



**rent.com.au**

## **RENTAL MARKET SNAPSHOT**

**MARCH 2023**

**Monthly report  
1 April 2023**

For further information, or to organise an  
interview with Rent.com.au CEO Greg  
Bader, email [media@rent.com.au](mailto:media@rent.com.au)

# OVERVIEW | MARCH 2023

## VACANCY RATE CHANGES

<b>NEW SOUTH WALES</b> While it rose, NSW still recorded the smallest increase in availability, up 2.9%	<b>VICTORIA</b> Rental availability in <u>Victoria</u> was up 3.2% in March 2023	<b>QUEENSLAND</b> The number of rentals in <u>QLD</u> rose by 3.3% from February to March 2023	<b>WESTERN AUSTRALIA</b> WA saw the largest increase in the number of available rentals (up 10.1%)
<b>SOUTH AUSTRALIA</b> South Australia saw a slight increase of 3.7% in available rental properties in March	<b>TASMANIA</b> <u>Tasmania</u> saw a significant increase of 16.6% in the number of available rentals	<b>NORTHERN TERRITORY</b> The NT had a substantial decrease of 12.1% in the number of available rentals	<b>AUS. CAPITAL TERRITORY</b> In March, the number of properties available in the <u>ACT</u> decreased by 0.1%

Rent.com.au's **March 2023** report shows changes in Australian median rental prices, affordability, and time on the market. Here is the latest data on the country's metro and regional property leasing trends.

Ready to rent your first home or purchase an investment property?

Stay on top of the Australian rental market with Rent.com.au's latest report on property trends in each capital city. How did your state or territory perform this month?

## KEY HIGHLIGHTS

- › **Sydney, NSW:** Sydney's monthly change in apartment rent is the highest among all the metro areas, with a 4.7% increase.
- › **Brisbane, QLD:** Brisbane also saw a significant increase of 4.7% in apartment rent, indicating a strong demand for rental properties in the area.
- › **Darwin, NT:** Darwin had a 3.7% increase in apartment rent, despite a notable decrease of 7.3% in the price per room.
- › **Canberra, ACT:** Canberra saw a 5.1% increase in the price per room for rental properties, the most significant monthly change for this metric among all the metro areas.
- › **Adelaide, SA:** Adelaide had a decrease of 1.9% in house rent, which is the highest among all the metro areas for this metric.

## MEDIAN RENT & PRICE PER ROOM | MARCH 2023

Metro area	APARTMENTS	Monthly change	HOUSES	Monthly change	PRICE PER ROOM	Monthly change
Sydney, NSW	\$630	4.7%	\$750	0%	\$325	0%
Melbourne, VIC	\$480	0%	\$500	1%	\$210	-0.9%
Brisbane, QLD	\$525	4.7%	\$600	0%	\$210	0.9%
Perth, WA	\$500	4%	\$560	0%	\$200	0%
Adelaide, SA	\$420	0%	\$510	-1.9%	\$183	-1.1%
Hobart, TAS	\$475	1.1%	\$560	-1.8%	\$216	3.7%
Darwin, NT	\$540	3.7%	\$660	1.5%	\$233	-7.3%
Canberra, ACT	\$540	0%	\$645	-3.8%	\$216	5.1%
<b>National median</b>	<b>\$520</b>	<b>-3.8%</b>	<b>\$575</b>	<b>0%</b>	<b>\$237</b>	<b>-1.2%</b>

Source: 2023 Rent.com.au property listing data

# PRICE TRENDS | MARCH 2023

## MEDIAN RENTS

Australia's housing market remains a significant concern for renters as demand remains higher than the available supply. According to experts, the housing crisis is caused by a perfect storm of rising interest rates, record-low vacancies, and a critical lack of affordable and public housing. Director of the Australian Housing and Urban Research Institute, Michael Fotheringham, describes the current market as chaotic, stating that it's worse than it has been in several generations due to the intense competition for every property.

