

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



Australian Residential Review

Q2 2020

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AUSTRALIAN RESIDENTIAL MARKET

The first week of winter was marked by several states further easing COVID-19 restrictions on activity, in accordance with the Australian Government's 3-step framework encouraging new ways of living and working.

Australia recorded its third consecutive week of auction clearance rates above 60% as the winter season began. This momentum, at an untraditional time of year, is now desired to carry through to spring to provide an injection to the slowing local economy. The number of auctions held despite being historically low, had more than doubled over this time as restrictions lifted, once again allowing open homes and in-person auctions. The shallow number of listings especially in the rightsizing space, pent-up demand from the responsible lending phase and a favourable currency play for expats has seen prices hold up across most cities.

Key Drivers

Australia's **economy** grew by 2.2% in 2019, with the **unemployment** rate at 5.2% in March 2020 (ABS).

The official **cash rate** target was 0.25% on 2 June 2020. In the March 2020 quarter, average **mortgage lending rates** to owner occupiers fell by 151 bps to 2.54% for a 3-year fixed term loan, and was down 85 bps to 4.52% for a standard variable loan. By comparison, for investors, a 3-year fixed term fell by 142 bps to 2.88% and a standard variable loan was down by 85 bps to 5.10% (RBA).

New household **loan commitments**

were up 2.4% in Q1 2020 across Australia, but residential building approvals were down 2.9%; when compared to Q4 2019 (ABS).

The weighted average total **residential vacancy** for Australian capital cities was last recorded at 2.7% in December 2019; falling 20 bps over the past quarter (REIA).

Houses

Median house values across Australia rose 8.9% in the year ending March 2020 (up 1.7% in the last quarter) to \$820,000. There were 61,740 house sales across Australia in the March 2020 quarter, falling 27.7% on the previous quarter. Gross rental **yields**

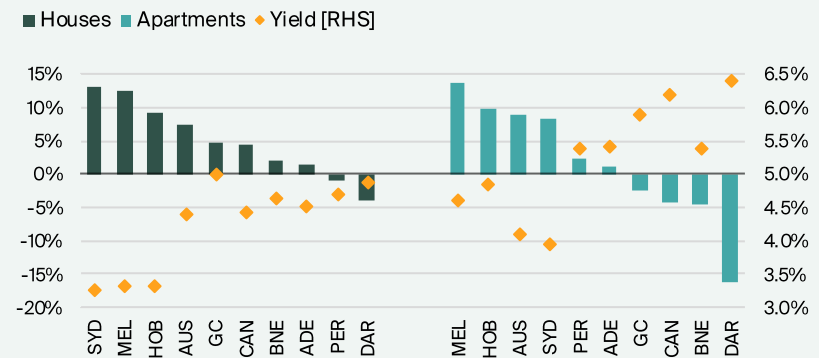
rose 4 bps in the first quarter of 2020 with Australian houses averaging 4.12%. Median house **rents** across Australia remained steady in Q1 2020 at \$420 per week (APM).

Apartments

Median apartment values across Australia rose 7.4% in the year ending March 2020 (up 0.9% in the last quarter) to \$570,000. Across Australia, there were 19,725 apartment **sales** in the March 2020 quarter, falling 30.7% on the previous quarter. In the first quarter of 2020, gross rental **yields** rose 4 bps with Australian apartments averaging 4.41%. Across Australia, median apartment **rents** rose by 2.3% in Q1 2020, to \$440 per week (APM).

Annual Capital Growth & Gross Rental Yield

%, Major Australian Cities, as at 31 March 2020



Source: Knight Frank Research, APM

SYDNEY

Key Drivers

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

New South Wales (NSW) **economic growth** was 2.3% in 2019 with a forecast of 3.5% in 2023 (Oxford Economics). Greater Sydney **unemployment** stood at 5.3% as at March 2020, trending 99 bps higher than the quarter before (ABS).

New household **loan commitments** in NSW were up by 2.2% in the March 2020 quarter; lower than 9.6% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in NSW grew by 28.1% in the month of March 2020, compared to 10.1% a year earlier. This first home buyer group represented 22.1% of all NSW owner occupier loans in March 2020 (ABS).

Building approvals in the quarter ending March 2020 totalled 3,188 houses and 5,944 apartments in Greater Sydney. This was trending 3.6% lower for houses but 23.1% higher for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 3.0% in Greater Sydney as at March 2020; recording 2.5% in the Inner Suburbs (0-10km from the CBD), 3.6% in the Middle Suburbs (10-25km) and 3.0% in the Outer Suburbs (25km+) (REINSW).

The **auction clearance rate** for the week ending 24 May 2020 was 65.0% from 309 scheduled **auctions**. This was lower than the week prior, at 66.9% from 194 scheduled auctions, and lower than the comparable week a year earlier when 68.0% (out of 411 auctions) were sold (CoreLogic).

Houses

Over the year ending March 2020, **capital growth** increased 13.1% for houses; up 2.6% over the past quarter to a **median value** of \$1,169,000.

