

## **Inner Sydney rental vacancies stabilising at the end of a turbulent year**

For immediate release

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The end of 2020 brought more stability to the rental accommodation market after a long period of uncertainty. The REINSW Vacancy Rate Survey results for December 2020 show that Sydney's Inner Ring continues to attract tenants with a drop in vacancy rates but there have been increases in Sydney's middle ring as well as in some regional areas.

"As we reached the end of a chaotic year for the inner city and regional rental markets, the vacancy rates continued to stabilise," says REINSW CEO, Tim McKibbin. "Though, with this latest COVID-19 wave now hanging over NSW, it will be interesting to see how the market fares during the first quarter of the year.

"Overall, vacancies in Sydney dropped last month and now sit at 3.3% - down 0.1% from November. Confidence continued to return to Sydney's Inner Ring rental market with a decrease of 0.2% in the vacancy rates to 4.4% but there was a jump in vacancies in the Middle Ring, from 4.4% to 4.7%. Sydney's Outer Ring remains stable with no change at a tight 1.8% vacancy rate.

"The job market continued to strengthen during December, but as we begin 2021 many tenants may still be faced with tough financial decisions to make due to the drop in Government assistance payments on 1 January.

"At the end of last year we saw a slowing of the exodus to regional areas with vacancy rates increasing in many regional areas. Wollongong's vacancy rates increased from 1.8% to 2.5% which affected the Illawarra's result by an increase of 0.2% to 1.5%.

"Conversely, Newcastle saw a large decrease in vacancies dropping from 2.6% in November down to 1.5% which saw the Hunter region with a drop in rates overall.

Mr McKibbin said "as we begin 2021, it's clearly a mixed bag with Sydney's Inner Ring settling down whilst an exodus from the Middle ring of Sydney continuing which may see tenants either returning to more popular City areas or abandoning the city altogether for a sea change to regional NSW or elsewhere in Australia.

"With what we hope to be a short-lived new COVID wave, it will be a little more time before we see the market continue with the stability it was starting to find in the latter part of 2020.

"The holiday season has been chaotic for some with the introduction of new COVID-related legislation so we expect to see more fluctuations in the market over the next few weeks."

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## 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 15th 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 15th 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 2016 Dwelling Characteristics. The December 2020 report is based on survey responses covering 91,012 residential rental properties.

	Dec-20	Nov-20	Oct-20	Sep-20	Aug-20	Jul-20	Jun-20	May-20	Apr-20	Mar-20	Feb-20	Jan-20
Inner	4.4%	4.6%	5.8%	5.5%	4.7%	5.3%	5.8%	5.0%	4.3%	2.5%	2.8%	3.1%
Middle	4.7%	4.4%	4.9%	5.5%	4.6%	5.4%	5.2%	4.6%	4.4%	3.6%	3.9%	3.6%
Outer	1.8%	1.8%	2.6%	2.1%	2.4%	4.3%	2.6%	2.7%	3.1%	3.0%	3.5%	3.3%
<b>Total</b>	<b>3.3%</b>	<b>3.4%</b>	<b>4.3%</b>	<b>4.1%</b>	<b>3.7%</b>	<b>5.0%</b>	<b>4.5%</b>	<b>4.1%</b>	<b>3.8%</b>	<b>3.0%</b>	<b>3.4%</b>	<b>3.3%</b>
Newcastle	1.5%	2.6%	1.7%	1.5%	1.2%	1.3%	1.7%	2.4%	2.1%	1.6%	2.5%	2.0%
Other	1.2%	1.1%	1.3%	0.9%	0.8%	1.3%	1.9%	2.4%	1.8%	1.2%	2.0%	0.9%
<b>Total</b>	<b>1.3%</b>	<b>1.6%</b>	<b>1.4%</b>	<b>1.1%</b>	<b>0.9%</b>	<b>1.3%</b>	<b>1.8%</b>	<b>2.4%</b>	<b>1.9%</b>	<b>1.3%</b>	<b>2.1%</b>	<b>1.2%</b>
Wollongong	2.5%	1.8%	1.5%	2.1%	2.6%	2.9%	3.2%	3.9%	3.2%	3.5%	2.0%	2.9%
Other	0.8%	0.9%	2.2%	0.7%	1.1%	2.6%	2.9%	2.9%	4.3%	4.3%	2.3%	2.3%
<b>Total</b>	<b>1.5%</b>	<b>1.3%</b>	<b>1.8%</b>	<b>1.4%</b>	<b>2.0%</b>	<b>2.8%</b>	<b>3.1%</b>	<b>3.6%</b>	<b>3.6%</b>	<b>3.8%</b>	<b>2.1%</b>	<b>2.7%</b>
Albury	0.5%	0.3%	0.9%	0.8%	0.4%	1.1%	0.6%	1.2%	1.2%	0.6%	1.6%	1.8%
Central Coast	0.5%	0.8%	0.8%	0.7%	2.0%	1.5%	2.1%	2.3%	3.0%	2.4%	3.0%	4.3%
Central West	0.6%	0.3%	0.3%	0.4%	0.6%	1.1%	1.5%	2.0%	2.0%	1.0%	1.4%	2.1%
Coffs Harbour	0.5%	0.5%	0.7%	0.9%	0.8%	2.1%	2.4%	3.0%	3.4%	3.1%	5.4%	3.3%
Mid-North Coast	0.4%	0.5%	0.5%	0.8%	1.1%	1.2%	2.0%	3.2%	2.6%	1.7%	2.5%	2.4%
Murrumbidgee	1.1%	1.8%	1.0%	0.6%	0.7%	0.9%	0.8%	2.0%	1.1%	1.4%	1.5%	1.9%
New England	2.3%	2.3%	2.3%	1.3%	1.6%	2.8%	3.1%	3.9%	3.4%	3.0%	3.8%	4.1%
Northern Rivers	1.5%	0.6%	1.7%	0.9%	1.5%	1.1%	2.6%	1.8%	2.7%	1.7%	1.7%	2.2%
Orana	1.1%	1.0%	0.7%	0.6%	1.5%	1.0%	1.9%	2.4%	2.7%	0.7%	1.2%	2.4%
Riverina	0.8%	0.6%	0.6%	0.8%	0.9%	0.6%	1.2%	2.5%	1.8%	1.5%	1.9%	1.7%
South Coast	0.3%	0.4%	0.3%	0.7%	0.9%	1.4%	2.7%	2.0%	1.7%	4.8%	3.9%	2.7%
South Eastern	0.4%	0.4%	0.9%	0.8%	0.8%	-	0.8%	1.8%	0.7%	3.5%	2.5%	1.8%

### 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](http://reinsw.com.au).