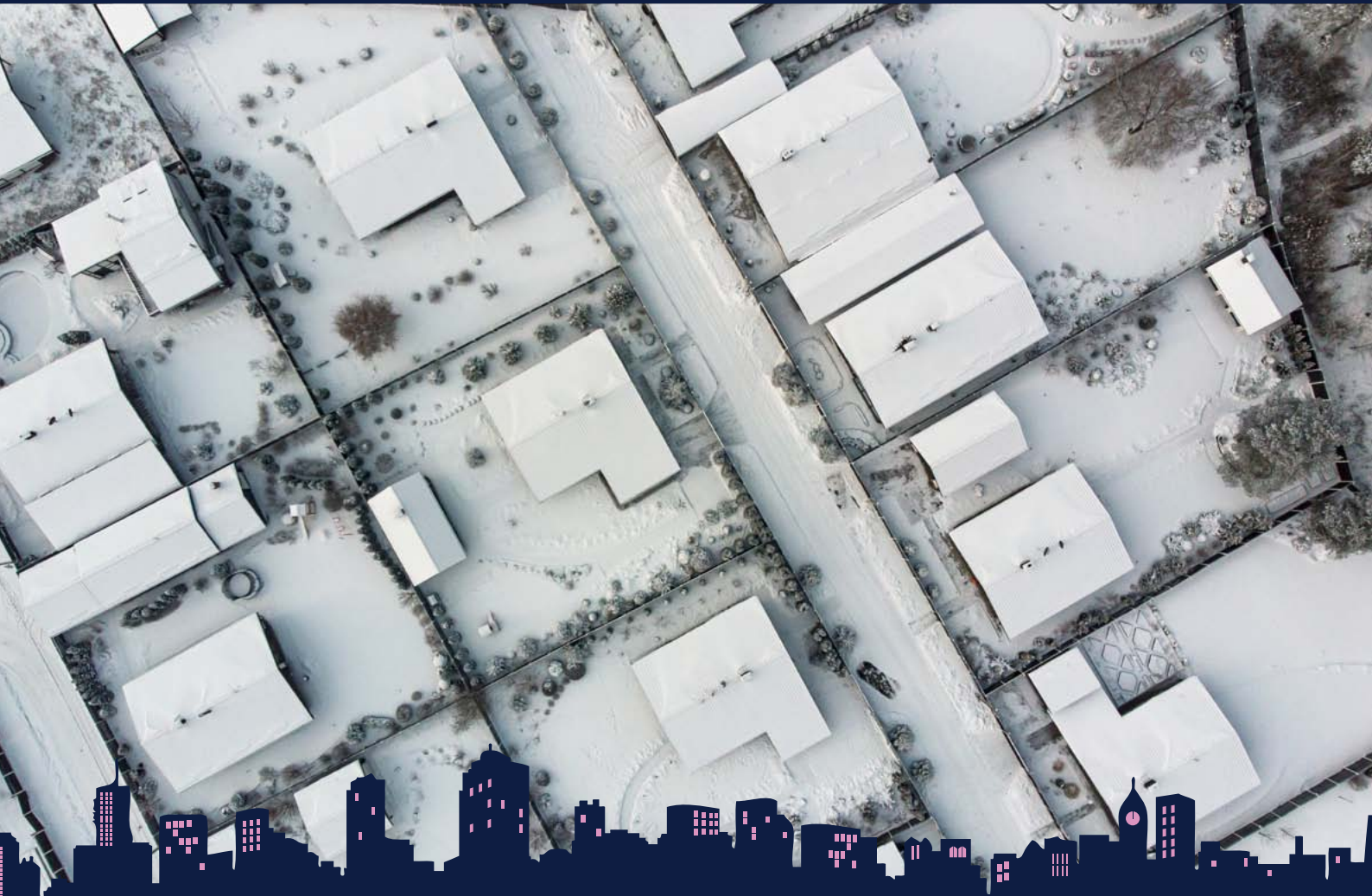


# Cold Snap



- Market Overview    ▪ National Trends
- Spotlights: Edinburgh, Glasgow, Aberdeen, Dundee & more
- Agent Views    ▪ Postcode & Town Analysis: Localised Rental Prices
- Pipeline: BTR & MMR news
- SAL: Rent Freeze and Eviction Ban
- ESPC: Properties Continue to Sell Quickly in Edinburgh
- TC Young: Terminating Joint Tenancies
- SafeDeposits Scotland: Top Tips and Common Mistakes in Deposit Disputes

# Market Overview

The third quarter of any year is often the most intense for demand relative to supply sending available stocks to their seasonal low. Q3 2022 not only met that expectation but exceeded seasonal norms sending average stock levels to historic lows after having recovered mildly in the previous quarter.

It is not surprising that, despite undoubted good intentions, the lettings industry across the full private and social spectrum have raised legitimate concerns for future supply levels after the snap policy announcement to freeze rent rises for existing tenancies and evictions in early September. Questions too as to the calculations for overall net benefit to the sector and what underpinned policy. Citylets records trends in the open market at tenancy formation where supply has been chronically restrained.

The Cost of Living (Tenant Protection) (Scotland) Bill 2022 is being fast tracked through Holyrood at the time of this publication and, should it be passed into law, may bring concerns legion for Scotland's PRS.

With house prices having risen further throughout Q3 2022 and interest rates rising at their fastest pace since the financial crisis of 2007/8, it is likely that further demand will be put on the

PRS with would-be buyers deterred both by steeper mortgage repayments, should they be lucky enough to qualify, and buying into the sector at its likely peak in the cycle. It may be some time before the fate of the housing market is truly known but few commentators would now predict price appreciation in the immediate or medium term. Even mere stagnation against pervasive high inflation, prices will of course be falling in real terms.

With such pressures on supply, prices have kept rising and will likely do so through the full year given the double digit growth in major cities continuing. Additionally Aberdeen is now posting strong growth, something not seen for nearly a decade.

Much needed new supply from the emerging BTR sector may be slowed down by such abrupt announcements to policy. As apolitical writers of this Citylets report for over 15 years, it is reasonable however to say that there are alarm bells ringing as regards future supply which must be addressed. The proof of that seems contained in this report.

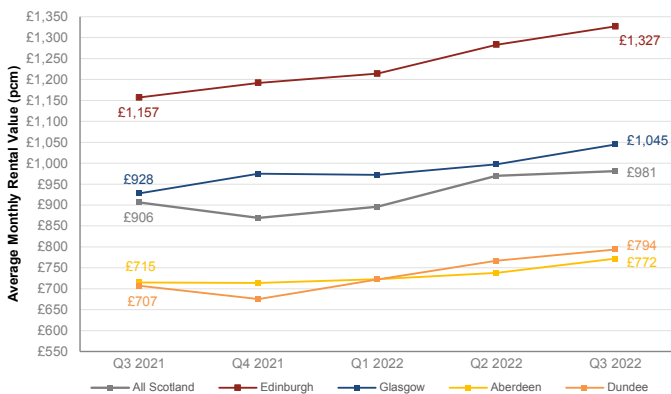
Q3 2022 witnessed average rents in Scotland rise 8.3% Year on Year (YOY) to stand at £981 per month, a new All Time High (ATH), with properties taking

just 19 days to let. Property to rent in Edinburgh remained very difficult to secure with average Time to Let (TTL) remaining at just 15 days. 1 bed properties take, on average, just 11 days to rent. The average property to let in Edinburgh now costs £1327 per month, up a significant 14.7% YOY. Many agents note they have never operated in a more competitive market.

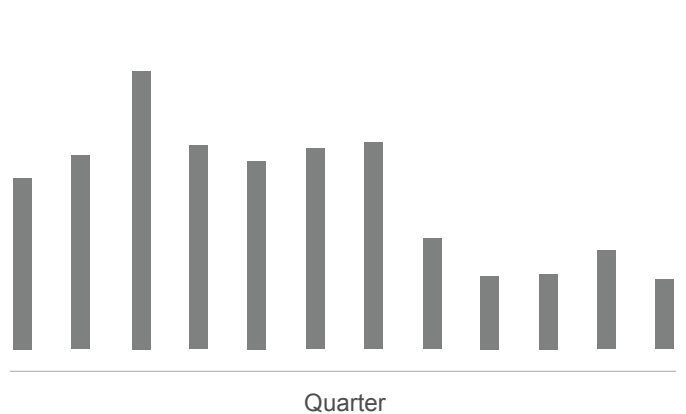
Glasgow rents continue their steep rise, now averaging over one thousand pounds per month for the first time, a new ATH at £1045, up 12.6% YOY but falling for the second quarter from the notable 16% annual rise recorded at Q1 2022. TTLs however are still very low at 13 days.

Aberdeen leasing is now firmly back in growth territory at 8% YOY with the average property commanding £772 per month and TTLs continuing to fall YOY, now at 30 days. It is entirely possible the supply constraints could also return to Aberdeen and see the Granite City make ground or indeed surpass the fast growing Dundee rental market. Rents in Dundee continue to push upwards to a new ATH of £794 on average, up 12.3% YOY but interestingly with TTLs lengthened on last quarter and also last year by 8 and 6 days respectively.

