

*A review of key residential indicators  
across major Australian cities*



# Australian Residential Review

Q3 2020

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# AUSTRALIAN RESIDENTIAL MARKET

*Although Australia is now in recession as a result of COVID-19 restrictions, residential property prices across most Australian cities have performed remarkably better than many expected in Q2 2020.*

Australia ranked 19th globally for annual price growth in Q2 2020 with growth of 6.1%. Part of this was due to Australia's rapid response in dealing with the COVID-19 pandemic ahead of other countries. Another part being attributed to the pent-up demand and low housing stock levels prior to the pandemic.

The uncertainty building around the withdrawal of economic stimulus, mortgage holidays and closed borders on population growth still lies ahead. In saying this, the Australian housing market has performed remarkably better than many would have expected in the second quarter of 2020. This is leading to the likelihood of a market recovery in the second half of 2021.

## Key Drivers

Australia's **economy** fell by 6.3% in 2019-20, with the **unemployment** rate at 7.4% in June 2020 (ABS). The official **cash rate** target was 0.25% on 1 September 2020. In the June 2020 quarter, average **mortgage lending rates** to owner occupiers fell by 153 bps to 2.35% for a 3-year fixed term loan, and was down 63 bps to 4.52% for a standard variable loan. By comparison, for investors, a 3-year fixed term fell by 141 bps to 2.71% and a standard variable loan was down by 63 bps to 5.10% (RBA).

New household **loan commitments** were down 11.0% in Q2 2020 across Australia, and residential building approvals were down 2.3%; when compared to Q1 2020 (ABS).

The weighted average total **residential vacancy** for Australian capital cities was last recorded at 3.0% in June 2020; up 50 bps over the past quarter (REIA).

## Houses

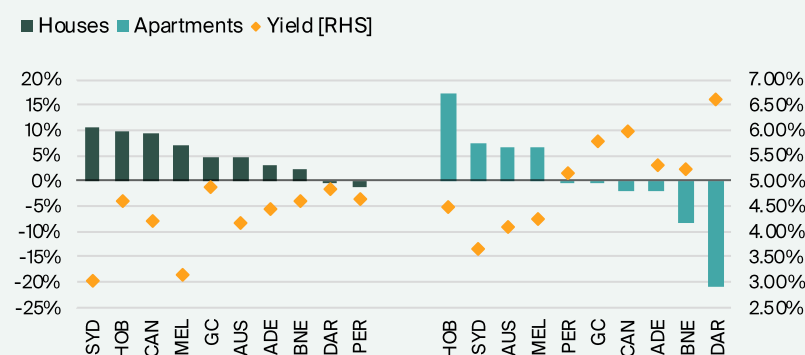
**Median house values** across Australia rose 6.6% in the year ending June 2020 (down 2.0% in the last quarter) to \$804,500. There were 49,745 house **sales** across Australia in the June 2020 quarter, falling 30.9% on the previous quarter. Gross rental **yields** rose 2 bps

in the second quarter of 2020 with Australian houses averaging 4.12%. Median house **rents** across Australia remained steady in Q2 2020 at \$420 per week (APM).

## Apartments

**Median apartment values** across Australia rose 4.5% in the year ending June 2020 (down 2.2% in the last quarter) to \$561,000. Across Australia, there were 14,072 apartment **sales** in the June 2020 quarter, falling 42% on the previous quarter. In the second quarter of 2020, gross rental **yields** fell 20 bps with Australian apartments averaging 4.18%. Across Australia, median apartment **rents** fell by 1.8% in Q2 2020, to \$430 per week (APM).

**Annual Capital Growth & Gross Rental Yield**  
%, Major Australian Cities, as at 30 June 2020



Source: Knight Frank Research, APM

# SYDNEY

## Key Drivers

**Population** in Greater Sydney was estimated at 5.3 million persons in June 2019, with annual **population growth** of 1.6%. The **projected population growth** to 2041 is also 1.6% per annum (ABS).

New South Wales (NSW) **economic growth** was 1.6% in 2019 with a forecast of 2.6% in 2023 (Oxford Economics). Greater Sydney **unemployment** stood at 6.7% as at June 2020, trending 145 bps higher than the quarter before (ABS).

New household **loan commitments** in NSW were down by 9.2% in the June 2020 quarter; lower than 2.4% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in NSW grew by 16.4% in the month of June 2020, compared to -12.4% a year earlier. This first home buyer group represented 21.3% of all NSW owner occupier loans in June 2020 (ABS).

**Building approvals** in the quarter ending June 2020 totalled 3,798 houses and 3,388 apartments in Greater Sydney. This was trending 14.3% higher for houses but 44.0% lower for apartment approvals compared to the quarter earlier (ABS).

**Total residential vacancy** was 4.5% in Greater Sydney as at June 2020; recording 5.8% in the Inner Suburbs (0-10km from the CBD), 5.2% in the Middle Suburbs (10-25km) and 2.6% in the Outer Suburbs (25km+) (REINSW).

The **auction clearance rate** for the week ending 6 September 2020 was 62.3% from 608 scheduled **auctions**. This was lower than the week prior, at 64.2% from 706 scheduled auctions, and lower than the comparable week a year earlier when 75.7% (out of 528 auctions) were sold (CoreLogic).

## Houses

Over the year ending June 2020, **capital growth** increased 10.5% for houses; but down 2.0% over the past quarter to a **median value** of \$1,143,000.

