

August Vacancy Rate drops to 1.2%

12 September 2023

SQM Research today has recorded the national residential property rental vacancy rate has fallen to 1.2% as at the month of August 2023.

The total number of rental vacancies Australia-wide dropped by 3,439 dwellings, bringing the count to 35,425 vacant and available rental properties as the housing rental crisis in Australia continues to Intensify.

Nearly all capital cities recorded a decrease in vacancies, with [Sydney](#), [Perth](#) and [Canberra](#) reporting decreases in rental vacancy rates during the month, standing at 1.4%, 0.4% and 1.9% respectively.

The rental vacancy rate in the [Sydney CBD](#) fell back to 4.6% after recoding an increase in July 2023. [Melbourne CBD](#) and [Brisbane CBD](#) on the other hand recorded an increase in the rental vacancy rate, standing at 5.2% and 1.8%.

Most regional areas experienced decreases in rental vacancy rates. The [North Coast NSW](#) dropped to 1.6%, while the [Gold Coast Main](#) also recorded a decrease to 1.3%. In contrast, the [Blue Mountains](#) remained steady at 1.5%.

Vacancy Rates - August 2023						
City	Aug 2022 Vacancies	Aug 2022 Vacancy Rate	Jul 2023 Vacancies	Jul 2023 Vacancy Rate	Aug 2023 Vacancies	Aug 2023 Vacancy Rate
Sydney	10,502	1.5%	11,616	1.6%	10,281	1.4%
Melbourne	9,356	1.8%	6,834	1.3%	6,773	1.3%
Brisbane	2,382	0.7%	3,354	1.0%	3,245	0.9%
Perth	992	0.5%	1,062	0.5%	862	0.4%
Adelaide	691	0.4%	1,016	0.6%	839	0.5%
Canberra	633	1.0%	1,250	2.1%	1,168	1.9%
Darwin	215	0.8%	254	1.0%	266	1.0%
Hobart	157	0.6%	498	1.8%	476	1.7%
National	32,948	1.1%	38,864	1.3%	35,425	1.2%

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 September 2023, the [capital city asking rents](#) rose by 0.2% with the 12-month rise standing at 16.1%. Capital City house rents rose by 0.4% and are recording 12 month increases of 14.9%, while unit rents remained steady for the past 30 days and are higher by 17.4% for the past 12 months.

The [national](#) median weekly asking rent for combined dwelling is \$584.32 a week. The capital city asking rent for combined dwelling is \$677.25 a week. The median rent for a capital city house is \$779.00 a week while the rent for a capital city unit is \$588.00 a week.

The most expensive rent is [Sydney](#) houses at \$977.65 a week. At the same time the most affordable rent is [Adelaide](#) units at \$432.87 a week.

[Canberra](#) has experienced a minor decrease in rents this month, down by 1.4% for combined dwellings. Additionally, the asking rent for combined dwellings in [Hobart](#) has fallen by 1.2%, primarily driven by a significant decline of 2.2% in all houses rent.

SQM Research Weekly Rents Index					
Week ending 12 Sep 2023		Rent (\$)	Chg on prev wk(\$)	Rolling month % chg	12 mth % chg
Sydney	All Houses	977.65	3.35 ▲	0.8% ▲	15.6% ▲
	All Units	666.06	-2.06 ▼	0.2% ▲	20.4% ▲
	Combined	792.65	0.14 ▲	0.5% ▲	18.0% ▲
Melbourne	All Houses	697.77	0.23 ▲	1.2% ▲	21.0% ▲
	All Units	526.58	0.42 ▲	-0.3% ▼	17.0% ▲
	Combined	597.01	0.34 ▲	0.4% ▲	19.0% ▲
Brisbane	All Houses	688.22	-0.22 ▼	-0.5% ▼	9.7% ▲
	All Units	549.92	4.08 ▲	1.3% ▲	18.3% ▲
	Combined	625.91	1.72 ▲	0.2% ▲	13.1% ▲
Perth	All Houses	714.13	-3.13 ▼	1.4% ▲	18.2% ▲
	All Units	546.42	0.58 ▲	1.2% ▲	20.3% ▲
	Combined	643.92	-1.58 ▼	1.4% ▲	19.0% ▲
Adelaide	All Houses	584.53	-2.53 ▼	0.0% ▲	9.1% ▲
	All Units	432.87	-4.87 ▼	-2.3% ▼	15.2% ▲
	Combined	532.09	-3.34 ▼	-0.6% ▼	10.9% ▲
Canberra	All Houses	746.13	-8.13 ▼	-2.9% ▼	-1.9% ▼
	All Units	557.19	0.81 ▲	0.4% ▲	-3.5% ▼
	Combined	643.87	-3.29 ▼	-1.4% ▼	-2.7% ▼
Darwin	All Houses	710.52	-0.52 ▼	-1.0% ▼	7.6% ▲
	All Units	485.25	21.75 ▲	2.4% ▲	-0.2% ▼
	Combined	576.40	12.74 ▲	0.7% ▲	3.6% ▲
Hobart	All Houses	513.38	-5.38 ▼	-2.2% ▼	-3.2% ▼
	All Units	452.87	3.13 ▲	0.6% ▲	0.7% ▲
	Combined	489.07	-1.96 ▼	-1.2% ▼	-1.8% ▼
National	All Houses	650.00	-1.00 ▼	1.2% ▲	8.7% ▲
	All Units	509.00	-1.00 ▼	0.6% ▲	11.6% ▲
	Combined	584.32	-1.00 ▼	1.0% ▲	9.9% ▲
Cap City Average	All Houses	779.00	-1.00 ▼	0.4% ▲	14.9% ▲
	All Units	588.00	-2.00 ▼	0.0%	17.4% ▲
	Combined	677.25	-1.53 ▼	0.2% ▲	16.1% ▲

Next update: 20 Sep 2023



Louis Christopher, Managing Director of SQM Research said:

“Over the first half of 2023, there was a mini reprieve for tenants due to a modest lift in rental vacancy rates, especially for our regional townships. Tenants increasingly sharing accommodation together somewhat assisted in the easing. However, in more recent months, the rental market has tightened once again. This renewed tightening mostly likely was caused by ongoing and rapid increases in our population plus a decrease in new dwelling completions compared to 2022. Going forward, I expect the low rental vacancy market to be maintained. In response to shortages, housing formation will continue to contract and unfortunately, I am expecting a very large increase in homelessness.”

[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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