

# HomeLet Rental Index

## Key headlines

- Rents in the UK rose by 1.3% in July compared to the same month a year ago; the average monthly rent now stands at £937 a month
- Rents in London increased by 3.3% in July this year compared to July 2017; the average monthly rent in the capital now stands at £1,615 a month
- When London is excluded, the average UK rental value was £777 in July 2018, this is up 1.0% on last year
- HomeLet's July Rental Index reveals that rents rose in 8 of the 12 UK regions covered in the research

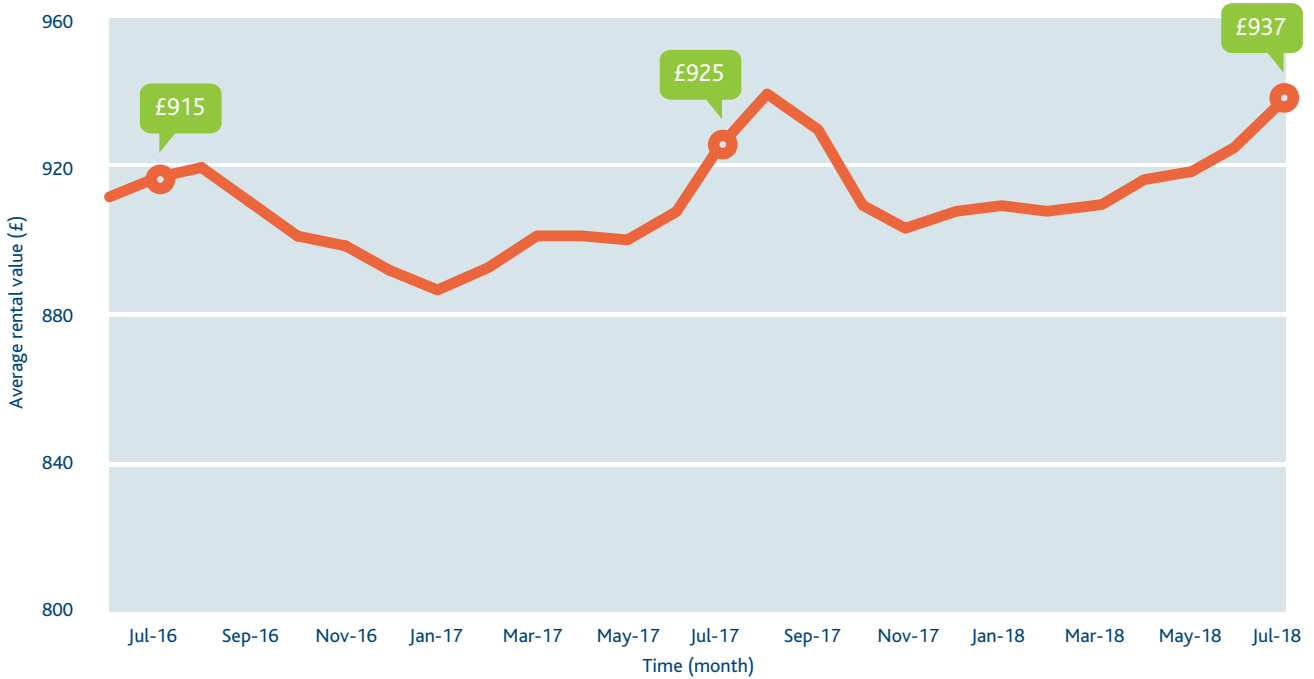


## July 2018 edition

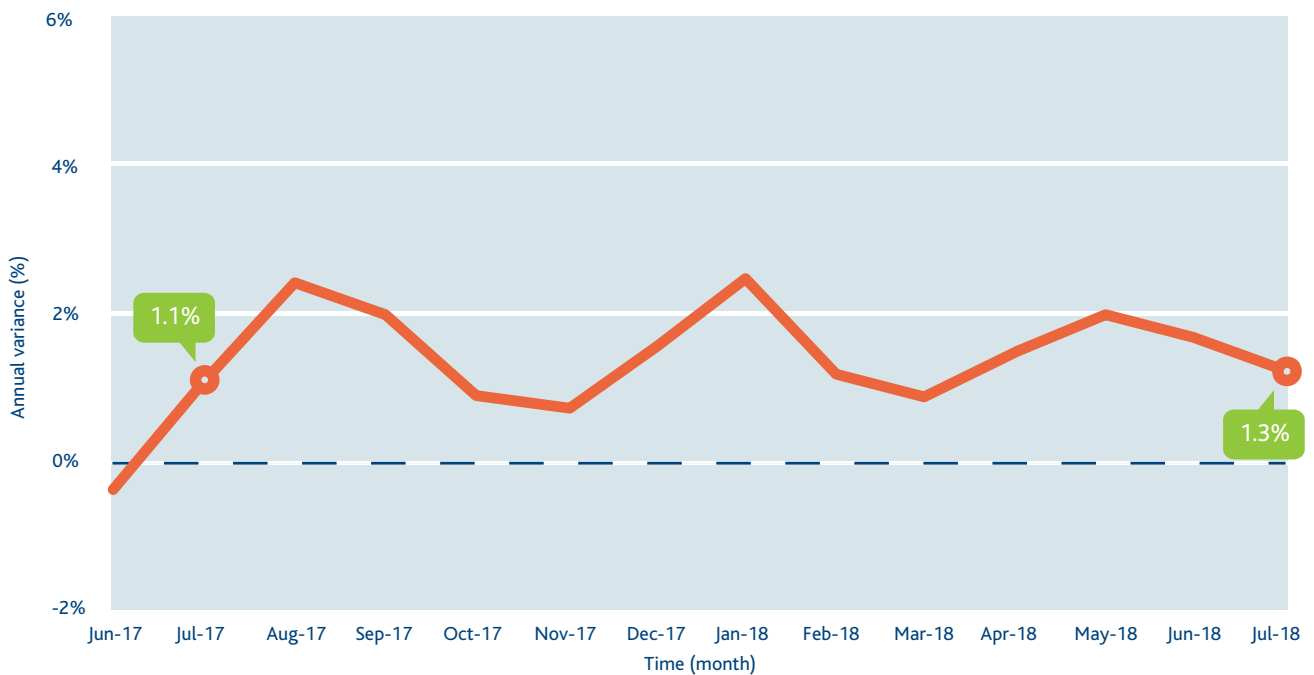
HomeLet Rental Index provides comprehensive and up to date data on new tenancies in the UK. Data is gathered from our tenant referencing service, including the rental amounts agreed, the number of tenants moving into the property together with the employment status, income and age of all tenants. The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

