

HomeLet Rental Index

Key headlines

- 2016 to date has seen a slower rate of rental growth, compared to the same period last year
- When London is excluded, the average UK rental value was £779pcm - this is 2.3% higher than the same period last year (£761pcm) and a reduction in the rate of increase seen in July 2015 (8.1%)
- Average rental values have increased in nine out of twelve regions in the UK, compared to the same period last year
- Rents in Greater London are up by 4% year on year – a drop in the rate of increase seen in July 2015 (9.5%)

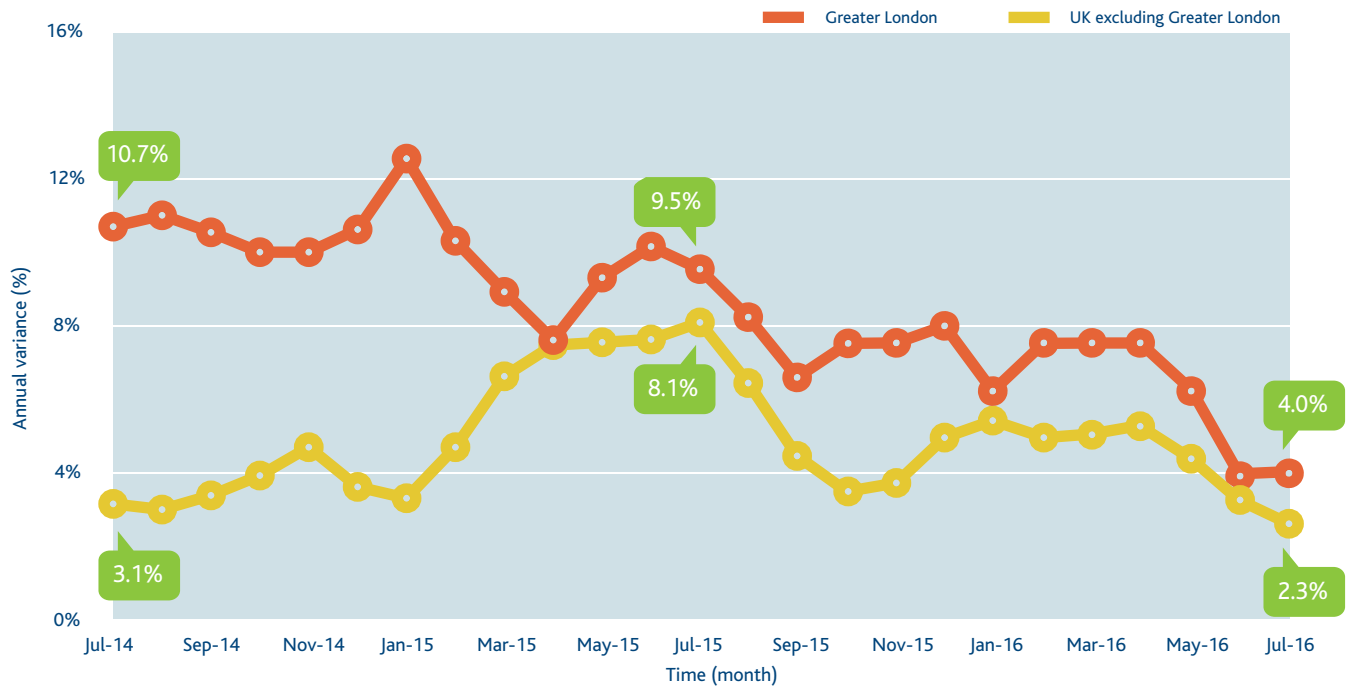


July 2016 edition

HomeLet Rental Index provides comprehensive and up to date data on new tenancies in the UK. As part of the referencing process for around 350,000 prospective tenants each year, HomeLet processes information 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. All rental and income amounts are an average taken over the three months preceding July. The annual change is calculated as an average for the latest three months compared with the same period a year earlier.

