

# Ballarat Market Update 2<sup>nd</sup> Half 2024



## OVERVIEW

In Q2 2024, Ballarat\* recorded a median house price of \$555,000, and a median unit price of \$380,000. This represents a stable median house price between Q2 2023 – Q2 2024, whilst median unit price saw a -2.6% softening. Comparing Q2 2023 vs Q2 2024, total house sales increased by 9.6% (to 447 sales in Q2 2024) but unit sales declined by -17.8% (to 83 sales in Q2 2024). Although cash rate hikes initially affected the market, improved consumer confidence in the past 6 months has revitalized the house market; evident in a 2.8% increase in median house price in the past quarter (Q1 – Q2 2024). With very little new ready-to-sell stock in the pipeline now is an ideal time for buyers to enter the market.

### CHANGE FROM LAST YEAR HALF YEAR



	YEAR	HALF YEAR
HOUSE SALES	↑	↑
HOUSE MEDIAN PRICE	↔	↓
HOUSE RENTAL PRICE	↑	↓

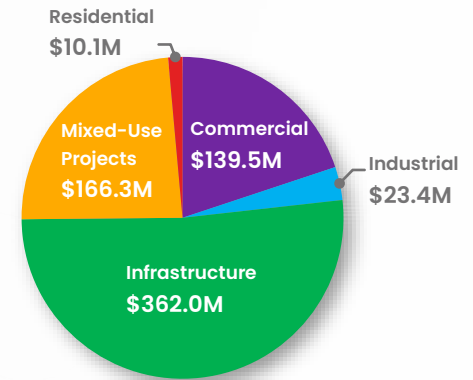


UNIT SALES	↓	↓
UNIT MEDIAN PRICE	↓	↓
UNIT RENTAL PRICE	↑	↑



## FUTURE DEVELOPMENTS

Ballarat LGA will see approximately **\$701.3M worth of new projects commencing in the 2<sup>nd</sup> half of 2024.**



A strong focus on infrastructure projects will improve liveability for residents and create local jobs during the construction phase. This can have an impact on the real estate market, in the form of more people choosing to live in Ballarat\* and leading to higher demand for housing.

A remarkable infrastructure project in the 2<sup>nd</sup> half of 2024 is Ballarat Base Hospital Stage 3 Main Works (\$235.0M). Initiated by the Victoria State Government, this project will demolish existing Medical Services & Education Service buildings and construct a 7-storey tower building.

Key residential projects include:

- 62 Magpie Street (6 Townhouses)
- 25 Jumps Street (6 Dwellings)
- 2 Eddy Avenue Mount Helen (10 Townhouses)

Although there is some new stock in the pipeline, this is not enough to satisfy demand. Thus a house price recovery is highly possible.



21  
Townhouses



14  
Dwellings



## MARKET CONDITIONS

MEDIAN PRICE  
Q2 2024



\$550K



\$380K

SALES

AVERAGE DAYS  
ON MARKET Q2 2024



77  
HOUSE



88  
UNIT

MEDIAN PRICE  
Q2 2024



\$420



\$360

RENTALS

AVERAGE DAYS  
ON MARKET Q2 2024



24  
HOUSE



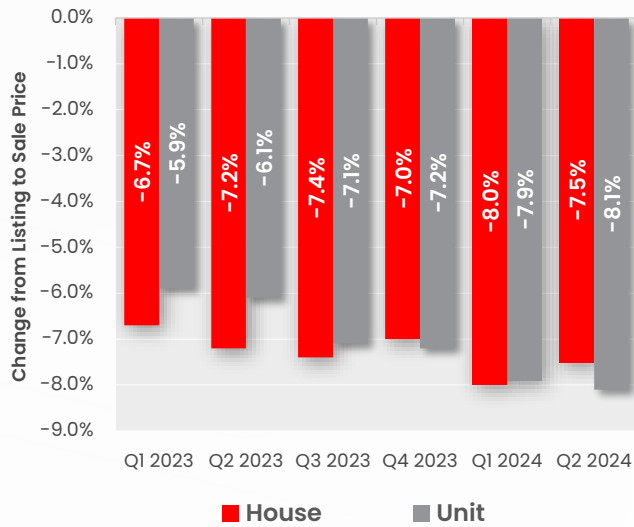
19  
UNIT



## AVERAGE VENDOR DISCOUNT\*

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.

