



RENTAL MARKET SNAPSHOT

July 2021

Media release

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For further information, or to organise an interview with Rent.com.au CEO Greg Bader, email media@rent.com.au or call 1300 736 810

Rental market overview: July 2021

Australian state and territory overview

New South Wales <u>Sydney</u> houses the most expensive of all dwelling types in July 2021 (\$640/week)	Victoria <u>Melbourne</u> apartment rents up 1.3% to \$370/week in July 2021	Queensland <u>Queensland</u> is one of only two states to see a price drop in regional rents (down 2.3%)	Western Australia Median rents in <u>Perth</u> remain unchanged month-on-month, despite low vacancies
South Australia <u>South Australia</u> regional rents up 6.6% in July – the highest of all states/territories	Tasmania <u>Hobart</u> apartments were quickest off market in July, with a 15% improvement	Northern Territory <u>Darwin</u> apartments increase by 11.2% month-on-month – the highest of all capitals	Aus. Capital Territory <u>Canberra</u> records the most expensive room prices in July 2021.

Australia's leading rental property website [rent.com.au](https://www.rent.com.au) has released its report for July 2021, based on property leasing data. The report illustrates the shift in Australian median rental property prices (both metro and regional), rental affordability (the median room price metric) and days on market.

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

Staying informed about changes to the Australian rental market is vital when deciding on your next move. [Rent.com.au](https://www.rent.com.au) has released the latest property trends for each capital city.

Report highlights

- › Darwin apartments recorded the most significant upward shift in median rents in July, with prices up 11.2% to \$445/week.
- › Low vacancies in some metro capitals likely attributed to the exodus of residents from Sydney and Melbourne fleeing ongoing lockdowns
- › Sydney houses were the most unaffordable of all dwellings in July at \$640/week (up 3.2% on June 2021)

Median rent (apartments v houses) and Price per Room

How the states and territories performed in July 2021

Source: Rent.com.au property leasing data © 2021

Metro area	Apartments	% change	Houses	% change	Price per room	% change
<u>SYDNEY</u>	\$475	0%	\$640	3.2%	\$260	0.7%
<u>MELBOURNE</u>	\$370	1.3%	\$430	0%	\$183	1.6%
<u>BRISBANE</u>	\$410	2.5%	\$482	0.4%	\$180	0%
<u>PERTH</u>	\$395	0%	\$450	0%	\$160	0%
<u>ADELAIDE</u>	\$355	1.4%	\$430	2.3%	\$156	4%
<u>HOBART</u>	\$382	-2%	\$510	2%	\$183	0%
<u>DARWIN</u>	\$445	11.2%	\$600	1.6%	\$190	0%
<u>CANBERRA</u>	\$500	19%	\$627	6.2%	\$245	5.1%
National median	\$415	-1.1%	\$475	0%	\$200	0%

Price trends in July 2021

Median rents.

Rents are slowly rising in many of Australia's metro capitals, with low vacancy rates putting pressure on a few rental markets. Tight rental vacancy rates are driving up rents in the capital cities and the regions.

Australia faces ongoing international border closures, but low vacancies in some capitals could be attributed to Melbournians and Sydneysiders choosing to flee ongoing lockdowns.

Rental markets in some of the smaller capital cities and regional areas are seeing some benefits from the mass exodus of residents.

The latest figures from the Australian Bureau of Statistics (ABS) indicated a substantial increase in movers from Sydney and Melbourne during the pandemic. More than 60,000 residents departed the two biggest cities to other parts of the country over the year to March 2021.

This statistic is particularly significant in Melbourne, which has lost 32,000 residents during the period following the COVID recession. Melbourne's shift in population has been compounded by the loss of overseas migration, which typically underwrites economic growth in Victoria. More than 31,600 Sydney residents left to other parts of the country during the same period.

A house in Sydney remains the most expensive dwelling to rent in Australia, now at a median of \$640/week – closely behind was a house in Canberra at \$627/week. Darwin apartments experienced the largest increase in median rents in July – up 11.2% to \$445/week.

As July ended with New South Wales and parts of southeast Queensland in lockdown, renters will likely continue to face hardship as lockdowns continue, particularly among low-income, low-saving households reliant on government support.

Price per room.

