

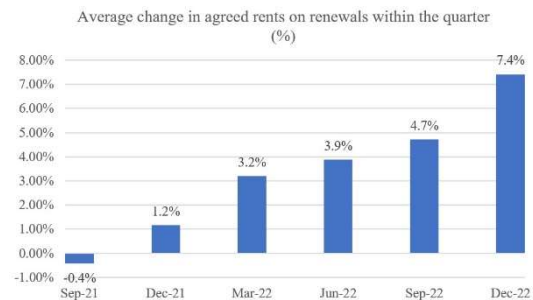
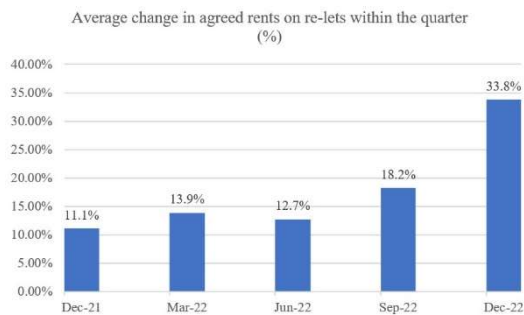


**LONDON CENTRAL PORTFOLIO**  
REAL ESTATE INVESTMENT ADVISORY

**PRIME LONDON LETTINGS REPORT: YEAR REVIEW**

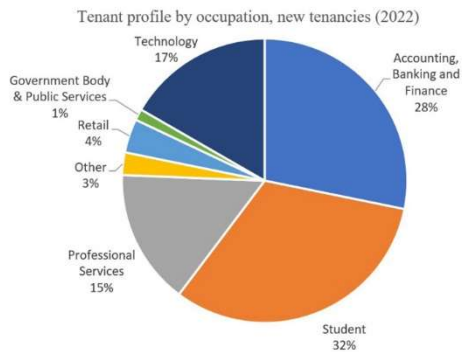
*London Central Portfolio (LCP), London's leading residential buying and investment agency, issues its 2022 lettings report reflecting on trends seen in a buoyant rental market over the course of the year.*

	PRIME LONDON RENTAL VALUE CHANGES		AVERAGE VOID PERIOD
	RENEWALS	RE-LETS	DAYS
QUARTERLY	<b>7.42%</b>	<b>33.08%</b>	<b>17.8</b>
ANNUAL	<b>5.52%</b>	<b>19.07%</b>	<b>16.3</b>

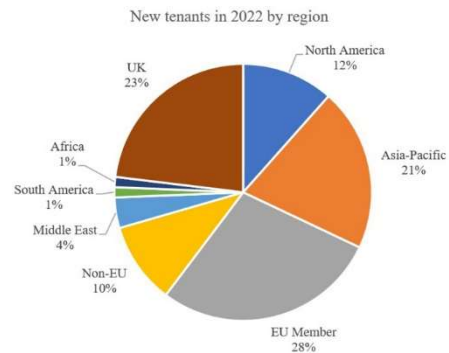


Agreed rents on new tenancies increased substantially throughout 2022 due to unprecedented demand and competition as professionals continued their return to the office. With LCP's stringent referencing of prospective tenants and beautifully designed rental properties, landlords enjoyed, on average, rental price growth exceeding 30% in Q4.

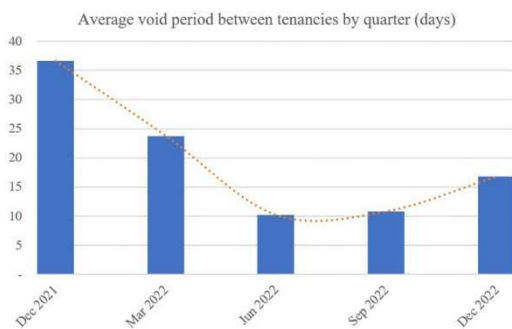
Significant tenant demand resulted in landlords negotiating favourable renewal increases broadly in line with inflation. With a shortage of stock and increased competition, many tenants chose to renew at an increased rent on their renewal rather than re-enter a competitive market. LCP continues to be mindful of detailed referencing in light of tenants' increased liabilities.



