



**scansan**

# **Analytical Report**

Rental Market Analysis(October, 2024)

Intelligence Team

## Overview

The following report represents information on rental properties in various postcode districts in London.

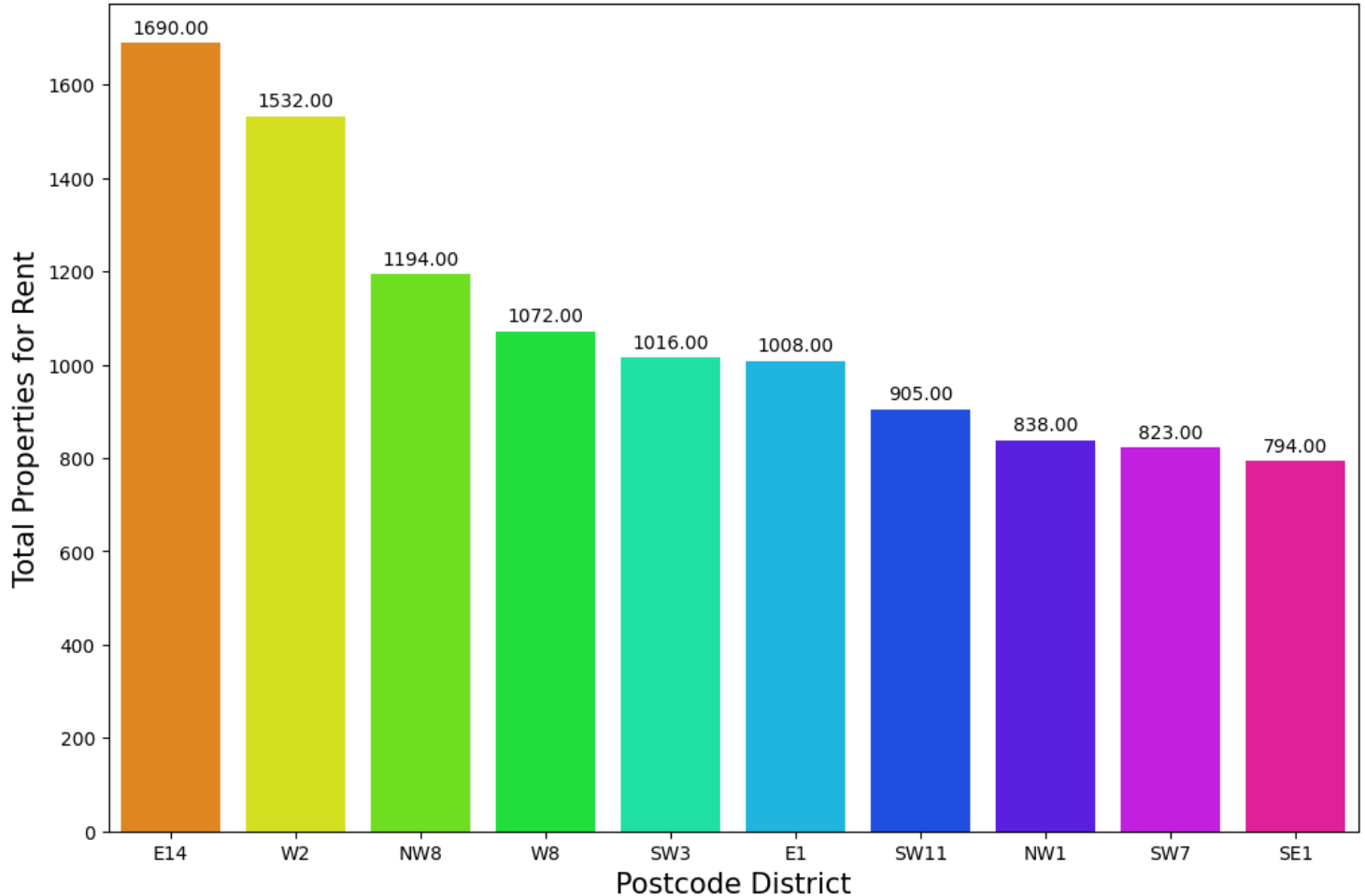
## Key Metrics

- Total properties for rent: This value indicates the total number of properties available on the market for rental purposes in a month.
- Average transaction per month: The average number of properties rented out per month.
- Months of inventory: The amount of time it takes for the said “total properties for rent” to be rented out.
- Turnover percentage per month: The proportion of properties that change hands each month.
- Days on the market: The average number of days it takes for a property to be rented out.
- Rating: This value provides a qualitative assessment of the market type based on certain criteria including demand, rental price etc.
- Landlords Market: Market with high demand and less supply.
- Balanced Market: Market with approximately equal demand and supply.
- Tenants Market: Market with high supply and less demand.

