

HomeLet Rental Index

Key headlines

- Rents in the UK rose by 3.8% in February compared to the same month a year ago; the average monthly rent now stands at £940 a month
- Rents in London increased by 4.0% in February this year compared to February 2018; the average monthly rent in the capital now stands at £1,599 a month
- When London is excluded, the average UK rental value was £782 in February 2019, this is up 3.2% on last year
- HomeLet's February Rental Index reveals that rents rose in all 12 of the UK regions covered in the research

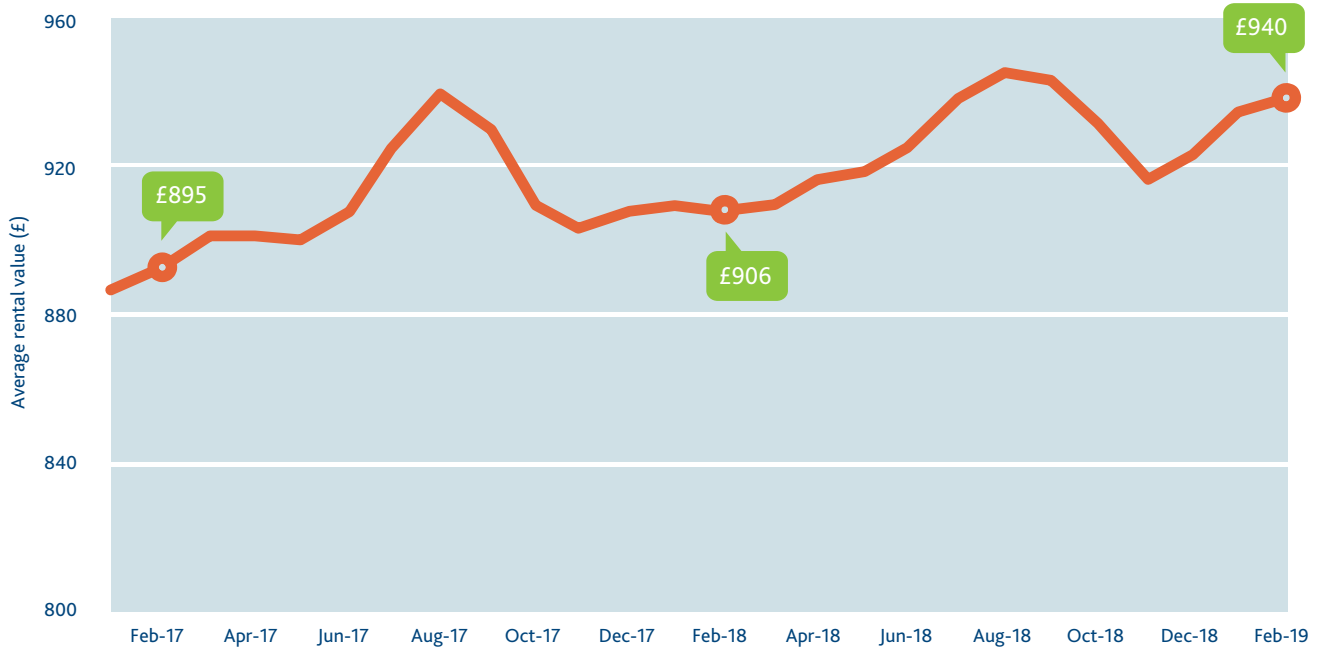


February 2019 edition

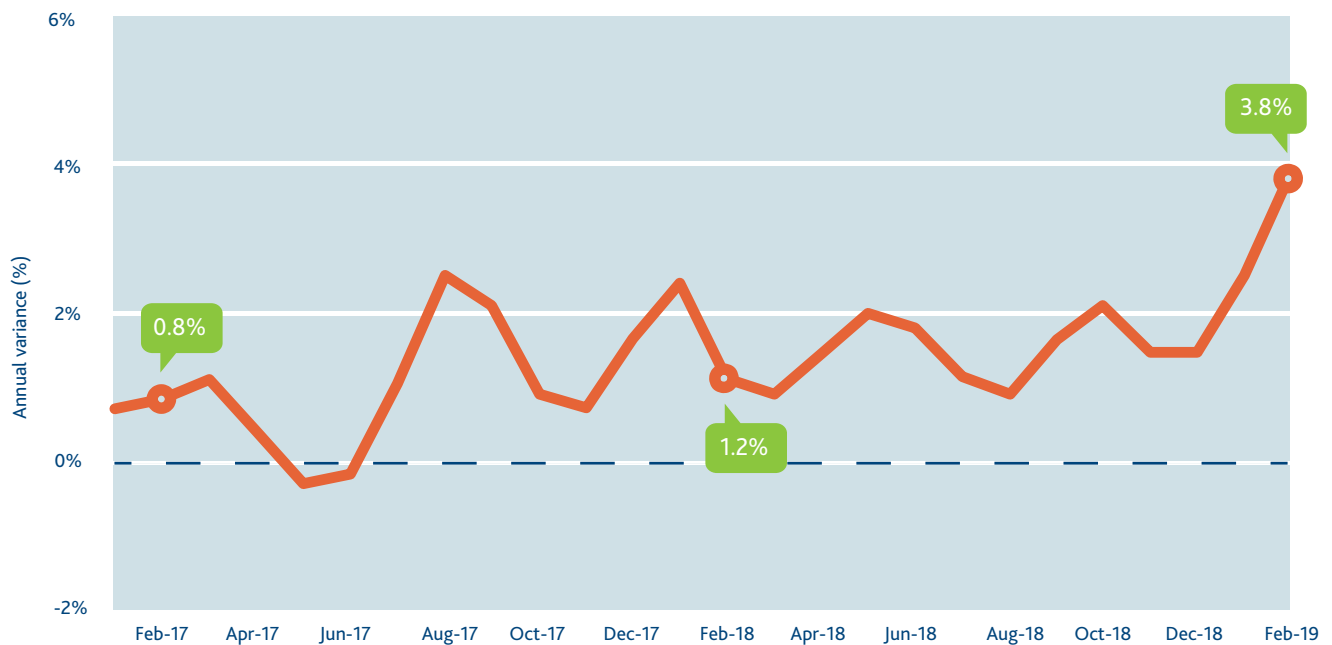
HomeLet Rental Index provides comprehensive and up to date data on new tenancies in the UK. Data is gathered from our tenant referencing service, including the rental amounts agreed, the number of tenants moving into the property together with the employment status, income and age of all tenants. The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

