

A review of key residential indicators across major Australian cities and regional areas



Australian Residential Review

Q3 2021

knightfrank.com/research



AUSTRALIAN RESIDENTIAL MARKET

How have the mainstream residential markets of Australia's major cities and regional areas performed over the past quarter?

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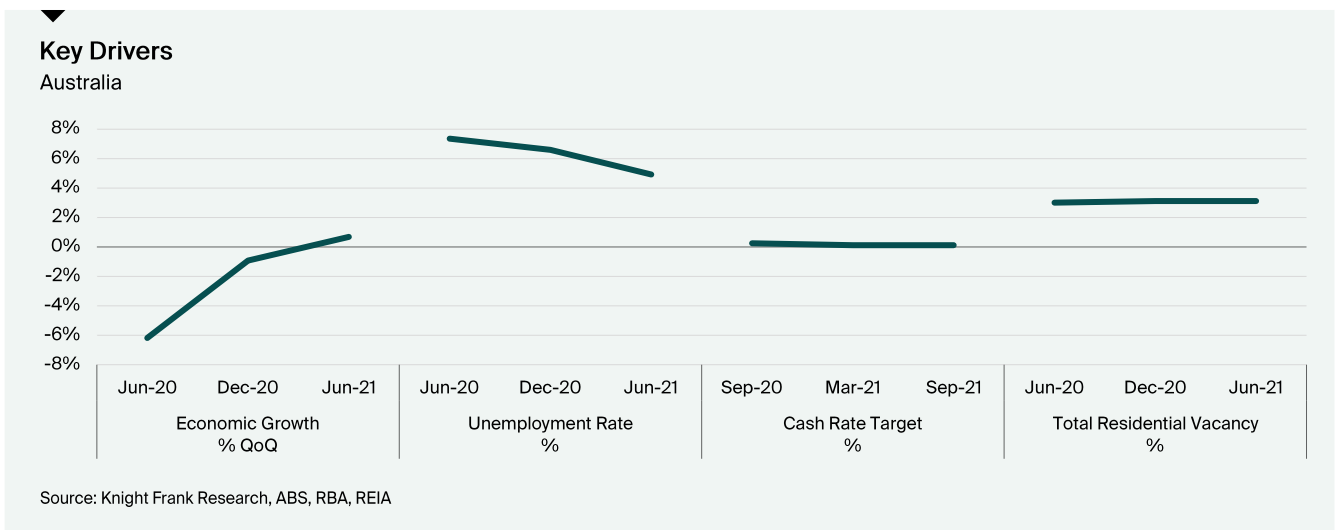
Scarcity remains the key driver for the significant growth in residential values across Australia, with pent-up demand from those engaging in an incredibly low interest rate environment.

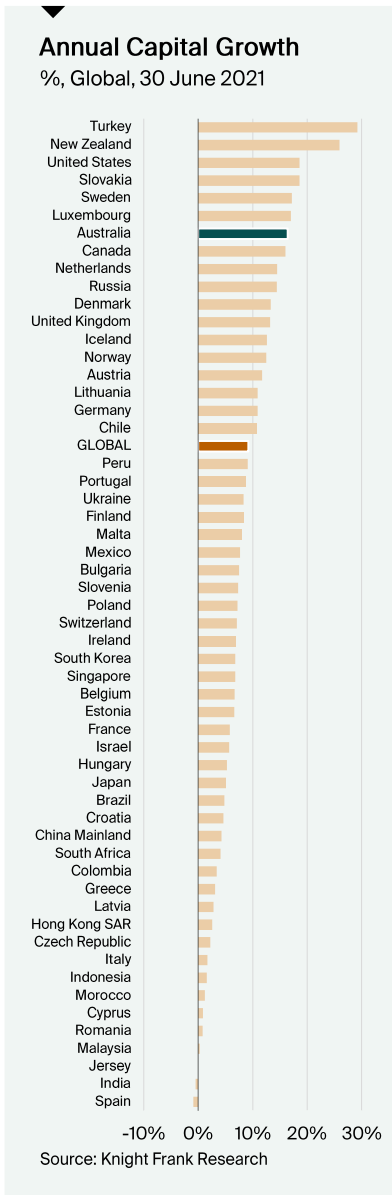
Analysing the Australian market often comes with inconsistencies from city-to-city, but currently all cities are performing in sync with double-digit residential annual growth, although underlying factors do differ as you dive into each market.

A comparison at the end of June 2021 revealed that every capital city recorded an upward trajectory in annual sales volume, with a 30%

average, whilst the number of days a property was listed on the market has fallen by 24% over the past year, this is equivalent to having almost a month (29 days) shaved off the average Australian property listing.

If our economy was in a more stable position with this performance, we may have seen the delayed APRA revised lending standards bought forward to cool the market, but for now, Australian homeowners are watching their property values rise at the fastest rate since 2003. In saying this, Australia's lending environment has already become considerably more responsible since this time.





Key Drivers

The major cities of Australia saw annual **population growth** of 1.4% in June 2020, while inner regional Australia grew by 1.3%, while outer regional areas rose by 0.4% (ABS). Australia’s **economy** grew by 9.6% in the year to June 2021, while the **unemployment** rate trended at 4.9% (ABS).

The official **cash rate** target was 0.10% in September 2021. In the June 2021 quarter, average **mortgage lending rates** to owner occupiers fell by 20 bps to 2.19% for a 3-year fixed term loan and remained steady at 4.52% for a standard variable loan. By comparison, for investors, a 3-year fixed term fell by 15 bps to 2.56% and a standard variable loan remained stable at 5.10%(RBA).

New household **loan commitments** were up 9.9% in Q2 2021 in Australia; while residential building approvals were up 8.3% when compared to Q1 2021 (ABS).

Residential

The weighted average total **residential vacancy** for Australian capital cities was recorded at 3.1% in June 2021, down 20 bps over the past quarter (REIA).

Australia’s **global ranking for residential price growth** was 7th in the Knight Frank **Global House Price Index** in Q2 2021, from 55 countries and territories. Australia recorded annual residential price growth of 16.4%, above the global average of 9.2%.

Major Cities Houses

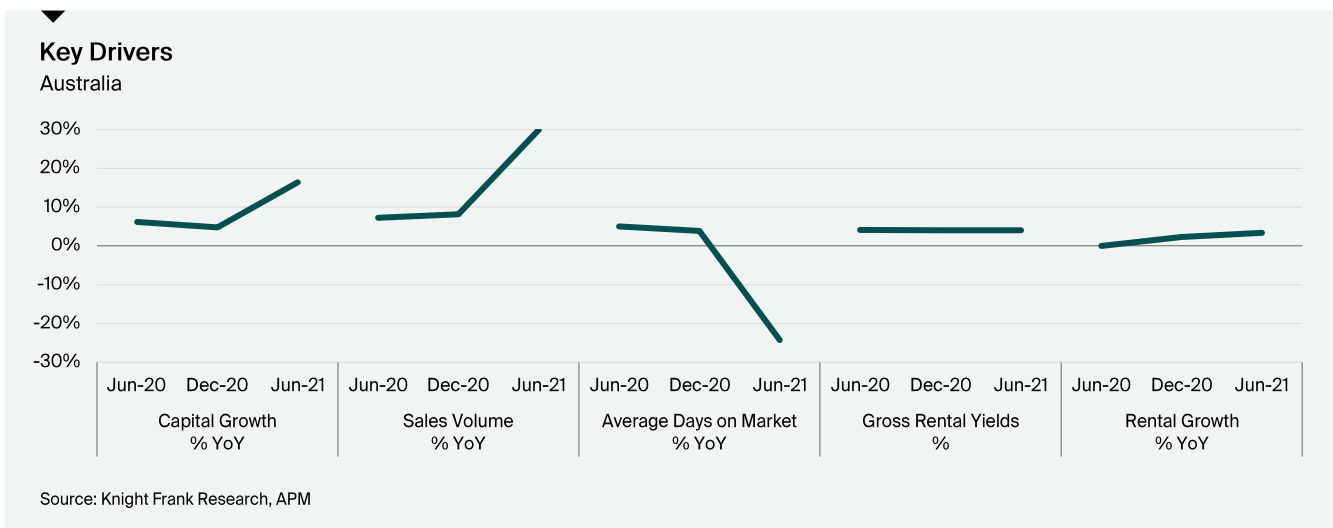
Median house values across Australia rose 18.8% in the year ending June 2021 (up 5.8% in the last quarter) to \$956,000.

There were 95,867 house **sales** across Australia in the June 2021 quarter, falling 13.9% on the previous quarter. The **average days on market** for an Australian house stood at 88 days in the June 2021 quarter. One quarter ago, this was 110 days.

Gross rental **yields** rose 3 bps in the second quarter of 2021 with Australian houses averaging 4.01%. Median house **rents** across Australia remained stable in Q2 2021 to stand at \$450 per week (APM).

Major Cities Apartments

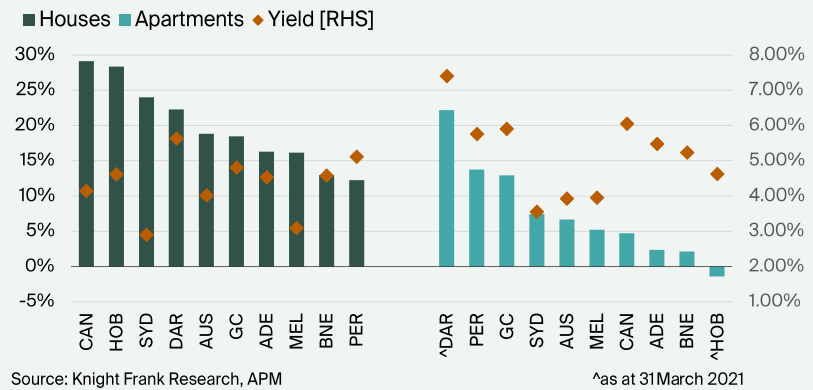
Median apartment values across Australia rose 6.7% in the year ending June 2021 (up 2.1% in the last quarter) to \$601,500.



