

HomeLet rental index report

The HomeLet Rental Index represents the largest, most insightful, and up-to-date view on the UK's private rented sector. With data qualified through high-quality tenant referencing, conducted on behalf of over 4,500 UK letting agents, the trends reported within the Index are based on brand new tenancies and agreed rents, giving the most relevant insight into changes in the Private Rented Sector.

Overview



In conjunction
with PriceHubble

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Average rents and change in rents



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Average
rent
(UK)

£1,302

Average rents across the UK edged down slightly in January, marking a third consecutive monthly decline.



Average
rent
(UK excl. London)

£1,118

Outside London, average rents fell by 0.5% in January to £1,118, still 2.1% above the level seen in January 2025.



Change
monthly

-1.1%

All regions except the North West and South East recorded small rental decreases over the month.



Change
annual

+2.4%

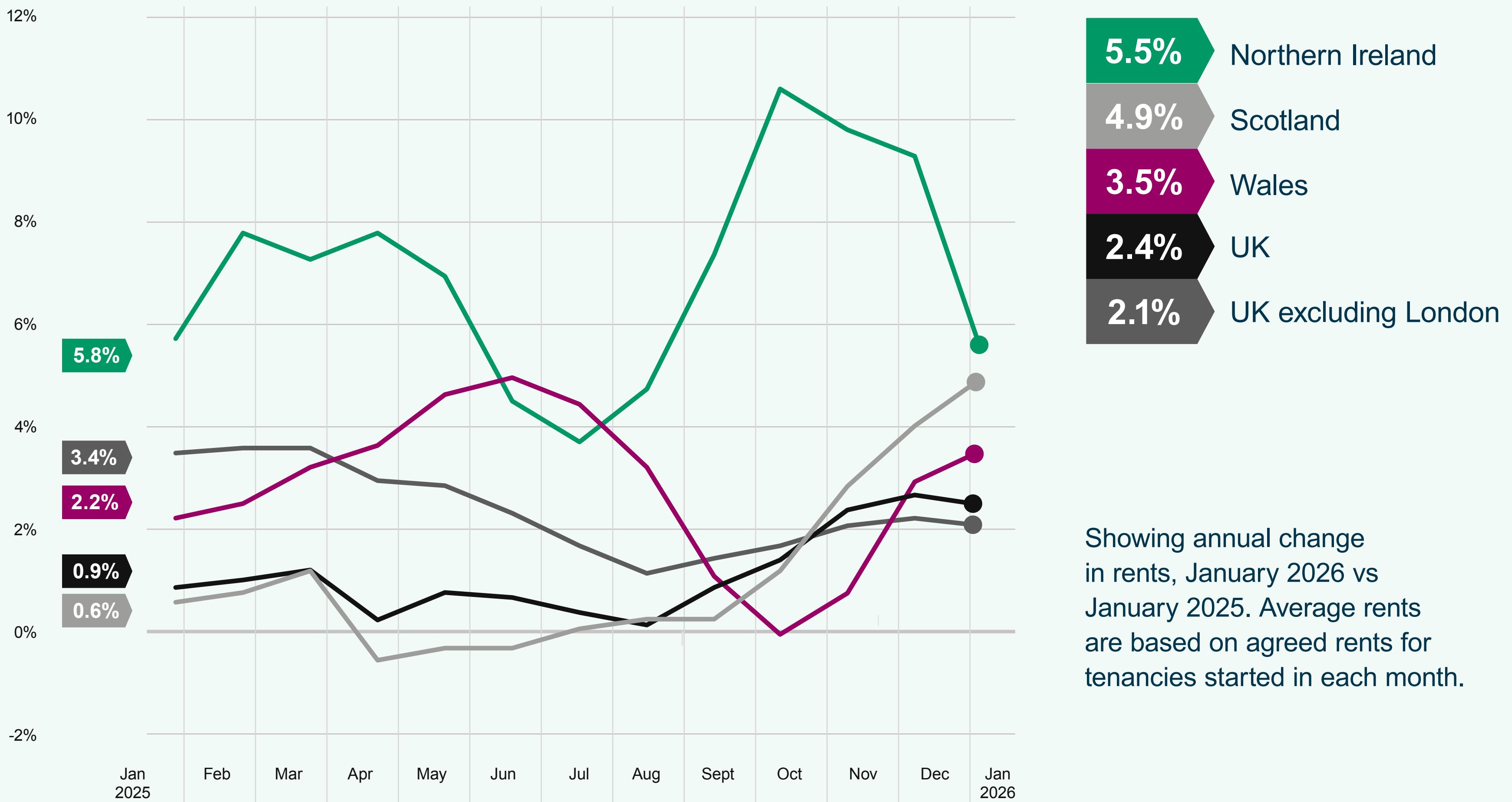
Despite the recent softening, rents remain higher than a year ago in most parts of the country.

