



Perth Vacancy Rates Continue to Climb

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 the number of residential vacancies remained tight across the nation in June 2015, with a vacancy rate of 2.4% posted based on 72,849 vacancies, up from May when vacancies were 71,970. Rates remained in the same in most capital cities, excluding Perth, Brisbane and Canberra, where vacancy rates climbed.

The biggest rise was recorded in Perth and Canberra with a monthly change of 0.2 percentage points from May. Over the year, vacancy rates in Perth have continued to climb with a significant 1.1% jump from this time last year.

City	June 2014 Vacancies	Vacancy Rate %	May 2015 Vacancies	Vacancy Rate %	June 2015 Vacancies	Vacancy Rate %
Adelaide	2,645	1.6%	3,101	1.9%	3,121	1.9%
Perth	4,716	2.5%	6,621	3.4%	7,184	3.6%
Melbourne	12,073	2.7%	10,889	2.3%	10,909	2.3%
Brisbane	7,159	2.4%	7,651	2.4%	8,044	2.5%
Canberra	1,216	2.3%	1,049	1.9%	1,195	2.2%
Sydney	11,022	1.9%	10,679	1.8%	10,753	1.8%
Darwin	424	1.6%	992	3.5%	980	3.5%
Hobart	472	1.8%	418	1.5%	397	1.5%
National	69,140	2.3%	71,970	2.4%	72,849	2.4%

Year-on-year, vacancy rates are down for Canberra, Melbourne, Hobart, and to a lesser extent Sydney. Melbourne has posted the biggest yearly fall in its vacancy rate from 2.7% to 2.3%, reflecting the tightening of the market post downturn. Hobart has also recorded ongoing yearly falls with vacancy rates dropping from 1.8% to 1.5% in June 2015.

Asking rents

Notably, Darwin has recorded a fall in asking rents of 16.4% for houses and 9.8% for units for the past 12 months, according to SQM Research. Yearly falls have also



been recorded in Perth, with asking rents down 6.2% for houses and 4.9% for units. In contrast, Melbourne has recorded a rise of 3.1% for houses and 2.2% for units. Asking rents in Sydney and Adelaide have also recorded modest rises for the same period.

Managing Director of SQM Research, Louis Christopher, said "Overall vacancy rates were steady over the month of June. The level of vacancy rates (at 2.4%) is marginally favouring tenants. Further evidence of this opinion is that SQM asking rents index effectively remained flat for the month.

We note the very large rent declines recorded in Darwin. With rents falling by 16% over the past 12 months, it is clear market conditions for existing Darwin property investors have deteriorated further. The Darwin housing market is having a severe downturn and I believe it is likely to get worse from here before the market finds a bottom."

SQM Research Weekly Rents Index					
	Week ending 12 Jul 2015	Rent	Chg on prev wk	Rolling month % chg	12 mth % chg
Canberra	All Houses	484.5	0.5 ▲	0.9% ▲	1.0% ▲
	All Units	376.8	-2.8 ▼	-1.3% ▼	1.0% ▲
Sydney	All Houses	692.1	2.9 ▲	0.3% ▲	3.2% ▲
	All Units	480.3	-0.3 ▼	0.0% ▲	1.2% ▲
Darwin	All Houses	591.3	-6.3 ▼	-4.7% ▼	-16.4% ▼
	All Units	476.7	-3.7 ▼	-3.5% ▼	-9.8% ▼
Brisbane	All Houses	449.7	-0.7 ▼	0.0% ▲	1.7% ▲
	All Units	370.4	0.6 ▲	0.5% ▲	1.1% ▲
Adelaide	All Houses	364.1	-0.1 ▼	-0.6% ▼	2.2% ▲
	All Units	282.0	-1.0 ▼	-0.5% ▼	1.3% ▲
Hobart	All Houses	316.1	0.9 ▲	-1.2% ▼	1.5% ▲
	All Units	278.9	0.1 ▲	-0.2% ▼	5.6% ▲
Melbourne	All Houses	475.5	0.5 ▲	-0.0% ▼	3.1% ▲
	All Units	363.8	0.2 ▲	-0.0% ▼	2.2% ▲
Perth	All Houses	498.1	-1.1 ▼	-1.2% ▼	-6.2% ▼
	All Units	400.6	-0.6 ▼	-1.4% ▼	-4.9% ▼
National	All Houses	411.0	1.0 ▲	0.7% ▲	0.0%
	All Units	339.0	-1.0 ▼	0.3% ▲	0.3% ▲
Cap City Average	All Houses	536.0	1.0 ▲	0.2% ▲	1.5% ▲
	All Units	417.0	0.0	-0.2% ▼	1.0% ▲

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 June 2015, recording a vacancy rate of 2.4%, based on 72,849 vacancies nationally.
- During June, vacancy rates climbed the most in Perth and Canberra up 0.2 percentage points from May 2015.
- Vacancy rates in Hobart, Darwin, Sydney, Melbourne and Adelaide remained the same from May 2015 to June 2015.
- Perth recorded the highest vacancy rate of the capital cities at 3.6% in June 2015 based on a total of 7,184 vacancies.
- Darwin recorded the highest yearly increases in vacancies, climbing by 1.9 percentage points from a year earlier.
- Vacancy rates in Sydney remained tight in June 2015, and are up a modest 0.1 percentage points from this time last year.

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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