



# Foxtons Lettings Market Report

February 2024



# Foxtons Lettings Market Report

There are some signs of the rental market cooling, with demand beginning to normalise as we approach spring. This February, West and South London respectively had the largest declines with Central, North and East seeing only moderate reductions. There is a healthy supply of properties coming to market, which should lead to a stable and balanced market in the coming months.

- The number of new instructions in February 2024 was 20% higher than in February 2023.
- Average rent achieved rose 3% from January 2024 to sit at an average of £561.
- Applicant demand this February decreased 15%.



"The London lettings market is adjusting as we predicted, with applicant demand down 15% and listings up 20% compared to February last year. Landlords must adapt, as simply listing their property is no longer enough to achieve a good return. Though applicant numbers remain higher than 2019, we are conducting 23% more viewings in order to secure tenancies. Building a competitive pricing strategy and instructing a proactive agent are crucial for a landlord's success in this evolving market."

~ Gareth Atkins, Managing Director of Lettings



"South London had the highest demand, Central London had the highest budgets and West London was the only region to see a year-on-year increase in average price this February. Dig deeper, and you'll find even greater differences within each region. Landlords can set their listings apart by understanding and adapting to nuances in their local market. That's why we leverage real-time data and analytics to optimise our clients strategies, keeping landlords competitive within micro-markets."

~ Sarah Tonkinson, Managing Director of Institutional PRS and Built to Rent

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# Key Market Indicators

	Supply	Demand
	New Instructions YoY	New Renter Registrations YoY
All London	<div><div></div>19%</div>	<div><div></div>-15%</div>
Central	<div><div></div>11%</div>	<div><div></div>-5%</div>
East	<div><div></div>35%</div>	<div><div></div>-4%</div>
North	<div><div></div>37%</div>	<div><div></div>-3%</div>
South	<div><div></div>17%</div>	<div><div></div>-22%</div>
West	<div><div></div>17%</div>	<div><div></div>-30%</div>

February 2024

February 2023

January 2024

YoY (YTD 2024 vs YTD 2023)

MoM (February vs January)

New Applicant Registrations per New Property Instructed			
<div>Year to Date</div>	14		
<div><div></div>Last Year to Date</div>	19.07	-29%	
<div>2 Months Ago</div>	13.69	-2%	

Average Rent Per Week Achieved			
<div>Year to Date</div>	£553		
<div>Last Year to Date</div>	£563	-2%	
<div>2 Months Ago</div>	£544	3%	

Average % Budget Spent on Rent			
<div>Year to Date</div>	98%		
<div>Last Year to Date</div>	99%	-1%	
<div>2 Months Ago</div>	97%	2%	



# Applicant Demand

Applicant demand in February 2024 decreased by 15%, which indicates a more moderate market than last year.

South London continued to have the highest level of demand, although experienced the largest decline, decreasing 21% compared to 2023.

Year-on-year

-15%

2024 vs 2023

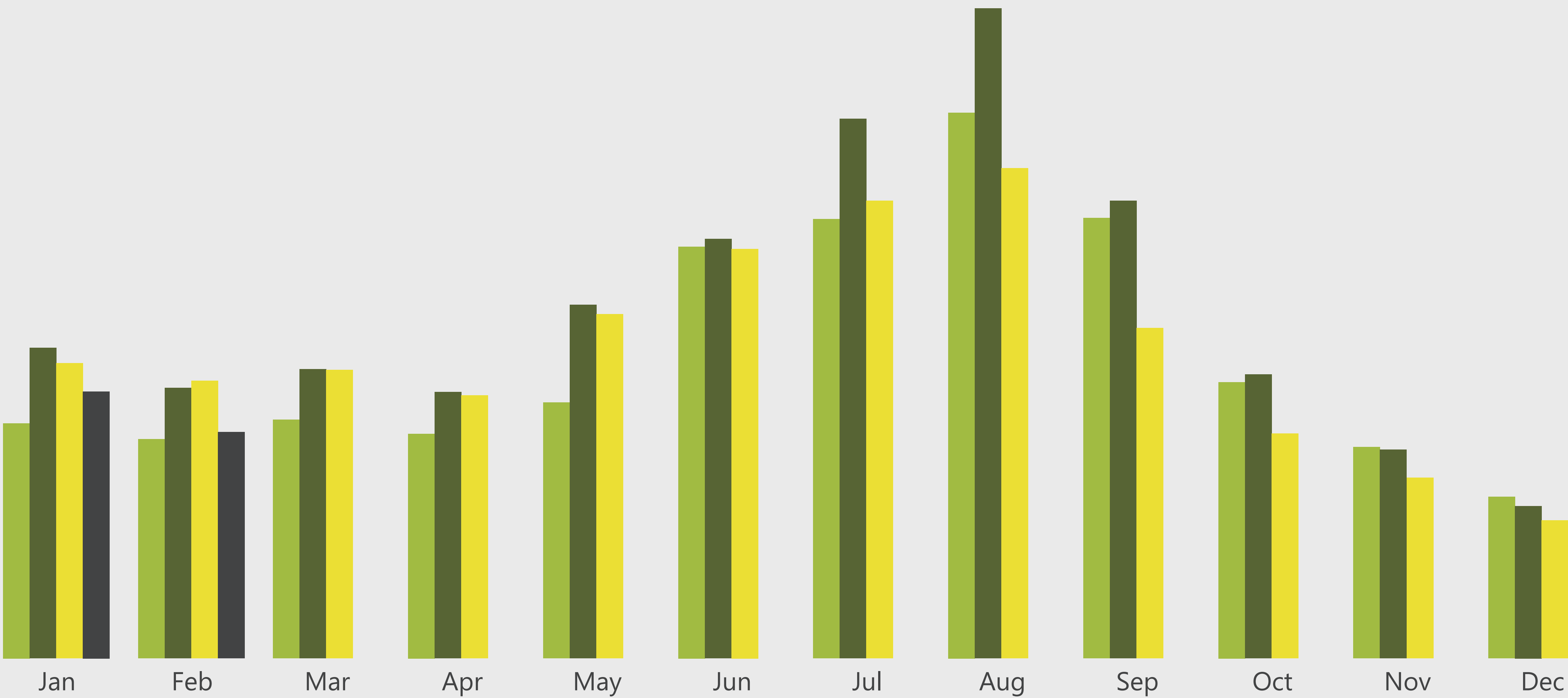
Month-on-month

-15%

February vs January

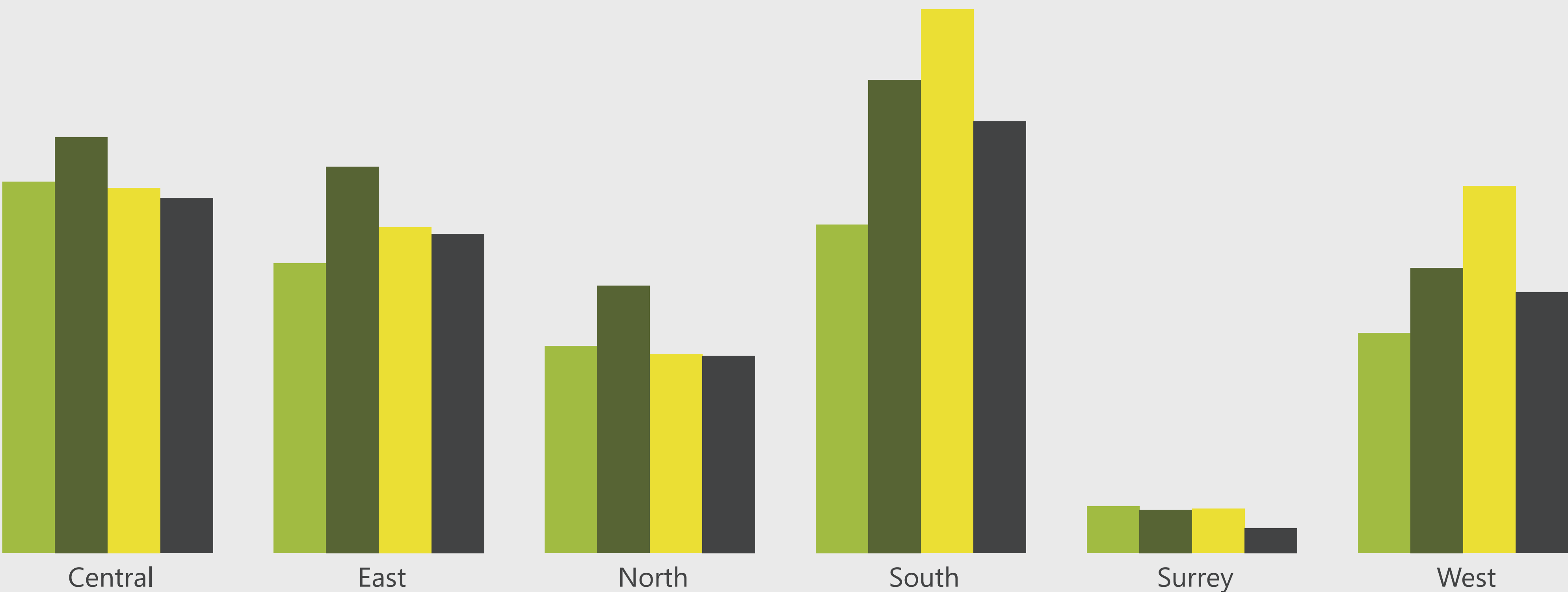
Renter Registrations Over Time - Foxtons Network

