BELVOIR!

the lettings specialist

December 2016
(Q4 16)

Rental Index

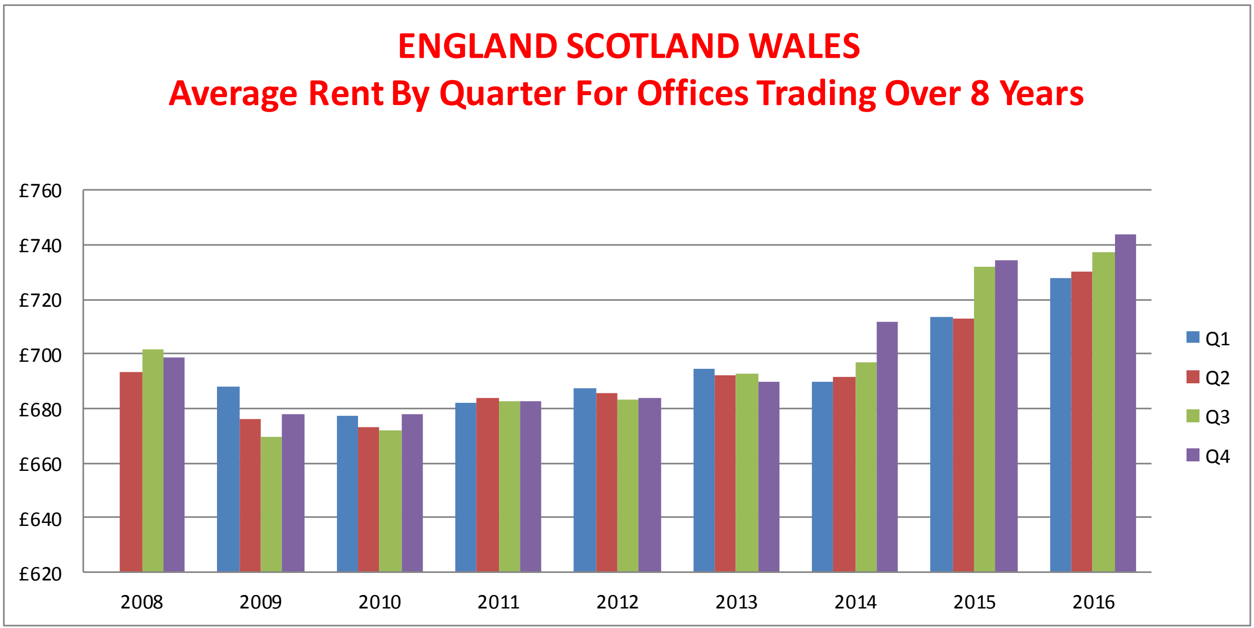
Contents

National Rental Trends

For offices that have been trading consistently over the last eight years in England, Wales and Scotland, the data indicates rental increases of just over 1.25%, year on year, from £734 in Q4 2015 to £744 in Q4 2016.

When comparing the Q4 2016 average rent to the 2015 annual average of £722, this shows a 3% increase.

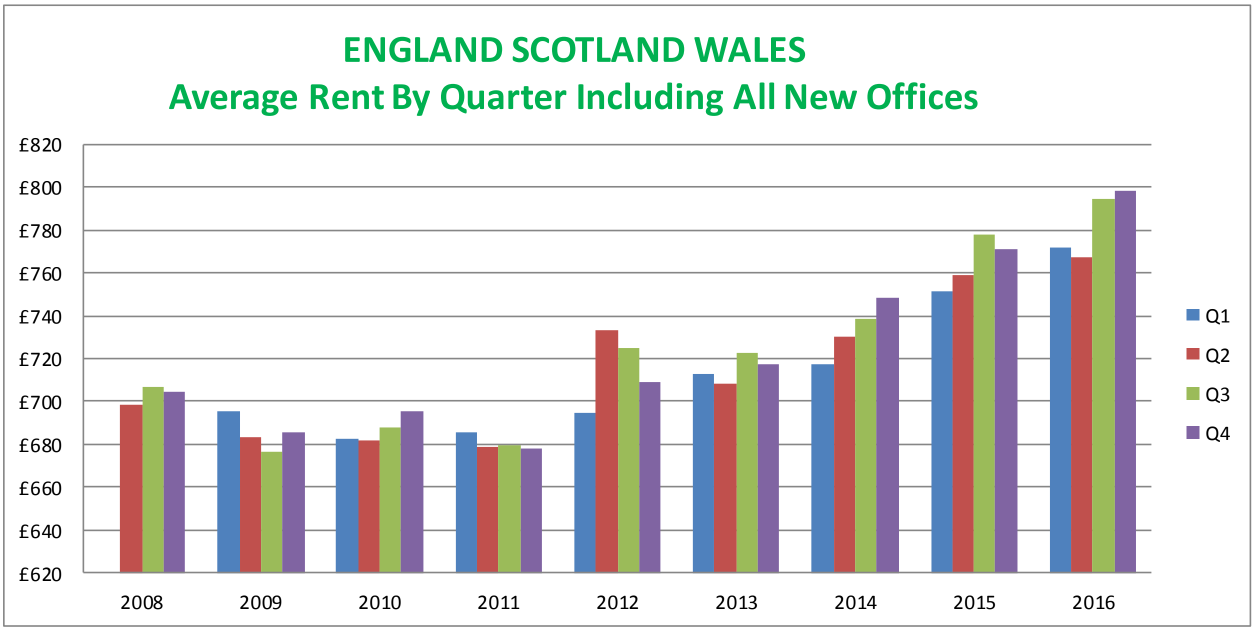
Chart showing the national rental trends for the last eight years over consistently trading offices



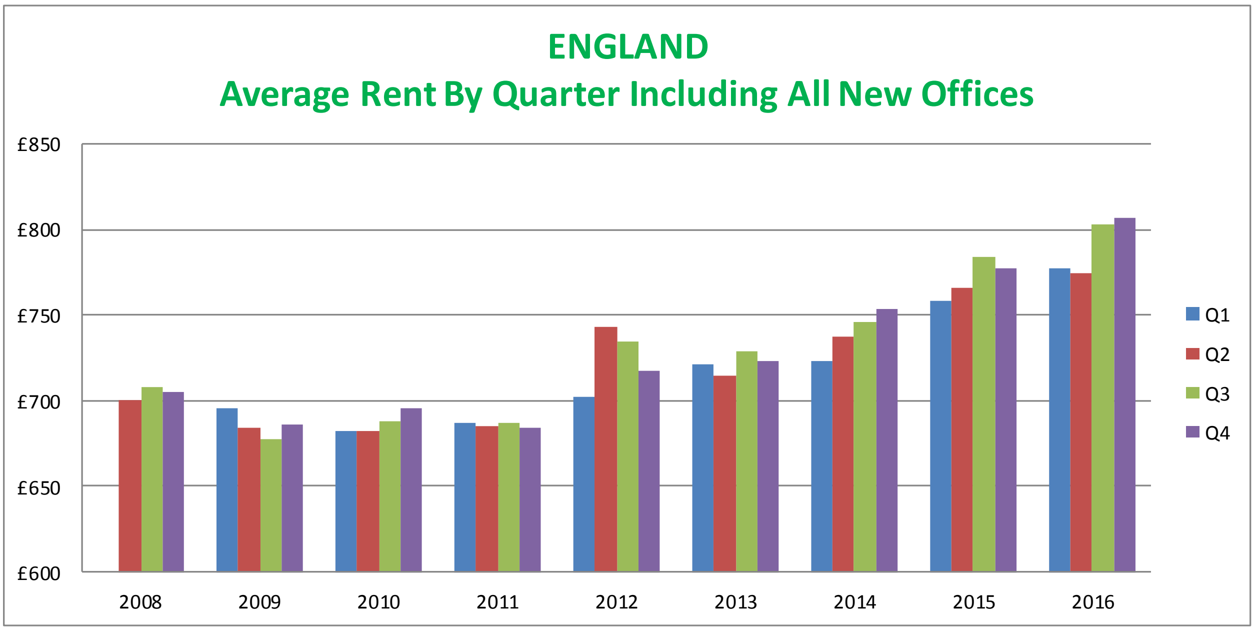
For the offices in England, Wales and Scotland, including all new Belvoir offices, the average rent for Q4 2016 is £799 per month, compared to the Q4 2015 average, shows a year on year increase of just under 3.75%.

Comparing the Q4 2016 average to the 2015 annual average, this shows increases of around 4.5%.

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



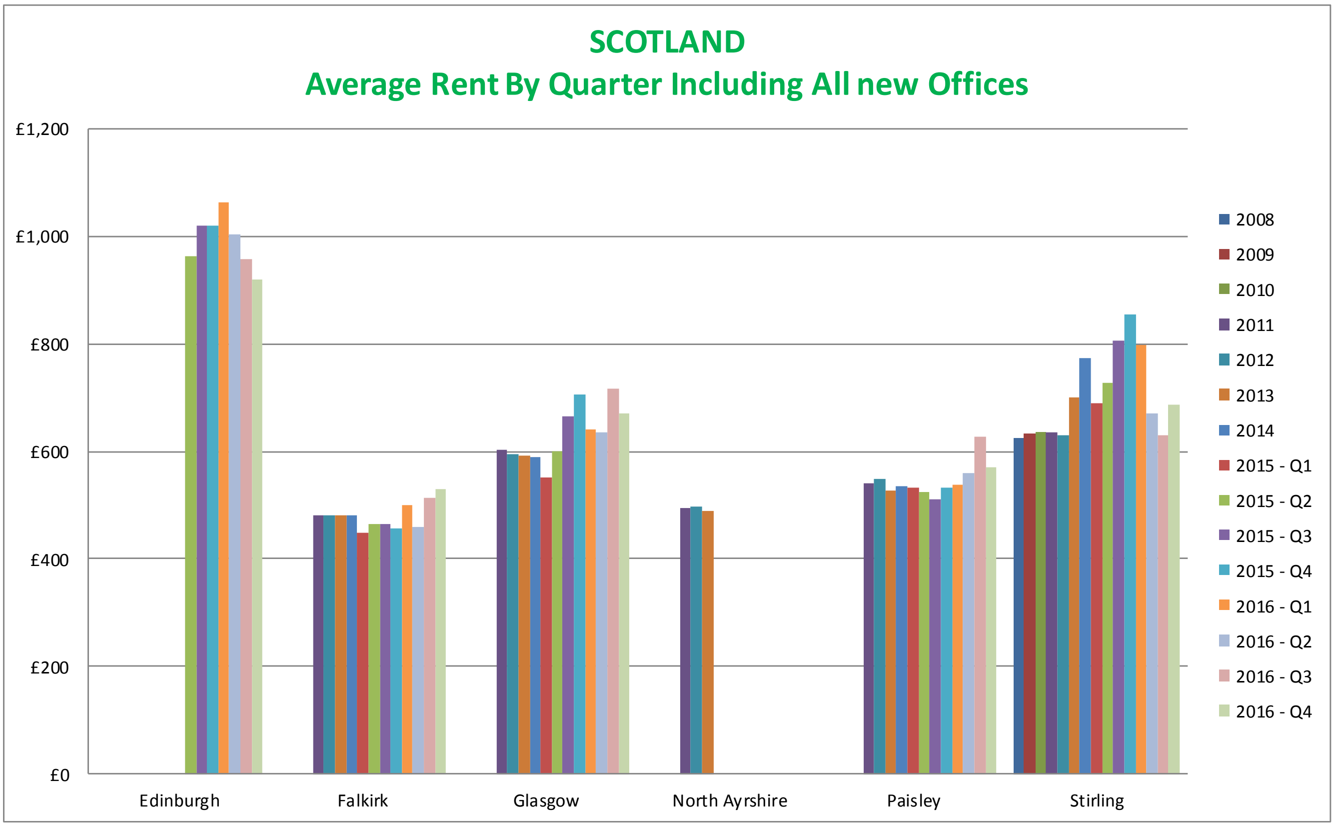
Summary for England



For all offices in England, including new ones, the recorded data shows an increase of just over 3.75%, year on year, for the Q4 2016 average rent of £807 versus the Q4 2015 average.

Q4 2016 average rent compared to the 2015 annual average shows an increase of around 4.5%.

Summary for Scotland



Falkirk

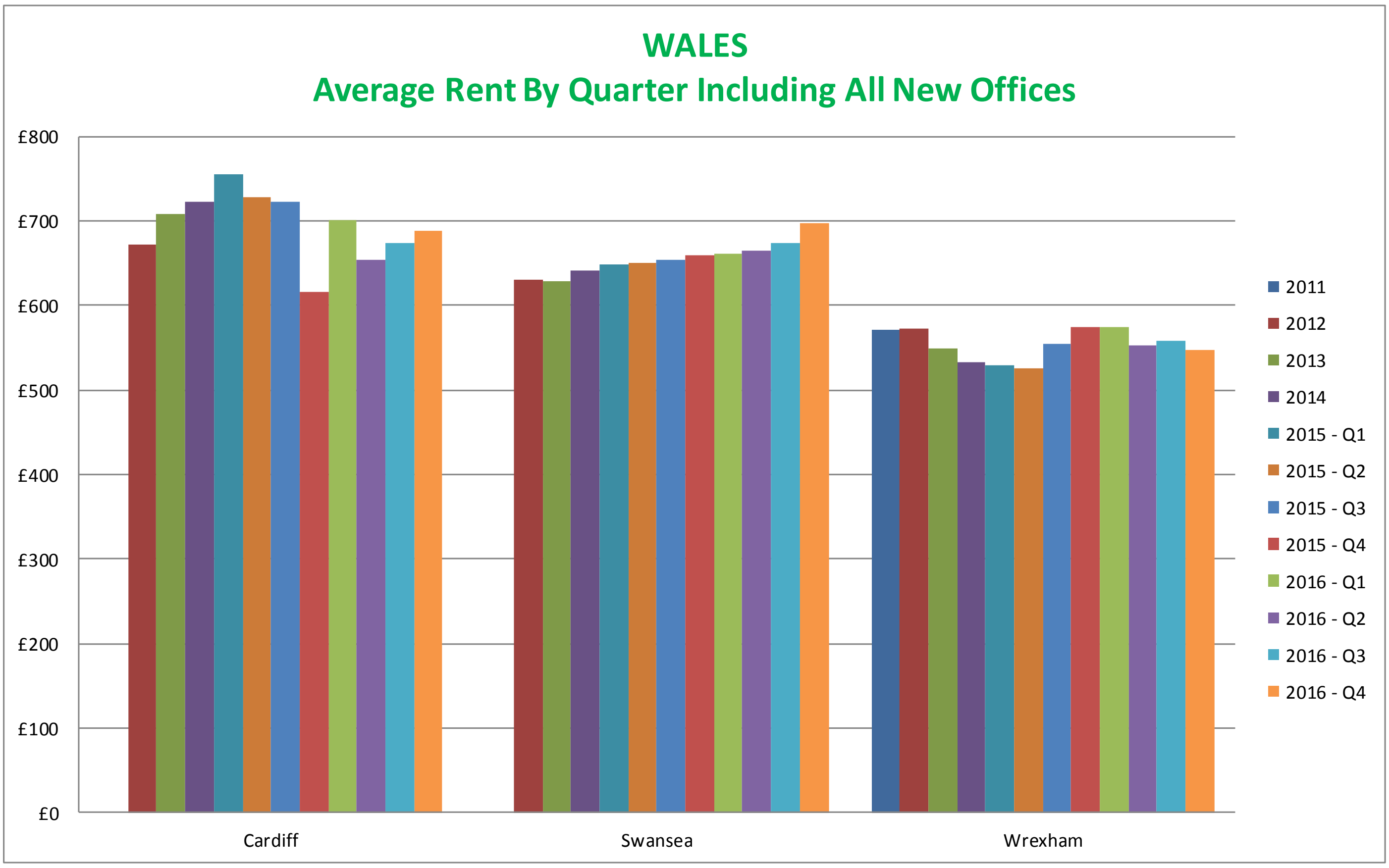
In Falkirk, despite the data showing increases year on year, Mike Campbell commented "*'two bed flats are by far the most predominant type of rental in Falkirk and they have shown a modest, but not significant, increase Q4 16 over Q4 15"*

City of Glasgow

The average rent recorded in the City of Glasgow for Q4 2016 is £670 per month, a -5% year on year fall versus the Q4 2015 average of £706, and an increase of around 6.25% when compared to the annual average for 2015. However, as the data shows, statistical rent averages for Glasgow can be quite irratic.

