

HomeLet Rental Index

Key headlines

- The first half of 2016 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 £773pcm - this is 3.5% higher than the same period last year (£747pcm)
- Average rental values have increased in ten out of twelve regions in the UK, compared to the same period last year
- Rents in Greater London are up by 3.9% year on year - a drop on last month's annual growth rate (6.2%)

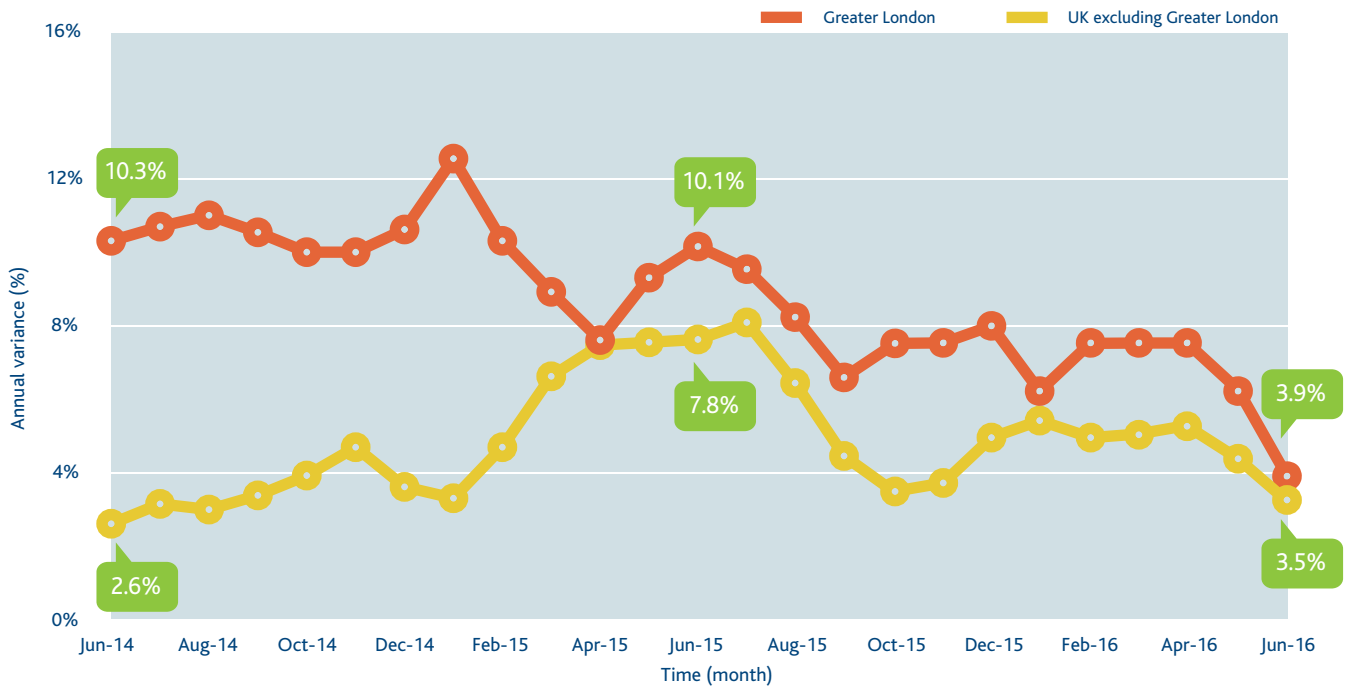


June 2016 edition

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 June. 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 £773pcm - this is 3.5% higher than last year (£747pcm)
- Greater London is up by 3.9% against last year, which is reduction on the rate of increase seen in June 2015 (10.1%)
- The UK excluding Greater London has seen a reduction on the rate of increase when compared to last year, reducing from 7.8% to 3.5%
- Outside London, the highest levels of annual increase have been seen in the East Midlands (8.2%), East Anglia (8.2%) and Scotland (7.4%)



