

## Derwent Valley Market Update 1<sup>st</sup> Half 2025



### OVERVIEW

In Q4 2024, Derwent Valley\* had a median house price of \$555,000 and a median vacant land price of \$247,000. This is an annual (Q4 2023 - Q4 2024) growth of 19.4% for houses and 26.7% for land. Comparing Q4 2023 and Q4 2024, total sales increased by 5.0% (to 42 sales) for houses and increased by 71.4% (to 12 sales) for land. This confirms a demanded market and an ideal time for owners to capitalise on their investments. Vacant land saw a higher price growth than houses, as buyers switched their focus to get a foot in the property market. With no new ready-to-sell houses planned, buyers must act fast before further price growth.

#### CHANGE FROM LAST YEAR HALF YEAR



HOUSE SALES



HOUSE MEDIAN PRICE



HOUSE RENTAL PRICE



LAND SALES



LAND MEDIAN PRICE



### MARKET CONDITIONS

MEDIAN PRICE  
Q4 2024



\$555K



\$247K

#### SALES

AVERAGE DAYS  
ON MARKET Q4 2024



HOUSE



LAND

MEDIAN PRICE  
Q4 2024



\$482



\$455

#### RENTALS

AVERAGE DAYS  
ON MARKET Q4 2024



HOUSE

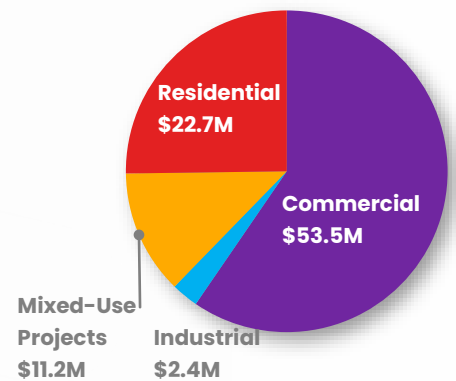


UNIT



### FUTURE DEVELOPMENTS

Derwent Valley<sup>£</sup> will see approximately **\$89.8M of new projects commencing construction in 2025.**



A main commercial project is the Bronte-Brady Mini Hydro (\$50.0M). This project will generate clean renewable energy from the flow of water from the Bronte Lagoon. This project will have a major economic boost to Derwent Valley region.

Key residential projects include:

- 30 McLeod Street Centacare Evolve Housing Residential Subdivision (52 lots)
- 8 Station Street Units (7 Units)
- 5 Poulters Road Units (9 Units)
- 6 Fowler Court Units (4 Units)
- 11 Oakdale Road New Norfolk – Residential Subdivision (6 lots)

Although several residential projects are planned in Derwent Valley, they will only add new units/apartments and residential lots (which takes time to develop). With an absence in new stand-alone or ready-to-go houses in the 2025 pipeline, this will put more pressure on prices for all stock types.