Next UK and home nations

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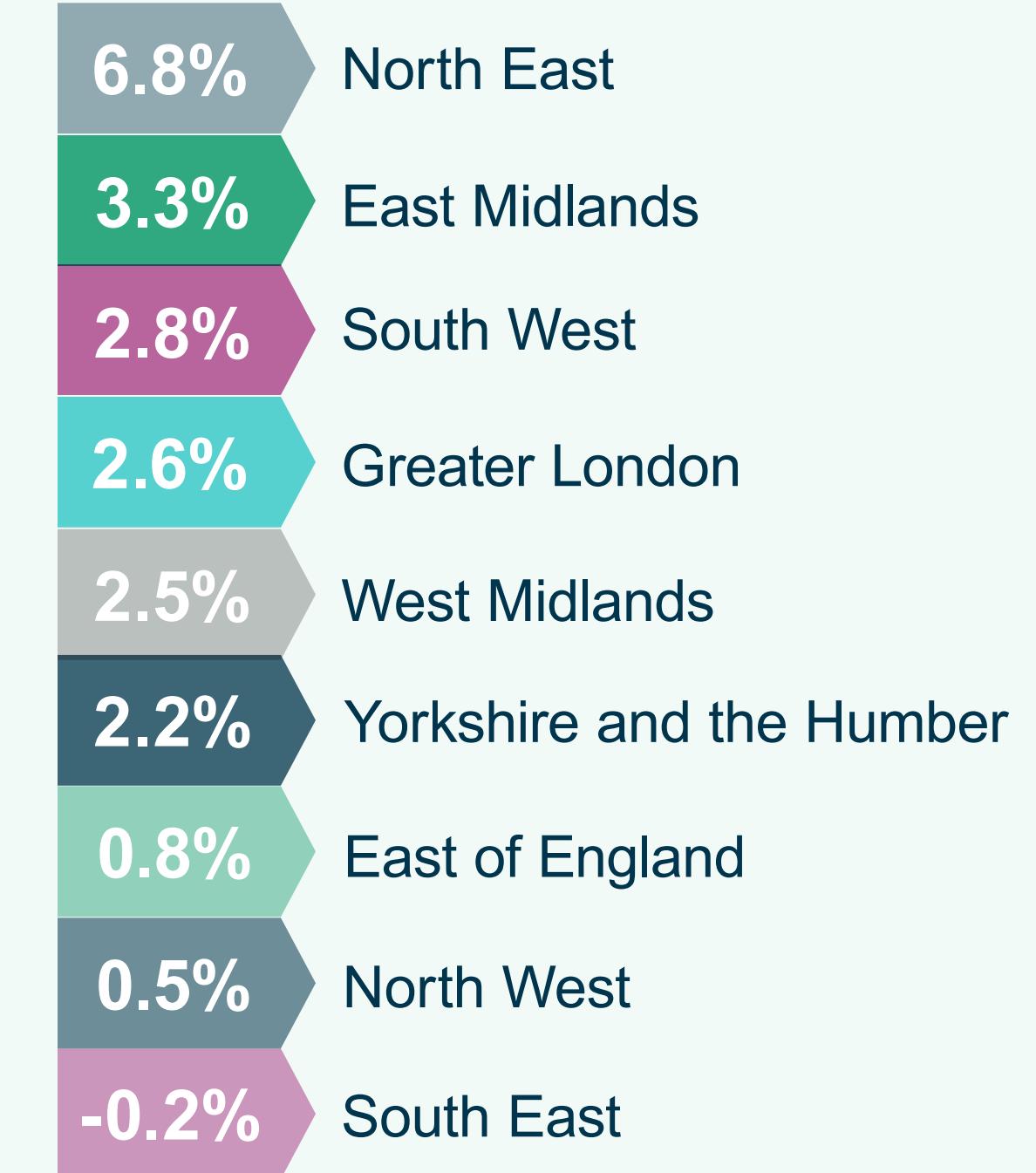
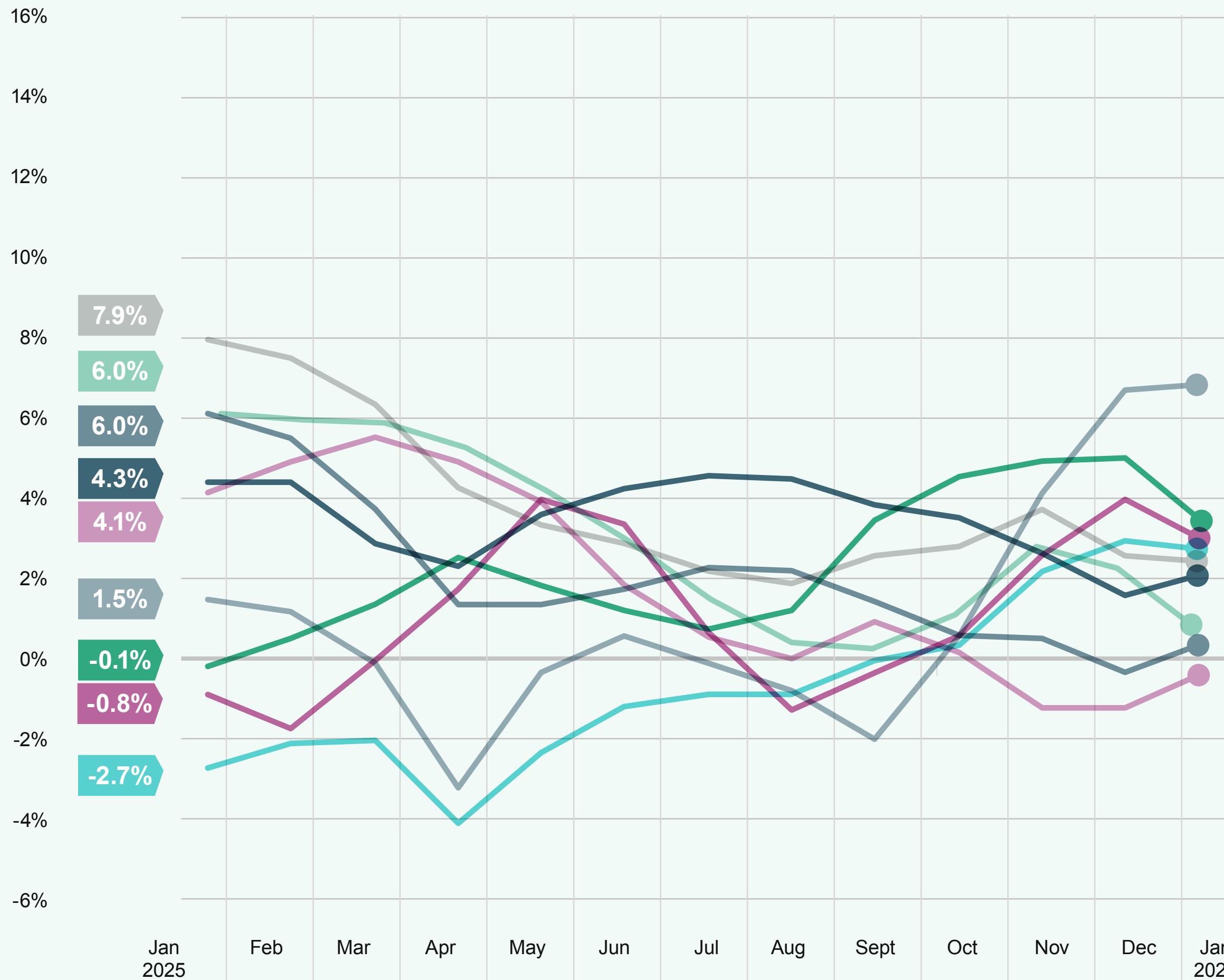
UK and home nations

