

January
2025

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.

In conjunction with Dataloft, a PriceHubble company

HomeLetTM
THE RENTAL INDEX

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Average rents and change in rents



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Average rent
(UK)

£1,271

The slowdown in the rental market which began in the latter part of 2024 has continued into 2025.



Average rent
(UK excl. London)

£1,095

Average rents outside London fell by 0.5% in the month to £1,095, leaving them 3.4% higher than a year earlier.



Change monthly

-1.0%

The average rent across the UK dropped in January for the fourth consecutive month.



Change annual

+0.9%

As a result of falls in the last few months, rents are now rising on an annual basis at their slowest rate since July 2020.

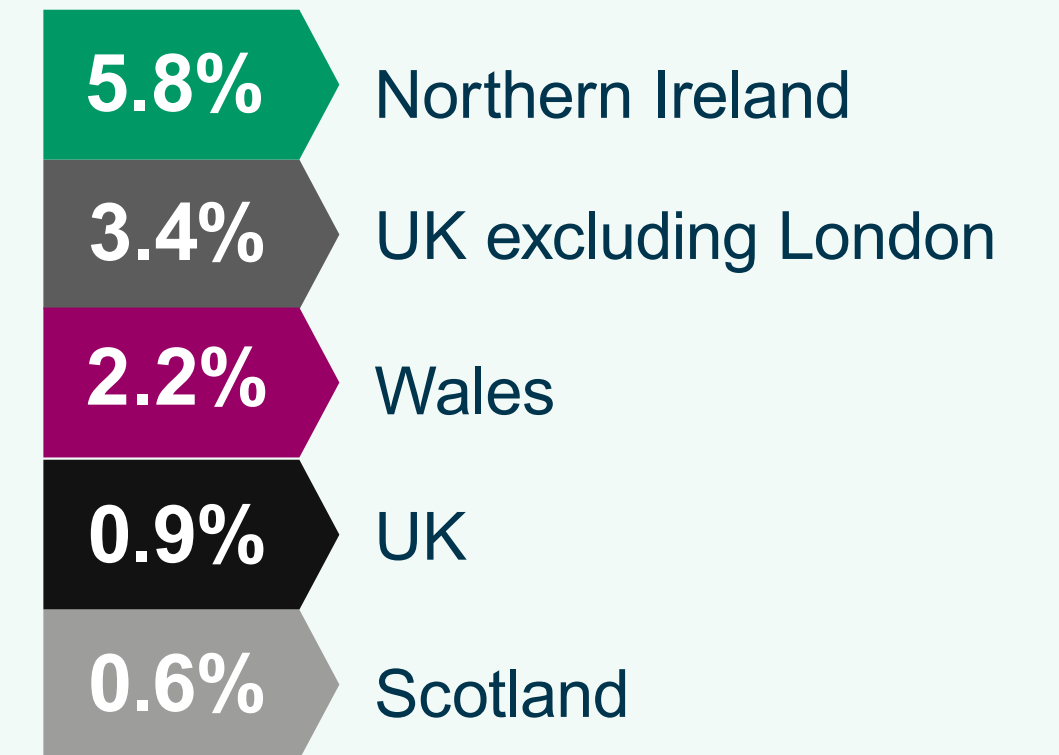
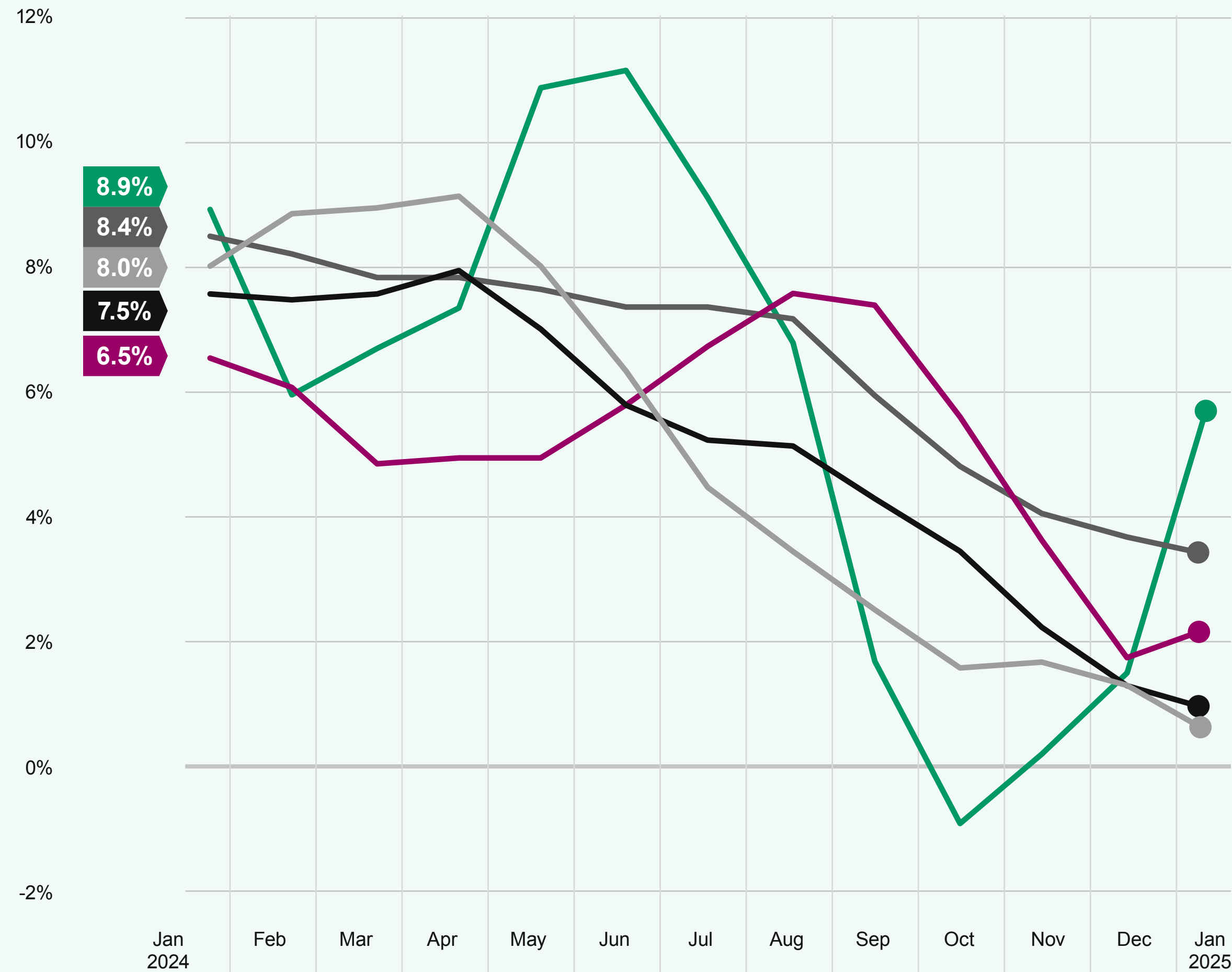
UK and home nations



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Annual change January 2024 to January 2025



Showing annual change in rents, January 2025 vs January 2024. Average rents are based on agreed rents for tenancies started in each month.

