

HomeLet Rental Index

Key headlines

- Rents in the UK rose by 1.2% in February compared to the same month a year ago; the average monthly rent now stands at £906 a month
- Rents in London increased by 1.1% in February this year compared to February 2017; the average monthly rent in the capital now stands at £1,537 a month
- When London is excluded, the average UK rental value was £758 in February 2018, this is up 1.6% on last year
- HomeLet's February Rental Index reveals that rents rose in 10 of the 12 UK regions covered in the research

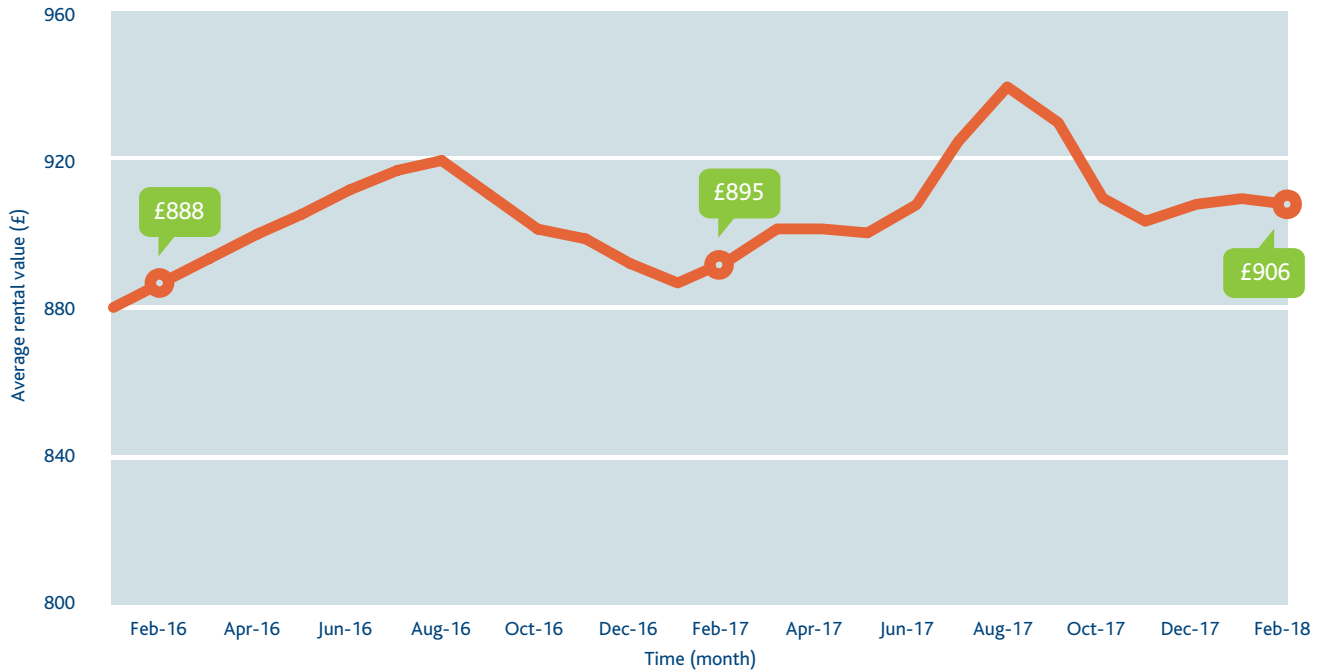


February 2018 edition

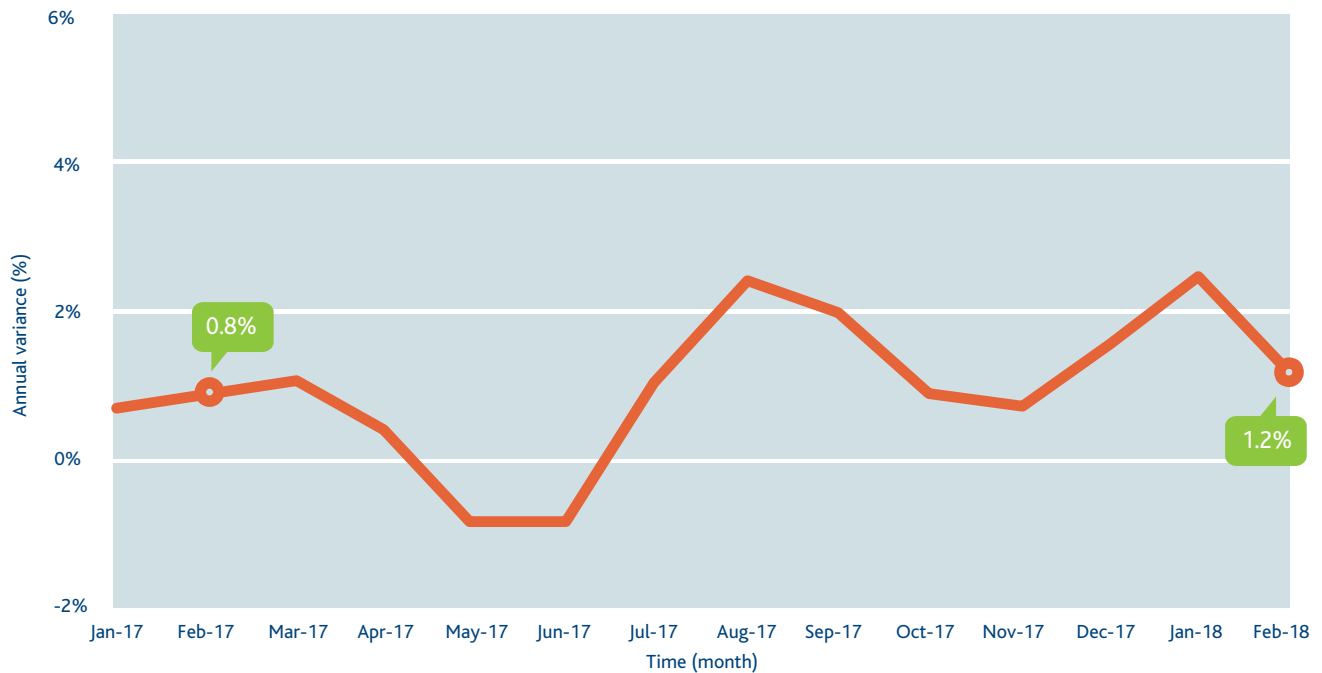
HomeLet Rental Index provides comprehensive and up to date data on new tenancies in the UK. Data is gathered from our tenant referencing service, including the rental amounts agreed, the number of tenants moving into the property together with the employment status, income and age of all tenants. The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