Annual change January 2025 to January 2026



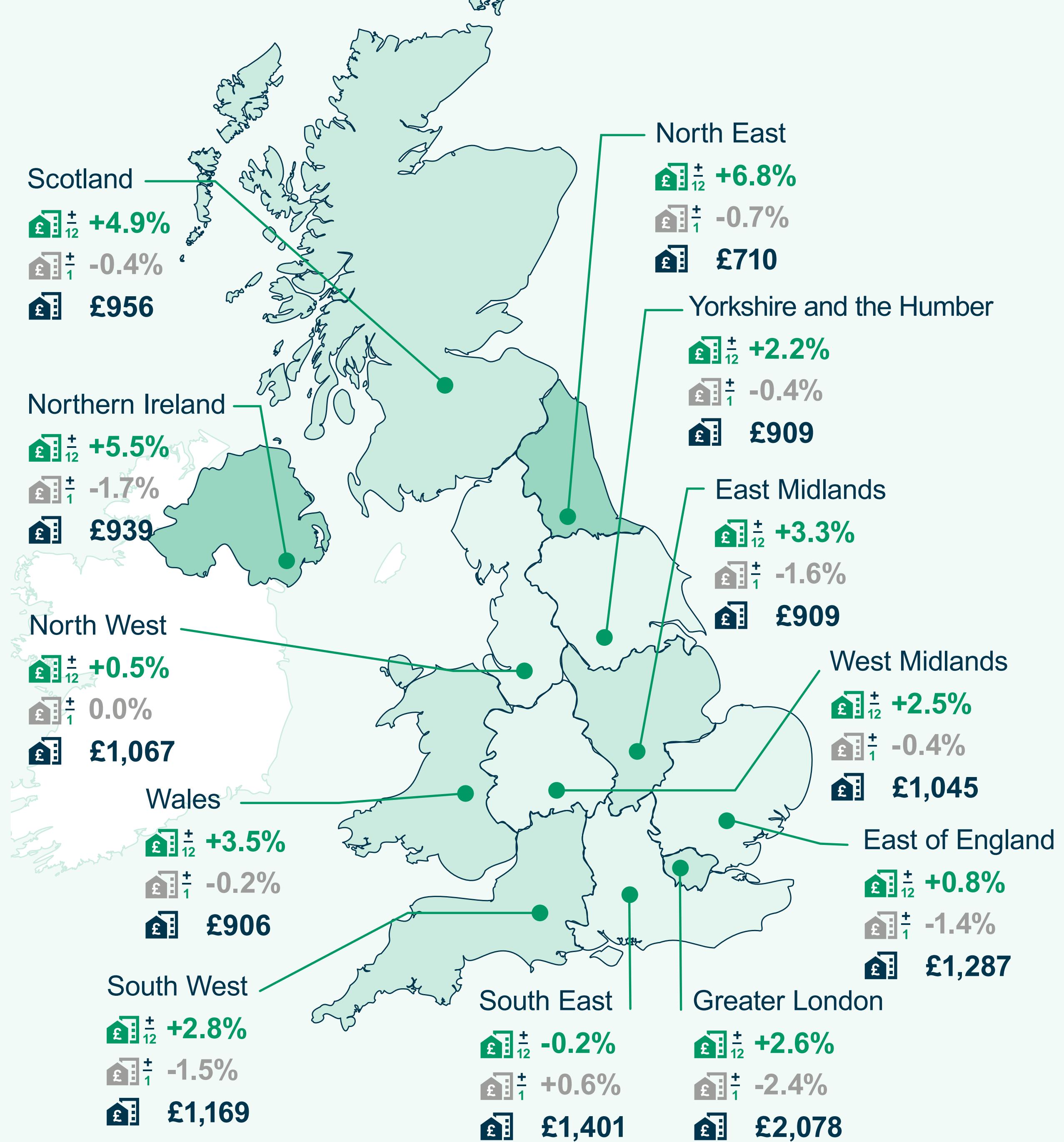
England by region

Annual change January 2025 to January 2026



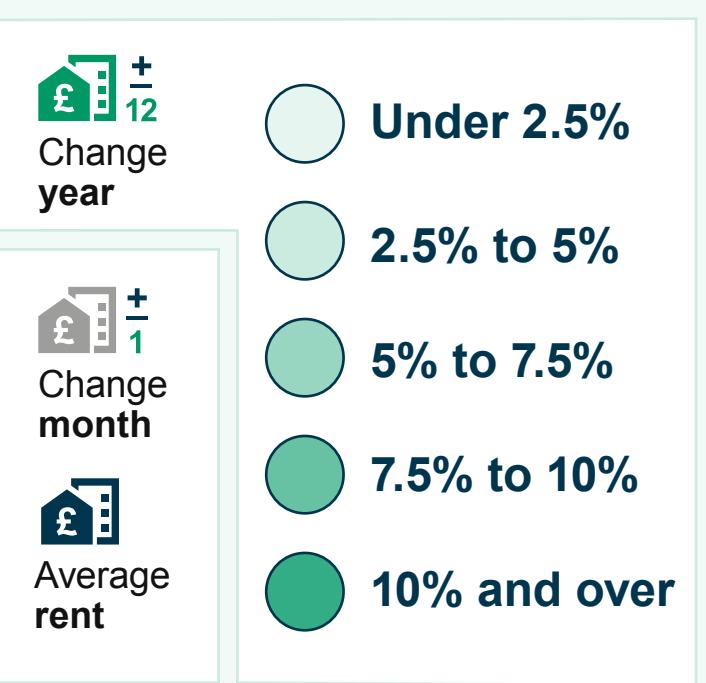
Showing annual change in rents, January 2026 vs January 2025. Average rents are based on agreed rents for tenancies started in each month.

Regional snapshot



Annual change

January 2025 to
January 2026



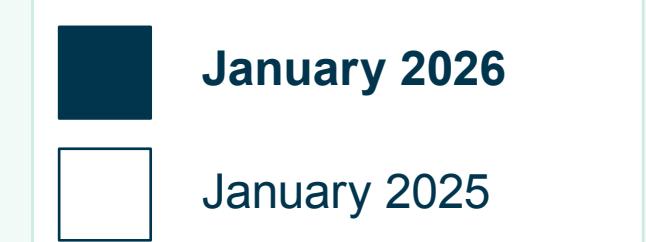
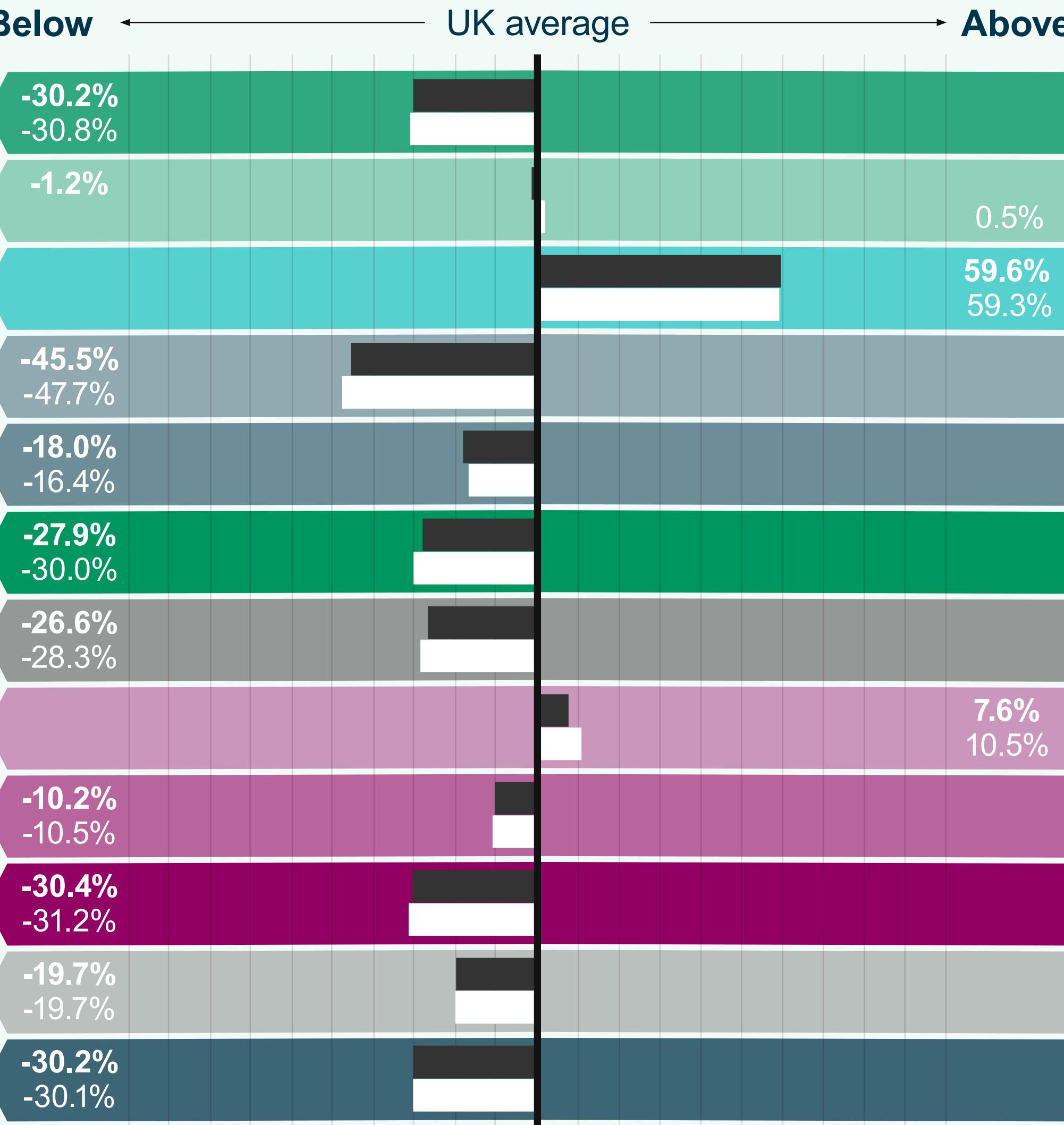
December
2025 to 2026



Next Regional discount / premium

Regional discount / premium to UK average

Comparison with UK average January 2025 to January 2026



Showing how regional rents compared to the UK average in January 2026 and a year earlier, i.e., average rents in the East Midlands in January 2026 were 30.2% below the national average. However, in January 2025 they were 30.8% below the national average.

London focus



In conjunction
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Average
rent

£2,078

In London, January recorded a 2.4% fall in average rents which, combined with falls over recent months, brings rents to 6.3% below their October peak.