Across Australia, there were 31,819 apartment **sales** in the June 2021 quarter, falling 12.8% on the previous quarter. The **average days on market** for an Australian apartment was 96 days in the June 2021 quarter. This was 117 days one quarter ago.

In the second quarter of 2021, gross rental **yields** fell 3 bps with Australian apartments averaging 3.93%. Across Australia, median apartment **rents** fell 2.4% in Q2 2021, to stand at \$400 per week (APM).

Annual Capital Growth & Gross Rental Yield
%, Major Australian Cities, as at 30 June 2021



29.2%

Canberra houses was the strongest performing city for annual price growth in Australia

73%

Gold Coast apartments saw the highest annual growth in sales volume across Australia

34 days

Hobart houses recorded the lowest number of average days on market for an Australia city

7.40%

Darwin apartments held the highest gross rental yield across Australia

23.5%

Darwin houses was the strongest performing city for annual rental growth in Australia

MAJOR CITIES HOUSES
30 June 2021

	SYD	MEL	BNE	GC	PER	ADE	HOB	CAN	DAR	AUS
Median Value	\$1,410,000	\$1,023,000	\$678,000	\$770,000	\$596,000	\$629,500	\$646,500	\$1,016,000	\$608,500	\$956,000
Capital Growth YoY	24.0%	16.2%	13.0%	18.5%	12.3%	16.3%	28.4%	29.2%	22.3%	18.8%
Sales Volume Annual	60,796	58,900	40,595	12,234	39,204	21,218	3,673	5,951	963	401,828
Sales Volume YoY	32.4%	16.5%	35.6%	53.4%	39.1%	23.0%	1.8%	8.4%	56.1%	32.8%
Ave. Days on Market	46	55	62	72	65	81	34	64	124	88
Gross Rental Yield	2.90%	3.09%	4.58%	4.80%	5.11%	4.53%	4.61%	4.14%	5.63%	4.01%
Median Weekly Rent	\$550	\$430	\$450	\$595	\$450	\$430	\$495	\$630	\$595	\$450
Rental Growth YoY	3.8%	0.0%	12.5%	14.4%	21.6%	8.9%	10.0%	9.6%	23.5%	7.1%

Source: Knight Frank Research, APM

MAJOR CITIES APARTMENTS
30 June 2021

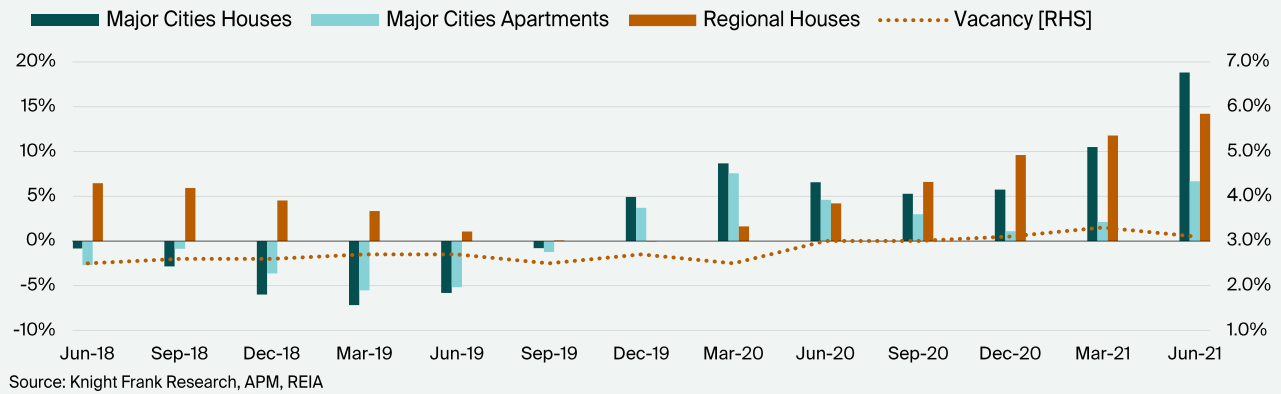
	SYD	MEL	BNE	GC	PER	ADE	HOB	CAN	DAR	AUS
Median Value	\$786,000	\$573,000	\$394,500	\$480,000	\$370,500	\$338,000	\$429,500^	\$504,000	\$298,500^	\$601,500
Capital Growth YoY	7.4%	5.2%	2.1%	12.9%	13.7%	2.3%	-1.4%^	4.7%	22.2%^	6.7%
Sales Volume Annual	38,472	21,530	15,437	10,704	4,493	5,053	699	5,518	681	127,416
Sales Volume YoY	21.4%	-4.5%	26.9%	72.5%	49.4%	28.9%	9.6%	0.9%	48.4%	21.7%
Ave. Days on Market	76	74	91	106	99	126	37	99	292	96
Gross Rental Yield	3.55%	3.95%	5.23%	5.90%	5.76%	5.48%	4.62%	6.05%	7.40%	3.93%
Median Weekly Rent	\$470	\$365	\$400	\$470	\$380	\$350	\$400	\$500	\$450	\$400
Rental Growth YoY	-6.0%	-12.0%	5.3%	10.6%	18.8%	9.4%	5.3%	6.4%	18.4%	-7.0%

Source: Knight Frank Research, APM

^As at 31 March 2021

Annual Capital Growth & Total Vacancy

% , Australia



Regional Houses

In the major regional areas of Australia, those Local Government Areas (LGAs) with more than 10,000 dwellings, saw **median house values** rise by 14.2% in the year ending June 2021 (up 4.0% in the last quarter) to \$576,000.

There were 43,090 house **sales** in regional Australia between June 2020 and 2021, up 4.0% on the previous quarter. The **average days on market** for a house in regional Australia stood at 133 days in the June 2021 quarter. One quarter ago, this was 146 days.

Gross rental **yields** fell 1bp in the second quarter of 2021 with Australian regional houses averaging 4.92%.

Median house **rents** across regional Australia increased by 15.0% in Q2 2021 to stand at \$440 per week (APM).



Regional WA had the strongest performing annual house price growth in regional Australia



Regional WA saw the highest annual growth in sales volume for houses across regional Australia



Regional Tasmania recorded the lowest number of average days on market for houses sold in regional Australia



Regional Tasmania held the highest average gross rental yield for houses across regional Australia



Regional WA had the strongest performing annual rental house growth in regional Australia



Busselton LGA (WA) was the strongest performing LGA for regional annual house price growth in Australia

REGIONAL HOUSES 30 June 2021

AUSTRALIA RESIDENTIAL 30 June 2021

	NSW	VIC	QLD	WA	SA	TAS	AUS	
Median Value	\$696,000	\$560,500	\$507,000	\$458,000	\$443,000	\$392,500	\$576,000	\$863,500
Capital Growth YoY	17.7%	14.9%	9.6%	19.5%	6.3%	15.3%	14.2%	16.4%
Sales Volume Annual	42,292	31,153	60,649	7,340	3,600	1,741	43,090	529,244
Sales Volume YoY	38.1%	36.1%	55.8%	76.3%	33.4%	13.3%	46.4%	29.9%
Ave. Days on Market	97	97	184	174	172	65	133	90
Gross Rental Yield	4.52%	4.48%	5.43%	5.52%	5.23%	5.63%	4.92%	3.99%
Median Weekly Rent	\$500	\$395	\$420	\$390	\$360	\$440	\$440	\$437
Rental Growth YoY	8.6%	7.8%	8.2%	10.8%	9.2%	10.4%	8.5%	3.4%

Source: Knight Frank Research

SYDNEY

Key Drivers

Population in Greater Sydney was estimated at 5.4 million persons in June 2020, with annual **population growth** of 1.1%. The **projected population growth** to 2041, is higher, at 1.6% per annum (ABS).

New South Wales (NSW) **economic growth** was estimated at -2.7% in 2020 with a forecast of 4.9% in 2021 (Oxford Economics). Greater Sydney **unemployment** stood at 5.0% as at June 2021, trending 106 bps lower than the quarter before (ABS).

New household **loan commitments** in NSW were up by 15.5% in the June 2021 quarter, higher than 11.3% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in NSW fell by 0.3% in the month of June 2021, compared to 18.5% a year earlier. This first home buyer group represented 20.9% of all NSW owner occupier loans in June 2021 (ABS).

Building approvals in the quarter ending June 2021 totalled 5,119 houses and 7,638 apartments in Greater Sydney. This was trending 27.2% higher for houses and 27.7% higher for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 3.1% in Greater Sydney as at June 2021; recording 4.0% in the Inner Suburbs (0-10km from the CBD), 3.2% in the Middle Suburbs (10-25km) and 2.2% in the Outer Suburbs (25km+) (REINSW).

The **auction clearance rate** for the week ending 5 September 2021 was 81.2% from 607 scheduled **auctions**. This was slightly higher than the week prior, at 80.2% from 592 scheduled auctions, and higher than the comparable week a year earlier when 62.3% (out of 608 auctions) were sold (CoreLogic).

Houses

Over the year ending June 2021, **capital growth** increased 24.0% for houses, up 8.2% over the past quarter to a **median value** of \$1,410,000. The quarterly **volume of sales** tallied 15,386 houses, up 1.5% as at June 2021. The **average days on market** for a house stood at 46 days in the June 2021 quarter. One quarter ago, this was 60 days.

Gross rental yields for houses trended down 12 bps to 2.90% over the second

quarter of 2021. **Rents** remained stable for houses over the quarter ending June 2021, to stand at a weekly median rent of \$550 (APM).

