

August Rental Vacancy Rates Drop Below 1%

Australian Rental Crisis Reaches Unprecedented Levels

13 September 2022

SQM Research today has revealed national residential property rental vacancy rates have fallen to an 0.9% in August 2022. This represents the lowest national rental vacancy rate since 2006 and is at unprecedented levels both in duration and scope when considering the sustained lack of rental properties over the past six months as well as the geographical extent of the crisis whereby all cities and regions are experiencing rental accommodation shortfalls.

The total number of rental vacancies Australia-wide now stands at 32,948 residential properties, which was sharply down from 36,741 in July. [Sydney](#) and [Melbourne](#) vacancy rates fell to 1.3% and 1.4% from 1.5% and 1.6% respectively. In the smaller capital cities, [Perth](#), [Adelaide](#), [Canberra](#), [Darwin](#) and [Hobart](#), vacancy rates sat well below 1.0% and all with the exception of Darwin recorded falls in vacancies over August.

Vacancy rates in the [Melbourne CBD](#) rose slightly to 2.1%, while [Sydney CBD](#) and [Brisbane CBD](#) fell 3.1% and 1.8% respectively.

Vacancy Rates - August 2022						
City	Aug 2021 Vacancies	Aug 2021 Vacancy Rate	Jul 2022 Vacancies	Jul 2022 Vacancy Rate	Aug 2022 Vacancies	Aug 2022 Vacancy Rate
Sydney	19,976	2.6%	11,943	1.5%	10,502	1.3%
Melbourne	22,166	3.5%	10,413	1.6%	9,356	1.4%
Brisbane	4,732	1.3%	2,474	0.7%	2,382	0.7%
Perth	1,577	0.7%	1,335	0.6%	992	0.4%
Adelaide	1,229	0.6%	764	0.4%	691	0.3%
Canberra	593	0.8%	675	0.9%	633	0.9%
Darwin	226	0.7%	214	0.6%	215	0.6%
Hobart	160	0.5%	193	0.6%	157	0.5%
National	58,856	1.6%	36,741	1.0%	32,948	0.9%

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.

Rents

Over the past 30 days to 13 September 2022, [capital city asking rents](#) rose by another 2.6% with the 12-month rise standing at 20.1%. While broader national rents, taking into accounts all regions, rose by 14.7% for the same 12-month period.

The national median weekly asking rent for a dwelling is recorded at \$525 a week. Sydney recorded the highest weekly rent for a house at \$845 a week. While Adelaide units offer the best rental affordability of all capital cities at \$376 a week.

Louis Christopher, Managing Director of SQM Research said:

“The national housing rental crisis has further deteriorated to unprecedented levels. And rental listings thus far recorded in September would suggest another fall in rental vacancy rates for the current month. I note the recent alerts and warnings issued by the various housing bodies as to what is happening on the ground and our data would concur with such concerning reports. Asking rents continue to rise across the country at a red-hot pace with combined national asking rents rising by another 1.6% for the past 30 days to 12 September. All capital cities are recording double digit percentage rental increases over the past 12 months.”

SQM Research Weekly Rents Index					
Week ending		Rent (\$)	Chg on prev wk(\$)	Rolling month % chg	12 mth % chg
12 Sep 2022					
Sydney	Combined	661.32	4.39 ▲	2.9% ▲	22.7% ▲
Melbourne	Combined	500.04	2.08 ▲	1.8% ▲	19.1% ▲
Brisbane	Combined	556.08	2.67 ▲	2.3% ▲	22.0% ▲
Perth	Combined	536.77	0.90 ▲	1.4% ▲	15.5% ▲
Adelaide	Combined	486.91	4.79 ▲	1.7% ▲	19.1% ▲
Canberra	Combined	660.86	0.43 ▲	0.8% ▲	10.8% ▲
Darwin	Combined	560.27	-5.06 ▼	0.0% ▲	9.0% ▲
Hobart	Combined	500.94	0.42 ▲	1.3% ▲	10.4% ▲
National	Combined	525.16	1.51 ▲	1.6% ▲	14.7% ▲
Cap City Average	Combined	575.47	3.29 ▲	2.6% ▲	20.1% ▲

Next update: 20 Sep 2022

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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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