Change
annual

+2.6%

Even so, earlier increases in 2025 mean rents remain higher than a year ago.



Strongest
performer

+9.9%

Ealing

Only three areas of London saw rents rise in January, including Ealing, which is also showing the strongest annual growth.

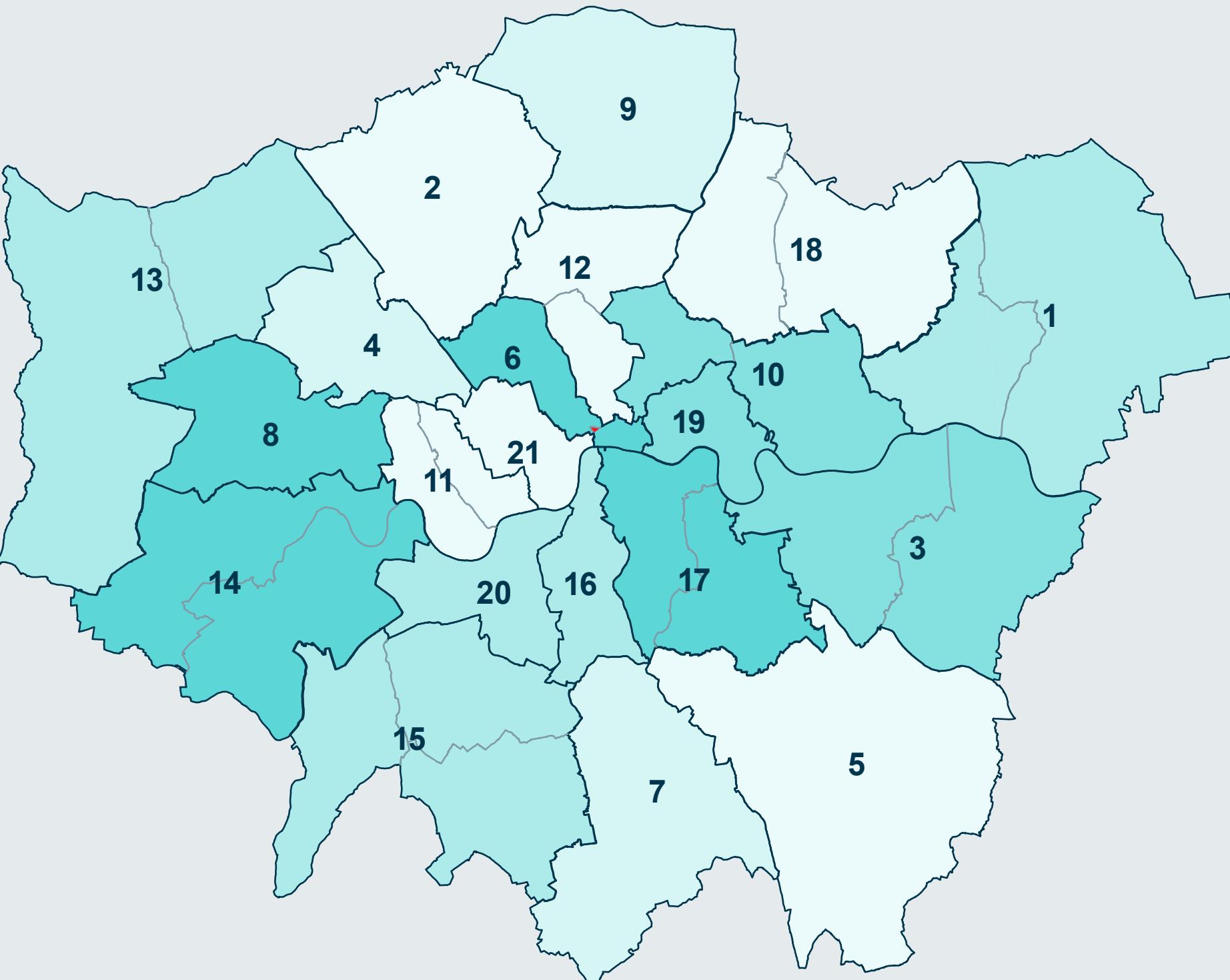
Next By borough

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By borough



Annual change January 2025 to January 2026



Less than 0%

0% to 2%

2% to 4%

4% to 6%

6% and over

Aggregations of London
Boroughs are based on
the NUTS2 statistical
classification model.

		Annual change	Average rent
1	Barking, Dagenham and Havering	+3.1%	£1,667
2	Barnet	-1.6%	£2,046
3	Bexley and Greenwich	+4.2%	£1,794
4	Brent	+0.7%	£2,140
5	Bromley	-3.7%	£1,993
6	Camden, City of London	+6.8%	£2,254
7	Croydon	0.0%	£1,616
8	Ealing	+9.9%	£2,297
9	Enfield	+0.2%	£1,965
10	Hackney and Newham	+4.8%	£1,906
11	Hammersmith, Fulham, Kensington and Chelsea	-3.3%	£2,457
12	Haringey and Islington	-6.3%	£1,922
13	Harrow and Hillingdon	+3.9%	£1,926
14	Hounslow and Richmond	+6.1%	£2,023
15	Merton, Kingston upon Thames and Sutton	+2.8%	£1,934
16	Lambeth	+3.7%	£2,534
17	Lewisham and Southwark	+9.1%	£2,185
18	Redbridge and Waltham Forest	-1.7%	£1,732
19	Tower Hamlets	+5.5%	£1,963
20	Wandsworth	+2.3%	£2,137
21	Westminster	-0.2%	£3,225

