

HomeLet Rental Index

Key headlines

- Rents in the UK rose by 1.5% in December compared to the same month a year ago; the average monthly rent now stands at £921 a month
- Rents in London increased by 4.7% in December this year compared to December 2017; the average monthly rent in the capital now stands at £1,596 a month
- When London is excluded, the average UK rental value was £763 in December 2018, this is up 0.7% on last year
- HomeLet's December Rental Index reveals that rents rose in 9 of the 12 regions of the UK

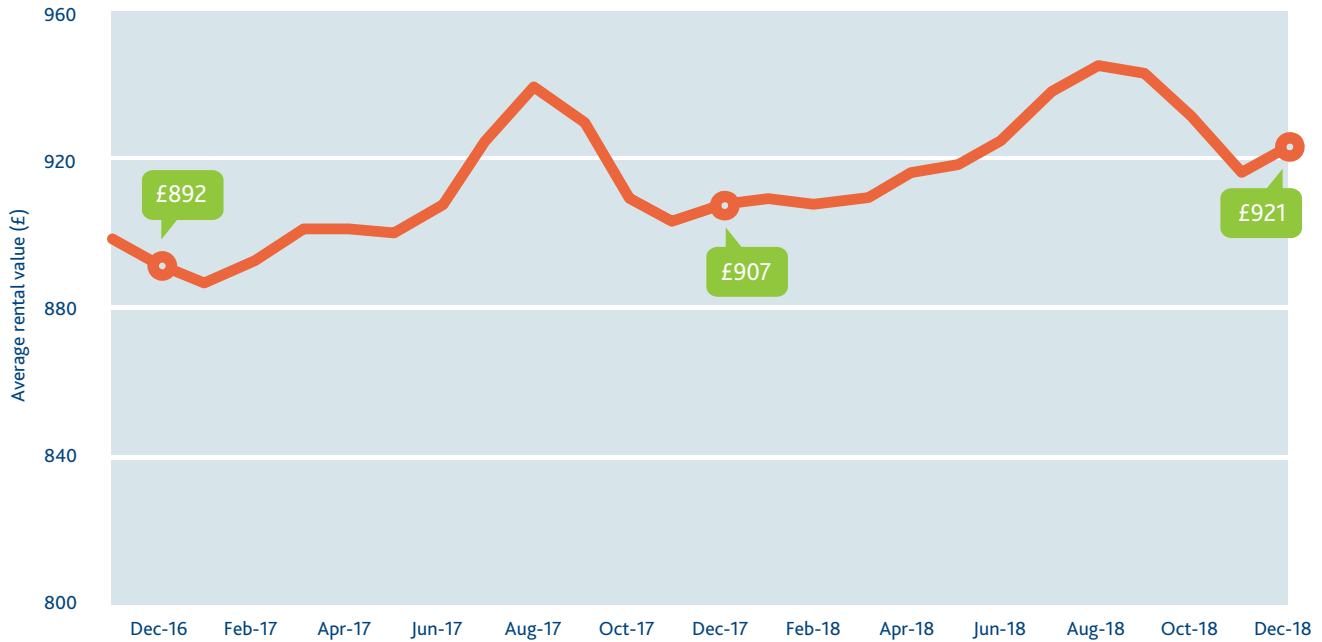


December 2018 edition

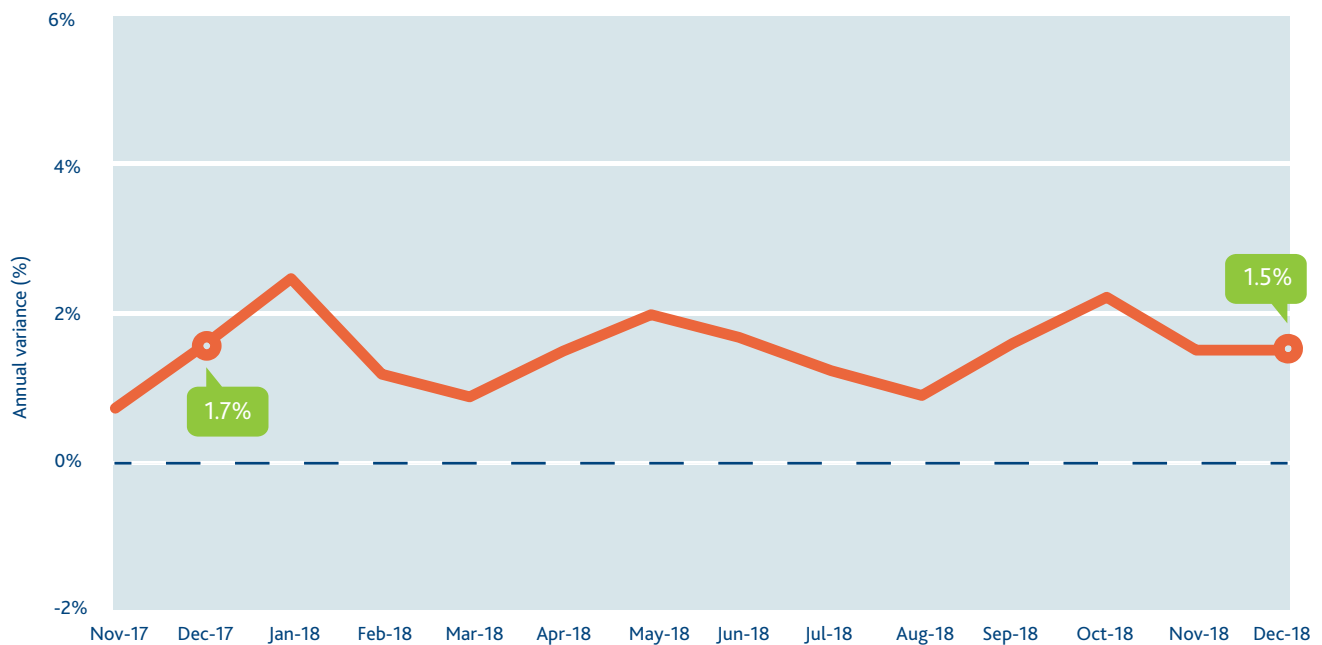
HomeLet Rental Index provides comprehensive and up to date data on new tenancies in the UK. Data is gathered from our tenant referencing service, including the rental amounts agreed, the number of tenants moving into the property together with the employment status, income and age of all tenants. The 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.

