

**BELVOIR!**

**June 2015  
(Q2 15)**

**Rental Index**

# Contents

|   |                                     |
|---|-------------------------------------|
| <b>BELVOIR RENTAL INDEX JUNE 2015: TOP 10 REPORT HIGHLIGHTS</b> | <b>3</b>                            |
| <b>NATIONAL RENTAL TRENDS</b>                                   | <b>4</b>                            |
| <i>Summary for Scotland</i>                                     | 6                                   |
| <i>Summary for England</i>                                      | 7                                   |
| <i>Summary for Wales</i>  | 8                                   |
| <i>Summary for Northern Ireland</i>                             | 7                                   |
| <b>BELVOIR REGIONAL RENTAL TRENDS</b>                           | <b>10</b>                           |
| <i>East Anglia</i>  | 10                                  |
| <i>East Midlands</i>  | 11                                  |
| <i>London</i>   | 12                                  |
| <i>North East</i>   | 13                                  |
| <i>North West</i>   | 14                                  |
| <i>South East</i>   | 14                                  |
| <i>South West</i>   | 15                                  |
| <i>West Midlands</i>  | 15                                  |
| <i>Yorkshire</i>  | 16                                  |
| <b>BELVOIR RENTAL TRENDS BY COUNTY</b>                          | <b>17</b>                           |
| <b>APPENDIX</b>   | <b>ERROR! BOOKMARK NOT DEFINED.</b> |

## Belvoir Rental Index June 2015 (Q2): Top 10 Report Highlights

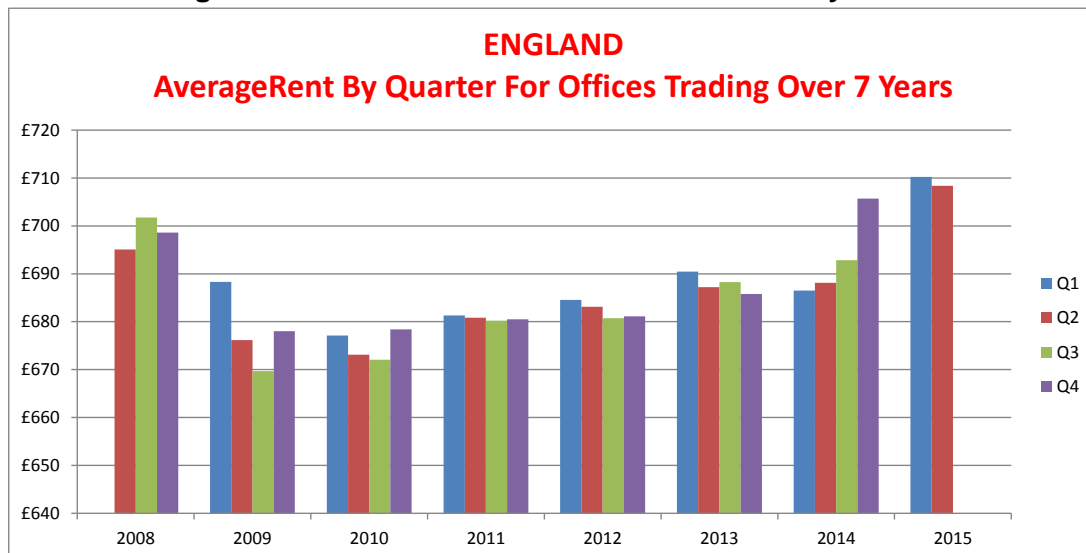
1. For all offices in the UK, including new offices, the average monthly rent recorded for Q2 2015 is £756, which is a year on year rise of around 4%.
2. Nick Horan comments: *"In Dundee, the average monthly rent we have at the moment is around £485. It is pretty static except in selected types of property/locations. I would say that most rents are static or even 2% down on average across the area and properties. We are seeing an increase in Buy-to-Let enquires and with the continued regeneration of the city including the building of the new V&A I think there will be a positive impact on property in general."*
3. In Wales, Rob Price of Belvoir Cardiff reports "Our rentals for the summer months have been the busiest ever. Apartments are the most popular from a tenant perspective, but we have a real shortage of good quality three / four bed houses.
4. For Northern Ireland, Jackie Burns of Bangor reports *"Q2 is pretty much following on from Q1. The rental supply is very low and properties are renting quickly. We still have numerous perspective tenants for each rental and rents are still increasing."*
5. Lloyd Rumbold from Nottingham says *"The Nottingham rental market has ridden the recession storm pretty well. Properties are showing an up-turn on monthly rental values and there are some really interesting 'spikes' that are becoming evident in certain keys areas as we take an over view of the city."*
6. Jeremy Wasden of Belvoir Uxbridge comments *"Property prices are rising faster in outer London and into the Thames Valley corridor than other areas. Sited in west Greater London, Hillingdon is currently the fastest rising borough in London. The current rate of increase in property prices is 14.6% in Hillingdon Borough, compared to 8.3% across London and 4.6% across England and Wales."*
7. Neil Whitfield of the Sunderland office explains *"This is a tricky time for the market. There is a real lack of movement as existing tenants are staying put and not many new ones looking to move into rental properties either."*
8. Mike Keywood from Mansfield comments *"Both Buy-to-Let and new build are increasing in Mansfield and the surrounding area. Rents are up too in select locations, and if the property is well presented, landlords can easily get a premium. Landlords really like finding refurbishments and are available at auction for our area."*
9. In 12 counties where Belvoir has been trading since 2008, Q2 2015 average rents are still to recover to their 2008 high. These include Cheshire, Dorset and Northamptonshire.
10. The number of Belvoir counties that exceeded the 2008 rental highs during Q2 2015 2014 is 19, and these include Bedfordshire, Worcestershire and Wiltshire.

## National Rental Trends

For all English offices which have been consistently trading over the last seven years, there was a year on year increase of 3% in the Q2 2015 average rent of £708, versus the Q2 2014 average of £688. Rents in England during the last year have shown consistent, slow, growth.

Comparing the Q2 2015 average rent of £708 to the 2014 annual average rent of £693, this would indicate a small increase of just over 2%. Rents in England exceed the heights seen in Q3 2008 for the second quarter by just £6.

**Chart showing the national rental trends for the last seven years over consistently trading offices**

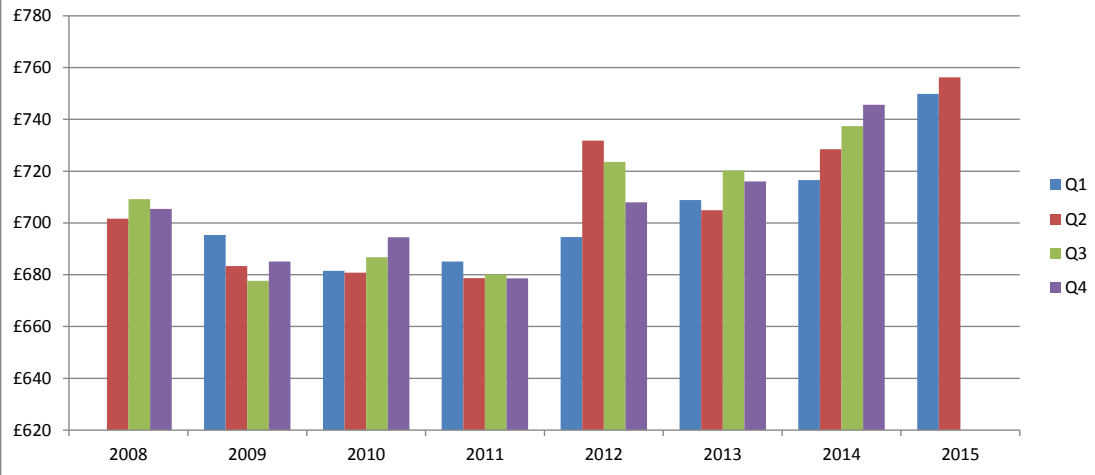


For all offices in England, Wales and Scotland, including the new Belvoir offices, the average monthly rent recorded for Q2 2015 is £756. This shows an increase of just below 4%, year on year, compared to the Q2 2014 average of £728 per month. This rise is mainly due to newly opened offices which have average rents above the Belvoir's previous average.

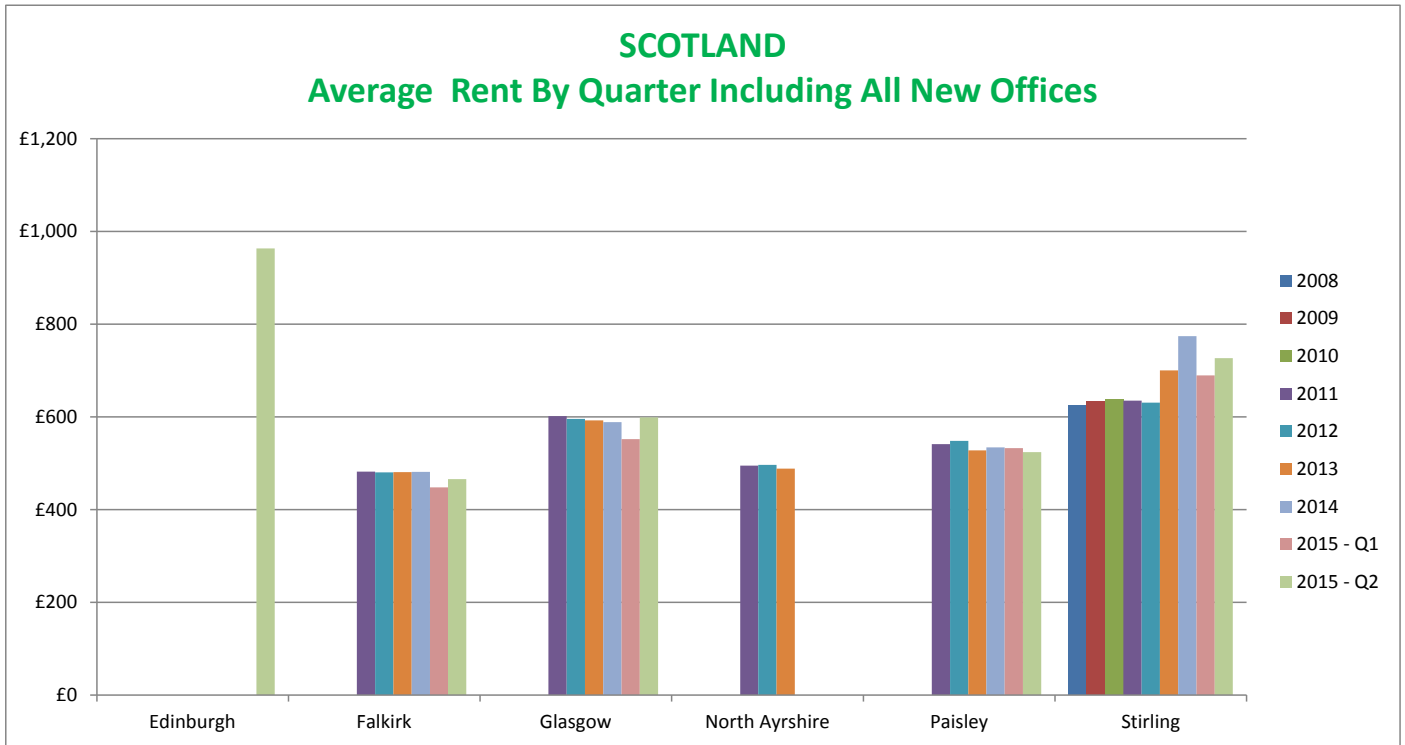
When comparing the Q2 2015 average rent to the 2014 annual average of £732, this indicates a rise in rents of around 3.25% and continued steady rental growth over the past year.

**Chart showing the national rental trends for the last seven years, including new Belvoir offices**

## ENGLAND SCOTLAND WALES Average Rent By Quarter Including All New Offices



## Summary for Scotland



### Falkirk

In Falkirk, the average monthly rent recorded for Q2 2015 is £466 per month. Versus the Q2 2014 average of £479, this would indicate a small decline of around -2.75%, year on year, (for two bed flats). Comparing the Q2 2015 average rent to the annual average for 2014 of £481 per month, this also shows a fall in rents of just over -3%.

### City of Glasgow

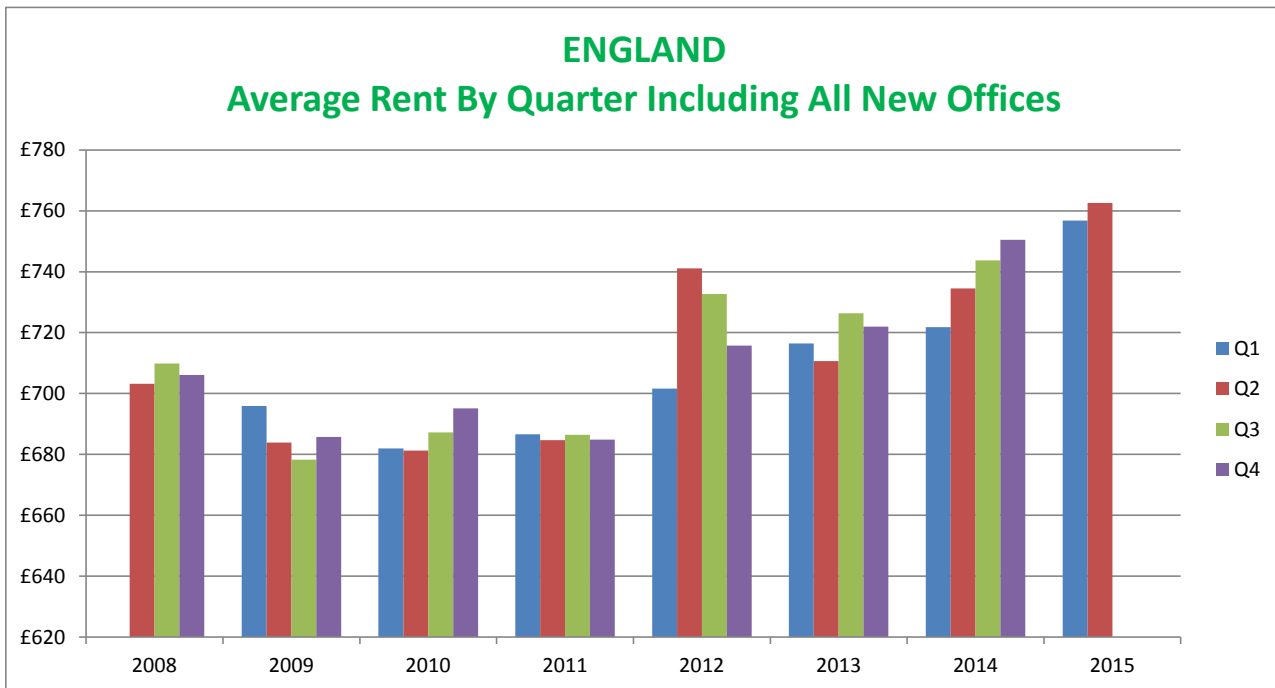
The average monthly rent in Glasgow for Q2 2015 is £599, compared to the Q2 2014 rent of £577 per month, this shows a year on year increase of just over 3.75%. Versus the 2014 annual average of £588 per month, this also indicates an overall smaller increase of just under 2% in Glasgow rents.

### Local buy-to-let expert commentary:

**Sharon Walker of Glasgow** reports “We are finding demand continues to be higher than the number of properties available. This has allowed us to increase the rent for the most popular areas between £25 -£50 per month”

**Nick Horan of Dundee** says “In Dundee, the average monthly rent we have at the moment is around £485. It is pretty static except in selected types of property/locations. I would say that most rents are static or even 2% down on average across the area and properties. We are seeing an increase in Buy-to-Let enquires and with the continued regeneration of the city including the building of the new V&A I think there will be a positive impact on property in general.”

## Summary for England



For England, when taking account of all Belvoir offices, including new ones, the average monthly rent for Q2 2015 is £763, which shows an increase of just over 3.75%, year on year, when compared to the Q2 2014 monthly average of £735.

Comparing the Q2 2015 average rent to the 2014 annual average of £738 per month, this would indicate an increase in rents of just over 3.25%.

Overall, the increase in rents across the Belvoir group in England is due to the continued expansion of the Belvoir Group, with a number of offices being added during 2014 in the South and London which have higher rental averages than the current average.

