

**LANDBAY<sup>®</sup>**

# Rental Index

Powered by MIAC  
Results for May 2017

Key Findings

Area Spotlight

UK Rental Index by No. of Beds



### East England Dominates the Rental Leaderboard, as London Prices Continue to Fall

As rental growth in London continues to take a downward dive, the East of England revels at the top of the rental growth table, taking 4 out of the 10 top spots for UK areas with the greatest positive change since May 2016.

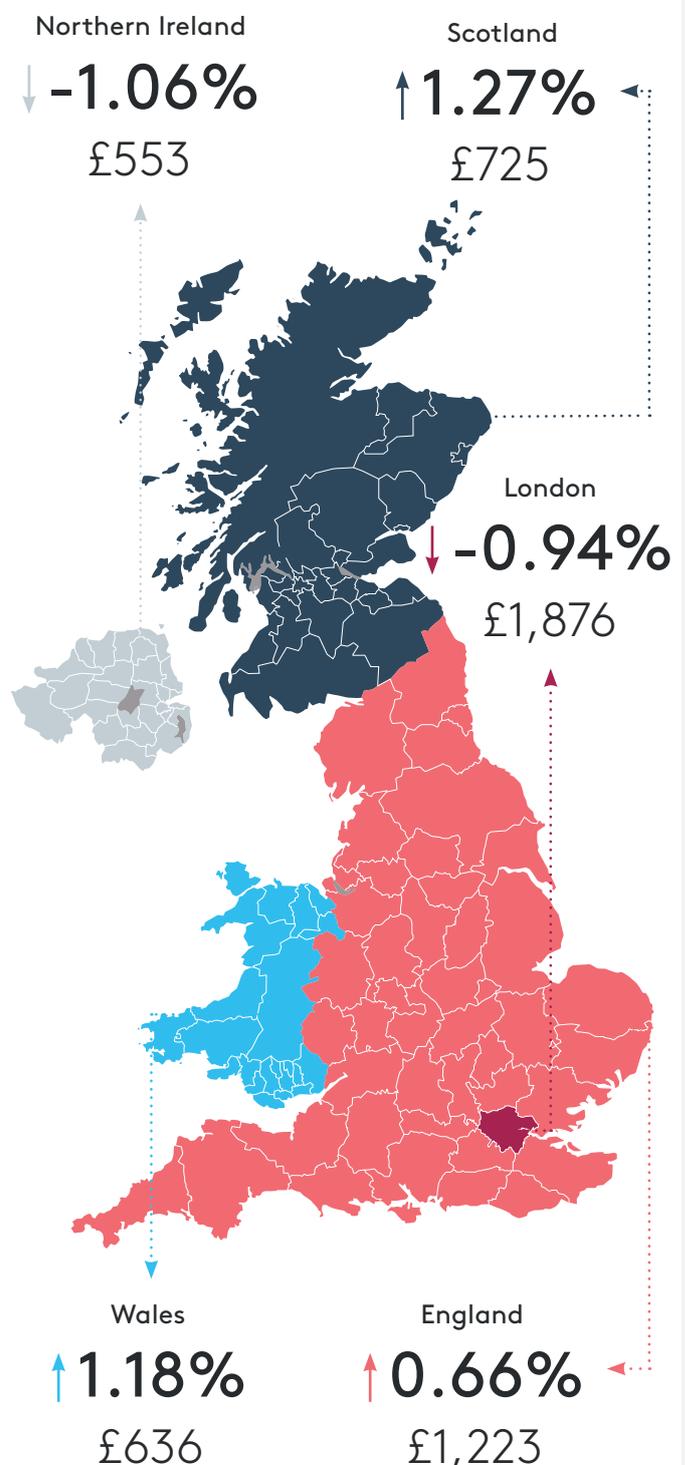
Taking 2nd, 3rd, 5th and 7th spot, the areas of Luton, Peterborough, Bedfordshire and Thurrock, respectively, each boast an average annual rental growth of up to 4.62%. This is in comparison to 6 areas in London (Westminster, City of London, Kensington & Chelsea, Tower Hamlets, Hammersmith & Fulham and Islington) that have experienced the greatest drop in rental prices, with an average annual fall of up to -2.93%.

London is increasingly proving to be a centre of negative rental growth in the UK. Dominating the bottom of the table, with over 50% of the top 30 areas of negative growth coming from the city, it appears that the unaffordability of rents in London is becoming a major issue and driving many people out to seek a home further afield. Other parts of the country, such as the East of England are benefitting from this movement, as they offer lower rental prices, often for greater living space.

