

# BUY-TO-LET INDEX

October 2017 data, November 2017 report

## East of England home to rental resurgence



### Fast Facts

- East of England has fastest rising rents than any other region
- London market continues to battle difficult conditions
- Yield levels across England and Wales have stabilised
- Average rent is up 2.4% year-on-year



### Quick Quotes

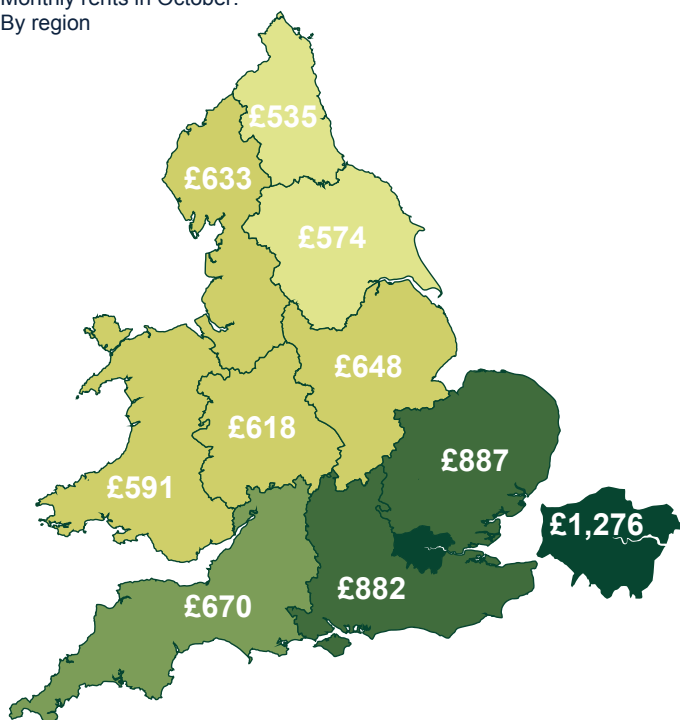

**Martyn Alderton, National Lettings Director at Your Move and Reeds Rains comments:**

- “As we approach winter, the heat has been taken out of the rental market and price growth has slowed.”
- “While prices in most areas have continued to rise, it has been at a slower pace than we had been used to in recent years.”
- “Across England and Wales, rents have grown by 2.4% in the last year although some areas, such as the East of England, have performed above that level.”



### Key findings at a glance

Monthly rents in October:  
By region

### Key insights about the data

- Rental prices in the East of England rose faster than anywhere else in the year to October, the Your Move England & Wales Buy to Let Index found.
- Prices in most areas of England and Wales grew in the last 12 months, although it was the East that saw the biggest increases.
- On a non-seasonally adjusted basis, the average rent was £924 per calendar month across all of England and Wales. When looking on a seasonally adjusted basis, average rent was £845 this month and 2.4% higher than the same point a year ago.

Average London rents in October:  
By Underground Zones



### Shift of focus away from capital continues

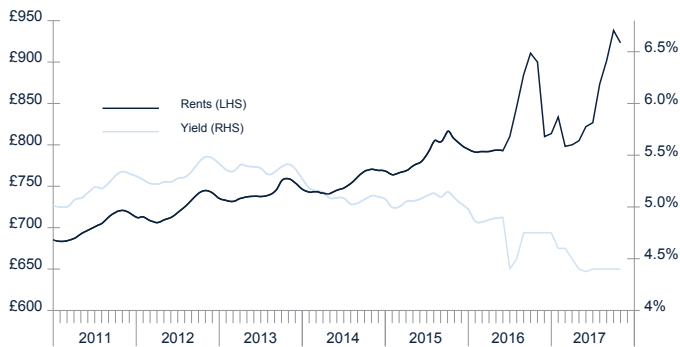
- The focus of the rental market continues to shift away from London and the South East, as other areas have become the drivers of growth.
- In the year to October 2017, the East of England saw rents rise faster than every other region in this survey.
- Prices in the region - which contains many rural areas, commuter towns and major cities such as Cambridge and Norwich - increased by 6% in the last year. The average rent now stands at £887 per calendar month.
- Other areas posting strong price increases were the North West - where rents grew by 3.1% to reach £633 per month - and the East Midlands, which saw 3.2% year-on-year growth to reach an average of £648.
- London was one of two areas to see prices fall year-on-year, the other being the North East. In both areas prices have fallen by 1% in the last 12 months.
- The North East remains the cheapest place to rent a property, with the average house being let for £535, while the capital continues to be the most expensive at £1,276 in October. Cont...

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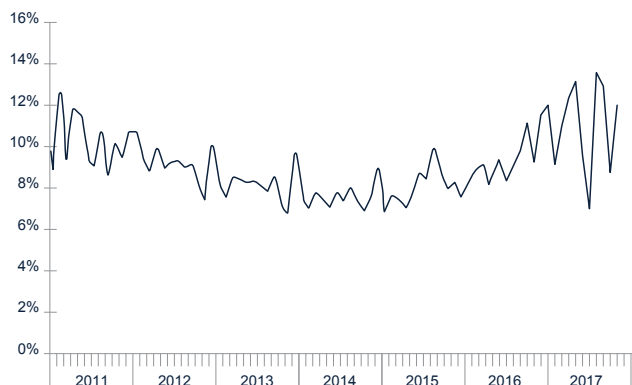
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## Key findings at a glance

Total annual rent and yield from residential property



Proportion of all rent in arrears



Regional Breakdown (12 month moving average)

Region	Rents Sept (£) 2017	One month change	Yields Sept 2017
North West	£633	0.07%	5.0%
South East	£882	0.26%	3.3%
East Midlands	£648	0.23%	4.0%
Yorkshire and The Humber	£574	0.15%	4.5%
West Midlands	£618	0.28%	4.1%
North East	£535	-0.19%	5.1%
Wales	£591	0.22%	4.7%
London	£1,276	-0.32%	3.2%
East of England	£887	0.79%	3.8%
South West	£670	0.22%	3.3%
England & Wales	£845	0.21%	4.4%

## Key insights about the data

- However, this figure masks significant price variations depending on what area of the capital the property is located. The average rental property in London Travelcard Zone 2 costs £1,965 a month compared to £1,083 in Zone 5.

### Landlord returns begin to stabilise

- The yields achieved by property investors stabilised in October, following a period of pressure on landlords.
- Your Move found that the typical yield in every surveyed region remained flat between September and October. This meant the average yield across England and Wales remained at 4.4% this month.
- However, when compared with 12 months ago, properties in every region are generating a smaller return. In October 2016 the England and Wales average was 4.8%.
- As usual, properties located in northern regions continue to offer better returns than other areas.
- This month the average property in the North East had a yield of 5.1% higher than any other area in the survey. The North West was the only other region to post a similar return, it had a yield rate of 5% this month.
- At the other end of the scale, London properties delivered the smallest percentage returns to their owners. The typical property in the capital city generated a yield of 3.2% this month.

### Tenant arrears remain below summer levels

- While the proportion of tenants in arrears did rise between September and October, it remains below the levels seen throughout the summer.
- Your Move found the percentage of households in arrears reached 12.1% this month. While this is above the 8.7% recorded in September it remains well down on the 12.8% recorded in August and the 13.7% found in July.
- The proportion of tenants in arrears remains below the all-time high of 14.6%, recorded in February 2010.

## Links, Downloads & Images

For more information, images, downloads including the full report, visit:  
<https://www.your-move.co.uk/media-centre>

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*This survey and its underlying methodology is created and reviewed in partnership with Cebr. It is based on analysis of approximately 20,000 Your Move properties across England and Wales.*