

Glenorchy
Property Factsheet
1st Half 2018





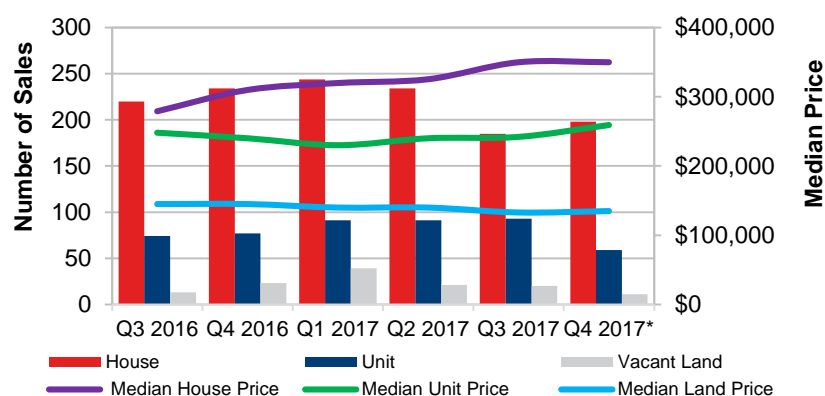
MARKET CONDITIONS

The Glenorchy property market recorded a median house price of \$320,000 and \$235,086 for units in Q4 2017, representing an annual price change of 13.9% and 24.1% respectively. Over the same period of time house prices in the City of Glenorchy LGA grew by 12.9% to \$350,000 and unit prices grew by 7.9% to \$259,000. Glenorchy's property prices are well below suburbs within the Hobart Inner City area, uniquely offering affordability as well as high sustainable capital growth to home buyers and investors.

Average days to sell for units in Glenorchy has decreased significantly over the past 12 months, by -26.1% to 34 days in Q4 2017. This suggests increased competition in the unit market. In Q4 2017 average vendor discounting for both house and units reached positive record levels, requiring buyers to pay a premium above first list asking price of 4.7% and 3.1% respectively. This indicates that Glenorchy is currently a sellers' market, and sellers would be wise to take up this opportunity.

Median rent in Glenorchy has seen healthy increases for both houses (10.8%) and units (25.0%) over the past 12 months to Q4 2017 – currently at \$380 and \$300 per week respectively. Furthermore, rental average days on market has declined for houses, by 25.0% to 18 days in Q4 2017. Low vacancy rate of 0.3% continues to demonstrate strong rental demand in the area, outperforming the wider City of Glenorchy LGA (0.4%). Investors are benefiting from high rental yields of 6.0% (house) and 6.3% (unit), higher than most nearby suburbs, as well as Hobart (4.3% and 6.2% respectively).

CITY OF GLENORCHY GROWTH



OVERVIEW

Glenorchy is approximately 7 kilometres north of the Hobart Central Business District, and is the hub for manufacturing, transport, warehousing and distribution for southern Tasmania. Glenorchy has a vibrant and changing economic base founded on a large supply of serviced industrial and commercial areas.

Change from Last	Year	Half Year
House Sales	↑	↓
House Median Price	↑	↑
House Rental Price	↑	↑
Unit Sales	↑	↓
Unit Median Price	↑	↓
Unit Rental Price	↑	↑

FUTURE DEVELOPMENTS**

Approximately \$121.7M of development is scheduled to commence in Glenorchy and nearby parts of Hobart in the 1st half of 2018. The majority of the developments are commercial projects (75.0%), totaling around \$91.3M, followed by mixed use (21.4% or \$26.0M).

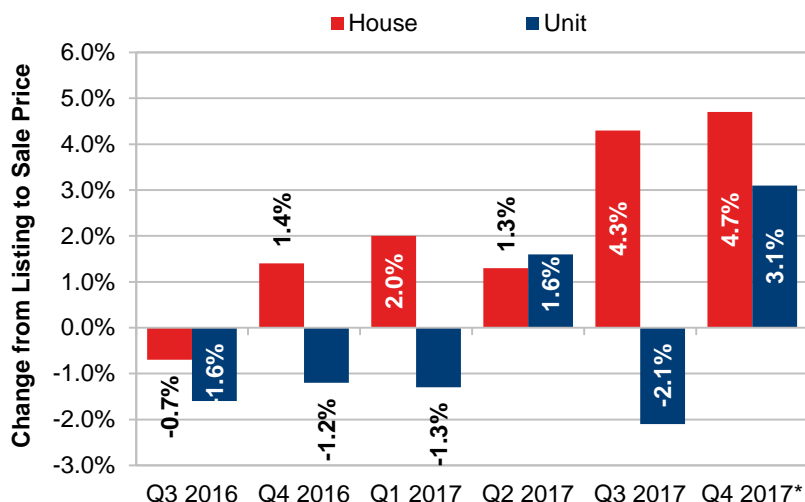
Barossa Park Lodge - Stage 2 project is a major commercial project worth approx. \$7.0M. This will see construction of 70 two bedroom independent living units. The project is expected to start February 2018 and complete in December 2019.

