



Vacancy Rates Tumble Around Nation

Tuesday 18th April 2017

For Immediate Release

Data released by SQM Research this week has revealed vacancy rates tumbled across all capital cities in March, falling to just 1.5% in Melbourne and 1.7% in Sydney, with upward pressure likely to be maintained on rents in the nation's two biggest cities.

Nationwide, the national vacancy rate dropped to 2.3% in March, down from 2.4% in the previous month, based on 73,554 vacancies. In Canberra, the vacancy rate fell to a very tight 0.8%, down from 0.9% in February, while in Adelaide it fell to just 1.8%, down from 2.0% in February. Vacancies dropped in Perth and Darwin, as well as Hobart and Brisbane.

City	Mar 2016 Vacancies	Vacancy Rate	Feb 2017 Vacancies	Vacancy Rate	Mar 2017 Vacancies	Vacancy Rate
Adelaide	3115	1.8%	3403	2.0%	3108	1.8%
Perth	8224	4.0%	10009	4.8%	9860	4.7%
Melbourne	9173	1.9%	8693	1.7%	7397	1.5%
Brisbane	8254	2.5%	11397	3.3%	11028	3.2%
Canberra	627	1.1%	512	0.9%	471	0.8%
Sydney	9424	1.5%	12115	1.9%	10931	1.7%
Darwin	1020	3.5%	1135	3.8%	1058	3.5%
Hobart	236	0.9%	203	0.7%	174	0.6%
National	70493	2.3%	78029	2.4%	73554	2.3%

Managing Director of SQM Research, Louis Christopher, said the numbers reflected a seasonal tightening in vacancy rates.

“Vacancies usually drop in the early months of the year as people return to their jobs after the summer break and students go back to universities in March. Significantly, the vacancy rate continued to fall in Melbourne, despite predictions of apartment oversupply. Even in the spots where we would have expected to see oversupply, such as Docklands and Southbank, we are not seeing it, where there are thousands of apartments, new and old.

“In Sydney too, despite high levels of inner-city apartment construction, the vacancy rate is just 1.7% across the city and .3% in the CBD. We may, however, see a bounce in April across cities as demand for rental properties drops back,” said Christopher.

Perth recorded the highest vacancy rate at 4.7%, down marginally from 4.8% in February, followed by Darwin at 3.5%, a drop from 3.8% in February. In Brisbane, the vacancy rate dipped slightly to 3.2%, and in Adelaide it fell to 1.8%. Hobart's vacancy rate is the lowest of all capital cities at just 0.6%.



Asking Rents

Reflecting its lower vacancy rate, asking rents rose in Melbourne over the month to April 12, up by 1.6% for units and 0.7% for houses. Annually, asking rents for houses is growing fastest in Melbourne at 7.1%, reflecting tightening vacancy rates. Sydney unit rents too jumped by 1.6% over the month, as well as a 1.5% rise for Canberra units, though housing rents fell in those two cities.

Darwin asking rents continued to fall, down 2.6% for houses over the month, while unit rents were down 1.1%. Perth has again posted the largest yearly declines, with unit asking rents down 9.6% and house rents down 7.3%.

SQM Research Weekly Rents Index					
Week ending 12 Apr 2017		Rent	Chg on prev wk	Rolling month % chg	12 mth % chg
Canberra	All Houses	572.5	1.5 ▲	-1.6% ▼	6.6% ▲
	All Units	425.8	2.2 ▲	1.5% ▲	7.8% ▲
Sydney	All Houses	747.4	0.6 ▲	-0.2% ▼	3.7% ▲
	All Units	519.3	0.7 ▲	1.6% ▲	3.4% ▲
Darwin	All Houses	545.8	-3.8 ▼	-2.6% ▼	-2.7% ▼
	All Units	414.7	-1.7 ▼	-1.1% ▼	-7.6% ▼
Brisbane	All Houses	446.7	-0.7 ▼	-0.7% ▼	0.0% ▲
	All Units	369.4	0.6 ▲	-0.2% ▼	-0.7% ▼
Adelaide	All Houses	369.5	-0.5 ▼	-0.4% ▼	-0.2% ▼
	All Units	291.8	1.2 ▲	0.7% ▲	2.1% ▲
Hobart	All Houses	358.4	2.6 ▲	3.0% ▲	3.7% ▲
	All Units	301.9	1.1 ▲	-2.3% ▼	9.0% ▲
Melbourne	All Houses	513.0	-1.0 ▼	0.7% ▲	7.1% ▲
	All Units	394.3	1.7 ▲	1.6% ▲	5.1% ▲
Perth	All Houses	432.0	-0.0 ▼	-0.4% ▼	-7.3% ▼
	All Units	337.5	-0.5 ▼	0.1% ▲	-9.6% ▼
National	All Houses	434.0	2.0 ▲	-0.2% ▼	3.3% ▲
	All Units	344.0	-2.0 ▼	-0.3% ▼	2.1% ▲
Cap City Average	All Houses	556.0	0.0	-0.4% ▼	2.4% ▲
	All Units	439.0	0.0	1.2% ▲	2.3% ▲

Source: 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.

Key Points

- Nationally, vacancies rose fell during March, recording a rate of 2.3%, down from 2.4% in February.
- Perth recorded the highest vacancy rate of the capital cities at 4.7%
- Hobart recorded the lowest vacancy rate of 0.6%, down from 0.7% in the previous month.
- Canberra's vacancy rate fell to a five-year low of 0.8%, down from 0.9% in February.

www.sqmresearch.com.au

About SQM Research

SQM Research Pty Ltd is a respected Australian investment research house, specialising in providing ratings and data across all major asset classes.

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