2021 2022 2023 2024



Renter Registrations By Region - YTD

2021 2022 2023 2024





# New Renters per New Instruction

The number of new renters per new instruction in London has been relatively stable since October 2023, hovering between 12 and 14 applicants per instruction. This behaviour continued in February 2024.

The year-on-year decrease of 29% highlights the shift in market dynamics as demand reduced and supply increased.

Year-on-year

-29%

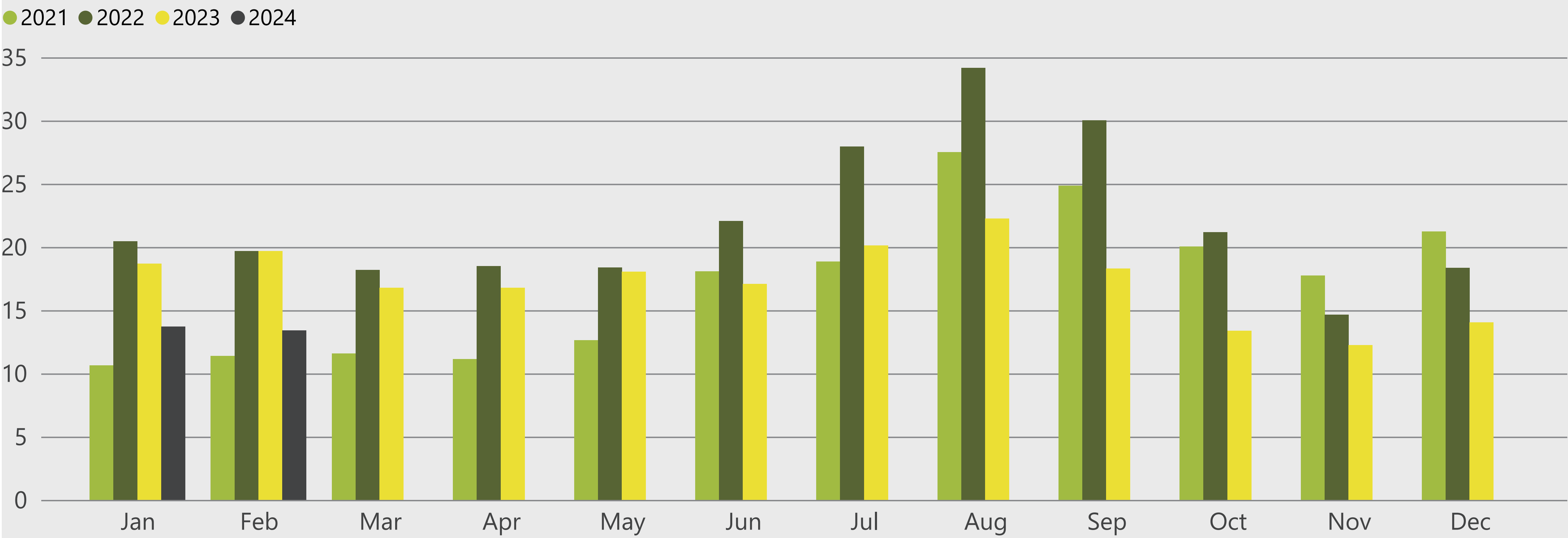
2024 vs 2023

Month-on-month

-2%

February vs January

New Renters per New Rental Instruction Over Time - Foxtons Network



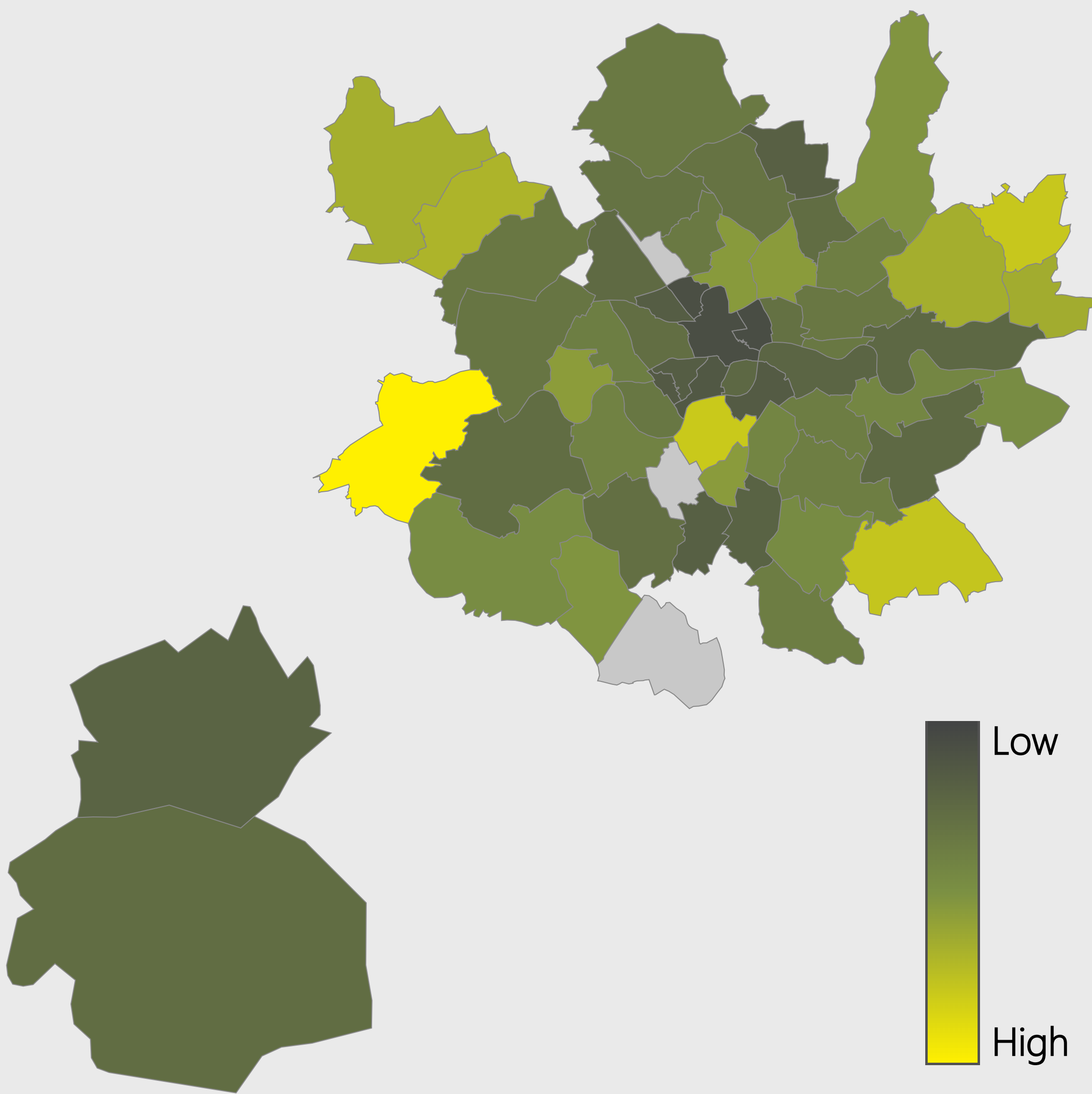
New Renters per New Instruction by Area

Areas	YTD	Last YTD	YoY
Central	9	10	-14%
East	15	20	-29%
North	14	20	-29%
South	18	27	-34%
Surrey	11	15	-28%
West	18	30	-40%
Total	14	19	-29%

New Renters per New Instruction by Area

Areas	Last Month	2 Months Ago	MoM
Central	9	9	1%
East	13	17	-26%
North	16	13	24%
South	17	19	-10%
Surrey	11	11	-5%
West	21	16	25%
Total	13	14	-2%

New Renters per New Rental Instruction by Foxtons Office Area - YTD





# Applicant Budgets

In 2024, applicant budgets across London regions remained slightly higher than 2023, with a 3% year-on-year increase in 2024. Applicant budgets for two-bed properties saw the largest year-on-year increase at 6%.

