



Q2 (April-June 2021)

Thursday 15th July 2021

Average rents hit a record £1,000 & city centres start to recover

- National asking rents outside London have reached another record, and are now over £1,000 per calendar month for the first time:
 - Asking rents are 2.6% higher now than in Q1 2021 and 6.2% higher than this time last year, the biggest quarterly and annual jumps ever recorded by Rightmove
 - London is the only region with rents lower than this time last year, though rents in the capital have increased this quarter for the first time since before the pandemic
- Asking rents in city centres around Britain are starting to recover as more renters plan a city move, with eight out of ten of some of the biggest city centres seeing higher rents than in June 2020
- Rental properties are finding a tenant quicker than ever before at an average of 21 days, and the fast-paced market has led to an annual drop of 36% in the number of available rental properties

National average asking rent for all property types (excluding Greater London)

Quarter	Avg. asking rent per month	Quarterly change	Annual change
Q2 2021	£1,007	+2.6%	+6.2%
Q1 2021	£982	+1.1%	+4.2%

Greater London average asking rent for all property types

Quarter	Avg. asking rent per month	Quarterly change	Annual change
Q2 2021	£1,949	+1.5%	-3.1%
Q1 2021	£1,919	-0.7%	-7.8%

Inner and Outer London

	Avg. asking rent per month	Quarterly change	Annual change
Inner London	£2,224	+1.3%	-6.8%
Outer London	£1,748	+1.7%	+0.8%



Overview

Record tenant demand and properties being let out quicker than ever before has led to the average asking rent of a home outside London surpassing £1,000 per calendar month for the first time.

Rightmove's Quarterly Rental Trends Tracker, based on over 470,000 properties, reveals that the number of prospective tenants contacting agents about properties for rent is currently 10% higher than in July 2020 across Great Britain, despite last year benefitting from pent-up tenant demand when the rental market re-opened in mid-May in England.

The average asking rent is now higher than this time last year in every region except London, although the capital is starting to see an improvement. London rents grew by 1.5% in Q2 compared to Q1, marking the first increase since Q1 last year before the pandemic started. They are now down by 3.1% annually, with the quarterly increase being driven by the outer London zones.

At the start of this year Rightmove reported double digit annual declines in some of the biggest city centres across Britain, and a flood of rental properties entering the market as many tenants chose to move out of cities. There are now signs that tenants are starting to return, helping to stabilise or increase rents.

In Nottingham city centre, asking rents are up annually by 6.8%, and the next best performing city centre is Liverpool, where rents are up by 3.8%. Inner London (-6.8%) and Edinburgh (-4.0%) are yet to recover, but higher tenant demand is likely to lead to rents rising again over the coming months.

Areas that have seen the biggest rent rises over the past year include city suburbs, commuter towns and coastal locations. Rochdale, Folkestone and Farnham have all seen asking rents jump by more than 25%.

The time it is taking for a letting agent to find a tenant for a property is at a record low of 21 days nationally, measured from the date they are first marketed on Rightmove until the property is marked as let agreed. This pace has led to a drop in available stock of 36% across Great Britain.

Rightmove's Director of Property Data Tim Bannister said: *"At the start of this year the impact that tenants leaving cities had on rents was clear to see, but with restrictions continuing to lift we're seeing signs of the city centre comeback. As businesses settle into a more structured balance between home and office time, we expect this to continue for the rest of the year."*

"Tenants across Britain are being faced with low stock and record rents in many areas, likely fuelled by some tenants signing longer leases last year and also perhaps by a rush of people who chose to move back in with family last year, who are now making plans to rent again and in many cases starting to think about their new daily commute. We're also starting to see signs of London rents creeping up again, but they're still lower than two years ago so it will take time."



Agent's View

Rob Cuffe, Director at Philip James in Manchester, said: "We've seen demand for properties in the city centre surge in the last month and shortage of stock is now our biggest problem. In fact we currently only have 38 properties available to rent out of our 2,500 managed properties. City centre rents are continuing to increase compared to this time last year and the South Manchester rental market is booming with rents up 7%. Since lockdown we're continuing to see an increase in demand for properties with outdoor spaces such as balconies or terraces. Currently two bed city centre apartments are achieving rents in excess of £1,200 in the popular developments, and any with outside space are the most sought after. We're letting all of our properties in an average of just 10 days."

