

**Hunter Valley**  
Property Factsheet  
1st Half 2018





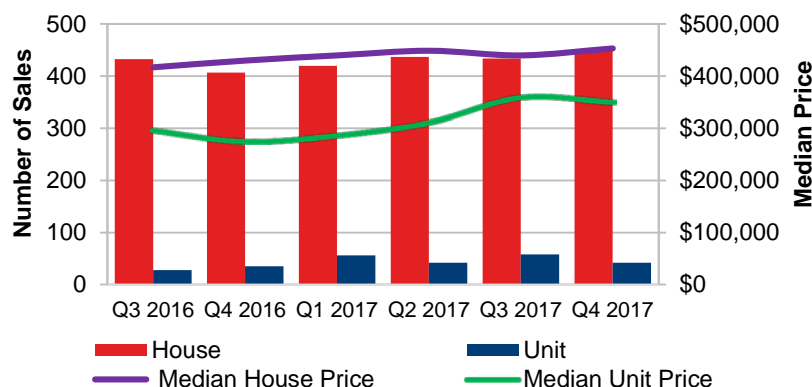
## MARKET CONDITIONS

The Hunter Valley\* property market recorded a median house price of \$450,000 and \$335,000 for units in Q4 2017, representing an annual price change of 8.4% and 17.5% respectively. Over the same period of time house prices in Maitland City Council Local Government Area (LGA) grew by 5.5% to \$453,000 and unit prices grew by 27.1% to \$349,500. Hunter Valley house prices are on par with that of the Maitland City council, whilst units are slightly more affordable. Both Hunter Valley\* and the wider LGA present a more affordable option for those looking outside of Sydney, with strong capital growth.

Average days to sell in Hunter Valley\* has improved over the past 12 months, currently at 46 days (houses) and 54 (units) in Q4 2017. Between Q4 2016 – Q4 2017 average vendor discounting has tightened significantly to -2.3% for houses and -1.8% for units. Hunter Valley is becoming a sellers market where sales are being achieved faster and closer to initial asking prices, with only little room for price negotiation – the time to sell is now.

Median house rent in Hunter Valley\* have grown steadily over the past 12 months to Q4 2017, currently at \$400 per week. Median unit rent however has remained relatively stable over the same period to \$295 per week. Low vacancy rates of 0.9% continue to demonstrate strong rental demand in the area, especially when compared to Sydney (2.6%). Astute investors are benefiting from 4.6% (house) and 5.0% (unit) rental yields, higher than Sydney 2.9% and 3.8% respectively.

## MAITLAND CITY COUNCIL GROWTH



## OVERVIEW

The Hunter Valley is 2 hours north of Sydney and is also just 40 minutes from Newcastle. The region is well-known for its scenic mountain views and vineyards. There are higher concentrations of people aged 0-19 (26.5%) and 50-79 (32.8%) living in the Hunter Valley than the rest of NSW (24.5% and 30.3% respectively)\*\*\*.

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

## FUTURE DEVELOPMENTS\*\*

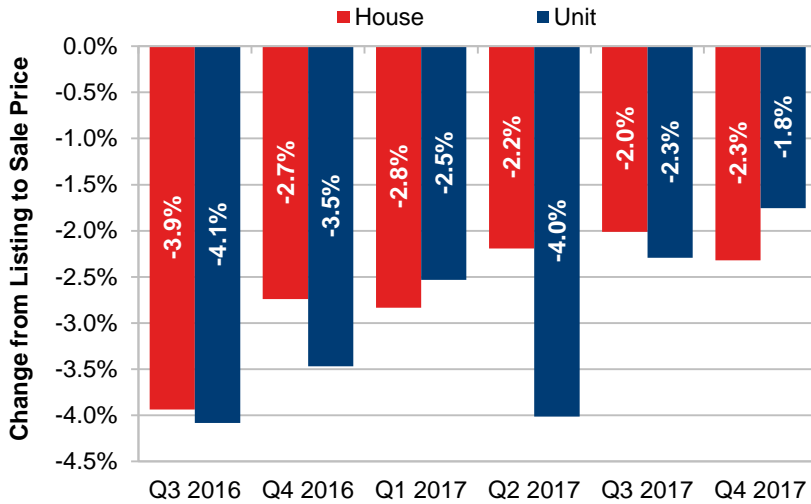
Approximately \$71.8M of new projects are scheduled for commencement in the Hunter Valley\* during the 1<sup>st</sup> half of 2018. The majority of projects are residential, accounting for approximately \$53.3M, or 74.2% of all projects. Infrastructure works account for an estimated \$16.4M, or 22.9% of scheduled projects. Remaining projects are commercial (\$300K) and mixed use (\$1.8M), at 0.4% and 2.5% of total projects respectively.

