

Rental market sees stability amid shifting vacancy rates

Rents adjusting in response to supply and demand

12 June 2025

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

Australia's rental market has shown dynamic shifts over the past year, with vacancy rates stabilising across most capital cities while reflecting notable changes compared to May 2024. The national vacancy rate held steady at 1.2% in May 2025, after 1.3% in April 2025, marking a slight monthly decline.

| Vacancy Rates - May 2025 | | | | | | |
|--------------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|-----------------------|
| City | May 2024 Vacancies | May 2024 Vacancy Rate | Apr 2025 Vacancies | Apr 2025 Vacancy Rate | May 2025 Vacancies | May 2025 Vacancy Rate |
| Sydney | 10,309 | 1.4% | 10,784 | 1.5% | 10,808 | 1.5% |
| Melbourne | 6,746 | 1.3% | 9,379 | 1.8% | 9,074 | 1.7% |
| Brisbane | 3,620 | 1.0% | 3,435 | 1.0% | 3,064 | 0.9% |
| Perth | 1,233 | 0.6% | 1,425 | 0.7% | 1,416 | 0.7% |
| Adelaide | 986 | 0.6% | 1,233 | 0.8% | 1,240 | 0.8% |
| Canberra | 1,098 | 1.8% | 949 | 1.6% | 891 | 1.5% |
| Darwin | 244 | 0.9% | 189 | 0.7% | 129 | 0.5% |
| Hobart | 377 | 1.4% | 180 | 0.6% | 177 | 0.6% |
| National | 35,641 | 1.2% | 39,378 | 1.3% | 37,879 | 1.2% |

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 May 2025:

Based on SQM Research's monitoring of unique online rental listings, the total number of vacant residential properties nationwide rose to 37,879 in May 2025, from 35,641 in May 2024.

- **Sydney:** 1.5%, up 0.1% year-on-year, stable since April 2025.
- **Melbourne:** 1.7%, up 0.4% from May 2024, slightly lower than April's 1.8%.
- **Brisbane:** 0.9%, down 0.1% compared to last year and 0.1 % from April, indicating tightening availability.
- **Perth:** 0.7%, up 0.1% year-on-year, unchanged since April 2025.
- **Adelaide:** 0.8%, up 0.2% from May 2024, stable month-on-month.
- **Canberra:** 1.5%, down 0.3% year-on-year and 0.1 % month-on-month, pointing to a gradual decline in rental vacancies.
- **Darwin:** 0.5%, down 0.4% from last year and 0.2 % from April, reflecting a tightening market.
- **Hobart:** 0.6%, down 0.8% from May 2024, stable since April 2025.

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:

The latest SQM Research Weekly Rents Index shows mixed shifts across Australia's capital cities, with rents adjusting in response to supply and demand dynamics.

Nationally, combined rents average \$649.18, with a 0.1% monthly decline but a 4.2% annual increase, highlighting varied conditions across states. Analysts will continue monitoring rental trends amid evolving housing market dynamics.

City-Specific Insights:

- **Sydney:** Advertised weekly rents are \$854.69, reflecting a 0.2% decline over the past month but a 1.7% increase compared to last year. The 1.5% vacancy rate suggests rental conditions remain steady, tempering rent growth.
- **Melbourne:** Rents sit at \$651.62, up 0.5% over the past month and 2.4% over the year. The 1.7% vacancy rate indicates ongoing market fluctuations.
- **Brisbane:** Weekly rents average \$684.41, with a 0.2% monthly decline but a 3.8% annual rise, as vacancy rates tighten to 0.9%.
- **Perth:** Advertised rents stand at \$756.93, increasing 0.4% monthly and 6.2% annually, reflecting steady demand amid 0.7% vacancy rates.
- **Adelaide:** Rents are \$611.21, declining 0.3% over the month but up 3.1% year-on-year, with vacancy rates holding at 0.8%.
- **Canberra:** Weekly rents average \$675.82, down 2.3% monthly but up 4.2% annually, with vacancy rates easing to 1.5%, supporting rental availability.
- **Darwin:** Rents are \$633.37, up 2.7% over the past month and 13.1% year-on-year, with vacancy rates dropping to 0.5%, reflecting tightening supply.
- **Hobart:** Advertised rents reach \$543.69, growing 3.6% monthly and 7.6% annually, as the 0.6% vacancy rate underscores ongoing market constraints.

Commentary

Louis Christopher, Managing Director of SQM Research, commented:

“Overall rental vacancies remained steady from April to May. Rental growth also remained steady but continued to be elevated given the ongoing shortage in the rental market.

We are likely to have ongoing elevated rents for a long period of time, until we have equilibrium between tenancy demand and rental supply.

That's not likely to happen until such time as we a slow down in population rate and a meaningful increase in new dwelling completions.”

