

HomeLet Rental Index

Key headlines

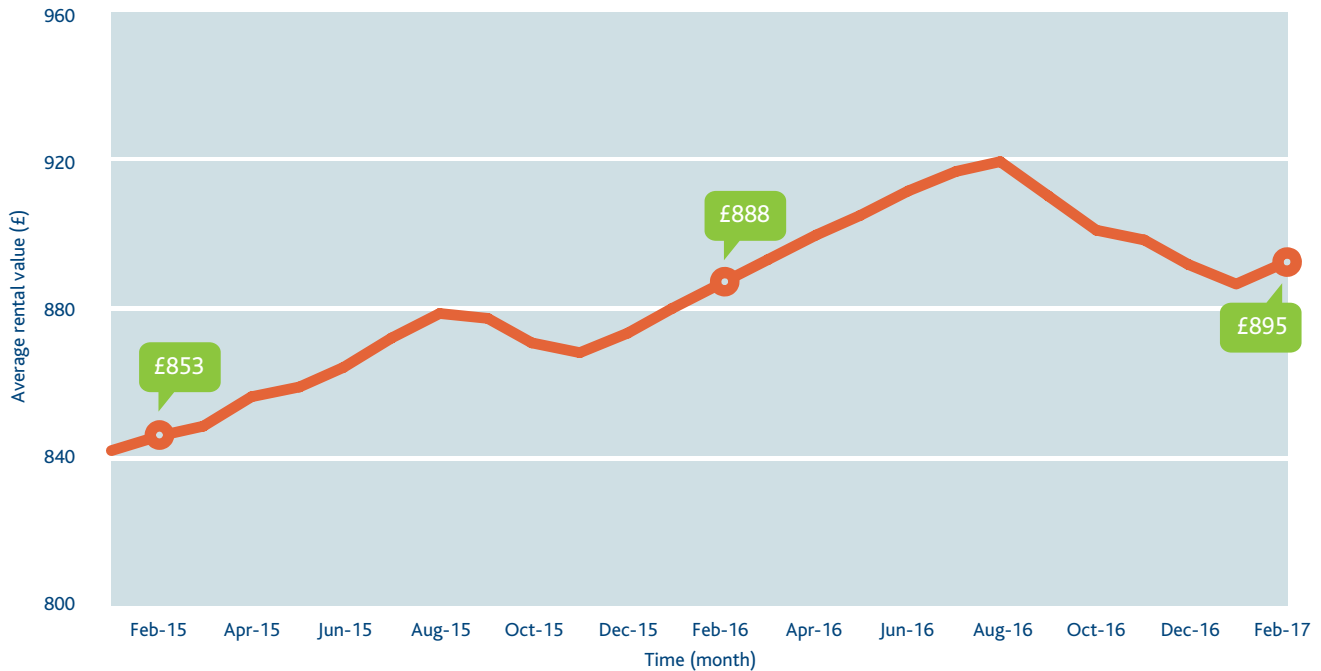
- Average rents in the UK continue to see a slower rate of rental growth compared to last year
- The average UK rental value was £895pcm - this is 0.8% higher than the same period last year (£888pcm)
- Since July 2016, rents in Greater London have seen a slower pace of annual growth compared to last year
- The average rental value in Greater London is £1,520pcm - this is 0.4% higher than the same period last year
- Average rental values have reduced or remained flat in four out of twelve regions in the UK, compared to the same period last year



