

HomeLet Rental Index

Key headlines

- Rents in the UK rose by 0.9% in March compared to the same month a year ago; the average monthly rent now stands at £912 a month
- Rents in London increased by 1.5% in March this year compared to March 2017; the average monthly rent in the capital now stands at £1,569 a month
- When London is excluded, the average UK rental value was £759 in March 2018, this is up 1.1% on last year
- HomeLet's March Rental Index reveals that rents rose in 10 of the 12 UK regions covered in the research

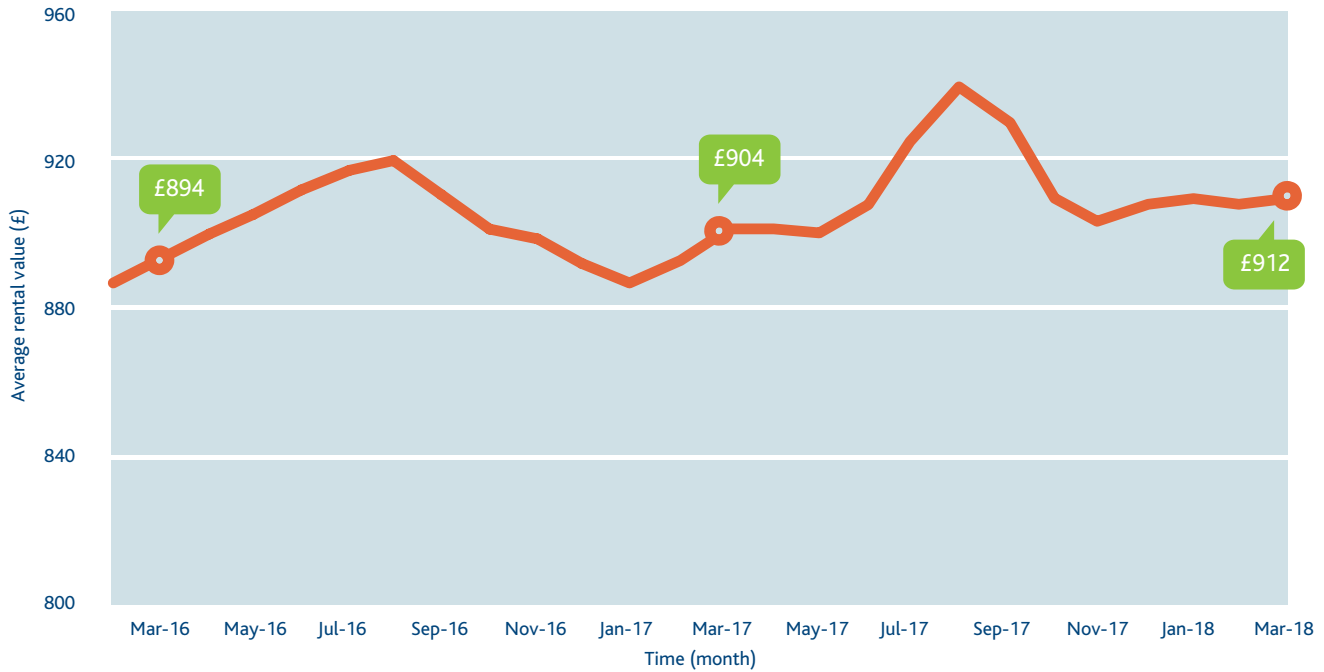


March 2018 edition

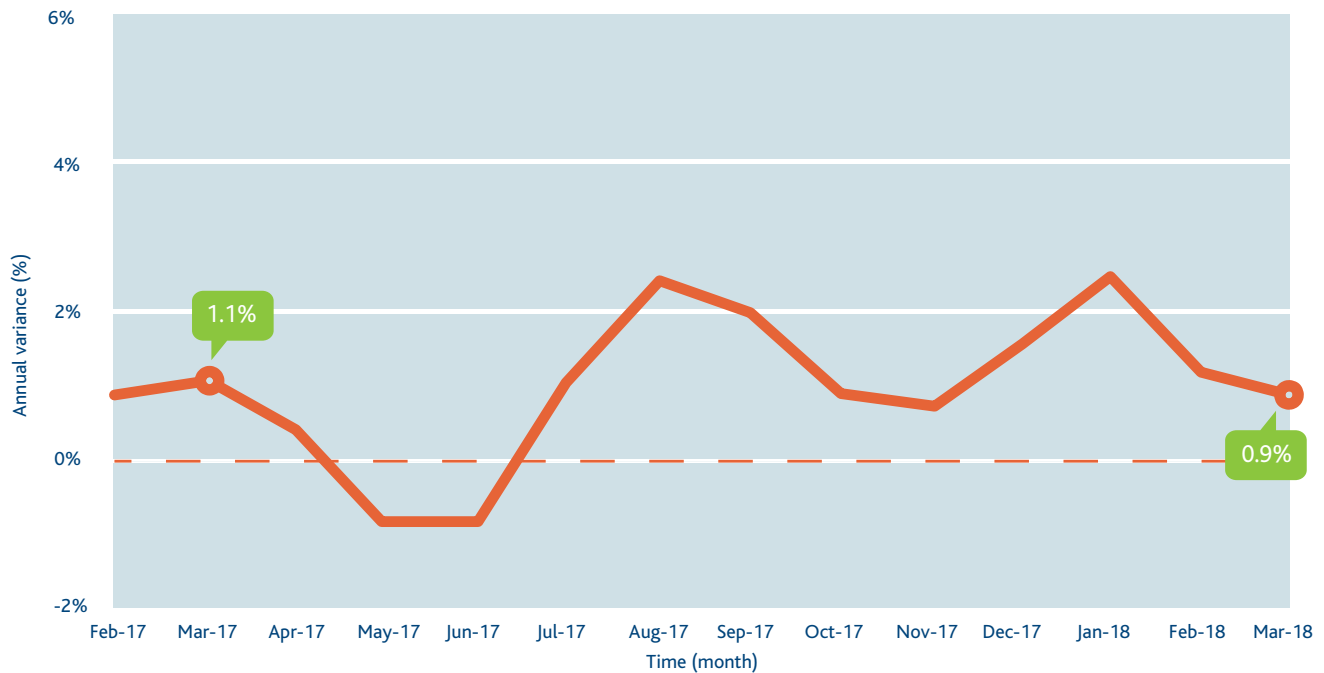
HomeLet Rental Index provides comprehensive and up to date data on new tenancies in the UK. Data is gathered from our tenant referencing service, including the rental amounts agreed, the number of tenants moving into the property together with the employment status, income and age of all tenants. The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