Applicants in Central London had the highest budgets, which reached £581 this February.

Year-on-year

3%

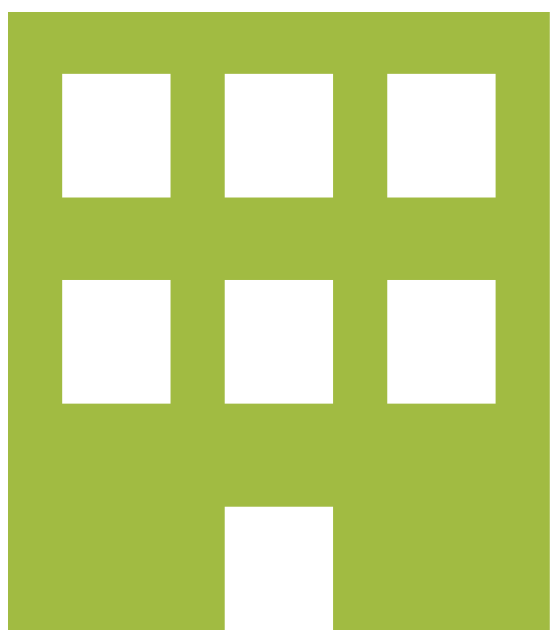
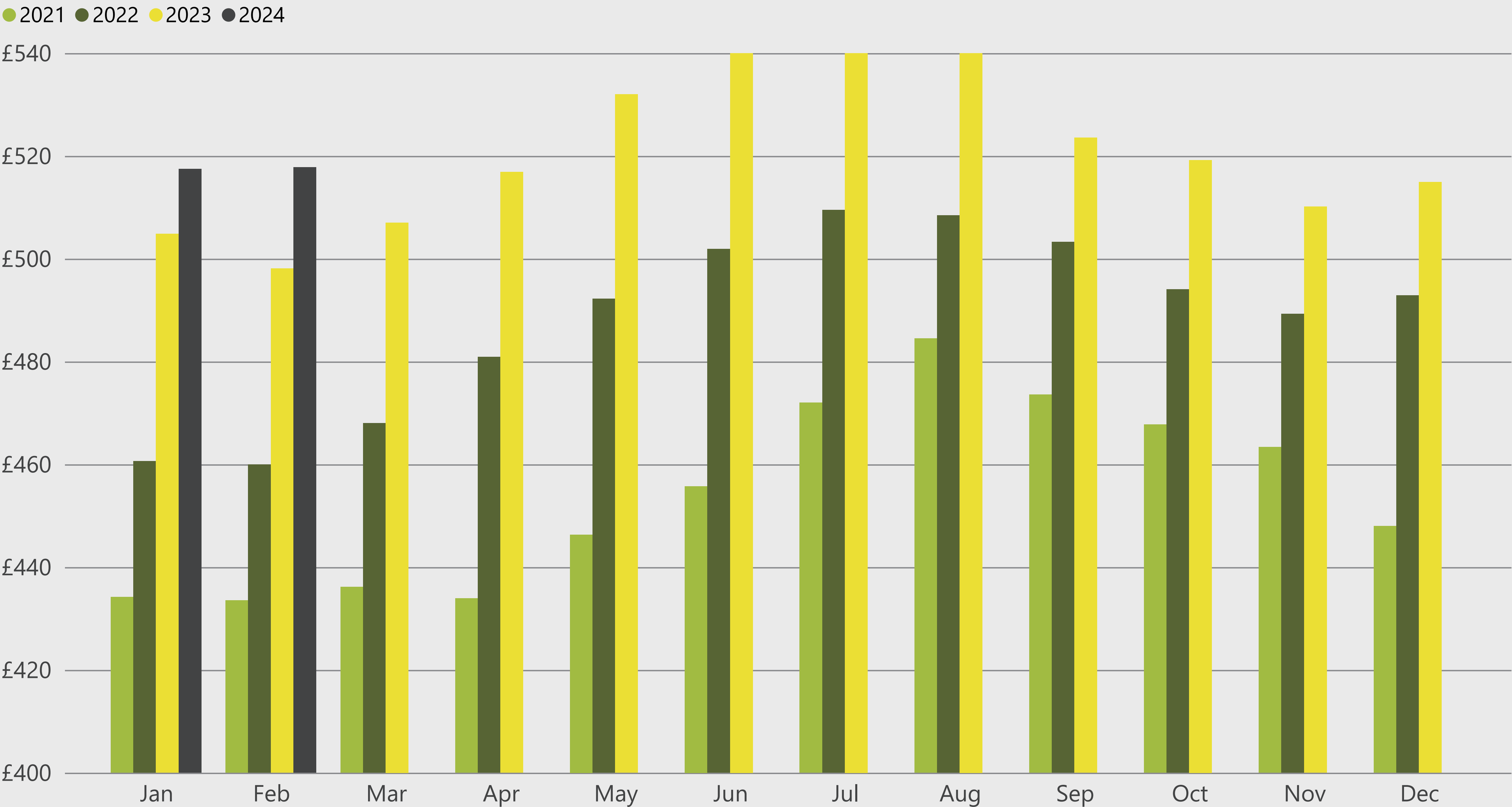
2024 vs 2023

Month-on-month

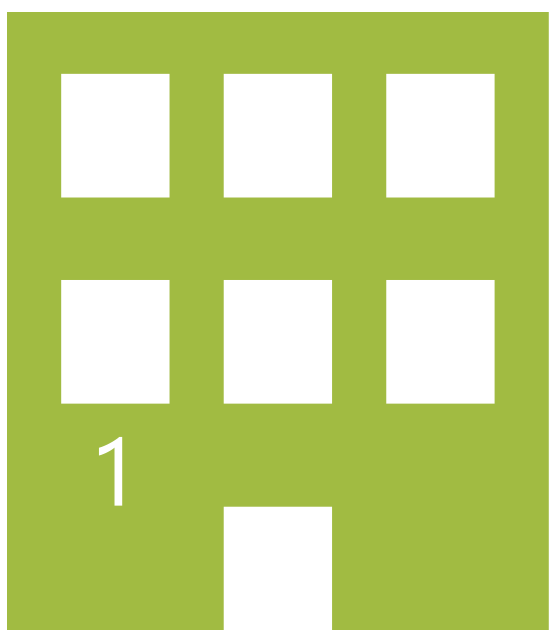
0%

February vs January

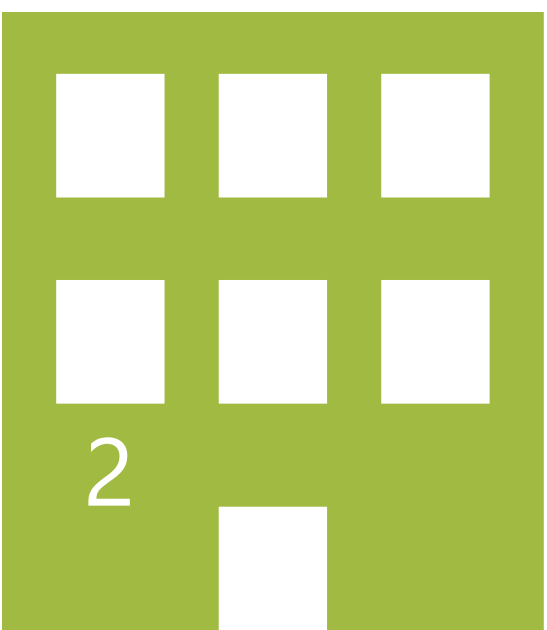
Average Renter Budget Over Time - Foxtons Network



