



The largest quarterly dataset of UK rental activity. Q2 report (April – June 2024)

## Rents hit new record, as average property receives 17 enquiries

- Average advertised rents outside of London rise to a new quarterly record of £1,314 per calendar month (pcm), now 7% higher than last year (£1,231 pcm)
  - London rents have also risen to a new record of £2,661, now 4% higher than last year (£2,567 pcm), with rent growth steadily slowing since the peak of 16% in 2022
- The number of enquiries each property is receiving from would-be tenants is now 17 which, whilst down from 26 in 2023, is more than double the 8 at this time in 2019:
  - Despite overall rental supply slowly improving from last year (+14%), the number of rental properties available is still 20% below pre-pandemic levels
  - Tenant demand is down 16% compared to last year, however, 22% more tenants are looking to move than in 2019
- There have been some early positive signs from the new government regarding improvements in the rental market for tenants, however, Rightmove suggests more support is needed for landlords to invest in good quality homes for the private rented sector

National average asking rent for all property types (excluding Greater London)			
Quarter	Avg. asking rent per month	Quarterly change	Annual change
Q2 2024	£1,314	+1.8%	+6.8%
Q1 2024	£1,291	+0.8%	+8.5%
Greater London average asking rent for all property types			
Quarter	Avg. asking rent per month	Quarterly change	Annual change
Q2 2024	£2,661	+1.1%	+3.7%
Q1 2024	£2,633	+0.1%	+5.3%
Inner and Outer London			
	Avg. asking rent per month	Quarterly change	Annual change
Inner London	£3,132	+0.8%	+2.4%
Outer London	£2,318	+1.4%	+5.1%



## Overview

The average advertised rent of new properties coming onto the market hits a new quarterly record, with the average price outside of London now £1,314 per calendar month (pcm).

Average rental prices are 7% higher than a year ago, slowing from a peak of +12% in 2022.

Average advertised rents in London have also risen to a new record of £2,661, now 4% higher than last year, compared with the peak of 16% in 2022.

The overall balance between supply and demand has continued to improve during the second quarter of this year. However, the latest snapshot of the rental market highlights how busy it remains compared to more normal levels seen pre-pandemic – meaning both letting agents and tenants are unlikely to feel any improvements yet.

The number of enquiries each rental property is receiving from would-be tenants is now 17 which, whilst down from 26 this time last year, is more than double the 8 at this time in 2019.

The slowing in number of enquiries per property is driven by more rental properties becoming available, and fewer tenants looking to move.

The number of available properties is currently 14% higher than this time last year, while tenant demand is down 16% compared to last year.

However, despite these improvements, there is still a way to go to reach pre-pandemic supply and demand levels. The number of available homes to rent is still 20% below 2019, while 22% more tenants are looking to move than in 2019.

A recent Rightmove study showed that around 120,000 more rental properties are needed to bring rental price growth back towards more normal pre-pandemic levels of around 2-3%, based on current demand.

There have been some early positive signs from the new government regarding improvements in the rental market for tenants.

Labour has pledged to get 1.5 million more homes built, which could improve the availability of rental properties for tenants if some go to the private rented sector, or more tenants can become first-time buyers.

Rightmove is also calling for further support from the government for landlords to encourage investment in the private rented sector, particularly any help with making properties more energy efficient. A balanced approach to the rental market that acknowledges the importance of landlord investment will ultimately benefit tenants, providing them with a broader choice of higher-quality homes.

