

HomeLet Rental Index

Key headlines

- When London is excluded, the average UK rental value was £740pcm - this is 5.5% higher than the same period last year (£702pcm)
- Average rental values have increased in eleven out of twelve regions in the UK, compared to the same period last year
- The North West (-3.4%) has seen a continued reduction in rental values over the last 7 months
- Average rents for new tenancies in London are 6.2% higher than the same period last year
- London has seen the lowest annual growth rate (6.2%) since March 2014
- Rents in London are now 104% higher than the rest of the UK

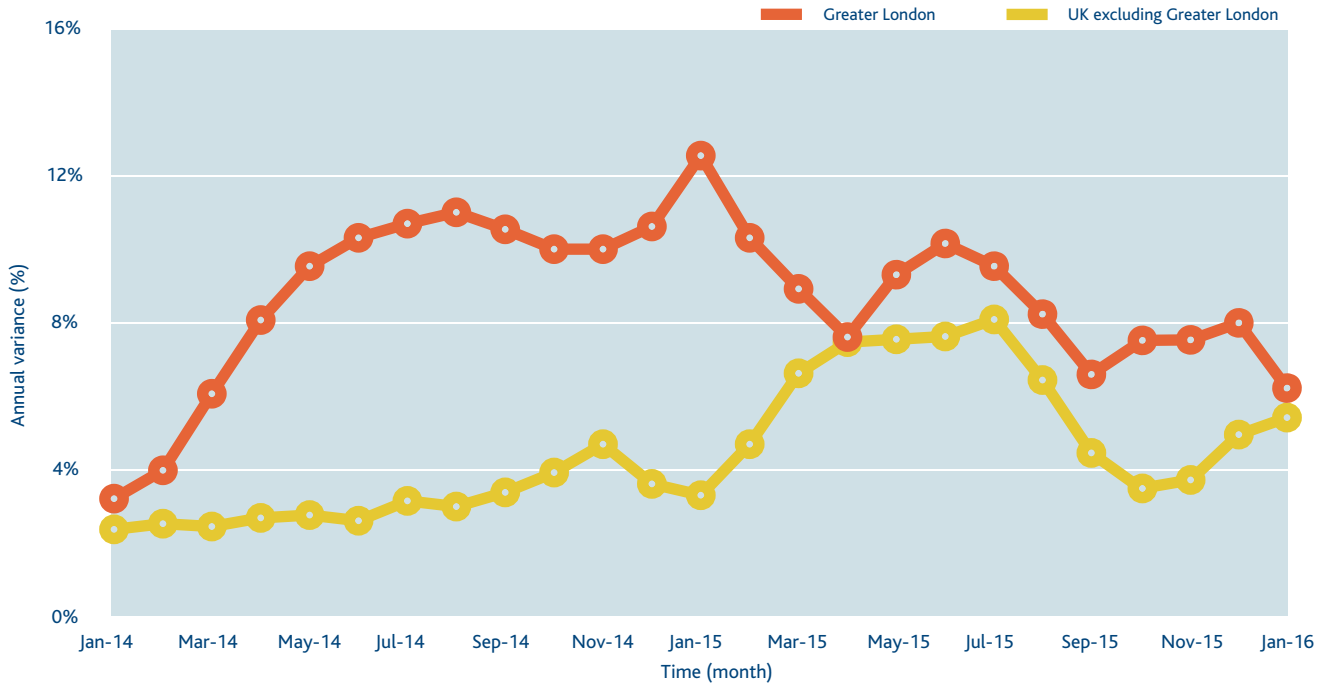


January 2016 edition

HomeLet Rental Index provides 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 January. The annual change is calculated as an average for the latest three months compared with the same period a year earlier.

Average rental values

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



It's interesting to note...

- The average UK rental value excluding London was £740pcm - this is 5.5% higher than last year (£702pcm)
- Greater London has seen the lowest annual growth rate (6.2%) since March 2014
- The rest of the UK has seen an increase in annual growth rate over the last 4 months
- Outside London, the highest levels of annual increase have been seen in South East (7.2%), East Midlands (6.8%), South West (5.8%) and East Anglia (5.2%)
- The North West (-3.4%) has seen a continued reduction in rental values over the last 7 months



