

National Vacancy Rates Fall back to 1.2%

15 October 2024

Residential dwelling vacancy rates slightly fell across Australia to 1.2% in September, according to SQM Research.

The total number of rental vacancies now stands at 37,932 residential properties, a decrease from 39,665 in August 2024. Perth, Canberra, and Hobart plus regional Australia were the main drivers to the decline. While all other capital cities were steady or recorded slight rises.

[Sydney's](#) rental vacancy rate remained stable at 1.6%, now with 11,360 rental dwellings vacant. [Melbourne's](#) vacancy rate increased to 1.7%, with 8,796 vacant dwellings, reflecting a 0.1% rise from August.

[Canberra](#) recorded the highest rental vacancy rate among the states and territories at 2.0%, showing a slight decrease from August. [Perth](#) saw its vacancy rate decrease to 0.6%, while [Darwin's](#) vacancy rate increased to 1.0%. [Adelaide](#) maintained one of the lowest vacancy rates at 0.6%. [Hobart's](#) vacancy rate declined to 0.8%.

Vacancy rates in the CBDs were largely steady. Sydney recorded a 5.0% vacancy rate while [Melbourne CBD](#) recorded a slight decrease to 5.1%. [Brisbane CBD](#) continued to experience strong demand with a low vacancy rate of 2.4%.

Vacancy Rates - September 2024						
City	Sep 2023 Vacancies	Sep 2023 Vacancy Rate	Aug 2024 Vacancies	Aug 2024 Vacancy Rate	Sep 2024 Vacancies	Sep 2024 Vacancy Rate
Sydney	9,084	1.3%	11,893	1.6%	11,360	1.6%
Melbourne	6,449	1.2%	8,733	1.6%	8,796	1.7%
Brisbane	3,288	1.0%	3,888	1.1%	3,737	1.1%
Perth	783	0.4%	1,311	0.7%	1,119	0.6%
Adelaide	819	0.5%	1,021	0.6%	1,002	0.6%
Canberra	1,087	1.8%	1,278	2.1%	1,198	2.0%
Darwin	307	1.2%	184	0.7%	267	1.0%
Hobart	455	1.6%	318	1.1%	215	0.8%
National	32,660	1.1%	39,665	1.3%	37,932	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.

Rents

Over the past month leading up to 12th October 2024, rental prices in [capital city asking rents](#) exhibited mixed trends. Total capital city advertised rents rose by 0.5%. [Sydney](#) experienced a 0.9% increase in combined rents, reflecting a turnaround from a fall in rents over winter. Conversely, Melbourne recorded a 1.1% decline, indicating a softening in rental demand.

In [Brisbane](#), combined rents rose by 1.5%, showcasing a healthy increase. [Perth](#) also exhibited growth with a 1.7% rise, marking it as one of the stronger performers. Meanwhile, [Adelaide](#) encountered a decrease of 0.2%, signalling a slight downturn in rental prices.

[Canberra](#) experienced a significant drop of 3.4% in housing rents, highlighting a notable shift in demand. [Hobart's](#) combined rents increased modestly by 0.3%, continuing a stable trend. In contrast, [Darwin](#) faced a substantial decrease of 4.5%, pointing to a marked decline in rental demand.

On a national level including all regions, median advertised rents recorded an increase of 0.8%, suggesting some tightening in rental conditions in regional Australia.

SQM Research Weekly Rents Index					
Week ending		Rent (\$)	Chg on prev wk(\$)	Rolling month % chg	12 mth % chg
12 Oct 2024	Sydney				
	All Houses	1,045.71	4.29 ▲	1.5% ▲	4.9% ▲
	All Units	696.16	-0.16 ▼	0.4% ▲	3.5% ▲
	Combined	838.01	1.65 ▲	0.9% ▲	4.2% ▲
Melbourne	All Houses	740.54	-4.54 ▼	-0.5% ▼	5.4% ▲
	All Units	549.44	-0.44 ▼	-1.6% ▼	5.2% ▲
	Combined	628.44	-2.14 ▼	-1.1% ▼	5.4% ▲
Brisbane	All Houses	735.24	2.76 ▲	1.6% ▲	6.1% ▲
	All Units	578.10	0.90 ▲	1.3% ▲	5.5% ▲
	Combined	664.50	1.92 ▲	1.5% ▲	5.9% ▲
Perth	All Houses	792.59	0.41 ▲	1.4% ▲	9.9% ▲
	All Units	620.61	3.39 ▲	2.1% ▲	14.0% ▲
	Combined	720.99	1.65 ▲	1.7% ▲	11.4% ▲
Adelaide	All Houses	657.21	-2.21 ▼	-0.2% ▼	11.1% ▲
	All Units	505.60	-6.60 ▼	-0.2% ▼	14.8% ▲
	Combined	605.36	-3.71 ▼	-0.2% ▼	12.3% ▲
Canberra	All Houses	740.01	-2.01 ▼	-3.4% ▼	0.5% ▲
	All Units	557.67	1.33 ▲	-0.2% ▼	-0.1% ▼
	Combined	640.77	-0.19 ▼	-1.9% ▼	0.1% ▲
Darwin	All Houses	740.74	-14.74 ▼	-0.7% ▼	-1.3% ▼
	All Units	464.27	-7.27 ▼	-8.3% ▼	-4.9% ▼
	Combined	576.44	-10.30 ▼	-4.5% ▼	-3.0% ▼
Hobart	All Houses	536.84	0.16 ▲	1.2% ▲	5.3% ▲
	All Units	452.71	1.29 ▲	-1.2% ▼	1.1% ▲
	Combined	503.11	0.61 ▲	0.3% ▲	3.8% ▲
National	All Houses	701.00	-4.00 ▼	0.9% ▲	6.2% ▲
	All Units	553.00	5.00 ▲	0.7% ▲	6.8% ▲
	Combined	632.28	0.18 ▲	0.8% ▲	6.5% ▲
Cap City Average	All Houses	836.00	-1.00 ▼	0.8% ▲	5.4% ▲
	All Units	622.00	0.00	0.0%	5.2% ▲
	Combined	722.07	-0.47 ▼	0.5% ▲	5.4% ▲

Louis Christopher, Managing Director of SQM Research said:

“National rental vacancy rates fell slightly again in September, and we are expecting another fall in October. However, this will mainly be a seasonal change and so, we are not anticipating a reacceleration of rents for now, which have eased in recent month.

However, the national rental market remains in severe shortage and barring some exceptions, is not expected to materially soften out of the rental crisis for some years.

Ongoing strong migration growth, initially forecasted by SQM to materially slow in 2024 towards Federal Budget targets, has not materially slowed. Total population expansion for this current calendar year is now expected to be higher than 500,000 people; and so, this rapid population growth will continue to keep pressure on the rental market.”

[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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