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# Private Rented Sector Report

October 2019



## October 2019 PRS Report

# RENT COSTS FALL BUT OFFER TENANTS LITTLE REASSURANCE

### Key Findings

- The number of tenants experiencing rent rises fell by eight percentage points in October with 50 per cent of agents witnessing an increase in rent prices.
- The number of tenants successfully negotiating a rent reduction increased to 1.6 per cent from 1.2 per cent in September.
- The number of properties managed per branch rose to 201 in October, from 193 in September.
- Demand from prospective renters and the number of landlords exiting the market remained the same.

### RENT PRICES

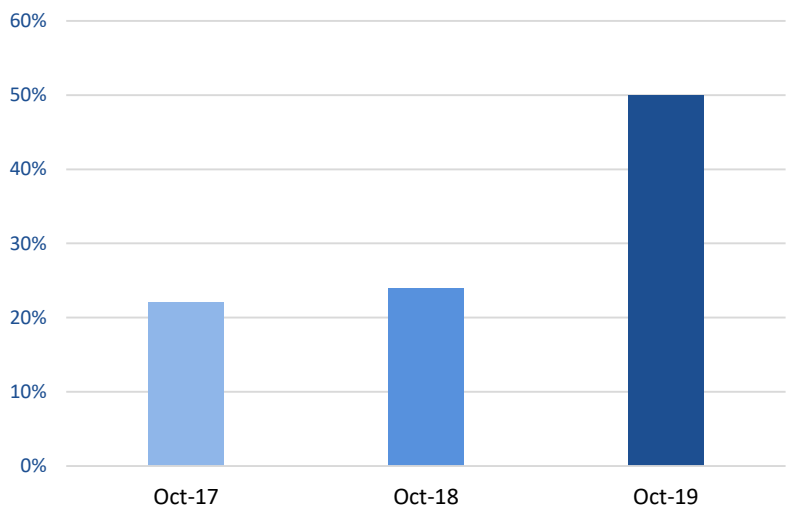
*The number of tenants witnessing rent hikes was 50 per cent in October*



The number of tenants experiencing rent rises fell in October, with 50 per cent of agents witnessing landlords increasing them. This is a decrease from September where 58 per cent of agents witnessed landlords increasing them. However, year-on-year, this figure is up from 24 per cent in October 2018 and 22 per cent in October 2017.

Tenants in Wales were the worst affected with 89 per cent of agents witnessing an increase in rent prices.

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



RENT REDUCTIONS

*Average percentage of tenants negotiating a rent reduction in **October** was **1.6%***



In October, the number of tenants successfully negotiating rent reductions increased to 1.6 per cent, from 1.2 per cent in September. Year-on-year this is down from 3.7 per cent in October 2018 and 2.5 per cent in October 2017.

It was highest in London where 2.4 per cent of tenants negotiated reductions, but lowest in the East Midlands where only 0.2 per cent of tenants did.

SUPPLY OF RENTAL STOCK

*The number of properties managed per member branch rose to **201** in October*



Letting agents managed 201 properties per member branch on average in October, up from 193 in September.

The number of properties under management is the highest in Scotland, where agents managed 280 properties on average per branch. Supply of properties is lowest in London where there is an average of 128 properties under management.

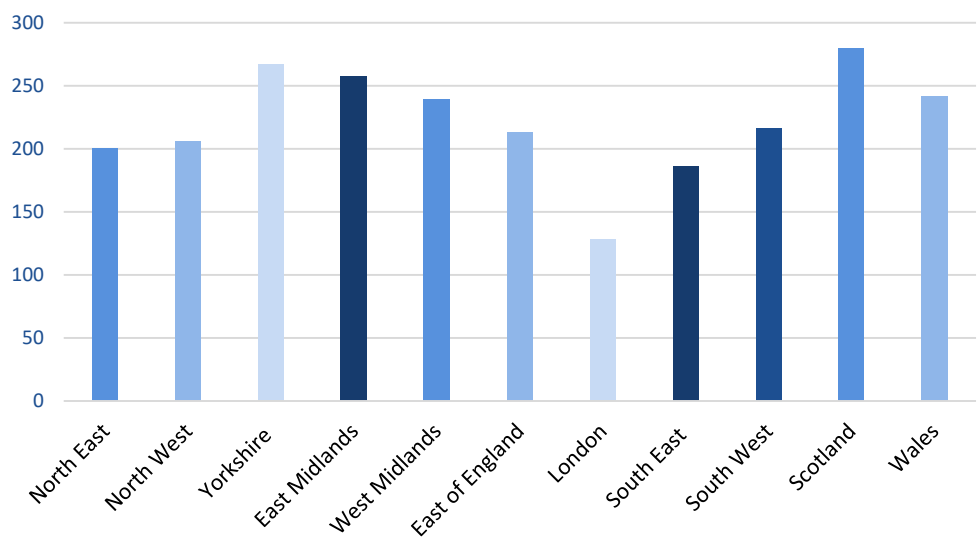


Figure 2: Properties under management by region in October

### NUMBER OF PROSPECTIVE TENANTS

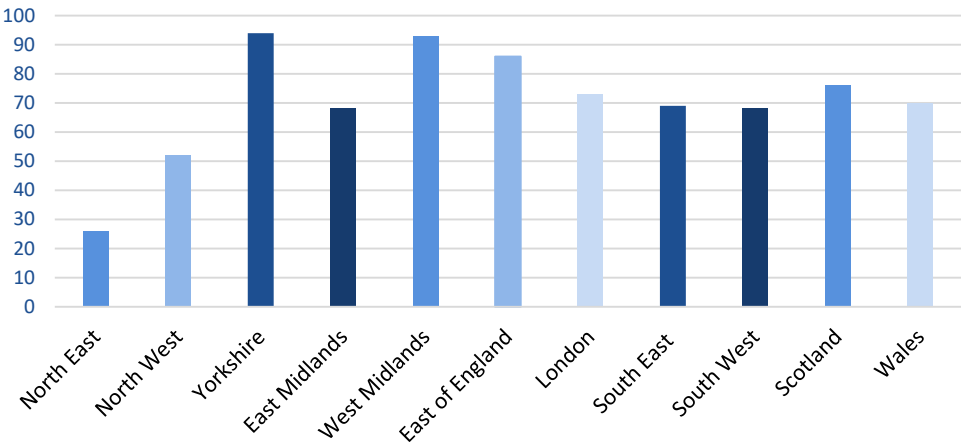
Average number of new prospective tenants registered in **October** remained at **72**



Demand for rental properties stayed the same in October with letting agents registering interest from 72 new prospective tenants.

The number of tenants registered per branch is highest in Yorkshire and Humberside with an average of 94 prospective tenants registered per branch; however, the North East of England witnessed the fewest number of new tenants with an average of 26 per branch.

Figure 3: Demand from tenants by region in October



### LANDLORDS SELLING BUY-TO-LET

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



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

Letting agents in Yorkshire and Humberside and London experienced the highest number of landlords selling their buy-to-let properties at an average of five per branch.

### LENGTH OF TENANCY

*Average length of a tenancy in **October** rose marginally to **20 months***



In October, tenants stayed in their properties for 20 months on average, a marginal increase from 19 months in September. Those in the South East stayed in their properties for the longest at 23 months, compared to just 9 months in the North East.

## VOID PERIOD BETWEEN TENANCIES

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



The average time properties were empty between tenancies remained at three weeks in October.

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ENDS

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### Editor Notes:

#### About the research:

Opinium Research carried out an online survey among 278 ARLA Propertymark members from 04 to 11 November 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](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 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.