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Private Rented Sector Report

November 2019



November 2019 PRS Report RENTS PLUMMET TO LOWEST IN EIGHT MONTHS

Key Findings

- The number of tenants experiencing rent increases fell by 18 percentage points in November.
- Demand from prospective tenants also fell with lettings agents registering an average of 67 prospective tenants per branch, down from 72 last month.
- The number of properties managed per branch rose marginally to 203 in November, from 201 in October.
- The number of landlords exiting the market remained the same as the month before.

RENT PRICES

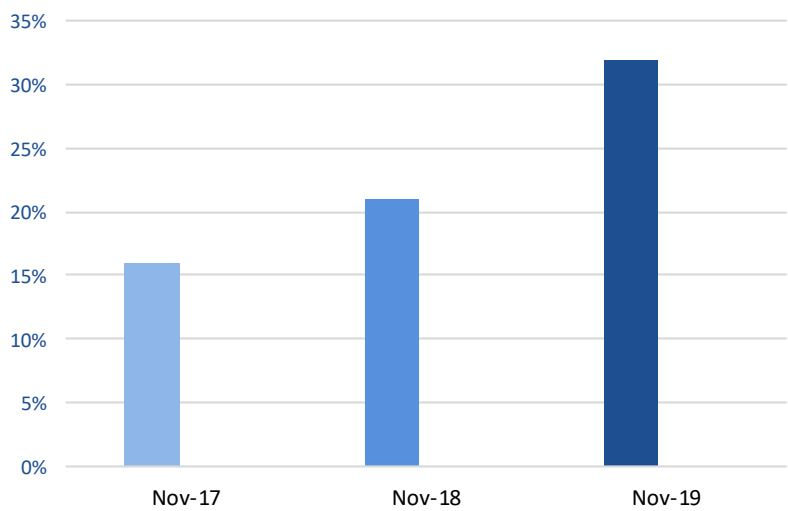
*The number of tenants witnessing rent hikes fell to **32 per cent** in November*



The number of tenants experiencing rent rises fell dramatically in November, with 32 per cent of agents witnessing landlords increasing them. This is the lowest figure since March this year and a significant drop from October when 50 per cent of agents witnessed landlords increasing rents. However, year-on-year, this figure is up from 21 per cent in November 2018 and 16 per cent in November 2017.

Tenants in the North East of England, Yorkshire & Humberside and East Midlands were the worst affected with 50 per cent of agents witnessing an increase in rent prices.

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



NUMBER OF PROSPECTIVE TENANTS

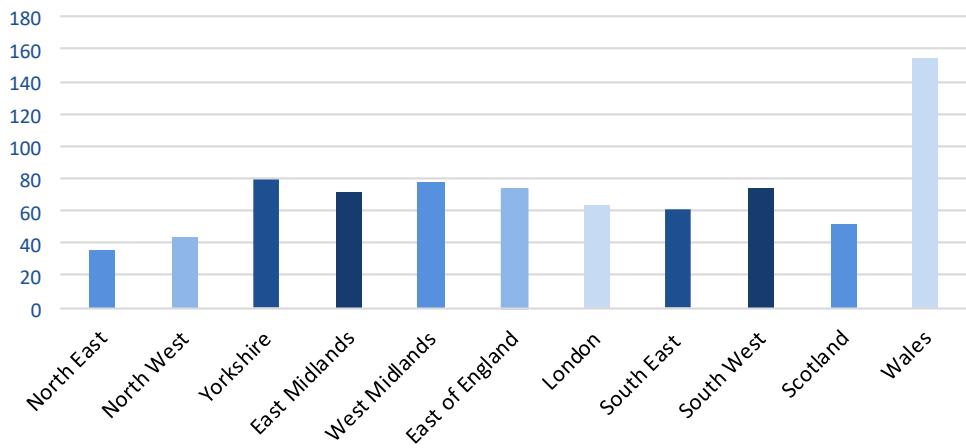
Average number of new prospective tenants registered in **November** fell to **67**



Demand for rental properties fell in November with letting agents registering interest from 67 new prospective tenants, compared to 72 in October.

The number of tenants registered per branch is highest in Wales with an average of 154 prospective tenants; however, the North East of England witnessed the fewest number of new tenants with an average of 36 per branch.

Figure 2: Demand from tenants by region in November



SUPPLY OF RENTAL STOCK

*The number of properties managed per member branch rose to **203** in November*



Letting agents managed 203 properties per member branch on average in November, which is an increase from 201 the month before.

The number of properties under management is the highest in Yorkshire & Humberside, where agents managed 266 properties on average per branch. Supply of properties is lowest in London where there is an average of 150 properties under management.

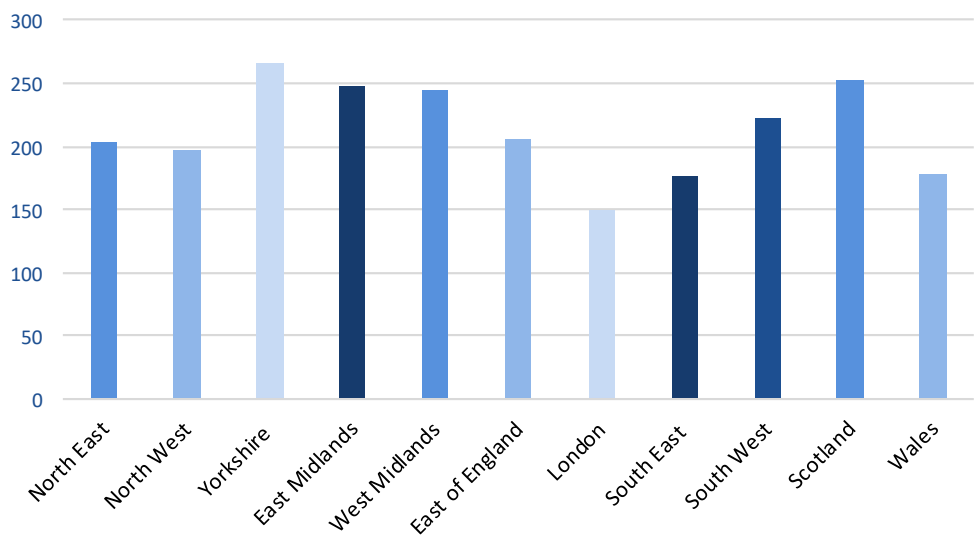


Figure 3: Properties under management by region in November

RENT REDUCTIONS

*Average percentage of tenants negotiating a rent reduction in **November** remained **1.6%***



In November, the number of tenants successfully negotiating rent reductions remained at 1.6 per cent. Year-on-year this is down from 2.6 per cent in November 2018 and 3 per cent in November 2017.

It was highest in London where 2.9 per cent of tenants negotiated reductions, but lowest in the North East of England and the East Midlands where no tenants did.

LANDLORDS SELLING BUY-TO-LET

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



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

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

LENGTH OF TENANCY

*Average length of a tenancy in **November** fell marginally to **19 months***



In November, tenants stayed in their properties for 19 months on average, a marginal decrease from 20 months in October. Those in the East Midlands stayed in their properties for the longest at 23 months, compared to just 13 months in the North East.

VOID PERIOD BETWEEN TENANCIES

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



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

ENDS

Editor Notes:

About the research:

Opinium Research carried out an online survey among 284 ARLA Propertymark members from 29 November to 11 December 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

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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.