The quarterly **volume of sales** tallied 8,225 houses, down 19.1% as at June 2020. The **average days on market** for a house stood at 65 days in the June 2020 quarter. One quarter ago, this was 75 days.

**Gross rental yields** for houses trended

down 22 bps to 3.04% over the second quarter of 2020. **Rents** remained steady for houses over the quarter ending June 2020, to stand at a weekly median rent of \$530 (APM).

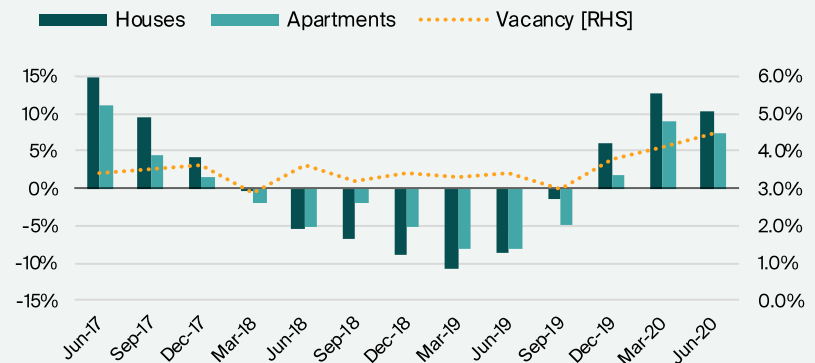
## Apartments

**Capital growth** for apartments rose 7.3% over the past year to June 2020, but down 1.9% in the last quarter to a **median value** of \$735,500. The **volume of sales** over the quarter tallied 4,930 apartments as at June 2020, down 33%. **Average days on market** for an apartment was 73 days in the June 2020 quarter. This was 97 days one quarter ago.

**Gross rental yields** for apartments trended down 29 bps to 3.66% over the June 2020 quarter. Over the quarter ending June 2020 **rents** fell 3.8% for apartments. Median rents stood at \$500 per week (APM).

## Annual Capital Growth & Total Vacancy

%, Greater Sydney



Source: Knight Frank Research, APM, REINSW

# MELBOURNE

## Key Drivers

**Population** in Greater Melbourne was estimated at 5.1 million persons in June 2019, with annual **population growth** of 2.3%. The **projected population growth** to 2041, is lower, at 1.9% per annum (ABS).

Victorian **economic growth** was 2.2% in 2019 with a forecast of 4.8% in 2023 (Oxford Economics). Greater Melbourne **unemployment** stood at 7.7% as at June 2020, trending 208 bps higher than the quarter before (ABS).

New household **loan commitments** in Victoria were down by 7.3% in the June 2020 quarter; lower than 2.4% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in Victoria fell by 1.2% in the month of June 2020, compared to -7.9% a year earlier. This first home buyer group represented 25.8% of all Victorian owner occupier loans in June 2020 (ABS).

**Building approvals** in the quarter ending June 2020 totalled 6,650 houses and 4,983 apartments in Greater Melbourne. This was trending up 9% for houses but down 23.7% for apartment approvals compared to the quarter earlier (ABS).

**Total residential vacancy** was 3.0% in Greater Melbourne as at June 2020; recording 3.2% in the Inner Suburbs (0-10km from the CBD), 3.8% in the Middle Suburbs (10-20km) and 1.8% in the Outer Suburbs (20km+) (REIV).

The **auction clearance rate** for the week ending 6 September 2020 was 32.1% from 28 scheduled **auctions**. This was lower than the week prior, at 40.6% from 162 scheduled auctions, and lower than the comparable week a year earlier when 74.0% (out of 765 auctions) were sold (CoreLogic).

## Houses

Over the year ending June 2020, **capital growth** increased 6.9% for houses; but down 3.5% over the past quarter to a **median value** of \$881,500.

The quarterly **volume of sales** tallied 7,724 houses, down 30.1% as at June 2020. The **average days on market** for a house stood at 61 days in the June 2020 quarter. One quarter ago, this was 68 days.

**Gross rental yields** for houses trended down 16 bps to 3.17% over the second

quarter of 2020. **Rents** fell 2.3% for houses over the quarter ending June 2020, to stand at a weekly median rent of \$430 (APM).

## Apartments

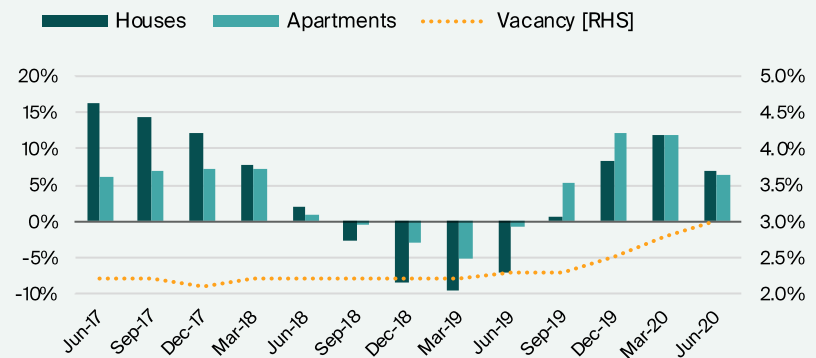
**Capital growth** for apartments rose 6.5% over the past year to June 2020, but down 1.7% in the last quarter to a **median value** of \$537,500.

