

HomeLet Rental Index

Key headlines

- Rents in the UK rose by 0.9% in October compared to the same month a year ago; the average monthly rent now stands at £909 a month
- Rents in London rose by 0.6% in October this year compared to October 2016; the average monthly rent in the capital now stands at £1,556 a month
- When London is excluded, the average UK rental value was £755 in October 2017, this is up 1.5% on last year
- HomeLet's October Rental Index reveals that rents rose in 11 of the 12 UK regions covered in the research

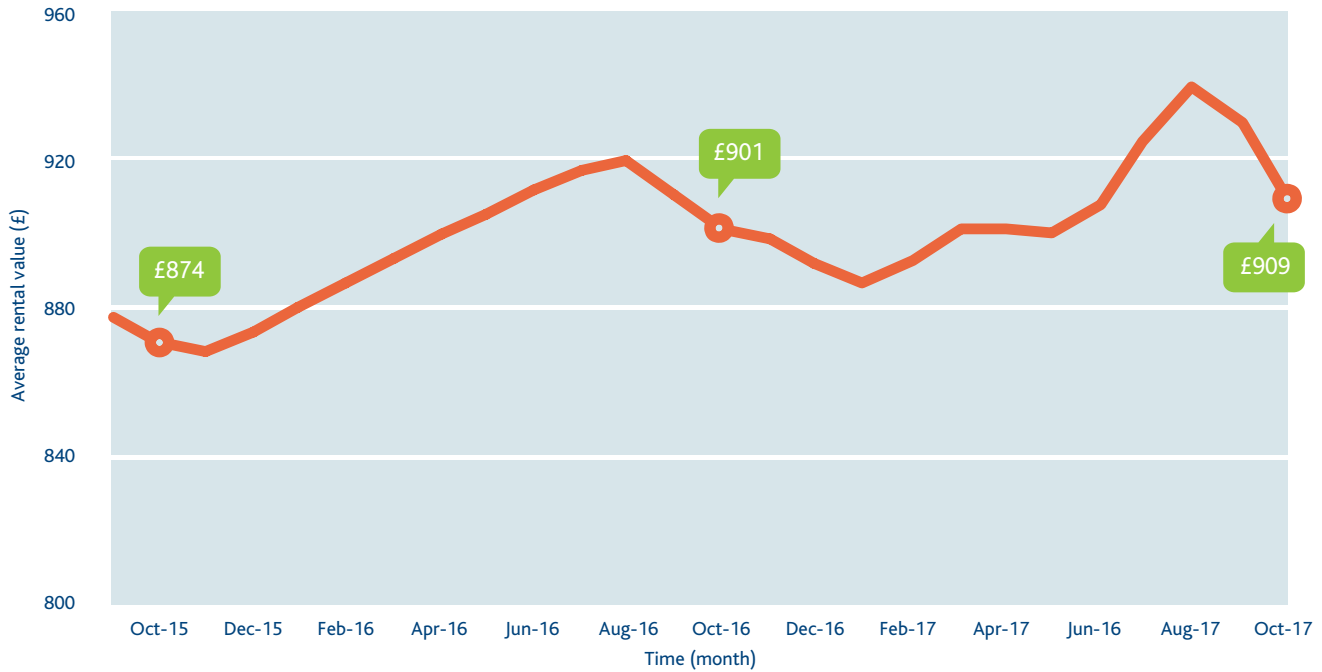


October 2017 edition

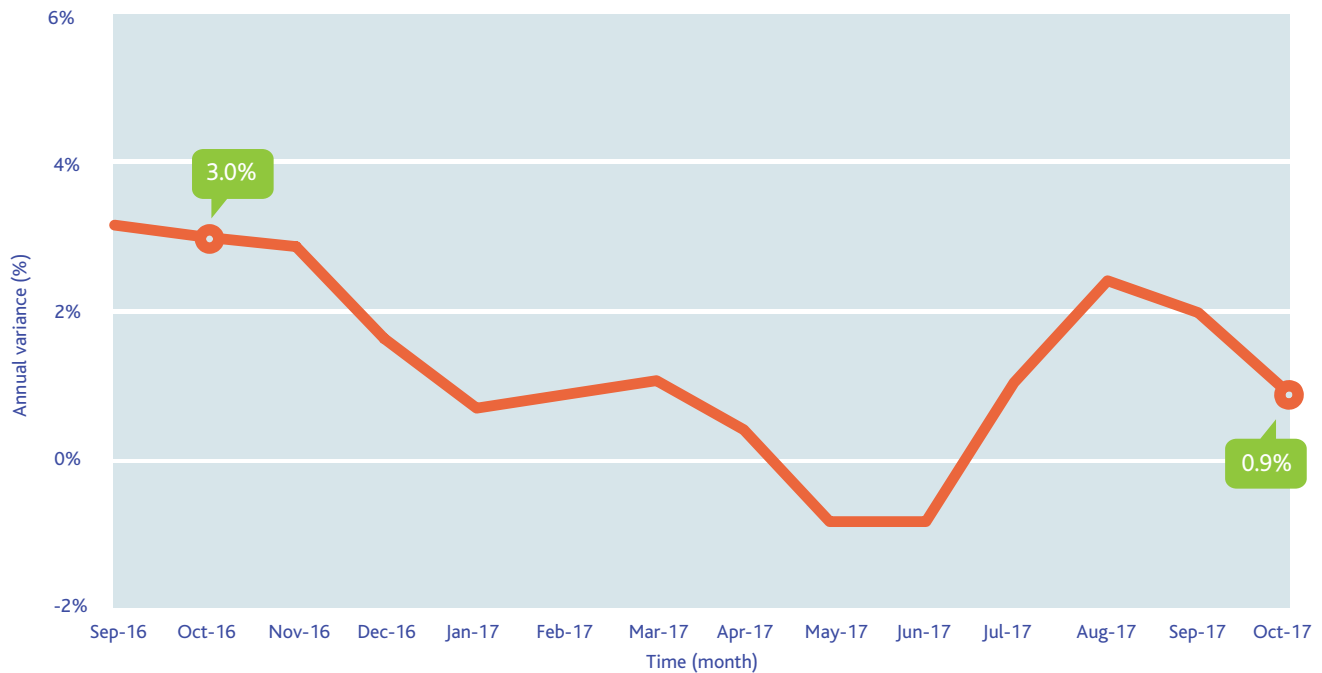
HomeLet Rental Index provides comprehensive and up to date data on new tenancies in the UK. Data is gathered from our tenant referencing service, including the rental amounts agreed, the number of tenants moving into the property together with the employment status, income and age of all tenants. The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