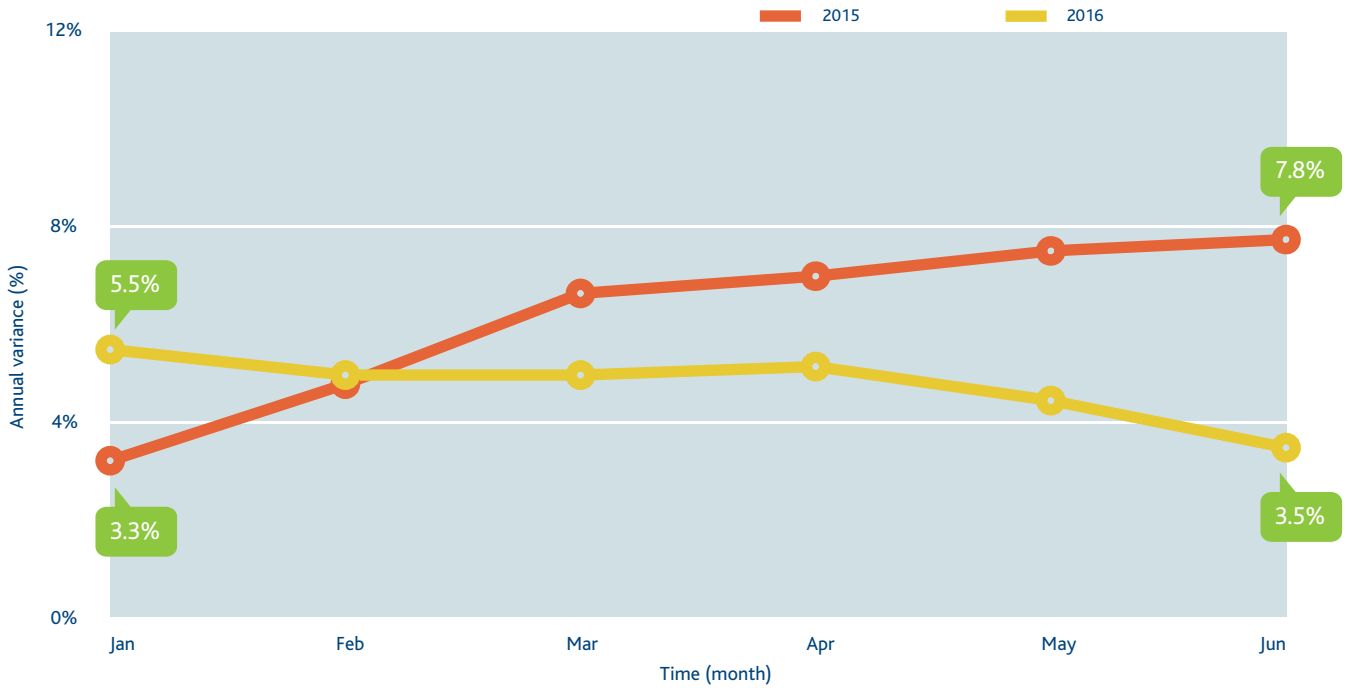
In detail...