Sharon Walker of the **Glasgow** office reported *"Very little new properties coming onto the market and not much movement. We have had a few landlords now selling as they feel that it is the right time and there is a demand to buy. We have only increased the rent on a few properties due to them being in the West End of the city and the City Centre as that is where the demand is."*

Summary for Wales



Swansea

For Swansea, the average rent for Q4 2016 is £697 per month, which is around a 5.75% increase, year on year, versus Q4 2015. Comparing Q4 2016 to the 2015 annual average shows an increase of 6.75%. The Swansea office reported increasing rents on the majority of property types, with the highest increases attributed to three, four and five bedroom houses. Demand has also increased for both flats and houses.

Cardiff

The average monthly rent recorded in Cardiff for Q4 2016 is £689, which appears to show a large 12% year on year increase, compared to Q4 2015. However, the Q4 2016 rent versus the 2015 annual average reveals a fall in rents of around -2.25%.

Rob Price of the **Cardiff** office reported *"The average rent for a decent 2 bed house or flat in Cardiff is now around £800 per month, with rents on all types of property increasing. There is no stop to the huge demand across the board with some improvements in supply".*

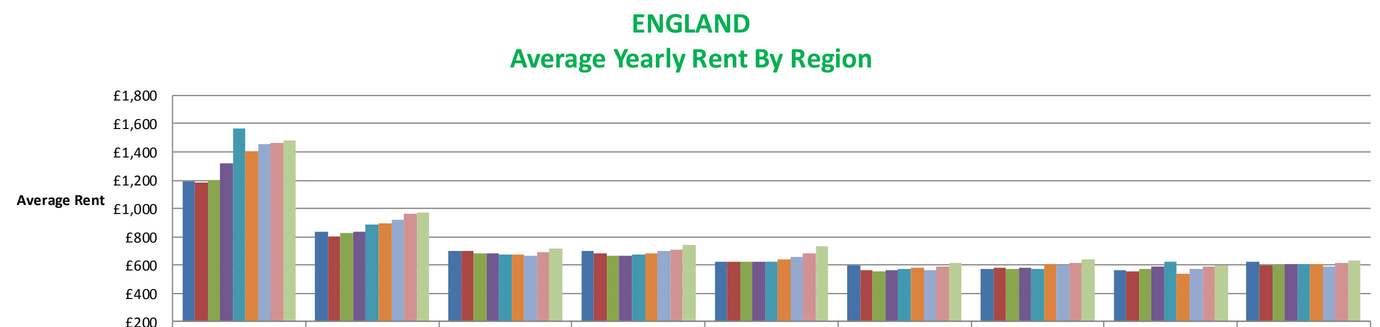
Wrexham

In Wrexham, the average rent for Q4 2016 is £547 per month, which is around a -4.75% fall versus Q4 2015, but £1 more than the 2015 annual average rent.

Belvoir Regional Rental Trends Summary

The annual average monthly rents are shown on the chart below, from the origination of the Belvoir Index in 2008. The latest data recorded reveals rents range from £598 in the North East, £717 in the South West, through to £975 in the South East and £1,478 per month in London.

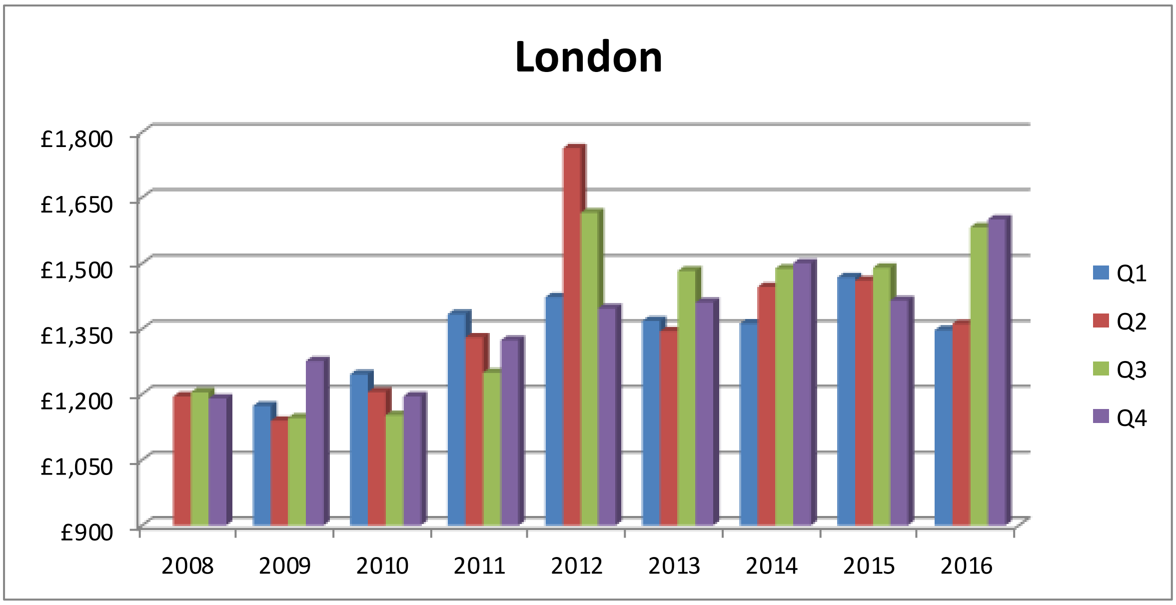
Annual average rents by region 2008 to 2016 for all Belvoir English offices



	London	South East	South West	East Anglia	West Midlands	East Midlands	Yorkshire	North East	North West
2008	£1,196	£835	£704	£702	£625	£597	£568	£560	£623
2009	£1,182	£803	£696	£680	£626	£564	£581	£552	£596
2010	£1,199	£827	£686	£663	£620	£551	£573	£574	£599
2011	£1,320	£838	£684	£668	£626	£560	£585	£593	£603
2012	£1,566	£889	£678	£671	£624	£569	£576	£619	£609
2013	£1,404	£892	£678	£682	£642	£578	£604	£537	£607
2014	£1,453	£920	£666	£697	£653	£568	£595	£573	£591
2015	£1,460	£964	£690	£708	£685	£593	£618	£590	£612
2016	£1,478	£975	£717	£738	£733	£619	£641	£598	£629

Belvoir Regional Rental Trends

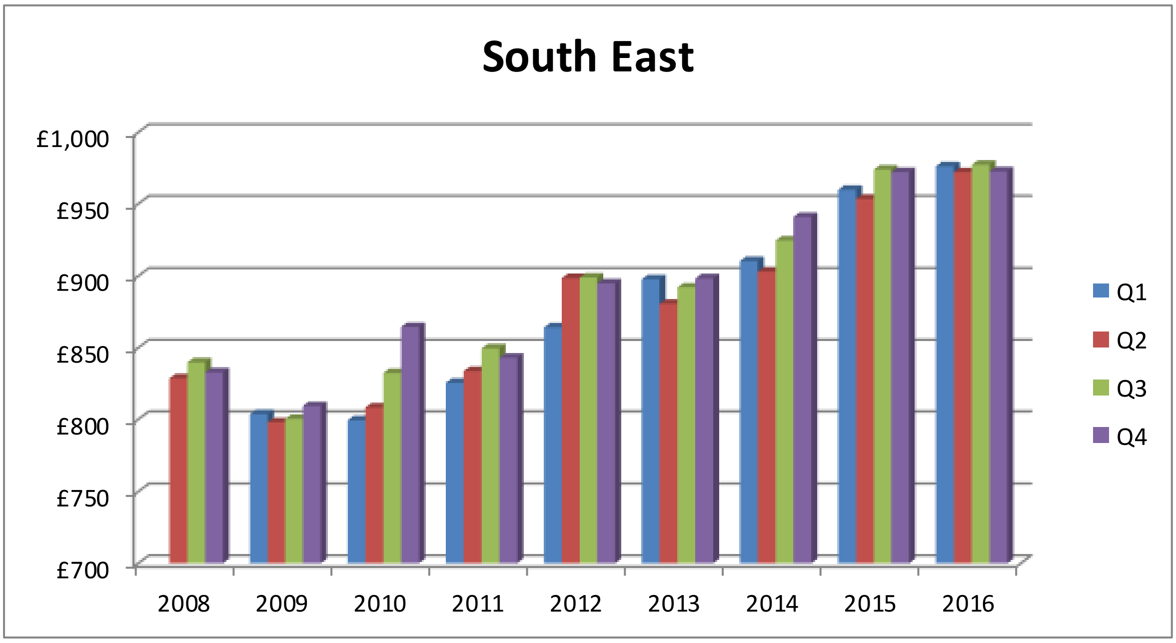
London



For London *(excluding Central London),* the average rent recorded for Q4 2016 is £1,600 per month, a year on year increase of just over 11.50% compared to Q4 2015. Q4 2016 versus the 2015 annual average rent shows rental increases of just over 9.5%. The uplift in rental averages during the last two quarters of 2016 are predominantly due to the inclusion of the new Hampstead Heath office, where rents are double the normal London average at £3,775 per month.

In reality, during Q4 2016, average rents for just over half of offices showed slight increases, including Uxbridge, just under a half of offices showed slight falls, including Balham and Chelsea and Fulham, and for one office, Hampstead Heath, rents were static.

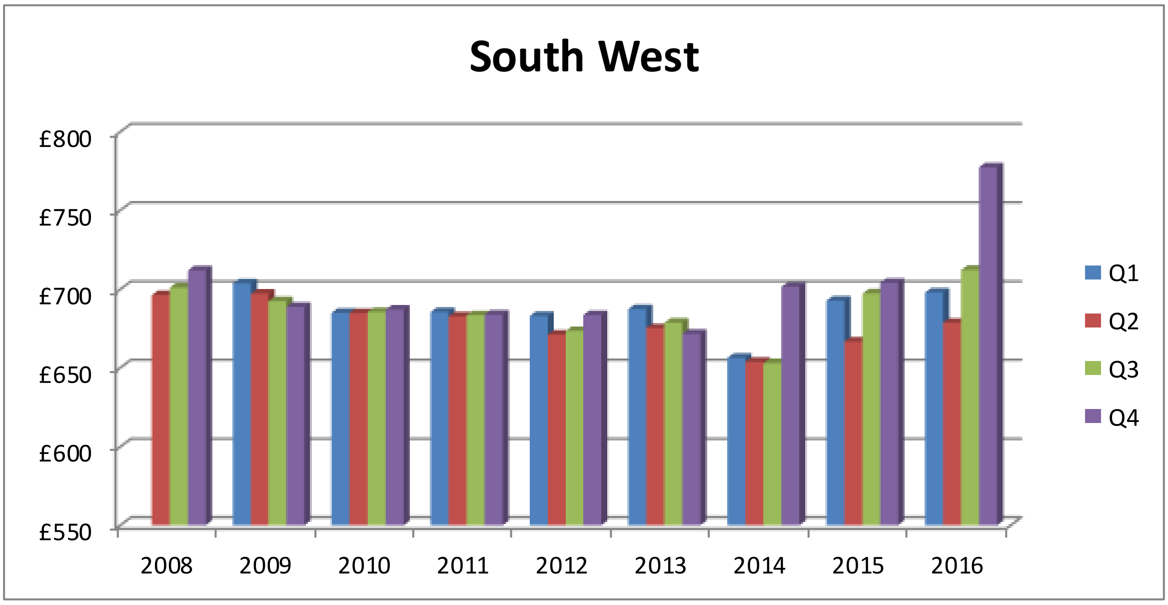
South East



In the South East, the average rent recorded for Q4 2016 is £973 – which is £1 more versus the Q4 2015 average and an increase of just under 1% compared to the 2015 annual average of £964.

During Q4 2016, rents in just over a third of offices showed some increases, including Luton and Brentwood, with the remaining offices equally split between small falls and static rents, including Woking and Watford.

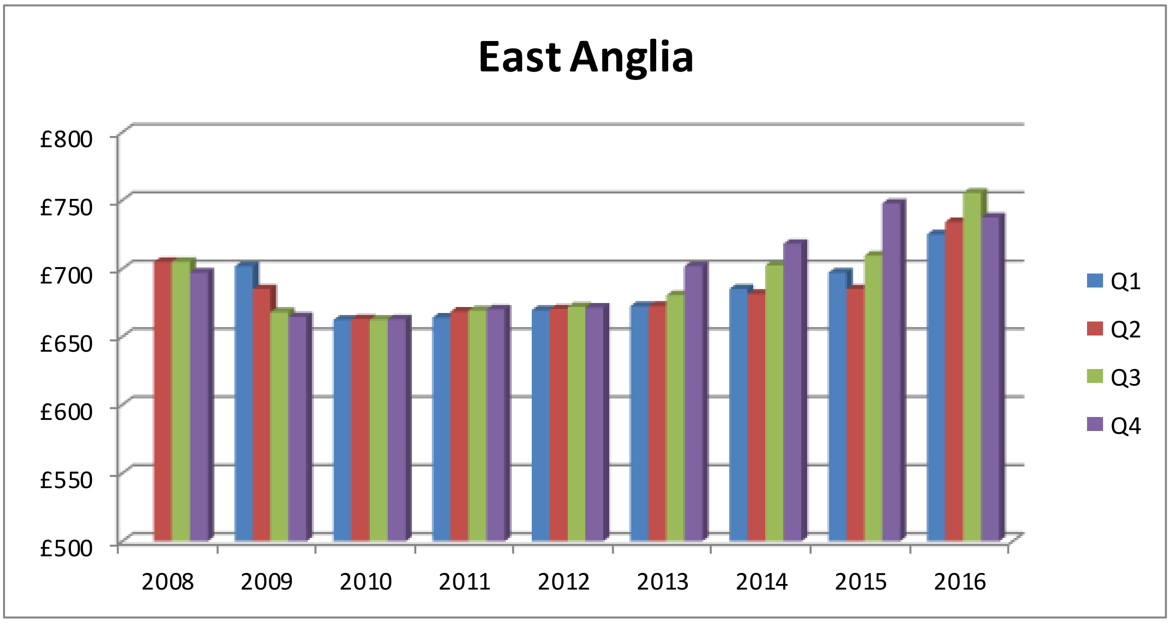
South West



The average monthly rent recorded in the South West for Q4 2016 is £777, a year on year increase of around 9.5%, versus the Q4 2015 average. Comparing Q4 2016 to the 2015 annual average of £690 reveals rental rises of just over 12.5%.

However, this rise isn't reflected in all offices. During Q4 2016, Swindon experienced static rents, Weston recorded a slight fall in rents, whilst all the remaining offices experienced rental rises, including Christchurch and Gloucester.

