



arla | propertymark

Private Rented Sector Report

June 2019



June 2019 PRS Report

TENANTS SUFFER AS RENTS SOAR DUE TO TENANT FEES BAN

Key Findings

- The number of tenants experiencing rent rises increased to the highest figure on record in June.
- The number of properties under management dropped marginally to 199 per member branch.
- Demand from prospective renters increased, with the number of house hunters registered per branch rising.
- The number of landlords exiting the market remained the same.

RENT PRICES

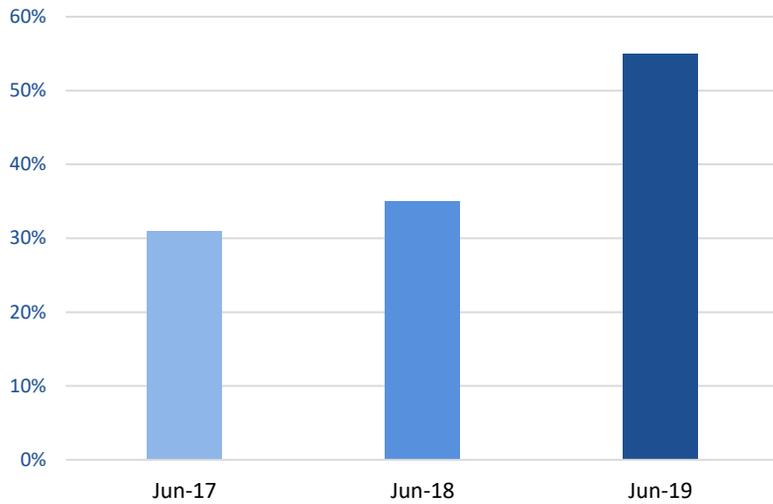
The number of tenants witnessing rent hikes rose to 55 per cent in June



In June, more than half (55 per cent) of tenants saw rents rise, up from 45 per cent in May. Year-on-year, this figure is up from 31 per cent in June 2017 and 35 per cent in June 2018.

Tenants in the South West were the worst affected with 79 per cent experiencing a rent increase.

Figure 1: Number of tenants experiencing rent hikes year-on-year in June



LANDLORDS SELLING BUY-TO-LET

*Number of landlords selling their BTL properties remained at **four** per branch in June*



The number of landlords selling their BTL properties remained at an average of four per member branch in June.

However, the North East saw the highest number of landlords exiting the market, with agents recording an average of nine selling up per member branch. Letting agents in the East of England and Scotland witnessed the lowest number, at three per member branch.

SUPPLY OF RENTAL STOCK

*The number of properties managed per member branch was **199** in June*



Letting agents managed 199 properties per branch in June, down from 201 in May. Year-on-year, supply has increased, from 191 recorded in June 2018.

The number of properties under management is the highest in Scotland, where agents managed 270 properties on average per branch. Supply of properties is lowest in London where agents typically had 144 properties on their books.

