



NATIONAL VACANCIES REMAIN STEADY

SQM Research Media Release: Vacancy Rates July 2013

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Figures released by SQM Research this week, reveal that the level of residential property rental vacancies remained steady during the month of July, stagnating at a vacancy rate of 2.2% and coming to a total of 61,117 nationwide.

City	Vacancies July '12	Vacancy Rate July '12	Vacancies June '13	Vacancy Rate June '13	Vacancies July '13	Vacancy Rate July '13
Adelaide	2,718	1.6%	2,785	1.6%	2,696	1.6%
Perth	1,301	0.7%	2,912	1.5%	3,032	1.6%
Melbourne	12,028	2.9%	12,459	2.9%	11,537	2.7%
Brisbane	4,165	1.5%	5,797	2.1%	5,786	2.1%
Canberra	637	1.1%	864	1.7%	964	1.8%
Sydney	10,218	1.8%	11,058	1.9%	10,292	1.8%
Darwin	97	0.4%	196	0.8%	197	0.8%
Hobart	729	2.7%	684	2.5%	609	2.2%
National	52,973	1.9%	63,310	2.2%	61,117	2.2%

However, this figure still represents a 0.3% increase in vacancies since this month last year, with Canberra and Perth showing particularly substantial yearly increases, indicating that the rental market is slowly but surely beginning to loosen up on a national level.

Bearing this in mind, similar to SQM Research's stock on market figures for this month, each capital city tells a different story, in particular Melbourne – which appears to be falling from its long standing trend of recording elevated vacancy rates. Melbourne has dropped by 0.2% during the month of July, coming back down to a vacancy rate of 2.7%.

Hobart has also recorded a notable monthly decline, falling by 0.3% during July 2013, to reveal a vacancy rate of 2.2% - the capital city's lowest vacancy rate since March.

The remainder of the capital cities remained fairly steady on a monthly basis, indicating that there has not been a substantial exodus of renters or a notable influx of supply of rental dwellings month-on-month.



However, it is SQM Research's belief that with Spring on its way, we will soon potentially see a rise in vacancies as first home buyers take advantage of the record low interest rates to exit the rental market in favour of purchasing their first property.

SQM Research will be discussing our outlook on the residential property market at our upcoming inaugural property event "An Afternoon of Property" on the 19th of September at the Hilton Hotel in Sydney. For more details regarding this, click on the link below –

<http://www.cvent.com/events/sqm-research-an-afternoon-of-property/event-summary-3995046fe85548b586d8cc6cdb09b3ee.aspx>

Louis Christopher of SQM Research says, *"It is very clear that residential property vacancy rates are starting to mimic certain economic realities in the marketplace. I am not surprised at all that vacancy rates in Perth and Canberra continue to rise. In both instances we are well aware of the local economic challenges currently facing those two cities."*

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 remained steady at 2.2% during July 2013, coming to a total of 61,117 nationally.
- Melbourne has recorded the highest vacancy rate of the capital cities, revealing a vacancy rate of 2.7% and a total of 11,537.
- Darwin has recorded the tightest vacancy rate of the capital cities, revealing a vacancy rate of 0.8% and a total of 197 vacancies.
- Canberra and Perth have both recorded the highest yearly increase in vacancies, climbing 0.7% to 1.8% and 1.6% respectively since the corresponding period of the previous year (July 2012) and coming to a total of 964 vacancies and 3,032 respectively.
- Hobart was the capital city to record the largest yearly decrease in vacancies, falling by 0.5% to 2.2% since the corresponding period of the previous year (July 2012).



- Perth and Canberra were the only capital cities to record monthly increases in vacancies, both rising by 0.1% during July 2013.
- Hobart recorded the largest monthly decline of the capital cities, falling by 0.3% during July 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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