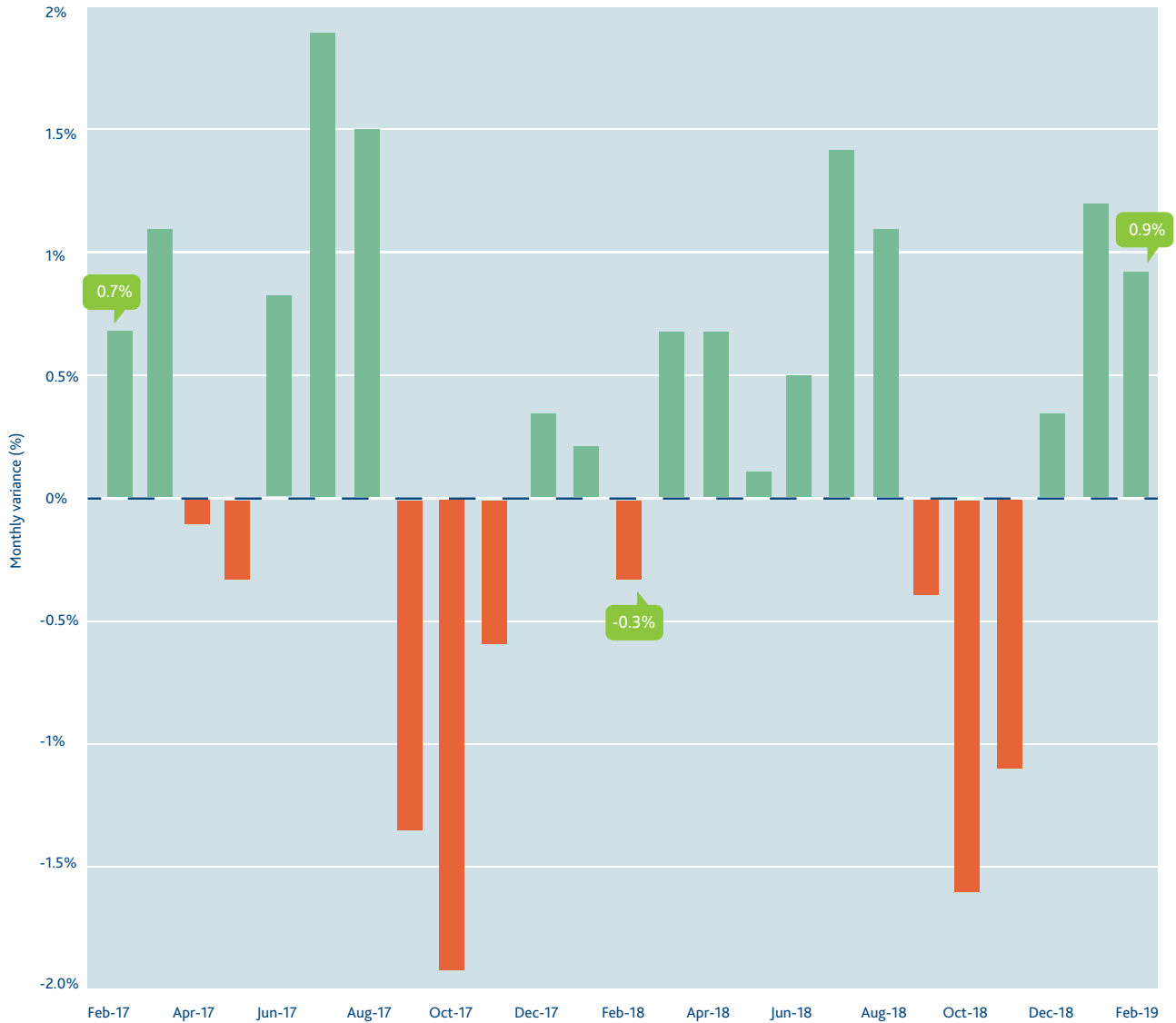


Annual variance in rental values



- When London is excluded, the average UK rental value was £782 in February 2019, this is up 3.2% on last year

