

Prepared for

**The Association of Residential Letting Agents
& the ARLA Panel of Mortgage Lenders:**

**Birmingham Midshires
GMAC Residential Funding
NatWest Mortgage Services
Paragon Mortgages
Standard Life Bank
The Mortgage Business**

**ARLA Members Survey
of the
Buy to Let Sector**

2nd Quarter 2003

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1. **INTRODUCTION & BACKGROUND**

The mortgage lenders who make up the ARLA panel of lenders are keen to ensure that the service they provide to ARLA members is relevant to their needs and takes account of the specific and unique requirements of residential letting agents and their investor landlords.

In order to help achieve this, ARLA has commissioned research to ensure that ARLA panel lenders are kept up to date with agents' requirements and concerns as they change with economic conditions, hopes and fears.

The research is conducted by Owen Carey Jones who specialises in the UK mortgage market and currently conducts several regular quarterly surveys of financial advisers on behalf of a number of clients.

2. METHODOLOGY

Having considered the objectives of this project, it was decided that the most appropriate method to use was postal questionnaires.

Questionnaires were sent to approximately 1,250 letting offices of ARLA members in May 2003 and 464 validly completed questionnaires were returned by the due date of the end of May. These responses were input to our research analysis software and tables of data produced on which this report is based.

3. RESULTS

The following sections detail the results of the survey for the second quarter of 2003. The regional breakdown of results splits the South East into two component parts - London based respondents who manage properties in Prime Central London and the Rest of the South East.

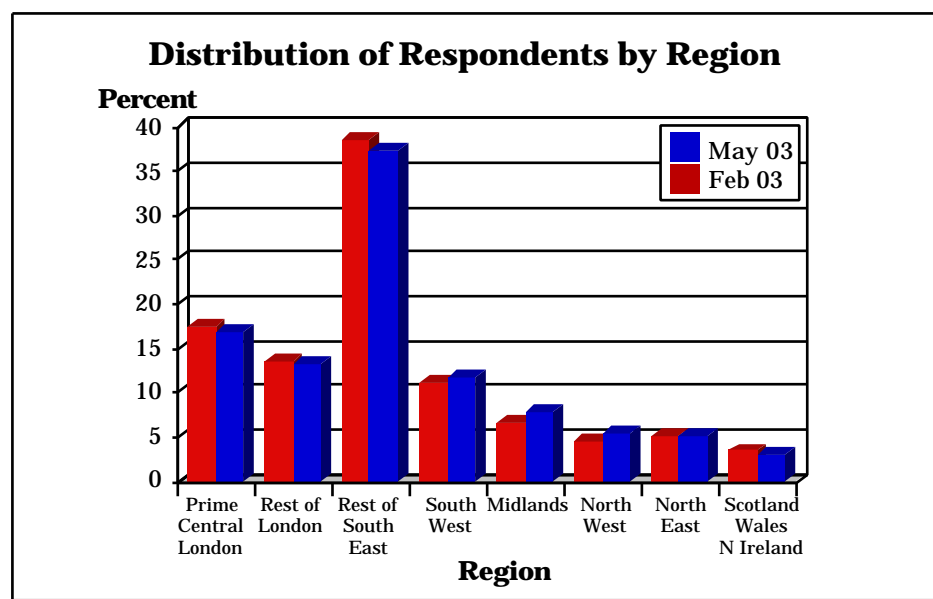
3.1 Geographic Location (Q.1)

The South East, including London, was the region with the highest proportion of ARLA member offices responding, accounting for two thirds (67%) of all respondents.

After the South East, the South West, with 12% of respondents, was the region with the most respondents followed by the Midlands with 8%. There were no respondents from Northern Ireland.

Region	Percent of Respondents (%)		
	Nov 02	Feb 03	May 03
Central London	16.3	17.4	16.8
Rest of London (<i>inside M25</i>)	12.1	13.3	13.1
South East (<i>excl. London</i>)	39.3	38.4	37.3
South West	10.3	11.2	11.6
Midlands	8.6	6.6	7.8
North West	5.2	4.6	5.4
North East	4.5	5.0	5.0
Scotland/Wales/NI	3.7	3.5	3.0
Base: All respondents	(535)	(519)	(464)

Compared with the February 2003 survey, these figures have not changed very much with the main changes being a slight decrease in respondents from the South of the country mainly in favour of the proportion from the Midlands which has returned to a more normal level.



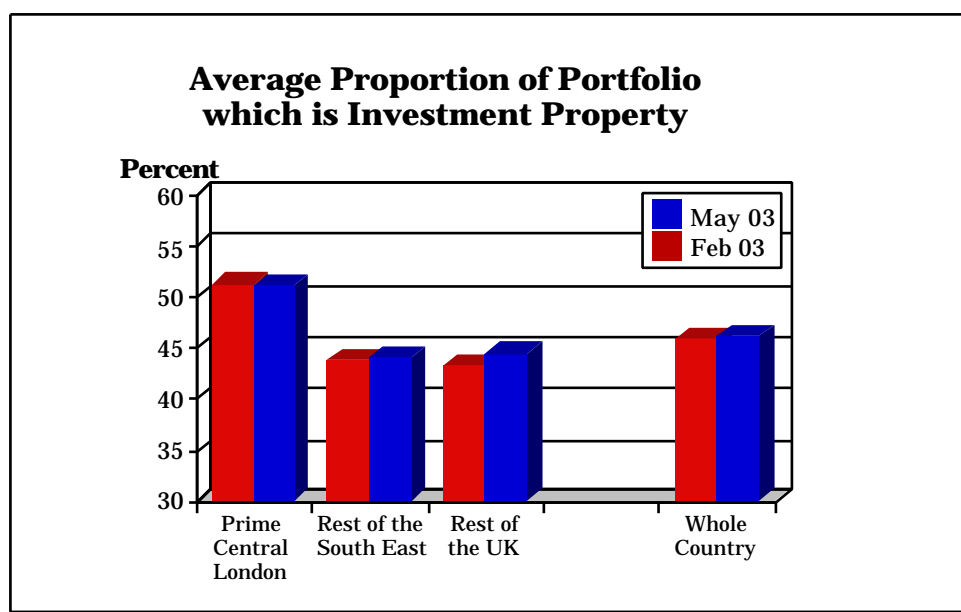
3.2 Proportion of Portfolio Made Up of Investment Property (Q.4)

Most agents offices (76%) say that more than 25% of their portfolio is investment property with more than four out of ten (45%) saying that over 50% of their portfolio is investment property. Investment properties comprise 10% or less of their portfolio for just 6% of offices.

Analysis of the responses to this question reveals that, on average, investment properties account for 46% of ARLA member offices' portfolios.

