

Q4 2024 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:

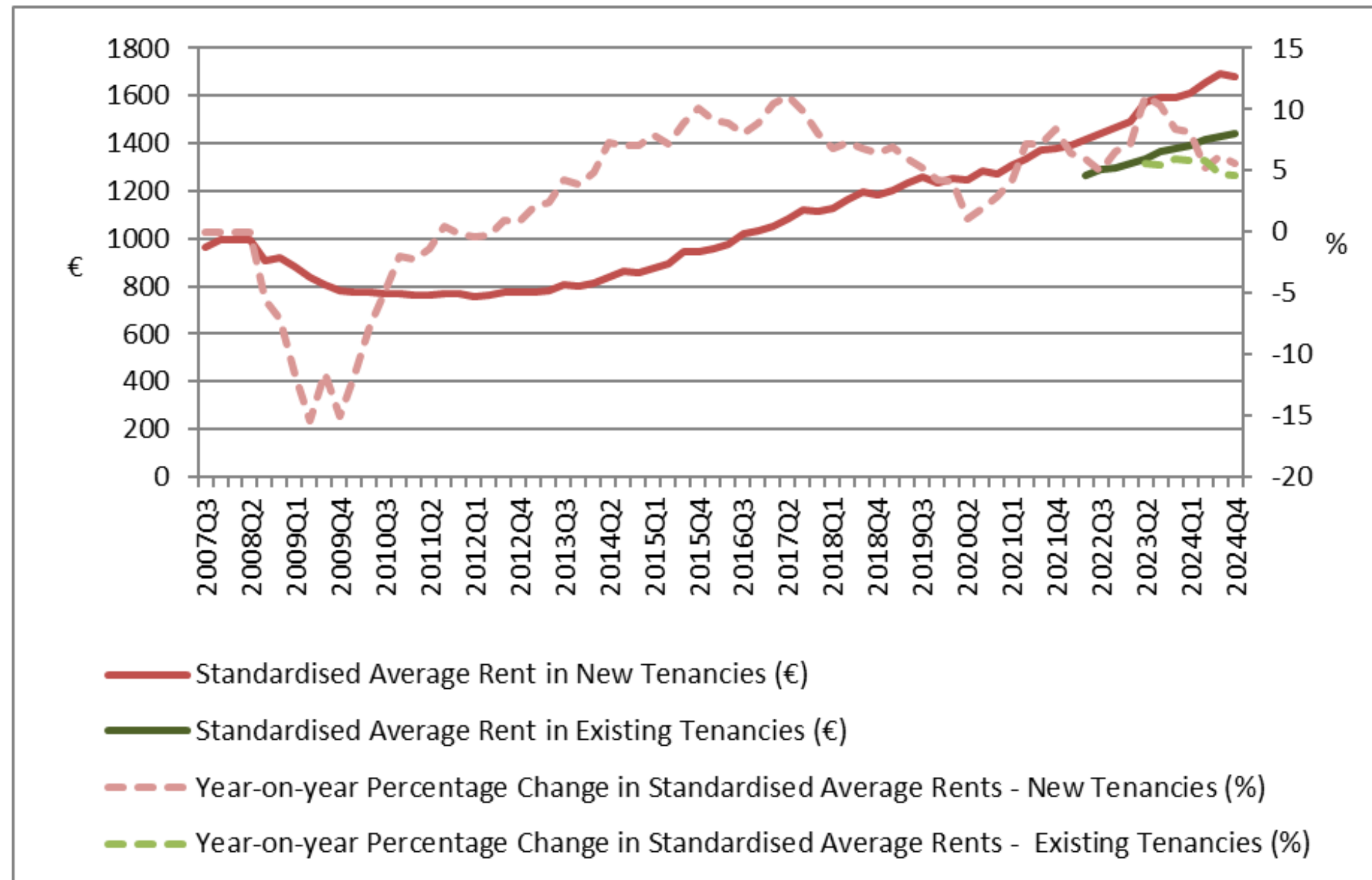
- Crucial market level indicators – tell us how (standardised) average rent level in the market has changed from one year to the next
- Impacted by **both** individual property rent changes **and** churn in the market (property entry & exit plus movement between new and existing segments)
- Large sample 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](#)