The **volume of sales** over the quarter tallied 2,916 apartments as at June 2020, down 40.8%. **Average days on market** for an apartment was 73 days in the June 2020 quarter. This was 94 days one quarter ago.

**Gross rental yields** for apartments trended down 37 bps to 4.25% over the June 2020 quarter. Over the quarter ending June 2020 **rents** fell 3.5% for apartments. Median rents stood at \$415 per week (APM).

## Annual Capital Growth & Total Vacancy

% Greater Melbourne



Source: Knight Frank Research, APM, REIV

# BRISBANE

## Key Drivers

**Population** in Greater Brisbane was estimated at 2.5 million persons in June 2019, with annual **population growth** of 2.1%. The **projected population growth** to 2041, is lower, at 1.7% per annum (ABS).

Queensland **economic growth** was 1.7% in 2019 with a forecast of 3.8% in 2023 (Oxford Economics). Greater Brisbane **unemployment** stood at 7.7% as at June 2020, trending 125 bps higher than the quarter earlier (ABS).

New household **loan commitments** in Queensland were down by 19% in the June 2020 quarter; down from 3.8% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in Queensland grew by 29.7% in the month of June 2020, compared to -4.5% a year earlier. This first home buyer group represented 24.0% of all Queensland owner occupier loans in June 2020 (ABS).

**Building approvals** in the quarter ending June 2020 totalled 2,706 houses and 1,563 apartments in Greater Brisbane. This was trending down 1.6% for houses but 23.4% higher for apartment approvals compared to the quarter earlier (ABS).

**Total residential vacancy** was 2.0% in Greater Brisbane as at June 2020; recording 3.9% in the Inner Suburbs (0-5km from the CBD), 2.4% in the Middle Suburbs (5-20km) and 1.7% in the Outer Suburbs (20km+) (REIQ).

The **auction clearance rate** for the week ending 6 September 2020 was 50.0% from 64 scheduled **auctions**. This was higher than the week prior, at 44.4% from 109 scheduled auctions, and lower than the comparable week a year earlier when 56.8% (out of 83 auctions) were sold (CoreLogic).

## Houses

Over the year ending June 2020, **capital growth** increased 2.4% for houses; but down 1.4% over the past quarter to a **median value** of \$583,000.

The quarterly **volume of sales** tallied 4,010 houses, down 42.9% as at June 2020. The **average days on market** for a house stood at 91 days in the June 2020 quarter. One quarter ago, this was 94 days.

**Gross rental yields** for houses remained stable at 4.60% over the

second quarter of 2020. **Rents** declined 2.4% for houses over the quarter ending June 2020, to stand at a weekly median rent of \$400 (APM).

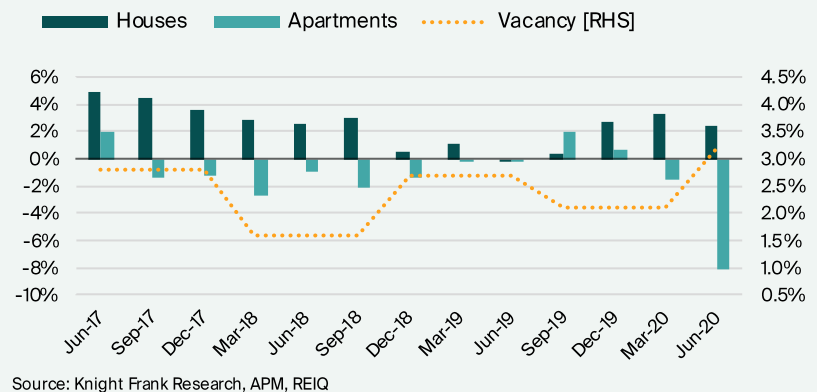
## Apartments

**Capital growth** for apartments fell 8.2% over the past year to June 2020, also down 4.1% in the last quarter to a **median value** of \$375,500.

The **volume of sales** over the quarter tallied 1,271 apartments as at June 2020, down 56.3%. **Average days on market** for an apartment was 143 days in the June 2020 quarter. This was 136 days one quarter ago.

**Gross rental yields** for apartments trended down 16 bps to 5.24% over the June 2020 quarter. Over the quarter ending June 2020 **rents** fell 1.3% for apartments. Median rents stood at \$380 per week (APM).

**Annual Capital Growth & Total Vacancy**  
%, Greater Brisbane



Source: Knight Frank Research, APM, REIQ

# PERTH

## Key Drivers

**Population** in Greater Perth was estimated at 2.1 million persons in June 2019, with annual **population growth** of 1.3%. The **projected population growth** to 2041, is higher, at 1.6% per annum (ABS).

Western Australia (WA) **economic growth** was 1.9% in 2019 with a forecast of 4.4% in 2023 (Oxford Economics).

Greater Perth **unemployment** stood at 8.5% as at June 2020, trending 245 bps higher than the quarter earlier (ABS).

New household **loan commitments** in WA were down by 21.1% in the June 2020 quarter; lower than 6.3% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in WA grew by 19.5% in the month of June 2020, compared to -10.6% a year earlier. This first home buyer group represented 35.1% of all WA owner occupier loans in June 2020 (ABS).

**Building approvals** in the quarter ending June 2020 totalled 2,455 houses and 846 apartments in Greater Perth. This was trending 5.9% higher for houses and 65.2% higher for apartment approvals compared to the quarter earlier (ABS).