City centre rents

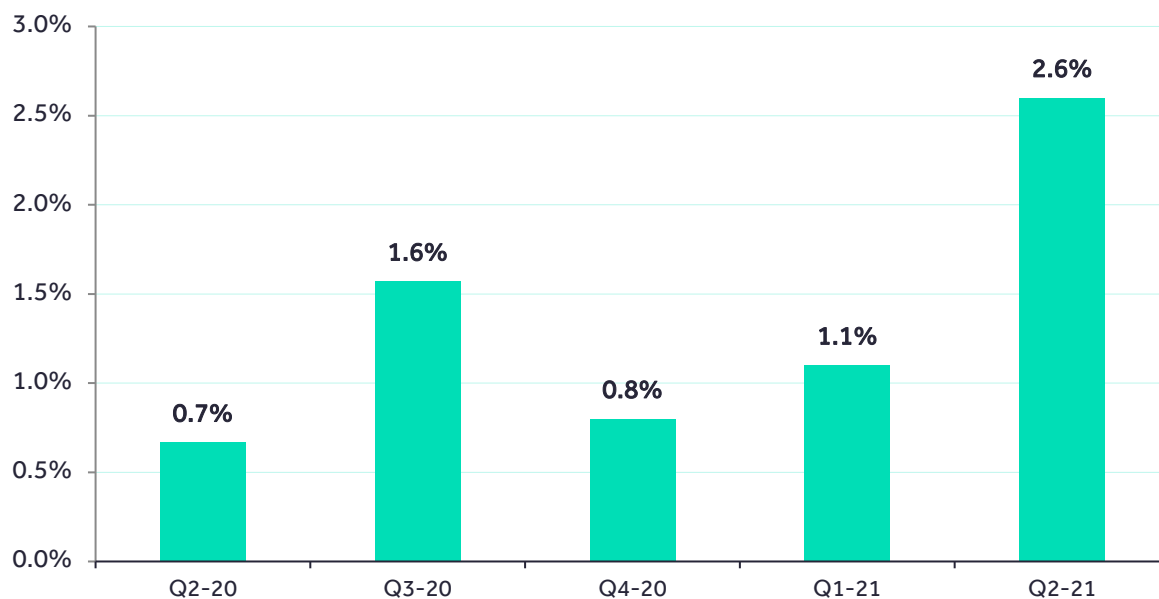
City centre	Average asking rent per calendar month June 2021	Average asking rent per calendar month June 2020	Annual change	Increase in tenant demand versus June 2020
Nottingham	£930	£871	+6.8%	+11%
Liverpool	£866	£834	+3.8%	+15%
Bristol	£1,271	£1,226	+3.7%	+31%
Newcastle	£954	£924	+3.2%	0%
Birmingham	£930	£915	+1.6%	+28%
Leeds	£837	£832	+0.6%	+15%
Glasgow	£918	£914	+0.4%	+15%
Manchester	£1,049	£1,045	+0.4%	+37%
Edinburgh	£1,127	£1,174	-4.0%	+11%
Inner London	£2,224	£2,387	-6.8%	+18%

Rental Hotspots

Area	Average asking rent per calendar month June 2021	Average asking rent per calendar month June 2020	Annual change
Rochdale	£947	£713	32.7%
Folkestone	£1,144	£902	26.7%
Farnham	£2,033	£1,696	19.8%
Altrincham	£2,129	£1,779	19.7%
Sevenoaks	£2,368	£1,985	19.3%
Bognor Regis	£1,285	£1,081	18.8%
Hockley	£1,162	£981	18.4%
Blackpool	£754	£638	18.1%
Camberley	£1,778	£1,516	17.3%
Shrewsbury	£938	£804	16.7%



