



# SQM Research Media Release Vacancy Rates February 2013

Monday 18<sup>th</sup> March 2013

Figures released by property research house SQM Research reveal that the level of vacancy rates remained slightly relatively the same on a national level during February 2013, recording a vacancy rate of 1.9% for the second month consecutively and coming to a national total of 52,351. Year-on-year however, this has illustrated that vacancies may be starting to rise slightly, with the national figure being 0.2% higher than February 2012.

City	Vacancies Feb '12	Vacancy Rate Feb '12	Vacancies Jan '13	Vacancy Rate Jan '13	Vacancies Feb '13	Vacancy Rate Feb 2013
Adelaide	2,219	1.4%	2,407	1.4%	2,202	1.3%
Perth	973	0.5%	1,507	0.8%	1,678	0.9%
Melbourne	10,989	2.7%	12,867	3.0%	11,410	2.7%
Brisbane	4,665	1.7%	5,229	1.9%	4,863	1.8%
Canberra	313	0.5%	751	1.5%	627	1.2%
Sydney	8,008	1.4%	8,859	1.6%	8,762	1.6%
Darwin	184	0.8%	332	1.4%	319	1.3%
Hobart	637	2.4%	526	1.9%	583	2.1%
<b>National</b>	<b>47,080</b>	<b>1.7%</b>	<b>54,156</b>	<b>1.9%</b>	<b>52,351</b>	<b>1.9%</b>

February 2013 revealed some slight changes for most of the capital cities, particularly in the case of Melbourne which recorded a 0.3% drop in vacancies month on month – coming to a total of 11,410 vacancies and a vacancy rate of 2.7%. This is the lowest vacancy rate recorded for Melbourne for several months, however reveals no yearly change; thus SQM Research are yet to believe that the result for Melbourne is very telling at this stage.

Further to this, SQM Research's new Weekly Rents Index has recorded a - 0.8% year-on-year decrease in asking rental prices for Melbourne houses and only a 1.5% year-on-year increase in Melbourne units, revealing that the sentiment of landlords has for the most part not improved since February last year.

As a whole, the country appears to be have stagnated somewhat during February where the rental market is concerned. However, SQM Research believes that as the sales market continues to recover, vacancy rates will begin to rise further as potential buyers will leave the rental market to purchase their first homes.

Louis Christopher, Managing Director of SQM Research says, *“Residential rental vacancy rates remained unchanged once again at a rate that is illustrative of a land lord's market.*



*While there should be a move of renters turning themselves into first home buyers this year, it does not seem to be at this stage a major shift.”*

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

## **Key Points**

- Nationally, vacancies remained the same, revealing a vacancy rate of 1.9% for the second consecutive month and coming to a total of 52,351.
- Melbourne has recorded the highest vacancy rate of the capital cities, revealing a vacancy rate of 2.7% and coming to a total of 11,410 vacancies.
- Perth has recorded the tightest vacancy rate of the capital cities, revealing a vacancy rate of 0.9% and coming to a total of 1,678.
- Canberra has recorded the largest yearly increase in vacancies, climbing by 0.7% to 1.2% since the corresponding period of the previous year (February 2012) and coming to a total of 627.
- Hobart has recorded the most substantial yearly decrease in vacancies, falling by 0.3% to 2.1% since the corresponding period of the previous year (February 2012) and coming to a total of 583.
- Hobart has recorded the highest monthly increase in vacancies, rising by 0.2% to 2.1% during February 2013.
- Melbourne has recorded the largest monthly decrease in vacancies, falling by 0.3% to 2.7% during February 2013.

[www.sqmresearch.com.au](http://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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