

HomeLet Rental Index

Key headlines

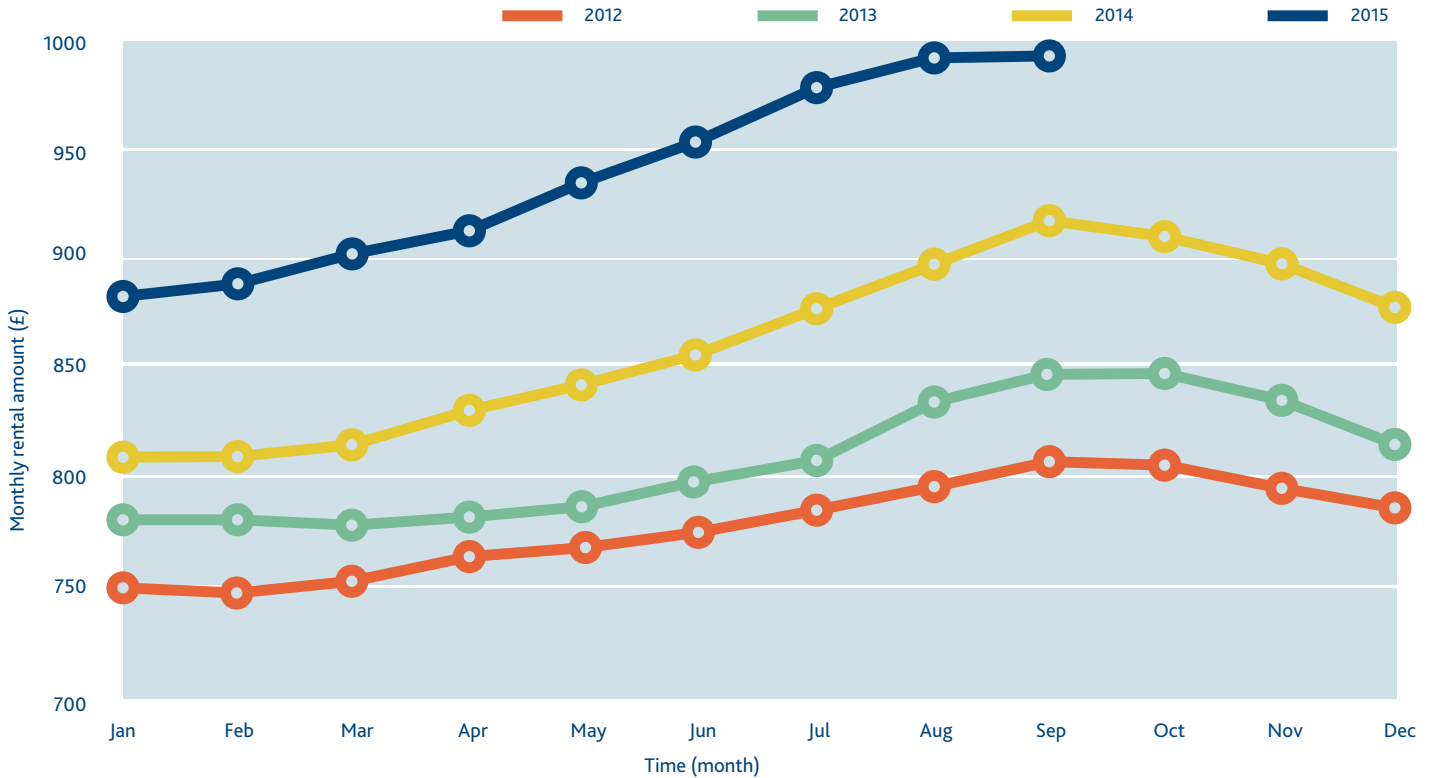
- Average rental values for new tenancies in the UK were 8.5% higher than the same period last year
- The annual growth in average rental (8.5%) was the same as 2014 (8.5%) and higher than 2013 (4.9%)
- Average tenant incomes were 2.5% higher than the same period last year
- Average rents for new tenancies in London are 6.6% higher than the same period last year
- Average rental values for new tenancies in London (£1,555pcm) were £96 more expensive per month when compared to average rental values in the same period in 2014 (£1,459pcm)
- When London is excluded, the average UK rental value was £762pcm - this is 4.6% higher than the same period last year (£729pcm)
- Average rental values have increased in nine out of twelve regions in the UK



September 2015 edition

HomeLet Rental Index provides a 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 September. The annual change is calculated as an average for the latest three months compared with the same period a year earlier.