Scottish Monthly Rent Analysis (Q3 2021 - Q3 2022)



Scotland - Average Stock Levels (Q4 2019 - Q3 2022)

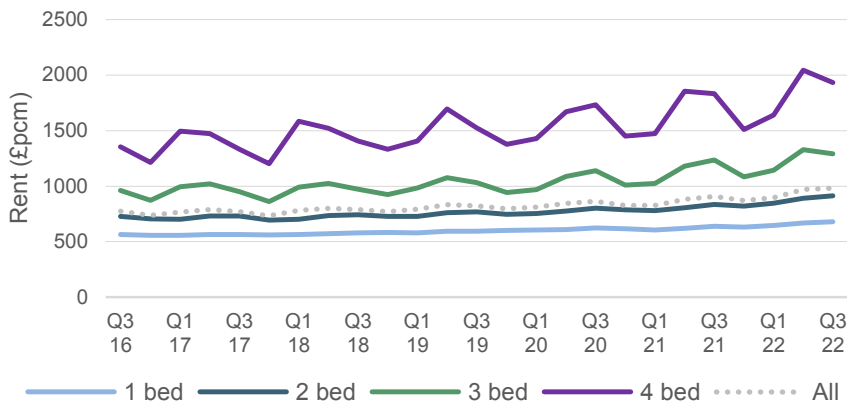


# Scotland

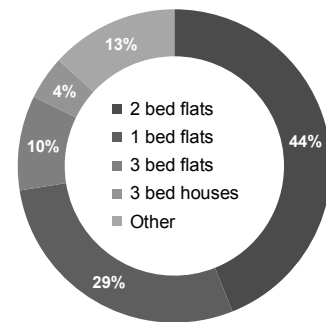
## Market Overview - Q3 22

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	£680	6.6%	20.1%	37.1%	16	-9	40%	83%
2 bed	£915	9.6%	25.3%	42.7%	17	-8	40%	81%
3 bed	£1,292	4.4%	35.9%	52.7%	22	-9	32%	73%
4 bed	£1,931	5.3%	44.8%	61.7%	29	-8	23%	63%
<b>All</b>	<b>£981</b>	<b>8.3%</b>	<b>27.1%</b>	<b>44.9%</b>	<b>19</b>	<b>-8</b>	<b>38%</b>	<b>79%</b>

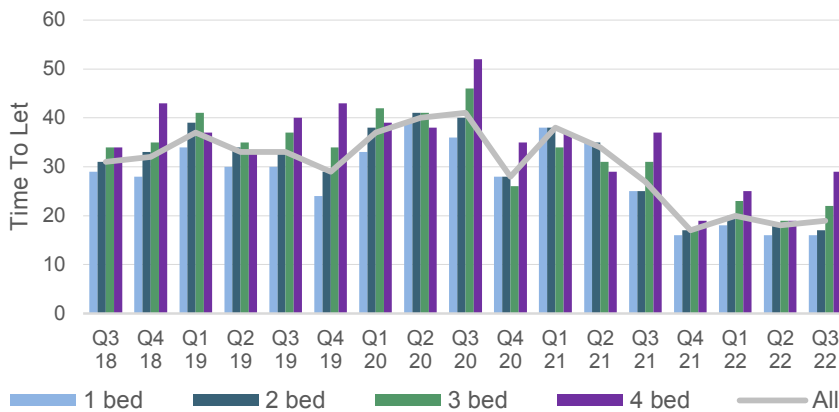
### Average Rent (pcm) by Number of Bedrooms



### Market Composition



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



### Rental Index

(base: Q1 08)

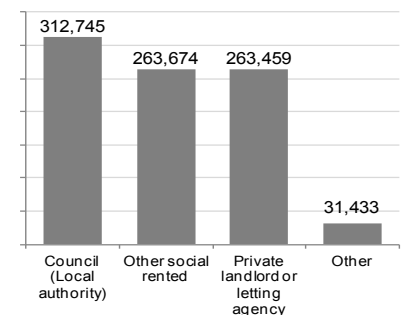
Year	Q1	Q2	Q3	Q4
2011	100.3	102.8	103.9	101.7
2012	102.9	104.2	105.0	104.0
2013	104.7	107.4	106.5	105.1
2014	108.4	112.1	114.1	113.5
2015	116.4	118.1	117.4	115.7
2016	118.9	120.5	120.2	114.6
2017	119.1	122.3	119.7	113.8
2018	120.9	123.9	122.3	119.5
2019	122.9	129.1	127.3	123.6
2020	125.7	130.9	134.1	128.1
2021	128.1	136.9	140.5	134.7
2022	138.9	150.4	152.1	



### Karen Turner - Rettie & Co

"The summer months have remained buoyant with tenant demand high. We have seen a larger amount of student enquiries which is down to many not having moved on at the end of the last academic year. Edinburgh and Glasgow have both experienced a similar level of interest. Time to let is down and rents up. It really is a race for space at the moment and it shows no signs of abating. We require to see positive steps to support investment into the PRS, not more hurdles to get through."

### Households: Rented



Source: Census 2011, Edinburgh

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PRS



Student



Housing Association



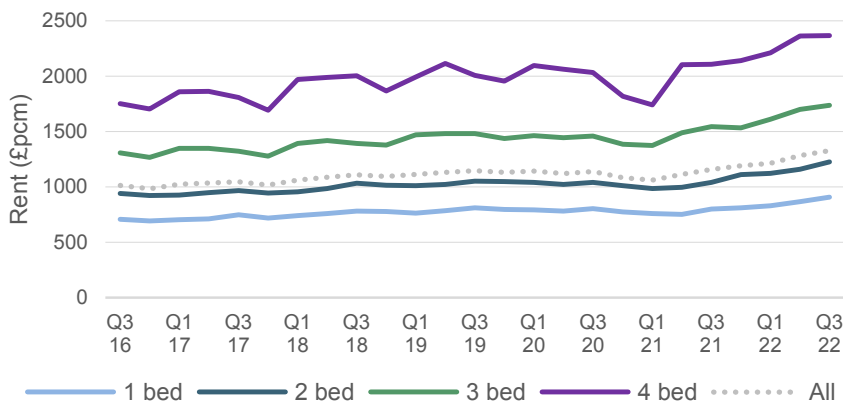
Estate Agency

# Edinburgh

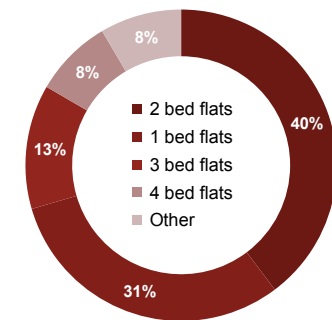
## Market Overview - Q3 22

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	£908	13.6%	21.6%	65.7%	11	-13	48%	92%
2 bed	£1,225	17.7%	26.7%	68.0%	12	-14	50%	90%
3 bed	£1,737	12.5%	31.4%	68.5%	18	-22	37%	79%
4 bed	£2,366	12.3%	30.9%	65.5%	24	-20	27%	70%
<b>All</b>	<b>£1,327</b>	<b>14.7%</b>	<b>26.6%</b>	<b>67.3%</b>	<b>15</b>	<b>-15</b>	<b>45%</b>	<b>87%</b>

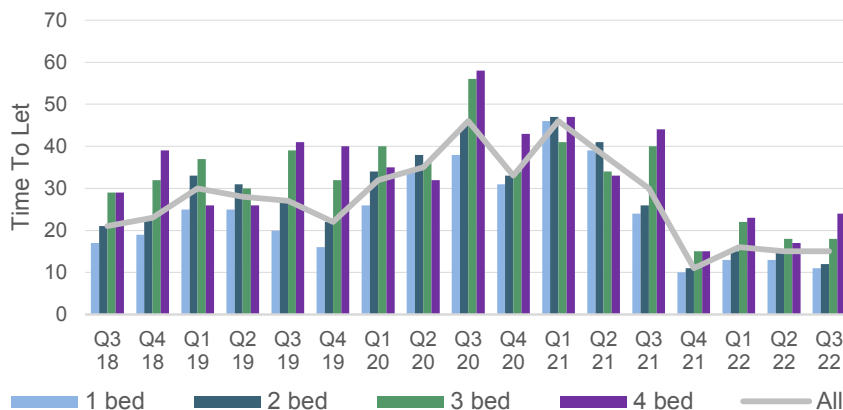
### Average Rent (pcm) by Number of Bedrooms



### 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	177.6	

### 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%



### Charlie Inness - Glenham Property

"The market in Edinburgh has swung from a situation of a post pandemic oversupply of stock, which resulted in deflationary pressure on rents, to one of a significant undersupply, which has driven rents to record levels in the capital. Demand levels remain high - we are seeing multiple applicants for any property advertised, resulting in average time to let figures dropping across all areas and for all sizes of properties. It will be interesting to see if activity levels drop as we move into winter. It is our expectation that demand levels will remain high and at the same time stock levels will continue to be constrained, meaning competition amongst tenants searching for properties will be intense."



