



SQM Research Media Release

Vacancy Rates October 2012

Friday, 16th November 2012

Figures released this week by SQM Research reveal that the level of residential vacancies remained largely the same during the month of October 2012, with a mere 560 drop in vacancies nation-wide. Recording a national vacancy rate of 1.8% - a figure unchanged since the month preceding (September 2012) the country continues to experience tight vacancies in many localities.

Year-on-year, vacancies have appeared to remain stable with a slight ease of 0.1% recorded when comparing October 2012 to the corresponding period of the previous year (October 2011).

City	Vacancies Oct '11	Vacancy Rate Oct '11	Vacancies Sep '12	Vacancy Rate Sep '12	Vacancies Oct '12	Vacancy Rate Oct '12
Adelaide	2,234	1.4%	2,421	1.5%	2,314	1.4%
Perth	1,119	0.6%	1,063	0.6%	1,025	0.6%
Melbourne	10,956	2.7%	11,649	2.8%	12,037	2.8%
Brisbane	4,689	1.8%	4,231	1.5%	4,423	1.6%
Canberra	302	0.5%	538	1.1%	522	1.0%
Sydney	7,356	1.3%	9,296	1.7%	8,851	1.6%
Darwin	261	1.1%	131	0.5%	171	0.7%
Hobart	443	1.7%	632	2.3%	536	2.0%
National	45,896	1.7%	49,664	1.8%	49,104	1.8%

Brisbane and Darwin were the only two capital cities to record monthly increases; Brisbane rising by 0.1% to 1.6% and Darwin rising by 0.2% to 0.7% during October 2012. This good news for Darwin which has been recording alarmingly low vacancy rates for some time now. Although 0.7% is still considered to be excessively tight, it is the first time in eight months that Darwin has recorded a vacancy rate above 0.6% and would potentially be providing some relief for renters in this capital city.

Louis Christopher, Managing Director of SQM Research says *“Overall our national vacancy rates series continues to record a tight market, particularly with regard to Perth and Darwin which are not showing any signs of been hurt by current concerns about the resources cycle. I see Melbourne has had more vacancies added to the stockpile and we think that vacancies are not likely to peak in that city until later 2013 when we estimate the top in the dwelling completions cycle passes through.”*

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 stagnated during October, with a mere difference of 560 vacancies, coming to a total of 49,104 and a national vacancy rate of 1.8%.
- Melbourne recorded the highest vacancy rate of the capital cities, revealing a vacancy rate of 2.8% and a total of 12,037 vacancies.
- Perth recorded the tightest vacancy rate of the capital cities, revealing a vacancy rate of 0.6% and a total of 1,025 vacancies.
- Canberra recorded the highest yearly increase in vacancies, climbing 0.5% to 1% since October 2011, coming to a total of 522 vacancies.
- Darwin recorded the most substantial monthly increase, rising 0.2% to 0.7% during the month of October 2012 and coming to a total of 171 vacancies.
- Hobart recorded the largest monthly decrease in vacancies, falling by 0.3% since September 2012.

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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