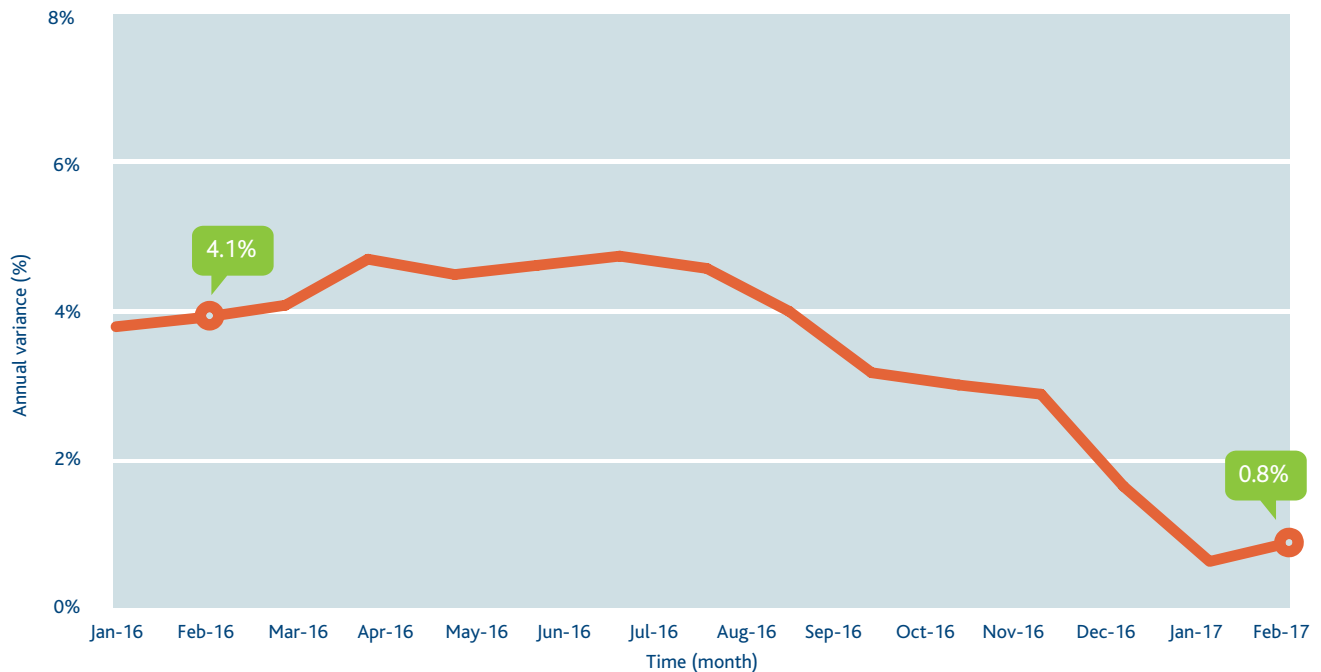
February 2017 edition

Average rental values in the UK

Average rental values



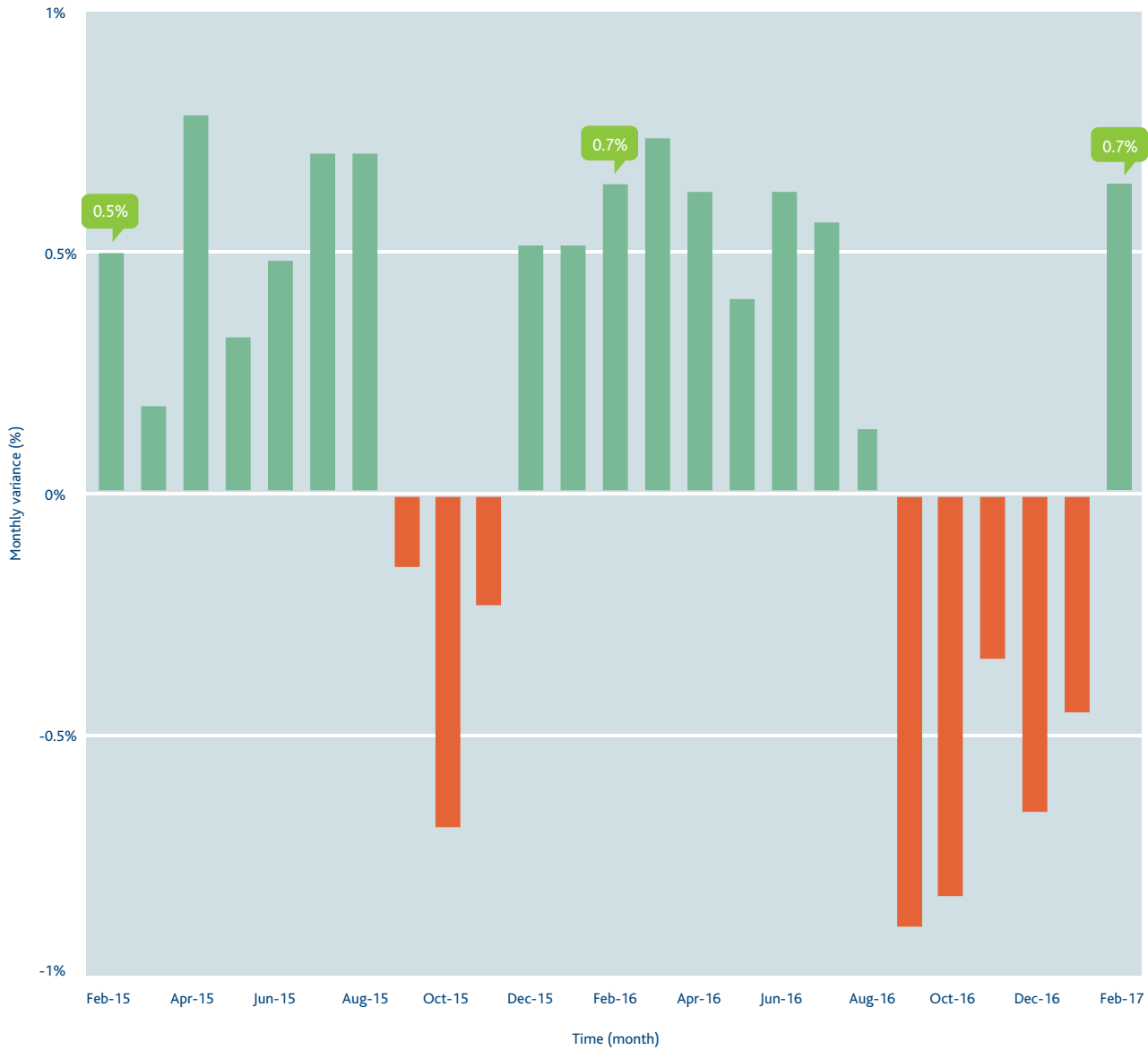
Annual variance in rental values



It's interesting to note...

- The average UK rental value was £895pcm - this is 0.8% higher than the same period last year (£882pcm) and a reduction in the rate of increase seen in February 2016 (4.1%)

Monthly variance in average rent in the UK



It's interesting to note...

