

Blue Mountains Market Update

1st Half 2026



OVERVIEW

In Q4 2025, Blue Mountains* had a median house price of \$1,052,000 and a median unit price of \$795,000. This represents an annual (Q4 2024 – Q4 2025) median price growth of 13.7% for houses and 10.4% for units. Comparing Q4 2024 – Q4 2025, sales increased by 13.5% for houses (to 388 sales in Q4 2025), and by 65.2% for units (to 38 sales in Q4 2025). Median prices have increased in the Blue Mountains*, despite increased sales (more supply). This indicates a resilient and highly demanded market. This suggests that now is an ideal time for owners to capitalise on their investment, especially with very little new stock planned in 2026.

CHANGE FROM LAST YEAR HALF YEAR



	YEAR	HALF YEAR
HOUSE SALES	↑	↑
HOUSE MEDIAN PRICE	↑	↑
HOUSE RENTAL PRICE	↑	↑

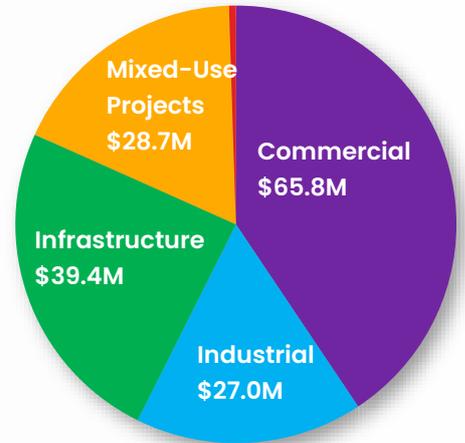


UNIT SALES	↑	↑
UNIT MEDIAN PRICE	↑	↓
UNIT RENTAL PRICE	↑	↑



FUTURE DEVELOPMENTS

Blue Mountains[£] will see approximately **\$161.8M of new projects commencing construction in 2026.**



Key residential/ mixed use projects that will provide supply include:

- 98 Railway Parade (3 townhouses)
- 5-7 Camp Street Mixed Project (4 Dwellings)
- 3 Euroka Road Mixed Use Development (2 Units)

There is a minimal amount of new stock planned for Blue Mountains* in 2026. However compared to Q4 2025 sales of 388 houses and 38 units, this will not be enough.

With a low number of stand-alone houses planned, an undersupply is set to continue. This will push up prices even further, for all stock types. Thus, buyers must act fast.



2 Units/
Apartments



3
Townhouses



4
Dwellings



MARKET CONDITIONS

MEDIAN PRICE
Q4 2025



\$1.05M



\$795K

SALES

AVERAGE DAYS
ON MARKET Q4 2025



42
HOUSE



72
UNIT

RENTALS

MEDIAN PRICE
Q4 2025



\$720



\$530

AVERAGE DAYS
ON MARKET Q4 2025



21
HOUSE



25
UNIT



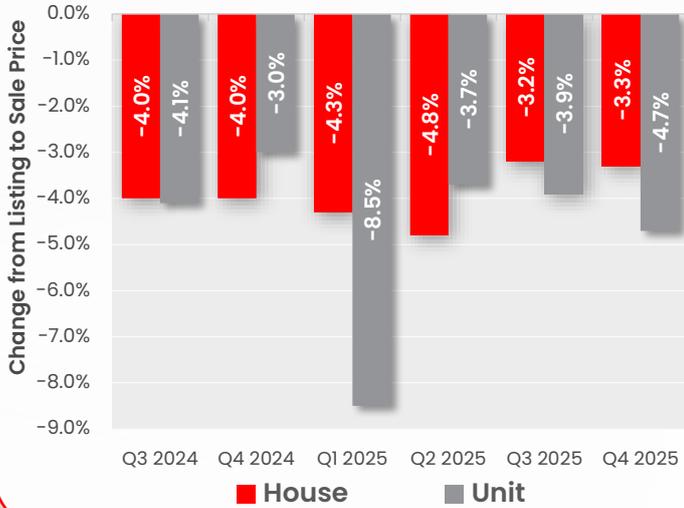
AVERAGE VENDOR DISCOUNT*

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.

