



ASSOCIATION OF RESIDENTIAL LETTING AGENTS

PRIVATE RENTED SECTOR REPORT

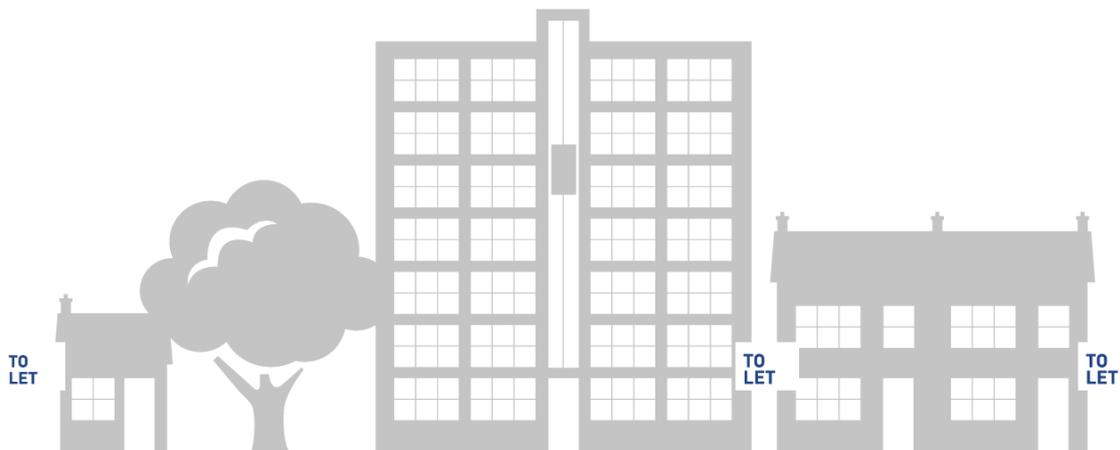
February 2016

For further information:

Association of Residential Letting Agents Press Office

020 7566 9777

propertyprofessionals@lansons.com



FEBRUARY 2016 PRS Report

NEW LANDLORD STAMP DUTY TO PUT THE BRAKES ON THE RENTAL MARKET

KEY FINDINGS

- The number of prospective tenants registered per branch increased by a fifth (19%) in February to 37
- Almost a third (29%) of agents witnessed rent increases for tenants in February
- Over half (52%) of letting agents reported an uplift in interest from buyers looking to invest in BTL properties before the stamp duty reforms come into effect
- ARLA agents reported that on average tenants stay in a property for 17 months
- In February it took five viewings per property on average before it was let
- The average void period between tenancies in February was three weeks

ARLA agents predict the new stamp duty reforms for buy-to-let (BTL) properties will increase rent costs for tenants and result in a decrease in supply of available properties.

NUMBER OF MANAGED PROPERTIES

*Average number of properties managed per branch was **176** in February, increasing from **172** in January*



Supply of rental accommodation was lowest in London, with an average of 91 properties managed per branch, which is almost half of the national average. Those in Scotland experienced much higher supply of properties, with an average 306 properties available per branch.