Another key development is the Mona Accommodation Berriedale (MOAB) project, worth approx. \$6.0M, and will see re-development of Berriedale foreshore to include a caravan park. This project is set to start June 2018 and end June 2019.

Glenorchy is set to benefit from the high proportion of commercial projects being planned, in terms of local job creation. A total of 51 new dwellings are being added to the market to support forecasted future population in the area and its surrounds.

*2017 and Q4 2017 data represents data from both Normal sales (i.e. settled sales transactions derived from Government sources) and Agents Advice.
**Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value. Quoted construction and completion dates are estimate only, as per relevant data authority.
Source: APM Pricer, Cordell Database, Australian Bureau of Statistics. © Copyright PRDnationwide 2018.

AVERAGE VENDOR DISCOUNT



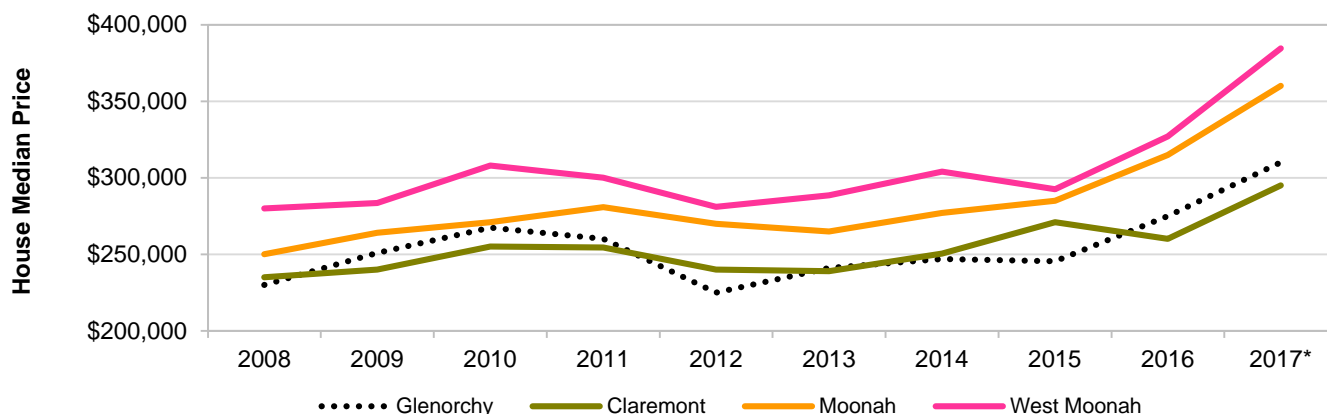
AVERAGE VENDOR DISCOUNT

Average vendor discount reflects the average percentage difference between first list price and final sold price. A lower percentage difference (closer to zero) suggests buyers are willing to purchase close to the first asking price of a property.

