

Performance of the **PRIVATE RENTAL MARKET** IN NORTHERN IRELAND



H1 2025
Issue Number 25



INTRODUCTION

This survey analyses the performance of the Northern Ireland rental market during the first half (January to June; 'H1') of 2025. The report provides an analysis of trends and patterns at a regional level during this six-month period, drawing comparisons with the second half of 2024 as a measure of half yearly change and with the same period in 2024 as an indicator of annual change. The report is produced by Ulster University in partnership with the Northern Ireland Housing Executive (NIHE) and PropertyNews.com.

The statistics presented in this report are based on a sample of 8,470 rental transactions recorded on PropertyNews.com and the Housing Executive's 'LHA dataset for Housing Benefit' database for the first half of 2025.

As noted in previous reports, at the start of 2020 the Housing Executive's Housing Benefit Unit made a policy decision to reduce the overall volume of data collected for LHA purposes by approximately one third. In addition to this, from Q1 2022, methodological changes were implemented in the data collection, cleaning and merging of the LHA and PropertyNews.com datasets and in the reporting process. More recently, a change in the volume of source data from mid-2024 onwards will affect reported transaction levels.

The changes outlined will have impacted on the overall size of the half-yearly samples from H1 2020, subsequently from H1 2022, and again from mid-2024. This means that transaction numbers reported between 2020 and 2024 are not directly comparable with each other or with previous totals. Caution should therefore be exercised when considering changes over time in the number of transactions captured in the analysis, and/or when drawing market transaction comparisons.

In this report, information is presented on the residential rental sector for Northern Ireland, with an analysis of average rental prices by different property types and number of bedrooms. The overall performance of the private rental market is measured by a weighted rental index, reflecting the weighted average by property type. The index measures changes in average rents over time and is set to a base value of 100 for the first quarter of 2013. Regional analysis also considers trends, primarily, in Local Government Districts (LGDs), as well as by functional Housing Market Areas (HMAs), identified in research for the Housing Executive.

KEY FINDINGS

Rents remain historically high across Northern Ireland, with H1 2025 recording a strong step-up in levels and a widening gap between Belfast and the rest of the region. The NI average rent rose to £974, up by 7.9% over the half-year and 10% annually, while Belfast climbed to £1,130 on average. The average rent in LGDs outside Belfast increased more moderately to £850. Quarter-on-quarter readings reveal relative parity with the sharp jump observed in Q1 (NI average £987 in Q1 to £960 in Q2 2025), indicating moderation rather than reversal heading into the second half of 2025.

Affordability pressures remain mixed. At the headline level, median rent now absorbs 36.4% of median household income across NI (a slight improvement from 37.6% in H2 2024). However, stress is intensifying for lower-income renters: lower quartile (LQ) rent equates to 46.1% of LQ income NI-wide, and 53.2% in Belfast. Within Belfast, the median rent burden rose to 41.7% of median income, underlining how city-level rent growth has outpaced incomes. Price dispersion continues to widen toward higher bands. Properties with monthly rent above £1,100 now represent 25.2% of NI lettings and 40.7% in Belfast; sub-£600 lets are negligible in the city and few elsewhere, confirming the shift into higher price points. The Northern Ireland Private Rental Index (NIPRI) rebounded to a new high of 186.8 in Q1 2025, then eased to 181.8 in Q2 2025; the H1 2025 average (184.3) was 7.6% above H2 2024. This confirms price pressures remain elevated even as momentum appears to have tempered.

Key Trends in the Rental Market H1 2025

- NI average rent increased 7.9% over the half-year to £974, marking an annual increase of 10%.
- The average monthly rent in Belfast rose 11.8% over the half-year to £1,130, and by 10.9% in annual terms. South Belfast £1,276 and City Centre £1,145 are the highest sub-markets.
- LGDs outside Belfast increased by 2.8% over the half-year to £850, reflecting a rise of 6.7 % over the year.
- The Northern Ireland Private Rental Index stands at 181.8 in Q2 2025; reflecting a 7.6 percentage point increase.
- Rent distribution shifted higher: >£1,100 now accounts for 25.2% of NI lets (40.7% in Belfast); the £800–£999 band is now the centre of gravity for many new lets.
- Affordability has eased slightly overall: the median rent now takes 36.4% of income in NI (down from 37.6% in H2 2024) but is higher in Belfast at 41.7%. For lower-income households the strain is greater - rent absorbs 46.1% of income NI-wide and 53.2% in Belfast.

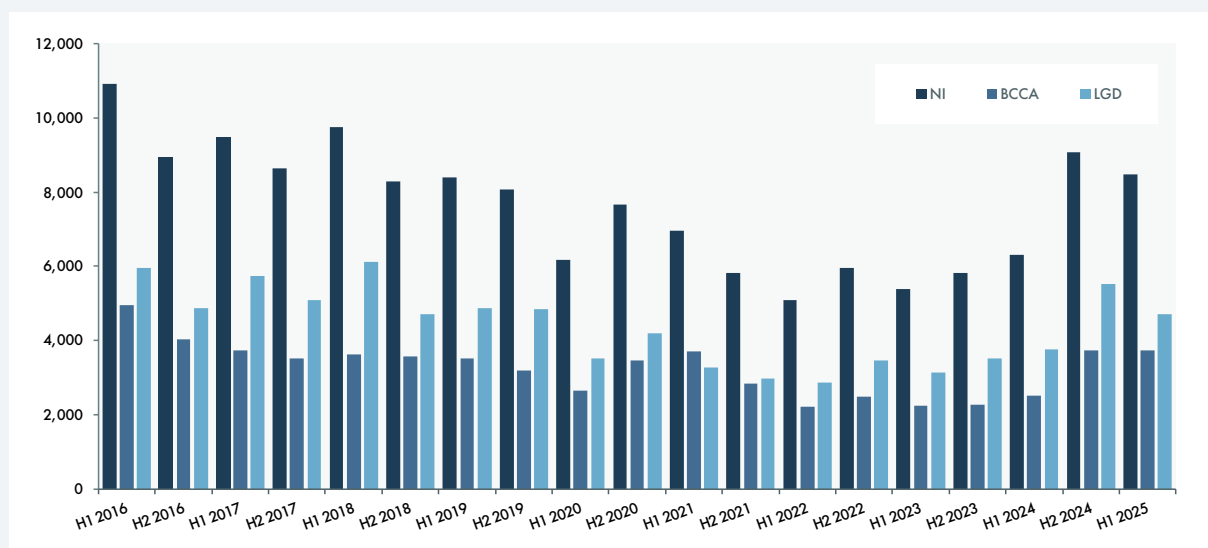
RENTAL TRENDS

Number of Lettings

For the first half of 2025, the number of rental transactions captured in the sample was 8,470. This is 6.5% lower than H2 2024 (9,059), although 34.3% higher than H1 2024 (6,307). As with the step change seen in H2 2024, the elevated level in H1 2025 largely reflects broader source-data coverage rather than a fundamental shift in market activity. The modest pullback from H2 2024 should therefore not be interpreted as a sharp weakening in rental market conditions.

Figure 1 shows that there had been a longer-term downward trend in transactions prior to the reporting change. That earlier decline likely reflected constrained rental stock and landlords exiting the sector; in some locations, higher vacancies tied to affordability pressures may also have contributed. The H1 2025 sample provides a more comprehensive view of activity but does not materially change the assessment of underlying market conditions.

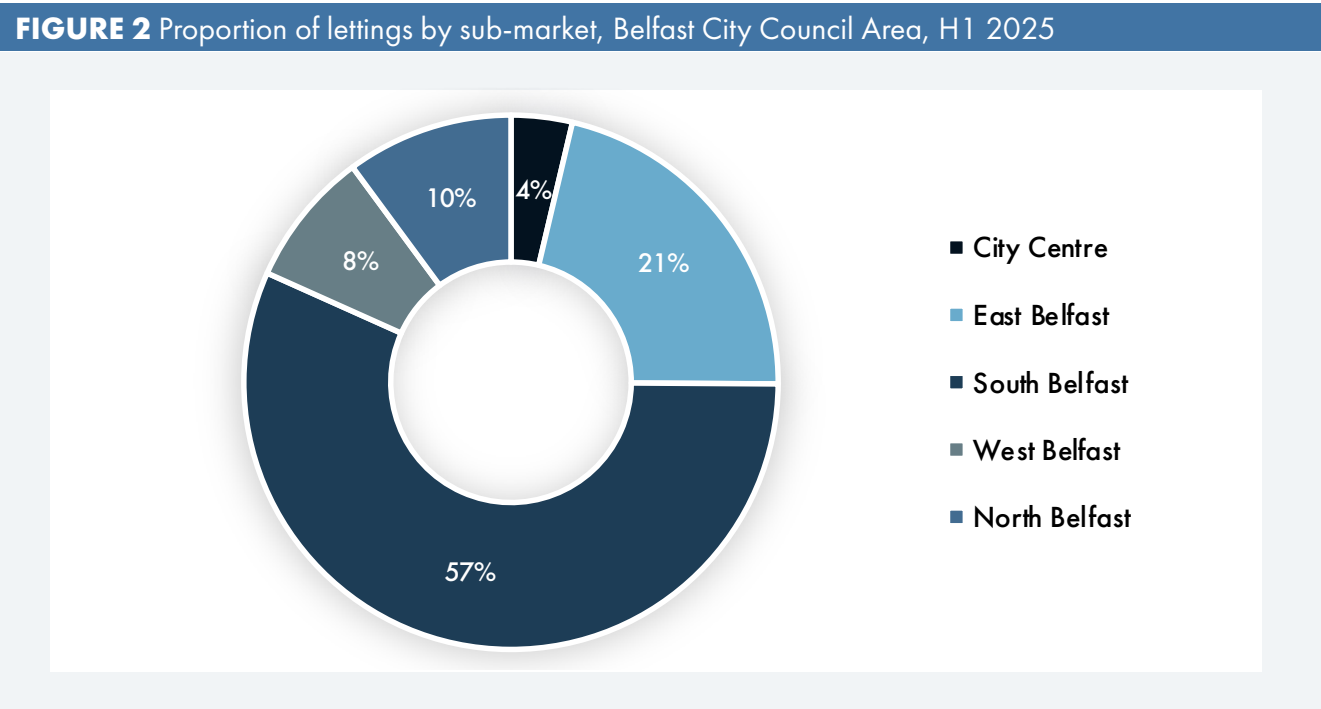
FIGURE 1 Number of lettings – NI, Belfast City Council Area and other LGDs, H1 2016-H1 2025



Belfast City Council Area

For H1 2025, the number of lettings captured in the Belfast sample was 3,750. This is broadly unchanged from H2 2024 (+0.6%) but remains 48.3% higher than H1 2024. As already noted, the elevated sample from mid-2024 primarily reflects improved source-data coverage rather than a fundamental shift in rental market conditions.