Proportion of Portfolio	Percent of Respondents (%)			
	Prime London	Rest of SE	Rest of UK	All Regions
None	0.8	-	-	0.2
Up to 10%	3.3	5.3	8.6	5.8
11% to 25%	14.6	18.5	14.5	16.2
26% to 50%	26.8	34.4	29.6	30.8
51% to 75%	34.1	28.0	27.0	29.3
Over 75%	20.3	12.2	16.4	15.7
Not stated	-	1.6	3.9	1.9
Base: All respondents	(123)	(189)	(152)	(464)

There is a noticeable difference between the average proportions for Prime Central London and the rest of the country with the averages being 51% in the case of Prime Central London compared with 44% for the Rest of the South East and 44.5% for the Rest of the UK.



Compared with the last survey in February 2003, the average proportion of portfolios which are in the form of investment property is up very slightly from 45.7% to 46.0%, a rise of just 0.3%.

Geographic Region	Average Proportion of Portfolio (%)			
	Aug 02	Nov 02	Feb 03	May 03
Prime Central London	54.0	51.9	51.1	50.9
South East	44.0	43.8	43.8	44.0
Rest of UK	43.9	44.5	43.3	44.5
All Regions	46.4	46.2	45.7	46.0
Base: All respondents	(509)	(535)	(519)	(464)

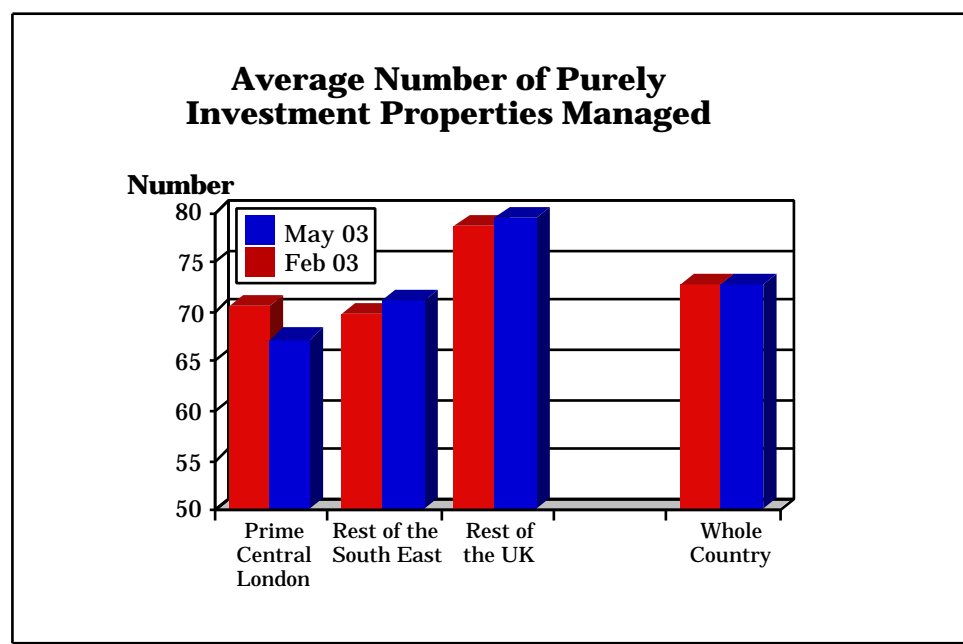
3.3 Number of Purely Investment Properties Managed (Q.5)

By and large, ARLA offices manage substantial numbers of properties with more than a quarter (26%) saying that they manage over a hundred and seven out of ten (70%) managing in excess of 20 properties.

Analysis of these responses shows that the average number of properties managed by ARLA offices is currently 73.

Number of Properties	Percent of Respondents (%)			
	Prime London	Rest of SE	Rest of UK	All Regions
Up to 5	4.9	2.1	4.6	3.7
6 to 10	6.5	6.9	8.6	7.3
11 to 20	18.7	20.6	10.5	16.8
21 to 50	22.8	22.8	21.1	22.2
51 to 100	21.1	22.2	23.7	22.4
Over 100	22.8	24.3	29.6	25.6
Not stated	3.3	1.1	2.0	1.9
Base: All respondents	(123)	(189)	(152)	(464)

Offices in Prime Central London and the Rest of the South East tend to manage fewer properties on average than their counterparts in the Rest of the UK with the average numbers being 67 for Prime Central London, 71 for the Rest of the South East and 79 for the Rest of the UK.

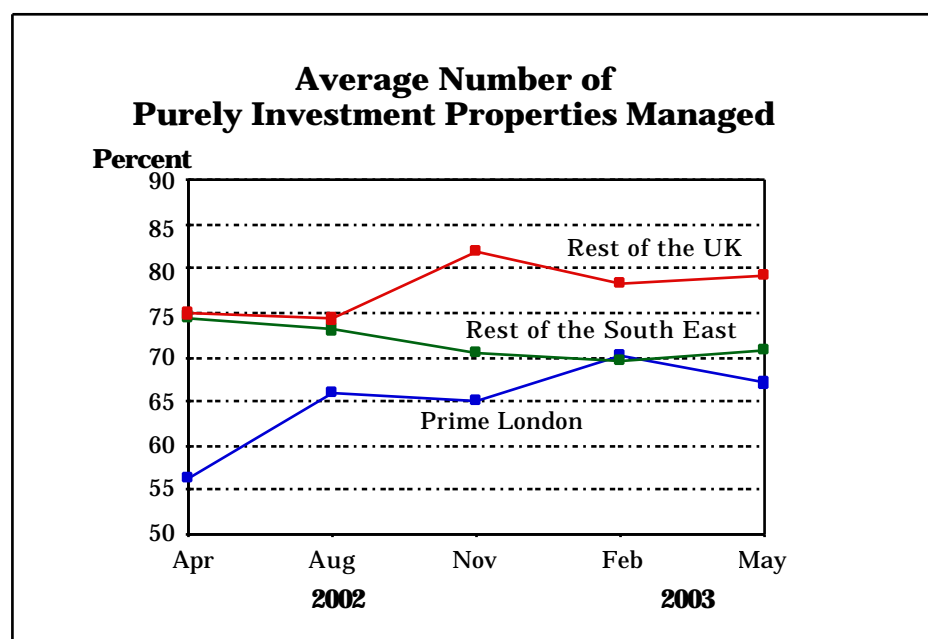


Compared with the last survey in February, the average number of properties managed is unchanged at 73.

Within that overall position, however, the average for Prime Central London has fallen from 70 to 67 compared with an increase from 70 to 71 for the Rest of the South East and an even smaller increase for the Rest of the UK.