The full regional breakdown can be seen on page five

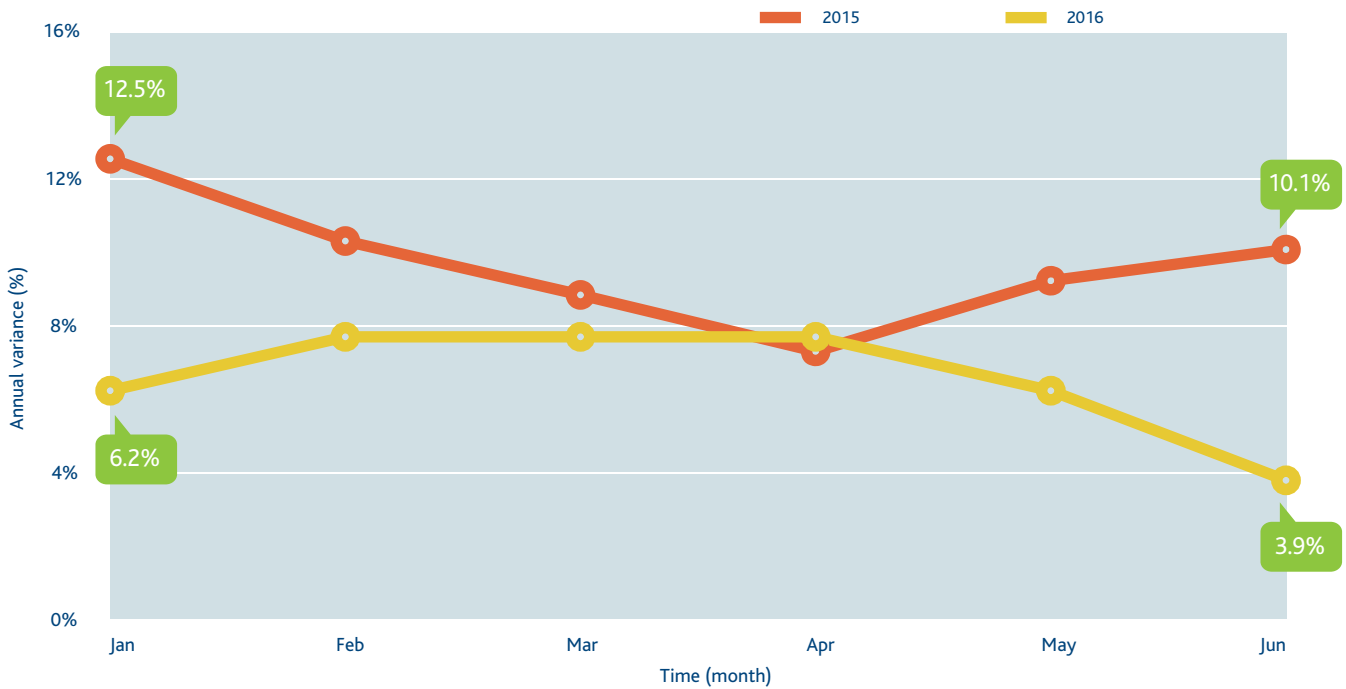


The last 6 months at a glance

Annual variance in average rent for UK excluding Greater London



Annual variance in average rent for Greater London

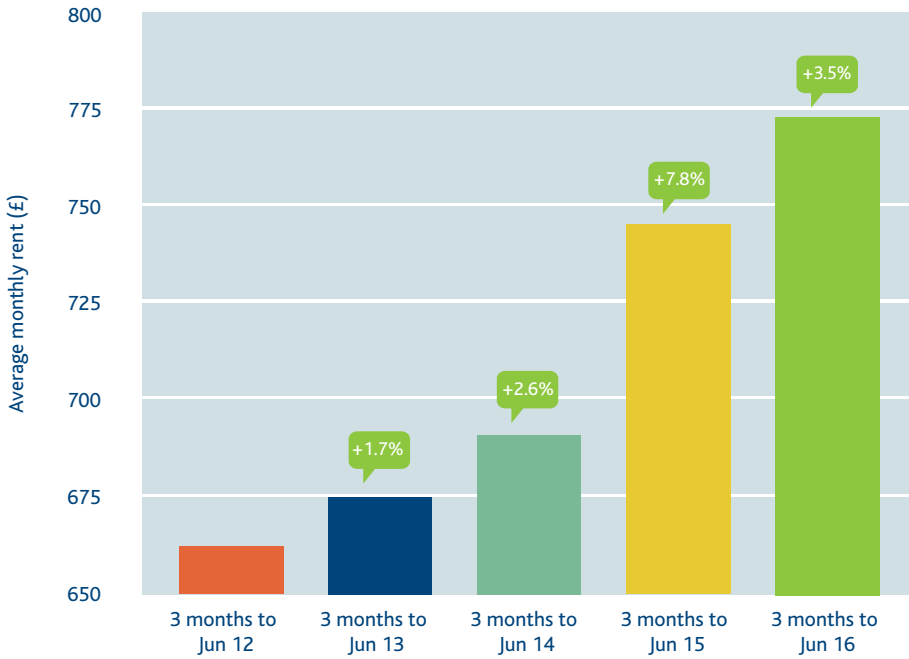


The figures also show...

