

BELVOIR!

the lettings specialist

June 2014

(Q2 14)

Rental Index

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Belvoir Rental Index June 2014 (Q2): Top 10 Report Highlights

1. The average rent for Q2 2014 across England is £687 per month, for offices which have traded consistently over the last five years and is the same as 2013.
2. The average monthly rent recorded in the UK for all offices, including new offices, for Q2 2014 is £728, which is a small year on year rise from £719.
3. Across Scotland, the average rent for Q2 2014 is £583 per month, which is a £3 rise on average rents of £580 in 2013.
4. In Wales, the average rent for Q2 2014 is £622 per month, a decrease of just £1 from Q2 2013.
5. Tenant demand in Northern Ireland continued to be very strong during Q2 2014, with the sales market picking up.
6. The areas yet to see rents recovering to 2008 heights during Q2 2014 are the North East, East Midlands, East Anglia and North West.
7. The area to see rents just recover beyond 2008 heights in Q2 2014 is Yorkshire.
8. The South East, South West, West Midlands and London are the areas where rents now exceed the 2008 heights in Q2 2014, but continue to increase at a lower rate than inflation.
9. There are 19 counties where Belvoir has been trading since 2008 that show average rents are yet to recover to the heights of 2008, including Lancashire, Devon and Northamptonshire.
10. 12 counties have now exceeded rental heights recorded in 2008, including Wiltshire, Suffolk and South Yorkshire.

National Rental Trends

For all offices in England which have traded consistently over the last five years, there was a very slight year on year increase of £1 in the Quarter two 2014 average rent to £687, versus the Quarter two 2013 average of £686. Overall rents have hardly moved in the last twelve months.

Historically there has been fairly steady growth in rents from Quarter three 2010, however this growth has now stabilised which means rents still haven't recovered to the heights seen in Quarter three 2008.

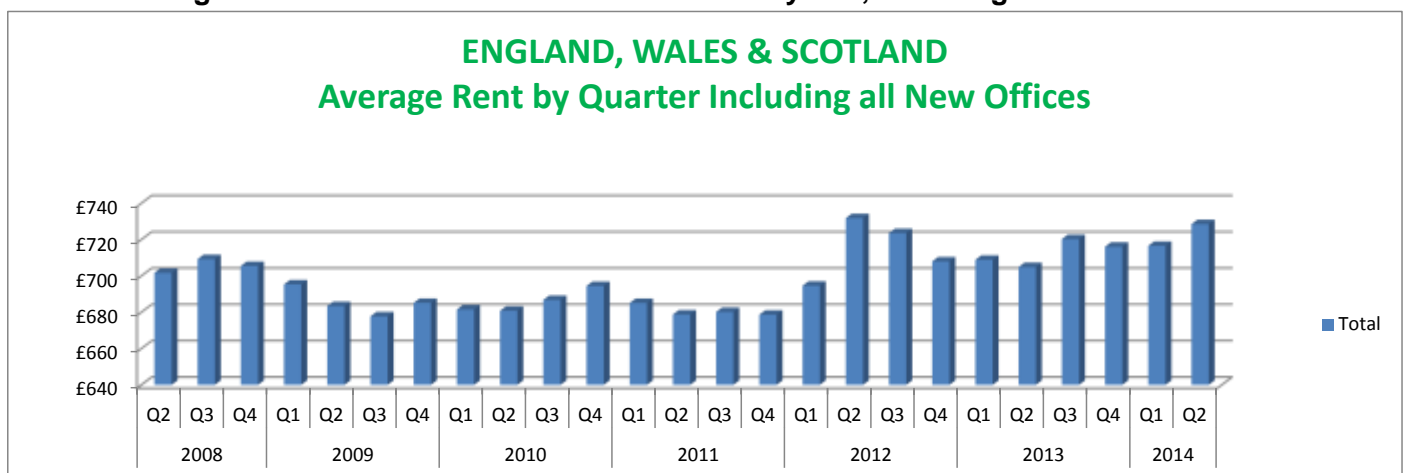
Chart showing the national rental trends for the last six years over consistently trading offices



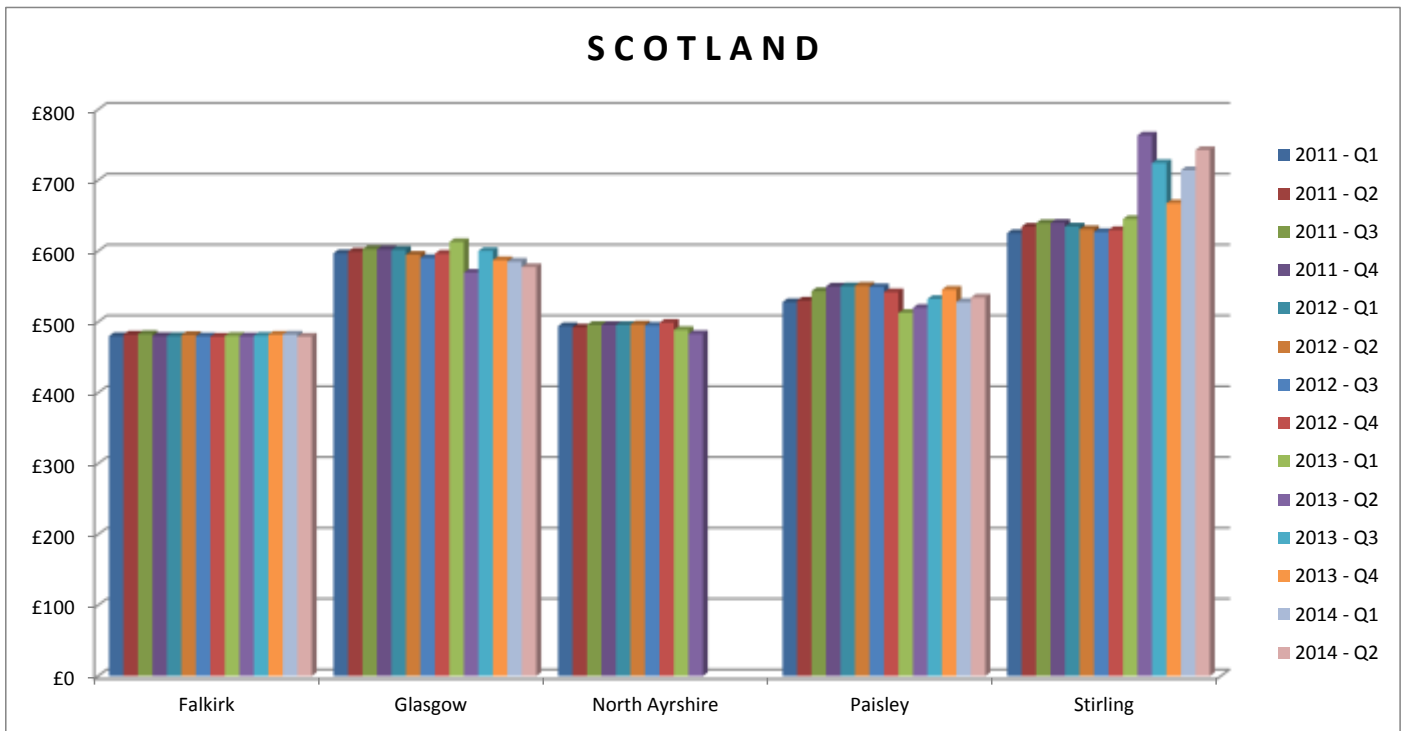
For all offices in England, Wales and Scotland including new Belvoir offices, the average monthly rent for Quarter two 2014 is £728, which shows a year on year increase of around 3% when compared to Quarter two 2013 average of £705 per month. This rise though is mostly due to new offices which have average rents higher than Belvoir's previous average.

Interestingly, when comparing the Quarter two 2014 average rent to the annual average monthly rent for 2014 of £723, this shows an overall increase of just over 0.5%. This shows rental growth appears to be pretty static so far this year.

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



Summary for Scotland



In Scotland, the average rent for Quarter two 2014 is £583 per month. We forecasted static to 2% increases of rents for Scotland, and so far this year, it appears rents are static.

Falkirk

In Falkirk, the average monthly rents remain static. The Quarter two 2014 average monthly rent of £479 is just £1 lower versus Quarter two 2013 for *two bed flats*. There has been very little movement in average rents for Falkirk for the last three years.

City of Glasgow

The average monthly rent for Quarter two 2014 in Glasgow is £577, which shows an increase of over 1%, year on year, on the Quarter two 2013 average rent of £570.

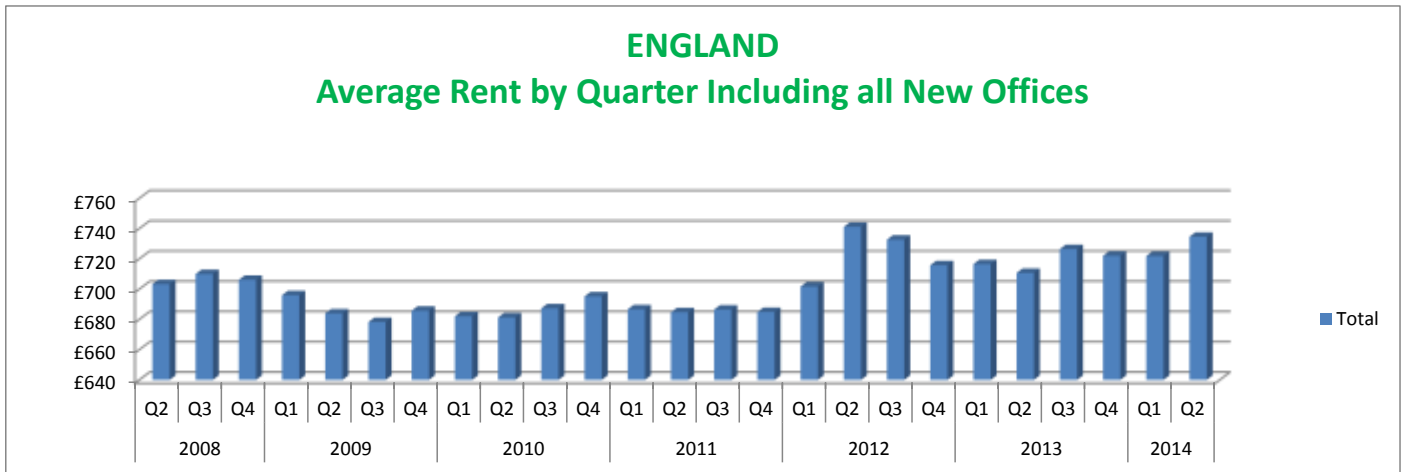
Paisley

The Quarter two 2014 average monthly rent for Paisley is £534, versus an average of £520 in Quarter two 2013, this would indicate a slight year on year rise of around 2.5%.

Stirling

Average monthly rents for Stirling have been increasing in the last six months, however, we understand from the local office this is due to a change in the mix of properties advertised (*see Appendix*).

Summary for England



In England, the Quarter two 2014 average rent for all offices, including new offices, is £735 per month, versus the Quarter two 2013 average rent of £711, this shows a year on year increase of 3%.

When comparing the Quarter two 2014 average monthly rent of £735 to the 2014 annual average of £728, the figures show a slight increase of just under 1%. During 2013 and the first half of 2014, the reality is that for most offices, rents have remained fairly stable.

The main reason for the average in England showing an increase across the group is more due to the continued Belvoir Group's expansion. More offices are being added in London and the South which have higher than the current average rents.

Summary for Northern Ireland

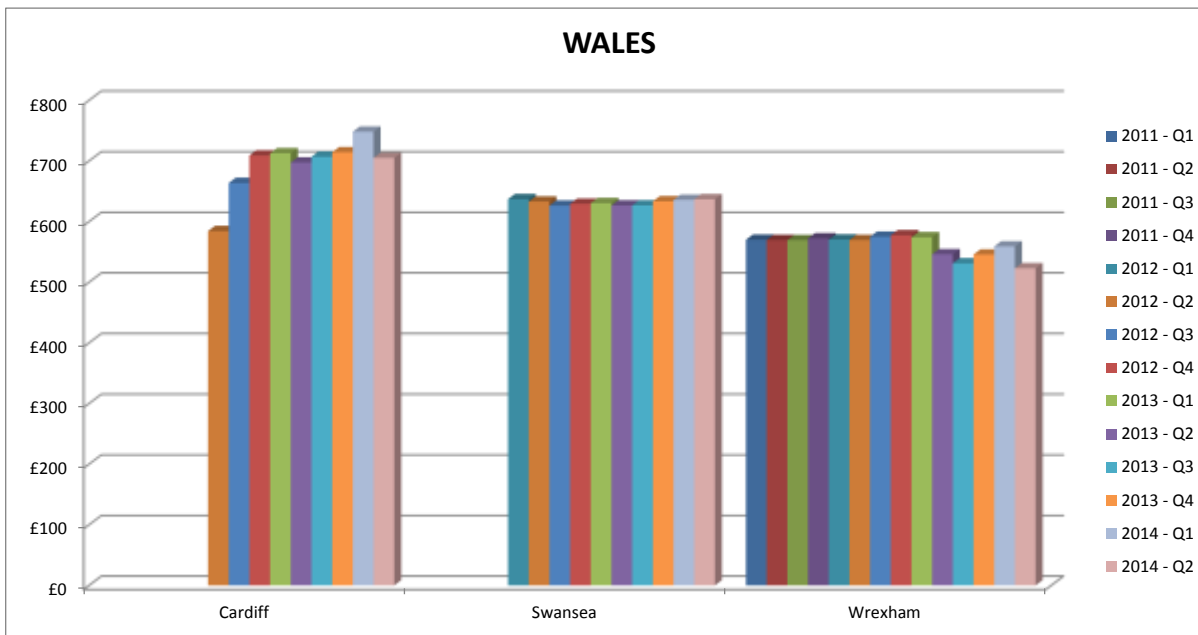
Bangor

Jackie Burns of **Bangor** reports *“Demand in the Bangor area is incredible - properties in good condition are renting quicker than we can put them on the market, however, older properties are still a little slower to rent. Tenants are registering with us early so as not to be disappointed. The supply of properties however, is not so good. House prices are on the rise and landlords are finding themselves in a bidding war to purchase investment properties.”*

Newtownards

Trevor Burns of **Newtownards** comments *“2014 has started well. The first two quarters have seen rents increase, tenant demand remaining strong and investors looking to buy. The sales market is picking up with local agents reporting increased volume and sales prices. Several of our landlords have been to property auctions recently. These have been well attended and consequently, the prices achieved are well above the listed ones. At the moment we are experiencing a shortage of supply.”*

Summary for Wales



The average monthly rent for Wales in Quarter two 2014 is £622, year on year, this is only £1 less than the Quarter two 2013 average rent of £623. Compared to the annual average rent for 2014 of £635, this would indicate a small fall of -2%.

