



ASSOCIATION OF RESIDENTIAL LETTING AGENTS

PRIVATE RENTED SECTOR REPORT

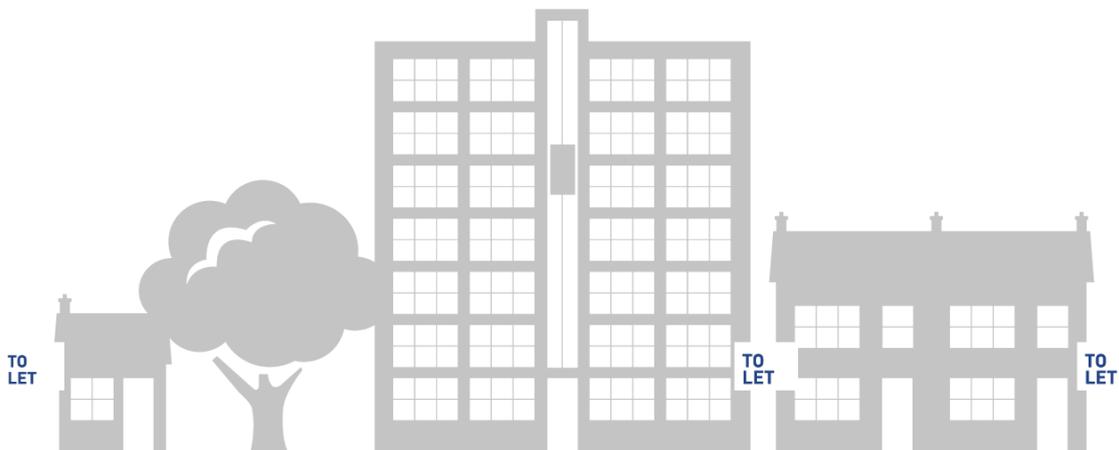
September 2016

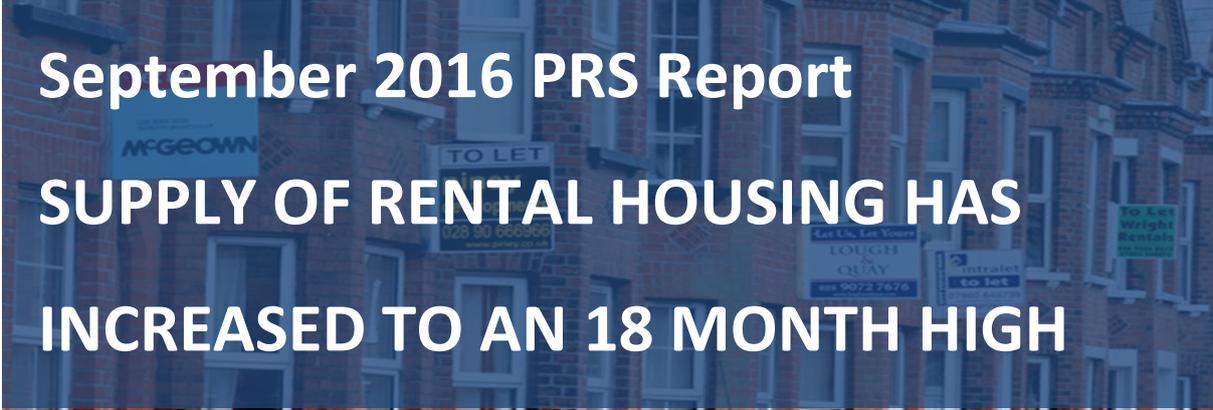
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September 2016 PRS Report

SUPPLY OF RENTAL HOUSING HAS INCREASED TO AN 18 MONTH HIGH

KEY FINDINGS

- Demand from prospective tenants is at the highest level since February 2015
- Supply of rental property rose in September
- The average number of tenants negotiating rent reductions is at the lowest this year, at 24 per cent
- Tenants stay in rental properties for 18 months on average
- In September, properties were viewed on average five times before a let was agreed
- The average void period between tenancies was three weeks

Supply was at the highest level in 18 months in September, with demand also rising in line with seasonal expectations.

