



The largest quarterly dataset of UK rental activity. Q2 report (April – June 2025)

Rents reach another new record as tenants pay £400 more than five years ago

- The average advertised rent of homes outside of London has risen to another new record this quarter of £1,365 per calendar month (pcm), but the yearly pace of rent growth continues to slow:
 - London rents also reach a 15th consecutive new record of £2,712 pcm this quarter
- Five years on from the pandemic, new tenants are paying over £400 more per month on average in rent:
 - This 44% increase in rents compares to a 36% increase in average earnings over five years
- Best balance between supply and demand in five years as market continues to cool from pandemic frenzy:
 - The number of available properties to rent is now 15% higher than at this time last year
 - The number of prospective tenants looking to move is 10% lower than the same period last year
 - The average number of enquiries per typical rental property is now 11, with tenants competing with fewer other tenants for each property available as supply increases
- The latest snapshot of buy-to-let lending from UK Finance shows that there has been a 17% increase in total number of loans to property investors, including a 28% uplift for new rental home purchases
- Homes are taking longer to let and are more likely to be reduced in price as tenant choice increases:
 - It's taking an average of 25 days for a rental home to be marked let agreed on Rightmove, up from 21 days last year and 18 days during the pandemic frenzy at this time in 2022
 - Nearly a quarter (24%) of rental homes see a reduction in price during advertising, the highest this figure has been since 2017

National average asking rent for all property types (excluding Greater London)			
Quarter	Avg. asking rent per month	Quarterly change	Annual change
Q2 2025	£1,365	+1.2%	+3.9%
Q1 2025	£1,349	+0.6%	+4.5%
Greater London average asking rent for all property types			
Quarter	Avg. asking rent per month	Quarterly change	Annual change
Q2 2025	£2,712	+0.5%	+1.9%
Q1 2025	£2,698	+0.1%	+2.5%
Inner and Outer London			
	Avg. asking rent per month	Quarterly change	Annual change
Inner London	£3,191	+0.3%	+1.9%
Outer London	£2,362	+0.7%	+1.9%



Overview

The average advertised rent of new properties coming onto the market outside of London has risen by 1.2% this quarter to a new record of £1,365 per calendar month (pcm).

Despite another new record, the average asking rent for a home outside of London is now 3.9% higher than this time last year, the lowest this annual growth figure has been since 2020.

Average advertised rents for new properties in London also rose by 0.5% this quarter to £2,712 pcm, a 15th consecutive record for rents in the capital.

Now five years on from the pandemic starting, the average monthly rent that a new tenant will pay is over £400 (+£417) more than 2020. This is an uplift of 44%, outpacing the increase in average earnings over the same period, which have risen by 36%.

However, much of this growth in rents occurred during the frenetic pandemic years of 2021 and 2022. Since 2023, yearly rent rises have been gradually slowing.

The slowing in the pace of rent growth has been largely due to the balance between supply and demand improving. We're currently seeing the best balance between supply and demand in the rental market since 2020, as the market continues to cool and recalibrate after the pandemic years.

The number of available properties to rent is now 15% higher than at this time last year, with the North East (+33%) leading the way. However, it is still 29% below 2019's level.

Tenant demand has also eased by 10% versus last year. The combination of these two metrics together means that the average number of enquiries a typical rental property receives is now 11. This is down from 16 last year, but up from seven at this time in 2019.

In further positive signs for supply in the market, the latest snapshot of buy-to-let lending from UK Finance shows that there has been an uplift in rental property investment compared with last year.

The total number of loans for buy-to-let properties is up by 17% so far this year versus the same period last year. This includes both new home purchases and remortgages, and encouragingly, the number of new rental home purchases is up by 28%.

More investment into the buy-to-let sector from landlords is good for tenants, as it brings much needed rental homes into the sector, and a better balance of supply and demand helps to keep rental price increases at more moderate levels.

A knock-on effect of a less frenzied market is that homes are taking longer to find the right tenant, and the advertised rent is more likely to be reduced.

It's taking an average of 25 days for a home to be marked let agreed on Rightmove, up from 21 days last year and 18 days during the pandemic frenzy at this time in 2022.

Nearly a quarter (24%) of rental homes see reduction in price during marketing, the highest this figure has been since 2017.

Rightmove's property expert Colleen Babcock says: *"Despite another new record in average asking rents for tenants, the big picture is that yearly rent increases continue to slow, which is good news for tenants. Supply and demand is slowly rebalancing towards more normal levels, though we still have a way to go*



before we reach pre-2020 levels of available homes for tenants. The good news is that the latest industry snapshot suggests more investors are taking out buy-to-let loans compared with last year, which should help to bring even more homes to the rental market.”