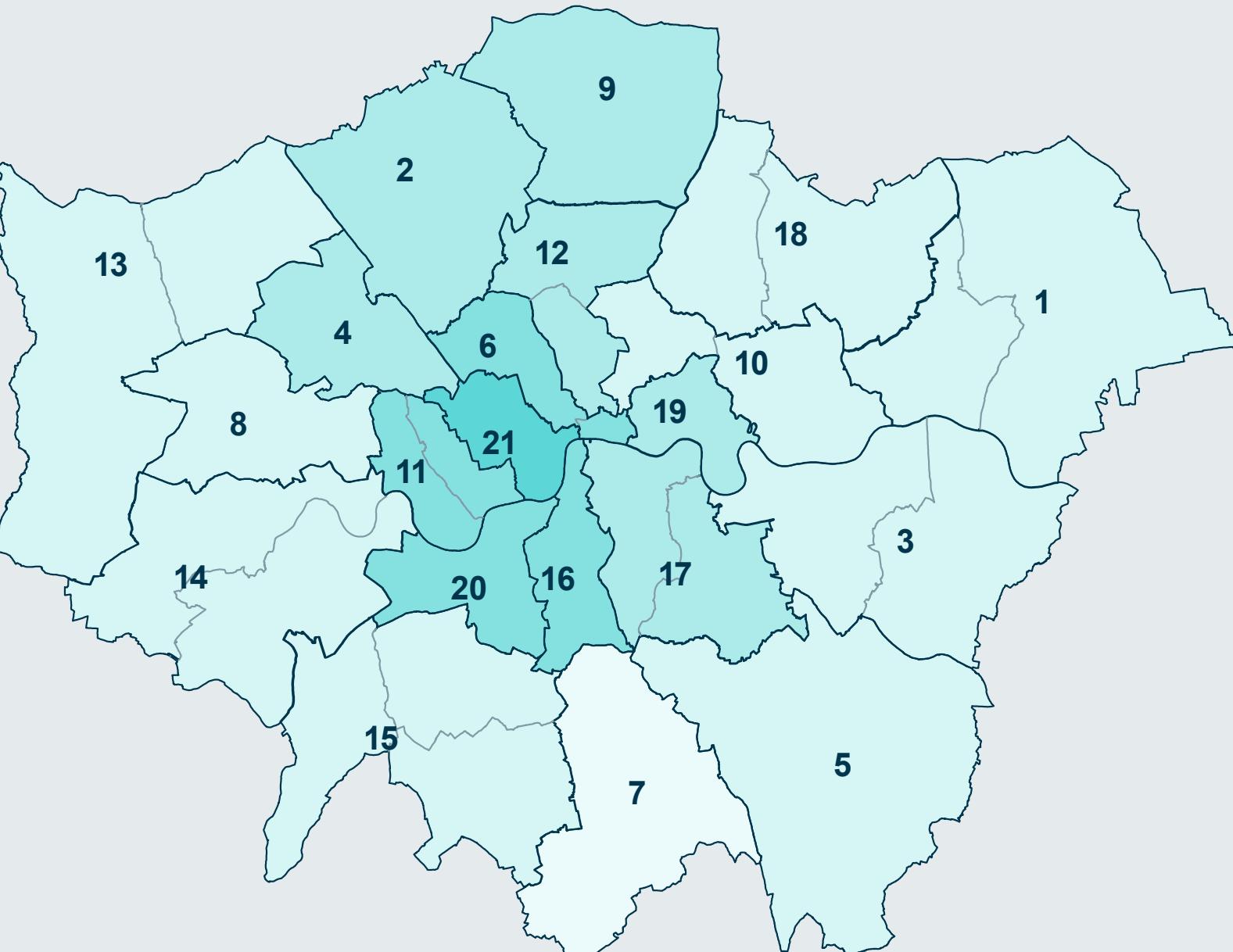
Five-year snapshot



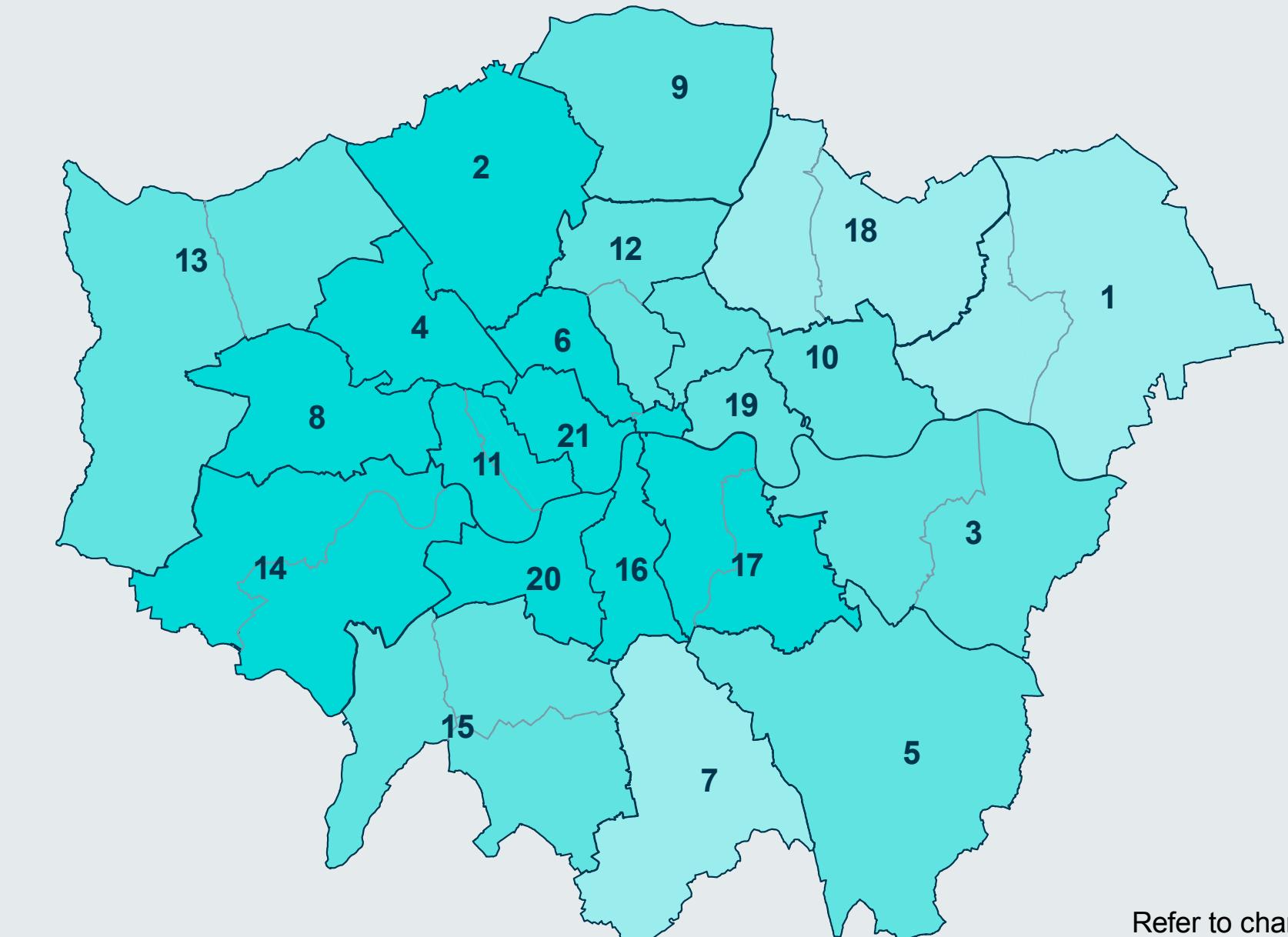
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Average rent January 2021



Average rent January 2026



Refer to chart on
previous page
for boroughs

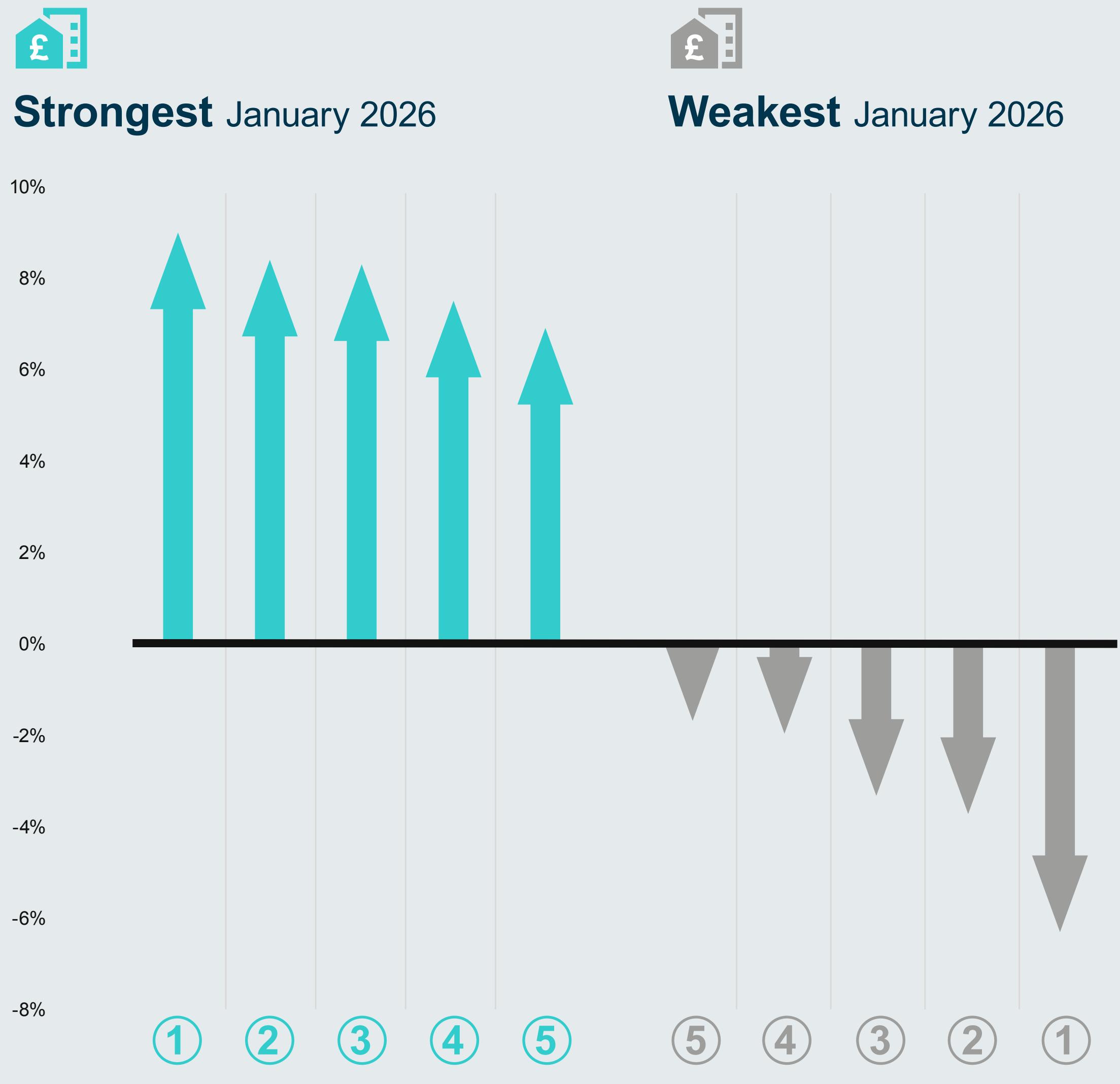
- Less than £1,250
- £1,250 to £1,500
- £1,500 to £1,750
- £1,750 to £2,000
- Over £2,000

