



The largest quarterly dataset of UK rental activity. Q3 report (July – September 2026)

Average advertised rents surpass £1,400 for the first time

- The average advertised rent of homes outside London has risen to a new record of £1,418 per calendar month, up 1.5% this quarter:
 - Despite a new record rent, annual rental growth has returned to a more stable level of +2.4%
 - Number of available rental homes nationally is 2% lower than a year ago, while renter demand is also down by 2%
- London has also reached a new average advertised rent of £2,825 per calendar month, with annual rent growth accelerating to 3.2%, above the national average outside of the capital:
 - There’s a larger squeeze in London, with the total number of available rental listings down 9% annually, newly listed rental homes down 7%, and renter demand up 6% compared with a year ago
 - Rents are mostly rising faster in lower priced parts of Great Britain but London is the third fastest region for rental growth annually
- The proportion of homes for sale that were previously for rent, an indicator of landlords selling up, is stable this year at around 13% and only slightly up on last year (12%). However, the proportion of homes to rent that were previously for sale has decreased from 17% to 15%, an indicator of reduced landlord investment
- The average two-year fixed buy-to-let mortgage rate is now 5.34%, compared with 4.16% before the war in Iran started, making it less viable for potential landlords to consider purchasing more homes to rent

The average advertised National average asking rent for all property types (excluding Greater London)			
Quarter	Avg. asking rent per month	Quarterly change	Annual change
Q3 2026	£1,418	+1.5%	+2.4%
Q2 2026	£1,397	+1.9%	+2.3%
Greater London average asking rent for all property types			
Quarter	Avg. asking rent per month	Quarterly change	Annual change
Q3 2026	£2,825	+1.2%	+3.2%
Q2 2026	£2,791	+2.0%	+2.9%
Inner and Outer London			
	Avg. asking rent per month	Quarterly change	Annual change
Inner London	£3,349	+1.5%	+4.0%
Outer London	£2,442	+1.0%	+2.5%



What's happening with rental prices?

The average advertised rent of homes outside London has risen above £1,400 per calendar month for the first time on record, reaching a new high of £1,418 per calendar month. While rents continue to rise, rental price growth has stabilised compared with the intense competition seen at the peak of the market. Between 2021 and 2023, annual rental growth hovered around +10%.

At a national level, the rental market remains relatively balanced. The number of available rental homes is 2% lower than a year ago, while renter demand is also down by around 2%. This means rents continue to face upward pressure from constrained supply, but without the severe supply and demand imbalance that drove rapid rental price inflation in previous years.

London rents are growing more quickly. The capital has reached a new record average advertised rent of £2,825 per calendar month, with annual rental growth accelerating to 3.2%, above the 2.4% growth seen outside London. This represents another shift in the post-pandemic rental cycle. During the early pandemic years, London rents first fell as more tenants initially fled the city, before rents then surged faster than the rest of Great Britain as renters gradually returned. Due to affordability pressures, in the last couple of years growth has been stronger outside of the capital, while these latest figures suggest momentum is now returning to London.

What's happening with rental market activity?

Higher rents in London appear to be driven by a more pronounced supply squeeze. The total number of available homes to rent in London is down by 9% compared with a year ago, while the number of new rental listings coming to the market has fallen by 7%. At the same time, renter demand is up by 6% annually, creating a greater imbalance than the average outside of London.

Rents are mostly rising faster in cheaper parts of Great Britain where average advertised rents have more headroom for growth. However, London sits in third place for annual rental growth (+3.2%). Employment opportunities and requirements to be in a London office may be bringing renters in, while higher mortgage rates and lower demand in the London sales market may be keeping some tenants in the rental market for longer.

Landlord activity remains another important factor affecting the availability of rental homes. The proportion of all homes for sale that were previously available to rent, an indicator of landlord selling activity, has remained broadly stable this year at around 13%, and only slightly up on last year (12%). However, looking at the reverse metric, the proportion of homes to rent that were previously for sale has decreased from 17% to 15%. While also a relatively small shift, it is an indicator of reduced landlord investment this year.

There is still a shortage of rental homes, and the viability of a potential landlord investing in a property to rent to a tenant has become more challenging with rising mortgage rates. The average two-year fixed buy-to-let mortgage rate is now around 5.34%, compared with 4.16% before the war in Ukraine started. Elevated mortgage rates continue to make property investment less attractive for prospective landlords, particularly in areas where capital growth might also be limited.

