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# Private Rented Sector Report

July 2020



## July 2020 PRS Report

# DEMAND FROM TENANTS HIGHEST EVER ON RECORD

### Key Findings

- The number of new prospective tenants reached an all time high in July, with 97 registered per branch
- The number of properties managed per branch highest on record for July, with 208 properties available
- Number of tenants witnessing rent increases continues to rise post COVID-19, at 39 per cent in July

### NUMBER OF PROSPECTIVE TENANTS

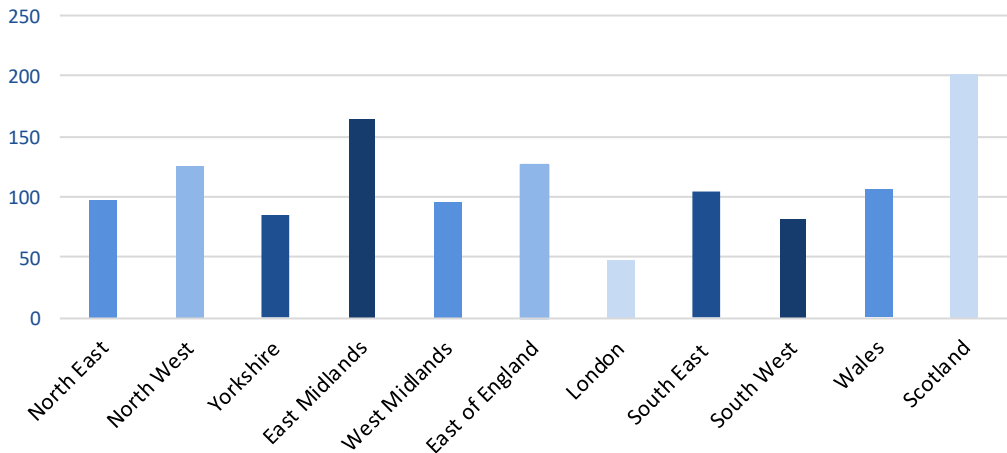
*Average number of new prospective tenants registered in July rose again to 97*



The average number of new prospective tenants registered per branch increased in July, with 97 tenants registered per branch. This is the highest on record, breaking the previous record of 88 in January 2020.

Regionally, Wales had the most prospective tenants registered per branch with an average of 201, and Scotland had the lowest figure with just 36 prospective tenants registered per branch.

Figure 1: Demand from new tenants by region in July



### SUPPLY OF RENTAL STOCK

*The number of properties managed per branch was at an all time high of 208 for July*



The number of properties managed per letting agent branch rose in July to 208, from 200 in June. Year-on-year this is an all time high for the month of July, topping the previous record of 192 in July 2017.

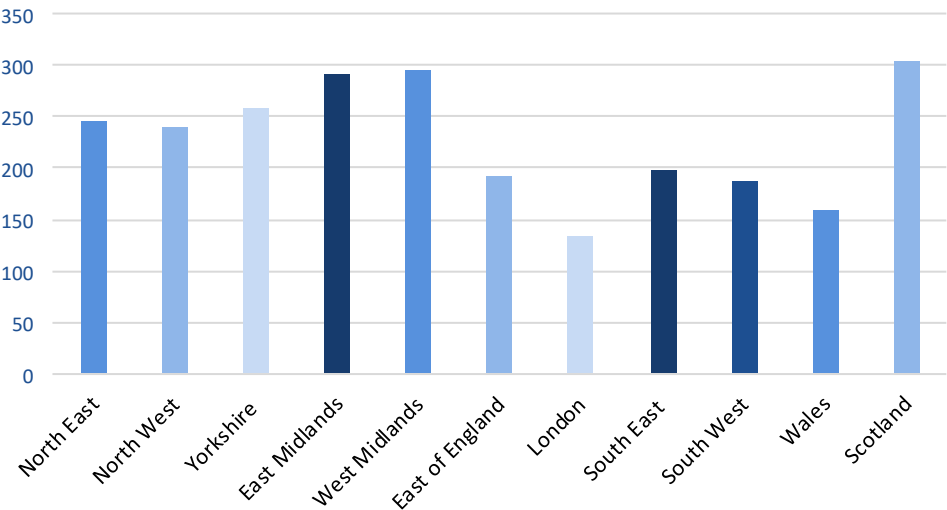


Figure 2: Properties under management by region in July

## VOID PERIOD BETWEEN TENANCIES

*Average void period between tenancies in July decreased to **three weeks***



The average time properties were empty between tenancies decreased to three weeks in July from four weeks in June.

## RENT REDUCTIONS

*Average number of tenants negotiating a rent reduction in July fell to **1.9 per cent***



The number of tenants successfully negotiating rent reductions fell to 1.9 per cent in July, continuing to rebalance after a high in May of 2.5 per cent and June's slightly lower figure of 2.1 per cent.

Regionally, 5.2 per cent of tenants successfully negotiated a reduction in rent in London, whereas no tenants managed to do so in the North East.

## LANDLORDS SELLING BUY-TO-LET

*Number of landlords selling their BTL properties remained the same at **four per branch** in July*



The number of landlords selling their BTL properties remained the same, at four per branch in July. This figure has consistently been at four in the month of July since 2018.

RENT PRICES

*The number of tenants witnessing rent increases jumped to 39 per cent in July*



The number of tenants experiencing rent increases rose again in July, with 39 per cent of agents witnessing landlords increasing rent compared to 29 per cent in June. This is still 24 per cent lower than in July 2019, when the figure was 63 per cent.

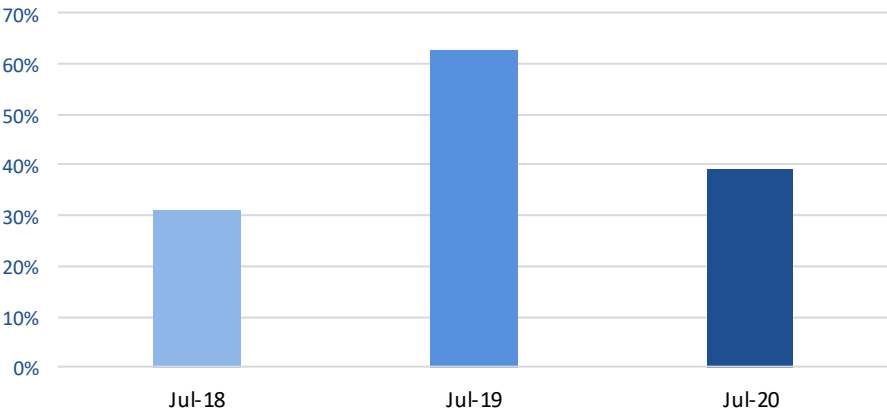


Figure 3: Number of tenants experiencing rent hikes year-on-year in July

LENGTH OF TENANCY

*Average length of a tenancy in July rose to 21 months*



In July, tenants stayed in their properties for 21 months on average. Year-on-year this is the highest average tenancy length on record, with the previous high being 20 months.

Regionally, this figure was highest in the South East with tenancies lasting 24 months and the lowest in the North East, with tenancies lasting an average of 13 months.

## NUMBER OF VIEWINGS

*Average number of viewings before a property was let remained the same in July at five*



In July, tenants viewed a property an average of five times before it was let. This remains the same as June's figure, and remains the same year-on-year.

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ENDS

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### Editor Notes:

<sup>1</sup> Records began in January 2015.

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### About the research:

Opinium Research carried out an online survey among 153 ARLA Propertymark members from 29<sup>th</sup> July – 14<sup>th</sup> August 2020 . 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](http://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 10,000 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 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.