

NT Property Sector

Quarterly Report

Quarter Ended 31st March 2025

DARWIN
CIVIC
CENTRE

MARCH 2025: SNAPSHOT

PROPERTY PRICES		MEDIAN RENT	
↓ \$546,200 -2% y/y Houses	↓ \$370,000 -9% y/y Units	↑ \$625_{p/w} +4% y/y Houses	↑ \$501_{p/w} +3% y/y Units
UNEMPLOYMENT RATE		EMPLOYMENT CHANGE	
↑ 4.1% 0.2% y/y National	↓ 3.6% -0.2% y/y NT	↑ 1.5% 1.8% y/y Full-time	↓ -5.6% -5.2% y/y Part-time
BUILDING APPROVALS		BUILDING ACTIVITY	
↑ 127 Approvals in March Quarter +51%		↓ \$28.8 Mn -5% y/y Houses	↓ \$3.8 Mn -33% y/y Other Residential
CONSUMER PRICE INDEX		DOMESTIC VISITORS	
↓ 2.4% in March Quarter -1.2%		1,409,000 December 2023	↑ 1,422,000 December 2024

All data relates to Northern Territory (NT) unless otherwise stated.
The most current data set available before publication is used throughout the NT Property Sector Report.
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Data analysis and commentary by



Cover: Darwin Civic Centre
Credit: DCOH

MARCH 2025: MARKET OVERVIEW

The Northern Territory's property market is showing signs of improvement. While the housing vacancy rates falling, residential building approvals surges by 51.2% and construction work rose 5.1% to \$905 million, reflecting strong growth in housing sector activity.



Rental Market and Vacancy Rates: Despite the vacancy rates has dropped in March quarter, rental price has a slight decreases in the December quarter due to the supply and demand imbalances. The tight rental market indicating an ongoing concern on the housing affordability, while increase demand during the dry season has further driven down the vacancy rate from 3.7% to 3.3% in Darwin and 3.5% to 2.9% in Alice Spring.



Building Approvals and Market Activity: Residential building approvals rise by 51.2% indicating a positive trend while the value of construction work completed in the Northern Territory increased by 5.1% to \$905 million in the March quarter. This suggest a strengthening housing sector in the NT driven by a sharp rise in building approvals and a steady increase in construction work completed during the March quarter.



Employment and Labour Market: Employment in the Northern Territory remained flat in March 2025, well below the national growth rate of 2.2%. However, the composition of employment shifted, with full-time jobs increasing by 1.5% while part-time roles declined by 5.6%. The unemployment rate fell to 3.6%, now below the national average of 4.1%, reflecting improved market conditions. The NT also continues to report one of the highest labour force participation rates in the country, indicating a resilient and engaged workforce despite broader economic uncertainties.



Tourism and Economic Outlook: Tourism remains a concern, with a marginal rise of 1% in the domestic visitor numbers amid cost-of-living pressures. This growth may reflect the early impact of the NT Government's renewed focus on tourism promotion, which is gradually helping to unlock the Territory's economic potential. At the same time, inflation appears to be stabilising, with the Consumer Price Index holding steady at 2.4%—well within the Reserve Bank of Australia's target range—helping to ease broader cost-of-living pressures.



Crime and Community Impact: NT saw a slight year-on-year increase in property crime, theft-related offences and property damage continue to account for over 70% of total incidents, posing ongoing challenges for both businesses and communities. Government initiatives aimed at improving community safety will be critical in restoring public confidence and supporting a stable investment environment.

NT PROPERTY SECTOR REPORT COMMENTARY

We are pleased to present the second edition of the NT Property Sector Quarterly Report, a vital tool for understanding the dynamics shaping our market. This edition is the first to be delivered under our new partnership with KPMG, marking an important step in enhancing the depth and integrity of our analysis.

Our goal is to continue expanding and refining this report, offering timely, relevant data and informed commentary that supports better decision-making across government, industry, and investment sectors. As the Northern Territory positions itself for economic renewal, population growth, and increased investment, we remain committed to producing trusted insights that highlight both opportunities and challenges within the property sector.

We welcome your feedback and look forward to continuing this important work in collaboration with our partners and stakeholders.



Ruth Palmer
Executive Director

Property Council
Australia – NT
Division



Rob Lutter
CEO

St Vincents de Paul
Society NT

Property Council
Australia – NT
Division Member

The Northern Territory's property market is showing encouraging signs of recovery, with residential building approvals surging by 51.2 percent and construction activity rising 5.1 % to \$905 million in the March quarter. These figures reflect growing confidence in the housing sector, supported by falling vacancy rates, now down to 3.3 % in Darwin and 2.9 % in Alice Springs.

Employment remained steady in the March quarter, trailing the national growth rate of 2.2 %. However, full-time jobs increased by 1.5 % while part-time roles fell by 5.6 %. The unemployment rate dropped to 3.6 %, and the Territory continues to report one of the highest labour force participation rates, suggesting a stable workforce.

Tourism remains subdued, with only a modest 1 % increase in domestic visitors, though this may signal the very early impact of renewed government marketing efforts..