Swansea

The average monthly rent for Quarter two 2014 in Swansea is £637, which is a year on year increase of 1.5% versus the Quarter two 2013 average of £627 per month. Compared to the annual average for 2014 of £636, this shows an increase of just £1.

Ben Davies of Belvoir Swansea says *“June was a fantastic month, with a number of new instructions, re-lets and move-ins. Demand was also good during the month. We’re also starting to see an increase in the let-to-buy landlords as people are seeing the benefits of renting out their existing home and buying a new one as well as buy-to-let landlords investing.”*

“Some of our top-end properties are achieving £2,000pcm and we are about to tie up another for around £3,000, which is exceeding previous rent levels seen in Swansea.”

Wrexham

In Wrexham, the average rent for Quarter two 2014 is £523 per month, which shows a year on year decrease of around -4% versus the Quarter two 2013 average of £546 per month. Compared to the 2014 annual average rent of £541 per month, this indicates a fall of just over 3%.

Cardiff

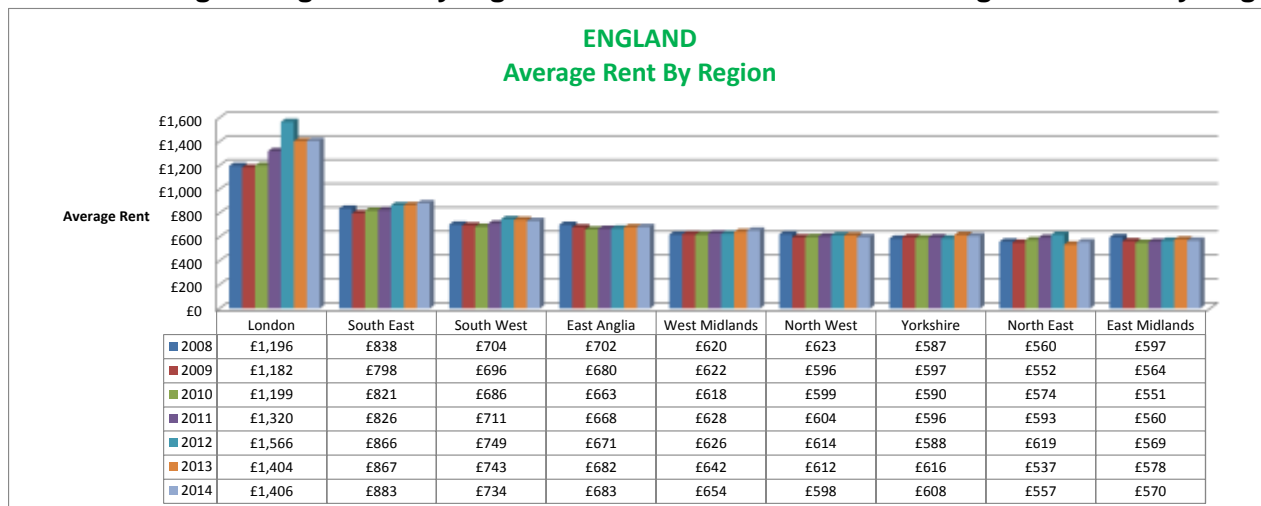
The Quarter two 2014 average monthly rent in Cardiff is £705, which is a very slight year on year increase of 1% versus the average monthly rent for Quarter two 2013 of £697. Compared to the annual 2014 average rent of £727, this indicates a decrease of around -3%.

Rob Price of Belvoir Cardiff reports *“April to June has been very busy, with Cardiff recording the best quarter to date and demand is currently outstripping supply. Properties with between 1 and 3 bedrooms renting for £500-£800 pcm are proving very popular. We have seen an increase in the number of investor enquiries and many of the new investors that we have been dealing with, have ploughed ahead with multiple purchases throughout 2014 with more planned for the next half of the year too.”*

Belvoir Regional Rental Trends Summary

The average monthly rents vary from around £557 through to £683 for the majority of the national regions in England. Average rents in the South East have shown some year on year increases to £883 in 2014 versus £867 per month in 2013. In the South West, average monthly rents have dropped back slightly to £734 in 2014 from £743 per month in 2013. The average monthly rent in London of £1,406 in 2014 is only slightly above the 2013 average of £1,404.

Chart showing average rents by region 2008 to 2014 for all Belvoir English Offices by Region



Rents in **London** for the second Quarter of 2014 are only £2 more than the 2013 average, but remain lower than rents achieved in 2012 average.

South East average rents for Quarter two 2014 are up by 2% versus 2013, and 5% up on the height of 2008, six years ago.

In the **South West**, rents are slightly down in the second Quarter of 2014 from 2013, while being 4% higher than the £704 height of 2008.

Rents for the second Quarter of 2014 in **East Anglia** are £683, a very slight increase on the 2013 average of £682, but -3% lower than the £702 height of 2008.

In the **East Midlands**, average rents are £570 for the second Quarter of 2014, which is slightly down on the 2013 average of £578, and -4.5% lower than the £597 high of 2008.

West Midlands' rents for Quarter two 2014 are £654, up 2% on the 2013 average and around 5% up on the 2009 height of £622.

In **Yorkshire**, average rents for the second Quarter of 2014 are £608, which is lower than the £616 for 2013, while being 2% up versus the 2009 high of £597.

Average rents in the **North West** for Quarter two 2014 are £598, which is lower than the 2013 average of £612 and remains -4% down on the £623 height of 2008.

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

Belvoir Regional Rental Trends

East Anglia

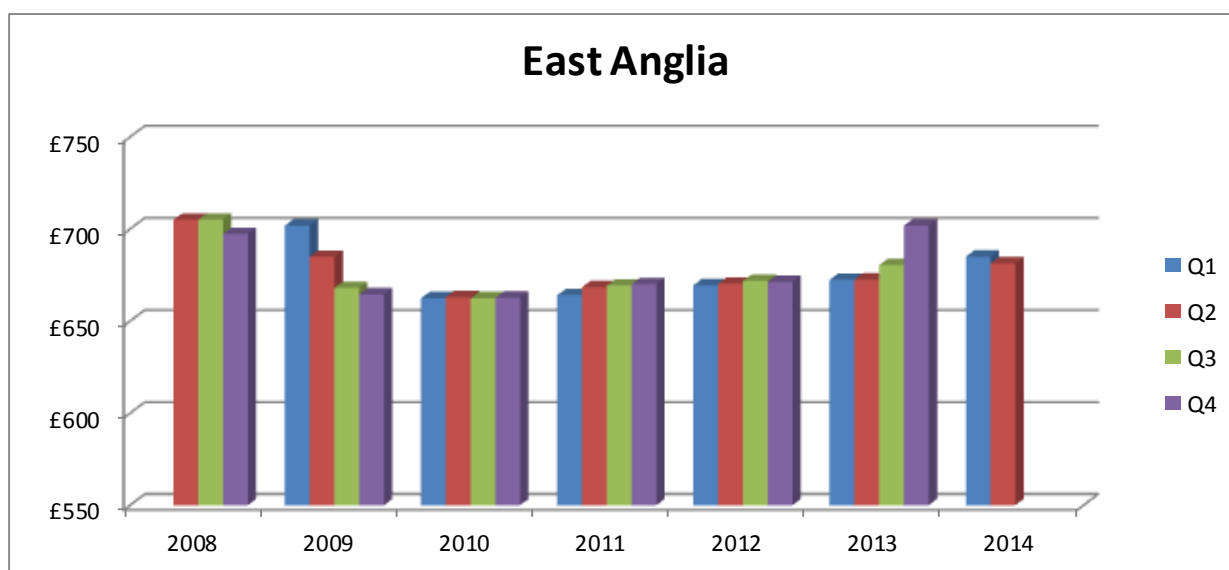
The average rent in East Anglia for Quarter two 2014 is £681 per month. Compared to the Quarter two 2013 average of £672, this shows just over a 1% increase year on year. Versus the 2014 annual average rent of £683, this indicates a small fall in Quarter two of just £2.

Just under a third of offices recorded stable rents during the second Quarter of 2014, with the remaining offices equally split between slight falls and rises.

Leah Norman of **Belvoir Peterborough** comments *“Peterborough has seen a major increase in results comparing June 2013 and June 2014. We have increased the amount of properties we have let by just under half again which is a fantastic result and really shows how Peterborough is developing. Part of our success is due to the connections we have with major businesses locally who we help house their employees.*

Rental prices have also increased (compared to last year) due to the demand that we are experiencing, which is also a major positive for investors looking into starting a portfolio in the Peterborough area.

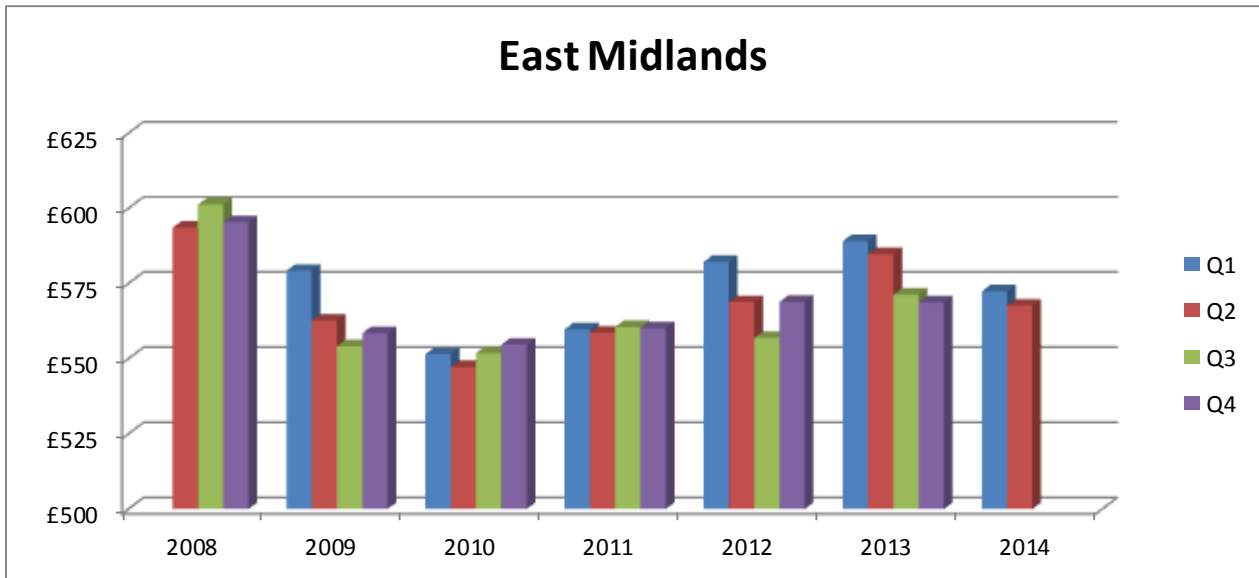
The selection of properties we have available is also a positive to potential tenants coming to Peterborough for housing as there are plenty of property types to choose from.”



East Midlands

In the East Midlands, the Quarter two 2014 average rent is £568 per month, versus the Quarter two 2013 average of £585 per month, this indicates a year on year fall of under -3%. When compared to the annual average rent of £570 for 2014, this shows a small fall of £2 per month.

During Quarter two 2014, average rents for just under a third of offices in the East Midlands were stable, with the remaining offices equally split between slight falls and rises. Increases were evident in Melton Mowbray and Corby.



London

The average monthly rent for Quarter two 2014 in London is £1,445, which is a year on year rise of 7.5% when compared to the Quarter two 2013 average rent of £1,344. This is mainly due to the addition of average rents of around £2,100 per month from the new Chelsea and Fulham office which opened in 2013.

Versus the 2014 annual average rent of £1,406, this shows an increase in rents of around 2.5%.

Due to the diverse range of properties in London, average rents usually vary quite dramatically. For example, during Quarter two, average rents in Chelsea and Fulham were £2,152, £2,422 in Camden, £1,457 in Uxbridge and £775 in Basildon. Half of the offices registered static rents, a quarter small falls and slightly over a quarter small increases. Rises were seen in Balham and Uxbridge.



Dominik Potworowski of Belvoir Maidenhead reports “Maidenhead has seen a steady increase in property prices from this time last year, with an increase of around 12%. A standard three bed house for example, a year ago this would have achieved a rental figure of around £1,300pcm, whereas now the same property would achieve around £1,395pcm. That’s an increase of around 7%. With regard to flats, a standard two bed flat would have achieved a rental figure of around £900pcm this time last year, now the same flat would achieve around £1,000pcm, an increase of 11%.

“The supply of rental properties has increased dramatically as developers have finished their second phases of new builds and buy to let investors have started to market them. Demand has also increased as we are seeing more and more rents are increasing, albeit not at the same rate as property prices.”

