

# BELVOIR!

the lettings specialist

## **March 2013 Rental Index**

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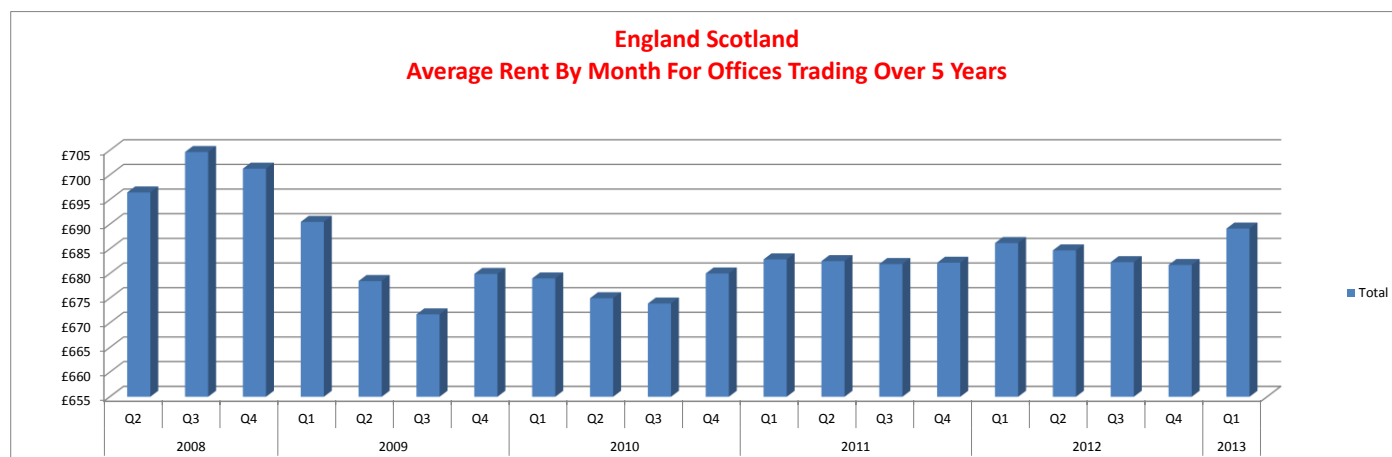
## **Belvoir Rental Index March 13: Top 10 Report Highlights**

1. Average rents across the UK for Q1 2013 were £3 more than Q1 rents in 2012 for offices which have traded consistently over the last five years
2. Rents have been fairly static in England and recorded an average of £716 in Q1 2013 for all offices and £690 for offices trading consistently over the last five years
3. Scottish average rents in Q1 2013 were £549 per month versus £553 in Q1 2012
4. Rents in Wales remain steady with Cardiff averaging £713 per month in the first Quarter of 2013, Swansea £630 and Wrexham rents at £574 per month.
5. Northern Ireland landlords are securing 8-10% income returns. Although prices have fallen and are still stabilising in the region, rents levels have been maintained throughout the credit crunch.
6. Areas yet to recover to 2008 heights by Quarter one 2013 include the North East and East Anglia
7. Areas recovering to 2008 heights include North West, East and West Midlands
8. Areas where rents have overtaken 2008 heights include Yorkshire, South West, S. East and London

## National Rental Trends

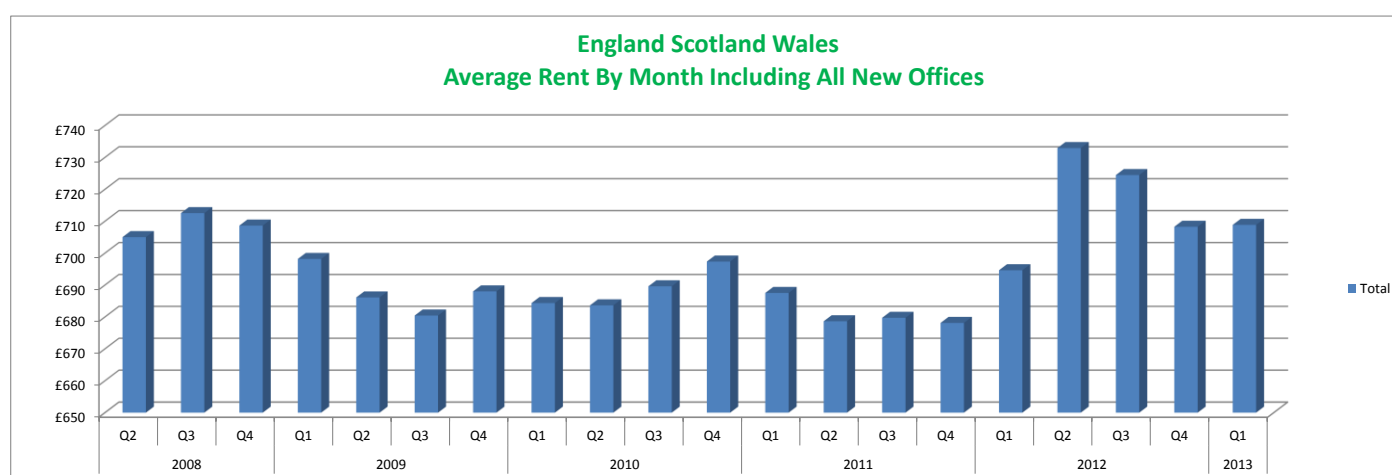
Quarterly trends over the last five years show rents rose to a height of £705 per month in Quarter two 2008, then fell by £33 per month to £672 in Quarter three 2009 (-4.7%). In Quarter one 2013, rents reached £689, still slightly off the peak of 2008, but showing rents have nearly recovered lost ground over the last three and half years.

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



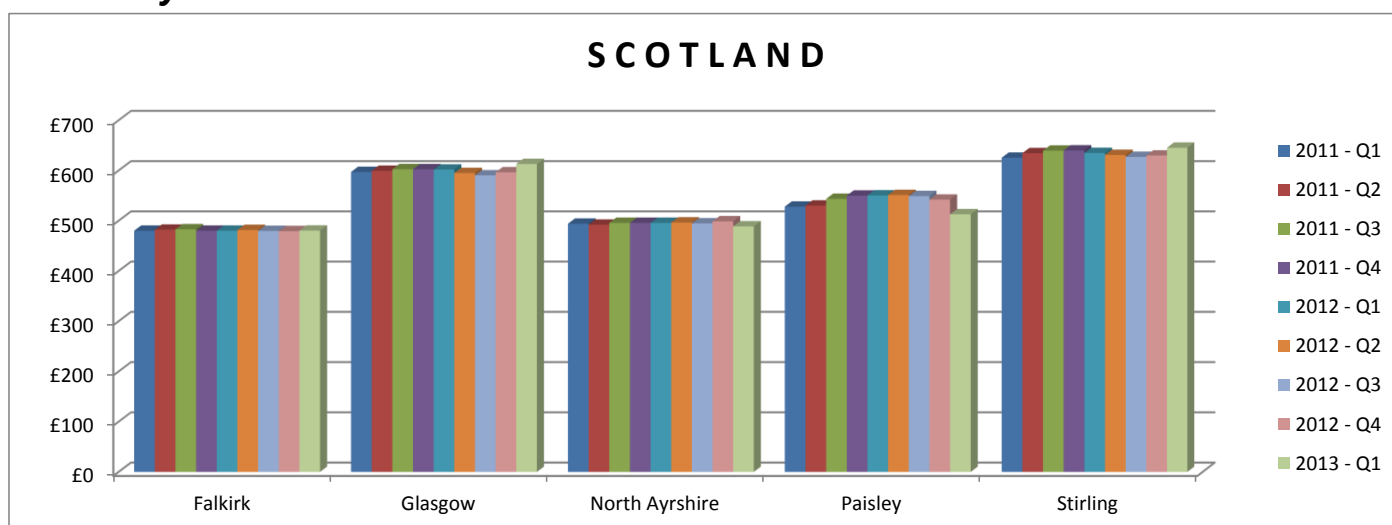
**Chart showing the national rental trends for the last five years, including new Belvoir offices**

Since 2008, the number of Belvoir franchised offices has risen from **approximately 130 offices to over 150**. Overall average rents for all Belvoir offices in Quarter one 2013 is £709 per month, on a par with rental heights reached in Quarter three 2008.



Dorian Gonsalves, CEO of Belvoir Lettings commented *“Rents on a quarterly basis show the first two quarters of the year tend to be the strongest for landlords, while towards the second half of the year tend to favour tenants.”*

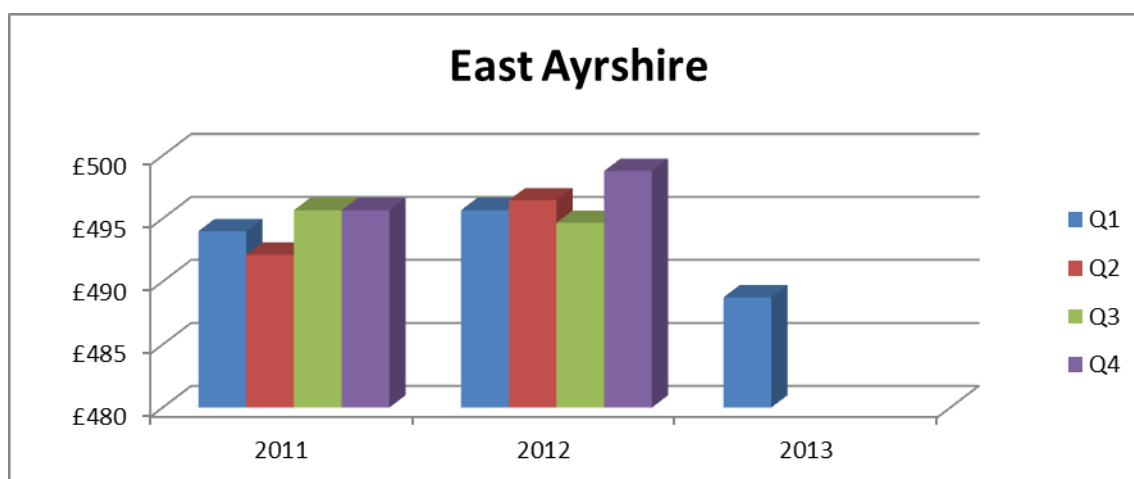
## Summary for Scotland



Rents across areas within Scotland show rents overall are pretty flat bar Glasgow and Stirling which show a slight increase for Quarter on 2013 on previous quarters. Areas such as Falkirk, North Ayrshire and Paisley are showing rents are trending down slightly towards the end of 2012 and the start of 2013.

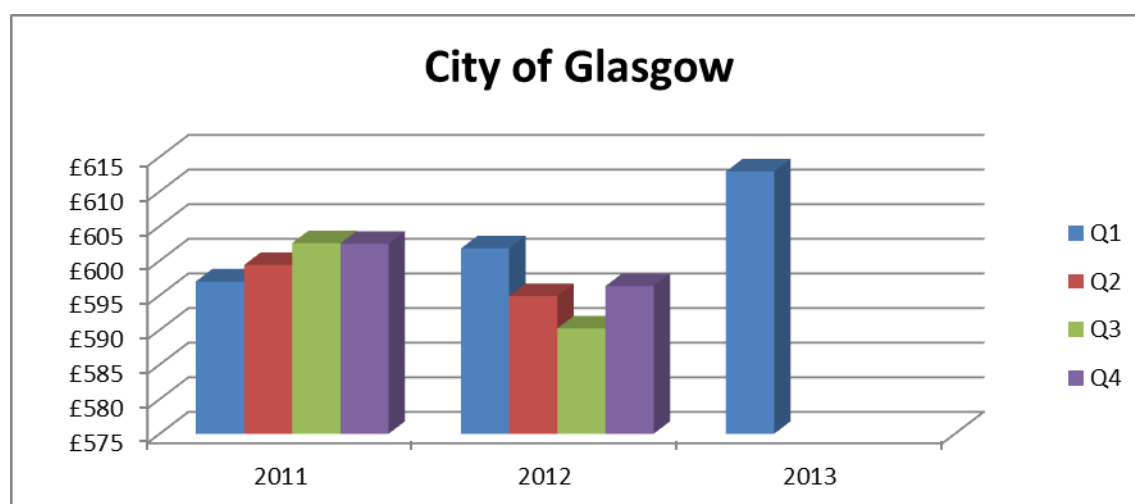
Denise Rhodes, from Belvoir Paisley explains "Rents have dropped by around 5% for one and two bed flats in the first quarter of 2013 while rents for houses have remained pretty level. Overall demand remains buoyant for the year and we have seen more families move into rented accommodation although they mainly young professionals such as solicitors and doctors who have just qualified. Rental stock from 'reluctant landlords' is remaining on the market while investor landlords are taking advantage of low mortgage rates and prices to increase their portfolios."

East Ayrshire rents are recording an average of £489 in Quarter one 2013. This is slightly down on Quarter four 2012 and £7 a month less than in Quarter four 2012. Since 2011 however, rents in the region have been fairly static at just under £500 per month.

