

Steady As She Goes



- Market Overview ■ National Trends
- Spotlights: Edinburgh, Glasgow, Aberdeen, Dundee & more
- Agent Views
- Postcode and Town Analysis: Localised Rental Prices
- Legislation Matters: Letting Agent Registration
- Private Housing (Tenancies) (Scotland) Bill 2015
- SafeDeposits Scotland Spring into Action

Market Overview

And so the new Private Housing (Tenancies) Bill has finally been passed by The Scottish Parliament. Predictably some say it has not gone far enough to protect tenant rights and others that it has sown the seeds for the destruction of rental supply and hence the sector itself. But just about everyone may be relieved that the debate is over. For now.

With numerous surveys conducted over the last year suggesting that Scotland's buy to let landlords will vote with their feet and dispose of their portfolios, it will be interesting to see how they react in reality-providing of course the Scottish Government invests in informing them. All too often legislation is not backed up with promotion or enforcement and it is hard to foresee all landlords and tenants being aware of the material changes for many years to come.

Meanwhile, average asking rents in the Scottish PRS continued to rise in Q1 2016 recording 2.1% YOY growth at £767 per month. Competing forces of growth in Scotland's main cities with the exception of accelerated

reduction of rents in Aberdeen continue to result in a moderate upward trajectory for rents in the country as a whole.

Average rents in Aberdeen have now fallen by more than 20% over

- **National average continues steady climb at 2.1% YOY**
- **Aberdeen negative growth accelerates further to 20.6%**
- **Edinburgh continues march towards £1000 per month city average**
- **Citylets Rental Index at all time high**



the year, the steepest decline ever recorded in any Citylets quarterly report. The typical property in Aberdeen now rents at £865 per month taking 53 days to let. Indeed average rents are now below that of 5 years ago so years of recent

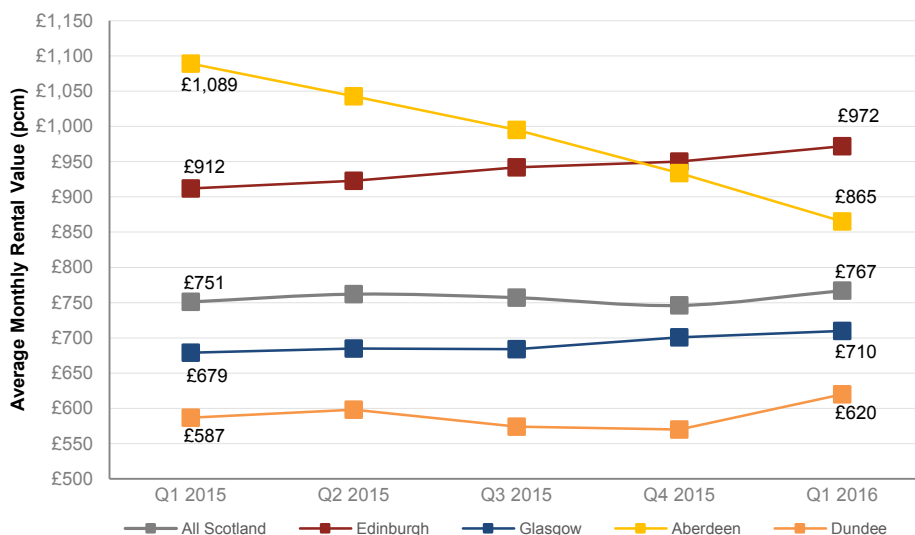
gains have already unwound over a relatively short period. And still some politicians refer to Aberdeen as a problem area for rent rises. Such have the extent of falls been that 1 and 2 bed properties are now renting for close to official mid market rent values for the region.

As expected, the Edinburgh market continues its charge towards the £1000 average mark with rents up 6.6% on the year to stand at £972. One bed properties rose a full 9.5% to stand at £678 on average. Properties let very quickly on average at just 23 days. Now into a 4th year of consecutive quarterly rises, it's hard to know where this juggernaut will stop but a softening of annual growth wouldn't be surprising.

Elsewhere, Glasgow continues its steady upward climb to £710 per month up 4.6% on the year, the rate of the long term average over the last 5 years. Again it was 1 bed properties rising fastest at 8.8% and taking just 26 days to rent.

Dundee is also on the up recording 5.6% annual growth to now average £620 per month. Will we see the day when rents in Dundee match those in Aberdeen? It's not as unlikely as one may have thought even a year ago with development of the waterfront gathering momentum. Whilst it is likely the rate of decline in Aberdeen will be close to or at maximum now, the fall in rents is unlikely to bottom out until well into 2017.

Scottish Monthly Rent Analysis (Q1 2015-Q1 2016)

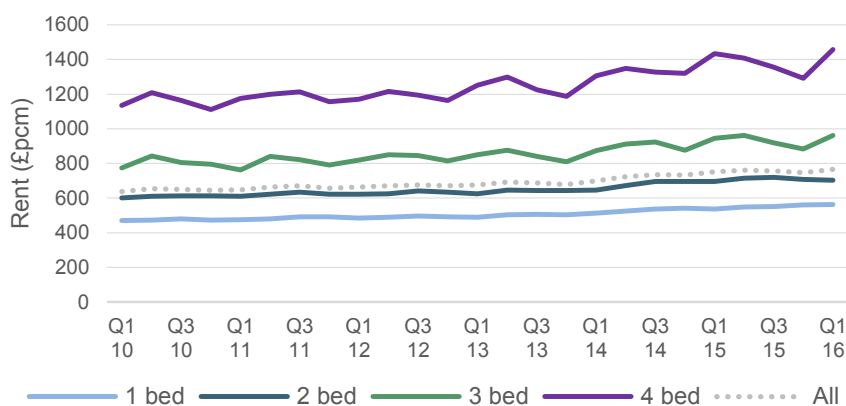


Scotland

Market Overview - Q1 16

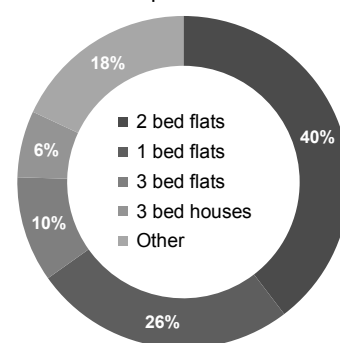
Beds	Average Rent	Rent Change 1yr	Rent Change 3yrs	Rent Change 5yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£562	4.5%	14.9%	18.1%	31	6	23%	61%
2 bed	£704	1.3%	12.6%	15.2%	37	3	17%	52%
3 bed	£962	1.8%	13.0%	26.1%	35	0	16%	55%
4 bed	£1,458	1.7%	16.6%	24.1%	35	2	26%	60%
Total	£767	2.1%	13.6%	18.5%	35	3	19%	55%

Average Rent (pcm) by Number of Bedrooms

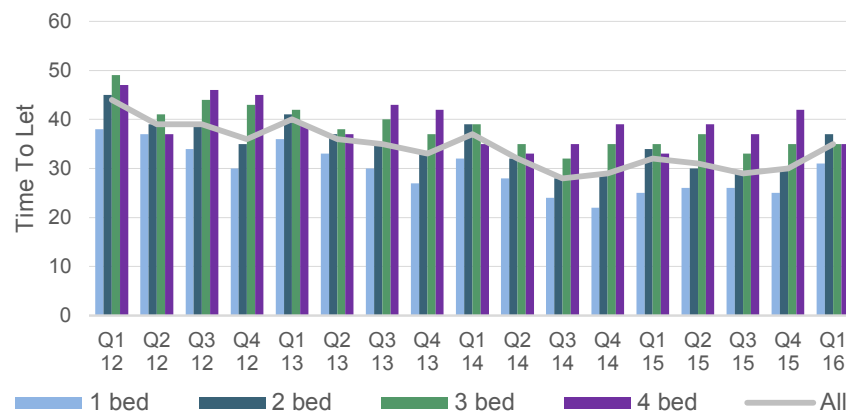


CITYINFO

Market Composition



Average Time To Let (TTL) by Number of Bedrooms

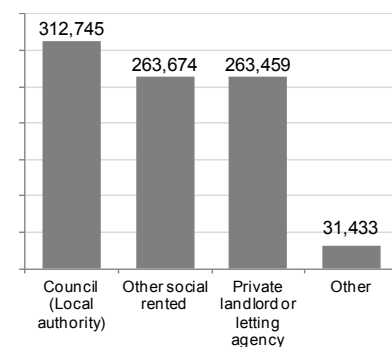


Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2008	100.0	101.6	102.8	100.2
2009	98.8	98.1	99.2	97.7
2010	98.9	101.4	100.6	99.8
2011	100.3	102.8	103.9	101.7
2012	102.9	104.2	105.0	104.0
2013	104.7	107.4	106.5	105.1
2014	108.4	112.1	114.1	113.5
2015	116.4	118.1	117.4	115.7
2016	118.9			

