



Vacancy Rates Increase in Most Cities in December

Tuesday 16th January 2018

For Immediate Release

Data released by SQM Research this week has revealed the national residential vacancy rate was 2.5% in December 2017, with the number of vacancies Australia-wide increasing to 80,092 – an increase on the month of November.

All capital cities have increased their vacancy rates in December, however Hobart's vacancy rate continues to remain at a record low of 0.3% since October 2017.

Canberra and Adelaide's vacancy rate also remains tight at 1.3% and 1.5% respectively.

Perth's vacancy rate rose to 4.6% from 4.5% in November, and remains the highest of any capital city.

In the bigger cities, vacancies increased materially in Sydney to 2.6% in December, up from 2.1% in November. Melbourne also recorded increases with the vacancy rate now at 2.1%, up from 1.8%, however still lower than December 2016. Brisbane's vacancy rate rose from 3.4% to 3.8% over the month.

City	December 2016 Vacancies	Dec 2016 Vacancy Rate	November 2017 Vacancies	Nov 2017 Vacancy Rate	December 2017 Vacancies	Dec 2017 Vacancy Rate
Adelaide	3,691	2.1%	2,501	1.4%	2,772	1.5%
Perth	10,728	5.5%	9,003	4.5%	9,264	4.6%
Melbourne	12,664	2.4%	9,872	1.8%	11,478	2.1%
Brisbane	12,758	4.1%	11,040	3.4%	12,240	3.8%
Canberra	960	1.6%	607	1.0%	807	1.3%
Sydney	15,095	2.3%	14,362	2.1%	17,404	2.6%
Darwin	1,122	3.9%	848	2.8%	1,035	3.5%
Hobart	208	0.7%	81	0.3%	96	0.3%
National	89,721	2.9%	70,795	2.2%	80,092	2.5%

Managing Director of SQM Research, Louis Christopher said, “the rise in vacancies continue into December due to seasonality and those in Hobart and Canberra continue to face ongoing tight rental conditions and higher rents.”

“However, the rise in Sydney was larger than expected, if these current vacancy rate levels hold in January and February, Sydney will be a tenant's market in 2018.”

Asking Rents

Capital City asking rents over the month to 12 January rose 0.9% to \$555 a week for houses. Unit asking rents also rose marginally by 0.7% to \$440 a week.

[Adelaide](#) was the only city to record a decrease, with its house asking rents declining marginally by 0.1% over the month. Unit asking rents however, increased by 1.1% over the month.



The highest increase for houses was recorded in [Darwin](#) at 2.5% over the month, while asking rents for units jumped the most in [Hobart](#) by 6.7%. Compare this to Hobart's asking rents for units in November which actually had the largest drop at 3.6% in that month.

[Sydney](#) continues to record the highest asking rent in the nation for a three-bedroom house at \$730.60 a week and also for units at \$520.80. [Canberra](#) follows at \$606.10 a week for houses, with no change over the month. Units however, increased by 1.9% to \$442.20.

Asking rents for houses rose in [Melbourne](#), up 1.4% over the month to \$522.30 while unit asking rents also rose 0.2% over the month to \$396.70 a week.

SQM Research Weekly Rents Index					
Week ending: 12 Jan 2018		Rent	Change on previous week	Rolling month % change	12 month % change
Canberra	All Houses	606.1	0.9 ▲	0.0% ▲	6.7% ▲
	All Units	442.2	-1.2 ▼	1.9% ▲	7.2% ▲
Sydney	All Houses	730.6	0.4 ▲	0.4% ▲	-0.4% ▼
	All Units	520.8	1.2 ▲	0.3% ▲	2.1% ▲
Darwin	All Houses	549.0	-1.0 ▼	2.5% ▲	-3.8% ▼
	All Units	419.7	5.3 ▲	2.2% ▲	-5.1% ▼
Brisbane	All Houses	448.7	0.3 ▲	1.1% ▲	-0.0% ▼
	All Units	368.1	0.9 ▲	0.6% ▲	-0.9% ▼
Adelaide	All Houses	378.8	-0.8 ▼	-0.1% ▼	2.5% ▲
	All Units	293.9	1.1 ▲	1.1% ▲	1.4% ▲
Hobart	All Houses	383.9	-7.9 ▼	0.5% ▲	6.6% ▲
	All Units	343.6	-13.6 ▼	6.7% ▲	14.9% ▲
Melbourne	All Houses	522.3	0.7 ▲	1.4% ▲	4.6% ▲
	All Units	396.7	1.3 ▲	0.2% ▲	5.5% ▲
Perth	All Houses	422.9	1.1 ▲	0.7% ▲	-2.0% ▼
	All Units	322.4	-0.4 ▼	0.2% ▲	-4.3% ▼
National	All Houses	440.0	2.0 ▲	0.9% ▲	1.4% ▲
	All Units	355.0	-3.0 ▼	0.6% ▲	2.3% ▲
Cap City Average	All Houses	555.0	-1.0 ▼	0.9% ▲	1.1% ▲
	All Units	440.0	1.0 ▲	0.7% ▲	2.3% ▲

Source: www.sqmresearch.com.au



Key Points

- Nationally, vacancies rose marginally in December to 80,092, recording a vacancy rate of 2.5%, up from 2.2% in November.
- Hobart's vacancy rate continues to remain at a record low of 0.3% since October 2017.
- Canberra and Adelaide's vacancy rate also remains tight at 1.3% and 1.5% respectively.
- Perth recorded the highest vacancy rate of the capital cities at 4.6% in December, down from 5.5% a year ago.
- Capital City **asking rents** over the month to 12 January rose 0.9% to \$555 a week for houses. Unit asking rents also rose marginally to 0.7% to \$440 a week.
- Adelaide was the only city to record a decrease, with its house **asking rents** declining marginally by 0.1% over the month.

Methodology

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.

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. www.sqmresearch.com.au

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