Monthly variance in average rent in the UK



- The UK average rental value increased by 0.9% between January and February 2019



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 February 2019 | £524 | Average rent February 2019 | £940 |
| Average rent January 2019 | £534 | Average rent January 2019 | £932 |
| Monthly variance | -1.9% | Monthly variance | 0.9% |
| Average rent February 2018 | £520 | Average rent February 2018 | £906 |
| Annual variance | 0.8% | Annual variance | 3.8% |

| Scotland | |
|----------------------------|------|
| Average rent February 2019 | £653 |
| Average rent January 2019 | £627 |
| Monthly variance | 4.1% |
| Average rent February 2018 | £632 |
| Annual variance | 3.3% |

| Yorkshire & Humberside | |
|----------------------------|-------|
| Average rent February 2019 | £635 |
| Average rent January 2019 | £636 |
| Monthly variance | -0.2% |
| Average rent February 2018 | £625 |
| Annual variance | 1.6% |

| North West | |
|----------------------------|------|
| Average rent February 2019 | £707 |
| Average rent January 2019 | £703 |
| Monthly variance | 0.6% |
| Average rent February 2018 | £688 |
| Annual variance | 2.8% |

| East Midlands | |
|----------------------------|------|
| Average rent February 2019 | £625 |
| Average rent January 2019 | £624 |
| Monthly variance | 0.2% |
| Average rent February 2018 | £619 |
| Annual variance | 1.0% |

| West Midlands | |
|----------------------------|------|
| Average rent February 2019 | £694 |
| Average rent January 2019 | £693 |
| Monthly variance | 0.1% |
| Average rent February 2018 | £676 |
| Annual variance | 2.7% |

| East of England | |
|----------------------------|------|
| Average rent February 2019 | £915 |
| Average rent January 2019 | £909 |
| Monthly variance | 0.7% |
| Average rent February 2018 | £907 |
| Annual variance | 0.9% |

| Wales | |
|----------------------------|------|
| Average rent February 2019 | £616 |
| Average rent January 2019 | £606 |
| Monthly variance | 1.7% |
| Average rent February 2018 | £593 |
| Annual variance | 3.9% |

| Greater London | |
|----------------------------|--------|
| Average rent February 2019 | £1,599 |
| Average rent January 2019 | £1,588 |
| Monthly variance | 0.7% |
| Average rent February 2018 | £1,537 |
| Annual variance | 4.0% |

| Northern Ireland | |
|----------------------------|-------|
| Average rent February 2019 | £638 |
| Average rent January 2019 | £644 |
| Monthly variance | -0.9% |
| Average rent February 2018 | £631 |
| Annual variance | 1.1% |

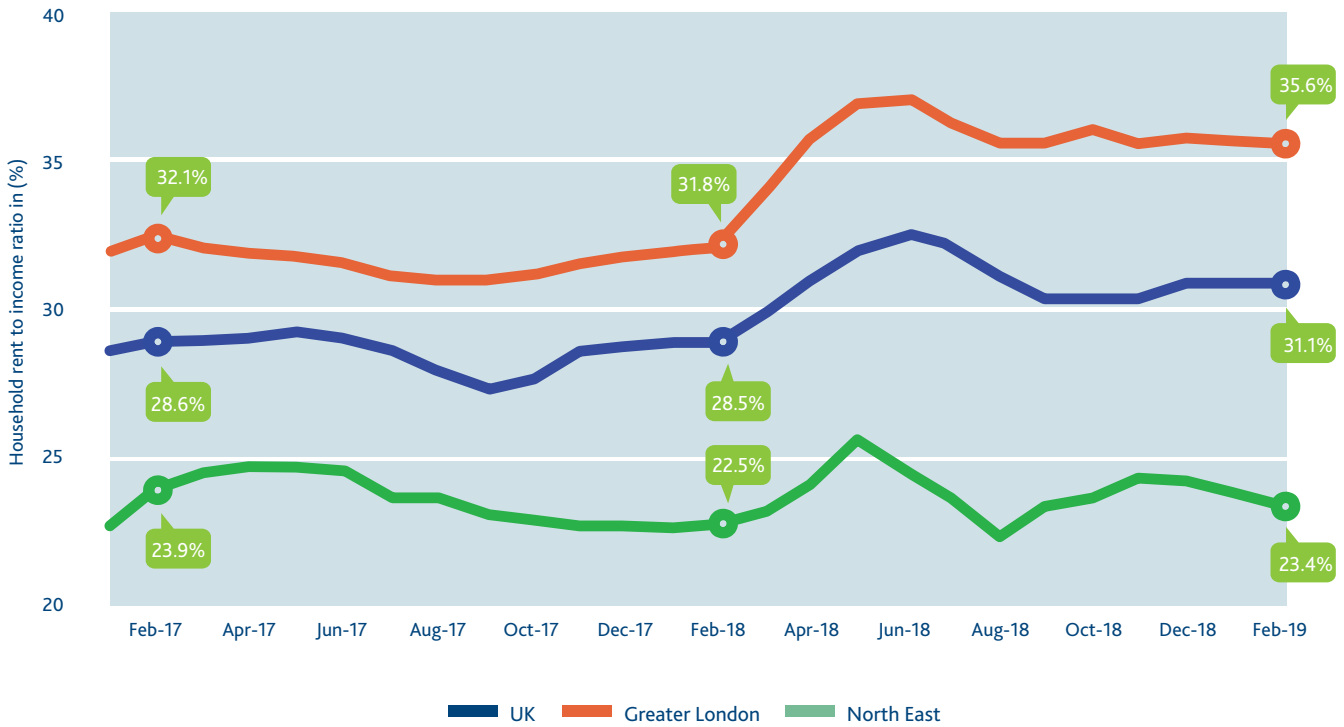
| South West | |
|----------------------------|------|
| Average rent February 2019 | £868 |
| Average rent January 2019 | £859 |
| Monthly variance | 1.0% |
| Average rent February 2018 | £806 |
| Annual variance | 7.7% |