Average rental values

Annual variance in average rent for Greater London and the UK (excluding Greater London)



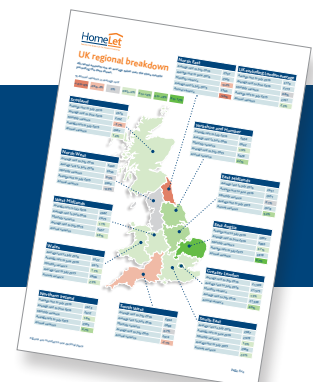
It's interesting to note...

- The average UK rental value excluding London was £779pcm - this is 2.3% higher than last year (£761pcm)
- Greater London is up by 4% against last year, which is a reduction on the rate of increase seen in July 2015 (9.5%)
- The rest of the UK is up by 2.3% against last year, which is a reduction on the rate of increase seen in July 2015 (8.1%)
- Outside London, the highest levels of annual increase have been seen in East Anglia (9.7%) and the East Midlands (5.4%)



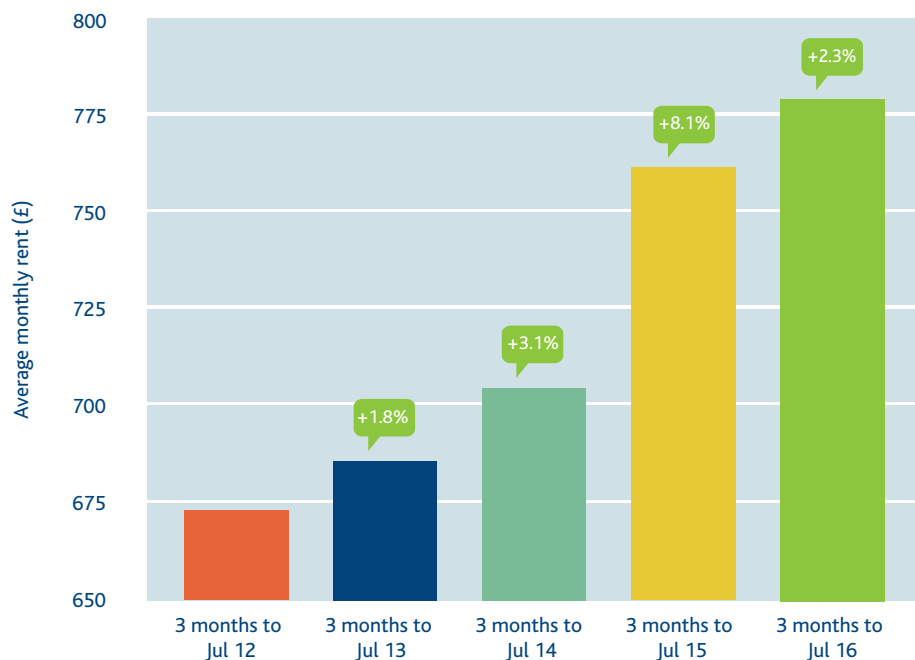
In detail...

