

# Alice Springs Real Estate News

Quarter 3, 2024



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## Q3 in Review

### Residential Market

There were 54 house sales during the September quarter which is up slightly from 53 sales in the previous quarter. There were 38 units sales which is up from 33 in the June quarter. The median house price was \$445,000 which is down 9% from \$490,000 in the June quarter. The median unit price fell to \$282,500 down from \$300,000.

There were 8 house sales above \$700,000 with the highest being \$1,220,000 for a rural property on Lillecrapp Road. There were 8 unit sales above \$400,000 with the highest being \$558,000 for a unit on Maconochie Road, Mount Johns.

Braitling/Stuart and Gillen were the most popular suburbs with 12 house sales and 2 unit sales and 10 house sales and 4 unit sales respectively.

### Commercial and Industrial Market

There were number of significant commercial and industrial sales during the September quarter which included a prime light-industrial site on the corner of Stuart Highway and Smith Street which sold for \$913,000, a heritage listed commercial property in Hartley Street which sold for \$1,290,000, a light-industrial site in Wilkinson Street selling for \$1,350,000, a light-industrial complex on George Crescent selling for \$1,500,000, and the substantial sale of 3 Larapinta Drive which sold for \$5,775,000 (including GST). LJ Hooker negotiated the sale of the Sturt Highway, Hartley Street, and Larapinta Drive properties.

### Overview

There is no doubt that the increase in youth criminal activity, particularly over the past 12 months, has had a negative impact on the Alice Springs property market. Unfortunately, a number of long-term residents have decided to sell up and leave town due to the apparent inability of the Government to deal with the increased level of crime.

Northern Territory residents voiced their concerns over these issues and overwhelmingly voted for a change of Government at the recent Northern Territory Elections. The new CLP Government announced that it would introduce legislation during its first sitting of Parliament to toughen the consequences of criminal activity and reduce the age limit of criminal responsibility. Should these measures be successful there is little doubt that optimism will return to the property market and the number of sales, and prices, will increase.

The Northern Territory Government has recently introduced Australia's most generous housing grant with programs which include 3 different grants ranging from \$10,000 to \$50,000, encompassing both first time buyers and existing homeowners. The introduction of this scheme has already had a positive effect on the local Alice Springs property market with an increase in buyer enquiry and attendees at weekend Open for Inspections.

### RBA Holds Rates at 4.35% at September meeting

The Reserve Bank of Australia (RBA) has left the official cash rate unchanged at 4.35% for the seventh time in a row at its September Board meeting.

The decision means that interest rates will, in all likelihood, remain at their highest level in almost 13 years at least until the Board meets again for its next meeting on November 4.

In a statement released following the meeting, the RBA Board noted that while a long way from its peak, inflation is still hovering above the central bank's target band.

"Inflation has fallen substantially since the peak in 2022, as higher interest rates have been working to bring aggregate demand and supply closer towards balance. But inflation is still some way above the midpoint of the 2-3% target range.

"Headline inflation declined in July, as measured by the monthly CPI indicator. Headline inflation is expected to fall further temporarily, as a result of federal and state cost of living relief. However, our current forecasts do not see inflation returning sustainably to target until 2026."

On the inflation front, the Board will have more data to digest when the monthly consumer price index for August is released by the Australian Bureau of Statistics (ABS).

Last month the ABS revealed that the Consumer Price Index (CPI) had risen 3.5% in the year to July, but there is an expectation that the figure will come in lower for the month of August.

The Commonwealth Bank, for instance, is forecasting that consumer prices will have increased by 2.7% over the 12 months to August which - if correct - will be the first time that CPI has dropped below the 3% mark in three years.

### When will the RBA start cutting rates?

Last week the US Federal Reserve joined the growing list of central banks - including the likes of the Bank of England and the European Central Bank - to have lowered interest rates in recent months.

The 50-basis point move from the US central bank was its first cut in four years and a firm indicator that it believes that inflation in the country is heading back towards a more sustainable level.

So when could the Reserve Bank of Australia join the list?

In a survey of 34 economists and experts conducted by comparison website Finder in the lead up to the rate meeting, just five respondents reported that they expected to see an interest rate reduction in Australia before the year is out.

