

HomeLet Rental Index

Key headlines

- Rents in the UK rose by 2.4% in January compared to the same month a year ago; the average monthly rent now stands at £909 a month
- Rents in London increased by 2.3% in January this year compared to January 2017; the average monthly rent in the capital now stands at £1,532 a month
- When London is excluded, the average UK rental value was £760 in January 2018, this is up 2.3% on last year
- HomeLet's January Rental Index reveals that rents rose in 11 of the 12 UK regions covered in the research

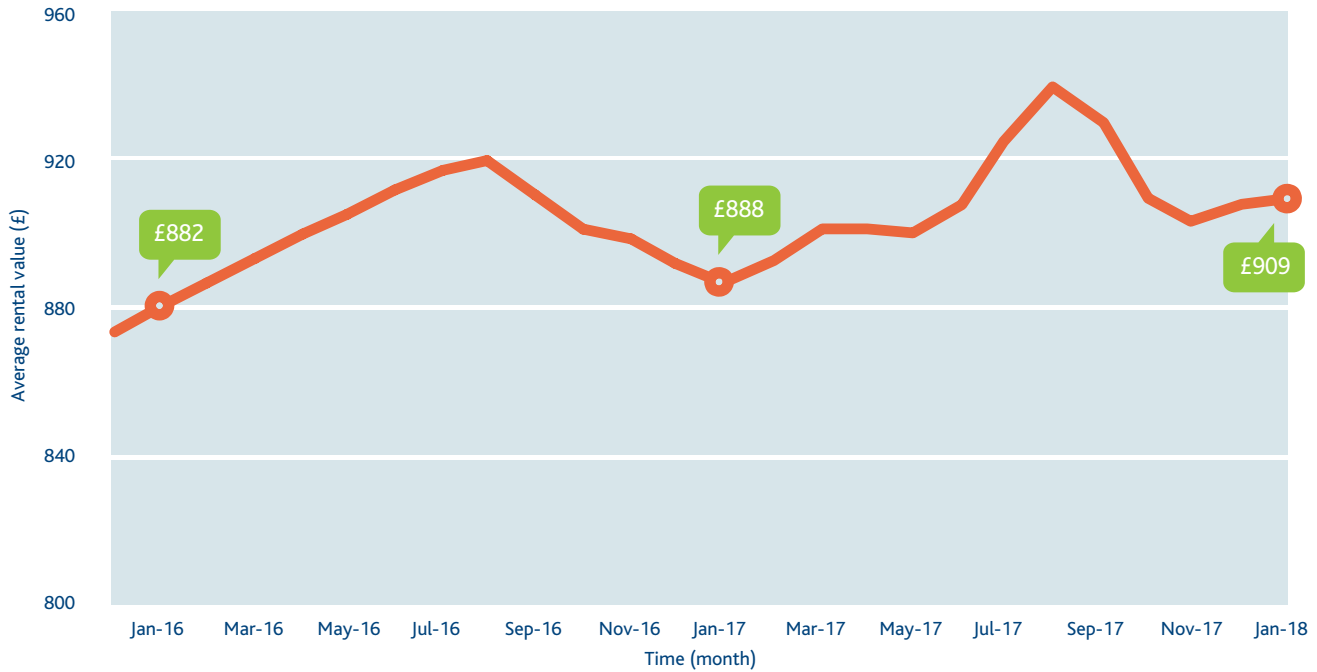


January 2018 edition

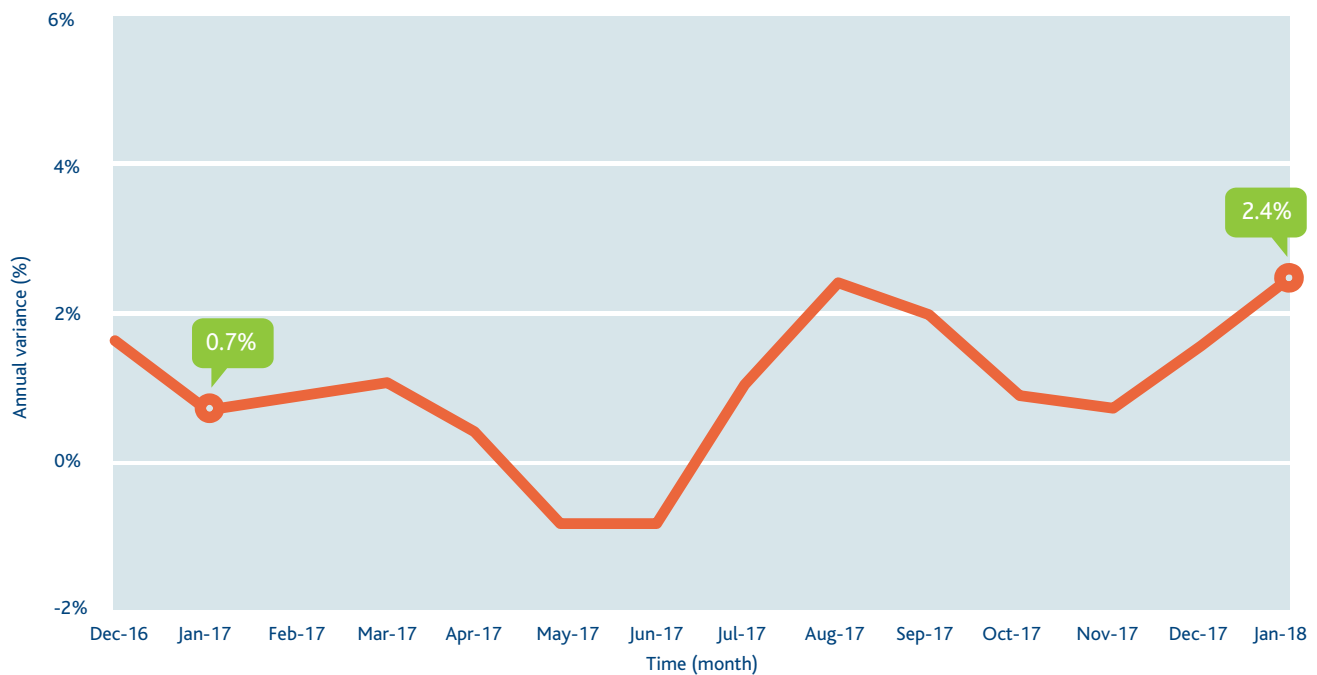
HomeLet Rental Index provides comprehensive and up to date data on new tenancies in the UK. Data is gathered from our tenant referencing service, including the rental amounts agreed, the number of tenants moving into the property together with the employment status, income and age of all tenants. The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