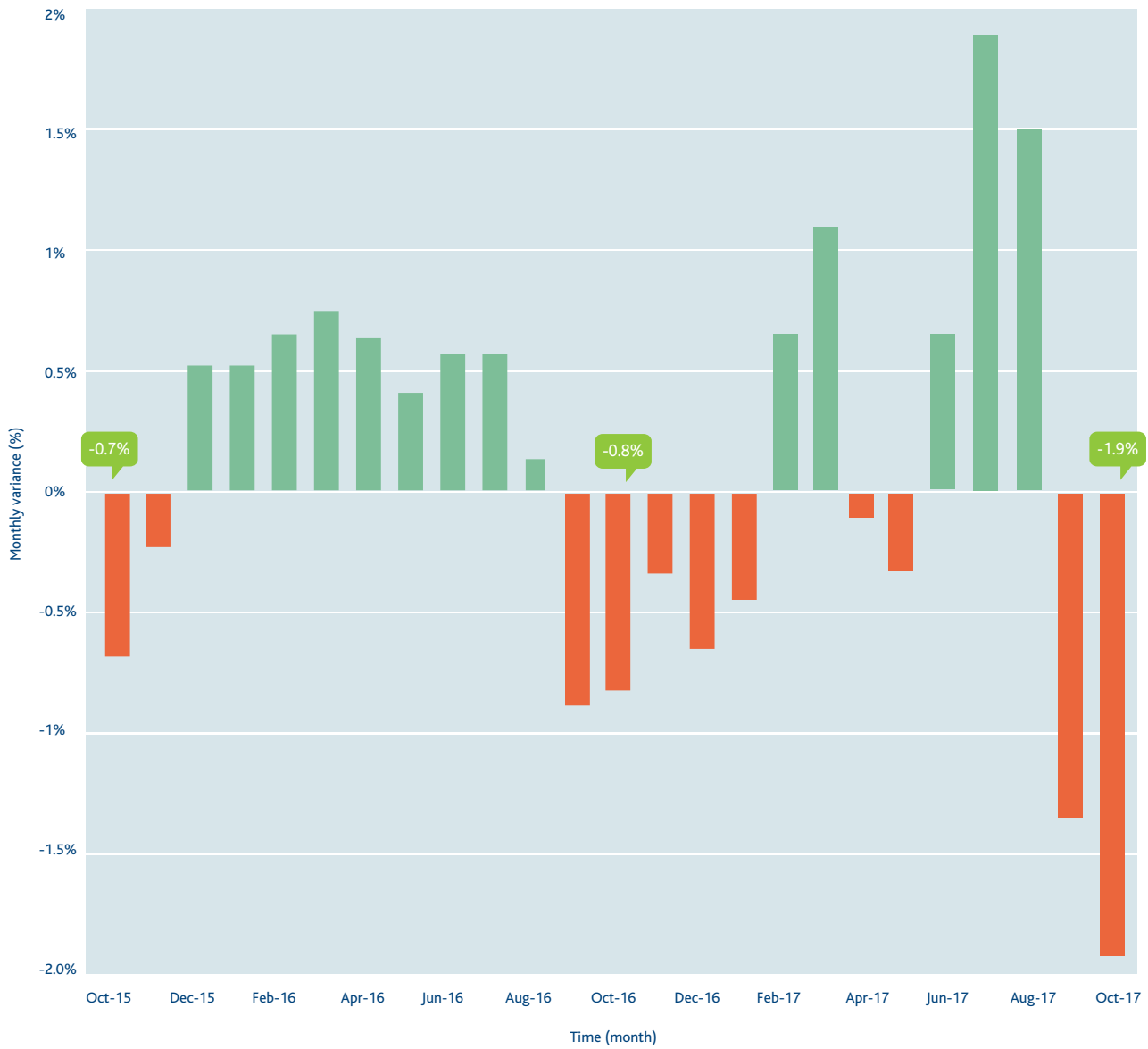


Annual variance in rental values



- When London is excluded, the average UK rental value was £755 in October 2017, this is up 1.5% on last year

