

# Back to Black



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# Market Overview

Stock levels in Scotland's PRS, whilst improved marginally on the previous quarter, remained at near historic lows throughout Q2 2022.

Demand was unrelenting across all property types and locations despite the deepening economic and geo-political anxieties exacerbated by a war in Europe where the gravest of economic concerns subsequent to its onset slowly played out towards the worst case scenario following sanctions imposed on Russia.

Inflation unleashed, central banks finally started to act with greater impetus and with the narrative of but a fleeting phase now abandoned it remains to be seen how far interest rates will be raised and for how long and what the impact will be on the PRS for tenants and landlord alike.

High demand and low supply once again combined to push Scottish rents up 9.9% year on year (YOY) to a new all time high (ATH) of £970 per month and kept Time To Lets (TTLs) low, averaging 18 days. On current trajectory it is reasonable to assume the average property to rent in Scotland will soon exceed £1000 for the first time. All properties large and small let at approximately the same rate in the 16-19 day range

underlining the broad demographic of the modern tenant market from single studios to large family homes.

With two meaningful consecutive quarterly rises, there is clear signal that the Aberdeen rental market is now back to black which will be a relief to landlords after a protracted period of rent declines and stagnation. Average available stock levels have continued to fall and, coupled with strong demand, collectively sent rents up and TTLs down. The average property to rent in Aberdeen stands at £738 per month, up 4.4% YOY, and average TTL at 27 days, down a significant 22 days YOY. Whilst the expected coming recession could see oil prices fall, they will likely remain substantively above the levels seen during the pandemic.

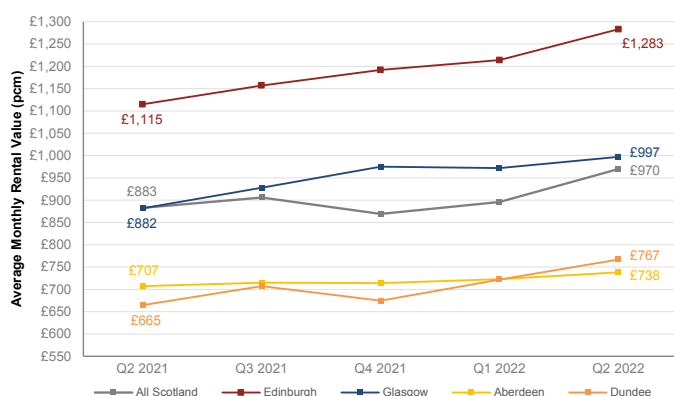
Following unprecedented rises in the capital in Q1 2022, finding property to rent in Edinburgh continued to remain very challenging with rents up a material 15.1% to a new ATH of £1283 and average TTL down further still at 15 days. It is hard to see matters improving substantively for tenants over 2022. The turnaround in Edinburgh's PRS fortunes from oversupply

to undersupply seems complete. What a difference a year can make, indeed.

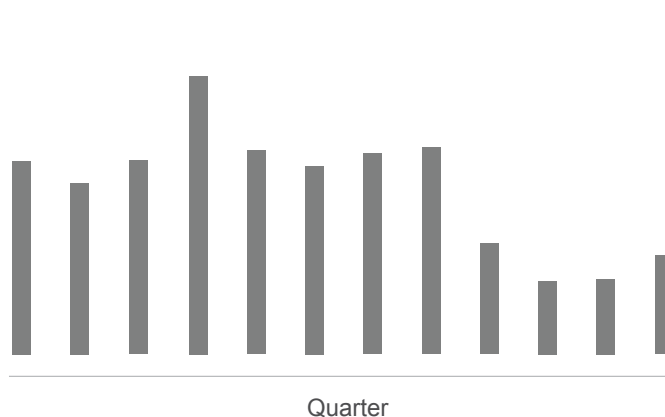
Market conditions in Glasgow improved only marginally, from a tenant's perspective, as it continued its trajectory of very strong growth and short TTLs. The average property to rent in Glasgow stands at £997, up 13% YOY but down from 16% annual growth record last quarter. Average TTL lengthened from 13 days to 14. Whether this marks a turning point for the now long standing high growth market remains to be seen however it is unlikely figures will be materially reduced to more comfortable levels for tenants with perhaps a return to single digit annual growth the best attainable outcome in 2022.

Property to rent in Dundee also posted a significant milestone recording an average rent higher than its northern neighbour at £767 per month, up 15.3% YOY and a new ATH. TTLs remain at historic lows at 20 days on average.

Scottish Monthly Rent Analysis (Q2 2021 - Q2 2022)



Scotland - Average Stock Levels (Q3 2019 - Q2 2022)

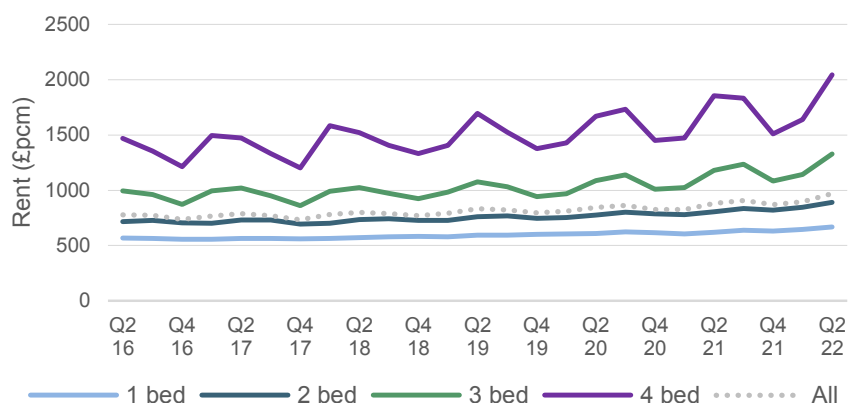


# Scotland

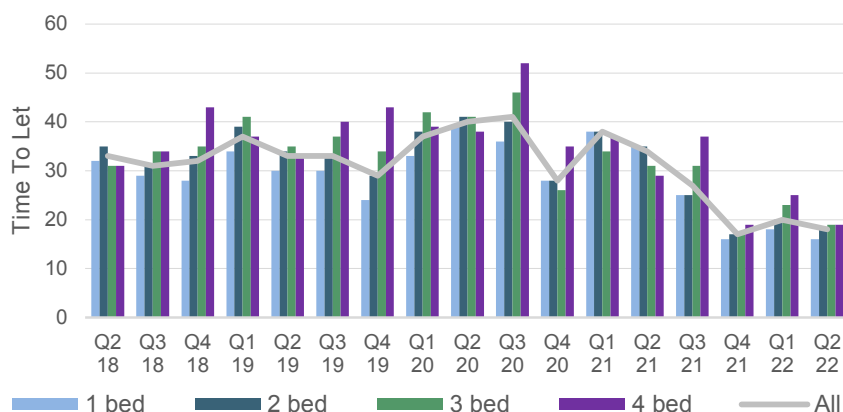
## Market Overview - Q2 22

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£670	7.7%	18.6%	36.7%	16	-19	38%	83%
2 bed	£892	10.8%	21.7%	42.5%	18	-17	34%	79%
3 bed	£1,327	12.5%	30.0%	55.9%	19	-12	34%	77%
4 bed	£2,045	10.4%	38.7%	68.2%	19	-10	32%	79%
<b>All</b>	<b>£970</b>	<b>9.9%</b>	<b>22.9%</b>	<b>44.3%</b>	<b>18</b>	<b>-16</b>	<b>35%</b>	<b>80%</b>

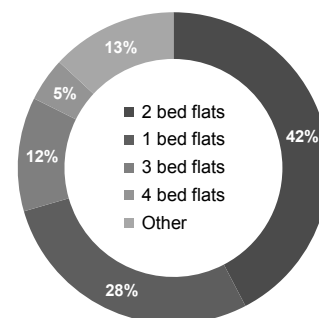
## Average Rent (pcm) by Number of Bedrooms



## Average Time To Let (TTL) by Number of Bedrooms



## Market Composition

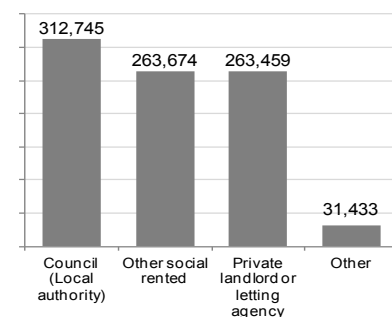


## Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
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	120.5	120.2	114.6
2017	119.1	122.3	119.7	113.8
2018	120.9	123.9	122.3	119.5
2019	122.9	129.1	127.3	123.6
2020	125.7	130.9	134.1	128.1
2021	128.1	136.9	140.5	134.7
2022	138.9	150.4		

## Households: Rented



Source: Census 2011, Edinburgh



### Adrian Sangster - Aberdeen Considine

"Tenant demand continues to outweigh supply in all Scottish cities, resulting in increased rents and shortening TTL. Long-term landlords exiting the sector, coupled with tenants staying longer, are contributing to this imbalance. However, as Einstein said - "in the middle of every difficulty lies opportunity". I believe this opportunity is open to new investor landlords who, if they buy the right properties in the right area, can expect decent yields and return on investment. There are still BTL mortgage deals out there but I would suggest to those thinking about it to move quickly."

