



The largest quarterly dataset of UK rental activity. Q1 report (January – March 2026)

## Rents stand still at start of the year for the first time since 2017

- The average advertised rent of homes outside of London remains flat (0.0%) at £1,370 per calendar month, the first time since 2017 that there has been no rise from Q4 to Q1:
  - Average advertised rents in London rose by 0.7% this quarter to £2,736pcm
  - Average rents outside of London are still 1.6% higher than this time last year, though this is the lowest this figure has been since 2018
- No major signs of changes to market dynamics ahead of the Renter’s Rights Act coming into effect from 1<sup>st</sup> May, as tenant demand and supply balance continues to improve:
  - The total number of available homes to rent is now 3% higher than a year ago, and at the highest level for this time of year since 2021, but there’s been no surge in newly listed homes for rent
  - Latest data from UK Finance shows a small uptick in new buy-to-let loans in January, and an 18% uplift in buy-to-let remortgages year-on-year, though this was before recent rate rises
  - The average rental home now receives 8 enquiries, down from 11 a year ago and 29 at the 2022 peak, though this is still higher than the average of 5 seen pre-pandemic
  - More than a quarter (26%) of rental listings saw a price reduction, the highest proportion at this time of year since Rightmove started recording this metric in 2012
- Rightmove’s daily buy-to-let mortgage tracker highlights how rates have increased since the start of the war in Iran, increasing cost pressures for landlord investors

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

Quarter	Avg. asking rent per month	Quarterly change	Annual change
Q1 2026	£1,370	0.0%	+1.6%
Q4 2025	£1,370	-1.1%	+2.2%

### Greater London average asking rent for all property types

Quarter	Avg. asking rent per month	Quarterly change	Annual change
Q1 2026	£2,736	0.7%	+1.4%
Q4 2025	£2,716	-0.7%	+0.8%

### Inner and Outer London

	Avg. asking rent per month	Quarterly change	Annual change
Inner London	£3,229	+1.0%	+1.4%
Outer London	£2,375	+0.4%	+1.3%



## What's happening with rental prices?

The average advertised rent of homes coming onto the market outside of London remained flat (0.0%) in Q1 2026, holding at £1,370 per calendar month. This is the first time since 2017 that rents have not increased at the start of the year from Q4 into Q1.

While rents have levelled off quarter-on-quarter, average advertised rents outside of London are still 1.6% higher than this time last year, though this is the lowest this figure has been since 2018.

Two key drivers are likely influencing a more muted start to the year for rent increases. With rental market supply and demand at its most balanced since 2020, lower tenant demand and a greater choice of homes is reducing competition for rental homes and upwards pressure on rents.

In addition, with wage growth slowing and inflation still above the Bank of England's target 2%, affordability pressures remain for tenants, with more likely reaching a ceiling of what they can pay in their area, particularly in higher-priced areas such as the capital.

In London, average advertised rents rose by 0.7% this quarter to £2,736 per calendar month, though rents are still lower than Q3 2025's record.

## What's happening with rental market activity?

There are currently no major signs on a national scale of changes to market dynamics ahead of the Renter's Rights Act coming into effect from 1<sup>st</sup> May.

The number of available homes to rent is now 3% higher than a year ago, with supply at its highest level for this time of year since 2021. While this marks a meaningful improvement compared with recent years, overall supply remains below longer-term norms.

However, there's been no surge in newly listed homes for rent ahead of 1<sup>st</sup> May. In fact, while the total number of available homes for rent is higher than recent years, the number of newly listed rental properties coming onto the market in the full month of March is actually 6% lower than at the same point last year.

Another positive indicator for rental supply, is that data from UK Finance shows a small uptick in the number of new buy-to-let loans at the start of the year, and an 18% uplift in volume of buy-to-let remortgages year-on-year. In total, the number of buy-to-let loans was 14% higher at the start of 2026 compared with the start of 2025. However, this data only covers January, before significant recent rate rises.

The balance between tenant demand and supply of rental homes continues to improve. The average rental home now receives 8 enquiries, down from 11 a year ago and 29 at the 2022 peak, though still higher than 5 pre-pandemic.

Agents report landlords taking a more measured, longer-term approach, focusing on securing reliable tenants and ensuring properties remain competitively priced in a less pressured market.

