



RENTAL MARKET SNAPSHOT

January 2021

Media release

01 February 2021

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: January 2021

State and territory overview

New South Wales High volumes of tenant activity in <u>NSW</u> , with apartment prices on the up	Victoria <u>Melbourne</u> the only metro capital to record a fall in price per room	Queensland Vacancies drop by more than 20% in 6 months in the <u>QLD</u> capital	Western Australia <u>WA's</u> market continues to tighten with rents on the up
South Australia Vacancies fall in <u>South Australia</u> by 19% over six months as market tightens	Tasmania <u>Hobart</u> records a consistent rise in apartment & house rents	Northern Territory Regional <u>NT</u> remains the most unaffordable across Australia in January 2021	Aus. Capital Territory <u>Canberra</u> houses move slowest of all states/territories MoM

Australia's leading rental property website rent.com.au has released its report for January 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 has released the latest property trends for each capital city.*

Report highlights

- Western Australia records a 31% decrease in its vacancy rate in the past 6 months, as supply struggles to increase as fast as demand.
- Adelaide recorded the most significant change in median rent in January 2021, affected by growth in median rents for both property types.
- Median rents were consistently up in Perth, Adelaide and Hobart month-on-month for both apartments and houses.

Median rent (apartments v houses) and price per room

How the states and territories performed in January 2021 and % change month-on-month

SOURCE: RENT.COM.AU © 2021

Metro area	Apartments	% change	Houses	% change	Price per room	% change
<u>SYDNEY</u>	\$475	3.2%	\$600	0%	\$260	0%
<u>MELBOURNE</u>	\$380	0%	\$440	1.1%	\$195	4.2%
<u>BRISBANE</u>	\$410	0.7%	\$467	-0.6%	\$185	2.7%
<u>PERTH</u>	\$375	1.3%	\$430	2.3%	\$156	4%
<u>ADELAIDE</u>	\$345	7.6%	\$420	5%	\$153	2%
<u>HOBART</u>	\$383	2.1%	\$480	4.3%	\$187	2.1%
<u>DARWIN</u>	\$400	0%	\$570	1.7%	\$175	5.4%
<u>CANBERRA</u>	\$495	3.1%	\$597	0%	\$247	4.2%
National median	\$420	1.2%	\$470	1%	\$205	2.5%

Price trends in January 2021

Median rents.

As we venture into the start of 2021, median rents are increasing in many states and territories as vacancies remain low and supply struggles to increase as fast as demand. In the last six months, vacancies in Western Australia have fallen by a staggering 31%, which shows how the state's strong economy, hard border stance and influx of residents returning from overseas have put increasing pressure on the rental market.

Greg Bader, CEO at Rent.com.au said Perth was well-positioned at the base of a growth curve, with rental prices likely to increase from March once the Residential Tenancies (COVID-19 Response) Act expires. "The end of the moratorium will likely give way to rental increases in what's already a pretty competitive market," he said.

Queensland and the Northern Territory have also seen similar trends, with vacancy drops of 23% and 25%. Victoria was the only state to see trends reverse, with a 36% increase in available rentals in the past six months. Over in New South Wales, vacancies declined by 11% in the same period, South Australia by 19%, Australian Capital Territory by 10% and Tasmania by 12%.

It has been well publicised that the effect of COVID-19 has seen regional areas pick up strong rental demand. Katie Tilden Bingham, Head of Property Management for Raine & Horne Gosford, NSW said the rental market on the Central Coast has been robust: "Between our two offices (Gosford and East Gosford), our vacancy rate is sitting at 0.6%," she said. "The last time we saw this kind of vacancy was back in February 2014! We're currently fielding hundreds of enquiries per property, with houses proving most popular. Despite the impact of COVID-19, this suggests significant activity as we continue to see a rise in Sydneysiders relocating to the Central Coast to escape the hotspots and take advantage of the lifestyle," she added.