North East

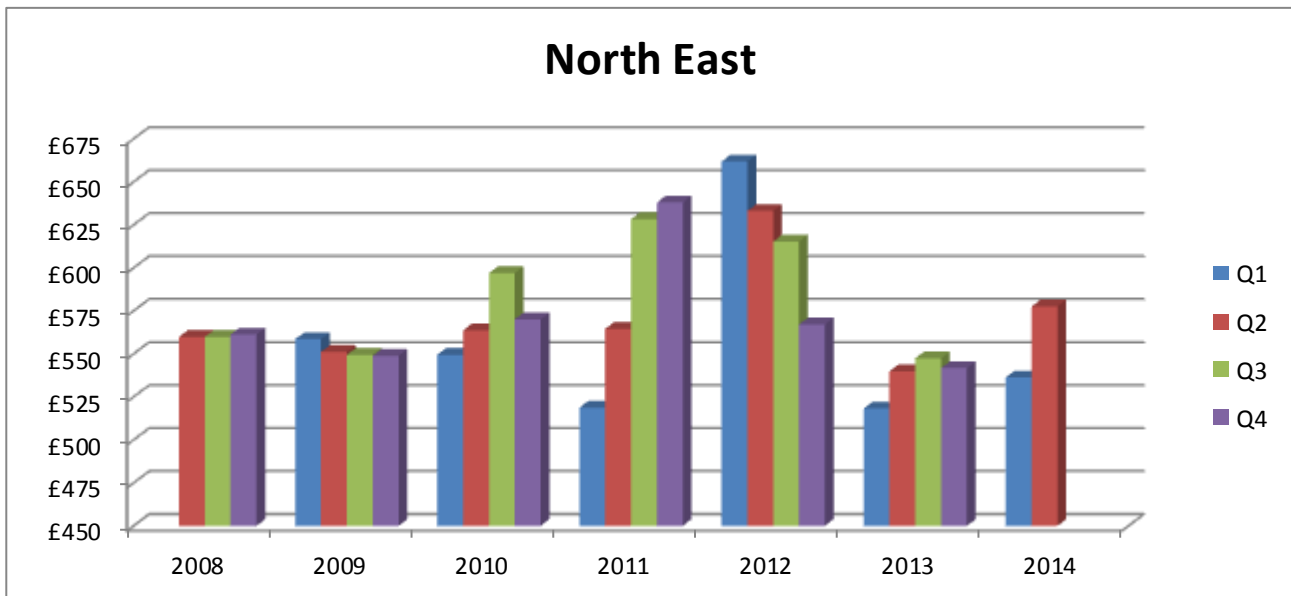
Average monthly rents in the North East have a tendency to be quite erratic, which is mainly due to the variable rents in Newcastle.

Quarter two 2014 rents in Tynedale were £541 per month. Compared to £546 per month in Quarter two 2013, this shows a year on year decrease of -1%. Versus the annual average rent for 2014 of £542, there is a difference of just £1.

In Sunderland, the average monthly rent for Quarter two 2014 is £570, versus the Quarter two 2013 average of £542, gives a year on year increase of 5%. So far this year, rents have risen versus the annual average by £4.

Newcastle upon Tyne

Howard King of the **Newcastle upon Tyne** office says *“The first two months of Q2 were quite quiet with properties staying in the market for longer than last year. Rents have stayed the same unless a property was at a low level from the previous tenancy. However, June proved to be a busy month with demand outstripping supply in the city centre. Good properties in the suburbs were still in demand, but properties in a poorer condition were sticking on the market.”*

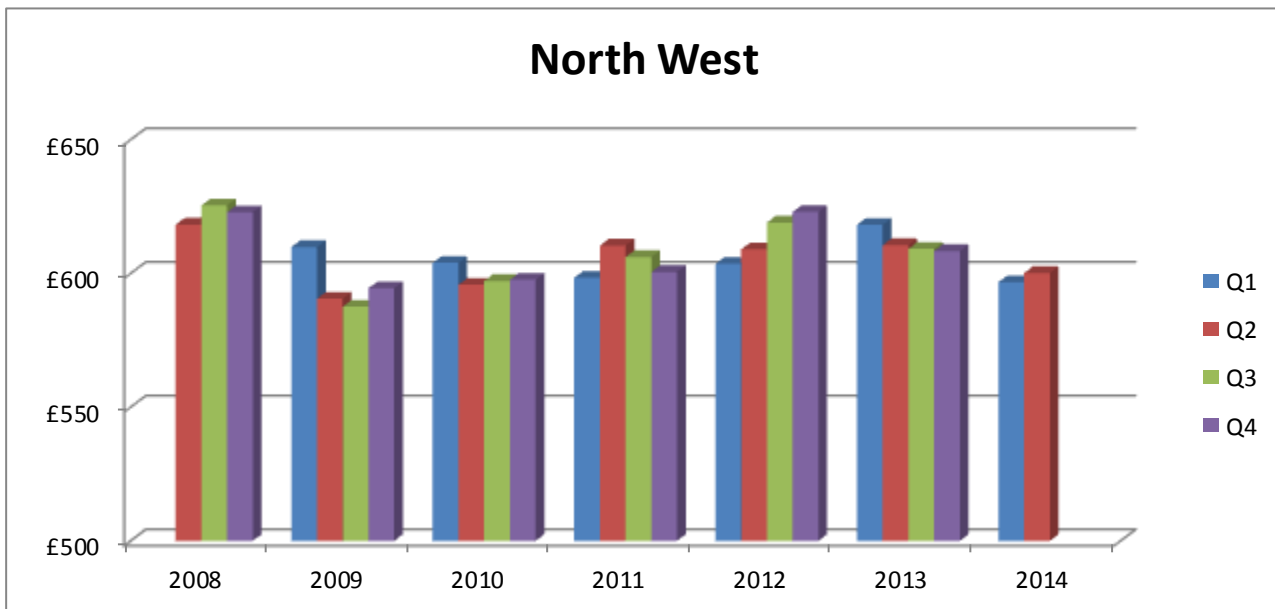


North West

In the North West, the average monthly rents recorded in Quarter two 2014 were £600. Compared to the Quarter two 2013 average rent of £611, these are down -2% year on year. Versus the 2014 annual average rent of £598 per month, in contrast, this shows a rise of just £2.

In the North West, average rents for half of the offices remained stable, with the remaining half equally split with small falls and increases. Rises were noted in Crewe and Bolton.

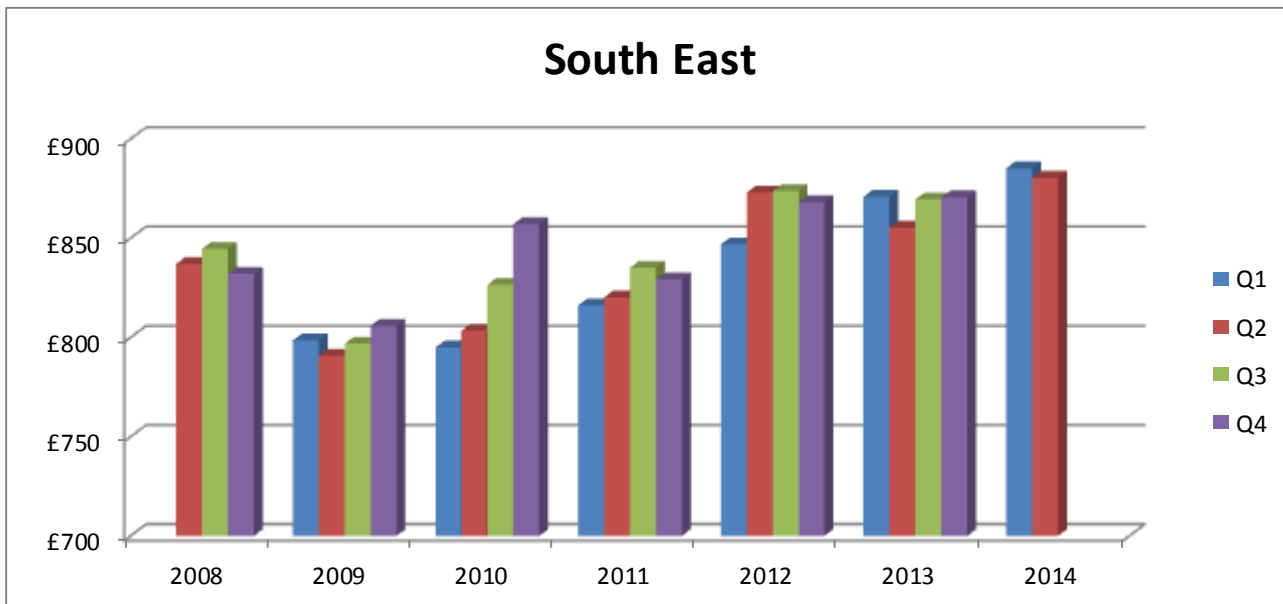
Antony Worswick of Belvoir Manchester Central reports *“We normally see an increase in rental levels from April through to October due to the influx of new renters into Manchester & Salford – this is predominantly down to the Universities and students. We get an awful lot of foreign students coming into Manchester along with second and third year students looking to move away from Student Halls and into residential properties. We do tend to get some larger properties coming back available during Spring and Summer – again students leaving large 4 and 5 bed properties plays a factor. Our typical properties are 2 bed apartments at £750.00. We start to see 4 and 5 bed houses coming available at £1200-£1400 in the summer.”*



South East

The average rent for Quarter two 2014 in the South East is £880 per month, which is a year on year increase of around 3% when compared to the Quarter two 2013 average of £855 per month. Compared to the annual average of £883 for 2014, this shows a smaller rise of £3.

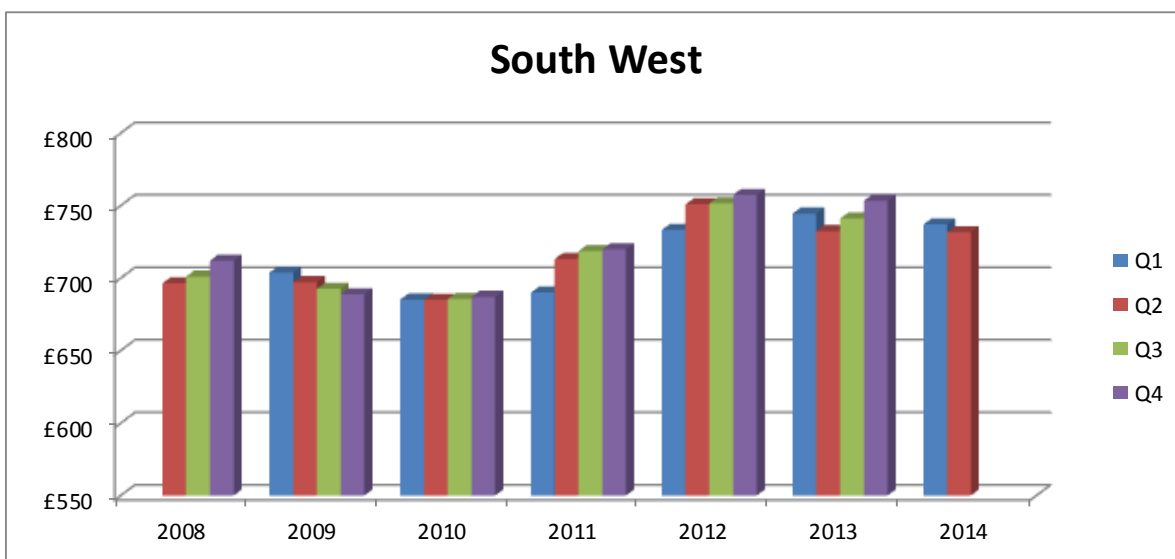
Rents remained stable for 45% of offices in the South East during Quarter two, with 45% recording small rises, including Sidcup, Southsea and Hitchin, with the remaining 10% experiencing small falls.



South West

For the South West, the average monthly rent for Quarter two 2014 is £732, which is the same as the Quarter two 2013 average monthly rent. When compared to the annual average rent for 2014 of £734, this shows a small fall of £2, suggesting rents haven't really moved much in the last 12 months.

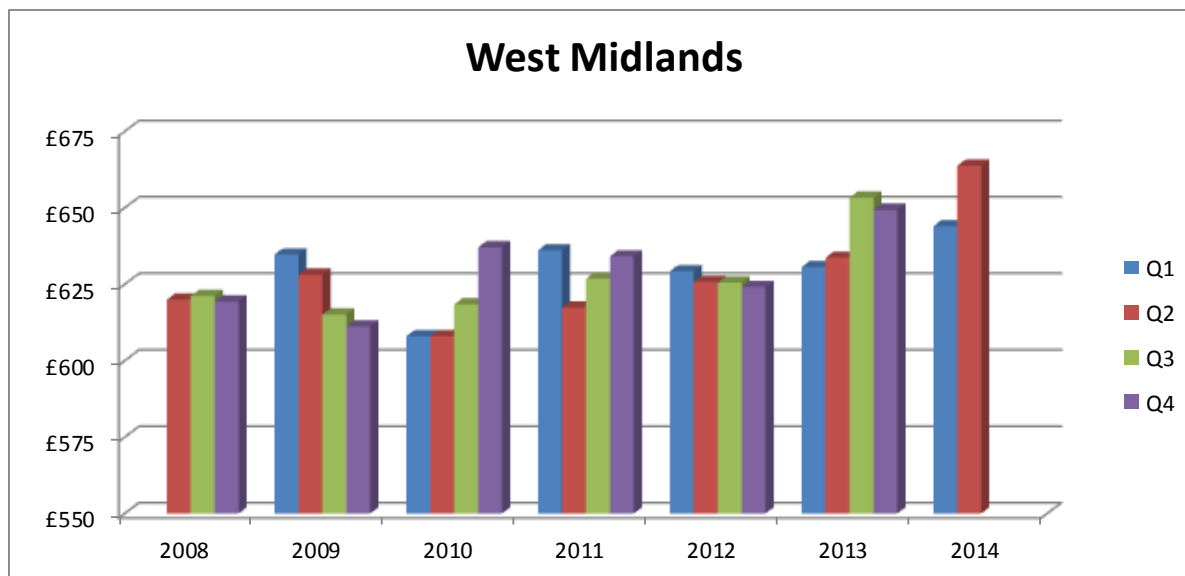
Two-thirds of the offices in the South West recorded fairly stable rents in Quarter two, with the remaining third of offices recording slight falls, including Christchurch and Hove.



