

HomeLet Rental Index

Key headlines

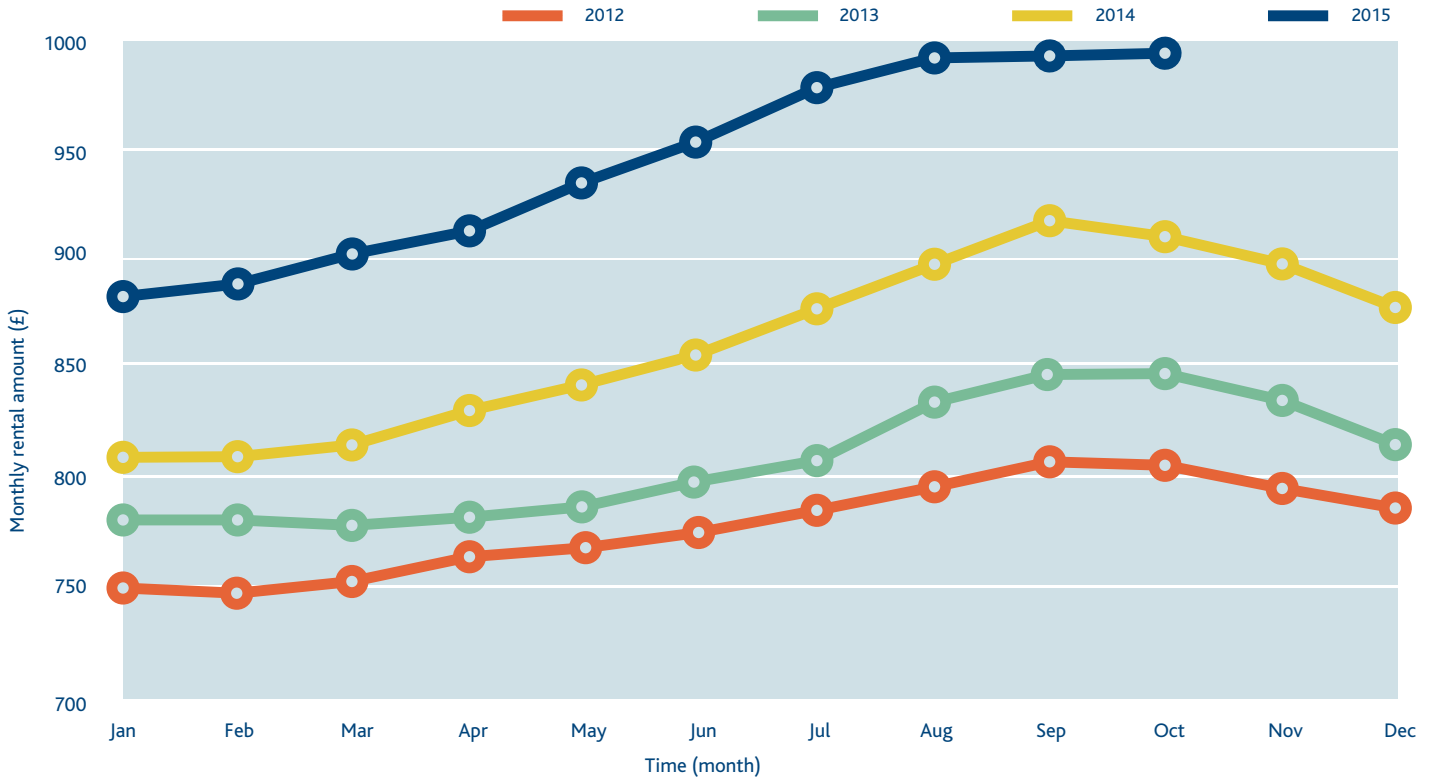
- When London is excluded, the average UK rental value was £749pcm - this is 3.5% higher than the same period last year (£724pcm)
- However, the annual rate of growth in rental values for the UK, excluding London, was marginally higher last year at 3.9%
- Average rental values have increased in nine out of twelve regions in the UK
- Average rents for new tenancies in London are 7.5% higher than the same period last year
- Average rental values in London have reached £1,560pcm, so rents in the capital are now 108% higher than the rest of the UK
- Average tenant incomes were 1.7% higher than the same period last year



October 2015 edition

HomeLet Rental Index provides a comprehensive and up to date data on new tenancies in the UK. As part of the referencing process for around 350,000 prospective tenants each year, HomeLet processes information including the rental amounts agreed, the number of tenants moving into the property together with the employment status, income and age of all tenants. The trends reported within the HomeLet Rental Index are brand new tenancies which were arranged in the most recent period, giving the most relevant insight into changes in the Private Rented Sector. All rental and income amounts are an average taken over the three months preceding October. The annual change is calculated as an average for the latest three months compared with the same period a year earlier.