5
YR

Greatest
change over
five years

+53.4% Ealing

Strongest and weakest performers



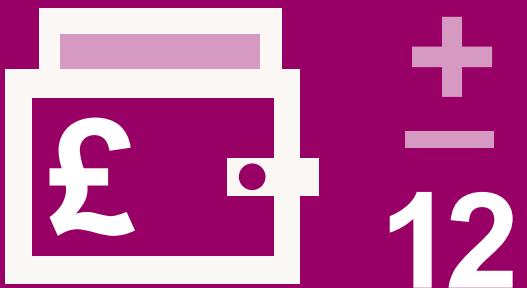
Affordability



% income
spent on rent

32.3%

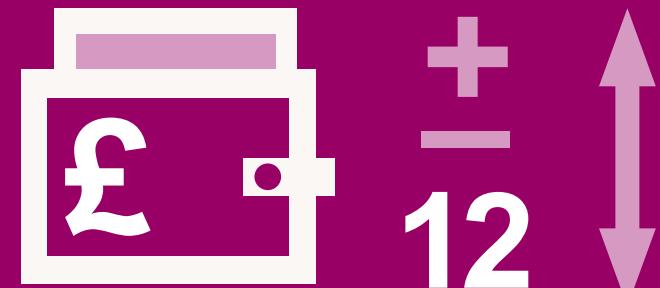
In January, renters spent 32.3% of their gross income on their rent, unchanged from December.



Change
annual*

+0.3%

Affordability has improved slightly over the past year, with renters spending 32.5% of income in January 2025.



Greatest
change

+1.3%

East Midlands

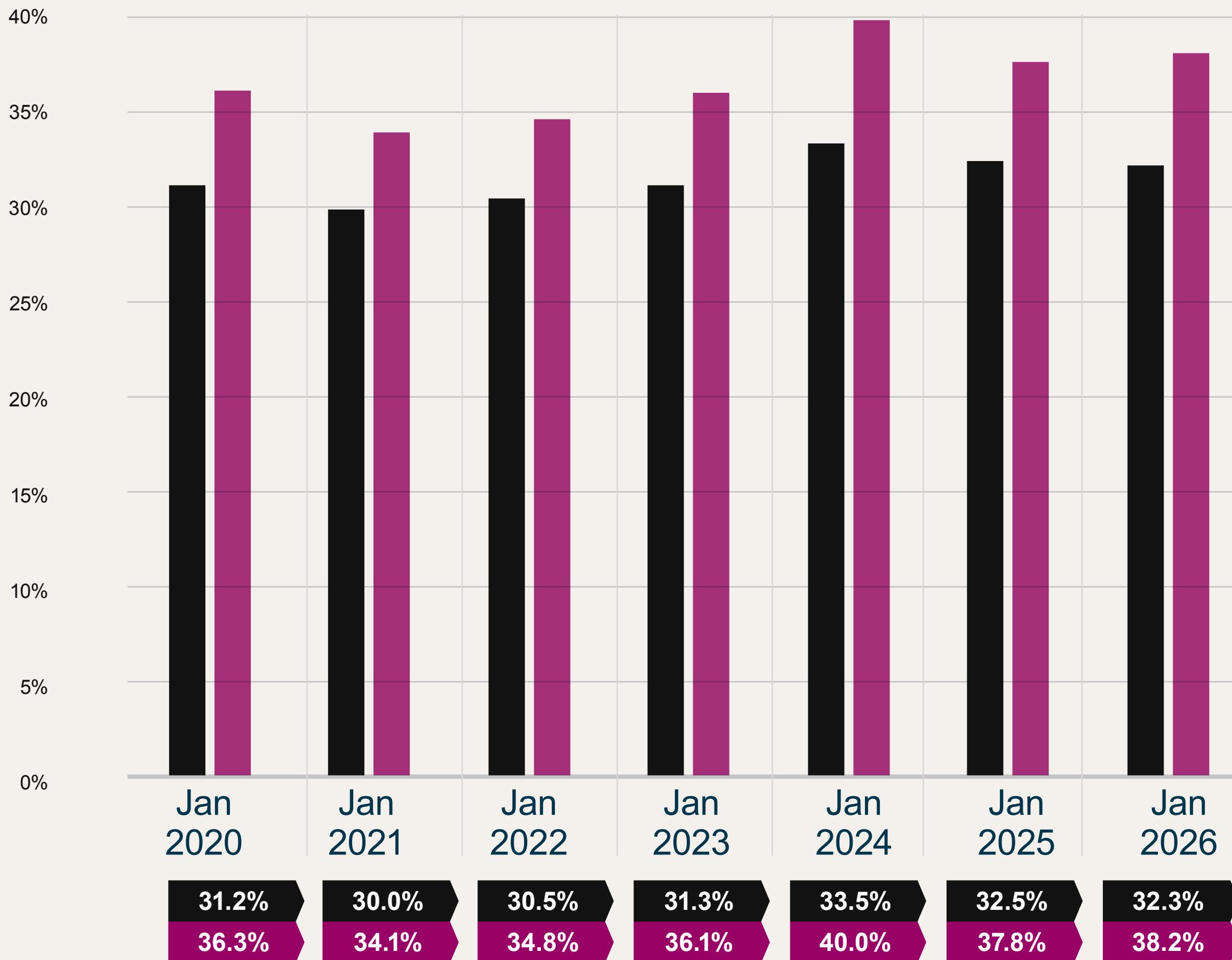
However, this improvement has not been universal, affordability has weakened in some regions, particularly Scotland and London.

* calculated by subtracting the January 2026 figure from January 2025. A negative figure reflects worsening affordability.

