



ASSOCIATION OF RESIDENTIAL LETTING AGENTS

PRIVATE RENTED SECTOR REPORT

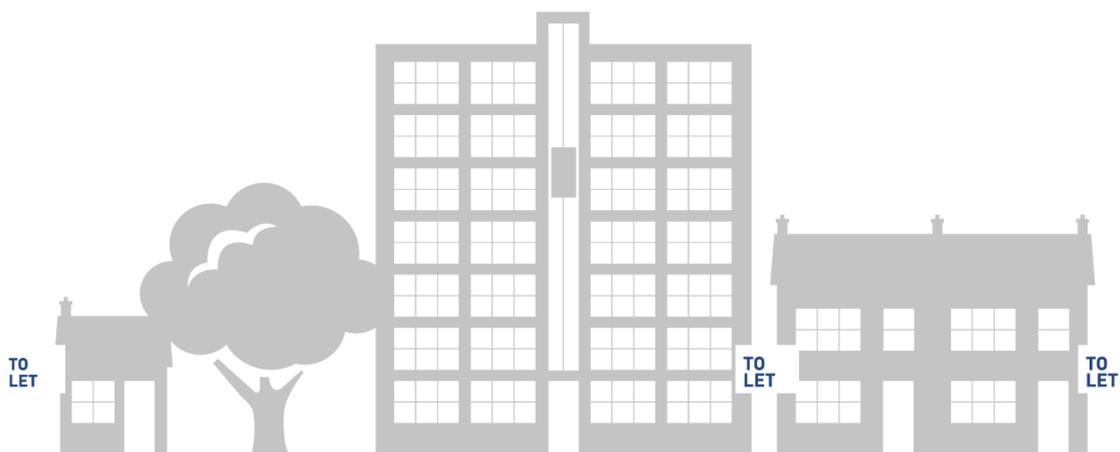
July 2015

For further information:

Association of Residential Letting Agents Press Office

020 7566 9777

propertyprofessionals@lansons.com



July 2015 PRS Report

A THIRD OF LETTING AGENTS REPORT RENT INCREASES IN JULY

KEY FINDINGS

- The supply of rental housing rose in July – with 189 properties managed per branch this month on average, compared to 178 in June
- Two fifths of ARLA letting agents saw a rise in the number of tenants experiencing rent increases in July
- In July, ARLA letting agents had 35 prospective tenants register per branch, a decrease from 36 in June
- ARLA agents report that on average tenants stay in a property for 18 months
- In July it took five viewings per property on average before it was let
- The average void period between tenancies in July was three weeks

NEXT FIVE YEARS

- A third of ARLA agents expect supply to continue to increase over the next five years

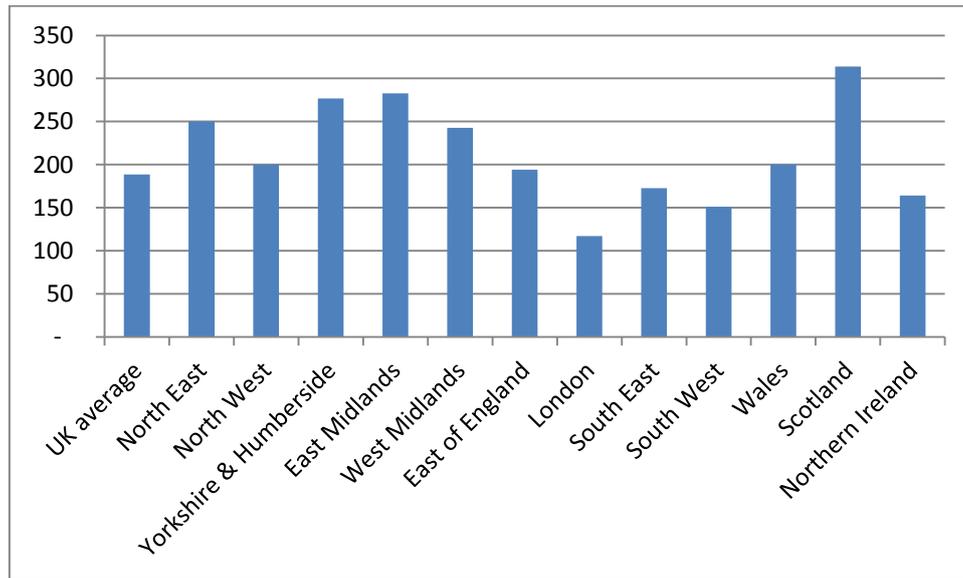
NUMBER OF MANAGED PROPERTIES

*Average number of properties managed per branch was **189** in July, increasing from **178** in June*



Three in five (58%) ARLA agents managed fewer than 200 properties per branch in July; a third (31%) said they managed 300 properties or more.

