



# ASSOCIATION OF RESIDENTIAL LETTING AGENTS

## PRIVATE RENTED SECTOR REPORT

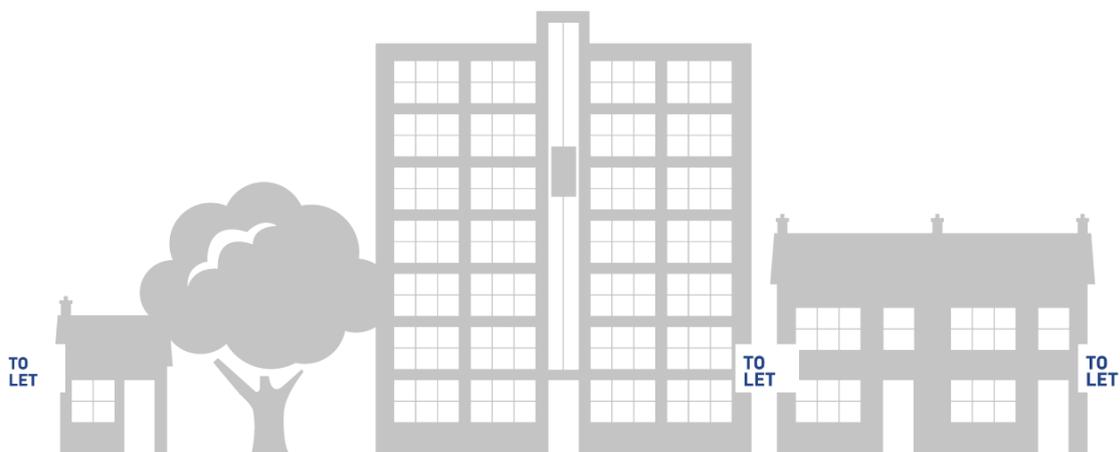
March 2016

For further information:

Association of Residential Letting Agents Press Office

**020 7566 9777**

[propertyprofessionals@lansons.com](mailto:propertyprofessionals@lansons.com)





# MARCH 2016 PRS Report

## SUPPLY OF RENTAL STOCK NOSE-DIVES

### KEY FINDINGS

- The number of prospective tenants registered per branch decreased by 11 per cent in March to 33
- Over a third (32%) of agents witnessed rent increases for tenants in March – and three in five (61%) fear they will increase further as a result of the stamp duty changes
- Tenants stayed in rental properties for 17 months
- In March properties were viewed on average five times before a let was agreed
- The average void period between tenancies was three weeks
- Two thirds (65%) of agents predict that current and prospective BTL landlords will walk away from the market following the April stamp duty changes

The supply of rental housing stock on letting agents' books fell in March, to the lowest level since records began in January 2015.

### NUMBER OF MANAGED PROPERTIES

*Average number of properties managed per branch was **169** in March, decreasing from 176 in February*



Supply of rental accommodation was lowest in London, with an average of 122 properties managed per branch, though this has increased from 91 in February. Those in Scotland experienced much higher supply of properties, with an average 273 properties available per branch.