Q4 2024 New & Existing Rent Indexes – National

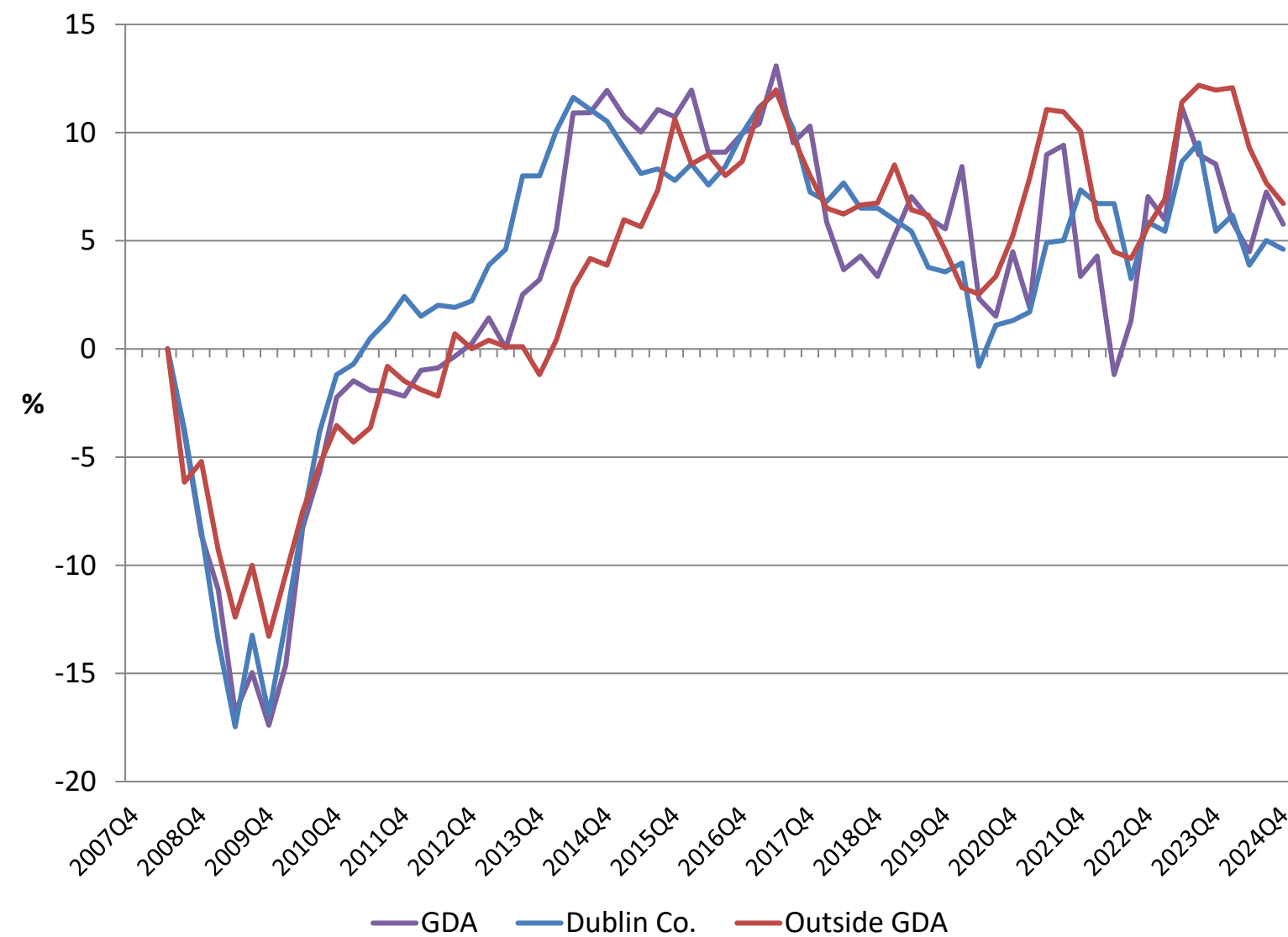
Evolution of Standardised Average Rent & Y-o-Y % Change New & Existing Tenancies



- In Q4 2024 average rent in new tenancies was €1,680 and €1,440 in existing tenancies
- Average rent for new tenancies rose 5.5% in the year to Q4 2024, down from much higher rate seen one year ago (8.4%)
- Average rent for existing tenancies up 4.6% year-on-year, down from 6% one year ago
- Clear moderation in inflation throughout 2024