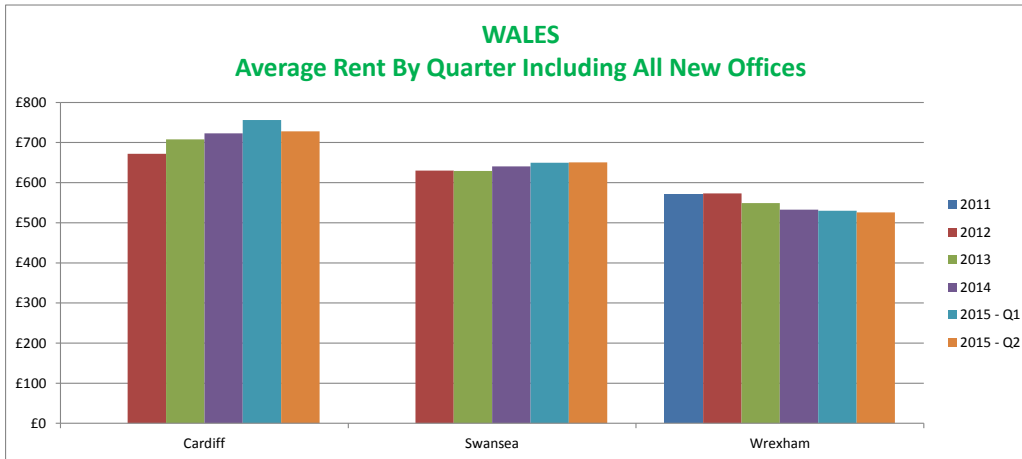
## Summary for Northern Ireland

### Local buy-to-let expert commentary:

#### Bangor

**Jackie Burns** of **Bangor** reports “Q2 is pretty much following on from Q1. The rental supply is very low and properties are renting quickly. We still have numerous perspective tenants for each rental and rents are still increasing. We are also starting to see a return in the market where vendors are selling their properties, renting for a shorter term, until they find something suitable to buy. This gives them the benefit of not being part of a chain. An unfortunate situation is we are seeing a number of landlords having their properties repossessed and trying to find new properties for these tenants is proving difficult.”

## Summary for Wales



For Wales, the average rent for Q2 2015 is £635 per month, around a 2% increase, year on year, versus the Q2 2014 average monthly rent of £622. When comparing the Q2 2015 average rent to the annual average rent for 2014 of £632 per month, this suggests a £3 increase.

### Swansea

The average rent for Q2 2015 in Swansea is £650 per month. Compared to the average rent for Q1 2014 of £636, year on year, this shows a small increase of around 2%. The 2014 annual average of £641 versus the Q1 2015 average shows a slight increase in rents of just below 1.5%.

#### Local buy-to-let expert commentary:

**Ben Davies of Belvoir Swansea comments** “Q2 was pretty busy and consistent in terms of property let, showing tenant demand is still strong. New properties were still coming on and with re-lets landlords are still confident about renting rather than selling, despite some current negativity!”

### Cardiff

For Cardiff, the average monthly rent recorded in Q2 2015 is £728. Versus the average rent recorded in Q2 2014 of £705 per month, this shows a year on year increase of just over 3.25% and a small uplift of £5 vs 2014 annual average.

#### Local buy-to-let expert commentary:

**Rob Price of Belvoir Cardiff reports** “Our rentals for the summer months have been the busiest ever. Apartments are the most popular from a tenant perspective, but we have a real shortage of good quality three / four bed houses. Cardiff has seen a lot of enquiries from a Buy-to-Let perspective having been featured in a nationwide survey as a good area to invest. We’ve also received a lot of enquiries on the back of the Welsh Government’s ‘Rent Smart Wales’ initiative due to be implemented in October via registration and licensing.”

### Wrexham

In Wrexham, the average rent for Q2 2015 is £526 per month, which is an insignificant year on year increase of £3, when compared to the Q2 2014 average rent of £523. The Q2 2015 rent versus the 2014 annual average of £533, indicates a slight fall in rents of just over -1.25%.

#### Local buy-to-let expert commentary:

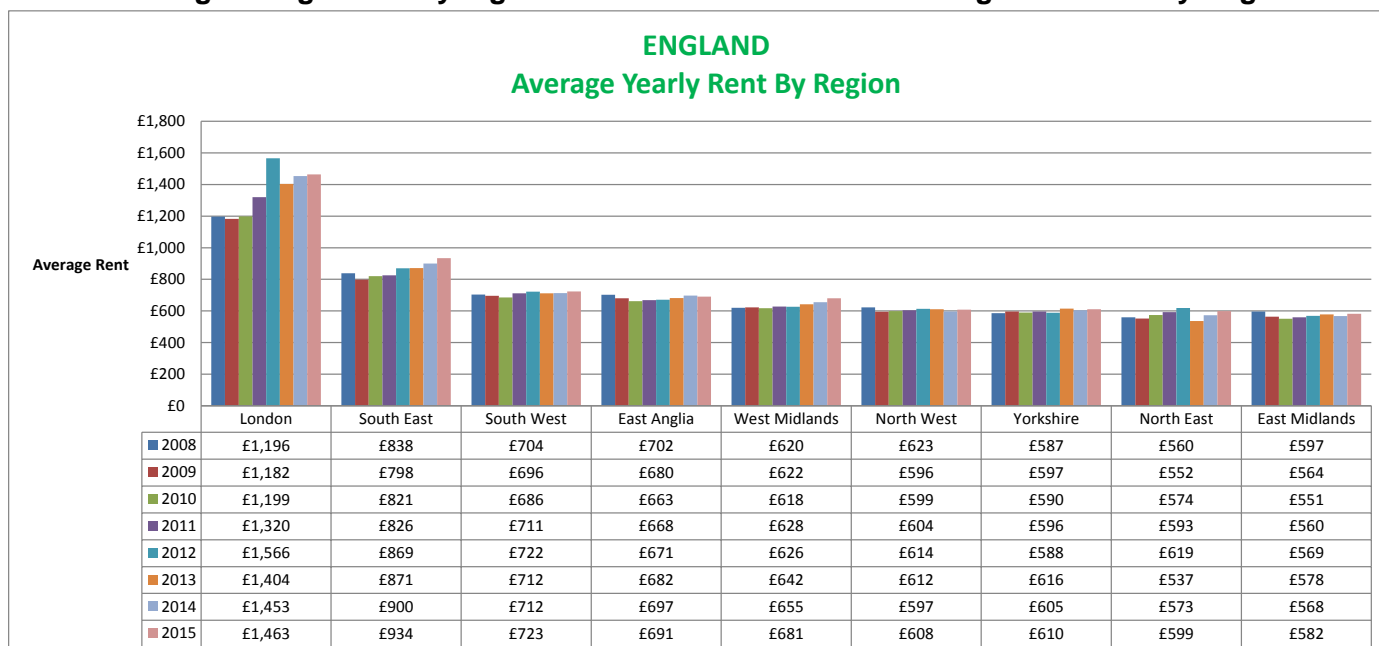
**Vaughan Schofield from Wrexham comments** “Proposed mortgage tax relief changes have spooked landlords here and some now looking to sell, reducing supply. Less stock coupled with the Welsh Government’s stated intention to make tenant application fees illegal means the only way money can be recouped is through higher rents.”



# Belvoir Regional Rental Trends Summary

Average monthly rents vary from £582 to £723 per month for the majority of English regions, with larger rents being achieved in the South East and London.

Chart showing average rents by region 2008 to 2015 for all Belvoir English Offices by Region



Average monthly rents for 2015 in **London** are £1,463, which is an increase of just under 0.75% versus the 2014 annual average.

For the **South East**, the average monthly rent recorded for 2015 is £934 per month, which is an increase of 3.75% versus the 2014 annual average of £900.

In the **South West**, the 2015 average rent of £723 is just over 1.5% higher than the 2014 annual average of £712.

The average rent for 2015 in **East Anglia** is £691, which is £6 less than the 2014 average monthly rent and around -1.5% below the high in 2008.

For the **East Midlands**, the average monthly rent for 2015 is £582, which is just under 2.5% less than the 2014 average, and around -2.5% down on the 2008 high rent of £597.

In the **West Midlands**, the average monthly rent of £681 per month is around 4% above the 2014 average of £655.

The average rent in **Yorkshire** for 2015 is £610, which is a small £5 uplift on the 2014 average, and an increase of just under 2.25% on the 2009 high of £597.

In the **North West**, the average rent for 2015 is £608, an increase of just over 1.75% on the 2014 average of £597, and down around -2.45% on the 2008 height.

Average monthly rents shown for the **North East** are not a true reflection of the real picture due to the enormous differences in property types and values within the region. For more detailed information, please see the North East regional rental trends analysis.

# Belvoir Regional Rental Trends

## East Anglia

The average rent in East Anglia for Q2 2015 was £685 per month. Versus the Q2 2014 average rent of £681 per month, this shows an insignificant year on year increase of around 0.5%.

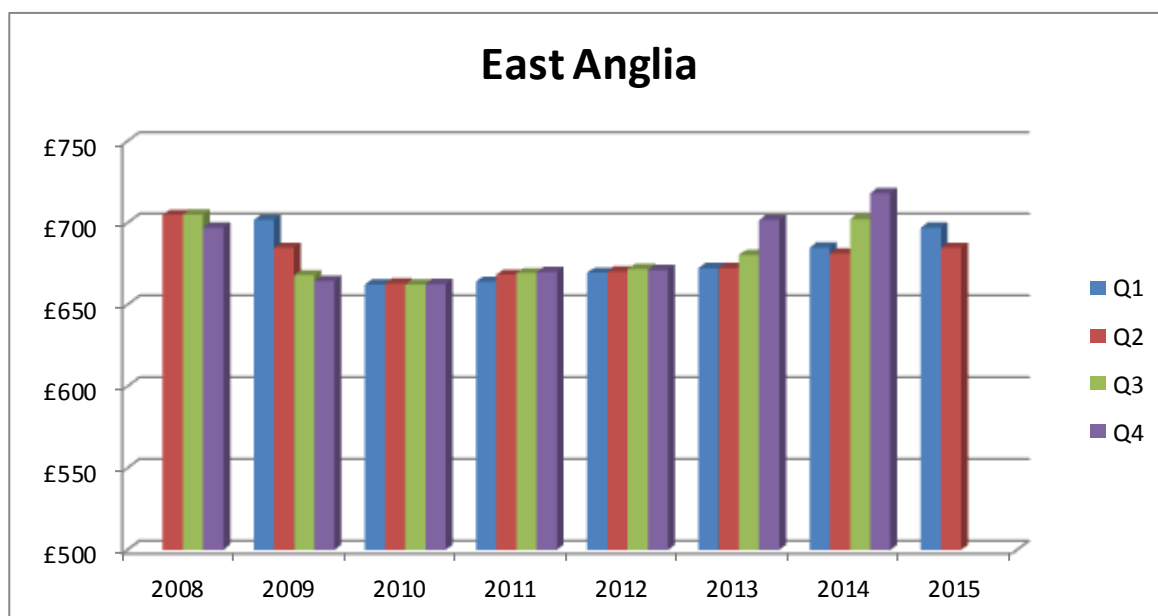
The average rent for Q2 2015 compared to the 2014 annual average rent of £697 shows a small fall in rental levels of just over -1.75%.

Rents in half of the offices during Q2 2015 remained stable, just over a quarter of offices experienced slight rises, including Kings Lynn and Bury St Edmunds, and just under a quarter showed slight falls.

### Local buy-to-let expert commentary:

**Belvoir Cambridge** reports “Q2 is the calm before the storm in Cambridge when the property market in Q3 gets a lot busier due to the change in academic year. We saw interest increase in houses and flats during Q2 from families and young professionals whilst the room market was quieter. Rental values have continued to increase year on year however rents for rooms and shared houses have not seen such a great increase owing to the release of student specific developments on Hills Road and Huntingdon Road.

**Belvoir Peterborough** comment “The market generally was busy in Q2 with two bedroom houses and apartments remaining in the greatest demand and many new properties letting within just a few days of coming to the market. The demand for family homes dipped slightly which is likely owed to the summer holidays. Rents are continuing to rise, particularly for new city centre developments where we have seen fantastic price per square foot achieved. Demand for city centre living is on the up owing to an increase in modern, well presented accommodation.

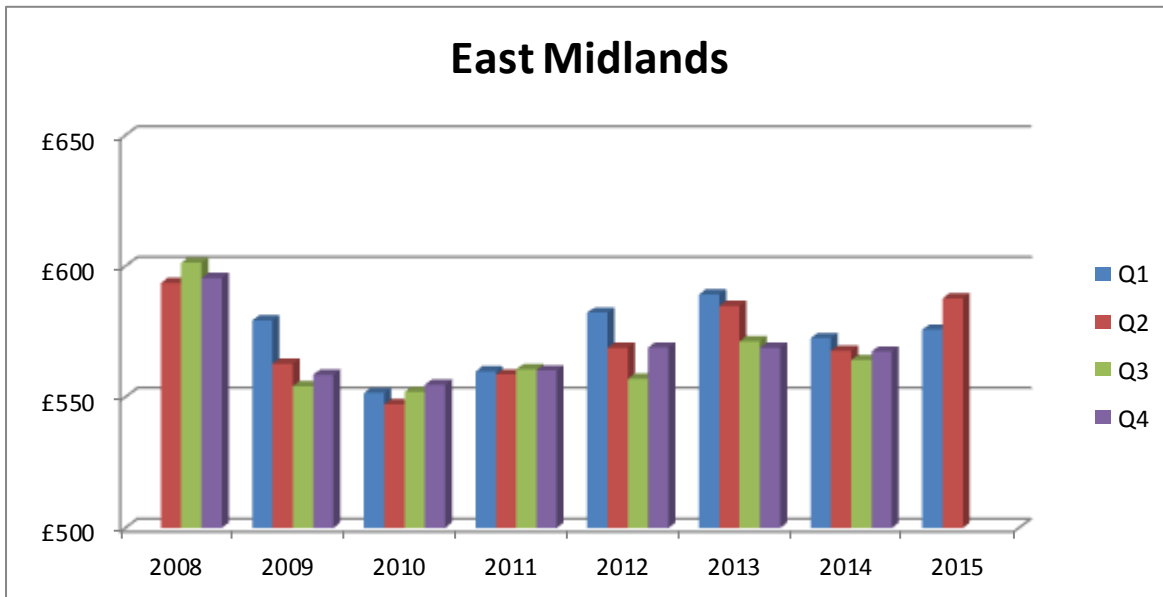


## East Midlands

In the East Midlands, the average monthly rent recorded for Q2 2015 is £588, which indicates an increase of 3.5%, year on year, when compared to the Q2 2014 average of £568 per month.

The Q2 2015 average rent versus the 2014 annual average rent of £568 shows an overall 3.5% increase in rental averages.

In Q2 2015, just over half of offices in the East Midlands indicate small increases in average monthly rents, including Boston, Corby and Mansfield, with just under a half showing stable rents, and the remaining offices experiencing slight falls.



## Mansfield

**Mike Keyword from Mansfield comments** *“Both Buy-to-Let and new build are increasing in Mansfield and the surrounding area. Rents are up too in select locations, and if the property is well presented, landlords can easily get a premium. Landlords really like finding refurbishments and are available at auction for our area.*

*Overall, rents are static with no declines within properties we have let and in fact I’ve seen some increases in surprising areas mainly because sharers can afford to offer a higher rent. Average rents are around £525 per month. Typically three bed semi-detached properties perform well, followed by affordable terraces at £440 - £485 p.mth. More sites are being granted planning permission and it looks as though increased house building is having a positive effect on the surrounding Mansfield & Ashfield area. Larger scale plans are being accepted such as the Lindhurst Development and large employers in the area are providing opportunities for all.”*

**Lloyd Rumbold from Nottingham says** *“The Nottingham rental market has ridden the recession storm pretty well. Properties are showing an up-turn on monthly rental values and there are some really interesting ‘spikes’ that are becoming evident in certain keys areas as we take an over view of the city. Developments surrounding Hospitals and large employers remain as stronger than ever, but what is also of interest is the improvement of tenanted rental property conditions. We are noticing a significant increase in the level of interior condition. This in turn is leading to longer tenancy terms, up from an average of 9 to 15 months and an increase in yields driven by shorter voids, a faster turnaround and less refurbishment required to re-let.*

## London

The average monthly rent in Q2 2015 for London is £1,460, which shows a slight increase of around 1%, year on year, compared to the Q2 2014 average rent of £1,445 per month.

Q2 2015 average rent versus to the 2014 annual average of £1,453, this shows an insignificant increase in monthly rents of just under 0.5%.

