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Private Rented Sector Report

March 2018



March 2018 PRS Report

RENTAL SECTOR HOLDS STEADY IN MARCH

Key Findings

- Demand from prospective tenants increased by eight per cent in March
- Supply of rental properties increased by two per cent
- The rate of tenants experiencing rent rises increased in frequency, but was lower than in March 2017
- Tenants stayed in rental properties for 18 months on average
- The average void period between tenancies dropped to three weeks

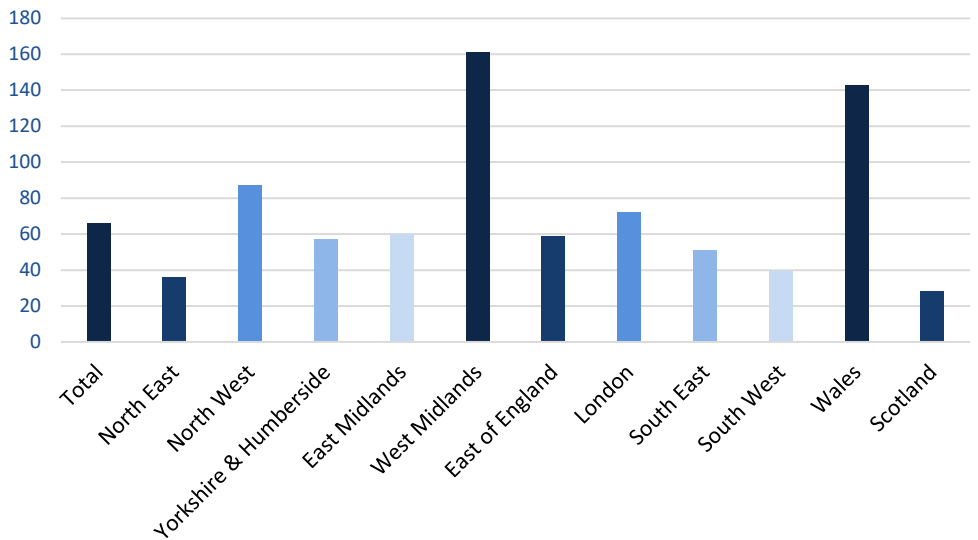
NUMBER OF PROSPECTIVE TENANTS

*Average number of new prospective tenants in **March** was **66***



Demand for rental properties increased by eight per cent in March, with letting agents registering 66 new house-hunters per member branch, compared to 61 in February. Demand was highest in the West Midlands with 161 prospective renters registered per member branch, followed by Wales where agents registered 143 prospective tenants. In Scotland there were only 28 registered per branch.

Figure 1: Average number of prospective tenants registered per branch



SUPPLY OF RENTAL STOCK

The number of properties managed per member branch increased to 179



The number of rental properties managed by letting agents rose by two per cent in March, with 179 managed per branch, compared to 175 in February. This is down from 183 in March last year.

Supply was highest in the East Midlands, where agents managed 284 properties per branch on average, and lowest in London where there were only 93 per branch.

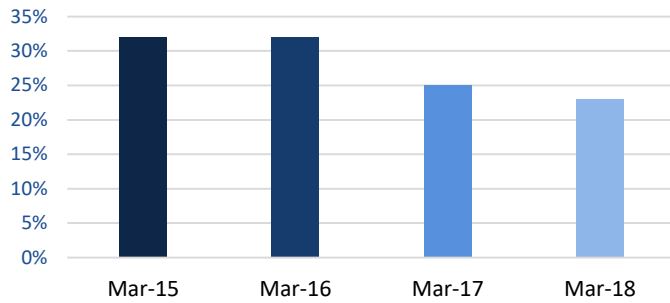
RENT PRICES

The number of agents witnessing rent hikes increased to 23 per cent in March



Almost a quarter (23 per cent) of tenants experienced rent hikes in March, compared to 20 per cent in February. This follows an upward trend which has seen the number of landlords hiking rent costs rise every month since October 2017. However, it's down year on year; in March 2017, 25 per cent of tenants had their rents increased; 32 per cent were subject to rent rises in March 2016 and 2015.

Figure 2: Percentage of agents witnessing rent hikes for tenants



Tenants in Wales were worse affected by rent hikes, where 57 per cent were affected, compared to London where just 12 per cent had their rents increased.

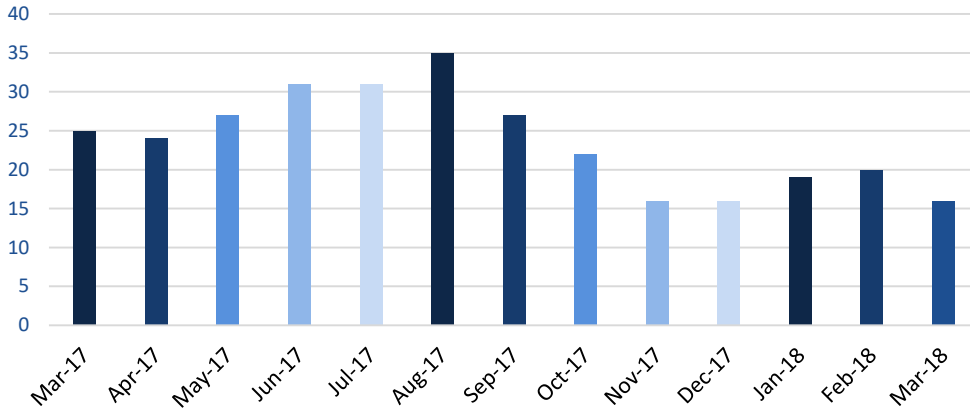


Figure 3 Percentage of agents witnessing rent hikes for tenants

VOID PERIOD BETWEEN TENANCIES

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



In March, the average time properties were empty between tenancies decreased to three weeks, from four in February. Void periods were longest in the North East where properties were empty for five weeks on average.

LENGTH OF TENANCY

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



The average tenure was 18 months in March, an increase from 17 in February.

ENDS

Editor Notes:

About the research:

Opinium Research carried out an online survey among 286 ARLA member branches from 3rd – 17th April 2018. 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 over 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.