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- ✓ Marketing
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PRS



Student



Housing Association



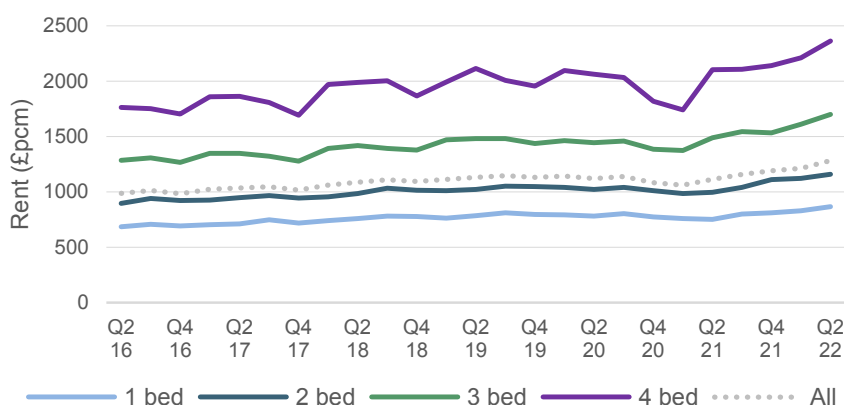
Estate Agency

# Edinburgh

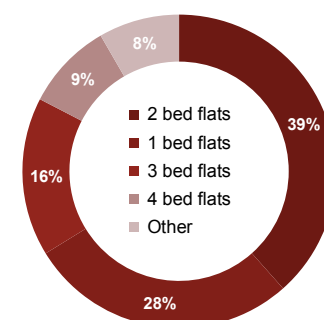
## Market Overview - Q2 22

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£868	15.1%	21.7%	61.3%	13	-26	45%	88%
2 bed	£1,160	16.5%	22.1%	61.6%	15	-26	39%	84%
3 bed	£1,701	14.3%	26.0%	65.0%	18	-16	40%	79%
4 bed	£2,362	12.4%	26.8%	64.5%	17	-16	35%	82%
All	£1,283	15.1%	23.7%	62.2%	15	-23	40%	84%

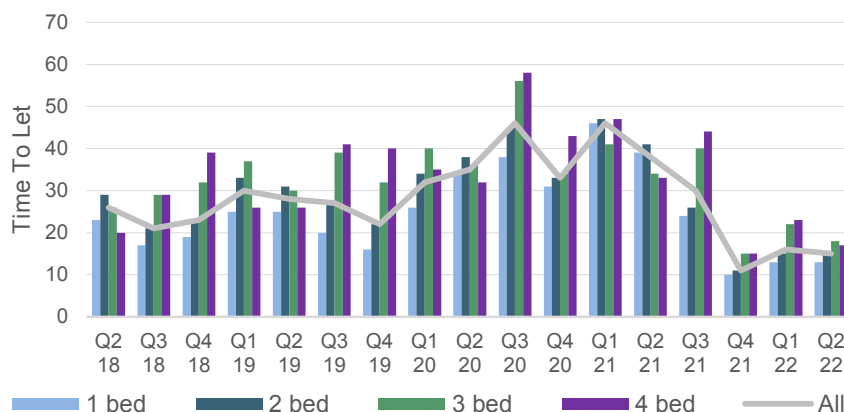
## Average Rent (pcm) by Number of Bedrooms



## Market Composition



## Average Time To Let (TTL) by Number of Bedrooms



## Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
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	132.0	135.6	131.7
2017	136.9	138.8	140.3	136.0
2018	142.2	145.5	148.3	146.6
2019	149.3	151.5	153.7	151.4
2020	152.9	150.2	152.5	145.2
2021	142.3	149.3	154.9	159.6
2022	162.5	171.8		

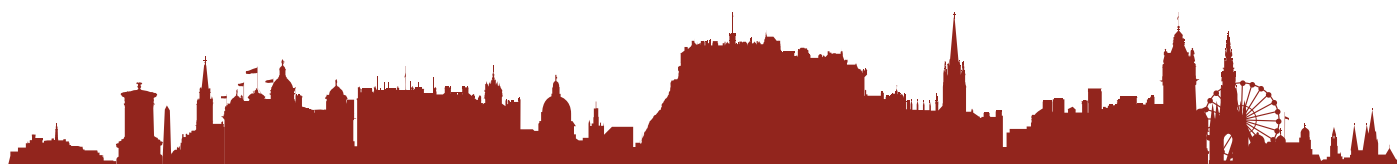
## Yield by Popular Postcodes (Flats)

	2017	2018	2019	2020	2021
EH3	4.0%	3.7%	3.9%	3.6%	3.8%
EH7	5.6%	5.0%	5.5%	5.0%	5.1%
EH8	7.0%	7.0%	6.3%	6.6%	6.4%
EH9	4.8%	4.8%	5.1%	4.7%	4.8%
EH10	4.2%	4.1%	4.2%	3.8%	3.9%
EH11	5.8%	5.8%	5.8%	5.6%	5.3%
EH12	4.7%	4.9%	4.9%	4.7%	4.6%



### Andrew Markham - Burgh Property

"The market for Q2 has been very fast paced and in keeping with the pace we saw in Q1, with a real rush in demand from tenants across all sectors and property type. Student stock has been in extremely high demand, particularly for desirable addresses in the New Town or Marchmont areas, and demand is way outstripping supply in some instances – fuelling an increase in HMO rents. Outside of the student market, the demand for 1 and 2 bed city properties remains buoyant and family houses are very sought after. With the supply of properties not due to change significantly soon, we anticipate a busy year ahead with strong rents and low voids for landlords."



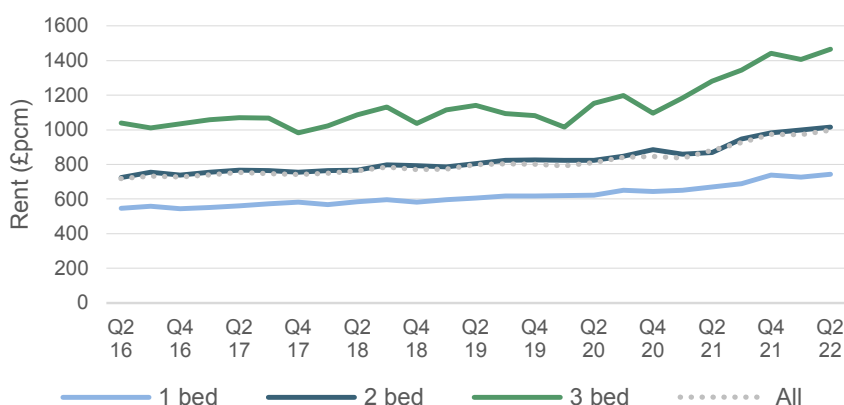


# Glasgow

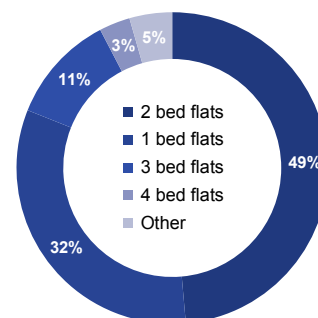
## Market Overview - Q2 22

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£744	11.0%	32.9%	59.0%	11	-15	51%	91%
2 bed	£1,015	16.7%	32.5%	65.3%	14	-19	44%	85%
3 bed	£1,465	14.5%	36.9%	73.0%	17	-12	44%	78%
4 bed	£2,185	14.3%	29.4%	84.7%	14	-12	41%	83%
All	£997	13.0%	32.1%	63.7%	14	-16	47%	86%

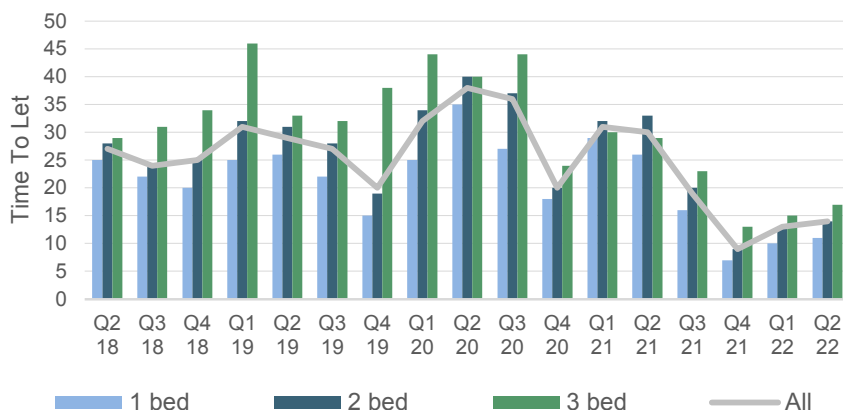
## Average Rent (pcm) by Number of Bedrooms



