

BELVOIR!

**March 2015
(Q1 15)**

Rental Index

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Belvoir Rental Index March 2015 (Q1): Top 10 Report Highlights

1. In England, the average rent for Q1 2015 England is £710 per month, for offices which have traded consistently over the last seven years, a year on year increase of 3.5%, one of the first above inflation rises in rents we've seen since 2008.
2. The average monthly rent recorded in the UK for all offices, including new offices, for Q1 2015 is £750, which is a year on year rise of 4.5%.
3. The majority of offices in Scotland experienced continued high tenant demand, with some slight rental increases during Q1 2015.
4. For Wales, the average rent for Q1 2015 is £645 per month – a slight £3 decrease in rents, year on year, showing that market performance is extremely localised.
5. In Northern Ireland, rents are continuing to increase, particularly for good quality properties, coupled with strong tenant demand, during Q1 2015.
6. Rather than rents 'spiralling out of control' and landlords putting through 'huge increases' our index shows that rents in the North West, East Midlands and East Anglia are still lower than they were in 2008 heights. Some have experienced rises year on year, but in reality this is 'rents recovering'.
7. Average rents in the North East continue to exceed the height of the market in 2008 during Q1 2015.
8. For the West Midlands, South East, South West and London, Q1 2015 rents have recovered to levels higher than they were during the height seen in 2008. Year on year, rent rises range from 1% to 4%, so no signs of them 'spiralling out of control' and London rents are up 1%.
9. In Q1 2015, 17 counties where Belvoir has been trading since 2008, show average rents are still to recover to their 2008 high. These include Cambridgeshire, Cheshire and Gloucestershire.
10. The number of counties that exceeded the rental heights of 2008 during Q1 2015 2014 is 13, including, Lincolnshire, Shropshire and Suffolk.

National Rental Trends

For all English offices which have been consistently trading over the last seven years, there was an increase of 3.5%, year on year, in the Q1 2015 average rent of £710, versus the Q1 2014 average of £686. Over the last year, rents in England have shown consistent, slow, growth.

Comparing the Q1 2015 average rent of £710 to the 2014 annual average rent of £693, this shows a small 2.5% increase. Rents in England now exceed the heights seen in Q3 2008 for the second quarter by just over 1% - suggesting rental inflation has a natural cap which is tied in with wages.

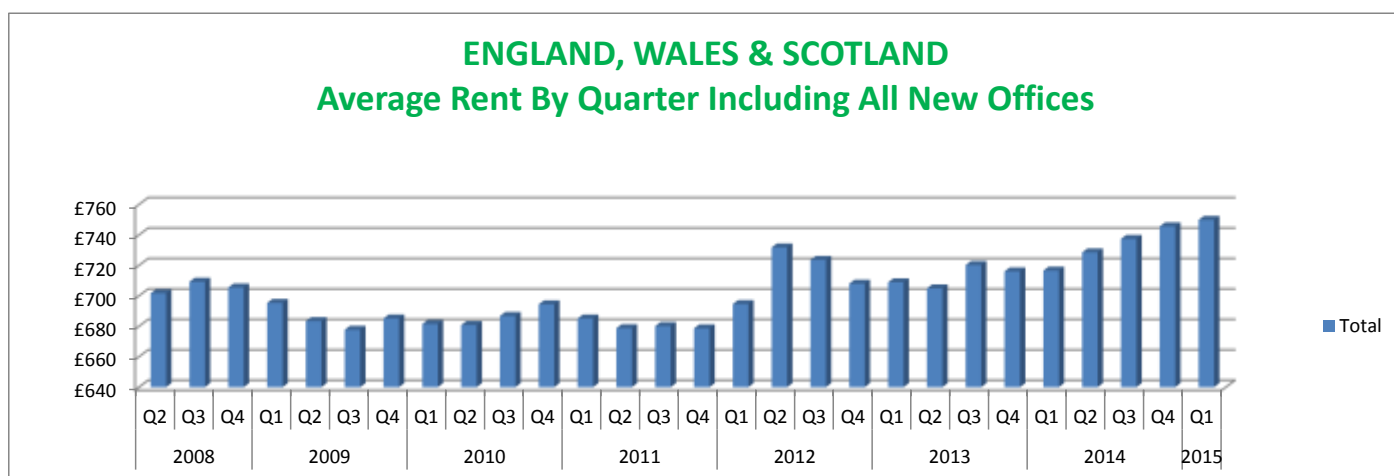
Chart showing the national rental trends for the last seven years over consistently trading offices



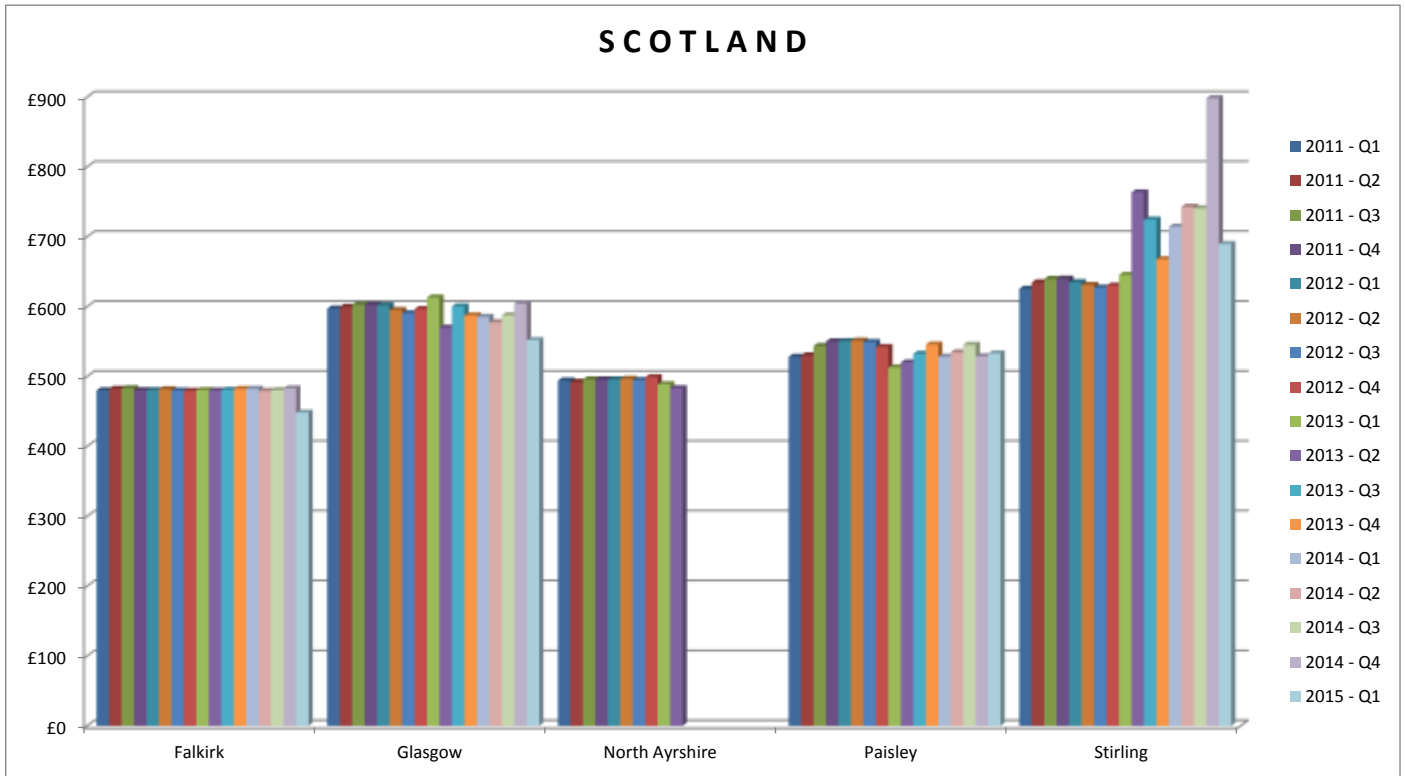
For all offices in England, Wales and Scotland, including the new Belvoir offices, the average monthly rent for Q1 2015 is £750. This indicates an increase of just over 4.5% when compared to the Q1 2014 average of £717 per month. The majority of this rise though is attributable to new offices which have average rents above the Belvoir's previous average.

Comparing the Q1 2015 average rent to the annual average for 2014 of £732, this shows a small rise in rents of around 2.5% and would indicate continued steady rental growth over the last twelve months.

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



Summary for Scotland



Falkirk

The average monthly rent in Falkirk for Q1 2015 is £448 per month. This does indicate a year on year fall of -7% when compared to the Q1 2014 average of £482 (for two bed flats). Comparing the Q1 2015 average rent to the annual average for 2014 of £481 per month, this also shows a decline in rents of just under -7%.

City of Glasgow

In Glasgow, the average monthly rent for Q1 2015 is £552, which shows a fall of around 5.5%, year on year, versus the Q1 2014 rent of £585 per month. Comparing the Q1 2015 average rent to the 2014 annual average of £588 per month, this also indicates a fall in rental levels in Glasgow of just above -6%.

Paisley

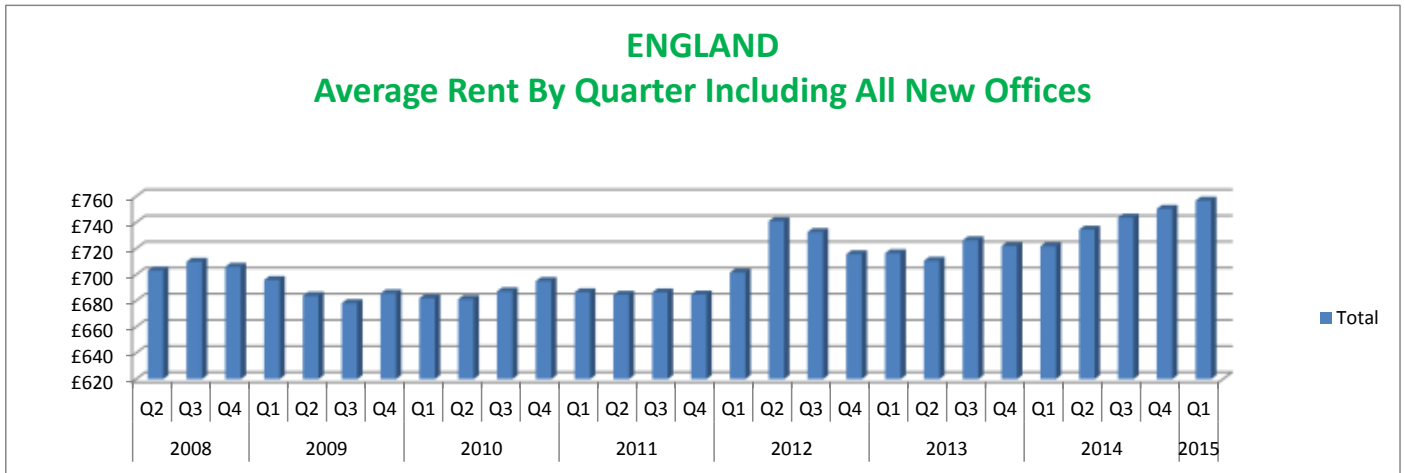
For Paisley, the Q1 2015 average monthly rent is £533. Compared to the Q1 2014 average rent of £528, this shows a small year on year increase of £5. Comparing the annual average rent for 2014 of £534 per month to the Q1 2015 average of £533, this indicates a £1 decrease.

Local buy-to-let expert commentary:

Sharon Walker of **Glasgow** reports “Stock is very low at the moment, but demand is still high. We have managed to increase some of our rents in the most popular areas, but only between £10 - £50.”

Denise Rhodes of **Paisley** says “Rents for flats are not increasing due to oversupply in the market, however, house rents are rising slightly due to undersupply. There has been very little change from this time last year.”

Summary for England



In England, taking account of all Belvoir offices, including new ones, the average monthly rent for Q1 2015 is £757. This shows a year on year increase of just below 5% when compared to the Q1 2014 monthly average of £722.

The Q1 2015 average rent versus the annual average rent for 2014 of £738 per month would indicate an increase of just over 2.5% in rental levels.

In the main, the increase in rents across the 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. These include, Chelsea and Fulham, Kingston upon Thames, Southampton, Margate and Falmouth.

Summary for Northern Ireland

Bangor

Jackie Burns of **Bangor** reports *“Over here in Bangor rents are still on the increase but there are very few properties available to let. We would have 10 perspective tenants for each property (providing they are in good condition).”*

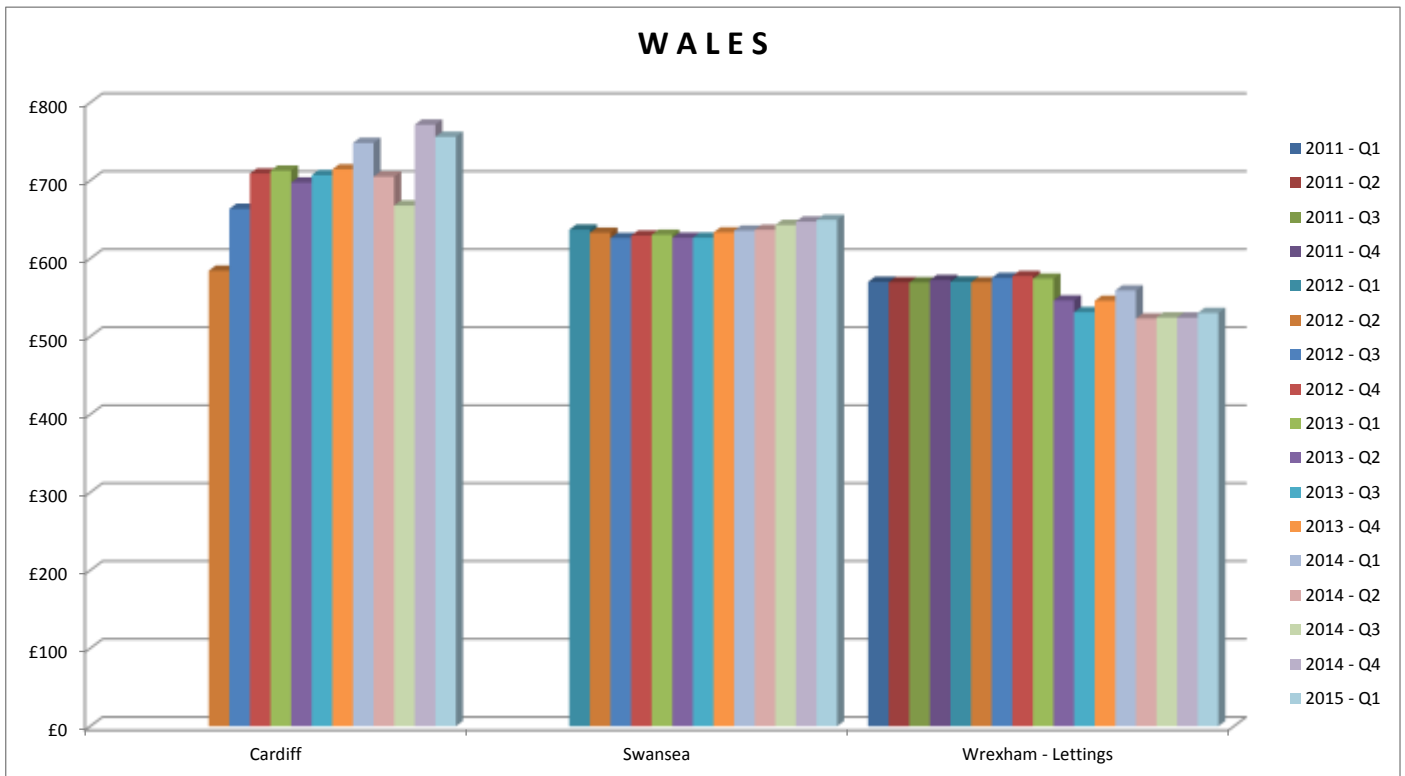
“There are very few Investment landlords at present but hopefully this will change with the new pension laws. House prices are definitely on the increase and there aren’t many bargains around for landlords to buy. Tenants are staying in their properties for longer terms than the past, with many asking if they can get a 5 year Agreement.”