## High-level Analysis

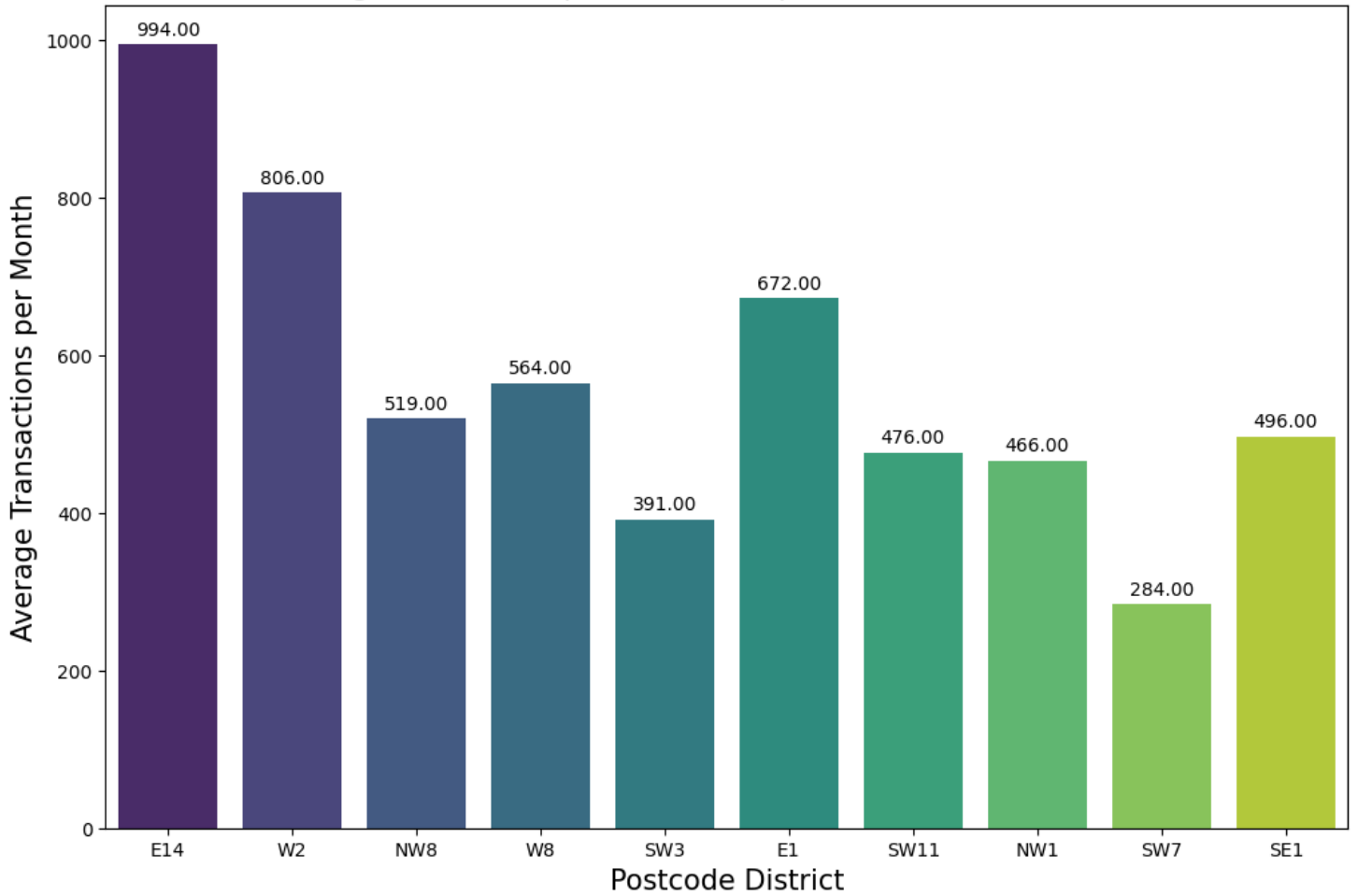
The following analysis provides an overview of the rental market in several postcode districts for October 2024.

