



Foxtons Lettings Market Report

January 2024

Foxtons Lettings Market Report

The unprecedented competition in 2022 and 2023 has relaxed somewhat in 2024, due to a rise in new listings and decrease in demand. For context, 2019 often acts as the benchmark for a more traditional market, and when comparing this January to January 2019, applicant demand was up 71% and London's new listings were down 18%. So, the market remains powerful even as it adjusts. For that reason, we anticipate prices to closely mirror the 2023 seasonal changes.

- The number of new instructions was 25% higher than last January, and this trend of increasing supply is anticipated to continue for the first half of 2024.
- Rental prices decreased by 1% from the same period in 2023, this small decrease in rental price can be attributed to increasing supply.
- Demand in January 2024 was 10% lower than in January 2023, resulting in a year-on-year decrease of 26% in new renters per new instruction.



"As forecasted, the start of 2024 has seen a more normalised lettings market, and as new properties come to the market, it will be important for landlords to keep track of how that effects their asset. The London lettings market can move quickly and be very localised, so a good agent providing timely market analysis and adjusting the strategies accordingly will help to attract the right qualified tenants."

~ Gareth Atkins, Managing Director of Lettings



"We are not expecting massive price growth across London's lettings market this year, around 0 and 2%. The market is still competitive; January 2024 had 56% more applicants per new instruction than in 2019 – which we consider to be the last year that there was a more normalised lettings market. So while there is opportunity, landlords may need to take a more active approach to pricing and work with agents to place tenants and minimise void periods."

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

Contact

EMAIL

Sarah.Tonkinson@foxtons.co.uk

PHONE

+44 (0)20 8636 4605

EMAIL

Gareth.Atkins@foxtons.co.uk

PHONE

+44 (0)7773 816 498

EMAIL

Press@foxtons.co.uk

PHONE

+44 (0)20 7766 1230

Key Market Indicators

	Supply	Demand
	New Instructions YoY	New Renter Registrations YoY
All London	<div><div></div>23%</div>	<div><div></div>-10%</div>
Central	<div><div></div>21%</div>	<div><div></div>-2%</div>
East	<div><div></div>22%</div>	<div><div></div>-2%</div>
North	<div><div></div>41%</div>	<div><div></div>2%</div>
South	<div><div></div>16%</div>	<div><div></div>-10%</div>
West	<div><div></div>34%</div>	<div><div></div>-26%</div>

January 2024

January 2023

December 2023

YoY (YTD 2024 vs YTD 2023)

MoM (January vs December)

New Applicant Registrations per New Property Instructed			
<div>Year to Date</div>	14		
<div><div></div>Last Year to Date</div>	18.67	-26%	
<div>2 Months Ago</div>	14.06	-2%	

Average Rent Per Week Achieved			
<div>Year to Date</div>	£544		
<div>Last Year to Date</div>	£552	-1%	
<div>2 Months Ago</div>	£555	-2%	

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

Applicant Demand

From December to January, there was a 93% month-on-month increase in applicant demand, aligning with the usual seasonal trend in the lettings market. Demand was 10% lower than this time last year. However, compared to January in 2019 – the last year of a more traditional market – applicant demand was up 71% this January.

Similar to previous years, South London began 2024 with the highest level of demand compared to other regions.