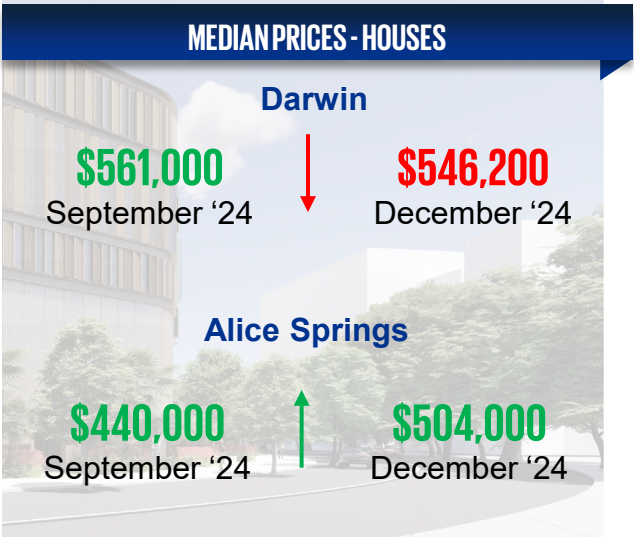
REAL ESTATE

Median Prices

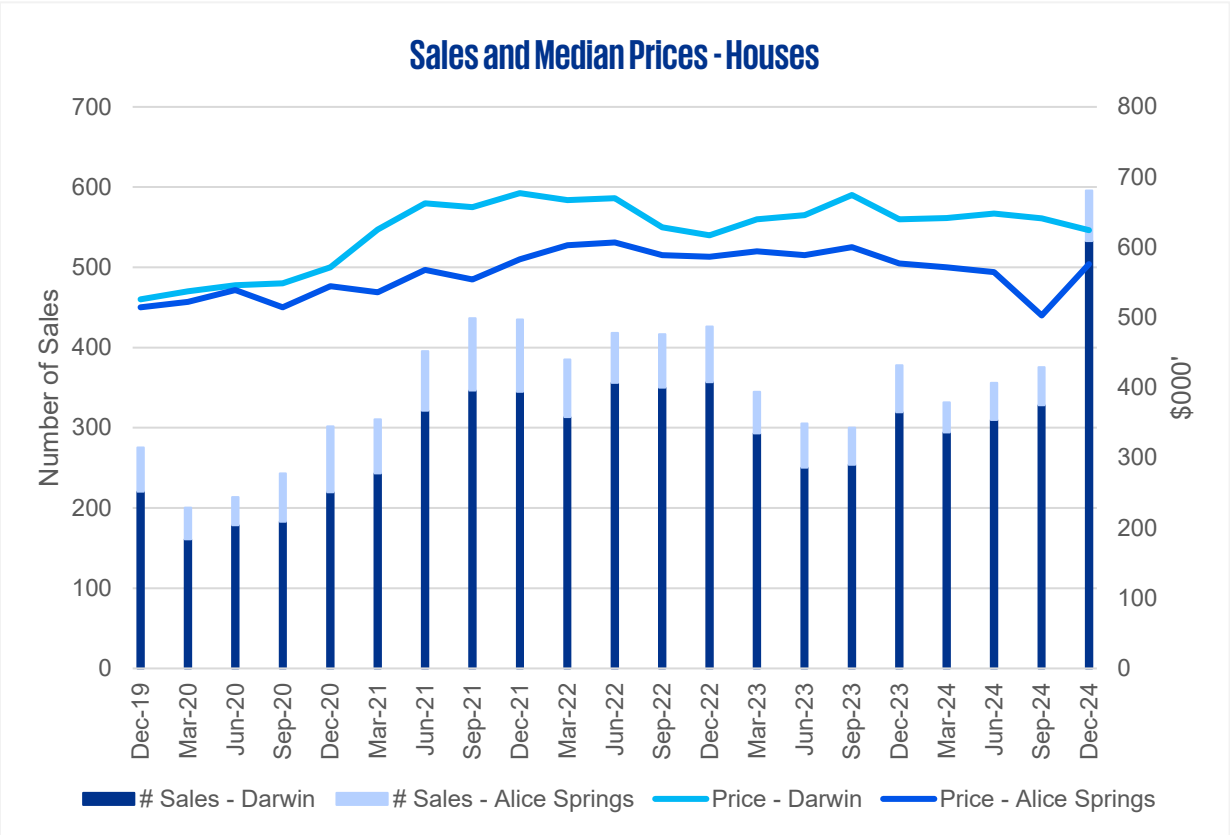
The Northern Territory’s residential property market continues to reflect a pattern of gradual adjustment, with mixed movements in prices across key regions.

In Darwin, the median house price declined, in contrast, Alice Springs recorded a notable increase in house prices, while unit prices remained steady at \$312,500.

Despite the mixed price trends, sales activity across the Territory has strengthened considerably. Darwin recorded a sharp increase in house sales, a 62% jump from previous quarter. Unit sales by 13% over the same period. Alice Springs followed a similar trend, with house sales increasing by 33% and unit sales by 37%.



The broader economic conditions — including stable interest rates and declining vacancy rates — appear to be supporting the recovery. With prices stabilising and demand strengthening, the NT property sector may be entering a more balanced phase, where affordability and opportunity are aligning to support continued growth in 2025.



Source: Department of Treasury and Finance, Real Estate Institute of the Northern Territory.

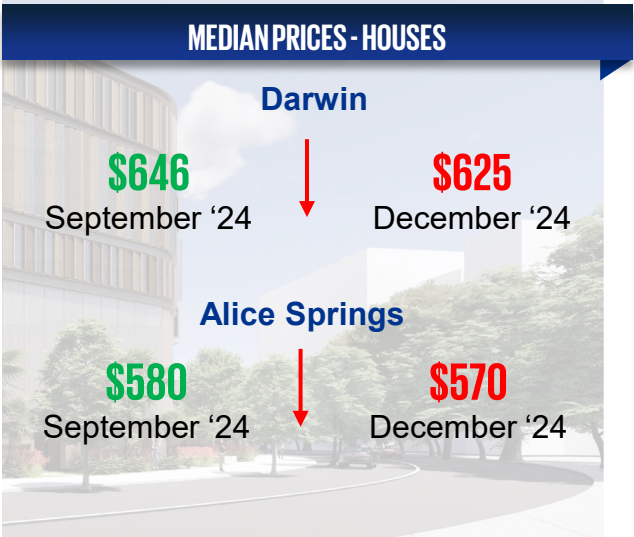
REAL ESTATE

Median Prices - Rentals

Despite an overall increase in median weekly rentals over the past 12 months, both Darwin and Alice Springs experienced a declines in the December 2024 quarter—by 3.1% and 1.72%, respectively. This downturn in rental prices has been driven by an oversupply in the market, which has outpaced demand and exerted downward pressure on rents.

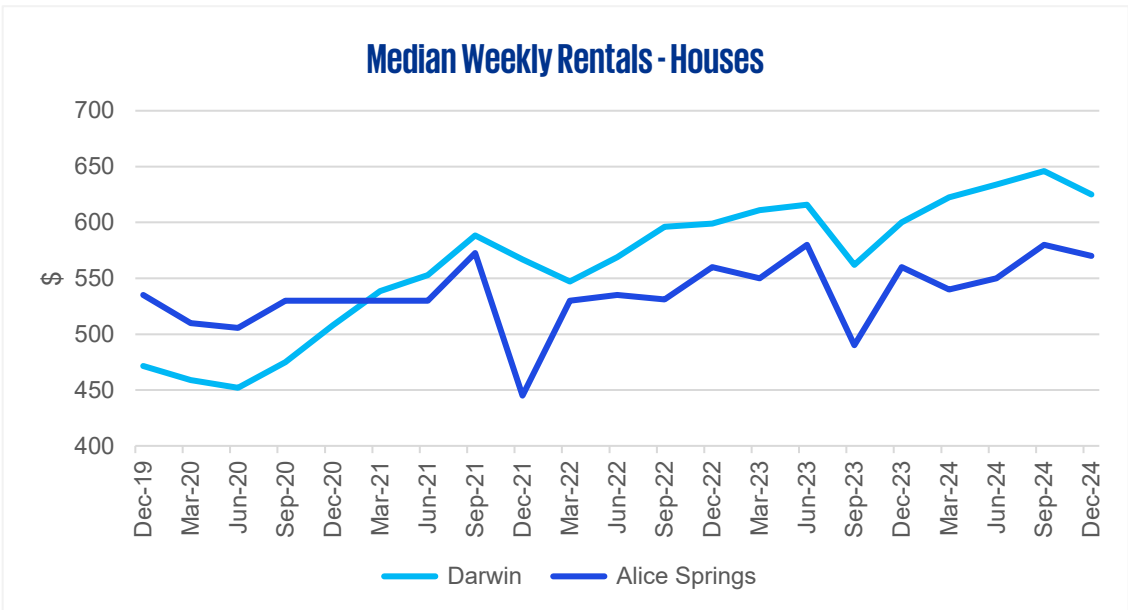
Decrease in the population with oversupply of properties has driven the rental price down.

This decrease in price down has ease the rental affordability in the NT.