Geographic Region	Average Number of Properties (%)			
	Aug 02	Nov 02	Feb 03	May 03
Prime Central London	66.0	65.1	70.3	67.1
South East	73.1	70.6	69.7	70.9
Rest of UK	74.4	82.1	78.5	79.3
All Regions	71.8	72.9	72.6	72.6
Base: All respondents	(509)	(535)	(519)	(464)

As can be seen from the chart below, there has been a trend over the past year for the average number of properties managed by respondents in Prime Central London to increase whilst the average number for the Rest of the South East has declined and that for the Rest of the UK has increased but to a lesser extent.



3.4 Average Value of Buy to Let Properties (Q.6)

In order to provide better definition of average Buy to Let property values, for this survey, the question which has been included in previous surveys about the average value of a Buy to Let property was split between the average value of a Buy to Let House and the average value of a Buy to Let Flat. The response bands were also extended this time at the top end of the scale.

As a consequence, comparisons with previous surveys cannot be made in this report.

Houses

More than half of respondents (57%) said that the average value of a buy-to-let house in their area was between £100,000 and £350,000.

Only a few ARLA offices (3%) said the average in their area was below £75,000 whilst for nearly one in ten respondents (9%) the average was in excess of £750,000.

Analysis of these figures gives an overall weighted average value for a buy-to-let house of £294,900.

Average Value of Houses	Percent of Respondents (%)			
	Prime London	Rest of SE	Rest of UK	All Regions
Up to £75,000	-	0.5	8.6	3.0
£75,001 to £100,000	-	3.2	21.7	8.4
£100,001 to £150,000	1.6	20.1	27.0	17.5
£150,001 to £200,000	4.9	30.2	25.0	21.8
£200,001 to £350,000	11.4	30.2	8.6	18.1
£350,001 to £500,000	25.2	8.5	4.6	11.6
£500,001 to £750,000	20.3	4.8	2.0	8.0
Over £ 750,000	30.9	0.5	1.3	8.8
Not stated	5.7	2.1	1.3	2.8
Base: All respondents	(123)	(189)	(152)	(464)

Not surprisingly, there are big differences between the values of Buy to Let houses in the different regional areas with the average for Prime Central London being more than half a million pounds (£585,000) compared with £234,900 in the Rest of South East and £169,300 in the Rest of the UK.

Flats

Again, as with houses, more than half of respondents (58%) said that the average value of a buy-to-let flat in their area was between £100,000 and £350,000.

However, a higher proportion of ARLA offices amounting to nearly one in ten (9%) said the average value of a Buy to Let flat in their area was below £75,000 whilst for only one in twenty five respondents (4%) said the average was in excess of £500,000.

Analysis of these figures gives an overall weighted average value for a buy-to-let flat of £172,500.

Average Value of Flats	Percent of Respondents (%)			
	Prime London	Rest of SE	Rest of UK	All Regions
Up to £75,000	0.8	4.2	21.1	8.8
£75,001 to £100,000	1.6	13.8	26.3	14.7
£100,001 to £150,000	5.7	37.0	27.6	25.6
£150,001 to £200,000	8.9	23.8	10.5	15.5
£200,001 to £350,000	35.8	14.8	2.6	16.4
£350,001 to £500,000	21.1	1.1	2.0	6.7
£500,001 to £750,000	12.2	0.0	0.7	3.4
Over £ 750,000	2.4	0.0	0.0	0.6
Not stated	11.4	5.3	9.2	8.2
Base: All respondents	(123)	(189)	(152)	(464)

As was the case with Buy to Let houses, there are big differences between the values of Buy to Let flats in the different regional areas with the average for Prime Central London being £313,400 compared with £147,400 in the Rest of South East and £106,300 in the Rest of the UK.

Summary

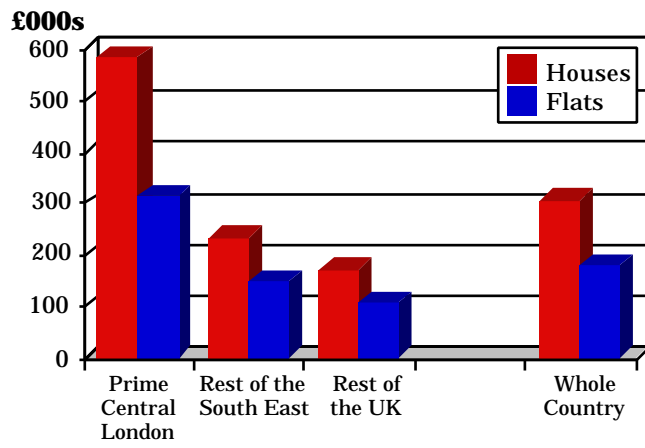
As was to be expected, average values of Buy to Let houses are much higher than those of Buy to Let flats with the figure for houses in Prime Central London being nearly twice that for flats.

Geographic Region	Average Value of Properties (%)	
	Houses	Flats
Prime Central London	585.0	313.4
South East	234.9	147.4
Rest of UK	169.3	106.3
All Regions	306.2	177.9

Base: All respondents (464)

Whilst there is still a big difference between the values of houses and flats in the rest of the country, the difference is less marked than it is for Prime Central London as the chart below shows.

Average Values of Buy-to-Let Properties



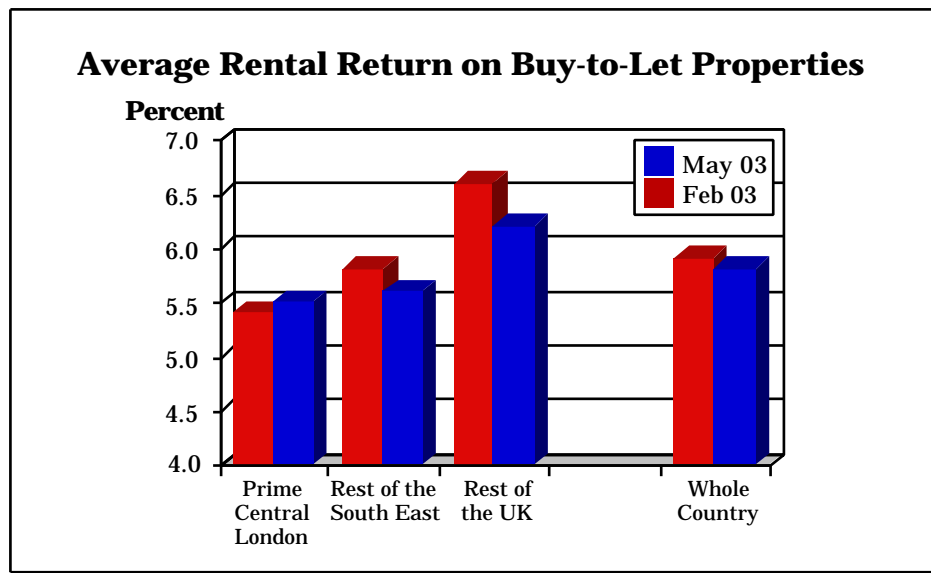
3.5 Average Rental Return on Buy-to-Let Property (Q.7)

According to ARLA members' offices, a rental return of between 4% and 7% is the norm for buy-to-let properties with more than eight out of ten respondents (81%) saying that this applies to their area.