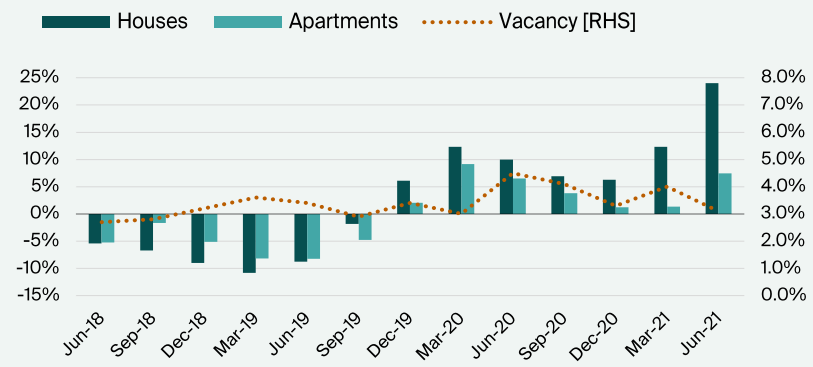
Apartments

Capital growth for apartments grew 7.4% over the year ending June 2021, and up 3.2% in the last quarter to a **median value** of \$786,000.

The **volume of sales** over the quarter tallied 10,297 apartments as at June 2021, up 0.2%. **Average days on market** for an apartment was 76 days in the June 2021 quarter. This was 87 days one quarter ago.

Gross rental yields for apartments trended up 1 bp to 3.55% over the June 2021 quarter. Over the same time, **rents** remained stable for apartments where median rents stood at \$470 per week (APM).

Annual Capital Growth & Total Vacancy
%, Greater Sydney



Source: Knight Frank Research, APM, REINSW

REGIONAL NEW SOUTH WALES

Regional New South Wales

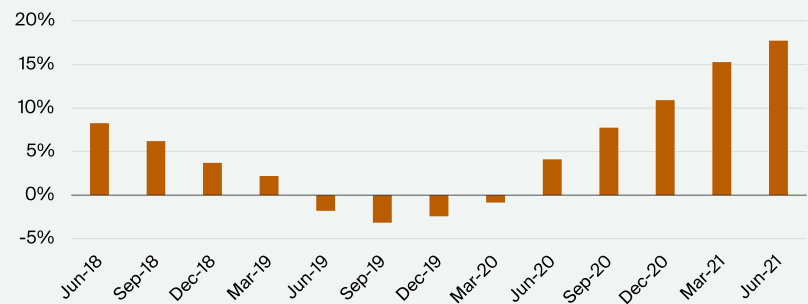
The inner regional areas of NSW saw annual **population growth** of 1.0% in June 2020, as outer regional NSW contracted by 0.1%. Across the state of NSW, by comparison, there was 1.0% population growth recorded in this time (ABS).

Total residential vacancy averaged 1.0% across regional NSW as at June 2021. This was 10 bps higher on last quarter, but down 100 bps from 2.0% recorded a year ago (REINSW).

Over the year ending June 2021, in the major regional areas of Australia (LGAs with more than 10,000 dwellings), **capital growth** increased 17.7% for houses, up 4.6% over the past quarter to a **median value** of \$696,000.

Annual Capital Growth

%, Regional New South Wales, Houses



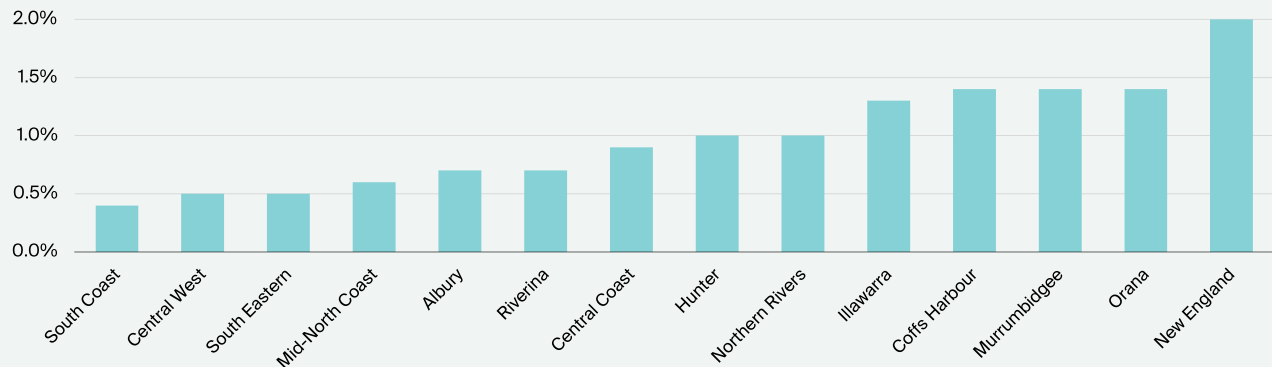
Source: Knight Frank Research

The annual **volume of sales** tallied to 42,292 houses in regional NSW, up 38.1% as at June 2021. The **average days on market** for a house stood at 97 days in the June 2021 quarter. One quarter ago, this average was 110 days.

Gross rental yields for houses trended down 5 bps to 4.52% over the second quarter of 2021. **Rents** increased 3.4% for houses over the quarter ending June 2021, to stand at a weekly median rent of \$500.

Total Residential Vacancy

%, Regional New South Wales, by REINSW region, as at June 2021



Source: Knight Frank, REINSW

REGIONAL NEW SOUTH WALES

REGIONAL NEW SOUTH WALES HOUSES 30 June 2021	MEDIAN VALUE \$	CAPITAL GROWTH YoY %	SALES VOLUME Annual No.	SALES VOLUME YoY %	AVERAGE DAYS ON MARKET No.	GROSS RENTAL YIELD %	MEDIAN WEEKLY RENT \$	RENTAL GROWTH YoY %
Albury LGA, NSW	\$466,000	12.8%	1,252	40%	101	5.20%	\$360	7.3%
Armidale Regional LGA, NSW	\$383,500	11.2%	564	88%	195	5.63%	\$370	2.8%
Ballina LGA, NSW	\$796,500	23.1%	602	40%	81	4.26%	\$615	10.9%
Bathurst Regional LGA, NSW	\$620,000	32.2%	864	52%	121	4.67%	\$405	9.3%
Bega Valley LGA, NSW	\$582,500	7.3%	666	81%	161	4.60%	\$765	80.5%
Byron LGA, NSW	\$1,546,000	36.4%	655	45%	87	4.19%	\$805	26.5%
Cessnock LGA, NSW	\$460,000	11.0%	1,132	50%	89	5.12%	\$395	3.3%
Clarence Valley LGA, NSW	\$505,500	15.7%	904	30%	102	5.08%	\$435	-2.4%
Coffs Harbour LGA, NSW	\$703,500	15.9%	1,337	30%	106	4.38%	\$530	10.0%
Dubbo Regional LGA, NSW	\$410,000	12.1%	855	35%	91	5.43%	\$375	7.1%
Eurobodalla LGA, NSW	\$657,500	18.7%	1,096	46%	124	4.38%	\$495	9.6%
Goulburn Mulwaree LGA, NSW	\$469,000	8.1%	595	50%	114	4.60%	\$390	8.3%
Griffith LGA, NSW	\$427,500	6.9%	259	-3%	68	5.47%	\$370	10.4%
Hawkesbury LGA, NSW	\$804,500	20.8%	871	26%	81	3.55%	\$500	5.0%
Kempsey LGA, NSW	\$663,000	43.9%	347	39%	159	5.12%	\$390	10.5%
Kiama LGA, NSW	\$1,376,000	38.7%	417	23%	87	3.29%	\$590	7.2%
Lake Macquarie LGA, NSW	\$683,000	12.1%	4,109	39%	72	4.08%	\$475	7.7%
Lismore LGA, NSW	\$469,000	1.1%	646	35%	88	5.18%	\$445	4.9%
Maitland LGA, NSW	\$606,500	13.4%	1,878	41%	59	4.67%	\$450	6.5%
Mid-Coast LGA, NSW	\$618,000	17.8%	1,980	42%	157	5.09%	\$405	3.1%
Mid-Western Regional LGA, NSW	\$611,500	10.8%	457	23%	131	5.94%	\$390	8.6%
Newcastle LGA, NSW	\$861,500	19.1%	3,053	26%	52	4.00%	\$520	8.9%
Orange LGA, NSW	\$720,000	31.5%	1,039	31%	83	4.97%	\$430	12.5%
Port Macquarie-Hastings LGA, NSW	\$620,000	17.1%	1,153	21%	75	4.55%	\$495	12.5%
Port Stephens LGA, NSW	\$655,000	9.0%	1,509	40%	93	4.33%	\$465	6.7%
Queanbeyan-Palerang Regional LGA, NSW	\$659,000	15.2%	841	14%	73	4.51%	\$545	5.5%
Richmond Valley LGA, NSW	\$615,000	29.8%	297	39%	101	4.94%	\$440	16.3%
Shellharbour LGA, NSW	\$741,500	17.0%	1,478	22%	65	4.07%	\$510	4.7%
Shoalhaven LGA, NSW	\$766,000	27.7%	2,510	60%	131	4.12%	\$625	-2.5%
Snowy Monaro Regional LGA, NSW	\$486,500	14.5%	258	33%	110	6.52%	\$620	61.6%
Tamworth Regional LGA, NSW	\$409,500	9.9%	1,113	70%	185	5.49%	\$365	3.1%
Tweed LGA, NSW	\$810,500	13.8%	1,644	34%	107	4.57%	\$635	11.3%
Wagga Wagga LGA, NSW	\$449,000	9.7%	1,464	38%	118	5.32%	\$385	6.8%
Wingecarribee LGA, NSW	\$974,000	22.0%	1,532	69%	117	4.09%	\$550	7.7%
Wollongong LGA, NSW	\$890,500	15.1%	2,915	30%	58	3.74%	\$545	4.0%

Source: Knight Frank Research

MELBOURNE

Key Drivers

Population in Greater Melbourne was estimated at 5.2 million persons in June 2020, with annual **population growth** of 1.6%. The **projected population growth** to 2041, is higher, at 1.9% per annum (ABS).

Victorian **economic growth** was estimated at -3.7% in 2020 with a forecast of 6.8% in 2021 (Oxford Economics). Greater Melbourne **unemployment** stood at 4.6% as at June 2021, trending 218 bps lower than the quarter before (ABS).