In this survey, Belfast accounted for 44.3% of all rental transactions, up from 41.2% in H2 2024 but still broadly in line with longer-term patterns. The higher share is consistent with better data capture rather than an easing of the supply and affordability pressures that have constrained the local market. Within Belfast, South Belfast (56.6%) and East Belfast (21.4%) continue to account for the greatest proportion of lettings, with South Belfast maintaining the largest share. A comparatively lower volume of activity was recorded in North Belfast (10.1%) and West Belfast (8.2%), while the City Centre (3.7%) again represented the smallest share of the sample (Figure 2).



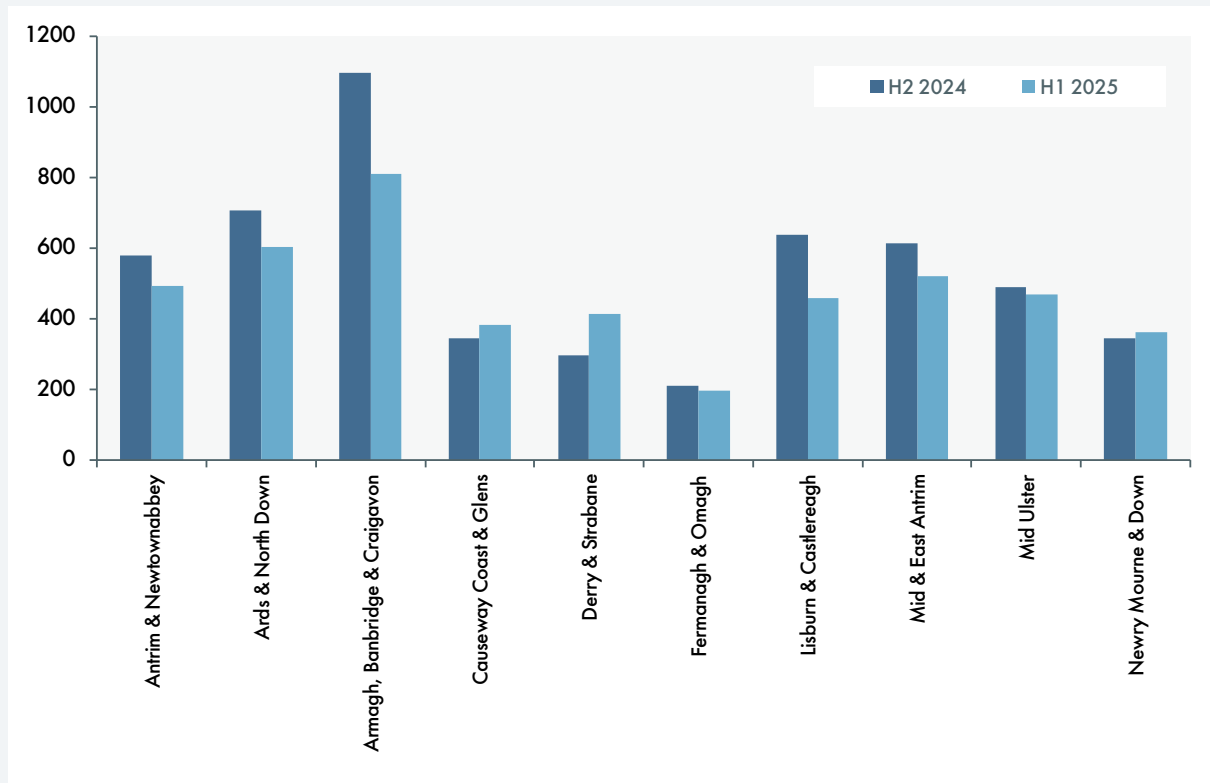
Local Government Districts

For this reporting period (H1 2025), there were 4,720 lettings in LGDs outside Belfast. This was 14.7% lower than H2 2024 (5,530) but 24.9% higher than H1 2024 (3,779). Again, the differences from mid-2024 largely reflect changes in source-data coverage. The size of the sample nonetheless indicates sustained demand for rental properties beyond Belfast.

LGDs outside Belfast accounted for 55.7% of all recorded transactions in Northern Ireland (down from 58.8% in H2 2024). This suggests renters continue to look beyond the Belfast area, though Belfast’s share increased modestly this period. Outside Belfast, the Armagh, Banbridge & Craigavon LGD (811) saw the highest volume of transactions, followed by Ards & North Down (604) and Mid & East Antrim (522). Compared with previous surveys, a number of districts saw a reduction in transactions, the greatest of which was in Lisburn & Castlereagh (down 28%, to 459). Newry, Mourne & Down (364) and, by some margin, Fermanagh & Omagh (197) observed the least market churn.

As in previous surveys, the greatest level of activity remains in the wider Belfast metropolitan area and along the main arterial corridors (e.g., Armagh, Banbridge & Craigavon, Ards & North Down, Lisburn & Castlereagh, Mid & East Antrim, and Antrim & Newtownabbey). While volumes eased from H2 2024’s elevated level, this largely reflects normalisation in data capture rather than a marked deterioration in market fundamentals.

FIGURE 3 Number of lettings by Local Government District (outside Belfast), H2 2024 and H1 2025



MARKET SHARE

The composition of rental stock transacting in H1 2025 remains broadly consistent with longer-term trends. Terrace/townhouse properties continue to hold the largest share at 38% (3,229), followed by apartments at 36% (3,043). Semi-detached homes account for 15% (1,280) and detached for 11% (918). Compared with H2 2024, apartment volumes rose 4.6%, while terraces (-9.1%), semis (-16.0%) and detached (-14.5%) eased -pointing to a stable market mix with a modest tilt toward smaller property types.

Belfast City Council Area (BCCA)

In Belfast, analysis of market segments showed that apartments remain the largest rental sector, rising to 49% (1,822) of transactions, ahead of terrace/townhouse at 43% (1,610). Together they make up 92% of all Belfast lettings. Semi-detached properties comprised 7% (271) and detached 1% (47). Half-year movements show apartments (+12.3%), terrace/townhouse (-4.9%), semis (-16.6%), and detached (-46.6%), highlight Belfast's continued market demand for smaller properties, although this needs to be considered in the context of available inventory.

Local Government Districts (LGDs) Outside Belfast

The distribution of rental lettings by property type in LGDs outside Belfast remained broadly in line with previous trends, however, the rental mix remains more varied than in Belfast: terrace/townhouse 34% (1,619), apartments 26% (1,221), semi-detached 21% (1,009), and detached 19% (871). Overall, whilst volumes across types were lower than H2 2024, the structural pattern - greater representation of semi-detached and detached properties in LGDs outside of Belfast - remains intact.

TABLE 1 Properties let by type, H1 2025

Property type	NI	HY Δ	BCCA	HY Δ	LGDs	HY Δ
Apartment	3,043 (36%)	4.6%	1,822 (49%)	12.3%	1,221 (26%)	-5.1%
Terrace/Townhouse	3,229 (38%)	-9.1%	1,610 (43%)	-4.9%	1,619 (34%)	-13.0%
Semi-detached	1,280 (15%)	-16.0%	271 (7%)	-16.6%	1,009 (21%)	-15.9%
Detached	918 (11%)	-14.5%	47 (1%)	-46.6%	871 (19%)	-11.6%
ALL	8,470	-6.5%	3,750	0.6%	4,720	-11.4%

Δ denotes percentage change by comparison with the number of properties of each type in the previous half-year sample. However, for this report the volume of source data will impact on reported transaction levels meaning that caution should be exercised when drawing market transaction comparisons.

The market composition by number of bedrooms remains broadly consistent with previous reports, with only modest shifts. Across Northern Ireland, two- and three-bedroom properties continue to dominate at 74% of lettings (H2 2024: 76%). Volumes fell half-on-half for 1-bedroom (-5%), 2-bedroom (-8%), and 3-bedroom (-11%), while 4+ bed lettings rose 11%, leaving shares at 1-bedroom (11%), 2-bed (38%), 3-bed (36%), 4+ bed (11%), respectively.

For Belfast City Council Area, two and three-bed properties together accounted for 68% of lettings, a reduced share for the previous half year (H2 2024: 73%). Two-bed homes remain the largest segment at 45% but were down 10.3% on the half year period. Three-bed lettings edged up to 23% (2.7%). Notably, 4+ bedroom lettings increased sharply to 20% of Belfast activity (+51.5%), while one-bedroom slipped to 12% (-11.2%).

Turning to LGDs outside Belfast, the mix remains distinct from Belfast: three-bed properties still dominate at 47% (H2 2024: 49%), with two-bed at 32% (a slight recovery from 30% in H2 2024). One-bed share was 9%, up 3.6% in volume, and 4+ bed held at 13%.

