

A pending federal election coupled with the prospect of interest rate cuts offset with rising living costs combined to create an environment of caution and apprehension. Many buyers, sellers, investors and renters chose to sit back and wait to see what happens. While mainland real estate markets surged, Tasmanian real estate was slowly emerging from its lows of late 2023 and early 2024. Results for the March 2025 quarter show that activity levels for Tasmania held their own, increasing slightly, as did property prices. Regionally, the sectors had varying outcomes. The South saw decreases in activity levels over the quarter and the same with prices too. The North remained steady with minimal change. The North West continues its popularity accumulating increases in sales numbers and prices. The East Coast also experienced a surge in activity while the West remained stable with similar activity levels to the previous quarter.

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. A slowing market has seen 93 transactions occur over the March quarter. This was up 13 sales on the previous quarter and 1 more than the same time last year.

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

- There were 93 transactions along the East Coast worth \$58.3 million. Transaction numbers were very similar to the same period last year recording 1 more sale.
- 65 house sales were recorded at a median price of \$650,000. The median price increased 9.2% over the previous quarter and 13.5% over the previous year. 5 unit sales were recorded at a median price of \$480,000.
- 16 Land sales were recorded at a median price of \$302,500. Prices were \$2,500 more than those achieved 12 months ago.
- 9 sales were achieved in excess of \$1 million. This was identical to the same time last year and 3 more than the previous quarter. Seven (7) of these properties were acquired by local Tasmanian buyers.
- 6 first home buyers acquired a property in the region over the quarter. This was 2 less than last year and 2 more than the previous quarter.
- 16 investors purchased property in the region over the quarter. This was 3 more than the same time last year and 5 more than the previous quarter. The median purchase price was \$455,000. 7 of the investors were from interstate.
- As with investor activity, the East Coast region saw a strong increase in mainland buying over the quarter. 18 sales were achieved which was 11 more than last quarter and 7 more than the same time last year. The properties were acquired at a median price of \$475,000 which was well below the levels paid in the previous quarter (\$512,500) and the same time last year (\$819,000). 7 of these buyers purchased Investment properties at a median price of \$430,000.
- Coles Bay established itself as the most expensive suburb/town in the region with a median price of \$1,175,000, followed by Bicheno \$790,000, Scamander \$780,000 and Orford \$639,625.
- The most affordable was St Marys \$305,000, Triabunna \$452,000 and Stieglitz \$485,000
- The highest turnover suburbs were St Helens (8), Orford (8), Triabunna (7), Scamander (7) and Bicheno (7).
- Break O'Day had the most municipal sales with 49, followed by Glamorgan/Spring Bay (41) and Flinders (3).
- Median rents for a 3 bed home in the region have remained steady at \$400 per week. Vacancy rates remain very low in the area. 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.

REIT President Russell Yaxley said that the March quarterly results met expectations given that an election and interest rate decreases were on the horizon. Tasmania doesn't experience the volatile ebbs and flow activity that the larger parts of the country incur. It's more a slow and steady approach down here. Our market has clearly recovered from its slowdown (in late 2023/early 2024) and signs look positive for a rebound into 2025. Increasing demand with diminishing stock levels over 2025 will see increased pressure placed on property for sale and rentals over this coming year. Real Estate Agents are currently reporting robust activity across the sales and rental sectors which should see stronger results in the June quarter.

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