

Media Release
Tuesday, 6 May 2014

Tasmania's property sales level out, median prices rise but first home buyers to continue to drop

The Real Estate Institute of Tasmania (REIT) today released its March Quarter Property Report – which highlights real estate trends for the quarter – revealing a levelling out of property sales after a resoundingly positive start to 2014 and a continued decline in first home buyers.

REIT President Adrian Kelly said the report revealed the number of first home buyers in Tasmania continued to drop, reinforcing REIT's call to keep the First Home Owner's Grant intact.

“The number of first home buyers continues to dwindle across the state, now accounting for just 17 per cent of house sales, and removing the grant come 1 July is likely to only make this situation worse,” Mr Kelly said.

“If the Grant is to be axed, we look forward to seeing what alternative measures are to be introduced by the new Liberal Government.

“Second home buyers still continue to hold over half the property market now accounting for 52 per cent of purchases with a median house price of \$325,000.

“Both interstate and overseas buyers were also up slightly to sit at 16 per cent of house sales for the quarter.”

Mr Kelly said although Tasmania saw a 4.6 per cent decrease in house sales for March, it did record an annual improvement rising by 14.9 per cent compared with the previous year.

“After a particularly strong December quarter, Launceston house sales dropped 18.5 per cent for the March quarter to return to a similar level prior to this spike in interest, which still remains 25.1 per cent above average for the March quarter on the previous year,” he said.

“Hobart house sales dropped for the quarter but saw a 10 per cent increase for the year, with a continued interest in Hobart's central suburbs which saw an 18.8 per cent increase for the year.

“The median house price for Tasmania remained steady for the quarter to sit at \$305,000 totalling an increase for the year thus far of 4.5 per cent.

“Hobart's median house values increased 4.1 per cent for the quarter, with both inner and outer Hobart contributing to this figure, recording increases of 8.5 per cent and 5.4 per cent respectively.

“This is the third consecutive quarterly price increase for Hobart and the second for the state.

“Ten municipalities saw an increase in both their median house prices and sales for the quarter, with four recording median house prices higher than the state median, including Brighton, Clarence, Hobart and Kingborough, while the suburb of Latrobe equalled the median house price.

“After a fast-paced December quarter, the time it took to sell a house increased by 13 days in March for the state, with the median days on the market currently sitting at 70 days for Tasmania.”



The REIT is a member organisation representing the views and the professional needs of its members – these being more than 95 per cent of real estate agents (and their staff) throughout the state.

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For more information: REIT President Adrian Kelly, 0407 444 679

**PHOTO AND INTERVIEW OPPORUTUNITY:
REIT President Mr Kelly will be available for
interviews at 12pm TODAY (Tuesday, 6 May 2014) at
REIT House located at 33 Melville Street, Hobart.**