

HomeLet Rental Index

Key headlines

- Rents in the UK rose by 1.8% in June compared to the same month a year ago; the average monthly rent now stands at £941 a month
- Rents in London increased by 0.9% in June this year compared to June 2018; the average monthly rent in the capital now stands at £1,611 a month
- When London is excluded, the average UK rental value was £781 in June 2019, this is up 1.8% on last year
- HomeLet's June Rental Index reveals that rents rose in all 12 of the UK regions covered in the research

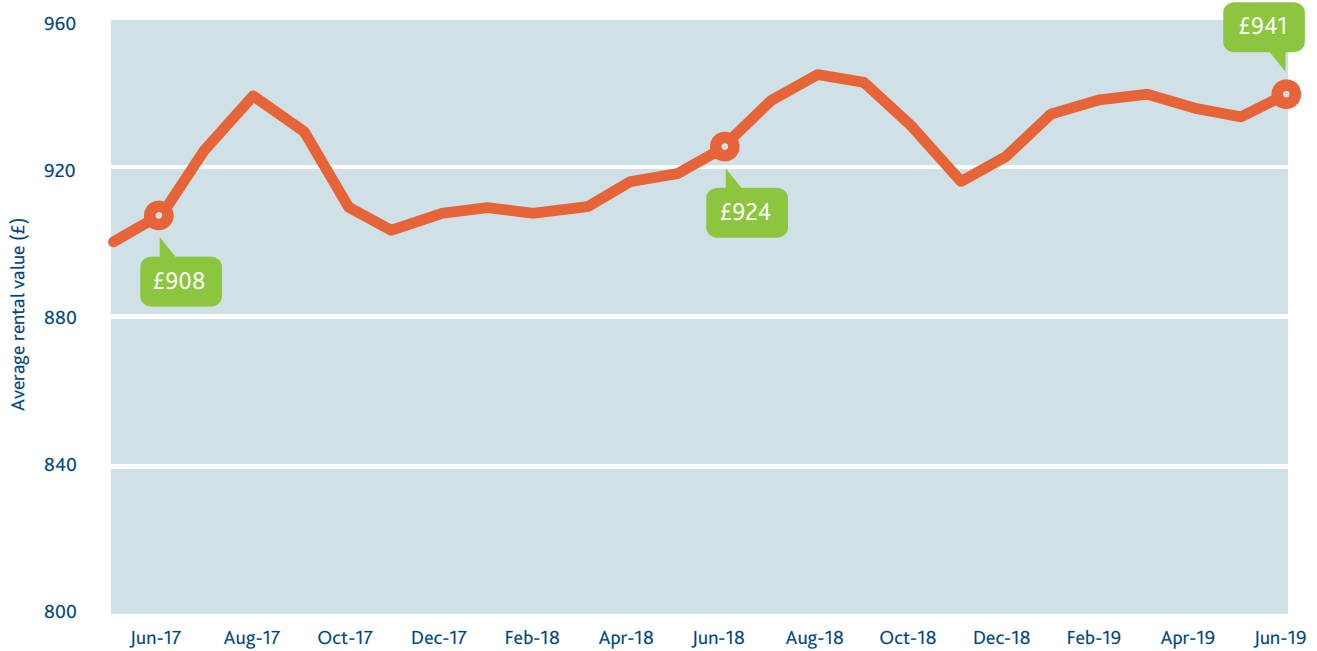


June 2019 edition

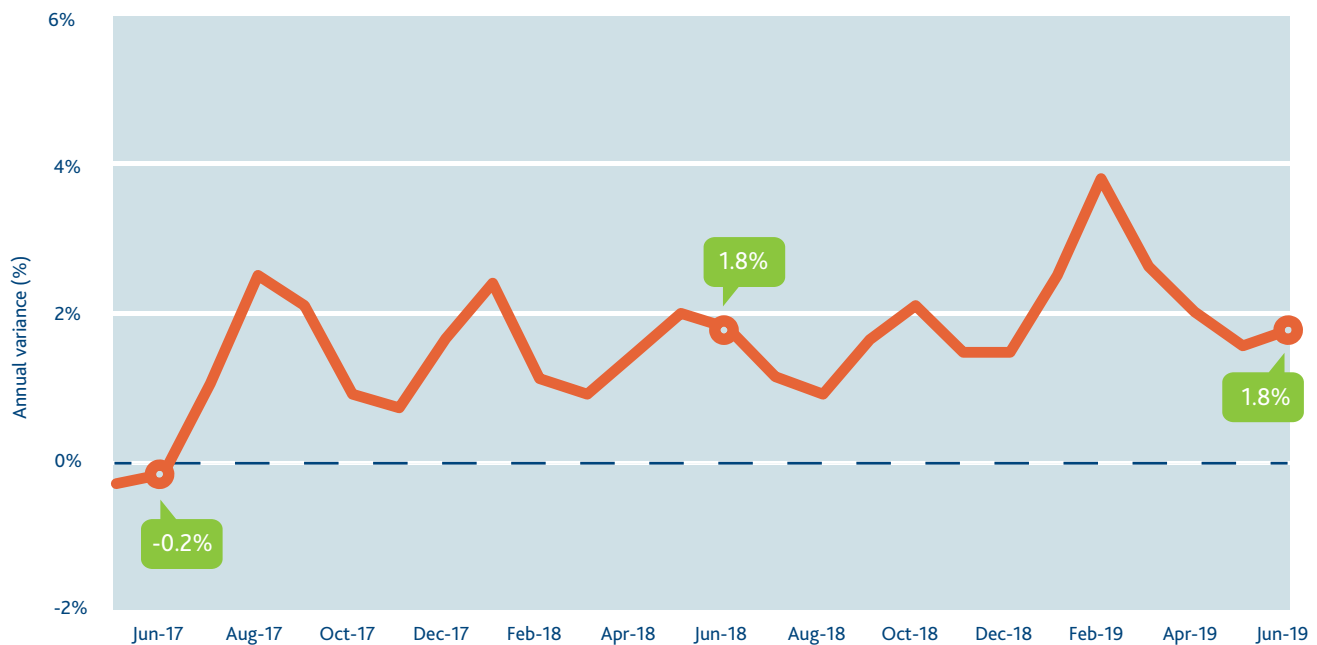
HomeLet Rental Index provides comprehensive and up to date data on new tenancies in the UK. Data is gathered from our tenant referencing service, including the rental amounts agreed, the number of tenants moving into the property together with the employment status, income and age of all tenants. The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

