

HomeLet Rental Index

Key headlines

- When London is excluded, the average UK rental value was £739pcm - this is 4.9% higher than the same period last year (£704pcm)
- Average rental values have increased in ten out of twelve regions in the UK, compared to the same period last year
- The North West (-5.1%) and Northern Ireland (-0.6%) have seen a continued reduction in rental values over the last four months
- Average rents for new tenancies in London are 8% higher than the same period last year
- Rents in London are now 106% higher than the rest of the UK

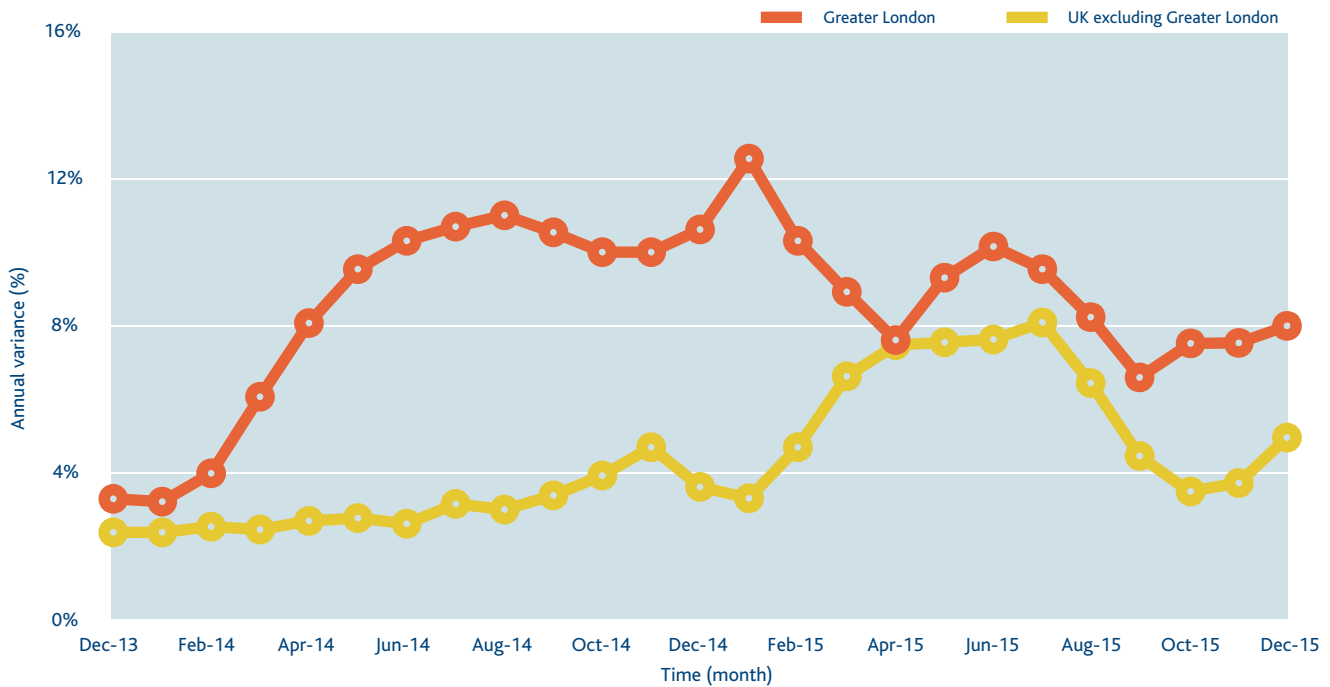


December 2015 edition

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 December. 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 £739pcm - this is 4.9% higher than last year (£704pcm)
- In 2015, annual growth in rental values in Greater London slowed from a peak of over 12% in January to 6% in September
- In contrast, the rest of the UK saw an increase in average rental values throughout the spring and summer months of 2015
- Average rental values have dropped in the North West (-5.1%) and Northern Ireland (-0.6%); both regions have seen a continued reduction in rental values over the last four months