The quarterly **volume of sales** tallied 8,860 houses, down 33.8% as at March 2020. The **average days on market** for a house stood at 79 days in the March 2020 quarter. One quarter ago, this was 74 days.

Gross rental yields for houses trended down 12 bps to 3.26% over the first

quarter of 2020. **Rents** grew 1.0% for houses over the quarter ending March 2020, to stand at a weekly median rent of \$530 (APM).

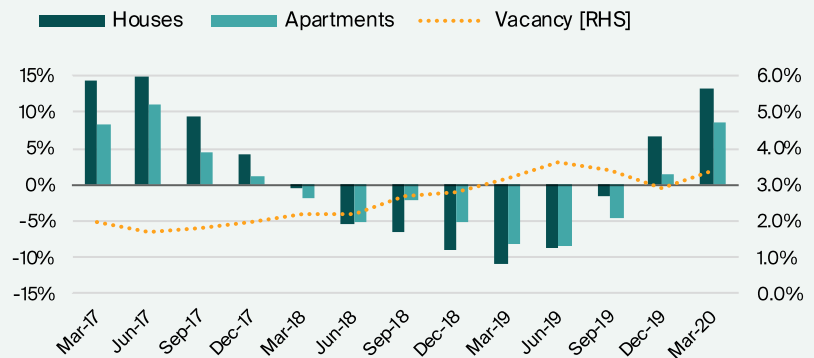
Apartments

Capital growth for apartments rose 8.5% over the past year to March 2020, also up 2.7% in the last quarter to a **median value** of \$744,500.

The **volume of sales** over the quarter tallied 6,145 apartments as at March 2020, down 29.8%. **Average days on market** for an apartment was 98 days in the March 2020 quarter. This was 86 days one quarter ago.

Gross rental yields for apartments trended down 6 bps to 3.95% over the March 2020 quarter. Over the quarter ending March 2020 **rents** fell 2.0% for apartments. Median rents stood at \$520 per week (APM).

Annual Capital Growth & Total Vacancy
%, Greater Sydney



Source: Knight Frank Research, APM, REINSW

MELBOURNE

Key Drivers

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

Victorian **economic growth** was 3.5% in 2019 with a forecast of 4.0% in 2023 (Oxford Economics). Greater Melbourne **unemployment** stood at 5.7% as at March 2020, trending 67 bps higher than the quarter before (ABS).

New household **loan commitments** in Victoria were up by 2.1% in the March 2020 quarter; lower than 8.6% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in Victoria grew by 11.4% in the month of March 2020, compared to 9.5% a year earlier. This first home buyer group represented 25.9% of all Victorian owner occupier loans in March 2020 (ABS).

Building approvals in the quarter ending March 2020 totalled 6,068 houses and 6,594 apartments in Greater Melbourne. This was trending down 1.5% for houses and 8.9% for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 2.3% in Greater Melbourne as at March 2020; recording 2.0% in the Inner Suburbs (0-10km from the CBD), 3.5% in the Middle Suburbs (10-20km) and 1.8% in the Outer Suburbs (20km+) (REIV).

The **auction clearance rate** for the week ending 24 May 2020 was 68.0% from 168 scheduled **auctions**. This was higher than the week prior, at 57.3% from 127 scheduled auctions, and higher than the comparable week a year earlier when 65.0% (out of 725 auctions) were sold (CoreLogic).

Houses

Over the year ending March 2020, **capital growth** increased 12.6% for houses; up 2.0% over the past quarter to a **median value** of \$918,500.

The quarterly **volume of sales** tallied 9,383 houses, down 38.8% as at March 2020. The **average days on market** for a house stood at 75 days in the March 2020 quarter. One quarter ago, this was 64 days.

Gross rental yields for houses trended down 9 bps to 3.33% over the first

quarter of 2020. **Rents** grew 2.3% for houses over the quarter ending March 2020, to stand at a weekly median rent of \$440 (APM).

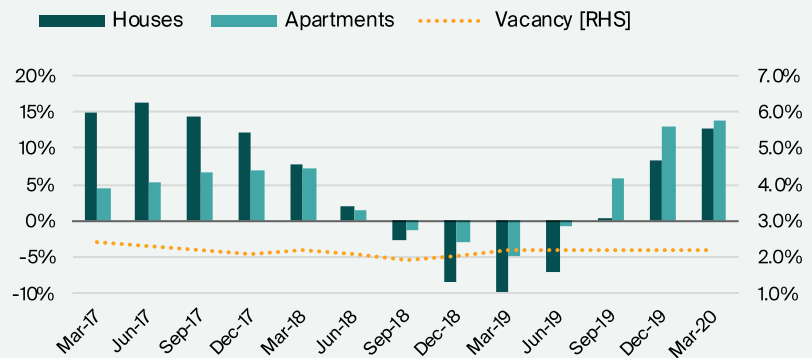
Apartments

Capital growth for apartments rose 13.8% over the past year to March 2020, but down 0.4% in the last quarter to a **median value** of \$554,500.