**Total residential vacancy** was 2.0% in Greater Perth as at June 2020. This was 20 bps lower than one quarter ago at 2.2%, and down 90 bps from 2.9% recorded a year earlier (REIWA).

The **auction clearance rate** for the week ending 6 September 2020 was 23.8% from 21 scheduled **auctions**. This was lower than the week prior, at 28.6% from 14 scheduled auctions, and lower than the comparable week a year earlier when 33.3% (out of 28 auctions) were sold (CoreLogic).

## Houses

Over the year ending June 2020, **capital growth** decreased 1.4% for houses; falling by 1.5% over the past quarter to a **median value** of \$522,500.

The quarterly **volume of sales** tallied 4,082 houses, down 44.4% as at June 2020. The **average days on market** for a house stood at 151 days in the June 2020 quarter. One quarter ago, this was 139 days.

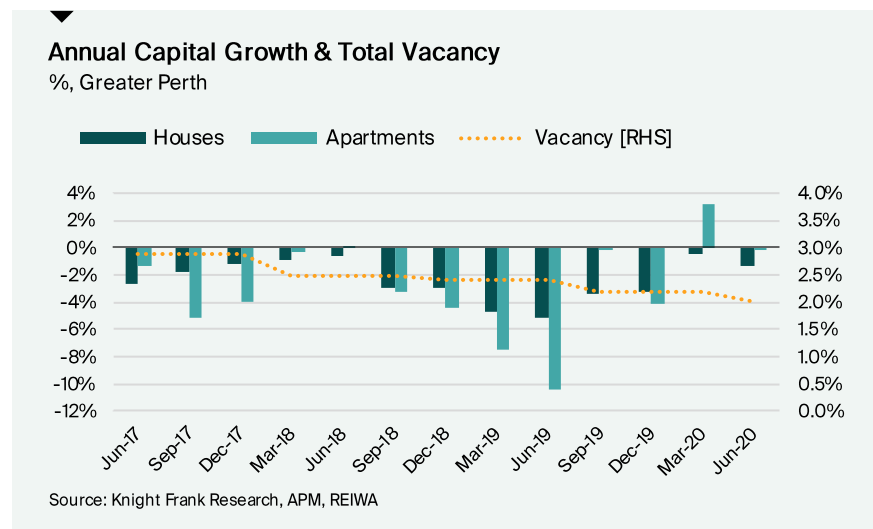
**Gross rental yields** for houses trended down 7 bps to 4.65% over the second

quarter of 2020. **Rents** fell 1.3% for houses over the quarter ending June 2020, to stand at a weekly median rent of \$370 (APM).

## Apartments

**Capital growth** for apartments fell 0.1% over the past year to June 2020; falling 4.9% in the last quarter to a **median value** of \$334,500. The **volume of sales** over the quarter tallied 433 apartments as at June 2020, down 44.3%. **Average days on market** for an apartment was 172 days in the June 2020 quarter. This was 146 days one quarter ago.

**Gross rental yields** for apartments trended downwards 23 bps to 5.17% over the June 2020 quarter. Over the quarter ending June 2020 **rents** remained stable for apartments. Median rents stood at \$320 per week (APM).



# GOLD COAST

## Key Drivers

**Population** in the Gold Coast LGA was estimated at 620,500 persons in June 2019, with annual **population growth** of 2.3%. The **projected population growth** to 2041, is lower, at 2.1% per annum (ABS).

Queensland **economic growth** was 1.7% in 2019 with a forecast of 3.8% in 2023 (Oxford Economics). Gold Coast LGA **unemployment** stood at 5.5% as at March 2020, trending 80 bps higher than the quarter earlier (ABS).

New household **loan commitments** in Queensland were down by 19% in the June quarter 2020; falling from 3.8% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in Queensland grew by 29.7% in the month of June 2020, compared to -4.5% a year earlier. This first home buyer group represented 24.0% of all Queensland owner occupier loans in June 2020 (ABS).

**Building approvals** in the quarter ending June 2020 totalled 358 houses and 566 apartments in the Gold Coast LGA. This was trending down 15.8% for houses and 102.9% higher for apartment approvals compared to the quarter earlier (ABS).

**Total residential vacancy** was 3.0% in the Gold Coast LGA as at June 2020. This remained the same one quarter ago but up 20 bps from 2.8% recorded a year earlier (REIQ).

## Houses

Over the year ending June 2020, **capital growth** increased 4.8% for houses; but remained stable over the past quarter to a **median value** of \$650,000.

The annual **volume of sales** tallied 7,976 houses, increasing 0.8% as at June 2020.

The **average days on market** for a house stood at 101 days in the June 2020 quarter. One quarter ago, this was 103 days.

**Gross rental yields** trended down 10 bps for houses to 4.90% over the second quarter of 2020. **Rents** were stable for houses over the quarter ending June 2020, to stand at a weekly median rent of \$520 (APM).

## Apartments

**Capital growth** for apartments fell 0.5% over the past year to June 2020, but up 1.2% in the last quarter to a **median value** of \$425,000.