- The UK average rental value has increased by 0.7% since January 2017 - this is the same as the monthly variance in February 2016 and more than February 2015 (0.5%)



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 2017	£524	Average rent February 2017	£895
Average rent January 2017	£527	Average rent January 2017	£888
Monthly variance	-0.7%	Monthly variance	0.7%
Average rent January 2016	£524	Average rent January 2016	£888
Annual variance	0.0%	Annual variance	0.8%

Scotland	
Average rent February 2017	£597
Average rent January 2017	£606
Monthly variance	-1.5%
Average rent January 2016	£603
Annual variance	-0.8%

Yorkshire and Humber	
Average rent February 2017	£623
Average rent January 2017	£615
Monthly variance	1.3%
Average rent January 2016	£604
Annual variance	3.0%

North West	
Average rent February 2017	£677
Average rent January 2017	£673
Monthly variance	0.7%
Average rent January 2016	£661
Annual variance	2.5%

East Midlands	
Average rent February 2017	£596
Average rent January 2017	£583
Monthly variance	2.3%
Average rent January 2016	£586
Annual variance	1.8%

West Midlands	
Average rent February 2017	£660
Average rent January 2017	£658
Monthly variance	0.2%
Average rent January 2016	£650
Annual variance	1.5%

East of England	
Average rent February 2017	£896
Average rent January 2017	£894
Monthly variance	0.3%
Average rent January 2016	£885
Annual variance	1.2%

Wales	
Average rent February 2017	£602
Average rent January 2017	£606
Monthly variance	-0.6%
Average rent January 2016	£589
Annual variance	2.1%

Greater London	
Average rent February 2017	£1,520
Average rent January 2017	£1,496
Monthly variance	1.6%
Average rent January 2016	£1,514
Annual variance	0.4%

Northern Ireland	
Average rent February 2017	£604
Average rent January 2017	£602
Monthly variance	0.3%
Average rent January 2016	£589
Annual variance	2.5%

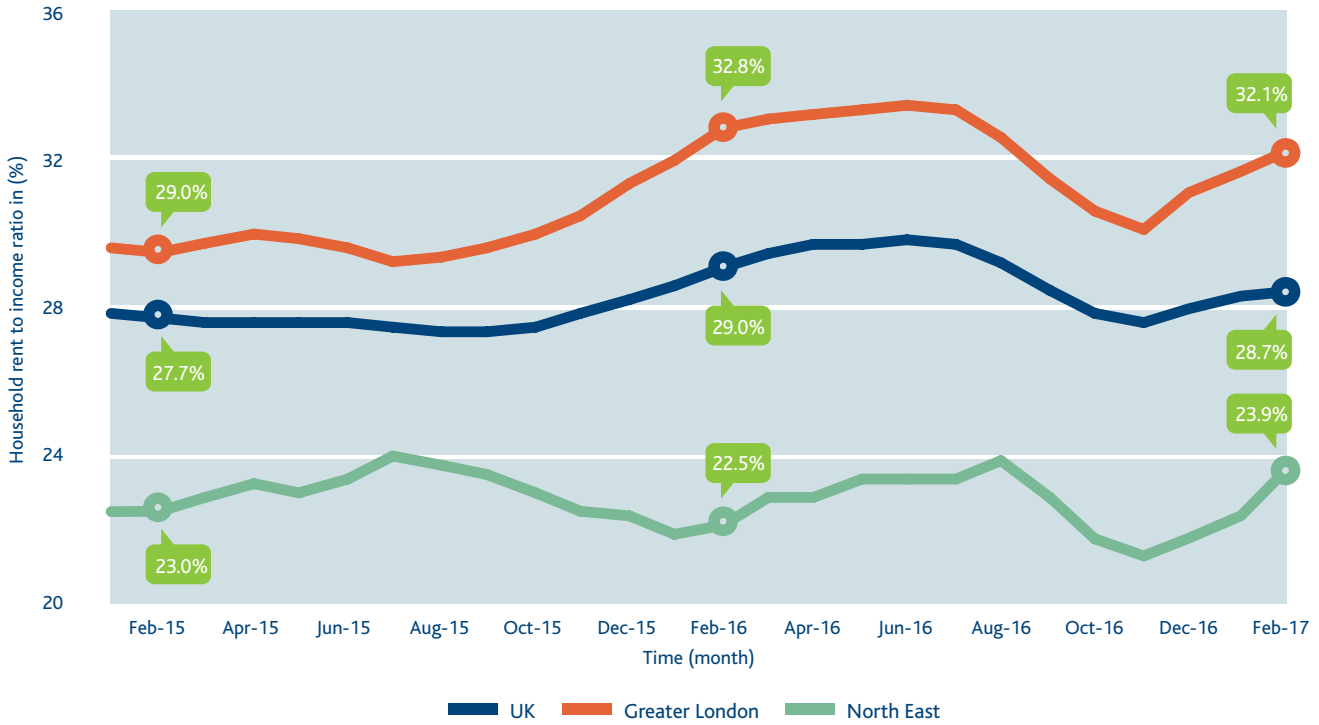
South West	
Average rent February 2017	£791
Average rent January 2017	£791
Monthly variance	0.0%
Average rent January 2016	£791
Annual variance	0.0%