## Market Composition



## Average Time To Let (TTL) by Number of Bedrooms



## Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
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	126.8	129.3	128.6
2017	130.5	133.2	131.9	130.9
2018	132.1	134.6	138.4	136.0
2019	136.2	140.9	141.6	141.4
2020	139.7	142.9	148.3	149.4
2021	147.8	155.6	163.7	172.0
2022	171.4	175.8		

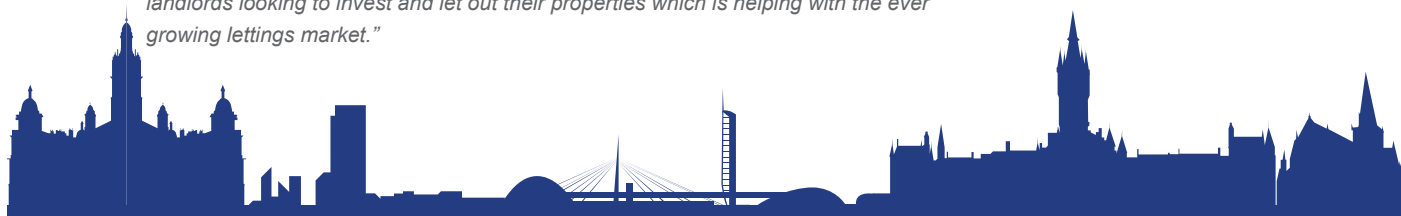
## Yield by Popular Postcodes (Flats)

	2017	2018	2019	2020	2021
G1	5.7%	4.9%	6.0%	5.8%	6.2%
G2	6.7%	7.0%	6.6%	5.9%	6.6%
G3	5.4%	5.3%	5.3%	5.3%	5.0%
G4	6.6%	5.3%	6.0%	5.9%	6.0%
G5	6.7%	6.4%	6.7%	6.4%	6.7%
G11	5.3%	5.0%	5.2%	5.2%	5.3%
G12	4.7%	4.4%	4.8%	4.2%	4.5%



### Hannah Jardine - Cairn Letting

"The demand for property across the city is still very high, with properties continuing to let within a very short window of going on the market. As the students start to move back to the city to start back at university, we are seeing even more demand for all different sizes of properties; bigger groups are struggling to find student lets and are splitting up into 2's and 3's just to be able to line up properties for the upcoming academic year. The HMO market is busier than ever, with not enough larger properties to meet the demand. We are continuing to see new landlords looking to invest and let out their properties which is helping with the ever growing lettings market."

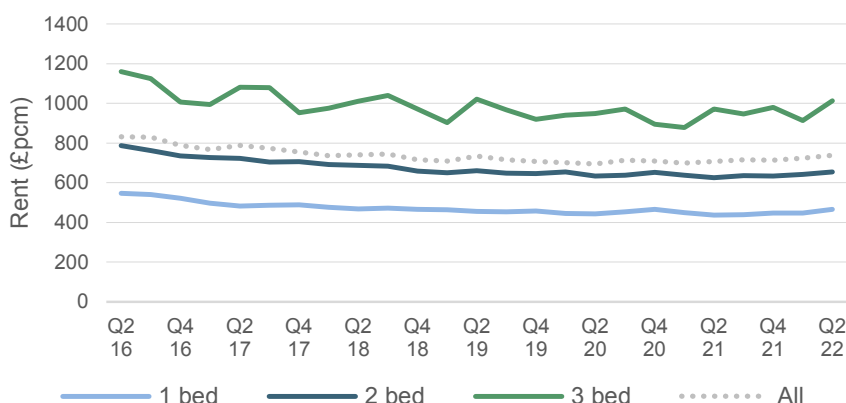


# Aberdeen

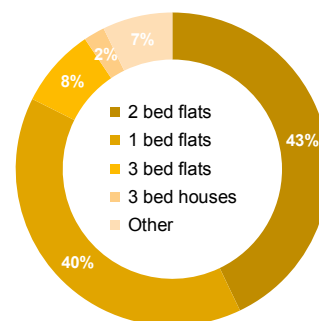
## Market Overview - Q2 22

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£466	6.6%	-3.3%	-19.1%	26	-24	18%	67%
2 bed	£655	4.6%	-9.4%	-20.8%	26	-25	17%	64%
3 bed	£1,014	4.4%	-6.3%	-17.2%	31	-17	10%	61%
4 bed	£1,475	5.4%	-5.6%	-18.3%	31	1	11%	61%
All	£738	4.4%	-6.3%	-18.1%	27	-22	16%	65%

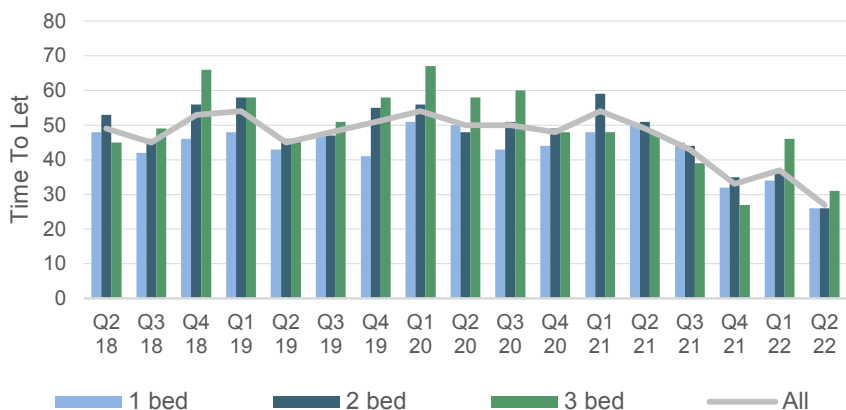
## Average Rent (pcm) by Number of Bedrooms



## Market Composition



## Average Time To Let (TTL) by Number of Bedrooms



## Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
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	93.9	93.7	89.2
2017	86.8	89.0	87.5	85.3
2018	83.2	83.6	84.2	80.8
2019	80.2	82.9	80.9	80.0
2020	79.3	78.6	80.7	80.1
2021	79.0	79.9	80.8	80.7
2022	81.7	83.4		

## Yield by Popular Postcodes (Flats)

	2017	2018	2019	2020	2021
AB10	5.2%	5.4%	5.2%	5.3%	5.3%
AB11	5.6%	5.7%	6.0%	6.2%	6.1%
AB15	5.1%	4.9%	5.2%	5.2%	5.4%
AB24	6.6%	6.7%	6.4%	7.3%	7.4%
AB25	5.5%	5.3%	4.9%	5.6%	5.8%



### Eduardo Prato - Martin & Co Aberdeen

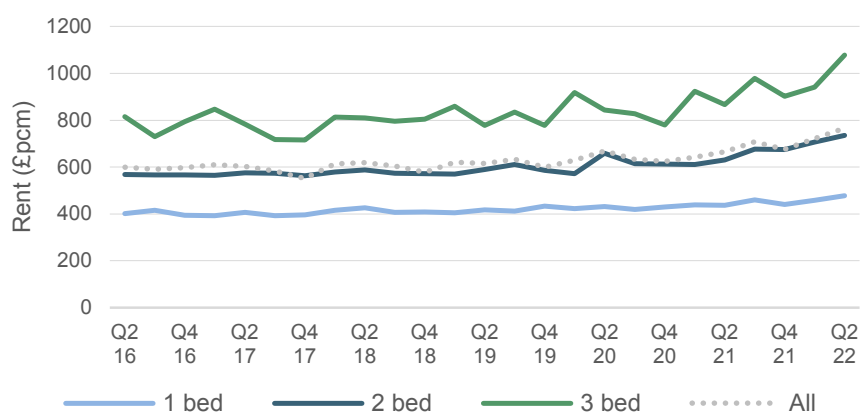
"Stock decreasing, rents increasing! Oil and gas companies are making a fast return to the Granite City. We can see the market of high end properties being let in very short periods of time. The West End, Ferryhill, Kepplestone, Braeside, Cults, Bieldside and Milltimber are areas in very high demand. High specs properties in Bride of Don, Danestone, Kingswells and Westhill are also attracting a great number of tenants. This has led to stock levels to go down by nearly 50% when compared to the same period last year. In turn, rents are definitely on the increase. This trend should continue for the remainder of the year and beyond."