However, despite the rental price increase in this area, across the rest of the UK, prices have flat-lined, increasing at the sluggish average of 0.02% in the last month. This is the slowest rate for more than half a decade. Alongside issues of unaffordability, reasons for this include the political and economic uncertainty surrounding the election, which is encouraging buyers and landlords to wait and watch.

For more information on this, view page 6.

### Rental Price Rise Across the UK - Year on Year



Since May 2016, average rents in the UK have risen by 0.71% to £1,191. In England, rents were up by 0.66% to £1,223/month; in London, however, rents fell by -0.94%. In Northern Ireland, rental prices also fell by -1.06% to £553/month. Meanwhile, in Scotland, rents rose to £725/month, following an average annual growth of 1.27%; in Wales the average rent rose by 1.18% to £636.

## Area Spotlight - Waltham Forest, London

At an average monthly rental price increase of 0.11%, the London borough of Waltham Forest is one of the few areas in the city experiencing a positive rental growth. Since last month, rental prices have increased by 0.19%. This is in comparison to inner boroughs, such as the City of London, which has fallen by 0.56% in the same time-period.

Situated in the North of London and bordering Redbridge and Hackney, Waltham Forest has experienced unprecedented levels of growth over the last 6 years. Regeneration is largely responsible for this change; as new-builds attract potential residents looking to move out of central parts of the city, driven by the cost difference and a greener environment, new businesses also pop up, creating jobs for the area.

An average rental property, in the borough of Waltham Forest, costs a tenant £1,251/month. Despite continued growth in the area, this is, in fact, the 11th least expensive area in London.

It's good news for renters searching for the best of good value and easy access to the city; a tube ride from Leytonstone station to the heart of the City takes just under 20 minutes on the central line. At an average of £995/month, Bexley is the cheapest area in London. This is in comparison to rental prices in Kensington & Chelsea, the most expensive borough, where monthly average rental prices are just over £3,000.

Waltham Forest is still host to opportunity within the rental sector, although for landlords the area may not be as attractive. Monthly growth here has fluctuated, settling in alternate negative and positive figures since the beginning of the year. Part of this wavering behaviour may be attributed to the political and economic uncertainty surrounding the June 2017 election. Nevertheless, however, rental growth in the borough is generally moving in an upwards direction.

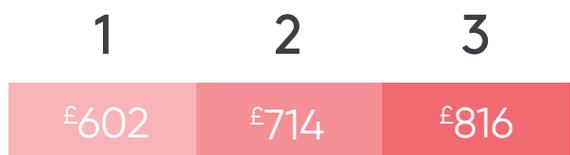
## Average Rents in London vs Rest of UK

### London



Rental prices according to no. of beds

### Rest of UK



Rental prices according to no. of beds



# London Boroughs with the Highest Rental Prices by No. of Beds

## Kensington & Chelsea

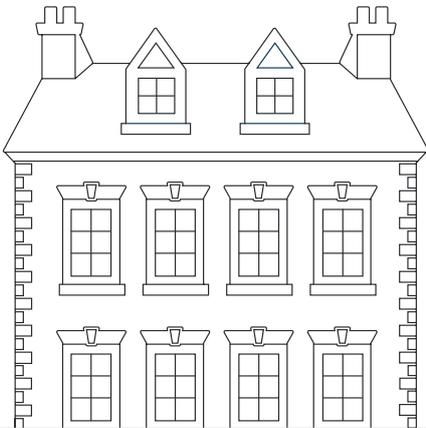
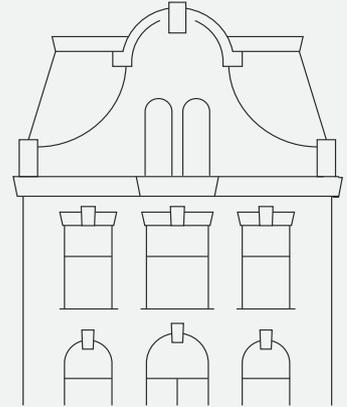
1                      2                      3