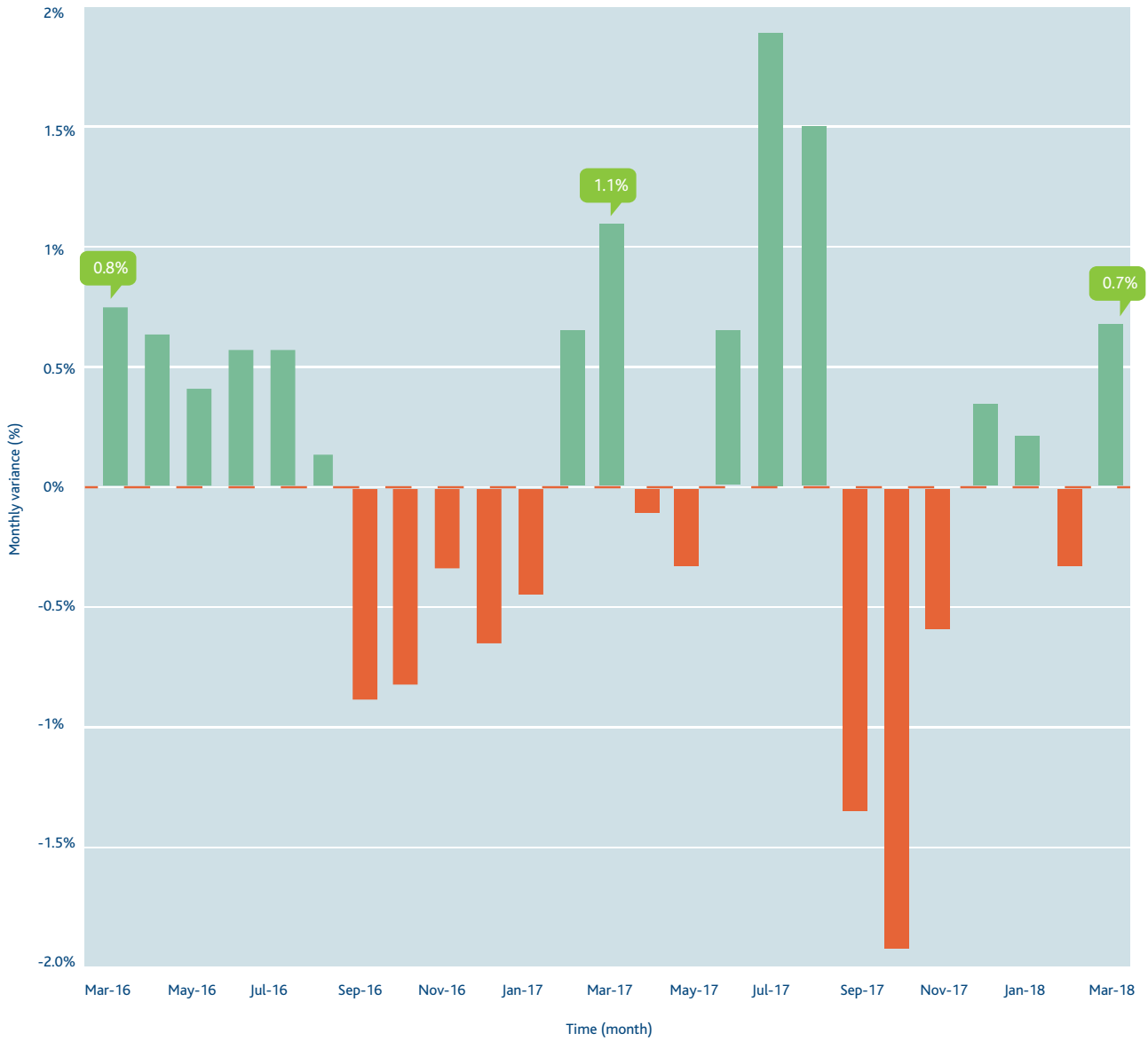


Annual variance in rental values



- When London is excluded, the average UK rental value was £759 in March 2018, this is up 1.1% on last year