Change in UK average rental prices



It's interesting to note...

- The average UK rent for tenancies was £995pcm, this is 8.5% higher than the same period last year (£917pcm)
- When London is excluded, the average UK rental value was £762pcm - this is 4.6% higher than last year (£729pcm)
- Average rental values have dropped in the North West (-4.6%), East Anglia (-2.2%) and Northern Ireland (-1.4%)



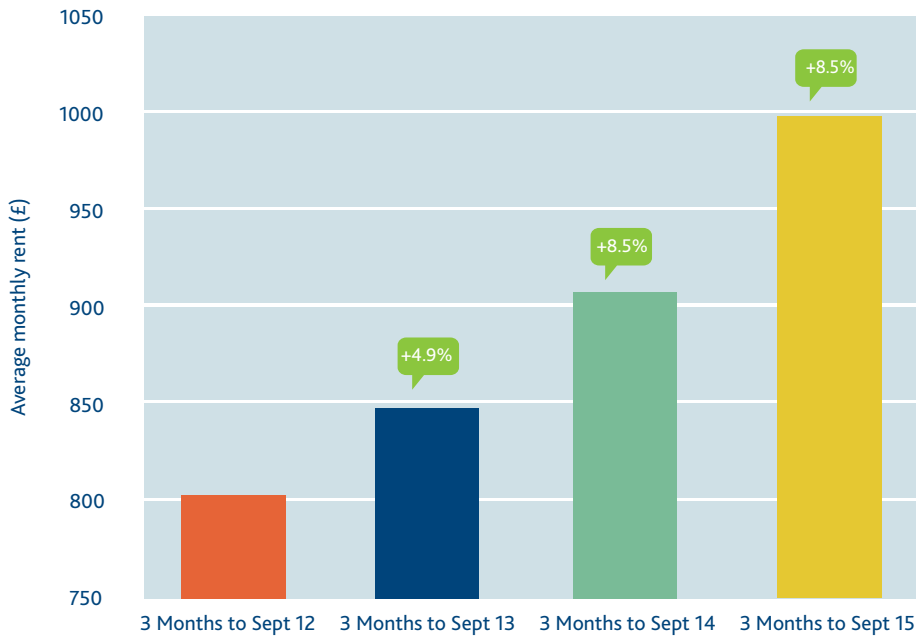
In detail...

