



ASSOCIATION OF RESIDENTIAL LETTING AGENTS

PRIVATE RENTED SECTOR REPORT

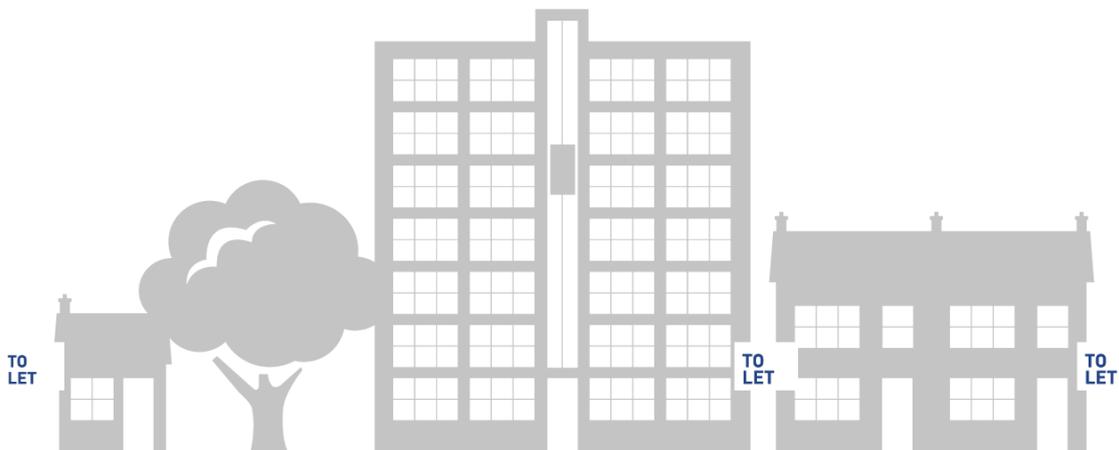
January 2016

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January 2016 PRS Report

SUPPLY OF RENTAL PROPERTIES AT LOWEST IN A YEAR

KEY FINDINGS

- The number of prospective tenants registered at letting agents increased 7% in January, from December 2015
- A third (30%) of agents witnessed rent increases in January – a considerable uplift from previous month (18%)
- Nearly half (45%) of letting agents think the new stamp duty reforms on additional residential homes will push up rents when they come into play in April
- ARLA agents reported that on average tenants stay in a property for 18 months
- In January it took five viewings per property on average before it was let
- The average void period between tenancies in January was three weeks

NUMBER OF MANAGED PROPERTIES

*Average number of properties managed per branch was **172** in January, decreasing from **182** in December*



Supply of rental accommodation was lowest in London, with an average of 116 properties managed per branch, 33% less than the national average. Those in Scotland experienced much higher supply, with an average 280 properties available per branch.

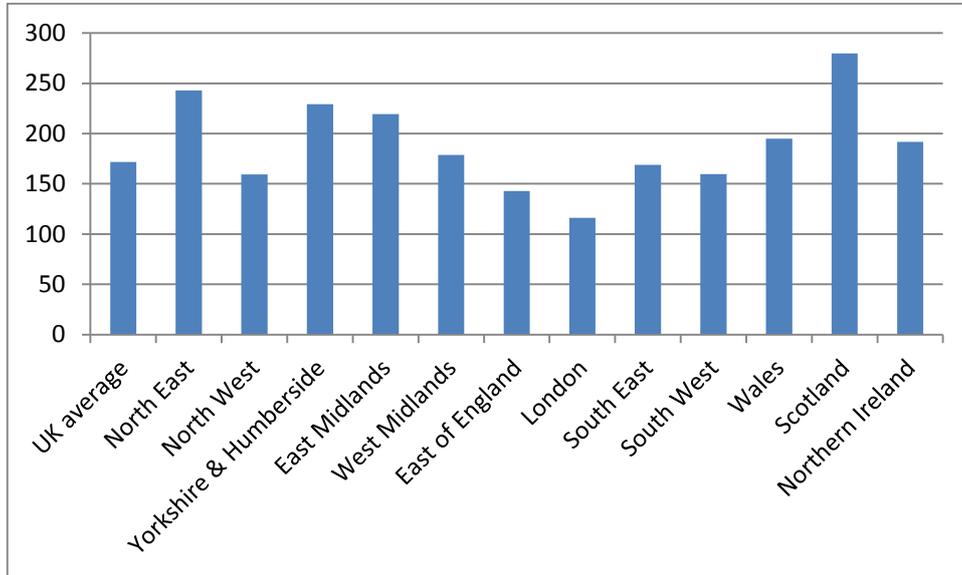


Figure 1: Average number of properties managed per branch in January

NUMBER OF PROSPECTIVE TENANTS

*Average number of prospective tenants in **January** rose to 31 registered per branch*



Demand for rental accommodation was lowest in Scotland, where agents registered an average 13 tenants at each branch. Competition increased in London where 40 tenants were registered per branch.

