

HomeLet Rental Index

Key headlines

- Rents in the UK rose by 2.3% in July compared to the same month a year ago; the average monthly rent now stands at £959 a month
- Rents in London increased by 3.1% in July this year compared to July 2018; the average monthly rent in the capital now stands at £1,665 a month
- When London is excluded, the average UK rental value was £794 in July 2019, this is up 2.2% on last year
- HomeLet's July Rental Index reveals that rents rose in all 12 of the UK regions covered in the research

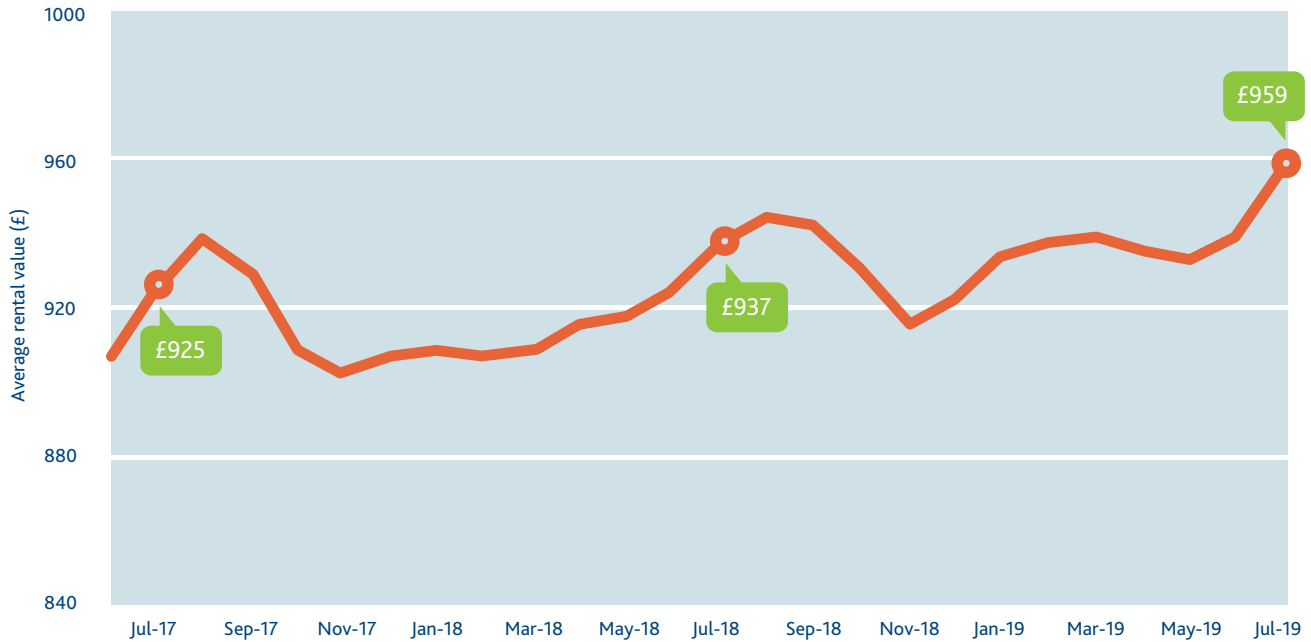


July 2019 edition

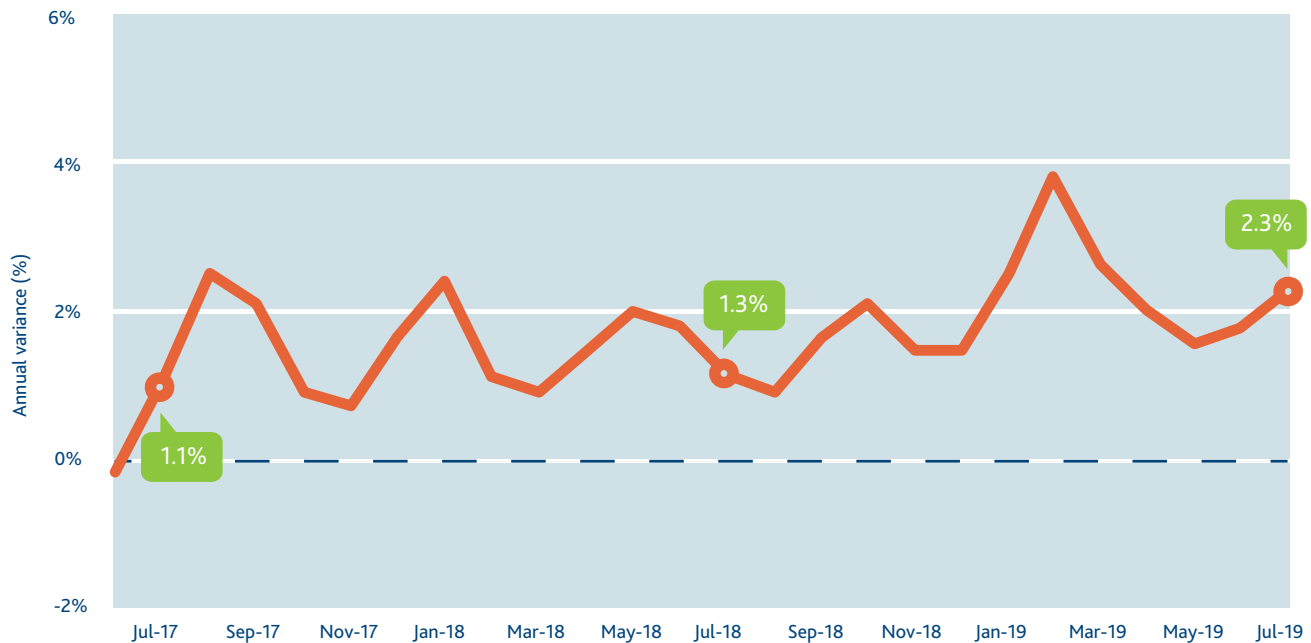
HomeLet Rental Index provides comprehensive and up to date data on new tenancies in the UK. Data is gathered from our tenant referencing service, including the rental amounts agreed, the number of tenants moving into the property together with the employment status, income and age of all tenants. The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