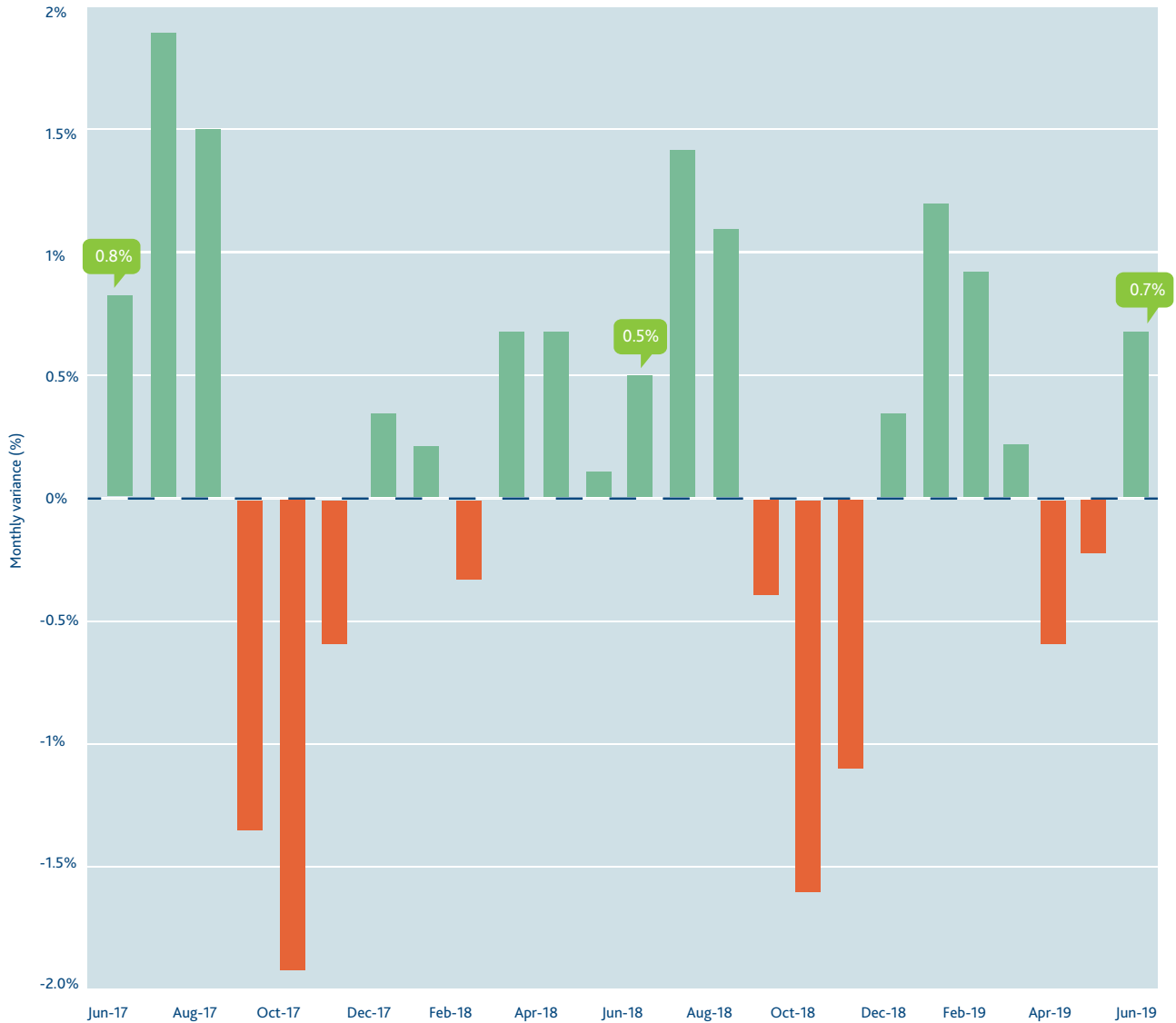


Annual variance in rental values



- When London is excluded, the average UK rental value was £781 in June 2019, this is up 1.8% on last year

