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# Private Rented Sector Report

June 2017



## June 2017 PRS Report

# RENT HIKES HIT 14 MONTH HIGH

### Key Findings

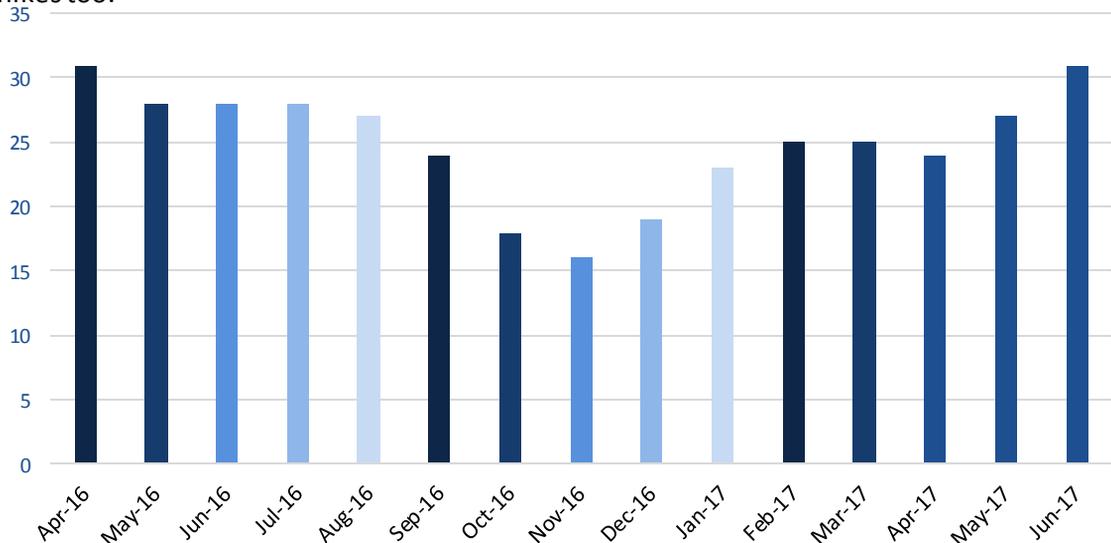
- A third of letting agents saw rents rise for tenants in June
- The number of properties available to rent per letting agent branch rose slightly in June
- Demand from prospective tenants fell in June
- Tenants stayed in rental properties for 18 months on average
- In June, properties were viewed on average five times before a let was agreed
- The average void period between tenancies was three weeks
- Letting agents call on the Government to improve enforcement for rogue agents and regulate the sector

### RENT PRICES

*The number of agents witnessing rent hikes rose to 31% in June*



In May, 27 per cent of letting agents saw rent costs rise for tenants, but this increased to 31 per cent in June. This is the highest level since April 2016, when 31 per cent of agents reported rent hikes too.



## AGENT DEMANDS FOR NEW GOVERNMENT

*62% of agents want the lettings sector to be regulated*



Predominantly, agents would like the Government to scrap the impending ban on letting agent fees (83 per cent). However, three quarters (73 per cent) would also like the Government to focus on improving enforcement for rogue agents.

More than three in five (62 per cent) want the new Government to regulate the sector, while a quarter (26 per cent) think they should provide tax breaks to encourage longer term tenancies

## SUPPLY OF RENTAL STOCK

*The number of properties managed per member branch increased to 190*



Over the last 12 months, the supply of rental stock has risen by eight per cent. In June 2016, letting agents managed 176 properties on average per branch, whereas in June this year, they managed 190.

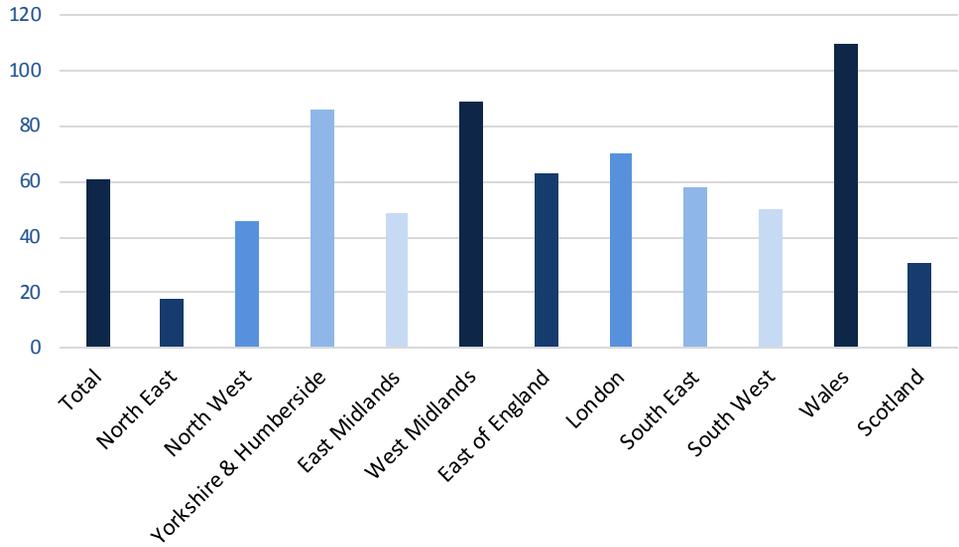
## NUMBER OF PROSPECTIVE TENANTS

*Average number of new prospective tenants in **June** was 61*



The average number of new tenants registered per branch fell to 61 in June. Welsh agents registered the most at 110 per branch, whereas in the North East, agents registered just 18 on average.

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



## LENGTH OF TENANCY

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



The average tenure was 18 months in June, an increase from 17 months in May. Tenancies were longest in Wales where tenants stayed for 23 months on average, and shortest in the North West where they lasted 14 months on average.

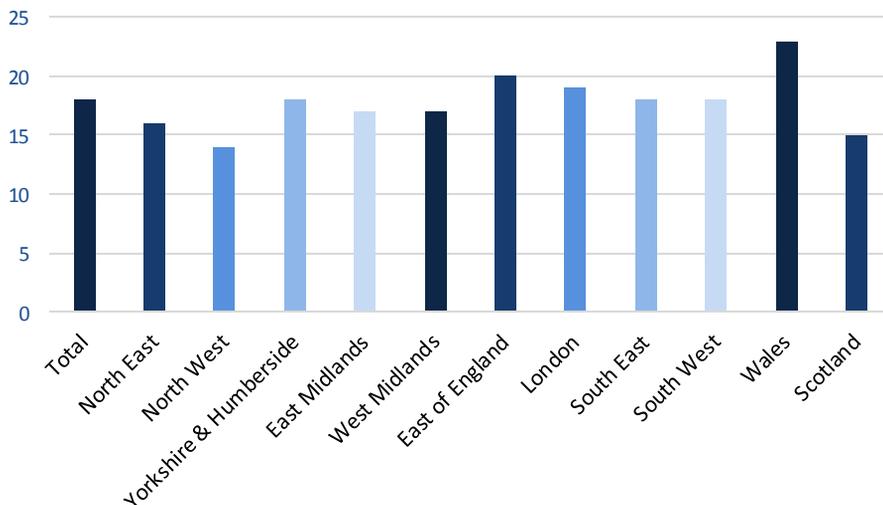


Figure 3: Average length tenants stayed in a property in June

**Editor Notes:**

**About the research:**

Opinium Research carried out an online survey among 269 ARLA member branches between 30 June – 17 July 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](http://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.