Change in UK average rental prices



It's interesting to note...

- The average UK rent for tenancies was £997pcm, this is 9.7% higher than the same period last year (£909pcm)
- When London is excluded, the average UK rental value was £749pcm - this is 3.5% higher than last year (£724pcm)
- Average rental values have dropped in the North West (-4.9%), East Anglia (-1.2%) and Northern Ireland (-2.1%)



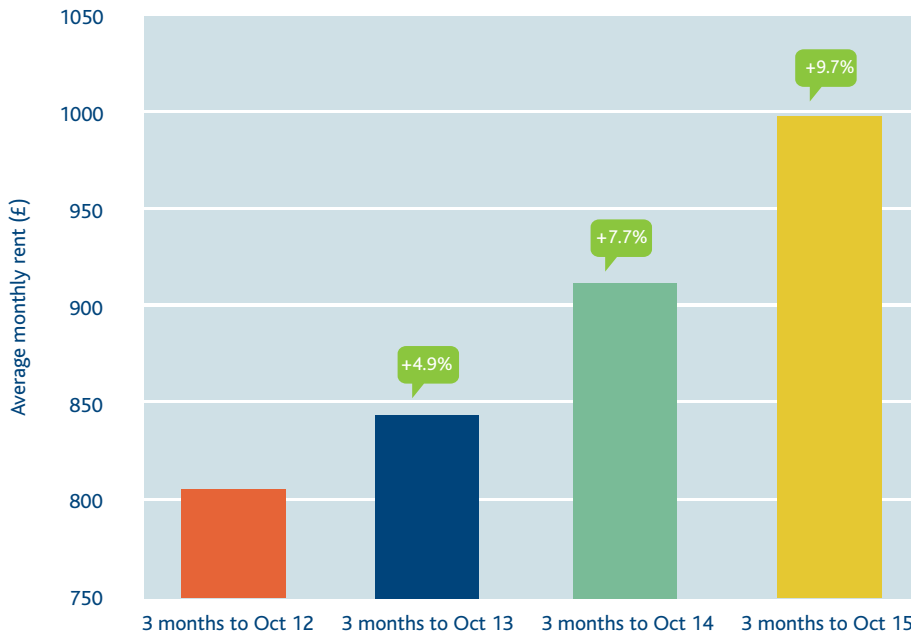
In detail...

