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Private Rented Sector Report

December 2019



December 2019 PRS Report

NUMBER OF TENANTS NEGOTIATING RENT REDUCTIONS REACHES ALL TIME LOW

Key Findings

- The number of tenants negotiating rent reductions fell to 1.1 per cent
- The number of agents witnessing rent increases remained at 32 per cent
- Demand from prospective tenants continued to fall with an average of 56 prospective tenants registered per branch
- The number of properties managed per letting agent branch increased marginally to 206
- The number of landlords exiting the market remained the same.

RENT PRICES

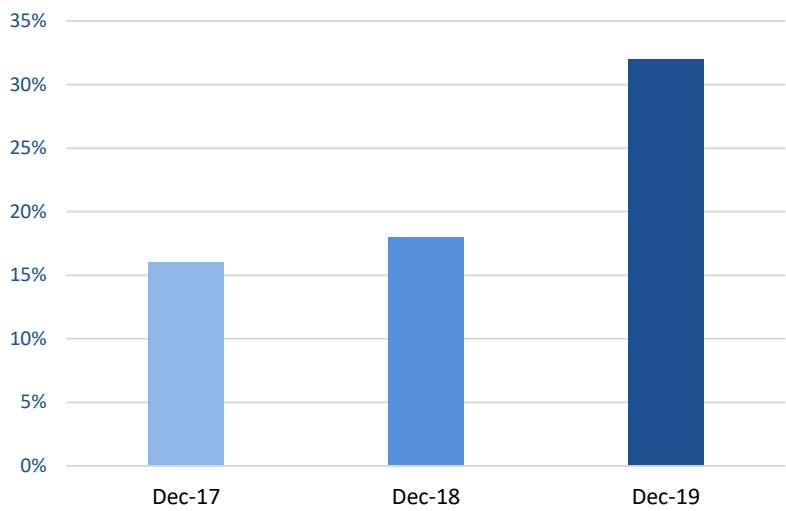
The number of tenants witnessing rent hikes remained at 32 per cent in December



The number of tenants experiencing rent rises remained the same in December, with 32 per cent of agents witnessing landlords increasing them. Year-on-year, this figure is up from 16 per cent in December 2017 and 18 per cent in December 2018.

Tenants in Yorkshire & Humberside were worst impacted with 47 per cent of agents witnessing landlords increasing rents, unlike those in London who were least impacted with 24 per cent of agents reporting an increase in rent prices.

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



RENT REDUCTIONS

*Average number of tenants negotiating a rent reduction in **December** fell to **1.1%***



In December, the number of tenants successfully negotiating rent reductions fell to 1.1 per cent. Year-on-year this is down from 2.6 per cent in December 2017 and 2.1 per cent in December 2018.

It was highest in Yorkshire and Humberside where 1.6 per cent of tenants negotiated a reduction, but lowest in Wales where only 0.2 per cent did.

NUMBER OF PROSPECTIVE TENANTS

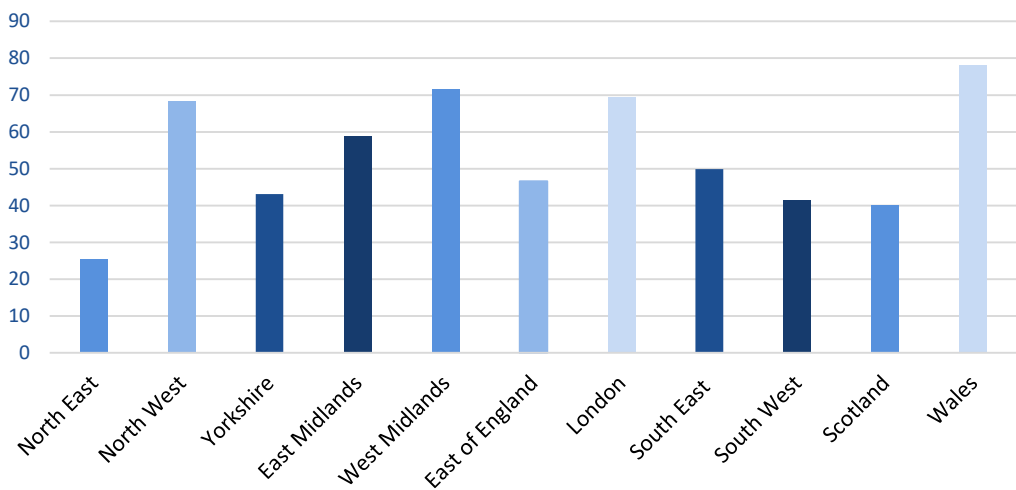
*Average number of new prospective tenants registered in **December** fell to **56***