Average rental values in the UK

Average rental values

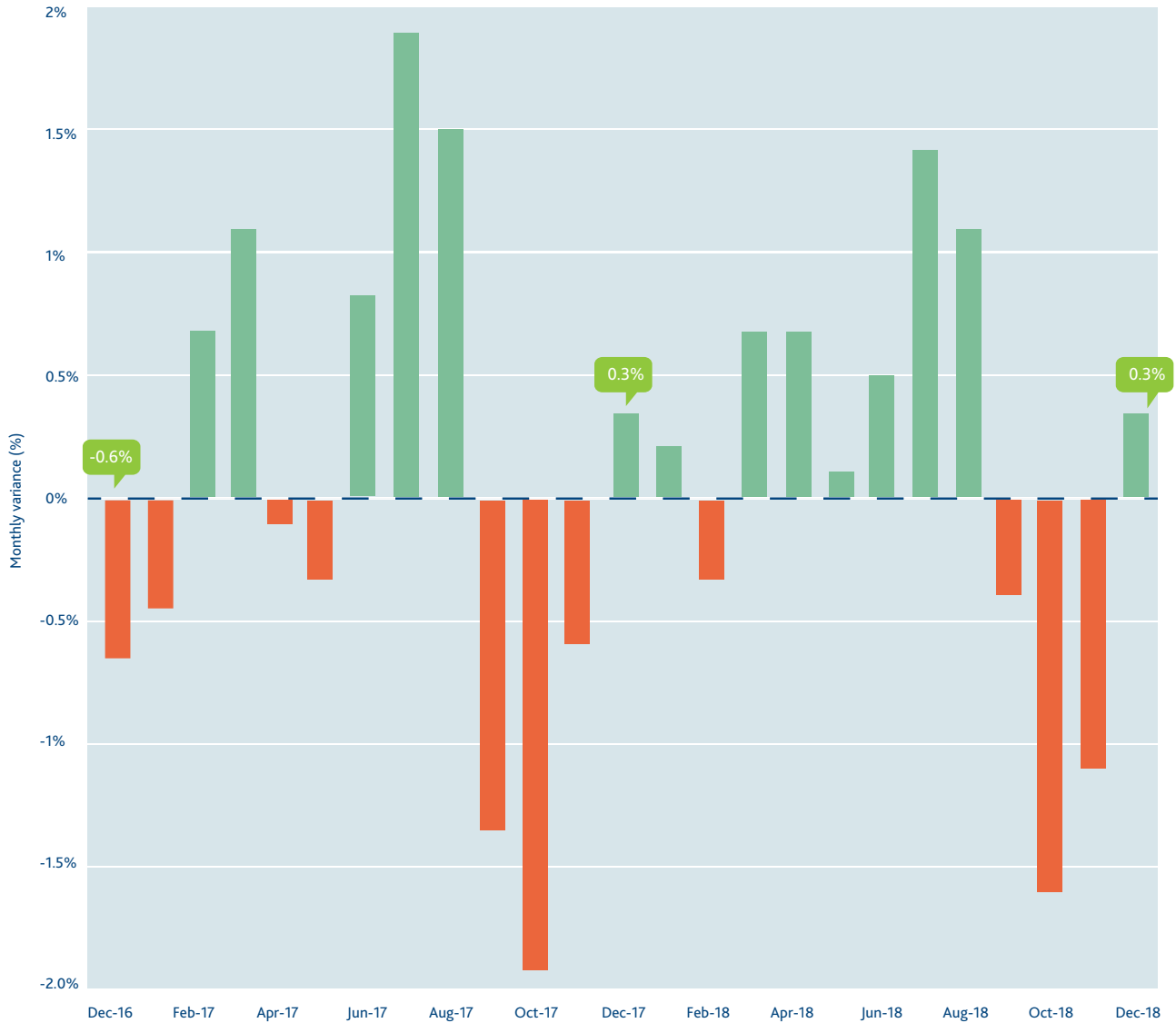


Annual variance in rental values



- When London is excluded, the average UK rental value was £763 in December 2018, this is up 0.7% on last year

Monthly variance in average rent in the UK



- The UK average rental value decreased by 0.3% between November and December 2018



In detail...