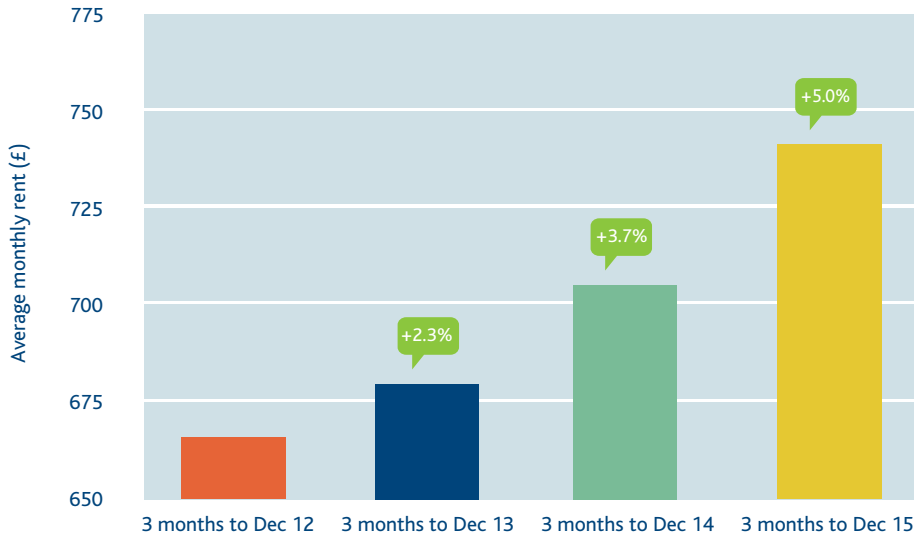
In detail...

