

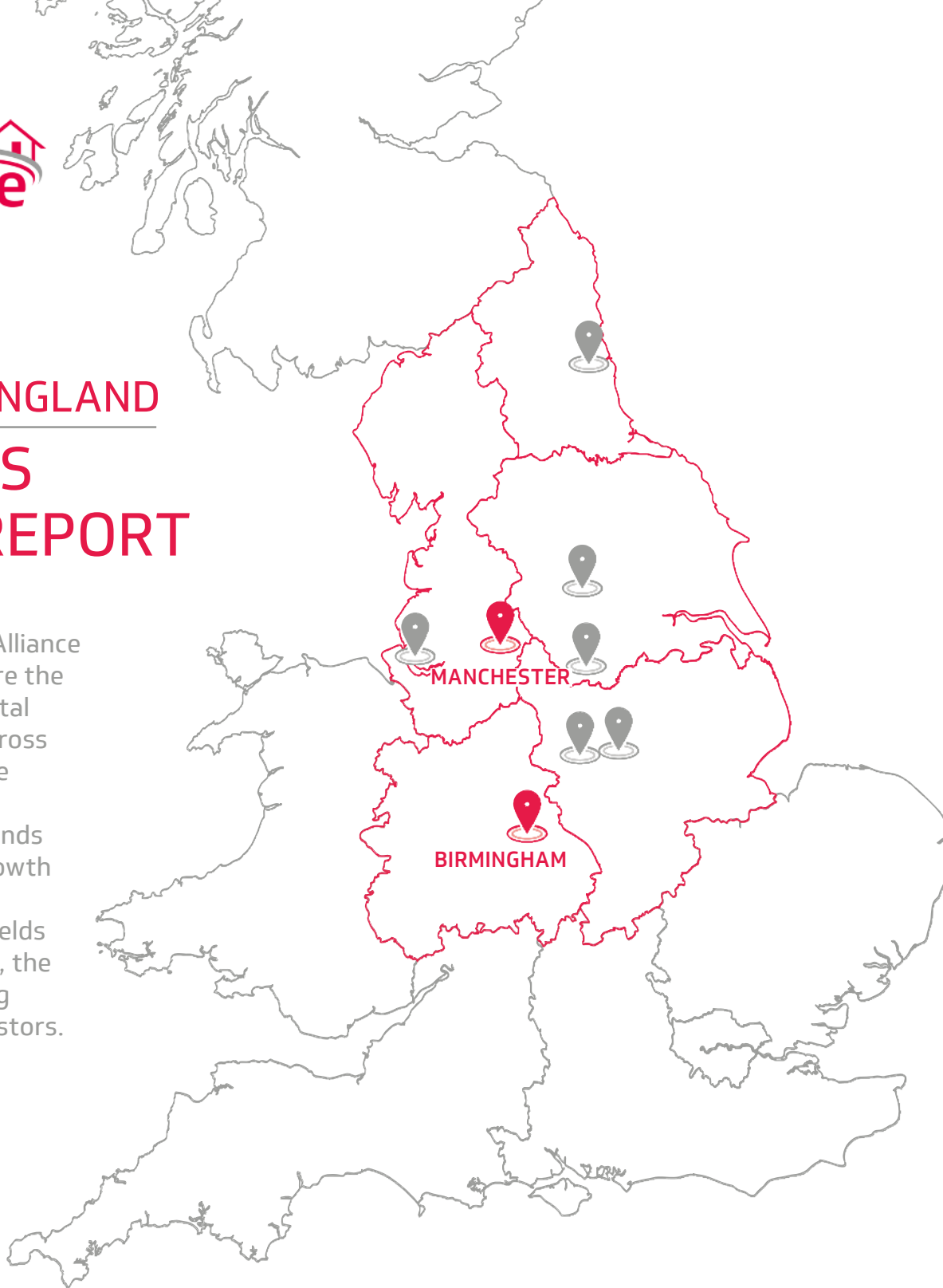
NORTHERN ENGLAND

KEY CITIES RENTAL REPORT

In the first of the Let Alliance city reports, we explore the private residential rental market in key cities across the sphere of influence around the Northern Powerhouse and Midlands Engine. A focus for growth and investment with potential for strong yields and profitable returns, the region offers appealing opportunities for investors.

