



# Darwin Market Research

## March 2025



Inner Darwin Median  
House Price \$841,500



Darwin Median  
House Rental  
\$683 per week



7.8% yield for  
Apartments in  
Greater Darwin

# Darwin Market Overview

The Darwin market recorded an increase in sales volume and reflected stable median residential prices for all regions of Darwin, in the 12 months from April 2024 to the end of March 2025. This trend was seen across all regions of Darwin except for Inner Darwin which saw a reduction of sales stock.

Australian property values reached new heights in March 2025, reversing a recent downward trend, according to CoreLogic's national Home Value Index. Values increased 0.4% over the month, the second consecutive month of growth in the national index, following a short three-month decline where values dipped 0.5%.

Cost of living relief should support household incomes, although the variables may change following the May 3rd federal election. Alongside real growth in household disposable incomes, which the RBA forecasts at 2.5% over the 2025 calendar year, prospective borrowers may find it easier to save for a deposit with National accounts data showing a consistent pick up in the household saving ratio.

New housing supply is likely to remain constrained amid high costs, a scarcity of skilled trades and compressed profit margins. Even though population growth is easing, the cumulative undersupply of housing will take some time to address. Housing construction costs are still rising from an already high base, creating ongoing feasibility challenges for builders and developers. The competition for trades within the infrastructure sector is likely to persist for several years at least. Low supply is another factor that could support further value growth.

In February 2025, the trend number of residential building approvals in the Territory increased by 5.7% to 56 approvals, the second strongest result of the jurisdictions, which ranged from a decline of 2.8% in Queensland to an increase of 9.3% in the Australian Capital Territory. Nationally, residential building approvals increased by 0.1%. Over the year to February 2025, the number of residential building approvals in the Territory increased by 69.7% (off a very low base). This was the strongest result of the jurisdictions, which otherwise ranged from a decline of 34.4% in the Australian Capital Territory to an increase of 46.0% in South Australia.

Rental demand still remains relatively high with tight vacancy rates similar to the previous quarter. We anticipate demand will increase with the oncoming Dry season and mid-year job intakes for industry.

Improved sentiment following the February rate cut is likely to be the biggest driver of the turnaround in values, along with the direct influence of a slight improvement in borrowing capacity and mortgage serviceability. This, together with promised incentives for first home buyers, regardless of the election outcome, is expected to stimulate price levels at the sub \$650,000 level.



# Residential Sales Activity



## House Market

According to CoreLogic, the median house price in Darwin increased by 2.64% over the past 12 months ending March 2025 to \$603,669. Further research conducted by Territory Property Consultants in Darwin revealed some additional data on housing over the same period.

For the 12 months ending March 2025, the average sale price for the inner suburbs of Darwin (Larrakeyah/Parap/Stuart Park) decreased -9.81% to \$841,500, northern coastal suburbs (Nightcliff/Rapid Creek/Lyons/Muirhead) decreased -0.76% to \$650,000, north eastern suburbs (Leanyer/Wulagi/Anula/Malak/Karama) were stable at \$535,000 and Palmerston (all suburbs) increased 2.16% to \$545,000.

Sales volumes increased in almost all localities with the exception being Darwin. Further analysis shows 53 house sales over \$1M in Darwin from April 2023 to Mar 2024 as compared to 38 sales over \$1M from April 2024 to March 2025. The other interesting feature to note is the large proportion of purchasers over the past 12 months (over 55% of the total) are interstate investors, with the median house price for these investment sales being \$575,000. Refer table below:-

### April 2023 to March 2024 Darwin House Sales

Locality	No of Sales	Median Price
Darwin	132	\$932,000
Nightcliff	314	\$655,000
Sanderson	188	\$535,000
Palmerston	580	\$533,500

### April 2024 to March 2025 Darwin House Sales

Locality	No of Sales	Median Price	Average Price Change	Change in Volume
Darwin	100	\$841,000	-9.81%	-24.24%
Nightcliff	395	\$650,000	-0.76%	25.80%
Sanderson	217	\$535,000	0.00%	15.43%
Palmerston	949	\$545,000	2.16%	63.62%

The high number of sales in Palmerston reflects the extraordinary interest from interstate investors.



