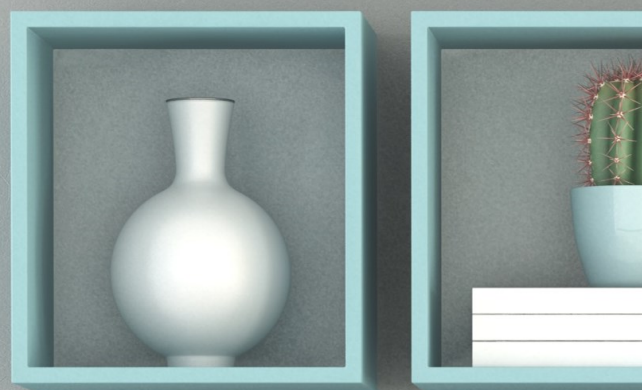


RESIDENTIAL RESEARCH



# AUSTRALIAN RESIDENTIAL REVIEW

APRIL 2017



MARKET ACTIVITY REPORT FOR AUSTRALIAN CAPITAL CITIES & REGIONAL CENTRES

## KEY FINDINGS

The official **cash rate** target remained at 1.50% on 4 April 2017. **Gross Domestic Product** was recorded at 2.4% annual growth to December 2016.

**Unemployment** across Australia rose 20 bps to 5.9%, in the quarter ending February 2017.

The weighted average of Australian capital cities **house values** grew 0.7% in the month of February 2017 (4.8% annual growth) to \$722,500; while **apartment values** were up 1.1% over the month (5.7% annual growth) to \$553,000.

In the year ending February 2017, the volume of **house sales** across Australian capital cities was up 0.5% to 199,652; while 130,492 **apartment sales** were recorded (down by 0.4%).

**Gross rental yields** across Australian capital cities houses recorded a weighted average of 3.75% in February 2017, while Australian apartments achieved 4.44%.

The weighted average of Australian capital cities weekly **house rents** was \$487 in February 2017; whilst **apartment rents** were \$457 per week.

The weighted average **total vacancy** for Australian residential property was last recorded at 2.9% in December 2016; trending down 30 bps over the year.



MICHELLE CIESIELSKI  
Knight Frank Residential Research

## AUSTRALIAN RESIDENTIAL

For the eighth consecutive month on 4 April 2017, the official cash rate remained unchanged by the Reserve Bank of Australia (RBA), at 1.50%.

The RBA cited that the strengthening global economy has contributed to higher commodity prices, providing a much needed boost to Australia's national income. However, over the three months ending February 2017, Australian unemployment rose 20 bps to 5.9%, whilst employment growth continues to be modest and wage growth sluggish.

Despite this, the RBA has a relatively positive outlook for the economy. They state their outlook continues to be supported by the low level of interest rates, global markets functioning effectively and financial institutions continue to be in a good position to lend.

The RBA has taken comfort from the recent announcement by lenders to increase mortgage rates, especially to those paid by investors and a reduced reliance on interest-only housing loans.

The RBA continues to support the reinforcement of strong lending standards, as encouraged by Australian Prudential Regulation Authority (APRA).

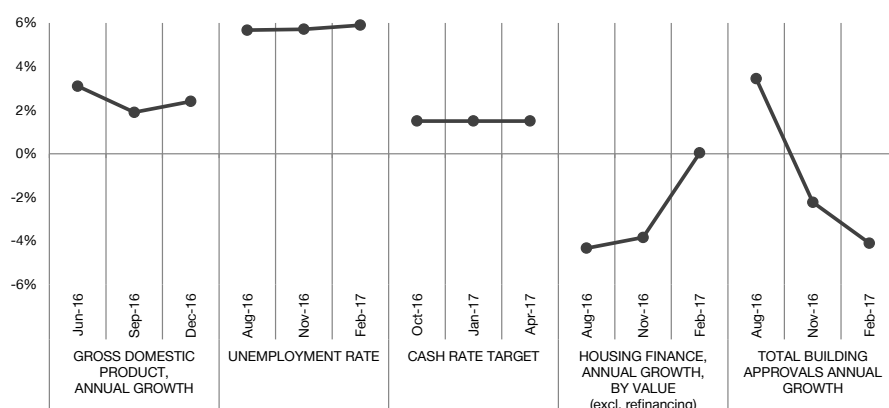
In the twelve months ending February 2017, the weighted average of Australian capital cities house values increased 4.8% to \$722,500, whilst over the same time, apartment values grew by 5.7% to \$553,000.

Given the annual volume of house sales across Australian capital cities was collectively up 0.5% and apartment sales were down 0.4%, it's likely the positive capital growth experienced over recent years will not be as strong for the remainder of 2017 and into 2018.

For the investment market, average weighted gross rental yields across the Australian capital cities were recorded at 3.88% for houses and 4.58% for apartments in February 2016. By the end of February 2017, this compressed to 3.75% and 4.44%, respectively.

Across the Australian capital cities, Sydney houses continue to command the highest median capital value at \$1.1 million, whilst Hobart apartments, at \$305,500, records the lowest median value. When charted in Figure 2, Hobart apartments are the front-runner attracting not only the lowest median capital value, but the highest annual capital growth (at 9.9%) and second-best median gross

FIGURE 1  
National Key Economic Indicators



Source: Knight Frank Research, ABS, RBA

rental yield return, at 5.40%, on-par with Canberra apartments, and just behind Darwin (at 5.77%).

