

rent.com.au

RENTAL MARKET SNAPSHOT

SEPTEMBER 2022

Monthly report
1 October 2022

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



OVERVIEW | SEPTEMBER 2022

IN SUMMARY

NEW SOUTH WALES Sydney apartment price per room rises 16.7% month-on-month in September	VICTORIA Melbourne houses were on the market the longest of all properties – 22 days.	QUEENSLAND Queensland regional rents are now higher than apartment costs in Brisbane.	WESTERN AUSTRALIA Bunbury & Mandurah fare worst of all regions in cost increases in September
SOUTH AUSTRALIA Adelaide apartments were the most affordable by median rent at \$400/week	TASMANIA Hobart apartment median rents up 4.4% month-on-month	NORTHERN TERRITORY Both property types in the Northern Territory lease faster month-on-month.	AUS. CAPITAL TERRITORY Canberra apartment rooms are the most expensive at \$350/week.

Australia's leading rental property website [Rent.com.au](https://www.rent.com.au) has released its September 2022 report 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](https://www.rent.com.au) has released the latest property trends for each capital city.

HIGHLIGHTS

- > In Sept, there were just short of 50,000 vacant rental properties to cater to a population of 26 million.
- > Australia's markets have tightened further, with vacancy rates for apartments & houses now around 1%.
- > Overall Australian capital apartment prices rose 2% over the past month and 1.8% higher for houses.

MEDIAN RENT & PRICE PER ROOM | SEPTEMBER 2022

Metro area	APARTMENTS	Monthly change	HOUSES	Monthly change	PRICE PER ROOM	Monthly change
Sydney, NSW	\$550	0%	\$700	0%	\$300	0%
Melbourne, VIC	\$425	1.2%	\$475	1.1%	\$200	2%
Brisbane, QLD	\$470	2.1%	\$560	0%	\$196	0%
Perth, WA	\$425	-2.4%	\$500	0%	\$175	0%
Adelaide, SA	\$400	1.3%	\$490	2%	\$180	4%
Hobart, TAS	\$450	4.4%	\$550	0.9%	\$200	-3%
Darwin, NT	\$480	-4.2%	\$610	1.6%	\$211	5%
Canberra, ACT	\$525	-1.9%	\$650	-3.8%	\$260	4%
National median	\$490	2%	\$550	1.8%	\$225	0%

Source: 2022 Rent.com.au property listing data

PRICE TRENDS | SEPTEMBER 2022

MEDIAN RENTS

It's a tough time to be a renter right now. Some states lack any suburbs with decent rental options, rental costs are on a record run of increases, and the supply of new properties is quickly drying up. The conditions are less than ideal. In September, there were just short of 50,000 vacant rental properties to cater to a population of 26 million. It's the lowest it's been since the start of the COVID-19 pandemic and means Australia currently has a vacancy rate that's hovering precariously around 1%. A healthy rental market vacancy is between 2-3%.

There are some positive signs, with federal and state governments looking at several social and affordable housing programs. Still, their release and effects will take time to make a measurable impact. Australia's build to rent (BTR) market is also gathering steam, and new developments are hitting the market now and soon, but once again, some time away from real market scale.

Offsetting these, of course, are construction challenges in the residential market (to some extent, keeping future homeowners in the rental market longer than intended). Low pipeline building approvals in recent months mean a low number of dwellings will convert into rental properties. Relief will come via new housing stock, but considering the ABS' latest data, building approvals have decreased, so rental relief won't be easily fixed.

It's also worth factoring in the potential demand from the much-needed increase in skilled migration and international students. The planned reboot of immigration to 235,000/year will continue to drive rental demand well ahead of available future supply, impacting inner Sydney and inner Melbourne most, given their higher intake of international students and migrants generally.

Rental affordability is likely to be the critical factor impacting rental demand, with many renters now searching for more affordable alternatives as rents continue to rise. How high rents will increase will be limited to what prospective renters are willing (or able) to pay, with affordability becoming a more significant factor impacting demand.

Another result of the rental crisis is the shift in household demographics, as adult children flock back to the financial security of their parent's homes. A survey by Finder concluded that 13% of Australians (roughly 858,000) have had an adult child move back home in the past 12 months. Of those who moved back home or had their adult children move back in, almost 1 in 3 (31%) did so due to rental affordability concerns. Interest rate rises and cost of living pressures are forcing many to make significant changes to their lifestyle.

Looking at September's median rent data, the most affordable metro capital was Adelaide, where apartment rents were \$400 a week, up 1.3% from August. Hobart recorded a noticeable increase in median apartment rents month-on-month, rising 4.4% to \$450 a week.

