



New Norfolk
Property Factsheet
2nd Half 2017





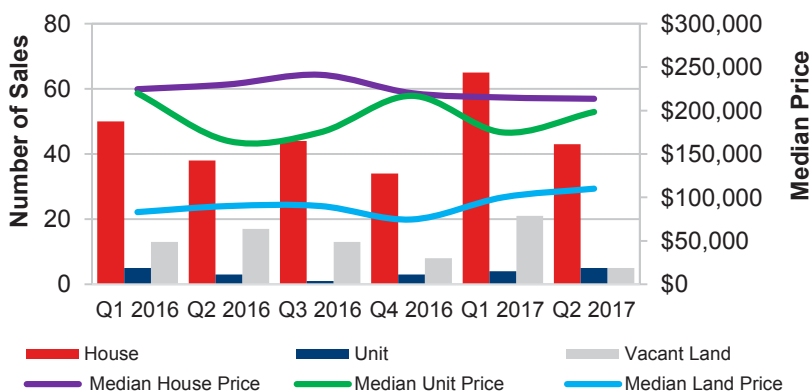
MARKET CONDITIONS

New Norfolk recorded a median house price of \$215,000; representing an annual price change of -4.9%. Although there was an absence of sales for vacant land between 1st April and 30th June 2017, vacant land median prices has trended positively over the past four quarters to Q1 2017. Over the same period of time house prices in the Derwent Valley Council LGA recorded a -7.2% change to \$213,500. New Norfolk property prices is 0.7% above Derwent Valley LGA, but accompanied with higher capital growth.

Average days to sell in New Norfolk has remained relatively stable over the past 18 months, currently averaging 65 days for houses in Q2 2017. Within the same timeframe, rental average days on market has improved, sitting at 26 days (houses) and 31 days (units). Average vendor discounting for houses has tightened to -0.8%, the tightest over six quarters. This suggests that the market is pivoting to a seller's market and becoming more in demand, with buyers willing to offer extremely close to first list asking price.

Median rents in New Norfolk peaked over the past twelve months to Q2 2017, and currently sits at \$290per week for houses. However, the rental market for units has softened to \$180per week, which fluctuated with the low stock. Low vacancy rates of 0.7% continue to reflect the strong rental demand for properties available in the area. Astute investors are benefiting from exceptional rental yields in New Norfolk, currently recorded at 5.9% (house) and 7.8% (units).

DERWENT VALLEY COUNCIL GROWTH



OVERVIEW

New Norfolk is a town located 32km north-west of Hobart. New Norfolk is a central location for tourism in the upper Derwent Valley. The town benefits from its proximity to tourist attractions of Mount Field, Lake Pedder, Strathgordon, Gordon Dam hydroelectric site, and the South West Wilderness.

Change from Last	Year	Half Year
House Sales	↓	↓
House Median Price	↓	↑
House Rental Price	↑	↑
Land Sales	↓	↓
Land Median Price	↔	↔
Unit Rental Price	↓	↓

FUTURE DEVELOPMENTS*

New Norfolk is set to see approximately \$10.4M of new development projects commencing during 2017. The Derwent Valley Line Redevelopment, scheduled to commence construction in 2017, has been postponed to 2019**. Infrastructure accounted for the majority, at 67.4%. This is followed by residential projects (28.7%), and commercial projects (3.8%).

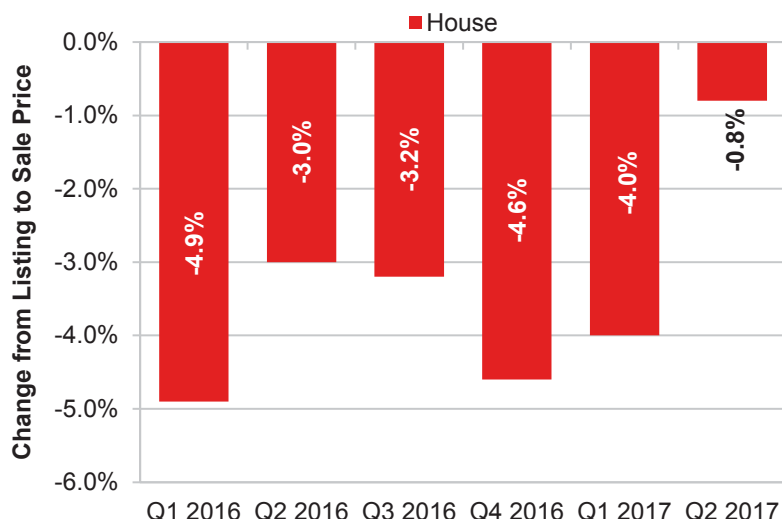
A major infrastructure project estimated at \$5.0M includes road works, improving the footpath connection from the gateway to the town centre, improving open space, upgrading the bus stop node, as well as hard and soft landscaping improvement around the Gateway Roundabout.