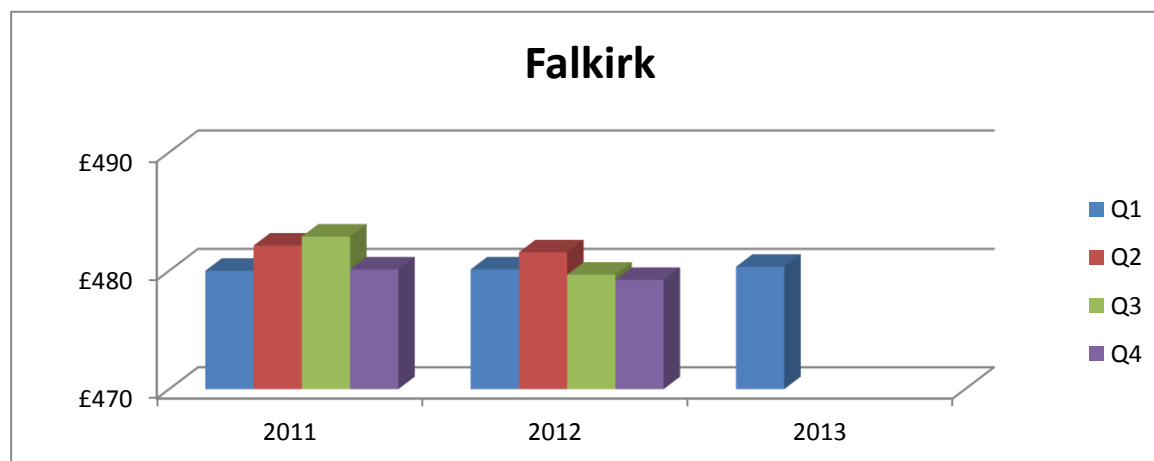


Glasgow rents for Quarter 1 2013 showed an average of £613 per month. This is a rise versus Quarter four 2012 and also a just below inflation rise of 1.8% versus Quarter one 2012.

*Sharon Walker from Glasgow says trends in Glasgow City and the West End suggest rents have increased slightly and there is a particular shortage of one bed properties. Outside of the City, rents are stable or showing signs of slight falls. This is especially the case for three to four beds. From a stock perspective, most of the properties come from accidental landlords, which at the moment is providing tenants with a good choice of properties.*

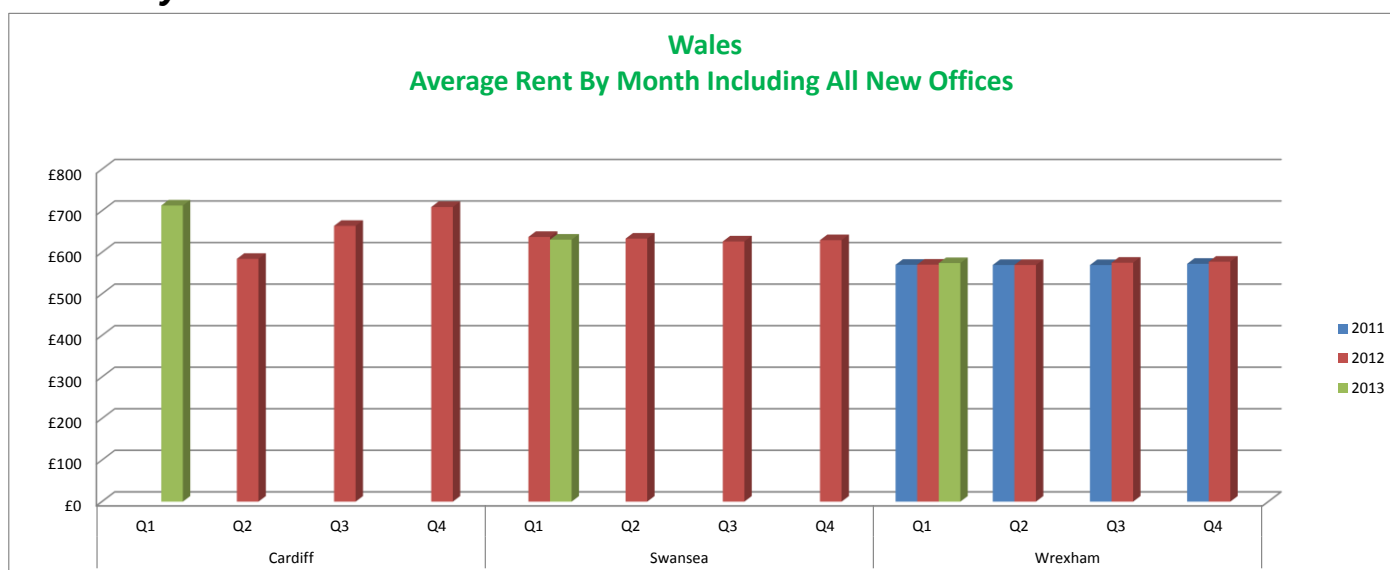


Rents in Falkirk have been static over the last few years with slight falls towards the end of 2012. Quarter one average rents for 2013 remained at £480 per month.



Over the last five years, quarterly rents have fluctuated by just +/- 3% and rents in Quarter one 2013 are steady at £645 per month. This is just £10 or just over 1.5% above rents in Quarter one in 2012. Unlike the rest of the UK, Stirling didn't see any falls in rents during 2008 and 2009 and rents have been the most steady of all the regions Belvoir cover.

## Summary Wales



Belvoir opened its first Welsh office in Wrexham in 2011 and since then has expanded into Cardiff and Swansea.

Wrexham rents are showing small signs of growth since they opened. Quarter one rents in 2013 have reached a height of £574 per month, just £5 above previous Quarters in 2011 and 2012.

Swansea rents over the last five quarters have fluctuated around £630 per month. Quarter one 2013 rents are £630 per month, £7 below rents for Quarter one 2012.

Rents in Cardiff are fairly steady, showing an average of £709 per month for Quarter four 2012, rising slightly to £713 per month in Quarter one 2013.

## Summary Northern Ireland

According to RICs and Ulster Bank Housing Market Survey, the first Quarter of 2013 has seen house prices stabilise – for the first time since the credit crunch devastated the market in summer of 2007. Northern Ireland's RICs spokesperson Tom McClelland says *"We remain of the view that there will continue to be seasonal adjustments, and that 2013 will see an underlying trend of easing price falls and modestly improving transaction volumes."*

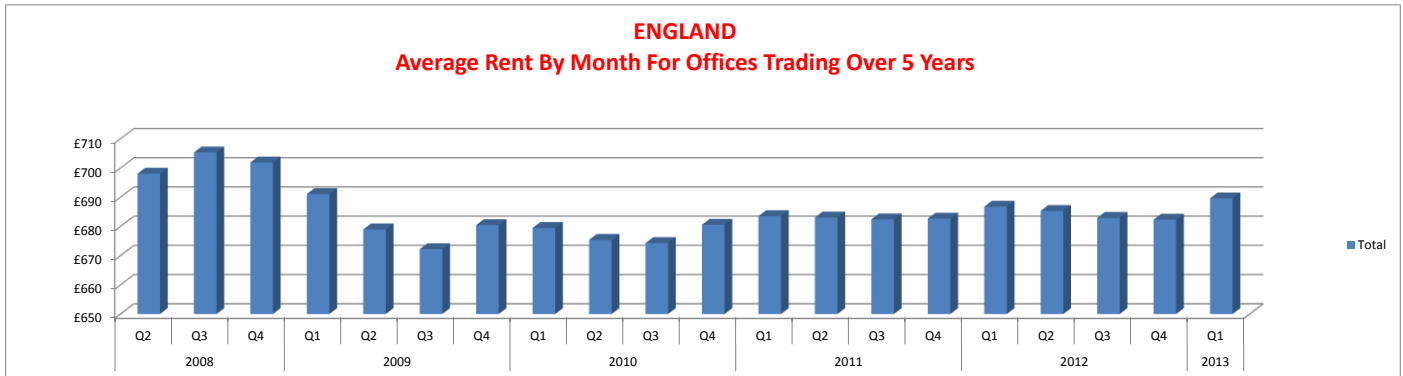
Despite the property price falls over the past few years, rents have remained incredibly stable which means investors can secure deals in the region which generate returns of 8-10%.

For example, properties, even in immaculate condition, can be bought for £70,000 and rent for £475 per month, giving a yield of 8% or an end of terrace property for a similar price could secure £495 per month yielding 8.5%.

For landlords who are looking for a larger property and to maximise yields, a three to four bed property on a council estate could be bought for £60,000, spending around £5,000 to legally let it and securing a rent of £525 per month, yielding 9.7%.

With numbers like these, it's not a surprise that existing and new landlords are coming into the market. However accepting that prices will take some time to recover, are prepared to invest for the long term.

## Summary for England



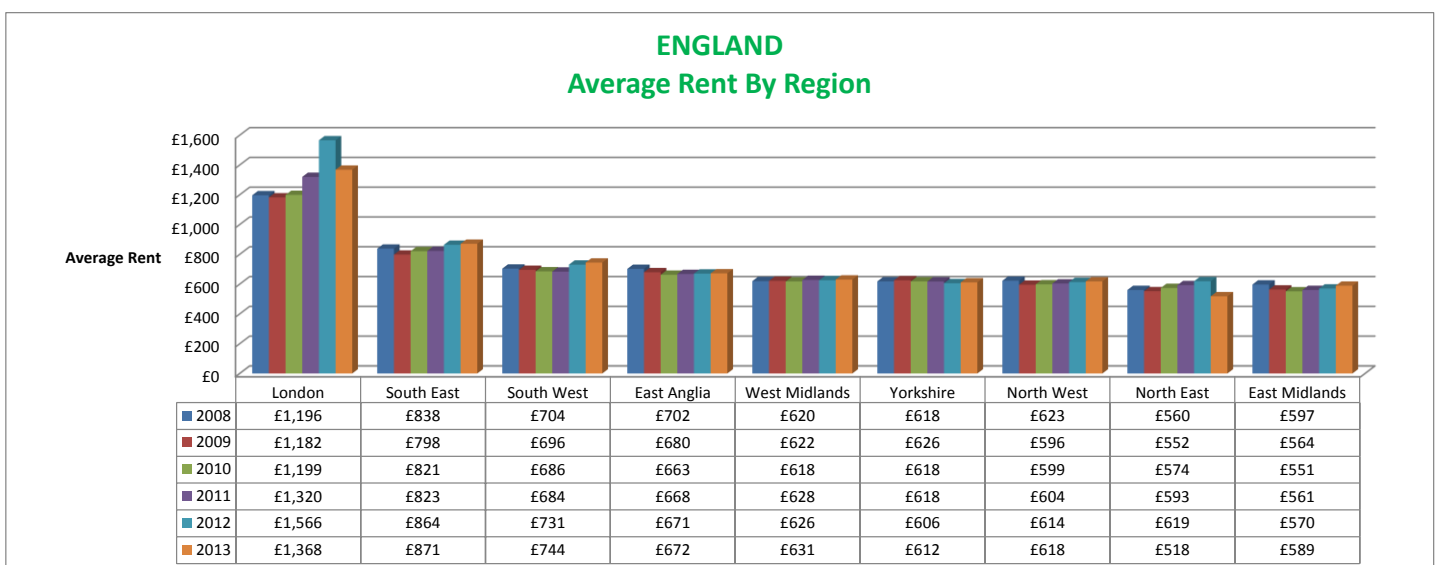
Rents in England for Belvoir which have traded over the last five years show rents for Quarter one 2013 are £690 per month on a par with Quarter one 2009. Overall, rents don't seem to have kept up with inflation with Quarter one rents for 2013 being just £3 above rents for Quarter one 2012.

## Belvoir Regional Rental Trends Summary

At a regional level rents can vary dramatically, albeit not as much as prices. Over the last five years, rents rose to a peak in 2008 in most regions, then fell back by up to 20% in some areas during 2009. In 2010, rents started to recover as demand rose and little additional stock has come onto the market.

Contrary to previous rental predictions, rents steadied, even in London during 2012. Quarter one results for 2013 suggest rents remain fairly static and in many areas are still not keeping up with inflation rises. Tenants who choose to rent rather than buy, have in the main, made a good decision.

### Chart showing average rents by region 2008 to 2013 for all Belvoir English Offices by Region



Regionally, London rents in 2013 are slightly lower than the 2012 average, more on a par with 2011. They are typically double the rest of the UK regions. The most cost effective place to rent are the North East and East Midlands where you can still rent a two or three bed property for under £600 per month.



Rents in London, the South East, South West and West Midlands fell during 2009 but by 2012 had recovered. In 2013, rent levels suggest rises, albeit small ones, will continue in these regions this year. For areas such as Yorkshire and the East Midlands, rents are still below 2008 levels, but are likely to recover fully and may even overtake rent levels set over five years ago.

