



## **Hobart Records its Fifth Consecutive Vacancy Rate Under 1.0%**

### **SQM Research Vacancy Rates and Asking Rents Media Release**

Tuesday 14<sup>th</sup> June 2016

For Immediate Release

Figures released by SQM Research this week have revealed that the number of national residential vacancies remained tight during May, recording a vacancy rate of 2.4%, and 74,024 vacancies. Year-on-year results demonstrate that national vacancy rates remain unchanged from this time last year.

City	May 2015 Vacancies	Vacancy Rate	April 2016 Vacancies	Vacancy Rate	May 2016 Vacancies	Vacancy Rate
Adelaide	3,101	1.9%	3,347	2.0%	3,306	2.0%
Perth	6,621	3.4%	9,275	4.5%	9,563	4.7%
Melbourne	11,095	2.4%	9,778	2.0%	9,358	1.9%
Brisbane	7,651	2.4%	9,110	2.8%	8,858	2.7%
Canberra	1,049	1.9%	784	1.4%	605	1.1%
Sydney	10,679	1.8%	10,394	1.7%	10,063	1.6%
Darwin	992	3.5%	975	3.4%	846	2.9%
Hobart	418	1.5%	240	0.9%	231	0.8%
National	72,176	2.4%	75,749	2.4%	74,024	2.4%

Darwin recorded the largest monthly fall, with vacancies decreasing by 0.5 percentage points during the month of May. Canberra also experienced moderate monthly falls with vacancy rates down 0.3 percentage points. Vacancies fell 0.1% in Melbourne, Brisbane, Sydney and Hobart during May 2016.

In contrast, Perth recorded a monthly rise, with vacancies increasing by 0.2 percentage points during the month of May. Perth continues to record an alarming number of vacancies, particularly when one considers the amount recorded this time last year (May 2015), with vacancies climbing a total 1.3%.



## Asking rents

Notably, according to SQM Research, Darwin has recorded ongoing falls in asking rents of 10.4% for houses and 12.2% for units over the past 12 months. Yearly falls have also been recorded in Perth, with asking rents down 9.6% for houses and a considerable 10.0% for units. Hobart continues to record the most affordable rental accommodation with rents for houses at just \$347 a week, and units averaging \$277 a week.

Managing Director of SQM Research, Louis Christopher, said “Rental vacancies held steady during the month, though rises were recorded in regional townships and cities with mining exposure. Perth, for example, continues to record higher vacancies.

National Rents were slightly weaker this month with a 12 month average change that is mirroring the CPI index. Going forward we do not expect any resurgence in rents for the foreseeable future, barring some cities such as Hobart, which we do expect higher rental growth rates due to a falling trend in vacancies.”

SQM Research Weekly Rents Index					
Week ending 12 Jun 2016		Rent	Chg on prev wk	Rolling month % chg	12 mth % chg
<b>Canberra</b>	All Houses	524.3	-2.3 ▼	-0.3% ▼	9.2% ▲
	All Units	408.3	0.7 ▲	2.0% ▲	6.9% ▲
<b>Sydney</b>	All Houses	712.6	-5.6 ▼	-1.3% ▼	3.3% ▲
	All Units	506.2	-0.2 ▼	0.3% ▲	5.4% ▲
<b>Darwin</b>	All Houses	556.0	5.0 ▲	-1.8% ▼	-10.4% ▼
	All Units	433.3	3.7 ▲	-0.2% ▼	-12.2% ▼
<b>Brisbane</b>	All Houses	448.9	0.1 ▲	-0.0% ▼	-0.1% ▼
	All Units	372.1	-0.1 ▼	0.0% ▲	0.9% ▲
<b>Adelaide</b>	All Houses	370.6	-0.6 ▼	0.1% ▲	1.2% ▲
	All Units	283.7	-0.7 ▼	-0.5% ▼	0.1% ▲
<b>Hobart</b>	All Houses	347.1	1.9 ▲	-0.8% ▼	8.5% ▲
	All Units	276.7	-2.7 ▼	-4.9% ▼	-0.9% ▼
<b>Melbourne</b>	All Houses	483.6	-0.6 ▼	0.2% ▲	1.7% ▲
	All Units	377.5	0.5 ▲	-0.1% ▼	3.8% ▲
<b>Perth</b>	All Houses	456.0	0.0 ▲	-1.5% ▼	-9.6% ▼
	All Units	365.6	-0.6 ▼	-1.6% ▼	-10.0% ▼
<b>National</b>	All Houses	417.0	3.0 ▲	-0.7% ▼	2.2% ▲
	All Units	341.0	-3.0 ▼	0.6% ▲	0.9% ▲
<b>Cap City Average</b>	All Houses	537.0	-4.0 ▼	-1.5% ▼	0.4% ▲
	All Units	430.0	1.0 ▲	0.0%	2.9% ▲

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 remained tight during May 2016, recording a rate of 2.4%, based on 74,024 vacancies.
- Perth recorded the highest vacancy rate in May 2016 of 4.7% based on 9563 vacancies.
- Year-on-year, vacancy rates decreased in most capital cities, excluding Perth where vacancies increased and also Adelaide where vacancies remained the same.
- Hobart recorded the lowest vacancy rate during May 2016 - 0.8% based on 231 vacancies.
- Over the past 12 months, Darwin has recorded ongoing falls in asking rents of 10.4% for houses and 12.2% for units.

[www.sqmresearch.com.au](http://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.

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