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Media Release

New research reveals healthy Darwin CBD office market

The outlook is positive for Darwin's CBD office market, which is in good health by national standards, according to new research from the Property Council of Australia.

The Property Council's Office Market Report, released for the Darwin market for the first time, shows Darwin CBD office vacancy at 8.4 percent in January 2010. The total Australian office vacancy rate is 9.3 percent, while the total vacancy rate for CBD markets around the country is 8.0 percent.

The Report shows Darwin has a total of 218,213 square metres of office space in its CBD.

Offices bring workers to the city, adding to the vibrancy of Darwin city and supporting retail trade for CBD businesses," said Karen White NT Executive Director of the Property Council of Australia.

The Property Council has been reporting on market conditions in Australian office markets since 1990.

Along with reporting on the quantum of office space the Office Market Report includes information on vacancy levels in various grades of office stock.

Vacancies in A and B grade space in Darwin's CBD are amongst the lowest in Australia, with Hobart being the only Capital City CBD to report lower vacancies. A and B grade space accounts for almost 80% of the total office market in the Darwin CBD.

However the reverse is true for C and D grade space, the vacancy in C Grade space was 18.3 percent, more than twice the Australian CBD average. And while there is only limited D grade space in Darwin, the vacancy was a hefty 62.6 percent.

"High vacancies in poorer grade office stock present a significant challenge for the industry. With the government requiring high quality space for their tenancies, demand is weak for lower quality office space," said Ms White

"Property owners must decide whether to undertake a significant refurbishment to bring the space up to the required standard, change the use of the building or demolish it to make way from something new."

For the year to January 2010 just over 12,000 square metres of new office space entered the Darwin office market, with a further 2,500 square metres planned for 2010.

The Treasurer, The Hon Delia Lawrie MLA will launch the Darwin Office Market Report at 4:00pm today at SKYCITY. The results of the Darwin and national surveys will be presented, followed by insightful analysis from an expert industry panel.

For more information contact:

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The *Voice* of Leadership

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Key market indicators by grade as at January 2010

	Stock (sq m)	Vacancy (%)		
Grade	Darwin CBD	Darwin CBD	Australian CBD	Australian Office
A	103 138	2.9	6.6	8.5
B	67 254	6.3	9.4	10.4
C	42 363	18.3	9.0	9.6
D	5 458	62.6	5.5	8.1
TOTAL	218 213	8.4	8.0	9.3

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