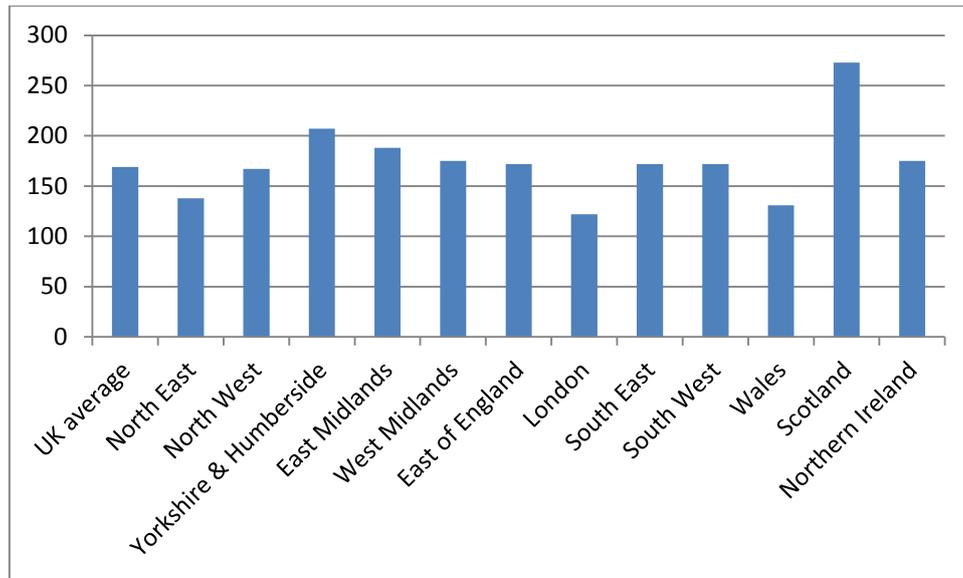


Figure 1: Average number of properties managed per branch in March

#### NUMBER OF PROSPECTIVE TENANTS

*Average number of prospective tenants in March fell to 33 registered per branch*



Demand for rental accommodation was lowest in Northern Ireland, where agents registered an average nine prospective tenants per branch. Competition was highest in London, which had an average of 43 tenants registered per branch, up from 40 in February.

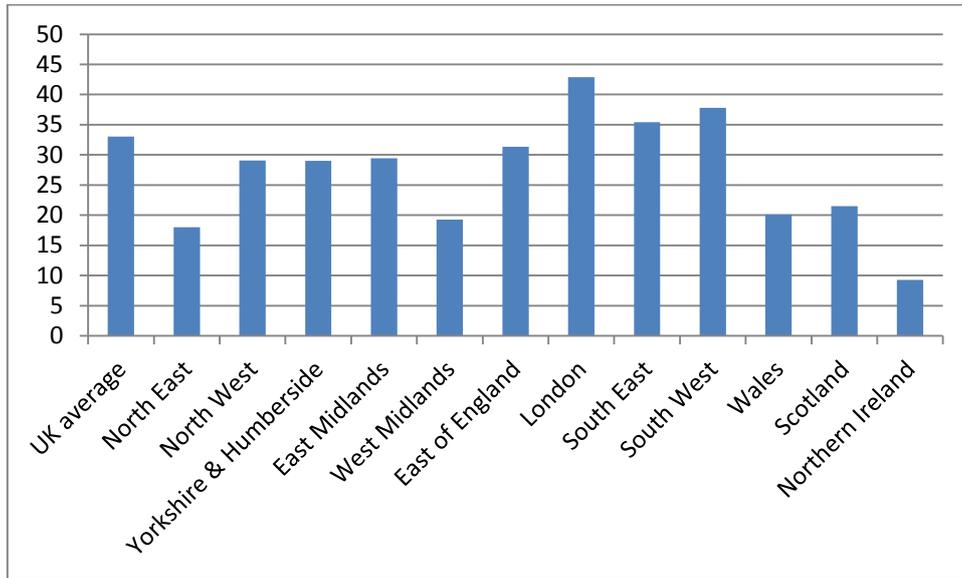
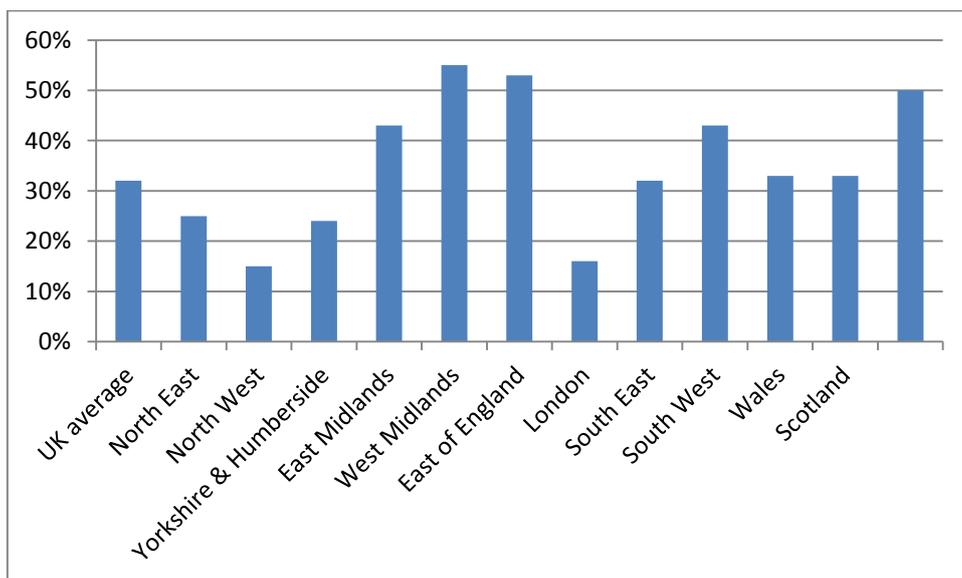


