PRD. REAL ESTATE

# Derwent Valley Market Update

## 2nd Half 2026

## OVERVIEW

In Q2 2026, Derwent Valley* recorded a median house price of $600,000, and a median land price of $190,000. This is an annual (Q2 2025 – Q2 2026) median price growth of 25.0% for houses and by 1.1% for vacant land. Between Q2 2025 – Q2 2026 house sales declined, by -2.0% (to 49 for houses in Q2 2026) and by -30.0% for land sales (to 14 sales in Q2 2026). The house and land market is undersupplied, which has created a buffer against multiple cash rate hikes in 2026. This suggests a continuing opportunity for homeowners to capitalise on their investments. There is a new supply of units/apartments commencing construction between 2025-2027, which will assist buyers and increase the options available.

| CHANGE FROM LAST | YEAR | HALF YEAR |
|---|---|---|
| HOUSE SALES | ↓ | ↑ |
| HOUSE MEDIAN PRICE | ↑ | ↑ |
| HOUSE RENTAL PRICE | ↑ | ↑ |
| LAND SALES | ↓ | ↓ |
| LAND MEDIAN PRICE | ↑ | ↑ |

## MARKET CONDITIONS

### SALES

MEDIAN PRICE Q2 2026

$600K (house) $190K (land)

AVERAGE DAYS ON MARKET Q2 2026

47 HOUSE

134 LAND

### RENTALS

MEDIAN PRICE Q2 2026

$550 (house) $465 (unit)

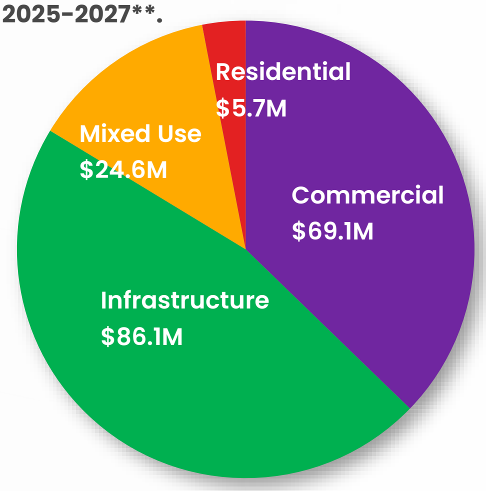
AVERAGE DAYS ON MARKET Q2 2026

21 HOUSE

9 UNIT

## FUTURE DEVELOPMENTS

Derwent Valley£ will see approximately **$185.5M of new developments due to commence construction between 2025-2027**.**




The significant influx of infrastructure and commercial developments in Derwent Valley£ between 2025 and 2027 will stimulate economic growth and improve liveability for the current residents. This can invite more people to call Derwent Valley£ home, which will increase demand for housing.

There are some residential projects due to commence construction in 2025 and 2027. These include:

- 5 Poulters Road Units (9 Units)
- 11 Oak dale Road New Norfolk – (6 Residential Lots)
- 8 Station Street Units (7 Units)
- 6 Fowler Court Units (4 Units)

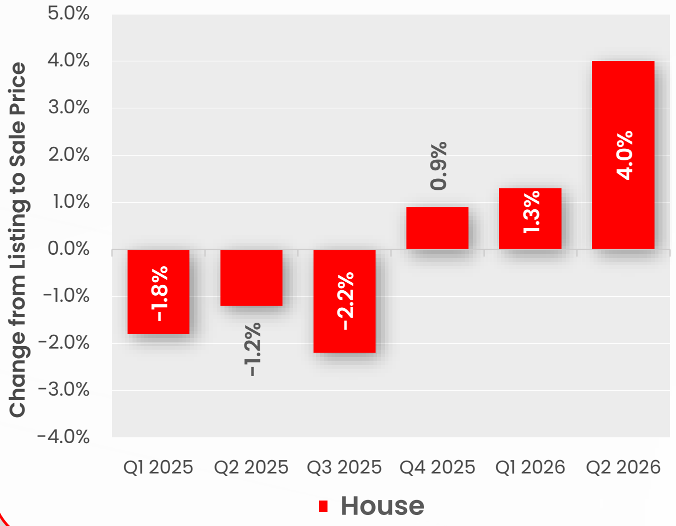
The incoming supply of new stock will assist in answering the undersupply seen across the market in Q2 2026. However, without any new houses in the pipeline it is still not enough. Thus, higher house prices is highly likely.