## Apartment Market

Data from CoreLogic also indicates that the Darwin unit market experienced relatively static growth over the past 12 months with the median price stable at \$365,000. Darwin's unit market still presents great value to both owner occupiers and investors alike, as it remains one of the most affordable capital cities to purchase an apartment with the highest yields of all capital cities at 7.8% compared to Sydney and Melbourne both at approx. 4.5%.

## New Construction & Land Sales

The new land releases remain predominantly in Northcrest, Zuccoli in Palmerston, Marrara Gardens (ex Malak Caravan Park), Marrara Gardens and, more recently Darwin's newest residential estate, The Parks at Holtze. The first lots have recently hit the market in this urban development in Greater Darwin, offering purchasers a chance to enter the property market for less than \$200,000. The Parks has acquired a development permit and is offering an initial release of 33 lots starting from \$189,000. A total 544 lots will be developed at the site opposite Palmerston Hospital, and the first residents are expected to be able to start moving in from late 2026.



## Residential Rental Activity

From recent in office research based on managed accommodation classes, the current average weekly rental rates in Greater Darwin and Palmerston as at March 2025 are tabled below :-

Accomm. Type	Darwin (p.w.)	Northern Suburbs (p.w.)	Palmerston (p.w.)
House - 3 Bedroom	\$600 - \$680	\$580 - \$650	\$550 - \$650
House - 4 Bedroom	\$700 - \$750	\$650 - \$750	\$600 - \$700
House—Executive	\$850 - \$1000	\$700 - \$800	\$650- \$750
Unit - 1 Bedroom	\$450 - \$500	\$420 - \$470	\$400 - \$470
Unit - 2 Bedroom	\$550 - \$650	\$550 - \$630	\$480 - \$550
Unit - 3 Bedroom	\$650 - \$750	\$630 - \$675	\$520 - \$600
Unit—Executive	\$850 - \$1000	\$675 - \$750	N/A

For the 2025 Dry season, we anticipate vacancy rates to remain below 1%.

Along with the ongoing multi-billion-dollar defence projects in Darwin and Tindal, and the Santos Barossa gas project (The Santos operated Barossa Gas Project is an offshore gas and condensate project that proposes to provide a new source of gas to the existing Darwin liquified natural gas (DLNG) facility in the Northern Territory), all of these projects combined will assist in providing an increase in activity in the Territory which will assist in demand for accommodation.

Further to the above LNG giant Inpex has begun the process leading to the August 2025 shutdown work on its Blaydin Point plant that will swell its workforce from 600 to 1,600 and onshore and expenditure in just one month of around \$350 million. The full Ichthys LNG maintenance shutdown is from August until October and will involve 22 local companies throughout the process. This is expected to boost rental enquiry for Palmerston, the CBD and fringe CBD accommodation.

## Residential Rental Activity

Darwin's residential rental market has continued to perform strongly with gross yields and has had steady rental rates over the past 12 months. CoreLogic indicate Darwin weekly rentals have increased by +2.0% for housing and +6.2% for apartments over the past 12 months ending March 2025.

The table below references the average rental prices in Darwin according to the March 2025 report from Rent.com.au. They estimate the average unit rental is \$550 per week and the average house rental is \$683 per week.

According to local residential property managers, over the past 3 months, vacancy rates in Greater Darwin remain tight below 1%. Stock for both good quality detached dwellings and apartments still remain limited, and this sector has seen the most activity as compared to lower tier rental accommodation.