Average vendor discounts between Q1 2023 and Q2 2024 have widened slightly, to higher discounts of -7.5% for houses and -8.1% for units. On a quarterly basis, compared to Q1 2024, this represents a stable average vendor discount pattern. Market conditions in Ballarat\* continue to favour for buyers, with the final list price lower than the first list price. There is currently stable platform for buyers, an ideal time to buy.

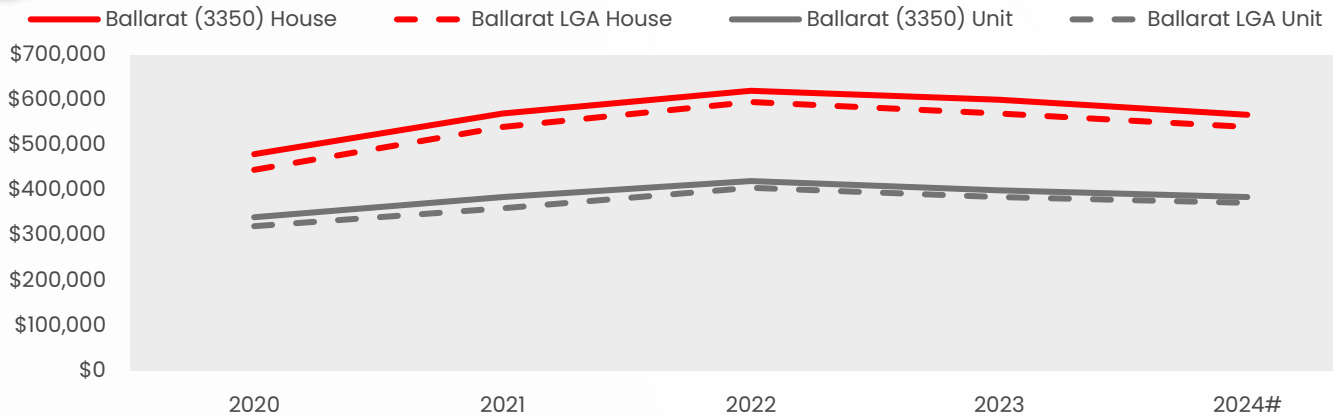


The suburb of Ballarat has historically performed relatively on par with the Ballarat Local Government Area (LGA) in both house and unit prices. This continued in 2024#, with both suburb and the LGA experiencing slower price growth.

The dominant proportion of homes sold in Ballarat\* in 2024# were in the more affordable price between \$400,000 – \$499,999 (27.6%). That said premium homes also showed strong performance, with 21.2% of sales above \$700,000. This is beneficial for both house buyers and owners. In contrast, overall, there is a relatively equally spread number of sales in each of the price brackets. This suggests that there is a home for every budget in Ballarat\*, creating an opportunity for all residents in the area – whether selling or buying.



## MARKET COMPARISON



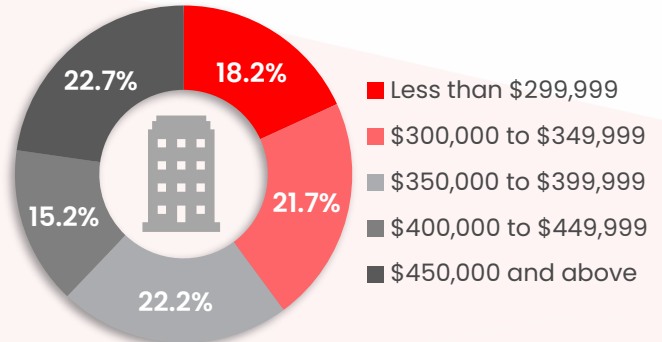
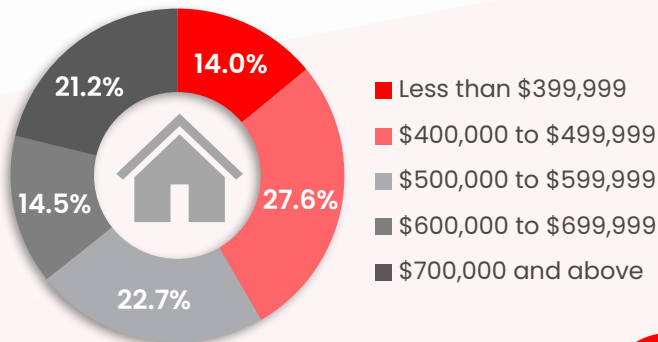
The market comparison graph provides a comparative trend for the median price of houses and unit over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Ballarat.



