

HomeLet Rental Index

Key headlines

- Rents in the UK rose by 2.1% in October compared to the same month a year ago; the average monthly rent now stands at £928 a month
- Rents in London increased by 4.0% in October this year compared to October 2017; the average monthly rent in the capital now stands at £1,619 a month
- When London is excluded, the average UK rental value was £768 in October 2018, this is up 1.7% on last year
- HomeLet's October Rental Index reveals that rents rose in 11 of the 12 UK regions covered in the research

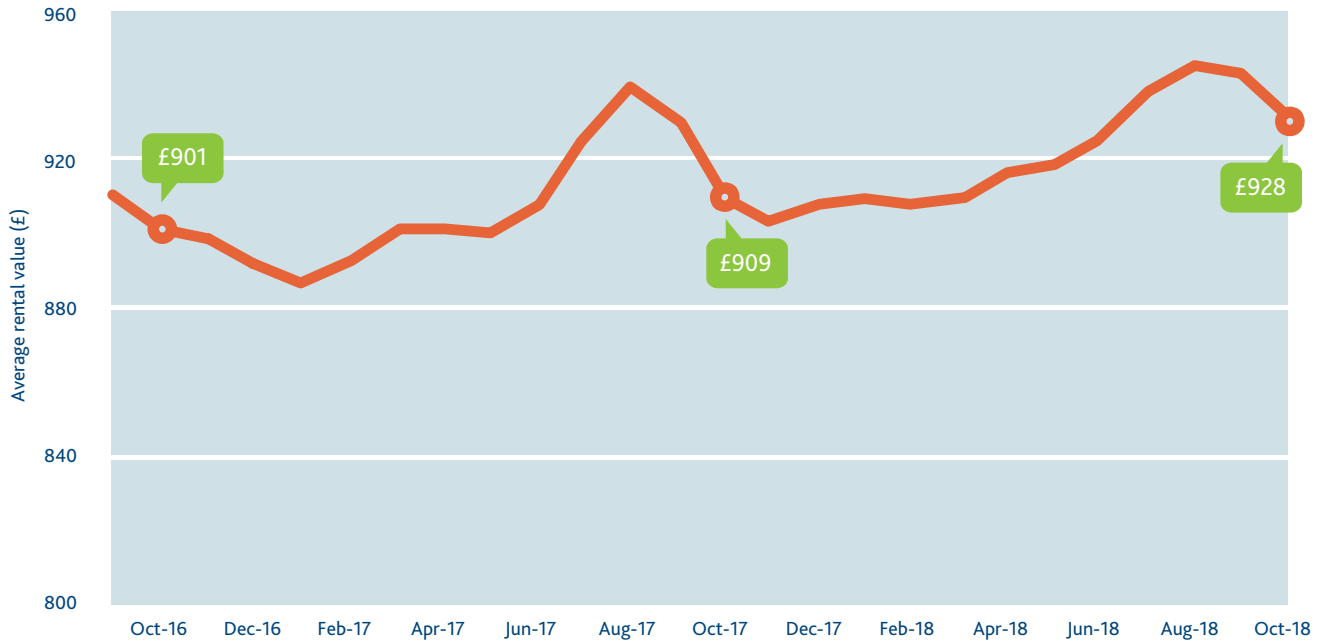


October 2018 edition

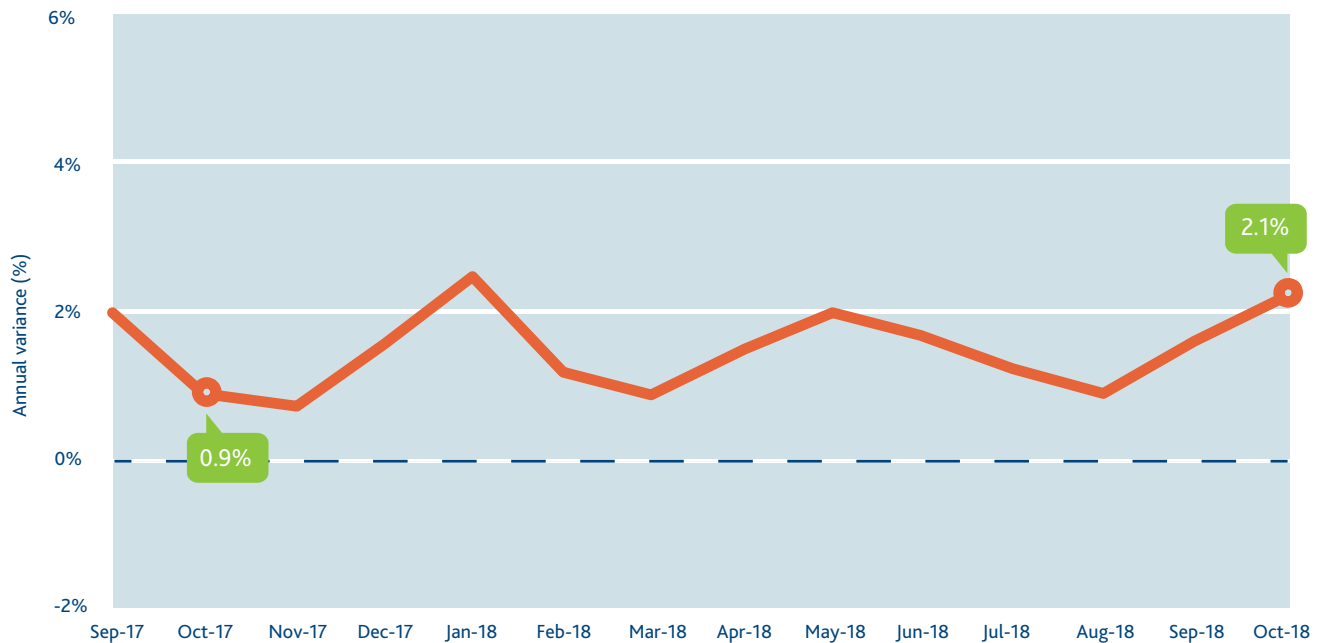
HomeLet Rental Index provides comprehensive and up to date data on new tenancies in the UK. Data is gathered from our tenant referencing service, including the rental amounts agreed, the number of tenants moving into the property together with the employment status, income and age of all tenants. The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