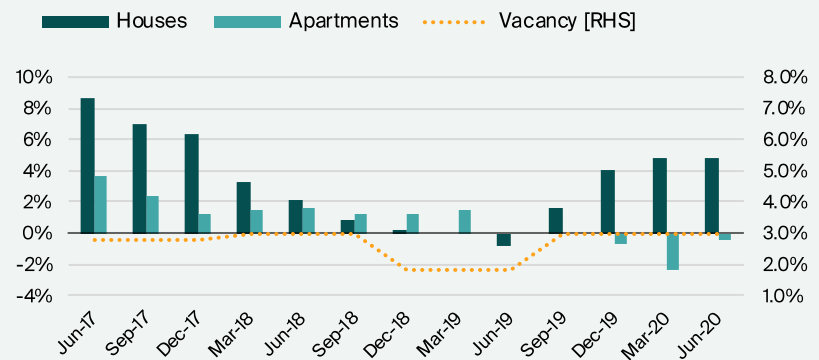
The **volume of sales** over the year tallied 6,207 apartments as at June 2020, down 9.2%.

**Average days on market** for an apartment was 133 days in the June 2020 quarter. This was 138 days one quarter ago.

**Gross rental yields** for apartments decreased 10 bps to 5.80% over the June 2020 quarter.

Over the quarter ending June 2020 **rents** rose 1.2% for apartments. Median rents stood at \$425 per week (APM).

**Annual Capital Growth & Total Vacancy**  
%, Gold Coast LGA



Source: Knight Frank Research, APM, REIQ

# ADELAIDE

## Key Drivers

**Population** in Greater Adelaide was estimated at 1.4 million persons in June 2019, with annual **population growth** of 1.0%. The **projected population growth** to 2041, is lower at 0.8% per annum (ABS).

South Australian (SA) **economic growth** was 1.2% in 2019 with a forecast of 2.8% in 2023 (Oxford Economics). Greater Adelaide **unemployment** stood at 8.5% as at June 2020, trending 207 bps higher than the quarter earlier (ABS).

New household **loan commitments** in SA were down by 7.4% in the June 2020 quarter; lower than 1.3% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in SA grew by 28.4% in the month of June 2020, compared to a fall of 1.3% a year earlier. This first home buyer group represented 20.4% of all SA owner occupier loans in June 2020 (ABS).

**Building approvals** in the quarter ending June 2020 totalled 1,855 houses and 738 apartments in Greater Adelaide. This was trending 17.6% higher for houses and 32.7% higher for apartment approvals compared to the quarter earlier (ABS).

**Total residential vacancy** was 1.1% in Greater Adelaide as at June 2020. This was 10 bps higher than a quarter ago, but down 10 bps from 1.2% recorded a year earlier (REIA).

The **auction clearance rate** for the week ending 6 September 2020 was 57.8% from 64 scheduled **auctions**. This was lower than the week prior, at 71.2% from 59 scheduled auctions, and lower than the comparable week a year earlier when 65.6% (out of 74 auctions) were sold (CoreLogic).

## Houses

Over the year ending June 2020, **capital growth** increased 3.0% for houses; and 0.2% over the past quarter to a **median value** of \$553,000.

The quarterly **volume of sales** tallied 4,296 houses, down 2.7% as at June 2020. The **average days on market** for a house stood at 105 days in the June 2020 quarter. One quarter ago, this was 108 days.

**Gross rental yields** for houses trended lower by 8 bps to 4.46% over the

second quarter of 2020. **Rents** remained stable for houses over the quarter ending June 2020, to stand at a weekly median rent of \$395 (APM).

## Apartments

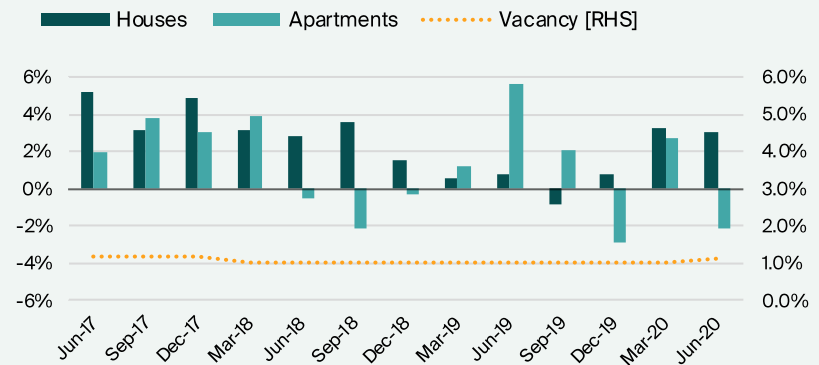
**Capital growth** for apartments fell 2.1% over the past year to June 2020, also falling 2.9% in the last quarter to a **median value** of \$319,500.

The **volume of sales** over the quarter tallied 827 apartments as at June 2020, down 20.2%. **Average days on market** for an apartment was 135 days in the June 2020 quarter. This was 143 days one quarter ago.

**Gross rental yields** for apartments trended down 9 bps to 5.34% over the June 2020 quarter. Over the quarter ending June 2020 **rents** remained stable for apartments. Median rents stood at \$320 per week (APM).

## Annual Capital Growth & Total Vacancy

% , Greater Adelaide



Source: Knight Frank Research, APM, REIA



# H O B A R T

## Key Drivers

**Population** in Greater Hobart was estimated at 236,250 persons in June 2019, with annual **population growth** of 1.5%. The **projected population growth** to 2041, is lower, at 0.9% per annum (ABS).

Tasmanian **economic growth** was 1.9% in 2019 with a forecast of 2.8% in 2023 (Oxford Economics).

Greater Hobart **unemployment** stood at 6.8% as at June 2020, trending 147 bps lower than the quarter ago (ABS).