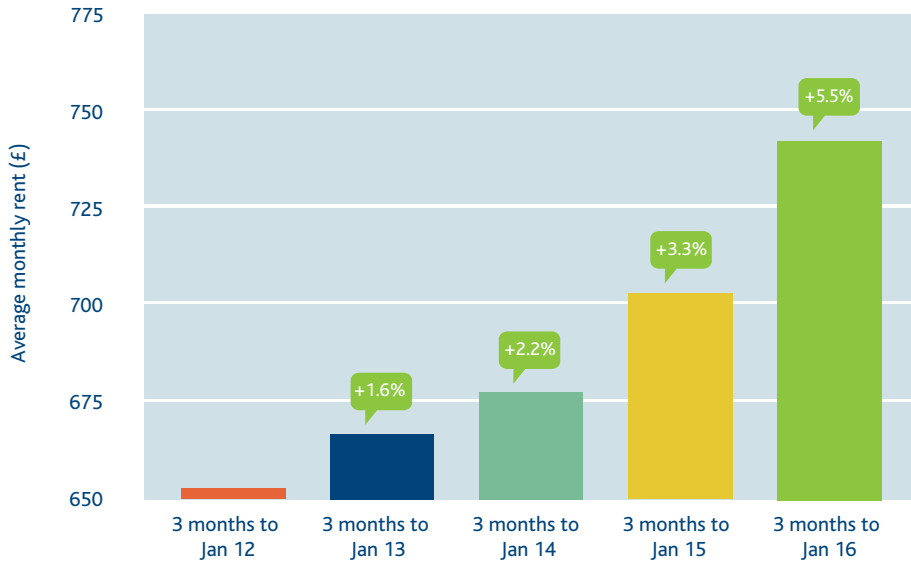
In detail...

