



Rural Property Update

Q3 2024 Edition

About the Research

Elders rural property update draws on transactional data from every rural land sale in Australia. This data is supplied by Corelogic and analysed by Elders. Every effort is made to clean the data in order to provide an accurate account of price and volume movements.

Elders uses a range of analytical techniques to achieve robust and repeatable analysis. Our dataset is subject to the following criteria:

- Only transactions above 40 hectares (ha) are included, except for Tasmania where transactions above 30ha are included.
- Transactions which list a primary purpose that isn't classed as rural are excluded.
- Local government areas (LGA's) which fall within a metropolitan area are excluded from the analysis.
- Vast pastoral areas of Australia without sufficient transaction volume are excluded from the analysis.
- Outliers by price per hectare are excluded. This involves visual and statistical assessment of all \$/ha values for a region, and this is performed every quarter.

Several data fields are available in the Elders dataset, including median price per hectare, transaction volume, value, area, date of sale and land use. The quarterly update focuses on median price per hectare growth and transaction volume expressed both as a total and split by land size.

This data is not intended to be a valuation of any one property and is merely a method of tracking growth over time for a given dataset.

Definitions within the update include:

CAGR – refers to the compound average growth rate for a given period.

QoQ – quarter on quarter growth

Quarterly median – is the median (middle sale) for the data-set pertaining to the region analysed over a quarterly period

Annual median – is the median (middle sale) for the data-set pertaining to the region analysed over a one-year period

1-yr rolling median – is the median (middle sale) for that year which rolls by quarter ie. Q3 2023 1-yr rolling median vs Q4 2023 1yr rolling median will be the median (middle sale) between 1/10/22-30/09/23 vs the median (middle sale) between 1/01/23-30/12/23

Elders rural property market indicators

National rural property market indicator

Is the sum of each state rural property price indicator weighted by the number of sales for that state as a proportion of total sales since 2016.

State rural property market indicator

Is a sum of the weighted median for each region. The weighted regional median being the median for each region weighted by the number of sales for that region as a proportion of total sales in each state since 2016.

Due to low liquidity we have combined the Victorian and Tasmanian rural property markets and the Northern Territory and Queensland markets.

The information contained in this article is only general and while we have provided this information in good faith and based on what we believe are accurate sources, the information may not be complete or accurate for your purposes. The information provided does not take into account everyone's individual situation. General information should not be relied on instead of professional advice specifically directed to you and your circumstances. We are not responsible for any actions taken as a result of you relying on or in any way using information contained in this article and will not be liable for any damages resulting from your reliance on or use of this information.

Foreword

Welcome to 2024 Q3 Rural Property Update. The results for this quarter showed areas that experienced a decline in values in the first half of the year are reverting to the average annual growth rates. Most states experienced an increase in values except for South Australia where seasonal conditions have impacted values and the number of properties on the market. This is not surprising as vendors are reluctant to list property in abnormally dry conditions. Victorian and Tasmanian values have improved and there has been a lift in the volume of sales for this region, although still lower than normal.

An interesting aspect of the Victorian / Tasmanian and South Australian market is that volumes and values have been positively correlated. We have seen prices decline in these southern states as values have decreased, however, as volumes have risen, we've seen values increase in Victoria and Tasmania. This suggests that vendors and buyers hold similar views, and both are not willing to participate in the market while seasonal conditions are poor.

The bigger picture that is emerging from the data is that while property prices vary from quarter to quarter, they revert to the trend rate of price appreciation over the longer-term. This suggests that most buyers are optimistic about the prospects of long-term investments in Australian agriculture.

Looking ahead, the recent 0.25 per cent rate cut is encouraging but unlikely to have a material impact on property prices in the short term. The market will want to see a second cut to give it confidence we are in an easing cycle. It is likely to weaken the Australian dollar further against the US dollar which will make Australia more attractive for offshore buyers.

Seasonal conditions are likely to be the key driver of values in the first half of 2025. There is no indication of a substantial change in volumes of property on the market nationally, but I would expect Victoria to see high volumes continue, and once the seasonal conditions improve in South Australia, we are likely to see volumes lift there as well.

The Rural Property Update (RPU) is providing some valuable insights into the long-term trends in the market and key drivers of the movement in prices across the country.

Mark Barber

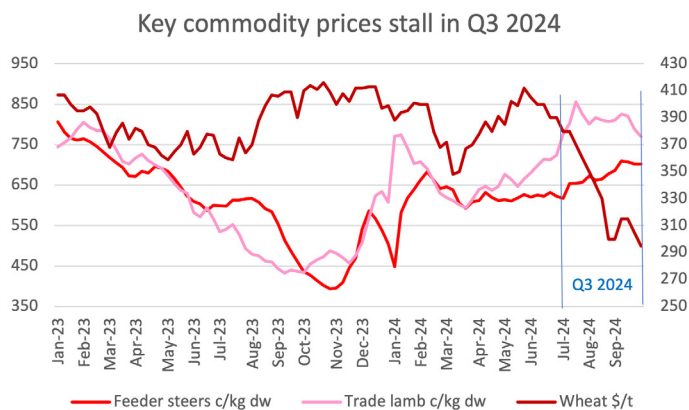
General Manager, Farmland Agency and Water



Rural Property Key Drivers Analysis

The key drivers of rural property values remained largely unchanged in Q3 2024 compared to Q2 2024. Improvements in some commodity markets were offset by ongoing higher financing and input costs (due to the weaker \$A), while seasonal conditions remain mixed. There was little impetus from the key drivers to force a lift rural property prices through Q3 2024.

Rural commodity prices remained largely flat to lower. Livestock values have improved throughout the year but were steady through Q3 2024. In contrast, cereal values have fallen due to competition from Black Sea supplies and cautious demand. Prices for oilseeds and pulses have performed better, offsetting the impact on farm profitability of lower cereal values. Similarly, wool and dairy prices remained relatively flat through Q3 2024.



Source: MLA & LSEG Workstation

Although global fertiliser values remained steady during Q3 2024, inputs costs for Australian farmers are creeping higher due to the weaker \$A which is increasing the landed cost of imported inputs such as fertiliser, chemicals and machinery.

Farmers terms of trade remain under pressure compared to earlier periods as flat commodity prices intersect with rising input and higher financing costs.