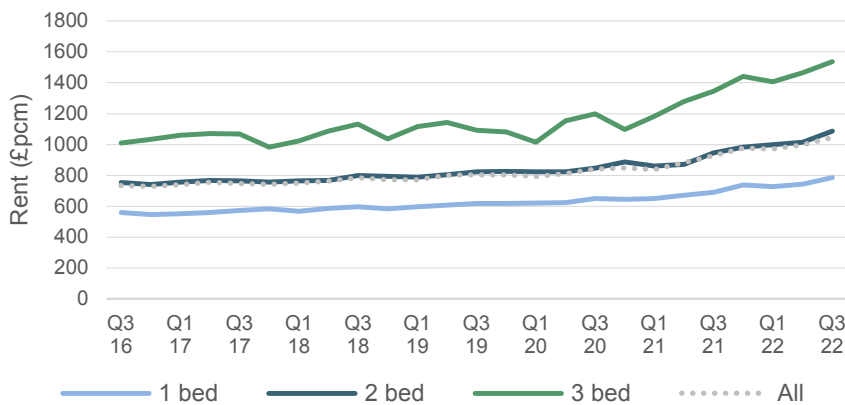


# Glasgow

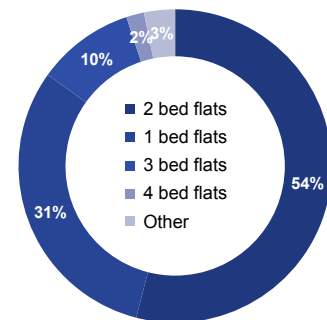
## Market Overview - Q3 22

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	£786	14.1%	37.4%	66.5%	10	-6	54%	93%
2 bed	£1,087	14.9%	42.3%	74.8%	14	-6	49%	86%
3 bed	£1,537	14.3%	43.8%	80.2%	18	-5	45%	79%
4 bed	£2,095	8.9%	50.2%	74.9%	15	-15	39%	91%
<b>All</b>	<b>£1,045</b>	<b>12.6%</b>	<b>39.7%</b>	<b>69.9%</b>	<b>13</b>	<b>-6</b>	<b>50%</b>	<b>87%</b>

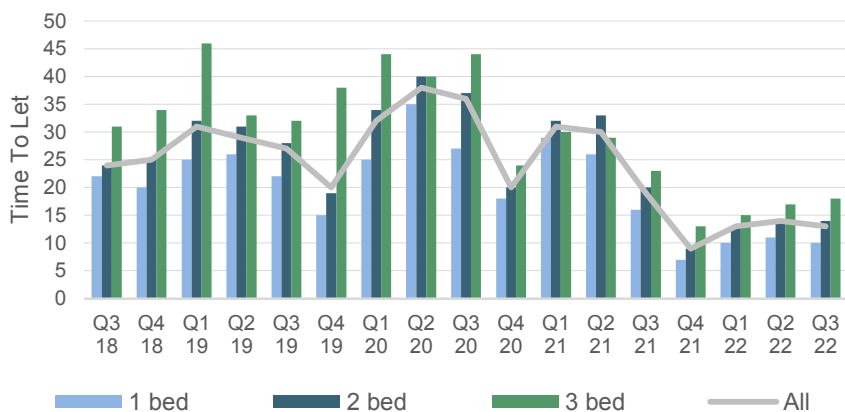
### Average Rent (pcm) by Number of Bedrooms



### 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	184.3	

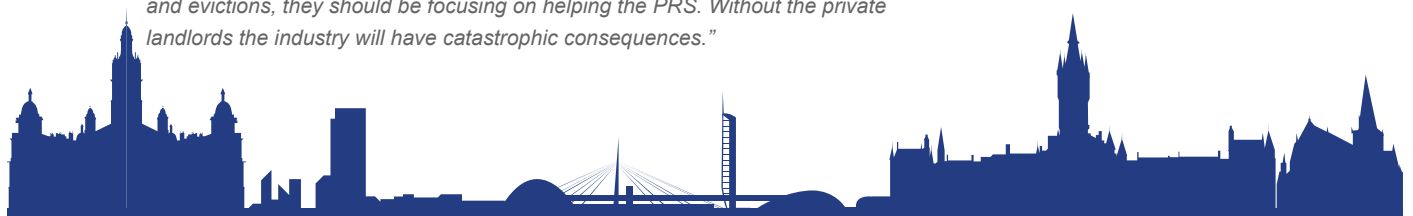
### Yield by Popular Postcodes (Flats)

	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%



#### Wendy Gallagher - One Stop Properties

"Q3 has seen the PRS come through some turbulent times. It has been a frenzy of prospective tenants struggling to find accommodation in the city and once again, we find ourselves with no available stock. The properties are reserved on the 1st viewing which is great for landlords, however, difficult for the unsuccessful candidates. The bank of investors we previously had on our books are disappearing quicker than we have ever witnessed. The Scottish Government are not helping the housing crisis and instead of putting a freeze on rent increases and evictions, they should be focusing on helping the PRS. Without the private landlords the industry will have catastrophic consequences."

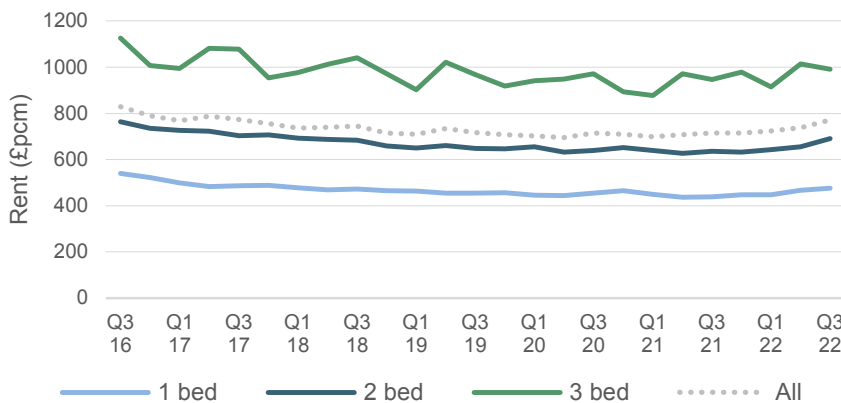


# Aberdeen

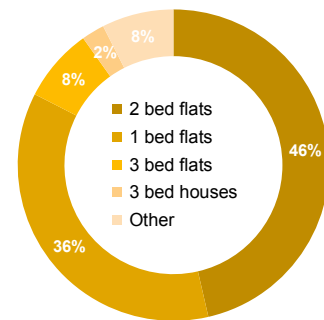
## Market Overview - Q3 22

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	£476	8.4%	-2.3%	-17.5%	28	-17	20%	63%
2 bed	£690	8.7%	-2.0%	-17.2%	28	-16	20%	63%
3 bed	£991	4.6%	-8.2%	-19.6%	36	-3	16%	48%
4 bed	£1,599	7.4%	3.4%	-8.6%	44	11	10%	41%
All	£772	8.0%	-0.3%	-14.1%	30	-13	19%	60%

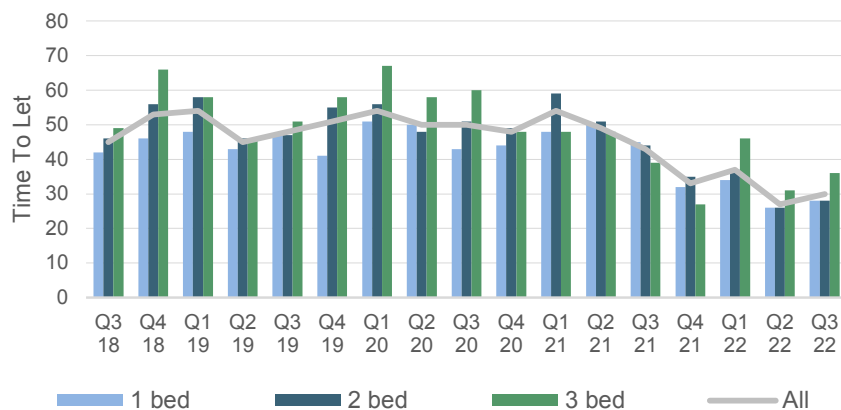
### Average Rent (pcm) by Number of Bedrooms



### 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	87.2	

### 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%



#### Chris Minchin - Winchesters

"The rental market in Aberdeen has seen a huge surge in Q3 with each month showing record numbers of new leases and a slowdown in the number of move out's. This increased demand, coupled with slowing down of supply, has led to stock levels declining and rents rising at a healthy level from the lows of the previous years. Among the seasonal student moves there is a strong sign of corporate activity picking up in the city and tenants are routinely choosing to pay more for well-presented properties and shunning those of the magnolia variety."

