

LANDBAY[®]

Rental Index

Powered by MIAC
Results for October 2016

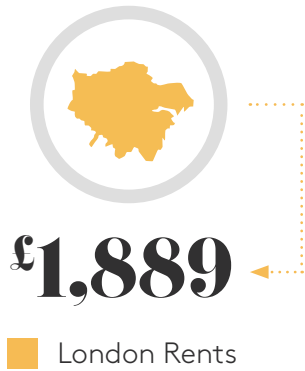
Key Findings

Analysis

Index by Bedroom

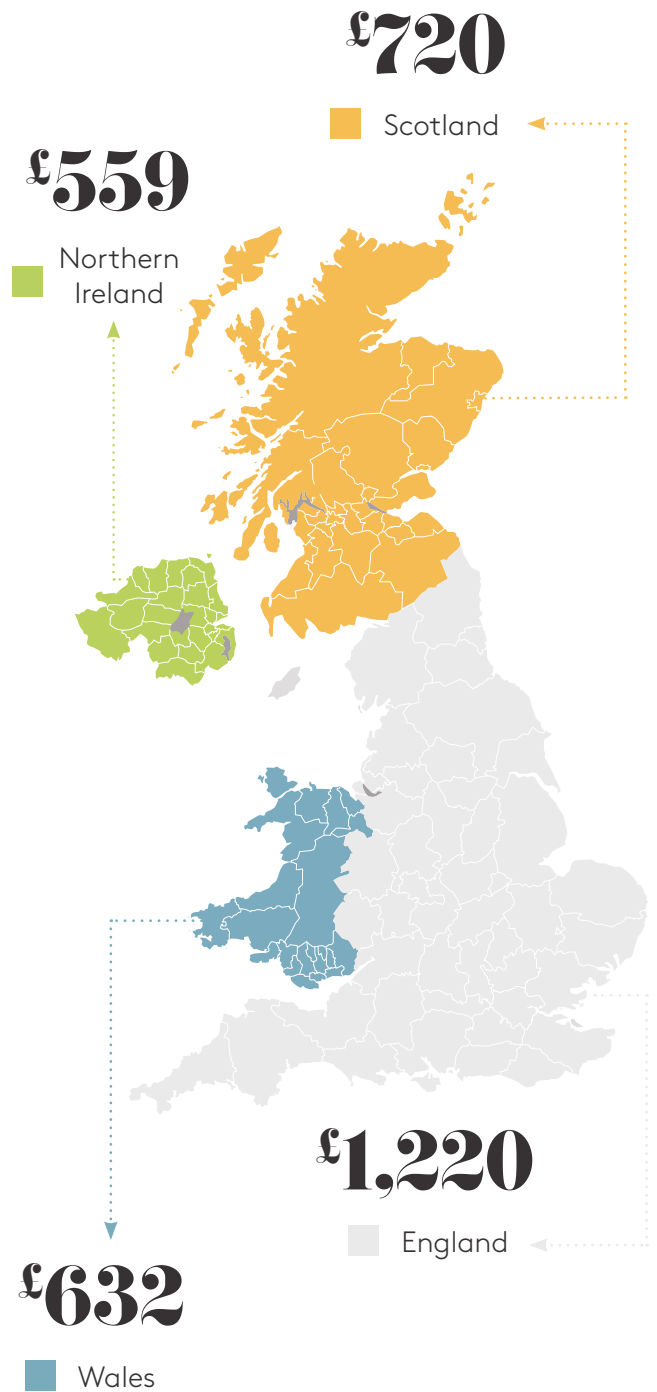


Average Rents in London vs the Rest of the UK



Average Rents in London fell by 0.11%, compared to 0.14% growth in the rest of the UK

Overall Rents Rise Across the UK - Year on Year



Since October 2015, average rents in the UK have risen by 1.49% to £1,188. In England, rents were up 1.49% to £1,220; in Northern Ireland they rose by 0.81% to £559; meanwhile in Scotland rents rose to £720 following annual growth of 1.55%; and in Wales the average rent is up 1.43% to £632.

October UK Average Rents by Number of Bedrooms

1^x  **£1,011**

2^x  **£1,150**

3^x  **£1,316**

Average rents for one, two and three bed properties hit £1,011, £1,150 and £1,316 in October.

