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RENTAL MARKET SNAPSHOT
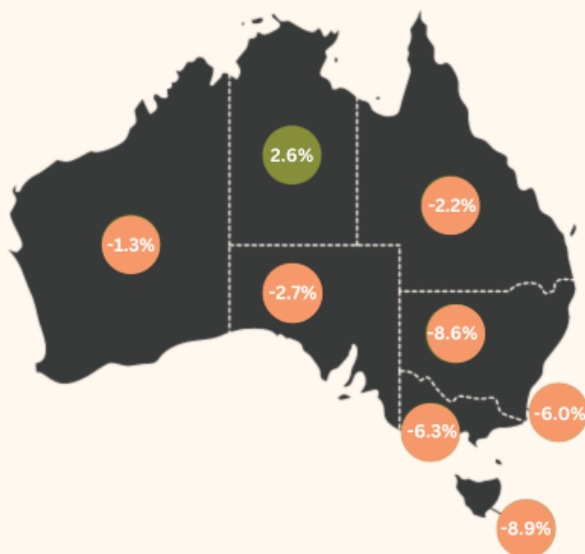
SEPTEMBER 2023

Monthly report
Released: 1 October 2023

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RENTAL MARKET OVERVIEW | SEPTEMBER 2023

RENTAL AVAILABILITY CHANGES

NEW SOUTH WALES
saw a significant drop in availability, with 8.6% fewer properties on the market

QUEENSLAND
Queensland's rental market tightened in September, with listings down by 2.2%

SOUTH AUSTRALIA
South Australia recorded a 2.7% decrease in rental listings in September.

NORTHERN TERRITORY
was the only state or territory to see a rise in availability, with listings up by 2.6%.

VICTORIA
VIC's rental market continued to tighten in September, with listings down by 6.3%.

WESTERN AUSTRALIA
recorded a modest 1.3% drop in rental availability in September.

TASMANIA
TAS' rental market tightened in September, with available properties falling by 8.9%.

AUS. CAPITAL TERRITORY
recorded a 6.0% drop in rental listing availability in September.

Stay ahead of the game with Rent.com.au's September 2023 report. Get the latest scoop on leasing trends, rental prices, affordability and market news across Australia's metro and regional areas.

KEY HIGHLIGHTS

⟩ National median rent remained unchanged at $590 per week for apartments and increased by 2.4% to $615 per week for houses.

⟩ **Melbourne** and **Adelaide** saw the biggest increases in median rent for apartments, with **Melbourne** up 2% and **Adelaide** up 2.3% month-on-month.

⟩ **Darwin** recorded the biggest decrease in median rent for apartments and houses, with apartments down 5% and houses down 3.8% month-on-month.

⟩ **Canberra** also saw decreases for median rent for both apartments and houses, with apartments down 5% and houses down 6.7% month-on-month.

⟩ Overall, the Australian rental market remains very tight, with demand for rental accommodation outstripping supply.

MEDIAN RENT & PRICE PER ROOM | SEPTEMBER 2023

Metro area	APARTMENTS	Monthly change	HOUSES	Monthly change	PRICE PER ROOM	Monthly change
Sydney, NSW	$650	0%	$800	0%	$350	0%
Melbourne, VIC	$510	2%	$550	1.8%	$225	2.2%
Brisbane, QLD	$550	0%	$625	1.6%	$216	0.5%
Perth, WA	$550	5.5%	$600	0%	$200	0%
Adelaide, SA	$440	2.3%	$550	3.6%	$196	0.5%
Hobart, TAS	$435	–3.4%	$550	0%	$200	4%
Darwin, NT	$480	–8.8%	$650	–3.8%	$220	–0.5%
Canberra, ACT	$500	–5%	$600	–6.7%	$250	2.4%
National median	**$590**	**0%**	**$615**	**2.4%**	**$262**	**1.9%**

Source: 2023 Rent.com.au property listing data

PRICE TRENDS | SEPTEMBER 2023

MEDIAN RENTS

Australia's national median rent remained relatively stable in September, with some variation across the country. The overall rental market remained very tight, with demand outstripping supply. The most significant month-on-month change (positive) was in **Perth**, WA, where the median rent for apartments increased by 5.5% to $550 per week. Conversely, the most significant month-on-month change (negative) was seen in **Darwin**, NT, where median rent for apartments decreased by 8.8%.