New household **loan commitments** in Victoria were up by 12.7% in the June 2021 quarter, but lower than 38.3% recorded the previous quarter (ABS). The number of lending commitments to owner occupier **first home buyers** in Victoria fell by 0.5% in the month of June 2021, compared to 0.5% a year earlier. This first home buyer group represented 26.6% of all Victorian owner occupier loans in June 2021 (ABS).

Building approvals in the quarter ending June 2021 totalled 9,020 houses and 4,739 apartments in Greater Melbourne. This was trending up 18.6% for houses and up 4.6% for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 6.1% in Greater Melbourne as at June 2021; with 7.6% in the Inner Suburbs (0-10km from the CBD), 6.6% in the Middle Suburbs (10-20km) and 2.3% in the Outer Suburbs (20km+) (REIV).

The **auction clearance rate** for the week ending 5 September 2021 was 43.8% from 430 scheduled **auctions**. This was higher than the week prior, at 35.9% from 928 scheduled auctions, and higher than the comparable week a year earlier when 32.1% (out of 28 auctions) were sold (CoreLogic).

Houses

Over the year ending June 2021, **capital growth** increased 16.2% for houses, up 4.1% over the past quarter to a **median value** of \$1,023,000.

The quarterly **volume of sales** tallied 16,374 houses, down 7.2% as at June 2021. The **average days on market** for a house stood at 55 days in the June 2021 quarter. One quarter ago, this was 66 days.

Gross rental yields for houses compressed by 3 bps to 3.09% in the

second quarter of 2021. **Rents** remained stable for houses over the quarter ending June 2021, to stand at a weekly median rent of \$430 (APM).

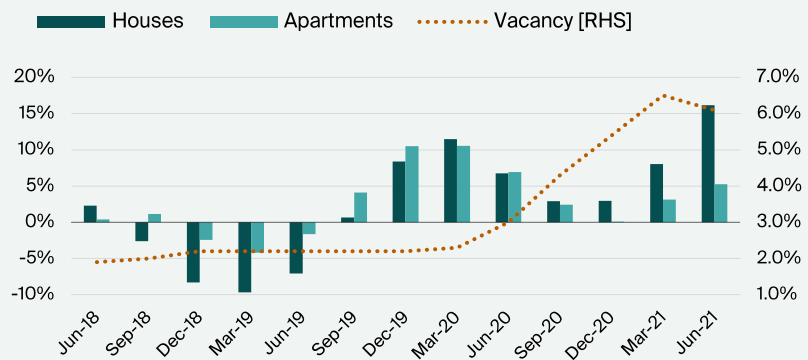
Apartments

Capital growth for apartments rose 5.2% over the year ending June 2021, and was up 0.8% in the last quarter to a **median value** of \$573,000.

The **volume of sales** over the quarter tallied 6,173 apartments as at June 2021, down 4.4%. **Average days on market** for an apartment was 74 days in the June 2021 quarter. This was 86 days one quarter ago.

Gross rental yields for apartments remained steady at 3.95% in the June 2021 quarter. Over the same time **rents** fell 2.7% for apartments where median rents stood at \$365 per week (APM).

Annual Capital Growth & Total Vacancy
%, Greater Melbourne



Source: Knight Frank Research, APM, REIV

REGIONAL VICTORIA

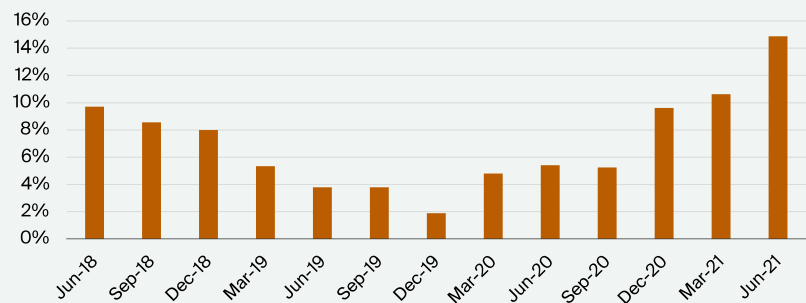
Regional Victoria

Victoria's inner regional areas saw annual **population growth** of 1.8% in June 2020, while outer regional Victoria grew by 0.4%. By comparison, across all of Victoria, there was 1.5% population growth recorded in this time (ABS).

Total residential vacancy in regional Victoria averaged 1.2% as at June 2021. This was 20 bps higher on last quarter, but down 60 bps from 1.8% recorded a year ago (REIV).

In the major regional areas of Victoria (LGAs with more than 10,000 dwellings), **capital growth** increased 14.9% for houses over the year ending June 2021, up 5.0% over the past quarter to stand at a **median value** of \$560,500.

Annual Capital Growth %, Regional Victoria, Houses

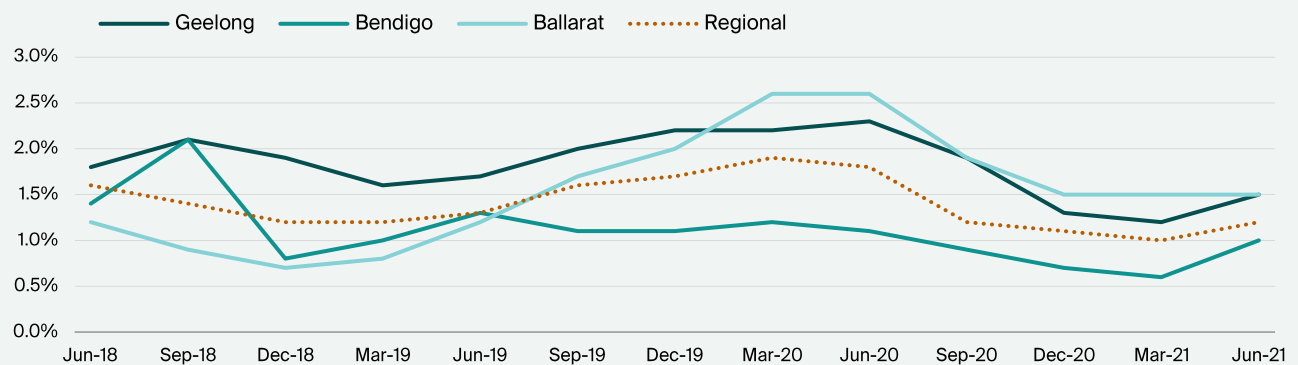


Source: Knight Frank Research

In regional Victoria, the annual **volume of sales** tallied 31,153 houses, up 36.1% as at June 2021. The **average days on market** for a house stood at 97 days in the June 2021 quarter. One quarter ago, this was 109 days.

Gross rental yields for houses trended down 5 bps to 4.48% over the second quarter of 2021. **Rents** rose by 2.9% for houses over the quarter ending June 2021, to stand at a weekly median rent of \$395.

Total Residential Vacancy %, Regional Victoria, by REIV region



Source: Knight Frank, REIV

REGIONAL VICTORIA

REGIONAL VICTORIA HOUSES 30 June 2021	MEDIAN VALUE \$	CAPITAL GROWTH YoY %	SALES VOLUME Annual No.	SALES VOLUME YoY %	AVERAGE DAYS ON MARKET No.	GROSS RENTAL YIELD %	MEDIAN WEEKLY RENT \$	RENTAL GROWTH YoY %
Ballarat LGA, Vic	\$539,000	12.9%	2,406	21%	59	4.02%	\$360	6.7%
Bass Coast LGA, Vic	\$647,500	21.7%	1,344	65%	97	3.76%	\$430	23.1%
Baw Baw LGA, Vic	\$481,000	9.4%	1,276	36%	105	4.40%	\$380	4.7%
Campaspe LGA, Vic	\$361,000	30.3%	723	48%	168	5.40%	\$330	18.8%
Colac Otway LGA, Vic	\$666,000	19.7%	399	10%	209	4.86%	\$565	0.3%
East Gippsland LGA, Vic	\$409,500	8.3%	1,358	54%	188	5.25%	\$605	48.3%
Greater Bendigo LGA, Vic	\$474,500	17.1%	2,314	23%	75	4.70%	\$380	8.9%
Greater Geelong LGA, Vic	\$699,000	17.0%	3,445	35%	75	3.56%	\$420	5.6%
Greater Shepparton LGA, Vic	\$377,000	10.1%	1,293	42%	108	5.71%	\$355	9.2%
Hepburn LGA, Vic	\$645,500	21.3%	488	33%	103	4.07%	\$380	6.1%
Hume LGA, Vic	\$617,500	5.4%	3,644	43%	71	3.58%	\$390	-0.3%
Latrobe LGA, Vic	\$407,500	23.8%	1,085	40%	101	6.38%	\$290	0.2%
Macedon Ranges LGA, Vic	\$911,000	24.5%	946	32%	103	3.80%	\$485	0.2%
Melton LGA, Vic	\$559,000	5.5%	2,303	33%	69	3.88%	\$380	-0.2%
Mildura LGA, Vic	\$342,000	11.1%	1,159	28%	76	6.01%	\$325	2.6%
Mitchell LGA, Vic	\$618,000	17.9%	825	28%	96	4.35%	\$370	3.9%
Moira LGA, Vic	\$355,000	12.3%	682	54%	184	5.67%	\$320	10.2%
Moorabool LGA, Vic	\$578,500	-3.4%	575	46%	77	4.04%	\$385	6.1%
South Gippsland LGA, Vic	\$486,500	24.6%	828	48%	155	4.92%	\$325	10.1%
Surf Coast LGA, Vic	\$1,206,500	28.4%	875	39%	80	3.37%	\$465	15.3%
Wangaratta LGA, Vic	\$502,000	27.9%	530	17%	49	5.44%	\$360	12.5%
Warrnambool LGA, Vic	\$432,500	15.5%	774	31%	47	5.31%	\$410	5.1%
Wellington LGA, Vic	\$343,500	7.9%	1,281	56%	226	5.73%	\$345	19.0%
Wodonga LGA, Vic	\$469,000	16.1%	600	23%	108	5.24%	\$425	7.0%

Source: Knight Frank Research

BRISBANE

Key Drivers

Population in Greater Brisbane was estimated at 2.6 million persons in June 2020, with annual **population growth** of 1.9%. The **projected population growth** to 2041, is lower, at 1.7% per annum (ABS).