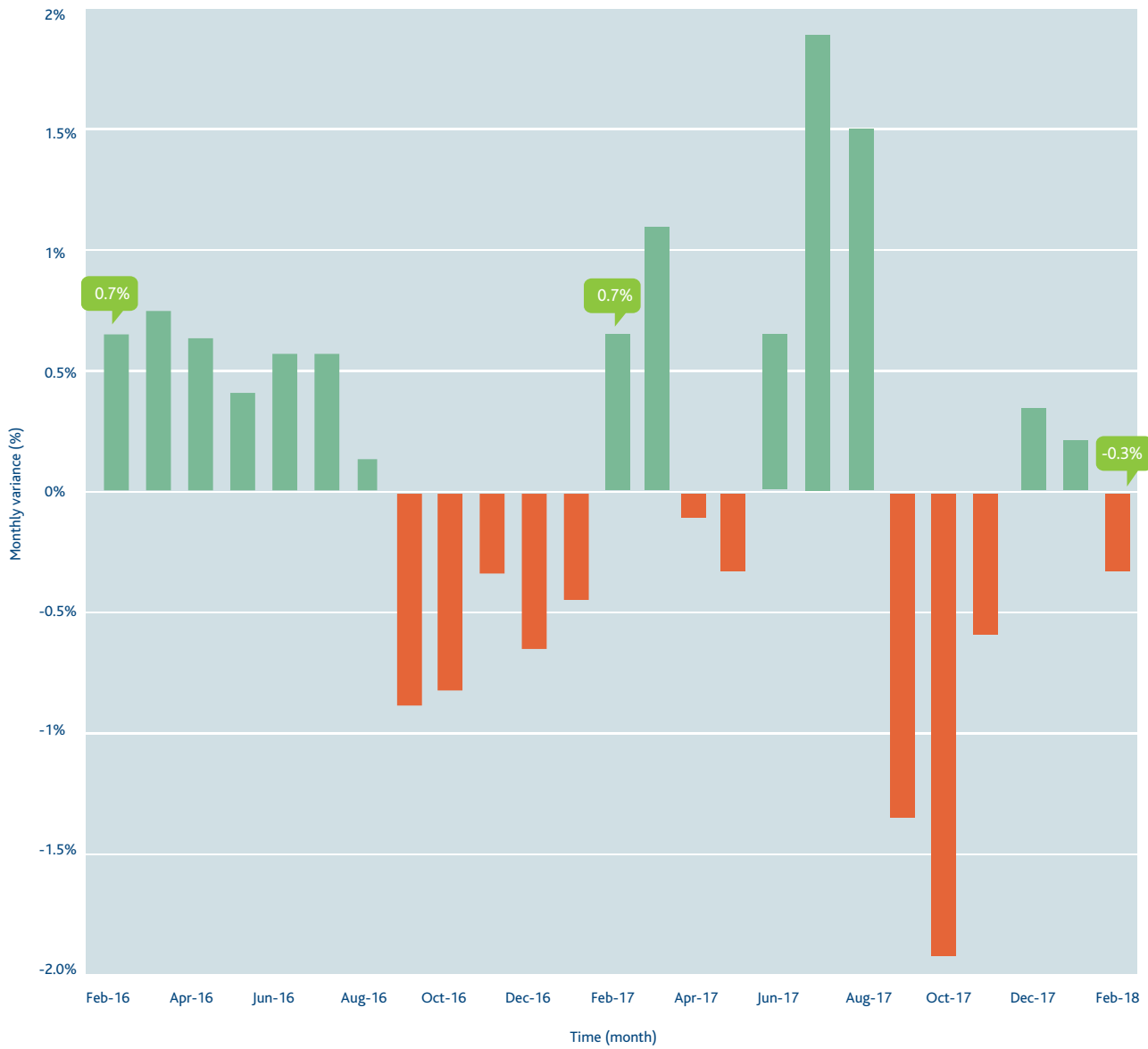


Annual variance in rental values



- When London is excluded, the average UK rental value was £758 in February 2018, this is up 1.6% on last year

