

HomeLet Rental Index

Key headlines

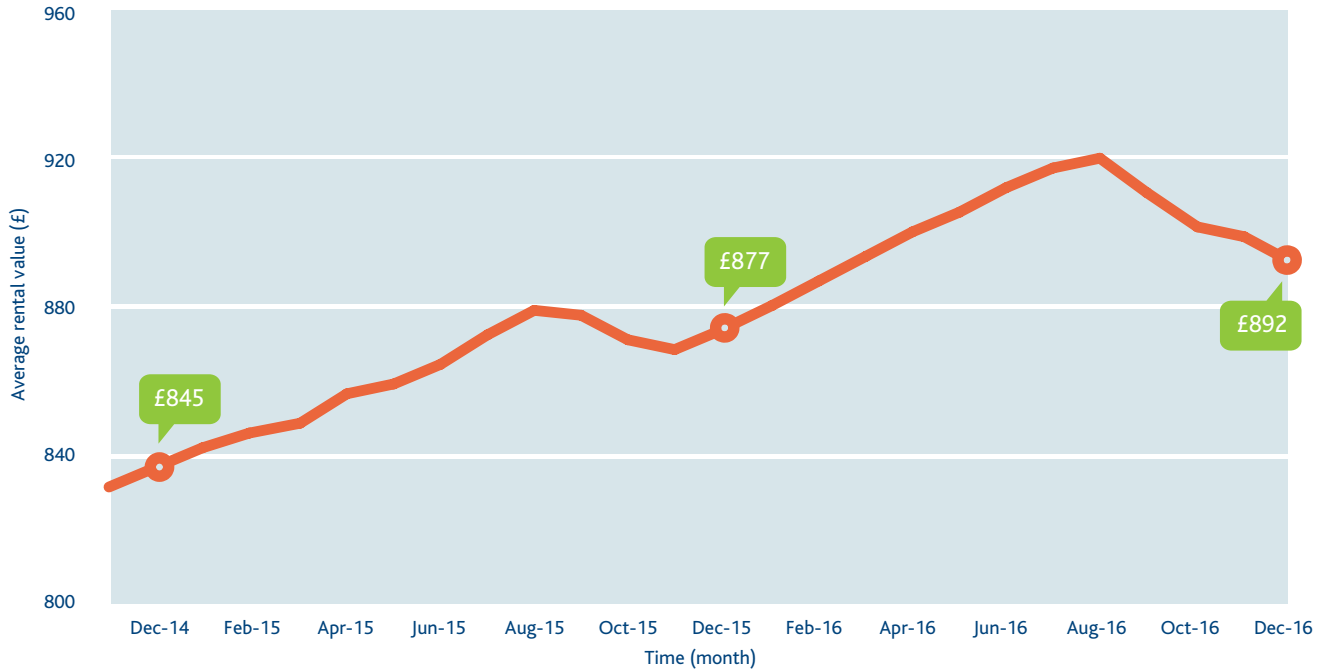
- The second half of 2016 has seen a considerably slower rate of rental growth, compared to the same period in 2015
- The average UK rental value was £892pcm - this is 1.7% higher than the same period last year (£877pcm)
- Since July 2016, rents in Greater London have seen a slower pace of annual growth than last year
- This month the average rental value in Greater London is 2.0% higher than the same period last year
- Average rental values have increased in eleven out of twelve regions in the UK, compared to the same period last year



