

The Real Estate Institute of Tasmania's June Quarterly Report revealed that North West Tasmania's real estate market has continued to rebound over the quarter to record not only its highest number of transactions for the past two years but pushed the median House sale price to its highest level on record. Stymied economic conditions; even the prospect of further interest rate increases, and a continued rising cost of living failed to deter 589 purchases from acquiring property across the region during the June 2024 quarter.

The region and accounted for 22.2% of the States residential real estate sales and 19.1% of its value. It was responsible for 23.4% of first home buyer purchases, 24.6% of investor acquisitions and 27.6% of mainland buyer transactions.

Within its own market, 4.1% of its transactions exceed \$1 million, 19.0% are first home buyers, 14.3% are investors and 18.7% mainland buyers.

Strong buyer participation rate in the June quarter suggests that buyer confidence is returning to our local market. It may also spell an end to the downward movement in property values in many parts of the region.

**A summary of the information pertaining to the North West region from the June quarterly report is detailed below:**

- North West Tasmania achieved 589 property transactions over the June quarter with an accumulated value of \$309 million. This is an increase of 66 sales (or 12.6%) over the March quarter and 100 or 17.0% over the same time last year.
- There were 430 house sales at a median price of \$531,000. This was 53 more transactions than the March quarter and 69 more than the same time in 2023. The median price surged \$26,000 above the previous quarter and was \$47,000 more than the same time last year.
- The Quarter saw a continued growth (+11.3%) in Unit sales (69) which were up on last year (44) and the previous quarter (62). The median Price (\$400,000) was \$11,250 higher than last year and \$8,000 above the March quarter results.
- Land sales numbers (78) were 17 up on the same time last year and 6 more than the last quarter. The median land sale price was \$217,500 which was \$32,500 above the previous quarter but \$28,500 below the same time last year.
- 24 sales exceeded \$1 million in the June quarter. This was the same as the previous quarter and 2 more than the same time last year. 87.5% were acquired by locals.
- 112 First home buyers acquired property in the quarter. This was identical to the previous quarter and 31 more than the same time last year. 88 acquired houses, 14 units and 10 land.
- Investor activity remained stable at 84 acquisitions, up 1 on the previous quarter and 12 on the same time last year. Median purchase price was \$400,000 which was up \$30,000 on last quarter and \$4,000 on the same time last year.

- Mainland purchasers grew from 96 in March to 110 in June. This was up 49 sales or 80.3% on the same time last year. Their median purchase price was \$503,500.
- Shearwater was North West Tasmania's most expensive suburb/town with a median price of \$830,000, closely followed by Heybridge \$815,000, Port Sorell \$814,000, and Spreyton on \$747,500. Our most affordable North West suburb/towns were Hillcrest \$381,000, Smithton \$380,000 and Scottsdale \$345,000, Shorewell Park \$375,000, and Acton on \$352,500.
- Our highest selling suburbs were Burnie with 65 sales, followed by Devonport with 62, Ulverstone 32, Wynyard 26 and Latrobe with 25. Of the municipalities, Devonport led with 157 sales, followed by Central Coast 117, Burnie 98, Latrobe 69 and Waratah/Wynyard with 67.
- The rental market in the North West is currently operating with a vacancy rate of 2.2%. This is up from 2.1% the previous quarter and is the highest it has been since 2016. Median rents remained steady at \$400 per week over the quarter. Based on current rents and property prices, investment yields of 4.6% are being achieved.

REIT President Michael Walsh said it was pleasing to see a continued growth in confidence and sentiment across the real estate market in North West Tasmania. This market has been mainly driven by local purchasers and topped up by mainland interest. With mainland markets surging, mainland folk are discovering the value and benefits that North West Tasmania has to offer. We provide them with a more affordable and amenable alternative compared to where they currently reside.

The June Quarter results give me confidence that the market has bottomed out and the correction that we have endured over the past 3 years may be at an end and that we can look forward to an upswing in line with those of the major mainland centres.

END

For interviews relating to North West Tasmania results, please contact REIT North-West Branch President, Alan Halliwell on 0408 250 111.