Monthly variance in average rent in the UK



- The UK average rental value increased by 0.7% between February and March 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 March 2018	£509	Average rent March 2018	£912
Average rent February 2018	£520	Average rent February 2018	£906
Monthly variance	-2.1%	Monthly variance	0.7%
Average rent March 2017	£522	Average rent March 2017	£904
Annual variance	-2.5%	Annual variance	0.9%

Scotland	
Average rent March 2018	£644
Average rent February 2018	£632
Monthly variance	1.9%
Average rent March 2017	£610
Annual variance	5.6%

Yorkshire & Humberside	
Average rent March 2018	£623
Average rent February 2018	£625
Monthly variance	-0.3%
Average rent March 2017	£619
Annual variance	0.6%

North West	
Average rent March 2018	£689
Average rent February 2018	£688
Monthly variance	0.1%
Average rent March 2017	£675
Annual variance	2.1%

East Midlands	
Average rent March 2018	£622
Average rent February 2018	£619
Monthly variance	0.5%
Average rent March 2017	£602
Annual variance	3.3%

West Midlands	
Average rent March 2018	£679
Average rent February 2018	£676
Monthly variance	0.4%
Average rent March 2017	£663
Annual variance	2.4%

East of England	
Average rent March 2018	£905
Average rent February 2018	£907
Monthly variance	-0.2%
Average rent March 2017	£902
Annual variance	0.3%

Wales	
Average rent March 2018	£596
Average rent February 2018	£593
Monthly variance	0.5%
Average rent March 2017	£616
Annual variance	-3.2%

Greater London	
Average rent March 2018	£1,569
Average rent February 2018	£1,537
Monthly variance	2.1%
Average rent March 2017	£1,546
Annual variance	1.5%

Northern Ireland	
Average rent March 2018	£629
Average rent February 2018	£631
Monthly variance	-0.3%
Average rent March 2017	£614
Annual variance	2.4%

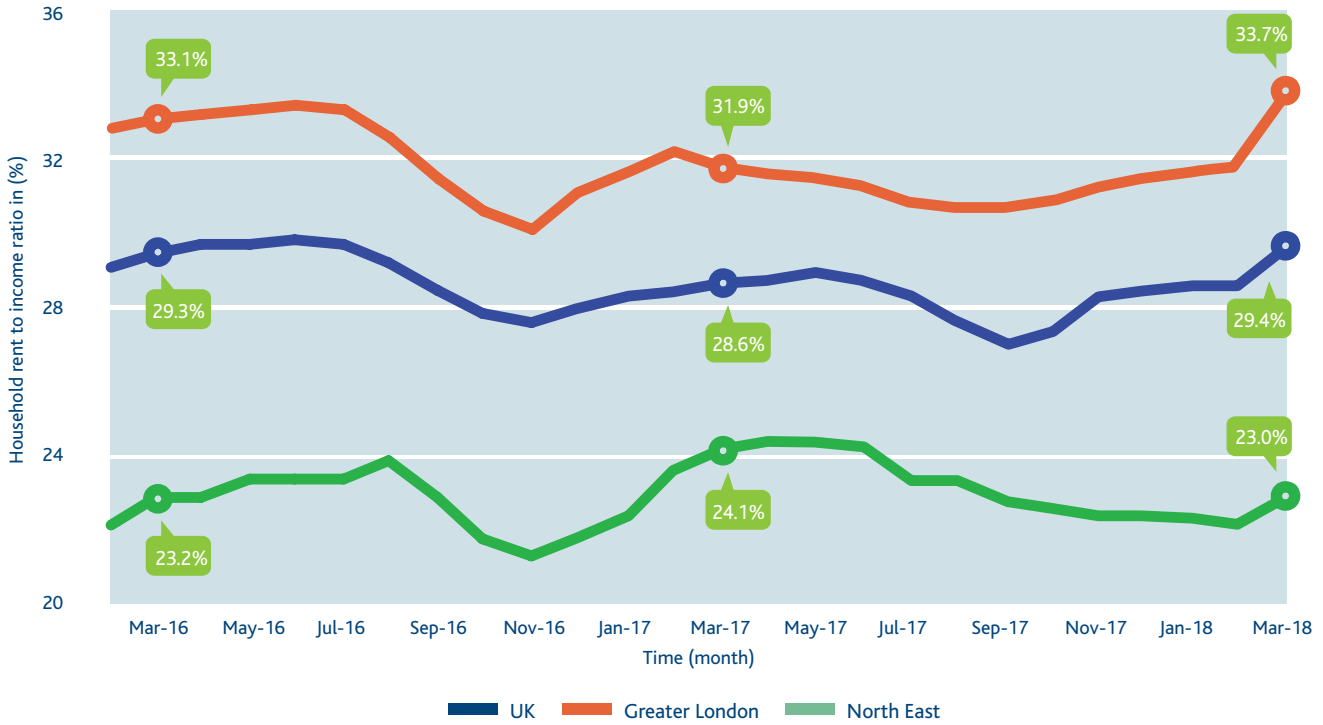
South West	
Average rent March 2018	£799
Average rent February 2018	£806
Monthly variance	-0.9%
Average rent March 2017	£798
Annual variance	0.1%

