



Finding tomorrow's hot property, **TODAY**

Why Invest In Darwin

May 2024

Darwin's property market is brimming with exciting potential driven by affordability, government incentives, strong economic growth and major infrastructure projects supporting job growth. Darwin is attractive option for both homeowners and investors with strong rental yields and low vacancy rates.



Why invest in Darwin

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HIGHLIGHTS: Darwin

- **\$4.6 billion Barossa gas project**
- **\$250 million Charles Darwin University expansion**
- **\$2.3 billion in defence projects**
- **\$515 million Darwin ship lift project**
- **Low vacancy rates with many suburbs under the 3% considered to be a balanced market**
- **Strong demand for affordable inner-city apartments**
- **Masterplanned waterfront precinct**
- **\$30 billion Australia-ASEAN PowerLink project**
- **\$1 billion New Suburb – Northcrest**
- **Enviably relaxed lifestyle**
- **\$510 million Larrakeyah Barracks expansion**

Why Invest in Darwin

Message from the report author

**Terry Ryder, Founder and Managing
Director, hotspotting.com.au**



Affordability compared to other jurisdictions around Australia, steady long-term growth and high yields remain the property story in Darwin as massive infrastructure projects continue to drive the top end.

Despite a market softening, the property sector remains promising. Although prices haven't surged as much as those in some stronger East Coast markets during the pandemic, Darwin is steadily recovering from a prolonged downturn. This recovery is partly fueled by robust returns in its unit market.

The Northern Territory Government has been proactive in introducing incentives to lure interstate residents back to the city and prompt first-home buyers to enter the market.

This includes the Darwin Waterfront Masterplan which will guide the development of a world-class leisure and entertainment precinct set to be the “which will become the new face of Darwin.

The NT capital has struck a City Deal with three levels of government and the Northern Australia Infrastructure Facility provided other funding to stimulate the construction industry.

Projects worth billions are in the pipeline with many beginning to move into the construction phase, creating jobs and boosting the lagging economy. Job creation is a major precursor to demand for real estate and rising demand inevitably leads to rising prices.

Deloitte Access Economics expects the NT economy to grow by 3% per year in the five years to 2028 – the second-highest growth rate of all jurisdictions.

The combination of regular \$500,000 buy-in house prices, strong rental yields and low vacancy rates makes Darwin worthy of consideration by investors, as well as owner-occupiers.

Why Invest in Darwin

Location, Employment, Population, Home Ownership

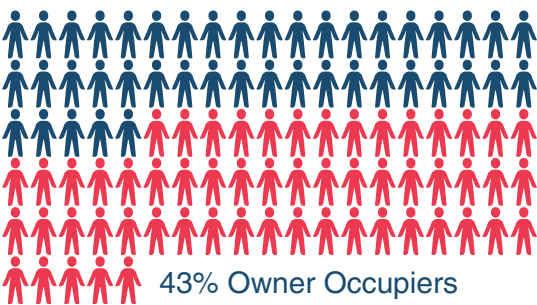


LOCATION

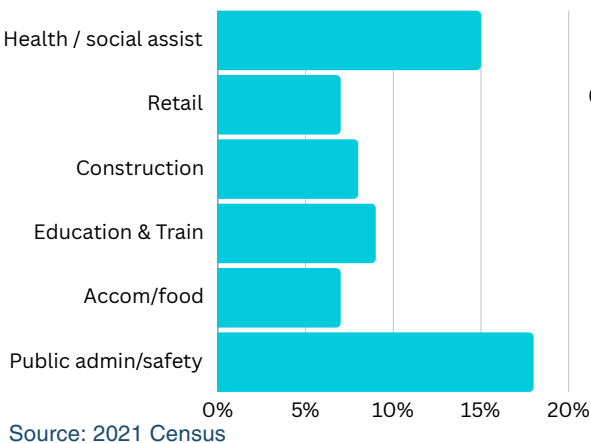
Distance from:

Adelaide	3,030km
Alice Springs	1,496km
Port Augusta	2,722km

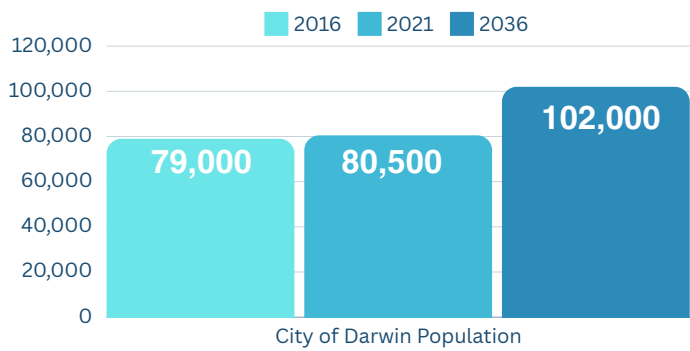
HOME OWNERSHIP



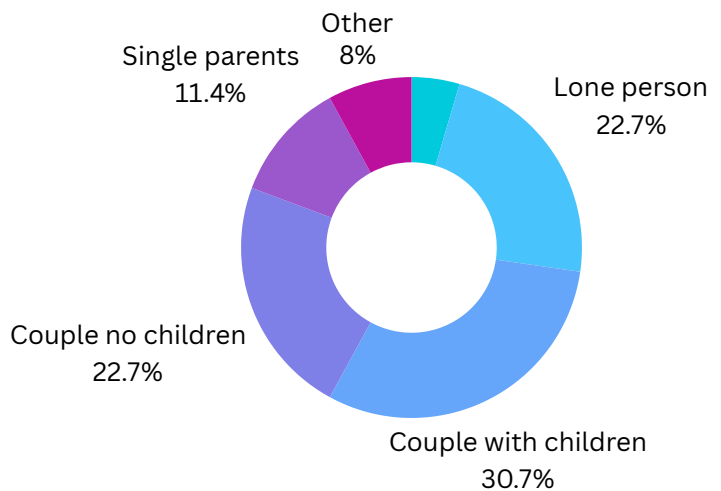
EMPLOYMENT BY INDUSTRY



POPULATION



HOUSEHOLD COMPOSITION

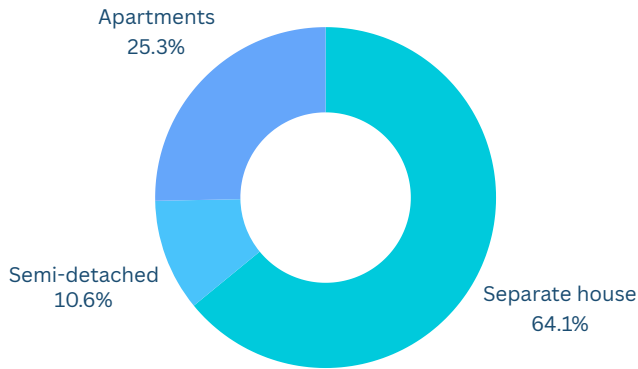


We acknowledge the Larrakia peoples as the traditional owners of lands within the City of Darwin.

