

Latest Rent Index Reports an 8.2% Annual Increase in Rents for New Tenancies in the Second Quarter of 2022

- The purpose of the Rent Index is to measure rental price developments faced by those taking up **new tenancies** in the private rental sector. It is important to note that the Rent Index is not designed to provide a measure of the rents being paid by existing tenants.
- The national standardised average monthly rent in new tenancies was €1,464 in Q2 2022, which is an increase of €9 compared to Q1 2022.
- This Index analysed 12,701 new tenancy registrations, which is a decrease of 16% on the number of new tenancies included in the Q2 2021 Rent Index (15,048).
- New rents nationally increased by 8.2% in Q2 2022 over Q2 2021.
- In Q2 2022, average rents for new tenancies in Dublin were €2,011 per month and outside Dublin (non-Dublin) averaged €1,130 per month.
- The standardised average rent in new tenancies in the Greater Dublin Area (GDA) stood at €1,438 in Q2 2022 while it was €1,091 outside the GDA.

24 November 2022: The Residential Tenancies Board (RTB) has published the Q2 2022 Rent Index report today for the period of April to June 2022. Independently analysed by the Economic and Social Research Institute (ESRI), the RTB Rent Index report is based on the total number of private tenancies newly registered with RTB each quarter. The Index provides rental indicators based on actual rents paid for new tenancies in the private rental sector in Ireland.

The Rent Index report is based on (i) new tenancies in existing rental properties, (ii) new properties being let for the first time, and (iii) new tenancies in properties that have not been let in the previous two years. **It is not designed to provide a measure of the rents being paid by existing tenants.**

This Rent Index is based on actual rents paid under 12,701 private tenancies which were newly registered with the RTB in Q2 2022. This is a decrease of 16% on the number of registered tenancies used in the sample in the Q2 2021 Rent Index (15,048). Dublin, and the Greater Dublin Area (GDA), accounted for over half (54.2%) of all new tenancy agreements registered in Q2 2022. 59.5% of new tenancies registered were for apartments.

National Rental Trends

Nationally, the Q2 2022 Rent Index shows that the standardised average rent in newly registered tenancies was €1,464 per month, which is an increase of €9 compared to Q1

2022, which stood at €1,455. The quarterly growth rate represents a 0.6% increase. On a yearly basis, rents in these newly registered tenancies increased by 8.2%.

In Q2 2022, the standardised average rent in new tenancies for houses in Ireland stood at €1,457 per month, which is an increase of 1.4% on Q1 2022 and a rise of 8.4% year-on-year. The standardised average rent in new tenancies for apartments stood at €1,497 per month in Q2 2022, which is an increase of 0.3% on Q1 2022, and an increase of 8.5% on Q2 2021.

Regional Trends

In the second quarter of 2022, the level of standardised average rents in new tenancies in Dublin stood at €2,011 per month compared to €1,130 per month outside Dublin (non-Dublin). The standardised average rent in new tenancies in the Greater Dublin Area (GDA) stood at €1,438 in Q2 2022 while it was €1,091 outside the GDA. Year-on-year price increases in rents for new tenancies were lowest at 0.4% in the GDA and highest at 8.8% in Dublin. Year-on-year increases in rents for new tenancies was 8.3% for outside the GDA.

The standardised average rent in new tenancies for houses in Q2 2022 was highest at €2,253 per month in Dublin and lowest at €1,125 per month outside the GDA. The standardised average rent in new tenancies for apartments in Q2 2022 was highest at €1,979 per month in Dublin and lowest at €1,059 per month outside the GDA. The lowest annual growth rates across the regions, for both houses and apartments, were recorded in the GDA, at +3% and -2.5%, respectively.

County Developments

The highest standardised average rent in new tenancies for Q2 2022 was in Dublin at €2,011 per month while the lowest monthly rents were in Donegal, where the standardised average rent in new tenancies stood at €783 per month.

Fourteen counties have standardised average rents in new tenancies above €1,000 per month in Q2 2022: Carlow, Cork, Dublin, Galway, Kildare, Kilkenny, Laois, Limerick, Louth, Meath, Waterford, Westmeath, Wexford, and Wicklow.

The lowest yearly growth in the standardised average rent for new tenancies in Q2 2022 was in Wicklow where rents fell by 2%. Kildare had the second lowest yearly growth rate, with rents falling by 1.1%. The county with the fastest growing standardised average rent in new tenancies in Q2 2022 was Leitrim which reported 20% year-on-year growth. Fourteen counties had a yearly growth rate in new tenancy rents above 10% in Q2 2022.