Interestingly, most anticipate that the Reserve Bank will make its first cut in either February (44%), March (9%) or April (15%) next year.

One of the respondents currently pencilling in February as the most likely month for the RBA to make a move is Shane Oliver, chief economist at AMP.

"Short of substantially higher unemployment, lower underlying inflation or a financial shock the RBA is likely to remain on hold in the next few months as it still sees too much excess demand and inflation. But easing demand, employment and inflation are likely to drive rate cuts from February," he says.

Doug Fraser  
Managing Director

# Sales Statistics Q3

September Quarter 2024

Suburb	Median House Price Jun 2024 quarter	No. Sales	Median House Price Sep 2024 quarter	No. Sales	% Change for Jun	Median Unit Price Jun 2024 quarter	No. Sales	Median Unit Price Sep 2024 quarter	No. Sales	% Change for Jun
Araluen	590,000	9	579,500	4	-1.78%	351,250	4	437,500	2	Insufficient Data
Braitling & Stuart	465,000	9	437,500	12	-5.91%	377,000	4	347,500	2	Insufficient Data
Desert Springs & Mount Johns	775,000	4	720,000	3	-7.1%	395,000	3	350,000	6	-11.39%
East Side	565,000	4	514,250	4	-4.2%	270,000	3	288,000	4	+6.67%
Gillen	470,000	15	413,500	10	-12.02%	235,000	9	320,000	4	+36.17%
Kilgariff & South Edge	732,500	2	N/A	0	Insufficient Data	540,000	1	N/A	0	Insufficient Data
Larapinta	465,000	6	432,370	8	-7.02%	285,000	1	275,000	4	Insufficient Data
Rural	N/A	0	960,000	4	Insufficient Data	N/A	0	164,000	2	Insufficient Data
Sadadeen	415,000	2	410,000	5	Insufficient Data	300,000	1	269,500	6	Insufficient Data
The Gap	330,000	2	380,000	4	Insufficient Data	313,000	7	298,000	8	-4.79%
<b>Total</b>	<b>490,000</b>	<b>53</b>	<b>445,000</b>	<b>54</b>	<b>-9.18%</b>	<b>300,000</b>	<b>33</b>	<b>282,500</b>	<b>38</b>	<b>-5.83%</b>

Median House Price and Sales Numbers since 2011

Year ending June	Median Price \$	Number of Sales	% change per annum
2011	461,000	359	+7.34
2012	452,300	320	-1.89
2013	454,000	365	+0.38
2014	461,250	335	+1.59
2015	455,000	339	-1.35
2016	485,000	257	+6.59
2017	465,000	314	-4.12
2018	480,000	321	+3.23
2019	470,000	283	-2.08
2020	465,000	260	-1.06
2021	480,000	339	+3.23
2022	520,500	385	+8.44
2023	550,000	252	+5.67
2024	520,000	239	-5.45

Median Unit Price and Sales Numbers since 2011

Year ending June	Median Price \$	Number of Sales	% change per annum
2011	346,000	196	+8.60
2012	335,000	135	-3.18
2013	329,000	178	-1.79
2014	337,000	188	+2.43
2015	345,000	161	+2.37
2016	335,000	145	-2.90
2017	305,000	115	-8.96
2018	303,000	149	-0.66
2019	310,000	121	+2.31
2020	327,000	119	+5.48
2021	335,000	167	+2.45
2022	320,000	201	-4.48
2023	340,000	156	+6.25
2024	315,000	135	-7.35

Disclaimer. Editorial comment provided by Doug Fraser, Principal L.J. Hooker Alice Springs. Research figures compiled by L.J. Hooker Research Department from information supplied by the Lands Title Office, Darwin NT. Whilst every care has been taken in compiling this information, readers should make their own investigations before undertaking any action in the real estate market.

# Top tips to prepare your home for a spring sale

Spring is a prime time for selling property, with blooming gardens and brighter days making homes more appealing. However, with the increased listings during this season, preparation is key to ensuring your home stands out to potential buyers and achieves the best price. By tackling the process step by step, with help from friends or professionals, and implementing strategic sales advice, you can maximise your home's appeal. Here are a few tips to help get your home ready for a successful spring sale.