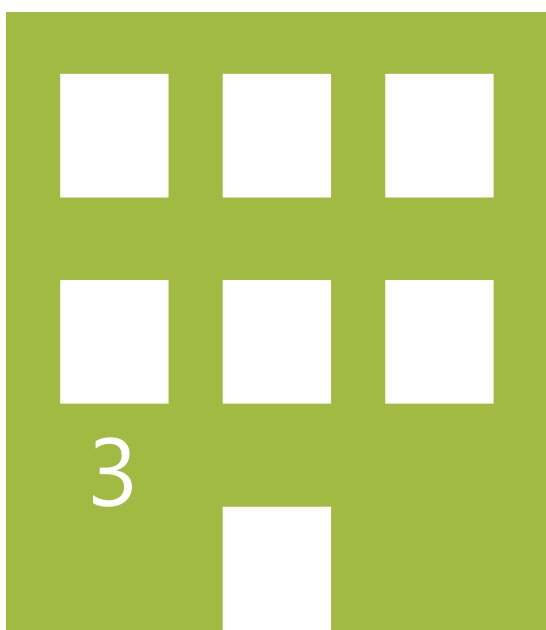
Studio



1 bed



2 bed



3 bed

Year to Date £481

YoY 2%

£453

4%

£555

6%

£644

3%

Renter Budgets by Area

Areas	YTD	Last YTD	YoY
Central	£581	£568	2%
East	£521	£524	-1%
North	£533	£527	1%
South	£484	£476	2%
Surrey	£466	£422	11%
West	£483	£454	7%
Total	£518	£501	3%



# Market New Listings

All market data on this page is from Zoopla. Foxtons data is internal.