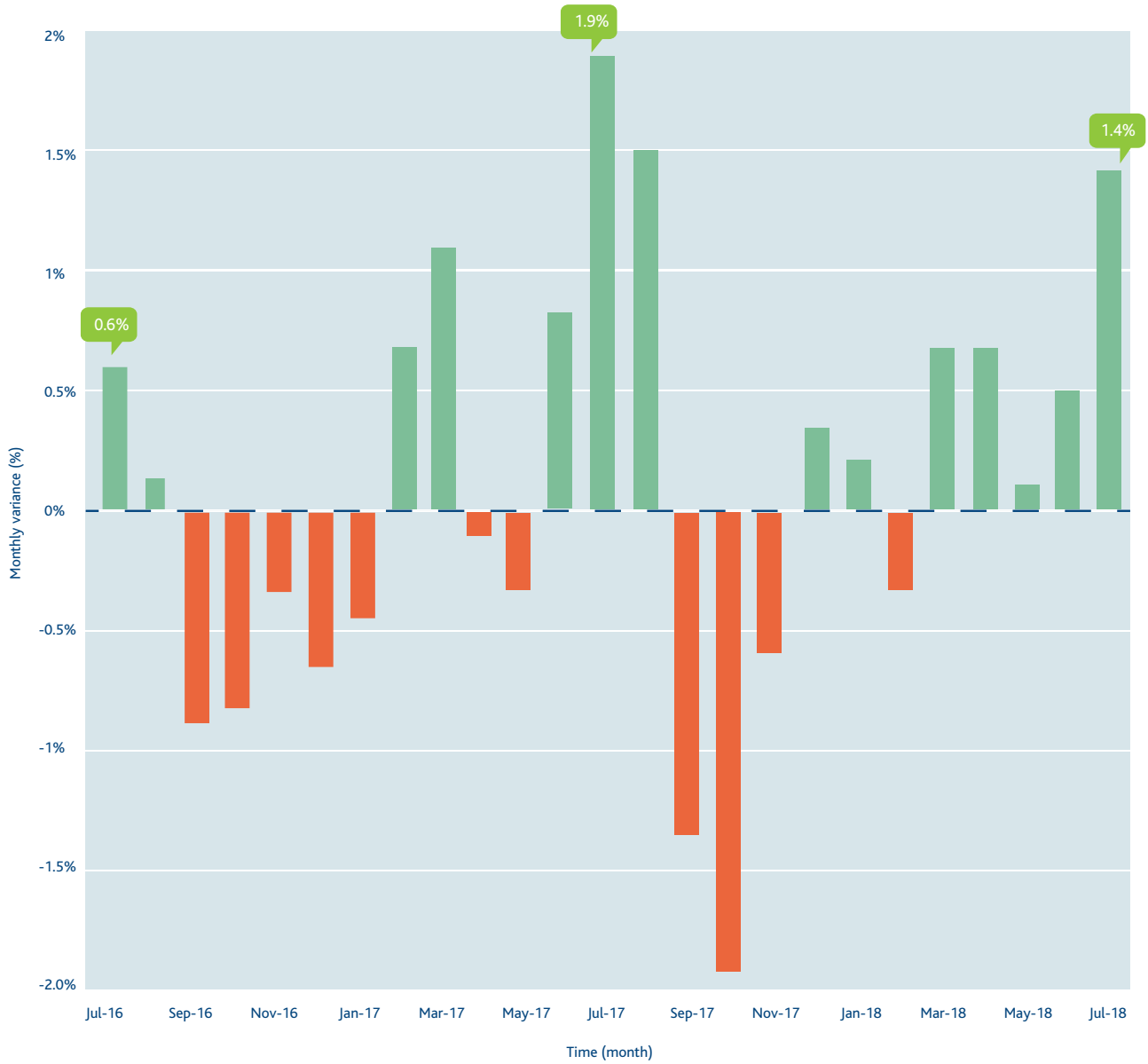


## Annual variance in rental values



- When London is excluded, the average UK rental value was £777 in July 2018, this is up 1.0% on last year

## Monthly variance in average rent in the UK



- The UK average rental value increased by 1.4% between June and July 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 July 2018	£525	Average rent July 2018	£937
Average rent June 2018	£529	Average rent June 2018	£924
Monthly variance	-0.8%	Monthly variance	0.5%
Average rent July 2017	£526	Average rent July 2017	£925
Annual variance	-0.2%	Annual variance	1.8%

Scotland	
Average rent July 2018	£651
Average rent June 2018	£652
Monthly variance	-0.2%
Average rent July 2017	£630
Annual variance	3.3%