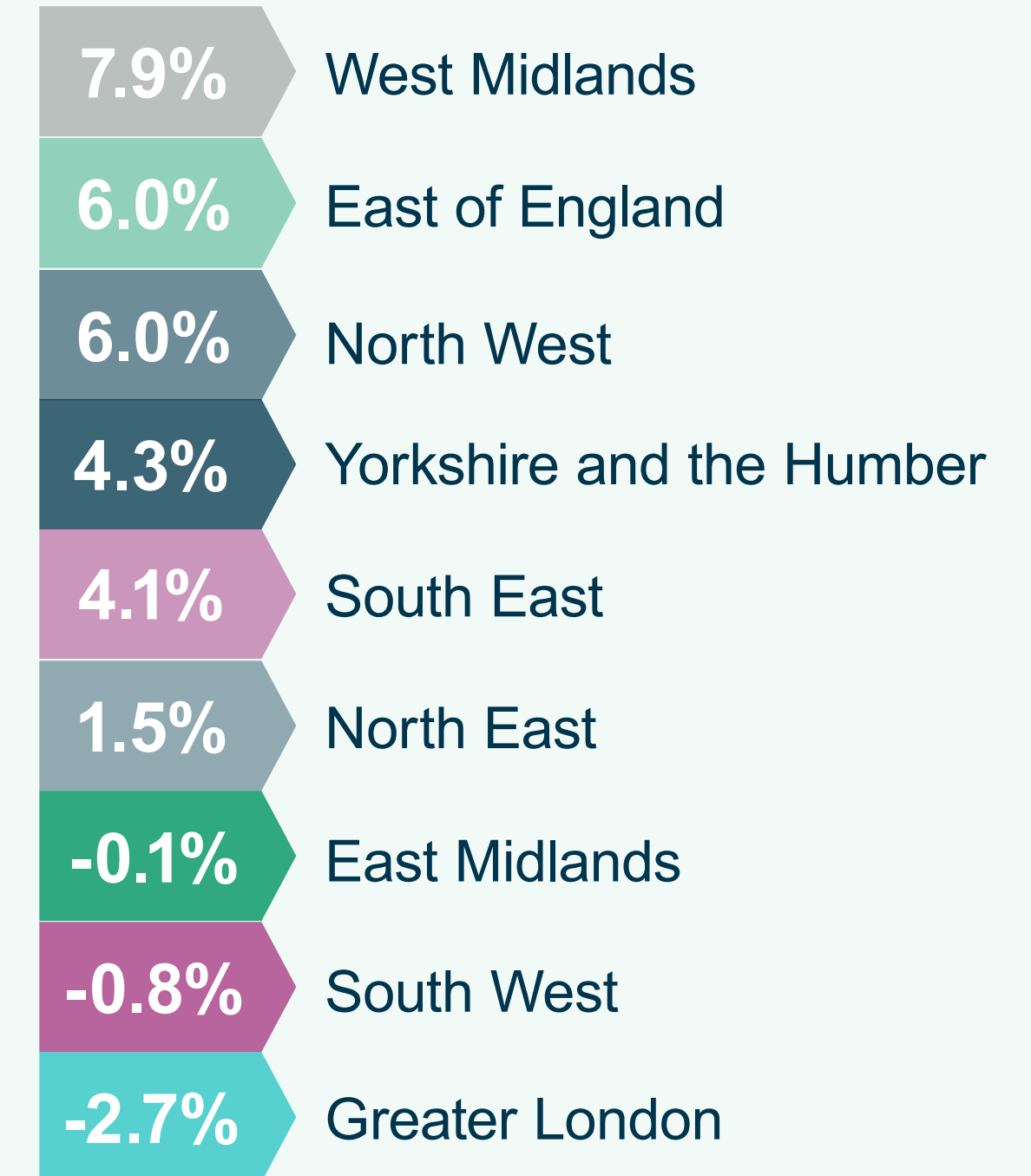
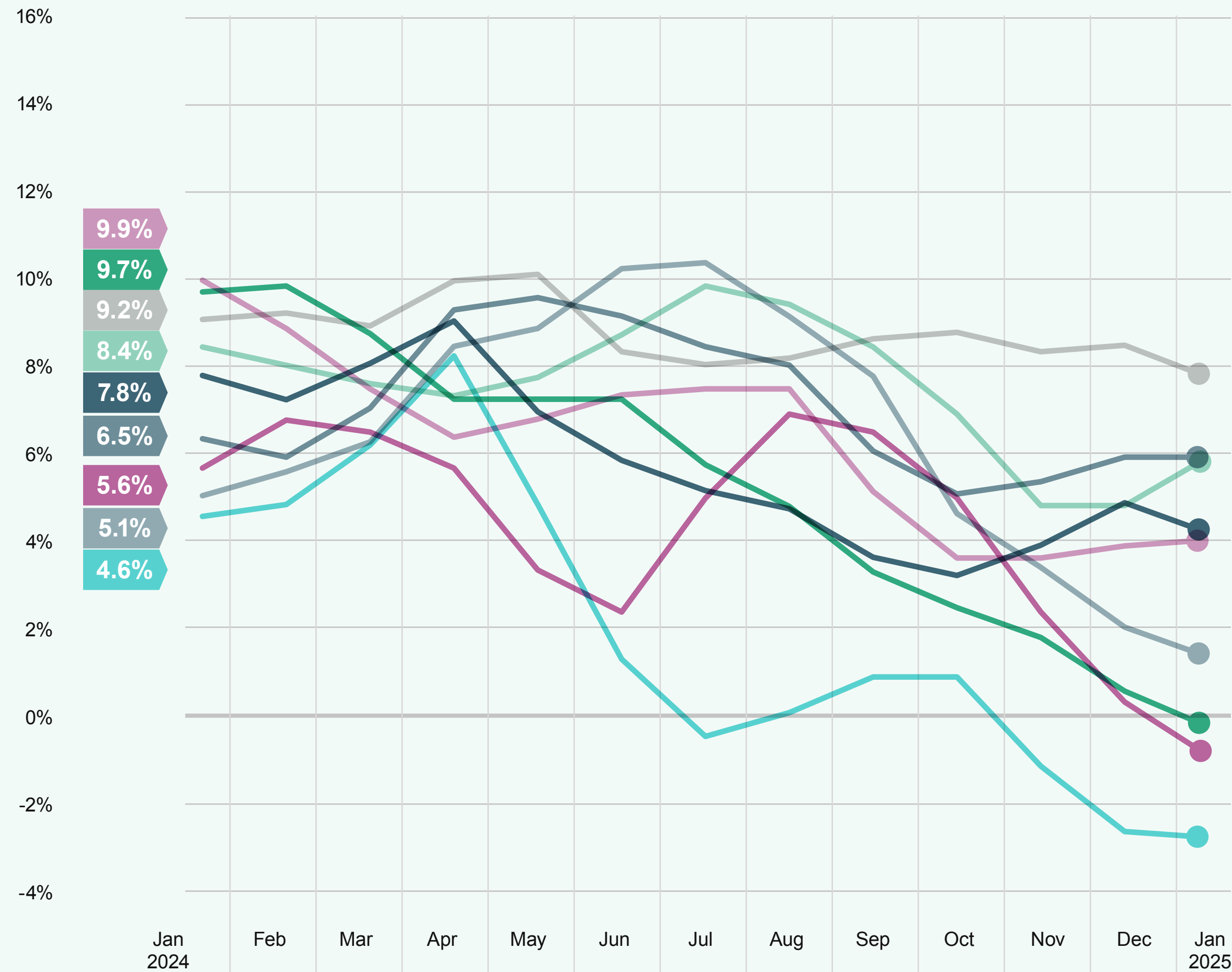
Next England by region »

England by region



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Annual change January 2024 to January 2025