20 Units/  
Apartments

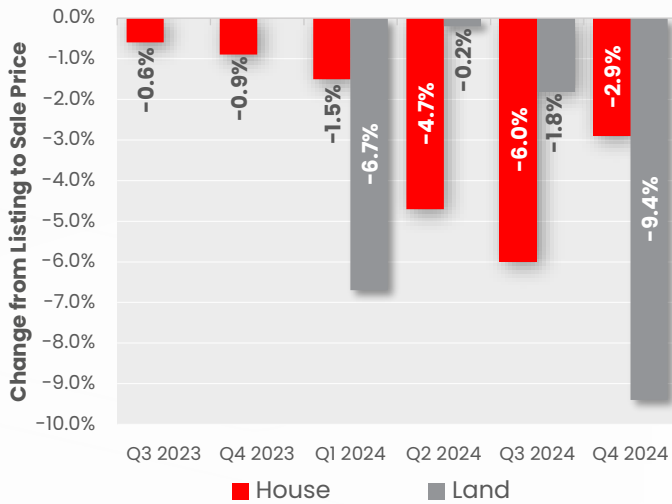


58 Lots



## 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.



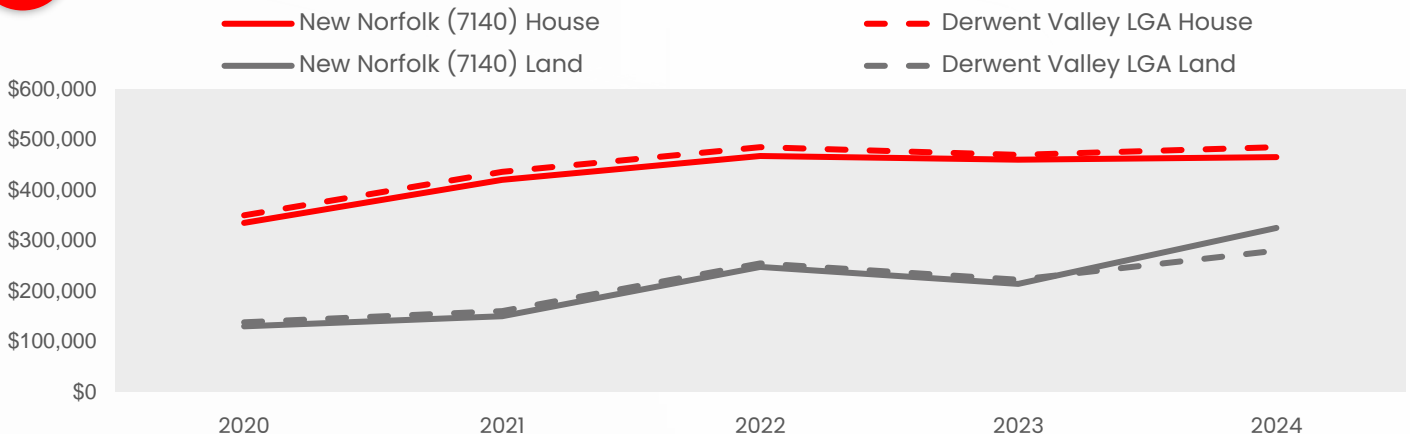
Average vendor discounts between Q4 2023 and Q4 2024 have widened to -2.9% for houses. For vacant land, data is limited, but Q4 2024 shows an average discount of -9.4%. Market conditions in Derwent Valley\* favour buyers, with sellers willing to accept below the listed prices. That said, Q4 2024 shows a smaller discount than the past 6 months. Further, Q4 2024 recorded the peak discount period for vacant land. Thus, buyers must act fast.

The suburb of New Norfolk has been on par with Derwent Valley Local Government Area (LGA) in house and vacant land median prices for the past 5 years. This continued to for houses in 2024, however New Norfolk land prices have started to outperform the wider Derwent Valley LGA.

Most of the houses sold in Derwent Valley\* in 2024 were either in the more affordable \$400,000 to \$499,999 price bracket (33.3%) or middle price bracket of \$500,000 - \$599,999 (27.7%). This creates an opportunity for first home buyers to enter the market. Vacant land saw a slightly different trend, with most sold in the middle-price bracket of \$200,000 to \$299,999 (30.4%). There is strong activity, 23.9%, in the premium pricing of \$400,000 and above.



## MARKET COMPARISON

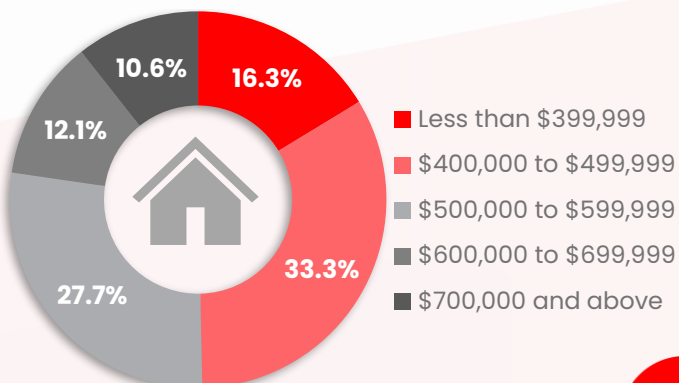


The market comparison graph provides a comparative trend for median price of houses and land over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Derwent Valley.

