July 2024

HomeLet rental index report

The HomeLet Rental Index represents the largest, most insightful, and up-to-date view on the UK's private rented sector. With data qualified through high-quality tenant referencing, conducted on behalf of over 4,500 UK letting agents, the trends reported within the Index are based on brand new tenancies and agreed rents, giving the most relevant insight into changes in the Private Rented Sector.

In conjunction with Dataloft, a PriceHubble company

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Average rents and change in rents

Average rent (UK)

£1,308

At a national level, average rents rose by £9 in July to £1,308 per month.

Change monthly

+0.7%

Average rents rose by 0.7% in the month, higher than the 0.2% seen in June.

Average rent (UK excl. London)

£1,113

Average rents rose more strongly outside London with a 1.0% increase in the month. Rents are 7.3% higher than in July 2023.

Change annual

+5.2%

The annual rate of growth in rents has almost halved from 10.3% a year ago.

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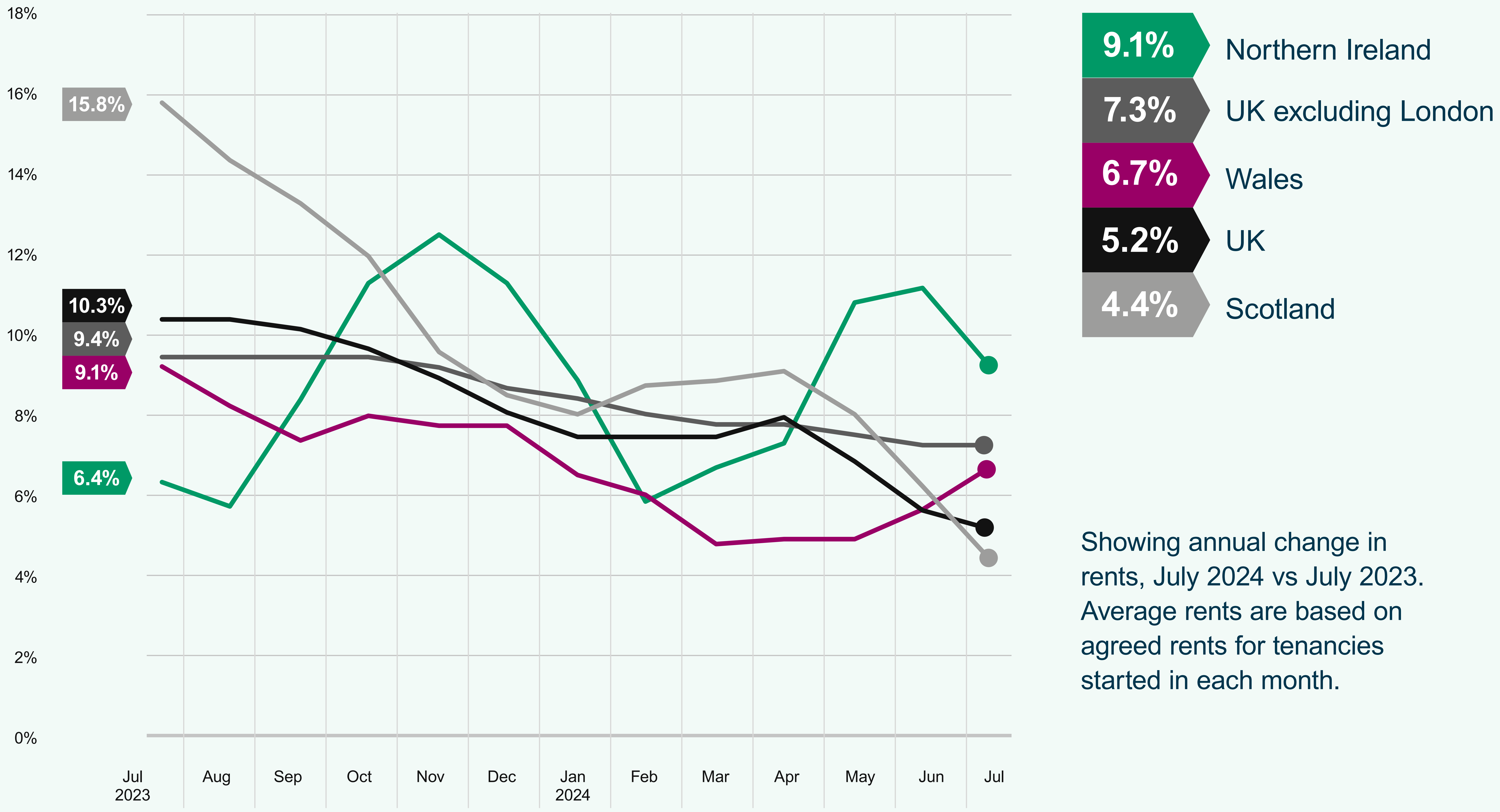
UK and home nations

Annual change July 2023 to July 2024



Showing annual change in rents, July 2024 vs July 2023. Average rents are based on agreed rents for tenancies started in each month.