# Dundee

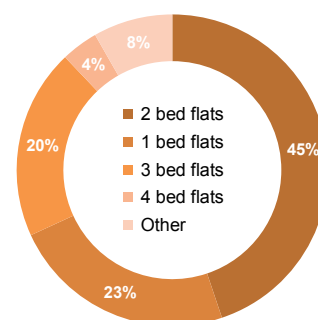
## Market Overview - Q2 22

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	£477	9.4%	14.1%	17.5%	17	-21	38%	81%
2 bed	£735	16.5%	24.6%	27.8%	19	-12	38%	77%
3 bed	£1,078	24.5%	38.6%	37.7%	25	-1	24%	69%
All	£767	15.3%	24.5%	27.2%	20	-13	34%	76%

## Average Rent (pcm) by Number of Bedrooms



## Market Composition



## Average Time To Let (TTL) by Number of Bedrooms



## Rental Index

(base: Q1 10)

Year	Q1	Q2	Q3	Q4
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	104.0	102.4	103.6
2017	105.9	104.7	101.4	95.8
2018	106.6	107.3	104.9	100.3
2019	107.6	106.9	109.9	104.2
2020	109.4	116.0	109.9	108.5
2021	111.5	115.5	122.7	117.2
2022	125.3	133.2		

## Yield by Popular Postcodes (Flats)

	2017	2018	2019	2020	2021
DD1	7.7%	6.7%	6.7%	6.7%	7.1%
DD2	6.4%	6.6%	6.2%	6.3%	6.3%
DD3	7.8%	7.1%	7.1%	7.3%	7.1%
DD4	8.7%	7.4%	7.2%	7.0%	7.0%
DD5	5.0%	4.5%	4.5%	4.5%	4.5%



### Eilidh Finlayson - Finlayson Gore

"Q2 of 2022 continued to perform well with a notable decrease in change of tenancies - as predicted in Q1 tenants appear reluctant to needlessly move with living costs soaring. June has seen the remainder of our student stock secured for later in the year - an encouraging indication that the student market continues to settle into a 'new routine' under the PRT. We are hopeful that rents will remain at their current levels in the quarter to come despite rising fuel and food costs, and as such we will be very carefully monitoring affordability for tenants with all new tenancies to minimise financial risk to our landlords."



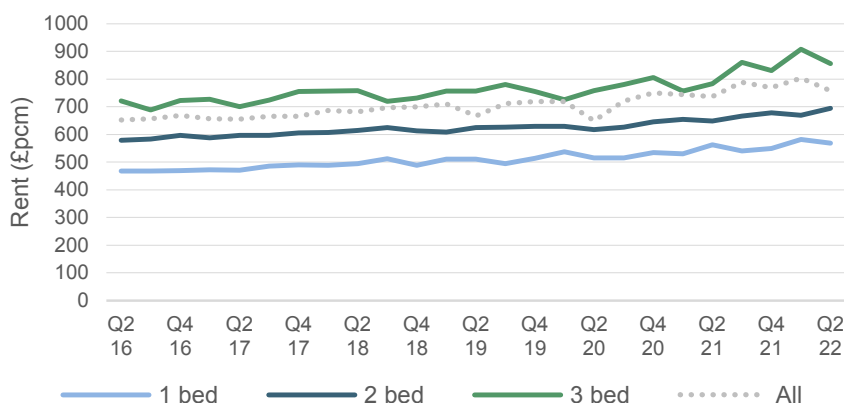


# West Lothian

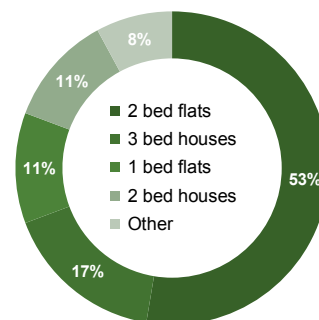
## Market Overview - Q2 22

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£568	1.1%	20.6%	27.9%	8	-7	57%	93%
2 bed	£695	7.1%	16.4%	29.9%	12	-8	45%	93%
3 bed	£856	9.2%	22.1%	35.7%	18	1	18%	82%
All	£757	2.9%	15.6%	27.0%	12	-6	40%	91%

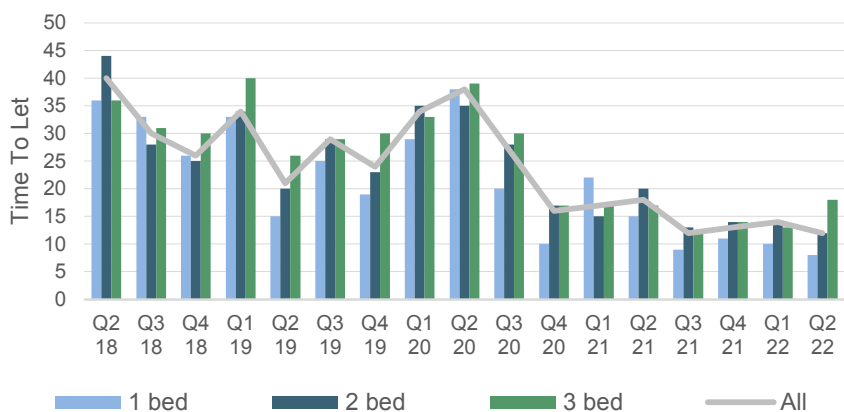
## Average Rent (pcm) by Number of Bedrooms



## Market Composition



## Average Time To Let (TTL) by Number of Bedrooms



## Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
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	112.4	113.3	115.3
2017	113.1	112.9	114.7	114.7
2018	118.3	117.6	120.0	120.5
2019	122.4	115.0	122.6	124.0
2020	124.0	112.1	124.1	129.3
2021	128.3	126.9	136.0	132.6
2022	138.4	130.5		

## Yield by Popular Postcodes (Flats)

	2017	2018	2019	2020	2021
EH48	7.5%	7.2%	7.2%	7.0%	6.8%
EH49	5.1%	5.3%	5.1%	5.2%	4.8%
EH54	7.0%	6.8%	7.1%	6.7%	6.7%



### Callum McQueenie - Mavor & Company

"A busy and buoyant Q2 means that Time to Let remains very low as enquiries and applications continue to reach record levels. The current demand and low stock available means that rent is continuing to rise throughout the area, proving beneficial to landlords. Whilst new instructions are on the rise, there is still a substantial gap between demand and available stock. There appears to have been a decrease in the number of tenants looking to leave their property towards the end of Q2 that we would typically see, which is subsequently having a knock-on effect on available property levels."

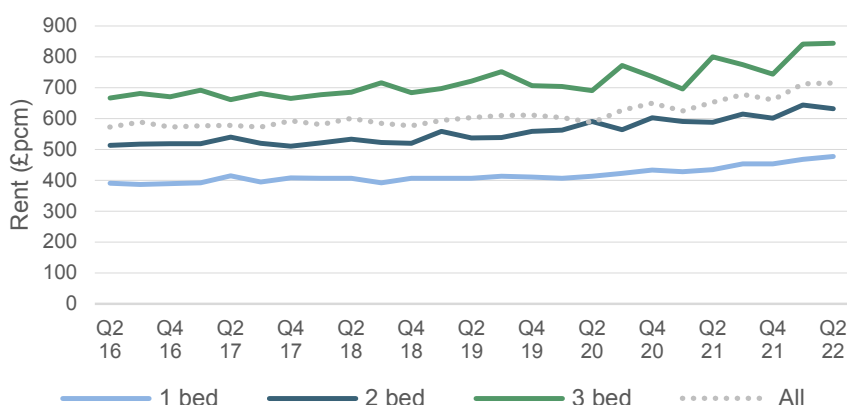


# South Lanarkshire

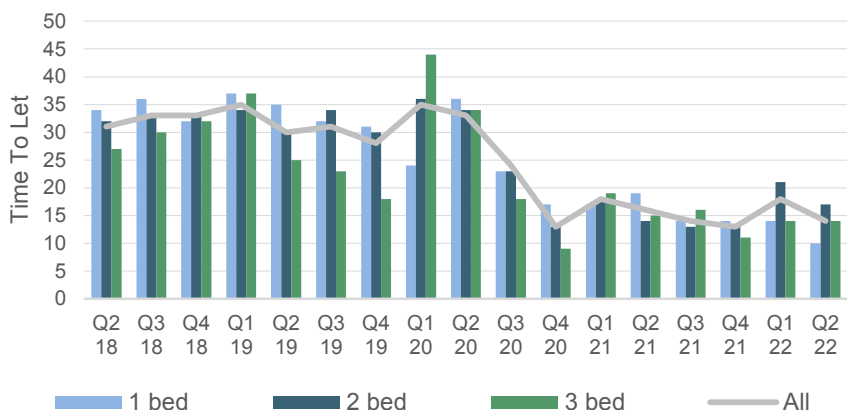
## Market Overview - Q2 22

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£477	9.7%	14.9%	26.2%	10	-9	46%	94%
2 bed	£632	7.5%	17.0%	29.2%	17	3	33%	81%
3 bed	£844	5.5%	27.7%	36.6%	14	-1	43%	91%
All	£715	9.5%	23.7%	32.7%	14	-2	38%	87%

