

Sydney's vacancy rate shows positivity for areas hit hardest by pandemic

For immediate release

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The rental market in Sydney's Inner Ring suburbs recorded its best performance since the start of the COVID-19, with vacancy rates falling to 3.3 percent last month.

The REINSW Vacancy Rate Survey results for May 2021 signals some signs of recovery for a market hit hardest by international border closures, with fewer empty properties since the start of lockdown last year.

Vacancies in Sydney overall fell last month and now also sit at 3.3 percent – down 1.0 percent from April 2021.

REINSW CEO Tim McKibbin said figures indicate more confidence about the economy and jobs market. Vacancy rates in Sydney's Inner Ring fell 1.7 percent from the 4 percent recorded in April. They also dropped in both the Middle (4.6 percent) and Outer (2.5 percent) Ring suburbs falling 1.2 percent and 0.7 percent respectively.

"While it is still very early days, this is a positive sign particularly for the Inner Ring which has endured a lacklustre performance during the past 12-months with no international students and tourism to boost vacancy rates," Mr McKibbin said.

"There could be a few reasons behind it such as attractive rents, more people are slowly returning to the CBD to work or the influx of expats renting properties while looking to buy. It is good news for those with investment properties and an improvement from the peak 5.8 percent vacancy rate recorded back in June and October last year."

Outside Sydney, both the Newcastle and Wollongong rental markets remained steady during May. Overall vacancy rates in the Illawarra region fell slightly to 0.9 percent – the lowest level the region has ever recorded since April 2016.

Across much of the rest of regional New South Wales, the number of available rental properties remained extremely tight with vacancy rates as low as 0.6 percent in the Mid-North Coast, Riverina, South Coast and South-Eastern areas.

"The only exception was Orana, which is made up of major localities such as Dubbo, Cobar and Mudgee, where vacancy rates increased to 3 percent – up from 1.3 percent recorded in the previous month," Mr McKibbin said.

For more information, please contact:

Media Officer | 0423 724 080 | media@reinsw.com.au

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.