REPORT FOCUS BIRMINGHAM AND MANCHESTER

AUTUMN 2019



AVERAGE
MONTHLY RENT

£646

Average rents across the region range from £547 for a studio/1 bed to £811 for a home with 4 or more bedrooms.



ANNUAL CHANGE
IN RENTS

3.5%

Average rents have increased since Q2 2018 across the report area.



AVERAGE GROSS
YIELDS FOR FLATS

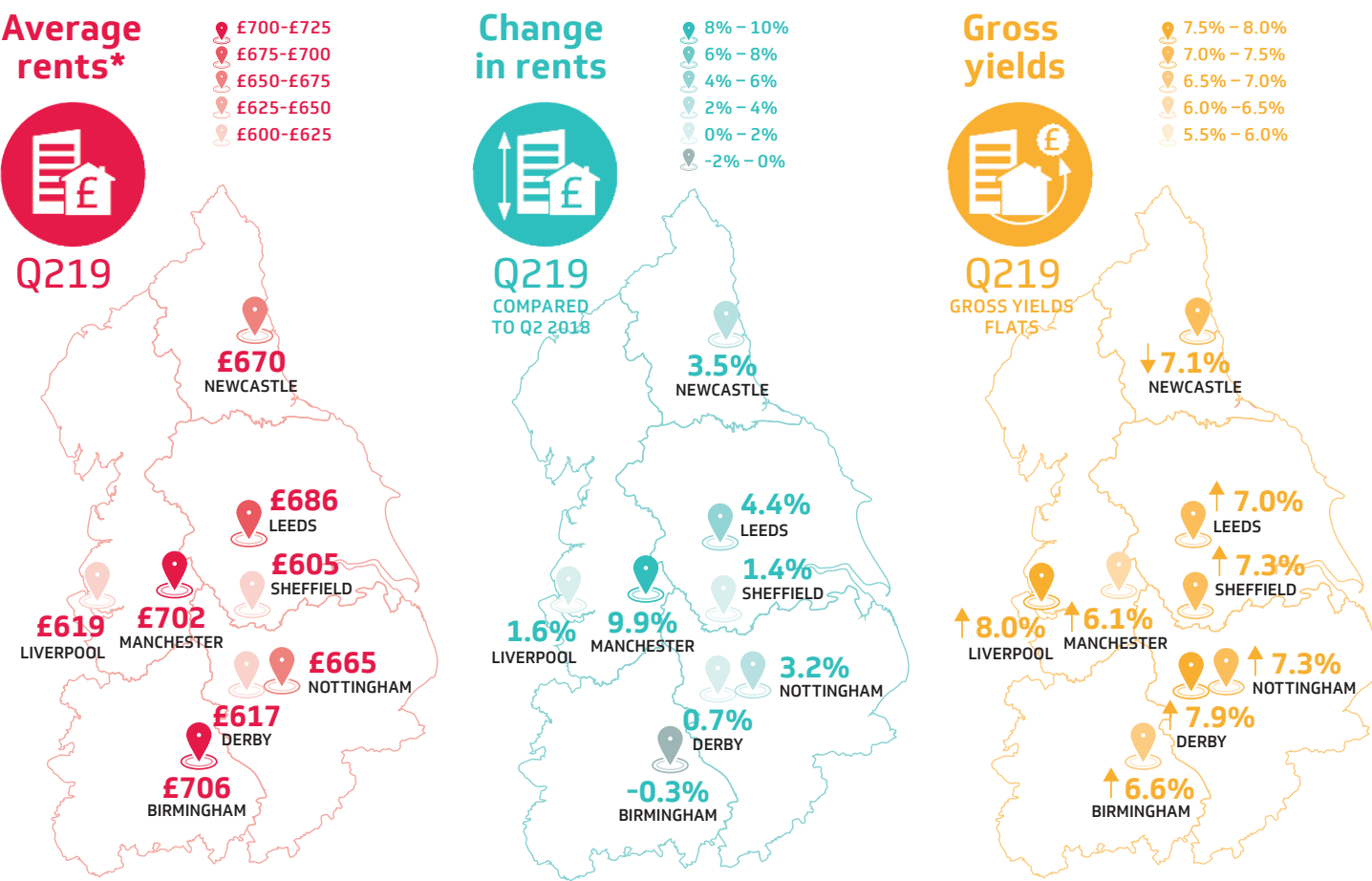
5.9%

Yields for flats in all the cities studied were higher than the regional average.