A key residential project commencing over the 1<sup>st</sup> half of 2018 is the New England Highway Subdivision. The proposal involves the subdivision of 1,200 lots and associated roads and services. The project is valued at approximately \$35.0M and is anticipated to commence in March 2018.

A significant mixed use commencing over 1<sup>st</sup> half of 2018 is the Heritage Park Recreation Facilities. This will include a multipurpose room, library, gym, office, tennis courts, basketball court and kids play area. Valued at an estimated \$1.8M it is scheduled to complete by late 2019.

\*Hunter Valley market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Aberglasslyn, Ashtonfield, East Maitland, Maitland, Rutherford, Thornton.  
\*\*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 dates are estimate only, as per relevant data authority.  
\*\*\*Hunter Valley demographics is a statistical area that includes the entire Hunter Valley region (excluding Newcastle). Source: APM Pricerfinder, Cordell Connect, ABS. © PRDnationwide 2018.

## AVERAGE VENDOR DISCOUNT\*



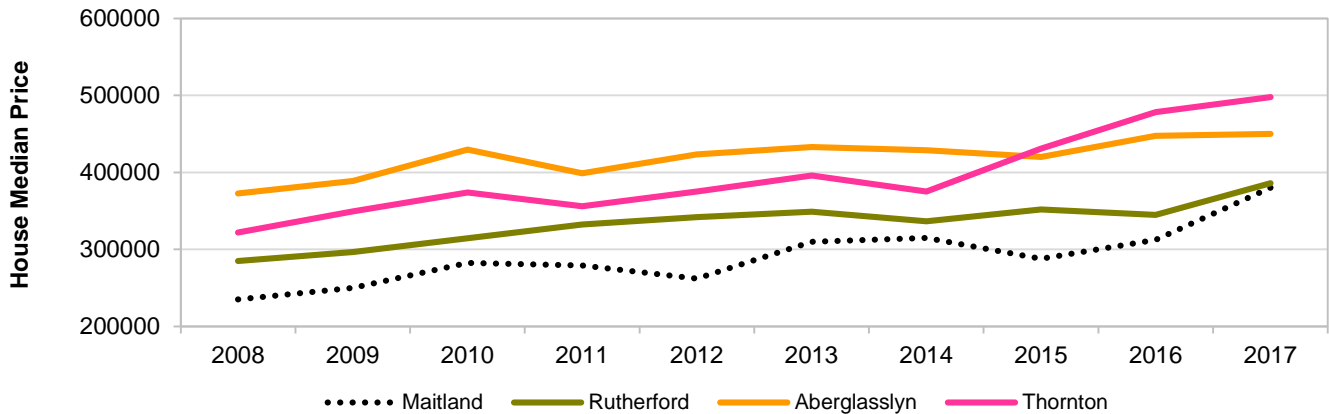
### AVERAGE VENDOR DISCOUNT

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.