| South East | |
|----------------------------|--------|
| Average rent February 2019 | £1,046 |
| Average rent January 2019 | £1,022 |
| Monthly variance | 2.3% |
| Average rent February 2018 | £995 |
| Annual variance | 5.1% |

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

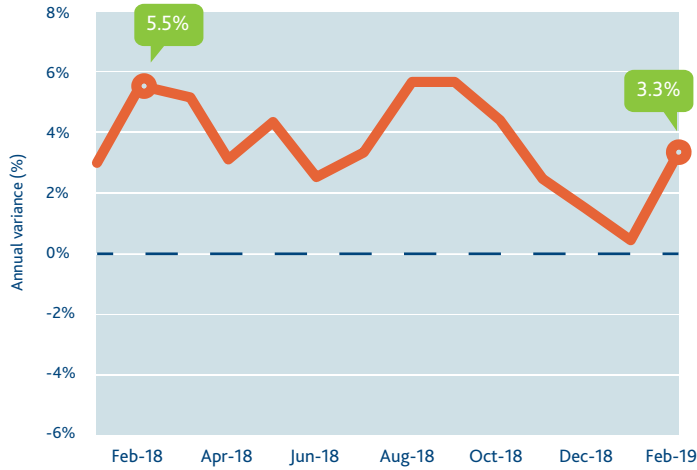


Household rent to income ratio by region

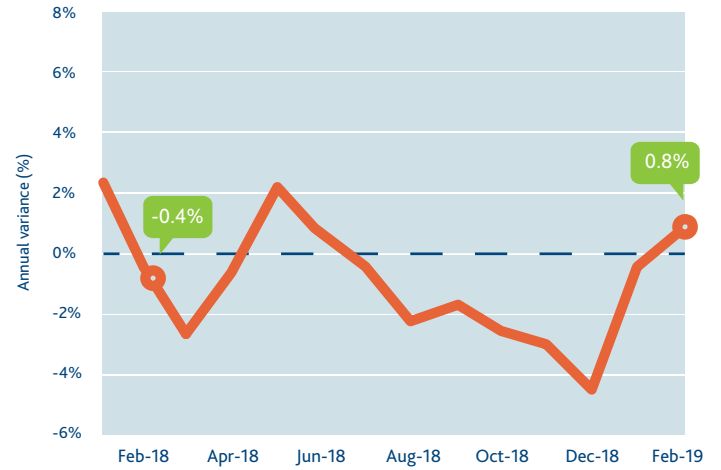
| Region | February 2018 | February 2019 | Variance (percentage points) |
|--------------------------|---------------|---------------|------------------------------|
| North East | 22.5% | 23.4% | 0.9% |
| North West | 26.7% | 29.1% | 2.4% |
| Yorkshire and The Humber | 24.6% | 26.3% | 1.7% |
| East Midlands | 27.3% | 29.2% | 1.9% |
| Wales | 29.0% | 28.8% | -0.2% |
| South West | 29.9% | 33.0% | 3.1% |
| South East | 29.5% | 32.1% | 2.6% |
| London | 31.8% | 35.6% | 3.8% |
| East Of England | 28.6% | 30.5% | 1.9% |
| West Midlands | 26.6% | 29.8% | 3.2% |
| Scotland | 25.7% | 27.5% | 1.8% |
| Northern Ireland | 26.8% | 26.8% | 0.0% |
| UK | 28.5% | 31.1% | 2.6% |
| UK Excluding London | 27.7% | 29.8% | 2.1% |

