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Queensland Vacancy Rates Remain Critically Low

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– Categories: Real Estate



Queensland’s rental market continues to experience extreme tightness, with the majority of regions reporting vacancy rates at or below one per cent, according to the Real Estate Institute of Queensland’s (REIQ) June 2025 Quarter Residential Vacancy Rate Report.

Of the state’s 50 regions, 34 recorded vacancy rates at or under 1 per cent. The statewide average nudged up slightly from 0.9 per cent to 1 per cent, suggesting some stability but continued pressure on available rental housing.

Vacancy rates fell marginally in four areas – Rockhampton, Townsville, Cassowary Coast, and Maranoa by 0.1 percentage points, with Maranoa sitting at a low 0.3 per cent. Fifteen regions, including all Brisbane sectors, Ipswich, Toowoomba, and Mackay, saw no change in vacancy levels.

In Greater Brisbane, the rate held steady at 0.9 per cent, while surrounding areas such as Moreton Bay, Redcliffe, Redland, and the Sunshine Coast reported minor shifts, mostly remaining below 1 per cent.

REIQ CEO Antonia Mercorella said the figures highlighted how undersupplied the Queensland rental market remains.

“This continued rental squeeze, while not worsening, is a clear sign that the market needs more investors and more rental housing,” Mercorella said.

The Australian Bureau of Statistics’ latest lending indicator showed Queensland experienced the highest annual growth in new investor loans among the states, with a 24 per cent increase in the year to March 2025.

Mercorella emphasised that rental vacancy rates are closely linked to employment opportunities, especially in regional areas.

“Low vacancy levels make it difficult to attract and retain workers. Without suitable housing, job mobility suffers, and that can have wider economic impacts,” she said.

Queensland’s unemployment rate rose to 4.1 per cent in June, up from 3.7 per cent, while the national rate also climbed to 4.3 per cent.

Mercorella stressed the need for more diverse and adaptable housing, including smaller dwellings, multi-generational homes, and build-to-rent developments.

The report showed 48 out of 50 regions were in a ‘tight’ rental market, defined by REIQ as having vacancy rates up to 2.5 per cent. Cook LGA reported the tightest conditions with a 0 per cent vacancy rate, followed by Goondiwindi (0.2%), Charters Towers, and Maranoa (both 0.3%).

Only Isaac (4.2%) and Bay Islands (3.7%) fell into the ‘weak’ rental market category, where vacancy rates exceed 3.6 per cent.

While some regions showed minor improvements, Mercorella warned against seeing these changes as a turnaround.

“Many renters are consolidating or delaying moves due to affordability. Without a significant boost in housing supply, we expect vacancy rates to remain tight.”