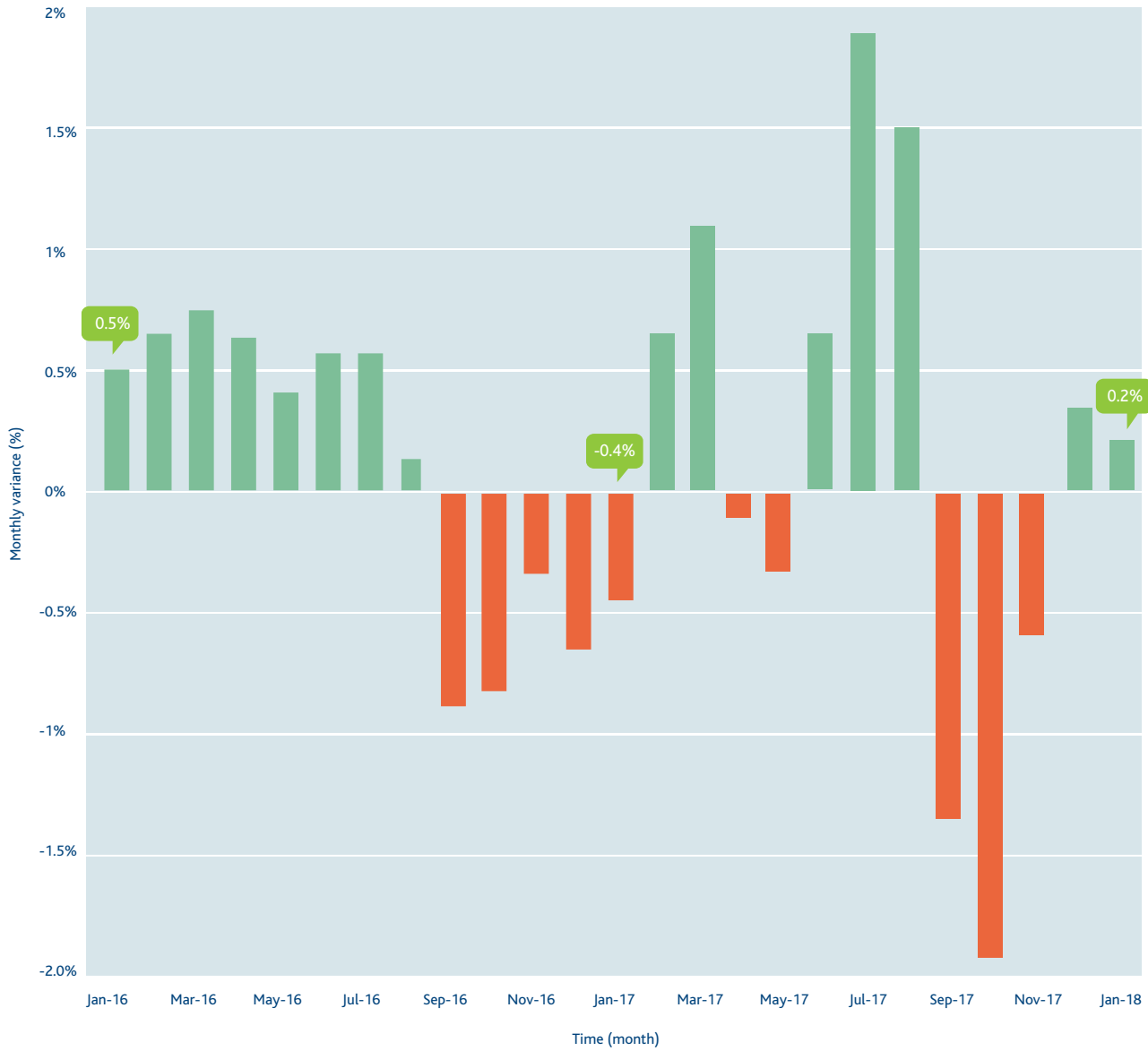


Annual variance in rental values



- When London is excluded, the average UK rental value was £760 in January 2018, this is up 2.3% on last year

Monthly variance in average rent in the UK



- The UK average rental value increased by 0.2% between December 2017 and January 2018