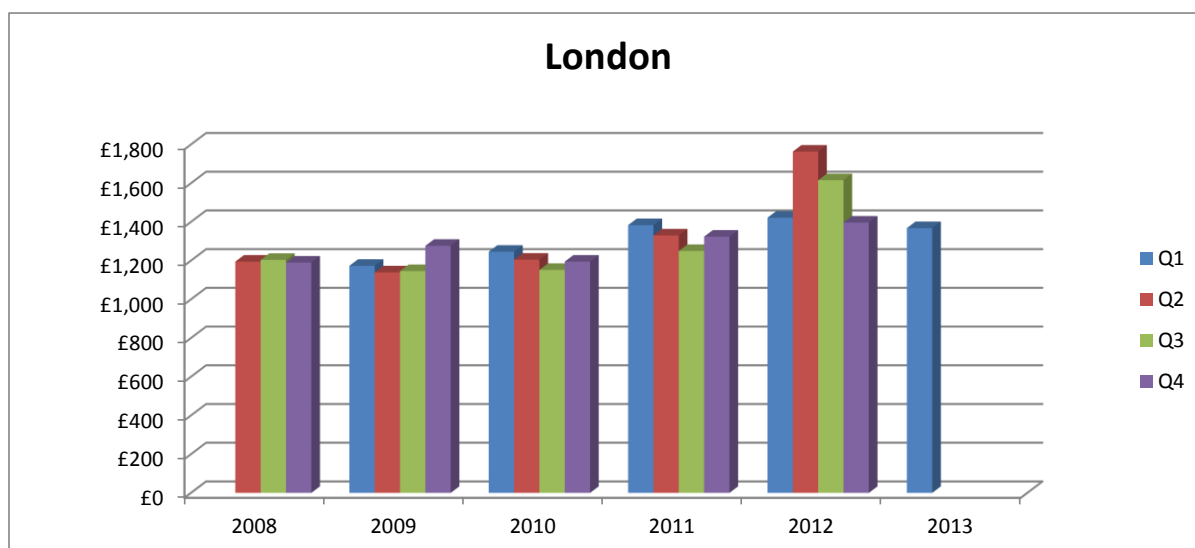
Areas such as East Anglia and the North East still have some way to go to recover to 2008 levels, although these regions are quite varied, so analysis at a County level is likely to give a more accurate picture of what's happening to rents at a local level.

## Belvoir Regional Rental Trends

### London

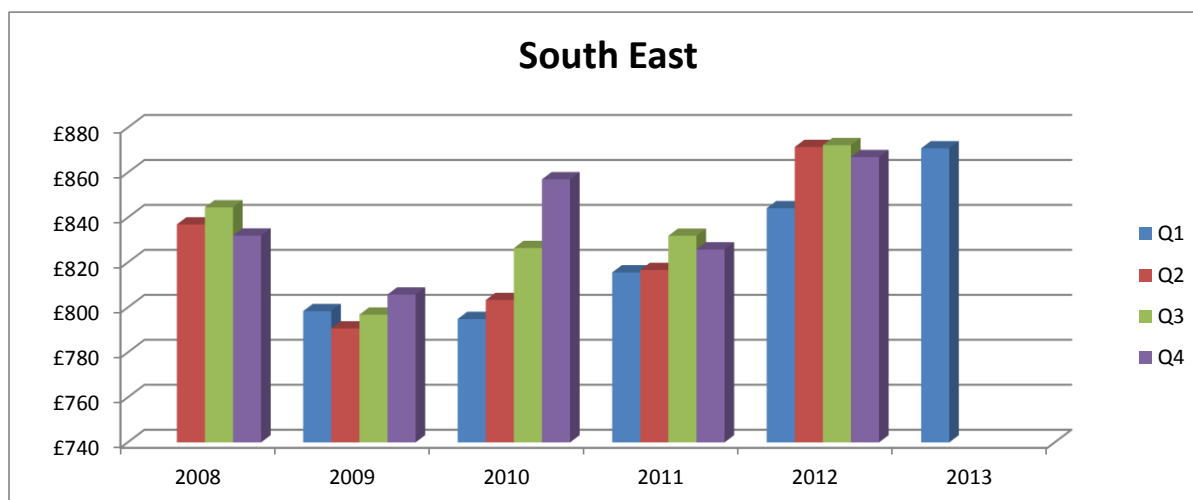
Quarterly rental trends in London show Quarter one 2013 rents averaged £1,368 per month versus £1,422 per month the previous quarter. This is a small fall of 4% year on year. Quarter one 2013 rents Quarter four 2012 shows rents have actually fallen slightly too from £1,396 to £1,368 per month (£28 per month less).

Trends across London though do vary dramatically, with Romford rents running at less than £900 per month while rents within Camden are nearly £2,500 per month.



## South East

Quarterly rental trends in the South East show Quarter one 2013 rents averaged £871 per month. On the surface this seems a large increase versus Quarter one 2012 rental averages of £844 per month. However, in reality this is just a 3% increase, just in line with inflation year on year. And, quarterly rents over the last four quarters have stabilised around the £870 per month level.



## South West

Rents for the first Quarter one 2013 give an average of £744 per month. This is a similar level to the last Quarter of 2012, but is a 5% rise on Quarter one 2012 average rents of £706 per month, suggesting rents year on year have almost doubled versus inflation.

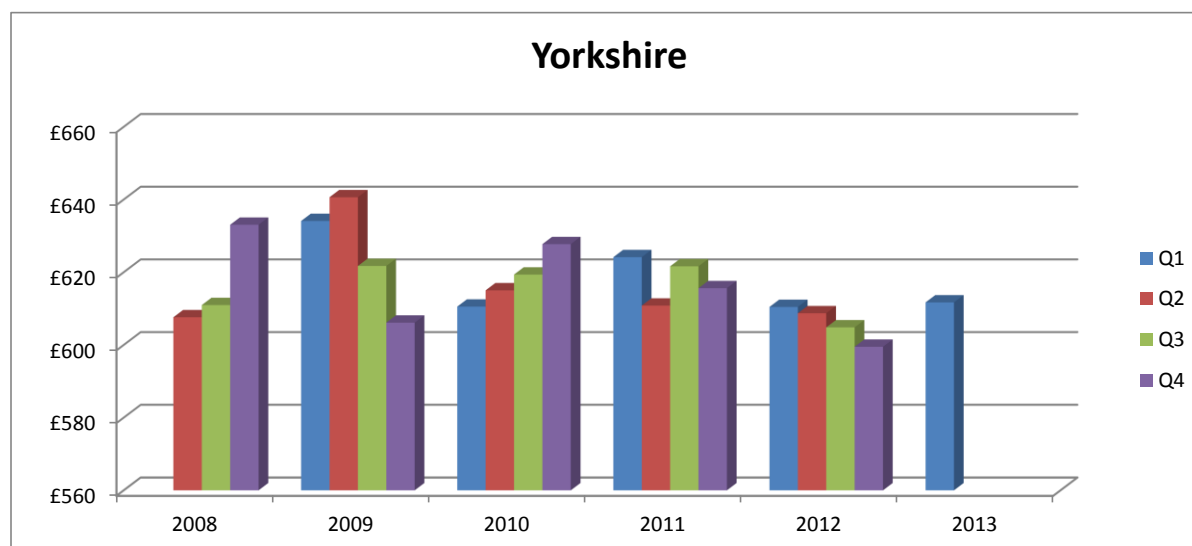
However, analysing rents over a five year period, they have just increased under 7%, which considering inflation over this period of time is approximately 13%, so even with the large rise over the 12 months, rents in the South West for tenants are still good value for money.



## Yorkshire

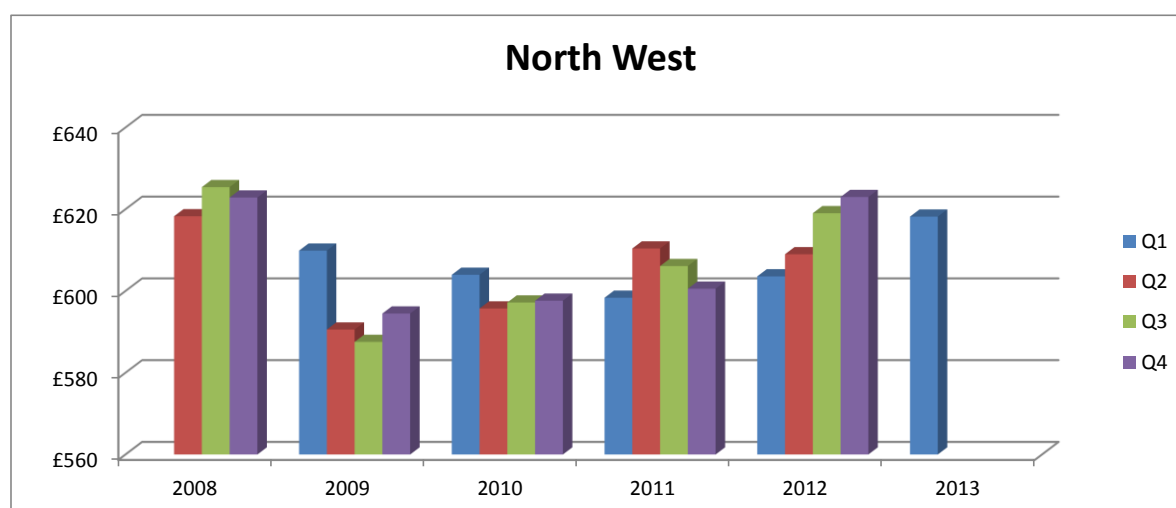
Rents for the first Quarter one 2013 average £612 per month. This is just £2 a month higher than rents recorded in Quarter one 2012, although a £12 increase on average rents in Quarter four 2012.

Overall average rents have been pretty static over the last five years with Quarter two 2008 rents averaging at £608 per month, just £4 per month lower than rents in Quarter one 2013.



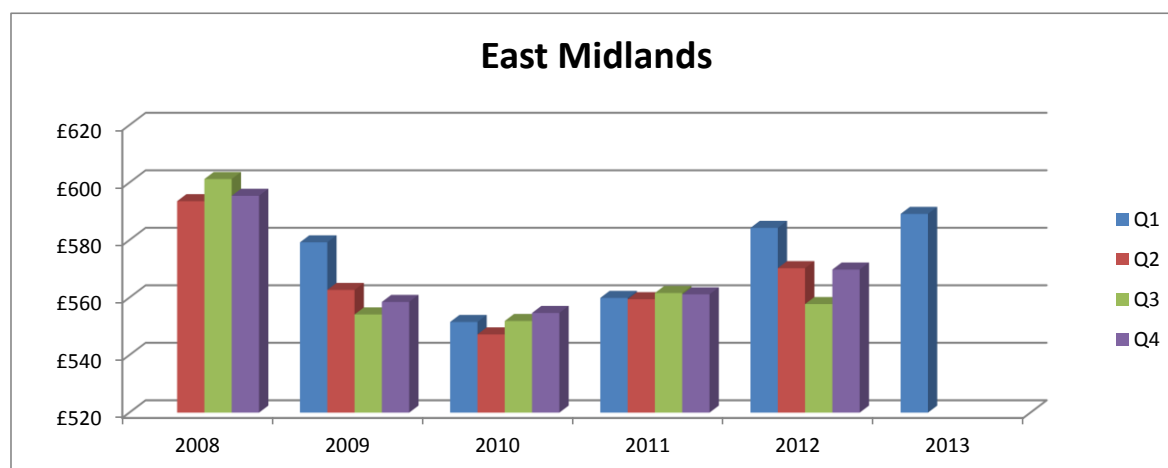
## North West

Quarter one 2013 rents in the North West averaged £618 per month. This is slightly lower than rents in Quarter four 2012 which were slightly higher at £623 per month. Year on year, Quarter one 2013 rents were up by 2%, just below inflation, and versus Quarter two 2008, rents were on a par.



## East Midlands

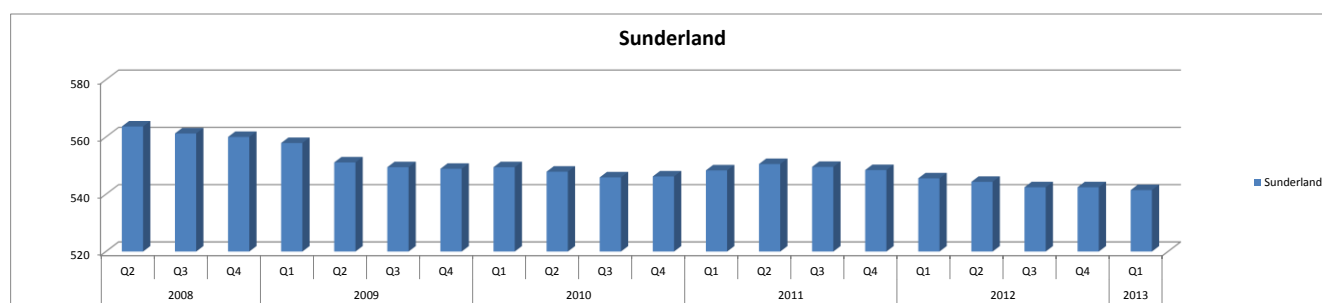
Quarter one rents for the East Midlands reached an average of £589 per month, the highest levels seen since 2008 when rents achieved a height of £601 per month. Average rents in the region fell quite dramatically during 2010, but recovered strongly in 2011 and despite a few ups and downs in 2012, are showing a steady rise in Quarter one 2013.



