

Orange Market Update 1st Half 2024

OVERVIEW

In Q4 2023, Orange*, which in this report covers the suburbs of Orange, Molong, Cargo, Cudal, Manildra and Clifton Grove; recorded a median house price of \$680,000, and a median unit price of \$550,000. This is a softening of -1.3% for median house price in the past 12 months to Q4 2023, and a growth of 16.0% for median unit price. Total sales during this time increased, by 17.7% (to 239 sales) for houses and by 25.0% (to 25 sales) for units. Confidence has returned to Orange*, with properties in high demand – especially for units. There is currently a slightly more affordable house market, in good news for first home buyers.

CHANGE FROM LAST YEAR HALF YEAR



HOUSE SALES



HOUSE MEDIAN PRICE



HOUSE RENTAL PRICE



UNIT SALES



UNIT MEDIAN PRICE



UNIT RENTAL PRICE



MARKET CONDITIONS

MEDIAN PRICE
Q4 2023



\$680K



\$550K

SALES

AVERAGE DAYS
ON MARKET Q4 2023



HOUSE



UNIT

MEDIAN PRICE
Q4 2023



\$540



\$430

RENTALS

AVERAGE DAYS
ON MARKET Q4 2023



HOUSE



UNIT

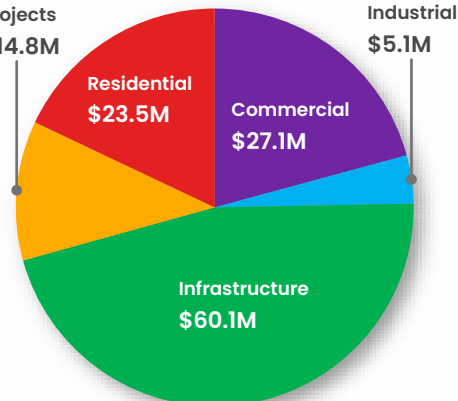


FUTURE DEVELOPMENTS

Orange is set to see approximately **\$130.6M worth of new projects commencing in the 1st half of 2024.**

Mixed-Use
Projects

\$14.8M



A main infrastructure project over the 1st half of 2024 is the Orange Regional Conservatorium & Planetarium Building (30.0M). This will improve recreational options and liveability for residents.

A key residential project is Summer & Woodward Streets Residential Development (\$6.1M). This will add 5 units and 6 dwellings to the area.

Other residential projects include:

- 46 Shiralee Road (19 dwellings and 21 lots)
- 16 Platinum Parade (6 dwellings)

Most of the new stock planned are vacant land lots, which will take time to develop. Thus the ready-to-sell market remain undersupplied, which continue to push prices higher.



Dwellings



5 Units/
Apartments

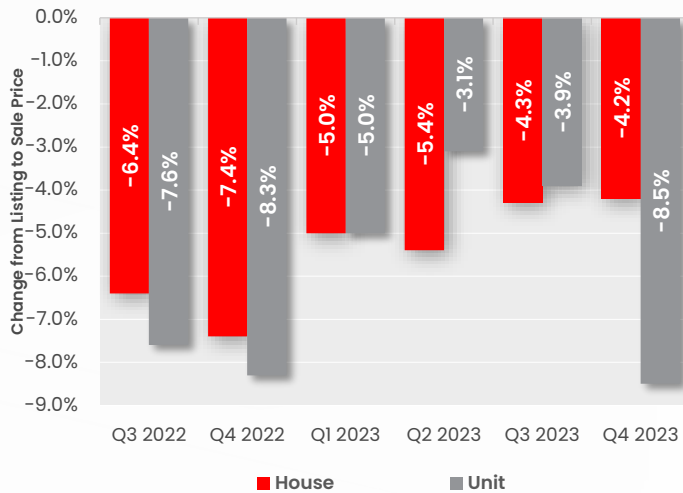


119 Lots



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.



