RENTAL MARKET SNAPSHOT

July 2020

Media release
01 August 2020

For further information, or to organise an interview with Rent.com.au CEO Greg Bader, please contact:
Lauren Vardy
p: 1300 736 810
e: media@rent.com.au

Rental market overview: July 2020

State and territory overview

New South Wales	Victoria	Queensland	Western Australia
<u>NSW</u> regional rents climb to $400/week, matching ACT	**Melbourne** properties see median rent increase across board	Median rents unchanged in Brisbane metro in July	**Perth** the only metro capital with house rents under $400/week
South Australia	**Tasmania**	**Northern Territory**	**Aus. Capital Territory**
<u>South Australian</u> regional rents drop in July	**Hobart** apartments lease 44% faster month-on-month	<u>Darwin</u> the cheapest city for renting a room in an apartment	<u>Canberra</u> records most significant $ change YoY with apartments

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

Report highlights

- As restrictions begin to ease across the country, rents in some metro areas have begun to slowly improve.

- Perth remains the only metro capital where house rents are under $400/week, now a median $385/week

- **Melbourne, Brisbane** and **Perth** were the only three metro capitals to record an increase in the national rental price per room (apartments and houses combined)

Median rent (apartments v houses) and price per room					
How the states and territories performed in July 2020 and % change month-on-month SOURCE: RENT.COM.AU © 2020					
Metro area	**Apartments**	**% change**	**Houses**	**% change**	**Price per room**	**% change**
<u>SYDNEY</u>	$500	0%	$600	0%	$267	-2.7%
<u>MELBOURNE</u>	$400	1.3%	$440	1.1%	$190	1.3%
<u>BRISBANE</u>	$400	0%	$430	0%	$170	3%
<u>PERTH</u>	$350	2.9%	$385	1.3%	$137	1.8%
<u>ADELAIDE</u>	$330	0%	$400	2.6%	$143	-2.2%
<u>HOBART</u>	$360	-5.3%	$460	2.2%	$173	-5.2%
<u>DARWIN</u>	$320	0%	$450	2.3%	$150	3.4%
<u>CANBERRA</u>	$470	4.4%	$557	3.2%	$220	-2.2%
National median	*$440*	*-2.2%*	*$450*	*0%*	*$200*	*0%*

Price trends in July 2020

Median rents.

On reflection, it's hard to believe we're halfway through 2020. Despite a world pandemic, the country slipping into a recession and so much social unrest, our property markets have shown considerable resilience.

It's no surprise that Australia's rental markets have been and continue to be affected by COVID-19. For one, prospective tenants are not as active in the market at present as they once were.

Concerns around housing stability have pushed some into sharing with friends, while others have returned to the comfort of their parents home. At the same time, more properties have become available for lease following the collapse of short-term rentals (Airbnb) and a drop in students looking for rental accommodation.

Sydney and **Melbourne**, in particular, have seen higher vacancy rates in apartments around their respective CBDs.

State and territory capital median rents held up relatively well in July, considering the changes to the market and ongoing COVID-19 crisis – particularly in states like **Victoria**. There were consistent price increases across both dwelling types in **Melbourne**, **Perth** and **Canberra** month-on-month. **Perth** remains the only metro capital where house rents are under $400/week, now a median $385/week.

Price per room.

Rent.com.au's price per room metric offers another way to look at the cost of renting in Australia for people looking to share a home and save money. Despite a 7.2% room price fall, **Darwin** held the July title for the cheapest metro area to rent an individual room in an apartment at $152/week. **Perth** had the cheapest rooms in houses at $123/week, despite a 5.7% jump in prices year-on-year.

The areas where both property types saw consistent change included **Canberra**, where both apartment and house rents jumped. Canberra also recorded the most significant price change year-on-year with apartments, up 13.3% to $320/week. On the other side, both **Adelaide** and **Darwin** recorded price falls for both property types. Rent.com.au chief executive officer, Greg Bader said that given most reported property data has been developed for the property owner (i.e. dwelling price), it was essential to have an individual measurement that looked at a room price breakdown. "Our price per room metric is a different way to look at the cost of renting," he said. "It's a more accurate representation for people wanting to share a home with others."