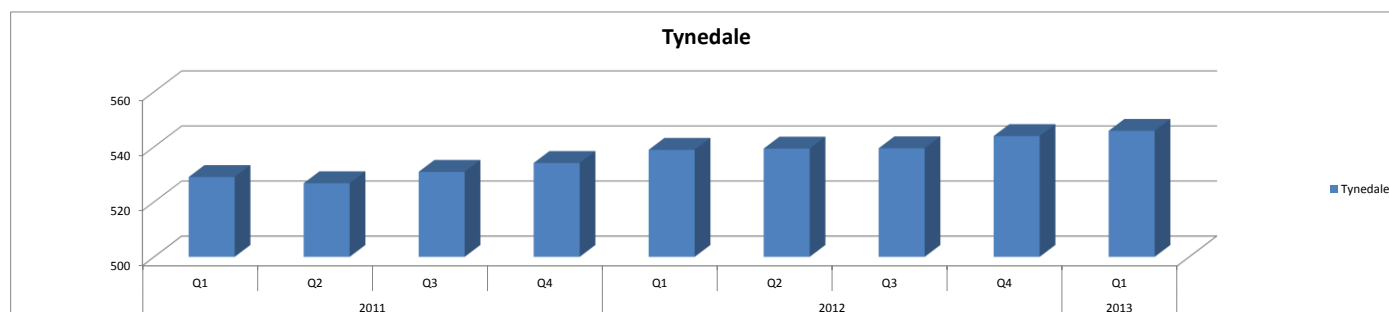
## North East

Rents in the North East vary so much across the region and as we have three offices across the area, it is better to report rents on an individual office basis.

Sunderland rents show they have been pretty stable over the last 12 months. Quarter one 2013 averaged £541 per month, nearly £20 lower per month than levels achieved in 2008.

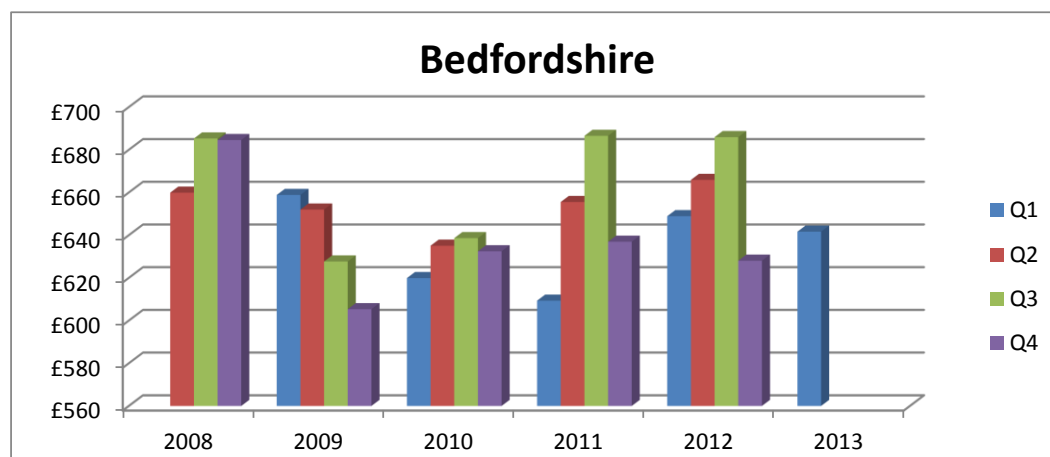


Tynedale average rents are approximately £540 per month for Quarter one 2013. They have been pretty steady at this level for the last three years. Although the statistics in the chart below suggest rents have increased slightly over the last few quarters this is more due to an increase in the number of family homes for rent, which has pushed up the rental average.

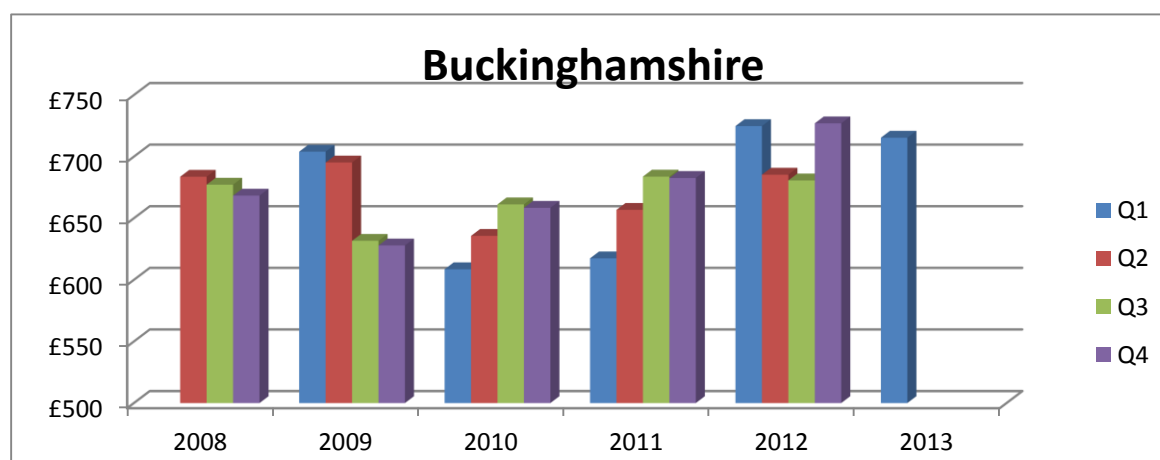


## Belvoir Rental Trends by County

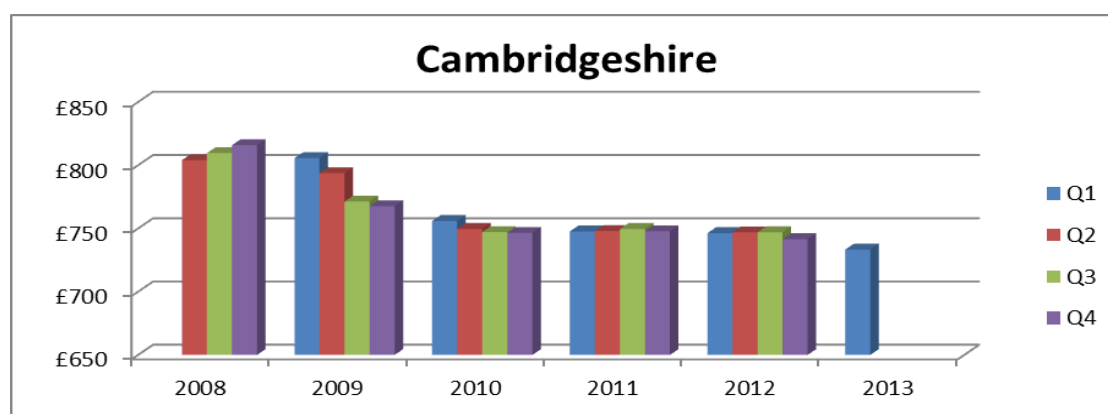
Quarter one rents for Bedfordshire in 2013 average is £642 per month. This is slightly down versus Quarter one rents for 2012 which recorded £649 per month. Bedford and Biggleswade are seeing slightly downward trends in rents while Luton appears to be fairly static over the last three years at £730 per month.



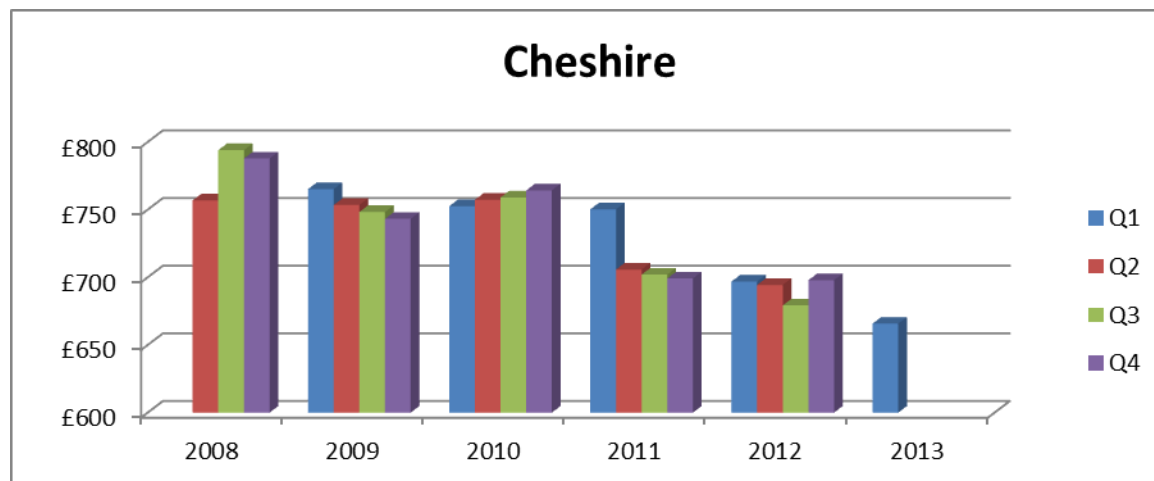
Buckinghamshire quarterly trends show Quarter one averages for 2013 are £715 per month. This is slightly down based on the previous Quarter four which showed an average of £727 per month and versus 2012 Quarter one rents which were £725 per month.



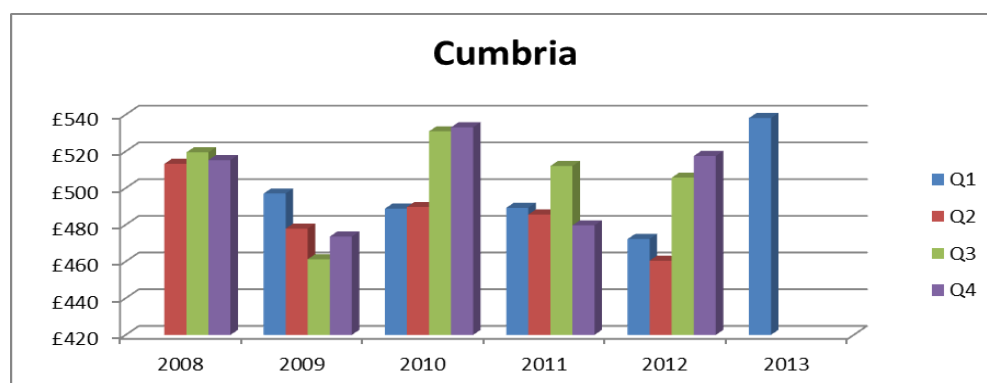
Cambridge rents in Quarter one 2013 show an average of £733 per month, slightly down on average rents for Quarter four of £747 per month and Quarter one 2012 which recorded £746 per month.



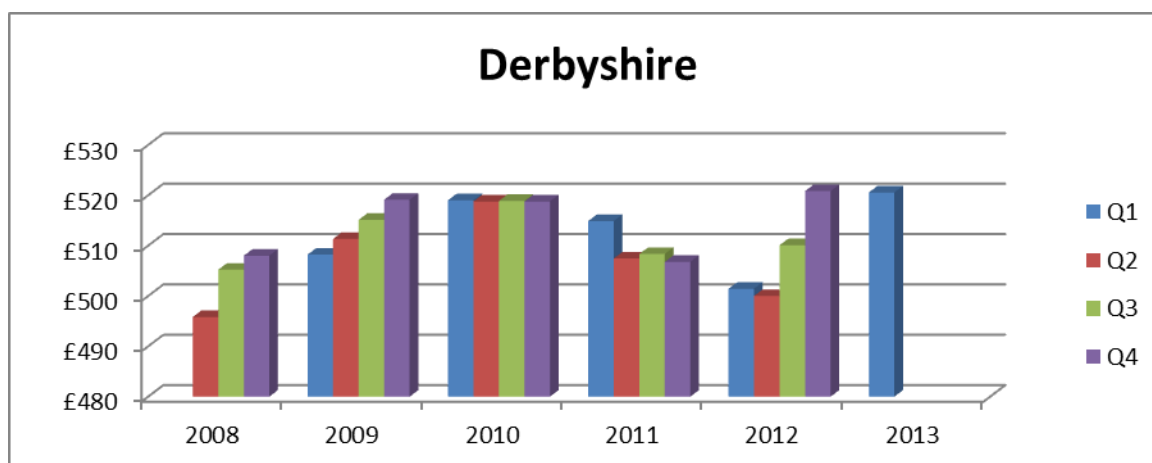
Cheshire rents showed strong growth to 2011, but have dropped back since with Quarter one 2013 showing the lowest average rents since 2008 of £666 per month. This is down versus Quarter four 2012 which recorded average rents of £698 and Quarter one rents of £697. Warrington appears to be the only area to buck this trend with rents averaging at £569 per month in Quarter one 2013, just £5 more per month than the average for 2012.



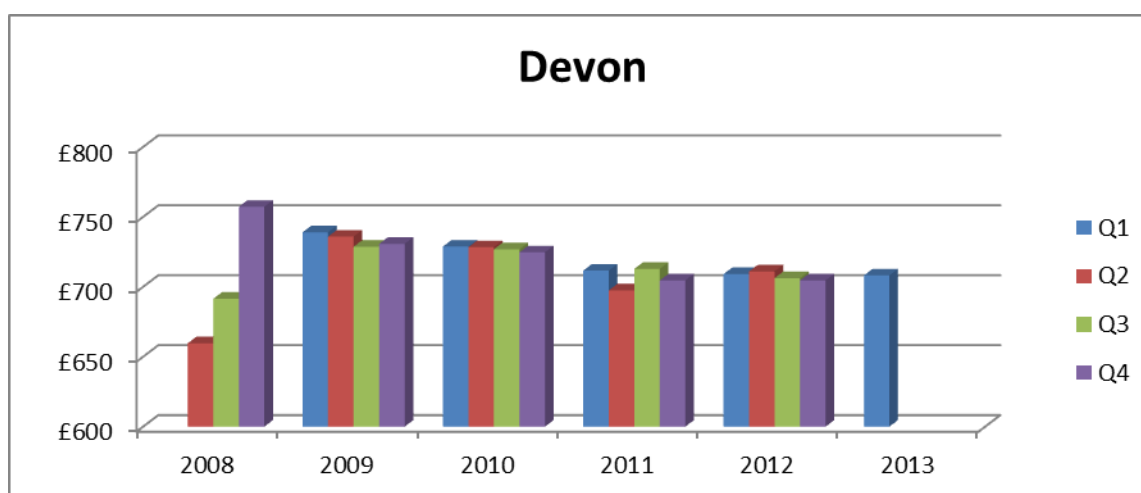
Cumbria rents averaged at £538 per month in Quarter one 2013. This was a rise over Quarter four rents for 2012 and 14% rise versus Quarter one 2012. However, although this seems a big leap year on year, Quarter one 2013 average rents are only just under 5% higher than they were five years ago in Quarter two 2008.