Niall Byrne, RTB Director, commenting on the release of the RTB Q2 2022 Rent Index said:

“The Q2 2022 Rent Index Report shows us that the national rent level for new tenancies across the country has continued to rise. We also see a continued decrease in the number of tenancies registered with the RTB in the quarter. These results are likely due to a mixture of factors including the continued limited supply of rental accommodation. It is important to state that these results are for new tenancies only and therefore these insights relate to only a small part of the private rental sector in Ireland.”

He continued:

“Over the last 12 months, there have been some important changes for the RTB and for the sector. With the introduction of annual registration on 4 April 2022, and of our new tenancy registration system in November last year, the data analysis and reporting capabilities of the RTB will be improving significantly as we move into 2023. We acknowledge that the new registration system has created difficulties for some landlords and agents, and we are working hard to address these. As we move towards the completion of this first cycle of annual registration in April next year, we remain confident that annual registration will provide the RTB with much greater visibility on rents for both existing and new tenancies. This expanded data will allow us to provide new insights and improved information to tenants, landlords and the wider public during 2023 while also providing enhanced data to inform the development of policy for the residential rental sector.”

Editors’ Notes

The purpose of the Rent Index Report is to measure developments in the prices faced by those taking up **new** tenancies in the private rental sector.

The analysis in this report presents rental indices on a quarterly basis covering the period between Q3 2007 and Q2 2022.

The term “new tenancies” includes new tenancies in existing rental properties; new tenancies in new rental stock never let before; and new tenancies in properties that have not been let in the immediate two years prior to the tenancy.

Tenancies which began on or after 24 December 2016 became six-year tenancies which were required to be renewed every six years (if they did not end within six years). As such, due to how they fall, six-year tenancies would not be required to be renewed until Q1 2023. In order to ensure that results are consistent across time and that they are not driven by changes in sample composition stemming from a change in reporting deadlines, all renewal tenancies have therefore been removed from the sample used to generate the indices and standardised averages.

Due to recent legislative changes, all new tenancies created on or after 11 June 2022 will become Tenancies of Unlimited Duration once the tenancy has lasted more than six months and no notice of termination has been validly served on the tenant during that period. Tenancies that existed prior to 11 June 2022 will convert to Tenancies of Unlimited Duration at the end of the current 6-year cycle.

The growth rates presented in this report are calculated using the relevant standardised average rent* level before rounding.

To calculate the standardised averages and the rental indices of new tenancies, an econometric model is estimated over the time period Q3 2007 to Q2 2022. This model includes characteristic variables** for the number of bedrooms, the property type, number of tenants, tenancy length and other characteristics. This standardised average rent refers to the development of an average that is consistent over time to changes in different property types or characteristics of the tenancy that may evolve with the market and is done so for

new tenancies. The *standardised average rent* in new tenancies can therefore be compared over time without concern for underlying changes in the data or sample.

Please note that given the systematic change of data collection activities with the commencement of annual registration, prior to beginning the usual Rent Index methodology, the Q2 2022 dataset was subject to additional checks to attempt to ensure the continuity of the underlying data and that they relate to new market registrations only. These checks are documented in Appendix 2 of the report.

Important to note: The ongoing introduction and easing of COVID-19 related restrictions around rental price growth in line with the public health measures is likely to have had an effect on the trends presented throughout 2020 and 2022.

*Calculating a growth rate based on the rounded standardised average rent levels published in the report may be subject to rounding error.

**For these variables, the reference property type is a two-bedroom apartment, one tenant, 10-to-12-month lease, with rent paid monthly in a region without a third-level institution.

Q2 2022 Rent Index Results Overview

National (Page 13)

- The national standardised average rent in new tenancies stood at €1,464 in Q2 2022 – an increase of €9 compared to the previous quarter (see Table 1).
- Nationally, year-on-year rents in new tenancies grew by 8.2% in the second quarter of 2022.
- This growth rate is lower than that of Q1 2021 (8.5%).
- The number of new tenancies registered with the RTB and used in our sample in Q2 2022 was 12,701***. This represents a decline of 16% compared to the same quarter in 2021.
- The standardised average rent in new tenancies for houses in Q2 2022 (€1,457 per month), saw an increase of 1.4% on the previous quarter. Year-on-year, this is a rise of 8.4%.
- The standardised average rent in new tenancies for apartments in Q2 2022 (€1,497 per month), increased by 0.3% on the previous quarter. Year-on-year, this is a rise of 8.5%.

