

MEDIA RELEASE

UNDER STRICT EMBARGO UNTIL 12:01AM THURSDAY, 27TH SEPTEMBER 2018

According to the RTB's latest Rent index, nationally the annual growth rate for rents in Q2 2018 was 7.6%, up from 6.9% in the previous quarter

- *The national standardised average rent was €1,094, an increase of €77 year-on-year.*
- *New analysis in the rent index shows that annual rent inflation in existing tenancies grew by just over half the rate (4.9%) of new tenancies (8.4%).*
- *The Report based on over 18,700 new and renewed tenancies in Q2 2018 showed that in Dublin the standardised average rent was €1,587, while in the Greater Dublin Area (Wicklow, Kildare, Meath) this stood at €1,118, and outside the GDA this was €817.*
- *On a quarter-on-quarter basis, the rental price inflation increased in Q2 2018 to 3.4% up from 2.7% one year earlier.*
- *National growth rates are being influenced by the Dublin and the Greater Dublin Area which account for just under half of all tenancy agreements.*

Thursday, 27th September 2018: According to the [Residential Tenancies Board](#) (RTB), in the April – June period of 2018 (Q2), the standardised national average rent was €1,094 per month, up from €1,017 one year earlier.

Nationally, rents grew at 7.6% annually in Q2 2018, particularly in and around urban centres, which represents an increase from 6.9% in Q1 2018. On a quarter-on-quarter basis, the rental price inflation increased in Q2 2018 to 3.4% up from 2.7% one year earlier. This follows a period of more moderate growth on a quarterly basis.

The data is reported in the RTB's Quarter 2 2018 Rent Index report published today. The report is produced in conjunction with the Economic and Social Research Institute (ESRI) and is based on 18,716 new tenancies registered with the RTB in the same quarter.

The report contains new data, for the first time, on rental trends in existing and new tenancies along with analysis on trends in the composition of the market. The data on existing tenancies shows the year on year growth at 4.9% compared to 8.4% in new tenancies. New market insights show the share of tenancies across the country with Dublin and the Greater Dublin Area accounting for over half of all tenancy agreements. The new analyses also show that in terms of the number of occupants, one or two occupants were in the majority of properties. Since quarter four of 2017, a slight decline in the shares of properties occupied by three or more people can be observed.

Commenting on the Rent Index Q2 results, Rosalind Carroll, Director of the Residential Tenancies Board said:

“Affordability remains a significant issue in the rental market with continued economic and population growth contributing to rising demand. We can see rents have continued to increase with growth rates back up in Dublin.

However, additional analysis carried out in this rent index, gives us more insight into what is driving growth, particularly in Rent Pressure Zones. We have developed a new indicator to allow us to separate rental data for new tenancies and existing tenancies, or tenancies that are being renewed. This found that the rate of rental inflation year-on-year for existing tenancies was 4.9% just over half of the rate for new tenancies, which is 8.4%. This shows that rent inflation in existing tenancies is more in line with what we would expect to see in Rent Pressure Zones.”

“New lettings show a larger increase year-on-year, exemptions from RPZs will explain some of this. However, it is also clear that this market must continue to be monitored and it underscores the importance of the proposed legislation in this area.”

“This new data is important in assisting the RTB to prepare for the new enforcement powers which it is hoped will be introduced before the end of the year. This will allow the RTB to investigate and apply sanctions where there are contraventions to the rent restrictions in Rent Pressure Zones.”

A summary of the figures from the report are below. To access the full Index Report findings and supporting info-graphic, you can access the links here;

- Rent Index Report Q2 2018: <https://app.box.com/s/jwbfy6gmt8ti2k03g5z71jf1ovmyhdfc>
- Supporting infographic: <https://app.box.com/s/zubk26nr69kafyxavfpsow54akb2eotr>