Monthly variance in average rent in the UK



- The UK average rental value decreased by 1.9% between September and October 2017



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 2017	£528	Average rent October 2017	£909
Average rent September 2017	£529	Average rent September 2017	£927
Monthly variance	-0.2%	Monthly variance	-1.9%
Average rent October 2016	£518	Average rent October 2016	£901
Annual variance	1.9%	Annual variance	0.9%

Scotland	
Average rent October 2017	£621
Average rent September 2017	£628
Monthly variance	-1.1%
Average rent October 2016	£608
Annual variance	2.1%

Yorkshire & Humberside	
Average rent October 2017	£628
Average rent September 2017	£630
Monthly variance	-0.3%
Average rent October 2016	£615
Annual variance	2.1%

North West	
Average rent October 2017	£692
Average rent September 2017	£697
Monthly variance	-0.7%
Average rent October 2016	£676
Annual variance	2.3%

East Midlands	
Average rent October 2017	£618
Average rent September 2017	£620
Monthly variance	-0.3%
Average rent October 2016	£596
Annual variance	3.6%

West Midlands	
Average rent October 2017	£683
Average rent September 2017	£692
Monthly variance	-1.3%
Average rent October 2016	£663
Annual variance	2.9%

East of England	
Average rent October 2017	£901
Average rent September 2017	£914
Monthly variance	-1.4%
Average rent October 2016	£899
Annual variance	0.2%

Wales	
Average rent October 2017	£612
Average rent September 2017	£617
Monthly variance	-0.8%
Average rent October 2016	£603
Annual variance	1.5%

Greater London	
Average rent October 2017	£1,556
Average rent September 2017	£1,593
Monthly variance	-2.3%
Average rent October 2016	£1,547
Annual variance	0.6%

Northern Ireland	
Average rent October 2017	£625
Average rent September 2017	£636
Monthly variance	-1.7%
Average rent October 2016	£604
Annual variance	3.4%

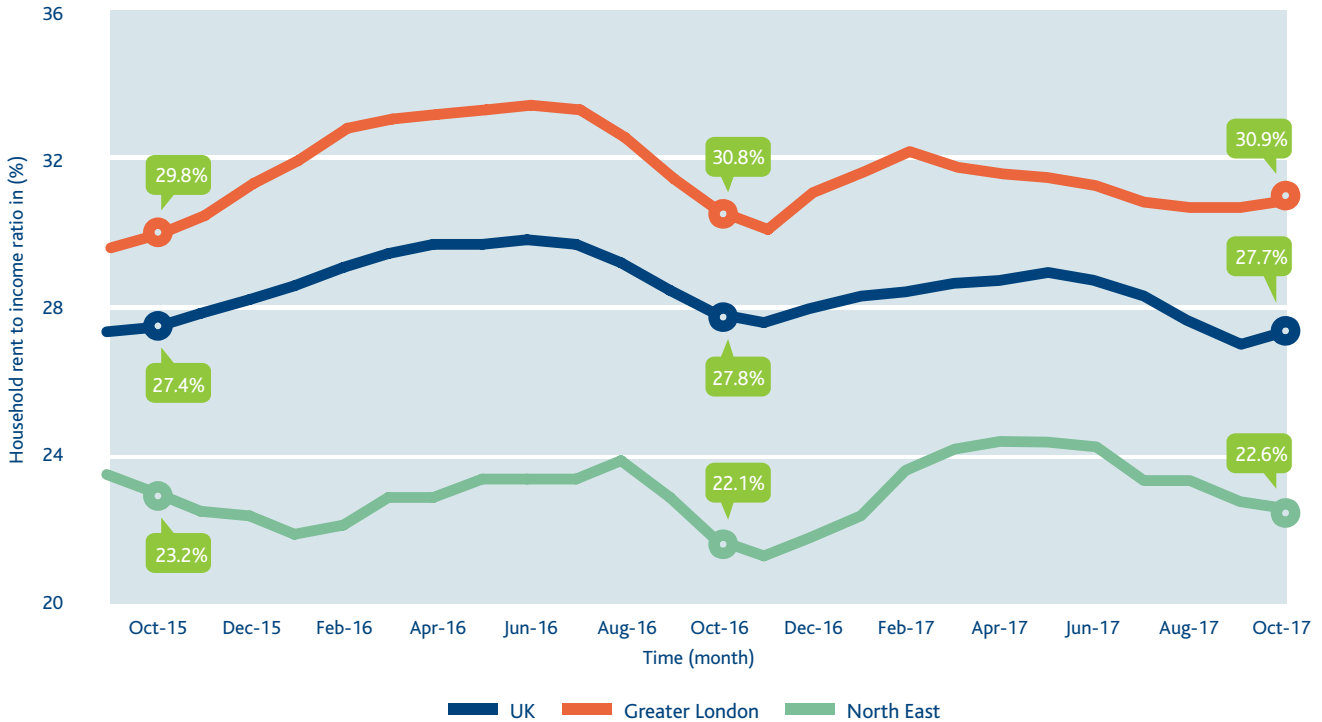
South West	
Average rent October 2017	£790
Average rent September 2017	£814
Monthly variance	-2.9%
Average rent October 2016	£777
Annual variance	1.6%

