

# Media Release



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## RENTAL AFFORDABILITY IMPROVES ACROSS AUSTRALIA

Rental affordability improved marginally across Australia by 0.3 percentage points over June the quarter, the latest quarterly Housing Affordability report by the Real Estate Institute of Australia (REIA) has found.

REIA President, Adrian Kelly said the proportion of income required to for rent across the nation has decreased to 22.8 per cent adding that, “over the quarter, rental affordability improved in New South Wales, Victoria, Queensland and South Australia and stabilised in Tasmania and the Australian Capital Territory.

“Western Australia remained the most affordable place to rent with median income to rent ratio sitting at 19 per cent while Tasmania was the least affordable with 29.9 per cent of median income required to meet rental commitments,” he said.

Mr Kelly said that despite prolific media headlines about availability and cost of private rentals, affordability of rent to median income remains by and large constant and this should be reflected in State and Federal Government housing policy settings.

According to Mr Kelly, house sales continued to record premiums over the quarter and this was reflected in affordability. “The weighted average capital city median house price increased to \$913,946 and average loans size increased by 8.3 per cent.

“Income required to meet loan repayments increased to 35.4 per cent or 2.1 percentage points and increased 1.9 percentage points compared to the same quarter of 2020.

“Housing affordability improved over the June quarter in Tasmania and the Northern Territory but declined in all other states and the Australian Capital Territory. New South Wales had the largest increase of home loans at 11.1 per cent which was \$70,311 higher than last quarter.

“With sustained low interest rate environments, there are still opportunities where it is cheaper to rent than buy. As we enter spring selling season, half of Australians are living under lockdown conditions and Australia has only just narrowly missed a technical recession,” he added.

## ENDS

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Established in 1924, REIA is a federated body of State & Territory Real Estate Institutes representing 85% of Australian real estate agencies. We are a national advocate for the Australian real estate industry which is made up of 46,793 Australian businesses that employs 133,360 Australians. For more information visit [www.reia.com.au](http://www.reia.com.au)