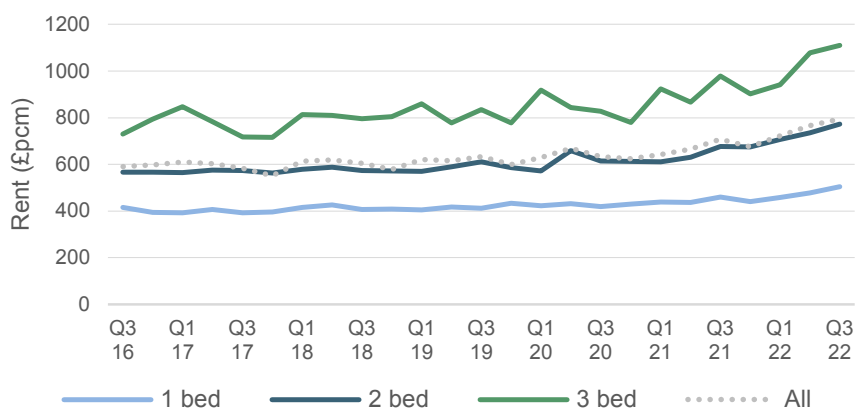


# Dundee

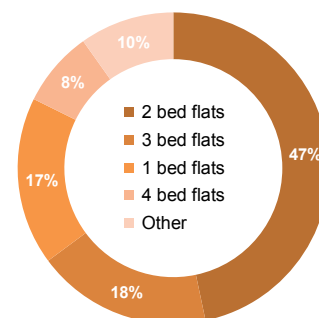
## Market Overview - Q3 22

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	£504	9.6%	22.6%	28.2%	16	0	45%	79%
2 bed	£772	14.2%	26.4%	34.5%	19	-3	44%	80%
3 bed	£1,111	13.5%	33.2%	55.0%	40	16	18%	50%
All	£794	12.3%	25.4%	36.0%	28	6	36%	69%

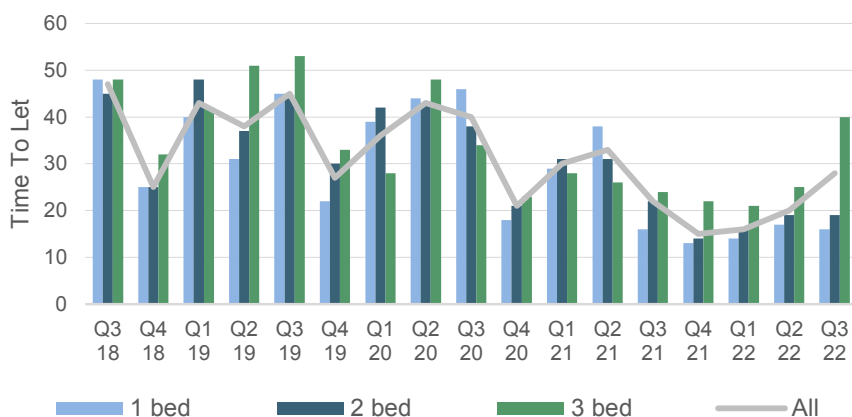
### Average Rent (pcm) by Number of Bedrooms



### 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	137.8	

### 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

"Q3 presented a variety of challenges to the PRS, most notably the Government's imposition of the removal of the ability to increase rents and a ban on enforced evictions across the board. The effects of this blanket change of policy, which is at present considered to be temporary, remains to be seen in the sector. Whilst demand for all types of rental property continues to be strong, the hope is that landlords choose to weather the immediate storm and do not remove themselves from the market. The high rents achieved in the current market are offering a degree of comfort to landlords and agents alike and Q4 is likely to follow suit in that respect."







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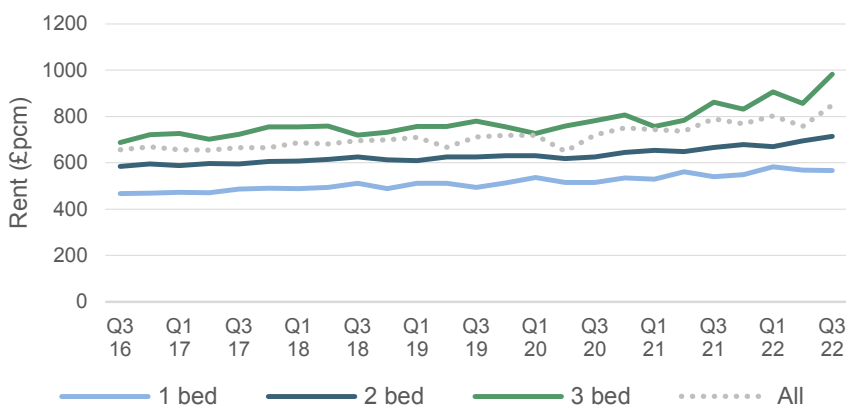
[citylets.co.uk/podcasts](https://citylets.co.uk/podcasts)

# West Lothian

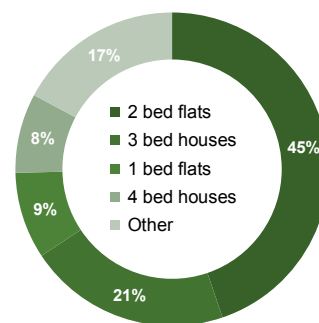
## Market Overview - Q3 22

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	£566	4.8%	16.5%	29.8%	14	5	31%	88%
2 bed	£714	7.0%	19.8%	33.0%	14	1	34%	87%
3 bed	£983	14.2%	35.8%	55.8%	13	1	37%	89%
All	£851	7.9%	28.0%	42.1%	14	2	32%	88%

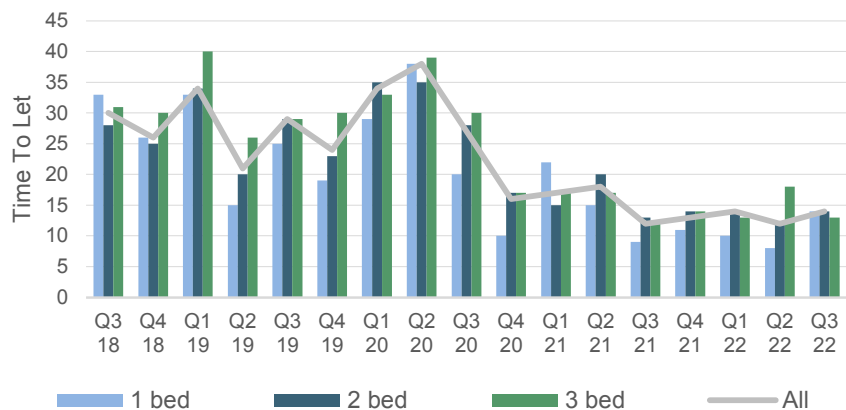
### Average Rent (pcm) by Number of Bedrooms



### 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	146.7	

### 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 dwindling availability of properties means TTL continues to remain low and rents are rising as a result. Tenants residing in properties longer is a contributing factor in lower levels, coupled with long term landlords leaving the sector. Government announcements of eviction bans and a freeze on rent increases, along with the rising cost of living and interest rates, appears to be bringing uncertainty and concern amongst landlords. These are likely to deter potential new landlords into the sector in the short term, leaving a shortage of new instructions being available along with some existing landlords considering their options."

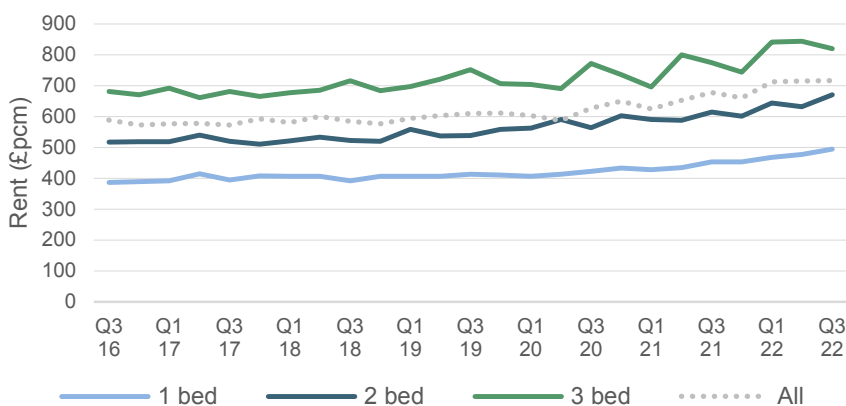


# South Lanarkshire

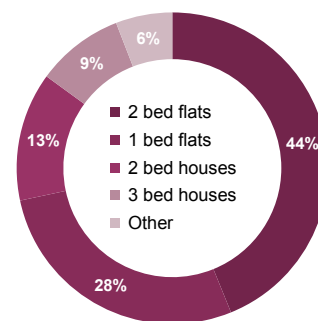
## Market Overview - Q3 22

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	£495	9.3%	25.3%	27.2%	15	1	38%	91%
2 bed	£670	9.1%	28.8%	39.3%	12	-1	49%	90%
3 bed	£820	5.9%	20.4%	27.9%	13	-3	38%	88%
All	£716	5.8%	25.0%	28.1%	13	-1	44%	89%

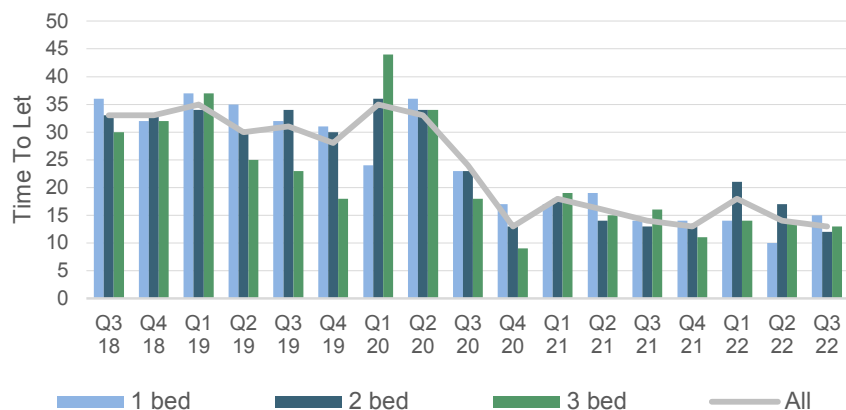
### Average Rent (pcm) by Number of Bedrooms



### Market Composition



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



### Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2011	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	131.9	

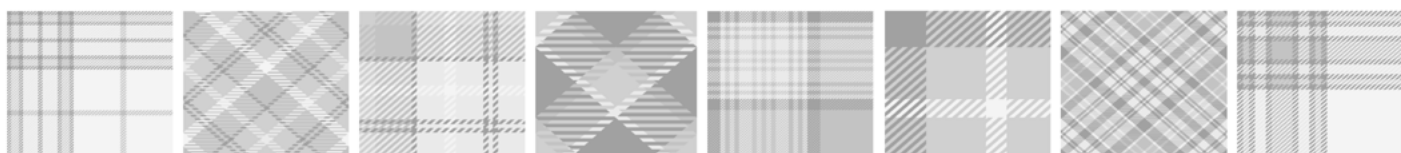
### Yield by Popular Postcodes (Flats)

	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%



#### Lesley Barclay - Happy Lets

"The South Lanarkshire market continues to perform well, however, with demand hugely outweighing supply - this is resulting in increased rents which could be difficult to sustain during and after the current economic climate. Just as the cost-of-living crisis is impacting tenants, property owners are also being hit hard with increased interest rates, and many are feeling in a catch twenty-two situation. This situation is making current property owners reconsider their future in letting and making potential landlords think twice about investing in rental properties at the moment. This then fuels the issue with low stock availability, and the cycle continues."

