



The largest quarterly dataset of UK rental activity. Q1 report (January - March 2023)

Rents rise again to new record but growth continues to slow

- National average asking rents outside London reach a new record of £1,190 per calendar month (pcm):
 - Average asking rents outside of London for new tenants have now risen for 13 consecutive quarters
 - However, the pace of rent growth continues to slow and has now eased for three quarters in a row
 - Average asking rents in London surpass £2,500 for the first time to reach new record
- Supply is still very constrained, however it is showing slow signs of improvement this year:
 - The number of available properties to rent is currently 6% higher than last year, and across the first three months of the year has improved by 8% compared with the same period last year
 - However, the number of available properties to rent is still 46% below 2019's level
- The gap between supply and demand has narrowed slightly compared to last year, however it is still near record levels with the number of tenants enquiring greatly outweighing the homes available to rent:
 - Competition between tenants has eased by 2% compared with last year, but it is still more than double (+173%) the level it was back in 2019
 - Tenant demand is 4% higher than this time last year, and 48% higher than 2019
 - Terraced Houses have the biggest gap between supply and demand, with more than four times as many tenants enquiring as there are properties of this type available to rent, while flats are finding a tenant the quickest

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

Quarter	Avg. asking rent per month	Quarterly change	Annual change
Q1 2023	£1,190	+1.5%	+9.4%
Q4 2022	£1,172	+0.9%	+9.7%

Greater London average asking rent for all property types

Quarter	Avg. asking rent per month	Quarterly change	Annual change
Q1 2023	£2,501	+0.9%	+14.0%
Q4 2022	£2,480	+5.8%	+15.7%

Inner and Outer London

	Avg. asking rent per month	Quarterly change	Annual change
Inner London	£3,021	+0.4%	+14.0%
Outer London	£2,121	+1.5%	+14.2%



Overview

Average asking rents for new tenants outside of London rise to yet another new record of £1,190 per calendar month (pcm).

This marks 13 consecutive three-month periods where asking rents on new properties to let have risen, a run which stretches back to the end of 2019.

However, the pace of asking rent growth continues to slow and has now eased for three quarters in a row.

In London, average asking rents have surpassed £2,500 for the first time to reach a new record of £2,501 pcm. There are signs that the speed of rent rises is slowing in the capital too, as this quarter's rise of 0.9% is the smallest for two years.

Supply remains very constrained in the rental market, however it is showing slow signs of improvement this year.

The number of available properties is currently 6% higher than the near-record low levels of this time last year, while across the opening three months of this year, the number of available rental properties is up by 8%.

However, supply is still historically very low, with the number of available rental properties now 46% below 2019's level.

The gap between supply and demand, or competition between tenants for the homes available, has improved slightly compared to last year however there remains a significant imbalance, with the number of tenants enquiring to move greatly outweighing the number of homes to rent.

Competition between tenants has eased by 2% compared to last year, though it is still more than double (+173%) the level it was back in 2019.

The gap between supply and demand is exacerbated by the number of tenants looking to move continuing to exceed even last year's frenetic level.

The number of tenants enquiring to move is now 4% higher than this time last year, and 48% higher than 2019.

Terraced Houses have the biggest gap between supply and demand, with more than four times as many tenants enquiring as there are properties of this type available to rent, while flats are currently finding a tenant the quickest.

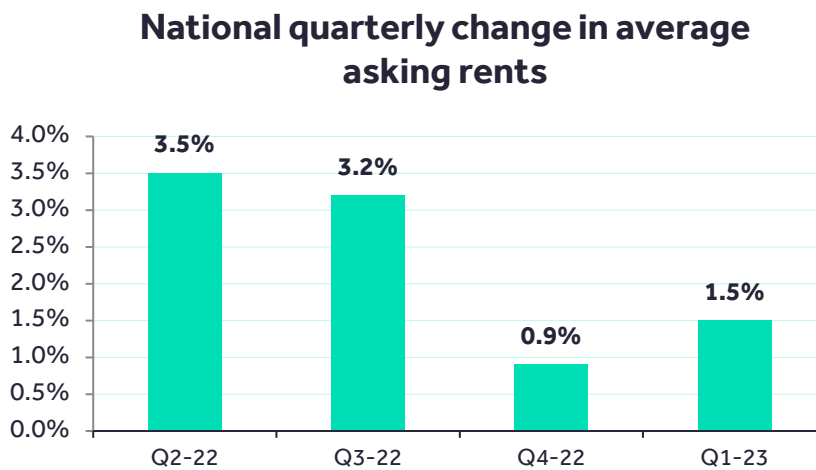
Rightmove's Director of Property Science Tim Bannister said: *"We have seen some early signs of improvement on squeezed supply levels this year, though with no significant influx of new properties becoming available to rent currently on the horizon, the mismatch is set to continue for some time. Many agents are having to manage a very high volume of tenant enquiries for every property that they let in the current market. Properties in popular areas within an affordable asking rent range of that local area are likely to be snapped up almost immediately, and on average homes are finding a tenant much more quickly than this time in 2019. Although there are some early signs that the gap between supply and demand is starting to narrow a little, it will still feel very competitive for tenants trying to secure a home."*



Agent's Views

Craig Webster, Managing Director of Tiger Sales & Lettings in Blackpool said: *"The rental market remains very busy, with multiple applicants competing over a shortage of property to rent. We're seeing more tenants staying put in their current home, which is having a knock-on effect for the rest of the market and contributing to the shortage. We are also seeing some of our landlords decide to sell up for a variety of reasons – more legislation to navigate, higher mortgage costs, or because they can now get a good price for their home. However, for new or existing landlords looking to grow their portfolio, yields remain very strong, with a mix of property types, both houses and flats, proving popular."*

