

Hunter Valley Market Update 2nd Half 2024



OVERVIEW

In Q2 2024, Hunter Valley* recorded a median house price of \$760,000, and a median unit price of \$547,500. This represents annual (Q2 2023 – Q2 2024) median price growth of 3.4% for houses 3.3% for units. On a quarterly basis (Q1 – Q2 2024), median price grew by 1.3% for houses and 8.4% for units. Over the past 12 months to Q2 2024, total house sales grew by 10.5% for house (to 158 sales), indicating strong demand in the housing market. Conversely, unit sales decreased by -21.2% for units (to 26 sales), highlighting a potential undersupply. Now is an opportune time for property owners to capitalise on their investments.

CHANGE FROM LAST YEAR HALF YEAR



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



	YEAR	HALF YEAR
UNIT SALES	↓	↓
UNIT MEDIAN PRICE	↑	↓
UNIT RENTAL PRICE	↑	↑



MARKET CONDITIONS

MEDIAN PRICE
Q2 2024

\$760K

SALES

\$547K

AVERAGE DAYS
ON MARKET Q2 2024

54
HOUSE

71
UNIT

MEDIAN PRICE
Q2 2024

\$612

RENTALS

\$485

AVERAGE DAYS
ON MARKET Q2 2024

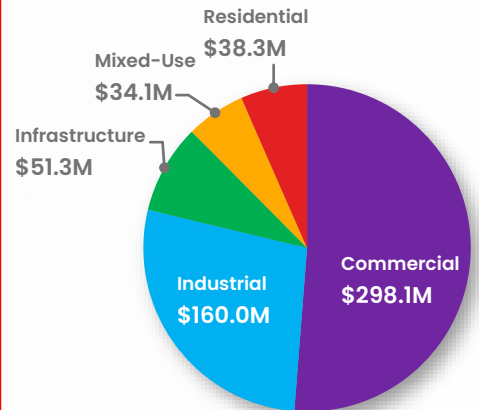
20
HOUSE

18
UNIT



FUTURE DEVELOPMENTS

Hunter Valley is set to see approximately **\$581.8M** worth of new projects commencing in the 2nd half of 2024.



A key residential development in the 2nd half of 2024 is the Raymond Terrace Road & Settlers Boulevard Residential Subdivision Stages 1-6 (\$17.2M). This is the reconfiguration of 193 Torrens Title lots.

Other developments include:

- Beresfield Battery Energy Storage System (\$203.3M, Commercial)
- 1134 John Renshaw Drive Industrial Subdivision (\$76.9M, Industrial)
- 37 & 39 Laverick Avenue & Tomago Road Industrial Units (\$32.0M, Mixed-use)
- Richmond Vale Rail Trail (\$23.1M, Infrastructure)

New land developments require time to complete, and with only a limited number of ready-stock developments available in the 2nd half of 2024, the supply remains constrained. Thus it is expected to further drive up median prices.



3 Units/
Apartments



15
Dwellings



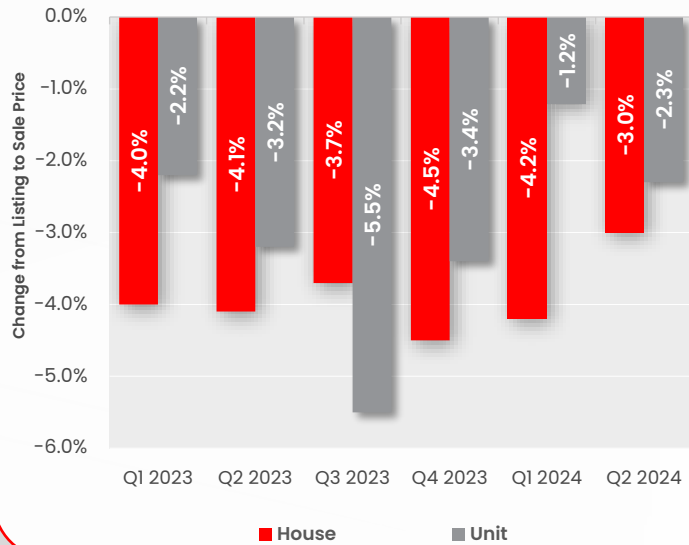
477 Lots



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 Q2 2023 and Q2 2024 have tightened to -3.0% for houses and -2.3% for units. The peak discount for houses has passed in Q4 2024 and for units in Q3 2023. Market conditions in Hunter Valley* continue to favor buyers, with vendors still willing to accept below the initial listing price. However, the market is beginning to shift, thus buyers should act fast.