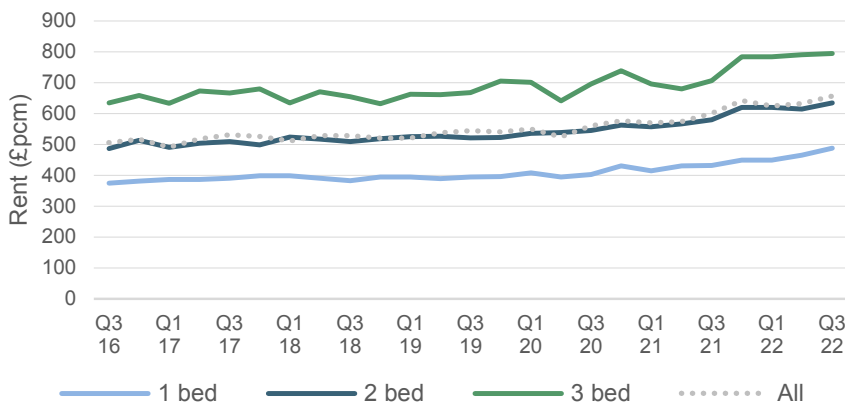


# Renfrewshire

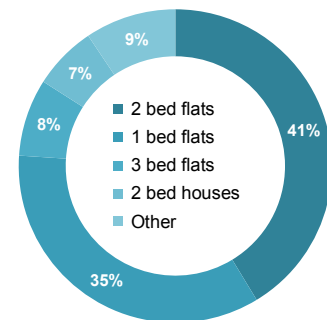
## Market Overview - Q3 22

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	£488	13.0%	24.8%	39.4%	14	-2	46%	85%
2 bed	£634	9.3%	24.6%	34.9%	14	-2	36%	89%
3 bed	£794	12.5%	19.0%	22.3%	15	-5	43%	78%
All	£657	9.5%	23.7%	35.7%	14	-3	41%	86%

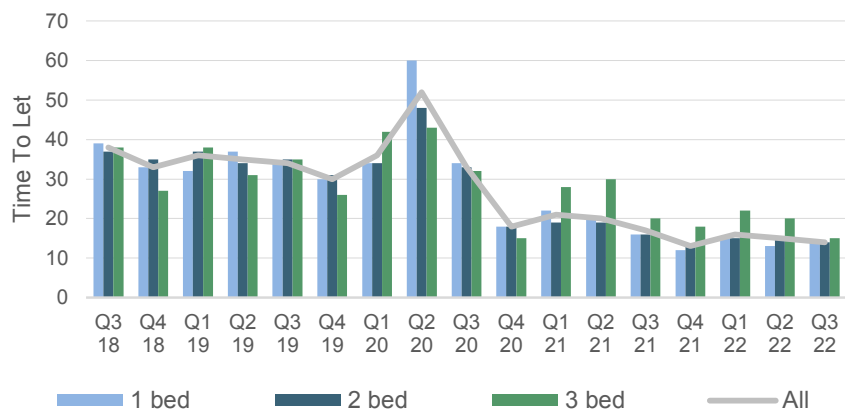
### Average Rent (pcm) by Number of Bedrooms



### Market Composition



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



### Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2011	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	137.7	

### 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

"In Q3, with the increase in the cost of living and the current economic and political changes, the demand for rental properties has remained and we have seen the highest prices since we started trading in 2005. The uncertainty of the current regulatory changes within the PRS has not decreased demand but it has altered the way properties are marketed. Looking forward, there is still a high demand for rental properties, and the market will continue to adapt within the parameters currently being set out, however, there is a concern of the effect on the availability of stock due to the changes in legislation being introduced."



## Agent Views

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

**Aberdeen Considine, Aberdeen – Jade Shepperdson**



*"We have experienced an extremely busy summer market which has continued to have an impact on the stock levels. With a mix of the student market and the oil industry hiring in Aberdeen again, it is proving difficult for tenants to secure*

*accommodation. This is resulting in increased rentals and quick turnarounds. We expect this to continue into the final quarter of the year, therefore if anyone is looking to invest in a BTL property, this would be the time."*

**Direct Lettings, Dundee – Lesley Davie**



*"Dundee is still seeing huge demand for all types of properties and Time to Let is rapid. We continue to take on new properties and new landlords. We are not yet seeing large arrears in rent accruing due to the increase in living and fuel costs, and hope that this trend continues as we are aware it will not be possible to*

*serve notice once the eviction ban comes in, although I believe the government do not as yet have a date or method of bringing this to action and landlords need to know this and be made aware if proposed ban affects applications already submitted."*

**Glasgow Property Letting, Glasgow – Colin MacMillan**



*"In Q3 the market has witnessed unprecedented demand with limited supply culminating in overinflated rents. On the back of the First Minister's recent decision to cease rent reviews and evictions till at least 31/3/23, we have seen a few landlords*

*selling their properties and leaving the market. This is having a dramatic impact especially at this time of year as students/young professionals/doctors have been frantically trying to source accommodation. We have seen c400 enquiries for 2 bedroom flats in the west end/city centre and this is forcing applicants to look out of town and face a longer commute just to source a property due to exceptional demand. We are however confident that more investors, both UK and international, may enter the market to stimulate the sector in the future, provided there are no more curve balls in the offing."*

**Clan Gordon, Edinburgh – Jonathan Gordon**



*"Adverts in Edinburgh continue to attract what seems unlimited enquiries from many desperate people looking to secure a home. Whilst the new licensing regulations being launched on 1 October 2022 for short-term lets in Edinburgh are onerous for those*

*investors and tourists, there is a great opportunity for investors to switch to long term letting for stable, good yields, perhaps less hassle and if many do this, it will hopefully alleviate some of the supply issues in rented homes."*

**At Home In Edinburgh, Edinburgh – Rick McCann**



*"Demand in Q3 was the strongest we have ever experienced. The return of domestic and international students for the new academic year has put significant pressure on the market. Many students have started the term with no*

*accommodation and have resorted to staying in hostels, sleeping on sofas or commuting. An urgent review of government policy is required. We await detailed guidance on how the announced freeze on rent increases and ban on evictions will work in practice. We are currently unable to provide any assurances to nervous landlords as the Scottish Government is working on emergency legislation."*





## Agent Views cont...

### Northwood, Aberdeen – Matt Pullinger



*"Q3 has seen a continuation of increased demand across the city and shire. We have been inundated with enquiries and applications seeking accommodation. This has been fuelled partly by lots of international students and families relocating to Aberdeen and looking to rent whilst studying here. We have also seen lots of activity for quality family homes with oil and gas companies moving employees here for long term contracts. Supply continues to be an issue to meet current demand and the uncertainty that the recent rent freeze and moratorium on evictions pose, continues to create further confusion to home owners."*

### Milards, Edinburgh – Amir Fard



*"We have found that tenant demand is still high which results in rents increasing and time to let reducing. The recent Scottish Government announcements have led to higher rents in the short term due to the lack of supply and the potential risk of the rent freeze continuing beyond the initial period. It may be that tenants will not move as often because they face more competition for properties. What is very hard to predict is the market reaction following the new chancellor's recent statement and the surrounding financial activity."*

### Macleod Lettings, Glasgow – Chantelle Mann



*"Tenant demand continues to outstrip supply in all Scottish cities, resulting in rent increases. Long-term landlords are leaving the sector and combined with long-term tenants contribute to this imbalance. This being said, there are still opportunities and ways to help by new investors and landlords if they buy the right property in the right area and expect a decent return on their investment."*

### Cornerstone Letting, Edinburgh – Richard Burgoyne



*"From our experience demand is far outstripping supply currently in the Edinburgh market. We are visited daily by potential tenants who are struggling to find a property, most seem like great options, but we unfortunately can't place them all due to a lack of supply. Government interference in landlords' ability to run their properties is having a negative impact - some landlords are expressing concerns at the legislation being proposed by the SNP and Green coalition and considering leaving the market which will only add to the undersupply issue."*