The Montagu Street Dwellings project, estimated at \$3.0M, is a key residential project in the town and will deliver 11 townhomes to the New Norfolk market, as well as associated car parking and landscaping. This project is scheduled for completion in 2019.

*Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value. Quoted construction and completion dates are estimate only, as per relevant data authority.

**Derwent Valley Line Redevelopment commentary is based on updated information from the relevant data authority, on 19th July 2017. Source: APM Pricefinder, realestate.com.au, Real Estate Institute of Tasmania, Land Information System Tasmania.

AVERAGE VENDOR DISCOUNT*



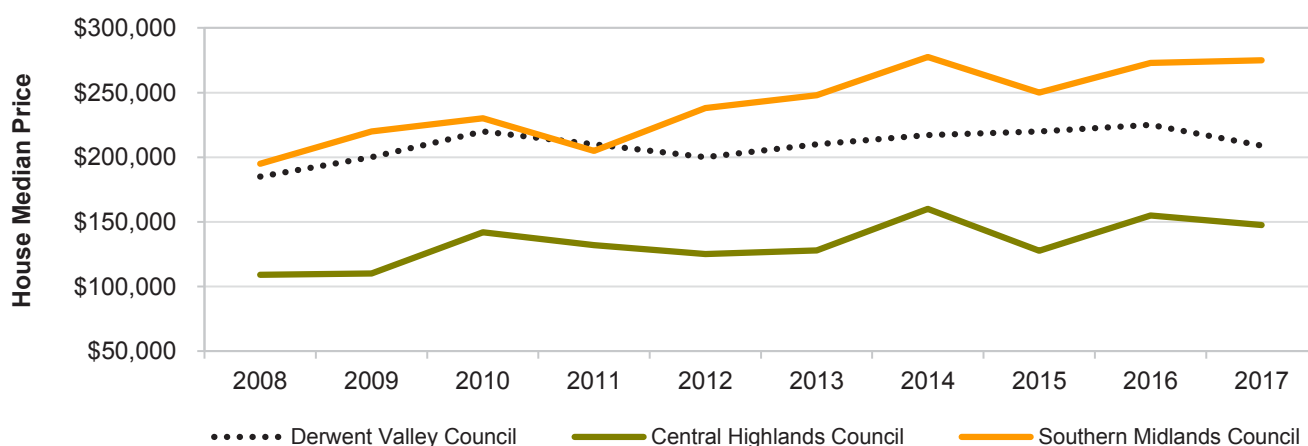
AVERAGE VENDOR DISCOUNT

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

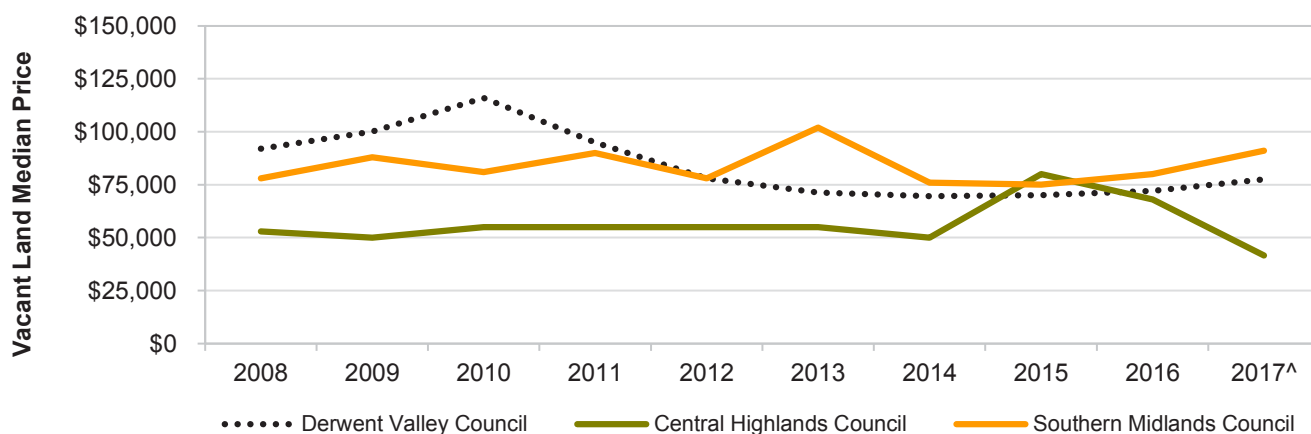
MARKET COMPARISON GRAPH

The market comparison graph provides comparative trend for median price of house and units over the past 10 years. LGAs profiled are chosen based on proximity to the main LGA analysed in the factsheet, which is Derwent Valley Council. The main LGA is highlighted through a dotted black line graph.

