

Q1 2025 Rent Index – Key Findings

Dr. Rachel Slaymaker – Research Officer, ESRI

What is the Rent Index?

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

It consists of two indices that both have large sample sizes – the only comprehensive data source on quarterly developments for both new and ongoing tenancies.

❖ New Tenancies Index (Q3 2007-present)

- Measures developments in prices by those taking up new tenancies & covers:
 - New tenancies in existing rental properties.
 - New rental properties never let before.
 - New tenancies in properties not let in previous 2 years.

❖ Existing Tenancies Index (Q2 2022-present)

- Comparable indicators for ongoing tenancies of at least 1 year in duration.

Rent Index vs Property Level – when to use each tool?

Rent Index Indicators:

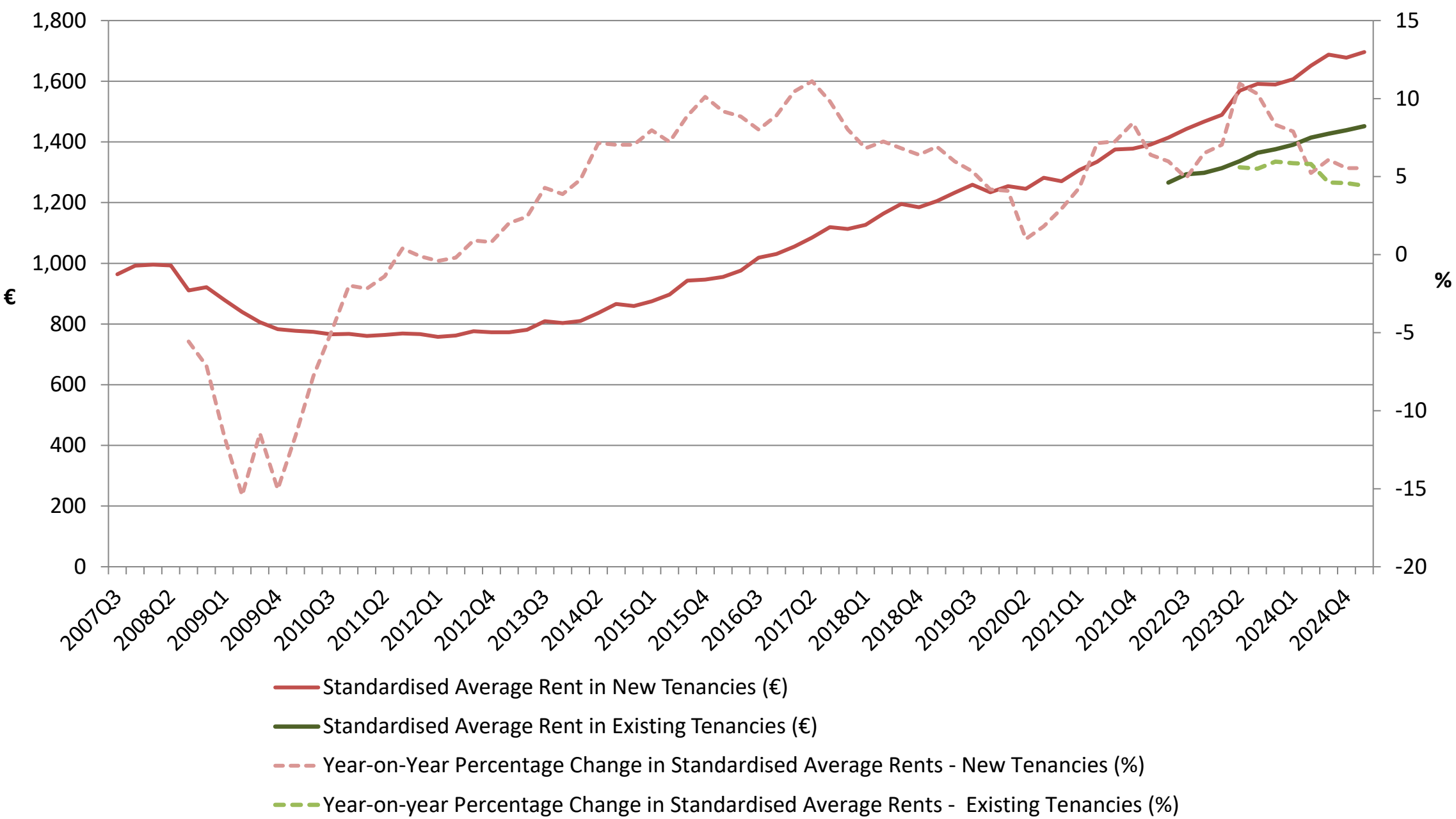
- Crucial market level indicators – tell us how (standardised) average rent level in the market has changed from one year to the next
- Impacted by **both** individual property rent changes **and** churn in the market (property entry & exit plus movement between new and existing segments)
- Large sample sizes – most comprehensive picture of average rents for new and sitting tenants
- But sample of properties differ every quarter – DO NOT track individual property rents
 - So cannot inform us about how households experience changes in rent
- **Because of churn - would not expect Existing Tenancies Rent Index to grow in line with individual properties' growth**