The highest number of properties recorded per branch regionally was in Scotland with an average of 314 per branch – 66 per cent above national average. The lowest recorded number per branch was in London with 117 properties.



¹ Figure 1: Average number of properties managed per branch in July

NUMBER OF PROSPECTIVE TENANTS

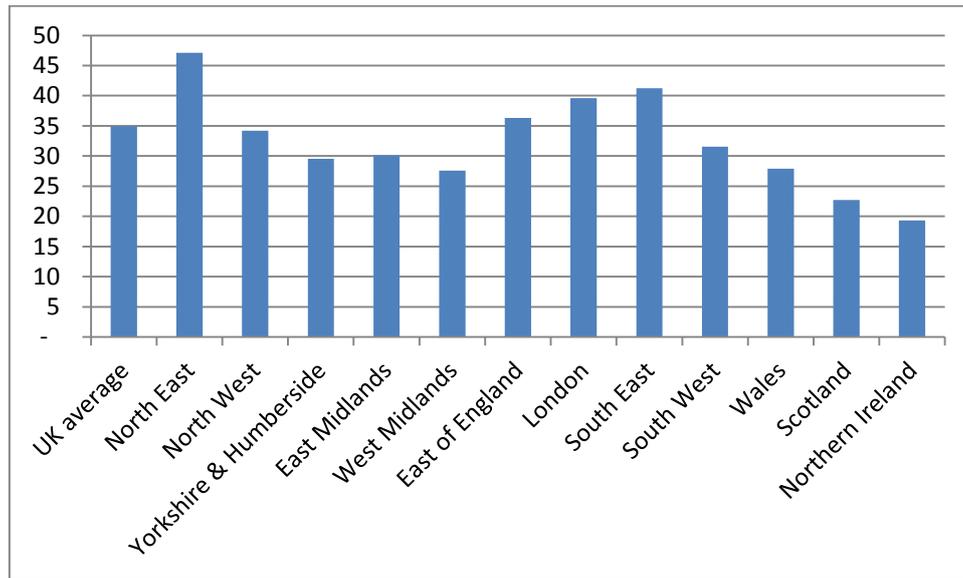
Average number of prospective tenants in July decreased slightly with an average of 35 registered per branch, compared to 36 in June



Two thirds of ARLA letting agents (64%) reported that they registered between 1 and 50 prospective tenants in July. Almost three in ten agents (29%) registered over 50.

Demand is highest in the North East, where there were 47 prospective tenants registered per branch, on average.

¹ Figure 1 – Data in the chart should be used indicatively due to the base sizes for certain regions being below 50



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

NUMBER OF LANDLORDS SELLING BUY-TO-LET INVESTMENTS

*Average number of landlords selling buy-to-let investments in July was **three** per branch*



The number of landlords selling their buy-to-let investment properties remained the same this month, with an average of three for sale per branch.

Just over half (57%) of ARLA agents said that between one and five landlords on their books were selling their buy-to-let investment properties in July. However, three in ten (28%) said no landlords were doing so this month.

