

Rent.com.au monthly market snapshot January 2018 rental prices

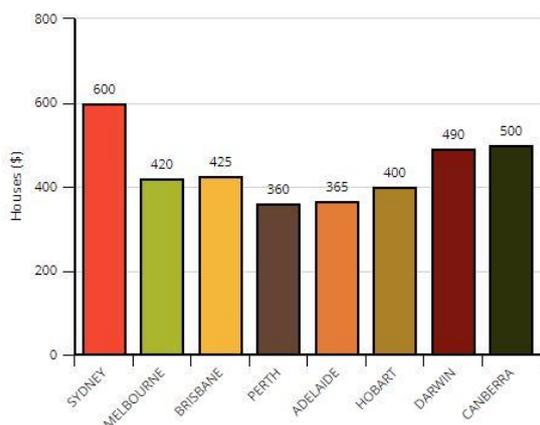
Property leasing data released by Rent.com.au for the month of January illustrates the shift in Australian median rental property prices (both metro and regional) and rental affordability (the median room price metric).

Key points

- Hobart’s apartment prices surged in January with a gap between accommodation availability and rental demand evident;
- Perth is now the cheapest place in Australia to rent a house or a single room;
- Regional rents most unaffordable in the Northern Territory – a median of \$450/week.
- Five out of the eight state capitals recorded a decrease in median rents for houses.

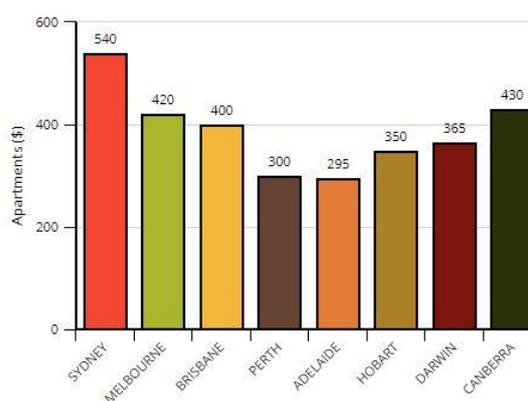
Metro area	Apartments	% change	Houses	% change	Price per room	% change
SYDNEY	\$540	↑1.89%	\$600	↓1.64%	\$275	↑3.77%
MELBOURNE	\$420	↑5%	\$420	0%	\$182	↑7.35%
BRISBANE	\$400	↑2.56%	\$425	↑1.19%	\$165	↑4.76%
PERTH	\$300	0%	\$360	0%	\$125	↑4.17%
ADELAIDE	\$295	↑1.72%	\$365	↓1.35%	\$133	0%
HOBART	\$350	↑9.38%	\$400	↓1.84%	\$160	↑6.67%
DARWIN	\$365	↑4.29%	\$490	↓2%	\$160	↓1.54%
CANBERRA	\$430	0%	\$500	↓1.96%	\$200	↑4.8%
National median	\$430	0%	\$430	0%	\$183	↑2.8%

House median rents by metro area capital



Source: Rent.com.au leased property data (January 2018)

Apartment median rents by metro area capital



Source: Rent.com.au leased property data (January 2018)

Hobart renters feel the squeeze with median rental price rises

Rent.com.au Chief Executive Officer, Greg Bader said the latest report confirms the rising unaffordability in Hobart’s home rental market. “What we can see is a big gap between the number of people looking to rent in TAS and the availability of rental properties,” he said.

Rent.com.au monthly market snapshot

January 2018 rental prices

(continued) Hobart renters feel the squeeze with median rental price rises

"Typically, a sharp rise in rental demand can be explained by people wanting to move to a city (like Hobart) for employment," he said. Mr Bader concluded that suburbs like Sandy Bay and units in inner city Hobart would continue to be popular, likely appealing to business professionals who seek out accommodation close to the city.

Charlotte Peterswald Property Management Principal, Liz Walch said against a shortage of rental properties in the Hobart area, their office has found that many tenants have opted to remain in their current rental accommodation, rather than competing to find a possibly more suitable property: "This has been particularly noticeable with the student population who are staying in the accommodation they have wherever possible," she said.

"As always, the demand on properties priced under \$400/week has been huge and we have more than 40 potential tenants registering for an opportunity to view a property that is becoming available for lease. The demand on properties at the higher end of the market (more than \$900/week) has also been strong, with clients moving from interstate wanting to lease a quality home in Hobart for a fraction of the rent they might have to pay interstate."

"Market rents have increased between 10-20% across the board with the shortage of suitable properties available," she said. "We have noticed a number of property owners who are opting to remove their property from the long-term rental market and instead try Airbnb for higher short-term gains. This, coupled with the number of property owners deciding to sell their investment properties in the buoyant sales market, has led to the current shortage of long term rental properties."

Charlotte Peterswald has found the suburbs in highest demand to be Battery Point, West Hobart and Sandy Bay. The office currently has a vacancy rate of 0.6%.

Renters looking for cheap apartments would have found them in Adelaide in January; the weekly median rental price for the City of Churches was just \$295/week – the lowest of any capital city. Adelaide even sat below Perth, where rents were stable at \$300/week.

Not surprisingly, Sydney rents were significantly higher than any others around the country for both apartments and houses, despite a slight downward movement for houses (down 1.64% to \$600/week). The second highest rents could be found in Canberra, where the median rent for an apartment rental was \$430/week and for houses, \$500/week. Sydney, Adelaide, Hobart, Darwin and Canberra were five cities to record drops in median rental prices for houses in the time frame.

Shared accommodation bargains abound in Perth

The latest data showed Perth is currently the cheapest place in Australia to rent a house, as well as an individual room, based off Rent.com.au's rental price metric. The median room price metric (or price per room) showed that Sydney (somewhat unsurprisingly) topped the list at \$275/week for a single room, followed by Canberra (\$200/week) and Melbourne (\$182/week).

