

Winter Lull Sees Slight Rise in Rental Vacancies

15 July 2025

SQM Research today released its latest data on residential property vacancy rates.

Australia's rental market posted a slight uplift in vacancy rates in June 2025, rising nationally from 1.2% to 1.3%, according to SQM Research. While the monthly increase may suggest early signs of stabilisation, many capital cities continue to grapple with persistent undersupply, keeping rental conditions firmly in favour of landlords.

Vacancy Rates - Jun 2025						
City	Jun 2024 Vacancies	Jun 2024 Vacancy Rate	May 2025 Vacancies	May 2025 Vacancy Rate	Jun 2025 Vacancies	Jun 2025 Vacancy Rate
Sydney	12,143	1.7%	10,808	1.5%	11,482	1.6%
Melbourne	7,864	1.5%	9,074	1.7%	9,414	1.8%
Brisbane	3,962	1.1%	3,064	0.9%	3,147	0.9%
Perth	1,510	0.8%	1,416	0.7%	1,457	0.8%
Adelaide	1,180	0.7%	1,240	0.8%	1,268	0.8%
Canberra	1,265	2.1%	891	1.5%	920	1.5%
Darwin	223	0.9%	129	0.5%	115	0.5%
Hobart	425	1.5%	177	0.6%	175	0.6%
National	40,486	1.3%	37,879	1.2%	39,027	1.3%

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.

Key city vacancy rates in June 2025:

Despite small monthly rises, vacancy rates across most capitals continue to signal demand-driven pressure. Landlords in tighter markets may retain pricing power, while renters in cities like Melbourne and Canberra could see gradual shifts toward balance.

- **Sydney:** 1.5%, up 0.1% year-on-year, stable since April 2025.
- **Melbourne's** vacancy rate continues to climb, reaching 1.8% – indicative of easing demand or new supply entering the market.
- **Sydney's** modest uplift to 1.6% hints at seasonal fluctuations rather than a market shift.
- **Brisbane, Perth, Adelaide, Darwin** and **Hobart** all maintain sub-1% rates, reinforcing ongoing pressure on tenants.
- **Canberra** has stabilised after a sharp year-on-year decline, possibly reflecting renewed leasing activity or moderate supply increases.

Advertised Rents Analysis

SQM Research's latest Weekly Rents Index for the week ending 12 June 2025, available via its property index (https://sqmresearch.com.au/index_property.php), tracks weekly rental prices, monthly percentage changes, and year-on-year percentage changes for houses and units combined, based on listings active for at least three weeks.

National Trend:

Australia's rental market continues to display nuanced dynamics, with capital cities diverging in performance over the past week. According to SQM Research's Weekly Rents Index, national combined rents declined modestly to \$645.44, while annual gains held firm at 3.3%. The standout performer was Darwin, where combined rents jumped over 1.0% week-on-week and soared nearly 14% year-on-year, highlighting pressure in smaller housing markets.

City-Specific Insights:

- **Sydney**
 - Combined rent: \$852.19 (↓ \$0.75)
 - Rolling month: -0.3%; annual: +1.8%
 - *Market softening slightly amid seasonal turnover; unit rents up, houses down.*
- **Melbourne**
 - Combined rent: \$654.27 (↓ \$0.17)
 - Rolling month: +0.6%; annual: +2.8%
 - *Houses remain resilient, overall growth steady.*
- **Brisbane**
 - Combined rent: \$689.01 (↓ \$0.49)
 - Rolling month: +0.7%; annual: +3.8%
 - *Units and houses gaining traction; solid growth continues.*
- **Perth**
 - Combined rent: \$758.63 (↑ \$2.36)
 - Rolling month: +0.1%; annual: +5.7%
 - *Houses surged \$5.44; competition intensifies in outer metro areas.*
- **Adelaide**
 - Combined rent: \$622.82 (↓ \$0.03)
 - Rolling month: +1.7%; annual: +4.5%
 - *Units driving momentum; affordability keeping demand elevated.*
- **Canberra**
 - Combined rent: \$676.29 (↑ \$1.15)
 - Rolling month: +0.1%; annual: +3.6%
 - *Unit rents rebound, balancing softer house performance.*
- **Darwin**
 - Combined rent: \$639.77 (↑ \$7.02)

- Rolling month: +1.0%; annual: +13.9%
- *Houses rose over \$21; lowest vacancy rate nationally fueling sharp growth.*
- **Hobart**
- Combined rent: \$542.69 (↓ \$1.24)
- Rolling month: -0.5%; annual: +6.5%
- *Units climbing while houses cool; winter lull evident.*

Commentary

Louis Christopher, Managing Director of SQM Research, commented:

“The marginal increase in vacancies nationally should not be interpreted as a market turnaround. Most regions still show signs of stress, and the recent spike in dwelling approvals needs to translate into physical supply before rental conditions meaningfully improve.

June's figures suggest the beginning of a seasonal rebalancing in some regions. However, we are far from a renter's market, especially in cities like Darwin and Hobart where vacancy rates are critically low,” said Louis Christopher, Managing Director of SQM Research.”