The full regional breakdown can be seen on page four

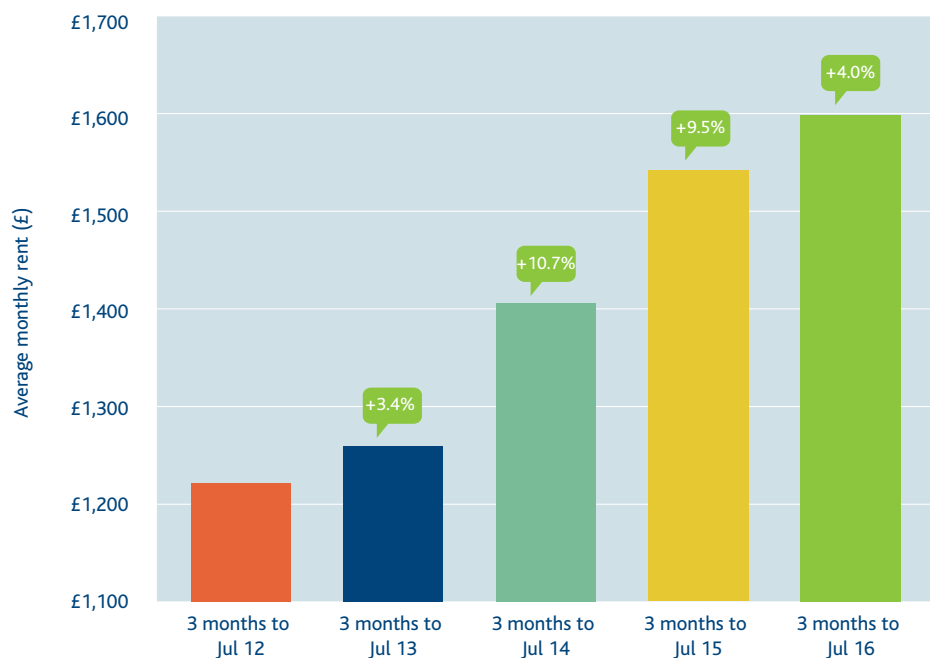


Average rental values with annual comparison

UK excluding Greater London

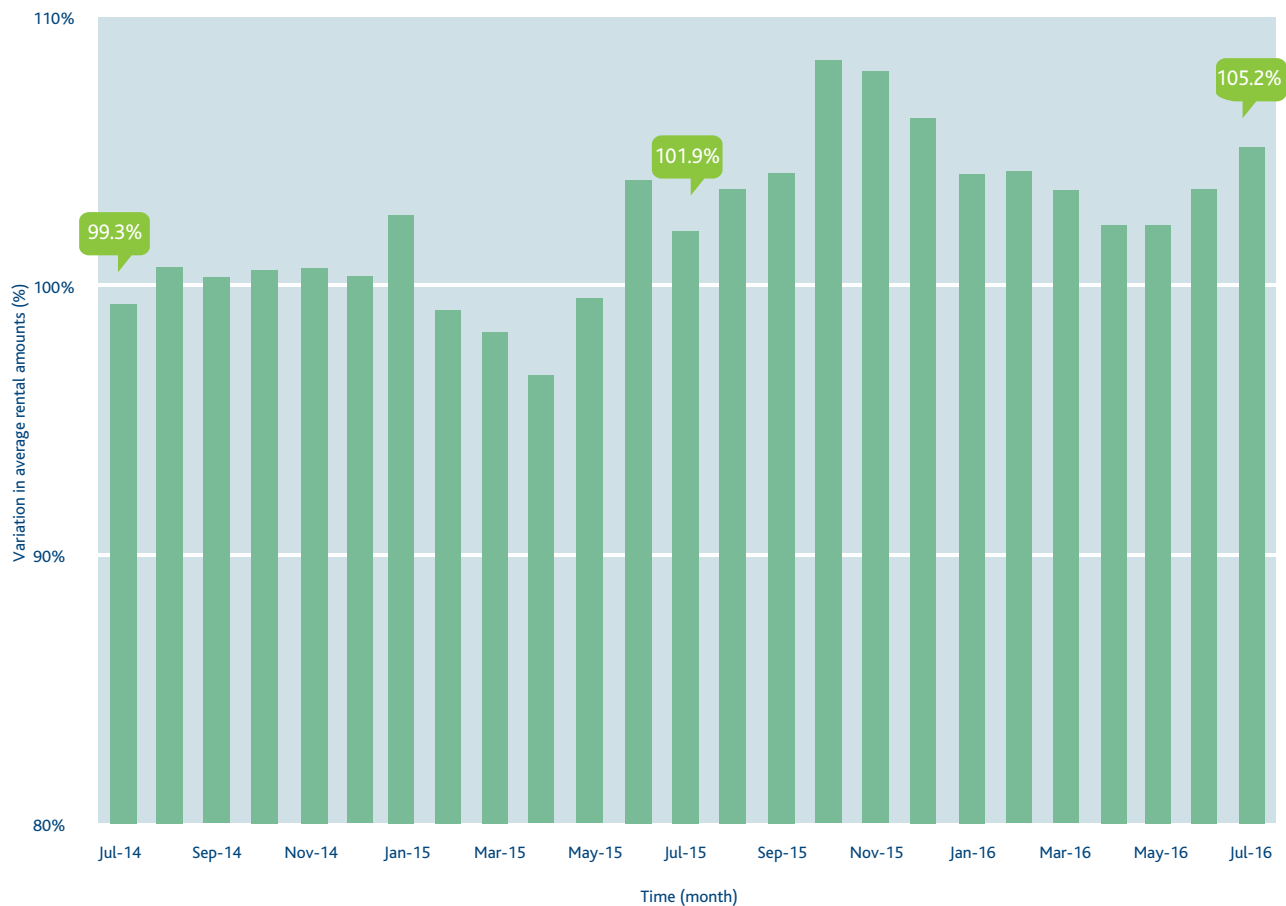


Greater London



Greater London v. the rest of the UK

Monthly variation between Greater London rental prices and the UK average (excluding Greater London)



The figures also show...

- In July 2016 average rental values in London (£1,599) were 105% higher than the rest of the UK (£779)
- The gap between London and the rest of the UK was higher than July 2015 (102%) and July 2014 (99%)

UK regional breakdown

All rental amounts are an average taken over the three months preceding the date shown.

% Annual variance in average rent

-0.9 to -6% 0% 0.9 to <6% 6 to 12%

North East

Average rent to July 2016	£537
Average rent to June 2016	£540
Monthly variance	-0.4%
Average rent to July 2015	£566
Annual variance	-5.0%

UK excluding London average

Average rent to July 2016	£779
Average rent to June 2016	£773
Monthly variance	0.8%
Average rent to July 2015	£761
Annual variance	2.3%

Scotland

Average rent to July 2016	£676
Average rent to June 2016	£702
Monthly variance	-3.7%
Average rent to July 2015	£667
Annual variance	1.4%

Yorkshire and Humber

Average rent to July 2016	£654
Average rent to June 2016	£642
Monthly variance	1.9%
Average rent to July 2015	£628
Annual variance	4.2%

North West

Average rent to July 2016	£660
Average rent to June 2016	£656
Monthly variance	0.5%
Average rent to July 2015	£663
Annual variance	-0.5%

East Midlands

Average rent to July 2016	£651
Average rent to June 2016	£651
Monthly variance	0.1%
Average rent to July 2015	£618
Annual variance	5.4%

West Midlands

Average rent to July 2016	£682
Average rent to June 2016	£675
Monthly variance	1.1%
Average rent to July 2015	£657
