

# Darwin property prices go through the roof

By NICK CALACOURAS

DARWIN'S property prices are continuing to skyrocket and jumped close to 10 per cent in the first eight months of this year.

Only Melbourne, which has fought out of a 2008 slump, has achieved bigger growth since January.

Darwin suffered a slight drop in the median property price between July and August, but properties still increased by almost 18 per cent in the previous year.

The housing market was the cause of the minor drop — with the median property price falling \$5000 to \$509,000 in

## The market may have room for further growth

the month of July. There was still a 15 per cent jump in the year to August — compared with a 6 per cent jump nationally.

Units experienced only a slight increase in July, but still managed to jump 27 per cent over the year — compared to 8.3 per cent nationally.

RP Data research director Tim Lawless said Darwin also had the highest rental yields — "implying that the market may have room for further growth".

Houses provide a 6.29 per cent

return in Darwin — compared with a national figure of 4.27 per cent.

Units also bring high returns of 6.14 per cent — with a national average of 5.08 per cent.

Adelaide has the country's weakest property market this year, with properties jumping only 3.08 per cent in the first eight months.

Riskmark International managing director Christopher Joyce said Australia's housing market was being underpinned by the strongest population growth since 1971, record hous-

ing shortages and historically low mortgage rates.

He said Australia was not experiencing a "first time buyer bubble".

Mr Lawless said the upward momentum was a "critical economic signal" to builders and developers.

"This price growth will also go a long way to comforting risk-averse lenders to start providing credit again to developers, which has been one of the main bottlenecks on the supply-side," he said.

"And it will stimulate the reallocation of resources away from other sectors of the economy into much-needed housing investment".

Picture: BRAD FLEET