South East	
Average rent October 2017	£977
Average rent September 2017	£1,001
Monthly variance	-2.4%
Average rent October 2016	£985
Annual variance	-0.8%

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

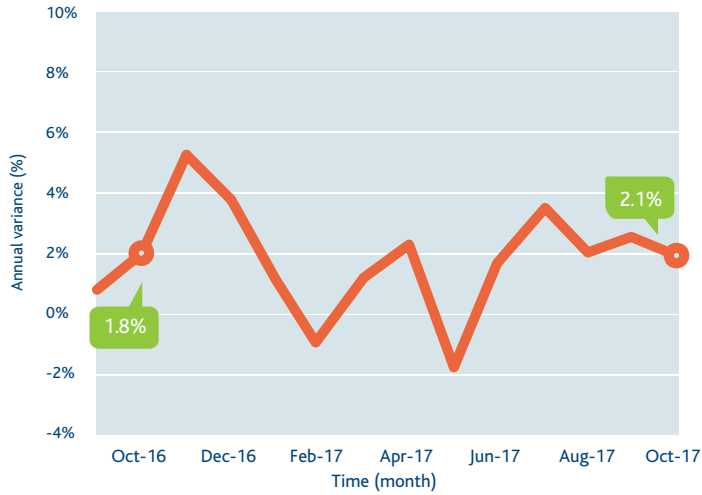


Household rent to income ratio by region

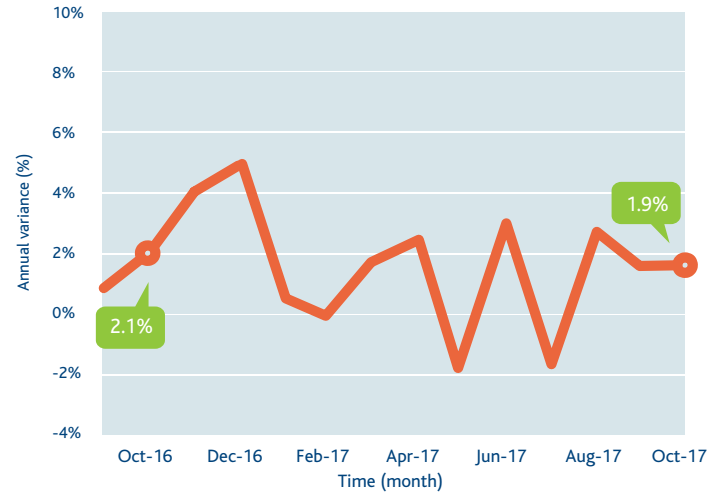
Region	October 2017	October 2016	Variance (percentage points)
North East	22.6%	22.1%	0.5%
North West	25.1%	25.7%	-0.6%
Yorkshire and The Humber	24.1%	24.4%	-0.3%
East Midlands	26.5%	26.0%	0.5%
Wales	27.6%	29.0%	-1.4%
South West	28.8%	29.1%	-0.3%
South East	28.9%	28.7%	0.2%
Greater London	30.9%	30.8%	0.1%
East of England	27.9%	27.8%	0.1%
West Midlands	26.3%	26.2%	0.1%
Scotland	24.1%	24.6%	-0.5%
Northern Ireland	23.8%	24.5%	-0.7%
UK	27.0%	27.8%	-0.1%
UK excluding Greater London	26.8%	26.9%	-0.1%