Year-on-year

-10%

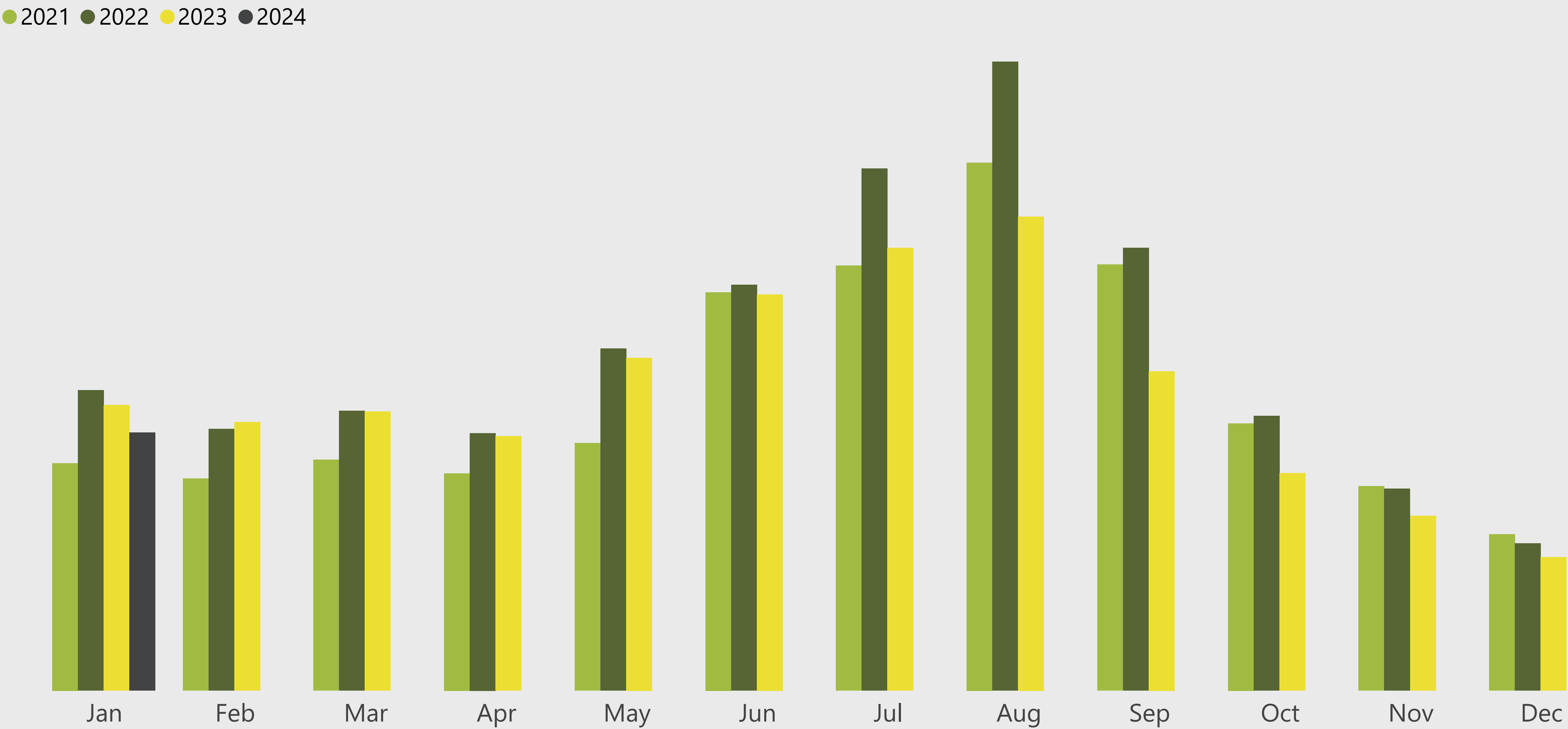
2024 vs 2023

Month-on-month

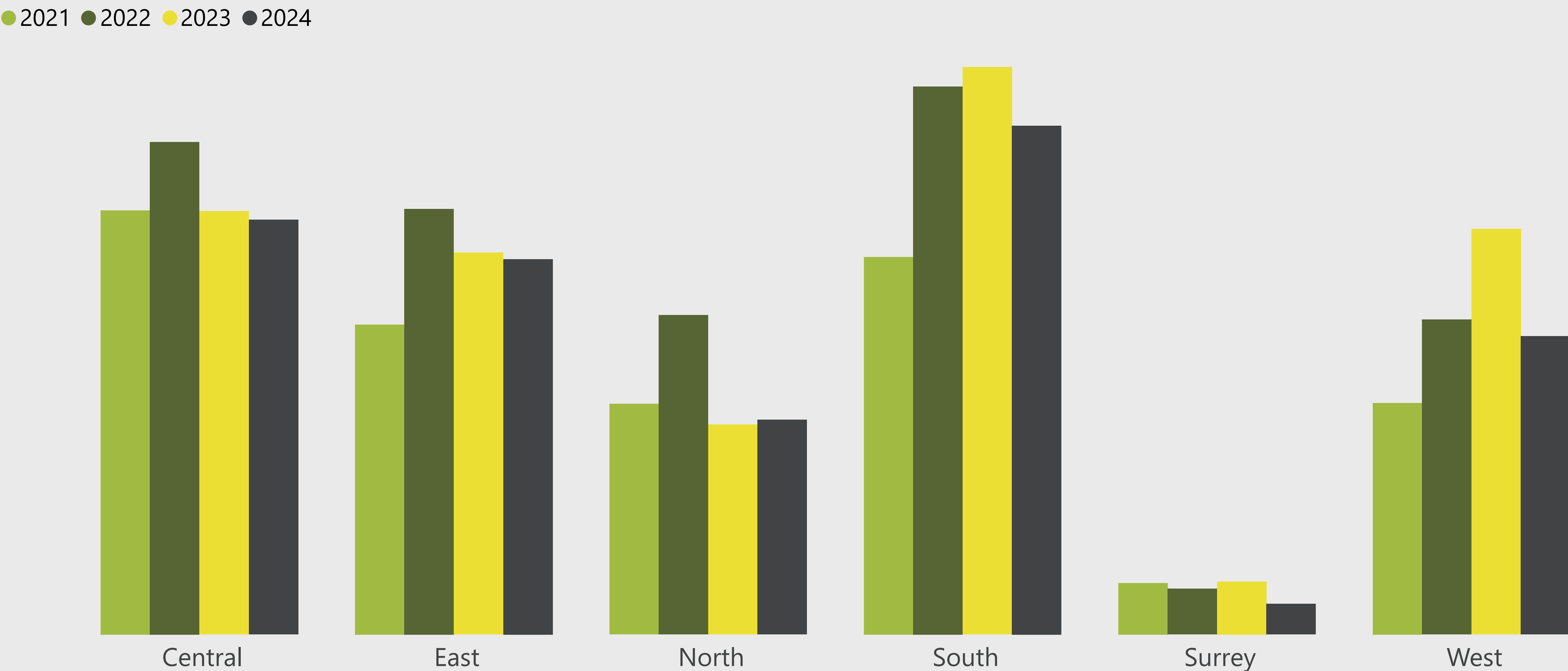
93%

January vs December

Renter Registrations Over Time - Foxtons Network



Renter Registrations By Region - YTD





New Renters per New Instruction

The year-on-year decrease of 26% in new renters per new instruction indicates a shift towards a more realistic lettings market, characterised by higher supply levels and less inflated demand. That being said, applicants per new instructions increased 56% from January 2019.

While the number of renters per new instruction has decreased across London, figures remain high in certain areas of London, such as South and East with 19 and 17 new renters per instruction respectively.

