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Private Rented Sector Report

October 2017



October 2017 PRS Report

RENTAL MARKET SHOWS SIGN OF SLOWDOWN

Key Findings

- Supply of rental stock and demand from prospective tenants was down in October
- The number of letting agents who saw rents rise for tenants dropped to 22 per cent in October, from 27 per cent in September and 35 per cent in August
- The number of tenants successfully negotiating rent reductions increased to 2.5 per cent
- Tenants stayed in rental properties for 18 months on average
- In October, properties were viewed on average six times before a let was agreed
- The average void period between tenancies was three weeks

SUPPLY OF RENTAL STOCK

The number of properties managed per member branch fell to 182



The number of properties managed per member branch dropped in 182 in October, down from 189 in September. Supply was highest in the East Midlands where agents managed 258 on average, and lowest in London where agents had just 139 properties on their books on average.

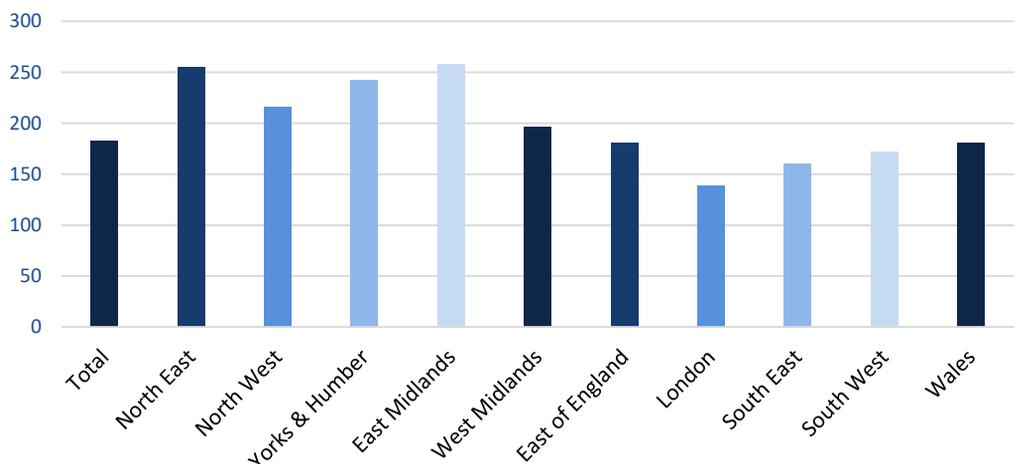


Figure 1: Average number of properties managed per branch in October per region

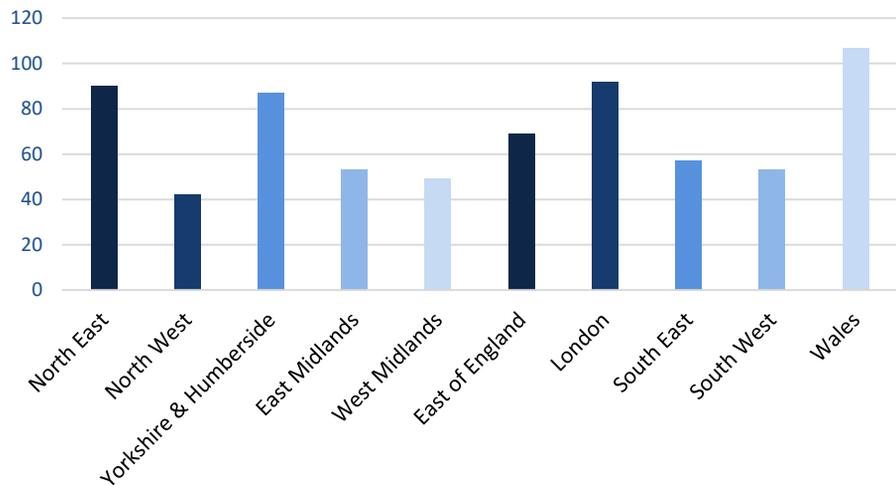
NUMBER OF PROSPECTIVE TENANTS

*Average number of new prospective tenants in **October** was **69***



Demand from prospective tenants fell in October to 69 per branch. This was highest in Wales with 107 and demand in the capital was also particularly high with 92 registered per branch.

Figure 2: Average number of new prospective tenants registered per branch



RENT PRICES

*The number of agents witnessing rent hikes fell to **22** per cent in October*



After several months of rising rent costs, in September, the number of letting agents reporting rent hikes for tenants fell to 27 per cent, and dropped again in October to 22 per cent. This is the lowest level seen since December 2016, when the figure stood at 19 per cent.

The number of tenants successfully negotiating rent reductions rose marginally from 2.4 per cent in September to 2.5 per cent in October.

LENGTH OF TENANCY

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



The average tenure was 18 months in October, down from 19 months in September. Tenancies were longest in the South East, where renters stayed for 22 months on average, and the shortest in the South West, North West and West Midlands where they stayed for 16 months on average.

————— ENDS —————

Editor Notes:

About the research:

Opinium Research carried out an online survey among 264 ARLA member branches from 31st October – 8th November 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.