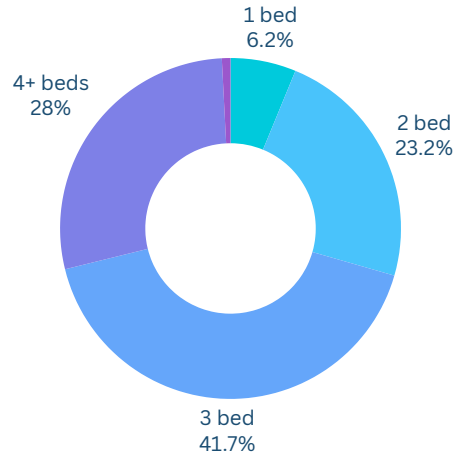
Why Invest in Darwin

Household Makeup & Sales Volumes

HOUSING TYPES



NUMBER OF BEDROOMS



PROPERTY SALES YEAR TO MARCH 2024

LGA	UNITS	HOUSES
Coomalie	7	27
Darwin LGA	892	789
Palmerston	202	743
Litchfield	23	219
Unincorporated NT	0	95
Wagait	0	11
Greater Darwin	1124	1884

Source: PropTrack



Why Invest In Darwin

Executive Summary

Economy and amenities

Having been almost entirely rebuilt twice - after the Japanese air raids during World War II and then following the devastation of Cyclone Tracy in 1974 - Darwin is one of Australia's most modern cities.

It is a main service centre for, mining, offshore oil and gas production, pastoralism, tourism and horticulture and a stepping-off point to southeast Asia. It has a gross regional product of \$9.5 billion with predictions that private resources projects will grow that value substantially within the next five years.

The city has a large military presence which is also a substantial source of employment with billions committed to Defence projects in the coming years.

Property profile

Darwin remains Australia's most affordable capital city, particularly its apartment market which with a median of just \$364,000 is less than half that of Sydney.

Vacancy rates are low and rents are continuing to rise in the Top End with it now cheaper to buy than rent in many suburbs. Darwin City's apartment market has been identified by Canstar's Rising Stars 2024 report as having the potential for further price growth this year.

There has been an uplift in buyer demand for affordable apartments in recent months, with signs of prices starting to nudge upwards. Investors are attracted by the high rental yields.

Future prospects

Darwin is enjoying a renewed sense of optimism inspired by a re-energised population and projects in the construction, resources and Defence sectors. The NT Budget unveiled in May 2024 committed record investments in areas including education and police.

Investment Territory is working with the private sector on a portfolio of projects worth more than \$57 billion in minerals and resources, digital, renewables and agribusiness.

There are plans to make Darwin the digital gateway between Southeast Asia and Australia's Eastern Seaboard. The project pipeline includes a number of prospective multi-billion-dollar resources projects, including the Beetaloo Basin gas project, Arafura Resources Nolans' rare earths project in Central Australia and Sun Cable's Australia-Asia Power Link.

Why Invest in Darwin

Economy and Amenities

Having been almost entirely rebuilt twice - after the Japanese air raids during World War II and then following the devastation of Cyclone Tracy in 1974 - Darwin is one of Australia's most modern cities.

With a median age of 35 years, it is the youngest capital city in Australia and about 60% of Darwin's workforce are Government employees.

Darwin is the main service centre for:

- mining
- offshore oil and gas production
- pastoralism
- tourism
- horticulture

Important mineral resources found in the region include gold, zinc, bauxite and manganese, although the resources sector is mostly offshore with oil and natural gas from the Timor Sea. There are also uranium deposits within about 100km of Darwin itself.

Darwin is an access point for tourist attractions such as Kakadu National Park, Arnhem Land, Groote Eylandt and the Tiwi Islands. It has a tropical climate, with distinctive wet and dry seasons that can impact on the city's economy and property market.

Darwin Airport has an international terminal, a domestic terminal and a cargo terminal. It shares runways with the Royal Australian Air Force's RAAF Base Darwin. The Darwin Airport serves around two million passengers per year.

The Stokes Hill Wharf waterfront area in the CBD features a convention centre and hotels, while Darwin's largest shopping precinct is Casuarina Square. The centre underwent a \$34 million expansion in 2016, and more upgrades are planned.

Darwin has a gross regional product of \$9.5 billion and the City of Darwin council has a FY2024 Budget of \$139 million, with \$19 allocated for its Capital Works Program.

The Port of Darwin is an important employment hub in the city and is the main outlet for Australia's live cattle export trade into South East Asia.

Why Invest in Darwin

Economy and amenities

Hospitals & Schools

Darwin's largest education facility is Charles Darwin University (CDU), which is the central provider of tertiary education in the Northern Territory.

CDU is a university and an Institute of TAFE, offering vocational education and training courses. Campuses of the university are also located in Alice Springs, Melbourne and Sydney.

The Menzies School of Health Research, in Casuarina, is one of Australia's leading medical institutes. It is a leader in tropical health research into life-threatening diseases and has been instrumental in improving the health and well-being of Aboriginal and Torres Strait Islander peoples.

The Royal Darwin Hospital, in the suburb of Tiwi, is the city's major teaching and referral hospital. Nearby is Darwin Private Hospital, while Palmerston Regional Hospital is 20km east of the CBD.

Defence

The military presence is a substantial source of employment in the Darwin region. The Australian and US governments are expected to spend more than \$6 billion on 25 Defence projects in the Northern Territory before 2028.

Darwin has several Defence areas, including the Defence Establishment Berrimah, Larrakeyah Army Base, RAAF Base Darwin and the RAAF Bombing and Gunnery Range and a selection of field training areas.



Why Invest in Darwin

Property Profile

Darwin remains Australia's most affordable capital city, with a median house value of \$579,000 according to CoreLogic figures from May 2024. Its median unit price is also the most affordable in Australia at just \$364,000, less than half that of Sydney.