The full regional breakdown can be seen on page four

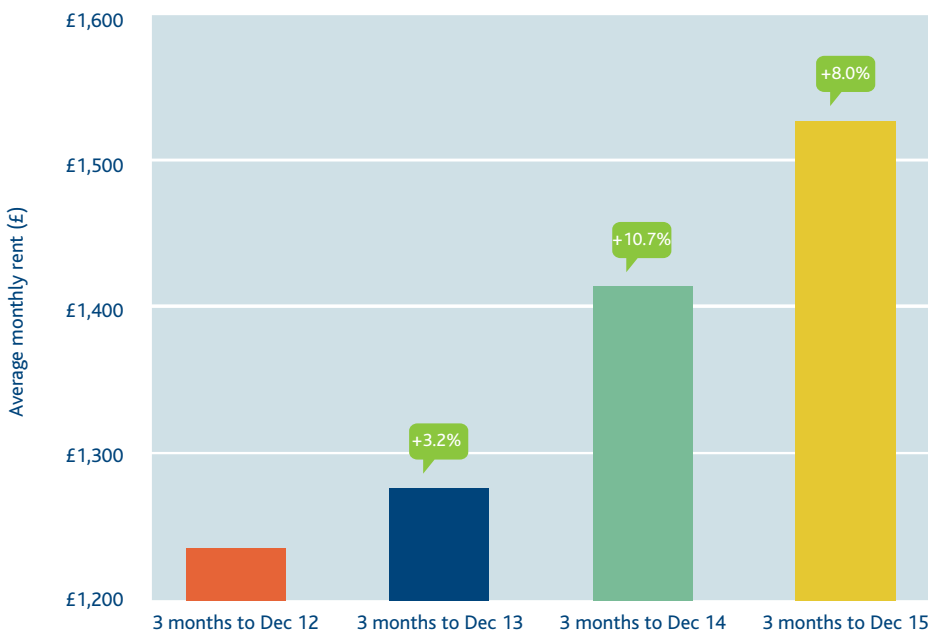


Average rental values with annual comparison

UK excluding Greater London



Greater London

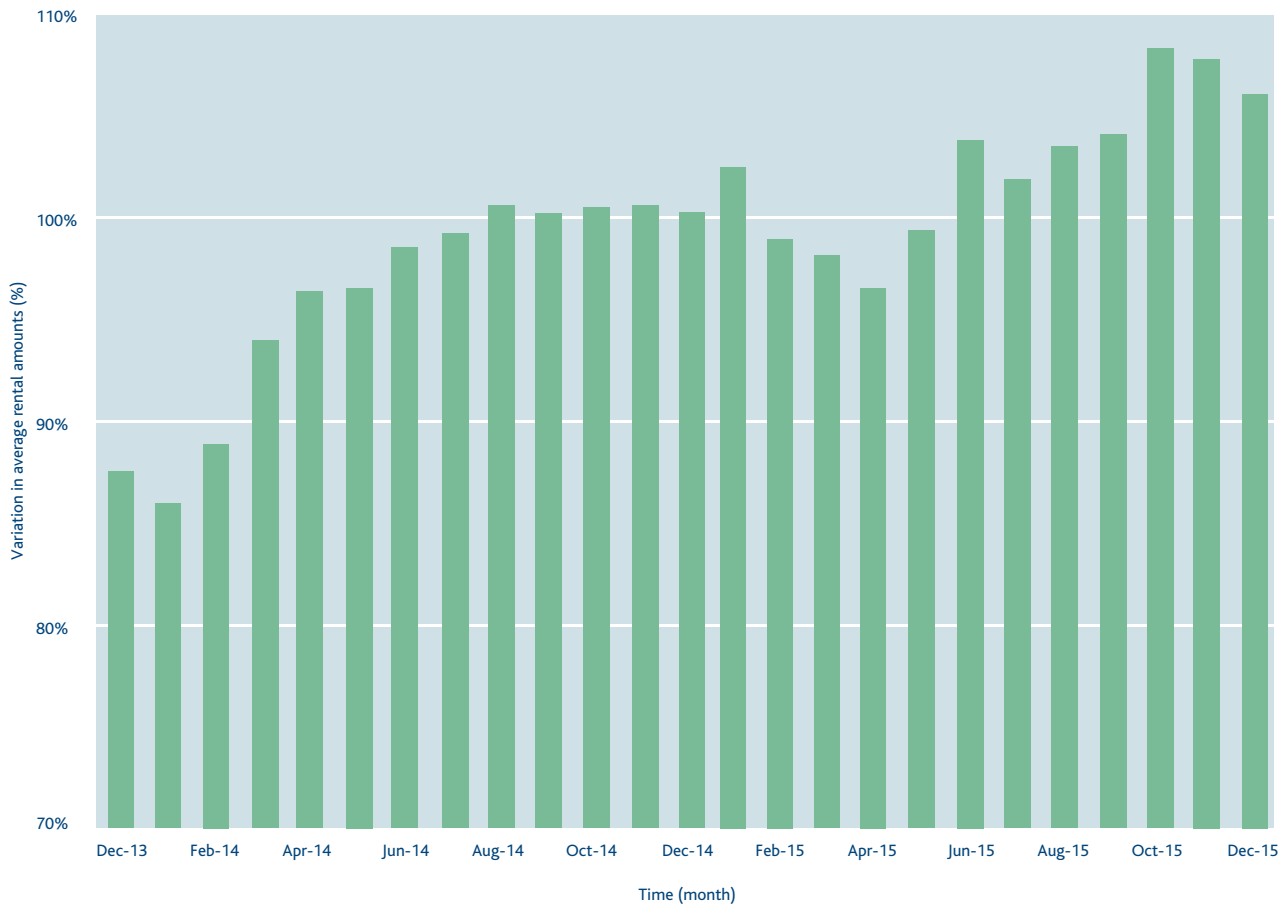


The figures also show...

- The annual growth in average rental values in the UK, excluding London (5%), was higher than 2014 (3.7%) and 2013 (2.3%)
- The annual growth in average rental values in Greater London (8%) was lower than 2014 (10.7%)

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 (£1,523) were 106% higher than the rest of the UK (£739)
- The variation between London and the rest of the UK has widened throughout 2015
- In January 2014, average rental values in London (£1,263) were 86% higher than the rest of the UK (£679)

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	
Average rent to Dec 2015	£531
Average rent to Nov 2015	£530
Monthly variance	0.1%
Average rent to Dec 2014	£521
Annual variance	1.9%