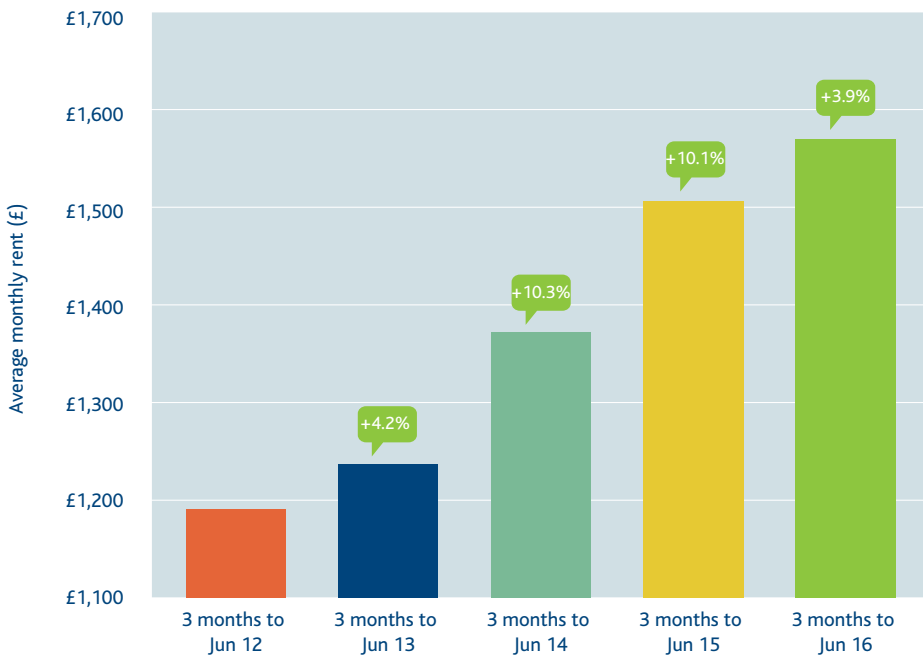
- The first half of 2016 has seen a slower rate of rental growth compared to the same period last year

