



Media release

Tuesday, 1 February 2011

December quarter enters peak summer season

The Real Estate Institute of Tasmania (REIT) today released the December 2010 Property Quarterly Report which showed Tasmania was up 3.5 per cent in total residential sales volume on the previous quarter, but still down 18 per cent on the 2009 December quarter.

REIT President Adrian Kelly said sales figures vary month to month and quarter to quarter, but like many Australian states and territories, the total number of houses currently being sold is down by around 20 per cent or more, compared to the same quarter 12 months ago.

“The report also shows that sales enquiries from potential buyers have increased, as we head into the peak summer real estate selling season,” Mr Kelly said.

“However buyers still remain cautious, with concerns around economic uncertainty and rising interest rates.”

Mr Kelly said the report also showed that the median house price for Tasmania (\$320,000), which is based purely on recent sales, increased by 3.2 per cent over the December quarter.

“Interestingly there were four municipalities across the State which exceeded this median house price, including Clarence, Glamorgan/Spring Bay, Hobart and Kingborough,” he said.

“Also highlighted in the quarter report were the top five most expensive suburbs in Tasmania which were Battery Point, Tolmans Hill, Sandy Bay, New Town and Acton Park.

“While at the other end of the scale, the top five most affordable Tasmanian suburbs/towns were Waverly, Ravenswood, Bridgewater, Montello and Primrose Sands.

“The top five suburbs/towns which recorded the highest house sales turnover were Kingston, Devonport, Howrah, Sandy Bay and Riverside.”

Mr Kelly said the ‘days on market’ industry figure, which monitors how long houses take to sell, was sitting at 52 days for the December quarter, compared to 44 days during the same time in 2009.

“It is important that vendors set a realistic asking price for their home, as a price that is too high may cause the vendor to have a very long wait,” he said.

“The longer a house sits on the market, the more questions are asked about what might be wrong with it and why it isn’t selling.

“The report also shows us that the housing shortage continues in Tasmania, evidenced by the continuation of the tight rental market.

“The rental vacancy rate increased in all three regions, with Hobart recording an increase of 0.2 per cent to sit at 2.2 per cent, and both Launceston and the North West centres rising by 0.1 per cent for the quarter.”

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.

For more information: Lucinda Bray, Font PR, 0438 280 486