Annual variance in average rental values by region

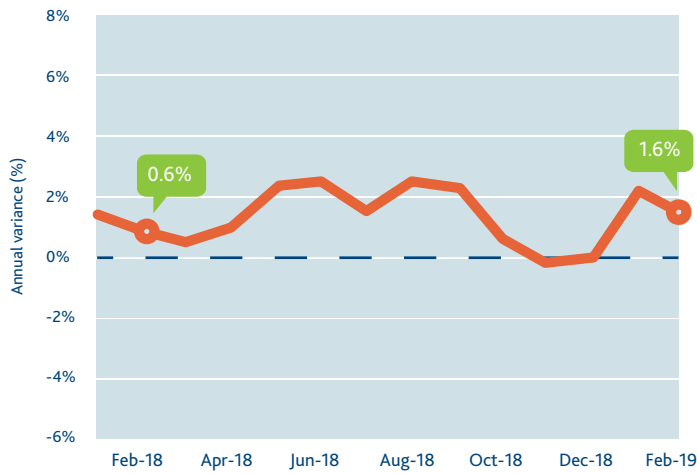
Scotland



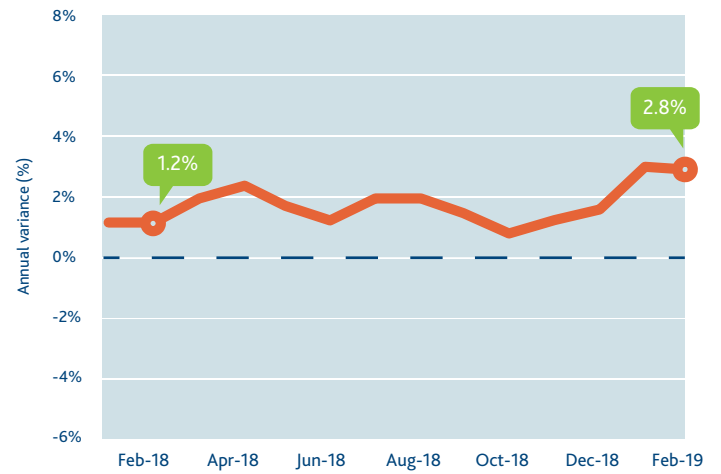
North East



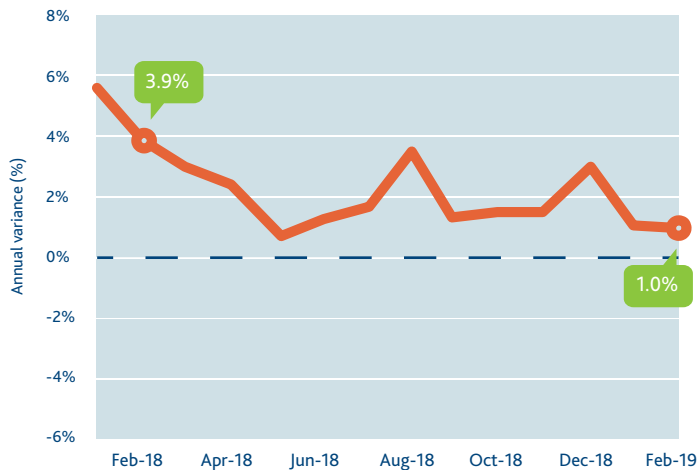
Yorkshire and the Humber



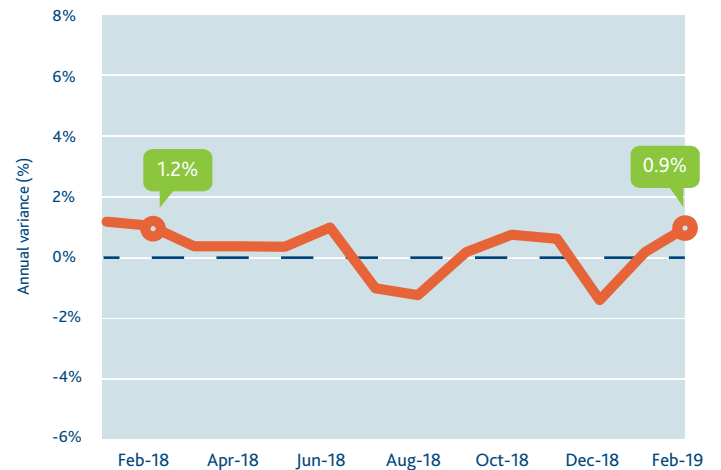
North West



East Midlands