PRIVATE RENTS MONITOR


Demand for rented homes has risen across the north of England and Midlands, driven by robust employment and local economic activity, despite uncertainty in the wider UK economy. Coupled with low levels of stock, rents are rising across many cities.

However, the tone of the private rented sector is changing and not all growth can be attributed to usual supply/demand dynamics. As the build to rent sector gathers pace, the quality of accommodation in the sector is shifting. Existing landlords will face mounting pressure to improve properties in order to benefit from growth and attractive yields.



*AVERAGE RENTS PER MONTH

Average rents*



HISTORICAL
QUARTERLY VALUES

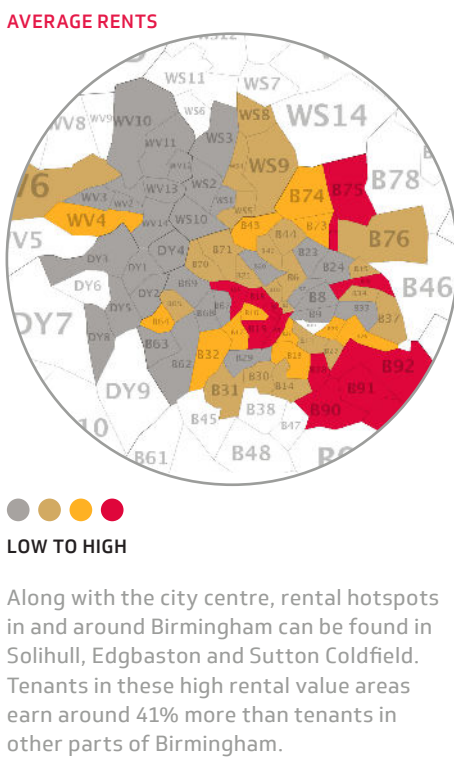
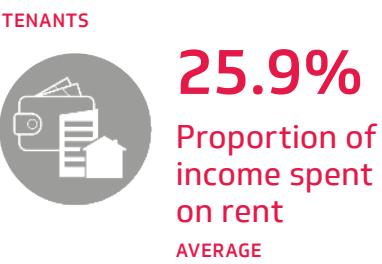
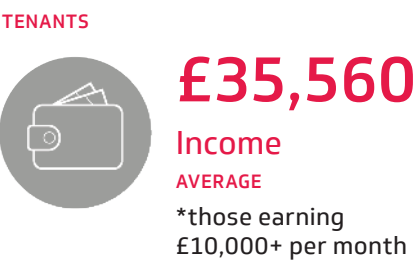
*AVERAGE RENTS PER MONTH

	Q119	Q418	Q318	Q218
BIRMINGHAM	£696	£714	£744	£709
DERBY	£593	£594	£607	£613
LEEDS	£688	£639	£709	£658
LIVERPOOL	£629	£626	£642	£609
MANCHESTER	£672	£669	£679	£639
NEWCASTLE	£674	£596	£631	£647
NOTTINGHAM	£669	£671	£687	£644
SHEFFIELD	£586	£556	£599	£597

