

HomeLet Rental Index

Key headlines

- When London is excluded, the average UK rental value was £744pcm - this is 4.8% higher than the same period last year (£710pcm)
- Average rental values have increased in ten out of twelve regions in the UK, compared to the same period last year
- The North West (-3.2%) has seen a continued reduction in rental values over the last 8 months
- Average rents for new tenancies in London are 7.7% higher than the same period last year
- Annually rents for new tenancies in Greater London are up by 7.7%, this rate of increase is lower than last year (10.3%)

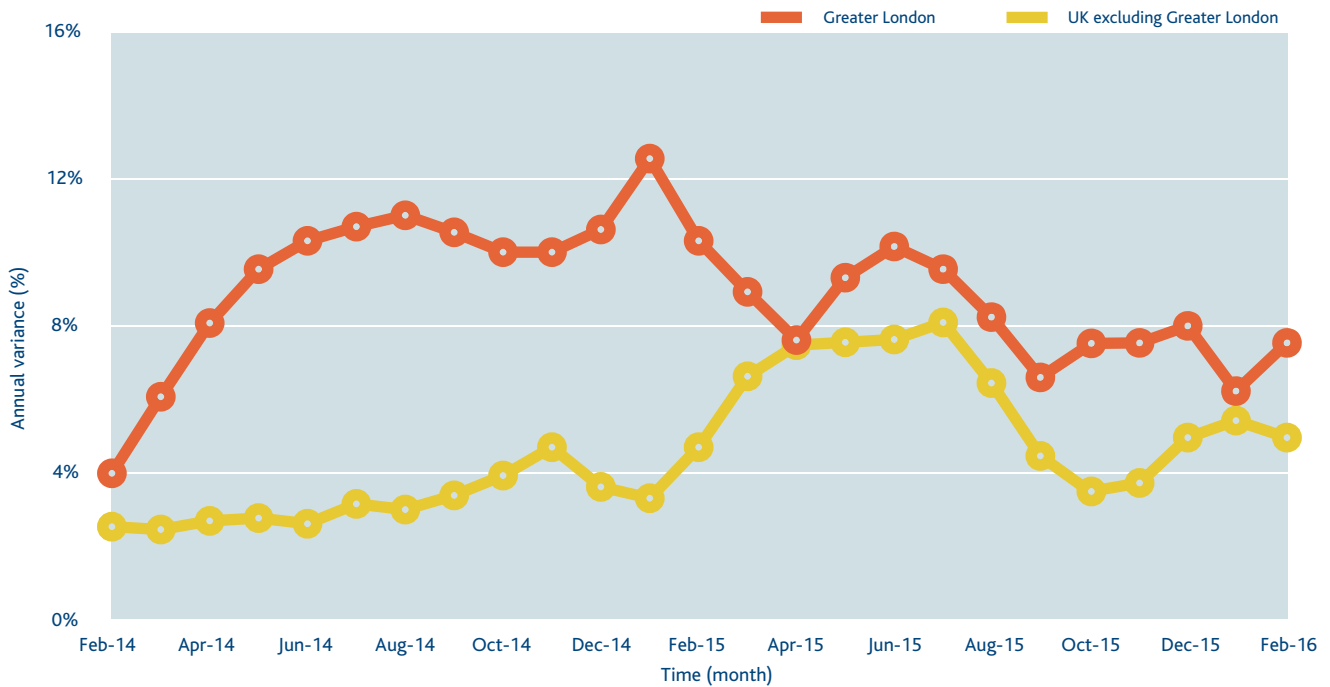


February 2016 edition

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 February. 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 £744pcm - this is 4.8% higher than last year (£710pcm)
- Rents in Greater London are up by 7.7% against last year, which is a small increase on January 2016 (6.2%) and a reduction on February 2015 (10.3%)
- The rest of the UK is up by 4.8% against last year, which is a small reduction on January 2016 (5.5%) and comparable to February 2015 (4.7%)
- Outside London, the highest levels of annual increase have been seen in East Midlands (6.7%), South East (6.5%), East Anglia (4.4%) and South West (4.0%)
- The North West (-3.2%) has seen a continued reduction in rental values over the last 8 months