Rent Index Results for Dublin

- The annualised new rent increase nationally is +7.6% with Dublin the highest single region (+8.8%).
- Dublin City rents have accelerated by 9.5% on an annualised basis in Q2 2018. This is driven by growth of rents for apartments, which on an annual basis grew by 9.1%, whereas houses grew by 6.4%.
- As of Q2 2018, the standardised average rent for Dublin stood at €1,587, representing an increase of €128 on average monthly rent over a 12-month period.
- Comparing across the different cities presented, rents are highest in Dublin City and stood at €1,549 as of Q2 2018. It is unsurprising that Dublin City rents are highest given the concentration of employment and population in the capital city.
- This compares to standardised average rents for Dublin as a whole of €1,587. The higher rents outside the city boundary may reflect the mix of property types in the two sub markets as well as the exclusion of the high price rental areas in south county Dublin.

Outside Dublin

- The standardised average rent for outside the Greater Dublin Area (GDA) stood at €817 up from €768 year-on-year. The annual growth rate for outside the GDA is 6.3%, down from 6.5% in Q1 2018.
- Second highest rents in Q2 2018 were in Cork City at €1,123 per month. Galway City standardised average rents stood at €1,065 for Q2 2018, rents in Limerick City were €880 and rents in Waterford City were €646.
- In the larger cities Cork City's year on year change was 6.2% compared to Dublin City, 9.5% and Limerick, 12.4%.
- On an annualised basis, rents in Limerick City have been growing most rapidly at 12.4% in Q2 2018.
- In the Greater Dublin Area (Kildare, Wicklow, Meath) the annual rate of growth is down from 6.3% Q1 2018 to 5.5% in Q2 2018. The Standardised Average Rent for the GDA now stands at €1118, up from €1101 in Q1.
- In the GDA the largest share of rents corresponds to the €500-€1000 category, and only 3% are above €1500. This compares to Dublin where nearly half of rents are over €1500.

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To arrange an interview with Rosalind Carroll, Director of the Residential Tenancies Board please contact; Jillian Garvey, Carr Communications jgarvey@carrcommunications.ie / 083 8919 583

NOTES TO EDITOR:

Rental Developments across cities RTB Rent Index – Irish Cities Index Q2 2018

RTB Rent Index – Irish Cities						
	Index Q2 2018	Standardised Average Rent Q2 2018	Standardised Average Rent Q1 2018	Q-o-Q Change (%)	Standardised Average Rent Q2 2017	Y-on-Y Change (%)
Cork City	110	1123	1070	4.9	1057	6.2
Dublin City	128	1549	1478	4.8	1414	9.5
Galway City	103	1065	1019	4.5	990	7.6
Limerick City	121	880	844	4.3	783	12.4
Waterford City	91	646	634	1.9	622	3.8

The Residential Tenancies Board and the Rent Index report

The RTB Rent Index is the most accurate and authoritative rent report of its kind on the private accommodation sector in Ireland, as it is based on actual data from all new tenancy agreements registered with the RTB nationally in Q4 this year.

This regulatory data is more accurate than any other samples informing other reports or indices. The Residential Tenancies Board (RTB) is a public body set up to support and develops a well - functioning rental housing sector. Our remit covers both the private rental sector and not-for-profit housing providers also referred to as Approved Housing Bodies.

Our role is to regulate the rental sector; provide information to tenants and landlords; maintain a national register of tenancies; resolve disputes between tenants and landlords; conduct research and provide information to inform policy.

Information, education and research

We provide high quality information to tenants and landlords as well as to the general public to help them understand their rights and responsibilities.

We also provide accurate and authoritative research and data on the rental sector, such as the RTB Quarterly Rent Index, which allows us to monitor trends in the rental sector and also allows individuals to compare rents in particular locations.

Registrations

All private residential landlords and Approved Housing Bodies are obliged to register their tenancies. A public register is available on our website. The registration of tenancies enables us to collect important data on the sector, and is also a key part of regulating and supporting the sector and ensuring landlords and tenants are aware of their rights and responsibilities.

Dispute resolution services

Since 2004, we have replaced the courts in dealing with the majority of disputes between landlords and tenants through our Dispute Resolution Service. This service offers a choice of resolution types to parties – mediation or adjudication.

For more information, please see www.rtb.ie

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