Newtownards

Trevor Burns of **Newtownards** comments *“We are still experiencing a serious shortage of new properties to rent, with tenant demand very strong. Most new properties, in good condition, attract a lot of attention.*

In most of these cases, we have numerous people wanting to see the property and often receive multiple applications afterwards, and rents are increasing as a result. Some of the new properties are achieving rents which are much higher than the norm for similar properties.”

Summary for Wales



The average rent in Wales for Q1 2015 is £645 per month. Versus the Q1 2014 average monthly rent of £648, this shows a small year on year fall of just £3.

Comparing the Q1 2015 average rent to the annual average rent for 2014 of £632 per month, this indicates a small increase in rents of 2%.

However as the chart shows, this disguises what is happening in individual areas, showing the importance of local knowledge for both landlords and tenants.

Swansea

The average rent for Q1 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 says "Q1 of 2014 is similar to Q1 of 2015 with regard to the number of properties let."

"We had a flurry of first time landlords who are tending to purchase new build apartments which gives them peace of mind and a more fixed net yield. I am also dealing with a lot of existing landlords who are looking to expand their portfolios but generally looking at freehold and bigger returns."

"We rent a lot of properties at the riverside Copper Quarter development but struggled to let out two bedroom properties there this winter, whereas these properties get snapped up during other months."

Wrexham

In Wrexham, the Q1 2015 average monthly rent is £530, and comparing this to the Q1 2014 average rent of £559 per month, this would indicate a year on year decrease of around -5%. The Q1 2015 average rent versus the 2014 annual average of £533 per month, shows a slight overall fall of £3.

Cardiff

The average rent recorded in Cardiff for Q1 2015 is £756 per month. Versus £748 per month, which is the average rent for Q1 2014, this indicates an increase of around 1%, year on year. Comparing the annual average rent for 2014 of £723 to the Q1 2015 average, this shows a fall in rents of just under -4.5%.

Rob Price of Belvoir Cardiff reports *“Q1 15 started extremely well with January and February being record months in terms of the number of properties let and the level of rents, March saw a dip but was still up on 2014.*

“Over the full quarter 2015, business doubled when compared to the same period in 2014. This was largely due to new build properties being released to the market with three quarters of this stock being purchased by investors.

“Rents have generally stayed the same for houses and lower end apartments/flats, but for good quality one and two bedroom apartments, rent is at an unprecedented high level with equally high tenant demand.

“The year started with stock at high levels but, by the end of the quarter, we had very little left with very little coming on to the market too.”

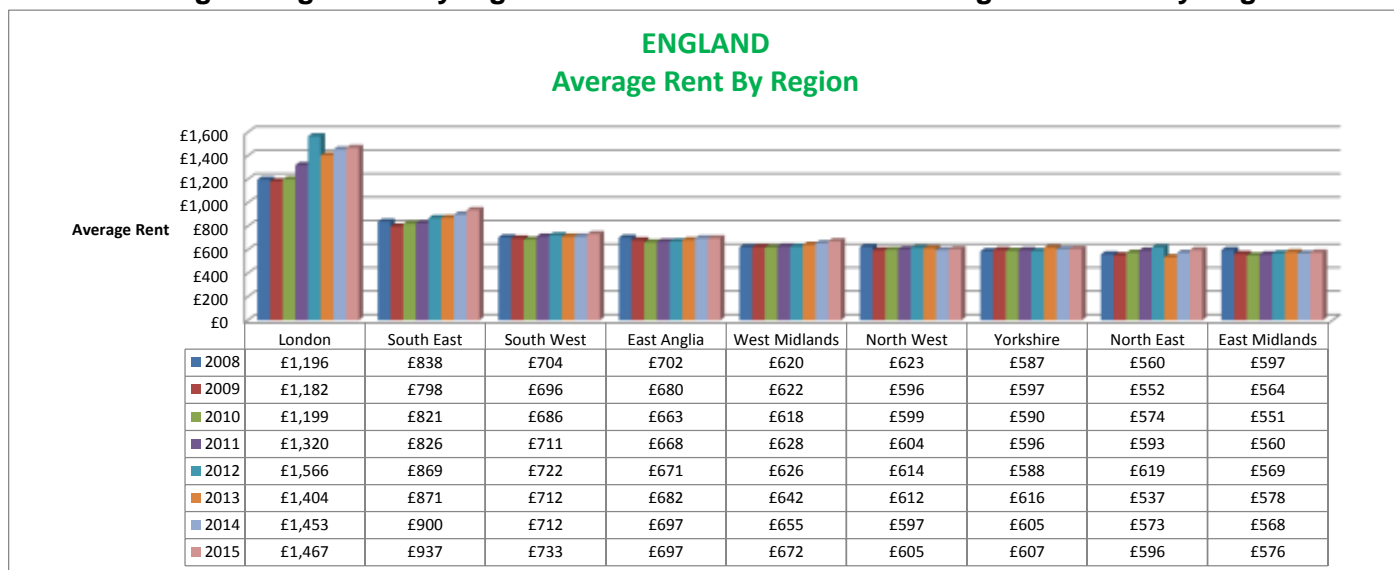
Belvoir Regional Rental Trends Summary

Average rents vary from £576 to £733 per month for most English regions, with greater rents being realised in the South East and London.

This chart reinforces the reality that despite the current ‘political rhetoric’. Rents are under control and reasonable, as are any tenant fees when landlords and tenants use the self-regulated Private Rented Sector. The problems come when tenants are forced, often through the need for cheap accommodation to use an unregulated sector which has little knowledge of the law and in some cases, does not care to implement it.

Introducing rent controls and banning tenant fees penalises the excellence that exists in the self-regulated sector while the unregulated sector is unlikely to change its ways without huge amounts spent on enforcement and education – so no-one benefits.

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



Summary: For Q1 2015 average rents by region vary from falls of -1.5% to rises of 4% year on year.

Average monthly rents in Q1 2015 for **London** are £1,467 for 2014, which is an increase of 1% versus the 2014 annual average.

In the **South East**, the average rent recorded for Q1 2015 is £937 per month, which is around a 4% increase on the 2014 annual average of £900 per month.

The average monthly rent of £733 in the **South West** for Q1 2015 is 3% higher than the 2014 annual average of £712.

The average rent in **East Anglia** for Q1 2015 is £697, which is exactly the same as the 2014 average monthly rent and £5 less than the £702 height in 2008.

The **East Midlands** average monthly rent for Q1 2015 is £576, which is a slight increase of just under 1.5% on the 2014 average of £568 and around -3.5% less than the 2008 height of the market rent of £597.

The Q1 2015 average rent in the **West Midlands** is £672 per month, which is a small 2.5% increase on the 2014 average of £655 per month.

In **Yorkshire**, the average monthly rent for the first quarter of 2015 is £607, which is a slight increase of £2 on the 2014 average, and an increase of just over 1.5% on the 2009 high of £597.

The average monthly rent in Q1 2015 for the **North West** is £605. This is just under -1.5% less than the 2014 average of £597 and around -3% down on the 2008 high.

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

In East Anglia, the average rent for Q1 2015 was £697 per month. Compared to £685 per month, which is the Q1 2014 average rent, this shows a small increase of 1.75%, year on year.

Comparing the Q1 2015 average rent to the 2014 annual average rent of £697, there is no change in rental levels.

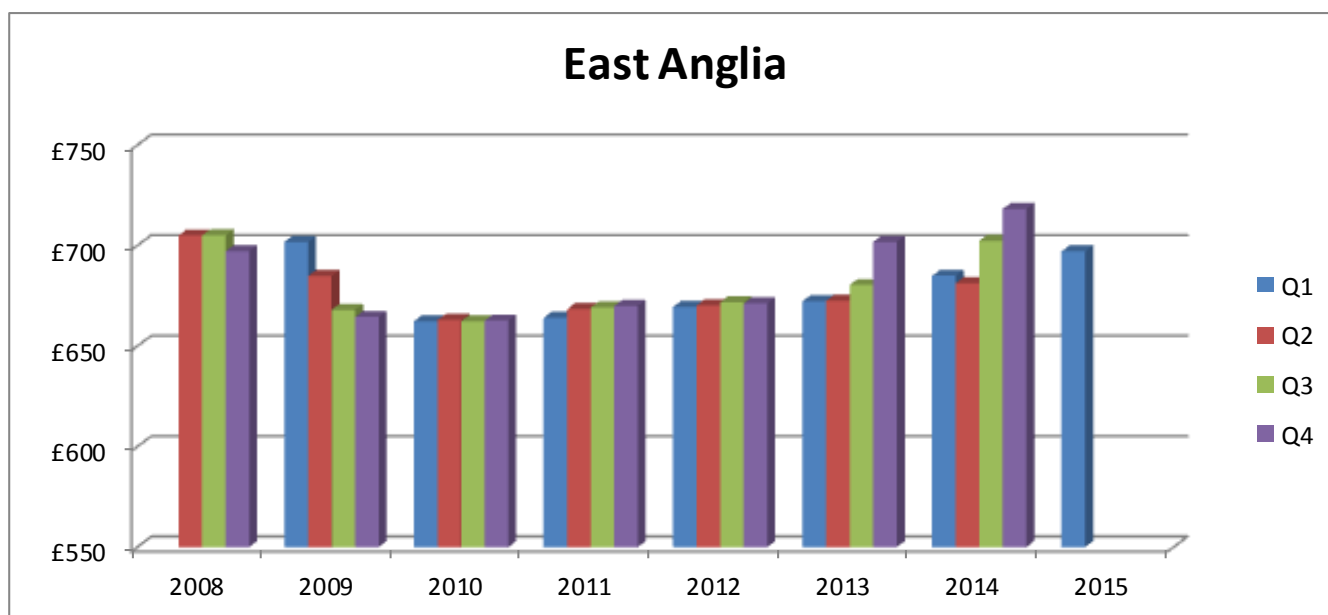
Rents remained stable for half of the offices during Q1 2015, with a quarter of offices experiencing slight rises, including Bury St. Edmunds and Huntingdon, and a quarter experiencing a slight falls, including Cambridge.

Local buy-to-let expert commentary:

Belvoir Cambridge reports “Quarter 1 for 2015 has been a busy quarter. The market in Cambridge does peak in line with the academic calendar, with so many tenants coming from education establishments: students, teachers, post graduates and overseas placement. Therefore January and February are busy periods; with a slight softening in March and April, until the summer season gets underway in June.

“January to March months see a lot of interest in family houses and apartments, with the room market being more active in the summer season. There is a lot of activity in the south of Cambridge with releases of new builds in the Trumpington area. The North of Cambridge is seeing rents still increase and a large interest from investors with news of the new train station.

“2014 Quarter 1 saw similar letting numbers for our individual office, however December and January were slightly busier.”

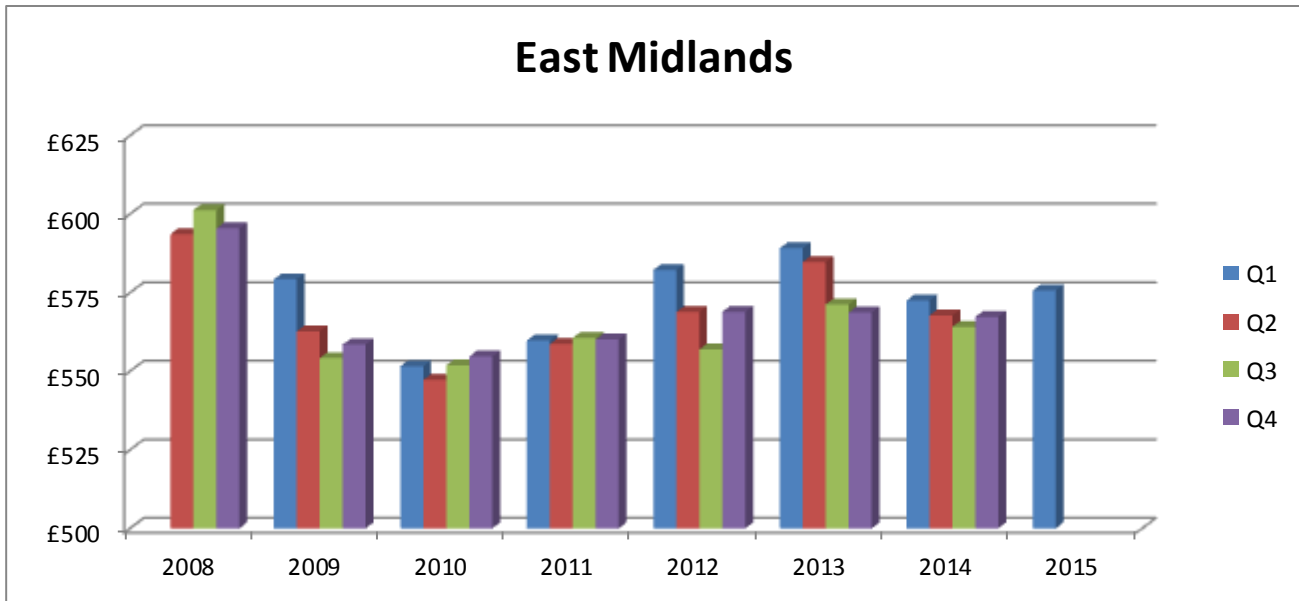


East Midlands

The average monthly rent for Q1 2015 in the East Midlands is £576, which is a small year on year increase of £4 compared to the Q1 2014 average of £572 per month.

The average rent for Q1 2015 versus the 2014 annual average rent of £568 shows a slight increase in rents of just below 1.5%.

In the East Midlands, three-quarters of the offices showed stable rents during Q1 2015, with the remaining quarter of offices experiencing slight rises including, Wellingborough, Kettering and Market Harborough.



London

In London, the Q1 2015 average monthly rent is £1,467, which equates to around a 7.75% increase when compared to the Q1 2014 average rent of £1,362 per month.

