



SQM Research MEDIA RELEASE

For Immediate Release

Vacancy Rates for the month of January 2012

Figures released by property research house SQM Research reveal that the level of residential vacancies declined during the month of January, falling from 2.4% to 1.8% and coming to a total of 49,359 vacancies.

City	Vacancies January 2011	Vacancy %	Vacancies December 2011	Vacancy %	Vacancies January 2012	Vacancies %
Sydney	7503	1.5%	11,106	2.0%	8,456	1.6%
Melbourne	11220	3.2%	16,007	4.4%	12,719	3.5%
Brisbane	5148	1.9%	6,278	2.5%	5,112	1.8%
Adelaide	1704	1.1%	2,731	1.9%	2,231	1.4%
Perth	1772	1.0%	1,565	1.0%	1,084	0.6%
Canberra	306	0.7%	482	1.1%	382	0.8%
Hobart	256	1.0%	559	2.4%	583	2.1%
Darwin	576	2.3%	405	1.7%	238	0.9%
National	46204	1.7%	61,490	2.4%	49,359	1.8%

Usually this would be seen as a substantial monthly decline, but as last month's surge in vacancies was seen as for the most part, a seasonal increase, this month's decrease in vacancies is understood to be the market returning back to its pre-Christmas position.

Taking this into consideration and putting the December 2011 figure aside, we can note that overall, vacancies are slightly higher than what was recorded back in November 2011 (48,244) and SQM Research believes that this may point to a slightly looser rental market.

Louis Christopher, the managing Director of SQM Research says "As pointed out in our last release, there has certainly been a large season effect on the December results. Vacancies have now come back to the pre-Christmas numbers, albeit at a slightly higher level. We note too that vacancies are also slightly higher than this time last year.

Overall it is still a landlord's market for most parts of the country, with the exception of Melbourne. Perth vacancies appear to be quickly disappearing and I would suggest if vacancies persist at under 1%, then this will translate to accelerated rent hikes in that city for 2012."

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 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 declined by 0.6% during the month of January. This figure represents a 0.1% increase since the corresponding period of the previous year (January 2011).
- Melbourne continues to record both the highest vacancy rate and the largest number of vacancies, revealing a vacancy rate of 3.5% and coming to a total of 12,719 vacancies.
- Perth has experienced the tightest vacancy rate for the second month consecutively- recording a vacancy rate of 0.6% and coming to a total of 1,084 vacancies.
- Hobart has recorded the highest yearly growth in vacancies, increasing by 1.1% since January 2011 and coming to a total of 583.
- Darwin has recorded the largest yearly falls, decreasing by 1.4% since January 2011 and coming to a total of 238 vacancies.
- No capital cities recorded increases in vacancy rates over the course of January 2012.

For more information and a breakdown on the regions or capital cities, contact:

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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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