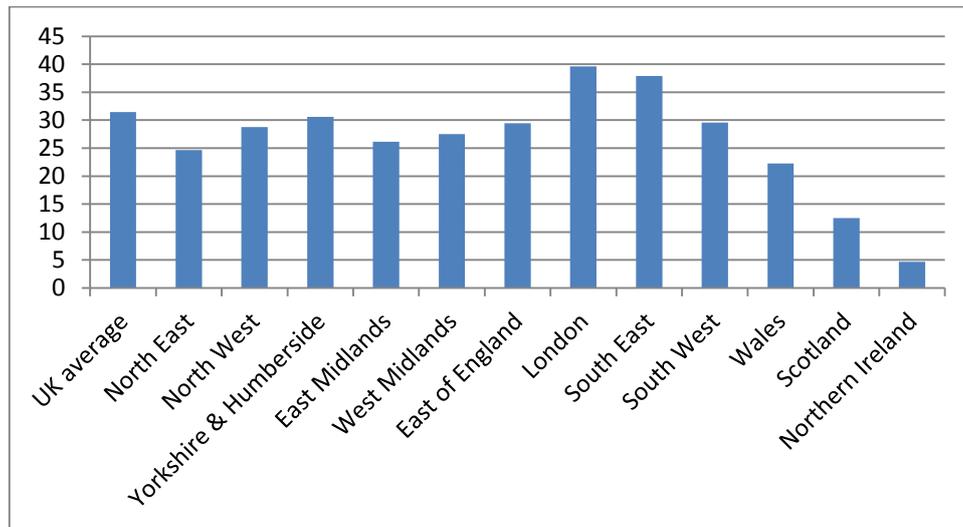


Figure 2: Average number of prospective tenants per branch in January

AVERAGE MONTHLY RENT

Just under a quarter (30%) of ARLA agents saw monthly rents increase in January



The number of tenants who saw rent increases in January was the highest since September 2015.

BUY-TO-LET STAMP DUTY REFORMS

Nearly half (47%) of agents have seen an uplift in interest from buyers looking to invest in BTL ahead of the April stamp duty reforms



Nearly half (47%) of branches have seen an uplift in interest from buyers looking to invest in BTL. However, two thirds (63%) think landlords will get pushed out of the market when the changes –

which will see those buying second properties face an additional stamp duty charge of 3% – come into force, and nearly six in ten (58%) believe rents will increase as a result.

LENGTH OF TENANCY

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



Those in the East of England and South West typically stayed longer, with the average tenancy lasting 22 months.

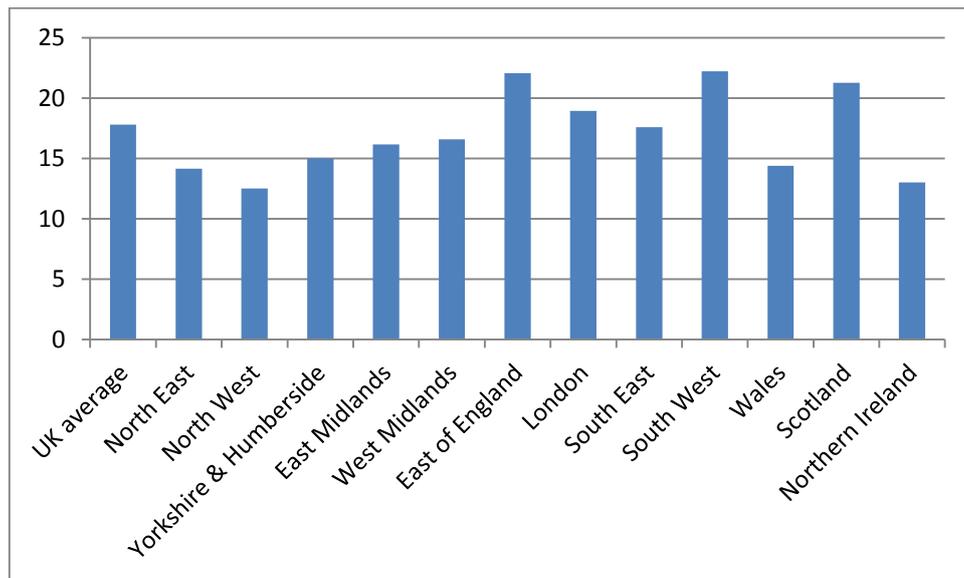


Figure 3: Average length of tenancy per branch in January

AVERAGE VOID PERIODS

*Average **void** period between tenancies in January was **three weeks***





Properties were emptier for longer between tenancies in the East Midlands, where the average void period was four weeks.

-END-

Notes to Editors:

About the research

Opinium Research carried out an online survey among 280 ARLA member branches between 2nd and 15th February 2016. 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.

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