Analysis of these results reveals a weighted average perceived rental return on buy-to-let properties of 5.8%.

Average Return	Percent of Respondents (%)			
	Prime London	Rest of SE	Rest of UK	All Regions
Less than 4%	7.3	4.2	2.0	4.3
4% to 5%	54.5	41.8	34.2	42.7
6%	21.1	29.6	26.3	26.3
7%	5.7	12.2	17.1	12.1
8%	4.9	4.2	11.2	6.7
9% to 10%	1.6	3.2	1.3	2.2
11% to 12%	0.8	1.1	2.0	1.3
12% to 15%	1.6	-	2.0	1.1
Over 15%	1.6	-	0.7	0.6
Not stated	0.8	3.7	3.3	2.8
Base: All respondents	(123)	(189)	(152)	(464)

There is some difference in rates of return as between the different geographical areas with the average for Prime Central London being 5.5% compared with 5.6% for the Rest of the South East and 6.2% elsewhere in the UK.

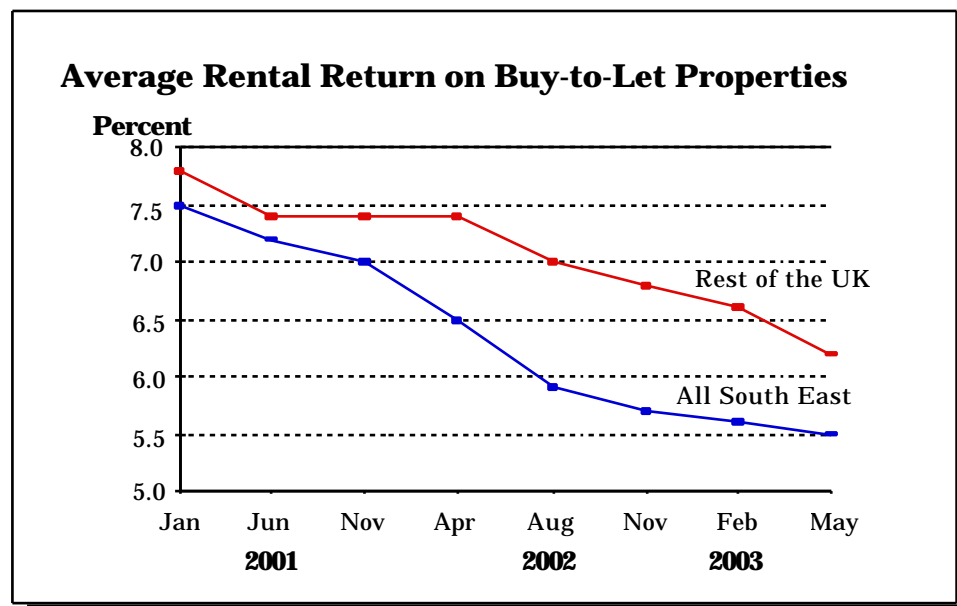


Compared with three months ago, the overall weighted average rental return has fallen from 6.0% to 5.8%. However, within this overall change, the average for Prime Central London rose slightly, from 5.4% to 5.5% whilst that for the Rest of the South East fell from

5.8% to 5.6% and the figure for the Rest of the UK showed a greater decline, from 6.6% to 6.2%. The result of these changes has been a compression of the range of average returns to about half what it was three months ago.

Geographic Region	Average Rental Return (%)			
	Aug 02	Nov 02	Feb 03	May 03
Prime Central London	5.6	5.4	5.4	5.5
South East	6.1	6.0	5.8	5.6
Rest of UK	7.0	6.8	6.6	6.2
All Regions (weighted)	6.3	6.1	6.0	5.8
Base: All respondents	(509)	(535)	(519)	(464)

As can be seen from the chart below, looking at the figures from this question since January 2001 shows that the average rental rate of return for properties in the South East of the country (including London) has declined quite sharply whilst that for the Rest of the UK has decline less although the gap between the two has narrowed considerably with the results from this survey.



Please note that the response bands for this question were changed in the August 2002 survey and this may have had an impact on the results quite separately from any subsisting change which may have occurred in actual rental returns.

Average Rents

The table below shows the average rents being received by landlords based on the average rental returns and average property prices quoted above.

Geographic Region	Average Rents					
	HOUSES			FLATS		
	Week (£)	Month (£)	Year (£000)	Week (£)	Month (£)	Year (£000)
Prime Central London	619	2,681	32.2	331	1,436	17.2
South East	253	1,096	13.2	159	688	8.3
Rest of UK	202	875	10.5	127	549	6.6
All (Weighted)	321	1,393	16.7	188	817	9.8

Base: All respondents (464)

3.6 Average Void Period Per Year (Q.8)

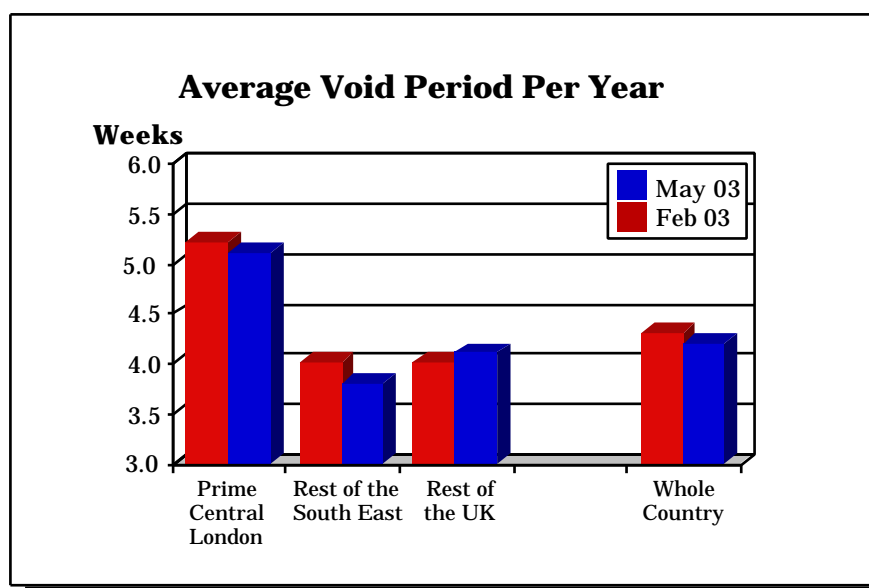
Average void periods for buy-to-let properties tend to be quite short with more than half of ARLA members' offices (57%) reporting averages of 4 weeks or less per year and more than a further quarter (28%) saying the average is between 5 and 6 weeks.

