



Insight

Spotlight on Ballarat

Ballarat is becoming an increasingly popular residential and lifestyle destination. House prices have seen substantial growth over the past five years, benefiting from the city's relative affordability to Melbourne, proximity to Melbourne CBD and increasing buyers wanting a 'tree change'.

A historically low interest rate environment and solid population growth has resulted in total dwelling approvals in Ballarat increasing further over the current financial year.

The value of residential dwelling approvals in Ballarat over the 2021 financial year to March has already surpassed the value of approvals over the 2020 financial year by 28.0%.

According to forecasts, Ballarat City will continue to grow over the medium to long term, with the number of dwellings forecast to increase by close to 13,300 dwellings between 2021 and 2036.

According to forecast.id, the areas that are expected to see the strongest growth in the number of dwellings during this time are Bonshaw – Smythes Creek (+1,503 dwellings), Delacombe (+2,869 dwellings), Alfredton (+1,652 dwellings), and Cardigan – Lucas – Bunkers Hill (2,452 dwellings).

Over the next ten years, the percentage of lone person households is set to grow at the highest rate of all households at 29.3%.

This growth will generate demand for smaller homes such as units and townhouses.

Coinciding with this, the Ballarat GovHub will bring more people to the city employing up to 1,000 Victorian Government employees, including up to 600 relocating from Melbourne.

The project will help generate long-term jobs growth, increase business confidence and encourage private sector investment.

Other major projects underway or recently completed include:

The Ballarat Base Hospital, which has received \$541.6 million in funding from the Victorian Government for a staged redevelopment and expansion. Construction on the final stage of the project is expected to be completed in 2027.

The Ballarat Line Upgrade, part of the \$4 billion Regional Rail Revival project, was completed in January. The upgrade has enabled an additional 135 services across the Ballarat line as well as critical infrastructure including upgraded / new stations and track duplication for the new services.

House prices in Ballarat increased by 9.3% over the past year recording a median of \$450,500 as at March of this year.

Demand to live in the city saw rents rise by an average of 7.51% with houses achieving an average rental of \$350 per week while units lease out at an average of \$290 per week.