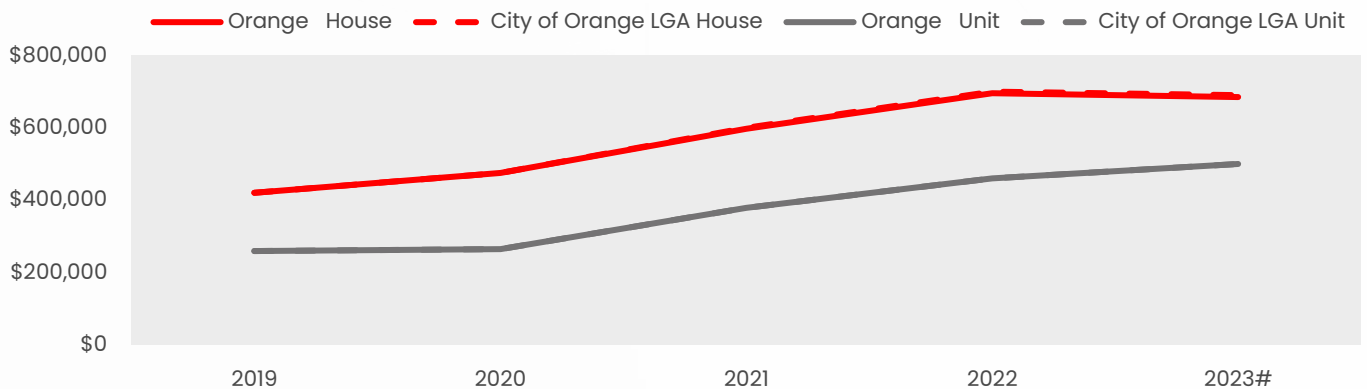
Average vendor discounts between Q4 2022 and Q4 2023 have tightened to -4.2% for houses and remained stable at -8.5% for units. Market conditions in Orange* continue to favour buyers, as sellers are willing to accept below the first list price. This is good news buyers, although house buyers need to act fast as Q4 2023 recorded the tightest discount in the past 12 months.

The suburb of Orange has historically performed on par with the wider City of Orange Local Government Area (LGA) in both house and unit prices. This continued in 2023[#], with both indicating similar patterns of growth.

The dominant proportion of homes sold in Orange* across 2023[#] were in the premium price bracket of \$850,000 and above (23.0%), while most of the units sold were in the more affordable price point between \$400,000 - \$499,999 (33.8%). Affordable options in the house markets is also available, with 43.8% of sales under \$649,999. This reveals that there is affordably priced stock available, in good news for buyers. That said the unit premium market is growing, with 17.5% of sales above \$600,000.



MARKET COMPARISON

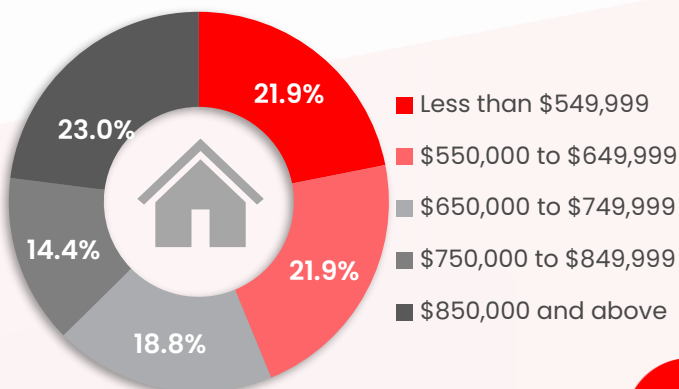


The market comparison graph provides a comparative trend for median price of houses and units over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Orange.

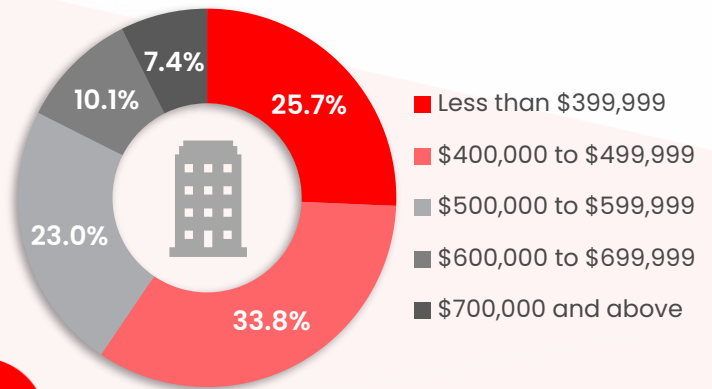


PRICE BREAKDOWN 2023[#]