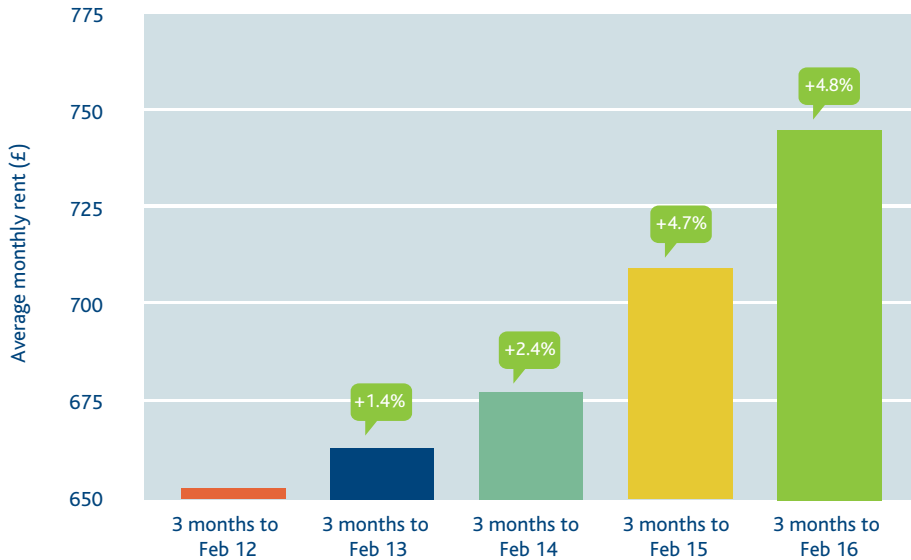
In detail...