24 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.

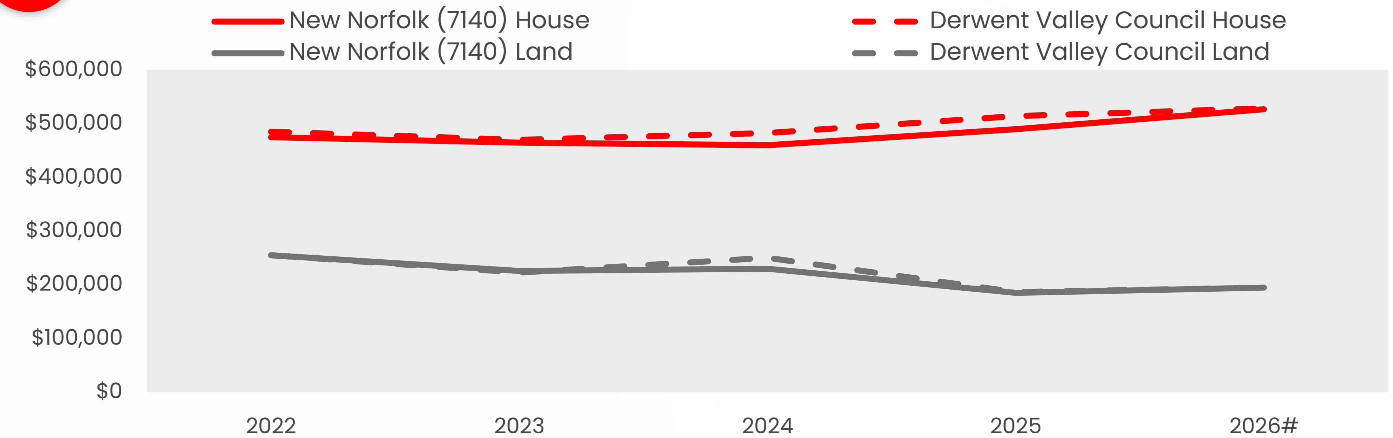



In the past 12 months to Q2 2026 average vendor discount for house have swung from a discount of -1.2% to a premium of -4.0%. Market conditions in Derwent Valley* now favours owners, where buyers must offer above the first listed prices. With the current undersupply in the market premiums are expected to remain. Buyers should act fast before they rise.

The suburb of New Norfolk has historically tracked on par with the wider Derwent Valley Local Government Area (LGA) for median house and land prices for the past 5 years. This trend has continued through the start of 2026#, with median prices in the suburb and LGA tracking along the same trajectory and pace of growth.

Most of the houses sold in Derwent Valley* in 2026# were in the middle price bracket of $550,000 to $649,999 (30.7%) and the more affordable price bracket of $450,000 to $549,999 (29.7%). Most of the vacant land sold (75.0%) were in the upper and premium markets, of $190,000 and above. This makes it expensive for those wishing to build. That said, there are sales in all the other price brackets for houses. Overall, this suggests that Derwent Valley* has a home for all budgets, making it an ideal market for different buyers.