£2,159

£3,255

£5,414

Rental prices according to no. of beds



## Westminster

1                      2                      3

£2,021

£2,953

£4,308

Rental prices according to no. of beds

## City of London

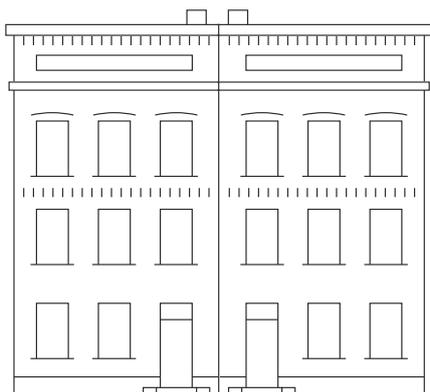
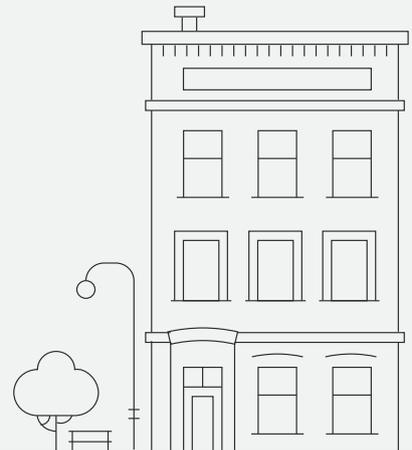
1                      2                      3

£1,823

£2,631

£3,975

Rental prices according to no. of beds



## Camden

1                      2                      3

£1,609

£2,295

£3,309

Rental prices according to no. of beds

# London Boroughs with the Lowest Rental Prices by No. of Beds

## Bexley

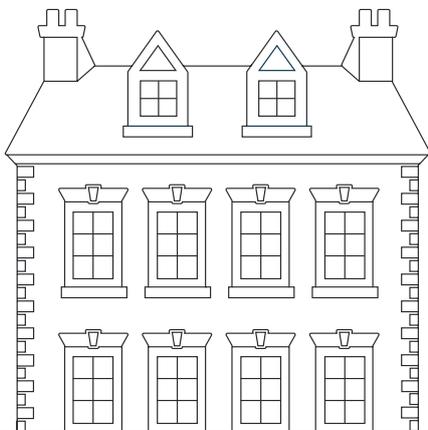
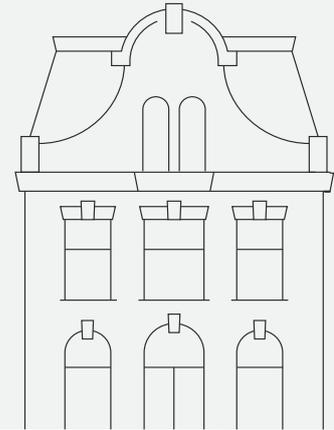
1                      2                      3

£818

£1,054

£1,286

Rental prices according to no. of beds



## Croydon

1                      2                      3

£933

£1,194

£1,482

Rental prices according to no. of beds



## Bromley

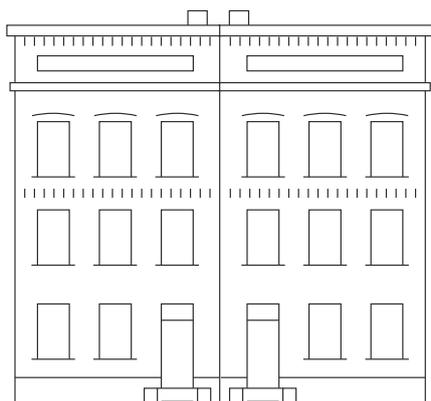
1                      2                      3

