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Private Rented Sector Report

January 2019

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January 2019 PRS Report

RATE OF TENANTS EXPERIENCING RENT RISES INCREASES

Key Findings

- The number of tenants experiencing rent hikes rose for the first time since September 2018
- Supply of rental properties and demand from prospective renters both increased
- The number of landlords selling their buy-to-let (BTL) properties fell to three per branch
- Tenants stayed in rental properties for 20 months on average and the void period between tenancies stayed at four weeks
- The number of tenants negotiating a rent reduction increased

RENT PRICES

*The number of tenants witnessing rent hikes rose to **26** per cent in **January***

In January, 26 per cent of tenants saw their rents rise, up from 18 per cent in December. This is the highest level since September 2018, when it stood at 31 per cent.

Year-on-year, this figure is up 7 percentage points, compared to January 2018.

Those in the East Midlands were the worst affected where 50 per cent of tenants saw their rents rise, compared to Scotland where just seven per cent did.
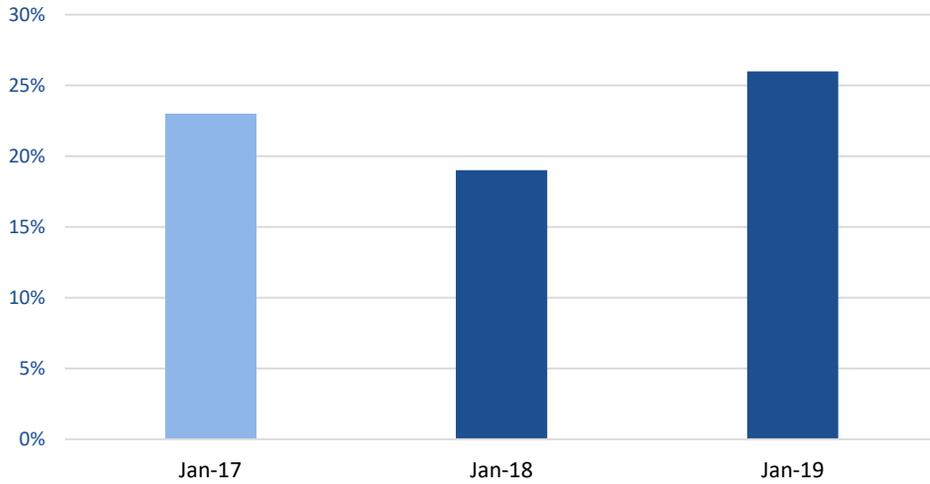
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Figure 1: Number of tenants experiencing rent hikes year-on-year in January

SUPPLY OF RENTAL STOCK

*The number of properties managed per member branch was **197** in **January***

The number of properties managed by letting agents rose in January from 193 in December, to 197 per branch on average in January. This is up from 184 in January 2018.

Supply was highest in the East Midlands, where agents managed 242 properties per branch on average, and lowest in London where they typically had 136 on their books.
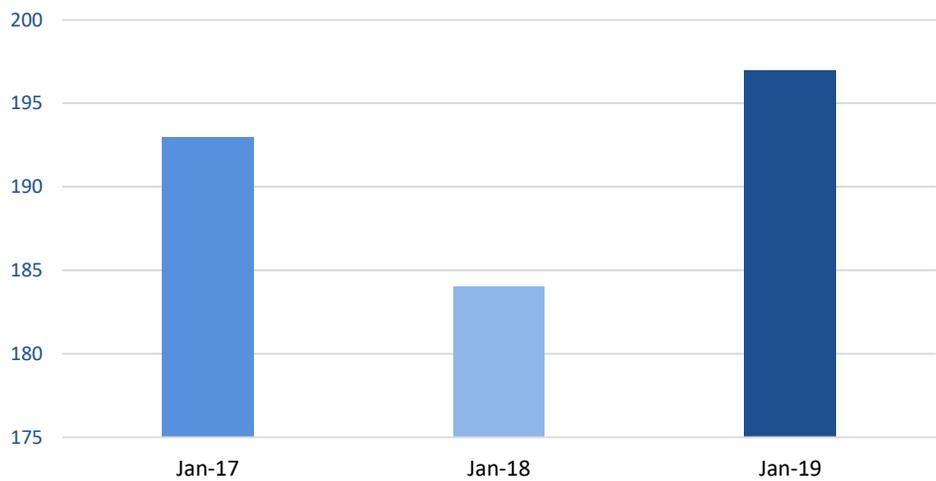

Figure 2: Average number of properties managed per branch year on year in January

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NUMBER OF PROSPECTIVE TENANTS

*Average number of new prospective tenants registered in **January** was **73***

Demand for rental properties rose in January, with letting agents registering interest from 73 new prospective tenants – up from 50 in December.

It was highest in London where agents had 97 prospective tenants on their books, and lowest in the North East with just 36 per branch.
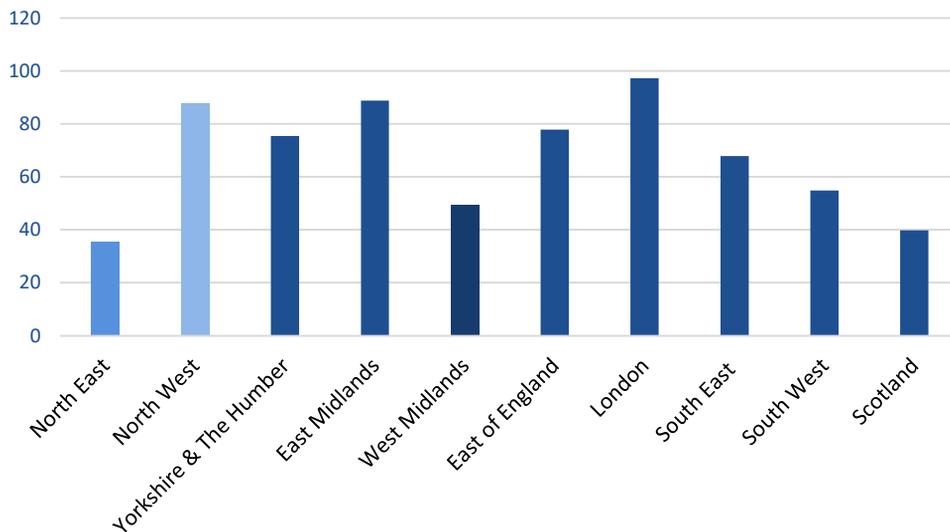

Figure 3: Demand per region in January

LANDLORDS SELLING BUY-TO-LET

*Average number of landlords selling their BTL dropped to **three** per branch in **January***

In the North West, Yorkshire & Humberside, the East of England, Wales and Scotland four landlords sold their properties per member branch in January – the highest regionally.

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LENGTH OF TENANCY

*Average length of a tenancy in **January** rose to **20 months***

In January, tenants stayed in their properties for 20 months on average, up from 18 in December.

Those in the West Midlands stayed for the longest at 22 months on average, compared to 14 months in the North East.

VOID PERIOD BETWEEN TENANCIES

*Average void period between tenancies in **January** was **four weeks***

In January, the average time properties were empty between tenancies remained at four weeks. Void periods were longest in the North West where properties were empty for five weeks on average.

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