

Blue Mountains Market Update 2nd Half 2025

OVERVIEW

In Q2 2025, Blue Mountains* had a median house price of \$1,000,000 and a median strata property price of \$745,000. This is an annual (Q2 2024 – Q2 2025) price growth of 12.4% for houses and 0.7% for strata properties. Comparing Q2 2024 and Q2 2025, sales declined by -13.5% (to 334 sales in Q2 2025) for houses and -3.6% (27 sales in Q2 2025) for strata properties. There is an undersupplied market, particularly for houses, which created a buffer despite higher interest rates – hence price growth. This suggests now is an ideal time for owners to capitalise on their investments. Further, looking into planned new housing stock, there is very little in the pipeline. Thus, buyers must act fast before there is further price growth.

CHANGE FROM LAST YEAR HALF YEAR



HOUSE SALES



HOUSE MEDIAN PRICE



HOUSE RENTAL PRICE



STRATA PROPERTIES SALES



STRATA PROPERTIES MEDIAN PRICE

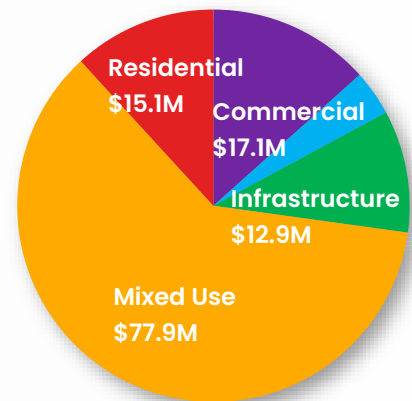


STRATA PROPERTIES RENTAL PRICE



FUTURE DEVELOPMENTS

Blue Mountains[£] will see approximately **\$127.7M of new projects commencing construction in 2025.**



There are some residential & mixed-use projects set to commence in Blue Mountains in 2025. These include:

- 11 Glendarrah Street Units (12 Units)
- 21 Stuarts Road Residential Subdivision (48 Residential Lots)
- 54 Waratah Street Units (6 Units)
- 6 Blackheath Street Units (6 Units)
- 1-7 Honour Avenue Shop Top Housing Additions (3 Units)

At present, all ready-to-sell residential and mixed-use projects in the pipeline plan to deliver units to Blue Mountains[£]. There are some land lots created, but this will take time to develop into a ready-to-live in house.

As a result, the number of planned new stock will not answer market demand, especially when compared with the number of houses and unit sales in Q2 2025 (334 and 27 respectively). Thus, an undersupply will remain, which will push up property prices even further.



29 Units/
Apartments



48 Lots



MARKET CONDITIONS

MEDIAN PRICE
Q2 2025



\$1.0M



\$745K

SALES

AVERAGE DAYS
ON MARKET Q2 2025



HOUSE



UNIT *

MEDIAN PRICE
Q2 2025



\$650



\$480

RENTALS

AVERAGE DAYS
ON MARKET Q2 2025



HOUSE



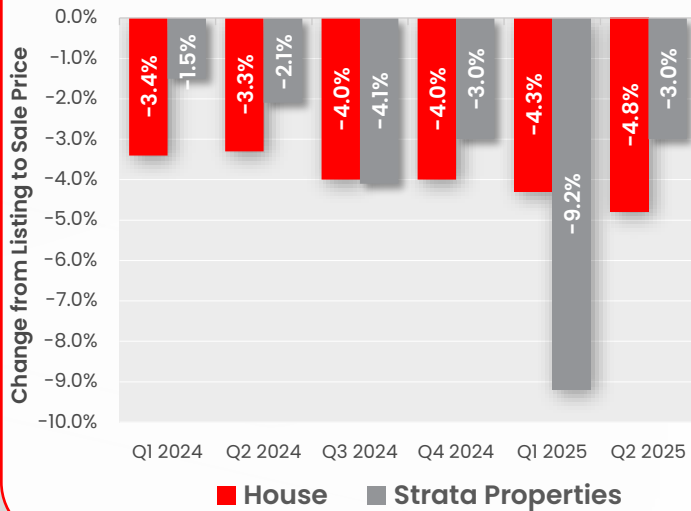
UNIT *

*Unit = Strata Properties



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.



