



Darwin Vacancies Continue to Climb

SQM Research Vacancy Rates and Asking Rents Media Release

Monday 18th January 2016

For Immediate Release

Figures released by SQM Research this week have revealed that the number of residential vacancies nationally has risen during December, recording a vacancy rate of 2.7%, and 81,401 vacancies. Year-on-year results demonstrate that national vacancies appear to be following the common seasonal trends expected at this time of year.

City	December 2014 Vacancies	Vacancy Rate	November 2015 Vacancies	Vacancy Rate	December 2015 Vacancies	Vacancy Rate
Adelaide	2,853	1.7%	3,298	2.0%	3,534	2.1%
Perth	5,491	2.8%	7,728	3.9%	8,236	4.1%
Melbourne	14,757	3.2%	11,591	2.4%	13,521	2.8%
Brisbane	8,298	2.7%	8,300	2.6%	9,292	2.9%
Canberra	1,223	2.3%	1,089	2.0%	1,263	2.3%
Sydney	12,612	2.1%	10,045	1.7%	12,605	2.1%
Darwin	940	3.4%	1,075	3.8%	1,175	4.2%
Hobart	372	1.4%	232	0.8%	302	1.1%
National	76,890	2.6%	71,737	2.3%	81,401	2.7%

Perth and Darwin have continued to record alarming increases in vacancies, whilst many of the other capital cities have remained stable or recorded falls year-on-year. SQM Research believes the national rise is attributed to a combination of factors, including issues with supply and demand, the ongoing impact of the commodities downturn, and seasonal holiday trends. December for example, normally does record a sharp rise in vacancies.

December results for Hobart reveal the tightest rental market, with Hobart recording a vacancy rate of just 1.1% based on just 302 vacancies.

Asking rents

Notably, Darwin has recorded a fall in asking rents of 12.3% for houses and 11.2% for units over the past 12 months, according to SQM Research. Yearly falls have also been recorded in Perth, with asking rents down 9.6% for houses and 9.7% for



units. Hobart has recorded the fastest rental rises for the capital cities with asking rents rising 6.9% for houses, while units underperformed, falling by 1.6%. Hobart also has the most affordable rental accommodation with rents for houses at just \$340 a week, while units on average rent for \$270 a week.

Managing Director of SQM Research, Louis Christopher, said "While there is seasonality in these readings, it's clear that the trend for vacancies is still on the rise. This is as a result of a combination of factors including the strong upswing in residential dwelling construction which commenced back in 2013 and will continue on into 2016; as well as the commodities downturn which has hurt the economies of Perth and Darwin."

SQM Research Weekly Rents Index					
Week ending 12 Jan 2016		Rent	Chg on prev wk	Rolling month % chg	12 mth % chg
Canberra	All Houses	505.3	4.7 ▲	2.9% ▲	2.8% ▲
	All Units	385.3	0.7 ▲	-0.0% ▼	1.1% ▲
Sydney	All Houses	712.6	1.4 ▲	1.7% ▲	4.1% ▲
	All Units	492.5	2.5 ▲	1.3% ▲	3.8% ▲
Darwin	All Houses	564.6	7.4 ▲	1.7% ▲	-12.3% ▼
	All Units	457.6	4.4 ▲	2.6% ▲	-11.2% ▼
Brisbane	All Houses	452.0	1.0 ▲	0.7% ▲	1.0% ▲
	All Units	372.2	0.8 ▲	1.0% ▲	1.1% ▲
Adelaide	All Houses	366.2	1.8 ▲	0.9% ▲	0.8% ▲
	All Units	285.9	3.1 ▲	2.6% ▲	0.4% ▲
Hobart	All Houses	340.6	-1.6 ▼	-0.4% ▼	6.9% ▲
	All Units	269.8	-1.8 ▼	-1.2% ▼	-1.6% ▼
Melbourne	All Houses	475.6	0.4 ▲	-0.5% ▼	2.3% ▲
	All Units	362.8	2.2 ▲	1.0% ▲	4.0% ▲
Perth	All Houses	479.0	-1.0 ▼	-0.2% ▼	-9.6% ▼
	All Units	375.5	0.5 ▲	-0.1% ▼	-9.7% ▼
National	All Houses	416.0	-3.0 ▼	0.5% ▲	0.0%
	All Units	340.0	-3.0 ▼	-0.3% ▼	0.9% ▲
Cap City Average	All Houses	541.0	1.0 ▲	1.3% ▲	1.1% ▲
	All Units	422.0	2.0 ▲	1.7% ▲	2.4% ▲

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 during December 2015, recording a vacancy rate of 2.7%, based on 81,401 vacancies nationally.
- Darwin recorded the highest vacancy rate in December 2015 with a vacancy rate of 4.2% based on 1,175 vacancies.
- Vacancy rates in Sydney and Canberra have remained unchanged over the last year.
- Year-on-year, vacancy rates dropped in both Melbourne and Hobart.
- Hobart recorded the lowest vacancy rate during December 2015, with a vacancy rate of 1.1% based on 302 vacancies.
- Over the past 12 months Darwin asking rents have also experienced excessive yearly falls with houses down 12.3% and an 11.2% fall for units.

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.

For further information please contact Natalie Keech:

Natalie@sqmresearch.com.au

-ENDS-