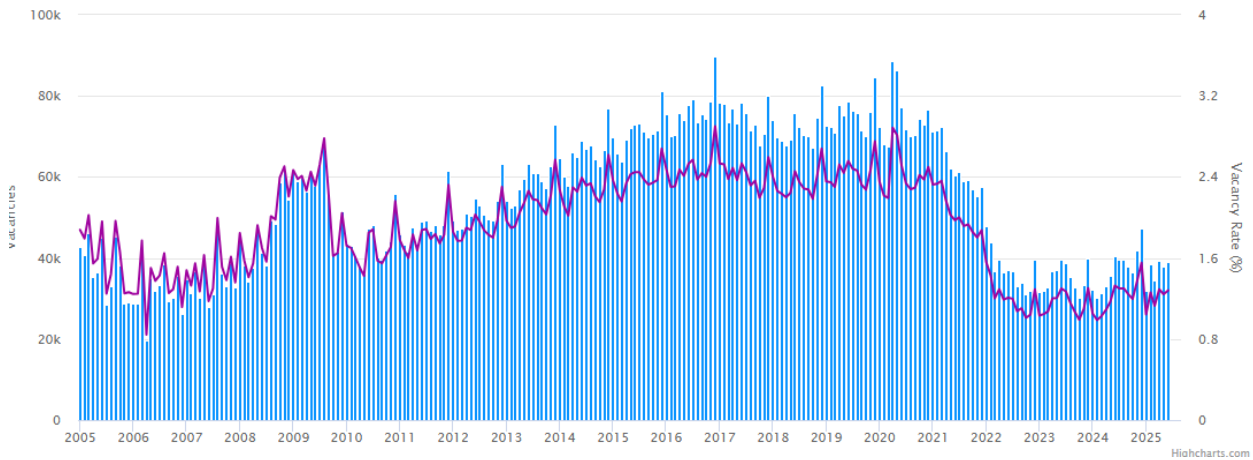
SQM Research Weekly Rents Index					
Week ending 12 Jul 2025		Rent (\$)	Chg on prev wk(\$)	Rolling month % chg	12 mth % chg
Sydney	All Houses	1,071.28	-2.28 ▼	-0.3% ▼	3.0% ▲
	All Units	702.71	0.29 ▲	-0.4% ▼	0.6% ▲
	Combined	852.19	-0.75 ▼	-0.3% ▼	1.8% ▲
Melbourne	All Houses	764.74	0.26 ▲	0.6% ▲	2.7% ▲
	All Units	575.48	-0.48 ▼	0.5% ▲	2.7% ▲
	Combined	654.27	-0.17 ▼	0.6% ▲	2.8% ▲
Brisbane	All Houses	761.22	-0.22 ▼	1.0% ▲	3.4% ▲
	All Units	600.83	-0.83 ▼	0.3% ▲	4.4% ▲
	Combined	689.01	-0.49 ▼	0.7% ▲	3.8% ▲
Perth	All Houses	830.56	5.44 ▲	-0.1% ▼	5.7% ▲
	All Units	656.99	-1.99 ▼	0.3% ▲	5.4% ▲
	Combined	758.63	2.36 ▲	0.1% ▲	5.7% ▲
Adelaide	All Houses	671.80	-0.80 ▼	2.3% ▲	3.2% ▲
	All Units	527.52	1.48 ▲	0.4% ▲	7.3% ▲
	Combined	622.82	-0.03 ▼	1.7% ▲	4.5% ▲
Canberra	All Houses	782.49	-4.49 ▼	-0.3% ▼	2.5% ▲
	All Units	588.17	5.83 ▲	0.6% ▲	5.2% ▲
	Combined	676.29	1.15 ▲	0.1% ▲	3.6% ▲
Darwin	All Houses	771.46	21.54 ▲	2.8% ▲	12.4% ▲
	All Units	548.99	-2.99 ▼	-0.7% ▼	15.2% ▲
	Combined	639.77	7.02 ▲	1.0% ▲	13.9% ▲
Hobart	All Houses	571.45	-2.45 ▼	-1.2% ▼	6.6% ▲
	All Units	499.43	0.57 ▲	0.7% ▲	6.2% ▲
	Combined	542.69	-1.24 ▼	-0.5% ▼	6.5% ▲
National	All Houses	715.00	-9.00 ▼	-1.0% ▼	2.9% ▲
	All Units	565.00	3.00 ▲	0.0%	3.9% ▲
	Combined	645.44	-3.44 ▼	-0.6% ▼	3.3% ▲
Cap City Average	All Houses	863.00	0.00	0.3% ▲	3.7% ▲
	All Units	640.00	0.00	-0.2% ▼	2.6% ▲
	Combined	744.40	0.00	0.1% ▲	3.2% ▲

For Further Information

For detailed data or commercial use, contact Sam Tate, Head of property data, at sam@sqmresearch.com.au or +61 2 9220 4603.

Visit https://sqmresearch.com.au/index_property.php for free vacancy rate and stock-on-market graphs, or subscribe for raw data access.

National Vacancy Rates



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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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