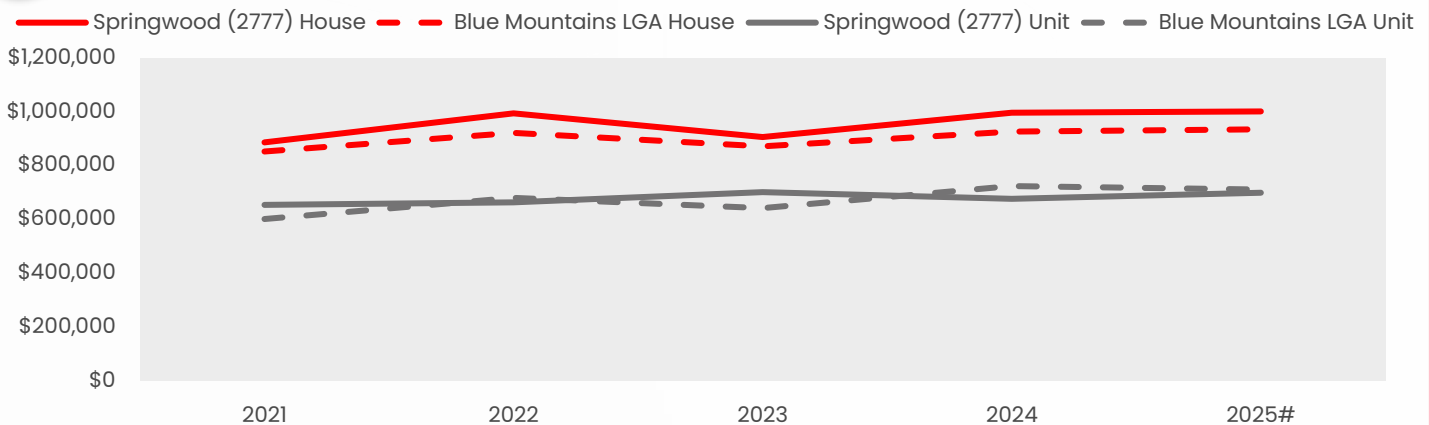
Average vendor discounts between Q2 2024 and Q2 2025 have widened to slightly higher discounts of -4.8% for house and -3.0% for strata properties. The Blue Mountain market still favours buyers, as sellers are willing to accept below the first listed price. This is good news for buyers, especially with how prices have increased in the past 12 months to Q2 2025. That said, with no new ready-to-go houses buyers must act fast, before discounts lessen.

The suburb of Springwood has provided a slightly higher median house price than the wider Blue Mountains Local Government Area (LGA) for the past 5 years, and an on par median unit price. This has continued in 2025[#], with median house and unit prices in the suburb and LGA both growing in the same direction and pace.

Most of the homes sold in the Blue Mountains* in 2024/25[#] were split somewhat evenly between the most affordable price bracket of less than \$849,999 (32.3%) and premium price point, of \$1.15M and above (28.9%). Strata properties had most sales (31.8%) in the most affordable and middle bracket of \$700,000 - \$799,999 (26.5%). This indicates there is a home for every budget in Blue Mountains*.



MARKET COMPARISON

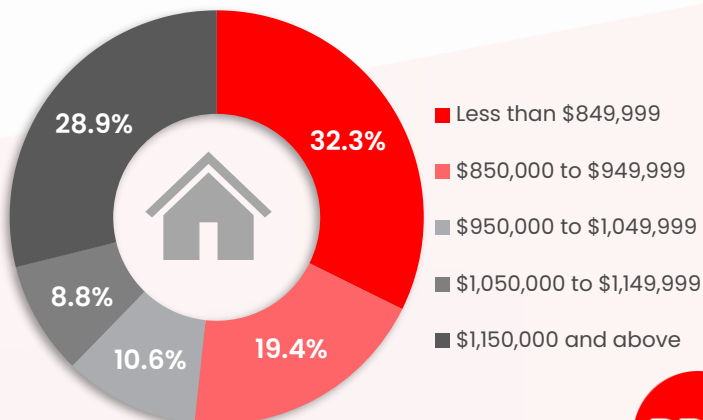


The market comparison graph provides a comparative trend for median price of houses and units over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Springwood.