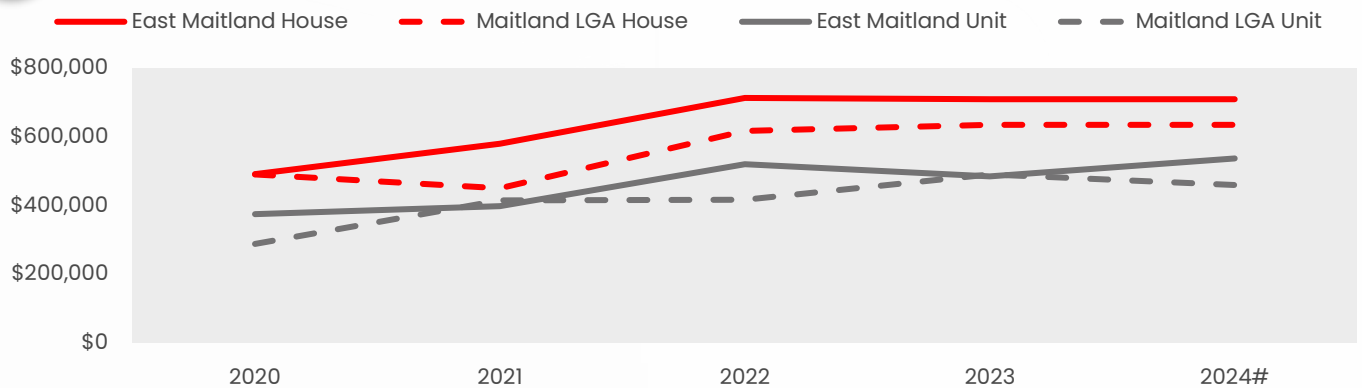


The suburb of East Maitland has historically outperformed the wider Maitland Local Government Area (LGA) in both and unit median prices for the past 5 years. 2024# saw this trend continued with unit prices in East Maitland suburb growing at a faster pace compared to the LGA.

The dominant proportion of homes sold in Hunter Valley* across 2024# were in the middle-price bracket between \$700,000 to \$749,999 (28.8%). The premium market is growing, with 19.6% of house sales exceeding \$900,000. On the other hand, most units were sold in the premium price bracket above \$600,000 (35.0%). Affordable options are still available, with 16.9% of units sold below \$449,999 and 13.7% of houses sold for less than \$599,999.



MARKET COMPARISON

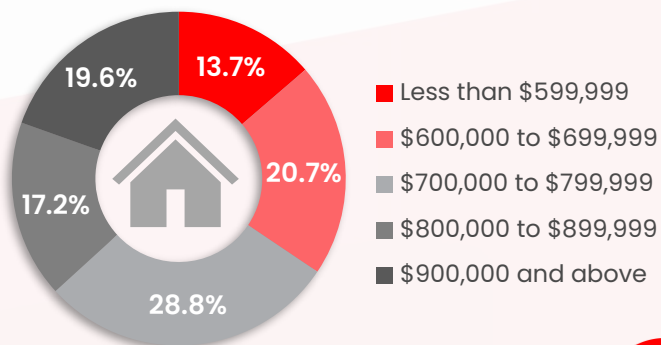


The market comparison graph provides a comparative trend for the median price of houses and unit over the past 5 years. The main areas profiled are chosen based on their proximity to the main suburb analysed, which is East Maitland.