Average rental values with annual comparison

UK excluding Greater London

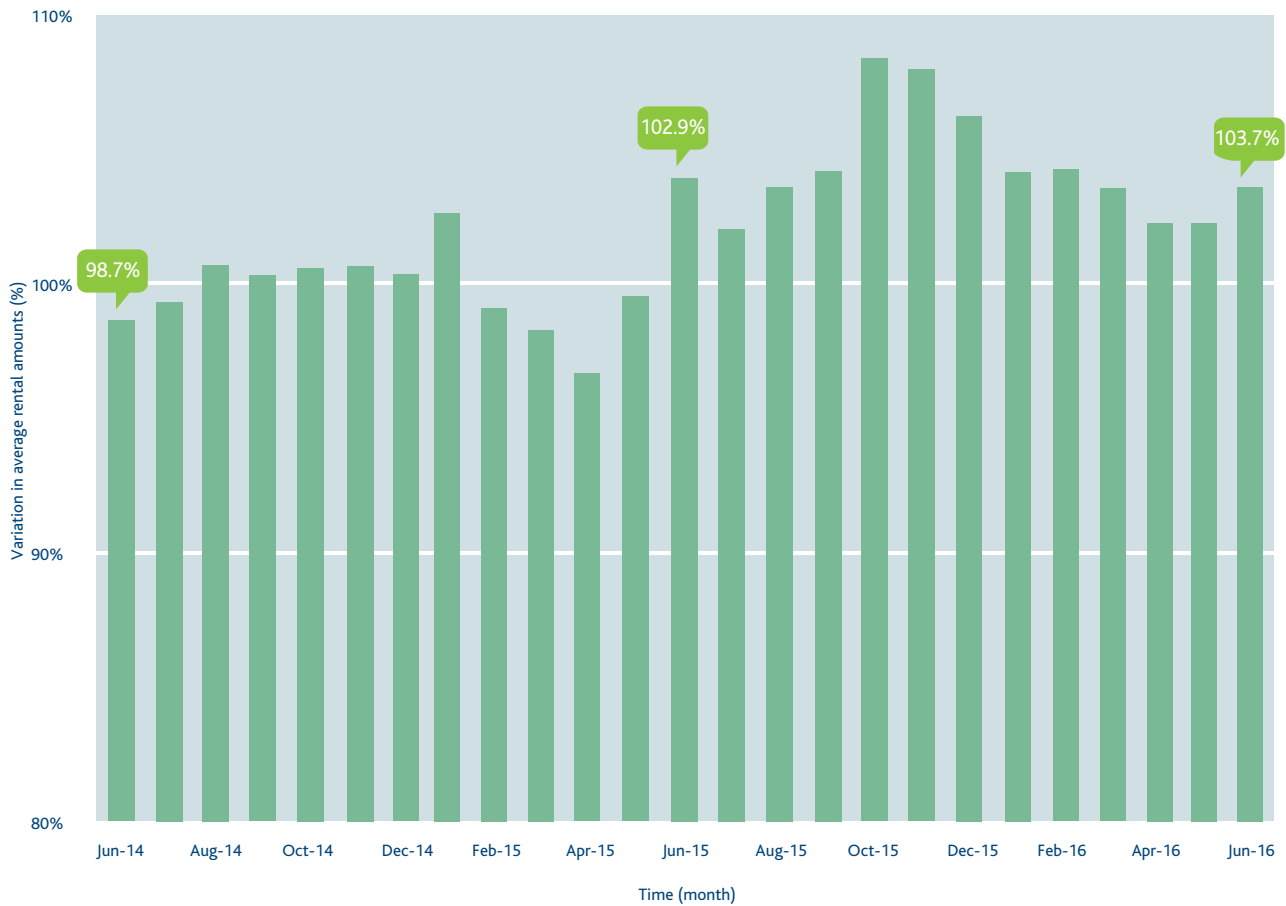


Greater London



Greater London v. the rest of the UK

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



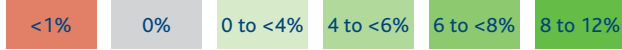
The figures also show...

- In June 2016 average rental values in London (£1,575) were 104% higher than the rest of the UK (£773)
- The gap between London and the rest of the UK was lower than June 2015 (103%) and June 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



North East	
Average rent to June 2016	£540
Average rent to May 2016	£542
Monthly variance	-0.4%
Average rent to June 2015	£560
Annual variance	-3.6%

UK excluding London average	
Average rent to June 2016	£773
Average rent to May 2016	£771
Monthly variance	0.3%
Average rent to June 2015	£747
Annual variance	3.5%

Scotland

Average rent to June 2016	£702
Average rent to May 2016	£721
Monthly variance	-2.7%
Average rent to June 2015	£654
Annual variance	7.4%

Yorkshire and Humber

Average rent to June 2016	£642
Average rent to May 2016	£634
Monthly variance	1.2%
Average rent to June 2015	£611
Annual variance	5.0%

North West

Average rent to June 2016	£656
Average rent to May 2016	£653
Monthly variance	0.4%
Average rent to June 2015	£658
Annual variance	-0.2%

East Midlands

Average rent to June 2016	£651
Average rent to May 2016	£648
Monthly variance	0.4%
Average rent to June 2015	£602
Annual variance	8.2%

West Midlands

Average rent to June 2016	£675
Average rent to May 2016	£671
Monthly variance	0.7%
Average rent to June 2015	£647
Annual variance	4.4%

East Anglia

Average rent to June 2016	£865
Average rent to May 2016	£830
Monthly variance	4.2%
Average rent to June 2015	£799
Annual variance	8.2%

Wales

Average rent to June 2016	£615
Average rent to May 2016	£609
Monthly variance	0.9%
Average rent to June 2015	£595
Annual variance	3.4%