Yorkshire & Humberside	
Average rent July 2018	£635
Average rent June 2018	£629
Monthly variance	1.0%
Average rent July 2017	£625
Annual variance	1.6%

North West	
Average rent July 2018	£712
Average rent June 2018	£697
Monthly variance	2.2%
Average rent July 2017	£698
Annual variance	2.0%

East Midlands	
Average rent July 2018	£631
Average rent June 2018	£622
Monthly variance	1.4%
Average rent July 2017	£620
Annual variance	1.8%

West Midlands	
Average rent July 2018	£701
Average rent June 2018	£689
Monthly variance	1.7%
Average rent July 2017	£680
Annual variance	3.1%

East of England	
Average rent July 2018	£909
Average rent June 2018	£915
Monthly variance	-0.7%
Average rent July 2017	£919
Annual variance	-1.1%

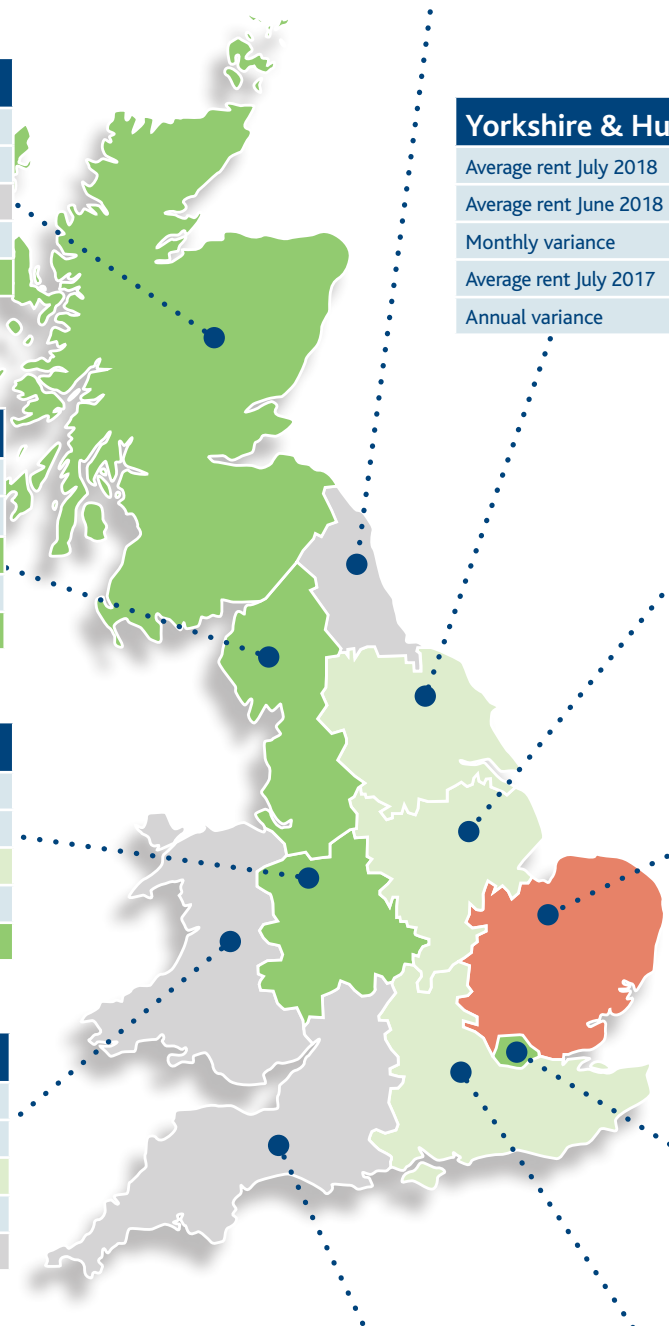
Wales	
Average rent July 2018	£611
Average rent June 2018	£603
Monthly variance	1.3%
Average rent July 2017	£613
Annual variance	-0.3%

Greater London	
Average rent July 2018	£1,615
Average rent June 2018	£1,596
Monthly variance	1.2%
Average rent July 2017	£1,564
Annual variance	3.3%

Northern Ireland	
Average rent July 2018	£653
Average rent June 2018	£641
Monthly variance	1.9%
Average rent July 2017	£625
Annual variance	4.5%

South West	
Average rent July 2018	£818
Average rent June 2018	£806
Monthly variance	1.5%
Average rent July 2017	£823
Annual variance	-0.6%