National quarter-on-quarter change in average asking rents



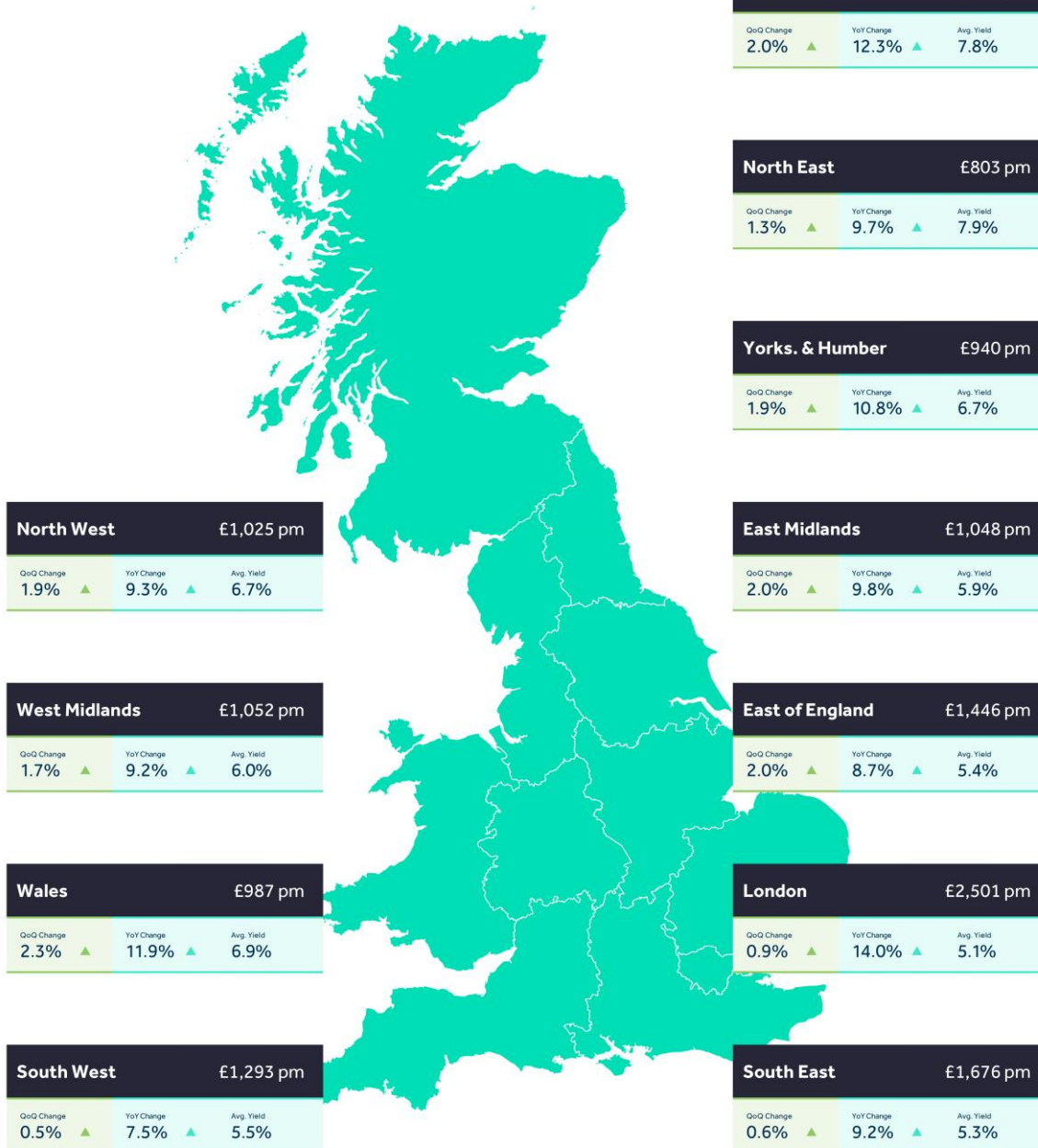


Regional trends

Rental Price Tracker

Q1 2023

● Increase from previous month ● Decrease from previous month





Landlord yields

Region	Average Landlord yield Q1 2023	Annual change in yield
Great Britain	5.8%	+0.2%
North East	7.9%	-0.1%
Scotland	7.8%	+0.6%
Wales	6.9%	+0.1%
North West	6.7%	+0.0%
Yorkshire and The Humber	6.7%	+0.1%
West Midlands	6.0%	+0.0%
East Midlands	5.9%	+0.0%
South West	5.5%	-0.2%
East of England	5.4%	+0.1%
South East	5.3%	+0.1%
London	5.1%	+0.4%

Rental price hotspots

Area	Region	Average asking rent per calendar month Q1 2022	Average asking rent per calendar month Q1 2023	Annual change
High Wycombe, Buckinghamshire	South East	£1,071	£1,311	+22.4%
Farnham, Surrey	South East	£1,223	£1,491	+21.9%
Edinburgh	Scotland	£1,074	£1,289	+20.0%
Dundee	Scotland	£653	£776	+18.8%
Rochester, Kent	South East	£954	£1,132	+18.7%
Luton, Bedfordshire	East of England	£976	£1,146	+17.4%
Paisley, Renfrewshire	Scotland	£579	£679	+17.3%
Loughborough, Leicestershire	East Midlands	£652	£764	+17.1%
Cardiff	Wales	£931	£1,086	+16.6%
Slough, Berkshire	South East	£1,178	£1,373	+16.5%



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 504,777 asking rents. The properties were advertised on Rightmove.co.uk by agents from 1st January – 31st March 2023. 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.