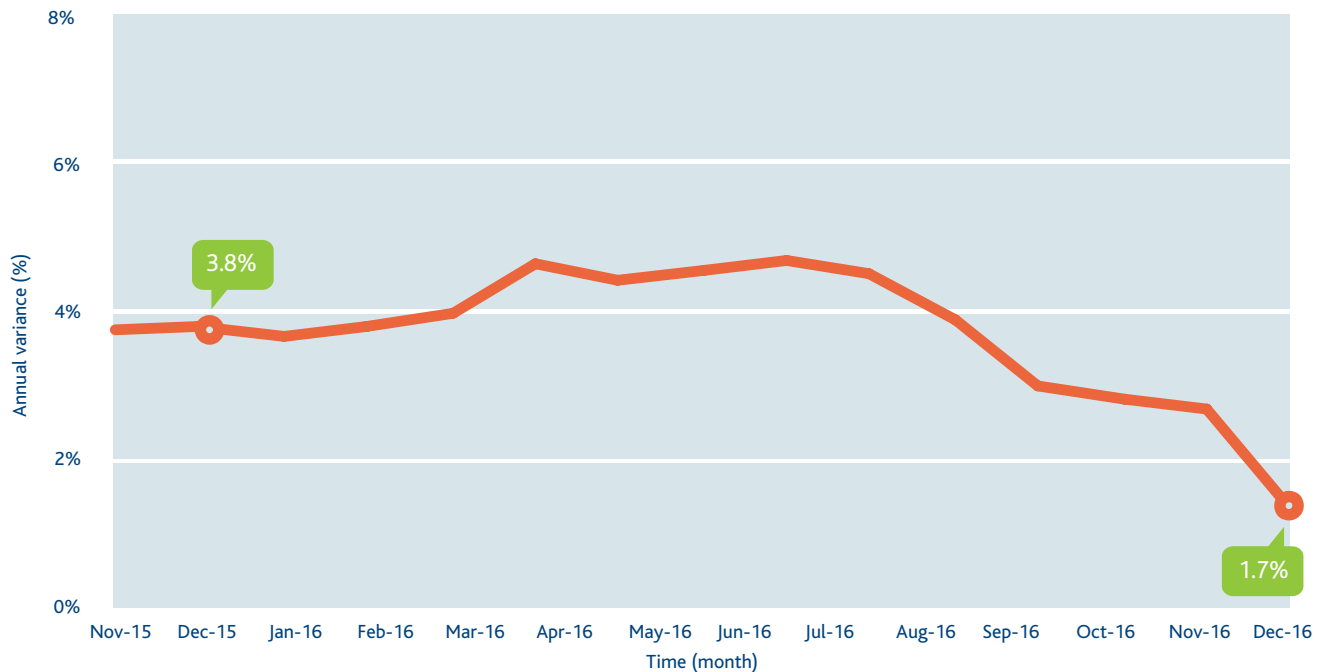
December 2016 edition

Average rental values in the UK

Average rental values



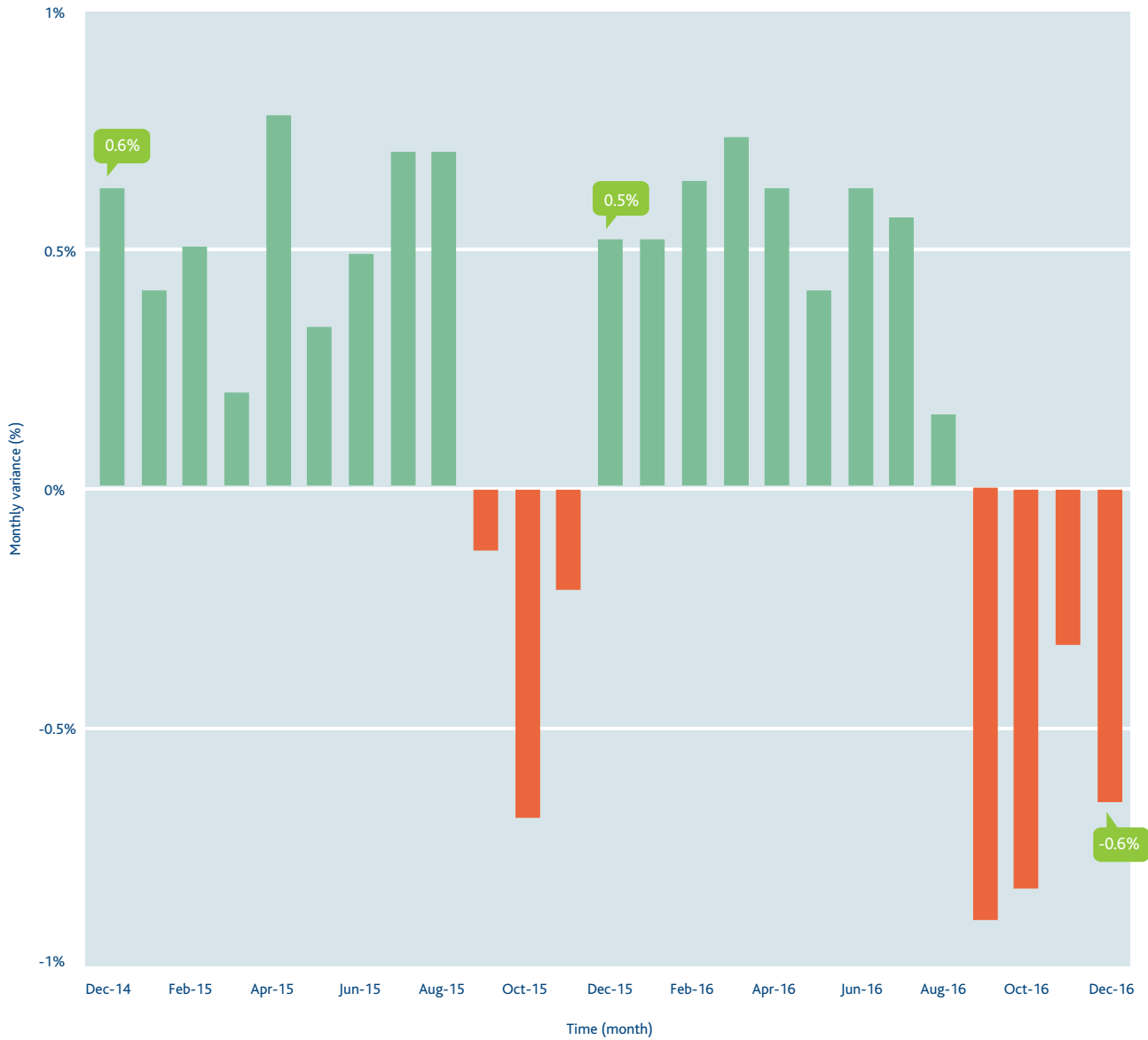
Annual variance in rental values



It's interesting to note...