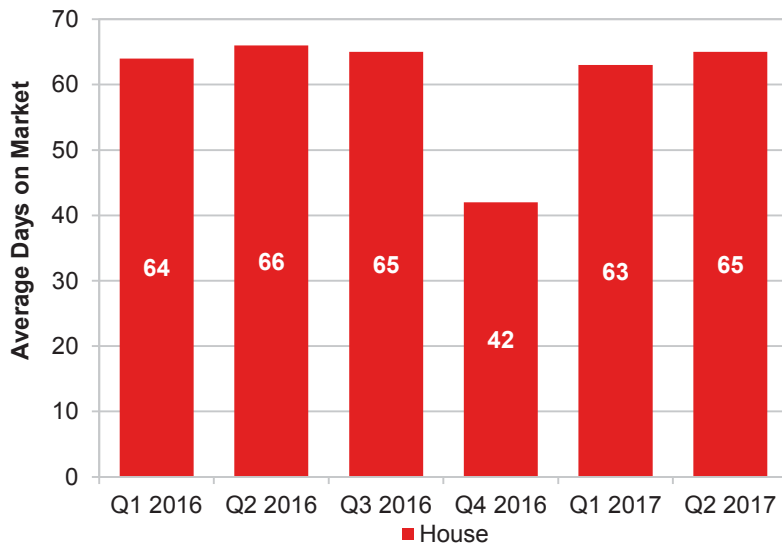
HOUSE MARKET COMPARISON



VACANT LAND MARKET COMPARISON



AVERAGE DAYS ON MARKET

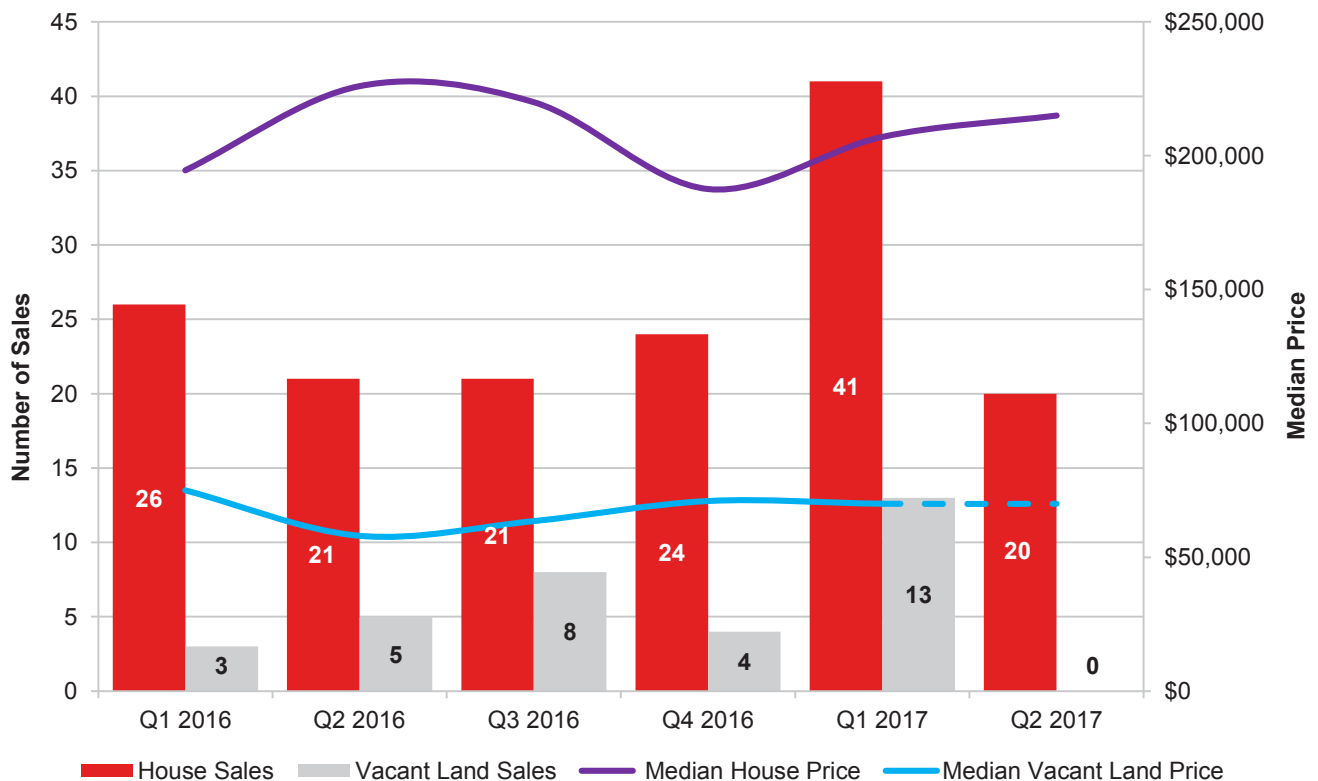


HOUSE KEY FACTS Q2 2017

Median Sale Price: \$215,000
Annual Growth: -4.9%*
Average Days on Market: 65
% Change between First Listed Price and Sold Price: -0.8%



SALES AND MEDIAN PRICE



*Annual growth represents price growth for property transactions between Q1 2016 to Q2 2017 (inclusive).

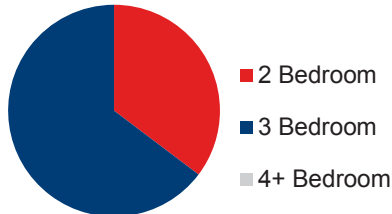
**Data quoted for vacant land are based on Q1 2017 sales and are to be taken as an approximate only, due to absence of sale transactions in Q2 2017.

***Dashed line in median line price graph is due to no sales records for that period of time and median price displayed is approximate only based on previous known median price and trend.

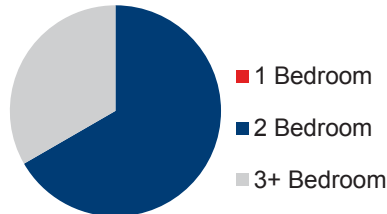
Source: APM Pricefinder, realestate.com.au, SQM Research, Real Estate Institute of Tasmania, Derwent Valley City Council, Land Information System Tasmania.

RENTAL MARKET ANALYSIS

HOUSE



UNIT



KEY COMMENTS

The New Norfolk market recorded 215 online views per property. The house rental market saw rents peak in Q2 2017 to \$290pw and days on market improved to 26. These results, combined with a tight vacancy rate of 0.7%, further boost investor security. Both the house and unit markets present sustainable attractive investment opportunities, with astute investors benefiting from exceptional rental yields of 5.9% and 7.8% respectively.