PropTrack analysis of the Darwin market shows as rents continue to rise in the Top End there are plenty of locations where it is now more affordable to buy than rent. The median rent in Darwin increased further by 3.4% in the year to March 2024 to reach \$600 per week, although some areas are well above that.

The analysis shows the biggest savings were to be found in the apartment market. In Gray, the rent-to-mortgage ratio was 45% which was a difference of \$568 a month. Karama was 44% (a saving of \$572 a month), Larrakeyah 31% (\$589) and Driver 30% (\$452).

DARWIN UNIT MARKETS CHEAPER TO BUY THAN RENT

Bakewell	Johnston	Nightcliff	Rapid Creek
Desert Springs	Karama	Parup	Stuart Park
Driver	Larapinta	Nightcliff	The Gardens
Gillen	Larrakeyah	Rapid Creek	Woolner
Gray	Leanyer	Stuart Park	

Source: PropTrack

Unit price performance

The unit market is starting to grow in the Greater Darwin area with Darwin City chalking up 136 unit sales in the past 12 months, followed by Stuart Park with 93 and Larrakeyah with 82.

Median unit prices are extremely affordable and some of the cheapest in Australia, ranging from just \$288,000 in Bakewell up to a still reasonable \$547,500 in Bayview, according to PropTrack data.

The Narrows achieved the strongest median unit price growth in the 12 months to March 2024 of 24% to \$445,500 but this was based on just 32 sales. More reflective of the market performance would be Larrakeyah, up 12% to \$452,500 based on 82 sales.

Annual average long-term growth is varied as the unit market is still growing to critical mass in Darwin but the most significant growth was in Zuccoli which increased 111% (off a low base) to \$537,500. Humpty Doo increased by 17% to \$635,000 and Moil was up by 9% per year to \$590,000.

Why Invest in Darwin

Property Profile

The shift to apartments

Apartments are emerging as the property of choice for owners and investors for multiple reasons including lifestyle, location and affordability. The trend began to pick up pace nationally in 2023 and the apartment market's dominance has strengthened even further into the start of 2024.

Our analysis shows that suburbs where apartments dominate the dwelling mix are now among the most powerful markets in Australia, no matter what state.

The new paradigm of real estate is the rise and rise of the apartment market with a growing number of important cohorts pushing demand for apartments higher. Those seeking out well-located and affordable apartments include older people downsizing from a large family home.

They also include young people seeking an affordable first step on the property ladder, buyers who want a low-maintenance, lock-up-and-leave lifestyle and overseas migrants from countries where unit-style living is the norm.

Another growing force within the apartment market is investors, who are seeking affordability and higher rental yields in good locations. Darwin apartments offer some of the strongest yields in Australia.

As an investment apartments offer many benefits buyers can not achieve in the house market. Buy-in prices are generally more affordable, maintenance costs are less (although you do have to factor in strata fees) and yields are generally always stronger. That's why apartments are an important consideration for investors seeking opportunities in Darwin in 2024.

While it has always been the case that apartment prices are generally much lower than stand-alone house prices, the gap has widened, particularly in the past three years, as a result of the COVID property boom when buyers sought out larger lifestyle properties and were prepared to pay a premium for houses.

Since then higher interest rates and the resulting lower borrowing capacity means that buyers have reset their expectations and are now fully focused on the apartment market, particularly in inner-city locations and popular coastal and lifestyle destinations.

The price difference between a house and an apartment is substantial in Darwin - 34%. And it's not just that apartments are a more affordable option which makes it more enticing for investors but there are a growing number of locations where apartment markets are outperforming the same suburb's house market in terms of median house price growth, ten-year average growth and average rental yields.

In the Greater Darwin area yields are higher in the apartment market in;

Bakewell 8.2% vs 6.1%

Johnston 6.7% vs 6.2%

Leanyer 7.1% vs 5.8%

Rosebery 6.5% vs 6.1%

Stuart Park 6.7% vs 5.1%

Why Invest in Darwin

Property Profile

Slow But Steady

The Summer 2023/2024 edition of the *Price Predictor Index*, published by Hotspotting, says the Darwin City unit market is one of Australia's Top 100 supercharged suburbs primed for future price growth.

The Canstar Rising Stars 2024 report says while prices were largely stagnant in Darwin throughout 2023, it attracted some attention from property investors because it has the highest rental yields in capital city Australia. The median yields of 6% for houses and 7.4% for units are considerably higher than other cities and also above most regional markets. The report says the strongest sector of the market is the Palmerston LGA where sale activity trends are more positive in Gunn and Zuccoli.

“A common theme among most of the Darwin LGA suburbs that have positive trends is affordable apartments, which is an emerging national phenomenon,” the report says.

The best markets within Darwin according to the report are:

Darwin City (units): Downtown central Darwin has had an uplift in buyer demand for affordable apartments in recent months, with signs of prices starting to nudge upwards. Investors are attracted by the high rental yields.

Gunn: This suburb of the City of Palmerston is one of the most affordable in the Greater Darwin area. Low vacancies and a median rental yield well above 6% appeal to investors. Gunn has good amenities, including Sanctuary Lakes Park and is close to Palmerston Shopping Centre and the Charles Darwin University campus.

Fannie Bay (units and houses): This bayside suburb represents the top end of the property market and attracts solid buyer demand because of its lifestyle offering, including the abundance of green space around the precinct, the water outlook and a variety of sports amenities.

Nightcliff (units and houses): The beachside suburb is a prestige market with some of the best long-term capital growth rates in the NT. Rental yields are high, especially for apartments. Amenities include beaches, green spaces, schools, shops and proximity to Darwin International Airport and Charles Darwin University.

Zuccoli: Recorded solid price growth in 2023. Rental demand is strong and the median yield is well above average. Zuccoli, a village on the fringe of the City of Palmerston, is surrounded by green spaces. Amenities include Zuccoli Plaza Shopping Centre and two primary schools.

House price performance

Just under half of Darwin's house markets achieved median house price growth in the past 12 months according to PropTrack data. The most significant growth was in Zuccoli which increased 111% (off a low base) to \$537,500. based on a massive 213 sales, Humpty Doo increased by 17% to \$635,000 and Moil by 9% to \$590,000.

Long-term annual average house price growth over the past ten years was extremely varied from -14% in Berrimah up to 9% in Johnston and Zuccoli.

Why Invest in Darwin

Property Profile

Vacancy Rates and rents

The vacancy rate across Darwin during the peak of the pandemic dropped to just 0.5% in May 2021. That has increased slightly since then but remains well below the 3% considered to be a balanced market, as of March 2024.