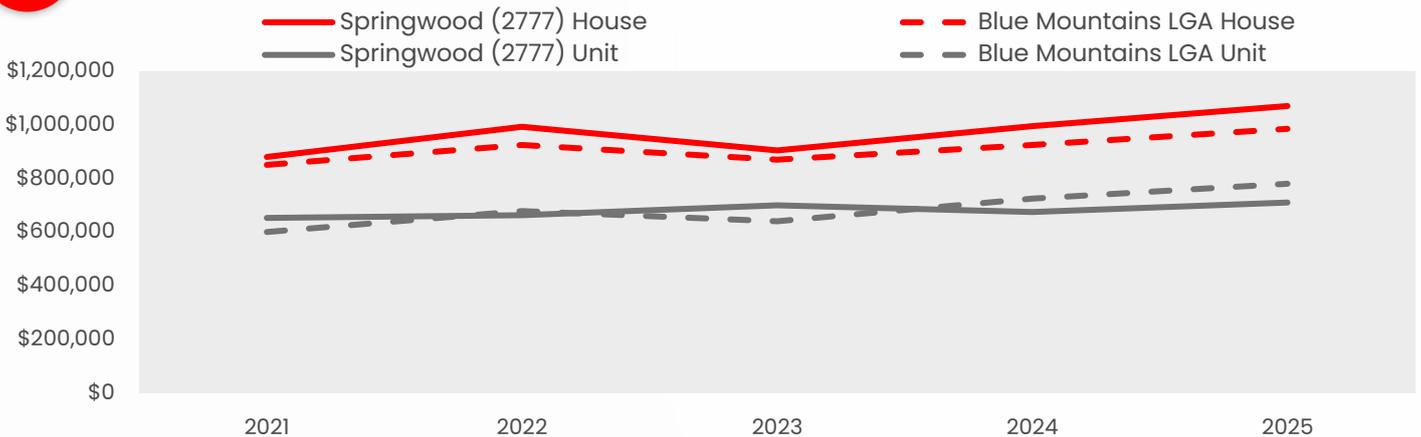
Average vendor discounts between Q4 2024 and Q4 2025 have tightened to -3.3% for houses but widened to -4.7% for units. Market conditions in Blue Mountains* still favour buyers, with sellers willing to accept below the first list price. That said, Q3 and Q4 2025 recorded the tightest average discounts, signalling a shift towards a seller's market. Thus, buyers must act quickly to take advantage.

The suburb of Springwood (2777) has trended slightly above the wider Blue Mountains Local Government Area (LGA) in median house prices over the past 5 years, which is still evident in 2025. Unit prices have trended on par, but in 2025 saw a slight dip. This creates a more affordable opportunity for first home buyers in Springwood.

Most homes sold in Blue Mountains* in 2025 were in the premium price bracket, of \$1.05M and above (45.9%). That said, other house sales were distributed in the middle and more affordable price brackets, giving first-time buyers an opportunity. Similarly, 47.9% of unit sales were in the premium price point of \$800,000 and above, with 31.0% in the most affordable price point of less than \$649,999. There is a home for all budgets in Blue Mountains*.



MARKET COMPARISON

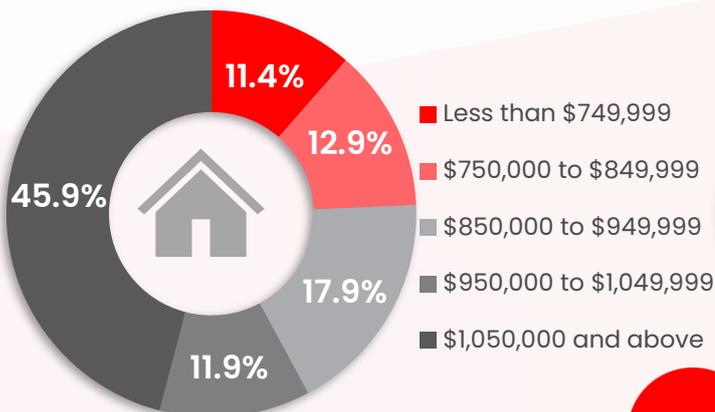


The market comparison graph provides a comparative trend for median price of houses and units over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Blue Mountains.

