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Private Rented Sector Report

May 2017



May 2017 PRS Report

RENT COSTS START TO INDICATE UPWARD TREND

Key Findings

- More than a quarter of agents witness rent hikes for tenants
- The number of properties available to rent per letting agent branch rose in May
- Letting agents have 65 prospective tenants registered per branch in May
- Tenants stayed in rental properties for 17 months on average
- In May, properties were viewed on average five times before a let was agreed
- The average void period between tenancies was three weeks

RENT PRICES

*More than a quarter of letting agents saw rents rise in **May***



In May, 27 per cent of letting agents saw rent costs rise for tenants. This is the highest level since July 2016 when 28 per cent saw rents increase.

For the second month running, only 2.8 per cent of tenants successfully negotiated a rent reduction – this figure rose to 3.6 per cent in March from 2.2 per cent in February.

SUPPLY OF RENTAL STOCK

*The number of properties managed per member branch increased to **189***



Over the last 12 months, the supply of rental stock has risen by 11 per cent. In May 2016, letting agents managed 171 properties on average per branch, whereas in May this year, they managed 189.

Supply was highest in Scotland, where agents managed 313 on average per branch, and lowest in London (111)

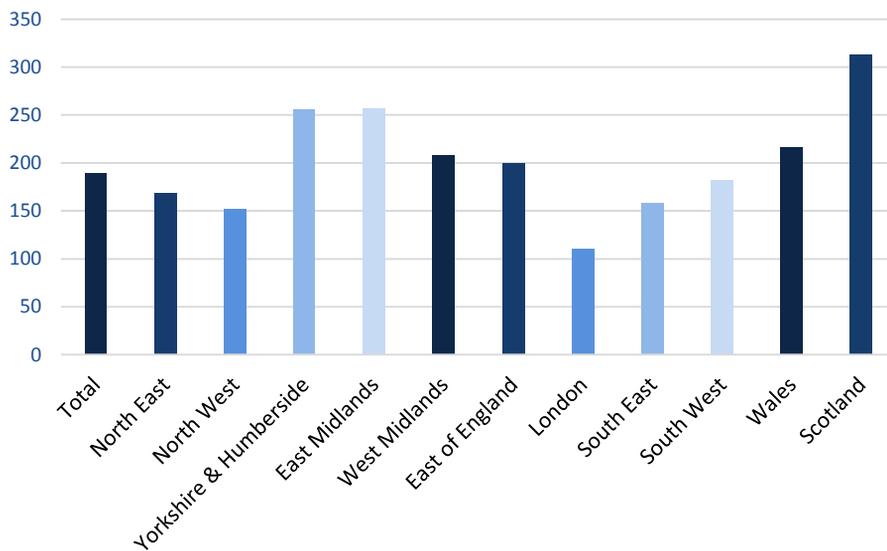


Figure 1: Average number of properties managed per member branch

LANDLORDS SELLING THEIR BUY-TO-LET

*Number of landlords selling their buy-to-let fell in **May***



The number of landlords selling their buy-to-let properties decreased in May, from four per branch in March and April, to three in May.

NUMBER OF PROSPECTIVE TENANTS

*Average number of prospective tenants in **May** was **65***



The average number of prospective tenants registered per branch in April was 65. Yorkshire and Humberside reported 114 prospective tenants registered per branch.

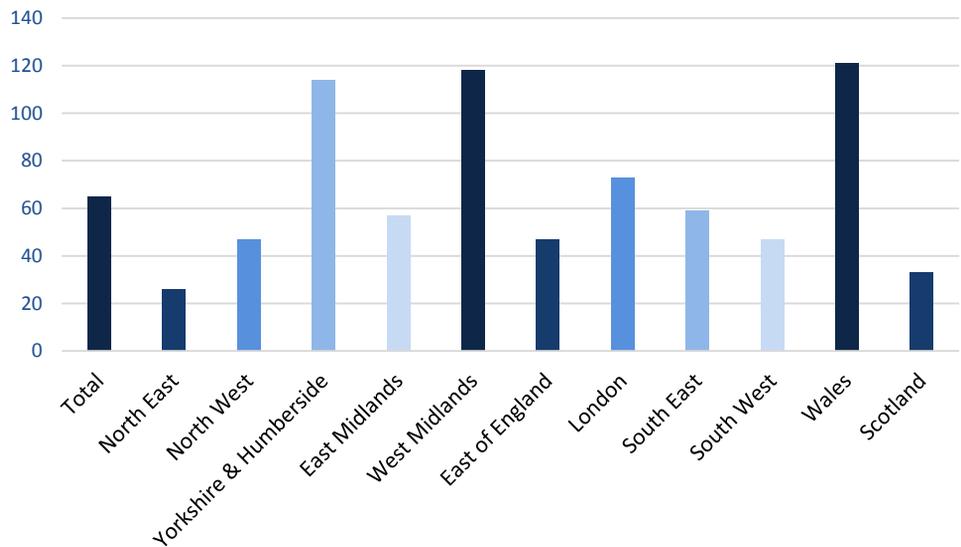


Figure 2: Average number of prospective tenants per branch in May

LENGTH OF TENANCY

*Average length of a tenancy in **May** was **17 months***



The average tenure remained at 17 months in May, a decrease from 18 months in March.

Tenancies were longest in the South East and Wales where they lasted 19 months on average.

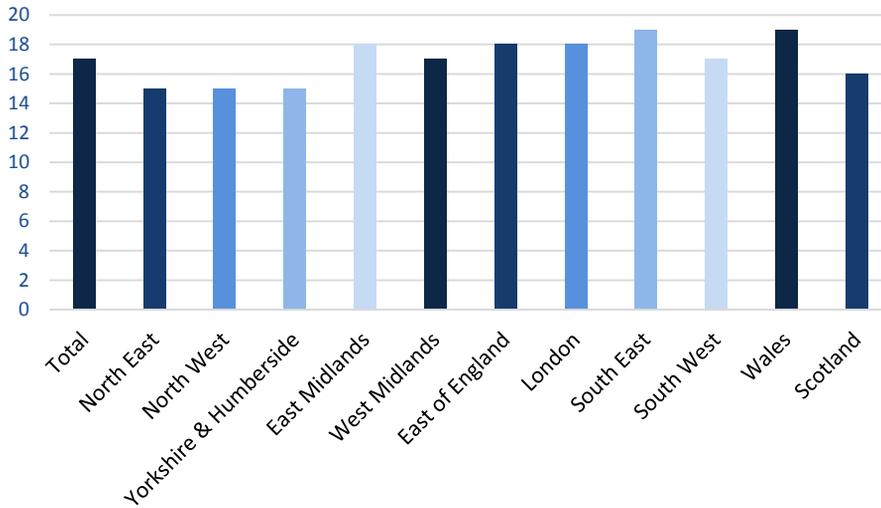


Figure 3: Average length tenants stayed in a property in May

ENDS

Editor Notes:

About the research:

Opinium Research carried out an online survey among 247 ARLA member branches between 1– 14 June 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.