



Residential Property Vacancies Keep Rising

SQM Research Media Release: Vacancy Rates May 2013

**Tuesday 18th June 2013
FOR IMMEDIATE RELEASE**

Figures released by SQM Research this week, reveal that the level of residential property rental vacancies increased again during the month of May, rising by 0.1% to 2.1% and coming to a total of 59,670 nationwide.

| City | Vacancies 5/12 | Vacancy Rate 5/12 | Vacancies 4/13 | Vacancy Rate 4/13 | Vacancies 5/13 | Vacancy Rate 5/13 |
|-----------------|----------------|-------------------|----------------|-------------------|----------------|-------------------|
| Adelaide | 2,680 | 1.6% | 2,534 | 1.5% | 2,718 | 1.6% |
| Perth | 1,157 | 0.6% | 2,268 | 1.2% | 2,475 | 1.3% |
| Melbourne | 11,427 | 2.7% | 11,609 | 2.7% | 11,806 | 2.7% |
| Brisbane | 4,120 | 1.5% | 5,142 | 1.8% | 5,436 | 1.9% |
| Canberra | 434 | 0.7% | 753 | 1.5% | 798 | 1.5% |
| Sydney | 9,189 | 1.6% | 9,631 | 1.7% | 10,206 | 1.8% |
| Darwin | 100 | 0.4% | 272 | 1.1% | 237 | 1.0% |
| Hobart | 753 | 2.8% | 699 | 2.5% | 739 | 2.7% |
| National | 50,447 | 1.8% | 56,973 | 2.0% | 59,670 | 2.1% |

The majority of capital cities either experienced modest rises, or remained the same during May, with Darwin being the only city to experience a decline – falling from 1.1% to 1.0% month on month.

This result reflects a rental market that is continuing to loosen, albeit gradually. However, SQM Research stands by our original prediction that until there is a mass exodus of renters prompted by absorption of stock from the sales side of the property market, we will not see massive increases in vacancy rates.

Louis Christopher, Managing Director of SQM Research says, *“The rental market is starting to provide some choices for tenants, Vacancies have increased four straight months now. This is also showing up on our weekly rentals index where cities such as Canberra and Perth have recorded falling rents in recent months.”*



Below SQM Research has listed the top ten postcodes with the tightest vacancy rates, as well as the top ten postcodes with the highest vacancy rates around the country as of May 2013 –

| Top Ten Tightest Vacancies: Postcodes | | | | |
|--|---------------|--------------|-------------------------|------------------|
| Postcode | Suburb | State | Vacancies 2013/5 | Vacancy % |
| 2400 | TULLOONA | NSW | 1 | 0.1 |
| 6109 | MADDINGTON | WA | 1 | 0.1 |
| 822 | WOOLANING | NT | 3 | 0.1 |
| 4874 | WEIPA | QLD | 1 | 0.1 |
| 6066 | BALLAJURA | WA | 2 | 0.2 |
| 2821 | NARROMINE | NSW | 1 | 0.2 |
| 2705 | WHITTON | NSW | 2 | 0.2 |
| 4356 | STONELEIGH | QLD | 1 | 0.2 |
| 6063 | BEECHBORO | WA | 2 | 0.2 |
| 4555 | HUNCHY | QLD | 1 | 0.2 |

Source: SQM Research

| Top Ten Highest Vacancies: Postcodes | | | | |
|---|---------------------------|--------------|-------------------------|------------------|
| Postcode | Suburb | State | Vacancies 2013/5 | Vacancy % |
| 3006 | SOUTHBANK | VIC | 417 | 9.7 |
| 3956 | WALKERVILLE | VIC | 49 | 10.2 |
| 2321 | WOODVILLE | NSW | 70 | 10.6 |
| 2787 | OBERON | NSW | 53 | 10.7 |
| 3269 | PRINCETOWN | VIC | 15 | 10.7 |
| 3754 | DOREEN | VIC | 142 | 11.2 |
| 3904 | METUNG | VIC | 21 | 11.4 |
| 6442 | KAMBALDA WEST | WA | 68 | 12.4 |
| 3004 | MELBOURNE (St Kilda Road) | VIC | 360 | 13.0 |

Source: SQM Research

Key Points

- Nationally, vacancies rose by 0.1% to 2.1% during May 2013, coming to a total of 59,670 nationally.
- Melbourne has recorded the highest vacancy rate of the capital cities, revealing a vacancy rate of 2.7% and a total of 11,806.
- Darwin has recorded the tightest vacancy rate of the capital cities, revealing a vacancy rate of 1.0% and a total of 237 vacancies.
- Canberra has recorded the highest yearly increase in vacancies. Climbing 0.8% to 1.5% since the corresponding period of the previous year (May 2012) and coming to a total of 798 vacancies.



- Hobart was the only capital city to record a yearly decrease in vacancies, falling by 0.1% to 2.7% since the corresponding period of the previous year (May 2012) and coming to a total of 739.
- Hobart has however, recorded the highest monthly increase in vacancies, rising by 0.2% during May 2013.
- Darwin was the only capital city to record a monthly decrease, falling by 0.1% to 1.0% during May 2013.

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.

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