

HomeLet Rental Index

Key headlines

- Rents in the UK rose by 2.5% in January compared to the same month a year ago; the average monthly rent now stands at £932 a month
- Rents in London increased by 3.7% in January this year compared to January 2018; the average monthly rent in the capital now stands at £1,588 a month
- When London is excluded, the average UK rental value was £775 in January 2019, this is up 2.0% on last year
- HomeLet's January Rental Index reveals that rents rose in 11 of the 12 regions of the UK

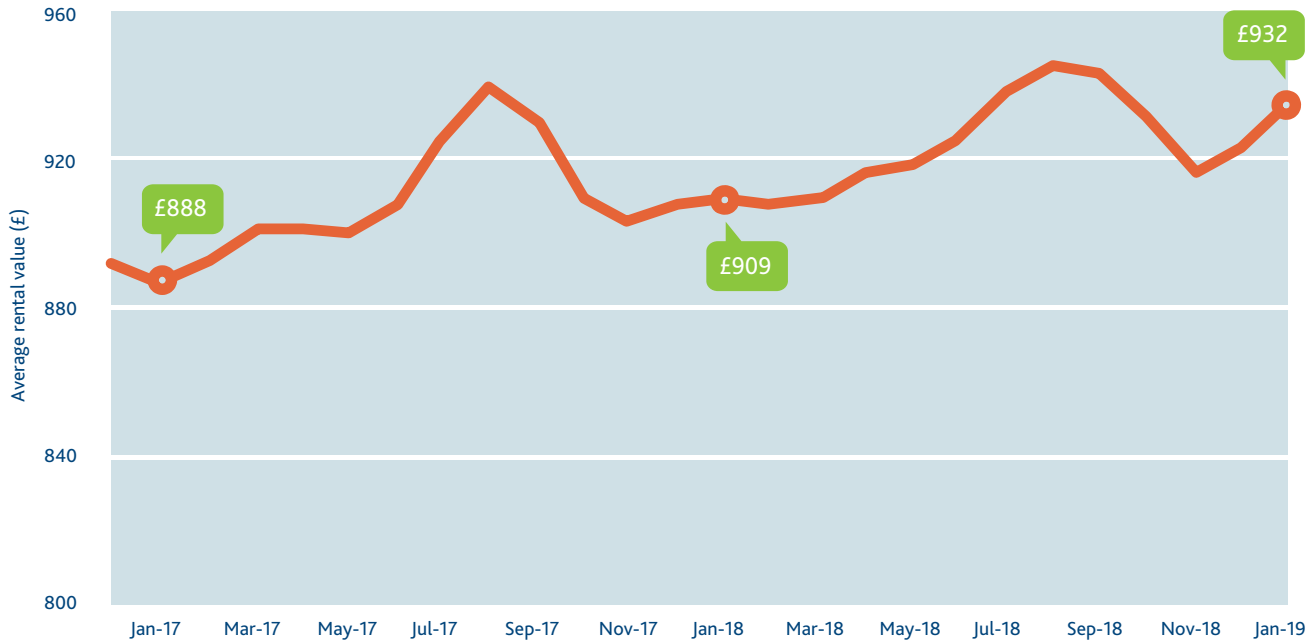


January 2019 edition

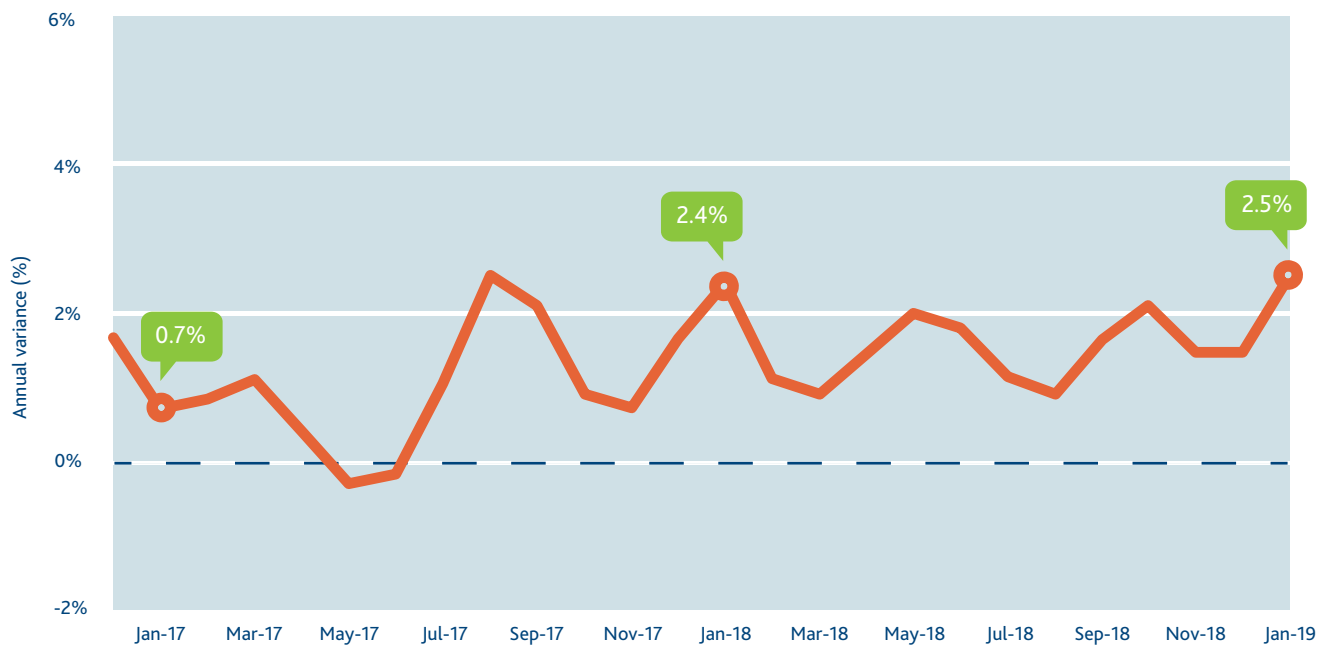
HomeLet Rental Index provides comprehensive and up to date data on new tenancies in the UK. Data is gathered from our tenant referencing service, including the rental amounts agreed, the number of tenants moving into the property together with the employment status, income and age of all tenants. The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