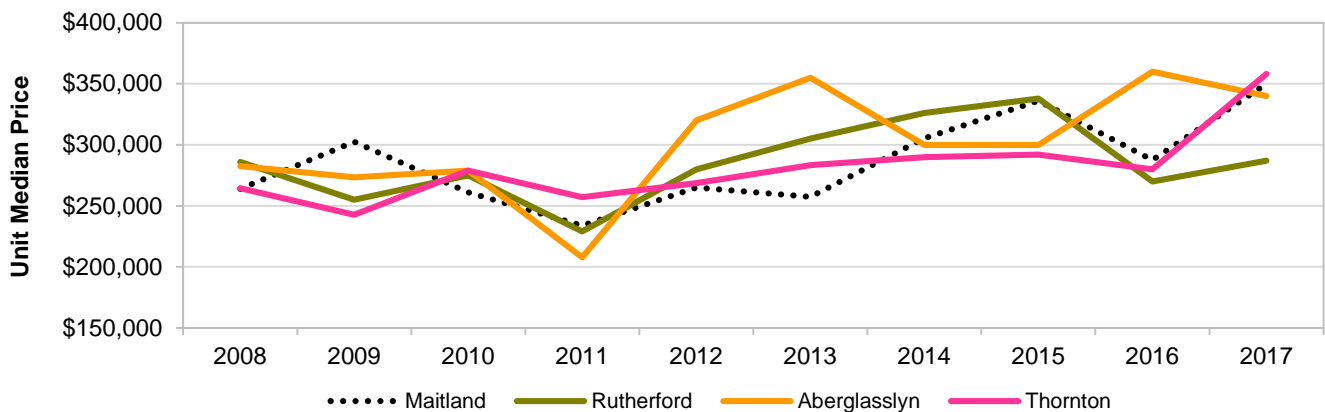
### MARKET COMPARISON GRAPH

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

## HOUSE MARKET COMPARISON

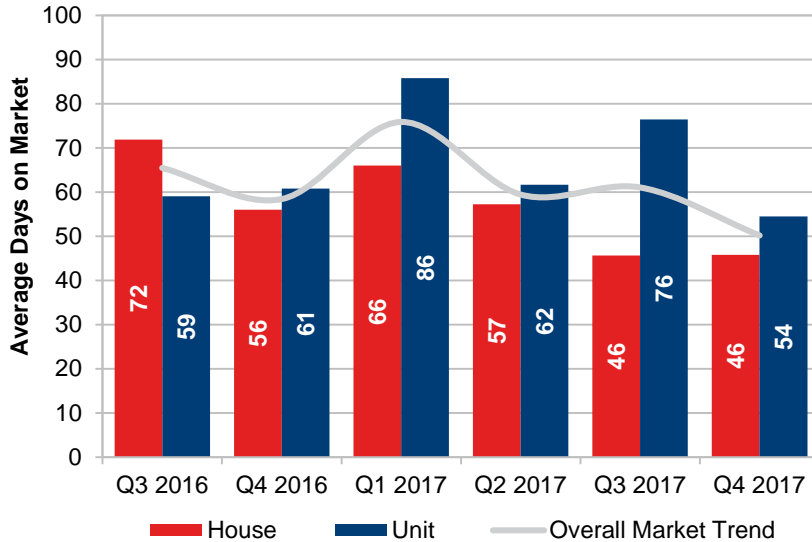


## UNIT MARKET COMPARISON



\*Hunter Valley market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Aberglasslyn, Ashtonfield, East Maitland, Maitland, Rutherford, Thornton. Source: APM Pricefinder. © PRDnationwide 2018.