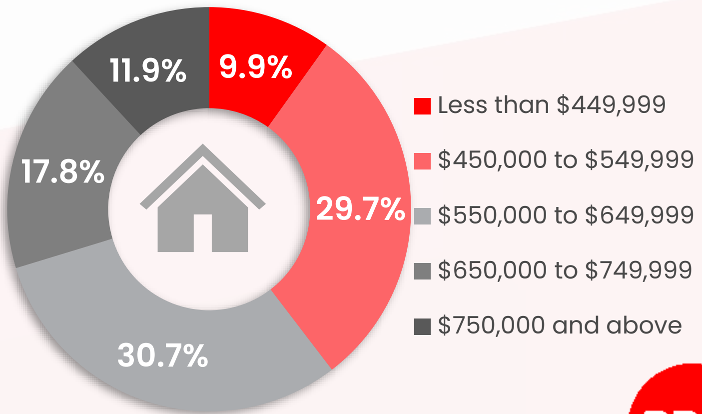
# MARKET COMPARISON



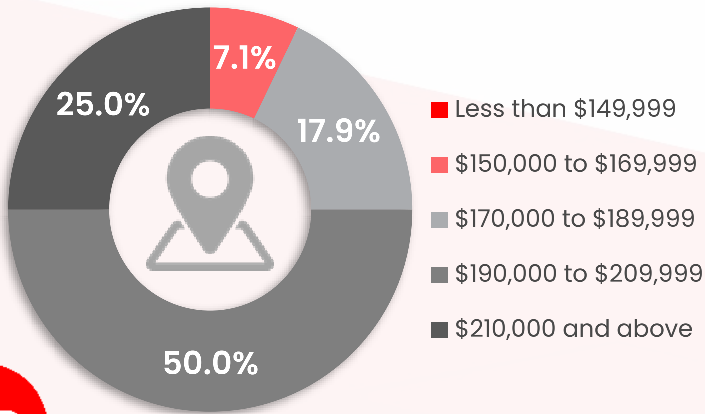

The market comparison graph provides a comparative trend for the median price of houses and unit in the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is New Norfolk.

# PRICE BREAKDOWN 2026#

## HOUSES SOLD




## VACANT LAND SOLD



## RENTAL GROWTH 2026€

House rental yields in New Norfolk¥ was 4.8% in June 2026, higher than Derwent Valley Council (4.1%) and Hobart Metro (3.5%). This was paired with a 20.9% increase in median house rental price in the past 12 months to Q2 2026, at $550 per week. The number of houses rented also increased, by 41.4% in the past 12 months, to 41 rentals in Q2 2026. The rental market in New Norfolk¥ is in high demand. This benefits current investors, as well as new investors who looking for a more affordable option to Hobart Metro.

4+ bedroom houses have provided investors with +20.0% rental growth annually, achieving a median rent of $600 per week.

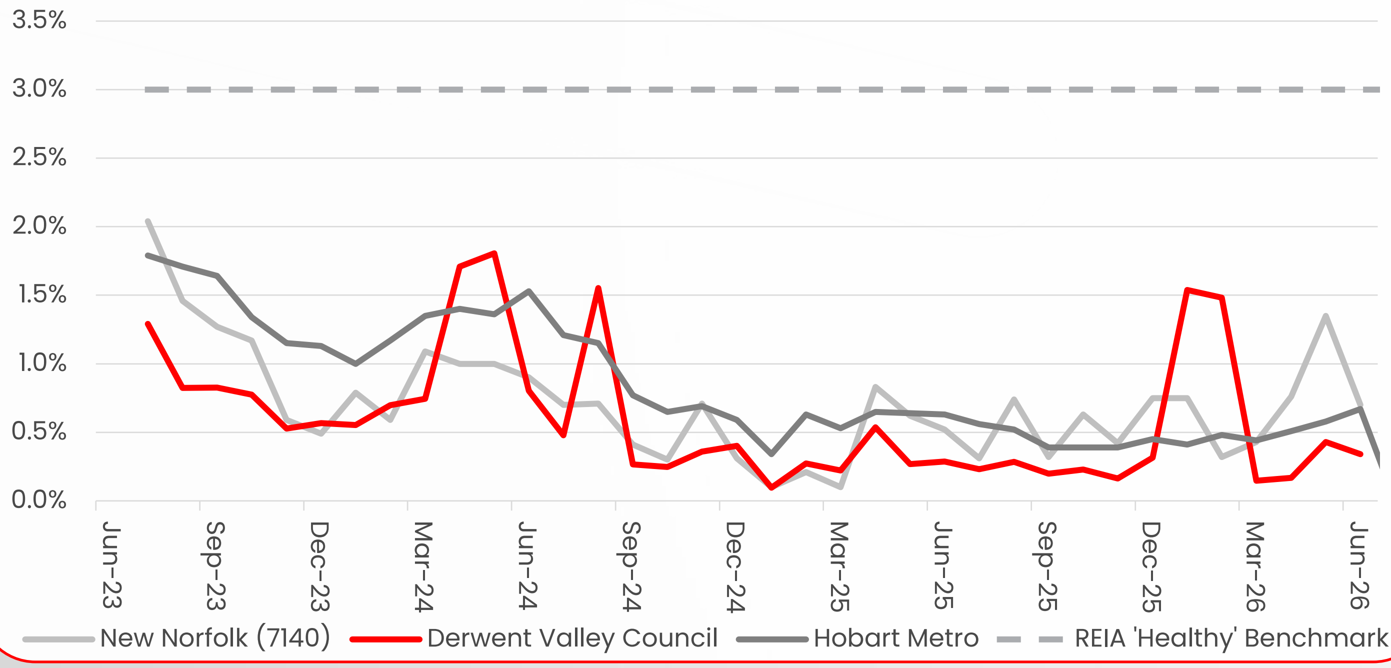
New Norfolk¥ recorded a vacancy rate of 0.7% in June 2026, which is higher than Derwent Valley LGA 0.3% and on par with Hobart Metro 07%. Vacancy rates have fluctuated in the past 12 months but overall declined slightly. This indicates a tighter rental market. Further, a 0.7% vacancy rate is significantly below the Real Estate Institute of Australia's benchmark of 3.0%, indicating quicker occupancy of rental homes in New Norfolk¥. This conducive for investors, even with higher median house sales price (thus, entry price) in the past 12 months to Q2 2026.