These figures indicate an overall average void rate of 4.2 weeks (29 days) per year.

Average Void Period	Percent of Respondents (%)			
	Prime London	Rest of SE	Rest of UK	All Regions
Less than 2 weeks	4.9	13.8	8.6	9.7
2 to 4 weeks	42.3	49.2	50.0	47.6
5 to 6 weeks	23.6	29.6	29.6	28.0
7 to 8 weeks	19.5	6.9	9.2	11.0
More than 8 weeks	8.9	-	0.7	2.6
Don't know	0.8	0.5	2.0	1.1
Not stated	-	-	-	-
Base: All respondents	(123)	(189)	(152)	(464)

Respondents with properties in Prime Central London experience a higher void rate than average at 5.1 weeks (36 days) per year.

The average void period for the Rest of the South East is 3.8 weeks per year (27 days) compared with 4.1 weeks (29 days) for the Rest of the UK.



Compared with February, the overall average void period is down slightly from 4.3 to 4.2 weeks (29 days) but this hides decrease for Prime Central London and the Rest of the South East and an increase for the Rest of the UK.

Geographic Region	Average Void Period (weeks)			
	Aug 02	Nov 02	Feb 03	May 03
Prime Central London	5.0	5.0	5.2	5.1
South East	4.1	4.1	4.0	3.8
Rest of UK	4.1	4.0	4.0	4.1
All Regions	4.3	4.3	4.3	4.2
Base: All respondents	(509)	(535)	(519)	(464)

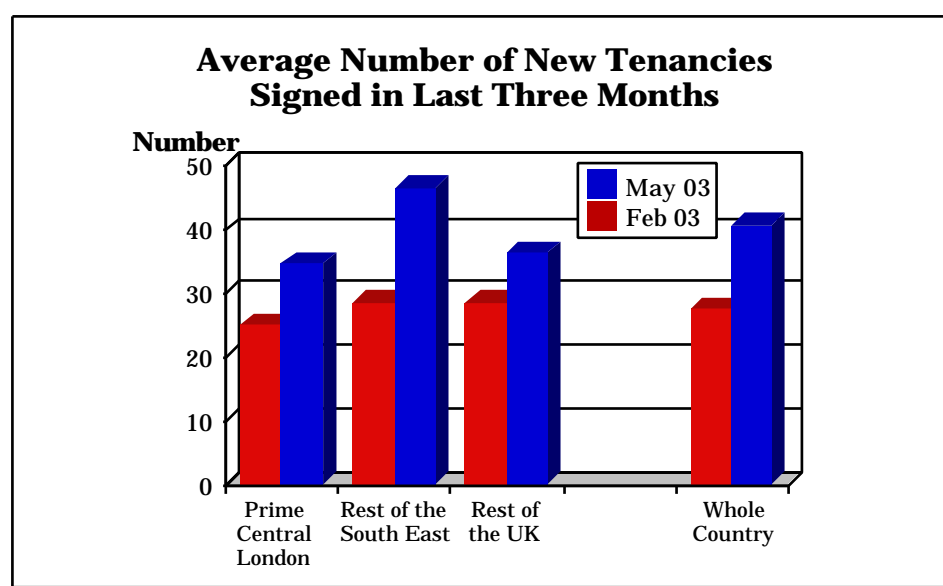
3.7 Number of New Tenancies (Not Renewals) Signed Up in the Last Three Months (Q.9)

More than six out of ten offices (61%) have signed up between 11 and 50 new tenancies (other than renewals) in the last three months with a third (33%) having signed up between 21 and 50. Approaching a further one office in eight (13%) have signed up more than 50 new tenancies in the last three months.

Analysis of these results reveals that, on average, ARLA members' offices have signed up 40 new tenancies in the last three months.

Number of Tenancies	Percent of Respondents (%)			
	Prime London	Rest of SE	Rest of UK	All Regions
None	-	1.1	-	0.4
Up to 5	5.7	5.8	9.2	6.9
6 to 10	17.1	19.6	17.1	18.1
11 to 20	33.3	25.4	26.3	27.8
21 to 50	36.6	32.8	31.6	33.4
Over 50	7.3	14.8	15.8	13.1
Not stated	-	0.5	-	0.2
Base: All respondents	(123)	(189)	(152)	(464)

Offices managing properties in Prime Central London appear to have fared worse than those in the rest of the UK with the average figures being 34 for Prime Central London compared with 46 for the Rest of the South East and 36 for the Rest of the UK.



As this question was changed to refer to the number of new tenancies signed up in the last three months (rather than the last two months as in previous surveys) no valid comparisons can be made with previous results.

3.8 Proportions of Different Property Types in Portfolios (Q.13)

This question sought to determine the composition of ARLA members' offices portfolios in terms of the types of properties of which they are comprised.

Summary

For the country as a whole, the most prevalent type of property held in the portfolios of ARLA members' offices appears to be purpose built flats with nearly two out of ten respondents (18%) saying that more than half of their properties are of this type compared with, at the other end of the scale, just 1.3% saying that more than half of their properties are studio flats.

Proportion of Portfolio	Percent of Respondents (%)					
	Det House	Semi House	Terr House	Conv Flat	PB Flat	Studio Flat
NONE	10.2	4.8	2.2	6.7	1.1	18.0
Up to 10%	45.4	28.2	26.1	30.9	18.5	58.1
11% to 25%	23.4	38.7	33.1	18.8	26.3	6.7
26% to 50%	8.1	15.9	21.0	18.8	27.2	2.7
51% to 75%	1.6	3.2	5.6	7.5	12.1	0.5
76% to 90%	2.4	0.3	1.9	3.5	4.6	0.5
Over 90%	-	-	0.8	1.3	1.6	0.3
Don't know	8.6	8.6	9.1	11.8	8.6	12.6
Not stated	0.3	0.3	0.3	0.5	-	0.5

Base: All respondents (464)

The table and graph below shows the calculated average proportion of each type of property included in the portfolios of ARLA members' offices for each of the three geographic areas as well as for the whole of the UK.