Households: Rented



Source: Census 2011, Edinburgh



Stuart Montgomery - Rettie

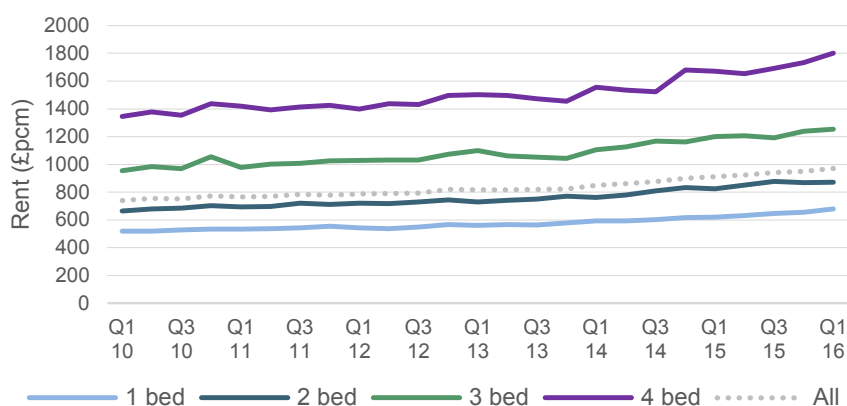
"The passing of *The Private Housing (Tenancies) (Scotland) Bill* dominated industry conversations in Q1 2016. The Bill in its final form represents a very significant change to the way in which the PRS will operate. While the market will inevitably adjust, it remains to be seen whether it will do so in a way which fulfils stated aims of the Bill. The greatest impact will be felt by those providing Student accommodation and short-term lets, sectors which have been dealt a further blow by the late removal of the initial period on top of the loss of the no-fault ground for repossession."

Edinburgh

Market Overview - Q1 16

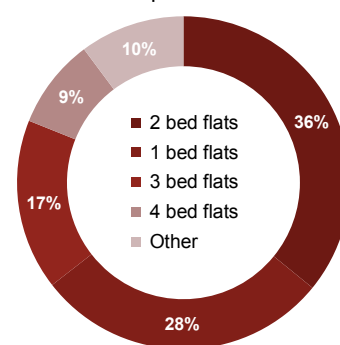
Beds	Average Rent	Rent Change 1yr	Rent Change 3yrs	Rent Change 5yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£678	9.5%	21.1%	27.0%	19	3	35%	77%
2 bed	£870	5.5%	19.2%	25.4%	26	2	24%	66%
3 bed	£1,254	4.4%	14.0%	28.1%	25	1	23%	68%
4 bed	£1,800	7.7%	19.8%	26.9%	19	0	37%	78%
Total	£972	6.6%	19.0%	26.9%	23	2	29%	71%

Average Rent (pcm) by Number of Bedrooms

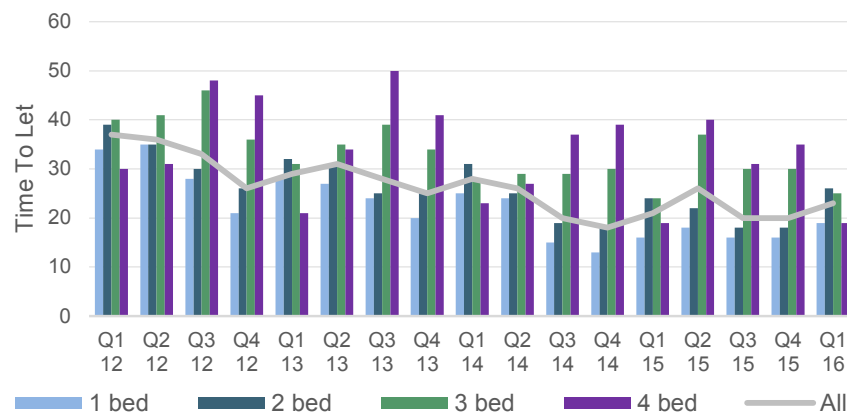


CITYINFO

Market Composition



Average Time To Let (TTL) by Number of Bedrooms

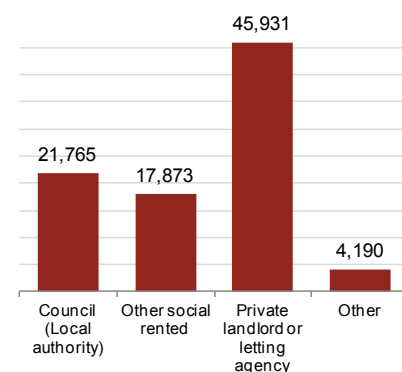


Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2008	100.0	100.1	102.0	102.3
2009	99.2	96.9	97.6	98.3
2010	99.1	101.1	100.7	103.2
2011	102.5	102.9	104.8	104.3
2012	105.5	105.9	106.2	109.6
2013	109.4	109.5	109.8	110.0
2014	113.5	115.1	117.3	120.5
2015	122.1	123.6	126.1	127.2
2016	130.1			

Households: Rented

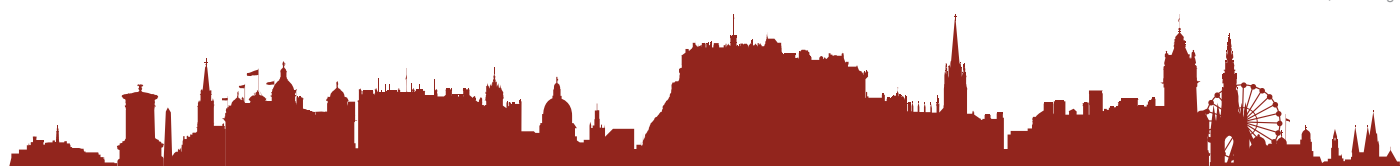


Source: Census 2011, Edinburgh



Jonathan Gordon - Clan Gordon Ltd

"The lettings market has enjoyed a strong start to 2016 especially in regard to one bedroom properties, which are in high demand across the city. Due to tenant demand continuing to outstrip supply, the rental value for one bedroom properties has increased compared to Q1 2015. Our TTL has dropped by 2 days since this time last year; our properties are now on the market for an average of 11 days and we expect this to decrease further coming into the busy summer period."

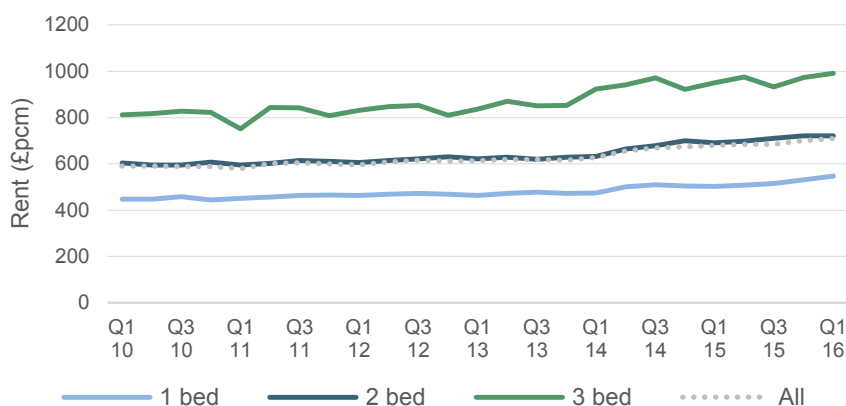


Glasgow

Market Overview - Q1 16

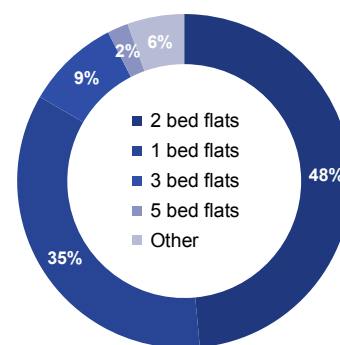
Beds	Average Rent	Rent Change 1yr	Rent Change 3yrs	Rent Change 5yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£546	8.8%	17.7%	21.3%	26	3	23%	63%
2 bed	£721	4.5%	15.9%	21.2%	30	-1	22%	58%
3 bed	£991	4.3%	18.4%	31.8%	29	-10	14%	64%
4 bed	£1,435	-7.2%	13.9%	26.7%	35	-1	24%	55%
Total	£710	4.6%	15.8%	22.4%	28	-1	22%	61%