The full regional breakdown can be seen on page four

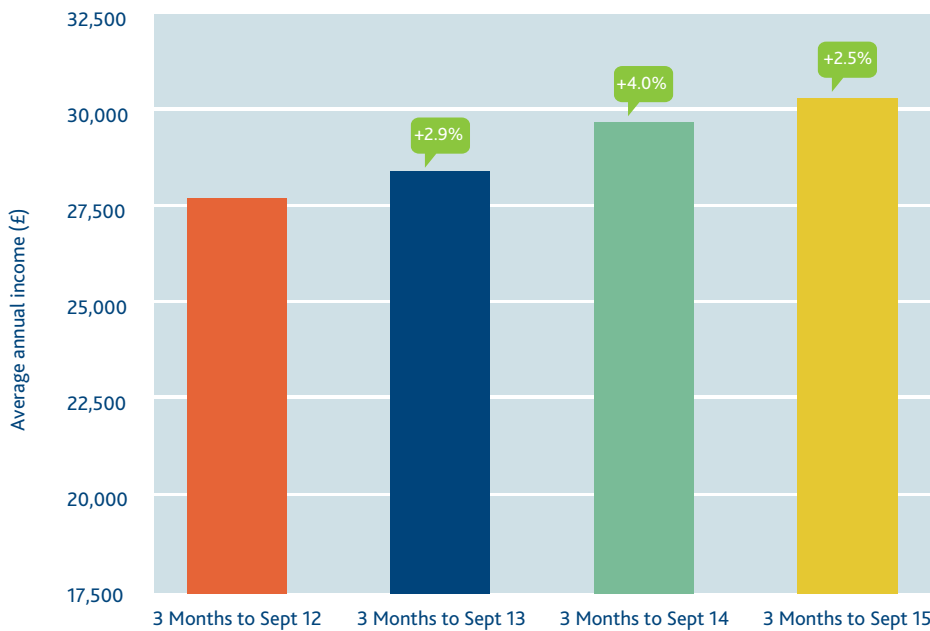


Rental values and tenant incomes

Average UK rental amounts with annual comparisons



Annual UK tenant income with annual comparisons

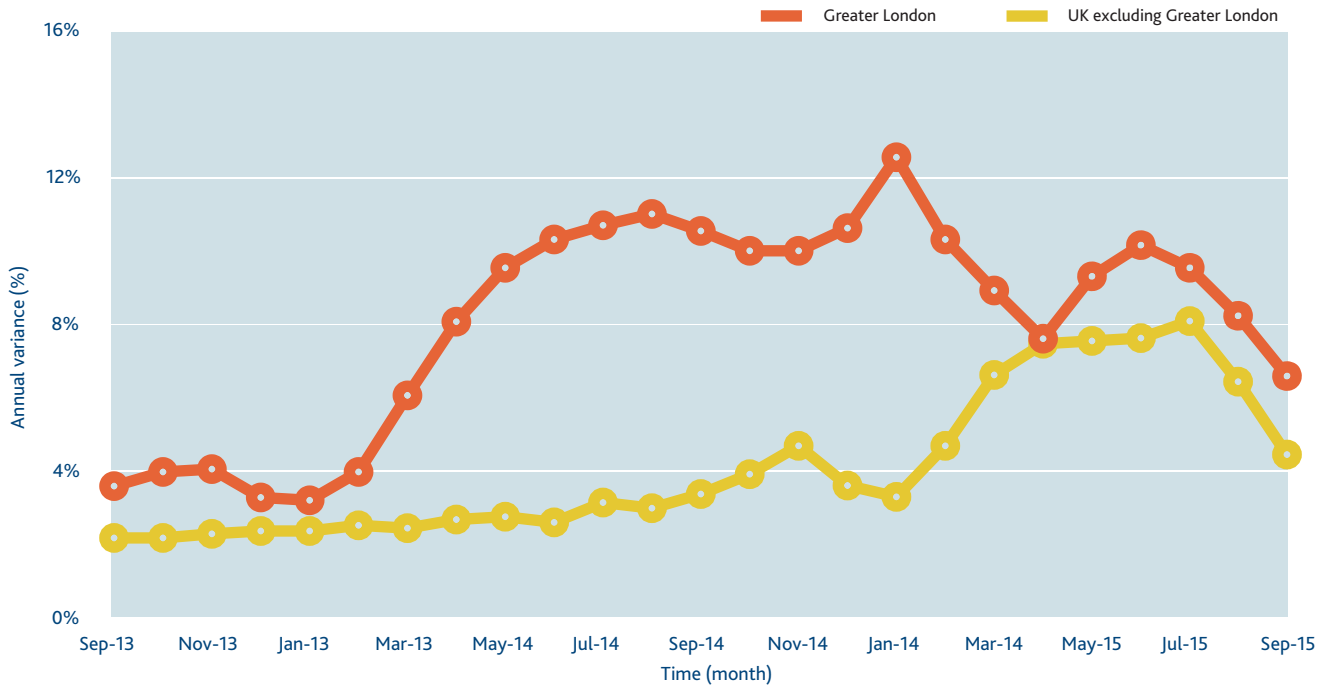


The figures also show...

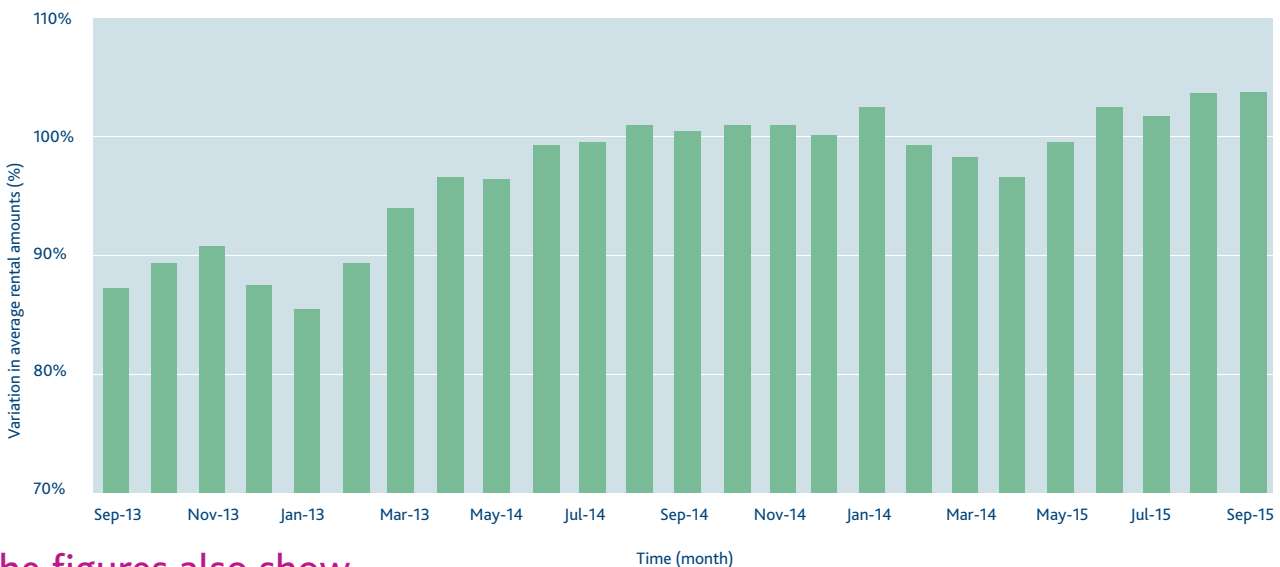
- The annual growth in average rental values in the UK (8.5%) was equal to 2014 (8.5%) and higher than 2013 (4.9%)
- Average tenant incomes in the UK were 2.5% higher than 2014

