

Derwent Valley Market Update 2nd Half 2025



OVERVIEW

In Q2 2025, Derwent Valley* recorded a median house price of \$505,050 and a median vacant land price of \$175,000. This is an annual (Q2 2024 – Q2 2025) price growth of 3.1% for houses, which is accompanied by a 17.0% increase (to 55 sales in Q2 2025) for houses. Vacant land prices are softer in Q2 2025, however there were only 11 sales recorded, thus a very small market. These key indicators suggests a highly demanded housing market and an ideal time for owners to capitalise on their investments. Moreover, with no new ready-to-sell houses planned, buyers must act fast before houses are undersupplied and there is 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



\$505K



\$175K

SALES

AVERAGE DAYS
ON MARKET Q4 2024



HOUSE



LAND

MEDIAN PRICE
Q4 2024



\$500



\$430

RENTALS

AVERAGE DAYS
ON MARKET Q4 2024



HOUSE



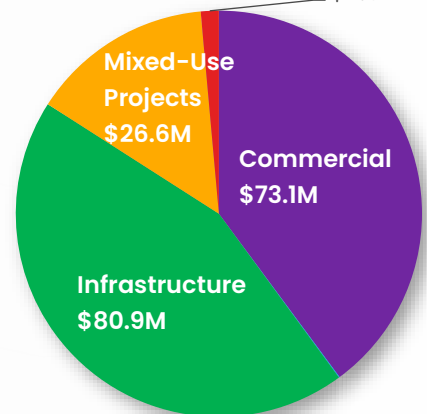
UNIT



FUTURE DEVELOPMENTS

Derwent Valley[£] will see approximately **\$184.2M of new projects commencing construction in 2025.**

Residential
\$2.6M



A main commercial project is the Bronte-Brady Mini Hydro (\$50.0M), which 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, which in turn can stimulate demand for housing.

Key residential projects include:

- 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). Further, 13 new units is not enough to satisfy demand. With an absence in new stand-alone or ready-to-go houses in the 2025 pipeline, prices will likely go up, not just for houses but for all stock types.



13 Units/
Apartments



6 Lots



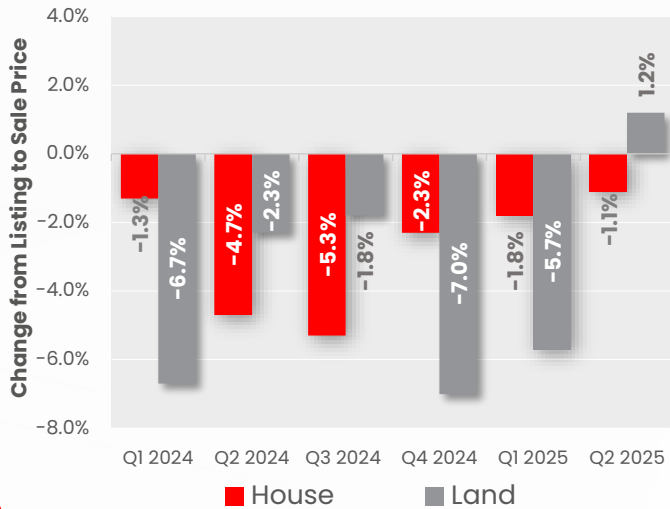
AVERAGE VENDOR DISCOUNT*

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.