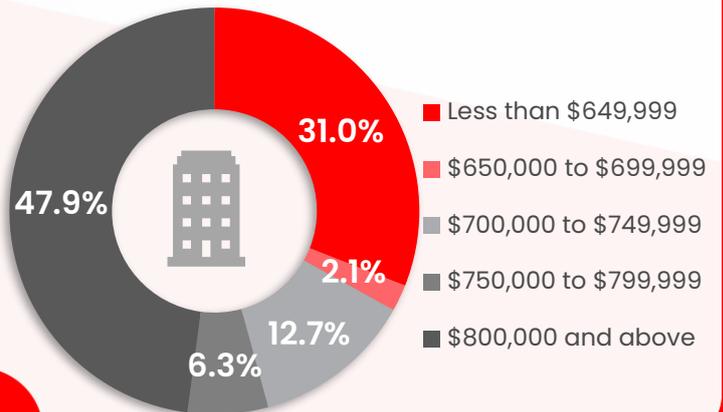


PRICE BREAKDOWN 2025

HOUSES SOLD



UNITS SOLD





RENTAL GROWTH 2025€

House rental yields in Springwood (2777)* was 3.3% as of December 2025, above the Blue Mountains LGA (2.9%) and higher than Sydney Metro (2.6%). Further, median house rental price increased by 5.9% in the past 12 months to Q4 2025, at \$720 per week. During this time, the number of houses rented increased, by 18.5% (to 32 houses in Q4 2025). This indicates a highly demanded house rental market in Blue Mountains*, which is beneficial to investors.

4+ bedroom houses have provided investors with +9.3% rental growth annually, achieving a median rent of \$820 per week.

Springwood (2777)* recorded a low vacancy rate of 0.6% in December 2025, below the Blue Mountains LGA average of 1.2% and Sydney Metro's 1.8%. Vacancy rates have decreased in the past 12 months, indicating an even tighter rental market. Furthermore, a 0.6% vacancy rate is significantly below the Real Estate Institution of Australia's healthy benchmark of 3.0%. This suggests a quicker occupancy of rental homes in Springwood (2777)*. There is a conducive and sustainable environment for investors, even with a higher entry price in Q4 2025.