## AVERAGE DAYS ON MARKET\*\*



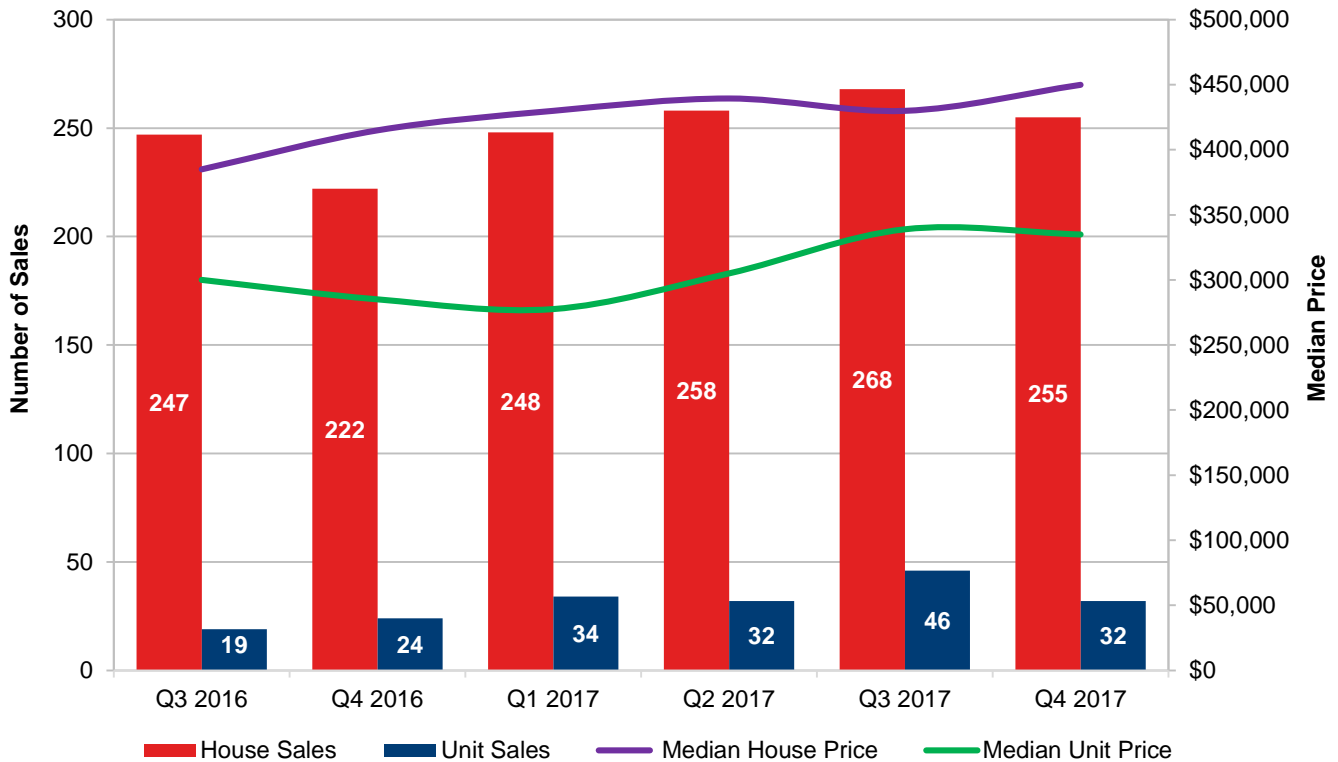
### HOUSE KEY FACTS Q4 2017

Median Sale Price: \$450,000  
 Annual Growth: 8.4%\*  
 Average Days on Market: 46  
 % Change between First Listed Price and Sold Price: -2.3%

### UNITS KEY FACTS Q4 2017

Median Sale Price: \$335,000  
 Annual Growth: 17.5%\*  
 Average Days on Market: 54  
 % Change between First Listed Price and Sold Price: -1.8%

## SALES AND MEDIAN PRICE\*\*

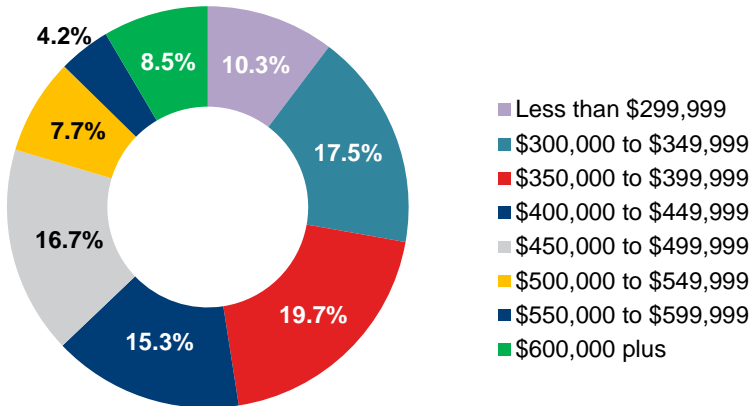


\*Annual growth represents price growth for property transactions between Q4 2015 to Q4 2016 (inclusive).

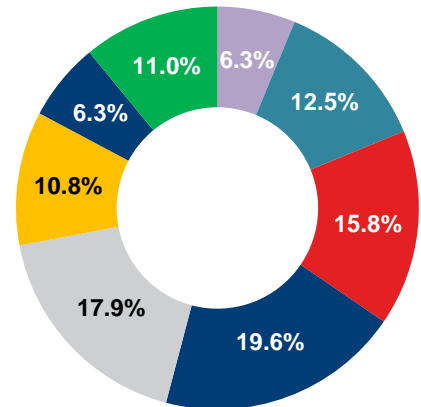
\*\*Hunter Valley market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Aberglasslyn, Ashtonfield, East Maitland, Maitland, Rutherford, Thornton. Source: APM Pricerfinder. © PRDnationwide 2018.

