



Falls Recorded for February

SQM Research Vacancy Rates and Asking Rents Media Release

Tuesday 15th March 2016

For Immediate Release

Figures released by SQM Research this week have revealed that the number of residential vacancies nationally has fallen during February, recording a vacancy rate of 2.3%, and 70,161 vacancies. Year-on-year results demonstrate that national vacancies appear to be slightly above the common seasonal trends expected at this time of year.

City	February 2015 Vacancies	Vacancy Rate (%)	January 2016 Vacancies	Vacancy Rate (%)	February 2016 Vacancies	Vacancy Rate (%)
Adelaide	2,434	1.5%	3,407	2.0%	3,168	1.9%
Perth	5,140	2.6%	8,009	4.0%	7,819	3.9%
Melbourne	10,685	2.3%	12,015	2.5%	9,683	2.0%
Brisbane	7,015	2.2%	8,673	2.7%	8,137	2.5%
Canberra	866	1.6%	852	1.5%	715	1.3%
Sydney	10,106	1.7%	10,677	1.8%	9,594	1.6%
Darwin	889	3.2%	1,089	3.8%	1,011	3.6%
Hobart	358	1.3%	250	0.9%	239	0.9%
National	65,988	2.2%	75,386	2.5%	70,161	2.3%

Melbourne recorded the largest monthly fall, with vacancies falling 0.5 percentage points over the month of February. Brisbane, Canberra, Sydney and Darwin also experience monthly falls, with percentage points down 0.2% over the month of February. Despite this, both Darwin and Perth continue to record an alarming number of vacancies, particularly when you consider the number of vacancies recorded this time last year (February 2015).

February results for Hobart reveal the tightest rental market recording a vacancy rate of just 0.9% based on just 239 vacancies.

Asking rents

Notably, according to SQM Research, Perth has recorded ongoing falls in asking rents of 10.5% for houses and 9.1% for units over the past 12 months. Yearly falls have also been recorded in Darwin, with asking rents down 10.3% for houses and a



considerable 11.2% for units. Hobart continues to record the most affordable rental accommodation with rents for houses at just \$337 a week, while units on average rent for \$286 a week.

Managing Director of SQM Research, Louis Christopher, said “Overall, there was a noticeable fall in vacancies for the month driven by Melbourne and Sydney. However, year on year vacancies are still edging up for the country and we think this will still be the trend going forward. The cities and townships most exposed to the commodities downturn are causing this yearly rise. On the flip side Melbourne, Hobart and Canberra are all recording downward trends in vacancies now and this is resulting in upward pressure in rents for these three cities.”

SQM Research Weekly Rents Index					
	Week ending 12 Mar 2016	Rent	Chg on prev wk	Rolling month % chg	12 mth % chg
<u>Canberra</u>	All Houses	533.5	2.5 ▲	3.0% ▲	10.9% ▲
	All Units	391.3	0.7 ▲	-0.0% ▼	2.9% ▲
<u>Sydney</u>	All Houses	713.7	2.3 ▲	0.4% ▲	3.9% ▲
	All Units	500.0	1.0 ▲	0.3% ▲	5.1% ▲
<u>Darwin</u>	All Houses	567.3	-5.3 ▼	-2.1% ▼	-10.3% ▼
	All Units	456.1	-1.1 ▼	-1.5% ▼	-11.2% ▼
<u>Brisbane</u>	All Houses	447.5	-0.5 ▼	-1.1% ▼	-0.2% ▼
	All Units	370.6	0.4 ▲	-0.7% ▼	2.1% ▲
<u>Adelaide</u>	All Houses	370.1	0.9 ▲	0.8% ▲	0.4% ▲
	All Units	287.0	-2.0 ▼	-1.1% ▼	3.5% ▲
<u>Hobart</u>	All Houses	337.1	1.9 ▲	-0.2% ▼	4.1% ▲
	All Units	286.6	6.4 ▲	4.5% ▲	2.4% ▲
<u>Melbourne</u>	All Houses	477.3	0.7 ▲	-0.5% ▼	-0.1% ▼
	All Units	372.8	1.2 ▲	1.5% ▲	4.3% ▲
<u>Perth</u>	All Houses	466.2	0.8 ▲	-1.8% ▼	-10.5% ▼
	All Units	376.4	-1.4 ▼	-0.4% ▼	-9.1% ▼
<u>National</u>	All Houses	420.0	-2.0 ▼	1.0% ▲	1.7% ▲
	All Units	341.0	3.0 ▲	0.0%	0.0%
<u>Cap City Average</u>	All Houses	541.0	4.0 ▲	0.0%	0.4% ▲
	All Units	427.0	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 fell during February 2016, recording a vacancy rate of 2.3%, based on 70,161 vacancies.
- Perth recorded the highest vacancy rate in February 2016 of 3.9% based on 7,819 vacancies.
- Vacancy rates in Sydney have fallen 0.1 percentage points over the last year.
- Year-on-year, vacancy rates dropped in Sydney, Canberra, Melbourne and Hobart.
- Hobart recorded the lowest vacancy rate during February 2016, with a rate of 0.9% based on 239 vacancies.
- Over the past 12 months, Perth asking rents have also experienced excessive yearly falls with houses down 10.5% and a 9.1% 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.

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