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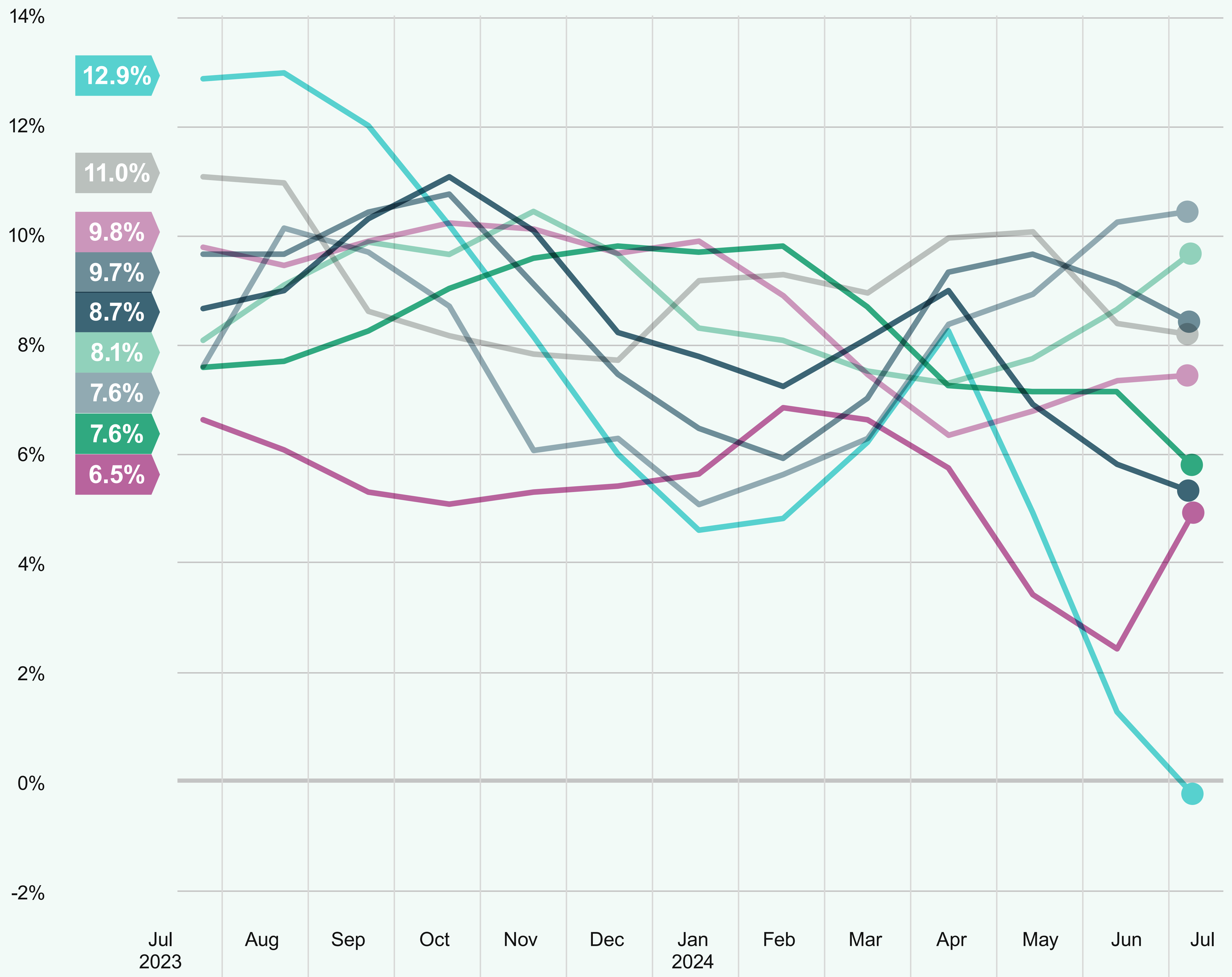
England by region

Annual change July 2023 to July 2024



10.4%	North East
9.8%	East of England
8.4%	North West
8.2%	West Midlands
7.5%	South East
5.8%	East Midlands
5.3%	Yorkshire and the Humber
5.0%	South West
-0.4%	Greater London

Showing annual change in rents, July 2024 vs July 2023. Average rents are based on agreed rents for tenancies started in each month.

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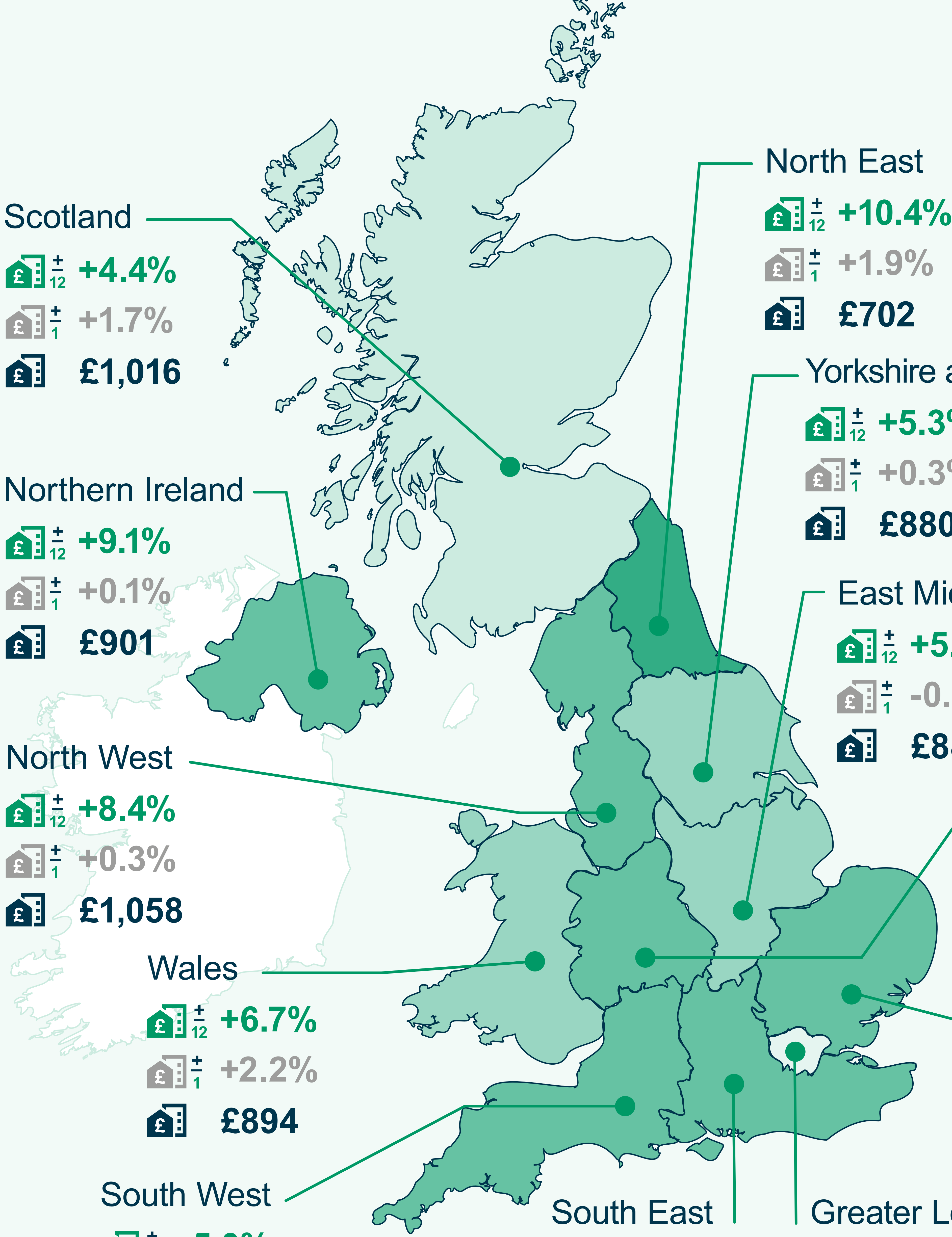
Regional snapshot



Scotland
- Annual change: +4.4%
- Monthly change: +1.7%
- Average rent: £1,016

Northern Ireland
- Annual change: +9.1%
- Monthly change: +0.1%
- Average rent: £901

North West
- Annual change: +8.4%
- Monthly change: +0.3%
- Average rent: £1,058

Wales
- Annual change: +6.7%
- Monthly change: +2.2%
- Average rent: £894

South West
- Annual change: +5.0%
- Monthly change: +2.7%
- Average rent: £1,186

North East
- Annual change: +10.4%
- Monthly change: +1.9%
- Average rent: £702

Yorkshire and the Humber
- Annual change: +5.3%
- Monthly change: +0.3%
- Average rent: £880