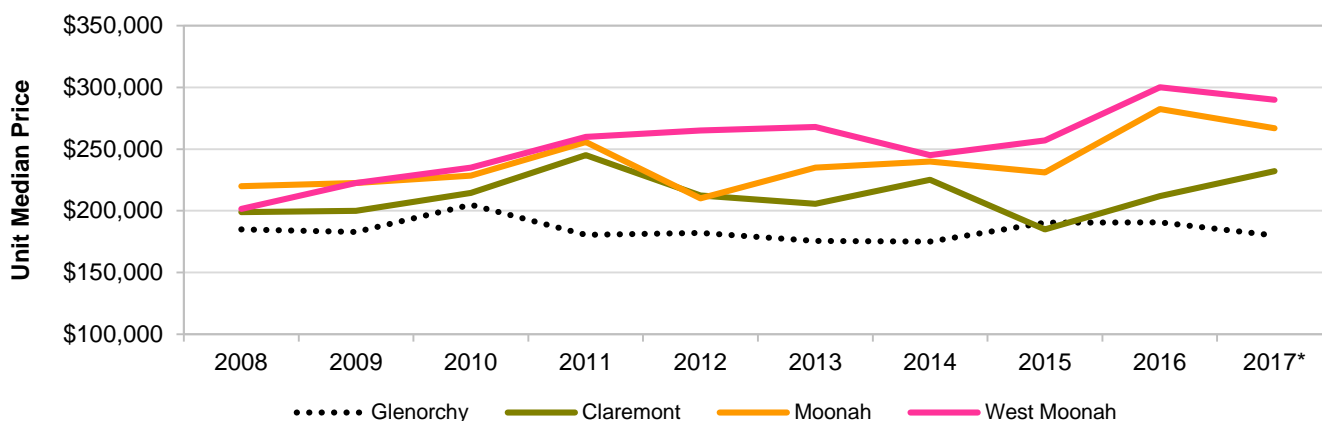
MARKET COMPARISON GRAPH

The market comparison graph provides comparative trend for median price of house and units over the past 10 years. Suburbs profiled are chosen based on proximity to the main suburb analysed in the factsheet, which is Glenorchy. The main suburb is highlighted through a dotted black line graph.

HOUSE MARKET COMPARISON



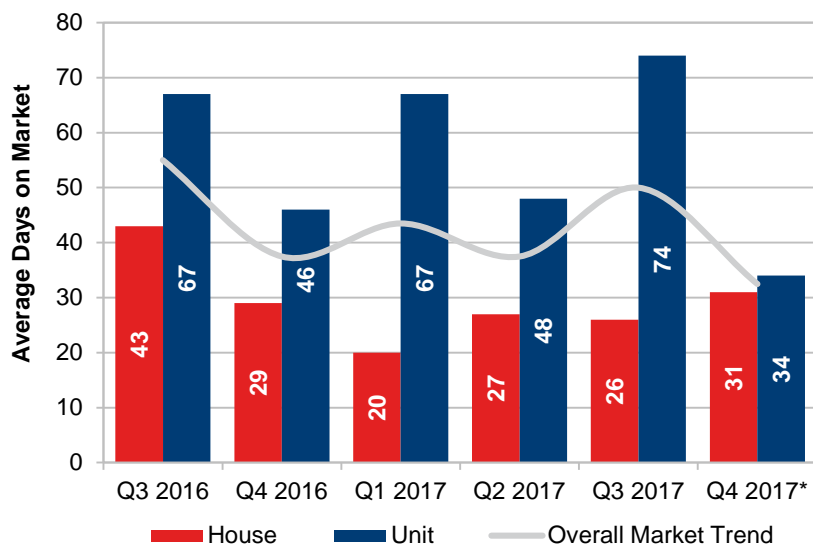
UNIT MARKET COMPARISON



*2017 and Q4 2017 data represents data from both Normal sales (i.e. settled sales transactions derived from Government sources) and Agents Advice sales (i.e. sales transactions not derived from Government sources).

Source: APM Pricefinder, realestate.com.au, Real Estate Institute of Australia. © Copyright PRDNationwide 2018.