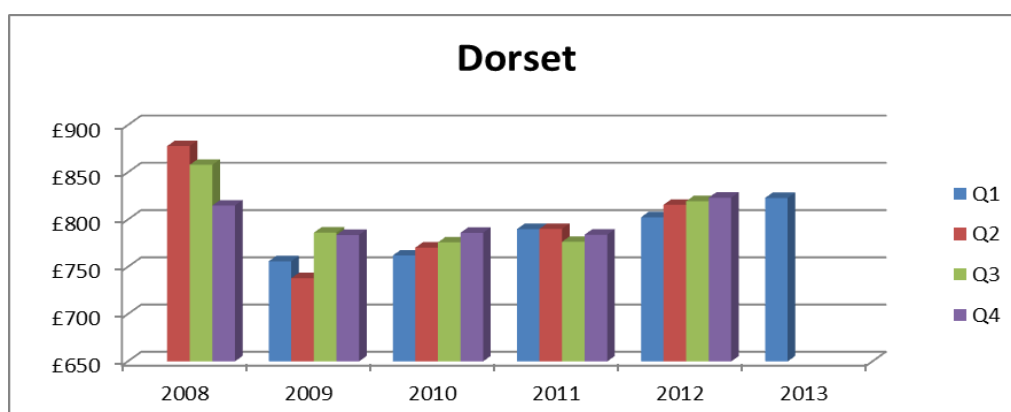
Rents in Derbyshire appear to have jumped in 2012, but this is mainly due to our new Derby West office opening with a slightly higher average rent in the county. Rents for Derby remain static year on year at £502 per month with rents for Derby West currently averaging £540 per month.



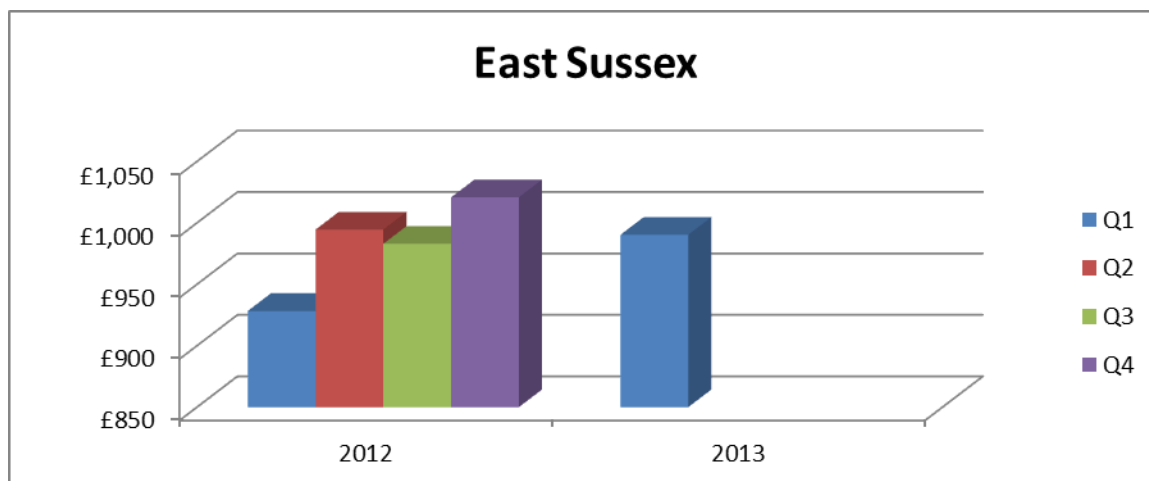
Derbyshire Quarter one rents for 2013 are showing an average of £525 per month, which is pretty static versus 2012 and just £1 per month below rents in Quarter one 2012. Overall, rents are up versus five years ago by 7%.



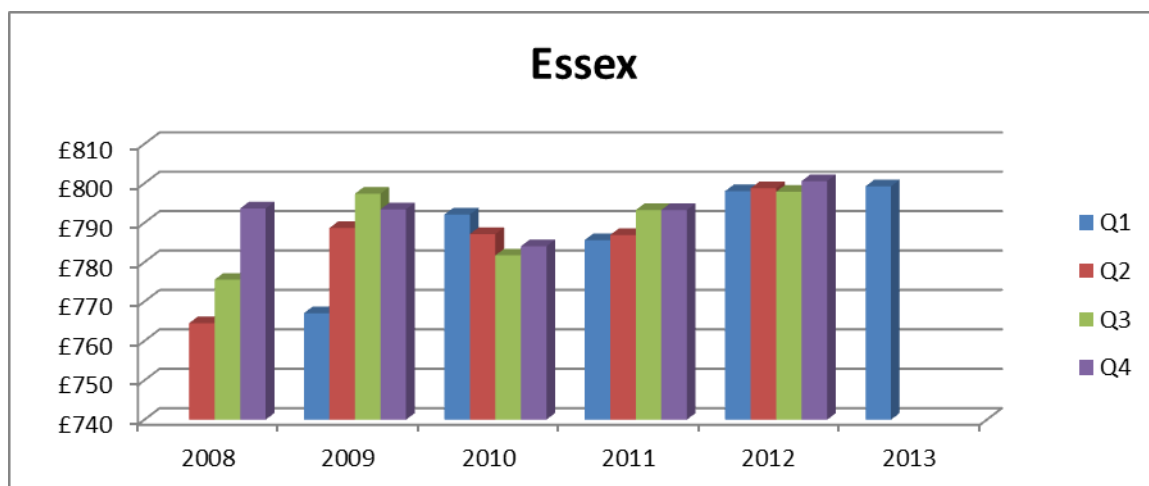
Devon average Quarter one rents for 2013 are £715 which is on a par with Quarter four rents for 2012 and up in line with inflation versus 2012 by £20 per month.



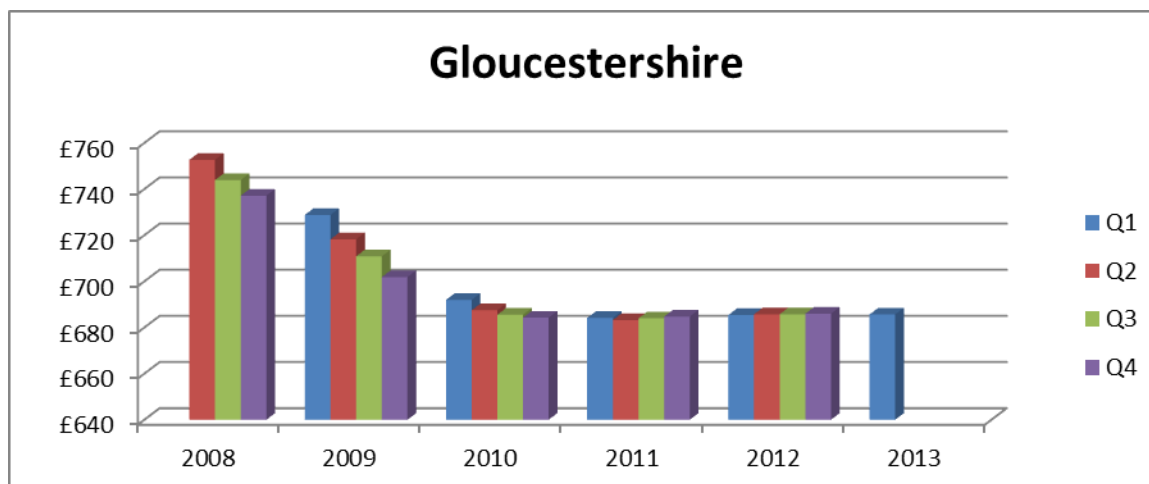
Dorset average Quarter one rents for 2013 showed an average of £835 per month. This is a 6.5% versus Quarter one 2012, but a small fall versus rents achieved in Quarter four 2012 which averaged at just over £1,000 a month.



Average rents for Quarter one 2013 in Essex were £799 per month. This is on a par with rents from the previous Quarter four 2012 and Quarter one 2012. Overall rents seem to have been fairly static in Essex for the last four five years.



Average rents in Quarter one 2013 for Gloucestershire are £686 per month and have been at this level now since Quarter two 2010, nearly three years ago. This masks different trends however with Gloucester rents remaining 9% lower than five years ago, while rents in Cheltenham are at £684 per month, a 2% rise versus 2008.

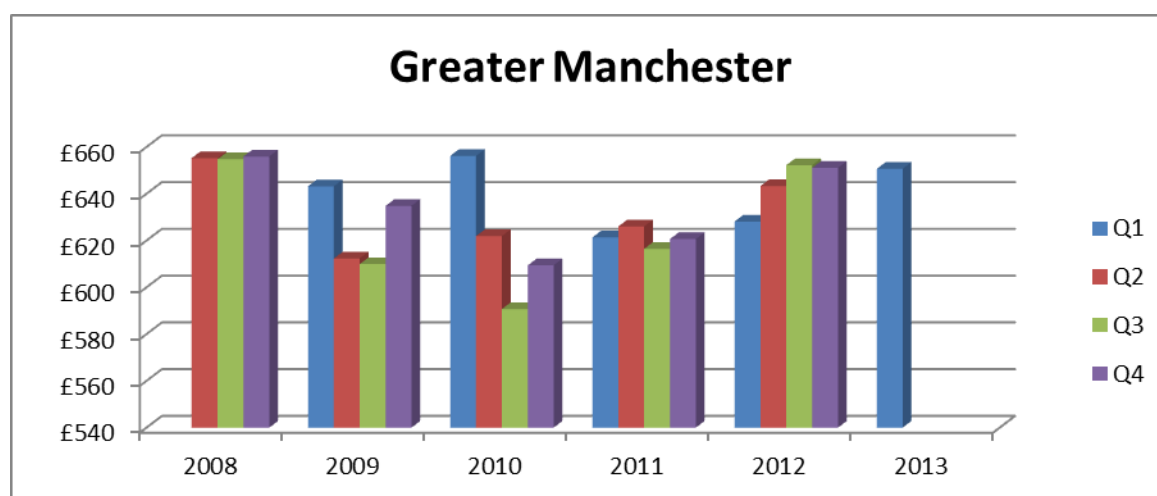




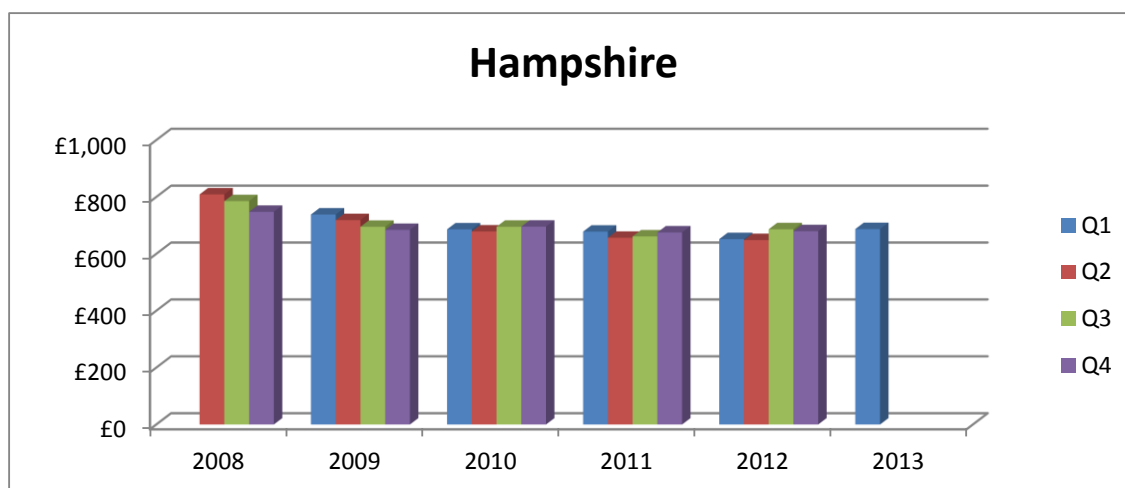
Greater London rents can vary dramatically from one road to the next. Overall the rental trend since 2008 has been a slightly rising one with rents for Quarter one 2013 averaging at £1,377 versus rents in Quarter two 2008 of £1,143. This represents a 2% increase over a five year period. Rents during 2012 show an unusual peak due to high average rents recorded during this time in the Docklands area. Overall, rents in Quarter one 2013 versus Quarter on 2012 have hardly changed.