Median weekly rental of houses increased by 4% compared to the same period last year. However, the increase in the median weekly rental of units is only 3% compared to the level at a year ago.

The annual growth has been mainly driven by cost of living and inflation, although the current oversupply of properties in the market.



Source: Department of Treasury and Finance, Real Estate Institute of the Northern Territory.



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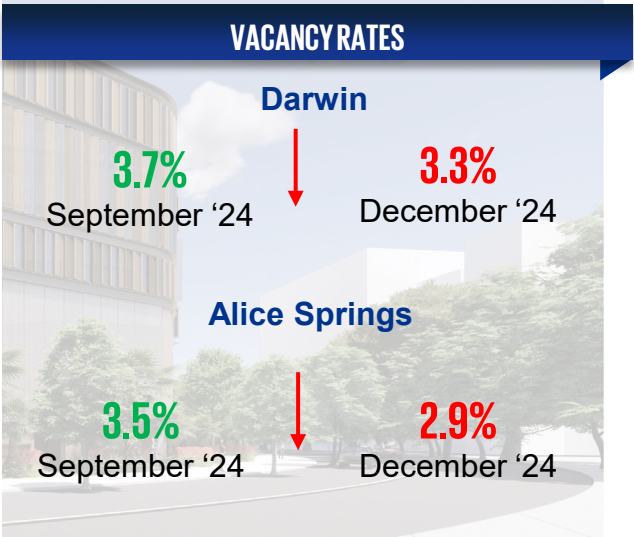
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REAL ESTATE

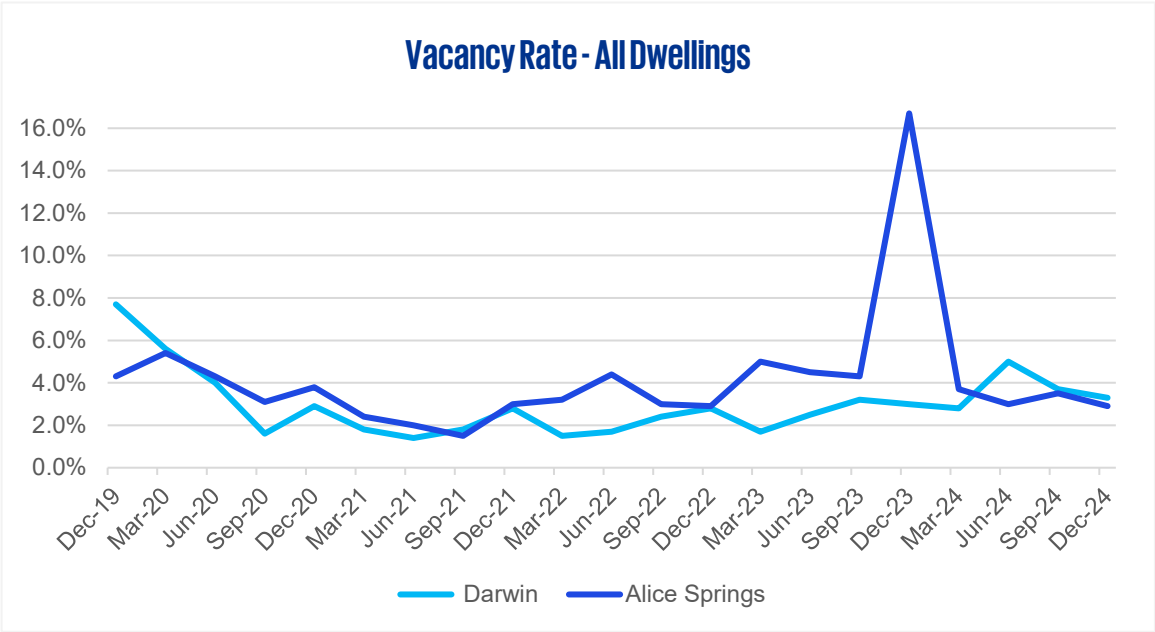
Vacancy Rates

The rental vacancy rate in the Northern Territory is subject to seasonal fluctuations influenced by the region's distinct wet and dry seasons. Historically, the rental market experiences cyclical changes throughout the year due to variability in population and housing demand from tourism and associated workforce shifts.

Data from December quarter indicates the vacancy rate has declined from 3.7% in the previous quarter to 3.3%, highlighting a tightening rental market.



This downward trend also suggests that demand for rental properties has increased, potentially due to a combination of population growth and higher barriers to home ownership.



Source: Department of Treasury and Finance, Real Estate Institute of the Northern Territory.

MARKET ACTIVITY

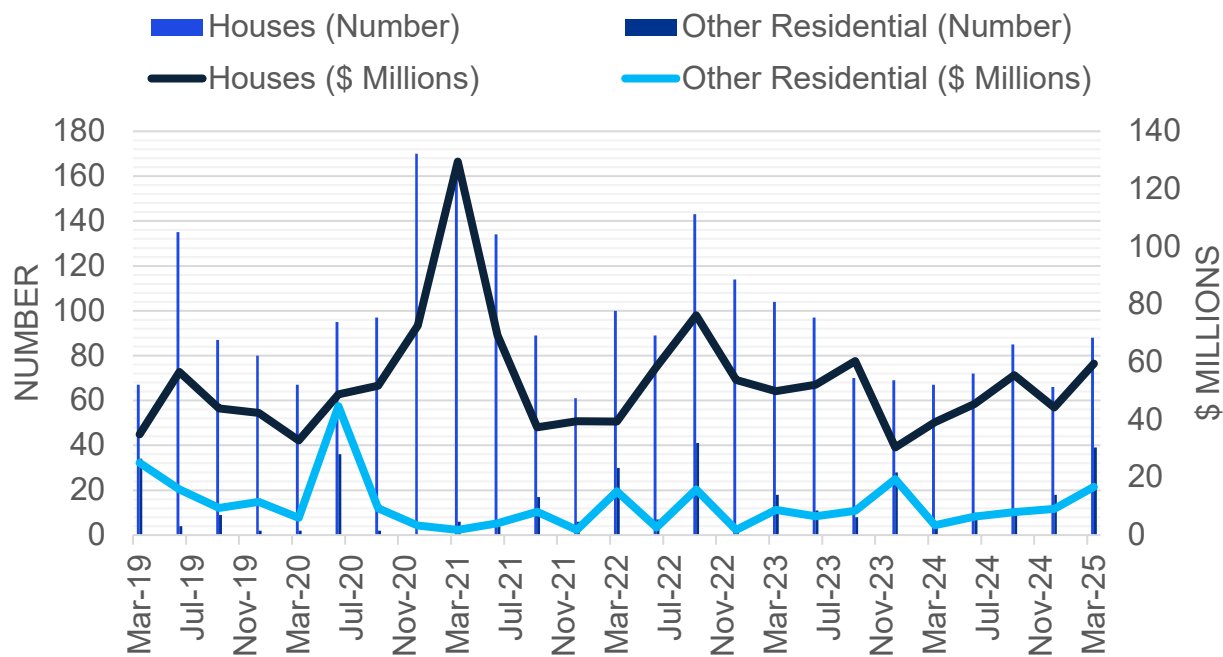
Building Approval

In the March 2025 quarter, 127 residential dwelling were approved resulted an increase of 51.2% compared to the 84 approvals recorded in the December 2024 quarter. This surge in approvals also contributed to a 42.7% rise in total investment, reaching \$76.2 million. This growth reflects real sector expansion, as the figure are adjusted to exclude the effects of inflation.