Seasonal conditions remain a drag on rural land values, particularly across the south-eastern states. Victoria, Tasmania and South Australian markets and to a lesser extent southern NSW and Western Australia were mostly affected as they record back-to-back years of below average rainfall through the southern wet season.

Despite the recent 0.25 per cent reduction in the local official cash rate, interest rates remain at elevated levels as the Reserve Bank of Australia very cautiously adjusts to lower domestic inflation, citing strong employment levels as being an ongoing threat to inflation. Higher debt servicing costs have contributed to a fall in farm incomes in recent years.

Overall, the outlook for rural property prices entering 2025 is at best mixed. Seasonal conditions remain uneven, commodity prices are well back from earlier highs and financing and other input costs remain elevated.

Results Snapshot

Price Snapshot Quarterly Indicator Q3 2024 to Q2 2024 (price per hectare)

	Median Price	Percentage Change
National	\$10,567/ha	+4%
QLD/NT	\$9,262/ha	+3%
NSW	\$10,065/ha	+3%
VIC/TAS	\$14,142/ha	+7%
SA	\$8,791/ha	-8%
WA	\$10,054/ha	+9%

Largest % increase

Western Australia +9% (compared to Q2 2024)

Most valuable

Victoria/Tasmania \$14,142/ha

Largest % decrease

South Australia -8% (compared to Q2 2024)

Results snapshot – Volume Quarterly Volume Q3 2024 to Q2 2024 (sales)

	Median Price	Percentage Change
National	1,336	-7%
QLD/NT	354	+10%
NSW	585	-6%
VIC/TAS	176	+20%
SA	118	-43%
WA	103	-27%

Largest % increase

Victoria/Tasmania +20% (compared to Q2 2024)

Most transactions

New South Wales 585

Largest % decrease

South Australia -43% (compared to Q2 2024)





Elders

Australia

The Australian rural property market recovered modestly during Q3 2024 on a weakening in volumes traded and a slump in overall trading activity. The lift in values pushed property prices back towards the long-term trend, just below record levels recorded at the end of 2023.

		QoQ (Q3 2024 vs Q2 2024)	YoY (Q3 2024 vs Q3 2023)
Indicator \$/ha	10,567	+4%	-1%
Transactions	1,336	-7%	-10%
Value traded \$billion (b)	2,537	-20%	-24%

QoQ=Quarter on Quarter
YoY = Year on Year

Prices were firm to higher across most states, highlighted by a recovery in the VIC/TAS market and in Western Australia. Prices in South Australia contracted by 8 per cent as the state suffered one of its lowest rainfall year’s on record.

The decline in sales volumes was consistent across the states where cropping is the significant enterprise – NSW, SA and WA. In VIC/TAS and QLD/NT where livestock is a significant enterprise, sales volumes rose.

The fall in sales volumes which started in early 2022 coincided with commencement of increases in the Reserve Bank of Australia’s (RBA) official cash rate.

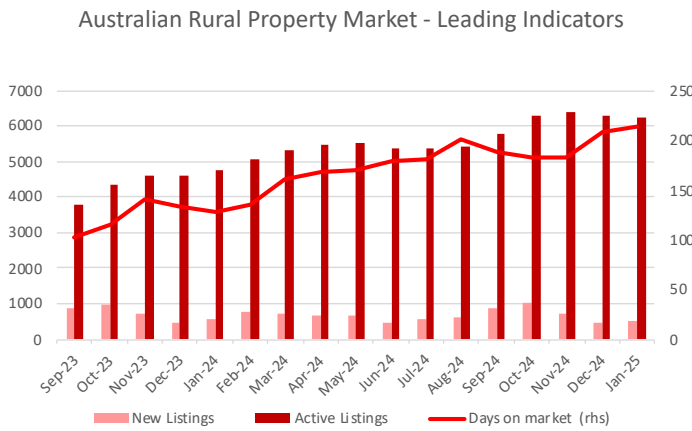
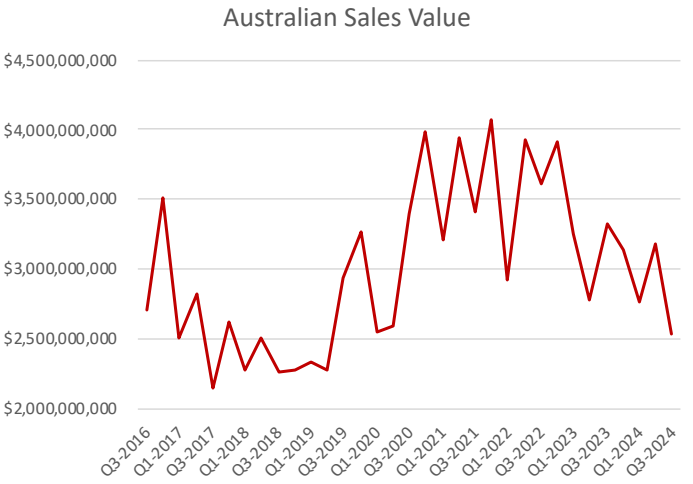
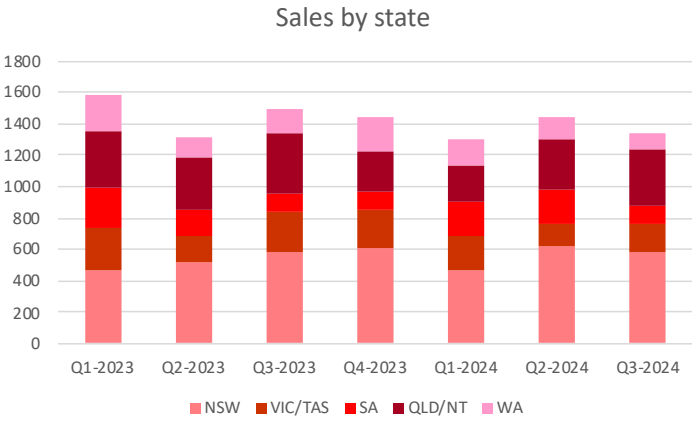
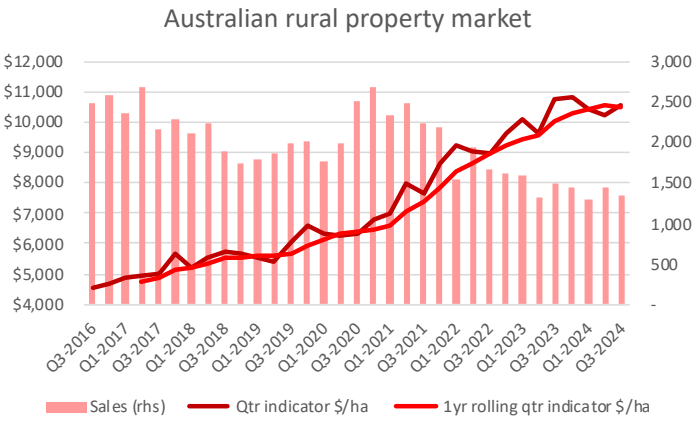
Leading Indicators

National listings indicators show that conditions in the Australian rural property market have worsened during the last quarter of 2024 and in early 2025 with average days on market continuing to increase and over double that of late 2023.