Property Level Analysis:

- Tracks individual properties over time – average rent changes seen by households, how many above 2% etc.
- More useful for understanding impacts of RPZs
- See Slaymaker, Kren & Devane (2024) An assessment of property level rental price growth in Ireland

Q1 2025 New & Existing Rent Indexes– National

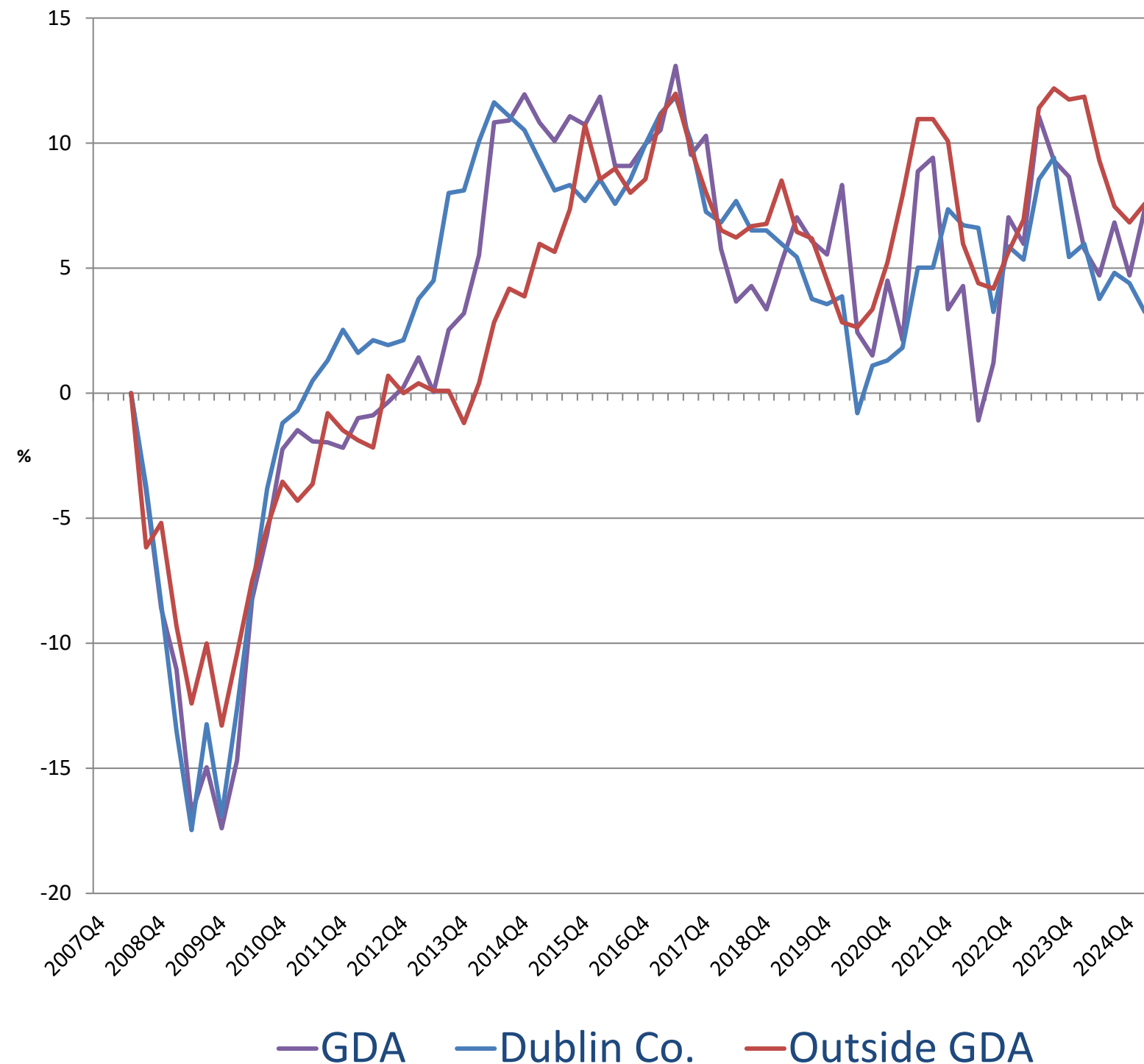
Evolution of Standardised Average Rent & Y-o-Y% Change New & Existing Tenancies