The full regional breakdown can be seen on page four

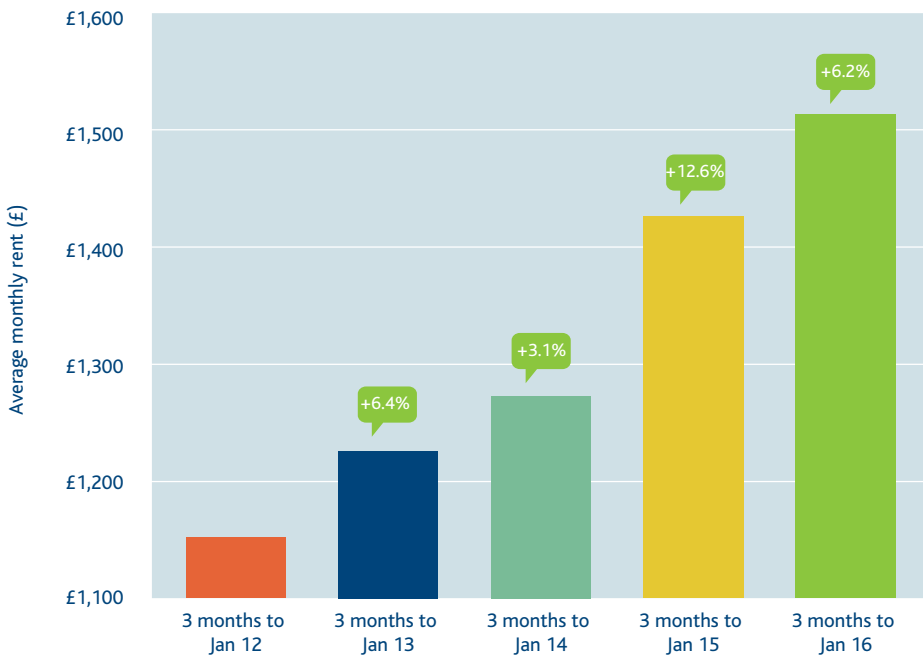


Average rental values with annual comparison

UK excluding Greater London



Greater London

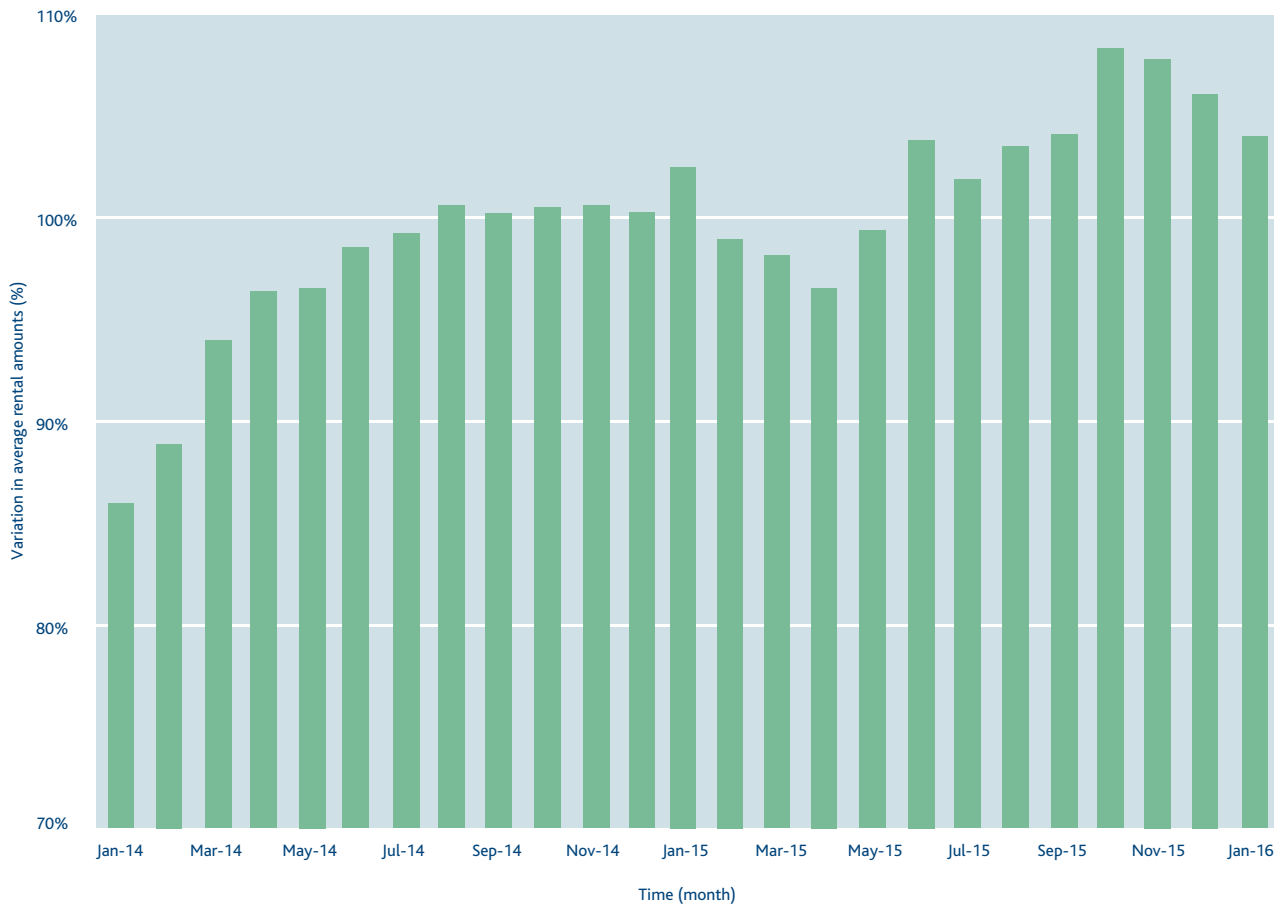


The figures also show...

- The annual growth in average rental values in the UK excluding London (5.5%) was higher than 2015 (3.3%) and 2014 (2.2%)
- The annual growth in average rental values in Greater London (6.2%) was lower than 2015 (12.6%)

Greater London v. the rest of the UK

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



The figures also show...

- Average rental values in London (£1,510) were 104% higher than the rest of the UK (£740)
- In January 2014 average rental values in London (£1,263) were 86% higher than the rest of the UK (£679)
- In January 2015 average rental values in London (£1,421) were 102% higher than the rest of the UK (£702)
- The variation between London and the rest of the UK has reduced since a peak in September 2015

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		UK excluding London average	
Average rent to Jan 2016	£528	Average rent to Jan 2016	£740
Average rent to Dec 2015	£519	Average rent to Dec 2015	£702
Monthly variance	-0.6%	Monthly variance	0.2%
Average rent to Jan 2015	£531	Average rent to Jan 2015	£739
Annual variance	1.7%	Annual variance	5.5%

Scotland	
Average rent to Jan 2016	£643
Average rent to Dec 2015	£640
Monthly variance	1.9%
Average rent to Jan 2015	£630
Annual variance	0.4%

Yorkshire and Humber	
Average rent to Jan 2016	£626
Average rent to Dec 2015	£607
Monthly variance	0.5%
Average rent to Jan 2015	£623
Annual variance	3.1%

North West	
Average rent to Jan 2016	£624
Average rent to Dec 2015	£646
Monthly variance	0.4%
Average rent to Jan 2015	£622
Annual variance	-3.4%

East Midlands	
Average rent to Jan 2016	£646
Average rent to Dec 2015	£605
Monthly variance	1.3%
Average rent to Jan 2015	£638
Annual variance	6.8%