The tightest vacancy rate in the housing market according to PropTrack data is 0.0% in Dundee Beach and Berrimah.

With no significant new apartment stock built in Darwin in the past seven years vacancy rates remain tight starting at 0.0% in The Narrows. The Darwin CBD which has a higher percentage of apartments has a vacancy rate of just 1.8%, which is considered to be a tight rental market.

These low vacancy rates and a shortage of apartment supply mean that rents are on the increase throughout the Greater Darwin region. In the apartment market rents in Stuart Park and Larrakeyah rose by 7% in the past 12 months. There are now three suburbs with median asking rents for apartments that are above \$600 per week, Darwin City, Larrakeyah and Bayview.

In the house market, Berrimah had the highest asking rent increase of 14% in the past 12 months with the highest median asking rent for houses now \$880 per week in the suburb.

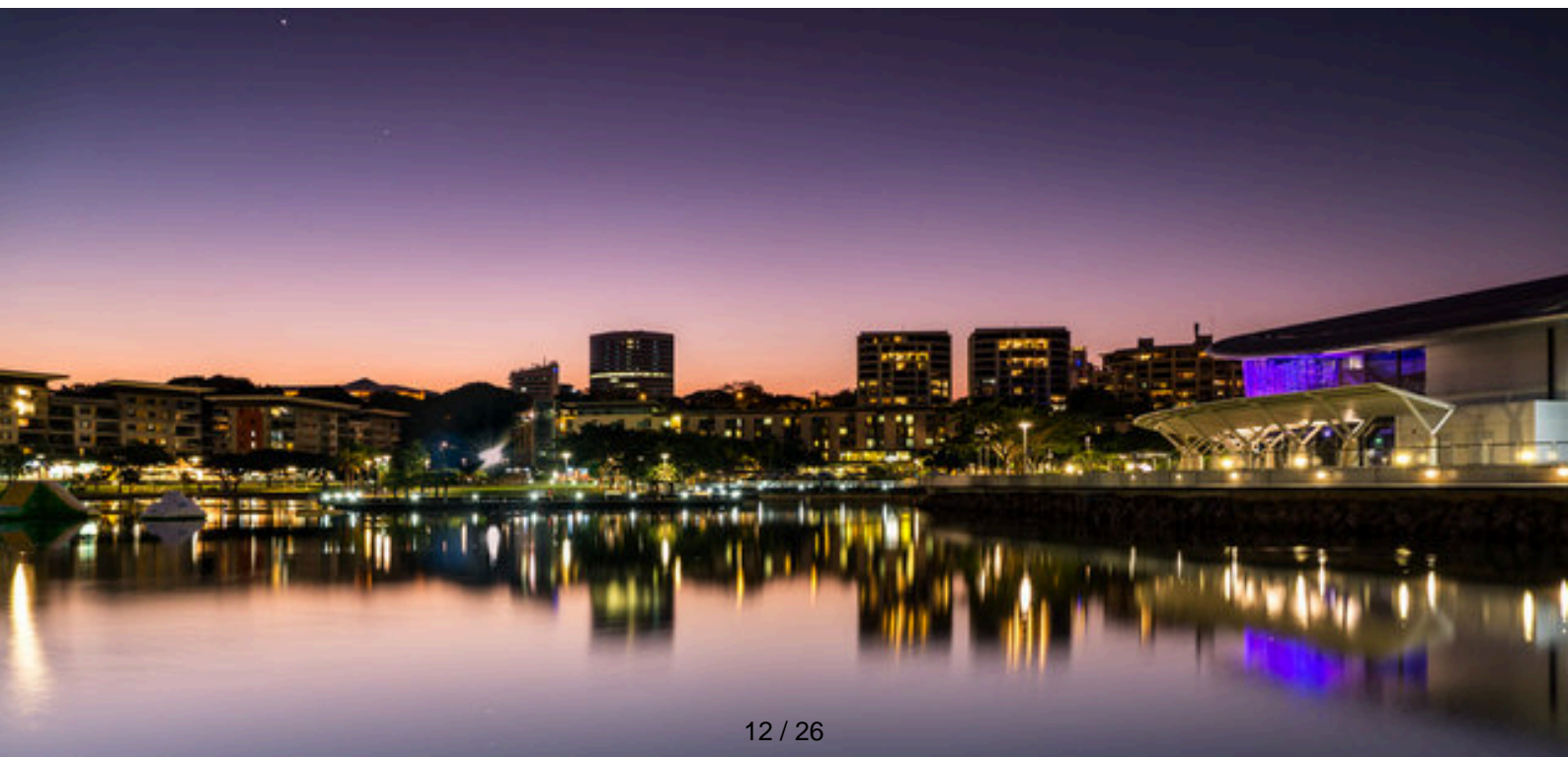
Rental yields

The affordability of the Darwin market at a time of high rental demand means that yields are solid and among some of Australia's highest.

In the apartment market, they start at 5.8% in Fannie Bay, a rate many other capital city apartment markets would be envious of.

Of the 15 apartment markets analysed in this report, nine have yields above 7% with the highest 8.2% in Bakewell which is Darwin's most affordable apartment market with a median of just \$288,000.

In the house market yields range from 5.1% at Stuart Park up to 7.3% in Moulden.



Why Invest in Darwin

Market Summary

A sample of the Darwin apartment market includes these suburbs:

Suburb	12 mth Sold	Median unit	1-year Growth	10 Year Growth Avg	Median Yield
Bakewell	43	\$288,000	-6%	-3%	8.2%
Bayview	38	\$547,500	3%	-3%	5.9%
Coconut Grove	39	\$372,500	9%	-2%	7.0%
Darwin City	136	\$440,000	-9%	-4%	7.4%
Fannie Bay	50	\$478,500	-6%	0%	5.8%
Johnston	34	\$350,000	-6%	0%	6.9%
Larrakeyah	82	\$452,500	12%	0%	6.8%
Leanyer	35	\$340,000	-3%	-2%	7.1%
Millner	30	\$297,000	-3%	-3%	7.7%
Nightcliff	70	\$390,000	-1%	1%	7.4%
Parap	71	\$370,000	-8%	-5%	7.4%
Rapid Creek	63	\$414,000	3%	-2%	6.5%
Rosebery	32	\$371,250	-1%	-2%	7.8%
Stuart Park	93	\$415,000	-7%	-2%	6.7%
The Narrows	32	\$445,500	24%	1%	7.0%

