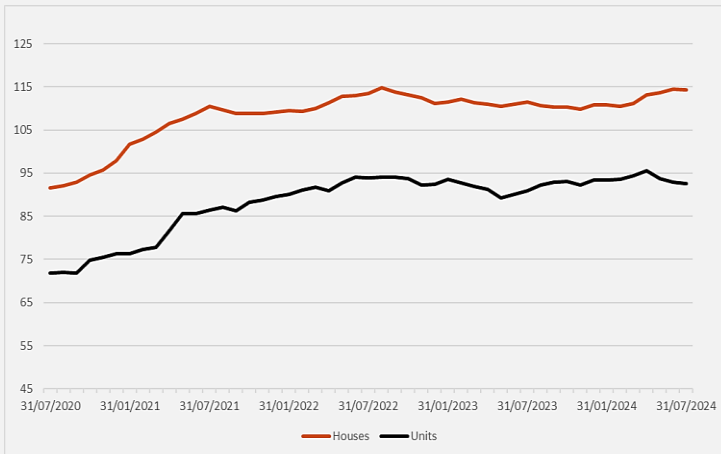




DARWIN MARKET SNAPSHOT

Home Value Index July 2024

The change in house and unit values to end of July 2024 is recorded at:



HOUSES



UNITS

Quarter

+1.1%

-3.1%

Annual

+2.6%

+1.8%

Annual Dwelling Sales July 2024

2,729

+3.1% higher than one year ago.
+10.4% above the five-year average.



9.6%
HOUSE SALES



-6.0%
UNIT SALES

Source: CoreLogic

Darwin dwelling values tracked sideways easing slightly - 0.2% for July and quarterly trend in values -0.3% lower.

The unit market has been the main contributor to downward pressure on dwelling values in Darwin, with a -3.1% reduction in unit values over the previous three months ending July. This contrasts with a +1.1% rise in house values over the same period. Darwin dwelling values are still up +26.3% on pre-Covid levels.

Nationally, whilst the headline growth rate remains positive, momentum however is moderating, and conditions are becoming more diverse.

Three capitals recorded an easing in values over the past 3 months, with Melbourne seeing the largest softening of -0.9%, followed by -0.8% in Hobart and -0.3% reduction in Darwin.

Nationally the housing price index (HVI) posted a broad-based rise with a gain of +0.5% for July easing slightly on the +0.7% increase in June. The current upswing in housing values heralds the eighteenth consecutive month of growth. The mid-sized capitals continue to buck the slowing market trend, with Perth, Adelaide and Brisbane leading with the strongest quarterly growth rate, as listings remain well below average.

The outlook for Darwin indicates softer conditions with above average supply levels on the market, creating options for buyers and minimising any potential value growth. Interest rate movement uncertainty remains front of mind and a key factor influencing the Darwin property market.