PRICE PER ROOM

The price per room metric provides an alternate perspective on the cost of renting space within a property in Australia. Apartment rooms today cost 19.2% more on average than they did back in September 2021 (12 months ago), with the steepest of all changes recorded in Melbourne – up 24.4% to \$280 a week. Sydney recorded an annual jump of 16.7%, bringing the price per room for apartments in the NSW capital to \$350 a week. Room prices in Perth apartments rose for the fourth consecutive month, up 13.7% to \$250 a week in September. A room in a Canberra apartment will set renters back \$350 a week (up 2.9% year on year) – on par with Sydney as the most expensive of all metro areas in September 2022.

ANNUAL CHANGE TO PRICE PER ROOM | SEPTEMBER 2022

Metro area	APARTMENTS	% change (annual)	HOUSES	% change (annual)
Sydney, NSW	\$350	16.7%	\$238	8%
Melbourne, VIC	\$280	24.4%	\$160	11.6%
Brisbane, QLD	\$275	14.6%	\$173	10.1%
Perth, WA	\$250	13.7%	\$160	10.3%
Adelaide, SA	\$200	8.1%	\$165	12.5%
Hobart, TAS	\$250	11.1%	\$190	8.6%
Darwin, NT	\$225	0.0%	\$200	9.1%
Canberra, ACT	\$350	2.9%	\$225	5.7%
National median	\$310	19.2%	\$180	10.8%

Source: 2022 Rent.com.au property listing data

PRICE TRENDS | SEPTEMBER 2022

HOW ARE THE REGIONS FARING?

In [New South Wales](#) and [Victoria](#), the pandemic saw house rents in the regions overtake capital city apartment rents for the first time. In [VIC](#), they remain almost neck-and-neck, while in [NSW](#), capital city unit rents have crept past regional rents for houses. In [Queensland](#), regional asking rents are now more expensive than Brisbane for apartments. Increased interstate migration as people escaped [Melbourne's](#) lockdowns and [Sydney's](#) prices have sent [QLD's](#) asking rents through the roof. Commuting towns within an hour or two of the city, coastal regions and so-called lifestyle areas have seen some of the steepest increases in asking rents – among them are the [Gold Coast](#), Wide Bay and Sunshine Coast in [QLD](#); Richmond–Tweed, [Coffs Harbour](#) and the Central Coast in [NSW](#); [Bunbury](#) and [Mandurah](#) in [WA](#); and LaTrobe–Gippsland in [VIC](#).

REGIONAL RENTS | SEPTEMBER 2022

State/Territory	September 2022	% change from Sept '21
New South Wales	\$500	8.7%
Victoria	\$390	5.4%
Queensland	\$500	16.2%
Western Australia	\$470	11.9%
South Australia	\$350	18.6%
Tasmania	\$400	5.2%
Northern Territory	\$480	-5.4%
Aus. Capital Territory	n/a	n/a
National median	\$480	11.6%

Source: 2022 Rent.com.au property listing data

TIME ON MARKET

Rent.com.au's average time on market measure is designed to explain the movement in median rents across Australia. The 21 median days to lease a property in [Hobart](#) in September was 23% slower than in August – and the most significant change to time on market for both property types across the board.

[Melbourne](#) houses stayed on the market the longest in September, averaging 22 days listed on Rent.com.au before leasing. Annually, the most significant change for houses was recorded in [Adelaide](#), leasing 11% quicker than in September last year.

HOW LONG ARE PROPERTIES TAKING TO LEASE? | SEPTEMBER 2022

Metro area	APARTMENTS			HOUSES		
	APARTMENTS	Monthly change	Annual change	HOUSES	Monthly change	Annual change
Sydney, NSW	17 days	9% faster	35.6% faster	21 days	1% slower	0.7% slower
Melbourne, VIC	21 days	No change	45% faster	22 days	1% faster	5.3% faster
Brisbane, QLD	12 days	1% faster	41% faster	15 days	5% faster	2.1% faster
Perth, WA	14 days	9% faster	23.7% faster	14 days	6% faster	11.5% faster
Adelaide, SA	15 days	2% slower	20.9% faster	17 days	11% slower	5% slower
Hobart, TAS	21 days	23% slower	21.7% slower	18 days	5% slower	15.7% slower
Darwin, NT	14 days	14% faster	17.6% faster	17 days	5% faster	6.1% faster
Canberra, ACT	21 days	5% slower	43.4% slower	21 days	5% faster	24.5% slower

Source: 2022 Rent.com.au property listing data



ABOUT

Rent.com.au is made for renters. The company puts 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

- > [Full Year Results Presentation](#)
- > [FY22 Financial Report](#)
- > [Notice of Full Year Results Webinar](#)
- > [June 2022 Quarterly Report & Appendix 4C](#)
- > [RNT forms strategic partnership with Origin Energy](#)

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- > [7 ways to use automation and bill smoothing to become a budget pro](#)
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