

“Steady as she goes”

Whilst Tasmanian real estate conditions continued a “steady as she goes” course over the September Quarter, the Market appears to be priming itself for a strong final quarter.

Traditionally one of the more seasonal markets within the State, it is pleasing to see activity occurring at a consistent level in what would normally be “The Low season”. The region recorded 83 sales for the quarter with activity levels well above those of last year. A highlight of the quarter in this region was the establishment of a new median price record (\$655,000) for unit sales.

The following is a summary of the September 2024 quarter results:

- Eastern Tasmania achieved 83 property transactions over the September quarter with an accumulated value of \$42.1 million. Whilst September sales numbers was 9 fewer than the previous quarter, it had 20 more sales than the same quarter last year.
- There were 53 house sales at a median price of \$540,000. There were 22 fewer transactions than June quarter and 15 more than the same time last year. The house median price was \$70,000 less than last quarters result and \$94,000 below the same time last year.
- There were 5 unit sales achieving a record median price of \$655,000 in the quarter. This was \$235,000 more than the sale recorded last month and \$275,000 above the median price of the 3 units that sold at the same time last year This was 4 transactions more than last quarter and 2 transactions more than the same time last year.
- Land transactions (24) were up 3 sales on the same time last year and 8 on the June h quarter. The median land sale price was \$270,000 which was \$4,750 above the last quarters result and \$15,000 below the same time last year.
- There were 3 sales above \$1 million which was well below last quarter’s record of 19. It was one (1) more than was achieved at the same time last year. A mainland buyer migrating to the region acquired one of these properties.
- Eight First home buyers acquired property in the region in the quarter. This was down 1 transaction on Junes results and 3 more than the same time last year. 6 acquired houses, and 2 land.
- 13 Investors purchased property on the East Coast in the September 2024 quarter. This was the same as last year and 2 less than the previous quarter. The Median purchase price was \$462,000.
- 20 Mainland purchasers acquired properties over the quarter at a median price of \$431,000. This was 3 sales less than the previous quarter and 7 more than the same time last year.
- Swansea was the East Coast’s most expensive suburb/ Town with a median price of \$1,200,000, followed by Orford (\$765,000), Triabunna (\$750,000) and Bicheno (\$680,000). Our most affordable East Coast towns were Scamander with \$298,750, Fingal (\$387,500), and St Marys at \$480,000. Our highest selling towns were St Helens with 16 sales, Bicheno with 5 and Stieglitz and Beaumaris with 3.
- Of the municipalities, Break O’Day recorded 50 sales, Glamorgan/Spring Bay (31) and Flinders with 2.
- The attraction of the East Coast as one of Tasmania’s prime tourist destinations has seen most rental accommodation marketed as holiday accommodation with very few long-term options available. Rents on long

term rentals eased slightly as we approached the end of the tourist season. Rent for a 3 bed house has increased slightly from \$390 per week to \$395 per week over the quarter but hasn't changed over the 12 month period. Based on current rents and property prices properties are offering investors a return of 3.9% which is well below market expectations.

The East Coast residential real estate market is possibly the most susceptible to seasonal conditions. It caters for the summer recreation use with a higher-than-average proportion of property made available for short term rent. It covers some of Tasmania's most pristine coastline. It is a small but important market. The current economic conditions have impacted this market more than any other, but it has managed to level out and over the past 3 quarters maintain activity at a sustainable level.

REIT President Russell Yaxley said that 'The September Quarter activity appeared to be in a "steady as she goes" holding pattern which is showing solid signs of recovery from the lows of 2023. There appears to be renewed confidence and energy across the market. Confidence has improved with both buyers and sellers feeling much more optimistic about where things are heading. I believe the December Report will show even stronger results based upon the activity that is currently occurring.'

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For interviews relating to Northern Tasmania results, please contact REIT Northern Branch President, Jeremy Wilkinson on 0400 895 022.