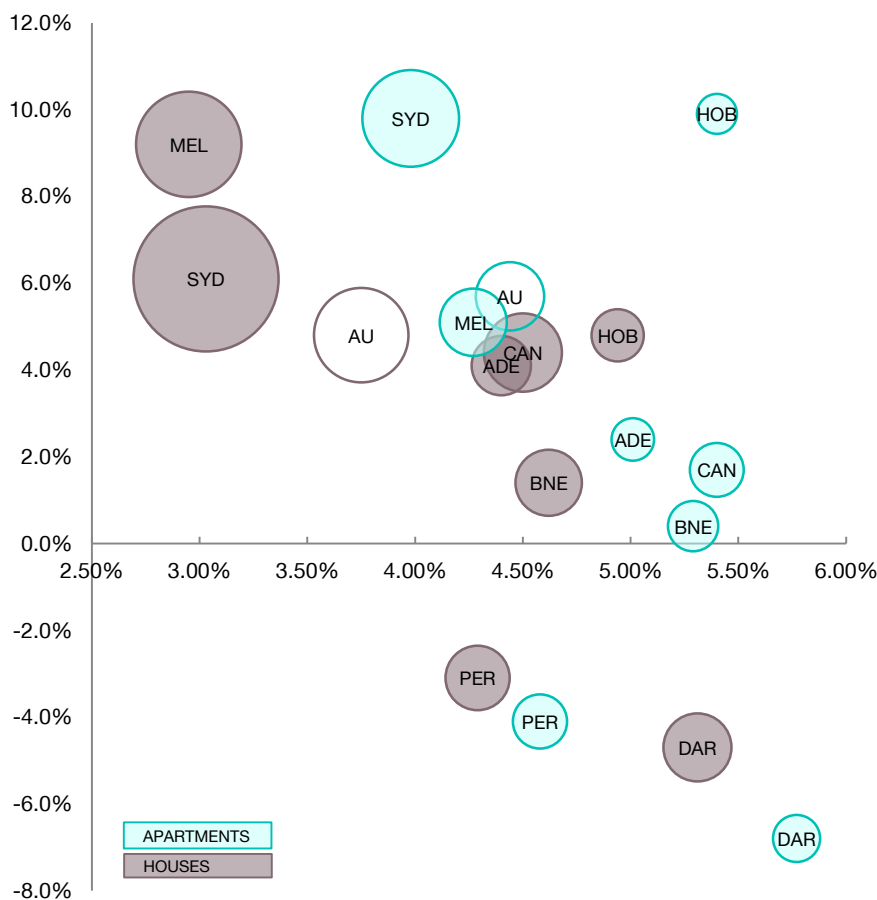
The Knight Frank Global Residential Cities Index records the annual capital growth of 150 capital cities around the world, as shown in Figure 3. Overall, residential prices increased by 6.6% in 2016, its highest rate in three years. However, excluding these high performing Chinese cities, the index would have increased by only 4.9% in 2016.

Chinese cities occupy the index's top nine rankings for annual house price growth. Nanjing leads the rankings with

average prices ending last year 41.1% higher. Chinese cities would have occupied the entire top ten had New Zealand's Wellington (23.7%) not nudged Shenzhen (23.5%) out of tenth spot.

At this time, Australia's highest ranking city was Melbourne in 34th position with 10.8% annual growth. Although by the end of February 2017, Melbourne median capital values shifted to 9.2% annual growth for houses and 5.1% for apartments. Sydney was not too far behind in 36th position with 10.3% annual growth. Again, with more current data, Sydney houses saw 6.1% annual growth and Sydney apartments grew 9.8% in the year ending February 2017.

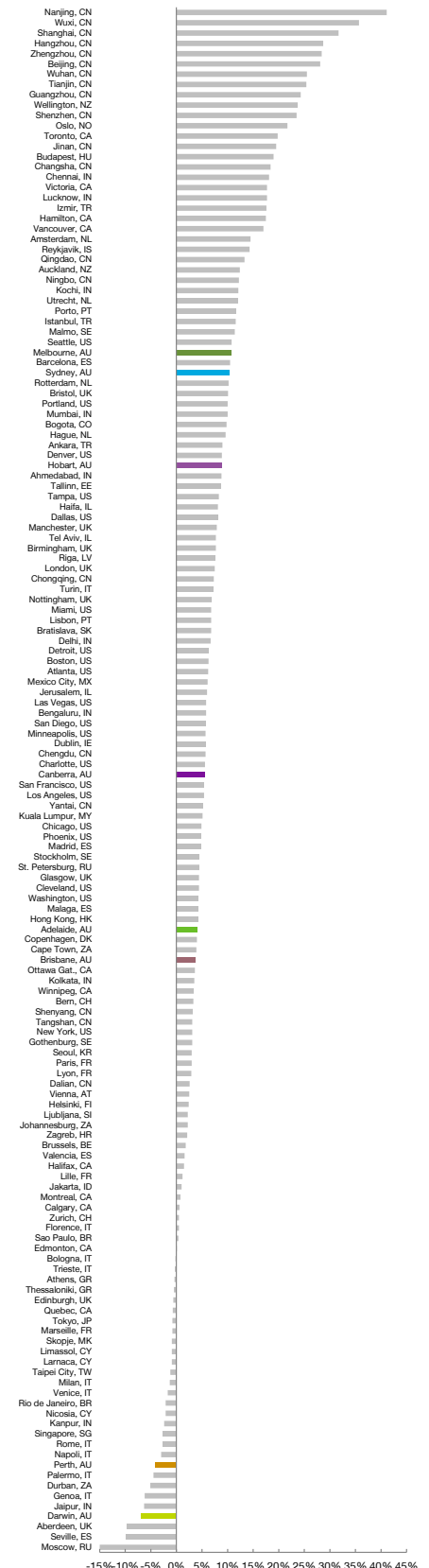
FIGURE 2  
**Annual Capital Growth v Gross Rental Yield & Median Capital Value**  
As at February 2017, Greater Capital Cities & Weighted capital cities average (AU)



Bubble size reflects median capital value, while gross rental yield is represented on the x-axis & annual capital growth on the y-axis.