The 12-month change in Price Per Room SOURCE: RENT.COM.AU © 2020				
Metro area	**Apartments**	**% change from JUL 2019**	**Houses**	**% change from JUL 2019**
SYDNEY	$300	-2.4%	$200	1.3%
MELBOURNE	$240	-5.6%	$137	0%
BRISBANE	$215	-4.1%	$140	3.7%
PERTH	$182	-6.4%	$123	5.7%
ADELAIDE	$162	-4.4%	$126	-2.6%
HOBART	$243	0.9%	$160	-3%
DARWIN	$152	-7.1%	$132	-5.5%
CANBERRA	$320	13.3%	$186	8.5%
National median	*$260*	*-3.7%*	*$146*	*2%*

Price trends in July 2020

Regional rents.

Regional **New South Wales** rentals stepped up price-wise to contest the **Northern Territory** for 'most affordable' across Australia in July. Both NSW and NT recorded a median rent of $400. For the NT, this meant an 11.1% price drop month-on-month. **South Australia** was the only other state to record a decrease in regional rents in July, down 8.6% to $265/week.

Prices were up in **Tasmania** (2.9% to $350/week) and **Western Australia** (up 3% to $340/week) in July.

Regional Rents		
% change between June 2020 and July 2020		
SOURCE: RENT.COM.AU © 2020		
State/Territory	**July 2020**	**% change from June '20**
NSW	$400	0%
VIC	$330	0%
QLD	$385	0%
WA	$350	2.9%
SA	$265	-8.6%
TAS	$340	3%
NT	$400	-11.1%
ACT	n/a	n/a
National median	*$380*	*0%*

Time on market.

Both apartments and houses on the market moved quicker across the board in July, with properties taking less time to lease in all metro areas.

Hobart apartments saw the most change last month, leasing 44% faster in July, now 17 days. For houses, rentals in the **Darwin** area moved quickest, a 39% shift month-on-month to 24 days.

Year-on-year, however, conditions were a little more varied. Despite improvements since June, apartments have slowed across the board in all metro capitals, bar **Canberra**, which saw rentals come off market 3% quicker from June 2019 (now 22 days).

Time on Market						
% change in no. days on market (Apartments v Houses)						
SOURCE: RENT.COM.AU © 2020						
Metro area	**APARTMENT days on market JUL 2020**	**% change from JUN 2020**	**% change from JUL 2019**	**HOUSES days on market JUL 2020**	**% change from JUN 2020**	**% change from JUL 2019**
SYDNEY	31 days	0% change	8% slower	24 days	5% faster	14% faster
MELBOURNE	31 days	6% faster	40% slower	22 days	11% faster	15% faster
BRISBANE	26 days	5% faster	38% slower	18 days	14% faster	19% faster
PERTH	23 days	17% faster	26% faster	20 days	17% faster	34% faster
ADELAIDE	22 days	14% faster	2% slower	18 days	10% faster	17% faster
HOBART	17 days	44% faster	16% slower	21 days	12% faster	10% slower
DARWIN	38 days	15% faster	16% slower	24 days	39% faster	30% faster
CANBERRA	22 days	3% faster	1% faster	18 days	19% faster	22% faster

About

The rental market report.

The rent.com.au Rental Snapshot, released monthly and quarterly each year, reports rental data from all active listings across Australia listed on rent.com.au. Data is aggregated monthly to calculate median asking rents for the country's eight capital cities, providing a comprehensive view of the current state of the market. The report is based on all property leasing data from the month.

To keep up-to-date with rental market changes across the country, like or follow rent.com.au on Facebook, Twitter, LinkedIn or visit the rent.com.au Blog. In the market for a new place? Search properties for rent on rent.com.au. Join the conversation with other renters, agents and landlords on the Rent.com.au Community.

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 widest 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, Rent.com.au Contents Insurance, 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

- June 2020 Quarterly Reports
- Change of Director's Interest Notices
- Notice of General Meeting/Proxy Forum
- Trading update, 800,000 Renter Resumes created
- Rent.com.au rental market snapshot – May 2020
- Quarterly activity report and Appendix 4C

Stay up to date with the latest press releases, media mentions and ASX announcements.

Social media

Follow Rent.com.au on Facebook, Twitter, LinkedIn or join the Rent.com.au Community.