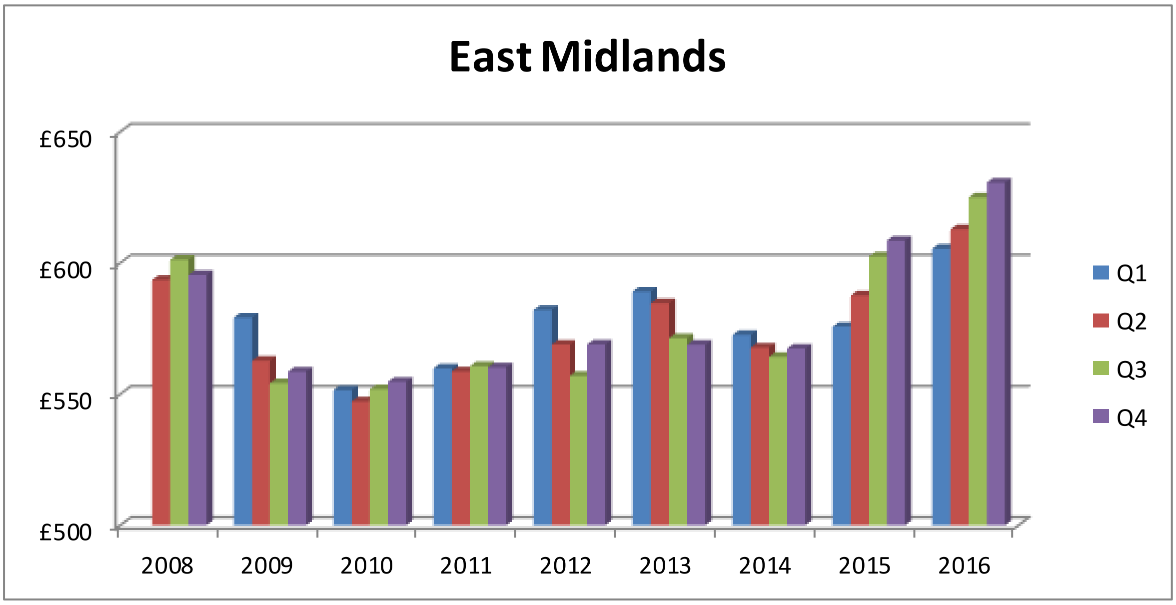
East Anglia



In East Anglia, the average monthly rent for Q4 2016 is £737 per month, which indicates a small year on year fall of -1.5%, compared to Q4 2015. Versus the 2015 annual average of £708, this shows rental increases of around 4%.

During Q4 2016, rental averages increased for just over a third of offices, including Ipswich and Peterborough, with the remaining offices equally split between static rents, including Bury St Edmunds, and small falls for Cambridge and Kings Lynn.

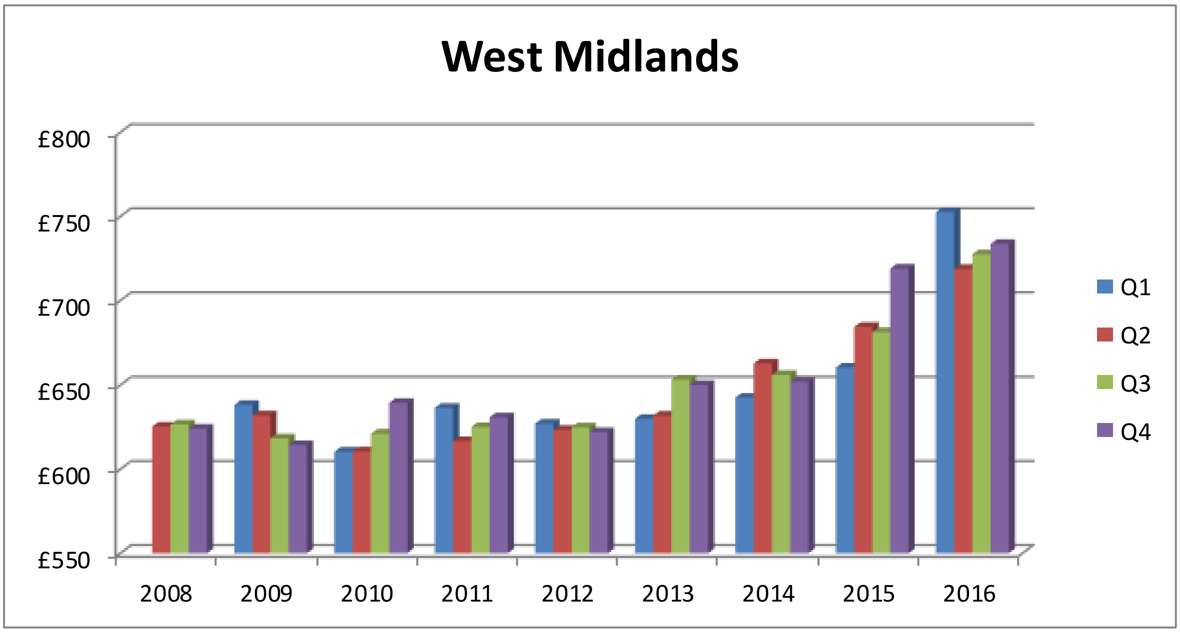
East Midlands



For Q4 2016, the average rent recorded in the East Midlands is £631 – a year on year increase of around 3.5% versus the Q4 2015 average. Compared to the 2015 annual average rent of £593, this indicates rental increases of just under 6.5%.

In Q4 2016, just over a third of offices experienced a rise in rents, including Nottingham Central and rental falls, including Sleaford, with the remaining offices showing stable rents, including Newark.

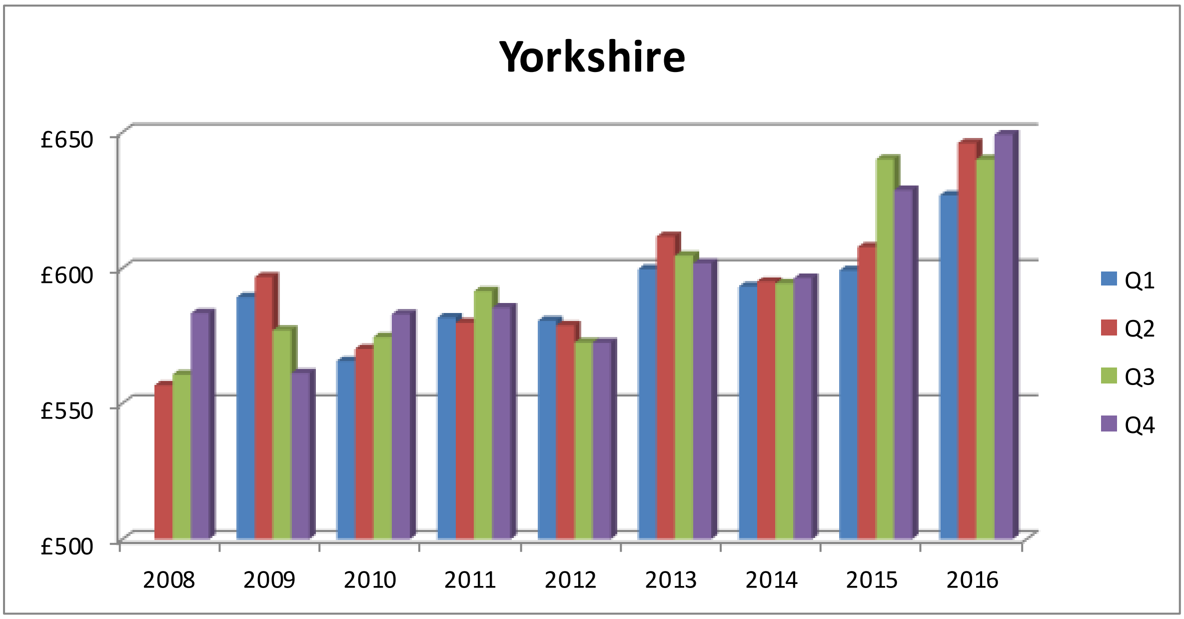
West Midlands



For the West Midlands, the Q4 2016 average rent is £734 per month, a year on year increase of around 2% when compared to the Q4 2015 average. Q4 2016 versus the 2015 annual average shows rental increases of just over 7%.

In Q4 2016, rents declined slightly in half the offices, including Evesham and Hereford, just under half of offices showed an increase in rents, including Leamington Spa and the Jewellery Quarter, with rents remaining stable in the remaining offices.

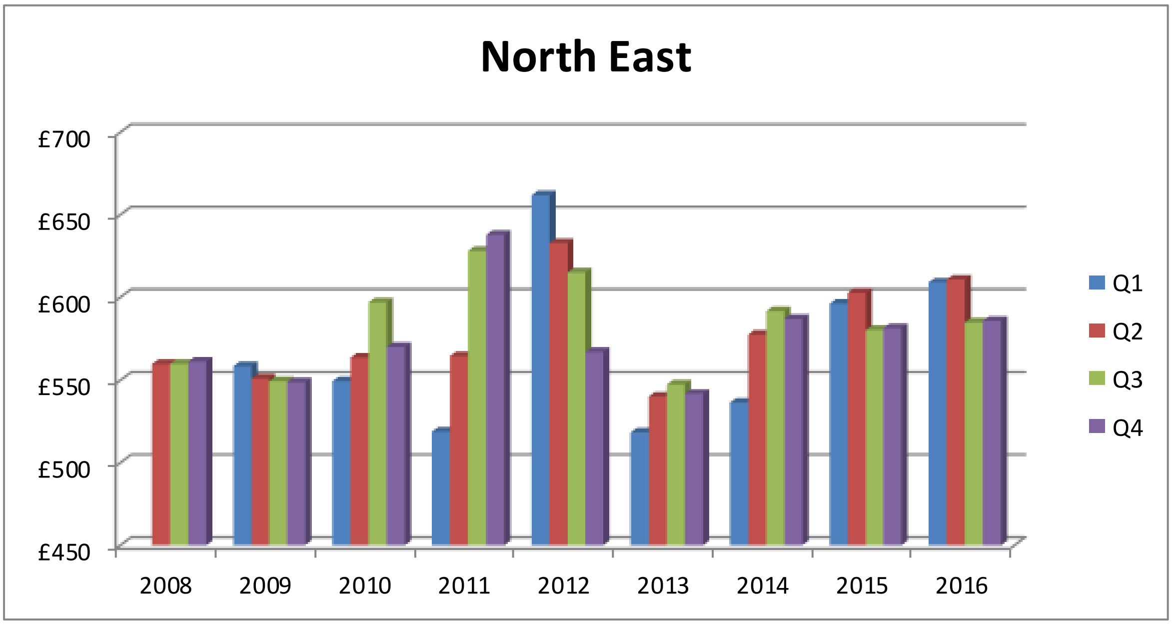
Yorkshire



The average monthly rent recorded for Q4 2016 in Yorkshire is £649, which indicates a 3% year on year increase versus Q4 2015. Comparing the Q4 2016 average rent to the 2015 annual average of £618, this shows rental rises of 5%.

In Q4 2016, there were slight falls in rents for just under half of the Yorkshire offices, which includes Leeds South and York, whilst the remaining offices all experienced slight rental increases – these include Selby and Goole and Thirsk.

North East

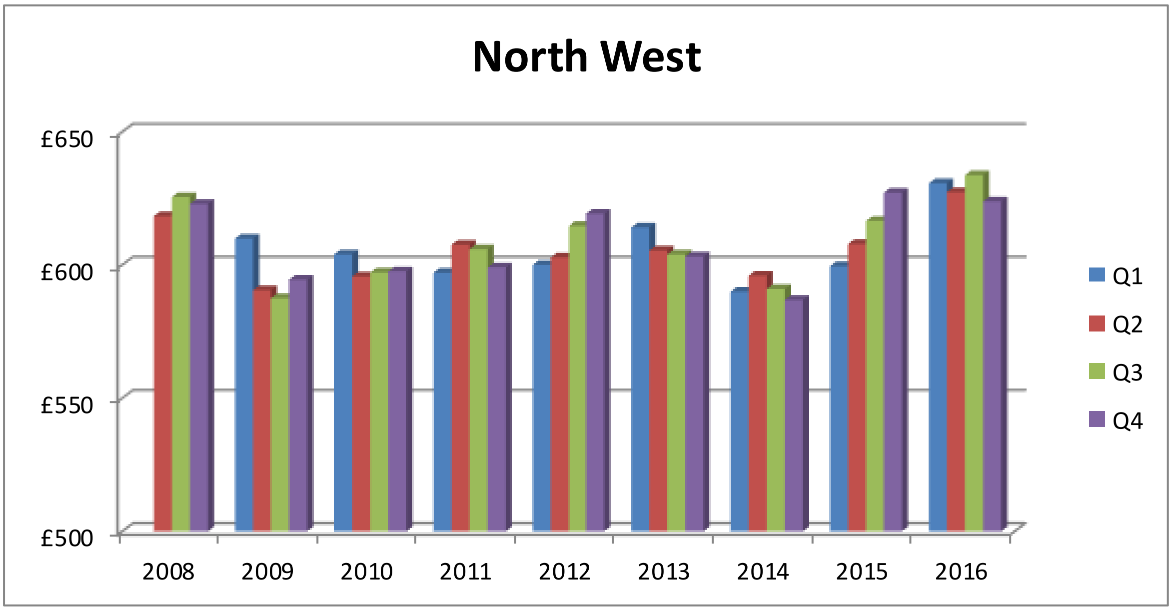


The **Newcastle** office reported no change in rental prices for Q4 2016, and anticipate rents remaining static and tenant demand decreased for all property types.

For **Tynedale**, the office reported no change to rents for studios/one bed flats and large houses, however there were slight rises for all other property types. Tenant demand has decreased in the area.

In **Sunderland**, the Q4 2016 average rent is £547 and the 2015, with the annual average at £556 per month.

North West



In the North West, for Q4 2016 the average rent is £624 per month, which is slight year on year decrease of -0.5% versus the Q4 2015 average. Comparing Q4 2016 to the 2015 annual average of £612 per month, this shows an increase of around 2%.

During Q4 2016, half the North West offices experienced slight falls in rents, these include Whitehaven and Wigan, with the remaining offices equally split between rising rents, including Manchester Central and Manchester North, and offices with static rents, including Cheadle Hulme and Warrington.

Belvoir Rental Trends by County

In this section we look at the **average rent in each quarter by county and compare it to the average rent in the same quarter the previous year eg Q4 2016 versus Q4 2015.** This helps to evaluate how rents are doing versus the same period in the previous year, taking some seasonality into account.