## SALES PRICE POINT ANALYSIS\*

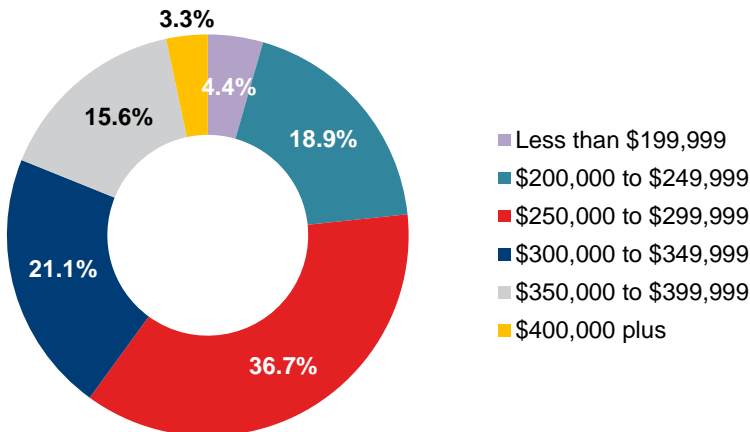
### HOUSE PRICE POINT 2016



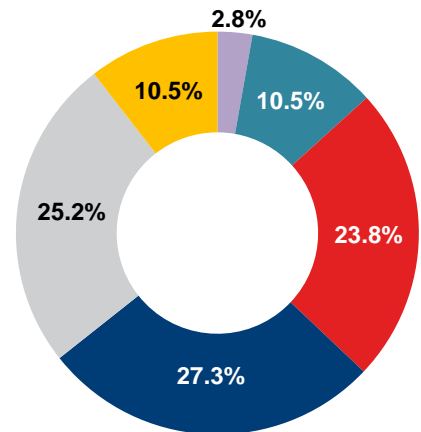
### HOUSE PRICE POINT 2017



### UNIT PRICE POINT 2016



### UNIT PRICE POINT 2017



#### KEY IMPLICATIONS - HOUSE

The main proportion of houses being sold in Hunter Valley\* in 2017 occurred in the \$400K-\$450K price segment, increasing from 15.3% to 19.6%. This indicates strengthening in the mid-range of the housing market.

The number of house sales occurring above \$450K have experienced a noticeable increase between 2016-2017, indicating more demand in the higher priced bracket. This is further confirmed by a shrinking in number of sales for individual price bracket below \$400K. Despite a shift in affordability within the market, some sales are expected to remain in the more affordable price brackets as a result of the anticipated supply in new residential stock.

#### KEY IMPLICATIONS - UNIT

Unit sales in Hunter Valley during 2017 fell predominantly in the \$300K-\$350K price segment (27.3%). This was closely followed by its neighbouring brackets of \$250K-300K (23.8%) and \$350K-400K (25.2%).

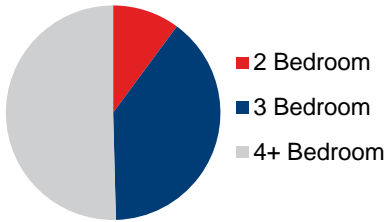
In 2017, price brackets below \$300K accounted for 37.1% of all unit sales, which was down from 60.0% in 2016. This represents a notable upward shift in sales volumes for the more expensive price segments. This is further confirmed by the increase in each individual price bracket greater than \$300K and a shrinking in all those below \$300K price bracket. Such a shift is in line with the 17.5% strong growth recorded in median unit price.

\*Hunter Valley market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Aberglasslyn, Ashtonfield, East Maitland, Maitland, Rutherford, Thornton. Source: APM Pricefinder. © PRDnationwide 2018.

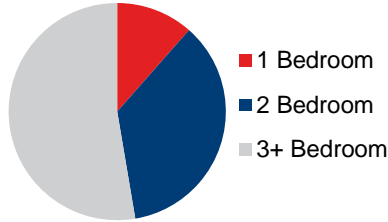


## INVESTMENT ANALYSIS

### HOUSE



### UNIT



### HOUSE KEY FACTS Q4 2017

Median Rent Price: \$400 per week  
 Suburb Rental Yield: 4.6%  
 Average Days on Market: 29  
 Bedroom Breakdown:  
 2 Bed: 10%, 3 Bed: 39%, 4+ Bed: 50%

