



SQM Research Media Release

Vacancy Rates December 2012

Vacancies Seasonally Surge in December

Thursday, 17th January 2013

Figures released this week by SQM Research reveal that the level of residential vacancies rose substantially during the month of December, increasing by 0.4% on a national level and coming to a total of 63,089. This comes after the first rise in vacancies we have seen in months during November, after periods of modest declines and stagnation in the months preceding.

City	Vacancies Dec '11	Vacancy Rate Dec '11	Vacancies Nov '12	Vacancy Rate Nov '12	Vacancies Dec '12	Vacancy Rate Dec '12
Adelaide	2,731	1.7%	2,439	1.5%	2,779	1.7%
Perth	1,565	0.9%	1,302	0.7%	1,710	0.9%
Melbourne	16,007	3.9%	13,411	3.2%	15,484	3.6%
Brisbane	6,278	2.4%	5,004	1.8%	6,156	2.2%
Canberra	482	0.8%	684	1.3%	858	1.7%
Sydney	11,167	2.0%	10,048	1.8%	11,577	2.1%
Darwin	405	1.7%	256	1.1%	406	1.7%
Hobart	559	2.1%	571	2.1%	549	2.0%
National	61,490	2.3%	54,067	1.9%	63,089	2.3%

However, when comparing this figure to that of the corresponding period of the previous year (December 2011), there is very little to no change in vacancies. Thus, this surge is seen predominantly by SQM Research as a seasonal increase, with many rental properties becoming vacant during this period due to possible reasons such as university students vacating student accommodation or rental properties situated near their respective campuses, due to the end of year break.

Managing Director of SQM Research, Louis Christopher says *“At this time of year, seasonality really can have an impact upon vacancy rates and overall property listings, and this year has proven to be no exception. SQM Research does not seasonally adjust its numbers because we are of the opinion that the user of the data actually receives more value from observing the seasonal change that occurs in the property market.”*

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-
http://www.sqmresearch.com.au/graph_vacancy.php?region=nsw::Sydney&type=c&t=1#terms

Key Points

- Nationally, vacancies rose extensively during the month of December 2012, increasing by 0.4% and coming to a total of 63,089 vacancies.
- Melbourne recorded the highest vacancy rate of the capital cities, revealing a vacancy rate of 3.6% and a total of 15,484 vacancies.
- Perth recorded the tightest vacancy rate of the capital cities, revealing a vacancy rate of 0.9% and coming to a total of 1,710 vacancies.
- Canberra has recorded the highest yearly increase in vacancies, climbing by 0.9% to 1.7% since December 2011.
- Melbourne recorded the largest yearly decrease in vacancies falling by 0.3% to 3.6% since December 2011.
- Darwin has recorded the largest monthly increase in vacancies, increasing by 0.6% during the month of December 2012, revealing a vacancy rate of 1.7% and a total of 406 vacancies.
- Hobart has recorded the only monthly decrease in vacancies, decreasing by 0.2% during December 2012, revealing a vacancy rate of 2% and coming to a total of 549 vacancies.

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 and Adviser Edge Property, A leading fund manager ratings house specialising in ratings for agribusiness, structured products and property.

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