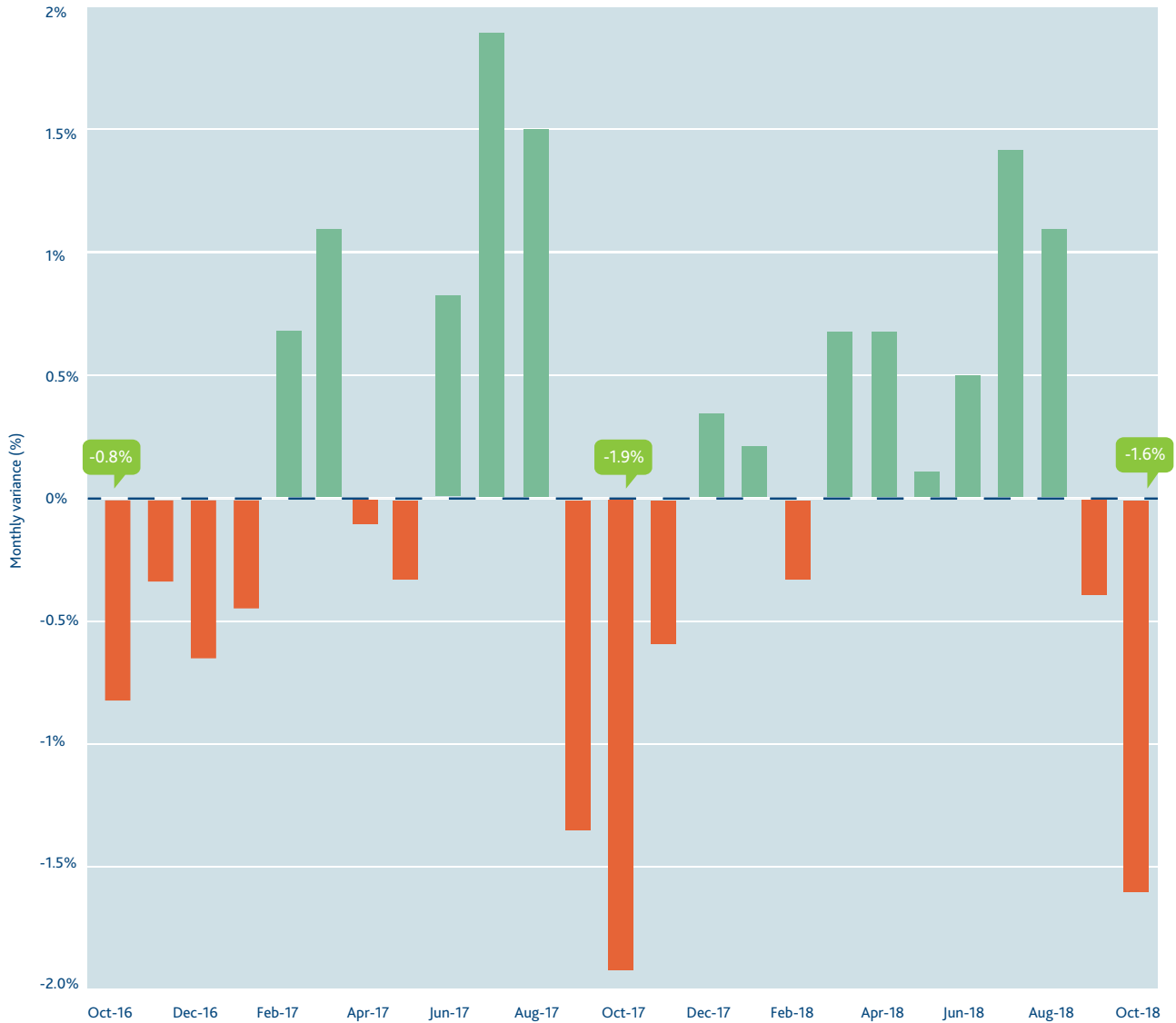


Annual variance in rental values



- Rents in the UK rose by 2.1% in October compared to the same month a year ago; the average monthly rent now stands at £928 a month
- When London is excluded, the average UK rental value was £768 in October 2018, this is up 1.7% on last year