Source: Knight Frank Research, Residex

FIGURE 3  
**Global Residential Cities Index**  
Q4 2016, Ranked by annual capital growth % change



For further important notes, refer Global Residential Cities Index Q4 2016.

Source: Knight Frank Research



# SYDNEY

**Gross State Product** in New South Wales was recorded at \$531,323 million in the year to June 2016; 3.4% greater than the prior year.

**Unemployment** as at February 2017 stood at 5.4% for Greater Sydney, trending 32 bps lower than the 5.7% recorded in February 2016.

**Population** in Greater Sydney was estimated at 5.0 million persons in June 2016. Greater Sydney experienced **population growth** of 1.7% in the year to June 2016.

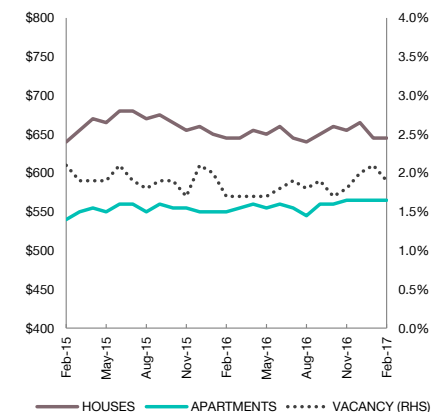
## Market Trends

- The value of housing finance commitments in New South Wales in the three months ending February 2017 fell by 3.6% on the previous year, to \$21.7 billion.
- Building approvals in the three months ending February totalled 3,483 houses and 8,910 apartments in Greater Sydney. This is trending 1.8% lower for houses and 4.7% higher for apartment approvals compared to the same period in 2016.
- The preliminary auction clearance rate for the week ending 2 April was 78.0% out of 1,104 scheduled auctions in Greater Sydney. This is higher than the week prior, at 75.8% from 1,098 scheduled auctions, and higher than the comparable week a year earlier, when 69.8% (out of 664 auctions) were sold.
- Sales transacted in the year to February tallied 46,460 houses (down

FIGURE 5

### Median Rents & Total Vacancy Greater Sydney

Weekly Rents (LHS) & Vacancy (RHS)



Source: Knight Frank Research, Residex, REINSW

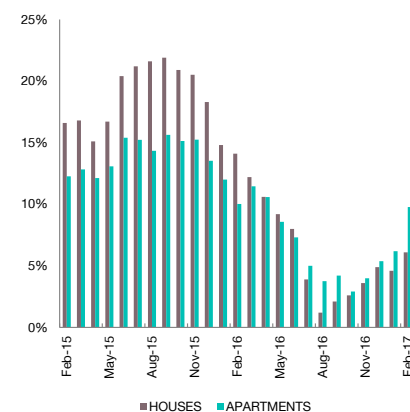
2.5% on previous year) and 46,762 apartments (down 1.7% on prior year).

- House values increased 1.5% in the month of February (rising 6.1% over the last year) to a median of \$1,110,000. Apartment values rose 1.7% over the same month (rising 9.8% over the year) to record a median of \$741,000.
- Over the year to February, median rentals remained steady for houses but rose 2.7% for apartments. Weekly median rents are currently achieving \$645 for houses and \$565 for apartments.
- Greater Sydney total vacancy was last recorded at 1.9% in February 2017 with 1.7% for the inner ring (0-10km), 1.8% for the middle ring (10-25km) and 2.2% for the outer ring (25km+).
- In February, gross rental yields across Greater Sydney compressed 19 bps (to 3.03%) for houses and 28 bps (to 3.98%) for apartments compared to the previous year.

FIGURE 4

### Capital Growth, Greater Sydney

12-month rolling



Source: Knight Frank Research, Residex

TABLE 1

### Key Residential Indicators, February 2017

Greater Region	Type	Median Capital Value (\$)	Capital Growth Last Month (%)	Capital Growth Last Quarter (%)	Capital Growth Last Year (%)	Sales Volume Last Year (no.)	Median Weekly Rent (\$)	Gross Rental Yield (% p.a)
Sydney	Houses	1,110,000	1.5	0.4	6.1	46,460	645	3.03
Sydney	Apartments	741,000	1.7	3.6	9.8	46,762	565	3.98

Source: Knight Frank Research, Residex, CoreLogic, ABS, REINSW

# MELBOURNE

**Gross State Product** in Victoria was recorded at \$373,624 million in the year to June 2016; 3.5% greater than the prior year.