SOURCE: LET ALLIANCE, DATALOFT

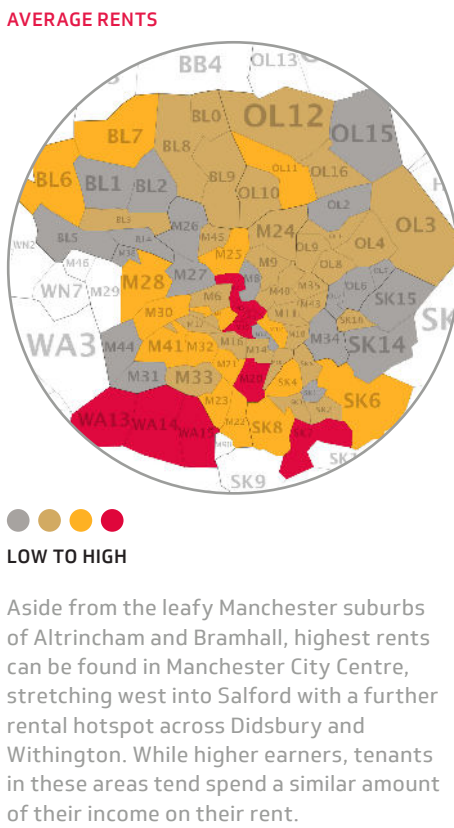
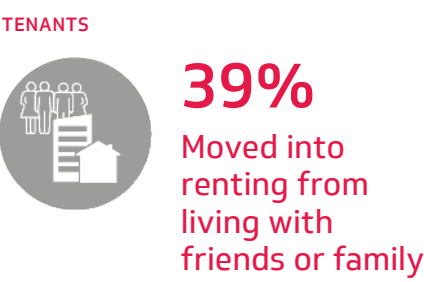
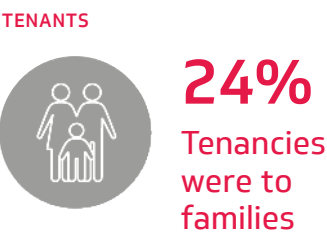
Birmingham

Birmingham has a growing employment base (amongst others, HSBC opened their new HQ in the city in 2018), major universities and high levels of investment in transport and infrastructure. In the year to June 2018, it was the top destination for people moving from London. As a result, demand for rental accommodation is strong. In the last 12 months half of tenants starting tenancies were aged between 20 and 29. While a large proportion of tenancies are for singles, couples and sharers, there is also a sizable demand for family accommodation, with 19% of new tenancies including children.



Manchester

The Manchester rental market is thriving, with an influx of new accommodation and improved standards pushing up rents. Across Manchester, tenants earn around £31,000 per annum and spend 26.5% of their income on their rent. Tenants move from both near and far – 35% of new tenants in the last 12 months moved less than 5 miles while 29% moved more than 100 miles. Manchester attracts tenants from all age and lifestyles. Half of tenants starting tenancies in the last 12 months were aged under 30, while 13% of new tenants were aged 50 or over. Coupled with this, 12% of tenants moved from owner occupation into private renting in the last year.



FIT FOR THE FUTURE

The Let Alliance Fit for the Future proposition is here to maximise your business potential beyond the tenant fee ban. Fit for the Future delivers an alternative revenue stream and includes a full suite of products designed to combat the pressures of the changing market and ensure you are well equipped for what's to come.

- Intelligent Referencing
- Rent Guarantee and Legal Services
- Nil Deposit Scheme
- Utilities Management
- Rent on Time
- Tenants' Income Protection
- Tenants' Liability and Contents Insurance
- Landlords' Buildings and Contents Insurance
- Professional Indemnity Insurance
- Strategic Partnerships
- Tenant Evict



A new revenue stream for your business

The commission opportunities for letting agents available from the Let Alliance proposition allow you to significantly enhance your income through a range of fully integrated products. By utilising the Fit for the Future proposition for your business, you can earn an additional income in excess of **£350 per property, per year** - falling straight onto your bottom-line profit.

Same day referencing

Let Alliance have revolutionised the way tenant referencing is transacted in the UK. For the first time ever in the lettings industry, tenants will be assessed based on genuine affordability and their full credit history in real time, supported by access to bank accounts for specific transactions related to income and household expenditure.

- Faster references with the ability to access more information, taking intelligent referencing to the next level
- More reliable references supported by new data provided with the tenant's permission, through a secure Open Banking process
- Industry first; referencing based on a tenant's full credit file supported by Open Banking through our partner TransUnion
- Your business risk is managed, and your reputation is safe



www.letalliance.co.uk

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Providing specialist services supporting letting agents in the private rental sector



Analysis carried out by Dataloft using rental data from tenant references collected by Let Alliance. Rental values are based on achieved rents of new tenancies started within the time period specified.

dataloftconsult

Dataloft is an established property market intelligence company with a long track record of analysing and reporting on the housing market. We are committed to stripping away the mystique of complex data analysis and adding value for clients through interpretation, insight and creativity.

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Date of publication: September 2019
Analysis, editorial, design, graphics and charts by Dataloft.