Monthly variance in average rent in the UK



- The UK average rental value decreased by -0.3% between January and February 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 February 2018	£520
Average rent January 2018	£537
Monthly variance	-3.3%
Average rent February 2017	£522
Annual variance	-0.4%

UK	
Average rent February 2018	£906
Average rent January 2018	£909
Monthly variance	-0.3%
Average rent February 2017	£895
Annual variance	1.2%

Scotland	
Average rent February 2018	£632
Average rent January 2018	£625
Monthly variance	1.1%
Average rent February 2017	£597
Annual variance	5.5%

Yorkshire & Humberside	
Average rent February 2018	£625
Average rent January 2018	£623
Monthly variance	0.3%
Average rent February 2017	£621
Annual variance	0.6%

North West	
Average rent February 2018	£688
Average rent January 2018	£683
Monthly variance	0.7%
Average rent February 2017	£680
Annual variance	1.2%

East Midlands	
Average rent February 2018	£619
Average rent January 2018	£617
Monthly variance	0.3%
Average rent February 2017	£595
Annual variance	3.9%

West Midlands	
Average rent February 2018	£676
Average rent January 2018	£674
Monthly variance	0.3%
Average rent February 2017	£659
Annual variance	2.5%

East of England	
Average rent February 2018	£907
Average rent January 2018	£906
Monthly variance	0.1%
Average rent February 2017	£896
Annual variance	1.2%

Wales	
Average rent February 2018	£593
Average rent January 2018	£603
Monthly variance	-1.7%
Average rent February 2017	£602
Annual variance	-1.5%

Greater London	
Average rent February 2018	£1,537
Average rent January 2018	£1,532
Monthly variance	0.3%
Average rent February 2017	£1,520
Annual variance	1.1%

Northern Ireland	
Average rent February 2018	£631
Average rent January 2018	£624
Monthly variance	1.1%
Average rent February 2017	£604
Annual variance	4.3%

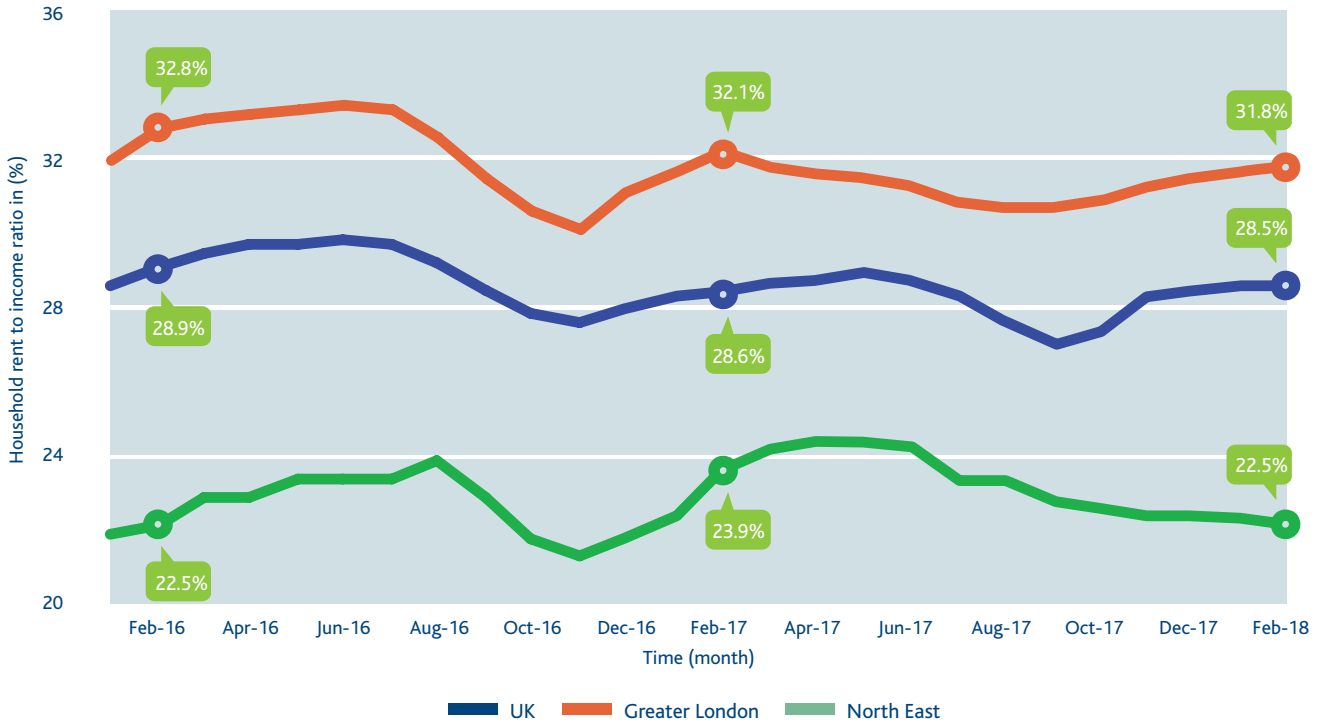
South West	
Average rent February 2018	£806
Average rent January 2018	£817
Monthly variance	-1.4%
Average rent February 2017	£791
Annual variance	1.9%