TABLE 2 Properties let by size, H1 2025

No. of bedrooms	NI	HY Δ	BCCA	HY Δ	LGDs	HY Δ
1 Bedroom	891 (11%)	-4.6%	458 (12%)	-11.2%	433 (9%)	3.6%
2 Bedroom	3,198 (38%)	-8.2%	1,697 (45%)	-10.3%	1,501 (32%)	-5.8%
3 Bedroom	3,054 (36%)	-11.3%	860 (23%)	2.7%	2,194 (47%)	-15.8%
4+ Bedroom	1,327 (16%)	10.8%	735 (20%)	51.5%	592 (13%)	-17.0%
ALL	8,470	-6.5%	3,750	0.6%	4,720	-11.4%

Δ denotes percentage change by comparison with the number of properties of each size in the previous half-year sample. However, for this report the volume of source data will impact on reported transaction levels meaning that caution should be exercised when drawing market transaction comparisons.



DISTRIBUTION OF RENTS

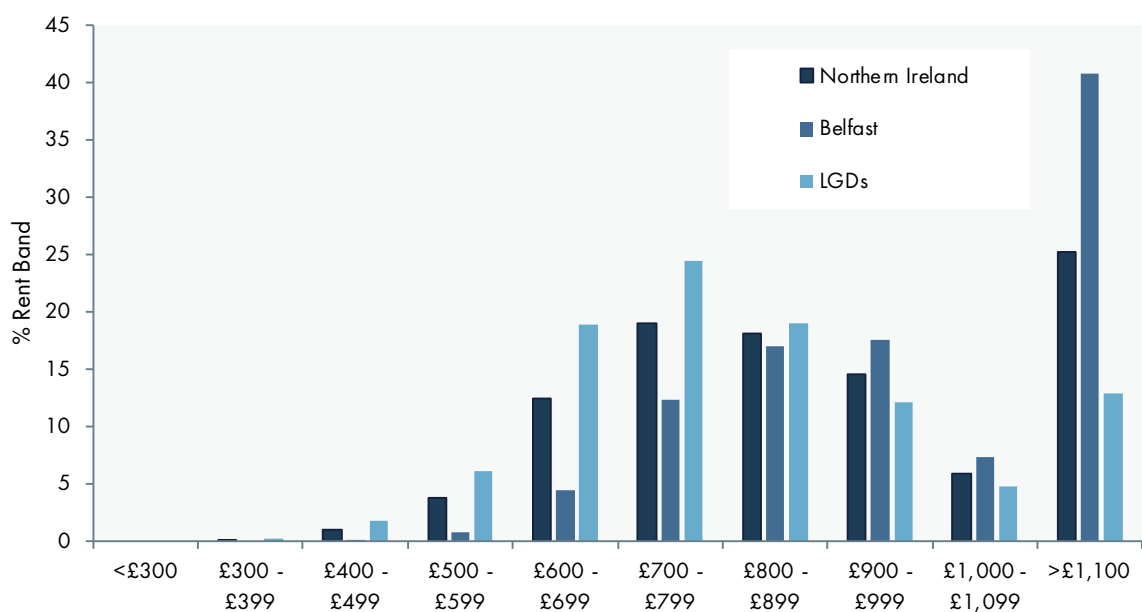
Rents continued to shift upwards in the first half of 2025. Properties let for £500–£599 accounted for just 3.7% of transactions across Northern Ireland (Belfast: 0.7%; LGDs: 6.1%), down from 5.7% in H2 2024. As a result, the share of lettings above £600 rose again to 95.1% for NI as a whole (H2 2024: 92.6%), reaching 99.2% in Belfast and 92.0% in LGDs outside Belfast. The sub-£500 bands are now negligible in Belfast and small elsewhere, underscoring the broad-based shift into higher price points.

The middle of the market remains busy but is tilting higher. The £700–£799 band captured 19% of NI lettings (12.3% in Belfast and 24.4% in LGDs), slightly lower than the previous half year. Activity between £800 and £999 is substantial across all areas, accounting for 32.6% of NI lettings in total (Belfast 34.5%, LGDs 31.1%), indicating that the centre of gravity for new lets now sits firmly in the £800–£999 range outside the city and only slightly higher within it.

At the top end, the >£1,100 bracket expanded markedly. It now represents 25.2% of lettings across NI (H2 2024: 18.2%), driven by a sharp rise in Belfast to 40.7% (H2 2024: 28.5%). LGDs also edged up to 12.9% (H2 2024: 11.0%). This widening gap highlights structural differences between the city – where demand and product mix skew toward higher-spec, higher-rent stock – and the rest of the region.

Overall, H1 2025 reinforces the pattern seen through 2024: fewer lettings in the lower bands, a concentration in the £700–£999 range, and a growing share in >£1,100, particularly in Belfast. These movements confirm the continued migration of lettings into higher price bands – most pronounced in Belfast – and point to persistent affordability pressures and a tightening supply of lower-cost options across Northern Ireland.

FIGURE 4 Proportion of properties let by rent band – NI, BCCA and other LGDs, H1 2025



Rent structure

The distribution and variance of rents continue to point to upward pressure across most district council areas. Mean and median rents rose in nearly every LGD compared with the previous survey, the only notable exception being Derry & Strabane, where the mean eased from £786 in H2 2024 to £765 (median £702). Taken together with the rent-band analysis, this confirms the ongoing shift of lettings into higher price points, driven by tight stock, firm demand and, in some sub-markets, bidding and waiting lists.

Belfast recorded the highest rents with a mean of £1,130 and median of £994; the interquartile range (IQR)¹ spans £850-£1,290. Ards & North Down (mean £1,006; median £900; IQR £775-£1,100) and Lisburn & Castlereagh (mean £989; median £905; IQR £800-£1,100) also sit at the top end of the region. At the other end of the scale, Fermanagh & Omagh remains the lowest priced rental market (mean £714; median £692; IQR £615-£800), followed by Mid-Ulster (mean £754; median £731). Most other LGDs posted mid-to-high £700s to £800s mean rents: e.g., Antrim & Newtownabbey £853, Causeway Coast & Glens £850, Mid & East Antrim £835, and Newry, Mourne & Down £875.

The CoV² provides a comparable measure of how widely rents vary within each area. Causeway Coast & Glens shows the widest spread at 45%, followed by Ards & North Down (39%) and Lisburn & Castlereagh (34%). Belfast's CoV is 32%, lower than in the previous survey, indicating a modest narrowing in intra-city dispersion despite higher average levels. At the more uniform end of the spectrum, Armagh, Banbridge & Craigavon (20%) and Mid-Ulster (21%) exhibit the lowest variability, suggesting relatively consistent pricing within those markets. Across many LGDs, the CoV is flat or a little lower than H2 2024, pointing to some tightening in price dispersion even as average levels rise. Key findings from this survey include:

- Belfast recorded the highest average rent at £1,130 with a median rent of £994, indicating continued rent increases across the city.
- Ards & North Down (£1,006) and Lisburn & Castlereagh (£989) followed in terms of high average rents, reflecting their desirability as rental locations in the Greater Belfast commuter belt.
- Lowest average rents were recorded in Fermanagh & Omagh (£714) and Mid-Ulster (£754), reinforcing the former's position as one of the more affordable markets, when measured by average rent level.
- Causeway Coast & Glens displayed the highest rent variability (45% CoV), with the lowest variability seen in Armagh, Banbridge & Craigavon (20%) and Mid-Ulster (21%), again suggesting a more stable pricing structure in these areas.

These results underscore persistent affordability challenges: most areas are seeing higher typical rents, and several of the larger markets still display wide price dispersion, reflecting differing product types and demand pressures within local sub-markets.

¹The interquartile range (IQR) is the central half of the dataset, and thus measures where the bulk of the values lie. It provides a picture of the spread around the median, excluding any outliers.

²The Coefficient of Variation (CoV) is a measure of relative variability. It is the ratio of the standard deviation to the mean (average). The CoV is particularly useful when comparing results from surveys or samples that have different measures or values. In this case, for example, if the sample for District A has a CoV of 10% and the sample for District B has a CoV of 20%, we can say that District B has more variation in rent, relative to its mean rent, than District A.

TABLE 3 Average, median, 25th and 75th percentile rents and coefficient of variance by LGD, H1 2025

Council area	Average rent (£)	Coefficient of variance (%)	Median rent (£)	25th percentile	75th percentile
Antrim & Newtownabbey	£853	27	£795	£700	£900
Ards & North Down	£1,006	39	£900	£775	£1,100
Armagh Banbridge & Craigavon	£787	20	£750	£672	£850
Belfast	£1,130	32	£994	£850	£1,290
Causeway Coast & Glens	£851	45	£800	£690	£925
Derry & Strabane	£765	30	£702	£607	£850
Fermanagh & Omagh	£714	26	£692	£615	£800
Lisburn & Castlereagh	£989	34	£905	£800	£1,100
Mid & East Antrim	£835	28	£767	£682	£900
Mid-Ulster	£754	21	£731	£650	£828
Newry Mourne & Down	£875	30	£833	£749	£957



FIGURE 5

RENTAL PERFORMANCE BY REGION, H1 2025

Rental Price Annual Percentage Change

(-3.0) - (-0.1%)	5.0 - 7.4%
0.0 - 2.4%	7.5 - 9.9%
2.5 - 4.9%	10.0 - 12.4%

Causeway Coast and Glens	
Average rent H1 2025	£851
Average rent H2 2024	£810
Half yearly variance	5.0%
Average rent H1 2024	£725
Annual variance	17.3%

Derry and Strabane	
Average rent H1 2025	£765
Average rent H2 2024	£786
Half yearly variance	-2.7%
Average rent H1 2024	£704
Annual variance	8.7%

Fermanagh and Omagh	
Average rent H1 2025	£714
Average rent H2 2024	£687
Half yearly variance	3.9%
Average rent H1 2024	£665
Annual variance	7.4%

Mid Ulster	
Average rent H1 2025	£754
Average rent H2 2024	£739
Half yearly variance	2.0%
Average rent H1 2024	£693
Annual variance	8.8%