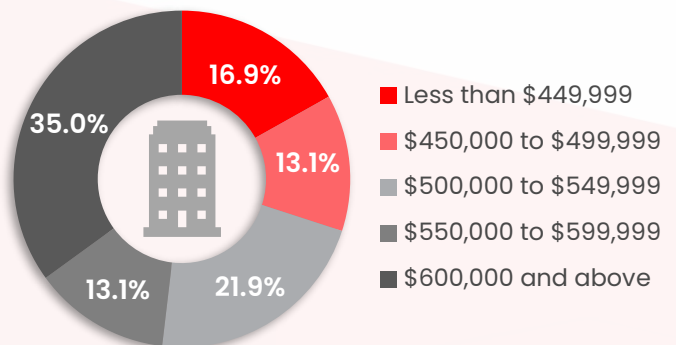


PRICE BREAKDOWN 2024#

HOUSES SOLD



UNITS SOLD






RENTAL GROWTH 2024€

House rental yields in Hunter Valley[‡] was 3.6% in July 2024, higher than Sydney Metro (2.8%). This was paired with a 3.4% median house price increase in the past 12 months to Q2 2024, to \$612 per week, and an -4.5% decline in the number of houses rented (to 147 rentals). Average days decreased by 66.9% to 54 days. Unit market presents the same pattern. This suggests an undersupplied rental market for both property types, which is advantageous for investors, especially given the more affordable prices compared to Sydney Metro.

2+ bedroom houses have provided investors with +8.0% rental growth annually, achieving a median rent of \$475 per week.

Hunter Valley[‡] recorded a vacancy rate of 1.1% as of July 2024, on par with Maitland LGA¹ 1.1% average but below Sydney Metro's 1.7% average. Vacancy rates in Hunter Valley[‡] have decreased slightly over the past 12 months, due to a return of renters to an already tight market. A 1.1% figure is well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, indicating quicker property occupancies. Thus a conducive environment for investors.