£971

£1,227

£1,471

Rental prices according to no. of beds



## Havering

1                      2                      3

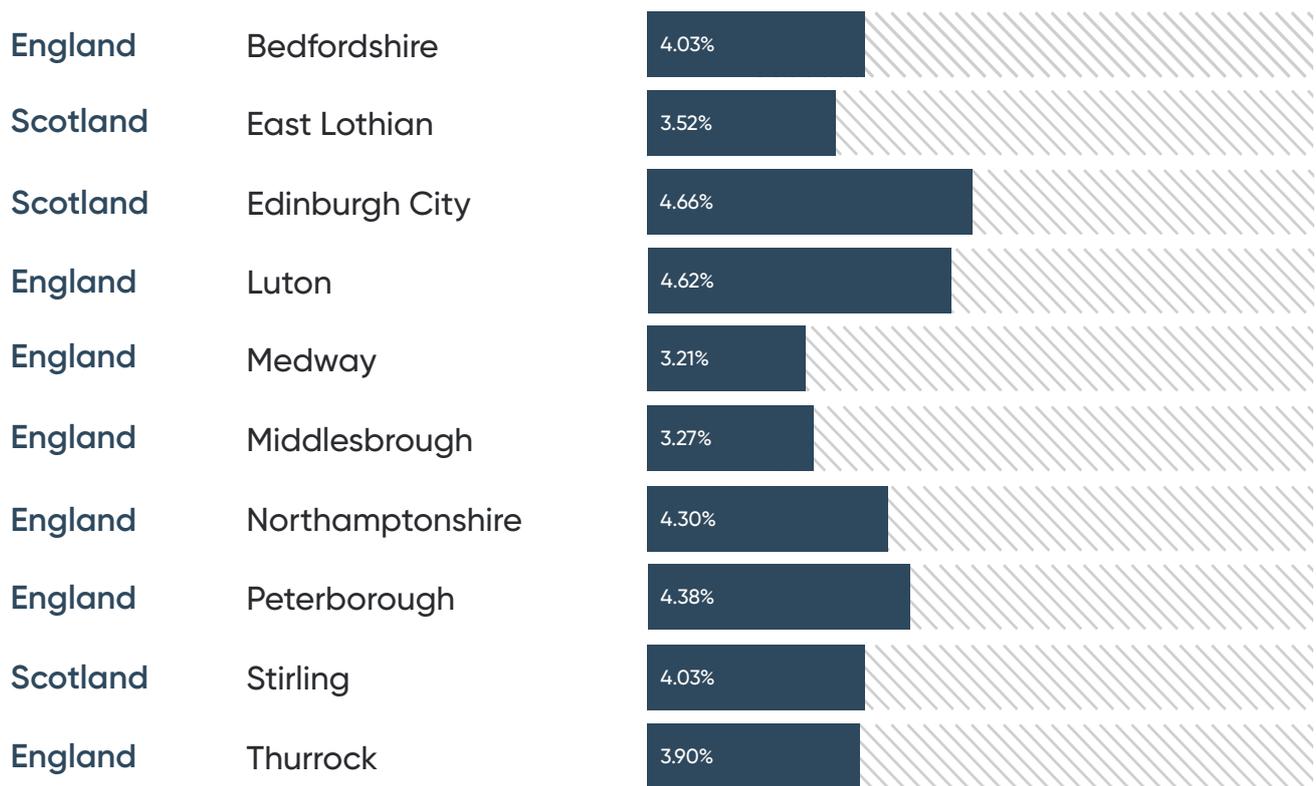
£867

£1,117

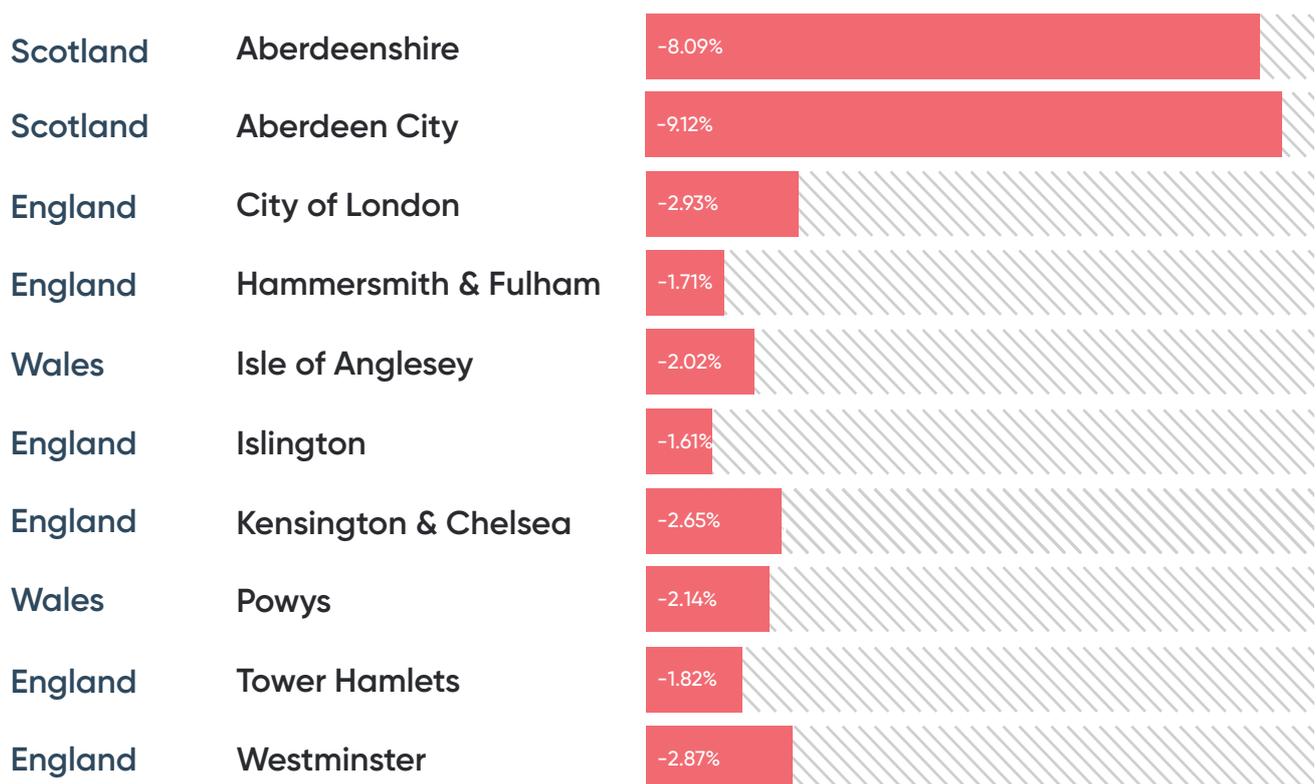
£1,293

Rental prices according to no. of beds

## UK Areas with the Highest Average Rental Growth (May 2016 – 17)



## UK Areas with the Lowest Average Rental Growth (May 2016 – 17)



## UK Rental Index by Number of Beds

May 17	Year on Year	Month on Month	Av. Rent
<b>All Bedrooms</b>			
UK	0.71%	0.02%	£1,191
England	0.66%	0.01%	£1,223
Scotland	1.27%	0.11%	£725
Wales	1.18%	0.03%	£636
London	-0.94%	-0.12%	£1,876
UK minus London	1.62%	0.10%	£753
<b>1 Bedroom</b>			
UK	0.33%	-0.05%	£1,011
England	0.26%	-0.06%	£1,044
Scotland	1.07%	0.12%	£546
Wales	1.50%	-0.07%	£541
London	-1.12%	-0.16%	£1,446
UK minus London	1.52%	0.03%	£594
<b>2 Bedrooms</b>			
UK	0.65%	0.05%	£1,153
England	0.60%	0.04%	£1,188
Scotland	1.25%	0.12%	£690
Wales	1.03%	0.05%	£652
London	-1.09%	-0.12%	£1,921
UK minus London	1.55%	0.13%	£711
<b>3 Bedrooms</b>			
UK	1.09%	0.06%	£1,323
England	1.04%	0.05%	£1,344
Scotland	1.72%	0.10%	£1,118
Wales	1.42%	0.12%	£611
London	-0.84%	-0.15%	£2,679
UK minus London	1.75%	0.13%	£820

# LANDBAY Rent Check

Rent Check is an online tool that allows tenants and landlords to validate movements in their own rents against others in their area in a fast and user-friendly way.

The postcode search widget harnesses sophisticated UK wide data from Landbay's monthly Rental Index, powered by MIAC. The index maps annual and monthly trends in advertised and actual rents, both geographically and by bedroom number, providing unique and sensitive insight into market movements and social mobility.

To validate your rent change by area and number of bedrooms, please visit [rentcheck.landbay.co.uk](https://rentcheck.landbay.co.uk)

## The Landbay Rental Index

The Landbay Rental Index includes unique granular level detail, looking at local trends to the county and London Borough level, including further segmentations by number of bedrooms.

The credibility of any index is highly dependent on the breadth and depth of underlying data used, which is why this rental index utilises data from Zoopla, the British property website. Approximately 100,000 properties are analysed each month to form the index.

The rental values are mix adjusted by property type, number of beds and geography to ensure that any change in the composition of the data over time does not skew the results. The changes in rents are calculated based on matched samples of homogenous or identical data points over time. MIAC employs sophisticated smoothing techniques and interpolation to filter 'noise' and optimise the signal from the data.

Landbay and MIAC do not make any declaration regarding the accuracy or completeness of the Rental Index; collectively reserving the right to adjust the methodology and to edit or withdraw any reports or data. Landbay and MIAC shall not be liable for any decisions made or action taken in response to the published data.