The number of new instructions in February 2024 was 20% higher than in February 2023.

Despite being 10% lower than January 2024, the number of new instructions is 19% up year to date when compared to the same period in 2023.

Year-on-year

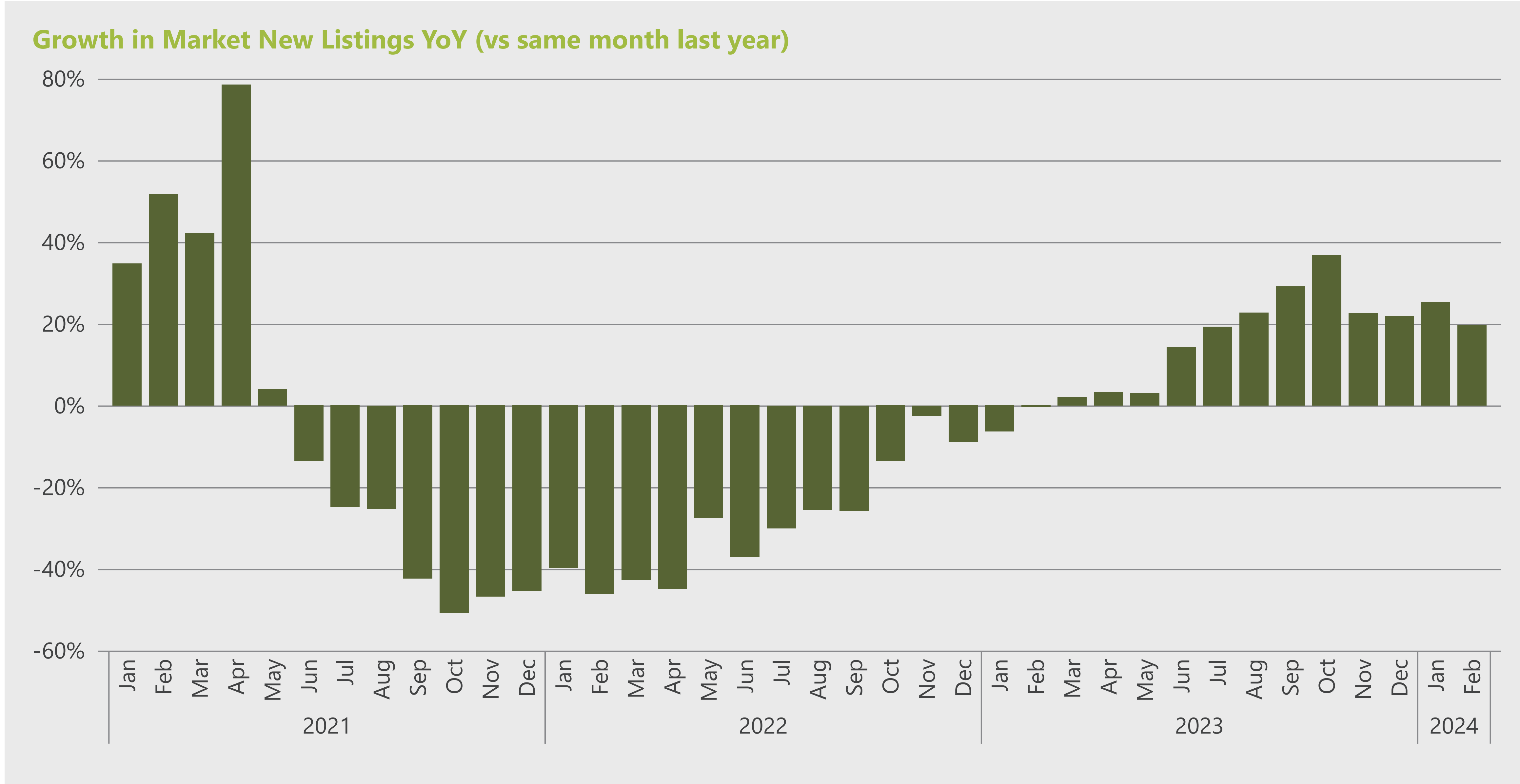
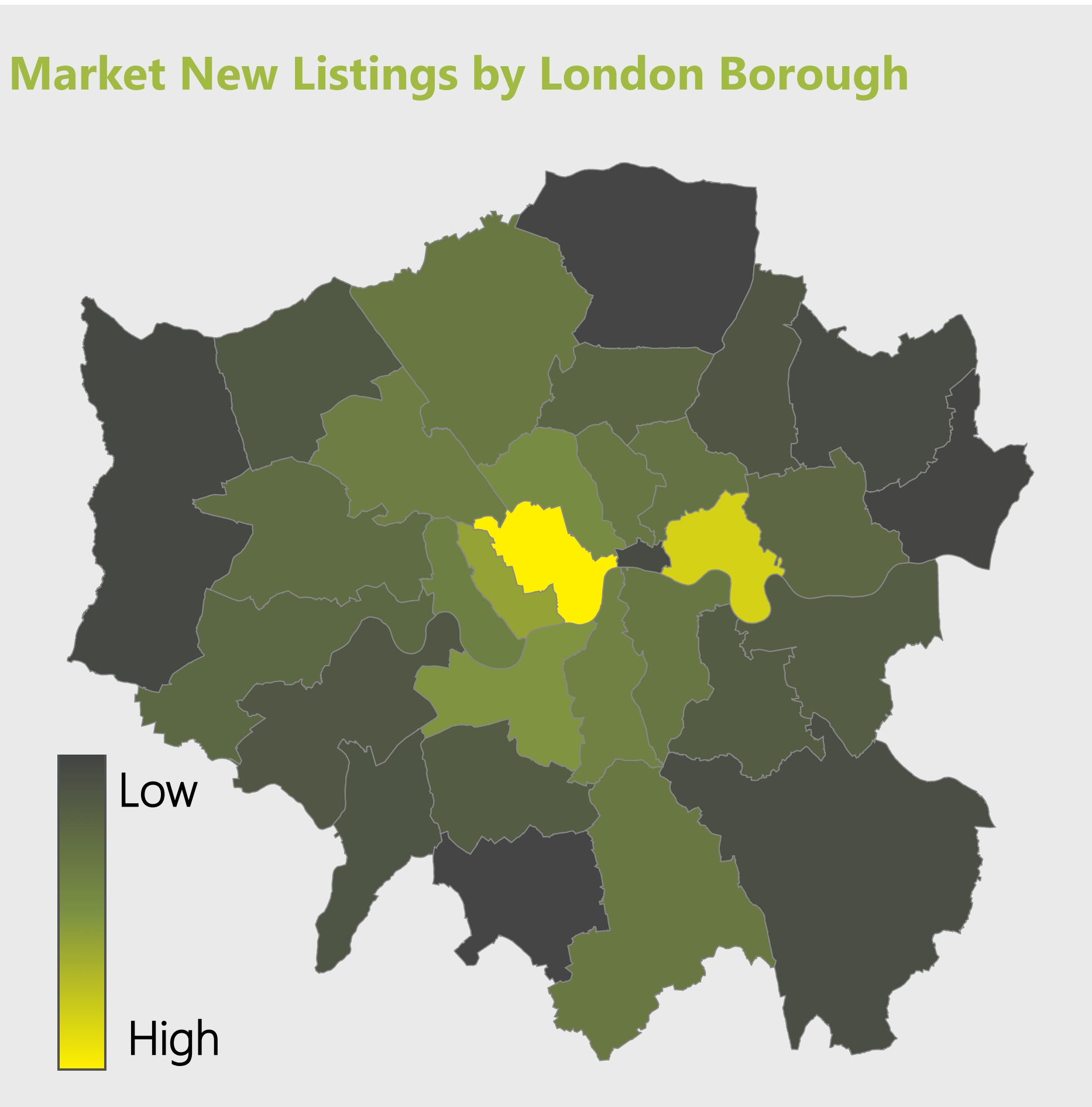
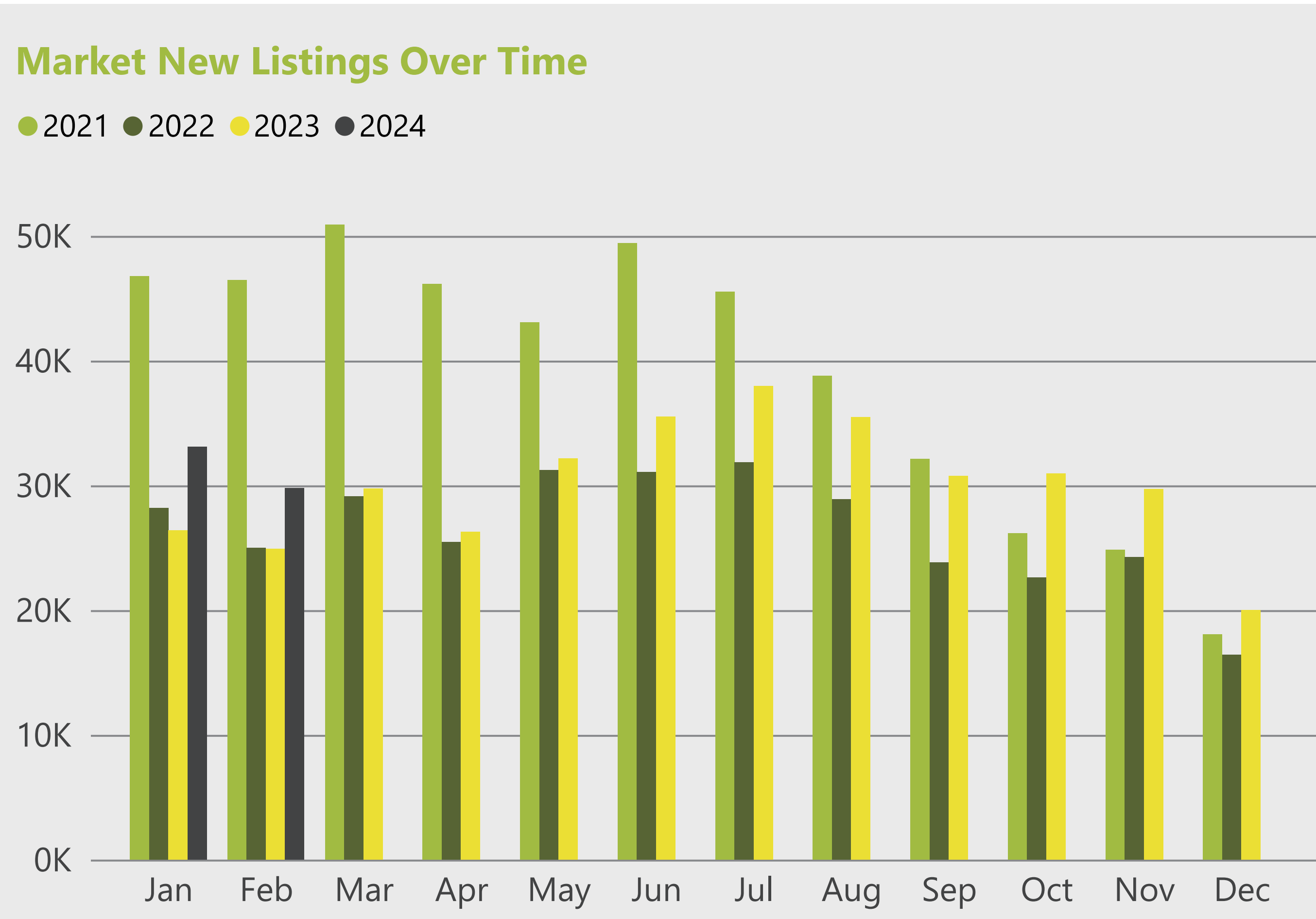
19%