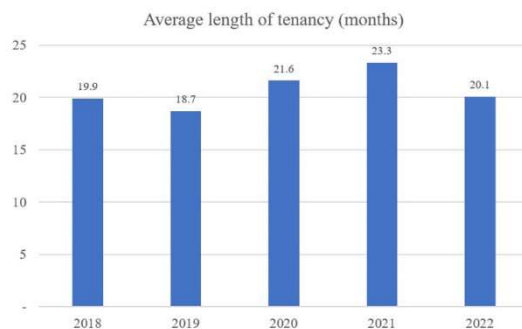
HNW students represented the highest number of new tenants at 32% as PCL saw the return of international students from outside the EU. New tenants from the technology sector nearly tripled to 17% in 2022 compared with only 6% in 2021. This highlights London's growing position as a global technology hub. Tenants from the financial sector represented the second largest proportion of new move-ins at 28%.



2022 saw the return of the international tenant, similar to levels seen pre-pandemic, pushing up rent in PCL and helping drive demand. Nearly 50% of new tenants were from outside the EU and UK compared with 41% in 2021. Tenants from the EU decreased from 41% in 2021 to 28% in 2022. Unsurprisingly tenants from Asia-Pacific increased slightly from 15% in 2021 to 21% in 2022.



Within LCP's managed portfolio, the time taken to let a vacant property hit historic low levels in Q2 and Q3 2022 at circa 10 days. Whilst voids increased in Q4 to 17.8 days, mainly due to seasonal changes, they are still the lowest Q4 levels seen on record. LCP's experience in presenting rental properties resulted in our portfolio renting well and quickly.



Average length of tenancies reached 20.1 months in 2022, similar to levels witnessed pre-pandemic. PCL tenancy length peaked in 2021 at 23.3 months during a time of lower rents and the global pandemic making moving home more challenging. Tenants are still keen to extend beyond their initial 12-month period, aware of increasing rents and lack of supply.

***Andrew Weir, CEO of London Central Portfolio, comments on the market***

2022 will be remembered as a boom year for residential landlords. Unsurprisingly we saw an increase in appetite for buy to let investments from both sophisticated and experienced landlords alongside new investors looking to enter the market for the first time.

We believe that rental growth in PCL could begin to flatten out in 2023, affected by the inflationary economic climate. However, we do not expect rents to drop by any significant amount as demand will stay consistent. High employment levels and the return of professionals and students to London means 2023 is likely to remain a landlord's market. Lack of supply of rental stock continues to be an issue due to suppressed investor activity during the pandemic.

If you are looking to capitalise on below historic peak sales prices of apartments and record high rents, please do get in touch.



**For more information on how LCP can help you source, let and manage your buy to let investment, please contact:**

Andrew Weir, Chief Executive by email: [andrew@londoncentralportfolio.com](mailto:andrew@londoncentralportfolio.com)

**About London Central Portfolio (LCP)**

Established in 1990, LCP is one of London's foremost buying and investment agencies representing buyers looking to purchase a buy to let investment or home in Prime Central London. Using a sophisticated financial model, LCP identify the best real estate opportunities. LCP's in-house interior designers and architects create stylish interiors – everything from minor upgrades to full-scale renovations, for investment properties to magnificent town houses. For investors, LCP's in-house letting and property management team secures the best tenants and ensures smooth running tenancies.

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Data: London Central Portfolio Limited conducts regular audits of all assets under management. This data has been used to produce the information contained in this report. Disclaimer: This report is published for general information and should not be relied upon in any way. No responsibility can be accepted by London Central Portfolio Limited for any loss or damage resulting from any use of the contents of this report. Any forward-looking statement involves known and unknown risks, which could differ materially from those expressed or implied.