Q4 2024 New Tenancy Rent Index – Regions

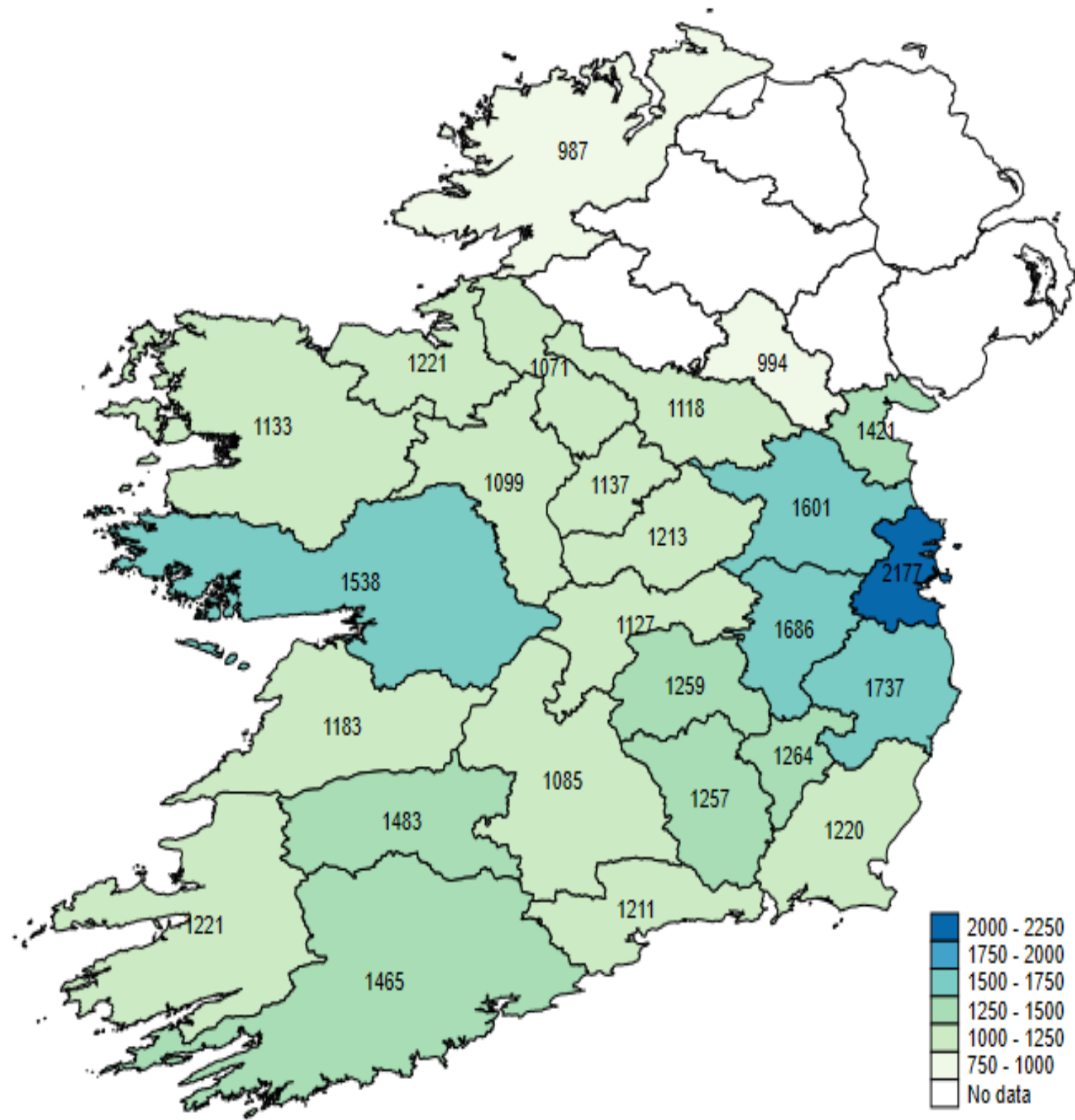
New Tenancy Annual Rent Inflation - Regions