National quarterly change in average asking rents





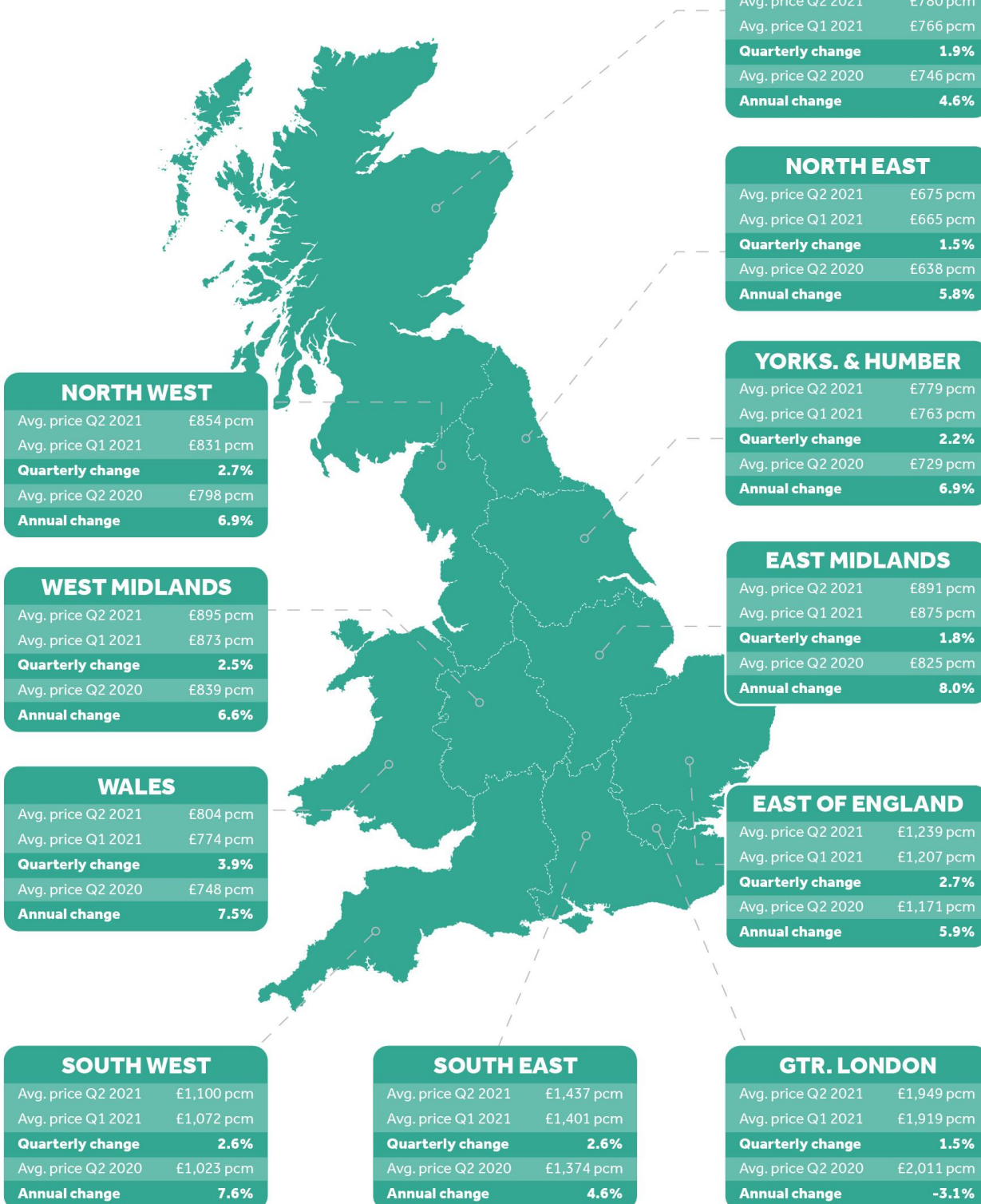
Regional trends



Increase from previous month



Decrease from previous month





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 472,500 asking rents. The properties were advertised on Rightmove.co.uk by agents from 1st April – 30th June 2021. All short lets have been removed.