***Please see the Technical Appendix (page 52) in the main report for further details on the methodology.

Table 1. Q2 2022 RTB Rent Index - National, National Houses and National Apartments: Index, Standardised Average Rent in New Tenancies (€), Quarterly Change (%) and Annual Change (%)

	Index Q2 2022	Standardised Average Rent in New Tenancies Q2 2022	Standardised Average Rent in New Tenancies Q1 2022	Q-o-Q Change (%)	Standardised Average Rent in New Tenancies Q2 2021	Y-on-Y Change (%)
National	148	1,463.97	1,455.22	0.6	1,352.77	8.2

National Houses	147	1,457.14	1,436.88	1.4	1,343.76	8.4
<i>1 bedroom</i>	147	1,135.79	1,182.14	-3.9	1,138.06	-0.2
<i>2 bedrooms</i>	145	1,363.39	1,337.73	1.9	1,236.12	10.3
<i>3 bedrooms</i>	145	1,407.14	1,391.74	1.1	1,321.22	6.5
<i>4+ bedrooms</i>	154	1,661.03	1,605.51	3.5	1,483.55	12.0
National Apartments	147	1,497.21	1,492.72	0.3	1,379.33	8.5
<i>1 bedroom</i>	145	1,340.31	1,344.34	-0.3	1,234.79	8.5
<i>2 bedrooms</i>	146	1,523.34	1,515.74	0.5	1,407.62	8.2
<i>3+ bedrooms</i>	163	1,754.05	1,752.30	0.1	1,625.68	7.9

Note: The analysis for house and apartment is limited to only records which indicate that the agreement is for either of these housing types. If housing type is other, these data are included in the national series but not in the overall series. The standardised average rent at the overall national level may be lower than the standardised average rent for houses and/or apartments due to the fact that the growth rates for houses and apartments are often faster than those for other dwellings (as classified) which leads these data to depart from the base differentials set in Q4 2007.

The Dublin Market (Page 18)

- In Q2 2022, the level of standardised average rents in new tenancies in Dublin (€2,011 per month) were higher than those outside Dublin (€1,130 per month).
- Year-on-year price inflation in rents for new tenancies was 8.8% for Dublin in Q2 2022 (see Table 2).
- The level of standardised average rents in new tenancies in Dublin was 0.2% higher in Q2 2022 compared to the previous quarter (Q1 2022).
- The standardised average rent in new tenancies for houses in Dublin (€2,253 per month) was more than double the standardised average rent in new tenancies for houses outside the GDA (€1,125 per month).
- The standardised average rent in new tenancies for apartments in Dublin (€1,979 per month) was €920 more than the standardised average rent in new tenancies for apartments outside the GDA (€1,059 per month).

The Greater Dublin Area (GDA) (Page 18)

- For comparison purposes, Dublin is excluded from the GDA region in the RTB Index and so the GDA is composed of Meath, Kildare, and Wicklow.
- The standardised average rent in new tenancies in the GDA stood at €1,438 as of Q2 2022.
- In the GDA, the standardised average rents fell by 2.1% compared to Q1 2022.
- Dublin and the GDA accounted for over half (54.2%) of all new tenancies registered in Q2 2022 and used in the analytical sample.
- Year-on-year price inflation across the regions was lowest at 0.4% in the GDA and was highest at 8.8% in Dublin

Outside the Greater Dublin Area (GDA) (Page 18)

- Outside the Greater Dublin Area (GDA) is composed of all counties excluding Dublin, Meath, Kildare, and Wicklow.
- The standardised average rent in new tenancies outside the GDA was €1,091 in Q2 2022.

- Quarter-on-quarter, the standardised average rent for new tenancies outside the GDA increased by 1.4%.
- The standardised average rent in new tenancies for a house outside the GDA stood at €1,125 per month as of Q2 2022.

Table 2. Q2 2022 RTB Rent Index - Regional, Regional Houses and Regional Apartments: Index, Standardised Average Rent in New Tenancies (€), Quarterly Change (%) and Annual Change (%)

	Index Q2 2022	Standardised Average Rent in New Tenancies Q2 2022	Standardised Average Rent in New Tenancies Q1 2022	Q-o-Q Change (%)	Standardised Average Rent in New Tenancies Q2 2021	Y-on-Y Change (%)
All Property Types						
Dublin	154	2,011.33	2,007.32	0.2	1,849.28	8.8
Non-Dublin	141	1,130.36	1,123.60	0.6	1,062.41	6.4
GDA	140	1,438.10	1,468.62	-2.1	1,432.36	0.4
Outside GDA	143	1,091.27	1,076.10	1.4	1,007.37	8.3
Houses						
Dublin	157	2,252.94	2,237.23	0.7	2,088.06	7.9
Non-Dublin	141	1,169.19	1,159.87	0.8	1,084.70	7.8
GDA	144	1,562.98	1,573.96	-0.7	1,516.78	3.0
Outside GDA	142	1,125.22	1,105.14	1.8	1,025.29	9.7
Apartments						
Dublin	153	1,979.41	1,969.54	0.5	1,803.63	9.7
Non-Dublin	141	1,088.01	1,080.42	0.7	1,039.10	4.7
GDA	135	1,298.36	1,352.70	-4.0	1,331.23	-2.5
Outside GDA	143	1,059.12	1,049.63	0.9	993.46	6.6