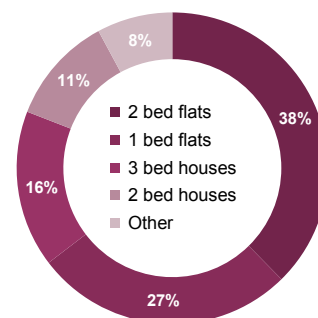
## Average Rent (pcm) by Number of Bedrooms



## Average Time To Let (TTL) by Number of Bedrooms



## Market Composition



## Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
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	105.3	108.3	105.3
2017	106.3	106.4	105.5	109.2
2018	107.0	110.7	107.6	106.3
2019	109.4	111.0	112.3	112.5
2020	111.0	108.1	115.5	119.7
2021	115.1	120.3	124.7	121.5
2022	131.1	131.7		

## Yield by Popular Postcodes (Flats)

	2017	2018	2019	2020	2021
G71	5.4%	5.5%	5.9%	4.9%	6.1%
G72	8.3%	7.5%	7.5%	7.4%	8.2%
G73	7.0%	6.6%	6.8%	6.6%	6.5%
G74	6.8%	7.0%	6.6%	6.7%	6.6%
G75	8.9%	8.8%	8.7%	7.9%	8.0%



### David Kendall - Lets Make Homes

"The lettings market continues to experience a severe shortage of stock with the inevitable consequence of strong demand for available properties and price increases. An urgent rethink is required by Scottish Government in connection with their proposed legislation as this will encourage landlords to sell, further restricting options for tenants and increasing rents even more. Landlords who do stay in the market will face higher costs in order to cope with ever more legislative requirements, not least ensuring all their properties achieve a C rating on their Energy Performance Certificates by 2025."

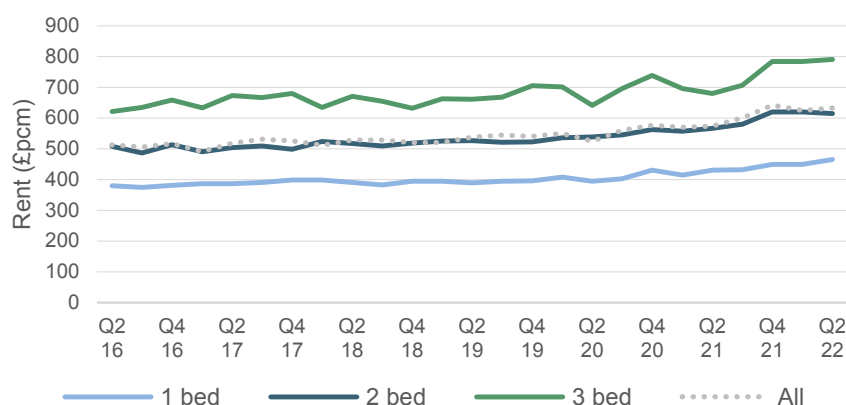


# Renfrewshire

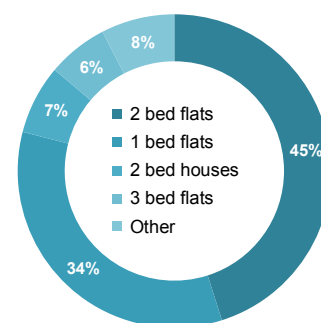
## Market Overview - Q2 22

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£465	7.9%	20.2%	27.4%	13	-7	44%	88%
2 bed	£615	8.7%	22.0%	29.7%	15	-4	38%	87%
3 bed	£790	16.2%	17.4%	31.4%	20	-10	22%	81%
All	£633	10.3%	22.2%	30.8%	15	-5	38%	87%

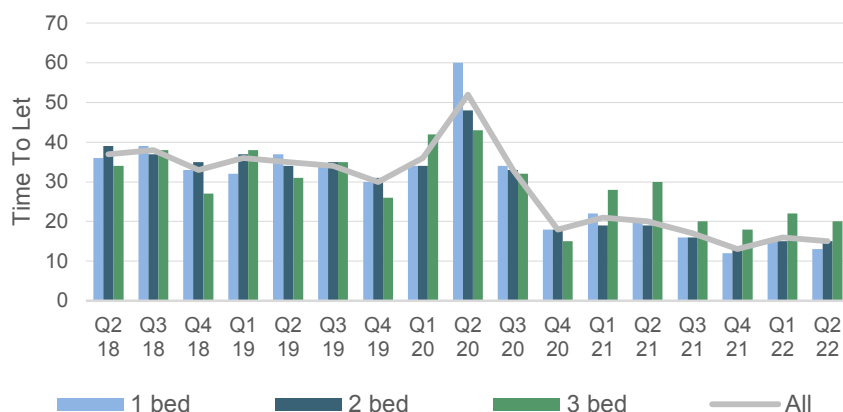
## Average Rent (pcm) by Number of Bedrooms



## Market Composition



## Average Time To Let (TTL) by Number of Bedrooms



## Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
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	107.5	107.5	106.1	108.2
2017	102.9	108.6	111.3	110.3
2018	107.1	110.9	110.7	109.2
2019	109.0	112.8	114.3	113.4
2020	115.3	109.9	117.6	120.8
2021	119.5	120.3	125.8	134.6
2022	130.8	132.7		

## Yield by Popular Postcodes (Flats)

	2017	2018	2019	2020	2021
PA1	7.1%	7.5%	7.0%	7.4%	7.3%
PA2	7.0%	6.7%	6.9%	6.4%	6.6%
PA3	9.6%	9.8%	8.9%	8.4%	8.4%
PA4	7.8%	7.9%	7.2%	7.7%	7.3%
PA5	9.1%	8.8%	8.7%	8.2%	7.8%



### Holly Campbell - Castle Residential

"Following the last quarter, the momentum in available stock has continued to build with a well-maintained supply of interest. This is encouraging from a business point of view, creating a fast-paced environment previously seen before the pandemic. Conducting more in-person viewings, meetings and being able to look at properties more freely to improve the current stock, is all reflective of the economic and societal changes back to a "new normal". This is allowing teams to utilise integrated working and getting back to a customer facing business mindset. Stock is moving as quickly as it appears within lettings, creating a buzz around the market itself."



## Agent Views

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

Winchesters, Aberdeen – Chris Minchin



*"Quarter 2 has seen a wave of activity in the Aberdeen rental market with a lot of people relocating to the city. Students have been early to organise their accommodation for the coming term with what looks like a record year for international students choosing Aberdeen as their base for education. 1 and 2 bedroom property prices continue to rise with some freshly renovated properties, spending a matter of hours on the market before being secured. Family housing demand in the mid-market is high, however, larger property market is a bit slower than expected. We expect demand to increase into Q3."*

Margaret Duffus Leasing, Aberdeen – Sarah Harley



*"It's been a strong second quarter to 2022 for the Aberdeen rental market and number of available properties is still lower than it has been for many years. Renewed interest in domestic oil production and the high oil price has meant that economic activity in the region is strong and will hopefully help attract new landlords and fresh investment in property. With employers facing challenges recruiting, attracting employees into the area will also depend on having quality and choice of accommodation."*

Western Lettings, Glasgow – Jack Gallagher



*"Tenant demand is trending up, as it usually does at this time of year. However, it remains to be seen if it will return to the frenzy that we saw last autumn. At Western Lettings we are seeing a rise in the number of landlords spontaneously deciding to sell up when their tenant serves notice. The cost of living crisis is prompting some tenants to downsize to more affordable properties. We have even seen several cases of owner occupants deciding to cash out and become tenants for a while, in the belief that house prices are over-stretched and due for a fall."*

1Let, Edinburgh – Ken Bell



*"Q2 saw a continuation of Q1 with a chronic lack of supply of quality rental property available in Edinburgh. Unsurprisingly, this is leading to tenants applying for multiple properties given that each available property is attracting numerous applicants with many being left disappointed. One and two bedroom properties continue to see the highest demand with rents steadily rising across the board. Landlords are also continuing to invest, with a large number of newly purchased properties being added to 1Let's managed property portfolio."*

Cullen Property Ltd, Edinburgh – Steve Coyle



*"Q2 saw a measurable 'return to normal' with properties, particularly student properties, moving quickly. Q1 expectations that 60% of student properties would vacate, proved correct. Uptake has been very strong, with the last remaining flats expected to be let by end of June, all with June or early July start dates and no 'rent deals'. Under-supply remains an issue, but investor activity and confidence remain buoyant, despite recent Scottish Government moves to again fix an unbroken Private Rented Sector. Rents have levelled off, and recent cost of living rises will likely temper further jumps for the foreseeable future once delayed legacy increases from Covid have flowed through."*