### Murray & Currie, Edinburgh – Steve Currie



*"A high number of our tenant applications are still being generated from overseas, London and the south. The attraction of high standards of accommodation, safe living environments, excellent quality of life, efficient amenities including easy access to international travel, world class education and special working opportunities are high on the list of reasons. The list is vast and makes Edinburgh and Scotland an attractive place to live. Few can boast lists as long. With recent economic events, we predict the demand for rental property in Scotland will continue to be healthy and strong and we feel very well positioned to match and meet the expectations of anyone looking to make it home."*

### Cairn Lettings, Glasgow – Fiona Herbin



*"Following on from Q2 2022, the rental market in Glasgow and Edinburgh continues to be extremely buoyant with properties being successfully let at the first viewing. The demand is high and we are encouraging clients to invest as there is currently not enough properties on the market. Our student lets are fully occupied and we do not anticipate this to change, especially as Glasgow University have advised students not to enrol if they have not secured accommodation. The recent announcement from the First Minister for Scotland imposing a ban on rent increases and evictions has raised questions but we are remaining positive."*

### Cox & Co., Edinburgh – Mike Erskine



*"Demand has never been so high with literally hundreds of people vying for the limited properties available. Rental values are up and occupancy has never been so high. We are working tirelessly with our investors to try and bring new stock to the market to offer more people homes, but the appetite is far greater than can be sated. With the recent announcement on rent freezes and eviction bans, it will be interesting to see what clarity is given on this moving forward and what impact it will have into Q4 2022 and Q1 2023. Time will tell, but Q3 has been history making in more ways than one."*



## Agent Views cont...

### Indigo Square, Glasgow – Brian Gilmour



*"The Glasgow market continues to be driven by low supply and overwhelming demand driving up rents. It is this pressure that seems to have prompted the recently announced rent freeze. It has been a stressful time for tenants, especially students with start dates for courses and yet no accommodation, and there is no end in sight. This imbalance between demand and supply has driven up rents on newly listed properties (which are not affected by the announced rent freeze) and whilst we maintain this imbalance, we will therefore continue to see the headline figure for average rents rise despite the freeze."*

### Martin & Co, Aberdeen – Eduardo Prato



*"We have seen an exceptional growth in activity this summer. The demand for properties of all sizes has been on a seven-year high. Long lists of waiting applicants keep fuelling this trend. The number of applicants for upper end properties in the West End, Cults, Milltimber, Bielside, Westhill and Bridge of Don is particularly high when compared to the number of properties available in these areas. Rents consistently continue their uptrend across the board. There are clear indications that the economy of Aberdeen, 'The Energy Hub', is being fuelled by a new mix: ever growing activity in the renewable energy sector, as well as the renaissance of the oil and gas industry."*

### Burgh Property, Edinburgh – Andrew Markham



*"The market for Q3 has been continually fast paced and in keeping with the pace we saw in Q2, with a real rush in demand from tenants across all sectors and property type. The chronic shortage in available rental stock across all sectors of the market is causing real pain for tenants who are trying to find a long-term home in the private rented sector, and when viewing, we are increasingly seeing tenants in a desperate or very temporary state of living, often with nowhere long term to live. A challenge for us as agents currently, is to ensure that we match the right tenant to the right property to ensure a successful tenancy for both landlord and tenant – a significant supply of available tenants is good for landlords and is keeping rents punchy just now, but it can breed an environment of tenants taking whatever they can get – and that is often not the best outcome for landlords or tenants. The market remains very buoyant for landlords and we see rents holding strong into the new year."*

### Western Lettings, Glasgow – Jack Gallagher



*"The private rental market in Glasgow is in failure mode, with demand rising while supply is shrinking. The net result is that there are not enough properties available for increasingly desperate tenants. We have seen overseas students having to defer their studies for a year because they cannot secure accommodation. The recently introduced rent freeze is causing more landlords to exit the market. Those who remain are setting advertised rents higher than normal when tenants serve notice, since they are prohibited from raising them during the tenancy. Perhaps falling real house prices will prevent some landlords from selling over the winter."*

### 1LET, Edinburgh – Ken Bell



*"In Q3, the PRS has been dominated by one major theme – a chronic shortage of rental property unable to meet the spiralling demand. Working in the Edinburgh rental market for over 14 years I have never quite known such a disparity between supply and demand. 1Let has never had so many properties under management but the soaring demand from all tenant classes has meant the supply of available property has not been able to meet the needs of the market. Additional rental stock is so desperately needed, however disappointingly, the recent announcement by the Scottish Government is likely to deliver the exact opposite."*

### ESPC Lettings, Edinburgh – Nicky Lloyd



*"As can be expected for this time of year, the surge in enquiries from potential tenants was phenomenal, particularly from students. Unfortunately, this only highlighted the shortage of stock available. The story remained a familiar one as in previous quarters with demand drastically outstripping supply. Global and economic crisis are leading to a more cautious approach from potential buy to let investors, but with demand seeming to be higher than ever, I would hope the rental market is still an excellent place to invest."*

## Agent Views cont...

Margaret Duffus Leasing, Aberdeen – Sarah Harley



*"Aberdeen has had a very busy month this September and stock across the city are very low. There have been a lot of international students looking to get accommodation for the start of the academic year and demand doesn't look like it's going to slow down soon. Landlords are being hit by several pieces of bad news - with the prospect of higher than anticipated interest rates, the eviction ban and rent freeze. With change now a constant I'm not brave enough to make any prediction on the future just now."*

Cullen Property Ltd, Edinburgh – Steve Coyle



*"Q3 has been very strong with the highest demand for properties we've ever seen and rent levels have remained very strong too. Cost of living and emergency legislation is likely to dampen rent inflation but the PRS is needed more than ever as demand continues to escalate across all tenures. New landlord investment has been affected but property assets continue to perform well, with no sign of market exits by clients. STL legislation is likely to bring some properties across to the PRS but will have limited effect on reducing wider tenant demand for residential properties, so rents are likely to stay robust in the foreseeable months ahead."*

Rentlocally.co.uk, Edinburgh – Derek Hawson



*"During Q3 we have seen a marked increase in new properties coming to market. This encouraging sign may suggest that despite the uncertainty that persists, increased rents and soaring demand continue to draw investors both old and new to the sector. Tenants are clamouring for property across the spectrum. We are in somewhat uncharted waters as the Scottish Government continues to deliberate on how best to respond to the cost of living crisis, but to date rent freeze and eviction issues are not putting the brake on a sector that is gathering momentum once again."*

### 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 - Q3 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	1058	(14)	1405	(9)	2051	(14)
EH3	1167	(9)	1656	(11)	1922	(19)
EH4	1065	(15)	1223	(12)	1566	(16)
EH5			1048	(10)		
EH6	806	(10)	1051	(11)	1598	(18)
EH7	822	(10)	1180	(11)	1665	(15)
EH8	842	(7)	1174	(8)	1743	(11)
EH9	936	(11)	1287	(12)	1762	(20)
EH10	960	(9)	1331	(13)	1715	(17)
EH11	808	(12)	1087	(10)	1517	(17)
EH12	925	(12)	1169	(12)	1490	(14)

## Glasgow - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
G1	£907	(6)	£1,243	(16)		
G2			£1,080	(18)		
G3	£864	(10)	£1,368	(14)	£1,906	(24)
G4	£800	(8)	£1,099	(16)		
G5			£970	(13)		
G11	£843	(10)	£1,161	(11)	£1,548	(14)
G12	£889	(12)	£1,371	(11)	£1,806	(21)
G13	£653	(28)	£818	(12)		
G14			£763	(14)		
G20	£750	(10)	£997	(12)		
G21			£709	(9)		
G31	£651	(12)	£941	(8)		
G32	£569	(10)	£694	(12)		
G33			£710	(8)		
G40	£623	(9)	£844	(10)		
G41	£707	(11)	£959	(13)	£1,166	(10)
G42	£658	(9)	£846	(18)		

## Aberdeen - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
AB10	£492	(30)	£684	(29)	£988	(48)
AB11	£469	(29)	£655	(27)	£953	(38)
AB12	£559	(20)	£706	(30)		
AB15	£566	(25)	£850	(30)	£1,096	(27)
AB16			£583	(30)		
AB21	£668	(20)	£782	(29)	£1,209	(16)
AB22	£494	(27)	£719	(25)		
AB24	£468	(23)	£662	(28)	£1,003	(47)
AB25	£474	(23)	£685	(21)	£872	(21)

## Dundee - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
DD1	£512	(19)	£844	(14)	£1,229	(44)
DD2	£542	(11)	£795	(28)	£1,154	(38)
DD3	£472	(7)	£689	(12)	£975	(44)
DD4	£498	(12)	£730	(19)	£1,014	(41)
DD5			£797	(16)		
DD8			£557	(21)		