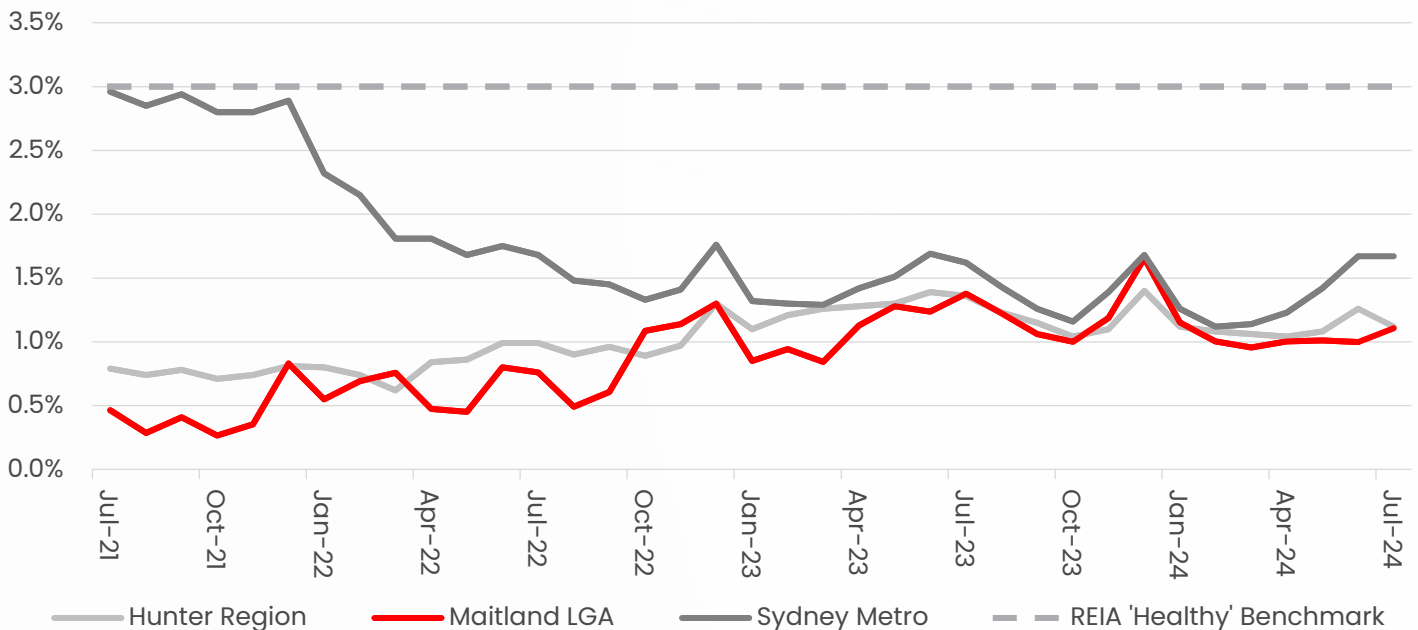
 2 BEDROOMS
+8.0%

 3 BEDROOMS
+6.6%

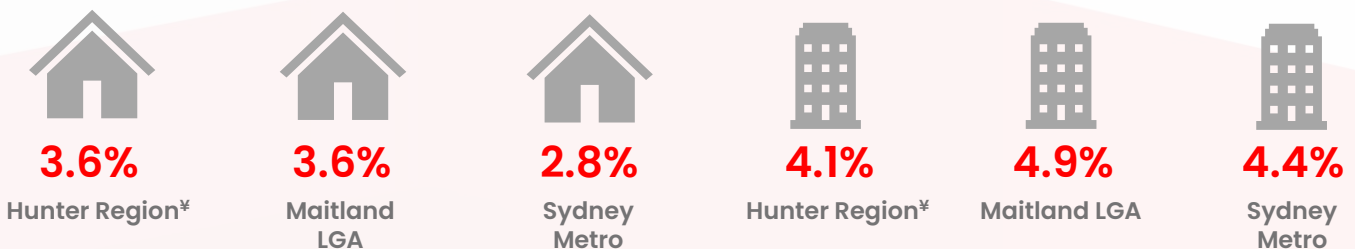
 4 BEDROOMS
+3.2%



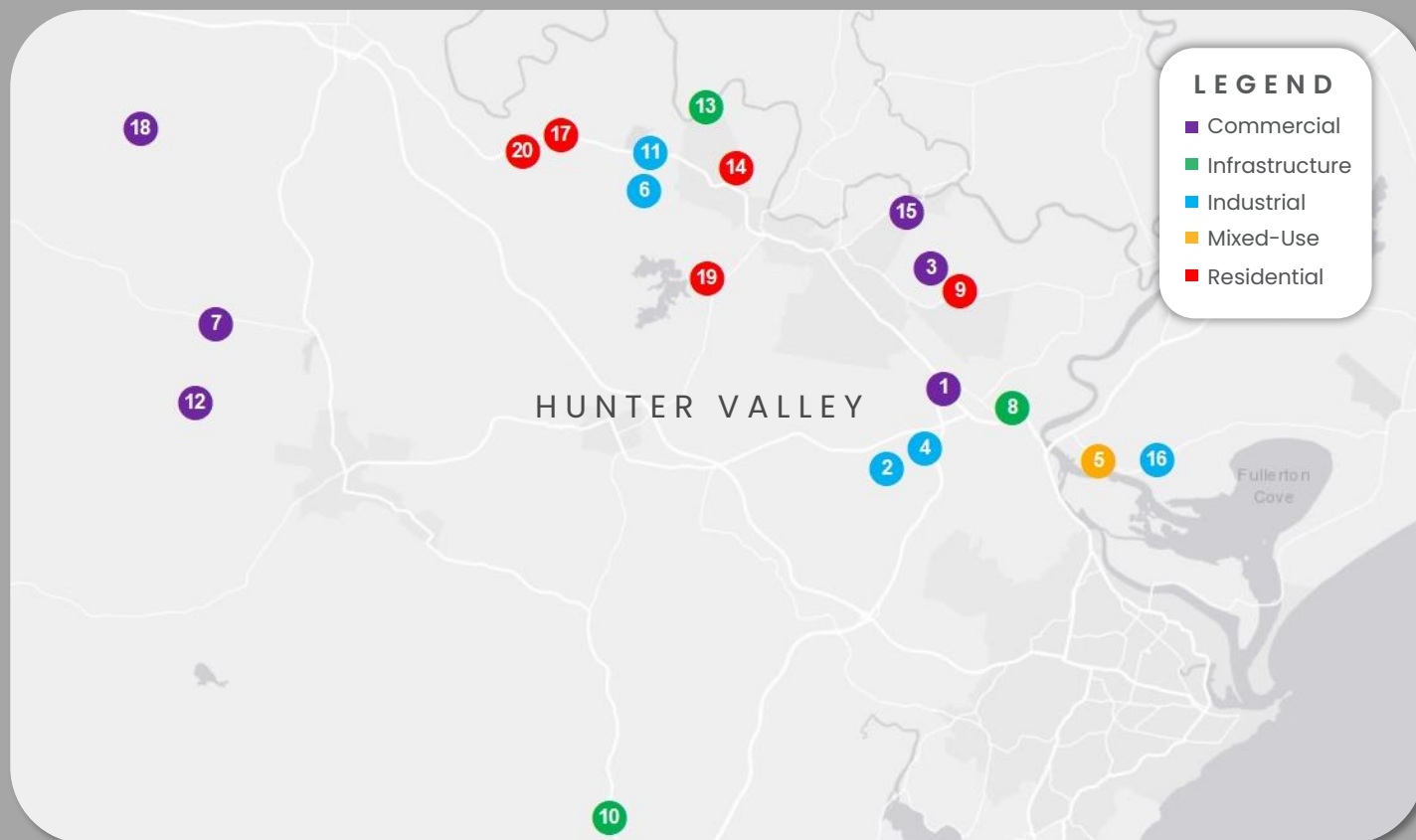
RENTAL VACANCY RATES 2024



RENTAL YIELD 2024§



PROJECT DEVELOPMENT 2nd HALF MAP 2024^A



#	Project ^ε	Type	Estimated Value ^μ	Commence Date ^ψ
1	Beresfield Battery Energy Storage System	Commercial	\$203,313,000	23/09/2024
2	1134 John Renshaw Drive Industrial Subdivision	Industrial	\$76,970,000	16/07/2024
3	Chisholm Shopping Village	Commercial	\$36,955,000	11/11/2024
4	198 Lenaghans Drive Industrial Subdivision Stages 2-7	Industrial	\$32,710,600	4/12/2024
5	37 & 39 Laverick Avenue & Tomago Road Industrial Units (Industrial + Commercial - Office)	Mixed Use	\$32,021,455	15/07/2024
6	Symrise Pet Food Manufacturing Facility	Industrial	\$28,560,000	13/12/2024
7	Hunter Valley Pokolbin Gardens Additions	Commercial	\$26,664,000	6/12/2024
8	Richmond Vale Rail Trail (Local Government)	Infrastructure	\$23,100,000	7/11/2024
9	487 Raymond Terrace Road & Settlers Boulevard Residential Subdivision Stages 1 - 6 (193 Lots)	Residential	\$17,270,781	9/12/2024
10	Freemans Drive Slope Remediation Works (State Government)	Infrastructure	\$14,000,000	1/10/2024
11	Kennards Hire Rutherford	Industrial	\$12,500,000	29/07/2024
12	Bonvilla Estate	Commercial	\$11,410,000	10/07/2024
13	Melville Ford Bridge Replacement (Local Government)	Infrastructure	\$7,225,881	20/07/2024
14	24 Tourmaline Drive Dwellings (15 Dwellings)	Residential	\$5,024,720	8/08/2024