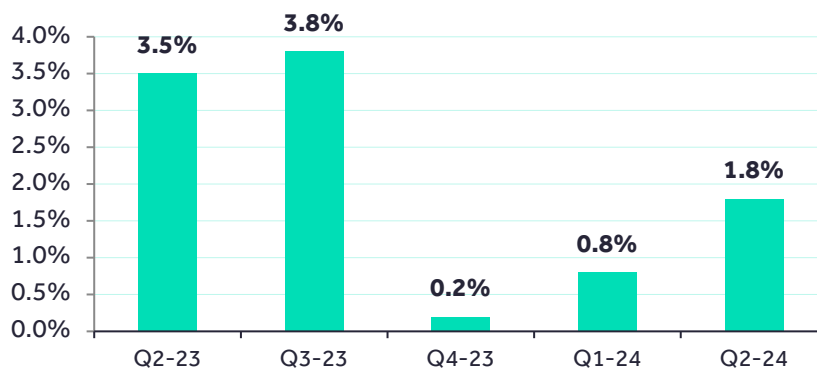
**Rightmove's Director of Property Science Tim Bannister says:** *"With 17 enquiries for every available rental property, the market remains out of balance and difficult for tenants. We need landlord investment to increase stock and help achieve a healthier supply and demand balance in the market. There is an opportunity to encourage landlords to continue to invest in good quality homes, for example through tax changes, incentives to help with energy-efficient upgrades or a general sentiment change in government towards working alongside and with landlords. Landlords have previously told us that the government's perception of landlords is one of their main concerns about the sector. Support for both tenants and landlords will be key to achieving long-term stability in the rental market."*



## Agent's views

Lucy Beasley, Lettings Manager at Jones Robinson in Newbury said: "Recently, we have observed an increase in available properties coming to market, but we haven't noticed much of a reduction in demand from tenants which remains robust. Rents are still high for many, and we have noticed that larger properties sometimes need to reduce their prices to secure tenants. While rents are showing a slight decrease this year, they are still above where they were two years ago, with many tenants facing an affordability blocker when looking for homes to rent."