### Capital Cities: Rent per week

Metro area	Apartments	Annual Change %	Houses	Annual Change %
Sydney	\$710	0%	\$850	0%
Melbourne	\$570	0%	\$595	2.50%
Brisbane	\$610	1.60%	\$650	1.50%
Perth	\$630	5.00%	\$690	6.10%
Adelaide	\$500	8.70%	\$600	1.70%
Hobart	\$465	3.30%	\$570	3.60%
Canberra	\$560	-5.00%	\$750	0%
<b>Darwin</b>	<b>\$550</b>	<b>1%</b>	<b>\$683</b>	<b>2.00%</b>
National Median	\$620	6.90%	\$630	-2.50%

Source : 2025 Rent.com.au property listing data

# Darwin's Commercial Market



Darwin's commercial property market has remained buoyant on the back of the Northern Territory's Gross State Product performing at three times the national average. On the back of the growth, strategic infrastructure projects have cemented the city as a critical logistics and trade hub and have provided an incentive for B and C-grade office landlords to upgrade or reposition assets. Meanwhile, this uptake of city properties has seen suburban retail properties attracting budget-conscious tenants.

The NT's Gross State Product expanded by 4.6% for 2023-24, well above the national average of 1.7%.

Prime industrial rents climbed to \$160-\$180/m<sup>2</sup>, up from \$130 - \$150/m<sup>2</sup>, the year prior, reflecting strong tenant demand. Secondary rents rose circa 10% to average \$100 -120/m<sup>2</sup>.

Industrial land in sought-after areas like Berrimah is attracting developers, with sale prices ranging from \$230/m<sup>2</sup> to \$300/m<sup>2</sup> with sustained demand for high-quality industrial assets, particularly from logistics operators and defence contractors.

Darwin's A-Grade office market held the second-lowest vacancy rate in Australia at just 5.3%, well below its ten-year average of 10.5%. Government tenants are driving demand, pushing A-Grade rents to \$750/m<sup>2</sup>, while B-Grade office rents have risen to \$450/m<sup>2</sup> due to spillover demand.

In addition to the above, the strata office market continues to attract interest from self-managed super funds and private investors looking to diversify their portfolios. Compared to interstate markets, where strata office yields typically sit between 5% and 7%, Darwin presents a compelling opportunity with higher returns and replacement cost upside. The combination of strong yields and relative affordability makes these assets particularly appealing.

With C-Grade office vacancy rates at 50%, landlords are repositioning assets by upgrading to B-Grade standards or converting them into student accommodation to meet a growing demand for housing options. However, mooted changes to student visa rules by the Federal Government will lead to a more cautious investment landscape.



The Jape Homemaker Village in Millner offers large format retail tenancies suitable for retail & health care

Darwin's retail sector remains stable, particularly in suburban shopping centres and strip retail locations. Healthcare and service-based retailers are replacing traditional fashion and food retailers, while strip retail rents at \$300-\$400/m<sup>2</sup> are attracting cost-conscious tenants. Shopping centre rents exceeding \$1,000/m<sup>2</sup> are being supported by government and service-sector tenants.

With regard to new CBD office approvals, the Darwin City Council is expected to begin building a \$150 million CBD high-rise office to replace its aging civic centre and council chambers, in partnership with property developer DCOH. A proposal to construct the 20-storey building was approved in late March by the NT's Development Consent Authority (DCA). As of printing this review however, opponents to the new civic centre have filed an application in the Federal Court requesting the disclosure of council documents relating to the 20-storey, \$150 million development. They believe there are at least 16 major breaches by the council pursuant to the Local Government Act and we would expect this legal issue will need to be completed prior to construction.

### Bill Linkson

Consulting Advisor—Territory Property Consultants  
[www.tpcnt.com.au](http://www.tpcnt.com.au)

### Lianna Tsounias

Marketing & Research Manager  
[lianna.tsounias@colliers.com](mailto:lianna.tsounias@colliers.com)



### Colliers International NT

08 8997 0888  
13 Cavenagh Street | Darwin, NT 0800 | Australia  
[www.colliersnt.com](http://www.colliersnt.com)

