



ASSOCIATION OF RESIDENTIAL LETTING AGENTS

PRIVATE RENTED SECTOR REPORT

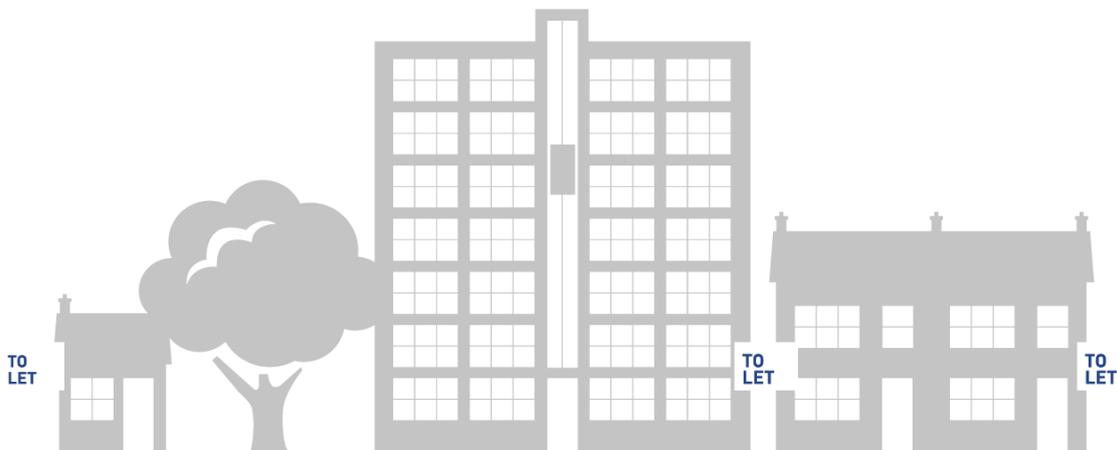
November 2016

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November 2016 PRS Report

EIGHT IN TEN LETTING AGENTS EXPECT RENTS TO RISE NEXT YEAR

KEY FINDINGS

- The number of tenants experiencing rent increases fell in November, but 80 per cent of agents expect them to rise next year
- Demand from prospective tenants fell in November
- Supply of available properties to rent rose
- Tenants stayed in rental properties for 18 months on average
- In November, properties were viewed on average six times before a let was agreed
- The average void period between tenancies was three weeks

In November the number of agents witnessing rent hikes decreased, with just 16 per cent reporting rises. However, following the Chancellor's announcement to ban letting agent fees in the Autumn Statement at the end of November, a staggering 80 per cent expect tenants to see their rents go up in 2017.

AGENTS WITNESSING RENT HIKES

The number of landlords hiking rent costs fell to 16 per cent, but in 2017, 80 per cent expect rents to rise



It was bad news for tenants in the East Midlands, as a third (33 per cent) of agents in the area saw rent increases in November. On the other hand, London renters got off lightly, with only three per cent experiencing price rises.

In Wales, the outlook for 2017 is bleak as 97 per cent of agents expect rents to rise, whereas in London agents are more optimistic; only 57 per cent of agents think rents will go up in 2017.

NUMBER OF MANAGED PROPERTIES

*Average number of properties managed per branch was **185** in November, up from **180** in October*



Supply of rental stock was highest in Yorkshire and the Humber, where agents managed an average 238 properties per branch. In London, rental stock was well below average, as agents had just 135 properties registered per branch on average.

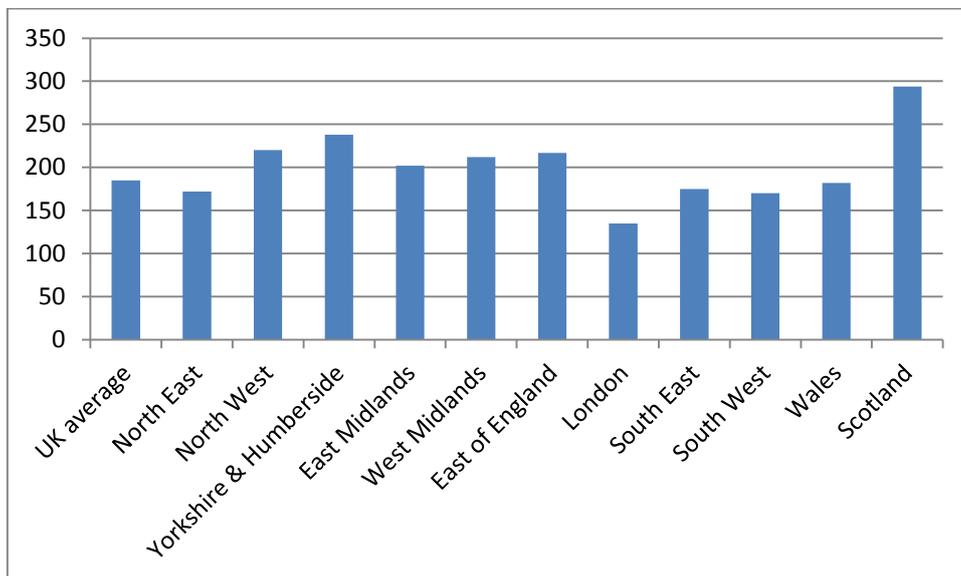


Figure 1: Average number of properties managed per branch in November

NUMBER OF PROSPECTIVE TENANTS

*Average number of prospective tenants decreased in November to **32** registered per branch*



The number of prospective tenants registered per branch was the lowest recorded since January, when agents reported just 31 per branch.