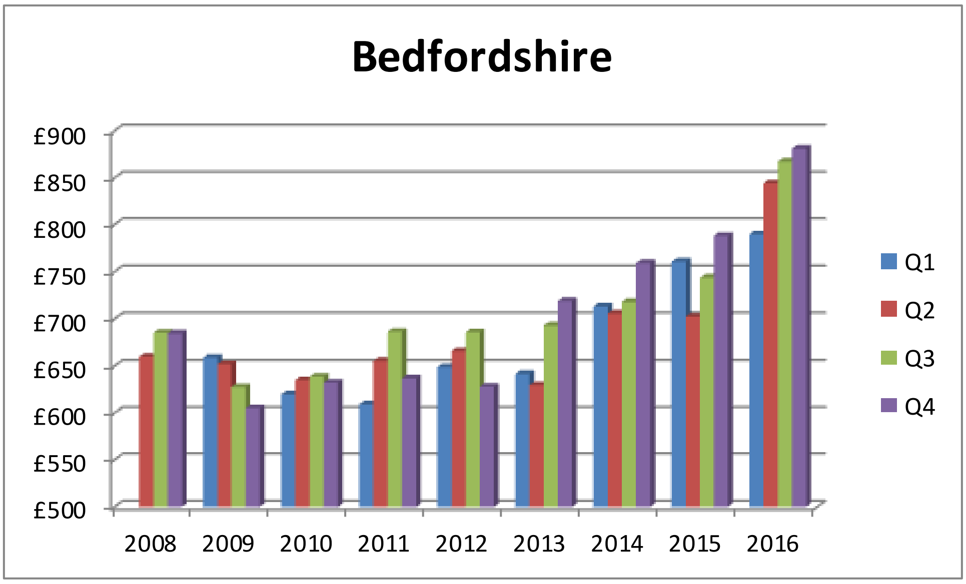
We also compare **the current average rent to the annual average for the previous year eg Q4 2016 versus 2015.** We find overtime that the annual rental average gives the most accurate picture of average rents for an area, so we compare the latest quarter to the previous year's average to see if it is up or down.

We then calculate the **actual amount of extra/lower rent that a tenant is paying/landlord benefiting from.** The percentage increase in this amount helps to see how much rents are rising/falling versus wages and inflation, to give an idea if rents are actually keeping up with the cost of living or falling in real terms.

This is where we compare the Q4 2016 rental averages to Q4 2015 averages, county by county, and how they are performing versus the 2015 annual averages.

Since running the index (2008) we find rents move broadly in line with wages and that large movements over and above +/-4% rarely happen. As such if we see a fall/rise larger than this we investigate further and explain what's actually happening, for example a new office or let is skewing the figures or if this is a true trend.

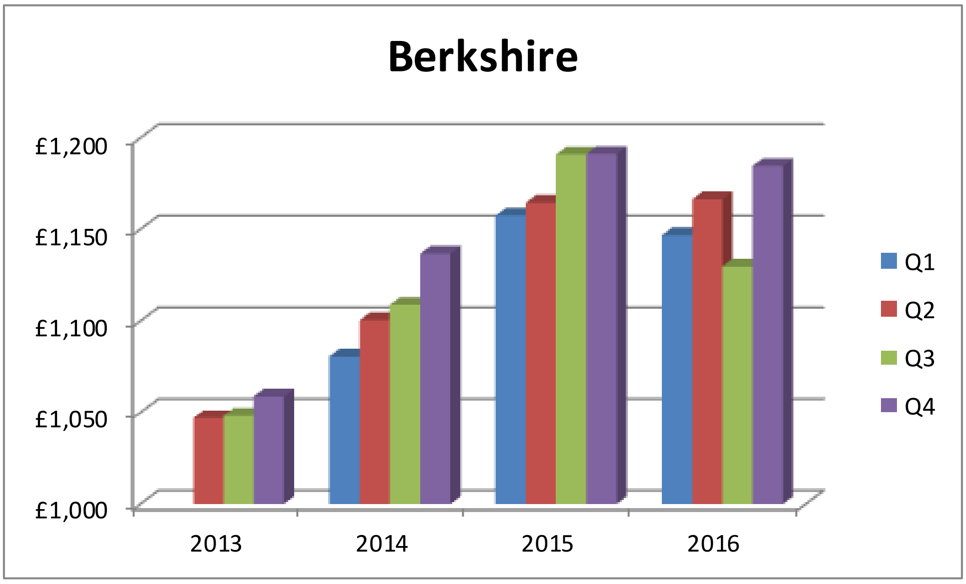
Bedfordshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Bedfordshire	£ 881	£ 788	11.80%	£ 746	18.10%	£ 135

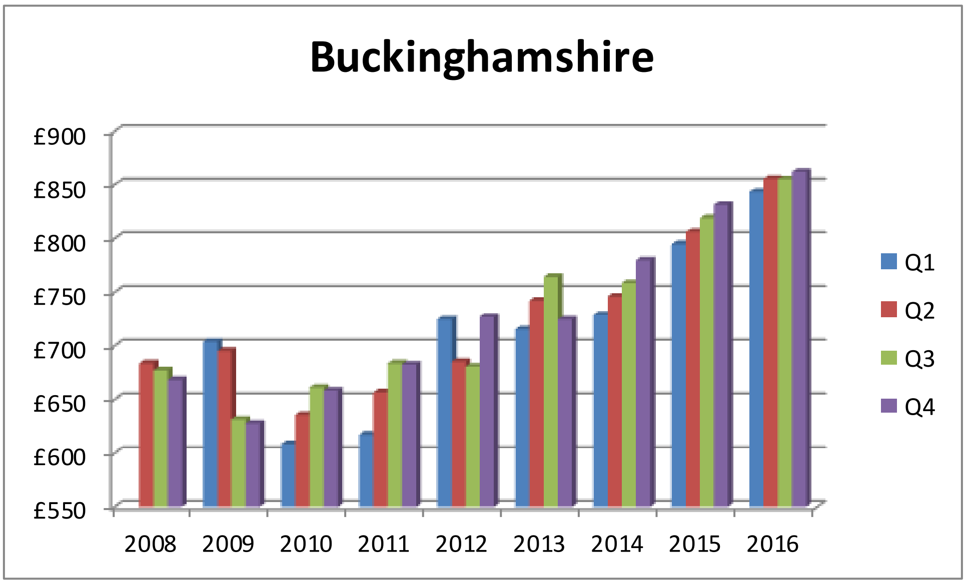
The apparent increase in average rents is predominantly due to the number of larger properties advertised at higher than average rents for both Bedford and Luton offices. Rents in Dunstable continue to be relatively stable.

Berkshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Berkshire	£ 1,185	£ 1,191	-0.50%	£ 1,181	0.34%	£ 4

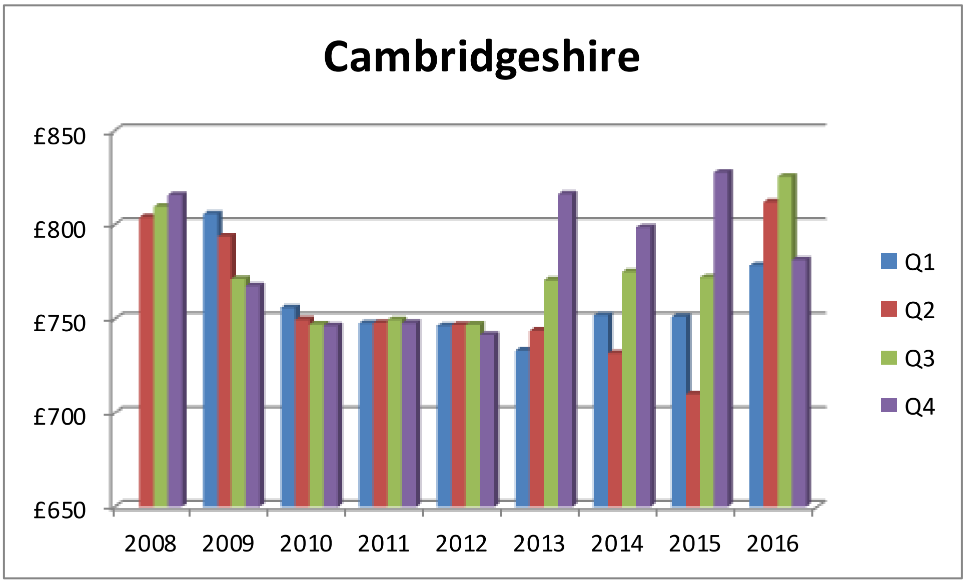
Buckinghamshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Buckinghamshire	£ 862	£ 831	3.73%	£ 813	6.03%	£ 49

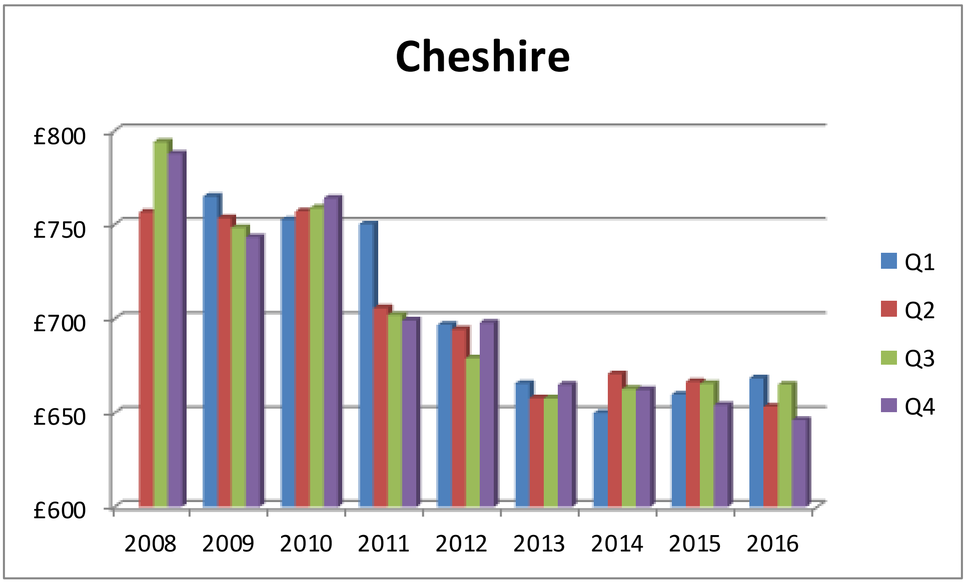
There is only one office in Buckinghamshire, Belvoir Milton Keynes, who reported increasing rents on two and three bed houses and one/two bed flats, with tenant demand rising, driving the increase.

Cambridgeshire



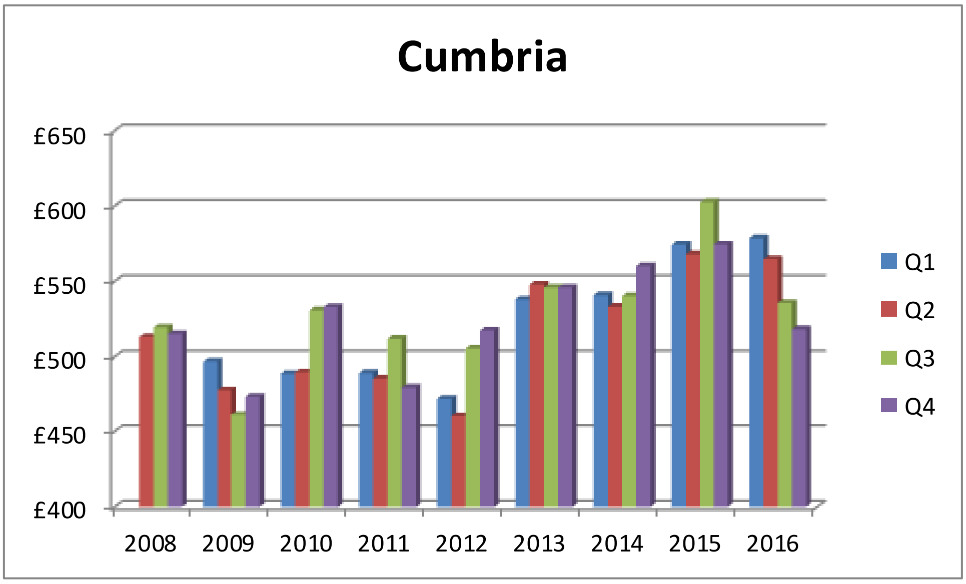
County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Cambridgeshire	£ 781	£ 828	-5.68%	£ 761	2.63%	£ 20

Cheshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Cheshire	£ 646	£ 654	-1.22%	£ 662	-2.42%	-£ 16

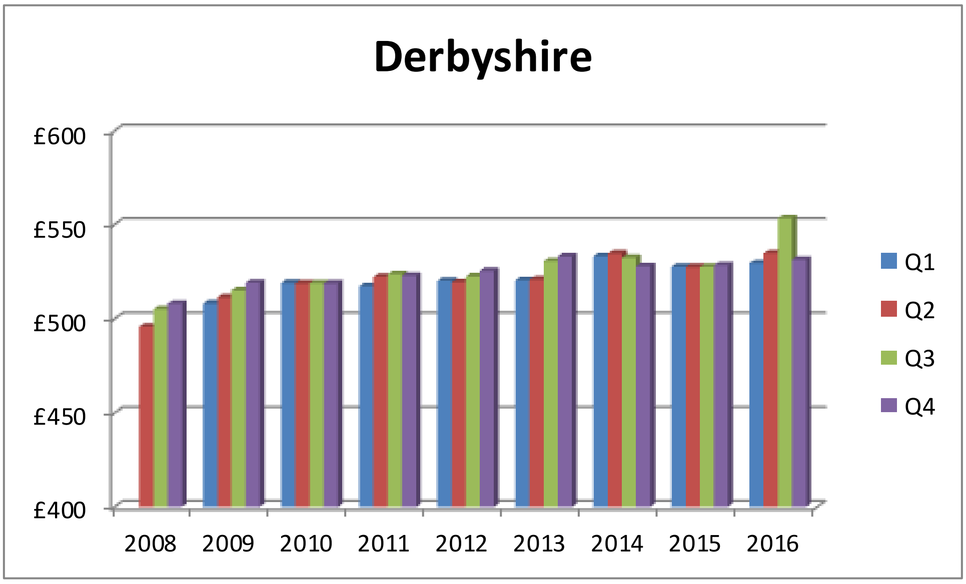
Cumbria



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Cumbria	£ 518	£ 575	-9.91%	£ 580	-10.69%	-£ 62

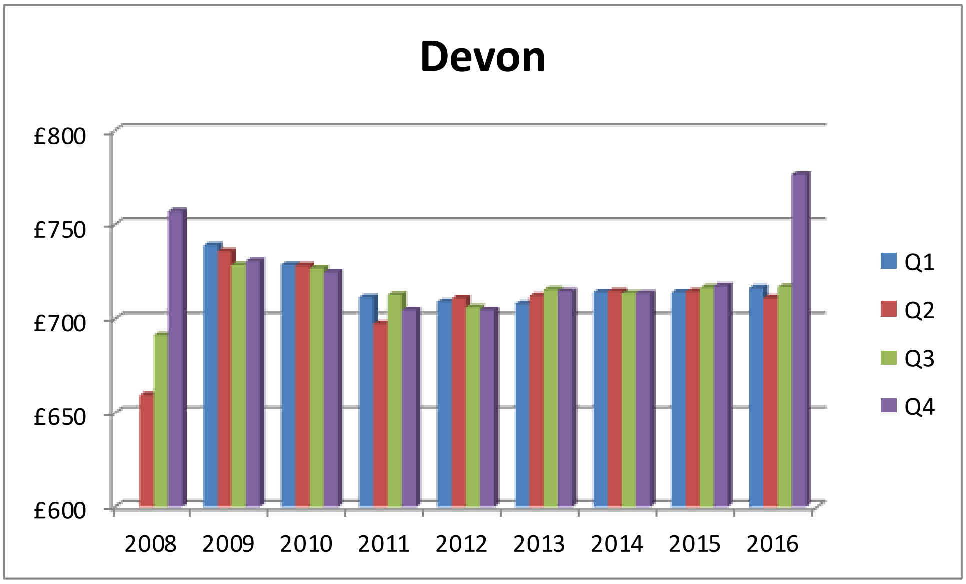
Cumbria consists of one office, Whitehaven, and the lower recorded rental average versus 2015 is due to the loss of the Cockermouth office. In addition, most of Whitehaven's properties have asking rents below £500 per month.

Derbyshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Derbyshire	£ 531	£ 528	0.57%	£ 528	0.57%	£ 3

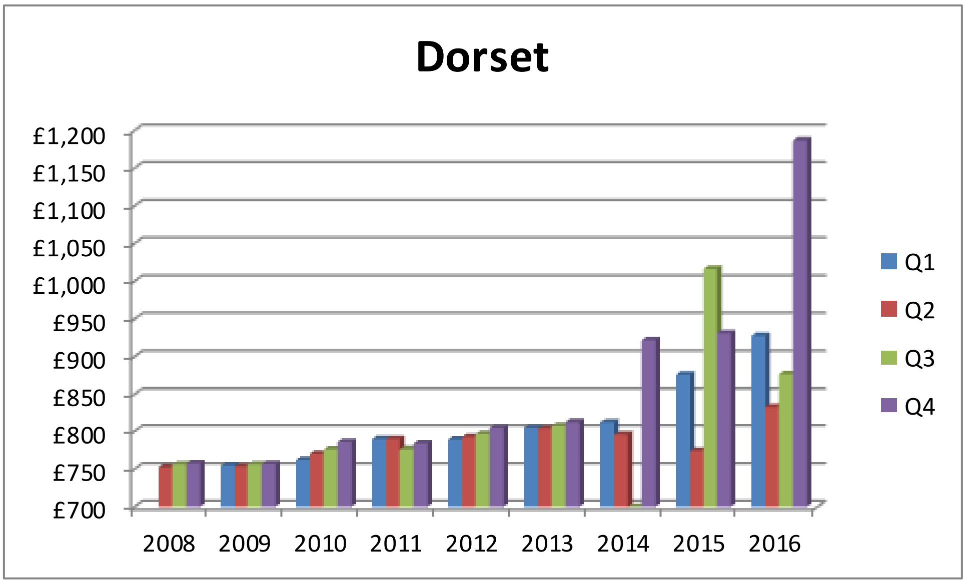
Devon



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Devon	£ 777	£ 717	8.37%	£ 716	8.52%	£ 61

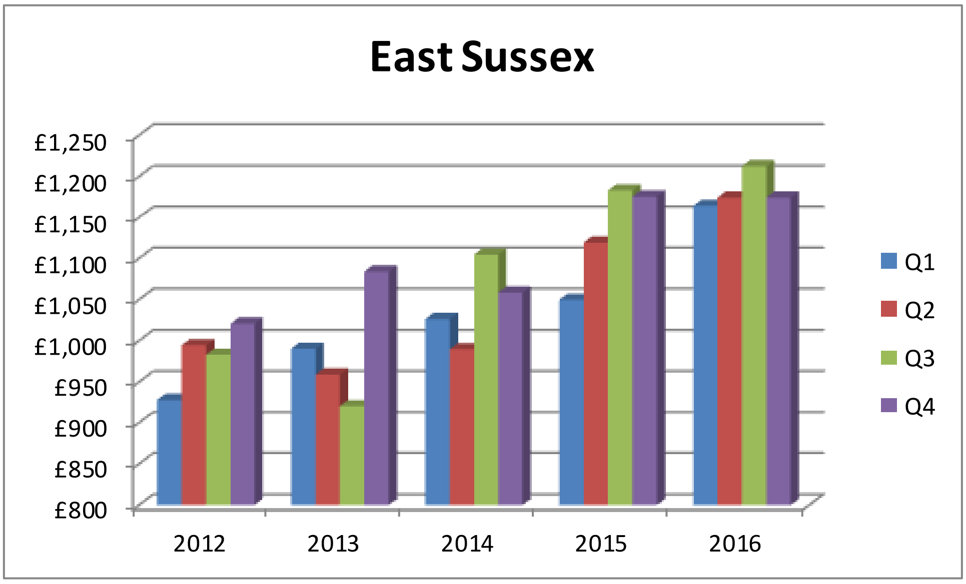
Devon consists of just one office in Plymouth. Monthly rents for Plymouth generally average around £720, and the abnormal increase in Q4 2016 is due to higher than average asking rents of properties in the latter part of 2016.

Dorset



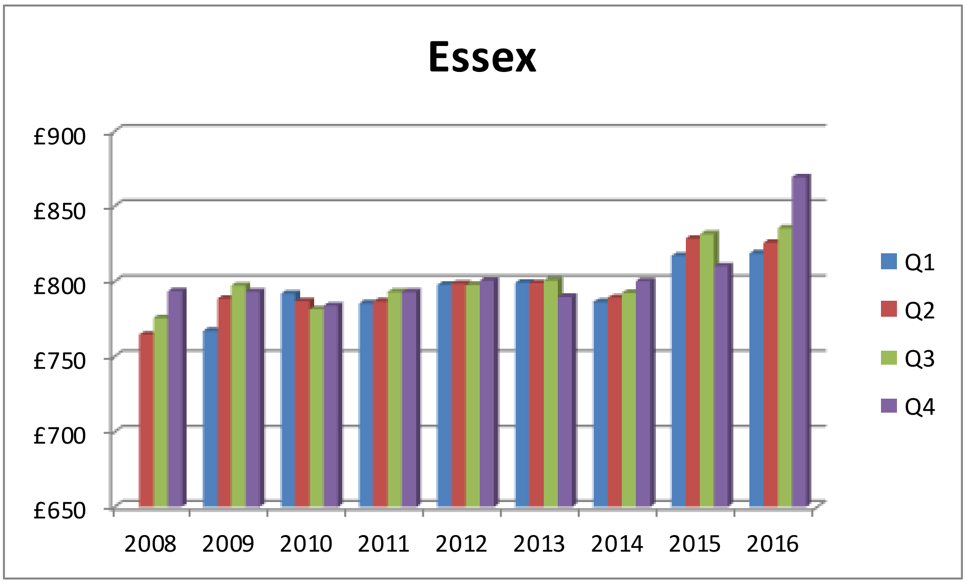
The Dorset statistics can be inconsistent due to only having one office, Christchurch, and the mix of property styles and sizes. According to the Christchurch office, with the exception of studio flats, rents increased during Q4 2016 for all other property, with the highest rises for three, four and five bedroom houses. In addition, there is and continues to be a lack of stock of houses, coupled with tenant demand increasing for this type of property.

East Sussex



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
East Sussex	£ 1,175	£ 1,176	-0.09%	£ 1,132	3.80%	£ 43

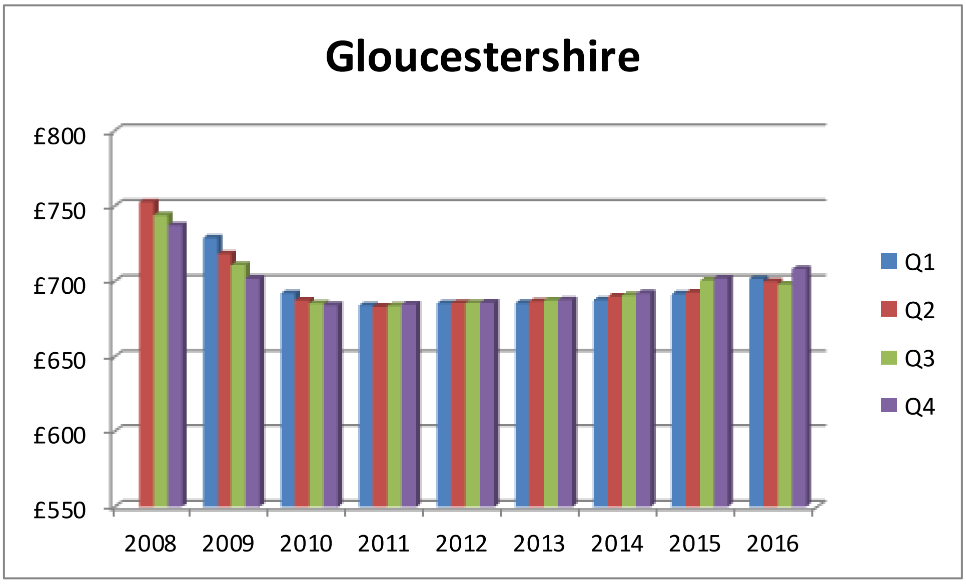
Essex



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Essex	£ 870	£ 810	7.41%	£ 823	5.71%	£ 47

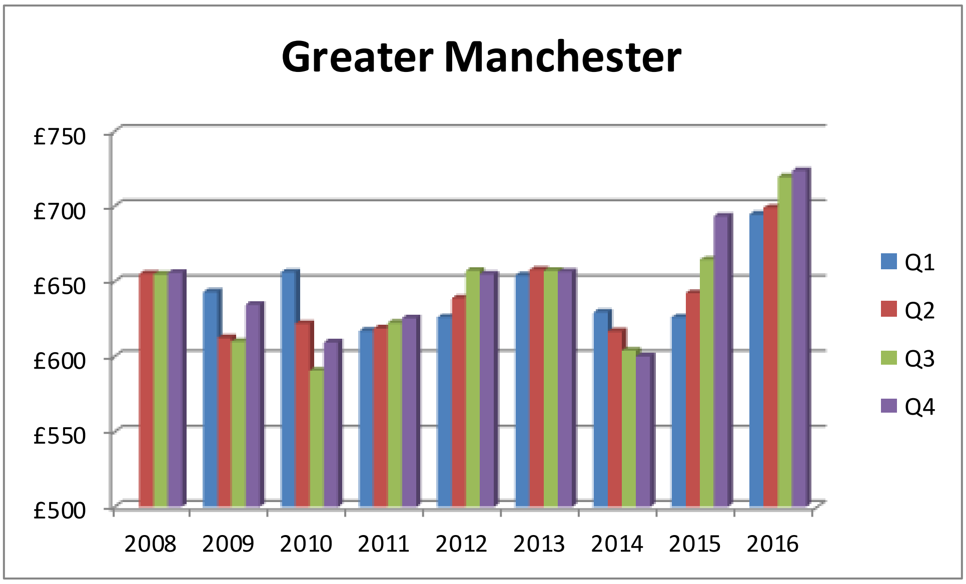
Rents in Colchester remain fairly static. In the remaining offices, the apparent uplift in average rents is mainly due to a lack of stock, coupled with higher than average asking rents. The Harlow office has reported rental increases for all property types, particularly for houses, a lack of stock and rising tenant demand.

Gloucestershire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Gloucestershire	£ 708	£ 702	0.85%	£ 697	1.58%	£ 11

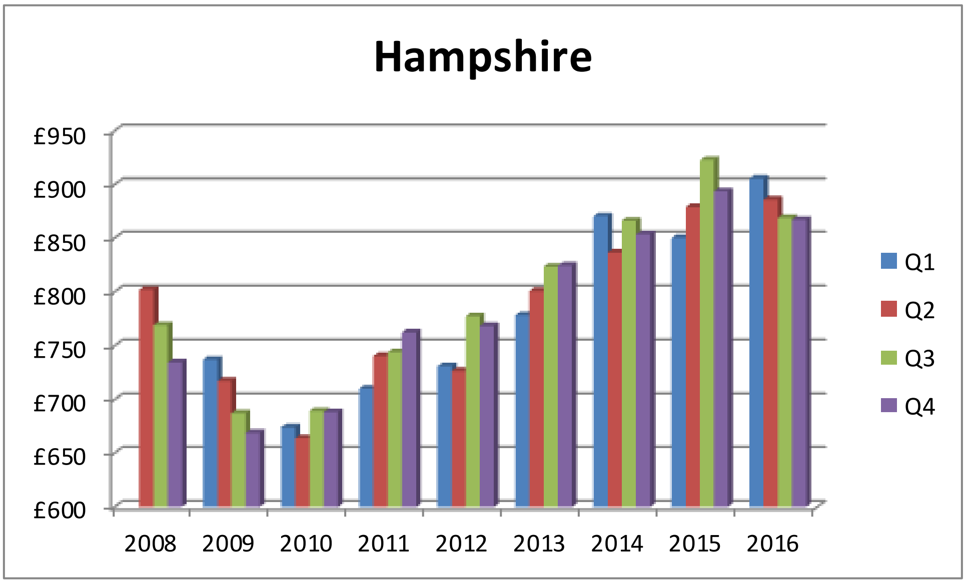
Great Manchester



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Greater Manchester	£ 724	£ 693	4.47%	£ 657	10.20%	£ 67

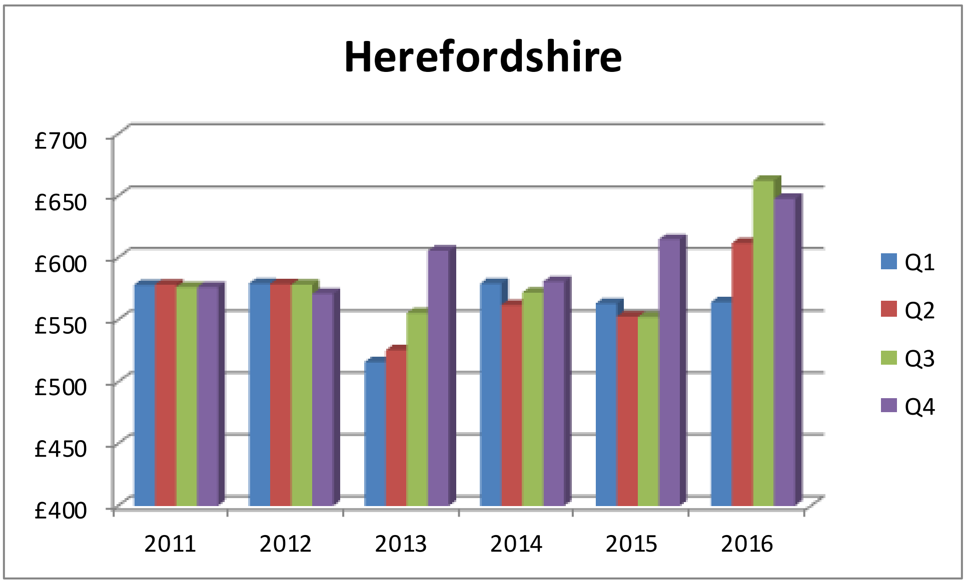
Rents in all Greater Manchester offices remain fairly stable, with the exception of Manchester Central, where asking rents increased during Q4 2016. This is mainly due to the large number of properties carrying asking rents of between £1,000 and £3,500 per month which has pushed up the statistical average.

Hampshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Hampshire	£ 867	£ 894	-3.02%	£ 887	-2.25%	-£ 20

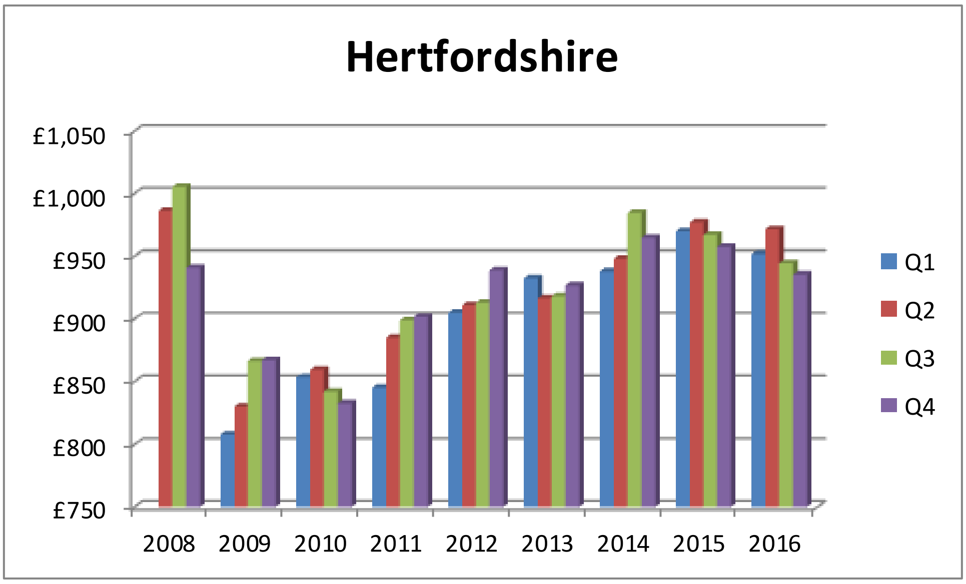
Herefordshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Herefordshire	£ 648	£ 615	5.37%	£ 571	13.49%	£ 77

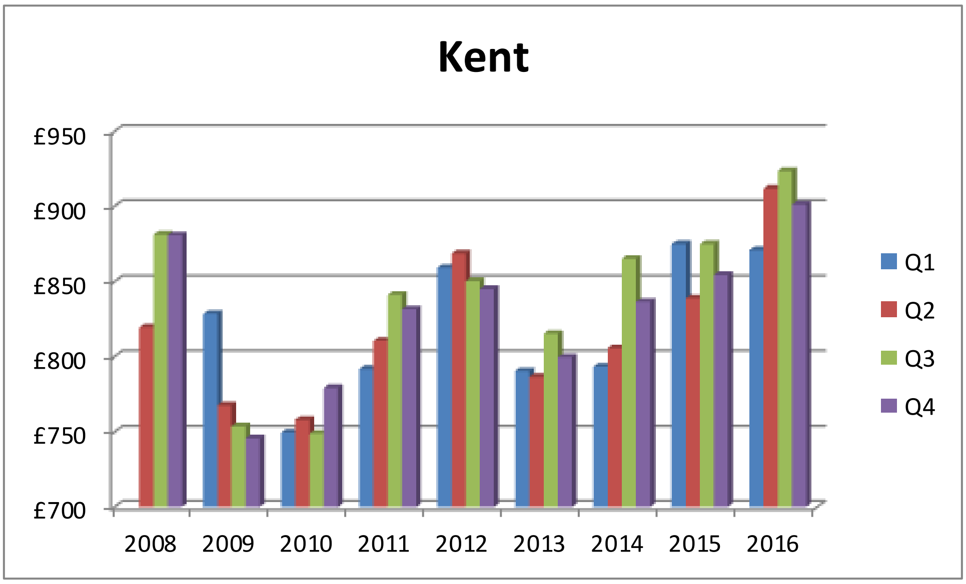
The rise in rents is due to the Hereford office having a number of properties with higher than average asking rents, artificially pushing put the average.

Hertfordshire



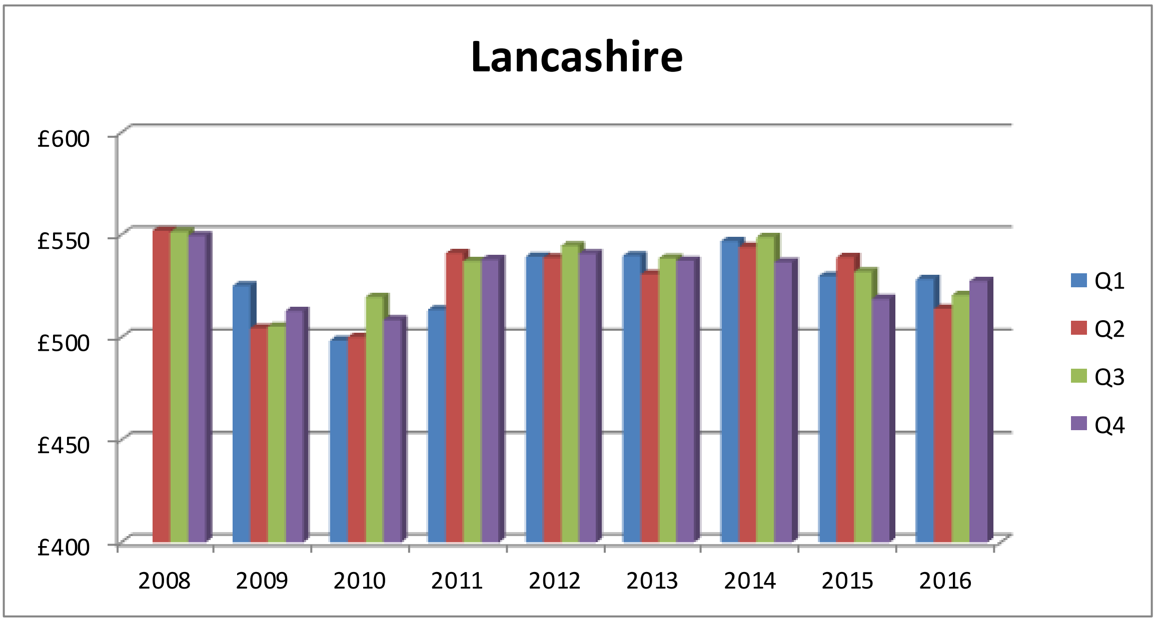
County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Hertfordshire	£ 936	£ 958	-2.30%	£ 969	-3.41%	-£ 33

Kent



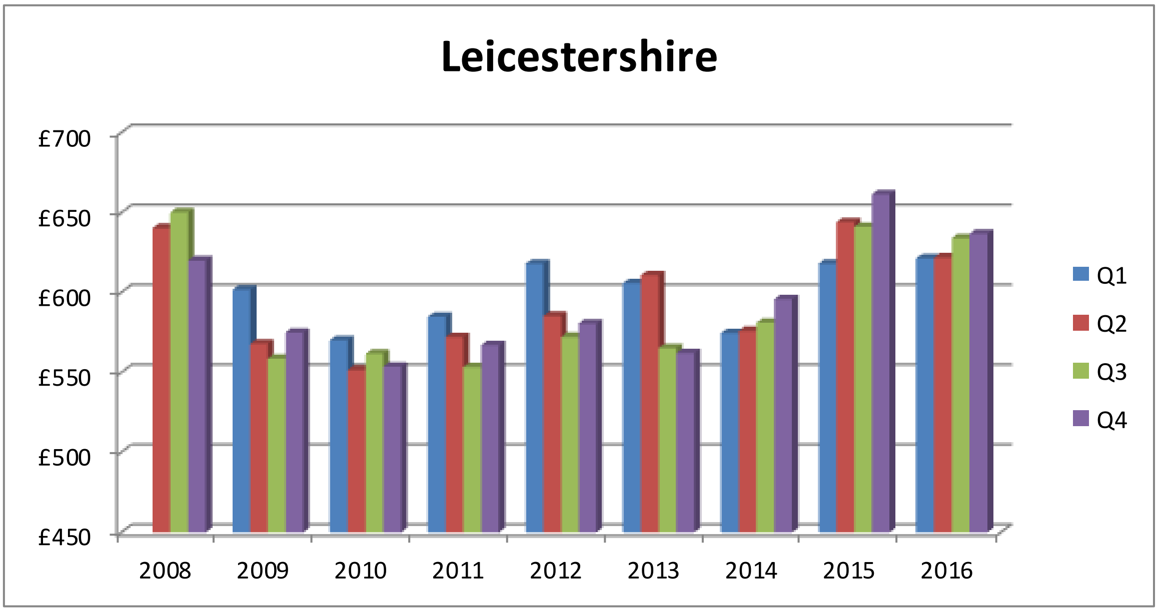
County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Kent	£ 901	£ 854	5.50%	£ 861	4.65%	£ 40

Lancashire



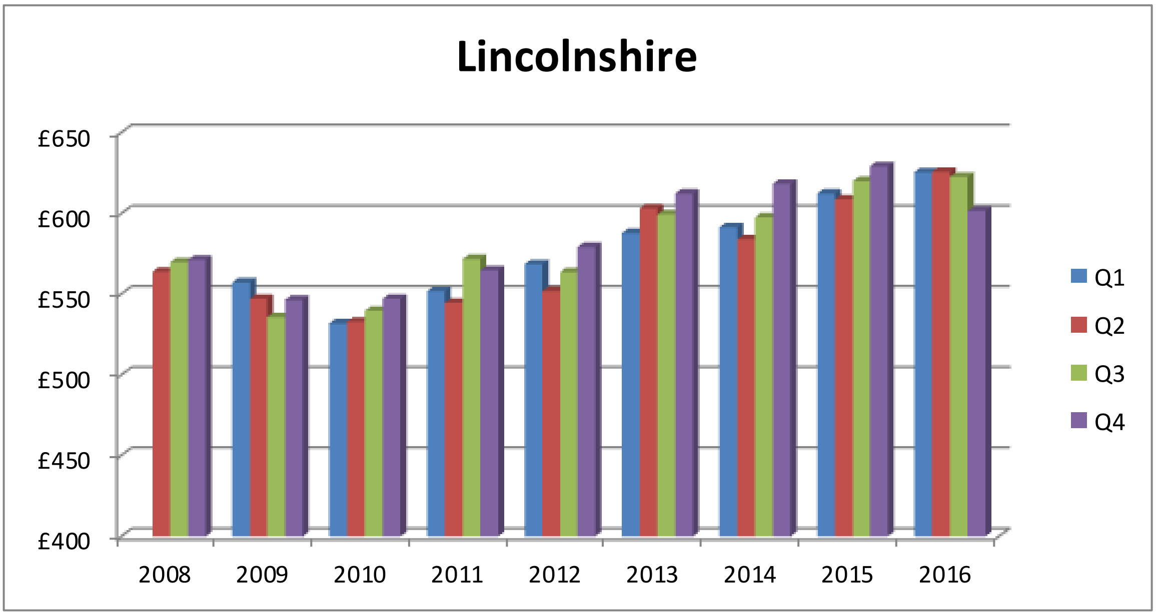
County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Lancashire	£ 527	£ 519	1.54%	£ 531	-0.75%	-£ 4

Leicestershire



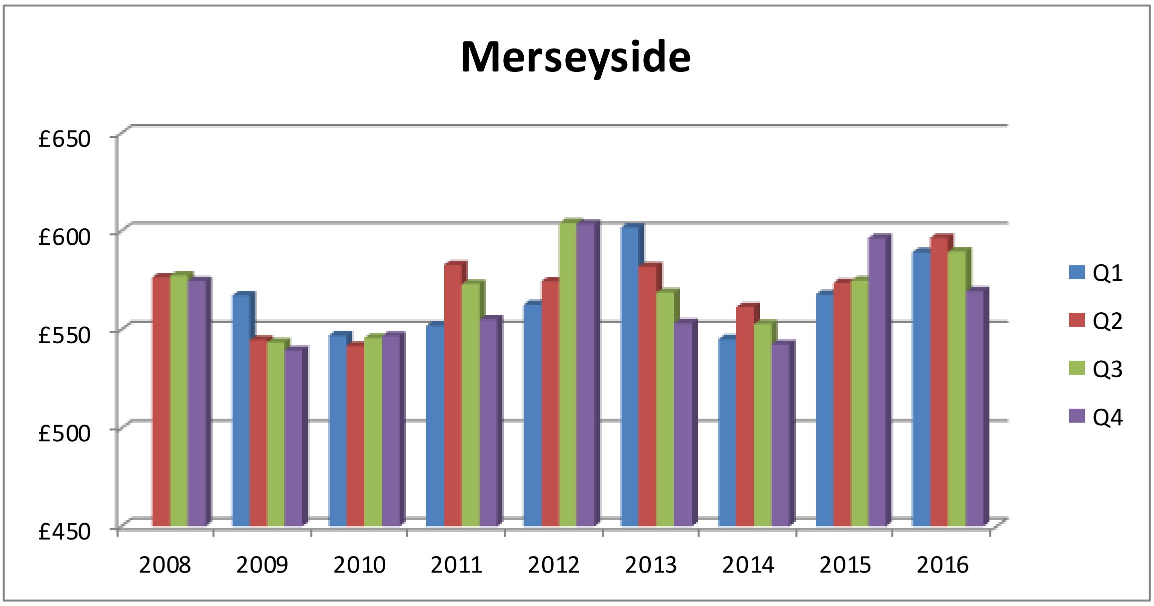
County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Leicestershire	£ 637	£ 661	-3.63%	£ 641	-0.62%	-£ 4

Lincolnshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Lincolnshire	£ 602	£ 629	-4.29%	£ 618	-2.59%	-£ 16

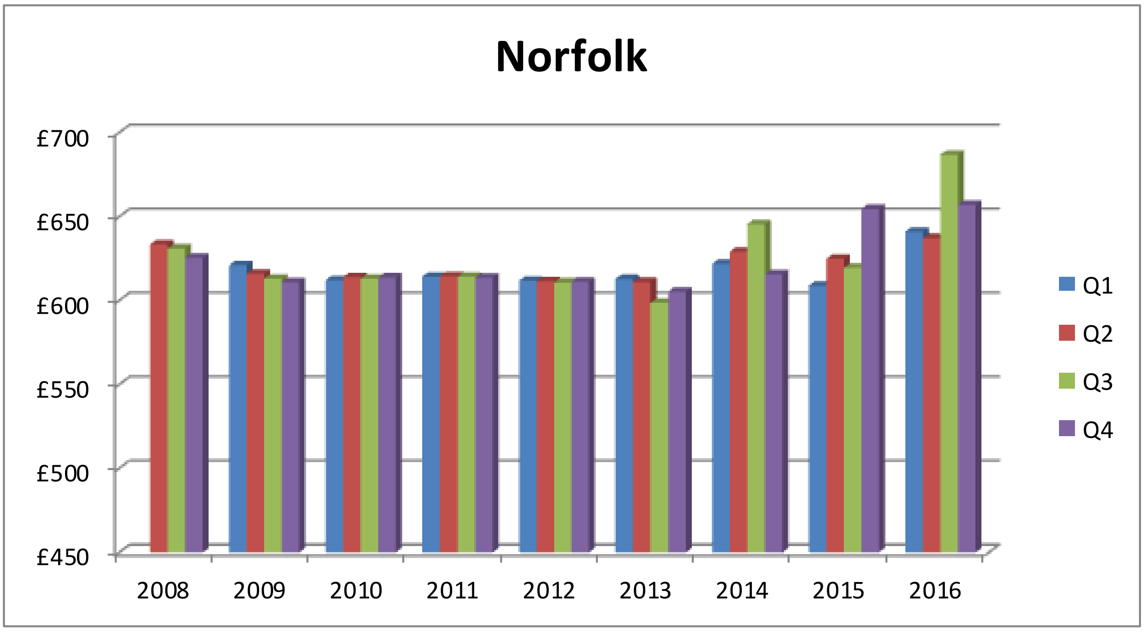
Merseyside



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Merseyside	£ 569	£ 596	-4.53%	£ 578	-1.56%	-£ 9

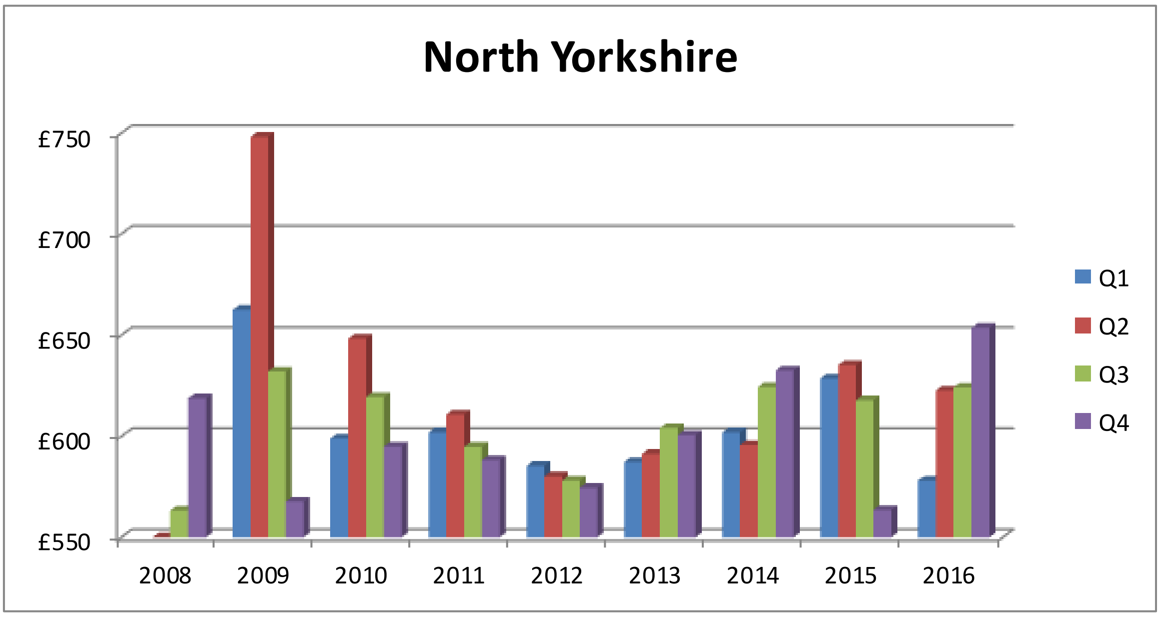
The apparent fall in rents during Q4 2016 is due to properties advertised at a low weekly, as opposed to monthly, rent in Liverpool which is skewing the figures. In reality, both the Wirral and St Helens offices reported increasing rents, particularly for houses, with tenant demand increasing and are anticipating rents to continue rising for houses.