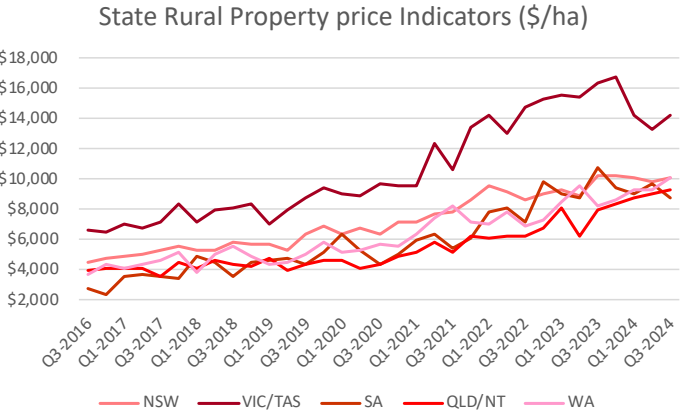
Some of the leading indicators suggested that the rural property market was turning around in Q3 2024, however, sentiment seems to have been affected by ongoing mixed seasonal conditions across most of southern Australia and the late start to the northern monsoon season.

Mixed seasonal conditions, the ongoing high cost of finance and increased operating costs which are impacting profit margins plus some tightening in rural lending standards have all contributed to a slowing rural property market.





Source: Powered by PropTrack



Queensland/ Northern Territory

The QLD/NT rural property market has continued its cautious recovery during the past quarter after falling sharply in Q3 2023 when cattle values retracted. Prices gained around 3 per cent for the quarter on a 10 per cent lift in sales. Sales volumes and activity remained below levels of a year earlier.

“The June to September quarter 2024 saw a decline in sales activity compared to the previous year with reduced supply of quality assets in the market coupled with a decline in buyer interest. Weak commodity markets are taking some energy out of the general market. Quality assets in sought after locations were still able to attract buyers. Poorly presented property, lower rainfall areas or heightened vendor expectations saw land overlooked with some of these assets still on the market.

The shift in activity and appetite from this low point to the current day has been notable across the Elders sales team and more positive sentiment has emerged. There is an increase of stock on the market, so buyers do have options available.”

Tim Lane, State Real Estate Manager, QLD/NT.

		QoQ (Q3 2024 vs Q2 2024)	YoY (Q3 2024 vs Q3 2023)
Indicator \$/ha	9,262	+3%	+16%
Transactions	354	+10%	-10%
Value traded \$million (m)	829	-1%	-17%

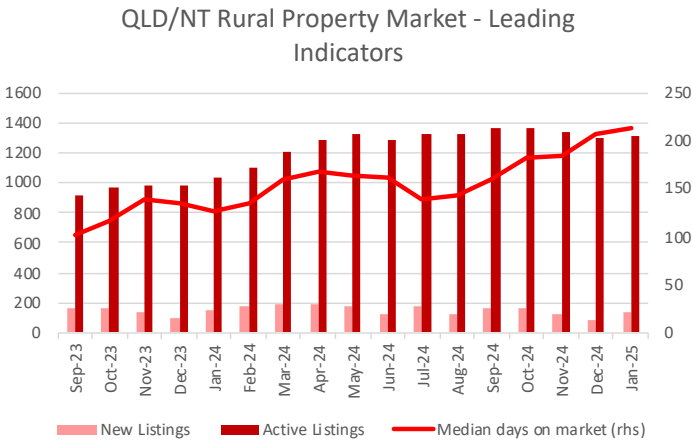
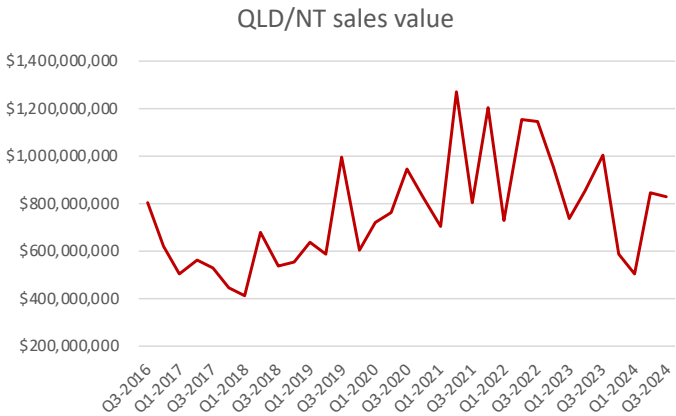
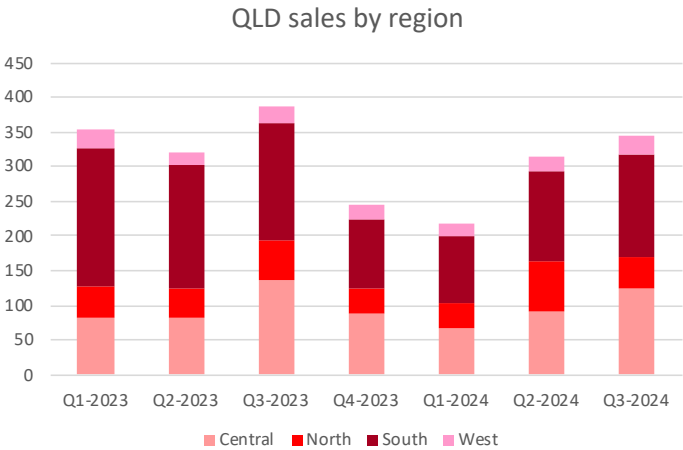
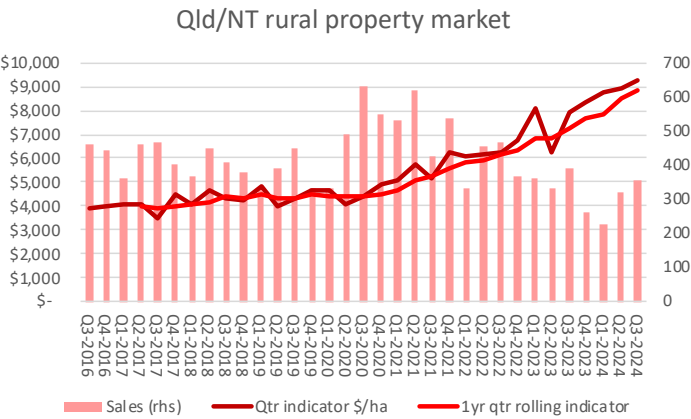
QoQ=Quarter on Quarter
YoY = Year on Year