East Midlands
- Annual change: +5.8%
- Monthly change: -0.3%
- Average rent: £889

West Midlands
- Annual change: +8.2%
- Monthly change: +1.0%
- Average rent: £1,003

East of England
- Annual change: +9.8%
- Monthly change: +1.3%
- Average rent: £1,284

South East
- Annual change: +7.5%
- Monthly change: +1.4%
- Average rent: £1,422

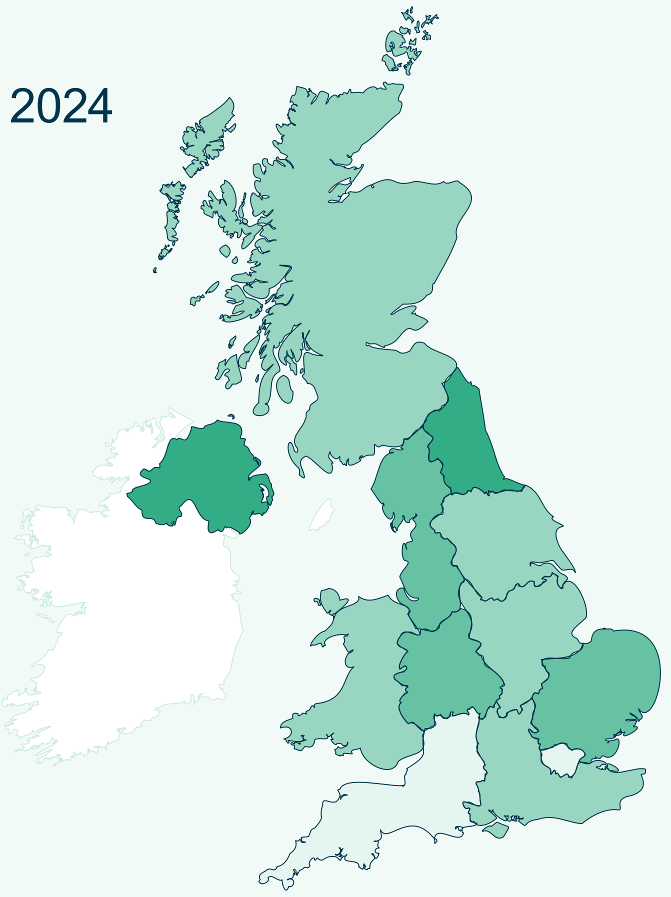
Greater London
- Annual change: -0.4%
- Monthly change: -0.1%
- Average rent: £2,101

Annual change

July 2023 to July 2024

Key	
Change year	Under 2.5%
Change month	2.5% to 5%
Average rent	5% to 7.5%
	7.5% to 10%
	10% and over

July
2023 to 2024



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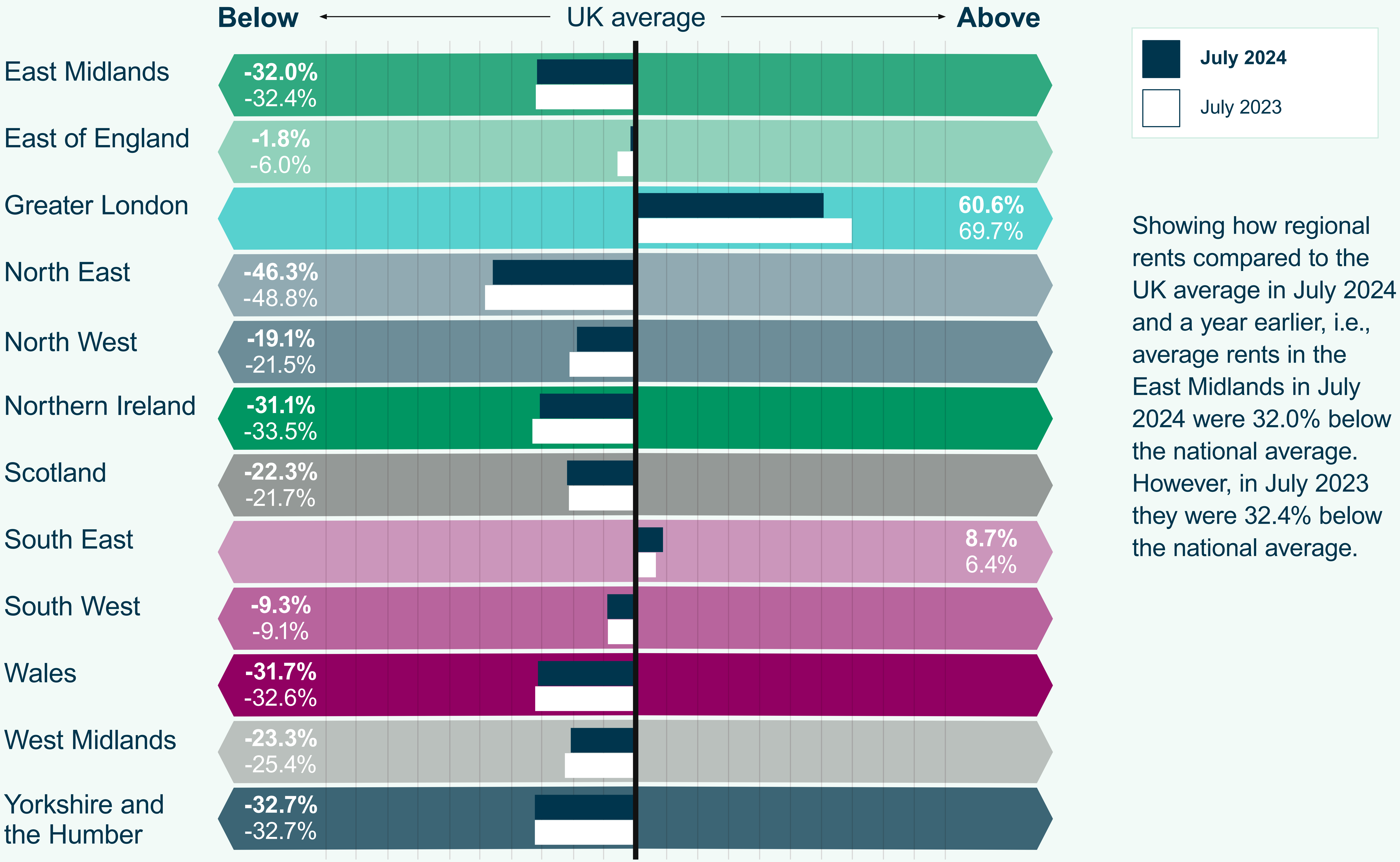
Regional discount / premium to UK average

Comparison with UK average July 2023 to July 2024



Showing how regional rents compared to the UK average in July 2024 and a year earlier, i.e., average rents in the East Midlands in July 2024 were 32.0% below the national average. However, in July 2023 they were 32.4% below the national average.