Monthly variance in average rent in the UK



- The UK average rental value decreased by 1.6% between September and October 2018, this is marginally lower than the monthly decrease seen in October 2017 (-1.9%)



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 October 2018	£515	Average rent October 2018	£928
Average rent September 2018	£519	Average rent September 2018	£943
Monthly variance	-0.8%	Monthly variance	-1.8%
Average rent October 2017	£528	Average rent October 2017	£909
Annual variance	-2.5%	Annual variance	2.1%

Scotland	
Average rent October 2018	£647
Average rent September 2018	£663
Monthly variance	-2.4%
Average rent October 2017	£621
Annual variance	4.2%

Yorkshire & Humberside	
Average rent October 2018	£631
Average rent September 2018	£644
Monthly variance	-2.0%
Average rent October 2017	£628
Annual variance	0.5%

North West	
Average rent October 2018	£697
Average rent September 2018	£708
Monthly variance	-1.6%
Average rent October 2017	£692
Annual variance	0.7%

East Midlands	
Average rent October 2018	£628
Average rent September 2018	£629
Monthly variance	-0.2%
Average rent October 2017	£618
Annual variance	1.6%

West Midlands	
Average rent October 2018	£693
Average rent September 2018	£701
Monthly variance	-1.1%
Average rent October 2017	£683
Annual variance	1.5%

East of England	
Average rent October 2018	£908
Average rent September 2018	£915
Monthly variance	-0.8%
Average rent October 2017	£901
Annual variance	0.8%

Wales	
Average rent October 2018	£614
Average rent September 2018	£621
Monthly variance	-1.1%
Average rent October 2017	£612
Annual variance	0.3%

Greater London	
Average rent October 2018	£1,619
Average rent September 2018	£1,640
Monthly variance	-1.3%
Average rent October 2017	£1,556
Annual variance	4.0%

Northern Ireland	
Average rent October 2018	£653
Average rent September 2018	£664
Monthly variance	-1.7%
Average rent October 2017	£625
Annual variance	4.5%

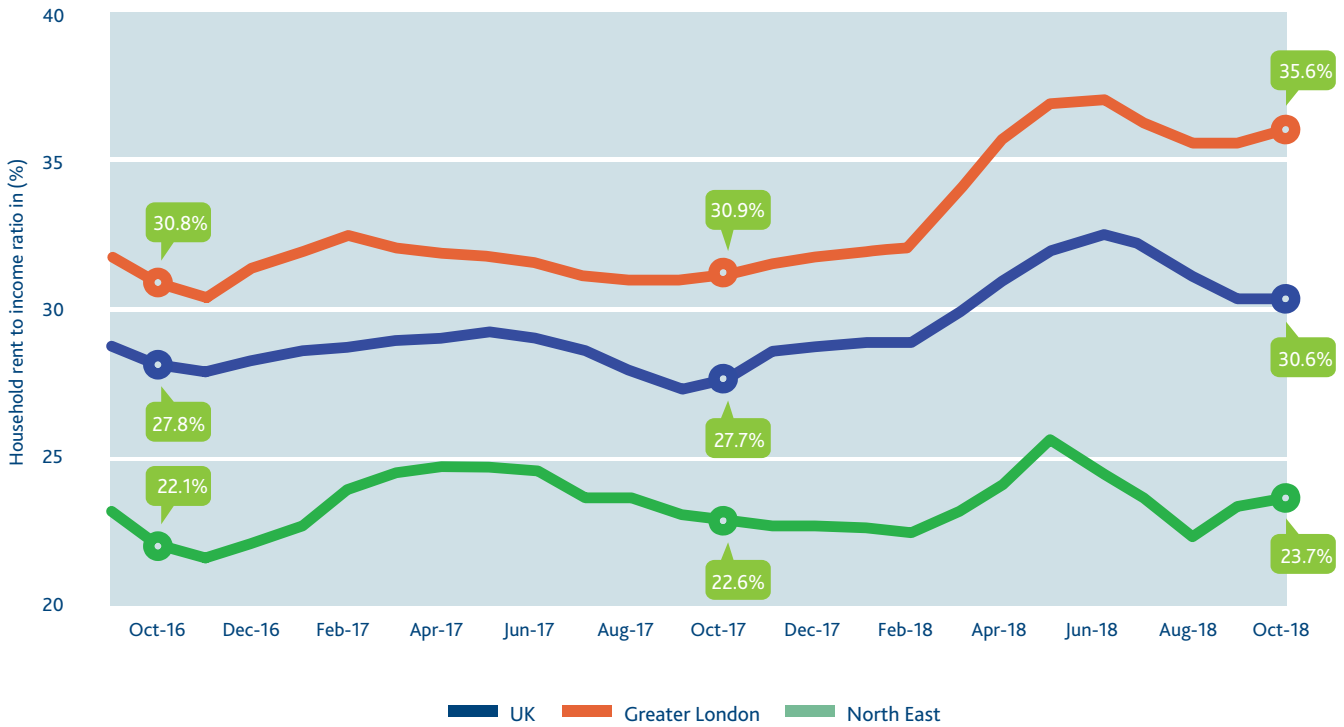
South West	
Average rent October 2018	£811
Average rent September 2018	£818
Monthly variance	-0.9%
Average rent October 2017	£790
Annual variance	2.7%