- The average UK rental value was £892pcm - this is 1.7% higher than the same period last year (£877pcm) and a reduction in the rate of increase seen in December 2015 (3.8%)

Monthly variance in average rent in the UK



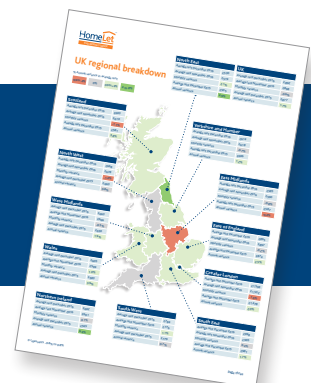
It's interesting to note...

- The UK average rental value has reduced by 0.6% since November 2016 – this is lower than the monthly variance in December 2015 (+0.5%) and December 2014 (+0.6%)



In detail...

The full regional breakdown can be seen on the next page



UK regional breakdown

% Annual variance in average rent



North East		UK	
Average rent December 2016	£530	Average rent December 2016	£892
Average rent November 2016	£519	Average rent November 2016	£898
Monthly variance	2.1%	Monthly variance	-0.6%
Average rent December 2015	£505	Average rent December 2015	£877
Annual variance	4.9%	Annual variance	1.7%

Scotland	
Average rent December 2016	£603
Average rent November 2016	£610
Monthly variance	-1.1%
Average rent December 2015	£581
Annual variance	3.8%

Yorkshire and Humber	
Average rent December 2016	£614
Average rent November 2016	£618
Monthly variance	-0.7%
Average rent December 2015	£606
Annual variance	1.2%

North West	
Average rent December 2016	£668
Average rent November 2016	£678
Monthly variance	-1.4%
Average rent December 2015	£663
Annual variance	0.8%

East Midlands	
Average rent December 2016	£585
Average rent November 2016	£590
Monthly variance	-0.8%
Average rent December 2015	£587
Annual variance	-0.4%

West Midlands	
Average rent December 2016	£663
Average rent November 2016	£666
Monthly variance	-0.5%
Average rent December 2015	£650
Annual variance	1.9%

East of England	
Average rent December 2016	£895
Average rent November 2016	£897
Monthly variance	-0.2%
Average rent December 2015	£874
Annual variance	2.5%

Wales	
Average rent December 2016	£605
Average rent November 2016	£599
Monthly variance	1.0%
Average rent December 2015	£583
Annual variance	3.9%

Greater London	
Average rent December 2016	£1,508
Average rent November 2016	£1,532
Monthly variance	-1.6%
Average rent December 2015	£1,478
Annual variance	2.0%

Northern Ireland	
Average rent December 2016	£602
Average rent November 2016	£601
Monthly variance	0.1%
Average rent December 2015	£565
Annual variance	6.4%