AVERAGE DAYS ON MARKET**



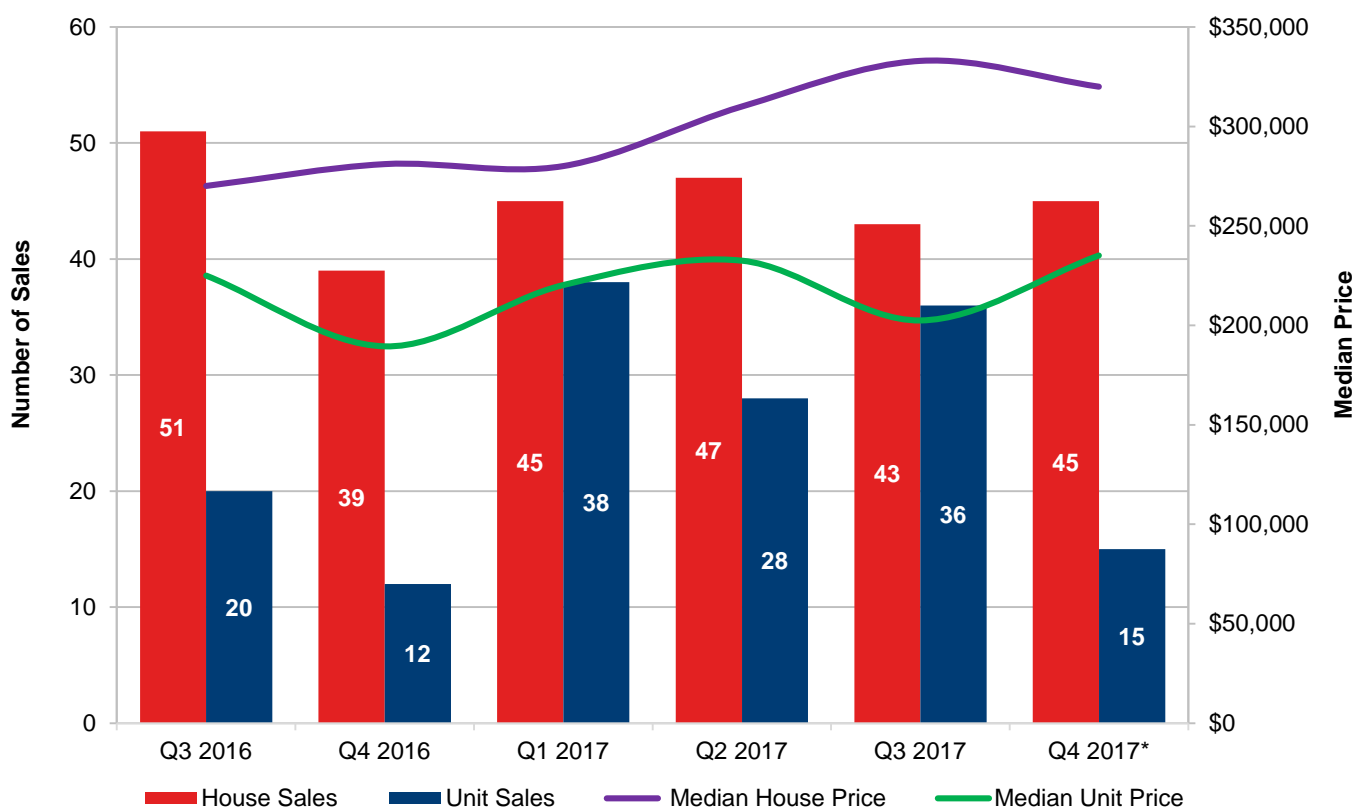
HOUSE KEY FACTS Q4 2017

Median Sale Price: \$320,000
Annual Growth: 13.9%***
Average Days on Market: 31
% Change between First Listed Price and Sold Price: 4.7%

UNITS KEY FACTS Q4 2017

Median Sale Price: \$235,086
Annual Growth: 24.1%***
Average Days on Market: 34
% Change between First Listed Price and Sold Price: 3.1%

SALES AND MEDIAN PRICE**



*Q4 2017 data represents data from both Normal sales (i.e. settled sales transactions derived from Government sources) and Agents Advice sales (i.e. sales transactions not derived from Government sources).

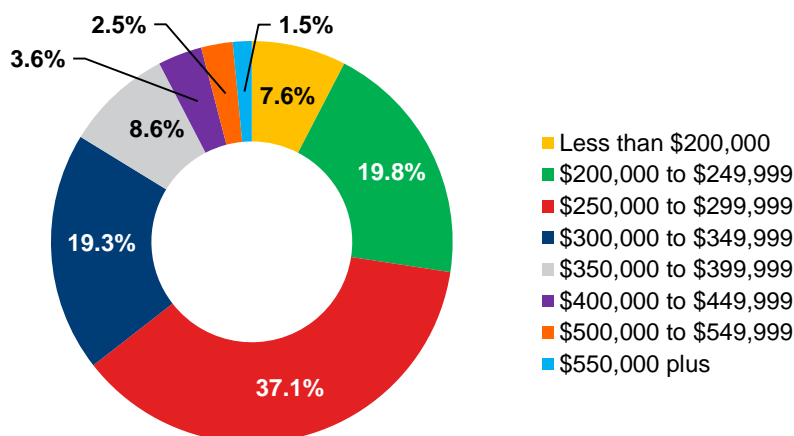
**Glenorchy market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Glenorchy.