The full regional breakdown can be seen on the next page



UK regional breakdown

% Annual variance in average rent



North East	
Average rent December 2018	£520
Average rent November 2018	£517
Monthly variance	0.6%
Average rent December 2017	£545
Annual variance	-4.6%

UK	
Average rent December 2018	£921
Average rent November 2018	£918
Monthly variance	0.3%
Average rent December 2017	£907
Annual variance	1.5%

Scotland	
Average rent December 2018	£623
Average rent November 2018	£635
Monthly variance	-1.9%
Average rent December 2017	£614
Annual variance	1.5%

Yorkshire & Humberside	
Average rent December 2018	£624
Average rent November 2018	£623
Monthly variance	0.2%
Average rent December 2017	£624
Annual variance	0.0%

North West	
Average rent December 2018	£698
Average rent November 2018	£694
Monthly variance	0.6%
Average rent December 2017	£686
Annual variance	1.7%

East Midlands	
Average rent December 2018	£629
Average rent November 2018	£625
Monthly variance	0.6%
Average rent December 2017	£611
Annual variance	2.9%

West Midlands	
Average rent December 2018	£689
Average rent November 2018	£688
Monthly variance	0.1%
Average rent December 2017	£675
Annual variance	2.1%

East of England	
Average rent December 2018	£895
Average rent November 2018	£898
Monthly variance	-0.3%
Average rent December 2017	£908
Annual variance	-1.4%

Wales	
Average rent December 2018	£595
Average rent November 2018	£599
Monthly variance	-0.7%
Average rent December 2017	£605
Annual variance	-1.7%

Greater London	
Average rent December 2018	£1,596
Average rent November 2018	£1,597
Monthly variance	-0.1%
Average rent December 2017	£1,524
Annual variance	4.7%

Northern Ireland	
Average rent December 2018	£632
Average rent November 2018	£639
Monthly variance	-1.1%
Average rent December 2017	£620
Annual variance	1.9%

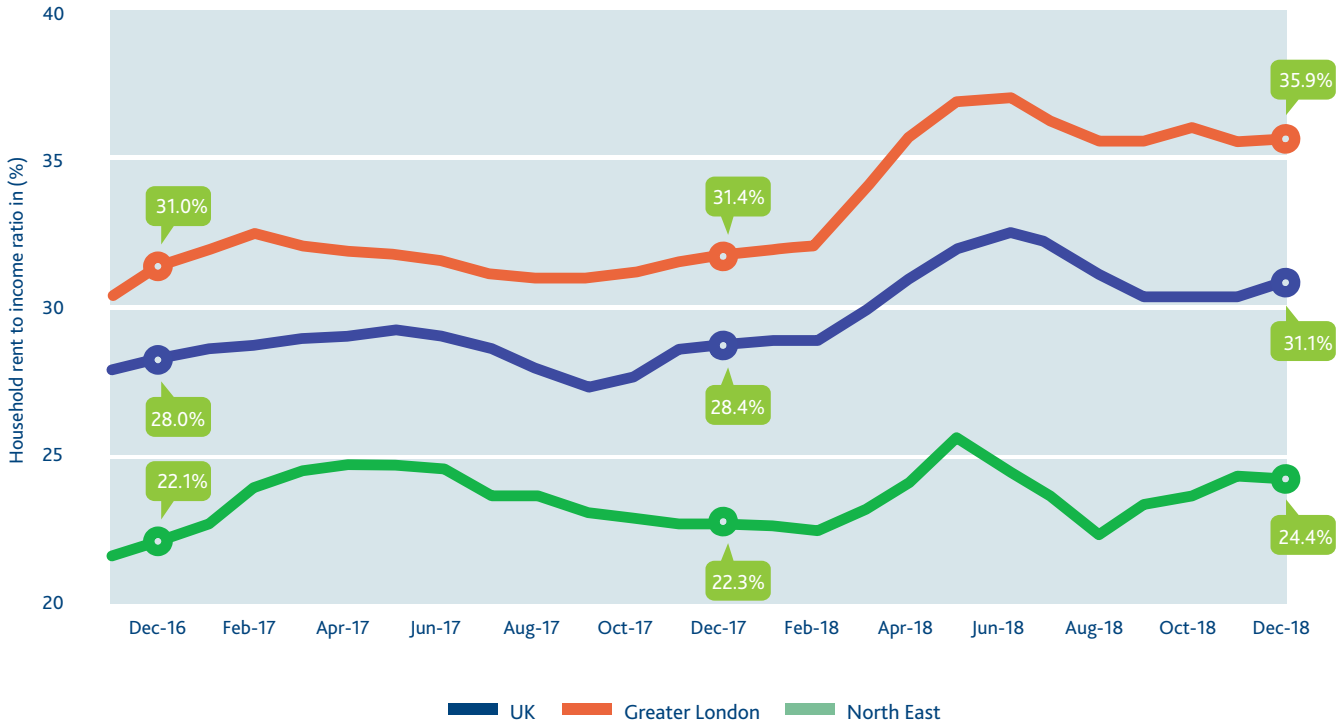
South West	
Average rent December 2018	£833
Average rent November 2018	£819
Monthly variance	1.7%
Average rent December 2017	£811
Annual variance	2.7%