Greater London

Average rent to June 2016	£1,575
Average rent to May 2016	£1,563
Monthly variance	0.7%
Average rent to June 2015	£1,515
Annual variance	3.9%

Northern Ireland

Average rent to June 2016	£612
Average rent to May 2016	£629
Monthly variance	-2.6%
Average rent to June 2015	£587
Annual variance	4.3%

South West

Average rent to June 2016	£888
Average rent to May 2016	£896
Monthly variance	-0.9%
Average rent to June 2015	£886
Annual variance	0.3%

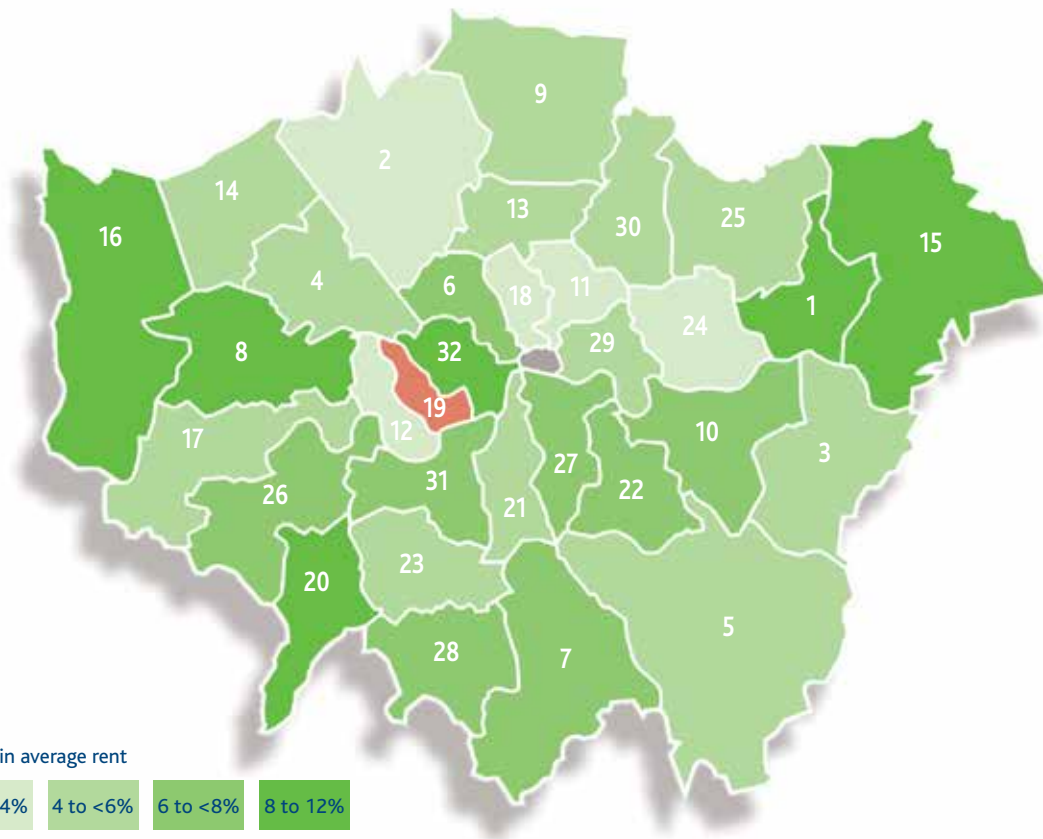
South East

Average rent to June 2016	£978
Average rent to May 2016	£969
Monthly variance	0.9%
Average rent to June 2015	£958
Annual variance	2.0%

Greater London by borough

This section looks at the average rental values for new tenancies, over the past 12 months, for each borough of London. The annual variance compares 1st July 2015 - 30th June 2016 with 1st July 2014 - 30th June 2015.

