

# HomeLet Rental Index

## Key headlines

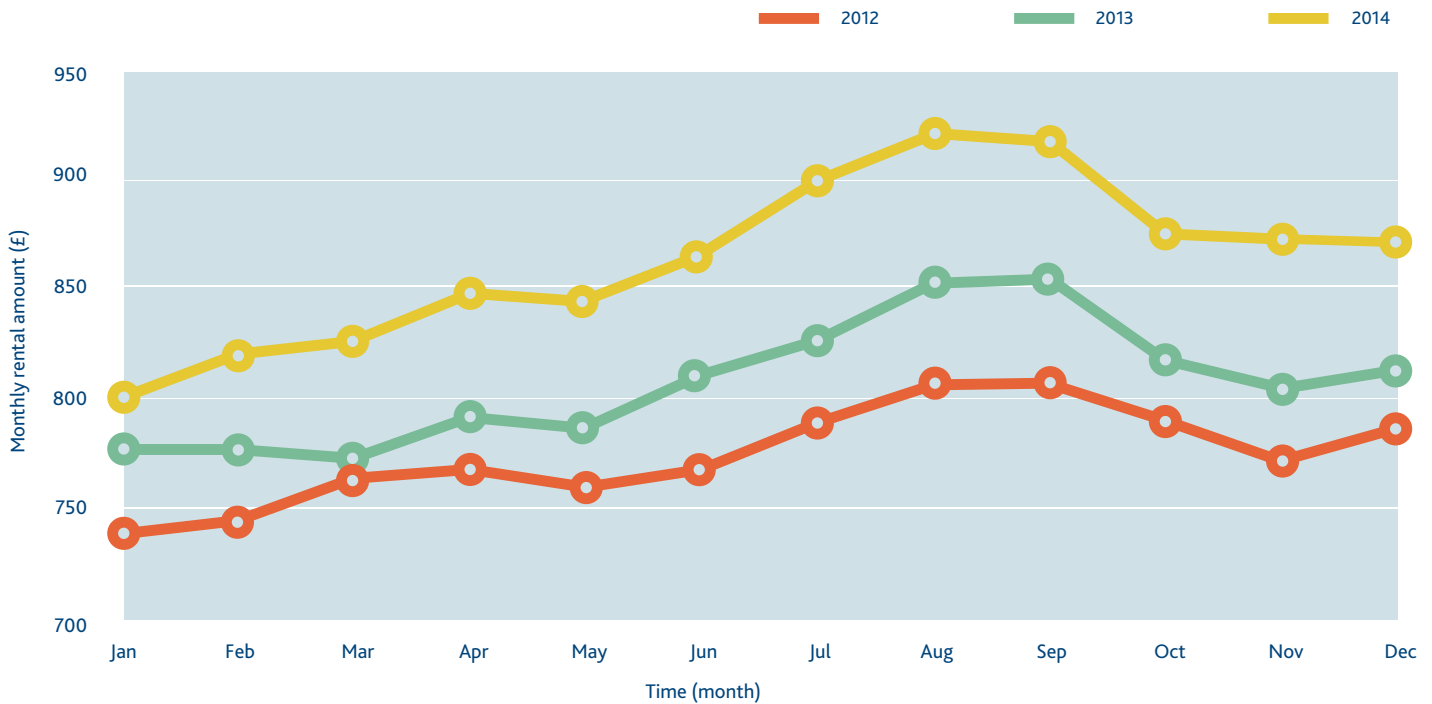
- In the three months to December 2014, average rental values for new tenancies in the UK were 7.6% higher than the same period last year
- The annual growth in average rental values for the three months to December 2014 (7.6%) was higher than 2013 (3.8%), 2012 (3.5%) and 2011 (3.5%)
- In the three months to December 2014, average tenant incomes were 7.1% higher than in 2013
- Average rents for new tenancies in London have reduced by 1.1% since last month but are still 12% higher than the same period last year
- Average rental values for new tenancies in London (£1,393pcm) were £149 more expensive per month when compared to average rental values in December 2013 (£1,244pcm)
- When London is excluded, the average UK rental value was £694pcm - this is 1.5% higher than last year (£684pcm)