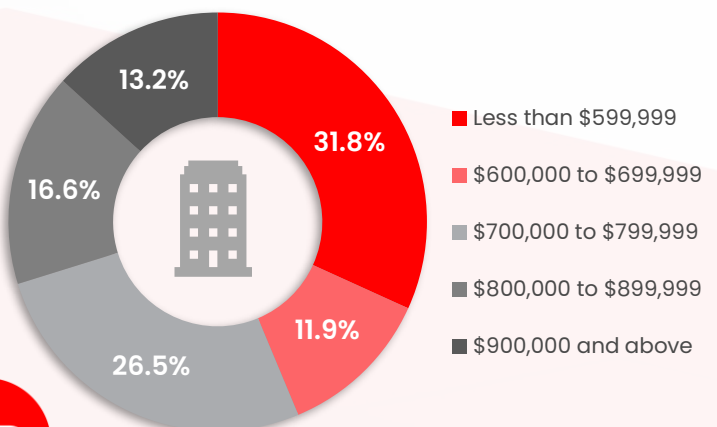


PRICE BREAKDOWN 2024/25[#]

HOUSES SOLD



STRATA PROPERTIES SOLD





RENTAL GROWTH 2025€

House rental yields in Springwood* was 3.0% as of June 2025, slightly above the Blue Mountains LGA (2.9%) and the Sydney Metro (2.7%). Further, median house rental price increased by 6.6% in the past 12 months to Q2 2025, at \$650 per week. In the same time the number of houses rented decreased, by -15.0% (to 193 houses) in Q2 2025; indicating an undersupply. There is a highly demanded house rental market in Blue Mountains*, which is beneficial to investors.

3-bedroom houses have provided investors with +8.3% rental growth annually, achieving a median rent of \$650 per week.

Blue Mountains* recorded a vacancy rate of 0.4% in June 2025, well below the Blue Mountains LGA average of 1.0% and Sydney Metro's 1.6%. Vacancy rates have fluctuated on a month-by-month basis in the past 12 months, but overall remained steady, indicating the rental market have remained tight. Further, a 0.4% vacancy rate is well below the Real Estate Institution of Australia's healthy benchmark of 3.0%, indicating quicker occupancy of rental properties in Springwood*. This is conducive for investors, even with a higher sale/entry price in Q2 2025.



