



RENTAL MARKET SNAPSHOT

May 2022

Monthly report
01 June 2022

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



Rental market overview: May 2022

State & Territory Summary

New South Wales <u>In May, Sydney houses were the most expensive, up 1.9% to \$680 a week.</u>	Victoria <u>Melbourne</u> houses record the most significant change in May, up 2.2%	Queensland <u>Brisbane</u> apartments shift fastest of all metro capitals in May – now 13 days	Western Australia <u>Perth</u> rooms are the cheapest in May at \$150 a week
South Australia <u>Adelaide</u> apartments were the most affordable by median rent, now \$380/week	Tasmania <u>Tasmania</u> records the most significant change to regional rents (up 5%)	Northern Territory <u>Northern Territory</u> regional rents remain the most expensive of all at \$550/wk	Aus. Capital Territory <u>Canberra</u> takes the title for most expensive apartments in May at \$530

Australia's leading rental property website [Rent.com.au](#) has released its report for May 2022, based on property leasing data. The report illustrates the shift in Australian median rental property prices (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.

TLDR (Too long; didn't read)

- On average, Australia's renters are shelling out around \$460 a week to rent an apartment; for houses, the average is now \$520
- Median rents for both apartments and houses rose across the board in May, respectively, up by 2.2% and 1.9% month-on-month
- According to new ABS data, renters, either renting from a private landlord or a state housing authority, now make up 31% of Australian households, a slight decrease from the 32% in 2017-18.

MEDIAN RENT & PRICE PER ROOM HOW THE STATES & TERRITORIES PERFORMED IN MAY 2022

Metro area	APARTMENTS	% change (monthly)	HOUSES	% change (monthly)	PRICE PER ROOM (all property types)	% change (monthly)
Sydney	\$520	4%	\$680	1.9%	\$290	3.5%
Melbourne	\$400	0%	\$460	2.2%	\$192	1%
Brisbane	\$450	-2.1%	\$550	0%	\$193	0%
Perth	\$420	0%	\$500	2%	\$170	-1.7%
Adelaide	\$380	-1.2%	\$480	0%	\$168	-4%
Hobart	\$440	2.3%	\$530	0.9%	\$203	1.%
Darwin	\$472	4.8%	\$600	-1.6%	\$206	5.6%
Canberra	\$530	1.9%	\$660	-1.4%	\$255	4%
National median	\$460	2.2%	\$520	1.9%	\$216	0.4%

Source: [Rent.com.au](#) property listing data © 2022

Price trends in May 2022

Median rents

May was quite the month for property in Australia, and it remains a challenging time for renters across the nation – and not just those in the major capitals. Rents rose almost everywhere in the last month – places like Sydney and Melbourne haven't seen much activity in a while, but they're also starting to increase. There are fewer properties on the market, and more people are looking. With low volumes of new rental listings, there's no immediate sign that things will ease back anytime soon.

So, what's causing the issue? Many investors have backed out of the market – a problem likely to be exacerbated as borders reopen and more investors convert their homes into short-term accommodation instead of entering the traditional market. People who owned investment properties have sold since the pandemic, and often to owner-occupiers. Renters in share housing during COVID also realised they couldn't work from home all the time with so many others and have left to seek their own homes. In short, a lot more people are seeking rental properties, and Australia's rental pool is shallowing.

The country's rental markets have been tightening, with vacancy rates for apartments and houses low. Property markets can resume their normal activities with the federal election now over. An absence of a significant policy for renters by both major parties throughout the election made news in May, along with a higher-than-expected [interest rate rise](#) at the start of the month.

[New housing occupancy figures](#) from the Australian Bureau of Statistics (ABS) were also released at the end of the month. Based on data from its Survey of Income and Housing, conducted from July 2019 to June 2020, the report provided several key insights into Australia's relationship with property. Renters, either renting from a private landlord or a state housing authority, now make up 31% of Australian households, a slight decrease from the 32% in 2017-18.

Nationally, rents rose across the board for both apartments and houses in May. Looking at May's median rent data, the most affordable metro capital was [Adelaide](#), where apartment rents were \$380 a week, despite a 1.2% decrease.

Price per room

Rent.com.au's price per room measure offers another way to look at the cost of renting in Australia. Looking at the 12-month change in room prices, houses were the only property type to record an increase overall, up 9.5%. The cost of a room in a house rose in every metro area, with the most significant rise seen in [Brisbane](#), up 13.3% to \$170 a week.