In March, the Reserve Bank of Australia (RBA) published a paper that showed how [household composition trends have accelerated](#) since the start of the COVID-19 pandemic in 2020. RBA has argued that this change in living arrangements during the pandemic is one reason why rents did not drop sharply in most areas, despite the surge of emigration early in the pandemic and population stagnation while borders were closed. RBA analysts also noted that the decline in average household size since the start of 2020, estimated at around 1%, contributed to the formation of approximately 120,000 additional households. However, the trend of more people renting, primarily out of necessity rather than choice, has been ongoing for years and is another issue that the RBA has mapped out in a separate [research note](#).

According to property market analysts, vacancy rates are a primary factor that allows landlords to keep increasing rents. The RBA also highlights that building rentals is becoming less attractive due to several factors, including higher interest rates, inflation hitting the construction sector, and issues with apartment pre-sales. While landlords may pass on their higher mortgages to renters, RBA Governor Philip Lowe [argues](#) that they can only do this in an environment where people have few other choices about where to live. "The lack of accommodation is the critical issue driving higher rents, not higher interest rates," he said.

The outlook for average household size is uncertain, as it has slightly increased since the end of 2022, possibly in response to tight rental markets, particularly in regional areas. Despite this, rental vacancy rates remain low, and not enough properties are being built to meet the demand, with migration climbing back above pre-pandemic levels. As a result, some individuals and families may be pushed into smaller living spaces. Unfortunately, unless landlords begin to significantly lower rents in response, we may continue to pay more to go back to how we were living before 2020. After years of rent increases and fewer homes being built, this could be a significant setback for many families.

The latest data for March 2023 shows a mixed picture of Australia's rental market. In most metro areas, median rent prices for apartments rose, with significant monthly changes of more than 3.7% in Sydney, Brisbane, Perth, and Darwin, while Melbourne and Adelaide remained steady. For houses, Hobart experienced a minor uptick of 1.1%, while Darwin and Canberra both recorded moderate increases, and Adelaide saw a decline of 1.9%. In terms of price per room, the national median decreased by 1.2% from the previous month, with substantial monthly drops observed in Darwin (-7.3%) and Adelaide (-1.1%). Meanwhile, Hobart saw a significant upswing of 3.7%, and Canberra also had a positive shift of 5.1%. Although the monthly changes in median rent prices are mixed, the national median declined by 3.8%, indicating challenges in certain rental markets.

## PRICE PER ROOM

Australia's rental market has witnessed a significant surge in room prices over the past year. Annual changes in price per room indicate an upward trend for both apartments and houses across all major metro areas. The greatest increase in apartment room prices was observed in Melbourne at 25.3%, while Perth experienced the highest increase in house room prices at 11.7%. The national median for apartment room prices is currently \$340, up 23.6% from the previous year, while the national median for house room prices is \$190, representing an increase of 10.1%.

Although most cities saw an increase in the price per room, Canberra's house prices experienced a decline of 3.1%, making it the only city in this latest data with a negative annual change. These trends suggest a highly competitive rental market, with rising prices potentially making it more difficult for renters to secure affordable housing.

### ANNUAL CHANGE TO PRICE PER ROOM | MARCH 2023

Metro area	APARTMENTS	% change (annual)	HOUSES	% change (annual)
Sydney, NSW	\$383	18.9%	\$246	9.6%
Melbourne, VIC	\$310	25.3%	\$166	11.1%
Brisbane, QLD	\$300	17.6%	\$183	8.6%
Perth, WA	\$300	14.3%	\$175	11.7%
Adelaide, SA	\$216	8.3%	\$175	9.4%
Hobart, TAS	\$280	16.7%	\$211	9.3%
Darwin, NT	\$233	8.5%	\$203	6.1%
Canberra, ACT	\$372	14.6%	\$210	-3.1%
<b>National median</b>	<b>\$340</b>	<b>23.6%</b>	<b>\$190</b>	<b>10.1%</b>

Source: 2023 Rent.com.au property listing data

# PRICE TRENDS | MARCH 2023

## HOW ARE THE REGIONS FARING?

The latest data reveals that the median rent across Australia rose significantly by 11.1% in March compared to the same period last year, bringing the weekly rent to \$510. New South Wales saw an increase of 8.3%, Victoria had a rise of 5.2%, and Queensland took the top spot with a 10.6% increase. Western Australia wasn't far behind, shooting up by 15.5%.