HOUSES SOLD



UNITS SOLD





RENTAL GROWTH 2023€

House rental yields in Orange* was 4.2% in December 2023, higher than Sydney Metro's 2.8%. This was paired with a 3.8% increase in median house rent for the past 12 months to Q4 2023, at \$540 per week, alongside a -5.4% decline in the number of houses rented (to 105 rentals). The same pattern can be seen in the unit market, thus there is an undersupply of rental properties. This is good news for investors.

2+ bedroom houses have provided investors with +3.5% rental growth annually, achieving a median rent of \$440 per week.

Orange* recorded a vacancy rate of 2.0% in December 2023, slightly above Sydney Metro's 1.7% average. Vacancy rates in Orange* have seen an increase in the past 12 months, most likely due to investors re-entering the market. That said a 2.0% vacancy rate is still below the Real Estate Institute of Australia's 'Healthy' Benchmark of 3.0% suggesting that there is quicker occupancy of rental properties. This creates a conducive investment environment.

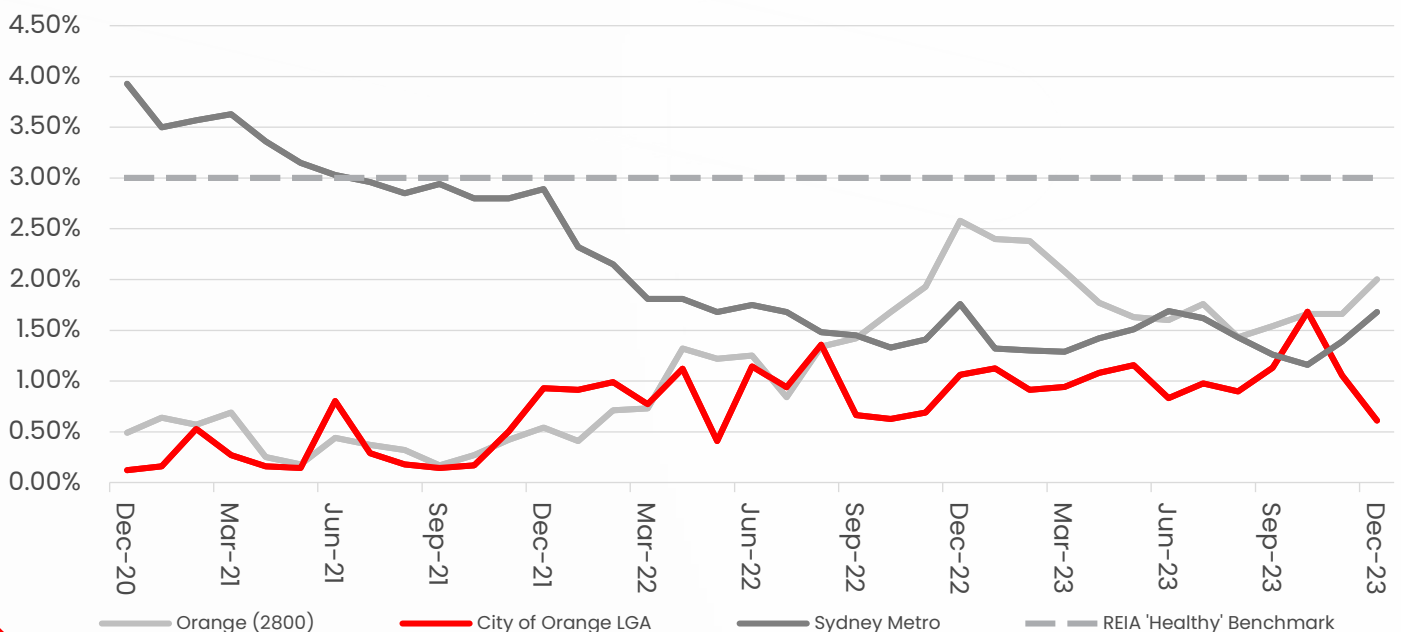
2 BEDROOMS
+3.5%

3 BEDROOMS
-1.0%

4 BEDROOMS
+3.3%



RENTAL VACANCY RATES 2023



RENTAL YIELD 2023§



4.2%
Orange*



4.1%
City of
Orange LGA



2.8%
Sydney
Metro



4.7%
Orange*

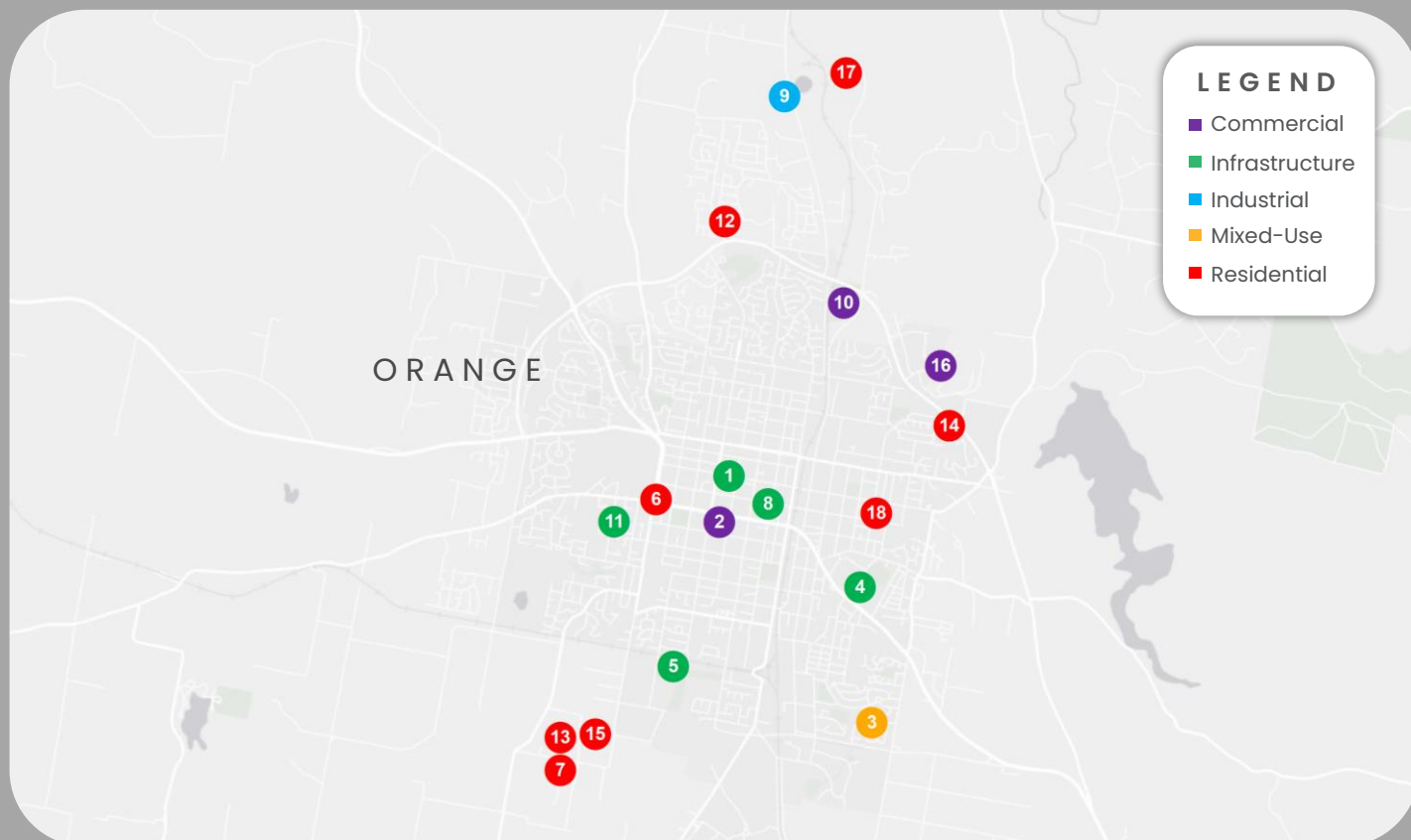


4.7%
City of
Orange LGA



4.5%
Sydney
Metro

PROJECT DEVELOPMENT 1st HALF MAP 2024^A



| # | Project [£] | Type | Estimated Value [¤] | Commence Date [¥] |
|----|---|----------------|------------------------------|----------------------------|