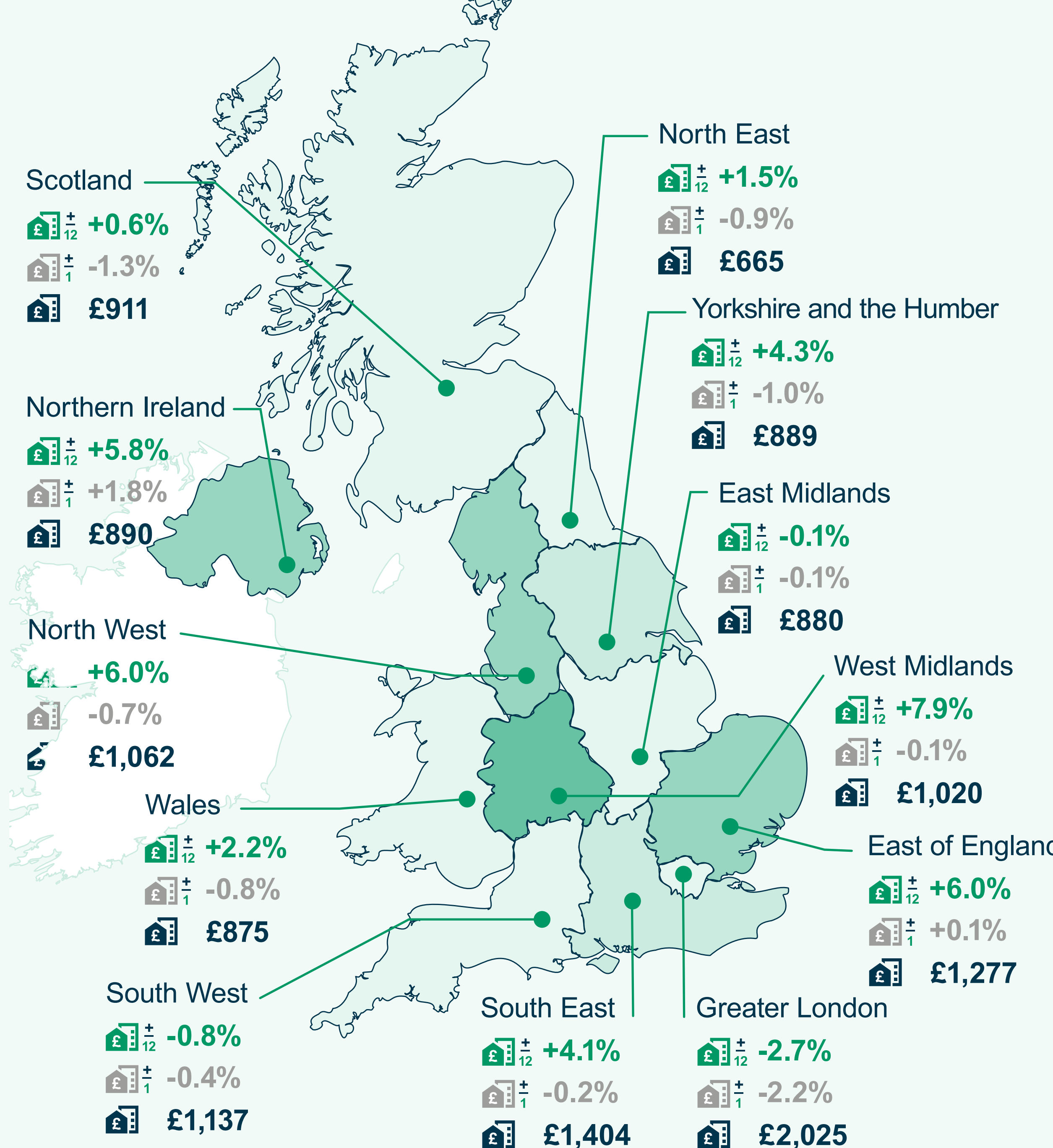


Showing annual change in rents, January 2025 vs January 2024. Average rents are based on agreed rents for tenancies started in each month.

Regional snapshot

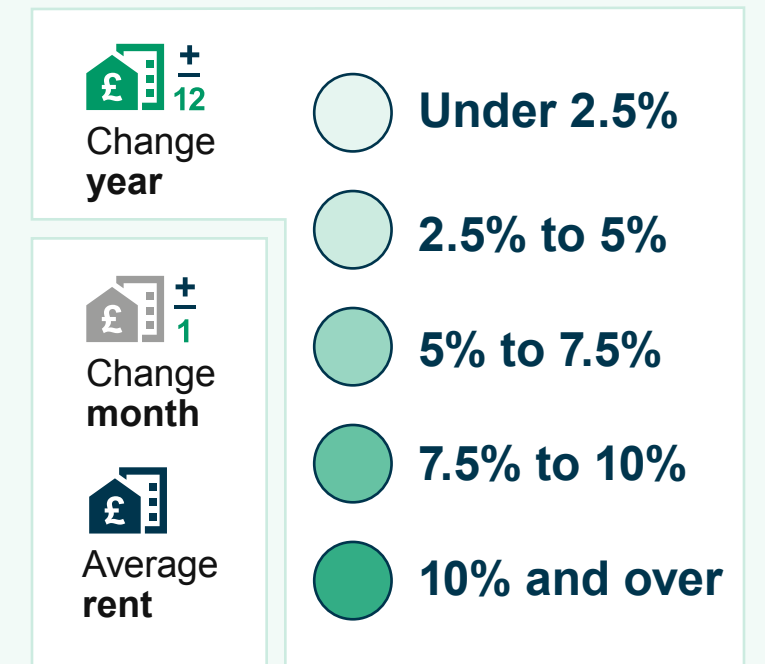


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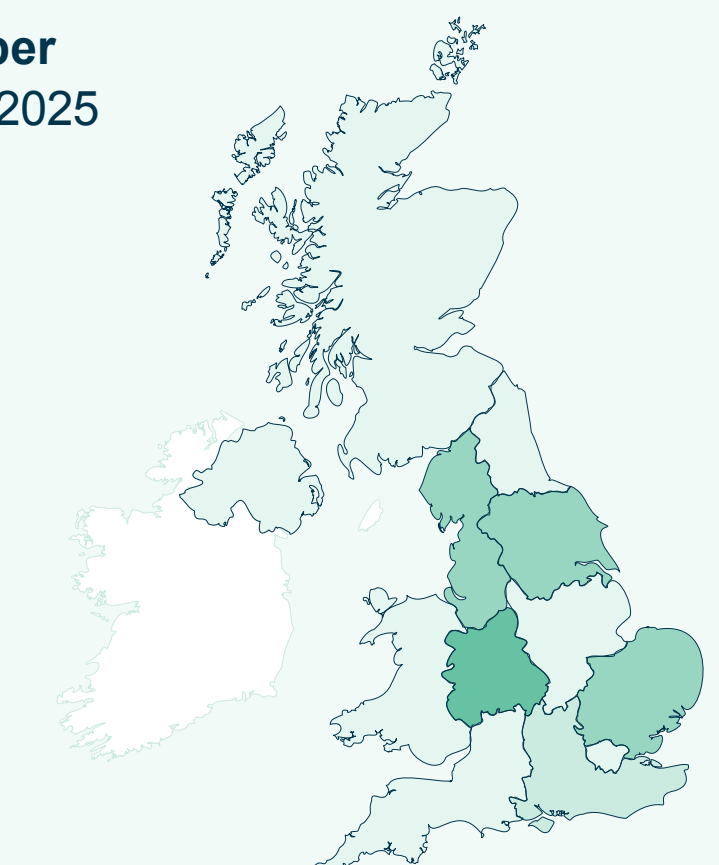