## December 2014 edition

# Change in UK average rental prices

## Monthly change in UK rental prices for new tenancies



### The figures also show...

- The average UK rent for tenancies starting in December 2014 was £867pcm, this is 6.6% higher than December 2013 (£813pcm)
- When London is excluded, the average UK rental value was £694pcm - this is 1.5% higher than last year (£684pcm)
- Most regions saw an increase in average rental values, compared to last year, particularly Greater London (12%) and Scotland (9%) and North East (6.2%)
- Greater London, South East and South West have seen a continued increase in rental values over the last year
- Average rents dropped by 2.7% in East Anglia, when compared to last year; this is the first time in 13 months. Other regions to see reductions when compared to last year are the North West by 4.6% and Wales by 3.7%



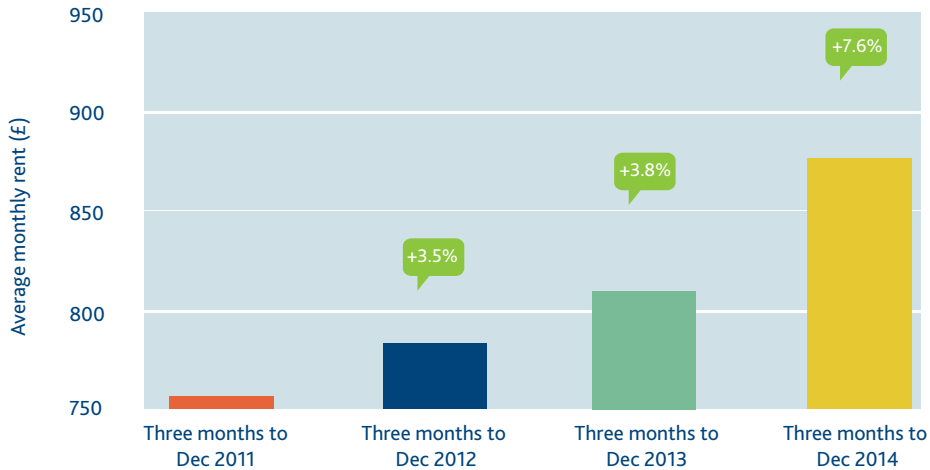
In detail...