South East	
Average rent February 2018	£995
Average rent January 2018	£995
Monthly variance	0.0%
Average rent February 2017	£992
Annual variance	0.3%

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

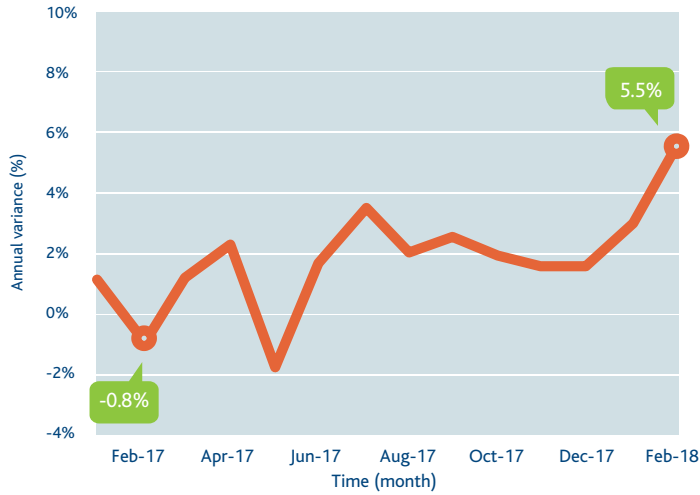


Household rent to income ratio by region

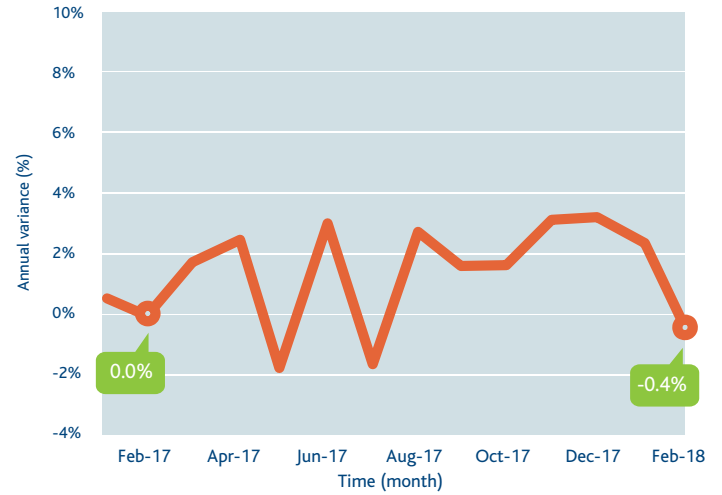
Region	February 2017	February 2018	Variance (percentage points)
North East	23.9%	22.5%	-1.4%
North West	26.0%	26.7%	0.7%
Yorkshire and The Humber	24.8%	24.6%	-0.2%
East Midlands	27.0%	27.3%	0.3%
Wales	27.7%	29.0%	1.3%
South West	29.8%	29.9%	0.1%
South East	29.5%	29.5%	0.0%
London	32.1%	31.8%	-0.3%
East Of England	28.4%	28.6%	0.2%
West Midlands	27.2%	26.6%	-0.6%
Scotland	26.2%	25.7%	-0.5%
Northern Ireland	26.1%	26.8%	0.7%
UK	28.6%	28.5%	-0.1%
UK excluding Greater London	27.6%	27.7%	0.1%