- In Q1 2025 average rent in new tenancies was €1,696 and €1,452 in existing tenancies
- Nationally, inflation rates have stabilised
- Average rent for new tenancies rose 5.5% in the year to Q1 2025, unchanged from growth rate seen in Q4 2024
- Average rent for existing tenancies up 4.4% year-on-year

Q1 2025 New Tenancy Rent Index- Regions

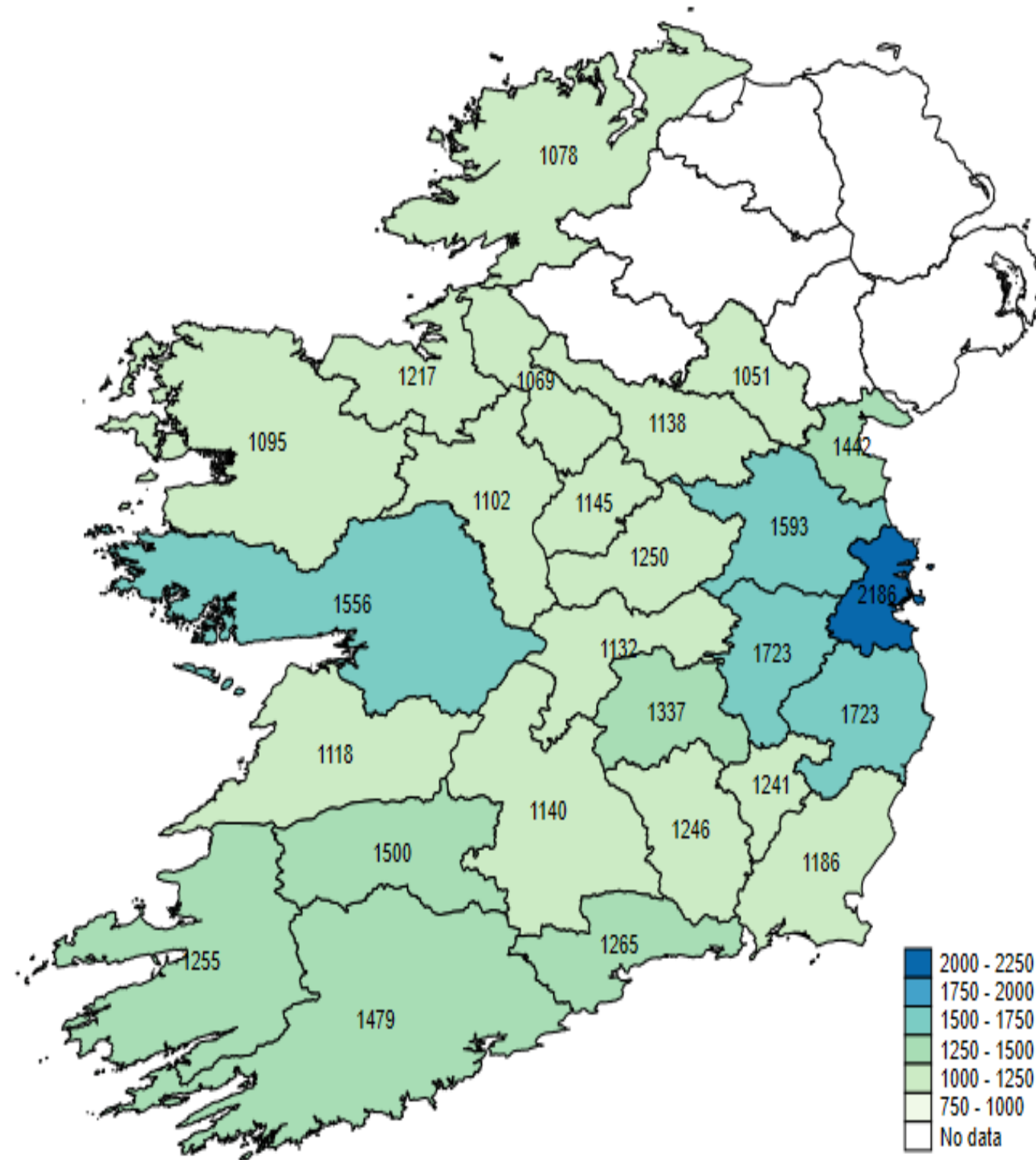
New Tenancy Annual Rent Inflation - Regions