The full regional breakdown can be seen on page four

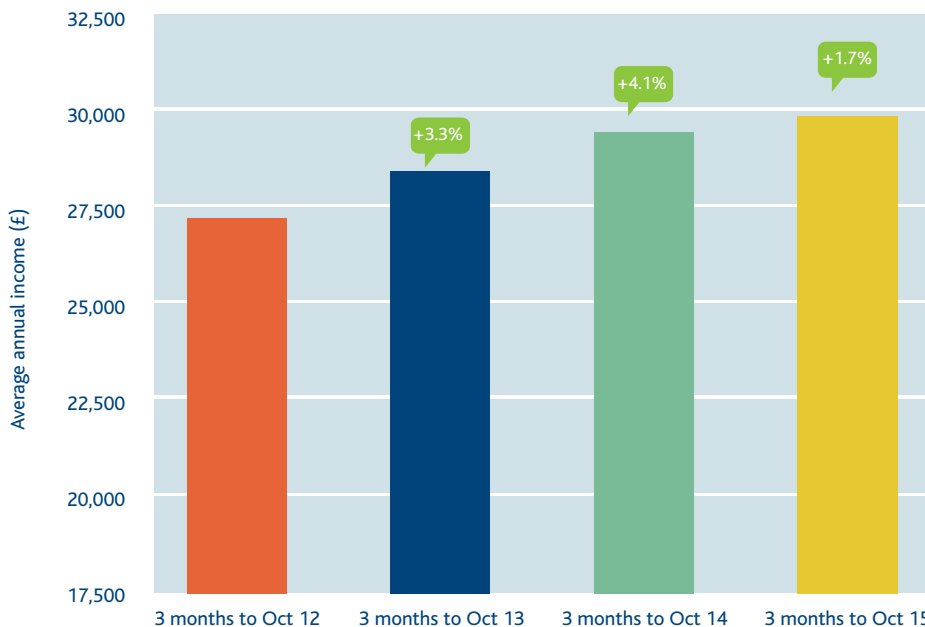


Rental values and tenant incomes

Average UK rental amounts with annual comparisons



Annual UK tenant income with annual comparisons

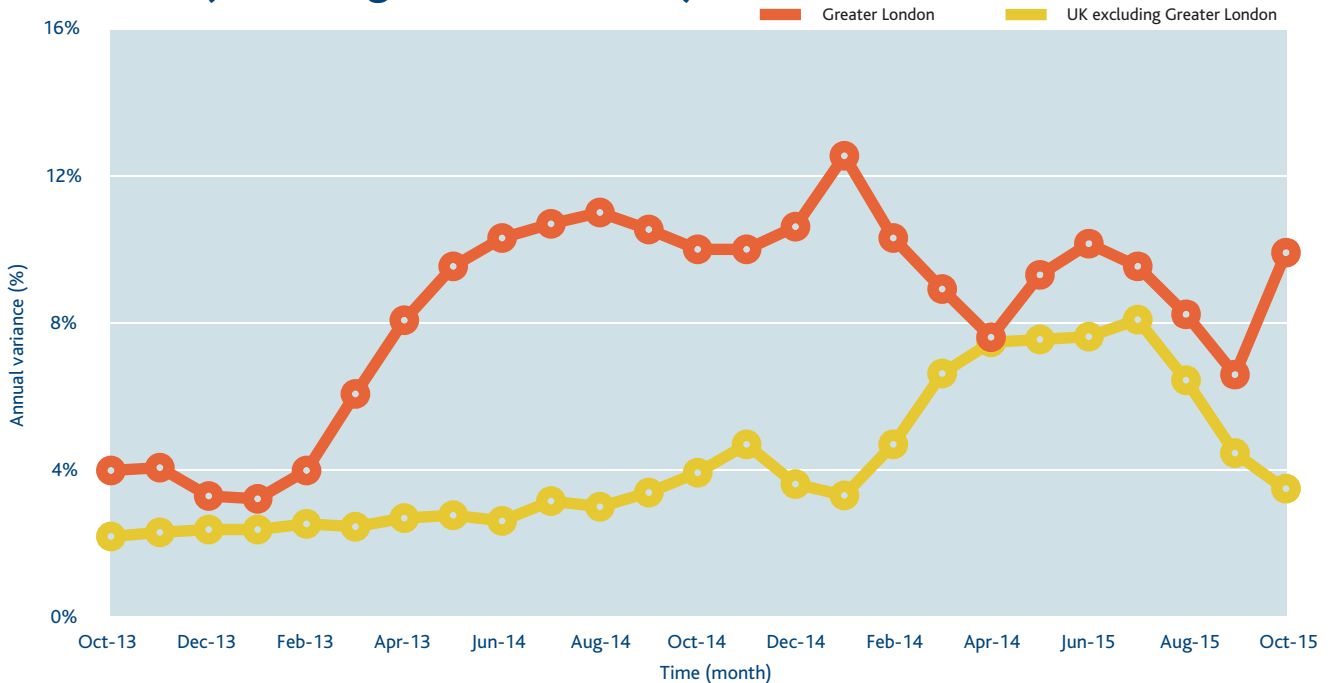


The figures also show...

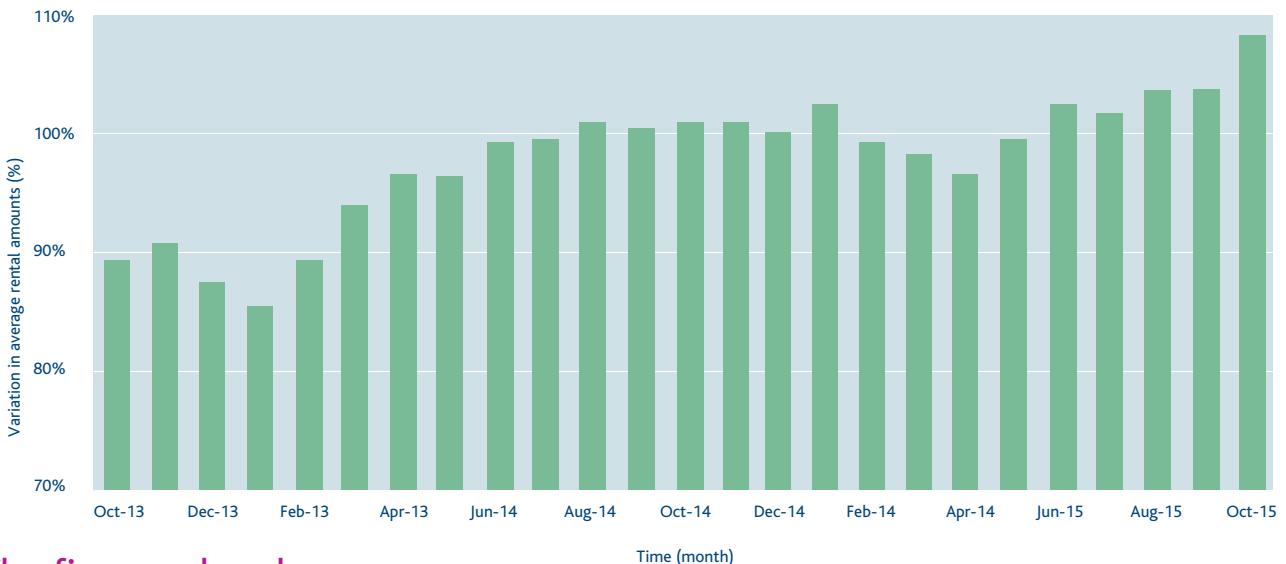
- The annual growth in average rental values in the UK (9.7%) was higher than 2014 (7.7%) and 2013 (4.9%)
- Average tenant incomes in the UK were 1.7% higher than 2014

Greater London v. the rest of the UK

Annual variance in average rent for Greater London and the UK (excluding Greater London)



Monthly variation between Greater London rental prices and the UK average (excluding Greater London)



The figures also show...