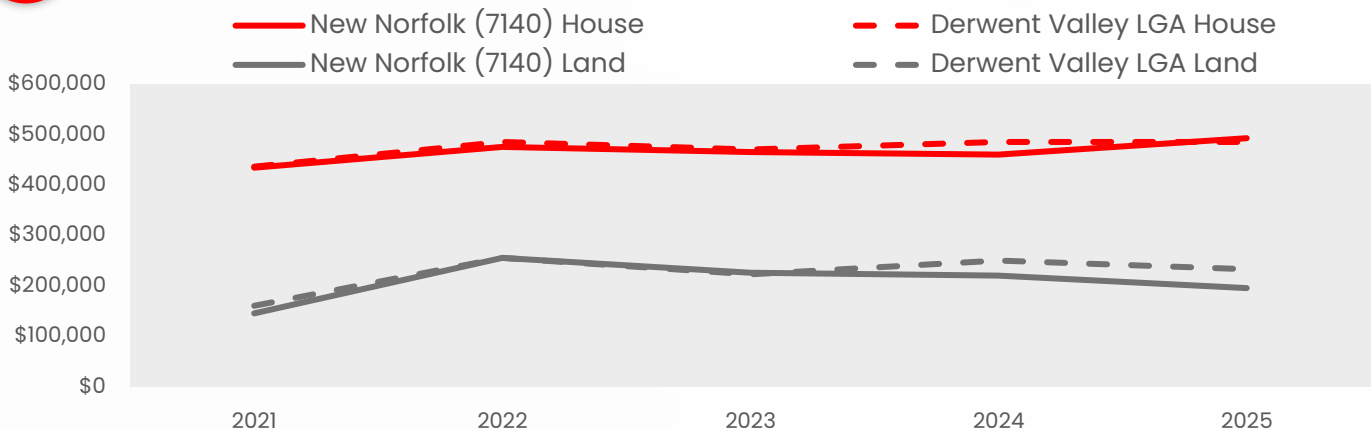
Average vendor discounts between Q2 2024 and Q2 2025 have tightened to -1.1% for houses. For vacant land, the number of sales is limited, but Q2 2025 shows previous discounts have swung to a premium of 1.2%. House market conditions in Derwent Valley* favour buyers, with sellers willing to accept below the listed prices. A tighter discount for houses suggest a shift towards a seller market, and without any new houses planned, buyers must act fast.

The suburb of New Norfolk is on par with Derwent Valley Local Government Area (LGA) in house and vacant land median prices for the past 5 years. This is the case for houses in 2025*; however New Norfolk land prices have become more affordable than the Derwent Valley LGA.

Most of the houses sold in Derwent Valley* in 2024/25# were split between the middle price brackets of \$350,000 to \$449,999 and more affordable price bracket of \$450,000 to \$549,999 (32.1%). This creates an opportunity for first home buyers to enter the market, as premium properties are not dominating the market. The number of vacant land sold is small, but saw a similar trend, with most sold in the middle-price bracket of \$150,000 to \$199,999 (58.8%).



MARKET COMPARISON

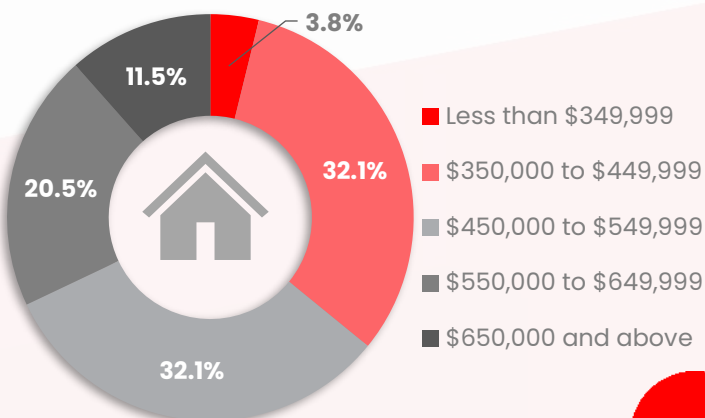


The market comparison graph provides a comparative trend for median price of houses and land over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Derwent Valley.