***Annual growth represents price growth for property transactions between Q4 2016 to Q4 2017 (inclusive).

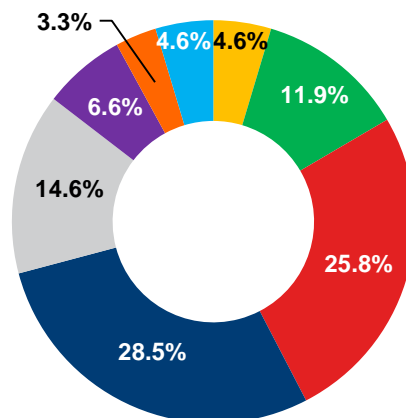
Source: APM Pricefinder, realestate.com.au, SQM Research, Real Estate Institute of Tasmania, City of Glenorchy Council. © Copyright PRDNationwide 2018.

SALES PRICE POINT ANALYSIS

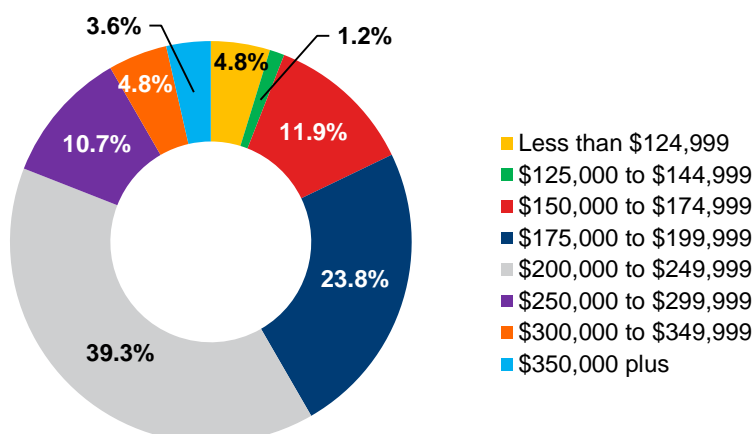
HOUSE PRICE POINT 2016



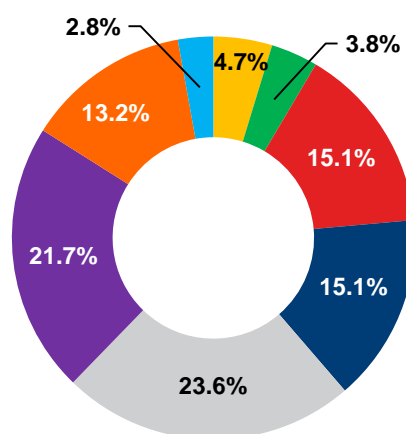
HOUSE PRICE POINT 2017



UNIT PRICE POINT 2016



UNIT PRICE POINT 2017



KEY IMPLICATIONS - HOUSE

The majority of house sales in Glenorchy were within the \$300K-\$350K price bracket in 2017 (28.5%), which is a shift upwards from the \$250K-\$300K price bracket sold in 2016. Further, there was increased number of houses sold in the \$350K-\$400K price bracket, from 8.6% in 2016 to 14.6% in 2017. These changes point to the increased quality of houses entering the market.

With an expansion of 22.1% in the overall level of access for houses above \$300K from 2016 to 2017, sellers in Glenorchy can be assured that they are likely to obtain a price close or above their asking price. Buyers need to act fast as Glenorchy is now a well-sought after market that increasingly commands higher price brackets.

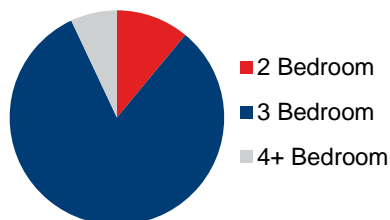
KEY IMPLICATIONS - UNIT

In 2017 the most dominant price bracket for units sold in Glenorchy was \$200K-\$250K (23.6%). This represents a continued trend from 2016, however at a smaller proportion (39.3% in 2016). This indicates that Glenorchy continues to provide an affordable entry point for buyers.

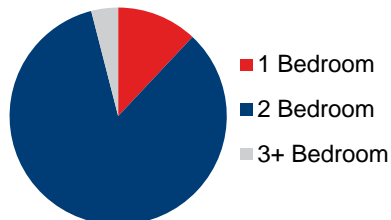
In 2017 at least 30% of lower priced stock is still available to players in the market. Having said that, the levels of units sold doubled in two price points in the higher price ranges (\$250K-\$300K and \$300K-\$350K), to 21.7% and 13.2% respectively. This overall suggest an upward shift in price structure, indicating units are experiencing value increases similar to houses. This uplift benefits existing home owners, first home buyers and investors alike.