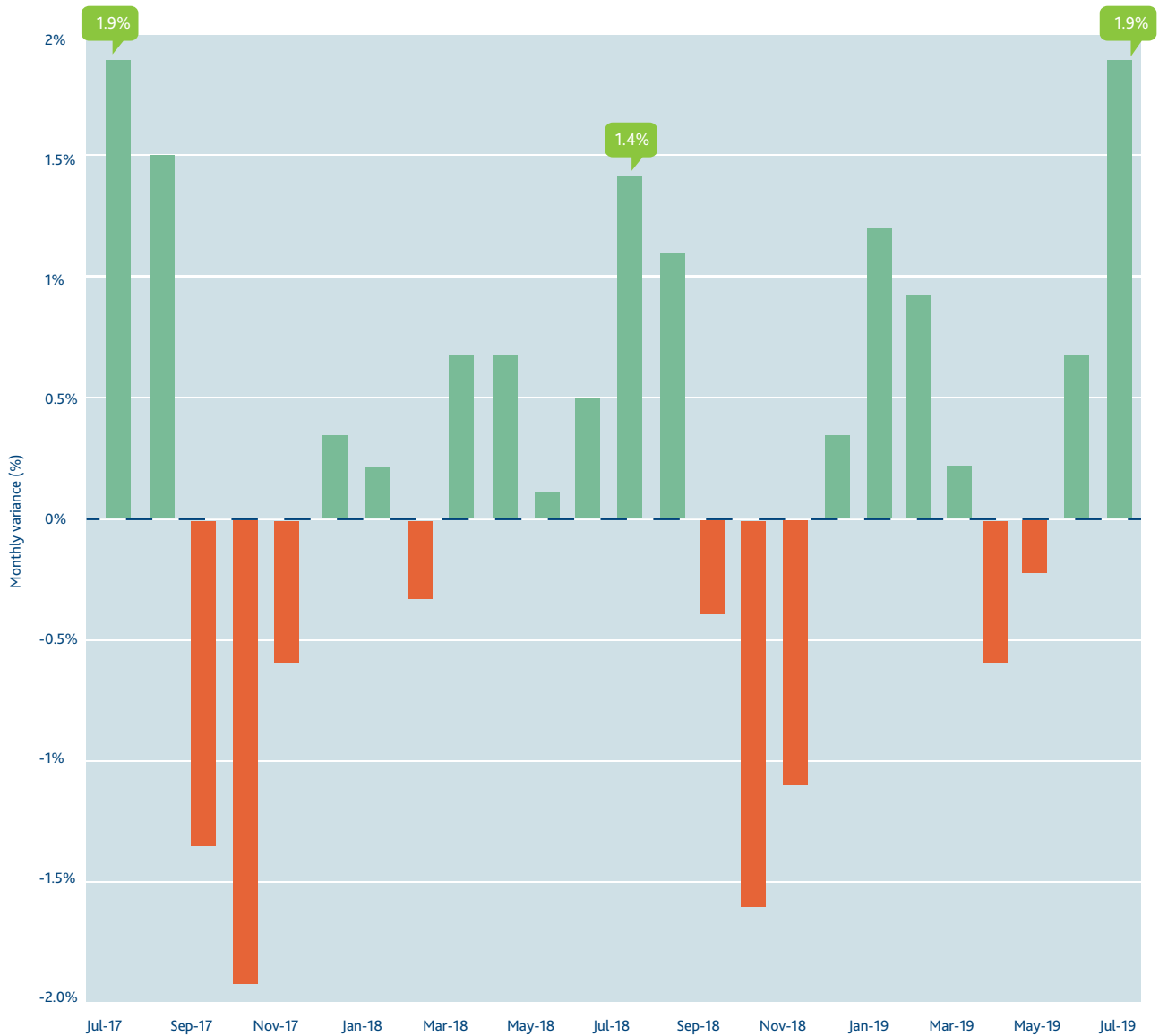


Annual variance in rental values



- When London is excluded, the average UK rental value was £794 in July 2019, this is up 2.2% on last year