The rise in building approvals and associated investments reflects positive economic momentum and signals an increase in housing supply, which may help alleviate ongoing supply challenges in the Northern Territory property market.



Building Approvals



Source: Australian Bureau of Statistics

MARKET ACTIVITY

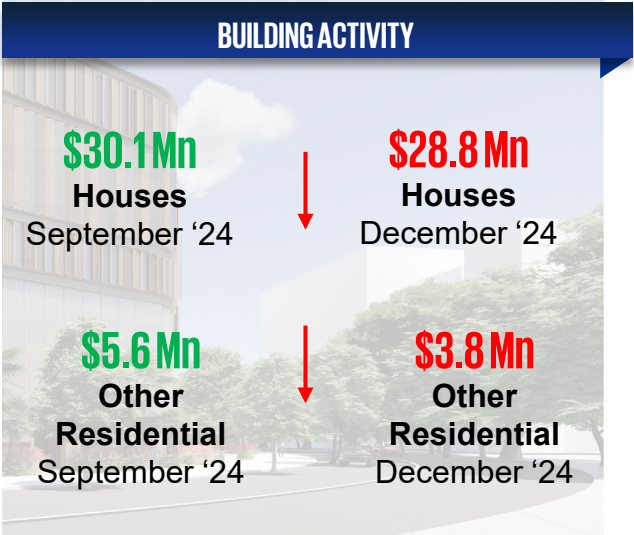
Building Activity

The trends continuously show a 3.14% decline in building activity in the private sector.

Total value of residential dwelling completed in the December 2024 quarter was recorded at \$32.6 million opposed to \$35.7 million recorded in September 2024 quarter.

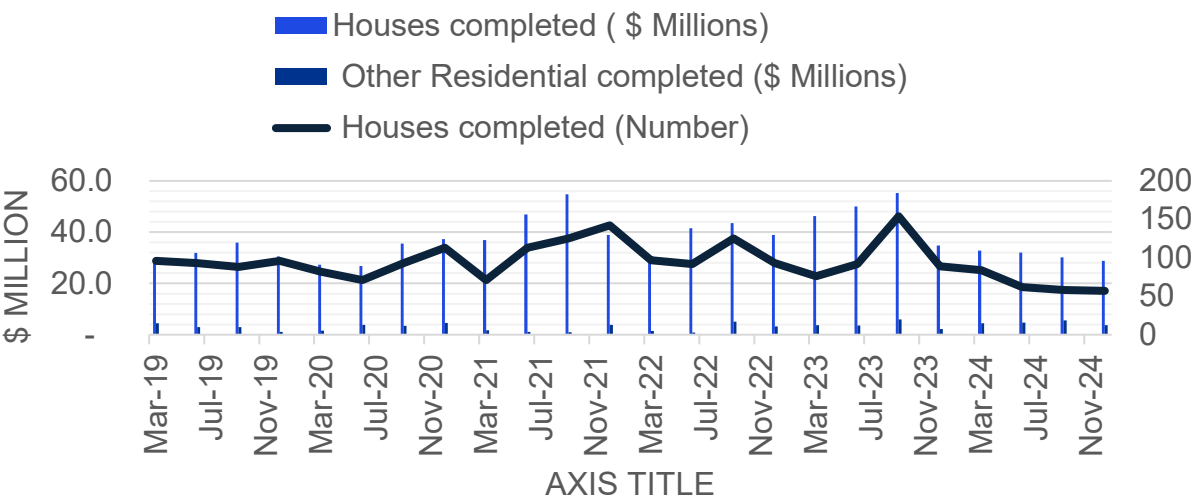
The value of housework completed declined by 32.1% in the December 2024 quarter compared to the September 2024 quarter reaching a value of \$5.6 million.

However, the value of other residential dwelling work complete increased by 32.1% in the December 2024 quarter reaching a value of \$3.8 million as opposed to \$5.6 million in the September 2024 quarter.



The number of houses completed stood at 57 in the December 2024 quarter has continuously decreased by 1.72% decline from the 58 recorded in the previous September 2024 quarter.

Building Activity



Source: Australian Bureau of Statistics



**DEVELOPMENT
CONSTRUCTION
OPERATIONS
HOSPITALITY**

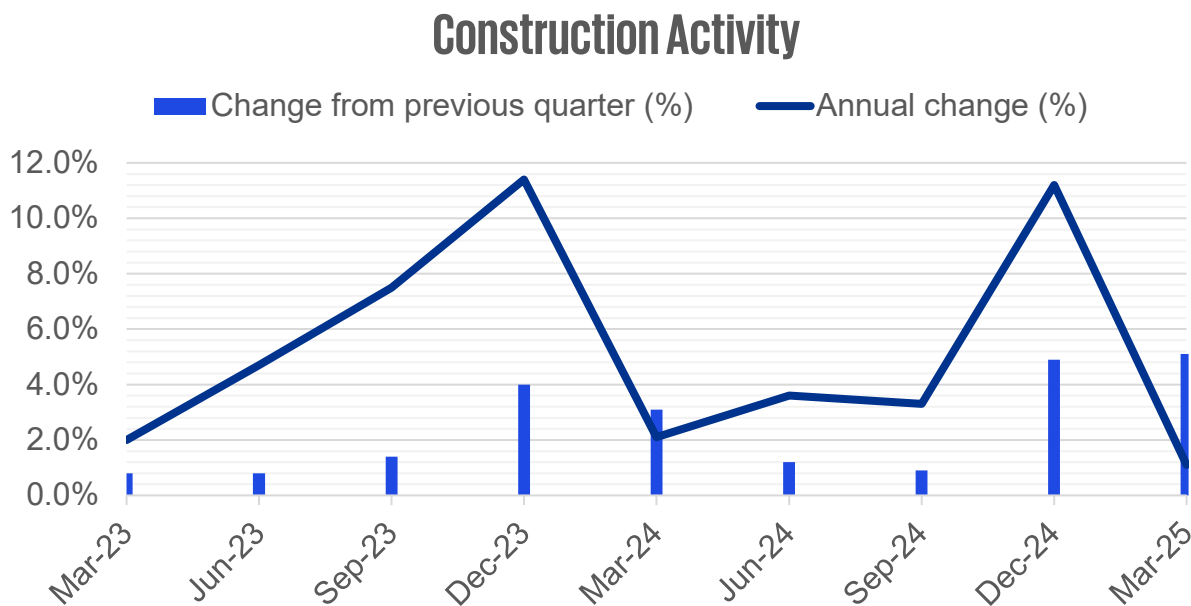
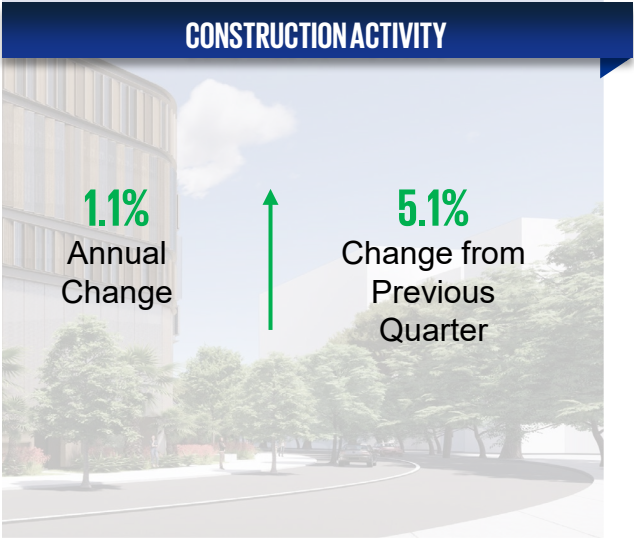
MARKET ACTIVITY