Annual variance in average rental values by region

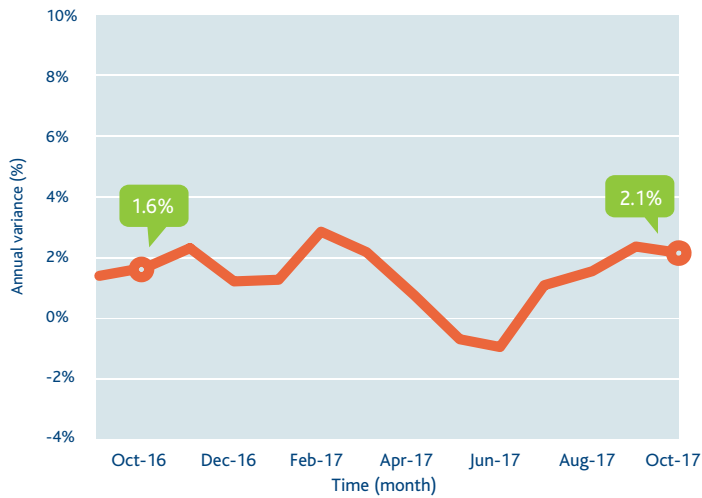
Scotland



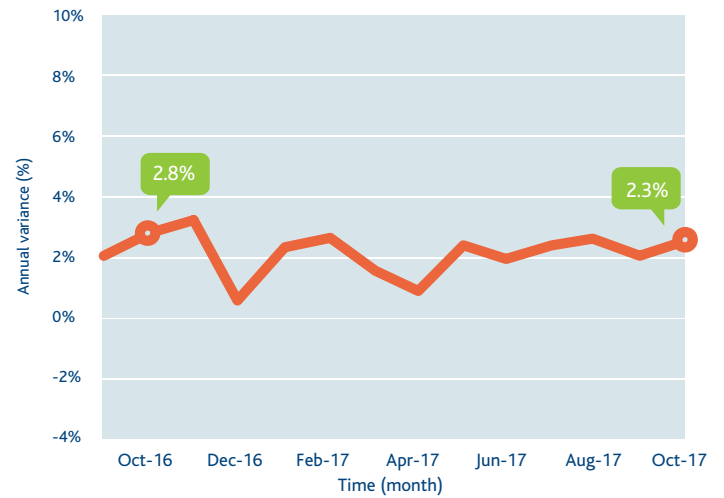
North East



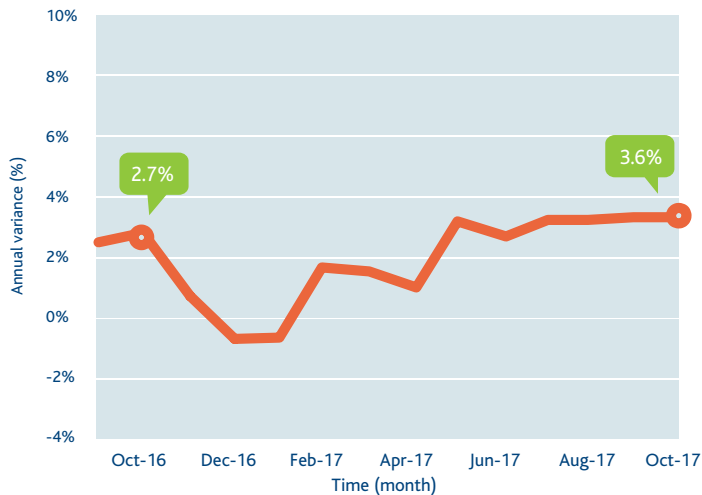
Yorkshire and the Humber



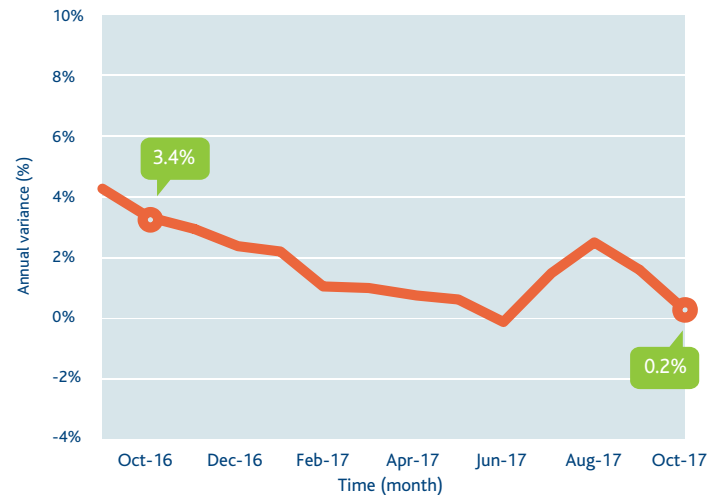
North West



East Midlands

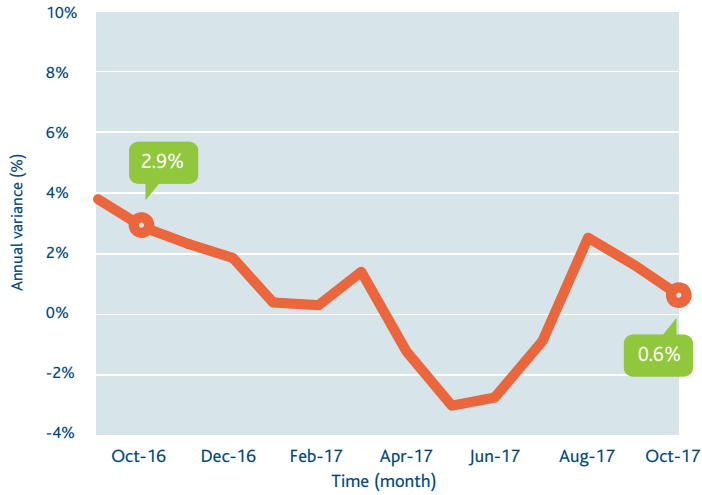


East of England

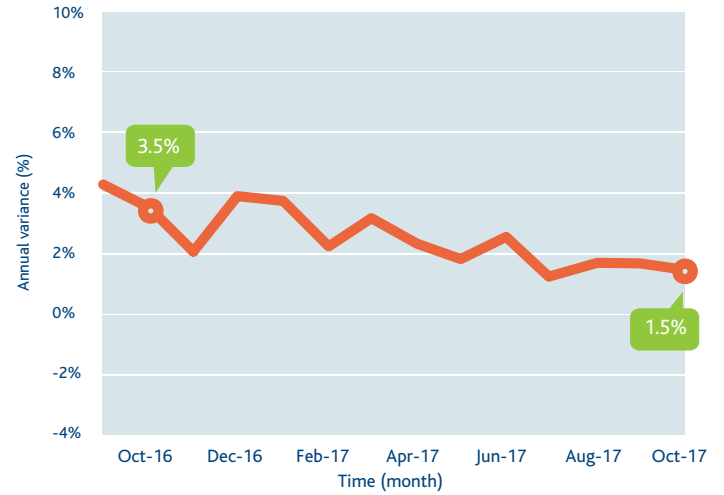


Annual variance in average rental values by region

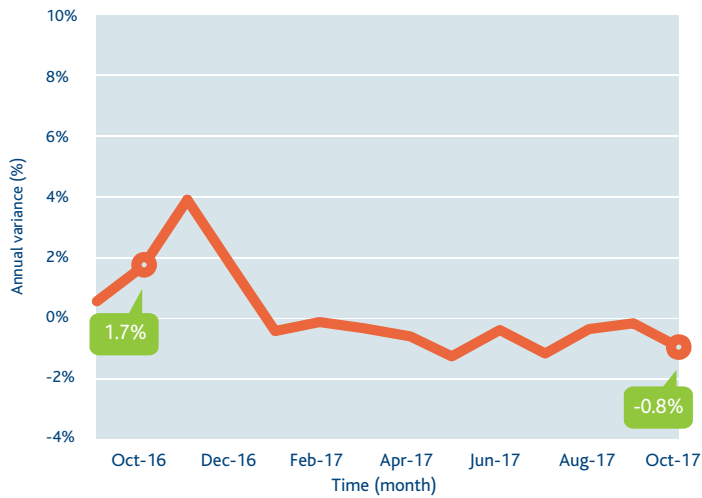
Greater London



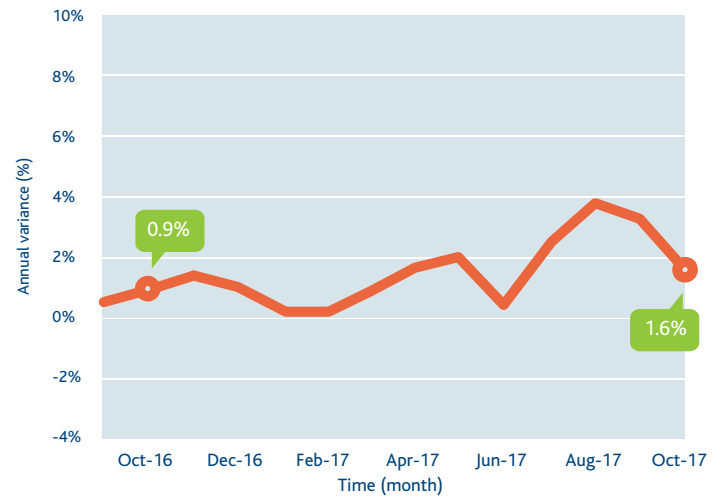
Wales



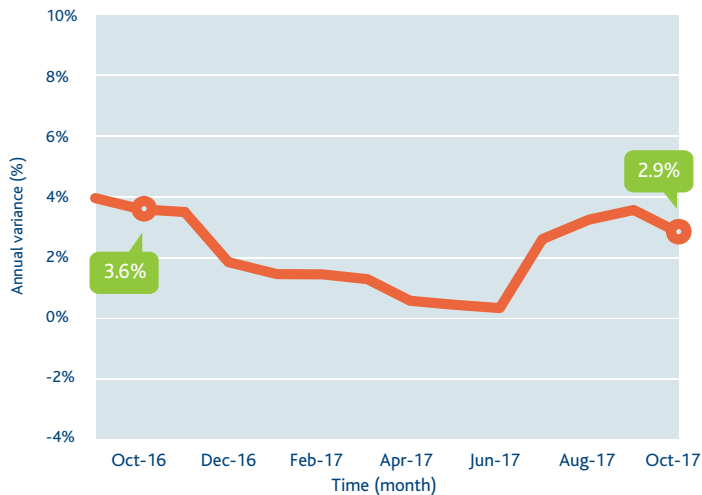
South East



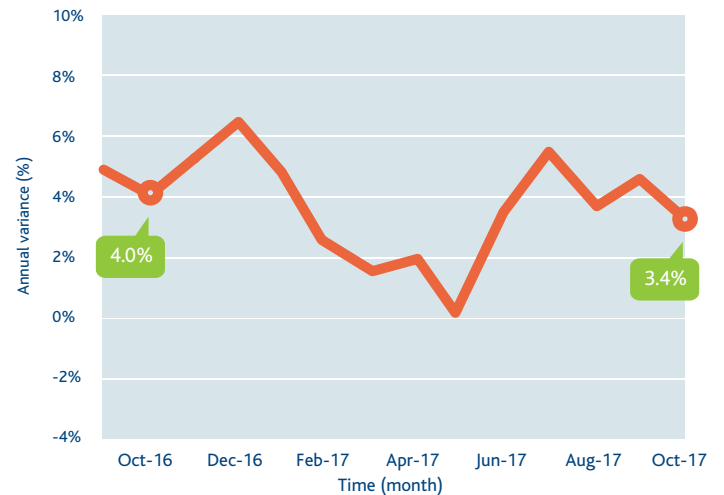
South West



West Midlands

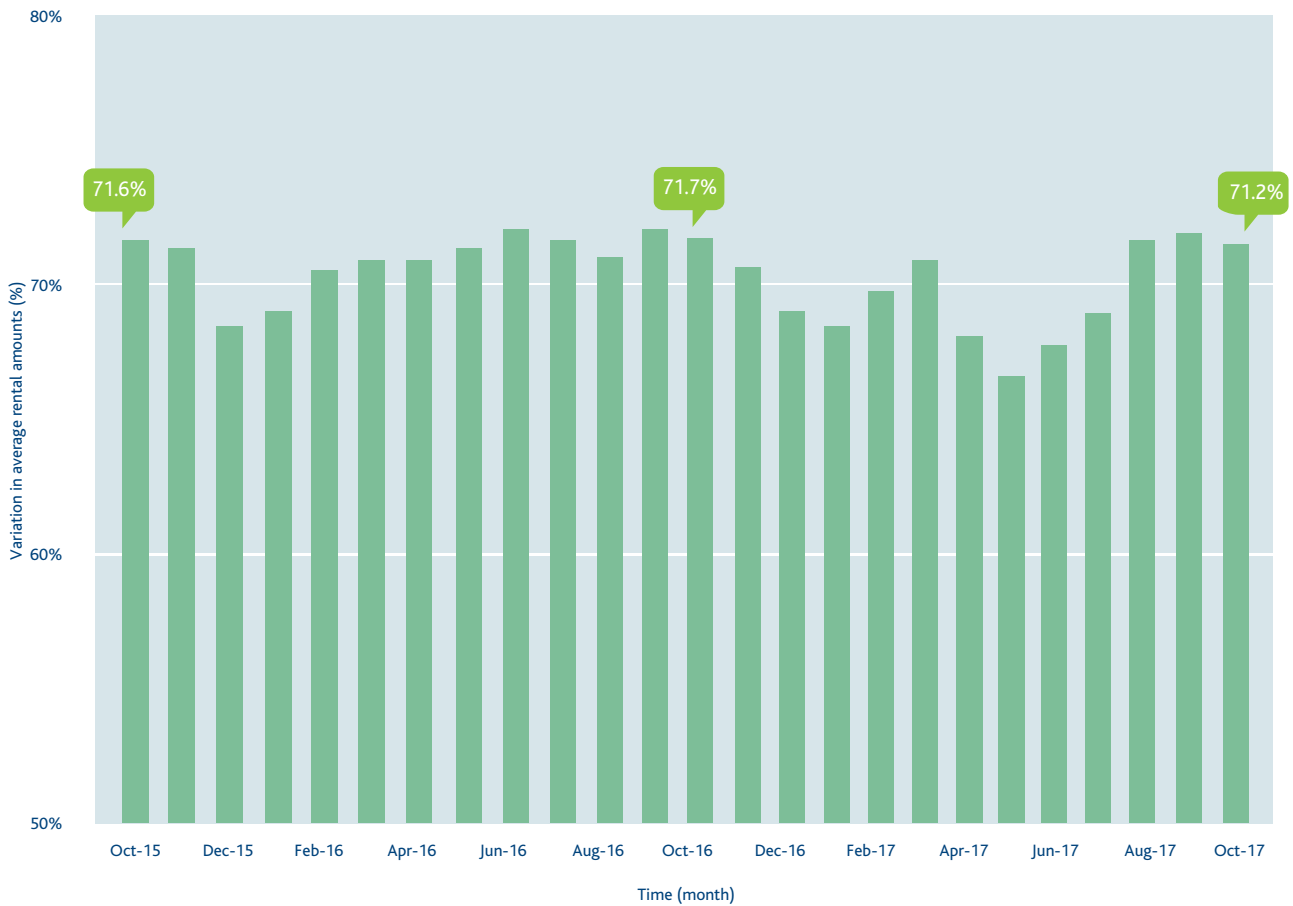


Northern Ireland



Greater London vs. the UK

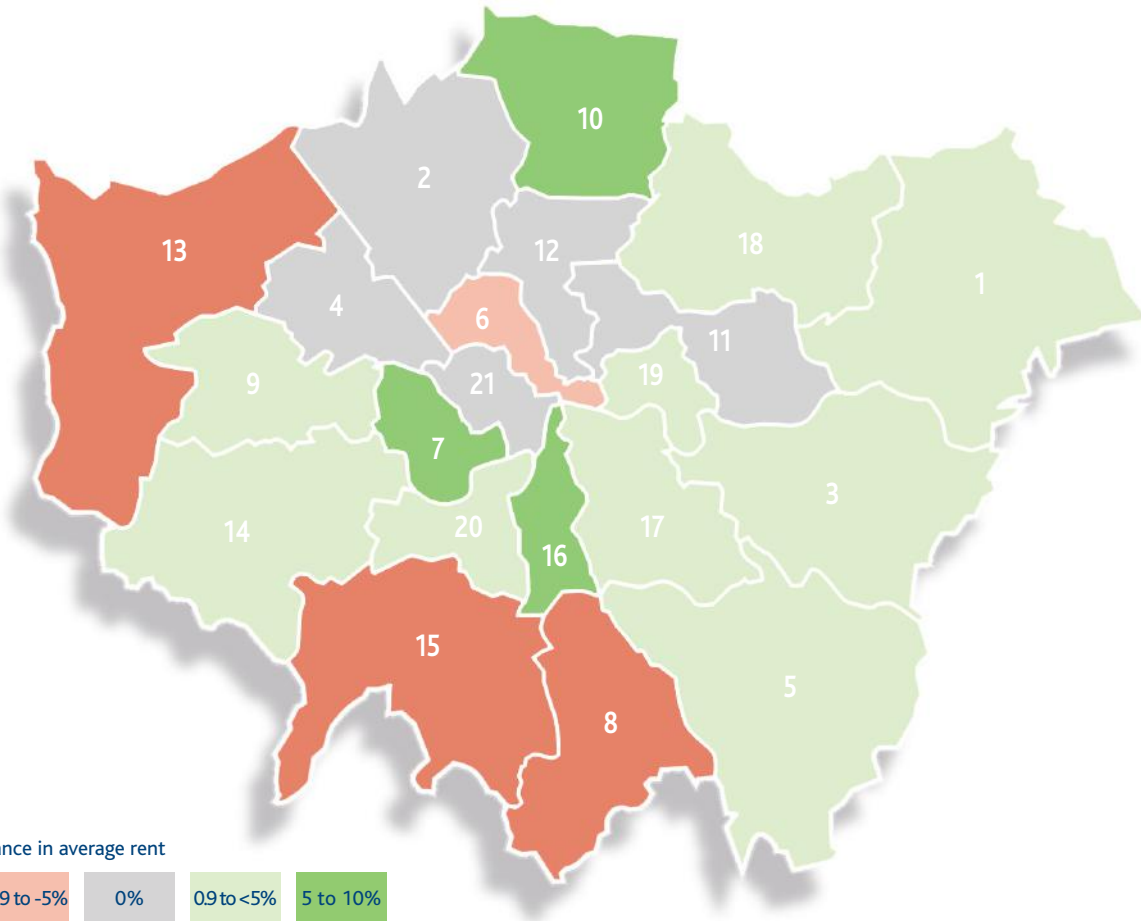
Monthly variation between Greater London rental prices and the UK average



