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RENTAL MARKET SNAPSHOT

MAY 2023

Monthly report
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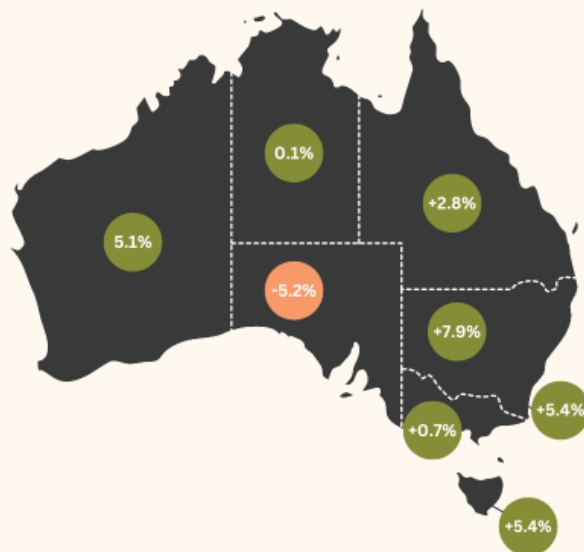
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RENTAL MARKET OVERVIEW | MAY 2023

RENTAL AVAILABILITY CHANGES



NEW SOUTH WALES

Rental availability in New South Wales was up 7.9% in May 2023

VICTORIA

There was a slight lift in property availability in Victoria – up 0.7% in May

QUEENSLAND

2.8% more rental properties hit the Queensland market in May 2023

WESTERN AUSTRALIA

Western Australia recorded a 5.1% lift in available rentals in May 2023

SOUTH AUSTRALIA

South Australia was the only location to see availability fall in May – down 5.2%

TASMANIA

The number of rental properties in Tasmania climbed by 5.4% in May

NORTHERN TERRITORY

A small lift in the Northern Territory, with listings up by 0.1%

AUS. CAPITAL TERRITORY

A decent rise was recorded in the ACT, with rental listing availability up 5.4% in May

Find out the latest on Australian rental prices, affordability, and market time with [Rent.com.au's May 2023 report](#). Get the scoop on leasing trends in metro and regional areas.

KEY HIGHLIGHTS

- › The median rent for both apartments and houses in **Sydney, NSW** stayed the same in May, with prices at \$650 and \$780 per week, respectively. The cost per room also remained stable at \$350 per week.
- › In **Melbourne, VIC**, the median rent for apartments increased by 3% to \$495 per week and for houses by 1.9% to \$510 per week. The price per room also saw a notable increase of 3.7% to \$215 per week.
- › In **Darwin, NT**, apartments experienced a significant decrease of 10.6% in median rent to \$470 per week, while houses increased by 3% to \$650 per week. The price per room increased by 4.7% to \$210 per week.
- › In **Canberra, ACT**, the median rent for apartments increased by 1.8% to \$540 per week, while the cost for houses remained unchanged at \$650 per week. The price per room increased by 4.2% to \$261 per week.
- › Nationally, the median rent for apartments increased by 2.2% to \$570 per week, while the cost for houses remained unchanged at \$580 per week. The price per room saw a small increase of 2% to \$250 per week.

MEDIAN RENT & PRICE PER ROOM | MAY 2023

Metro area	APARTMENTS	Monthly change	HOUSES	Monthly change	PRICE PER ROOM	Monthly change
Sydney, NSW	\$650	0%	\$780	0%	\$350	0%
Melbourne, VIC	\$495	3%	\$510	1.9%	\$215	3.7%
Brisbane, QLD	\$520	0%	\$600	0%	\$216	2.7%
Perth, WA	\$500	0%	\$570	0%	\$195	-2.5%
Adelaide, SA	\$440	-1.5%	\$525	-1.9%	\$183	-2.1%
Hobart, TAS	\$425	-1.6%	\$530	0.9%	\$205	-3.9%
Darwin, NT	\$470	-10.6%	\$650	3%	\$210	4.7%
Canberra, ACT	\$540	1.8%	\$650	0%	\$261	4.2%
National median	\$570	2.2%	\$580	0%	\$250	2%

Source: 2023 Rent.com.au property listing data

PRICE TRENDS | MAY 2023

MEDIAN RENTS

Australia's housing market remains a widely-discussed issue, as many renters struggle to find affordable and adequate housing, sometimes leading to homelessness. Despite a number of reforms and initiatives attempting to address these issues, the rental market still lacks supply to meet high demand.