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 2018 | £537 | Average rent January 2018 | £909 |
| Average rent December 2017 | £545 | Average rent December 2017 | £907 |
| Monthly variance | -1.5% | Monthly variance | 0.2% |
| Average rent January 2017 | £525 | Average rent January 2017 | £888 |
| Annual variance | 2.3% | Annual variance | 2.4% |

| Scotland | |
|----------------------------|------|
| Average rent January 2018 | £625 |
| Average rent December 2017 | £614 |
| Monthly variance | 1.8% |
| Average rent January 2017 | £606 |
| Annual variance | 3.1% |

| Yorkshire & Humberside | |
|----------------------------|-------|
| Average rent January 2018 | £623 |
| Average rent December 2017 | £624 |
| Monthly variance | -0.2% |
| Average rent January 2017 | £614 |
| Annual variance | 1.5% |

| North West | |
|----------------------------|-------|
| Average rent January 2018 | £683 |
| Average rent December 2017 | £686 |
| Monthly variance | -0.4% |
| Average rent January 2017 | £675 |
| Annual variance | 1.2% |

| East Midlands | |
|----------------------------|------|
| Average rent January 2018 | £617 |
| Average rent December 2017 | £611 |
| Monthly variance | 1.0% |
| Average rent January 2017 | £582 |
| Annual variance | 6.0% |

| West Midlands | |
|----------------------------|-------|
| Average rent January 2018 | £674 |
| Average rent December 2017 | £675 |
| Monthly variance | -0.1% |
| Average rent January 2017 | £657 |
| Annual variance | 2.6% |

| East of England | |
|----------------------------|-------|
| Average rent January 2018 | £906 |
| Average rent December 2017 | £908 |
| Monthly variance | -0.2% |
| Average rent January 2017 | £893 |
| Annual variance | 1.5% |

| Wales | |
|----------------------------|-------|
| Average rent January 2018 | £603 |
| Average rent December 2017 | £605 |
| Monthly variance | -0.3% |
| Average rent January 2017 | £605 |
| Annual variance | -0.3% |

| Greater London | |
|----------------------------|--------|
| Average rent January 2018 | £1,532 |
| Average rent December 2017 | £1,524 |
| Monthly variance | 0.5% |
| Average rent January 2017 | £1,497 |
| Annual variance | 2.3% |

| Northern Ireland | |
|----------------------------|------|
| Average rent January 2018 | £624 |
| Average rent December 2017 | £620 |
| Monthly variance | 0.6% |
| Average rent January 2017 | £602 |
| Annual variance | 3.7% |

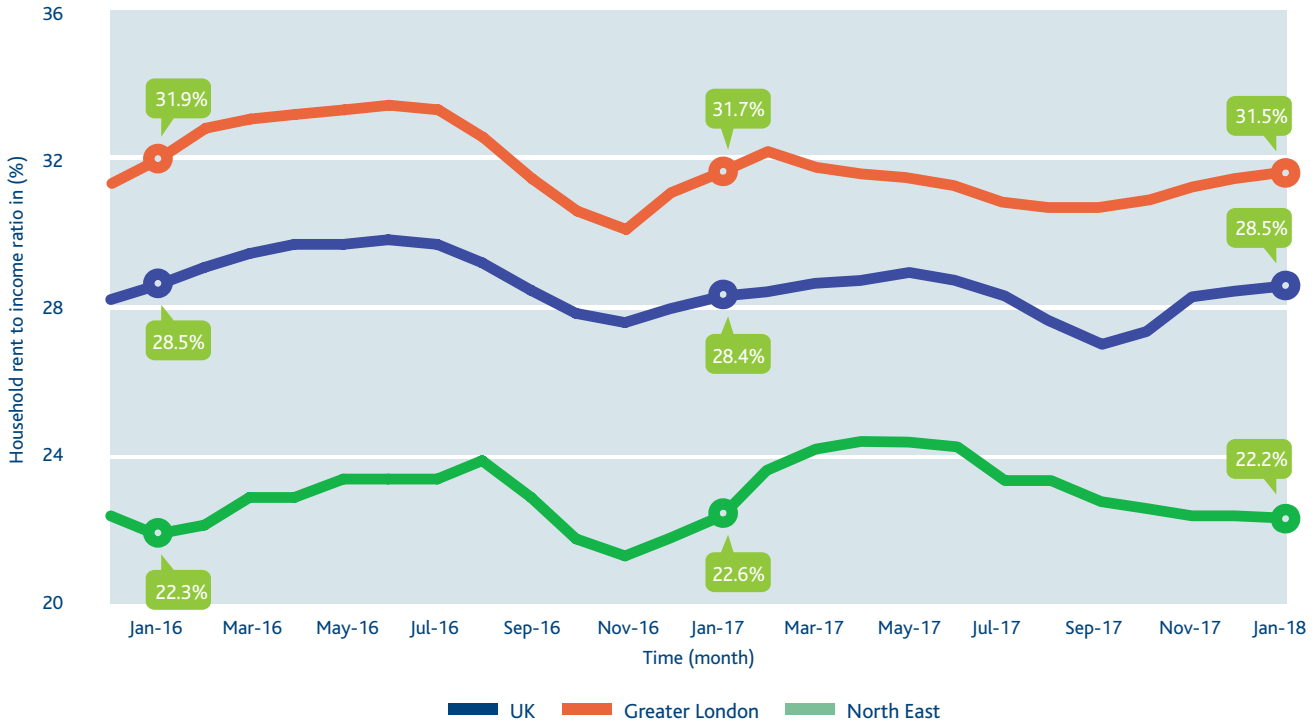
| South West | |
|----------------------------|------|
| Average rent January 2018 | £817 |
| Average rent December 2017 | £811 |
| Monthly variance | 0.7% |
| Average rent January 2017 | £790 |
| Annual variance | 3.4% |

| South East | |
|----------------------------|------|
| Average rent January 2018 | £995 |
| Average rent December 2017 | £989 |
| Monthly variance | 0.6% |
| Average rent January 2017 | £989 |
| Annual variance | 0.6% |