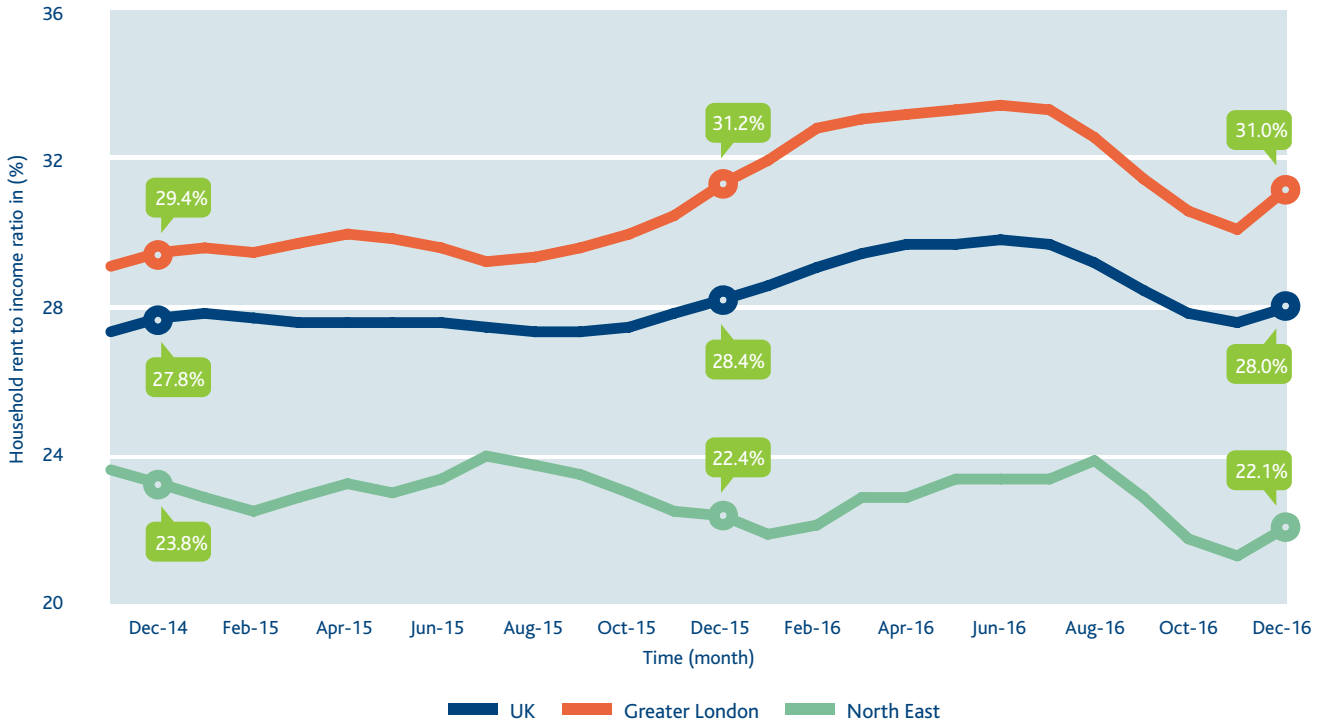
South West	
Average rent December 2016	£784
Average rent November 2016	£776
Monthly variance	1.1%
Average rent December 2015	£779
Annual variance	0.7%

South East	
Average rent December 2016	£998
Average rent November 2016	£995
Monthly variance	0.4%
Average rent December 2015	£981
Annual variance	1.7%

Household rent to income ratio in the UK

The data displayed below looks at the average gross household income per property against the average total rental value per property.

Household rent to income ratio in the UK, London and the North East

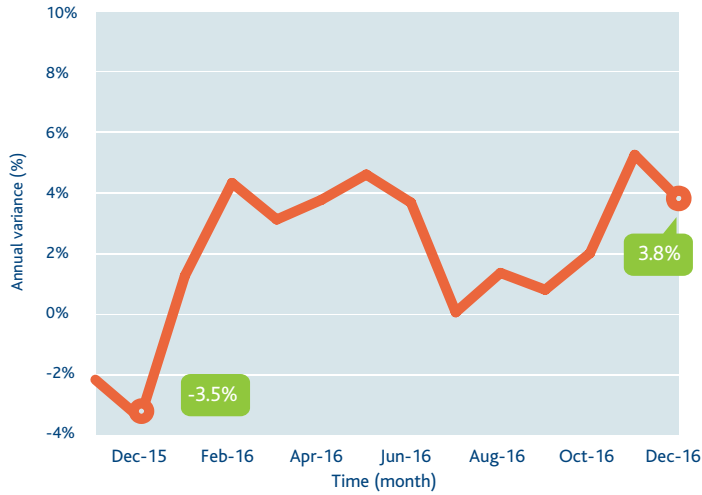


Household rent to income ratio by region

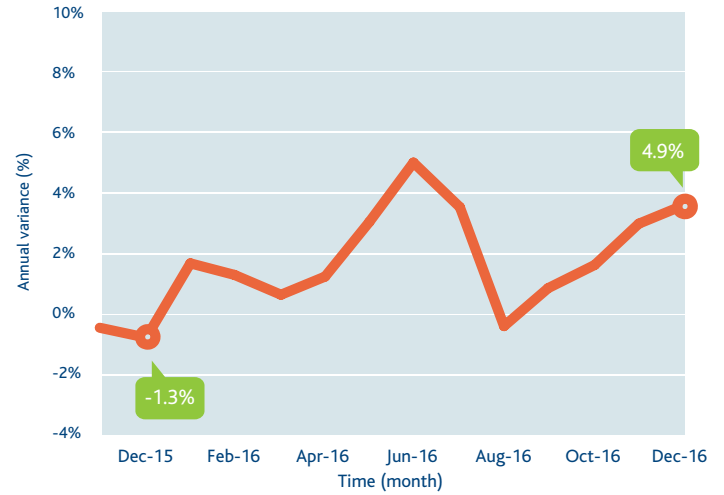
Region	December 2016	December 2015	Variance (percentage points)
Greater London	31.0%	31.2%	-0.2%
South West	29.7%	29.9%	-0.2%
South East	29.2%	28.8%	+0.4%
Wales	28.3%	28.7%	-0.4%
East of England	27.7%	28.1%	-0.3%
West Midlands	26.3%	27.0%	-0.7%
East Midlands	26.3%	27.1%	-0.8%
North West	26.0%	25.8%	+0.2%
Scotland	25.5%	25.8%	-0.3%
Northern Ireland	24.8%	24.8%	-0.0%
Yorkshire and The Humber	24.3%	24.6%	-0.3%
North East	22.1%	22.7%	-0.6%
UK	28.0%	28.2%	-0.2%
UK excluding Greater London	27.1%	27.4%	-0.2%

