

HomeLet Rental Index

Key headlines

- When London is excluded, the average UK rental value was £764pcm - this is 5.1% higher than the same period last year (£728pcm)
- Average rental values have increased in eleven out of twelve regions in the UK, compared to the same period last year
- The North West (-1.0%) has seen a continued reduction in rental values over the last ten months
- Rents in Greater London are up by 7.7% year on year, the same rate of increase for a third successive month

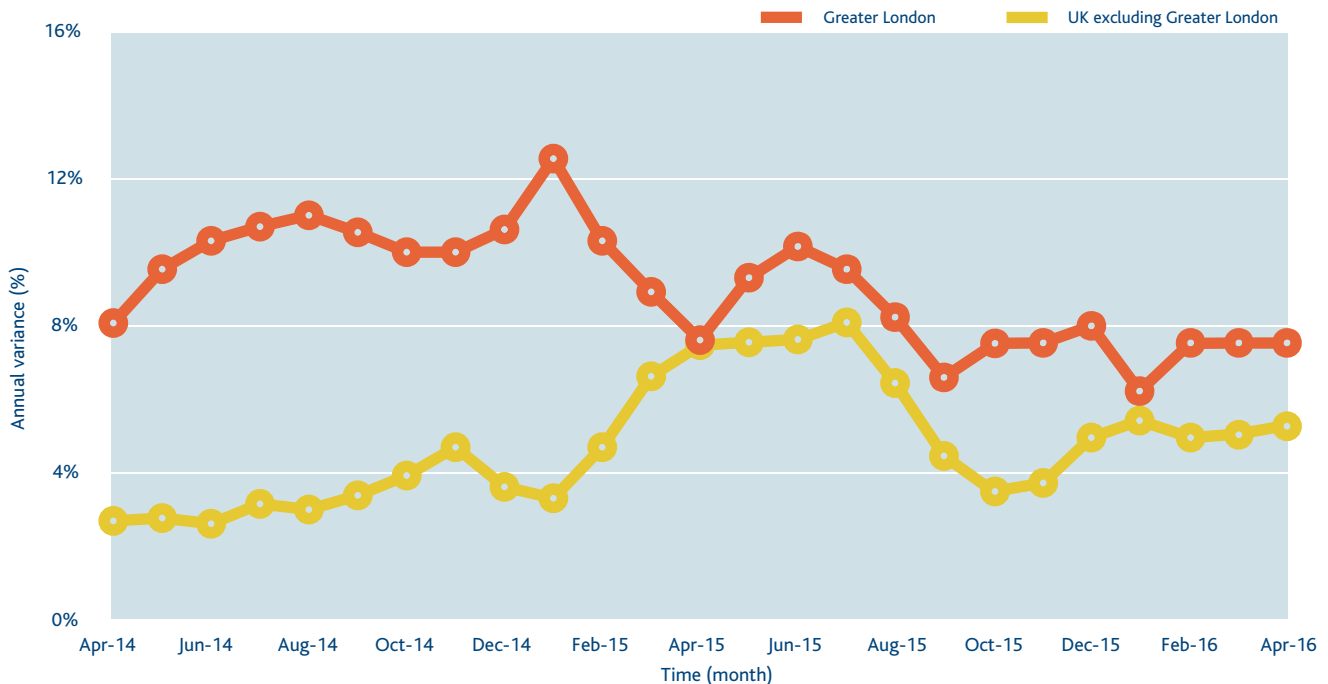


April 2016 edition

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 April. 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 £764pcm - this is 5.1% higher than last year (£728pcm)
- Greater London is up by 7.7% against last year, which is comparable to the rate of increase seen in April 2015 (7.3%)
- This is the third successive month that Greater London has seen a rate of increase of 7.7%
- The rest of the UK is up by 5.1% against last year, which is a reduction on the rate of increase seen in April 2015 (7.0%)
- Outside London, the highest levels of annual increase have been seen in Scotland (11.4%) and the East Midlands (7.9%)
- The North West (-1.0%) has seen a continued reduction in rental values over the last ten months