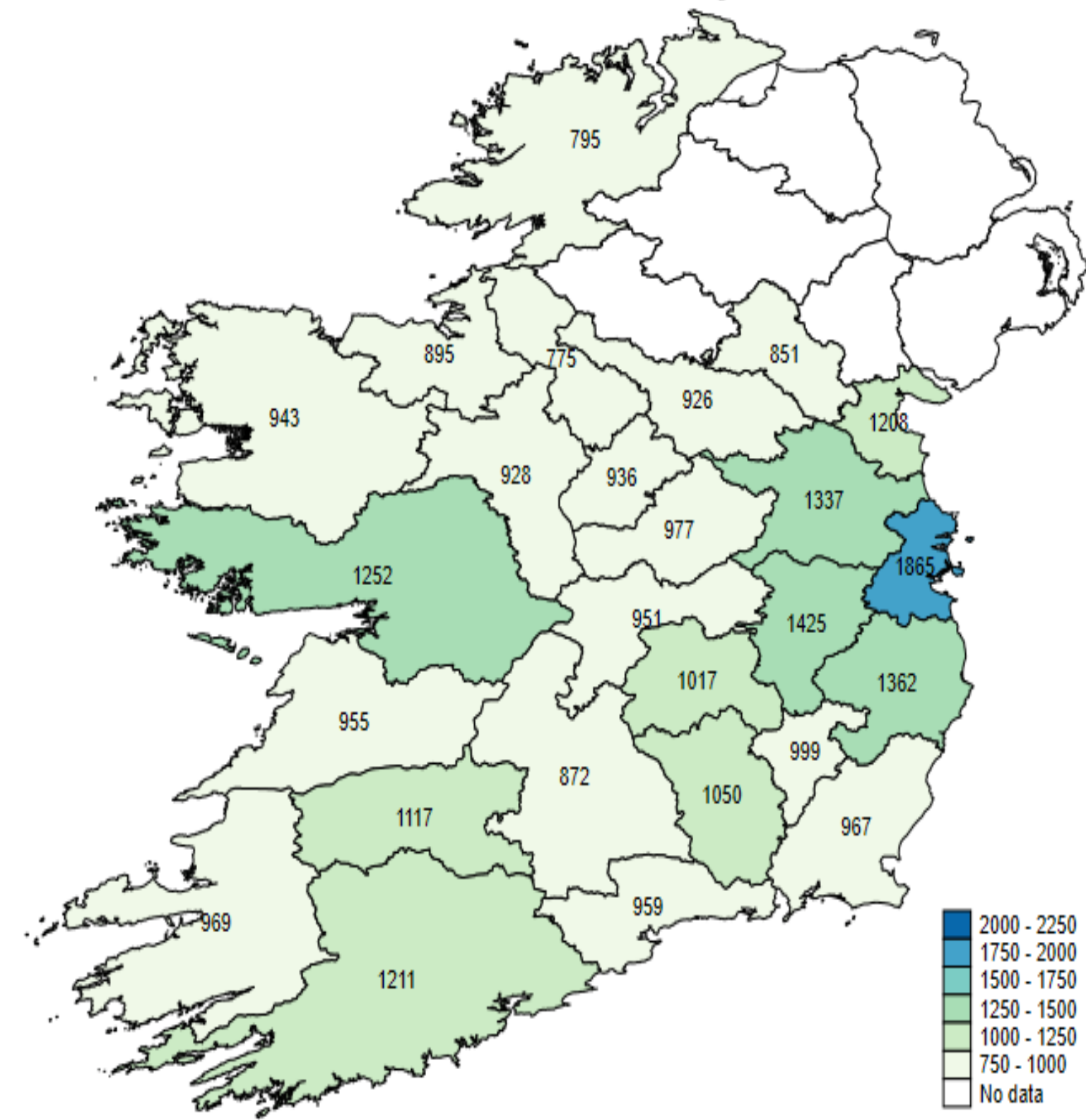
- In Q4 2024, the standardised average rent for new tenancies was:
 - €2,177 in Dublin.
 - €1,666 in the GDA (excluding Dublin).
 - €1,301 Outside the GDA.
- Inflation remained highest Outside GDA at 6.7% in Q4 2024, but has dropped rapidly from 12.1% in Q1 2024
- Inflation lowest in Dublin (4.6%) and 5.8% in the GDA (excluding Dublin)