Across QLD/NT sale price trends were mixed with weaker values in the North and West being countered by higher values in Central and Southern areas of the states.

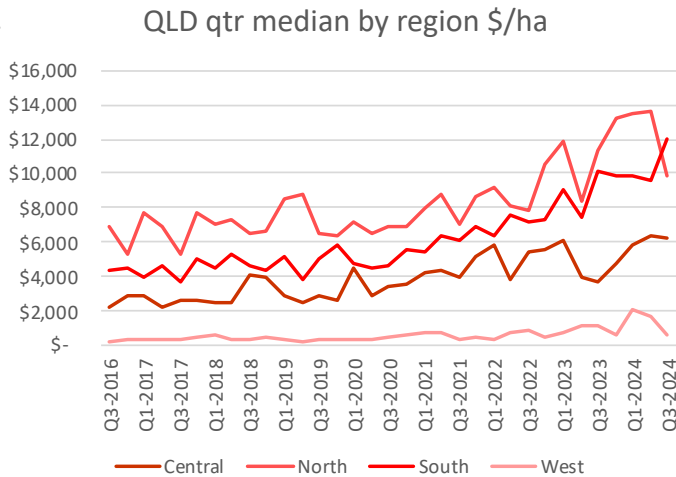
The lift in activity across QLD/NT was driven by a lift in sales across Central and Southern areas.

Leading Indicators

Given the outlook for the cattle and beef industry we thought QLD/NT would lead the property market out of its current slow-down. However, after showing some signs of improvement mid-year, most of the indicators have either stagnated or worsened. The time on market has steadily increased which may indicate the difficulty of obtaining lending on property purchases which require some form of funding.



Source: Powered by PropTrack



New South Wales

The rural property market in NSW has been relatively flat on lower volumes for most of 2024. Price growth remains on trendline to be just 1 per cent below its peak at the end of 2023. Like in other Australian rural property markets, sales activity was well below the peak in 2021 and 2022.

“It’s encouraging how quickly confidence rebounded from the first half of 2024. Certainly, the market seems to be much more relaxed about the outlook for seasonal conditions, commodity prices and interest costs.

On farm dam storage levels were showing the effect of a long hot summer, however, parts of the state have experienced a good autumn break topping up supplies and improving pasture conditions as temperatures fall. Most of the states cropping zone is well placed for early planting of winter crops, with fodder crops in some districts out of the ground, soon to be grazed. Seasonal conditions are average to slightly better however some districts in north and north-western NSW were void of summer storms”

Richard Gemmell, Elders NSW Real Estate Sales Executive.

		QoQ (Q3 2024 vs Q2 2024)	YoY (Q3 2024 vs Q3 2023)
Indicator \$/ha	10,065	+3%	-1%
Transactions	585	-6%	n/c
Value traded \$billion(b)	1,150	-19%	-14%

QoQ=Quarter on Quarter
YoY = Year on Year

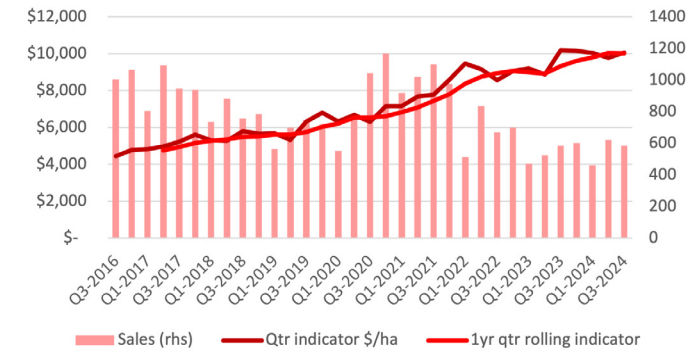
Price trends were very mixed with a rebound in values across the Riverina/Murray and Northern Tablelands in contrast to firm or slight falls in other areas of NSW.

Sales volumes were weak across most regions except on the North Coast where activity lifted a little. The proportion of sales across each region was relatively stable with the North Coast increasing its proportion at the expense of the Hunter.

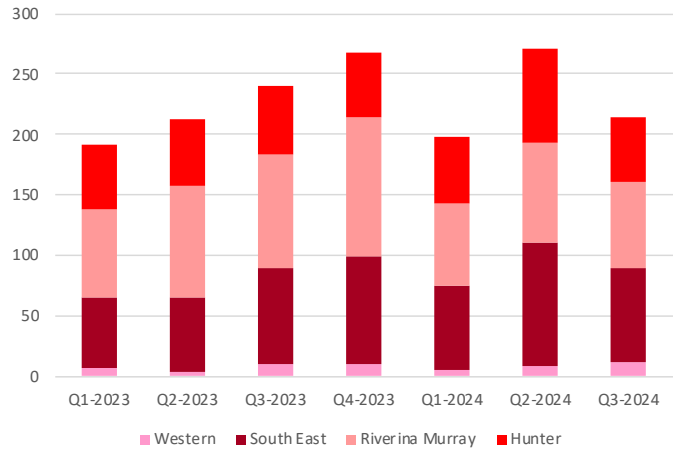
Leading Indicators

The NSW market is among the healthiest according to its leading indicators, however, towards the end of 2024 and early 2025, days on market for property listings began increasing again. The rapid increase in property values in recent years combined with the squeeze on profit margins from increased operating costs and flat commodity prices has meant that there is increased scrutiny on new rural property acquisitions.