Source: PropTrack



Why Invest in Darwin

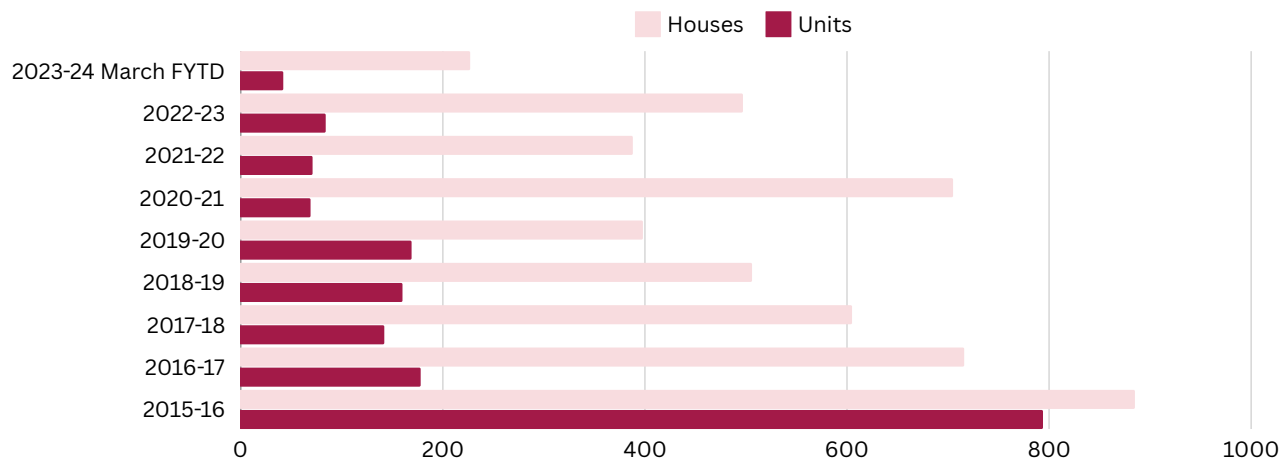
Rental market

Greater Darwin Unit vacancy rates and rents:

Suburb	Unit asking rent	12 mth increase	Vacancy rate
Bakewell	\$450	1%	2.0%
Bayview	\$690	6%	5.1%
Coconut Grove	\$480	0%	1.1%
Darwin City	\$600	0%	1.8%
Fannie Bay	\$525	1%	2.0%
Johnston	\$530	6%	1.5%
Larrakeyah	\$600	7%	2.2%
Leanyer	\$480	0%	2.6%
Millner	\$470	4%	0.6%
Nightcliff	\$470	2%	2.2%
Parap	\$555	5%	1.2%
Rapid Creek	\$500	2%	1.1%
Rosebery	\$520	4%	2.3%
Stuart Park	\$590	7%	3.5%
The Narrows	\$480	-4%	0.0%

Source: PropTrack

Building Approvals - Darwin LGA



Source: Profile.ID.com

Why Invest in Darwin

Market Summary

A sample of the Darwin house market includes these suburbs:

Suburb	12 mth Sold	Median House	1-year Growth	10 Year Growth Avg	Median Yield
Anula	37	\$540,000	-1%	-1%	6.3%
Bakewell	37	\$496,000	3%	-1%	6.1%
Bellamack	44	\$591,000	-3%	7%	6.1%
Berrimah	68	\$250,000	3%	-14%	6.1%
Driver	35	\$470,000	-3%	-1%	6.7%
Durack	72	\$550,000	-2%	8%	6.1%
Gray	39	\$385,000	-4%	-3%	7.1%
Gunn	74	\$500,000	-4%	-1%	6.1%
Humpty Doo	60	\$635,000	17%	3%	5.9%
Johnston	33	\$625,000	1%	9%	6.2%
Karama	41	\$467,500	-5%	-1%	6.9%
Leanyer	70	\$605,000	3%	0%	5.8%
Moil	31	\$590,000	9%	1%	5.8%
Moulden	44	\$390,000	-1%	-1%	7.3%
Muirhead	50	\$729,500	-1%	8%	5.8%
Rosebery	61	\$582,500	3%	-1%	6.1%
Stuart Park	37	\$800,000	0%	1%	5.1%
Woodroffe	48	\$435,000	-1%	-1%	6.8%
Wulagi	33	\$527,500	-13%	-1%	6.2%
Zuccoli	213	\$537,500	111%	9%	6.7%

Source: PropTrack

Why Invest in Darwin

Rental market

Greater Darwin House vacancy rates and rents

Suburb	House asking rent	12 mth increase	vacancy rate
Anula	\$638	9%	1.5%
Bakewell	\$575	5%	2.0%
Bellamack	\$685	-1%	3.9%
Berrimah	\$880	14%	0.0%
Driver	\$560	2%	2.9%
Dundee Beach	\$800	0%	0.0%
Durack	\$650	5%	2.6%
Gray	\$550	6%	3.2%
Gunn	\$600	0%	1.7%
Humpty Doo	\$695	7%	0.5%
Johnston	\$720	11%	1.5%
Karama	\$590	7%	2.9%
Leanyer	\$670	6%	2.6%
Moil	\$640	9%	0.7%
Moulden	\$500	0%	2.5%
Muirhead	\$800	4%	2.3%
Rosebery	\$680	5%	2.3%
Stuart Park	\$850	6%	3.5%
Woodroffe	\$550	0%	2.3%
Wulagi	\$600	0%	1.3%
Zuccoli	\$695	3%	2.9%

Source: PropTrack

Why Invest in Darwin

Future Prospects

Darwin is enjoying a renewed sense of optimism inspired by a re-energised population and projects in the construction, resources and Defence sectors. The NT Budget unveiled in May 2024 committed record investments in areas including education and police.

It said large-scale private investment projects in the resource sector led by the Barossa project and investment at the Darwin LNG (liquefied natural gas) plant are expected to have a huge impact on the economy. As a result, Gross State Product is forecast to grow by 2.3% in the coming financial year, before accelerating to 7.1% in FY2026 as LNG exports from Barossa come online.

Investment Territory is working with the private sector on a portfolio of projects worth more than \$57 billion in minerals and resources, digital, renewables and agribusiness.

The Budget also commits:

- \$189 million for the Outback Way
- \$80 million to continue sealing the Tanami Road
- \$112 million for upgrades to the Buntine Highway
- \$60 million for Port Keats to Palumpa road
- \$67 million for roads in Kakadu

Major projects

The Federal Government has refreshed its Northern Australia development program while there are plans to make Darwin the digital gateway between Southeast Asia and Australia's Eastern Seaboard.