- The rate of growth for rental values in the UK has slowed down in the last few months
- Rents in the UK excluding London were 3.5% higher compared to the same period last year
- Rents in London were 7.5% higher compared to the same period last year
- Average rental values in London (£1,560) were 108.3% higher than the rest of the UK (£749)
- The difference between average rental values in London and the rest of the UK is the highest on record

UK regional breakdown

All rental amounts are an average taken over the three months preceding the date shown.

■ Average rent decreased from previous year ■ Average rent increased on previous year

North East		Overall UK average	
Average rent to Oct 2015	£536	Average rent to Oct 2015	£997
Average rent to Sept 2015	£541	Average rent to Sept 2015	£995
Monthly variance	-0.9%	Monthly variance	0.3%
Average rent to Oct 2014	£516	Average rent to Oct 2014	£909
Annual variance	3.9%	Annual variance	9.7%

Scotland	
Average rent to Oct 2015	£665
Average rent to Sept 2015	£678
Monthly variance	-1.9%
Average rent to Oct 2014	£610
Annual variance	9.0%

Yorkshire and Humber	
Average rent to Oct 2015	£621
Average rent to Sept 2015	£631
Monthly variance	-1.6%
Average rent to Oct 2014	£609
Annual variance	2.0%

North West	
Average rent to Oct 2015	£635
Average rent to Sept 2015	£643
Monthly variance	-1.2%
Average rent to Oct 2014	£668
Annual variance	-4.9%

East Midlands	
Average rent to Oct 2015	£628
Average rent to Sept 2015	£636
Monthly variance	-1.3%
Average rent to Oct 2014	£593
Annual variance	5.9%

West Midlands	
Average rent to Oct 2015	£669
Average rent to Sept 2015	£674
Monthly variance	-0.8%
Average rent to Oct 2014	£655
Annual variance	2.0%

East Anglia	
Average rent to Oct 2015	£809
Average rent to Sept 2015	£816
Monthly variance	-0.9%
Average rent to Oct 2014	£819
Annual variance	-1.2%

Wales	
Average rent to Oct 2015	£614
Average rent to Sept 2015	£618
Monthly variance	-0.7%
Average rent to Oct 2014	£603
Annual variance	1.8%

Greater London	
Average rent to Oct 2015	£1,560
Average rent to Sept 2015	£1,555
Monthly variance	0.3%
Average rent to Oct 2014	£1,451
Annual variance	7.5%

Northern Ireland	
Average rent to Oct 2015	£588
Average rent to Sept 2015	£594
Monthly variance	-1.1%
Average rent to Oct 2014	£601
Annual variance	-2.1%

South West	
Average rent to Oct 2015	£872
Average rent to Sept 2015	£902
Monthly variance	-3.3%
Average rent to Oct 2014	£838
Annual variance	4.0%

South East	
Average rent to Oct 2015	£944
Average rent to Sept 2015	£959
Monthly variance	-1.6%
Average rent to Oct 2014	£905
Annual variance	4.3%

About the HomeLet Rental Index

As well as information on rental amounts, the HomeLet Rental Index also provides information on tenant demographics, such as their average age, income, previous residential status and the property type they're applying to live in.

In addition, we gather data on how many people share rented properties – so we're able to gain an insight into the lifestyle of tenants, and see how external factors, such as the lack of mortgage availability, plus supply of, and demand for, rented homes are affecting how and where people live.

Data is gathered from our tenant referencing service, and our rental amounts are based on actual achieved rental prices with accurate tenancy start dates in a reported month, rather than advertised costs. We reference up to 1,700 applicants every day – so information in the report is comprehensive, accurate and up to date.

The data used in the HomeLet Rental Index is aggregated to local authority, county, city and regional level only. This ensures that all property or individual records remain strictly anonymous.

About HomeLet

With more than 20 years in the industry, HomeLet is one of the leading sources of support for the UK's vibrant private rented sector. Part of the Barbon Insurance Group, we're based in Lincoln, with more than 250 members of staff working hard every day to support letting agents, landlords and tenants.

Visit:

homelet.co.uk/homelet-rental-index

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