

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



Australian Residential Review

Q4 2021

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AUSTRALIAN RESIDENTIAL MARKET

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

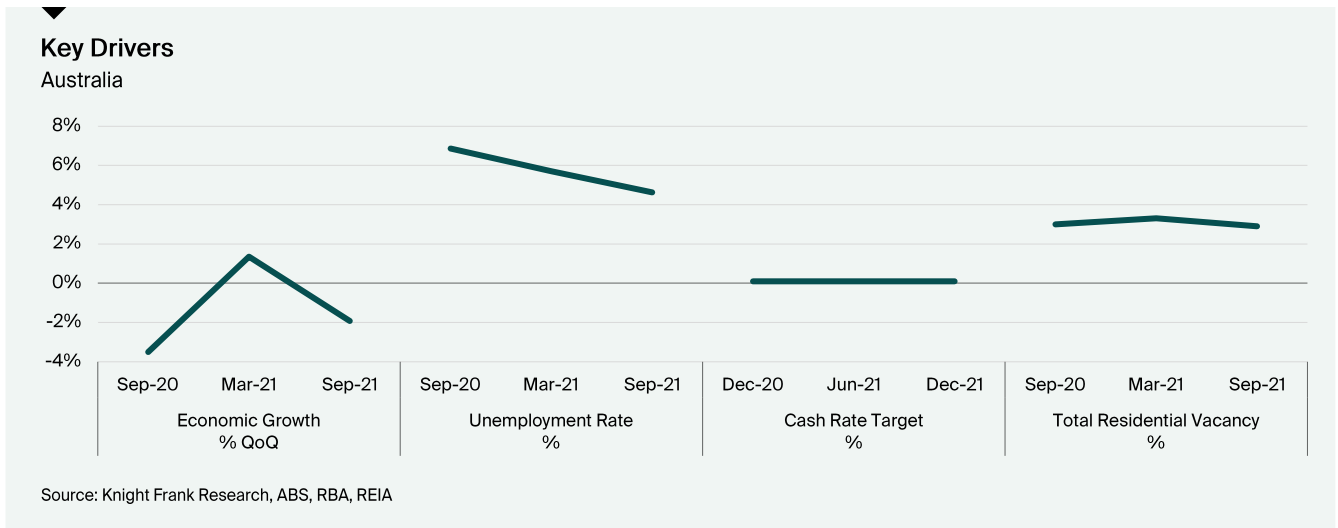
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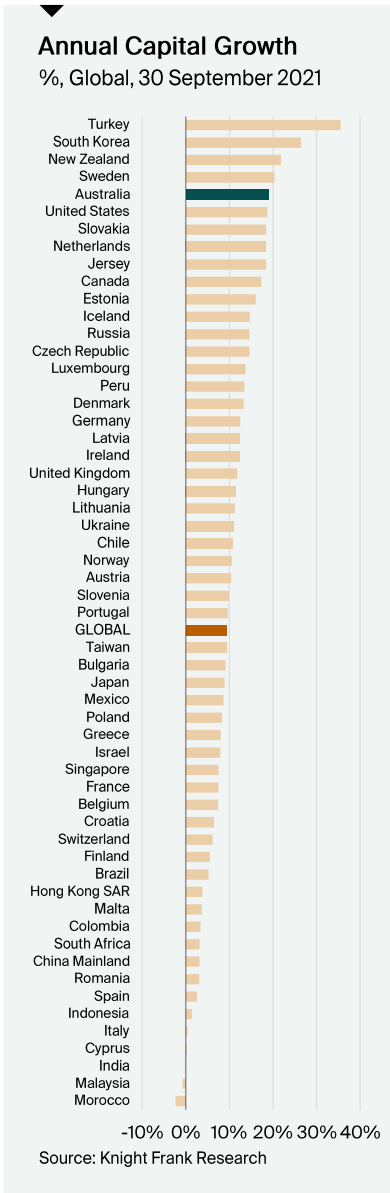
Australia was the fifth strongest residential market in the world at the end of September 2021 with 18.9%, as seven of eight capital cities recorded double-digit price growth. The last time Australia was in the Top 5 was in the last quarter of 2015 being ranked 4th, with 10.7% annual growth, a good yardstick to demonstrate the current strength and resilience of the global housing market despite living through a global pandemic.

The Australian residential market is likely to slow, albeit still active, with forecast growth of 8% by Knight Frank Research by the end of 2022. The main reason will be the tipping point in affordability with recent further restrictions placed on borrowers by APRA. For those priced out of the

larger capital cities, despite the rise in accumulated household savings, they may be redirected towards alternate investment opportunities, home renovations or extensions instead of upsizing to a new home, plus the temptation of extensive travel as borders reopen to Australians.

Other points to consider are more properties are likely to come to the market in the new year as we've seen in the lead up to the festive season and we may start to see more hesitation of buyers' overcommitting when considering increasing interest rates on the horizon. So despite Australian's continuing to reassess how they live, we've now arrived at the point where many vendors will need to adjust their price expectations in 2022.





Key Drivers

The major cities of Australia saw annual **population growth** of 1.4% in September 2020, while inner regional Australia grew by 1.3%, while outer regional areas rose by 0.4%. Australia’s **economy** grew by 3.9% in the year to September 2021, while the **unemployment** rate was 4.6% (ABS).

The official **cash rate** target was 0.10% in December 2021. In the September 2021 quarter, average **mortgage lending rates** to owner occupiers fell by 16 bps to 2.23% 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 down 2.6% in Q3 2021 in Australia; while residential building approvals were down 10.2% when compared to Q2 2021 (ABS).

Residential

The weighted average total **residential vacancy** for Australian capital cities was recorded at 2.9% in September 2021, compressing 20 bps over the past quarter (REIA).

Australia’s global ranking for

residential price growth was 5th in the Knight Frank **Global House Price Index** in Q3 2021, from 56 countries and territories. Australia recorded annual residential price growth of 18.9%, a little over twice the global average of 9.4%.

Major Cities Houses

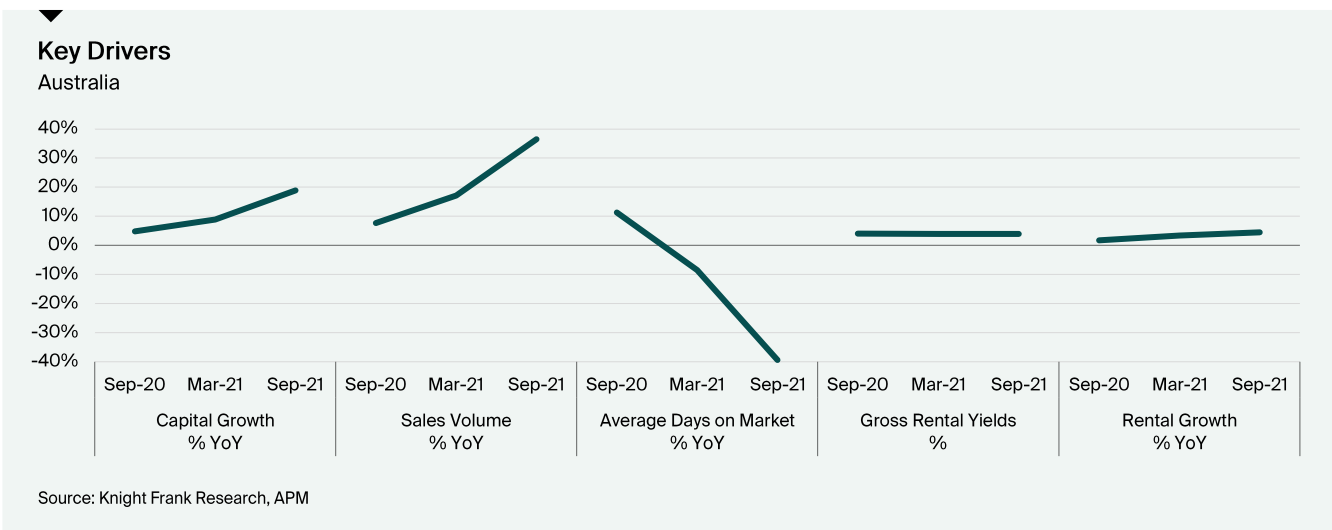
Median house values across Australia rose 21.9% in the year ending September 2021 (up 3.5% in the last quarter) to \$994,500.

There were 88,731 house **sales** across Australia in the September 2021 quarter, falling 23.4% on the previous quarter. The **average days on market** for an Australian house stood at 81 days in the September 2021 quarter. One quarter ago, this was 86 days.

Gross rental **yields** rose 1 bps in the third quarter of 2021 with Australian houses averaging 3.92%. Median house **rents** across Australia rose 2.2% in Q3 2021 to stand at \$460 per week (APM).

Major Cities Apartments

Median apartment values across Australia rose 6.8% in the year ending September 2021 (up 1.0% in the last quarter) to \$609,500.