Year-on-year

-26%

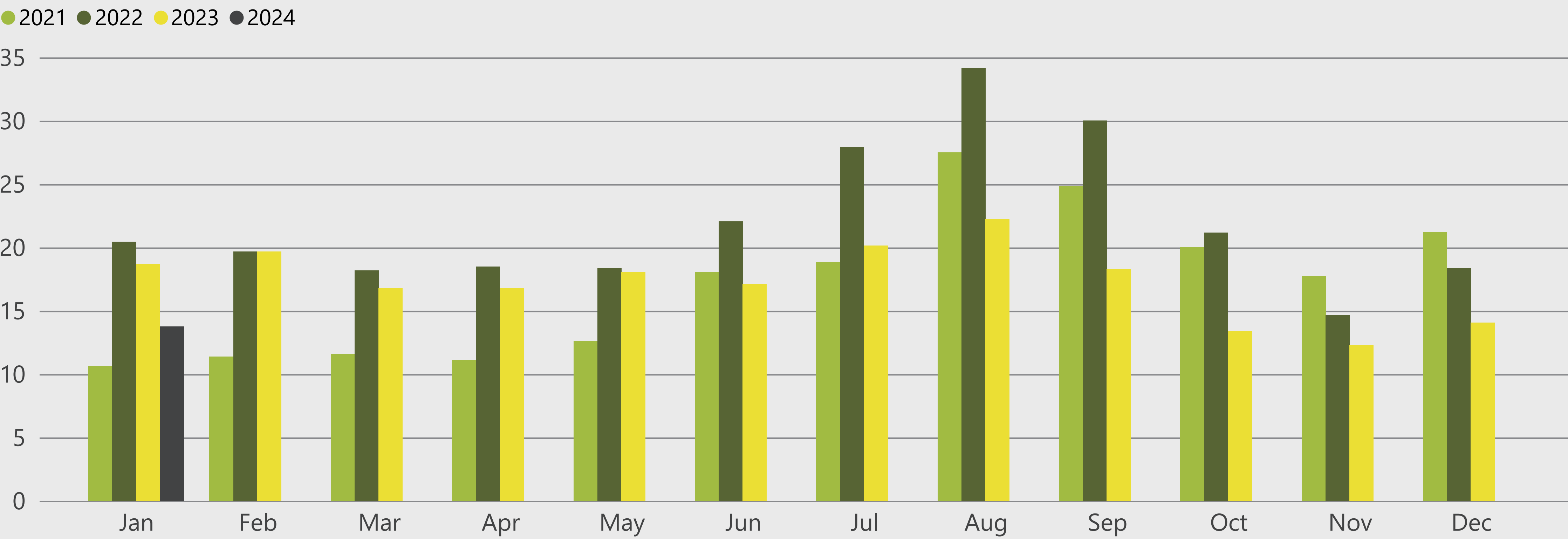
2024 vs 2023

Month-on-month

-2%

January vs December

New Renters per New Rental Instruction Over Time - Foxtons Network



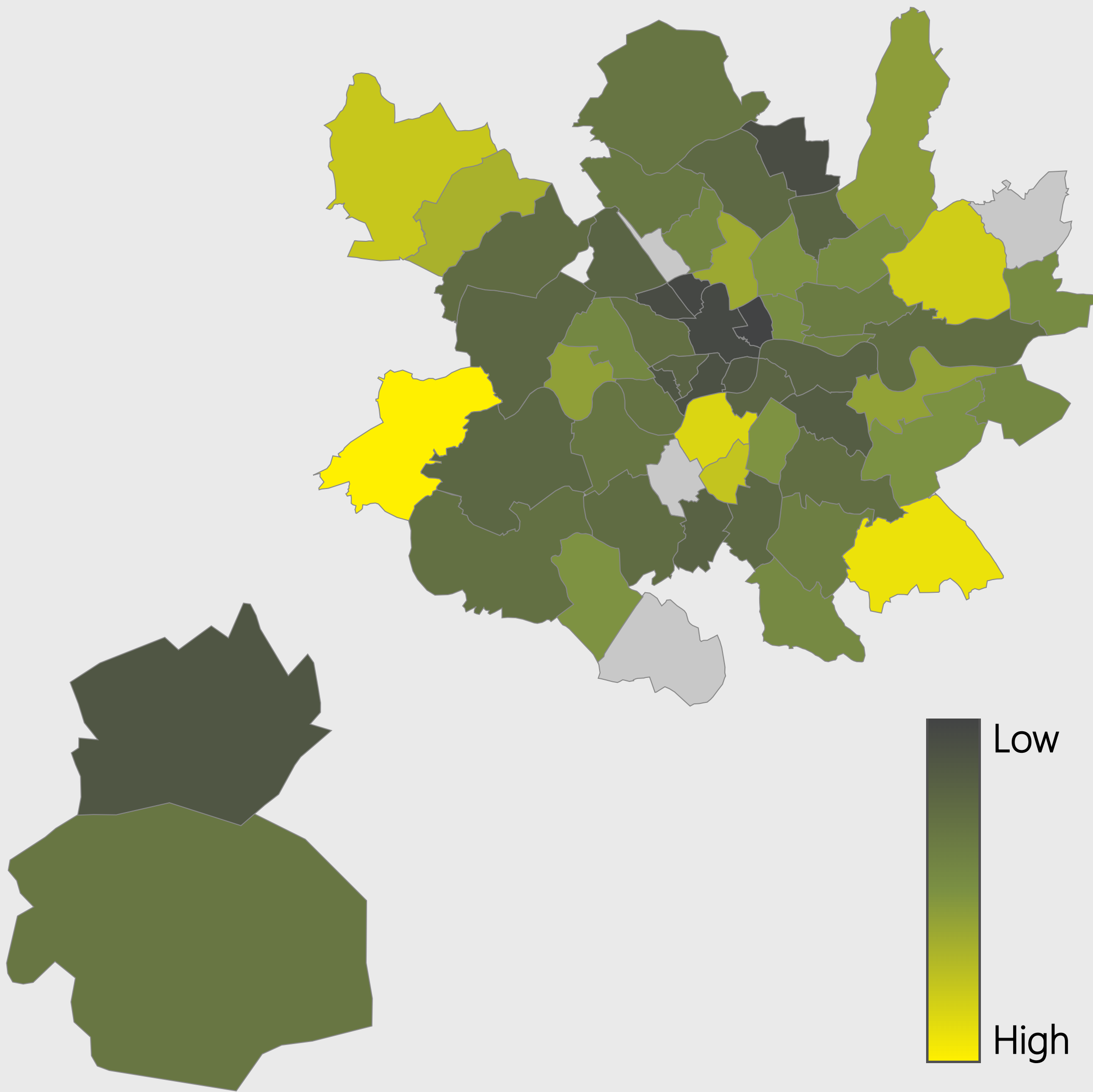
New Renters per New Instruction by Area

Areas	YTD	Last YTD	YoY
Central	9	11	-19%
East	17	21	-19%
North	13	18	-28%
South	19	25	-22%
Surrey	11	15	-26%
West	16	29	-45%
Total	14	19	-26%

New Renters per New Instruction by Area

Areas	Last Month	2 Months Ago	MoM
Central	9	9	-5%
East	17	19	-12%
North	13	13	-4%
South	19	18	10%
Surrey	11	9	21%
West	16	16	-1%
Total	14	14	-2%

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



Applicant Budgets

In 2024, applicant budgets across London regions increased by 2% compared to the previous year.

In general, applicant budgets in London have largely maintained consistency compared to last year. However, an exception is West London, where renter budgets have increased by 6%.

Year-on-year

2%

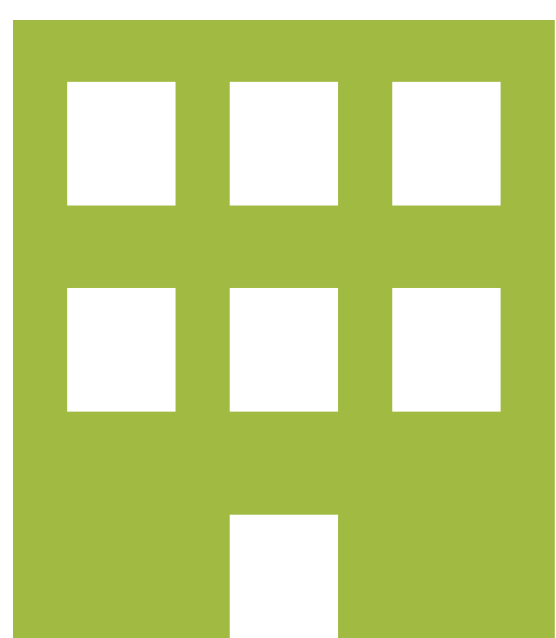
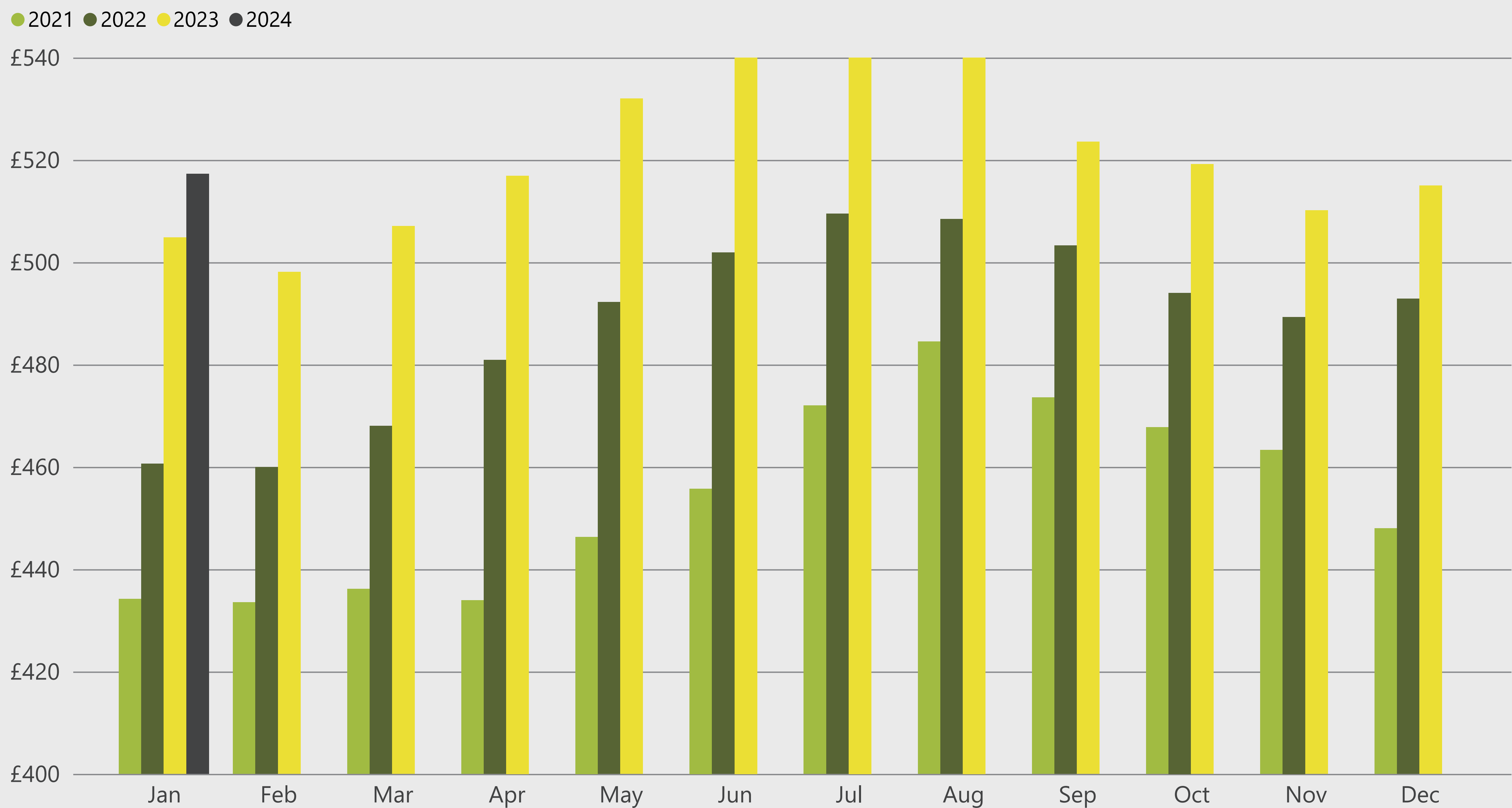
2024 vs 2023

Month-on-month

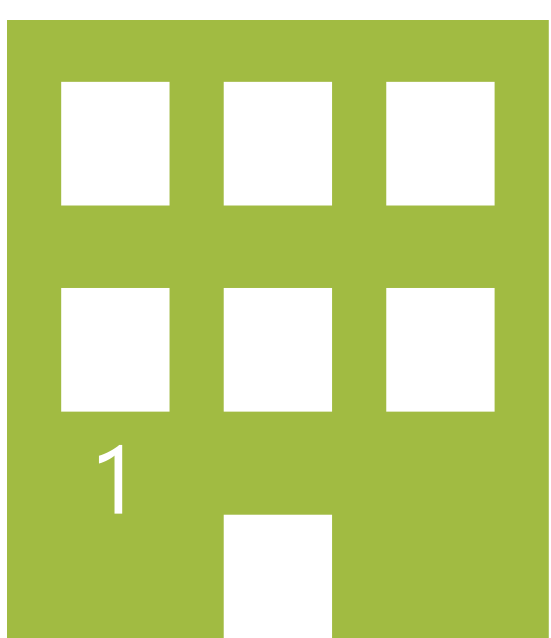
0%

January vs December

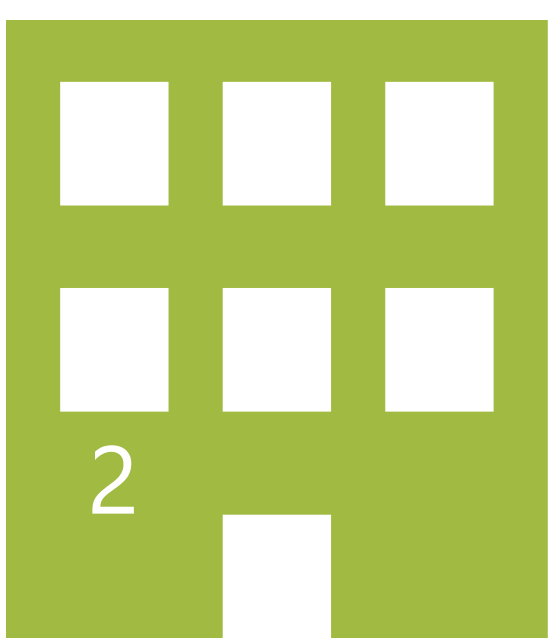
Average Renter Budget Over Time - Foxtons Network