The full regional breakdown can be seen on page four

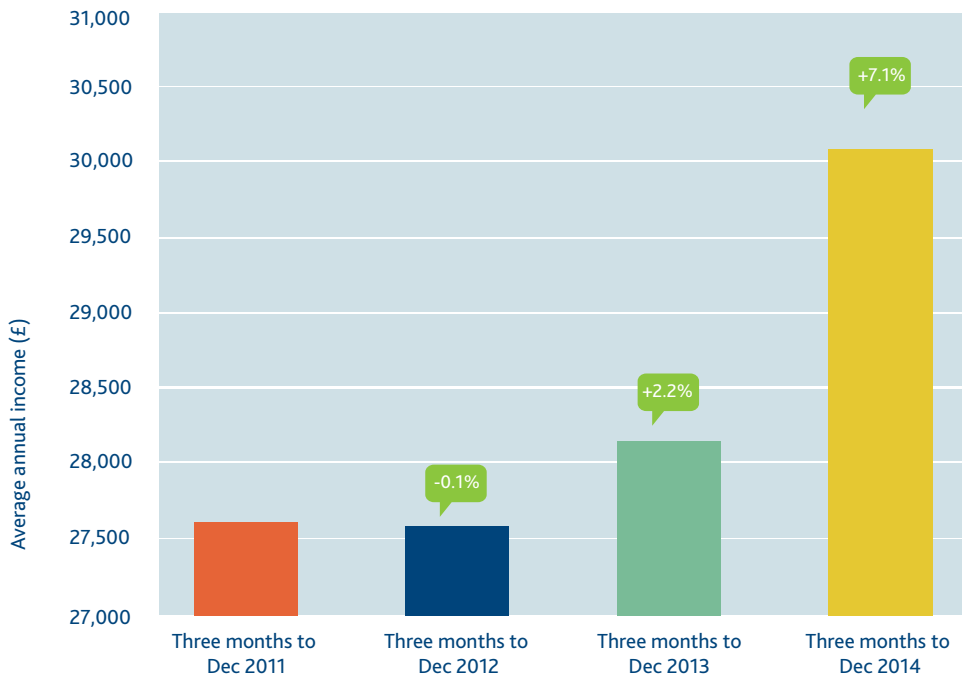


## Rental values and tenant incomes in the three months to December

### Average UK rental amounts over the last three months, with annual comparisons



### Annual UK tenant income over the last three months, with annual comparisons

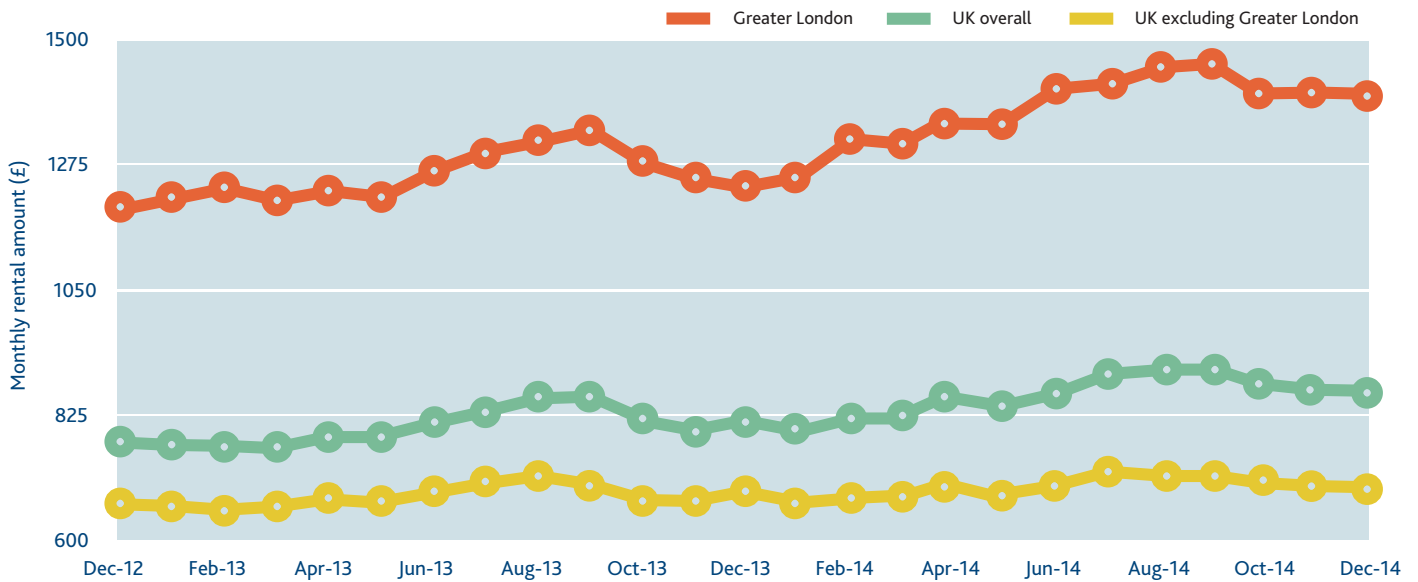


### The figures also show...

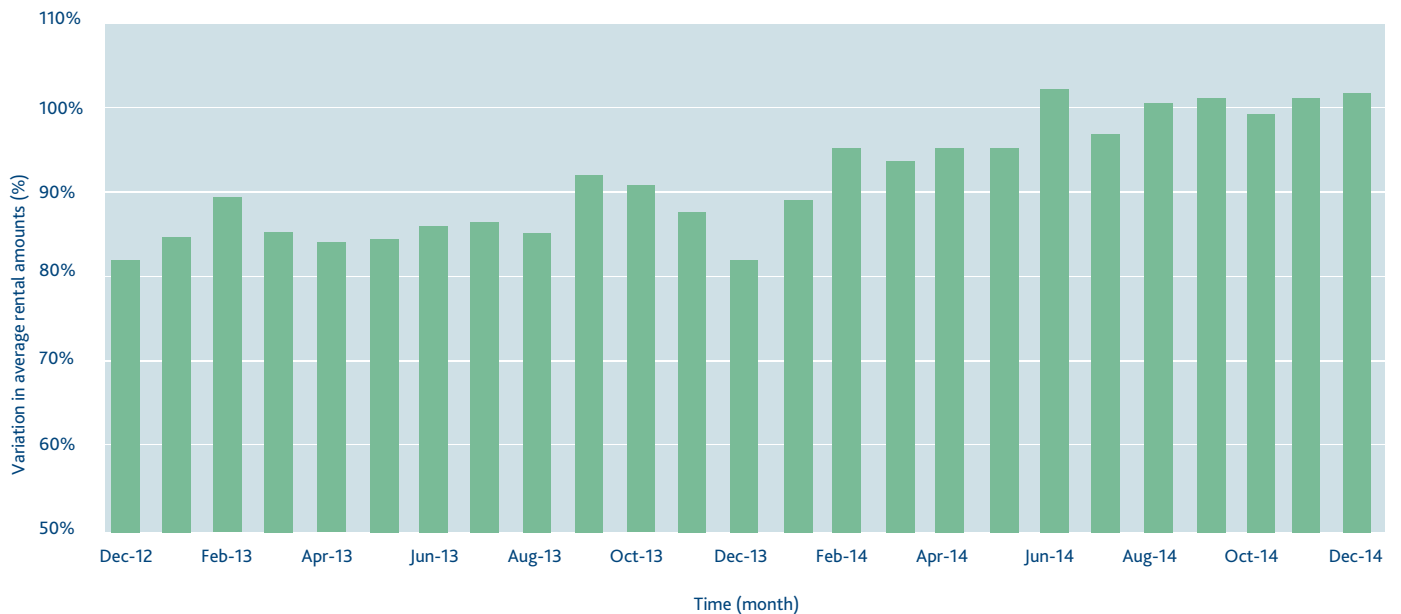
- In the three months to December, average rental values for new tenancies were 7.6% higher than the same period last year (£873 compared to £811)
- The annual growth in average rental values for the three months to December 2014 (7.6%) was higher than 2013 (3.8%), 2012 (3.5%) and 2011 (3.5%)
- In the three months to December 2014, average tenant incomes were 7.1% higher than 2013

# Greater London v. the rest of the UK

## Difference between Greater London and UK rents



## Monthly variation between Greater London rental prices and the UK average (excluding Greater London)



### The figures also show...

- From November to December, average rental values in the capital have decreased by 1.1%, this is a typical seasonal reduction
- Rents in London were 12% higher in December 2014, compared to last year
