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Private Rented Sector Report

September 2018



September 2018 PRS Report

RATE OF RENT INCREASES CONTINUES TO RISE YEAR-ON-YEAR

Key Findings

- The number of tenants experiencing rent hikes fell in September but remained high year on year
- The supply of available properties and demand from prospective tenants dropped
- The number of landlords selling their buy-to-let (BTL) properties remained at four per branch
- Tenants stayed in rental properties for 18 months on average and the average void period between tenancies was three weeks

RENT PRICES

*The number of agents witnessing rent hikes fell to **31 per cent** in **September***



In September, almost a third (31 per cent) of tenants saw their rents rise, a drop from 40 per cent in August, which saw the highest figure recorded since records began in January 2015. Year on year however, this figure has risen from 27 per cent in September 2017 and 24 per cent in 2016.

Tenants in Wales were the worst affected where 70 per cent saw their rents rise, compared to the North West where just 13 per cent did.

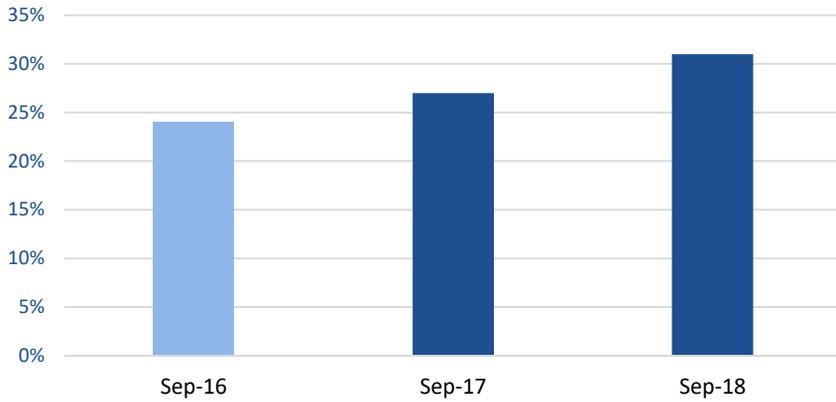


Figure 1: Number of tenants experiencing rent hikes year-on-year

NUMBER OF PROSPECTIVE TENANTS

*Average number of new prospective tenants registered in **September** was **63***



In September, demand for rental properties fell marginally, with letting agents reporting registered interest from 63 new prospective tenants – down from 64 in August.

It was highest in Yorkshire and Humberside where agents registered 92 new prospective tenants, and lowest in Wales (36 per branch).

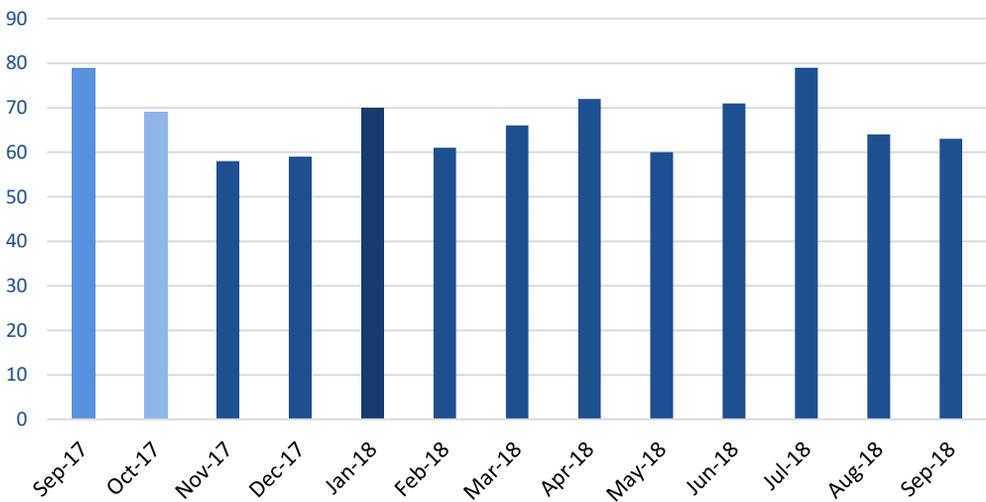


Figure 2: Average number of prospective tenants registered

SUPPLY OF RENTAL STOCK

*The number of properties managed per member branch was **194** in September*



The number of rental properties managed by letting agents dropped in September, with 194 per branch on average. Year on year, this figure is up three per cent from 189 in September 2017.

Supply was highest in the East Midlands, where agents managed 275 properties per branch on average, and lowest in London where they typically had 115 on their books.

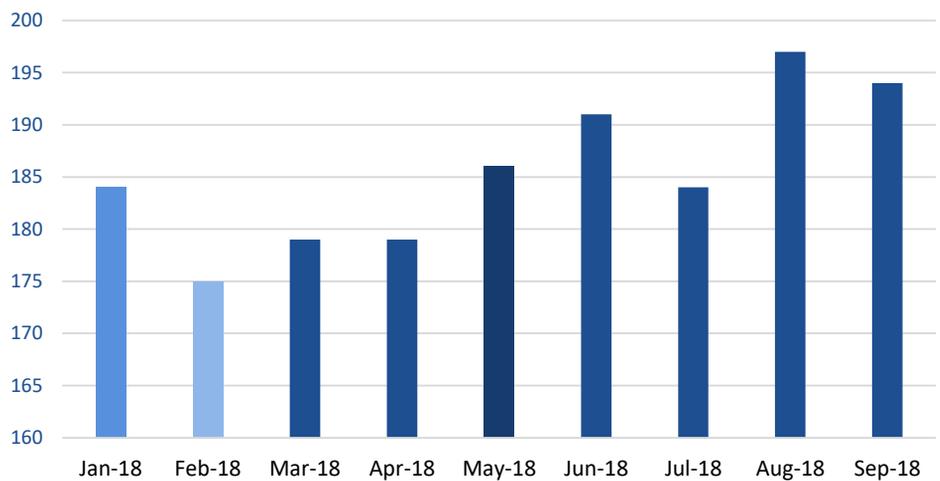


Figure 3: Average number of properties managed per branch in 2018

LANDLORDS SELLING BUY-TO-LET

*Average number of landlords selling their BTL remained at **four** per branch in September*



In the East Midlands and Wales five landlords sold up per member branch last month – the highest regionally.

LENGTH OF TENANCY

*Average length of a tenancy in
September decreased to 18 months*



The average tenure dropped to 18 months in September – down from 19 in August. This figure has fallen every month since July, when it stood at 20 months, the highest level on record. Those in Wales stayed for the longest at 21 months on average, compared to 14 months in the North East and Scotland.

ENDS

Editor Notes:

About the research:

Opinium Research carried out an online survey among 265 ARLA members from 2nd October– 15th October 2018. 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 an 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.