



RENTAL MARKET SNAPSHOT

March 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: March 2021

Australian state and territory overview

New South Wales <u>Sydney</u> apartment median rents down by 2%, dropping price per room.	Victoria Higher rental supply and weakened demand affecting prices in <u>VIC</u> .	Queensland Vacancies drop by 7% month-on-month in QLD, against increased demand.	Western Australia WA faces low rental stock and high demand as the moratorium ends.
South Australia <u>South Australia's</u> regional rents increase by 4.9% to a median of \$295/week.	Tasmania Rental availability continues to fall in <u>TAS</u> with rental stock down.	Northern Territory NT records an 18% decrease in vacancy rate in the last month.	Aus. Capital Territory <u>Canberra</u> median rents up 6.6% in March, highest of all capitals.

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

- › Median rents were consistently up in Perth in March for both apartments (up 3.9% to \$395/week) and houses (2.2% to \$450/week).
- › The Northern Territory, Tasmania and Queensland record the biggest fall in available rental listings month-on-month, as supply struggles to keep pace with rental housing demand.
- › Canberra houses recorded the most significant shift in median rent in March, with prices up 6.6% to \$560/week.

Median rent (apartments v houses) and Price per Room

How the states and territories performed in March 2021

Source: [Rent.com.au](https://www.rent.com.au) property leasing data © 2021

Metro area	Apartments	% change	Houses	% change	Price per room	% change
<u>SYDNEY</u>	\$470	-2%	\$630	1.6%	\$260	-1.8%
<u>MELBOURNE</u>	\$375	-1.3%	\$430	0.4%	\$190	0%
<u>BRISBANE</u>	\$400	-2.4%	\$470	0%	\$180	-1%
<u>PERTH</u>	\$395	3.9%	\$450	2.2%	\$160	0%
<u>ADELAIDE</u>	\$342	-2.2%	\$420	0%	\$153	0%
<u>HOBART</u>	\$405	-0.7%	\$495	0%	\$190	0%
<u>DARWIN</u>	\$380	2.7%	\$550	0%	\$183	4.5%
<u>CANBERRA</u>	\$455	-3.1%	\$560	6.6%	\$234	-0.8%
National median	\$420	0%	\$470	-1%	\$200	-2.4%

Price trends in March 2021

Median rents.

As March ended, Australia's rental markets felt quite disparate. At one end, Rent.com.au's latest rental market snapshot shows extremely tight conditions in cities such as Perth, Brisbane, and Darwin, which have been hit by a cocktail of low supply and rising demand. At the other end, we have Sydney and Melbourne's rental markets. These two capitals face the opposite problem - higher rental supply and weaker demand from negative interstate migration.

Perth was the only metro capital to record a rise in median rents for both apartments (up 3.9% to \$395/week) and houses, up 2.2% to \$450/week. Increased activity in the market in March could be attributed to tenants and property owners preparing for the end of the rental moratorium, but despite the price rises, Perth remains one of the cheapest capitals for rent.

The number of advertised properties across Australia was down by 5% in March, with the biggest hits to rental stock in the Northern Territory, Tasmania, and Queensland, limiting rental property availability. Rent.com.au CEO Greg Bader said rental demand would likely remain high, especially as support measures like JobKeeper and JobSeeker end and push an increase in market activity.

"On any given year, we could expect to start to see a slight fall in rental demand by late March through seasonal changes. But demand for rental properties has been much higher than last year. That said, any chance of a year-on-year comparison has been affected by the national lockdowns from 12 months ago," Mr Bader said.

"Adding to all this, of course, is that the extended COVID-19 emergency period has ended for Western Australia, New South Wales, and Victoria, reinstating ordinary tenancy laws again. Victoria will also spend the coming weeks adjusting to a slew of new reforms, which will introduce additional protections against evictions, negotiable rent reductions and a pause on rent increases.

"As the COVID-19 situation continues to unfold Australia-wide, we will likely see continued government rules and regulations impacting residential tenancy agreements nationwide," Mr Bader said. "Now is the best time to review your lease and agreement to understand your rights and obligations. Be proactive and come up with a plan to manage your tenancy with your agent/landlord."

Price per room.

Rent.com.au's price per room measure is another way to look at the cost of renting in Australia. Houses saw the most significant shift in room costs annually, with upward movement in all states and territories. Darwin (up 28.6%), Perth (up 16.7%) and Brisbane (up 7.9%) topped the list in March.

The country's most expensive room prices remain in Canberra for both property types.

The 12-month change in Price Per Room				
Source: Rent.com.au property leasing data © 2021				
Metro area	Apartments	% change from MAR 2020	Houses	% change from MAR 2020
SYDNEY	\$310	3.3%	\$212	6.3%
MELBOURNE	\$225	-10%	\$143	3.9%
BRISBANE	\$225	0%	\$147	7.9%
PERTH	\$225	12.5%	\$140	16.7%
ADELAIDE	\$175	0%	\$140	6.3%
HOBART	\$226	3%	\$173	5.1%
DARWIN	\$200	23.1%	\$180	28.6%
CANBERRA	\$330	8.3%	\$193	7.4%
<i>National median</i>	\$260	-3.7%	\$156	6.2%

Price trends in March 2021

Regional rents.

March's data shows signs of increased interest in the country's regional centres as Aussie renters continue to seek out space and lifestyle options outside of city living. But it's not all smooth sailing outside CBD. Regional Western Australia, much like Perth metro, is also being hit by a rental shortage. The regions will need a boost of investor activity to get things rolling and inject more rental stock back into the market. This activity would go some way to house the growing number of tenants searching for somewhere to live.

Northern Territory recorded the most movement in March (up 8.7% to a median of \$500/week), followed by South Australia (up 4.9%), Western Australia (up 2.6%) and Queensland (up 1.2%).

Regional Rents		
Percentage shift in regional rents from FEB – MAR 2021		
Source: Rent.com.au property leasing data © 2021		
State/Territory	MAR 2021	% change from FEB 2021
NSW	\$430	0%
VIC	\$350	0%
QLD	\$400	1.2%
WA	\$390	2.6%
SA	\$295	4.9%
TAS	\$360	0%
NT	\$500	8.7%
ACT	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.

We would expect to start to see a slight fall in rental demand by late March through seasonal changes in any given year. But while demand for rental properties remains much higher than last year, any chance of a year-on-year comparison has been affected by the national lockdowns from 12 months ago. The month-on-month change to property leasing time was most noticeable in Perth in March. Both property types came off market quicker last month, with apartments now taking an average of 19 days and houses 16 days to shift. Darwin metro recorded the most significant change of all metro areas, with a 17% slowdown in leasing time for apartments. Year-on-year, the capital to record the most significant change was Melbourne, taking 79% longer (now 39 days) to move an apartment than it did in March 2020.

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 (March 2021)	% change from Feb 21	% change from Mar 20	HOUSES (March 2021)	% change from Feb 21	% change from Mar 20
SYDNEY	29 days	6% slower	16% slower	21 days	1% slower	12% faster
MELBOURNE	39 days	3% slower	79% slower	25 days	1% slower	10% slower
BRISBANE	21 days	1% slower	9% slower	14 days	5% faster	31% faster
PERTH	19 days	3% faster	23% faster	16 days	7% faster	30% faster
ADELAIDE	20 days	1% slower	7% slower	16 days	0% change	19% faster
HOBART	17 days	3% faster	21% slower	17 days	3% slower	14% faster
DARWIN	20 days	17% slower	44% faster	18 days	6% slower	45% faster
CANBERRA	16 days	5% faster	14% faster	17 days	14% slower	14% 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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