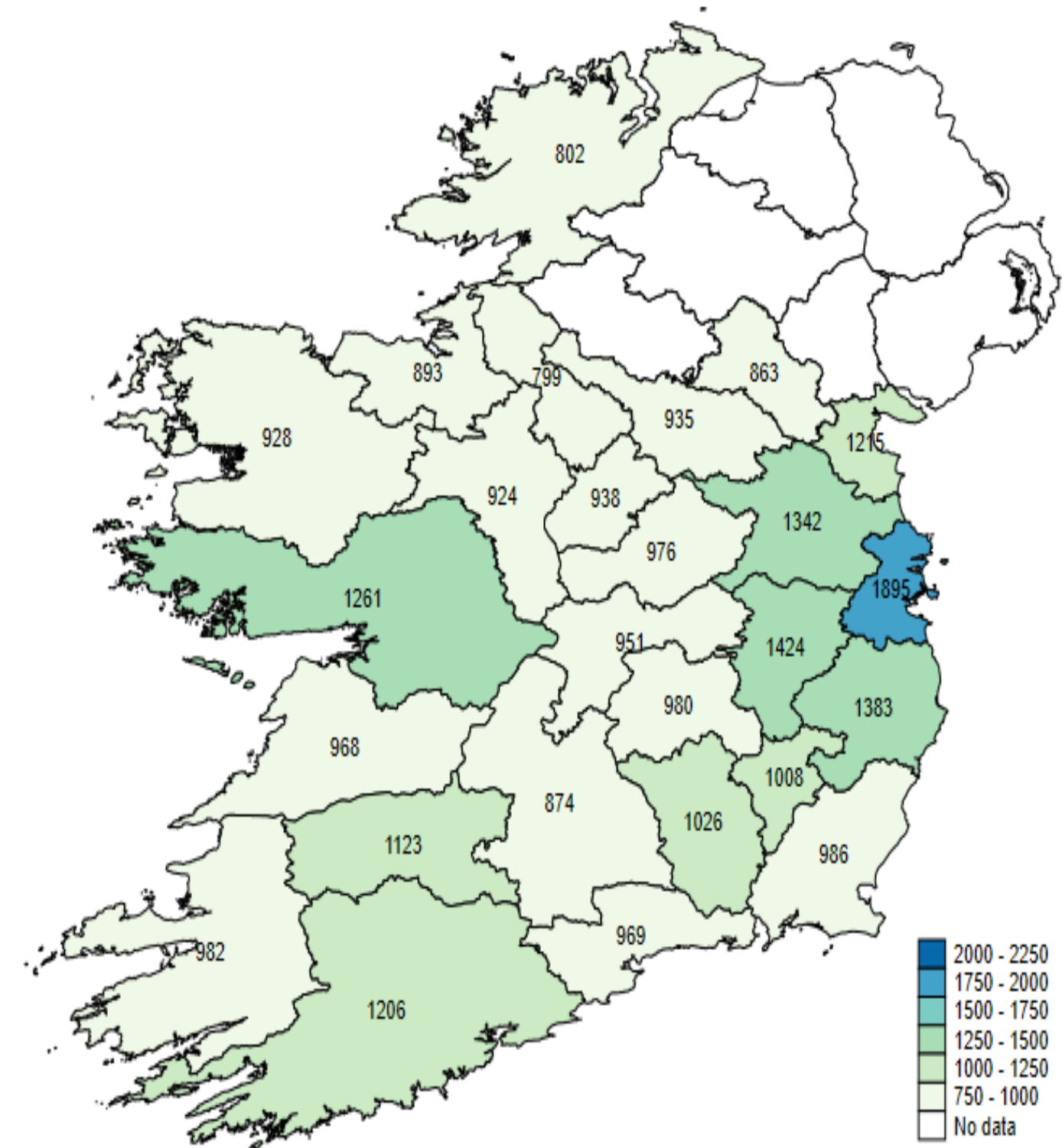
- In Q1 2025, the standardised average rent for new tenancies was:
 - €2,186 in Dublin.
 - €1,669 in the GDA (excluding Dublin).
 - €1,321 Outside the GDA.
- Stability of inflation at national level but differing trends across regions
- Pace of growth in average new tenancy rents continued to fall in Dublin in Q1 (3.3% - lowest since Q3 2022)
- Inflation remained highest Outside GDA at 7.6% in Q1 2025 has dropped rapidly from 11.9% in Q1 2024, but up on Q4
- 7.4% in the GDA (excluding Dublin)