In September, the median rent for apartments was $435 per week in **Hobart**, TAS, the cheapest place to rent an apartment. The most expensive city to rent an apartment is **Sydney**, NSW, where the median rent is $650 per week. The cheapest place to rent a house is **Adelaide**, SA, where the median rent is $550 per week. The most expensive place to rent a home is **Canberra**, ACT, where the median rent is $600 per week.

Housing in Australia is a hot topic, with ongoing discussions centred around making it more affordable. The lack of housing supply is a significant concern, as the demand for rental properties is increasing while building approvals and commencements are decreasing. The collapse of construction companies and a shortage of tradies have also contributed to the slow pace of new builds. Natural disasters have further impacted the housing market, with local governments assessing the resilience of houses to fire and flood.

In September, the Victorian state government released a plan to boost housing supply and lower prices. The plan includes building 800,000 new homes in **Victoria** over the next decade and reforms to the approval process. The government plans to rebuild all of Victoria's public high-rise towers by 2051, with the first five replaced by 2031. The rebuild is expected to triple the number of residents who can live in the state's public housing towers from 10,000 to 30,000.

A new website launched by social media creator Jordan van den Berg allows tenants to share reviews of their rental properties and real estate agencies. The website aims to shed light on the living conditions many Australians face during the current rental crisis. InvestorKit data suggests that many tenants across Australia will face higher rents in the coming year, with the hardest-hit areas predicted to see increases between $2,600 and $3,990 annually. **Sydney** and **Melbourne** are expected to experience rent hikes between 10% and 15%.

Australia's capital cities are experiencing a solid rebound, with increasing migration, the return of international students, and Australians returning to CBDs. This year, internal migration is also a trend, with **Queensland, Western Australia**, and **South Australia** proving popular due to employment opportunities and lifestyle factors.

PRICE PER ROOM

The price per room for apartments and houses in Australia increased in most major cities in September 2023, except **Hobart** and **Darwin**. The national median price per room for apartments increased by 16.7% year-on-year to $350, while the national median price per room for houses increased by 11.1% year-on-year to $200.

A tenant in **Sydney** paying $400 per week for a room in a shared apartment in September 2022 is now paying $456 per week, an increase of $56 per week. A landlord in **Melbourne** renting out a room in their house for $310 per week in September 2022 is now renting it out for $353 per week, an increase of $43 per week.

Rising room prices are making it more difficult for tenants to afford to rent in Australia. It is also putting pressure on landlords, as they face higher borrowing costs and maintaining their rental properties. When you find a property you like, start your house hunt early and act quickly. Be flexible with your budget and location requirements, and consider renting a room to save money.

ANNUAL CHANGE TO PRICE PER ROOM	SEPTEMBER 2023				
Metro area	**APARTMENTS**	**% change (annual)**	**HOUSES**	**% change (annual)**
Sydney, NSW	$400	14.3%	$263	12.9%
Melbourne, VIC	$310	14.8%	$178	16.3%
Brisbane, QLD	$325	18.2%	$193	10.5%
Perth, WA	$320	18.5%	$190	16.9%
Adelaide, SA	$223	6.5%	$186	13.3%
Hobart, TAS	$220	−17%	$196	3.5%
Darwin, NT	$231	2.8%	$186	−2.6%
Canberra, ACT	$425	28.8%	$216	2%
National median	$350	16.7%	$200	11.1%

Source: 2023 Rent.com.au property listing data

PRICE TRENDS | SEPTEMBER 2023

HOW ARE THE REGIONS FARING?

Regional rents in Australia continued to rise in September 2023, with the national median rent increasing by 8.3% year-on-year. All states and territories recorded annual rent increases, with the most significant increases seen in **Western Australia** (15.7%), **South Australia** (17.6%), and the **Northern Territory** (18.3%). Regional rents in **New South Wales** and **Tasmania** rose by 6% and 5%, respectively, while rents in **Victoria** and **Queensland** increased by 7.6% and 10% respectively.

