

PALMERSTON

HIGH PROPORTION OF RENTERS
50%

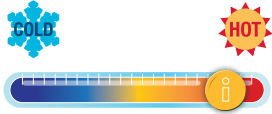


Situated near Darwin Harbour, Palmerston is a planned satellite city of Darwin. It lies 21km southeast of Darwin and has a population of 27,000 – this is expected to increase to around 42,000 by 2021. During the 1970s the supply of residential land in Darwin diminished, the cost of housing increased, and the site of Palmerston was selected for urban growth based on its proximity to existing transportation routes. Palmerston is home to a large contingent of defence personnel and their families.

KEY INDICATORS



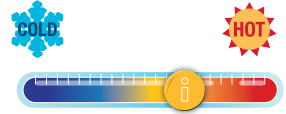
INFRASTRUCTURE INVESTMENT



Palmerston is next door to the Territory's largest project.



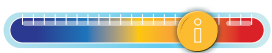
VACANCY RATES



Vacancies are non-existent, but there is more space to move than Darwin.



POPULATION GROWTH



This satellite city is the capture point for the bulk of incoming resources workers.



PROJECTED CAPITAL GROWTH



There's no doubting that solid capital growth is coming.



PROJECTED RENTAL GROWTH



Population growth and high demand will keep rents growing, but they are already pretty expensive.



ESTIMATED RENTAL YIELDS



Rental returns will remain good, but there's capacity for new supply to come onto the market, limiting yields somewhat. As it is, yields are attractive at 6%.



DIVERSITY OF ECONOMY



The local economy is basically an extension of Darwin, less some services.



AFFORDABILITY



Palmerston suburbs are expensive by Australian standards, but they are cheaper than Darwin.



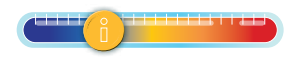
SUPPLY & DEMAND



Strong population growth is keeping the demand side up, but supply is also being managed well.



COUNCIL PLANNING



Territory governments tend to be less effective than functional LGAs.

WHY IT'S HOT

The city was purpose built to accommodate overflow from Darwin, underlining the strong ongoing demand in the NT. Around 3,000 workers for the massive Inpex project are expected to start arriving this year, and Palmerston is both the closest residential point and the logical destination for those who choose to stay. Prices have risen quickly and the market is patchy, so you will need to pay close attention to grab a bargain.

-NextHotSpot

Your Investment Property has always been a big fan of Palmerston, but the key is choosing the right suburb. Some are a lot more affordable than others, yet amenities and appeal are not universal across the city. The suburb of Bakewell offers a little something for all sorts, but there are other great deals in similar suburbs, such as Rosebery.

-Your Investment Property

STATS & FACTS

- Purpose planned in 1980s to service overflow from Darwin
- Main beneficiary of Inpex investment and general population growth
- Marine Supply Base under construction on harbour 'East Arm' to service oil and gas industries
- Development of Wishart Business Precinct will provide 500 industrial lots
- Very high proportion of renters (50%) and mortgagees (42%)
- Severe undersupply of dwellings looming, even with 2,700-bed workers village
- NT's 'My New Home' scheme allows buyers to borrow up to 100%
- Multiple community services – immigration centre, prison, hospital – in development

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