## What's happening with buy-to-let mortgage rates?



Rightmove's daily buy-to-let mortgage tracker shows how rates have increased since the start of the war in Iran, increasing cost pressures for landlord investors. While it's early days and there's no clear signs as yet, higher mortgage costs could impact new investment in the future.

The average two-year buy-to-let mortgage rate for a landlord purchasing a rental property with a 25% deposit is now 5.79%, up from 4.86% before the war in Iran started.

**Rightmove's property expert Colleen Babcock says:** "Rents holding steady this quarter reflects how affordability remains stretched, but also how supply and demand is more balanced. With more homes available to rent and less competition between tenants, landlords are needing to position rents correctly for the current market to secure a tenant."

"As market conditions rebalance, homes are taking longer to let. The market is more price sensitive, with landlords needing to be realistic from the outset to secure a tenant and reduce the risk of void periods. Around 26% of rental listings are now reduced in price while advertised, the highest proportion recorded since Rightmove began tracking this metric in 2012."

"Ahead of the Renters' Rights Act coming into force, the data doesn't suggest a single or immediate reaction from landlords. Instead, behaviour appears more cautious and considered, with many focusing on longer-term tenancies, pricing and avoiding void periods in a more balanced market."

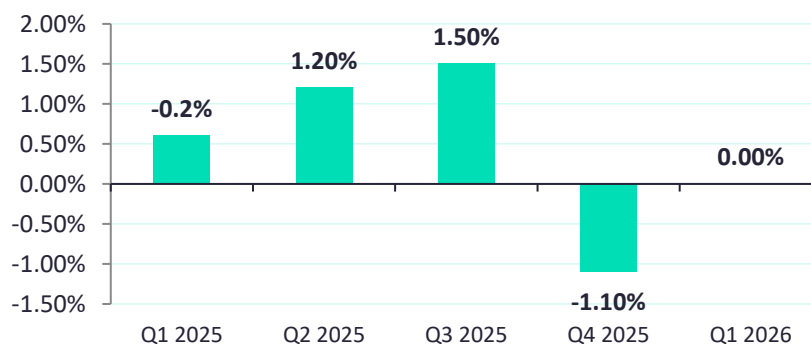
"It's still early days, but the most immediate shift due to the war in Iran has been some significant increases to borrowing costs for landlords, which may filter through to the market at a later stage."

**Adam Jennings, Head of Residential at Chestertons, says:** "Across Q1, we've seen a clear pick-up in lettings activity, particularly towards the end of March, with a noticeable increase in viewings and agreed lets compared to earlier in the quarter. Well-presented, correctly priced properties are continuing to let quickly, especially in areas where supply remains constrained."

"With the Renters' Rights Act coming into force from 1 May, there has understandably been some uncertainty among landlords. However, the strength of demand we saw in late March has provided reassurance, with many landlords continuing to see competitive levels of interest and strong rental values."

"In parts of the prime market, we're also seeing demand supported by international relocations, including some movement from the Middle East, which is adding to overall activity. Overall, while the legislative backdrop is evolving, the lettings market has remained active, with momentum building into the end of the quarter."