Several factors are driving tight rental market conditions in regional Australia. These factors include strong demand from renters, as more people opt to live in regional areas due to lifestyle factors and affordability. Additionally, a shortage of rental supply exists because investors have been selling off their rental properties in recent years. Rising interest rates are also making it more expensive for investors to borrow money to purchase rental properties.

Regional rents are expected to continue to rise in the coming months due to high demand for rental accommodation and tight supply.

REGIONAL RENTS	SEPTEMBER 2023		
State/Territory	**September 2023**	**% change from Sept '22**
New South Wales	$530	6%
Victoria	$420	7.6%
Queensland	$550	10%
Western Australia	$550	15.7%
South Australia	$400	17.6%
Tasmania	$420	5%
Northern Territory	$580	18.3%
Aus. Capital Territory	n/a	n/a
National median	$520	8.3%

Source: 2023 Rent.com.au property listing data

TIME ON MARKET

The latest data shows that the Australian rental market remains very tight, with demand for accommodation outstripping supply, leading to a shorter time on the market for both apartments and houses in many state and territory capitals.

Sydney apartments leased 6% faster in September 2023 than in August 2023 and 3% faster than in September 2022. **Perth** apartments leased 12% faster in September 2023 than in September 2022, and **Melbourne** houses leased 13% faster in September 2023 than in September 2022.

These highlights indicate that **Sydney, Perth, Adelaide,** and **Melbourne** have particularly tight rental markets. Tenants in these cities may need to commence their search early and be prepared to act swiftly when they find a property they like.

HOW LONG ARE PROPERTIES TAKING TO LEASE?	SEPTEMBER 2023					
Metro area	**APARTMENTS**	**Monthly change**	**Annual change**	**HOUSES**	**Monthly change**	**Annual change**
Sydney, NSW	16 days	6% faster	3% faster	20 days	3% faster	6% faster
Melbourne, VIC	19 days	2% slower	6% faster	19 days	9% faster	13% faster
Brisbane, QLD	14 days	2% faster	13% slower	17 days	10% faster	13% slower
Perth, WA	13 days	7% faster	12% faster	14 days	5% faster	5% faster
Adelaide, SA	13 days	4% faster	11% faster	16 days	5% faster	1% faster
Hobart, TAS	28 days	No change	33% slower	22 days	4% slower	24.% slower
Darwin, NT	20 days	5% faster	42% slower	21 days	15% faster	20% slower
Canberra, ACT	26 days	11% slower	28% slower	28 days	No change	27% slower

Source: 2023 Rent.com.au property listing data

ABOUT US

ABOUT RENT.COM.AU

We build technology to enable and empower Australia's renters.

Rent.com.au was founded 15 years ago to help renters locate and secure rental properties. From there, we developed a host of renter tools and services that help make renting more convenient, flexible, and secure. It didn't happen overnight, but we're proud to say we're the number one site in Australia dedicated to renters.

We believe renters deserve a champion. Did you know almost a third of Australians rent? And the fastest growing group of renters are highly educated, well paid, and rent by choice? Renting benefits society in many ways, yet it hasn't attracted the same respect and innovation as homeownership. That's why we're motivated to constantly develop technology to make renting better.

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PRESS & ASX

> FY23 Results Webinar Presentation
> Appendix 4E and Financial Report Year Ended 30 June 2023
> Quarterly Activity Report and App 4C
> Trading update on RentPay platform
> Quarterly Activity Report & Appendix 4C

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TRENDING ARTICLES & BLOG HIGHLIGHTS

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> How do I find my driver's licence and card number?
> Rental applications – What happens after you apply?
> Rental inspection checklist: Tips to organise your home
> Can you rent a property in Australia without viewing it in person first?
> Rental application documents: A guide to everything you need

FRESH READS

> RBA Cash Rate: What is Australia's current interest rate?
> These are the most expensive homes to rent in Australia in September 2023
> 10 unique properties for rent in September 2023
> Rent.com.au rental market snapshot: August 2023
> Revitalise your home for spring: 6 must-try hacks

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