



Falls Recorded for January 2016

SQM Research Vacancy Rates and Asking Rents Media Release

Tuesday 16th February 2016

For Immediate Release

Figures released by SQM Research this week have revealed that the number of residential vacancies nationally has fallen during January, recording a vacancy rate of 2.5%, and 75,524 vacancies. Year-on-year results demonstrate that national vacancies appear to be exceeding the common seasonal trends expected at this time of year.

City	January 2015 Vacancies	Vacancy Rate %	December 2015 Vacancies	Vacancy Rate %	January 2016 Vacancies	Vacancy Rate %
Adelaide	2,697	1.6%	3,534	2.1%	3,407	2.0%
Perth	5,026	2.6%	8,236	4.1%	8,009	4.0%
Melbourne	12,845	2.8%	13,521	2.8%	12,015	2.5%
Brisbane	7,458	2.4%	9,292	2.9%	8,673	2.7%
Canberra	1,068	2.0%	1,263	2.3%	990	1.8%
Sydney	10,448	1.8%	12,605	2.1%	10,677	1.8%
Darwin	905	3.3%	1,175	4.2%	1,089	3.8%
Hobart	357	1.3%	302	1.1%	250	0.9%
National	69,742	2.3%	81,401	2.7%	75,524	2.5%

Canberra recorded the largest monthly fall, with vacancies falling 0.5 percentage points over the month of January. Darwin and to a lesser extent Sydney, also recorded monthly falls, with Darwin vacancies falling from 4.2% in December 2015 to 3.8%. Despite this, both Darwin and Perth continue to record an alarming number of vacancies, particularly when you consider the number of vacancies recorded this time last year (January 2015).

January results for Hobart reveal the tightest rental market, with Hobart recording a vacancy rate of just 0.9% based on just 250 vacancies.

Asking rents

Notably, according to SQM Research, Perth has recorded ongoing falls in asking rents of 10.3% for houses and 9.4% for units over the past 12 months. Yearly falls have also been recorded in Darwin, with asking rents down 9.6% for houses and



9.7% for units. Hobart has recorded the fastest rental rises for the capital cities with asking rents rising 5.8% for houses, while units underperformed, falling by 2.3%. Hobart also has the most affordable rental accommodation with rents for houses at just \$337 a week, while units on average rent for \$274 a week.

Managing Director of SQM Research, Louis Christopher, said “Overall, vacancies for January fell in line with the seasonal trends associated for this time of year. We believe the seasonality observed has much to do with the end and start of tertiary studies which normally see a significant movement of students. Another trend observed in the data is the recovery of the Canberra rental market, which for about four years was in a slump. I would suggest that on the back of falling vacancy rates and rising asking rents that the rental slump is now over for the ACT.”

SQM Research Weekly Rents Index					
	Week ending 12 Feb 2016	Rent	Chg on prev wk	Rolling month % chg	12 mth % chg
<u>Canberra</u>	All Houses	517.7	0.3 ▲	2.4% ▲	5.2% ▲
	All Units	391.3	2.7 ▲	1.5% ▲	3.0% ▲
<u>Sydney</u>	All Houses	710.8	0.2 ▲	-0.2% ▼	2.8% ▲
	All Units	498.6	0.4 ▲	1.2% ▲	4.8% ▲
<u>Darwin</u>	All Houses	579.4	5.6 ▲	2.6% ▲	-9.6% ▼
	All Units	463.1	-1.1 ▼	1.2% ▲	-9.7% ▼
<u>Brisbane</u>	All Houses	452.4	0.6 ▲	0.1% ▲	0.7% ▲
	All Units	373.3	-0.3 ▼	0.3% ▲	1.8% ▲
<u>Adelaide</u>	All Houses	367.3	-0.3 ▼	0.3% ▲	-0.1% ▼
	All Units	290.2	-0.2 ▼	1.5% ▲	4.0% ▲
<u>Hobart</u>	All Houses	337.7	-4.7 ▼	-0.8% ▼	5.8% ▲
	All Units	274.3	2.7 ▲	1.7% ▲	-2.3% ▼
<u>Melbourne</u>	All Houses	479.5	1.5 ▲	0.8% ▲	1.0% ▲
	All Units	367.4	1.6 ▲	1.3% ▲	4.2% ▲
<u>Perth</u>	All Houses	474.7	-1.7 ▼	-0.9% ▼	-10.3% ▼
	All Units	377.8	0.2 ▲	0.6% ▲	-9.4% ▼
<u>National</u>	All Houses	416.0	1.0 ▲	0.0%	0.5% ▲
	All Units	341.0	-2.0 ▼	0.3% ▲	0.6% ▲
<u>Cap City Average</u>	All Houses	541.0	1.0 ▲	0.0%	0.0%
	All Units	426.0	0.0	0.9% ▲	2.9% ▲

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 fell during January 2016, recording a vacancy rate of 2.5%, based on 75,524 vacancies.
- Perth recorded the highest vacancy rate in January 2016 of 4.0% based on 8,009 vacancies.
- Vacancy rates in Sydney have remained unchanged over the last year.
- Year-on-year, vacancy rates dropped in Canberra, Melbourne and Hobart.
- Hobart recorded the lowest vacancy rate during January 2016, with a rate of 0.9% based on 250 vacancies.
- Over the past 12 months Darwin asking rents have also experienced excessive yearly falls with houses down 9.6% and a 9.7% fall for units.

www.sqmresearch.com.au

About SQM Research

SQM Research is an independent property research house which specialises in providing accurate property related research and data to financial institutions, property professional, real estate investors and the media. It is owned and operated by one of the country's leading property analysts, Louis Christopher.

For six years Louis was Head of Research and then General Manager of Australian Property Monitors before leaving the firm to launch SQM Research.

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