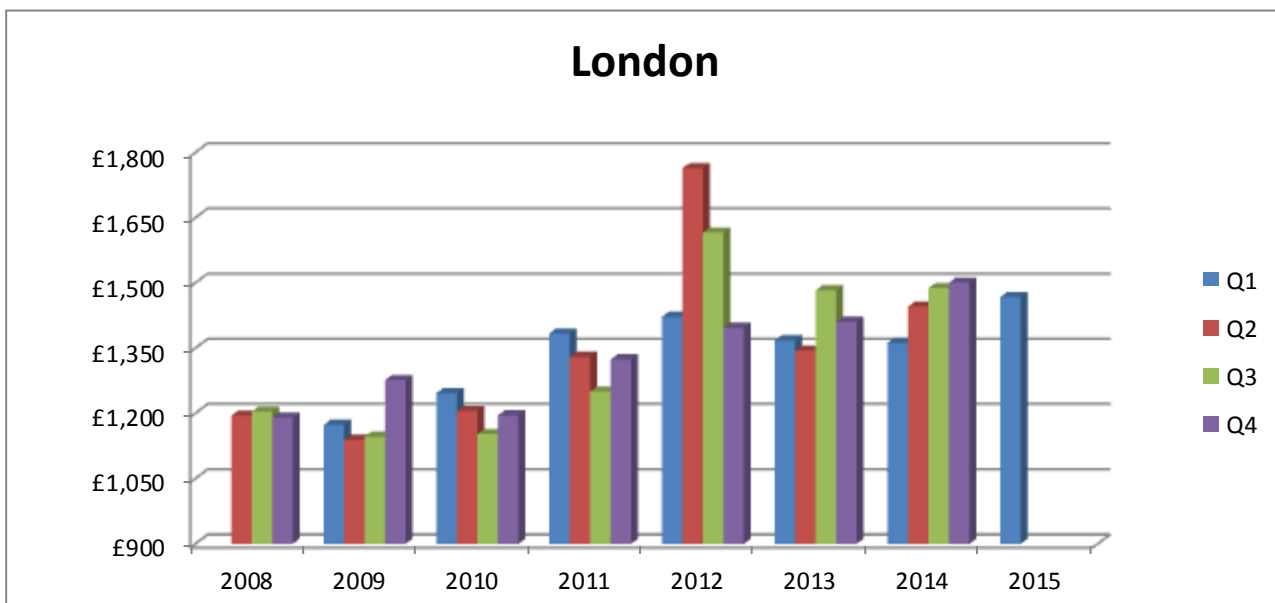
When comparing the Q1 2015 average rent to the 2014 annual average of £1,453, this would indicate a slight 1% increase in rents.

As there is such a mix of properties in London, significant variations can be seen in average monthly rents. For example, Basildon has an average rent of £780, through to Chelsea and Fulham and Camden, whose average monthly rents are £2,236 and £2,413 respectively. In Q1 2015, a third of London offices experienced slight falls, a third, slight rises and a third experienced stable rents, including, Camden, Glengall Bridge and Wimbledon.

Local buy-to-let expert commentary:

Jeremy Wasden of **Belvoir Uxbridge** comments *“Uxbridge is on the edge of West London tucked in besides the Heathrow and the M25. In the Hillingdon/Uxbridge area, demand for rental property remains strong, as does the housing market. Land Registry figures released in March show annualised house prices increased of 17.1% to Feb 2015, with average sold property now sitting at £335,562 which is an out performance over Greater London which rose by 13.1% last year.*

“So naturally, with rising prices, yields have dropped broadly correspondingly, although rents have increased. In West Drayton, popular with property investors because of Crossrail opening there in 2019, yields on a one bed have gone from 6.5% in middle of last year to around 5.6% at the moment, following a roughly £25,000 price increase to this type of property in this time.”



North East

In the North East, the average monthly rents have a propensity for being rather irregular, which in the main is due to the variable rents in Newcastle.

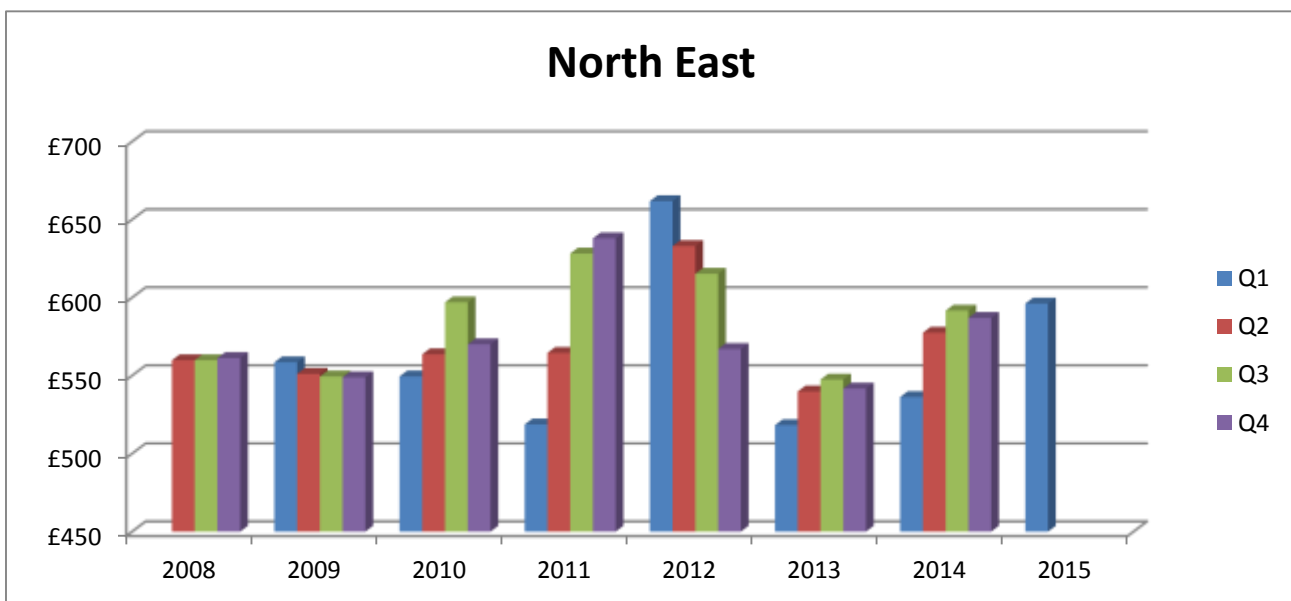
In **Tynedale**, the average monthly rent for Q1 2015 is £540. Compared to the Q1 2014 average rent of £543 per month, there is only £3 difference, year on year. Comparing the Q1 2015 average rent to £541 per month, which is the 2014 annual average, this shows an insignificant fall in rents of just £1.

For **Sunderland**, the average rent for Q1 2015 is £550 per month, which equates to a year on year fall of around -2% versus the Q1 2014 average rent of £561. The Q1 2015 average rent when compared to the 2014 annual average of £566, shows a decline in rents of just under -3%.

Local buy-to-let expert commentary:

Newcastle upon Tyne

Howard King of the **Newcastle upon Tyne** office says *“Rent levels have stayed static in the 1st Quarter compared to 2014. Family homes and properties excepting housing benefit have rented well, but it has been harder to rent professional house shares and student properties in the city and suburbs. Stock levels have been low compared to last year, but tenants are staying longer in a property which has been an increasing trend over the last couple of years.”*



North West

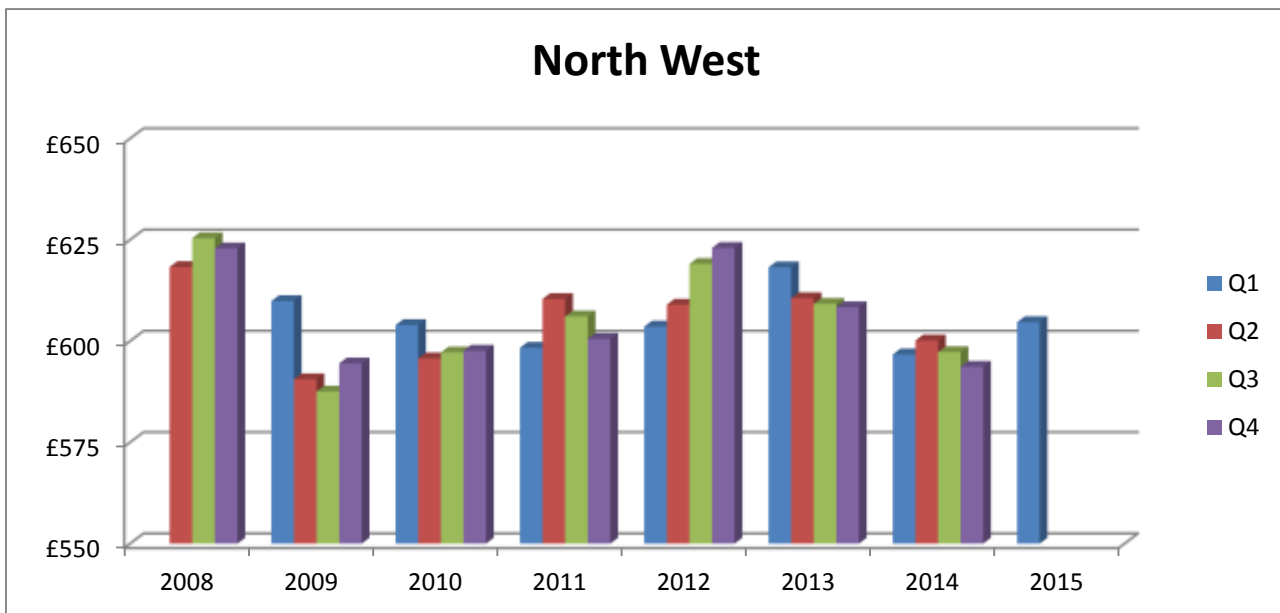
The North West Q1 2015 average rent is £605 per month. Versus the Q1 2014 average of £597 per month, this would indicate a slight year on year increase in rents of just over 1.25%.

Comparing the Q1 2015 average rent to the 2014 annual average of £597 per month, this would show a slight fall in rents of just under 1.5%.

In Q1 2015, average monthly rents remained stable for 60% of offices, with 30% experiencing slight rises, including Whitehaven. The remaining 10% showed slight falls.

Local buy-to-let expert commentary:

Belvoir St Helens reports *“There is a good level of demand. Due to the change in Council Tax exemption charges, some landlords are letting properties at a lower level to ensure their properties are occupied and don’t remain vacant. There has been very little overall change to the market year on year.”*



South East

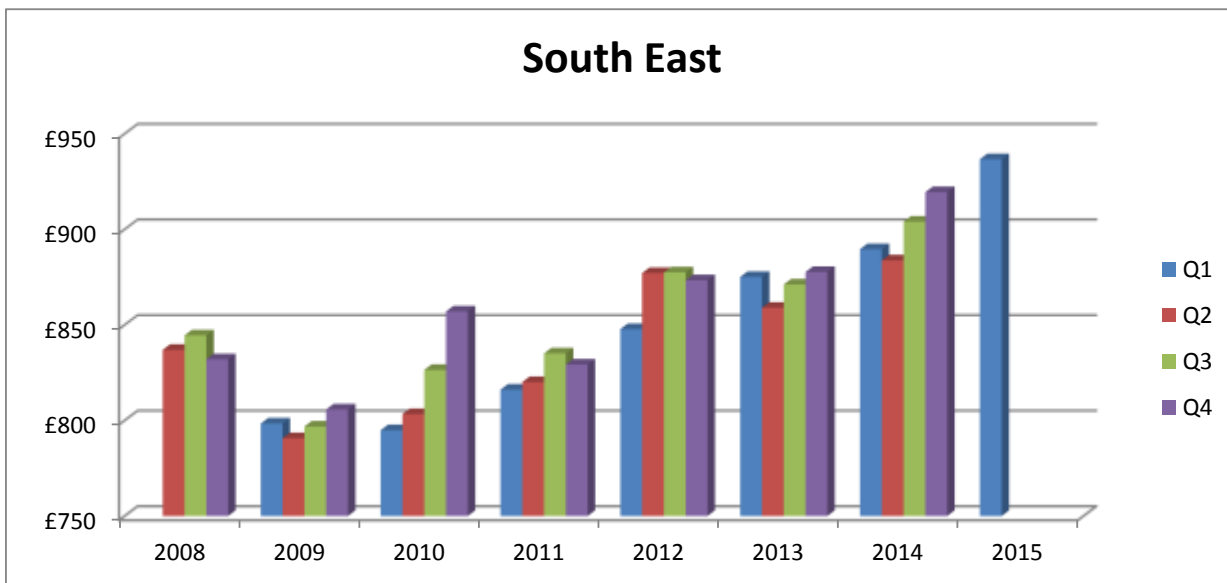
In the South East, the Q1 2015 average monthly rent is £937, which is around a 5.25% year on year increase when compared to the Q1 2014 average of £890 per month.

The Q1 2015 average rent when compared to the 2014 annual average rent of £900 per month, shows an increase of 4%. To put this in perspective though, as the chart shows, rents fell in 2009 and were stable from 2012 through to 2013. When compared to inflation, since 2008, rents have increased by 11%, versus inflation of 19%. So in real terms, they landlord's average rental income has actually fallen.

Average rents during Q1 2015 remained stable for 40% of offices, with 40% experiencing slight rises, including Bishops Stortford, Bedford, Chelmsford and Colchester, and the remaining 20% experiencing slight falls.

Local buy-to-let expert commentary:

Belvoir Bedford office reports "A very buoyant first quarter of the year, with high demand, including for a number of student lets, together with a mix of different types and styles of property. Rental levels are increasing in the area, particularly for new tenancies. Prices are also rising, which is making it harder for buy to let landlords and investors to find suitable properties at the right price level."

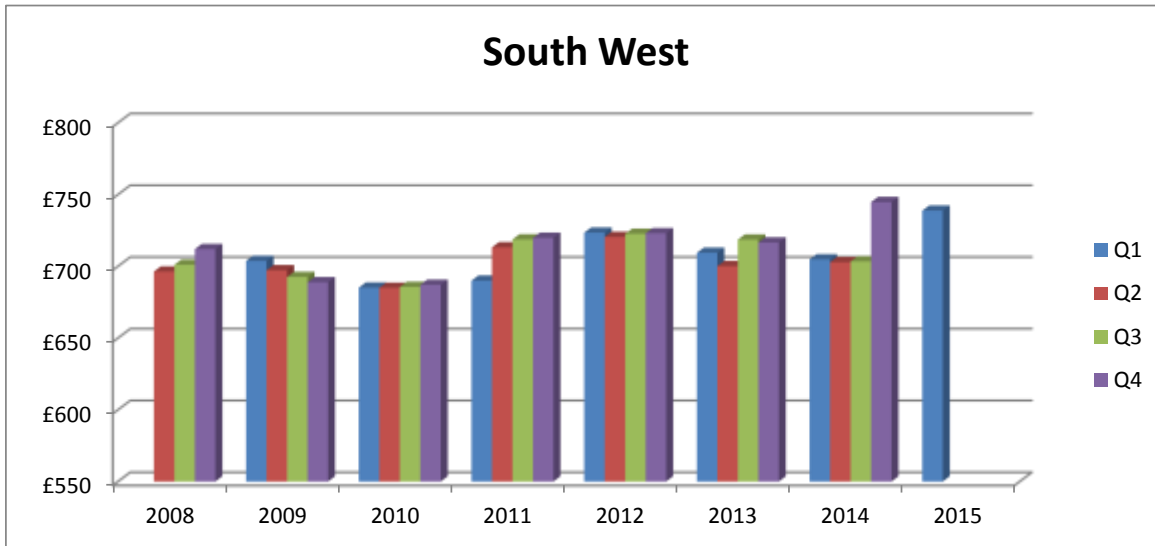


South West

The average monthly rent recorded in the South West for Q1 2015 is £733. Compared to the Q1 2014 average rent of £705, this would indicate a 4% increase, year on year.