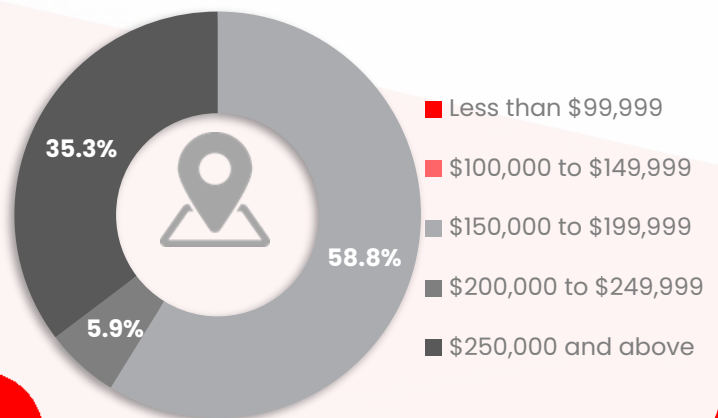


PRICE BREAKDOWN 2025

HOUSES SOLD



LAND SOLD





RENTAL GROWTH 2025€

House rental yields in New Norfolk (7140)* was 4.5% as of June 2025, above Derwent Valley Council (4.3%) and much higher than Hobart Metro (3.6%). Median house rental price increased by 3.7% in the past 12 months to Q2 2025, to \$500 per week; whilst the number of housed rented declined by -5.6% (to 168 houses in Q2 2025). Units saw a median rental price stabilise at \$430 per week, with the number of units rented decreasing by -15.6% (to 38 in Q2 2025). Overall, there is an undersupplied rental market, in good news for investors (of both property types).

4+ bedroom houses have provided investors with +7.8% rental growth annually, achieving a median rent of \$620 per week.

New Norfolk (7140)* recorded a vacancy rate of 0.5% in June 2025, which is on par with Hobart Metro's 0.6%. Although vacancy rates have fluctuated in the past 12 months, it has decreased overall; indicating an even tighter rental market. Further, a 0.3% vacancy rate is well below the Real Estate Institution of Australia's healthy benchmark of 3.0%, thus quicker occupancy of rental properties in the area. This is conducive for investors, even with a more expensive house market.



