

Renters and buyers struggling in Australia's evolving property market

New report unveils the financial and emotional pressures faced by Aussies

February 2025 – With ongoing rent hikes, fluctuating house prices, and unexpected property issues, renters and buyers alike are finding it more difficult than ever to secure housing. New study reveals that the majority (73%) of Australians applying to rent feel compelled to enhance their applications to stand out, highlighting the intense competition in the rental market.

According to new research by Real Insurance, many Aussies renters (70%) have experienced an emotional toll during the renting process, with almost half (49%) experiencing ongoing stress and anxiety. The report also found that around 2 in 5 (40%) buyers feel stressed and anxious during the buying process, with just 3 in 10 (31%) feeling excited and hopeful.

Commissioned by Real Insurance, in partnership with consumer research group MyMavins, the [Real Property Report 2025](#), surveyed 1,204 Australians aged 18 years and above. The report explores the experiences of Australians when renting and buying property and highlights the emotional and financial toll navigating the volatile property landscape.

The financial and emotional toll of renting

Securing a rental property in today's market has become increasingly difficult, with almost 4 in 5 (77%) applicants feeling the need to make their rental applications stand out to landlords. From providing detailed rental histories and references, to offering above the advertised rent price, renters are going to extreme lengths to secure a property. In fact, over half (57%) of renters' report feeling pressured to offer more than the listed rent price, with some adding up to \$124 extra per week, which can add up to over \$6,000 in additional annual costs.

For renters who own pets, the situation is even more challenging. Nearly 1 in 4 renters admitted to considering getting a pet without notifying their landlord, and many pet owners have faced difficulties securing leases due to their pets. The search for property can be strenuous, as renters with pets often find themselves spending over nine hours a week searching for rentals that accommodate their needs.

Despite the extra effort from applicants, the report reveals that leasing agents significantly impact renters' experiences, with **3 in 5 (60%)** renters expressing general dissatisfaction with how agents handle applications and manage properties. Additionally, nearly **7 in 10 (68%)** reported being discouraged from pursuing a property specifically because of their negative interactions with a leasing agent, whether due to poor communication, unresponsiveness, or other frustrating behaviours.

For many, rent increases are further compounding financial stress. More than 3 in 5 (61%) renters have faced two or more rent hikes in the past two years, leading almost half (48%) to reduce their savings and more than 2 in 5 (45%) report increased financial stress. This has forced renters to make tough financial decisions, such as reducing spending on non-essential items (38%) and have faced difficulty paying bills (34%), just to keep up with rising costs.

Joel Dignam, Executive Director of tenant advocacy organisation Better Renting, said the results were concerning but not surprising. "We are hearing all the time from renters about a deep dissatisfaction with their renting experience, whether that be applying for properties, facing rent increases, or

dealing with leasing agents. It's particularly concerning that so many renters feel pressured to offer more than the asking rent, and it goes to show the weakness of current protections around rent bidding."

Unexpected challenges for homebuyers

For those in a position to buy, the property market presents its own set of hurdles. The **Real Property Report 2025** reveals that 3 in 5 (60%) buyers encounter unexpected property issues after closing a deal, despite conducting third-party inspections before purchase. The pressure of dealing with real estate agents further adds to this strain, as almost 7 in 10 (66%) of buyers felt misled about key property details, such as undisclosed damages (21%) or hidden fees (17%).

The emotional strain is also felt among homebuyers, with 2 in 5 (40%) reporting feelings of stress and anxiety during the home-buying process with some of the biggest hassles including the moving process (42%), surprises with building issues and/or quality (35%) or dealing with real estate agents (34%). Additionally, close to 3 in 5 (59%) buyers felt pressured to bid more than they were comfortable with during auctions, intensifying the stress of making one of life's most significant financial commitments.

Despite these challenges, 3 in 10 (31%) buyers remain optimistic, expressing excitement about owning their own home. However, the rising cost of housing continues to be a significant barrier, with 1 in 2 (51%) buyers compromising on their preferred location due to unaffordability in their desired areas.

Financial strain and housing affordability

Affordability remains a key issue in Australia's housing market. For renters, rising rent costs have had a profound impact on their financial security. For many, this has meant cutting back on entertainment and leisure activities (36%) and reducing savings (48%), further highlighting the broader economic impact of the housing market.

Homebuyers are also feeling the squeeze. The additional costs associated with unexpected property repairs are adding to buyers' financial strain, making homeownership an increasingly challenging goal for many Australians.

Joel Dignam: "Expensive rents are trapping renters. The cost of everyday essentials, including housing, has got to a point where many renters face little chance of saving up a house deposit, especially when house prices are increasing."

The report underscores the immense pressure renters and buyers face in balancing financial stability with securing housing. With rent increases forcing renters to cut back on essentials and unexpected property issues straining buyers' budgets, both groups are feeling the emotional and financial toll of the current market.

Dignam said the report pointed to the negative mental health impacts of expensive housing. "It's well established that this sort of expensive housing creates a real sense of insecurity, and this survey finds about one in two renters described feeling stressed and anxious about the buying and renting process. It's a real shame that people are having to go through this to get something as basic and essential as a home."

As the new year approaches, many Aussies will be looking for new housing before the end of the

year to be settled for 2025. The findings are a timely reminder that they are not alone if they find themselves struggling with the journey.

For more information or to access the full **Real Property Report 2025**, [click here](#).

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About the Real Property Report 2025

The Real Property Report 2025 was compiled based on research commissioned by Real Insurance and conducted by MYMAVINS between the 1st and 13th of May 2024. The research was carried out through a quantitative online survey, gathering 1,204 responses from Australians aged 18 and above. The sample is broadly representative of the Australian population in terms of age, gender, wealth, and region.

About Real Insurance

Real Insurance is an award-winning provider of insurance products, specialising in life, income protection, funeral, health, home, car, pet, travel and landlords' insurance. In the market since 2005, Real Insurance have protected the quality of life of many Australians through the delivery of innovative products. Real Insurance is the proud recipient of many product and service awards, most recently being announced a winner of the 2025 Reader's Digest Quality Service Award, 2024 Mozo Exceptional Value Car Insurance Award – Experts Choice Award, 2023 Roy Morgan Customer Satisfaction - Risk & Life Insurer of the Year, 2024 ProductReview.com.au award for Life Insurance and Funeral Insurance, 2024 WeMoney Finalist award for Best in Flexibility in the life insurance category, and Feefo's 2024 Gold Trusted Service Award across a range of products. Real Insurance is a trading name of Greenstone Financial Services Pty Ltd.