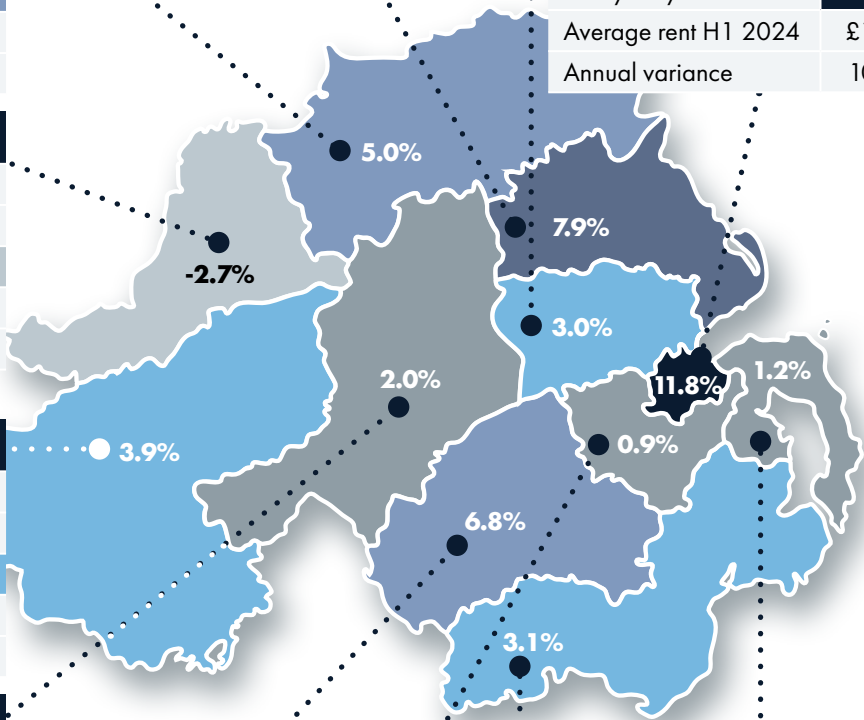
Armagh, Banbridge and Craigavon	
Average rent H1 2025	£787
Average rent H2 2024	£737
Half yearly variance	6.8%
Average rent H1 2024	£734
Annual variance	7.2%

Mid and East Antrim	
Average rent H1 2025	£835
Average rent H2 2024	£774
Half yearly variance	7.9%
Average rent H1 2024	£758
Annual variance	10.1%

Northern Ireland	
Average rent H1 2025	£974
Average rent H2 2024	£903
Half yearly variance	7.9%
Average rent H1 2024	£886
Annual variance	10%

Antrim and Newtownabbey	
Average rent H1 2025	£853
Average rent H2 2024	£828
Half yearly variance	3.0%
Average rent H1 2024	£763
Annual variance	11.7%

Belfast	
Average rent H1 2025	£1,130
Average rent H2 2024	£1,011
Half yearly variance	11.8%
Average rent H1 2024	£1,019
Annual variance	10.9%



Ards and North Down	
Average rent H1 2025	£1,006
Average rent H2 2024	£994
Half yearly variance	1.2%
Average rent H1 2024	£942
Annual variance	6.8%

Lisburn and Castlereagh	
Average rent H1 2025	£989
Average rent H2 2024	£980
Half yearly variance	0.9%
Average rent H1 2024	£930
Annual variance	6.3%

Newry, Mourne and Down	
Average rent H1 2025	£875
Average rent H2 2024	£849
Half yearly variance	3.1%
Average rent H1 2024	£821
Annual variance	6.6%

NORTHERN IRELAND

Average rents continued to move higher across Northern Ireland in the first half of 2025, extending the upward trajectory established over the past year. The Northern Ireland average rose to £974 per month, an increase of 7.9% on the previous half year (H2 2024: £903) and 10.0% on an annual basis (H1 2024: £886). The pattern of growth was broadly based, with only one district posting a half-year decline.

Belfast remains the most expensive part of the market and was also the principal driver of the latest uplift. The city-wide average climbed to £1,130, up 11.8% compared with H2 2024 and 10.9% year on year. This acceleration widened the absolute “rental gap” between Belfast and the rest of Northern Ireland to £279 (H2 2024: £184), while the gap to the overall NI average stood at £123. The step-up reflects persistent demand for centrally located and well-connected stock and continued tightness in supply, with little sign of easing turnover at the top end of the market.

Outside the city, half-year gains were recorded in most districts, albeit at a more measured pace. Mid & East Antrim posted a notable increase of 7.9%, and Armagh, Banbridge and Craigavon rose 6.8%, signalling firmer conditions after a period of gradual appreciation. Coastal and western districts also showed rent price growth, with Causeway Coast & Glens up 5.0% and Fermanagh & Omagh up 3.9% over the half year. Derry & Strabane was the one area to buck the trend, recording a small half-year fall, though average rent remained higher than a year ago. On an annual basis, increases spanned roughly 6% to 17%, led by Causeway Coast & Glens (+17.3% YoY), underlining how demand has broadened beyond the core metropolitan market into commuter, coastal and regional centres.

Overall, the evidence points to persistent pricing pressure across the province, with affordability increasingly stretched in areas where supply remains most constrained.

Across Northern Ireland, rents increased across all property types between H2 2024 and H1 2025, with the overall average rising 7.9% to £974 per month. Momentum was strongest in medium-density stock, where demand remains broad-based and supply tight.

Terrace/townhouse properties led the half-year gains, with the average rent up 12.5% to £990. Apartments also recorded a firm uplift, rising 8.2% to £933, reflecting continued pressure in urban and well-connected locations popular with smaller households. Semi-detached properties posted a more measured increase of 4.3% to £950, consistent with stable family demand and relatively constrained turnover. At the top end, detached homes edged up 1.0% to £1,090 - the highest absolute rent level despite the smallest half-year change - suggesting some price resistance and mix effects after earlier strong growth.

Taken together, the pattern points to sustained rental inflation concentrated in the apartment and terrace segments, steady firming in semi-detached properties, and a high but cooler trajectory for detached homes. This distribution of growth aligns with affordability dynamics, persistent competition for mid-market stock and the importance of supply in easing market conditions.



LOCAL GOVERNMENT DISTRICTS OUTSIDE BELFAST

Rents continued to edge higher across LGDs outside the Belfast City Council Area (BCCA). The aggregate average rose to £850 per month, up 2.8% on the half year (H2 2024: £827) and 6.7% year-on-year (H1 2024: £797). Despite this growth, LGDs outside Belfast remain below the Northern Ireland average (£974) and far below Belfast (£1,130), leaving a rental gap of £124 to NI overall and £280 to the city.

By property type, the upward trend was broad-based. Apartments averaged £753, up from £735 in H2 2024, with the highest levels in Lisburn & Castlereagh (£875) and Ards & North Down (£848); the most affordable apartment markets were Fermanagh & Omagh (£630) and Mid-Ulster (£632). Terrace/townhouse rents rose to £773 (H2 2024: £757), again led by Lisburn & Castlereagh (£897) and Ards & North Down (£894), while Fermanagh & Omagh (£632) remained lowest. The semi-detached segment recorded the highest half-year growth in absolute and percentage terms, climbing to £906 (from £861), with Ards & North Down (£1,077) and Lisburn & Castlereagh (£1,047) at the top and Fermanagh & Omagh (£742) and Mid-Ulster (£782) at the bottom of the pricing levels for this property type. Detached homes continued to command the highest rents, averaging £1,068 (H2 2024: £1,040), peaking in Ards & North Down (£1,443) and Lisburn & Castlereagh (£1,344), and lowest in Fermanagh & Omagh (£814) and Mid-Ulster (£877).

At the LGD level, the highest overall average rents were recorded in Ards & North Down (£1,006) and Lisburn & Castlereagh (£989), reflecting continued demand in commuter-belt locations. Mid-range averages were observed in Newry, Mourne & Down (£875), Antrim & Newtownabbey (£853), Causeway Coast & Glens (£851) and Mid & East Antrim (£835), while the lowest-priced markets remained Fermanagh & Omagh (£714), Mid-Ulster (£754) and Derry & Strabane (£765).

Overall, the evidence gathered in H1 2025 points to steady rental growth across most districts outside Belfast, with the sharpest pricing concentrated in Greater Belfast’s commuter LGDs. The fact that the strongest momentum was in semi-detached and detached segments underlines ongoing demand for larger homes in suburban and peri-urban areas, even as affordability pressures persist in lower-priced rural markets.

TABLE 4 Average rent by property type (LGDs outside Belfast), H1 2025					
Council area	Average rent by property type (£)				
	Apartment	Terrace/ Townhouse	Semi- detached	Detached	ALL
Antrim & Newtownabbey	£762	£778	£921	£1,191	£853
Ards & North Down	£848	£894	£1,077	£1,443	£1,006
Armagh Banbridge & Craigavon	£676	£734	£850	£951	£787
Causeway Coast & Glens	£748	£790	£891	£1,015	£851
Derry & Strabane	£665	£726	£886	£1,050	£765
Fermanagh & Omagh	£630	£632	£742	£814	£714
Lisburn & Castlereagh	£875	£897	£1,047	£1,344	£989
Mid & East Antrim	£757	£753	£877	£1,124	£835
Mid-Ulster	£632	£681	£782	£877	£754
Newry Mourne & Down	£766	£796	£878	£1,033	£875
ALL (exc. Belfast)	£753	£773	£906	£1,068	£850

BELFAST METROPOLITAN AREA

Rents across the wider Belfast Metropolitan Area continued to trend upward through the first half of 2025, albeit at a measured pace that reflects both persistent demand and a constrained flow of new listings. The commuter districts immediately surrounding the city again posted gains, underscoring their continued appeal to households seeking a balance between accessibility and relative value. Antrim & Newtownabbey averaged £853, representing a 2.9% increase on the half year and a robust 11.7% rise compared with the same period last year. Ards & North Down moved higher to £1,006 (+1.2% HoH; +6.7% YoY), while Lisburn & Castlereagh reached £989 (+0.9% HoH; +6.4% YoY). These results point to sustained pricing power across the metropolitan commuter belt. Limited rental stock- particularly for well-located, family-sized homes- continues to underpin values, while good transport links and proximity to employment centres support a steady inflow of demand. Although half-year growth is modest relative to Belfast itself, the cumulative effect over the past year remains significant, and there is little evidence of meaningful easing in market conditions.