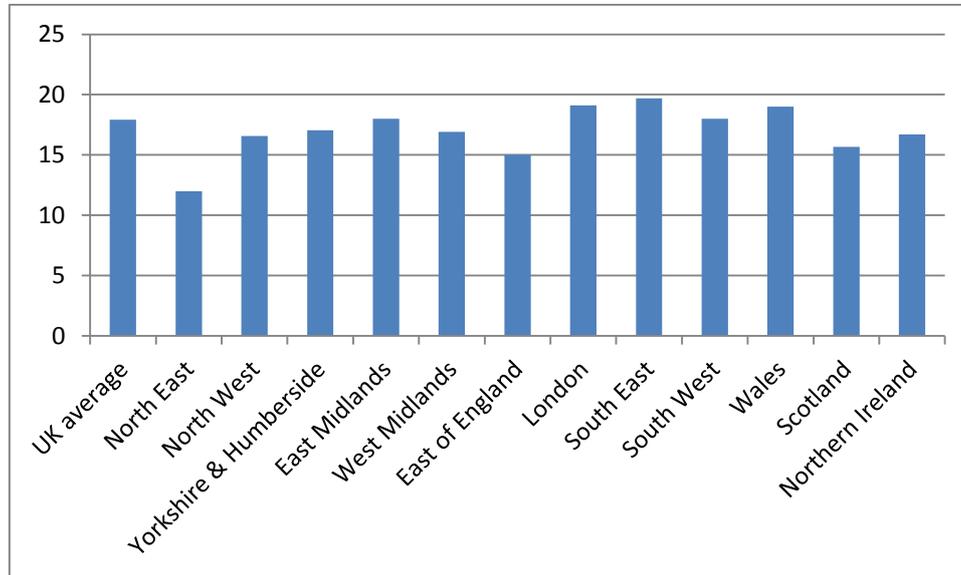
AVERAGE LENGTH OF TENANCY

*Average length of tenancy reported in July was **18** months*



² Figure 2 – Data in the chart should be used indicatively due to the base sizes for certain regions being below 50

In the South East, ARLA agents reported that tenants typically stay in a property longer than the UK average, at 20 months. In contrast, those in the North East stayed for only 12 months on average, up one month from June.



³ Figure 3: Average length of tenancy per branch in July

AVERAGE MONTHLY RENT

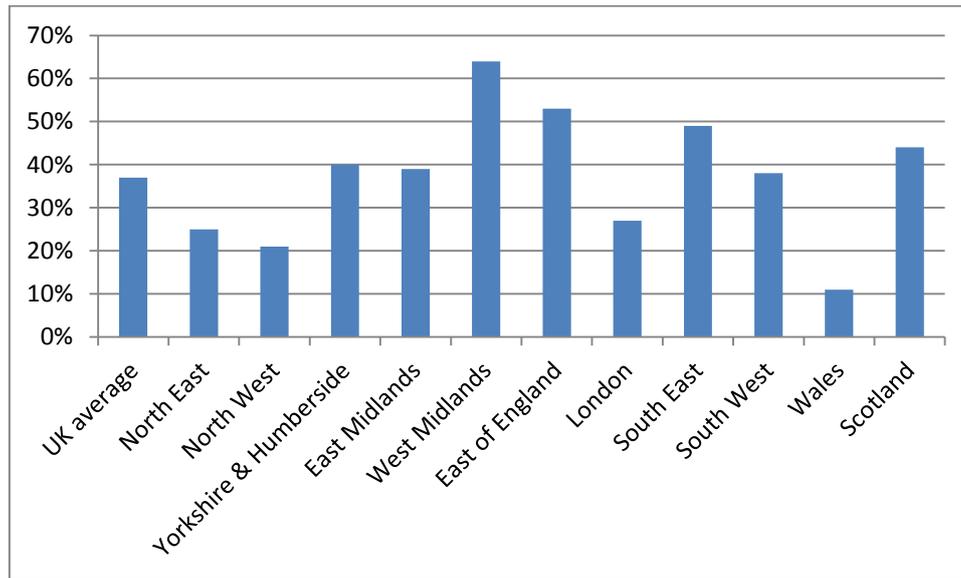
Two in five (37%) ARLA agents saw monthly rents increase in July



The number of ARLA agents reporting rent increases has been rising since January, when only 27% agents reported hikes for tenants – a ten percentage point increase.

The West Midlands saw the highest number of landlords increasing rent per calendar month, with almost two thirds (64%) of ARLA letting agents in this region reporting an increase. On the other hand, only 11% of agents in Wales saw landlords increasing monthly rent in July.

³ Figure 3 – Data in the chart should be used indicatively due to the base sizes for certain regions being below 50



⁴ Figure 4: Percentage of agents that saw monthly rent increase in July

AVERAGE VOID PERIODS

*Average void period for properties between tenancies in July was **three weeks***



Two in five (42%) ARLA agents said the average void period was less than two weeks, while a further two in five (45%) said void periods were typically two to four weeks. Just over a tenth (11%) reported properties had been left void for five weeks or more in July.

AVERAGE NUMBER OF VIEWINGS

*Average number of viewings per property before it was let was **five** in July*



Two in three (62%) ARLA agents said properties were most likely to be let following one to five viewings, while a third (35%) said it would take a property more than five viewings before it was let.

⁴ Figure 4 – Data in the chart should be used indicatively due to the base sizes for certain regions being below 50



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Notes to Editors:

About the research

Opinium Research carried out an online survey among 287 ARLA member branches between 4th and 17th August 2015. ARLA Licensed 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

About ARLA

ARLA is the UK's foremost professional and regulatory body for letting agents; representing over 8,000 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 Licensed agent, consumers have the peace of mind their agent will provide a professional service and their money is safeguarded by a Client Money Protection scheme.

For further information contact:

ARLA Press Office

Tel: 020 7566 9777

E-mail: propertyprofessionals@lansons.com