Monthly variance in average rent in the UK



- The UK average rental value increased by 0.7% between May 2019 and June 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 June 2019	£530	Average rent June 2019	£941
Average rent May 2019	£522	Average rent May 2019	£934
Monthly variance	1.5%	Monthly variance	0.7%
Average rent June 2018	£529	Average rent June 2018	£924
Annual variance	0.2%	Annual variance	1.8%

Scotland	
Average rent June 2019	£671
Average rent May 2019	£653
Monthly variance	2.8%
Average rent June 2018	£652
Annual variance	2.9%

Yorkshire & Humberside	
Average rent June 2019	£634
Average rent May 2019	£627
Monthly variance	1.1%
Average rent June 2018	£629
Annual variance	0.8%

North West	
Average rent June 2019	£711
Average rent May 2019	£705
Monthly variance	0.9%
Average rent June 2018	£697
Annual variance	2.0%

East Midlands	
Average rent June 2019	£635
Average rent May 2019	£640
Monthly variance	-0.8%
Average rent June 2018	£622
Annual variance	2.1%

West Midlands	
Average rent June 2019	£695
Average rent May 2019	£693
Monthly variance	0.3%
Average rent June 2018	£689
Annual variance	0.9%

East of England	
Average rent June 2019	£917
Average rent May 2019	£916
Monthly variance	0.1%
Average rent June 2018	£915
Annual variance	0.2%

Wales	
Average rent June 2019	£625
Average rent May 2019	£613
Monthly variance	2.0%
Average rent June 2018	£603
Annual variance	3.6%

Greater London	
Average rent June 2019	£1,611
Average rent May 2019	£1,602
Monthly variance	0.6%
Average rent June 2018	£1,596
Annual variance	0.9%

Northern Ireland	
Average rent June 2019	£671
Average rent May 2019	£665
Monthly variance	0.9%
Average rent June 2018	£641
Annual variance	4.7%

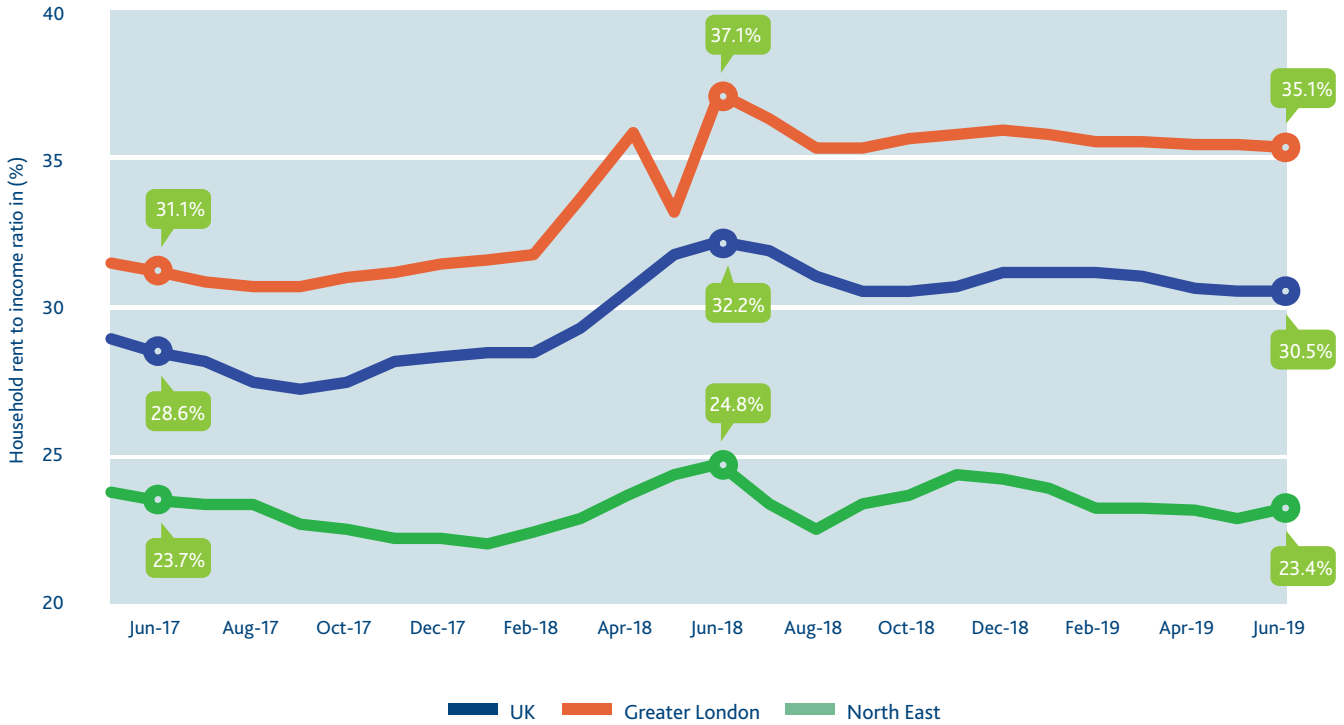
South West	
Average rent June 2019	£842
Average rent May 2019	£828
Monthly variance	1.7%
Average rent June 2018	£806
Annual variance	4.5%