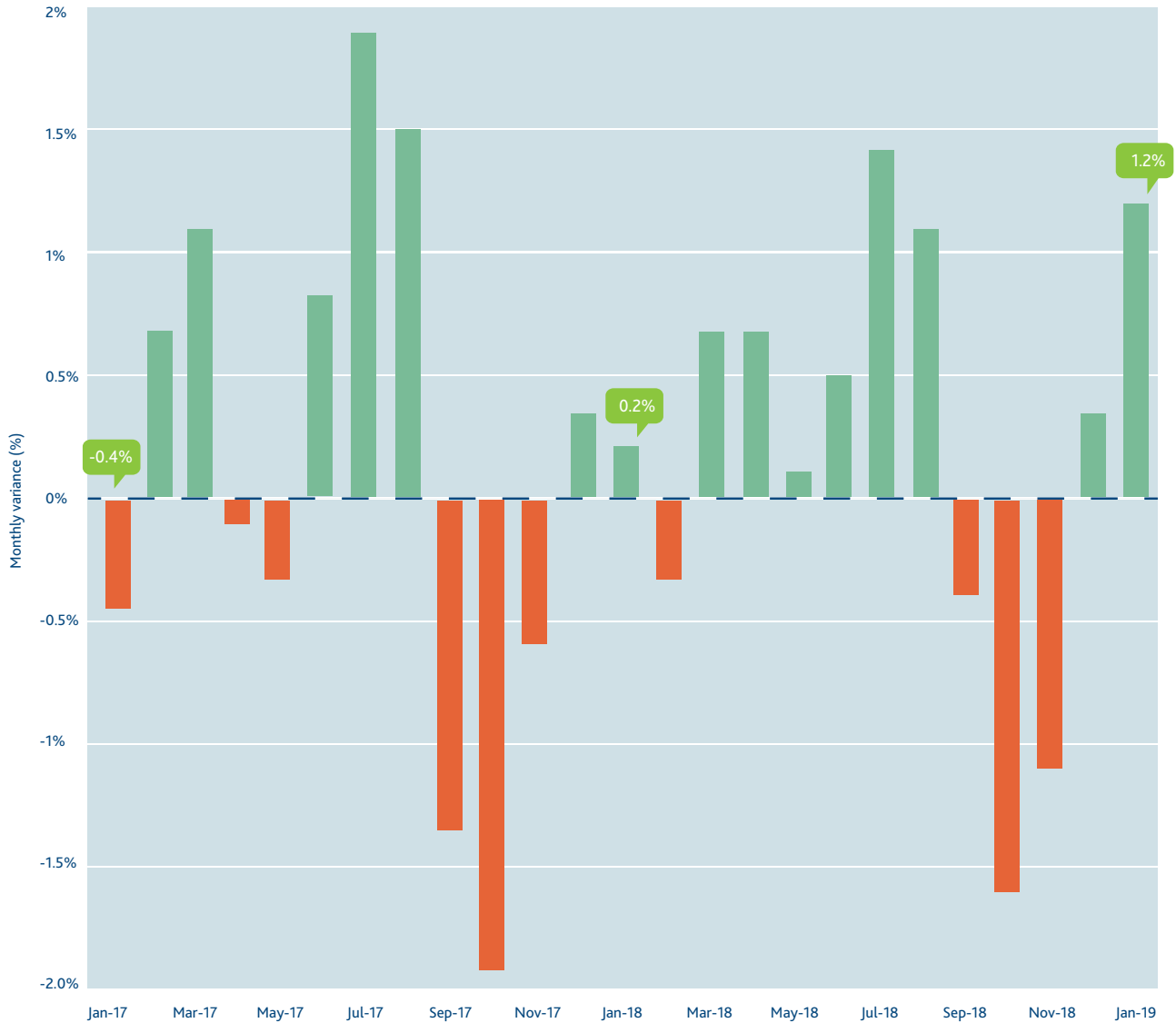


Annual variance in rental values



- When London is excluded, the average UK rental value was £775 in January 2019, this is up 2.0% on last year