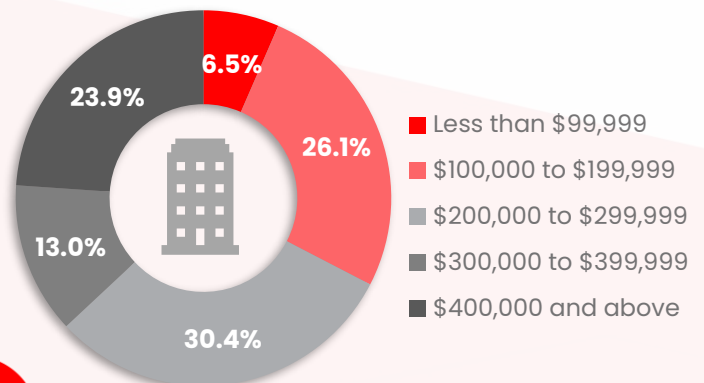


## PRICE BREAKDOWN 2024

### HOUSES SOLD



### LAND SOLD





## RENTAL GROWTH 2025€

House rental yields in New Norfolk (7140)\* was 5.0% as of December 2024, above Derwent Valley LGA (4.5%) and much higher than Hobart Metro (3.6%). Median house rental price increased slightly, by 0.4% in the past 12 months to Q4 2024, to \$482 per week; whilst the number of housed rented declined by -5.5% (to 172 houses). This suggests an undersupply. Units saw a median price increase of 7.8% to \$455 per week, with the number of units rented increasing by 37.7% (to 62 in Q4 2024). Overall, there is a highly demanded market, in good news for investors.

2+ bedroom houses have provided investors with +4.8% rental growth annually, achieving a median rent of \$440 per week.

New Norfolk (7140)\* recorded a vacancy rate of 0.3% in December 2024, on par with Derwent Valley LGA (0.3%) but below Hobart Metro's 0.6%. Although vacancy rates have fluctuated in the past 12 months, it has slightly decreased overall. This indicates an even tighter rental market. Furthermore, a 0.3% vacancy rate is well below the Real Estate Institution of Australia's healthy benchmark of 3.0%, indicating quicker occupancy of rental properties in the area.