Demand for rental properties fell for the third consecutive month in December with letting agents registering interest from 56 new prospective tenants, compared to 67 in November.

The number of tenants registered per branch was highest in Wales with an average of 78 prospective tenants; however, the North East witnessed the fewest number of new tenants with an average of 26 per branch.

Figure 2: Demand from tenants by region in December



SUPPLY OF RENTAL STOCK

*The number of properties managed per member branch rose to **206** in December*



Letting agents managed 206 properties per member branch on average in December, which is an increase from 203 in November.

The number of properties under management was the highest in Scotland where agents managed an average of 300 properties per member branch. It was lowest in London where agents managed an average of 147 properties per member branch.

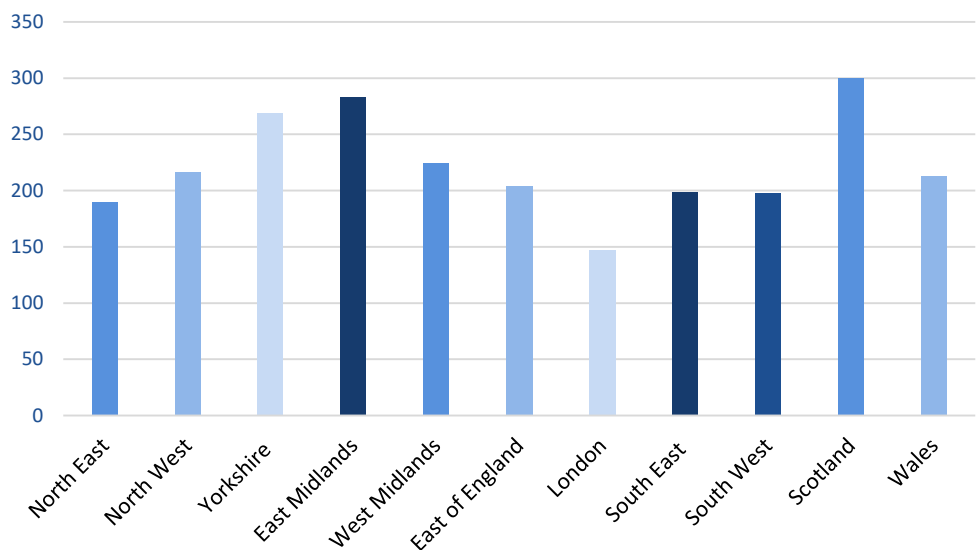


Figure 3: Properties under management by region in December

LANDLORDS SELLING BUY-TO-LET

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



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

Letting agents in the North West experienced the highest number of landlords selling their buy-to-let properties at an average of eight per branch.

LENGTH OF TENANCY

*Average length of a tenancy in **December** remained at **19 months***



In December, tenants stayed in their properties for 19 months on average, the same as in November. Those in the East Midlands stayed in their properties for the longest at 23 months, compared to just 12 months in the North East.

VOID PERIOD BETWEEN TENANCIES

*Average void period between tenancies
in **December** rose to **four weeks***



The average time properties were empty between tenancies rose for the first time since April 2019, increasing marginally from three weeks in November to four weeks in December.

ENDS

Editor Notes:

About the research:

Opinium Research carried out an online survey among 303 ARLA Propertymark members from 2 January to 15 January 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

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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.