2 BEDROOMS

0.0%



3 BEDROOMS

+1.0%

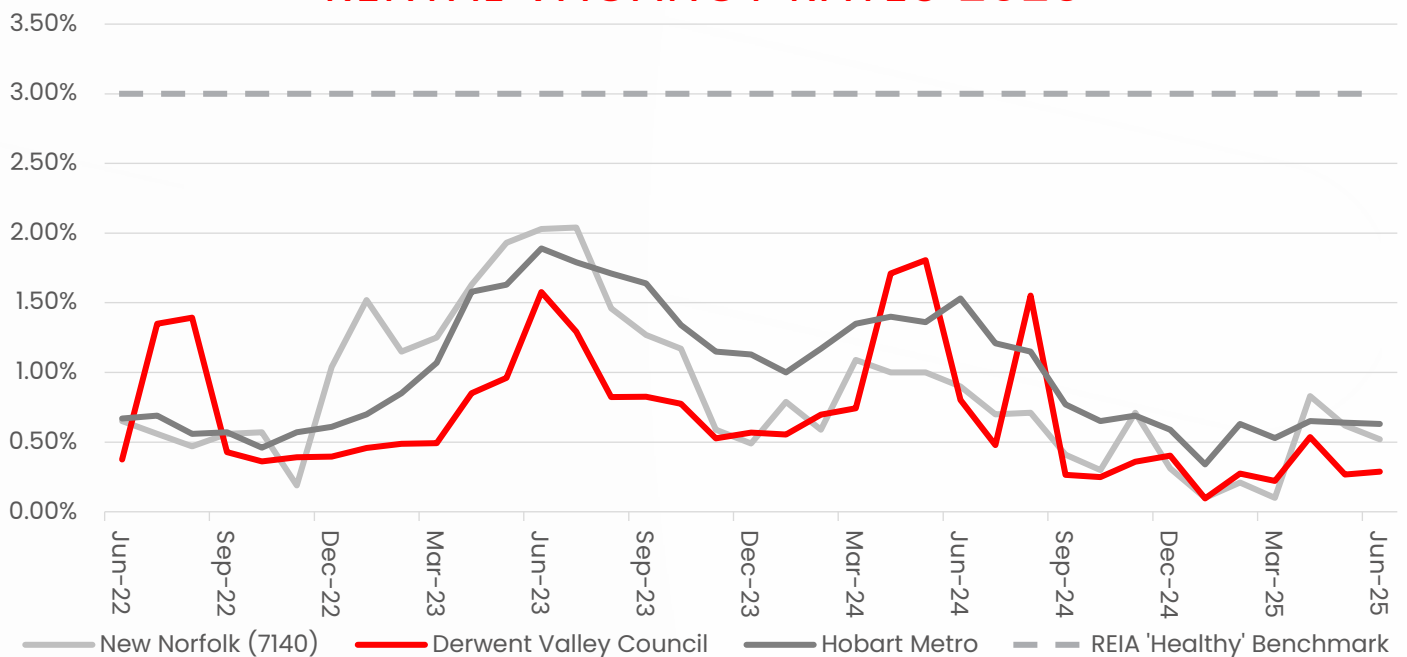


4 BEDROOMS

+7.8%



RENTAL VACANCY RATES 2025



RENTAL YIELD 2025§



4.5%

New Norfolk
(7140)*



4.3%

Derwent
Valley
Council



3.6%

Hobart
Metro



4.0%

New Norfolk
(7140)*



4.6%

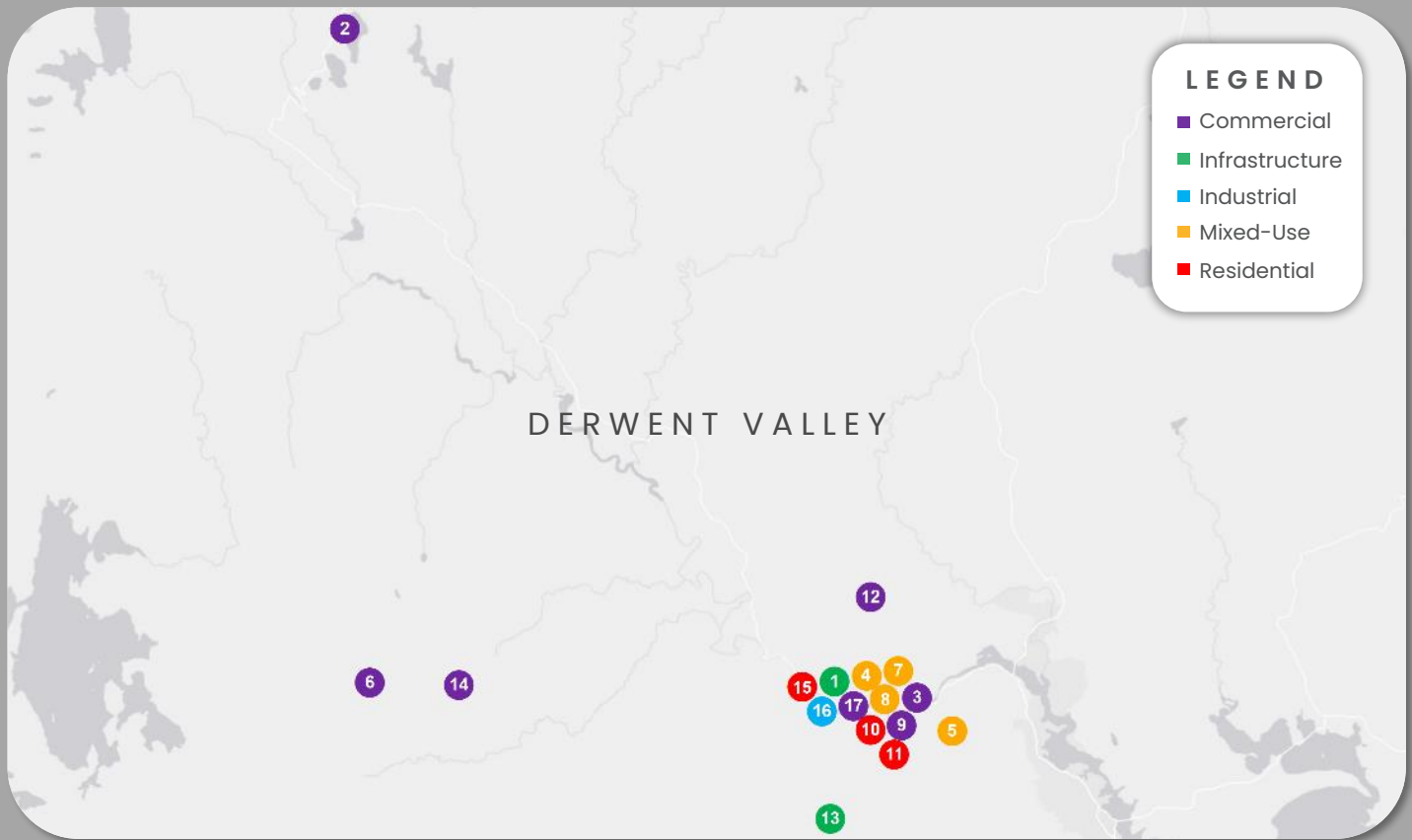
Derwent
Valley
Council



5.3%

Hobart
Metro

PROJECT DEVELOPMENT MAP 2025^A



#	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Lyell Highway - Granton To New Norfolk Upgrade (State Government)	Infrastructure	\$80,000,000	1/06/2026
2	Bronte-brady Mini Hydro Project	Commercial	\$50,000,000	11/09/2026
3	Southern Organic Waste Processing Facility	Commercial	\$16,000,000	9/03/2026
4	The Mills Estate New Norfolk Mixed Use Development Stages 1a & 1b & 2-6 (185 Retirement Units/Clubhouse/Café)	Mixed Use	\$15,000,000	7/04/2026
5	The Mills New Norfolk Cabins & Restaurant (Cabins/Restaurant)	Mixed Use	\$8,000,000	10/04/2026
6	Lake Pedder Lodge Strathgordon Short Term Accommodations Redevelopment Stages 1-4	Commercial	\$4,000,000	20/04/2026
7	Isole Studio Accommodation New Norfolk (5 Accommodations and Yoga Studio)	Mixed Use	\$2,000,000	11/02/2026
8	3 & 5 The Avenue Mixed Use Development New Norfolk Redevelopment (Visitor Accommodation / Function/ Restaurant / Retail Tenancies)	Mixed Use	\$1,500,000	28/12/2025
9	36 The Avenue & Ring Road Self Storage Buildings	Commercial	\$1,500,000	28/10/2025
10	5 Poulters Road Units (9 Units)	Residential	\$1,350,000	7/04/2026
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	Timbs Road Bridge Replacement (Local Government)	Infrastructure	\$900,000	15/09/2025
14	38 Junee Road Cabins Stages 1-3	Commercial	\$600,000	4/11/2025
15	11 Oakdale Road New Norfolk - Residential Subdivision (6 Residential Lots)	Residential	\$270,000	19/12/2025
16	Derwent Valley Railway Additions (Storage Sheds)	Industrial	\$110,000	27/02/2025
17	2203 Lyell Highway Distillery	Commercial	\$100,000	23/04/2025



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

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REFERENCES

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

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

2024/25 encapsulates sales transactions for the 2024 full year (01/01/2024 – 31/12/2024) and 1st half 2025 (01/01/2025 – 30/06/2025).

€ Annual rental growth is a comparison between Q2 2024 (01/04/2024 – 30/06/2024) and Q2 2025 (01/04/2025 – 30/06/2025) 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 June 2025.

▲ 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 Council.

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 Pricfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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