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London focus

Average rent

£2,101

Average rents in London fell by 0.1% in July which is the seventh monthly fall in nine months.

Change annual

-0.4%

Annual growth in the London rental market is now in negative terriority for the first time since May 2021.

Strongest performer

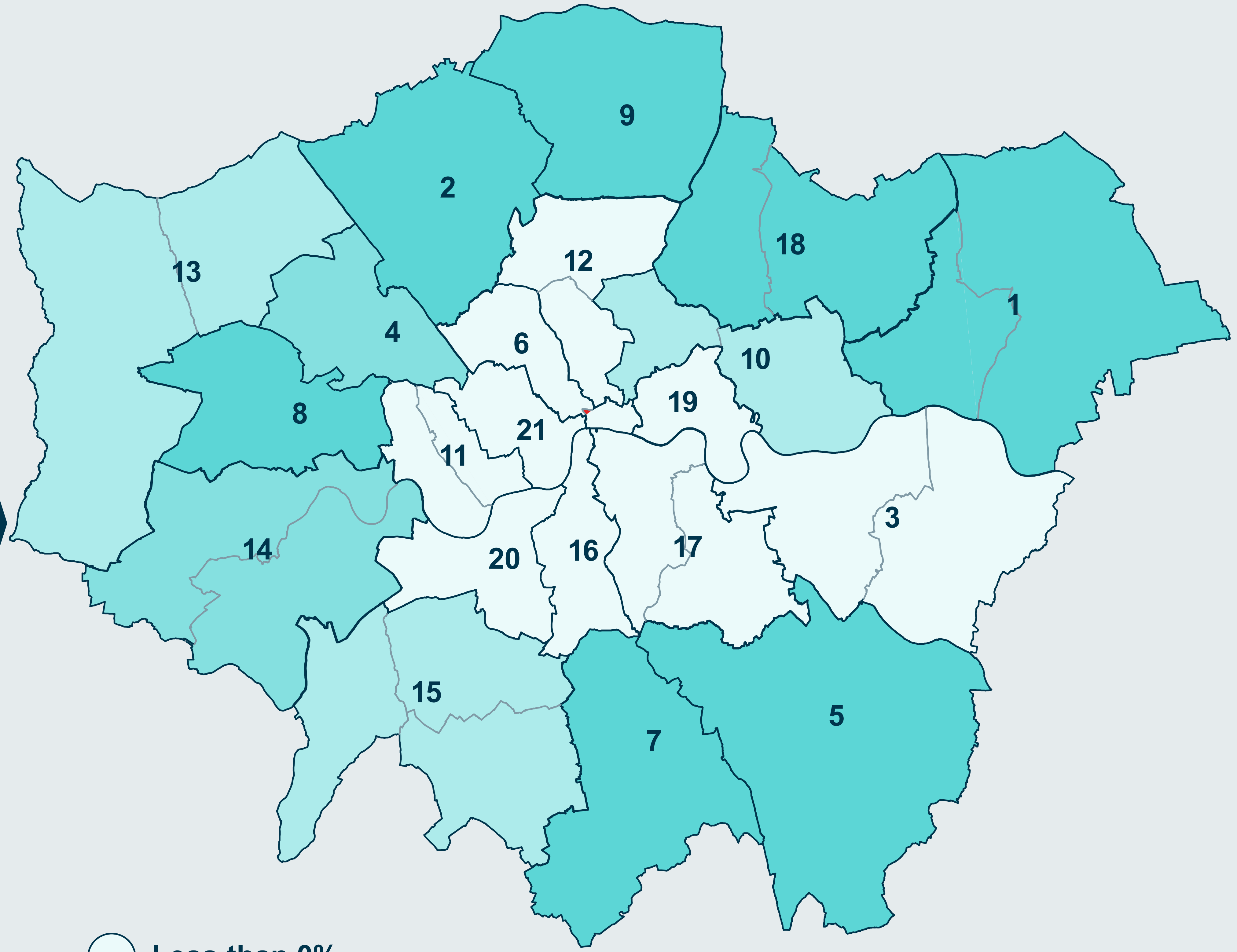
+10.5%

Redbridge and Waltham Forest

Annual change in rents varies across considerably London from -11.2% in Wandsworth to 10.5% in Redbridge and Waltham Forest.

Annual change July 2023 to July 2024

By borough



Less than 0%

0% to 2%

2% to 4%

4% to 6%

6% and over

Aggregations of London Boroughs are based on the NUTS2 statistical classification model.

		Annual change	Average rent
1	Barking, Dagenham and Havering	6.0%	£1,779
2	Barnet	6.2%	£2,153
3	Bexley and Greenwich	-0.9%	£1,710
4	Brent	5.4%	£2,143
5	Bromley	6.4%	£1,955
6	Camden, City of London	-4.0%	£2,379
7	Croydon	6.4%	£1,565
8	Ealing	8.5%	£2,211
9	Enfield	7.6%	£1,951
10	Hackney and Newham	2.2%	£1,978
11	Hammersmith, Fulham, Kensington and Chelsea	-3.9%	£2,549
12	Haringey and Islington	-1.7%	£2,070
13	Harrow and Hillingdon	3.9%	£1,816
14	Hounslow and Richmond	4.9%	£2,015
15	Merton, Kingston upon Thames and Sutton	2.7%	£1,902
16	Lambeth	-0.7%	£2,644
17	Lewisham and Southwark	-0.1%	£2,103
18	Redbridge and Waltham Forest	10.5%	£1,757
19	Tower Hamlets	-6.7%	£2,099
20	Wandsworth	-11.2%	£2,145
21	Westminster	-4.8%	£3,200