South East	
Average rent February 2017	£992
Average rent January 2017	£989
Monthly variance	0.3%
Average rent January 2016	£994
Annual variance	-0.2%

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

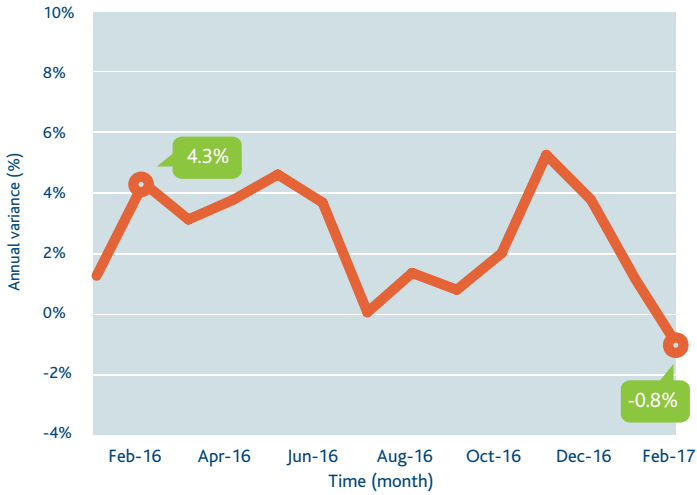


Household rent to income ratio by region

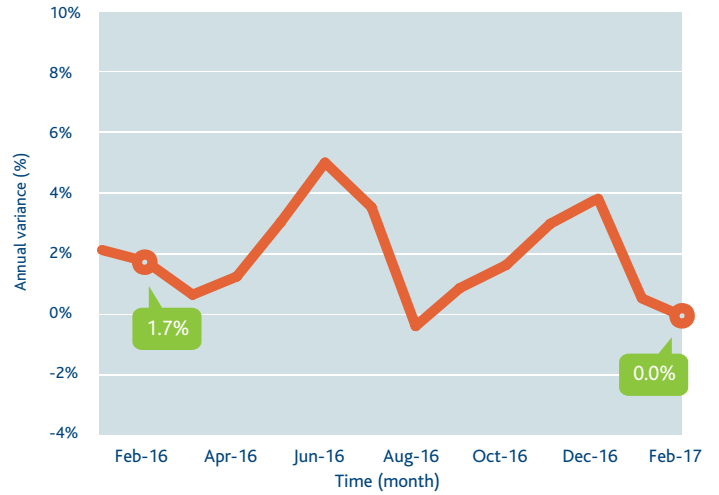
Region	February 2017	February 2016	Variance (percentage points)
Greater London	32.1%	32.8%	-0.6%
South West	29.9%	30.3%	-0.3%
South East	29.6%	30.0%	-0.4%
East of England	28.5%	28.6%	-0.0%
Wales	27.6%	28.4%	-0.8%
West Midlands	27.2%	27.6%	-0.4%
East Midlands	27.0%	27.2%	-0.1%
Scotland	26.6%	26.1%	+0.5%
North West	26.0%	26.1%	-0.0%
Northern Ireland	26.1%	26.9%	-0.8%
Yorkshire and The Humber	24.7%	25.2%	-0.4%
North East	23.9%	22.5%	+1.3%
UK	28.7%	27.6%	+1.0%
UK excluding Greater London	27.4%	27.9%	-0.5%