INVESTMENT ANALYSIS

HOUSE



UNIT



KEY COMMENTS

Glenorchy has established itself as a well-sought after market with 1,435 online visits per property, well above the average for Tasmania of 927 visits. Over the 12 months to Q4 2017, the total number of properties rented remained stable, while median rental prices for units and houses increased healthily. Combined with a steadily decreasing trend for days on market for houses (18) and units (17), this suggests that investors are sure to benefit from sustainable rental returns in the suburb of Glenorchy.

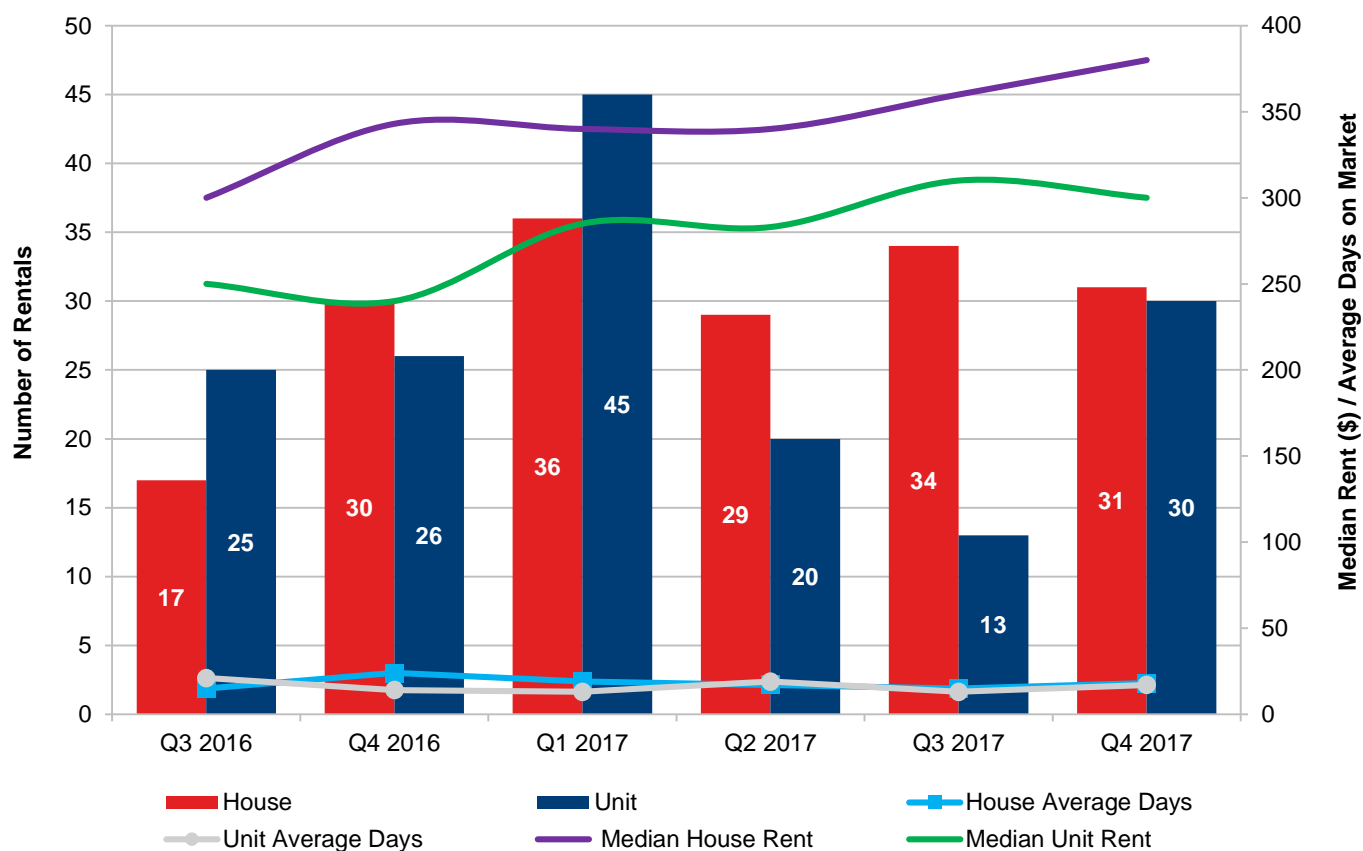
HOUSE KEY FACTS Q4 2017

Median Rent Price: \$380 per week
Suburb Rental Yield: 6.0%
Average Days on Market: 18
Bedroom Breakdown:
2 Bed: 11%, 3 Bed: 82%, 4+ Bed: 7%