Annual variance in average rental values by region

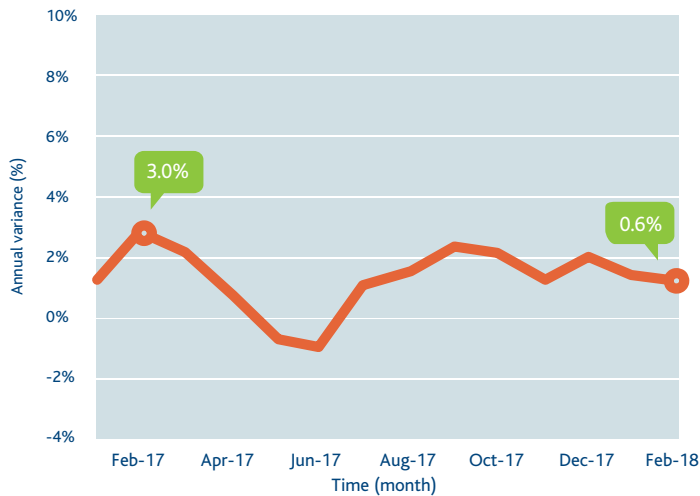
Scotland



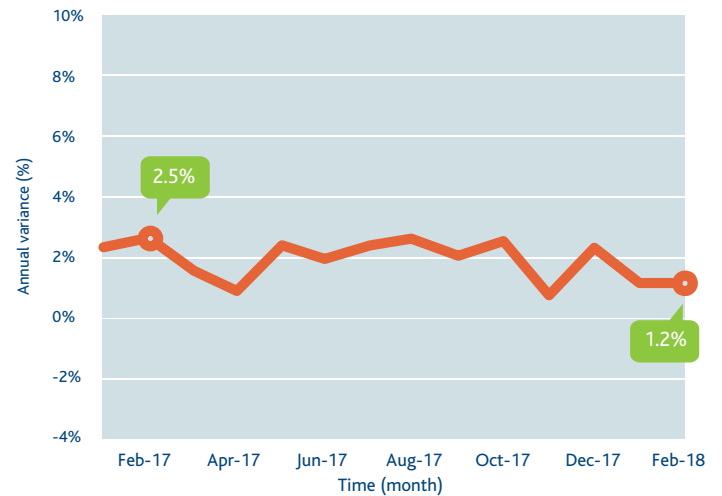
North East



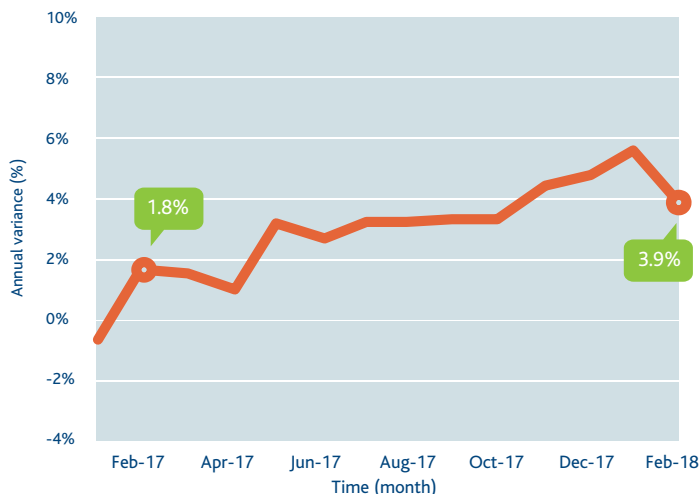
Yorkshire and the Humber



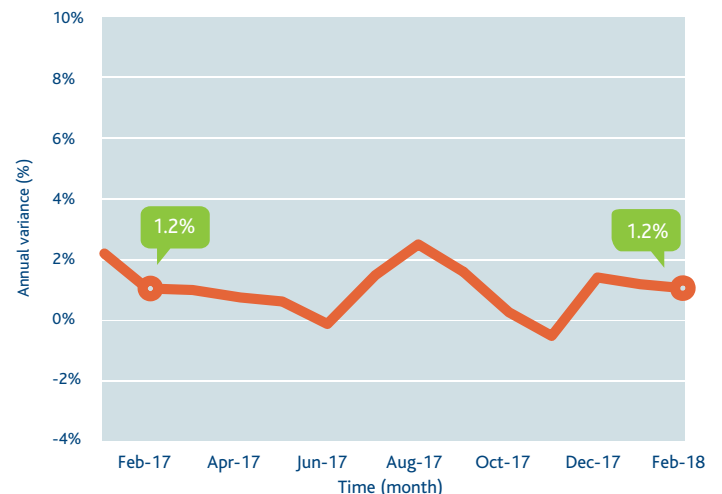
North West



East Midlands

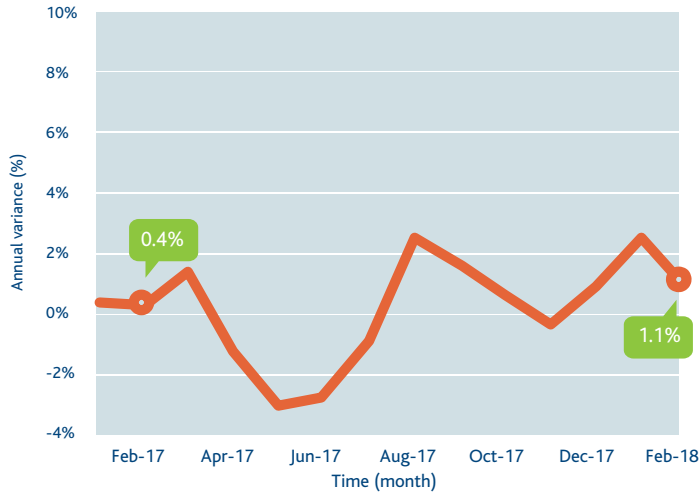


East of England

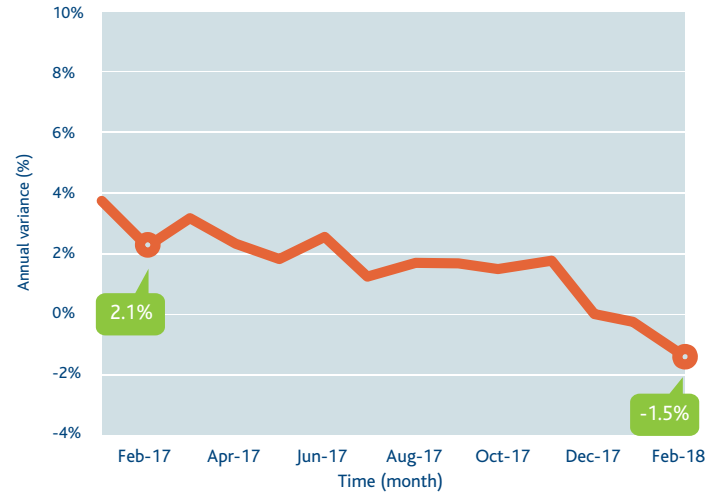


Annual variance in average rental values by region

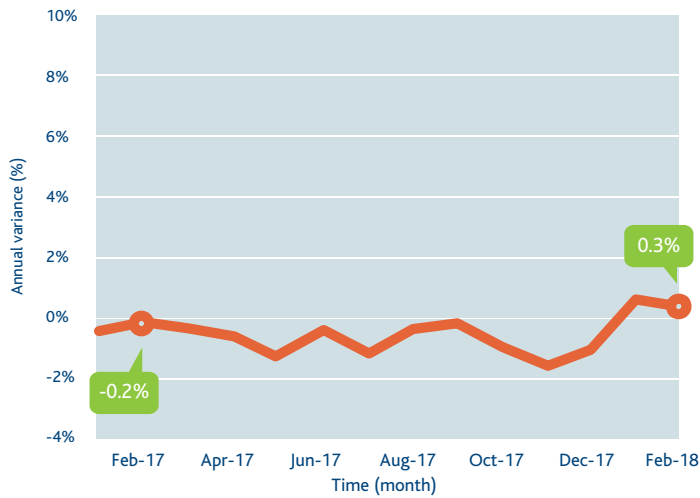
Greater London



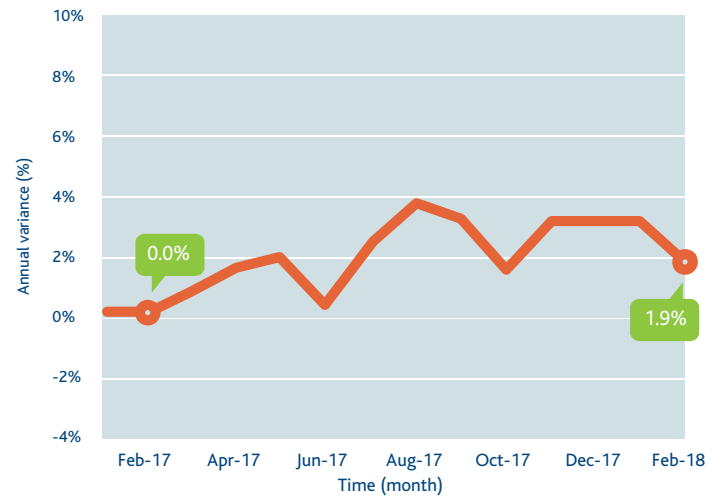
Wales



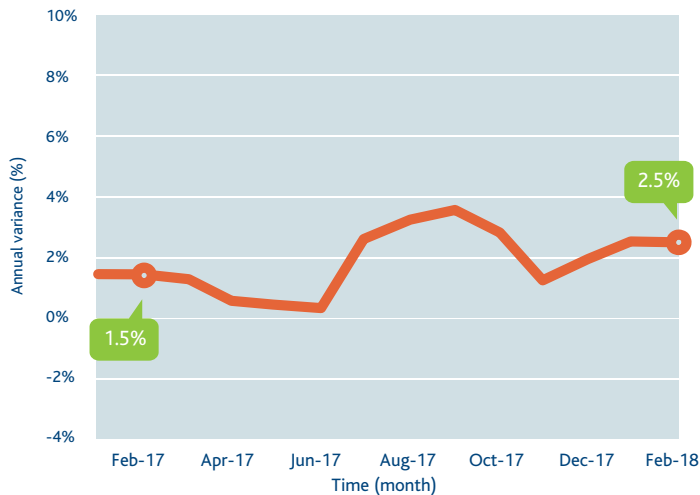
South East



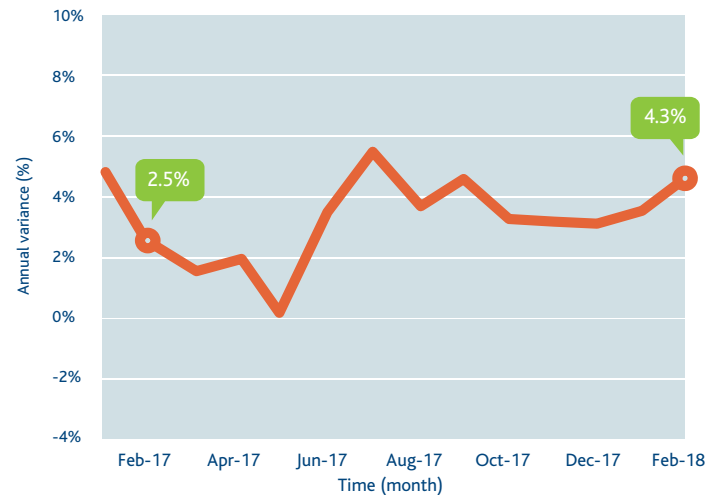
South West



West Midlands

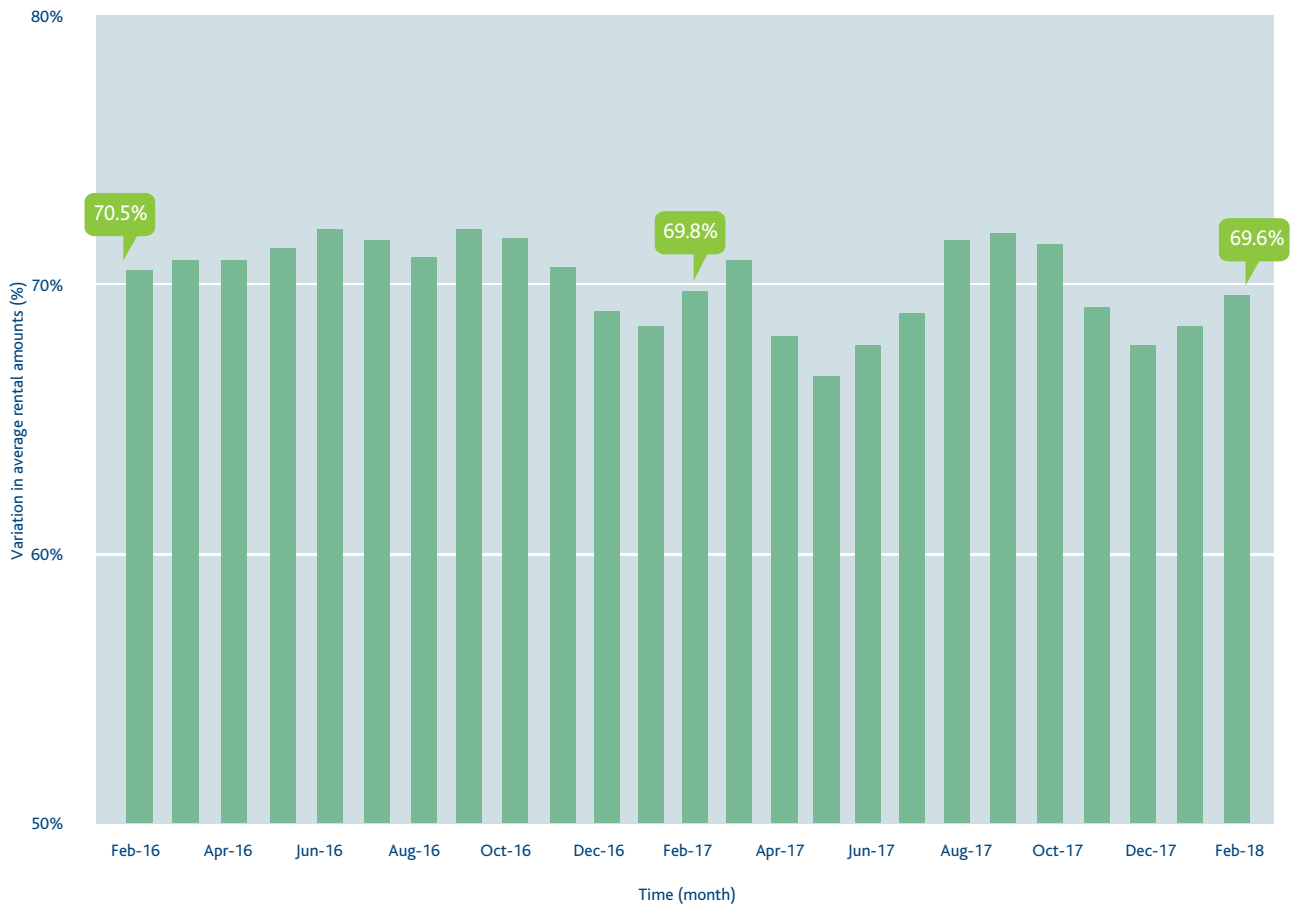


Northern Ireland



Greater London vs. the UK

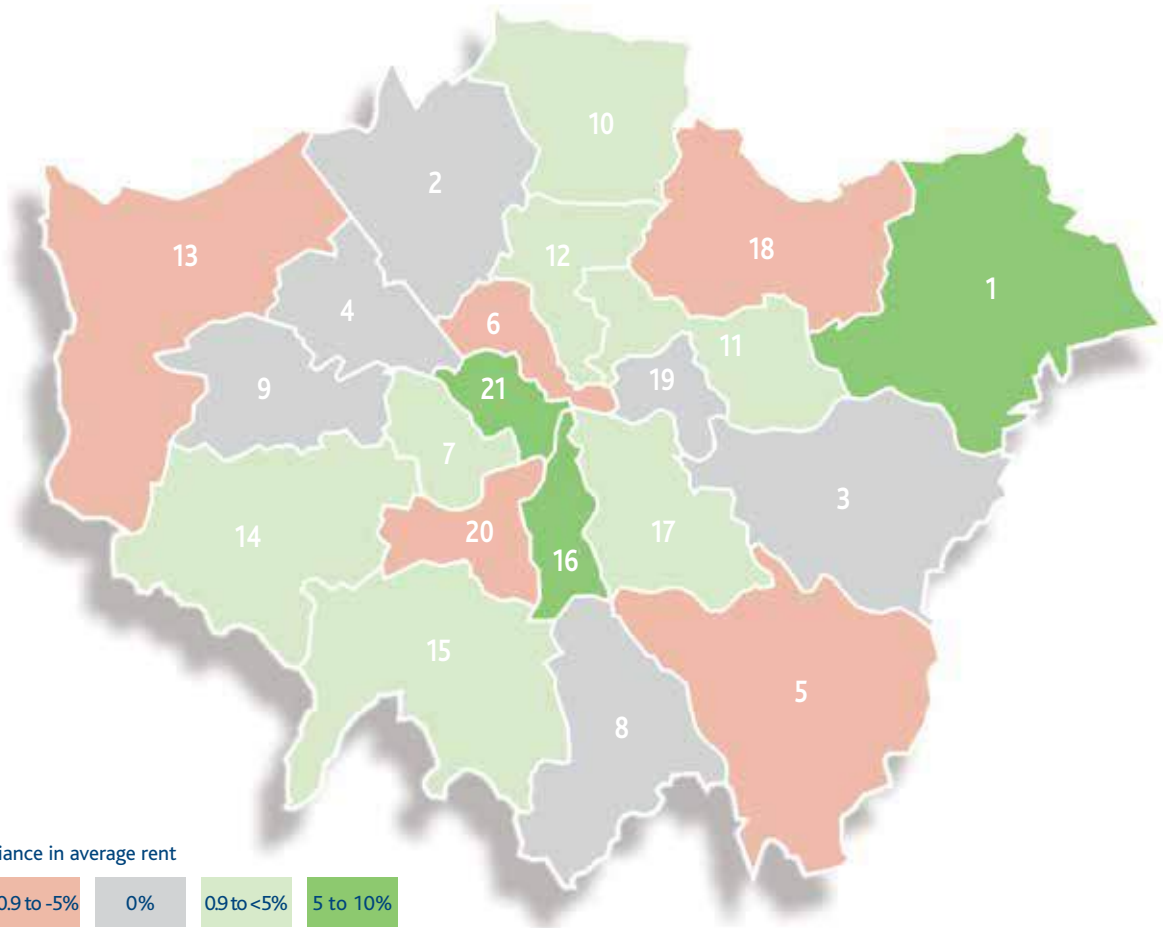
Monthly variation between Greater London rental prices and the UK average