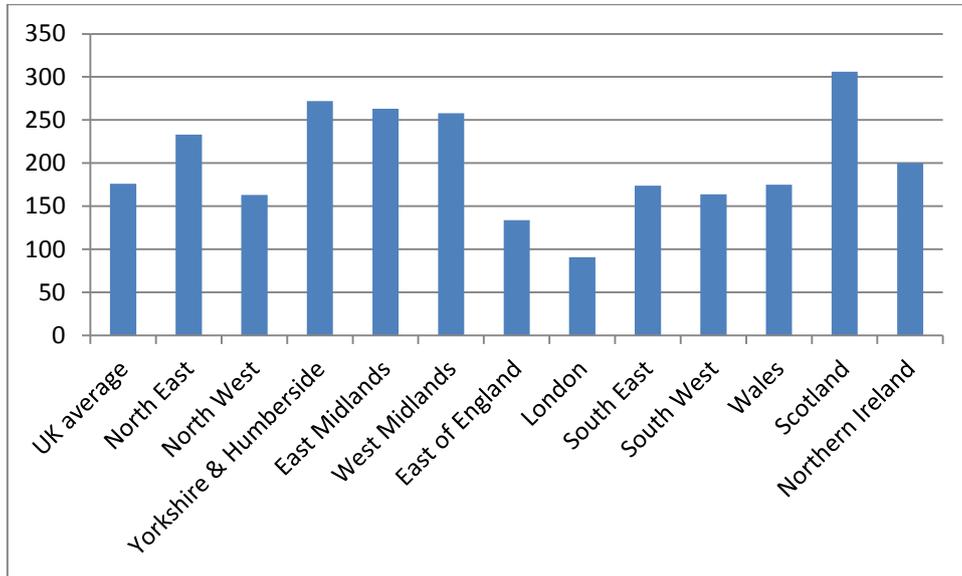


Figure 1: Average number of properties managed per branch in February

NUMBER OF PROSPECTIVE TENANTS

*Average number of prospective tenants in **February** rose to **37** registered per branch*



Demand for rental accommodation is beginning to reach the level seen this time last year, with the average number of prospective tenants registered per branch rising to 37.

Demand for rental accommodation was the lowest in Northern Ireland, where agents registered an average three tenants at each branch. Competition was equally high in London, West Midlands and South West, where each region had an average of 40 tenants registered per branch.

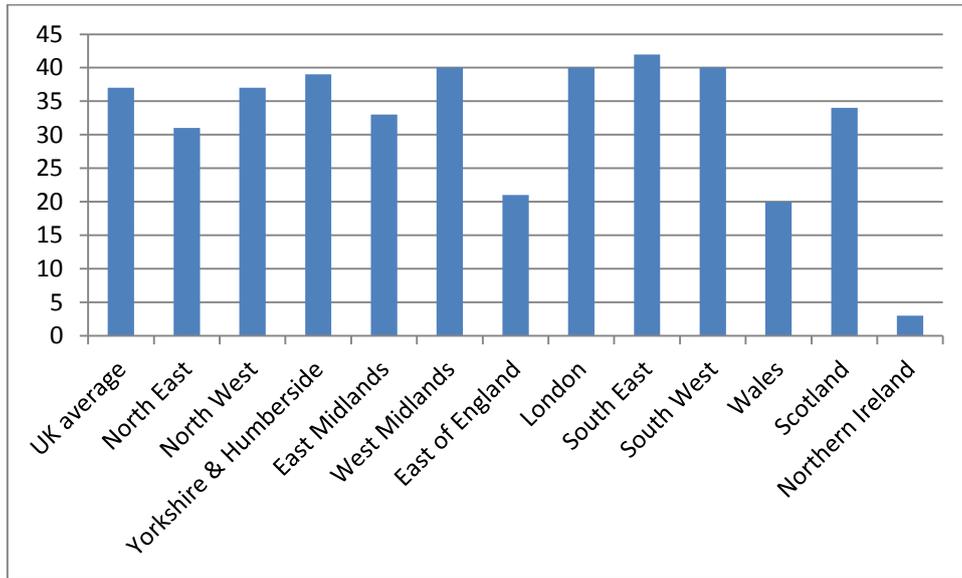
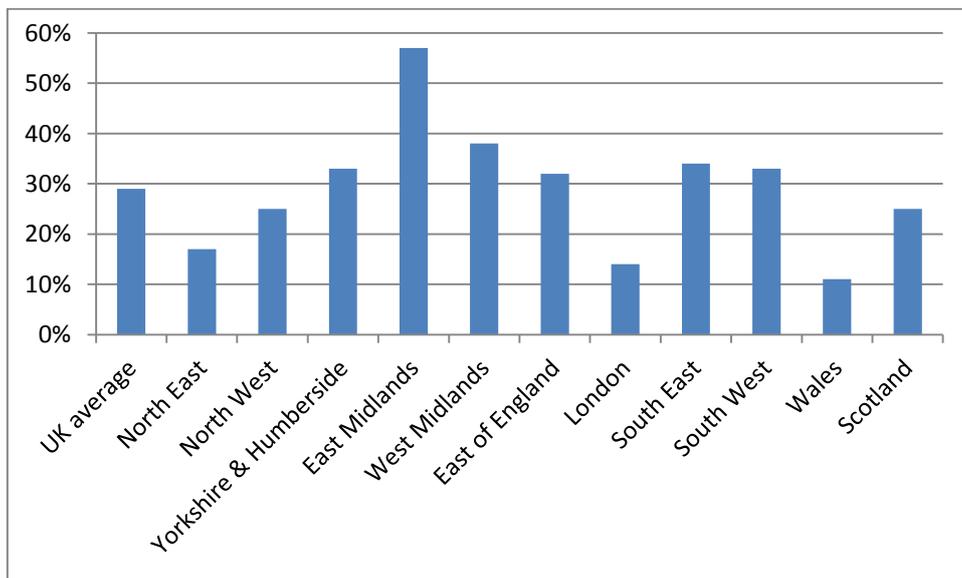