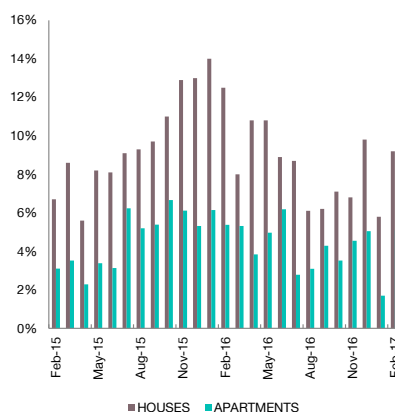
**Unemployment** as at February 2017 stood at 6.4% for Greater Melbourne, trending 46 bps higher than the 5.9% recorded in February 2016.

**Population** in Greater Melbourne was estimated at 4.6 million persons in June 2016. Greater Melbourne experienced **population growth** of 2.5% in the year to June 2016.

## Market Trends

- The value of housing finance commitments in Victoria in the three months ending February 2017 fell by 2.0% on the previous year, to \$17.2 billion.
- Building approvals in the three months ending February totalled 5,498 houses and 8,540 apartments in Greater Melbourne. This is trending 1.7% lower for houses and 16.1% higher for apartment approvals compared to the same period in 2016.
- The preliminary auction clearance rate for the week ending 2 April was 79.6% out of 1,143 scheduled auctions in Greater Melbourne. This is higher than the week prior, at 78.9% from 1,607 scheduled auctions, and higher than the comparable week the year earlier, when 69.2% (out of 584 scheduled auctions) were sold.
- Sales transacted in the year to February tallied 56,262 houses (up 2.9% on previous year) and 41,831

FIGURE 6  
**Capital Growth, Greater Melbourne**  
12-month rolling

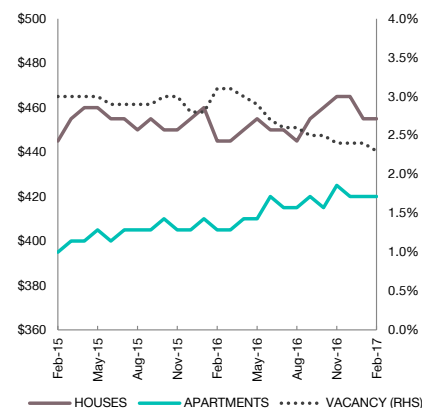


Source: Knight Frank Research, Residex

FIGURE 7

## Median Rents & Total Vacancy Greater Melbourne

Weekly Rents (LHS) & Vacancy (RHS)



Source: Knight Frank Research, Residex, REIV

- apartments (up 0.7% on the prior year).
- House values grew 1.2% in the month of February (growth of 9.2% over the last year) to a median of \$807,500, and apartment values were up 1.1% over the month (growth of 5.1% over the year) to record a median of \$515,000.
- Over the year to February, median rentals fell 2.2% for houses but grew 3.7% for apartments. Weekly median rents are currently achieving \$455 for houses and \$420 for apartments.
- Greater Melbourne total vacancy was last recorded at 2.3% in February 2017 with 2.2% in the inner ring (0-10km), 2.7% in the middle ring (10-20km) and 1.8% in the outer ring (20km+).
- In February, gross rental yields across Greater Melbourne compressed 20 bps (to 2.95%) for houses and 6 bps (to 4.27%) for apartments compared to prior year.

TABLE 2

## Key Residential Indicators, February 2017

Greater Region	Type	Median Capital Value (\$)	Capital Growth Last Month (%)	Capital Growth Last Quarter (%)	Capital Growth Last Year (%)	Sales Volume Last Year (no.)	Median Weekly Rent (\$)	Gross Rental Yield (% p.a)
Melbourne	Houses	807,500	1.2	1.8	9.2	56,262	455	2.95
Melbourne	Apartments	515,000	1.1	-0.4	5.1	41,831	420	4.27

Source: Knight Frank Research, Residex, CoreLogic, ABS, REIV

# BRISBANE

**Gross State Product** in Queensland was recorded at \$314,569 million in the year to June 2016; 1.5% greater than the prior year.

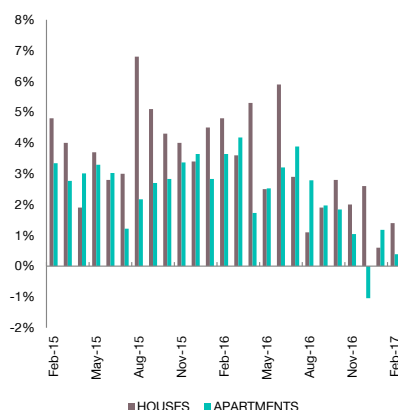
**Unemployment** as at February 2017 stood at 7.4% for Greater Brisbane, trending 139 bps higher than the 6.0% recorded in February 2016.

**Population** in Greater Brisbane was estimated at 2.3 million persons in June 2016. Greater Brisbane experienced **population growth** of 1.8% in the year to June 2016.

## Market Trends

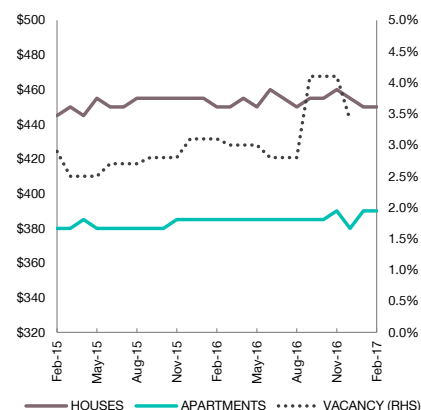
- The value of housing finance commitments in Queensland in the three months to February 2017 grew by 3% on the previous year, to \$10.4 billion.
- Building approvals in the three months to February totalled 2,347 houses and 1,567 apartments in Greater Brisbane. This is trending 11.9% lower for houses and 67.9% lower for apartment approvals compared to the same period in 2016.
- The preliminary auction clearance rate for the week ending 2 April was 52.4% out of 173 scheduled auctions in Greater Brisbane. This is higher than the week prior, at 42% from 196 scheduled auctions, and slightly lower than the comparable week the year earlier, when 52.9% (out of 141 scheduled auctions) were sold.
- Sales transacted in the year to February tallied 43,175 houses (down 0.7% on previous year) and 21,826 apartments (up 3.2% on prior year).