New household **loan commitments** in Tasmania were down by 12.2% in the June 2020 quarter; lower than 4.1% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in Tasmania grew by 21.8% in the month of June 2020, compared to 8.1% a year earlier. This first home buyer group represented 21.3% of all Tasmania owner occupier loans in June 2020 (ABS).

**Building approvals** in the quarter ending June 2020 totalled 380 houses and less than 25 apartments in Greater Hobart. This was trending 5.3% higher for houses but remained stable for apartment approvals compared to the quarter earlier (ABS).

**Total residential vacancy** was 2.6% in Greater Hobart as at June 2020. This was up 50 bps from 2.1% one quarter ago and up 90 bps from 1.7% recorded a year earlier (REIA).

The **auction clearance rate** for the week ending 6 September 2020 was 0% from 4 scheduled **auctions**. This was the same as the week prior, at 0% from 1 scheduled auctions, and lower than the comparable week a year earlier when 100% (out of 1 auctions) were sold (CoreLogic).

## Houses

Over the year ending June 2020, **capital growth** increased 10.0% for houses; up 1.4% over the past quarter to a **median value** of \$529,500.

The quarterly **volume of sales** tallied 530 houses, down 38.7% as at June 2020. The **average days on market** for a house stood at 55 days in the June 2020 quarter. One quarter ago, this was 57 days.

**Gross rental yields** for houses trended up 130 bps to 4.63% over the second

quarter of 2020. **Rents** fell 4.3% for houses over the quarter ending June 2020, to stand at a weekly median rent of \$450 (APM).

## Apartments

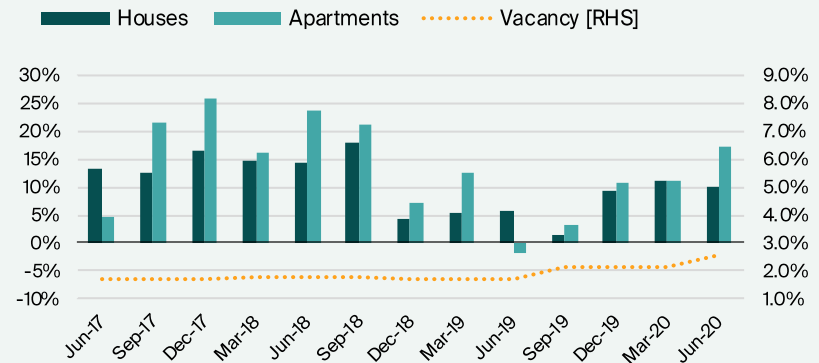
**Capital growth** for apartments rose 17.3% over the past year to June 2020, but fell 1.5% in the last quarter to a **median value** of \$429,500.

The **volume of sales** over the quarter tallied 79 apartments as at June 2020, down 46.3%. **Average days on market** for an apartment was 48 days in the June 2020 quarter. This was 49 days one quarter ago.

**Gross rental yields** for apartments trended down 37 bps to 4.50% over the June 2020 quarter. Over the quarter ending June 2020 **rents** fell 8.4% for apartments. Median rents stood at \$380 per week (APM).

## Annual Capital Growth & Total Vacancy

%, Greater Hobart



Source: Knight Frank Research, APM, REIA

# CANBERRA

## Key Drivers

**Population** in Canberra was estimated at 426,750 persons in June 2019, with annual **population growth** of 1.4%. The **projected population growth** to 2041, is higher, at 1.5% per annum (ABS).

The Australian Capital Territory (ACT) **economic growth** was 2.4% in 2019 with a forecast of 3.8% in 2023 (Oxford Economics). Canberra **unemployment** stood at 4.1% as at June 2020, trending 70 bps higher than the quarter earlier (ABS).

New household **loan commitments** in the ACT were down by 4.0% in the June 2020 quarter; higher than -4.9% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in the ACT fell by 15.6% in the month of June 2020, compared to -14.4% a year earlier. This first home buyer group represented 23.1% of all ACT owner occupier loans in June 2020 (ABS).

**Building approvals** in the quarter ending June 2020 totalled 307 houses and 1,114 apartments in Canberra. This was trending higher by 2.7% for houses and by 64.5% for apartment approvals compared to the quarter earlier (ABS).

**Total residential vacancy** was 1.1% in Canberra as at June 2020. This remained stable from one quarter ago, but 30 bps lower from 1.4% one year earlier (REIA).

The **auction clearance rate** for the week ending 6 September 2020 was 76.6% from 77 scheduled **auctions**. This was lower than the week prior, at 77.9% from 77 scheduled auctions, but higher than the comparable week a year earlier when 68.1% (out of 54 auctions) were sold (CoreLogic).

## Houses

Over the year ending June 2020, **capital growth** increased 9.3% for houses; up 4.1% over the past quarter to a **median value** of \$819,000.

The quarterly **volume of sales** tallied 787 houses, down 31.1% as at June 2020. The **average days on market** for a house stood at 77 days in the June 2020 quarter. One quarter ago, this was also 77 days.

**Gross rental yields** for houses trended down 19 bps to 4.24% over the second

quarter of 2020. **Rents** decreased 0.9% for houses over the quarter ending June 2020, to stand at a weekly median rent of \$575 (APM).