NORTH & NORTH WEST

Conditions in the North and North West presented a more varied near-term picture, but annual growth remained firm overall. Mid & East Antrim recorded one of the highest levels of growth over the half year, with the average rent rising by 7.9% to £835, and up 10.1% in annual terms. The figures suggest renewed momentum following a period of more gradual appreciation and align with ongoing interest in well-connected coastal and suburban locations. Average rent in Causeway Coast & Glens also increased, to £851, up by 5% over the half-year, and 17.3% annually. This was the highest year-on-year uplift in this sub-region, reflecting the continued attractiveness of the area's coastal markets and a relatively tight supply of quality stock. In contrast, Derry & Strabane edged lower to £765 (-2.8%) over the half-year, though the district remains 8.6% above its average rent level a year earlier. The small half-year decline likely reflects short-term mix effects and timing within a market that has otherwise strengthened over the past year. Taken together, the North and North West continue to show resilient demand, with coastal and well-located sub-markets firming the most, even as individual districts experience some quarter-to-quarter variability.

THE SOUTH

Rental pricing across the southern districts continued to move steadily higher through H1 2025, albeit at a more measured pace than in Belfast and parts of the North. Armagh, Banbridge & Craigavon rose to £787 on average, an increase of 6.8% on the half year and 7.2% year on year. In Newry, Mourne & Down, the average rent climbed to £875, up 3.1% on the half year and 6.6% annually. While this growth was moderate in comparison with the strongest-performing sub-regions, it extends the run of gradual increases observed over recent periods. Both districts remain below the Northern Ireland average pricing level, but the direction of travel points to firm underlying demand and limited capacity in available stock, particularly for well-located family homes along key transport corridors.

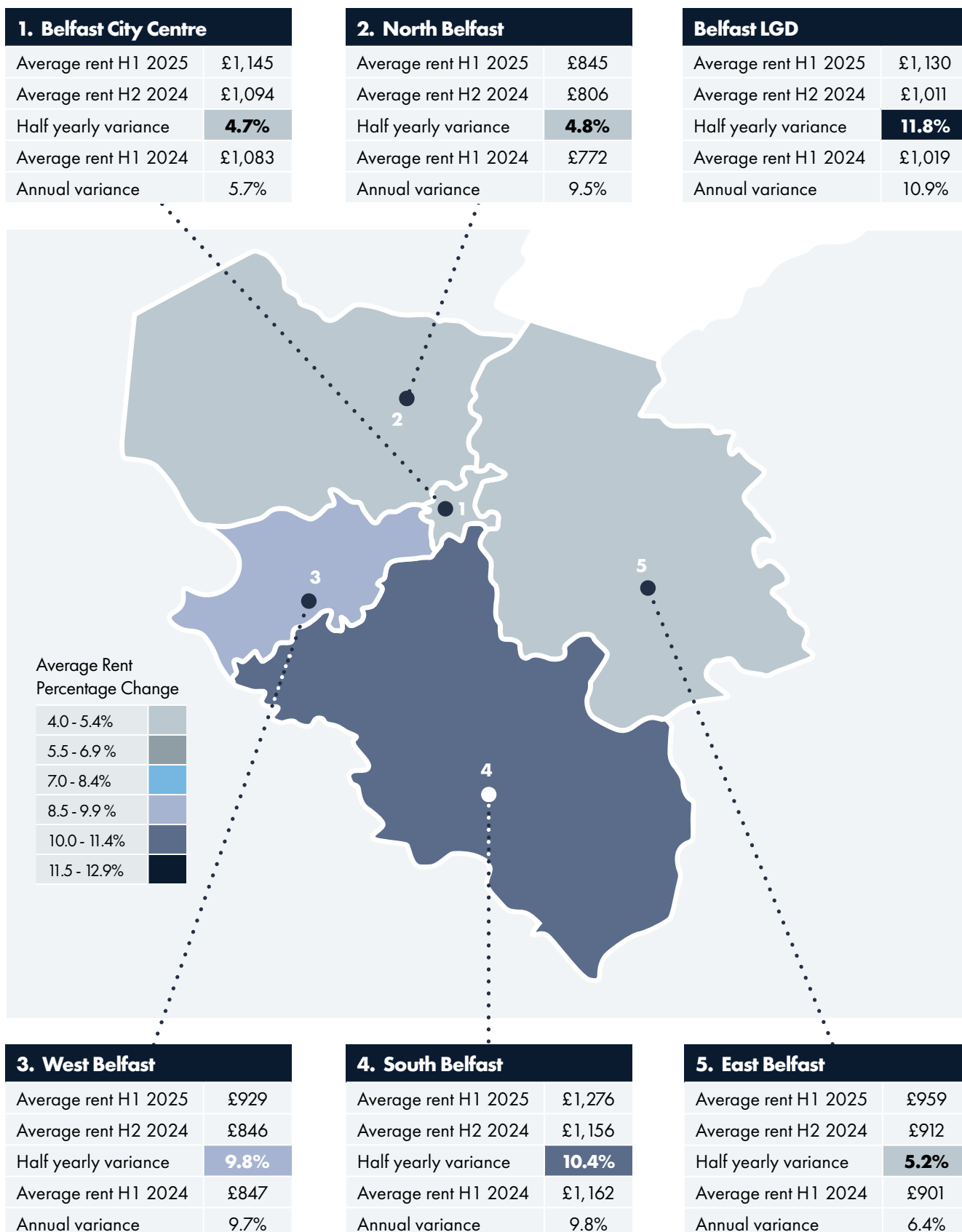
THE WEST

In the western region, rents continued to firm from comparatively affordable starting points. Fermanagh & Omagh recorded an average of £714, up 3.9% half-on-half and 7.4% year on year, while Mid Ulster rose to £754 (+2.0% HoH; +8.8% YoY). The combination of steady half-year gains and solid annual growth underscores persistent demand across the West, even as rent levels in these markets remain below the Northern Ireland and Belfast benchmarks. The pattern suggests gradual tightening rather than sharp acceleration, with affordability advantages sustaining interest and incremental price pressure across a broad mix of property types.

BELFAST CITY COUNCIL AREA

This section briefly considers the average rental values for rental sub-markets across the Belfast City Council Area (Figure 6).

FIGURE 6 Average Rent in BCCA, H1 2025





Belfast remains the highest-priced rental market in Northern Ireland, and momentum strengthened through the first half of 2025. The city-wide average rent rose to £1,130, up 11.8% on the previous half year (H2 2024: £1,011) and 10.9% year on year (H1 2024: £1,019). This broad-based uplift points to firm demand across tenures and neighbourhoods alongside a still-constrained supply of available properties. While the rate of increase varies by sub-market, the direction of travel is consistent: rents are rising across the city.

Within that picture, South Belfast continues to anchor the top end of the market. Average rents climbed to £1,276 in H1 2025 – an increase of 10.4% half-on-half year and 9.8% annually – reflecting deep demand from students, professionals and family renters, and a stock profile that includes larger houses and premium apartments. Belfast City Centre also recorded firm growth, with the average up by 4.7% over the last six months and 5.7% annually, reaching £1,145. This indicates that central neighbourhoods remain highly sought after for proximity to employment, services and transport, with limited turnover continuing to place upward pressure on pricing.

The eastern side of the city experienced steady, incremental gains. The East Belfast average moved to £959, up 5.2% on the half year and 6.4% compared with a year earlier. This performance aligns with recent patterns of demand for well-connected family housing and refurbished stock along key corridors, where modest additions to supply have been absorbed without materially easing pricing.

On the more affordable side of Belfast's market, West and North Belfast posted some of the strongest half-year increases from lower bases. The average rent in West Belfast rose to £929, a 9.8% increase over the half year and 9.7% annually; while North Belfast reached £845 (+4.8% HoH; +9.5% YoY). Although both sub-markets remain below the city-wide average, the pace of growth suggests spill-over demand from higher-priced districts, as households seek comparatively better value and landlords price to tightening availability.

Taken together, H1 2025 shows a synchronised upswing across Belfast's sub-markets. South Belfast and the City Centre continue to command the highest rents, but the breadth of increases – extending to East, West and North – underscores the depth of demand and the limited headroom in supply across the city. With affordability already stretched for many households, the persistence of half-year and annual rent price growth points to continued pressure in the months ahead unless stock conditions improve.

BCCA AVERAGE RENT BY TYPE

As noted above, the Belfast rental market strengthened markedly in H1 2025. This step-up points to firm demand across the city alongside constrained availability, with most segments recording either strong growth or holding close to recent highs. By property type, terrace/townhouse rents recorded the sharpest half-year advance, up 19.1% to £1,208 (annual +15.4%). This likely reflects intense competition for well-located medium-sized homes and limited turnover in popular neighbourhoods. Apartments also posted strong rent growth, rising 9.5% half-on-half to £1,054 (annual also +9.5%), consistent with continued demand from students and young professionals and with renewed activity in central and inner-city locations.

Semi-detached properties saw a more measured increase, up 1.8% on the half year to £1,117 (annual +4.3%), suggesting stable conditions in family-oriented suburbs where supply remains tight but pricing is adjusting more gradually. In contrast, detached homes eased slightly to £1,503 – down by 1.3% over the half-year – yet remained 4.7% higher than a year ago, and still command the highest rents of any property type. The small half-year dip follows a strong H2 2024 and likely reflects mix effects and thinner volumes at the top end rather than a fundamental softening.