## 1. Declutter & Depersonalise

Create a clean and inviting space by removing unused or unnecessary items. Decluttering makes your home feel more spacious, which is important for buyers to visualize their own belongings in the space. If you're unsure about parting with things, consider temporary storage. Removing personal items such as family photos and unique decorations allows potential buyers to imagine themselves living in the home.

## 2. Cleaning & Organising

Go beyond regular cleaning by tackling hard-to-reach areas, scrubbing floors, and polishing appliances. A spotless home signals good maintenance. If pressed for time, consider hiring professional cleaners. Buyers are likely to inspect cupboards, closets, and storage spaces. Declutter these areas to showcase their capacity, making your home feel well-organised and ready for new owners.

## 4. Open the curtains & Don't forget the windows

Light-filled homes feel more spacious and welcoming. Open curtains, clean windows, and use light, neutral colours on the walls to enhance natural light. Consider installing skylights or solar tubes in darker rooms.

## 5. Repairs and Maintenance

Fix any minor issues like leaky faucets, loose doorknobs, or faulty light switches. These small repairs help ensure buyers don't see your home as neglected, boosting their confidence in the overall condition of the property.

## 6. Make it look pretty & Start gardening

First impressions matter, and your home's exterior is the first thing buyers see. Pressure wash the driveway and paths, replace an old mailbox, and consider adding potted plants or a new doormat to freshen the entrance. A tidy garden enhances the overall appeal of your home and spring is the perfect time to showcase your outdoor space.

## 7. Outdoor Flow

Outdoor spaces are increasingly important to buyers. Whether you have a small balcony or a large backyard, create a cozy outdoor area with seating, string lights, and potted plants. An outdoor lounge or fire pit can add to the ambiance and make the space more appealing.

## 8. Choose the Right Agent

Selecting an experienced real estate agent with local market knowledge is crucial. They'll provide an accurate property appraisal and help you strategize the sale process for the best results.

## 9. Research the Market

Your agent will conduct a comparative market analysis, assessing similar homes that are on the market and those have recently sold to determine the right price for your property.



## 10. Home Improvements

Before embarking on major renovations, consult your agent. Sometimes simple, less costly updates—like painting or replacing fixtures—can make a big difference without a full remodel.

## 11. Marketing

Effective marketing is crucial in spring when the market is more competitive. A good agent will use online platforms, social media, print advertising, and open houses to reach as many buyers as possible. They'll also leverage their own network of potential buyers.

## 12. Photography, Copywriting & Floor Plans

With 86% of buyers likely to view your property online, having high-quality, accurate images will ensure your listing stands out from the competition. Your agent will organise a photographer/videographer for the job. Likewise, a skilled copywriter can write engaging and accurate text that focuses on the property's features, along with the potential lifestyle benefits.

## 13. Staging

Staging helps buyers imagine themselves living in the home and can increase the final sale price by up to 10%. You don't need a full makeover—a professional stylist can use your existing furniture and suggest key improvements.

## 14. Ensure Compliance

Make sure your property meets all local compliance regulations, such as pool fencing and any permits for renovations. Non-compliance could delay the sale, so check with your agent to address any potential issues.

## 15. Target the Right Buyers

Consider your potential buyer's needs. For example, families may prioritise a property located in a good school zone, with multiple rooms and family-friendly outdoor spaces. Highlighting features like a play area or extra storage can also attract attention.

If you're preparing to sell your property, make sure you get in touch with an experienced real estate agent and obtain an accurate property appraisal. You can get a better understanding of where your property stands in the market today by getting a free expert property appraisal with an LJ Hooker agent and enter the draw to win \$30,000\* this spring.

This selling season, go one better.

Get a free property appraisal and enter the draw to win \$30,000\*.





## 5 Benefits of Using Virtual Staging

The work-from-home revolution has ushered in a new era of online activity, as people grow more comfortable conducting everything from work meetings to catching up with friends virtually. This digital shift has also made online tools essential for selling, buying, and renting homes, providing better consumer experiences, especially for those who are not physically near the property they are interested in.