1 Barking & Dagenham	2 Barnet	3 Bexley	4 Brent	5 Bromley
Avg rent 12 mths to Jun 16 £1,183	Avg rent 12 mths to Jun 16 £1,427	Avg rent 12 mths to Jun 16 £1,030	Avg rent 12 mths to Jun 16 £1,546	Avg rent 12 mths to Jun 16 £1,314
Annual variance 8.3%	Annual variance 1.2%	Annual variance 5.4%	Annual variance 4.3%	Annual variance 4.9%
6 Camden	7 Croydon	8 Ealing	9 Enfield	10 Greenwich
Avg rent 12 mths to Jun 16 £2,056	Avg rent 12 mths to Jun 16 £1,179	Avg rent 12 mths to Jun 16 £1,500	Avg rent 12 mths to Jun 16 £1,263	Avg rent 12 mths to Jun 16 £1,447
Annual variance 6.0%	Annual variance 6.5%	Annual variance 12.0%	Annual variance 5.6%	Annual variance 6.7%
11 Hackney	12 Hammersmith & Fulham	13 Haringey	14 Harrow	15 Havering
Avg rent 12 mths to Jun 16 £1,716	Avg rent 12 mths to Jun 16 £1,813	Avg rent 12 mths to Jun 16 £1,575	Avg rent 12 mths to Jun 16 £1,384	Avg rent 12 mths to Jun 16 £1,163
Annual variance 2.7%	Annual variance 2.8%	Annual variance 5.6%	Annual variance 4.1%	Annual variance 9.2%
16 Hillingdon	17 Hounslow	18 Islington	19 Kensington & Chelsea	20 Kingston upon Thames
Avg rent 12 mths to Jun 16 £1,293	Avg rent 12 mths to Jun 16 £1,417	Avg rent 12 mths to Jun 16 £1,836	Avg rent 12 mths to Jun 16 £2,722	Avg rent 12 mths to Jun 16 £1,463
Annual variance 8.2%	Annual variance 5.5%	Annual variance 2.4%	Annual variance -2.8%	Annual variance 8.0%



21 Lambeth	22 Lewisham	23 Merton	24 Newham	25 Redbridge
Avg rent 12 mths to Jun 16 £1,769	Avg rent 12 mths to Jun 16 £1,381	Avg rent 12 mths to Jun 16 £1,594	Avg rent 12 mths to Jun 16 £1,395	Avg rent 12 mths to Jun 16 £1,302
Annual variance 5.1%	Annual variance 6.1%	Annual variance 5.1%	Annual variance 3.8%	Annual variance 5.8%
26 Richmond upon Thames	27 Southwark	28 Sutton	29 Tower Hamlets	30 Waltham Forest
Avg rent 12 mths to Jun 16 £1,592	Avg rent 12 mths to Jun 16 £1,766	Avg rent 12 mths to Jun 16 £1,138	Avg rent 12 mths to Jun 16 £1,714	Avg rent 12 mths to Jun 16 £1,296
Annual variance 7.5%	Annual variance 6.1%	Annual variance 6.0%	Annual variance 4.7%	Annual variance 4.6%
31 Wandsworth	32 Westminster			
Avg rent 12 mths to Jun 16 £1,791	Avg rent 12 mths to Jun 16 £2,436			
Annual variance 7.0%	Annual variance 8.1%			

Greater London ranked by borough

Five London boroughs with the highest average rent

London borough	Average rent Jul 2015 to Jun 2016
Kensington and Chelsea	£2,722
Westminster	£2,436
Camden	£2,056
Islington	£1,836
Hammersmith and Fulham	£1,813

Five London boroughs with the lowest average rent

London borough	Average rent Jul 2015 to Jun 2016
Bexley	£1,030
Sutton	£1,138
Havering	£1,163
Croydon	£1,179
Barking and Dagenham	£1,183

Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Ealing	12.0%
Havering	9.2%
Barking and Dagenham	8.3%
Hillingdon	8.2%
Westminster	8.1%

Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Kensington and Chelsea	-2.8%
Barnet	1.2%
Islington	2.4%
Hackney	2.7%
Hammersmith and Fulham	2.8%

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

For information regarding the HomeLet Rental Index please email rentalindex@homelet.co.uk

For media enquiries relating to the HomeLet Rental Index please email mediaenquiries@homelet.co.uk

Follow @homelet on Twitter or find us at facebook.com/homelet