

## RTB Rent Index Shows 8.3% Annual Increase in National Rent Price in Q3 2021

- Nationally, rents grew by 8.3% year-on-year in Q3 2021. This is the highest national growth rate seen since Q4 2017.
- The national standardised average rent stood at €1,397 in Q3 2021, an increase of €44 compared to the previous quarter.
- Dublin remained the county with the highest standardised average rent, at €1,916 per month while the lowest standardised average rent was seen in Leitrim, at €731 per month.
- There was a 31% fall in the number of tenancies registered nationally when compared to Q3 2019.
- Twelve counties now have standardised average rents above €1,000 per month.

**17 December 2021:** The [Residential Tenancies Board](#) (RTB) has published the quarterly Rent Index for the July to September period (Q3) of 2021. Compiled in conjunction with the [Economic and Social Research Institute](#) (ESRI), the RTB Rent Index is the most accurate and authoritative report on the Irish rental market. This Index shows that nationally, rents grew by 8.3% year-on-year in this period. This is the highest national growth rate seen since Q4 2017, when growth reached 8.4%. The national standardised average rent stood at €1,397 during Q3 2021, an increase of €44 on the previous quarter.

Considering the longer-term trend in prices, Dublin has seen a greater initial drop and slower rebound in rental price growth since the onset of the Covid-19 pandemic than elsewhere. This likely reflects the differing impact of the Covid-19 economic shock on both the demand and supply sides of the market in the short run. While rental price growth remained lower in Dublin than elsewhere in Q3 2021, its quarter-on-quarter growth of 3.6% is the highest since Q2 2019.

This index is based on actual rents paid on 15,042 private tenancies newly registered with the RTB during the quarter. This includes new tenancies in existing rental properties; new rental properties never let before; and new tenancies in properties that have not been let in the immediate two years prior to this tenancy. The Rent Index does not provide a measure of the rental prices faced by existing tenants. Traditionally, Q3 sees the highest rate of tenancy registration with the RTB, coinciding with the start of the academic year. This usual pattern is not repeated in Q3 2021. While it does mark a small increase on Q2 2021 (14,361), there has been a substantial decline in the number of tenancies registered and included in the sample, with a 31% decline in the sample compared to a pre-pandemic Q3 2019. These figures show the continued challenges posed by the re-opening of the Irish economy. The lower number of registrations has certainly impacted the standardised average rents and could be, among other factors, a result that people are staying in their tenancies longer due to uncertainty in the market.

Padraig McGoldrick, Interim Director of the RTB, commented on the latest Rent Index findings:

*“Our previous Q2 2021 RTB Rent Index report indicated that Ireland’s rental sector was rebounding from a slowdown in rent growth during the pandemic. This Q3 2021 report continues to show a significant upward trajectory of rent levels in the Irish rental market and reflects a sharp rebound from a reduction and slowdown in rent levels during the pandemic. It is clear, the ongoing introduction and easing of Covid-19 related restrictions around rental price growth in line with the public health measures has been affecting trends presented throughout 2020 and 2021 and there continues to be a large degree of uncertainty across the sector.”*

*“The significant rise in rent prices across Ireland is indicative of the wider growth being experienced in our economy, as a result of lifted public health restrictions. Rates of unemployment have dropped significantly, and Irish retail sales continue to grow. Not only is the growth in the rental sector reflective of that in other aspects of our economy, but it is also in line with what is happening in economies around the world.”*

*“There are other reasons for the increased figure. A lower number of tenancy registrations has impacted average rents, seemingly reflected by a tendency for people to stay in their rental properties longer. Rents too continue to increase more rapidly outside the Greater Dublin Area (GDA) and other non-urban areas, potentially linked to the continuation of the pandemic-effect around long-term working and lifestyle choices.”*

*“The Residential Tenancies (Amendment) Act 2021 was signed into law on 11th December 2021. It introduced further protections from rent increases in Rent Pressure Zones, or RPZs, where rents cannot be increased by more than general inflation, as recorded by the Harmonised Index of Consumer Price (HICP) or 2% per year pro rata, where HICP inflation is higher. These measures have been introduced to curtail rent increases for existing tenancies and new tenancies in existing rental properties. It should be noted that the vast proportion of these existing tenancies are not reflected in the RTB Rent Index as the Index only includes new tenancies in existing rental properties in addition to rental properties new to the market.”*

For anyone who has any questions about the new legislation and the application of these measures, visit [www.rtb.ie](http://www.rtb.ie).