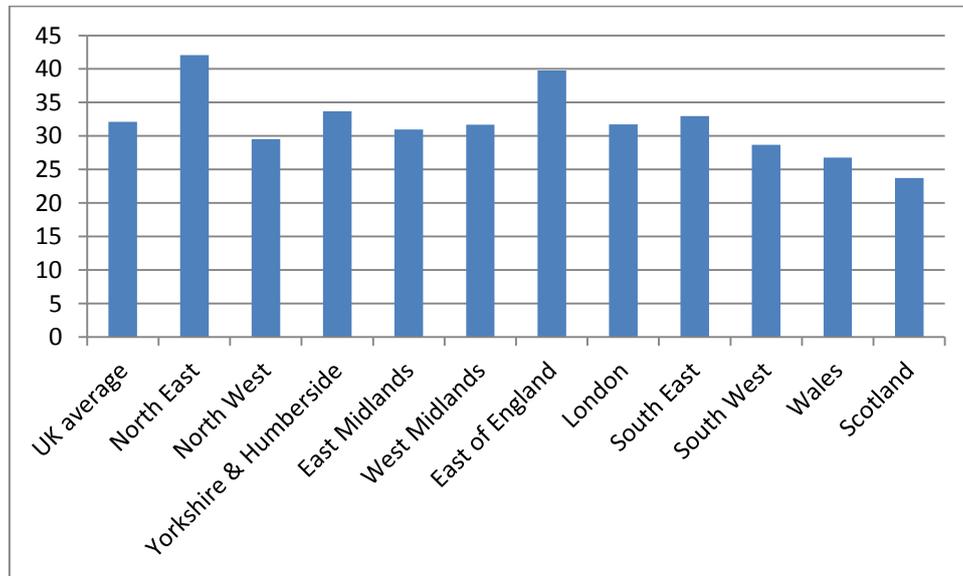


Figure 2: Average number of prospective tenants per branch in November

LANDLORDS SELLING BTL PROPERTIES

The number of landlords selling their BTL properties increased to four



The number of landlords selling their BTL properties increased to four per member branch. This is the highest level recorded since April this year, when there were also four. This could be an indication of things to come as the recent tax changes start to bite.

LENGTH OF TENANCY

Average length of a tenancy in October was 18 months



AVERAGE LENGTH OF TENANCY

In November, tenants in the East of England and the South East stayed in their rental properties for the longest period of 19 months.

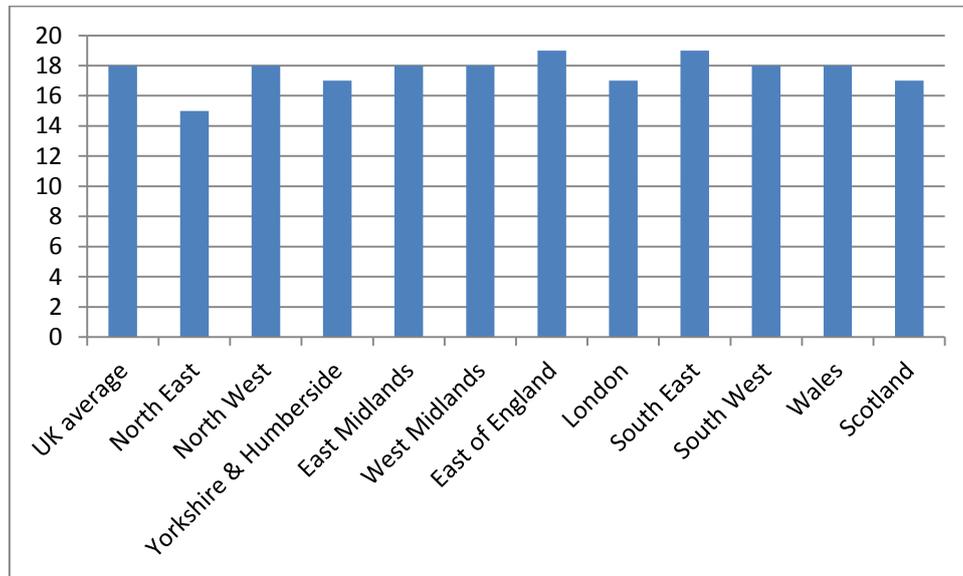


Figure 3: Average length of tenancy per branch in November

AVERAGE VOID PERIODS

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



In London, properties were empty for marginally longer than the national average, at four weeks.

-ENDS-

Notes to Editors:

About the research

Opinium Research carried out an online survey among 917 ARLA member branches in 1 to 13 December 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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