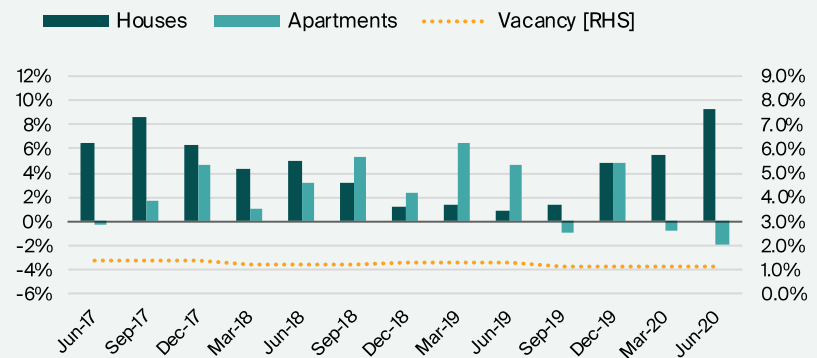
## Apartments

**Capital growth** for apartments fell 2.0% over the past year to June 2020, also down 1.3% in the last quarter to a **median value** of \$454,000.

The **volume of sales** over the quarter tallied 450 apartments as at June 2020, down 57.7%. **Average days on market** for an apartment was 133 days in the June 2020 quarter. This was 116 days one quarter ago.

**Gross rental yields** for apartments trended down 20 bps to 6.0% over the June 2020 quarter. Over the quarter ending June 2020 **rents** fell 2.1% for apartments. Median rents stood at \$470 per week (APM).

Annual Capital Growth & Total Vacancy  
%, Canberra



Source: Knight Frank Research, APM, REIA

# DARWIN

## Key Drivers

**Population** in Greater Darwin was estimated at 147,250 persons in June 2019, with annual **population growth** of -0.9%. The **projected population growth** to 2041, is higher, at 1.8% per annum (ABS).

The Northern Territory (NT) **economic growth** was -0.1% in 2019 with a forecast of 3.6% in 2023 (Oxford Economics). Greater Darwin **unemployment** stood at 5.3% as at June 2020, trending 7 bps higher than the quarter earlier (ABS).

New household **loan commitments** in the NT were down by 10.6% in the June 2020 quarter; lower than 3.9% growth recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in the NT grew by 30.8% in the month of June 2020, compared to -18.2% a year earlier. This first home buyer group represented 36.9% of all NT owner occupier loans in June 2020 (ABS).

**Building approvals** in the quarter ending June 2020 totalled 80 houses and 107 apartment in Greater Darwin. This was trending 31.1% higher for houses and 2040% higher for apartment approvals compared to the quarter earlier (ABS).

**Total residential vacancy** was 4.0% in Greater Darwin as at June 2020. This was down 140 bps from 5.4% one quarter ago, and down 210 bps from 6.1% recorded a year earlier (REIA).

The **auction clearance rate** for the week ending 6 September 2020 was 80% from 5 scheduled **auction**. This was higher than the week prior, at 67.0% from 6 scheduled auction, and higher than the comparable week a year earlier when 33% (out of 6 auctions) were sold (CoreLogic).

## Houses

Over the year ending June 2020, **capital growth** fell by 0.1% for houses; and down 1.0% over the past quarter to a **median value** of \$516,000.

The quarterly **volume of sales** tallied 180 houses, up 31.4% as at June 2020. The **average days on market** for a house stood at 138 days in the June 2020 quarter. One quarter ago, this was 170 days.

**Gross rental yields** for houses trended down 5 bps to 4.85% over the second

quarter of 2020. **Rents** remained steady for houses over the quarter ending June 2020, to stand at a weekly median rent of \$480 (APM).

## Apartments

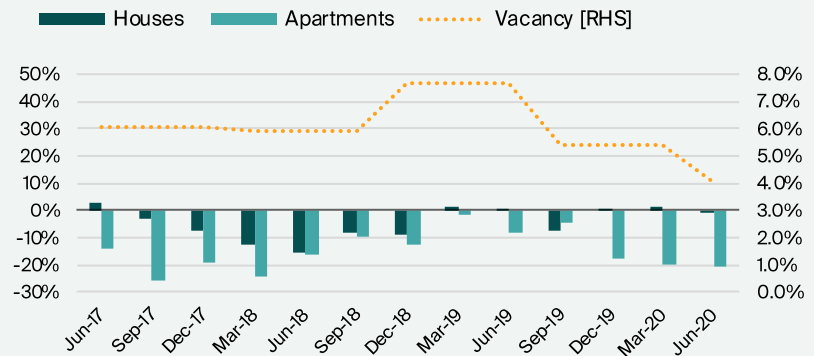
**Capital growth** for apartments fell by 20.8% over the past year to June 2020, also down 3.7% in the last quarter to a **median value** of \$241,500.

The **volume of sales** over the quarter tallied 102 apartments as at June 2020, down 1.9%. **Average days on market** for an apartment was 275 days in the June 2020 quarter. This was 211 days one quarter ago.

**Gross rental yields** for apartments trended up 20 bps to 6.61% over the June 2020 quarter. Over the quarter ending June 2020 **rents** remained stable for apartments. Median rents stood at \$380 per week (APM).