MARKET CONDITIONS



HOUSE



UNITS

LISTINGS – ANNUAL VARIANCE

-7.3%

-7.2%

DAYS ON MARKET

59 days

62 days

VENDOR DISCOUNT

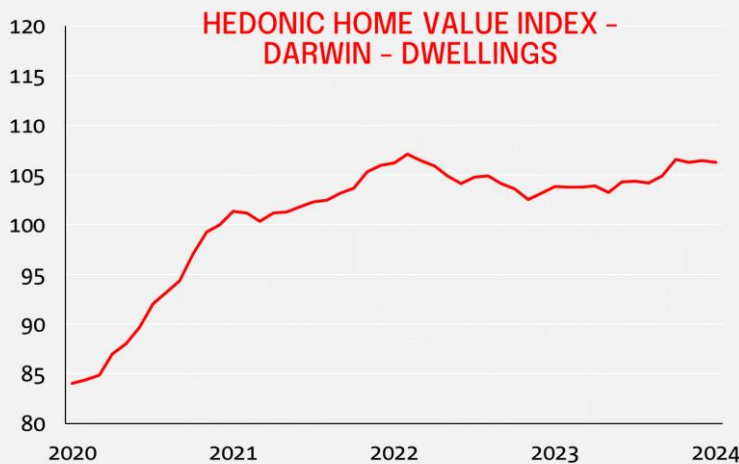
-4.5%

-5.0%

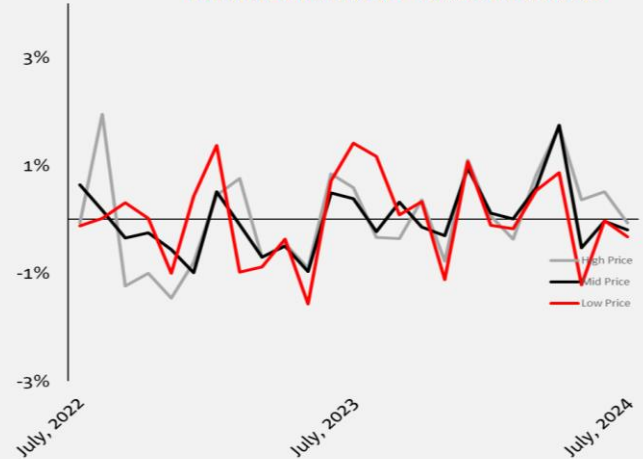
MEDIAN VALUE

\$588,327

\$367,487



MONTHLY % VALUE MOVEMENT CHANGE BY PRICE QUARTILE DARWIN DWELLINGS - SINCE JULY 2022



Source: CoreLogic

Market movements across all quartiles in Darwin remains relatively flat with all three market segments posting mild easing in July. The trend on a quarterly basis shows modest decreases across all quadrants, led by the lower market segment recording a decrease over the quarter of -0.5%, whilst the mid-price and high-price quartile both recorded mild easing of -0.3% over the same period.

Borrowing capacity and affordability concerns is skewing demand towards the lower price points of the market. Affordability pressures appear less prevalent in Darwin, with

historically high supply levels across medium and high-density unit sector keeping a lid of unit value growth. Darwin remains the most affordable capital city nationally, also achieving the highest gross rental yields of 6.5%.

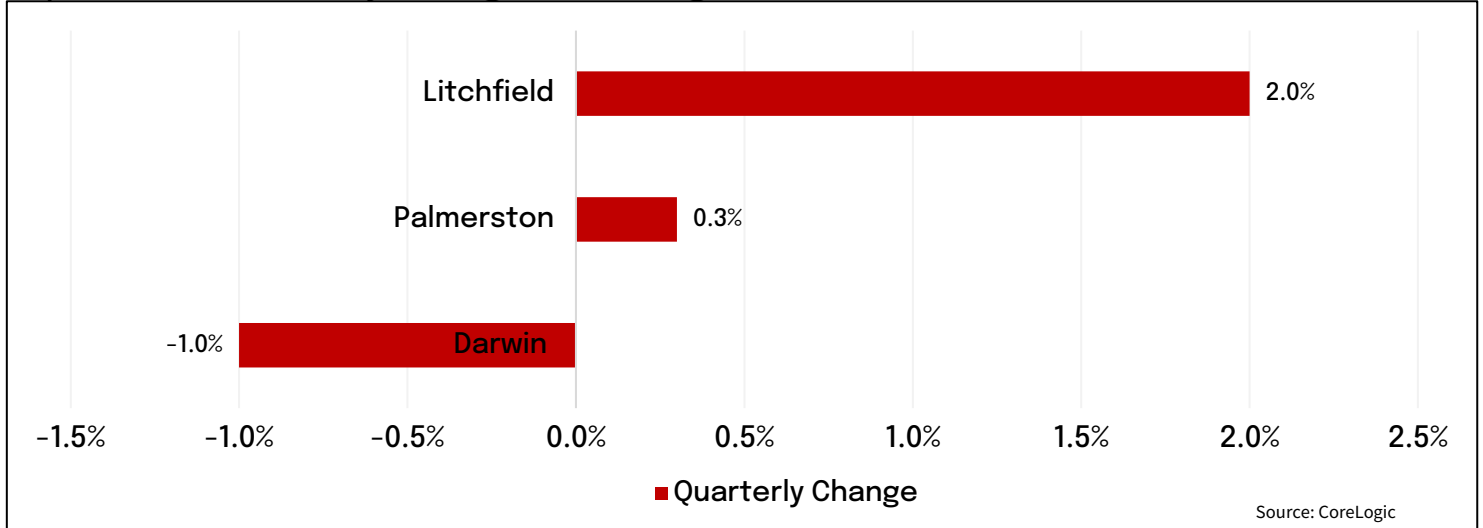
NAB expectation is the RBA will remain on hold for longer with a higher, with a first rate cut in 2025 potentially now in May.

The main considerations for the Darwin property market include the improving stock levels, future interest rate movements, rising rental growth and strong yields.



