



February Vacancies Rates Fall

SQM Research Vacancy Rates Media Release

Tuesday 17th March 2015

For Immediate Release

Figures released by SQM Research this week have revealed the number of residential vacancies edged down across the nation in February 2015, with a vacancy rate of 2.2% posted based on 66,094 vacancies, down from 2.3% in January when vacancies were 69,847. Falls were recorded in most capitals cities.

Over the month, vacancy rates fell the most in Melbourne and Canberra as workers and students poured into the nation's capital and second largest city ready to commence the new working and tertiary year following the summer break.

City	February 2014 Vacancies	Vacancy Rate	January 2015 Vacancies	Vacancy Rate	February 2015 Vacancies	Vacancy Rate
Adelaide	2,285	1.4%	2,697	1.6%	2,434	1.5%
Perth	3,639	1.9%	5,026	2.6%	5,140	2.6%
Melbourne	10,834	2.4%	12,845	2.8%	10,685	2.3%
Brisbane	6,424	2.1%	7,458	2.4%	7,015	2.2%
Canberra	1,101	2.1%	1,068	2.0%	866	1.6%
Sydney	8,954	1.6%	10,448	1.8%	10,106	1.7%
Darwin	354	1.3%	905	3.3%	889	3.2%
Hobart	433	1.6%	357	1.3%	358	1.3%
National	60,330	2.1%	69,847	2.3%	66,094	2.2%

Over the year to February 2015, Canberra also posted the biggest yearly decline in its vacancy rate to 1.6% from 2.1%, reflecting the relatively strong jobs market in that city, with an unemployment rate of just 4.5% compared to the national rate of 6.3%. Modest falls were also posted in Melbourne and Hobart.

In contrast, the vacancy rate kept climbing in Darwin and Perth, reflecting the impact of the commodities downturn, which is weighing on employment and property markets in Western Australia and the Northern Territory. Managing Director of SQM Research, Louis Christopher, said vacancy rates in Darwin and Perth will probably keep climbing through 2015 and could edge up nationally if the jobless rate rises further. "While unemployment fell slightly in February, a slowing Australian economy overall will likely place greater upward pressure on the nation-wide vacancy rate though 2015," he said.



“Ongoing weakness in commodity prices will filter through to the jobs and property markets in Perth and Darwin. Nationally, a continuation in below-trend economic activity will likely push the unemployment rate up towards 7%, which will ultimately work to keep a lid on vacancy rates and rents in other capital cities, though Sydney rents may prove more resilient, having grown at close to 8% for housing over the year to March 10, given the city’s tight vacancy rate,” Mr Christopher said.

SQM Research data shows asking rents in Perth, Canberra and Darwin have dropped over the year to March 10.

SQM Research Weekly Asking Prices Index					
Week ending 10 Mar 2015		Asking Price	Chg on prev wk	Rolling month % chg	12 mth % chg
<u>Canberra</u>	All Houses	605.1	-2.0 ▼	-2.8% ▼	-6.8% ▼
	All Units	376.7	0.3 ▲	0.7% ▲	-5.4% ▼
<u>Sydney</u>	All Houses	1,038.4	4.3 ▲	0.5% ▲	7.8% ▲
	All Units	583.4	1.4 ▲	0.8% ▲	8.6% ▲
<u>Darwin</u>	All Houses	679.6	-0.3 ▼	-0.6% ▼	-1.0% ▼
	All Units	473.1	1.9 ▲	0.1% ▲	-5.8% ▼
<u>Brisbane</u>	All Houses	547.6	1.6 ▲	0.6% ▲	1.8% ▲
	All Units	372.0	0.1 ▲	-0.1% ▼	2.7% ▲
<u>Adelaide</u>	All Houses	481.0	0.6 ▲	0.3% ▲	0.8% ▲
	All Units	292.4	0.9 ▲	0.5% ▲	-0.6% ▼
<u>Hobart</u>	All Houses	388.9	0.1 ▲	-1.2% ▼	0.9% ▲
	All Units	253.8	-0.3 ▼	-0.7% ▼	2.9% ▲
<u>Melbourne</u>	All Houses	648.7	2.7 ▲	-0.4% ▼	2.2% ▲
	All Units	432.3	-0.3 ▼	-0.5% ▼	2.3% ▲
<u>Perth</u>	All Houses	746.2	-1.2 ▼	-0.7% ▼	-2.6% ▼
	All Units	451.2	-0.4 ▼	-0.7% ▼	-2.0% ▼
<u>National</u>	All Houses	488.7	0.1 ▲	0.3% ▲	1.6% ▲
	All Units	331.5	1.0 ▲	0.2% ▲	1.4% ▲
<u>Cap City Average</u>	All Houses	760.6	5.4 ▲	1.3% ▲	3.7% ▲
	All Units	489.4	0.9 ▲	0.5% ▲	4.8% ▲



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 2015, recording a vacancy rate of 2.2%, down from 2.3% in January, coming to a total of 66,094 vacancies nationally.
- During February, the vacancy rate fell the most in Melbourne, down 0.5 percentage points from January, followed by a fall of 0.4 percentage points for Canberra.
- Hobart recorded the tightest vacancy rate at 1.3%, unchanged from January, based on 358 vacancies, and down from 1.6% a year earlier.
- Darwin recorded the highest vacancy rate of the capital cities at 3.2% in February 2015 based on a total of 889 vacancies.
- Darwin recorded the highest yearly increases in vacancies, climbing by 1.9 percentage points from a year earlier.
- Perth's vacancy rate was 2.6% in February 2015, unchanged from January 2015 but up 0.7 percentage points from a year earlier.

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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