

## Melbourne Metropolitan

### Residential Rental Market.

The September REIV rental vacancy report has shown a further tightening of the rental market. It is concerning that the availability of rental accommodation is still at a 25 year low, increasing the need for governments to review and improve the policies with an aim of increasing investment.

The continual low vacancy rate will result in more upward pressure on rents, further reducing affordability and access to accommodation.

The number of rental vacancies in Melbourne has fallen from 1.6 per cent in July to 1.2 per cent in September. Over the same time the vacancy rate has dropped from 1.5 to 0.9 per cent in the inner city and from 1.7 to 0.9 per cent in outer Melbourne.

The situation is similar in each of Victoria's major regional centres, in Geelong and Bendigo the vacancy rate is 1.6 per cent and in Ballarat there is a 2 per cent vacancy rate.

There is now an urgent need for local, state and federal governments to address this issue by removing disincentives for private sector investment in rental accommodation.

Vacancy Rates Metropolitan Melbourne														
	OCT	OCT	SEP	AUG	JUL	JUN	MAY	APR	MAR	FEB	2007 JAN	2006 DEC	NOV	OCT
Inner (0-4km)	2.7	2.2	1.1	0.8	1.3	1.8	1.0	1.3	1.1	0.6	0.8	1.5	0.8	1.0
Inner (4-10km)	2.5	1.4	0.8	1.7	1.6	0.7	1.0	1.0	1.0	0.8	1.0	1.7	1.2	0.9
Inner (total)	2.6	1.7	0.9	1.4	1.5	1.1	1.0	1.1	1.0	0.7	0.9	1.7	1.0	0.9
Middle	2.0	1.3	1.7	1.4	1.6	1.6	1.5	1.6	1.4	1.8	1.7	1.9	1.2	1.0
Outer	2.4	1.7	0.9	1.3	1.7	1.6	1.6	1.4	1.2	1.0	0.9	1.6	1.8	1.8
<b>Melbourne total</b>	<b>2.4</b>	<b>1.6</b>	<b>1.2</b>	<b>1.4</b>	<b>1.6</b>	<b>1.4</b>	<b>1.4</b>	<b>1.4</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.7</b>	<b>1.4</b>	<b>1.4</b>
<b>Victoria total</b>	<b>2.6</b>	<b>1.7</b>	<b>1.5</b>	<b>1.7</b>	<b>1.9</b>	<b>1.6</b>	<b>1.7</b>	<b>1.8</b>	<b>1.5</b>	<b>1.5</b>	<b>1.6</b>	<b>2.6</b>	<b>1.8</b>	<b>1.7</b>

Source: REIV Member Survey

Vacancy rate = the proportion of unlet properties to the total rent roll (%)

\*Results include both the proportion of unlet properties (managed by an estate agent) and the number of new vacant listings on total rent roll

Statistics relate to data from a survey of REIV members. This is an indication value for residential properties only. Inner (0-270km); middle (270-20km); outer (>20km) radius from Melbourne central business district