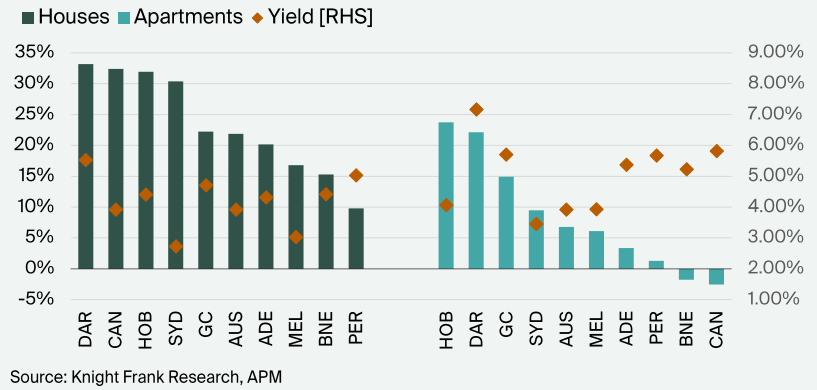


Across Australia, there were 28,979 apartment **sales** in the Q3 2021 quarter, falling 27.3% on the previous quarter.

The **average days on market** for an Australian apartment was 88 days in the September 2021 quarter. This was 95 days one quarter ago.

In the second quarter of 2021, gross rental **yields** rose 5 bps with Australian apartments averaging 3.92%. Across Australia, median apartment **rents** rose 5.0% in Q3 2021, to stand at \$420 per week (APM).

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



33.2%
Cannberra was the strongest performing city for annual house price growth in Australia

103%
Gold Coast apartments saw the highest annual growth in sales volume across Australia

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

7.16%
Darwin apartments held the highest gross rental yield across Australia

26.5%
Darwin houses saw the strongest performing city for annual rental growth in Australia

MAJOR CITIES HOUSES
30 September 2021

	SYD	MEL	BNE	GC	PER	ADE	HOB	CAN	DAR	AUS
Median Value	\$1,499,000	\$1,038,000	\$702,500	\$813,000	\$598,500	\$668,000	\$698,000	\$1,074,000	\$640,000	\$994,500
Capital Growth YoY	30.4%	16.8%	15.3%	22.3%	9.8%	20.1%	31.9%	32.4%	33.2%	21.9%
Sales Volume Annual	62,140	67,048	45,380	12,687	40,149	22,617	3,777	5,631	1,058	426,347
Sales Volume YoY	29.6%	48.7%	46.8%	66.8%	32.1%	30.1%	6.1%	-0.7%	61.3%	37.2%
Ave. Days on Market	39	53	54	53	70	75	30	38	116	81
Gross Rental Yield	2.72%	3.02%	4.41%	4.70%	5.03%	4.31%	4.40%	3.92%	5.52%	3.92%
Median Weekly Rent	\$580	\$430	\$460	\$630	\$450	\$440	\$495	\$645	\$620	\$460
Rental Growth YoY	7.4%	-2.3%	10.8%	21.2%	13.9%	8.6%	10.0%	11.2%	26.5%	7.0%

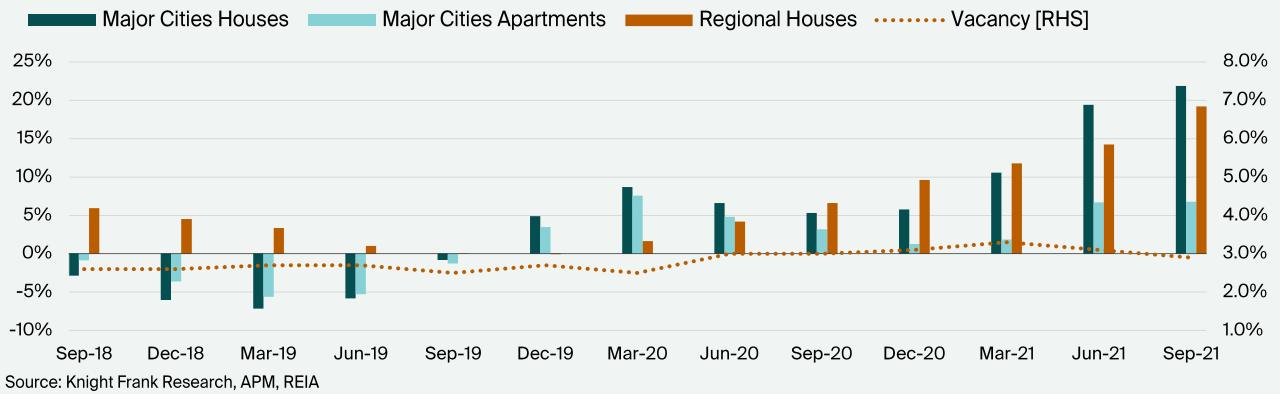
Source: Knight Frank Research, APM

MAJOR CITIES APARTMENTS
30 September 2021

	SYD	MEL	BNE	GC	PER	ADE	HOB	CAN	DAR	AUS
Median Value	\$802,500	\$577,000	\$396,500	\$500,000	\$363,500	\$357,500	\$532,500	\$489,500	\$360,000	\$609,500
Capital Growth YoY	9.5%	6.1%	-1.8%	14.9%	1.3%	3.3%	23.8%	-2.6%	22.1%	6.8%
Sales Volume Annual	41,184	24,549	18,134	11,324	4,695	5,202	667	5,601	848	139,973
Sales Volume YoY	29.5%	22.6%	46.6%	102.8%	44.2%	25.8%	3.4%	-2.3%	86.8%	34.3%
Ave. Days on Market	66	79	89	81	91	110	40	77	165	88
Gross Rental Yield	3.45%	3.93%	5.22%	5.70%	5.67%	5.37%	4.06%	5.81%	7.16%	3.92%
Median Weekly Rent	\$485	\$370	\$410	\$488	\$380	\$350	\$400	\$520	\$470	\$420
Rental Growth YoY	-2.0%	-7.5%	3.8%	14.8%	11.8%	2.9%	0.0%	8.3%	20.5%	-2.3%

Source: Knight Frank Research, APM

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 19.2% in the year ending September 2021 (up 6.9% in the last quarter) to \$616,000.

There were 50,301 house **sales** in regional Australia between September 2020 and 2021, up 6.9% on the past quarter. The **average days on market** for a house in regional Australia stood at 109 days in the Q3 2021 quarter. One quarter ago, this was 133 days.

Gross rental **yields** fell 12 bps in the third quarter of 2021 with Australian regional houses averaging 4.80%.

Median house **rents** across regional Australia increased by 16.7% in Q3 2021 to stand at \$455 per week.



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



Regional Queensland saw the strongest performing annual rental house growth in regional Australia



Snowy Monaro Regional LGA (NSW) was the strongest performing LGA for regional annual house price growth in Australia

REGIONAL HOUSES 30 September 2021	NSW	VIC	QLD	WA	SA	TAS	AUS	AUSTRALIA RESIDENTIAL 30 September 2021
Median Value	\$738,000	\$586,000	\$561,000	\$471,500	\$456,500	\$421,000	\$616,000	\$894,000
Capital Growth YoY	21.1%	18.4%	18.7%	14.1%	9.6%	22.5%	19.2%	18.9%
Sales Volume Annual	44,727	36,587	75,017	8,481	3,759	1,873	50,301	566,320
Sales Volume YoY	38.2%	59.5%	82.1%	83.3%	31.6%	19.8%	62.9%	36.5%
Ave. Days on Market	76	82	150	147	157	50	109	83
Gross Rental Yield	4.45%	4.39%	5.20%	5.58%	5.32%	5.42%	4.80%	3.92%
Median Weekly Rent	\$510	\$400	\$445	\$400	\$365	\$455	\$455	\$450
Rental Growth YoY	9.6%	9.6%	14.1%	13.5%	11.7%	8.9%	11.4%	4.5%

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 -1.1% in 2020 with a forecast of 3.0% in 2021 (Oxford Economics). Greater Sydney **unemployment** stood at 4.5% as at September 2021, trending 48 bps lower than the quarter before (ABS).

New household **loan commitments** in NSW were up by 1.7% in the September 2021 quarter, lower than 15.5% growth recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in NSW remained stable in the month of September 2021, compared to 17.4% a year earlier. This first home buyer group represented 19.7% of all NSW owner occupier loans in September 2021 (ABS).

Building approvals in the quarter ending September 2021 totalled 4,660 houses and 6,820 apartments in Greater Sydney. This was trending 12.7% lower for houses and 14.0% lower for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 3.1% in Greater Sydney as at September 2021; recording 3.7% in the Inner Suburbs (0-10km from the CBD), 3.9% in the Middle Suburbs (10-25km) and 2.2% in

the Outer Suburbs (25km+) (REINSW). The **auction clearance rate** for the week ending 5 December 2021 was 63.8% from 1,466 scheduled **auctions**. This was lower than the week prior, at 67.2% from 1,546 scheduled auctions, and lower than the comparable week a year earlier when 74.1% (out of 867 auctions) were sold (CoreLogic).

Houses

Over the year ending September 2021, **capital growth** increased 30.4% for houses, up 4.6% over the past quarter to a **median value** of \$1,499,000. The quarterly **volume of sales** tallied 13,082 houses, down 24.9% as at September 2021. The **average days on market** for a house stood at 39 days in the September 2021 quarter. One quarter ago, this was 42 days.