| 1 | Orange Regional Conservatorium & Planetarium Building | Infrastructure | \$33,500,000 | 12/02/2024 |
| 2 | 86-102 Summer Street Commercial Development | Commercial | \$21,000,000 | 04/03/2024 |
| 3 | 6-8 Callawa Street & Kurim Avenue Mixed Use Residential Development | Mixed-Use | \$14,820,000 | 15/04/2024 |
| 4 | Kinross Wolaroi School - Boarding Wing (State School) | Infrastructure | \$10,000,000 | 11/03/2024 |
| 5 | Orange Christian School Senior School Building (State School) | Infrastructure | \$8,166,144 | 03/06/2024 |
| 6 | 1 Summer & 160 Woodward Streets Residential Development By Lenco (5 Units & 6 Dwellings) | Residential | \$6,072,770 | 16/05/2024 |
| 7 | 46 Shiralee Road Dwellings & Residential Subdivision – Parkwood (19 Dwellings & 21 Lots) | Residential | \$6,000,000 | 06/05/2024 |
| 8 | Euchareena Road Resource Recovery Centre Landfill Cell Stage 4 (Local Council Government) | Infrastructure | \$3,200,000 | 29/02/2024 |
| 9 | 345 Clergate Road Industrial Development & Storage Premises | Industrial | \$3,200,000 | 01/05/2024 |
| 10 | Carls Jr Orange Take Away Food & Drink Premises | Commercial | \$3,150,000 | 04/06/2024 |
| 11 | Orange General Housing (State Government Housing) | Infrastructure | \$3,011,105 | 08/04/2024 |
| 12 | 16 Platinum Parade Dwellings (6 Dwellings) | Residential | \$2,943,000 | 06/06/2024 |
| 13 | 76 Lysterfield Road Residential Subdivision (55 Lots) | Residential | \$2,323,439 | 08/04/2024 |
