



## **November Vacancies Pick Back Up As We Approach The Seasonal Christmas Spike**

### **SQM Research Vacancy Rates Media Release November 2014**

**Tuesday 16th December 2014**

**For Immediate Release**

Figures released by SQM Research this week have revealed that the number of residential vacancies nationally has picked back up slightly during November, recording a vacancy rate of 2.2% nationally, and 65,777 vacancies. Vacancies appear to be following the common seasonal trends expected at this time of year, where rental accommodation tends to become more available for a variety of factors.

City	Nov 2013 Vacancies	Vacancy Rate	Oct 2014 Vacancies	Vacancy Rate	Nov 2014 Vacancies	Vacancy Rate
Adelaide	2,460	1.5%	2,392	1.5%	2,506	1.5%
Perth	3,171	1.7%	4,567	2.4%	4,860	2.5%
Melbourne	13,132	3.0%	11,692	2.5%	12,713	2.7%
Brisbane	6,753	2.3%	6,758	2.2%	7,438	2.4%
Canberra	1,068	2.0%	968	1.8%	1,048	1.9%
Sydney	9,741	1.7%	9,109	1.6%	10,105	1.7%
Darwin	356	1.3%	571	2.1%	762	2.8%
Hobart	384	1.4%	352	1.3%	310	1.1%
<b>National</b>	<b>62,885</b>	<b>2.2%</b>	<b>62,947</b>	<b>2.1%</b>	<b>66,777</b>	<b>2.2%</b>

The most predominant of these factors is that as University sessions finish for the year, many students vacate their rental accommodation as it is no longer needed over the longer summer break.

Perth and Darwin have continued to record alarming increases in vacancies, whilst many of the other capital cities have remained stable year-on-year. However, Hobart and Melbourne have recorded yearly declines. SQM Research believes the falls in Hobart most likely relate to the recovery in its local economy, in turn being benefited from the lower Australian dollar helping its local tourist industry. The declines in Melbourne on the other hand, have been a little more difficult to assess, but it is



suggest by Managing Director of SQM Research, Louis Christopher, that *“this may be a result of a brief lull in construction activity, or possible a recent surge in its local population.”*

Louis Christopher also noted *“On a year-on-year basis we are seeing rises in Darwin and Perth. The reasons for the rises in Darwin and Perth are pretty clear in the sense that it is related to the ongoing mining downturn, causing a lot of loss of employment, particularly temporary/contract jobs.”*

As can be seen from the table below, asking rents in both Perth and Darwin have dramatically decreased since this period last year, both for house and units - with Darwin recording a -10.8% decrease in asking rents for houses and -0.3% for units, and Perth recording a -9.5% decrease in asking rents for houses and -9.3% decrease for units.

SQM Research Weekly Rents Index					
Week ending 12 Dec 2014		Rent	Chg on prev wk	Rolling month % chg	12 mth % chg
<b>Canberra</b>	All Houses	492.2	3.8 ▲	3.6% ▲	-5.3% ▼
	All Units	382.7	-1.7 ▼	1.1% ▲	-3.5% ▼
<b>Sydney</b>	All Houses	689.1	-1.1 ▼	-0.3% ▼	6.5% ▲
	All Units	477.4	-0.4 ▼	0.5% ▲	3.3% ▲
<b>Darwin</b>	All Houses	694.2	-2.2 ▼	-1.5% ▼	-10.8% ▼
	All Units	516.5	3.5 ▲	0.6% ▲	-0.3% ▼
<b>Brisbane</b>	All Houses	447.3	0.7 ▲	0.7% ▲	1.4% ▲
	All Units	368.8	1.2 ▲	0.5% ▲	1.2% ▲
<b>Adelaide</b>	All Houses	359.6	0.4 ▲	0.2% ▲	0.8% ▲
	All Units	280.2	-0.2 ▼	-0.3% ▼	-0.1% ▼
<b>Hobart</b>	All Houses	316.4	-3.4 ▼	0.2% ▲	-1.1% ▼
	All Units	276.8	4.2 ▲	8.6% ▲	10.6% ▲
<b>Melbourne</b>	All Houses	462.3	-0.3 ▼	0.7% ▲	1.4% ▲
	All Units	348.7	-1.7 ▼	-1.4% ▼	3.8% ▲
<b>Perth</b>	All Houses	519.3	1.7 ▲	1.2% ▲	-9.5% ▼
	All Units	407.6	-3.6 ▼	-1.6% ▼	-9.3% ▼
<b>National</b>	All Houses	413.0	1.0 ▲	-0.5% ▼	-0.7% ▼
	All Units	339.0	1.0 ▲	0.0%	-1.7% ▼
<b>Cap City Average</b>	All Houses	534.0	0.0	0.0%	1.5% ▲
	All Units	412.0	-2.0 ▼	-0.2% ▼	1.7% ▲

Source: [www.sqmresearch.com.au](http://www.sqmresearch.com.au)



SQM's calculations of vacancies are based on online rental listings that have been advertised for three weeks or more compared to the total number of established rental properties. SQM considers this to be a superior methodology compared to using a potentially incomplete sample of agency surveys or merely relying on raw online listings advertised.

Please go to our methodology page below for more information on how SQM's vacancies are compiled-

[http://www.sqmresearch.com.au/graph\\_vacancy.php?region=nsw::Sydney&type=c&t=1#terms](http://www.sqmresearch.com.au/graph_vacancy.php?region=nsw::Sydney&type=c&t=1#terms)

### **Key Points**

- Nationally, vacancies rose during November, recording a vacancy rate of 2.2% and coming to a total of 66, 777 nationally.
- Darwin recorded the highest vacancy rate of the capital cities, revealing a vacancy rate of 2.8% and a total of 762 vacancies.
- Hobart has recorded the tightest vacancy rate of the capital cities, revealing a vacancy rate of 1.1% and a total of 310 vacancies.
- Darwin has recorded the highest yearly increases in vacancies, climbing by 1.5 percentage points to 2.8% since the corresponding period of the previous year (November 2013) and coming to a total and 762 vacancies.
- Both Melbourne and Hobart recorded the largest yearly decrease in vacancies, falling by 0.3 of a percentage point to 2.7% and 1.1% respectively since the corresponding period of the previous year (November 2013).
- Darwin recorded the highest monthly increase in vacancy rate, rising by 0.6 of a percentage point to 2.8% during November.
- Hobart has recorded the largest monthly decline in vacancy rates, dropping by 0.2 of a percentage point to 1.1% during November 2014.

[www.sqmresearch.com.au](http://www.sqmresearch.com.au)

### **About SQM Research**



SQM Research is an independent property research house which specialises in providing accurate property related research and data to financial institutions, property professional, real estate investors and the media.

It is owned and operated by one of the country's leading property analysts, Louis Christopher.

For six years Louis was Head of Research and then General Manager of Australian Property Monitors before leaving the firm to launch SQM Research.

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