The full Q3 2021 RTB Rent Index Report and supporting infographics can be downloaded below:

- <https://www.rtb.ie/research/ar>

**ENDS**

## **NOTES TO EDITOR**

### **What is the Rent Index Report & Who is it for?**

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 Q3 2021.
- 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.
- For tenancies that began before 24th December 2016, landlords were required to register a tenancy as a Part IV Renewal after 4 years. However, for tenancies that have begun since 24th December 2016 landlords are required to register that tenancy as a Part IV Renewal after 6 years. This change in the reporting timeframe means that no Part IV Renewals are now due to be registered 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.
- 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, an econometric model is estimated over the time period Q3 2007 to Q3 2021. This model includes characteristic

\*\*variables for the number of bedrooms, the property type, number of tenants, tenancy length and other characteristics.

- 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 2021.

\*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, 1 tenant, 10-to-12-month lease, with rent paid monthly in a region without a third-level institution.

## Q3 2021 Rent Index Results Overview

### National (Page 12)

- The national standardised average rent stood at €1,397 in Q3 2021 – an increase of €44 compared to the previous quarter.
- Year-on-year rents grew by 8.3% in the third quarter of 2021.
- This growth rate is higher than that of Q2 2021 (7%) and the highest since Q4 2017 (which recorded growth of 8.4%).
- The number of tenancy registrations in Q3 2021 (15,042) marked a small increase on the previous quarter (14,361). However, this did not reflect the usual Q3 pattern. Typically, the Q3 period is characterised by a rise in the number of tenancy registrations (which is associated with the beginning of the academic year).
- The standardised average rent for houses in Q3 2021 (€1,395 per month), increased by 3.7% on the previous quarter. Year-on-year, this is a rise of 11%.
- The standardised average rent for apartments in Q3 2021 (€1,419 per month), increased by 2.9% on the previous quarter. Year-on-year, this is a rise of 6.6%.

**Table 1. RTB Rent Index - National, National Houses and National Apartments: Index, Standardised Average Rent (€), Quarterly Change (%) and Annual Change (%)<sup>[1]</sup>**

	Index Q3 2021	Standardised Average Rent Q3 2021	Standardised Average Rent Q2 2021	Q-o-Q Change (%)	Standardised Average Rent Q3 2020	Y-on-Y Change (%)
<b>National</b>	141	1,396.75	1,352.76	3.3	1,289.36	8.3
<b>National Houses</b>	141	1,394.67	1,345.36	3.7	1,256.92	11.0
1 bedroom	143	1,106.61	1,126.71	-1.8	1,033.86	7.0
2 bedrooms	136	1,281.02	1,256.91	1.9	1,178.99	8.7
3 bedrooms	140	1,362.29	1,326.00	2.7	1,227.73	11.0
4+ bedrooms	147	1,581.85	1,491.22	6.1	1,407.19	12.4
<b>National Apartments</b>	140	1,419.18	1,378.62	2.9	1,331.20	6.6
1 bedroom	138	1,278.03	1,232.84	3.7	1,197.60	6.7
2 bedrooms	137	1,434.17	1,404.37	2.1	1,354.71	5.9
3+ bedrooms	157	1,693.71	1,620.80	4.5	1,535.60	10.3

### The Dublin Market (Page 16)

- In Q3 2021, rental prices in Dublin (€1,916 per month) were substantially higher than those outside Dublin (€1,114 per month).
- The standardised average rent for houses in Dublin (€2,156 per month) was just under double the standardised house rent Outside the GDA (€1,107 per month).
- The standardised average rent for apartments in Dublin (€1,864 per month) was €830 more than the standardised apartment rent Outside the GDA (€1,034 per month).
- The lowest annual growth nationally, for both houses and apartments, was recorded in Dublin.
- Year-on-year price inflation was lowest at 6.0% in the Dublin area. The quarterly growth in Dublin was 3.6% which was the highest since Q2 2019.

### The Greater Dublin Area (GDA) (Page 16)

- The Greater Dublin Area (GDA) is composed of Meath, Kildare and Wicklow.
- The standardised average rent in the GDA stood at €1,444 as of Q3 2021.
- Dublin and the GDA accounted for over half (55.2%) of all tenancy agreements registered and included in the sample for the Q3 2021 Rent Index.