NUMBER OF MANAGED PROPERTIES

*Average number of properties managed per branch was **193** in September, up from **183** in August*



In September, the number of properties managed per branch was 193. This was the highest level seen since April 2015, when there were also 193 properties managed per branch.

The number of properties registered per branch was lowest in London where agents managed an average of 119 properties per branch. However, this is significantly higher than the 97 reported in London in August. Supply was highest in Scotland, where there were 298 rental properties managed per branch on average, considerably higher than the national average.

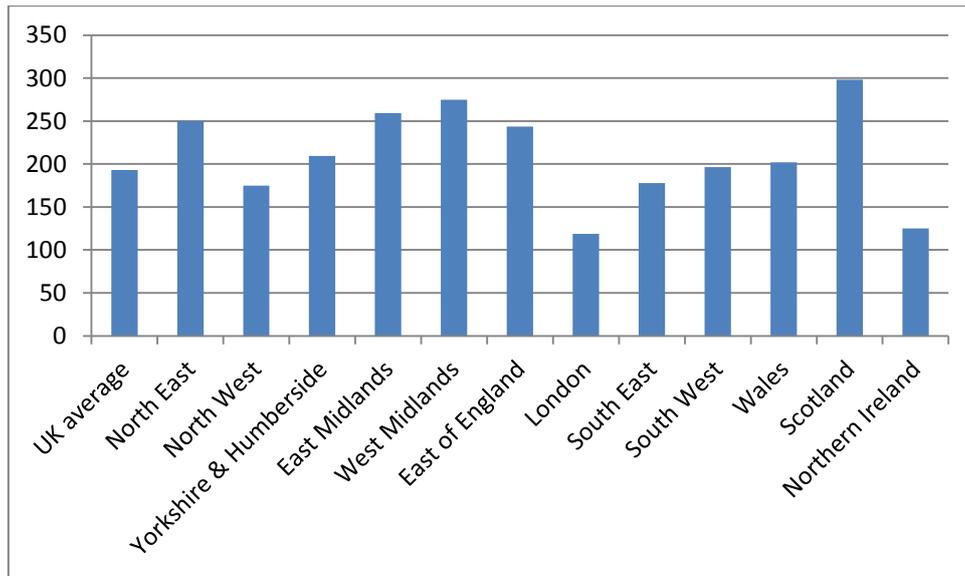


Figure 1: Average number of properties managed per branch in September

NUMBER OF PROSPECTIVE TENANTS

*Average number of prospective tenants increased in September to **40** registered per branch*



In September, letting agents had 40 prospective tenants registered on average per branch, the highest number since February last year. Demand in the East of England and London sat much higher than the national average, with 45 prospective tenants registered per branch. Compared to the rest of the UK, demand remained the lowest in Northern Ireland.