15	Closebourne Village Morpeth Independent Living Units Stage 9	Commercial	\$4,950,000	18/09/2024
16	Tomago Aluminium Industrial Sheds Alterations & Additions	Industrial	\$4,939,000	13/12/2024
17	Christopher Road & New England Highway Residential Subdivision Stage 8 (70 Lots)	Residential	\$4,500,000	8/07/2024
18	555 Hermitage Road Tourist & Visitor Accommodation	Commercial	\$3,550,827	10/12/2024
19	32 Kiah & 63 Ryans Roads Residential Subdivision (82 Lots)	Residential	\$3,505,049	7/10/2024
20	8 Terriere Drive Residential Subdivision Stages 4-6 (69 Lots)	Residential	\$3,500,000	5/08/2024

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- Geographic information mapping
- Project analysis including product and pricing recommendations
- Rental and investment return analysis

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REFERENCES

- * Hunter Valley market data and key indicators encapsulates aggregate property market conditions within the suburbs of Aberglasslyn, Ashtonfield, East Maitland, Rutherford and Thornton.
- ** 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.
- ¥ Hunter Valley market data encapsulates aggregate property conditions within the postcode of 2323.
- § Rental yields shown are as reported as of July 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 suburbs of 2320, 2321, 2322, and 2323.
- 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 Pricerfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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