The **volume of sales** over the quarter tallied 4,018 apartments as at March 2020, down 37.2%. **Average days on market** for an apartment was 98 days in the March 2020 quarter. This was 86 days one quarter ago.

Gross rental yields for apartments trended down 7 bps to 4.62% over the March 2020 quarter. Over the quarter ending March 2020 **rents** rose 2.4% for apartments. Median rents stood at \$430 per week (APM).

Annual Capital Growth & Total Vacancy
%, Greater Melbourne



Source: Knight Frank Research, APM, REIV

BRISBANE

Key Drivers

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

Queensland **economic growth** was 1.2% in 2019 with a forecast of 3.9% in 2023 (Oxford Economics). Greater Brisbane **unemployment** stood at 6.5% as at March 2020, trending 127 bps higher than the quarter earlier (ABS).

New household **loan commitments** in Queensland were up by 3.1% in Q1 2020; although down from 6.6% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in Queensland grew by 10.3% in the month of March 2020, compared to 10.8% a year earlier. This first home buyer group represented 23.4% of all Queensland owner occupier loans in March 2020 (ABS).

Building approvals in the quarter ending March 2020 totalled 2,752 houses and 1,239 apartments in Greater Brisbane. This was trending down 7.5% for houses but 40% higher for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 2.0% in Greater Brisbane as at March 2020; recording 2.7% in the Inner Suburbs (0-5km from the CBD), 1.8% in the Middle Suburbs (5-20km) and 1.8% in the Outer Suburbs (20km+) (REIQ).

The **auction clearance rate** for the week ending 24 May 2020 was 46.7% from 49 scheduled **auctions**. This was higher than the week prior, at 37.5% from 28 scheduled auctions, and higher than the comparable week a year earlier when 37.0% (out of 107 auctions) were sold (CoreLogic).

Houses

Over the year ending March 2020, **capital growth** increased 2.1% for houses; up 0.6% over the past quarter to a **median value** of \$585,000.

The quarterly **volume of sales** tallied 5,217 houses, down 35.4% as at March 2020. The **average days on market** for a house stood at 95 days in the March 2020 quarter. One quarter ago, this was 87 days.

Gross rental yields for houses remained stable at 4.66% over the first

quarter of 2020. **Rents** were stable for houses over the quarter ending March 2020, to stand at a weekly median rent of \$410 (APM).

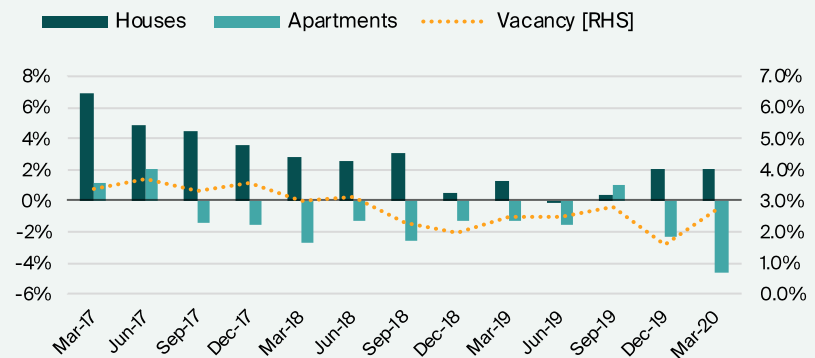
Apartments

Capital growth for apartments fell 4.6% over the past year to March 2020, also down 4.2% in the last quarter to a **median value** of \$374,000.

The **volume of sales** over the quarter tallied 2,015 apartments as at March 2020, down 31.8%. **Average days on market** for an apartment was 138 days in the March 2020 quarter. This was 151 days one quarter ago.

Gross rental yields for apartments trended down 2 bps to 5.40% over the March 2020 quarter. Over the quarter ending March 2020 **rents** remained stable for apartments. Median rents stood at \$385 per week (APM).

Annual Capital Growth & Total Vacancy
%, Greater Brisbane



Source: Knight Frank Research, APM, REIQ

PERTH

Key Drivers

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

Western Australia (WA) **economic growth** was -0.9% in 2019 with a forecast of 5.1% in 2023 (Oxford Economics).

Greater Perth **unemployment** stood at 6.0% as at March 2020, trending 83 bps higher than the quarter earlier (ABS).

New household **loan commitments** in WA were up by 5.3% in the March 2020 quarter; higher than 3.3% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in WA grew by 9.9% in the month of March 2020, compared to 2.4% a year earlier. This first home buyer group represented 35.1% of all WA owner occupier loans in March 2020 (ABS).

Building approvals in the quarter ending March 2020 totalled 2,316 houses and 516 apartments in Greater Perth. This was trending 5.6% lower for houses and 8.8% lower for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 2.2% in Greater Perth as at March 2020. This was 20 bps lower than one quarter ago at 2.4% and down 30 bps from 2.5% recorded a year earlier (REIWA).