Average Rent (pcm) by Number of Bedrooms

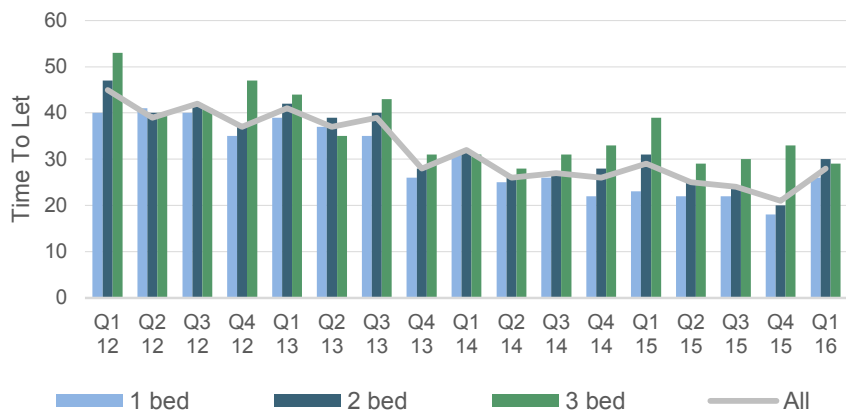


CITYINFO

Market Composition



Average Time To Let (TTL) by Number of Bedrooms

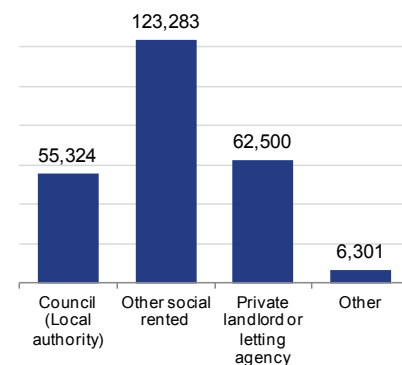


Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2008	100.0	102.6	104.6	101.8
2009	102.3	101.4	103.0	100.7
2010	104.2	104.1	103.9	103.7
2011	102.3	106.0	106.7	105.6
2012	105.1	107.4	108.5	107.9
2013	108.1	109.0	109.0	108.5
2014	110.8	115.7	118.0	118.7
2015	119.8	120.8	120.6	123.6
2016	125.2			

Households: Rented



Source: Census 2011, Greater Glasgow



Graeme McEwan - Be-Rented

"Single and family household tenancies have both doubled in the last eight years as economic conditions continue to undermine home ownership for the young. Indicators are in place for a continuing escalation in property prices as BTL and more recently retire-to-let & build-to-let outstrips our ability to quench investment thirst for quality new units. New taxes due in April shows no sign of significantly moderating a market where a sizeable shift of capital is relocating from stock markets and seeks safe haven in bricks and mortar."

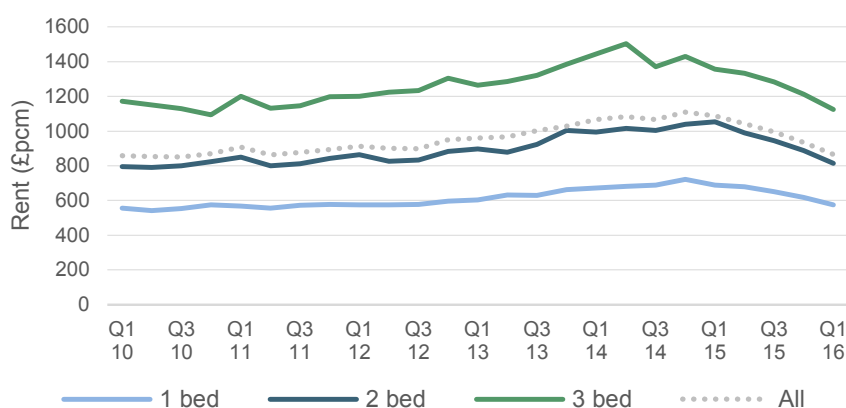


Aberdeen

Market Overview - Q1 16

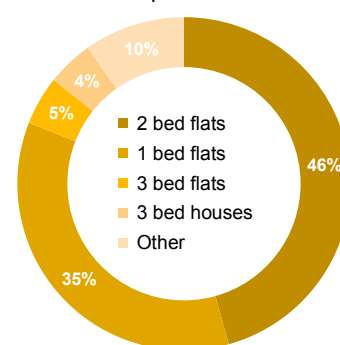
Beds	Average Rent	Rent Change 1yr	Rent Change 3yrs	Rent Change 5yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£574	-16.8%	-5.0%	1.1%	46	27	12%	41%
2 bed	£814	-22.7%	-9.4%	-4.3%	57	20	5%	29%
3 bed	£1,125	-17.1%	-11.1%	-6.3%	51	4	12%	36%
4 bed	£1,669	-19.8%	-13.3%	-12.2%	63	5	13%	31%
Total	£865	-20.6%	-10.0%	-4.6%	53	20	9%	34%

Average Rent (pcm) by Number of Bedrooms

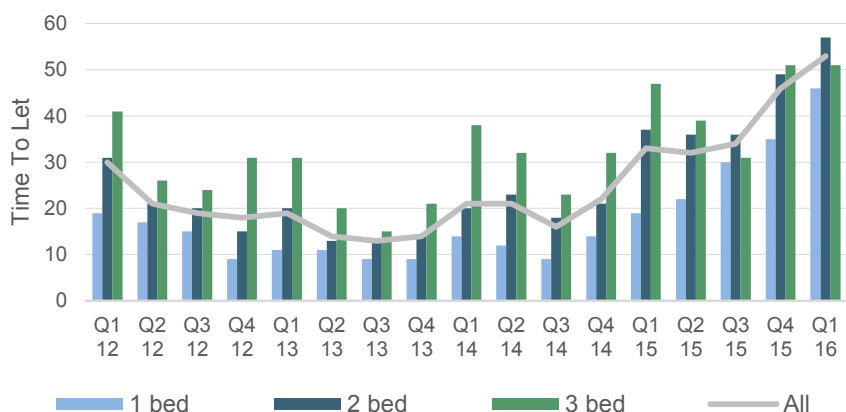


CITY INFO

Market Composition



Average Time To Let (TTL) by Number of Bedrooms

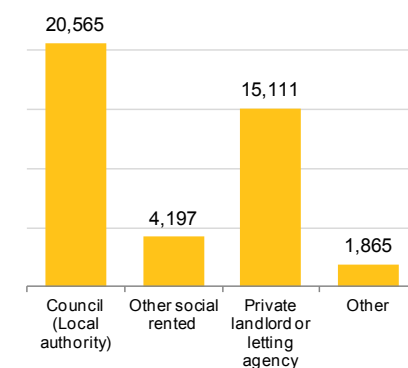


Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2008	100.0	99.5	100.7	98.8
2009	97.1	94.6	93.8	96.8
2010	96.9	96.5	96.3	98.3
2011	102.5	97.4	99.2	101.0
2012	103.2	101.8	101.6	107.3
2013	108.6	109.3	113.2	116.2
2014	120.5	122.5	120.6	125.4
2015	123.1	117.9	112.4	105.5
2016	97.7			

Households: Rented



Source: Census 2011, Aberdeen



Matt Pullinger - Northwood

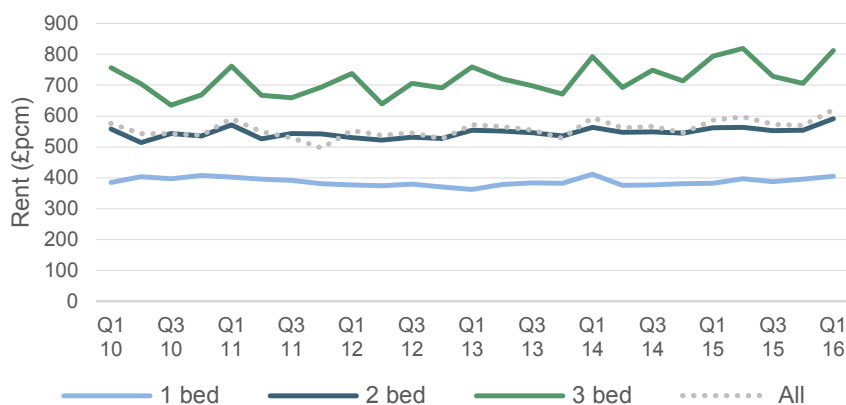
"Q1 has brought fresh challenges for the Aberdeen rental market. With the downturn in the oil and gas industry TTL has increased across the board and average prices are still lower than the levels landlords have been used to. Yet, there is still plenty demand for properties that are marketed well and competitively priced. With so much choice available for tenants it is critical for landlords to ensure that their properties are presented to the best possible standard."