Monthly variance in average rent in the UK



- The UK average rental value increased by 1.2% between December 2018 and January 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 January 2019	£534	Average rent January 2019	£932
Average rent December 2018	£520	Average rent December 2018	£921
Monthly variance	2.7%	Monthly variance	1.2%
Average rent January 2018	£537	Average rent January 2018	£909
Annual variance	-0.6%	Annual variance	2.5%

Scotland	
Average rent January 2019	£627
Average rent December 2018	£623
Monthly variance	0.6%
Average rent January 2018	£625
Annual variance	0.3%

Yorkshire & Humberside	
Average rent January 2019	£636
Average rent December 2018	£624
Monthly variance	1.9%
Average rent January 2018	£623
Annual variance	2.1%

North West	
Average rent January 2019	£703
Average rent December 2018	£698
Monthly variance	0.7%
Average rent January 2018	£683
Annual variance	2.9%

East Midlands	
Average rent January 2019	£624
Average rent December 2018	£629
Monthly variance	-0.8%
Average rent January 2018	£617
Annual variance	1.1%

West Midlands	
Average rent January 2019	£693
Average rent December 2018	£689
Monthly variance	0.6%
Average rent January 2018	£674
Annual variance	2.8%

East of England	
Average rent January 2019	£909
Average rent December 2018	£895
Monthly variance	1.6%
Average rent January 2018	£906
Annual variance	0.3%

Wales	
Average rent January 2019	£606
Average rent December 2018	£595
Monthly variance	1.8%
Average rent January 2018	£603
Annual variance	0.5%

Greater London	
Average rent January 2019	£1,588
Average rent December 2018	£1,596
Monthly variance	-0.5%
Average rent January 2018	£1,532
Annual variance	3.7%

Northern Ireland	
Average rent January 2019	£644
Average rent December 2018	£632
Monthly variance	1.9%
Average rent January 2018	£624
Annual variance	3.2%

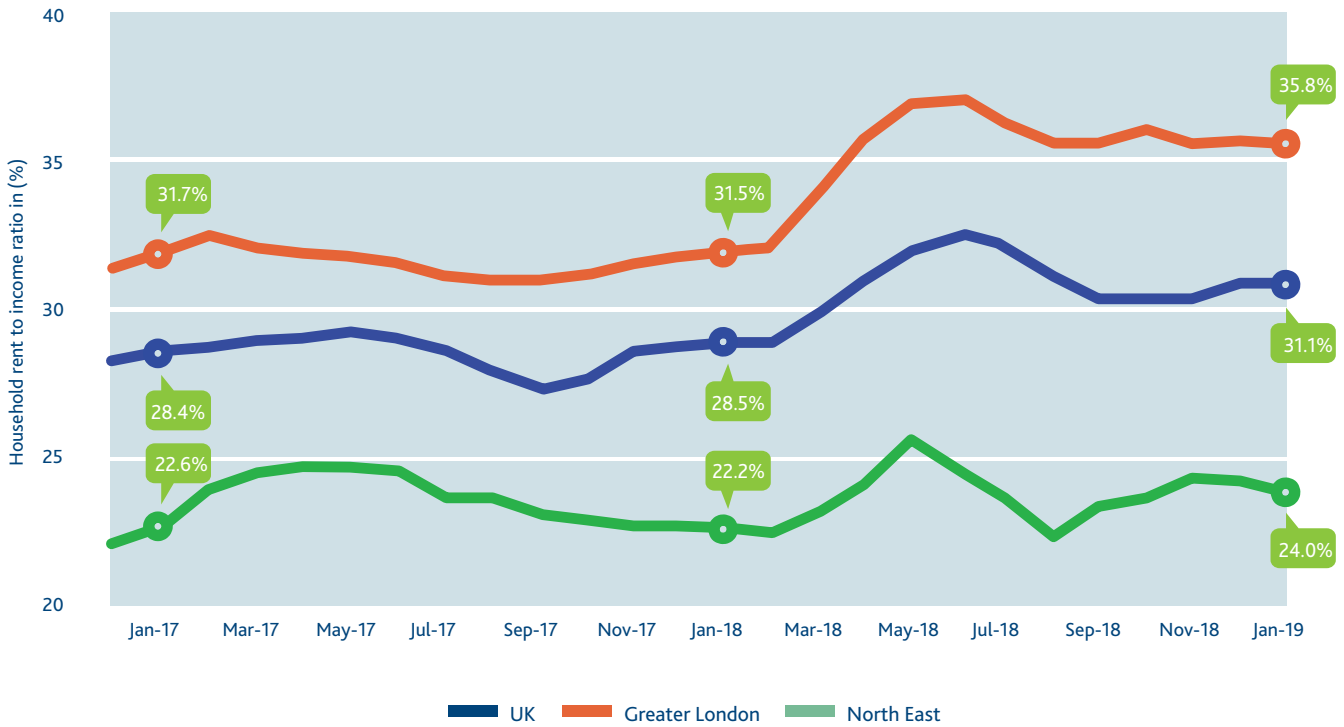
South West	
Average rent January 2019	£859
Average rent December 2018	£833
Monthly variance	3.1%
Average rent January 2018	£817
Annual variance	5.1%