## PRICE BREAKDOWN 2024#

### HOUSES SOLD

### UNITS SOLD





## RENTAL GROWTH 2024€

House rental yields in Ballarat<sup>‡</sup> was 3.7% as of June 2024, above both Ballarat LGA (3.2%) and Melbourne Metro (3.1%). This was due to a 5.0% increase in median house rental price in the past 12 month to Q2 2024, to \$420 per week, and a -17.3% decrease in the number of houses rented (to 388 houses in Q2 2024). The unit market shows a similar pattern, which confirms there is an undersupply for both rental property types. With a more affordable entry price compared to Melbourne Metro, Ballarat<sup>‡</sup> is an attractive investment option.

4+ bedroom houses have provided investors with +3.3% rental growth annually, achieving a median rent of \$465 per week.

Ballarat<sup>‡</sup> recorded a vacancy rate of 1.9% in June 2024, below the Ballarat LGA's average 2.3%. Vacancy rates in Ballarat<sup>‡</sup> increased slightly in the past 12 months, indicating investors re-entering the rental market. However, a 1.9% vacancy rate is still well below the Real Estate Institution of Australia's healthy benchmark of 3.0%, indicating quicker occupancy of rental properties. This confirms a conducive and sustainable environment for investors.

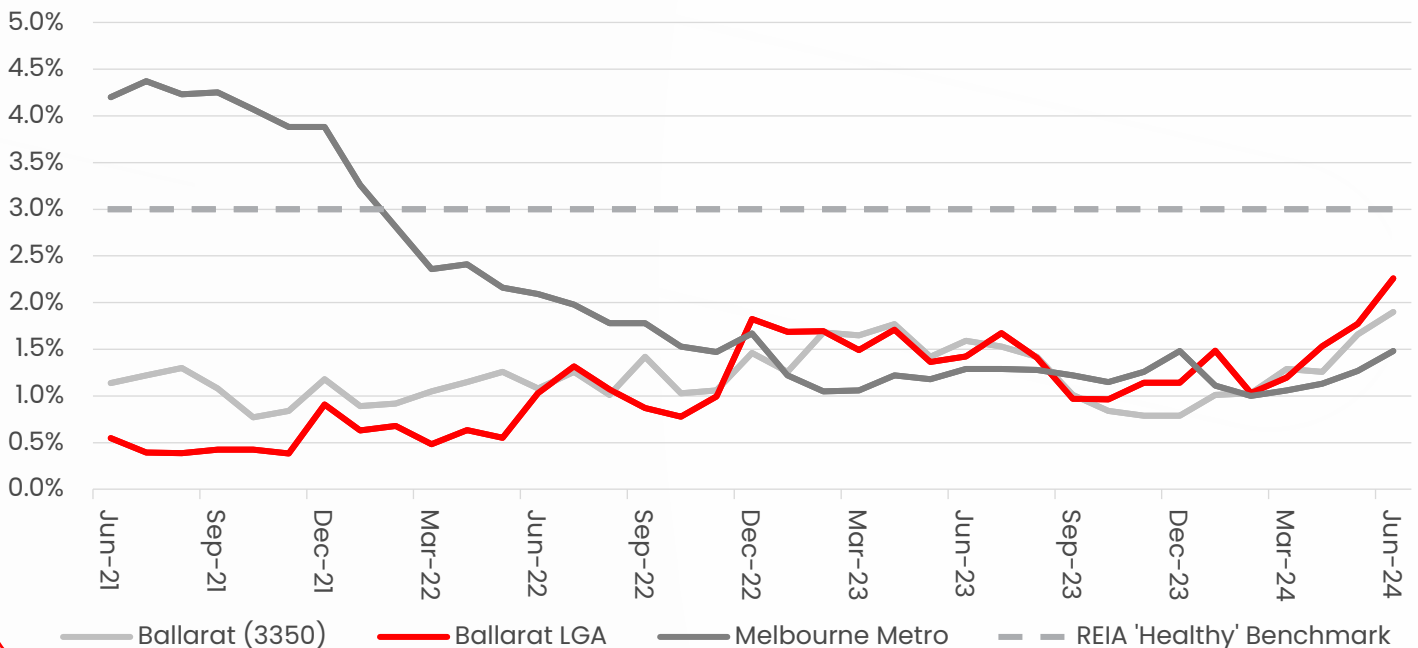
 2 BEDROOMS  
**+2.9%**

 3 BEDROOMS  
**+2.6%**

 4 BEDROOMS  
**+3.3%**



## RENTAL VACANCY RATES 2024



## RENTAL YIELD 2024§



**3.7%**

Ballarat<sup>‡</sup>



**3.2%**

Ballarat LGA



**3.1%**

Melbourne Metro



**4.2%**

Ballarat<sup>‡</sup>



**4.2%**

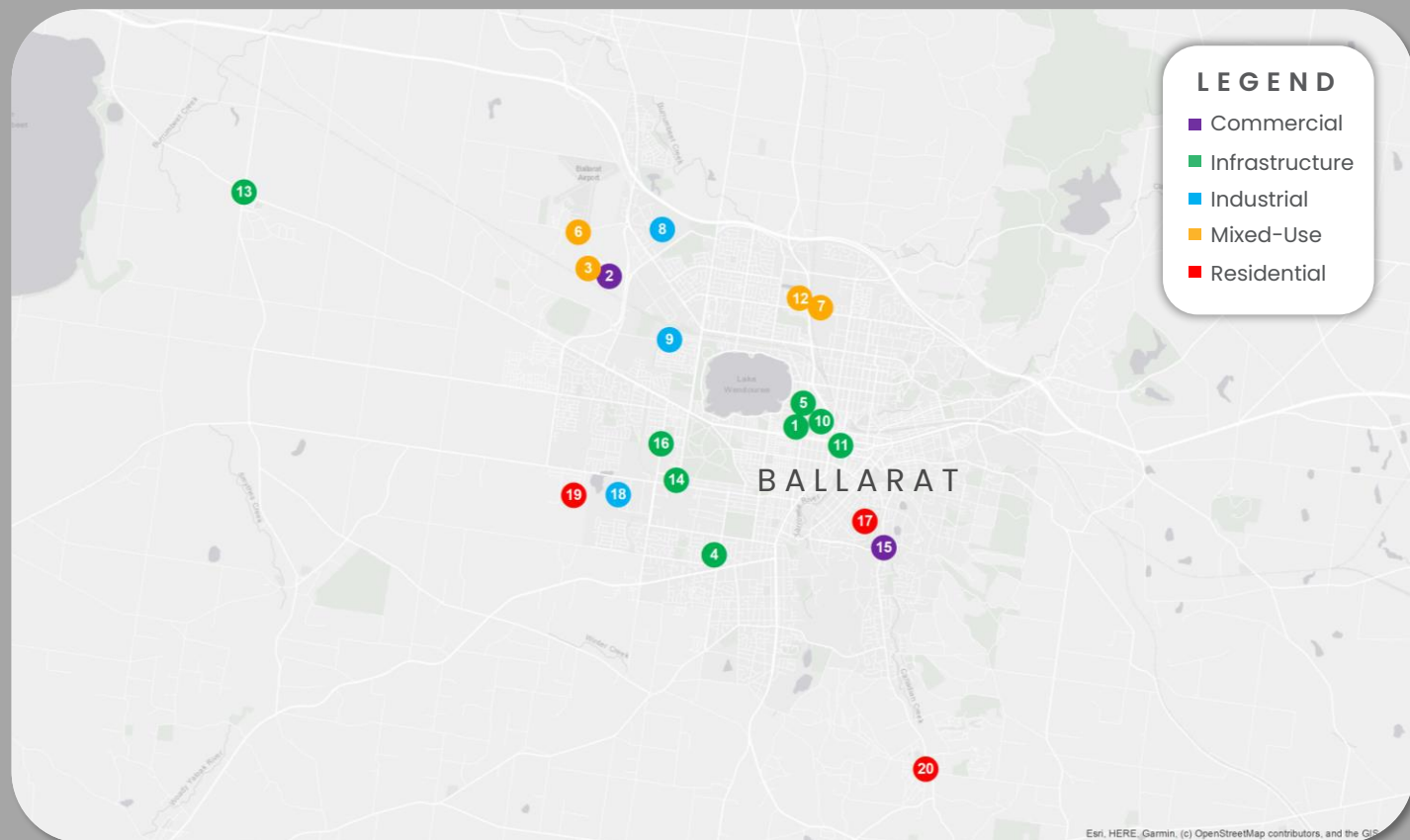
Ballarat LGA



**4.8%**

Melbourne Metro

# PROJECT DEVELOPMENT MAP 2<sup>nd</sup> HALF 2024<sup>A</sup>



#	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Commence Date <sup>ψ</sup>
1	Ballarat Base Hospital Stage 3 Main Works (State Government)	Infrastructure	\$235,000,000	7/08/2024