- Average rental values for new tenancies in London (£1,393pcm) were £149 more expensive per month, when compared to average rental values in December 2013 (£1,244pcm)

# UK Regional breakdown

■ Average rent decreased from previous year    ■ Average rent increased on previous year

North East	
Average rent Dec 2014	£532
Average rent Nov 2014	£506
Monthly variance	5.1%
Average rent Dec 2013	£501
Annual variance	6.2%

Scotland	
Average rent Dec 2014	£616
Average rent Nov 2014	£638
Monthly variance	-3.4%
Average rent Dec 2013	£565
Annual variance	9%

Yorkshire and Humber	
Average rent Dec 2014	£594
Average rent Nov 2014	£603
Monthly variance	-1.5%
Average rent Dec 2013	£578
Annual variance	2.8%

North West	
Average rent Dec 2014	£645
Average rent Nov 2014	£635
Monthly variance	1.6%
Average rent Dec 2013	£676
Annual variance	-4.6%

East Midlands	
Average rent Dec 2014	£581
Average rent Nov 2014	£614
Monthly variance	-5.4%
Average rent Dec 2013	£573
Annual variance	1.4%

West Midlands	
Average rent Dec 2014	£642
Average rent Nov 2014	£651
Monthly variance	-1.4%
Average rent Dec 2013	£628
Annual variance	2.2%

East Anglia	
Average rent Dec 2014	£726
Average rent Nov 2014	£748
Monthly variance	-2.9%
Average rent Dec 2013	£746
Annual variance	-2.7%