Q4 2024 Standardised Average Rent – County

New Tenancies

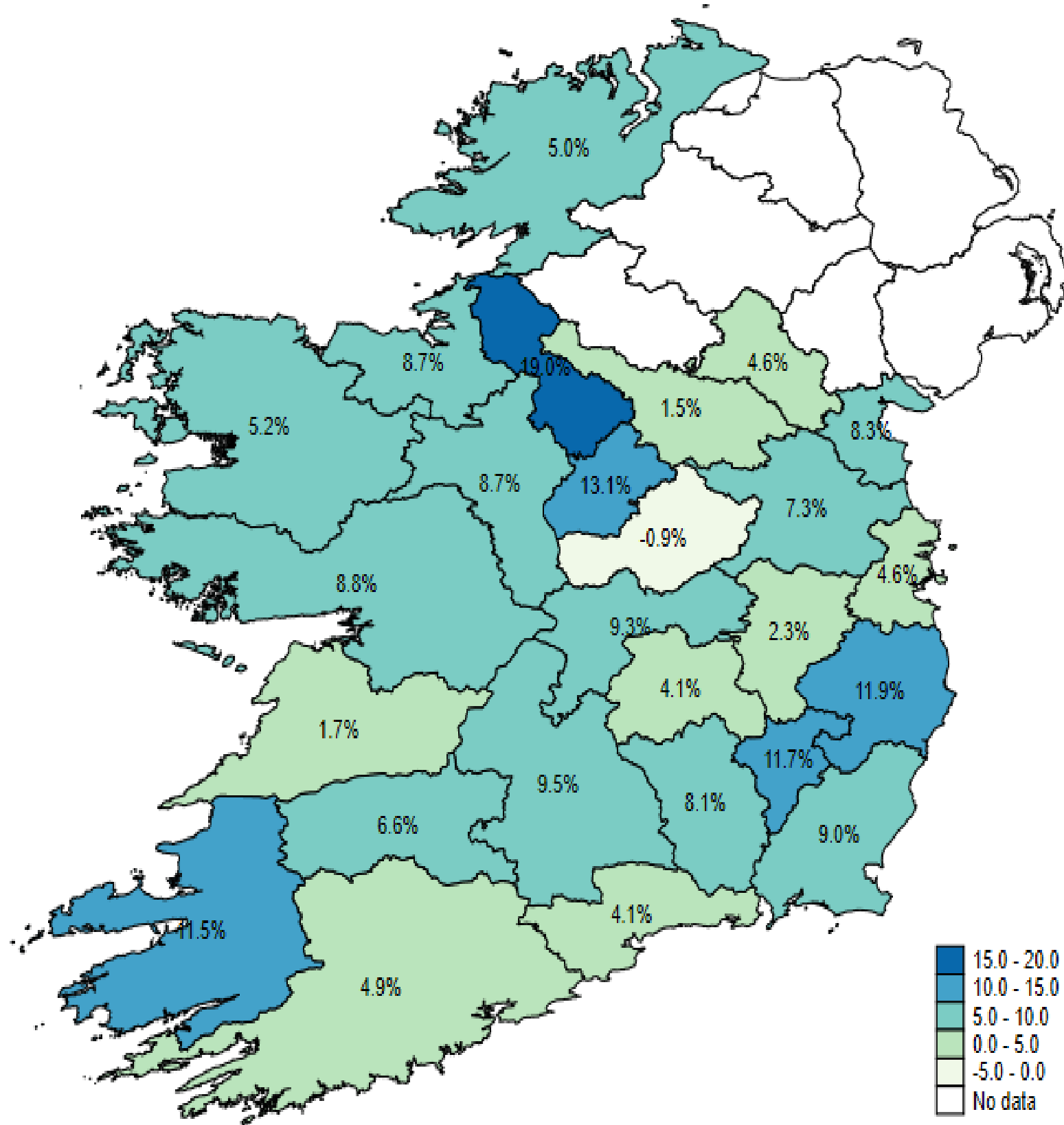


Existing Tenancies

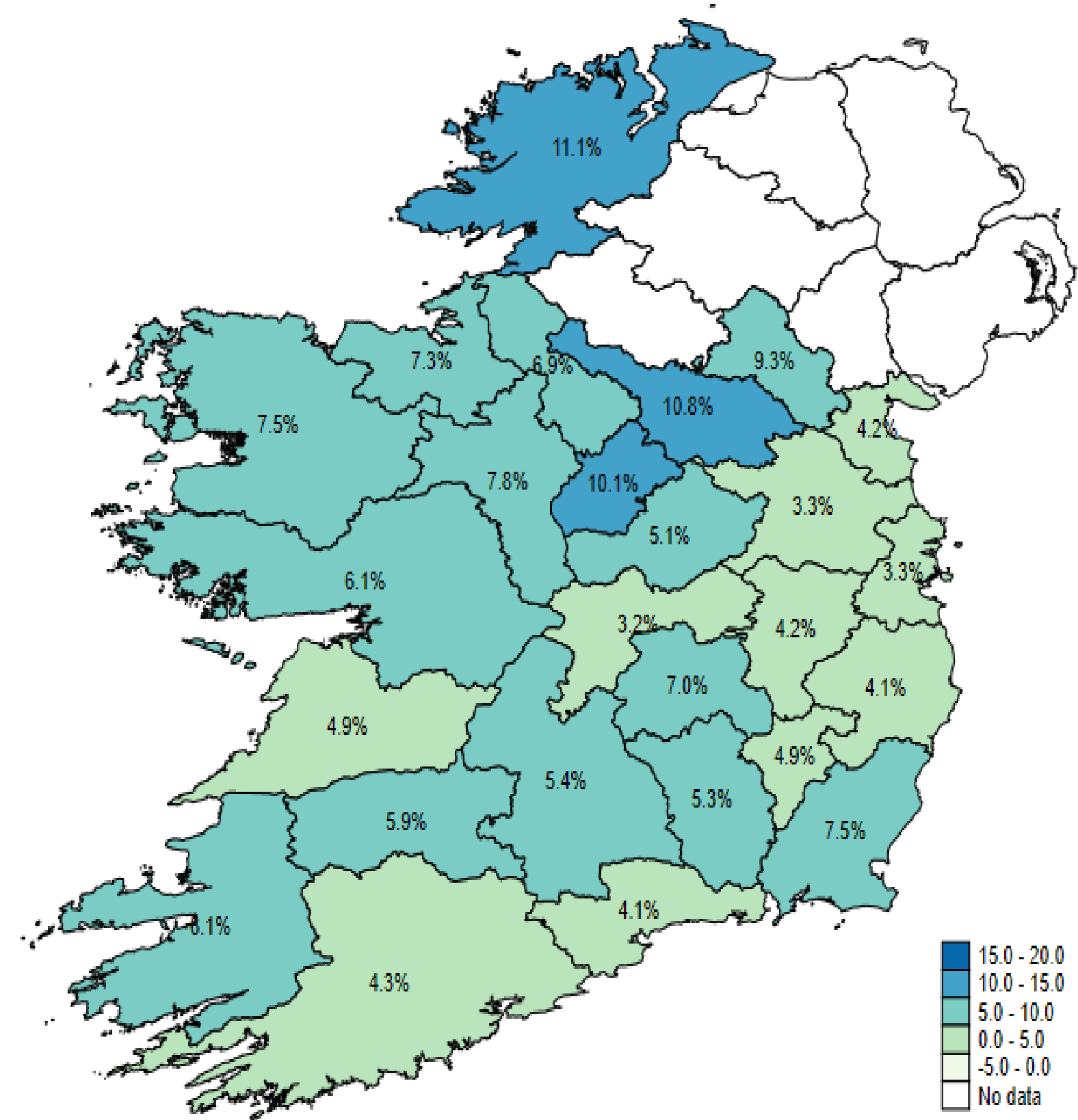


Q4 2024 Annual Rate of Change (%) – County

New Tenancies



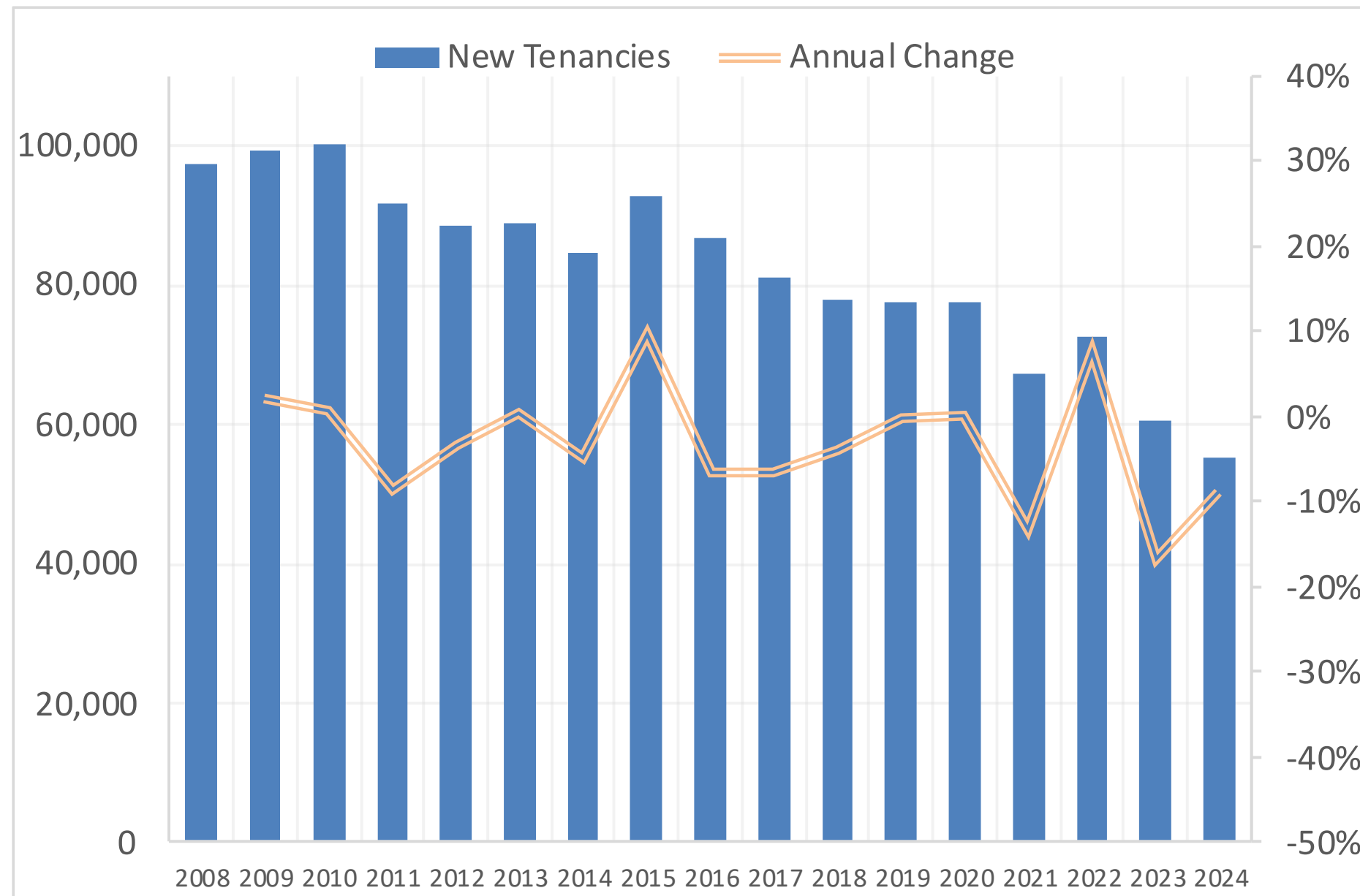
Existing Tenancies



Counties – Annual Rental Inflation Trends

- Clear moderation in new tenancy inflation in past few quarters nationally & across broad regions
- Mixed bag for persistence of new tenancy rental inflation across counties
 - Clearly fallen in some after period of high growth e.g. Cavan, Clare, Donegal, Westmeath
 - Remains persistently high in others e.g. Kerry, Wicklow, Galway, Tipperary, Leitrim & Longford
 - No clear geographical pattern