Expert views

Alex Caddy, Manager at Clarkes Estate and Letting Agency, says: *“The rental market has undergone a marked shift in 2025. After several years of sharp rent inflation post-pandemic, tenants hit a ceiling by late 2024, leading to widespread price slowdowns.*

“Competitively priced, well-presented properties continue to attract strong interest, echoing trends seen in the sales market. However, the market is now dealing with a much higher supply of rental homes, a complex reversal of previous trends. Some landlords have exited the sector over the past two years due to rising regulatory and financial pressures, but with the sales market slowing in some areas, a growing number of those properties have re-entered the rental market.

“Demand remains robust, particularly for quality one- and two-bedroom homes. Larger properties are moving more slowly, with some seeing longer void periods as tenants benefit from increased choice. A more acute challenge is emerging in the student sector. A reduction in university intake for 2025 has left many HMOs (houses in multiple occupation) unlet for the September start. Some landlords in this space are now pivoting to the general rental market, further swelling already high supply levels.”

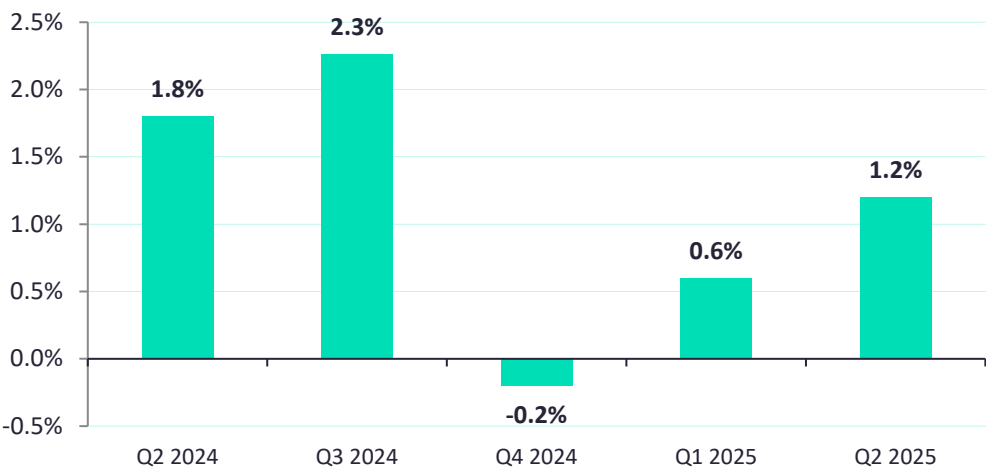
Andrew Ralph, Managing Director, Lettings at LRG (Leaders Romans Group) says: *“We’re seeing a shift in the rental market this quarter. Stock levels are up, and demand remains strong but more measured, bringing us closer to a sustainable balance. Average rents are still rising year-on-year, but at a slower pace. Pricing correctly from the outset is key, and being quick to adjust price in line with market response helps avoid unnecessary void periods.*

“Tenant affordability is a key focus. Matching the right tenants to the right homes is becoming more important than ever. The best outcomes, for landlords and tenants alike, are coming where there’s transparency, realistic pricing, and a shared understanding of future expectations.

“While some landlords are choosing to exit, the volume remains broadly in line with recent years. What’s more notable is the rise of a new generation of professional, tech-savvy investors entering the market, often with a long-term focus on capital growth. Many portfolio landlords remain active, particularly in areas with strong yields. The market is adapting, and while the challenges are real, the opportunities are still there for those taking a strategic view.”