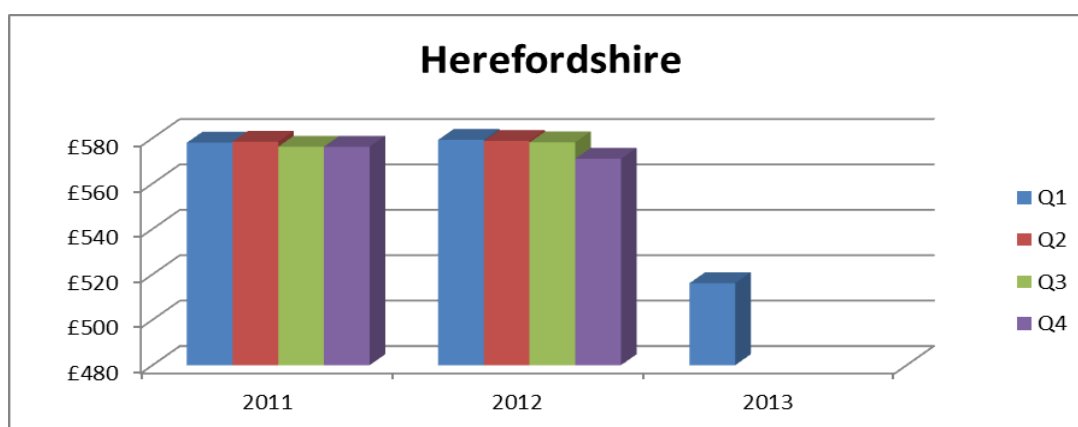
Greater Manchester rents for Quarter one 2013 averaged at £651 per month. This is on a par with Quarter four rents in 2012 but up by 3.6% versus Quarter one 2012. Although it looks like an increase in rents year on year, rents in the region are really recovering to the heights seen five years ago in 2008 of an average of £655 per month.



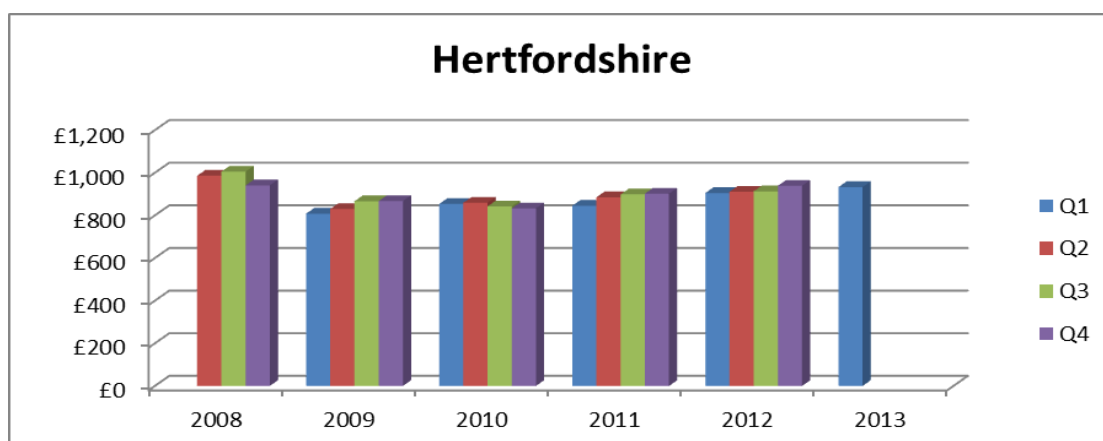
Rents in Hampshire averaged £687 per month for Quarter one 2013. This was slightly up on Quarter four rental averages of £680 and a 5% increase versus Quarter one 2012. Basingstoke and Andover are driving the increases while

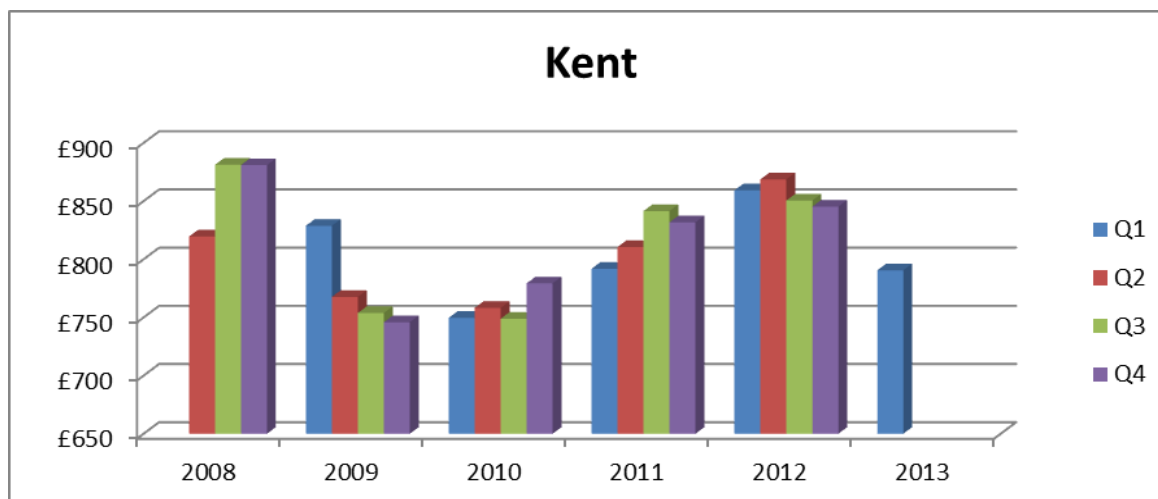


Rents in Herefordshire are averaging at £516 per month for Quarter one 2013. This is a fall based on previous years where rents have been fairly stable over the last few years at £580 per month.

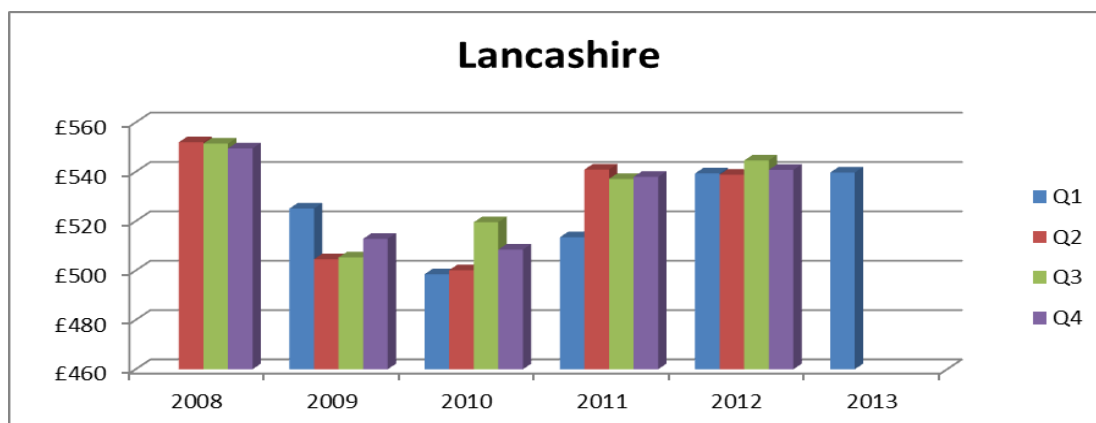


Hertfordshire Quarter one rents for 2013 averaged at £933 per month. This was slightly down versus the Quarter four 2012 of £939 per month, but an increase of 3% versus Quarter one 2012. Rents in the County are not far off the heights of 2008 and may recover to these levels if rents continue to steadily rise this year.

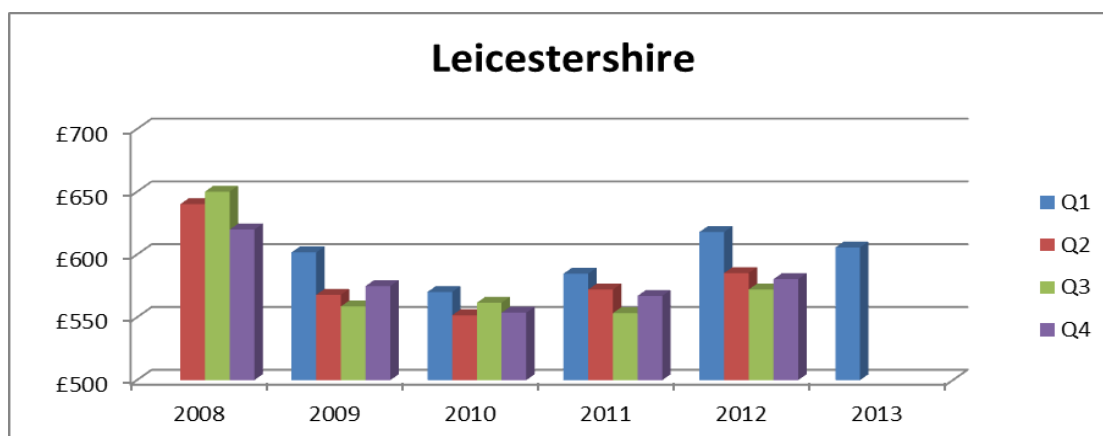




Rents in Lancashire have remained fairly steady since 2011 with average rents for Quarter one 2013 of £540 per month. This is on a par with Quarter four 2012 rents and rents achieved in Quarter one 2012 the previous year. Rents are still £10 a month behind those achieved in 2008, five years ago.

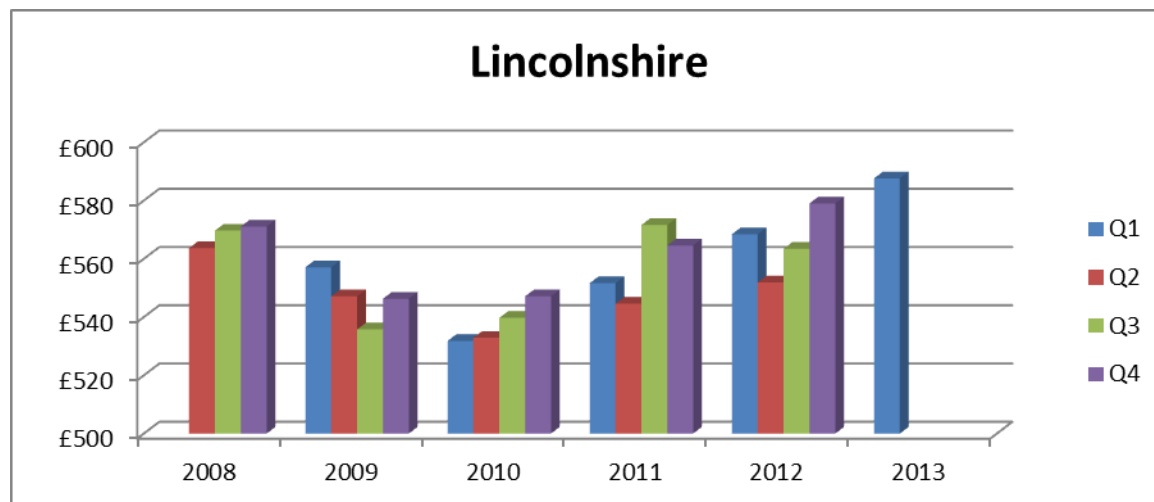


Leicestershire rents averaged at £606 per month in Quarter one 2013. This was a slight increase on rents in Quarter four 2012, but a fall of £12 per month versus the 2012's Quarter one figures. However, the Quarter one figures for 2012 seem to be higher than averages seen since 2008. Overall, rents so far in 2013 seem to be trending 3% above annual rental averages.



Lincolnshire rents for Quarter one 2013 show an average of £588 per month. This is slightly higher than Quarter four rental averages and £20 per month higher than rents achieved in Quarter one 2012 which is a 3.5% increase year on

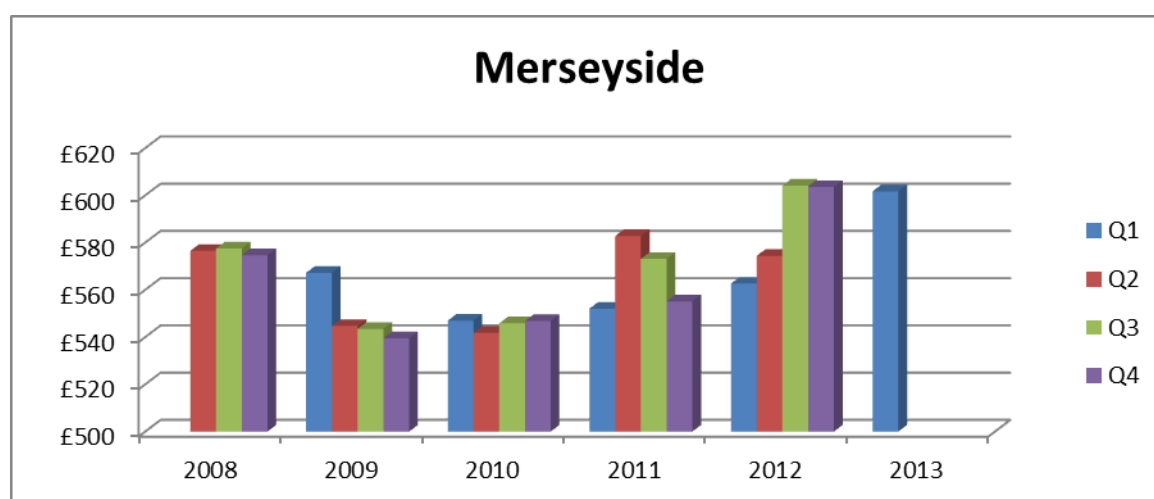
year. Lincoln and Bourne rents appear to be static over the last five years while Boston, Grantham and Sleaford appear to be driving the overall rise in rents.