South East	
Average rent January 2019	£1,022
Average rent December 2018	£998
Monthly variance	2.4%
Average rent January 2018	£995
Annual variance	2.7%

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

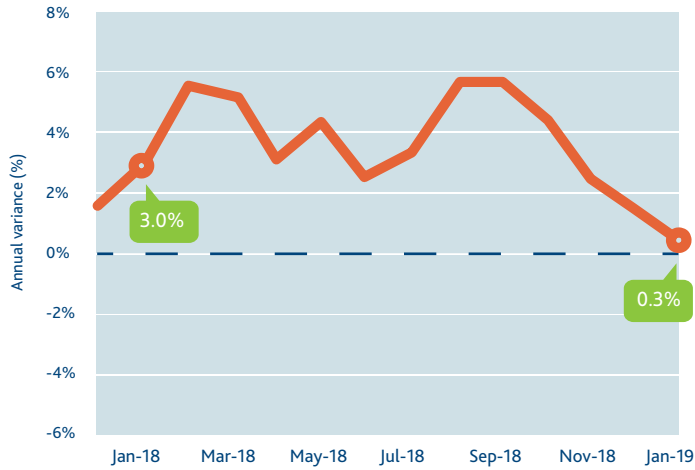


Household rent to income ratio by region

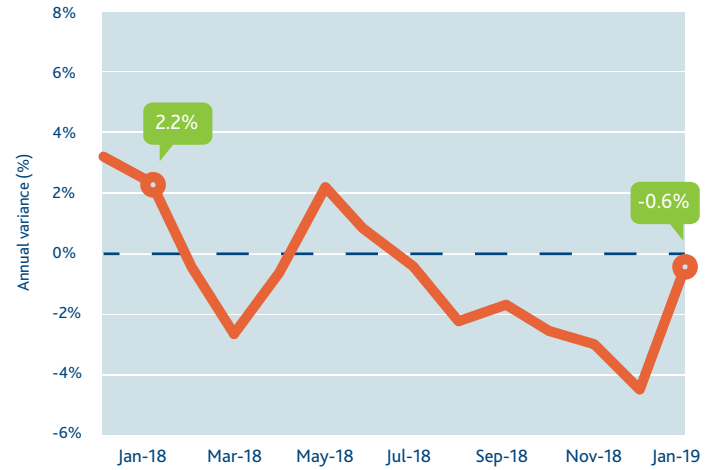
Region	January 2018	January 2019	Variance (percentage points)
North East	22.2%	24.0%	1.8%
North West	26.5%	29.1%	2.6%
Yorkshire and The Humber	24.8%	26.4%	1.6%
East Midlands	27.5%	29.1%	1.6%
Wales	29.3%	29.2%	-0.1%
South West	29.9%	32.8%	2.9%
South East	29.4%	31.9%	2.5%
London	31.5%	35.8%	4.3%
East Of England	28.7%	30.8%	2.1%
West Midlands	27.0%	29.7%	2.7%
Scotland	26.1%	26.9%	0.8%
Northern Ireland	26.2%	27.2%	1.0%
UK	28.5%	31.1%	2.6%
UK Ex London	27.7%	29.8%	2.1%

