

Rental Vacancy Rates Rise to 1.1%

Capital City Rents continue to rise - Up by 2.1%

12 April 2023

SQM Research today has revealed national residential property rental vacancy rates rose slightly to 1.1% in March 2023.

The total number of rental vacancies Australia-wide now stands at 32,814 residential properties. While the vacancy rates in [Sydney](#) and [Melbourne](#) remained steady at 1.3% and 1.1% respectively, there has been an increase in vacancies in [Brisbane](#), [Perth](#) and [Hobart](#).

Rental vacancy rates in the [Sydney CBD](#), [Melbourne CBD](#) and [Brisbane CBD](#) also increased slightly to 3.1%, 2.3% and 1.3% over March.

Regional rental vacancy rates rose sharply as a sign of a population flow reversal back to the cities. [North Coast NSW](#) rental vacancy rates rose 1.6% from 1.4% in February. The [Blue Mountains](#) rose to 2.0%, marking the peak rental vacancy rate for the region since April 2020. [Gold Coast Main](#) rental vacancy rates rose to 1.1%, the highest level recorded since October 2021.

[Perth](#) recorded an increase in rental vacancy rates to 0.5%. [South West Perth](#) and the [Central Coast WA](#) also recorded increased vacancies, albeit from very tight levels. [Hobart](#) rose to 1.1%, indicating a peak in the Hobart rental market after many months of rental vacancy rates being below 1%.

Vacancy Rates - March 2023						
City	Mar 2022 Vacancies	Mar 2022 Vacancy Rate	Feb 2023 Vacancies	Feb 2023 Vacancy Rate	Mar 2023 Vacancies	Mar 2023 Vacancy Rate
Sydney	12,748	1.8%	9,301	1.3%	9,187	1.3%
Melbourne	12,400	2.4%	5,545	1.1%	5,581	1.1%
Brisbane	2,457	0.7%	2,802	0.8%	3,004	0.9%
Perth	1,206	0.6%	839	0.4%	938	0.5%
Adelaide	580	0.3%	821	0.5%	885	0.5%
Canberra	350	0.6%	1,069	1.8%	1,060	1.8%
Darwin	176	0.7%	378	1.4%	305	1.2%
Hobart	111	0.4%	237	0.9%	297	1.1%
National	36,868	1.2%	32,040	1.0%	32,814	1.1%

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 April 2023, the [capital city asking rents](#) rose by another 2.1% with the 12-month rise standing at 21.8%. Capital City house rents rose by 1.9% and are recording 12 month increases of 18.6%, while unit rents have risen by 2.3% for the past 30 days and are higher by 25.8% for the past 12 months.

The [national](#) median weekly asking rent for a dwelling is \$568 a week. The capital city asking rent for a dwelling is \$661 a week. The median rent for a capital city house is \$758 a week while the rent for a capital city unit is \$576 a week.

The most expensive rent is [Sydney](#) houses at \$962 a week. At the same time the most affordable rent is [Adelaide](#) units at \$406 a week.

[Hobart](#) was the only capital city to record a decline in rents for the month; down 1.8% for combined dwellings.

Louis Christopher, Managing Director of SQM Research said:

“The rental crisis in Australia’s regions has peaked with an easing in rental vacancy rates and rents across many smaller townships and coastal locations. This peak is also extends to some of our smaller capital cities such as Hobart, where rental vacancy rates rose back over 1% and rents are now down by 1.8% for the past 30 days.

However, the same cannot be said for our two largest capital cities where the rental crisis rolls on, driven by rampant population growth, a slowdown in the respective construction pipeline and a return to the city office move from the regions. “

SQM Research Weekly Rents Index

Week ending 12 Apr 2023		Rent (\$)	Chg on prev wk(\$)	Rolling month % chg	12 mth % chg
Sydney	All Houses	962.08	2.92 ▲	2.1% ▲	22.1% ▲
	All Units	654.45	3.55 ▲	2.6% ▲	30.1% ▲
	Combined	779.43	3.30 ▲	2.3% ▲	26.0% ▲
Melbourne	All Houses	663.75	5.25 ▲	3.1% ▲	20.9% ▲
	All Units	514.32	3.68 ▲	2.6% ▲	25.7% ▲
	Combined	575.71	4.33 ▲	2.9% ▲	23.4% ▲
Brisbane	All Houses	672.30	1.70 ▲	0.7% ▲	13.8% ▲
	All Units	524.13	0.87 ▲	1.8% ▲	26.1% ▲
	Combined	605.37	1.32 ▲	1.1% ▲	18.4% ▲
Perth	All Houses	667.78	2.22 ▲	0.8% ▲	15.3% ▲
	All Units	511.03	2.97 ▲	2.9% ▲	18.3% ▲
	Combined	602.10	2.53 ▲	1.5% ▲	16.3% ▲
Adelaide	All Houses	575.64	3.36 ▲	1.8% ▲	13.8% ▲
	All Units	405.57	-2.57 ▼	-0.1% ▼	11.2% ▲
	Combined	516.57	1.30 ▲	1.3% ▲	13.2% ▲
Canberra	All Houses	768.13	-0.13 ▼	0.5% ▲	0.4% ▲
	All Units	563.06	-3.06 ▼	-0.2% ▼	0.7% ▲
	Combined	657.07	-1.72 ▼	0.2% ▲	0.5% ▲
Darwin	All Houses	721.75	10.25 ▲	1.1% ▲	11.4% ▲
	All Units	476.48	-0.48 ▼	5.9% ▲	3.6% ▲
	Combined	575.51	3.85 ▲	3.4% ▲	7.5% ▲
Hobart	All Houses	538.32	-0.32 ▼	-2.3% ▼	3.8% ▲
	All Units	475.48	-0.48 ▼	-1.1% ▼	5.7% ▲
	Combined	513.04	-0.38 ▼	-1.8% ▼	4.5% ▲
National	All Houses	636.00	0.00	0.2% ▲	9.8% ▲
	All Units	491.00	2.00 ▲	0.2% ▲	12.9% ▲
	Combined	568.39	0.93 ▲	0.2% ▲	11.0% ▲
Cap City Average	All Houses	758.00	2.00 ▲	1.9% ▲	18.6% ▲
	All Units	576.00	3.00 ▲	2.3% ▲	25.8% ▲
	Combined	661.00	2.53 ▲	2.1% ▲	21.8% ▲

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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