

National Rental Vacancy Rates Decline in February

17 March 2020

New data released by SQM Research today has revealed the national residential rental vacancy rate declined in **February 2020** to **2.0%** from 2.1% recorded in **January**, with the total number of vacancies Australia-wide now at **68,079** vacant residential properties.

Most states recorded minor declines in vacancy rates with the exception of Hobart which recorded a **0.3%** increase. Adelaide remained stable at **1.0%** vacancy rate.

Sydney has surpassed Darwin recording the highest vacancy rate in the country at **2.9%**, having dropped 0.3% basis points. Darwin sits at **2.7%** with a 0.5% drop on last month. Canberra's vacancy rate has declined to **1.0%** and Melbourne is now **1.9%**.

The year on year comparison revealed a similar decline when the national rental vacancy rate in February 2019 was **2.2%** compared to **2.0%** recorded for February 2020. Only Melbourne, Canberra and Hobart recorded higher vacancy rates compared to this time last year.

City	Feb-19 Vacancies	Feb-19 Vacancy Rate	Jan-20 Vacancies	Jan-20 Vacancy Rate	Feb-20 Vacancies	Feb-20 Vacancy Rate
Sydney	22,396	3.2%	22,707	3.1%	20,815	2.9%
Melbourne	9,818	1.7%	12,229	2.1%	11,085	1.9%
Brisbane	8,611	2.6%	8,334	2.4%	7,530	2.2%
Perth	6,170	3.0%	4,337	2.1%	4,323	2.0%
Adelaide	2,197	1.2%	1,929	1.0%	1,953	1.0%
Canberra	502	0.8%	947	1.4%	651	1.0%
Darwin	1,161	3.7%	1,028	3.2%	879	2.7%
Hobart	133	0.4%	182	0.6%	267	0.9%
National	72,317	2.2%	72,422	2.1%	68,079	2.0%

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.

Managing Director of SQM Research, Louis Christopher said, ***"February marks the start to the new year in the property industry and gives us a clearer picture of the rental market. The decline in vacancy rates is a reflection of a seasonal increase in rental demand plus ongoing decline in dwelling completions and the ongoing increase in population. We are likely to record further declines in rental vacancy rates as 2020 progresses unless the country enters into a prolonged economic depression."***

Asking Rents

Over the month, Capital City asking rents decreased **1.2%** for houses and **0.2%** for units for the week ending **12 March 2020** to record asking rents of \$562 per week for houses and \$441 per week for units. In comparison over the 12 months, asking rents increased **0.4%** for houses and remained steady for units.

Sydney, Melbourne, Adelaide and Canberra all recorded decreases in asking rents for both houses and units over the month. Perth was the only city to record rent increases for both houses and units, **0.1%** for houses and **2.5%** for units.

Over the month, Darwin and Hobart managed small increases for house rents of **1.2%** and **0.5%** respectively but unit rents has fallen by **2.4%** for Darwin and **1.4%** for Hobart.

Brisbane recorded decreases in house asking rents of **0.4%** but unit asking rents remained stable.

SQM Research Weekly Rents Index					
Week ending: 12 March 2020		Rent	Change on previous week	Rolling month % change	12 month % change
Sydney	All Houses	702.0	-1.0 ▼	-0.8% ▼	-0.7% ▼
	All Units	500.4	-0.4 ▼	-0.3% ▼	-1.3% ▼
Melbourne	All Houses	550.8	-2.8 ▼	-0.5% ▼	1.1% ▲
	All Units	422.6	-0.6 ▼	-0.2% ▼	0.6% ▲
Brisbane	All Houses	469.4	-1.4 ▼	-0.4% ▼	2.7% ▲
	All Units	378.7	0.3 ▲	0.0% ▲	2.1% ▲
Perth	All Houses	447.8	0.2 ▲	0.1% ▲	1.7% ▲
	All Units	344.6	3.4 ▲	2.5% ▲	3.4% ▲
Adelaide	All Houses	406.9	1.1 ▲	-0.1% ▼	3.1% ▲
	All Units	308.7	1.3 ▲	-0.4% ▼	2.1% ▲
Canberra	All Houses	629.5	-1.5 ▼	-0.8% ▼	-2.4% ▼
	All Units	463.8	-0.8 ▼	-0.1% ▼	1.9% ▲
Darwin	All Houses	460.2	3.8 ▲	1.2% ▲	-6.2% ▼
	All Units	362.2	-2.2 ▼	-2.4% ▼	-4.2% ▼
Hobart	All Houses	453.8	3.2 ▲	0.5% ▲	3.7% ▲
	All Units	408.9	3.1 ▲	-1.4% ▼	12.2% ▲
National	All Houses	450.0	1.0 ▲	-0.2% ▼	0.7% ▲
	All Units	365.0	-5.0 ▼	-1.6% ▼	1.4% ▲
Cap City Average	All Houses	562.0	-1.0 ▼	-1.2% ▼	0.4% ▲
	All Units	441.0	1.0 ▲	-0.2% ▼	0.0%

Source: www.sqmresearch.com.au

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Key Points

- National residential rental vacancy rate decreased in **February 2020** to **2.0%** from 2.1% recorded in **January**, with the total number of vacancies Australia-wide now at **68,079** vacant residential properties.
- Most states recorded minor decreases in vacancy rates with the exception of Hobart which recorded a **0.3%** increase. Adelaide's vacancy rate remained stable at **1.0%**.
- Sydney has surpassed Darwin recording the highest vacancy rate at **2.9%**.
- Over the month, Capital city asking rents decreased **1.2%** for houses and **0.2%** for units for the week ending **12 March 2020** to record asking rents of \$562 per week for houses and \$441 per week for units.

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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