Colleen Babcock, property expert at Rightmove, said: *“Average rents have reached another new record and have now surpassed £1,400 per month outside London for the first time. However, beneath the headline figure, rental growth has continued to settle compared with the exceptionally fast pace we saw a few years*



ago. Supply remains constrained, which is continuing to put upward pressure on rents, but demand is also more measured. That has helped to create a more balanced market overall, even though affordability remains a challenge for many renters."

Matt Smith, Rightmove's mortgage expert, said: "One of the biggest challenges for many landlords at the moment is managing the properties they already own when the time to remortgage comes around. New buy-to-let investment has been relatively subdued for some time, and some landlords are still reaching the end of much cheaper fixed-rate deals taken out when borrowing costs were lower.

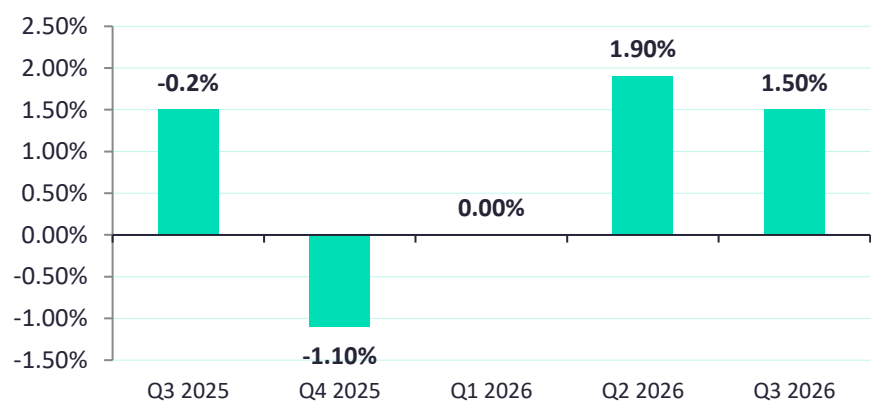
"For those landlords, moving onto a higher mortgage rate can have a significant impact on monthly costs and rental yields. With rent reviews now generally limited to once a year, landlords need to plan carefully alongside refinancing. Where the numbers no longer add up, higher mortgage costs could ultimately influence decisions about whether to remortgage or sell a rental property."

Kesha Foss-Smith, Head of Lettings at John D Wood & Co, said: "London's rental market is showing renewed pressure, with rising tenant demand and fewer available properties increasing competition for the best homes. Higher mortgage costs are also keeping some would-be buyers in the rental sector for longer, adding to demand, particularly for smaller properties.

Despite tighter supply, value for money remains critical. Tenants are increasingly discerning, especially at the upper end of the market, making realistic pricing and high-quality presentation essential. Looking ahead, maintaining a healthy supply of rental homes will be key to easing competition and supporting long-term market stability."

Richard Antrobus, Director at VitalSpace, said: "The rental market in South Manchester remains highly competitive, with demand continuing to outstrip the supply of quality homes. While rental growth has become more measured and tenants are increasingly price conscious, well-presented and realistically priced properties continue to attract strong interest. Higher mortgage costs and growing regulatory pressures are also making some landlords more cautious about expanding their portfolios, further limiting the supply of homes available to rent."