When comparing the Q1 2015 average rent to the 2014 annual average rent of £712 per month, this would indicate an uplift in rental levels of 3%. Since the index began though, rents haven't kept up with inflation.

Two-thirds of offices in the South West region had stable rents during Q1 2015, including Cheltenham and Plymouth, with the remaining third experiencing rises, including Devizes.

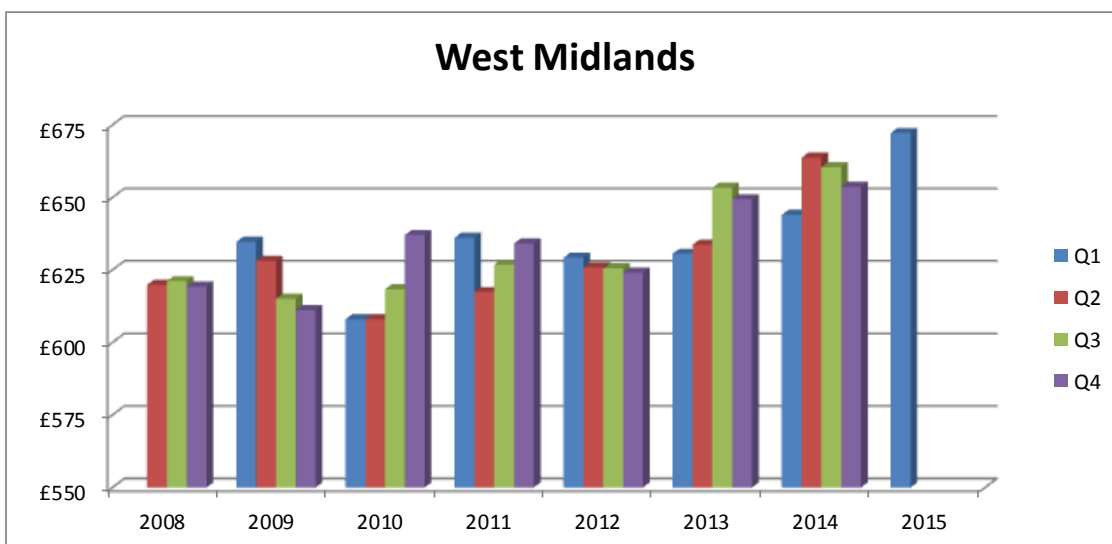


West Midlands

In the West Midlands, the average rent for Q1 2015 is £672 per month and when compared to the Q1 2014 average of £644 per month, this shows a year on year rise in rents of around 4.25%.

The Q1 2015 average rent of £672 versus the 2014 annual average of £655, shows a small increase of around 2.5%. As with other areas, although rents have recently been increasing, they are still increasing at the same rate as inflation.

Half of offices in the West Midlands experienced stable rents during Q1 2015, with just under half of offices showing slight rises, including Leamington Spa, Rugby and Tamworth, with the remaining offices experiencing slight falls.

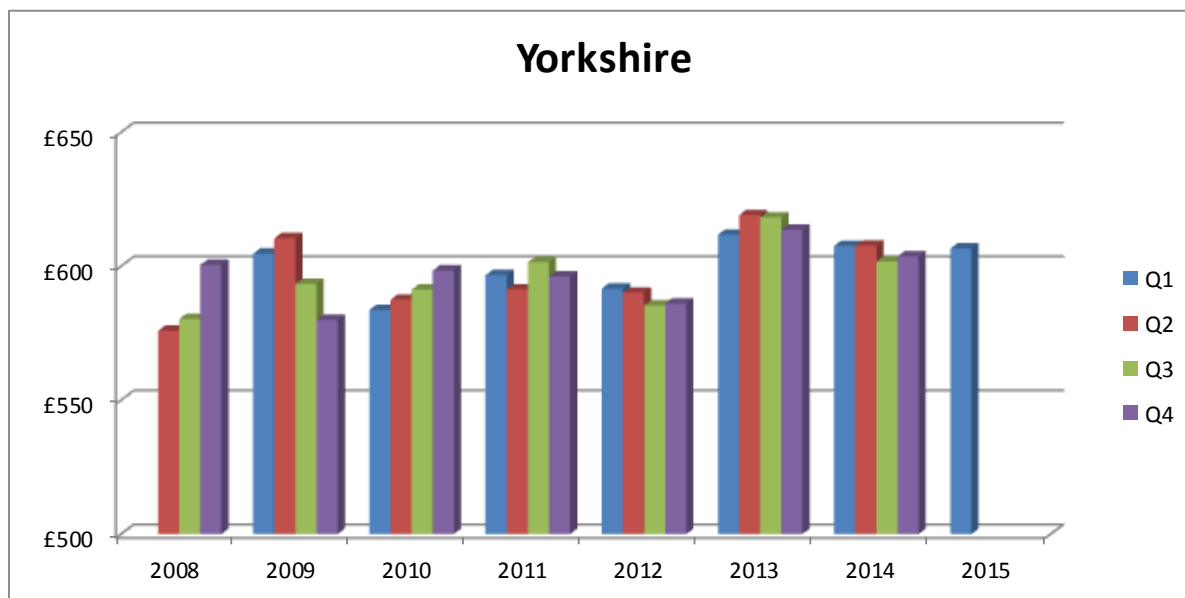


Yorkshire

The Q1 2015 average monthly rent recorded in Yorkshire is £607. Year on year, this equates to a slight difference of just £1 when compared to the Q1 2014 average of £608 per month.

The Q1 2015 average rent versus the 2014 annual average monthly rent recorded of £605, which indicates a slight increase in rental levels of just £2.

In Yorkshire, 40% of offices experienced stable rents during Q1 2015, with 40% experiencing slight falls, including Sheffield and Thirsk, and the remaining 20% showing slight rises.

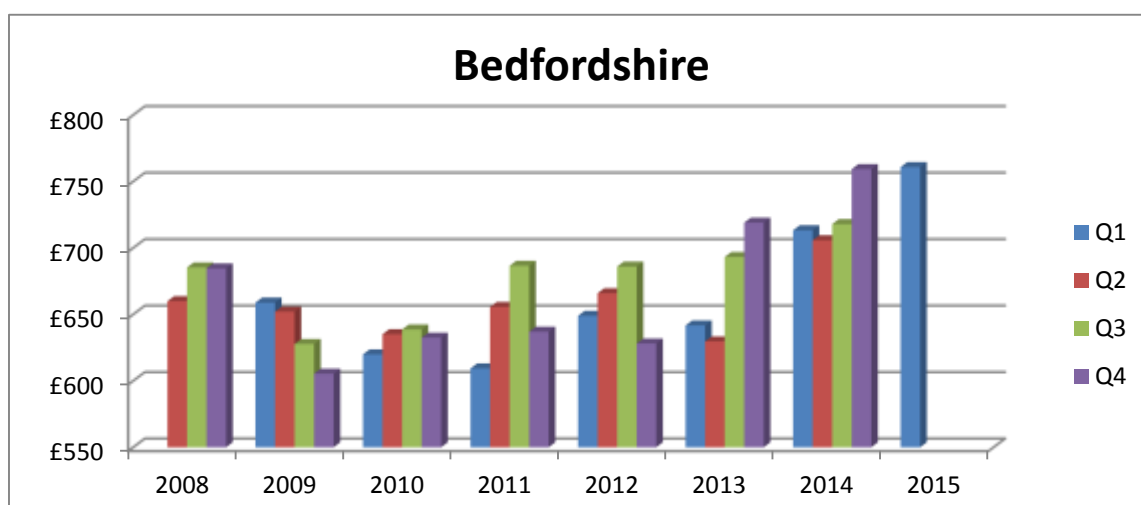


Belvoir Rental Trends by County

This is where we compare the Q1 2015 rental averages to Q1 2014 averages, county by county, and how they are performing versus the 2014 annual averages.

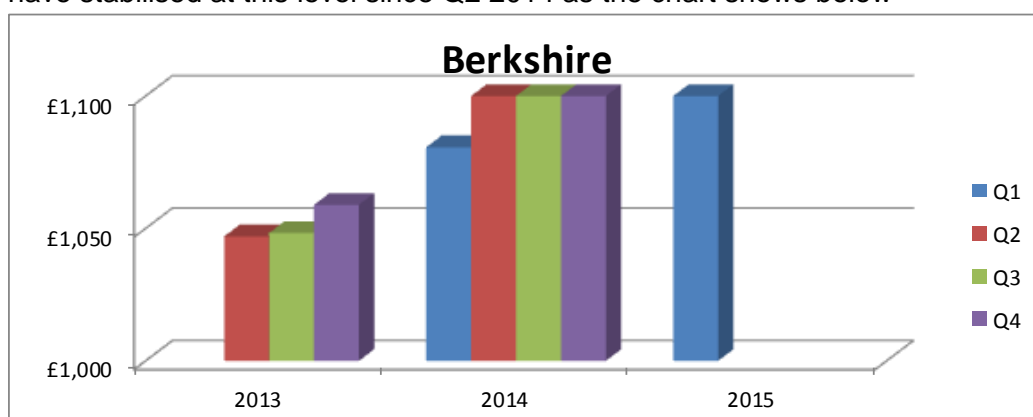
The average monthly rent recorded in Bedfordshire for Q1 2015 is £761. Compared to a year ago and the Q1 2014 average rent of £713 per month, this indicates a year on year increase of 6.75%.

Comparing the Q1 2015 average monthly rent to the 2014 annual average of £724 per month, this shows an increase in rents of just over 5%. These increases aren't happening to all rental values. Looking at the figures in more detail it can be mainly attributed to the change in properties advertised, particularly HMOs, in Bedford.



Berkshire

Average rents in Berkshire via the Maidenhead office are £1,158 per month in Q1 2015 versus an annual average of £1,107 which suggests an increase of 4.6%. However in reality over the last few quarters, rents have stabilised at this level since Q2 2014 as the chart shows below

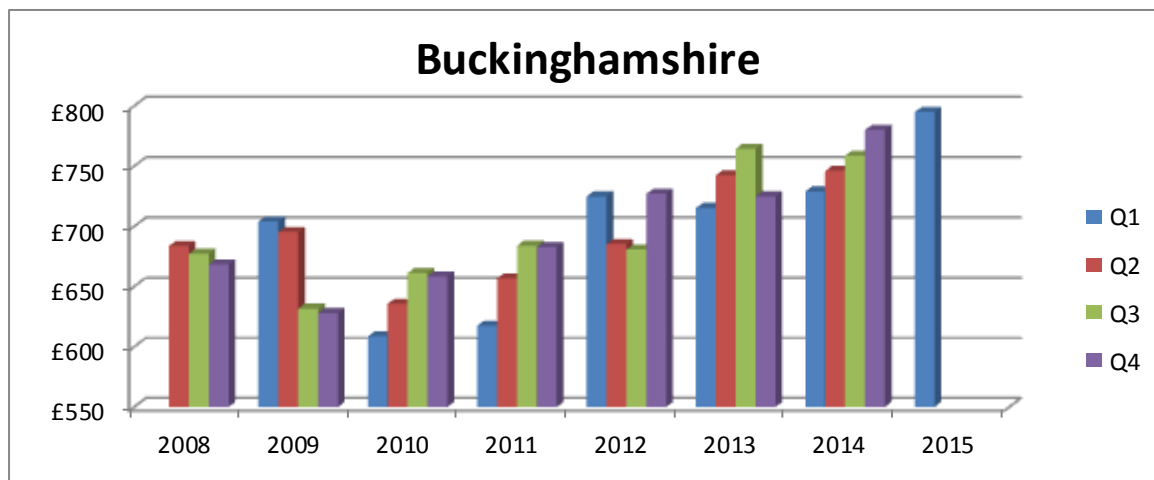


Dominik Potworowski of Belvoir Maidenhead says *“Maidenhead has seen a large increase in residential properties, predominately flats, being built with a large percentage being bought by buy to let investment landlords. This has therefore seen an increase in supply resulting in a slower growth in rent as the demand has remained the same. However, houses are still renting well and consistently whereas flats due to the supply are taking longer to rent. The average asking price for a property in the last quarter has dropped by 0.5% (Zoopla), but this has not yet had a knock on effect on the rental market which has stabilised.”*

Buckinghamshire

For Buckinghamshire, the average rent for Q1 2015 is £795 per month. Versus £729 per month, which is the average monthly rent for Q1 2014, this would suggest an increase of 9%, year on year.

Comparing the Q1 2015 average rent to the 2014 annual average of £753, this shows a lesser increase in rental trends of just over 5.5%.

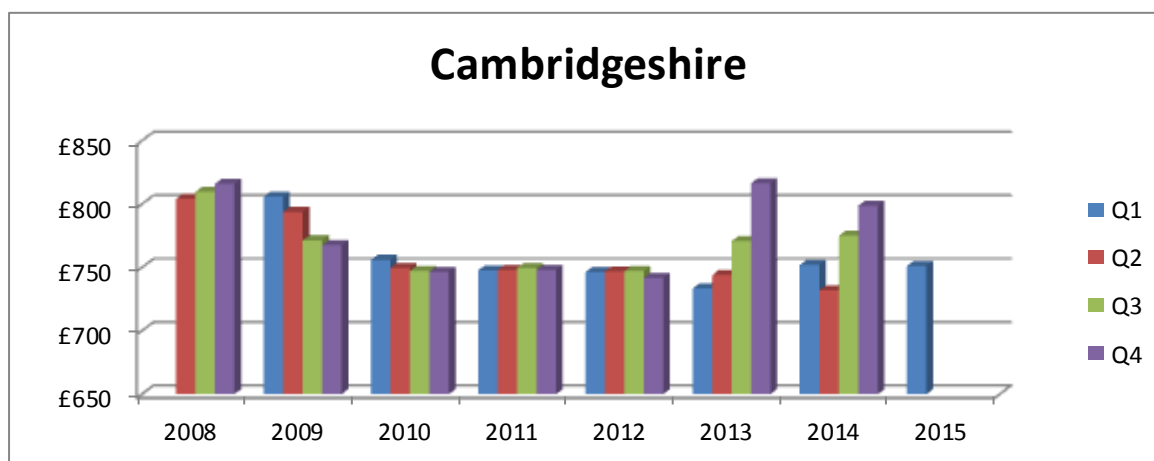


Cambridgeshire

The Q1 2015 average rent for Cambridgeshire is £751 per month. Comparing this to the Q1 2014 average monthly rent of £752, this shows an insignificant year on year decrease of £1.

When comparing the Q1 2015 average rent to the 2014 annual average of £767 per month, this would indicate a small fall in rental levels of -2%.