Construction Activity

Trend construction work done in the NT increased by 5.1% to \$905 million in the March 2024 quarter. In the December quarter 2024 value of engineering work done down by 5.0% while value of building work done decreased by 5.3% compared to the March quarter 2024 quarter. In the Territory, the trend value of construction work done increased by 1.1% over the year to the March quarter 2025.

Nationally, the trend value of total construction work done increased by 3.2% over the year ended March 2025.

However, the value of the building work done in the territory declined by 16.5% compared to March quarter 2024 in trend terms.



Source: Australian Bureau of Statistics

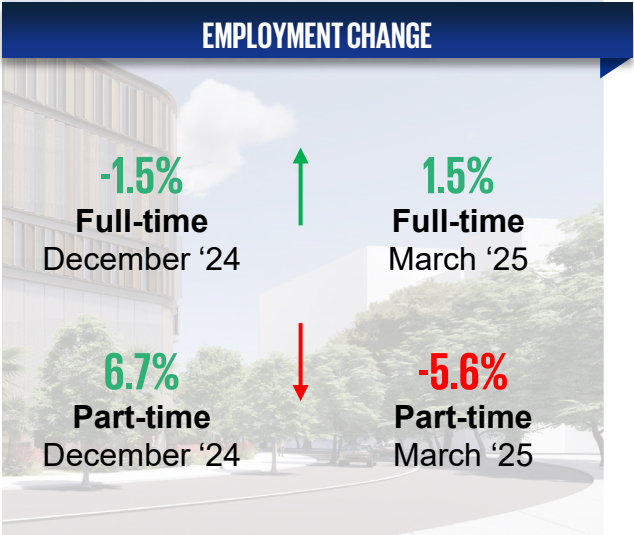
LABOUR MARKET

Employment

By the end of March 2025, seasonally adjusted employment in the NT recorded no net change over the year. In contrast, national employment increased by 2.2%.

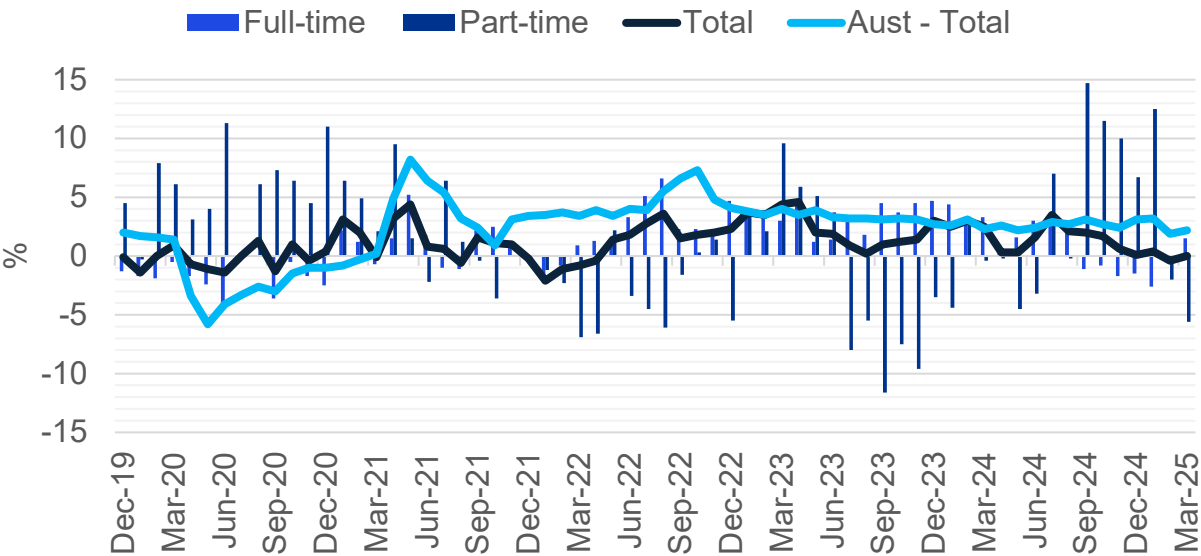
In the NT, full-time employment increased by 1.5%, however, this was offset by a significant decline of 5.6% in part-time employment, contributing to the overall stagnation in total employment growth for the Territory.

Employment changes were mixed across genders. Male Employment increased by 0.1%, largely driven by 2.8% rise in full-time roles, although this was partially offset by a 12.9% drop in part-time employment. In contrast, female employment declined by 0.2%, with stable full-time level, but a 0.7% fall in part-time positions.



While the employment growth in the NT was flat overall, the quarter saw a transition from part-time to full-time work, particularly among male workers.

Employment Change



Source: Department of Treasury and Finance, Australian Bureau of Statistics, Labour Force Australia