The project pipeline includes a number of prospective multi-billion-dollar resources projects, including the Beetaloo Basin gas project, Arafura Resources Nolans' rare earths project in Central Australia and Sun Cable's Australia-Asia Power Link.

The Federal Government allocated \$190 million in the FY2022 Budget to develop a 'corridor of growth' from the Beetaloo Basin to the Port of Darwin.

Several projects in this program have begun to move into the construction phase. Some examples are the expansion of the Darwin Airport and the new Darwin Shiplift. The Hudson Creek Power Station was completed in early 2021.

Several plans are taking shape to provide permanent and casual accommodation required to bring new people to Darwin.

Why Invest in Darwin

Future Prospects

Darwin Waterfront

Before the start of its transformation, Darwin Waterfront was an industrial area dominated by a large wharf and warehouses. In 2003 the first part of the transformation started with the development of the Darwin Waterfront's breakwater – an 800-metre long, organically curved wall made of large concrete blocks – which protects the lagoon and its surrounds from the harbour.

Since then numerous community facilities have been developed including the Darwin Wave Lagoon, a 4000sq m recreation and wave lagoon.

In 2022, plans for Stage 2 were revealed by the Darwin Waterfront Corporation. The \$250-million masterplan for 4000 sqm of additional swimming pools, 2.8 hectares of extra public parklands, adventure playgrounds, multipurpose spaces, hospitality and hotel facilities.

It will be Australia's first saltwater surf park, featuring a snorkelling and diving lagoon with tropical fish and 3D-printed coral.

New Suburbs

Halikos Group is building a new suburb with a school, retail precinct, 2,000 lots and 40 medium-density sites to house 7,500 people. To be built over 13 years, the \$1 billion project will create 3,200 jobs.

The Northern Territory Government expects significant population growth to continue and has fast-tracked the development of two additional new Darwin suburbs, Holtze and Kowandi, bringing forward the start of construction from the original 2026 to 2024.

Defence

The NT FY2025 budget has allocated \$7 billion toward the Territory's northern training bases, for operational base infrastructure; \$6 billion for air base infrastructure; \$400 million for the northern logistics network; and \$350 million for northern training area enhancements, which will provide a pipeline for work for the next decade.

The Federal Government is spending \$747 million on upgrading four Defence training areas in the NT:

- Robertson Barracks, Darwin - increased accommodation, administration & support facilities, range upgrades, urban operations facilities
- Kangaroo Flats, Berry Springs - new outdoor weapons ranges, relocating existing demolition ranges
- Mount Bunday, Humpty Doo - administration infrastructure, aviation facilities
- Bradshaw Field, Timber Creek - administration infrastructure, urban operations training facility, aviation facilities

Why Invest in Darwin

Future Prospects

Darwin City Deal

The Darwin City Deal is making steady progress since it was first rolled out in 2018. Key initiatives in the 10-year, \$200 million package include:

- A new education and civic precinct, with a new Charles Darwin University city campus to attract more international students. Construction is expected to be completed in mid-2024.
- Redeveloping Civic and State Square to create a cooler, greener precinct that will replace heat-generating carparks. Work began in 2019.
- An Urban Living Lab that will research and develop tropical heat mitigation measures and climate-appropriate design.
- Preserving and promoting Larrakia culture through a Larrakia Host program and facilitating a Larrakia Cultural Centre.
- Darwin Waterfront Precinct, a mixed-use precinct including residential and tourist accommodation surrounding a man-made saltwater lagoon.

A new site is being considered for Darwin Passenger Railway Terminal (DRT). Currently in East Arm and the home of The Ghan, the DRT could move to Palmerston. The feasibility study will also consider prospects for the Territory's first public rail system between Palmerston and Darwin.

Off-Stream Water Storage

The Adelaide River Off-Stream Water Storage (AROWS) project is designed to boost the region's water security. The Territory Government predicts that, by 2050, an extra 11,000 megalitres of water will be needed each year to meet the needs of future population growth.

The \$1.5 billion project includes the return to service of the Manton Dam, which was closed in 1972. It is expected to take up to ten years to complete, by which time it could hold up to 250,000 megalitres and supply up to an additional 60 megalitres of water each year.

Resources

Darwin's proximity to the extensive petroleum and gas reserves in the Timor Sea continues to provide fresh economic opportunities. The \$55 billion Ichthys LNG Project generated 10,000 jobs before it was completed in 2015. Its regular workforce temporarily increased to 1,400 as it underwent a maintenance program in 2021.

Recent plans show a third LNG train is to be built at the facility by 2030. The multi-billion train is expected to increase capacity by 4.5 million tonnes per year. A \$870 million carbon capture and storage plant is also planned at Ichthys. When complete, it could capture up to 2 million tonnes of carbon per year.

In 2020, Santos bought the proposed \$5 billion Barossa gas project from ConocoPhillips. As well as a new floating production facility and new underwater production wells, the project will need a \$300 million pipeline connection between the Barossa field and the Darwin LNG processing plant.

Why Invest in Darwin

Future Prospects

Australia-Asia Power Link

The \$30 billion Australia–Asia Power Link is an infrastructure project set to include the world's largest solar plant and battery as well as the world's longest submarine power cable.

The project includes:

- A 12,000 ha solar farm and battery storage facility near Elliott, in the NT's Barkly region;
- A 800km overhead transmission line to Darwin;
- A 55ha converter station at Murrumujuk; and
- A land-sea joint station and subsea cable system through outer Shoal Bay and the Timor Sea to Singapore, and possibly Indonesia.