## National quarterly change in average asking rents



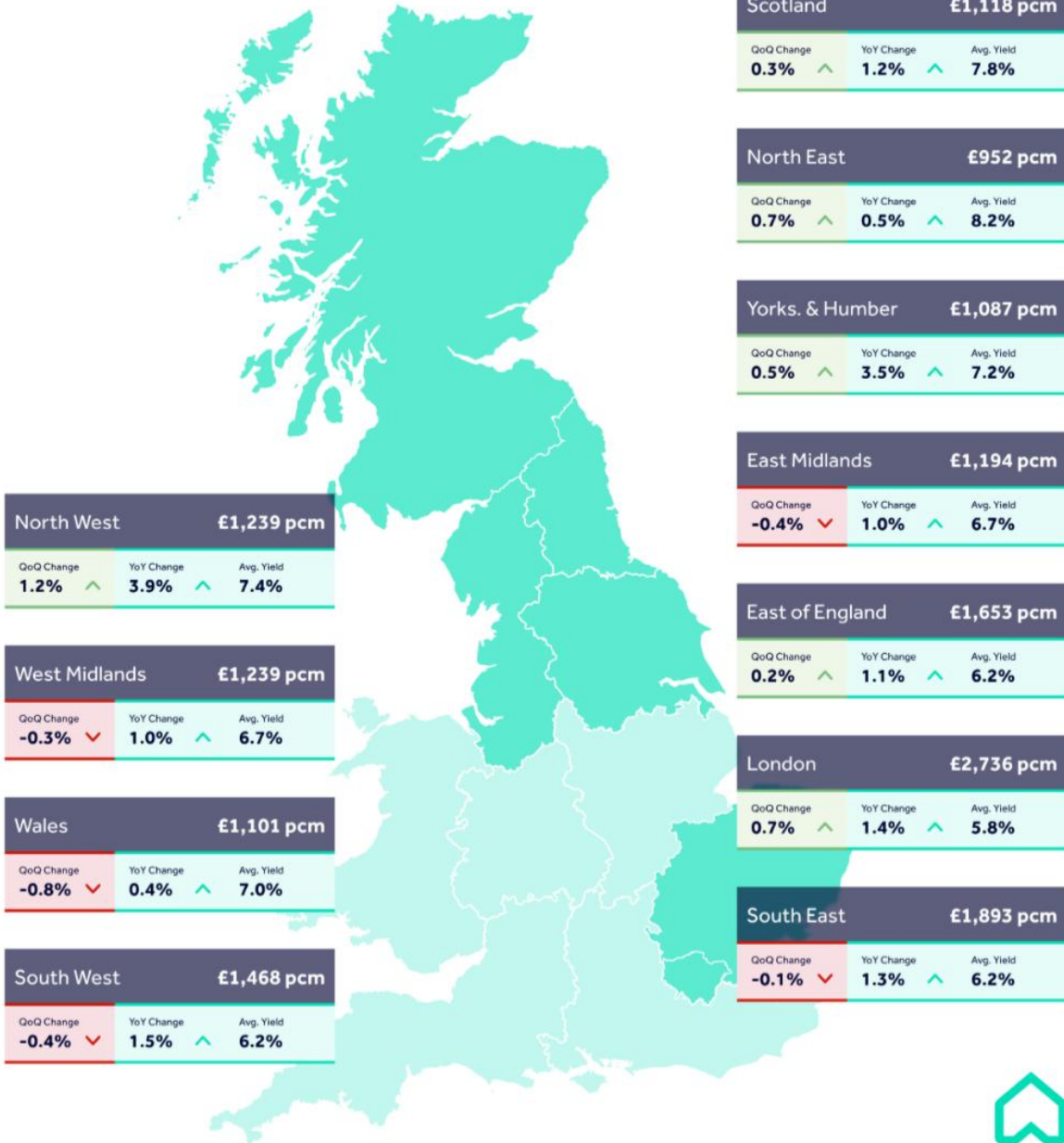


## Regional trends

# Rental Price Tracker

Q1 2026

● Increase from previous quarter ● Decrease from previous quarter





## Landlord yields

Region	Average Landlord yield Q1 2026	Annual change in yield
East Midlands	6.7%	0.0%
East of England	6.2%	+0.1%
<b>Great Britain excl London</b>	<b>6.5%</b>	<b>+0.2%</b>
London	5.8%	+0.1%
North East	8.2%	+0.1%
North West	7.4%	+0.2%
Scotland	7.8%	+0.2%
South East	6.2%	+0.2%
South West	6.2%	+0.3%
Wales	7.0%	+0.1%
West Midlands	6.7%	0.0%
Yorkshire and The Humber	7.2%	+0.1%

## Rental price hotspots

Area	Region	Average asking rent per calendar month March 2025	Average asking rent per calendar month March 2026	Annual change
Iver, Buckinghamshire	South East	£2,375	£2,893	21.8%
Godalming, Surrey	South East	£1,954	£2,341	19.8%
Truro, Cornwall	South West	£1,251	£1,494	19.4%
Harrogate, North Yorkshire	Yorkshire and The Humber	£1,363	£1,621	18.9%
Urmston, Greater Manchester	North West	£1,361	£1,600	17.6%
Runcorn, Cheshire	North West	£944	£1,087	15.1%
Ascot, Berkshire	South East	£3,493	£4,014	14.9%
Warrington, Cheshire	North West	£1,150	£1,321	14.9%
Batley, West Yorkshire	Yorkshire and The Humber	£848	£972	14.6%
Paisley, Renfrewshire	Scotland	£813	£931	14.5%



## 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 403,825 asking rents. The properties were advertised on Rightmove.co.uk by agents from 1st January – 31<sup>st</sup> March 2026. All short lets have been removed. All rents throughout are per calendar month.