South East	
Average rent March 2018	£998
Average rent February 2018	£995
Monthly variance	0.3%
Average rent March 2017	£997
Annual variance	0.1%

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

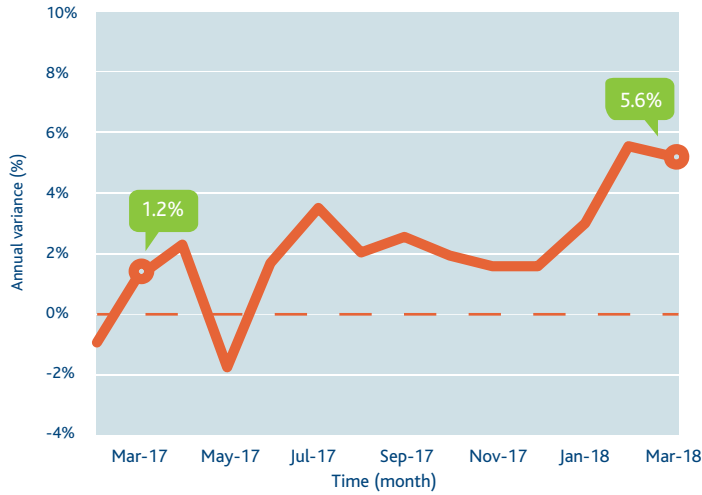


Household rent to income ratio by region

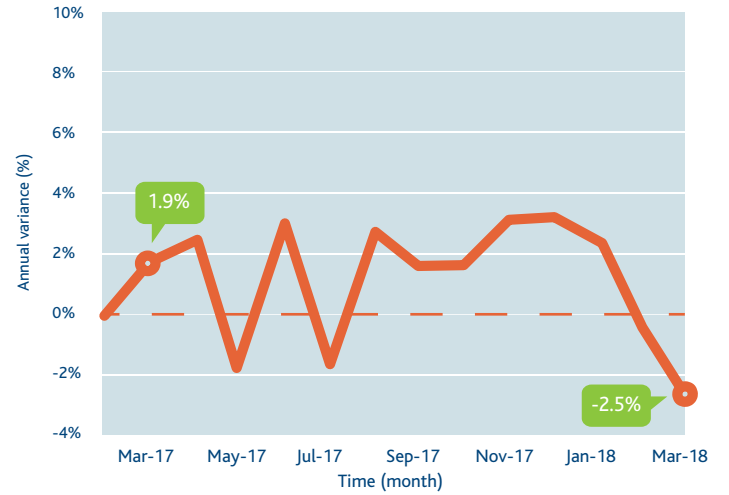
Region	March 2017	March 2018	Variance (percentage points)
North East	24.1%	23.0%	-1.1%
North West	26.0%	27.4%	1.4%
Yorkshire and The Humber	25.1%	24.5%	-0.6%
East Midlands	27.4%	27.7%	0.3%
Wales	27.7%	28.7%	1.0%
South West	29.7%	30.7%	1.0%
South East	29.5%	30.4%	0.9%
London	31.9%	33.7%	1.8%
East Of England	28.6%	29.2%	0.6%
West Midlands	26.7%	27.0%	0.3%
Scotland	26.6%	26.1%	-0.5%
Northern Ireland	26.6%	27.1%	0.5%
UK	28.6%	29.4%	0.8%
UK Ex London	27.7%	28.2%	0.5%