UK excluding London average	
Average rent to Dec 2015	£739
Average rent to Nov 2015	£743
Monthly variance	-0.6%
Average rent to Dec 2014	£704
Annual variance	4.9%

Scotland	
Average rent to Dec 2015	£630
Average rent to Nov 2015	£648
Monthly variance	-2.8%
Average rent to Dec 2014	£611
Annual variance	3.2%

Yorkshire and Humber	
Average rent to Dec 2015	£623
Average rent to Nov 2015	£626
Monthly variance	-0.5%
Average rent to Dec 2014	£604
Annual variance	3.1%

North West	
Average rent to Dec 2015	£622
Average rent to Nov 2015	£631
Monthly variance	-1.5%
Average rent to Dec 2014	£655
Annual variance	-5.1%

East Midlands	
Average rent to Dec 2015	£638
Average rent to Nov 2015	£635
Monthly variance	0.4%
Average rent to Dec 2014	£600
Annual variance	6.4%

West Midlands	
Average rent to Dec 2015	£666
Average rent to Nov 2015	£659
Monthly variance	1.0%
Average rent to Dec 2014	£654
Annual variance	1.7%

East Anglia	
Average rent to Dec 2015	£799
Average rent to Nov 2015	£805
Monthly variance	-0.7%
Average rent to Dec 2014	£756
Annual variance	5.7%

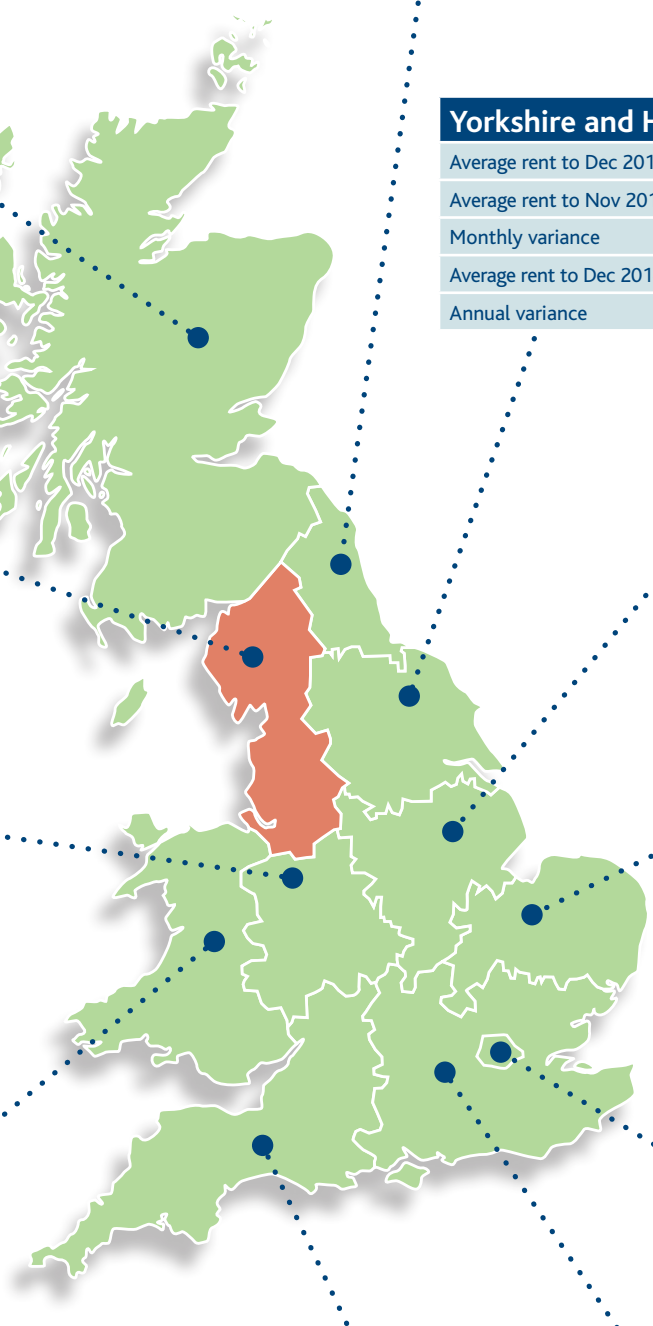
Wales	
Average rent to Dec 2015	£599
Average rent to Nov 2015	£595
Monthly variance	0.8%
Average rent to Dec 2014	£586
Annual variance	2.3%