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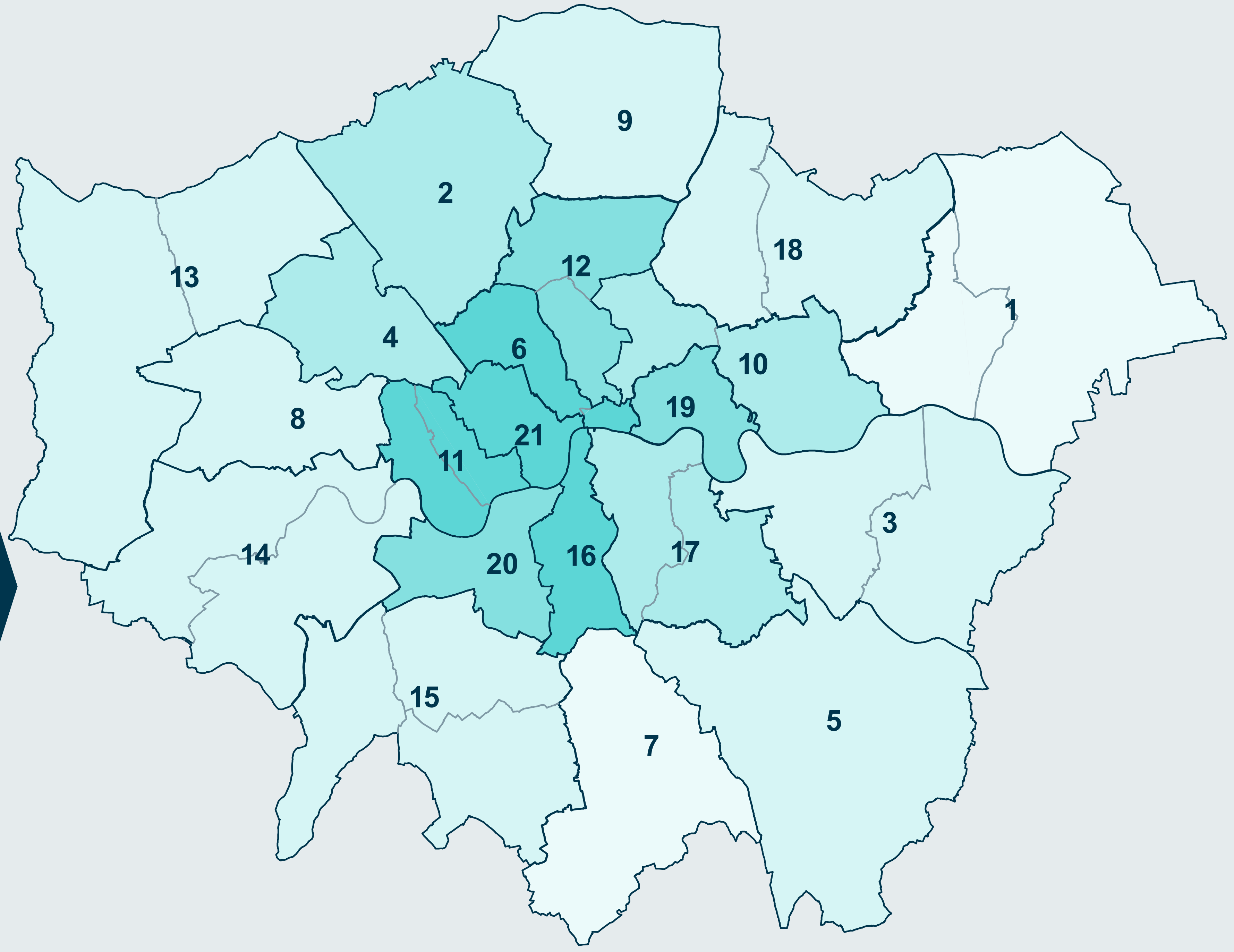
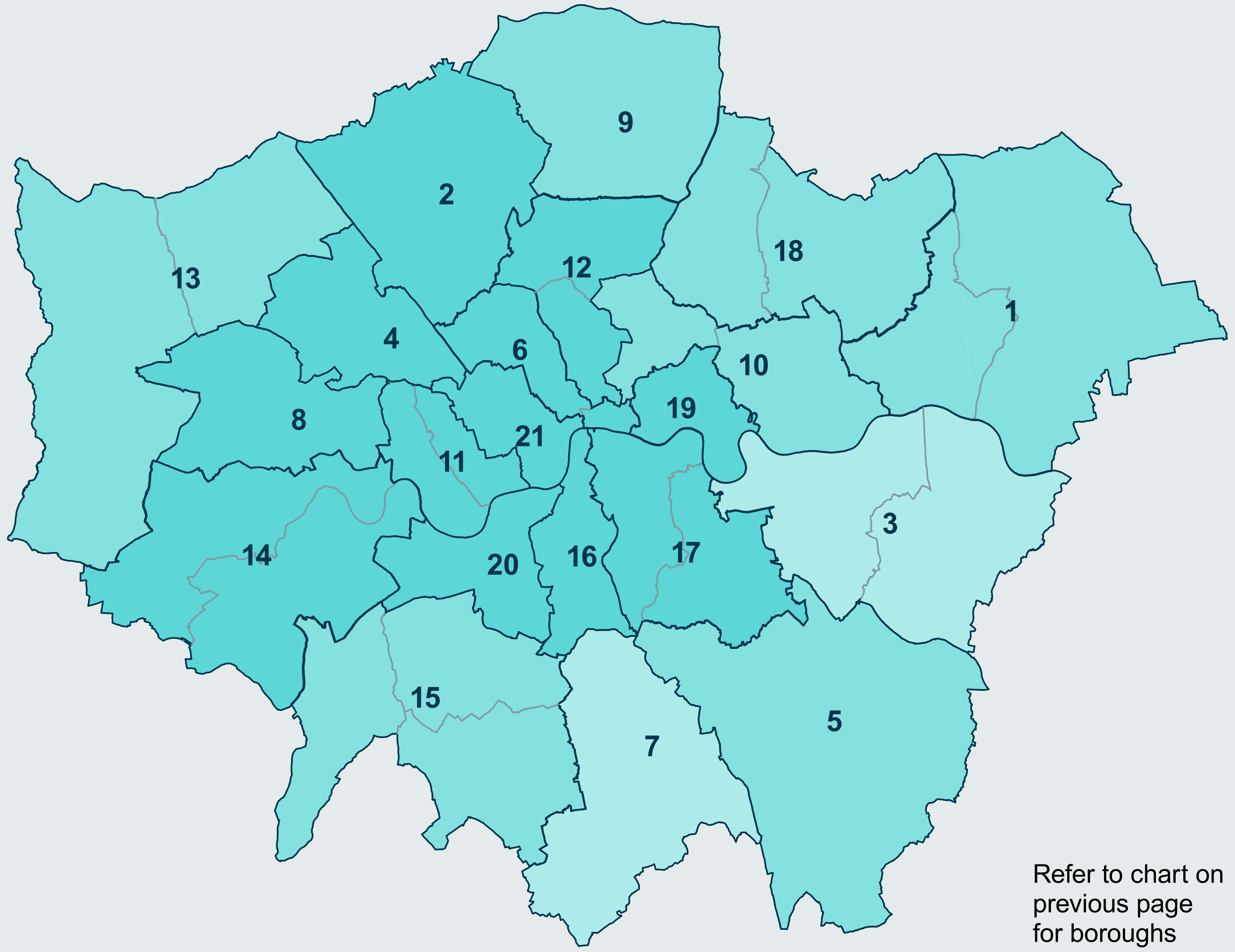
Five-year snapshot