Annual change

January 2024 to January 2025



December 2024 to 2025



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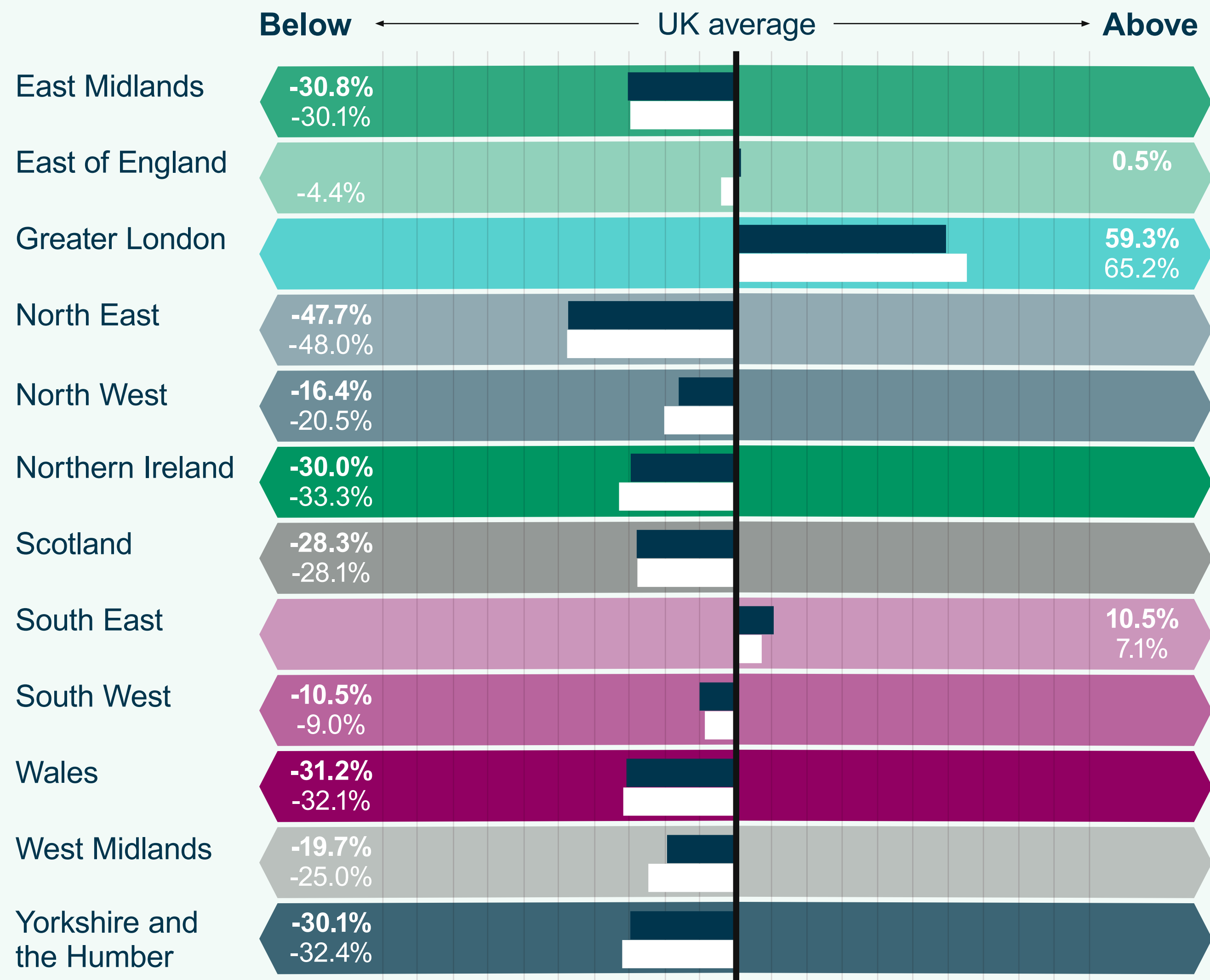
Next » Regional discount / premium

Regional discount / premium to UK average



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Comparison with UK average January 2024 to January 2025



January 2025
 January 2024

Showing how regional rents compared to the UK average in January 2025 and a year earlier, i.e., average rents in the East Midlands in January 2025 were 30.8% below the national average. However, in January 2024 they were 30.1% below the national average.

London focus



Average rent

£2,025

In London average rents fell by 2.2% in January, the third consecutive month of falls.



Change annual

-2.7%

Average rents are now 8.4% lower than in October 2024 although increases earlier in the year mean that, overall, rents are 2.7% lower than a year ago.



Strongest performer

+14.6%

Bromley

Rents fell in 18 out of 21 London areas in January.



Annual change January 2024 to January 2025

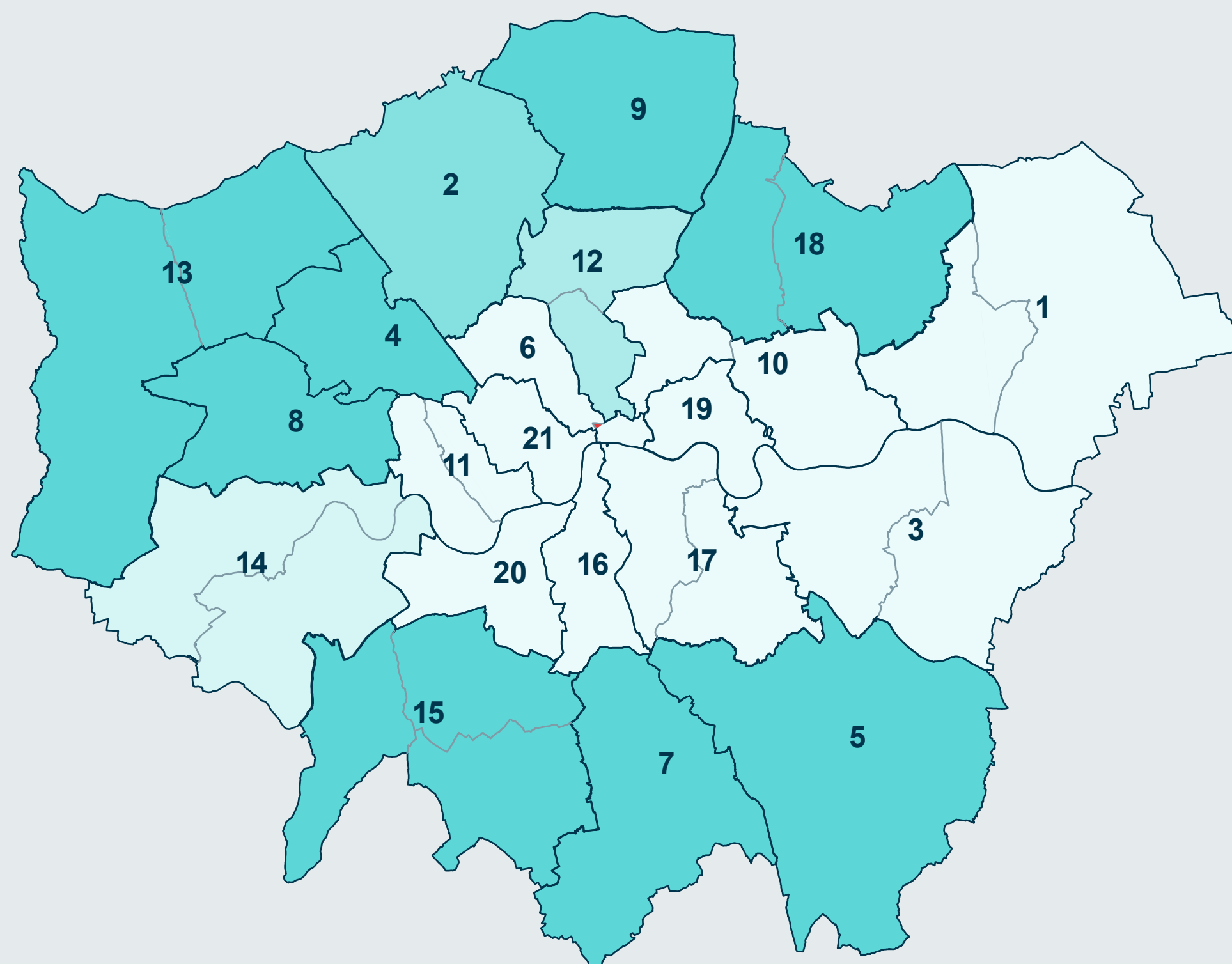


Annual change



Average rent

By borough



- 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	-7.2%	£1,617
2	Barnet	+5.3%	£2,079
3	Bexley and Greenwich	-2.3%	£1,722
4	Brent	+7.4%	£2,126
5	Bromley	14.6%	£2,069
6	Camden, City of London	-8.0%	£2,111
7	Croydon	+11.5%	£1,616
8	Ealing	+7.0%	£2,090
9	Enfield	+6.9%	£1,961
10	Hackney and Newham	-7.0%	£1,819
11	Hammersmith, Fulham, Kensington and Chelsea	-2.1%	£2,541
12	Haringey and Islington	+2.9%	£2,052
13	Harrow and Hillingdon	+9.4%	£1,854
14	Hounslow and Richmond	+1.4%	£1,906
15	Merton, Kingston upon Thames and Sutton	+8.9%	£1,881
16	Lambeth	-6.4%	£2,443
17	Lewisham and Southwark	-6.1%	£2,002
18	Redbridge and Waltham Forest	+6.1%	£1,762
19	Tower Hamlets	-12.3%	£1,861
20	Wandsworth	-10.7%	£2,088
21	Westminster	-9.9%	£3,231