## Agent Views cont...

Glasgow Property Letting, Glasgow – Colin MacMillan



*"Quarter 2 has seen a marked reduction in the number of available properties on the market. It has resulted in huge demand and limited supply and, as a consequence, rents across the board are on the increase. Time to let is reducing and many tenants are finding it impossible to even secure an initial viewing, as properties are reserved at the first viewing appointment. All this is happening prior to the usual student rush and we see that there will be a major issue once students awake from their summer holidays to find there is no stock available. We are also seeing some landlords selling up to realise their capital and get out of the letting game due to the legislation and compliance being forced on them, and what many are seeing as the PRT seemingly being more advantageous to tenants and not so much in favour of landlords."*

Aberdeen Considine, Aberdeen – Jade Shepperdson



*"The Aberdeen market continued to perform strongly during the second quarter. Properties in the west end of the city in particular are in greatest demand. This has been driven in part by increased oil industry activity resulting in expats returning to the market. Areas surrounding the city such as the Deeside corridor, Westhill, Stonehaven, Alford and Inch are experiencing high demand, particularly for family homes, however these remain a scarcity. I predict the north-east market will remain very busy during the summer, with the only cloud being the lack of stock to meet the needs of those looking for a home."*

Rentlocally.co.uk, Edinburgh – Derek Hawson



*"Rents in the capital continue to increase but higher interest rates and a strong sales market seem to be affecting the future plans of some landlords. Rising inflation and more legislation within the sector is likely to have an increasing impact on investors' decisions to either enter or exit the market. Given the supposed existence of a relatively small number of super landlords in the capital, something like 5300 properties may simply not be available to agents, and those that are coming to market, attract fierce competition making fees more sensitive when bidding to win new business. 1 and 2 bed properties remain in great demand, with 3 and 4 beds moving quickly as well, although location remains a factor with most tenants seeking easy access to the city for work and recreation."*

At Home In Edinburgh, Edinburgh – Rick McCann



*"The strong demand seen in Q1 continued throughout Q2, putting upward pressure on rents. The high volume of enquiries resulted in most properties being advertised for only a 24-48 hour period. We experienced the expected turnover of our student properties at the end of the academic year. Most saw a quick turnaround as students were willing to pay for the summer period even when they weren't going to be here. Some students are also taking advantage of the summer rental period to stay and work during the Fringe, which they were not able to do previously with higher festival rents. The period has seen a lot of landlord activity. We saw a higher than normal number of landlords selling, but this was more than offset by the acquisition of new landlords."*

Glenham Property, Edinburgh – Charlie Inness



*"The picture in Edinburgh remains one of elevated demand levels and constrained supply which is driving rental inflation across the capital, and we do not believe this position is likely to change anytime soon. This is obviously not good news for tenants and we strongly urge Scottish Government to think very carefully about further proposed changes to the PRS as landlords will be watching closely, considering their options and may well decide to sell up. The result could be a large-scale exodus of landlords from the sector which will just exacerbate the current housing crisis and add further upward pressure on rents."*

## Agent Views cont...

Ben Property, Edinburgh – Jamie Kerr



*"Quarter 2 has yet again seen a surge of increased demand which we don't see abating anytime soon. Time to let is down and there was a frenzy of activity for students taking properties during June and early July. One point to note we are seeing is an increased appetite for landlords to implement rent reviews due to the mention of rent controls and other such ill-thought-out policies. Again, there is concerning lack of research and thought by certain officials meddling in an already extremely regulated sector."*

One Stop Properties, Glasgow – Wendy Gallagher



*"As predicted, we were delighted to see new landlords come to the market, by the number of new instructions in Q2. Quality properties have achieved impressive rents and do not sit on the market for any length of time. So far, we have not yet had any tenants give notice due to the cost of living crisis but this remains in the forefront of our minds. Some of our well-established landlords are choosing to exit the market due to a variety of issues like the suggested Scottish Government New Deal for Tenants, their own mortgage rates going up, along with associated expenses such as factors fee increases. As Q2 comes to a close, we are preparing for the return of the welcomed student market and so far the request for accommodation is encouraging for the coming months. With uncertainty in the sales market, we will continue to monitor the impact this may have on the PRS."*

Rettie & Co., Edinburgh – Karen Turner



*"The market across Scotland continues to hold strong with demand high from tenants in our largest cities, Glasgow and Edinburgh. This is keeping rents at their optimum. Time to let has fallen. We are facing some challenging times ahead in the PRS with the proposed changes, combined with landlords exiting the market due to the changes. This also comes at a time when we are not building enough new homes across all tenures to meet demand. Collaboration should be a focus across sectors and government to encourage investment from single investors to institutional investors. It's not a one size fits all demographic."*

Indigo Square, Glasgow – Brian Gilmour



*"The Glasgow market continues to operate at a level rarely experienced, with demand far exceeding supply. This is leading to rental increases on a regular basis. There has been much talk about the possible consequences of the cost of living crisis but this has not, as yet, fed through into rental arrears or minimising rent increases. One of the causes of this out-of-kilter demand and supply is that landlords have left the market due in part to the ability to "cash-in" on the buoyancy of the sales market. Others have left due to frustration at changes in legislation improving tenant's rights and it will be interesting to see if industry pressure can put the brakes on such changes."*

Northwood, Aberdeen – Scott Morrison



*"With such positivity in the local Aberdeen market at present, the return of students looking to secure accommodation for next semester and further job creation in various sectors, all has contributed to the increased levels of activity and rental values achieved in Q2. With re-lets faring better than this time last year and landlords increasing rents for their tenants cautiously and modestly, taking into account the effect of increasing inflation, investing in property in the PRS continues to generate increased positive returns. Demand continues to be strong for the larger family homes and properties located in Aberdeenshire. We are also experiencing an increased presence of relocation companies looking for homes for their oil and gas clients which is encouraging for future investment in the area."*



## Agent Views cont...

Cox & Co., Edinburgh – Mike Erskine



*"Q2 has seen us take on a number of new properties, an increase in tenant changeovers with summer on the way and many new tenancies commencing. Rental values continue to show an upward trend and there is still not enough supply to meet the insatiable demand. We are still sourcing new off market opportunities for our client base and are enjoying onboarding them to the portfolio and offering them to the market. Our clients are still committed to the PRS and we hope to continue to meet their property investment needs through the rest of the summer."*

Clan Gordon, Edinburgh – Jonathan Gordon



*"The dire shortage of rental properties has dominated the market picture throughout Q2 of 2022 as the surge in demand across Edinburgh has shown no sign of abating. This has been particularly prevalent with HMO properties, placing unprecedented upward pressure on rents. For a room in a great flat that pre-Covid times would have fetched between £450-600, £650 would once have been difficult to achieve. The starting point has now reached £700. While the 'New Deal for Tenants' threatens to exacerbate the situation further, there are positive signs of an increase in the number of new investors entering the market, all looking to take advantage of the increasing rents."*

Cornerstone Letting, Edinburgh – Richard Burgoyne



*"We have experienced another very busy quarter. Prospective tenants are taking proactive measures in the hunt to find properties and we are regularly visited at our Edinburgh west end office by people in desperate need of a property. Some of our student lets, which previously we were not keen to have available in May/June etc., have been snapped up within a day or two of hitting the market, with tenants wanting to hold them for a few months prior to move ins in August and September. There seems to be no end in sight for the demand."*

The Flat Company, Edinburgh – Matthew Wilcken



*"The trend of strong tenant demand for good quality properties shows no sign of letting up in Q2 2022. This and the end of fixed term tenancies has now ended the traditional tenant cycle for student properties starting in September and ending in May, with the three months between being made up by festival let and short terms lets. Now the new norm is for properties to be taken from June which is good news for landlords, and we are finding as a result of the current strong tenant demand that we have very few properties available for the Edinburgh festival and short term lets this year."*

### Have Your Say!

If you'd like to contribute to forthcoming issues please contact [info@citylets.co.uk](mailto:info@citylets.co.uk)

# Postcode & Towns - Average Rents & TTL - Q2 22

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	910	(14)	1354	(15)	1910	(20)
EH3	1072	(12)	1475	(15)	1874	(17)
EH4	943	(14)	1097	(17)	1419	(28)
EH5	836	(13)	1042	(13)		
EH6	785	(12)	1018	(15)	1443	(20)
EH7	822	(11)	1135	(14)	1567	(20)
EH8	788	(15)	1139	(14)	1809	(12)
EH9	893	(12)	1163	(14)	1793	(13)
EH10	870	(14)	1295	(18)	1681	(19)
EH11	790	(12)	1045	(13)	1529	(23)
EH12	763	(17)	1083	(17)	1448	(22)

