

# Vacancy Rates Fall to Ten Year Low

## Sydney and Melbourne drive the national result lower.

12 November 2021

SQM Research today has revealed [national](#) residential property rental vacancy rates fell to a ten year low of **1.6% over the month of October 2021**.

### Vacancy Rates

The total number of vacancies Australia-wide now stands at 56,953 residential properties, down from 59,345 in October. [Sydney](#), [Melbourne's](#) and [Hobart](#) vacancy rate dropped to 2.6%, 3.3% and 0.4% in October from 2.7%, 3.5% and 0.5% in September. In [Brisbane](#), [Perth](#), [Adelaide](#), [Canberra](#) and [Darwin](#) the vacancy rate remained below 1.0%. Vacancy rates fell in the [Sydney CBD](#) and [Melbourne CBD](#) to 7.5% and 8% respectively yet still remain at high levels compared to historical averages.

| Vacancy Rates - October 2021 |                    |                       |                    |                       |                    |                       |
|------------------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|-----------------------|
| City                         | Oct 2020 Vacancies | Oct 2020 Vacancy Rate | Sep 2021 Vacancies | Sep 2021 Vacancy Rate | Oct 2021 Vacancies | Oct 2021 Vacancy Rate |
| Sydney                       | 26,455             | 3.6%                  | 20,590             | 2.7%                  | 19,611             | 2.6%                  |
| Melbourne                    | 27,070             | 4.4%                  | 22,269             | 3.5%                  | 21,316             | 3.3%                  |
| Brisbane                     | 6,912              | 2.0%                  | 5,000              | 1.4%                  | 4,966              | 1.4%                  |
| Perth                        | 1,936              | 0.9%                  | 1,380              | 0.6%                  | 1,337              | 0.6%                  |
| Adelaide                     | 1,501              | 0.8%                  | 1,131              | 0.6%                  | 1,176              | 0.6%                  |
| Canberra                     | 608                | 0.9%                  | 596                | 0.8%                  | 593                | 0.8%                  |
| Darwin                       | 217                | 0.7%                  | 210                | 0.6%                  | 223                | 0.7%                  |
| Hobart                       | 204                | 0.6%                  | 153                | 0.5%                  | 144                | 0.4%                  |
| <b>National</b>              | <b>74,222</b>      | <b>2.1%</b>           | <b>59,345</b>      | <b>1.7%</b>           | <b>56,953</b>      | <b>1.6%</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.

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

“For the month of October 2021, rental vacancy rates fell again, this time driven lower by falls in Sydney and Melbourne. The last time we recorded national vacancy rates this low was March 2011. Other capital cities were largely steady and that was also the case for a number of the regional townships, albeit regional Australia really has not much room to fall lower. Indeed a number of regional towns are now recording no vacancies whatsoever.

We have what appears to be an improvement in occupancy in our largest CBD locations, however there is still ample rental stock and indeed rents in the Sydney CBD have been falling again since June which is no doubt attributed to the lockdown starting that month. Melbourne CBD rents have actually held steady over the same period. If we really are at the point where lockdowns are a thing of the past in this country, then it is likely the CBD locations will recover for property owners in 2022. Elsewhere rents continue to steadily rise as a result of these very tight rental conditions across Australia.”

## Rents

Over the month to 11 November 2021, [national](#) asking rents rose 0.4% for houses to \$537 per week and units rose by 1% to \$412 a week. [Capital](#) city rents rose by 0.2% for houses over the past 30 days to stand at \$582 a week. Rents for units rose by 0.5% to stand at \$424 a week.

| SQM Research Weekly Rents Index  |            |       |                   |                        |                 |
|----------------------------------|------------|-------|-------------------|------------------------|-----------------|
| Week ending<br>4 Nov 2021        |            | Rent  | Chg on<br>prev wk | Rolling month<br>% chg | 12 mth<br>% chg |
| <a href="#">Sydney</a>           | All Houses | 704.0 | -1.0 ▼            | 0.4% ▲                 | 12.5% ▲         |
|                                  | All Units  | 469.8 | 0.2 ▲             | 0.9% ▲                 | 4.4% ▲          |
| <a href="#">Melbourne</a>        | All Houses | 523.0 | 0.0 ▼             | -0.3% ▼                | 1.7% ▲          |
|                                  | All Units  | 372.2 | -0.2 ▼            | -0.3% ▼                | -4.3% ▼         |
| <a href="#">Brisbane</a>         | All Houses | 534.5 | 1.5 ▲             | 1.0% ▲                 | 14.2% ▲         |
|                                  | All Units  | 394.4 | -0.4 ▼            | -0.6% ▼                | 4.5% ▲          |
| <a href="#">Perth</a>            | All Houses | 524.1 | -1.1 ▼            | -0.1% ▼                | 10.4% ▲         |
|                                  | All Units  | 404.2 | 0.8 ▲             | 0.7% ▲                 | 11.2% ▲         |
| <a href="#">Adelaide</a>         | All Houses | 458.4 | 0.6 ▲             | 0.5% ▲                 | 9.2% ▲          |
|                                  | All Units  | 335.0 | -1.0 ▼            | -1.9% ▼                | 7.8% ▲          |
| <a href="#">Canberra</a>         | All Houses | 716.0 | 4.0 ▲             | 0.4% ▲                 | 13.9% ▲         |
|                                  | All Units  | 523.0 | 3.0 ▲             | 1.4% ▲                 | 8.7% ▲          |
| <a href="#">Darwin</a>           | All Houses | 619.3 | 12.7 ▲            | 2.5% ▲                 | 14.4% ▲         |
|                                  | All Units  | 463.1 | 9.9 ▲             | -0.6% ▼                | 23.5% ▲         |
| <a href="#">Hobart</a>           | All Houses | 504.6 | 8.4 ▲             | 4.9% ▲                 | 14.8% ▲         |
|                                  | All Units  | 419.9 | -3.9 ▼            | -1.7% ▼                | 10.0% ▲         |
| <a href="#">National</a>         | All Houses | 537.0 | -2.0 ▼            | 0.4% ▲                 | 10.5% ▲         |
|                                  | All Units  | 412.0 | 1.0 ▲             | 1.0% ▲                 | 9.0% ▲          |
| <a href="#">Cap City Average</a> | All Houses | 582.0 | 0.0               | 0.2% ▲                 | 8.4% ▲          |
|                                  | All Units  | 424.0 | 0.0               | 0.5% ▲                 | 3.2% ▲          |

### 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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