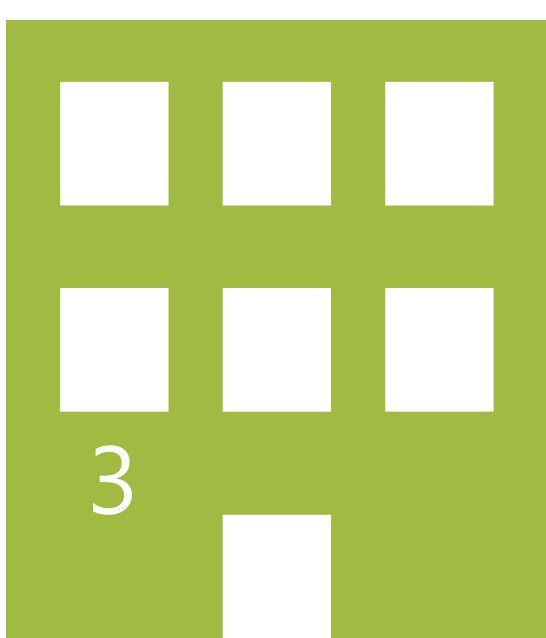
Studio



1 bed



2 bed



3 bed

Year to Date £481

£453

£560

£638

YoY 1%

4%

6%

2%

Renter Budgets by Area

Areas	YTD	Last YTD	YoY
Central	£581	£569	2%
East	£517	£518	-0%
North	£532	£530	0%
South	£487	£485	0%
Surrey	£448	£417	8%
West	£485	£458	6%
Total	£517	£505	2%

Market New Listings

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

The rise in new instructions has continued from 2023, and we have seen a 65% increase in January compared with December 2023.

The number of new instructions in January 2024 was 25% higher than in 2023, and we expect supply to continue increasing for the first half of 2024, as we get back to more typical levels. Again, for context, this January had 18% less new listings than in January 2019.