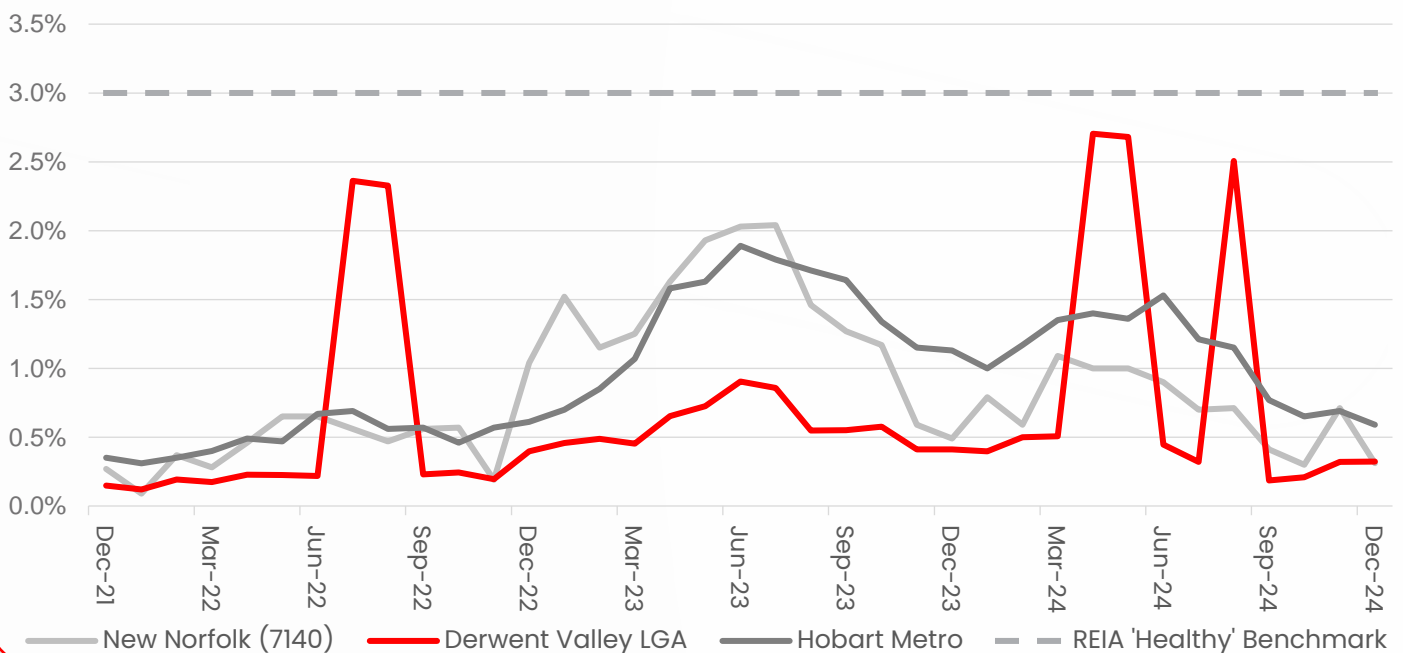
 2 BEDROOMS  
**+4.8%**

 3 BEDROOMS  
**+1.0%**

 4 BEDROOMS  
**-0.9%**



## RENTAL VACANCY RATES 2025



## RENTAL YIELD 2025§



**5.0%**

New Norfolk  
(7140)\*



**4.5%**

Derwent  
Valley LGA



**3.6%**

Hobart  
Metro



**5.8%**

New Norfolk  
(7140)\*



**5.6%**

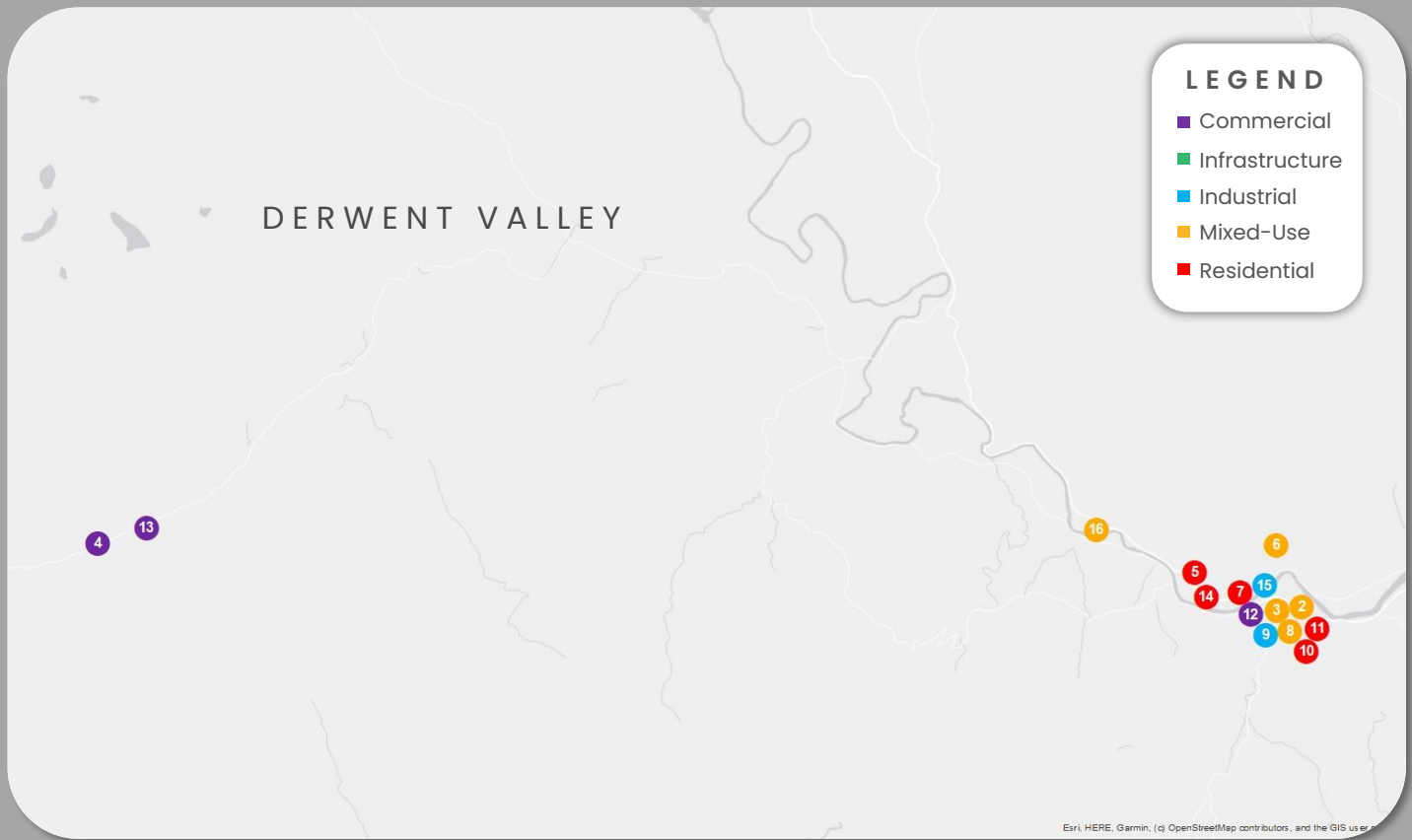
Derwent  
Valley LGA



**5.1%**

Hobart  
Metro

# PROJECT DEVELOPMENT MAP 2025<sup>A</sup>



#	Project <sup>ε</sup>	Type	Estimated Value <sup>μ</sup>	Commence Date <sup>ψ</sup>
<b>Not Mapped</b>	Bronte-Brady Mini Hydro Project	Commercial	\$50,000,000	11/09/2025
2	The Mills Estate New Norfolk Mixed Use Development Stages 1A & 1B & 2-6 (Retirement Units/Clubhouse/Café)	Mixed-Use	\$15,000,000	15/12/2025
3	The Mills New Norfolk Cabins & Restaurant (Cabins/Restaurant)	Mixed-Use	\$8,000,000	11/04/2025
4	Lake Pedder Lodge Strathgordon Short Term Accommodations Redevelopment Stages 1-4	Commercial	\$4,000,000	20/10/2025
5	30 Mcleod Street Centacare Evolve Housing Residential Subdivision (52 Residential Subdivisions)	Residential	\$2,340,000	12/05/2025
6	Isole Studio Accommodation New Norfolk (Visitor Accommodation and Yoga Studio)	Mixed-Use	\$2,000,000	11/11/2025
7	8 Station Street Units (7 Units)	Residential	\$1,750,000	3/09/2025
8	3 & 5 The Avenue Mixed Use Development New Norfolk (Visitor Accommodation/Function/Restaurant/Retail Tenancies/Bar)	Mixed-Use	\$1,500,000	28/12/2025
9	36 The Avenue & Ring Road Self Storage Buildings (Self Storage Buildings)	Industrial	\$1,500,000	28/10/2025