Greater London	
Average rent to Dec 2015	£1,523
Average rent to Nov 2015	£1,544
Monthly variance	-1.4%
Average rent to Dec 2014	£1,410
Annual variance	8.0%

Northern Ireland	
Average rent to Dec 2015	£570
Average rent to Nov 2015	£580
Monthly variance	-1.8%
Average rent to Dec 2014	£574
Annual variance	-0.6%

South West	
Average rent to Dec 2015	£840
Average rent to Nov 2015	£849
Monthly variance	-1.1%
Average rent to Dec 2014	£796
Annual variance	5.5%

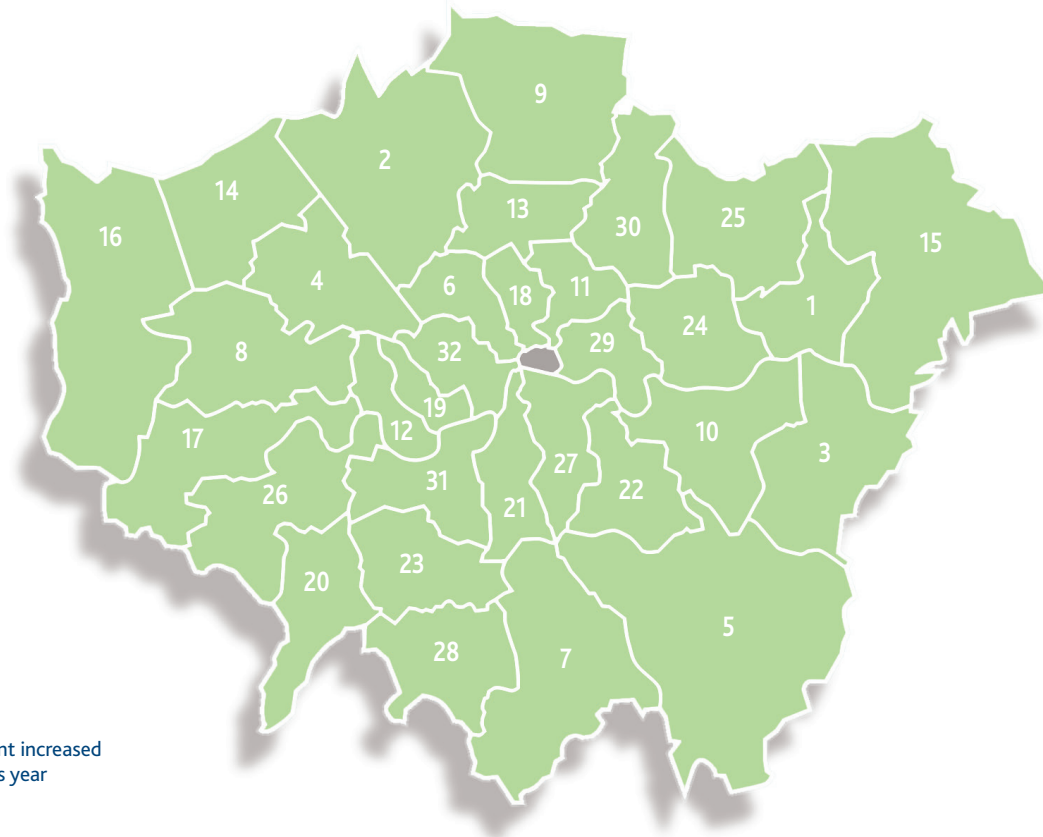
South East	
Average rent to Dec 2015	£936
Average rent to Nov 2015	£943
Monthly variance	-0.8%
Average rent to Dec 2014	£875
Annual variance	7.0%



Greater London by borough

This section looks at the average rental values for new tenancies, over the past 12 months for each borough of London. The annual variance compares 1st Jan - 31st Dec 2015 with 1st Jan - 31st Dec 2014.