A Closer Look at Irish Cities (Page 31)

To provide a more detailed insight into rental developments across cities in Ireland, the Residential Tenancies Board (RTB) and the Economic and Social Research Institute (ESRI) use indices and standardised average rents for new tenancies to examine Cork, Dublin, Galway, Limerick, and Waterford cities.

- Rents for new tenancies in Dublin City were 1.0% lower in Q2 2022 compared to Q1 2022. They increased year-on-year by 10.3%.
- Rent levels in Dublin City for new tenancies stood at €1,957 per month in Q2 2022.
- Cork City had the second highest standardised average rent level in new tenancies at €1,448.
- The standardised average rent for new tenancies in Galway City stood at €1,441 per month, and for Limerick City at €1,239 in Q2 2022.
- The city with the lowest standardised average rent in new tenancies in Q2 2022 was Waterford City at €1,065 per month.
- The year-on-year growth rates in standardised average rent for new tenancies were as follows; Dublin City at 10.3%, Galway City at 6.1%, Cork City at 7.7%, Limerick City at 3.9%, and Waterford City at 9.3%.

Local Authorities (Page 33)

The table below presents the rent index, standardised average rent in new tenancies, and growth rates for the local authority areas within Dublin, Cork, and Galway. All other local

authorities (LAs) are identical to their counties and their results can therefore be found in the ‘Rental Developments Across Counties’ section of the main report (page 24).

- Within Dublin, Dún Laoghaire – Rathdown had the highest standardised average rent for new tenancies in Q2 2022 (€2,231 per month). Dublin City had the lowest (€1,957 per month).
- Within Dublin, the year-on-year growth rates in new tenancies were highest in Dublin City (10.3%) and lowest in South Dublin (5.8%).
- Cork City (7.7%) saw a higher year-on-year growth rate than Cork County (4.0%). The standardised average rent in new tenancies in Cork City (€1,448 per month) was €333 higher than in Cork County (€1,115).
- Galway County (7.4%) saw a higher year-on-year growth rate than Galway City (6.1%). In Q2 2022, the standardised average rent for new tenancies in Galway City (€1,441 per month) was €385 higher than for Galway County (€1,056).

Table 3. Q2 2022 RTB Rent Index - Selected Local Authorities: Index, Standardised Average Rent (€), Quarterly Change (%) and Annual Change (%)

	Index Q2 2022	Standardised Average Rent in New Tenancies Q2 2022	Standardised Average Rent in New Tenancies Q1 2022	Q-o-Q Change (%)	Standardised Average Rent in New Tenancies Q2 2021	Y-on-Y Change (%)
<i>Cork County</i>	139	1,114.64	1,105.76	0.8	1,072.01	4.0
<i>Cork City</i>	148	1,448.15	1,445.26	0.2	1,344.85	7.7
<i>Galway County</i>	151	1,056.43	1,072.39	-1.5	984.02	7.4
<i>Galway City</i>	153	1,441.37	1,411.41	2.1	1,358.79	6.1
<i>Fingal</i>	154	1,963.19	1,920.47	2.2	1,801.41	9.0
<i>Dun Laoghaire - Rathdown</i>	144	2,231.12	2,191.32	1.8	2,101.19	6.2
<i>South Dublin</i>	150	1,971.61	1,932.57	2.0	1,864.24	5.8
<i>Dublin City</i>	157	1,957.19	1,976.86	-1.0	1,774.49	10.3

Local Electoral Area (LEA) Rent Developments (Page 34)

- In Q2 2022, the LEA with the highest standardised average rent for new tenancies was Stillorgan, Co. Dublin at €2,527.
- The LEA with the lowest standardised average rent for new tenancies in Q2 2022 was Lifford - Stranorlar, Co. Donegal at €698.
- The results for a total of 44 LEAs have been redacted as there were fewer than 30 observations in the sample in these areas in Q2 2022.

Rental Developments Across Counties (Page 24)

To provide a more detailed overview of rental data nationally, the Residential Tenancies Board (RTB) and the Economic and Social Research Institute (ESRI) uses standardised average rents, indices, and percentage changes for new tenancies for each county to examine the rental developments across counties. See the table below.

