



RENTAL MARKET SNAPSHOT

October 2020

Media release

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organise an interview with
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Rental market overview: October 2020

State and territory overview

New South Wales A greater choice of properties now available in <u>Sydney</u> metro	Victoria As lockdown eases, rents rise, and stock returns to the market	Queensland <u>Brisbane</u> rents are consistent in October with September	Western Australia <u>Perth</u> market tightens as rental stock plummets in WA
South Australia <u>Adelaide</u> apartment room rents the cheapest in Australia	Tasmania <u>Hobart</u> records an increase in national price per room	Northern Territory <u>Darwin</u> records the most significant change in time on market	Aus. Capital Territory <u>Canberra</u> records rise in price per room for all property types

Australia's leading rental property website [rent.com.au](https://www.rent.com.au) has released its report for October 2020, 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

- **Perth** is no longer a tenant's market, with demand increasing and rental availability low. Rental stock levels have dropped by more than 50% between April and October.
- **Melbourne** metro has recorded the opposite, with October showing a 53% increase in the number of available rentals since April 2020.
- **Melbourne, Perth, Adelaide, Hobart, Darwin, and Canberra** all recorded an increase in the national rental price per room (apartments and houses combined).
- **Adelaide** saw a reverse of its upward trend in apartment prices, with rents falling by \$10/week in October, and a 2.9% change. Houses also saw a 1.2% decrease.

Median rent (apartments v houses) and price per room

How the states and territories performed in October 2020 and % change month-on-month
SOURCE: RENT.COM.AU © 2020

Metro area	Apartments	% change	Houses	% change	Price per room	% change
<u>SYDNEY</u>	\$480	-3.1%	\$600	0%	\$260	-1.9%
<u>MELBOURNE</u>	\$395	1.2%	\$435	3.4%	\$195	5.1%
<u>BRISBANE</u>	\$400	0%	\$450	0%	\$175	0%
<u>PERTH</u>	\$360	0%	\$400	0%	\$150	4.6%
<u>ADELAIDE</u>	\$335	-2.9%	\$395	-1.2%	\$150	2%
<u>HOBART</u>	\$380	1.3%	\$450	0%	\$180	2.7%
<u>DARWIN</u>	\$355	1.4%	\$480	3.1%	\$166	6.6%
<u>CANBERRA</u>	\$470	4.2%	\$580	6.5%	\$230	2.1%
<i>National median</i>	\$430	-2.3%	\$450	0%	\$202	0.4%

Price trends in October 2020

Median rents.

While lockdown created unprecedented pressure on **Melbourne's** rental market, the recent lifting of restrictions has provided some relief – especially for tenants - as more rental stock hits the market. 53% more stock is now available to house hunters than there was in April. Greg Bader, CEO of Rent.com.au said: "In a sign that the lifting of restrictions in Melbourne is seeing strong demand for rental properties return, October's report showed an uplift in pricing for both apartments (up by 1.2%) and houses (up by 3.4%, or \$15/week), with apartments leasing 16% faster."

David Crombie, Chief Executive Officer of Professionals Real Estate, commented on the trends in rental availability across Australia, in particular the trends in Sydney, Melbourne and Perth metro. "Our offices are reporting strong rental demand in **Perth**, with many reporting zero – or close to zero – vacancies. Some are reporting vacancy rates at levels not seen for over a decade," he said.

"We see a different result across **Sydney**, with high availability of stock in inner-city areas, and with a greater choice of properties, we're seeing rent reductions in some areas. I've heard examples of houses where the rent has dropped by up to \$100/week, compared to what the property was rented for before COVID-19."

In other parts of Sydney, David said the rental market remains relatively healthy. "Rents in some areas have come back marginally, but nowhere near the levels of the inner-city," he added. "**Melbourne** is very similar to **Sydney** with the outer suburbs still experiencing good demand. With the inner city most affected, available stock levels are up – this is predominantly for units because the market for houses is still good. We're yet to see the effect of the Stage 4 lockdowns, but there was still activity in this time."

Both **Melbourne** and **Sydney's** city and inner-city markets were among the most affected in October, with increases in available rental listings. "Those markets are now tenant markets, due to the level of stock and reducing rents," David said. "I think COVID-19 and the requirement for many to work from home has made them assess their needs – some tenants have taken the opportunity to move to more suitable properties than their existing rental, for similar or less rent." David said there also appeared to be an increase in the number of furnished properties available, which could reflect the properties that were moved from the short-term letting market to the permanent rental market.

Price per room.

Rent.com.au's price per room metric offers another way to look at the cost of renting in Australia. Looking at the annual change from the October data, all metro capitals saw an upward trend in price per room for houses, with the most significant change in **Perth**, up 11.4% to \$130/week. That said, the WA capital remains the cheapest for price per room on a national basis. The cost of a room in an apartment in **Perth** was also up year-on-year, rising 13.1% to \$215/week. Areas with consistent changes for both apartments and houses included **Sydney**, **Perth**, **Darwin**, and **Canberra**.