UNITS KEY FACTS Q4 2017

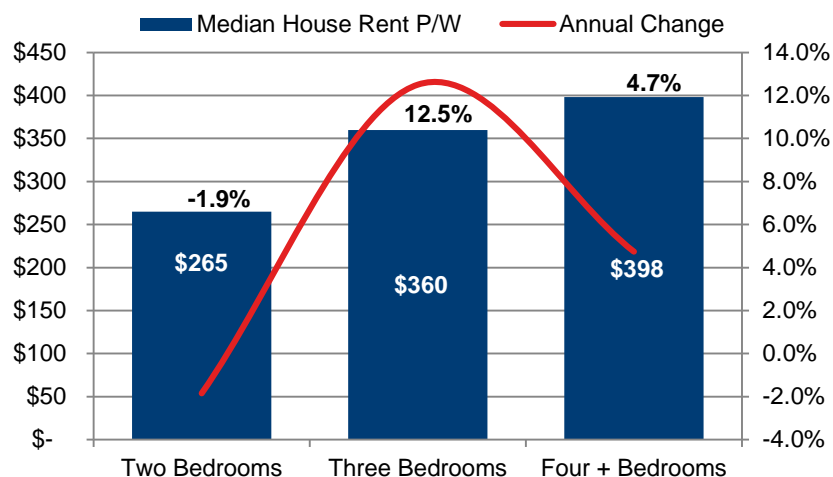
Median Rent Price: \$300 per week
Suburb Rental Yield: 6.3%
Average Days on Market: 17
Bedroom Breakdown:
1 Bed: 12%, 2 Bed: 84%, 3+ Bed: 4%

MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Disclaimer: Glenorchy market data and key indicators encapsulate aggregate property market conditions in the following suburbs: Glenorchy.
Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

RENTAL PERFORMANCE 2017*



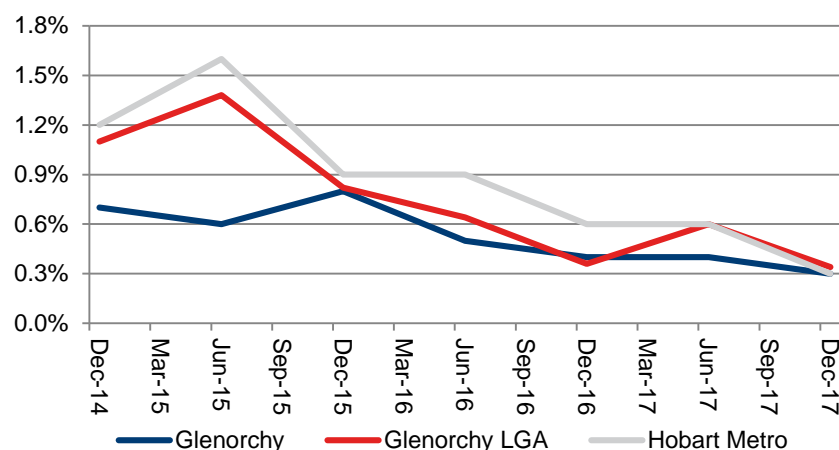
KEY COMMENTS

Glenorchy produced one of the best performing rental yields in the south eastern Tasmania region, exceeding yields in neighbouring suburbs and the wider LGA, as well as the Hobart Metropolitan area.

Three-bedroom houses provided the highest annual rental growth at 12.5%, rising to \$360 per week in 2017.

Vacancy rates in the suburb of Glenorchy continued to tighten, sitting at just 0.3%, and outperforming the remainder of the already competitive market. In fact, over the past 3 years Glenorchy has continued to outperform other suburbs in the LGA or Hobart, making it an investment hotbed.