FIGURE 8  
**Capital Growth, Greater Brisbane**  
12-month rolling



Source: Knight Frank Research, Residex

FIGURE 9  
**Median Rents & Total Vacancy**  
**Greater Brisbane**  
Weekly Rents (LHS) & Vacancy (RHS)



Source: Knight Frank Research, Residex, REIQ

- House values fell 0.5% in the month of February (with growth of 1.4% over the last year) to a median of \$506,500 while apartment values remained steady (with a increase of 0.4% over the year) to record a median of \$386,000.
- Over the year to February, median rentals remained stable for houses but grew 1.3% for apartments. Weekly median rents are currently achieving \$450 for houses and \$390 for apartments.
- As new supply reached the market, total vacancy was last recorded at 3.4% in December 2016 for Greater Brisbane; with 3.6% for the inner ring (0-5km), 3.3% for the middle ring (5-20km) and 2.4% for the outer ring (20km+).
- In February, gross rental yields across Greater Brisbane compressed 10 bps (to 4.62%) for houses and 5 bps (to 5.29%) for apartments compared to the previous year.

TABLE 3  
**Key Residential Indicators, February 2017**

Greater Region	Type	Median Capital Value (\$)	Capital Growth Last Month (%)	Capital Growth Last Quarter (%)	Capital Growth Last Year (%)	Sales Volume Last Year (no.)	Median Weekly Rent (\$)	Gross Rental Yield (% p.a)
Brisbane	Houses	506,500	-0.5	-0.9	1.4	43,175	450	4.62
Brisbane	Apartments	386,000	0.0	-0.5	0.4	21,826	390	5.29

Source: Knight Frank Research, Residex, CoreLogic, ABS, REIQ

# PERTH

**Gross State Product** in Western Australia was recorded at \$255,214 million in the year to June 2016; 4.5% greater than the prior year.

**Unemployment** as at February 2017 stood at 7.2% for Greater Perth, trending 64 bps higher than the 6.5% recorded in February 2016.

**Population** in Greater Perth was estimated at 2.1 million persons in June 2016. Greater Perth experienced **population growth** of 1.3% in the year to June 2016.

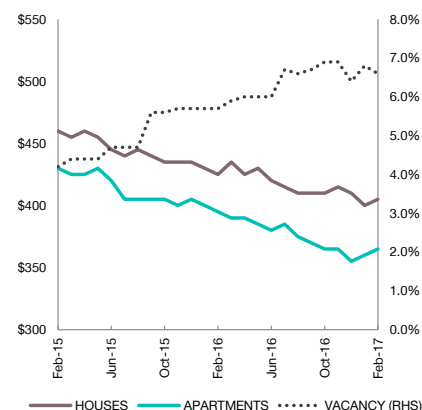
## Market Trends

- The value of housing finance commitments in Western Australia in the three months to February 2017 fell by 12.4% on the previous year, to \$5.8 billion.
- Building approvals in the three months to February totalled 2,645 houses and 1,287 apartments in Greater Perth. This is trending 20.7% lower for houses and 19% lower for apartment approvals compared to the same period in 2016.
- The preliminary auction clearance rate for the week ending 2 April was 38.7% out of 43 scheduled auctions in Greater Perth. This is higher than the week prior, at 35.3% from 33 scheduled auctions, and lower than the comparable week the year earlier, when 46.9% were sold.
- Sales transacted in the year to February tallied 22,090 houses (down 6.2% on previous year) and 10,223

FIGURE 11

### Median Rents & Total Vacancy Greater Perth

Weekly Rents (LHS) & Vacancy (RHS)



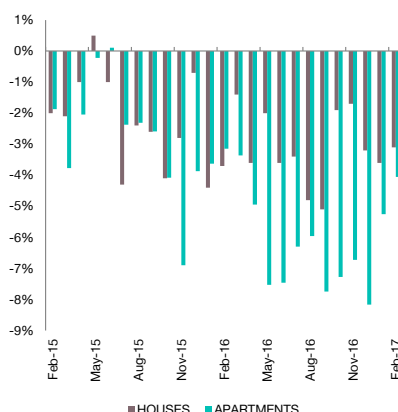
Source: Knight Frank Research, Residex, REIWA

apartments (down 1.5% on prior year).

- House values were recorded at a median of \$492,500, decreasing 1.1% in the month of February and 3.1% over the last year. Apartment values fell 0.2% over the month, down 4.1% over the year, to record a median of \$414,000.
- Over the year to February, rental growth was down 4.7% for houses and down 7.6% for apartments. Weekly median rents are currently \$405 for houses and \$365 for apartments.
- Across the Greater Perth area, total vacancy was recorded at 6.6% in February 2017; down 30 bps from three months earlier.
- In February, gross rental yields across Greater Perth compressed 8 bps (to 4.29%) for houses and by 20 bps (to 4.58%) for apartments compared to the previous year.