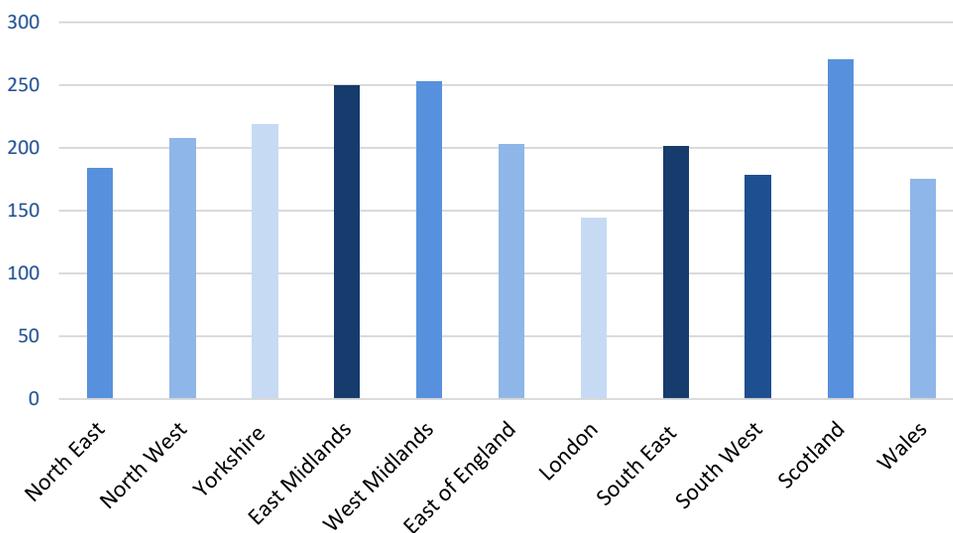


Figure 2: Properties under management by region in June

NUMBER OF PROSPECTIVE TENANTS

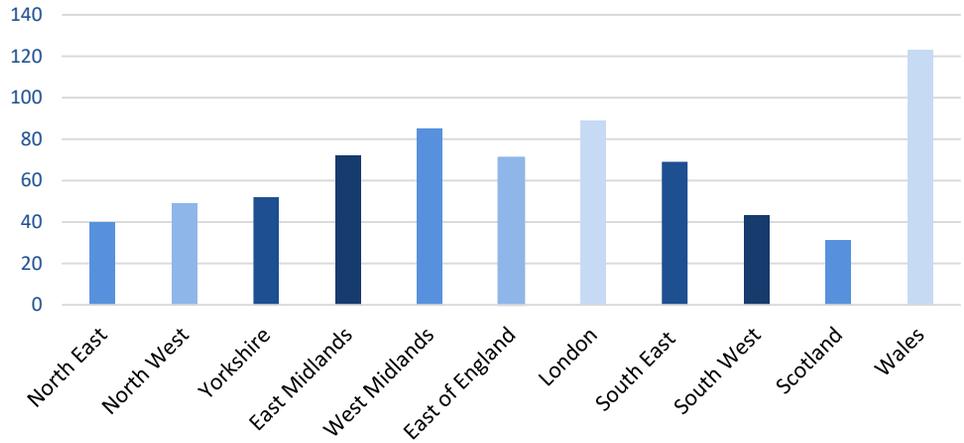
Average number of new prospective tenants registered in June rose to 70



Demand for rental properties increased marginally in June, with letting agents registering interest from 70 new prospective tenants – an increase from 69 in May.

The number of tenants registered per branch is the highest in Wales, where agents had 123 new prospective tenants on their books. Demand from tenants is at its lowest in Scotland with 31 tenants on average per branch.

Figure 3: Demand from tenants by region in June



RENT REDUCTIONS

*Average percentage of tenants negotiating a rent reduction in June was **1.7%***



In June, the number of tenants successfully negotiating rent reductions rose slightly to 1.7 per cent, from 1.6 per cent in May. Year on year this is down from 2.6% in June 2018 and 3% in June 2017.

It was highest in the South East where 2.7 per cent of tenants negotiated reductions, and lowest in Wales at 0.3 per cent.

LENGTH OF TENANCY

*Average length of a tenancy in June fell to **18 months***



In June, tenants stayed in their properties for 18 months on average – a fall of one month from May. Those in the North East, East, West Midlands and London stayed in their properties for the longest at 20 months, compared to just 13 months in Scotland.

VOID PERIOD BETWEEN TENANCIES

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



The average time properties were empty between tenancies remained at three weeks in June. Void periods were longest in the North East with properties remaining void for five weeks.

ENDS

Editor Notes:

About the research:

Opinium Research carried out an online survey among 272 ARLA Propertymark members from 02 to 16 July 2019. 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

For further information contact:

ARLA Propertymark Press Office
020 7566 9777
propertymark@lansons.com

About ARLA Propertymark

ARLA Propertymark is the UK's foremost professional and regulatory body for letting agents; representing over 9,500 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 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.