Greater London v. the rest of the UK

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



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



The figures also show...

- Average rental values for the UK excluding London are increasing at a similar rate to Greater London
- The rate of growth for rental values in the UK has slowed down
- Rents in London were 6.6% higher compared to the same period last year
- Rents in the UK excluding London were 4.6% higher compared to the same period last year
- Average rental values in London (£1,555) were 104% higher than the rest of the UK (£762)

UK Regional breakdown

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

■ Average rent decreased from previous year ■ Average rent increased on previous year

North East		Overall UK Average	
Average rent to Sept 2015	£541	Average rent to Sept 2015	£995
Average rent to Aug 2015	£554	Average rent to Aug 2015	£992
Monthly variance	-2.3%	Monthly variance	0.2%
Average rent to Sept 2014	£514	Average rent to Sept 2014	£917
Annual variance	5.2%	Annual variance	8.5%

Scotland	
Average rent to Sept 2015	£678
Average rent to Aug 2015	£670
Monthly variance	1.2%
Average rent to Sept 2014	£625
Annual variance	8.4%

Yorkshire and Humber	
Average rent to Sept 2015	£631
Average rent to Aug 2015	£635
Monthly variance	-0.6%
Average rent to Sept 2014	£610
Annual variance	3.5%

North West	
Average rent to Sept 2015	£643
Average rent to Aug 2015	£657
Monthly variance	-2.2%
Average rent to Sept 2014	£674
Annual variance	-4.6%

East Midlands	
Average rent to Sept 2015	£636
Average rent to Aug 2015	£628
Monthly variance	1.4%
Average rent to Sept 2014	£591
Annual variance	7.7%

West Midlands	
Average rent to Sept 2015	£674
Average rent to Aug 2015	£665
Monthly variance	1.4%
Average rent to Sept 2014	£647
Annual variance	4.2%

East Anglia	
Average rent to Sept 2015	£816
Average rent to Aug 2015	£823
Monthly variance	-0.9%
Average rent to Sept 2014	£834
Annual variance	-2.2%

Wales	
Average rent to Sept 2015	£618
Average rent to Aug 2015	£621
Monthly variance	-0.5%
Average rent to Sept 2014	£612
Annual variance	1.0%

Greater London	
Average rent to Sept 2015	£1,555
Average rent to Aug 2015	£1,558
Monthly variance	-0.2%
Average rent to Sept 2014	£1,459
Annual variance	6.6%

Northern Ireland	
Average rent to Sept 2015	£594
Average rent to Aug 2015	£596
Monthly variance	-0.2%
Average rent to Sept 2014	£603
Annual variance	-1.4%

South West	
Average rent to Sept 2015	£902
Average rent to Aug 2015	£924
Monthly variance	-2.4%
Average rent to Sept 2014	£856
Annual variance	5.3%

South East	
Average rent to Sept 2015	£959
Average rent to Aug 2015	£962
Monthly variance	-0.3%
Average rent to Sept 2014	£912
Annual variance	5.2%

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.

In addition, we gather data on how many people share rented properties – so we're able to gain an insight into the lifestyle of tenants, and see how external factors, such as the lack of mortgage availability, plus supply of, and demand for, rented homes are affecting how and where people live.

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.

About HomeLet

With more than 20 years in 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 250 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

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