

Despite a federal election, local political turmoil, economic volatility, and the failure of the Reserve Bank to introduce interest rate relief, Tasmanians felt confident enough to give its thumbs up to the local real estate market over the recent June Quarter and post its strongest results for the past 3 years.

One could argue that the East Coast market is the most cyclical/seasonal of our regions with a large percentage of its transactions occurring over the Spring/Summer months. Transaction numbers will be lower over the cooler months. The East Coast market is not substantial, but it is important. It has averaged near 450 real estate sales per annum over the past 5 years. It includes some of the most picturesque and tranquil landscape settings along its coastline. It is popular for retirees or those seeking holiday accommodation. Over recent times aquaculture, viticulture, agriculture, and tourism industries are expanding and have a pivotal role to play in growing the area.

The June quarter results were almost identical to those recorded at the same time last year and the previous March quarter. There were 91 sales recorded which was two less than the previous quarter and one less than the same time last year.

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

- There were 91 transactions along the East Coast worth \$54.1 million. Transaction numbers were one less than the same time last year and two less than the previous quarter.
- 63 house sales were recorded at a median price of \$565,000. The median price was down 15.0% on the previous quarter and 8.0% on the same time last year. The current sales numbers were two less than last quarter and 12 less than the same time last year.
- There were 4 unit sales at a median price of \$467,500. This was 1 less than last quarter and 3 more than the same time last year. The median was \$47,500 above last year's price and \$12,500 below that achieved in the previous quarter.
- 24 Land sales were recorded at a median price of \$253,500. Sales numbers were 8 more than that achieved in both the March quarter and the same time last year, but the median prices were \$11,750 below that achieved last year and \$49,000 below previous quarter.
- 6 sales were achieved in excess of \$1 Million. This was 3 down on the March quarter and 13 on the same time last year. 5 of these purchases were made by Tasmanians.
- 9 First home buyers acquired homes in the region. This was 3 more than the previous quarter and identical to the same time last year. 7 acquired houses at a median price of \$535,000 while the remaining 2 purchased land at \$290,000.
- Investment activity in the region has been stable. 16 investment properties were acquired over the quarter at a median price of \$465,000. This was in line with March when the same number of

properties were bought and one above the same time last year. Investors paid \$10,000 more in March but \$110,000 less than at the same time last year. Mainland investors acquired 8 of these properties.

- As with investor activity, the East Coast region saw similar mainland buying numbers to previous quarter and last year. 20 sales were achieved which was 2 more than last quarter and 3 less than the same time last year. These numbers are well down on the 35 sales that were recorded in September 2021. The median purchase price was \$550,000. Mainland buyers only purchased 1 property over \$1 million.
- Spring Beach established itself as the most expensive suburbs in the region with a median price of \$1,237,500, followed by Dolphin Sands (\$817,500), Orford (\$767,500), and Bicheno on \$745,000. The affordability race was won by Fingal (\$322,500), St Marys (\$469,000), Triabunna and Beaumaris both tied on \$540,000. The highest turnover suburbs were St Helens (14), Orford (6) and Bicheno, Scamander, and Stieglitz all tied on 4.
- Break O'Day had the most municipal sales with 523 followed by Glamorgan/Spring Bay (37), and Flinders (2).
- There is a real shortage of rentals in this region and with a strong demand for longer term accommodation, rents have increased significantly. Rents for a 3 bed home in the region have increased from \$390 at the same time last year to \$450 per week now. Vacancy rates remain very low in the area.

The June quarterly results have returned to more of a norm with less fluctuation than we have seen over the past 3 years. Hopefully as the broader Tasmanian real estate activities continue to grow a flow on will push through to this market. The growth and expansion of the local economy will provide an upside and improved opportunities to this market. The shortage of long-term rental accommodation in this region will continue to place pressure on rental prices. Unlike other areas in the state there does not appear to be any easing in this section of the market in this region.

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