Figure 2: Average number of prospective tenants per branch in February

AVERAGE MONTHLY RENT

Three in ten (29%) ARLA agents saw monthly rents increase for tenants in February



Figures 3: The number of tenants who saw rent increases in February

BUY-TO-LET STAMP DUTY REFORMS

Over half (52%) of agents have seen an uplift in interest from buyers looking to invest in BTL ahead of the April stamp duty reforms



Over half (52%) of letting agents have seen an uplift in interest from buyers looking to invest in BTL properties ahead of the stamp duty reforms in April. However, two in three (63%) letting agents think landlords will get pushed out of the market when the changes – which will see those buying additional properties face an extra stamp duty charge of 3% – come into force, and nearly six in ten (57%) believe rents will increase as a result.

LENGTH OF TENANCY

Average length of a tenancy in February was 17 months



Those in the West Midlands typically stayed longer, with the average tenancy lasting 22 months.

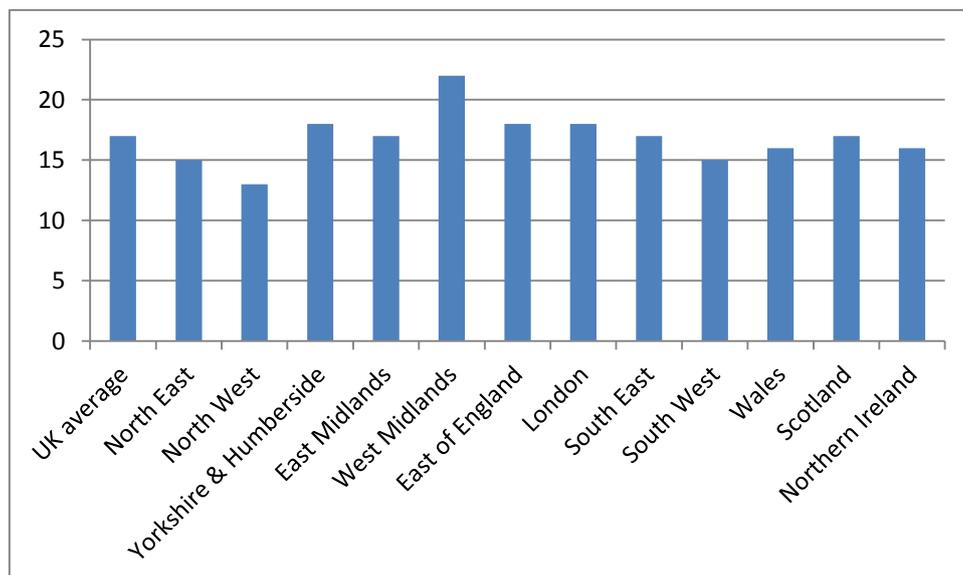




Figure 4: Average length of tenancy per branch in February

AVERAGE VOID PERIODS

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



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

-END-

Notes to Editors:

About the research

Opinium Research carried out an online survey among 246 ARLA member branches between 29th February to 11th March 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.

For further information contact:

ARLA Press Office

Tel: 020 7566 9777

E-mail: propertyprofessionals@lansons.com