Overall, H1 2025 underscores a broad-based firming of rents across Belfast. Apartments and terraces led the half-year growth, semi-detached homes continued to edge higher, and detached properties remained elevated despite a modest pullback. The pattern is consistent with persistent demand pressures and limited stock, particularly in well-connected and high-amenity areas, and points to ongoing affordability challenges across the city.

TABLE 5 Average Rent by Property Type, Belfast City Council Area, H1 2024-H1 2025					
Property type	BCCA H1 2024	BCCA H2 2024	BCCA H1 2025	Half Yearly Δ	Annual Δ
Apartment	£963	£963	£1,054	9.5%	9.5%
Terrace/Townhouse	£1,047	£1,014	£1,208	19.1%	15.4%
Semi-detached	£1,071	£1,097	£1,117	1.8%	4.3%
Detached	£1,435	£1,522	£1,503	-1.2%	4.7%
ALL	£1,019	£1,011	£1,130	11.8%	10.9%

Δ denotes percentage change in average rent.



RENT AT POSTCODE LEVEL

The rent grid for H1 2025 (Table 6) continues to show pronounced postcode variation across the wider Belfast Metropolitan Area, with price points differing materially by both location and property size. Overall averages range from £1,300 in BT9 - supported by high values across all size bands - to £803 in BT13, underscoring the dispersion within the city region.

- For one-bedroom homes, the highest average rent was recorded in BT1 (£1,137), reflecting strong demand in the city core. At the more affordable end of the market, one-bed averages were £627 in BT38 and £632 in BT13, with several other districts clustering in the mid-£600s to £700s.
- Two-bedroom rents also show a wide spread, ranging from £1,208 in BT1 to £767 in BT27; other relatively lower-priced locations include BT14 (£768), BT37 (£800), BT13 (£803), BT11 (£811) and BT23/BT28 (£813), while BT2 (£1,103) and BT3 (£1,106) remain at the upper end.
- In the three-bedroom segment, the gap between postcodes is especially evident: the highest average was £1,493 in BT18, followed by £1,310 in BT9, while the lowest was £811 in BT13.
- For four-plus bedrooms, top-end pricing has moved higher in several suburbs, with averages of £1,912 in BT9, £1,729 in BT7, and £1,701 in BT27. The most affordable larger properties were found in BT38 (£1,217) and BT4 (£1,307).

Consistent with previous half-year periods, it is worth noting there is less churn at the one-bedroom and four-plus-bedroom levels at individual postcode geographies, which can accentuate movements where sample sizes are thinner. Even so, the pattern of higher rents in premium and commuter districts is clear, with upward adjustments most evident in locations such as BT9, BT7, BT18, BT20 and BT26. These results point to continued demand pressures and constrained supply at the upper end of the market, while more affordable districts continue to provide lower-cost options—albeit at rents that are also trending higher over time.



TABLE 6 Average rent by postcode district and property size, Belfast area, H1 2025

Postcode	1 Bed	2 Bed	3 Bed	4+ Bed	ALL
BT1	£1,137	£1,208	*	*	£1,220
BT2	£979	£1,103	*	*	£1,076
BT3	*	£1,106	*	*	£1,171
BT4	£823	£911	£1,047	£1,307	£971
BT5	£696	£911	£1,024	£1,565	£930
BT6	£742	£915	£1,042	£1,329	£976
BT7	£831	£1,002	£1,164	£1,729	£1,264
BT8	*	£911	£1,030	£1,460	£1,022
BT9	£818	£1,026	£1,310	£1,912	£1,300
BT10	*	£916	£1,219	£1,484	£1,108
BT11	£659	£811	£965	*	£830
BT12	£846	£862	£947	£1,486	£940
BT13	£632	£803	£811	*	£803
BT14	£655	£768	£876	£1,406	£832
BT15	£664	£850	£948	£1,349	£896
BT16	*	£1,020	£1,142	£1,377	£1,075
BT17	*	£861	£1,008	*	£935
BT18	*	£1,095	£1,493	*	£1,287
BT19	£661	£851	£1,045	£1,445	£967
BT20	£683	£875	£1,078	£1,585	£992
BT23	£665	£813	£985	£1,431	£922
BT26	*	*	£1,173	*	£1,199
BT27	*	£767	£951	£1,701	£943
BT28	£653	£813	£932	£1,475	£918
BT36	*	£830	£958	*	£917
BT37	*	£800	£885	*	£893
BT38	£627	£815	£935	£1,217	£897

* denotes insufficient sample size



REGIONAL ANALYSIS BASED ON HOUSING MARKET AREAS

Regional analysis is also undertaken using the functional Housing Market Areas (HMAs) based on research that was undertaken for the Housing Executive to help guide spatial study of the housing system.

Functional Housing Market Areas H1 2025

From H2 2024 to H1 2025, average rents increased across most Functional Housing Market Areas (HMAs), though momentum varied and a small number of HMAs registered declines. The Belfast Metropolitan HMA led the uplift in absolute price level, rising 9% to £1,057, underscoring persistent demand pressures in and around the capital.

Elsewhere, growth was strongest where affordability had previously been greater and where demand has firmed, producing notable half-year gains in several regional HMAs.

Within the North and North-West, performance was mixed. Ballymena HMA recorded one of the largest half-year increases, rising 11.5% to £841, while Omagh HMA also accelerated, up 9.7% to £659. Average rents in Causeway Coast HMA continued to rise, increasing 4.9% to £850. In contrast, rents in Derry HMA eased 2.9% to £769 and those in Strabane HMA fell 4.6% to £599, pointing to some short-term softening after strong growth last year.

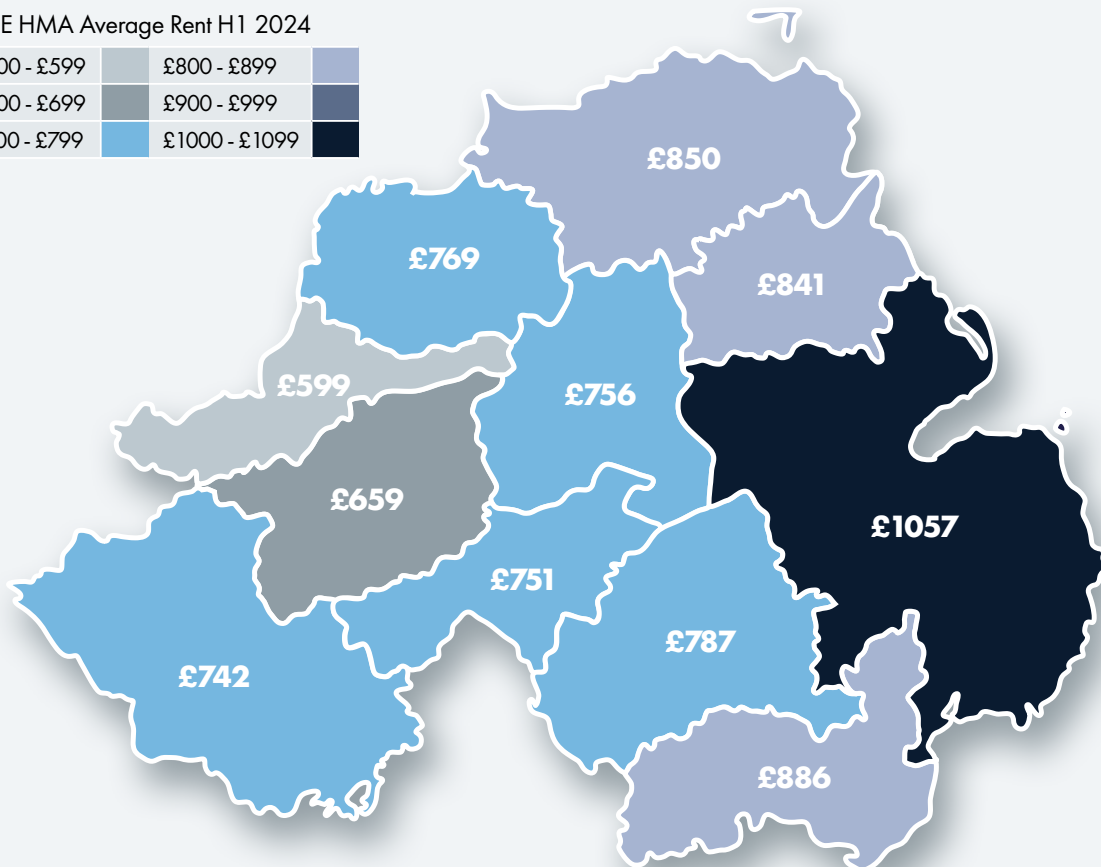
Across the central and southern corridor, growth was generally steady. The Craigavon Urban Area HMA rose 6.8% to £787, and Cookstown HMA matched that pace, up 6.9% to £756. The average rent in Newry HMA increased 2.9% to £886, maintaining its position at the upper end of the regional market outside Belfast. Dungannon HMA slipped 2.0% to £751, while Fermanagh HMA was broadly flat, edging 0.4% higher to £742 - both consistent with a period of consolidation following earlier increases.

Overall, the H1 2025 results confirm a divergent but upward-leaning picture: there was strong growth in the Belfast Metropolitan HMA and several regional centres (notably Ballymena and Omagh), more measured growth in Craigavon and Cookstown, and isolated pullbacks in Derry, Dungannon and Strabane. The pattern aligns with ongoing demand for well-connected locations and tightening supply in many sub-markets, with affordability and local stock profiles shaping the pace of change across HMAs.

FIGURE 7 Rental Performance by functional Housing Market Areas (HMAs), H1 2025

NIHE HMA Average Rent H1 2024

£500 - £599	£800 - £899	
£600 - £699	£900 - £999	
£700 - £799	£1000 - £1099	



² The research identified eleven broad housing market areas within Northern Ireland. See: www.nihe.gov.uk/getmedia/4ae016fe-6702-4080-983e-dac39738b342/Mapping-Northern-Irelands-Housing-Market-Areas.pdf.aspx?ext=.pdf





RENTAL AFFORDABILITY

Affordability pressures in Northern Ireland's private rented sector remained pronounced in the first half of 2025, though the picture is mixed across indicators. At the headline level, median rent now absorbs 36.4% of median household income across NI, a modest improvement on 37.6% in H2 2024 and 39.2% in H1 2024. However, metrics that capture conditions for lower-income households moved the other way. Lower quartile (LQ) rent now accounts for 46.1% of LQ income, up from 43.1% in H2 2024, while LQ rent as a share of median income rose to 31.2% (H2 2024: 29.1%). In short: the central tendency shows slight easing, but the lower end of the market has tightened further.