Year-on-year

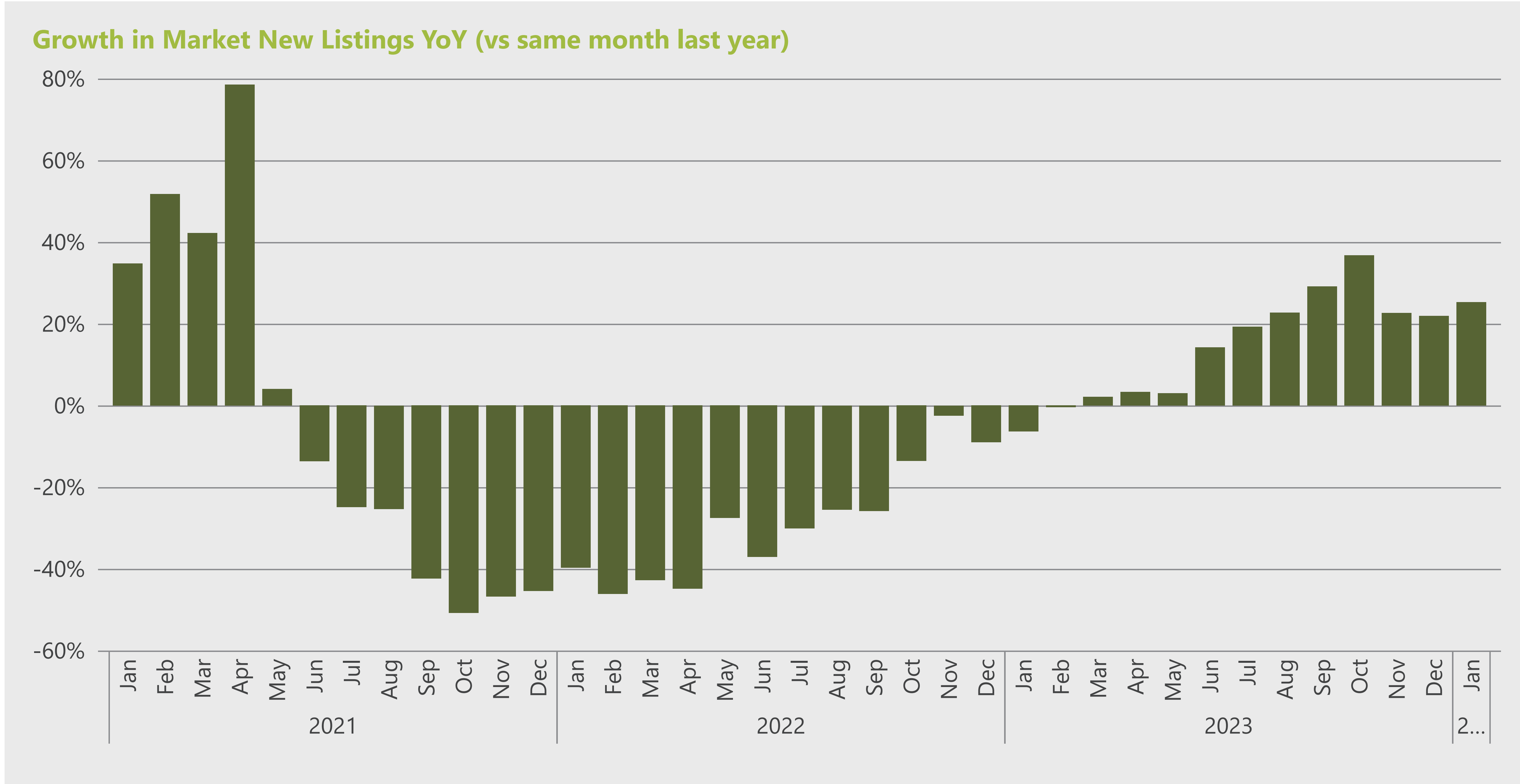
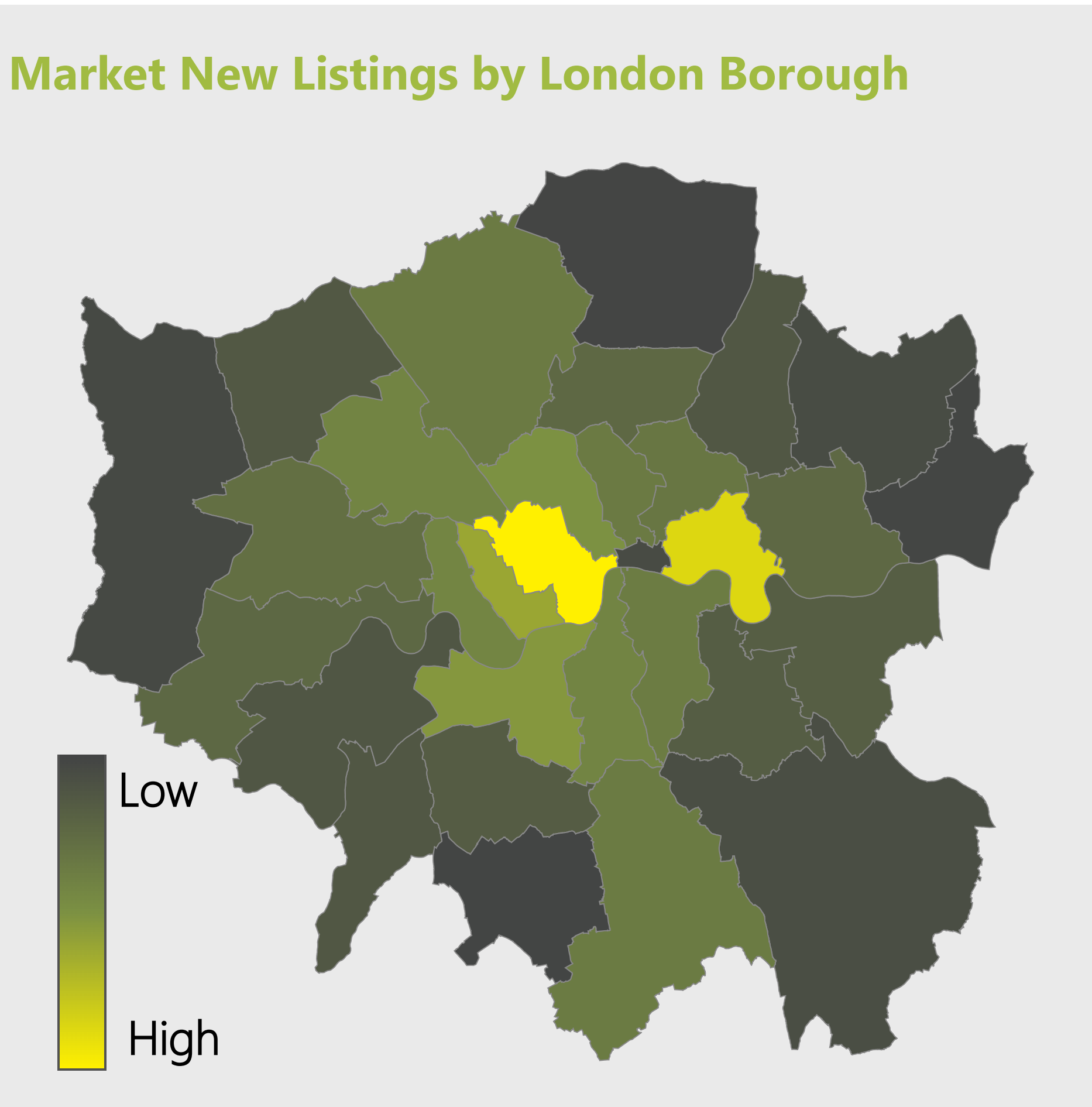
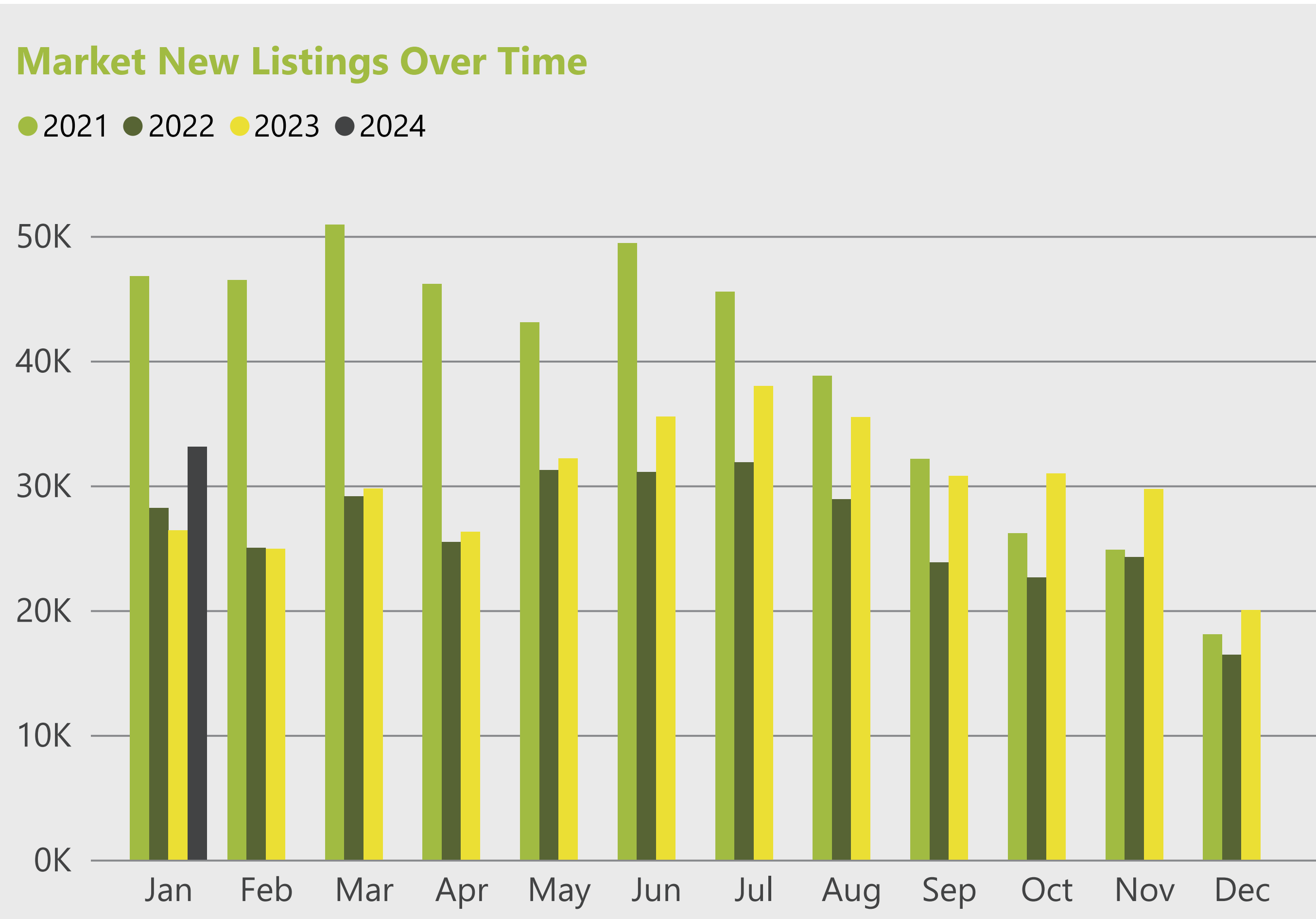
25%

2024 vs 2023

Month-on-month

65%

January vs December



Rent Achieved

Rental prices decreased by 1% in January 2024 compared to the same period in 2023, this small decrease in rental price can be attributed to increasing supply.

The average rent achieved at the start of the year in London was £544. Central London commanded the highest rent achieved at £627, emphasizing its position as a prime rental location.