UK and London

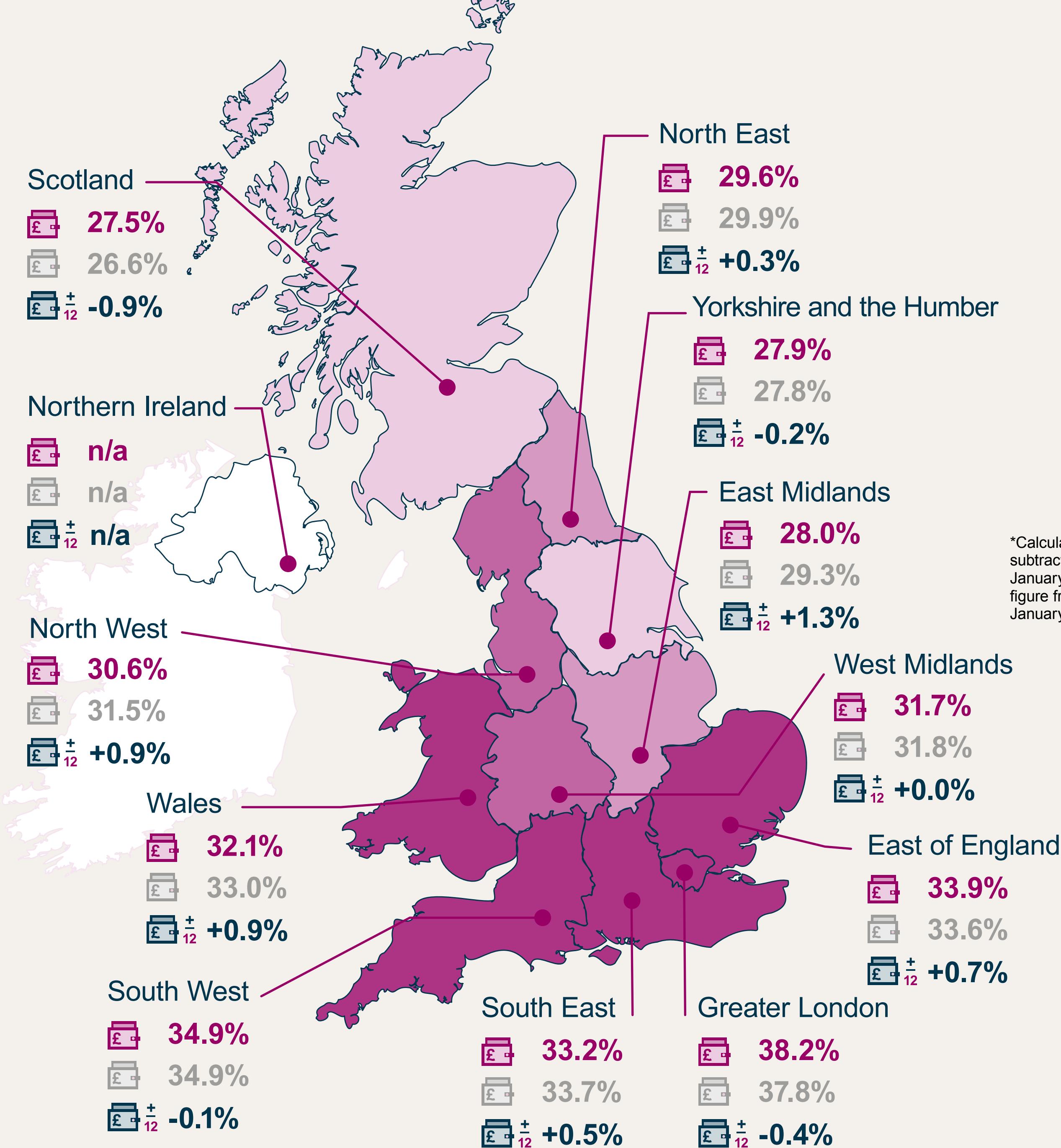


Affordability over time January 2020 to January 2026



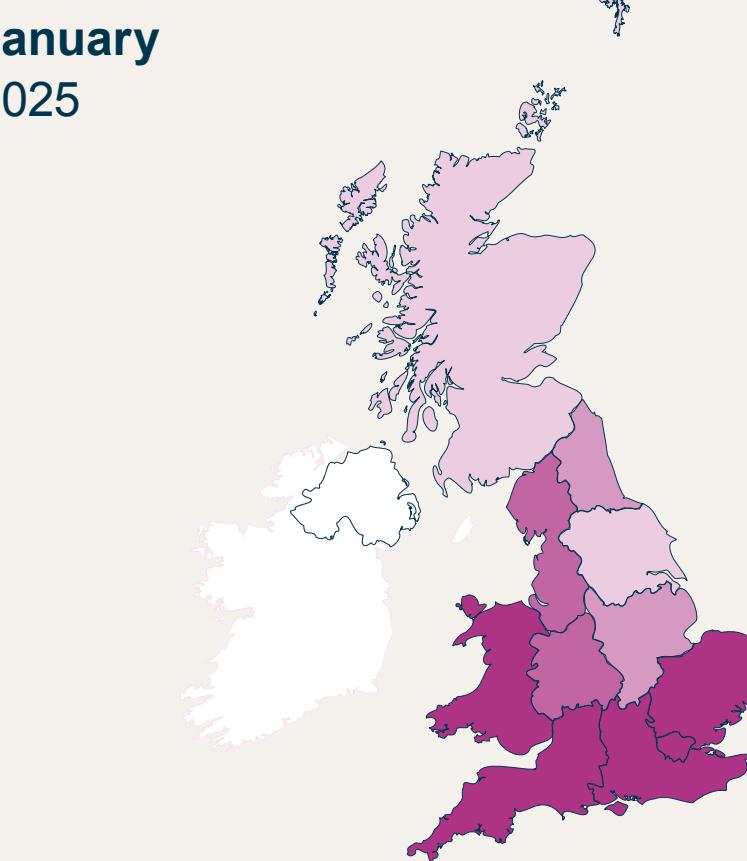
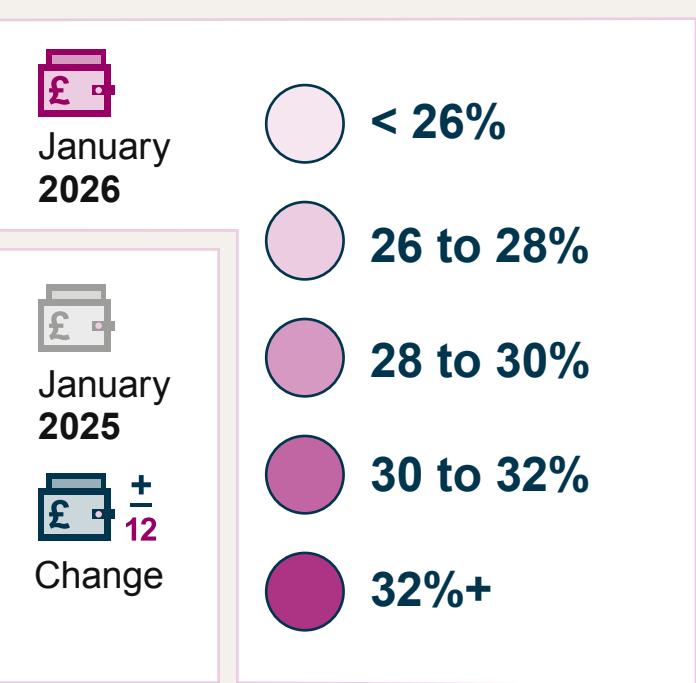
Showing the average proportion of gross income that households are spending on their rent for tenancies started in each month. The ratio is calculated from actual incomes and rents at a tenancy level rather than comparing average earnings in an area with average market rents.

Regional snapshot



*Calculated by
subtracting the
January 2025
figure from
January 2026.