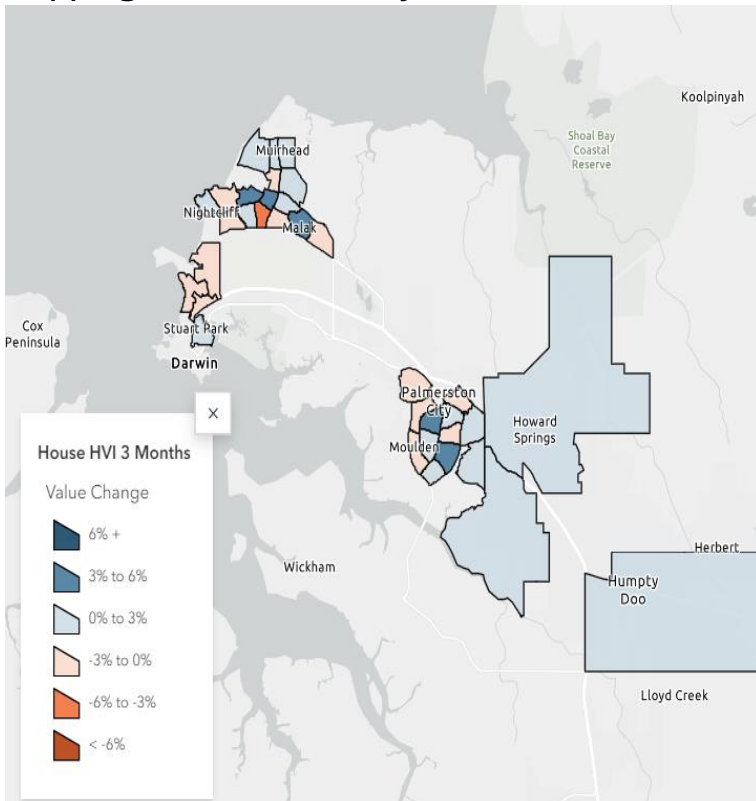


Top Suburbs Quarterly Change - Dwellings



Key highlights and trends surrounding each of the Housing, Unit and Rental Markets being seen include:

Mapping the Market - July 2024



- The median house value in Darwin recorded a slight decrease of +0.1% in July and sits just +1.1% over the quarter. Year to date growth is currently at +2.6%. House values on an annual basis have moved marginally higher gaining +2.6%, with the median house value now sitting at \$588,327.
- The unit market lost some momentum recording subtle easing of -0.3% for the month, with a quarterly decrease of -3.1%, bringing the rolling year to date change to -0.9%. Annual growth remains positive however, up +1.8% compared to July last year. Despite making up a smaller portion of market overall, the median unit value now sits at \$367,487.
- Vacancy rates continue to drop further near record lows, now at 0.7% across Darwin as of July. House rents have risen by +2.6% over the last year, while unit rents similarly are up +2.1%.
- Top 4 Darwin Suburbs annual change:
 - Litchfield +3.7%
 - Darwin City +3.2%
 - Darwin Suburbs +2.2%
 - Palmerston +1.0%

Source: CoreLogic





RECENT SALES ACTIVITY

Lower Market

43 Sibbald Crescent, Woodroffe



The sale property comprises an original, well kept, three-bedroom, two-bathroom, 1985 built, single level brick dwelling of 116 sqm on a rectangular 880 sqm lot. Ancillary improvements include pergola, landscaped yard and single attached carport. The property was recently offered for sale through Ray White Bayside in late-April with no list price guide provided. After a marketing campaign and 89 days on the market the property was sold for \$370,000 on 19th July.

Mid-Market

72 Farrar Boulevard, Farrar



The sale property comprises an original, tidy, three-bedroom, two-bathroom, circa 2000's built, single level, rendered brick dwelling of 112 sqm on a rectangular 740 sqm lot. Ancillary improvements include rear pergola, landscaped yard, swimming pool and attached carport for two vehicles. The property was offered for sale by Get Realty Palmerston City at the end of February with no list price guide. After a marketing campaign and 82 days on the market the property was sold for \$550,000 on 29th July.

Premium Market

11 Makryllos Circuit, Tiwi



The sale property comprises a partially renovated, well kept, four-bedroom, two-bathroom, 1992 built, single level, rendered brick dwelling of 195 sqm on a large 963 sqm lot. Ancillary improvements include swimming pool, pergola, landscaped yard, double garage and double carport with total parking for four vehicles. The property was offered for sale by Real Estate Central Darwin City early July with no list price guide. After a marketing campaign and 19 days on the market the property was sold for \$1,001,000 on 23rd July.

Disclaimer – The information contained in this publication is gathered from multiple sources believed to be reliable as at the end of July 2024 and is intended to be of general nature only. It has been prepared without taking into account any person's objectives, financial situation or needs. Before acting on this information, NAB recommends that you consider whether it is appropriate for your circumstances. NAB recommends that you seek independent legal, property, financial, and taxation advice before acting on any information in this publication.