Annual variance in average rental values by region

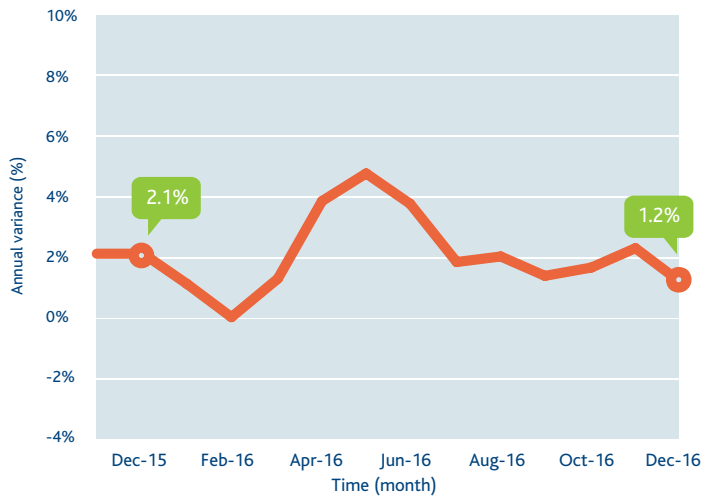
Scotland



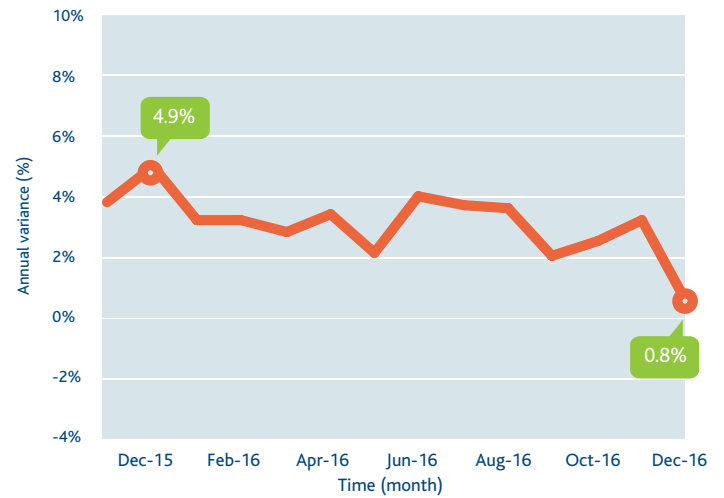
North East



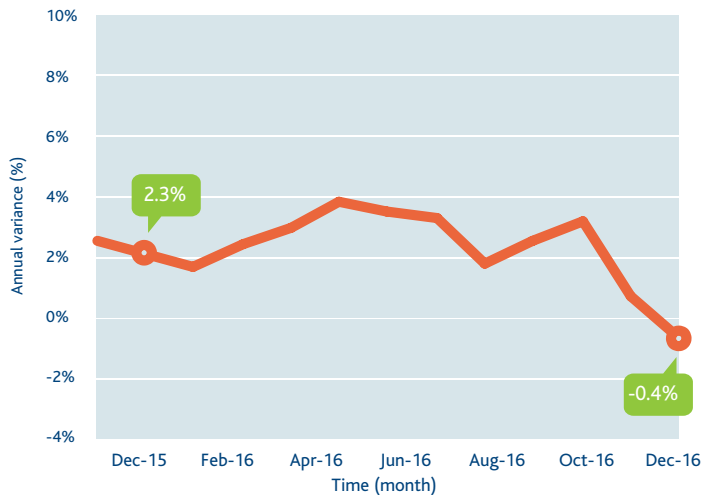
Yorkshire and the Humber



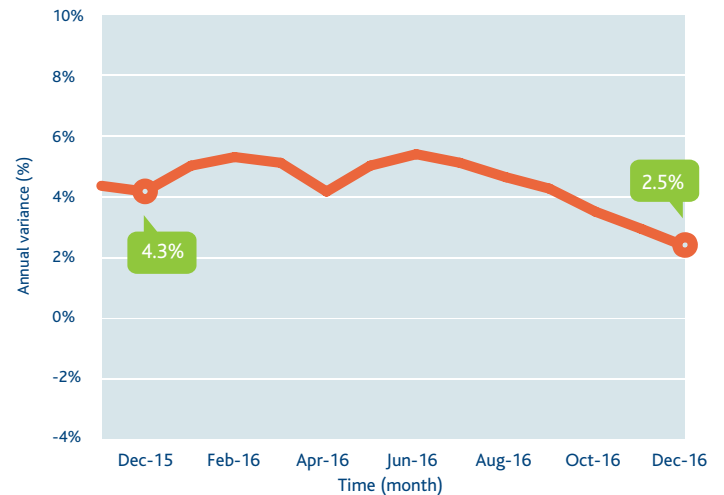
North West



East Midlands

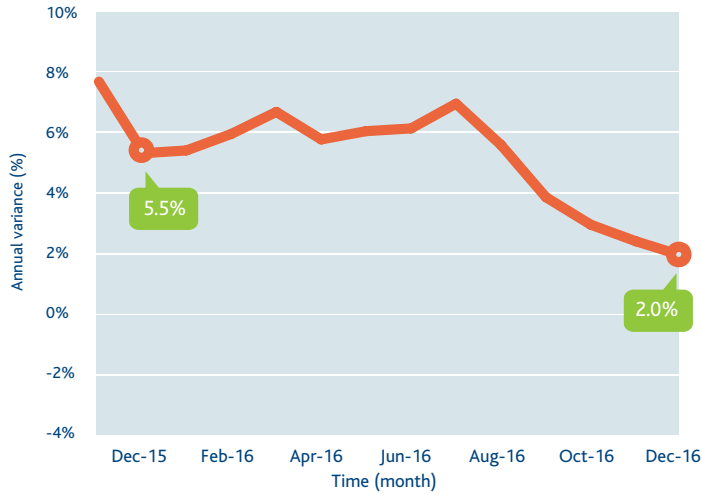


East of England

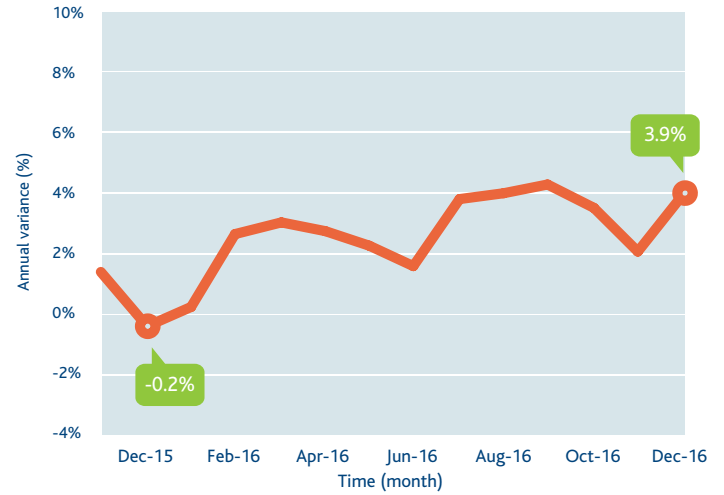


Annual variance in average rental values by region

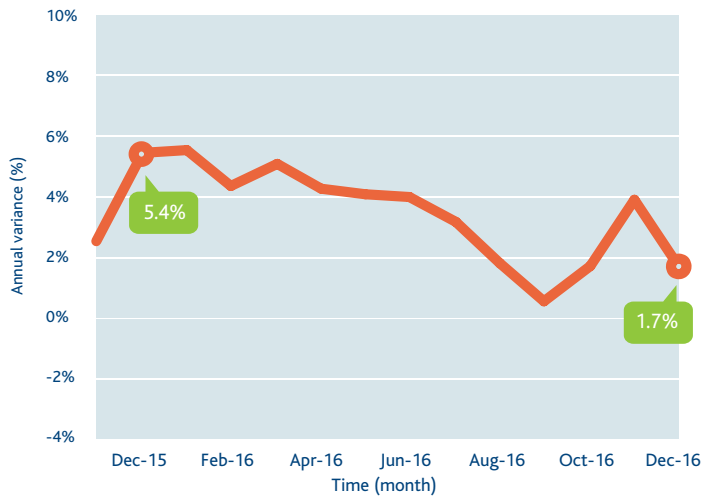
Greater London



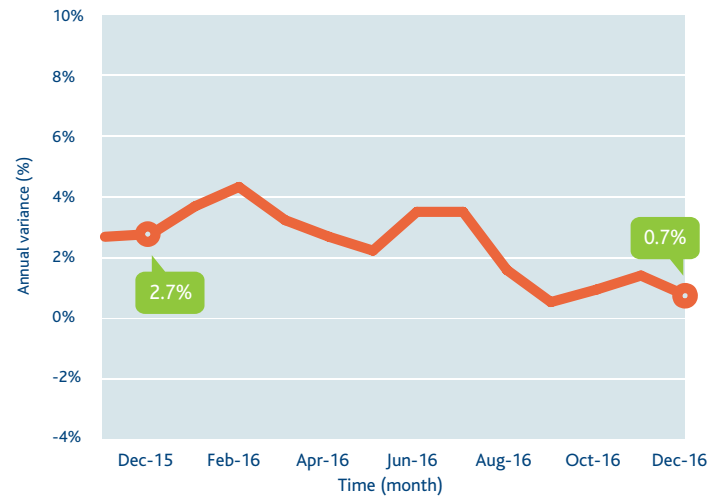
Wales



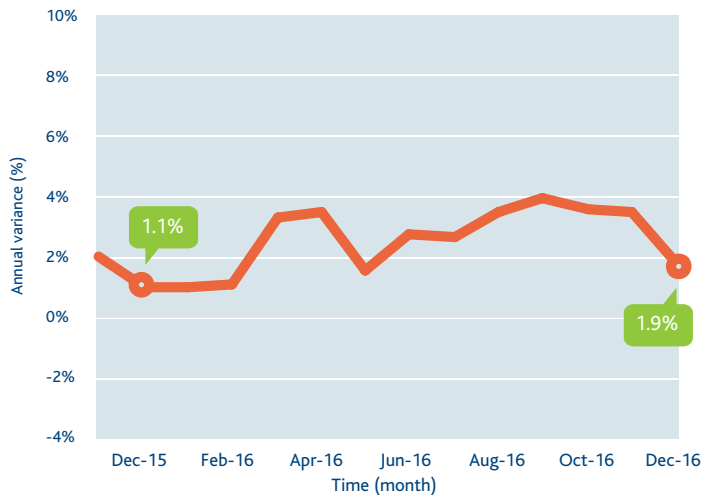
South East



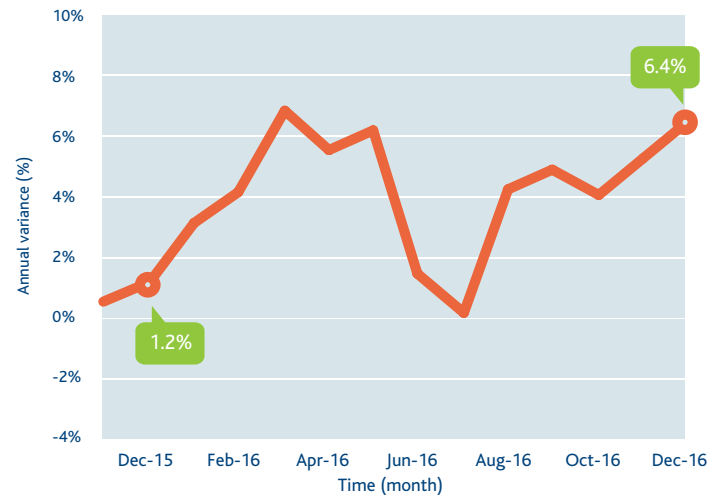
South West



West Midlands



Northern Ireland



Greater London vs. the UK

Monthly variation between Greater London rental prices and the UK average

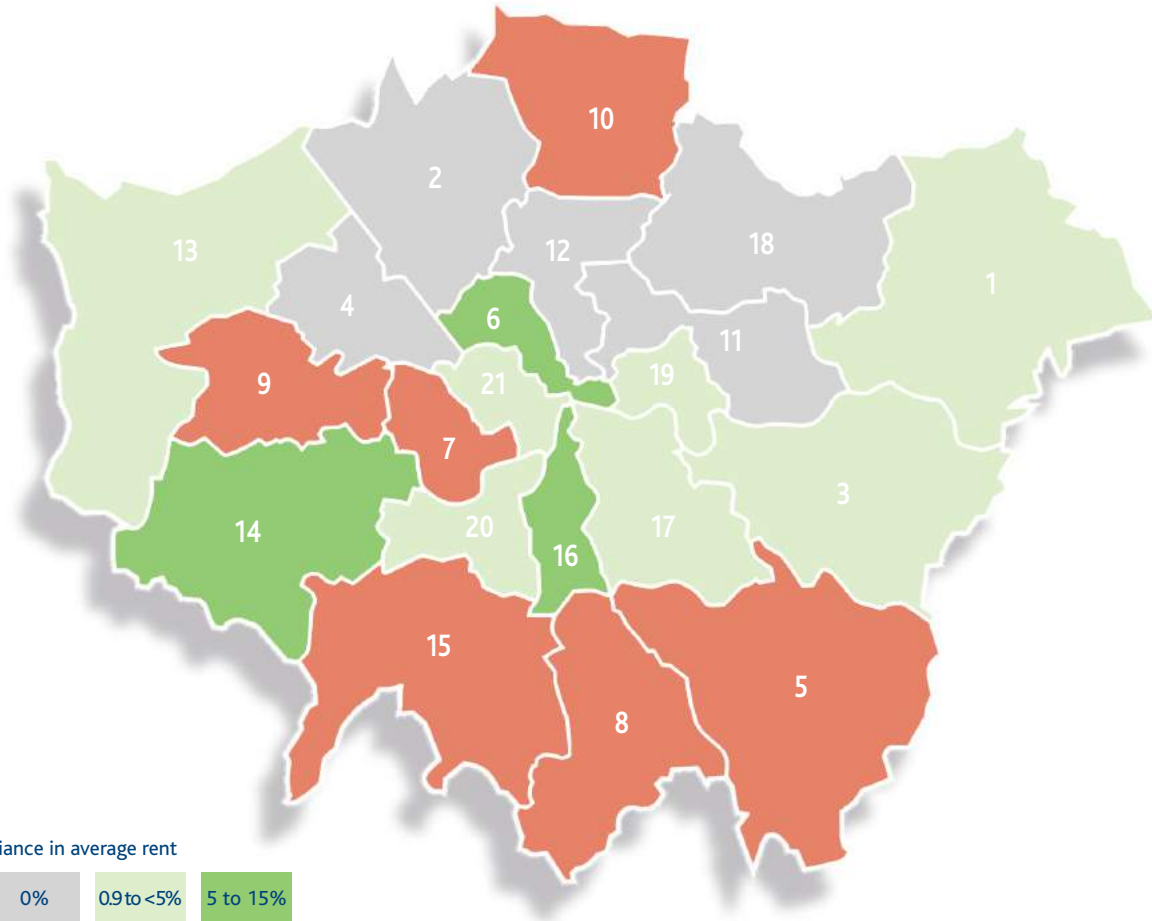


The figures also show...

- In December 2016 average rental values in London (£1,508) were 69% higher than the UK (£892)