£
% income
spent on rent
January 2026



Next Regional focus

North West



Median tenant
gross income*

£27,322

£30,668



Average % tenant
income spent on rent

30.6%

32.3%



Predominant
age group

20–29

20–29



Predominant
rental band

£750–£1,000

£750–£1,000 per month

Key

Shows regional average

Shows UK average

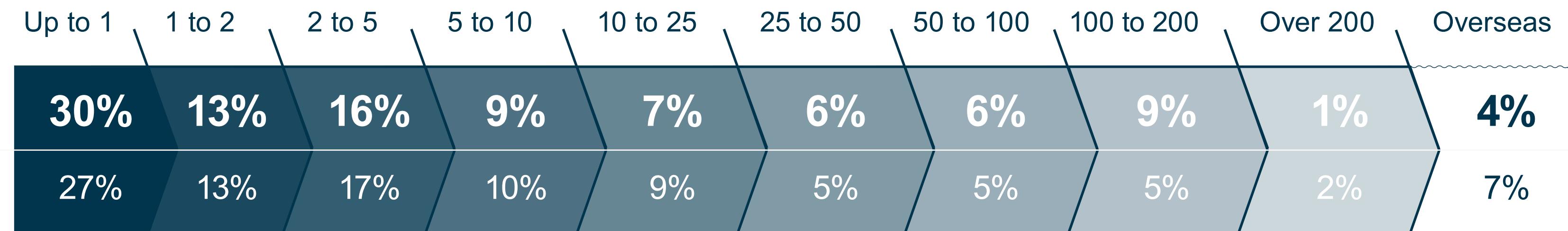
Delving deeper into the data we are able to provide tenant demographic and market profiling at a local level. Each month, we provide a snapshot of the profile of tenants across different UK regions based on data for the last 12 months. This month's focus is on the North West England.

*Excludes below £10k and over £500k



Distance moved last 12 months

Miles



Key

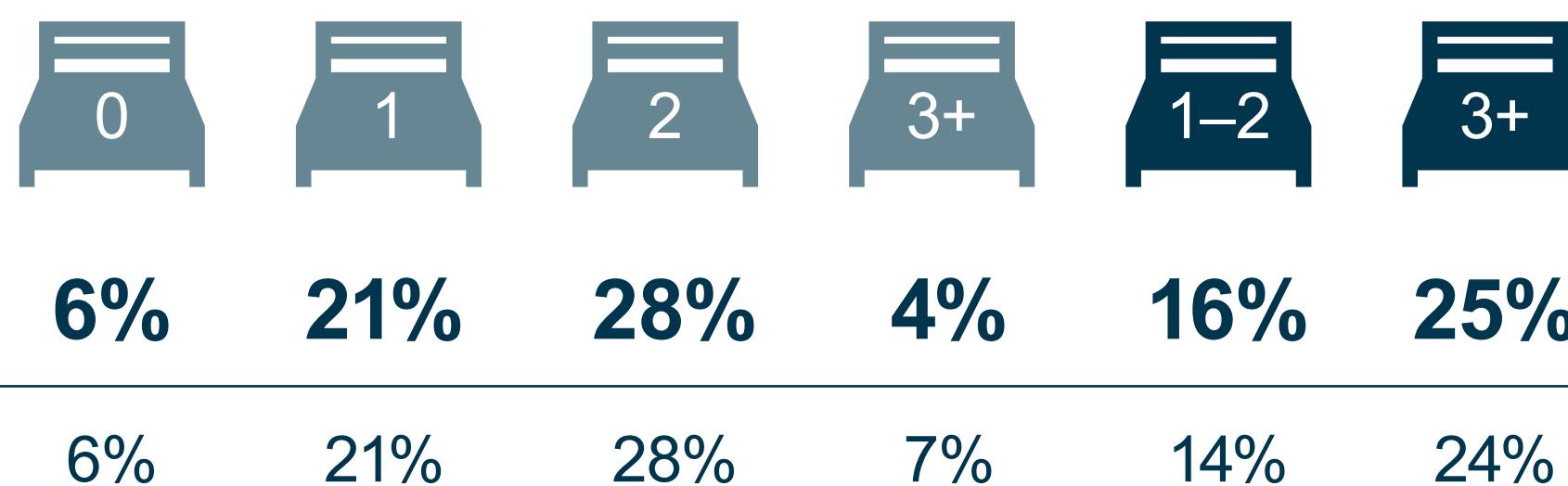
Shows regional average

Shows UK average

Profile of properties let Last 12 months

Number of bedrooms

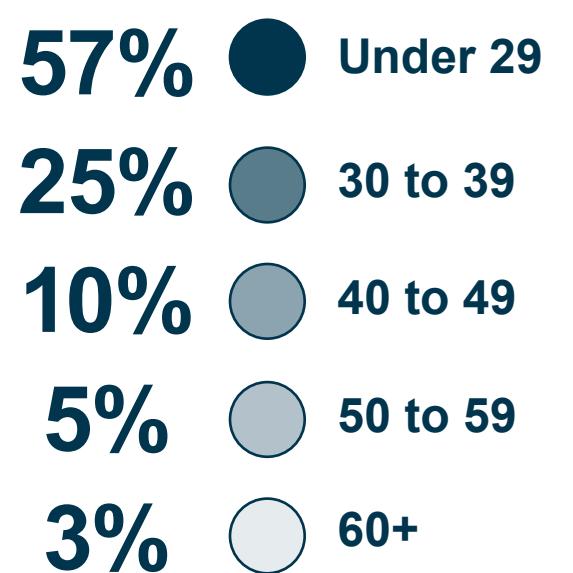
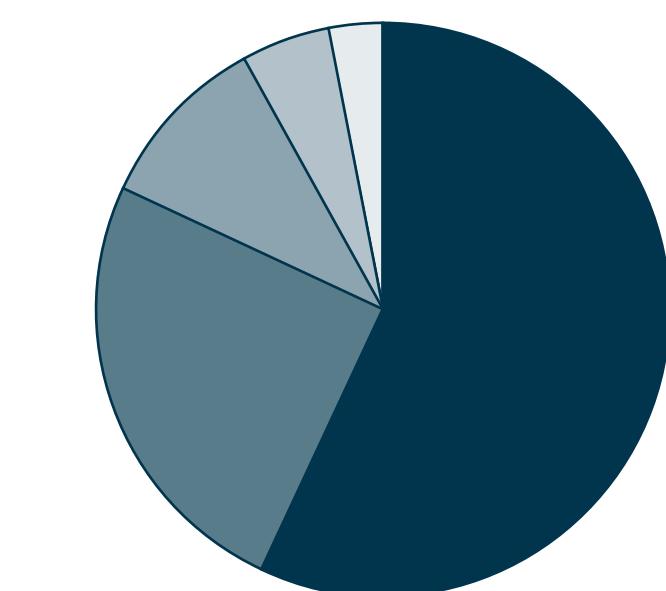
Flats



Houses

Age breakdown Last 12 months

Tenants age





THE RENTAL INDEX

With over 30 years of experience, we're the UK's leading tenant referencing and specialist protection supplier for the private rented sector. We've got a team of over 300 co-workers dedicated to providing market-leading support to our letting agents, helping them to grow and develop their business.

We always strive to exceed our customers' expectations. Our expertise combined with our innovative approach drives a continual development of our proposition – and the value that we provide for our customers.

In conjunction with PriceHubble

 **PriceHubble | dataloft**

About the HomeLet rental index report

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 January not be used for commercial purposes; we shall not be liable for any decisions made or action taken in reliance upon the published data.

About Dataloft by PriceHubble

PriceHubble is a European B2B company that builds innovative digital solutions for the financial and real estate industries based on property valuations and market insights. Dataloft by PriceHubble aggregates data from Barbon and other companies to create the largest and most comprehensive single source of achieved rents and renter demographics for the UK. Their team of analysts and data scientists produce the evidence needed by clients for marketing strategies, investment decisions and planning submissions.

www.pricehubble.com/uk

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