Annual variance in average rental values by region

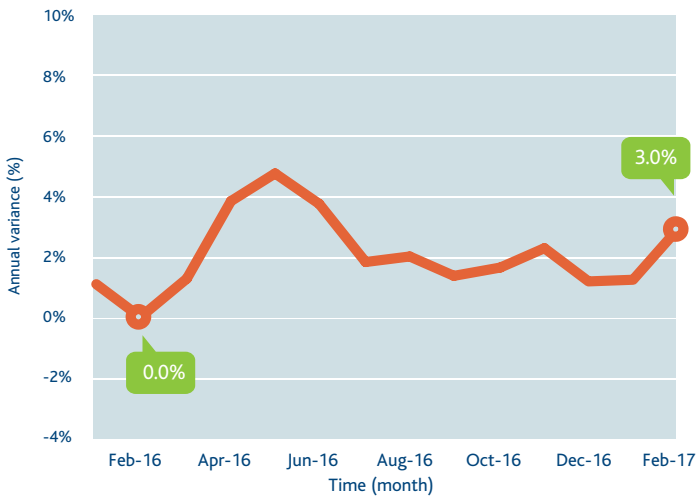
Scotland



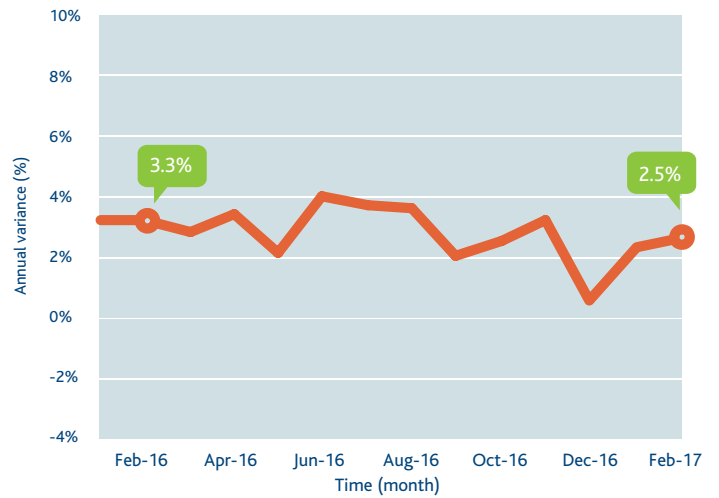
North East



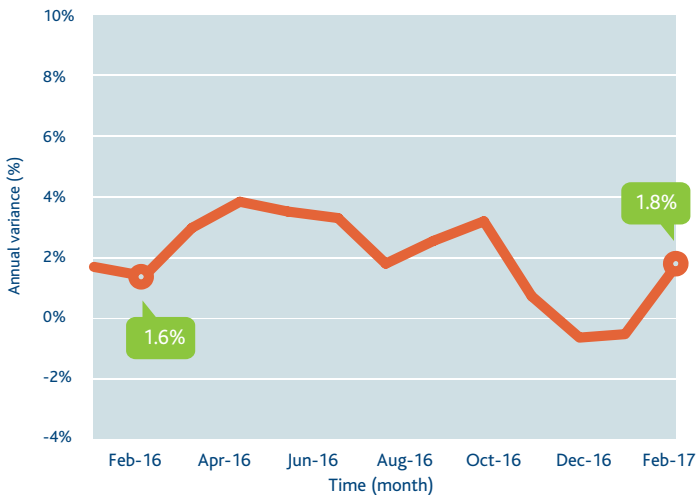
Yorkshire and the Humber



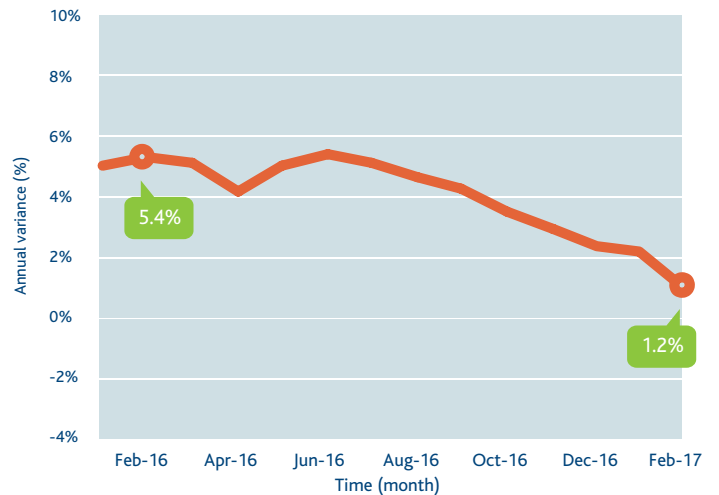
North West



East Midlands

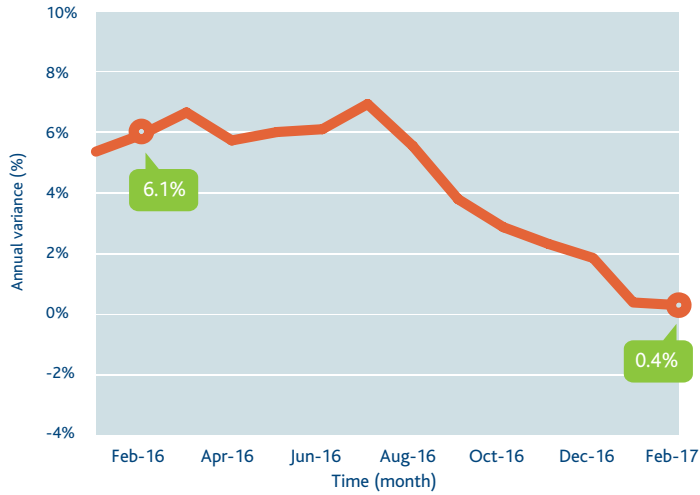


East of England

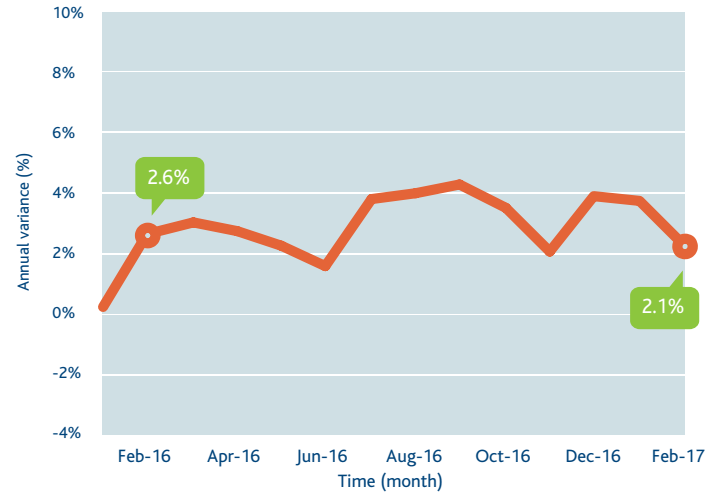


Annual variance in average rental values by region

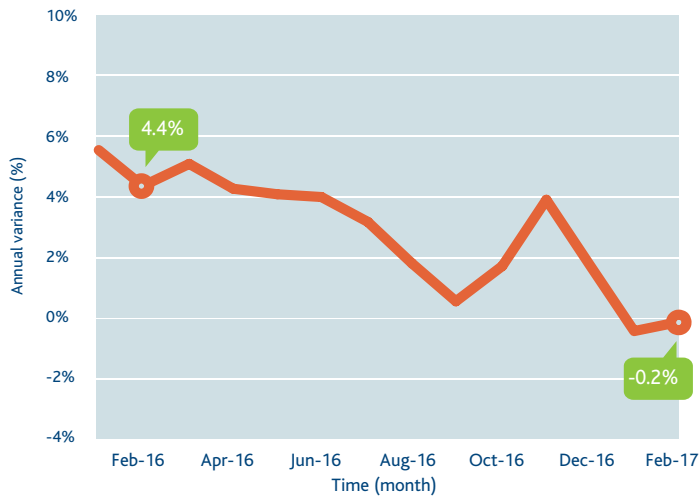
Greater London



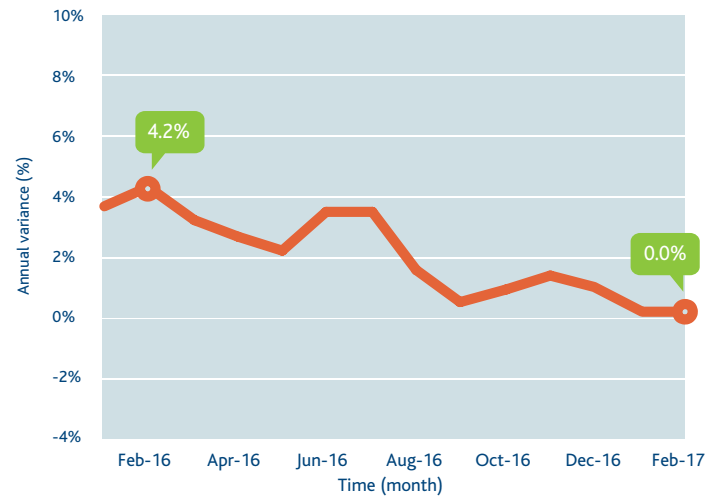
Wales



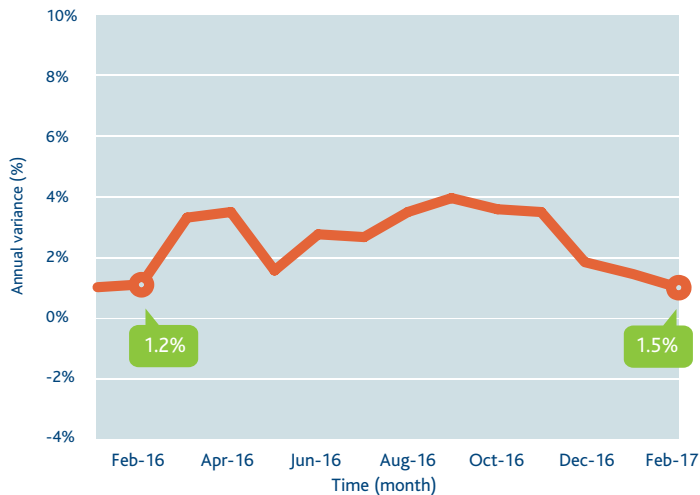
South East



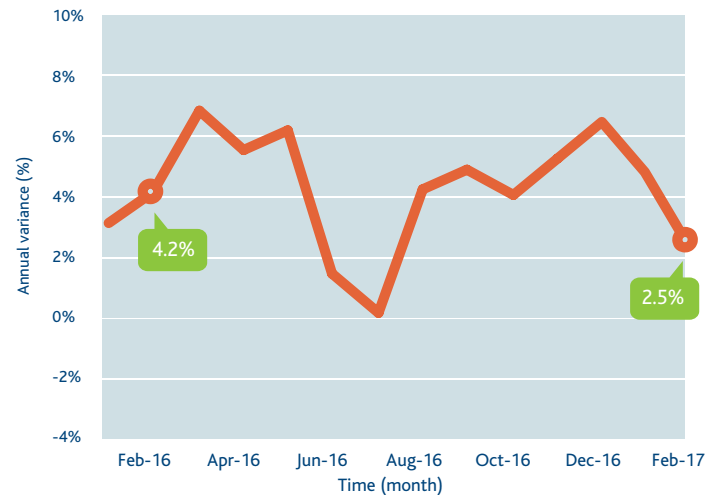
South West



West Midlands

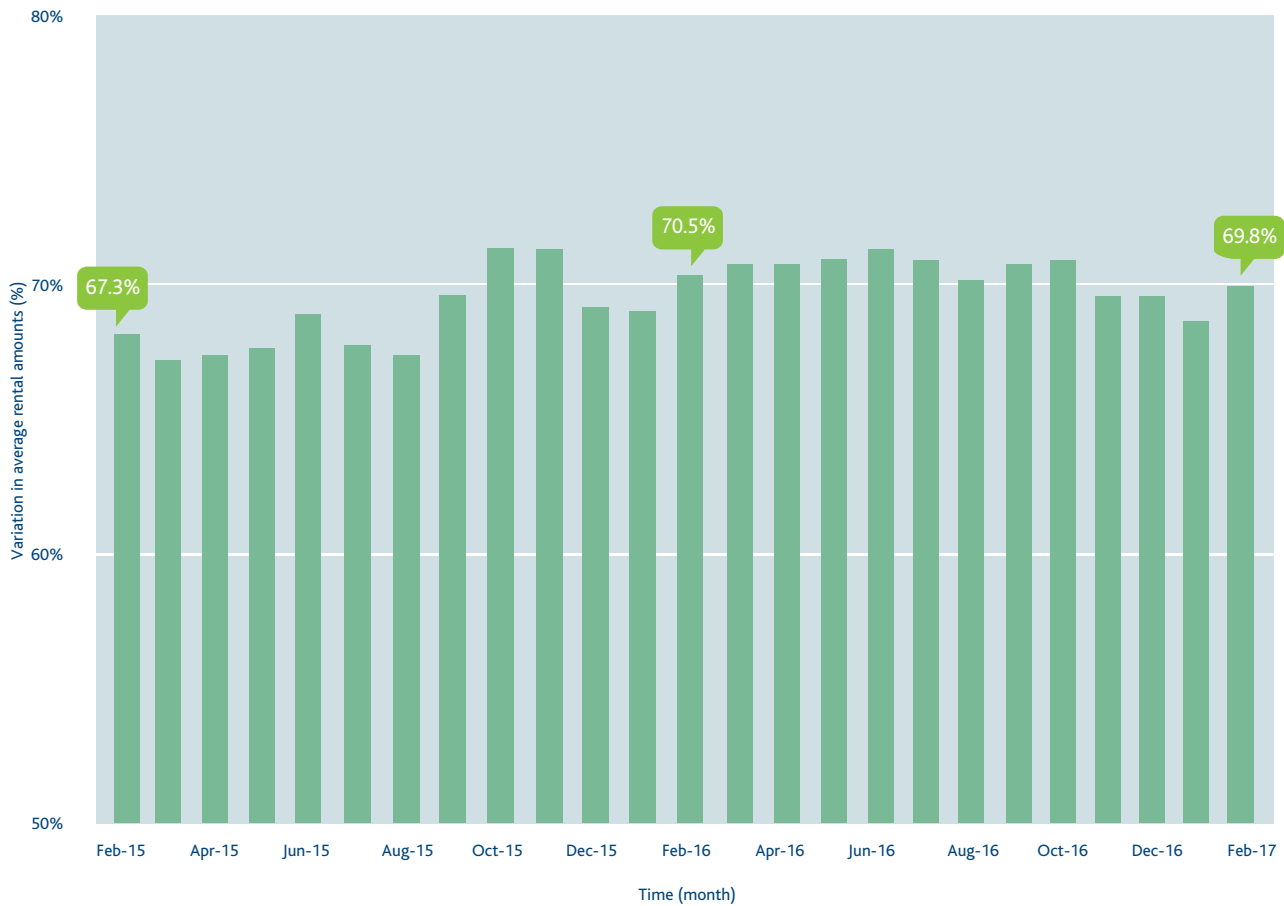


Northern Ireland



Greater London vs. the UK

Monthly variation between Greater London rental prices and the UK average

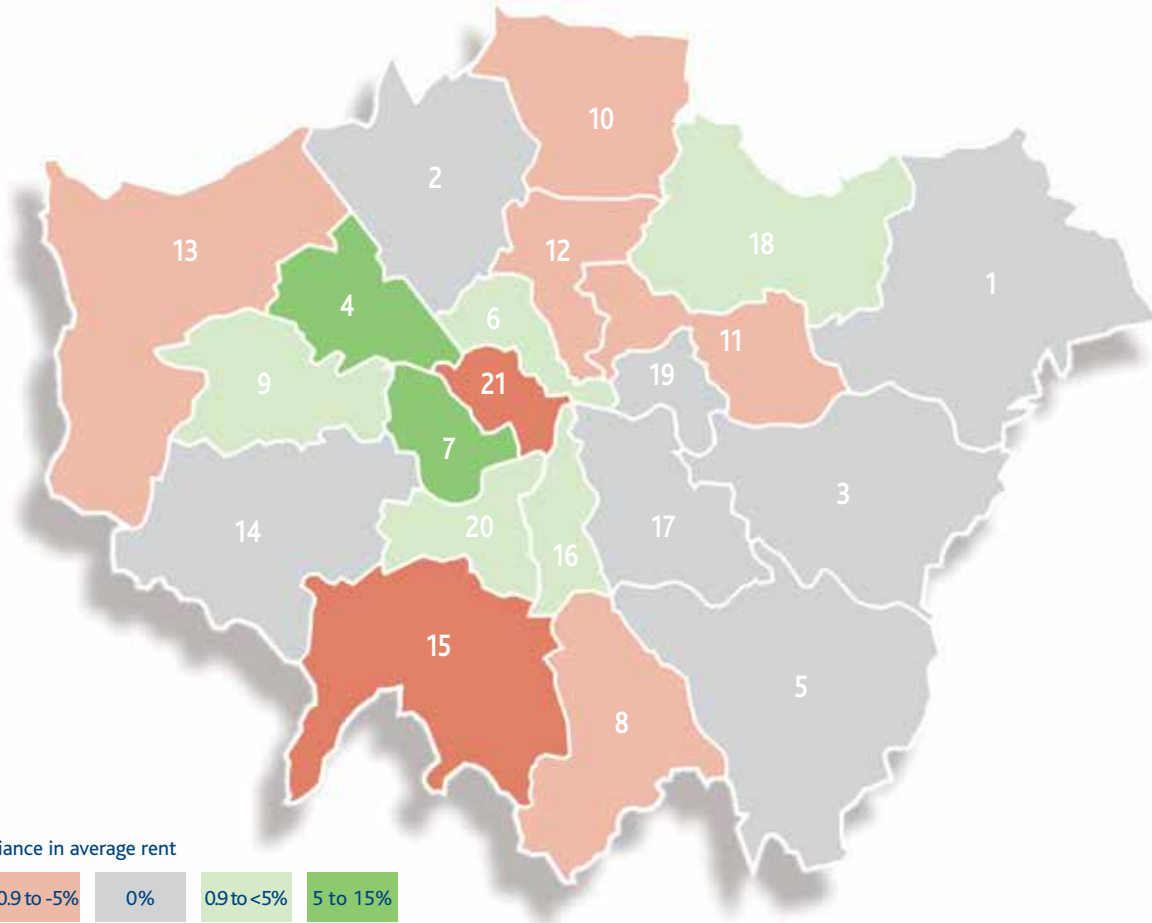


The figures also show...