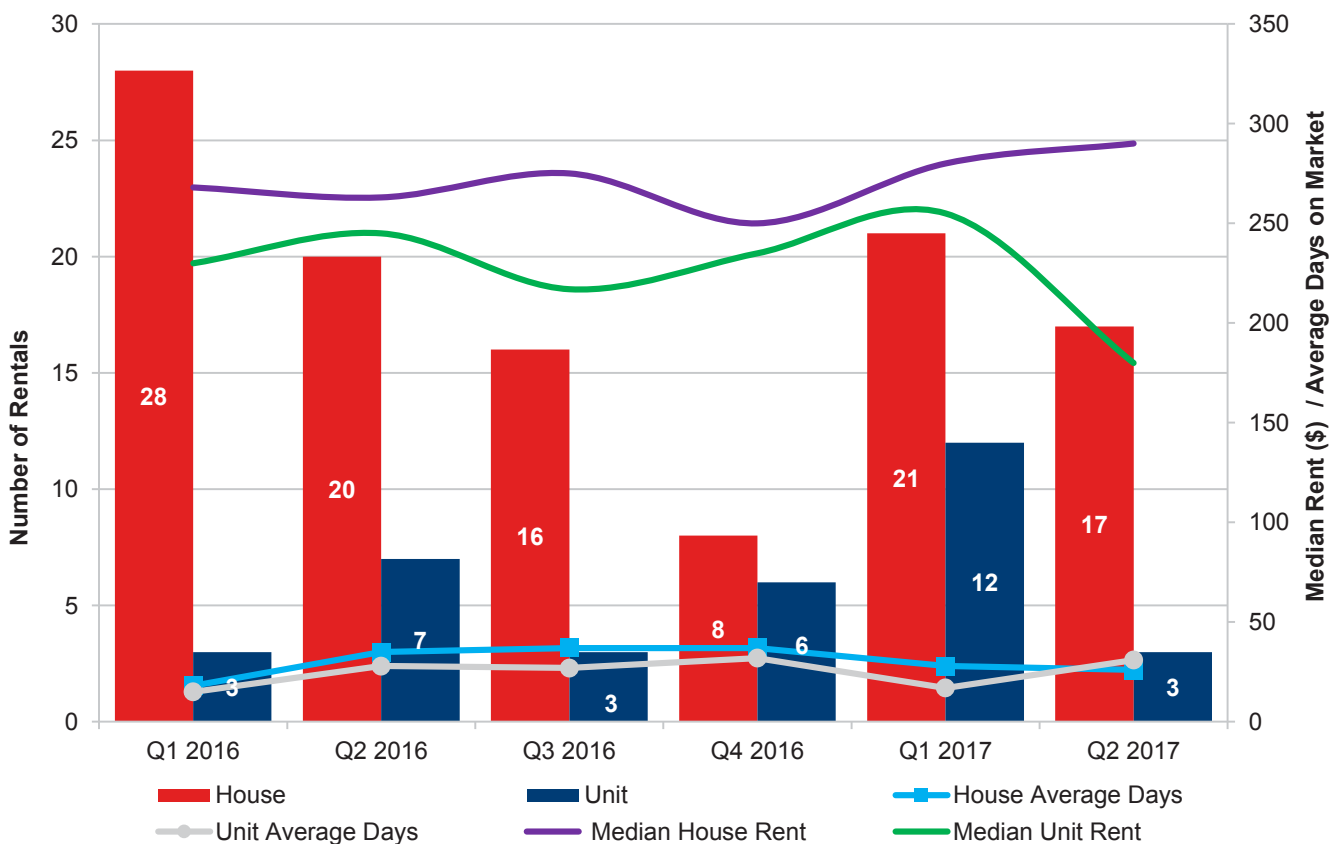
HOUSE KEY FACTS Q2 2017

Median Rent Price: \$290 per week
Suburb Rental Yield: 5.9%
Average Days on Market: 26
Bedroom Breakdown:
2 Bed: 35.3%, 3 Bed: 64.7%, 4+ Bed: 0%