## Towns - £pcm (TTL days)

based on 12 month rolling average

Town	1 Bed		2 Bed		3 Bed	
Airdrie			593	(17)		
Arbroath	412	(36)	537	(41)		
Ayr			579	(19)		
Bathgate			667	(12)		
Bearsden			1005	(18)		
Bo'ness			580	(15)		
Bonnyrigg			822	(10)		
Brechin			499	(38)		
Broughton	831	(11)	1199	(13)	1561	(13)
Cambuslang			691	(14)		
Coatbridge			576	(21)		
Cumbernauld			532	(21)	622	(20)
Dalkeith			811	(16)		
Dalry	776	(10)	1089	(11)	1531	(26)
Dumfries			524	(16)		
Dunfermline	510	(15)	646	(16)	863	(18)
East Kilbride	469	(13)	608	(13)	832	(15)
Elgin	444	(12)	575	(11)		
Ellon			653	(20)		
Erskine	521	(20)				
Falkirk	468	(12)	600	(12)		
Forfar			536	(29)		
Glenrothes			544	(9)		
Greenock			548	(18)		
Hamilton	465	(12)	613	(12)	804	(13)
Hillhead			1257	(14)	1661	(11)
Hillside			1205	(14)		
Inverurie			690	(27)		
Johnstone	437	(15)	559	(19)		
Kilmarnock	430	(19)	519	(20)		
Kirkcaldy	485	(22)	594	(15)		
Kirkintilloch			617	(38)		
Largs	432	(20)	602	(24)		
Linlithgow			705	(19)		
Livingston			727	(10)	922	(12)
Merchiston			1343	(16)		
Motherwell			617	(13)		
Musselburgh	692	(10)	846	(13)		
Newton			873	(16)		
Paisley	463	(13)	600	(13)	777	(20)
Penicuik			799	(17)		
Perth	455	(42)	626	(25)	876	(19)
Renfrew	478	(14)	699	(15)	795	(14)
Rutherglen	569	(13)	772	(13)		
St Andrews			1329	(13)	1707	(10)
Stirling Town	621	(14)	835	(17)	1242	(24)
Thornliebank			760	(19)		
Trinity	832	(14)	1086	(14)		
Woodlands			1132	(10)	1557	(11)

# Build To Rent News

## Rent Freeze – A Bad Deal for Tenants

The six-month temporary rent freeze in Scotland (Cost of Living (Tenant Protection) Scotland Bill) has shocked the property market, particularly institutional investors and RSLs. Causing most alarm is not so much the effect of such a freeze (and moratorium on evictions) but the realisation that the Scottish Government can interfere with capital markets without consultation; in the medium term the real loser will be tenants, as supply of new build purpose built and energy efficient housing dries up.

An immediate consequence is that the pipeline of c.10,000 Build to Rent (BTR) homes being delivered by institutional investors in Scotland is on hold until there is clarity on the rental regime going forward; also affecting housebuilders and RSLs.

The announcement has been widely condemned by both the market and economists; Fraser of Allander Institute (FAI) recognise the policy will “simply reduce the supply further, which will ultimately push up prices for renters”.

The industry needs the opportunity to properly inform politicians and to highlight the fact that institutional investors are progressive landlords. Many are pension funds with rigorous Environmental, Social and Governance (ESG) credentials and the highest fire regulation requirements. Most require new BTR buildings to be gas free (no fossil fuels) with stringent embodied carbon targets to be achieved by the developer. They require long-term stable investments; it is in their interests to create communities and treat tenants fairly to achieve long-term stable income with as close to 100% occupancy as possible; that requires professional management.

The housing crisis can be best solved by increasing supply; the uncertainty created by the rent freeze will choke supply resulting in higher rents in older homes for tenants. Given the cost of living crisis, sudden rise in interest rates and retraction of mortgage availability, there has never been a greater need (and demand) for new build rental housing on a large scale with low running costs. Institutional investors do not need to invest in Scotland; capital is fluid and can easily be switched off or diverted elsewhere (it's happening now). This will deprive the Scottish economy of desperately needed investment. Widely recognised and confirmed in a CBI / Oxford Economics report (Feb 2020), every £1 spent on UK construction contributes nearly £3 to the wider economy.

Consultation is urgently needed. Given the political alignment in Scotland, the property investment industry may need to agree to some form of sensible rent regulation – the industry may willingly agree – provided it is sensible, stable, and predictable; this will only happen through consultation. There are few examples worldwide of rent regulation working as intended; in Denmark, Sweden, Ireland and the US, various forms of rent regulation are in place with well-documented unintended outcomes – the most widely reported consequence being a slowdown of supply. In order to persuade institutional investors to continue investing in Scotland we urgently need a clearly stated, long-term, stable and predictable environment in which to invest. Without it, we will face a housing crisis in Scotland, the likes of which we have never before witnessed.

Full listings and an interactive map of Scotland BTR schemes can be viewed here:

<https://www.scarlettdev.co.uk/services/build-to-rent/pipeline-scotland/>



Will Scarlett, Founder/Director of  
Scarlett Developments



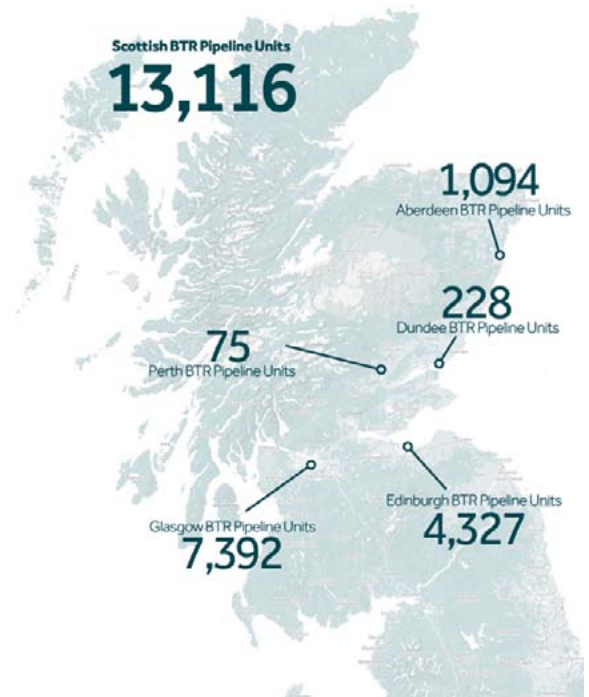
# Build To Rent News cont...

## How Can the BTR Sector Influence the Rent Freeze?

The Scottish Government's introduction of a rent freeze impacts on the whole rental market over September 2022 to March 2023 and it could be extended by another 12 months. However, the Government must review the provisions to assess whether they remain necessary and proportionate with regard to the cost of living and report every three months on that review. It can also bring the rent freeze to an end earlier, presumably if evidence justifies this. The Government is also committed to a national system of rent controls by 2025 and is consulting on this currently.

The freeze only affects increasing rents within tenancies and does not affect starting rents. Although it has over 13,000 units in the pipeline, Scotland has few current operational BTR schemes, therefore the impact on the sector over the next six months will be minimal. However, an extension will certainly capture more of the current BTR pipeline and the 2025 rent controls will leave a legacy that the BTR sector will have to adapt to.

As was clear from the recent Parliamentary debate on the emergency legislation, much of the clamour for rent freezes and controls is based on misconception, anecdote and sound-byte. The sector needs to get better at collecting data on actual rents, stock and availability. The BTR sector has a role to play in using its own data (suitably anonymised) but also in helping to fund robust data collection exercises across the rental sector to provide an accurate picture of the state of the sector and thus inform policy. The Government is clear that its reforms are applying across the whole rental sector – BTR cannot rely on being carved out of this.



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## Mid-Market Rent News

### Lar's Regeneration Boost for Glasgow

We're delighted to report that our latest regeneration project in Glasgow is the start of a major push to bring derelict and disused buildings in the city back to life.

We have been granted planning permission to convert a former office block in Ruchill into high quality homes. The property at Ruchill Quadrangle was built in 1874 and strip out work at the derelict building has now started.

We're thrilled that we have the opportunity to breathe new life into this building and to help tackle the shortage of good quality mid-market rental homes in the city. We already have a development of 24 flats in Ruchill and are very aware of the need for more affordable homes in the area.

In particular, thanks are due to staff and councillors at Glasgow City Council for their interest in the project and we look forward to working with them to complete the regeneration of this important part of the city.

We plan to convert the building into 39 flats and duplexes and will be offering a mix of one, two, three and four bed homes. We hope to welcome our first tenants to their new homes in the autumn next year.



Ruchill



### Tenants Snap up Mid-Market Homes at Boroughmuir School

C~urb Lettings (formerly Link2Let) has launched 17 brand-new, mid-market rent apartments within Cala Home's highly anticipated Boroughmuir School development.

Located in the popular Bruntsfield area of Edinburgh, the former secondary school site has been transformed into a mixed tenure development with apartments available for private sale and mid-market rent. Rental properties are a mix of one and two bedroom apartments – both new build and within the existing school building, with monthly rents ranging from £662.83 to £814.48. The properties are anticipated to be ready for tenants to move in from October.



Boroughmuir Street View

Andy Moodie, Property Management Coordinator at C~urb Lettings said: "Demand for quality, mid-market rent homes in Edinburgh is typically high. This has been especially true in the last 12 months as rents have increased in the Private Rented Sector and tenants are feeling the impact of the cost of living crisis.

"The seventeen properties at Boroughmuir School were advertised in July and received 130 applications within 160 minutes, enough to successfully allocate all units. Similar levels of interest in our other recent developments, including 132 homes at Granton Harbour and 199 at Salamander Street, highlight the growing need for affordable housing for Edinburgh tenants."





## Rent Freeze and Eviction Ban

First Minister's statement leaves industry in confusion.