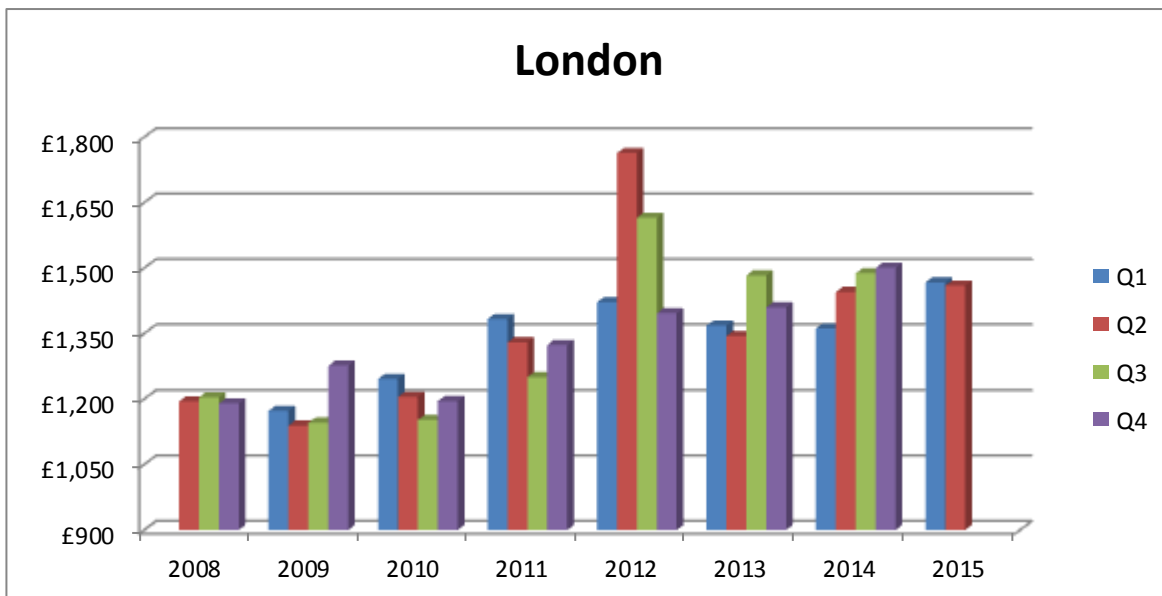
Due to the huge variation of properties in London, significant differences are shown in the average monthly rents. Basildon, for example, has an average monthly rent of £788, Gants Hill an average of £1,124 through to Camden at £2,413.

In Q2 2015, half of the London offices experienced slight increases, just under half of offices rents remained stable, with the remaining offices experiencing slight falls, including Stratford and Kingston upon Thames. Two new offices recently opened in London, Ealing and Acton, and Enfield.

### Local buy-to-let expert commentary:

**Jeremy Wasden of Belvoir Uxbridge** comments *“Property prices are rising faster in outer London and into the Thames Valley corridor than other areas. Sited in west Greater London, Hillingdon is currently the fastest rising borough in London. The current rate of increase in property prices is 14.6% in Hillingdon Borough, compared to 8.3% across London and 4.6% across England and Wales.*

*That rate of increase though is down a little versus earlier in the year, with an increase on last year of 17.1% reported in February. So prices are rising still, but more slowly than last year. The average property in Hillingdon is currently selling for £347,963 and as a local I would say that offers good value for money compared to Ealing where the average price is £100,000 more and Hounslow and Harrow where the average price is £30,000 and £45,000 higher.”*



## North East

Average monthly rents in the North East are inclined to be rather erratic, which is mainly due to the variable rents in Newcastle.

In **Tynedale**, the average monthly rent for Q2 2015 is £541, which is exactly the same as the average rent for Q2 2014 and the 2014 annual average.

For **Sunderland**, the average rent for Q2 2015 is £556 per month, indicating a year on year fall of around -2.5% versus the Q2 2014 average rent of £570. Comparing the Q2 2015 average rent to the 2014 annual average of £566, this shows a smaller fall in rents of around -1.75%.

### Local buy-to-let expert commentary:

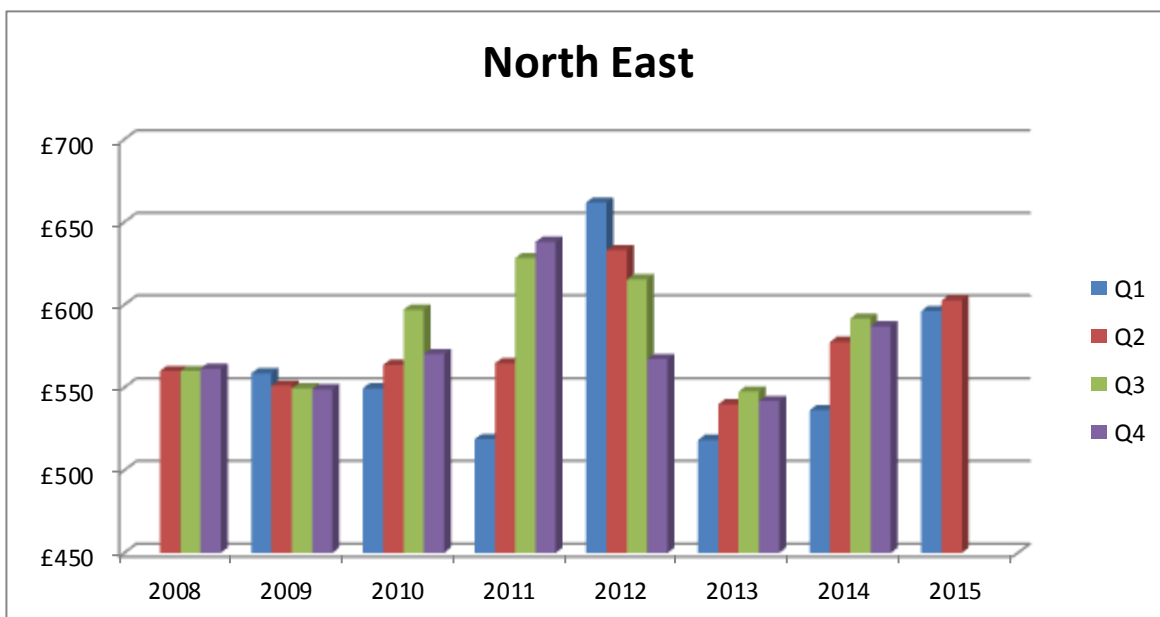
#### Newcastle upon Tyne

**Howard King** of the **Newcastle upon Tyne** office says “Q2 started slowly in our area but really picked up in May and especially in June with rents rising strongly except in the Housing Benefit market. We continue to experience a lack of stock except in the student market where there has been an oversupply.”

#### Sunderland

**Neil Whitfield** of the **Sunderland** office explains “This is a tricky time for the market. There is a real lack of movement as existing tenants are staying put and not many new ones looking to move into rental properties either. We are finding that there is a continued oversupply of student accommodation and city centre new build flats, so plenty of choice for tenants and for would be landlords; some are being sold so low now they could be considered good value for money from a rental perspective.

Further good news in the market is that unlike last year, landlords are retaining properties rather than selling up, so overall there is good choice for tenants. In addition, with prices here being such great value yields we can achieve should still deliver post the reduction in mortgage tax relief.”

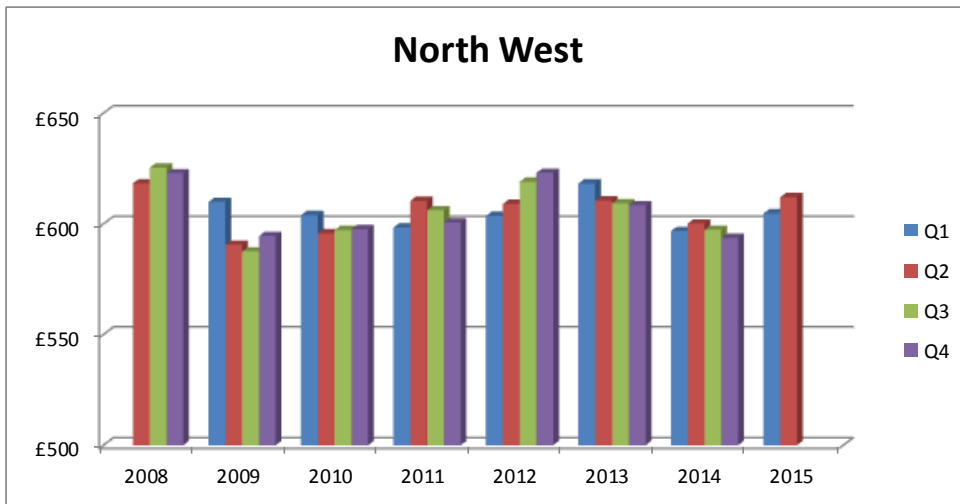


## North West

The average monthly rent recorded in the North West for Q2 2015 is £612. Compared to £600 per month, being the average rent for Q2 2014, this would indicate a small increase in rents of just below 2%, year on year.

The Q2 2015 average rent versus the 2014 annual average of £597 per month, shows an overall increase in rents of just over 2.5%.

The average monthly rents remained stable for just over half of offices during Q2 2015, with just over a quarter experiencing small increases, including Bolton, Crewe and St Helens, with the remaining offices indicating slight falls.

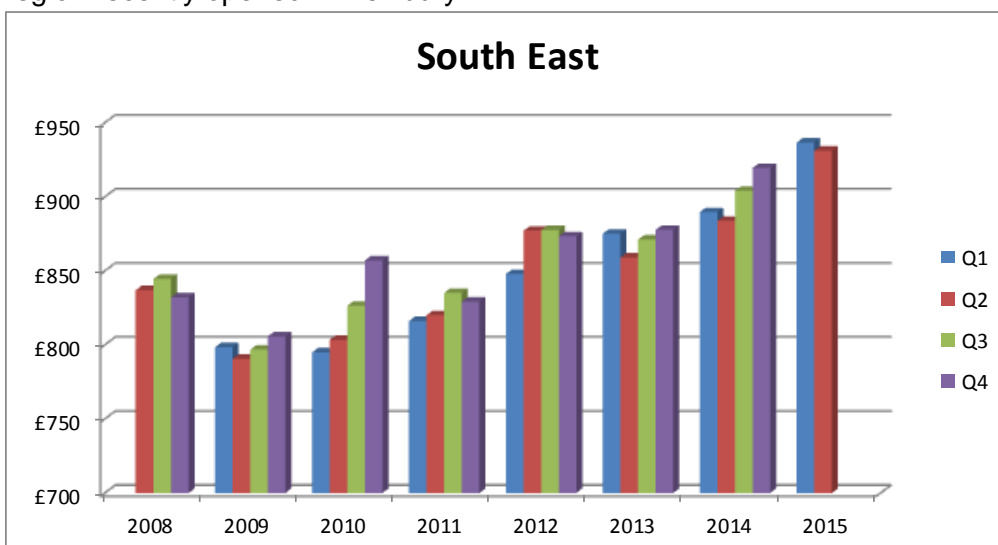


## South East

For the South East, the average monthly rent for Q2 2015 is £931. Compared to the Q2 2014 average rent of £884 per month, this shows an increase of just over 5.25% increase, year on year.

The average rent for Q2 2015 versus the 2014 annual average rent of £900 per month, would indicate an overall increase of around 3.5%.

40% of offices experienced stable rents during Q2 2015, with 40% indicating small rises and the remaining 20% of offices showing slight falls, including Bedford, Dunstable and Luton. A new office in the South East region recently opened in Newbury.

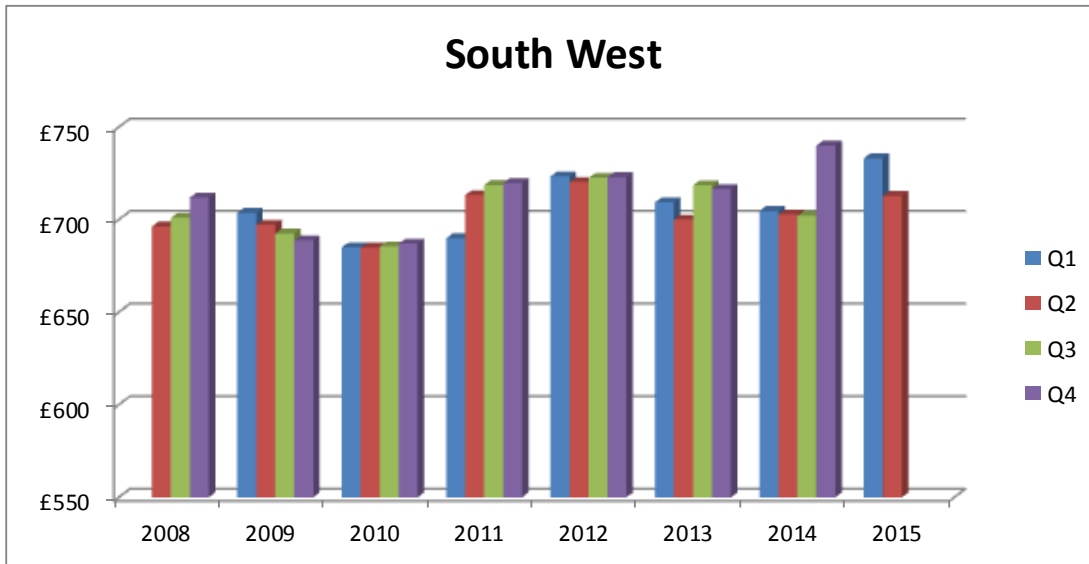


## South West

The average monthly rent recorded in the South West for Q2 2015 is £713, versus the Q2 2014 average rent of £703 per month, this indicates a year on year increase of just under 1.5%.

Comparing the Q2 2015 average rent to the 2014 annual average rent of £712 per month, this shows an insignificant overall increase of just £1.

Just over half of offices in the South West experienced stable rents during Q2 2015, with just under half of offices equally split with slight falls, including Christchurch and Weston-super-Mare, and slight rises.

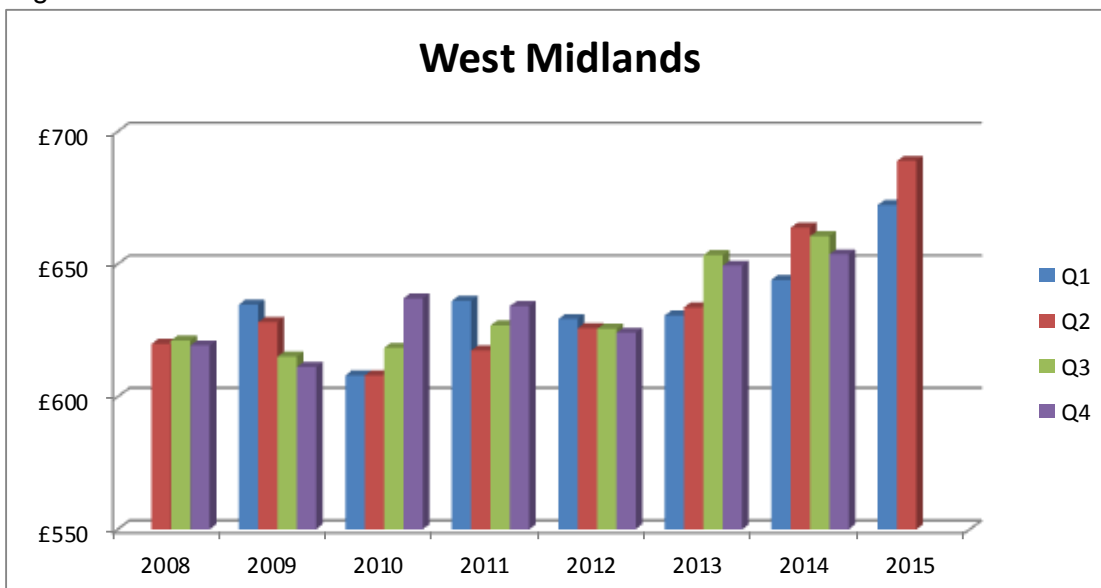


## West Midlands

The average rent recorded in the West Midlands for Q2 2015 is £689 per month, versus the Q2 2014 monthly average of £664, this indicates an increase of just over 3.75%, year on year.

Comparing the Q2 2015 average rent to the 2014 annual average of £655, this also indicates an uplift in rents of around 5%.

Just under half of West Midlands' offices indicate stable rents during Q2 2015, with just over a quarter showing some rises, including Evesham, Leamington Spa and Lichfield, and the remaining offices showing slight falls.