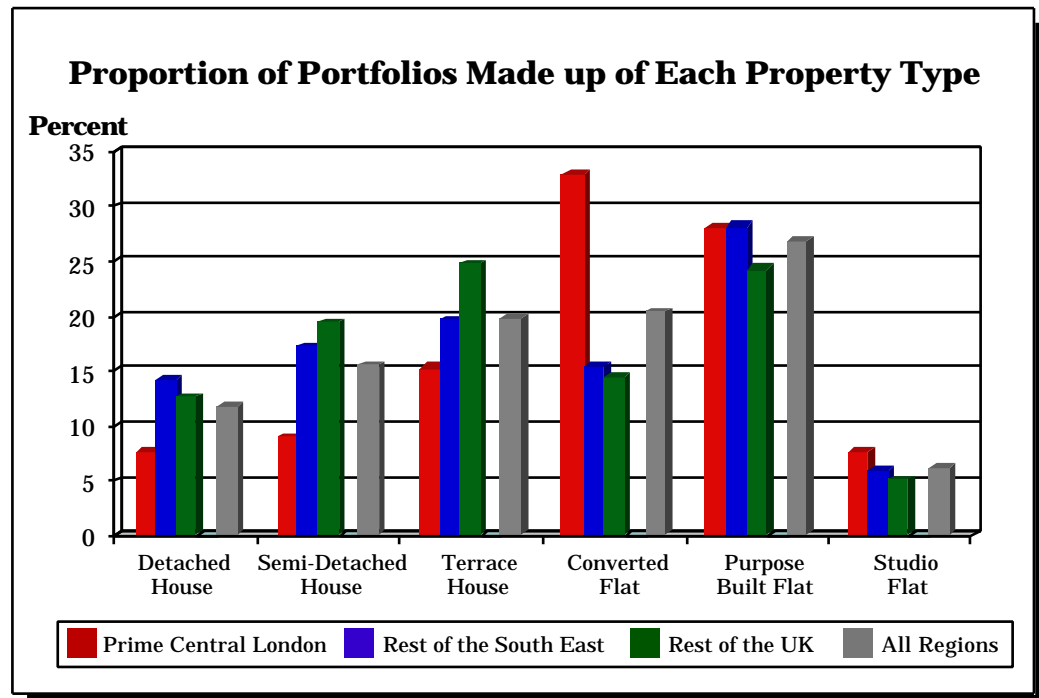
Geographic Region	Average Proportion of Portfolio (%)					
	Det House	Semi House	Terr House	Conv Flat	PB Flat	Studio Flat
Prime Central London	7.4	8.8	15.2	32.9	28.0	7.6
Rest of the South East	14.1	17.1	19.5	15.4	28.1	5.8
Rest of the UK	12.5	19.3	24.6	14.3	24.2	4.9
All regions	13.8	18.2	23.3	24.0	13.5	7.2

Base: All respondents (464)

These figures confirm that the most popular type of property overall is flats in converted houses (24%) and terraced houses (23%) with the least popular being studio flats (7%) and detached houses (14%).

However, the picture in the different geographical areas varies quite considerably. Whilst flats in converted houses are the most popular property type in Prime Central London (33%), in the Rest of the

South East, it is purpose built flats which predominate (28%) whilst in the Rest of the UK, terraced houses (25%) edge purpose built flats (24%) into second place.



Looking at the proportions of houses of all types compared with the proportions of flats of all types shows that in Prime Central London the split is 31% houses and 69% flats compared with, at the other end of the scale, 56% houses and 44% flats in the Rest of the UK. The picture for the Rest of the South East falls between these two with 51% houses and 49% flats.

3.9 Change in Achievable Rent Levels Over Last 6 Months (Q.14)

All Regions

In the case of each of the six listed property types, around two out of ten ARLA members' offices (between 18% and 25%) believe that achievable rent levels have increased over the last six months whilst around four out of ten (ranging from 36% to 46% in all cases other than studio flats) believe they have decreased.

Response	Percent of Respondents (%)					
	Det House	Semi House	Terr House	Conv Flat	PB Flat	Studio Flat
Increased a lot	1.9	2.4	3.5	0.8	2.7	1.1
Increased a little	16.1	20.4	20.7	18.5	22.3	16.7
Stayed the same	24.2	31.7	35.2	36.6	30.4	37.9
Decreased a little	27.2	27.7	26.6	29.0	33.1	21.0
Decreased a lot	18.8	11.3	9.1	6.5	8.3	4.6
Don't know	11.0	5.6	4.6	8.3	3.0	18.0
Not stated	0.8	0.8	0.3	0.3	0.3	0.8

Base: All respondents (464)

These figures tend to suggest that, on average, achievable rent levels have decreased somewhat over the past six months.

Prime Central London

The situation in Prime Central London is clearly much more pessimistic than for the country as a whole with only around one in twenty offices saying that achievable rent levels for each type of property have increased whilst at least six out of ten, in every case (other than studio flats) believe rent levels have decreased.

Response	Percent of Respondents (%)					
	Det House	Semi House	Terr House	Conv Flat	PB Flat	Studio Flat
Increased a lot	2.0	2.0	1.0	-	-	1.0
Increased a little	3.0	4.0	3.0	6.9	7.9	4.0
Stayed the same	8.9	13.9	18.8	20.8	16.8	24.8
Decreased a little	23.8	37.6	46.5	50.5	50.5	41.6
Decreased a lot	36.6	27.7	24.8	16.8	21.8	11.9
Don't know	22.8	11.9	5.0	4.0	2.0	14.9
Not stated	3.0	3.0	1.0	1.0	1.0	2.0

Base: All respondents (123)

These figures clearly indicate that there has been a sizeable downturn in achievable rent levels for Prime Central London property over the past six months.

Rest of the South East

With regard to the Rest of the South East, the picture is better but there are still many more respondents saying that achievable rent levels have decreased (between 19% and 56%) than say they have increased (between 13% and 29%).

Response	Percent of Respondents (%)					
	Det House	Semi House	Terr House	Conv Flat	PB Flat	Studio Flat
Increased a lot	0.7	0.7	2.6	1.3	2.6	0.7
Increased a little	11.8	18.4	22.4	20.4	26.3	22.4
Stayed the same	25.0	41.4	41.4	40.1	31.6	40.1
Decreased a little	36.8	28.9	26.3	25.7	32.9	17.1
Decreased a lot	19.1	7.2	3.9	2.6	3.9	2.0
Don't know	6.6	3.3	3.3	9.9	2.6	17.1
Not stated	-	-	-	-	-	0.7

Base: All respondents (189)

Again these figures indicate that some decline in achievable rent levels has taken place in the South East of the country.

Rest of the UK

For the Rest of the UK, the outlook is much brighter with considerably more respondents saying that achievable rent levels have increased than say they have decreased.

The strongest performance was clearly amongst semi detached houses in the Rest of the UK where more than four out of ten respondents (42%) said rent levels had increased compared with just 20% saying they had decreased.

