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Private Rented Sector Report

December 2020



December 2020 PRS Report

LESS THAN A THIRD OF AGENTS SAW RENTS INCREASE IN DECEMBER

Key Findings

- The number of new prospective tenants fell during the month of December
- The number of properties managed per branch decreased
- Less than a third of agents witnessed landlords increasing rents in December

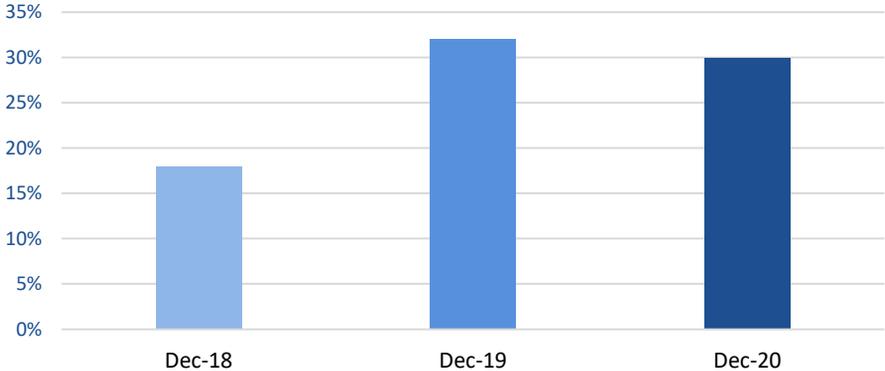
RENT PRICES

The number of tenants witnessing rent increases rose to 30 per cent in December



In December, the number of tenants experiencing rent increases rose for the first time in four months, with 30 per cent of agents witnessing landlords increasing rent compared to 28 per cent in November. This is still lower than October’s figure of 37 per cent and September’s figure of 40 per cent.

Figure 1: Number of tenants experiencing rent rises year-on-year



NUMBER OF PROSPECTIVE TENANTS

*Average number of new prospective tenants registered in **December** fell to **64***



The average number of new prospective tenants registered per branch fell from 65 in November to 64 in December. Year-on-year this is eight per cent higher than in December 2019 when the figure was 56.

Regionally, the West Midlands had the highest number of new tenants registered per branch with an average of 87, with London having the second highest figure of 73 new tenants.

Northern Ireland recorded the lowest number of new prospective tenants, with an average of 26 registered per branch in December

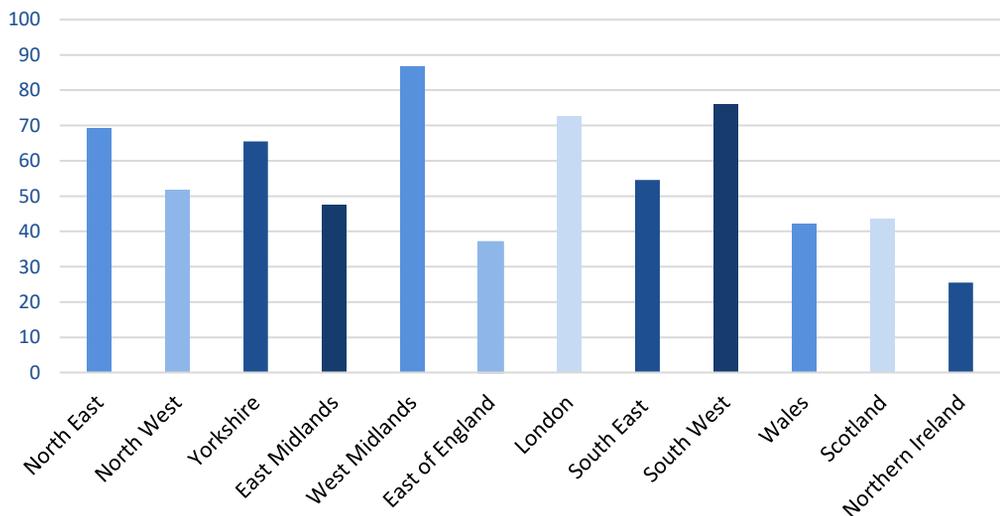


Figure 2: Demand from new tenants by region in December

SUPPLY OF RENTAL STOCK

*The number of properties managed per branch fell to **204** in December*



The number of properties managed per letting agent branch fell from 214 in November to 204 in December. Regionally, Scotland had the highest number of properties managed per letting agent branch with a figure of 277.

This is a decrease from December 2019, when there were 206 properties managed per branch.

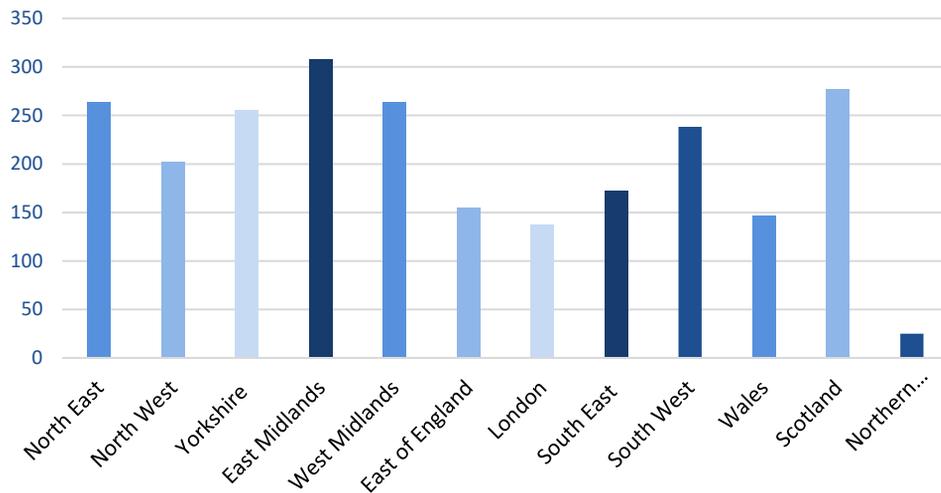


Figure 3: Properties managed per branch by region in December

LANDLORDS SELLING BUY-TO-LET

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



The number of landlords selling their buy-to-let properties remained at four per branch in December. Year-on-year this figure remains the same as December 2019.

RENT REDUCTIONS

Average number of tenants negotiating a rent reduction in December rose to 2.2 per cent



The number of tenants successfully negotiating rent reductions rose marginally to 2.2 per cent in December from 1.9 per cent in November. Year-on-year this is also significantly higher than during December 2019 when 1.1 per cent of tenants successfully negotiated a rent reduction.

LENGTH OF TENANCY

Average length of a tenancy in December remained the same at 20 months



In December, tenants stayed in their properties for 20 months on average, remaining the same as November.

Regionally, this figure was highest in the East of England, with tenancies lasting 29 months on average, and lowest in Scotland, with tenancies lasting an average of 13 months.

NUMBER OF VIEWINGS

Average number of viewings before a property was let remained at five in December



In December, tenants viewed a property an average of five times before it was let. This remains the same as November's figure, and has remained the same since June 2020.

ENDS

Editor Notes:

Opinium Research carried out an online survey among 305 ARLA Propertymark members from 4th January – 18th January 2021. 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 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.