Dundee

Market Overview - Q1 16

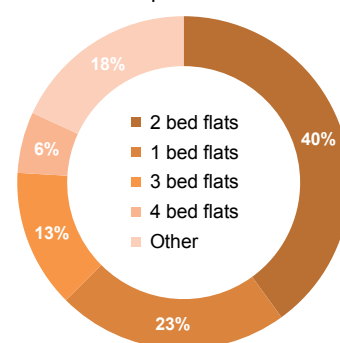
Beds	Average Rent	Rent Change 1yr	Rent Change 3yrs	Rent Change 5yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£405	6.0%	11.9%	0.7%	32	-12	14%	49%
2 bed	£591	5.2%	6.7%	3.3%	57	10	7%	24%
3 bed	£813	2.4%	7.1%	6.7%	62	25	3%	18%
4 bed	£1,201	18.0%	16.3%	16.0%	46	7	10%	44%
Total	£620	5.6%	8.4%	4.7%	52	8	8%	30%

Average Rent (pcm) by Number of Bedrooms

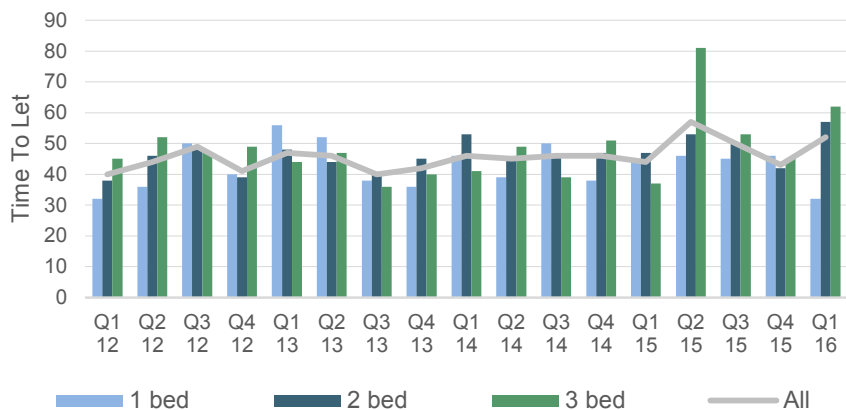


CITY INFO

Market Composition



Average Time To Let (TTL) by Number of Bedrooms

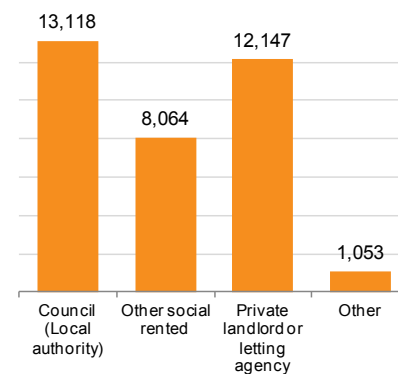


Rental Index

(base: Q1 10)

Year	Q1	Q2	Q3	Q4
2010	100.0	94.3	94.3	93.4
2011	102.8	95.5	91.8	86.1
2012	96.2	93.2	94.6	91.5
2013	99.3	98.1	96.4	91.7
2014	103.3	97.4	98.4	94.6
2015	101.9	103.8	99.7	99.0
2016	107.6			

Households: Rented



Source: Census 2011, Dundee



Lesley Davie - Direct Lettings (Scotland) Ltd

"We have noticed an increase in demand for quality two and three bed properties in recent weeks away from the student market. Rents have remained consistent and asking rents are being achieved. Enquiries from the student market for the new University year are also increasing. We are also now taking note of the new Private Tenancies (Scotland) Bill recently passed, which is going to have a major impact on Landlords and Agents."

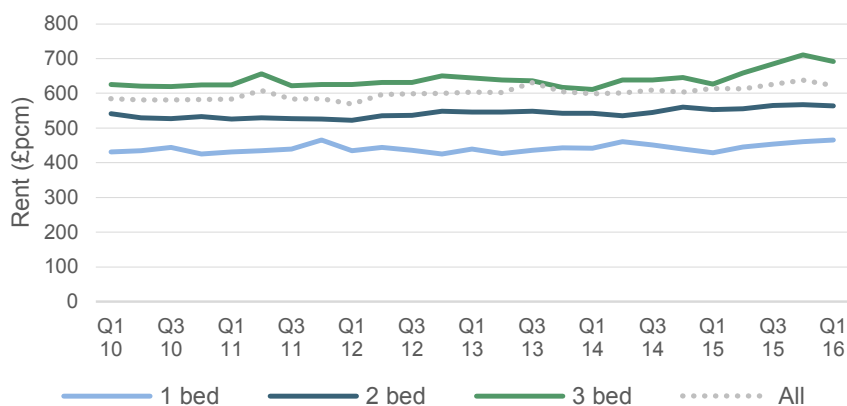


West Lothian

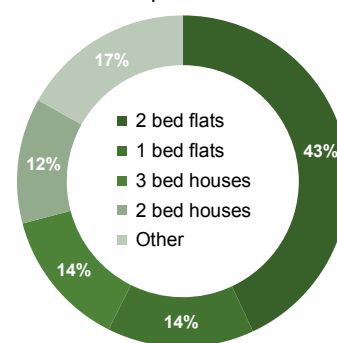
Market Overview - Q1 16

Beds	Average Rent	Rent Change 1yr	Rent Change 3yrs	Rent Change 5yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£466	8.6%	6.2%	8.1%	40	0	9%	49%
2 bed	£564	2.0%	3.3%	7.2%	40	-8	17%	46%
3 bed	£692	10.4%	7.5%	10.9%	40	-2	6%	42%
4 bed	£875	-6.1%	-6.9%	6.3%	46	-10	33%	50%
Total	£623	1.5%	3.1%	6.7%	40	-7	14%	45%

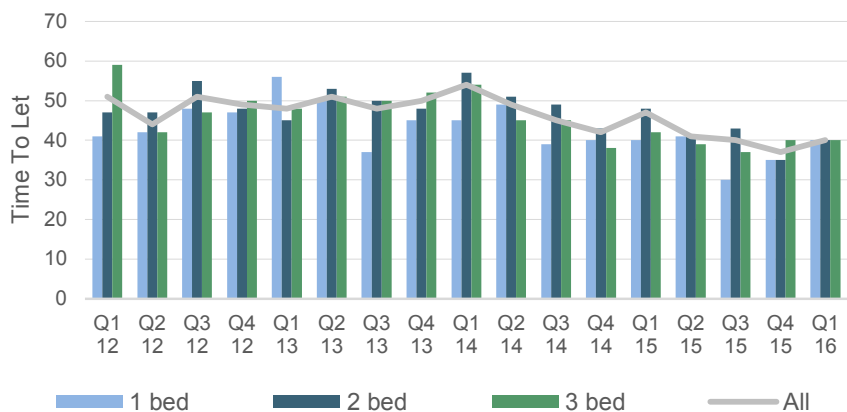
Average Rent (pcm) by Number of Bedrooms



Market Composition



Average Time To Let (TTL) by Number of Bedrooms

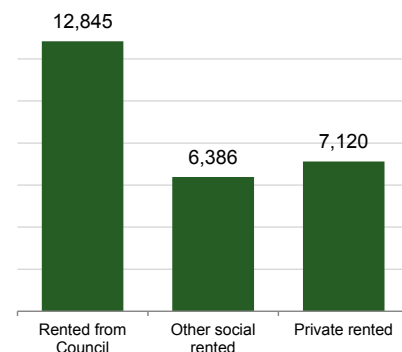


Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2008	100.0	101.4	104.8	101.2
2009	101.9	98.4	100.5	99.7
2010	100.9	100.2	100.2	100.3
2011	100.7	104.8	100.5	100.9
2012	98.1	102.8	103.3	103.4
2013	104.1	103.8	108.8	104.3
2014	103.3	103.6	105.2	104.1
2015	105.9	105.7	107.9	110.0
2016	107.4			

Households: Rented



Source: Census 2011, West Lothian



Brian Callaghan - Letting Solutions

"The pattern of record demand for rental property continues in West Lothian with the tell-tale signs still there: several applicants for every property, multiple viewings, and rapid sign ups. A dream scenario for landlords, albeit in stark contrast to the storm clouds created by the anti-buy to let activities of Governments on both sides of the border. However the ease of letting and the resulting instant impact on landlords' cash flow is providing some respite."

