



# SQM Research Media Release Vacancy Rates January 2013

## Vacancies Tighten Again As Seasonal Period Comes To An End

Tuesday, 19th February 2013

Figures released this week by SQM Research reveal that the level of residential vacancies declined during the month of January 2013, falling by 0.4% on a national level and coming to a total of 54,156. This result is similar to that of the month's preceding the Christmas period, strengthening the assumption that December's elevated figures were due predominantly to seasonality.

City	Vacancies Jan '12	Vacancy Rate Jan '12	Vacancies Dec '12	Vacancy Rate Dec '12	Vacancies Jan '13	Vacancy Rate Jan 2013
Adelaide	2,231	1.4%	2779	1.7%	2,407	1.4%
Perth	1,084	0.6%	1710	0.9%	1,507	0.8%
Melbourne	12,719	3.1%	15484	3.6%	12,867	3.0%
Brisbane	5,112	1.9%	6156	2.2%	5,229	1.9%
Canberra	382	0.7%	858	1.7%	751	1.5%
Sydney	8,501	1.5%	11577	2.1%	8,859	1.6%
Darwin	238	1.0%	406	1.7%	332	1.4%
Hobart	583	2.2%	549	2.0%	526	1.9%
<b>National</b>	<b>49,359</b>	<b>1.8%</b>	<b>63,089</b>	<b>2.3%</b>	<b>54,156</b>	<b>1.9%</b>

Year on year, SQM Research has record a modest national increase of 0.1% with many of the capital cities' vacancy rates remaining relatively the same. Canberra and Darwin however, have recorded the most dramatic yearly differences with Canberra increasing by 0.8% in vacancies and Darwin by 0.4%.

Month on month, all of the capital cities experienced declines, with Melbourne declining by a staggering 0.6% during the month of January. However, as mentioned above, SQM Research strongly believes December's results to be based on seasonal changes and therefore these declines are not necessarily telling of any drastic changes in the rental market.

Thus as it currently stands, the rental market although loosening somewhat since the corresponding period of the previous year (January 2012) remains for the most part - tight, with the majority of capital cities excluding Melbourne, continuing to record vacancy rates of under 3%.



Having said this, SQM Research believes with a housing recovery commencing in many parts of the country, the rental crisis that many localities have been experiencing over the past 12 months, may slowly begin to be alleviated, with potential first home buyers who have been sitting tight, now beginning exit the rental market to purchase their own homes.

Louis Christopher, managing director of SQM Research says, *“Taking into account seasonality, vacancy rates have proven to be very steady over the past two years now for the major capital cities. We note that in Hobart, there appears to be a tightening in vacancies once again, which may help existing real estate investors in what has been a severe downturn for that city.*

*When considering more micro localities, there are some clear pockets of oversupply and under supply such as Melbourne’s Southbank, which is recording a very high vacancy rate of 10.9% right now. This goes to show it is important to consider the local factors as well as the greater macro tides.”*

*SQM Research has made these vacancy rates available for free on our website, down to a postcode level which investors and professionals can use as a guide to what is happening on the ground.”*

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

## Key Points

- Nationally, vacancies declined during the month of January 2013, falling by 0.4% and coming to a total of 54, 156.
- Melbourne recorded the highest vacancy rate of the capital cities, revealing a vacancy rate of 3% and a total of 12,867 vacancies.
- Perth recorded the tightest vacancy rate of the capital cities, revealing a vacancy rate of 0.8% and coming to a total of 1,507 vacancies.
- Canberra has recorded the highest yearly increase in vacancies, climbing by 0.8% to 1.5% since January 2012.
- Hobart has recorded the largest yearly decrease in vacancies, falling by 0.3% to 1.9% and coming to a total of 526 vacancies.
- No capital cities recorded monthly increases in vacancies.



- Melbourne recorded the most substantial monthly decrease in vacancies, falling by 0.6% to 3.0%.

[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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