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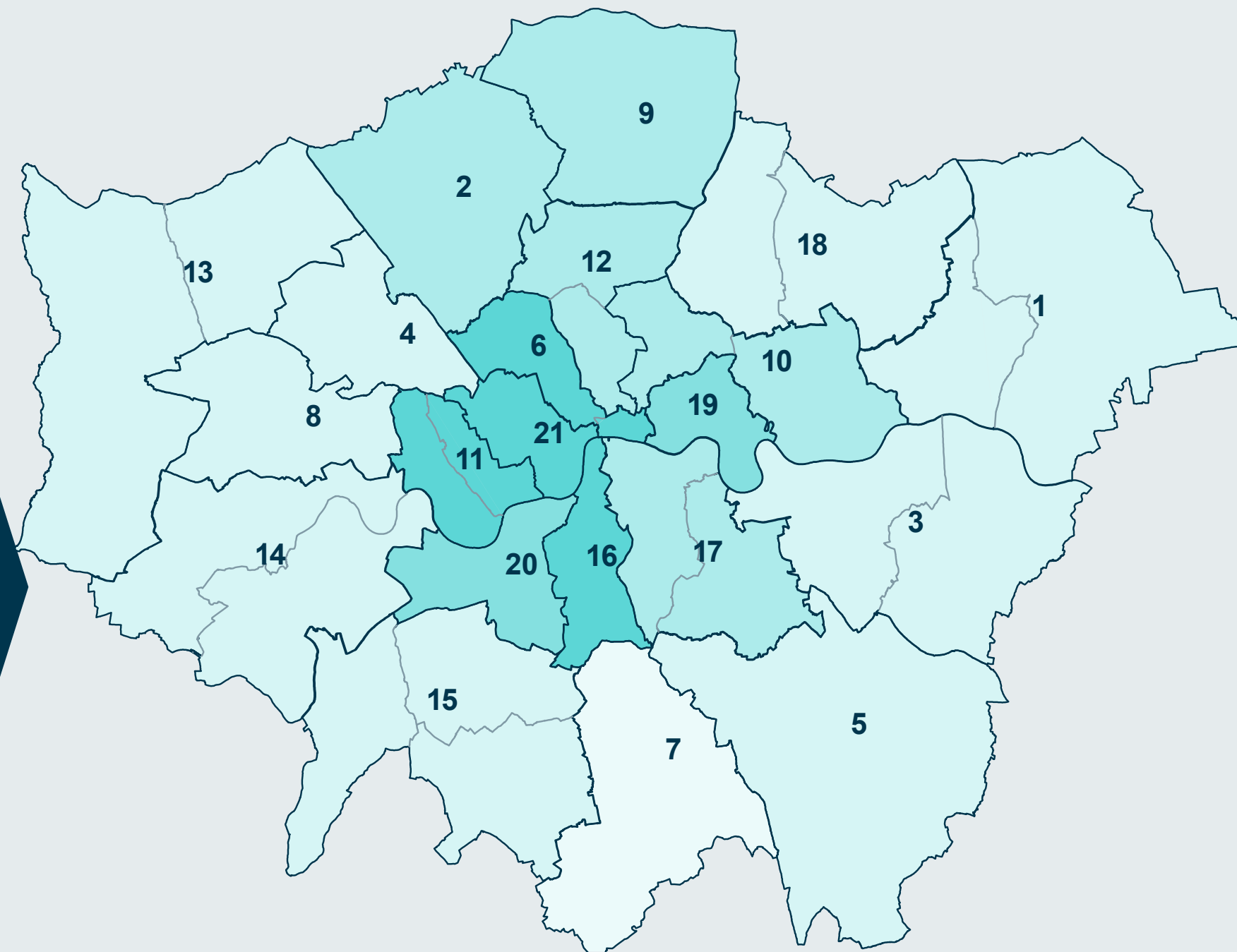


