

Media release

Tuesday, 5 May 2015

Tasmania records highest number of house sales in five years

The Real Estate Institute of Tasmania (REIT) today released its March Quarter Property Report, which details real estate trends for the quarter, revealing a strong start to 2015, recording the highest number of house sales in five years.

REIT President Tony Collidge said the local market had continued to improve over the March quarter, building on its sound performance in 2014, with house sales increasing 12.1 per cent across the state.

“House sales in Hobart were up 20.5 per cent on last year and Launceston saw an impressive 24.9 per cent increase, while the North West Centres were down 4 per cent,” Mr Collidge said.

“Whilst total house sales were up, the median Tasmanian selling price increased by just 1.6 per cent to sit at \$310,000 for the quarter.

“The Tasmanian market also saw an increase in investment activity, with the report showing house sales to investors totalled 261 sales during the quarter.

“These investor figures are up from 2 per cent to 16 per cent of all buyers, with a median house purchase price of \$242,000.

“Likewise mainland buyers increased to 17 per cent of all sales, whilst sales to foreign purchasers remained at 1 per cent.

“These figures are indicative of the Melbourne and Sydney markets being near the top of their run, with many mainland investors looking for other destinations to invest, and the positive signs within our property market, good returns, low vacancy rates, and a turnaround in activity have made Tasmania an area worth considering.”

Mr Collidge said current market conditions coupled with low interest rates had provided an ideal opportunity for First Homes Buyers to take advantage of the market, with the report recording 204 house sales at a median price of \$271,500.

“First Home Buyer sales were strongest on the North West Coast and Launceston,” he said.

“Hobart continued to drive the surge in house sales recording 582 sales for the quarter, while Launceston recorded 286 sales, and the North West Coast contributed 117 house sales to the total figure.

“Statewide there were 19 house sales over 1 million dollars which almost doubled the figure attained in the previous quarter.

“Tasmania recorded 700 million dollars’ worth of property sales for the quarter, up 14 per cent on the previous quarter and 8.6 per cent on last year.



“In Hobart, 27 per cent of house sales were below \$300,000, 55 per cent were between \$300,000 and \$599,000, and 18 per cent were above \$600,000.

“The Municipalities of Hobart (161 sales), Clarence (211 sales), Glenorchy (130 sales) and Kingborough (129 sales) dominated the southern market. Launceston recorded 286 sales, up 15.3 per cent on the last quarter, while Devonport (59 sales) and Burnie (43 sales) led the way on the North West Coast.”

Mr Collidge said drawing on the information collated in this and previous quarterly property reports, it was fair to conclude that the real estate market had bottomed out across most areas throughout the state and was now set on an upward course.

“Several suburbs across the state are near, or have achieved their highest ever median prices and the increase in sales activity is reducing stock supply which could shortly place upward pressure on house prices,” he said.

“Increased consumer confidence, low interest rates, government stability are all factors contributing to our current positive market outcomes.”

INTERVIEW OPPORTUNITY:

REIT President Tony Collidge will be available for interviews TODAY (Tuesday, 4 May 2015) between 11-11.30am at REIT offices located at 33 Melville Street, Hobart.

ENDS

For more information or to arrange an interview:

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