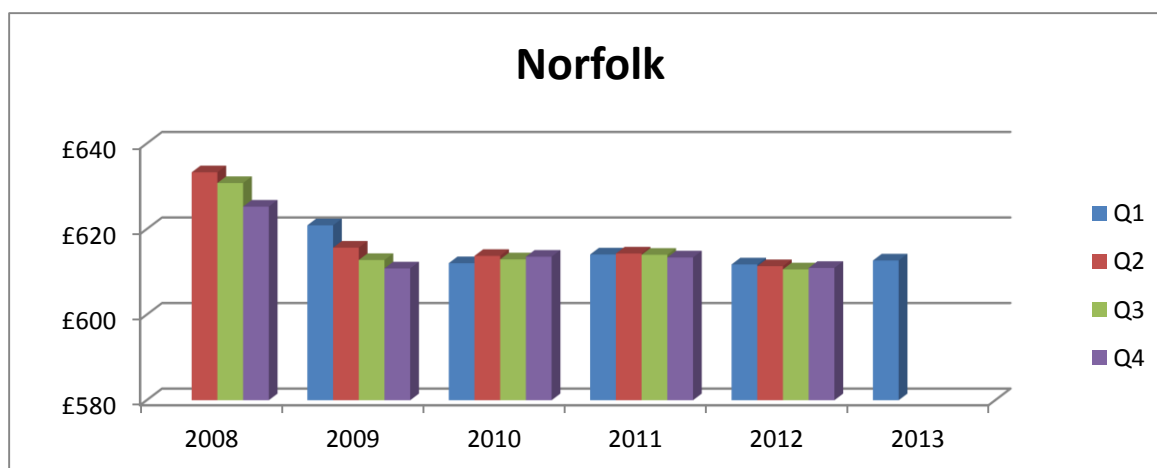
Average rents for Merseyside in Quarter one 2013 reached £602 per month. This is on a par with Quarter four 2012 rents, but a 7% rise versus Quarter one 2012. Overall this rise seems to be mostly driven by Liverpool as other areas such as Prescot, St Helens and the Wirral appear to be fairly static.

Paul from Liverpool Central comments *“Advertised rent may show an increase due to a change in the stock such as an increase in properties rented by the room, especially as we have a lot of students. However, in the main most landlords are more concerned about keeping the property occupied than they are about raising rents, so tenants who make an offer, tend to get a good deal. From a landlord perspective, we are seeing investor landlords starting to increase their portfolios, while those who are accidental landlords are starting to see if they can sell their properties.”*

*From a property type perspective, one bed furnished flats are the most popular with location being key. Brand new builds and high spec properties let extremely quickly while lower end properties which clearly require a new bathroom or kitchen and don't have a decent range of white goods can suffer higher voids.”*

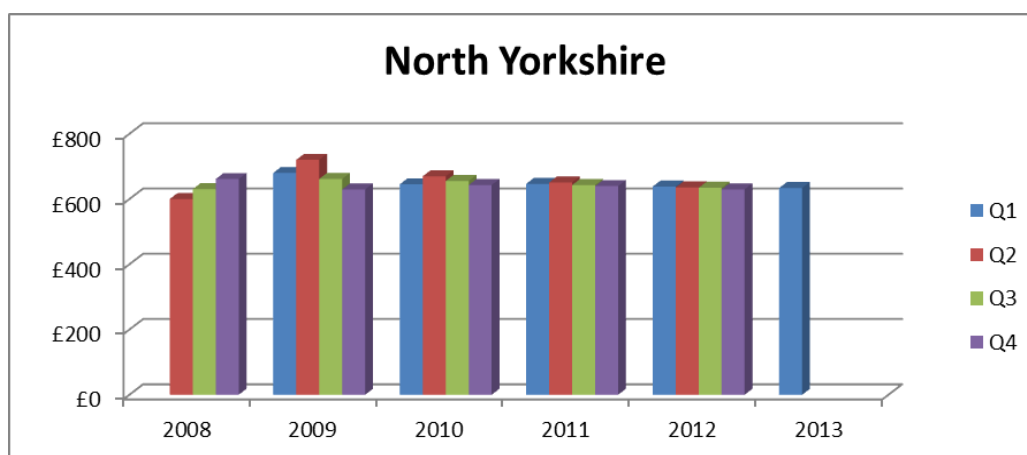


Adam Rastall, who runs the West Derby office explains *“we are definitely seeing a slight rise in rents. It's not huge, an extra £10-£25 per month. Demand for property from tenants is always strong in our area, but we are noticing tenants are staying a lot longer in their properties. From a supply perspective, accidental landlords are keen to see if they can sell, while investors want to buy but are struggling to find deals which stack up. Properties which let quickly include those which are well maintained and in a good location.”*

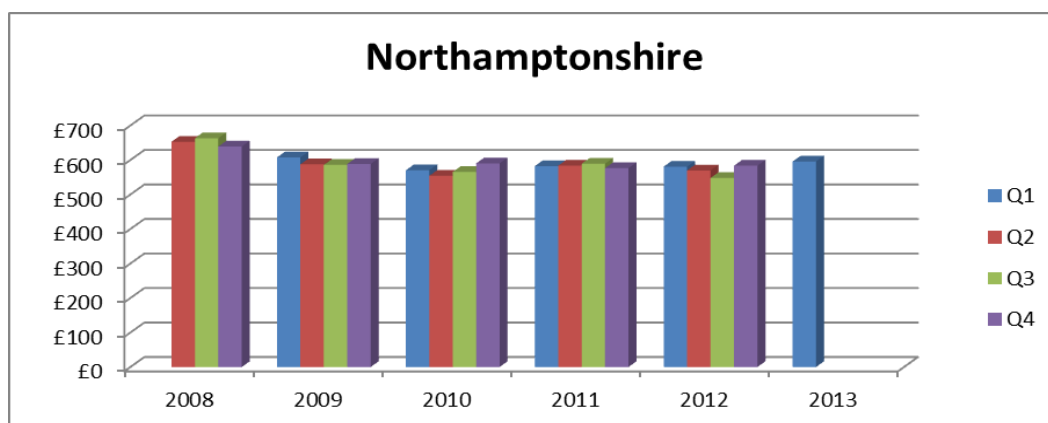


North Yorkshire rents for Quarter one 2013 reached £634 per month. This is on a par with Quarter four 2012 and just £4 per month lower than 2012. Rents in Skipton are now slightly higher than those recorded five years ago in 2008 while in York, they still need to grow by approximately 5% to reach similar levels.

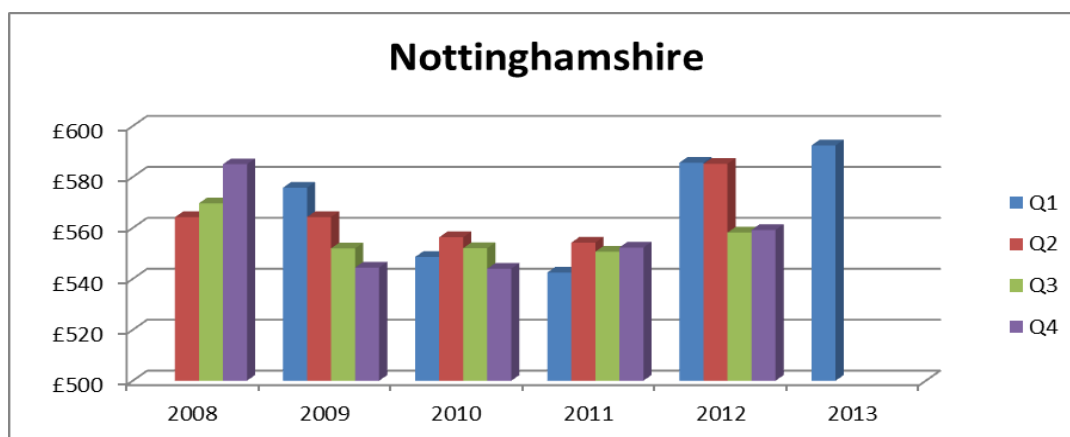
Mark Stephenson who runs the York office comments *“Our market is extremely robust with demand outstripping supply and properties being let within a week. Rental demand is strong in all areas, but rural properties such as bungalows are being let by those who have retired and cottages and three bed homes are popular with professional couples and families, especially near good schools. In the City Centre, it tends to be single or professional couples. From a supply perspective, landlords are extremely active, even buying job lots in blocks of flats. Accidental landlords though are now opting to sell.”*



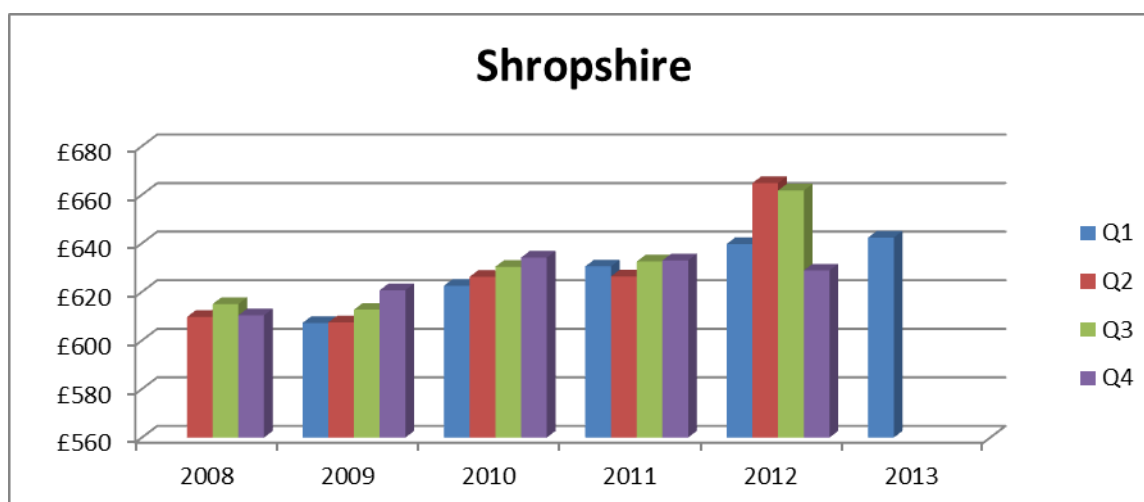
Northamptonshire rents have been fairly stable over the last five years. Quarter one 2013 average rents were £596 per month, slightly higher than rents in 2012, but on a par with rents back in 2009. Within the County, Northampton and Kettering rents have returned to 2008 heights, **while Corby and Wellingborough still have some catching up to do.**



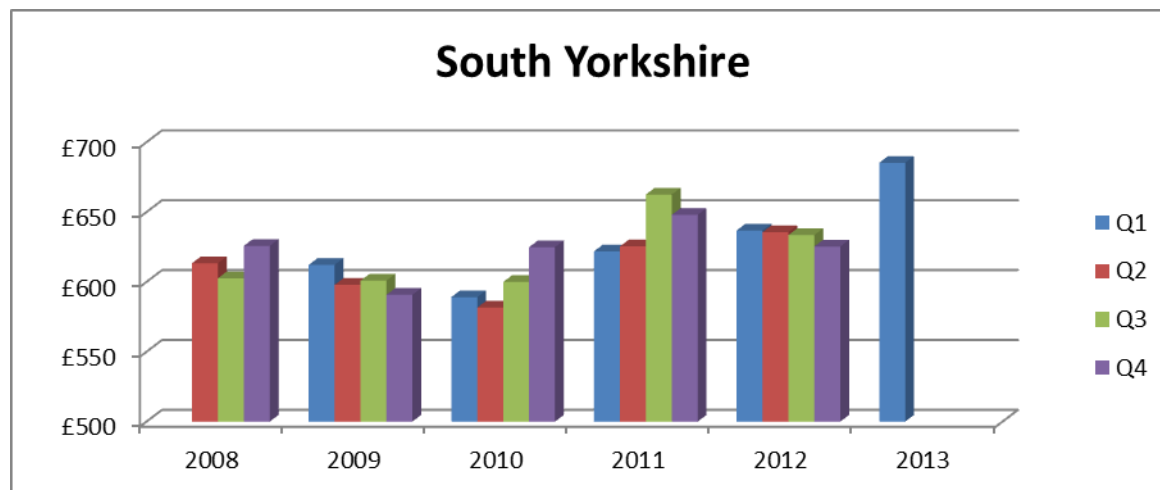
Average rents for Nottinghamshire reached £592 per month, the highest achieved since we started tracking rents in 2008. Rents for Quarter one 2013 were 6% up on Quarter four 2012, but just 1% up versus Quarter one 2012. This is a slightly artificial picture though driven by higher than average rents in West Bridgford, one of the more affluent areas in the County. Other areas such as Mansfield, Newark, Nottingham South and West all have remained fairly static for the last five years. Nottingham City though is showing a steady rise in rents.