Rent.com.au's price per room measure is another way to look at the cost of renting in Australia. Looking at the 12-month change in room prices, both apartments and houses recorded price increases in July, up 2.3% and 0.5%, respectively. The most significant shifts in room costs were in apartments; rents were up in all states and territories except Brisbane, with the most significant changes seen in Adelaide (11.2% to \$199/week), Hobart (6.4% to \$230/week), and Sydney, up 5% to \$315/week.

The country's most expensive room prices were in Canberra for apartments at \$328/week and Sydney for houses (\$217/week).

The 12-month change in Price Per Room				
Source: Rent.com.au property leasing data © 2021				
Metro area	Apartments	% change from JUL 2020	Houses	% change from JUL 2020
<u>SYDNEY</u>	\$315	5%	\$217	3.2%
<u>MELBOURNE</u>	\$230	2.2%	\$143	1.2%
<u>BRISBANE</u>	\$225	0%	\$150	0%
<u>PERTH</u>	\$230	2.2%	\$140	-2.3%
<u>ADELAIDE</u>	\$199	11.2%	\$142	-2%
<u>HOBART</u>	\$230	6.4%	\$172	-4.6%
<u>DARWIN</u>	\$225	4.7%	\$173	-1.5%
<u>CANBERRA</u>	\$328	0.8%	\$205	5.1%
National median	\$263	2.3%	\$158	0.5%

Price trends in July 2021

Regional rents.

Rental conditions remain essentially unchanged in Australia's regions, with just a 1.2% rise in the national median in July. Northern Territory remains the least affordable of all states/territories for rental properties, with the median rent now perched at \$500/week.

Only two states saw prices drop in July: Tasmania's regional rents came down by 6.6% to \$350/week, and Queensland saw rents fall by 2.3% to \$410/week. Regional rents in all remaining states and territories jumped month-on-month, with the most notable change seen in South Australia, up 6.6% to \$320/week. Despite showing the most considerable increase, South Australia remains the most affordable for regional properties.

Regional Rents		
Percentage shift in regional rents from JUN - JUL 2021		
Source: Rent.com.au property leasing data © 2021		
State/Territory	JUL 2021	% change from JUN 2021
<u>NSW</u>	\$450	2.2%
<u>VIC</u>	\$370	2.7%
<u>QLD</u>	\$410	-2.3%
<u>WA</u>	\$420	5%
<u>SA</u>	\$320	6.6%
<u>TAS</u>	\$350	-6.6%
<u>NT</u>	\$500	4.1%
<u>ACT</u>	n/a	n/a
National median	\$420	1.2%

Time on market.

Rent.com.au's average time on market measure is designed to explain the movement in median rents across Australia. The month-on-month change to property leasing time was most noticeable in Melbourne, where apartment rentals lasted an average of 34 days before shifting, 20% quicker than in June 2021.

Hobart apartments were the quickest off market in July, leasing 15% faster than the prior month prior at 14 days. Melbourne apartments, perhaps affected by ongoing COVID-19 restrictions and lockdowns, stayed on market longer than any other metro area, taking an average of 34 days to lease.

Considering the annual change in time on market, Darwin recorded the most significant change of all metro areas, with apartments leasing 41% faster than they did back in July last year.

Time on Market						
The shift in days on market for both property types (apartments & houses)						
Source: Rent.com.au property leasing data © 2021						
Metro area	APARTMENTS (Jul 2021)	% change from Jun 21	% change from Jul 20	HOUSES (Jul 2021)	% change from Jun 21	% change from Jul 20
<u>SYDNEY</u>	30 days	2% slower	4% faster	22 days	3% slower	11% faster
<u>MELBOURNE</u>	34 days	20% faster	9% slower	23 days	12% faster	3% slower
<u>BRISBANE</u>	18 days	1% slower	32% faster	15 days	6% slower	15% faster
<u>PERTH</u>	22 days	4% slower	6% faster	19 days	No change	5% faster
<u>ADELAIDE</u>	21 days	6% slower	6% faster	16 days	No change	12% faster
<u>HOBART</u>	14 days	15% faster	17% faster	16 days	14% faster	23% faster
<u>DARWIN</u>	22 days	15% slower	41% faster	20 days	17% slower	17% faster
<u>CANBERRA</u>	15 days	14% faster	31% faster	16 days	2% faster	13% faster



About

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

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, as well as 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 today.

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