2024 vs 2023

Month-on-month

-10%

February vs January





# Rent Achieved

Year on year, rent achieved decreased 2% but rose 3% compared to January 2024, to sit at an average of £561.

West London is the only region that saw a year-on-year increase, rising from an average of £459 in 2023 to £487 in 2024, year to date.

Year-on-year

-2%

2024 vs 2023

Month-on-month

3%

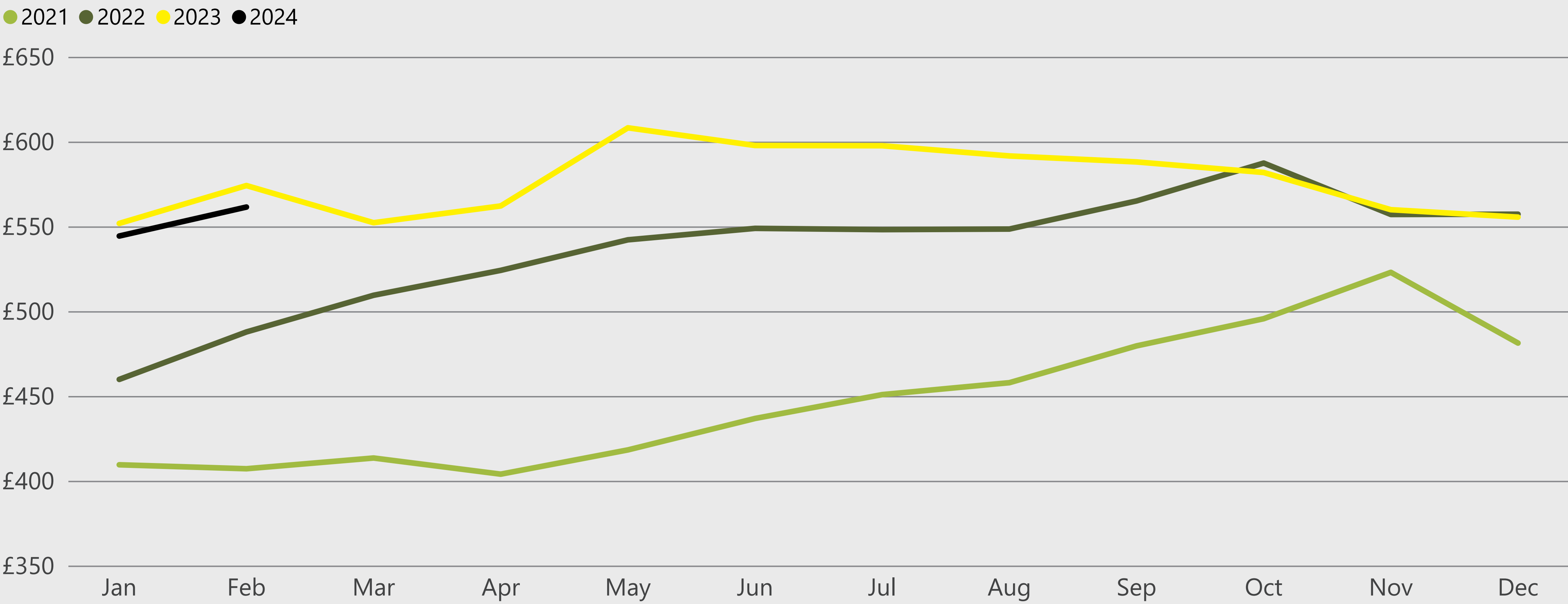
February vs January

## Average Weekly Rent Achieved YTD and YoY Change



Average Weekly Rent Achieved by Area			
Areas	YTD	Last YTD	YoY
Central	£643	£697	-8%
East	£528	£534	-1%
North	£533	£532	0%
South	£500	£508	-2%
Surrey	£438	£447	-2%
West	£487	£459	6%
Total	£553	£563	-2%

Average Rent Achieved Over Time - Foxtons Network





# Renter Spend

Renter spend increased 2% compared to January 2024, Renters spent 99% of their budgets on average, and around 30% of renters spent over budget.

Central London was the only region where renters spent 100% of their budgets, with North, East and South London showing the lowest spend at an average of 97%.

Year-on-year

-1%

2024 vs 2023

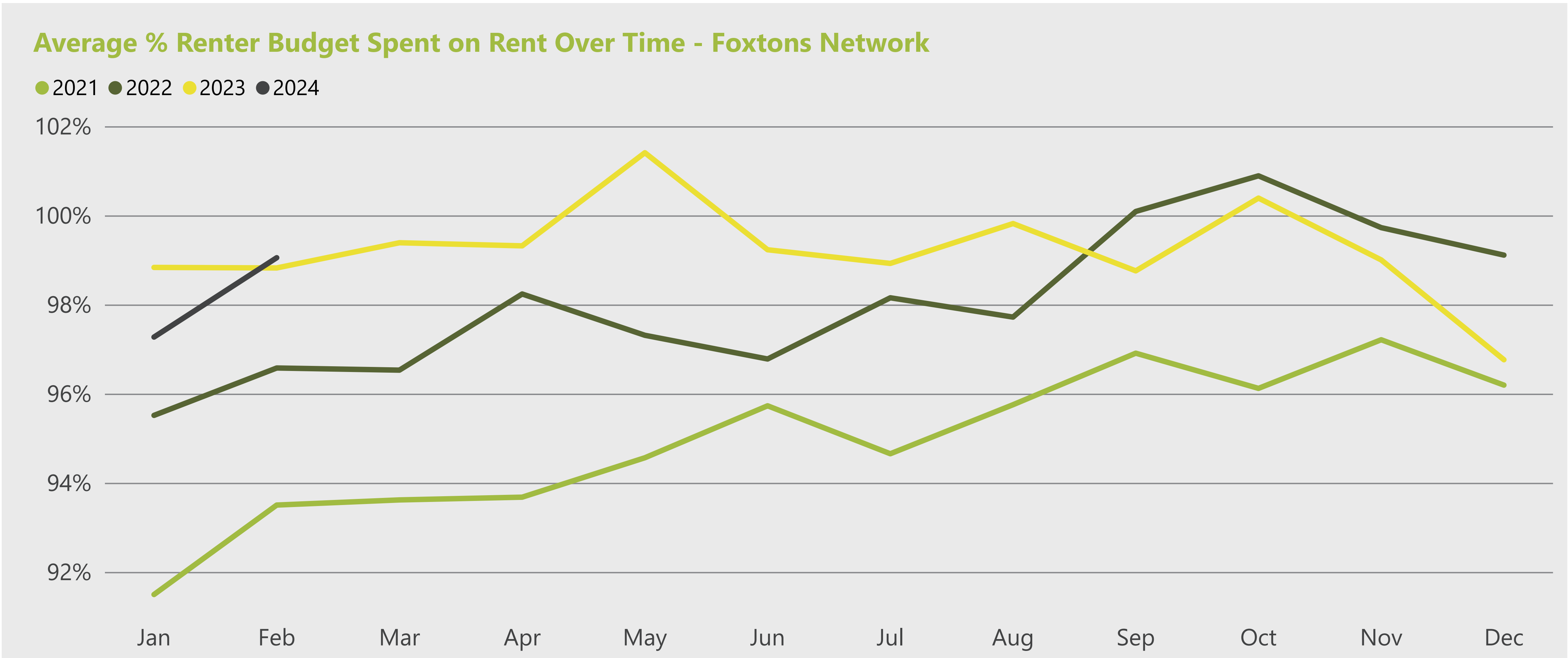
Month-on-month

2%

February vs January

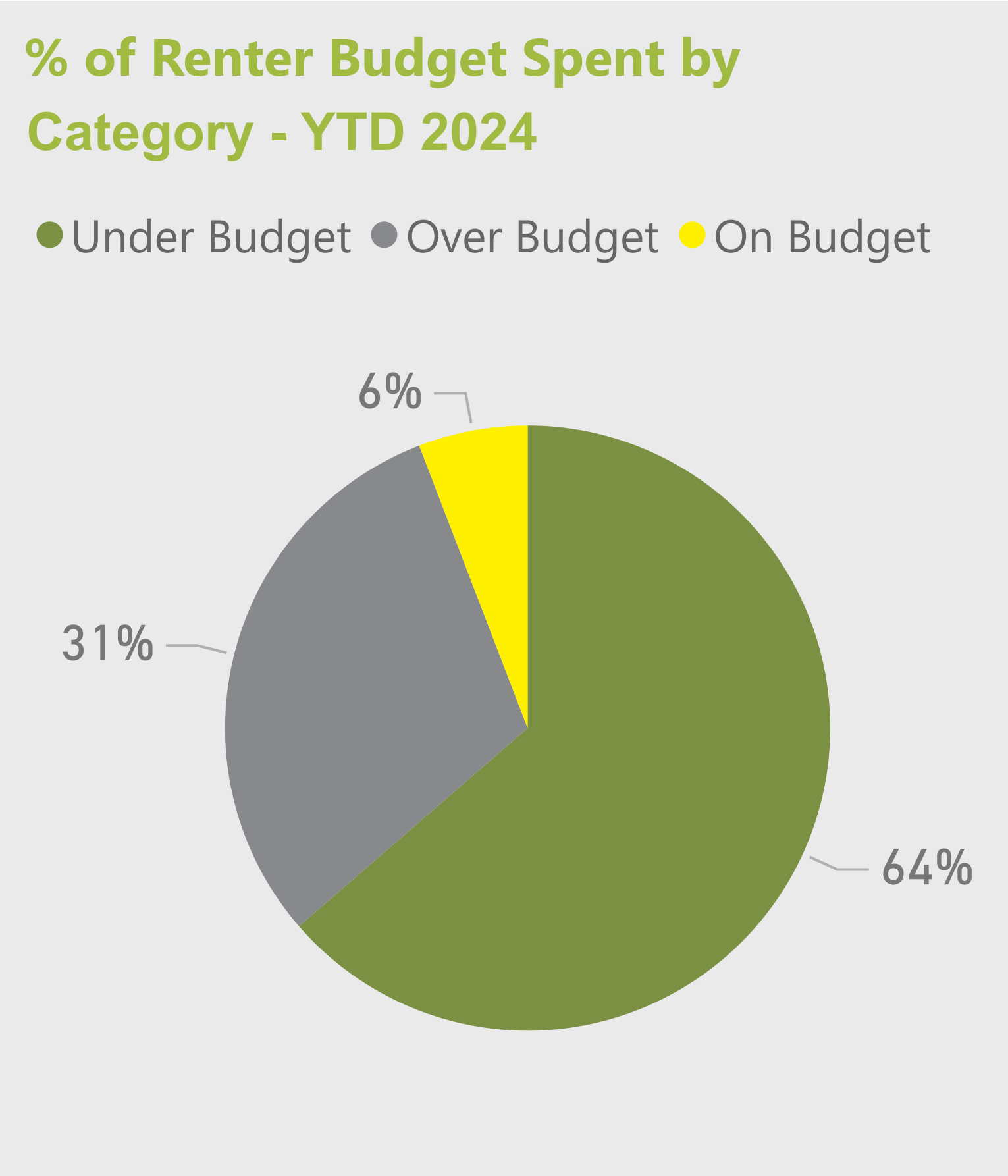
## Average % of Rental Budget Spent

100% means renters are spending exactly their budget. Anything over 100% means renters are spending over budget. Under 100% means renters are spending under budget.