UNITS KEY FACTS Q2 2017

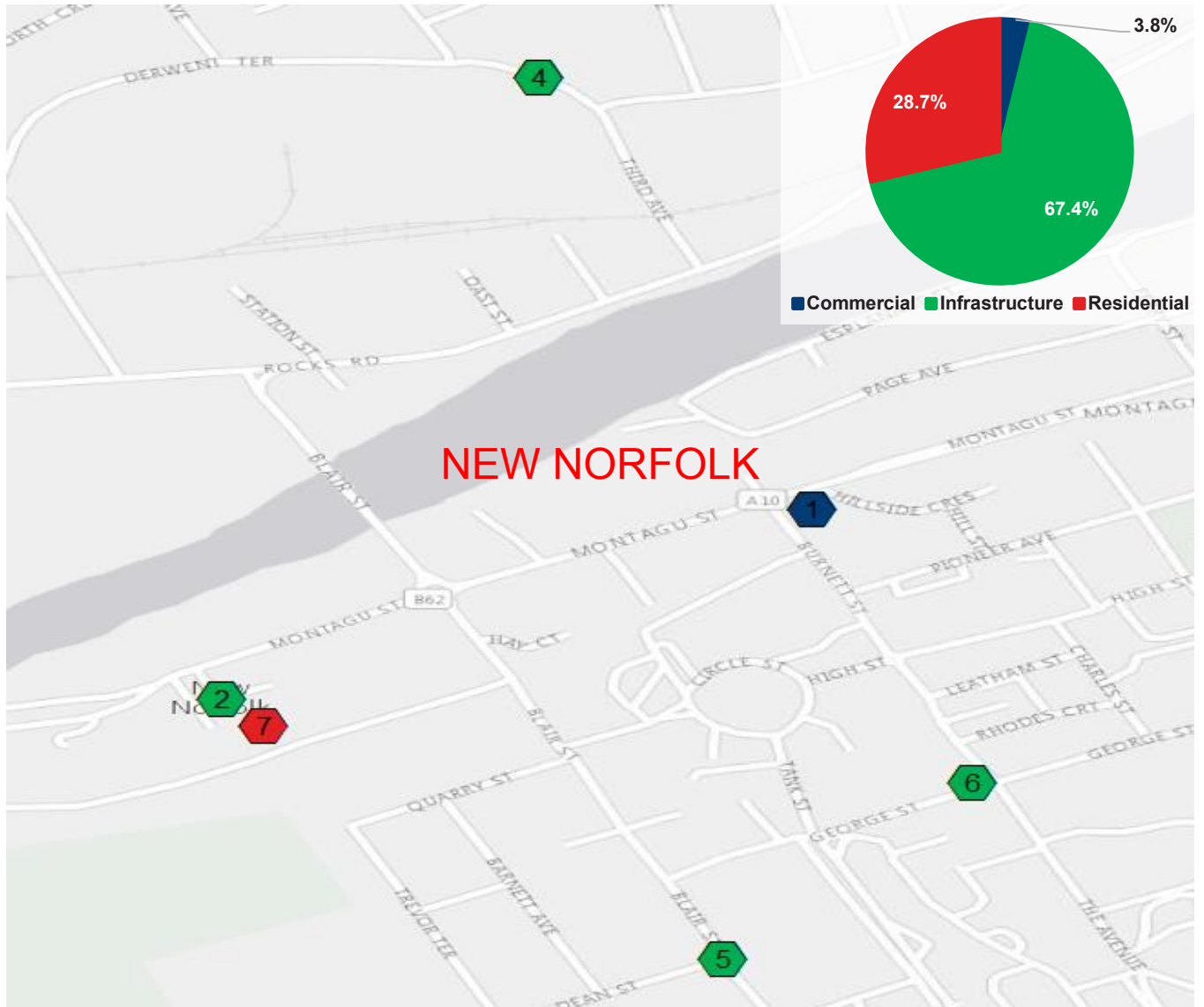
Median Rent Price: \$180 per week
Suburb Rental Yield: 7.8%
Average Days on Market: 31
Bedroom Breakdown:
1 Bed: 0%, 2 Bed: 66.7%, 3+ Bed: 33.3%

MEDIAN RENT AND AVERAGE DAYS ON MARKET



Source: APM Pricefinder, realestate.com.au, SQM Research.

PROJECT DEVELOPMENT MAP 2017*



Location	Project Title	Type	Estimated Value**	Commence Date***
1	Bennetts Service Station	Commercial	\$400,000	10/12/2017
2	New Norfolk Structure Plan	Infrastructure	\$5,000,000	12/15/2017
3	Derwent Valley Council Road Reseal Program	Infrastructure	\$800,000	4/24/2017
4	Derwent Valley Council Road Renewal Program	Infrastructure	\$750,000	4/24/2017
5	New Norfolk High School	Infrastructure	\$345,000	03/07/2017
6	Stephen Street & George Street Road Upgrade	Infrastructure	\$150,000	3/25/2017
7	Montagu Street Dwellings (11 units)	Residential	\$3,000,000	12/01/2017

*Disclaimer: Project map includes development projects to commence construction from 01/01/2017 – 31/12/2017. The Derwent Valley Line Redevelopment, scheduled to commence construction in 2017, has been postponed to 2019. This is based on updated information from the relevant data authority, on 19th July 2017.

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

***Commencement dates quoted for each project is approximate only, as provided by the relevant data authority.

Source: Cordell Database, PRDnationwide, ESRI ArcGIS.

ABOUT PRDnationwide RESEARCH

PRDnationwide's research division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions

As the first and only truly knowledge based property services company, PRDnationwide shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

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

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR SERVICES

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

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



OUR SERVICES 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

Andrew Hills
Senior Sales Consultant
PRDnationwide New Norfolk
12 High Street
New Norfolk TAS 7140
Australia

T +61 3 6261 2555
F +61 3 6261 4455
M +61 407 686 488
E andrewhills@prdhobart.com.au
www.prd.com.au/Hobart

Sell Smarter!

**Over 40 Years of Leading
Property Industry Research**

Contact us:

PRDnationwide Corporate Head Office

P +61 7 3229 3344

E info@prd.com.au

Address:

GPO Box 2750

Brisbane QLD 4001

PRD.com.au