Annual variance in average rental values by region

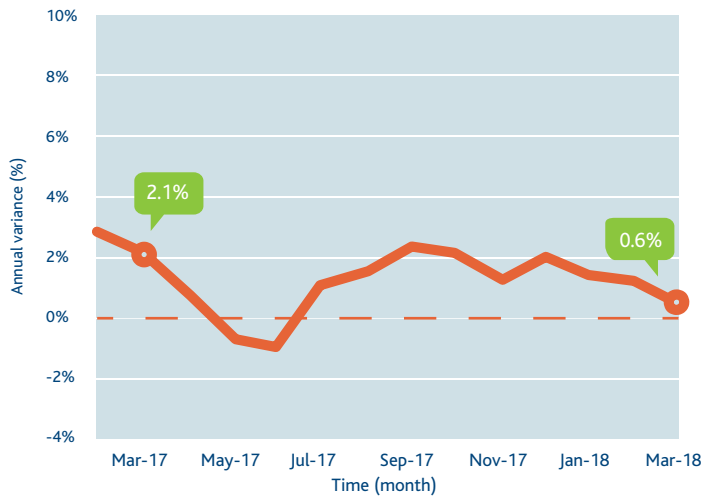
Scotland



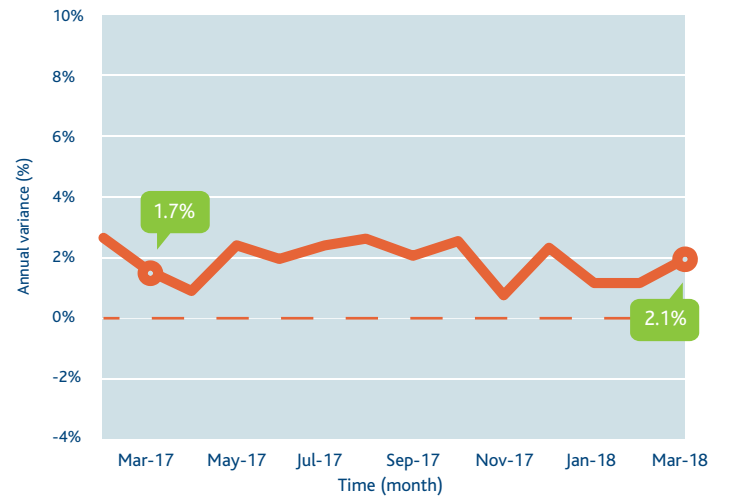
North East



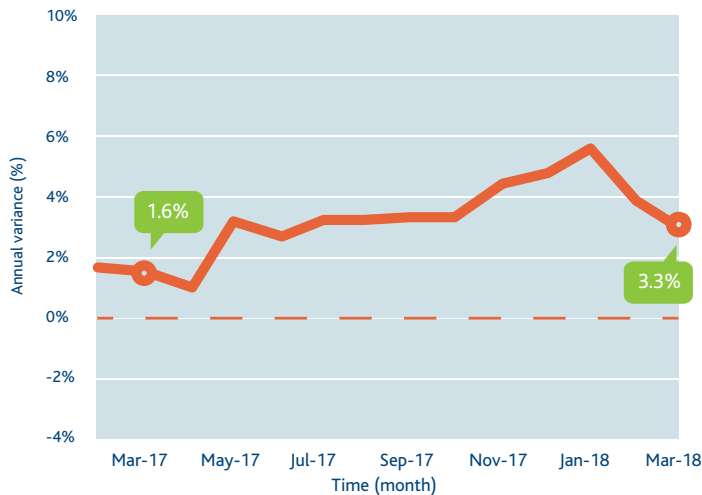
Yorkshire and the Humber



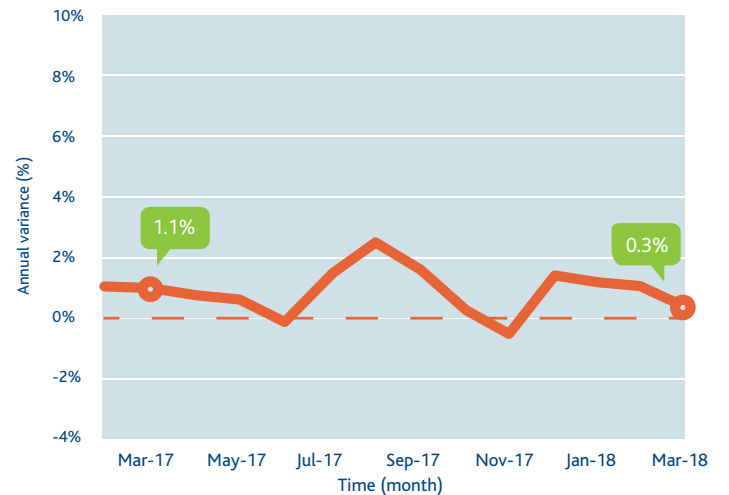
North West



East Midlands

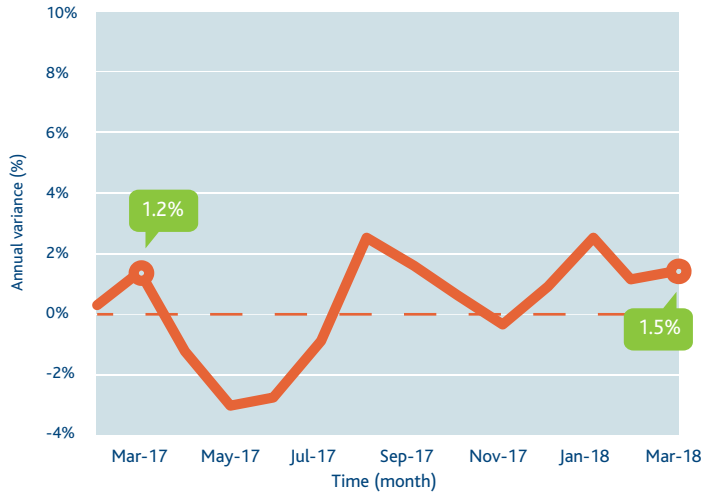


East of England

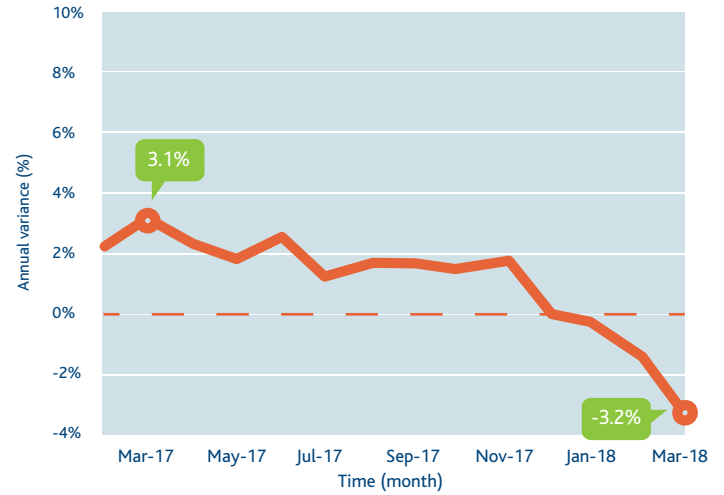


Annual variance in average rental values by region

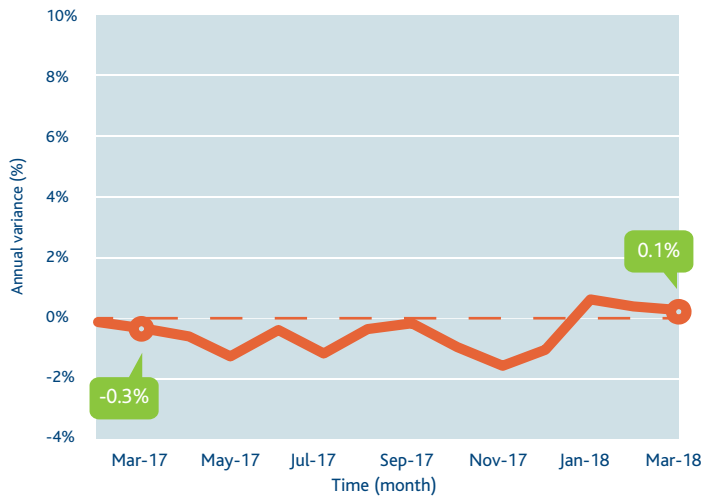
Greater London



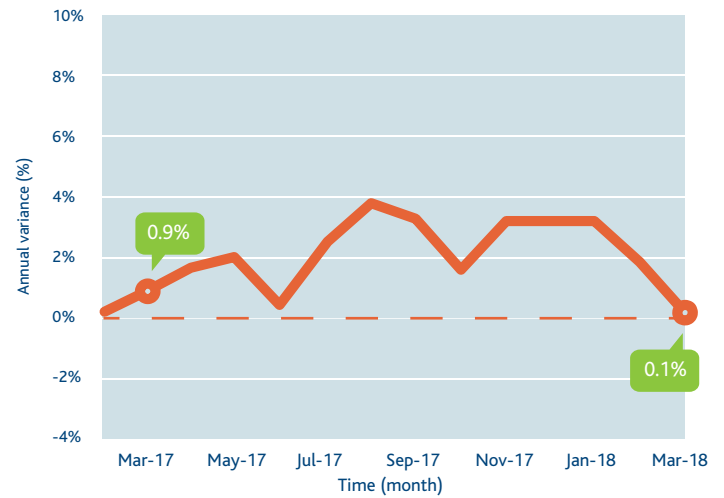
Wales



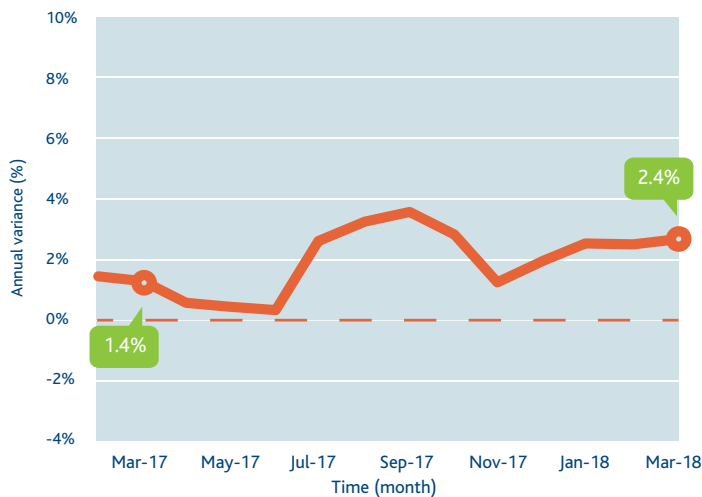
South East



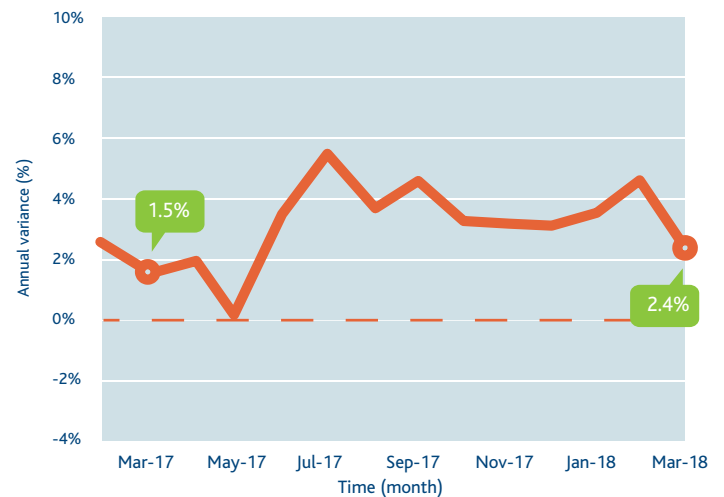
South West



West Midlands

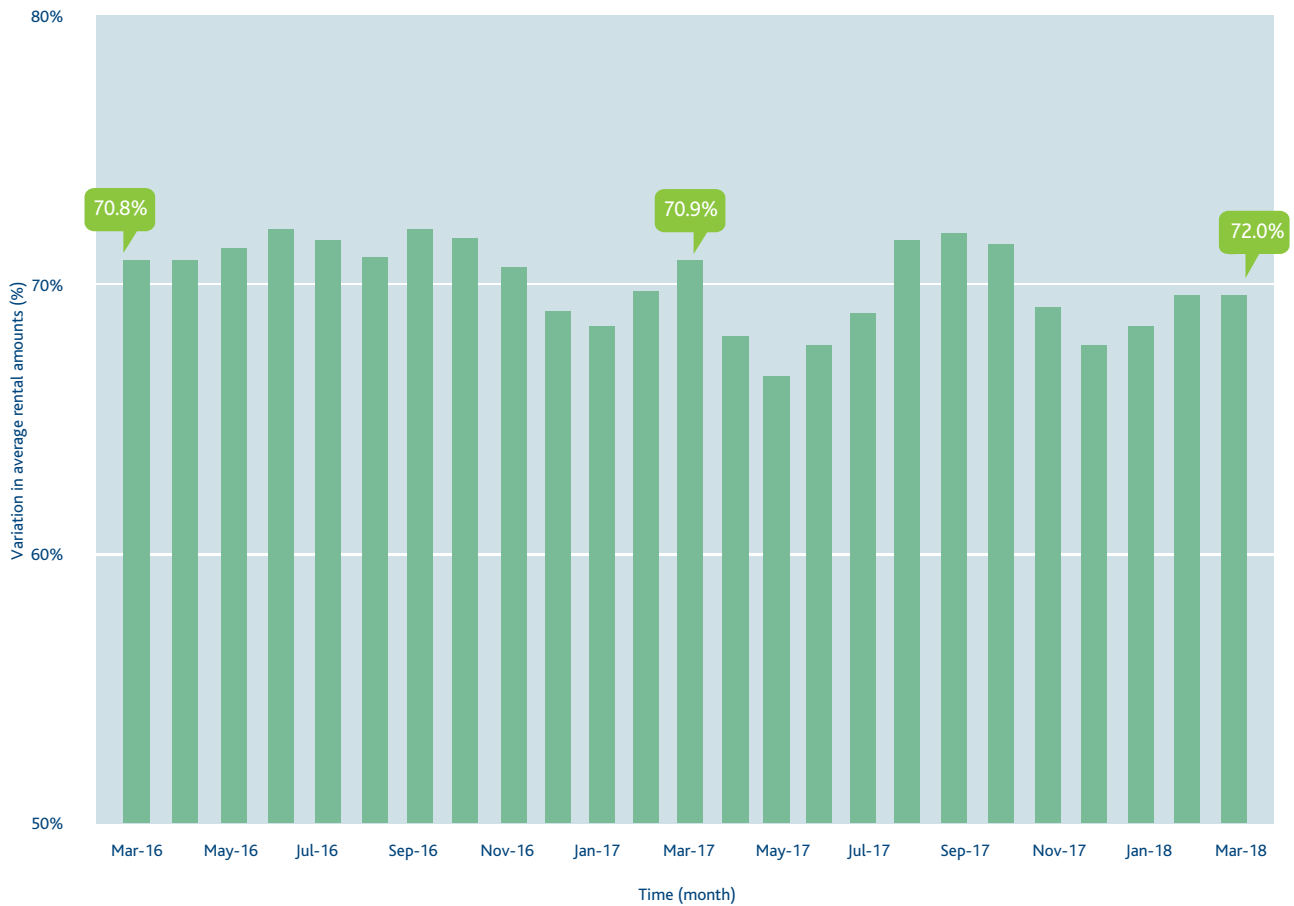


Northern Ireland



Greater London vs. the UK

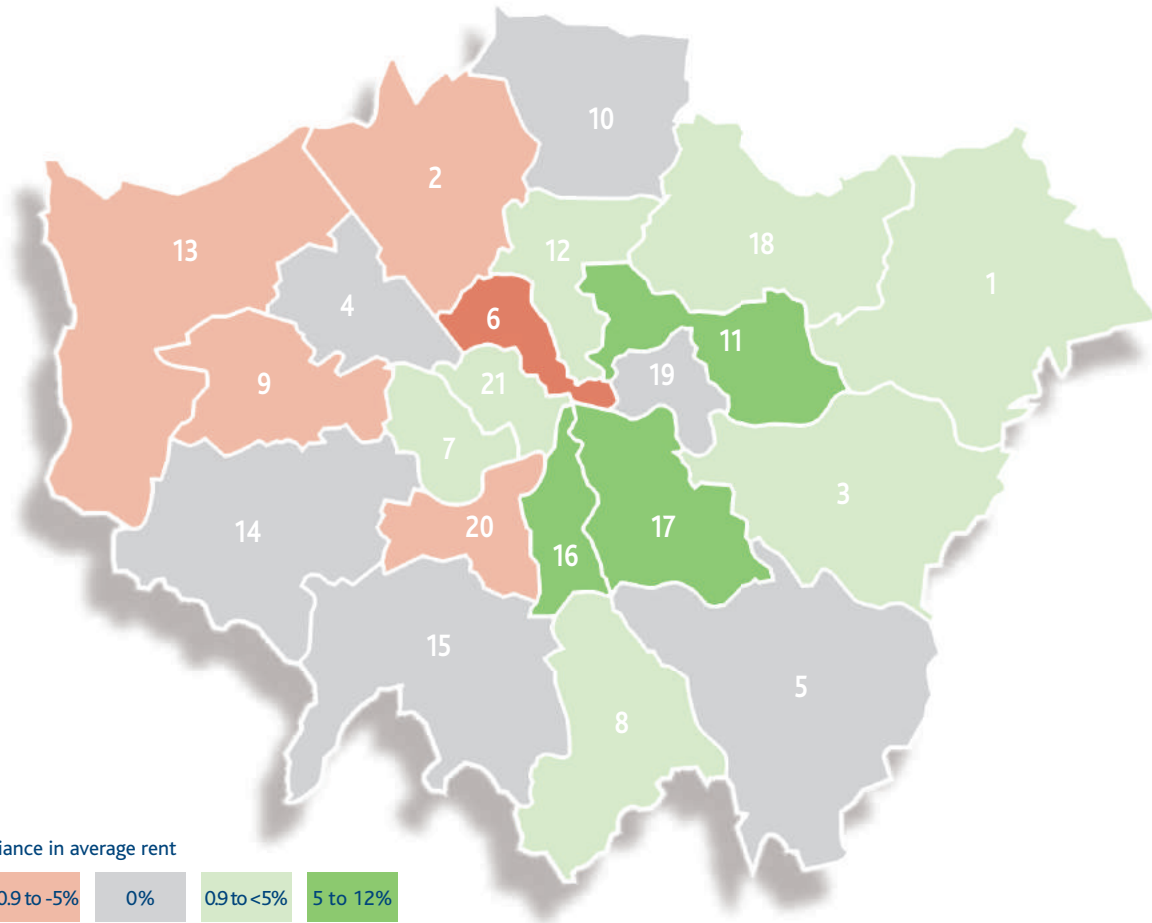
Monthly variation between Greater London rental prices and the UK average