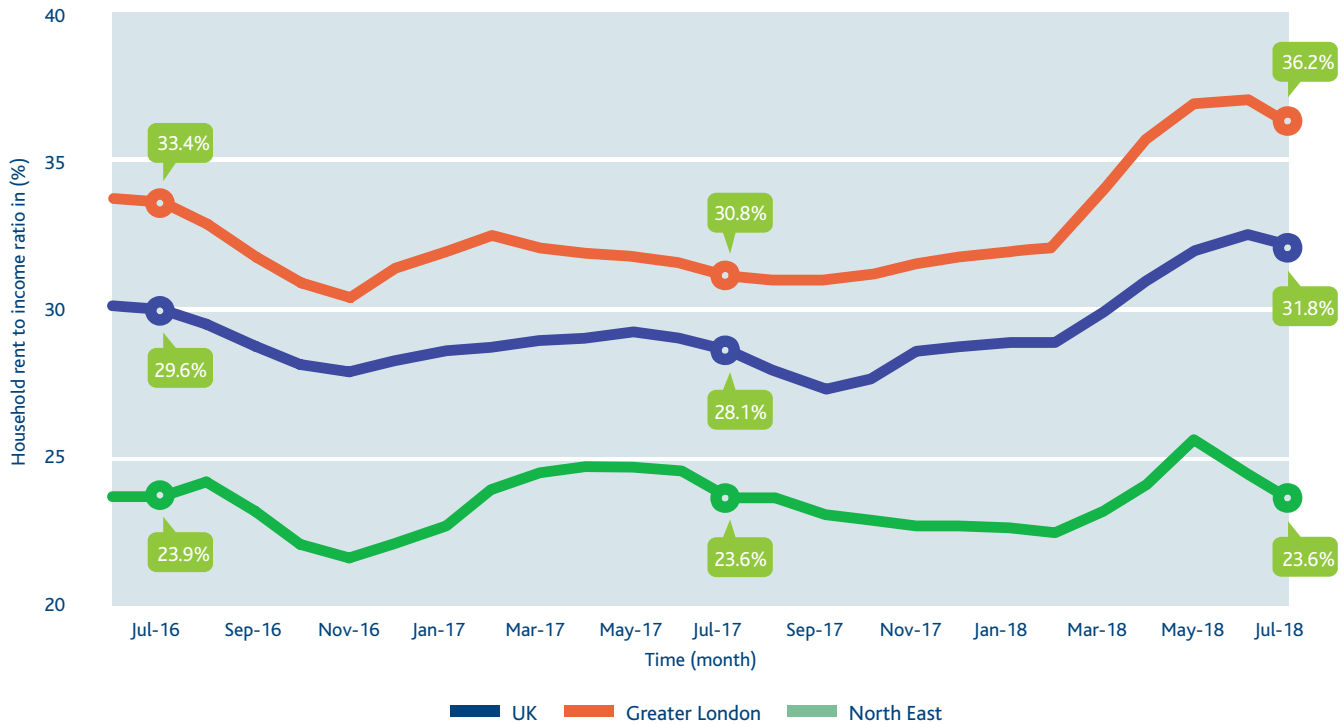
South East	
Average rent July 2018	£1,041
Average rent June 2018	£1,015
Monthly variance	2.6%
Average rent July 2017	£1,025
Annual variance	1.6%



# 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

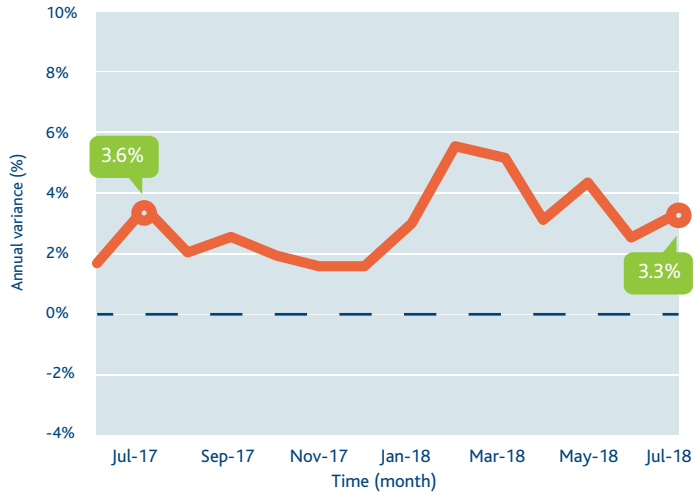


## Household rent to income ratio by region

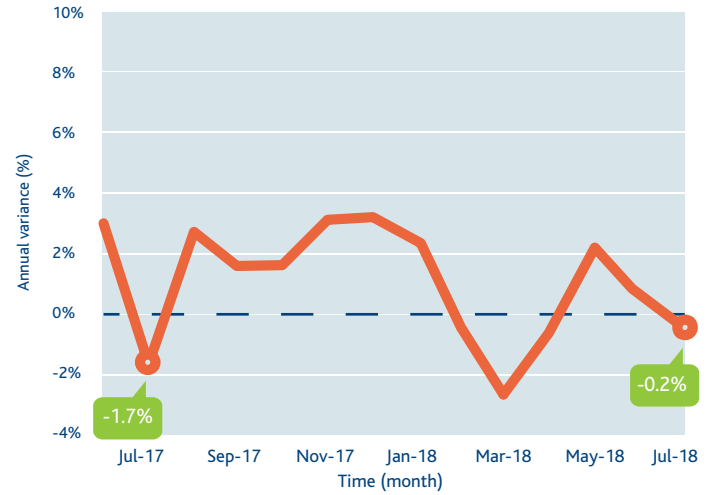
Region	July 2017	July 2018	Variance (percentage points)
North East	23.6%	23.6%	0.0%
North West	26.2%	28.5%	2.3%
Yorkshire and The Humber	24.2%	27.3%	3.1%
East Midlands	26.9%	29.2%	2.3%
Wales	28.8%	30.8%	2.0%
South West	29.5%	33.8%	4.3%
South East	29.1%	33.1%	4.0%
London	30.8%	36.2%	5.4%
East Of England	28.6%	32.0%	3.4%
West Midlands	26.8%	30.0%	3.2%
Scotland	25.0%	27.3%	2.3%
Northern Ireland	25.8%	25.7%	-0.1%
UK	28.1%	31.8%	3.7%
UK Ex London	27.4%	30.5%	3.1%