Q1 2025 Standardised Average Rent – County

New Tenancies

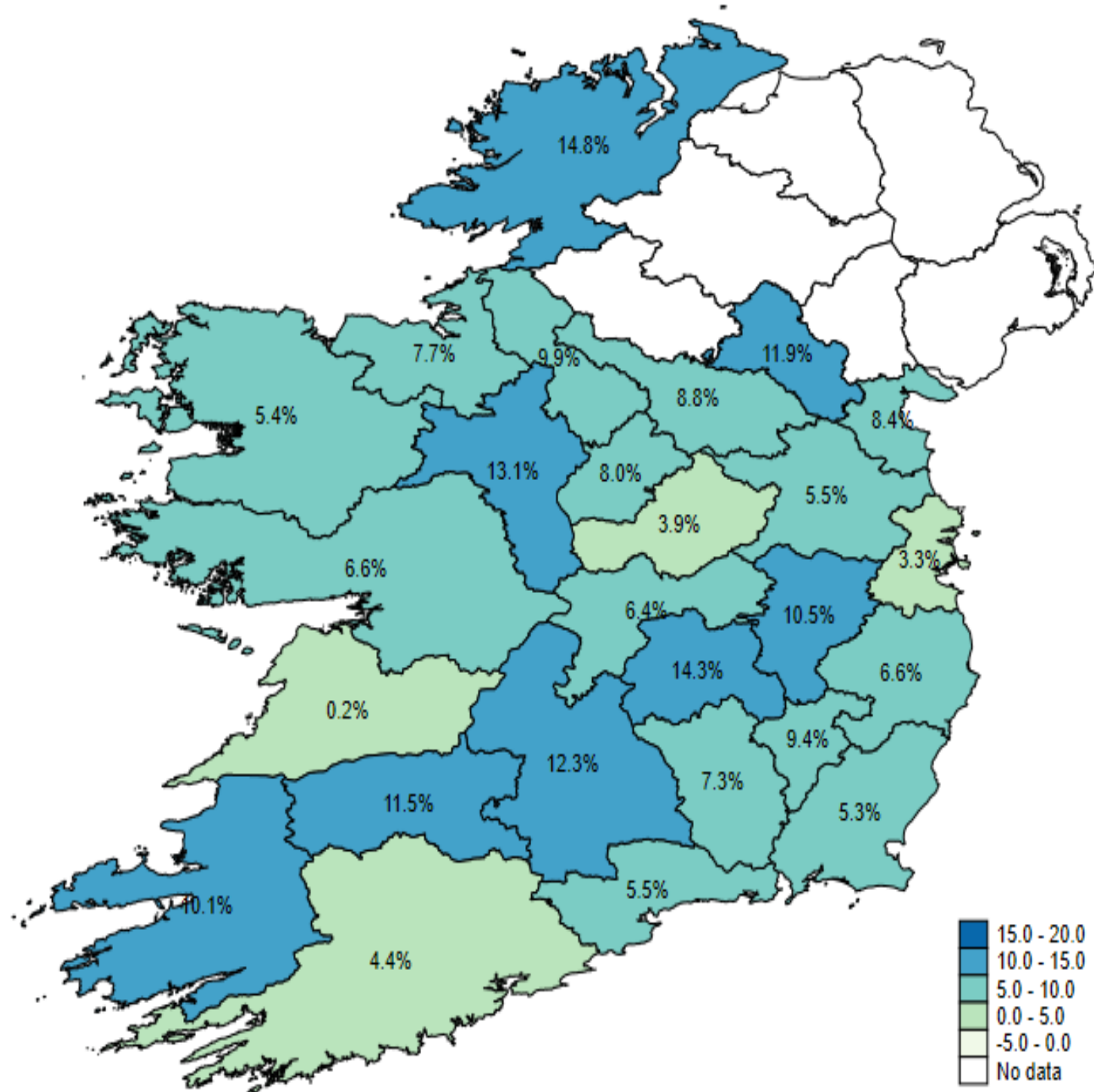


Existing Tenancies

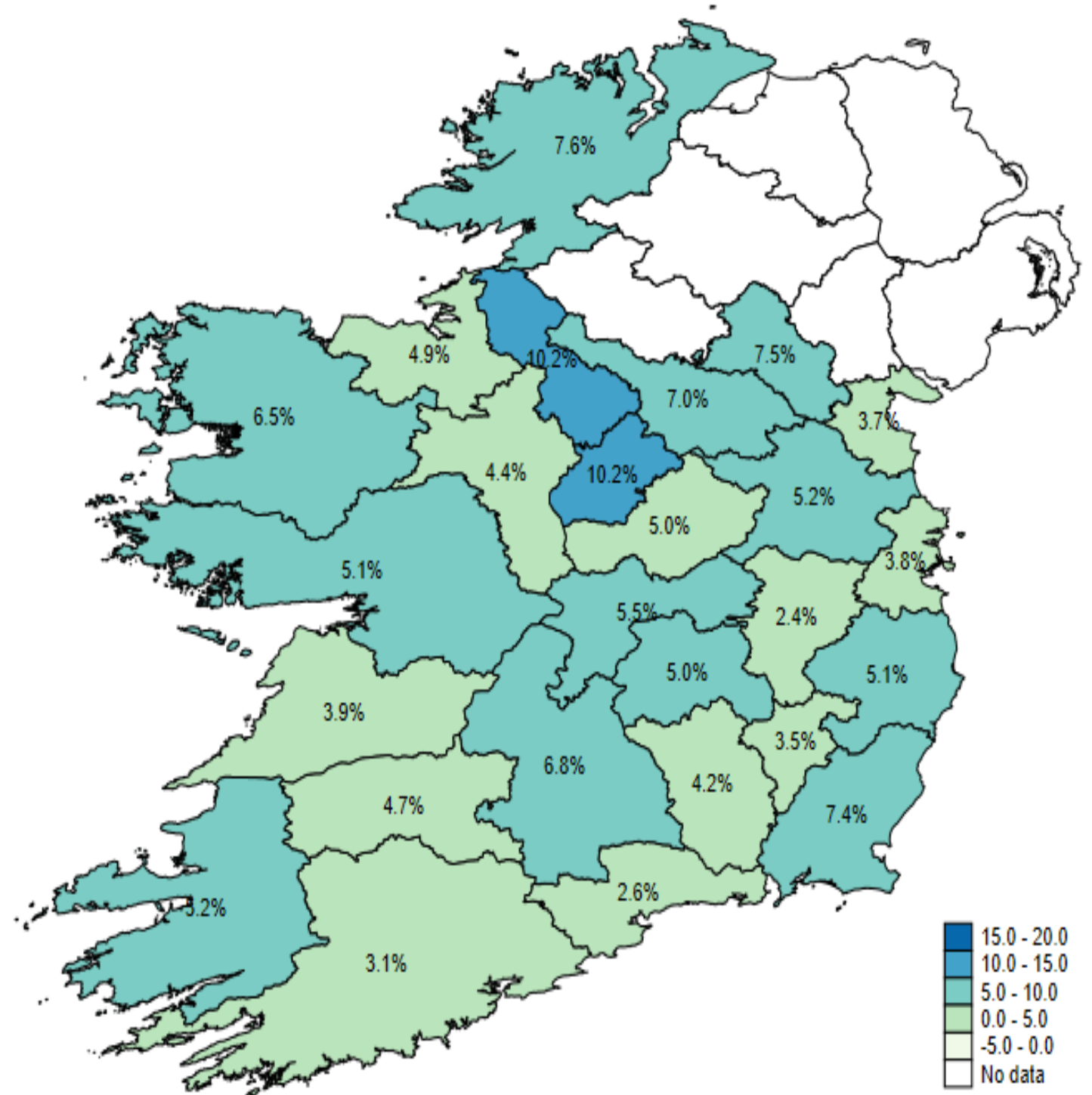


Q1 2025 Annual Rate of Change (%) County

New Tenancies



Existing Tenancies



Counties – Annual Rental Inflation Trends

- Both new and existing tenancy inflation stable in recent quarters nationally, but very mixed picture across counties:
 - 8 counties recorded annual growth in average new tenancy rents of over 10%
 - Inflation has clearly fallen in some after period of high growth e.g. Mayo
 - But remains persistently high in others e.g. Kerry, Tipperary, Laois
 - And has rebounded in some after lower growth at end of 2024 e.g. Donegal
- In 7 counties average existing tenancy rents grew faster than average new rents in Q1 2025
 - Most had high new tenancy growth 1 year ago (>10%), now feeding into existing tenancies figures