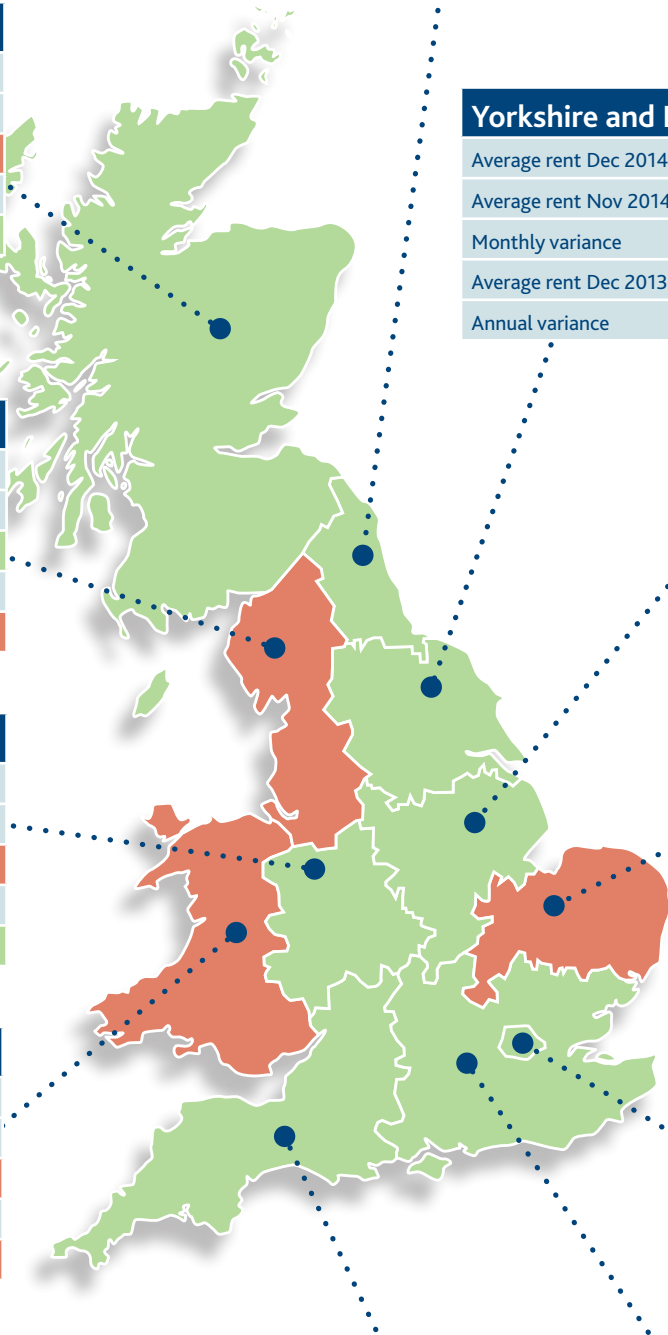
Wales	
Average rent Dec 2014	£573
Average rent Nov 2014	£581
Monthly variance	-1.4%
Average rent Dec 2013	£595
Annual variance	-3.7%

Greater London	
Average rent Dec 2014	£1,393
Average rent Nov 2014	£1,408
Monthly variance	-1.1%
Average rent Dec 2013	£1,244
Annual variance	12%

Northern Ireland	
Average rent Dec 2014	£559
Average rent Nov 2014	£570
Monthly variance	-1.9%
Average rent Dec 2013	£541
Annual variance	3.3%

South West	
Average rent Dec 2014	£802
Average rent Nov 2014	£798
Monthly variance	0.5%
Average rent Dec 2013	£765
Annual variance	4.8%

South East	
Average rent Dec 2014	£867
Average rent Nov 2014	£865
Monthly variance	0.2%
Average rent Dec 2013	£832
Annual variance	4.2%



## 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.

In addition, we gather data on how many people share rented properties – so we're able to gain an insight into the lifestyle of tenants, and see how external factors, such as the lack of mortgage availability, plus supply of, and demand for, rented homes are affecting how and where people live.

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.

## 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.

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Visit:

[homelet.co.uk/rental-index](https://homelet.co.uk/rental-index)

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