# Annual variance in average rental values by region

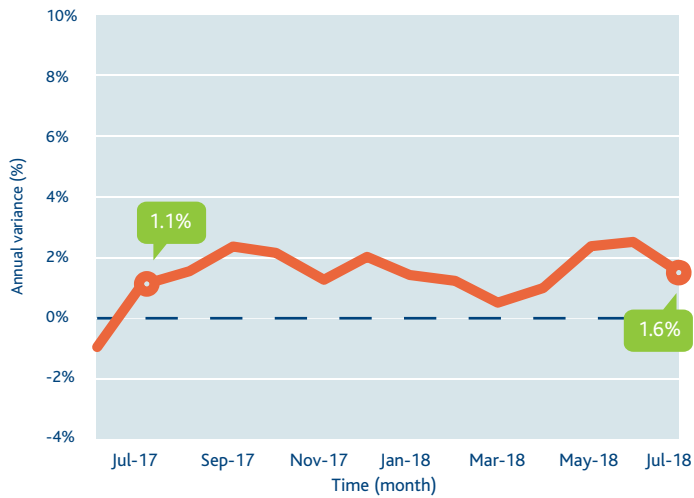
## Scotland



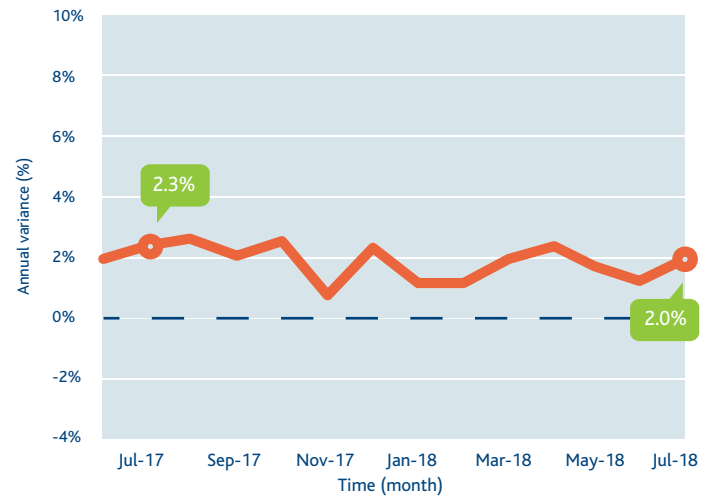
## North East



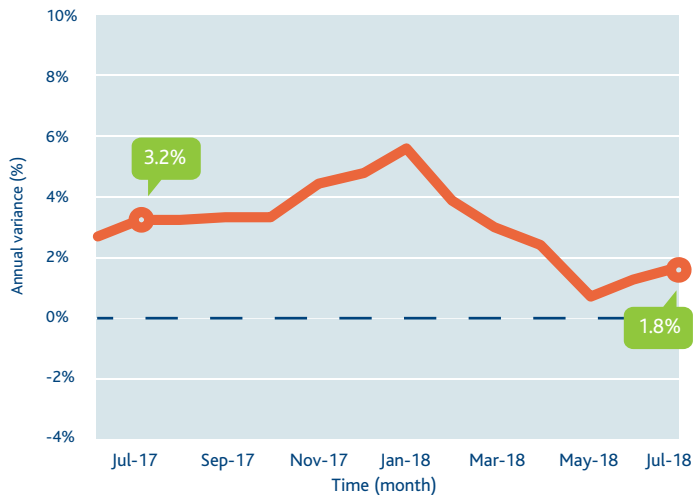
## Yorkshire and the Humber



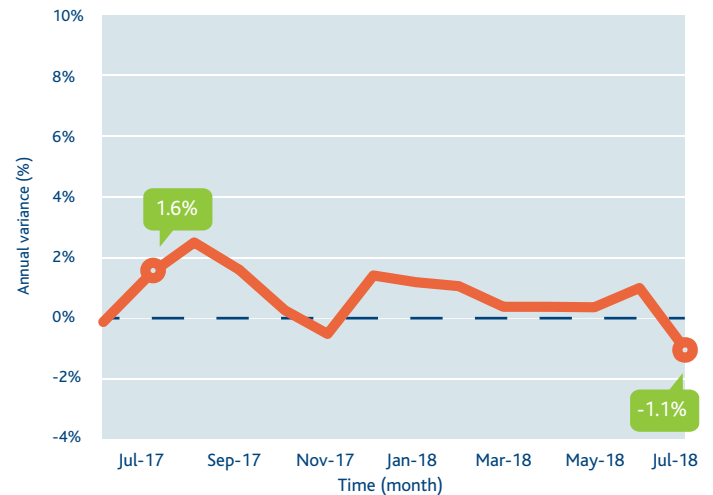
## North West



## East Midlands

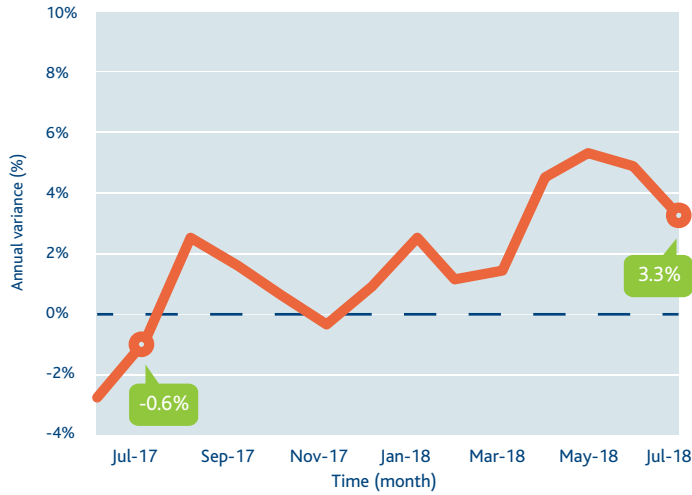


## East of England

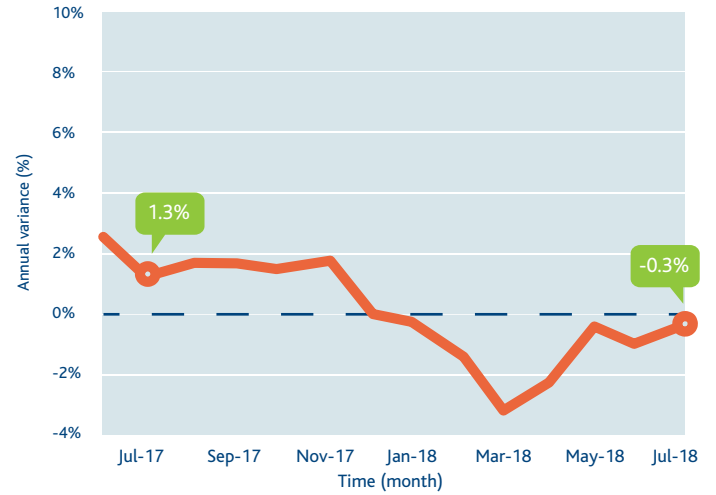


# Annual variance in average rental values by region

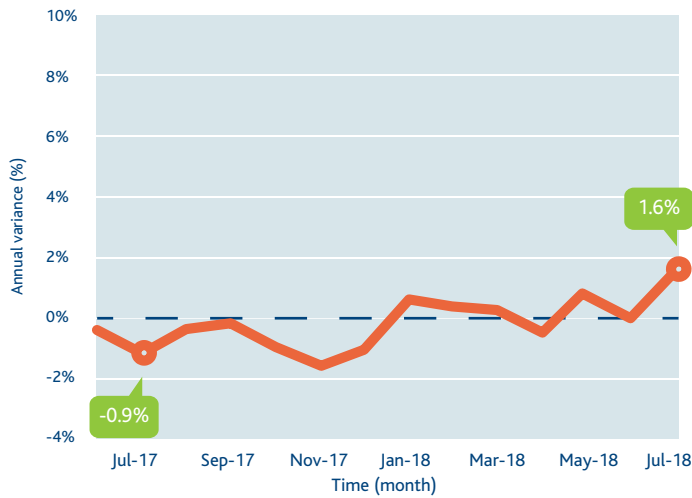
## Greater London



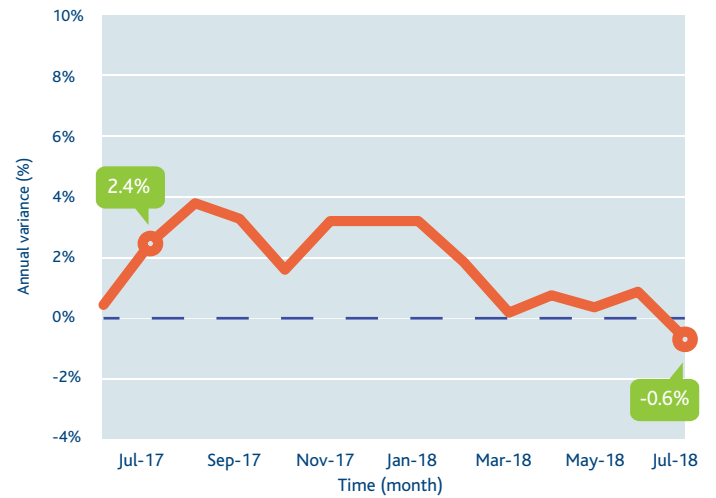
## Wales



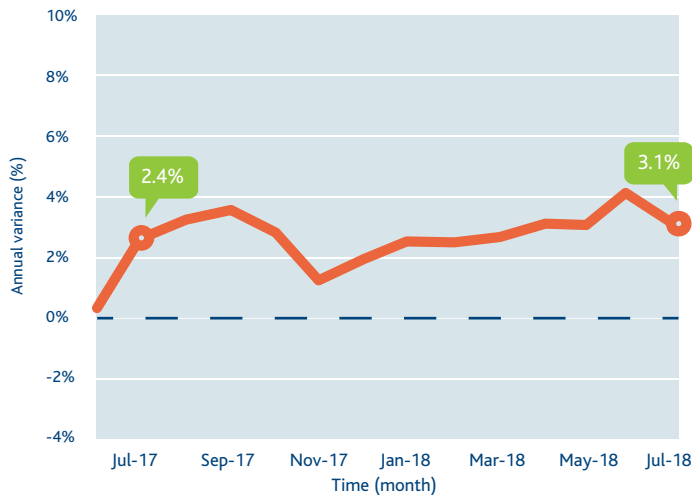
## South East



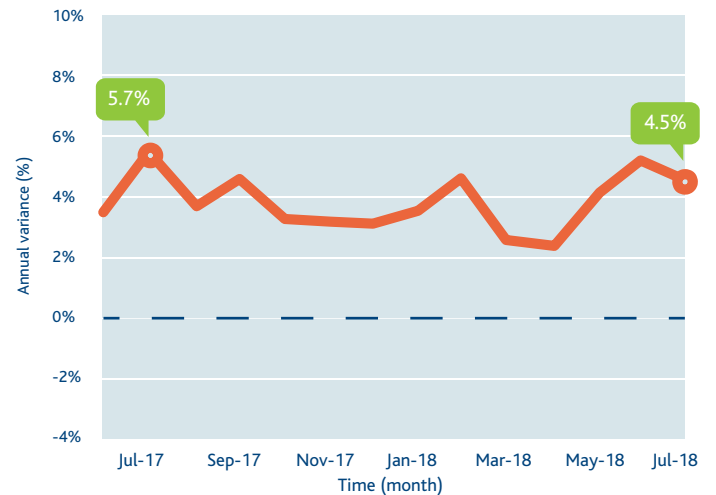
## South West



## West Midlands

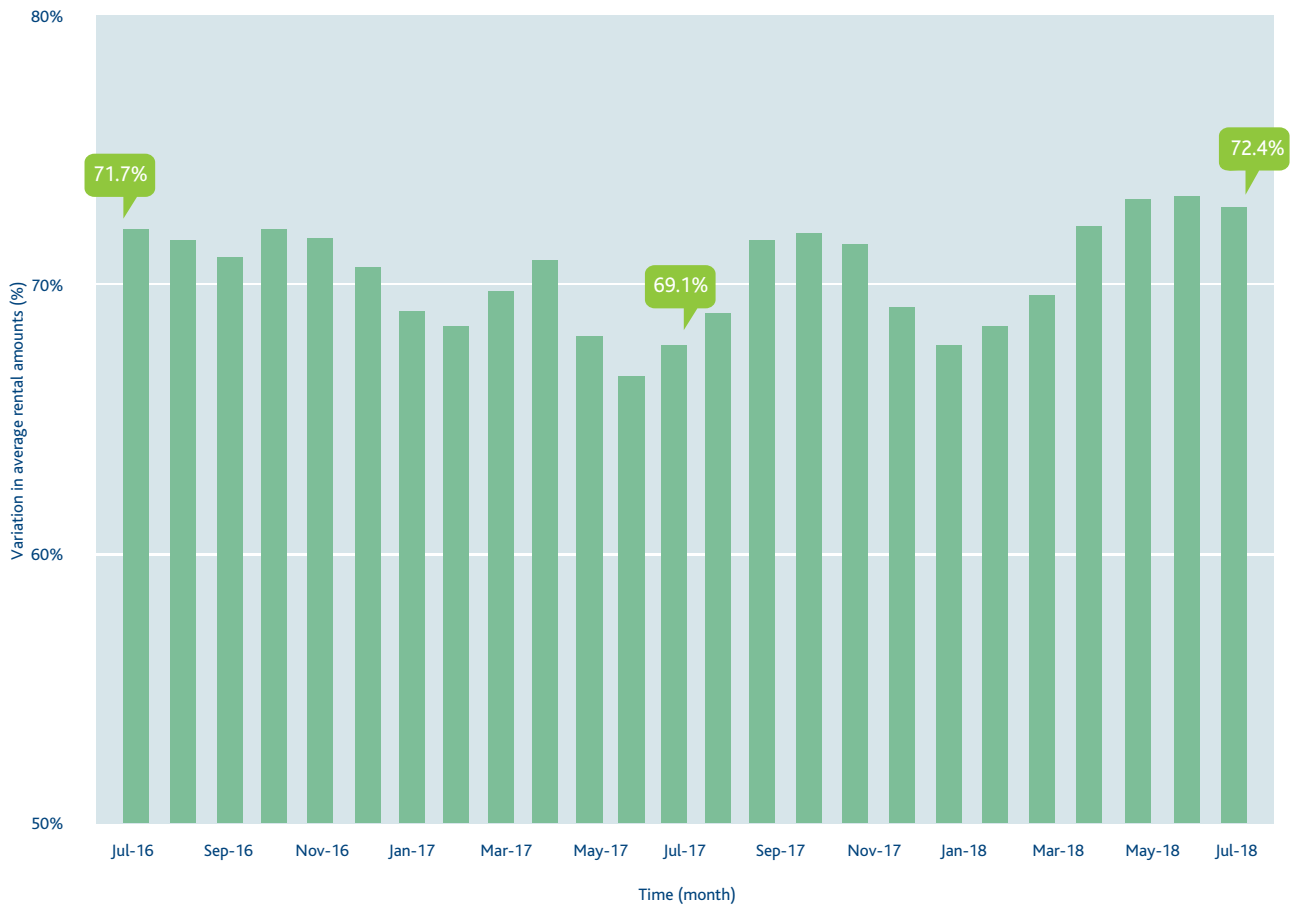


## Northern Ireland



# Greater London vs. the UK

## Monthly variation between Greater London rental prices and the UK average

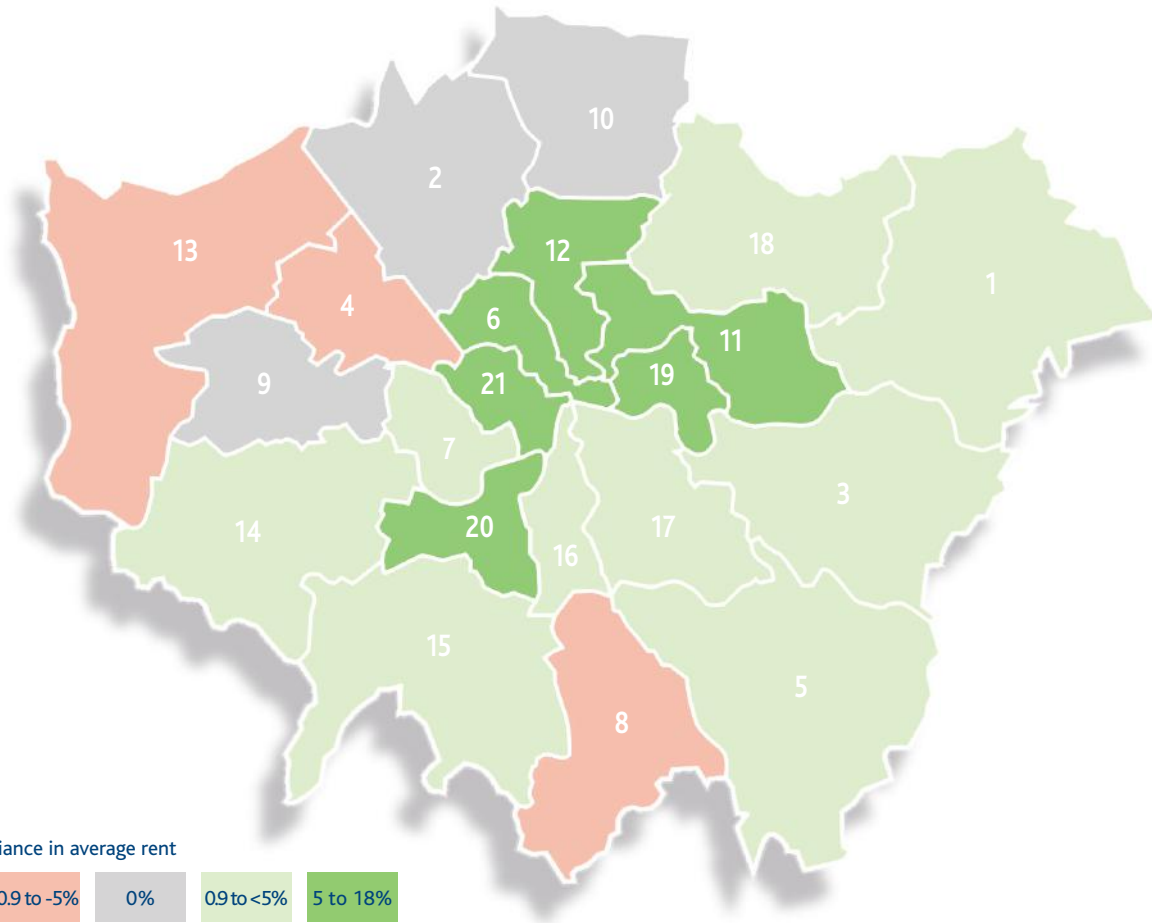


- In July, average rental values in London (£1,615) were 72.4% higher than the UK (£937)