Year-on-year

-1%

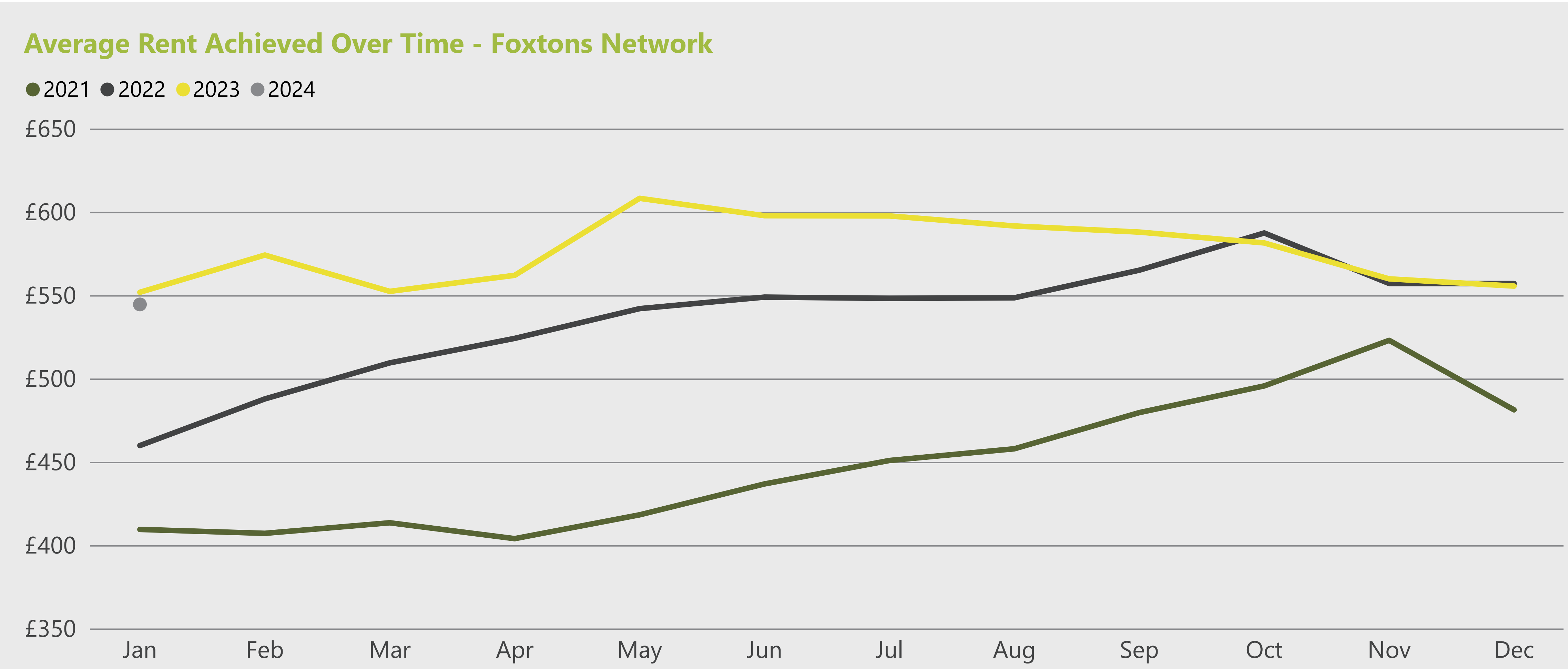
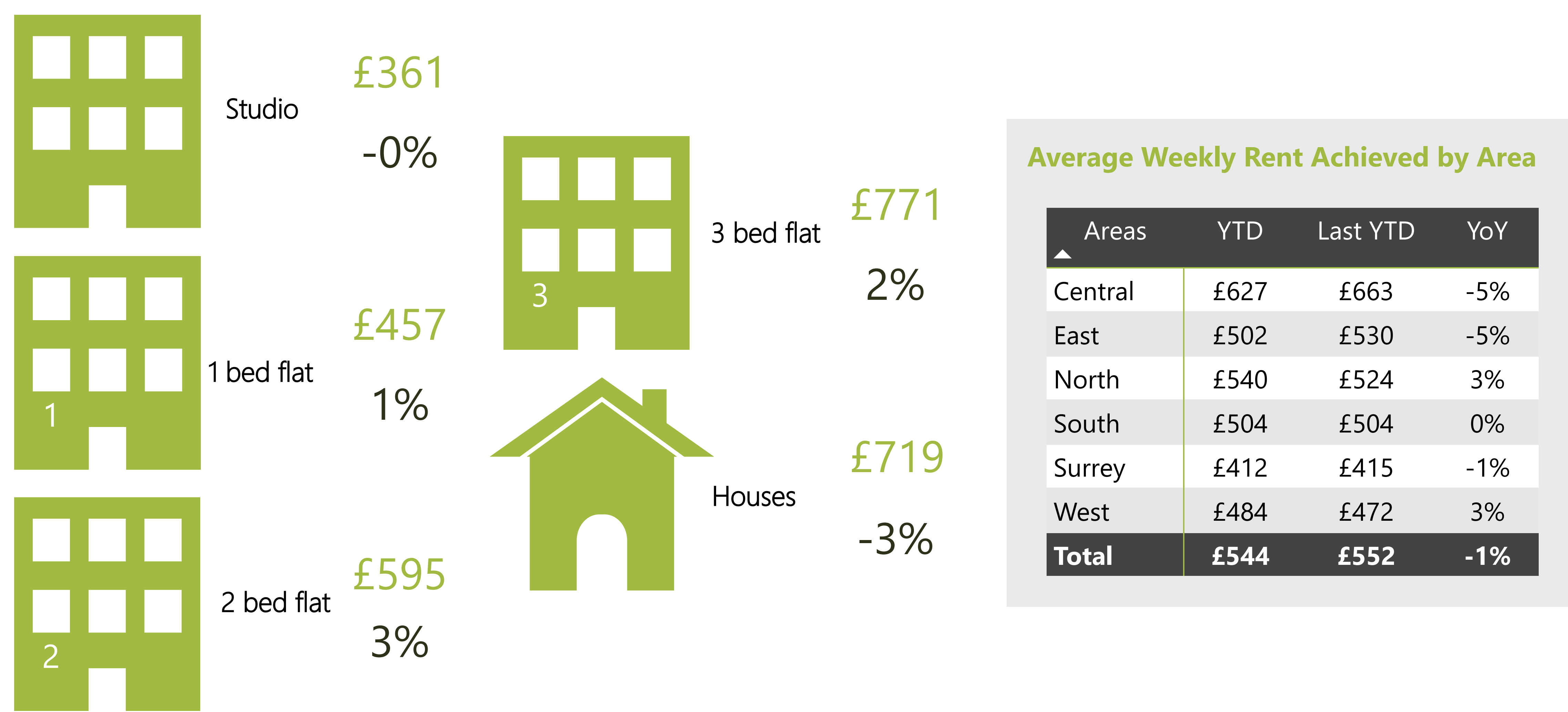
2024 vs 2023

Month-on-month

-2%

January vs December

Average Weekly Rent Achieved YTD and YoY Change



Renter Spend

Renter spend displayed a marginal 2% year-on-year decrease and a 1% month-on-month increase. In January, renters allocated 97% of their budgets.

Notably, two thirds adhered to or came in under budget, while a third exceeded their allocated budgets.

Year-on-year

-2%

2024 vs 2023

Month-on-month

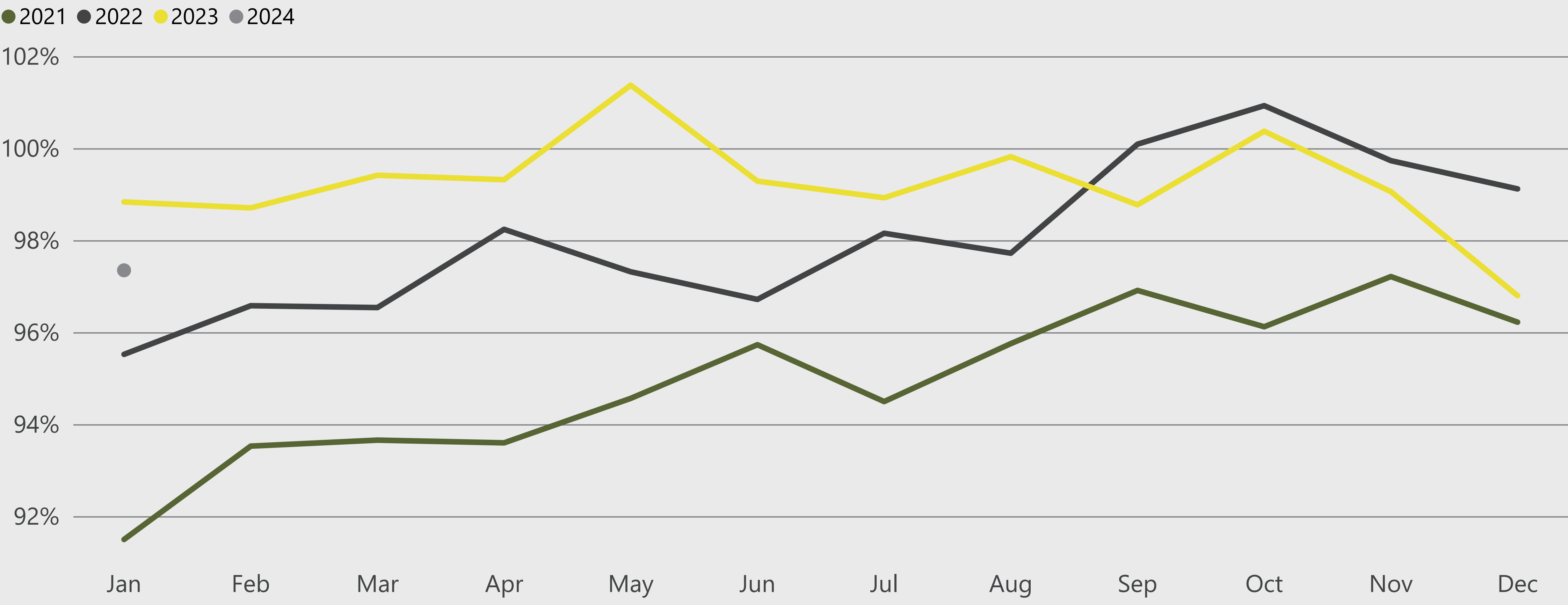
1%

January vs December

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 Over Time - Foxtons Network