- The county with the fastest growing standardised average rent in new tenancies in Q2 2022 was Leitrim which reported 20.0% year-on-year growth.

- On an annualised basis, the lowest growth in the standardised average rent for new tenancies in Q2 2022 was in Wicklow where rents fell by 2.0%.
- Fourteen counties have standardised average rents in new tenancies above €1,000 per month in Q2 2022: Carlow, Cork, Dublin, Galway, Kildare, Kilkenny, Laois, Limerick, Louth, Meath, Waterford, Westmeath, Wexford, and Wicklow.

Table 4. Q2 2022 RTB Rent Index - Irish Counties: Index, Standardised Average Rent in New Tenancies (€), Quarterly Change (%) and Annual Change (%)

County	Index Q2 2022	Standardised Average Rent in New Tenancies Q2 2022	Standardised Average Rent in New Tenancies Q1 2022	Q-o-Q Change (%)	Standardised Average Rent in New Tenancies Q2 2021	Y-on-Y Change (%)
Carlow	153	1,113.85	1,132.95	-1.7	969.31	14.9
Cavan	146	868.48	890.46	-2.5	761.84	14.0
Clare	131	932.00	947.98	-1.7	901.75	3.4
Cork	144	1,300.70	1,294.21	0.5	1,223.73	6.3
Donegal	132	782.59	763.50	2.5	657.02	19.1
Dublin	154	2,011.33	2,007.32	0.2	1,849.28	8.8
Galway	151	1,295.92	1,292.04	0.3	1,224.12	5.9
Kerry	144	991.20	936.28	5.9	874.73	13.3
Kildare	141	1,440.80	1,514.67	-4.9	1,456.73	-1.1
Kilkenny	134	1,037.03	1,060.10	-2.2	988.43	4.9
Laois	150	1,111.90	1,067.24	4.2	1,018.24	9.2
Leitrim	148	817.35	741.79	10.2	680.93	20.0
Limerick	157	1,199.30	1,181.44	1.5	1,133.98	5.8
Longford	143	835.08	868.29	-3.8	757.88	10.2
Louth	148	1,219.76	1,267.00	-3.7	1,173.11	4.0
Mayo	135	898.63	888.80	1.1	787.51	14.1
Meath	152	1,428.93	1,379.78	3.6	1,355.17	5.4
Monaghan	132	856.92	808.63	6.0	722.96	18.5
Offaly	137	958.96	918.60	4.4	852.23	12.5
Roscommon	139	885.02	801.60	10.4	765.56	15.6
Sligo	142	947.06	883.04	7.3	815.96	16.1
Tipperary	125	863.35	884.32	-2.4	798.57	8.1
Waterford	163	1,072.04	987.64	8.5	961.33	11.5
Westmeath	138	1,047.24	1,012.23	3.5	943.80	11.0
Wexford	140	1,012.87	995.80	1.7	877.91	15.4
Wicklow	133	1,468.88	1,492.57	-1.6	1,498.55	-2.0

- Taking a typical two-bedroom house, the standardised average rent for new tenancies in Dublin (€1,974 per month) was €964 more than the level for a two-bedroom house outside Dublin (€1,010 per month) in Q2 2022. The standardised average rent in new tenancies for a two-bedroom house in the Greater Dublin Area (GDA) was €1,328.
- In Q2 2022, across the regions the lowest rent for houses in new tenancies was for a one-bed house outside the GDA for which the standardised average rent was €829 per month.

Trend in Apartment Rent Prices (Page 23)

- Taking a typical two-bedroom apartment, the standardised average rent in new tenancies in Dublin (€2,093 per month) was €988 more than the level for a two-bedroom apartment outside Dublin (€1,105 per month) in Q2 2022.
- The standardised average rent in new tenancies for a two-bedroom apartment in the GDA was €1,373, while the equivalent apartment outside the GDA carried a standardised average rent of approximately €1,067 per month.
- In Q2 2022, the fastest growing apartment rental price for new tenancies across the regions was for apartments with three or more bedrooms within Dublin which grew at 11.2% year-on-year.

RTB Rental Sector Survey

- A key finding from the survey of tenants published in July 2021 was that 81% were renting for more than a year, and 40% for five or more years.
- The average tenant had been renting their current property for 3.8 years and 67% of tenants had been renting in their current property for 3 years or less.
- All reports published in July 2021 are available to view and this link: <https://www.rtb.ie/research>
- Fieldwork has begun for the second round of the RTB Rental Sector Survey. The findings will help provide greater details on the sector. We expect that the results will be published in Q1 2023.