Response	Percent of Respondents (%)					
	Det House	Semi House	Terr House	Conv Flat	PB Flat	Studio Flat
Increased a lot	3.4	5.0	6.7	0.8	5.0	1.7
Increased a little	32.8	37.0	33.6	26.1	29.4	20.2
Stayed the same	36.1	34.5	41.2	45.4	40.3	46.2
Decreased a little	17.6	17.6	10.1	15.1	18.5	8.4
Decreased a lot	3.4	2.5	2.5	2.5	2.5	1.7
Don't know	6.7	3.4	5.9	10.1	4.2	21.8
Not stated	-	-	-	-	-	-

Base: All respondents (152)

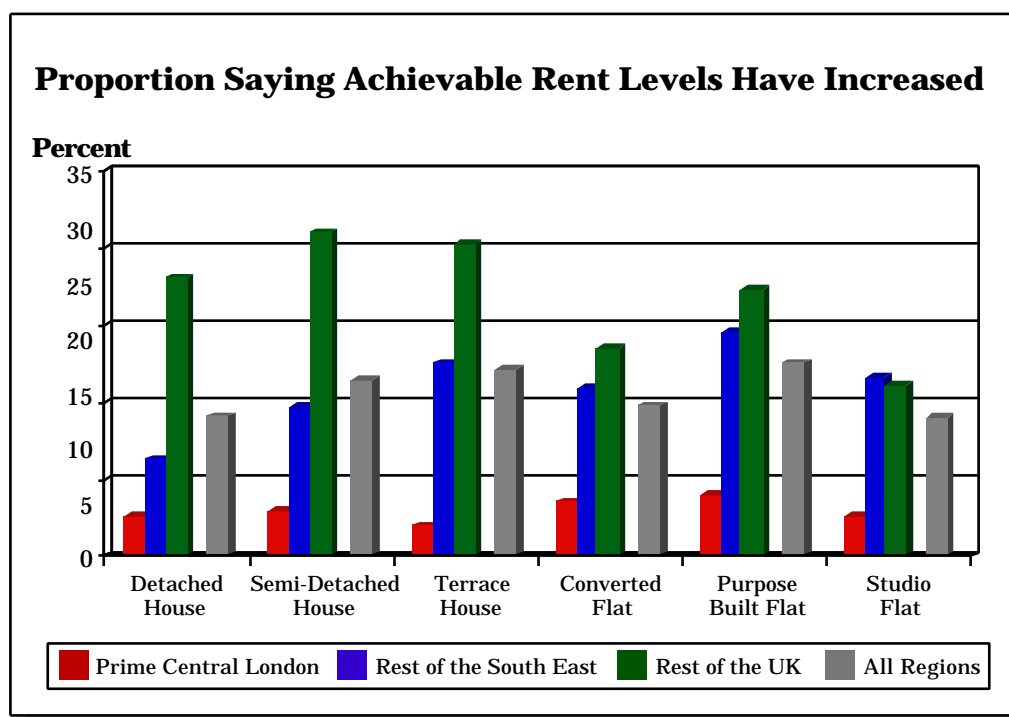
It appears from these figures that achievable rent levels in the Rest of the UK have increased over the last six months.

Summary

The table and graph below show the proportion of respondents from each geographical area who said they believed achievable rents had increased for each type of property.

Geographic Region	Percent Saying Achievable Rents Have Increased (%)					
	Det House	Semi House	Terr House	Conv Flat	PB Flat	Studio Flat
Prime Central London	5.0	5.9	4.0	6.9	7.9	5.0
Rest of the South East	12.5	19.1	25.0	21.7	28.9	23.0
Rest of the UK	36.1	42.0	40.3	26.9	34.5	21.8
All regions	18.0	22.8	24.2	19.4	25.0	17.7

Base: All respondents (464)



3.10 Balance of Supply & Demand in Rented Residential Property Sector (Q.15)

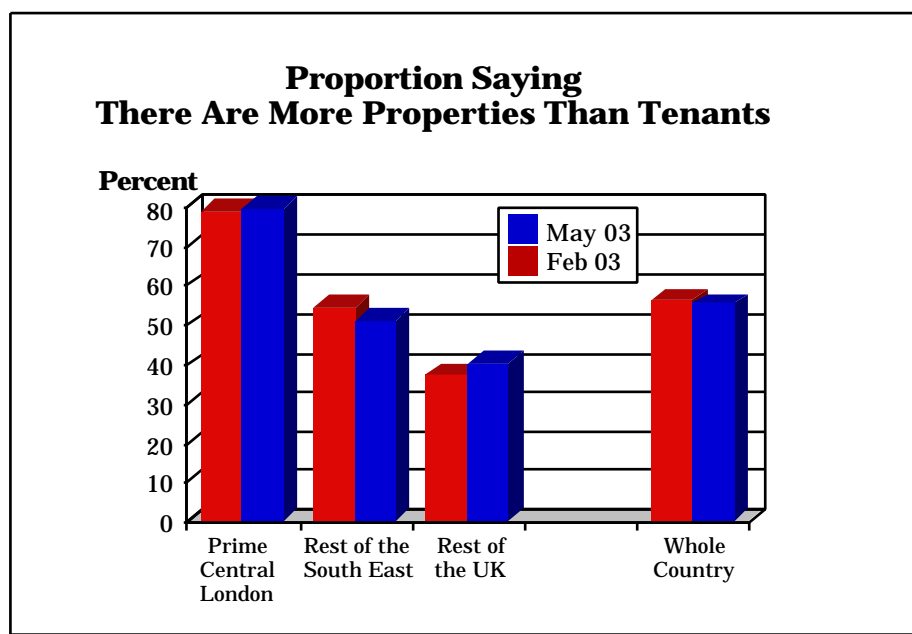
More than half of ARLA members' offices (55%) believe that there are more rented residential properties available than there are tenants to fill them.

Roughly equal proportions believe that supply of, and demand for, rented residential properties is in balance or that there are more tenants than there are properties available for them (21% and 23% respectively).

These figures suggest that, both overall and for each geographical area, there are more properties available than there are tenants to fill them.

Balance of Supply and Demand	Percent of Respondents (%)			
	Prime London	Rest of SE	Rest of UK	All Regions
Lot more props than tenants	45.5	23.8	13.8	26.3
Few more props than tenants	34.1	27.0	26.3	28.7
Equal nos of props & tenants	12.2	24.9	23.7	21.1
Lot more tenants than props	4.1	10.1	17.1	10.8
Few more tenants than props	4.1	12.7	17.1	11.9
Not stated	-	1.6	2.0	1.3
Base: All respondents	(123)	(189)	(152)	(464)

However, there is clearly a much more severe situation of over supply in Prime Central London where 80% of respondents said there were more properties than tenants compared with 51% for the Rest of the South East and 40% for the Rest of the UK.



In this survey, 55% of respondents said there were more properties than tenants and this compares with a figure of 56% in February, suggesting there might have been a slight improvement over the last three months in the situation with regard to the balance of supply and demand.