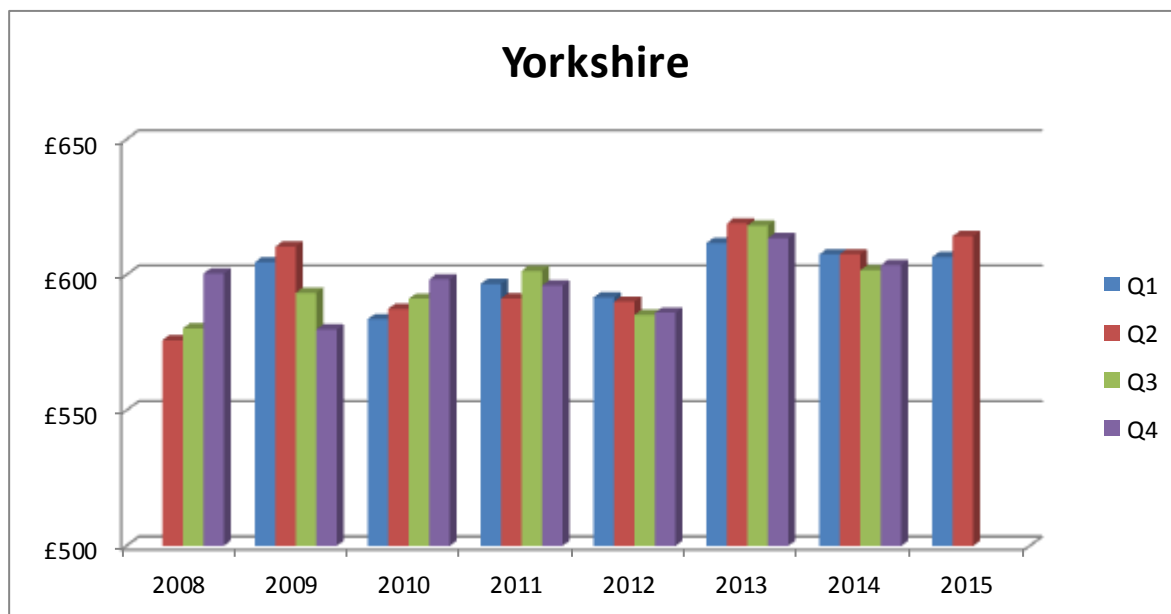


## Yorkshire

In Yorkshire, the Q2 2015 average rent is £614 per month, compared to £608 per month, which is the Q2 2014 average rent, this shows a slight increase of just over 1%, year on year.

Comparing the Q2 2015 average rent to the 2014 annual average rent of £605, this shows a small 1.5% overall increase in rents.

Just over half of Yorkshire offices experienced small rises in rents during Q2 2015, including Doncaster and Thirsk, with rents in just under half of offices remaining stable.





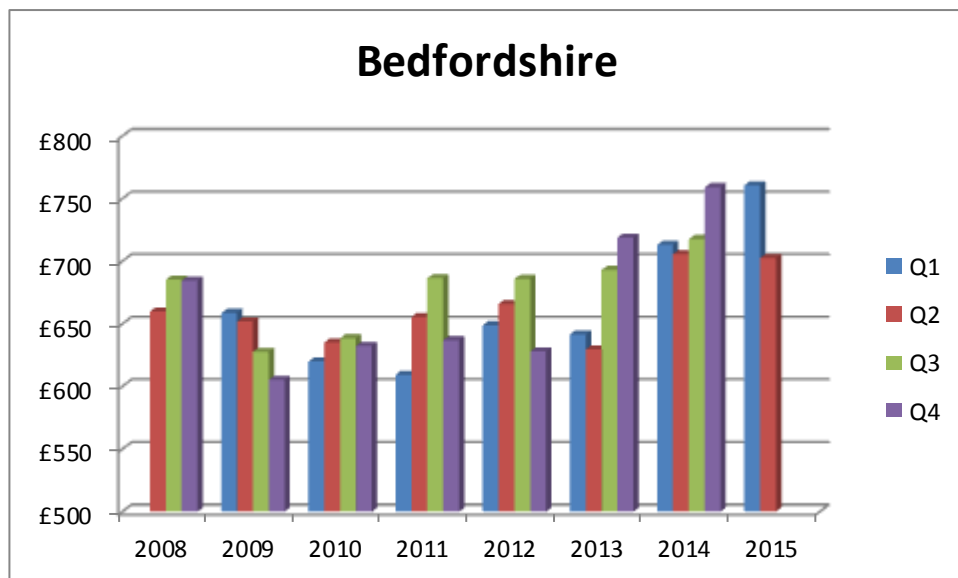
## Belvoir Rental Trends by County

This is where we compare the Q2 2015 rental averages to Q2 2014 averages, county by county, and how they are performing versus the 2014 annual averages.

### Bedfordshire

In Bedfordshire, the average monthly rent recorded for Q2 2015 is £702. Versus a year ago and the Q2 2014 average monthly rent of £706, this shows a slight £4 year on year increase.

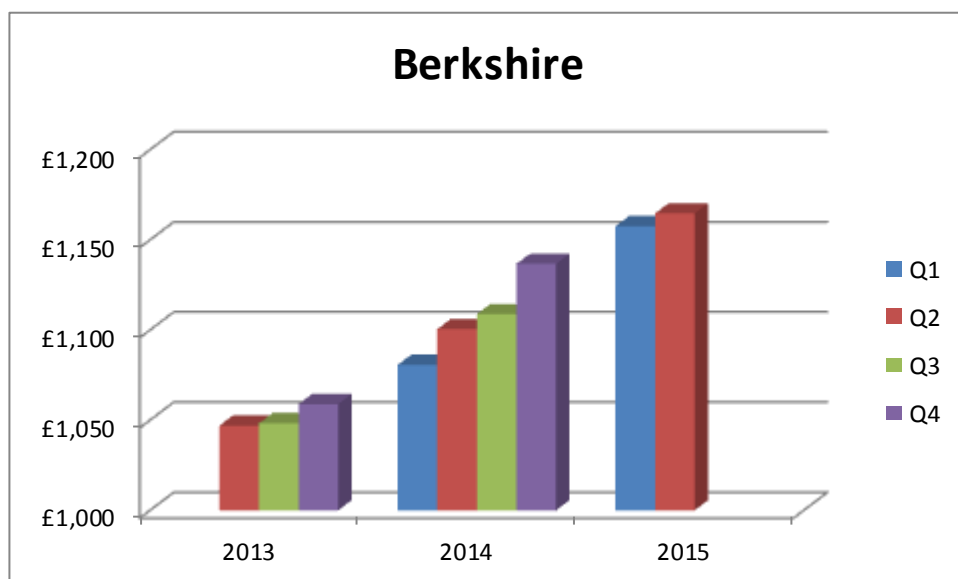
Comparing the Q2 2015 average monthly rent to the 2014 annual average of £724 per month, this shows a reduction in rents of around -3%.



### Berkshire

The average rents in Q2 2015 for the Maidenhead office in Berkshire, is £1,165 per month. Compared to the Q2 2014 average of £1,100, this shows an increase of just over 5.75%, year on year.

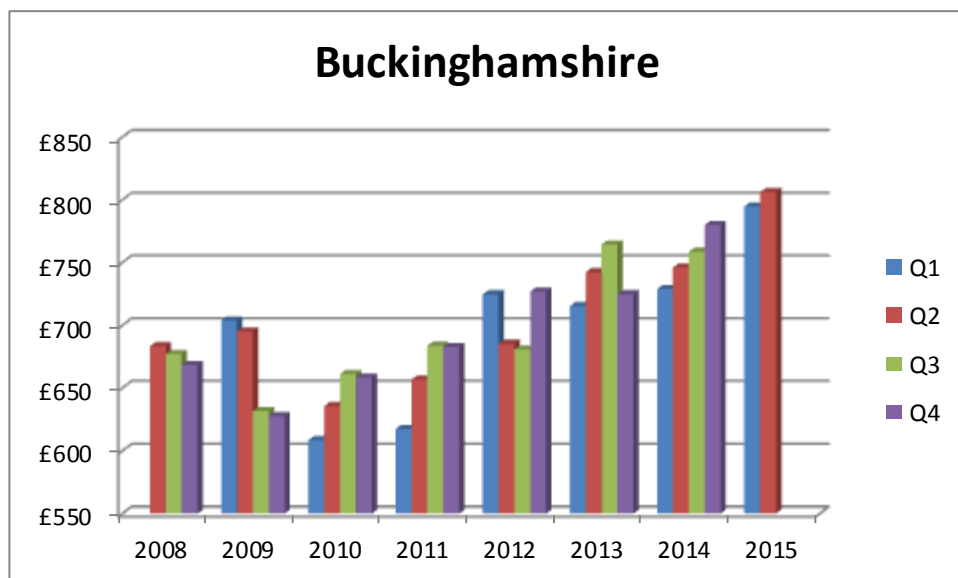
Q2 2015 average versus the 2014 annual average rent of £1,107 suggests an increase of 5.25%.



## Buckinghamshire

The average monthly rent for Buckinghamshire in Q2 2015 is £806. Versus £746 per month, the average monthly rent for Q2 2014, this suggests an increase of just over 8%, year on year.

Comparing the Q2 2015 average rent to the 2014 annual average of £753, this also shows an increase in rental trends of 7%.

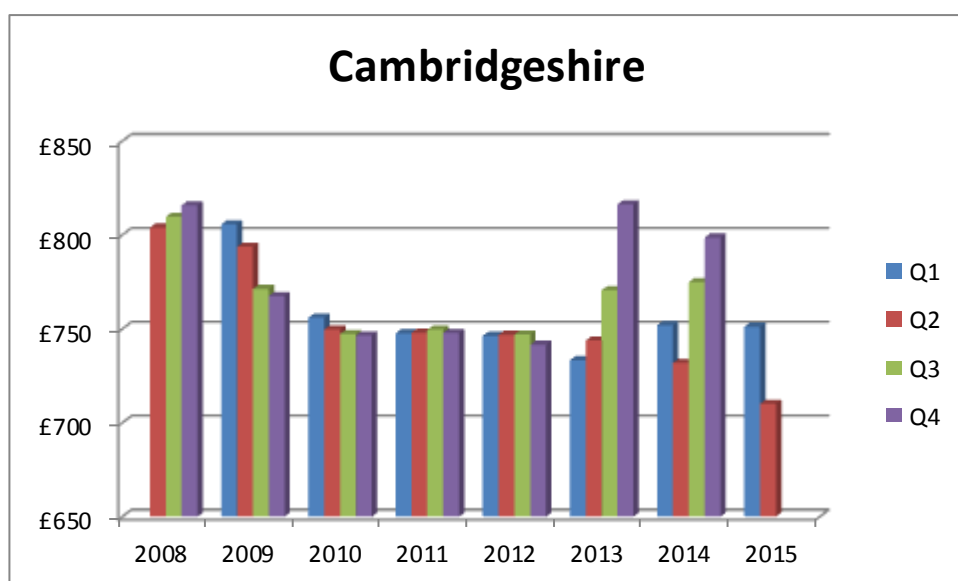


## Cambridgeshire

For Cambridgeshire, the average rent for Q2 2015 is £710 per month. Comparing this to the Q2 2014 average monthly rent of £732, this shows a decline in rents of around -3%, year on year.

The Q2 2015 average rent versus the 2014 annual average of £767 per month, this suggests a fall in rental levels of just over -7.25%.

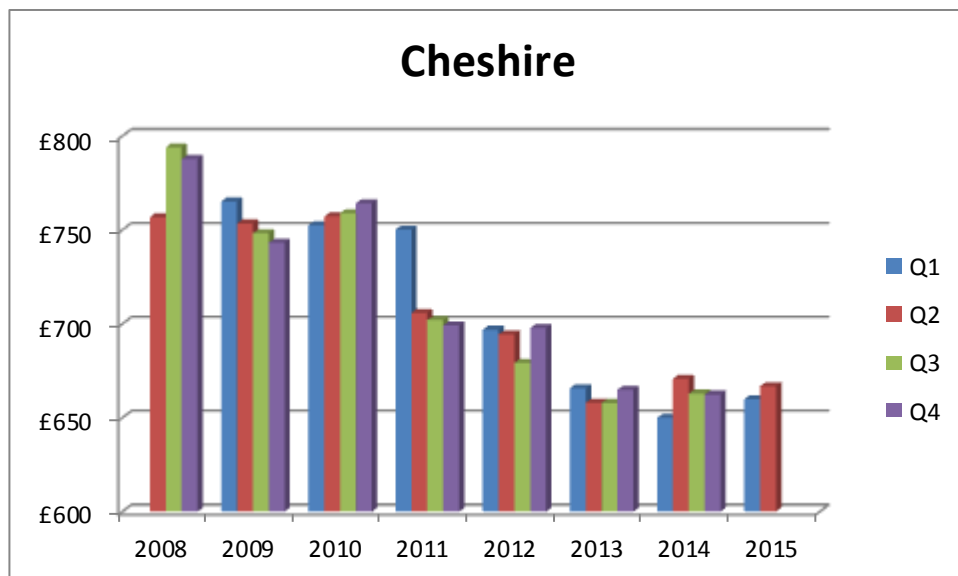
See *'East Anglia'* write up for comment from the local offices.



## Cheshire

In Cheshire, the average rent for Q2 2015 is £667 per month, which shows a slight £4 year on year fall in rents when compared to the Q2 2014 average of £671 per month.

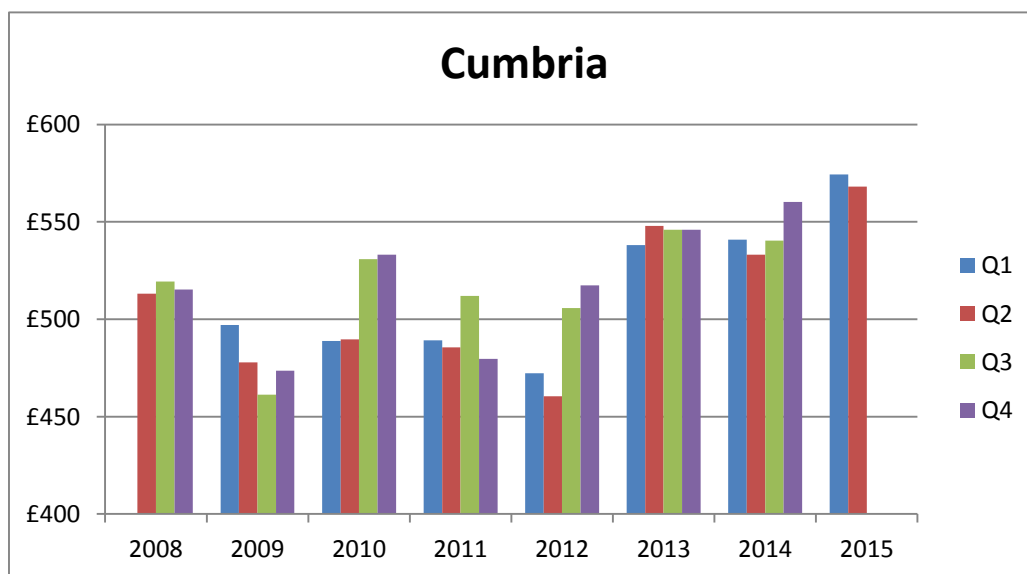
When comparing the Q2 2015 average to 2014 annual average rent of £661 per month, this indicates an insignificant increase of under 1%. Rents in Cheshire have remained fairly stable since 2013.



## Cumbria

The average monthly rent for Cumbria in Q2 2015 is £568, which is around a 6.5% increase, year on year, compared to Q2 2014 average of £533 per month.

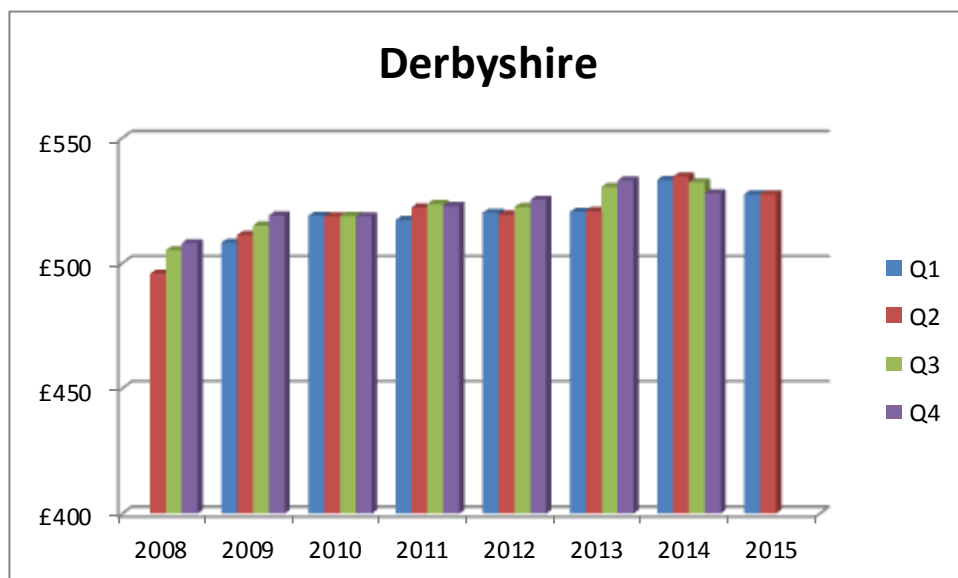
Comparing the Q2 2015 average to the 2014 annual average for Cumbria of £544, this also shows an increase in rents of around 4.5%.