West Midlands

The recorded average rent for Quarter two 2014 in the West Midlands is £664 per month, which year on year is 4.5% up versus the Quarter two 2013 average of £634. Compared to the annual average monthly rent for 2014 of £654, this is only a 1.5% increase.

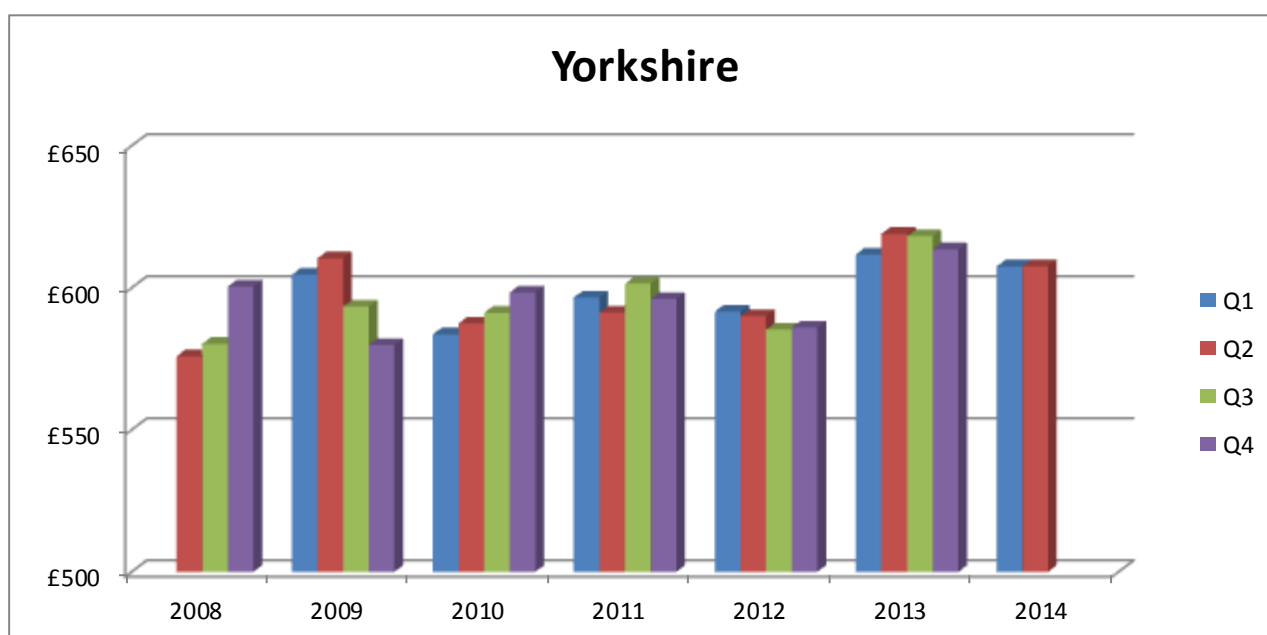
During the second Quarter, around 90% of offices were equally split with stable rents or slight increases, with the remaining 10% showing small falls.



Yorkshire

In Yorkshire, the average monthly rent for Quarter two 2014 was £608, compared to the Quarter two 2013 average rent of £619 per month, this shows a small year on year fall of just under 2%. Versus the 2014 annual average rent of £608, rent levels are the same this year as last.

In Yorkshire, half of the offices recorded stable rents, a quarter recorded slight falls and the remaining quarter slight rises, including Doncaster and York.



Regional Rental Forecasts

In December 2013 we forecast what would happen to rents in 2014 and as we are at a half year point, thought it would be helpful to see how our forecasts are performing!

Please note the large fall in London in 2013 was due to a change in the office as some offices such as Camden boosted average rents in 2012, then closed, bringing them back down in 2013.

Belvoir Rental Forecasts	2013 % Change	2014 Forecast	2014 to date vs 2013
UK	0.88%	2% increase	1.5%
England	0.73%	1.75% increase	n/c
Wales	1.78%	1 to 2% increase	1.0%
Scotland	3.64%	Static to 2% increase	2.0%
London	-9.93%	3% increase	n/c
South East	0.00%	1.5% increase in line with wage growth	2.0%
South West	-0.87%	2% increase	-1.0%
East Anglia	1.54%	2% increase	n/c
West Midlands	2.51%	2.5 to 4% increase	2.0%
North West	-0.29%	1 to 2% increase	-2.0%
Yorkshire	4.73%	2% increase	-1.0%
North East	N/C	1% increase	N/C
East Midlands	1.76%	2 to 3% increase	-1.0%

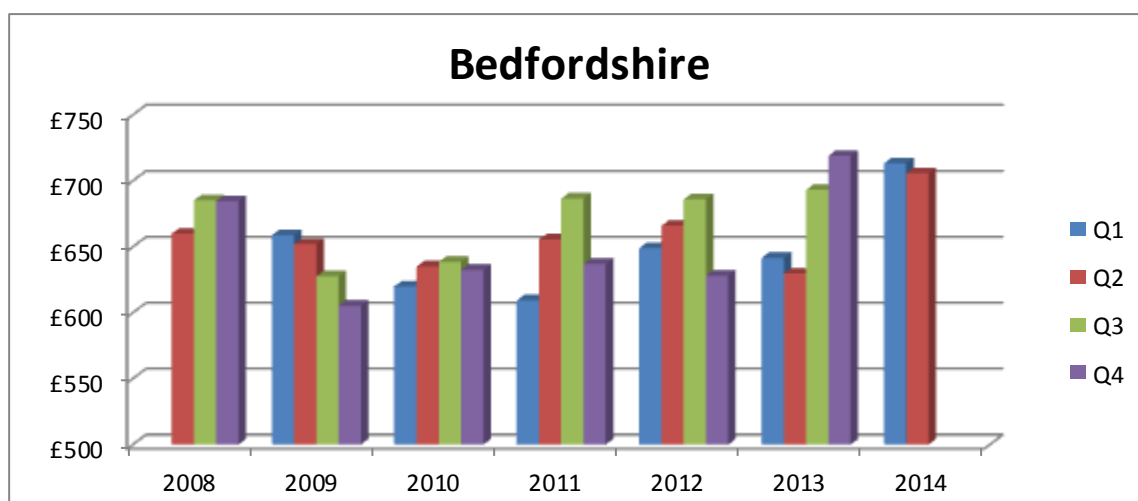
Belvoir Rental Trends by County

This is where we compare the latest Quarter two 2014 rental averages to Quarter two 2013 averages and how they are performing year on year on a county by county basis.

The average rent for Bedfordshire in Quarter two 2014 was £706 per month. Compared to the Quarter two 2013 rental average of £630, year on year, this shows a 12% increase. It should be noted that this increase is actually attributed to the opening of the Dunstable office in August 2013, where rents are averaging around £900 per month.

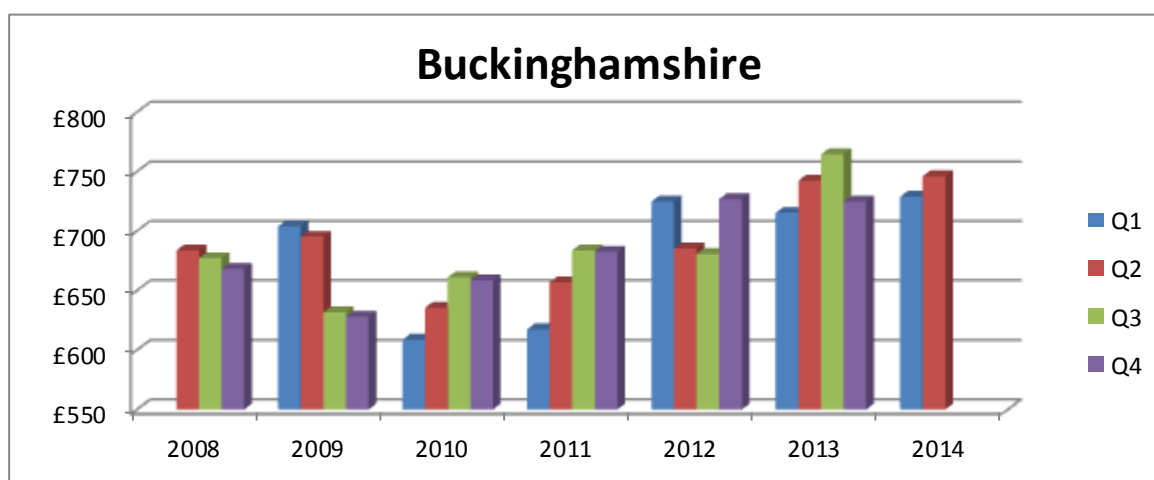
In reality, average monthly rents in other Bedfordshire offices have been stable in the first half of 2014.

Comparing the Quarter two 2014 average monthly rent with the 2014 annual average rent of £709, this shows an overall increase of just £3 per month.



In Milton Keynes, Buckinghamshire, the average monthly rent for Quarter two 2014 is £746, compared to the Quarter two 2013 average of £742 per month, this shows a small year on year increase of £4.

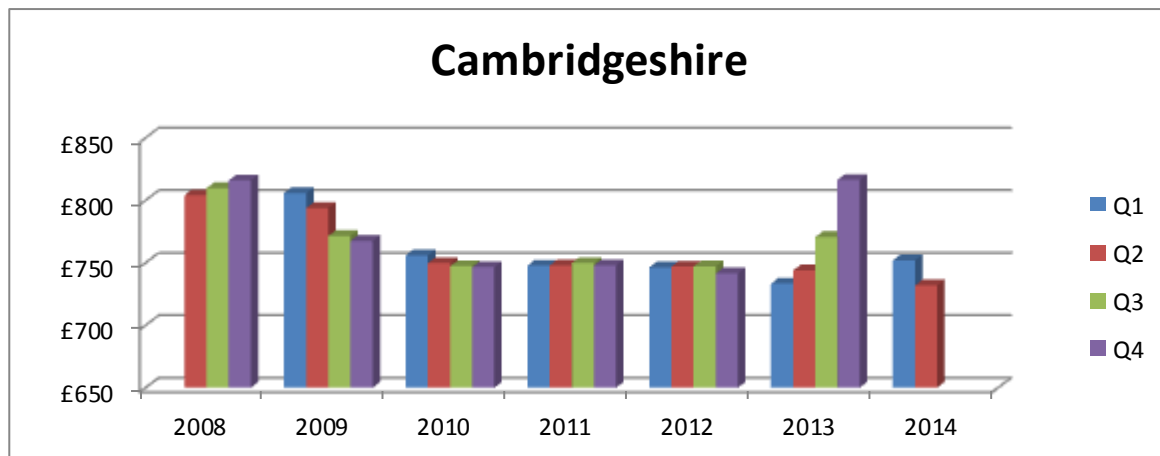
Comparing the Quarter two 2014 average rent to the 2014 annual average of £738 per month, this would indicate a small increase of around 1%.



In Cambridgeshire, the average rent for Quarter two 2014 is £732 per month, versus the Quarter two 2013 average monthly rent recorded of £744, this shows a small decrease of around -1.5%, year on year.

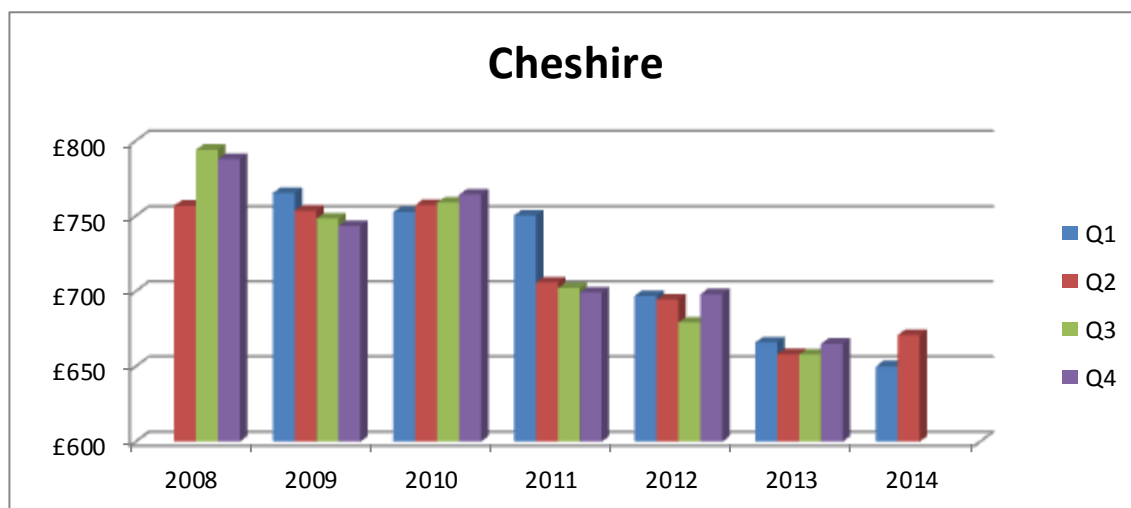
Compared to the annual average for 2014 of £742, this also shows a slight fall of around -1.5%.