The full regional breakdown can be seen on page four

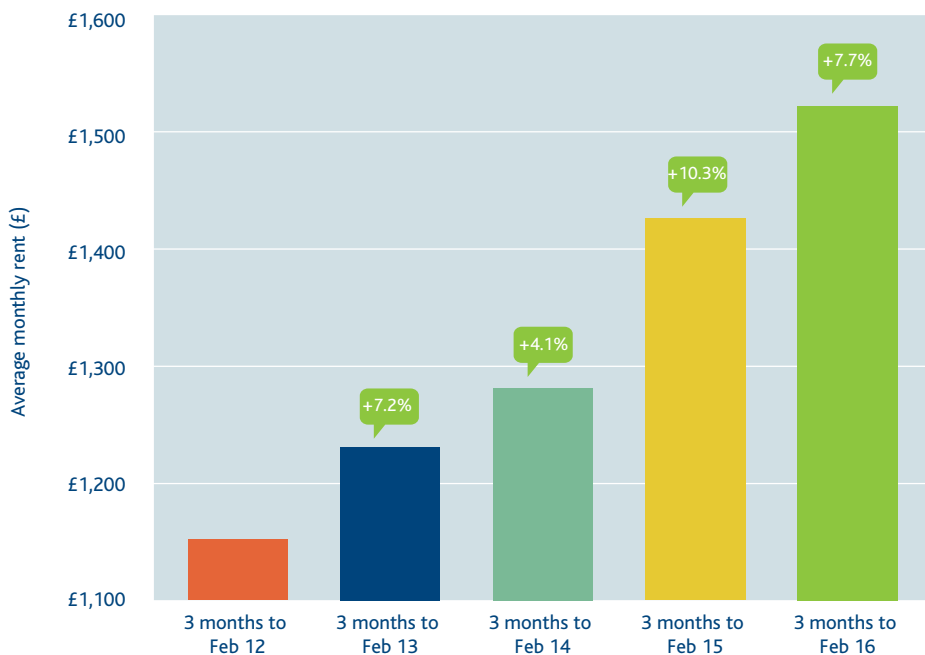


Average rental values with annual comparison

UK excluding Greater London



Greater London

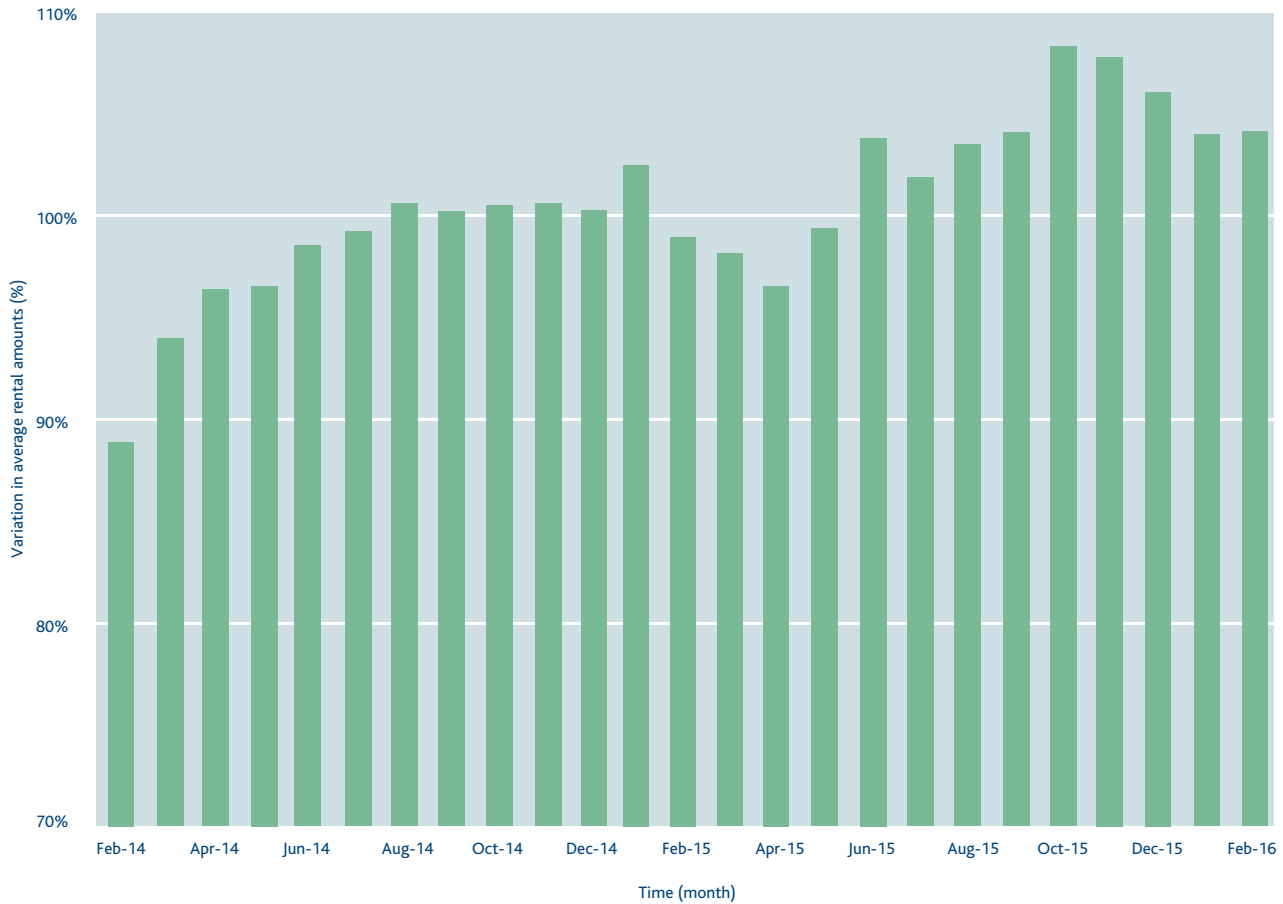


The figures also show...

- The annual growth in average rental values in the UK excluding London (4.8%) was higher than 2015 (4.7%) and 2014 (2.4%)
- The annual growth in average rental values in Greater London (7.7%) was lower than 2015 (10.3%)

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...

- In February 2016 average rental values in London (£1,521) were 104% higher than the rest of the UK (£744)
- In February 2016 average rental values in London were 104% higher than the rest of the UK; this is an increase on February 2015 (99%) and February 2014 (89%)
- In February 2014 average rental values in London (£1,281) were 89% higher than the rest of the UK (£678)
- 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	
Average rent to Feb 2016	£519
Average rent to Jan 2016	£528
Monthly variance	-1.7%
Average rent to Feb 2015	£533
Annual variance	-2.6%

UK excluding London average	
Average rent to Feb 2016	£744
Average rent to Jan 2016	£740
Monthly variance	0.5%
Average rent to Feb 2015	£710
Annual variance	4.8%

Scotland	
Average rent to Feb 2016	£649
Average rent to Jan 2016	£643
Monthly variance	1.0%
Average rent to Feb 2015	£625
Annual variance	3.9%

Yorkshire and Humber	
Average rent to Feb 2016	£618
Average rent to Jan 2016	£626
Monthly variance	-1.2%
Average rent to Feb 2015	£613
Annual variance	0.8%

North West	
Average rent to Feb 2016	£636
Average rent to Jan 2016	£624
Monthly variance	1.8%
Average rent to Feb 2015	£657
Annual variance	-3.2%

East Midlands	
Average rent to Feb 2016	£637
Average rent to Jan 2016	£646
Monthly variance	-1.3%
Average rent to Feb 2015	£598
Annual variance	6.7%