Total Properties for Rent in Top 10 Districts - October 2024



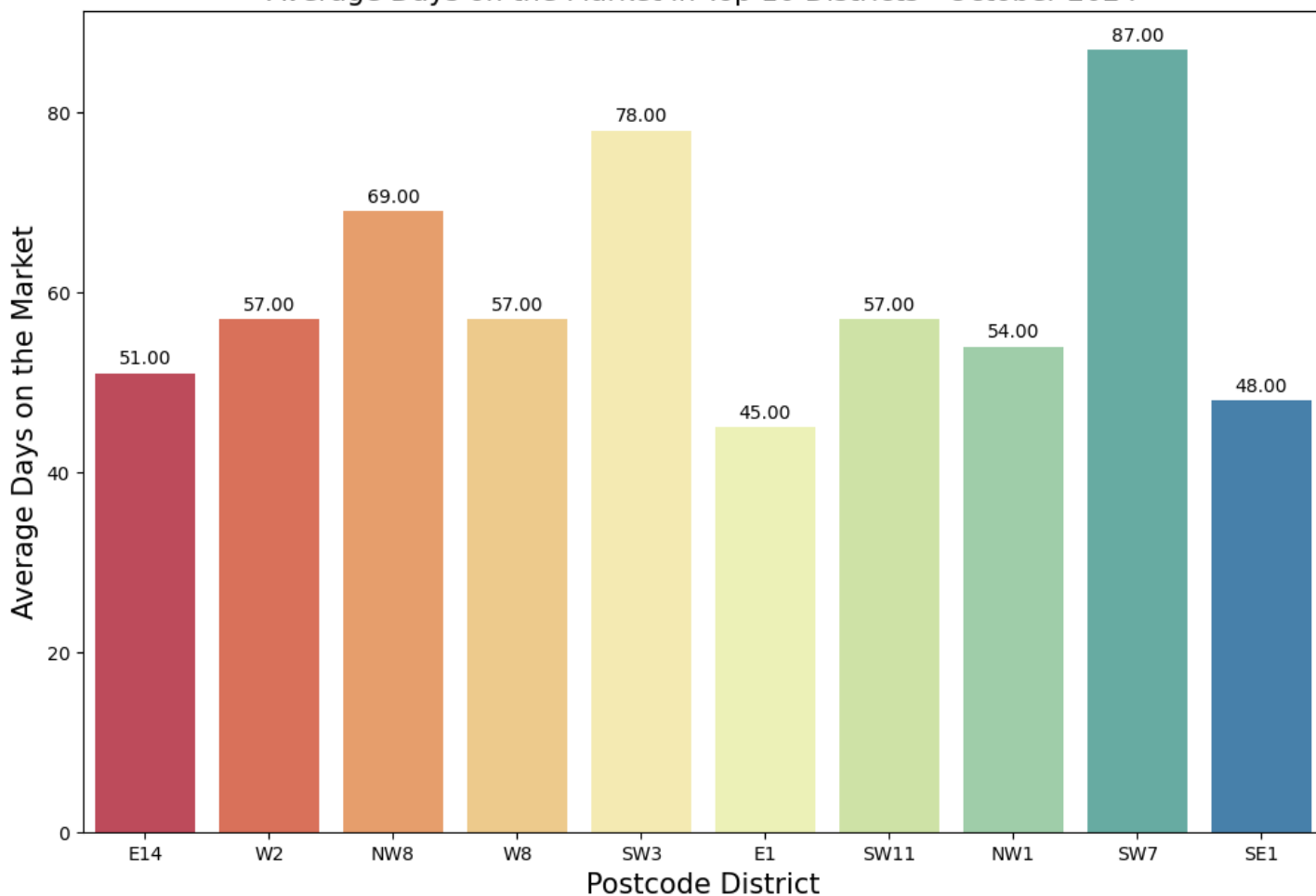
The October 2024 rental market in these London districts is highly competitive, particularly in "Landlord's market" zones like E14, W2, and SE1, where limited inventory (1.5–2.3 months) and high turnover rates (above 50%) indicate strong demand and swift rental cycles, with properties typically on the market for 45–57 days. High-end areas such as W8, SW7, and NW8 command premium rents, especially in SW7 with average rents upto 14,000 GBP per month, though these properties tend to stay on the market longer (around 87 days). Some zones, like SW3 and SW7, reflect a more "Balanced market" with higher inventory levels and moderate turnover, suggesting slightly less pressure on renters. Overall, the data reveals a dynamic rental landscape with high tenant activity and demand across most areas.