Gross rental yields for houses trended down 18 bps to 2.72% over the third

quarter of 2021. **Rents** grew 5.5% for houses over the quarter ending September 2021, to stand at a weekly median rent of \$580 (APM).

Apartments

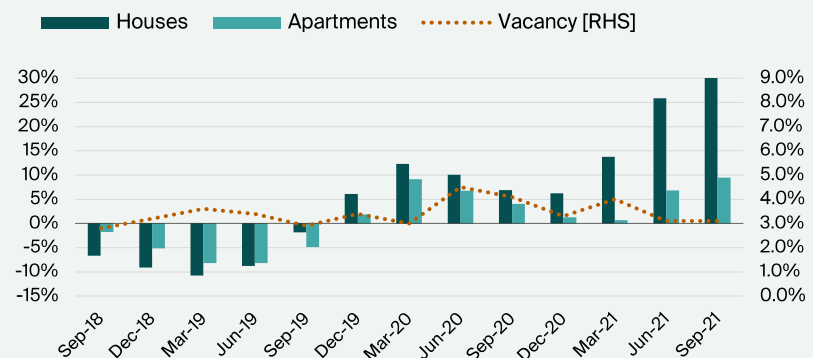
Capital growth for apartments grew 9.5% over the year ending September 2021, and up 2.4% in the last quarter to a **median value** of \$802,500.

The **volume of sales** over the quarter tallied 8,762 apartments as at September 2021, down 27.9%. **Average days on market** for an apartment was 66 days in the September 2021 quarter. This was 75 days one quarter ago.

Gross rental yields for apartments trended down 10 bps to 3.45% over the September 2021 quarter. Over the same time, **rents** rose 3.2% for apartments where median rents stood at \$485 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 2021, 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).

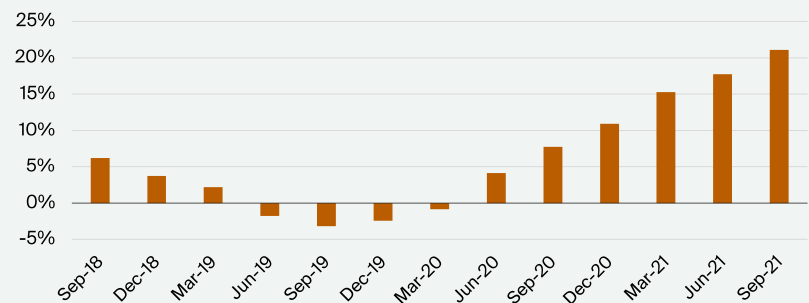
Total residential vacancy averaged 1.0% across regional NSW as at September 2021. This was similar to last quarter, but up 10 bps from 0.9% recorded a year ago (REINSW).

Over the year ending September 2021, in the major regional areas of Australia (LGAs with more than 10,000 dwellings), **capital growth** increased 21.1% for houses, up 6.0% over the past quarter to a **median value** of \$738,000.

The annual **volume of sales** tallied to

Annual Capital Growth

%, Regional New South Wales, Houses



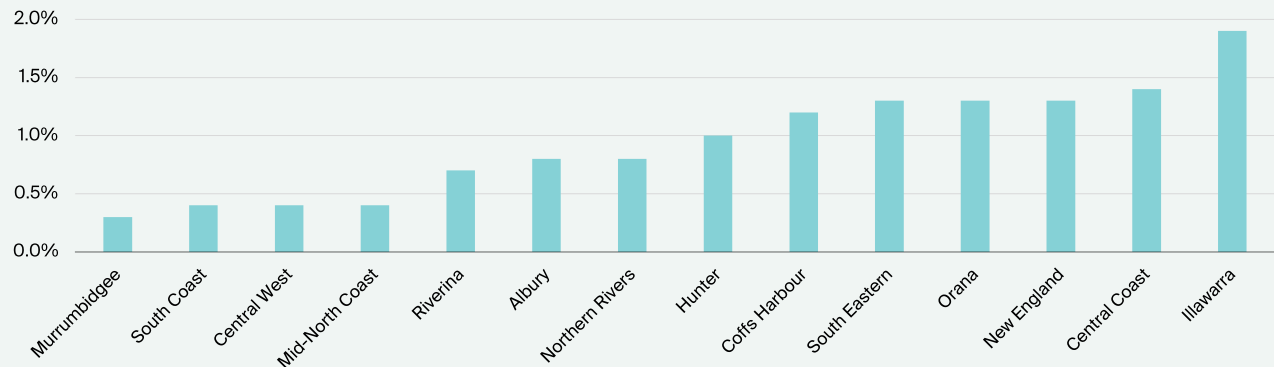
Source: Knight Frank Research

44,727 houses in regional NSW, up 38.2% as at September 2021. The **average days on market** for a house stood at 76 days in the September 2021 quarter. One quarter ago, this average was 97 days.

Gross rental yields for houses trended down 7 bps to 4.45% over the second quarter of 2021. **Rents** increased 1.9% for houses over the quarter ending September 2021, to stand at a weekly median rent of \$510.

Total Residential Vacancy

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



Source: Knight Frank, REINSW

REGIONAL NEW SOUTH WALES

REGIONAL NEW SOUTH WALES HOUSES 30 September 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	\$478,000	11.2%	1,323	38%	77	5.15%	\$370	9.1%
Armidale Regional LGA, NSW	\$390,000	8.3%	626	92%	181	5.58%	\$380	4.1%
Ballina LGA, NSW	\$847,500	17.8%	757	54%	50	4.11%	\$615	12.6%
Bathurst Regional LGA, NSW	\$587,500	11.9%	1,088	80%	98	4.69%	\$410	7.4%
Bega Valley LGA, NSW	\$658,500	19.8%	706	82%	146	4.40%	\$480	11.3%
Byron LGA, NSW	\$1,635,000	38.5%	617	23%	67	3.94%	\$870	33.1%
Cessnock LGA, NSW	\$474,000	11.6%	1,319	66%	56	4.95%	\$410	6.4%
Clarence Valley LGA, NSW	\$539,000	18.5%	918	21%	86	5.23%	\$475	8.3%
Coffs Harbour LGA, NSW	\$744,500	20.1%	1,414	31%	87	4.32%	\$550	14.2%
Dubbo Regional LGA, NSW	\$425,000	11.8%	890	35%	67	5.37%	\$390	11.4%
Eurobodalla LGA, NSW	\$699,000	24.7%	1,127	39%	100	4.42%	\$505	7.0%
Goulburn Mulwaree LGA, NSW	\$490,000	13.7%	624	51%	98	4.42%	\$390	8.3%
Griffith LGA, NSW	\$452,500	11.3%	259	-3%	52	5.15%	\$360	4.2%
Hawkesbury LGA, NSW	\$875,500	18.2%	904	26%	66	3.51%	\$525	7.7%
Kempsey LGA, NSW	\$562,000	16.6%	455	76%	110	5.88%	\$405	14.6%
Kiama LGA, NSW	\$1,576,500	62.4%	390	14%	48	3.16%	\$615	12.6%
Lake Macquarie LGA, NSW	\$727,500	16.4%	4,304	40%	54	3.97%	\$490	10.0%
Lismore LGA, NSW	\$511,000	27.1%	675	36%	74	5.18%	\$475	13.4%
Maitland LGA, NSW	\$613,500	4.5%	1,993	40%	43	4.54%	\$455	7.0%
Mid-Coast LGA, NSW	\$646,000	22.1%	1,985	31%	117	4.90%	\$420	10.5%
Mid-Western Regional LGA, NSW	\$662,000	61.7%	478	29%	115	5.71%	\$400	9.0%
Newcastle LGA, NSW	\$899,500	20.7%	3,238	29%	42	3.86%	\$530	9.0%
Orange LGA, NSW	\$727,500	26.2%	988	15%	59	4.85%	\$450	18.4%
Port Macquarie-Hastings LGA, NSW	\$651,000	17.3%	1,182	20%	57	4.51%	\$510	15.9%
Port Stephens LGA, NSW	\$714,000	20.8%	1,530	34%	71	4.19%	\$480	10.2%
Queanbeyan-Palerang Regional LGA, NSW	\$621,500	5.0%	928	23%	71	4.61%	\$540	3.5%
Richmond Valley LGA, NSW	\$652,500	35.4%	344	57%	84	4.96%	\$450	12.0%
Shellharbour LGA, NSW	\$789,000	17.2%	1,460	19%	52	3.97%	\$525	7.3%
Shoalhaven LGA, NSW	\$835,000	31.4%	2,760	60%	94	4.32%	\$645	-4.1%
Snowy Monaro Regional LGA, NSW	\$874,000	124.2%	305	52%	86	6.37%	\$580	38.0%
Tamworth Regional LGA, NSW	\$396,500	4.5%	1,364	86%	159	5.46%	\$355	2.9%
Tweed LGA, NSW	\$874,000	18.4%	1,710	36%	96	4.49%	\$655	16.6%
Wagga Wagga LGA, NSW	\$447,000	6.5%	1,504	34%	96	5.26%	\$395	7.9%
Wingecarribee LGA, NSW	\$1,005,500	22.1%	1,543	47%	89	4.04%	\$620	20.2%
Wollongong LGA, NSW	\$959,500	22.5%	3,019	30%	49	3.57%	\$550	5.0%

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 -4.5% in 2020 with a forecast of 2.5% in 2021 (Oxford Economics). Greater Melbourne **unemployment** stood at 5.1% as at September 2021, trending 45 bps higher than the quarter before (ABS).