Average % Renter Budget Spent on Rent by Area

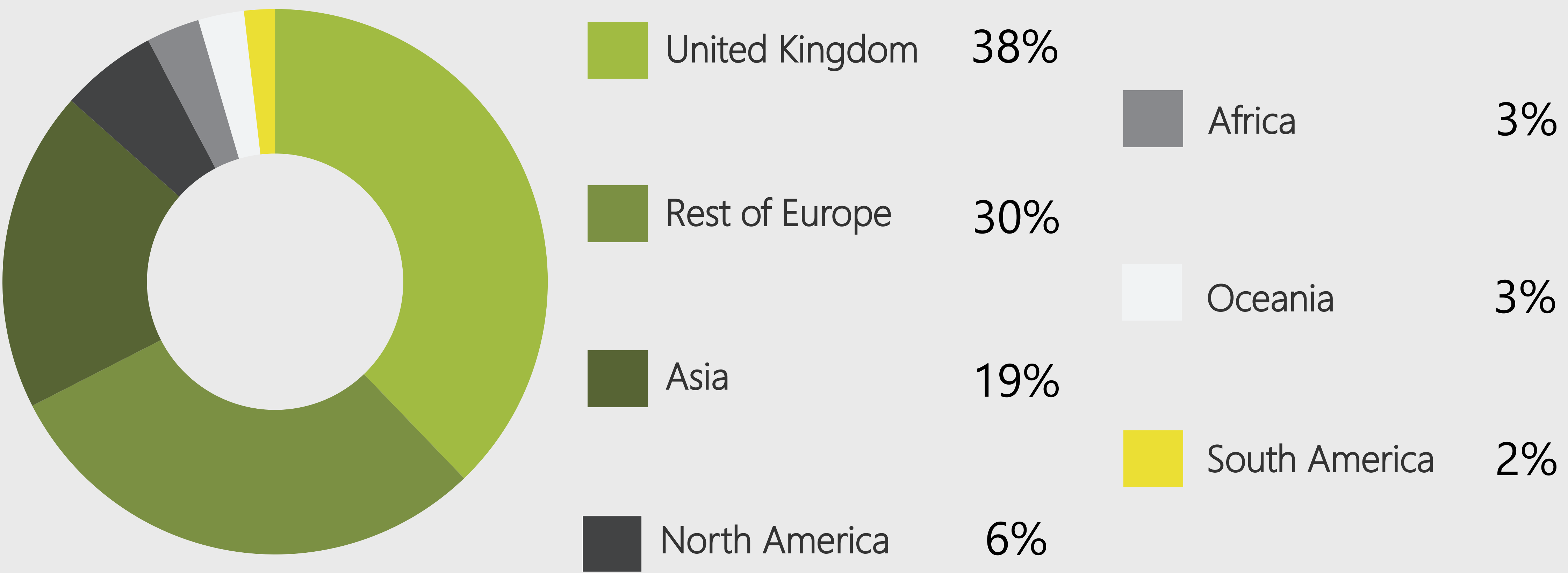
Areas	YTD	Last YTD	YoY	Last Month	2 Months Ago	MoM
Central	100%	101%	-1%	100%	100%	-0%
East	97%	97%	0%	99%	95%	4%
North	97%	98%	-1%	98%	96%	2%
South	97%	99%	-2%	98%	96%	3%
Surrey	97%	101%	-4%	104%	91%	13%
West	98%	97%	1%	98%	98%	0%
Total	98%	99%	-1%	99%	97%	2%



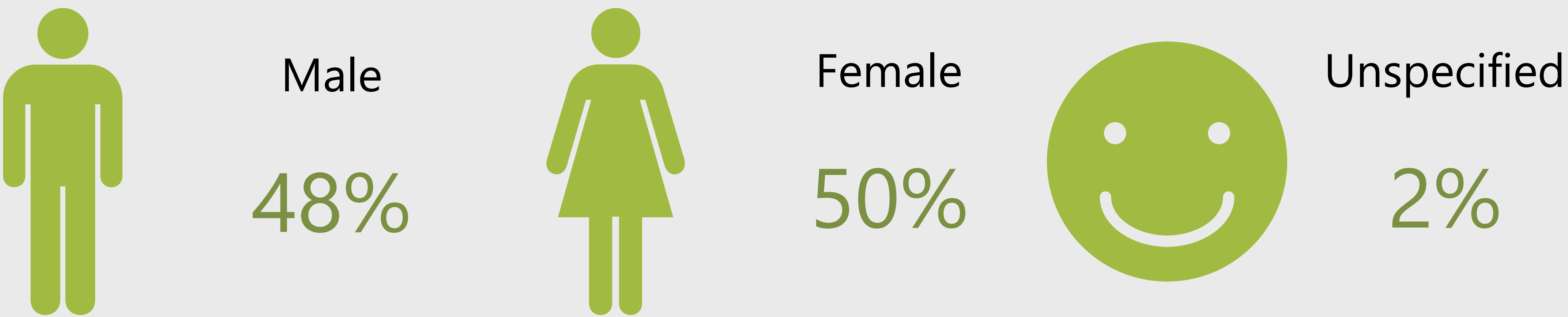


# Tenant Demographics

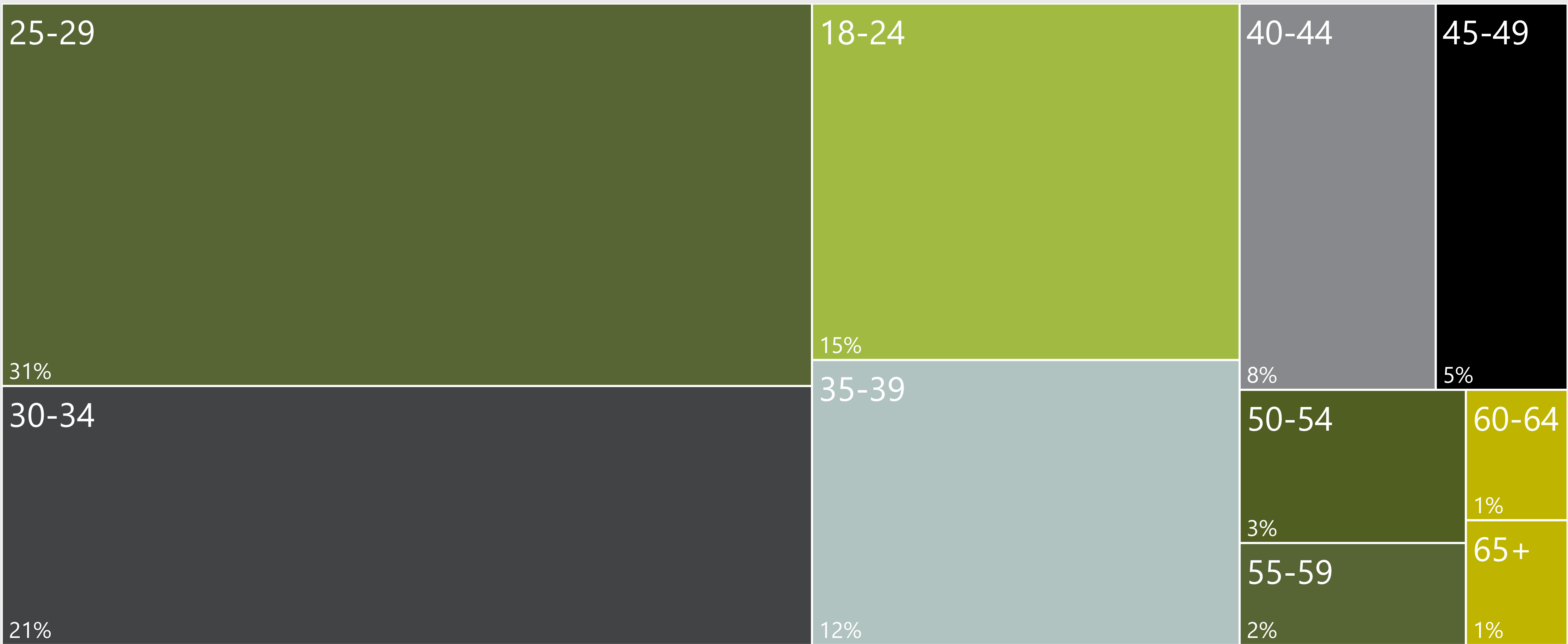
Tenant Nationality



Tenant Gender



Tenant Age Group





# Appendix

Areas defined by Foxtons office groups:

**CENTRAL**

- Camden
- Earls Court
- Elephant & Castle
- Fulham Broadway
- London Bridge
- Maida Vale
- Marylebone & Mayfair
- Notting Hill
- Pimlico & Westminster
- Sloane Square
- South Kensington
- St John's Wood
- Vauxhall
- West End

**EAST**

- Barking
- Blackheath
- Canary Wharf
- Clerkenwell
- Greenwich
- Hackney
- Ilford
- Shoreditch
- Stratford
- Walthamstow
- Wapping
- Woolwich

**NORTH**

- Crouch End
- Hampstead
- Islington
- North Finchley
- Stoke Newington
- Temple Fortune
- West Hampstead
- Willesden Green
- Wood Green

**SOUTH**

- Balham
- Battersea
- Brixton
- Bromley
- Croydon
- Crystal Palace
- Dulwich
- Earlsfield
- New Malden
- Norbury
- Peckham
- Putney
- Streatham
- Sutton
- Tooting
- Wimbledon

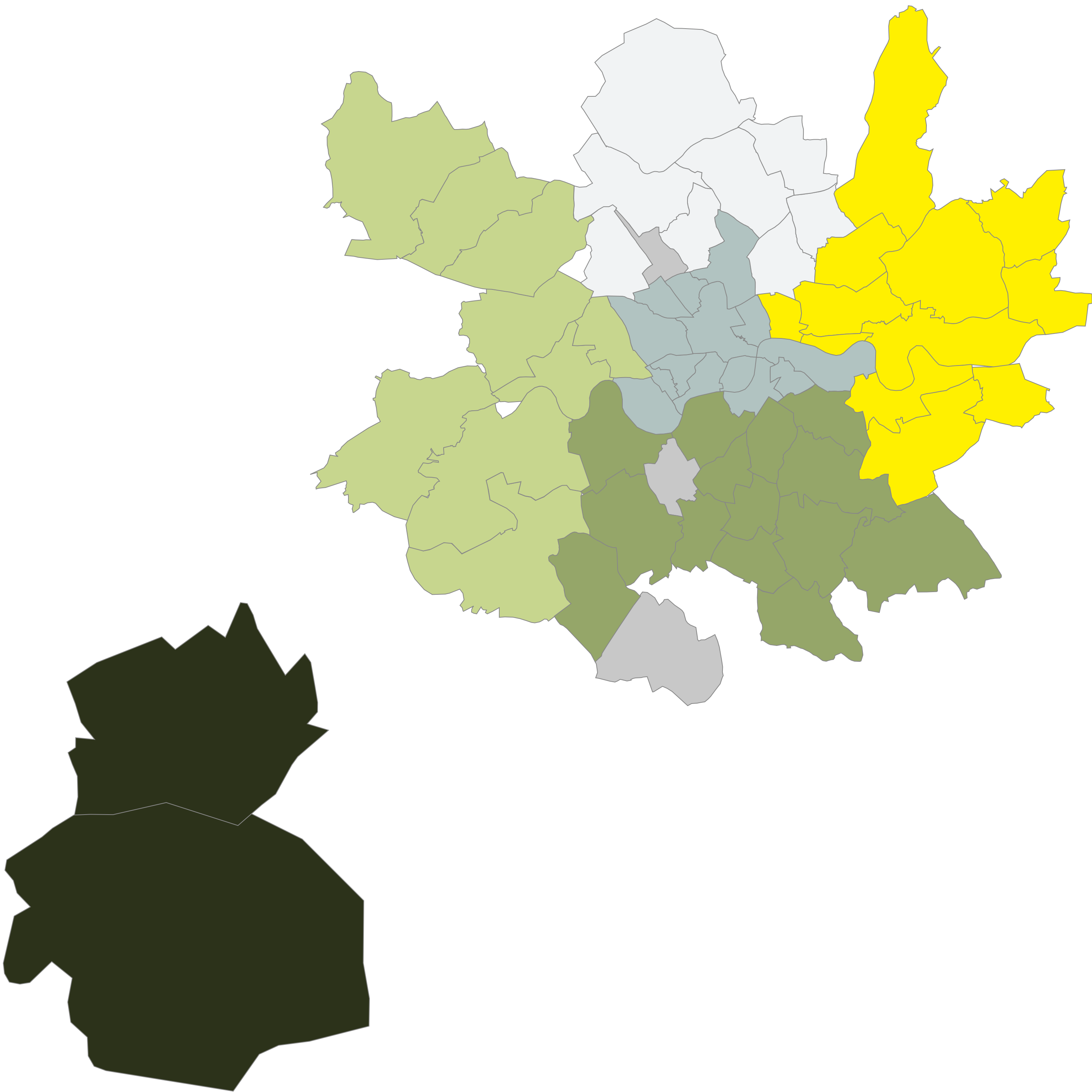
● Central ● East ● North ● South ● Surrey ● West

**SURREY**

- Guildford
- Woking

**WEST**

- Chiswick
- Ealing
- Harrow
- Hounslow
- Kingston
- Pinner
- Richmond & Twickenham
- Shepherds Bush
- Wembley





# Foxtons Specialist Departments

## LETTINGS

Our knowledgeable Lettings teams are experts in compliance and work to support over 20,000 tenancies, helping landlords collect more than £450 million in rent annually.

## SALES

The Foxtons Sales teams are committed to guiding and assisting buyers and sellers across London and the Home Counties, playing a key role in the sale of more than £1 billion worth of property each year.

## BUILD TO RENT

Working alongside developers, our Build to Rent team utilises its years of experience to devise and deliver successful end-to-end lettings strategies, which is why we are the number one London agent for Build to Rent.

## NEW HOMES AND INVESTMENTS

We work directly with prominent developers to assist in the selling of new build properties, and offer expert guidance and consultancy around sourcing land and securing investment.

## INTERNATIONAL

Our experienced, knowledgeable and diverse in-house International team works with overseas clientele to achieve their property aspirations within one of the world's leading real estate markets.

## FOXTONS PRIVATE OFFICE

Our specialist prime sales and lettings department is made up of our most experienced Managers and Directors, offering a bespoke and personalised service for some of the most desirable properties across London.

## SPECIALIST FINANCE

Working closely with award winning mortgage broker Alexander Hall, our specialist team works with banks, capital markets, debt funds and family offices to secure both debt and equity for real estate projects.

## CONSULTANCY

By harnessing our unique repository of data, research and industry knowledge, we assist our clients, from developers to investors, so they can extract the most value from their real estate projects.

## RESEARCH AND INSIGHTS

The combination of our unmatched database of people and property, in conjunction with our expert staff, allows us to analyse, understand and predict the inner workings of the London property market.

## PREMIER CLIENTS

The Premier Clients team consists of expert relationship managers who are dedicated to providing the most comprehensive asset management service to landlords with investment portfolios across London and the Home Counties.

## PROPERTY MANAGEMENT

Our team operates on behalf of landlords to enhance their tenants' experience and maintain the ongoing upkeep of their property, as well as the overall compliance of the tenancy, providing both peace of mind and, crucially, helping to protect their rental investment.



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