Over three weeks have passed since the First Minister said, "the practical effect of this statement is that rents are frozen from today." You might assume we now live in a country with no housing problems, no shortages and no complaints other than about greedy, unreasonable landlords, writes Chief Executive John Blackwood.

Well, obviously not. Despite the fanfare of the announcement, at the time of writing, the Scottish Government has not even published "emergency" legislation to give effect to Nicola Sturgeon's grandiose, all-powerful announcement, never mind consult on it, never mind guide it through Holyrood, never mind implement or indeed enforce it.

None of this was announced with any consultation or even notification to either the social or private rented sectors, an astonishing snub when you consider how closely both worked with government, charities, tenant groups and others during the pandemic. We thought we had a cordial, polite and respectful relationship with government despite our disagreements. Sadly that is not the case.

I wonder if all of this is because, in fact, Scotland's leader decided not to tell people about her proclamation because it was political rather than actually focussed on helping people have a suitable home?

The statement, which included a ban on evictions in both the social and private housing sectors, was significant in its lack of detail. Absolutely no information, then or since, about any exceptions to the eviction ban for anti-social behaviour, criminal convictions, repossession or sale. As landlords, we have already pointed out that



John Blackwood, Chief Executive of SAL

neighbours and communities should not have to suffer because a landlord is unable to evict a disruptive, anti-social, even violent tenant. No clarity as to whether or not the Scottish Government intends to trample all over ownership rights of landlords to sell or move back into their property.

We have now had conversations with officials but seem no further forward and if news reports are to be believed, no detail is likely until the first weeks of October.

While we are unsure how this will play out, SAL is committed to fighting both the eviction ban and arbitrary rent freeze on behalf of our members and we are exploring any and all avenues available to us.

Government might want to ignore us and caricature landlords as some kind of spectre but we know that landlords are at the frontline during any crisis.

It would be easy for landlords to make rash decisions. Instead, we need landlords to do what the overwhelming majority always do. Speak to your tenants, reassure them that they still have a home and that it is not in anyone's interests for rents to become unpayable.

SAL has a range of resources available to members to assist them, along with our helpline which gives individual advice on how to answer questions tenants or landlord clients may be asking. If we work together, we can show government that the PRS is part of the solution to this government created housing crisis.

[www.scottishlandlords.com](http://www.scottishlandlords.com)

## Properties Continue to Sell Quickly in Edinburgh

Homes continue to be sold fast and often substantially above Home Report valuation, suggesting high levels of demand from buyers in the area.

It has been an interesting three months in the property market with plenty of buyer interest and clear patterns developing. Overall, Edinburgh saw average property selling prices rise 8% between June and August 2022, taking the average to £316,475. In the city centre, prices rose 16.9% annually to £372,761. Following a period of high demand for properties in the past year, two-bedroom flats and three-bedroom houses continued to be particularly popular with Edinburgh buyers.

The highest price change within Edinburgh was recorded in Morningside, a 47.4% increase in average selling price, meaning properties here sold for £550,558. In terms of property types, two-bedroom flats in Morningside sold for £396,639, a 25.7% annual rise. This was followed by three-bedroom houses in Corstorphine, which rose by 9.7% to £436,466, and two-bedroom flats in Liberton where the average selling price increased by 9.1% to £194,815.

The most affordable property type was one-bedroom flats in Gorgie, with an average selling price of £156,036.

Two-bedroom flats in Leith sold in the highest volumes during this period, with levels up 1.6% annually.

Edinburgh continued to be a desirable place to live, with buyers

paying 108.2% over Home Report value, a rise of 2.8% annually.

A key indicator of buyer demand is the speed of sale. Between June-August 2022, the median time to go under offer was 14 days, one day quicker than last year. The fastest-selling homes could be found in the east and west of the city with a median time of 13 days. When analysing specific housing types, two-bedroom flats in Morningside and two-bedroom flats in Leith were sold quickly at 12 and 13 days respectively.

Paul Hilton, CEO of ESPC, commented: "It has been another busy quarter for the property market, with growth seen in many areas and buyers still willing to pay over the Home Report valuation for many properties.

"Edinburgh city centre continues to be a desirable area to live with two-

bedroom flats and three-bedroom houses continuing to be particularly popular with buyers. Flats in Morningside and Leith sold quickly during this period.

"For buyers starting out on their property journey, Leith continues to be hotspots for young families and professionals.

"If you are considering buying or selling in Edinburgh, get in touch with your local ESPC solicitor estate agent today."

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



ESPC advertise thousands of properties through their website, weekly paper and information centres, offering unrivalled knowledge and expertise from their own team and member solicitor estate agents.

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# Terminating Joint Tenancies

## Differences between Assured and Private Residential Tenancies.

We are regularly asked for advice on terminating joint tenancies. Often it transpires one tenant has vacated the let property without advising the landlord or has given some form of 'notice' but not in accordance with the relevant legislation.

It is important to recognise the differing rules for different tenancy types.

### Assured/Short Assured Tenancies

For most tenancies created before 1 December 2017, technically, a vacating tenant who gives proper written notice in advance of the end/ish date can terminate the contractual tenancy on behalf of both. This does not, however, mean that both tenants must leave the property. Under the Housing (Scotland) Act 1988, the remaining tenant will have security of tenure for as long as they remain in possession. From the ish date, the tenancy will be a Statutory Assured Tenancy. Tenancy obligations, such as to the requirement to pay rent, will end for the departing tenant but will continue for any who remain.

More often than not, vacating tenants will not notify the landlord. In that situation, the landlord must serve notice to quit on all joint tenants to terminate the contractual tenancy at the next ish date. At the same time, either an AT6 or Section 33 notice should also be served.

Since notices in respect of Assured/

Short Assured Tenancies cannot be served by email, obtaining a forwarding address for departing tenants is helpful. If they cannot be located, a Sheriff Officer's trace may be required. In the event that a tenant cannot be traced, notices can be served at the let property on the basis the property remains the vacating tenant's 'last known address'.



### Private Residential Tenancies (PRT)

The position regarding termination of joint tenancies under the PRT is different.

One joint tenant cannot terminate the tenancy on behalf of all tenants. To end a PRT, all joint tenants must agree and give Notice to Leave. If notice is given by only one joint tenant, that notice will not terminate

the tenancy and the PRT will continue, with all tenants remaining liable in respect of rent and other obligations of the tenancy.

Similarly, a landlord wishing to serve Notice to Leave must do so on all joint tenants. The landlord must utilise an eviction ground which applies to all. Accordingly, ground 10 (tenant not occupying let property) cannot be relied upon if other tenants continue to reside there.

One benefit of PRTs is the ability to serve notice by email. This is particularly useful where a tenant has moved on. If email communication has not been provided for in the lease, landlords should instruct a trace via Sheriff Officers before relying on service of the notice at the property as their 'last known address'.

Regardless of the tenancy type, termination of joint tenancies can be complicated. If you require advice in relation to termination of a joint tenancy, please get in touch:

<https://www.tcyoung.co.uk/sectors/private-landlords-and-letting-agents>

## Top Tips and Common Mistakes in Deposit Disputes

Mike Smith, Head of SafeDeposits Scotland, provides guidance on evidence submissions.

Of the many tenancy deposits we protect, only a tiny minority find themselves at the centre of a dispute when a tenancy ends. When disagreements do arise, landlords will typically have had a compelling reason for claiming a deduction from the deposit, however, misuse of evidence or omissions from inventories and tenancy agreements will often result in a reduced award or even no award to the landlord.

When handling a dispute, an adjudicator must ultimately base their decision on the evidence provided to them. Here are a few tips on how to best present that evidence, as well as some common errors to avoid.

For the highest chance of success, you should make sure the claim you are submitting is reasonable. For example, claiming for a professional clean of the full property when only one area required cleaning would be unreasonable and unlikely to be awarded.

Dates are very important when it comes to evidence and you should ensure that all evidence is dated in line with the tenancy. It is recommended that for check-in reports, evidence is from no more than three days prior to the tenancy start date and equally evidence on a check-out report is from no later than three days after the tenancy end date – bear in mind

that conditions could change in the unattended property after the tenant has vacated, such as dust beginning to gather on surfaces.

When examining a claim, the written word is the main thing that the adjudicator will look at, therefore the more descriptive check-in and check-out reports and



Mike Smith, Operations Manager of SDS

inventories are, the easier it will be for them to judge condition at the beginning and end of the tenancy. For example, “brown wooden dining chair with one scratch on front left leg” paints a much clearer picture than simply “chair”.

How reports and inventories are written also brings us on to some of the mistakes that are often made when submitting evidence. Sometimes certain phrases and terminology are used with good

intentions, but can actually lead to ambiguity which does nothing to strengthen the case. Phrases like “sparkle clean” for example can be subjective and should be avoided in favour of more factual wording such as “cleaned to a high professional standard”.

Photographs are often used to supplement the written evidence in a claim, but if these are missing, key details can become redundant. Photographs should be dated, labelled and provide context to the claim.

Finally, a common error made in dispute claims is the failure to consider fair wear and tear. When submitting a claim, think about the lifespan of an item – has it been damaged through negligence on the part of the tenant, or has it simply worn out through natural use? Either way, claims for damages or missing items will rarely result in an award for full replacement value of an item. This would place the landlord in a better position at the tenant’s expense, a concept known as betterment which must be avoided.

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 and 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 and 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 October 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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