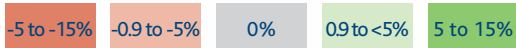
- In February 2017 average rental values in London (£1,520) were 69.8% higher than the UK (£895)
- The gap between London and the rest of the UK was comparable to February 2016 (70.5%) and higher than February 2015 (67.3%)

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 2016 with February 2017.



% Annual variance in average rent



1 Barking, Dagenham & Havering Avg rent Feb 17: £1,139 Annual variance: -0.3%	2 Barnet Avg rent Feb 17: £1,470 Annual variance: 0.1%	3 Bexley & Greenwich Avg rent Feb 17: £1,236 Annual variance: -0.1%	4 Brent Avg rent Feb 17: £1,543 Annual variance: 5.0%	5 Bromley Avg rent Feb 17: £1,361 Annual variance: 0.8%
6 Camden & City of London Avg rent Feb 17: £2,053 Annual variance: 3.2%	7 Chelsea, Fulham, Hammersmith & Kensington Avg rent Feb 17: £1,824 Annual variance: 5.4%	8 Croydon Avg rent Feb 17: £1,067 Annual variance: -2.8%	9 Ealing Avg rent Feb 17: £1,445 Annual variance: 1.7%	10 Enfield Avg rent Feb 17: £1,311 Annual variance: -1.7%