10	5 Poulters Road Units (9 Units)	Residential	\$1,350,000	4/10/2025
11	6 Fowler Court Units (4 Units)	Residential	\$1,000,000	28/10/2025
12	Woolworths New Norfolk Supermarket Extension	Commercial	\$900,000	28/07/2025
13	38 Junee Road Cabins Stages 1-3	Commercial	\$600,000	4/11/2025
14	11 Oakdale Road New Norfolk - Residential Subdivision (6 lots)	Residential	\$270,000	19/12/2025
15	Derwent Valley Railway Additions (Storage Shed)	Industrial	\$110,000	27/02/2025
16	2203 Lyell Highway Distillery Shed (Distillery/Office)	Mixed-Use	\$100,000	23/04/2025



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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

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7140



## REFERENCES

\* Derwent Valley sales market data and key indicators encapsulates aggregate property market conditions within Derwent Valley LGA.

\*\* 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 the 2024 full year (01/01/2024 – 31/12/2024).

€ Annual rental growth is a comparison between Q4 2023 (01/10/2023 – 31/12/2023) and Q4 2024 (01/10/2024 – 31/12/2024) house median rent figures.

¥ Derwent Valley rental market data encapsulates aggregate property conditions within the postcode of 7140.

§ Rental yields shown are as reported as of December 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 suburb of Derwent Valley LGA.

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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