## Derbyshire

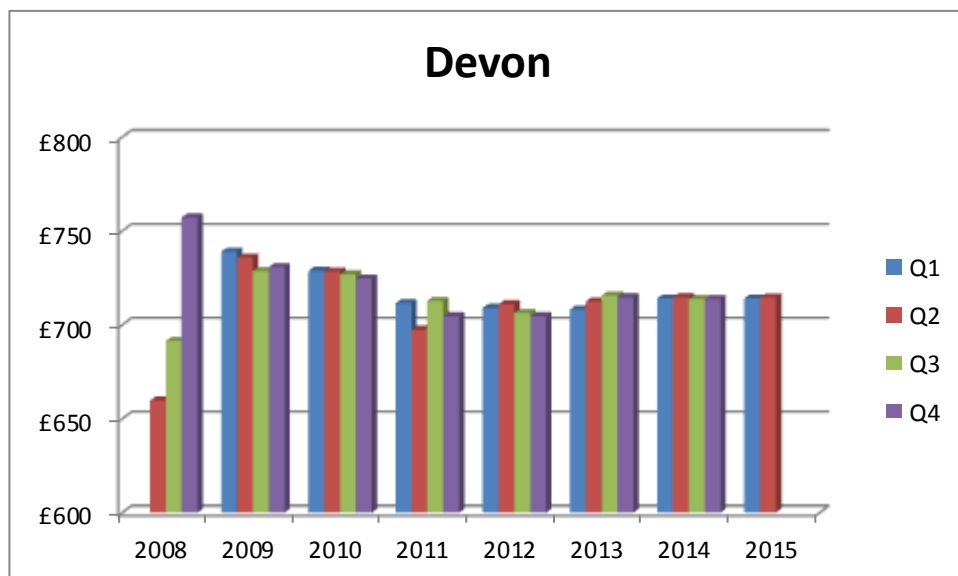
For Derbyshire, the average rent for Q2 2015 is £528 per month. Versus the average for Q2 2014 of £535, this shows a slight decrease in rents of just over -1.25%, year on year.

Comparing the Q2 2015 average rent to the annual average for 2014 of £532 per month, shows a small £4 difference in rental levels. Rents have continued to remain fairly static.



## Devon

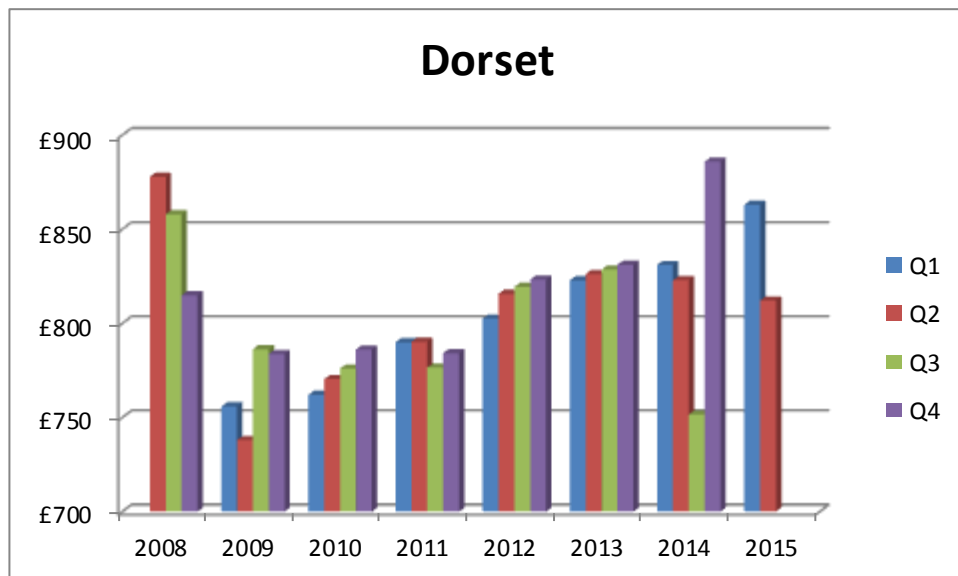
In Plymouth, Devon, the average rent recorded for Q2 2015 is £715 per month, which is exactly the same as the Q2 2014 average rent. There is also an insignificant £1 increase when compared to the 2014 annual average of £714 per month. Overall, rents have been stable for some years, as the chart below shows.



## Dorset

The average monthly rent recorded for Dorset during Q2 2015 is £812. Versus the Q2 2014 average of £823 per month, this would indicate a slight year on year fall in rents of just over -1.25%.

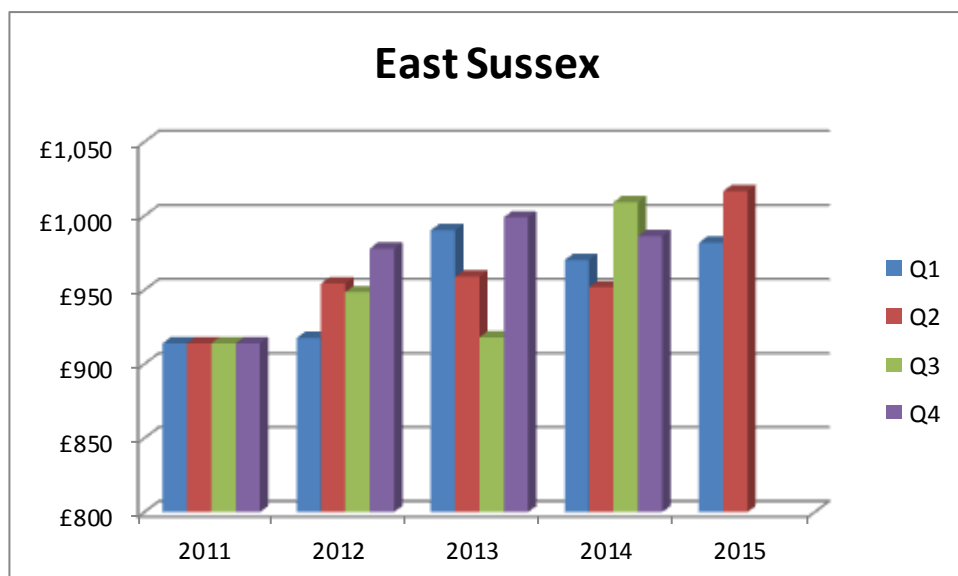
Versus the 2014 annual average of £823, this also shows a slight fall in rents of just over -1.25%, with rental levels akin to those achieved between 2012 and the first half of 2014.



## East Sussex

For East Sussex, the average rent for Q2 2015 is £1,017 per month, which is an increase of around 6.75%, year on year, versus the Q2 2014 average of £952 per month.

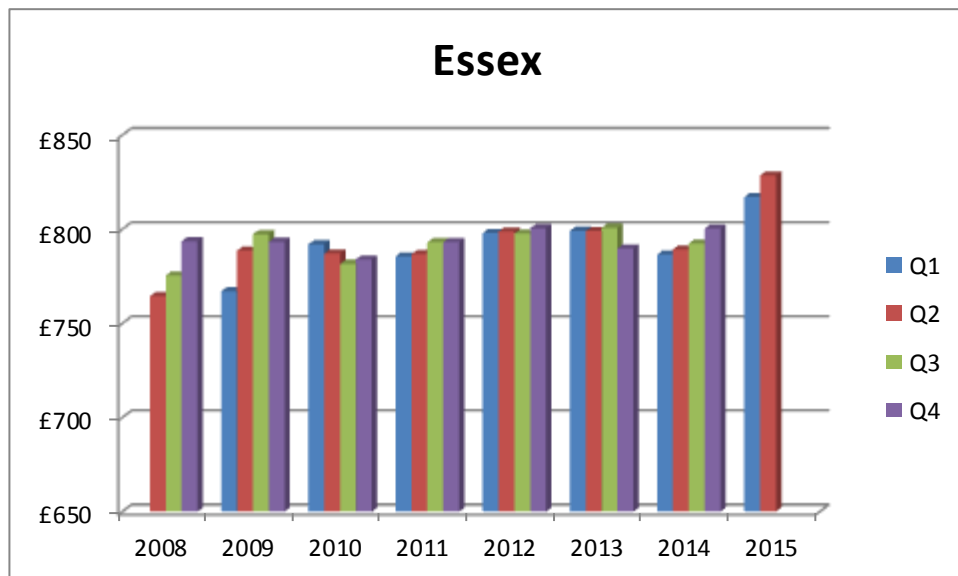
Comparing the Q2 2015 average rent to the 2014 annual average of £979, this would indicate an overall uplift in rents of around 3.75%.



## Essex

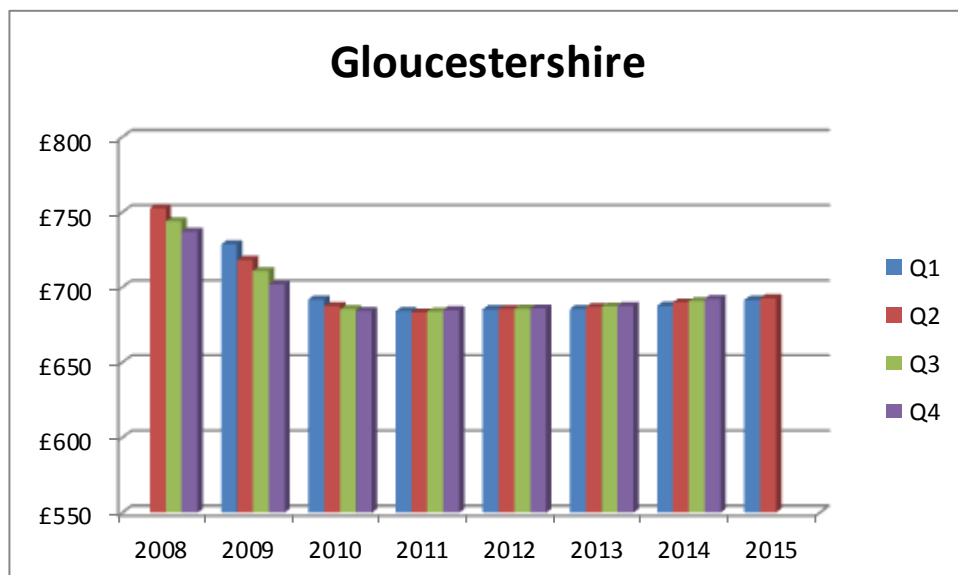
The average rent recorded in Essex for Q2 2015 is £829 per month. This is an increase of around 5%, year on year, when compared to the Q2 2014 average of £789 per month.

Comparing the Q2 2015 average to the 2014 annual average rent of £792, this shows an increase of just over 4.5%.



## Gloucestershire

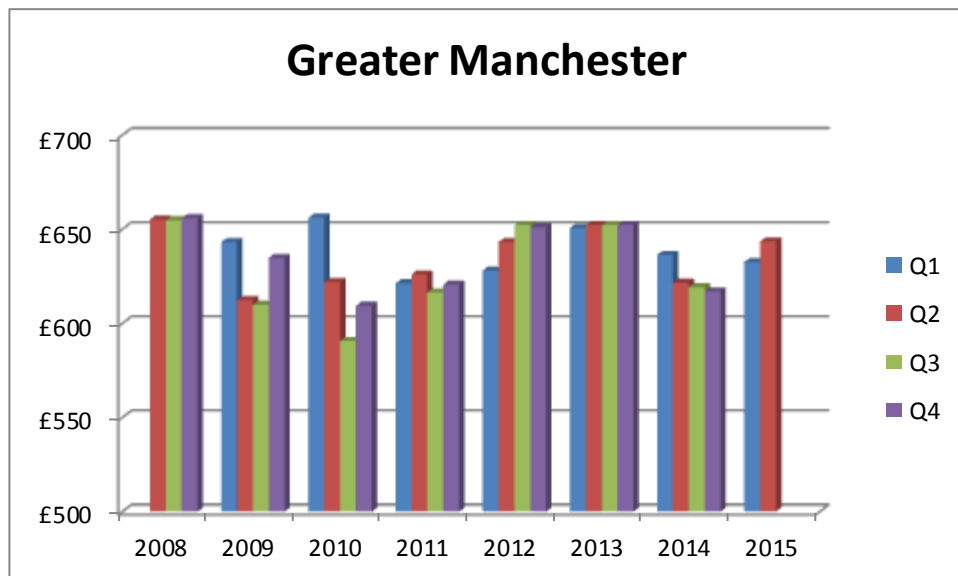
For Gloucestershire, the average monthly rent for Q2 2015 is £693. Comparing this to the Q2 2014 average and the 2014 annual average of £690, this shows a slight £3 increase. Gloucestershire rents continue to remain stable.



## Great Manchester

The average monthly Greater Manchester rent for Q2 2015 is £643. Compared to the Q2 2014 average rent of £622 per month, this shows an increase, year on year, of 3.5%.

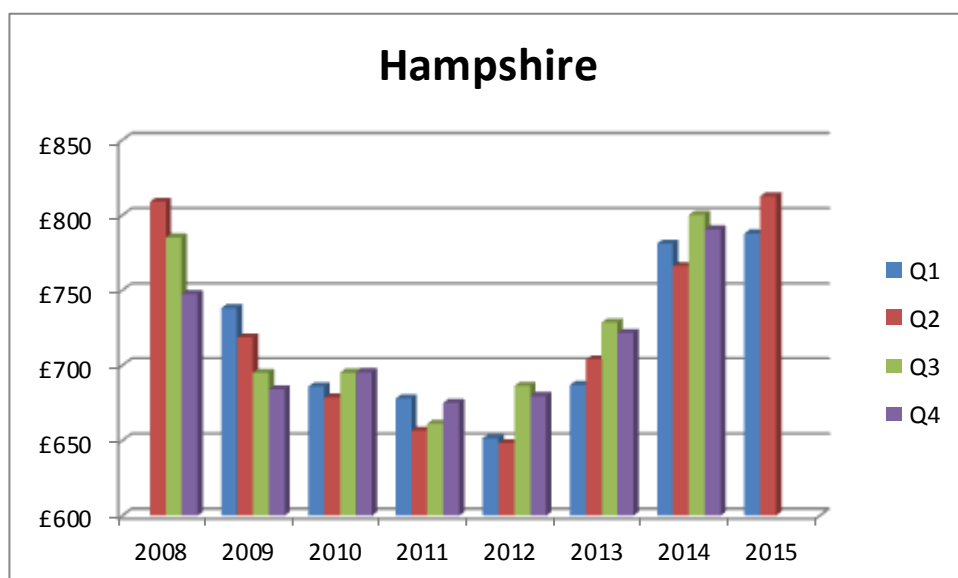
Versus the annual average rent for 2014 of £623 per month, this equates to a 3.25% increase in rents.



## Hampshire

The Q2 2015 average rent recorded in Hampshire is £813 per month, which indicates an increase of around 6%, year on year, when compared to the Q2 2014 average rent of £766 per month.