Falling Rents in Prime London Slow UK Rental Growth

The average rent for a UK property grew by 0.05% in October, slowing from 0.09% in September as falling rents in London (-0.11%) weighed down otherwise resilient rental growth in the rest of England (0.15%) and UK (0.14%).

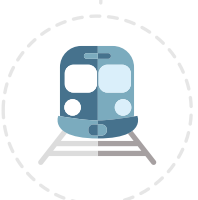
The overall fall in London rents masks a tale of two cities. While four London boroughs feature in the UK's bottom ten 'rental fallers' over the past year, Westminster (-1.9%), Kensington and Chelsea (-1.8%), Richmond upon Thames (1%) and Camden (-0.9%), only seven of the 33 London boroughs have seen rental growth turn negative year on year. Indeed Bexley (3.12%), and Barking and Dagenham (3.02%), have both seen rents rise by more than 3%, with 14 boroughs exhibiting growth ahead of the UK average of 1.49%.

The average UK rent is now £1,188, with London's average at £1,889, and the rest of the UK standing at £748 per month.

Spotlight on Scotland

Aberdeen and Aberdeenshire have seen by far the greatest rental falls in the UK over the past year; a result of the dramatic fall in oil prices since mid-2014. Aberdeenshire fell by 9.03%, led by Aberdeen City's 13.22% drop. Two other Scottish counties featured alongside four prime London boroughs in the 10 biggest 'rental fallers' of October 2016: Inverclyde, with a 2.39% drop and Dundee City, which was down by 0.87%.

Meanwhile Edinburgh City, saw rents rise by 5.63% and was the only one of the top ten 'rental risers' situated outside England. Edinburgh's strength helped to pull Scotland's overall rental growth up by 1.55% over the past 12 months, the fastest growth of all the UK Home Nations.



Spotlight on Luton

Luton is October 2016's fastest growing rental geography, with rents rising by 7.1% since October 2015. In April 2016, Luton Borough Council unveiled a £1.5bn, 20 year development plan in April, which is set to include a £200m MPT (Mass Passenger Transit) system servicing the airport, eight Enterprise Zones, and a £110m airport terminal improvement, improving prospects for rental properties in the area. With good transport links to London and the West Midlands, both via road and train, Luton has the UK's fastest growing airport and the new development scheme will reduce transfer time to Luton's Parkway Station to just 5 minutes. Combine this with fall in prime, central London areas such as Kensington & Chelsea (-1.8% YoY) and Camden (-0.9% YoY), it's beginning to look like people are sacrificing central location for more value in commuter belt towns and areas.

Other hotspots for rental growth over the last 12 months Edinburgh City (5.6%), Northamptonshire (5.6%) and Medway (4.6%) with nine of the top ten 'rental risers' situated in England. With the 2016 Autumn Statement on the horizon, all eyes will be on how the chronic UK housing shortage will be addressed. Unless supply catches up with demand, there's nothing to suggest overall rents will go in any direction other than up.

Index by Bedroom

All Beds	YoY %	MoM %	Av. £
UK	1.49	0.05%	1,188
England	1.49	0.05%	1,220
Scotland	1.55%	0.09%	720
Wales	1.43%	0.10%	632
London	0.32%	-0.11%	1,889
UK without London	2.14%	0.14%	748
1 bed	YoY %	MoM %	Av. £
UK	1.40%	0.04%	1,011
England	1.38%	0.04%	1,045
Scotland	1.70%	0.10%	544
Wales	1.67%	-0.03%	536
London	0.3%	-0.07%	1,459
UK without London	2.28%	0.13%	590
2 Bed	YoY %	MoM %	Av. £
UK	1.44%	0.05%	1,150
England	1.43%	0.04%	1,186
Scotland	1.50%	0.10%	685
Wales	1.46%	0.12%	649
London	0.0%	-0.15%	1,993
UK without London	2.17%	0.15%	705
3 Bed	YoY %	MoM %	Av. £
UK	1.72%	0.07%	1,316
England	1.75%	0.07%	1,337
Scotland	1.60%	0.10%	1,105
Wales	1.35%	0.09%	606
London	0.7%	-0.10%	2,700
UK without London	2.07%	0.13%	812

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

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.