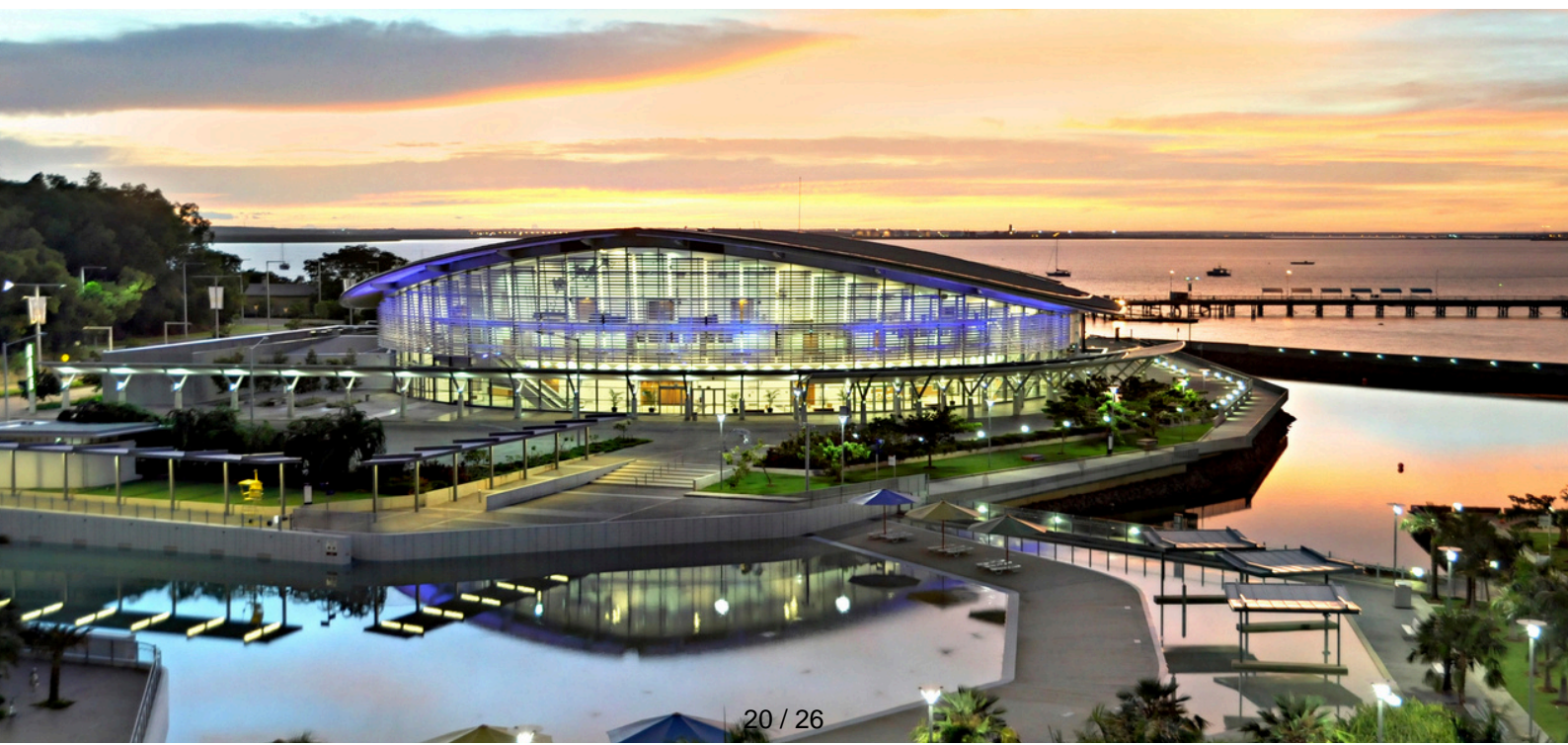
The project is predicted to create over 1,500 construction jobs and 350 operational jobs in the NT. It is estimated it will inject \$8 billion into the NT economy and enable the export of \$2 billion worth of green electricity per year.

Darwin Shiplift

The Northern Territory Government is delivering the ship lift to establish Darwin as a key maritime maintenance centre in northern Australia while servicing South East Asia. A preferred builder was appointed in early 2024.

The \$515 billion project will deliver:

- a 26m wide, 103m long ship lift with vessel lifting capability of 5,500 tonnes
- wet berths to allow vessels to undertake in-water maintenance
- hardstand areas for ship repair and maintenance works
- self-propelled modular transporter (SPMT) units that can move ships when out of the water
- an administration building, SPMT shed and blast and paint facility
- upgrades to support the ship lift and broader marine industry park development.



Major Projects

Major projects currently impacting the region are:-

INFRASTRUCTURE – EDUCATION

Project	Value	Status	Impact
– Charles Darwin University expansion, Darwin CBD	\$250 million	Under construction. Operational from 2024	Jobs: 730 construction

RESIDENTIAL DEVELOPMENTS

Project	Value	Status	Impact
Wings residential tower, 20 Harvey St, Darwin (Tomazos Group)	TBA	Pre-lodgement meetings with Council underway	96, one- and two-bedroom apartments near Waterfront Precinct
Northcrest (Halikos Group)	\$1 billion	Under construction	New suburb for 7,500 people, school and retail precinct
Seabreeze apartments, Nightcliff (Sunbuild)	\$40 million	Proposed	A six-storey building with 92 apartments
Lee Point (Defence Housing Australia)	\$400 million	Under construction Completion expected in 2029	800 lots are being developed, plus main street with cafes, hotel, shops
Asti Motel site redevelopment, Packard Place and Montoro Court (Joondana Investments)	\$40 million	Proposed	44 units and 47 serviced apartments are planned in two 10-storey towers
New apartments 150 Smith Street Larrakeyah (SR Developments)	\$45 million	Approved	An eight-storey apartment building is planned
PINTS Club, The Gardens, Fannie Bay (Makrylos Group)	TBA	Proposed	Multi-tower, residential development planned
Ozanam House, Cnr Stuart Hwy and Westralia St, Stuart Park (St Vincent de Paul)	TBA	Proposed	8-level mixed-use development, with an affordable childcare facility, and commercial tenancies
Frogs Hollow Backpacker redevelopment, Lindsay St (Tchia Nominees & Tsougranis Properties)	TBA	Proposed	Convert former backpackers hostel into 30 single room student accommodation

Major Projects

Major projects currently impacting the region are:-

INFRASTRUCTURE – GENERAL

Project	Value	Status	Impact
Darwin Waterfront Precinct Development (Stage 2) (Darwin Waterfront Corporation)	\$250 million	Proposed	A surf park, snorkelling lagoon, pools and playgrounds are planned
Larrakia Cultural Centre, Darwin Waterfront	\$40 million	Tender awarded May 2024	A variety of educational facilities, an exhibition space and gallery, an outdoor auditorium, café/restaurant, art studios, artefact storage, a retail shop and function rooms
Adelaide River Off-Stream Water Storage	\$1.5 billion	Proposed	Would improve water security
Civic and State Square precinct redevelopment	\$225 million	Under construction	Will include State Square Art Gallery, shaded walkways, landscaping, artwork and water features
Northern Territory Art Gallery Darwin CBD	\$88 million	Under construction to be complete 2025	Part of Civic and State Square precinct redevelopment
Casuarina Aquatic and Leisure Centre	\$26.8 million	Under construction to open mid-2024	Resort-style pool, 50m lap pool, cafe, gym, community room, allied health premises