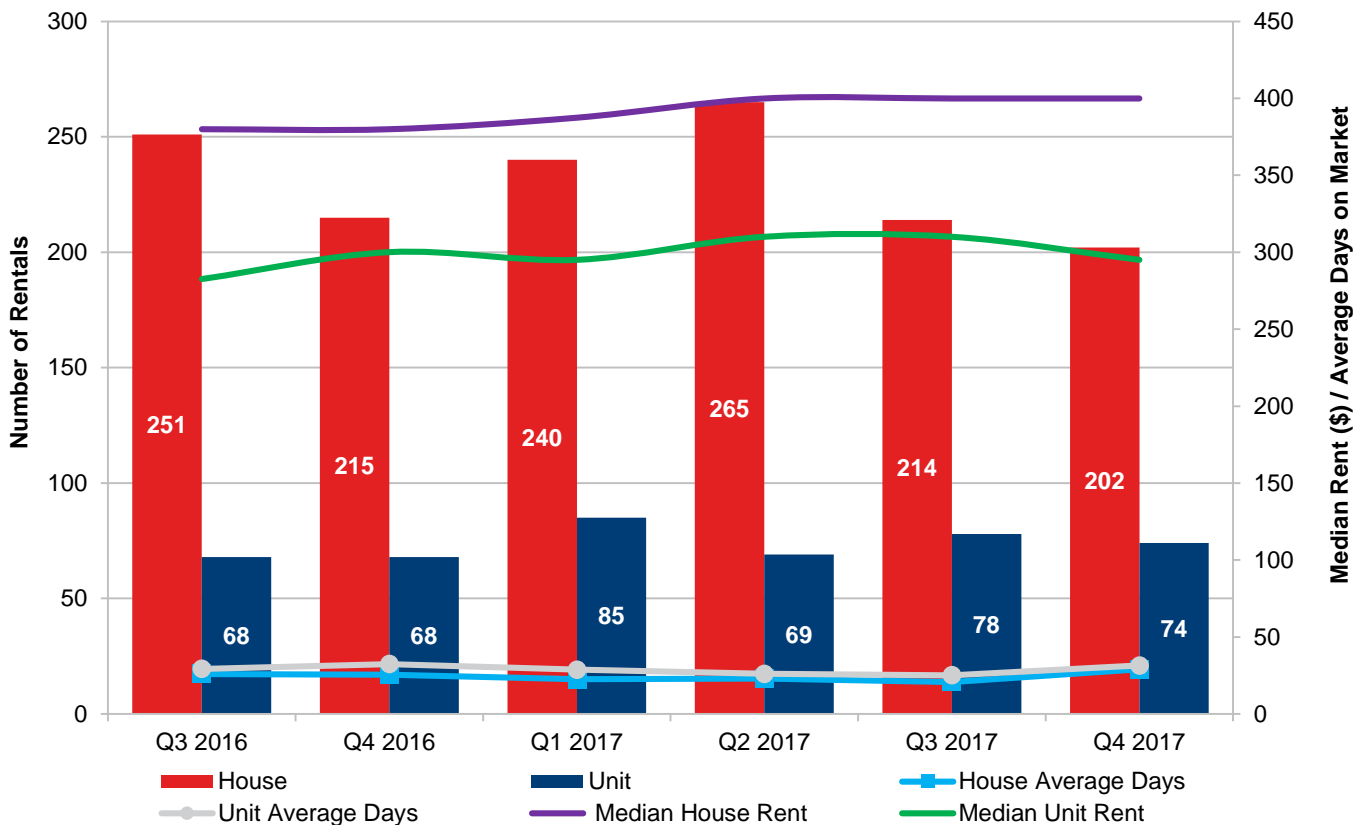
### UNITS KEY FACTS Q4 2017

Median Rent Price: \$295 per week  
 Suburb Rental Yield: 5.0%  
 Average Days on Market: 31  
 Bedroom Breakdown:  
 1 Bed: 12%, 2 Bed: 36%, 3+ Bed: 53%

### KEY COMMENTS

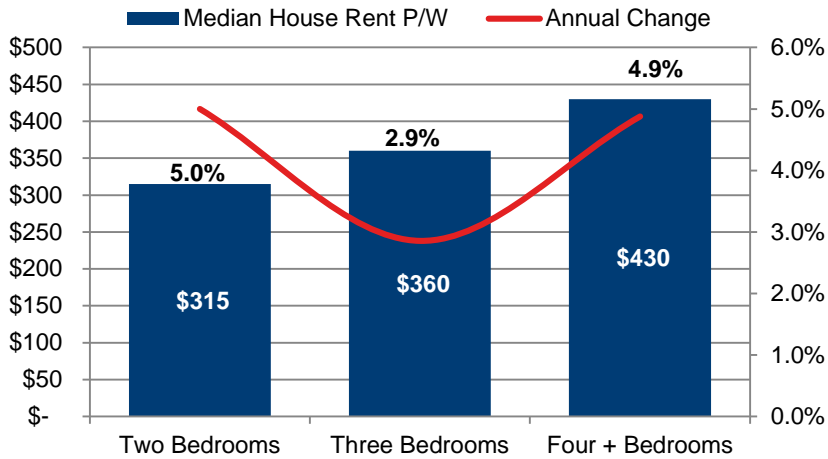
Interest in the Hunter Valley\* property market has been recorded at an average of 667 online views. House rental prices have experienced a solid growth of 5.3% over the past 12 months to \$400 per week in Q4 2017, whilst the amount of houses rented increased by 6.0%. This suggests real price rental growth that investors can be buoyed about. Astute investors will be rewarded in the Hunter Valley\* property market with strong rental returns for both houses and units, currently at 4.6% and 5.0%, respectively.