National quarterly change in average asking rents



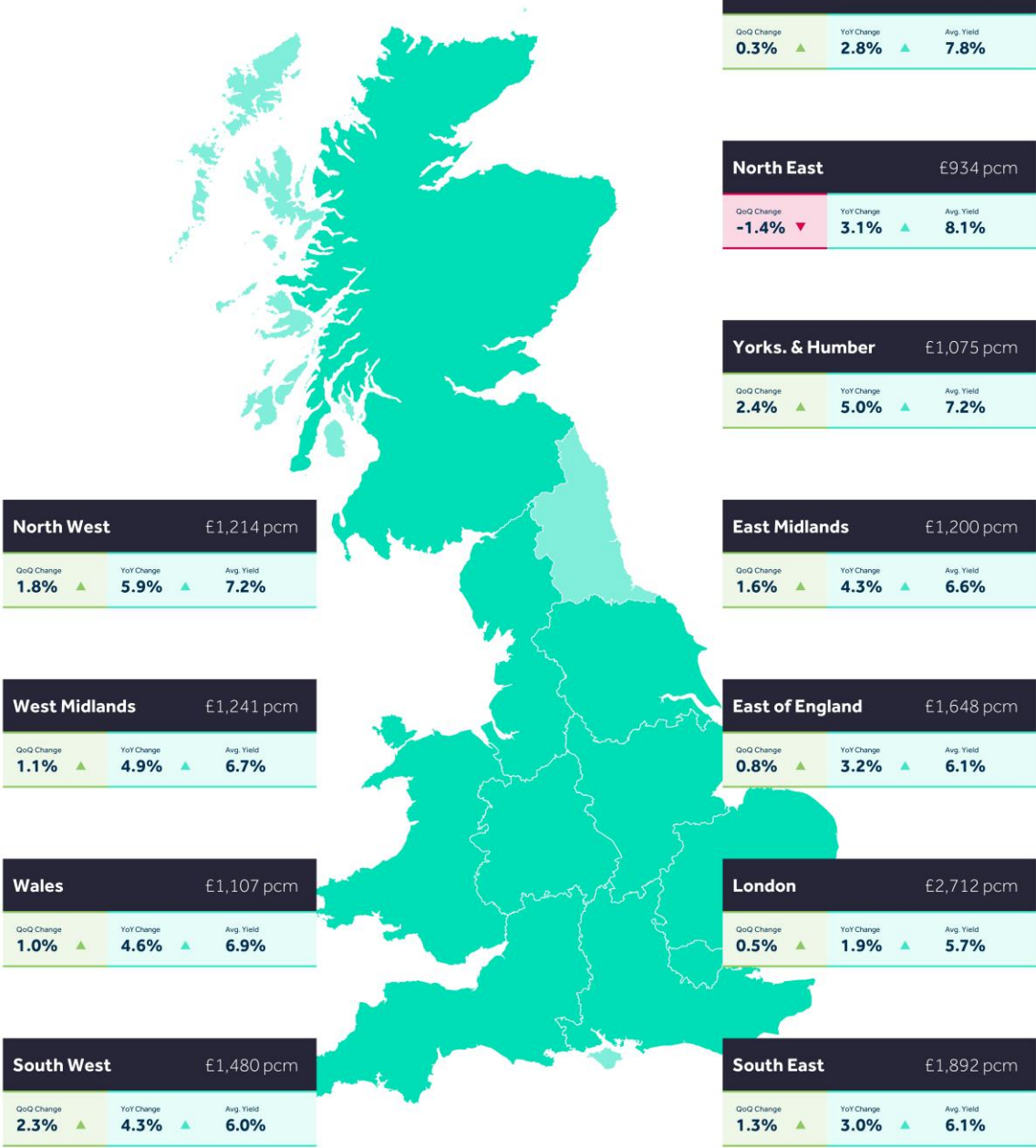


Regional trends

Rental Price Tracker

Q2 2025

● Increase from previous quarter ● Decrease from previous quarter





Landlord yields

Region	Average Landlord yield Q2 2025	Annual change in yield
Great Britain excl. London	6.3%	+0.1%
East Midlands	6.6%	+0.1%
East of England	6.1%	+0.2%
London	5.7%	+0.1%
North East	8.1%	+0.1%
North West	7.2%	+0.1%
Scotland	7.8%	+0.0%
South East	6.1%	+0.2%
South West	6.0%	+0.1%
Wales	6.9%	+0.2%
West Midlands	6.7%	+0.2%
Yorkshire and The Humber	7.2%	+0.3%

Rental price hotspots

Area	Region	Average asking rent per calendar month Q2 2024	Average asking rent per calendar month Q2 2025	Annual change
Ascot, Berkshire	South East	£1,863	£2,259	+21%
Farnham, Surrey	South East	£1,576	£1,870	+19%
Rochdale, Greater Manchester	North West	£818	£959	+17%
Stockport, Greater Manchester	North West	£1,046	£1,206	+15%
Glasgow	Scotland	£1,088	£1,219	+12%
Birkenhead, Wirral, Merseyside	North West	£692	£769	+11%
Watford, Hertfordshire	East of England	£1,666	£1,848	+11%
Andover, Hampshire	South East	£1,035	£1,147	+11%
Kidderminster, Worcestershire	West Midlands	£790	£875	+11%
Prenton, Wirral, Merseyside	North West	£732	£810	+11%



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 403,252 asking rents. The properties were advertised on Rightmove.co.uk by agents from 1st April – 30th June 2025. All short lets have been removed. All rents throughout are per calendar month.