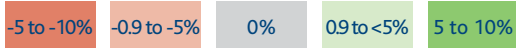
- In February, average rental values in London (£1,537) were 69.6% higher than the UK (£906)
- When London is excluded the average rent in the UK was £758 in February, average rents in London (£1,537) were 102.7% higher than the rest of the UK

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 2018 with February 2017.



% Annual variance in average rent



1 Barking, Dagenham & Havering Avg rent Feb 18: £1,208 Annual variance: 6.1%	2 Barnet Avg rent Feb 18: £1,503 Annual variance: -0.1%	3 Bexley & Greenwich Avg rent Feb 18: £1,220 Annual variance: -0.7%	4 Brent Avg rent Feb 18: £1,548 Annual variance: 0.4%	5 Bromley Avg rent Feb 18: £1,317 Annual variance: -2.9%
6 Camden & City of London Avg rent Feb 18: £2,034 Annual variance: -1.0%	7 Chelsea, Fulham, Hammersmith & Kensington Avg rent Feb 18: £1,853 Annual variance: 1.8%	8 Croydon Avg rent Feb 18: £1,083 Annual variance: 0.8%	9 Ealing Avg rent Feb 18: £1,453 Annual variance: 0.4%	10 Enfield Avg rent Feb 18: £1,358 Annual variance: 3.7%
11 Hackney & Newham Avg rent Feb 18: £1,440 Annual variance: 2.8%	12 Haringey & Islington Avg rent Feb 18: £1,560 Annual variance: 2.1%	13 Harrow & Hillingdon Avg rent Feb 18: £1,284 Annual variance: -3.0%	14 Hounslow & Richmond upon Thames Avg rent Feb 18: £1,462 Annual variance: 3.3%	15 Kingston upon Thames, Merton & Sutton Avg rent Feb 18: £1,302 Annual variance: 1.6%
16 Lambeth Avg rent Feb 18: £2,024 Annual variance: 7.9%	17 Lewisham & Southwark Avg rent Feb 18: £1,643 Annual variance: 3.6%	18 Redbridge & Waltham Forest Avg rent Feb 18: £1,227 Annual variance: -2.8%	19 Tower Hamlets Avg rent Feb 18: £1,703 Annual variance: -0.3%	20 Wandsworth Avg rent Feb 18: £1,589 Annual variance: -2.7%
21 Westminster Avg rent Feb 18: £2,135 Annual variance: 7.8%				

Greater London ranked by borough

Five London boroughs with the highest average rent

London borough	Average rent February 2018
Westminster	£2,135
Camden, City of London	£2,034
Lambeth	£2,024
Chelsea, Fulham, Hammersmith and Kensington	£1,853
Tower Hamlets	£1,703

Five London boroughs with the lowest average rent

London borough	Average rent February 2018
Croydon	£1,083
Barking, Dagenham and Havering	£1,208
Bexley and Greenwich	£1,220
Redbridge and Waltham Forest	£1,227
Harrow and Hillingdon	£1,284

Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Lambeth	7.9%
Westminster	7.8%
Barking, Dagenham and Havering	6.1%
Enfield	3.7%
Lewisham and Southwark	3.6%

Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Harrow and Hillingdon	-3.0%
Bromley	-2.9%
Redbridge and Waltham Forest	-2.8%
Wandsworth	-2.7%
Camden, City of London	-1.0%

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