

Tasmania

As housing supply and affordability dominate the Australian real estate conversation, the Tasmanian real estate market has continued to rebound strongly, recording its largest cumulative value of residential sales (\$6.7 billion) ever and its highest number of transactions in four years.

Tasmania continues to provide some of the most appealing and cheapest property across the nation. Whilst local prices haven't kept up with increases recorded by many of our mainland counterparts, activity levels have gone under the radar progressively climbing throughout the year. With Sydney's median house price exceeding \$1.25 million and Melbourne, Canberra, Brisbane, Perth and Adelaide's median prices above \$825,000 Hobart is left offering a meaningful alternative recording Australia's second lowest median price of \$746,000. The affordability of Tasmanian real estate on a national scale has reignited the appeal and desirability of Tasmania, spawning significant growth in investor and mainland buyer transactions. Whilst these sectors surged over 2025, they did not impede locals from controlling the market.

Highlights of the 2025 annual results were:

- 10,615 residential transactions (up 8.6% on 2024), worth a record cumulative value of \$6,695,812,000 (up 12.4% on 2024).
- Tasmania recorded 759 house sales (up 10.2% on 2024) at a median price of \$630,000. This is well below the Australian median sale price of \$922,838.
- Unit sales (1630) were up 10.9% on 2024. Median sale price was up \$16,000 to \$501,000.
- 1223 land sales at a median price of \$257,000 were recorded over the year. This was 12 transactions less than that recorded in 2024 but \$6,000 higher.
- Of the regions, Greater Hobart saw an increase in house transactions of 5.5% (to 2115) and a 2.2% increase in median price (now \$746,000). Launceston house sales numbers grew 8.9% to 1096 while median price increased from \$560,500 to \$627,850. North West numbers continue to grow recording 880 sales, an increase of 2.6% over the year. It recorded Tasmania's strongest median prices growth (up 10.3%) from \$485,000 to \$535,000 over the year.
- 956 transactions exceeded \$1 Million. This was the highest number ever recorded in this category and was a 12.7% increase on last year. 79.9% of these transactions were made by Tasmanians.
- First Home Buyer numbers (1,853) were down 5.2% or 101 transactions compared to 2024.
- Investment activity increased 46.4% to 1886 acquisitions over the past 12 months and 84.4% over 2023 results. Many of these acquisitions come from existing rental stock where landlords have opted to exit the market. Median investor purchase is \$500,000.
- Mainland purchase numbers (1,886) grew 43.6% over 2025. Of these, 46.5% or 1049 were investors acquiring their rental properties at a median price of \$500,000. The remaining 56.4% or 1207 were buying property to relocate to at a median price of \$622,000. Two hundred of these buyers did acquire property in excess of \$1 million.
- 46 foreign buyers acquired property in Tasmania during 2025 at a median price of \$800,000.

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December 2025 quarter results

Interest rate rises and growing cost of living expenses appear to have had little impact if any on local real estate conditions over the December 2025 quarter. REIT results confirm that 2025 finished strongly with December's figures (2894 transactions) proving the strongest for the year. Not only were transaction numbers up 5.5%, median prices grew, investment activity surged with investor acquisitions up 29%, and Tasmania's affordable lifestyle appeal to mainland buyers saw this sector surge 37%. The only negative over the quarter was a small decrease in First Home Buyer numbers down 20 transactions from 482 in September to 462 in December. Launceston and the North West set new median house price benchmarks, while Launceston and Hobart enjoyed their highest number of quarterly transactions in the past 5 years.

Summary of the December quarterly report were as follow:

- 2894 transactions (up 5.5% from previous quarter and 23.5% on same time last year) worth \$1,926,183,000.
- House sales (2063) up 8.5% on previous quarter and 24.9% on same time last year. Median price increased \$10,000 over the quarter from \$640,000 to \$650,000. Median was \$605,000 same time last year. Unit sales increased from 352 (December 2024) and 451 (September 2025) to 470 in December 2025 quarter. Unit median prices grew 6.1% over the quarter and 8.0% over the same time last year. Land sales dipped 10.6% over the quarter but were up 14.2% over same time last year. Median price (\$257,000) was \$1,500 below the September quarter and \$8,000 below same time last year.
- Greater Hobart with 581 house transactions recorded its highest number of sales for a quarter over the past 5 years. This was 78 more than September and 71 more than the same time last year. Median prices grew \$20,000 to \$765,000 over both the year and previous quarter. This represents a 2.6% increase.
- A surge in transactions also saw Launceston record its best result in 5 years. Its 362 house sales were 37.6% higher than September quarter and 60.9% above the same time last year. The Launceston median house price established a new quarterly record of \$627,850 which was 10.6% above the same time last year and 6.4% above the previous quarter.
- Whilst transaction numbers in the North West levelled out (226 for December 2025 as opposed to 229 in September 2025 and 211 December 2024) median prices continue to rise 5.6% over the quarter and 18.9% over the year to \$576,500. This is also a record for the region.
- 300 properties sold for in excess of \$1 million which was also a quarterly record. 77% of these purchases were made by local Tasmanians.
- First home buyer numbers (462) were down from 482 in September 2025 and 505 in December 2024.
- Investor numbers soared to 650 for the quarter. This was 29% higher than September and 104.4% above the same time last year. The median rental acquisition price was \$542,075. A strong demand for rental accommodation across Tasmania coupled with attractive rental yields and nationally modest property prices has seen strong mainland interest in our rental sector. Mainland investors

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accounted for 65.5% of our sales in this sector over the quarter. Unfortunately, a large proportion of the stock being sold in this sector is from investors leaving the market.

- Mainland buyer numbers continue to grow surging another 37.4% to 781 for the quarter. 355 acquired property to move into at a median price of \$669,000. Sixty nine acquired property in excess of \$1 million. The remaining 426 were investors.
- All regions have experienced significant decreases in the average time properties are taking to sell. Over the past twelve months, Hobart house selling times have reduced from 30 days to 20, Launceston 29 to 20, and The North West 35 days to 23.
- Over the past 12 months, rents have increases \$30 per week in Hobart, \$50 pw in Launceston and \$60 per week on the North West Coast. Since last September, vacancy rates have decreased from 1.7% to 1.4% in Hobart, 1.8% to 1.5% in Launceston and 1.9% to 1.7% on the North West Coast. Investment yields of 4.3% - 4.6% are being achieved across the regions.
- Sandy Bay became Tasmania's most expensive suburb in December followed by Seven Mile Beach and Tranmere. Rosebery was the most affordable at \$202,500 followed by Queenstown and Zeehan. Burnie and Devonport tied for the highest number of sales for a town/suburb with 74 each just ahead of Kingston. Launceston recorded the highest number of municipal sales on 414 ahead of Clarence 275 and Glenorchy on 222

Commenting on the December 2025 Report, REIT President Russell Yaxley said that it was pleasing to see that confidence has returned to our markets. Strong results across all regions are evident. It is pleasing to see significant increases in residential investment activity. Market indicators have identified that demand is increasing; the number of properties for sale and rent is shrinking; properties are taking less time to sell or rent; multiple offer situations are arising more frequently as buyer and tenant numbers grow. Given the strength of our buyer and rental demand and diminishing stock levels, we would expect the upward pressure on prices and rents to continue.

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REIT President Russell Yaxley can be contacted on 0450 929 807 or president@reit.com.au for interviews.