INFRASTRUCTURE – MEDICAL

Project	Value	Status	Impact
Darwin Mental Health inpatient unit, Royal Darwin Hospital	\$57.7 million	Under construction	Will have 18 inpatient beds, with the potential for patients to remain in the clinic for long-term stays

Major Projects

Major projects currently impacting the region are:-

COMMERCIAL DEVELOPMENTS

Project	Value	Status	Impact
Project Sea Dragon, Legune Station (Seafarms)	\$2.1 billion	Went into voluntary administration Feb 2023	Jobs: 1,500 Includes breeding centre, hatchery, processing plant, import/export facility
HyperOne high-speed network infrastructure project	\$1.5 billion	Proposed	The nationwide fibre optic project could generate up to 10,000 jobs
Darwin City Stadium project	\$300 million	Business case released May 2024	A 25,000-seat covered stadium to host sporting events and concerts is proposed
Seaplane manufacturing plant, Darwin Airport (Amphibian Aerospace Industries JV Dassault)	TBA	Under construction Operational from 2026	Jobs: 300 Will produce 12 Albatross G-111T seaplanes each year
D1 Darwin Data Centre. Harvey St, Darwin CBD (NEXTDC Ltd)	\$80 million	Construction started November 2023	Would house an innovation centre, collaboration hub and 8MW of data capacity
Darwin-Jakarta-Singapore data cable (Vocus)	\$100 million	Operational July 2023	The final part of the \$500 million Australia- Singapore cable project
68 Mitchell Street mixed-use development, Darwin (Olive Cook Pty Ltd)	\$47 million	Proposed	Two towers with 86 units, 108 serviced apartments, plus a restaurant, bar, pool and gym plus retail and public spaces
Darwin Convention Centre Hotel (CEL Australia)	\$100 million	Development project agreement signed May 2024	236-room Darwin Convention Centre Hotel to operate as Momentus Hotels and Resorts
The Northern Hotel. 2 Peary St, Darwin (Ncore & Zikos Properites)	TBA	DA lodged December 2023	120 room boutique hotel in 9-storey building
Casurina Shopping Square redevelopment (Sentinel Property Group)	\$25 million	Under construction	Expansion and redevelopment of existing centre with up to 20 new tenancies

Major Projects

Major projects currently impacting the region are:-

INFRASTRUCTURE – DEFENCE

Project	Value	Status	Impact
Larrakeyah Barracks project	\$580 million	Under construction Scheduled for completion by early 2024	Includes upgrades, new buildings, a new wharf and fuel farm
NT Defence Training Fields upgrades	\$747 million	Under construction between 2021 and 2026	Jobs: 2,000 Four training fields across the NT will be upgraded
RAAF Base Tindal upgrade	\$1.2 billion	Under construction Scheduled for completion in 2027	The base will be able to handle larger aircraft
Fuel storage facility, East Arm (US Defence Force)	\$270 million	Completion late 2023	11 tanks capable of holding 300 million litres
Robertson Barracks Upgrade	\$380 million	Proposed Construction starting mid-2024	Additional accommodation, new ranks mess, electrical upgrades and fire system upgrades
RAAF Base Darwin upgrade (US Department of Defence)	up to \$760 million	Proposed	New parking apron, maintenance support facility, aircraft maintenance hangar. Includes aircraft rinse facility, wash rack, helicopter landing pads and supporting facilities

INFRASTRUCTURE – TRANSPORT

Project	Value	Status	Impact
Darwin Passenger Railway Terminal (DRT) relocation	TBA	Proposed Tender for relocation feasibility study awarded to Aurecon in December 2021	Terminal could be relocated from East Arm to Palmerston A public rail system is being considered
Darwin Port Shiplift facility (Wallbridge Gilbert Aztec)	\$515 million	Preferred builder appointed May 2024	Jobs: 100 construction Will be able to lift vessels up to 5,000 tonnes
Tiger Brennan Drive and Berrimah Road overpass and intersection (NT and Federal Governments)	\$128 million	Under construction	A new overpass at the Tiger Brennan Drive and Berrimah Rd intersection to improve road safety

Major Projects

Major projects currently impacting the region are:-

RESOURCES AND ENERGY

Project	Value	Status	Impact
Santa Barossa offshore gas field project (Santos)	\$5.3 billion	Approval to lay down pipeline	Offshore gas and condensate project to provide a new source of gas to the existing Darwin liquified natural gas (DLNG) facility
Darwin pipeline duplication, Timor Sea (Santos)	\$311 million	Awaiting further approvals	Would free the existing Bayu-Undan to Darwin pipeline for use in carbon capture and storage
Third train at Ichthys offshore LNG Plant (INPEX)	TBA	Proposed. To be built around 2030	Will increase LNG production capacity by 4.5m tonnes per annum
Nolans Rare Earths Project, Central Australia (Arafura Resources)	\$2.4 billion	Proposed	Jobs: 620 construction; 280 ongoing Rare earth mine, process plant and related infrastructure
Cathode plant project Barkly region (Avenira Ltd, Aleees and NT Govt JV)	TBA	Proposed	Jobs: 1,000 Potential revenue of \$4 billion. Lithium ferro phosphate (LFP) battery cathode manufacturing facility in the Middle Arm Sustainable Development Precinct
Middle Arm Sustainable Development Precinct Darwin	TBA	Proposed	Government developed precinct designed to attract low-emission energy production, advanced manufacturing and minerals processing industries
Fuel storage facility (The Airport Development Group)	\$600 million	Under construction	Jobs: 115 The 80 megalitre storage facility would improve fuel security
Carbon Capture Utilisation and Storage Facility, Ichthys LNG plant (Inpex)	\$870 million	Proposed	Would inject 2 million tonnes of carbon per year initially
Australia-ASEAN Power Link Project (Sun Cable)	\$30 billion	Proposed	Includes Solar farm at Powell Creek. Would inject \$8 billion into the local economy
Desert Bloom Hydrogen Project, Tennant Creek (Aqua Aerems)	\$15 billion	Proposed. Granted major project status by NT govt	Jobs: 1,000 Will produce 410,000 metric tonnes of green hydrogen per year
Beetaloo Sub-Basin Gas Project	TBA	Proposed	Project could create 13,000+ jobs by 2040
Big Battery System, DK BESS 2	TBA	Govt called for EOI in April 2024	Large scale batteries across several locations on the Darwin-Katherine grid



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