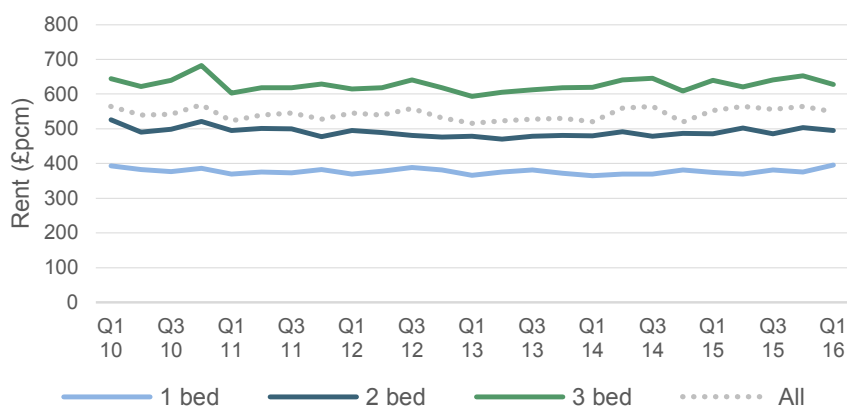


South Lanarkshire

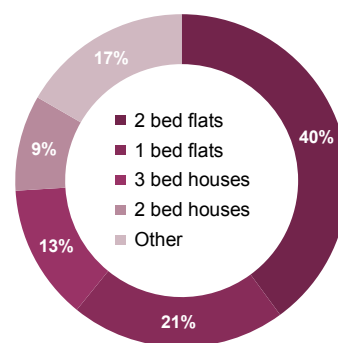
Market Overview - Q1 16

Beds	Average Rent	Rent Change 1yr	Rent Change 3yrs	Rent Change 5yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£396	5.9%	8.2%	7.3%	44	-2	10%	44%
2 bed	£495	1.9%	3.6%	0.0%	34	-6	22%	49%
3 bed	£628	-1.9%	5.7%	4.1%	43	10	15%	43%
4 bed	£872	-9.2%	6.6%	6.1%	48	3	21%	50%
Total	£549	-0.7%	6.4%	5.0%	39	-1	18%	47%

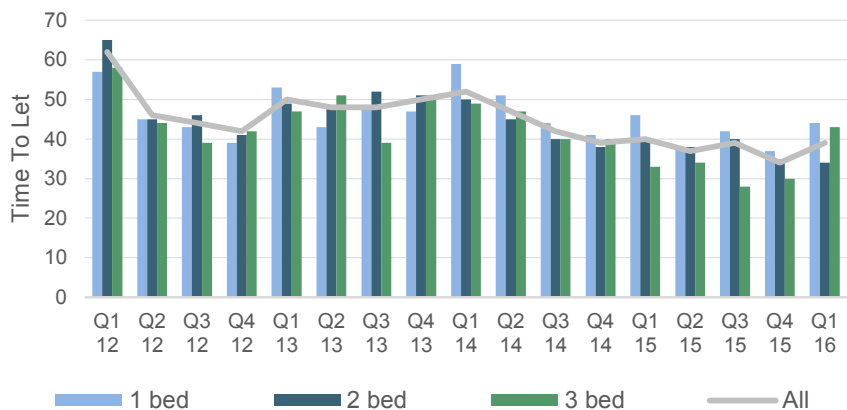
Average Rent (pcm) by Number of Bedrooms



Market Composition



Average Time To Let (TTL) by Number of Bedrooms



Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2008	100.0	99.3	101.3	102.4
2009	103.3	96.7	95.6	103.3
2010	104.1	99.4	99.8	104.8
2011	96.3	99.4	100.4	97.2
2012	100.6	99.3	102.9	97.8
2013	95.0	96.3	97.2	97.6
2014	95.9	103.1	104.1	95.6
2015	101.8	104.1	102.4	104.1
2016	101.1			

Households: Rented



Source: Census 2011, South Lanarkshire



David Watt - Rentlocally

"Lanarkshire properties remain a shrewd investment for Buy to Let Landlords with prices still a bit below the National Average. Coupled to a strong rental market and rising rents due to a slight reduction in available property coming on to the market those Landlords who are looking at the longer term will still be achieving strong returns on the initial outlay and experiencing consistent and potentially rising demand for their properties."

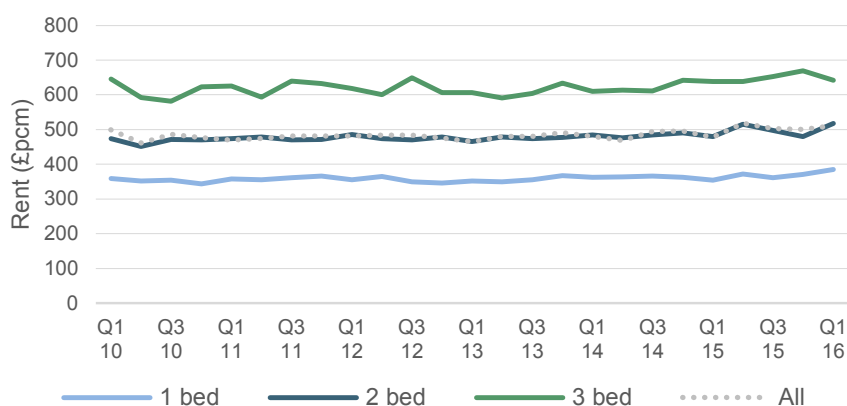


Renfrewshire

Market Overview - Q1 16

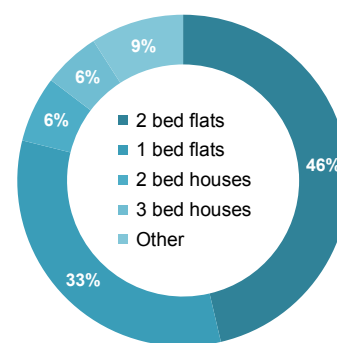
Beds	Average Rent	Rent Change 1yr	Rent Change 3yrs	Rent Change 5yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£385	8.8%	9.4%	7.5%	38	-3	10%	55%
2 bed	£518	7.9%	11.2%	9.3%	40	-9	15%	47%
3 bed	£642	0.6%	5.9%	2.6%	28	-20	15%	55%
4 bed	£742	-15.7%	-10.3%	-9.6%	27	-28	50%	75%
Total	£511	6.9%	9.9%	8.7%	39	-7	14%	50%