Average rent July 2019

5 YR



Average rent July 2024



Refer to chart on previous page for boroughs

- Less than £1,250
- £1,250 to £1,500
- £1,500 to £1,750
- £1,750 to £2,000
- Over £2,000

5 YR Greatest change over five years **+48.1%** **Ealing**

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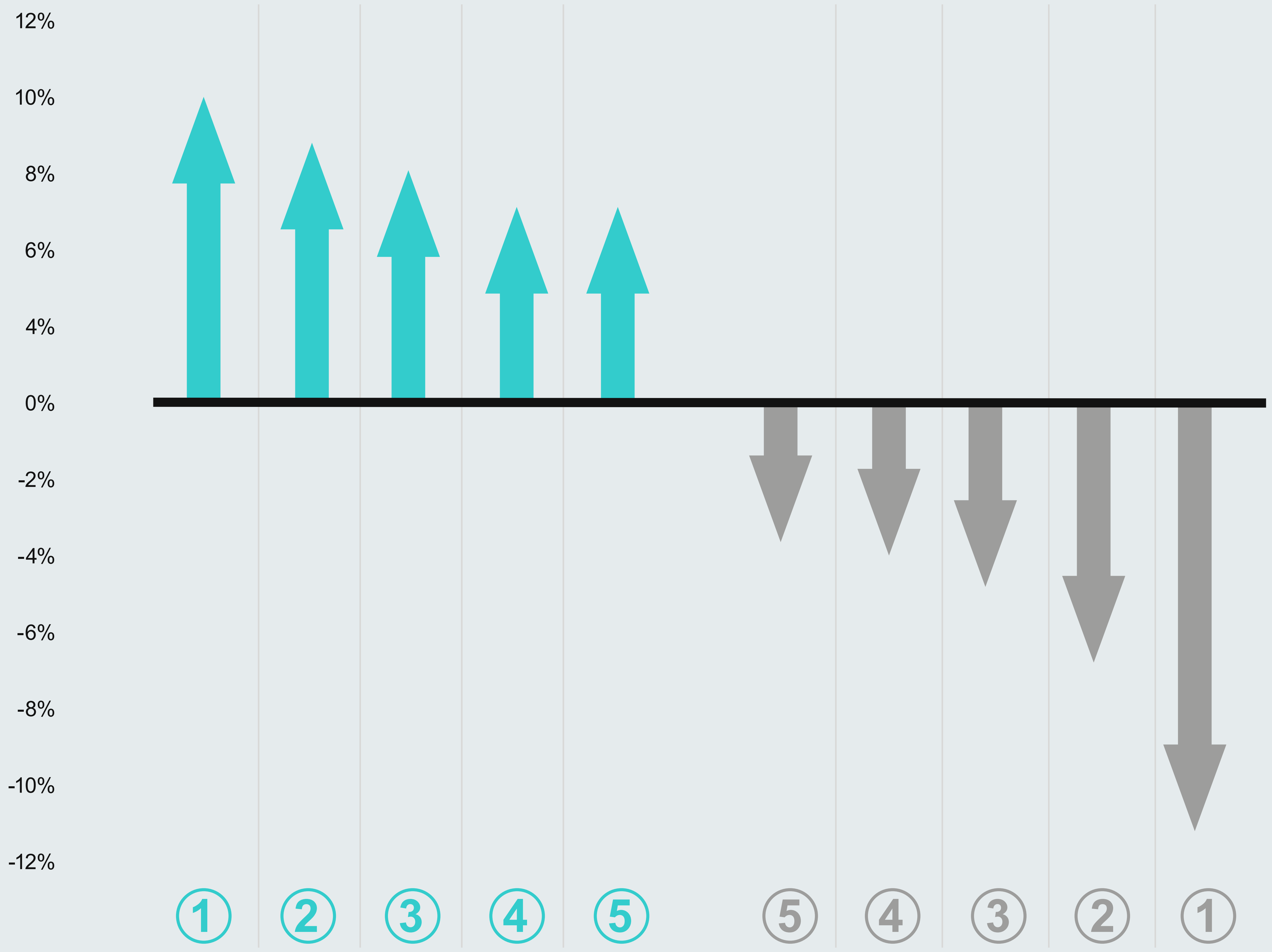
Strongest and weakest performers

Strongest July 2024

Weakest July 2024



Based on annual change to July 2024

1	+10.5%	Redbridge and Waltham Forest
2	+8.5%	Ealing
3	+7.6%	Enfield
4	+6.4%	Bromley
5	+6.4%	Croydon
5	-3.9%	Hammersmith, Fulham, Kensington and Chelsea
4	-4.0%	Camden, City of London
3	-4.8%	Westminster
2	-6.7%	Tower Hamlets
1	-11.2%	Wandsworth

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Affordability

% income spent on rent

32.7%

The average amount of income that UK renters spent on their rent in July was 32.7%, compared to 33.2% in June.

Change annual*

-0.6%

While improved in the month, this is still higher than a year ago when renters spent 32.1% of their income on rent.