## Glasgow - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
G1	£854	(11)	£1,121	(14)		
G2	£837	(14)	£1,071	(15)		
G3	£796	(12)	£1,141	(17)	£1,728	(22)
G4	£776	(11)	£987	(16)	£1,542	(5)
G5			£936	(14)		
G11	£771	(11)	£1,058	(10)	£1,623	(16)
G12	£834	(16)	£1,200	(14)	£1,666	(16)
G13	£626	(9)	£871	(12)		
G14	£600	(10)	£720	(7)		
G20	£695	(10)	£989	(13)		
G31	£632	(9)	£905	(15)		
G32			£655	(14)		
G33			£700	(13)		
G40	£593	(11)	£809	(12)		
G41	£680	(14)	£884	(16)		
G42	£668	(13)	£837	(17)		
G43			£960	(15)		

## Aberdeen - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
AB10	£479	(25)	£661	(33)	£879	(25)
AB11	£462	(24)	£656	(27)	£976	(19)
AB12			£688	(27)		
AB15	£551	(34)	£798	(27)	£1,109	(27)
AB16			£537	(38)		
AB21	£550	(31)	£805	(27)		
AB22	£462	(31)				
AB24	£455	(27)	£645	(25)	£1,026	(35)
AB25	£473	(26)	£651	(23)	£882	(26)

## Dundee - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
DD1	£513	(20)	£822	(18)	£1,218	(30)
DD2	£495	(7)	£745	(21)	£1,148	(21)
DD3	£431	(25)	£586	(18)	£888	(33)
DD4	£478	(20)	£656	(21)	£940	(35)
DD8			£537	(27)		
DD11	£408	(36)	£530	(39)		

## Towns - £pcm (TTL days)

based on 12 month rolling average

Town	1 Bed		2 Bed		3 Bed	
Airdrie			580	(16)		
Arbroath	417	(31)	533	(36)		
Ayr			571	(18)		
Bathgate			668	(13)		
Bearsden			1006	(15)		
Bo'ness			595	(13)		
Bonnyrigg			805	(14)		
Brechin			502	(33)		
Broughton	805	(17)	1131	(17)	1508	(18)
Cambuslang			661	(15)		
Coatbridge			550	(25)		
Cumbernauld			534	(19)		
Dalkeith			777	(15)		
Dalry	751	(13)	1030	(13)	1426	(43)
Dumfries	413	(27)	516	(17)		
Dunfermline	484	(16)	622	(15)		
East Kilbride	447	(13)	583	(14)	816	(13)
Elgin	447	(12)	562	(11)		
Ellon	549	(24)	644	(22)		
Falkirk	448	(11)	598	(13)		
Forfar	395	(24)	532	(29)		
Glenrothes			541	(10)	620	(7)
Hamilton	460	(11)	600	(14)	811	(12)
Hillhead	839	(11)	1208	(14)	1537	(12)
Hillside	850	(14)	1136	(18)		
Inverurie			679	(27)		
Johnstone	430	(15)	550	(19)		
Kilmarnock	417	(21)	517	(19)		
Kirkcaldy	468	(20)	567	(14)		
Kirkintilloch			603	(36)		
Larbert			662	(11)		
Largs	420	(23)	596	(22)		
Larkhall			618	(21)		
Linlithgow			694	(18)		
Livingston			708	(11)	887	(12)
Lossiemouth			566	(13)		
Merchiston			1345	(23)		
Motherwell			595	(22)		
Musselburgh	680	(10)	816	(13)		
Newton			868	(14)		
Paisley	448	(13)	585	(13)	759	(21)
Penicuik			782	(20)		
Perth	448	(45)	604	(32)		
Renfrew	448	(11)	707	(15)	783	(16)
Rutherglen	538	(13)	713	(11)		
St Andrews			1333	(12)	1722	(10)
Stirling Town	587	(12)	801	(17)	1238	(23)
Thornliebank			730	(19)		
Trinity	822	(14)	1043	(20)		
Woodlands			1071	(13)	1550	(7)

# Build To Rent News

## BTR Viability– Solutions Emerging?

Construction cost challenges faced by all developers and funds at the current time have caused many forward funding deals to be re-appraised. The weight of institutional investment seeking to invest in the BTR sector is unprecedented but is frustrated by the inability of the construction market to deliver fixed price contracts. This is a shared problem between developer and funder but, on a positive note, remedies are beginning to emerge. Some funds can be flexible - which may involve an element of profit share or limited indexation; profit share can be attractive given the strong performance of the rental market. At the same time, there are early signs that contractor order books are slowing as a result of deal viability stagnation; contractors are now entering the Scottish BTR market from NE England and Ireland introducing much needed competition to the contractor market.



BTR under construction

So, whilst there are initial signs of positivity, BTR viability remains tentative. Given the desperate need to build more homes across all tenures (more supply equals lower rental levels), we need more creative thinking, more competition and a stable political backdrop.

A full listing of Scotland BTR and an interactive map of BTR schemes can be viewed here:  
<https://www.scarlettdev.co.uk/services/build-to-rent/pipeline-scotland/>



## Can Deposit Free Renting Help with the Cost-of-Living

The cost of moving house has never been higher for the renter - recent research from MoneySuperMarket.com estimated an average renter can spend up to £3500 in moving costs across their renting life, in addition to finding the funds for security deposits.

Security deposits are by far the most significant outlay when moving home and can put renters in a difficult financial position, largely because they often don't get a deposit back before they must find the cash for a new deposit.

A deposit free offering can alleviate this worry and allow the renter the freedom to move house without having to find a large cash sum - this is especially pertinent with the cost-of-living crisis looming.

Build to Rent landlords have adopted deposit free renting from the outset; when mobilising a new Build to Rent building, the lease up speed is key. Deposit free offerings will undoubtedly assist; also a property with a deposit free offering is 25% less likely to require a rent reduction of any kind.

Rettie & Co have always looked for innovative and fair ways to free up cash for their applicants whilst offering the landlord the same level of protection as a traditional deposit. This has never been more important than now.

Deposit free options can offer peace of mind for the landlord whilst allowing the renter to use freed up cash for the predicted painful financial period we are all about to face.

Protection for landlords and financial wellbeing for residents can both be achieved when you select the correct partners to work with.



## Mid-Market Rent News

### Lar Housing Trust's Jubilee Trees

As part of our commitment to our tenants, the environment and sustainability, the team at Lar Housing Trust recently took part in the Queen's Green Canopy tree planting scheme.

Tenants joined the Lar team in planting nine trees on green space in Petendrea Court in Bonnyrigg and a further 30 trees and 40 hedgerows at our Arneil Drive properties in Edinburgh. The trees were a mixture of crab apple, cherry and hazel trees, chosen for their longevity, growth and year-round appeal.

The Queen's Green Canopy (QGC) is a unique tree planting initiative created to mark Her Majesty's Platinum Jubilee in 2022, which invites people from across the United Kingdom to "Plant a Tree for the Jubilee".

With a focus on planting sustainably, the QGC encourages planting of trees to create a legacy in honour of the Queen's leadership of the nation, to benefit future generations.

Managing Director at Lar Operations CIC, Mikko Ramstedt commented: "Thank you to both our tenants and our team who really got their hands dirty and helped us plant trees. This was a great initiative to support and will be appreciated by generations of Lar residents to come!"



Mikko Ramstedt (right) with Lar colleague Keith Tracey.



### Optilet Pro

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## Politicians in Power Need to Listen

Bill proposals risk reducing the supply of private rented housing in a market already suffering shortages.

SAL gave evidence to the Scottish Parliament on the Coronavirus (Recovery and Reform) (Scotland) Bill and expressed concerns about making all grounds for eviction permanently discretionary. The Bill now enters stage 2 and is expected to receive Royal Assent over the summer, writes SAL Chief Executive John Blackwood.

We are busy lobbying MSPs and working in partnership with other stakeholders equally concerned about the impact of this proposed legislation on the supply of housing in the private rented sector. In May, we joined with Scottish Land and Estates and the National Farmers' Union to voice concerns ahead of the stage 1 debate in Parliament. In that letter we emphasised that *"the impact on housing supply appears to have either been dismissed or viewed as acceptable fallout to deliver the Minister Patrick Harvie's continued attack on private landlords."* Our voice was heard and a number of MSPs mentioned SAL's concerns about how devastating these proposals would be to landlords and simply encourage many to sell up; further reducing the supply of private rented accommodation in Scotland.

A recent survey of SAL members showed 34% of respondents were planning on selling in the next few years, with 60% citing perceived hostility towards landlords from government/politicians as the

reason. This could mean that we could lose in excess of 36,000 rented homes. At a time when tenants are finding it difficult to find a home, why on earth are politicians in power hell bent on introducing unnecessary legislation that will only drive landlords out of the sector?