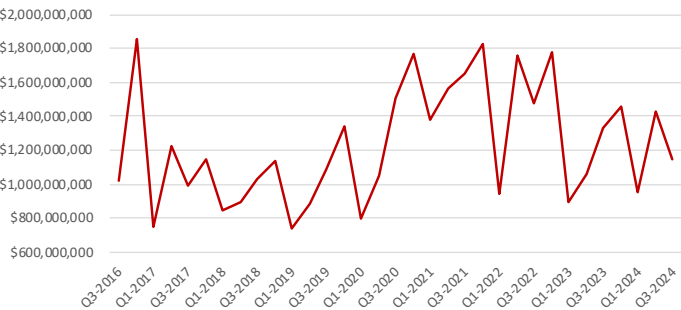
NSW rural property market



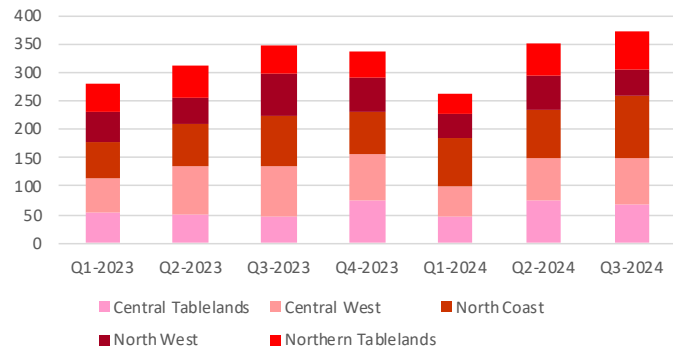
NSW sales by region



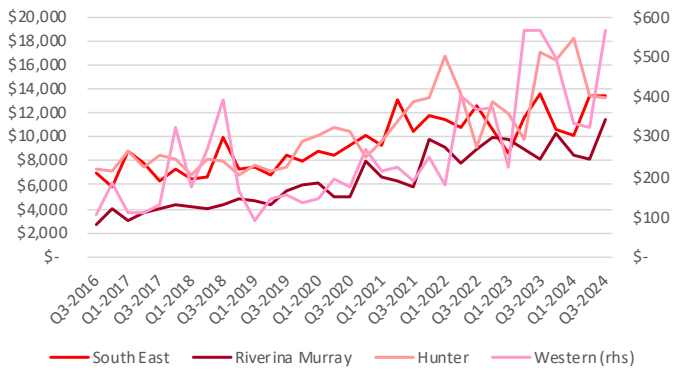
NSW sales value



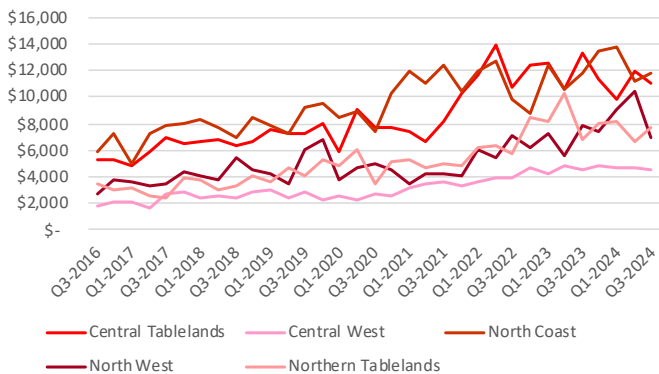
NSW sales by region



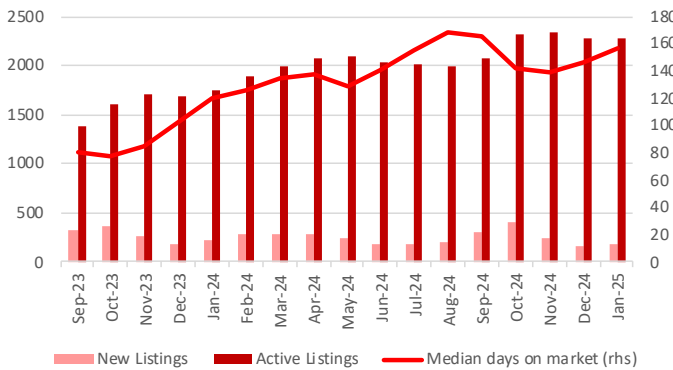
NSW qtr median by region (\$/ha)



NSW qtr median by region (\$/ha)



NSW Rural Property Market - Leading indicators



Source: Powered by PropTrack



Victoria/ Tasmania

The VIC/TAS rural property market recovered some ground during Q3 2024 to move back towards long-term trend growth. Renewed interest was sparked by recent falls in property values and while sale volumes remained historically low there was a modest pick-up in volume compared to the previous quarter.

		QoQ (Q3 2024 vs Q2 2024)	YoY (Q3 2024 vs Q3 2023)
Indicator \$/ha	14,142	+7%	-13%
Transactions	176	+21%	-30%
Value traded \$million (m)	249	+18%	-38%

QoQ=Quarter on Quarter
YoY = Year on Year

The overall value of activity has continued to contract reinforcing the declining trend that began when interest rates started rising in early 2022.

Prices across most VIC/TAS regions were lower with only values in the South-West and Gippsland bucking the trend. There were some particularly heavy falls in property values across North-East Victoria. Most predominantly cropping districts suffered further falls on the back of falls in previous quarters, in part due to adverse seasonal conditions.

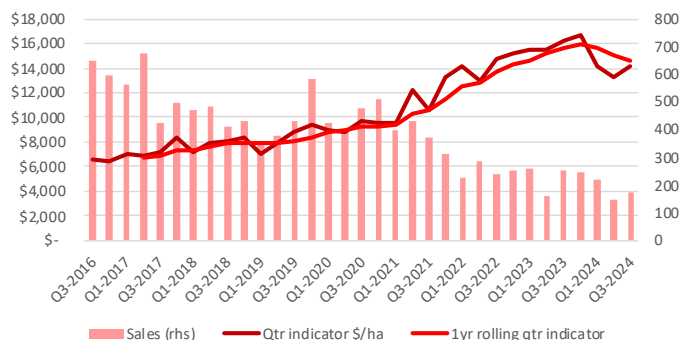
The lift in volumes sold was mainly due to a more than doubling in sales across Central VIC and a lift in activity in the South-West.