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

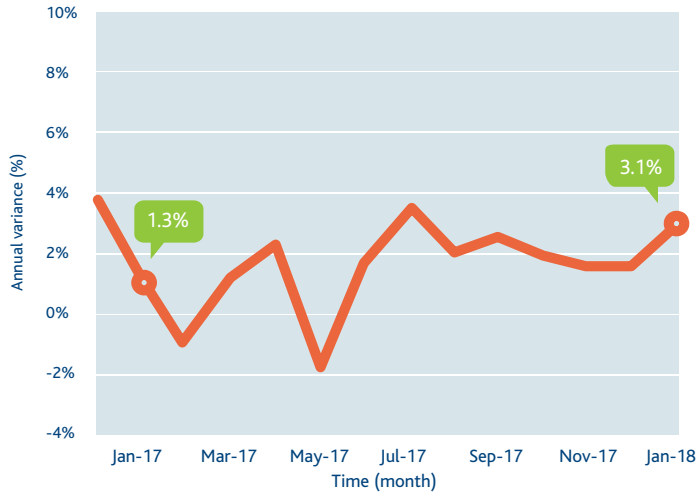


Household rent to income ratio by region

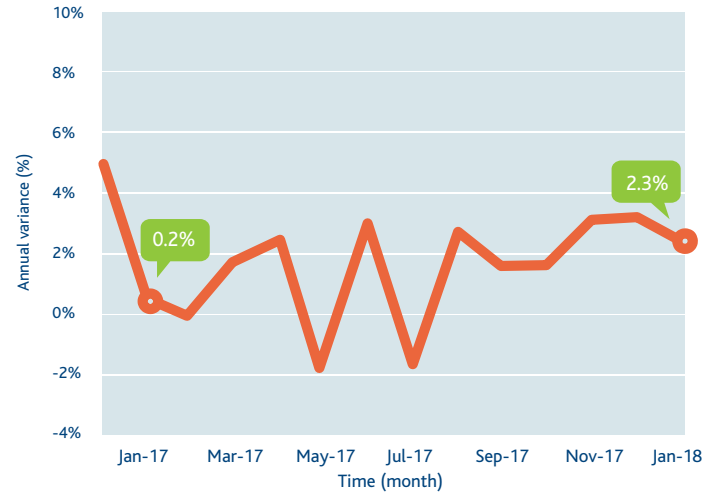
| Region | January 2017 | January 2018 | Variance (percentage points) |
|-----------------------------|--------------|--------------|------------------------------|
| North East | 22.6% | 22.2% | -0.4% |
| North West | 25.9% | 26.5% | 0.6% |
| Yorkshire and The Humber | 24.4% | 24.8% | 0.4% |
| East Midlands | 26.7% | 27.5% | 0.8% |
| Wales | 28.1% | 29.3% | 1.2% |
| South West | 29.9% | 29.9% | 0.0% |
| South East | 29.4% | 29.4% | 0.0% |
| London | 31.7% | 31.5% | -0.2% |
| East of England | 28.1% | 28.7% | 0.6% |
| West Midlands | 26.8% | 27.0% | 0.2% |
| Scotland | 25.7% | 26.1% | 0.4% |
| Northern Ireland | 25.5% | 26.2% | 0.7% |
| UK | 28.4% | 28.5% | 0.1% |
| UK excluding Greater London | 27.4% | 27.7% | 0.3% |