Next Five-year snapshot

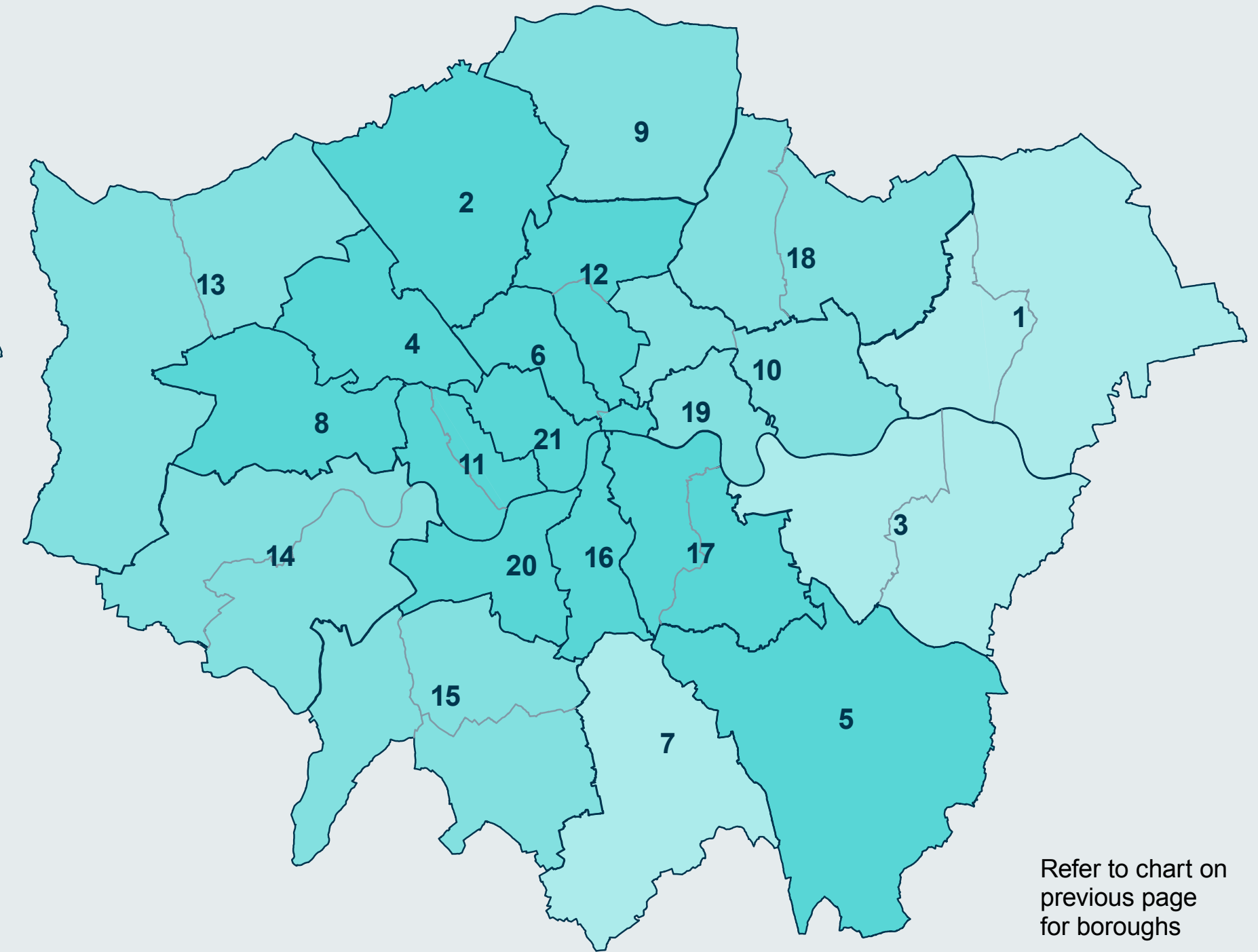




Average rent January 2020



Average rent January 2025



Refer to chart on previous page for boroughs

Five-year snapshot



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

↑

5

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YR

Greatest change over five years

+53.3%

Croydon

Strongest and weakest performers



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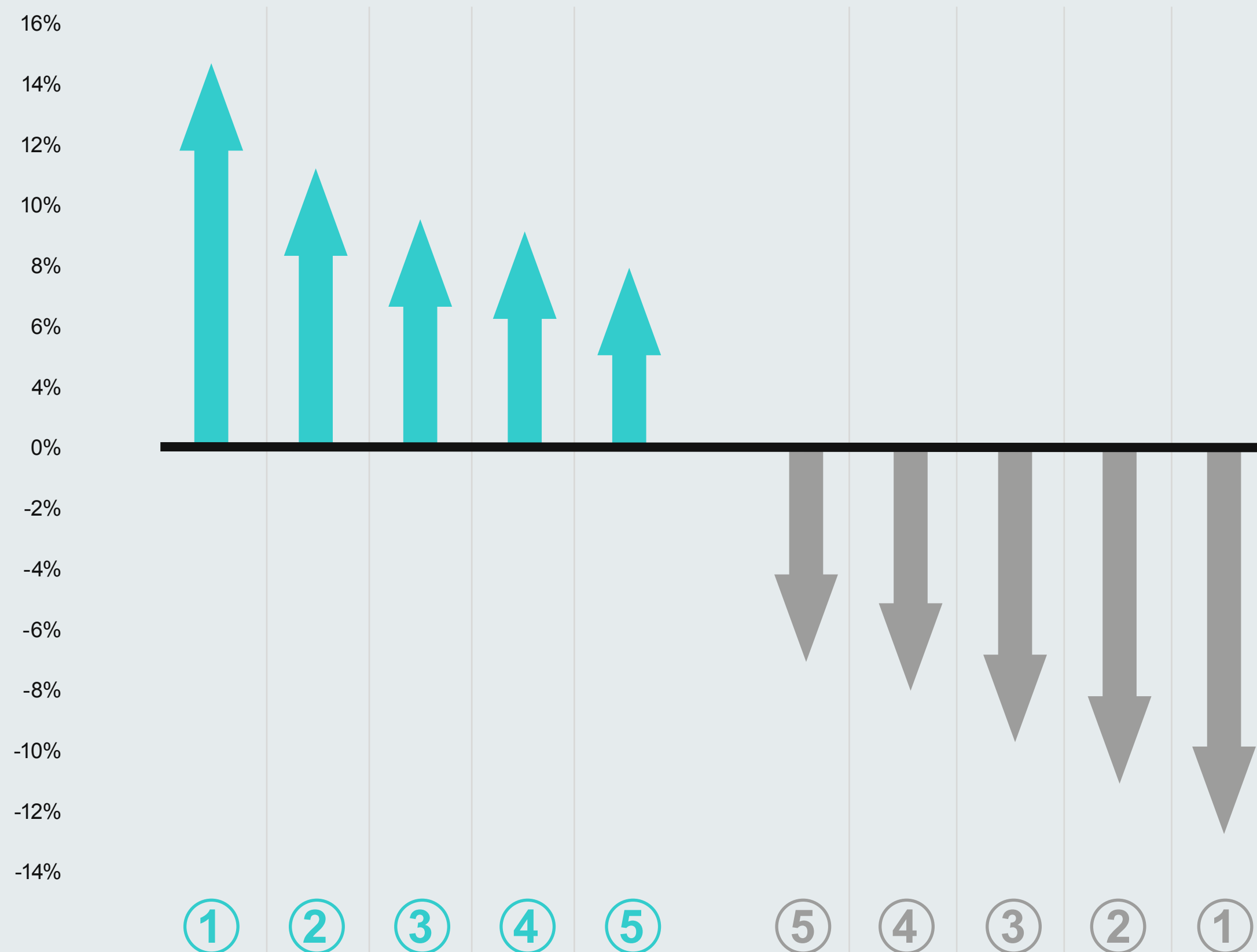
Next Affordability »



Strongest January 2025



Weakest January 2025



Based on annual change to January 2025

- 1 +14.6% Bromley
- 2 +11.5% Croydon
- 3 +9.4% Harrow and Hillingdon
- 4 +8.9% Merton, Kingston upon Thames and Sutton
- 5 +7.4% Brent
- 5 -7.2% Barking, Dagenham and Havering
- 4 -8.0% Camden, City of London
- 3 -9.9% Westminster
- 2 -10.7% Wandsworth
- 1 -12.3% Tower Hamlets

Affordability



**% income
spent on rent**

32.5%

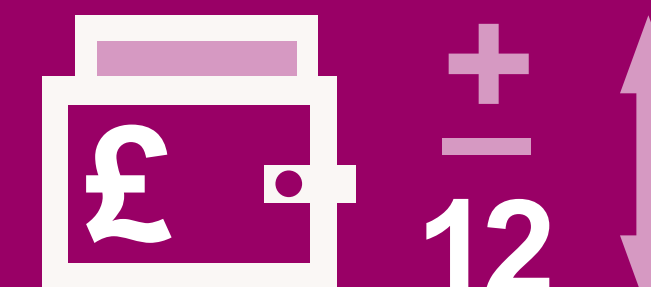
Renting households spent an average of 32.5% of their income on rent in January, an improvement on a year earlier.



**Change
annual***

+1.0%

Affordability has improved in the last year in 6 UK regions, with the greatest improvement in London.



**Greatest
change**

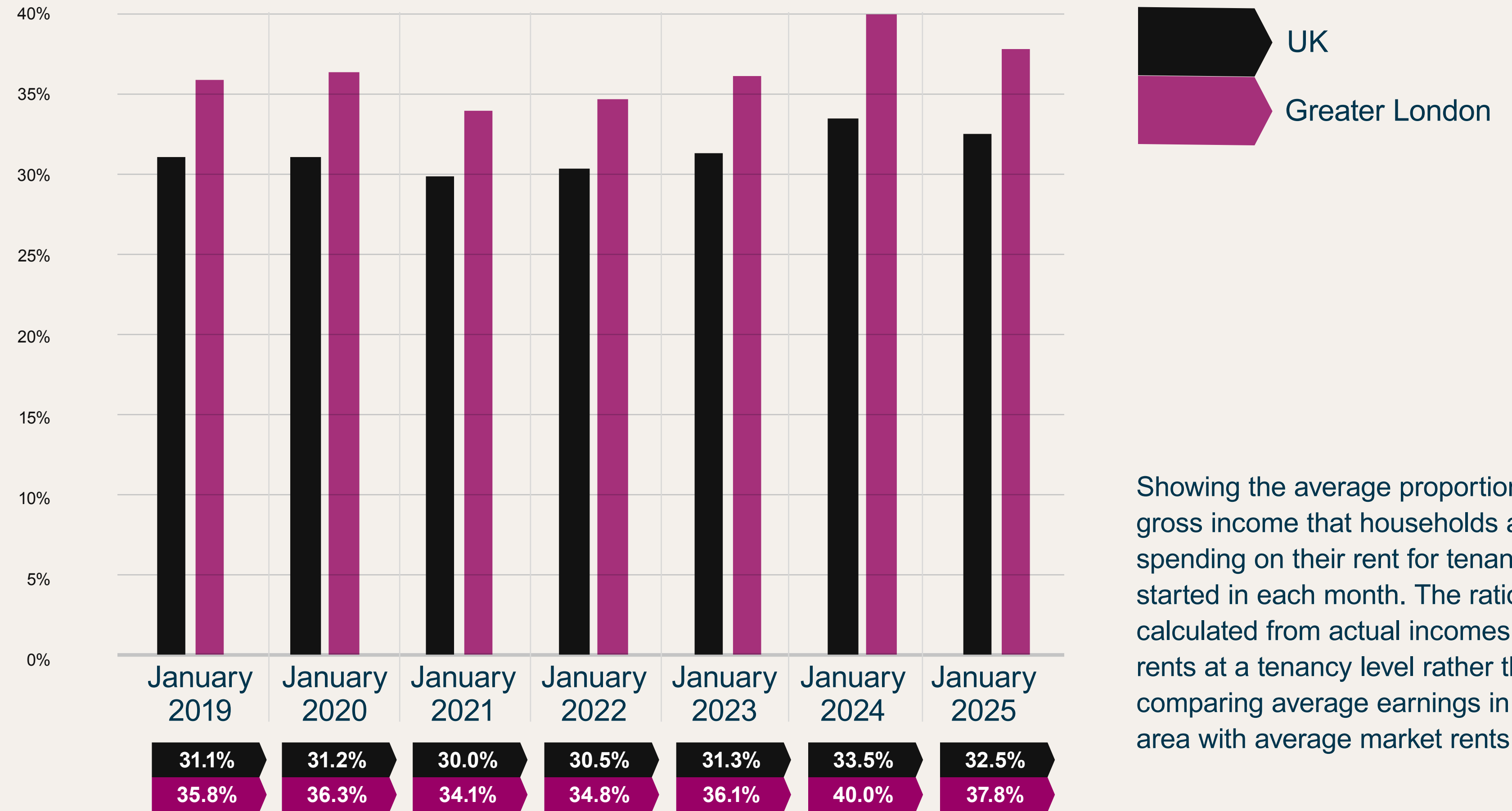
-5.0%

North East

As rental growth continues to slow, we would expect a further improvement in affordability in coming months.