Figure 2: Average number of prospective tenants per branch in March

### AVERAGE MONTHLY RENT

*Three in ten (32%) ARLA agents saw monthly rents increase for tenants in March*



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

## BUY-TO-LET STAMP DUTY REFORMS

*Two thirds (65%) of agents predicted a dip in supply, in light of the April BTL stamp duty amends causing a decrease in the supply of rental properties*



Two thirds (65%) of agents predicted that current and prospective BTL landlords will walk away from the market following the April stamp duty changes, causing a decrease in the availability of rental properties. Three in five (61%) agents fear rents will increase as a result of the changes.

## LENGTH OF TENANCY

*Average length of a tenancy in March was 17 months*



Those in the West Midlands typically stayed longer, with the average tenancy lasting 19 months.

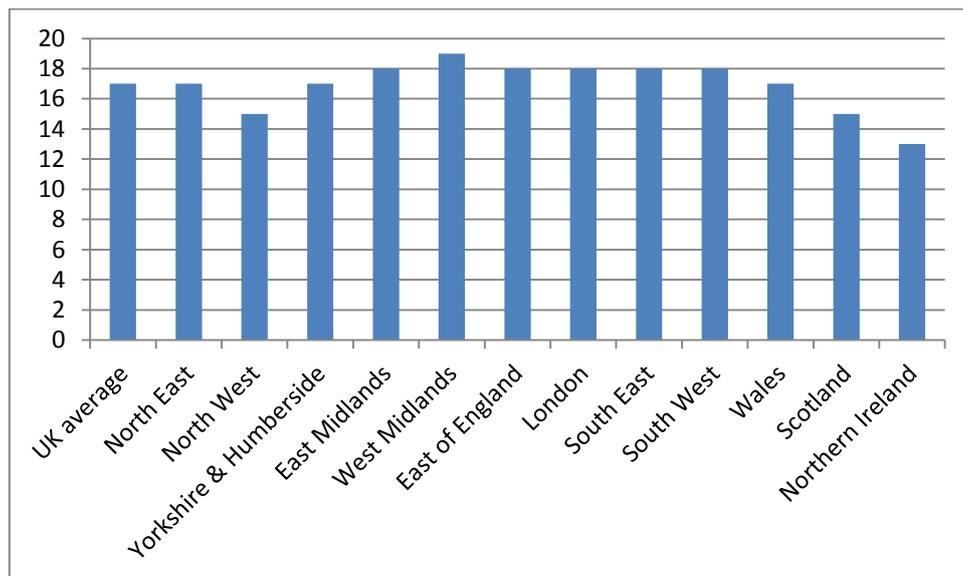


Figure 4: Average length of tenancy per branch in March

## AVERAGE VOID PERIODS

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



Properties were emptier for longer between tenancies in Yorkshire & Humberside and the West Midlands where the average void period was four weeks.

**-END-**

### **Notes to Editors:**

About the research

Opinium Research carried out an online survey among 231 ARLA member branches between 4<sup>th</sup> April – 15<sup>th</sup> April 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](http://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](mailto:propertyprofessionals@lansons.com)