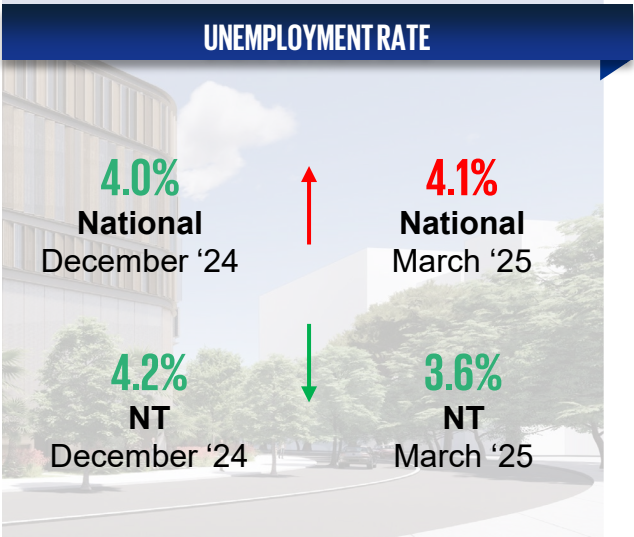
LABOUR MARKET

Unemployment

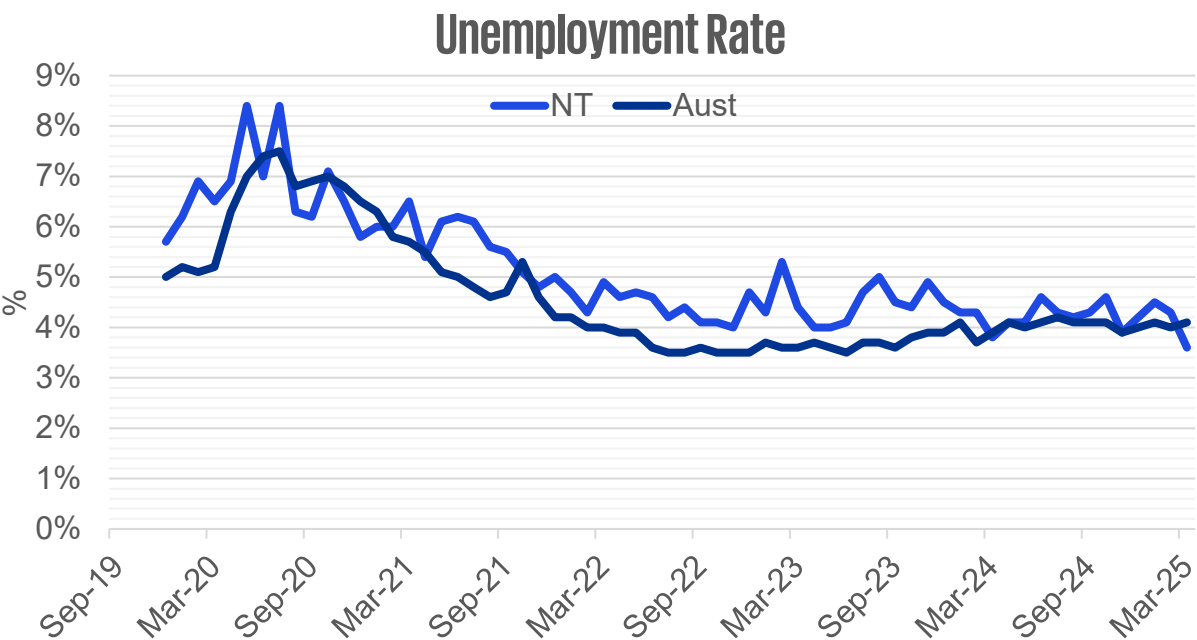
The unemployment rate in the NT declined significantly to 3.6% in the March quarter compared to 4.2% recorded in December 2024. This marks a notable 0.6 percentage point drop, suggesting improved labour market conditions and stronger economic activity across the Territory.

In contrast, the national unemployment rate increased slightly to 4.1% up from 4.0% in the previous quarter, reflecting mixed employment trend across other states.

The unemployment rate of the NT has declined by 0.2% in the month of March compared to the same period last year.



These data indicates a positive shift in the Northern Territory's employment landscape and for the first time in over a year, the Northern Territory's unemployment rate has fallen below the national average.



Source: Department of Treasury and Finance, Australian Bureau of Statistics, Labour Force Australia



BUILDING A STRONGER AND SKILLED WORKFORCE

Industry Skills Advisory Council Northern Territory (ISACNT) is an independent not-for-profit organisation that provides advice and gathers intelligence related to workforce development, training package development, skills shortages, and workforce solutions in the Northern Territory.

The purpose of ISACNT is to increase industry capability and capacity across the Territory through workforce, skills, and training initiatives.

Chief Executive Officer, Amelia Nuku says, "ISACNT continues to work closely with all 19 industries across the Northern Territory to identify and address skill shortages and workforce needs. ISACNT's achievements and commitment to supporting local industries and businesses are helping build a stronger and more skilled local workforce."

ISACNT serves as a conduit between industry, businesses, governments, and relevant stakeholders, contributing a Territory perspective to the vocational education and training sector and national reforms.

ISACNT engages with employers and peak industry associations to gather occupational intelligence on hard-to-fill positions. Recommendations are then provided to the NT Government to support the annual NT Skilled Occupation Priority List (NTSOPL) that helps inform government on strategy, policy and funding decisions that best supports industry.

Visit www.isacnt.org.au to connect and collaborate today.



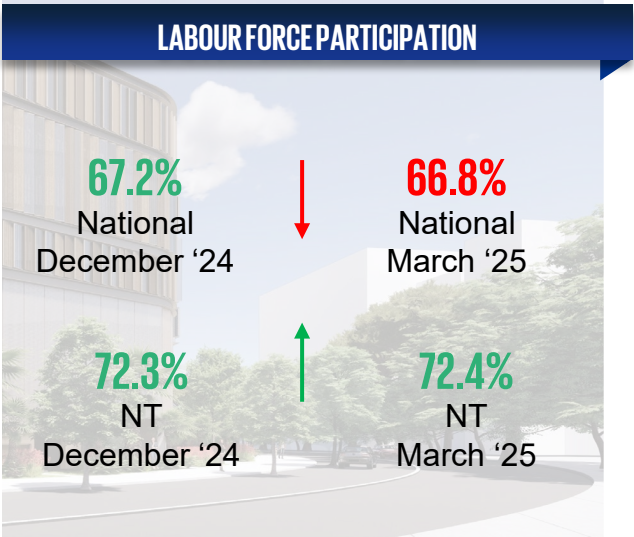
LABOUR MARKET

Labour Force Participation

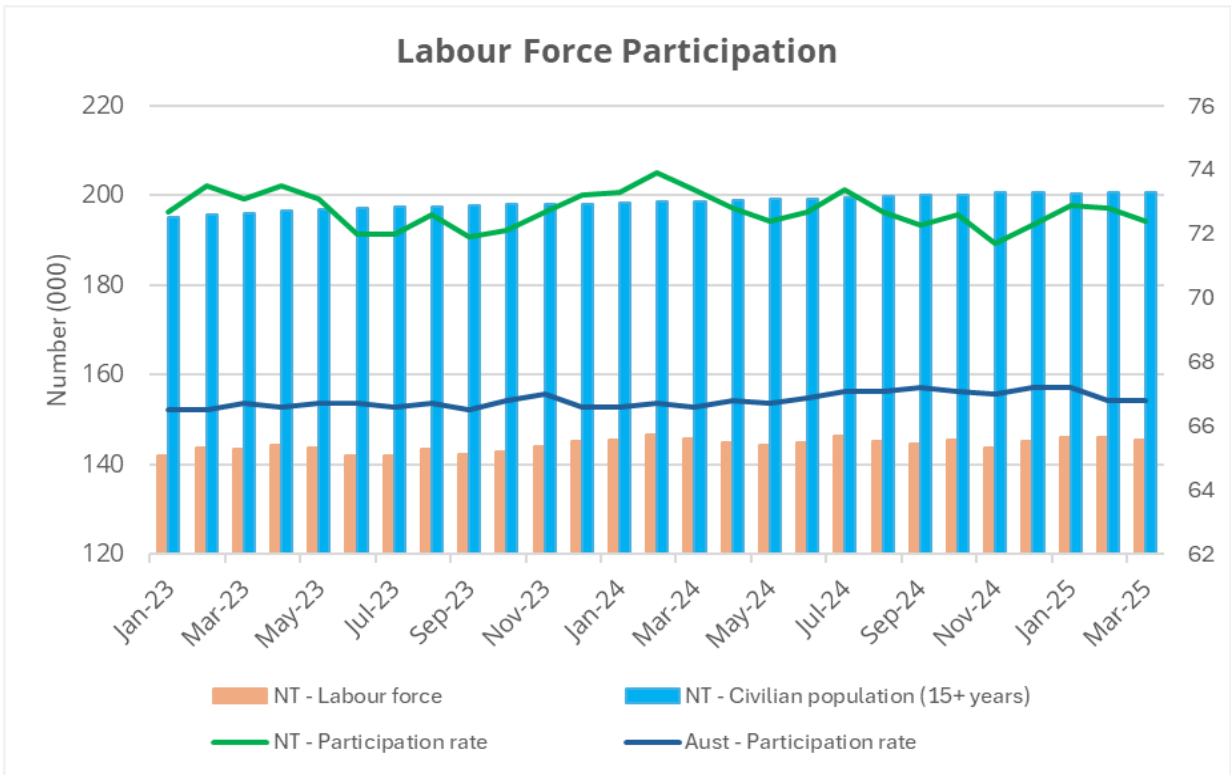
The participation rate in the NT and in Australia slightly changed in the March 2025 quarter compared to the December 2024 quarter. The NT's participation rate increased to 72.4% from 72.3%, while the national participation rate decreased to 66.8% from 67.2%.