1 Barking & Dagenham	2 Barnet	3 Bexley	4 Brent	5 Bromley
Avg rent 12 months to Dec 15 £1,175	Avg rent 12 months to Dec 15 £1,460	Avg rent 12 months to Dec 15 £1,043	Avg rent 12 months to Dec 15 £1,619	Avg rent 12 months to Dec 15 £1,306
Annual variance 13%	Annual variance 7%	Annual variance 9%	Annual variance 8%	Annual variance 7%
6 Camden	7 Croydon	8 Ealing	9 Enfield	10 Greenwich
Avg rent 12 months to Dec 15 £2,123	Avg rent 12 months to Dec 15 £1,185	Avg rent 12 months to Dec 15 £1,487	Avg rent 12 months to Dec 15 £1,282	Avg rent 12 months to Dec 15 £1,460
Annual variance 14%	Annual variance 12%	Annual variance 14%	Annual variance 9%	Annual variance 9%
11 Hackney	12 Hammersmith & Fulham	13 Haringey	14 Harrow	15 Havering
Avg rent 12 months to Dec 15 £1,813	Avg rent 12 months to Dec 15 £1,870	Avg rent 12 months to Dec 15 £1,615	Avg rent 12 months to Dec 15 £1,413	Avg rent 12 months to Dec 15 £1,161
Annual variance 10%	Annual variance 7%	Annual variance 9%	Annual variance 10%	Annual variance 12%
16 Hillingdon	17 Hounslow	18 Islington	19 Kensington & Chelsea	20 Kingston upon Thames
Avg rent 12 months to Dec 15 £1,301	Avg rent 12 months to Dec 15 £1,396	Avg rent 12 months to Dec 15 £1,952	Avg rent 12 months to Dec 15 £2,720	Avg rent 12 months to Dec 15 £1,517
Annual variance 11%	Annual variance 6%	Annual variance 9%	Annual variance 3%	Annual variance 15%



Average rent increased on previous year

21 Lambeth	22 Lewisham	23 Merton	24 Newham	25 Redbridge
Avg rent 12 months to Dec 15 £1,802	Avg rent 12 months to Dec 15 £1,404	Avg rent 12 months to Dec 15 £1,596	Avg rent 12 months to Dec 15 £1,453	Avg rent 12 months to Dec 15 £1,320
Annual variance 7%	Annual variance 13%	Annual variance 8%	Annual variance 12%	Annual variance 9%
26 Richmond upon Thames	27 Southwark	28 Sutton	29 Tower Hamlets	30 Waltham Forest
Avg rent 12 months to Dec 15 £1,581	Avg rent 12 months to Dec 15 £1,780	Avg rent 12 months to Dec 15 £1,140	Avg rent 12 months to Dec 15 £1,794	Avg rent 12 months to Dec 15 £1,354
Annual variance 11%	Annual variance 9%	Annual variance 10%	Annual variance 11%	Annual variance 14%
31 Wandsworth	32 Westminster			
Avg rent 12 months to Dec 15 £1,821	Avg rent 12 months to Dec 15 £2,378			
Annual variance 12%	Annual variance 15%			

Greater London ranked by borough

Five London boroughs with the highest average rent

London borough	Average rent Jan - Dec 2015
Kensington and Chelsea	£2,720
Westminster	£2,378
Camden	£2,123
Islington	£1,952
Hammersmith and Fulham	£1,870

Five London boroughs with the lowest average rent

London borough	Average rent Jan - Dec 2015
Croydon	£1,185
Barking and Dagenham	£1,175
Havering	£1,161
Sutton	£1,140
Bexley	£1,043

Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Westminster	15%
Kingston Upon Thames	15%
Ealing	14%
Camden	14%
Waltham Forest	14%

Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Hammersmith and Fulham	7%
Bromley	7%
Barnet	7%
Hounslow	6%
Kensington and Chelsea	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.

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 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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