| 14 | 5 Catherine Place Dwellings (5 Dwellings) | Residential | \$1,800,000 | 18/04/2024 |
| 15 | 65 Lysterfield Road Residential Subdivision (43 Lots) | Residential | \$1,647,401 | 08/05/2024 |
| 16 | 24 Astill Drive Vehicle Sales | Commercial | \$1,556,600 | 28/06/2024 |
| 17 | 463 Leeds Parade Demolition – Rosedale Gardens Estate (Land Lots – TBA) | Residential | \$1,372,000 | 14/03/2024 |
| 18 | 56-58 Spring Street Dwellings (4 Dwellings) | Residential | \$1,300,000 | 07/06/2024 |

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

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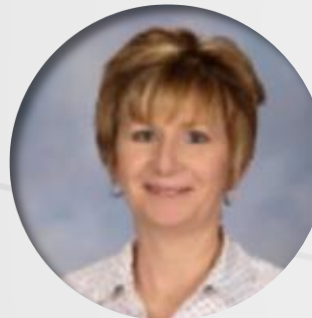
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REFERENCES

* Orange market data and key indicators encapsulates aggregate property market conditions within the suburbs of Orange, Molong, Cargo, Cudal, Manildra and Clifton Grove.

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

2023 encapsulates sales transactions for all of 2023 (01/01/2023 – 31/12/2023).

€ Annual rental growth is a comparison between Q4 2022 (01/10/2022 – 31/12/2022) and Q4 2023 (01/10/2023 – 31/12/2023) house median rent figures.

¥ Orange market data encapsulates aggregate property conditions within the postcode of 2800.

§ Rental yields shown are as reported as of December 2023.

⚠ 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 Orange, Molong, Cargo, Cudal, Manildra and Clifton Grove.

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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