Queensland **economic growth** was estimated at -2.2% in 2020 with a forecast of 4.5% in 2021 (Oxford Economics). Greater Brisbane **unemployment** stood at 5.2% as at June 2021, trending 184 bps lower than the quarter earlier (ABS).

New household **loan commitments** in Queensland were up by 4.5% in the June 2021 quarter, although down from 16.4% recorded in the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in Queensland fell by 0.4% in the month of June 2021, compared to 31.7% a year earlier. This first home buyer group represented 21.4% of all Queensland owner occupier loans in June 2021 (ABS).

Building approvals in the quarter ending June 2021 totalled 3,829 houses and 1,873 apartments in Greater Brisbane. This was trending up 1.1% for houses and up 9.8% higher for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 1.0% in Greater Brisbane as at June 2021; recording 2.1% in the Inner Suburbs (0-5km from the CBD), 1.2% in the

Middle Suburbs (5-20km) and 0.8% in the Outer Suburbs (20km+) (REIQ).

The **auction clearance rate** for the week ending 5 September 2021 was 75.2% from 158 scheduled **auctions**. This was higher the week prior, at 70.9% from 159 scheduled auctions, and higher than the comparable week a year earlier when 50% (out of 64 auctions) were sold (CoreLogic).

Houses

Over the year ending June 2021, **capital growth** increased 13.0% for houses, rising 5.0% over the past quarter to a **median value** of \$678,000. The quarterly **volume of sales** tallied 9,279 houses, down 22.7% as at June 2021. The **average days on market** for a house stood at 62 days in the June 2021 quarter. One quarter ago, this stood at 83 days.

Gross rental yields for houses

compressed by 4 bps to 4.58% over the second quarter of 2021. **Rents** rose 2.3% for houses over the quarter ending June 2021, to stand at a weekly median rent of \$450 (APM).

Apartments

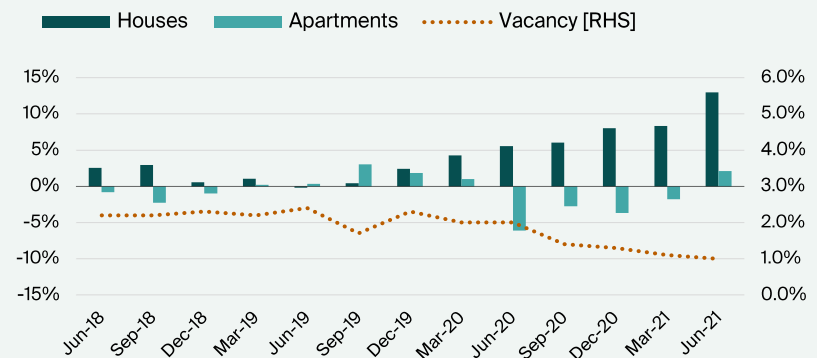
Capital growth for apartments rose by 2.1% over the year ending June 2021, and decreased 0.4% in the last quarter to a **median value** of \$394,500.

The **volume of sales** over the quarter tallied 3,444 apartments as at June 2021, down 27.2%. **Average days on market** for an apartment was 91 days in the June 2021 quarter. This was 115 days one quarter ago.

Gross rental yields for apartments trended up 1 bp to 5.23% over the June 2021 quarter. Over the same time, **rents** also remained steady for apartments with median rents standing at \$400 per week (APM).

Annual Capital Growth & Total Vacancy

%, Greater Brisbane



Source: Knight Frank Research, APM, REIQ

GOLD COAST

Key Drivers

Population in the Gold Coast LGA was estimated at 635,250 persons in June 2020, with annual **population growth** of 2.4%. The **projected population growth** to 2041, is lower, at 2.1% per annum (ABS).

Queensland **economic growth** was estimated at -2.2% in 2020 with a forecast of 4.5% in 2021 (Oxford Economics).

Gold Coast LGA **unemployment** stood at 7.2% as at March 2021, trending 30 bps higher than the quarter earlier (ABS).

New household **loan commitments** in Queensland were up by 4.5% in the June 2021 quarter, although down from 16.4% recorded in the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in Queensland fell by 0.4% in the month of June 2021, compared to 31.7% a year earlier. This first home buyer group represented 21.4% of all Queensland owner occupier loans in June 2021 (ABS).

Building approvals in the quarter ending June 2021 totalled 507 houses and 1,160 apartments in the Gold Coast LGA. This was trending up 15.2% for houses and 12.8% higher for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 0.6% in the Gold Coast LGA as at June 2021.

This the same as last quarter but down 240 bps from the 3.0% recorded a year ago (REIQ).

Houses

Over the year ending June 2021, **capital growth** increased 18.5% for houses and up 5.5% over the past quarter to a **median value** of \$770,000.

The annual **volume of sales** tallied 12,234 houses, increasing 53.4% as at June 2021. The **average days on market** for a house stood at 72 days in the June 2021 quarter. One quarter ago, this was 91 days.

Gross rental yields for houses trended lower by 10 bps to 4.80% over the second quarter of 2021.

Rents increased 8.2% for houses over the quarter ending June 2021, to stand

at a weekly median rent of \$595 (APM).

Apartments

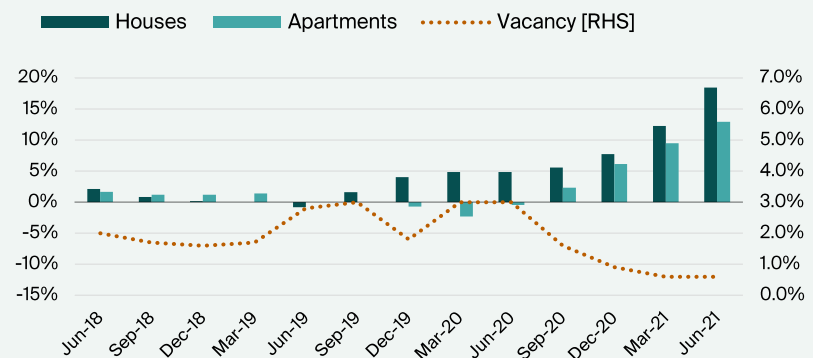
Capital growth for apartments rose 12.9% over the year ending June 2021, and was also up 4.3% in the last quarter to a **median value** of \$480,000.

The **volume of sales** over the year tallied 10,704 apartments as at June 2021, up 72.5%.

Average days on market for an apartment was 106 days in the June 2021 quarter. This was 128 days one quarter ago.

Gross rental yields for apartments remained stable at 5.90% over the June 2021 quarter. Over the same time, **rents** increased 4.4% for apartments where median rents stood at \$470 per week (APM).

Annual Capital Growth & Total Vacancy
%, Gold Coast LGA



Source: Knight Frank Research, APM, REIQ

REGIONAL QUEENSLAND

Regional Queensland

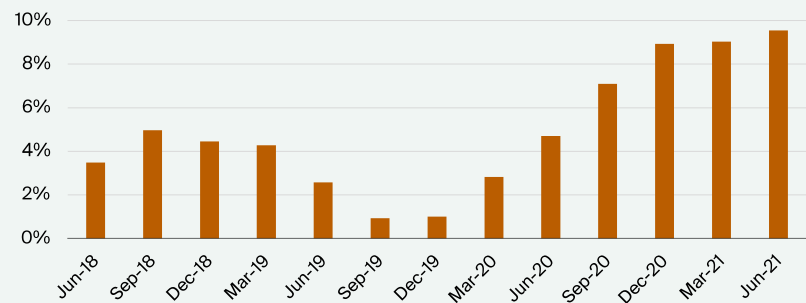
The inner regional areas of Queensland saw annual **population growth** of 1.2% in June 2020, as outer regional Queensland expanded by 0.8%. As a comparison, there was 1.6% population growth recorded over this time in the state of Queensland (ABS).

Total residential vacancy averaged 0.7% across regional Queensland as at June 2021. This was 10 bps lower on last quarter, and down 80 bps from 1.5% recorded a year ago (REIQ).

Over the year ending June 2021, in the major regional areas of Queensland (LGAs with more than 10,000 dwellings), **capital growth** increased 9.6% for houses, up 2.5% over the past quarter to a **median value** of \$507,000.

Annual Capital Growth

%, Regional Queensland, Houses



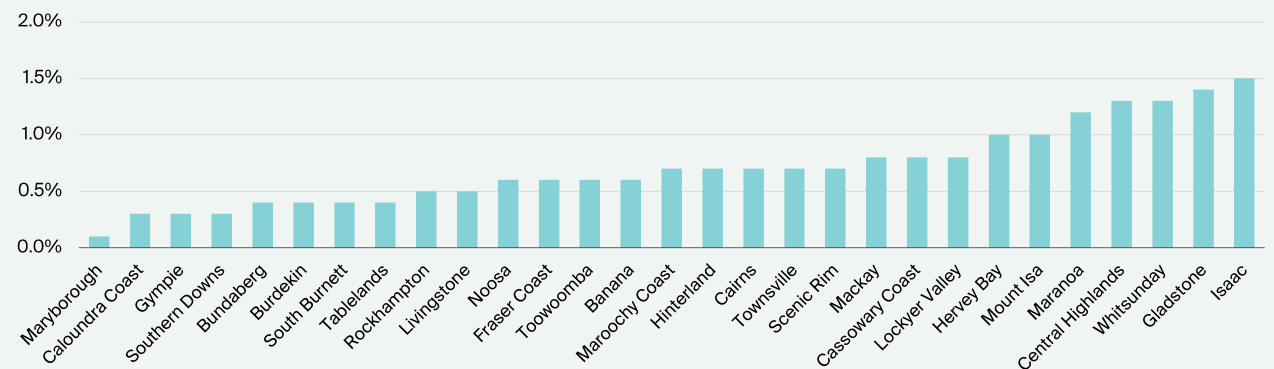
Source: Knight Frank Research

The annual **volume of sales** tallied 60,649 houses in regional Queensland, up 55.8% as at June 2021. The **average days on market** for a house stood at 184 days in the June 2021 quarter. One quarter ago, this was 193 days.

