

The logo for rent.com.au, featuring the word "rent" in orange with a house icon above the 'e', followed by ".com.au" in black.

## RENTAL MARKET SNAPSHOT

July 2022

**Monthly report**

01 August 2022

For further information, or to organise an interview with Rent.com.au CEO Greg Bader, email [media@rent.com.au](mailto:media@rent.com.au)



# Rental market overview: July 2022

## In summary

<b>New South Wales</b> In July, <u>Sydney</u> houses were the most expensive of all property types (\$700/week)	<b>Victoria</b> <u>Victoria</u> sees a 5.6% drop in available listings month-on-month	<b>Queensland</b> Regional rents are the second most expensive in <u>Queensland</u> at \$490 a week.	<b>Western Australia</b> <u>Western Australia</u> recorded a 7.1% drop in vacancies in the month to July
<b>South Australia</b> <u>Adelaide</u> apartments were the most affordable by median rent at \$395/week	<b>Tasmania</b> Apartment room costs in <u>Hobart</u> jumped by 25.3% annually to July 2022	<b>Northern Territory</b> <u>Northern Territory</u> property boost A 13.8% increase in the number of available homes	<b>Aus. Capital Territory</b> <u>Canberra</u> records an increase in median rent for both apartments & houses

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

## TLDR (Too long; didn't read)

- › Properties still down: There are still 28% fewer available rental properties on the market, looking at the change from July 2022 versus July 2021.
- › Sydney, Melbourne, Perth and Canberra recorded monthly increases to the median rent for both property types.
- › The Reserve Bank raised interest rates for the third time in as many months to tackle inflation.

MEDIAN RENT & PRICE PER ROOM						
HOW THE STATES & TERRITORIES PERFORMED IN JULY 2022						
Metro area	APARTMENTS	% change (monthly)	HOUSES	% change (monthly)	PRICE PER ROOM (all property types)	% change (monthly)
Sydney	\$545	3.8%	\$700	1.4%	\$300	3.4%
Melbourne	\$420	2.4%	\$470	2.2%	\$200	1.5%
Brisbane	\$450	0%	\$560	1.8%	\$197	-0.5%
Perth	\$430	2.4%	\$500	1%	\$175	0%
Adelaide	\$395	3.9%	\$480	-1%	\$175	0%
Hobart	\$450	13.9%	\$550	0%	\$205	4.1%
Darwin	\$470	0%	\$600	-3.2%	\$210	0%
Canberra	\$550	5.8%	\$680	0.7%	\$275	3.4%
<b>National median</b>	<b>\$475</b>	<b>3.3%</b>	<b>\$530</b>	<b>1.9%</b>	<b>\$225</b>	<b>2.3%</b>

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

# Price trends in July 2022

## Median rents

Apartment median rents climbed 3.3% month-on-month in Australia's metro capitals. The increase comes as the Reserve Bank raised interest rates for the third time in as many months to keep a lid on inflation, which is predicted to rise to 7% this year. Rising rates may not be the only thing impacting rental affordability, however. Vacancy rates are also a factor, particularly as demand for rental properties rises.

A lack of supply is also responsible for increasing prices, as fewer owners put their second properties up for rent. With the return of domestic and international travel, the current supply of rental stock is spinning out as people choose to put their properties into short-term rental accommodation rather than long-term. It may be some time before rent costs drop again, as landlords feel the burden of increasing interest rates and weigh whether to pass them on to their tenants.

Rental growth continues to be supported by record low vacancy rates. Monthly growth in apartment rents is outpacing house rents in many places (and certainly at a national level). Though house rents saw more robust growth at the beginning of the pandemic, some renters have had little choice but to shift their preferences towards medium-to-high density living. As overseas migration returns to pre-COVID levels, rental demand will likely stay strong for some time and continue to pressure vacancy rates.

The outlook for apartments and houses is uncertain. With interest rate rises, inflation, and global uncertainty weighing on consumer sentiment, the outlook for apartments and houses is uncertain. But while it's still a very competitive market, some increased investment activity has eased pressure on tenants. This, together with the new first home buyer government incentives such as Help to Buy, could go some way to assisting the transition of more tenants looking into the homeowner market for the first time and easing some of those demand pressures.

Looking at July's median rent data, the most affordable metro capital was Adelaide, where apartment rents were \$395 a week. Sydney, Melbourne, Perth and Canberra recorded monthly increases in median rent for both property types.

## What will a room in a rental cost me?

The price per room metric provides an alternate perspective on the cost of renting space within a property in Australia. Apartment rooms today cost 20% more on average than in July 2021 (12 months ago), with the steepest of all changes recorded in Hobart— up 25.3% to \$310 a week. Melbourne also recorded an annual jump of 22.2%, bringing the price per room to \$216 a week.