South East	
Average rent June 2019	£1,035
Average rent May 2019	£1,029
Monthly variance	0.6%
Average rent June 2018	£1,015
Annual variance	2.0%

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

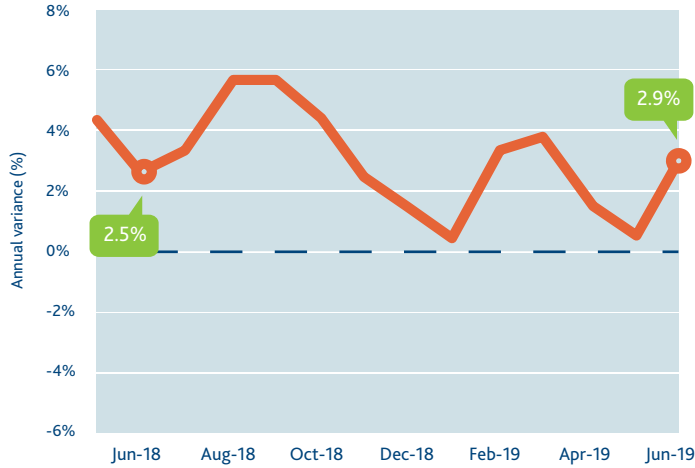


Household rent to income ratio by region

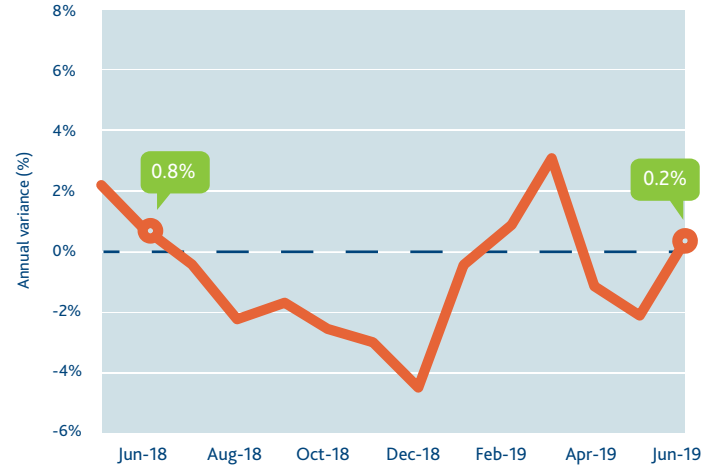
Region	June 2018	June 2019	Variance (percentage points)
North East	24.8 %	23.4 %	-1.4%
North West	29.0 %	27.6 %	-1.4%
Yorkshire and The Humber	27.2 %	26.3 %	-0.9%
East Midlands	29.8 %	28.9 %	-0.9%
Wales	31.1 %	27.5 %	-3.6%
South West	33.8 %	32.4 %	-1.4%
South East	33.5 %	31.1 %	-2.4%
London	37.1 %	35.1 %	-2.0%
East Of England	32.5 %	30.8 %	-1.7%
West Midlands	30.2 %	28.3 %	-1.9%
Scotland	27.7 %	25.7 %	-2.0%
Northern Ireland	26.4 %	26.4 %	0.0%
UK	32.2 %	30.5 %	-1.7%
UK Excluding London	30.8 %	29.2 %	-1.6%