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



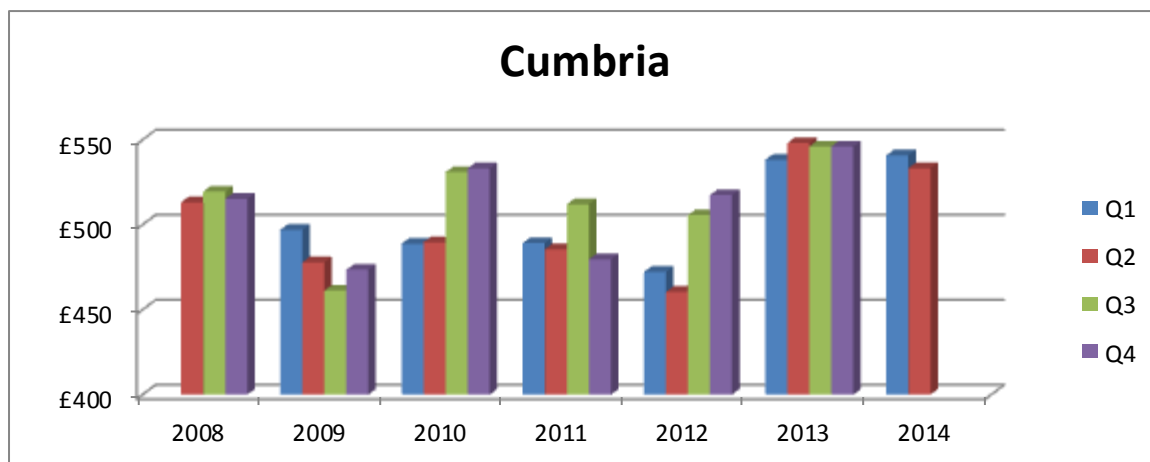
The average monthly rent recorded in Cheshire for Quarter two 2014 is £671. Comparing this to the Quarter two 2013 monthly average of £658, year on year, this indicates an increase of just under 2%.

Versus the annual average rent in Cheshire for 2014 of £660 per month, this shows an increase of 1.5%.



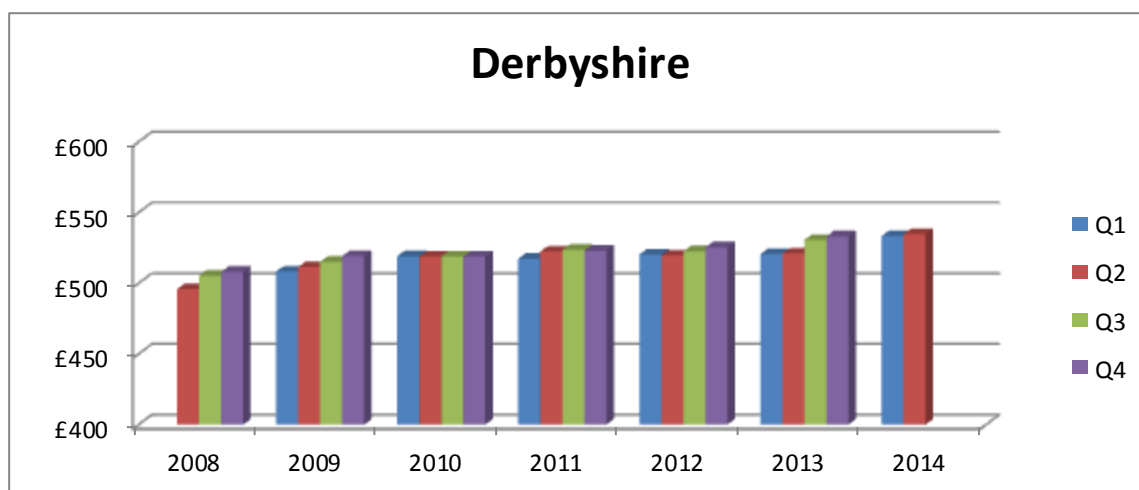
In Cumbria, the average monthly rent for Quarter two 2014 is £533. This is a small fall of around 2.5% year on year versus Quarter two 2013 £548 monthly average.

Comparing this to the annual average rent for 2014 of £537, this also shows a small fall in rents of just £4 per month.



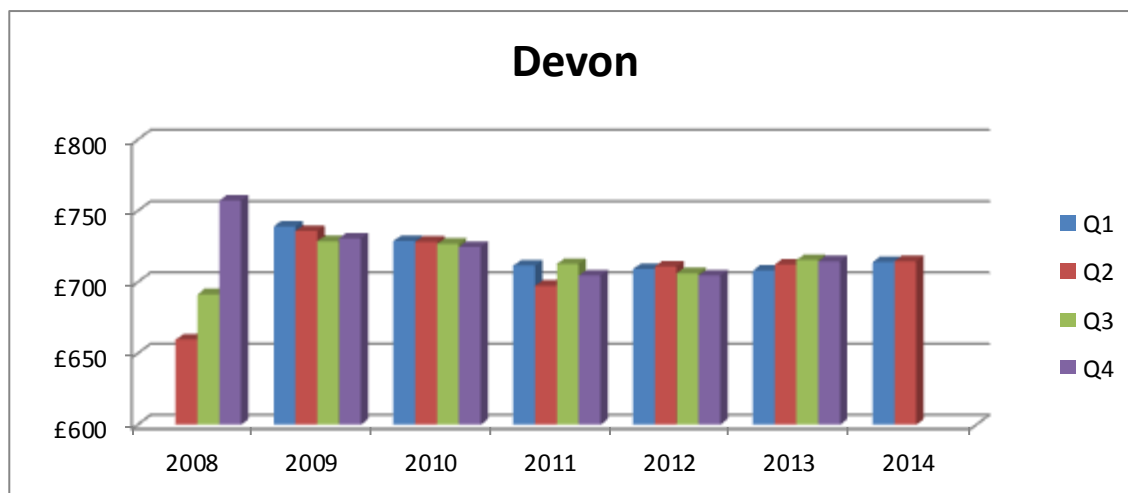
The Quarter two 2014 average monthly rent for Derbyshire is £535, compared to £521 being the Quarter two 2013 average rent, this indicates an increase of around 2.5%, year on year.

Versus the 2014 annual average rent of £534 per month, this shows an increase of just £1.



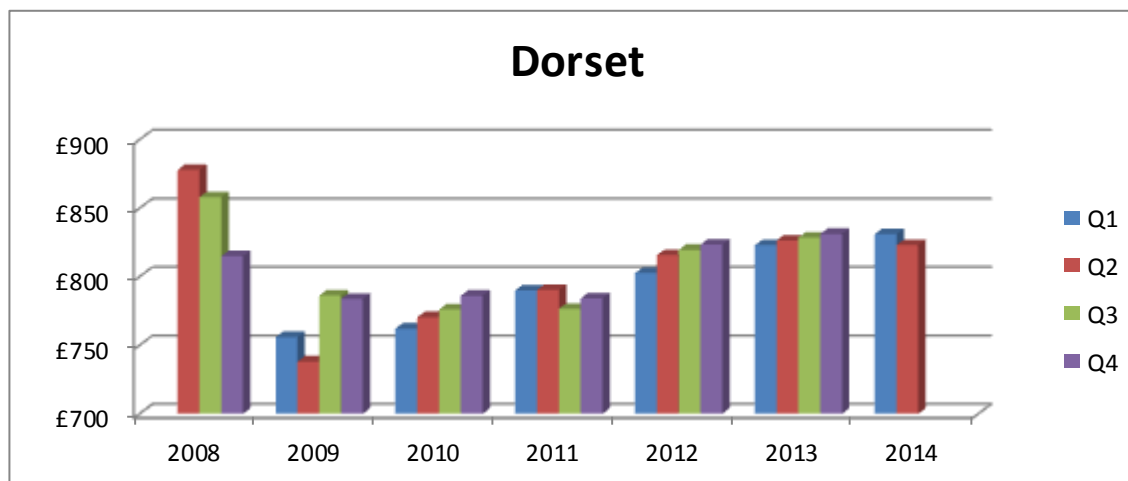
For Plymouth in Devon, the average monthly rent for Quarter two 2014 is £715, versus the average rent for Quarter two 2013 of £712 per month. This is a year on year increase of just £3.

Compared to the 2014 annual average rent of £714 and the last few years, this shows rents are static.



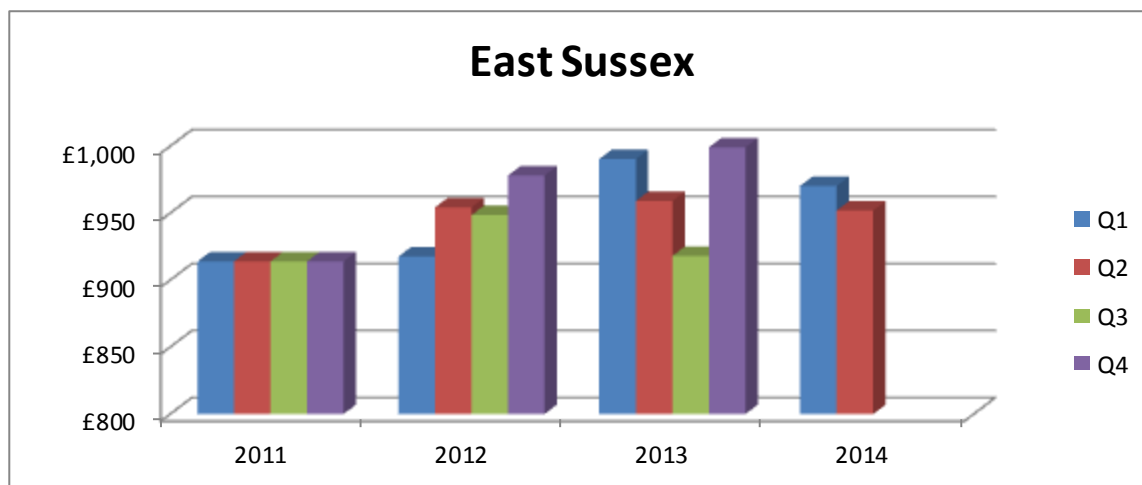
In Dorset, the average monthly rent for Quarter two 2014 is £823. Compared to Quarter two 2013 average of £826 per month, this shows a slight year on year fall of £3.

The Quarter two 2014 average rent versus the 2014 annual average of £827 per month, shows a small rental rise of £4. Rents are though still recovering back to their heights of 2008.



The average rent for East Sussex during Quarter two 2014 is £952 per month, versus the Quarter two 2013 average rent of £959 per month, this shows a fall of 1%, so relatively static.

Compared to the annual average rent for 2014 of £961 per month, similar falls have been seen. Overall rents have been fluctuating around the £950 per month level for the last few years.



In Essex, the Quarter two 2014 average rent for Essex is £789 per month. Comparing this to the Quarter two 2013 average rent of £799, this shows a fall just over 1%, year on year.

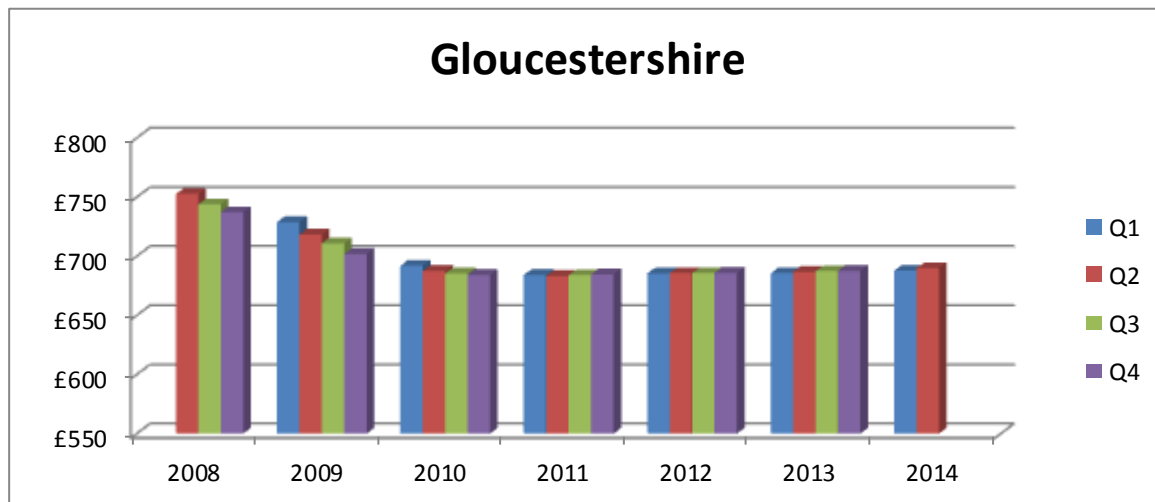
Compared to the 2014 annual average rent for 2014 of £788 per month, this shows an insignificant increase of £1. Rents over time have been static now since 2009.



The average monthly rent for Quarter two 2014 in Gloucestershire was £690. Versus the Quarter two 2013 average of £687 per month, this shows a small £3 increase year on year.

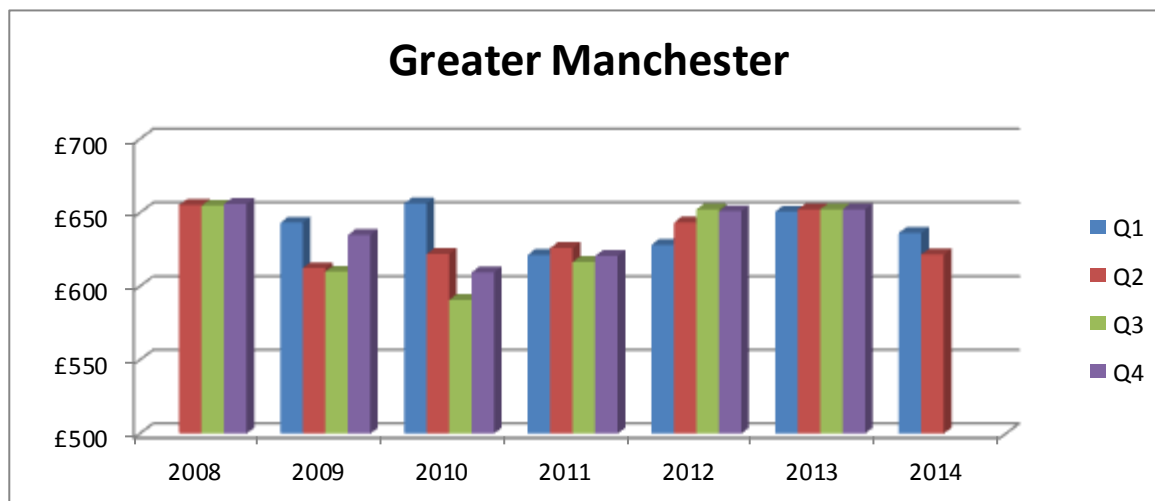
Comparing this to the annual average rent for 2014 of £689 per month, this shows an increase of just £1.