South East	
Average rent December 2018	£998
Average rent November 2018	£989
Monthly variance	0.9%
Average rent December 2017	£989
Annual variance	0.9%

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

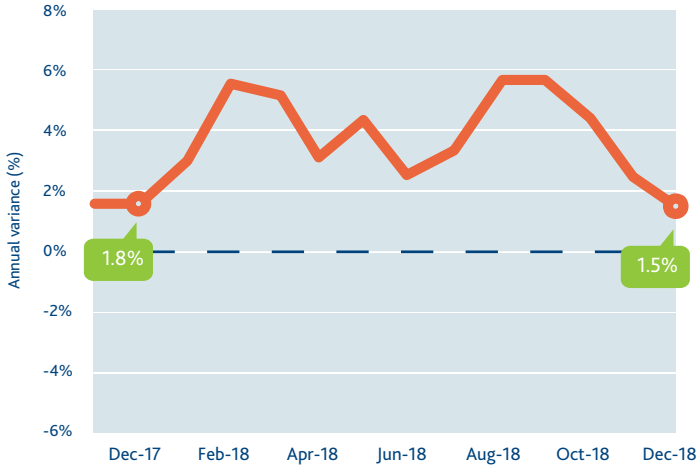


Household rent to income ratio by region

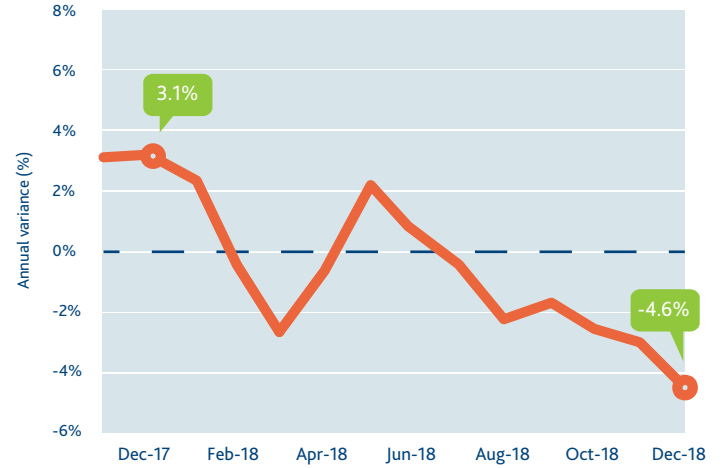
Region	December 2017	December 2018	Variance (percentage points)
North East	22.3%	24.4%	2.1%
North West	26.1%	28.7%	2.6%
Yorkshire and The Humber	24.9%	26.7%	1.8%
East Midlands	27.4%	28.8%	1.4%
Wales	29.1%	28.7%	-0.4%
South West	29.8%	32.5%	2.7%
South East	29.4%	31.8%	2.4%
London	31.4%	35.9%	4.5%
East Of England	28.6%	30.7%	2.1%
West Midlands	27.2%	29.6%	2.4%
Scotland	26.4%	27.0%	0.6%
Northern Ireland	24.9%	27.7%	2.8%
UK	28.4%	31.1%	2.7%
UK Ex London	27.7%	29.7%	2.0%

