

Rental horror story continues as Sydney vacancies hit 13-year low

For immediate release

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Residential rental vacancies in Sydney are now at a low not seen since April 2011, according to the REINSW Vacancy Rate Survey results for March 2023.

“More than a decade has passed since we last saw residential vacancies at such dire levels in Sydney,” REINSW CEO Tim McKibbin said.

“In January this year, vacancies fell to 1.5% – the lowest level since November 2013. Alarming as that was, the trend continued in February with a rate of just 1.4%. Now, with the results for March available, we can see that the downward spiral continues. A drop of 0.1% to 1.3% sees residential rental vacancies in Sydney at their lowest since April 2011.

“Calling it a rental ‘crisis’ doesn’t adequately describe the state of the market and the turmoil, pain and stress that is being experienced by everyone involved – tenants, landlords and property managers. More than a crisis, it really is a horror story.”

The drop in the rate for Sydney overall is a result of vacancies decreasing in the Middle Ring of Sydney.

“Sydney’s Middle Ring dropped to 0.8%, a decrease of 0.5% for the month,” Mr McKibbin said. “The Inner Ring remained stable at 1.4% and the Outer Ring rose slightly to 1.7% (+0.2%).”

Outside Sydney, vacancies in the Illawarra region followed the Sydney trend.

“The availability of rental accommodation in the Illawarra region dropped by 0.5% to be just 1.8%,” Mr McKibbin said. “In contrast, the Hunter region rose ever so slightly to 1.6% (+0.1%).”

Vacancies also remain extremely tight across most regional areas of New South Wales, with the Albury, Murrumbidgee, New England and Northern Rivers areas all recording drops. The Central West, Coffs Harbour, Orana, Riverina, South Coast and South East areas eased slightly.

“Month after month, the story remains the same – rental availability is spiralling downward, stock is diminishing and rents are skyrocketing,” Mr McKibbin said. “It’s not hard to understand why those involved in the residential rental market feel like they’re living their own real-life horror story – one from which they can’t escape.

“We applaud the Premier’s recent comments, recognising that supply is the problem and increasing it is the only solution and a giant step forward. Playing popular politics and bashing landlords, as we saw from the previous government, will not solve the supply problem – to the contrary, it will make it worse.

“The NSW Government can’t do this alone. It requires all three levels of government.”

For more information, please contact:

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About REINSW

The Real Estate Institute of New South Wales (REINSW) is the peak industry body for real estate and property professionals in NSW. It represents more than 2000 agencies across residential sales, property management, commercial, strata management, buyers' agency, agency services and auctioneering. Established in 1910, REINSW works to improve the standards, professionalism and expertise of its members to continually evolve and innovate the industry. It lobbies the government and industry on behalf of members, develops new products and services to benefit agencies and professionals, and offer training and ongoing professional development. For more information, visit reinsw.com.au.

Residential vacancy rate percentage

The REINSW Residential Vacancy Rate Report is based on the proportion of unlet residential dwellings to the total rent roll of REINSW member agents on the 1st of each month. Carried out monthly, the research – a survey of REINSW member agents conducted by Survey Matters – collects the total properties on agency rent rolls, the number of properties that were vacant on the 1st of the month, and the postcode in which a majority of agents' rental properties are located. The suburb-level rates reported by agents are weighted based on ABS Census 2021 Dwelling Characteristics. The March 2023 report is based on survey responses covering 100,239 residential rental properties.

	Feb-23	Feb-23	Jan-23	Dec-22	Nov-22	Oct-22	Sep-22	Aug-22	Jul-22	Jun-22	May-22	Apr-22
SYDNEY												
Inner	1.4%	1.4%	1.7%	2.5%	1.6%	2.3%	2.1%	2.2%	2.2%	2.9%	2.3%	2.1%
Middle	0.8%	1.3%	1.2%	1.0%	1.3%	1.1%	1.1%	1.2%	1.4%	1.4%	1.6%	3.3%
Outer	1.7%	1.5%	1.6%	1.5%	1.8%	1.7%	1.5%	1.6%	1.6%	1.5%	1.6%	1.7%
Total	1.3%	1.4%	1.5%	1.8%	1.6%	1.8%	1.6%	1.7%	1.7%	2.0%	1.8%	2.3%
HUNTER												
Newcastle	1.1%	3.1%	4.1%	4.5%	2.4%	2.2%	2.5%	1.7%	2.0%	2.5%	3.0%	2.0%
Other	1.8%	1.0%	1.9%	1.6%	1.3%	0.7%	1.1%	1.4%	1.4%	1.4%	0.9%	1.6%
Total	1.6%	1.5%	2.4%	2.1%	1.5%	1.1%	1.4%	1.4%	1.6%	1.7%	1.3%	1.7%
ILLAWARRA												
Wollongong	1.7%	1.5%	1.1%	1.0%	0.8%	2.3%	1.1%	1.1%	0.2%	0.8%	0.8%	0.4%
Other	1.9%	2.9%	1.7%	2.0%	1.3%	1.3%	3.5%	1.2%	2.0%	1.0%	1.2%	2.0%
Total	1.8%	2.3%	1.4%	1.6%	1.1%	1.8%	2.4%	1.2%	1.2%	0.9%	1.0%	0.3%
REGIONS												
Albury	0.5%	1.0%	0.8%	1.1%	0.4%	0.9%	0.7%	1.0%	1.2%	0.5%	1.0%	0.4%
Central Coast	1.5%	1.5%	1.4%	1.7%	1.5%	1.1%	1.4%	1.2%	1.3%	2.1%	1.0%	1.4%
Central West	1.7%	1.4%	1.6%	1.3%	1.0%	0.9%	0.6%	0.7%	1.0%	1.3%	0.6%	0.6%
Coffs Harbour	2.4%	1.6%	1.8%	2.6%	1.1%	1.8%	1.3%	1.6%	1.5%	1.5%	1.8%	1.6%
Mid-North Coast	0.8%	0.8%	0.8%	1.1%	0.8%	1.2%	1.2%	1.0%	2.2%	2.1%	1.9%	1.5%
Murrumbidgee	1.4%	1.6%	1.7%	2.9%	2.3%	2.2%	1.7%	0.4%	1.5%	0.8%	1.8%	1.2%
New England	1.6%	1.8%	1.1%	0.5%	0.7%	1.0%	1.6%	1.2%	0.7%	1.2%	0.9%	1.5%
Northern Rivers	1.2%	1.5%	1.8%	2.2%	0.4%	4.6%	5.3%	4.1%	2.0%	1.3%	0.7%	1.4%
Orana	1.7%	1.5%	2.2%	3.1%	1.7%	1.8%	1.9%	1.5%	1.9%	1.6%	1.5%	1.7%
Riverina	0.9%	0.6%	1.2%	0.7%	0.8%	0.9%	0.5%	0.4%	0.5%	0.6%	0.5%	0.6%
South Coast	2.4%	1.9%	3.2%	1.7%	1.7%	1.9%	2.0%	2.0%	1.9%	1.5%	1.3%	1.1%
South East	3.4%	2.3%	1.7%	1.0%	0.4%	1.1%	3.6%	2.1%	1.0%	1.5%	2.0%	1.2%