The answer is stark - the Scottish



John Blackwood, Chief Executive of SAL

Government is not listening to what the sector is saying. In a reply to our joint letter Shona Robison MSP, Cabinet Secretary for Social Justice, Housing and Local Government, reiterated the Scottish Government's intentions to create a parity between eviction grounds in both the social and private rented sectors, stating: *"I can also reassure you, that we will be monitoring the impact of these changes should they be approved by the Scottish Parliament to determine their effect in practice as part of our ongoing commitment*

*to improving the operation of the private rented sector."*

With tenants competing for their next home in an overheated housing market, you would think politicians would seek solutions, and fast. Instead, they are pressing ahead with legislation to set private renting back to the 1970's when no one wanted to be a landlord. Politicians must remember that landlords are investors and if they feel nervous about potentially not being able to sell or move back into their tenanted properties, then they will simply sell up as soon as their current tenants leave.

I'm encouraged to report that we have received positive feedback from many opposition MSPs offering their support in proposing amendments to the Bill to ensure that landlords are guaranteed repossession of their properties under certain circumstances. However, opposition politicians alone cannot stop this Bill becoming law. We need the Scottish Government to listen to our concerns now!

## Property Prices Continue to Rise in Edinburgh with Strong Buyer Demand

Property continues to sell quickly and often substantially above Home Report valuation suggesting high levels of demand from buyers in the area.

It's been a busy three months in the property market with plenty of buyer interest resulting in an increase in the average selling price of properties in Edinburgh, with an average selling price of £295,979 between March and May 2022. This is an annual increase of 6.4% compared to March to May 2021.

The north-west suburbs recorded the highest price change within Edinburgh, a 21.4% increase in average selling price, meaning properties here sold for £282,751. In fact, three bedroom homes in South Queensferry and Dalmeny reported a 27.6% annual increase, with an average selling price over the last three months of £310,612.

One bed flats in Gorgie were some of the most adorable property types, with an average selling price of £155,342.

During this time, sales and new property listings returned to levels more typically seen pre-pandemic as we saw more "normal" levels of activity.

One and two bed flats in Leith continued to be in high demand, with the highest sales volumes in the city. Two bed flats in Newington were also popular. This area, which is popular amongst students, saw a 26% increase in sales volume between March and May 2022.

Buyers have frequently been paying

over the property valuation in Edinburgh. The average percent of Home Report valuation achieved was 107.1%. This was up 4.3 percentage points on the same period last year and is indicative of the strong demand.

A key indicator of buyer demand is the speed of sale. Between March and May 2022, the median time to under offer was just 14 days, 12 days quicker than last year. On the whole, larger family homes accepted offers more quickly than one and two bedroom flats, with three bedroom houses in Blackhall, Silverknowes and Davidsons Mains recording a median time of seven days to under offer whilst one bedroom flats in Leith Walk, Easter Road, Pilrig and Bonnington areas had a median time to under offer of 26 days.

Paul Hilton, CEO of ESPC, said: "This has been a very active three months in the property market, where

we continue to see strong evidence of high buyer demand driving up prices and speeding up the market. We are seeing that the volume of listings and sales are levelling off which is encouraging for the long-term sustainability of the market.

"Three bed family homes have dominated the data this month, however, the popularity of flats in great investment areas such as Leith and Gorgie has also been noticeable.

"If you are thinking of buying or selling a home in Edinburgh, the Lothians, Fife or the Borders, get in touch with your local ESPC agent today."

*This article was written in June 2022 and property market activity may have changed between then and the time of reading.*



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# Homes for Ukraine: Considerations for Sponsors

## Amendments to landlord registration.

In March 2022, following the outbreak of war in Ukraine, the UK Government launched the Homes for Ukraine scheme. Under the scheme, UK hosts are incentivised to welcome Ukrainian nationals and their immediate family members into their homes or offer them accommodation in other properties owned by the host.

The Scottish Government has published guidance for local authorities regarding how the scheme will operate in Scotland. Participating hosts must provide accommodation for a minimum period of six months and in return will be eligible to receive optional 'thank you payments' of £350 per month for up to 12 months. Guests are also eligible to work and access benefits.

The guidance provides that hosts should not charge rent but can ask for a reasonable and proportionate contribution for water, gas and electricity supplied to the accommodation or shared facilities. The guidance also suggests hosts and guests enter into an occupancy agreement, outlining basic obligations in respect of the accommodation and how the arrangement may be brought to an end.

Hosts must make the accommodation available for at least six months and although they cannot charge rent, in Scotland they must ensure that accommodation meets the tolerable standard as set out in the Housing (Scotland) Act 1987. The local

authority will assess the suitability of the accommodation for this purpose.

### What does this mean for sponsors?

There is no requirement to register as a private landlord to participate in the scheme. On 12th May 2022, the Private Landlord Registration (Modification) (Scotland) Order 2022 created an exemption from registration where the house is



being used under an occupancy arrangement in relation to the Homes for Ukraine scheme.

The occupancy arrangement between the host and guest should not constitute a tenancy agreement provided no rent is charged. Further, in terms of Schedule 1 of the Private Housing (Tenancies) (Scotland) Act 2016, the absence of rent means any agreement cannot be a Private

Residential Tenancy (PRT).

The absence of a rent charge is crucial to avoid the creation of a tenancy agreement and the rights and obligations that flow from such arrangements in Scotland. Hosts or landlords with vacant accommodation considering offering sponsorship via the scheme must be cautious and ensure any payment of reasonable utility costs are outlined clearly within an occupancy agreement. Charging disproportionate costs may be deemed as rent and could inadvertently result in the creation of a PRT, which would trigger both the need for landlord registration and the rights and obligations associated with a PRT.

Council Tax legislation has also been amended so that sponsors who benefit from the single person discount will not lose this on account of hosting a guest. Hosts are reminded to seek permission from mortgage lenders where applicable.

The scheme envisages displaced Ukrainian nationals settling into life and finding work in the UK. In such situations, it may be appropriate for occupancy agreements to be terminated and more permanent occupancy arrangements made. Those considering participating in the scheme may wish to seek legal advice in advance in order to safeguard their interests.

# Don't Let Outdoor Disputes Cast a Shadow Over Summer

Mike Smith, Head of SafeDeposits Scotland, sheds light on gardening disputes.

Recent years have seen outdoor space become a more important feature for rented property than ever before. From the smallest of urban balconies to sprawling countryside lawns, anywhere that people could step out from the four walls during the lockdowns of 2020 and 2021 was welcome. With various travel woes taking place in 2022, many might still find their own green space the best and most relaxing place to top up their tans this summer.

In 2021-22, 8% of all tenancy deposit disputes handled by SafeDeposits Scotland included an issue related to gardening. Of reasons for disputes arising, gardening was therefore the least frequent; cleaning, by comparison, was an issue present in 71% of disputes. With some gardening claims in excess of £1,000, however, for those involved in a dispute the matter is no less significant than any other head of claim.

Alongside their many benefits, outdoor spaces bring their own set of challenges and complications that are unique compared to any other part of the rented property. Clarity and communication are key in helping to prevent gardening disputes.

If a rented property has a garden, the tenancy agreement should detail: which areas of the garden

the tenant is responsible for; which areas are not the responsibility of the tenant, for example, maintenance of large trees; whether the tenant must take responsibility for cutting grass, tidying flowerbeds and sweeping leaves; what state the tenant is to return the garden in at the end of the tenancy.



Mike Smith, Operations Manager of SDS

The last point would of course be important for any part of the property, but it requires unique attention and consideration when it comes to the garden. The changing of the seasons will not impact on how a kitchen worktop looks between the beginning and the end of the tenancy, but if the tenant moves in to a house in July with a garden in full bloom, the chances of them being able to hand back that same colourful landscape when they move out in the depths

of a freezing January are low. If the tenancy agreement has covered gardening, it is perfectly reasonable for a landlord or agent to expect the garden returned well maintained and in a similar condition to how it was found, but consideration should be given to the forces of nature that are beyond the tenant's control. An adjudicator would take seasonal variations and environmental factors into account when deciding if a deduction from the deposit is justified.

The garden should also be included in the check-in report and inventory at the start of the tenancy, with photographs of its condition at that time if possible, so that these can be compared with the check-out report at the end of the tenancy if a dispute arises.

With summer under way and gardens becoming a hive of activity, the advice above might help keep things rosy between tenants, landlords and letting agents.

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](http://www.safedepositsscotland.com) | twitter: @SafeDeposits | linkedin: SafeDeposits Scotland



# 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. **OptiletPro** is 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 include:

- Average rental price and monthly stock volumes by city/region, area, postcode district & postcode sector
- Average time to let (TTL) by city/region, area, postcode district & postcode sector
- Analyse by property type and bedroom count

## 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 July 2022. 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.

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