When selling a property, it's crucial to stand out from the competition, especially since over 90% of property searches begin online. Virtual staging is an increasingly popular solution that offers several advantages over the traditional (and often costly) option of hiring furniture for a vacant home.

Here are five key benefits that virtual staging provides to sellers:

- Make Your Property Stand Out
- Help Buyers Visualise Themselves in the Space
- Save Money with a Cost-Effective Alternative
- Quick Turnaround
- Increase Your Selling Price

### 1. Virtual Staging Helps Your Property Stand Out

With so many searches starting online, it's essential to capture potential buyers' attention right away. This is where virtual staging comes in. It's an effective way to make a vacant home more appealing by showing its potential, helping it stand out from other listings.

According to Brad Filliponi, co-founder of BoxBrownie, a leader in virtual staging, virtual staging is "the best way to bring a cold vacant home to life easily." By using high-quality images and providing a sense of possibility, virtual staging increases your property's chances of making a lasting impression on buyers and getting added to their list of prospects.

### 2. Help Buyers Visualise Themselves in the Property

One of the biggest challenges buyers face is imagining how they would live in an empty or poorly styled space. Virtual staging addresses this issue by allowing potential buyers to better visualise themselves in the home, which can lead to an emotional connection — a crucial element in any successful sale.

The process of virtual staging is straightforward. Sellers provide interior photos (vacant or not), and these images are digitally enhanced with lifelike furniture and decor. This technique can be especially helpful for buyers who struggle to picture how they would use the space. In fact, virtual staging can become a "silent salesperson" by showing buyers what the property could look like, according to Filliponi. It works for both standard photos and 360-degree images used in virtual tours.

The only downside to virtual staging, as noted by Stephen Mutton, National Head of Network Development at LJ Hooker, is that the staged furniture and decor aren't physically present during in-person inspections. However, sellers can mitigate this by placing easels with the virtually staged images in the vacant rooms during open homes, reinforcing the property's potential in buyers' minds.

### 3. Virtual Staging Is More Cost-Effective Than Traditional Styling

Traditional home staging can be expensive, with costs ranging from \$1,500 to \$10,000 or more depending on factors such as the property's location, number of rooms, and time on the market. In contrast, virtual staging offers a more affordable option without sacrificing quality.

According to Mutton, the high cost of traditional staging often means it's not a feasible option for many sellers, even though it's seen as an essential way to stay competitive in the market. Virtual staging, on the other hand, provides a budget-friendly alternative, especially given that most property searches begin online.

The cost of virtual staging usually ranges from \$30 to \$120 per image, depending on the supplier. This affordability allows sellers to showcase multiple styles or room configurations, such as presenting a small bedroom as both a nursery and a home office. This flexibility can appeal to a wider range of potential buyers, giving the property an additional edge.

### 4. Fast Turnaround Time (48 Hours or Less)

Another advantage of virtual staging is the quick turnaround time. While traditional staging requires coordinating consultations, furniture deliveries, and setup — a process that can take a week or more — virtual staging only requires a few hours of digital work.

In most cases, sellers can have their virtually staged images ready within 48 hours, depending on the supplier. This rapid delivery allows properties to hit the market sooner, without the logistical headaches of traditional staging. Plus, there's no risk of damaging floors or walls while moving furniture in and out of the home.

### 5. Boost Your Selling Price

Properly staged homes have been shown to evoke stronger emotional connections in buyers, leading to faster sales and higher offers. Research suggests that staging — including virtual staging — can increase a home's selling price by 5% to 10% on average.

As Mutton explains, "Virtual staging shows people what the potential of the empty space is. This, in turn, will create a desire to want to live there or own it and ultimately increase the value and or competition on the property." It works much like selling a car: just as you wouldn't sell a car without cleaning it, staging a home showcases its full potential and helps buyers envision themselves living there.

In today's increasingly digital world, virtual staging has become an invaluable tool for sellers looking to stand out in a competitive market. It's cost-effective, quick to implement, and offers the ability to showcase a property's potential in a way that appeals to a wide range of buyers. And with the right staging, you may not only sell your home faster but also increase its final selling price.

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