

LANDBAY[®]

Rental Index

Powered by MIAC

Results for September 2016

Key Findings

Index by Bedroom



Average Rents in London vs the Rest of the UK

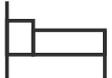


The average rent across the United Kingdom was £747, whilst a home in the capital costs £1,891 to rent.

September UK Average Rents by Number of Bedrooms

1^x  £1,011

2^x  £1,150

3^x  £1,315

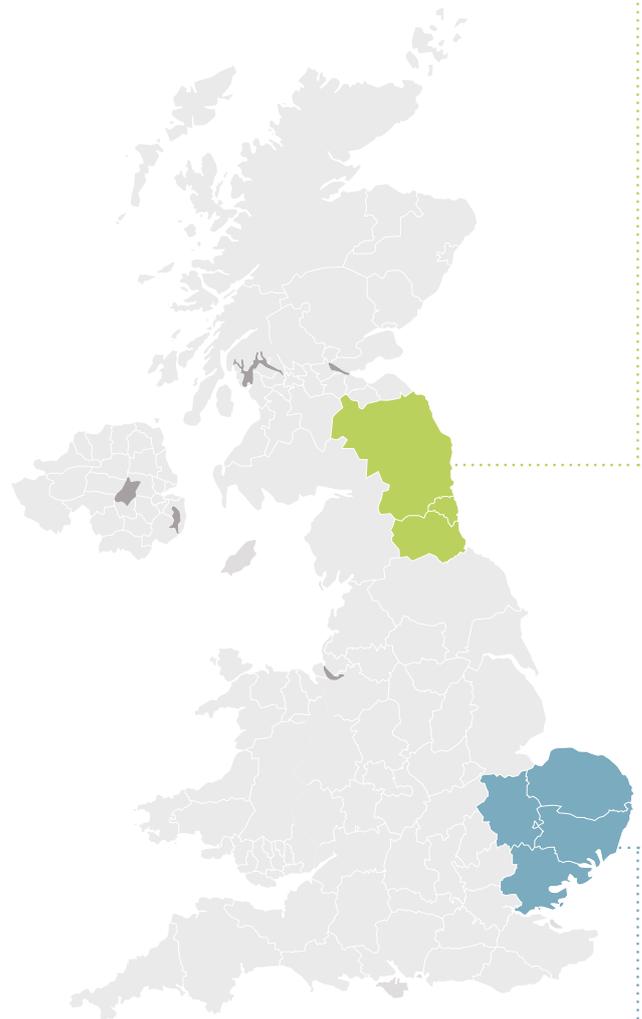
Average rents for one, two and three bed properties hit £1,011, £1,150 and £1,315 in September.

Top Risers and Fallers

↓ 0.39%
average

£549

North East



↑ 3.35%
average

£887

East England

In the UK's North East region, average rents fell by 0.39% year-on-year to £549. Meanwhile rents in East England rose by 3.35% to £887.

Index by Bedroom

Growth of one-bed rents accelerates further in September

The average rent for a one-bed property in the UK grew by 0.12% in September, accelerating from 0.09% the month before to bring year on year growth to 1.57%. Rents for two and three-bed properties also grew in September, but at slower rates, 0.09% (from 0.12%), and 0.11% (from 0.18%).