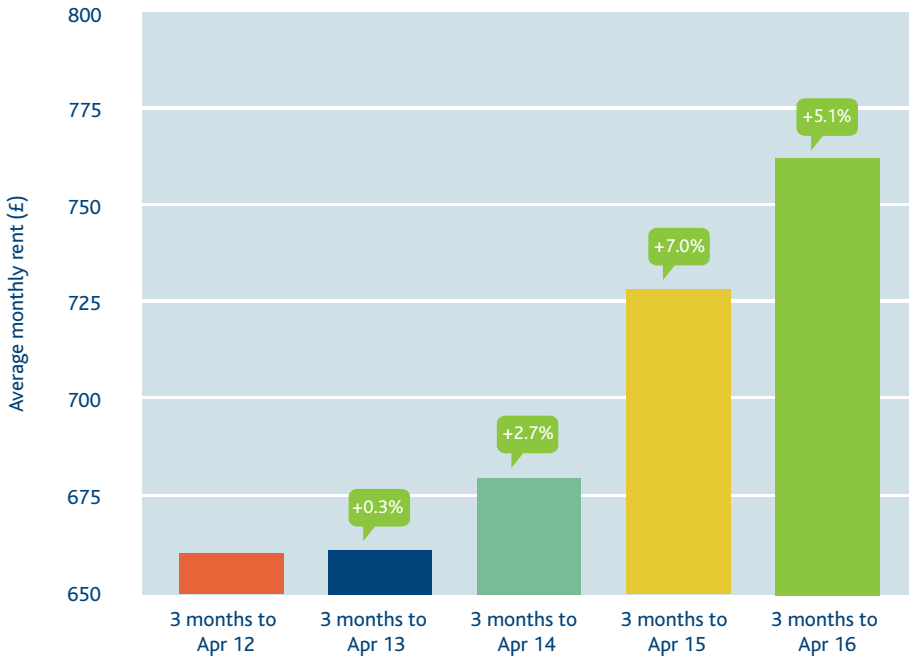
In detail...

