 Territory real estate has a bright future, which was confirmed by the release this week of three sets of data supporting continued investment, according to Treasurer and Acting Chief Minister Syd Stirling.

“This week data has been released showing housing finance applications, home loan affordability, and the residential sales market for December.

“On their own, each set of figures is positive, but combined they show Territory real estate is in the midst of a purple patch and has a bright future.

“Home owner occupier finance figures showed that the financing for Territorians to buy their own homes was up 23 per cent in the year to November 2004 compared with the previous year.

“The Real Estate Institute of the Northern Territory published figures this week for Darwin and Palmerston showing that through the quarter to December, 490 housing sales were recorded compared with 400 in the September quarter.

“Across the Territory, sales of houses have gone up from 629 to 761. That’s a 22 per cent rise in Darwin and Palmerston and a 19 per cent growth outside of those two areas.

“ABS statistics this week also show that the Territory has the most affordable home loans in Australia. This measurement combines the average loan and the average median weekly earnings and compares affordability across Australia.

“These figures paint a picture of a buoyant real estate industry. Add to this the information received at the end of last year that the Territory has record low vacancy rates, and the future of residential construction is also very positive.

“To the end of September 2004, Darwin had an overall vacancy rate (units and houses) of 3.8 per cent, Palmerston 1.5 per cent and Alice Springs 6 per cent. These low figures mean residential construction will receive a kick along as developers can find a market for their buildings.

“These indicators show a strong economy. The real estate and residential construction market supports builders, plumbers, electricians and a host of other contractors, while new homeowners support retail trade and small business through their purchases of home goods.”

Mr Stirling said that in addition to the data released this week, further proof of the market’s buoyancy could be found in the latest figures from the revamped HomeNorth scheme.
A total of 259 loans have been funded and approved in the first six months of the new scheme. A further 82 have been approved in principle. The original annual target for HomeNorth was 250 loans.

The total of funded, in principle loans for the first six months is now worth almost $60 million.

“Our new HomeNorth scheme is a real winner and another indicator that Territorians are voting with their wallets and electing to buy more properties in the Territory,” Mr Stirling said.

“This is yet another set of figures that shows the Territory economy has been in full recovery mode and is set to expand throughout the rest of this year and into the future.

“That means more jobs and more opportunities which help keep moving the Territory ahead.”

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