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Private Rented Sector Report

November 2018



November 2018 PRS Report

IS THIS THE CALM BEFORE THE STORM FOR TENANTS?

Key Findings

- The number of tenants experiencing rent hikes dropped in November to the lowest level in nine months
- The supply of properties available to rent and demand from prospective tenants fell
- The number of landlords selling their buy-to-let (BTL) properties remained at four per branch
- Tenants stayed in rental properties for 19 months on average and the average void period between tenancies was four weeks.

RENT PRICES

*The number of tenants witnessing rent hikes fell to **21 per cent** in November*



In November, a fifth (21 per cent) of tenants saw their rents rise, down from 24 per cent in October. This is the lowest level since February, when it stood at 20 per cent.

Year on year however, this figure is up. In November 2017, just 16 per cent of agents witnessed landlords hiking rents.

Tenants in Wales were the worst affected where 55 per cent saw their rents rise, compared to the West Midlands where just six per cent did.

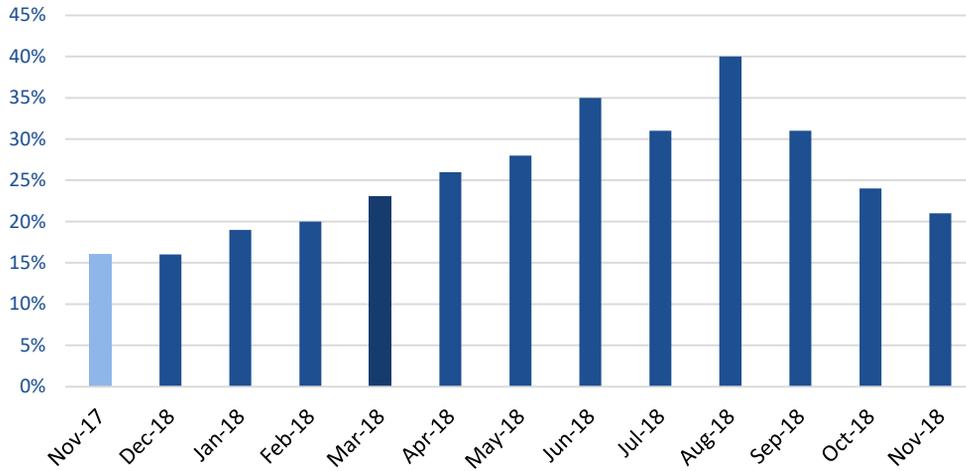


Figure 1: Number of tenants experiencing rent hikes over the year

SUPPLY OF RENTAL STOCK

*The number of properties managed per member branch was **183** in November*



The number of rental properties managed by letting agents fell in November, with 183 per branch on average. This is the lowest figure seen since April, when supply stood at 179 and is down year on year, from 192 in November 2017.

Supply was highest in Wales, where agents managed 264 properties per branch on average, and lowest in London where they typically had 121 on their books.

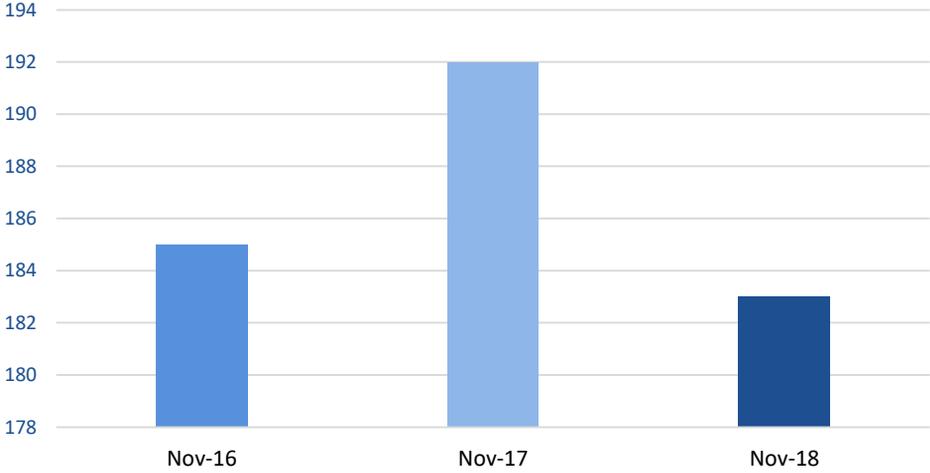


Figure 2: Average number of properties managed per branch year on year

NUMBER OF PROSPECTIVE TENANTS

*Average number of new prospective tenants registered in **November** was **55***



In November, demand for rental properties dropped by 23 per cent, with letting agents registering interest from just 55 new prospective tenants – down from 71 in October.

It was highest in the East Midlands where agents registered 93 prospective tenants, and lowest in the North East with just 30 per branch.

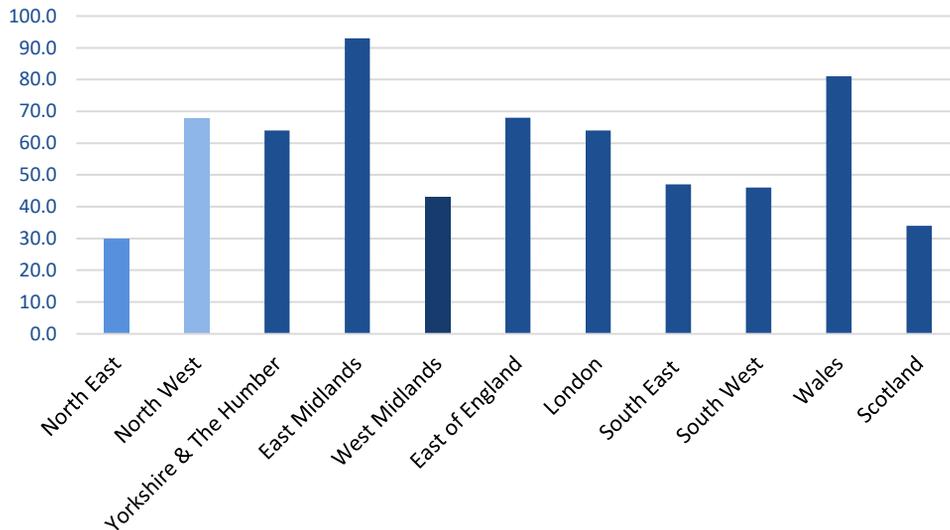


Figure 3: Demand per region in November

LANDLORDS SELLING BUY-TO-LET

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



In the East Midlands and the East of England eight landlords sold their properties per member branch last month – the highest regionally.

LENGTH OF TENANCY

*Average length of a tenancy in
November remained at 19 months*



For the second month running, tenants stayed in their properties for 19 months on average, up from 18 in September. Those in West Midlands stayed for the longest at 27 months on average, compared to 16 months in the South West.

ENDS

Editor Notes:

About the research:

Opinium Research carried out an online survey among 312 ARLA members from 3rd December to 12th December 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.