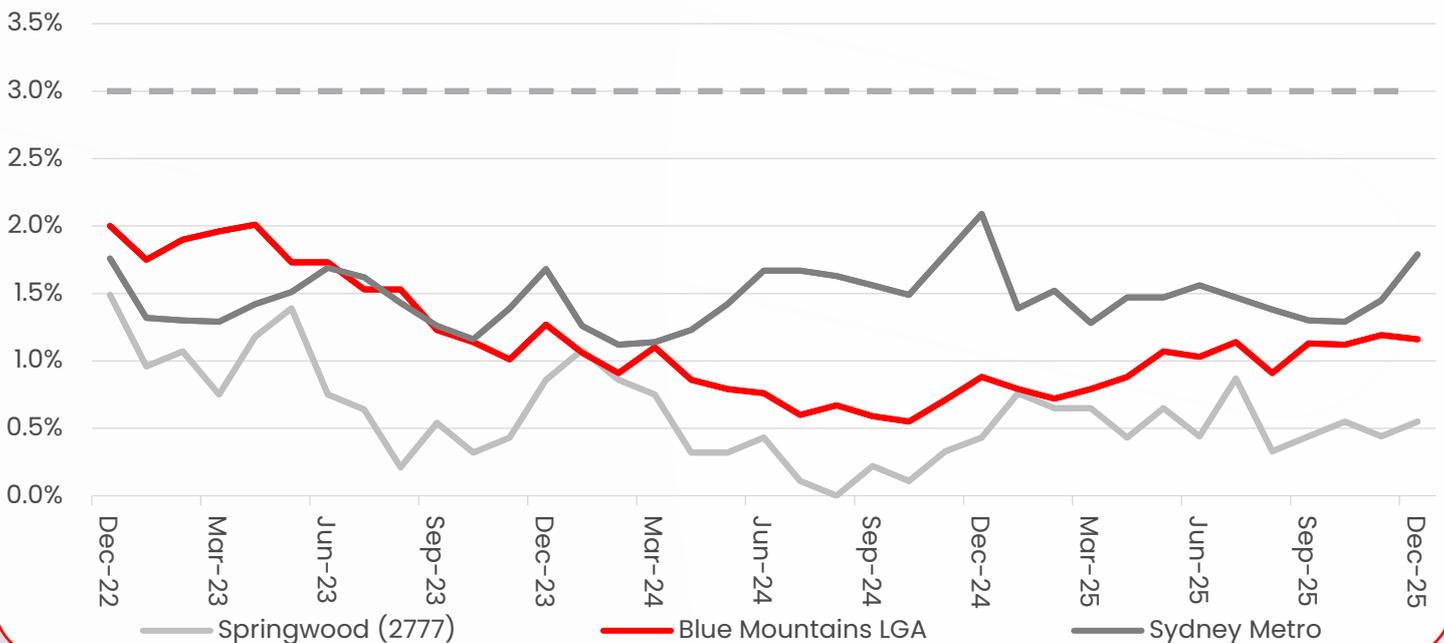
2 BEDROOMS
+7.4%

3 BEDROOMS
+3.1%

4+ BEDROOMS
+9.3%



RENTAL VACANCY RATES 2025



RENTAL YIELD 2025§



3.3%

Springwood (2777)*



2.9%

Blue Mountains LGA



2.6%

Sydney Metro



3.4%

Springwood (2777)*



3.7%

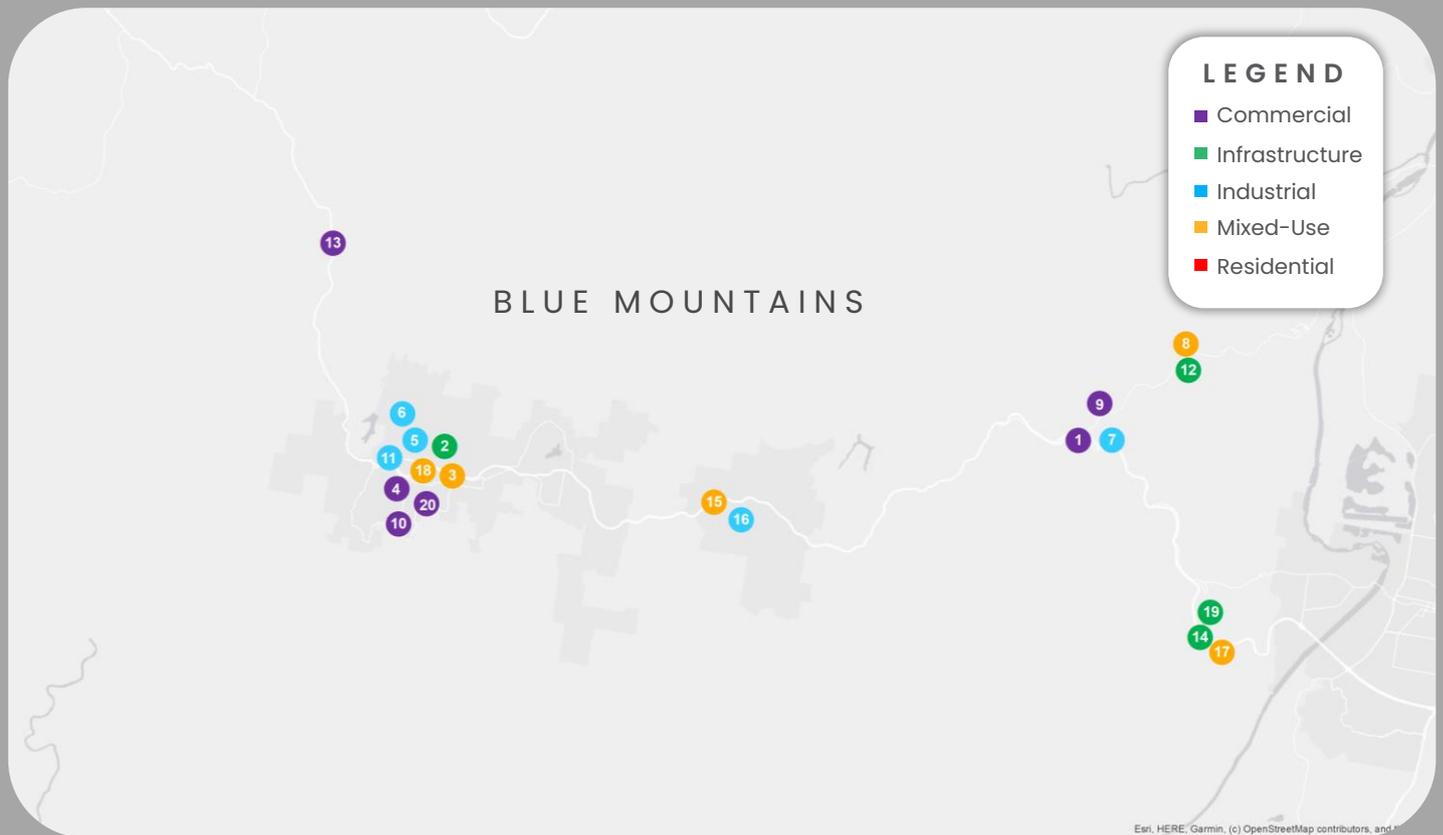
Blue Mountains LGA



4.2%

Sydney Metro

PROJECT DEVELOPMENT MAP 2026^A



#	Project [£]	Type	Estimated Value [¥]	Commence Date ^ψ
1	Woolworths Springwood Supermarket	Commercial	\$33,471,000	6/11/2026
2	Blue Mountains Hospital Redevelopment (State Government)	Infrastructure	\$25,000,000	16/02/2026
3	117-129 Leura Mall Hotel Mixed Use Development (Hotel/ Restaurant)	Mixed-Use	\$19,249,825	4/12/2026
4	Hotel Mountain Heritage Katoomba Hotel Alterations & Additions	Commercial	\$17,681,304	2/10/2026
5	23-37 Barton Street Industrial Units & Self Storage Facilities	Industrial	\$11,595,034	21/08/2026
6	24-26 Mistral Street Light Industrial Units & Gymnasium	Industrial	\$6,098,235	12/08/2026
7	7-15 Tayler Road Industrial Units	Industrial	\$4,779,500	12/03/2026
8	60 White Cross Road Mixed Use Development (Child Care Centre and Café)	Mixed-Use	\$3,900,525	26/02/2026
9	39 Hawkesbury Road Independent Living Units Additions - Buckland Hospital	Commercial	\$3,853,754	26/08/2026
10	Boheme Hotel Katoomba Conversion	Commercial	\$3,000,000	7/10/2026
11	12-14 Cooper Street Industrial Units	Industrial	\$2,686,784	23/10/2026
12	Yellow Rock & Winmalee Pathway (Local Government)	Infrastructure	\$2,600,000	4/03/2026