Affordability over time January 2019 to January 2025



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.

UK and London

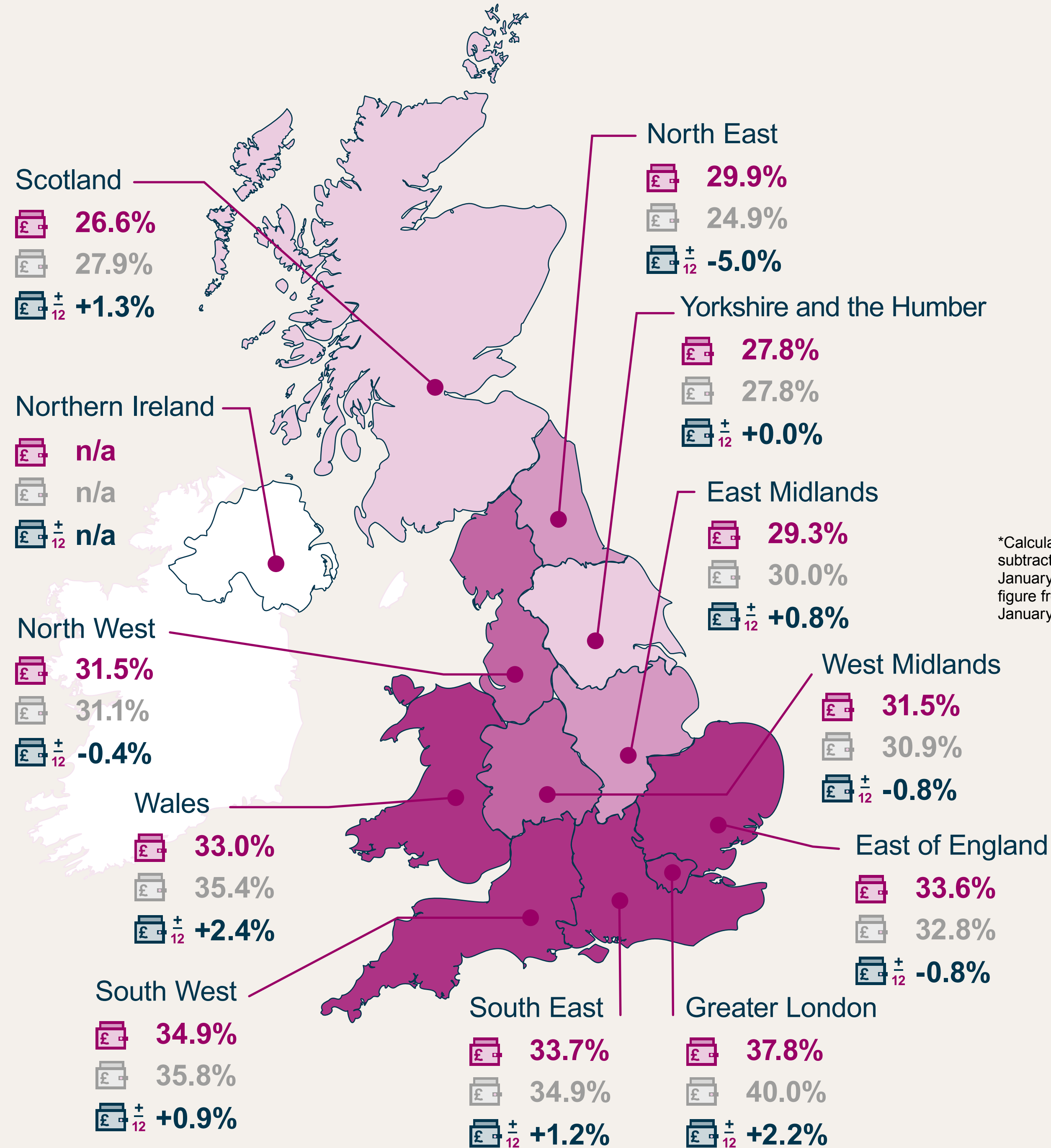


Regional snapshot



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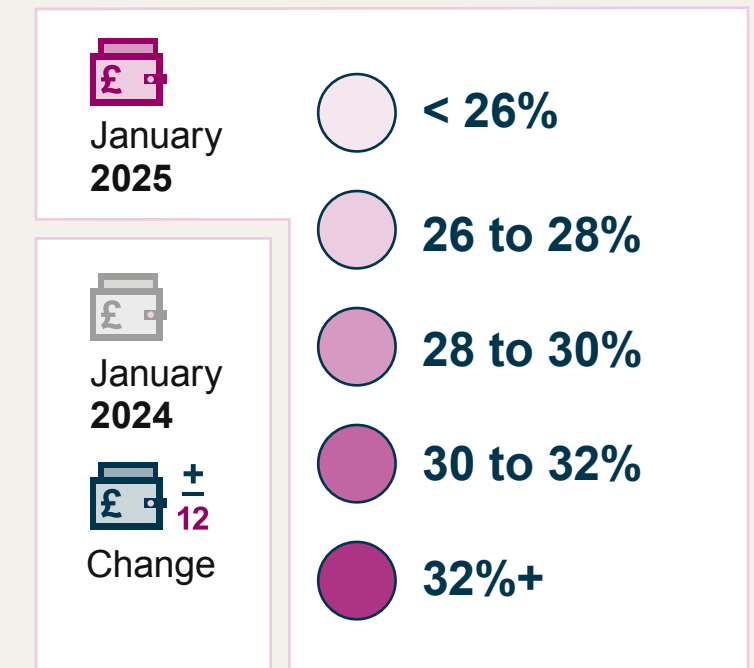
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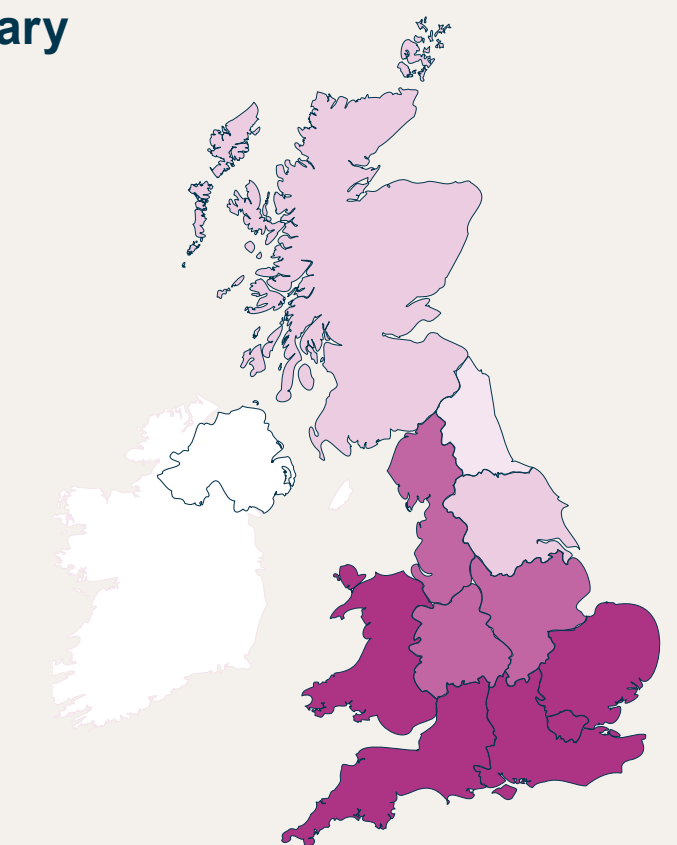
*Calculated by subtracting the January 2024 figure from January 2025.