West Midlands	
Average rent to Feb 2016	£659
Average rent to Jan 2016	£663
Monthly variance	-0.6%
Average rent to Feb 2015	£642
Annual variance	2.6%

East Anglia	
Average rent to Feb 2016	£793
Average rent to Jan 2016	£784
Monthly variance	1.2%
Average rent to Feb 2015	£760
Annual variance	4.4%

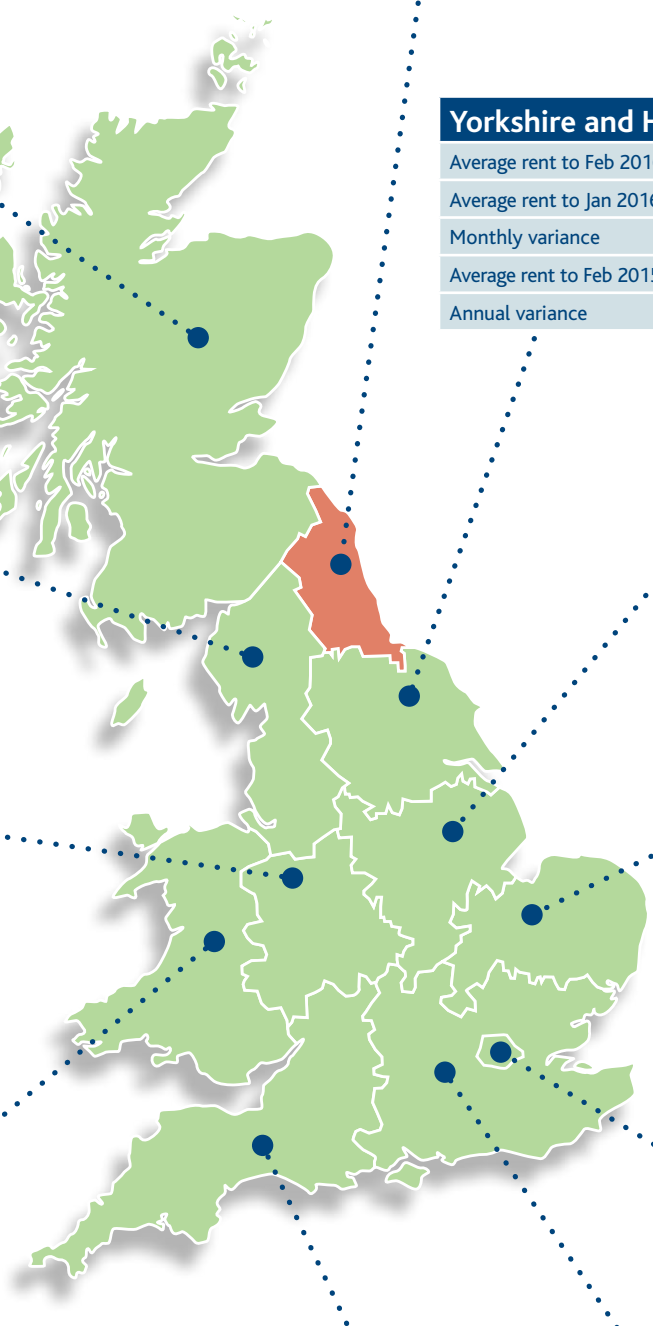
Wales	
Average rent to Feb 2016	£596
Average rent to Jan 2016	£595
Monthly variance	0.2%
Average rent to Feb 2015	£576
Annual variance	3.4%

Greater London	
Average rent to Feb 2016	£1,521
Average rent to Jan 2016	£1,510
Monthly variance	0.8%
Average rent to Feb 2015	£1,413
Annual variance	7.7%

Northern Ireland	
Average rent to Feb 2016	£584
Average rent to Jan 2016	£582
Monthly variance	0.4%
Average rent to Feb 2015	£571
Annual variance	2.2%

South West	
Average rent to Feb 2016	£865
Average rent to Jan 2016	£852
Monthly variance	1.5%
Average rent to Feb 2015	£832
Annual variance	4.0%

South East	
Average rent to Feb 2016	£938
Average rent to Jan 2016	£933
Monthly variance	0.5%
Average rent to Feb 2015	£881
Annual variance	6.5%



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

For information regarding the HomeLet Rental Index please email rentalindex@homelet.co.uk

For media enquiries relating to the HomeLet Rental Index please email mediaenquiries@homelet.co.uk

Follow @homelet on Twitter
or find us at facebook.com/homelet