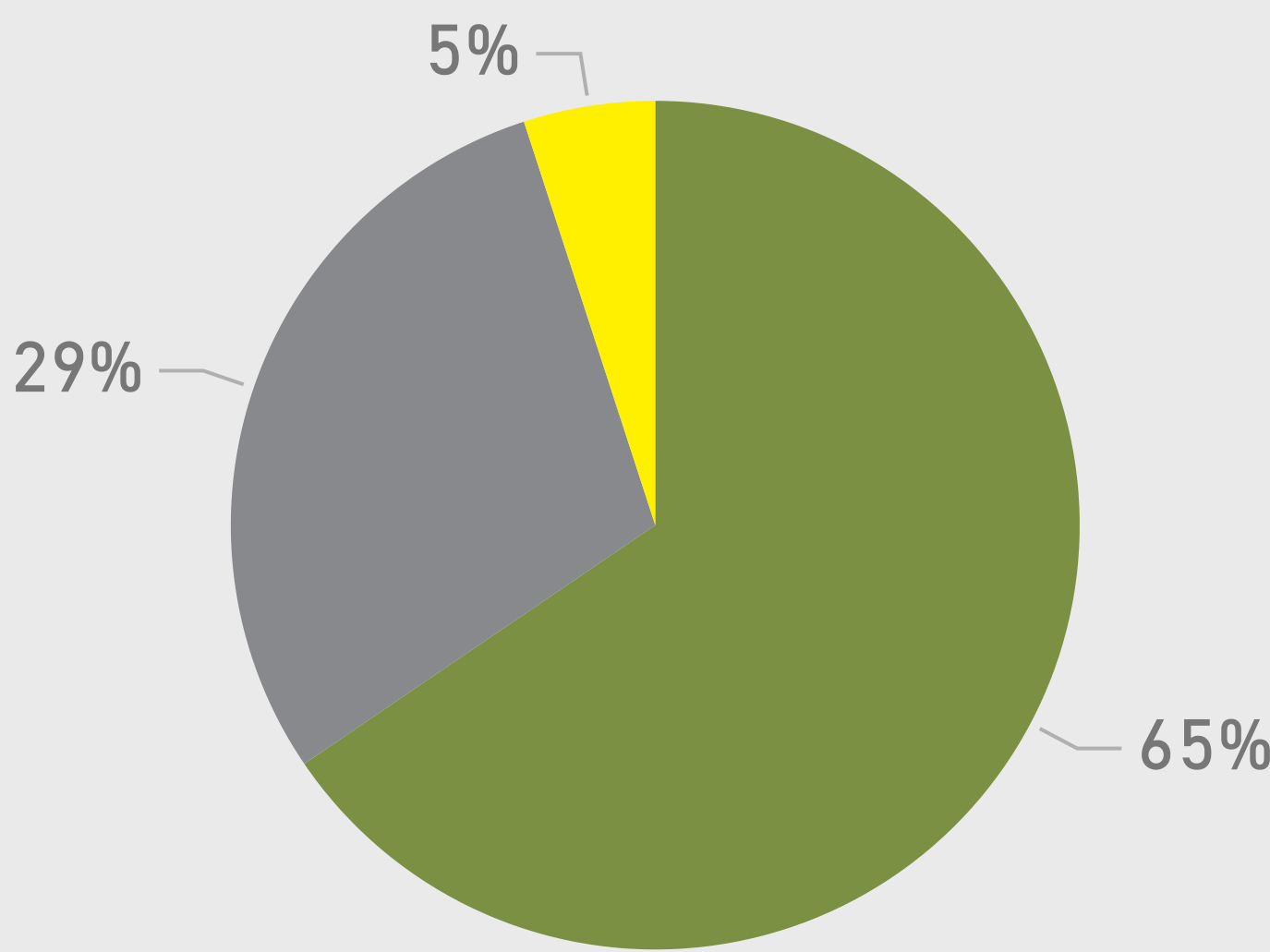


Average % Renter Budget Spent on Rent by Area

Areas	YTD	Last YTD	YoY	Last Month	2 Months Ago	MoM
Central	101%	101%	-0%	101%	97%	3%
East	95%	98%	-3%	95%	97%	-2%
North	96%	100%	-4%	96%	97%	-1%
South	96%	98%	-2%	96%	96%	-1%
Surrey	90%	99%	-9%	90%	95%	-5%
West	98%	96%	2%	98%	97%	1%
Total	97%	99%	-2%	97%	97%	1%

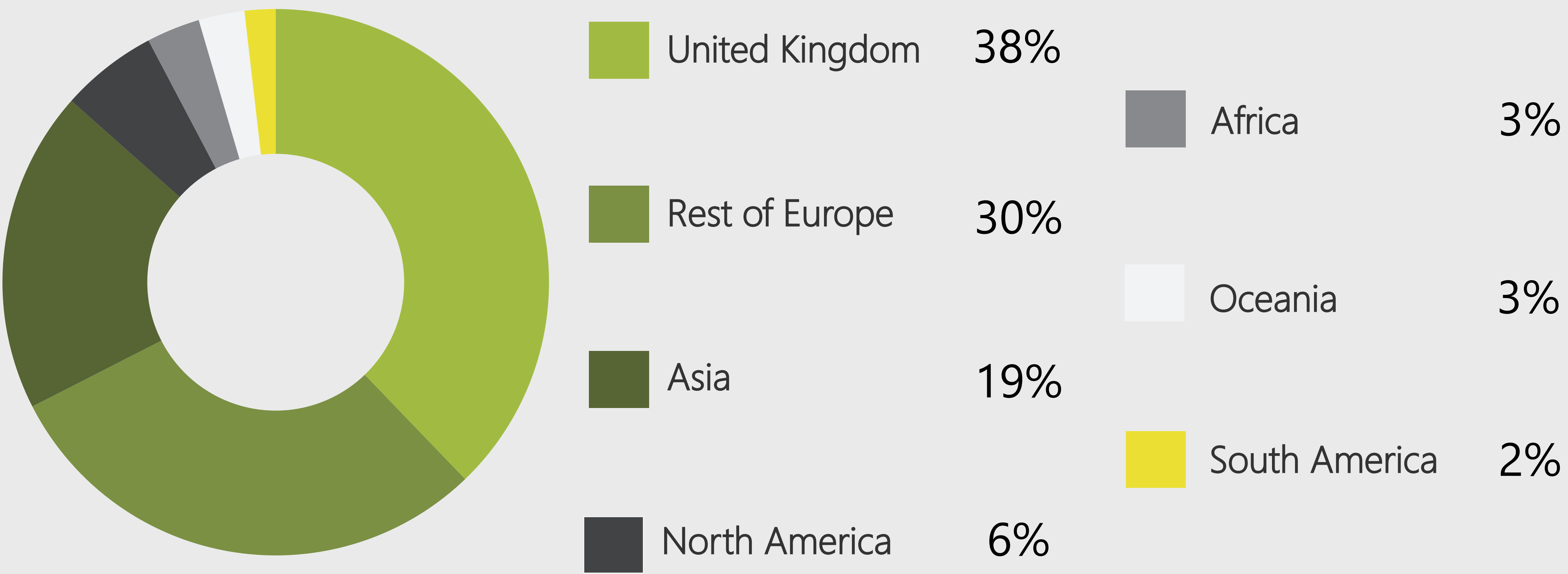
% of Renter Budget Spent by Category - YTD 2024