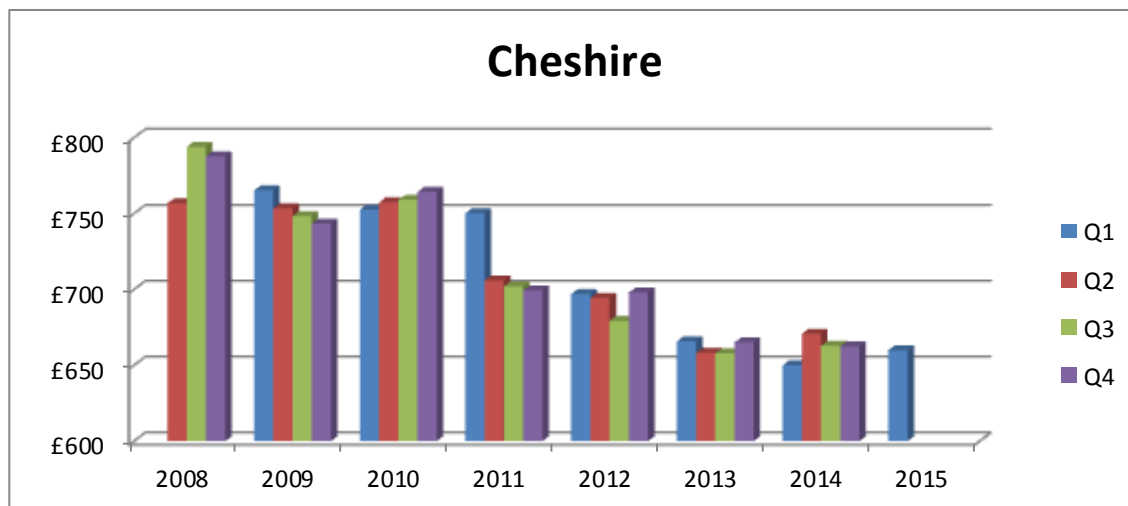
See *'East Anglia'* write up for comment from the local offices.



Cheshire

In Cheshire, the average rent recorded for Q1 2015 is £660 per month, which shows a slight year on year increase of around 1.5% versus the Q1 2014 average of £650 per month.

The annual average rent for 2014 of £661 per month, compared to the Q1 2015 average, this shows an insignificant increase of just £1, which would indicate rents have been fairly stable since 2013.

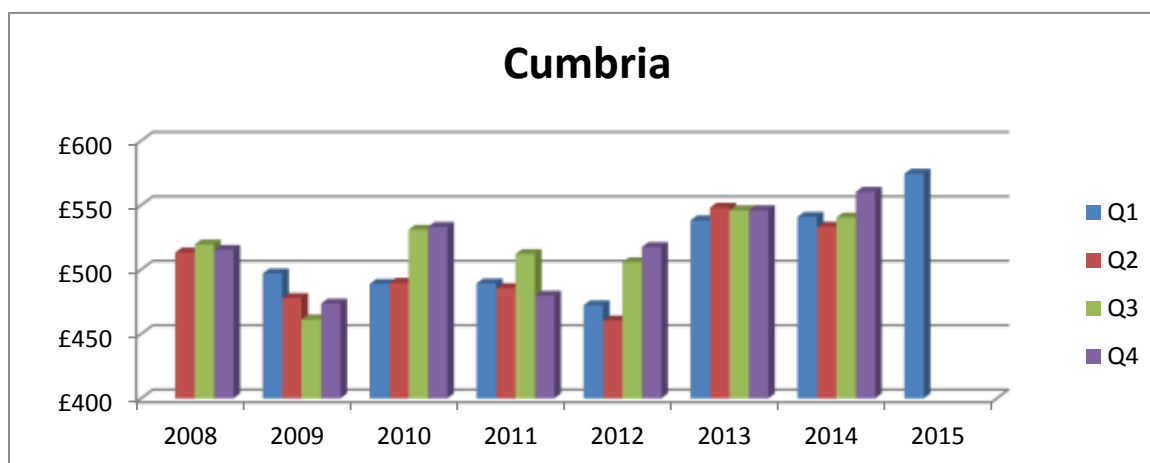


Cumbria

The average monthly rent for Q1 2015 in Cumbria is £574. Versus the Q1 2014 average of £541 per month, this indicates a year on year 6% increase.

When comparing the Q1 2015 average to the 2014 annual average for Cumbria of £544, this also shows an increase in rents of 5.5%.

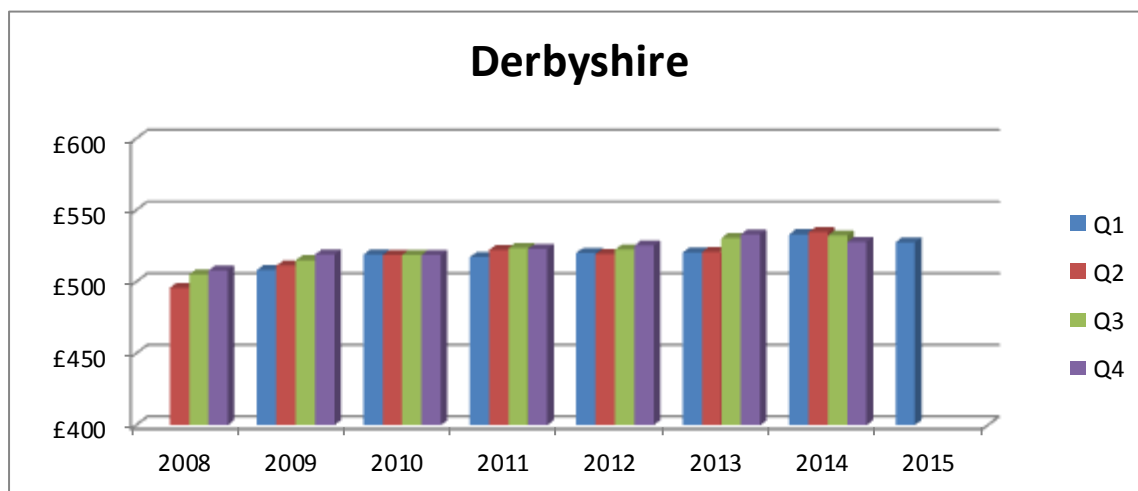
The increases in rental levels are mainly attributed to the higher rents being achieved in Whitehaven, while rents in Cockermouth continue to remain stable.



Derbyshire

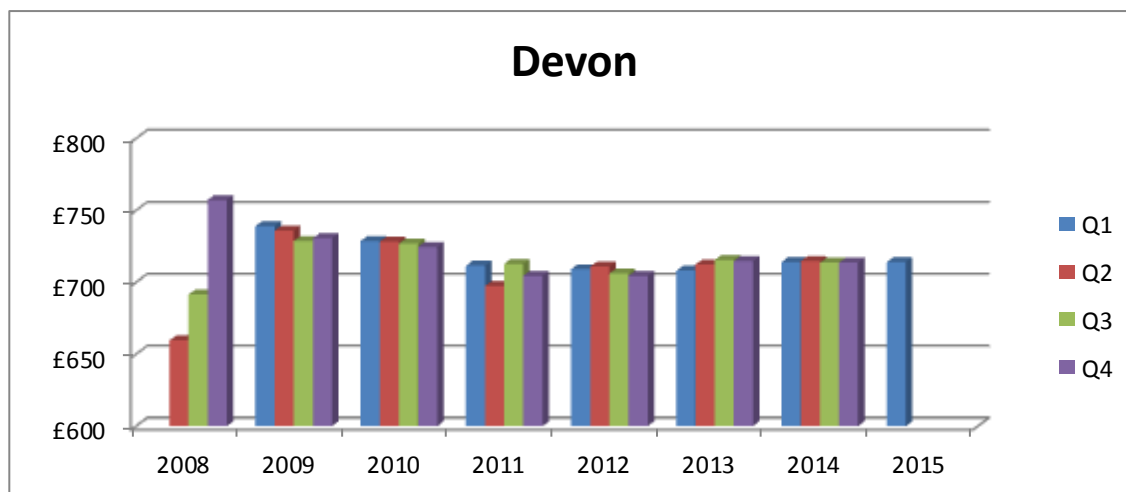
In Derbyshire, the average monthly rent for Q1 2015 is £528. Compared to £533 per month, being the average rent for Q1 2014, this shows an insignificant year on year decline in rental levels of just under -1%.

The Q1 2015 average rent versus the annual average for 2014 of £532 per month only shows a £1 difference in rental levels. Rents overall continue to remain fairly static for the last six years.



Devon

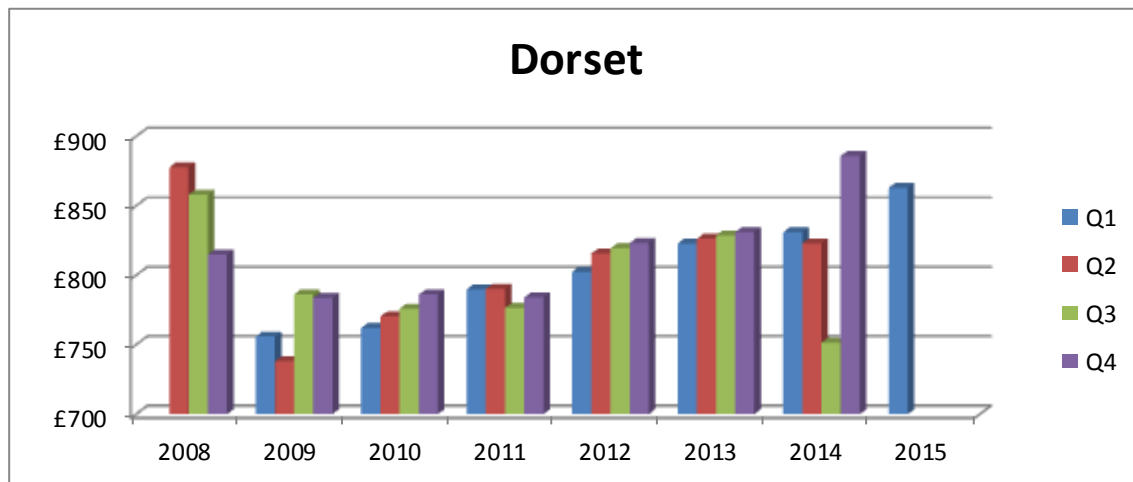
The average rent recorded for Plymouth in Devon during Q1 2015 is £714 per month, which is exactly the same as the Q1 2014 average rent. There is also no change when compared to the 2014 annual average of £714 per month. Overall, the chart clearly shows rents have been stable as far back as 2011.



Dorset

In Dorset, the average monthly rent for Q1 2015 is £863. When compared to the Q1 2014 average of £831, this shows an increase in rents of just over 3.75%, year on year.

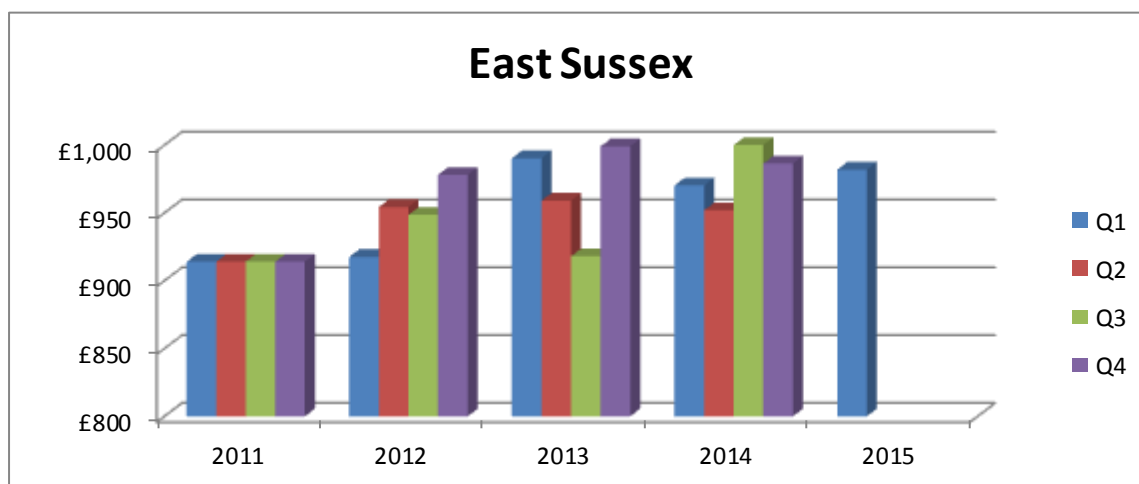
Versus the 2014 annual average of £823, this would indicate increases of around 4.75%. The increase in the level of rents is mainly due to higher rents being achieved in Christchurch. Rents in Highcliffe continue to remain absolutely static.



East Sussex

The average rent recorded in East Sussex for Q1 2015 is £982 per month. Compared to the Q1 2014 rental average of £970 per month, this would indicate a slight year on year increase of just under 1.25%.

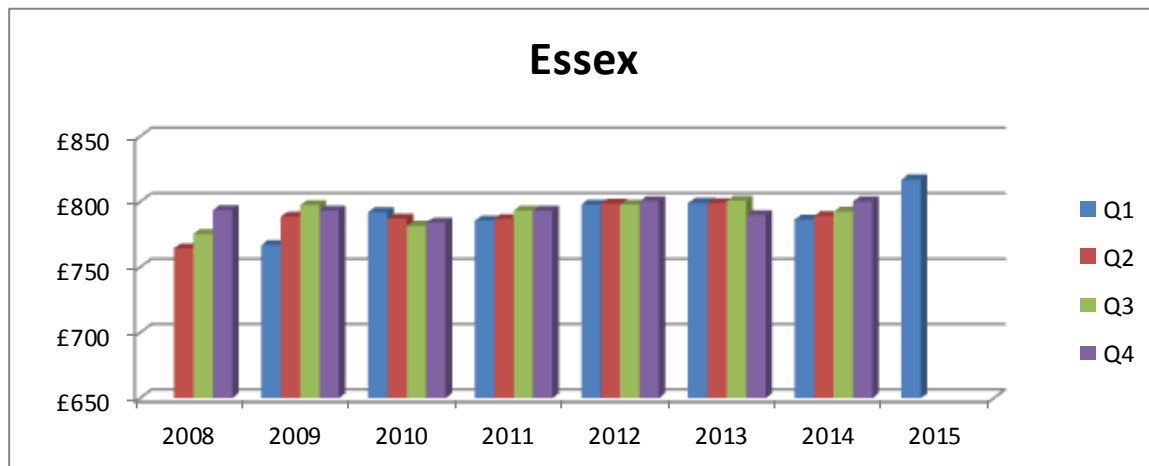
When comparing the Q1 2015 average rent to the East Sussex 2014 annual average of £979, this only shows a £3 increase in rents.



Essex

For Essex, the average monthly rent in Q1 2015 is £817. Year on year, this equates to an increase of around 3.75% when compared to the Q1 2014 average of £787 per month.

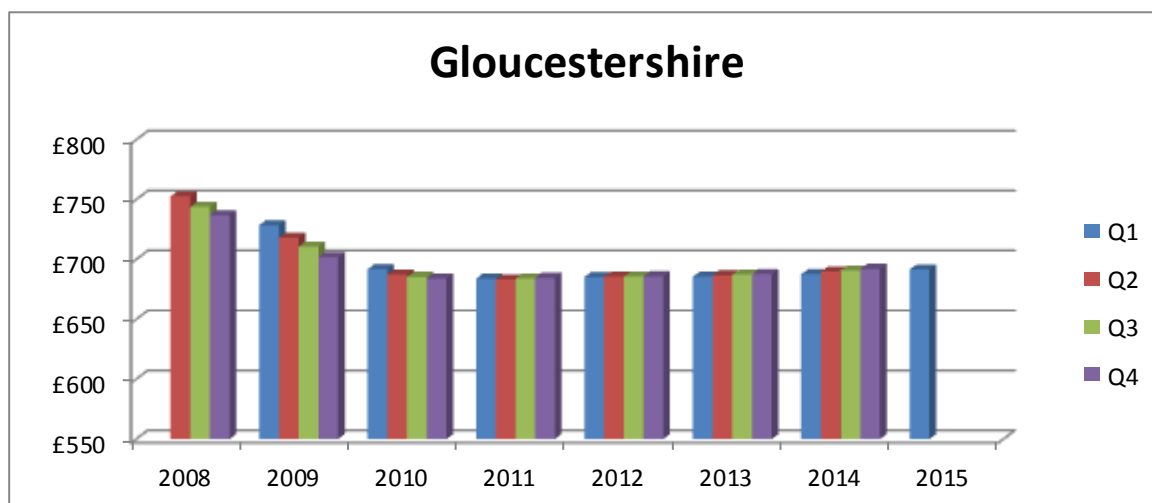
Comparing the Q1 2015 average rent to the 2014 annual average for Essex of £792, this indicates an increase of just over 3%.