Average Transaction per Month in Top 10 Districts - October 2024



Index	Postcode District	Turn over(%) per Month
1	E14	59
2	W2	53
3	NW8	43
4	W8	53
5	SW3	38
6	E1	67
7	SW11	53
8	NW1	56
9	SW7	35
10	SE1	62

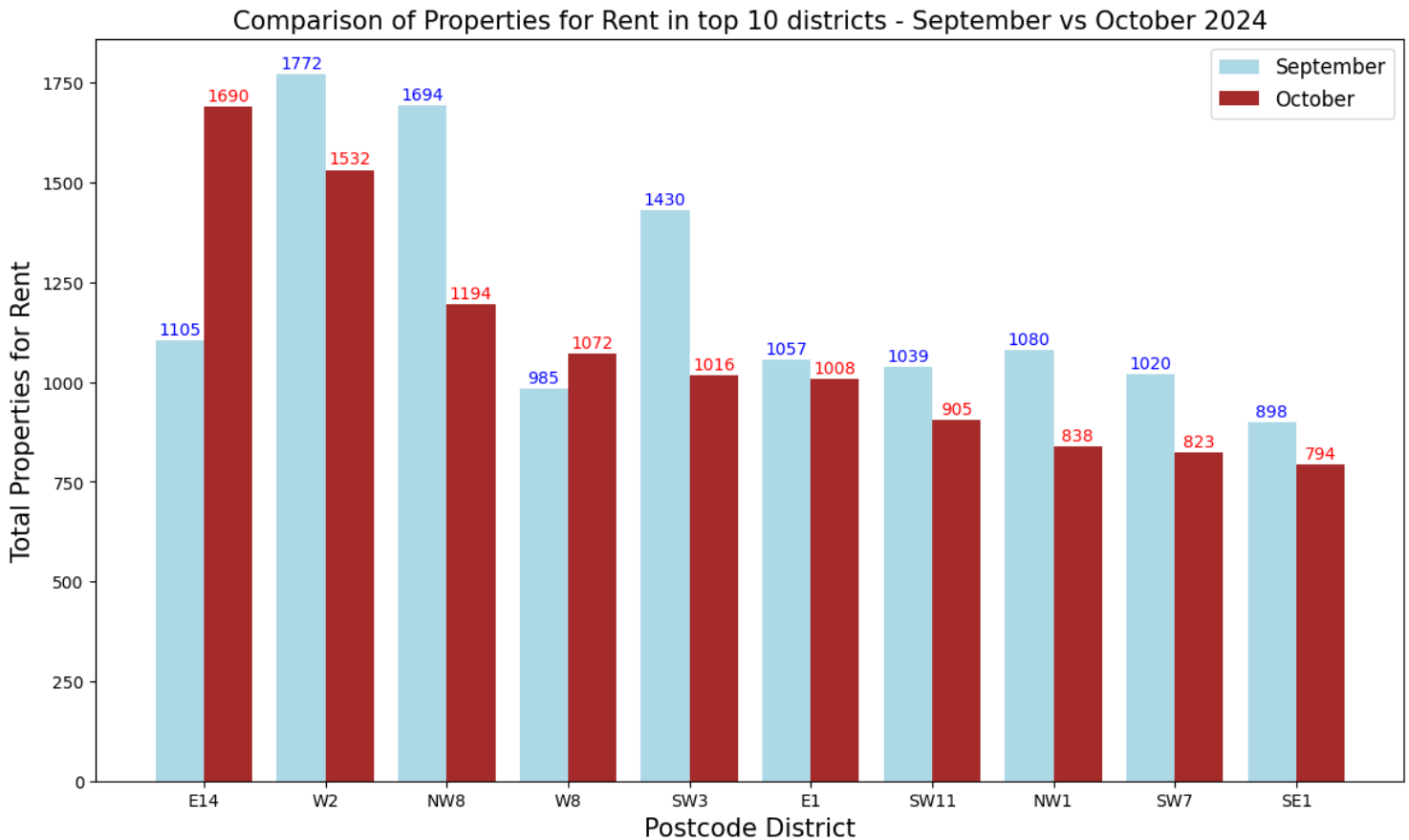
Average Days on the Market in Top 10 Districts - October 2024