Norfolk



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Norfolk	£ 657	£ 655	0.31%	£ 624	5.29%	£ 33

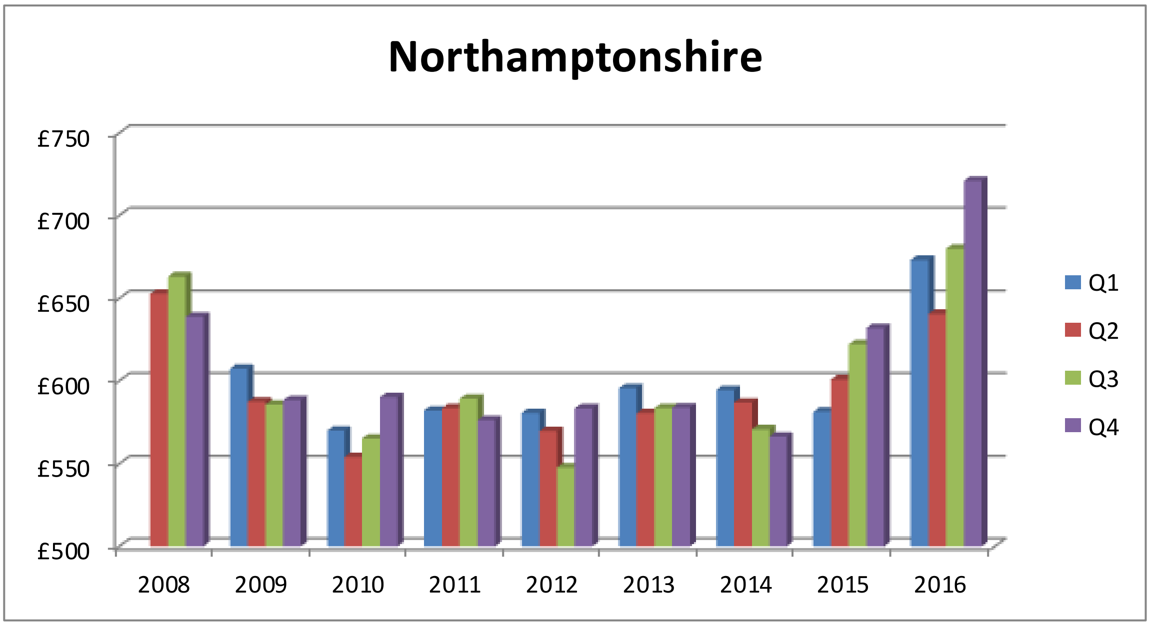
North Yorkshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
North Yorkshire	£ 654	£ 564	15.96%	£ 614	6.51%	£ 40

The uplift in rents in North Yorkshire is mainly down to a quirk in the figures due to the loss of the York office for Q4 2015, previously having registered average rents of around £825. The Q4 2016 average is versus a very low base Q4 2015. In addition, the rental averages for Selby & Goole have increased due to very low stock and higher than average asking rents. Thirsk also has higher than average asking rents. In Skipton, although the figures would suggest increasing rents, the office has reported no increases.

Northamptonshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Northamptonshire	£ 721	£ 632	14.08%	£ 607	18.78%	£ 114

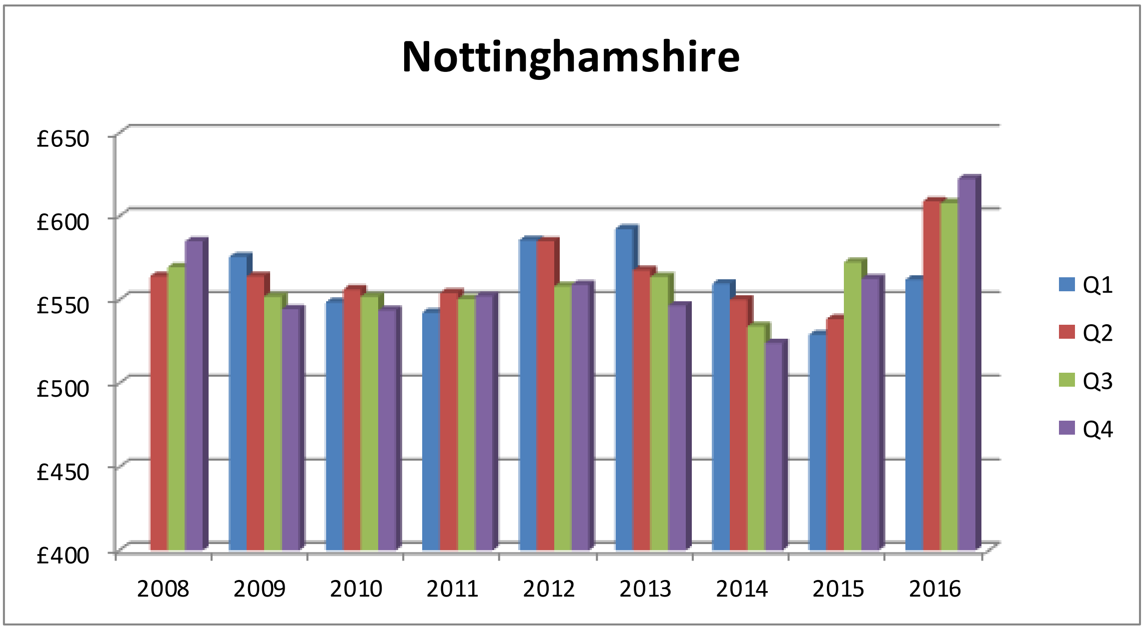
The increases in Northamptonshire suggested by the statistics are not a true reflection of what is actually happening.

The stats are being skewed by Kettering property being advertised with annual rent and the Northampton office having above average asking rents on a number of properties. In addition, the new Daventry office in 2016 has average monthly rents of £730.

All of these factors have artificially pushed up the average rent.

In reality, talking to the Northampton office like for like for rents have gone up on average about £25 equating to a 3-4% increase as opposed to the large rise suggested.

Nottinghamshire

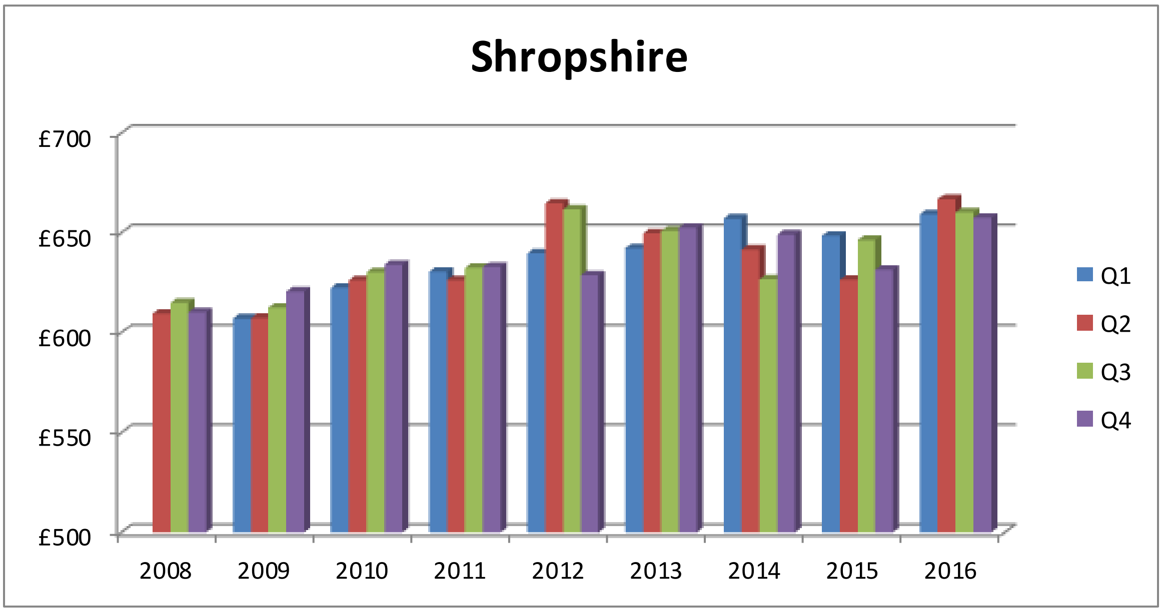


County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Nottinghamshire	£ 623	£ 563	10.66%	£ 550	13.27%	£ 73

In Nottinghamshire, the rise in rental averages for Q4 2016 is due to the Nottingham West, West Bridgford and Nottingham Central offices all having higher than average asking rents on a number of properties.

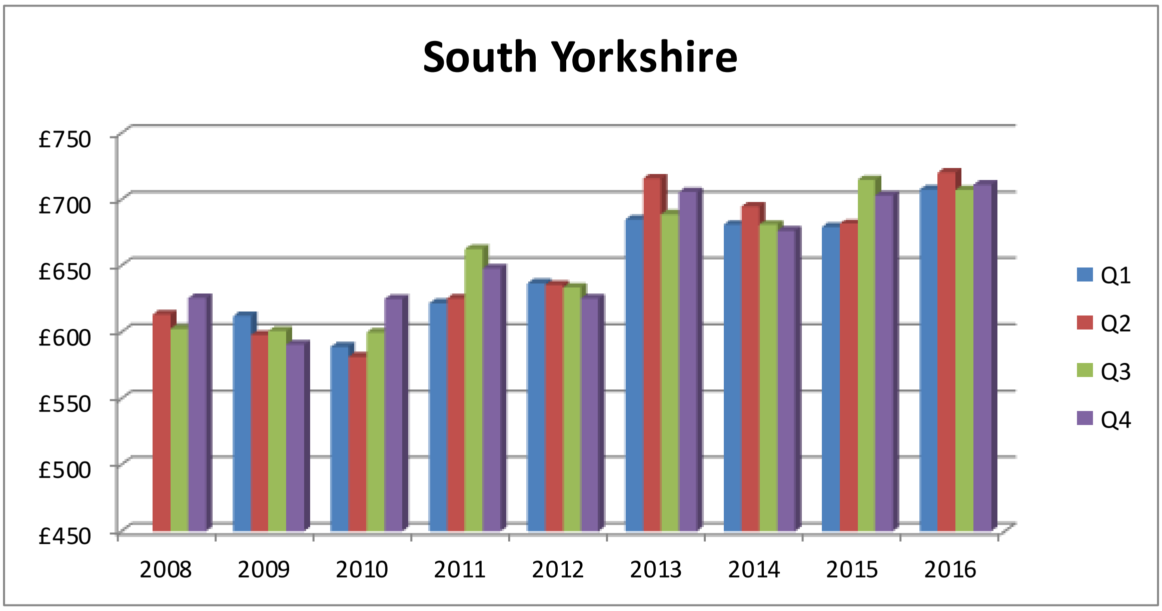
According to the Mansfield office, rents remained unchanged for two/three bed flats and larger houses, but increased for all other properties. Rents in Newark remained static.

Shropshire



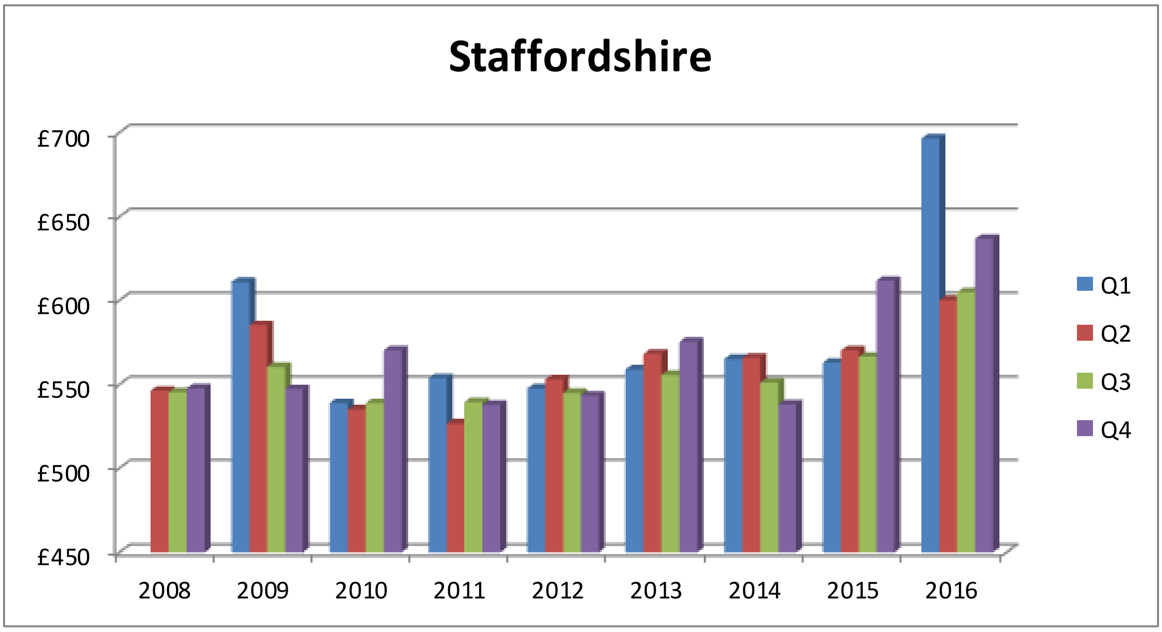
County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Shropshire	£ 657	£ 632	3.96%	£ 638	2.98%	£ 19

South Yorkshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
South Yorkshire	£ 711	£ 703	1.14%	£ 695	2.30%	£ 16

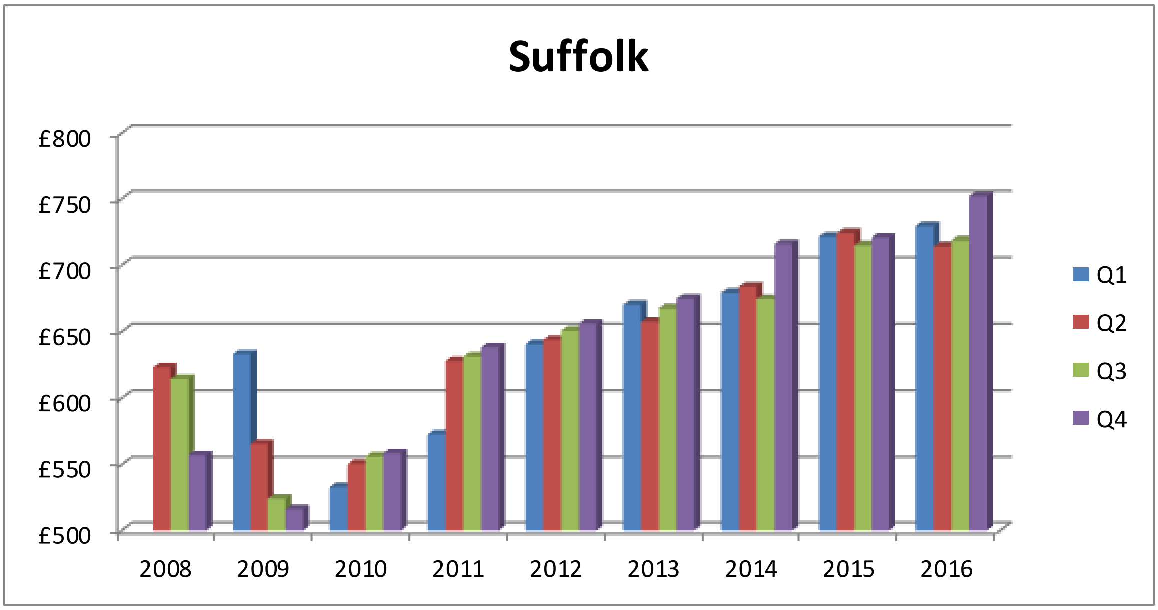
Staffordshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Staffordshire	£ 637	£ 612	4.08%	£ 578	10.21%	£ 59

The higher average rents in Staffordshire are attributed to the mix of property in Newcastle under Lyme with asking rents ranging between £350 and £3,000 per month, together with a large number of HMOs advertising weekly rents, which are skewing the figures. Belvoir Lichfield reported increasing rents across the board together with tenant demand increasing for houses.

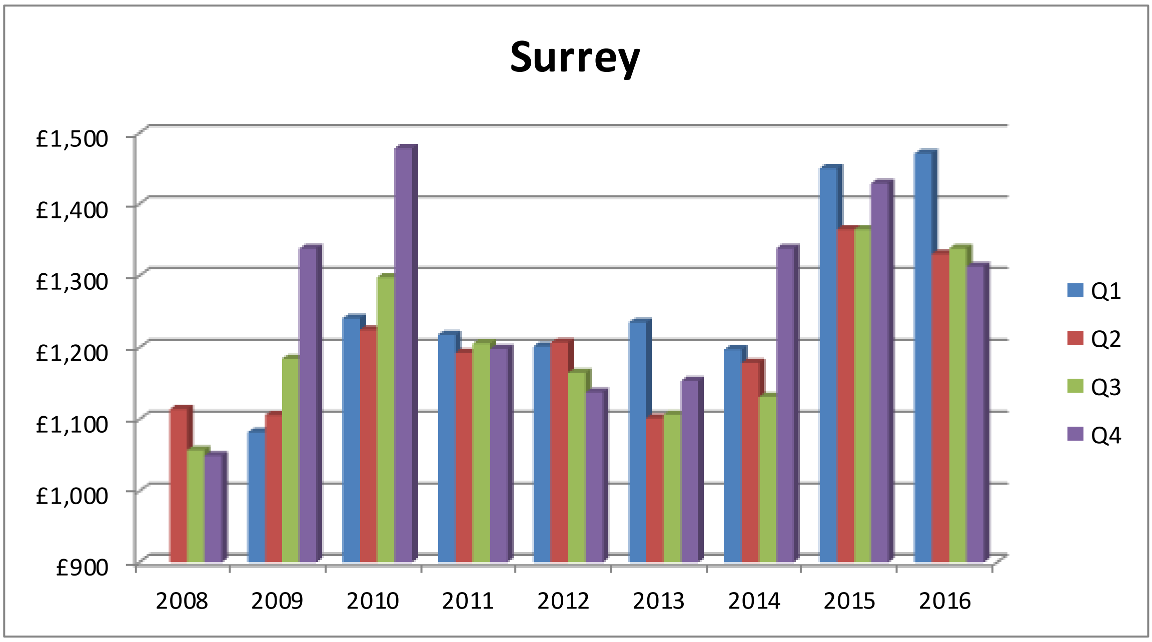
Suffolk



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Suffolk	£ 752	£ 721	4.30%	£ 720	4.44%	£ 32

The Ipswich office reported rental increases for two bed flats and two/three bed houses, with tenant demand increasing for houses.

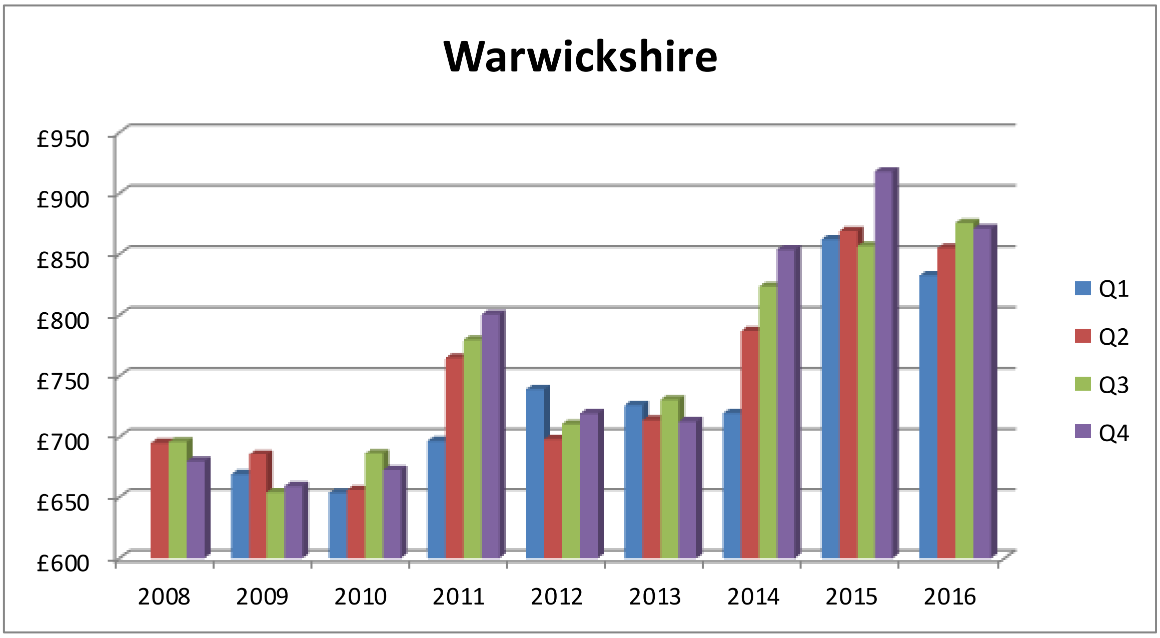
Surrey



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Surrey	£ 1,313	£ 1,430	-8.18%	£ 1,403	-6.41%	-£ 90

The Woking office reported static rents across the board during Q4 2016, with tenant demand decreasing for flats and houses.

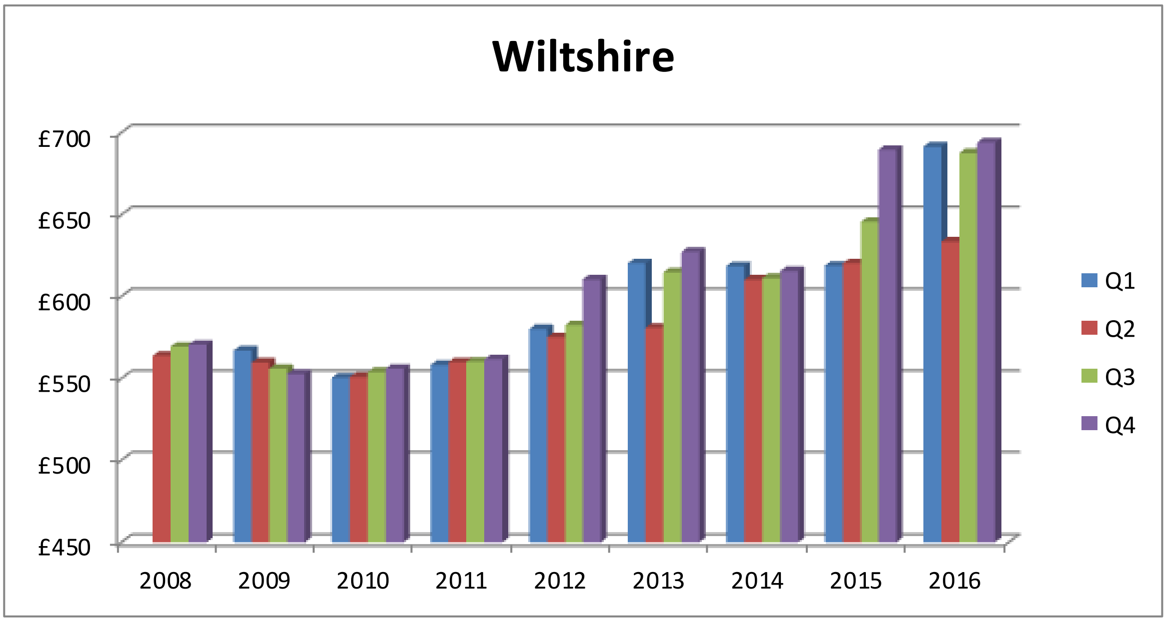
Warwickshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Warwickshire	£ 871	£ 918	-5.12%	£ 874	-0.34%	-£ 3

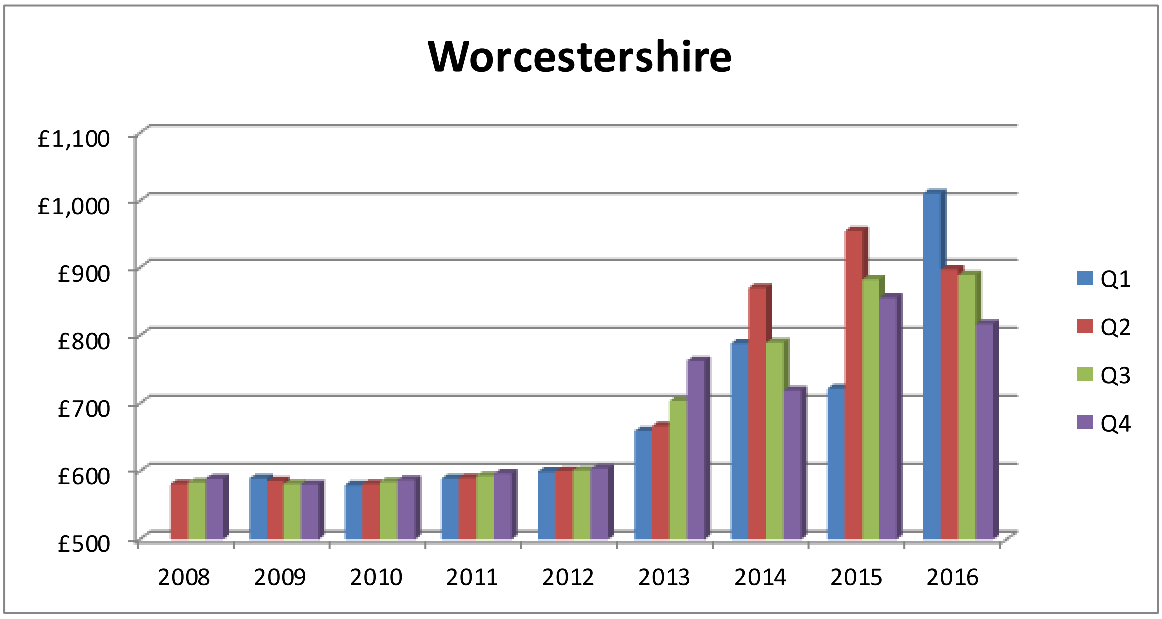
Belvoir Rugby reported static rents for all property types with tenant demand remaining unchanged.

Wiltshire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Wiltshire	£ 694	£ 690	0.58%	£ 644	7.76%	£ 50

Worcestershire



County	Average Rent in Q4 2016	Average Rent in Q4 2015	Q4 2016 vs Q4 2015 Average	2015 Annual Average Rent	Q4 2016 vs 2015 Annual Average	Q4 2016 vs 2015 Annual Average
Worcestershire	£ 818	£ 856	-4.44%	£ 854	-4.22%	-£ 36

Belvoir Worcester reported no change to the level of rents or tenant demand during Q4 2016.

Appendix

Belvoir Rental Index 2008 to 2016

Over the last eight 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 eight years
This is an analysis of rents across offices which have consistently traded across the seven years we have been tracking the index. Effectively, this analysis looks at rents on a 'like by like' basis, much as analysis is carried out when comparing like for like sales in retailing.

1. This data analyses over 140 offices from 2008 to 2016.
2. All offices which have traded via the Belvoir brand over the last seven years. This analysis looks at rents across all offices. We add an office after it has traded for nine months and can provide a three month simple average over a six month period. This data is particularly useful when analysing regional data as it analyses 139 offices, so increases the number of offices contributing to the data and thus makes the results more robust.

Level of data analysis
In this report we produce the following information:-

1. Average rental movements across the UK
2. Average rental movements across England, Wales and Scotland
3. Average rental movements by region: for example, East Midlands, London
4. Average rental movements by county: for example, Nottinghamshire, Shropshire
5. Commentary from Belvoir, the franchisor and local franchisees

How we analyse the data
The data is analysed on a three month simple average:-

Average rent:	£500
Average June rent:	£525
Average July rent:	£515
Total:	£1,540 / 3 = £513 will be the average July rental figure

We analyse the information on a month by month basis and a year on year basis. However, we also look at the data from the height of the rental market, the market low and whether the latest monthly data suggests rents are rising, falling or stabilising versus previous highs and lows.

The rents analysed are ‘average’ rents. In the main, we know that the annualised average rent is fairly accurate when considering the rents for the top two properties, for example, two and three bed houses in small and large urban areas, or one and two bed flats in city centres such as London.

Some of the data flaws happen on a month by month basis. For example, it is possible that some trends are affected by agents listing unusually high priced properties. For example, in Shrewsbury, we know the data accurately picks up trends over time, but tracks average rents at around 10% higher due to large, prestigious properties being rented on a regular basis.

In addition, we know data for some offices can show a rise in rents when the reality is that property stock is tight, so isn’t as robust as normal, or a higher level of new build properties rent out at higher levels than second hand or previously lived in properties.