

High rents and longer tenancies boost Foxtons revenues

Tenants are paying more and signing up to longer tenancies, according to a trading update from Foxtons estate agents.

The London-listed company reported taking in £29.2m in lettings revenue in the three months from July to September this year, an 18% increase on the £24.8m taken in over the same period last year.

That increase came due to the [rising rents](#). Foxtons cited strong domestic tenant demand, growth in international tenants and corporate relocations over the summer months, coupled with [“constrained” rental stock](#).

At the same time there was a 23% increase in the average revenue per rental transaction as those higher rents along with longer tenancies made up for a 9% fall in the number of lettings that took place.

Lettings revenue for the year up to the end of September was £68.6m, up £10.9m, on the previous year.

There was also a dramatic rise in property sales income. Sales revenue for the period was up 44% to £11.9m.

The rise reflected a 39% increase in the volume of sales and a 2% increase in average revenue per transaction.

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Higher volumes came from a “more normalised market” compared to 2021 which had been impacted by the 30 June 2021 [stamp duty deadline](#).

For the nine months ended 30 September 2022 sales revenue was,

however, down £0.8m to £32.7m, 2% less than the previous year.

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The number of properties under offer was 15% higher at the end of September than the same point last year.

Despite a “robust quarter”, Foxtons said it enters the final quarter of the year with a “less certain market backdrop”. As a result it is alert to the [macroeconomic and political challenges](#) which may impact conversion to revenue in the final quarter.

Overall Foxton’s revenue for the three-month period was up £10.4m to £108.9m on 2021 levels.