Over the year, the NT's participation rate remained steady, up by 0.1%, while nationally, the participation rate declined by 0.4% over the same period.

In the NT, both female participation rate and male participation rate was recorded at 73% compared to national rates of 62.8% and 70.9% respectively.



Furthermore, when compared with other jurisdictions, NT still has the second highest labour force participation rate in Australia.



Source: Department of Treasury and Finance, Australian Bureau of Statistics, Labour Force Australia

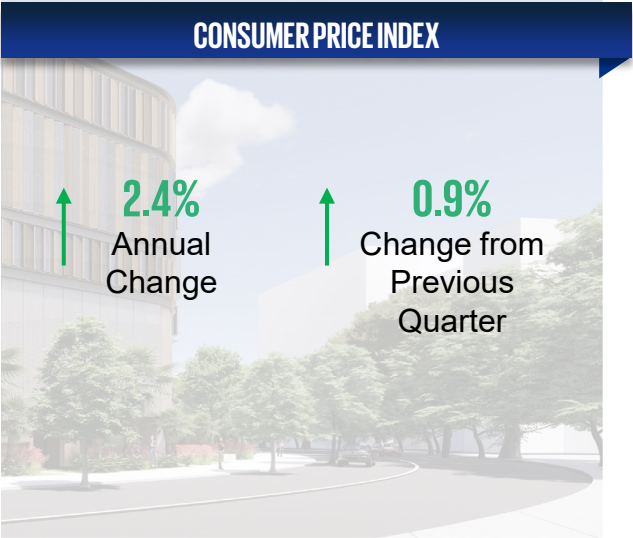
FISCAL AND MONETARY POLICY

Consumer Price Index (CPI)

The CPI rose modestly in the March 2025 quarter, with a stable year –on-year growth of 2.4%, remaining within the Reserve Bank of Australia's target inflation range of 2% - 3%. The quarterly rise of 0.9% marks a slight uptick from the 0.2% recorded in the December 2024 quarter, suggesting a return to moderate inflationary pressures.

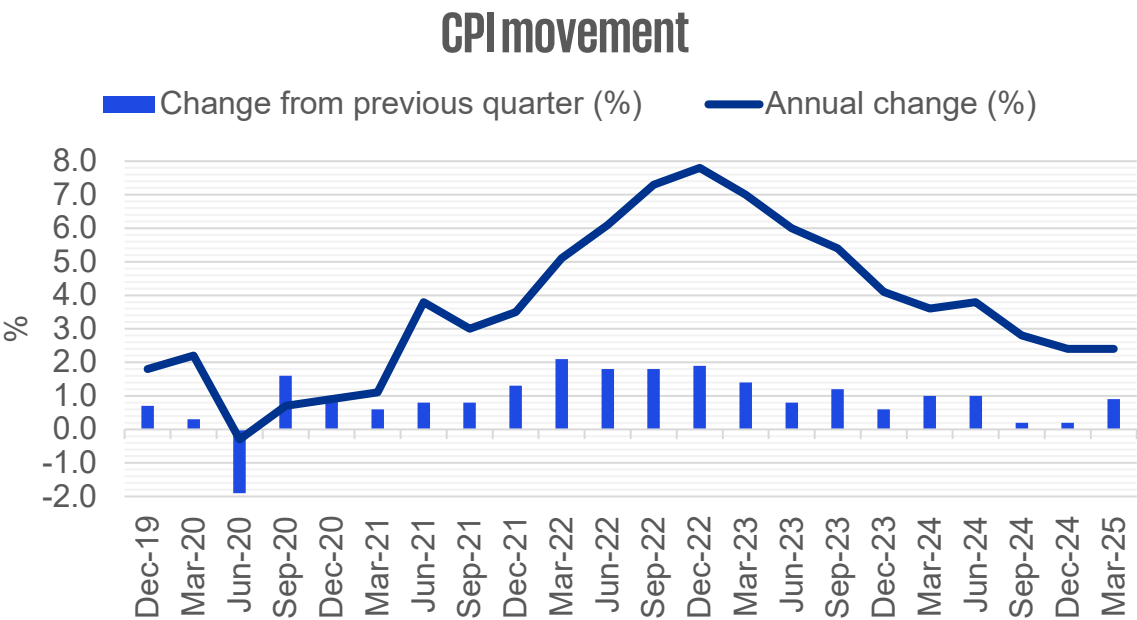
The main reasons for increase in the CPI inflation were due to a slight increase in prices for housing, education and food and non-alcoholic beverages. Despite the quarterly rise, annual CPI remains steady, indicating inflation being managed in line with broader economic goals.

It was also noted that non-discretionary inflation in the March 2025 quarter rose 1.8% through the quarter.



However, the discretionary inflation fell 0.2% in the March 2025 quarter.

The CPI of Darwin was increased by 0.7% due to price increase in automotive fuel, education, electricity and medical services. This has recorded an annual rise of 1.7% in Darwin.