New household **loan commitments** in Victoria were down by 7.1% in the September 2021 quarter, lower than 12.7% recorded the previous quarter (ABS). The number of lending commitments to owner occupier **first home buyers** in Victoria fell by 18.3% in the month of September 2021, compared to -6.4% a year earlier. This first home buyer group represented 22.7% of all Victorian owner occupier loans in September 2021 (ABS).

Building approvals in the quarter ending September 2021 totalled 8,318 houses and 5,815 apartments in Greater Melbourne. This was trending down 6.7% for houses but was up 22.6% for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 5.0% in Greater Melbourne as at September 2021; with 5.8% in the Inner Suburbs (0-10km from the CBD), 7.1% in the Middle Suburbs (10-20km) and 2.1% in the Outer Suburbs (20km+) (REIV).

The **auction clearance rate** for the week ending 5 December 2021 was 65.3% from 1,912 scheduled **auctions**. This was slightly lower than the week prior, at 66.3% from 1,910 scheduled auctions, and lower than the comparable week a year earlier when 67.7% (out of 899 auctions) were sold (CoreLogic).

Houses

Over the year ending September 2021, **capital growth** increased 16.8% for houses, up 1.6% over the past quarter to a **median value** of \$1,038,000.

The quarterly **volume of sales** tallied 11,785 houses, down 40.5% as at September 2021. The **average days on market** for a house stood at 53 days in the September 2021 quarter. One quarter ago, this was 52 days.

Gross rental yields for houses

compressed by 7 bps to 3.02% in the third quarter of 2021. **Rents** remained stable for houses over the quarter ending September 2021, to stand at a weekly median rent of \$430 (APM).

Apartments

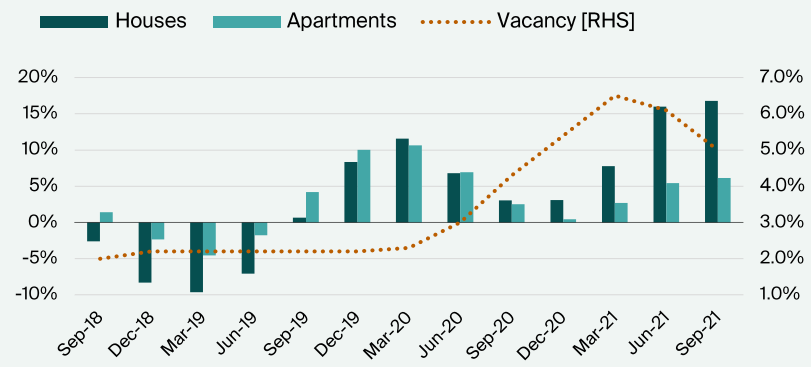
Capital growth for apartments rose 6.1% over the year ending September 2021, and was up 0.3% in the last quarter to a **median value** of \$577,000.

The **volume of sales** over the quarter tallied 4,321 apartments as at September 2021, down 42.2%. **Average days on market** for an apartment was 79 days in the September 2021 quarter. This was 74 days one quarter ago.

Gross rental yields for apartments fell 2 bps to 3.93% in the September 2021 quarter. Over the same time **rents** rose 1.4% for apartments where median rents stood at \$370 per week (APM).

Annual Capital Growth & Total Vacancy

%, Greater Melbourne



Source: Knight Frank Research, APM, REIV

REGIONAL VICTORIA

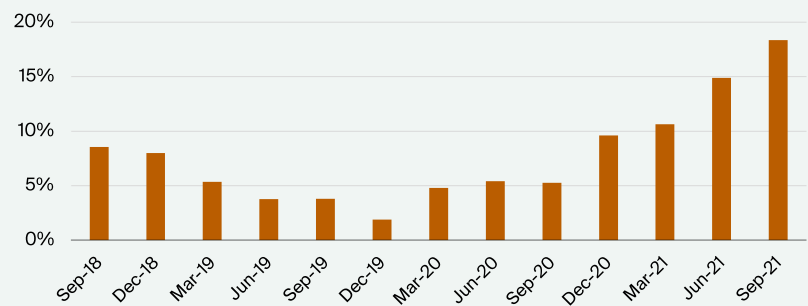
Regional Victoria

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 1.3% as at September 2021. This was 10 bps above last quarter, and 10 bps higher than the 1.2% recorded a year ago (REIV).

In the major regional areas of Victoria (LGAs with more than 10,000 dwellings), **capital growth** increased 18.4% for houses over the year ending September 2021, up 4.5% over the past quarter to stand at a **median value** of \$586,000. In regional Victoria, the annual **volume of sales** tallied 36,587

Annual Capital Growth %, Regional Victoria, Houses

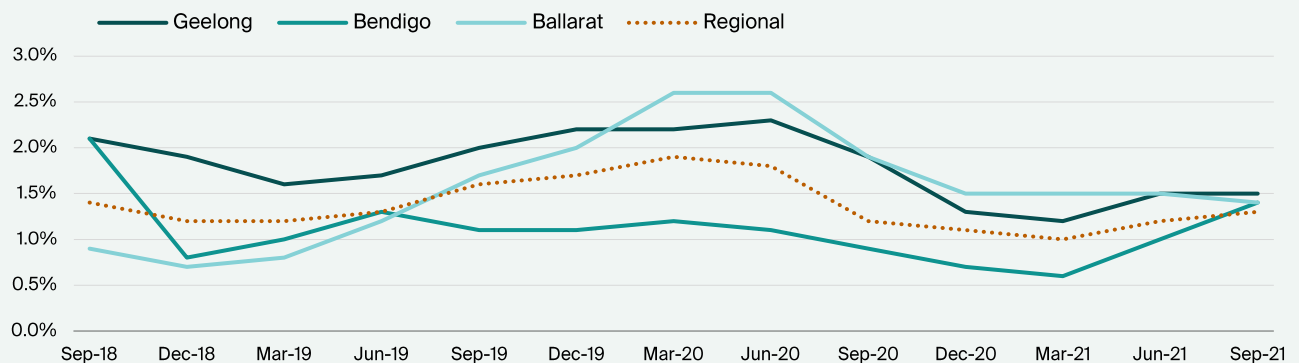


Source: Knight Frank Research

houses, up 59.5% as at September 2021. The **average days on market** for a house stood at 82 days in the Q3 2021 quarter. One quarter ago, this was 97 days. **Gross rental yields** for houses

trended down 9 bps to 4.39% over the third quarter of 2021. **Rents** rose by 2.3% for houses over the quarter ending September 2021, to stand at a weekly median rent of \$400.

Total Residential Vacancy %, Regional Victoria, by REIV region



Source: Knight Frank, REIV

REGIONAL VICTORIA

REGIONAL VICTORIA HOUSES 30 September 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	\$558,000	17.5%	2,577	29%	47	3.96%	\$365	6.8%
Bass Coast LGA, Vic	\$640,500	16.7%	1,542	81%	75	3.70%	\$470	35.3%
Baw Baw LGA, Vic	\$541,500	16.9%	1,325	44%	91	4.35%	\$390	7.3%
Campaspe LGA, Vic	\$402,000	46.4%	722	36%	134	5.27%	\$310	12.0%
Colac Otway LGA, Vic	\$736,000	38.8%	430	26%	202	4.78%	\$665	17.8%
East Gippsland LGA, Vic	\$428,500	14.3%	1,484	51%	147	5.08%	\$570	39.0%
Greater Bendigo LGA, Vic	\$489,000	20.9%	2,720	51%	68	4.55%	\$385	9.1%
Greater Geelong LGA, Vic	\$729,000	18.6%	4,291	63%	59	3.51%	\$430	8.2%
Greater Shepparton LGA, Vic	\$408,500	19.9%	1,295	37%	83	5.43%	\$365	10.5%
Hepburn LGA, Vic	\$660,000	22.5%	470	26%	88	3.97%	\$415	15.5%
Hume LGA, Vic	\$627,500	6.2%	4,280	89%	69	3.52%	\$390	0.1%
Latrobe LGA, Vic	\$423,000	29.9%	1,982	152%	91	6.10%	\$310	7.1%
Macedon Ranges LGA, Vic	\$965,500	29.5%	961	32%	98	3.81%	\$485	-1.7%
Melton LGA, Vic	\$579,000	8.2%	3,777	137%	66	3.75%	\$385	0.8%
Mildura LGA, Vic	\$356,500	16.9%	1,190	27%	71	5.95%	\$325	1.3%
Mitchell LGA, Vic	\$618,000	17.6%	913	45%	89	4.24%	\$375	3.2%
Moira LGA, Vic	\$384,000	10.2%	710	55%	145	5.76%	\$320	8.2%
Moorabool LGA, Vic	\$593,500	-3.9%	706	81%	71	4.05%	\$390	7.5%
South Gippsland LGA, Vic	\$525,000	33.4%	800	32%	111	4.67%	\$340	12.1%
Surf Coast LGA, Vic	\$1,291,000	32.6%	857	23%	63	3.33%	\$475	15.0%
Wangaratta LGA, Vic	\$620,000	55.3%	564	22%	44	5.39%	\$380	18.8%
Warrnambool LGA, Vic	\$445,000	14.9%	754	24%	42	5.11%	\$425	12.6%
Wellington LGA, Vic	\$357,500	11.9%	1,305	45%	192	5.96%	\$360	21.9%
Wodonga LGA, Vic	\$466,500	12.2%	932	90%	72	5.04%	\$425	5.6%

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 -3.2% in 2020 with a forecast of 2.6% in 2021 (Oxford Economics). Greater Brisbane **unemployment** stood at 5.3% as at September 2021, trending 3 bps higher than the quarter earlier (ABS).