West Midlands	
Average rent to Jan 2016	£663
Average rent to Dec 2015	£643
Monthly variance	-0.4%
Average rent to Jan 2015	£666
Annual variance	3.1%

East Anglia	
Average rent to Jan 2016	£784
Average rent to Dec 2015	£745
Monthly variance	-1.9%
Average rent to Jan 2015	£799
Annual variance	5.2%

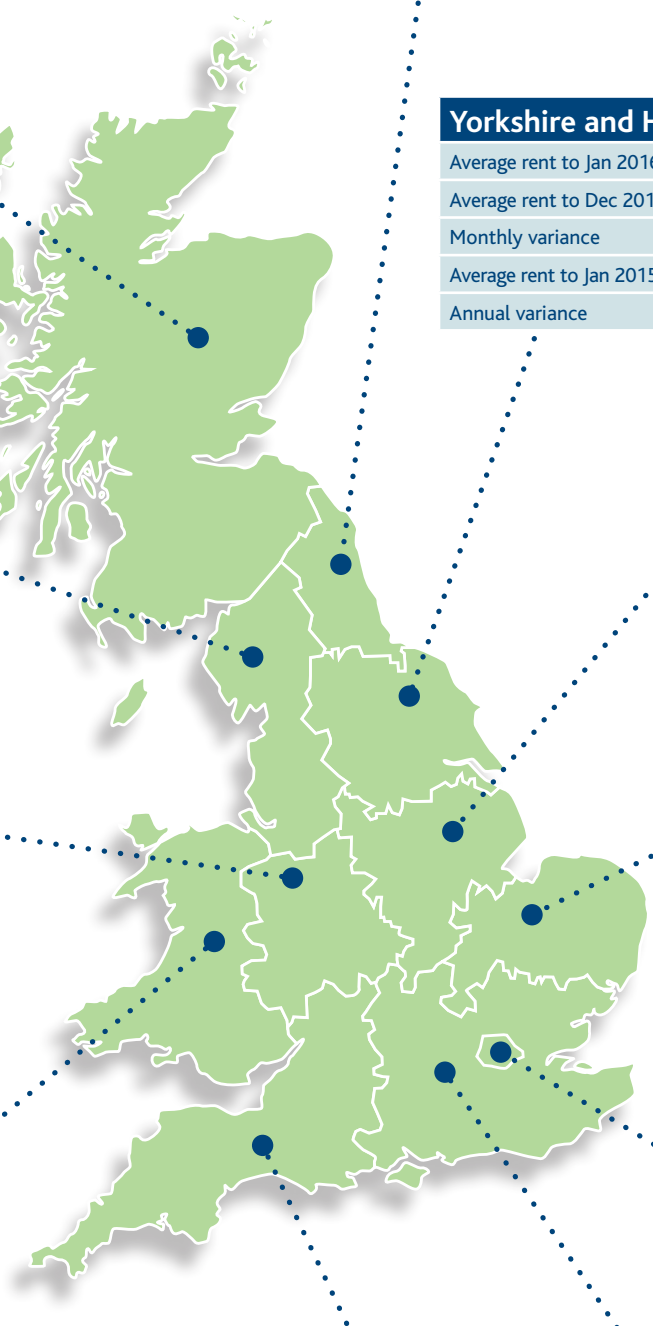
Wales	
Average rent to Jan 2016	£595
Average rent to Dec 2015	£580
Monthly variance	-0.7%
Average rent to Jan 2015	£599
Annual variance	2.6%

Greater London	
Average rent to Jan 2016	£1,510
Average rent to Dec 2015	£1,422
Monthly variance	-0.9%
Average rent to Jan 2015	£1,523
Annual variance	6.2%

Northern Ireland	
Average rent to Jan 2016	£582
Average rent to Dec 2015	£562
Monthly variance	2.0%
Average rent to Jan 2015	£570
Annual variance	3.5%

South West	
Average rent to Jan 2016	£852
Average rent to Dec 2015	£805
Monthly variance	1.4%
Average rent to Jan 2015	£840
Annual variance	5.8%

South East	
Average rent to Jan 2016	£933
Average rent to Dec 2015	£870
Monthly variance	-0.3%
Average rent to Jan 2015	£936
Annual variance	7.2%



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.

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.

HomeLet Rental Index is prepared from information that we consider is collated with careful attention, but we do not make any statement as to its accuracy or completeness. We reserve the right to vary our methodology and to edit or discontinue/withdraw this, or any other report.

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 300 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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