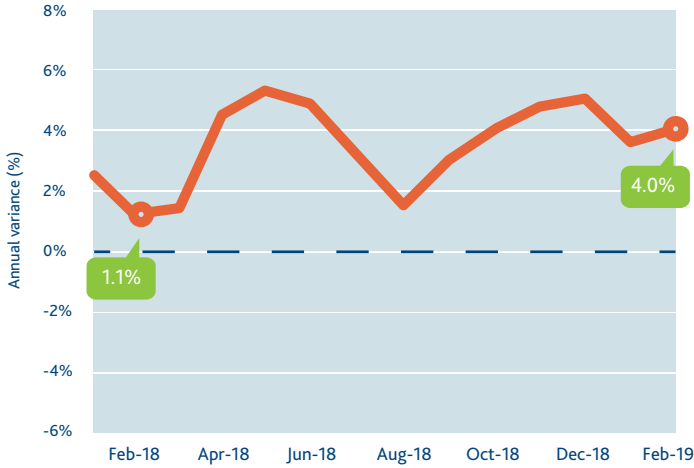


East of England

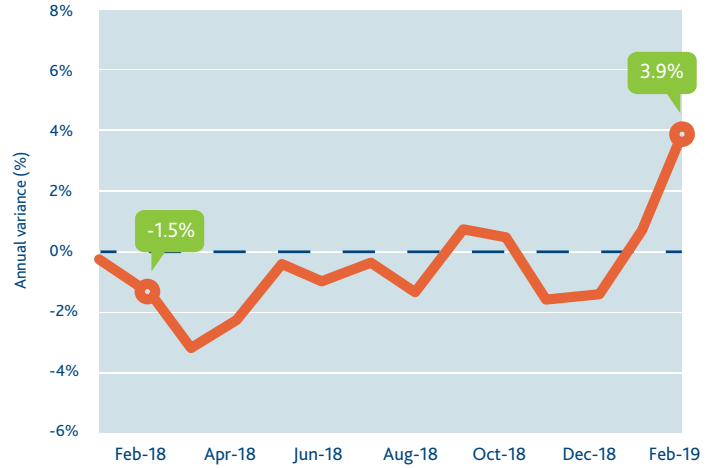


Annual variance in average rental values by region

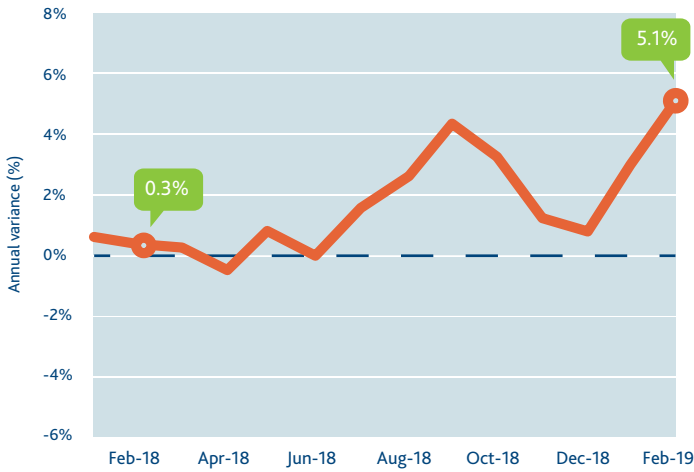
Greater London



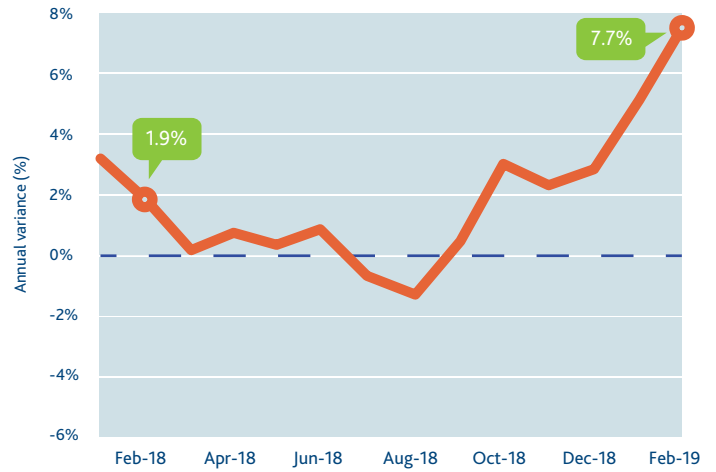
Wales



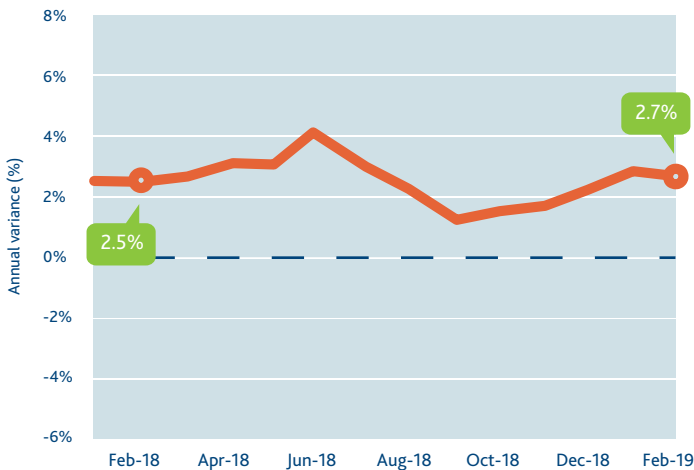