Index	Postcode District	Months of Inventory
1	E14	1.7
2	W2	1.9
3	NW8	2.3
4	W8	1.9
5	SW3	2.6
6	E1	1.5
7	SW11	1.9
8	NW1	1.8
9	SW7	2.9
10	SE1	1.6

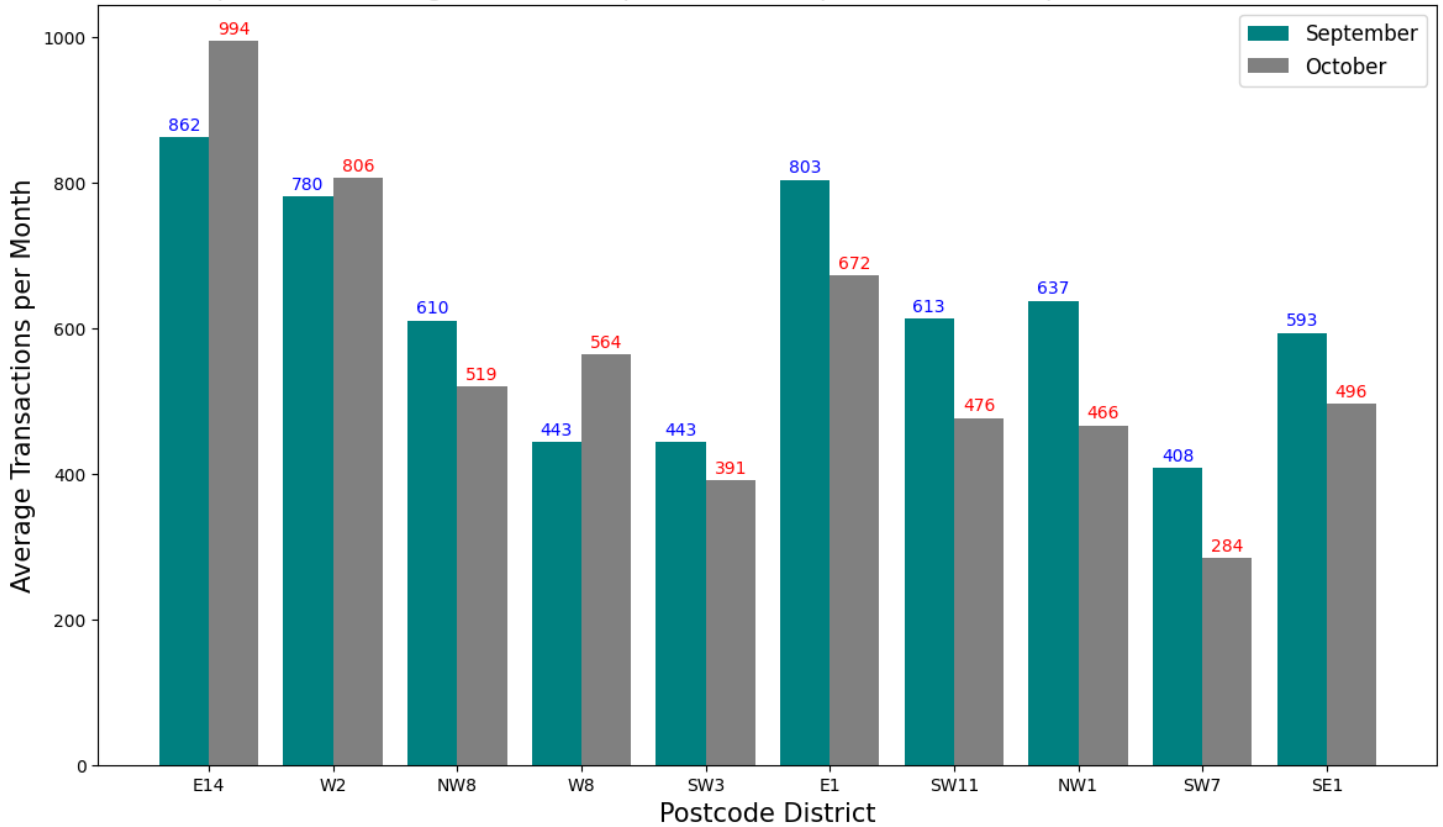
## Comparison of data: September vs October, 2024