FIGURE 10

### Capital Growth, Greater Perth 12-month rolling



Source: Knight Frank Research, Residex

TABLE 4

### Key Residential Indicators, February 2017

Greater Region	Type	Median Capital Value (\$)	Capital Growth Last Month (%)	Capital Growth Last Quarter (%)	Capital Growth Last Year (%)	Sales Volume Last Year (no.)	Median Weekly Rent (\$)	Gross Rental Yield (% p.a)
Perth	Houses	492,500	-1.1	-2.7	-3.1	22,090	405	4.29
Perth	Apartments	414,000	-0.2	1.2	-4.1	10,223	365	4.58

Source: Knight Frank Research, Residex, CoreLogic, ABS, REIWA

# ADELAIDE

**Gross State Product** in South Australia was recorded at \$101,096 million in the year to June 2016; 2.6% greater than the prior year.

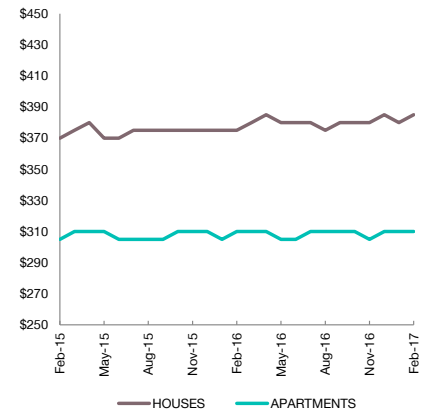
**Unemployment** as at February 2017 stood at 7.3% for Greater Adelaide, trending 69 bps lower than the 8.0% recorded in February 2016.

**Population** in Greater Adelaide was estimated at 1.3 million persons in June 2016. Greater Adelaide experienced **population growth** of 0.7% in the year to June 2016.

## Market Trends

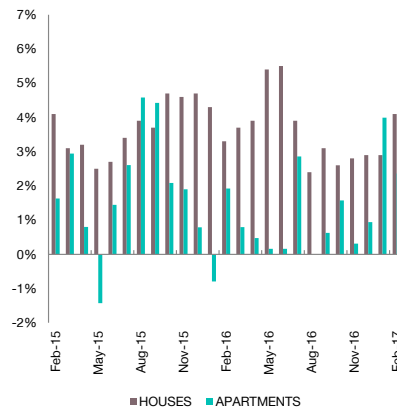
- The value of housing finance commitments in South Australia in the three months to February 2017 grew by 3.2% on the previous year, to \$3.2 billion.
- Building approvals in the three months to February totalled 1,266 houses and 669 apartments approved in Greater Adelaide. This is trending 9.4% lower for houses and 17.5% lower for apartment approvals compared to the same period in 2016.
- The preliminary auction clearance rate for the week ending 2 April was 76.3% out of 114 scheduled auctions in Greater Adelaide. This is higher than the week prior, at 66.4% from 127 scheduled auctions, and higher than the comparable week the year earlier, when 71.2 (out of 76 scheduled auctions) were sold.

FIGURE 13  
Median Rents, Greater Adelaide  
Weekly Rents



Source: Knight Frank Research, Residex

FIGURE 12  
Capital Growth, Greater Adelaide  
12-month rolling



Source: Knight Frank Research, Residex

- Sales transacted in the year to February tallied 23,039 houses (up 11.2% on previous year) and 5,778 apartments (up 7.8% on prior year).
- House values were slightly down 0.1% in the month of February (but rising by 4.1% over the last year) to a median of \$454,000. Apartments remained steady over the month to record a median of \$325,500 (rising 2.4% over the past year).
- Over the year to February, rental growth rose for houses (up 2.7%) but remained steady for apartments. Weekly median rents are currently achieving \$385 for houses and \$310 for apartments.
- In February, gross rental yields across Greater Adelaide compressed 8 bps (to 4.40%) for houses and 10 bps (to 5.01%) for apartments compared to the previous year.

TABLE 5  
Key Residential Indicators, February 2017

Greater Region	Type	Median Capital Value (\$)	Capital Growth Last Month (%)	Capital Growth Last Quarter (%)	Capital Growth Last Year (%)	Sales Volume Last Year (no.)	Median Weekly Rent (\$)	Gross Rental Yield (% p.a)
Adelaide	Houses	454,000	-0.1	0.6	4.1	23,039	385	4.40
Adelaide	Apartments	325,500	0.0	0.9	2.4	5,778	310	5.01

Source: Knight Frank Research, Residex, CoreLogic, ABS, REIA



# CANBERRA

**Gross State Product** in the ACT was recorded at \$36,225 million in the year to June 2016; 2.4% greater than the prior year.

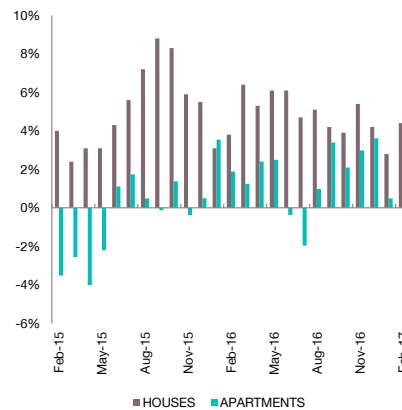
**Unemployment** as at February 2017 stood at 4.6% for the ACT, trending 74 bps lower than the 5.4% recorded in February 2016.