 - Doesn't appear to be driven by specific LEAs within those counties

Annual Number of New Tenancy Registrations in Rent Index Sample 2008-2024



- New tenancy registrations in 2024 currently down on 2023 numbers
 - But only slightly below same stage 1 year ago 55.2k vs 56.5k)
- Note falling numbers of new registrations over time DO NOT tell us anything about overall size of PRS – more related to less turnover in the market

Key Takeaways – Q4 2024 Rent Index

- National standardised average rent for new tenancies: €1,680, €240 or 16.6% higher than for existing tenancies (€1,440)
- Standardised average rent for new tenancies rose 5.5% in the year to Q4 2024, down from much higher inflation rate seen one year ago (8.4%)
 - Average new rent continues to rise but clear moderation in inflation rate since 2023/early 2024
 - Fall off in new apartments in Dublin pulling the inflation rate back down? Plus impact of rise in interest rates, high inflation that led to high rental inflation OGDAs mainly having passed?
- Growth in standardised average rent for new tenancies remains highest Outside the GDA, but this has fallen compared to recent quarters
- While new tenancy rental inflation has fallen in many counties, it remains persistently high in Kerry, Wicklow, Galway, Tipperary, Leitrim and Longford
- Nationally, the standardised average rent for existing tenancies grew 4.6% y-o-y – clear moderation in inflation throughout 2024, especially in second half of the year