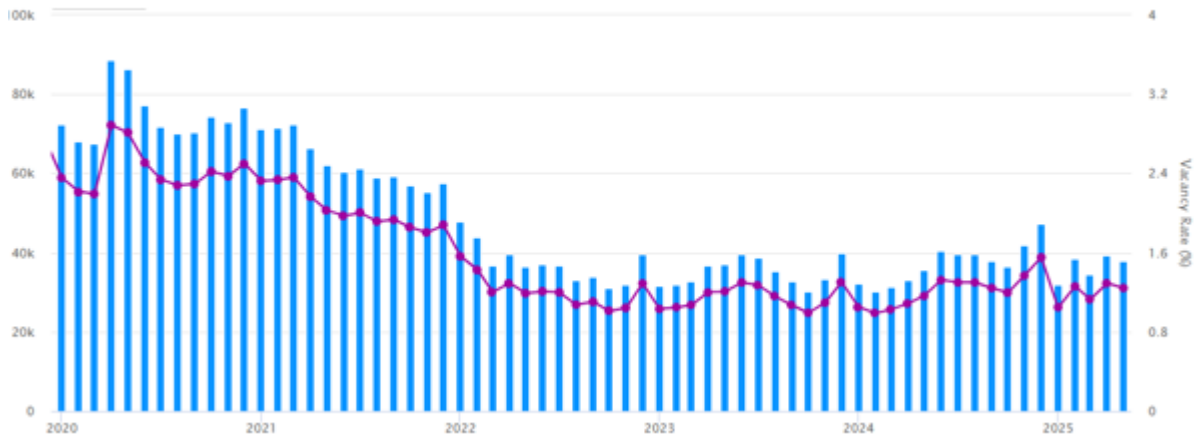
| SQM Research Weekly Rents Index | | | | | |
|---------------------------------|------------|--------------|-----------------------|------------------------|-----------------|
| Week ending 12 Jun 2025 | | Rent (\$) | Chg on prev wk(\$) | Rolling month % chg | 12 mth % chg |
| Sydney | All Houses | 1,074.18 | -1.18 ▼ | 0.6% ▲ | 2.7% ▲ |
| | All Units | 704.91 | -0.91 ▼ | -0.9% ▼ | 0.8% ▲ |
| | Combined | 854.69 | -1.02 ▼ | -0.2% ▼ | 1.7% ▲ |
| Melbourne | All Houses | 759.06 | 2.94 ▲ | -0.6% ▼ | 1.9% ▲ |
| | All Units | 575.11 | 2.89 ▲ | 1.6% ▲ | 2.7% ▲ |
| | Combined | 651.62 | 2.91 ▲ | 0.5% ▲ | 2.4% ▲ |
| Brisbane | All Houses | 753.47 | -0.47 ▼ | -0.8% ▼ | 4.3% ▲ |
| | All Units | 600.07 | 1.93 ▲ | 0.7% ▲ | 3.1% ▲ |
| | Combined | 684.41 | 0.61 ▲ | -0.2% ▼ | 3.8% ▲ |
| Perth | All Houses | 828.77 | -4.77 ▼ | 0.1% ▲ | 5.1% ▲ |
| | All Units | 655.52 | 0.48 ▲ | 1.1% ▲ | 8.1% ▲ |
| | Combined | 756.93 | -2.59 ▼ | 0.4% ▲ | 6.2% ▲ |
| Adelaide | All Houses | 657.08 | -3.08 ▼ | -1.1% ▼ | 1.5% ▲ |
| | All Units | 522.04 | 4.96 ▲ | 1.6% ▲ | 7.0% ▲ |
| | Combined | 611.21 | -0.35 ▼ | -0.3% ▼ | 3.1% ▲ |
| Canberra | All Houses | 785.56 | -9.56 ▼ | -4.0% ▼ | 4.7% ▲ |
| | All Units | 584.66 | -0.66 ▼ | -0.3% ▼ | 3.9% ▲ |
| | Combined | 675.82 | -4.70 ▼ | -2.3% ▼ | 4.2% ▲ |
| Darwin | All Houses | 750.40 | 19.60 ▲ | 0.1% ▲ | 8.6% ▲ |
| | All Units | 552.79 | 10.21 ▲ | 5.2% ▲ | 17.5% ▲ |
| | Combined | 633.37 | 14.04 ▲ | 2.7% ▲ | 13.1% ▲ |
| Hobart | All Houses | 569.68 | 0.32 ▲ | 2.5% ▲ | 6.9% ▲ |
| | All Units | 504.67 | 19.33 ▲ | 5.6% ▲ | 8.7% ▲ |
| | Combined | 543.69 | 7.92 ▲ | 3.6% ▲ | 7.6% ▲ |
| National | All Houses | 722.00 | 0.00 | 0.1% ▲ | 4.3% ▲ |
| | All Units | 565.00 | 0.00 | -0.4% ▼ | 4.1% ▲ |
| | Combined | 649.18 | 0.00 | -0.1% ▼ | 4.2% ▲ |
| Cap City Average | All Houses | 859.00 | 1.00 ▲ | -0.5% ▼ | 3.1% ▲ |
| | All Units | 642.00 | 2.00 ▲ | 0.6% ▲ | 3.2% ▲ |
| | Combined | 743.58 | 1.53 ▲ | 0.0% ▲ | 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 Residential 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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