Monthly variance in average rent in the UK



- The UK average rental value increased by 1.9% between June 2019 and July 2019



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 July 2019	£529	Average rent July 2019	£959
Average rent June 2019	£530	Average rent June 2019	£941
Monthly variance	-0.2%	Monthly variance	1.9%
Average rent July 2018	£525	Average rent July 2018	£937
Annual variance	0.8%	Annual variance	2.3%

Scotland	
Average rent July 2019	£679
Average rent June 2019	£671
Monthly variance	1.2%
Average rent July 2018	£651
Annual variance	4.3%

Yorkshire & Humberside	
Average rent July 2019	£641
Average rent June 2019	£634
Monthly variance	1.1%
Average rent July 2018	£635
Annual variance	0.9%

North West	
Average rent July 2019	£726
Average rent June 2019	£711
Monthly variance	2.1%
Average rent July 2018	£712
Annual variance	2.0%

East Midlands	
Average rent July 2019	£646
Average rent June 2019	£635
Monthly variance	1.7%
Average rent July 2018	£631
Annual variance	2.4%

West Midlands	
Average rent July 2019	£709
Average rent June 2019	£695
Monthly variance	2.0%
Average rent July 2018	£701
Annual variance	1.1%

East of England	
Average rent July 2019	£925
Average rent June 2019	£917
Monthly variance	0.9%
Average rent July 2018	£909
Annual variance	1.8%

Wales	
Average rent July 2019	£637
Average rent June 2019	£625
Monthly variance	1.9%
Average rent July 2018	£611
Annual variance	4.3%

Greater London	
Average rent July 2019	£1,665
Average rent June 2019	£1,611
Monthly variance	3.4%
Average rent July 2018	£1,615
Annual variance	3.1%

Northern Ireland	
Average rent July 2019	£671
Average rent June 2019	£671
Monthly variance	0.0%
Average rent July 2018	£653
Annual variance	2.8%

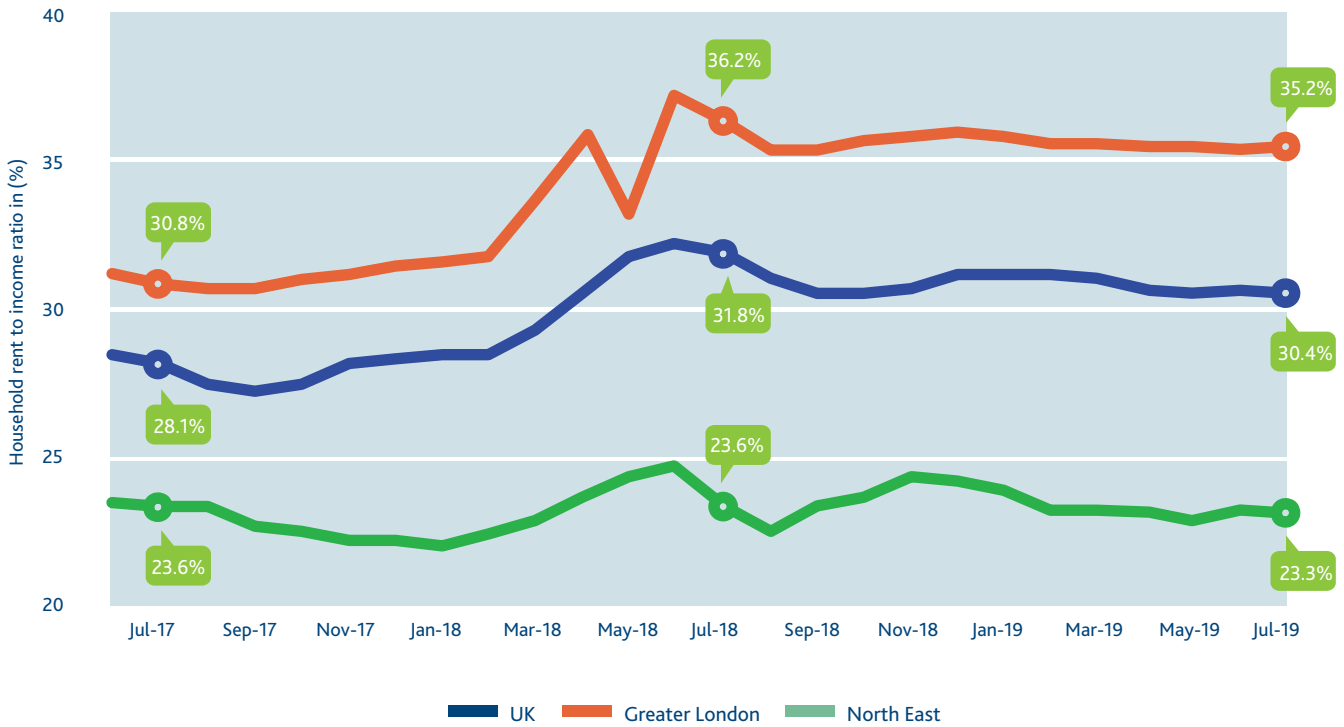
South West	
Average rent July 2019	£855
Average rent June 2019	£842
Monthly variance	1.5%
Average rent July 2018	£818
Annual variance	4.5%