2 BEDROOMS **+14.9%**

3 BEDROOMS **+15.5%**

4 BEDROOMS **+20.0%**

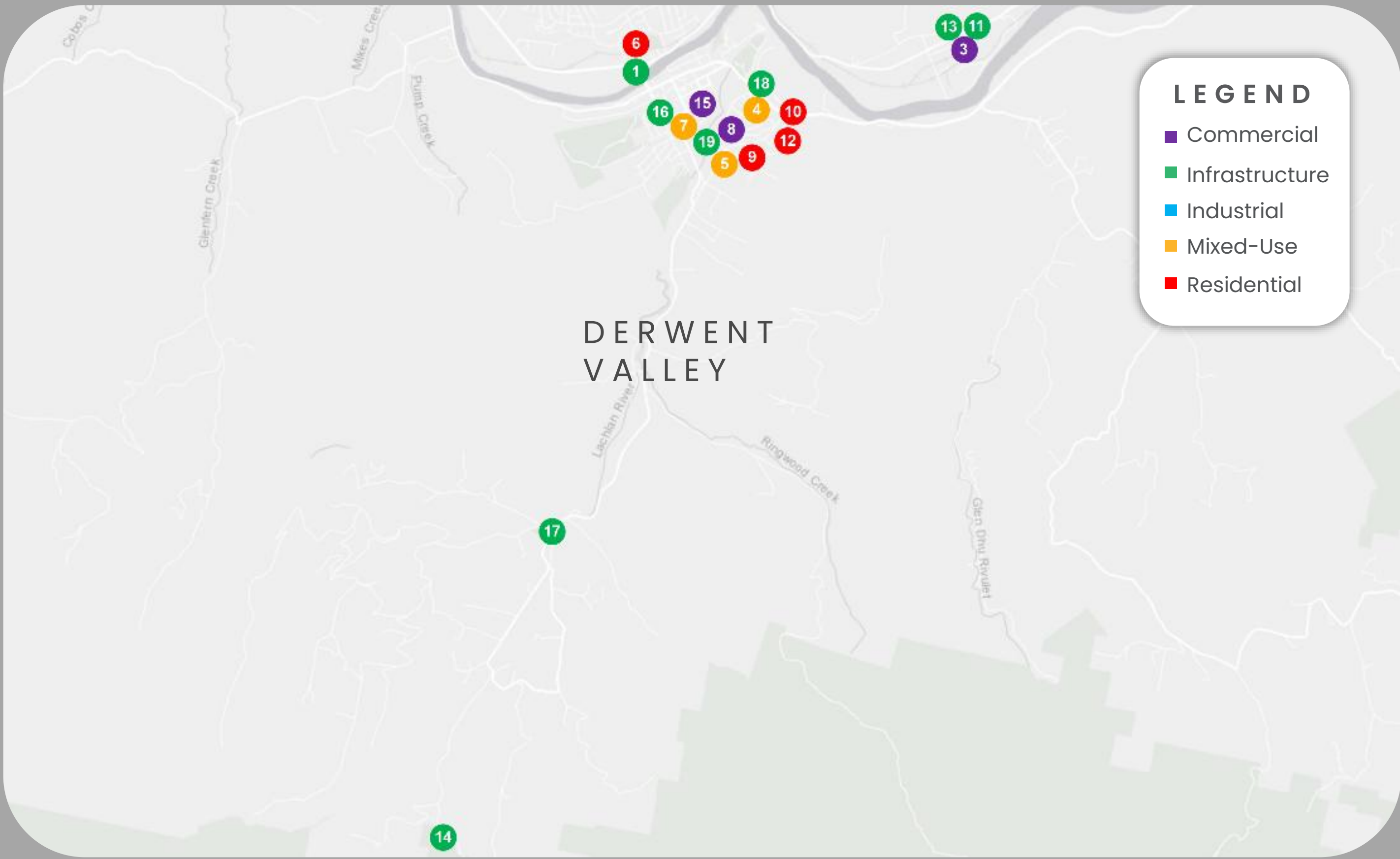
## RENTAL VACANCY RATES 2026




## RENTAL YIELD 2026§

| 4.8% | 4.1% | 3.5% | 4.4% | 5.1% | 5.6% |
| --- | --- | --- | --- | --- | --- |
| New Norfolk (7140)¥ | Derwent Valley Council | Hobart Metro | New Norfolk (7140)¥ | Derwent Valley Council | Hobart Metro |

# PROJECT DEVELOPMENT MAP 2025-2027₳




| # | Project£ | Type | Estimated Valueµ | Commence Dateψ |
|---|---|---|---|---|
| 1 | Lyell Highway - Granton To New Norfolk Upgrade (State Government) | Infrastructure | $80,000,000 | 1/06/2027 |
| 2 | Bronte-brady Mini Hydro Project (not mapped) | Commercial | $50,000,000 | 11/09/2027 |
| 3 | Southern Organic Waste Processing Facility | Commercial | $16,000,000 | 9/03/2027 |
| 4 | The Mills Estate New Norfolk Mixed Use Development Stages 1a & 1b & 2-6 (185 Retirement Units/Clubhouse/Café) | Mixed Use | $15,000,000 | 7/12/2026 |
| 5 | The Mills New Norfolk Cabins & Restaurant (30 Cabins/Restaurant) | Mixed Use | $8,000,000 | 9/04/2027 |
| 6 | 8 Station Street Units (7 Units) | Residential | $1,750,000 | 7/04/2027 |
| 7 | 3 & 5 The Avenue Mixed Use Development New Norfolk (Visitor Accomodation/Function/Restaurant/2 Retail Tenancies/Bar) | Mixed Use | $1,500,000 | 28/12/2025 |
| 8 | 36 The Avenue & Ring Road Self Storage Buildings | Commercial | $1,500,000 | 28/10/2025 |
| 9 | 5 Poulters Road Units (9 Units) | Residential | $1,350,000 | 7/04/2026 |
| 10 | 5 & 5a Hobart Road Units (4 Units) | Residential | $1,300,000 | 11/03/2027 |
| 11 | Boyer Road Rock Armour Revetment (State Government) | Infrastructure | $1,047,589 | 15/06/2026 |
| 12 | 6 Fowler Court Units (4 Units) | Residential | $1,000,000 | 28/10/2025 |