Geographic Region	Proportion Saying There Are More Properties than Tenants (%)			
	Aug 02	Nov 02	Feb 03	May 03
Prime Central London	83.9	84.5	78.6	79.6
South East	63.3	68.2	54.3	50.8
Rest of UK	47.1	46.8	37.3	40.1
All Regions	62.9	65.6	56.1	55.0
Base: All respondents	(509)	(535)	(519)	(464)

This improved situation, however, only relates to the Rest of the South East with the situation actually appearing to have worsened a little in Prime Central London and by a bit more in the Rest of the UK.

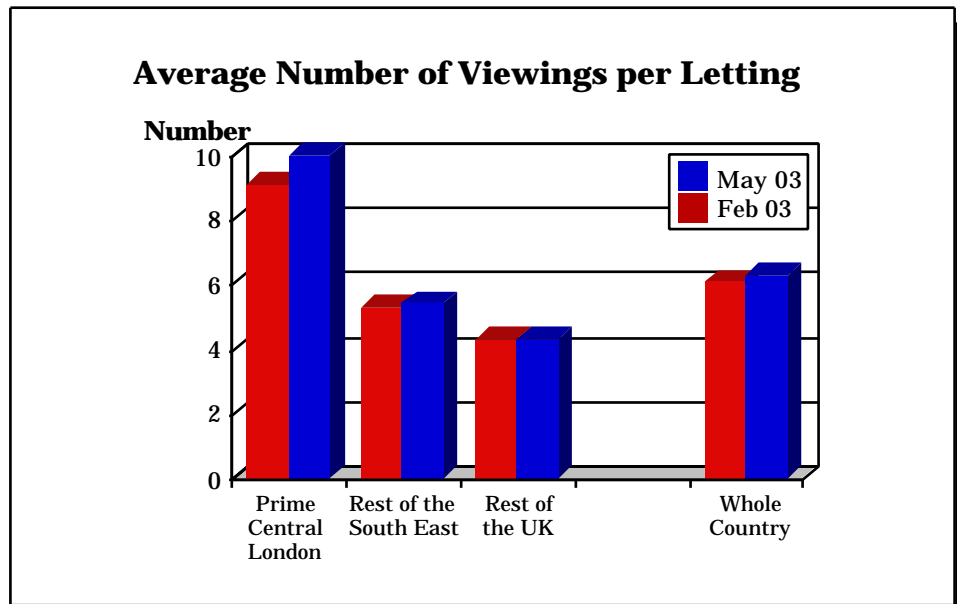
3.11 Number of Viewings Per Letting (Q.16)

Getting on for four out of ten ARLA members' offices (37%) have to deal with an average of 4 or 5 viewings of a property before it is let and for more than a third of offices (36%), the average number of viewings per letting is 6 or more.

Analysis of these figures produces an overall average of 6.3 viewings per letting.

Number of Viewings per Letting	Percent of Respondents (%)			
	Prime London	Rest of SE	Rest of UK	All Regions
1	-	0.5	0.7	0.4
2 or 3	7.3	23.8	40.8	25.0
4 or 5	18.7	46.0	40.1	36.9
6 to 10	44.7	23.8	14.5	26.3
11 to 20	22.0	4.8	1.3	8.2
Over 20	6.5	-	-	1.7
Not stated	0.8	1.1	2.6	1.5
Base: All respondents	(123)	(189)	(152)	(464)

On average, ARLA members in Prime Central London have to show roughly twice as many prospective tenants round a property (10.0) before it is let as do their counterparts in the Rest of the South East (5.4) or the Rest of the UK (4.3).

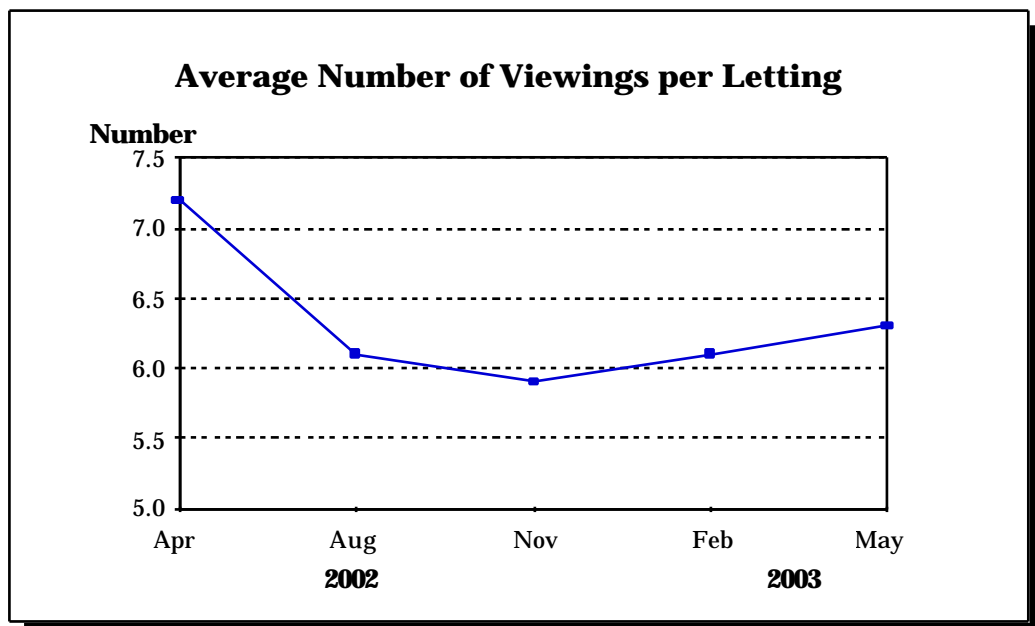


Compared with the February 2003 survey, the overall average number of viewings per letting is up again, this time from 6.1 to 6.3. However, this is still well below the figure of 7.2 seen a year ago in April 2002.

Within this overall change, the average number for Prime Central London properties has increased from 9.1 to 10.0 and the figure for the Rest of the South East has risen from 5.3 to 5.4 whilst that for the Rest of the UK is again unchanged at 4.3 viewings per letting.

Geographic Region	Average Number of Viewings per Letting (%)			
	Aug 02	Nov 02	Feb 03	May 03
Prime Central London	9.8	9.0	9.1	10.0
South East	5.2	5.1	5.3	5.4
Rest of UK	4.6	4.3	4.3	4.3
All Regions	6.1	5.9	6.1	6.3
Base: All respondents	(509)	(535)	(519)	(464)

As the chart below shows, the overall average number of viewings per letting, having decreased during 2002, turned upwards at the beginning of 2003 and this change has continued with this latest survey.



Questionnaire