Annual variance in average rental values by region

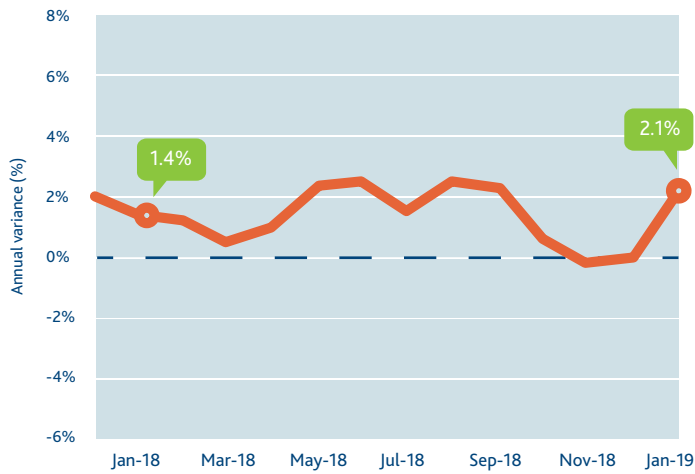
Scotland



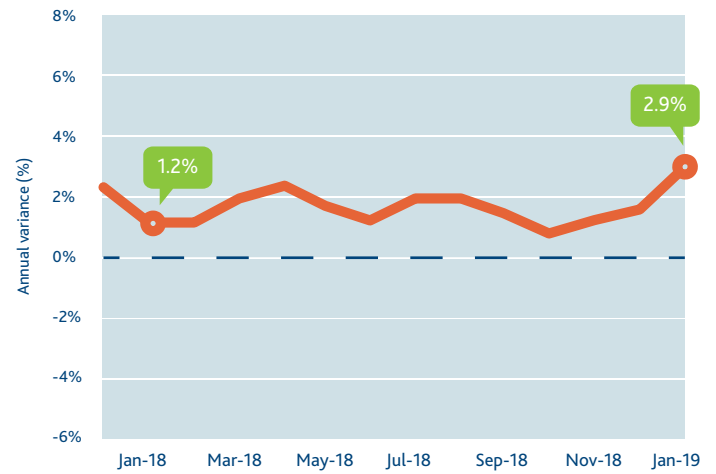
North East



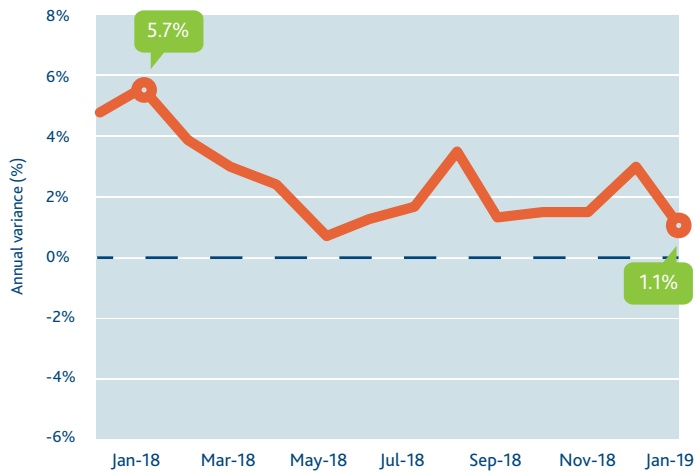
Yorkshire and the Humber



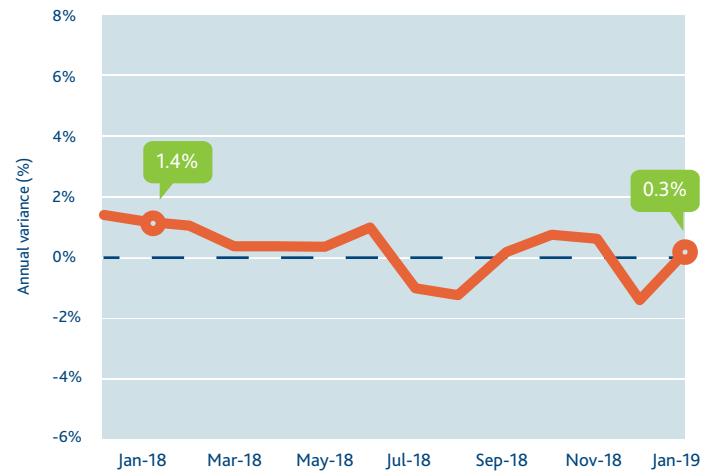
North West



East Midlands

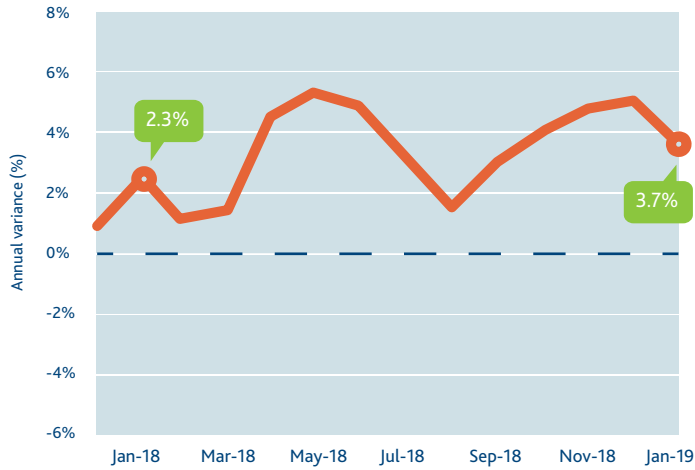


East of England

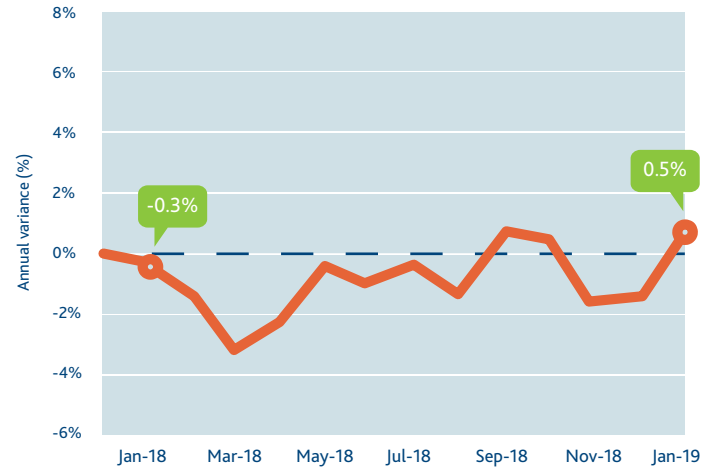


Annual variance in average rental values by region

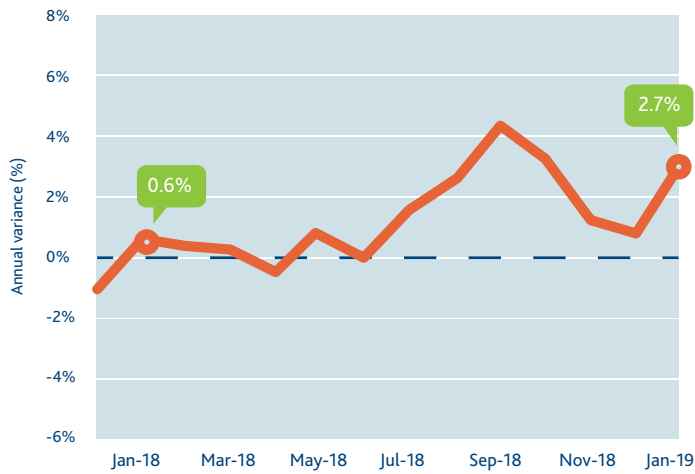
Greater London



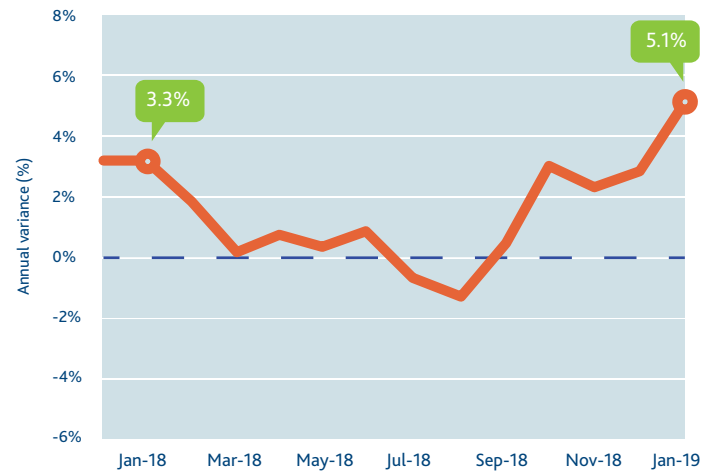
Wales



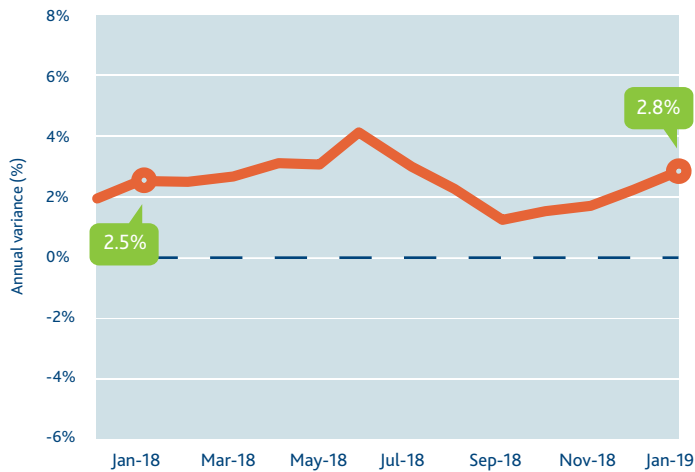
South East



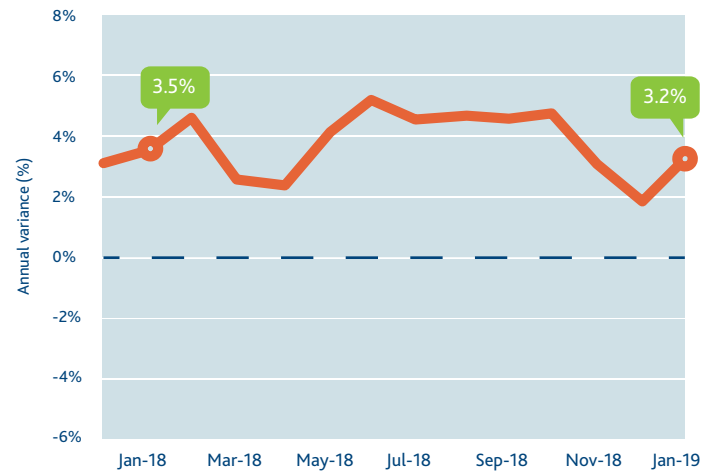
South West



West Midlands

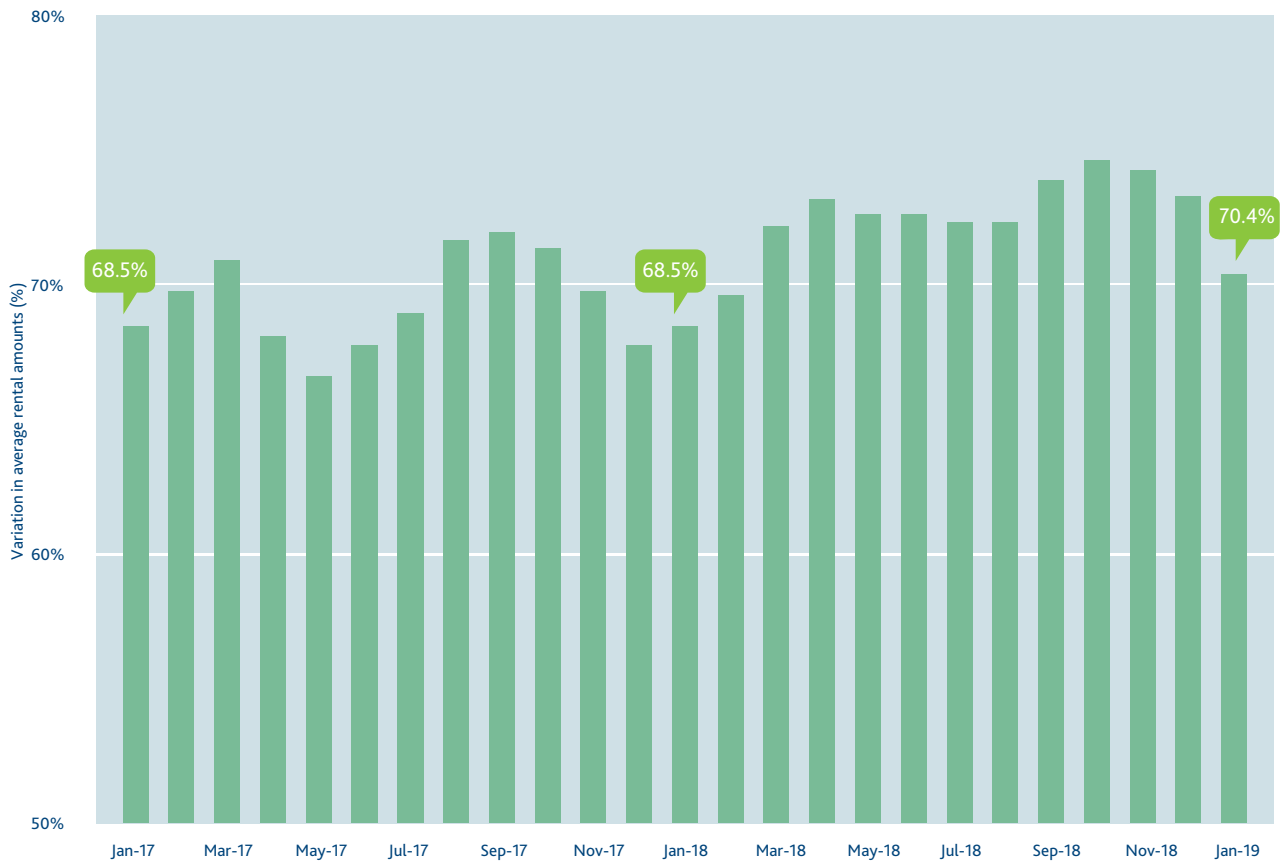


Northern Ireland



Greater London vs. the UK

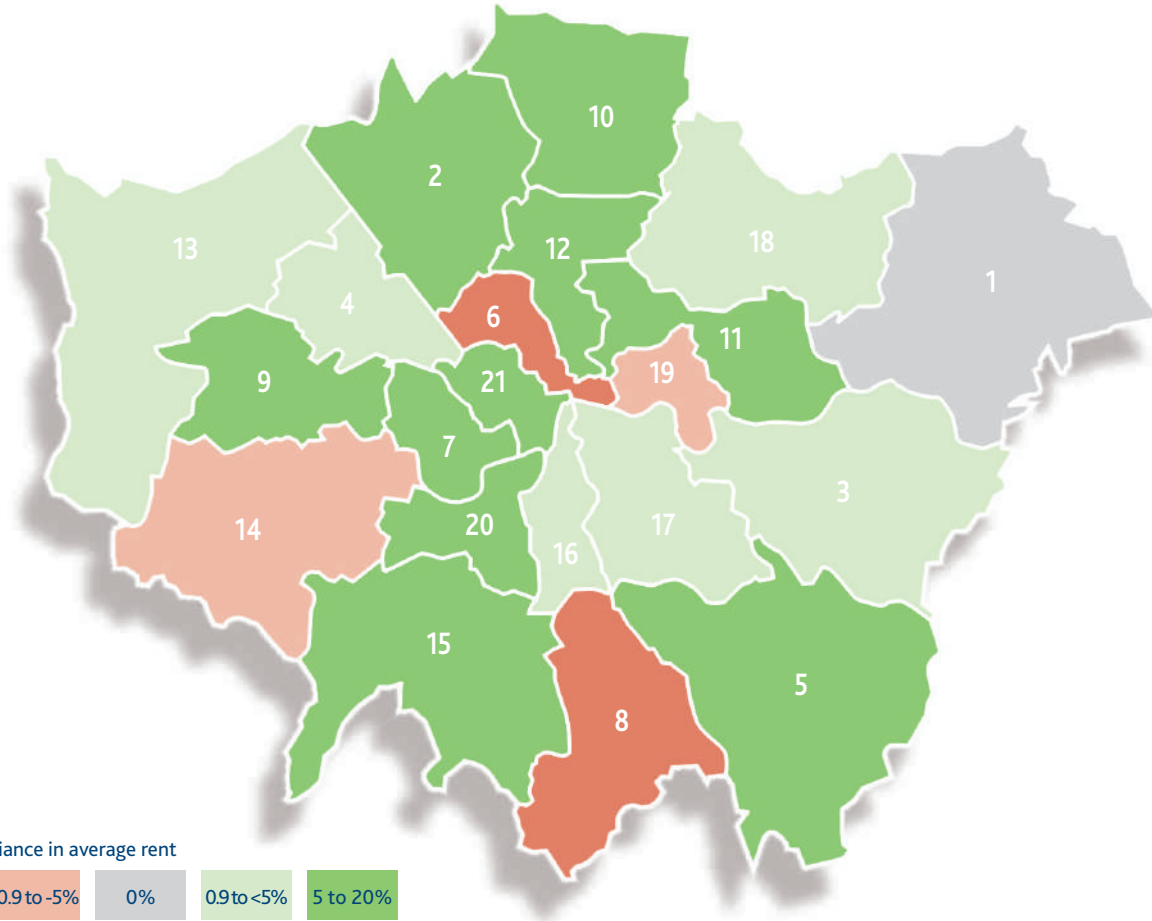
Monthly variation between Greater London rental prices and the UK average