Average rents in Gloucestershire have remained fairly stable since 2010.



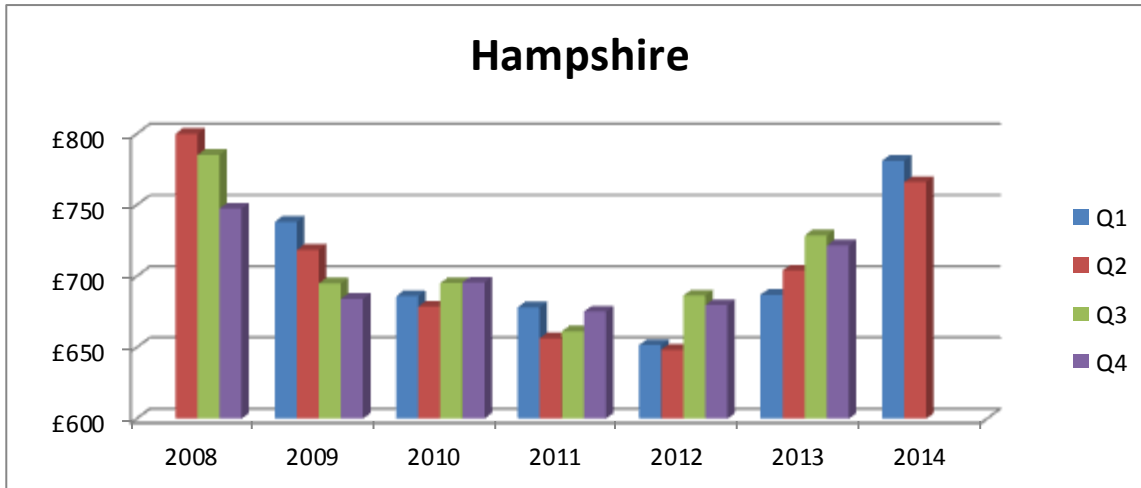
In Quarter two 2014, the monthly average rent for Greater Manchester was £622, versus the first Quarter of the year, this is down from £636 per month. Looking at the individual offices, rents appear to either be static or showing slight falls so far this year.

This is also reflected in the annual average rent for 2014 of £629, this shows a slight fall of 1%.



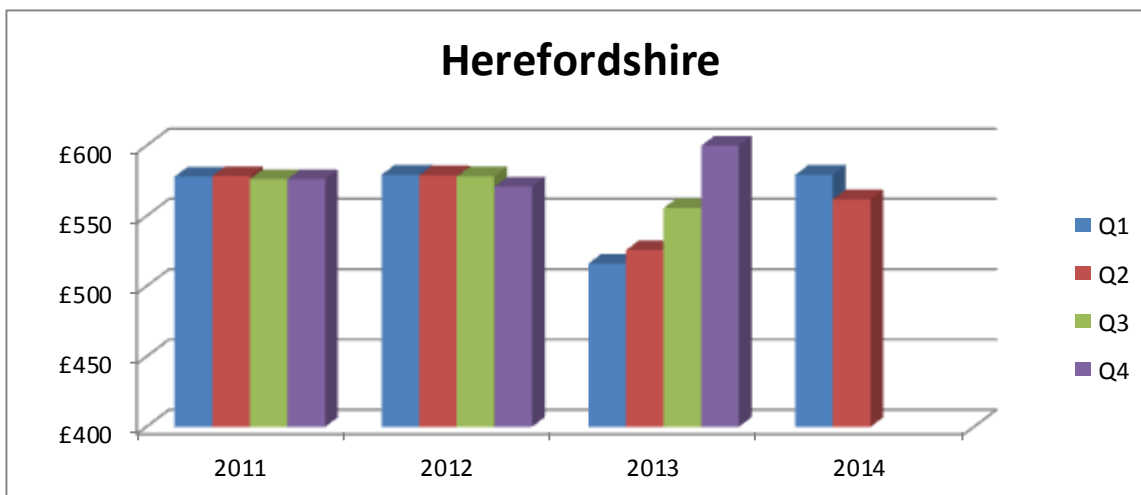
The average rent recorded for Quarter two 2014 in Hampshire is £766 per month, compared to the Quarter two 2013 average of £704, this suggests a large increase, but is mostly due to the inclusion of two new offices for Quarter one 2014, Basingstoke (New Street) and Tadley. Their rents are currently between £825 and £970 versus the region average of £700 per month.

Quarter two 2014 average rent of £766 compare to the annual average for 2014 of £773, shows the latest trend across the offices this year is rents are actually fairly static.



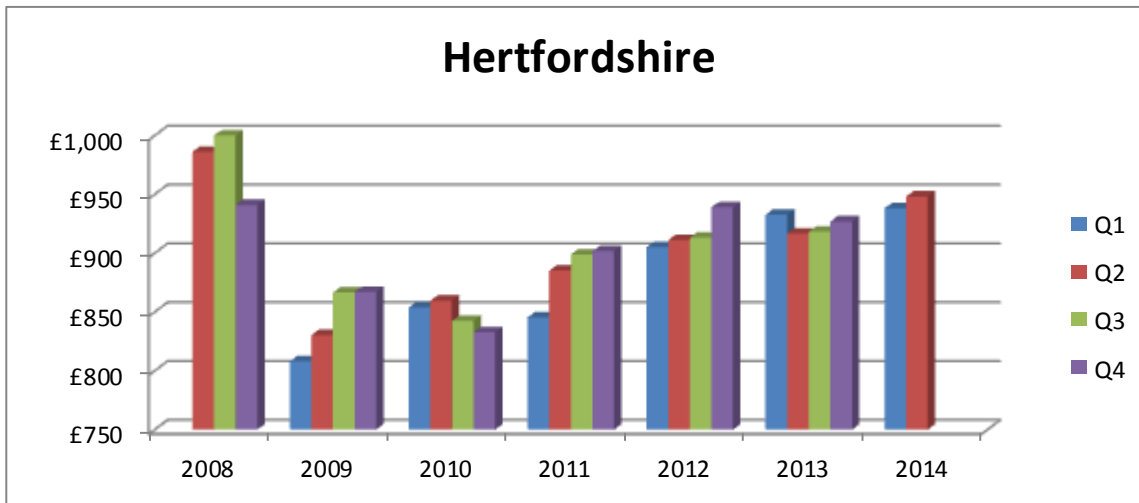
In Herefordshire, the Quarter two 2014 average rent is £562 per month, versus £526 which is the average monthly rent for Quarter two 2013, this would indicate a year on year increase of just under 7%. However, this increase is mainly due to an increase in the number of properties being let at a higher average.

Comparing Quarter two 2014 to the annual average rent for 2014 of £570, shows the latest trend this year is rents are static to growing.



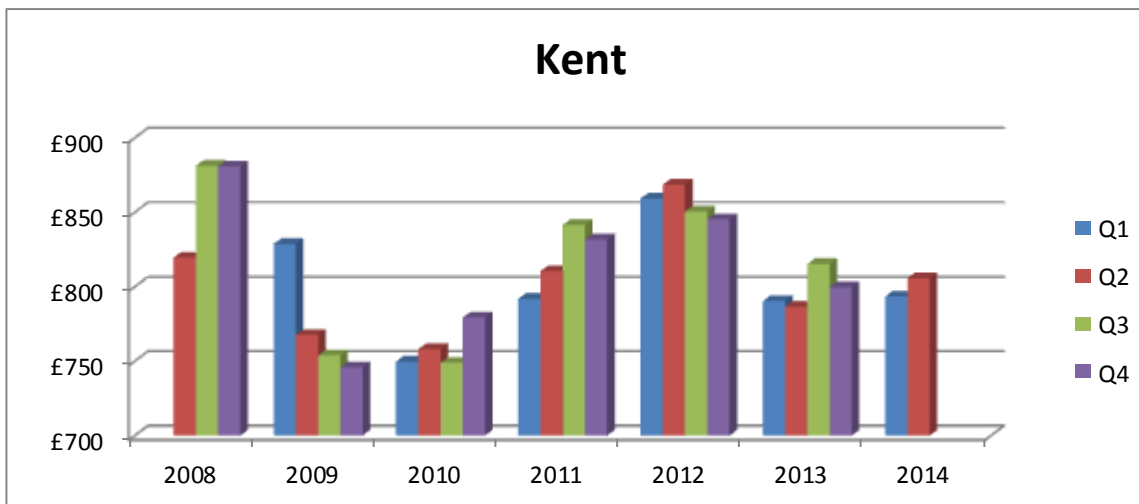
The Quarter two 2014 average rent for Hertfordshire is £948 per month. Comparing this to the Quarter two 2013 average monthly rent of £917, this indicates an increase in rents of around 3.5%, year on year.

Versus the 2014 annual average rent of £943, this shows a more modest rise of just £5.



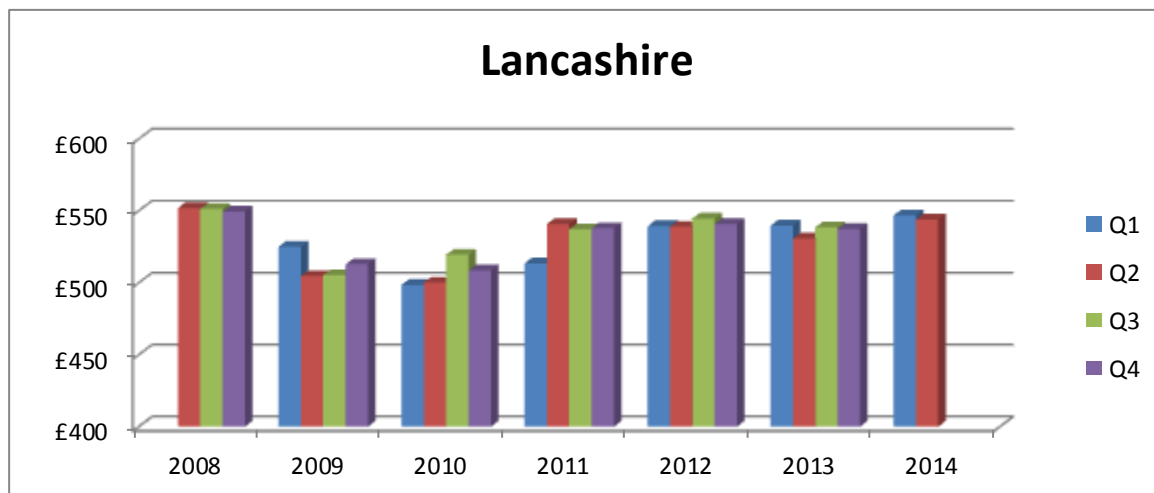
In Kent, the average monthly rent recorded for Quarter two 2014 is £806, compared to the Quarter two 2013 average rent of £787 per month, this shows a small year on year increase in rents of around 2.5%.

The latest quarterly average was on a par with the average for 2014.



For Lancashire, the Quarter two 2014 average monthly rent is £544 per month. When comparing this to the Quarter two 2013 average rent of £531 per month, this indicates a rise in rents of 2.5%, year on year.

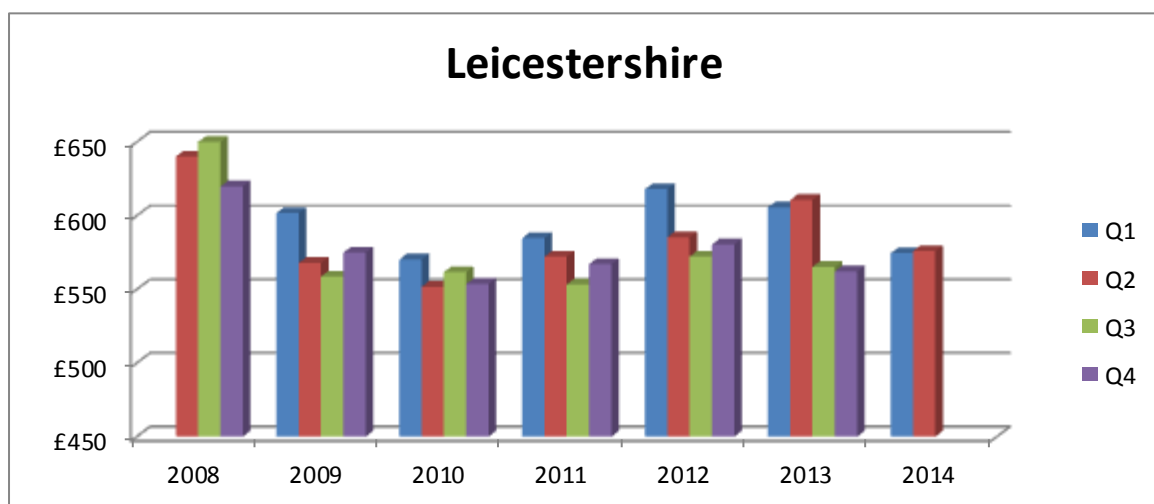
Versus the annual average rent for 2014 of £545 per month, this shows rents have stabilised this year.



The average monthly rent recorded for Quarter two 2014 in Leicestershire is £576, compared to the Quarter two 2013 average monthly rent of £611, year on year. This seems to be a slight anomaly with one office, Market Harborough, being compared to particularly high rents in Q2 2013.