## MEDIAN RENT AND AVERAGE DAYS ON MARKET



\*Hunter Valley market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Aberglasslyn, Ashtonfield, East Maitland, Maitland, Rutherford, Thornton. Source: APM Pricefinder, realestate.com.au, SQM Research. © PRDnationwide 2018.

## RENTAL PERFORMANCE 2017



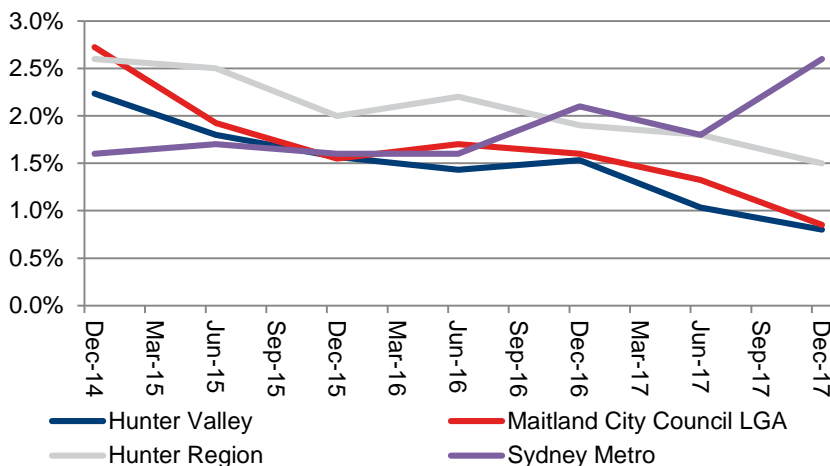
### KEY COMMENTS

Hunter Valley\*, Hunter Region, and Maitland City Council house and unit rental yields prove to be strong, positioned well above the Sydney Metro rental yields.

Two bedroom houses provide the highest annual rental growth of 5.0%, at \$315 per week, followed by four + bedroom houses (4.9%), at \$430 per week, in 2017.

Vacancy rates in the Hunter Valley\* property market have trended downward over the past 18 months to 0.9% in Dec 2017. This suggests an increase in rental demand, which is the opposite to Sydney Metro, and confirms Hunter Valley\* as an ideal place for investment.

## VACANCY RATES 2017



## RENTAL YIELD 2017

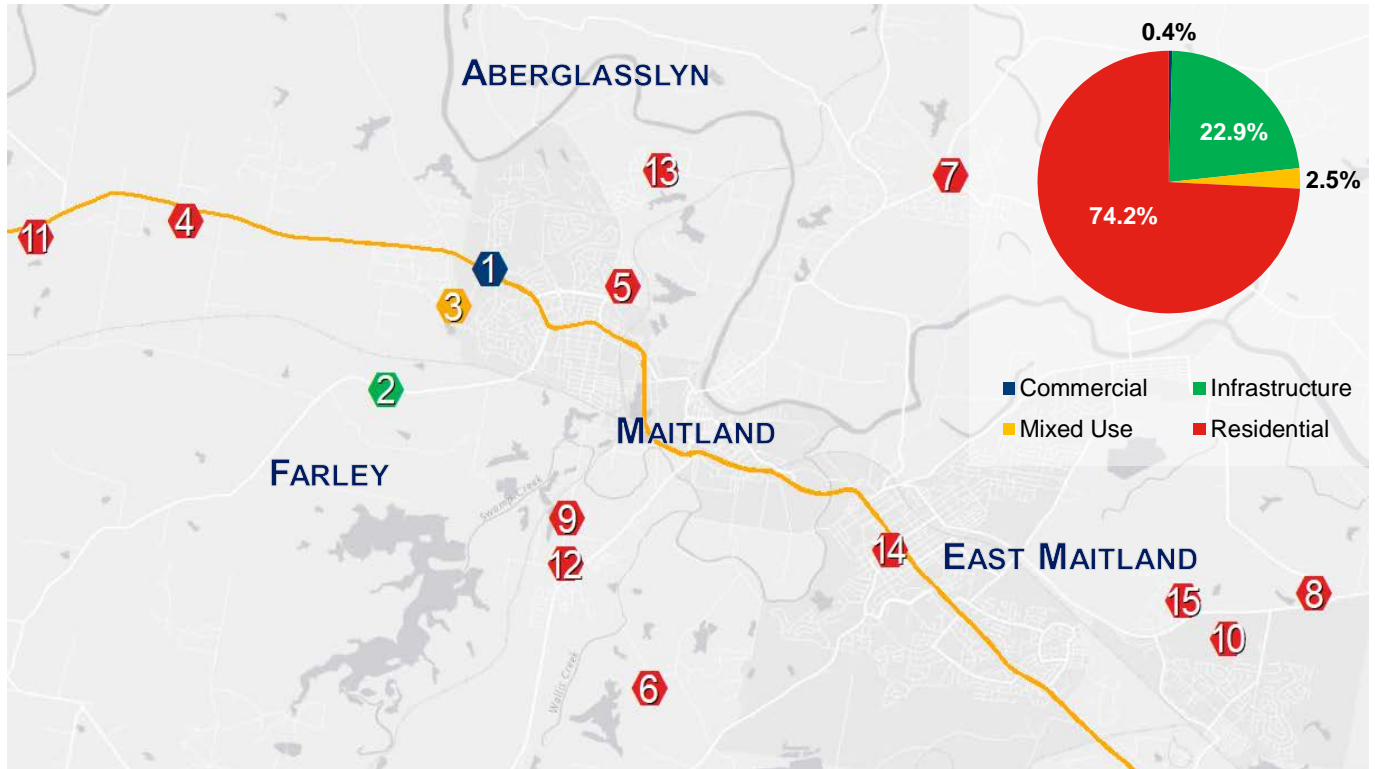
Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Hunter Valley*	4.6%	5.0%
Hunter Region	3.8%	4.4%
Maitland City Council**	4.2%	5.5%
Sydney Metro	2.9%	3.8%

