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Private Rented Sector Report

January 2017



January 2017 PRS Report

JANUARY SPARKS SPIKE IN DEMAND FOR RENTAL ACCOMMODATION

Key Findings

- Demand for rental properties rose in January
- Supply of rental stock increased marginally
- Almost a quarter (23 per cent) of agents saw tenants experiencing rent hikes
- Tenants stayed in rental properties for 18 months on average
- In January, properties were viewed on average six times before a let was agreed
- The average void period between tenancies was three weeks

Both supply and demand for rental properties increased in January, following a seasonal lull in December.

NUMBER OF PROSPECTIVE TENANTS

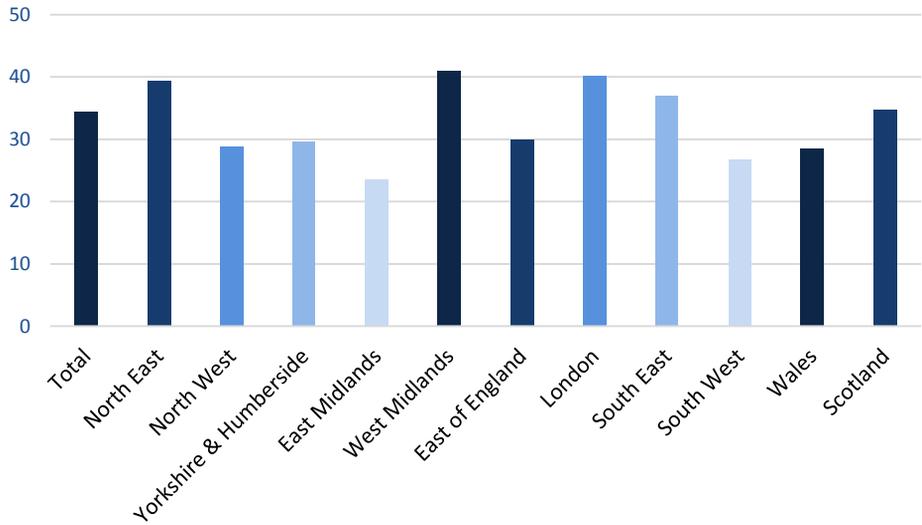
Average number of prospective tenants increased in January to 34 registered per branch



There were 34 prospective tenants registered per branch in January, up 31 per cent from December when there were just 26 tenants at each branch. In January 2016, there were 31 registered per branch, meaning demand for rental accommodation has risen by 10 per cent over the last 12 months.

In the West Midlands, demand was highest, with 41 prospective tenants per member branch. In London there were 40 tenants registered at each member branch.

Figure 1: Average number of prospective tenants per branch in January



NUMBER OF MANAGED PROPERTIES

*Average number of properties managed per branch was **193** in January, up from **188** in December*



The number of rental properties letting agents managed increased in January. In December, there were 188 properties managed per branch, whereas in January there were three per cent more, with 193 per branch. Last January, there were 12 per cent less properties managed, with agents recording just 173 per branch.

Supply was lowest in London where there were just 143 properties managed per branch, and highest in the East Midlands where agents recorded 253 per branch.

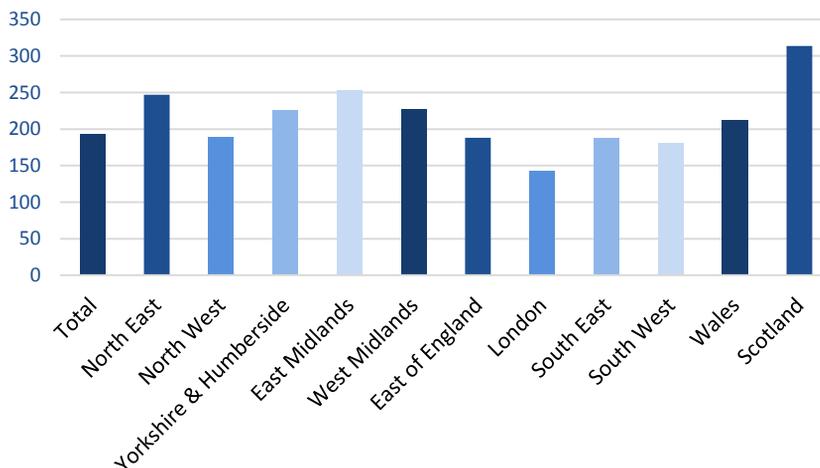


Figure 2: Average number of properties managed per branch in January

AGENTS WITNESSING RENT HIKES

*The number of landlords hiking rent costs increased to **23 per cent***



It was bad news for tenants in Scotland, as almost half (45 per cent) of agents in the area saw rent increases in January. On the other hand, London renters got off lightly, with only 12 per cent experiencing price rises. In December, only four per cent of London agents saw rent hikes, so month on month, the number of rent hikes has increased by eight percentage points.

LANDLORDS SELLING BTL PROPERTIES

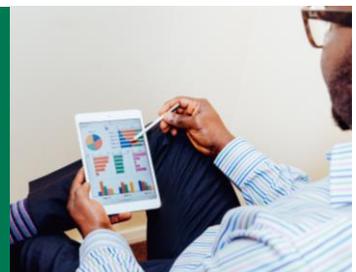
*The number of landlords selling their BTL properties **remained at three***



The number of landlords selling their BTL properties remained at three per member branch in January, after it rose in November for the first time in six months.

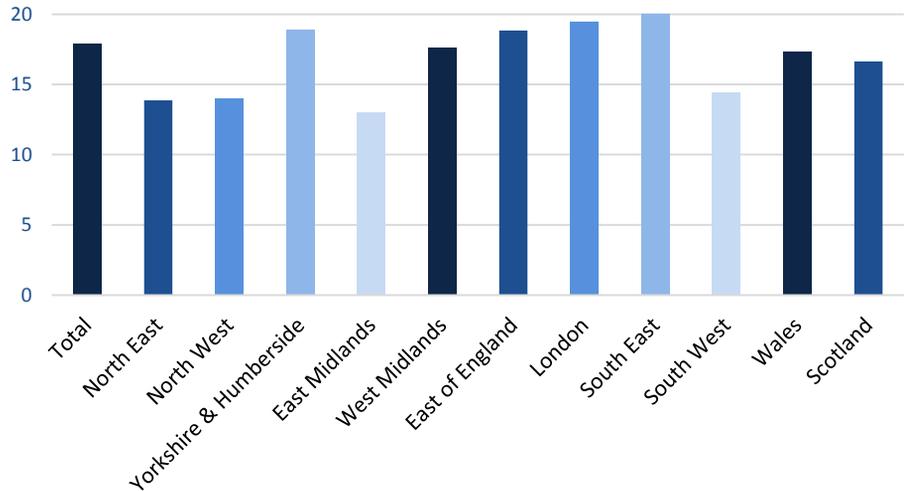
LENGTH OF TENANCY

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



In January, tenants in the South East and London stayed in their rental properties for the longest period of 20 months. Those in the East Midlands typically stayed for just 13 months.

Figure 3: Average length of tenancy per branch in January



AVERAGE VOID PERIODS

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



In Wales, properties were empty for just two weeks.

ENDS

Editor Notes:

About the research:

Opinium Research carried out an online survey among 414 ARLA member branches between 2-9 February 2017. ARLA Propertymark Protected 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

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About ARLA Propertymark

ARLA Propertymark is the UK's foremost professional and regulatory body for letting agents; representing almost 9,000 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 a ARLA Propertymark Protected agent, consumers have the peace of mind their agent will provide a professional service and their money is safeguarded by Propertymark's Client Money Protection scheme.