- When London is excluded the average rent in the UK was £777 in July, average rents in London (£1,615) were 107.9% higher than the rest of the UK.

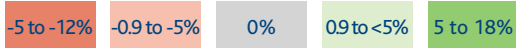


# Greater London by borough

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



% Annual variance in average rent



<b>1 Barking, Dagenham &amp; Havering</b> Avg rent July 18: £1,209 Annual variance: 2.1%	<b>2 Barnet</b> Avg rent July 18: £1,528 Annual variance: 0.3%	<b>3 Bexley &amp; Greenwich</b> Avg rent July 18: £1,282 Annual variance: 1.6%	<b>4 Brent</b> Avg rent July 18: £1,548 Annual variance: -3.3%	<b>5 Bromley</b> Avg rent July 18: £1,345 Annual variance: 4.3%
<b>6 Camden &amp; City of London</b> Avg rent July 18: £2,213 Annual variance: 11.2%	<b>7 Chelsea, Fulham, Hammersmith &amp; Kensington</b> Avg rent July 18: £1,983 Annual variance: 1.0%	<b>8 Croydon</b> Avg rent July 18: £1,078 Annual variance: -2.2%	<b>9 Ealing</b> Avg rent July 18: £1,543 Annual variance: 0.8%	<b>10 Enfield</b> Avg rent July 18: £1,395 Annual variance: 0.8%