% income spent on rent January 2025



January 2024



Next Regional focus »

North East



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Median tenant gross income*

£26,152

£30,000



Predominant age group

20–29

20–29



Average % tenant income spent on rent

29.9%

32.5%



Predominant rental band

£500–£750

£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 East.

*Excludes below £10k and over £500k

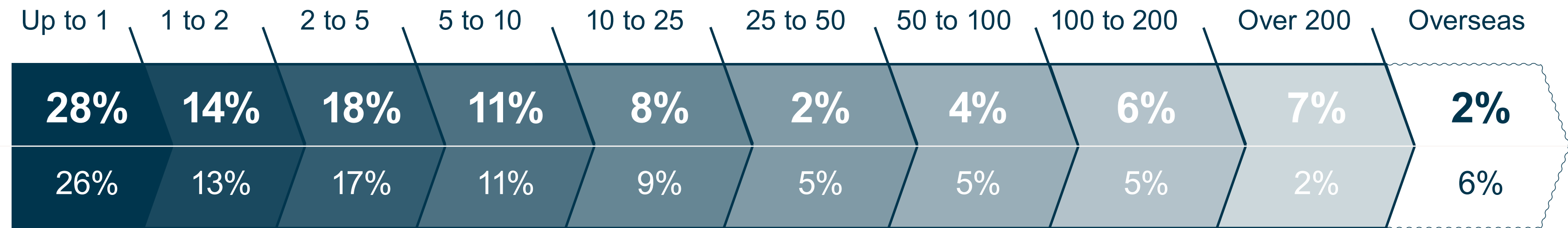
North East



Distance moved last 12 months

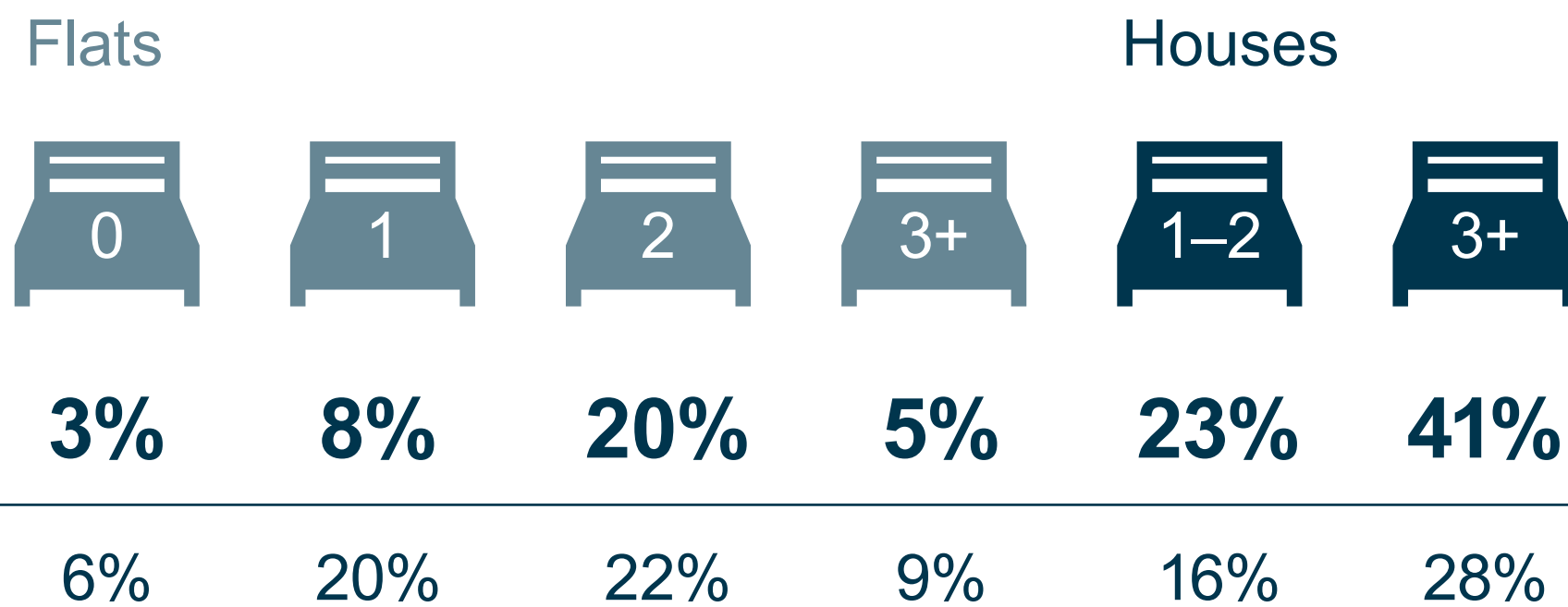
Key
 Shows regional average
 Shows UK average

Miles



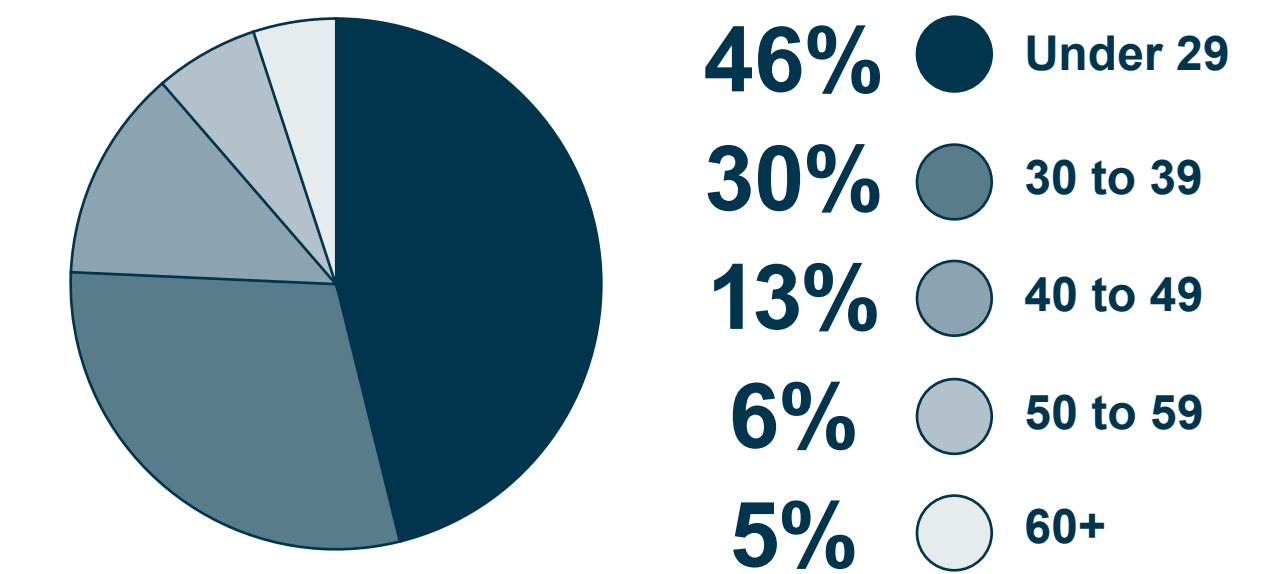
Profile of properties let Last 12 months

Number of bedrooms



Age breakdown Last 12 months

Tenants age





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.

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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 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.

About Dataloft

Dataloft creates data-driven insight on UK housing markets as part of PriceHubble, the leading provider of residential data, valuations and insights across Europe. Dataloft aggregates data from Barbon and other companies to create Dataloft Rental Market Analytics (DRMA), 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.

[dataloft.co.uk](https://www.dataloft.co.uk)

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Date of publication: January 2025

Source: HomeLet.

Analysis, editorial, design, graphics and charts by Dataloft.

Photography cover: ChrisHepburn/iStock

Photography pages 15 & 16: stocksre