Annual variance in average rental values by region

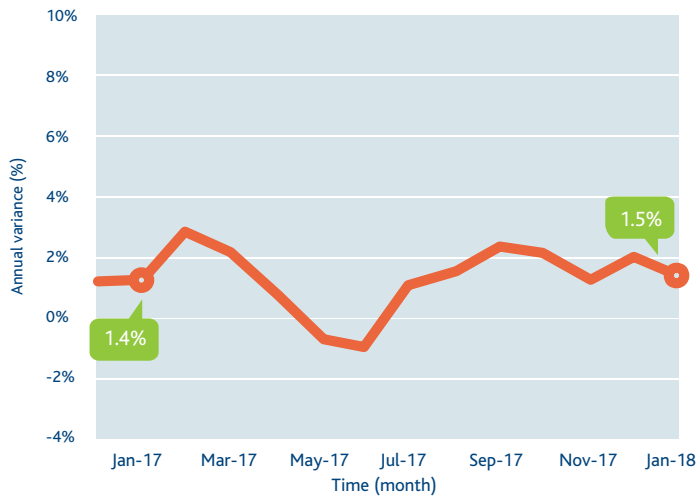
Scotland



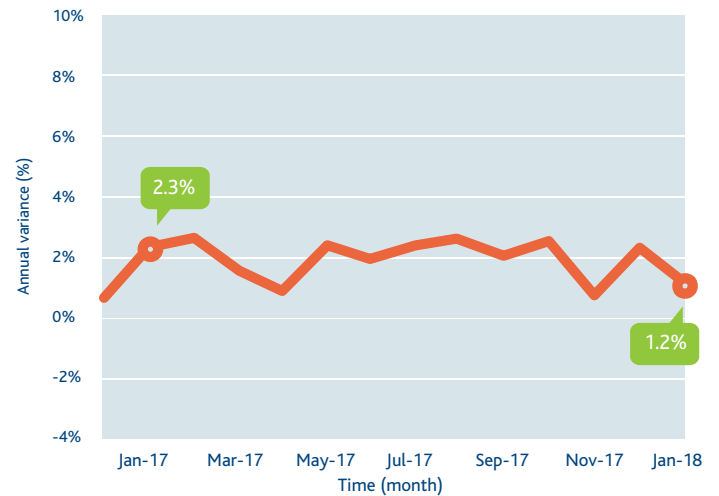
North East



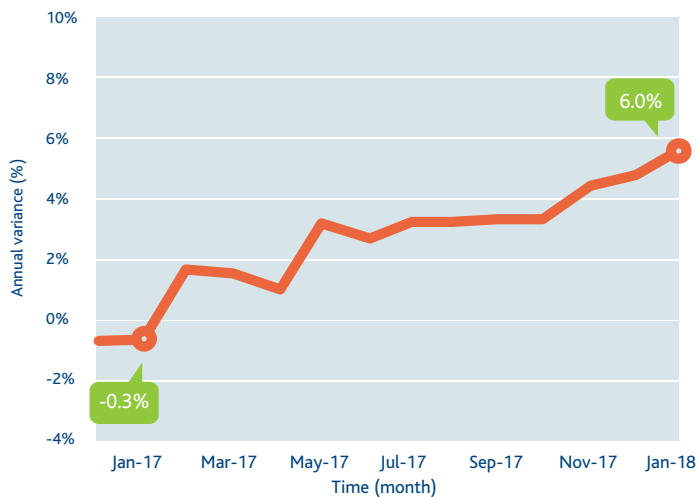
Yorkshire and the Humber



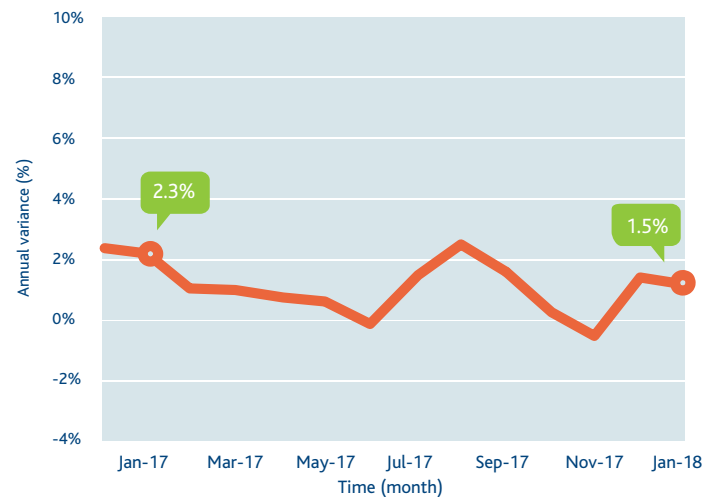
North West



East Midlands