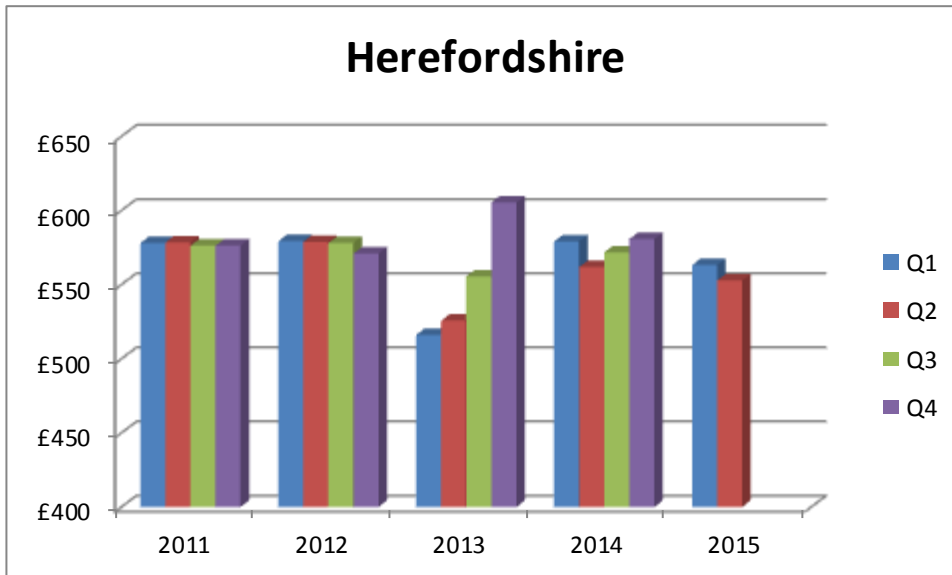
When comparing the Q2 2015 average to the 2014 annual average of £785 per month, this shows a lesser 3.5% increase in rental levels.



## Herefordshire

For Herefordshire, the average rent recorded for Q2 2015 is £553 per month. Versus the Q2 2014 average of £562 per month, this indicates a small fall of just over -1.50%, year on year.

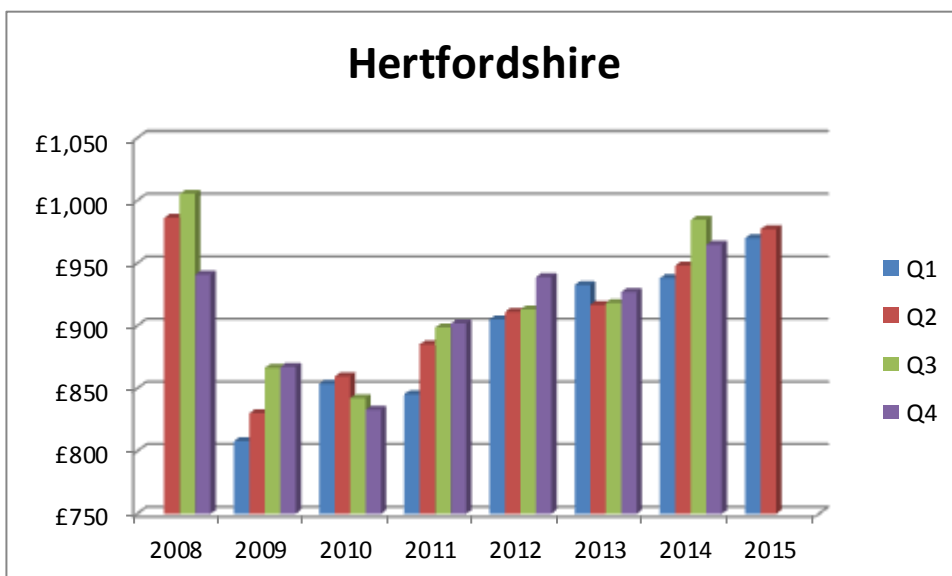
When comparing this to the 2014 annual average rent of £573, this shows a larger overall decrease in rents of around -3.5%.



## Hertfordshire

The average rent recorded in Hertfordshire for Q2 2015 is £977 per month. Compared to the Q2 2014 average of £948, this equates to a year on year increase of around 3%.

Taking the Q2 2015 average versus the 2014 annual average of £959 per month, this indicates a smaller overall increase in rental levels of just under 2%.

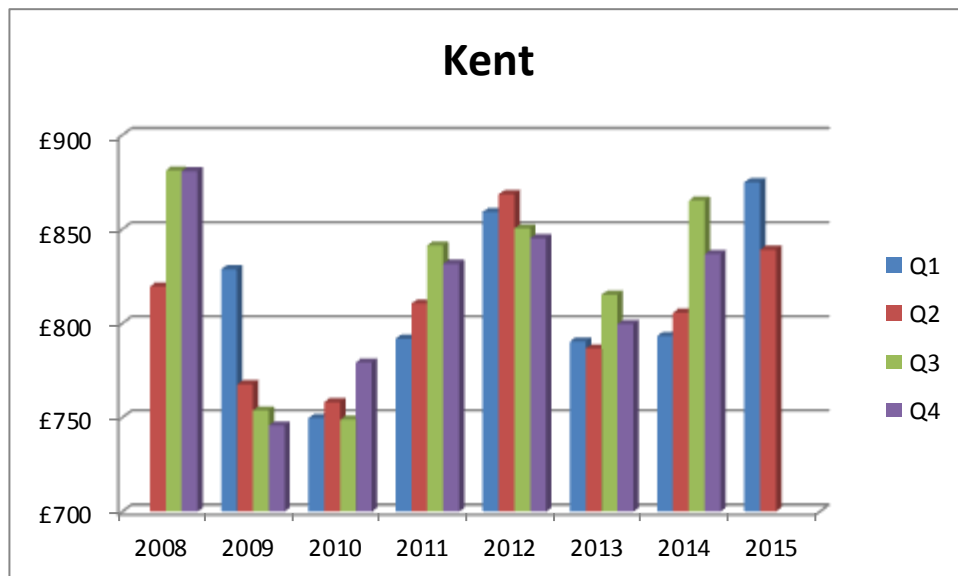




## Kent

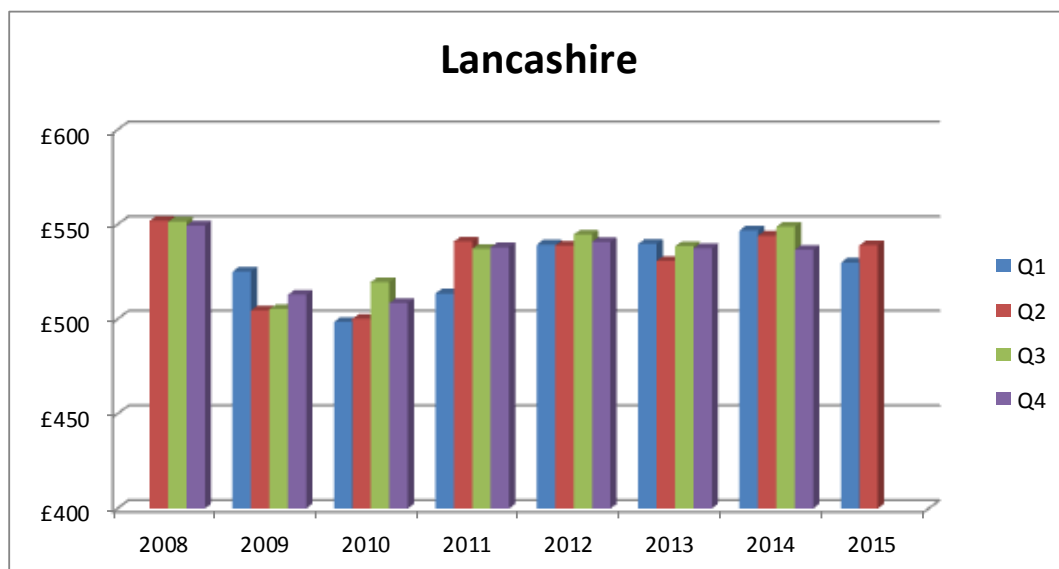
The average rent recorded in Kent for Q2 2015 is £839 per month. Comparing this to the Q2 2014 monthly average of £806, this suggests rents have increased, year on year, by around 4%.

Taking the Q2 2015 average and comparing this to the 2014 annual average rent of £826, this shows a more modest increase of just over 1.5%.



## Lancashire

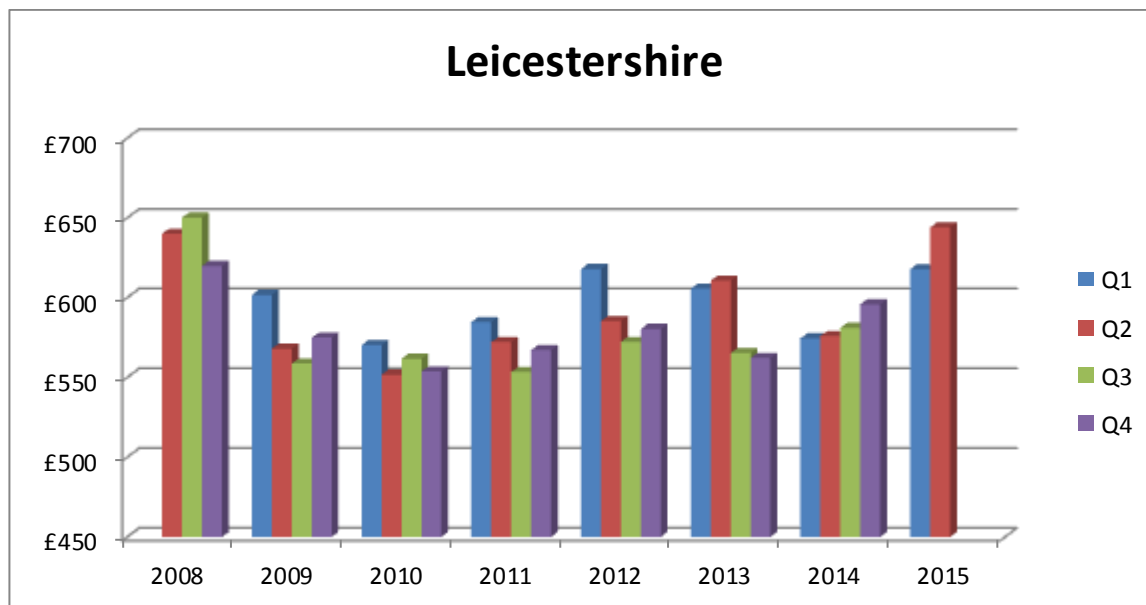
In Lancashire, the average rent recorded for Q2 2015 is £539 per month, which is just below a -1% decline in rents, year on year, versus the Q2 2014 average of £544 per month and the 2014 annual average of £544 per month. Lancashire rents overall have been fairly static in the since 2011.



## Leicestershire

For Leicestershire, the average monthly rent in Q2 2015 is £644 per month. Comparing this to the Q2 2014 average of £576 per month, this would indicate a large uplift in rents, year on year, just under 11.5%.

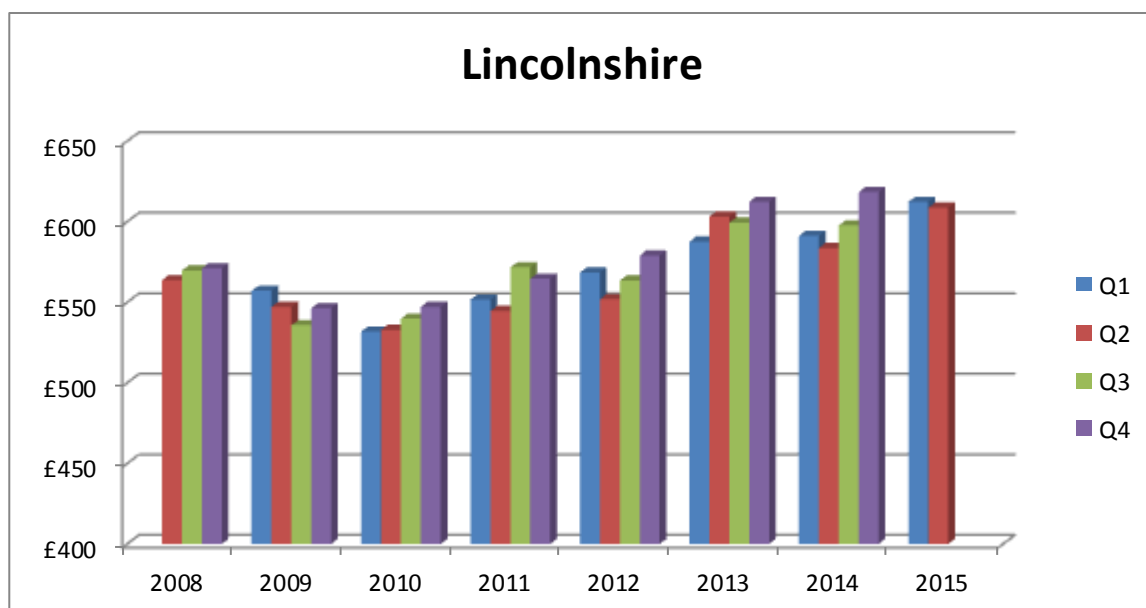
The Q2 2015 average versus the 2014 annual average of £582 per month also indicates a large increase in rents of around 10.75%.



## Lincolnshire

The average rent in Q2 2015 for Lincolnshire is £609 per month. Versus an average monthly rent of £584 in Q2 2014, year on year, rents have increased by around 4.25%.

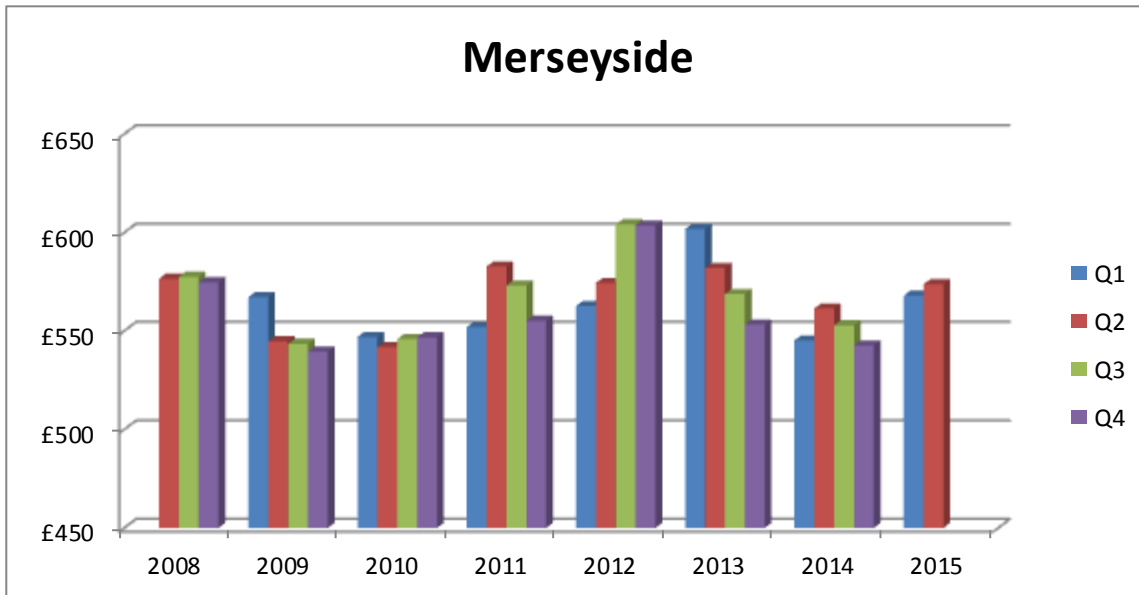
However, comparing this to the 2014 annual average of £598 per month indicates a more modest increase in rents of just over 1.75%.



## Merseyside

For Merseyside, the Q2 2015 average rent is £574, per month, which is just under 2.25% up on the Q2 2014 average of £561 per month, year on year.

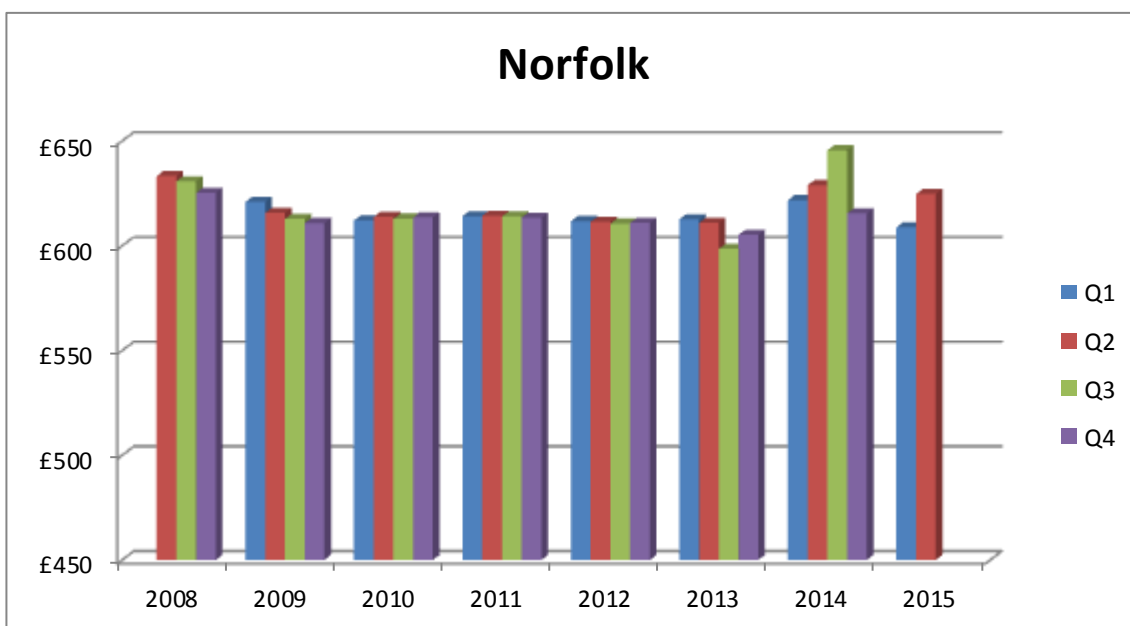
The Q2 2015 average versus the 2014 annual average of £551 per month, shows a larger increase of just under 4.25%.