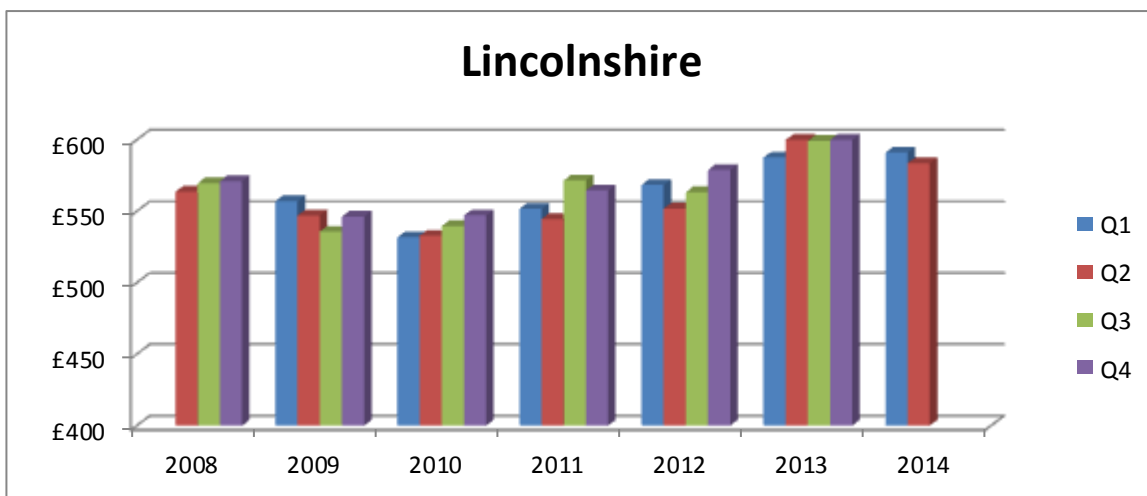
In actual fact, the majority of offices are either static to growing.

Versus the 2014 annual average of £575, there is an insignificant increase in rents of £1 and shows rents have stabilised over the past year.



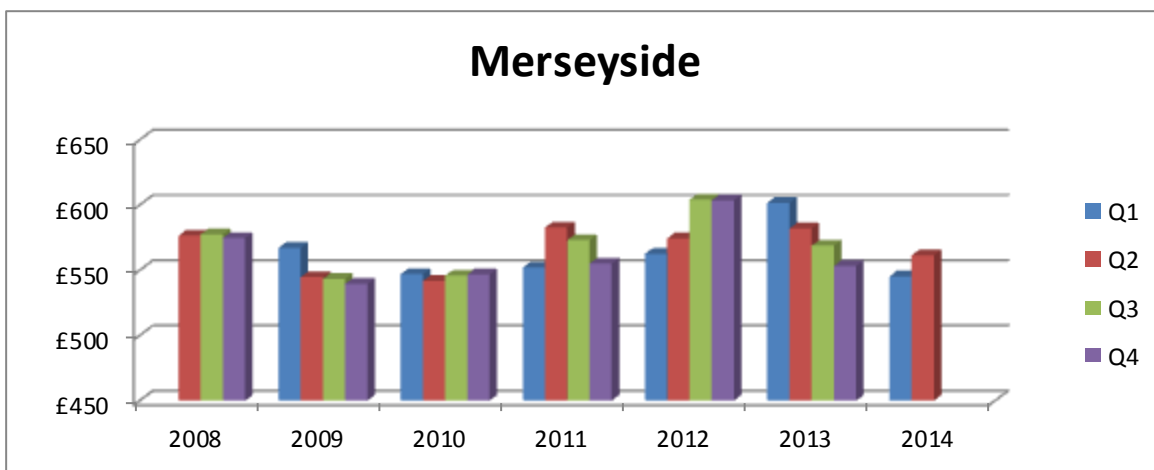
In Lincolnshire, the average monthly rent recorded for Quarter two 2014 is £584, compared to the Quarter two 2013 average rent of £603 per month, this shows a year on year fall of just over 3%.

Versus the 2014 annual average rent of £587, this suggests rent are also slightly down year on year.



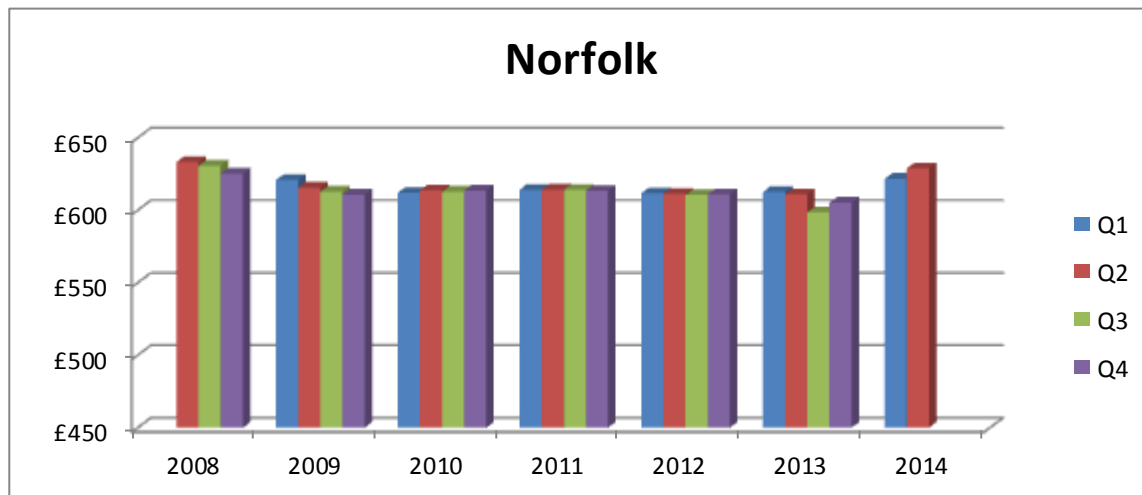
The Quarter two 2014 average rent recorded for Merseyside is £561 per month, versus the average monthly rent for Quarter two 2013 of £582, which shows a year on year decrease of around -4%. However, this seems to be an anomaly with one office, Liverpool, being compared to particularly high rents in Q2 2013. In reality, rents in the remaining offices are either static to rising.

Compared to the annual average rent for 2014 of £553, this shows a smaller fall of just under -1.5%.



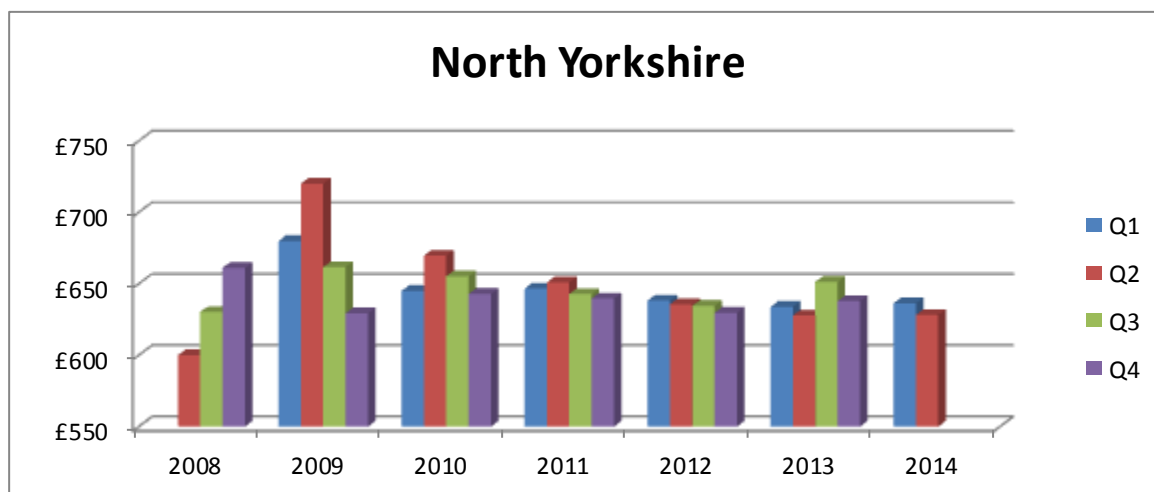
In Norfolk, the Quarter two 2014 average monthly rent recorded is £629. Comparing this to the Quarter two 2013 average rent of £611, this shows an increase of 3%, year on year.

The latest Quarterly average compares well to the year to date figure, showing a rise of £4. Rent levels in Norfolk are now very close to rental levels achieved at the market high in 2008.



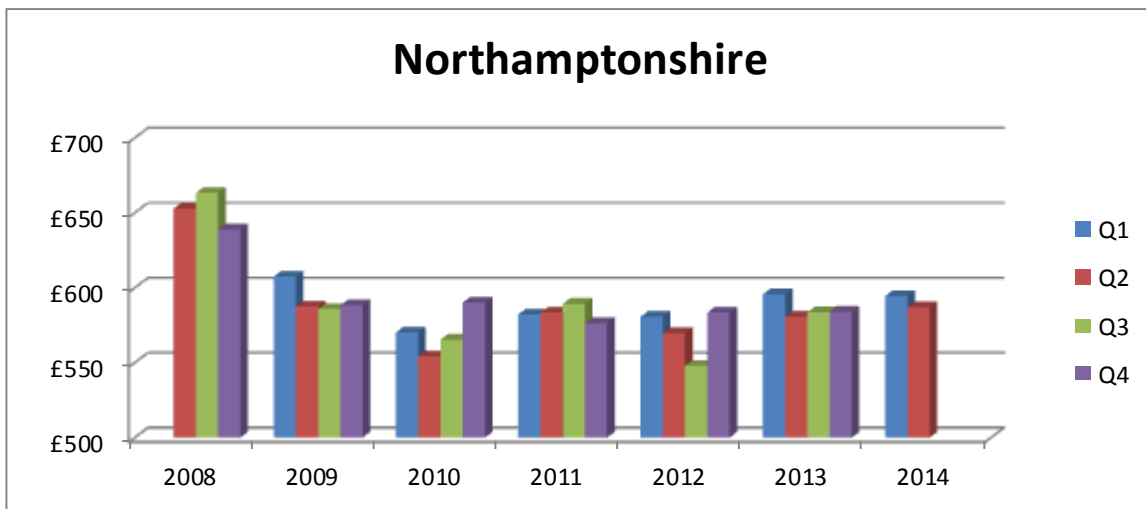
The rental average for Quarter two 2014 recorded for North Yorkshire is £628 per month, which is at the exact same level as Quarter two 2013 and therefore indicates no year on year change in rental levels.

Compared to the 2014 annual average rent of £632 for North Yorkshire, this shows a small fall of £4.



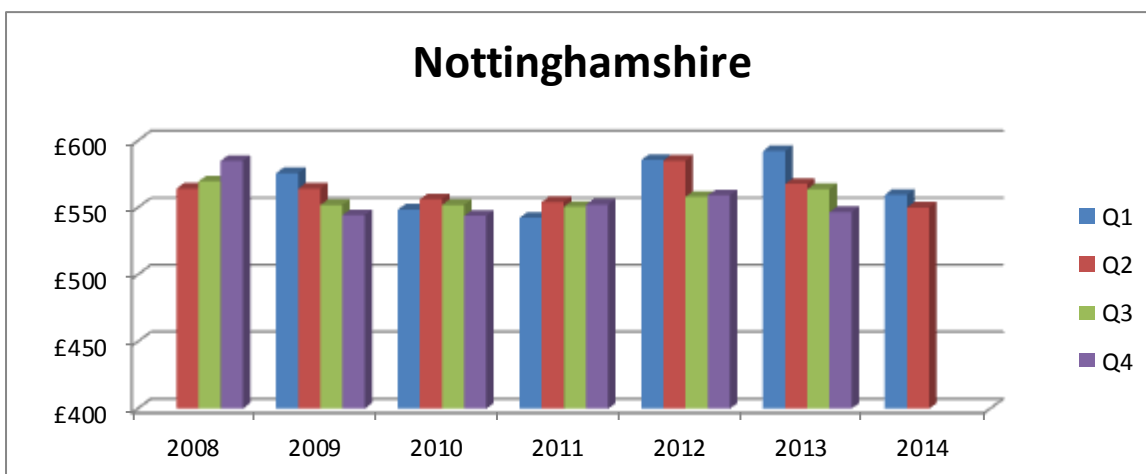
For Northamptonshire, the Quarter two 2014 average monthly rent is £587, and when compared to the Quarter two 2013 average of £581 per month, this shows a 1% increase year on year.

Versus the 2014 annual average rent of £591, this indicates a small fall of £4 in rental levels.

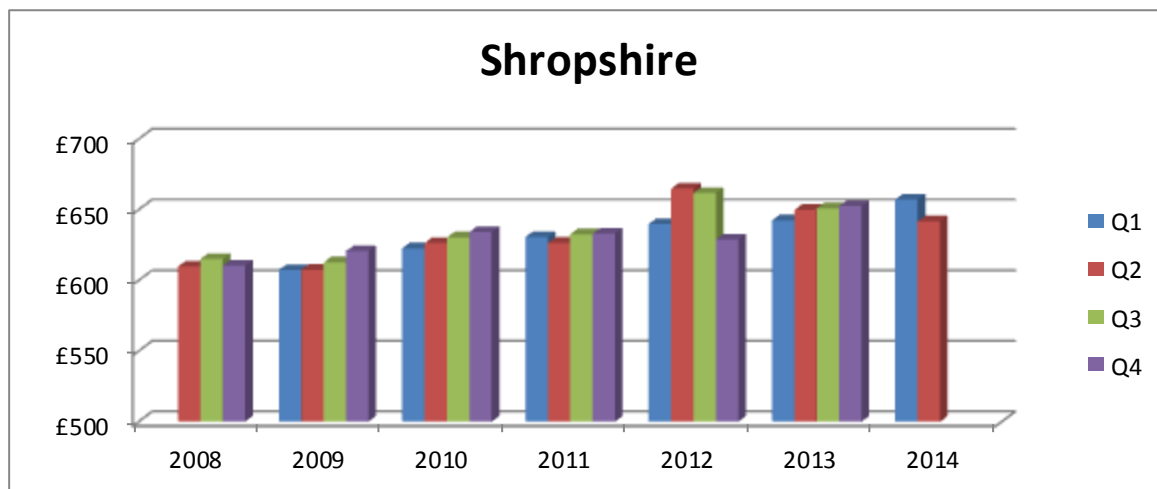


The average monthly rent recorded for Quarter two 2014 in Nottinghamshire is £550. Versus the Quarter two 2013 average of £568 per month, this shows a year on year fall of around -3% in rental levels.

Compared to the 2014 annual average rent recorded of £555, this equates to a small rental decrease of just under -1%.