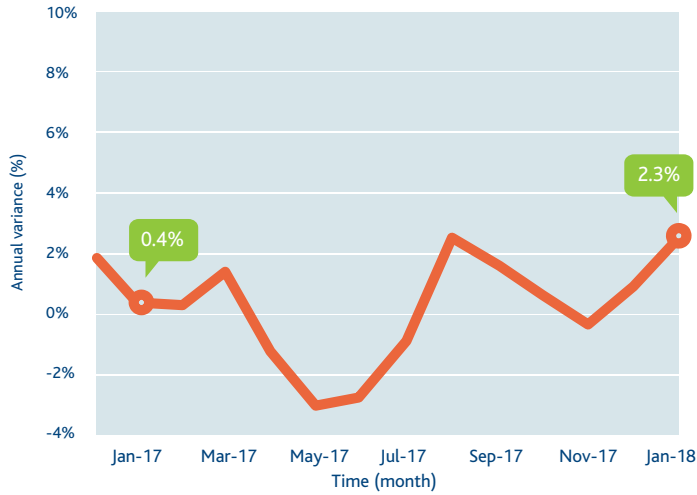


East of England

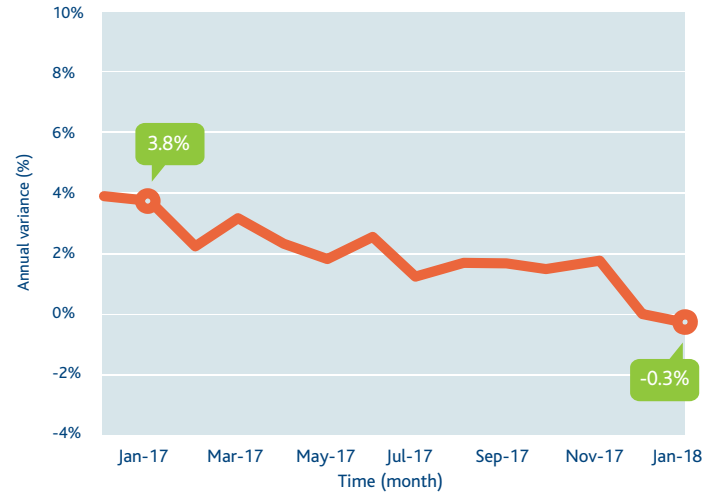


Annual variance in average rental values by region

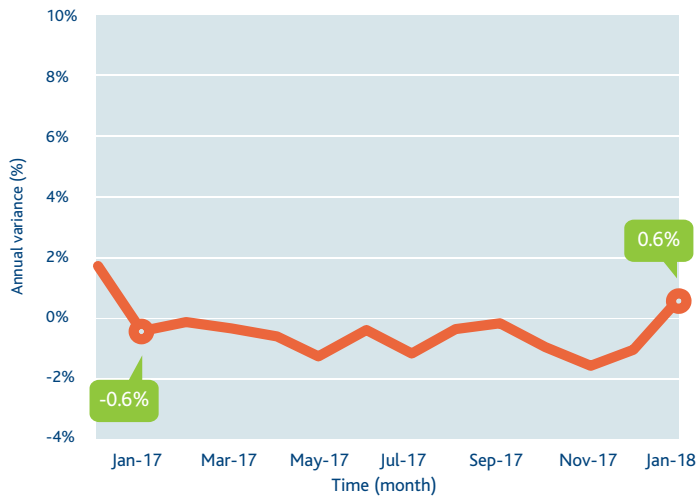
Greater London



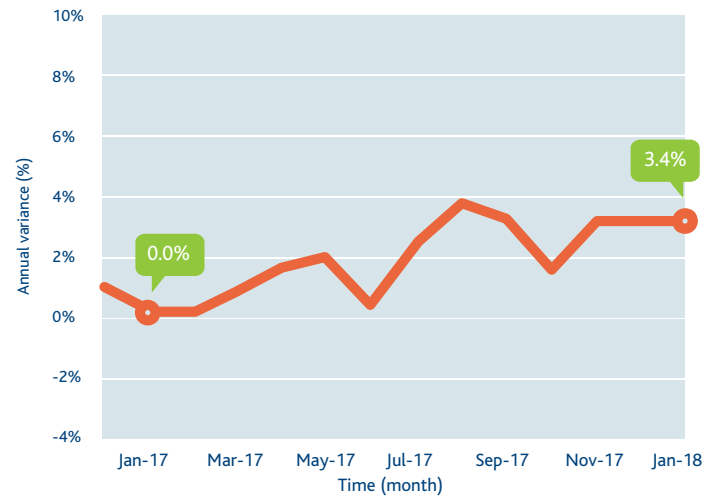
Wales



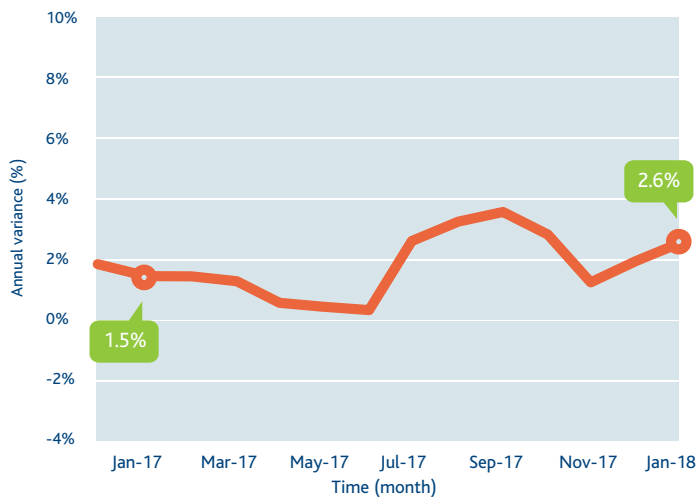