Annual variance in average rental values by region

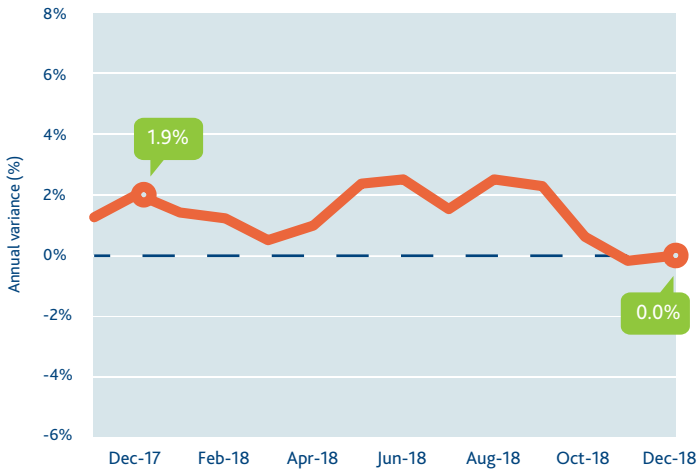
Scotland



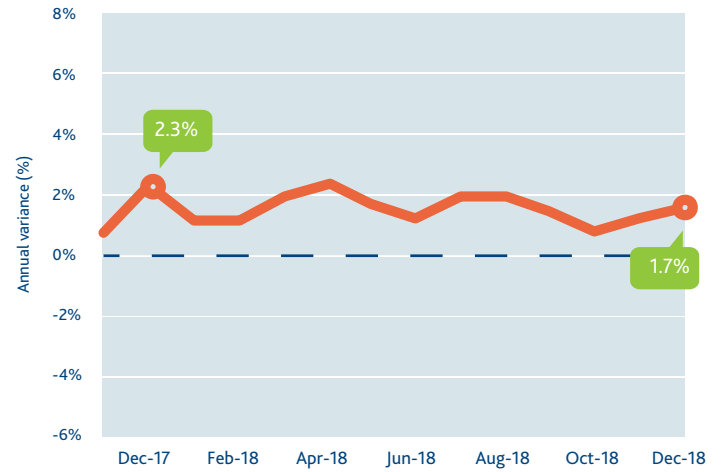
North East



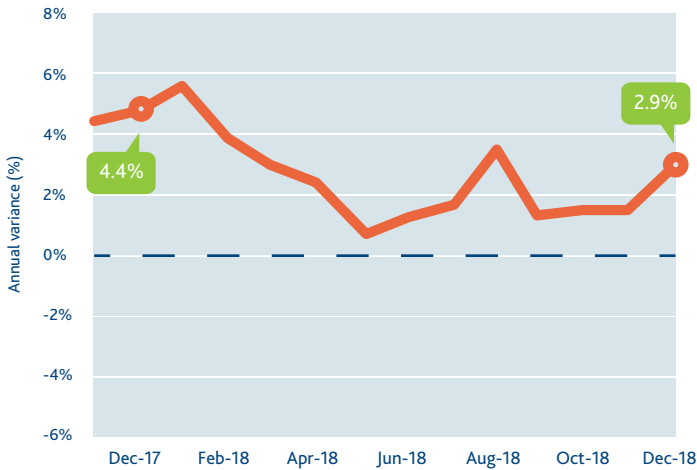
Yorkshire and the Humber



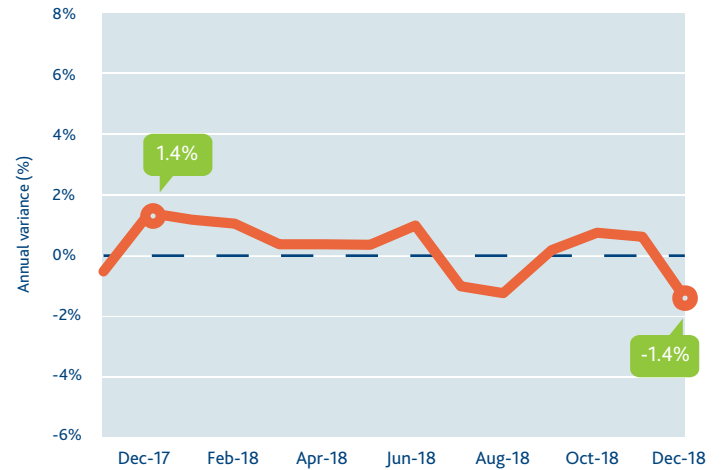
North West



East Midlands

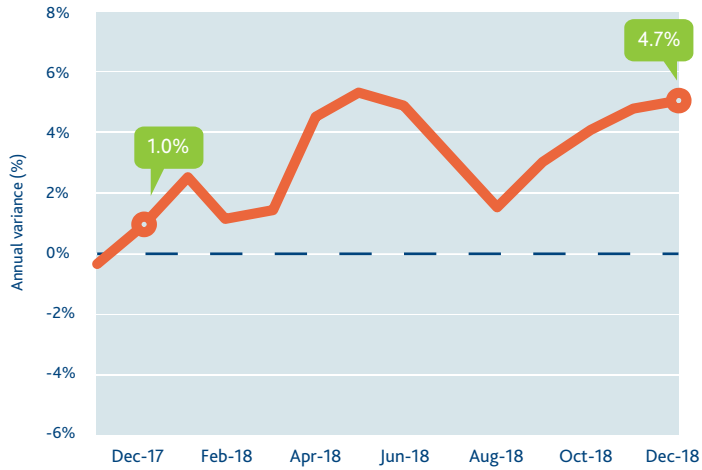


East of England

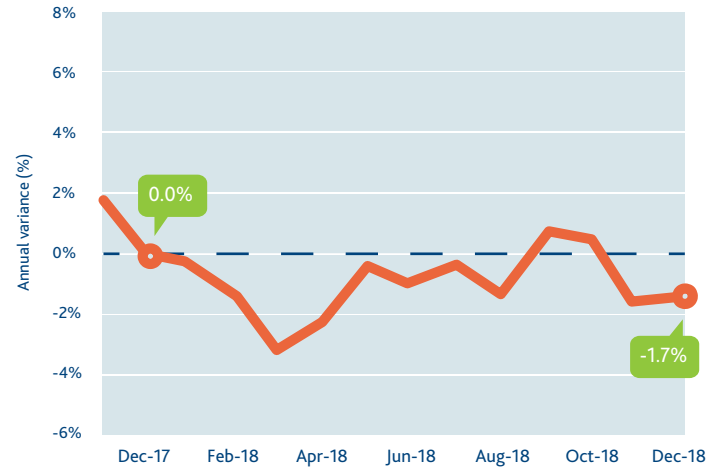


Annual variance in average rental values by region

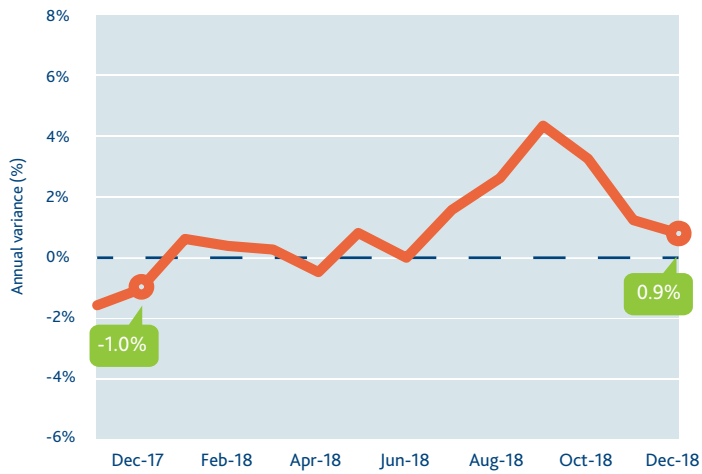
Greater London



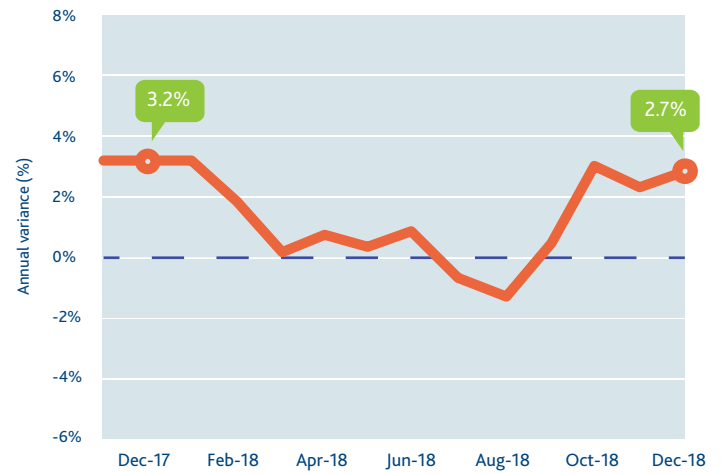
Wales



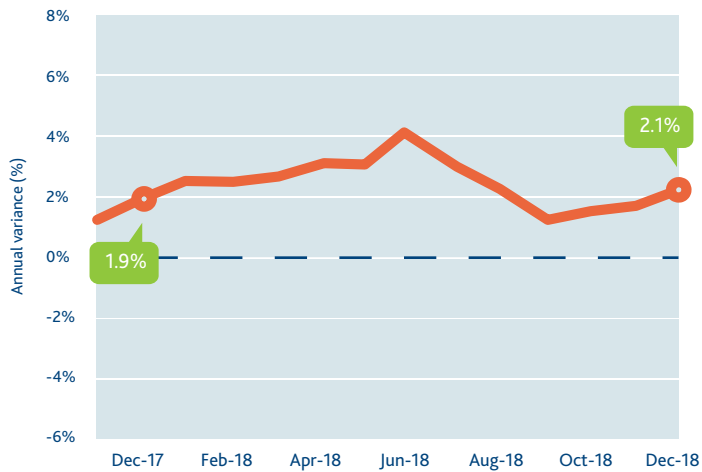
South East



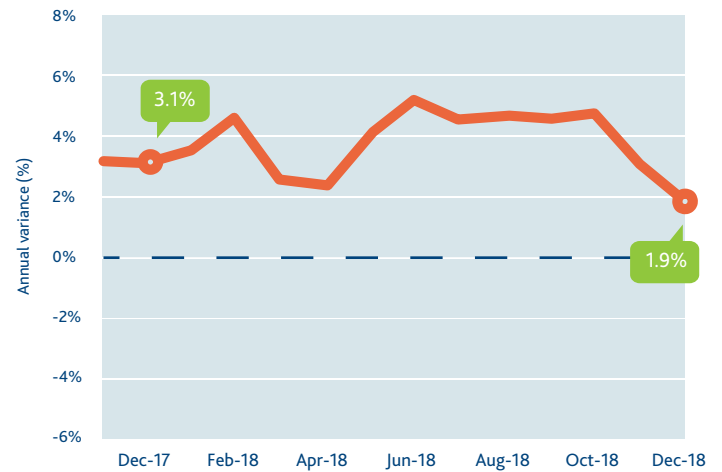
South West



West Midlands

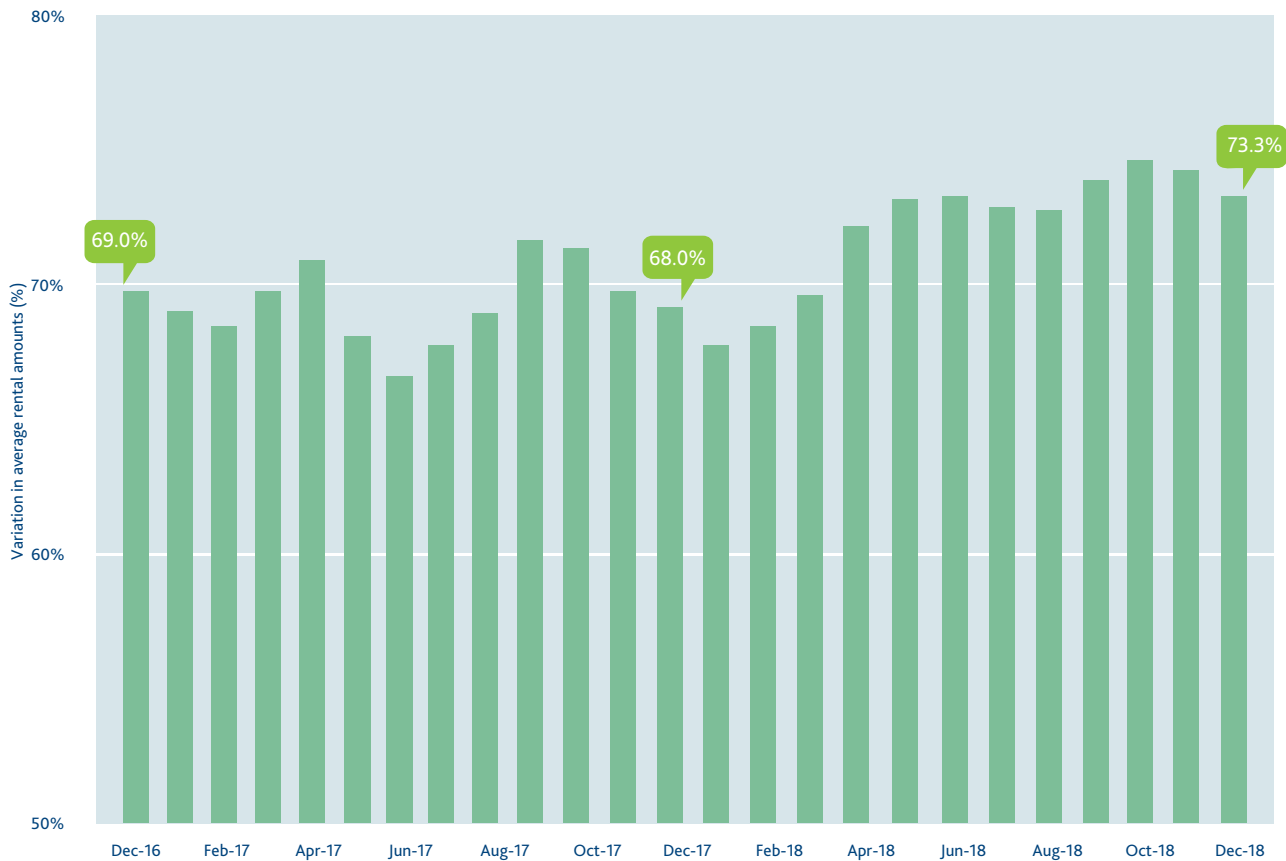


Northern Ireland



Greater London vs. the UK

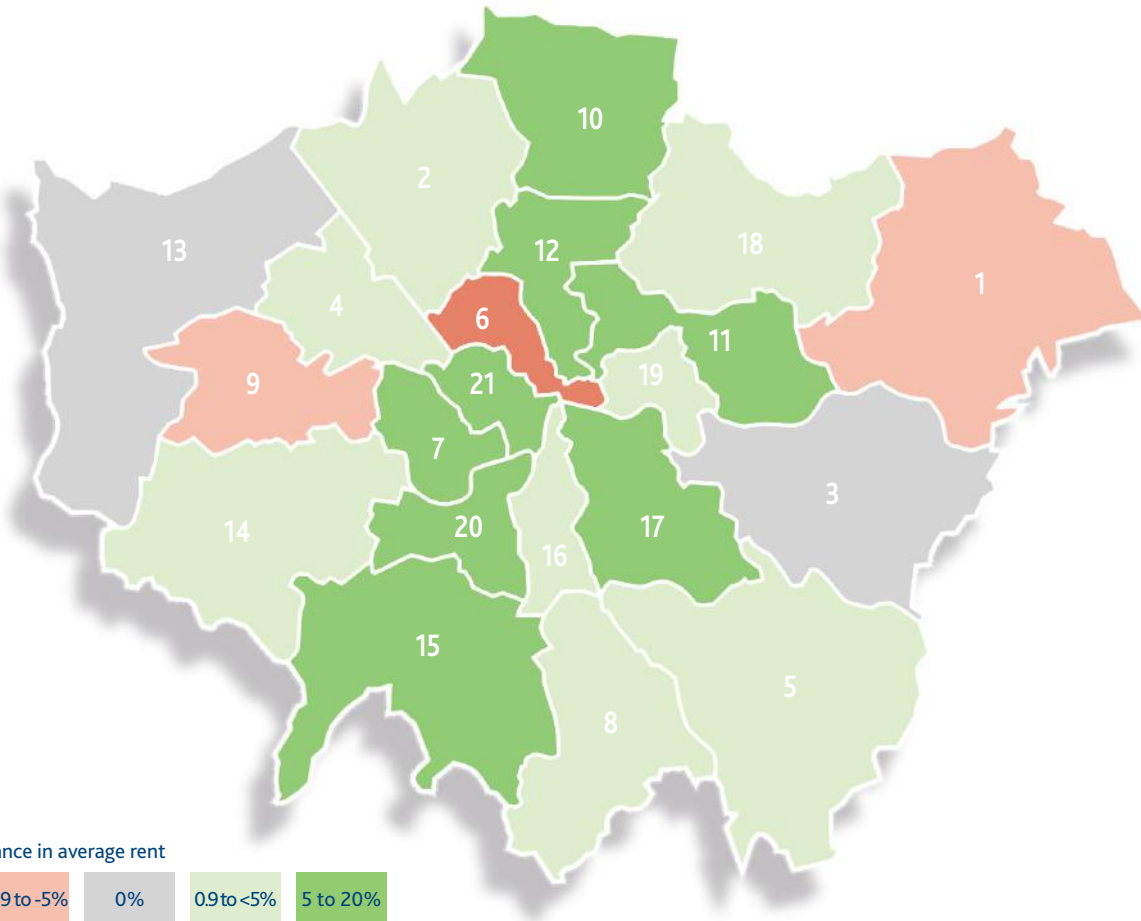
Monthly variation between Greater London rental prices and the UK average