The 12-month change in Price Per Room				
SOURCE: RENT.COM.AU © 2020				
Metro area	Apartments	% change from OCT 2019	Houses	% change from OCT 2019
SYDNEY	\$300	1.6%	\$200	1.2%
MELBOURNE	\$237	-5%	\$142	3.9%
BRISBANE	\$217	-5.6%	\$141	3%
PERTH	\$215	13.1%	\$130	11.4%
ADELAIDE	\$160	0%	\$135	4.4%
HOBART	\$196	-6.5%	\$173	5%
DARWIN	\$182	16.1%	\$153	9.5%
CANBERRA	\$355	14.5%	\$183	3.7%
National median	\$255	-3.7%	\$150	3.4%

Price trends in October 2020

Regional rents.

Pushing the **Northern Territory** out of the game, **South Australia's** regions recorded the most significant price spike in October, jumping 4.3% to \$300/week.

SA was one of just two states to record any change in the regional median rent: **Victoria** also rose 2.9% to \$350/week. All remaining states and territories were stable, month-on-month.

The highest regional rents in October 2020 were in the **Northern Territory**, unchanged at \$450/week, closely followed by **New South Wales** at \$410/week.

Regional Rents		
% change from September to October 2020		
SOURCE: RENT.COM.AU © 2020		
State/Territory	October 2020	% change from Sept '20
<u>NSW</u>	\$410	0%
<u>VIC</u>	\$350	2.9%
<u>QLD</u>	\$390	0%
<u>WA</u>	\$360	0%
<u>SA</u>	\$300	4.3%
<u>TAS</u>	\$330	0%
<u>NT</u>	\$450	0%
<u>ACT</u>	n/a	n/a
<i>National median</i>	\$390	0%

Time on market.

Rent.com.au's average time on market measure is designed to provide some context to the movement in median rents across Australia.

Of all metro areas, **Darwin** was the one to record the most significant change to time on market, month-on-month. Apartments leased quickest in the NT capital in October, coming off the market in 15 days (34% faster). Year-on-year, the changes were similar for Darwin - apartments shifting 49% faster in the 12 months since October 2019 and 43% faster for houses.

Time on Market						
% change in no. days on market (Apartments v Houses)						
SOURCE: RENT.COM.AU © 2020						
Metro area	APARTMENT days on market OCT 2020	% change from SEP 2020	% change from OCT 2019	HOUSES days on market OCT 2020	% change from SEP 2020	% change from OCT 2019
<u>SYDNEY</u>	30 days	4% slower	8% slower	22 days	1% slower	22% faster
<u>MELBOURNE</u>	33 days	16% faster	46% slower	22 days	7% slower	6% faster
<u>BRISBANE</u>	27 days	1% faster	21% slower	15 days	2% slower	34% faster
<u>PERTH</u>	21 days	7% faster	34% faster	16 days	6% faster	45% faster
<u>ADELAIDE</u>	21 days	1% slower	9% slower	16 days	6% slower	22% faster
<u>HOBART</u>	20 days	10% faster	26% slower	17 days	12% slower	6% slower
<u>DARWIN</u>	15 days	34% faster	49% faster	16 days	13% faster	43% faster
<u>CANBERRA</u>	22 days	1% slower	6% slower	16 days	16% faster	28% faster



About

Rent.com.au

Focusing exclusively on the rental market for the growing number of renters in Australia (approximately 7 million), rent.com.au's mission is to deliver excellent services for renters and all marketers of rental properties. As increasing numbers of Australians choose to rent as a conscious lifestyle and investment choice, rent.com.au is set to become the home for renters with the broadest possible choice of homes in one convenient location.

Finding your next home with Australia's no 1 site dedicated to rental properties has never been easier. Rent.com.au is here to help make the renting journey simpler – no matter which stage you're at. With access to thousands of listings of every kind across Australia, as well as tools and resources you won't find elsewhere, you'll be ready to move in no time.

If you're looking for a better way to advertise your rental property, rent.com.au can help you find the right tenant quickly and effectively. Advertising on rent.com.au is fast and easy, with tools provided to make self-managing your property simple.

Rent.com.au also offers several exclusive and industry-first products and tools including [Renter Resume](#), [RentBond](#), [RentConnect](#), [RentCheck](#), [RentPay](#), [RentReports](#) and more, created to simplify the renting process for renters, landlords and agents.

Rent.com.au is focused on presenting renters in the best possible fashion to maximise their chances of application success, presenting properties with additional, relevant information and automating processes to remove the need for paperwork. Visit www.rent.com.au today.

Press & ASX

- [VIDEO: Greg Bader discusses Sept 2020 quarterly](#)
- [Notice of Annual General Meeting](#)
- [Quarterly Report & Appendix 4C](#)
- [ANZ to provide transactional banking to RentPay](#)
- [Annual Report](#)

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