## KEY HOUSING DEMOGRAPHICS

	Maitland LGA	Hunter Valley***	New South Wales
Median weekly household income	\$1,415	\$1,286	\$1,486
Median monthly mortgage repayments	\$1,733	\$1,733	\$1,986
Unemployed	7.3%	7.2%	6.3%
Professionals	16.6%	14.0%	23.6%
Owned outright	28.9%	33.3%	32.2%
Owned with mortgage	38.3%	34.7%	32.3%
Rented	29.5%	28.3%	31.8%

\*Rental performance graph represents aggregate house median rent price in the following suburbs: Aberglasslyn, Ashtonfield, East Maitland, Maitland, Rutherford, Thornton. Annual change is a comparison between 2016 and 2017 median rent figures. \*\*Maitland City Council rental yield represents the average of postcodes 2320, 2321, 2322, 2323. \*\*\*Hunter Valley demographics is a statistical area that includes the entire Hunter Valley region (excluding Newcastle). Source: APM Pricerfinder, SQM Research, ABS Census 2016. © PRDnationwide 2018.

## PROJECT DEVELOPMENT MAP 1<sup>ST</sup> HALF 2018\*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Bradford Hotel	Commercial	\$300,000	19/04/2018
2	Farley Urban Release	Infrastructure	\$15,000,000	11/06/2018
Not Mapped	Hunter Water Corporation Sewer Vents	Infrastructure	\$1,000,000	31/05/2018
Not Mapped	Maitland City Council Sporting Fields	Infrastructure	\$436,000	29/01/2018
3	Heritage Parc Recreation Facilities	Mixed Use	\$1,800,000	11/05/2018
4	New England Hwy Subdivision (1,200 Lots)	Residential	\$35,000,000	19/03/2018
5	Aberglasslyn & Ruby Rds Subdivision (103 Lots)	Residential	\$4,280,000	11/06/2018
6	Dagworth Rd 175 Lot Subdivision (175 lots)	Residential	\$2,300,000	19/02/2018
7	Largs Av Senior Housing (15 Dwellings)	Residential	\$2,248,000	19/02/2018
8	Sophia Waters Chisholm (44 Lots)	Residential	\$2,100,000	23/04/2018
9	Ryans Rd Subdivision (50 Lots)	Residential	\$2,000,000	25/01/2018
10	Raymond Terrace Rd Subdivision (72 Lots)	Residential	\$1,500,000	25/06/2018
11	Village Of St Helena Subdivision (29 Lots)	Residential	\$990,000	30/03/2018
12	Ryans Rd Dwellings (6 Dwellings)	Residential	\$880,000	04/06/2018
13	Cormorant St Villas (3 Villas)	Residential	\$750,000	12/02/2018
14	High St Dwellings(4 Dwellings)	Residential	\$700,000	12/02/2018
15	Waterford County (27 Lots)	Residential	\$550,000	16/04/2018

\*Disclaimer: 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 occurring amongst the suburbs of Aberglasslyn, Ashtonfield, East Maitland, Maitland, Rutherford, Thornton.

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

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

Source: Cordell Database, ESRI ArcGIS, Department of Planning and Environment NSW, Maitland City Council. © PRDnationwide 2018.



## 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

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