

July Sees Steady Vacancy Rate at 1.3%

Renewed surge in asking rents for Melbourne, Perth and Adelaide

15 August 2023

SQM Research today has recorded the national residential property rental vacancy rates steady at 1.3% as at the month of July 2023.

The total number of rental vacancies Australia-wide dropped marginally by 852 dwellings, bringing the count to 38,864 properties. This marks the first monthly decline since January 2023.

[Sydney](#), [Perth](#) and [Hobart](#) recorded slight decreases in rental vacancy rates during the month, standing at 1.6%, 0.5% and 1.8% respectively. Notably, the rental vacancy rate in the [Sydney CBD](#) fell back to 5.0% after recoding recurring month on month increases since March 2023.

[Darwin](#) was the only capital city to see a monthly increase in its vacancy rate to 1.0%. During the same period, the vacancy rates for [Melbourne](#), [Brisbane](#), and [Canberra](#) all remained unchanged.

The majority of regional areas recorded stable rental vacancy rates. The [North Coast NSW](#) remained steady at 1.8%, and the [Gold Coast Main](#) also stayed at 1.6%. On the other hand, the [Blue Mountains](#) recorded a vacancy decrease, dropping to 1.5%.

Vacancy Rates - July 2023						
City	Jul 2022 Vacancies	Jul 2022 Vacancy Rate	Jun 2023 Vacancies	Jun 2023 Vacancy Rate	Jul 2023 Vacancies	Jul 2023 Vacancy Rate
Sydney	11,943	1.7%	12,143	1.7%	11,616	1.6%
Melbourne	10,413	2.0%	6,811	1.3%	6,834	1.3%
Brisbane	2,474	0.7%	3,407	1.0%	3,354	1.0%
Perth	1,335	0.7%	1,138	0.6%	1,062	0.5%
Adelaide	764	0.5%	1,011	0.6%	1,016	0.6%
Canberra	675	1.1%	1,282	2.1%	1,250	2.1%
Darwin	214	0.8%	236	0.9%	254	1.0%
Hobart	193	0.7%	525	1.9%	498	1.8%
National	36,741	1.2%	39,716	1.3%	38,864	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.

Asking Rents

Over the past 30 days to 12 August 2023, the [capital city asking rents](#) rose by 1.2% with the 12-month rise standing at 18.5%. Capital City house rents rose by 1.4% and are recording 12 month increases of 16.4%, while unit rents have risen by 1.0% for the past 30 days and are higher by 20.9% for the past 12 months.

The [national](#) median weekly asking rent for combined dwelling is \$578.63 a week. The capital city asking rent for combined dwelling is \$675.51 a week. The median rent for a capital city house is \$773 a week while the rent for a capital city unit is \$590 a week.

The most expensive rent is [Sydney](#) houses at \$963.92 a week. At the same time the most affordable rent is [Adelaide](#) units at \$443.43 a week.

[Canberra](#) has experienced a minor decrease in rents this month, down by 0.3% for combined dwellings. Additionally, the asking rent for combined dwellings in [Darwin](#) has fallen by 1.8%, primarily driven by a significant decline of 6.8% in all units rent.

SQM Research Weekly Rents Index					
Week ending		Rent (\$)	Chg on prev wk(\$)	Rolling month % chg	12 mth % chg
12 Aug 2023	Sydney				
	All Houses	963.92	2.08 ▲	0.5% ▲	15.9% ▲
	All Units	666.39	-1.39 ▼	0.6% ▲	24.1% ▲
	Combined	787.28	0.02 ▲	0.6% ▲	20.0% ▲
Melbourne	All Houses	688.14	4.86 ▲	2.1% ▲	21.4% ▲
	All Units	529.05	2.95 ▲	1.4% ▲	19.2% ▲
	Combined	594.50	3.73 ▲	1.7% ▲	20.3% ▲
Brisbane	All Houses	690.21	-1.21 ▼	0.7% ▲	11.3% ▲
	All Units	544.72	-0.72 ▼	0.6% ▲	20.4% ▲
	Combined	624.64	-0.99 ▼	0.7% ▲	14.8% ▲
Perth	All Houses	705.06	-2.06 ▼	1.7% ▲	17.5% ▲
	All Units	539.98	10.02 ▲	2.3% ▲	21.7% ▲
	Combined	635.93	3.00 ▲	2.0% ▲	19.0% ▲
Adelaide	All Houses	586.27	3.73 ▲	1.0% ▲	11.5% ▲
	All Units	443.43	2.57 ▲	2.2% ▲	17.5% ▲
	Combined	536.84	3.33 ▲	1.4% ▲	13.3% ▲
Canberra	All Houses	767.16	0.84 ▲	-0.2% ▼	0.6% ▲
	All Units	554.55	2.45 ▲	-0.4% ▼	-2.4% ▼
	Combined	652.08	1.71 ▲	-0.3% ▼	-0.8% ▼
Darwin	All Houses	717.34	0.66 ▲	3.6% ▲	10.9% ▲
	All Units	473.98	-11.98 ▼	-6.8% ▼	-3.5% ▼
	Combined	572.45	-6.87 ▼	-1.8% ▼	3.4% ▲
Hobart	All Houses	524.65	-1.65 ▼	0.2% ▲	1.9% ▲
	All Units	461.20	3.80 ▲	2.2% ▲	0.7% ▲
	Combined	499.17	0.54 ▲	1.0% ▲	1.5% ▲
National	All Houses	642.00	3.00 ▲	0.3% ▲	9.0% ▲
	All Units	506.00	3.00 ▲	1.2% ▲	11.9% ▲
	Combined	578.63	3.00 ▲	0.7% ▲	10.2% ▲
Cap City Average	All Houses	773.00	1.00 ▲	1.4% ▲	16.4% ▲
	All Units	590.00	0.00	1.0% ▲	20.9% ▲
	Combined	675.51	0.47 ▲	1.2% ▲	18.5% ▲

Next update: 20 Aug 2023

Louis Christopher, Managing Director of SQM Research said:

After the slight easing in vacancies over the first half 2023, this is somewhat of a disappointing result for tenants. Clearly, acute rental shortages remain with us. And besides more people grouping together to share the burden, there is no significant solution on the horizon. Where possible I would recommend tenants consider regional areas once again if their employment



enables them to work off-site. I also encourage discussion about temporary migration caps, rather than rental caps, which will only make the rental crisis worse over the medium term. This problem has not been instigated by so called, greedy landlords. Rather, it has been driven by rampant population growth. Australia currently has, by far, the fastest growing population for any OECD country and clearly the rampant increases are currently breaching the country's capacity to house all our people."

About SQM Research

SQM Research Pty Ltd is a respected Australian investment research house, specialising that provides research and data across all major asset classes. For further information contact **02-9220 4603**.

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