Leading Indicators

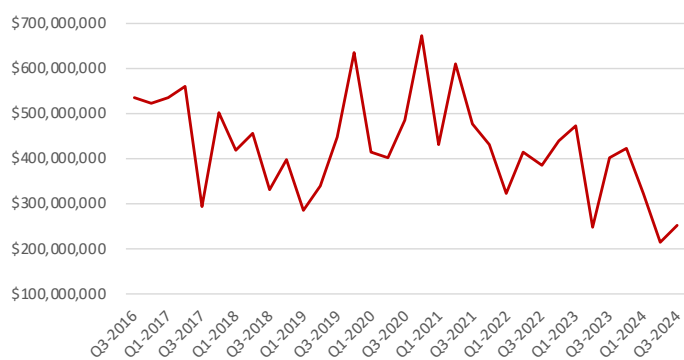
There has been some slowing in active property listings across VIC/TAS over the past few months. Falling property values have generated some sales activity as they have improved the economics and brought some buyers back to the market. The sustained dry weather has seen days on market tick up as confidence erodes.



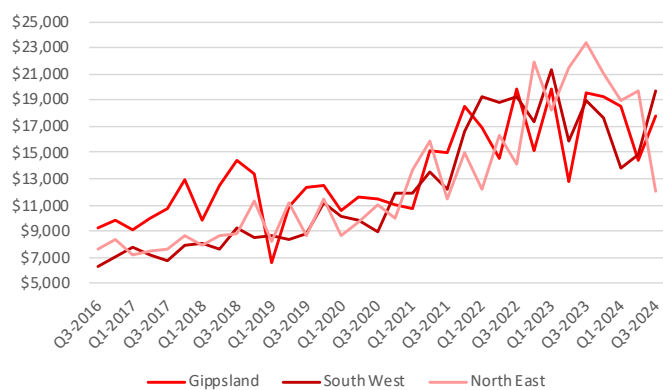
VIC/TAS rural property market



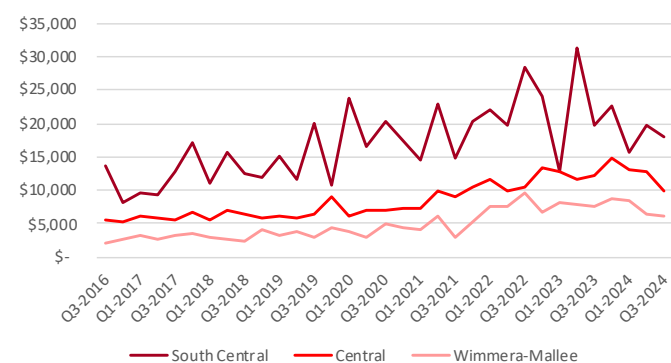
VIC/TAS sales value



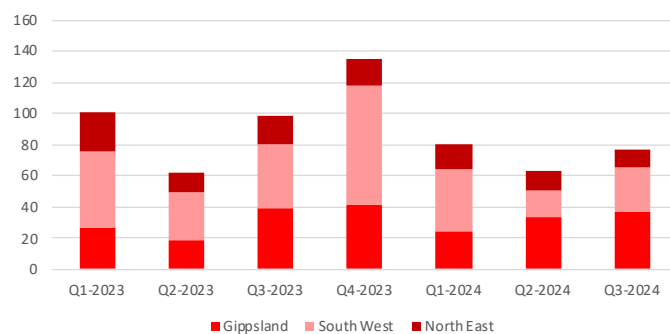
Vic qtr median by region (\$/ha)



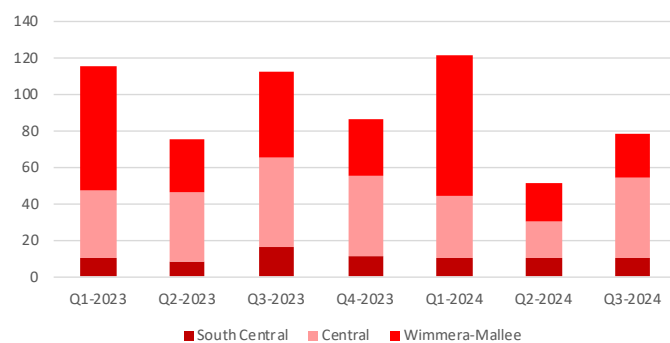
VIC qtr median by region (\$/ha)



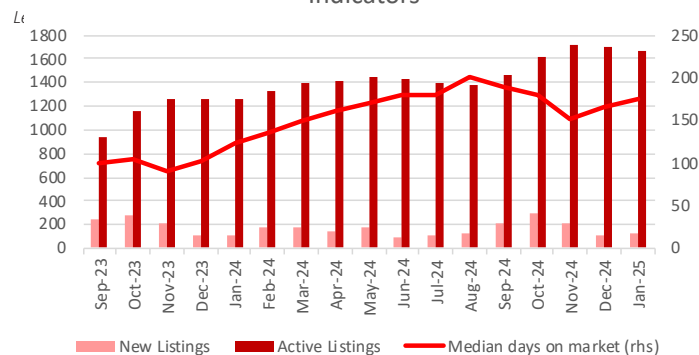
VIC sales by region



VIC sales by region



VIC/TAS Rural Property Market - Leading Indicators



Source: Powered by PropTrack

South Australia

After showing signs of resilience the past few quarters, the SA rural property market contracted around 8 per cent in Q3 2024 after the state suffered through one of its driest periods on record. Rural property values are now 18 per cent below the peak recorded this time last year.

Sales volumes contracted seasonally to be down 45 per cent on the last quarter but in line with this time last year, however, the value of sales was significantly lower, down 47 per cent from the same time last year.

“After a long run of good seasons, rising land prices and record results, the dry spell has seen momentum shift. Property price expectations must be realistic, to achieve a sale outcome in the current environment. For those on the sidelines take note, ‘it always rains at the end of a drought’.”

Adam Chilcott, State Rural Sales Executive, South Australia.

