



Perth Vacancy Rates Breaks Record High

SQM Research Vacancy Rates and Asking Rents Media Release

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For Immediate Release

Figures released by SQM Research this week have revealed that the number of national residential vacancies increased during June, recording a rate of 2.5%, and 77,891 vacancies. Year-on-year results demonstrate that national vacancy rates have climbed one percentage point from this time last year.

City	June 2015 Vacancies	Vacancy Rate	May 2016 Vacancies	Vacancy Rate	June 2016 Vacancies	Vacancy Rate
Adelaide	3121	1.9%	3306	2.0%	3,412	2.0%
Perth	7184	3.6%	9563	4.7%	10,190	5.0%
Melbourne	11110	2.3%	9358	1.9%	10,200	2.1%
Brisbane	8044	2.5%	8858	2.7%	9,222	2.8%
Canberra	1195	2.2%	605	1.1%	673	1.2%
Sydney	10753	1.8%	10063	1.6%	11,329	1.8%
Darwin	980	3.5%	846	2.9%	868	3.0%
Hobart	397	1.5%	231	0.8%	249	0.9%
National	73,050	2.4%	74,024	2.4%	77,891	2.5%

Perth recorded the largest monthly rise, with vacancies increasing by 0.3 percentage points during the month of June. On a year to year basis, Perth vacancies have climbed an alarming 1.4 %, to 10,190. This represents a new high in the vacancy rate for Perth, according to SQM's Vacancy Rates Index.

In contrast, yearly falls were recorded for Canberra, Hobart and Darwin, with Canberra vacancies decreasing 1.0% compared to this time last year (June 2015). Hobart recorded a fall of 0.6 percentage points, based on 249 vacancies. Darwin soon followed with a vacancy rate of 3.0% for the month of May, a yearly fall of 0.5%.

Asking rents

Notably, according to SQM Research, Perth has recorded ongoing falls in asking rents of 9.1% for houses and 10.0 % for units over the past 12 months. Yearly falls have also



been recorded in Darwin, with asking rents down 2.7% for houses and 7.1% for units. Hobart continues to record the most affordable rental accommodation with houses at just \$343 a week, and units averaging \$284 a week.

Nationally, asking rents are recording near zero changes with houses unchanged for the last 30 days, standing at \$414 a week. And units are down by 0.9% to \$341 a week.

Managing Director of SQM Research, Louis Christopher, said "The rental market slump continues for Perth. Rents are now down in that city by 23% over the last three years. Outside the current situation for Darwin, I don't believe rents have fallen this much for any Australian capital city since the Second World War."

SQM Research Weekly Rents Index					
Week ending 12 Jul 2016		Rent	Chg on prev wk	Rolling month % chg	12 mth % chg
Canberra	All Houses	536.3	4.7 ▲	1.8% ▲	10.7% ▲
	All Units	409.0	-1.0 ▼	0.4% ▲	8.6% ▲
Sydney	All Houses	706.6	-1.6 ▼	-1.6% ▼	2.1% ▲
	All Units	505.6	-0.6 ▼	-0.1% ▼	5.3% ▲
Darwin	All Houses	575.2	9.8 ▲	4.4% ▲	-2.7% ▼
	All Units	443.0	-2.0 ▼	3.1% ▲	-7.1% ▼
Brisbane	All Houses	447.9	-0.9 ▼	-0.2% ▼	-0.4% ▼
	All Units	372.3	0.7 ▲	0.0% ▲	0.5% ▲
Adelaide	All Houses	368.2	-1.2 ▼	-0.8% ▼	1.1% ▲
	All Units	285.6	1.4 ▲	0.4% ▲	1.3% ▲
Hobart	All Houses	343.5	-3.5 ▼	-0.5% ▼	8.7% ▲
	All Units	284.2	3.8 ▲	1.7% ▲	1.9% ▲
Melbourne	All Houses	482.7	0.3 ▲	-0.3% ▼	1.5% ▲
	All Units	379.1	0.9 ▲	0.5% ▲	4.2% ▲
Perth	All Houses	452.9	-0.9 ▼	-0.7% ▼	-9.1% ▼
	All Units	360.4	-1.4 ▼	-1.6% ▼	-10.0% ▼
National	All Houses	414.0	-2.0 ▼	0.0%	0.7% ▲
	All Units	341.0	0.0	-0.9% ▼	0.6% ▲
Cap City Average	All Houses	536.0	-1.0 ▼	-0.9% ▼	0.0%
	All Units	430.0	0.0	0.2% ▲	3.1% ▲

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 increased during June 2016, recording a rate of 2.5%, based on 77,891 vacancies.
- Perth recorded the highest vacancy rate in June 2016 - 5.0% based on 10,190 vacancies. Year on year, Perth vacancy rates climbed 1.4 percentage points compared to this time last year (June 2015).
- Year on year, vacancy rates are down for Canberra, Hobart and Darwin.
- Canberra recorded the largest fall in vacancies, decreasing by 1.0% compared to this time last year (June 2015).
- Hobart recorded the lowest vacancy rate during June 2016 - 0.9% based on 249 vacancies.
- Over the past 12 months, Perth has recorded ongoing falls in asking rents of 9.1% for houses and 10.0% for units.

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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