The **auction clearance rate** for the week ending 24 May 2020 was 0% from 10 scheduled **auctions**. This was lower than the week prior, at 14.3% from 8 scheduled auctions, and lower than the comparable week a year earlier when 38.0% (out of 16 auctions) were sold (CoreLogic).

Houses

Over the year ending March 2020, **capital growth** decreased 1.0% for houses; although stable over the past quarter to a **median value** of \$527,500.

The quarterly **volume of sales** tallied 6,197 houses, down 17.1% as at March 2020. The **average days on market** for a house stood at 147 days in the March 2020 quarter. One quarter ago, this was 135 days.

Gross rental yields for houses trended down 12 bps to 4.72% over the first

quarter of 2020. **Rents** grew 1.4% for houses over the quarter ending March 2020, to stand at a weekly median rent of \$375 (APM).

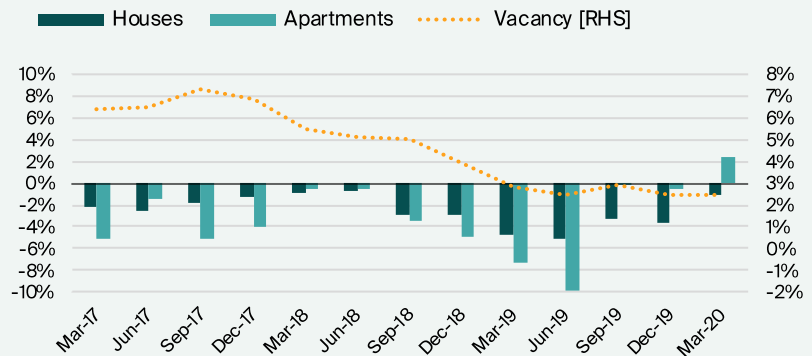
Apartments

Capital growth for apartments rose 2.3% over the past year to March 2020, also up 1.6% in the last quarter to a **median value** of \$348,500.

The **volume of sales** over the quarter tallied 644 apartments as at March 2020, down 21.3%. **Average days on market** for an apartment was 150 days in the March 2020 quarter. This was 146 days one quarter ago.

Gross rental yields for apartments trended upwards 20 bps to 5.40% over the March 2020 quarter. Over the quarter ending March 2020 **rents** grew by 3.2% for apartments. Median rents stood at \$320 per week (APM).

Annual Capital Growth & Total Vacancy
%, Greater Perth



Source: Knight Frank Research, APM, REIWA

GOLD COAST

Key Drivers

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

Queensland **economic growth** was 1.2% in 2019 with a forecast of 3.9% in 2023 (Oxford Economics).

Gold Coast LGA **unemployment** stood at 5.7% as at December 2019, trending 140 bps higher than the quarter earlier (ABS).

New household **loan commitments** in Queensland were up by 3.1% in Q1 2020; although down from 6.6% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in Queensland grew by 10.3% in the month of March 2020, compared to 10.8% a year earlier. This first home buyer group represented 23.4% of all Queensland owner occupier loans in March 2020 (ABS).

Building approvals in the quarter ending March 2020 totalled 425 houses and 272 apartments in the Gold Coast LGA. This was trending down 8.2% for houses and 54% lower for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 3.0% in the Gold Coast LGA as at March 2020. This was 120 bps higher than one quarter ago and up 130 bps from 1.7% recorded a year earlier (REIQ).

Houses

Over the year ending March 2020, **capital growth** increased 4.8% for houses; up 0.8% over the past quarter to a **median value** of \$650,000.

The annual **volume of sales** tallied 8,882 houses, increasing 7.2% as at March 2020.

The **average days on market** for a house stood at 103 days in the March 2020 quarter. One quarter ago, this was 105 days.

Gross rental yields for houses remained stable at 5.00% over the first quarter of 2020.

Rents were stable for houses over the quarter ending March 2020, to stand at a weekly median rent of \$520 (APM).

Apartments

Capital growth for apartments fell 2.3% over the past year to March 2020, also down 0.5% in the last quarter to a **median value** of \$420,000.

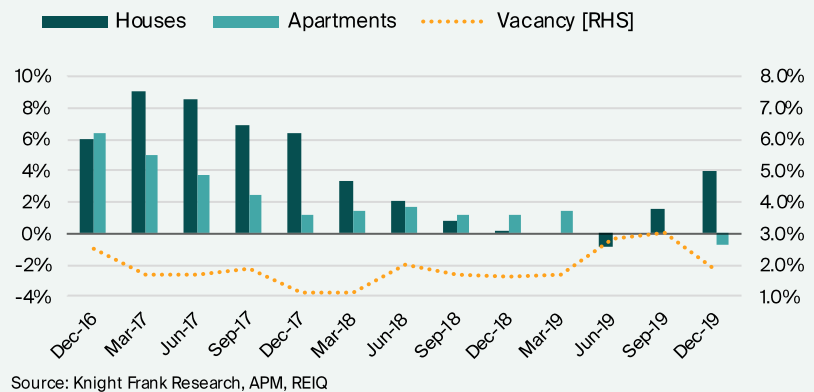
The **volume of sales** over the year tallied 6,906 apartments as at March 2020, down 3.4%.