Average Rent (pcm) by Number of Bedrooms

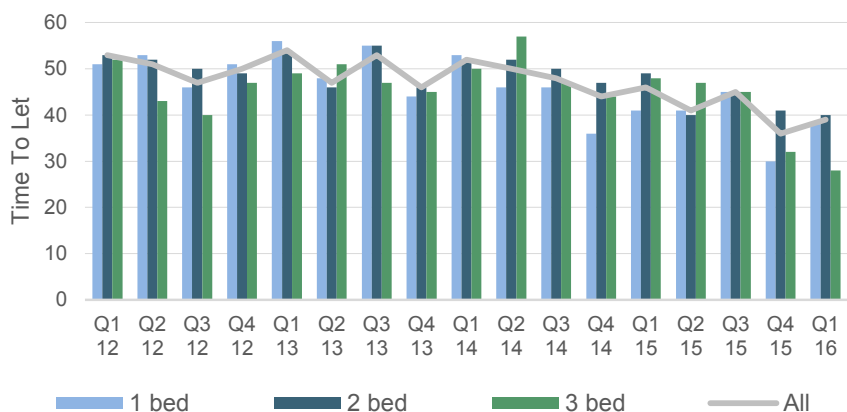


CITY INFO

Market Composition



Average Time To Let (TTL) by Number of Bedrooms

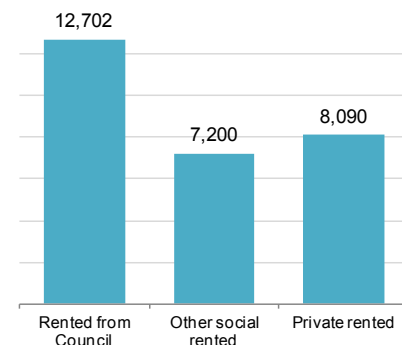


Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2008	100.0	99.8	104.0	100.0
2009	98.7	99.0	96.2	96.2
2010	104.6	96.6	101.9	100.0
2011	98.5	99.4	101.0	100.8
2012	101.0	101.5	101.5	99.8
2013	97.5	100.6	100.6	102.9
2014	100.6	98.1	103.8	104.0
2015	100.2	108.6	105.5	104.8
2016	107.1			

Households: Rented



Source: Census 2011, Renfrewshire



Jazz Chowdhary - Castle Residential

"The PRS continues to increase steadily with strong demand for good calibre 1 & 2 bedroom properties, and houses (of all sizes) in particular. There seems to be a higher requirement for unfurnished properties as trends show us they are renting with a lesser void period. The market at present is particularly buoyant with young professional couples looking to test the rental side of the property market rather than purchasing initially."



Agent Views

Scottish letting agents give us their views on their local market.



Braemore, Edinburgh – Callum MacGregor



"We are seeing record numbers of new landlords coming to the market which indicates confidence in the sector from investors. This is particularly pleasing given the governments introduction of the 3% tax for 2nd home purchases and shows the strength of the PRS and its ability to continue to offer excellent returns on investment."

Aberdeen Considine, Aberdeen – Adrian Sangster



"The market continues to be a challenging one for landlords who are facing up to lower rentals and increased voids. Whilst these changes appear to have been fairly dramatic in the short term, they are less so when compared to even 3 years ago. Also despite negative headlines and high available stock, there remains healthy tenant demand. We have carried out around 800 viewings during Q1, however tenants have plenty of choice so properties need to be realistically priced."

Click-let, Edinburgh – Ross MacDonald



"Tenant demand is extremely strong. We are finding the majority of available properties are being secured within 1 week with higher rents than this time last year. Both these stats are good news for landlords, however the potential risks associated with renting out a property and the costs associated with making sure a property is ready to be rented out are increasing. Landlords need to fully understand existing and future legislation to ensure they maximise their investment returns."

Murray & Currie, Edinburgh – John Forsyth



"We have seen strong results in Q1 as predicted, with continued strong tenant demand from the professional/corporate market and an inevitable shortage of supply in central Edinburgh areas. Rents for 1 & 2 bedroom properties are up on average 5%-8% on the same period last year across all areas (Edinburgh) whilst the TTL remains relatively the same, less than 14 days for 1 & 2 bedroom properties & over 90% of our larger properties letting within one month of marketing."

The Key Place, Bo'ness – Linda Bendle



"In 2016 we are facing a chronic housing shortage, a vast number of people wanting to rent and a possible exodus of landlords due to fear caused by bad publicity. In my mind this equals a diminished supply of rental housing stock, making things more profitable for those who choose to stay in the game. Yes there are challenges, but savvy landlords and agents will be putting strategies in place to deal with the uncertainty."

Let-it, Glasgow – Colin Roe



"The rental market, whilst continuing to see much shorter void period and higher rents across most of Glasgow is still a cause for concern for landlords. The introduction of SDLT adding 3% to the purchase price of any second property and the government reducing the interest allowable as a tax deductible expense over the next 5 years is giving many potential landlords food for thought. One has to wonder where it will all end."

Arden Property Mgt, Edinburgh – Catriona Waugh



"Q1 2016 has seen demand remaining high even allowing for seasonal trends, particularly of one bedroom properties, and although supply has increased, rents have remained strong. Despite the rise in purpose built student accommodation across the City, the HMO rentals for the next academic year have been particularly brisk this spring, with significant rent increases in this area and time to let greatly reduced."

DJ Alexander, Edinburgh – Rob Trotter



"We are experiencing a strength of tenant demand in the Edinburgh market – relatively short periods of rental void, with 38% of one-bed flats letting within a week and 80% within a month and two-bed flats not far behind either. Larger homes take longer but average rental income for four-bed properties has still risen by 20% over the past five years, which is why 'buy to let' in Edinburgh will weather recent tax changes and the local market will continue to attract new landlord entrants."

Speirs Gumley, Glasgow – Robert Nixon



"Q1 2016 brought us the final round of amendments to the new and much publicised Private Housing (Tenancies) (Scotland) Bill which will not come into force until late 2017 at the earliest. With the talk of rent capping and removal of the no fault ground you would have thought the market would slow with the uncertainty on how the changes will affect the sector. On the contrary, comparing Q1 2015 to Q1 2016 we have seen new landlord instructions increase by over 50%."

Lickley Proctor Lettings, Dundee – Robert W Murray



"Following a 'dip' in our viewings in the Q4 2015, Q1 2016 has shown an upturn. There has been no evidence of any downturn in rentals in respect of the properties we manage and, as always, quality properties continue to be popular. Much more comments of concern have been received from client Landlords regarding changes to be implemented by the Scottish Government to the Private Rental Sector - time will tell if this will affect the supply of rental properties."

Rentlocally, Edinburgh – John Horsburgh



"We are expecting an interesting year ahead as reforms to tenancy legislation and a 3% supplement for second homes becomes a reality. So far these issues seem to have caused minimal disruption to the continued increase in demand for good quality property across the rental spectrum, and the supply of same with new landlords entering the market in significant numbers no doubt regarding the BTL proposition as still the best investment to be had despite the changes."

Postcode & Towns - Average Rents & TTL - Q1 16

Landlords and Letting Agents continue to require timely, accurate data to help them value rental properties in a variety of locations. At Citylets, robust information is paramount so we only include rents for postcode districts where there is substantial quarterly volume.

Edinburgh - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
EH1	£706	(21)	£946	(22)	£1,369	(17)
EH3	£837	(28)	£1,202	(38)	£1,368	(33)
EH4	£719	(24)	£859	(29)	£1,114	(40)
EH5	£571	(15)	£718	(21)	£997	(26)
EH6	£621	(16)	£775	(19)	£1,013	(28)
EH7	£619	(17)	£822	(26)	£1,116	(23)
EH8	£633	(19)	£855	(23)	£1,261	(19)
EH9	£660	(18)	£957	(28)	£1,362	(15)
EH10	£703	(16)	£918	(30)	£1,328	(31)
EH11	£612	(16)	£783	(22)	£1,144	(27)
EH12	£674	(25)	£855	(29)	£1,431	(43)
EH13			£712	(19)		
EH14	£592	(25)	£746	(28)	£966	(24)
EH15			£730	(30)		
EH16	£610	(8)	£769	(26)	£1,092	(18)
EH17			£687	(24)	£857	(27)
EH21	£549	(15)	£651	(21)		
EH22	£560	(16)	£608	(19)		
EH29			£620	(56)		
EH30			£665	(48)		
EH47			£522	(29)		
EH48	£467	(33)	£566	(36)	£707	(37)
EH49			£573	(23)		
EH51			£505	(38)		
EH54			£581	(53)	£710	(47)

Aberdeen - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
AB10	£582	(48)	£786	(56)	£1,150	(54)
AB11	£556	(51)	£814	(52)	£1,089	(43)
AB12	£577	(41)	£769	(61)		
AB15	£634	(37)	£937	(55)	£1,106	(54)
AB16			£699	(49)		
AB21	£576	(48)	£773	(44)	£910	(35)
AB22	£592	(52)				
AB25	£558	(48)	£776	(63)	£1,081	(54)
AB32			£838	(21)		
AB51			£777	(33)		