		QoQ (Q3 2024 vs Q2 2024)	YoY (Q3 2024 vs Q3 2023)
Indicator \$/ha	8,791	-8%	-18%
Transactions	118	-45%	+5%
Value traded \$million (m)	154	-64%	-47%

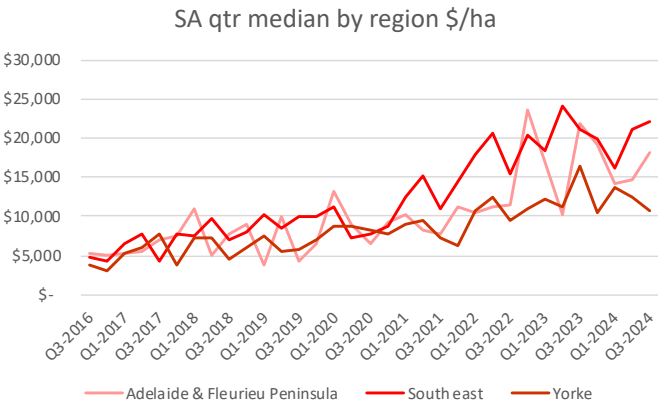
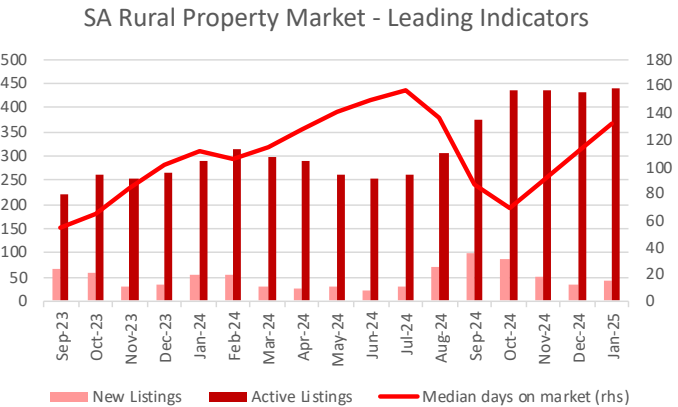
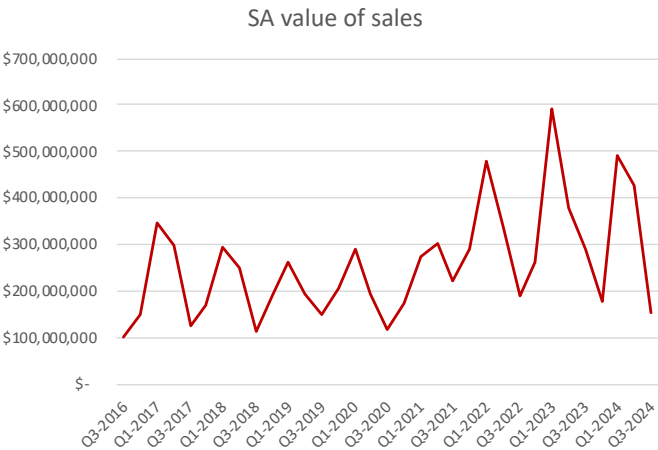
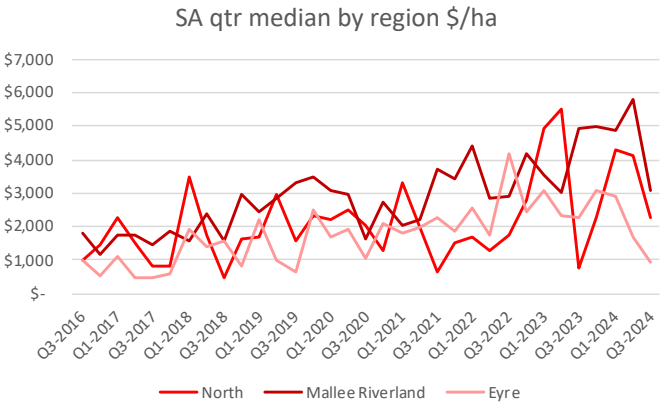
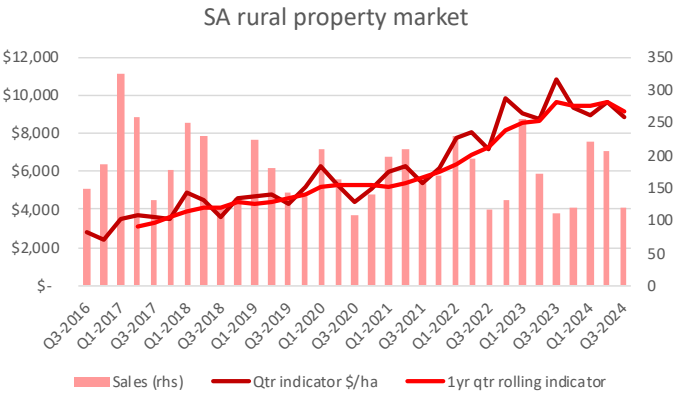
QoQ=Quarter on Quarter
YoY = Year on Year

Across the regions prices were mostly lower, except for where modest increases occurred in Adelaide and Fleurieu peninsula and across the south-east. All predominantly cropping districts suffered falls in values.

Leading Indicators

After showing promising signs of improvement mid last year, all the leading indicators of the health of the rural property market in SA took a sharp turn for the worse as Spring failed again. The SA property market has been the worst affected by seasonal conditions. It will be interesting to see how this plays out as we enter the peak selling period for rural properties across SA.





Source: Powered by PropTrack

Western Australia

The WA rural property market was slightly firmer during Q3 2024 on very limited activity. A few large sales of quality assets contributed to the higher price trend which moved the quarterly indicator price above the long-term price trend.

Broadacre sales were slower seasonally, with livestock regions accounting for the bulk of sales across WA in the past quarter. In these regions, lifestyle property values were softer, but this was offset by increased forestry activity in these regions which saw an overall firmer price trend.

“Quality farmland assets remain keenly sought after with dryland cropping and forestry buyers particularly active, albeit with limited supply of larger holdings through much of the state. Picking general trends is quite challenging in the current environment. There are limited properties available in most areas with many farm sales continuing to set record prices per hectare for their respective regions whilst other properties can be slower to move.”