### National quarterly change in average asking rents



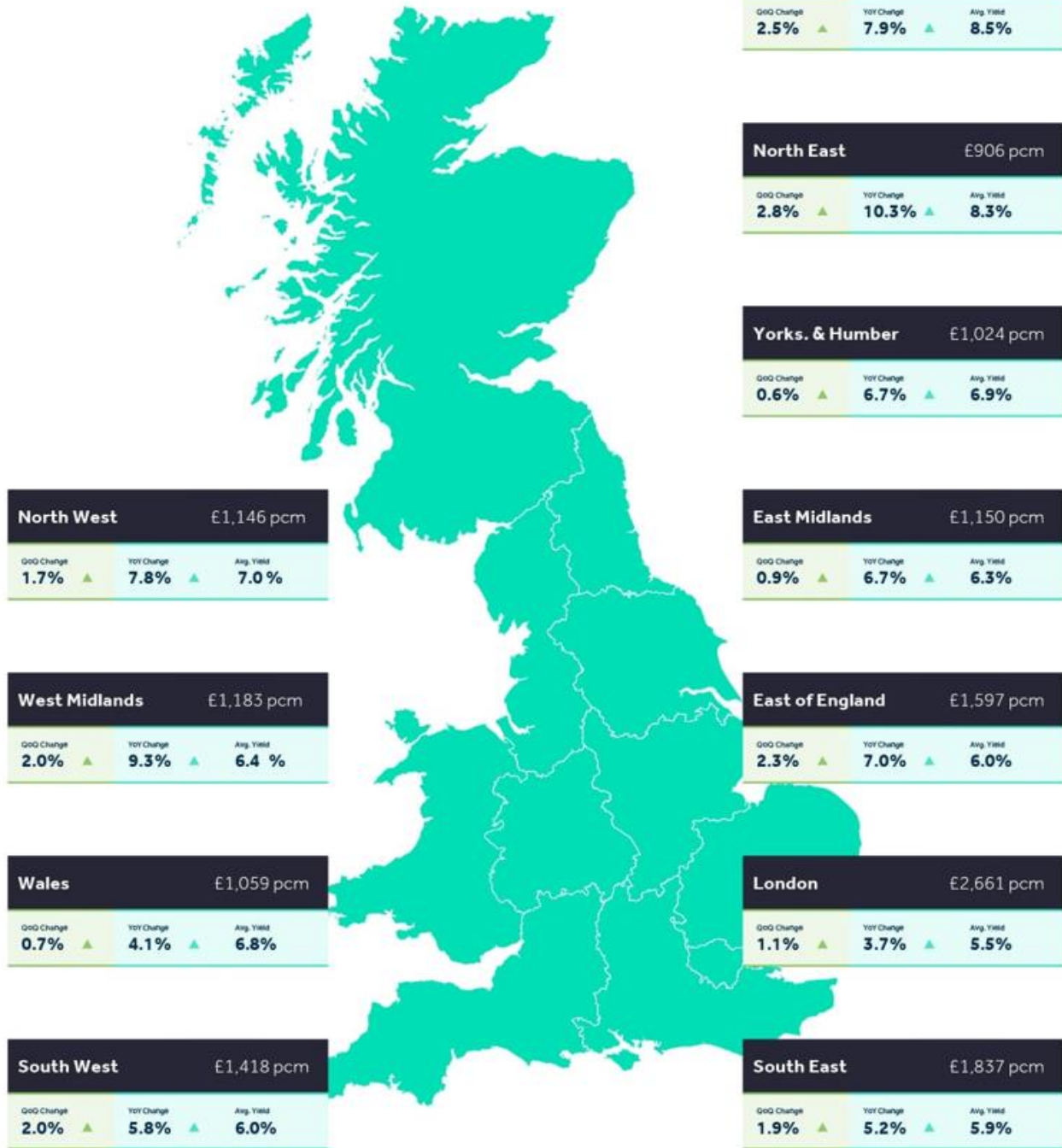


## Regional trends

# Rental Price Tracker

Q2 2024

● Increase from previous month    ● Decrease from previous month





## Landlord yields

Region	Average Landlord yield Q2 2024	Annual change in yield
Great Britain excl. London	6.4%	+0.5%
East Midlands	6.3%	+0.5%
East of England	6.0%	+0.5%
London	5.5%	+0.2%
North East	8.3%	+0.7%
North West	7.0%	+0.5%
Scotland	8.5%	+0.6%
South East	5.9%	+0.4%
South West	6.0%	+0.5%
Wales	6.8%	+0.3%
West Midlands	6.4%	+0.5%
Yorkshire and The Humber	6.9%	+0.4%

## Rental price hotspots

Area	Region	Average asking rent per calendar month Q2 2023	Average asking rent per calendar month Q2 2024	Annual change
Walton-On-Thames, Surrey	South East	£1,503	£1,960	30.4%
Blackburn, Lancashire	North West	£602	£711	18.1%
Batley, West Yorkshire	Yorkshire and The Humber	£733	£858	17.1%
Leeds, West Yorkshire	Yorkshire and The Humber	£970	£1,114	14.8%
Corby, Northamptonshire	East Midlands	£818	£938	14.6%
Clacton-On-Sea, Essex	East of England	£896	£1,025	14.3%
Preston, Lancashire	North West	£763	£871	14.2%
Wellingborough, Northamptonshire	East Midlands	£819	£935	14.1%
Widnes, Cheshire	North West	£676	£768	13.7%
Lichfield, Staffordshire	West Midlands	£908	£1,032	13.6%



## Editors' notes

The Rightmove Rental Trends Tracker methodology was updated as of Q3 2020 and all historic figures have been restated. The new methodology includes the latest mix adjustment figures.

The dataset is compiled from the asking rents of properties coming onto the market on Rightmove.co.uk. Rather than being a survey of opinions it is produced from factual data of actual asking prices of rental properties currently on the market. Rightmove's Rental Trends Tracker measures prices at the very beginning of the rental process.

**Quarterly data:** Rightmove measured 591,237 asking rents. The properties were advertised on Rightmove.co.uk by agents from 1st April – 30<sup>th</sup> June 2024. All short lets have been removed. All rents throughout are per calendar month.

Competition is calculated based on the number of people enquiring about each available property.