The ANZ CoreLogic Housing Affordability Report released in May raised concerns about the state of housing in the country. The report emphasised an urgent need for more social housing as there is a shortfall of over half a million social homes. Low-income households are spending over half of their income on rent, and middle-income households are facing "rental stress" by paying more than 30% of their income in rent.

Rental demand is rising due to smaller households and migration, says the RBA, creating 120,000 new households during the pandemic. However, increasing rents may lead to a shift towards shared housing. Immigrants are also expected to contribute to demand, but investment conditions have not been favourable.

According to Rent.com.au's May Survey, 55% of Australian renters felt that their concerns were not adequately addressed in the 2023-24 Federal budget, which left them feeling neglected by the announced measures. Meanwhile, 25% acknowledged that the measures presented were a step towards addressing the rental crisis, but did not provide a complete solution.

The WA Government also revealed its plans to reform the Residential Tenancies Act in May. The reforms aim to enhance the protection of renters while providing landlords with clearer guidelines. The proposed changes will give tenants more say over minor property alterations, such as painting walls and allowing pets, unless there are valid reasons against it. Furthermore, rent hikes will be limited to once a year, providing tenants greater stability.

The rental market in **Sydney** was steady in May, with apartments renting for \$650 and houses for \$780 per week. Meanwhile, **Melbourne** saw slight increases with apartments renting at \$495 and houses at \$510 per week. In contrast, **Darwin** experienced a significant decrease in apartment rents, down 10.6% to \$470 per week, but had a 3% increase in house rents, now \$650 per week. Across the country, apartment rents increased to \$570 per week, while house rents remained unchanged at \$580 per week.

PRICE PER ROOM

Australia's rental market saw significant changes in May 2023, with the cost of rooms in both apartments and houses in major metro areas skyrocketing compared to last year. **Sydney** still reigned supreme with a whopping 22.3% increase in median apartment room prices at \$398 per week, while **Melbourne** took the cake for the highest increase in apartment prices at a staggering 27.5%.

Apartment room prices in **Brisbane** and **Perth** climbed 14.5% and 18.2%, respectively, while **Adelaide** and **Hobart** saw 15% and 13.1% increases. **Darwin's** house prices fell 2.7%, but **Canberra's** rose 1.5%. Nationally, apartment room prices rose by 20.7% to \$350 per week, with houses up 7.1% to \$187 per week. Renters seeking affordability should brace for a competitive market.

ANNUAL CHANGE TO PRICE PER ROOM | MAY 2023

Metro area	APARTMENTS	% change (annual)	HOUSES	% change (annual)
Sydney, NSW	\$398	22.3%	\$250	8.7%
Melbourne, VIC	\$325	27.5%	\$163	6.5%
Brisbane, QLD	\$300	14.5%	\$187	8.2%
Perth, WA	\$308	18.2%	\$173	9.5%
Adelaide, SA	\$230	15%	\$173	7.2%
Hobart, TAS	\$280	13.1%	\$210	8.6%
Darwin, NT	\$250	11.9%	\$182	-2.7%
Canberra, ACT	\$385	17.6%	\$220	1.5%
National median	\$350	20.7%	\$187	7.1%

Source: 2023 Rent.com.au property listing data

PRICE TRENDS | MAY 2023

HOW ARE THE REGIONS FARING?

The regional rental market in Australia experienced significant changes in May 2023. **Western Australia** emerged as the state with the highest annual increase in regional rents, recording a substantial growth of 22.2% to reach \$550 per week. Following closely, **South Australia** saw a notable increase of 15.1%, bringing regional rents to \$380 per week. Nationally, the median regional rent reached \$500 per week, representing an 8.7% increase. These figures indicate a trend of rising rental prices in these regions.

