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Private Rented Sector Report

March 2017



March 2017 PRS Report

NUMBER OF LANDLORDS EXITING THE MARKET ON THE RISE

Key Findings

- A quarter of letting agents saw landlords increasing rents in March
- The number of tenants negotiating rent reductions rose
- Overall, the supply of rental stock remained the same as February
- Demand for rental properties rose marginally in March
- Tenants stayed in rental properties for 18 months on average
- In March, properties were viewed on average six times before a let was agreed
- The average void period between tenancies was three weeks

LANDLORDS SELLING BTL PROPERTIES

*The number of landlords selling their BTL properties increased to **four***



The number of landlords selling their BTL properties rose to four per member branch in March. In London and Wales more landlords exited the market, with agents reporting six per member branch selling up

RENT REDUCTIONS

The number of tenants negotiating rent reductions rose in March



The number of tenants successfully negotiating rent reductions rose in March. In February, 2.2 per cent of agents saw tenants driving their rent costs down, whereas in March 3.6 per cent of agents saw this. This is the highest level since records began in 2015. The number of landlords increasing rents remained at 25 per cent.

NUMBER OF MANAGED PROPERTIES

Number of properties managed per branch remained at 183 in March



The number of rental properties letting agents managed remained at 183 in March. This is the same figure as February, which saw a five per cent decrease from January when agents managed 193 properties per branch on average. Year on year, the number of properties managed has increased by eight per cent.

Supply was highest in Scotland, where agents managed 279 properties on average, and lowest in the North East where rental stock was 119 properties per branch on average.

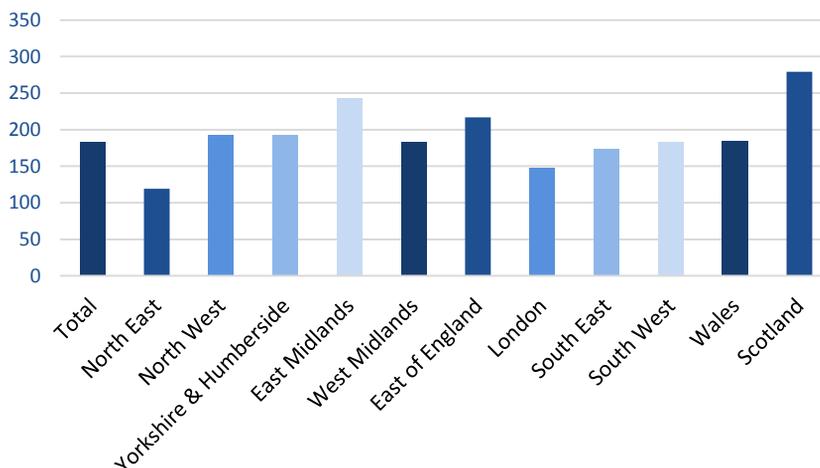


Figure 1: Average number of properties managed per branch in March

NUMBER OF PROSPECTIVE TENANTS

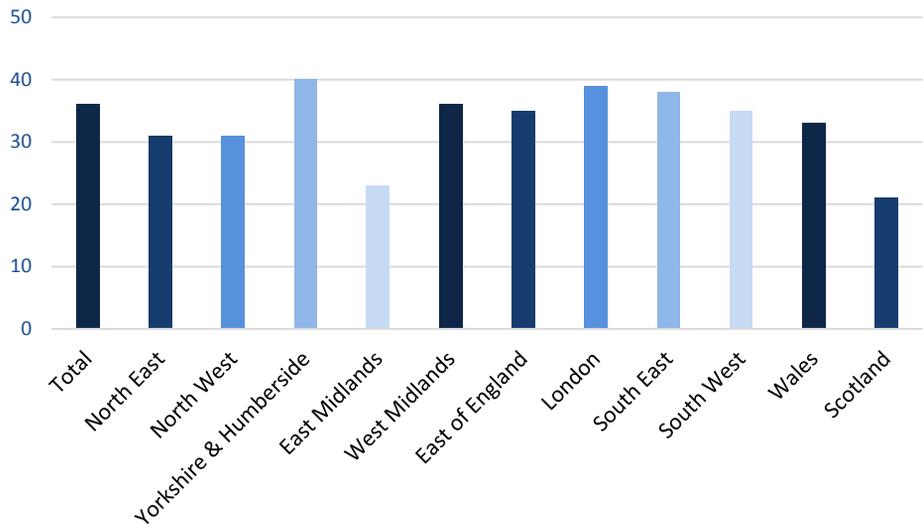
*Average number of prospective tenants registered per branch rose to **36** in March*



There were 36 prospective tenants registered per branch in March, rising from 34 in February.

Yorkshire agents registered the most tenants, which an average of 40 per member branch. In contrast, those in Scotland only registered 21 on average.

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



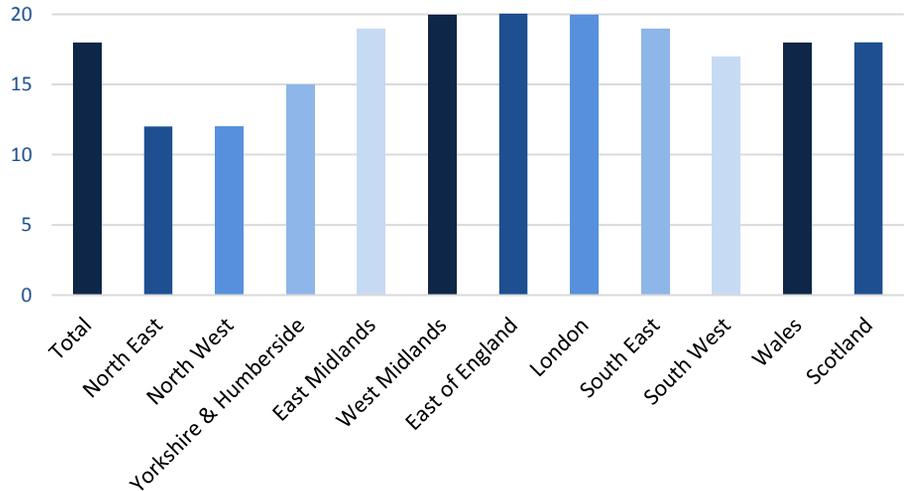
LENGTH OF TENANCY

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



Tenants in the East of England stayed in properties for 21 months on average, compared to those in the North East and North West who stayed for just 12 months.

Figure 3: Average length of tenancy per branch in March



AVERAGE VOID PERIODS

Average void period between tenancies in March was three weeks



In the North East, properties were empty for five weeks on average.

ENDS

Editor Notes:

About the research:

Opinium Research carried out an online survey among 331 ARLA member branches between 3 – 10 April 2017. ARLA Propertymark Protected 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

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About ARLA Propertymark

ARLA Propertymark is the UK's foremost professional and regulatory body for letting agents; representing over 9,000 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 a ARLA Propertymark Protected agent, consumers have the peace of mind their agent will provide a professional service and their money is safeguarded by Propertymark's Client Money Protection scheme.