South East	
Average rent October 2018	£1,010
Average rent September 2018	£1,043
Monthly variance	-3.2%
Average rent October 2017	£977
Annual variance	3.4%

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

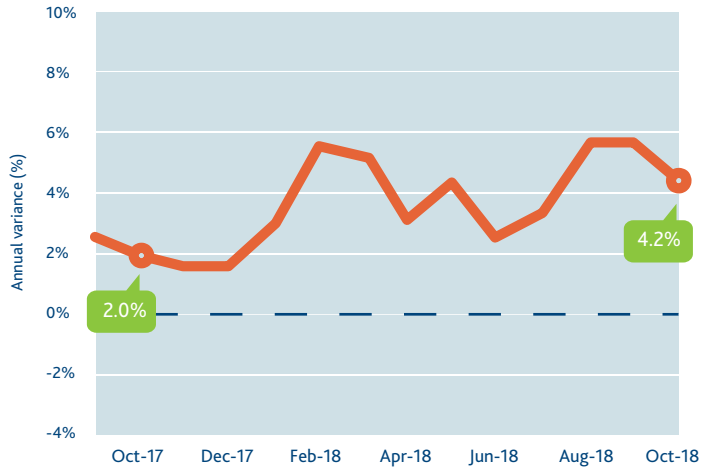


Household rent to income ratio by region

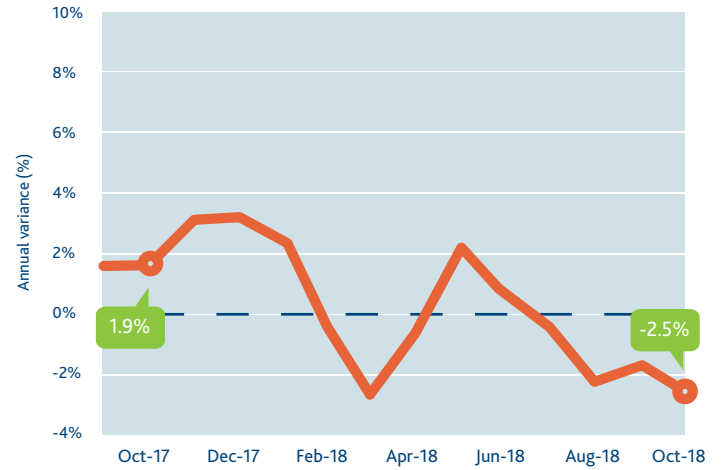
Region	October 2017	October 2018	Variance (percentage points)
North East	22.6%	23.7%	1.1%
North West	25.1%	27.1%	2.0%
Yorkshire and The Humber	24.1%	26.3%	2.2%
East Midlands	26.5%	28.8%	2.3%
Wales	27.6%	29.3%	1.7%
South West	28.8%	31.5%	2.7%
South East	28.9%	31.6%	2.7%
London	30.9%	35.6%	4.7%
East Of England	27.9%	30.3%	2.4%
West Midlands	26.3%	29.2%	2.9%
Scotland	24.1%	27.0%	2.9%
Northern Ireland	23.8%	25.9%	2.1%
UK	27.7%	30.6%	2.9%
UK Ex London	26.8%	29.2%	2.4%