South East



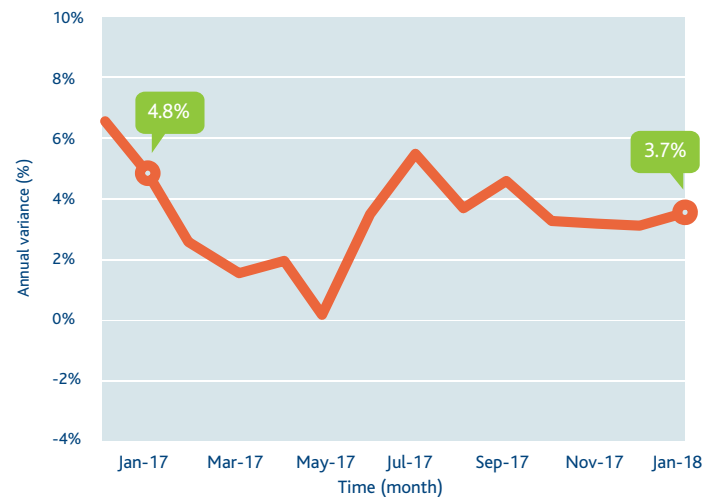
South West



West Midlands

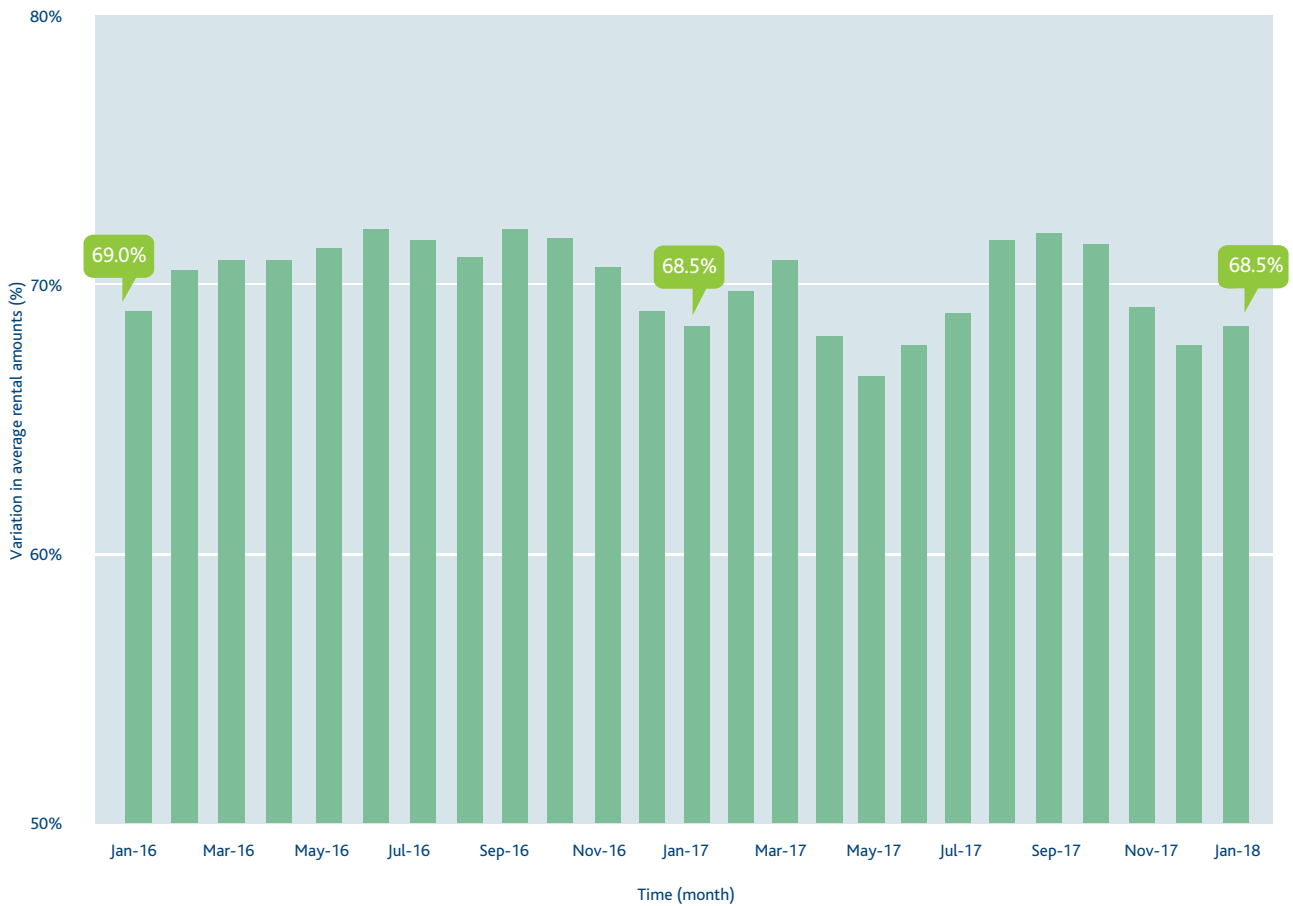


Northern Ireland



Greater London vs. the UK

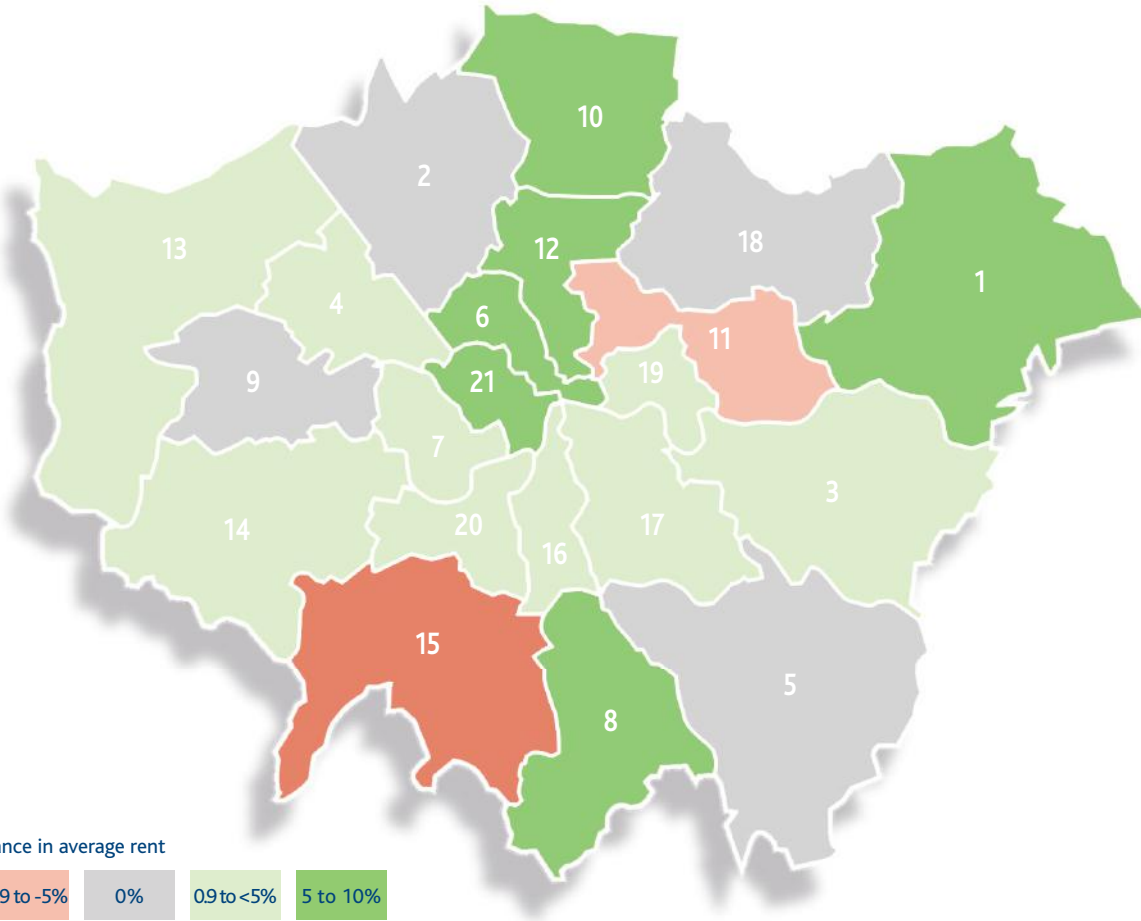
Monthly variation between Greater London rental prices and the UK average