- In December, average rental values in London (£1,596) were 73.3% higher than the UK (£921)
- When London is excluded the average rent in the UK was £763 in December, average rents in London (£1,596) were 109.2% higher than the rest of the UK.

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 2018 with December 2017.



1 Barking, Dagenham & Havering		2 Barnet		3 Bexley & Greenwich		4 Brent		5 Bromley	
Avg rent December 18	£1,200	Avg rent December 18	£1,532	Avg rent December 18	£1,265	Avg rent December 18	£1,609	Avg rent December 18	£1,374
Annual variance	-2.0%	Annual variance	1.7%	Annual variance	-0.6%	Annual variance	1.4%	Annual variance	3.9%
6 Camden & City of London		7 Chelsea, Fulham, Hammersmith & Kensington		8 Croydon		9 Ealing		10 Enfield	
Avg rent December 18	£1,831	Avg rent December 18	£2,139	Avg rent December 18	£1,059	Avg rent December 18	£1,423	Avg rent December 18	£1,466
Annual variance	-7.2%	Annual variance	16.9%	Annual variance	1.1%	Annual variance	-1.8%	Annual variance	6.3%
11 Hackney & Newham		12 Haringey & Islington		13 Harrow & Hillingdon		14 Hounslow & Richmond upon Thames		15 Kingston upon Thames, Merton & Sutton	
Avg rent December 18	£1,529	Avg rent December 18	£1,725	Avg rent December 18	£1,311	Avg rent December 18	£1,418	Avg rent December 18	£1,320
Annual variance	9.9%	Annual variance	11.5%	Annual variance	0.4%	Annual variance	2.8%	Annual variance	6.3%
16 Lambeth		17 Lewisham & Southwark		18 Redbridge & Waltham Forest		19 Tower Hamlets		20 Wandsworth	
Avg rent December 18	£2,058	Avg rent December 18	£1,622	Avg rent December 18	£1,271	Avg rent December 18	£1,711	Avg rent December 18	£1,709
Annual variance	4.6%	Annual variance	5.3%	Annual variance	2.6%	Annual variance	1.5%	Annual variance	5.5%
21 Westminster									
Avg rent December 18	£2,444								
Annual variance	11.9%								

Greater London ranked by borough

Five London boroughs with the highest average rent

London borough	Average rent December 2018
Westminster	£2,444
Chelsea, Fulham, Hammersmith and Kensington	£2,139
Lambeth	£2,058
Camden, City of London	£1,831
Haringey and Islington	£1,725

Five London boroughs with the lowest average rent

London borough	Average rent December 2018
Croydon	£1,059
Barking, Dagenham and Havering	£1,200
Bexley and Greenwich	£1,265
Redbridge and Waltham Forest	£1,271
Harrow and Hillingdon	£1,311

Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Chelsea, Fulham, Hammersmith and Kensington	16.9%
Westminster	11.9%
Haringey and Islington	11.5%
Hackney and Newham	9.9%
Kingston upon Thames, Merton and Sutton	6.3%

Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Camden, City of London	-7.2%
Barking, Dagenham and Havering	-2.0%
Ealing	-1.8%
Bexley and Greenwich	-0.6%
Harrow and Hillingdon	0.4%

About HomeLet

With 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