South East



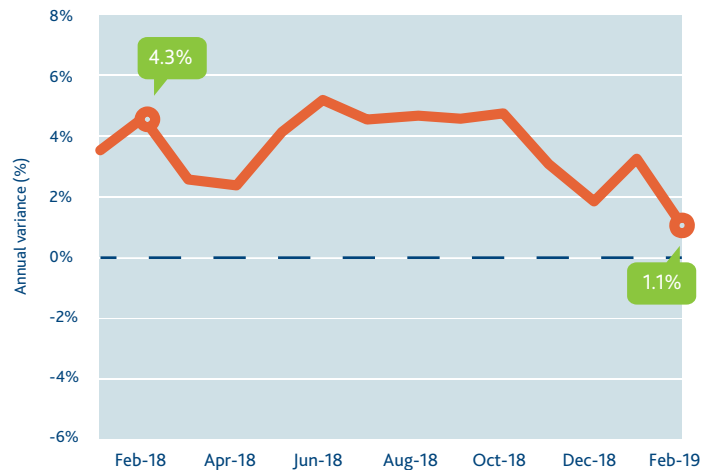
South West



West Midlands

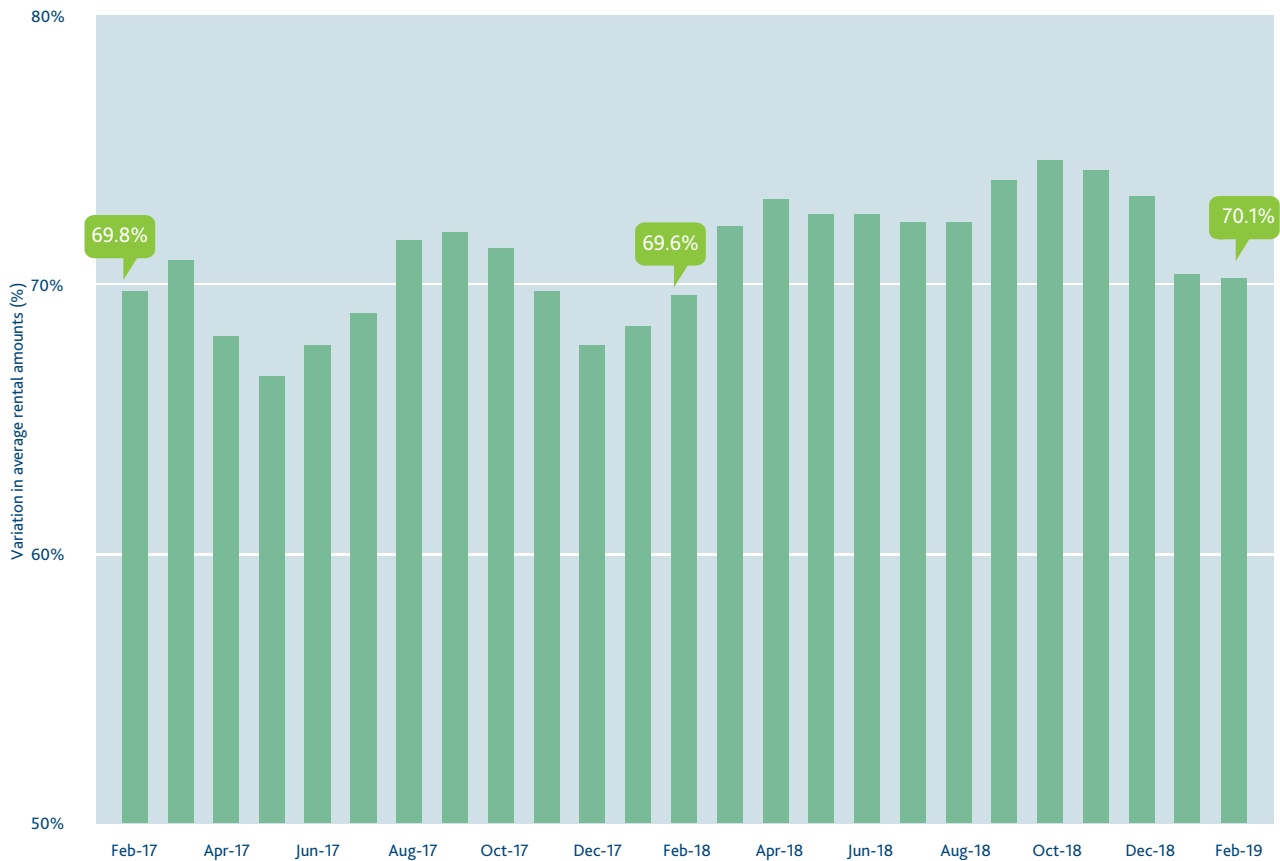


Northern Ireland



Greater London vs. the UK

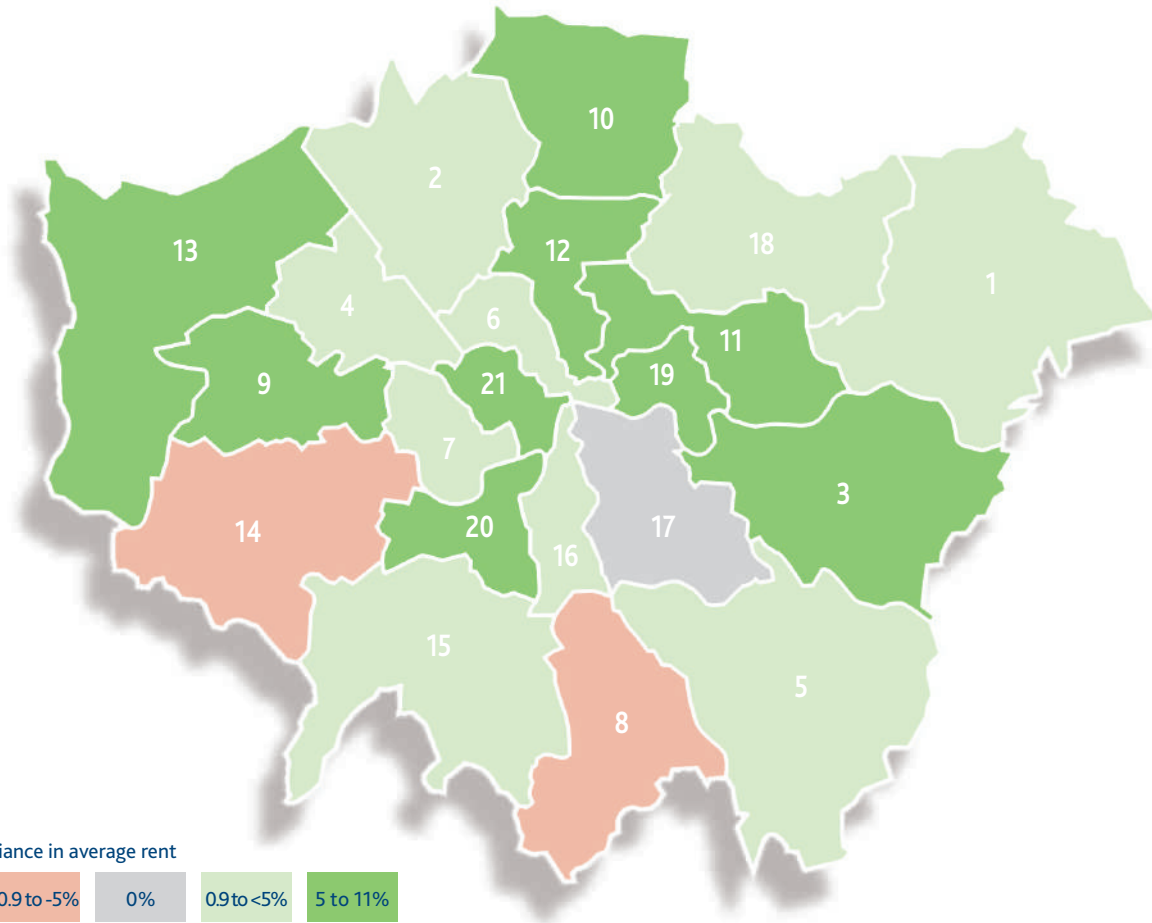
Monthly variation between Greater London rental prices and the UK average