<b>11 Hackney &amp; Newham</b> Avg rent July 18: £1,500 Annual variance: 7.1%	<b>12 Haringey &amp; Islington</b> Avg rent July 18: £1,732 Annual variance: 12.1%	<b>13 Harrow &amp; Hillingdon</b> Avg rent July 18: £1,323 Annual variance: -3.0%	<b>14 Hounslow &amp; Richmond upon Thames</b> Avg rent July 18: £1,467 Annual variance: 1.1%	<b>15 Kingston upon Thames, Merton &amp; Sutton</b> Avg rent July 18: £1,382 Annual variance: 3.0%
<b>16 Lambeth</b> Avg rent July 18: £2,104 Annual variance: 4.1%	<b>17 Lewisham &amp; Southwark</b> Avg rent July 18: £1,696 Annual variance: 3.4%	<b>18 Redbridge &amp; Waltham Forest</b> Avg rent July 18: £1,261 Annual variance: 1.6%	<b>19 Tower Hamlets</b> Avg rent July 18: £1,830 Annual variance: 9.6%	<b>20 Wandsworth</b> Avg rent July 18: £1,762 Annual variance: 6.6%
<b>21 Westminster</b> Avg rent July 18: £2,307 Annual variance: 9.1%				

## Greater London ranked by borough

### Five London boroughs with the highest average rent

London borough	Average rent July 2018
Westminster	£2,307
Camden, City of London	£2,213
Lambeth	£2,104
Chelsea, Fulham, Hammersmith and Kensington	£1,983
Tower Hamlets	£1,830

### Five London boroughs with the lowest average rent

London borough	Average rent July 2018
Croydon	£1,078
Barking, Dagenham and Havering	£1,209
Redbridge and Waltham Forest	£1,261
Bexley and Greenwich	£1,282
Harrow and Hillingdon	£1,323

### Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Haringey and Islington	12.1%
Camden, City of London	11.2%
Tower Hamlets	9.6%
Westminster	9.1%
Hackney and Newham	7.1%

### Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Brent	-3.3%
Harrow and Hillingdon	-3.0%
Croydon	-2.2%
Barnet	0.3%
Ealing	0.8%

## 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.

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For more information on the HomeLet Rental Index please visit

[homelet.co.uk/homelet-rental-index](https://homelet.co.uk/homelet-rental-index)