**Population** in the ACT was estimated at 396,300 persons in June 2016. The ACT experienced **population growth** of 1.4% in the year to June 2016.

## Market Trends

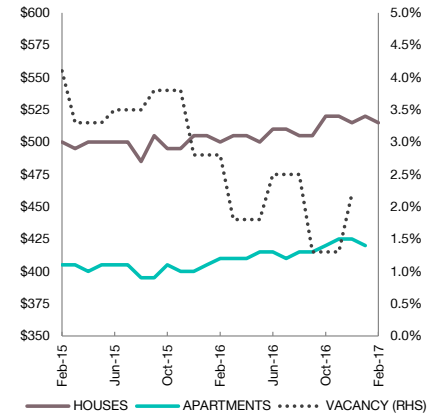
- The value of housing finance commitments in the Australian Capital Territory in the three months to February 2017 grew by 4.5% on the previous year, to \$1.1 billion.
- Building approvals in the three months to February totalled 177 houses and 778 apartments in the ACT. This is trending 23% lower for houses and 20.1% lower for apartment approvals compared to the same period in 2016.
- The preliminary auction clearance rate for the week ending 2 April was 66.7% out of 66 scheduled auctions in Canberra. This is lower than the week prior, at 77.4% from 103 scheduled auctions, but higher than the comparable week the year earlier, when 50.8% were sold.
- Sales transacted in the year to February tallied 4,853 houses (up 4.3% on previous year) and 2,822 apartments (down 22.7% on prior year).

FIGURE 14  
**Capital Growth, Canberra**  
12-month rolling



Source: Knight Frank Research, Residex

FIGURE 15  
**Median Rents & Total Vacancy Canberra**  
Weekly Rents (LHS) & Vacancy (RHS)



Source: Knight Frank Research, Residex, REIA

- House values rose 0.5% in the month of February (with growth of 4.4% over the last year) to a median of \$598,000. Apartment values rose 0.2% over the month (and up 1.7% over the year) to record a median of \$412,000.
- Over the year to February, median rentals grew 3.0% for houses and 3.7% for apartments. Weekly median rents are currently achieving \$515 for houses and \$425 for apartments.
- Total vacancy in Canberra was last recorded at 2.2% in December 2016; up 90 bps on the previous quarter and 60 bps lower compared to the prior year.
- In February, gross rental yields across Canberra fell 5 bps (to 4.50%) for houses but grew by 13 bps (to 5.40%) for apartments compared to the previous year.

TABLE 6  
**Key Residential Indicators, February 2017**

Greater Region	Type	Median Capital Value (\$)	Capital Growth Last Month (%)	Capital Growth Last Quarter (%)	Capital Growth Last Year (%)	Sales Volume Last Year (no.)	Median Weekly Rent (\$)	Gross Rental Yield (% p.a)
Canberra	Houses	598,000	0.5	-0.4	4.4	4,853	515	4.50
Canberra	Apartments	412,000	0.2	-0.4	1.7	2,822	425	5.40

Source: Knight Frank Research, Residex, CoreLogic, ABS, REIA

# HOBART

**Gross State Product** in Tasmania was recorded at \$26,039 million in the year to June 2016; 2.6% greater than the prior year.

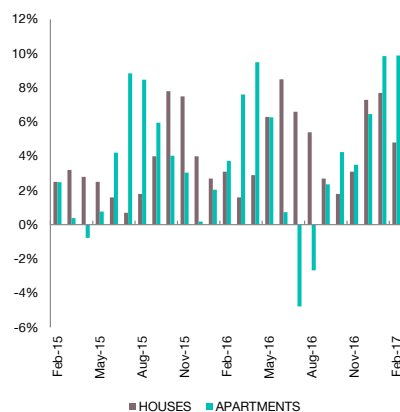
**Unemployment** as at February 2017 stood at 5.2% for Greater Hobart, trending 247 bps lower than the 7.7% recorded in February 2016.

**Population** in Greater Hobart was estimated at 222,800 persons in June 2016. Greater Hobart experienced **population growth** of 0.8% in the year to June 2016.

## Market Trends

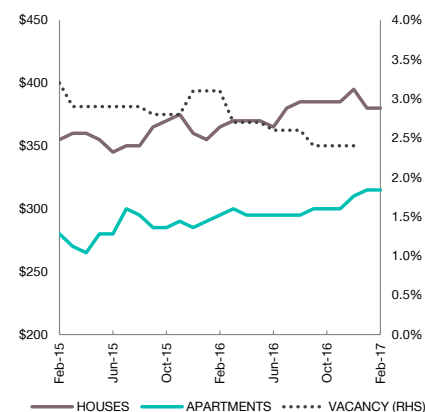
- The value of housing finance commitments in Tasmania in the three months to February 2017 grew by 9.1% on the previous year, to \$701.7 million.
- Building approvals in the three months to February totalled 155 houses and 81 apartments in Greater Hobart. This is trending 14.8% lower for houses but 102.5% higher for apartment approvals compared to the same period in 2016.
- The preliminary auction clearance rate for the week ending 2 April was 44.4% out of 14 scheduled auctions in Greater Hobart. This was lower than the previous week when 71.4% of 7 scheduled auctions were sold.
- Sales transacted in the year to February tallied 2,610 houses (down 8.9% on previous year) and 744 apartments (down 22.5% on prior year).