Annual variance in average rental values by region

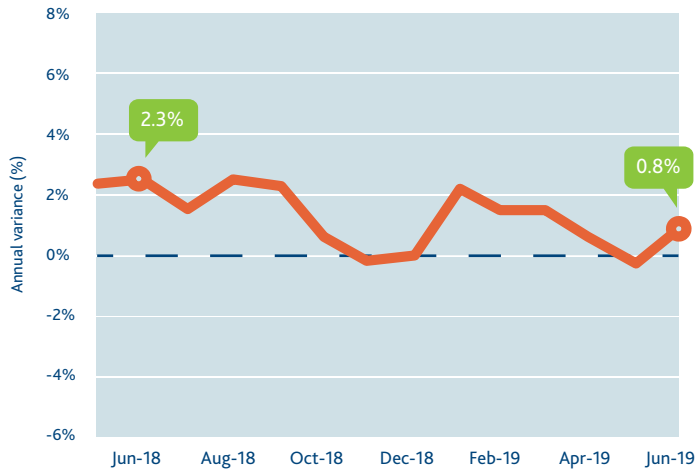
Scotland



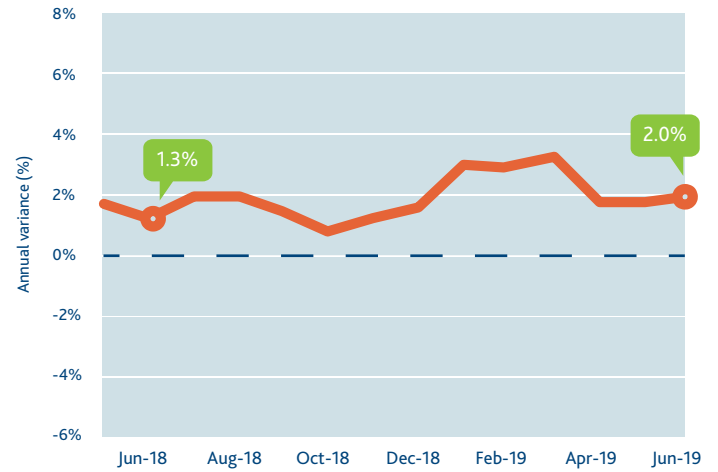
North East



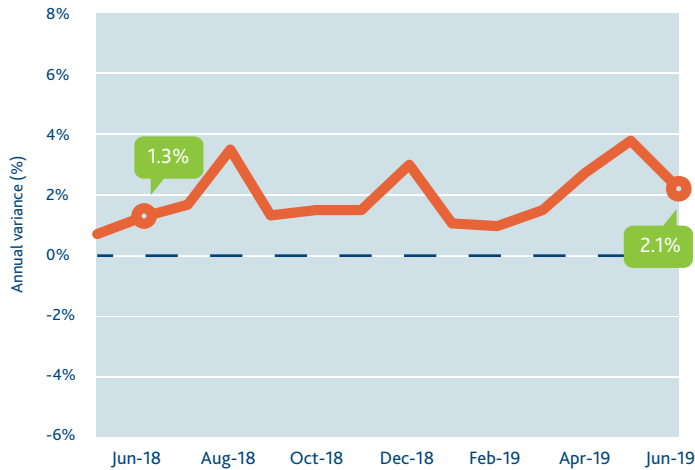
Yorkshire and the Humber



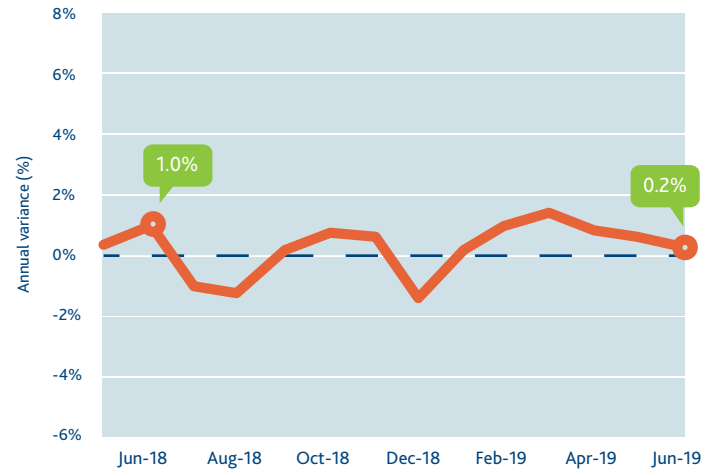
North West



East Midlands

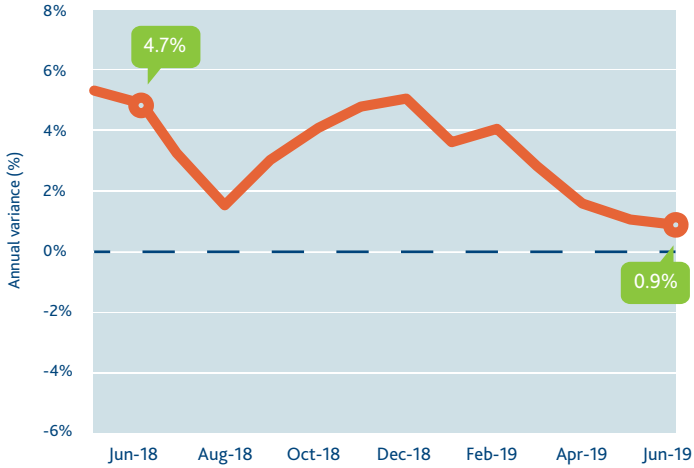


East of England

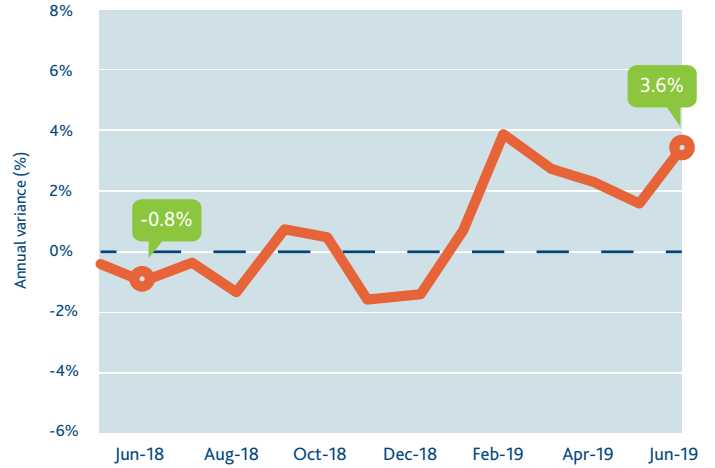


Annual variance in average rental values by region

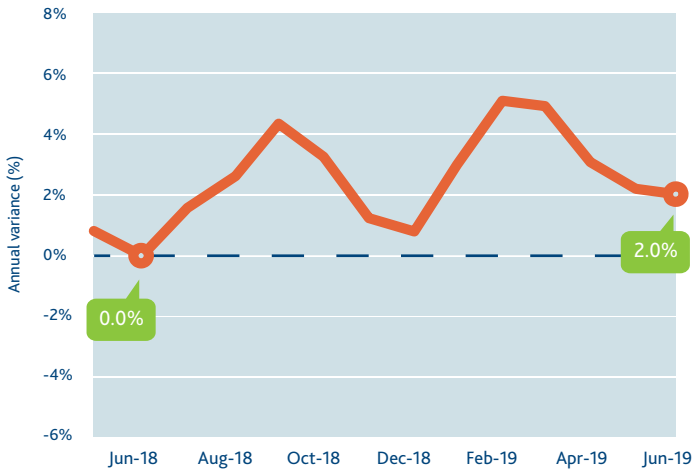
Greater London



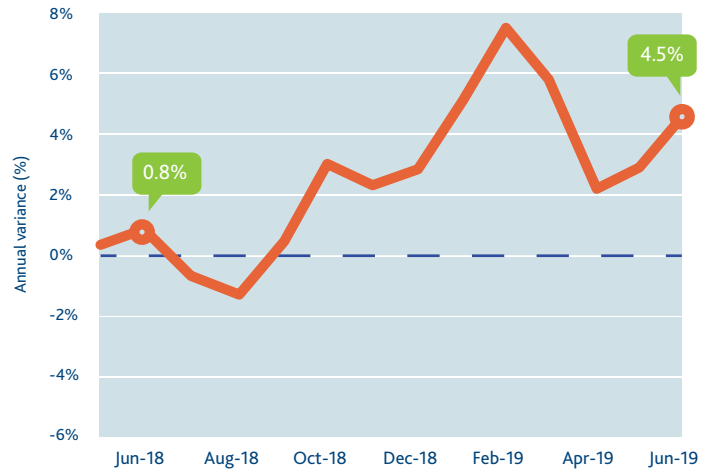
Wales



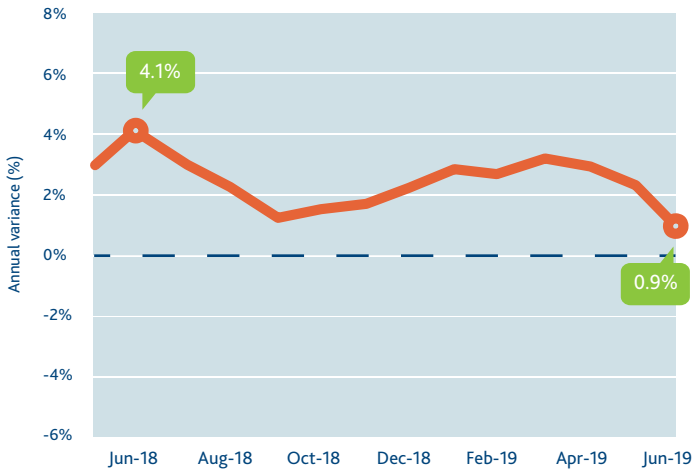
South East



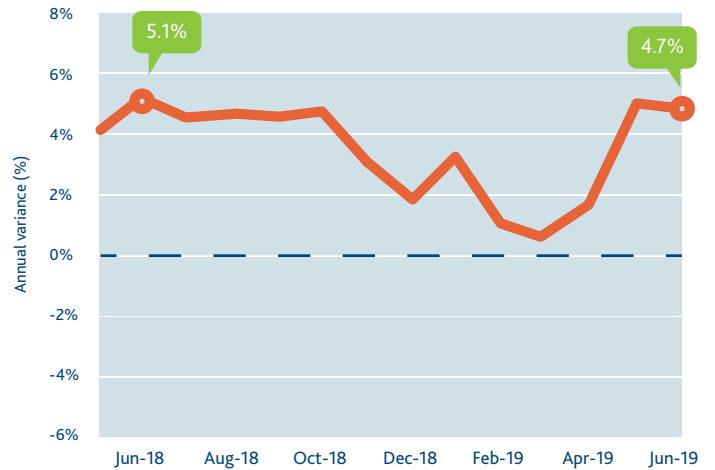
South West



West Midlands

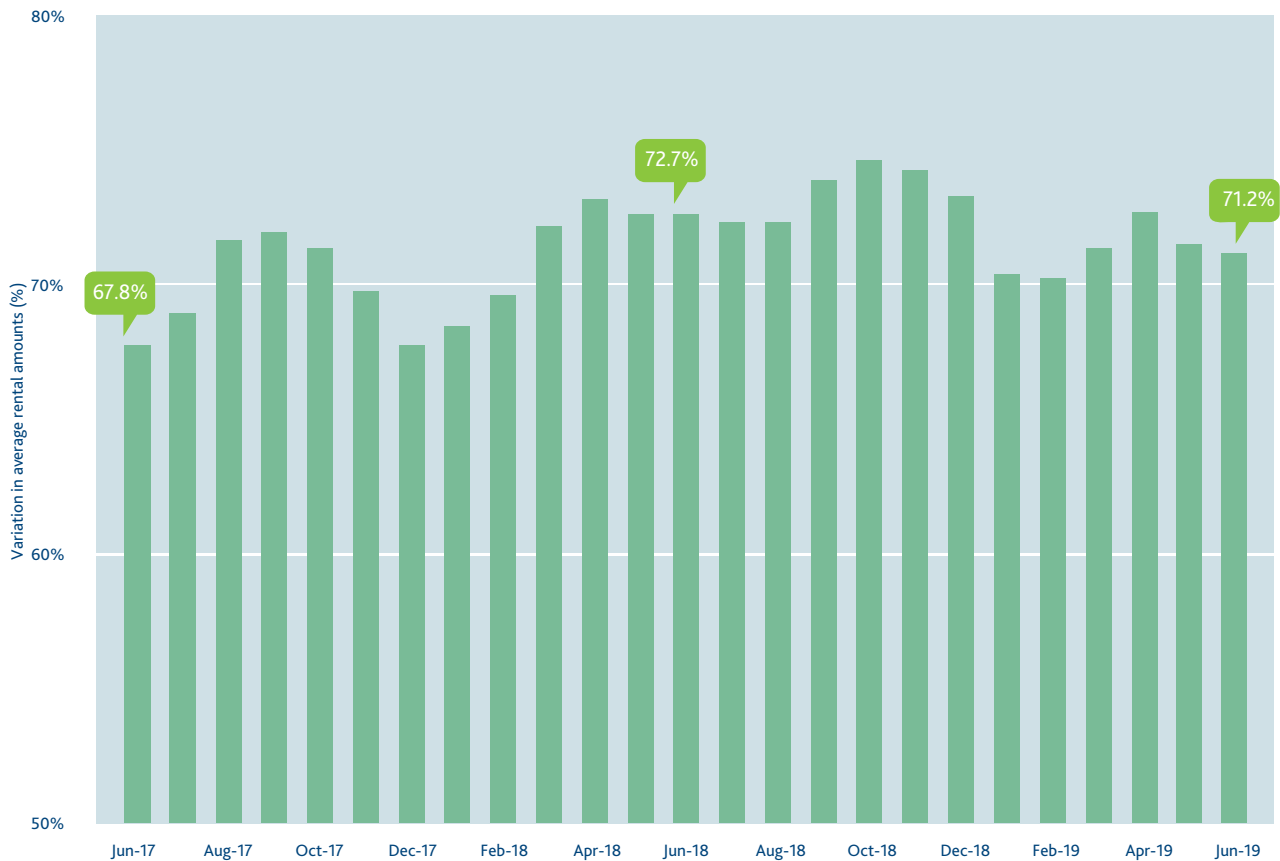


Northern Ireland



Greater London vs. the UK

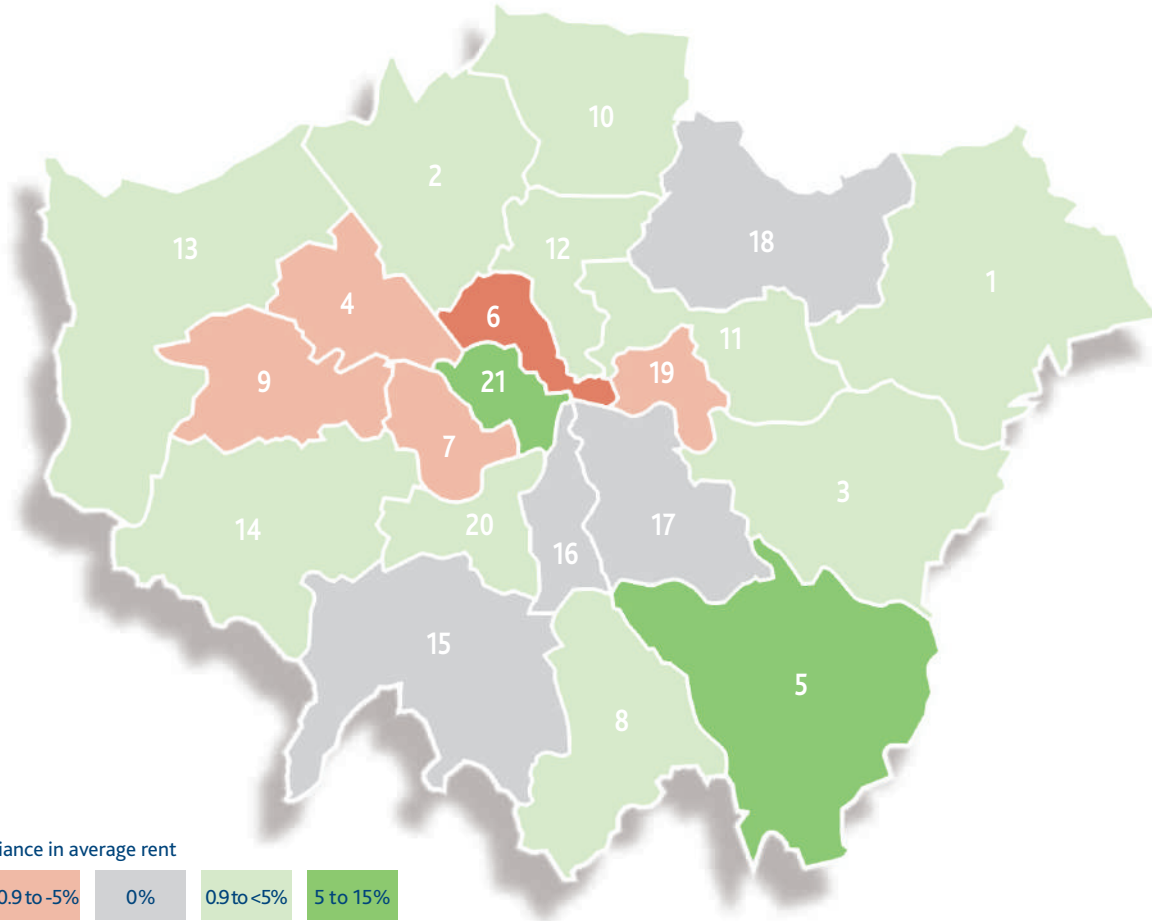
Monthly variation between Greater London rental prices and the UK average



