



## **Vacancy Rates Dips in October**

Tuesday 14<sup>th</sup> November 2017

For Immediate Release

Data released by SQM Research this week has revealed the national residential vacancy rate was 2.1% in October 2017, with the number of vacancies Australia-wide falling to 67,781 – a slight drop on the month of September. Hobart's vacancy rate fell to a record low of 0.3%.

Hobart's vacancy rate is now the lowest on record since SQM started recording data in 2005. In Adelaide, the vacancy rate dropped to 1.4% from 1.6% in September and down from 2.0% a year earlier. In Canberra, the vacancy rate dropped to 0.8% from 1.0% in September.

In the bigger cities, vacancies fell in Sydney to 12,435 in October, down from 13,114 in September, giving a vacancy rate of 1.9%, down from 2.1% the previous month. In Melbourne, the vacancy rate fell to 1.8% with 9,390 rental properties available.

City	October 2016		September 2017		October 2017	
	Vacancies	Vacancy Rate	Vacancies	Vacancy Rate	Vacancies	Vacancy Rate
Adelaide	3,326	2.0%	2,787	1.6%	2,495	1.4%
Perth	10,292	4.9%	9,735	4.5%	8,893	4.1%
Melbourne	9,628	1.9%	9,713	1.9%	9,390	1.8%
Brisbane	10,157	3.0%	11,185	3.2%	10,714	3.0%
Canberra	562	1.0%	591	1.0%	507	0.8%
Sydney	10,556	1.7%	13,114	2.1%	12,435	2.0%
Darwin	933	3.2%	822	2.7%	762	2.5%
Hobart	152	0.5%	102	0.4%	75	0.3%
National	74,368	2.3%	72,955	2.2%	67,781	2.1%

Elsewhere, the vacancy dropped in Perth to 4.1% from 4.5% in October, but is still the highest of any capital city. Darwin's vacancy rate fell from 2.7% to 2.5% over the month.

Managing Director of SQM Research, Louis Christopher, said the vacancy numbers highlighted tighter rental markets in many capital cities. "We've seen big falls in Perth and Adelaide and even Brisbane appears to be recording a slight trend downwards right now.

"However, we expect vacancies to rise in November and December due to seasonality such as students finishing up their semester and heading home, which may take some pressure off rents.

"In Hobart, the shortage of rental accommodation is the most severe, with just 75 properties available for rent in October, prompting a record low vacancy rate of 0.3% and higher asking rents, especially for units which were up 7.9% over the month to 12 November, said Christopher.

### **Asking Rents**

Capital city asking rents over the month to 12 November fell 0.4% to \$548 a week for houses. Unit asking rents rose 0.2% to \$439 a week. Asking house rents jumped the



most in Canberra by 2.6% over the month while asking rents for units jumped the most in Hobart by 7.9%.

In contrast, asking rents for houses moderated slightly in Sydney to be down 1.1% over the month. The asking rent for a three-bedroom house in Sydney remains the highest in the nation at \$731 a week while for units it stands at \$523. Canberra follows at \$595 a week for houses and \$429 for units.

Asking rents for houses rose in Melbourne, up 0.2% over the month to \$510 while unit asking rents fell 0.5% over the month to \$393 a week.

SQM Research Weekly Rents Index					
Week ending 12 Nov 2017		Rent	Chg on prev wk	Rolling month % chg	12 mth % chg
Canberra	All Houses	594.6	1.4 ▲	2.6% ▲	13.0% ▲
	All Units	428.9	-0.9 ▼	1.6% ▲	4.8% ▲
Sydney	All Houses	730.7	-0.7 ▼	-1.1% ▼	-1.0% ▼
	All Units	522.6	1.4 ▲	0.3% ▲	2.4% ▲
Darwin	All Houses	536.1	-8.1 ▼	-0.9% ▼	-1.9% ▼
	All Units	399.6	5.4 ▲	0.4% ▲	-7.8% ▼
Brisbane	All Houses	441.3	0.7 ▲	-0.2% ▼	-0.0% ▼
	All Units	365.0	1.0 ▲	0.2% ▲	-1.6% ▼
Adelaide	All Houses	377.7	1.3 ▲	0.1% ▲	4.0% ▲
	All Units	290.1	0.9 ▲	0.4% ▲	0.5% ▲
Hobart	All Houses	375.1	3.9 ▲	-2.9% ▼	5.4% ▲
	All Units	334.2	7.8 ▲	7.9% ▲	12.6% ▲
Melbourne	All Houses	509.9	0.1 ▲	0.2% ▲	4.5% ▲
	All Units	393.2	0.8 ▲	-0.5% ▼	4.7% ▲
Perth	All Houses	414.5	0.5 ▲	1.0% ▲	-3.1% ▼
	All Units	323.9	0.1 ▲	0.5% ▲	-4.4% ▼
National	All Houses	438.0	3.0 ▲	2.8% ▲	3.3% ▲
	All Units	353.0	0.0	0.6% ▲	3.8% ▲
Cap City Average	All Houses	548.0	0.0	-0.4% ▼	0.7% ▲
	All Units	439.0	1.0 ▲	0.2% ▲	2.3% ▲

Source: [www.sqmresearch.com.au](http://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 in October to 67,781, recording a vacancy rate of 2.1%, down from 2.2% in September.
- Hobart recorded the lowest vacancy rate of 0.3%, a record low and down from 0.5% a year earlier.
- Perth recorded the highest vacancy rate of the capital cities at 4.1% in October, but down from 4.9% a year ago.
- Adelaide's vacancy rate was 1.4%, down from 1.6% in September.

### **About SQM Research**

SQM Research Pty Ltd is a respected Australian investment research house, specialising in providing ratings and data across all major asset classes.

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