Average days on market for an apartment was 138 days in the March 2020 quarter. This was 145 days one quarter ago.

Gross rental yields for apartments were steady at 5.90% over the March 2020 quarter.

Over the quarter ending March 2020 **rents** fell 2.3% for apartments. Median rents stood at \$420 per week (APM).

Annual Capital Growth & Total Vacancy
%, Gold Coast LGA



ADELAIDE

Key Drivers

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

South Australian (SA) **economic growth** was 1.7% in 2019 with a forecast of 3.2% in 2023 (Oxford Economics). Greater Adelaide **unemployment** stood at 6.4% as at March 2020, trending 27 bps higher than the quarter earlier (ABS).

New household **loan commitments** in SA were down by 1.3% in the March 2020 quarter; lower than 3.8% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in SA grew by 11.3% in the month of March 2020, compared to a fall of 5.6% a year earlier. This first home buyer group represented 18.0% of all SA owner occupier loans in March 2020 (ABS).

Building approvals in the quarter ending March 2020 totalled 1,571 houses and 555 apartments in Greater Adelaide. This was trending 8.3% lower for houses and 47.1% lower for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 1.0% in Greater Adelaide as at December 2019. This was similar to one quarter ago but down 20 bps from 1.2% recorded a year earlier (REIA).

The **auction clearance rate** for the week ending 24 May 2020 was 38.5% from 14 scheduled **auctions**. This was lower than the week prior, at 61.5% from 15 scheduled auctions, and lower than the comparable week a year earlier when 64.0% (out of 69 auctions) were sold (CoreLogic).

Houses

Over the year ending March 2020, **capital growth** increased 1.3% for houses; although steady over the past quarter to a **median value** of \$542,500.

The quarterly **volume of sales** tallied 4,823 houses, down 1.7% as at March 2020. The **average days on market** for a house stood at 105 days in the March 2020 quarter. One quarter ago, this was 99 days.

Gross rental yields for houses trended higher by 1 bps to 4.54% over the first

quarter of 2020. **Rents** grew 1.3% for houses over the quarter ending March 2020, to stand at a weekly median rent of \$395 (APM).

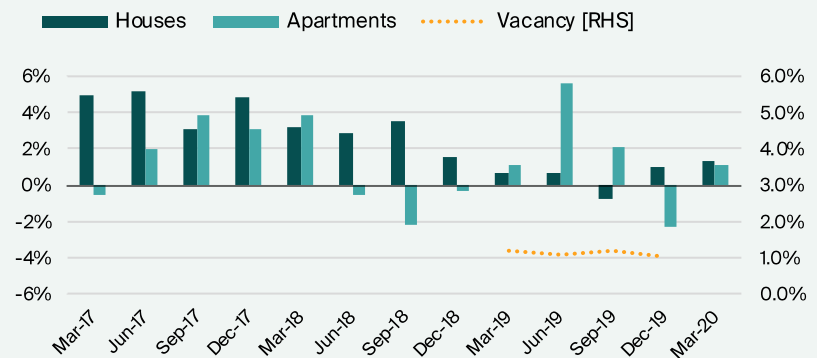
Apartments

Capital growth for apartments rose 1.1% over the past year to March 2020, also up 4.2% in the last quarter to a **median value** of \$324,000.

The **volume of sales** over the quarter tallied 1,080 apartments as at March 2020, up 3.7%. **Average days on market** for an apartment was 137 days in the March 2020 quarter. This was 151 days one quarter ago.

Gross rental yields for apartments trended up 6 bps to 5.43% over the March 2020 quarter. Over the quarter ending March 2020 **rents** grew 1.6% for apartments. Median rents stood at \$320 per week (APM).

Annual Capital Growth & Total Vacancy
%, Greater Adelaide



Source: Knight Frank Research, APM, REIA

H O B A R T

Key Drivers

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

Tasmanian **economic growth** was 3.6% in mid-2019, increasing 10 bps on the previous year (ABS).

Greater Hobart **unemployment** stood at 5.4% as at March 2020, trending 1 bps lower than the quarter earlier (ABS).

New household **loan commitments** in Tasmania were up by 3.7% in the March 2020 quarter; higher than -3.7% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in Tasmania grew by 13.3% in the month of March 2020, compared to 1.2% a year earlier. This first home buyer group represented 19.9% of all Tasmania owner occupier loans in March 2020 (ABS).

Building approvals in the quarter ending March 2020 totalled 358 houses and 3 apartments in Greater Hobart. This was trending 51.1% higher for houses but 97.4% lower for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 1.7% in Greater Hobart as at December 2019. This was down 10 bps from 1.8% one quarter ago but up 20 bps from 1.5% recorded a year earlier (REIA).