13	211 & 211a Great Western Highway Service Station & Supermarket Alterations & Additions	Commercial	\$2,538,800	29/09/2026
14	RAAF Glenbrook Infrastructure Replacement (Federal Government)	Infrastructure	\$2,500,000	20/02/2026
15	287-289 Great Western Highway Mixed Use Development (Retail/ Offices)	Mixed-Use	\$2,258,000	6/10/2026
16	30-34 Flinders Street Warehouse Units	Industrial	\$1,873,181	27/05/2026
17	3 Euroka Road Mixed Use Development (2 Units/ Offices/ Retail)	Mixed-Use	\$1,752,202	13/03/2026
18	5-7 Camp Street Mixed Use Development (4 Dwellings/ Church)	Mixed-Use	\$1,585,675	21/10/2026
19	Blue Mountains City Council Active Transport Links (Local Government)	Infrastructure	\$1,500,000	13/04/2026
20	The Clarendon Motel Katoomba Alterations & Additions	Commercial	\$1,367,300	28/07/2026

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RESEARCH SERVICES

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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.

2025 encapsulates sales transactions for the 2025 full year (01/01/2025 – 31/12/2025).

€ Annual rental growth is a comparison between Q4 2024 (01/10/2024 – 31/12/2024) and Q4 2025 (01/10/2025 – 31/12/2025) house median rent figures.

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

§ Rental yields shown are as reported as of December 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 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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