Annual variance	3.8%

East Anglia

Average rent to July 2016	£897
Average rent to June 2016	£865
Monthly variance	3.7%
Average rent to July 2015	£818
Annual variance	9.7%

Wales

Average rent to July 2016	£622
Average rent to June 2016	£615
Monthly variance	1.1%
Average rent to July 2015	£606
Annual variance	2.5%

Greater London

Average rent to July 2016	£1,599
Average rent to June 2016	£1,575
Monthly variance	1.5%
Average rent to July 2015	£1,538
Annual variance	4.0%

Northern Ireland

Average rent to July 2016	£623
Average rent to June 2016	£612
Monthly variance	1.8%
Average rent to July 2015	£595
Annual variance	4.7%

South West

Average rent to July 2016	£894
Average rent to June 2016	£888
Monthly variance	0.7%
Average rent to July 2015	£914
Annual variance	-2.1%

South East

Average rent to July 2016	£987
Average rent to June 2016	£978
Monthly variance	1.0%
Average rent to July 2015	£968
Annual variance	2.0%

About the HomeLet Rental Index

As well as information on rental amounts, the HomeLet Rental Index also provides information on tenant demographics, such as their average age, income, previous residential status and the property type they're applying to live in.

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. We reference up to 1,700 applicants every day – so information in the report is comprehensive, accurate and up to date.

The data used in the HomeLet Rental Index is aggregated to local authority, county, city and regional level only. This ensures that all property or individual records remain strictly anonymous.

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/withdraw this, or any other report.

About HomeLet

With almost 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.

Visit:

homelet.co.uk/homelet-rental-index

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