

The Real Estate Institute of Tasmania's June Quarterly Report revealed that Tasmania's West Coast real estate market has improved over the quarter with results returning to levels like previous years and well above the lows of March 2024.

The West Coast is popular for mining and tourism. It has a rich history in both. Most of the towns have been built around the mining industry and in recent times transitioned to also cater for tourism. Its rugged topography combined with limited employment opportunities has tended to restrict population growth and development in the region. Rental demand in the region is not as strong as other parts of the state. The same can be said for residential sales. There is a surplus of accommodation in the region making it the most affordable in the State. A 3 bedroom house can be rented here for \$300 per week.

The West Coast accounts for 1.5% of the States residential real estate activities and 0.46% of its value.

Within its own market, 10.0% are first home buyers, 25.0% investors and 17.5% mainland buyers.

A summary of the information pertaining to the West Coast from the June Quarterly Report is detailed below:

- Tasmania's West Coast achieved 40 property transactions over the June quarter with an accumulated value of \$7.4 million. This was an increase of 13 sales over the quarter and 1 less than the same period last year.
- There were 30 house sales at a median price of \$205,000. There were 12 more transactions than March quarter and 5 more than the same time last year. The house median price was \$21,000 below last year's result and \$2,500 above the previous quarter.
- There were 2 unit sales for the June quarter at a median price of \$129,000.
- There were 8 Land sales during the quarter. This was 1 less than the previous quarter and 5 less than the same time last year. The median selling price was \$41,250 which was \$18,750 less than last quarter and \$8,750 less than the same time last year.
- 4 first home buyers acquired property in the quarter. This was in line with the recent quarterly results with three purchasers buying a house and the other one acquiring land.
- Investor numbers (10) doubled over the quarter and were the same as last year, The median purchase price was \$195,000.
- Mainland purchasers acquired 7 properties over the quarter at a median price of \$108,000. This was 3 sales more than the previous quarter and 3 above the same time last year.
- Strahan was the West Coast's most expensive town with a median price of \$290,000, followed by Tullah \$210,000, Zeehan \$200,000, Rosebery \$180,000 and Queenstown \$175,000. As the results show this region is by far the most affordable in the state.
- Our highest selling towns were Queenstown with 14 sales and Strahan with 7 sales.

- Rents have marginally increased over the year rising from \$290 per week in June 2023 to \$300 per week in June 2024. Based on current rents and property prices properties are offering a strong investment return of 7.6%.

As stated above The West Coast residential real estate market is susceptible to changing economic and environmental conditions. It has a strong history and association with mining but as this industry curtailed within the region it left many towns with empty lodgings. In more recent times many of these towns have transitioned to accommodate a growing tourism industry. Limited employment opportunities and development in the region have seen limited growth in demand for accommodation. This in turn has seen prices and rents remain low. The West Coast remains the most affordable rental and housing region in the state. It is a small but important market. The current economic conditions have impacted this market more than any other, but it has managed to maintain activity at a sustainable level.

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