## Norfolk

In Norfolk, the average rent recorded for Q2 2015 is £625 per month. Versus the Q2 2014 average of £629 per month, this would suggest a slight year on year decline in rents of £4.

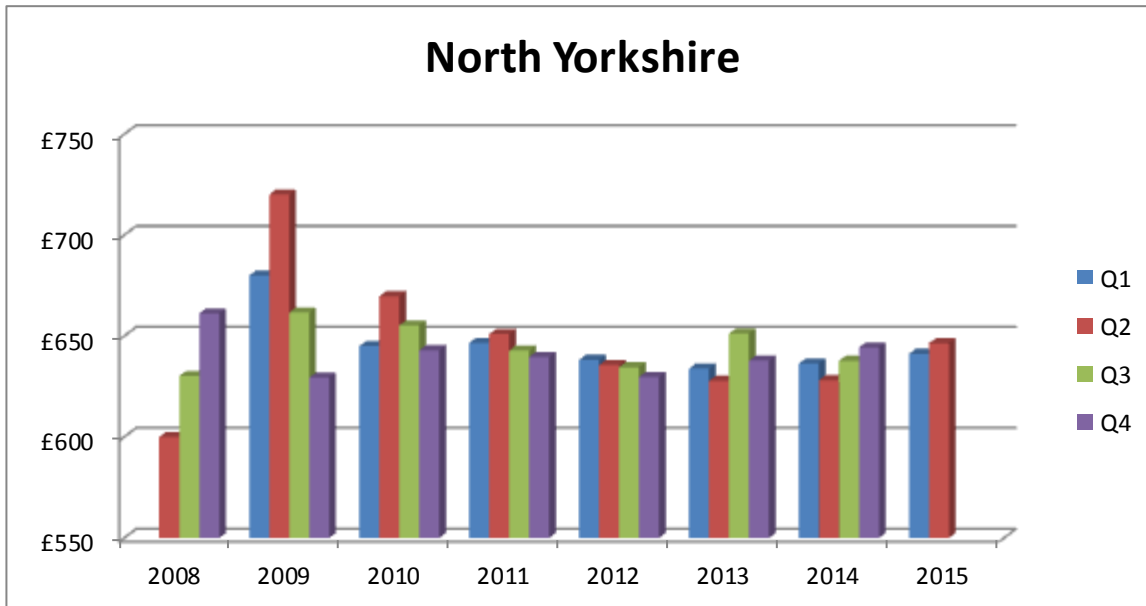
Comparing the Q2 2015 average rent to the 2014 annual average for Norfolk of £628 per month, this also shows a slight overall fall in rental levels of £3.



## North Yorkshire

The Q2 2015 average rent recorded for North Yorkshire is £646 per month. Compared to an average rent of £628 in Q2 2014, this shows a year on year increase of around 3%.

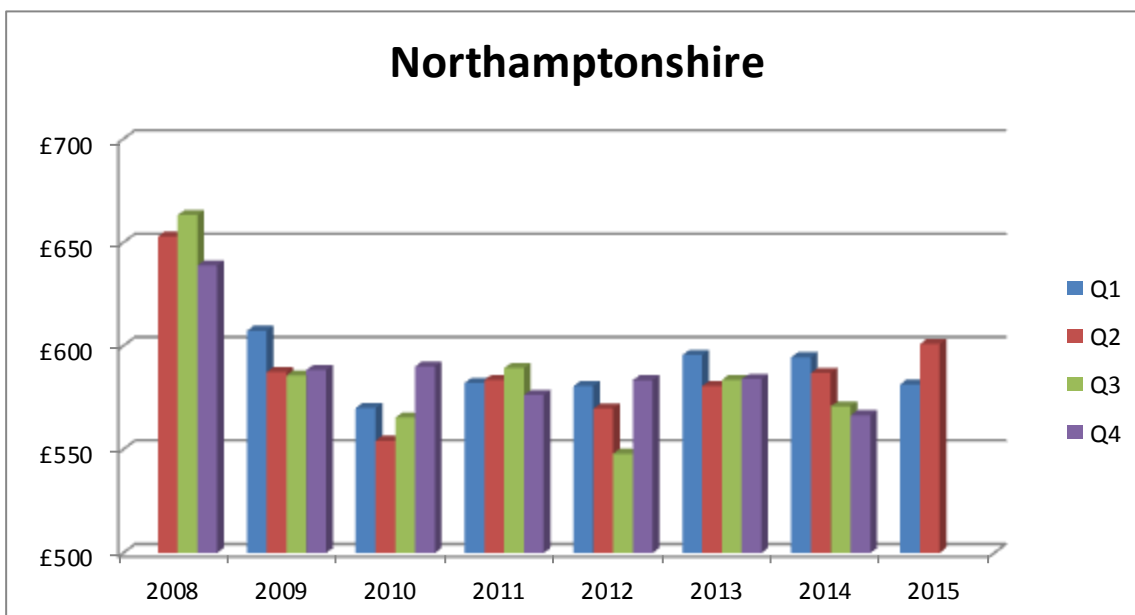
Comparing the Q2 2015 average to the 2014 annual average of £637, this would indicate small increases of around 1.5%.



## Northamptonshire

For Northamptonshire, the average rent for Q2 2015 is £601 per month. Versus the Q2 2014 average monthly rent of £587 per month, this shows an increase in rents of just over 2.25%, year on year.

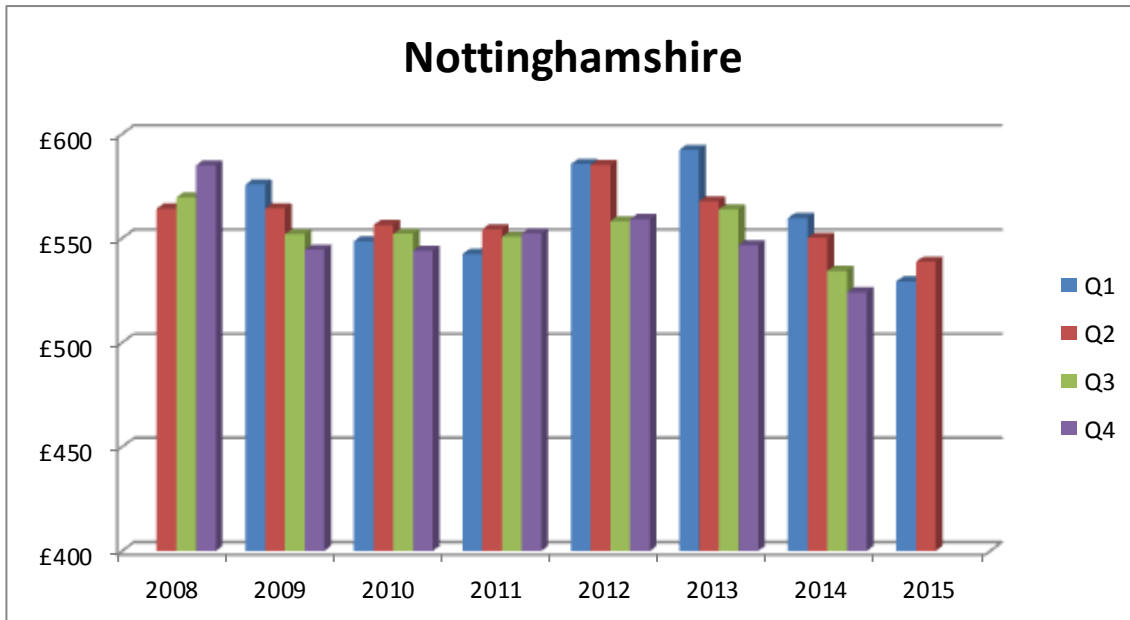
Compared to the Northamptonshire annual average for 2014 of £578 per month, this indicates a higher level of increases at just under 4%. However, rents remain considerably lower than at the height of the market in 2008.



## Nottinghamshire

The Nottinghamshire average monthly rent for Q2 2015 is £539. Compared to the Q2 2014 average rent of £550 per month, this shows a small year on year decline in rents of around -2%.

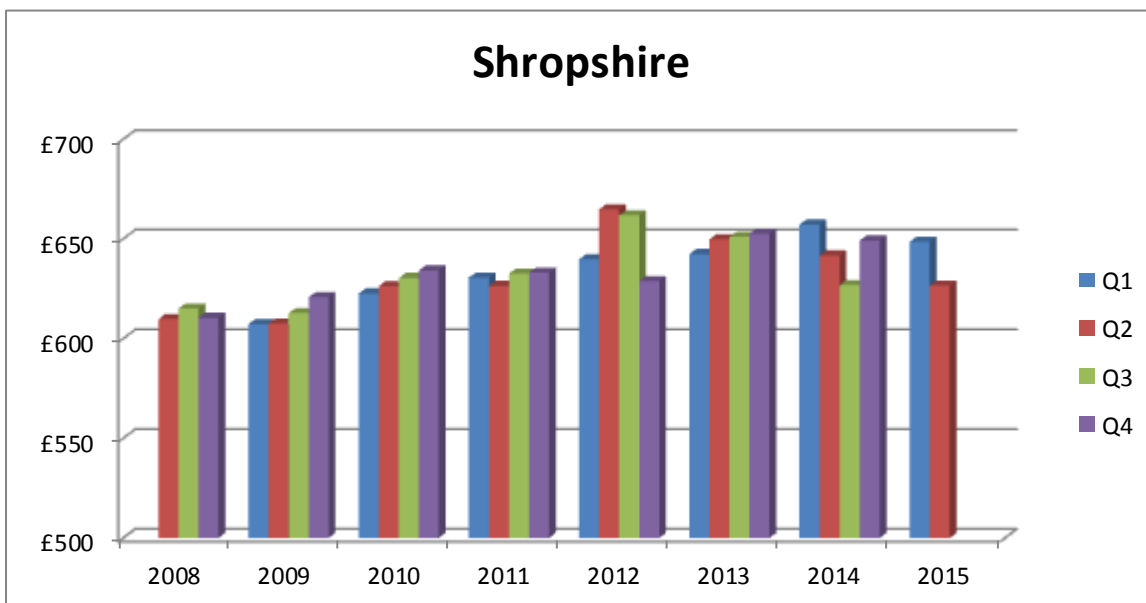
Comparing this to the 2014 annual average rent of £541 per month, this indicates a much smaller overall fall in rents of around -0.5%.



## Shropshire

For Shropshire, the average rent for Q2 2015 is £627 per month, showing a decline in rents of around -2.25%, year on year, when compared to the Q2 2014 average monthly rent of £642.

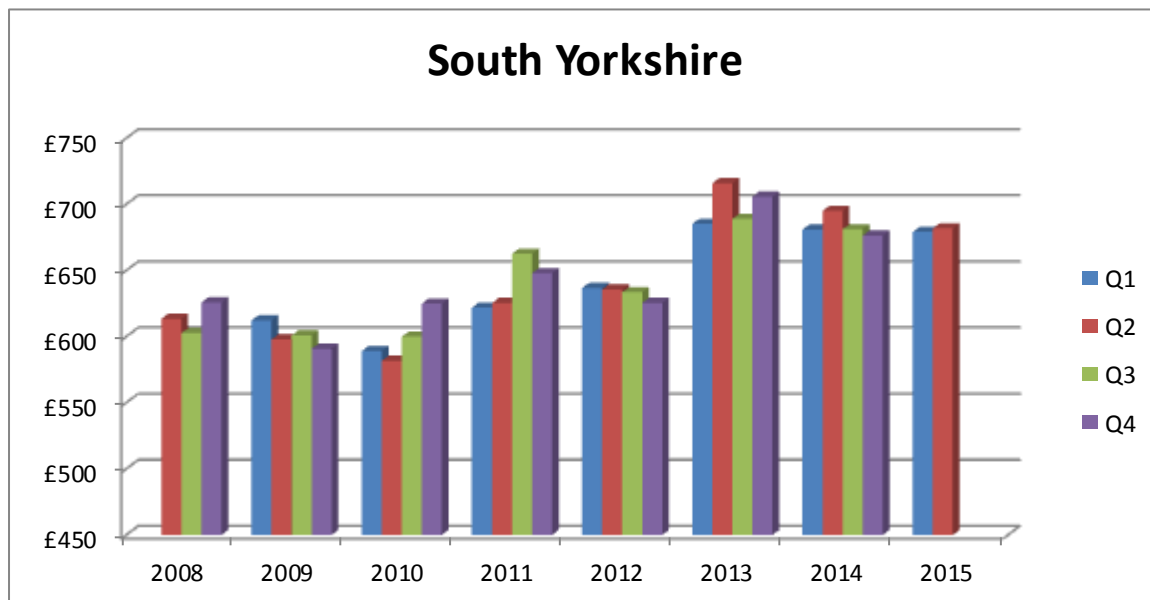
Comparing the Q2 2015 average rent to the annual average for 2014 of £644 in Shropshire, this also shows an overall fall in rents of just under -2.75%.



## South Yorkshire

In South Yorkshire, the average rent recorded for Q2 2015 is £682 per month. Versus the Q2 2014 average rent of £695 per month, this indicates a year on year fall in rents of just under -2%.

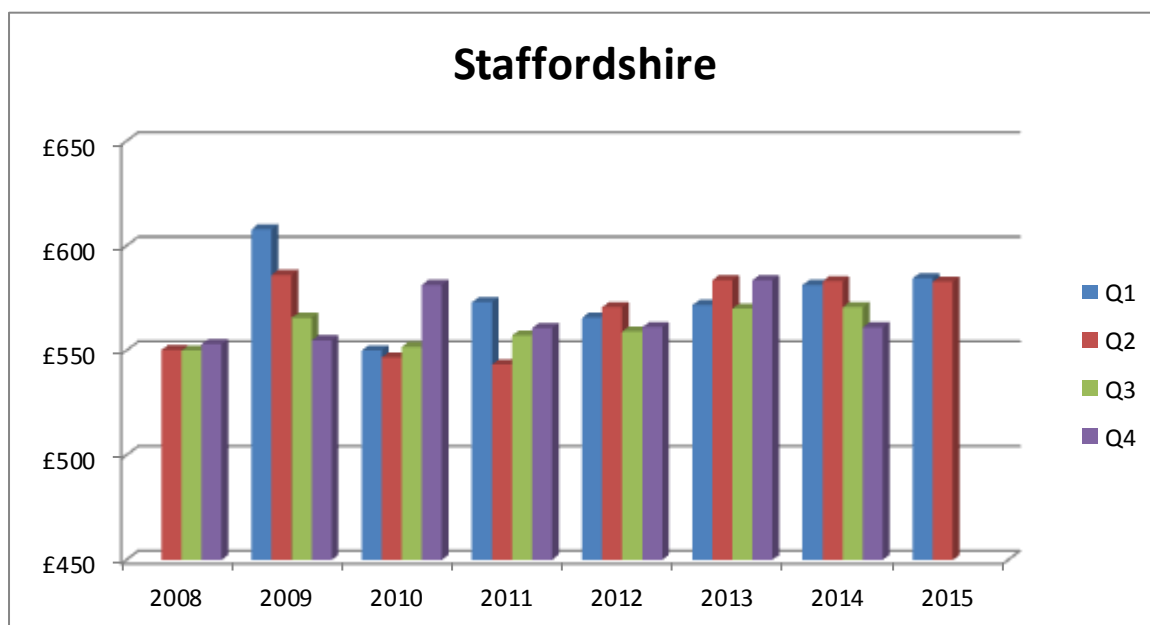
However, when comparing the Q2 2015 average to the 2014 annual average of £683 per month, there is on a £1 difference. South Yorkshire rents remain fairly static.