New household **loan commitments** in Queensland were up by 1.8% in the September 2021 quarter, lower than the 4.5% recorded in the previous quarter (ABS). The number of lending commitments to owner occupier **first home buyers** in Queensland rose by 2.6% in the month of September 2021, compared to 26.3% a year earlier. This first home buyer group represented 21.2% of all Queensland owner occupier loans in September 2021 (ABS).

Building approvals in the quarter ending September 2021 totalled 3,905 houses and 2,317 apartments in Greater Brisbane. This was trending down 10.6% for houses but up 21.2% for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 1.0% in Greater Brisbane as at September 2021; recording 2.2% in the Inner Suburbs (0-5km from the CBD), 1.3% in the Middle Suburbs (5-20km) and 0.8% in the Outer Suburbs (20km+) (REIQ).

The **auction clearance rate** for the week ending 5 December 2021 was 70.1% from 272 scheduled **auctions**. This was lower than the week prior, at 72.3% from 253 scheduled auctions, but higher than the comparable week a year earlier when 55.7% (out of 97 auctions) were sold (CoreLogic).

Houses

Over the year ending September 2021, **capital growth** increased 15.3% for houses, rising 4.3% over the past quarter to a **median value** of \$702,500.

The quarterly **volume of sales** tallied 10,529 houses, down 15.6% as at September 2021. The **average days on market** for a house stood at 54 days in the September 2021 quarter. One quarter ago, this stood at 64 days.

Gross rental yields for houses compressed by 17 bps to 4.41% over the

third quarter of 2021. **Rents** rose 2.2% for houses over the quarter ending September 2021, to stand at a weekly median rent of \$460 (APM).

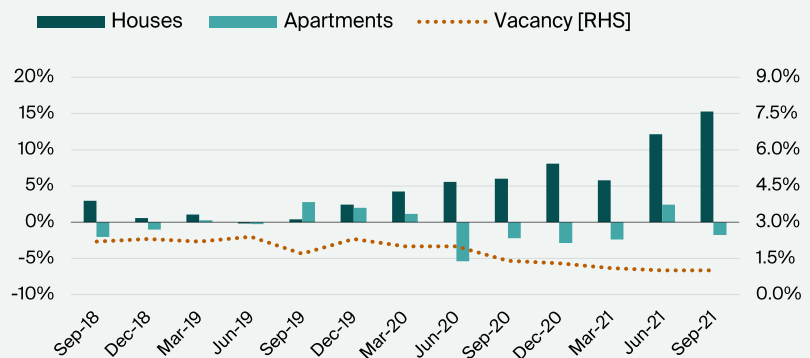
Apartments

Capital growth for apartments fell by 1.8% over the year ending September 2021, and decreased 0.5% in the last quarter to a **median value** of \$396,500.

The **volume of sales** over the quarter tallied 4,036 apartments as at September 2021, down 20.6%. **Average days on market** for an apartment was 89 days in the September 2021 quarter. This was 91 days one quarter ago.

Gross rental yields for apartments trended down 1 bp to 5.22% over the September 2021 quarter. Over the same time, **rents** increased 2.5% for apartments with the median rent standing at \$410 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 -3.2% in 2020 with a forecast of 2.6% in 2021 (Oxford Economics).

Gold Coast LGA **unemployment** stood at 6.4% as at June 2021, trending 80 bps lower than the quarter earlier (ABS).

New household **loan commitments** in Queensland were up by 1.8% in the September 2021 quarter, lower than the 4.5% recorded in the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in Queensland rose by 2.6% in the month of September 2021, compared to 26.3% a year earlier. This first home buyer group represented 21.2% of all Queensland owner occupier loans in September 2021 (ABS).

Building approvals in the quarter ending September 2021 totalled 386 houses and 901 apartments in the Gold Coast LGA. This was trending down 23.9% for houses and 22.3% lower for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 0.7% in the Gold Coast LGA as at September

2021. This was 10 bps higher on last quarter but down 90 bps from the 1.6% recorded a year ago (REIQ).

Houses

Over the year ending September 2021, **capital growth** increased 22.3% for houses and up 5.6% over the past quarter to a **median value** of \$813,000.

The annual **volume of sales** tallied 12,687 houses, increasing 66.8% as at September 2021.

The **average days on market** for a house stood at 53 days in the September 2021 quarter. One quarter ago, this was 72 days.

Gross rental yields for houses trended lower 10 bps, to 4.70%, across the third quarter of 2021. Rents increased 5.9% for houses over the quarter ending September 2021, to stand at a weekly

median rent of \$630 (APM).

Apartments

Capital growth for apartments rose 14.9% over the year ending September 2021, and rising by 4.2% in the last quarter to a **median value** of \$500,000.

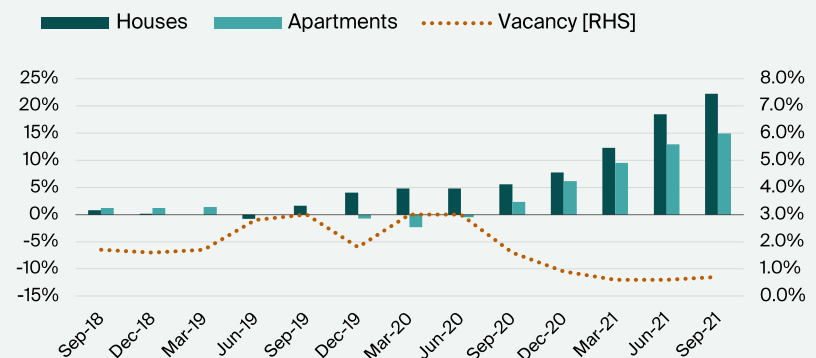
The **volume of sales** over the year tallied 11,324 apartments as at September 2021, up 102.8%.

Average days on market for an apartment was 81 days in the September 2021 quarter. This was 106 days one quarter ago.

Gross rental yields for apartments fell by 20 bps to 5.70% over the September 2021 quarter. Over the same time, **rents** increased 3.8% for apartments where median rents stood at \$490 per week (APM).

Annual Capital Growth & Total Vacancy

%, Gold Coast LGA



Source: Knight Frank Research, APM, REIQ

REGIONAL QUEENSLAND

Regional Queensland

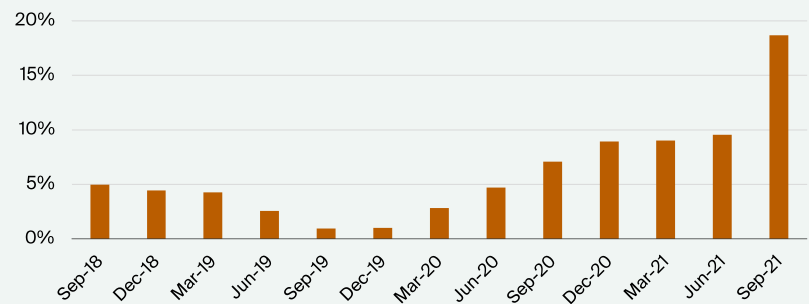
The inner regional areas of Queensland saw annual **population growth** of 1.2% in June 2020, as outer regional Queensland expanded by 0.8%. As a comparison, there was 1.6% population growth recorded over this time in the state of Queensland (ABS).

Total residential vacancy averaged 0.6% across regional Queensland as at September 2021. This was 10 bps lower on last quarter, and down 10 bps from 0.7% recorded a year ago (REIQ).