Gross rental yields for houses trended up 6 bps to 5.43% over the second quarter of 2021. **Rents** increased 4.3% for houses over the quarter ending June 2021, to stand at a median rent of \$420 per week.

Total Residential Vacancy

%, Regional Queensland, by REIQ region, as at June 2021



Source: Knight Frank, REIQ

REGIONAL QUEENSLAND

REGIONAL QUEENSLAND HOUSES 30 June 2021	MEDIAN VALUE \$	CAPITAL GROWTH YoY %	SALES VOLUME Annual No.	SALES VOLUME YoY %	AVERAGE DAYS ON MARKET No.	GROSS RENTAL YIELD %	MEDIAN WEEKLY RENT \$	RENTAL GROWTH YoY %
Bundaberg LGA, Qld	\$333,500	11.6%	2,677	65%	315	6.21%	\$350	9.9%
Cairns LGA, Qld	\$463,000	8.3%	3,436	36%	128	5.74%	\$455	4.7%
Cassowary Coast LGA, Qld	\$284,500	-8.2%	618	92%	795	6.13%	\$375	15.3%
Central Highlands LGA, Qld	\$249,500	-3.2%	462	62%	260	7.05%	\$325	12.0%
Fraser Coast LGA, Qld	\$392,000	17.2%	3,815	61%	195	5.71%	\$400	15.1%
Gladstone LGA, Qld	\$348,000	15.7%	1,545	80%	250	6.08%	\$330	18.3%
Gympie LGA, Qld	\$428,000	9.3%	1,573	45%	137	5.70%	\$360	10.9%
Ipswich LGA, Qld	\$418,000	-4.7%	4,013	99%	107	5.17%	\$350	5.0%
Isaac LGA, Qld	\$256,500	20.1%	269	42%	369	6.78%	\$330	10.5%
Livingstone LGA, Qld	\$494,500	16.1%	854	53%	194	5.78%	\$460	11.0%
Lockyer Valley LGA, Qld	\$387,500	4.3%	882	98%	226	6.13%	\$380	8.1%
Mackay LGA, Qld	\$417,500	4.8%	2,807	48%	182	6.00%	\$420	8.0%
Moreton Bay LGA, Qld	\$658,000	9.6%	8,462	43%	84	4.76%	\$445	1.8%
Noosa LGA, Qld	\$973,500	16.7%	1,777	44%	131	4.33%	\$655	23.4%
Redland LGA, Qld	\$577,000	5.9%	3,973	54%	212	4.86%	\$435	8.2%
Rockhampton LGA, Qld	\$301,000	3.3%	2,117	71%	229	6.80%	\$350	15.4%
Scenic Rim LGA, Qld	\$579,000	9.2%	2,095	65%	153	4.96%	\$460	3.2%
Somerset LGA, Qld	\$406,500	12.0%	568	93%	190	6.45%	\$330	-0.8%
South Burnett LGA, Qld	\$247,500	-7.1%	880	118%	480	7.04%	\$285	10.6%
Southern Downs LGA, Qld	\$302,000	4.5%	948	112%	350	5.62%	\$295	6.3%
Sunshine Coast LGA, Qld	\$796,000	15.3%	7,404	37%	100	4.41%	\$570	14.4%
Tablelands LGA, Qld	\$429,500	21.4%	779	73%	405	5.99%	\$340	-2.9%
Toowoomba LGA, Qld	\$426,000	11.8%	3,760	51%	155	5.42%	\$365	5.4%
Townsville LGA, Qld	\$394,500	9.4%	3,483	59%	168	6.02%	\$385	4.4%
Western Downs LGA, Qld	\$226,000	2.7%	608	81%	622	5.59%	\$270	12.9%
Whitsunday LGA, Qld	\$513,500	6.2%	844	76%	368	6.03%	\$385	-2.3%

Source: Knight Frank Research

PERTH

Key Drivers

Population in Greater Perth was estimated at 2.1 million persons in June 2020, with annual **population growth** of 1.8%. The **projected population growth** to 2041, is lower, at 1.6% per annum (ABS).

Western Australia (WA) **economic growth** was estimated at -0.9% in 2020 with a forecast of 4.7% in 2021 (Oxford Economics).

Greater Perth **unemployment** stood at 4.9% as at June 2021, trending 68 bps lower than the quarter earlier (ABS).

New household **loan commitments** in WA were down by 5.2% in the June 2021 quarter, lower than 14% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in WA fell by 11.6% in the month of June 2021, compared to 21.2% a year earlier. This first home buyer group represented 30.6% of all WA owner occupier loans in June 2021 (ABS).

Building approvals in the quarter ending June 2021 totalled 5,199 houses and 1,458 apartments in Greater Perth. This was trending 9.3% lower for houses but 126% higher for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 1.2% in Greater Perth as at June 2021. This was 30 bps higher on last quarter at 0.9%, although down 80 bps from 2.0% recorded a year ago (REIWA).

The **auction clearance rate** for the week ending 5 September 2021 was 50% from 16 scheduled **auctions**. This was lower than the week prior, at 69.2% from 13 scheduled auctions, but higher than the comparable week a year earlier when 23.8% (out of 21 auctions) were sold (CoreLogic).

Houses

Over the year ending June 2021, **capital growth** increased 12.3% for houses, rising by 1.0% over the past quarter to a **median value** of \$596,000.

The quarterly **volume of sales** tallied 8,247 houses, down 26.8% as at June 2021. The **average days on market** for a house stood at 65 days in the June 2021 quarter. One quarter ago, this was 92 days.

Gross rental yields for houses remained stable at 5.11% over the

second quarter of 2021.

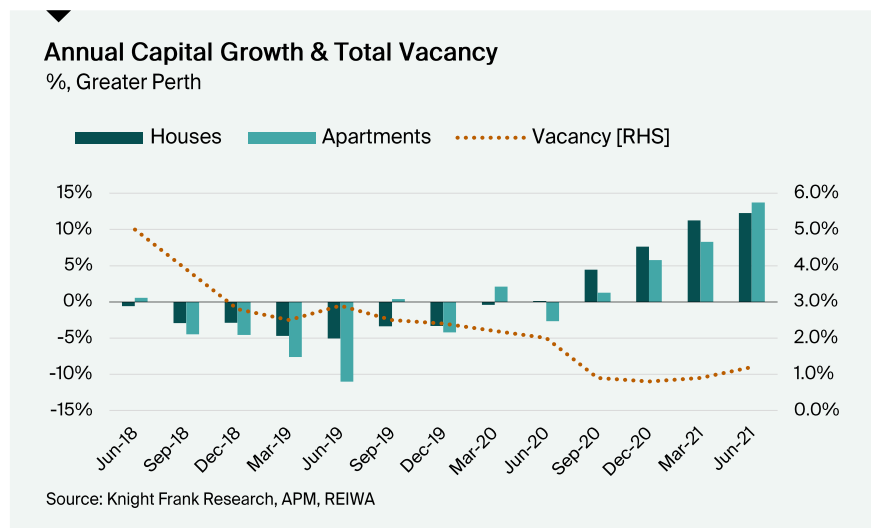
Rents rose 4.7% for houses over the quarter ending June 2021, to stand at a weekly median rent of \$450 (APM).

Apartments

Capital growth for apartments grew 13.7% over the past year ending June 2021 but fell 1.7% in the last quarter to a **median value** of \$370,500.

The **volume of sales** over the quarter tallied 955 apartments as at June 2021, down 30.8%. **Average days on market** for an apartment was 99 days in the June 2021 quarter. This was 133 days one quarter ago.

Gross rental yields for apartments trended upwards 4 bps to 5.76% over the June 2021 quarter. Over the same time, **rents** increased by 4.1% for apartments where median rents stood at \$380 per week (APM).



REGIONAL WESTERN AUSTRALIA

Regional Western Australia

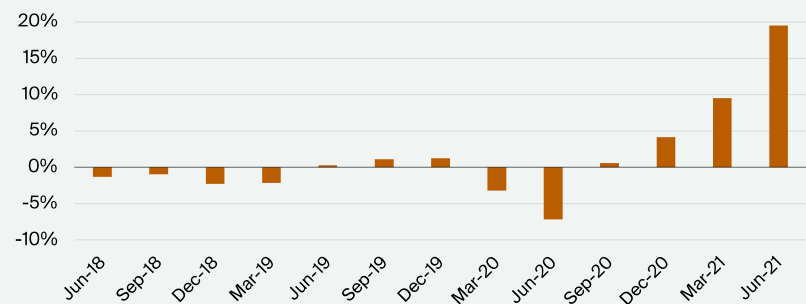
Western Australia's inner regional areas saw annual **population growth** of 1.1% in June 2020, while outer regional WA remained steady. By comparison, across Western Australia, there was 1.5% population growth recorded in this time (ABS).

In the major WA regional areas (LGAs with more than 10,000 dwellings), **capital growth** increased 19.5% for houses over the year ending June 2021, up 5.7% over the past quarter to a **median value** of \$458,000.

The annual **volume of sales** tallied 7,340 houses, up 76.3% as at June 2021. The **average days on market** for a house stood at 174 days in the June 2021 quarter. A quarter ago, this average was 206 days.

Annual Capital Growth

%, Regional Western Australia, Houses



Source: Knight Frank Research

Gross rental yields for houses trended up 12 bps to 5.52% over the second quarter of 2021.

Rents increased by 6.5% for houses over the quarter ending June 2021, to stand at a weekly median rent of \$415.