South East	
Average rent July 2019	£1,053
Average rent June 2019	£1,035
Monthly variance	1.7%
Average rent July 2018	£1,041
Annual variance	1.2%

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

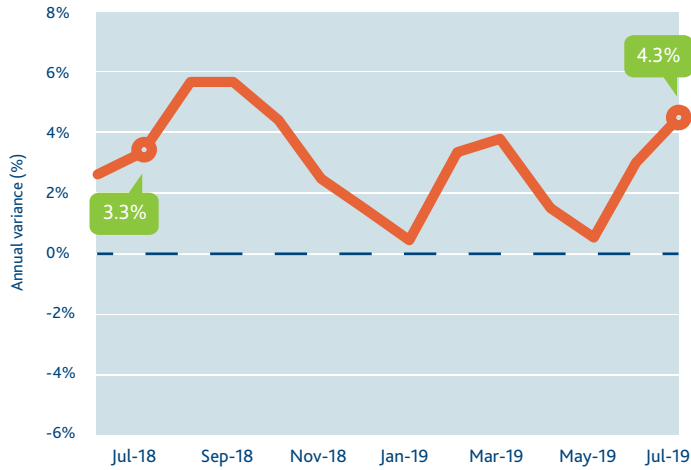


Household rent to income ratio by region

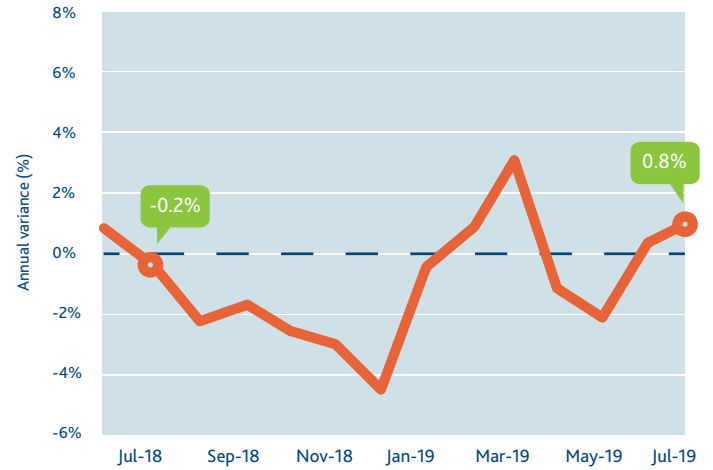
Region	July 2018	July 2019	Variance (percentage points)
North East	23.6 %	23.3 %	-0.3%
North West	28.5 %	27.6 %	-0.9%
Yorkshire and The Humber	27.3 %	26.4 %	-0.9%
East Midlands	29.2 %	29.1 %	-0.1%
Wales	30.8 %	26.9 %	-3.9%
South West	33.8 %	31.8 %	-2.0%
South East	33.1 %	31.0 %	-2.1%
London	36.2 %	35.2 %	-1.0%
East Of England	32.0 %	31.0 %	-1.0%
West Midlands	30.0 %	28.6 %	-1.4%
Scotland	27.3 %	25.2 %	-2.1%
Northern Ireland	25.7 %	26.5 %	0.8%
UK	31.8 %	30.4 %	-1.4%
UK Excluding London	30.5 %	29.1 %	-1.4%