Over the year ending September 2021, in the major regional areas of Queensland (LGAs with more than 10,000 dwellings), **capital growth** increased 18.7% for houses, up 10.6% in the past quarter to a **median value** of \$561,000. The annual **volume of sales** tallied 75,017 houses in regional

Annual Capital Growth

%, Regional Queensland, Houses



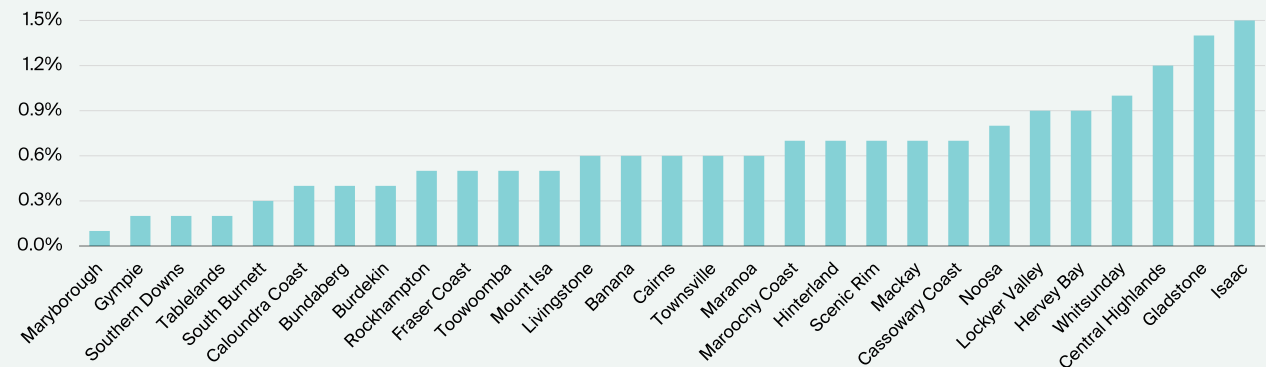
Source: Knight Frank Research

Queensland, up 82.1% as at September 2021. The **average days on market** for a house stood at 150 days in the September 2021 quarter. One quarter ago, this was 184 days. **Gross rental**

yields for houses trended down 18 bps to 5.20% over the third quarter of 2021. **Rents** increased 6.6% for houses over the quarter ending September 2021, to stand at a median rent of \$445 a week.

Total Residential Vacancy

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



Source: Knight Frank, REIQ

REGIONAL QUEENSLAND

REGIONAL QUEENSLAND HOUSES 30 September 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	\$373,500	26.2%	3,891	127%	238	5.63%	\$390	19.8%
Cairns LGA, Qld	\$526,000	21.0%	4,154	62%	109	5.48%	\$475	8.3%
Cassowary Coast LGA, Qld	\$473,500	59.0%	3,604	921%	403	5.54%	\$420	26.5%
Central Highlands LGA, Qld	\$273,000	4.9%	524	62%	300	7.03%	\$325	6.2%
Fraser Coast LGA, Qld	\$492,000	41.9%	4,440	76%	173	5.38%	\$430	22.7%
Gladstone LGA, Qld	\$422,000	38.9%	1,965	98%	184	5.57%	\$395	38.1%
Gympie LGA, Qld	\$472,500	23.9%	2,596	133%	126	5.48%	\$430	29.6%
Ipswich LGA, Qld	\$528,500	19.4%	3,439	63%	97	5.20%	\$390	16.3%
Isaac LGA, Qld	\$267,500	11.3%	282	47%	399	7.17%	\$345	11.7%
Livingstone LGA, Qld	\$514,000	15.1%	1,069	71%	161	5.71%	\$435	1.9%
Lockyer Valley LGA, Qld	\$440,000	14.2%	2,005	299%	212	5.58%	\$385	8.6%
Mackay LGA, Qld	\$491,000	28.2%	3,907	94%	171	5.52%	\$435	9.6%
Moreton Bay LGA, Qld	\$681,500	10.1%	7,681	24%	74	4.78%	\$460	6.3%
Noosa LGA, Qld	\$913,500	9.8%	1,098	-17%	107	4.64%	\$630	16.2%
Redland LGA, Qld	\$571,000	1.0%	2,401	-9%	199	4.80%	\$425	5.7%
Rockhampton LGA, Qld	\$508,000	74.1%	2,600	89%	236	5.78%	\$430	41.7%
Scenic Rim LGA, Qld	\$555,000	4.9%	3,662	170%	130	5.31%	\$430	-4.7%
Somerset LGA, Qld	\$412,500	12.9%	1,478	316%	199	5.79%	\$370	10.0%
South Burnett LGA, Qld	\$522,500	104.3%	2,110	391%	229	4.41%	\$455	70.1%
Southern Downs LGA, Qld	\$502,500	56.5%	1,407	183%	193	5.58%	\$415	43.2%
Sunshine Coast LGA, Qld	\$778,500	9.9%	6,710	19%	98	4.43%	\$570	12.8%
Tablelands LGA, Qld	\$482,000	23.8%	1,979	307%	281	4.90%	\$425	20.5%
Toowoomba LGA, Qld	\$511,500	31.3%	5,008	88%	146	5.09%	\$400	13.8%
Townsville LGA, Qld	\$438,500	19.1%	4,840	105%	126	5.79%	\$405	9.2%
Western Downs LGA, Qld	\$394,000	63.9%	1,143	218%	299	5.38%	\$385	61.4%
Whitsunday LGA, Qld	\$573,500	14.2%	1,024	102%	269	5.48%	\$495	21.7%

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 -1.0% in 2020 with a forecast of 3.2% in 2021 (Oxford Economics). Greater Perth **unemployment** stood at 4.2% as at September 2021, trending 63 bps lower than the quarter earlier (ABS).

New household **loan commitments** in WA were down by 0.9% in the September 2021 quarter, higher than -5.2% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in WA grew by 2.7% in the month of September 2021, compared to 25.1% a year earlier. This first home buyer group represented 31.1% of all WA owner occupier loans in September 2021 (ABS).

Building approvals in the quarter ending September 2021 totalled 3,705 houses and 959 apartments in Greater Perth. This was trending 29.2% lower for houses and 35.3% lower for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 0.9% in Greater Perth as at September 2021. This was 30 bps lower on last quarter at 1.2%, but similar to 0.9% recorded a

year ago (REIWA).

The **auction clearance rate** for the week ending 5 December 2021 was 44% from 25 scheduled **auctions**. This was lower than the week prior, at 52% from 51 scheduled auctions, and lower than the comparable week a year earlier when 70% (out of 20 auctions) were sold (CoreLogic).

Houses

Over the year ending September 2021, **capital growth** increased 9.8% for houses, falling -0.6% over the past quarter to a **median value** of \$598,500.

The quarterly **volume of sales** tallied 7,166 houses, down 35.9% as at September 2021. The **average days on market** for a house stood at 70 days in the September 2021 quarter. One quarter ago, this was 62 days.

Gross rental yields for houses fell

8 bps to 5.03% over the third quarter of 2021. **Rents** remained stable for houses over the quarter ending September 2021, to stand at a weekly median rent of \$450 (APM).

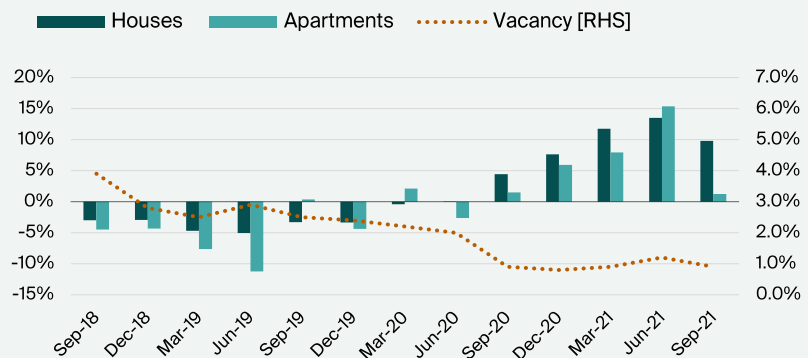
Apartments

Capital growth for apartments grew 1.3% over the past year ending September 2021 but fell 3.3% in the last quarter to a **median value** of \$363,500.

The **volume of sales** over the quarter tallied 789 apartments as at September 2021, down 39.2%. **Average days on market** for an apartment was 91 days in the September 2021 quarter. This was 92 days one quarter ago.

Gross rental yields for apartments trended down 9 bps to 5.67% over the September 2021 quarter. Over the same time, **rents** remained stable for apartments where the median rent stood at \$380 per week (APM).

Annual Capital Growth & Total Vacancy
%, Greater Perth



Source: Knight Frank Research, APM, REIWA

REGIONAL WESTERN AUSTRALIA

Regional Western Australia

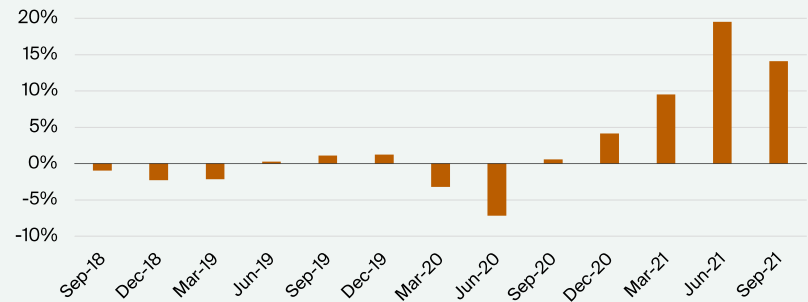
Western Australia's inner regional areas saw annual **population growth** of 1.1% in June 2020, while outer regional WA remained steady. By comparison, across Western Australia, there was 1.5% population growth recorded in this time (ABS).

