



National Vacancy Rates Increased Marginally in June

Tuesday 16th July 2019

For Immediate Release

Data released by SQM Research today has revealed the national residential rental vacancy rate increased in **June 2019** to **2.3%**, an increase from 2.2% in May. The total number of vacancies Australia-wide is now at 78,690 vacant residential properties, an increase of 3,597 over the month and up 2,933 dwellings over the past 12 months.

Nearly all capital cities recorded minor increases ranging from 0.1% to 0.2% over the month, Darwin was the only capital city to record a decrease of 0.2% to **3.1%** in vacancy rates.

Sydney continues to have the highest vacancy rates in the country at **3.5%**, an increase of 0.2%. This is the highest for Sydney since 2005. Perth's vacancy rate is not far behind at **3.2%**, having increased 0.1%.

Melbourne's vacancy rate increased to **2.0%**. Hobart's vacancy rate remains steady at **0.5%** and continues to record the lowest vacancy rate in the country.

City	June 2018 Vacancies	June 2018 Vacancy Rate	May 2019 Vacancies	May 2019 Vacancy Rate	June 2019 Vacancies	June 2019 Vacancy Rate
Sydney	19,572	2.8%	23,796	3.3%	24,931	3.5%
Melbourne	9,035	1.6%	10,349	1.8%	11,720	2.0%
Brisbane	9,886	3.0%	8,133	2.4%	8,526	2.5%
Perth	8,426	4.1%	6,457	3.1%	6,732	3.2%
Adelaide	2,726	1.5%	2,126	1.1%	2,310	1.2%
Canberra	565	0.9%	785	1.2%	847	1.3%
Darwin	1,062	3.5%	1,038	3.3%	965	3.1%
Hobart	221	0.7%	143	0.5%	161	0.5%
National	75,757	2.3%	75,093	2.2%	78,690	2.3%

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.

Managing Director of SQM Research, Louis Christopher said, "The increase in rental vacancies in June tends to be a seasonal rise for the start of winter however Sydney's increases goes beyond seasonal factors and so our expectation remains that Sydney will reach a 4% vacancy rate before 2019 is completed."

"Melbourne is also likely to record more rises in rental vacancies as newly completed dwellings purchased as 'off-the-plan' in the last boom, enter the rental market now."

"In spite of the rise in vacancies this month, Brisbane, Adelaide and Hobart's rental market is in favour for landlords as in these cities have also recorded moderate increases in asking rents for the month and continue to record muted dwelling completions."



Asking Rents

Capital city asking rents declined **0.4%** for houses but remained steady for units for the week ending 12 July 2019 to record asking rents of \$551 per week for houses and \$441 per week for units.

In comparison, over the 12 months, asking rents for houses increased **0.4%** but declined **0.7%** for units.

Sydney and Melbourne's asking rents for houses and units both declined in July. Sydney rents dropped **0.5%** for houses and **0.2%** for units to 12 July and Melbourne's drop was **0.9%** for houses and **0.2%** for units.

Brisbane, Adelaide and Hobart were the only states to experience increases in weekly rents for both houses and units. Adelaide's house rents increased **1.1%** and units by **0.4%**, Brisbane's house rents increased by **1.0%** units increased by **0.7%**. Hobart's house rents increased **3.6%** and units increased by **4.9%** (the highest among all states).

SQM Research Weekly Rents Index					
Week ending: 12 July 2019		Rent	Change on prev week	Rolling month % change	12 month % change
<u>Sydney</u>	All Houses	685.9	2.1 ▲	-0.5% ▼	-3.3% ▼
	All Units	501.7	-0.7 ▼	-0.2% ▼	-3.8% ▼
<u>Melbourne</u>	All Houses	534.9	-0.9 ▼	-0.9% ▼	2.4% ▲
	All Units	423.2	0.8 ▲	-0.2% ▼	2.8% ▲
<u>Brisbane</u>	All Houses	464.5	1.5 ▲	1.0% ▲	2.8% ▲
	All Units	374.6	0.4 ▲	0.7% ▲	1.1% ▲
<u>Perth</u>	All Houses	435.7	-3.7 ▼	-2.9% ▼	2.6% ▲
	All Units	339.3	1.7 ▲	0.9% ▲	4.1% ▲
<u>Adelaide</u>	All Houses	399.9	0.1 ▲	1.1% ▲	4.4% ▲
	All Units	309.7	0.3 ▲	0.4% ▲	3.4% ▲
<u>Canberra</u>	All Houses	624.0	-2.0 ▼	0.9% ▲	-1.1% ▼
	All Units	461.5	0.5 ▲	-0.2% ▼	5.0% ▲
<u>Darwin</u>	All Houses	527.8	-0.8 ▼	3.0% ▲	-2.4% ▼
	All Units	369.3	1.7 ▲	-0.4% ▼	-8.8% ▼
<u>Hobart</u>	All Houses	450.6	9.4 ▲	3.6% ▲	13.0% ▲
	All Units	407.8	4.2 ▲	4.9% ▲	17.4% ▲
<u>National</u>	All Houses	442.0	1.0 ▲	0.2% ▲	2.3% ▲
	All Units	368.0	2.0 ▲	-0.5% ▼	3.7% ▲
<u>Cap City Average</u>	All Houses	551.0	2.0 ▲	-0.4% ▼	0.4% ▲
	All Units	441.0	0.0	0.0%	-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

- National residential vacancy rates increased in June 2019 to **2.3%**, an increase from 2.2% in May
- Sydney has recorded the highest of all capital cities at **3.5%** vacancy rate, and a decrease in weekly rents of **0.5%** for houses and **0.2%** for units.
- Hobart's vacancy rate remains steady at **0.5%** and continues to record the lowest vacancy rate in the country.
- Capital city asking rents declined **0.4%** for houses but remained steady for units for the week ending 12 July 2019 to record asking rents of \$551 per week for houses and \$441 per week for units.

About [SQM Research](#)

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

For further information please contact **02 9220 4603**.

- ENDS -