11 Hackney & Newham Avg rent Feb 17: £1,408 Annual variance: -3.1%	12 Haringey & Islington Avg rent Feb 17: £1,518 Annual variance: -0.9%	13 Harrow & Hillingdon Avg rent Feb 17: £1,325 Annual variance: -4.3%	14 Hounslow & Richmond upon Thames Avg rent Feb 17: £1,412 Annual variance: -0.3%	15 Kingston upon Thames, Merton & Sutton Avg rent Feb 17: £1,278 Annual variance: -10.0%
16 Lambeth Avg rent Feb 17: £1,866 Annual variance: 1.1%	17 Lewisham & Southwark Avg rent Feb 17: £1,587 Annual variance: -0.7%	18 Redbridge & Waltham Forest Avg rent Feb 17: £1,265 Annual variance: 1.4%	19 Tower Hamlets Avg rent Feb 17: £1,713 Annual variance: 0.6%	20 Wandsworth Avg rent Feb 17: £1,633 Annual variance: 3.9%
21 Westminster Avg rent Feb 17: £1,951 Annual variance: -12.4%				

Greater London ranked by borough

Five London boroughs with the highest average rent

London borough	Average rent Feb 2017
Camden, City of London	£2,053
Westminster	£1,951
Lambeth	£1,866
Hammersmith, Fulham, Kensington and Chelsea	£1,824
Tower Hamlets	£1,713

Five London boroughs with the lowest average rent

London borough	Average rent Feb 2017
Croydon	£1,067
Barking, Dagenham and Havering	£1,139
Bexley and Greenwich	£1,236
Redbridge and Waltham Forest	£1,265
Merton, Kingston upon Thames and Sutton	£1,278

Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Hammersmith, Fulham, Kensington and Chelsea	5.4%
Brent	5.0%
Wandsworth	3.9%
Camden, City of London	3.2%
Ealing	1.7%

Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Westminster	-12.4%
Merton, Kingston upon Thames and Sutton	-10.0%
Harrow and Hillingdon	-4.3%
Hackney and Newham	-3.1%
Croydon	-2.8%

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