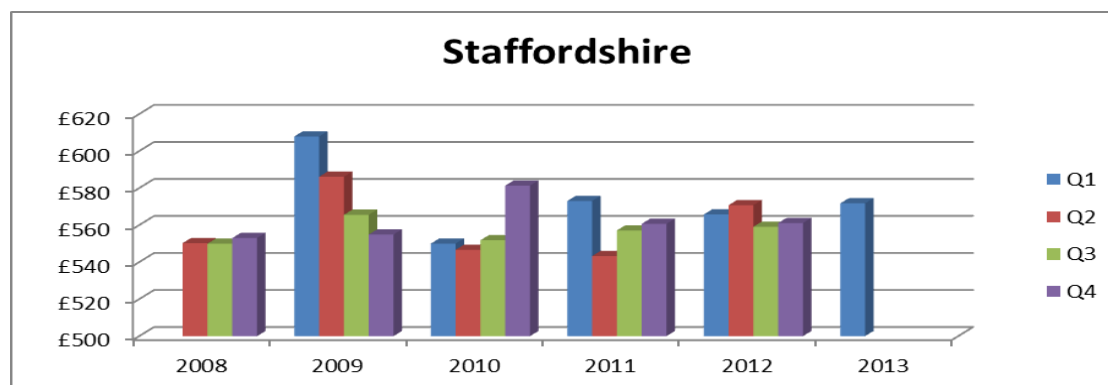
Average rents in Shropshire were £642 per month in Quarter one 2013. This is on a par with Quarter one 2012, but slightly higher than Quarter four's £629 per month in 2012. Overall rents in this County have performed well since 2008. Unlike many other Counties, they didn't see the falls in 2008/9 and although rents haven't quite kept up with inflation, they have grown by 5% over the last five years.



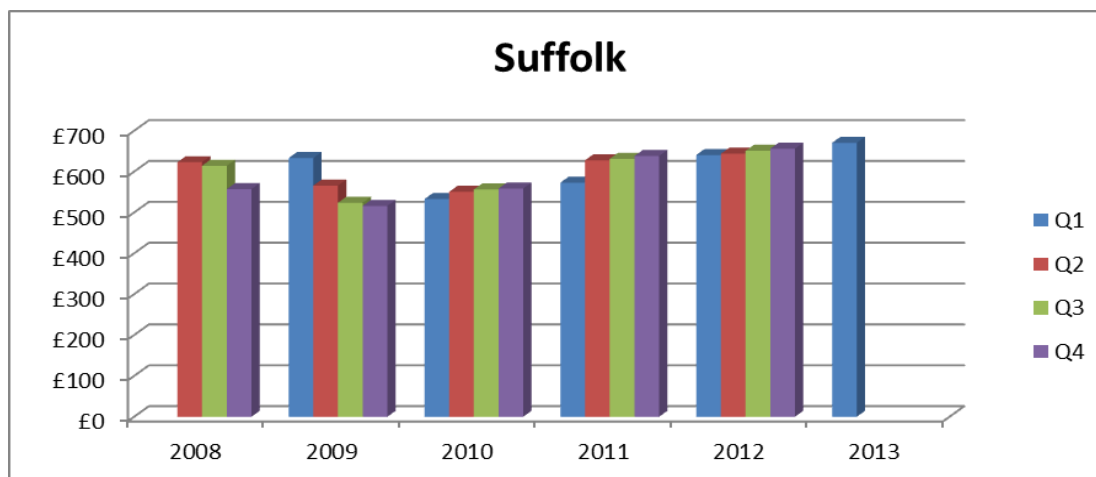
South Yorkshire average rents for Quarter one 2013 were £685 per month. This is quite an increase based on the previous year, however this is more due to an increase in the number of higher priced lets in Sheffield's city centre and large houses let in Bessecar in Doncaster. Overall, average rents for individual property types haven't really risen for some years, the average has increased due to a change in more premium properties being advertised.



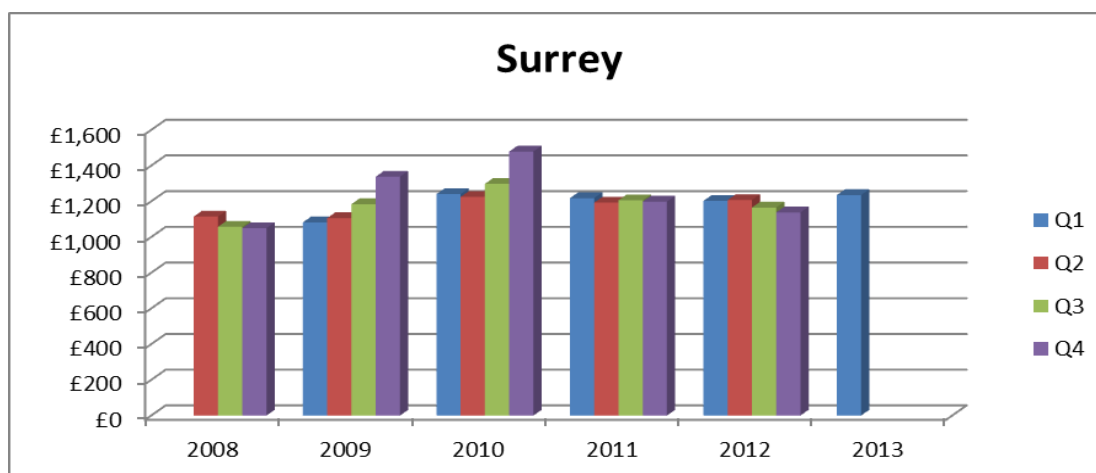
Rents in Staffordshire averaged at £572 per month in Quarter one 2013. This was a small rise versus Quarter four 2012 and just a £6 per month rise versus Quarter one 2012 (1% increase). Overall rents in the County have shown a steady, but small trend upwards over the last few years.



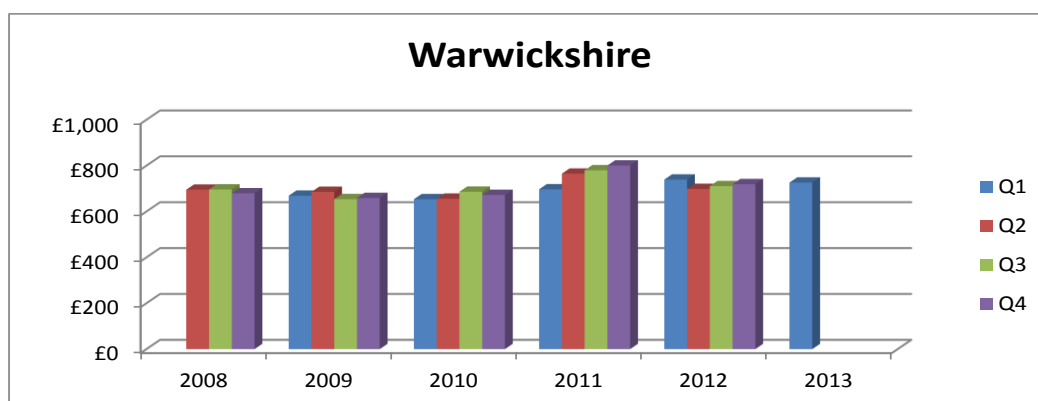
Rents in Suffolk for Quarter one 2013 were £670 per month. This was a 2% rise versus Quarter four 2012 and an increase of 4.5% versus rents in Quarter one 2012. Overall the County has seen a steady increase in rents since 2010 and over the last five years they have increased by 7.5%. This is a healthy rise compared to other areas, but still below inflation.



Rents in the Surrey area reached £1,235 per month in Quarter one 2013 – not far off averages seen in Greater London. This was an increase versus Quarter four 2012 and a 2.7% increase versus Quarter one 2012, a rise which is in line with inflation.



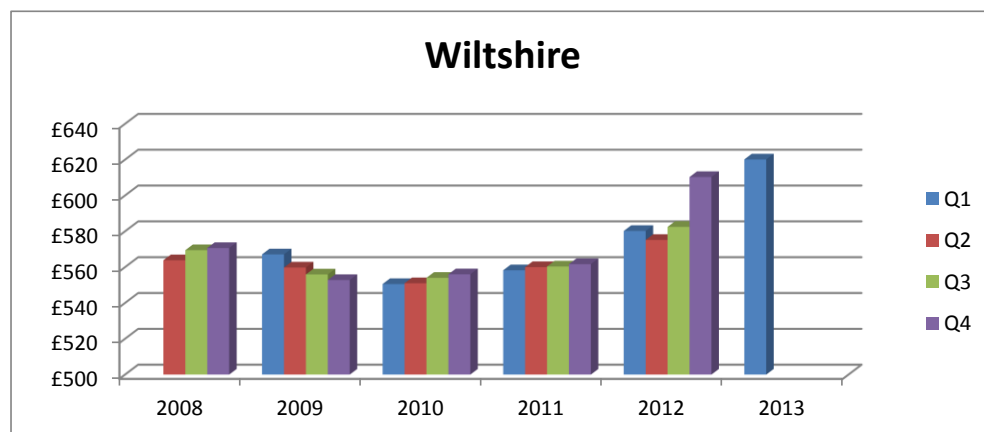
Warwickshire rents averaged at £726 per month in Quarter one 2013. This is a small rise versus Quarter four 2012, but a small fall of just under 2% versus Quarter one 2012. Rents in Warwickshire have remained steady over the last five years and are now typically 5% above 2008 averages.



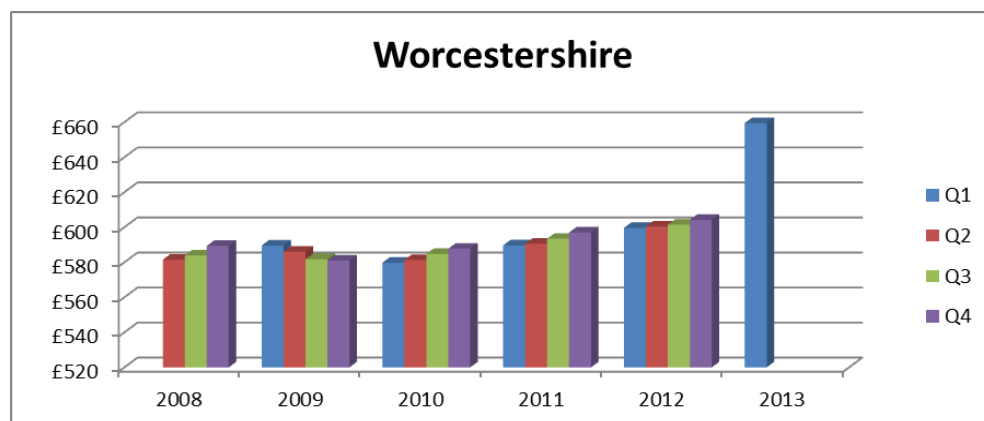


West Yorkshire average rents range from £457 per month in Huddersfield to £593 in the North West of Leeds and £606 per month to the east of Leeds. Over the last few years, rents have been incredibly stable in the region.

Quarter one rents for Wiltshire 2013 reached an average of £620 per month. This is a small rise versus rents in Quarter four 2012. Swindon rents have remained steady over the last five years hovering between £550 per month and £570 per month.



Average rents in Worcester for Quarter one 2013 were £659 per month. This is a big increase versus rents for previous years which have been steady at around £590-£600 per month.



## Appendix

### ***Belvoir Rental Index 2008 to 2013***

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. Worst case, they may on occasion 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 August 2008 to August 2012.
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 May 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 conurbations, 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.

## ***Information about Rental Indices***

It is important to remember from a landlord and tenant perspective, rental reports typically look at data which is currently from properties which are 'on the market' to be rented. If we report rents rising by 10% year on year or 2% month on month, it does not mean all rents across the UK are changing by this much.

For example, if you are a landlord and let a property in February 2012 for £500, irrespective of what happens over the next six months to rental indices, both from a landlord and a tenant perspective, the rent for that individual landlord and tenant usually stays the same for the six months of the contract.

Rents may not even change for the average twenty months a tenant rents for, as from a landlord's perspective, keeping rents at the same level and securing a long term tenant is beneficial.

For example, if a tenant stays for two years:-

1. The landlord doesn't experience voids. The average void period is three weeks (ARLA), so if a tenant stays for two years rather than six months, at a rent of £500 per month, the landlord can save two x three week void periods =  $£346 \times 2 = £692$ . This saving is equivalent to a 5.8% increase in the monthly rent.
2. The landlord doesn't incur costs to re-let the property which can add up to several hundred pounds or more.
3. If the tenant is a good one and pays the rent on time, they are valuable to the landlord. The more often tenants change, the higher the risk of a tenant defaulting on payment. As a tenant eviction can take up to six months, keeping a tenant's rent at the same level is a small price to pay versus the risk of renting to a rogue tenant or one who doesn't pay the rent for any reason.
4. A tenant who keeps the property tidy, looks after it and sometimes even carries out work, such as decorating in return for rents not rising, can save the landlord thousands of pounds.
5. Overall, a tenant who stays in a property for two years as opposed to four tenants who stay for six month periods at a time, can save the landlord in excess of £500.

As such, it is important for the government, organisations and tenants/landlords to understand that reported rental index changes only apply to a small percentage of rents on a monthly basis. The data itself is useful from a trending perspective, but rental indices do not report the true 'existing' average changes of **ALL** rental properties across the UK.