

# RENTAL CRISIS EASING?

## Vacancy Rate Rise to 1.3%

Asking rents only rise 0.4% for past 30 days

11 July 2023

**SQM Research today has revealed national residential property rental vacancy rates continue to rise to now stand at 1.3% as at the month of June 2023.**

The total number of rental vacancies Australia-wide rose by 2,809 dwellings to stand at 39,716 properties. The rise was driven by a jump in Sydney rental vacancy rates to 1.7% (1.5% May).

[Melbourne](#), [Canberra](#), and [Hobart](#) also recorded an increase in rental vacancy rates during the month to stand at 1.3%, 2.1% and 1.9%.

Rental vacancy rates in the [Sydney CBD](#) and [Melbourne CBD](#) also increased rapidly to 5.7%, 4.3%, respectively

Rental vacancy rates were steady in [Brisbane](#), [Perth](#) and [Darwin](#) at 1.0%, 0.6% and 0.9%, respectively.

The majority of regional areas recorded stable rental vacancy rates during the period. The [North Coast NSW](#) steadied after recent rises to stand at 1.8%, and the [Blue Mountains](#) also remained steady at 1.7%. On the other hand, the [Gold Coast Main](#) recorded another vacancy increase, rising to 1.6% with a commensurate sharp decline in recorded rents recorded of 5.1% for the 30 days to 4<sup>th</sup> of July.

Vacancy Rates - June 2023						
City	Jun 2022 Vacancies	Jun 2022 Vacancy Rate	May 2023 Vacancies	May 2023 Vacancy Rate	Jun 2023 Vacancies	Jun 2023 Vacancy Rate
Sydney	12,417	1.8%	10,797	1.5%	12,143	1.7%
Melbourne	10,966	2.1%	6,238	1.2%	6,811	1.3%
Brisbane	2,279	0.7%	3,275	1.0%	3,407	1.0%
Perth	1,332	0.7%	1,125	0.6%	1,138	0.6%
Adelaide	750	0.5%	915	0.6%	1,011	0.6%
Canberra	577	1.0%	1,215	2.0%	1,282	2.1%
Darwin	175	0.7%	233	0.9%	236	0.9%
Hobart	186	0.7%	455	1.6%	525	1.9%
<b>National</b>	<b>37,049</b>	<b>1.2%</b>	<b>36,907</b>	<b>1.2%</b>	<b>39,716</b>	<b>1.3%</b>

SQM's calculations of vacancies are based on online rental listings that have been advertised for three weeks or more compared to the total number of established rental properties. SQM considers this to be a superior methodology compared to using a potentially incomplete sample of agency surveys or merely relying on raw online listings advertised. Please go to our [Methodology](#) page for more information on how SQM's vacancies are compiled.

## Asking Rents

Over the past 30 days to 12 June 2023, the [capital city asking rents](#) rose by 0.6% with the 12-month rise standing at 19.4%. Capital City house rents rose by 1.1% and are recording 12 month increases of 17.1%, while unit rents have risen by 0.2% for the past 30 days and are higher by 22.1% for the past 12 months.

The [national](#) median weekly asking rent for a dwelling is \$571.82 a week. The capital city asking rent for a dwelling is \$667.37 a week. The median rent for a capital city house is \$767 a week while the rent for a capital city unit is \$580 a week.

The most expensive rent is [Sydney](#) houses at \$972.73 a week. At the same time the most affordable rent is [Adelaide](#) units at \$416.93 a week.

[Hobart](#) has recorded another decline in rents for the month; down 1.3% for combined dwellings. Hobart asking rents are now down by \$29 a week since January 2023.

SQM Research Weekly Rents Index					
Week ending		Rent	Chg on	Rolling month	12 mth
4 Jul 2023		(\$)	prev wk(\$)	% chg	% chg
<a href="#">Sydney</a>	All Houses	963.87	-7.87 ▼	-0.6% ▼	16.2% ▲
	All Units	660.45	1.55 ▲	0.5% ▲	25.1% ▲
	Combined	783.76	-2.30 ▼	-0.1% ▼	20.6% ▲
<a href="#">Melbourne</a>	All Houses	668.13	-1.13 ▼	-0.1% ▼	18.7% ▲
	All Units	522.67	0.33 ▲	0.6% ▲	20.8% ▲
	Combined	582.50	-0.26 ▼	0.2% ▲	19.9% ▲
<a href="#">Brisbane</a>	All Houses	682.35	1.65 ▲	1.0% ▲	10.0% ▲
	All Units	539.43	2.57 ▲	1.6% ▲	21.4% ▲
	Combined	617.90	2.10 ▲	1.2% ▲	14.3% ▲
<a href="#">Perth</a>	All Houses	684.90	3.10 ▲	0.7% ▲	15.4% ▲
	All Units	528.22	-1.22 ▼	0.0% ▼	20.4% ▲
	Combined	619.28	1.30 ▲	0.4% ▲	17.1% ▲
<a href="#">Adelaide</a>	All Houses	582.74	0.26 ▲	0.2% ▲	10.3% ▲
	All Units	430.33	2.67 ▲	2.9% ▲	14.0% ▲
	Combined	529.95	1.14 ▲	0.9% ▲	11.4% ▲
<a href="#">Canberra</a>	All Houses	774.01	-6.01 ▼	-0.9% ▼	0.2% ▲
	All Units	557.01	0.99 ▲	0.3% ▲	-1.5% ▼
	Combined	656.52	-2.21 ▼	-0.3% ▼	-0.6% ▼
<a href="#">Darwin</a>	All Houses	690.01	9.99 ▲	0.0% ▼	6.8% ▲
	All Units	507.35	2.65 ▲	4.5% ▲	3.1% ▲
	Combined	581.23	5.66 ▲	2.3% ▲	4.9% ▲
<a href="#">Hobart</a>	All Houses	521.34	-4.34 ▼	-1.9% ▼	0.2% ▲
	All Units	455.46	-2.46 ▼	-2.3% ▼	-3.6% ▼
	Combined	494.88	-3.57 ▼	-2.1% ▼	-1.2% ▼
<a href="#">National</a>	All Houses	639.00	-3.00 ▼	0.5% ▲	9.2% ▲
	All Units	499.00	1.00 ▲	0.4% ▲	11.1% ▲
	Combined	573.76	-1.13 ▼	0.4% ▲	10.0% ▲
<a href="#">Cap City Average</a>	All Houses	759.00	-4.00 ▼	-0.4% ▼	14.1% ▲
	All Units	584.00	1.00 ▲	1.0% ▲	21.4% ▲
	Combined	665.77	-1.33 ▼	0.3% ▲	17.5% ▲

Next update: 12 Jul 2023



**Louis Christopher, Managing Director of SQM Research** said:

“Following the SQM update today there is now more evidence that we are past the worst of our national rental crisis with an easing in vacancy rates recorded for our largest capital cities and a material slowdown on market rent increases.

“Now, at 1.3%, the rental crisis is not yet over and given our ongoing strong population growth rates it is very unlikely we will get to an oversupply of rental properties anytime soon. However, just an easing in the crisis can at least translate to a steadying of market rents after what has been an extended period of very rapid market rent growth

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#### **About SQM Research**

SQM Research Pty Ltd is a respected Australian investment research house, specialising that provides research and data across all major asset classes. For further information contact **02-9220 4603**.

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