- The gap between London and the rest of the UK was comparable to December 2015 (68.5%) and higher than December 2014 (65.9%)

Greater London by borough

This section looks at the average rental values for new tenancies for the boroughs of London. The annual variance compares December 2015 with December 2016.



1 Barking, Dagenham & Havering Avg rent Dec 16: £1,177 Annual variance: 2.1%	2 Barnet Avg rent Dec 16: £1,461 Annual variance: -0.7%	3 Bexley & Greenwich Avg rent Dec 16: £1,227 Annual variance: 1.1%	4 Brent Avg rent Dec 16: £1,480 Annual variance: 0.2%	5 Bromley Avg rent Dec 16: £1,339 Annual variance: -2.1%
6 Camden & City of London Avg rent Dec 16: £1,957 Annual variance: 13.3%	7 Chelsea, Fulham, Hammersmith & Kensington Avg rent Dec 16: £1,717 Annual variance: -1.5%	8 Croydon Avg rent Dec 16: £1,046 Annual variance: -3.0%	9 Ealing Avg rent Dec 16: £1,398 Annual variance: -3.4%	10 Enfield Avg rent Dec 16: £1,263 Annual variance: -3.1%
11 Hackney & Newham Avg rent Dec 16: £1,455 Annual variance: -0.5%	12 Haringey & Islington Avg rent Dec 16: £1,450 Annual variance: 0.7%	13 Harrow & Hillingdon Avg rent Dec 16: £1,331 Annual variance: 1.1%	14 Hounslow & Richmond upon Thames Avg rent Dec 16: £1,377 Annual variance: 5.7%	15 Kingston upon Thames, Merton & Sutton Avg rent Dec 16: £1,350 Annual variance: -1.1%
16 Lambeth Avg rent Dec 16: £1,950 Annual variance: 6.6%	17 Lewisham & Southwark Avg rent Dec 16: £1,624 Annual variance: 4.8%	18 Redbridge & Waltham Forest Avg rent Dec 16: £1,265 Annual variance: 0.0%	19 Tower Hamlets Avg rent Dec 16: £1,703 Annual variance: 2.3%	20 Wandsworth Avg rent Dec 16: £1,561 Annual variance: 1.7%
21 Westminster Avg rent Dec 16: £2,033 Annual variance: 1.6%				

Greater London ranked by borough

Five London boroughs with the highest average rent

London borough	Average rent Dec 2016
Westminster	£2,033
Camden & City of London	£1,957
Lambeth	£1,950
Chelsea, Fulham, Hammersmith & Kensington	£1,717
Tower Hamlets	£1,703

Five London boroughs with the lowest average rent

London borough	Average rent Dec 2016
Croydon	£1,046
Barking, Dagenham & Havering	£1,177
Bexley & Greenwich	£1,227
Enfield	£1,263
Redbridge & Waltham Forest	£1,265

Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Camden & City of London	13.3%
Lambeth	6.6%
Hounslow & Richmond upon Thames	5.7%
Lewisham & Southwark	4.8%
Tower Hamlets	2.3%

Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Ealing	-3.4%
Enfield	-3.1%
Croydon	-3.0%
Bromley	-2.1%
Chelsea, Fulham, Hammersmith & Kensington	-1.5%

About HomeLet

With almost 25 years supporting 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.

About the HomeLet Rental Index

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.

For more information on the HomeLet Rental Index please visit

homelet.co.uk/homelet-rental-index