

Market Rents Explode Across the Country

Rental Vacancy rates fall to 1%

12 April 2022

SQM Research today has revealed national residential property rental vacancy rates fell to 1% in March 2022, down from 1.2% in February 2022. This represents half the total number of vacancies reported as of twelve months ago and the lowest national vacancy rate since 2006.

The total number of vacancies Australia-wide now stands at 36,868 residential properties, down from 43,844 in February. [Sydney](#), [Melbourne](#) and [Brisbane](#) vacancy rates fell to 1.6%, 1.9% and 0.7%, respectively, down from 2%, 2.3% and 0.9% in February. In the smaller capital cities, [Perth](#), [Adelaide](#), [Canberra](#), [Darwin](#) and [Hobart](#), vacancy rates sat well below 1.0%.

Vacancy rates fell in the [Melbourne CBD](#) to 2.4% from 2.8% and fell in the [Sydney CBD](#) to 3.4% from 4.3%. Available rental properties across Australia plunged to 0% vacancy in [Mount Pleasant](#), [Seacombe](#), [Keswick](#), [Panorama](#), [Clarendon Vale](#), [Regency Park](#), [Lawson](#), [Mount Evelyn](#), [Faulconbridge](#) and [Gembrook](#).

| Vacancy Rates - March 2022 | | | | | | |
|----------------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|-----------------------|
| City | Mar 2021 Vacancies | Mar 2021 Vacancy Rate | Feb 2022 Vacancies | Feb 2022 Vacancy Rate | Mar 2022 Vacancies | Mar 2022 Vacancy Rate |
| Sydney | 25,257 | 3.4% | 15,145 | 2.0% | 12,748 | 1.6% |
| Melbourne | 27,300 | 4.4% | 14,777 | 2.3% | 12,400 | 1.9% |
| Brisbane | 5,407 | 1.5% | 3,328 | 0.9% | 2,457 | 0.7% |
| Perth | 1,889 | 0.9% | 1,390 | 0.6% | 1,204 | 0.5% |
| Adelaide | 1,524 | 0.8% | 776 | 0.4% | 580 | 0.3% |
| Canberra | 508 | 0.7% | 378 | 0.5% | 350 | 0.5% |
| Darwin | 188 | 0.6% | 234 | 0.7% | 176 | 0.5% |
| Hobart | 206 | 0.6% | 99 | 0.3% | 111 | 0.3% |
| National | 72,446 | 2.0% | 43,844 | 1.2% | 36,868 | 1.0% |

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 month to 12 April 2022, capital city asking rents rose by another 2.2% with the 12-month rise standing at 11.8%. Capital city house rents are recording 12 month increases of 14.7%, while unit rents have risen by 11.2%.

Following the about face falls in rental vacancy rates for the CBD locations, inner city rents for units have significantly jumped. Sydney CBD unit asking rents have lifted 5.5% and Melbourne CBD has lifted by 7.4% just in the past 30 days.

Brisbane is recording the largest 12 month combined rental increase with asking rents jumping 15.2%.

Louis Christopher, Managing Director of SQM Research said: "The rental crisis has deepened with rental vacancy rates across the country falling to just 1%. As a result, market rents have exploded. Some of our capital cities and regions are recording asking rental increases in excess of 15% over the past 12 months.

And the recent monthly data suggests we are still not at the worst point of the crisis. We were thinking at least regional Australia may have started to have some relief as people return back to the cities. But that has not happened as yet. Many localities and townships are recording zero vacancy rates.

It is likely homelessness will be increasing in this environment.

Yet, when I consider the current election stances for the major and minor parties, there is a dearth of specific policy in addressing the issues surrounding housing affordability. Clearly, we are not going to resolve this overnight, but I do hope the various state and territory governments will ramp up their rental assistance packages in order to cushion the rental accommodation emergency we have here and now.”

| SQM Research Weekly Rents Index | | | | | | |
|---------------------------------|---------------|------------|----------------|---------------------|--------------|---------|
| Week ending | | Rent | Chg on prev wk | Rolling month % chg | 12 mth % chg | |
| 12 Apr 2022 | Sydney | All Houses | 786.9 | 3.1 ▲ | 2.2% ▲ | 19.1% ▲ |
| | | All Units | 502.6 | 1.4 ▲ | 1.9% ▲ | 10.8% ▲ |
| | | Combined | 590.7 | 1.9 ▲ | 2.3% ▲ | 13.1% ▲ |
| Melbourne | | All Houses | 549.0 | 1.0 ▲ | 0.3% ▲ | 7.6% ▲ |
| | | All Units | 407.8 | 2.2 ▲ | 2.1% ▲ | 11.5% ▲ |
| | | Combined | 454.7 | 1.8 ▲ | 1.7% ▲ | 9.2% ▲ |
| Brisbane | | All Houses | 590.8 | 7.2 ▲ | 3.5% ▲ | 21.2% ▲ |
| | | All Units | 416.3 | 2.7 ▲ | 2.4% ▲ | 7.9% ▲ |
| | | Combined | 500.3 | 4.8 ▲ | 3.4% ▲ | 15.2% ▲ |
| Perth | | All Houses | 580.8 | -3.8 ▼ | 0.9% ▲ | 12.2% ▲ |
| | | All Units | 431.5 | 2.5 ▲ | 2.6% ▲ | 11.7% ▲ |
| | | Combined | 511.4 | -0.9 ▼ | 1.7% ▲ | 11.4% ▲ |
| Adelaide | | All Houses | 504.9 | 3.1 ▲ | 2.2% ▲ | 15.5% ▲ |
| | | All Units | 362.6 | 3.4 ▲ | 3.9% ▲ | 10.3% ▲ |
| | | Combined | 453.9 | 3.2 ▲ | 3.0% ▲ | 14.3% ▲ |
| Canberra | | All Houses | 764.9 | -1.9 ▼ | -0.4% ▼ | 16.0% ▲ |
| | | All Units | 559.5 | 0.5 ▲ | 1.6% ▲ | 13.2% ▲ |
| | | Combined | 645.8 | -0.5 ▼ | 0.9% ▲ | 14.3% ▲ |
| Darwin | | All Houses | 648.1 | -3.1 ▼ | 6.1% ▲ | 10.7% ▲ |
| | | All Units | 459.9 | -26.9 ▼ | 2.3% ▲ | 14.9% ▲ |
| | | Combined | 534.9 | -17.4 ▼ | 4.1% ▲ | 13.5% ▲ |
| Hobart | | All Houses | 519.2 | 8.8 ▲ | 1.5% ▲ | 7.1% ▲ |
| | | All Units | 450.0 | -8.0 ▼ | 2.6% ▲ | 5.7% ▲ |
| | | Combined | 493.9 | 2.6 ▲ | 1.9% ▲ | 7.1% ▲ |
| National | | All Houses | 579.0 | 5.0 ▲ | 1.4% ▲ | 13.3% ▲ |
| | | All Units | 435.0 | 1.0 ▲ | 2.4% ▲ | 10.4% ▲ |
| | | Combined | 495.1 | 2.7 ▲ | 2.2% ▲ | 10.7% ▲ |
| Cap City Average | | All Houses | 638.0 | -1.0 ▼ | 1.4% ▲ | 14.7% ▲ |
| | | All Units | 457.0 | 1.0 ▲ | 2.2% ▲ | 11.2% ▲ |
| | | Combined | 522.8 | 0.3 ▲ | 2.2% ▲ | 11.8% ▲ |



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About SQM Research

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

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