Dundee - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
DD1	£410	(26)	£663	(63)	£924	(68)
DD2	£408	(47)	£595	(60)	£873	(69)
DD3	£384	(38)	£516	(62)	£688	(62)
DD4	£394	(34)	£538	(60)	£736	(81)
DD5			£649	(37)		
DD8	£365	(59)	£462	(63)	£632	(51)
DD10	£356	(61)				
DD11	£365	(57)	£496	(65)	£639	(66)

Glasgow - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
G1	£653	(29)	£965	(26)		
G2	£764	(22)	£944	(26)		
G3	£615	(16)	£886	(23)		
G4	£571	(22)	£746	(33)		
G5	£539	(21)	£655	(28)		
G11	£585	(21)	£822	(28)	£1,223	(26)
G12	£636	(29)	£912	(28)	£1,222	(28)
G13	£517	(33)	£606	(35)	£794	(42)
G14			£551	(31)		
G20	£533	(25)	£663	(31)		
G21	£384	(35)	£505	(46)		
G31	£445	(21)	£602	(27)		
G32	£401	(23)	£507	(38)		
G33			£542	(43)	£596	(24)
G40	£429	(32)	£572	(25)		
G41	£508	(21)	£646	(26)	£801	(24)
G42	£440	(30)	£596	(28)		
G43			£585	(21)	£654	(32)
G44	£444	(28)	£571	(36)	£574	(53)
G46			£643	(32)		
G51	£418	(32)	£585	(24)		
G52					£609	(27)
G53			£561	(40)		
G61			£786	(24)		
G71			£586	(32)		
G72			£505	(42)		
G73			£504	(36)	£612	(33)
G74	£371	(36)	£473	(35)	£709	(48)
G75	£372	(49)	£472	(38)	£615	(55)
G76			£626	(39)		
G77	£528	(38)	£708	(31)		
G81			£516	(51)		
G84	£402	(49)	£497	(33)		

Towns - £pcm (TTL days)

Town	1 Bed		2 Bed		3 Bed	
Airdrie			£453	(47)		
Ayr	£404	(29)	£520	(36)	£708	(34)
Bathgate			£569	(38)	£728	(37)
Boness			£505	(38)		
Cumbernauld			£453	(28)	£627	(48)
Dalkeith			£609	(24)		
Dunfermline	£408	(30)	£528	(30)	£663	(31)
East Kilbride	£371	(39)	£472	(36)	£662	(51)
Glenrothes			£467	(22)	£555	(36)
Hamilton	£388	(46)	£511	(39)	£678	(33)
Inverness	£480	(32)	£624	(28)	£758	(31)
Kilmarnock	£358	(42)	£452	(50)	£526	(46)
Kirkcaldy	£408	(44)	£476	(32)		
Linlithgow			£573	(23)		
Livingston			£587	(52)		
Motherwell			£483	(28)	£531	(71)
Paisley	£381	(40)	£486	(41)	£659	(30)
Perth	£427	(31)	£551	(36)		
Stirling Town	£443	(19)	£628	(23)	£898	(26)
Troon			£529	(46)		

Letting Agent Registration

TC Young discusses the new code of practice due to be enforced in January 2018.

Most of the headlines for the Private Rented Sector (PRS) in Scotland have been grabbed by the Private Housing (Tenancies)(Scotland) Bill, which was passed this month and set to become an Act. However, before we get an entirely new tenancy regime for the PRS, the sector will have to grapple with mandatory registration of letting agents.

Part 4 of the Housing (Scotland) Act 2014 makes provision for the registration, regulation and training requirements for letting agents in Scotland. They include a mandatory register of letting agents, a 'fit and proper' person test, training requirements, a code of practice to which all letting agents must adhere and enforcement through the new First-Tier Tribunal. On 25 February 2016, The Letting Agent Code of Practice (Scotland) Regulations 2016 were laid before the Scottish Parliament and are set to come into force in January 2018. The code sets out the standard of conduct expected of letting agents.

Once the code is in force landlords, tenants or the Scottish Government will be able to report an agent if they believe they have failed to comply with the code. If found to be in breach of the code, the First-Tier Tribunal must issue what will be known as a Letting Agent Enforcement Order (LAEO) setting out why the agent is in breach and what is required to remedy the breach including timescales for doing

so. Failure by an agent to comply with a LAEO could lead to deregistration and possible criminal prosecution.

The code itself contains general duties including (amongst others) honesty; complying with relevant legislation; not to provide misleading information; applying procedures consistently and reasonably; dealing with complaints; ensuring compliance by employees and subcontractors; handling private information sensitively; not to unlawfully discriminate; and carrying out services in a timely fashion and with due skill and care.



Further, letting agents will need to hold not only professional indemnity insurance, but also client money protection insurance. There is also a requirement to have a separate dedicated client account and to record and monitor all transactions with minimum monthly reconciliations.

Beyond that, there is an emphasis on the provision of written procedures for rent collection, debt recovery, repairs and maintenance, ending tenancies, complaints handling and handling clients' money.

In addition, within the last few weeks,

Scottish Ministers have advised stakeholders of their proposals for the training requirements to go with the Code of Practice.

The training requirements will apply to the most senior person in a letting agency business (unless they have no input into the letting agency's day-to-day running) and all persons directly concerned with managing and supervising of a business' letting agency work.

There must also be at least one person per office (where relevant letting agency work is carried out) who has met the training requirements.

The required level is the Scottish Credit Qualification Framework (SCQF) Level 6 or above. Where the qualification was obtained more than 3 years ago, persons will be required to have undergone 20 hours of specified training over the previous 3 years.

Although agreed in principle, it will be for any new administration after the forthcoming May election to confirm and bring forward legislation to put the proposals into effect. It is expected that the register will begin accepting applications in early 2018 and relevant qualifications will be required prior to first registration.

Private Housing (Tenancies) (Scotland) Bill 2015

SAL explains that The Private Housing (Tenancies) (Scotland) Bill has now completed the three stages of the parliamentary procedure.

The final wording has been agreed by Members of the Scottish Parliament (MSPs) by a vote of 84 to 14. For further details on what the Scottish Association of Landlords (SAL) campaigned for and what the provisions of the new regime will be, see the document available on SAL's website: www.scottishlandlords.com/Newspolicy.aspx

The Scottish Government (non-political) civil servants draft all bills. The Scottish Government is usually tasked to undertake consultation with various interest groups such as SAL as was the case with this bill. Each bill goes through parliamentary

scrutiny in stages and that is when the elected politicians, the Members of the Scottish Parliament (MSPs) are able to propose and vote on "amendments", which can significantly change the eventual Act that is passed.

After a bill has been passed in this way, it receives royal assent to become an Act of the Scottish Parliament to become law. The Act will commence in stages starting later this year. The new regime will therefore not come into force until late 2017 at the earliest. Landlords and letting agents do not need to make any changes to their paperwork or procedures for the

time being.

Thank you to all landlords and letting agents who took the time to respond to the government consultations on the new tenancy regime and who got involved in lobbying their MSPs as part of the SAL call to action.

If we can assist landlords with any information to help plan for the upcoming changes or if you have queries in relation to any current Scottish tenancies please do contact SAL (www.scottishlandlords.com) for membership information. Our letting helpline is the top reason landlords join SAL.



SafeDeposits Scotland Spring into Action

SafeDeposits Scotland Trust encourages landlords, letting agents and tenants to get in touch with project ideas to benefit Scotland's PRS.

Spring has well and truly sprung and the SafeDeposits Scotland Trust has been busy springing into action. After launching in January, the Trust now has a new website and are ready to take your expressions of interest for projects to support improvements in the private rented sector in Scotland.

Scotland's leading tenancy deposit scheme SafeDeposits Scotland has paid off its set up costs three years ahead of schedule and as a result is in a position to Gift Aid the first surplus interest to the Trust to fund projects.

As a grant-giving educational charity, the Trust is seeking expressions of interest for its first round of funding and wants to hear from you.

The Trust believes those actively involved in the sector will be able to think up innovative and creative ways to spend these funds to ensure the PRS will be the best that it can be for years to come.