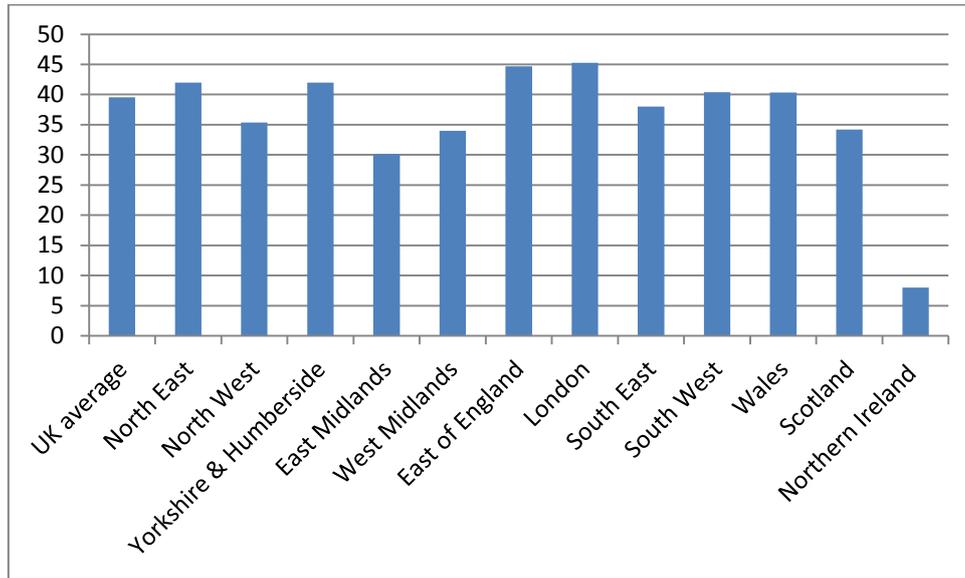


Figure 2: Average number of prospective tenants per branch in September

AGENTS WITNESSING RENT HIKES

The number of landlords hiking rent costs fell to 24 per cent



Tenants in Wales and the East of England were most likely to experience rent hikes in September, with 50 per cent of agents in each region witnessing rises. Those in the North West lucked out, as only nine per cent of agents reported hikes. Similarly in London, only 12 per cent of tenants experienced increases in September.

LANDLORDS SELLING BTL PROPERTIES

The number of landlords selling their BTL properties remained at three



The number of agents which reported landlords selling their BTL properties has not changed since April.

LENGTH OF TENANCY

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



Those in the West Midlands, South East and South West typically stay in their rental properties longest, with the average tenancy lasting 20 months. On the other hand, those in the North West stayed for 11 months on average, much lower than the UK average of 18 months.

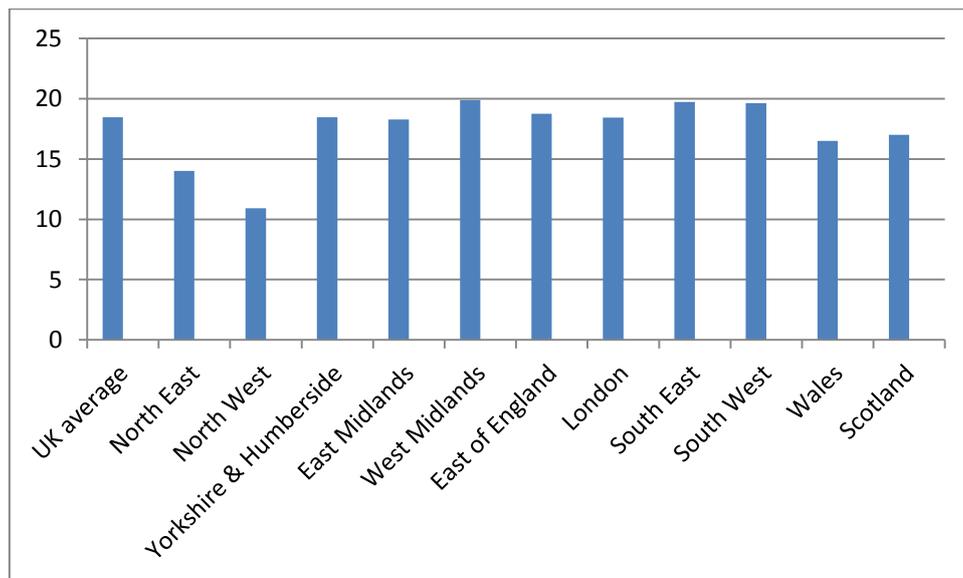


Figure 3: Average length of tenancy per branch in September

AVERAGE VOID PERIODS

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



In London properties were empty for four weeks on average, higher than the UK average of three weeks.



-ENDS-

Notes to Editors:

About the research

Opinium Research carried out an online survey among 242 ARLA member branches in 1 – 13 October 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 8,500 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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