In the major WA regional areas (LGAs with more than 10,000 dwellings), **capital growth** increased 14.1% for houses over the year ending September 2021, up 2.9% over the past quarter to a **median value** of \$471,500.

The annual **volume of sales** tallied 8,481 houses, up 83.3% as at September 2021. The **average days on market** for a house stood at 147 days in the September 2021 quarter. A quarter ago, this average was 174 days.

Annual Capital Growth

%, Regional Western Australia, Houses



Source: Knight Frank Research

Gross rental yields for houses trended up 6 bps to 5.58% over the third quarter of 2021. **Rents** increased by 3.1% for

houses over the quarter ending September 2021, to stand at a weekly median rent of \$430.

REGIONAL WESTERN AUSTRALIA HOUSES 30 September 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	\$458,000	9.7%	1,018	64%	175	5.26%	\$375	6.3%
Bunbury LGA, WA	\$376,500	6.9%	787	73%	202	5.97%	\$385	15.1%
Busselton LGA, WA	\$763,000	20.6%	1,414	115%	123	5.18%	\$475	9.6%
Greater Geraldton LGA, WA	\$285,000	8.2%	91	69%	220	5.72%	\$315	16.7%
Harvey LGA, WA	\$427,000	-4.8%	696	72%	158	5.87%	\$415	15.5%
Kalgoorlie-Boulder LGA, WA	\$346,000	11.1%	773	105%	156	7.34%	\$420	10.5%
Mandurah LGA, WA	\$461,000	19.8%	2,891	92%	106	5.33%	\$400	20.5%
Mundaring LGA, WA	\$614,000	18.7%	811	47%	103	4.81%	\$445	7.8%

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 -2.6% in 2021 with a forecast of 4.4% in 2021 (Oxford Economics).

Greater Adelaide **unemployment** stood at 5.2% as at September 2021, trending 18 bps lower than the quarter earlier (ABS).

New household **loan commitments** in SA were down by 4.0% in the September 2021 quarter, lower than 6.5% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in SA grew by 10.6% in the month of September 2021, compared to 27.4% a year earlier. This first home buyer group represented 19.8% of all SA owner occupier loans in September 2021 (ABS).

Building approvals in the quarter ending September 2021 totalled 2,297 houses and 573 apartments in Greater Adelaide. This was trending 21.3% lower for houses and 3.4% lower for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 0.6% in Greater Adelaide as at September 2021.

This was 10 bps lower on last quarter at 0.7%, and down 30 bps from 0.9% recorded a year ago (REIA).

The **auction clearance rate** for the week ending 5 December 2021 was 76.3% from 294 scheduled **auctions**. This was lower than the week prior, at 79.6% from 303 scheduled auctions, but higher than the comparable week a year earlier when 60.9% (out of 92 auctions) were sold (CoreLogic).

Houses

Over the year ending September 2021, **capital growth** increased 20.1% for houses and 5.6% over the past quarter to a **median value** of \$668,000.

The quarterly **volume of sales** tallied 6,314 houses, up 5.6% as at September 2021. The **average days on market** for a house stood at 75 days in the September 2021 quarter. One quarter ago, this was 84 days.

Gross rental yields for houses trended

lower by 22 bps to 4.31% over the third quarter of 2021. **Rents** increased 2.3% for houses over the quarter ending September 2021, to stand at a weekly median rent of \$440 (APM).

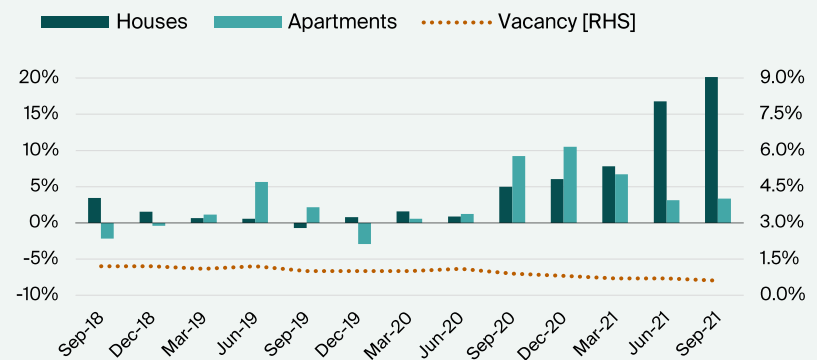
Apartments

Capital growth for apartments rose 3.3% over the past year ending September 2021, increasing 5.0% over the past quarter to a **median value** of \$357,500.

The **volume of sales** over the quarter tallied 1,495 apartments as September 2021, down 0.5%. **Average days on market** for an apartment was 110 days in the September 2021 quarter. This was 127 days one quarter ago.

Gross rental yields for apartments fell 11 bps to 5.37% in the September 2021 quarter. Over the same time, **rents** remained stable for apartments where the median rent 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

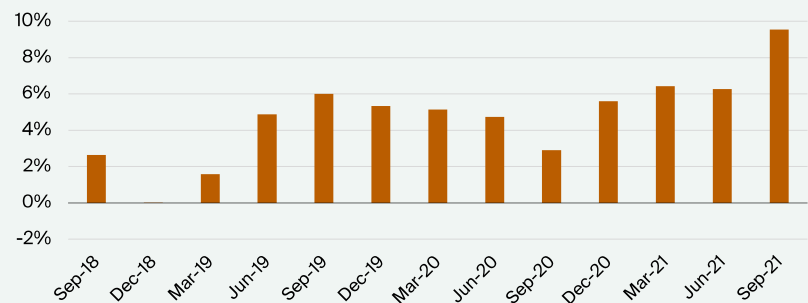
The inner regional areas of SA saw annual **population growth** of 1.5% in June 2020, as outer regional SA contracted by 0.2%. In all of SA, by comparison, there was 1.0% population growth recorded in this time (ABS).

Over the year ending September 2021, in the major regional areas of SA (LGAs with more than 10,000 dwellings), **capital growth** increased 9.6% for houses, up 3.1% over the past quarter to a **median value** of \$421,000.

The annual **volume of sales** tallied 3,759 houses, up 31.6% as at September 2021. The **average days on market** for a house stood at 157 days in the September 2021 quarter. One quarter ago, this average was 172 days.

Annual Capital Growth

%, Regional South Australia, Houses



Source: Knight Frank Research

Gross rental yields for houses trended up 12 bps to 5.32% over the third quarter of 2021. **Rents** increased 3.8%

for houses over the quarter ending September 2021, to a median rent of \$430 per week.

REGIONAL SOUTH AUSTRALIA HOUSES 30 September 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	\$702,000	15.3%	672	19%	110	4.58%	\$480	7.8%
Alexandrina LGA, SA	\$446,500	9.5%	812	17%	122	5.10%	\$640	17.9%
Barossa LGA, SA	\$461,000	11.1%	423	26%	130	4.81%	\$345	3.3%
Mount Barker LGA, SA	\$516,000	13.1%	814	19%	101	4.75%	\$425	10.1%
Mount Gambier LGA, SA	\$285,000	0.0%	669	60%	161	6.16%	\$320	16.4%
Whyalla LGA, SA	\$246,000	-6.8%	369	137%	354	6.88%	\$280	10.7%

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 -1.5% in 2020 with a forecast of 6.7% in 2021 (Oxford Economics). Greater Hobart **unemployment** stood at 4.1% as at September 2021, trending 34 bps lower than the quarter ago (ABS).

New household **loan commitments** in Tasmania were down by 6.1% in the September 2021 quarter, lower than 0.2% growth recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in Tasmania grew by 12.4% in the month of September 2021, compared to -7.2% a year earlier. This first home buyer group represented 20.8% of all Tasmania owner occupier loans in September 2021 (ABS).

Building approvals in the quarter ending September 2021 totalled 310 houses and 5 apartments in Greater Hobart. This was trending 32.9% lower for houses but 3.4% higher for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 1.0% in Greater Hobart as at September 2021. This was down 10 bps from 1.1% on last quarter and 120 bps lower from 2.2%

recorded a year ago (REIA).

The **auction clearance rate** for the week ending 5 December 2021 was 0% from 5 scheduled **auction**. This was same the week prior at 0% from 1 scheduled auction, and the same as the comparable week a year earlier when 0% (out of 3 auctions) were sold (CoreLogic).

Houses

Over the year ending September 2021, **capital growth** increased 31.9% for houses and up 10.5% over the past quarter to a **median value** of \$698,000. The quarterly **volume of sales** tallied 774 houses, down 15.2% as at September 2021. The **average days on market** for a house stood at 30 days in the September 2021 quarter. One quarter ago, this was 28 days.

Gross rental yields for houses trended down 21 bps to 4.40% over the third

quarter of 2021. **Rents** remained stable for houses over the quarter ending September 2021, to stand at a weekly median rent of \$495 (APM).