Annual variance in average rental values by region

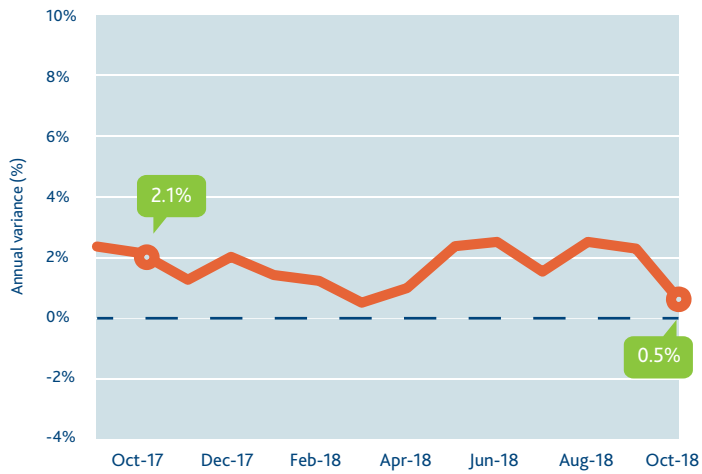
Scotland



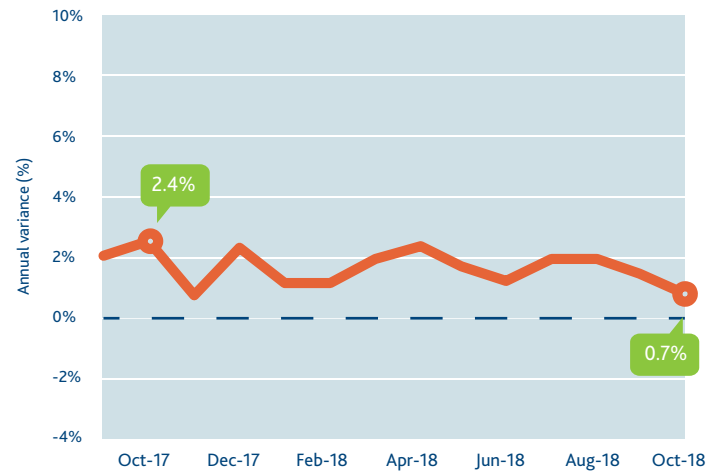
North East



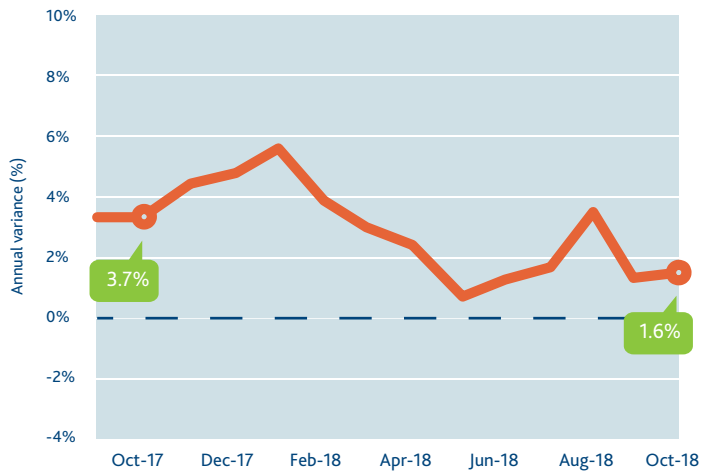
Yorkshire and the Humber



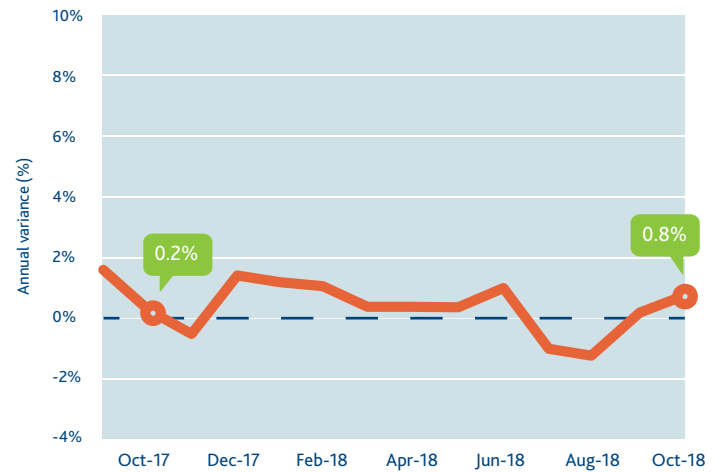
North West



East Midlands

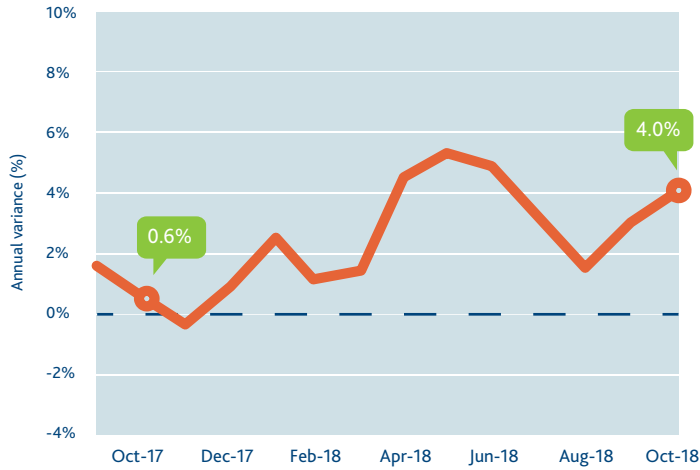


East of England

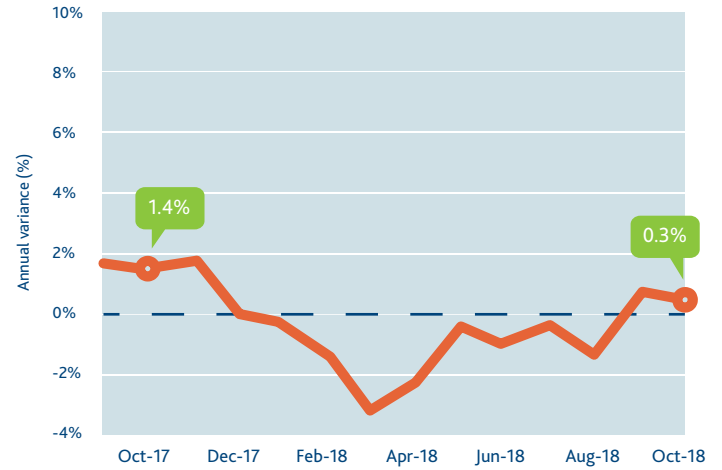


Annual variance in average rental values by region

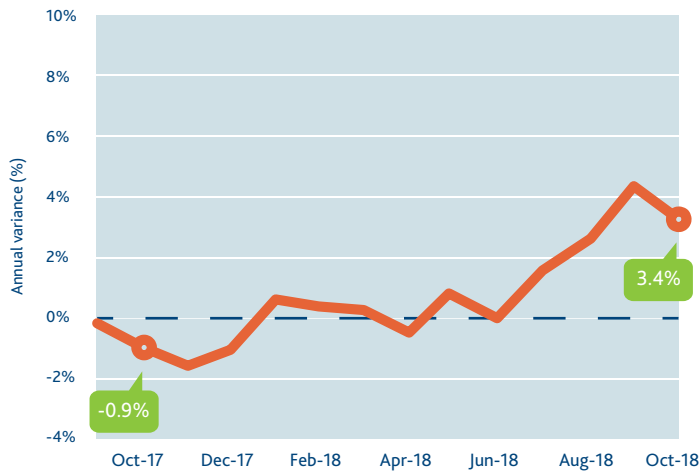
Greater London



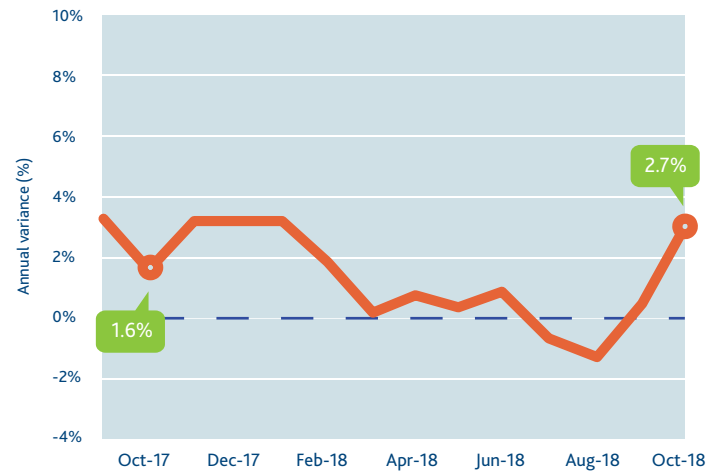
Wales



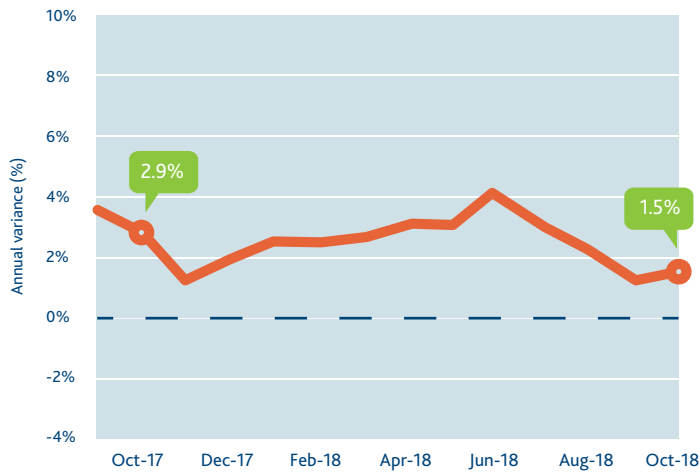
South East



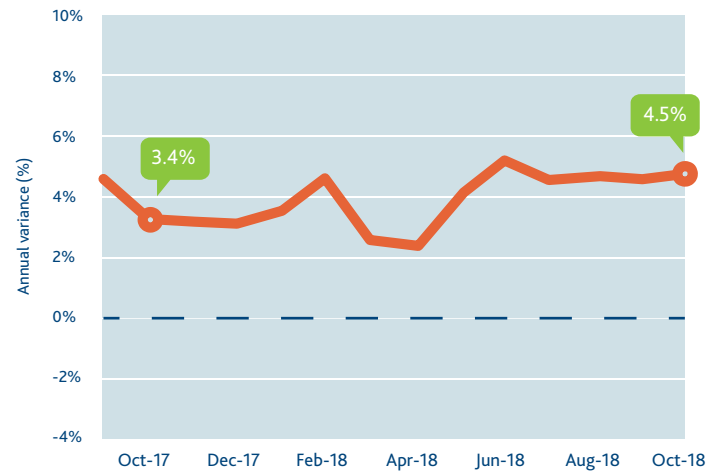
South West



West Midlands

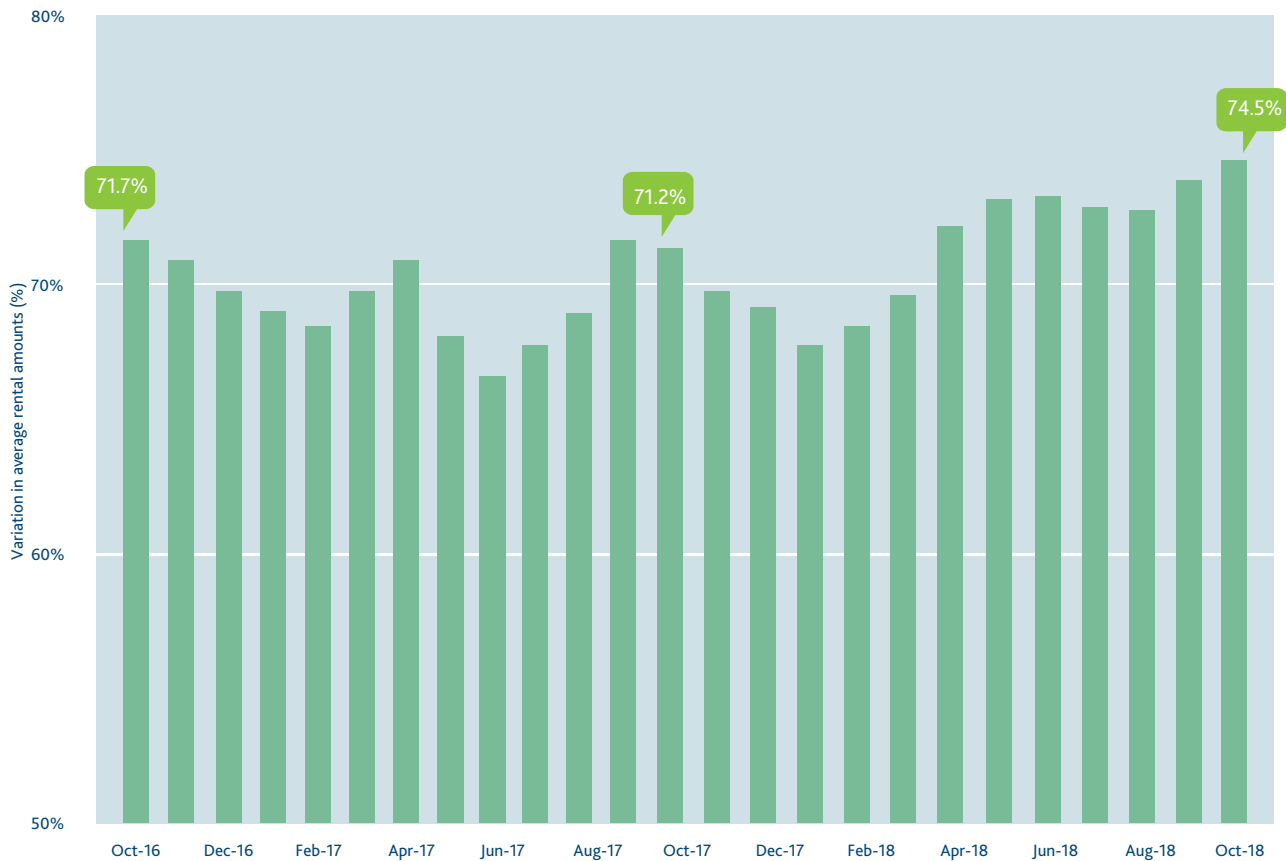


Northern Ireland



Greater London vs. the UK

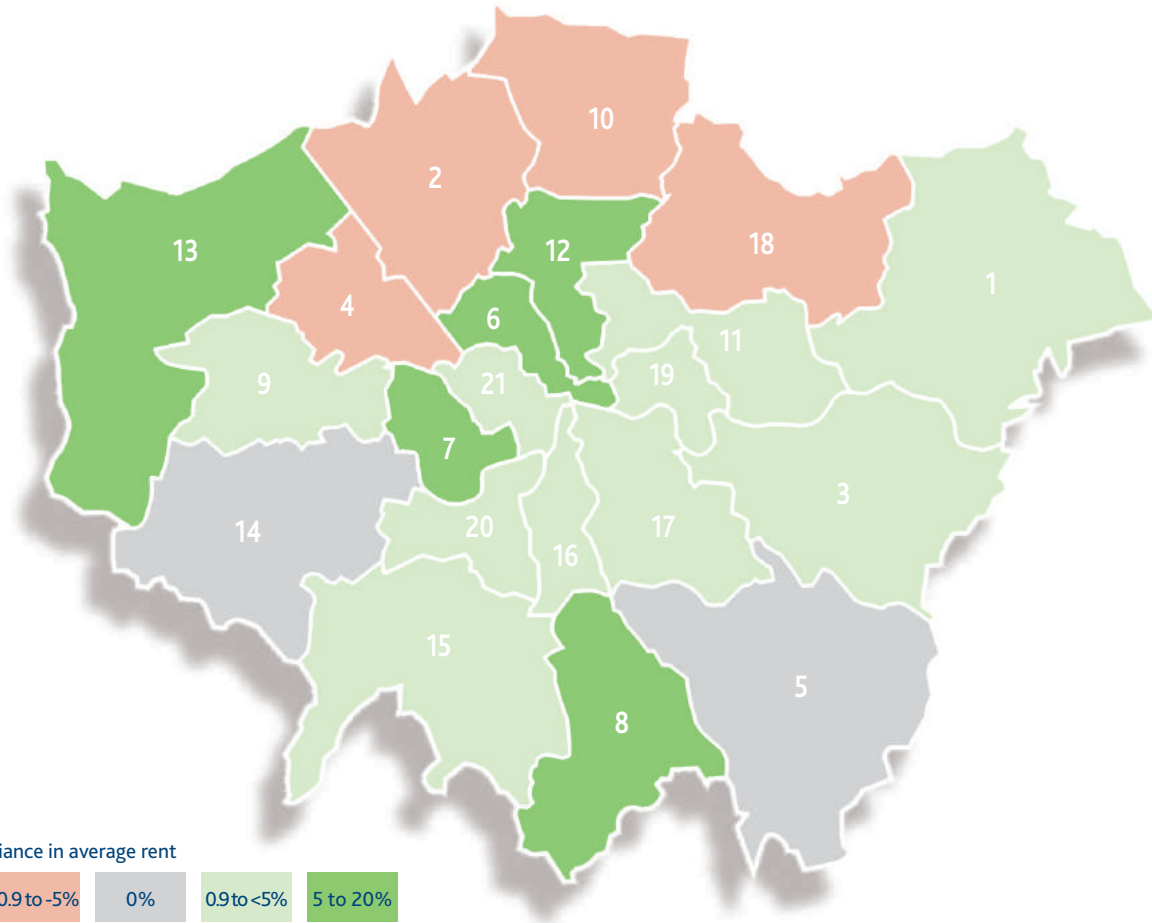
Monthly variation between Greater London rental prices and the UK average



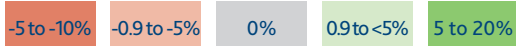
