Media Release

AUSTRALIAN HOUSING RENTS SOAR BY UP TO 27.5%

Real Estate Institute of Australia (REIA) President, Mr Hayden Groves said Australian housing rents have soared at record levels over twelve months, with the latest Real Estate Market Facts report showing Sydney had the highest increase - a staggering 27.5% over the past year.

"The numbers demonstrate the recovery of house prices since the RBA began its rapid rate increases and highlight rental affordability as a looming challenge due to ongoing supply shortages. Policies that artificially limit market rents such as rent freezes, would make this challenge significantly worse as landlords and build-to-rent providers would inevitably quit the market."

Mr Groves said this is the highest annual increase since REIA records started in March 1994 with other dwellings in Sydney renting at $650 per week, on par with a house in Canberra.

"In the March quarter, the median rent for 3 bedroom houses increased in all capital cities throughout Australia. In the 12 months to the March quarter, the median rent increased in all capital cities. Brisbane had the largest annual rise at 15.6% in this category.

"The median rent for 2 bedroom other dwellings increased in all capital cities except Adelaide and Canberra where it remained stable. Melbourne had the largest growth over the quarter at 13.0%. In the 12 months to the March quarter of 2023, the median rent for 2 bedroom other dwellings increased in all capital cities.

"For house rents in the March quarter, the weighted average median rent for 3 bedroom homes in the eight capital cities increased to $536 per week, a quarterly increase of 3.9%. The median rent for 3 bedroom houses increased in all capital cities.

"Adelaide had the highest quarterly increase of 5.3% and Canberra had the lowest increase of 0.3%.

"During the quarter, the weighted average median rent for 2 bedroom other dwellings increased to $543 per week, a quarterly increase of 8.2%. The median rent remained stable in Adelaide, Canberra and Hobart but increased in all other capital cities."

Mr Groves said house price growth was more moderate with the weighted average capital city median price increasing by 0.1% for houses but decreased 0.2% for other dwellings.

"The weighted average median house price for the eight capital cities increased to $952,648 over the quarter. The median house price increased in Sydney, Adelaide and Darwin, remained stable in Perth, but declined in Melbourne, Canberra and Hobart. Increases ranged from 0.4% in Adelaide to 3.7% in Darwin.

"At $1,459,856 Sydney's median house price continues to be the highest amongst the capital cities, 53.2% higher than the national median. At $550,000, Perth has the lowest median house price across Australian capital cities, 42.3% lower than the national median.

"Over the 12 months to the March quarter, the weighted average capital city median house price decreased by 7.8%. For other dwelling sales, the weighted average median price for the eight capital cities decreased to $623,398, a quarterly decrease of 0.2%.

"At $758,664, Sydney's median price for other dwellings continues to be the highest amongst the capital cities, 21.7% higher than the national median. At $390,000, Darwin has the lowest median price for other dwellings across Australian capital cities, 37.4% lower than the national median.

"Over the 12 months to the March quarter, the weighted average median price for other dwellings for the eight capital cities decreased by 4.8%."

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