- Small size of many markets (especially new tenancy numbers) – significant volatility

Dublin - Local Authorities Q1 2025

RTB Rent Index - Selected Local Authorities: Standardised Average Rent (€), Quarterly Change (%) and Annual Change (%) for New vs Existing Tenancies

	New Tenancies			Existing Tenancies		
	Standardise d Average Rent Q1 2025	Q-o-Q Change (%)	Y-on-Y Change (%)	Standardise d Average Rent Q1 2025	Q-o-Q Change (%)	Y-on-Y Change (%)
Fingal	2,082	-0.7	5.3	1,803	0.6	2.8
Dun Laoghaire - Rathdown	2,483	1.3	2.3	2,225	1.6	5.0
South Dublin	2,138	-1.4	0.1	1,890	2.2	5.8
Dublin City	2,143	1.1	4.3	1,836	2.0	3.1

- Low new tenancy y-o-y inflation in South Dublin & DLR – likely base effects due to high rates previously
- High annual inflation in new tenancy standardised rents can pass through to existing tenancies in subsequent periods
 - Lagged pass-through apparent in South Dublin and DLR

Key Takeaways– Q1 2025 Rent Index

- National standardised average rent for new tenancies: €1,696, €244 or 16.8% higher than for existing tenancies (€1,452)
- **New tenancies**: standardised average rent rose 5.5% year-on-year, unchanged from rate seen in Q4 2024
 - Nationally inflation has stabilised, but differing trends across regions
 - Pace of growth continues to fall in Dublin (3.3%)
 - Driven by South Dublin & DLR – likely some base effects given previous high new tenancy inflation
 - While new tenancy rental inflation moderated in some counties, it remains persistently high in others
 - 8 counties saw average new tenancy rent increase by >10% year-on-year
- **Existing tenancies** : standardised average rent grew 4.4% y-o-y
 - Nationally, inflation rate stable in past 3 quarters
 - In 7 counties (incl. Dublin), average rents grew faster for existing tenancies than new tenancies due to pass-through effects (i.e. existing index now reflecting high new tenancy inflation 1 year earlier)