[Sydney](#) apartments also recorded their first annual increase in room prices in three years (now \$325 a week). Despite a fall in the median price per room for apartments, [Melbourne](#) also shot up by 16.7% annually to \$262 a week.

The country's most expensive rooms could be found in [Canberra](#) and [Sydney](#) apartments, with a price per room of \$325 a week.

PRICE PER ROOM				
ANNUAL CHANGE IN COST TO RENT A ROOM (MAY 2022)				
Metro area	APARTMENTS		HOUSES	
	Price per room in May 2022	Annual change from May 2021	Price per room in May 2022	Annual change from May 2021
Sydney	\$325	10.2%	\$226	7.9%
Melbourne	\$262	16.7%	\$150	7.1%
Brisbane	\$255	9.7%	\$170	13.3%
Perth	\$250	6.4%	\$150	6.7%
Adelaide	\$192	2.7%	\$151	6.1%
Hobart	\$226	-7.2%	\$195	12.5%
Darwin	\$225	3.4%	\$183	5.3%
Canberra	\$325	-1.5%	\$216	9.7%
National median	\$285	-1.5%	\$173	9.5%

Source: Rent.com.au property listing data © 2022

Price trends in May 2022

How are the regions faring?

Regional migration's been a big trend since the pandemic kicked off. The latest ABS figures show almost 25,000 people left Sydney for other parts of NSW in the year to March 2021.

In May, regional rents lifted slightly by 2.2% to \$460 a week. Regional renters have needed to dedicate a higher proportion of their incomes towards rent than their capital city counterparts, which seems unlikely to change in the immediate future. Much of the regional growth has been in the areas adjacent to the major capital city boundaries.

Regional Tasmania led the pace of growth in May 2022, recording a month-on-month increase of 5%. Tasmania was one of just three states to record a rise but still significant enough to boost the national median by 2.2%. The Northern Territory remains the most expensive across Australia at \$550 a week, compared to South Australia at \$330 a week.

REGIONAL RENTS		
HOW HAVE REGIONAL RENTS CHANGED IN THE MONTH TO MAY 2022?		
State/Territory	May 2022	% change from Apr 2022
New South Wales	\$490	2%
Victoria	\$390	2.6%
Queensland	\$470	0%
Western Australia	\$450	0%
South Australia	\$330	-2.9%
Tasmania	\$420	5%
Northern Territory	\$550	0%
Aus. Capital Territory	n/a	n/a
National median	\$460	2.2%

Source: Rent.com.au property listing data © 2022

Time on market

Rent.com.au's average time on market measure is designed to explain the movement in median rents across Australia. After a nationwide slowdown in April, houses in all metro areas came off the market quicker in May. The 15 median days to lease a property in Canberra in May was 24% faster than in April – and the most significant change to time in market for both property types across the board.

Melbourne apartments stayed on market longest of all property types in May, averaging 24 days on Rent.com.au before leasing. Apart from Perth, which slowed by 3% and Canberra (10%), apartments saw increased activity month-on-month.

TIME ON MARKET						
HOW LONG ARE APARTMENTS & HOUSES TAKING TO LEASE?						
Metro area	May 2022	APARTMENTS		HOUSES		
		MONTHLY Change from Apr 2022	ANNUAL Change from May 2021	May 2022	MONTHLY Change from Apr 2022	ANNUAL Change from May 2021
Sydney	20 days	6% faster	29% faster	10 days	1% faster	8% faster
Melbourne	24 days	9% faster	43% faster	21 days	8% faster	11% faster
Brisbane	13 days	11% faster	37% faster	15 days	1% faster	No change
Perth	18 days	3% slower	11% faster	15 days	10% faster	11% faster
Adelaide	14 days	5% faster	29% faster	15 days	7% faster	13% faster
Hobart	15 days	9% faster	3% faster	14 days	18% faster	11% faster
Darwin	19 days	13% faster	35% faster	17 days	3% faster	12% faster
Canberra	17 days	10% slower	11% faster	15 days	24% faster	8% faster

Source: Rent.com.au property listing data © 2022



About

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

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 and 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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- › [Shareholder Presentation – Half Year Results H1 FY22](#)
- › [Half Year Financial Report H1 FY22](#)
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