- In March, average rental values in London (£1,569) were 72.0% higher than the UK (£912)
- When London is excluded the average rent in the UK was £759 in March, average rents in London (£1,569) were 106.7% 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 March 2018 with March 2017.



1 Barking, Dagenham & Havering		2 Barnet		3 Bexley & Greenwich		4 Brent		5 Bromley	
Avg rent Mar 18	£1,202	Avg rent Mar 18	£1,484	Avg rent Mar 18	£1,260	Avg rent Mar 18	£1,574	Avg rent Mar 18	£1,359
Annual variance	3.4%	Annual variance	-1.4%	Annual variance	3.0%	Annual variance	0.9%	Annual variance	0.2%
6 Camden & City of London		7 Chelsea, Fulham, Hammersmith & Kensington		8 Croydon		9 Ealing		10 Enfield	
Avg rent Mar 18	£1,938	Avg rent Mar 18	£1,852	Avg rent Mar 18	£1,115	Avg rent Mar 18	£1,434	Avg rent Mar 18	£1,353
Annual variance	-11.3%	Annual variance	1.6%	Annual variance	1.3%	Annual variance	-1.5%	Annual variance	-0.7%
11 Hackney & Newham		12 Haringey & Islington		13 Harrow & Hillingdon		14 Hounslow & Richmond upon Thames		15 Kingston upon Thames, Merton & Sutton	
Avg rent Mar 18	£1,557	Avg rent Mar 18	£1,656	Avg rent Mar 18	£1,292	Avg rent Mar 18	£1,421	Avg rent Mar 18	£1,354
Annual variance	10.1%	Annual variance	5.6%	Annual variance	-3.5%	Annual variance	-0.7%	Annual variance	0.3%
16 Lambeth		17 Lewisham & Southwark		18 Redbridge & Waltham Forest		19 Tower Hamlets		20 Wandsworth	
Avg rent Mar 18	£2,122	Avg rent Mar 18	£1,697	Avg rent Mar 18	£1,276	Avg rent Mar 18	£1,704	Avg rent Mar 18	£1,662
Annual variance	9.6%	Annual variance	8.0%	Annual variance	1.8%	Annual variance	-0.3%	Annual variance	-1.0%
21 Westminster									
Avg rent Mar 18	£2,132								
Annual variance	4.5%								

Greater London ranked by borough

Five London boroughs with the highest average rent

London borough	Average rent March 2018
Westminster	£2,132
Lambeth	£2,122
Camden, City of London	£1,938
Chelsea, Fulham, Hammersmith and Kensington	£1,852
Tower Hamlets	£1,704

Five London boroughs with the lowest average rent

London borough	Average rent March 2018
Croydon	£1,115
Barking, Dagenham and Havering	£1,202
Bexley and Greenwich	£1,260
Redbridge and Waltham Forest	£1,276
Harrow and Hillingdon	£1,292

Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Hackney and Newham	10.1%
Lambeth	9.6%
Lewisham and Southwark	8.0%
Haringey and Islington	5.6%
Westminster	4.5%

Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Camden, City of London	-11.3%
Harrow and Hillingdon	-3.5%
Ealing	-1.5%
Barnet	-1.4%
Wandsworth	-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