Apartments

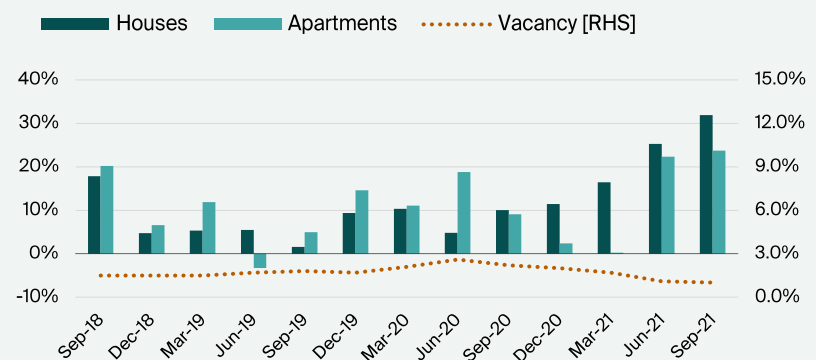
Capital growth for apartments grew 23.8% over the past year ending September 2021, remaining stable in the last quarter at a **median value** of \$532,500.

The **volume of sales** over the quarter tallied 118 apartments as at September 2021, down 31.4%. **Average days on market** for an apartment was 40 days in the September 2021 quarter. This was 28 days one quarter ago.

Gross rental yields for apartments trended down 56 bps to 4.06% in the September 2021 quarter. Over the same time, **rents** remained stable 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

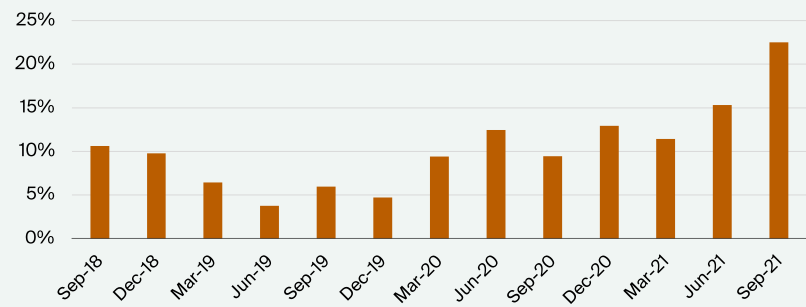
Regional Tasmania

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 22.5% for houses over the year ending September 2021, up 7.3% in the past quarter to a **median value** of \$421,000.

The annual **volume of sales** tallied to 1,873 houses, up 19.8% as at September 2021. The **average days on market** for a house stood at 50 days in the September 2021 quarter. A quarter ago, this was an average of 65 days.

Annual Capital Growth
%, Regional Tasmania, Houses



Source: Knight Frank Research

Gross rental yields for houses trended down 21 bps to 5.42% over the third quarter of 2021.

Rents rose by 1.5% for houses over the quarter ending September 2021, to a weekly median rent of \$365.

REGIONAL TASMANIA HOUSES 30 September 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	\$383,000	17.0%	620	34%	59	5.71%	\$320	-1.8%
Launceston LGA, Tas	\$435,500	24.5%	1,253	14%	47	5.31%	\$385	12.8%

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 -1.3% in 2020 with a forecast of 1.3% in 2021 (Oxford Economics).

Canberra **unemployment** stood at 4.0% as at September 2021, trending 29 bps lower than the quarter earlier (ABS).

New household **loan commitments** in the ACT were up by 5.0% in the September 2021 quarter, and up 7.5% recorded in the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in the ACT fell by 16.9% in the month of September 2021, compared to 22.3% growth a year earlier. This first home buyer group represented 20.3% of all ACT owner occupier loans in September 2021 (ABS).

Building approvals in the quarter ending September 2021 totalled 391 houses and 855 apartments in Canberra. This was trending down by 4.4% for houses but 78.1% higher for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 0.8% in Canberra as at September 2021. This

was up 10 bps on last quarter, but 10 bps lower from 0.9% a year ago (REIA).

The **auction clearance rate** for the week ending 5 December 2021 was 79.3% from 179 scheduled **auctions**. This was lower than the week prior, at 84% from 187 scheduled auctions, and higher than the comparable week a year earlier when 74.8% (out of 107 auctions) were sold (CoreLogic).

Houses

Over the year ending September 2021, **capital growth** increased 32.4% for houses, up 5.7% over the past quarter to a **median value** of \$1,074,000.

The quarterly **volume of sales** tallied to 848 houses, down 42.6% as at September 2021. The **average days on market** for a house stood at 38 days in the September 2021 quarter. One quarter ago, this was 51 days.

Gross rental yields for houses

compressed 22 bps to 3.92% over the third quarter of 2021. **Rents** grew 2.4% for houses over the quarter ending September 2021, to stand at a weekly median rent of \$645 (APM).

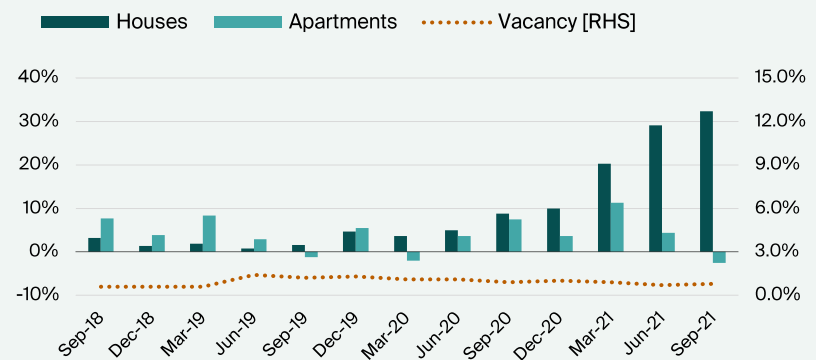
Apartments

Capital growth for apartments fell 2.6% over the past year ending September 2021, and fell 2.9% in the last quarter to a **median value** of \$489,500.

The **volume of sales** over the quarter tallied 734 apartments as at September 2021, down 54.3%. **Average days on market** for an apartment was 77 days in the September 2021 quarter. This was 95 days one quarter ago.

Gross rental yields for apartments trended down 24 bps to 5.81% in the September 2021 quarter. Over the same time, apartment **rents** increased 4% where the median stood at \$520 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 2.4% in 2020 with a forecast of 4.2% in 2021 (Oxford Economics).

Greater Darwin **unemployment** stood at 4.2% as at September 2021, trending 41 bps lower than the quarter earlier (ABS).

New household **loan commitments** in the NT were up by 2.4% in the September 2021 quarter, but lower than 8.9% growth recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in the NT fell by 20.8% in the month of September 2021, compared to 6.5% growth a year earlier. This first home buyer group represented 20.6% of all NT owner occupier loans in September 2021 (ABS).

Building approvals in the quarter ending September 2021 totalled 66 houses but less than 25 apartments in Greater Darwin. This was trending 44.1% lower for houses and remained stable for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 1.9% in Greater Darwin as at September 2021.

This was up 40 bps on last quarter, and up 30 bps from 1.6% recorded a year ago (REIA).

The **auction clearance rate** for the week ending 5 December 2021 was 100% from 1 scheduled **auction**. This was higher than the week prior, at 0% from 0 scheduled auctions, and the same as the comparable week a year earlier when 100% (out of 2 auctions) were sold (CoreLogic).

Houses

Over the year ending September 2021, **capital growth** rose by 33.2% for houses, up 5.1% over the past quarter to a **median value** of \$640,000.

The quarterly **volume of sales** tallied 313 houses, up 35.5% as at September 2021. The **average days on market** for a house stood at 116 days in the September 2021 quarter. One quarter ago, this was 147 days. **Gross rental yields** for houses decreased 11 bps to

5.52% over the third quarter of 2021.

Rents increased 4.6% for houses over the quarter ending September 2021, to stand at a weekly median rent of \$620 (APM).

Apartments

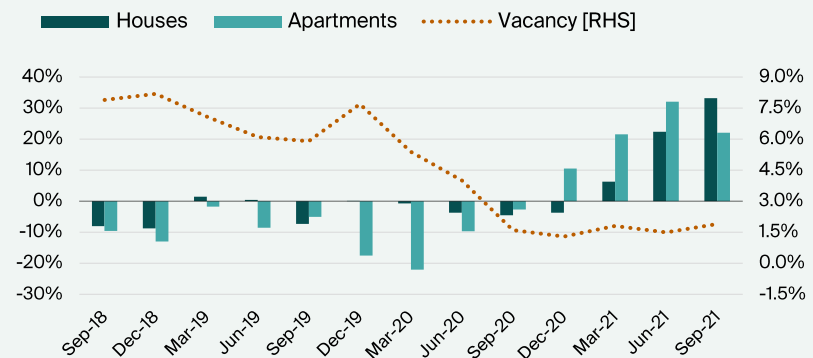
Capital growth for apartments rose 22.1% over the past year ending September 2021, but fell 1.2% in the last quarter to a **median value** of \$360,000.

The **volume of sales** over the quarter tallied 326 apartments as at September 2021, up 78.1%. **Average days on market** for an apartment was 165 days in the September 2021 quarter. This was 370 days one quarter ago.

Gross rental yields for apartments trended down 24 bps to 7.16% over the September 2021 quarter. Over the same time, **rents** rose 4.4% for apartments with median rents at \$470 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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