



Vacancy Rates Rise in June in Most Cities

Tuesday 18th July 2017

For Immediate Release

Data released by SQM Research this week has revealed the number of national residential vacancies was 78,314 rental homes in June 2017, giving a national vacancy rate of 2.4%, up from 2.2% in May, led by a jump in Sydney vacancies.

Vacancies rose in Sydney to 13,215 in June, up from 11,153 in May, giving a vacancy rate of 2.1%. That compares to 1.8% the previous month. In Melbourne, the vacancy rate rose to 1.7%, easing off a 7-year low level of 1.5%, helping to alleviate the shortage of rental properties in that city.

City	June 2016 Vacancies	Vacancy Rate	May 2017 Vacancies	Vacancy Rate	June 2017 Vacancies	Vacancy Rate
Adelaide	3412	2.0%	3100	1.8%	3251	1.9%
Perth	10190	5.0%	10210	4.8%	10638	5.0%
Melbourne	10200	2.1%	7578	1.5%	8754	1.7%
Brisbane	9222	2.8%	10914	3.1%	11497	3.3%
Canberra	673	1.2%	608	1.0%	731	1.2%
Sydney	11373	1.8%	11153	1.8%	13215	2.1%
Darwin	868	3.0%	961	3.2%	961	3.2%
Hobart	249	0.9%	159	0.6%	190	0.7%
National	77891	2.5%	73229	2.2%	78314	2.4%

The vacancy rate edged higher to 0.7% in Hobart, up from 0.6%. In Canberra, the vacancy rate rose to 1.2%, up from 1.0% in May. Elsewhere, the vacancy rose in Perth to 5.0% from 4.8% and in Adelaide to 1.9% from 1.8%.

Managing Director of SQM Research, Louis Christopher, said the vacancy numbers would give some relief to home seekers, though rental markets remain tight in several cities.

“This year has been marked by some big falls in vacancies rates in the big cities, but in June we saw more rental stock listed, which should give some relief to renters. In Sydney, where there was a big jump in June vacancies, there has been some downward pressure on asking rents for houses and units, and also in Canberra, where vacancy rates eased,” said Christopher.

Asking Rents

Annually, asking rents for houses moderated slightly in Sydney to 2.6% and rents were down by 1.2% over the month to July 12. The asking rent for a three-bedroom house in Sydney is now \$725 while for units it stands at \$522. Asking rents for units were down 0.2% over the month to July 12, but were up 3.3% over the year.



Annually, asking rents for houses in Melbourne rose 5.9% and rose 0.2% over the month to July 12. Unit asking rents rose 1.0% over the month to July 12 and 5.8% over the year. The asking rent for a three-bedroom house in Melbourne now sits at \$511 and for units it sits at \$401. In Perth and Darwin, asking rents are still falling due to the mining downturn.

SQM Research Weekly Rents Index					
Week ending 12 Jul 2017		Rent	Chg on prev wk	Rolling month % chg	12 mth % chg
Canberra	All Houses	558.0	-4.0 ▼	-4.3% ▼	4.0% ▲
	All Units	412.3	-2.3 ▼	-2.8% ▼	0.9% ▲
Sydney	All Houses	725.0	-3.0 ▼	-1.2% ▼	2.6% ▲
	All Units	522.2	-1.2 ▼	-0.2% ▼	3.3% ▲
Darwin	All Houses	511.4	0.6 ▲	-3.3% ▼	-11.1% ▼
	All Units	397.4	2.6 ▲	0.0% ▲	-10.3% ▼
Brisbane	All Houses	443.1	-0.1 ▼	-0.2% ▼	-1.0% ▼
	All Units	367.4	0.6 ▲	-0.4% ▼	-1.3% ▼
Adelaide	All Houses	375.4	0.6 ▲	0.7% ▲	2.0% ▲
	All Units	289.5	0.5 ▲	0.2% ▲	1.3% ▲
Hobart	All Houses	367.3	-3.3 ▼	0.2% ▲	6.8% ▲
	All Units	314.6	-0.6 ▼	-0.1% ▼	10.5% ▲
Melbourne	All Houses	511.4	-0.4 ▼	0.2% ▲	5.9% ▲
	All Units	401.3	0.7 ▲	1.0% ▲	5.8% ▲
Perth	All Houses	423.9	-0.9 ▼	-0.2% ▼	-6.4% ▼
	All Units	327.5	-0.5 ▼	-0.8% ▼	-9.1% ▼
National	All Houses	427.0	2.0 ▲	0.7% ▲	3.1% ▲
	All Units	349.0	1.0 ▲	0.0%	2.3% ▲
Cap City Average	All Houses	546.0	-2.0 ▼	-0.5% ▼	1.9% ▲
	All Units	440.0	0.0	0.0%	2.3% ▲

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 in June to 78,314, recording a vacancy rate of 2.4%, up from 2.2% in May.
- Perth recorded the highest vacancy rate of the capital cities at 5.0% in June, steady from a year ago.
- Hobart recorded the lowest vacancy rate of 0.7%, up from 0.6% in May, but down from 0.9% a year earlier.
- Canberra's vacancy rate edged higher to 1.2%, up from 1.0% in May, but steady from a year earlier.

www.sqmresearch.com.au

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.

For further information please contact Louis Christopher:

Louis@sqmresearch.com.au

- ENDS -