| 13 | Boyer Mill Track & Coal Shed (State Government) | Infrastructure | $1,000,000 | 27/10/2025 |
| 14 | Timbs Road Bridge Replacement (Local Government) | Infrastructure | $900,000 | 15/09/2025 |
| 15 | Woolworths New Norfolk Supermarket Extension | Commercial | $900,000 | 28/07/2025 |
| 16 | Blair Street Roadworks Rehabilitation (Local Government) | Infrastructure | $800,000 | 19/01/2026 |
| 17 | Derwent Valley Council Roadworks Rehabilitation Programâ 2025-2026 (Local Government) | Infrastructure | $800,000 | 19/01/2026 |
| 18 | Tynwald Park Sporting Lights Upgrade (Local Government) | Infrastructure | $800,000 | 12/01/2026 |
| 19 | Willow Court Subdivision Civil Works (Local Government) | Infrastructure | $800,000 | 1/12/2025 |
| 20 | 38 Junee Road Cabins Stages 1-3 (not mapped) | Commercial | $600,000 | 4/11/2025 |

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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

Access to accurate and objective research is the foundation of all good property decisions.

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Our research team is made up of highly qualified researchers who focus solely on property 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.

# 2026 encapsulates sales transactions for 2026 only (01/01/2026 – 30/06/2026).

€ Annual rental growth is a comparison between Q2 2025 (01/04/2025 – 30/06/2025) and Q2 2026 (01/04/2026 – 30/06/2026) house median rent figures.

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

§ Rental yields and vacancy rates shown are as reported as of June 2026.

₳ 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 Pricefinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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