



## RENTS UP AS VACANCY RATE TIGHTENS

Early data from the Real Estate Institute of Western Australia indicates a surge in rental activity during the September quarter.

New rental leases tracked by reiwa.com increased by 6 per cent over July, August and September as new tenants soaked up housing stock being withdrawn from sale and placed into the rental market.

Despite this additional stock flowing into the rental market, the strength of demand has seen properties available for lease fall by 20 per cent, from 3,600 at the end of June to 2,800 at the end of September.

REIWA President David Airey said that data showed that people were choosing to rent rather than buy.

"The falling stock has seen the preliminary vacancy rate drop by 0.6 of a percent from 3.4 per cent in the June quarter to 2.8 per cent in the September quarter."



"Accompanying this tightening of the vacancy rate has been a \$15 per week, or 4 per cent, lift in the overall median rent for Perth during the September quarter," Mr Airey said.

Mr Airey said this has been the first mid-year rent rise since 2008 and takes the annual increase to 6.8 per cent.

"Surprisingly however, the rent increase was not uniform across the metropolitan area," Mr Airey said.

The City of Melville recorded an 8 per cent overall increase to \$435 per week due to strong multi-residential leases.

Other sub-markets where the overall increase exceeded the overall market increase of 4 per cent were City of Cockburn (up 5 per cent to \$400) and City of Vincent/SE City of Stirling (up 5 per cent to \$405).

At the same time there was no increase in the overall rent in Cities of Swan, Rockingham-Kwinana, Belmont, Canning or the southern areas of City of Joondalup. Mr Airey said this might be attributed to the mix of property being leased.

"Both the overall median house and multi-residential rents increased by \$10 per week for the quarter taking the median house rent to \$400 per week and the median unit rent to \$380 per week," Mr Airey said.

Mr Airey acknowledged the latest increase in rents will place further pressure on existing household budgets that are already under stress from across the board increases in living costs, including with groceries, gas and electricity.

"Clearly with house sales in Perth only rising by just 1 per cent for the September quarter and sales of units, apartments, villas and townhouses falling by 7 per cent, households are looking to rent rather than buy in these uncertain times," Mr Airey said.

*relax . celebrate . enjoy*



## REIWA Elects New President

David Airey has been elected as the President of the Real Estate Institute of Western Australia for a term of two years.

Mr Airey has served as REIWA's Deputy President and until recently was President of the Real Estate Institute of Australia (REIA), the Institutes' national body.

The election was triggered by the retirement of outgoing President, Alan Bourke, who has completed his two year tenure.

Mr Airey will be supported by Ian Cornell as Deputy President, while Mr Bourke, who is remaining on REIWA Council, will serve in his new role as Chairman of the Institute's Finance and Risk Management Committee.

All office bearer positions have been elected by the Institute's governing council on which there are nine council members. REIWA Councillors are themselves elected by the REIWA membership.

Mr Airey said he was looking forward to the challenge of promoting the services of REIWA agents to those people looking to sell or rent in a difficult market.

"I have great faith in the long term future of the housing market and in the skills of REIWA members when it comes to finding the right buyers and tenants for sellers and owners," Mr Airey said.

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