2 BEDROOMS

+7.6%



3 BEDROOMS

+8.3%

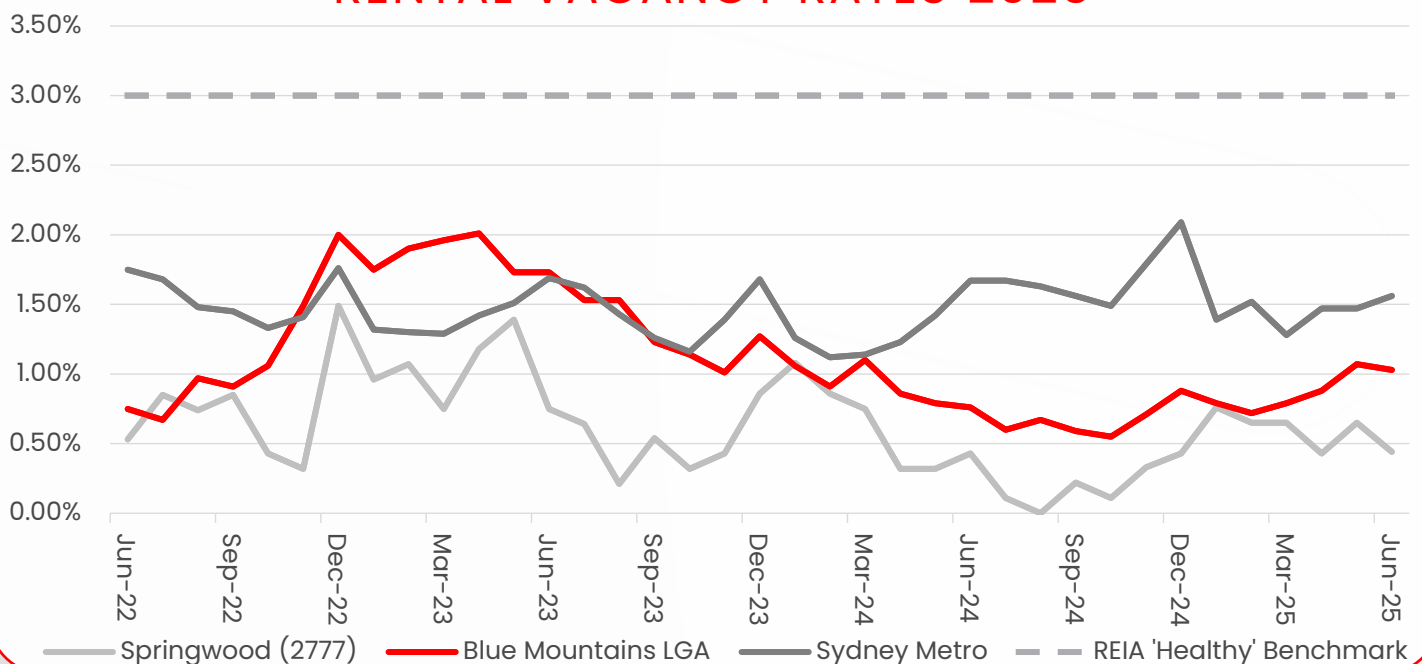


4+ BEDROOMS

+6.1%



RENTAL VACANCY RATES 2025



RENTAL YIELD 2025§



3.0%

Springwood
(2777)*



2.9%

Blue
Mountains
LGA



2.7%

Sydney
Metro



3.3%

Springwood
(2777)*



4.5%

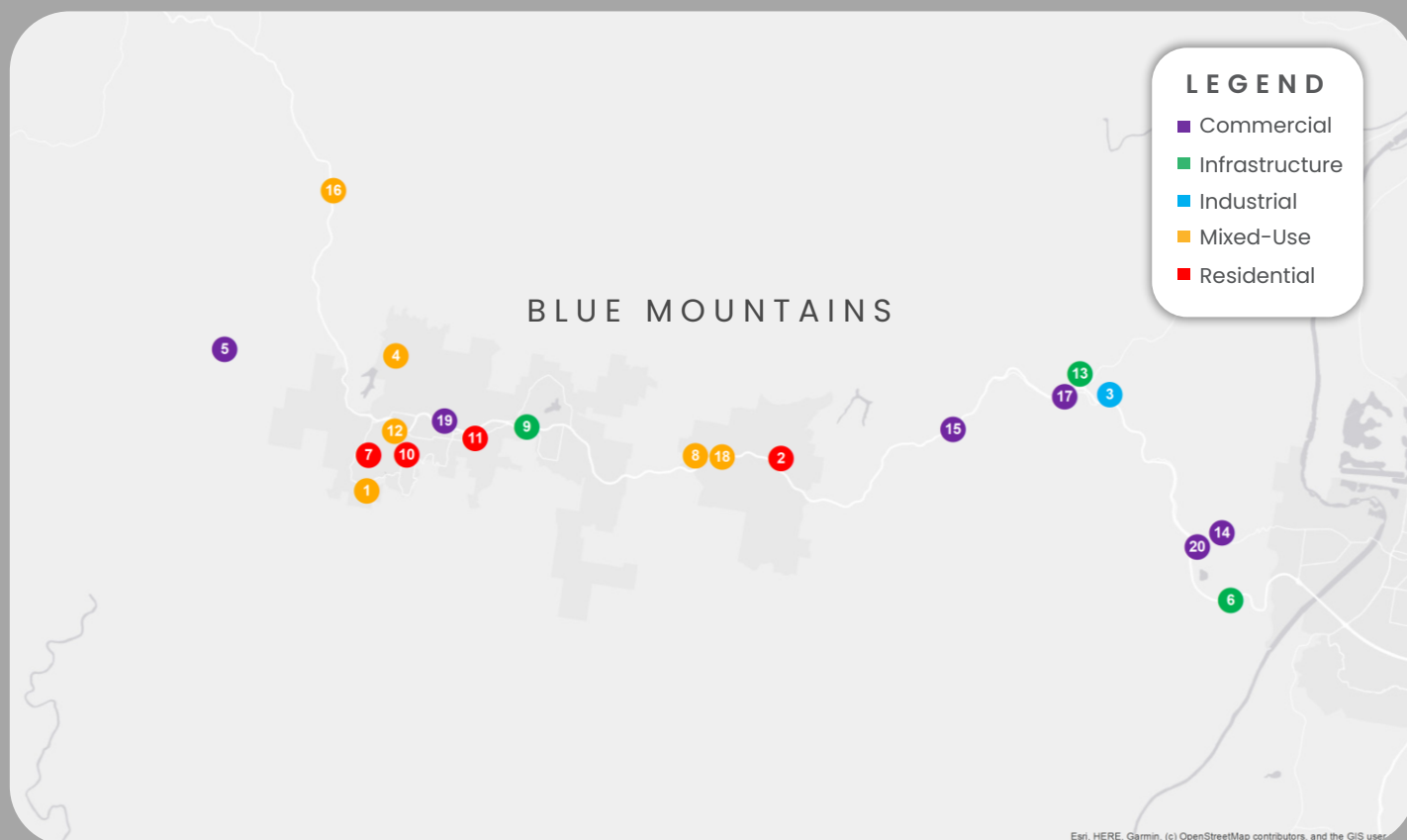
Blue
Mountains
LGA



4.3%

Sydney
Metro

PROJECT DEVELOPMENT MAP 2025^A



#	Project ^E	Type	Estimated Value ^H	Commence Date ^W
1	Katoomba Christian Convention Stages 1-3 (Place of Worship/Café/Shop)	Mixed Use	\$63,590,000	16/01/2025
2	11 Glendarrah Street Units (12 Units)	Residential	\$8,949,035	16/03/2025
3	7-15 Tayler Road Industrial Units	Industrial	\$4,779,500	12/12/2025
4	Rspca Nsw Katoomba Mixed Use Development Alterations & Additions (8 Industrial Units/13 Storage Units)	Mixed Use	\$4,400,000	29/05/2025
5	3-7 Peach Tree Road Cabins Alterations & Additions	Commercial	\$3,717,397	1/12/2025
6	Raaf Glenbrook Infrastructure Replacement (Federal Government)	Infrastructure	\$2,500,000	20/05/2025
7	21 Stuarts Road Residential Subdivision (48 Residential Lots)	Residential	\$2,400,000	8/05/2025
8	287-289 Great Western Highway Retail & Offices (Retail/Offices)	Mixed Use	\$2,258,000	6/10/2025
9	Sinclair Crescent Carpark (Local Government)	Infrastructure	\$2,084,416	10/01/2025
10	54 Waratah Street Units (6 Units)	Residential	\$1,876,446	24/10/2025
11	6 Blackheath Street Units (6 Units)	Residential	\$1,855,000	3/02/2025
12	103 Katoomba Street Restaurant & Cafe Fit Out (Restaurant/Café)	Mixed Use	\$1,727,279	28/02/2025