## Staffordshire

In Staffordshire, the average rent for Q2 2015 is £583 per month, which is no change in rents, year on year, when compared to Q2 2014.

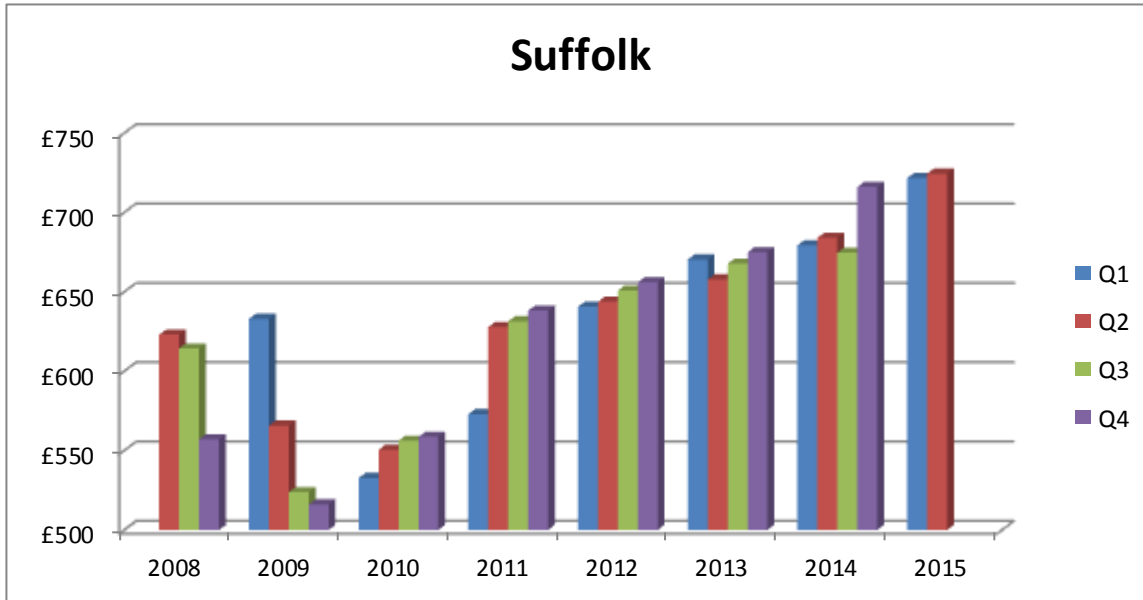
However, when comparing the Q2 2015 average to the annual average for 2014 of £574 per month, this indicates a small increase in rents of just over 1.5%.



## Suffolk

For Suffolk, the average monthly rent recorded for Q2 2015 is £724. Versus the Q2 2014 average rent of £684 per month, this would indicate a year on year increase in rents of just below 6%.

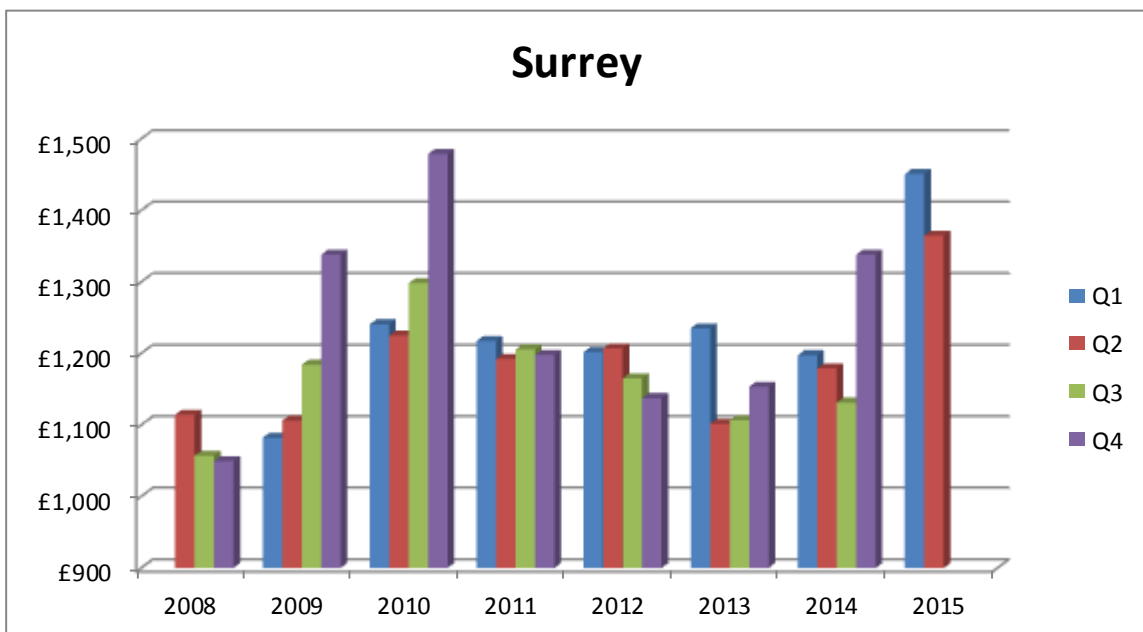
Compared to the 2014 annual average of £688 per month, this would also indicate rental rises of around 5.25%.



## Surrey

In Surrey, the average rent for Q2 2015 is £1,365 per month. This would indicate, year on year, a huge rise in average rents of 15.75%. This is however essential caused more by larger properties being taken off which are naturally increasing the average rental value and rental averages are lower in Q2 than Q1.

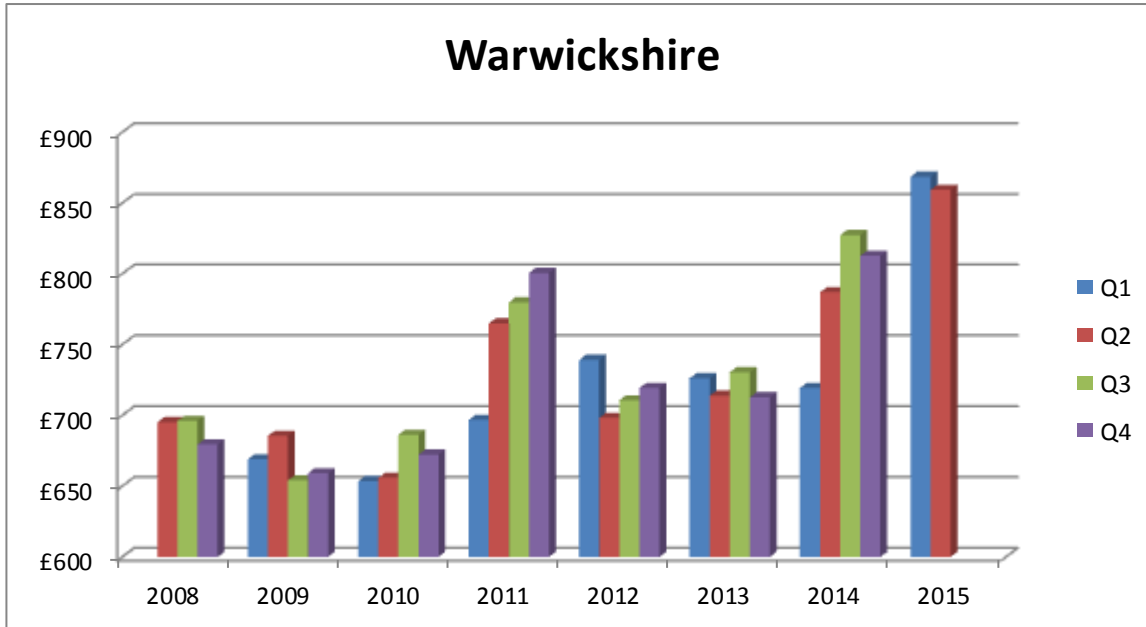
Comparing the Q2 2015 average to the 2014 annual average rent of £1,211 per month, this also indicates a large uplift in rents of around 12.75%.



## Warwickshire

The average monthly rent recorded for Warwickshire in Q2 2015 is £859 per month. Compared to the Q2 2014 average rent of £787, the figures would suggest year on year increases of around 9%.

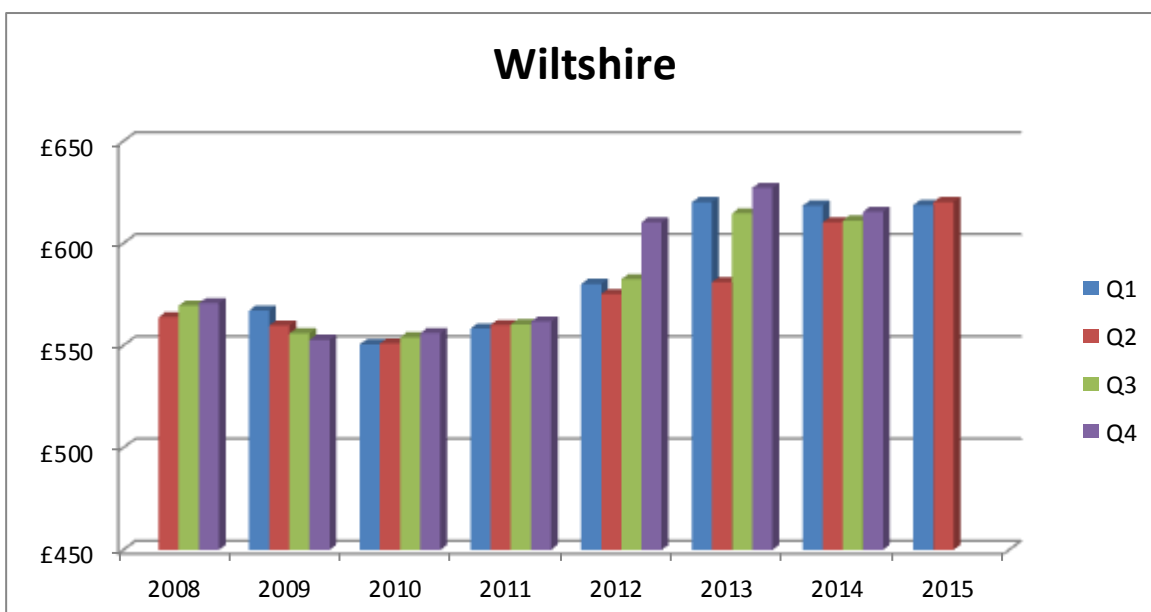
Comparing this to the 2014 annual average rent for Warwickshire of £789, this would also suggest rental increases of 9%. However this is mostly due to increases in higher value rental stock.



## Wiltshire

In Wiltshire, the Q2 2015 average rent recorded is £620 per month. Year on year, this is a small increase of just over 1.5% when compared to the Q2 2014 average monthly rent of £610.

Comparing this to the 2014 annual average rent for Wiltshire of £614 per month, the figures show a smaller overall increase of around 1%.

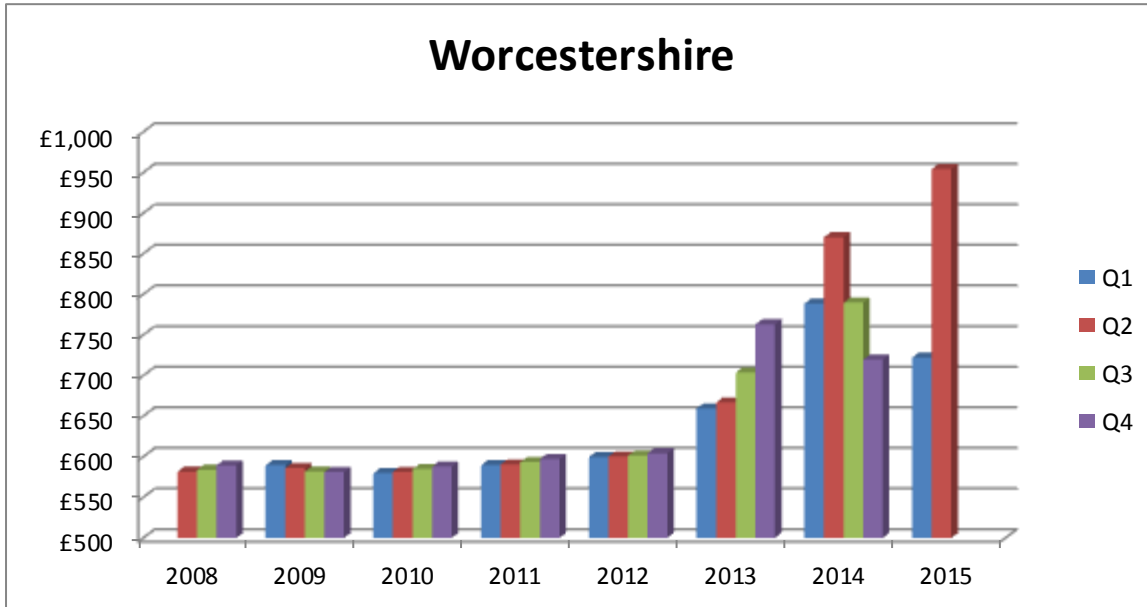




## Worcestershire

For Worcestershire, the overall average monthly rent for Q2 2015 is £954. Comparing this to the average rent for Q2 2014 of £870, this would indicate large year on year rises of over 9.5%.

The figures also indicate huge rises of over 20% when comparing the Q2 2015 average of the 2014 annual average of £792. This is however more due to an increase in higher value rental stock being advertised



## Appendix

### Belvoir Rental Index 2008 to 2015

Over the last seven years, Belvoir Lettings, one of the UK's top lettings only franchises has been tracking monthly rental price movements.

This report analyses the ups and downs of the rental market, not just at a national level, but breaking down monthly rental averages into London, the rest of England, Wales and Scotland as well as county level.

The data is created from average advertised rents. This isn't a perfect way of analysing rents, but most Belvoir agents advertised rents are set at levels they know tenants will pay, and worst case, they may on occasions be approximately 10% less. This doesn't though appear to prevent the index from identifying rental trends. To help ensure the monthly rents aren't too erratic and historic and existing trends can be identified, the average rents are calculated as three month simple averages.

In addition, we don't just produce rental statistics. We liaise directly with over 140 franchised offices to better understand the reality of what's driving rents up or down. We check trends the statistics are showing so we understand at ground level, exactly what they mean for landlords and tenants as well as what the statistics can tell us about the future.

The report breaks down the Belvoir Index analysis in two formats:-

#### Offices which have consistently traded over the last seven years

This is an analysis of rents across offices which have consistently traded across the seven years we have been tracking the index. Effectively, this analysis looks at rents on a 'like by like' basis, much as analysis is carried out when comparing like for like sales in retailing.

1. This data analyses over 140 offices from 2008 to 2015.
2. All offices which have traded via the Belvoir brand over the last seven years. This analysis looks at rents across all offices. We add an office after it has traded for nine months and can provide a three month simple average over a six month period. This data is particularly useful when analysing regional data as it analyses 139 offices, so increases the number of offices contributing to the data and thus makes the results more robust.

#### Level of data analysis

In this report we produce the following information:-

1. Average rental movements across the UK
2. Average rental movements across England, Wales and Scotland
3. Average rental movements by region: for example, East Midlands, London
4. Average rental movements by county: for example, Nottinghamshire, Shropshire
5. Commentary from Belvoir, the franchisor and local franchisees

## How we analyse the data

The data is analysed on a three month simple average:-

|                    |  |
|--------------------|--|
| Average rent:      | £500   |
| Average June rent: | £525   |
| Average July rent: | £515   |
| Total:             | $£1,540 / 3 = £513$ will be the average July rental figure |

We analyse the information on a month by month basis and a year on year basis. However, we also look at the data from the height of the rental market, the market low and whether the latest monthly data suggests rents are rising, falling or stabilising versus previous highs and lows.

The rents analysed are 'average' rents. In the main, we know that the annualised average rent is fairly accurate when considering the rents for the top two properties, for example, two and three bed houses in small and large urban areas, or one and two bed flats in city centres such as London.

Some of the data flaws happen on a month by month basis. For example, it is possible that some trends are affected by agents listing unusually high priced properties. For example, in Shrewsbury, we know the data accurately picks up trends over time, but tracks average rents at around 10% higher due to large, prestigious properties being rented on a regular basis.

In addition, we know data for some offices can show a rise in rents when the reality is that property stock is tight, so isn't as robust as normal, or a higher level of new build properties rent out at higher levels than second hand or previously lived in properties.