2	Mauri Flour Mill Ballarat West - George Weston Foods	Commercial	\$132,900,000	16/12/2024
3	Bluebird Flour Mill (Commercial + Industrial)	Mixed-use	\$130,000,000	4/08/2024
4	Delacombe Estate Social Housing (State Government)	Infrastructure	\$50,300,000	2/12/2024
5	Ballarat Base Hospital Acute Mental Health Beds (State Government)	Infrastructure	\$50,000,000	20/11/2024
6	Ballarat West Employment Zone Stage 2 Mccallum Disability Services (Commercial - Office + Industrial)	Mixed-use	\$20,000,000	4/12/2024
7	CDC Ballarat Bus Depot Redevelopment - Norman Street Invermay (Mixed-use by Tenant Types)	Mixed-use	\$10,000,000	19/08/2024
8	Mccain Foods Potato Packing/Storage Facility	Industrial	\$9,600,000	26/08/2024
9	32 Gregory Street West Warehouses & Industrial Subdivision	Industrial	\$7,390,000	16/12/2024
10	Ballarat Clarendon College Junior School Classroom Block (State Government)	Infrastructure	\$4,549,700	1/10/2024
11	National Centre For Photography Development Stage 1 (Local Government)	Infrastructure	\$4,500,000	18/07/2024
12	1 Selkirk Drive Golden Nugget Bakehouse Wendouree (Commercial - Office + Retail)	Mixed-use	\$4,500,000	11/10/2024
13	Rememberance Drive & Madden Road Roundabout (State Government)	Infrastructure	\$3,000,000	17/12/2024
14	Latrobe Street Saleyards Precinct Urban Renewal Project (Local Government)	Infrastructure	\$3,000,000	23/12/2024
15	705-711 Geelong Road Motel	Commercial	\$3,000,000	21/11/2024
16	Learmonth Street Road Widening & Associated Works (Local Government)	Infrastructure	\$3,000,000	8/07/2024
17	62 Magpie Street Townhouses (6 Townhouses)	Residential	\$2,800,000	27/09/2024
18	6 Concept Drive - Warehouses	Industrial	\$2,500,000	12/12/2024
19	25 Jumps Street Dwellings (6 Dwellings)	Residential	\$2,000,000	19/12/2024
20	2 Eddy Avenue Mount Helen Townhouses (10 Townhouses)	Residential	\$1,800,000	3/12/2024

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## RESEARCH SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products, and include:

- Advisory and consultancy
- Market analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market analysis
- Geographic information mapping
- Project analysis including product and pricing recommendations
- Rental and investment return analysis

## OUR KNOWLEDGE

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## OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis.



**Jason Birch**

 +61 409 388 377

 Jasonb@prdballarat.com.au


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## **PRD Ballarat**

*Your trusted local real estate agency*

 +61 3 5331 1111

 reception@prdballarat.com.au

 [PRD.com.au/ballarat/](http://PRD.com.au/ballarat/)

 Level 1, 51 Lydiard Street South  
Ballarat, VIC, 3350

## REFERENCES

\* Ballarat sales market data and key indicators encapsulates aggregate property market conditions in the postcode of 3350, 3355 & 3356.

\*\* Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

# 2024 encapsulates sales transactions for 1st Half 2024 (01/01/2024 – 30/06/2024) only, other years encapsulates sales transactions for the full year (i.e 01/01 to 31/12 of the relevant year).

€ Annual rental growth is a comparison between Q2 2023 (01/04/2023 – 30/06/2023) and Q2 2024 (01/04/2024 – 30/06/2024) house median rent figures.

¥ Ballarat rental market data encapsulates aggregate property conditions within the postcode of 3350.

§ Rental yields shown are as reported as of June 2024.

A Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

£ Projects refers to the top developments within the Ballarat Local Government Area.

μ Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

ψ Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRD does not hold any liability to the exact date.

**Source:** APM Pricfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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