13	Lomatia Park Springwood Clubhouse & Shed (Local Government)	Infrastructure	\$1,573,343	27/09/2025
14	4 Antill Street Senior Housing Units	Commercial	\$1,565,300	8/07/2025
15	731-733 Great Western Highway Supermarket Additions	Commercial	\$1,500,000	18/09/2025
16	28 Govetts Leap Road Commercial Building Redevelopment (Restaurant/Café/Shops/Offices)	Mixed Use	\$1,375,000	6/06/2025
17	220 Macquarie Street Springwood Royal Hotel Additions	Commercial	\$1,350,000	10/10/2025
18	1-7 Honour Avenue Shop Top Housing Alterations & Additions (3 Units/Retail)	Mixed Use	\$1,307,000	17/10/2025
19	Wellness Retreat	Commercial	\$1,300,000	26/05/2025
20	115 Great Western Highway Seniors Housing Units	Commercial	\$1,197,897	19/12/2025



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- Geographic information mapping
- Project analysis including product and pricing recommendations
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REFERENCES

* Blue Mountains sales market data and key indicators encapsulates aggregate property market conditions within the suburbs of Blue Mountains Local Government Area (LGA).

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

2024/25 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.

¥ Springwood rental market data encapsulates aggregate property conditions within the postcode of 2777.

§ 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 Blue Mountains 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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