

25th July 2026

Vacancies Ease - Slightly

Vacancy rates have eased in the past month – but the change is so minimal that would-be tenants will still struggle in many markets.

Figures from SQM Research show that the national vacancy rate rose from 1.2% in May to 1.3% in June. That increase equates to only an additional 1,385 rental properties nationally.

SQM Research managing director Louis Christopher says despite the small improvement, vacancy rates remain well below long-term averages.

The smaller capital cities all had vacancy rates below 1%, led by Darwin which is the tightest rental market with a vacancy rate of just 0.3% - or about 64 properties available for rent.

Perth and Hobart are both 0.6% (1,247 and 185 vacancies respectively), Adelaide is 0.7% (1,096 vacancies) and Brisbane 0.9% (3,065 vacancies).

Sydney, with a vacancy rate of 1.6%, has the largest number of vacant properties - 11,957 – while Melbourne has 8,640 properties and a vacancy rate of 1.6% and Canberra has a vacancy rate of 1.7% (1,063 properties).

"While the national vacancy rate has edged up to 1.3%, Australia's rental market remains exceptionally tight by historical standards," Christopher says.



Quote Of The Week

"The dream of owning a home is far from dead. Australians are adapting, relocating and working hard to get into the market, and the combination of more housing supply and targeted support is creating a pathway to home ownership for more households."

KPMG Urban
Economist
Terry
Rawnsley



Mitchells Realty
[07 4125 2950](tel:0741252950)
40 Miller St Urangan
Qld 4655
www.mitchellsrealty.com.au/

Suburb Level Figures Paint Stronger Picture

While national property figures paint a negative picture of how the property market is faring, suburb-level data shows a better performance.

According to PropTrack data, prices in the majority of Australian suburbs have increased in the past 12 months.

Prices are higher in 85% of house markets and 90% of unit markets. Most of the suburbs which recorded a decline were down by 3% or less. Suburbs with medians in the more affordable end of the market recorded the biggest price growth.

REA Group senior economist Anne Flaherty says regional areas have broadly outperformed the capital city markets.

Ravenswood in northern Tasmania recorded the highest growth of 41%, followed by Home Hill in Townsville which is up by 40% and Waverley – also in northern Tasmania – which is up by 39%, along with Rangeway in Western Australia.

In the unit market, Hillcrest and Beenleigh in Logan and Orelia in South-West Perth are all up 42% in the past 12 months.





Where It's Cheaper to Rent than Buy

Despite rents continuing to rise, it is still cheaper to be a tenant than a homeowner in most Australian capital cities.

Analysis by Compare the Market shows that Sydney has the biggest gap between the cost of renting and the cost of weekly mortgage repayments. Monthly mortgage repayments are more than \$7,700, compared with a median monthly rent of about \$3,735 – meaning owners on average are paying 106% more than renters per week.

In Brisbane owners are paying about 75% more than renters, while in Melbourne it is 66%, Adelaide is 63%, the ACT is 55%, Perth is 48% and Hobart is 37%.

Darwin is the only capital city where the difference between renting and buying is not significant, with a difference of just 5%.

Chris Ford from Compare the Market says while on a weekly basis renting might be cheaper than buying, owning delivers other benefits.

"Buying a home allows Australians to build equity over time, while renters may benefit from greater flexibility and lower upfront costs."



Private Treaty Gains Traction

Sellers are ditching auctions for private treaty sales as market sentiment shifts.

Cotality analysis shows that preliminary auction rates have been low for the past seven weeks and sat at 54.8% across the combined capital cities last week.

Not only are clearance rates down but also the number of properties being taken to auction is dropping - down 8.7% in the past week.

Cotality head of research, Gerard Burg, says there has been a shift in seller sentiment, with vendors opting for private treaty over auction campaigns.

"Auctions are losing a bit of the shine," he says.

Burg says auctions tend to perform better in high-demand environments, but at the moment confidence is lower than normal.

"People are favouring the certainty of either if they do start an auction process – they're accepting offers, perhaps with some negotiation with the buyer, but not taking it to auction or pulling back and looking for a private sale."



Owner Occupiers Still Dominate

A tough property market has not deterred owner-occupiers, with new analysis showing rising owner-occupier levels in Western Australia, Queensland and Victoria. Nationally, the proportion of owner-occupier households was 65.9% in 2025, according to the KPMG analysis. This is down slightly following drops in Sydney and Regional New South Wales.

The proportion of Western Australians who live in a home they own rose to 69.9% in 2025. Queensland is up to 64.9%, and Victoria remains steady at 68.7%. KPMG Urban Economist Terry Rawnsley says these states were particularly appealing during the pandemic as they were affordable markets and appealed to people who could work remotely from anywhere.

He says there are positive signs for home ownership with the number of loans issued to first-home buyers up from 117,200 in the year to March 2025 to 120,500 in the year to March 2025. "The dream of owning a home is far from dead. Australians are adapting, relocating and working hard to get into the market, and the combination of more housing supply and targeted support is creating a pathway to home ownership for more households."