



November Vacancies Pick Up As We Approach the Seasonal Holiday Spike

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 residential vacancies nationally has picked back up slightly during November, recording a vacancy rate of 2.3% nationally, and 71,737 vacancies. Vacancies appear to be following the common seasonal trends expected at this time of year, where rental accommodation tends to become more available for a variety of factors.

City	November 2014 Vacancies	Vacancy Rate	October 2015 Vacancies	Vacancy Rate	November 2015 Vacancies	Vacancy Rate
Adelaide	2,506	1.5%	3,180	1.9%	3,298	2.0%
Perth	4,860	2.5%	7,507	3.8%	7,728	3.9%
Melbourne	12,713	2.7%	11,233	2.4%	11,591	2.4%
Brisbane	7,438	2.4%	8,381	2.6%	8,300	2.6%
Canberra	1,048	1.9%	1,153	2.1%	1,089	2.0%
Sydney	10,105	1.7%	9,692	1.6%	10,045	1.7%
Darwin	762	2.8%	997	3.5%	1,075	3.8%
Hobart	310	1.1%	292	1.1%	232	0.8%
National	66,674	2.2%	70,827	2.3%	71,737	2.3%

The most predominant of these factors is the departure of University students from their regular rental accommodation over the long four month summer break.

Perth and Darwin have continued to record alarming increases in vacancies, whilst many of the other capital cities have remained stable year-on-year. However, Hobart and Melbourne have recorded yearly declines. SQM Research believes the falls in Hobart most likely relate to the recovery in its local economy, in turn being benefited from the lower Australian dollar helping its local tourist industry.

Year-on-year results for Sydney reveal a tight residential market, with November recording a vacancy rate of 1.7% based on 10,045 vacancies.



Asking rents

Notably, Darwin has recorded a fall in asking rents of 20.0% for houses and 13.7% for units for the past 12 months, according to SQM Research. Yearly falls have also been recorded in Perth, with asking rents down 7.6% for houses and 7.8% for units.

In contrast, Hobart recorded an 8% for houses and a fall of 1.3% for units. Asking rents in Melbourne and Sydney have also recorded modest rises for the same period.

Managing Director of SQM Research, Louis Christopher, said "We note that 2015 overall has recorded another year of modestly rising vacancies. It suggests the supply side has been running a touch ahead of underlying demand at the national level. As we predicted back in October, I believe rents in 2016 will record only modest rises with the outperforming areas likely to be the Gold Coast and Hobart."

SQM Research Weekly Rents Index					
	Week ending 12 Dec 2015	Rent	Chg on prev wk	Rolling month % chg	12 mth % chg
<u>Canberra</u>	All Houses	491.3	0.7 ▲	2.1% ▲	-0.2% ▼
	All Units	385.5	-0.5 ▼	1.7% ▲	0.7% ▲
<u>Sydney</u>	All Houses	700.9	-4.9 ▼	-0.5% ▼	1.7% ▲
	All Units	486.2	-2.2 ▼	-0.7% ▼	1.8% ▲
<u>Darwin</u>	All Houses	555.1	-2.1 ▼	-0.9% ▼	-20.0% ▼
	All Units	446.0	-1.0 ▼	-0.3% ▼	-13.7% ▼
<u>Brisbane</u>	All Houses	448.8	-0.8 ▼	-0.1% ▼	0.3% ▲
	All Units	368.6	0.4 ▲	0.5% ▲	-0.1% ▼
<u>Adelaide</u>	All Houses	362.9	0.1 ▲	-0.1% ▼	0.9% ▲
	All Units	278.8	-0.8 ▼	-0.3% ▼	-0.5% ▼
<u>Hobart</u>	All Houses	341.8	2.2 ▲	3.3% ▲	8.0% ▲
	All Units	273.1	6.9 ▲	-3.6% ▼	-1.3% ▼
<u>Melbourne</u>	All Houses	478.2	0.8 ▲	0.1% ▲	3.4% ▲
	All Units	359.2	-0.2 ▼	-0.0% ▼	3.0% ▲
<u>Perth</u>	All Houses	479.8	-1.8 ▼	-0.1% ▼	-7.6% ▼
	All Units	375.7	-1.7 ▼	-1.0% ▼	-7.8% ▼
<u>National</u>	All Houses	414.0	-2.0 ▼	0.5% ▲	0.2% ▲
	All Units	341.0	0.0	0.9% ▲	0.6% ▲
<u>Cap City Average</u>	All Houses	534.0	-3.0 ▼	-0.9% ▼	0.0%
	All Units	415.0	-2.0 ▼	-0.7% ▼	0.7% ▲

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 slightly during November 2015, recording a vacancy rate of 2.3%, based on 71,737 vacancies nationally.
- Over the last year vacancies in both Perth and Darwin have almost doubled, more specifically, figures released for November illustrate a yearly rise of 59% for Perth.
- Hobart recorded the largest monthly change with vacancies falling from 1.1% in October to a tight 0.8% in November 2015.
- Year-on-year, vacancy rates dropped in both Melbourne and Hobart.
- Sydney vacancy rates remain unchanged over the last year, with figures from November 2015 recording a vacancy rate of 1.7%.

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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