



## Perth's rental market has begun to rebound

by MPA | 30 Nov 2017

Perth's property market is showing signs of recovery, with significant growth noted in the median house price and [property sales on an upward trajectory](#).

The city's rental market is equally bullish, with the latest data from the Real Estate Institute of Western Australia (REIWA) noting improvements in leasing activity and listings levels in the September quarter.

### **Demand for rentals is strong**

REIWA president Hayden Groves said leasing activity jumped by 4.7% over the quarter, while rental listings declined by 9.5%.

“The Perth rental market has improved over the last year. Where we were previously experiencing low leasing levels and high listings, that trend has now reversed. Properties for rent are declining and leasing activity is strong,” he said.

To that, leasing activity increased in all five subregions over the quarter, with the North-West subregion leading with activity up 9.8%. “[This was] followed by the North-East sub-region with a 4.4 per cent increase. At a suburb level, Hillarys, Ridgewood, Attadale and Bibra Lake were the biggest improvers.”

Perth's overall median rent price stayed at \$350 per week in the quarter.

According to Groves, with the rental market's key indicators showing signs of improvement or stability, landlords and property managers can be confident that the market has turned a corner.

“We expect these positive trends will continue as demand for rentals exceeds the number of properties available for lease,” he said.

## **Regional centres post strong growth**

Regional median house rents also showed signs of improvement in the September quarter, with 10 of the 11 regional centres experiencing stable or increased prices.

Five regional centres saw their median house rent rise over the quarter, and the other five had stable rents.

“Rent prices in many regional areas took a hit following the slowdown in the mining sector. We’re now seeing stable or elevated prices emerging which is encouraging for landlords and [property investors](#),” Groves said.

Karratha experienced the largest increase in median house rent price, lifting from \$400 per week in the June quarter to \$450 per week in the most recent quarter.

“Although leasing activity in Karratha dipped in the September quarter, its median house rent has had a strong resurgence, lifting back to levels last seen in mid-2016. [Planned](#) investment in the Pilbara region has likely played a role in the recovery of rent prices in the area, with proposed developments in port and rail infrastructure having a positive effect on the local economy and consumer sentiment,” Groves said.