Conditions in Belfast have become more challenging across the board. Median rent now equates to 41.7% of median income, up from 37.7% in H2 2024, while average rent absorbs 39.8% of average income (H2 2024: 35.6%). Pressure is most acute for the lowest-income households: LQ rent now consumes 53.2% of LQ income, up from 49.8% in H2 2024, and 35.6% of median income (previously 33.3%). These shifts underscore the degree to which rent growth in the city has outpaced income growth, particularly in high-demand neighbourhoods with limited turnover.

Taken together, the H1 2025 results suggest a widening affordability divide. While the NI-wide median burden edged lower, the intensifying strain at the bottom of the distribution – both across NI and especially in Belfast – indicates that many households have little headroom left after housing costs. The combination of elevated rent-to-income ratios – particularly for lower-income renters – and still-constrained supply, points to continued financial stress and rising barriers to entry in the PRS.

From a policy and market perspective, these patterns highlight the importance of measures that expand affordable supply and improve stability. These include delivery of lower-cost rental options, targeted support for vulnerable households, and interventions that reduce volatility in sub-markets where the burden has risen fastest. Without a material increase in available stock or an acceleration in income growth, affordability is likely to remain under pressure through the rest of the year.

TABLE 7 Rent affordability, H1 2025

Region	Median rent as a % of median income	Average rent as a % of average income	Lower quartile rent as a % of median income	Lower quartile rent as a % of lower quartile income
NI	36.4%	35.6%	31.2%	46.1%
Belfast	41.7%	39.8%	35.6%	53.2%

MARKET FORECAST

Looking ahead to H2 2025, we expect Northern Ireland’s rental market to remain tight but to grow at a slower, more uneven pace than in H1. The latest survey shows average rents rose by 7.9% to £974 in H1 2025, with Belfast at £1,130 (+11.8%) and LGDs outside Belfast at £850 (+2.8%). However, quarter-on-quarter trends indicate some cooling after a sharp Q1 jump, as the NI average eased from £987 in Q1 to £960 in Q2 2025. This pattern suggests moderation rather than reversal into the second half of the year.

The Northern Ireland Private Rental Index spiked to 186.8 in Q1 2025, then eased to 181.8 in Q2 2025 (H1 average 184.3, +7.6% vs H2 2024). We therefore anticipate the index to stabilise within the low-to-mid 180s through H2, ending the year around 185, with growth continuing to outpace the House Price Index (HPI), which sat near 165.0 in Q2 2025.

Growth will likely vary by location and stock type. Belfast should remain the price leader, but the Q2 breather points to minimal half-year gains into H2 as some sub-markets digest earlier increases. Outside Belfast, commuter-belt LGDs (Lisburn & Castlereagh; Ards & North Down) should see steady, modest rises given ongoing demand and limited family-sized stock, while more peripheral or rural areas may be flat-to-slightly higher, depending on mix and available supply. These projections align with the H1 evidence of broad demand, constrained lower-cost supply, and affordability pressures, but with momentum softer than the Q1 surge.

Key Rental Market Projections for H2 2025:

Consistent with previous survey opinion of a vibrant market characterised by multiple enquiries and waiting lists for lettings, and insufficient product to meet demand levels, this survey again records similar agent sentiment. When asked about the levels of market activity and lettings, agents were of the view that the rental sector remains extremely busy, with difficulties in supply. However, whilst the broad sentiment is that of a busy market, some agent opinion reflects the report statistics, which suggest that there is evidence of a softening in the overall supply/demand imbalance in some areas:

- Northern Ireland average rent forecast: £984 per month, up 1% over the half-year, a slower rise after H1’s step-up.
- Belfast forecast: £1,136 per month (+0.5% half-year), reflecting firm demand but post-Q1 consolidation.
- LGDs outside Belfast forecast: £860 per month, up 1.2% half-year, with commuter belts leading.
- High-demand commuter areas (Lisburn & Castlereagh; Ards & North Down): 1-2% half-yearly rises.
- NIPRI expected to average 184 in H2 and end 185 in Q4 2025, remaining well above HPI and signalling persistent – though moderating – rental pressures.

TABLE 8 Forecast average rents for H2 2025 (£ per month)		
Region	Forecast average rent	Expected HY change (%)
Northern Ireland	£984	1.0%
Belfast	£1,136	0.5%
Local Government Districts (LGDs) outside Belfast	£860	1.2%

** Forecast based on Rental Index & market trends projections

AGENTS INSIGHTS H1 2025

Previous editions of the survey have highlighted persistent supply constraints, affordability pressures and rising rents continue to define the rental market. In addition to the reported data analysis, this survey again captures rental agent sentiment to contextualise current market performance and near-term risks.

Market enquiries, activity & lettings

Agent feedback this half-year remains consistent with a very active market, albeit a first quarter of the year surge cooled into the second quarter and there are slightly longer marketing times as new stock drips back into the sector. Enquiry volumes remained strong in Belfast's established neighbourhoods and commuter hotspots. Agents outside Belfast reported steady conditions with commuter LGDs firm on family homes, while western districts remain relatively affordable but are trending higher on quality stock.

- "We're still listing into waiting lists in the city, but time-to-let has stretched a touch compared with late 2024."
- "Outside Belfast we've a little more choice than six months ago, but good rental properties still go in days."
- "Enquiry volumes remain high across South and East Belfast; family homes and quality two-beds are moving fastest."
- "Good semi-detached properties in Lisburn & Castlereagh still attract queues with schools and transport driving it."
- "Causeway Coast demand is resilient for refurbished homes; winter seasonality is less of a drag than before."

Rent levels & price pressures

Agents report continued competition for renovated and apartment stock in central locations and terraces in established neighbourhoods, although some slow-down was observed. This aligns with the pattern in our data and broader UK evidence of slower rent growth as supply edges higher.

- "Premium stock is setting the pace; we're achieving record rents on good quality inventory."
- "We're not seeing drops, more of a breather after Q1. Well-priced listings still clear quickly."

Agents also report sharper budget ceilings with more compromises on location preferences:

- "More applicants are capping at specific thresholds £900, £1,100 and walking if fees and utilities tip them over."
- "In Belfast, some tenants are moving outward along main corridors to find value."

In terms of financing, the August Bank Rate cut to 4% offered modest relief, but financing remains meaningfully tighter than pre-2022 and agents say many landlords still price for higher debt service and regulatory risk. Some accidental landlords continue to exit on voids, while professional BTLs are focusing on energy upgrades and selective acquisitions.

- "Rate cuts help sentiment, but not enough yet to transform affordability for new BTL purchases."
- "Existing landlords are holding where yields work; those with big capital expenditures or arrears risk still consider selling."

Outlook

Agents broadly expect H2 2025 to deliver slower, uneven growth after H1's step-up, which is consistent with the NI rental index path and UK-wide signs of easing rental inflation as supply improves from very low levels. Build-to-Rent (BTR) schemes are beginning to shape expectations in core Belfast locations, with Loft Lines progressing in Titanic Quarter. Agents expect BTR to lift quality benchmarks and add choice at the mid-to-upper price points, though volumes will not materially loosen the market in the short run.

- "We're planning for steady rather than sharp rent gains into year-end."
- "Quality and location will do the heavy lifting — average stock won't command aggressive uplifts."
- "BTR will raise the bar on amenity. It won't flood supply, but it sets a new reference for spec and service."
- "We anticipate some ripple effects on older city stock, landlords investing to compete."

THE NORTHERN IRELAND PRIVATE RENTAL INDEX

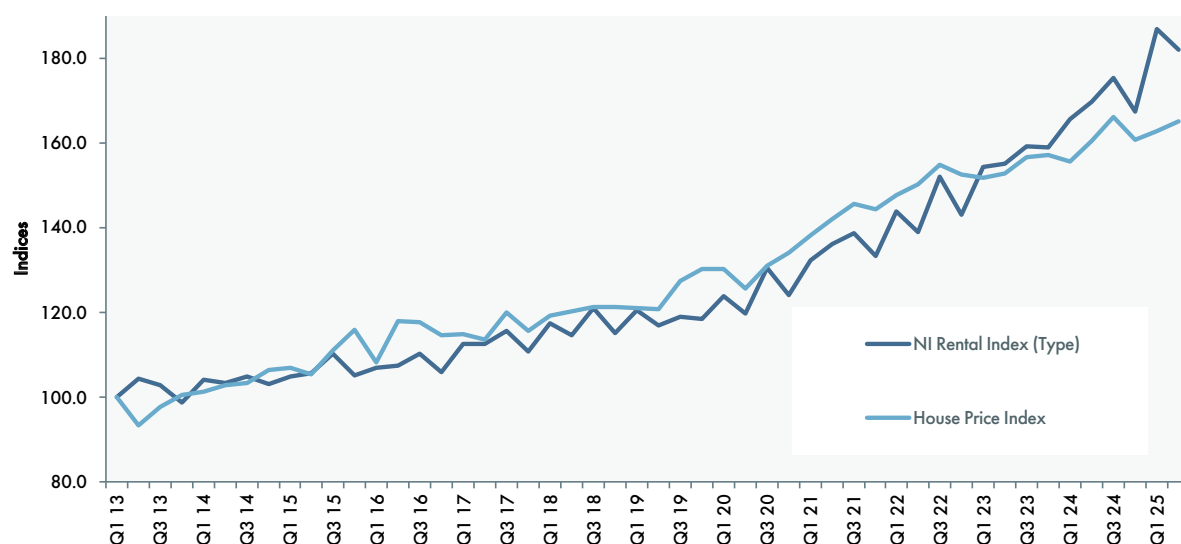
The Northern Ireland Private Rental Index (NIPRI) tracks the weighted change in average rents by property type relative to a base of Q1 2013. Using this measure, rental price pressures intensified through early 2025. After easing back at the end of 2024, the index rebounded sharply in Q1 2025 to 186.8, the highest level in the series, before easing slightly to 181.8 in Q2 2025. Even with the Q2 pullback (-2.7% quarter-on-quarter), rents remained 8.6% above Q4 2024 and 7.2% above Q2 2024, indicating that the market reset in late 2024 has been more than unwound. On a half-year comparison, the H1 2025 average (184.3) was up 7.6% on H2 2024 (171.3), underscoring the strength of the rebound.