REGIONAL WESTERN AUSTRALIA HOUSES 30 June 2021	MEDIAN VALUE \$	CAPITAL GROWTH YoY %	SALES VOLUME Annual No.	SALES VOLUME YoY %	AVERAGE DAYS ON MARKET No.	GROSS RENTAL YIELD %	MEDIAN WEEKLY RENT \$	RENTAL GROWTH YoY %
Albany LGA, WA	\$455,000	16.0%	962	68%	223	5.32%	\$375	6.5%
Bunbury LGA, WA	\$373,000	9.1%	736	74%	226	5.80%	\$370	11.6%
Busselton LGA, WA	\$793,000	56.7%	1,082	100%	173	5.29%	\$470	8.8%
Greater Geraldton LGA, WA	\$254,000	-9.3%	81	65%	201	5.44%	\$300	11.1%
Harvey LGA, WA	\$420,000	16.7%	660	84%	209	5.74%	\$415	16.0%
Kalgoorlie-Boulder LGA, WA	\$353,500	14.9%	684	115%	191	7.29%	\$380	0.2%
Mandurah LGA, WA	\$423,000	14.5%	2,352	69%	129	5.24%	\$385	18.1%
Mundaring LGA, WA	\$588,500	15.9%	783	54%	118	4.92%	\$440	6.2%

Source: Knight Frank Research

ADELAIDE

Key Drivers

Population in Greater Adelaide was estimated at 1.4 million persons in June 2020, with annual **population growth** of 1.2%. The **projected population growth** to 2041, is lower at 0.8% per annum (ABS).

South Australian (SA) **economic growth** was estimated at -2.0% in 2021 with a forecast of 5.5% in 2021 (Oxford Economics).

Greater Adelaide **unemployment** stood at 5.0% as at June 2021, trending 191 bps lower than the quarter earlier (ABS).

New household **loan commitments** in SA were up by 6.5% in the June 2021 quarter, lower than 12.7% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in SA grew by 12% in the month of June 2021, compared to 36% a year earlier. This first home buyer group represented 23.2% of all SA owner occupier loans in June 2021 (ABS).

Building approvals in the quarter ending June 2021 totalled 2,962 houses and 532 apartments in Greater Adelaide. This was trending 9.3% higher for houses but 12.2% lower for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 0.7% in Greater Adelaide as at June 2021. This was the same as last quarter, but down 40 bps from 1.1% recorded a year

ago (REIA).

The **auction clearance rate** for the week ending 5 September 2021 was 79.9% from 143 scheduled **auctions**. This was lower than the week prior, at 82.9% from 171 scheduled auctions, but higher than the comparable week a year earlier when 57.8% (out of 64 auctions) were sold (CoreLogic).

Houses

Over the year ending June 2021, **capital growth** increased 16.3% for houses and 5.4% over the past quarter to a **median value** of \$629,500.

The quarterly **volume of sales** tallied 6,525 houses, up 27.6% as at June 2021. The **average days on market** for a house stood at 81 days in the June 2021 quarter. One quarter ago, this was 100 days.

Gross rental yields for houses trended

lower by 7 bps to 4.53% over the second quarter of 2021. **Rents** increased 1.2% for houses over the quarter ending June 2021, to stand at a weekly median rent of \$430 (APM).

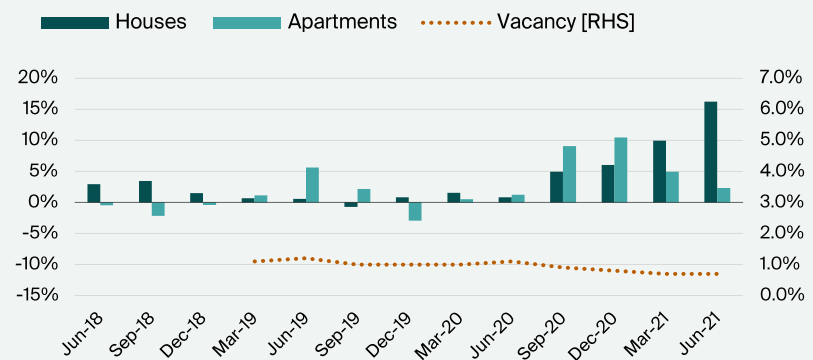
Apartments

Capital growth for apartments rose 2.3% over the past year ending June 2021, but remained stable over the past quarter to a **median value** of \$338,000.

The **volume of sales** over the quarter tallied 1,570 apartments as June 2021, up 37.2%. **Average days on market** for an apartment was 126 days in the June 2021 quarter. This was 144 days one quarter ago.

Gross rental yields for apartments remained stable at 5.48% over the June 2021 quarter. Over the same time, **rents** also remained stable for apartments where median rents stood at \$350 per week (APM).

Annual Capital Growth & Total Vacancy
%, Greater Adelaide



Source: Knight Frank Research, APM, REIA

REGIONAL SOUTH AUSTRALIA

Regional South Australia

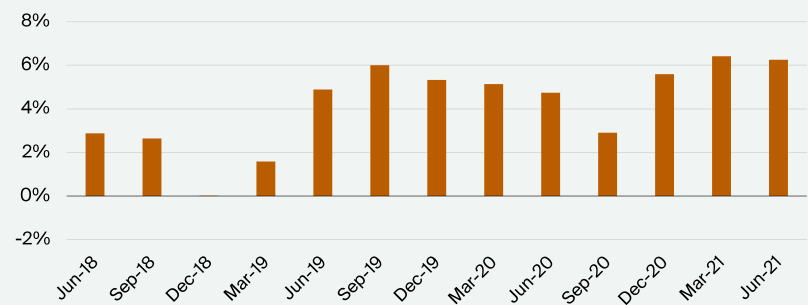
The inner regional areas of SA saw annual **population growth** of 1.5% in June 2020, as outer regional SA contracted by 0.2%. In all of SA, by comparison, there was 1.0% population growth recorded in this time (ABS).

Over the year ending June 2021, in the major regional areas of SA (LGAs with more than 10,000 dwellings), **capital growth** increased 6.3% for houses, up 1.9% over the past quarter to a **median value** of \$392,500.

The annual **volume of sales** tallied 3,600 houses, up 33.4% as at June 2021. The **average days on market** for a house stood at 172 days in the June 2021 quarter. One quarter ago, this average was 183 days.

Annual Capital Growth

%, Regional South Australia, Houses



Source: Knight Frank Research

Gross rental yields for houses trended up 3 bps to 5.23% over the second quarter of 2021.

Rents increased 2.2% for houses over the quarter ending June 2021, to a median rent of \$415 per week.

REGIONAL SOUTH AUSTRALIA HOUSES 30 June 2021	MEDIAN VALUE \$	CAPITAL GROWTH YoY %	SALES VOLUME Annual No.	SALES VOLUME YoY %	AVERAGE DAYS ON MARKET No.	GROSS RENTAL YIELD %	MEDIAN WEEKLY RENT \$	RENTAL GROWTH YoY %
Adelaide Hills LGA, SA	\$664,000	6.3%	677	24%	125	4.01%	\$480	8.6%
Alexandrina LGA, SA	\$445,000	12.9%	777	20%	147	4.96%	\$576	8.3%
Barossa LGA, SA	\$431,500	3.5%	435	35%	155	5.10%	\$343	3.6%
Mount Barker LGA, SA	\$494,500	9.4%	772	16%	110	4.87%	\$426	11.8%
Mount Gambier LGA, SA	\$289,500	5.3%	628	67%	189	6.07%	\$300	11.1%
Whyalla LGA, SA	\$253,500	-8.1%	311	119%	338	6.89%	\$281	13.1%

Source: Knight Frank Research

H O B A R T

Key Drivers

Population in Greater Hobart was estimated at 238,750 persons in June 2020, with annual **population growth** of 1.1%. The **projected population growth** to 2041, is lower, at 0.9% per annum (ABS).

Tasmanian **economic growth** was estimated at -1.3% in 2020 with a forecast of 5.6% in 2021 (Oxford Economics). Greater Hobart **unemployment** stood at 4.5% as at June 2021, trending 156 bps lower than the quarter ago (ABS).

New household **loan commitments** in Tasmania were up by 0.2% in the June 2021 quarter, but lower than 10.0% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in Tasmania fell by 4.7% in the month of June 2021, compared to 22.4% a year earlier. This first home buyer group represented 19.5% of all Tasmania owner occupier loans in June 2021 (ABS).

Building approvals in the quarter ending June 2021 totalled 462 houses and 65 apartments in Greater Hobart. This was trending 1.9% lower for houses and 171.9% higher for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 1.1% in Greater Hobart as at June 2021. This was down 60 bps from 1.7% on last quarter and 150 bps lower from 2.6% recorded a year ago (REIA).

The **auction clearance rate** for the week ending 5 September 2021 was 0% from 1 scheduled **auction**. This was similar to the week prior at 0% from 2 scheduled auctions, and the same than the comparable week a year earlier when 0% (out of 4 auctions) were sold (CoreLogic).

Houses

Over the year ending June 2021, **capital growth** increased 28.4% for houses and up 6.6% over the past quarter to a **median value** of \$646,500. The quarterly **volume of sales** tallied 744 houses, down 27.3% as at June 2021. The **average days on market** for a house stood at 34 days in the June 2021 quarter. One quarter ago, this was 39 days.

Gross rental yields for houses trended down 18 bps to 4.61% over the second quarter of 2021. **Rents** increased 3.1%

for houses over the quarter ending June 2021, to stand at a weekly median rent of \$495 (APM).

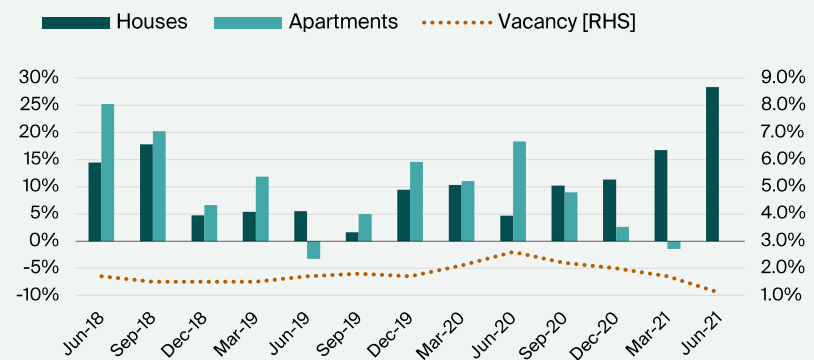
Apartments

Capital growth for apartments decreased 1.4% over the year ending March 2021, and fell 2.5% in the first quarter to a **median value** of \$429,500.