Rooms in Brisbane and Perth apartments recorded their first annual increase since July 2019, rising 12.9% and 10.3%, respectively. A room in a Sydney and Canberra apartment will set renters back \$350 a week (up 18.6% and 11.1% in that order) —the most expensive of all metro areas in July 2022.

PRICE PER ROOM				
ANNUAL CHANGE IN COST TO RENT A ROOM (JULY 2022)				
Metro area	APARTMENTS		HOUSES	
	Price per room in July 2022	Annual change from July 2021	Price per room in July 2022	Annual change from July 2021
Sydney	\$350	18.6%	\$233	9.4%
Melbourne	\$275	22.2%	\$158	10.5%
Brisbane	\$265	12.8%	\$175	12.9%
Perth	\$250	8.7%	\$157	10.3%
Adelaide	\$216	10.9%	\$160	10.3%
Hobart	\$310	25.3%	\$185	2.8%
Darwin	\$229	10.2%	\$187	2.8%
Canberra	\$350	11.1%	\$227	13.3%
<b>National median</b>	<b>\$300</b>	<b>20%</b>	<b>\$175</b>	<b>10.1%</b>

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

# Price trends in July 2022

## How are the regions faring?

Rents were up 2.1% in regional areas compared with June 2022. The shift that saw people leave the cities and move regionally has almost consistently pushed up the rent across over the last year or two, creating new challenges for locals who've been used to paying low rents over the years. The housing shortage still contributes to rent hikes, particularly as city-dwellers make the most of a COVID-induced at-home lifestyle and move into the regional areas.

In July, regional rents increased slightly by 2.1% to \$470 weekly. 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 Western Australia led the pace of growth in July 2022, recording a month-on-month increase of 2.2%. It was the only state aside from South Australia to record a price increase. In July, regional New South Wales was the most expensive across Australia at \$500 a week, followed by Queensland at \$490 a week.

REGIONAL RENTS		
HOW HAVE REGIONAL RENTS CHANGED IN THE MONTH TO JULY 2022?		
State/Territory	July 2022	% change from June 2022
New South Wales	\$500	0%
Victoria	\$385	-1.2%
Queensland	\$490	0%
Western Australia	\$460	2.2%
South Australia	\$332	0.7%
Tasmania	\$420	0%
Northern Territory	\$487	-6.2%
Aus. Capital Territory	n/a	n/a
<b>National median</b>	<b>\$470</b>	<b>2.1%</b>

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. The 16 median days to lease a property in Perth in July was 16% faster than in June – and the most significant change to time on market for both property types across the board.

Melbourne apartments stayed on market longest of all of this property type in July, averaging 21 days listed on Rent.com.au before leasing. Houses also saw a general slowdown month-on-month, with Hobart 8% slower (now 19 days), Adelaide 7% slower (currently 17 days) and Canberra 4% slower at 21 days.

TIME ON MARKET						
HOW LONG ARE APARTMENTS & HOUSES TAKING TO LEASE?						
Metro area	July 2022	APARTMENTS		July 2022	HOUSES	
		MONTHLY Change from June 2022	ANNUAL Change from July 2021		MONTHLY Change from June 2022	ANNUAL Change from July 2021
Sydney	19.2 days	5% faster	35% faster	21 days	1% slower	5% faster
Melbourne	21 days	12% faster	38% faster	21 days	No change	8% faster
Brisbane	12 days	No change	32% faster	14 days	3% slower	5% faster
Perth	16 days	16% faster	28% faster	16 days	No change	17% faster
Adelaide	15 days	9% slower	27% faster	17 days	7% slower	5% slower
Hobart	16 days	5% faster	13% slower	19 days	8% slower	22% slower
Darwin	20 days	6% slower	10% faster	18 days	10% faster	7% faster
Canberra	18 days	9% faster	18% slower	21 days	4% slower	31% slower

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](http://www.rent.com.au) today.

## Press & ASX

- > [RNT forms strategic partnership with Origin Energy](#)
- > [Quarterly Report and Appendix 4C](#)
- > [Shareholder Presentation – Half Year Results H1 FY22](#)
- > [Half Year Financial Report H1 FY22](#)
- > [Quarterly Activity Report and Appendix 4C](#)

Stay up to date with the latest [press releases](#), [media mentions](#) and [ASX announcements](#).

## Social media

Follow us on [Facebook](#), [Instagram](#), [LinkedIn](#) or [join the Rent.com.au Community](#).

## Trending blog content in July 2022

- > [Mould in rental properties – Who is responsible?](#)
- > [Rental applications – What happens after you apply?](#)
- > [Landlord selling up? Here's what you need to know](#)
- > [Rental inspection checklist: Tips to organise your home](#)
- > [What references should you include in an application?](#)

Visit the Rent.com.au Blog today at [www.rent.com.au/blog](http://www.rent.com.au/blog)