In a recent study of [regional versus capital city rents](#), the Australian Bureau of Statistics (ABS) said rents in regional areas farthest from capital cities have increased the most due to net population inflows and low vacancy rates. These factors have resulted in a divergence in rent inflation across capital cities and regional areas.

REGIONAL RENTS | MAY 2023

State/Territory	May 2023	% change from May '22
New South Wales	\$520	6.1%
Victoria	\$420	6.3%
Queensland	\$545	13.5%
Western Australia	\$550	22.2%
South Australia	\$380	15.1%
Tasmania	\$417	-0.6%
Northern Territory	\$530	1.9%
Aus. Capital Territory	N/A	N/A
National median	\$500	8.7%

Source: 2023 Rent.com.au property listing data

TIME ON MARKET

Australia's rental market in major metro areas showed varying trends in May 2023. **Melbourne** had a 25% improvement in apartment leasing time annually, while **Brisbane** saw faster leasing times for both apartments and houses on a monthly basis. However, annual data for houses in Brisbane showed a decline of 19.2% slower leasing time. In **Hobart**, apartments experienced a monthly improvement of 6%, but houses had a substantial 80% slower leasing time annually. These highlights showcase the diverse dynamics of the rental market across Australia.

However, it also suggests that some markets remain highly competitive, presenting opportunities for landlords to achieve higher rental prices. The time on market (TOM) or time to lease (TTL) data can provide valuable insights into market trends and property performance, enabling property owners and managers to make informed decisions about rental prices and property improvements.

HOW LONG ARE PROPERTIES TAKING TO LEASE? | MAY 2023

Metro area	APARTMENTS	Monthly change	Annual change	HOUSES	Monthly change	Annual change
Sydney, NSW	17 days	4% slower	16.3% faster	20 days	5% faster	1% slower
Melbourne, VIC	18 days	6% slower	25% faster	20 days	5% faster	5.3% faster
Brisbane, QLD	13 days	5% faster	1.6% slower	18 days	8% faster	19.2% slower
Perth, WA	15 days	1% faster	17.9% faster	15 days	2% faster	4.4% faster
Adelaide, SA	15 days	1% faster	4.2% slower	17 days	5% faster	14.7% slower
Hobart, TAS	20 days	6% faster	42.4% slower	25 days	17% slower	80% slower
Darwin, NT	19 days	8% slower	4% slower	26 days	24% slower	46.8% slower
Canberra, ACT	24 days	13% slower	39.5% slower	27 days	6% faster	68.8% slower

Source: 2023 Rent.com.au property listing data

ABOUT US

ABOUT RENT.COM.AU

We build technology to enable and empower Australia's renters.

Rent.com.au was founded 15 years ago to help renters locate and secure rental properties. From there, we developed a host of renter tools and services that help make renting more convenient, flexible and secure. It didn't happen overnight, but we're proud to say we're the number one site in Australia dedicated to renters.

We believe renters deserve a champion. Did you know almost a third of Australians rent? And the fastest growing group of renters are highly educated, well paid, and rent by choice? Renting benefits society in many ways, yet it hasn't attracted the same respect and innovation as homeownership. That's why we're motivated to constantly develop technology to make renting better.

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PRESS & ASX

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

Stay up to date with the latest [press releases](#), [media mentions](#) and [ASX announcements](#).

TRENDING ARTICLES & BLOG HIGHLIGHTS

WHAT'S TRENDING?

- › [How do I find my driver's licence and card number?](#)
- › [Rental applications – What happens after you apply?](#)
- › [Rental inspection checklist: Tips to organise your home](#)
- › [What documents should you attach to your rental application?](#)
- › [What references should you include in an application?](#)

FRESH READS

- › [Big changes coming to WA rental laws: Better for tenants, easier for landlords](#)
- › [RESULTS: Renters have their say on the 2023-24 Federal Budget](#)
- › [Creating a financial plan: How to set goals and achieve financial wellness](#)
- › [Minimalism in the city: Tips for decluttering your life and saving money](#)
- › [Rent assistance increase falls short of a call for 'bolder activity': Tenant Victoria](#)

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