The **volume of sales** over the quarter tallied 145 apartments as at June 2021, down 13.7%. **Average days on market** for an apartment was 37 days in the June 2021 quarter. This was 60 days one quarter ago.

Gross rental yields for apartments trended down 9 bps to 4.62% over the June 2021 quarter. Over the same time, **rents** decreased 4.8% for apartments where median rents stood at \$400 per week (APM).

Annual Capital Growth & Total Vacancy
%, Greater Hobart



Source: Knight Frank Research, APM, REIA

REGIONAL TASMANIA

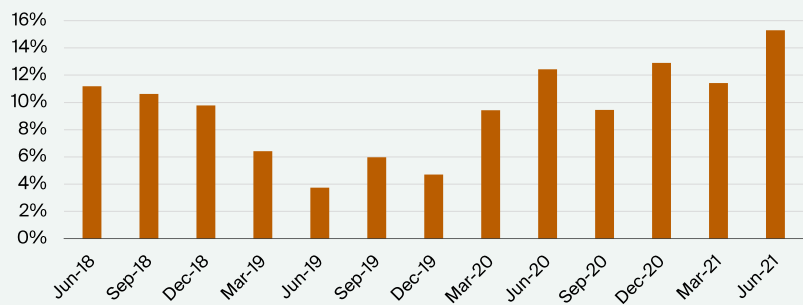
Regional Tasmania

The inner regional areas of Tasmania saw annual **population growth** of 1.1% in June 2020, as outer regional Tasmania expanded by 1.4%. As a comparison, there was 1.2% population growth recorded over this time in all of Tasmania (ABS).

Across the major regional areas of Tasmania (LGAs with more than 10,000 dwellings), **capital growth** increased 15.3% for houses over the year ending June 2021, up 6.2% over the past quarter to a **median value** of \$392,500.

The annual **volume of sales** tallied to 1,741 houses, up 13.3% as at June 2021. The **average days on market** for a house stood at 65 days in the June 2021 quarter. A quarter ago, this was an average of 74 days.

Annual Capital Growth
%, Regional Tasmania, Houses



Source: Knight Frank Research

Gross rental yields for houses trended up 12 bps to 5.63% over the second quarter of 2021.

Rents rose by 5.7% for houses over the quarter ending June 2021, to a weekly median rent of \$360.

REGIONAL TASMANIA HOUSES 30 June 2021	MEDIAN VALUE \$	CAPITAL GROWTH YoY %	SALES VOLUME Annual No.	SALES VOLUME YoY %	AVERAGE DAYS ON MARKET No.	GROSS RENTAL YIELD %	MEDIAN WEEKLY RENT \$	RENTAL GROWTH YoY %
Devonport LGA, Tas	\$380,500	18.2%	542	20%	99	6.13%	\$325	4.5%
Launceston LGA, Tas	\$397,000	14.3%	1,199	11%	52	5.44%	\$375	12.6%

Source: Knight Frank Research

CANBERRA

Key Drivers

Population in Canberra was estimated at 431,500 persons in June 2020, with annual **population growth** of 1.2%. The **projected population growth** to 2041, is higher, at 1.5% per annum (ABS).

The Australian Capital Territory (ACT) **economic growth** was estimated at 0.7% in 2020 with a forecast of 5.8% in 2021 (Oxford Economics).

Canberra **unemployment** stood at 4.2% as at June 2021, trending 43 bps higher than the quarter earlier (ABS).

New household **loan commitments** in the ACT were up by 7.5% in the June 2021 quarter, but lower than 15.7% recorded in the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in the ACT fell by 4.6% in the month of June 2021, compared to -13.7% a year earlier. This first home buyer group represented 20.7% of all ACT owner occupier loans in June 2021 (ABS).

Building approvals in the quarter ending June 2021 totalled 409 houses and 480 apartments in Canberra. This was trending down by 4.7% for houses and 59.6% lower for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 0.7% in Canberra as at June 2021. This was down 20 bps on last quarter, and 40 bps lower from 1.1% a year ago (REIA).

The **auction clearance rate** for the week ending 5 September 2021 was 60.3% from 68 scheduled **auctions**. This was lower than the week prior, at 68.4% from 95 scheduled auctions, and lower than the comparable week a year earlier when 76.6% (out of 77 auctions) were sold (CoreLogic).

Houses

Over the year ending June 2021, **capital growth** increased 29.2% for houses, up 10.4% over the past quarter to a **median value** of \$1,016,000.

The quarterly **volume of sales** tallied to 1,100 houses, down 19.0% as at June 2021. The **average days on market** for a house stood at 64 days in the June 2021 quarter. One quarter ago, this was also 64 days.

Gross rental yields for houses compressed 3 bps to 4.14% over the

second quarter of 2021. **Rents** grew 5.0% for houses over the quarter ending June 2021, to stand at a weekly median rent of \$630 (APM).

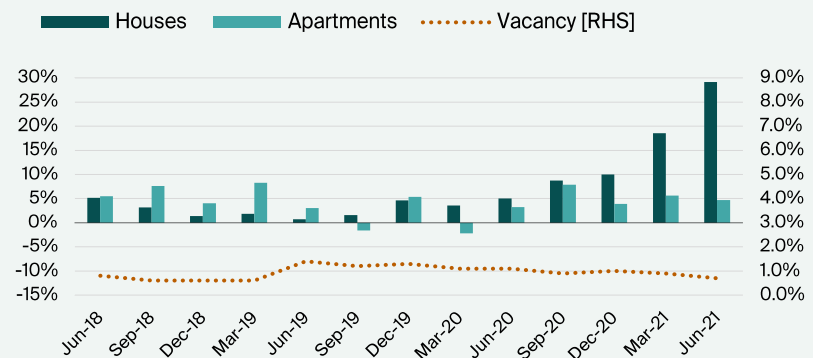
Apartments

Capital growth for apartments rose 4.7% over the past year ending June 2021, and rose 3.6% in the last quarter to a **median value** of \$504,000.

The **volume of sales** over the quarter tallied 917 apartments as at June 2021, down 34.9%. **Average days on market** for an apartment was 99 days in the June 2021 quarter. This was also 99 days one quarter ago.

Gross rental yields for apartments trended up 6 bps to 6.05% over the June 2021 quarter. Over the same time, **rents** remained stable for apartments where median rents stood at \$500 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 2020, with annual **population growth** of 0.1%. The **projected population growth** to 2041, is higher, at 1.8% per annum (ABS).

The Northern Territory (NT) **economic growth** was estimated at 2.8% in 2020 with a forecast of 5.5% in 2021 (Oxford Economics).

Greater Darwin **unemployment** stood at 4.6% as at June 2021, trending 120 bps lower than the quarter earlier (ABS).

New household **loan commitments** in the NT were up by 8.9% in the June 2021 quarter, but lower than 16.9% growth recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in the NT grew by 27.3% in the month of June 2021, compared to 30.8% a year earlier. This first home buyer group represented 34.4% of all NT owner occupier loans in June 2021 (ABS).

Building approvals in the quarter ending June 2021 totalled 118 houses but less than 25 apartments in Greater Darwin. This was trending 23.4% lower for houses and remained stable for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 1.5% in Greater Darwin as at June 2021. This was down 30 bps on last quarter, and

down 250 bps from 4.0% recorded a year ago (REIA).

The **auction clearance rate** for the week ending 5 September 2021 was 0% from 1 scheduled **auctions**. This was lower than the week prior, at 75% from 4 scheduled auctions, and lower than the comparable week a year earlier when 80% (out of 5 auctions) were sold (CoreLogic).

Houses

Over the year ending June 2021, **capital growth** rose by 22.3% for houses, up 8.9% over the past quarter to a **median value** of \$608,500.

The quarterly **volume of sales** tallied 277 houses, up 7.8% as at June 2021.

The **average days on market** for a house stood at 124 days in the June 2021 quarter. One quarter ago, this was 153 days.

Gross rental yields for houses remained stable at 5.63% over the second quarter of 2021. **Rents** increased 7.8% for houses over the quarter ending June 2021, to stand at a weekly median rent of \$595 (APM).

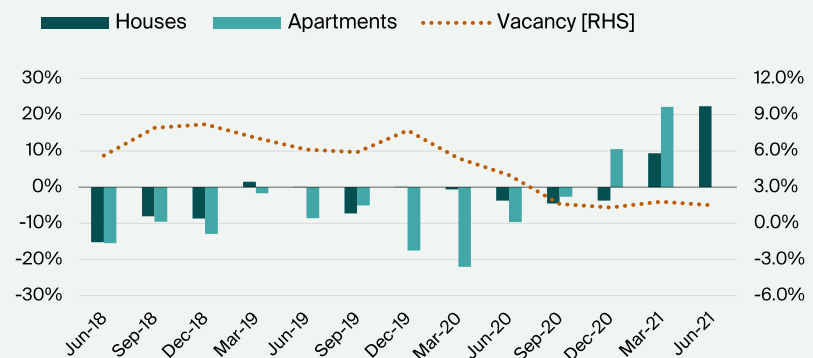
Apartments

Capital growth for apartments rose by 22.2% over the year ending March 2021, and increased 1.7% in the first quarter to a **median value** of \$298,500.

The **volume of sales** over the quarter tallied 218 apartments as at June 2021, up 20.4%. **Average days on market** for an apartment was 292 days in the June 2021 quarter. This was 382 days one quarter ago.

Gross rental yields for apartments trended up 10 bps to 7.40% over the June 2021 quarter. Over the same time, **rents** rose 4.7% for apartments with median rents at \$450 per week (APM).

Annual Capital Growth & Total Vacancy
%, Greater Darwin



Source: Knight Frank Research, APM, REIA

DATA DIGEST

Major regional areas are considered to be a Local Government Area (LGA) outside the greater city, with more than 10,000 dwellings, at the time of the Census 2016.
Currency reference to dollars or \$ refers to Australian dollars (AUD), unless stated.

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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