## Annual Capital Growth & Total Vacancy

%, Greater Darwin



Source: Knight Frank Research, APM, REIA

# REGIONAL AREAS

## Annual Capital Growth, Houses

%, Key Regional Areas & Capital Cities, 30 June 2020

Isaac, Qld	32.5%	Northern Grampians, Vic	6.5%	Cairns, Qld	12%
Leeton, NSW	23.1%	Griffith, NSW	6.5%	Moyness, Vic	1%
Edward River, NSW	2.15%	Sunshine Coast, Qld	6.2%	Redland, Qld	0.6%
Byron, NSW	20.0%	Richmond Valley, NSW	6.0%	Fraser Coast, Qld	0.3%
Nambucca, NSW	18.8%	Somerset, Qld	6.0%	Scenic Rim, Qld	0.2%
Colac Otway, Vic	18.5%	Goulburn Mulwaree, NSW	5.9%	Campaspe, Vic	0%
Cassowary Coast, Qld	16.0%	Whitsunday, Qld	5.5%	Gympie, Qld	0.0%
Parkes, NSW	15.8%	Lake Macquarie, NSW	5.3%	Mareeba, Qld	0.0%
Bellingen, NSW	15.4%	Shoalhaven, NSW	5.2%	Darwin, NT	-0.1%
Golden Plains, Vic	15.4%	Newcastle, NSW	5.2%	Moir, WA	-0.3%
Murray River, NSW	15.0%	Greater Shepparton, Vic	5.1%	Perth, WA	-1.4%
Mount Isa, Qld	14.1%	Livingstone, Qld	5.0%	Yass Valley, NSW	-1.5%
South Gippsland, Vic	13.0%	Gold Coast, Qld	4.8%	Gunnedah, NSW	-1.5%
Mansfield, Vic	12.6%	Swan Hill, Vic	4.7%	Horsham, Vic	-1.8%
Central Goldfields, Vic	12.3%	Bathurst Regional, NSW	4.7%	Lockyer Valley, Qld	-3.0%
Western Downs, Qld	10.6%	Ipswich, Qld	4.5%	Cootamundra-Gundagai Regional, NSW	-3.6%
Sydney, NSW	10.5%	Mitchell, Vic	4.4%	Armidale Regional, NSW	-5.0%
Central Highlands, Qld	10.3%	Eurobodalla, NSW	4.4%	Douglas, Qld	-10.1%
Baw Baw, Vic	10.2%	Townsville, Qld	4.4%	Murrumbidgee, Vic	-10.2%
Kiama, NSW	10.1%	Mackay, Qld	4.3%	Snowy Monaro Regional, NSW	-10.8%
Hobart, Tas	10.0%	Morerton Bay, Qld	4.2%	Broken Hill, NSW	-11.8%
Warrnambool, Vic	9.9%	Ararat, Vic	4.2%	Gannawarra, Vic	-11.9%
Corangamite, Vic	9.4%	Ballina, NSW	4.2%	Bega Valley, NSW	NA
Canberra, ACT	9.3%	Shellharbour, NSW	4.1%	Coffs Harbour, NSW	NA
Wangaratta, Vic	9.2%	Mildura, Vic	4.0%	Cowra, NSW	NA
East Gippsland, Vic	9.2%	Indigo, Vic	3.9%	Great Lakes, NSW	NA
Surf Coast, Vic	9.2%	Lismore, NSW	3.8%	Greater Taree, NSW	NA
Bass Coast, Vic	9.0%	Singleton, NSW	3.8%	Hawkesbury, NSW	NA
Wingecarribee, NSW	9.0%	Bundaberg, Qld	3.6%	Kempsey, NSW	NA
South Burnett, Qld	8.5%	Latrobe, Vic	3.6%	Mid-Coast, NSW	NA
Noosa, Qld	8.5%	Macedon Ranges, Vic	3.6%	Mid-Western Regional, NSW	NA
Federation, NSW	8.3%	Maitland, NSW	3.6%	Port Stephens, NSW	NA
Moorabool, Vic	8.3%	Albury, NSW	3.5%	Queanbeyan-Palerang Regional, NSW	NA
Southern Grampians, Vic	8.2%	Upper Hunter, NSW	3.4%	Wagga Wagga, NSW	NA
Tablelands, Qld	8.0%	Alpine, Vic	3.3%	Young, NSW	NA
Orange, NSW	7.7%	Adelaide, SA	3.0%	Benalla, Vic	NA
Port Macquarie-Hastings, NSW	7.6%	Mount Alexander, Vic	2.9%	Banana, Qld	NA
Ballarat, Vic	7.6%	Forbes, NSW	2.7%	Burdekin, Qld	NA
Clarence Valley, NSW	7.5%	Brisbane, Qld	2.4%	Charters Towers, Qld	NA
Gladstone, Qld	7.4%	Inverell, NSW	2.1%	Cook, Qld	NA
Wollongong, NSW	7.4%	Hepburn, Vic	1.9%	Goondiwindi, Qld	NA
Wodonga, Vic	7.2%	Rockhampton, Qld	1.8%	Hinchinbrook, Qld	NA
Greater Bendigo, Vic	7.2%	Southern Downs, Qld	1.8%	Longreach, Qld	NA
Greater Geelong, Vic	7.1%	Dubbo Regional, NSW	1.8%	Maranoa, Qld	NA
Melbourne, Vic	6.9%	Toowoomba, Qld	1.5%	North Burnett, Qld	NA
Glenelg, Vic	6.6%	Lithgow, NSW	1.4%	Cessnock, NSW	NA
Tweed, NSW	6.6%	Tamworth Regional, NSW	1.4%	Muswellbrook, NSW	NA

Source: Knight Frank Research, APM

Note: Unless stated, all references to dollars or \$ refer to Australian dollars (AUD).

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.



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