- In October, average rental values in London (£1,619) were 74.5% higher than the UK (£928)
- When London is excluded the average rent in the UK was £768 in October, average rents in London (£1,619) were 110.8% higher than the rest of the UK.

Greater London by borough

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



% Annual variance in average rent



1 Barking, Dagenham & Havering Avg rent October 18 £1,216 Annual variance 1.1%	2 Barnet Avg rent October 18 £1,480 Annual variance -1.5%	3 Bexley & Greenwich Avg rent October 18 £1,339 Annual variance 4.3%	4 Brent Avg rent October 18 £1,553 Annual variance -1.0%	5 Bromley Avg rent October 18 £1,358 Annual variance -0.2%
6 Camden & City of London Avg rent October 18 £2,284 Annual variance 19.4%	7 Chelsea, Fulham, Hammersmith & Kensington Avg rent October 18 £1,988 Annual variance 6.0%	8 Croydon Avg rent October 18 £1,138 Annual variance 7.7%	9 Ealing Avg rent October 18 £1,479 Annual variance 2.6%	10 Enfield Avg rent October 18 £1,364 Annual variance -1.4%
11 Hackney & Newham Avg rent October 18 £1,540 Annual variance 4.8%	12 Haringey & Islington Avg rent October 18 £1,804 Annual variance 18.2%	13 Harrow & Hillingdon Avg rent October 18 £1,309 Annual variance 9.0%	14 Hounslow & Richmond upon Thames Avg rent October 18 £1,393 Annual variance 0.4%	15 Kingston upon Thames, Merton & Sutton Avg rent October 18 £1,331 Annual variance 1.6%
16 Lambeth Avg rent October 18 £2,107 Annual variance 1.9%	17 Lewisham & Southwark Avg rent October 18 £1,731 Annual variance 2.5%	18 Redbridge & Waltham Forest Avg rent October 18 £1,245 Annual variance -3.9%	19 Tower Hamlets Avg rent October 18 £1,833 Annual variance 2.6%	20 Wandsworth Avg rent October 18 £1,774 Annual variance 3.2%
21 Westminster Avg rent October 18 £2,245 Annual variance 3.5%				

Greater London ranked by borough

Five London boroughs with the highest average rent

London borough	Average rent October 2018
Camden, City of London	£2,284
Westminster	£2,245
Lambeth	£2,107
Chelsea, Fulham, Hammersmith and Kensington	£1,988
Tower Hamlets	£1,833

Five London boroughs with the lowest average rent

London borough	Average rent October 2018
Croydon	£1,138
Barking, Dagenham and Havering	£1,216
Redbridge and Waltham Forest	£1,245
Harrow and Hillingdon	£1,309
Kingston upon Thames, Merton and Sutton	£1,331

Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Camden, City of London	19.4%
Haringey and Islington	18.2%
Harrow and Hillingdon	9.0%
Croydon	7.7%
Chelsea, Fulham, Hammersmith and Kensington	6.0%

Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Redbridge and Waltham Forest	-3.9%
Barnet	-1.5%
Enfield	-1.4%
Brent	-1.0%
Bromley	-0.2%

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