Simon Cheetham, Elders Western Australia
Real Estate Sales Manager.

		QoQ (Q3 2024 vs Q2 2024)	YoY (Q3 2024 vs Q3 2023)
Indicator \$/ha	10,054	+9%	+23%
Transactions	103	-27%	-32%
Value traded \$million (m)	155	-42%	-51%

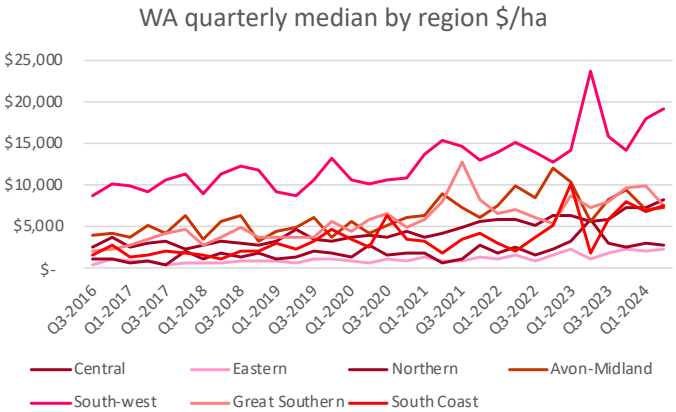
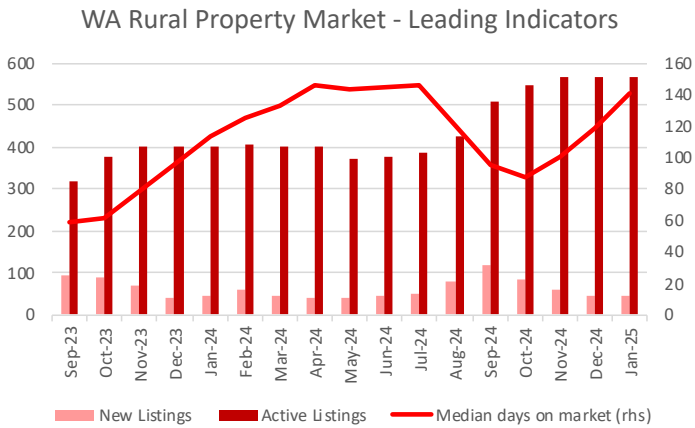
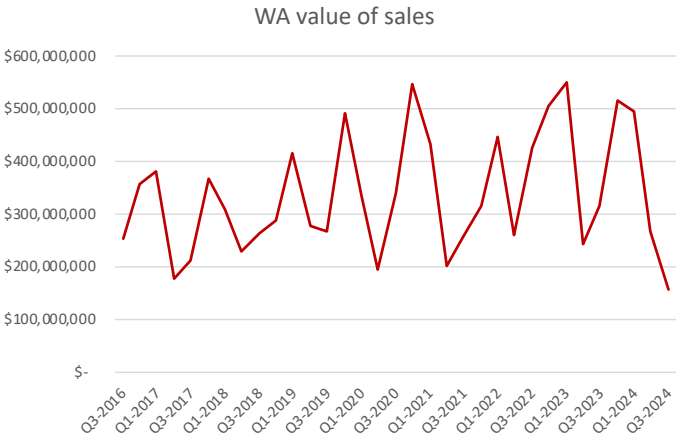
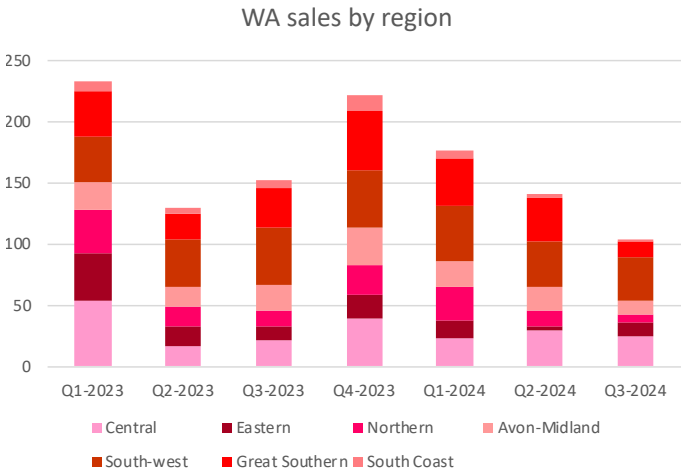
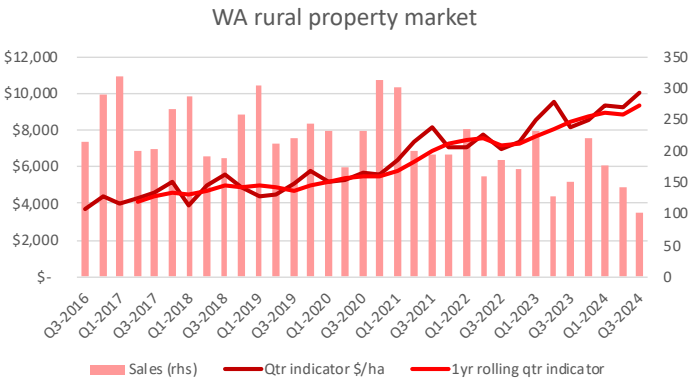
QoQ=Quarter on Quarter
YoY = Year on Year

Price trends were mostly flat to firmer across all regions in WA. Prices across the South-west and Avon-Midland led the charge and countered a weaker price trend in the Great Southern, possibly due to concerns about the outlook for the WA sheep industry.

Sale volumes were lower in most regions, however, sales held firm in the South-West meaning that this region sales comprised a higher proportion of overall WA sales.

Leading Indicators

The leading indicators of the WA rural property market have taken a turn for the worse. Although harvest was much better than expected, those with livestock have been struggling against successive years of below average rainfall which have left many short of water. Also, with the live export industry winding down, sheep producers have been left short of marketing options which is affecting moral and confidence.



Source: Powered by PropTrack



For more information

The analysis above is replicated across 39 regions Australia wide, and is summarised by local government area. Elders clients enjoy exclusive access to these detailed levels of analysis and additional content via our expert real estate agents.

If you are considering selling or purchasing land, we encourage you to speak to our team and discover how expert local knowledge backed by data, can help you make an informed decision.

Media

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General Real Estate

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