### Outside the Greater Dublin Area (GDA) (Page 16)

- Outside the Greater Dublin Area (GDA) is composed of all counties excluding Dublin, Meath, Kildare and Wicklow.
- The standardised average rent Outside the GDA was €1,070 in Q3 2021.
- The standardised average rent for a house Outside the GDA stood at €1,107 per month as of Q3 2021.
- Year-on-year, price inflation was highest in this region, at 12.7%.

### 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 to examine Cork, Dublin, Galway, Limerick and Waterford cities.

- Rent levels in Dublin City were 4.7% higher in Q3 2021 compared to Q2 2021. They increased year-on-year by 5.8%.
- Rent levels in Dublin City averaged €1,861 per month in Q3 2021.
- Galway City had the second highest standardised average rent level at €1,471. The standardised average rent in Cork City stood at €1,389 per month, and Limerick City was €1,150 in Q3 2021.
- The city with the lowest standardised average rent in Q3 2021 was Waterford City at €1,064 per month.
- The year-on-year standardised average rent growth rates were as follows; Dublin City 5.8%, Galway City at 9.7%, Cork City at 9.3%, Limerick city at 4% and Waterford City at 15.1%.

**Table 2. RTB Rent Index Cities: Index, Standardised Average Rent (€), Quarterly Change (%) and Annual Change (%)**

	Index Q3 2021	Standardised Average Rent Q3 2021	Standardised Average Rent Q2 2021	Q-o-Q Change (%)	Standardised Average Rent Q3 2020	Y-on-Y Change (%)
<i>Cork City</i>	142	1,389.07	1,343.98	3.4	1,270.78	9.3
<i>Dublin City</i>	149	1,860.56	1,776.91	4.7	1,759.23	5.8
<i>Galway City</i>	156	1,470.92	1,359.19	8.2	1,340.29	9.7

<b>Limerick City</b>	148	1,150.25	1,203.19	-4.4	1,106.25	4.0
<b>Waterford City</b>	164	1,063.68	970.19	9.6	923.79	15.1

### Local Authorities (Page 33)

The table below presents the rent index, standardised average rent and growth rates for the local authority areas within Dublin, Cork and Galway. All other local authorities are identical to their counties and their results can therefore be found in the 'Rental Developments Across Counties' section of the main report.

- Within Dublin, Dun Laoghaire – Rathdown had the highest standardised average rent in Q3 2021 (€2,156 per month). Fingal had the lowest (€1,802 per month).
- Within Dublin, the year-on-year growth rates were highest in South Dublin (9.0%) and lowest in Dun Laoghaire – Rathdown (2.9%).
- Cork County (11.1%) saw a higher year-on-year growth rate than Cork City (9.3%). The standardised average rent in Cork City (€1,389 per month) was almost €300 higher than in Cork County (€1,092).
- Galway County (10.8%) saw a higher year-on-year growth rate than Galway City (9.7%). The standardised average rent in Galway City (€1,471 per month) was €433 higher than for Galway County (€1,038).

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

	Index Q3 2021	Standardised Average Rent Q3 2021	Standardised Average Rent Q2 2021	Q-o-Q Change (%)	Standardised Average Rent Q3 2020	Y-on-Y Change (%)
<b>Cork County</b>	135	1,092.39	1,051.66	3.9	983.51	11.1
<b>Cork City</b>	142	1,389.07	1,343.98	3.4	1,270.78	9.3
<b>Galway County</b>	148	1,038.47	989.80	4.9	936.83	10.8
<b>Galway City</b>	156	1,470.92	1,359.19	8.2	1,340.29	9.7
<b>Fingal</b>	141	1,801.67	1,819.78	-1.0	1,720.67	4.7
<b>Dun Laoghaire - Rathdown</b>	139	2,155.81	2,113.12	2.0	2,094.19	2.9
<b>South Dublin</b>	145	1,902.16	1,858.91	2.3	1,745.41	9.0
<b>Dublin City</b>	149	1,860.56	1,776.91	4.7	1,759.23	5.8

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

- In Q3 2021, the LEA with the highest standardised average rent was Stillorgan, Co. Dublin at €2,510.
- The LEA with the lowest standardised average rent in Q3 2021 was Boyle, Co. Roscommon at €647.
- The results for a total of 59 LEAs have been redacted as there were fewer than 30 observations in the sample in these areas in Quarter 3, 2021.