The **auction clearance rate** for the week ending 24 May 2020 was 0% from 4 scheduled **auctions**. This was the same as the week prior, at 0% from 2 scheduled auctions, and lower than the comparable week a year earlier when 50% (out of 4 auctions) were sold (CoreLogic).

Houses

Over the year ending March 2020, **capital growth** increased 9.3% for houses; up 2.2% over the past quarter to a **median value** of \$514,000.

The quarterly **volume of sales** tallied 708 houses, down 26.1% as at March 2020. The **average days on market** for a house stood at 61 days in the March 2020 quarter. One quarter ago, this was 42 days.

Gross rental yields for houses trended down 190 bps to 3.33% over the first

quarter of 2020. **Rents** grew 2.2% for houses over the quarter ending March 2020, to stand at a weekly median rent of \$470 (APM).

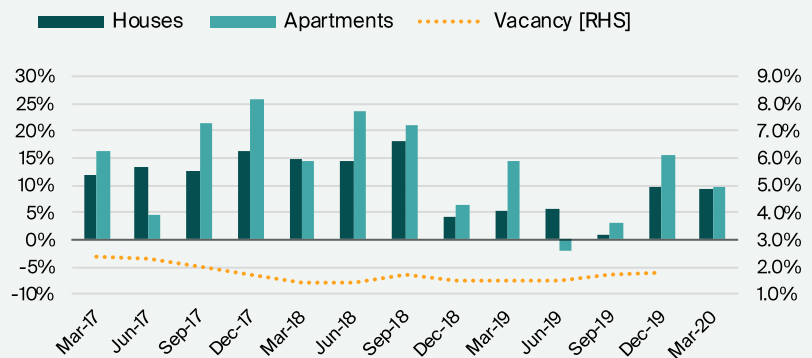
Apartments

Capital growth for apartments rose 9.8% over the past year to March 2020, to be steady in the last quarter to a **median value** of \$432,000.

The **volume of sales** over the quarter tallied 121 apartments as at March 2020, down 19.3%. **Average days on market** for an apartment was 57 days in the March 2020 quarter. This was 61 days one quarter ago.

Gross rental yields for apartments trended down 16 bps to 4.87% over the March 2020 quarter. Over the quarter ending March 2020 **rents** grew 1.2% for apartments. Median rents stood at \$415 per week (APM).

Annual Capital Growth & Total Vacancy
%, Greater Hobart



Source: Knight Frank Research, APM, REIA

CANBERRA

Key Drivers

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

The Australian Capital Territory (ACT) **economic growth** was 2.8% in 2019 with a forecast of 2.8% in 2023 (Oxford Economics).

Canberra **unemployment** stood at 3.5% as at March 2020, trending 65 bps higher than the quarter earlier (ABS).

New household **loan commitments** in the ACT were down by 4.3% in the March 2020 quarter; lower than 9.8% recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in the ACT grew by 18.8% in the month of March 2020, compared to 38.5% a year earlier. This first home buyer group represented 23.8% of all ACT owner occupier loans in March 2020 (ABS).

Building approvals in the quarter ending March 2020 totalled 299 houses and 666 apartments in Canberra. This was trending lower by 3.9% for houses and by 19.2% for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 1.3% in Canberra as at December 2019. This was 10 bps higher than the 1.2% recorded a quarter ago, and 70 bps higher from 0.6% one year earlier (REIA).

The **auction clearance rate** for the week ending 24 May 2020 was 69.0% from 58 scheduled **auctions**. This was higher than the week prior, at 65.8% from 43 scheduled auctions, and lower than the comparable week a year earlier when 74.0% (out of 39 auctions) were sold (CoreLogic).

Houses

Over the year ending March 2020, **capital growth** increased 4.4% for houses; up 0.3% over the past quarter to a **median value** of \$779,000.

The quarterly **volume of sales** tallied 987 houses, down 37.3% as at March 2020. The **average days on market** for a house stood at 80 days in the March 2020 quarter. One quarter ago, this was 75 days.

Gross rental yields for houses trended down 6 bps to 4.43% over the first

quarter of 2020. **Rents** were stable for houses over the quarter ending March 2020, to stand at a weekly median rent of \$580 (APM).

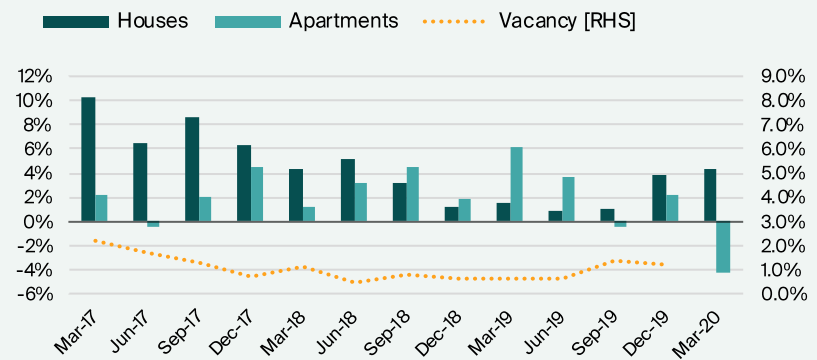
Apartments

Capital growth for apartments fell 4.3% over the past year to March 2020, also down 5.2% in the last quarter to a **median value** of \$441,000.