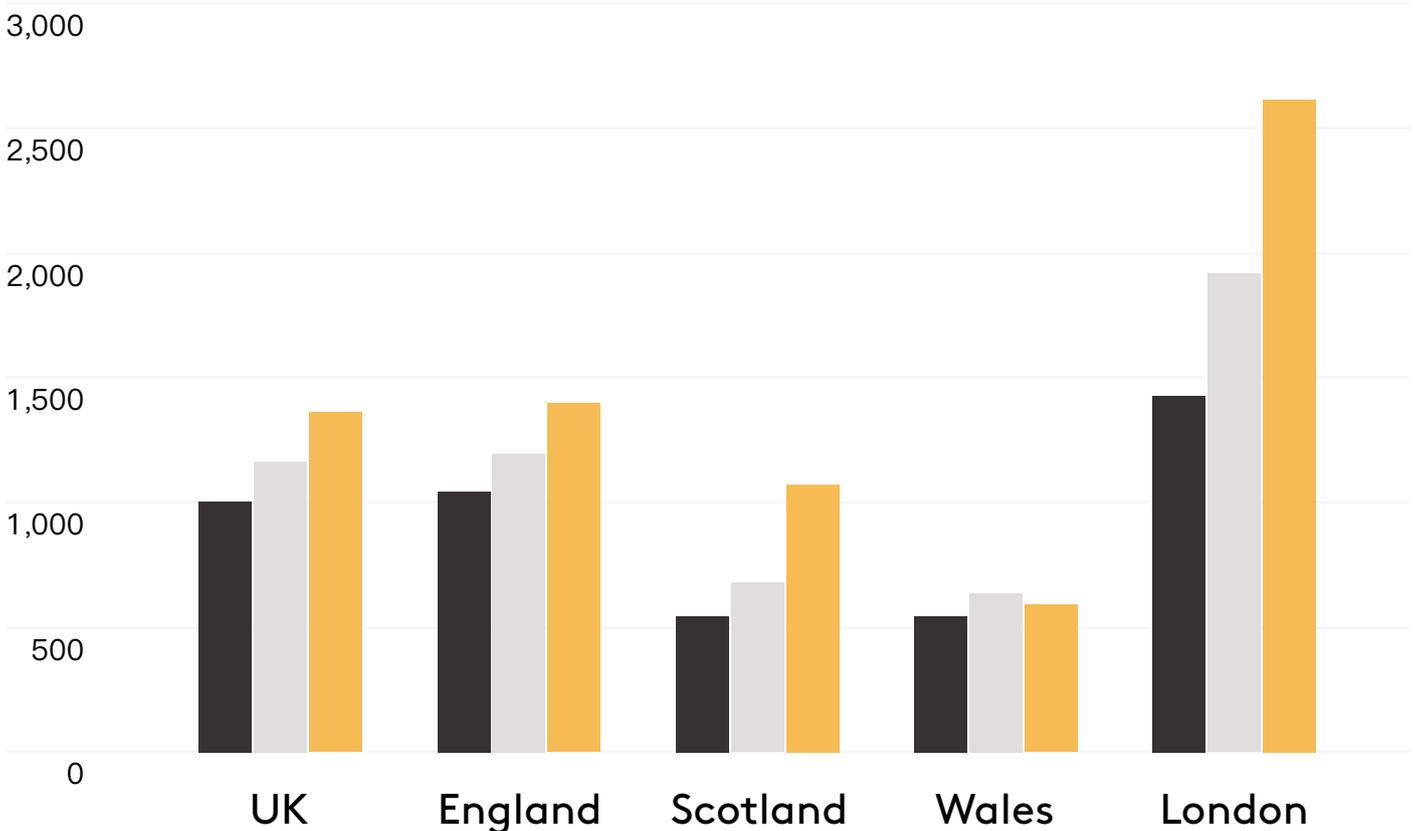
Overall rental growth has showed signs of easing in the wake of July 2016's Brexit vote, from 0.12% in August to 0.09% last month. The fact that one-bed properties are bucking this trend suggests demand for smaller rental properties remains buoyant. Around the UK, Scotland saw the greatest rental growth for one-beds, rising 0.36% in September, closely followed by East England at 0.35% and the East Midlands at 0.29%. London was at the other end of the scale; one-bed rents were flat in September, while all-bed rents fell by -0.04%.

However, with rent payments remaining the main financial pressure for aspiring homeowners, and 1.8 million new households expected to rent rather than buy by 2025 (RICS), the continued growth in one-bed rents demonstrates how important it is that the buy to let sector is not overlooked in the provision of new affordable housing.

Overall, rents across the UK grew by a modest 0.09% in August, taking annual growth to 1.65% (down from 1.83% in August). Rents grew across all regions bar London, where they fell by -0.04%, and the North East, dipping by -0.03%. The average UK rent regardless of property size is now £1,187, with London's average being £1,891, and the rest of the UK being £747 per month.

Average Rents by Number of Bedrooms*

■ One-bed ■ Two-bed ■ Three-bed



* The Wales average three-bed rent is lower than two-bed rent due to the disproportionate influence of Cardiff on the two-bed average.

Index by Bedroom

All Beds	YoY %	MoM %	Av. £
UK	1.65	0.09	1,187
England	1.66	0.09	1,219
Scotland	1.79	0.21	720
Wales	1.34	0.08	632
London	0.67	-0.04	1,891
UK without London	2.20	0.17	747
1 bed	YoY %	MoM %	Av. £
UK	1.57	0.12	1,011
England	1.55	0.11	1,045
Scotland	1.93	0.36	544
Wales	1.75	-0.01	536
London	0.55	0.00	1,461
UK without London	2.42	0.22	590
2 Bed	YoY %	MoM %	Av. £
UK	1.63	0.09	1,150
England	1.62	0.09	1,185
Scotland	1.75	0.18	685
Wales	1.43	0.07	648
London	0.47	-0.08	1,937
UK without London	2.24	0.18	704
3 Bed	YoY %	MoM %	Av. £
UK	1.90	0.11	1,315
England	1.94	0.12	1,337
Scotland	1.61	-0.04	1,103
Wales	1.40	0.12	605
London	1.10	0.01	2,703
UK without London	2.18	0.14	811

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.