At city level, houses and apartments are working as relatively separate markets over in NSW. Adam Freitas, New Business Executive with Raine & Horne Newtown said Sydney's city fringe of the inner-west house market is currently experiencing high volumes of tenant activity. "We've seen an increase in rental prices for houses and shorter days on market," he said. "The apartment market is showing signs of improvement in some pockets; however, this market continues to be hit-and-miss with stock levels outweighing demand."

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 January data, all metro capitals bar one (Melbourne) saw an upward trend in price per room for apartments, with the most significant change in Darwin, up 12.6% to \$187/week. All house room prices were also up in January, with the steepest increase seen in Perth and Darwin (up 14.3%) to \$140/week and \$160/week respectively.

The 12-month change in Price Per Room				
SOURCE: RENT.COM.AU © 2021				
Metro area	Apartments	% change from JAN 2020	Houses	% change from JAN 2020
<u>SYDNEY</u>	\$315	0%	\$213	6.8%
<u>MELBOURNE</u>	\$235	-9.6%	\$150	7.1%
<u>BRISBANE</u>	\$220	0%	\$150	5.9%
<u>PERTH</u>	\$225	10.9%	\$140	14.3%
<u>ADELAIDE</u>	\$177	1.4%	\$140	6.3%
<u>HOBART</u>	\$235	4.4%	\$168	1.3%
<u>DARWIN</u>	\$187	12.6%	\$160	14.3%
<u>CANBERRA</u>	n/a	n/a	\$195	10.4%
<i>National median</i>	\$260	-3.7%	\$160	6.7%

Price trends in January 2021

Regional rents.

Regional Northern Territory was the most unaffordable across the country for the average renter in January 2021. Prices for rentals in the territory's outlying regions averaged \$435/week, despite a 9.8% fall in rents.

Tasmania, South Australia, and Queensland also recorded a fall in the median rent, month-on-month, down 2.8%, 0.8% and 0.8% respectively.

Median rents remained relatively consistent across Australia, with no change recorded in New South Wales, Victoria or Western Australia from December 2020.

Regional Rents		
% change from December 2020 to January 2021		
SOURCE: RENT.COM.AU © 2021		
State/Territory	January 2021	% change from Dec '20
<u>NSW</u>	\$420	0%
<u>VIC</u>	\$350	0%
<u>QLD</u>	\$398	-0.5%
<u>WA</u>	\$380	0%
<u>SA</u>	\$297	-0.8%
<u>TAS</u>	\$340	-2.8%
<u>NT</u>	\$435	-9.8%
<u>ACT</u>	n/a	n/a
<i>National median</i>	\$400	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, Canberra was the one to record the most significant change to time on market, month-on-month. Houses leased slowest in the ACT capital in January, coming off the market in 20 days (43% slower). Year-on-year, the metro capital to record the greatest change was Melbourne, today taking 84% longer (now 48 days) to move an apartment than it did in January 2020.

Time on Market						
% change in no. days on market (Apartments v Houses)						
SOURCE: RENT.COM.AU © 2021						
Metro area	APARTMENT days on market JAN 2021	% change from DEC 2020	% change from JAN 2020	HOUSES days on market JAN 2021	% change from DEC 2020	% change from JAN 2020
<u>SYDNEY</u>	39 days	30% slower	7% slower	28 days	33% slower	21% faster
<u>MELBOURNE</u>	48 days	15% slower	84% slower	31 days	36% slower	6% slower
<u>BRISBANE</u>	22 days	5% faster	0.5% slower	17 days	12% slower	29% faster
<u>PERTH</u>	22 days	14% slower	27% faster	20 days	25% slower	29% faster
<u>ADELAIDE</u>	23 days	8% slower	17% slower	17 days	13% slower	22% faster
<u>HOBART</u>	15 days	25% faster	12% slower	19 days	37% slower	2% slower
<u>DARWIN</u>	20 days	0% change	49% faster	21 days	37% slower	49% faster
<u>CANBERRA</u>	19 days	20% slower	18% faster	20 days	43% slower	30% 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 is used by almost 1 million Australians 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.

Press & ASX

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