- In June, average rental values in London (£1,611) were 71.2% higher than the UK (£941)
- When London is excluded the average rent in the UK was £781 in June, average rents in London (£1,611) were 106.3% 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 June 2019 with June 2018.



% Annual variance in average rent



1 Barking, Dagenham & Havering Avg rent June 19: £1,238 Annual variance: 3.6%	2 Barnet Avg rent June 19: £1,552 Annual variance: 1.9%	3 Bexley & Greenwich Avg rent June 19: £1,341 Annual variance: 2.0%	4 Brent Avg rent June 19: £1,500 Annual variance: -4.5%	5 Bromley Avg rent June 19: £1,440 Annual variance: 5.3%
6 Camden & City of London Avg rent June 19: £2,013 Annual variance: -9.0%	7 Chelsea, Fulham, Hammersmith & Kensington Avg rent June 19: £1,945 Annual variance: -1.5%	8 Croydon Avg rent June 19: £1,080 Annual variance: 2.6%	9 Ealing Avg rent June 19: £1,457 Annual variance: -2.3%	10 Enfield Avg rent June 19: £1,435 Annual variance: 2.0%
11 Hackney & Newham Avg rent June 19: £1,508 Annual variance: 1.9%	12 Haringey & Islington Avg rent June 19: £1,671 Annual variance: 1.7%	13 Harrow & Hillingdon Avg rent June 19: £1,368 Annual variance: 1.6%	14 Hounslow & Richmond upon Thames Avg rent June 19: £1,475 Annual variance: 2.4%	15 Kingston upon Thames, Merton & Sutton Avg rent June 19: £1,333 Annual variance: 0.3%
16 Lambeth Avg rent June 19: £2,055 Annual variance: -0.3%	17 Lewisham & Southwark Avg rent June 19: £1,729 Annual variance: 0.8%	18 Redbridge & Waltham Forest Avg rent June 19: £1,265 Annual variance: 0.2%	19 Tower Hamlets Avg rent June 19: £1,719 Annual variance: -1.8%	20 Wandsworth Avg rent June 19: £1,760 Annual variance: 1.3%
21 Westminster Avg rent June 19: £2,534 Annual variance: 14.1%				

Greater London ranked by borough

Five London boroughs with the highest average rent

London borough	Average rent June 2019
Westminster	£2,534
Lambeth	£2,055
Camden, City of London	£2,013
Chelsea, Fulham, Hammersmith and Kensington	£1,945
Wandsworth	£1,760

Five London boroughs with the lowest average rent

London borough	Average rent June 2019
Croydon	£1,080
Barking, Dagenham and Havering	£1,238
Redbridge and Waltham Forest	£1,265
Kingston upon Thames, Merton and Sutton	£1,333
Bexley and Greenwich	£1,341

Five London boroughs with the highest annual variance in average rent

London borough	Annual variance
Westminster	14.1%
Bromley	5.3%
Barking, Dagenham and Havering	3.6%
Croydon	2.6%
Hounslow and Richmond upon Thames	2.4%

Five London boroughs with the lowest annual variance in average rent

London borough	Annual variance
Camden, City of London	-9.0%
Brent	-4.5%
Ealing	-2.3%
Tower Hamlets	-1.8%
Chelsea, Fulham, Hammersmith and Kensington	-1.5%

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