Gloucestershire

The average rent recorded in Gloucestershire for Q1 2015 is £692 per month, this only a £4 year on year increase when compared to the Q1 2014 average of £688 per month.

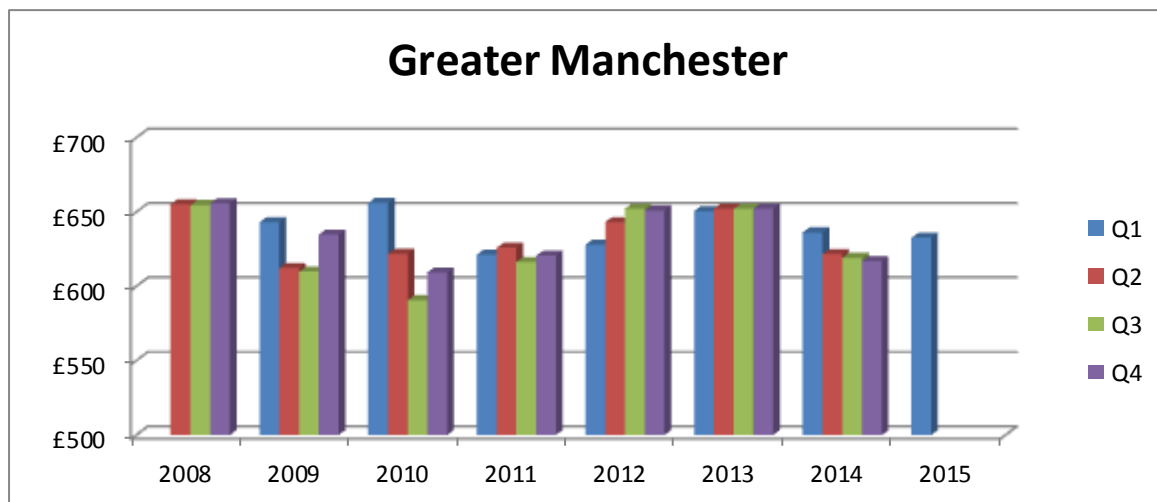
Versus the 2014 annual average for Gloucestershire of £690, there is only a difference of £2. Rents in this area continue to remain stable as far back as 2010.



Great Manchester

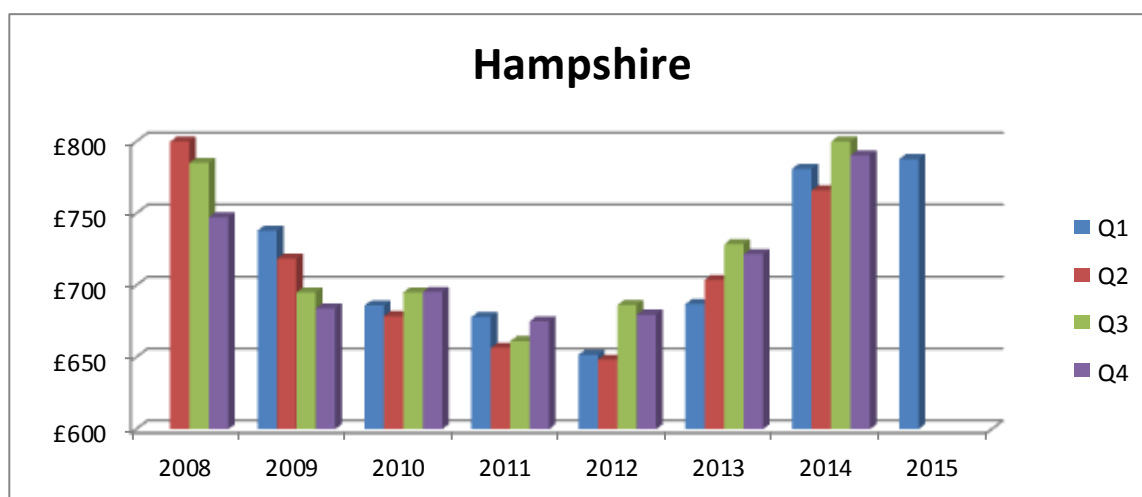
In Great Manchester, the average monthly rent for Q1 2015 is £633. Versus the average rent for Q1 2014 of £636 per month, this shows a year on year decline of just £3.

Comparing this to the annual average rent for 2014 of £623 per month, this indicates a slight increase of just over 1.5%.



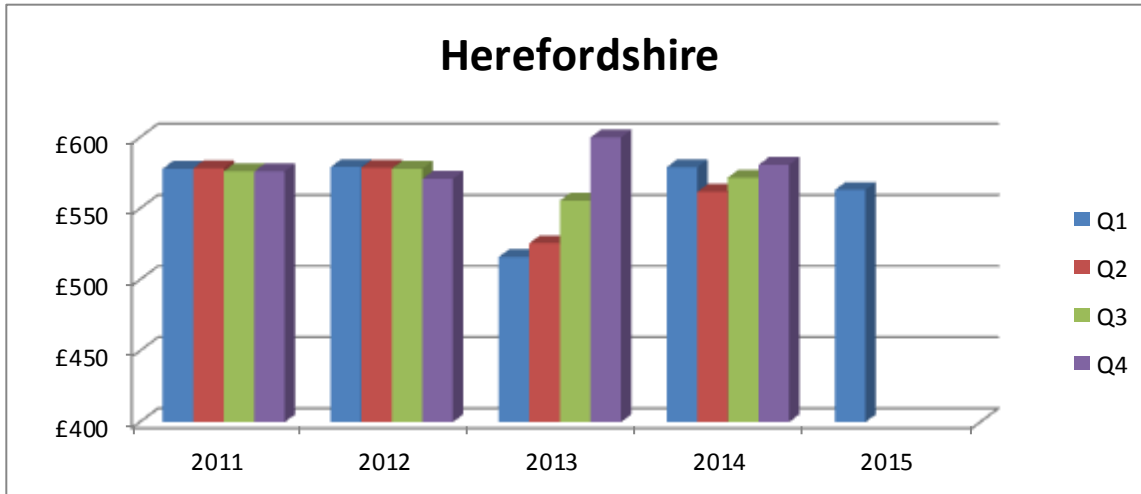
For Hampshire, the Q1 2015 average recorded rent is £788 per month. This is equates to a slight increase of just under 1%, year on year, when compared to the Q1 2014 average rent of £781 per month.

Comparing the Q1 2015 average to the 2014 annual average of £785 per month, this only shows a £3 increase in rental levels.



Herefordshire

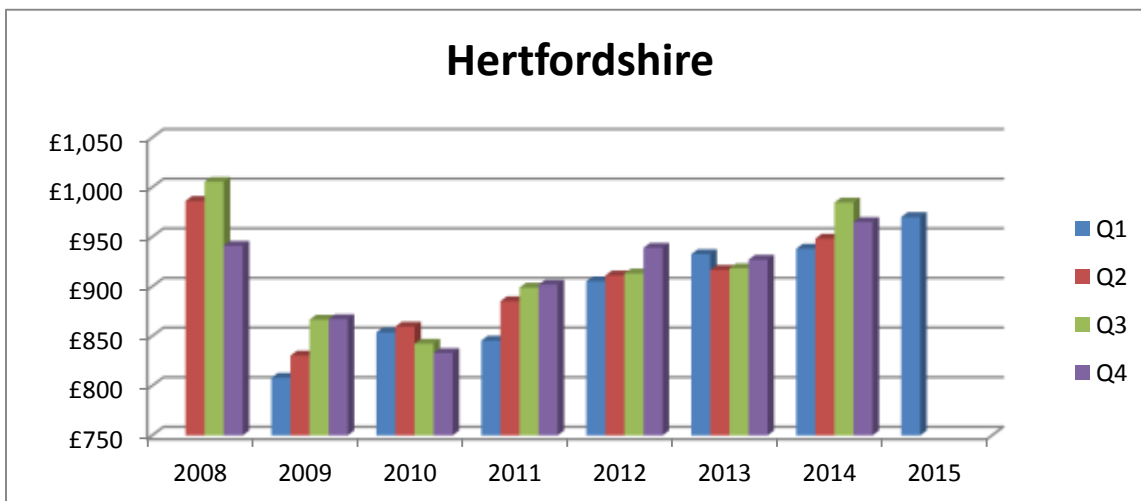
The Q1 2015 average rent recorded for Herefordshire is £563 per month. Compared to the Q1 2014 average of £579 per month, this would indicate a small year on year decline of -2.75%. However, when compared to the 2014 annual average rent of £573, this shows a smaller fall of -1.75%.



Hertfordshire

In Hertfordshire, the average rent for Q1 2015 is £970 per month. Versus the Q1 2014 average of £938, this would indicate an increase of around 3.5%, year on year.

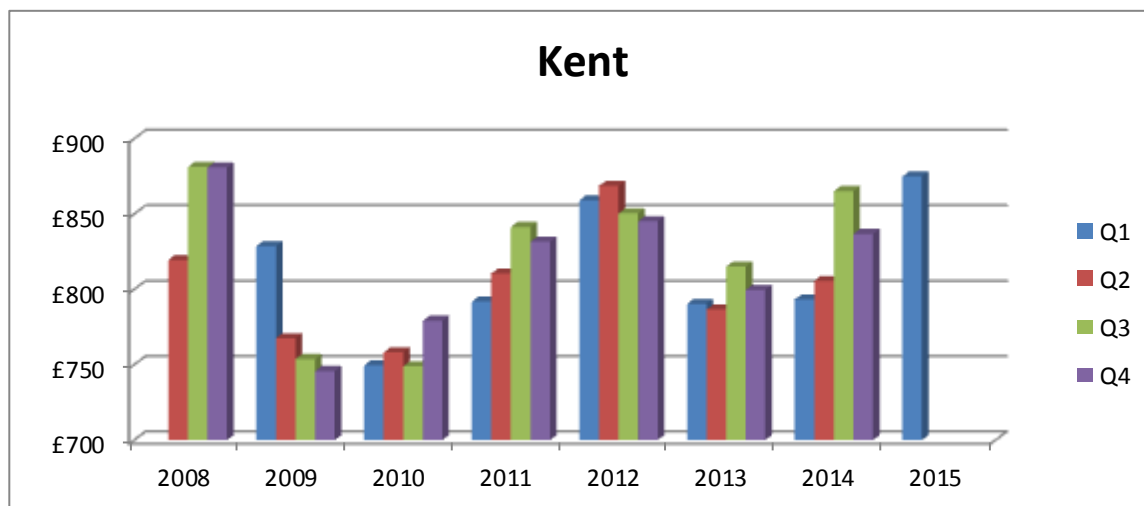
Comparing the Q1 2015 average with the 2014 annual average rent of £959 per month, this shows a small increase in rental levels of just over 1%.



Kent

The average Q1 2015 rent recorded for Kent is £875 per month. When this is compared to the Q1 2014 monthly average of £793, it would indicate rents increased by around 10%, year on year.

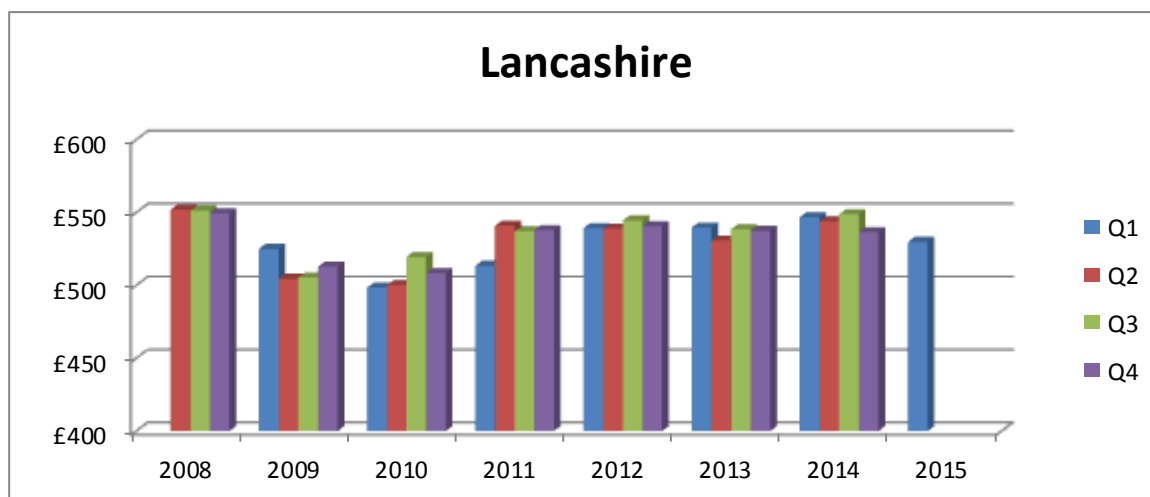
Taking the Q1 2015 average and comparing this to the 2014 annual average rent of £826, this would also indicate an upward trend in rents, albeit at a lower rate of around 6%. Although a big jump year on year, this rise is really rents recovering to the heights of the market seven years ago – in real terms, considering inflation has increased by 19% during this time, landlord rental income has actually fallen.



Lancashire

For Lancashire, the average monthly rent for Q1 2015 is £530. Versus the Q1 2014 average rent of £547 per month, this shows a decline in rents of around -3%, year on year.

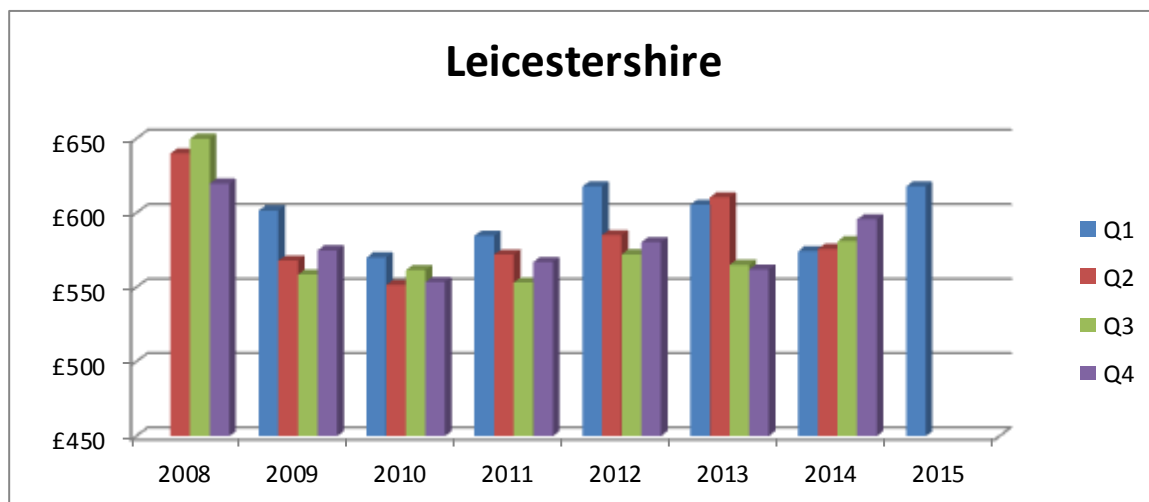
Comparing the Q1 2015 average to the 2014 annual average of £544 per month, this also shows a drop in rents but at a lesser rate of -2.5%. Rents overall have been pretty static in the area since 2011.