- In October 2017, average rental values in London (£1,556) were 71.2% higher than the rest of the UK (£909)
- When London is excluded the average rent in the UK was £755 in October, average rents in London (£1,556) were 106.0% 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 2017 with October 2016.



% Annual variance in average rent



1 Barking, Dagenham & Havering	2 Barnet	3 Bexley & Greenwich	4 Brent	5 Bromley
Avg rent Oct 17 £1,203	Avg rent Oct 17 £1,502	Avg rent Oct 17 £1,284	Avg rent Oct 17 £1,569	Avg rent Oct 17 £1,361
Annual variance 1.0%	Annual variance -0.4%	Annual variance 1.9%	Annual variance -0.1%	Annual variance 3.7%
6 Camden & City of London	7 Chelsea, Fulham, Hammersmith & Kensington	8 Croydon	9 Ealing	10 Enfield
Avg rent Oct 17 £1,913	Avg rent Oct 17 £1,875	Avg rent Oct 17 £1,057	Avg rent Oct 17 £1,441	Avg rent Oct 17 £1,384
Annual variance -3.7%	Annual variance 5.2%	Annual variance -7.6%	Annual variance 1.4%	Annual variance 6.0%
11 Hackney & Newham	12 Haringey & Islington	13 Harrow & Hillingdon	14 Hounslow & Richmond upon Thames	15 Kingston upon Thames, Merton & Sutton
Avg rent Oct 17 £1,469	Avg rent Oct 17 £1,526	Avg rent Oct 17 £1,201	Avg rent Oct 17 £1,387	Avg rent Oct 17 £1,310
Annual variance -1.5%	Annual variance -1.2%	Annual variance -11.0%	Annual variance 2.7%	Annual variance -7.6%
16 Lambeth	17 Lewisham & Southwark	18 Redbridge & Waltham Forest	19 Tower Hamlets	20 Wandsworth
Avg rent Oct 17 £2,067	Avg rent Oct 17 £1,688	Avg rent Oct 17 £1,296	Avg rent Oct 17 £1,786	Avg rent Oct 17 £1,719
Annual variance 5.0%	Annual variance 1.2%	Annual variance 3.5%	Annual variance 2.5%	Annual variance 3.3%
21 Westminster				
Avg rent Oct 17 £2,169				
Annual variance 0.8%				

Greater London ranked by borough

Five London boroughs with the highest average rent

London borough	Average rent October 2017
Westminster	£2,204
Lambeth	£2,129
Camden, City of London	£2,077
Chelsea, Fulham, Hammersmith and Kensington	£1,876
Tower Hamlets	£1,873

Five London boroughs with the lowest average rent

London borough	Average rent October 2017
Croydon	£1,057
Harrow and Hillingdon	£1,201
Barking, Dagenham and Havering	£1,203
Bexley and Greenwich	£1,284
Redbridge and Waltham Forest	£1,296

Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Enfield	6.0%
Chelsea, Fulham, Hammersmith and Kensington	5.2%
Lambeth	5.0%
Bromley	3.7%
Redbridge and Waltham Forest	3.5%

Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Harrow and Hillingdon	-11.0%
Croydon	-7.6%
Kingston upon Thames, Merton & Sutton	-7.6%
Camden, City of London	-3.7%
Hackney and Newham	-1.5%

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