The full regional breakdown can be seen on page four

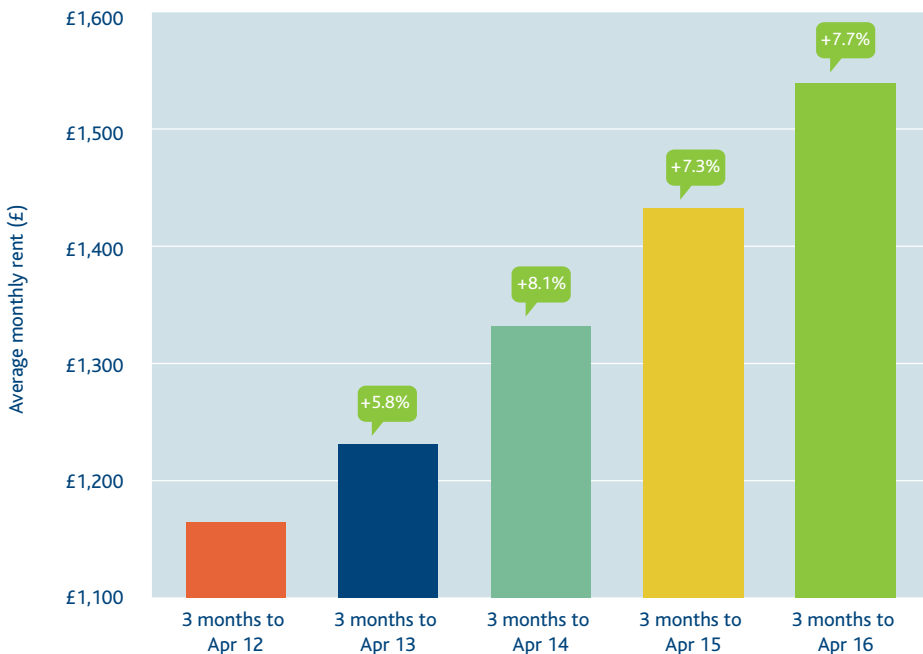


Average rental values with annual comparison

UK excluding Greater London



Greater London

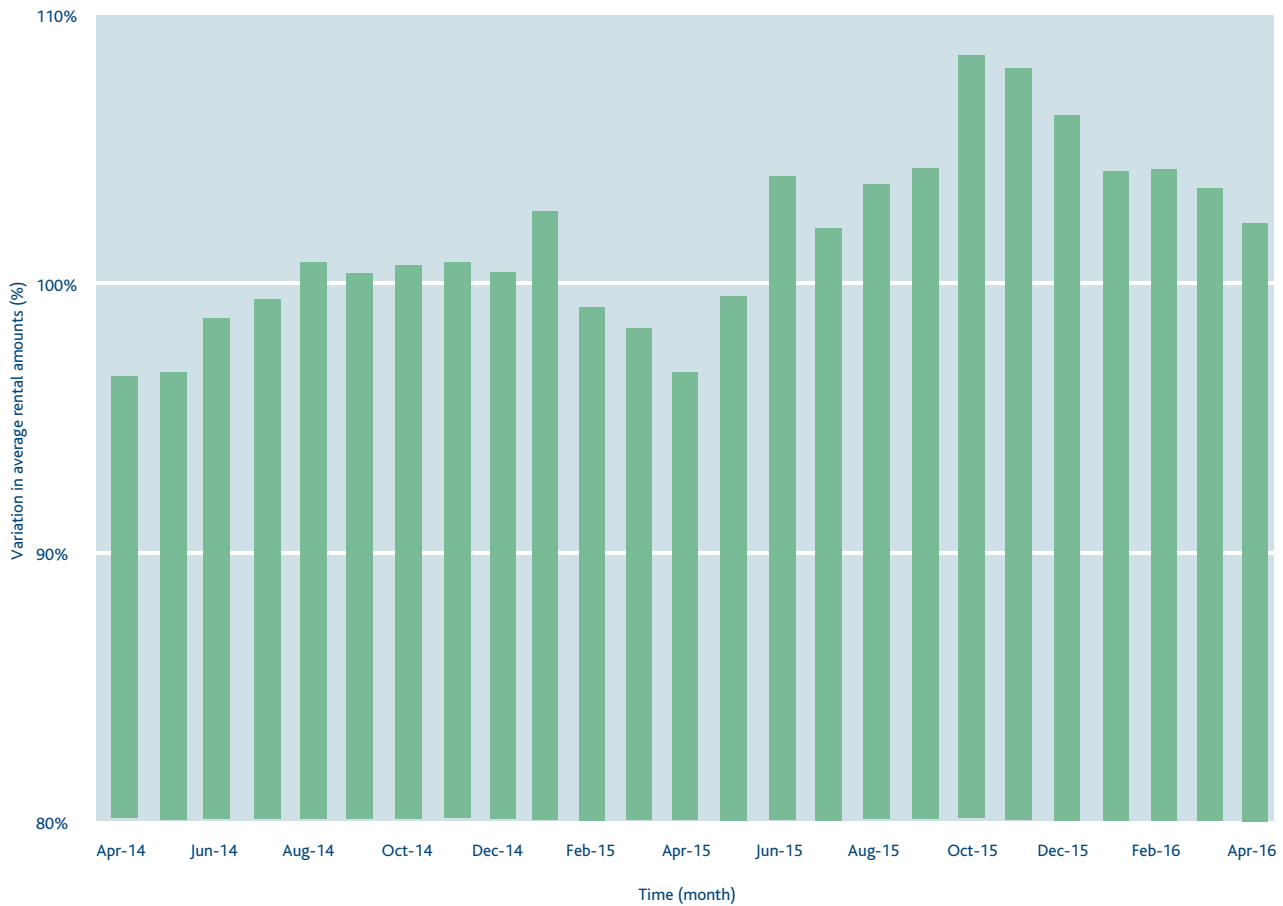


The figures also show...

- The annual growth in average rental values in the UK excluding London (5.1%) was lower than 2015 (7.0%)
- The annual growth in average rental values in Greater London (7.7%) was comparable to 2015 (7.3%)

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 April 2016 average rental values in London (£1,543) were 102% higher than the rest of the UK (£764)
- The gap between London and the rest of the UK was lower in April 2015 (96.6%) and March 2014 (96.5%)
- 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 Apr 2016	£532
Average rent to Mar 2016	£531
Monthly variance	0.3%
Average rent to Apr 2015	£524
Annual variance	1.6%

UK excluding London average	
Average rent to Apr 2016	£764
Average rent to Mar 2016	£755
Monthly variance	1.2%
Average rent to Apr 2015	£728
Annual variance	5.1%

Scotland	
Average rent to Apr 2016	£704
Average rent to Mar 2016	£677
Monthly variance	4.0%
Average rent to Apr 2015	£632
Annual variance	11.4%

Yorkshire and Humber	
Average rent to Apr 2016	£627
Average rent to Mar 2016	£628
Monthly variance	-0.2%
Average rent to Apr 2015	£598
Annual variance	4.8%

North West	
Average rent to Apr 2016	£659
Average rent to Mar 2016	£648
Monthly variance	1.7%
Average rent to Apr 2015	£666
Annual variance	-1.0%

East Midlands	
Average rent to Apr 2016	£646
Average rent to Mar 2016	£646
Monthly variance	0.1%
Average rent to Apr 2015	£599
Annual variance	7.9%

West Midlands	
Average rent to Apr 2016	£659
Average rent to Mar 2016	£656
Monthly variance	0.5%
Average rent to Apr 2015	£644
Annual variance	2.2%

East Anglia	
Average rent to Apr 2016	£809
Average rent to Mar 2016	£803
Monthly variance	0.7%
Average rent to Apr 2015	£776
Annual variance	4.3%

Wales	
Average rent to Apr 2016	£597
Average rent to Mar 2016	£596
Monthly variance	0.2%
Average rent to Apr 2015	£573
Annual variance	4.3%

Greater London	
Average rent to Apr 2016	£1,543
Average rent to Mar 2016	£1,536
Monthly variance	0.5%
Average rent to Apr 2015	£1,433
Annual variance	7.7%

Northern Ireland	
Average rent to Apr 2016	£608
Average rent to Mar 2016	£613
Monthly variance	-0.7%
Average rent to Apr 2015	£590
Annual variance	3.0%

South West	
Average rent to Apr 2016	£891
Average rent to Mar 2016	£880
Monthly variance	1.2%
Average rent to Apr 2015	£863
Annual variance	3.2%

South East	
Average rent to Apr 2016	£963
Average rent to Mar 2016	£950
Monthly variance	1.4%
Average rent to Apr 2015	£916
Annual variance	5.1%

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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