Leicestershire

The average rent recorded for Leicestershire in Q1 2015 is £618 per month. Compared to the average rent of £575 per month for Q1 2014, year on year, this shows an increase of around 7.5%.

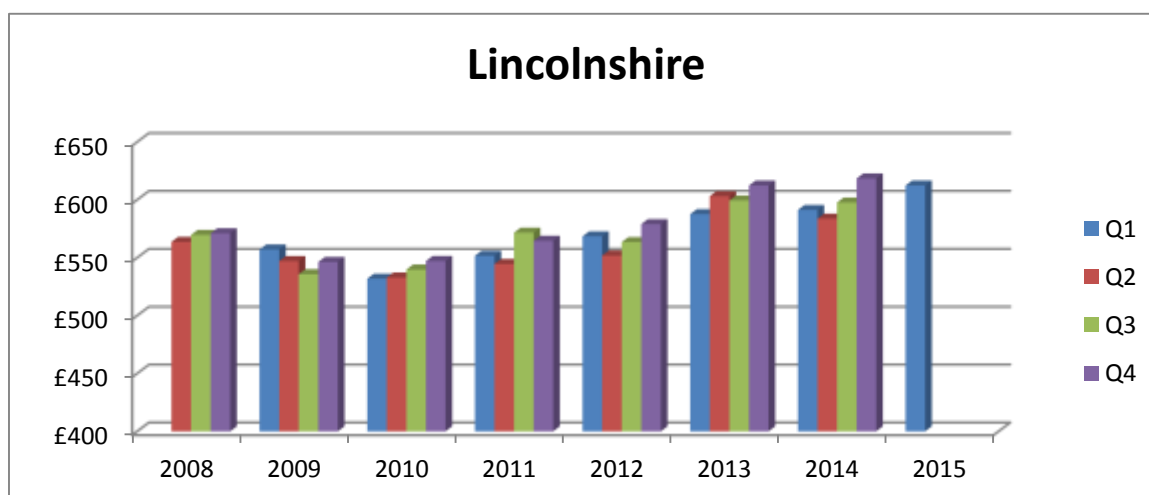
The Q1 2015 average versus the Leicestershire annual average of £582 per month for 2014 indicates an increase in rents of just over 6%. Despite these appearing to be 'large rises', put in context overtime, these rent levels are similar to those seen at the start of 2012 and 2013, and remain lower than the 2008 height.



Lincolnshire

The Q1 2015 average rent recorded for Lincolnshire is £612 per month. Versus the Q1 2014 average of £591, rents have increased by around 3.5%, year on year.

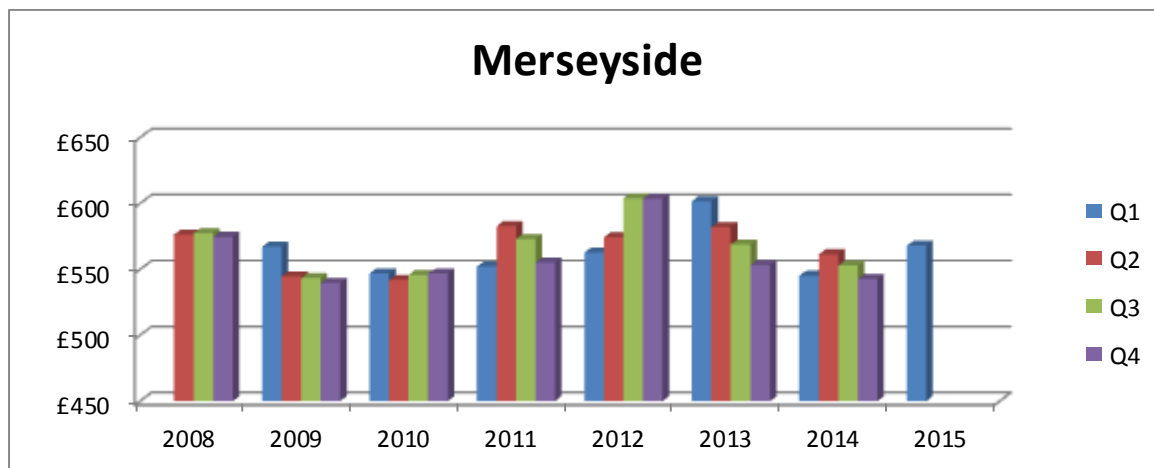
Comparing the Q1 2015 average with the annual average for 2014 of £598 per month, this would indicate smaller rental rises of just over 2.25%.



Merseyside

In Merseyside, the Q1 2015 monthly average rent is £568, which is around 4.25% higher, year on year, than the Q1 2014 average of £545 per month.

The 2014 annual average of £551 per month compared to the Q1 2015 average, shows a smaller increase of just over 3%, but this is still lower than rental levels seen in 2012 and 2013 and back as far as 2008.

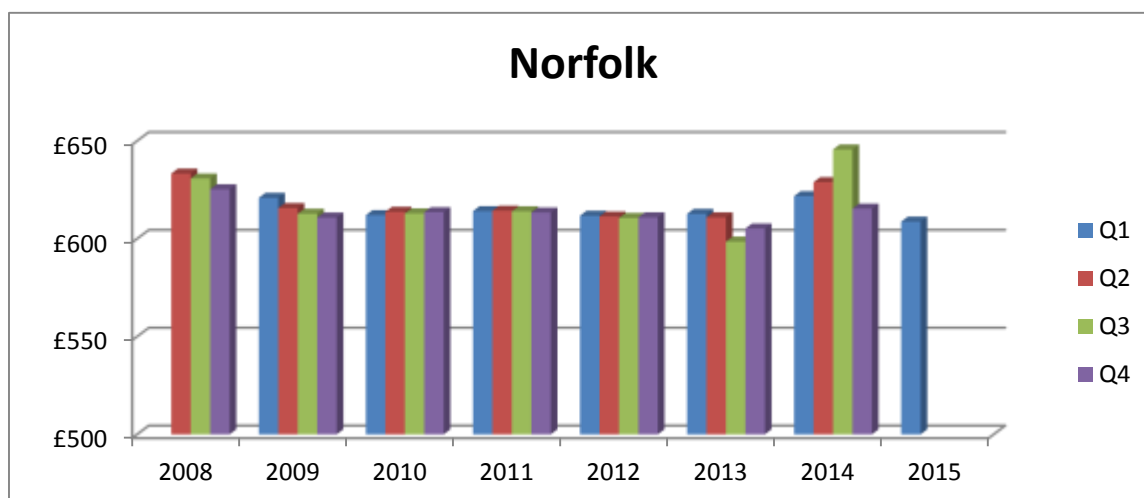


Norfolk

The Norfolk average recorded rent for Q1 2015 is £609 per month. Compared to the Q1 2014 average of £622 per month, the figures indicate a small fall of around -2%, year on year.

Compared to the annual average rent in Norfolk for 2014 of £628 per month, this shows a decrease in rental levels of -3%.

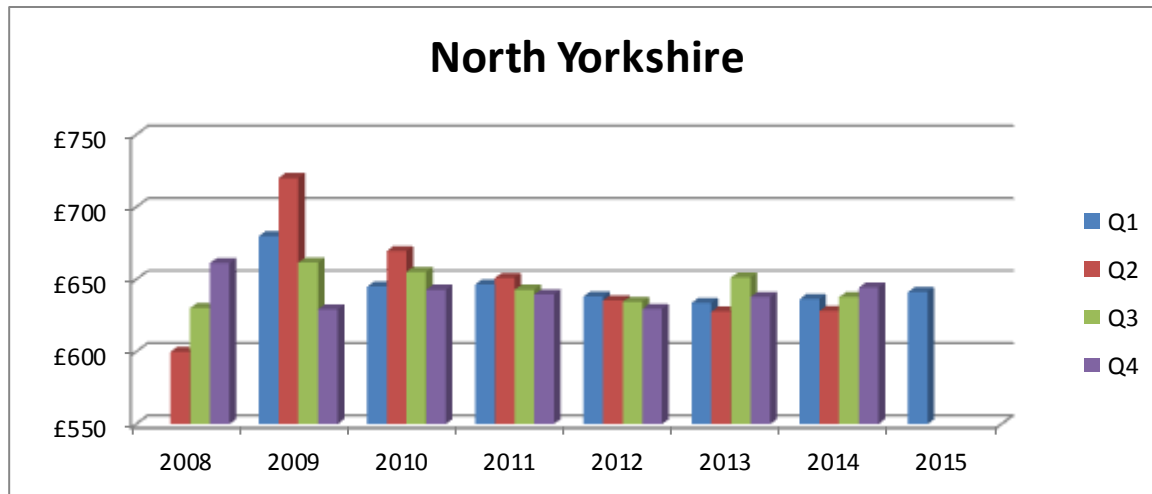
Norfolk rents have been fairly flat since 2009 until 2014 when they started to show an upward trend, however, the Q1 2015 average is more akin to rental averages seen between 2009 and 2013.



North Yorkshire

In North Yorkshire, the average rent for Q1 2015 is £641 per month, which is only a year on year increase of £5 when compared to the Q1 2014 average rent of £636.

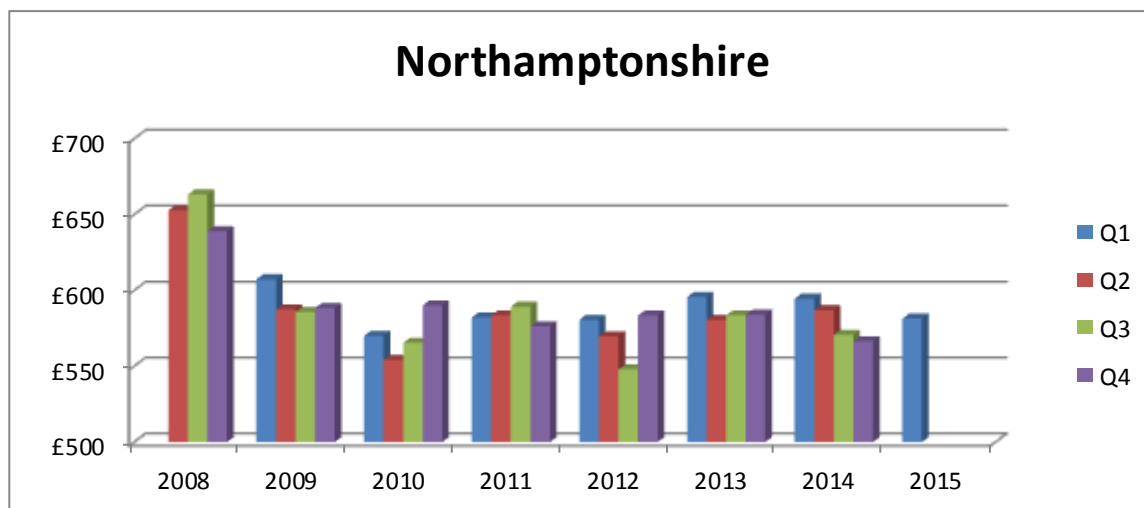
Comparing this to the 2014 annual average for North Yorkshire of £637, this is showing there is only £1 difference in rental levels. Overall in North Yorkshire, rents continue to remain fairly static as they have for the last few years.



Northamptonshire

The Q1 2015 average rent recorded in Northamptonshire is £581 per month. Versus the Q1 2014 average of £595 per month, this indicates rental falls of just over -2.25%, year on year.

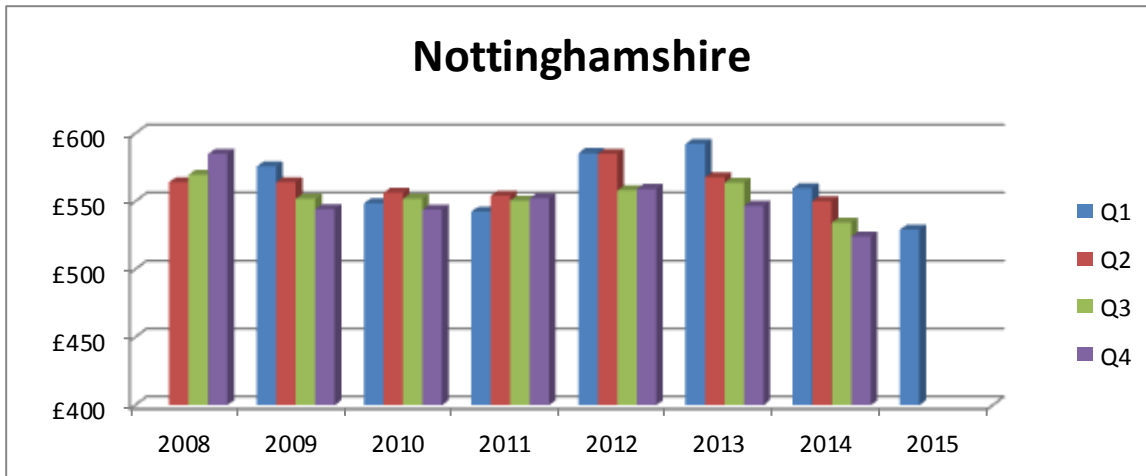
Comparing the Q1 2015 average to the annual average for 2014 of £578 per month, this reveals a slight overall increase of £3. Rents in the area are no different in Q1 2015 than they were in 2010.



Nottinghamshire

For Nottinghamshire, the Q1 2015 average monthly rent is £529. Versus the Q1 2014 average of £560 per month, this shows rental decreases of around -5.5%, year on year.

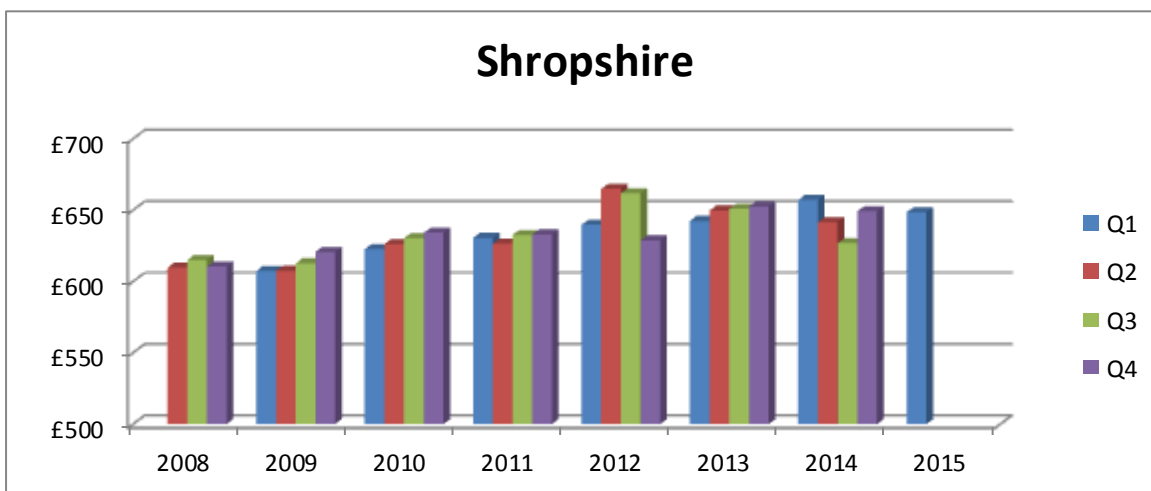
Comparing the Q1 2015 average to the 2014 annual average rent of £541 per month, this indicates more modest falls of just under -2.25%.