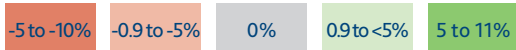
- In February, average rental values in London (£1,599) were 70.1% higher than the UK (£940)
- When London is excluded the average rent in the UK was £782 in February, average rents in London (£1,599) were 104.5% higher than the rest of the UK.

Greater London by borough

This section looks at the average rental values for new tenancies for the boroughs of London. The annual variance compares February 2019 with February 2018.



% Annual variance in average rent



| | | | | |
|--|---|---|---|--|
| 1 Barking, Dagenham & Havering Avg rent February 19 £1,226 Annual variance 1.5% | 2 Barnet Avg rent February 19 £1,530 Annual variance 1.8% | 3 Bexley & Greenwich Avg rent February 19 £1,315 Annual variance 7.8% | 4 Brent Avg rent February 19 £1,620 Annual variance 4.7% | 5 Bromley Avg rent February 19 £1,334 Annual variance 1.3% |
| 6 Camden & City of London Avg rent February 19 £2,054 Annual variance 1.0% | 7 Chelsea, Fulham, Hammersmith & Kensington Avg rent February 19 £1,917 Annual variance 3.5% | 8 Croydon Avg rent February 19 £1,043 Annual variance -3.7% | 9 Ealing Avg rent February 19 £1,585 Annual variance 9.1% | 10 Enfield Avg rent February 19 £1,445 Annual variance 6.4% |
| 11 Hackney & Newham Avg rent February 19 £1,544 Annual variance 7.2% | 12 Haringey & Islington Avg rent February 19 £1,709 Annual variance 9.6% | 13 Harrow & Hillingdon Avg rent February 19 £1,370 Annual variance 6.7% | 14 Hounslow & Richmond upon Thames Avg rent February 19 £1,415 Annual variance -3.2% | 15 Kingston upon Thames, Merton & Sutton Avg rent February 19 £1,321 Annual variance 1.5% |
| 16 Lambeth Avg rent February 19 £2,059 Annual variance 1.7% | 17 Lewisham & Southwark Avg rent February 19 £1,649 Annual variance 0.4% | 18 Redbridge & Waltham Forest Avg rent February 19 £1,253 Annual variance 2.1% | 19 Tower Hamlets Avg rent February 19 £1,789 Annual variance 5.0% | 20 Wandsworth Avg rent February 19 £1,749 Annual variance 10.1% |
| 21 Westminster Avg rent February 19 £2,281 Annual variance 6.8% | | | | |

Greater London ranked by borough

Five London boroughs with the highest average rent

| London borough | Average rent February 2019 |
|---|----------------------------|
| Westminster | £2,281 |
| Lambeth | £2,059 |
| Camden, City of London | £2,054 |
| Chelsea, Fulham, Hammersmith and Kensington | £1,917 |
| Tower Hamlets | £1,789 |

Five London boroughs with the lowest average rent

| London borough | Average rent February 2019 |
|---|----------------------------|
| Croydon | £1,043 |
| Barking, Dagenham and Havering | £1,226 |
| Redbridge and Waltham Forest | £1,253 |
| Bexley and Greenwich | £1,315 |
| Kingston upon Thames, Merton and Sutton | £1,321 |

Five London boroughs with the highest annual variance in average rent

| London borough | Annual variance |
|------------------------|-----------------|
| Wandsworth | 10.1% |
| Haringey and Islington | 9.6% |
| Ealing | 9.1% |
| Bexley and Greenwich | 7.8% |
| Hackney and Newham | 7.2% |

Five London boroughs with the lowest annual variance in average rent

| London borough | Annual variance |
|-----------------------------------|-----------------|
| Croydon | -3.7% |
| Hounslow and Richmond upon Thames | -3.2% |
| Lewisham and Southwark | 0.4% |
| Camden, City of London | 1.0% |
| Bromley | 1.3% |

About HomeLet

With over 25 years' experience 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