Annual variance in average rental values by region

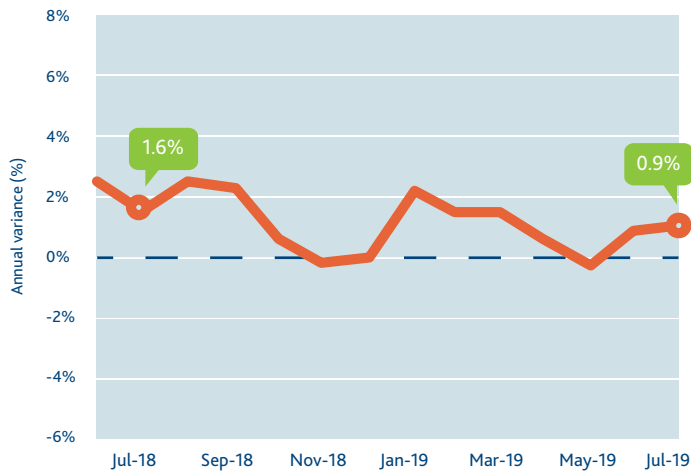
Scotland



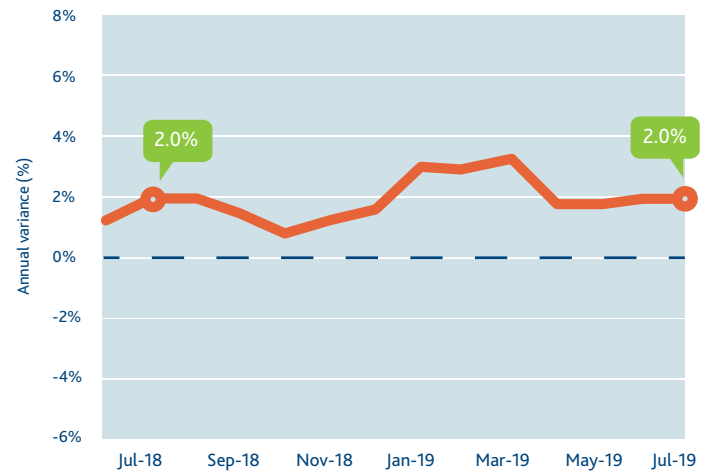
North East



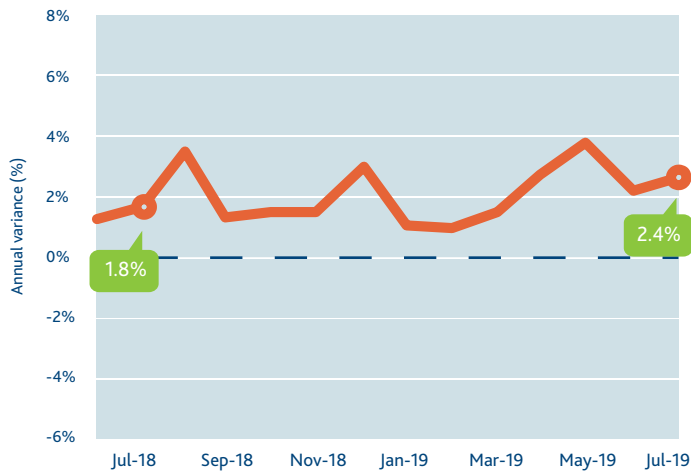
Yorkshire and the Humber



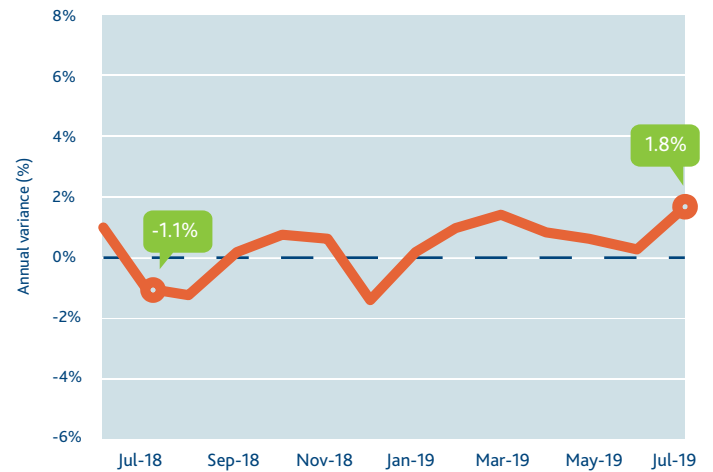
North West



East Midlands

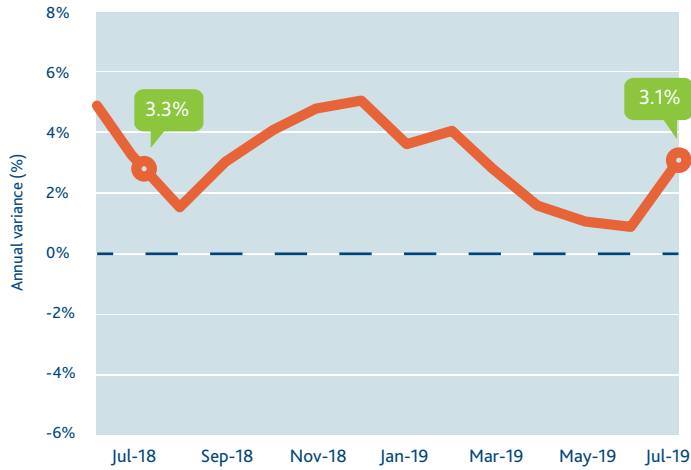


East of England

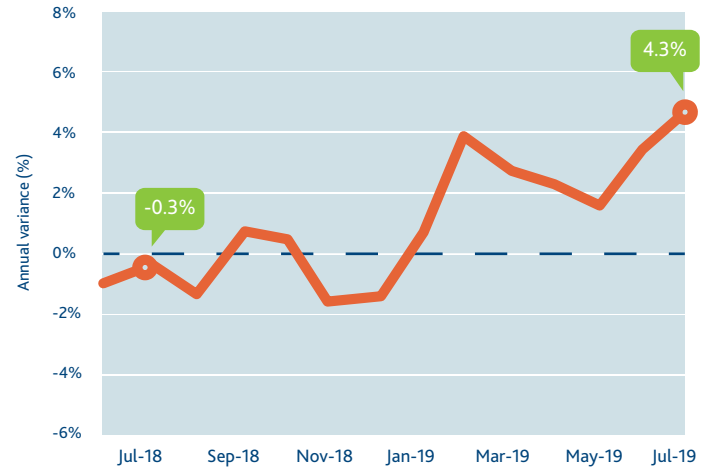


Annual variance in average rental values by region

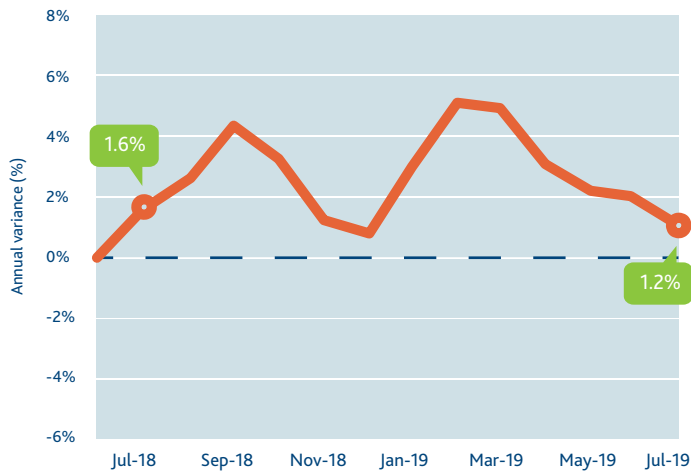
Greater London



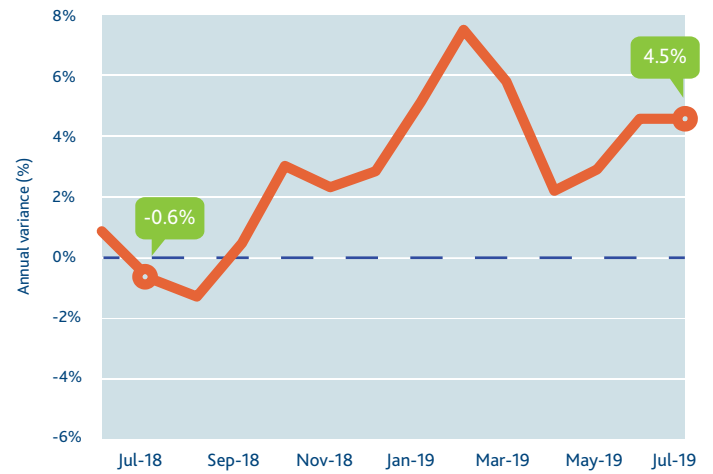
Wales



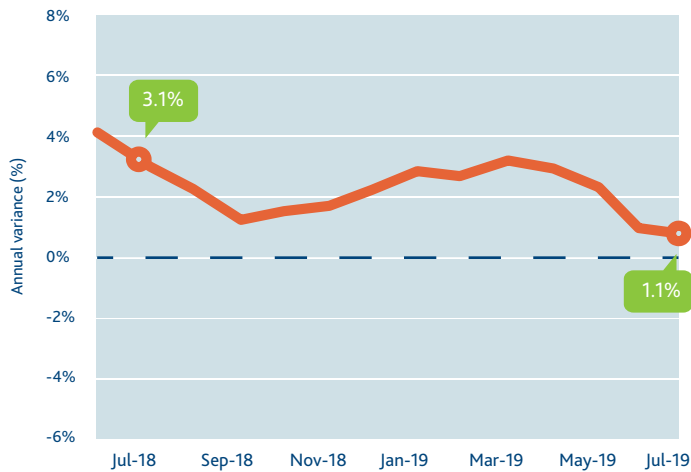
South East



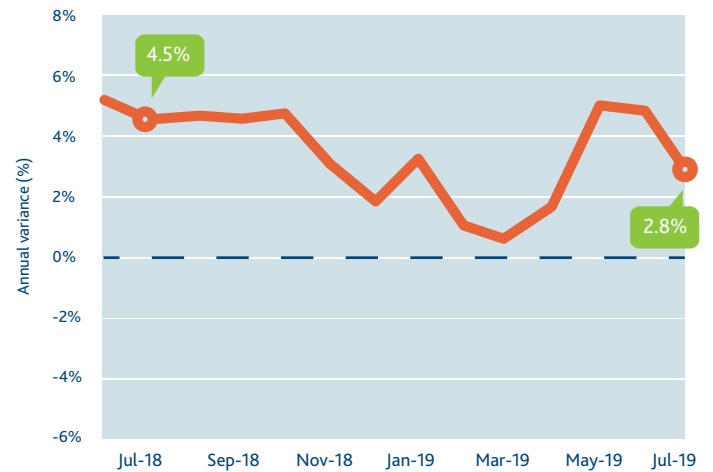
South West



West Midlands

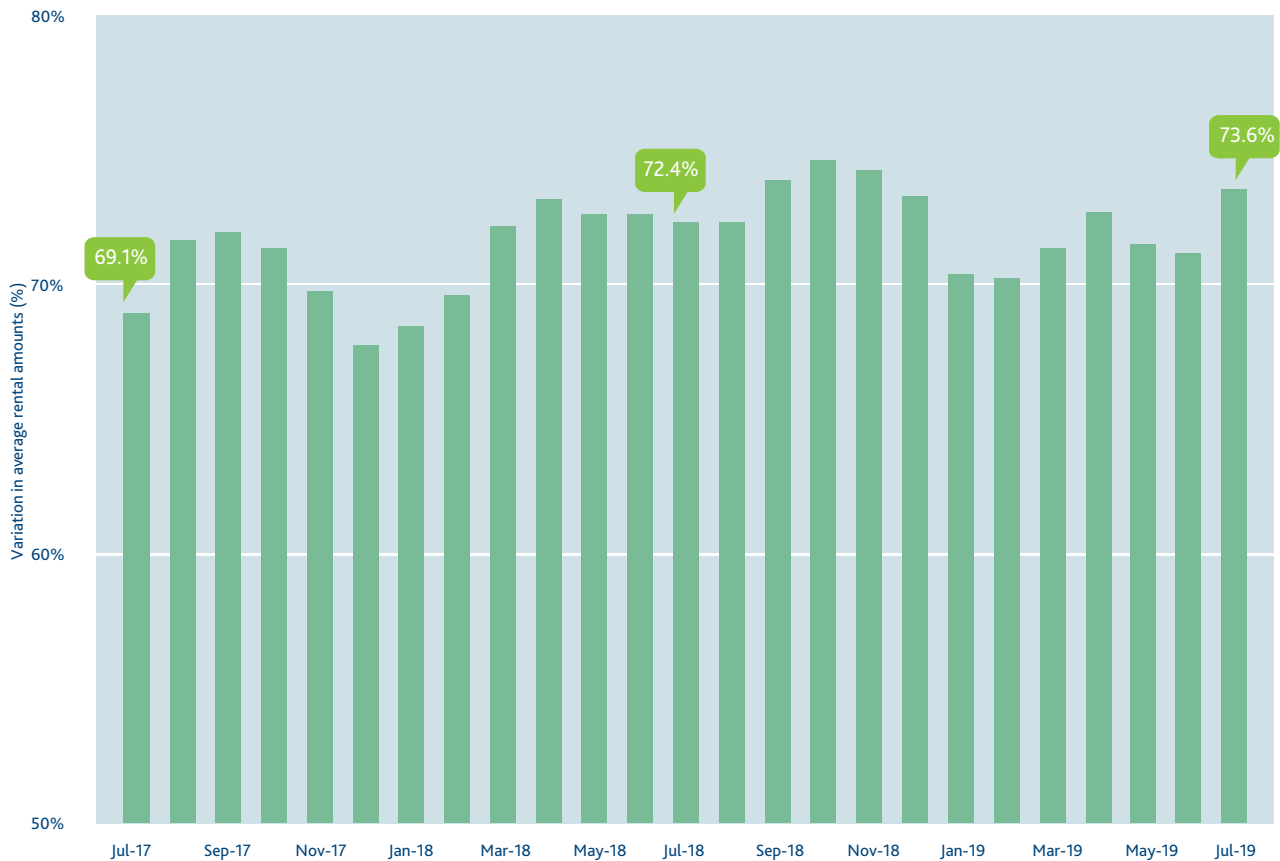


Northern Ireland



Greater London vs. the UK

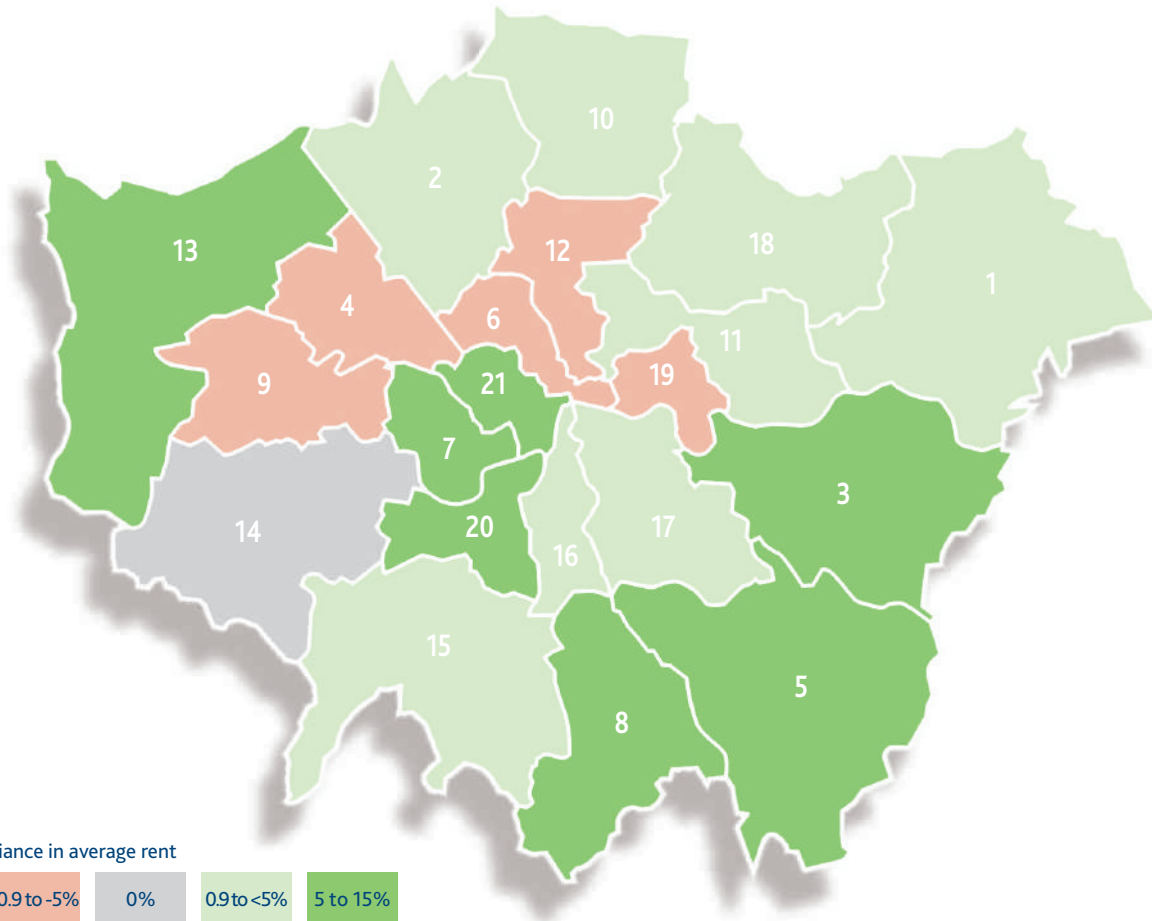
Monthly variation between Greater London rental prices and the UK average