The bar chart compares the top 10 districts for October with those for September. This side-by-side comparison allows for a visual assessment of any changes or trends in these districts' performance over the two months.



Between September and October 2024, rental listings fluctuated across London's districts with mixed trends in inventory, while most areas retained their "Landlord's market" rating, highlighting sustained demand. Districts such as E14 and W8 saw a rise in available rentals, signalling a slight easing of supply constraints, yet demand remained strong enough to maintain the landlord-advantage status. Conversely, several areas like NW8, W2, and SW3 experienced a drop in listings, with NW8 notably shifting from a "Balanced market" to a "Landlord's market," suggesting intensified demand pressures. Balanced market zones like SW3 and SW7 held steady ratings, reflecting relatively stable dynamics despite decreased inventory, which underscores ongoing demand across both high and mid-range rental markets in London.

Comparison of Average Transaction per Month in top 10 districts - September vs October 2024



October 2024 shows a complex rental market landscape in London, marked by both cooling trends and pockets of intensified demand. In high-transaction districts like E14 and W2, where rental activities increased month-over-month, turnover rates interestingly dropped, suggesting an influx of new listings outpacing tenant uptake—a possible sign that the surge in supply is giving renters more options. In contrast, luxury areas like SW3, NW8, and SW7 saw decreases in transactions and relatively low turnover, hinting at stabilised or slightly reduced demand as renters may be more cautious at the high end of the market. Meanwhile, districts such as SE1 and E1 held onto strong turnover rates above 60%, reflecting steady demand in more centrally located or traditionally popular rental zones. This mix of trends suggests a market gradually balancing in certain areas, while others remain highly competitive, shaped by both new supply and cautious renter behaviour, likely in response to economic factors influencing affordability and choice.

## Insights - September 2024

- Market Trends and Dynamics: The rental market in October 2024 reflects a landscape with high prices and a quick turnover in some areas, while others face extended listing times. Districts like W8 and SW7 command exceptionally high average rents, with W8 reaching £10,394 PCM, indicating strong demand for premium rentals, yet longer days on market for SW7 suggest selective renter activity at the luxury end. High turnover districts such as E1 and SE1, with inventory under 2 months and relatively lower rent levels compared to other high-demand areas, showcase their appeal as more affordable yet centrally located options. This variance illustrates a dual-market trend: rapid movement in moderately priced, well-located areas, and a cautious, high-expectation segment for luxury rentals.
- Market Fluctuations and Variability: October's data highlights significant variability across districts, with turnover rates and days on market revealing tenant behaviour patterns. High turnover but lower days on market in E14, E1, and SE1 reflect brisk leasing activity, as tenants swiftly secure properties, possibly due to budget constraints or limited housing options. In contrast, areas like SW3 and SW7, with turnover percentages as low as 35% and longer days on market, hint at a hesitancy among renters to meet premium rates. This points to potential saturation or price sensitivity in upscale districts, where high rents may not align with the immediate demand.



- Market Possibilities and Opportunities: Districts with short inventory cycles and robust turnover rates, such as E1 and SE1, present solid opportunities for investors and landlords aiming to capture steady demand. Their affordability relative to other areas also suggests potential for further rental price growth if demand pressures persist. Meanwhile, premium areas like NW8 and W8, despite higher rents, may benefit from slight price adjustments or added tenant incentives to capitalise on their exclusivity without prolonging vacancies. Given the broad range in tenant preferences, from affordability to high-end luxury, districts can tailor rental strategies to enhance appeal, whether through competitive pricing, tenant incentives, or targeting niche demographics interested in specific district characteristics.