Source: Australian Bureau of Statistics

TOURISM

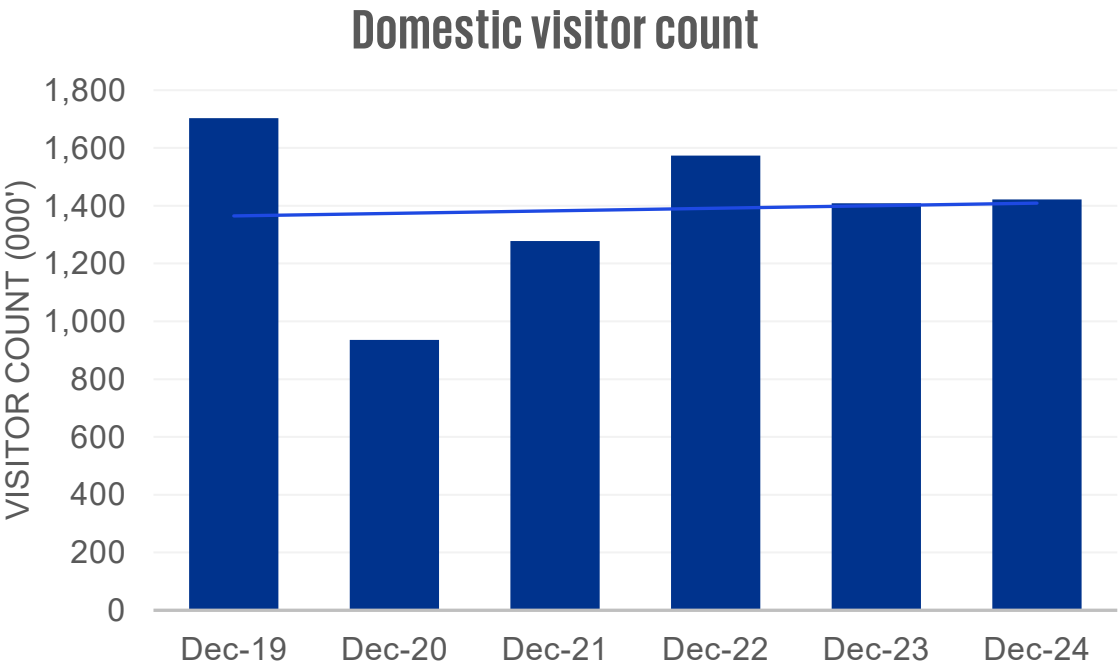
Domestic Overnight Travel and Expenditure

The latest figures from Tourism Research Australia indicate that the Northern Territory welcomed 1,422,000 domestic visitors in the year ending December 2024. This marks a modest 1% increase from 1,409,000 visitors recorded in December 2023, signaling early signs of recovery .

After strong domestic recovery post-COVID in 2022, the pace of growth slowed in 2023 maybe due to high inflation and rising interest rates. However, the latest increase in 2024 suggests that confidence is gradually returning among domestic visitors.



Concerns around safety, particularly rising crime rates in key areas of the NT, continue to influence visitor perceptions and decision-making. These social issues, combined with national cost-of-living pressures, pose ongoing challenges for the tourism and hospitality sectors.



Source: Australian Trade and Investment Commission, Tourism Research Australia

CRIME

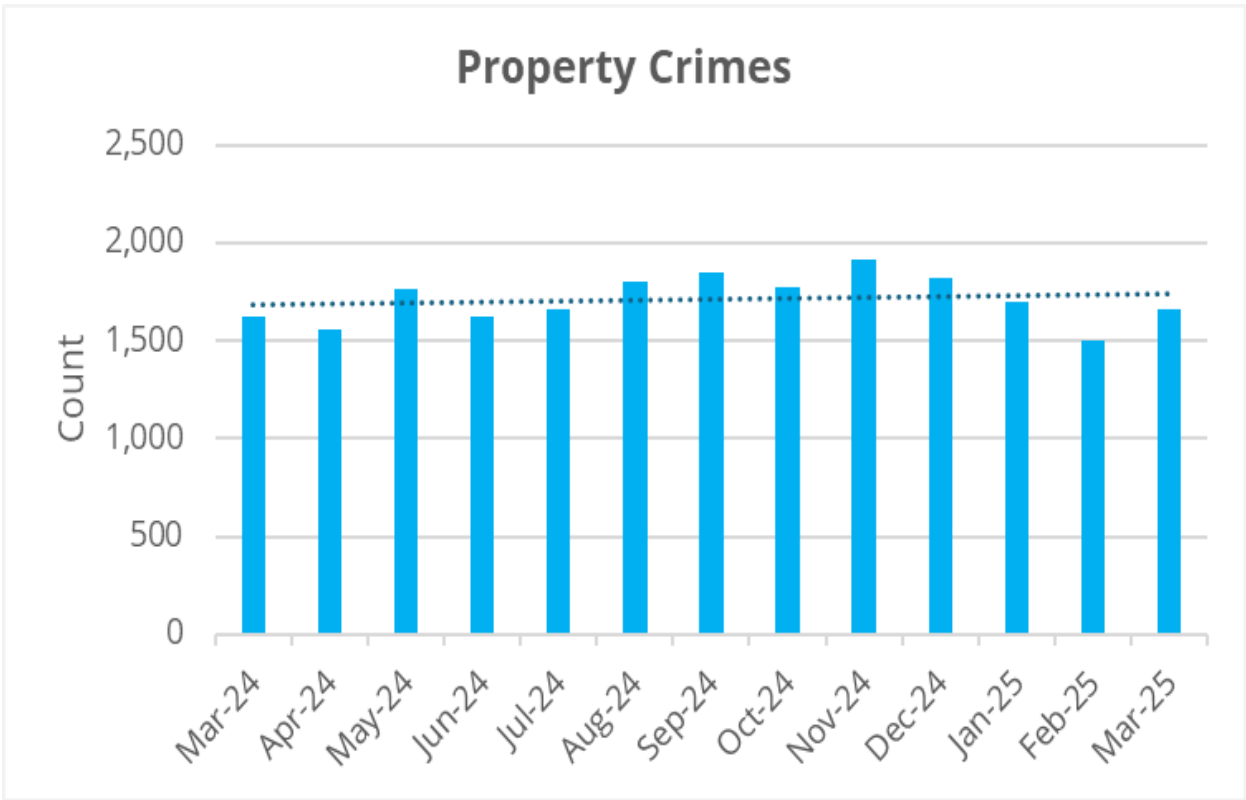
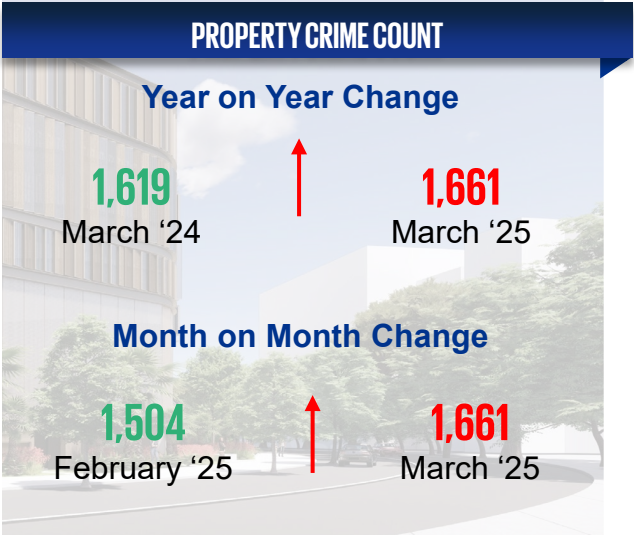
Property Crime

Property crimes in the NT has been a major factor affecting safety of people as well as businesses operating.

At the start of the year, 1,700 total property crimes were recorded in the NT and by the end of March it slightly reduced to 1,661. Data for these months may increase by a further 10-15% in future months.

Theft related offences and property damage offences accounts for more than 70% of the property crimes recorded on average.

House break-ins and commercial break-ins account for around 11% and 10% respectively of the total crimes recorded over the year.



Source: NT Police, Fire & Emergency Services

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information on what we do.