- In July, average rental values in London (£1,665) were 73.6% higher than the UK (£959)
- When London is excluded the average rent in the UK was £794 in July, average rents in London (£1,665) were 109.7% 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 July 2019 with July 2018.



1 Barking, Dagenham & Havering Avg rent July 19: £1,237 Annual variance: 2.3%	2 Barnet Avg rent July 19: £1,559 Annual variance: 2.0%	3 Bexley & Greenwich Avg rent July 19: £1,384 Annual variance: 8.0%	4 Brent Avg rent July 19: £1,529 Annual variance: -1.2%	5 Bromley Avg rent July 19: £1,425 Annual variance: 5.9%
6 Camden & City of London Avg rent July 19: £2,137 Annual variance: -3.4%	7 Chelsea, Fulham, Hammersmith & Kensington Avg rent July 19: £2,122 Annual variance: 7.0%	8 Croydon Avg rent July 19: £1,136 Annual variance: 5.4%	9 Ealing Avg rent July 19: £1,493 Annual variance: -3.2%	10 Enfield Avg rent July 19: £1,464 Annual variance: 4.9%
11 Hackney & Newham Avg rent July 19: £1,537 Annual variance: 2.5%	12 Haringey & Islington Avg rent July 19: £1,703 Annual variance: -1.7%	13 Harrow & Hillingdon Avg rent July 19: £1,426 Annual variance: 7.8%	14 Hounslow & Richmond upon Thames Avg rent July 19: £1,479 Annual variance: 0.8%	15 Kingston upon Thames, Merton & Sutton Avg rent July 19: £1,444 Annual variance: 4.5%
16 Lambeth Avg rent July 19: £2,150 Annual variance: 2.2%	17 Lewisham & Southwark Avg rent July 19: £1,742 Annual variance: 2.7%	18 Redbridge & Waltham Forest Avg rent July 19: £1,302 Annual variance: 3.3%	19 Tower Hamlets Avg rent July 19: £1,807 Annual variance: -1.3%	20 Wandsworth Avg rent July 19: £1,894 Annual variance: 7.5%
21 Westminster Avg rent July 19: £2,526 Annual variance: 9.5%				

Greater London ranked by borough

Five London boroughs with the highest average rent

London borough	Average rent July 2019
Westminster	£2,526
Lambeth	£2,150
Camden, City of London	£2,137
Chelsea, Fulham, Hammersmith and Kensington	£2,122
Wandsworth	£1,894

Five London boroughs with the lowest average rent

London borough	Average rent July 2019
Croydon	£1,136
Barking, Dagenham and Havering	£1,237
Redbridge and Waltham Forest	£1,302
Bexley and Greenwich	£1,384
Bromley	£1,425

Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Westminster	9.5%
Bexley and Greenwich	8.0%
Harrow and Hillingdon	7.8%
Wandsworth	7.5%
Chelsea, Fulham, Hammersmith and Kensington	7.0%

Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Camden, City of London	-3.4%
Ealing	-3.2%
Haringey and Islington	-1.7%
Tower Hamlets	-1.3%
Brent	-1.2%

About HomeLet

With over 25 years' experience 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