent fees will be banned, this is unlikely to last, with rents projected to rise significantly.

AGENTS WITNESSING RENT HIKE

The number of landlords hiking rent costs fell to 18 per cent



Tenants in Yorkshire and Wales were most likely to experience rent hikes in October, with 50 per cent and 38 per cent witnessing rises respectively. It was good news for those renting in London however, as only eight per cent of agents reported an increase for tenants.

NUMBER OF MANAGED PROPERTIES

*Average number of properties managed per branch was **180** in October, down from **193** in September*



In October, the number of properties managed per branch was 180. This was the lowest number since June this year, when there were 176 properties managed per branch.

Supply of rental stock was lowest in London where agents managed an average of 132 properties per branch. However this was an increase from the 119 registered per branch last month. The number of properties registered per branch was highest in Yorkshire, where there were 278 on agents’ books on average, considerably higher than the national average.

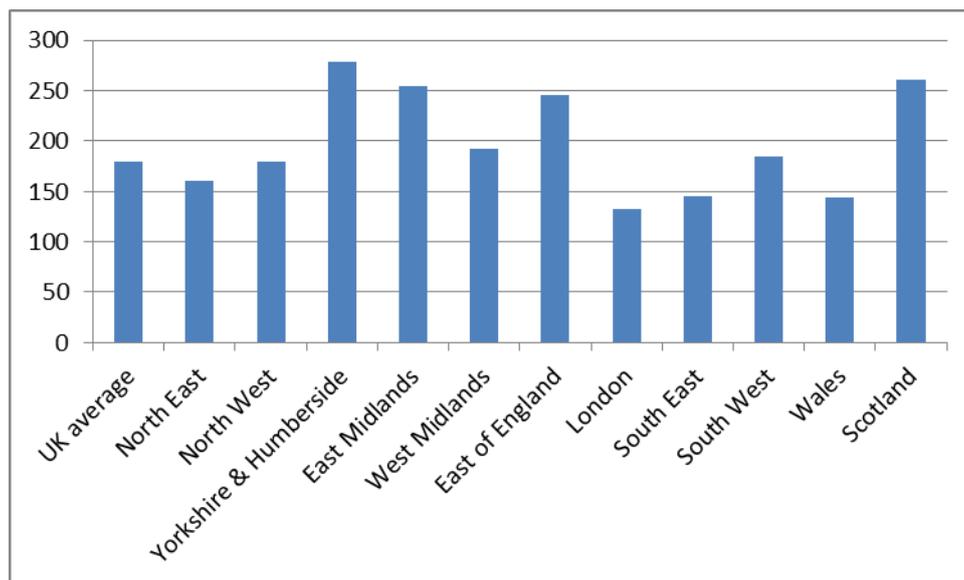


Figure 1: Average number of properties managed per branch in October

NUMBER OF PROSPECTIVE TENANTS

*Average number of prospective tenants decreased in October to **34** registered per branch*



In October, letting agents had 34 prospective tenants registered on average per branch, the lowest level since May. Demand in the North East was much higher than the national average, with 45 prospective tenants registered per branch.

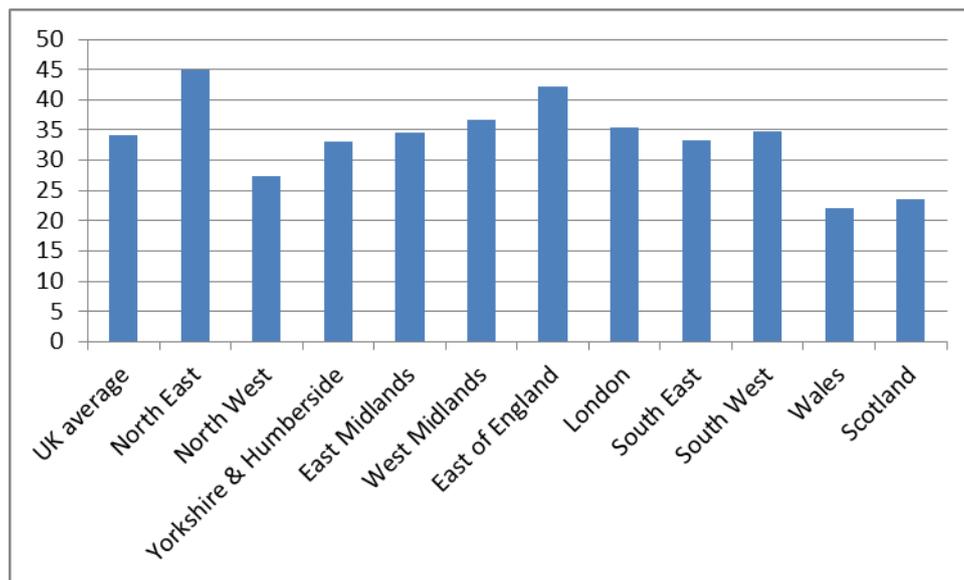


Figure 2: Average number of prospective tenants per branch in October

LANDLORDS SELLING BTL PROPERTIES

*The number of landlords selling their BTL properties remained at **three***



The number of landlords selling their BTL properties per branch has not changed since April.

LENGTH OF TENANCY

*Average length of a tenancy in October was **18 months***



In October, tenants in the East of England stayed in their rental properties for the longest period of 23 months. On the other hand, those in the North West stayed for 12 months on average, much lower than the UK average of 18 months.

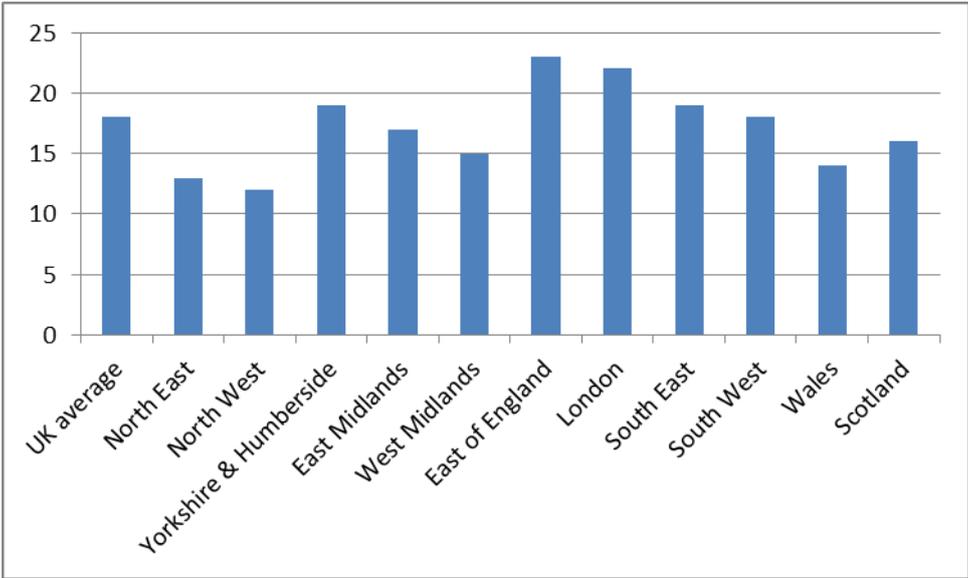


Figure 3: Average length of tenancy per branch in October

AVERAGE VOID PERIODS

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



In Scotland and the East of England, properties were empty for two weeks on average, lower than the UK average of three weeks.



-ENDS-

Notes to Editors:

About the research

Opinium Research carried out an online survey among 259 ARLA member branches in 25 October to 11 November 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.

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