The path through 2024 provides useful context. The index rose from 165.7 in Q1 2024 to 175.2 in Q3 2024, before slipping to 167.4 in Q4 2024 - a pattern consistent with some year-end cooling. That softness proved temporary: the Q1 2025 jump, up 11.6% compared with Q4 2024, pushed rents to a new high, with Q2 2025 consolidating at a level still well above any quarter in 2024. In cumulative terms, the Q2 2025 reading of 181.8 implies rents are up approximately 82% since the 2013 base.

Comparison with the House Price Index (HPI) highlights the growing divergence between the rental and owner-occupier markets. The HPI edged from 160.7 in Q4 2024 to 162.8 in Q1 2025 and 165.0 in Q2 2025, a 2.9% annual rise in Q2 and essentially flat on a half-year basis (+0.3%). The gap between the two measures widened markedly at the start of 2025 - 24.0 index points in Q1 - and, while narrowing a little in Q2, remained substantial at 16.8 points (RI 181.8 vs HPI 165.0). In other words, rents have accelerated faster and with greater volatility than house prices, reflecting tighter supply and stronger short-term demand dynamics in the lettings market.

Looking ahead, the Q2 2025 moderation following the Q1 spike could reflect seasonal factors and/or a partial normalisation after rapid gains. However, the level of the index remains elevated relative to 2024, and the wider differential with the HPI underlines the persistence of affordability pressures for renters. Close monitoring into H2 2025 will help determine whether Q2 marks the start of a more durable stabilisation or simply a pause within a still-rising trend.

FIGURE 8 Rental Index v House Price Index trend, Q1 2013-Q2 2025



CONCLUSION

There was sustained demand in Northern Ireland's rental market in H1 2025, with average rents rising to new highs and the gap between Belfast and other districts widening. The NI average rose to £974, driven by a sharp uplift in Belfast to £1,130, while LGDs outside Belfast increased more moderately to £850. Quarter-on-quarter, the NI average eased from £987 (Q1) to £960 (Q2), pointing to moderation rather than reversal heading into the second half.

Affordability remains the key pressure point. The median rent burden eased slightly to 36.4% of median income NI-wide (from 37.6% in H2 2024) but is higher in Belfast at 41.7%. Strain is most acute for lower-income renters: LQ rent now absorbs 46.1% of LQ income across NI and 53.2% in Belfast, underscoring limited headroom for many households as rents outpace incomes in the most in-demand locations.

Market activity in the sample remained elevated by recent standards at 8,470 lettings (-6.5% vs H2 2024; +34.3% vs H1 2024), though volume comparisons are affected by changes in source-data coverage since mid-2024. Pricing continued to shift up the distribution: lets above £1,100 accounted for 25.2% of NI transactions and 40.7% in Belfast, highlighting the scarcity of lower-cost options and the premium attached to well-located stock.

Price indices echo this pattern. The Northern Ireland Private Rental Index (NIPRI) rebounded to 186.8 in Q1 2025 before easing to 181.8 in Q2 (H1 average 184.3, +7.6% vs H2 2024), remaining well above the House Price Index (165.0 in Q2), and signalling persistent, though tempering, rental inflation.

Looking ahead to H2 2025, we expect a slower, more uneven pace of growth as the market digests H1's step-up. Our central view is for the NI average to edge to £984 (+1%), Belfast £1,136 (+0.5%), and LGDs £860 (+1.2%), with commuter belts (Lisburn & Castlereagh; Ards & North Down) remaining relatively firm. The NIPRI is projected to stabilise in the low-to-mid-180s, ending the year around 185. Risks are two-sided: prospective rate cuts could nudge some demand back toward ownership, yet tight rental supply, especially for family-sized homes in high-amenity locations, is likely to keep affordability under strain.

Overall, H1 2025 reinforces a market that is resilient but stretched: rents are high, affordability is challenging -particularly at the lower end – and supply constraints remain the defining feature. Sustained improvement will depend on expanding affordable stock and delivery pipelines (including build-to-rent and targeted support for vulnerable households) alongside policies that improve stability in sub-markets where pressures are most acute.





ABOUT THE NI RENTAL INDEX

The Northern Ireland rent index is a tool designed for practical application by policy makers and stakeholders. For this reason, methodological simplicity and transparency are important. The research has combined rental data from PropertyNews.com with rent data provided by the Housing Executive. The rental data provided by the Housing Executive is used to calculate the Local Housing Allowance for the administration of private sector Housing Benefit. In order to combine the datasets, the rent data provided by the Housing Executive has been adjusted to the preferred monthly frequency.

In addition, in order to ensure rent datasets are comparable, the LHA rent data provided by the Housing Executive needs to be adjusted upward by property type to be inclusive of rates, thus ensuring consistency in average rents across the entire sample used for this analysis. Following wide and detailed analysis of the council areas, rates poundage and the range of adjustment required for each property type across the LGDs, the research team identified the median percentage adjustment for the LHA datasets to be as follows: apartments 11%; detached dwellings 17%; semi-detached dwellings 13%; and terraced properties 13%. It was observed that there was only slight variance in the range of adjustment by property type across the LGD areas and therefore a decision was taken to apply the same percentage adjustments across all LGD areas.

The rental figures represent the average rent (per month) first recorded as let agreed during the specified time period. The data has been cleansed to remove outliers, invalid observations, multiple entries and anomalies within a three-month period. The data used in the preparation of the Rental Index is aggregated to regional and national level only. This ensures that all property or individual records remain strictly anonymous.

This report is prepared from information that we believe is collated with care, but we do not make any statement as to its accuracy or completeness. We reserve the right to vary our methodology. The report does not constitute legal or other professional advice. Persons seeking to place reliance on any information contained in this report for their own- or third-party commercial purposes do so at their own risk.

For more information on the Northern Ireland Rental Index please visit:

www.ulster.ac.uk/research/institutes/built-environment/centres/research-property-planning/housing-market-reports/rental-index

www.nihe.gov.uk/Working-With-Us/Research/Private-rented-sector-and-rents

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DATA APPENDIX

FIGURE 1 Number of lettings – NI, Belfast City Council Area and other LGDs, H2 2014-H1 2025
(See introductory paragraphs of main report for notes on comparability of figures over time: in particular, caution should be applied to figures between 2020 and 2024.)

Half/Year	NI	BCCA	LGDs
H2 2014	12,060	5,040	7,020
H1 2015	11,443	5,196	6,247
H2 2015	10,436	4,480	5,956
H1 2016	10,919	4,960	5,959
H2 2016	8,923	4,045	4,878
H1 2017	9,475	3,741	5,734
H2 2017	8,627	3,526	5,101
H1 2018	9,759	3,625	6,134
H2 2018	8,299	3,582	4,717
H1 2019	8,406	3,525	4,881
H2 2019	8,058	3,205	4,853
H1 2020	6,168	2,644	3,524
H2 2020	7,663	3,464	4,199
H1 2021	6,967	3,700	3,267
H2 2021	5,818	2,837	2,981
H1 2022	5,102	2,229	2,873
H2 2022	5,958	2,490	3,468
H1 2023	5,394	2,244	3,150
H2 2023	5,815	2,290	3,525
H1 2024	6,307	2,528	3,779
H2 2024	9,059	3729	5530
H1 2025	8,470	3,750	4,720

FIGURE 3 Number of lettings by Local Government District (outside Belfast), H2 2024 - H1 2025
(Please note that an increase in the overall number of lettings between H1 and H2 2024 was largely attributable to an increase in the overall volume of source data)

LGD	H2 2024	H1 2025
Antrim & Newtownabbey	579	495
Ards & North Down	709	604
Armagh, Banbridge & Craigavon	1095	811
Causeway Coast & Glens	347	384
Derry & Strabane	298	413
Fermanagh & Omagh	211	197
Lisburn & Castlereagh	640	459
Mid & East Antrim	615	522
Mid Ulster	491	471
Newry, Mourne & Down	345	364
TOTAL	5,330	4,720

FIGURE 4 Proportion of properties let by rent band – NI, BCCA and other LGDs, H1 2025

Rental Band	NI (%)	Belfast (%)	LGDs (%)
<£300	0	0	0
£300 - £399	0.1	0	0.2
£400 - £499	1	0.1	1.8
£500 - £599	3.7	0.7	6.1
£600 - £699	12.4	4.4	18.8
£700 - £799	19	12.3	24.4
£800 - £899	18.1	17	19
£900 - £999	14.5	17.5	12.1
£1,000 - £1,099	5.9	7.3	4.8
>£1,100	25.2	40.7	12.9

Average Rent by Quarter, Northern Ireland, Q1 2015 - Q2 2025				
Year	Average Rent			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2015	£552	£555	£579	£556
2016	£563	£567	£588	£569
2017	£596	£595	£609	£584
2018	£619	£604	£637	£607
2019	£636	£617	£626	£625
2020	£652	£633	£684	£653
2021	£693	£715	£728	£702
2022	£755	£729	£795	£759
2023	£814	£821	£856	£841
2024	£876	£897	£925	£886
2025	£987	£960		