● Under Budget ● Over Budget ● On Budget

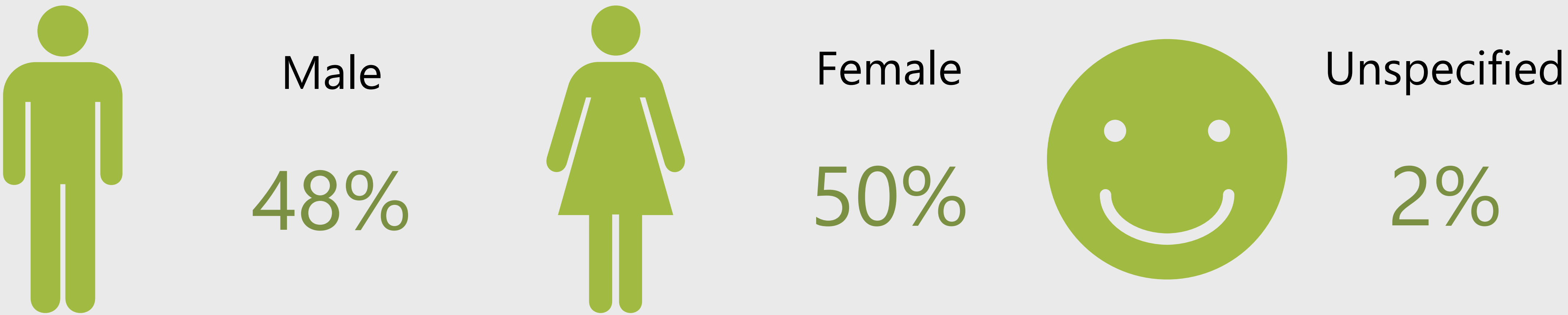


Tenant Demographics

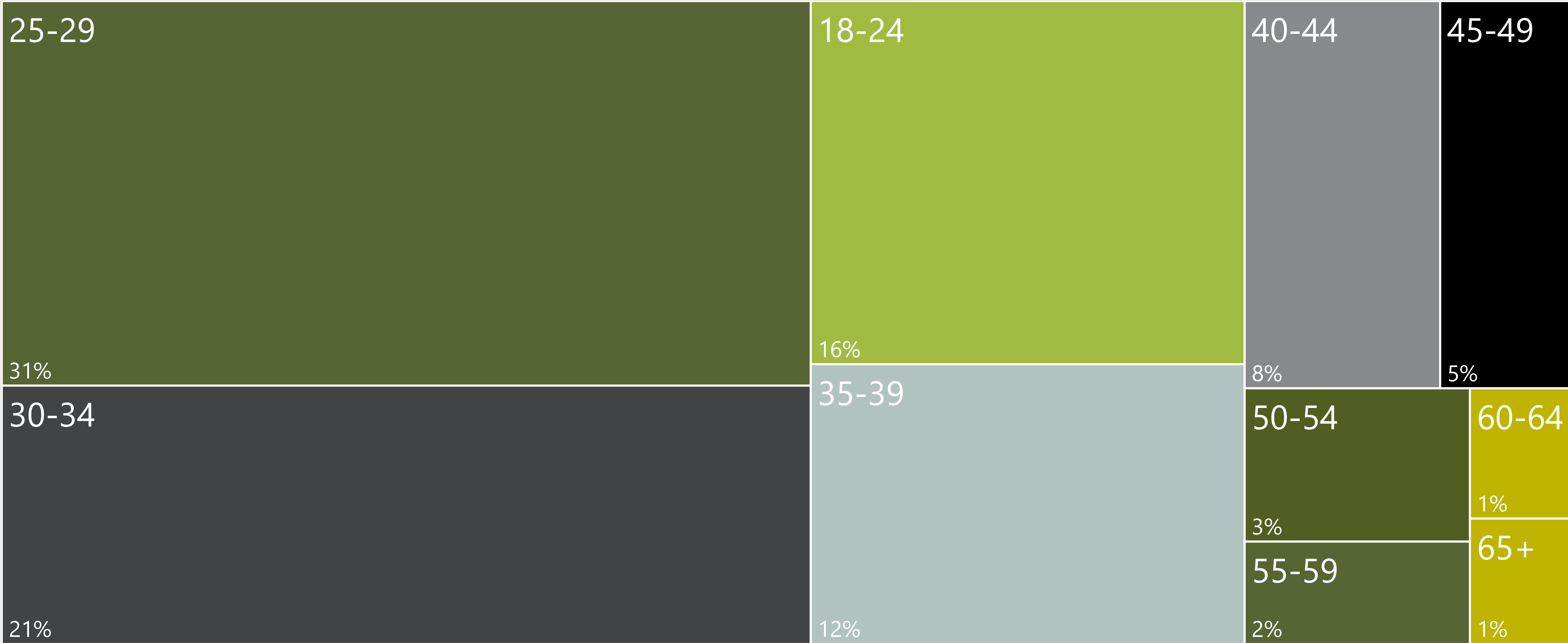
Tenant Nationality



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

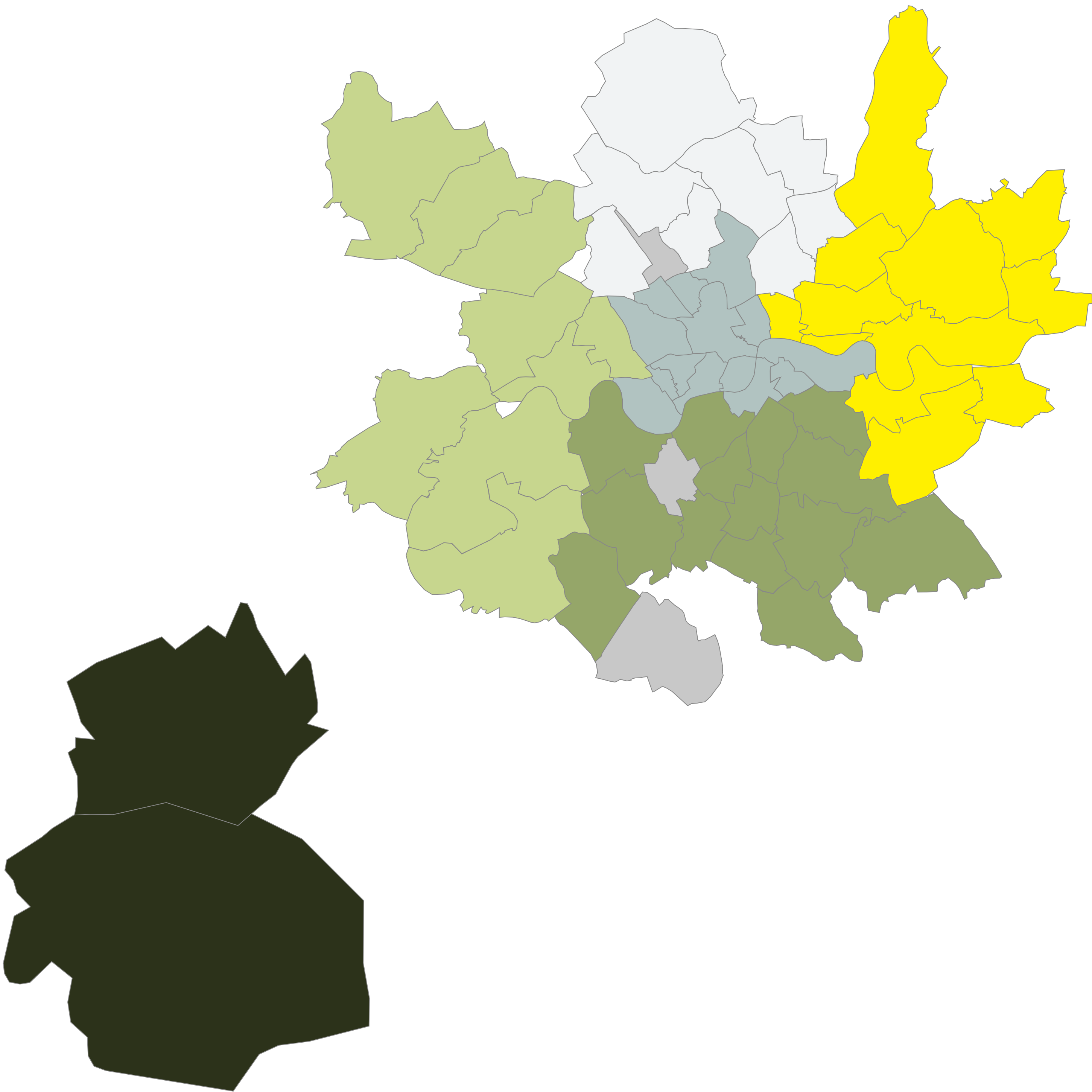
NORTH

- 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.



Sarah Tonkinson
*Managing Director -
Institutional PRS and Build to
Rent*

EMAIL

Sarah.Tonkinson@foxtons.co.uk

PHONE

+44 (0)20 8636 4605