As a result, SafeDeposits Scotland Trust's chairman David Wilson is inviting landlords, letting agents and tenant groups to suggest possible projects which will improve Scotland's private rented sector for the benefit of those who live and work in it.

The key aims of the projects funded are to advance best practice in

customer service by landlords in Scotland and increase awareness among tenants of their rights and obligations. The Trust also intends to promote alternative dispute resolution in instances where tenants and landlords fail to agree.

For example, if you can think of a project which could advance



best practice in customer service by landlords in Scotland, tell the Trust about it.

The Trust would love to hear if you have thought of a practical solution to ensure all tenants know their rights and are aware of their responsibilities as a tenant – and maybe they can help.

Maybe you have resorted to legal action and now have a suggestion on how to resolve disputes in ways which may be more effective than going to court. If so, you should get

in touch.

The Trust can fund projects, large or small, that fit with its charitable purposes – and it is very keen to get new ideas and suggestions on how to do that. All ideas will be considered and some may qualify for receiving funds quickly. Other proposals may need further development before they are eligible.

The Trust is funded from reserves built up by SafeDeposits Scotland which has attracted more than 60% of the tenancy deposit market and safeguards over 100,000 deposits on behalf of privately renting tenants (under Scottish law).

Businesses and individuals involved in the private rented sector should submit an expression of interest through the Trust's new website safedepositsscotlandtrust.com or email info@safedepositsscotlandtrust.com to be considered for the first round of grants.

Jen Paice is CEO of SafeDeposits Scotland and director of the SafeDeposits Scotland Trust.

SafeDeposits Scotland is Scotland's largest tenancy deposit scheme with a 60% share of the market and the only not-for-profit scheme based in Scotland.

www.safedepositsscotland.com | Twitter: @SafeDeposits | LinkedIn: SafeDeposits Scotland



**SafeDeposits
Scotland**

Protecting your Property Business on Social Media

Social Media is now an integral part of any business. Hazelton Mountford look at the risks and how to protect your business from a potential libellous tweet or Facebook post.

Defamation is the act of damaging someone's reputation. It can come under a variety of guises such as libel (written word) and slander (spoken).

Legal changes introduced in 2014 have made defamation claims in the wider sense less common but Facebook and Twitter are going in the opposite direction with a 38% rise in people taking action for defamatory posts or tweets.

In the case of Sally Bercow, wife of the speaker of the House of Commons John Bercow, she was found to have posted a libellous tweet in 2013 and had to pay undisclosed sums along with the stress that comes with any libellous claim. It was reported that the settlement was £15,000, not the sort of cost any business wants! Her tweets were intended to be 'conversational' and 'mischievous'; how many times have you or your staff posted a tweet thinking the same?

For any business the defamation risk can be as simple as criticising a competitor's product or service in a tweet or Facebook post. How many of your staff have access to the company twitter or Facebook account?

The appeal of social media is that it is instant, where as an author

may take time to consider what they write in a book or article. Often it's the response in the heat of the moment that can cause problems. In addition, tweets and posts can sometimes come across in the opposite way intended by the person who had posted.



Your business should have robust social media guides to protect yourself and your staff. These may include having a series of people read and check your posts, don't post in haste and pre-plan your posts to give you time to consider what you have written and the impact on your audience. Consider how you would feel about the

post if you were on the receiving end. Taking legal advice about a potential contentious post is also good practice.

Re-tweeting or even liking a post can also cause problems. If the identity can be deduced from the post you could be liable for defamation.

As libellous claims continually increase (333% in 2013-2014!), insurance companies have developed their products to protect you and your business. Does your professional indemnity policy have defamation covered and a crisis containment policy to cover any claim?

What if it is too late?

Don't panic, take time to consider the complaint. Posting apologies on the same site isn't always the best way forward. Notify your insurance company and get some advice before you do anything else.

To discuss insurance for your business please contact Sean Sage: 01905 721 249 or email: sean@hazeltonmountford.co.uk.

Hazelton Mountford:

01905 721 249 | sean@hazeltonmountford.co.uk

HM
Hazelton Mountford
Chartered Insurance Brokers

Citylets Research Services

The Citylets Research team produces market-leading reports and indices as well as bespoke research and consultancy projects for clients including letting and sales agents, developers, investors, housing associations and local & central government.

In Scotland, Citylets has become the leading authority on the private rented sector and has built up a strong reputation for well-informed, insightful commentary & market analysis and is now a trusted media source on local and national rental issues.

In its position as the UK's leading residential lettings site, Citylets enables the research team to utilise its unique data in addition to Registers of Scotland and Government data. The team recently launched **OptiletPro**, an analysis tool which delivers robust data on the sales and rental residential property markets at a local level. The interface is designed to allow clients to analyse local trends and easily extract data into a variety of formats.

Metrics available:

- Localised average monthly rental prices
- Localised stock levels
- Supply and demand analysis
- Gross rental yield levels
- Localised demographics
- Affordable rent modelling

Methodology

The statistics are based on rental properties advertised on Citylets. Rather than employ snapshot sampling our observations are recorded when a property is removed from the site as let. We believe such transaction-based observations provide a better reflection of the market. The data is cleansed to remove multiple entries and other anomalies.

Our cleansing process continues to guide refinements to data recording. Averages are calculated on a monthly or quarterly basis as weighted (mix adjusted) means. Indices are constructed holding composition (property type and number of bedrooms) fixed at the average of the last three years. This ensures that changes in the index reflect rent changes and not changes in composition, which are likely to occur seasonally.

The Publication

This document was published in Apr 2016. Whilst we have made every effort to ensure information published in this report is correct, Citylets gives no warranty or representation as to the accuracy or completeness of the information. The report does not constitute legal or other professional advice. We reserve the right to change methodology, discontinue or revise indices or other analysis at any time.

Copyright

This report and all data contained within is copyright Citylets. The information contained within this report may be reproduced if the source is clearly identified.

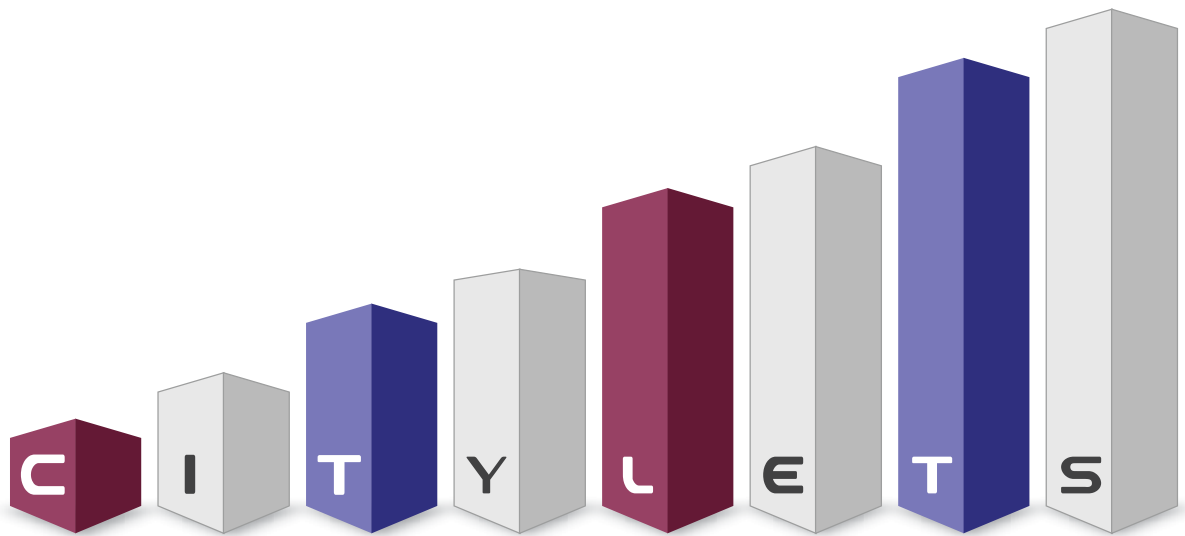
Citylets

21 Lansdowne Crescent
Edinburgh
EH12 5EH

t: 0131 467 4864 f: 0844 507 0400
✉ research@citylets.co.uk
🐦 twitter.com/citylets



With over 500 agent offices and 4 million visitors per year*,
Citylets is Scotland's certified leading rental site



Home of Scottish LettingTM



App Store



Google play



*Google Analytics