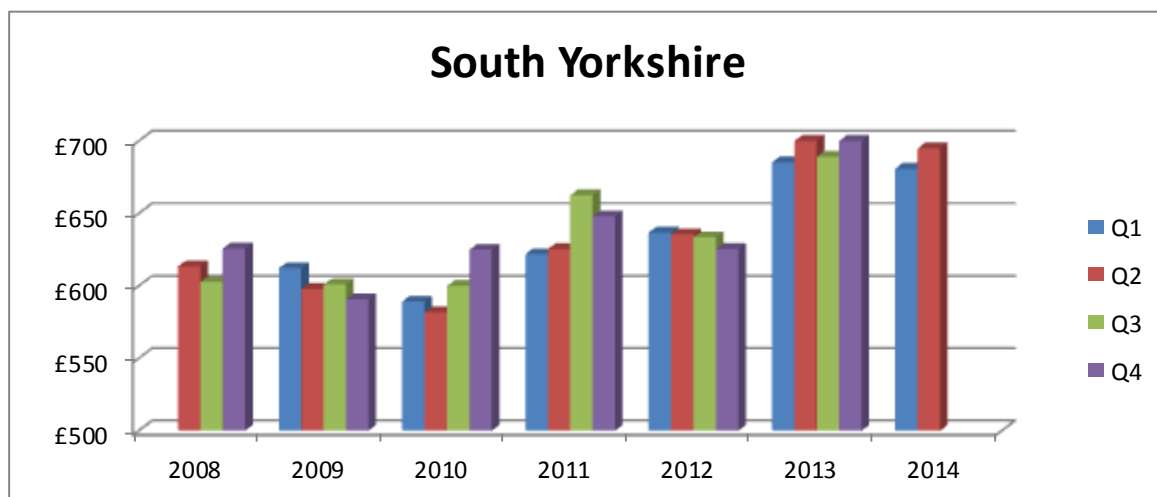


In Shropshire, the Quarter two 2014 average monthly rent recorded is £642, compared to the Quarter two 2013 average rent of £650 per month, a 1% fall. This fall is reflected in a comparison to the annual average rent for 2014 of £649.

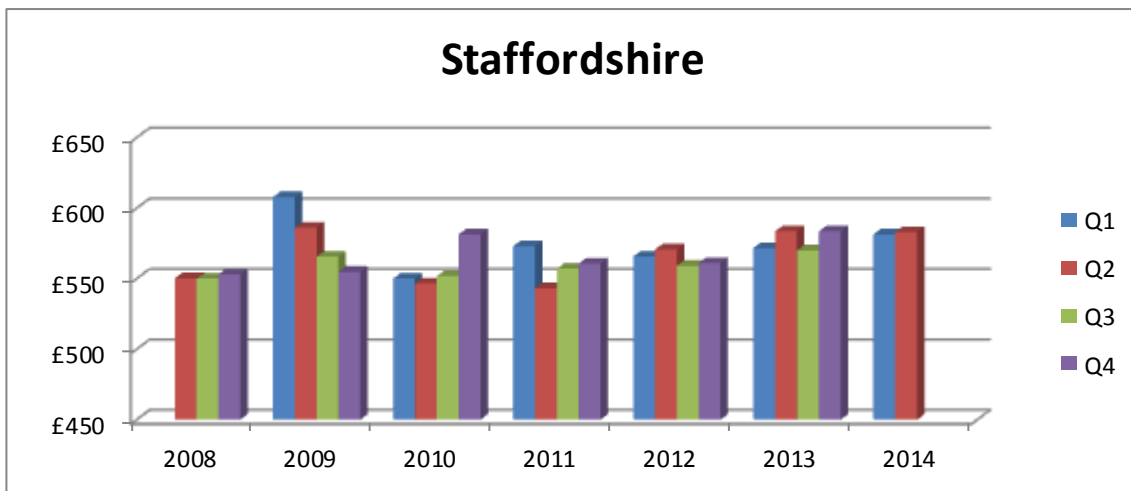


The average rent recorded in South Yorkshire for Quarter two 2014 is £695 per month. This is around -3% down on the Quarter two 2013 average of £716 per month, on a year on year basis.

Compared to the 2014 annual average rent of £688, this shows a slight uplift of just 1%, showing perhaps the increases over previous years are now slowing.

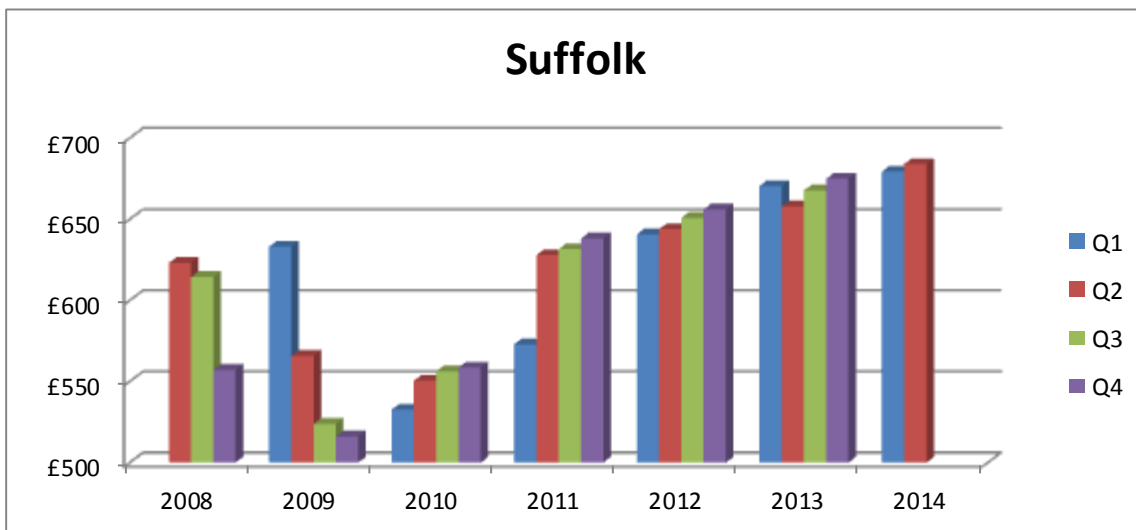


For Staffordshire, the Quarter two 2014 average recorded rent is £583 per month. Comparing this to the average monthly rent for Quarter two 2013 of £584, this shows an insignificant fall of £1. Versus the annual average rent for 2014 of £582 per month, Staffordshire rents once again show very little movement over the last few years.



The average monthly rent recorded in Suffolk for Quarter two 2014 is £684. Compared to the Quarter two 2013 average rent of £658 per month, this shows a year on year increase of just under 4%, however, this higher than average increase can be attributed to an increase in rents for all offices over the past year.

Versus the 2014 annual average monthly rent of £682, this shows an increase of just £2.



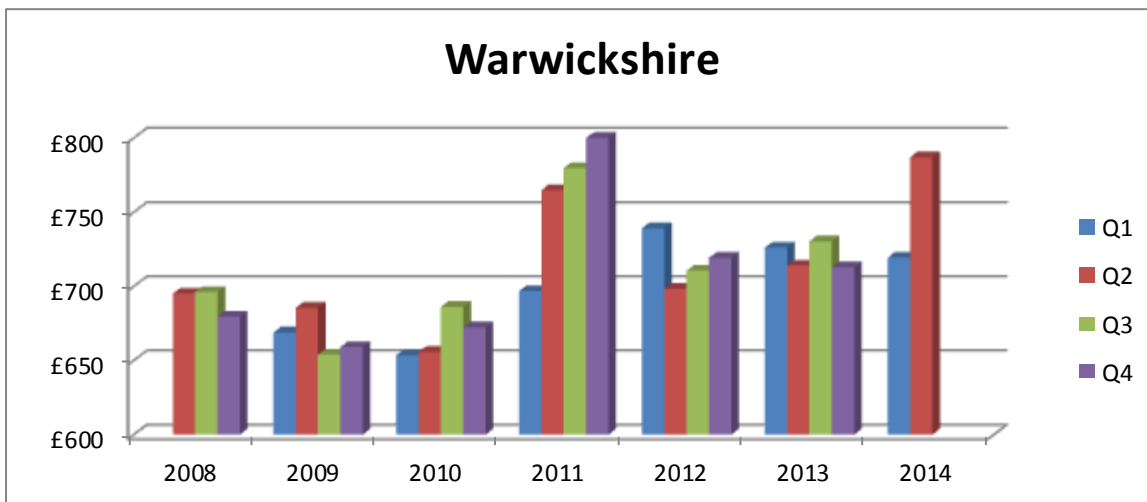
In Surrey, the Quarter two 2014 average rent recorded is £1,179 per month. Comparing this to the Quarter two 2013 monthly average of £1,102, this indicates an increase of 7%, year on year, which is mainly due to increasing rents in Guildford as opposed to all rents in this area increasing at this rate.

Compared to the 2014 annual average rent of £1,188 per month, this shows the latest trend is that rent rises have stabilised so far this year.



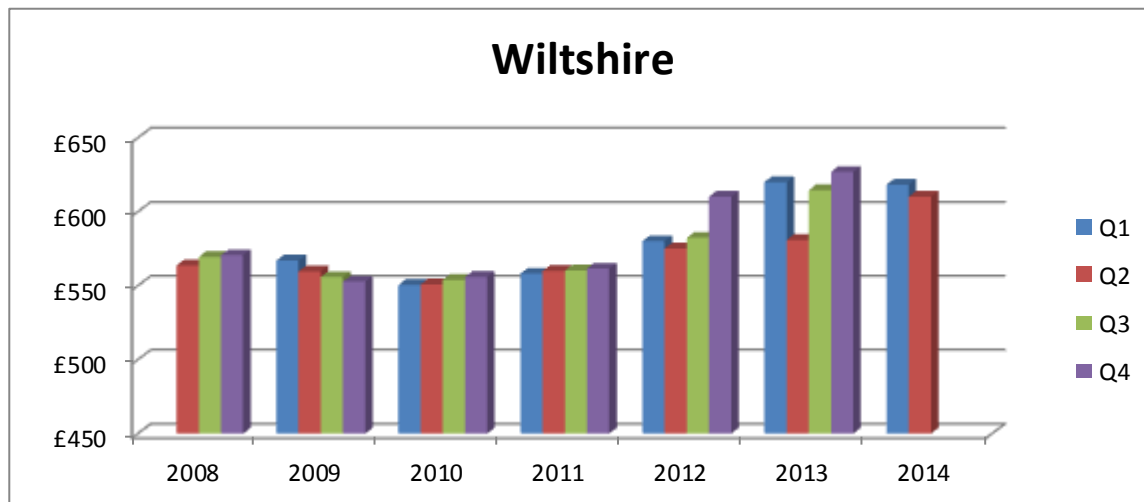
The average rent recorded for Quarter two 2014 in Warwickshire is £787 per month, which is around 10% up year on year on the Quarter two 2013 average rent of £714 per month. Compared to the 2014 annual average of £753 per month, this shows an increase of 4.5% in Warwickshire rental levels.

However, these high rental increases is more due to a change in the mix of properties advertised in Coventry and rents in the remaining offices are static.



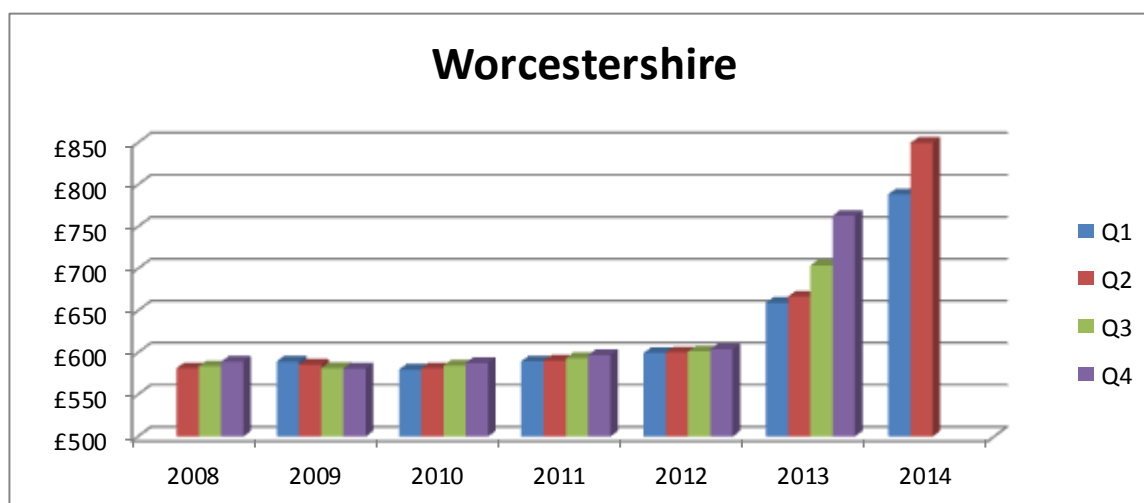
In Wiltshire, the Quarter two 2014 average rent recorded is £610 per month. Compared to the Quarter two 2013 average of £581 per month, this shows an increase of around 5%, year on year, however, this is mainly due to Devizes, where rents were particularly low in Q2 2013 and in real terms, Wiltshire rents are static to rising.

Versus the annual average rent for 2014 of £614 per month, rents have fallen by just £4 this quarter.



In Worcestershire, the two offices we cover are Worcester and Evesham. The Worcester office shows average rents for 2014 to date are £624 per month and are pretty much on par with the 2013 average rent.

Evesham on the other hand, recorded an average rent of £1,035 per month for 2014, compared to an average of £824 per month for 2013. The anomaly in the Evesham figures is mainly due to high rent being achieved on a small number of properties, coupled with an increase in the number of properties being let compared to a year ago.



Appendix

Belvoir Rental Index 2008 to 2014

Over the last five 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 five years

This is an analysis of rents across offices which have consistently traded across the five 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 91 offices from 2008 to 2013.
2. All offices which have traded via the Belvoir brand over the last five 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.