Greatest change

-6.3%

North East

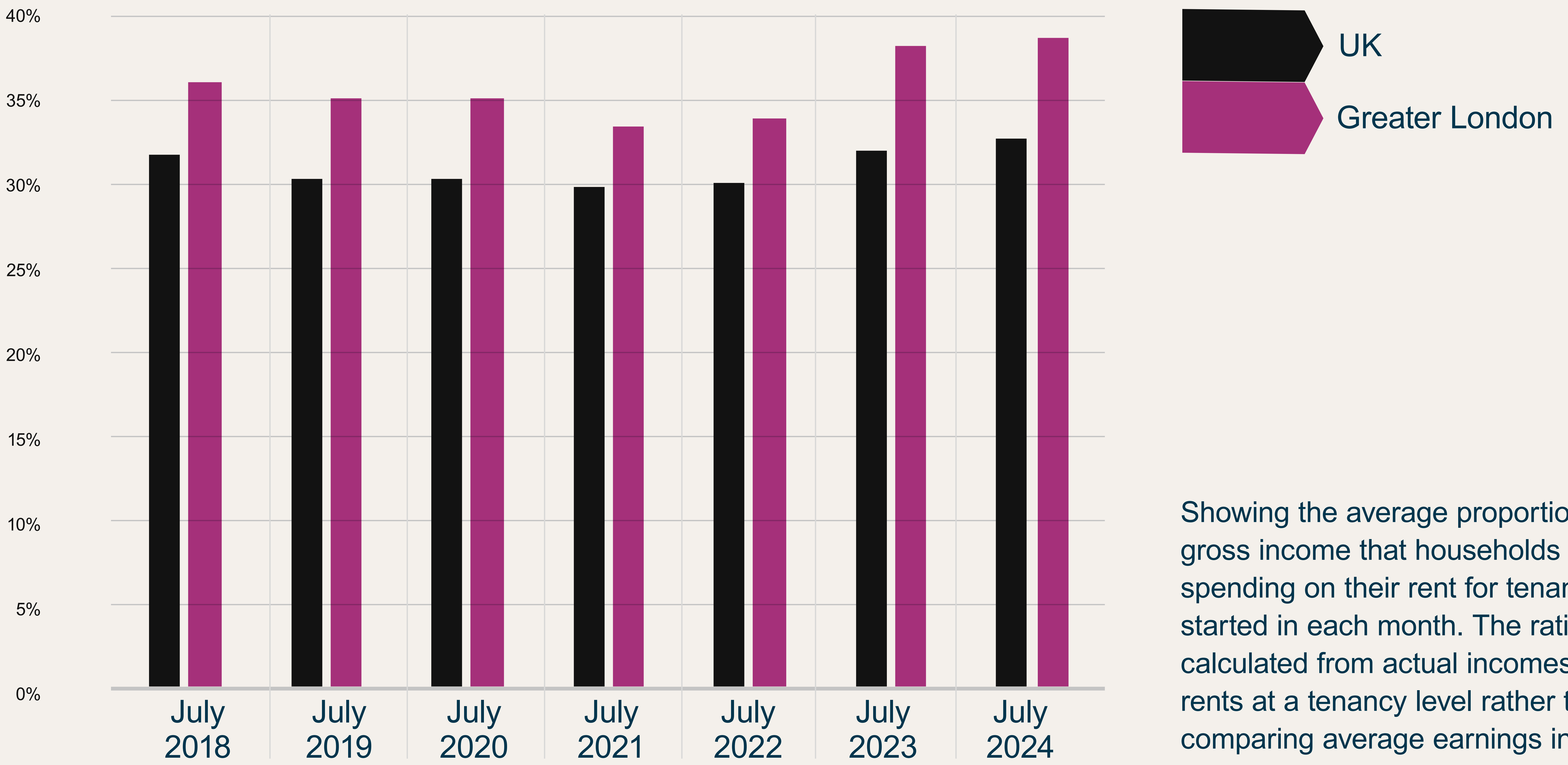
Renter affordability improved in all except 4 regions in July compared to June.

* calculated by subtracting the July 2024 figure from July 2023. A negative figure reflects worsening affordability.

UK and London

7 YR

Affordability over time July 2018 to July 2024



	July 2018	July 2019	July 2020	July 2021	July 2022	July 2023	July 2024
UK	31.8%	30.4%	30.4%	29.8%	30.2%	32.1%	32.7%
Greater London	36.2%	35.2%	35.1%	33.6%	33.9%	38.3%	38.9%

Showing the average proportion of gross income that households are spending on their rent for tenancies started in each month. The ratio is calculated from actual incomes and rents at a tenancy level rather than comparing average earnings in an area with average market rents.

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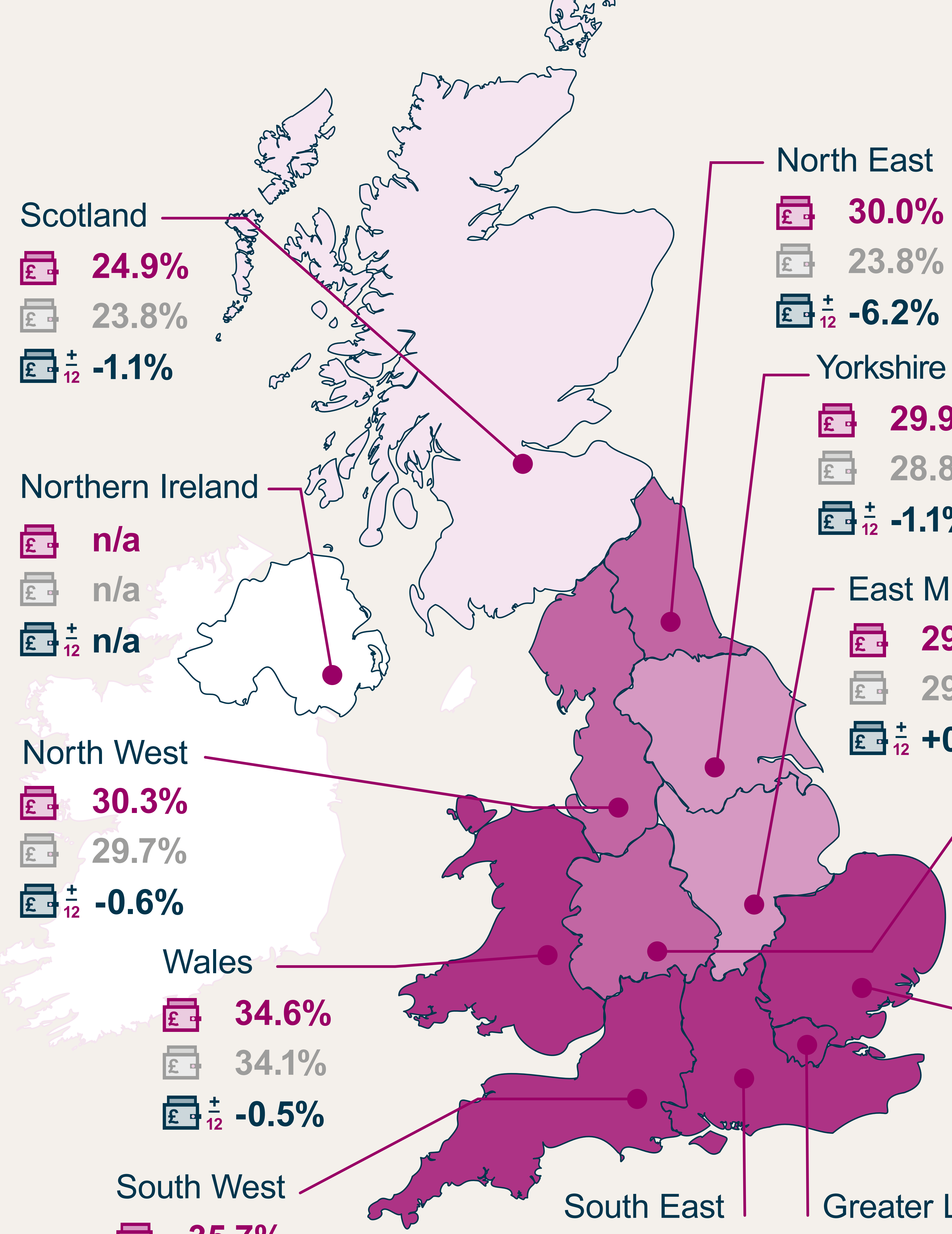
Regional snapshot