South Australia had a modest uptick of 2.9%, Tasmania's rents climbed by 4.7%, and the Northern Territory had a milder increase of 1.8%. The NT still has the highest rents, topping the list at \$540 per week in March.

### REGIONAL RENTS | MARCH 2023

State/Territory	March 2023	% change from Mar '22
New South Wales	\$520	8.3%
Victoria	\$400	5.2%
Queensland	\$520	10.6%
Western Australia	\$520	15.5%
South Australia	\$350	2.9%
Tasmania	\$440	4.7%
Northern Territory	\$540	1.8%
Aus. Capital Territory	N/A	N/A
National median	\$510	11.1%

Source: 2023 Rent.com.au property listing data

## TIME ON MARKET

The rental market for apartments in Australia's metropolitan areas is generally stable or improving, with most cities experiencing faster leasing times or no change. However, the situation for houses is mixed, with some cities seeing faster leasing times while others are experiencing slower times.

In March 2023, apartments in Sydney, Melbourne, Brisbane, and Perth were leased on average within 12-14 days, with Brisbane recording the fastest leasing times for both apartments and houses. On the other hand, houses in Darwin and Canberra took the longest time to lease, with an average of 25 days on the market.

Despite some variations, apartments and houses in most major cities leased faster in March 2023 than in the same month in 2022. While the monthly changes suggest a competitive market in some areas, they may present challenges in others. The time on market (TOM) or time to lease (TTL) provides valuable insight for property owners and managers into property performance and market trends, helping them make informed decisions about rental prices and property improvements.

### HOW LONG ARE PROPERTIES TAKING TO LEASE? | MARCH 2023

Metro area	APARTMENTS	Monthly change	Annual change	HOUSES	Monthly change	Annual change
Sydney, NSW	14 days	1% faster	33% faster	20 days	3% faster	2.2% slower
Melbourne, VIC	14 days	1% faster	39% faster	20 days	5% slower	5.6% faster
Brisbane, QLD	12 days	No change	12.8% faster	16 days	4% faster	10.4% slower
Perth, WA	14 days	1% faster	13.5% faster	14 days	1% faster	5.9% faster
Adelaide, SA	14 days	2% faster	8% slower	16 days	6% slower	21% slower
Hobart, TAS	17 days	7% faster	36% slower	17 days	7% faster	26% slower
Darwin, NT	23 days	9% slower	33% slower	25 days	No change	43% slower
Canberra, ACT	20 days	14% slower	30% slower	25 days	No change	48% slower

Source: 2023 Rent.com.au property listing data



## ABOUT

Rent.com.au is made for renters. The company puts renters' needs front and centre to give them more control of their renting experience. Rent.com.au's biggest goal is to make renting an awesome alternative to homeownership for millions of Australians who choose to rent.

Of the many achievements to date, Rent.com.au has delivered marketing-leading products and services that have improved this experience, such as Renter Resume, which more than 1 million Australians use to help them stand out from the crowd.

From search features to products and services and a community that supports and informs, Rent.com.au is committed to making renters feel heard, empowered, and optimistic that things can be better.

Visit [www.rent.com.au](http://www.rent.com.au) today.

## PRESS & ASX

- > [1H FY23 Results Presentation](#)
- > [Appendix 4D and Interim Financial Report](#)
- > [Quarterly Activity Report and Appendix 4C](#)
- > [AGM Presentation](#)
- > [Investor Presentation](#)

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- > [What references should you include in an application?](#)
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- > [Financial freedom: How to get a month ahead of your bills](#)
- > [Top tips for getting your rental bond back](#)
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