



RENTAL MARKET SNAPSHOT

May 2020

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Rental market overview: May 2020

State and territory overview

New South Wales Sydney apartment rents down 3.8% month-on-month	Victoria Melbourne apartment rents down 4.8% in May	Queensland Brisbane apartments rents down by 2.6% month-on-month	Western Australia Perth was the only capital where apartment rents rose in May 2020
South Australia Adelaide records cheapest room prices (houses) in May 2020	Tasmania Hobart apartments least affected by time on market slowdown	Northern Territory Darwin time on market slows 43% for both apartments and houses	Aus. Capital Territory Canberra apartment room prices see most significant increase

Australia's leading rental property website [rent.com.au](https://www.rent.com.au) has released its report for May 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](https://www.rent.com.au) has released the latest property trends for each capital city.*

Report highlights

- Increases in property supply and changes to the Australian rental market are causing a gradual drop in prices.
- In May, **Adelaide** became the cheapest place in the country to rent an individual room in an apartment at \$160/week, despite a 3.2% price increase year-on-year.
- Perth** was the only metro capital where apartment rents did not fall in May, rising 1.5% to \$340/week.

Median rent (apartments v houses) and price per room

How the states and territories performed in May 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	-3.8%	\$600	0%	\$275	-3.1%
<u>MELBOURNE</u>	\$400	-4.8%	\$420	1.2%	\$182	8.1%
<u>BRISBANE</u>	\$380	-2.6%	\$430	2.4%	\$156	1%
<u>PERTH</u>	\$340	1.5%	\$375	-1.3%	\$130	-2.5%
<u>ADELAIDE</u>	\$310	0%	\$390	2.6%	\$138	1.1%
<u>HOBART</u>	\$350	0%	\$450	-1.1%	\$165	0%
<u>DARWIN</u>	\$335	-9.5%	\$450	2.3%	\$150	4.6%
<u>CANBERRA</u>	\$450	0%	\$550	0%	\$220	1.5%
National median	\$450	2.3%	\$435	-2.7%	\$190	-2.6%

Price trends in May 2020

Median rents.

Both Australia's economy and property markets have felt the weight of restrictions, lockdowns and job losses under the challenges of the coronavirus (COVID-19) crisis. There are emerging signs of higher vacancies in capitals like **Sydney** and **Melbourne**, which is causing rents to fall in some areas. Tenants who are fortunate to still be in a secure financial position may find there's now room to negotiate a small reduction in their rent.

Of course, uncertainty surrounding the job market across the country, together with substantial job losses have presented a new challenge for the residential property market, as well as being the motivation for some tenants to move in with others (while others will move back in with family).

As the flow of international student numbers is paused by travel bans and border closures, vacancies have been created. **Sydney's** rental market is likely to see conditions weaken as student demand drops off and migration rates reduce. The short-term rental stock that has slowly been transitioning into the permanent rental pool (mentioned in previous reports) will also have some effect. Sydney apartment rents were down 3.8% over the month, dropping the median rent to \$500/week.

Melbourne, similarly, is another capital that has relatively high exposure to overseas migration and will likely see some continued change in the rental market. Against a higher supply of rental properties and less demand, Melbourne apartment median rents were also down over the month, dropping by 4.8% for apartments.

Over in **Western Australia**, median rents edged higher for apartments, rising 1.5% in May. **Perth** was the only capital to avoid a drop in apartment rents over the month. But considering the negative market sentiment, lockdowns and new challenges with rental viewings, state and territory capital median rents held up relatively well in May, despite slight falls in most metro areas.

Price per room.

[Rent.com.au](https://www.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. Considering this metric, **Adelaide** room prices remained stable in May, holding the title as the cheapest metro area to rent an individual room in a house, at \$116/week.

The 12-month change in price per room showed **Canberra** had the most notable jump in apartment room prices, down 20.6% to \$250/week. 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 important 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 MAY 2019	Houses	% change from MAY 2019
SYDNEY	\$325	4.8%	\$192	-2.7%
MELBOURNE	\$256	-1.3%	\$130	-4.9%
BRISBANE	\$220	2.3%	\$133	0%
PERTH	\$186	-6.1%	\$133	0%
ADELAIDE	\$160	3.2%	\$116	0%
HOBART	\$195	1.7%	\$150	-6.3%
DARWIN	\$170	3%	\$130	-5.5%
CANBERRA	\$250	-20.6%	\$170	2%
National median	\$275	1.9%	\$140	-2.3%

Price trends in May 2020

Regional rents.

Regional **Northern Territory** was the most unaffordable across the country for the average renter in May. Rental prices in the territory's outlying regions were \$435/week, despite a 3.3% fall in prices.

Queensland, Victoria and **South Australia** were the only three states to record an increase in their respective regional median rent, up 1.3%, 3% and 3.7% respectively. Prices remained stable in **New South Wales, Western Australia** and **Tasmania** in May.

Regional Rents		
% change between April 2020 and March 2020		
SOURCE: RENT.COM.AU © 2020		
State/Territory	May 2020	% change from April '20
<u>NSW</u>	\$400	0%
<u>VIC</u>	\$330	3%
<u>QLD</u>	\$375	1.3%
<u>WA</u>	\$350	0%
<u>SA</u>	\$280	3.7%
<u>TAS</u>	\$320	0%
<u>NT</u>	\$435	-3.3%
<u>ACT</u>	n/a	n/a
National median	\$375	1.3%

Time on market.

Australia's property market slowed down across the board in May, with apartments and houses in all metro areas left on market for longer.

Considering the overall slowdown, **Hobart** apartments were least affected, taking just 1% longer to shift from April, now 19 days.

For all property types, the most noticeable slowdown month-on-month was in **Darwin**, where apartments and houses took 43% longer to lease, averaging 33 and 42 days each.

Time on Market						
% change in no. days on market (Apartments v Houses)						
SOURCE: RENT.COM.AU © 2020						
Metro area	APARTMENT days on market MAY 2020	% change from APR 2020	% change from MAY 2019	HOUSES days on market MAY 2020	% change from APR 2020	% change from MAY 2019
<u>SYDNEY</u>	30 days	18% slower	7% slower	28 days	10% slower	1% faster
<u>MELBOURNE</u>	30 days	18% slower	41% slower	28 days	8% slower	3.4% slower
<u>BRISBANE</u>	28 days	19% slower	25% slower	25 days	14% slower	3.9% slower
<u>PERTH</u>	32 days	27% slower	6% slower	27 days	18% slower	13% faster
<u>ADELAIDE</u>	24 days	29% slower	10% slower	22 days	16% slower	1% faster
<u>HOBART</u>	19 days	1% slower	39% slower	24 days	16% slower	44% slower
<u>DARWIN</u>	33 days	43% slower	16% faster	42 days	43% slower	21% slower
<u>CANBERRA</u>	22 days	24% slower	4% faster	23 days	10% slower	1% slower

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](https://www.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.



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

- [Trading update, 800,000 Renter Resumes created](#)
- [Quarterly activity report and Appendix 4C](#)
- [RNT completes placement – Appendix 2A](#)
- [Placement cleansing notice](#)
- [Reinstatement to official quotation](#)
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