- In January, average rental values in London (£1,588) were 70.4% higher than the UK (£932)
- When London is excluded the average rent in the UK was £775 in January, average rents in London (£1,588) were 104.9% 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 January 2019 with January 2018.



1 Barking, Dagenham & Havering Avg rent January 19: £1,237 Annual variance: 0.3%	2 Barnet Avg rent January 19: £1,553 Annual variance: 5.2%	3 Bexley & Greenwich Avg rent January 19: £1,280 Annual variance: 1.6%	4 Brent Avg rent January 19: £1,586 Annual variance: 1.5%	5 Bromley Avg rent January 19: £1,398 Annual variance: 5.7%
6 Camden & City of London Avg rent January 19: £1,834 Annual variance: -12.3%	7 Chelsea, Fulham, Hammersmith & Kensington Avg rent January 19: £1,993 Annual variance: 8.5%	8 Croydon Avg rent January 19: £1,031 Annual variance: -5.6%	9 Ealing Avg rent January 19: £1,529 Annual variance: 5.2%	10 Enfield Avg rent January 19: £1,466 Annual variance: 7.2%
11 Hackney & Newham Avg rent January 19: £1,511 Annual variance: 8.2%	12 Haringey & Islington Avg rent January 19: £1,700 Annual variance: 9.5%	13 Harrow & Hillingdon Avg rent January 19: £1,338 Annual variance: 1.7%	14 Hounslow & Richmond upon Thames Avg rent January 19: £1,417 Annual variance: -2.1%	15 Kingston upon Thames, Merton & Sutton Avg rent January 19: £1,323 Annual variance: 6.7%
16 Lambeth Avg rent January 19: £2,043 Annual variance: 4.6%	17 Lewisham & Southwark Avg rent January 19: £1,627 Annual variance: 1.8%	18 Redbridge & Waltham Forest Avg rent January 19: £1,268 Annual variance: 2.6%	19 Tower Hamlets Avg rent January 19: £1,704 Annual variance: -1.3%	20 Wandsworth Avg rent January 19: £1,722 Annual variance: 8.2%
21 Westminster Avg rent January 19: £2,356 Annual variance: 9.7%				

Greater London ranked by borough

Five London boroughs with the highest average rent

London borough	Average rent January 2019
Westminster	£2,356
Lambeth	£2,043
Chelsea, Fulham, Hammersmith and Kensington	£1,993
Camden, City of London	£1,834
Wandsworth	£1,722

Five London boroughs with the lowest average rent

London borough	Average rent January 2019
Croydon	£1,031
Barking, Dagenham and Havering	£1,237
Redbridge and Waltham Forest	£1,268
Bexley and Greenwich	£1,280
Kingston upon Thames, Merton and Sutton	£1,323

Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Westminster	9.7%
Haringey and Islington	9.5%
Chelsea, Fulham, Hammersmith and Kensington	8.5%
Wandsworth	8.2%
Hackney and Newham	8.2%

Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Camden, City of London	-12.3%
Croydon	-5.6%
Hounslow and Richmond upon Thames	-2.1%
Tower Hamlets	-1.3%
Barking, Dagenham and Havering	0.3%

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