The **volume of sales** over the quarter tallied 803 apartments as at March 2020, down 42.6%. **Average days on market** for an apartment was 112 days in the March 2020 quarter. This was 100 days one quarter ago.

Gross rental yields for apartments trended down 4 bps to 6.20% over the March 2020 quarter. Over the quarter ending March 2020 **rents** remained steady for apartments. Median rents stood at \$480 per week (APM).

Annual Capital Growth & Total Vacancy
%, Canberra



Source: Knight Frank Research, APM, REIA

DARWIN

Key Drivers

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

The Northern Territory (NT) **economic growth** was -1.5% in mid-2019, decreasing 350 bps on the previous year (ABS).

Greater Darwin **unemployment** stood at 5.3% as at March 2020, trending 59 bps higher than the quarter earlier (ABS).

New household **loan commitments** in the NT were up by 1.5% in the March 2020 quarter; lower than 3.3% growth recorded the previous quarter (ABS).

The number of lending commitments to owner occupier **first home buyers** in the NT grew by 64.8% in the month of March 2020, compared to 51% a year earlier. This first home buyer group represented 39% of all NT owner occupier loans in March 2020 (ABS).

Building approvals in the quarter ending March 2020 totalled 61 houses and 5 apartment in Greater Darwin. This was trending similar for houses but 37.5% lower for apartment approvals compared to the quarter earlier (ABS).

Total residential vacancy was 7.7% in Greater Darwin as at December 2019. This was up 180 bps from 5.9% one quarter ago but down 50 bps from 8.2% recorded a year earlier (REIA).

The **auction clearance rate** for the week ending 24 May 2020 was 0% from 1 scheduled **auction**. This was lower than the week prior, at 100% from 1 scheduled auction, but lower than the comparable week a year earlier when 50% (out of 2 auctions) were sold (CoreLogic).

Houses

Over the year ending March 2020, **capital growth** fell by 3.9% for houses; although up 1.2% over the past quarter to a **median value** of \$494,500.

The quarterly **volume of sales** tallied 150 houses, down 19.4% as at March 2020. The **average days on market** for a house stood at 164 days in the March 2020 quarter. One quarter ago, this was 175 days.

Gross rental yields for houses trended up 4 bps to 4.90% over the first quarter

of 2020. **Rents** decreased 3.0% for houses over the quarter ending March 2020, to stand at a weekly median rent of \$480 (APM).

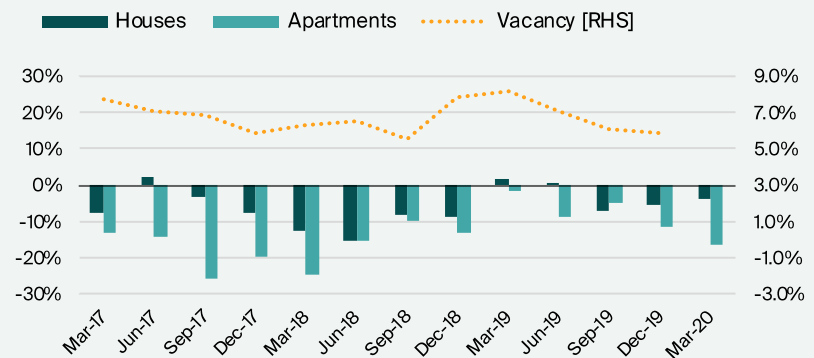
Apartments

Capital growth for apartments fell by 16.2% over the past year to March 2020, also down 8.1% in the last quarter to a **median value** of \$262,500.

The **volume of sales** over the quarter tallied 110 apartments as at March 2020, down 19.7%. **Average days on market** for an apartment was 233 days in the March 2020 quarter. This was 279 days one quarter ago.

Gross rental yields for apartments trended down 10 bps to 6.41% over the March 2020 quarter. Over the quarter ending March 2020 **rents** fell 2.6% for apartments. Median rents stood at \$380 per week (APM).