Scotland
24.9%
23.8%
-1.1%

Northern Ireland
n/a
n/a
n/a

North West
30.3%
29.7%
-0.6%

Wales
34.6%
34.1%
-0.5%

South West
35.7%
33.8%
-1.9%

North East
30.0%
23.8%
-6.2%

Yorkshire and the Humber
29.9%
28.8%
-1.1%

East Midlands
29.4%
29.9%
+0.5%

West Midlands
31.1%
30.3%
-0.8%

East of England
33.8%
34.1%
+0.3%

South East
34.0%
32.7%
-1.3%

Greater London
38.9%
38.3%
-0.6%

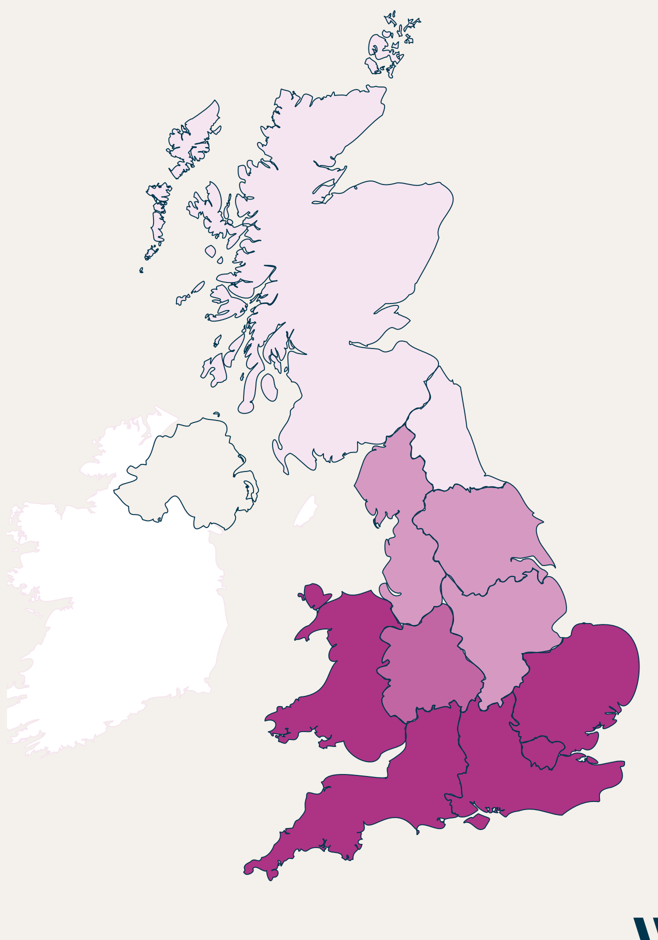
*Calculated by subtracting the July 2023 figure from July 2024.

% income spent on rent

July 2024

July 2024	< 26%
	26 to 28%
July 2023	28 to 30%
± 12 Change	30 to 32%
	32%+

July
2023



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Next Regional focus

North East

Median tenant gross income*

£26,365

£30,050

Predominant age group

20–29

20–29

Average % tenant income spent on rent

30.0%

32.7%

Predominant rental band

£500–£750

£750–£1,000 per month

Key
Shows regional average
Shows UK average

Delving deeper into the data we are able to provide tenant demographic and market profiling at a local level. Each month, we provide a snapshot of the profile of tenants across different UK regions based on data for the last 12 months. This month's focus is on the North East.

*Excludes below £10k and over £500k

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North East

Distance moved last 12 months

Key
Shows regional average
Shows UK average

Miles

	Up to 1	1 to 2	2 to 5	5 to 10	10 to 25	25 to 50	50 to 100	100 to 200	Over 200	Overseas
Regional average	26%	12%	19%	12%	7%	2%	4%	7%	7%	3%
UK average	25%	13%	18%	11%	9%	5%	6%	6%	2%	5%

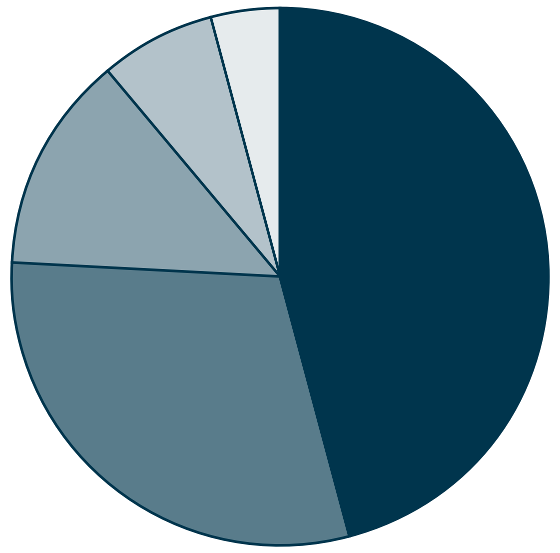
Profile of properties let Last 12 months

Number of bedrooms

	Flats 0	Flats 1	Flats 2	Flats 3+	Houses 1–2	Houses 3+
Regional average	3%	9%	20%	5%	23%	41%
UK average	5%	20%	22%	8%	16%	29%

Age breakdown Last 12 months

Tenants age



46%	Under 29
30%	30 to 39
13%	40 to 49
7%	50 to 59
4%	60+

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July 2024

With over 30 years of experience, we're the UK's leading tenant referencing and specialist protection supplier for the private rented sector. We've got a team of over 300 co-workers dedicated to providing market-leading support to our letting agents, helping them to grow and develop their business.

We always strive to exceed our customers' expectations. Our expertise combined with our innovative approach drives a continual development of our proposition – and the value that we provide for our customers.

In conjunction with Dataloft

A PriceHubble company

About the HomeLet rental index report

The index and average prices are produced using HomeLet's mix adjusted rental index methodology. This helps to track the representative rental values over time, which factor in changes in the mix of property types and locations of rented properties. 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. The data used in the HomeLet Rental Index is aggregated to regional, county and city level only. This ensures that all property or individual records remain strictly anonymous.

The 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 this report. The HomeLet Rental Index may not be used for commercial purposes; we shall not be liable for any decisions made or action taken in reliance upon the published data.

About Dataloft

Dataloft creates data-driven insight on UK housing markets as part of PriceHubble, the leading provider of residential data, valuations and insights across Europe. Dataloft aggregates data from Barbon and other companies to create Dataloft Rental Market Analytics (DRMA), the largest and most comprehensive single source of achieved rents and renter demographics for the UK. Their team of analysts and data scientists produce the evidence needed by clients for marketing strategies, investment decisions and planning submissions.

dataloft.co.uk

Date of publication: July 2024
Source: HomeLet.
Analysis, editorial, design, graphics and charts by Dataloft.
Photography cover: ChrisHepburn/iStock
Photography pages 15 & 16: Stocksre