

REIT MEDIA RELEASE - 21/7/20

Number of sales down while sale prices remain steady along with vacancy rates



The Tasmanian Real Estate Market continues to remain steady. These remarkable figures create a sense of security and confidence amid the COVID-19 crisis, a testament to the resilience of Tasmanian real estate.

Property Sales

Across the State the number of property sales were down considerably by 26.8% for the quarter and 29.2% on the same time last year. The majority of these figures would be reflective of fewer properties on the market.

To paint a picture across the State:

Hobart – down by 23.8%

Launceston – down by 28.5%

North West – down by 24.3%

Median Sale Prices

Although the number of sales has declined, the median sale price in Tasmania has in fact increased by 1.3% for the quarter and 8.2% on the June quarter last year.

Across the State this figure is reflected as follows:

Hobart – down by 7.0%

Launceston – down by 0.3%

North West – up by 8.5%

In addition to the declining median house prices, those properties priced in the range of \$250,000 to \$500,000 have experienced a 10.9% decrease in sales volume in Hobart. Properties in the \$500,000 to \$1M range experienced a higher percentage of decrease in sales volume being down 31.4%. Looking state-wide, house sales in the \$250,000 to \$500,000 range decreased 19.4% compared to 31.3% in the \$500,000 to \$1M range.

Who are our consumers?

Investors continue to decline by another 8% this quarter seeing them as consumers of 12% of the total house sales around the State. First home buyers are up by 4% on the last quarter and hold a very comfortable 18% of our total house sales this quarter. Launceston has experienced the largest portion of the first home buyer market, and they represent a very healthy 24% of the total house sales in that region.

The Rental Market

The vacancy rate in Hobart is 2.6% which has increased moderately. Both the Launceston (2.1%) and North West (2.8%) have both decreased.

The median rent for houses in Hobart has declined by 6.5% and units by 6.3% for the quarter. The Launceston rental market also shown declines with houses down by 5.7% and units down by 1.7%. The North West proved to be the standout with house rental prices remaining stable and units increasing by 4.2%.

END

MEDIA RELEASE EMBARGOED UNTIL MIDNIGHT 21 JULY 2020

REIT President Mandy Welling will be available for comment on 0429707911