FIGURE 16  
**Capital Growth, Greater Hobart**  
12-month rolling



Source: Knight Frank Research, Residex

FIGURE 17  
**Median Rents & Total Vacancy**  
**Greater Hobart**  
Weekly Rents (LHS) & Vacancy (RHS)



Source: Knight Frank Research, Residex, REIA

- House values fell 0.9% in the month of February (rising 4.8% over the last year) to a median of \$400,000. Apartments rose 1.5% over the month (up 9.9% over the year) to record a median of \$305,500.
- Over the year to February, rental growth was 4.1% for houses and 6.8% for apartments. Weekly median rents are currently achieving \$380 for houses and \$315 for apartments.
- Greater Hobart total vacancy was last recorded at 2.4% in December 2016; remaining the same as the previous quarter and down 70 bps compared to the prior year.
- In February, gross rental yields across Greater Hobart decreased 7 bps for houses (to 4.94%) but 11 bps for apartments (to 5.40%) compared to the previous year.

TABLE 7  
**Key Residential Indicators, February 2017**

Greater Region	Type	Median Capital Value (\$)	Capital Growth Last Month (%)	Capital Growth Last Quarter (%)	Capital Growth Last Year (%)	Sales Volume Last Year (no.)	Median Weekly Rent (\$)	Gross Rental Yield (% p.a)
Hobart	Houses	400,000	-0.9	0.5	4.8	2,610	380	4.94
Hobart	Apartments	305,500	1.5	8.9	9.9	744	315	5.40

Source: Knight Frank Research, Residex, CoreLogic, ABS, REIA

# DARWIN

**Gross State Product** in the Northern Territory was recorded at \$23,648 million in the year to June 2016; 11.5% greater than the prior year.

**Unemployment** stood at 3.0% in the Northern Territory as at February 2017, trending 207 bps lower than the 5.0% recorded in February 2016.

**Population** in Greater Darwin was estimated at 143,630 persons in June 2016. Greater Darwin experienced **population growth** of 1.0% in the year to June 2016.

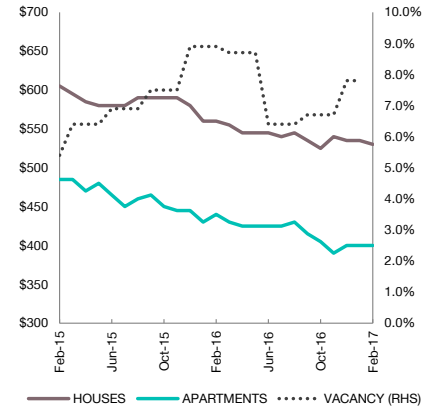
## Market Trends

- The value of housing finance commitments in the Northern Territory in the three months to February 2017 fell by 8.2% on the previous year, to \$278.5 million.
- Building approvals in the three months to February totalled 91 houses and 55 apartments in Greater Darwin. This is trending 44.2% lower for houses and 67.3% lower for apartment approvals compared to the same period in 2016.
- The preliminary auction clearance rate for the week ending 2 April was 13% out of 8 scheduled auctions in Greater Darwin. This was lower than the previous week when 20% of 5 scheduled auctions were sold.
- Sales transacted in the year to February tallied 1,163 houses (up 4.8% on previous year) and 506 apartments (up 7.7% on prior year).

FIGURE 19

### Median Rents & Total Vacancy Greater Darwin

Weekly Rents (LHS) &amp; Vacancy (RHS)

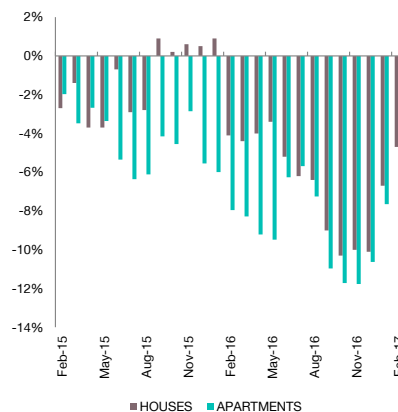


Source: Knight Frank Research, Residex, REIA

FIGURE 18

### Capital Growth, Greater Darwin

12-month rolling



Source: Knight Frank Research, Residex

- House values fell 0.5% in the month of February (down 4.7% over the last year) to a median of \$518,500. Apartments fell 0.3% over the month (down 6.8% over the year) to record a median of \$361,000.
- Over the year to February, median rentals were down 5.4% for houses and 9.1% for apartments. Weekly median rents are currently achieving \$530 for houses and \$400 for apartments.
- Greater Darwin total vacancy was last recorded at 7.8% in December 2016; up 110 bps on the previous quarter but trending down 110 bps compared to the prior year.
- In February, gross rental yields across Greater Darwin compressed 7 bps (to 5.31%) for houses and 13 bps (to 5.77%) for apartments compare to previous year.

TABLE 8

### Key Residential Indicators, February 2017

Greater Region	Type	Median Capital Value (\$)	Capital Growth Last Month (%)	Capital Growth Last Quarter (%)	Capital Growth Last Year (%)	Sales Volume Last Year (no.)	Median Weekly Rent (\$)	Gross Rental Yield (% p.a.)
Darwin	Houses	518,500	-0.5	-0.3	-4.7	1,163	530	5.31
Darwin	Apartments	361,000	-0.3	0.3	-6.8	506	400	5.77

Source: Knight Frank Research, Residex, CoreLogic, ABS, REIA



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