Shropshire

In Shropshire, the average monthly rent for Q1 2015 is £649, which indicates a slight fall of just below -1.25%, year on year, when compared to the Q1 2014 average rent of £657 per month.

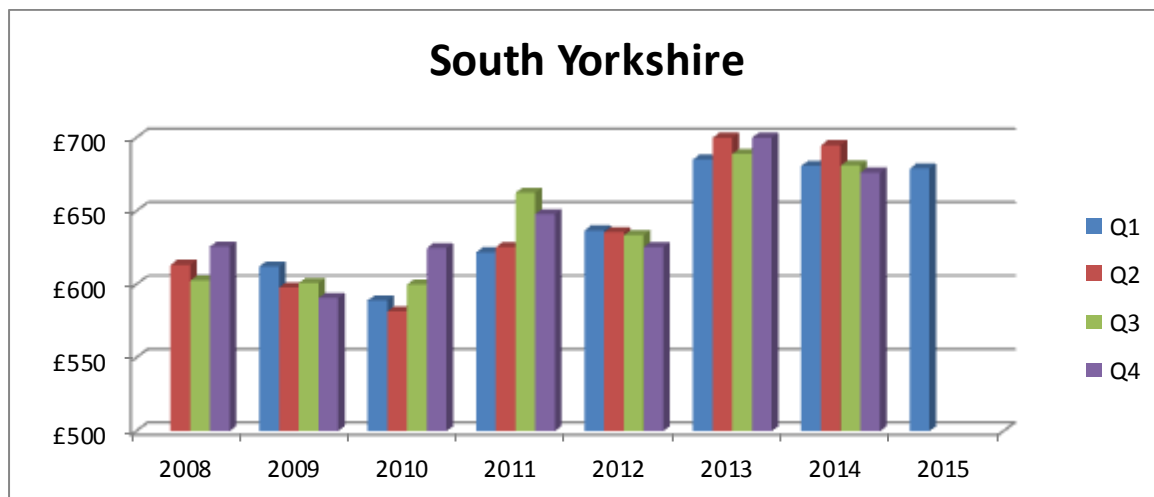
Taking the Q1 2015 average rent versus the 2014 annual average of £644 per month for Shropshire, this shows a small increase of just £5, suggesting rents have been pretty stable now since 2010.



South Yorkshire

For South Yorkshire, the average rent recorded for Q1 2015 is £679 per month. Compared to the Q1 2014 average of £681 per month, the figures indicate an insignificant decrease of just £2, year on year.

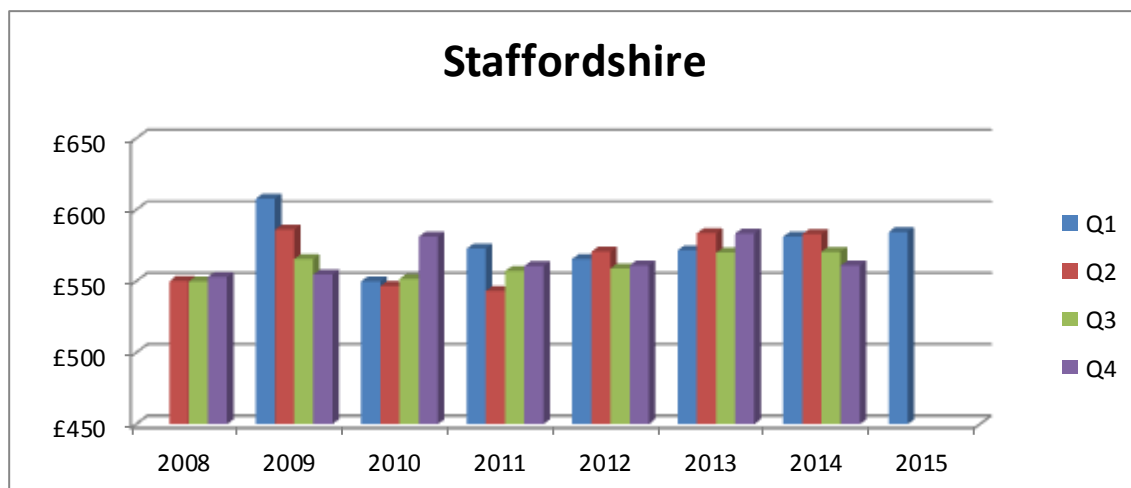
The average rent for Q1 2015 versus the annual average rent for 2014 of £683 per month, also shows a slight fall of £4 in South Yorkshire. Rental levels overall continue to remain fairly stable.



Staffordshire

The average rent recorded in Staffordshire for Q1 2015 is £585 per month. Versus the £581 per month, which is the average rent recorded for Q1 2014, this would indicate a slight year on year increase of £4.

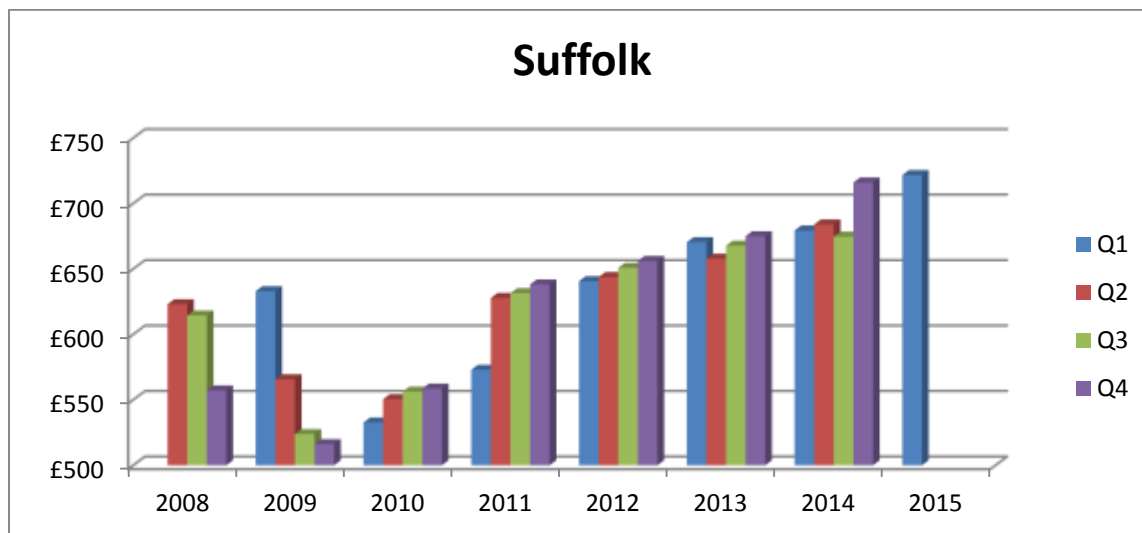
When comparing the Q1 2015 average rent to the 2014 annual average of £574 per month, this also shows a small increase in rents of just under 2% and that rents have been pretty steady since 2010.



Suffolk

In Suffolk, the Q1 2015 average rent recorded is £722 per month. Comparing this to the average rent in Q1 2014 of £679 per month, this indicates an increase in rents of just over 6.25%, year on year.

The Q1 2015 average rent versus the 2014 annual average of £688 per month, would also indicate rental rises equating to around 5%. Rents have been rising in the area since 2011, but the increase in inflation since then has been nearly 9% and rents in comparison have risen only a little higher – by 13%.



Surrey

For Surrey, the Q1 2015 the average monthly rent recorded is £1,451. Year on year, this would indicate a huge rise in average rents, however, as with average rents in Q4 2014, this is essentially being caused by the mix in advertised properties in Woking, where some asking rents are in excess of £5,000 pcm. Guildford has also seen a 10% increase while the Camberley office has remained static.

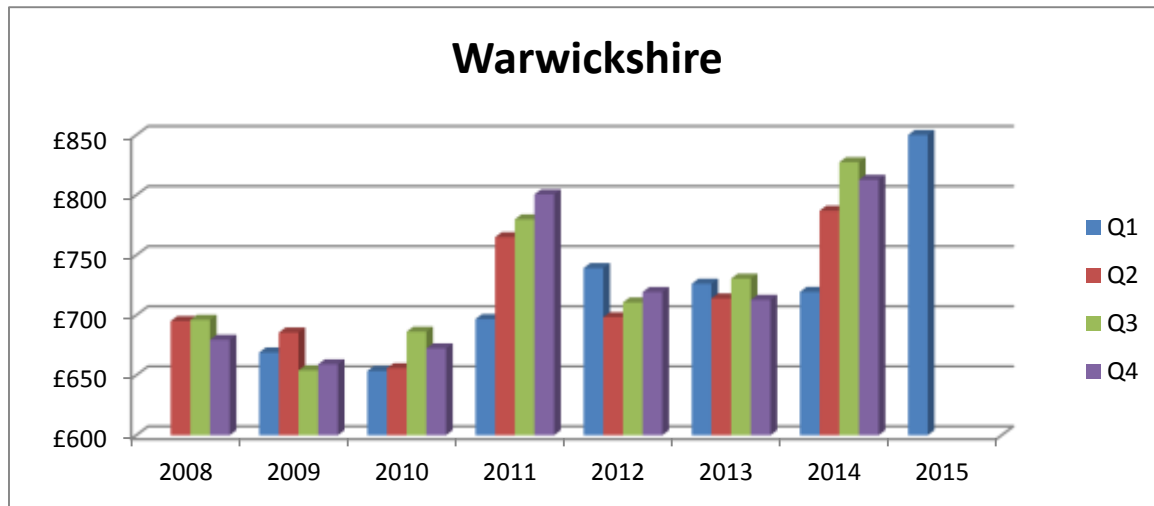


Warwickshire

In Warwickshire, the average rent for Q1 2015 is £869 per month. Versus the Q1 2014 average rent of £719 per month, the figures suggest increases of around 21%, year on year which isn't a true reflection of what's happening in the area.

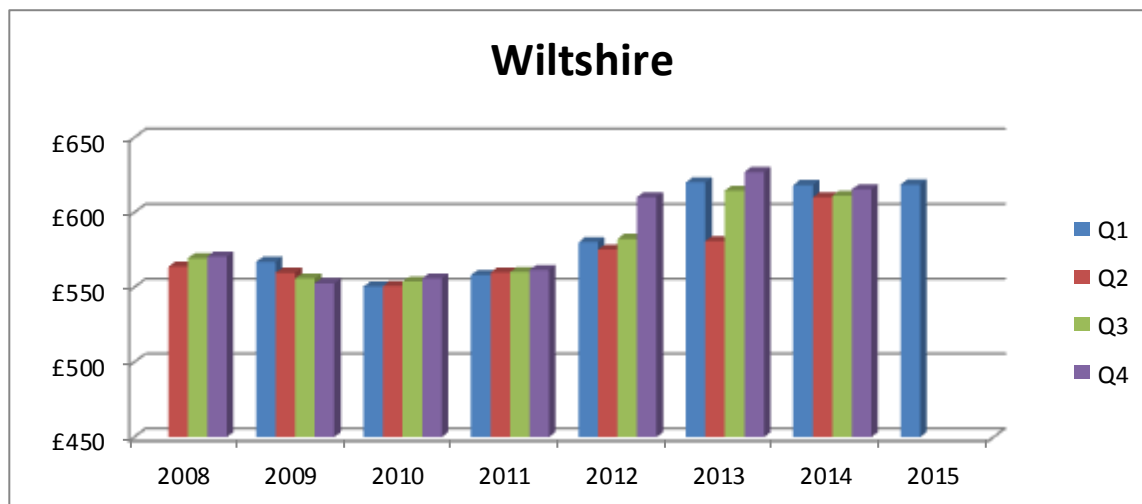
In reality, this is a statistical increase which is down to the change in mix of advertised properties in both Coventry and Rugby, especially with the high level of HMO properties being advertised.

Areas such as Leamington Spa are seeing more normal rises of 2.8% while Avon rents are static.



Wiltshire

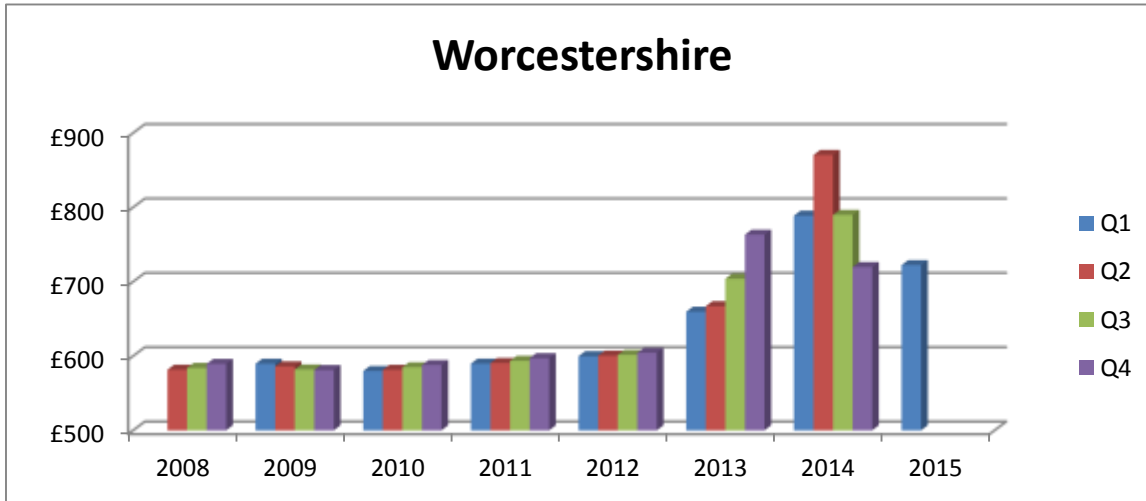
The Q1 2015 average rent for Wiltshire is £619 per month, which year on year, is only £1 more than the Q1 2014 average monthly rent. For Wiltshire, comparing the Q1 2015 average rent to the annual average for 2014 of £614 per month, the figures indicate a small £5 rise in rents.



Worcestershire

The overall average monthly rent recorded for Worcestershire in Q1 2015 is £722. In Worcestershire, we cover two offices, Worcester and Evesham, and the average rent for Q1 2015 in Worcester is £654 per month. The Evesham office recorded an average monthly rent of £791 for the same quarter.

The erratic nature of the rental levels since 2013 is due to the change in the number of properties being let at the lower level than earlier quarters in 2014, however, latest rents are on a par with Q4 2014.



Appendix

Belvoir Rental Index 2008 to 2015

Over the last seven years, Belvoir Lettings, one of the UK's top lettings and sales 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 150 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.