Greg Bader said much of the existing data on rental property prices has been developed for property owners (i.e. dwelling price), which was why RENT developed its own individual measurement: "RENT's price per room metric is a different way to look at the cost of renting, a more accurate representation for people looking to share a home with others," he said.

"Interestingly, there are some differences. For example, our data based on dwellings shows it costs around the same to rent a house per week in Melbourne and Brisbane (\$420 and \$425/week, respectively). But the reality is that it costs renters more than \$15 extra per room in Melbourne each week. The difference between Perth and Sydney is around \$150 per room. That extra cost can have a serious impact on people looking to share a home with other renters, so whilst easily explained (more expensive, plus more apartments in Sydney), these are the sort of numbers – specifically designed for renters, not homeowners – that can be particularly useful."

High regional rents hit home in the NT

Regional Northern Territory was the most unaffordable across the country for the average renter in January – prices for rentals in the territory’s outlying regions were \$450/week. Both Tasmania and Victoria recorded an increase in the median rent month-on-month, up 4.55% (TAS) and 1.72% (VIC). Median rents remained relatively healthy across the rest of the country, with no price changes for New South Wales (consistent at \$390/week) or Western Australia (\$330/week).

State	DECEMBER '17	JANUARY '18	% change
NSW	\$390	\$390	0%
VIC	\$290	\$295	↑1.72%
QLD	\$360	\$350	↓2.78%
WA	\$330	\$330	0%
SA	\$270	\$275	↑1.85%
TAS	\$275	\$288	↑4.55%
NT	\$460	\$450	↓2.17%
ACT	unavail	unavail	n/a
National median	\$355	\$350	1.41%

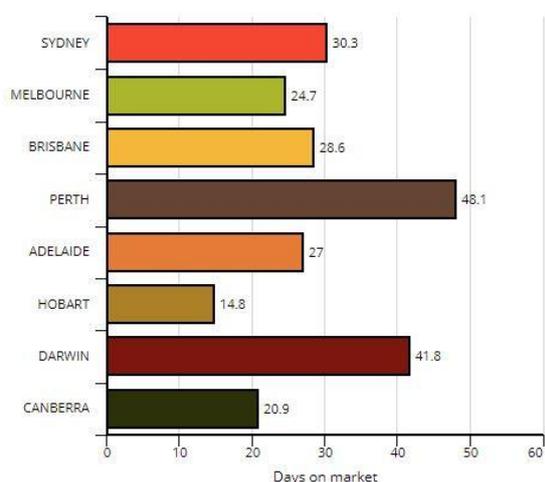
Canberra market on January slowdown

“As many renters view the start of the year as the ideal time to find a new home, January is typically a busier month for rental properties than any other time of the year,” said Mr Bader. “With high demand from tenants comes an influx of new rental listings and available properties to rent which, due to strong competition, can mean landlords struggle to secure tenants.”

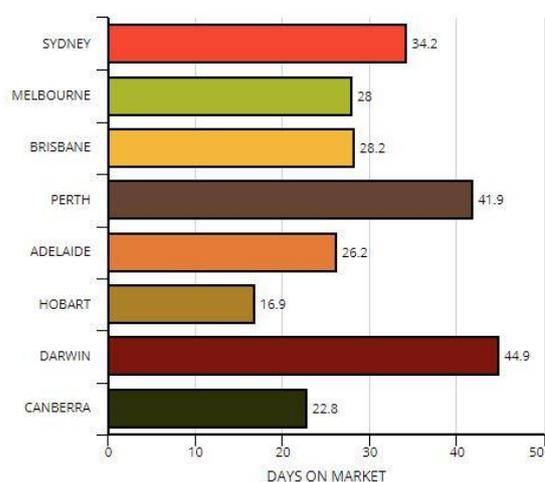
Rent.com.au’s latest report recorded a general increase in the time apartments and houses stayed on market in January. The market slowed most significantly in Canberra where properties took an average of 20.9 days in January to shift, up from 15.2 days in December 2017. The only state capital where properties moved faster in January was Adelaide, dropping 2% to 27 days on average.

Metro area	Apartments	% change	Houses	% change
SYDNEY	30.3 days	↑32%	34.2 days	↑50%
MELBOURNE	24.7 days	↑14%	28 days	↑28%
BRISBANE	28.6 days	↑7%	28.2 days	↑10%
PERTH	48.1 days	↑29%	41.9 days	↑20%
ADELAIDE	27 days	↓2%	26.2 days	↑20%
HOBART	14.8 days	↑19%	16.9 days	↑21%
DARWIN	41.8 days	↑5%	44.9 days	↑19%
CANBERRA	20.9 days	↑38%	22.8 days	↑36%

Average days on market (Apartments)



Average days on market (Houses)



About rent.com.au

rent.com.au (ASX:RNT) is Australia's #1 website dedicated to rental property. Our rental only positioning allows RNT to legitimately advocate for renting and renters.

Our Rules



Renters in Suits

Our renters will always be presented in such a fashion as to maximise their chances of getting the home they want



Properties on Pedestals

We present our properties with additional and relevant information



Click the Forms

Let's automate where we can. We can't remove the need for you to eyeball the property before signing (yet!), but we can remove most of the paperwork

Our Products



An easy way for a renter to verify their ID and check for any reported breaches in their tenancy history, giving them an edge on their application.

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A convenience product that helps renters bridge the gap from one rental to another by financing their bond online.

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A simple and free utility connection service to make moving hassle free – ensuring the lights are on and the water is hot when a renter moves in to their new place.

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Renter (and Pet) Resume

Streamline your rental search with Renter Resume. Create it once, and use it to apply for as many properties as you like.

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