Annual Capital Growth & Total Vacancy
%, Greater Darwin



Source: Knight Frank Research, APM, REIA

REGIONAL AREAS

Annual Capital Growth, Houses

%, Key Regional Areas & Capital Cities, 31 March 2020

Isaac, Qld	34.1%	Central Goldfields, Vic	5.6%	Shellharbour, NSW	0.0%
Western Downs, Qld	19.1%	Maitland, NSW	5.2%	Gannawarra, Vic	0.0%
Colac Otway, Vic	18.9%	Macedon Ranges, Vic	5.2%	Mount Alexander, Vic	0.0%
Murray River, NSW	17.0%	Forbes, NSW	5.0%	Fraser Coast, Qld	0.0%
Leeton, NSW	16.2%	Gladstone, Qld	4.9%	Gympie, Qld	0.0%
Glennelg, Vic	14.5%	Gold Coast, Qld	4.8%	Redland, Qld	-0.6%
Cassowary Coast, Qld	14.3%	Eurobodalla, NSW	4.7%	Perth, WA	-10%
Swan Hill, Vic	14.1%	Greater Geelong, Vic	4.6%	Scenic Rim, Qld	-13%
Sydney, NSW	13.1%	Sunshine Coast, Qld	4.5%	Toowoomba, Qld	-13%
Melbourne, Vic	12.6%	Canberra, ACT	4.4%	Ararat, Vic	-2.1%
Inverell, NSW	12.3%	Tweed, NSW	4.3%	Upper Hunter, NSW	-2.2%
Clarence Valley, NSW	12.2%	Wingecarribee, NSW	4.2%	Gunnedah, NSW	-2.7%
Warrnambool, Vic	11.3%	Noosa, Qld	4.0%	Campaspe, Vic	-2.9%
Nambucca, NSW	11.3%	Singleton, NSW	4.0%	Muswellbrook, NSW	-3.4%
Bellingen, NSW	11.1%	Port Macquarie-Hastings, NSW	3.9%	Darwin, NT	-3.9%
Ballarat, Vic	10.4%	Wollongong, NSW	3.6%	Snowy Monaro Regional, NSW	-4.0%
Corangamite, Vic	10.0%	Southern Downs, Qld	3.6%	Mareeba, Qld	-4.6%
Goulburn Mulwaree, NSW	9.6%	Livingstone, Qld	3.5%	Alpine, Vic	-4.8%
Griffith, NSW	9.6%	Mansfield, Vic	3.5%	Broken Hill, NSW	-5.3%
Tablelands, Qld	9.5%	Greater Shepparton, Vic	3.4%	Mount Isa, Qld	-6.5%
East Gippsland, Vic	9.5%	Horsham, Vic	3.4%	Armidale Regional, NSW	-7.0%
Hobart, Tas	9.3%	Moreton Bay, Qld	3.4%	Murrumbidgee, Vic	-7.4%
Moora, Vic	9.1%	Baw Baw, Vic	3.3%	Dubbo Regional, NSW	-7.9%
Parkes, NSW	8.9%	Lake Macquarie, NSW	3.3%	Douglas, Qld	-10.3%
Moira, Vic	8.9%	Mitchell, Vic	3.3%	Bega Valley, NSW	NA
Somerset, Qld	8.8%	Townsville, Qld	3.1%	Coffs Harbour, NSW	NA
Rockhampton, Qld	8.8%	South Burnett, Qld	3.0%	Cowra, NSW	NA
Surf Coast, Vic	8.5%	Central Highlands, Qld	2.9%	Great Lakes, NSW	NA
Albury, NSW	8.3%	Moyne, Vic	2.7%	Greater Taree, NSW	NA
Golden Plains, Vic	8.2%	Lismore, NSW	2.5%	Hawkesbury, NSW	NA
Hepburn, Vic	7.8%	Orange, NSW	2.4%	Port Stephens, NSW	NA
Indigo, Vic	7.6%	Byron, NSW	2.2%	Queanbeyan-Palerang Regional, NSW	NA
Ipswich, Qld	7.5%	Lockyer Valley, Qld	2.2%	Wagga Wagga, NSW	NA
Cootamundra-Gundagai Regional, NSW	7.4%	Brisbane, Qld	2.1%	Young, NSW	NA
Richmond Valley, NSW	7.4%	Tamworth Regional, NSW	2.0%	Strathbogie, Vic	NA
Mildura, Vic	7.3%	Bundaberg, Qld	1.7%	Wellington, Vic	NA
Bass Coast, Vic	7.2%	Shoalhaven, NSW	1.7%	Barana, Qld	NA
Ballina, NSW	7.1%	Cairns, Qld	1.7%	Burdekin, Qld	NA
Greater Bendigo, Vic	6.9%	Yass Valley, NSW	1.7%	Charters Towers, Qld	NA
Wodonga, Vic	6.9%	Newcastle, NSW	1.7%	Cook, Qld	NA
Kiama, NSW	6.9%	Wangaratta, Vic	1.4%	Goondiwindi, Qld	NA
Lithgow, NSW	6.8%	Adelaide, SA	1.3%	Hinchinbrook, Qld	NA
Latrobe, Vic	6.5%	Whitsunday, Qld	0.7%	Longreach, Qld	NA
South Gippsland, Vic	6.5%	Edward River, NSW	0.4%	Maranoa, Qld	NA
Southern Grampians, Vic	6.3%	Bathurst Regional, NSW	0.0%	North Burnett, Qld	NA
Northern Grampians, Vic	6.0%	Cessnock, NSW	0.0%		
Mackay, Qld	5.8%	Federation, NSW	0.0%		

Source: Knight Frank Research, APM

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

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



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