National quarterly change in average asking rents



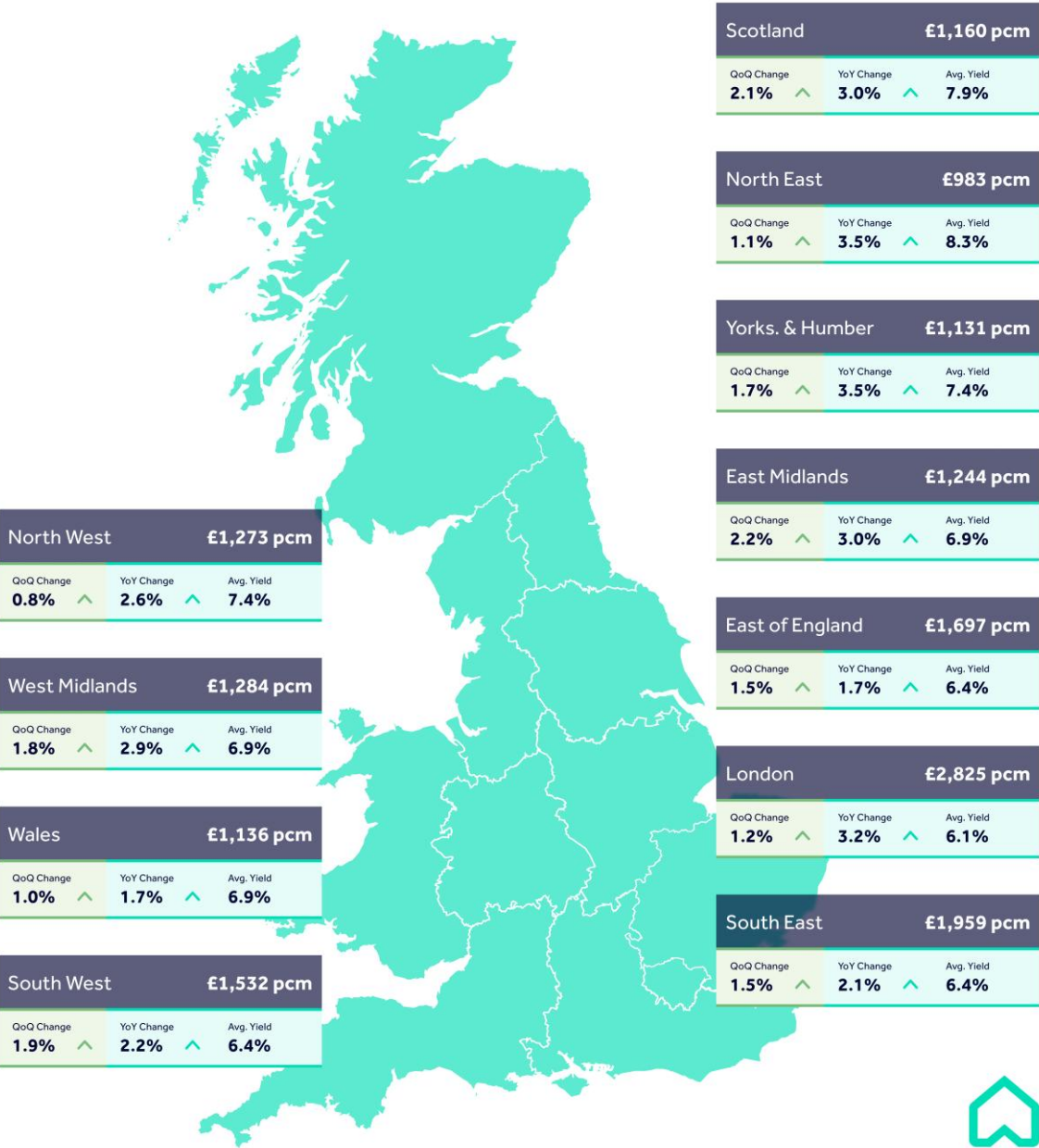


Regional trends

Rental Price Tracker

Q3 2026

● Increase from previous quarter ● Decrease from previous quarter





Landlord yields

Region	Average Landlord yield Q3 2026	Annual change in yield
East Midlands	6.9%	+0.2%
East of England	6.4%	+0.3%
Great Britain	6.6%	+0.3%
London	6.1%	+0.4%
North East	8.3%	+0.1%
North West	7.4%	+0.1%
Scotland	7.9%	+0.1%
South East	6.4%	+0.3%
South West	6.4%	+0.4%
Wales	6.9%	+0.0%
West Midlands	6.9%	+0.1%
Yorkshire and The Humber	7.4%	+0.2%

Rental price hotspots

Area	Region	Average advertised rent Sep 2026	Annual Change
Solihull, West Midlands	West Midlands	£2,054	26.0%
Sevenoaks, Kent	South East	£3,432	25.6%
Lytham St. Annes, Lancashire	North West	£1,372	22.5%
Rossendale, Lancashire	North West	£1,224	22.0%
Weybridge, Surrey	South East	£3,695	20.2%
Sunderland, Tyne And Wear	North East	£976	18.9%
Castleford, West Yorkshire	Yorkshire and The Humber	£1,049	17.6%
Harrogate, North Yorkshire	Yorkshire and The Humber	£1,803	16.5%
Worksop, Nottinghamshire	East Midlands	£960	15.4%
Gosforth, Newcastle Upon Tyne	North East	£1,399	14.9%



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 437,652 asking rents. The properties were advertised on Rightmove.co.uk by agents from 1st July – 30th September 2026. All short lets have been removed. All rents throughout are per calendar month.

Buy-to-let mortgage rates: Average rate quoted is a two-year fixed rate at 75% LTV with no fee and taken from Rightmove's daily mortgage tracker