### 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 each county to examine the Rental Developments Across Counties. See the table below.

- In Q3 2021, rents rose in all but 4 counties.
- Rents in Sligo increased the most with a quarterly growth rate of 13.7%.
- Rents in Limerick experienced the largest quarterly decrease, falling by 1.6%.

- Despite Leitrim having the lowest rent at €731 per month, the county experienced the fastest year-on-year growth in rents at 21.5%.
- Twenty counties – all bar Dublin, Kilkenny, Limerick, Offaly, Westmeath and Wicklow – saw annual growth above 10%.
- Twelve counties had standardised average rents above €1,000 per month: Carlow, Cork, Dublin, Galway, Kildare, Kilkenny, Laois, Limerick, Louth, Meath, Waterford and Wicklow.
- Q3 2021 marks the first time that Carlow and Waterford have surpassed a monthly standardised average rent of €1,000.
- Year-on-year, the lowest growth in the standardised average rent was in Westmeath at 4.8%.

**Table 5. RTB Rent Index - Irish Counties: Index, Standardised Average Rent (€), Quarterly Change (%) and Annual Change (%)**

County	Index Q3 2021	Standardised Average Rent Q3 2021	Standardised Average Rent Q2 2021	Q-o-Q Change (%)	Standardised Average Rent Q3 2020	Y-on-Y Change (%)
Carlow	146	1,067.83	982.77	8.7	958.51	11.4
Cavan	134	798.58	763.73	4.6	712.54	12.1
Clare	127	907.57	894.96	1.4	772.69	17.5
Cork	143	1,294.89	1,230.51	5.2	1,161.17	11.5
Donegal	125	744.20	676.08	10.1	634.80	17.2
Dublin	147	1,915.58	1,849.70	3.6	1,807.64	6.0
Galway	157	1,345.43	1,221.05	10.2	1,214.96	10.7
Kerry	137	945.89	875.79	8.0	830.00	14.0
Kildare	148	1,503.99	1,437.81	4.6	1,314.06	14.5
Kilkenny	130	1,011.50	1,014.54	-0.3	947.84	6.7
Laois	141	1,038.59	1,031.35	0.7	936.01	11.0
Leitrim	132	730.51	705.80	3.5	601.03	21.5
Limerick	145	1,110.39	1,128.30	-1.6	1,046.78	6.1
Longford	131	763.18	758.39	0.6	635.17	20.2
Louth	146	1,213.24	1,146.02	5.9	1,093.41	11.0
Mayo	125	830.99	791.49	5.0	746.30	11.3
Meath	148	1,390.98	1,345.83	3.4	1,253.59	11.0
Monaghan	120	779.27	714.63	9.0	700.69	11.2
Offaly	125	883.42	877.26	0.7	812.24	8.8
Roscommon	118	756.09	730.39	3.5	687.08	10.0
Sligo	142	941.53	827.83	13.7	815.58	15.4
Tipperary	119	824.23	786.15	4.8	736.24	12.0
Waterford	157	1,037.25	949.88	9.2	900.84	15.1
Westmeath	120	912.69	925.56	-1.4	870.78	4.8
Wexford	126	919.01	886.52	3.7	822.46	11.7
Wicklow	130	1,439.32	1,439.32	0.0	1,351.44	6.5

### Trend in House Rent Prices (Page 21)

- Taking a typical two-bedroom house, the standardised average rent in Dublin (€1,817 per month) was €818 more than the standardised average rent for a two-bedroom house outside Dublin (€999 per month).
- The standardised average rent for a two-bedroom house in the Greater Dublin Area (GDA) was €1,389.
- The lowest rent for houses nationally was for a one-bed house Outside the GDA for which the standardised average rent was €833 per month.

### **Trend in Apartment Rent Prices (Page 23)**

- Taking a typical two-bedroom apartment, the standardised average rent in Dublin (€1,959 per month) was €893 more than the standardised average rent for a two-bedroom apartment outside Dublin (€1,066 per month).
- The standardised average rent for a two-bedroom apartment in the GDA was €1,367, while a two-bedroom apartment Outside the GDA had an average rent of approximately €1,024 per month.
- The fastest growing apartment prices across the regions were apartments with three or more bedrooms Outside the GDA which grew at 14.7% year-on-year.