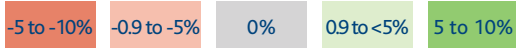
- In January, average rental values in London (£1,532) were 68.5% higher than the UK (£909)
- When London is excluded the average rent in the UK was £760 in January, average rents in London (£1,532) were 101.5% higher than the rest of the UK.

Greater London by borough

This section looks at the average rental values for new tenancies for the boroughs of London. The annual variance compares January 2018 with January 2017.



% Annual variance in average rent



| | | | | |
|---|--|---|---|--|
| 1 Barking, Dagenham & Havering Avg rent Jan 18: £1,233 Annual variance: 6.3% | 2 Barnet Avg rent Jan 18: £1,476 Annual variance: 0.3% | 3 Bexley & Greenwich Avg rent Jan 18: £1,260 Annual variance: 2.2% | 4 Brent Avg rent Jan 18: £1,563 Annual variance: 4.9% | 5 Bromley Avg rent Jan 18: £1,323 Annual variance: -0.2% |
| 6 Camden & City of London Avg rent Jan 18: £2,092 Annual variance: 7.4% | 7 Chelsea, Fulham, Hammersmith & Kensington Avg rent Jan 18: £1,837 Annual variance: 4.2% | 8 Croydon Avg rent Jan 18: £1,092 Annual variance: 7.0% | 9 Ealing Avg rent Jan 18: £1,453 Annual variance: 0.9% | 10 Enfield Avg rent Jan 18: £1,368 Annual variance: 6.1% |
| 11 Hackney & Newham Avg rent Jan 18: £1,396 Annual variance: -2.6% | 12 Haringey & Islington Avg rent Jan 18: £1,552 Annual variance: 8.0% | 13 Harrow & Hillingdon Avg rent Jan 18: £1,316 Annual variance: 1.8% | 14 Hounslow & Richmond upon Thames Avg rent Jan 18: £1,448 Annual variance: 1.8% | 15 Kingston upon Thames, Merton & Sutton Avg rent Jan 18: £1,240 Annual variance: -5.3% |
| 16 Lambeth Avg rent Jan 18: £1,954 Annual variance: 2.3% | 17 Lewisham & Southwark Avg rent Jan 18: £1,598 Annual variance: 2.2% | 18 Redbridge & Waltham Forest Avg rent Jan 18: £1,236 Annual variance: -0.4% | 19 Tower Hamlets Avg rent Jan 18: £1,726 Annual variance: 2.3% | 20 Wandsworth Avg rent Jan 18: £1,592 Annual variance: 2.0% |
| 21 Westminster Avg rent Jan 18: £2,148 Annual variance: 9.4% | | | | |

Greater London ranked by borough

Five London boroughs with the highest average rent

| London borough | Average rent January 2018 |
|---|---------------------------|
| Westminster | £2,148 |
| Camden, City of London | £2,092 |
| Lambeth | £1,954 |
| Chelsea, Fulham, Hammersmith and Kensington | £1,837 |
| Tower Hamlets | £1,726 |

Five London boroughs with the lowest average rent

| London borough | Average rent January 2018 |
|---------------------------------------|---------------------------|
| Croydon | £1,092 |
| Barking, Dagenham and Havering | £1,233 |
| Redbridge and Waltham Forest | £1,236 |
| Kingston upon Thames, Merton & Sutton | £1,240 |
| Bexley and Greenwich | £1,260 |

Five London boroughs with the highest annual variance in average rent

| London borough | Annual variance |
|--------------------------------|-----------------|
| Westminster | 9.4% |
| Haringey and Islington | 8.0% |
| Camden, City of London | 7.4% |
| Croydon | 7.0% |
| Barking, Dagenham and Havering | 6.3% |

Five London boroughs with the lowest annual variance in average rent

| London borough | Annual variance |
|---------------------------------------|-----------------|
| Kingston upon Thames, Merton & Sutton | -5.3% |
| Hackney and Newham | -2.6% |
| Redbridge and Waltham Forest | -0.4% |
| Bromley | -0.2% |
| Barnet | 0.3% |

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.

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homelet.co.uk/homelet-rental-index

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