VACANCY RATES 2017



RENTAL YIELD 2017

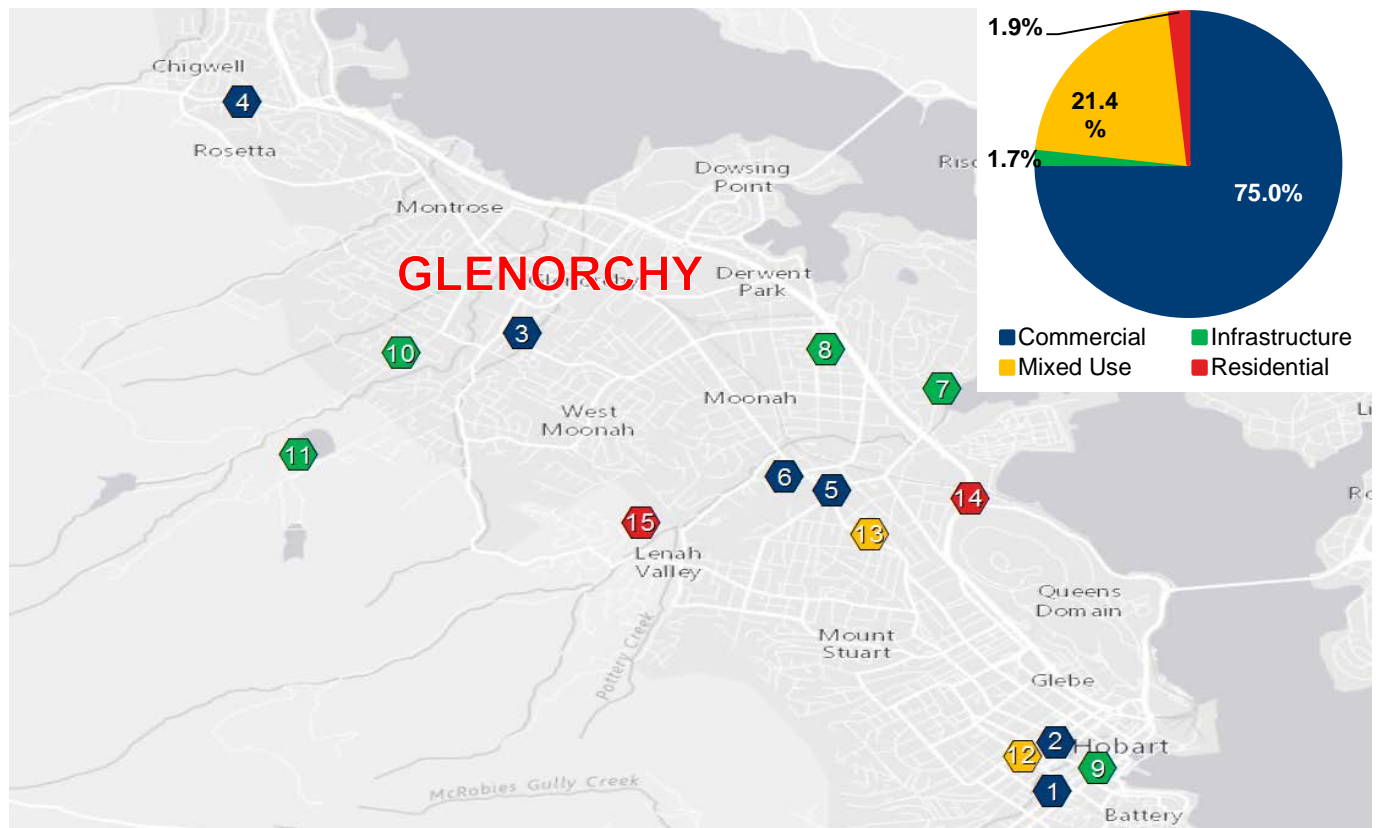
Suburb/ Postcode/ LGA	House Rental Yield	Unit Rental Yield
Glenorchy	6.0%	6.3%
Claremont	6.1%	5.5%
Moonah	5.2%	5.1%
West Moonah	5.1%	5.3%
Glenorchy LGA	4.9%	4.7%
Hobart Metro	4.3%	6.2%

KEY HOUSING DEMOGRAPHICS

	Glenorchy	Glenorchy LGA	Tasmania
Median weekly household income	\$865	\$1,019	\$1,100
Median monthly mortgage repayments	\$1,222	\$1,300	\$1,300
Unemployed	9.3%	7.8%	7.0%
Professionals	11.5%	13.4%	18.8%
Owned outright	26.7%	29.3%	35.7%
Owned with mortgage	27.8%	33.3%	33.5%
Rented	41.1%	33.9%	27.3%

*Rental performance graph represents aggregate house median rent price in the following suburbs: Glenorchy. Annual change is a comparison between 2016 and 2017 median rent figures. Source: APM Pricerfinder, SQM Research, ABS Census 2016. © Copyright PRDNationwide 2018.

PROJECT DEVELOPMENT MAP 1ST HALF 2018*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Macquarie Street Mixed Use Development	Commercial	\$45,000,000	04/06/2018
2	Parliament Square Hobart Redevelopment-Stage 2	Commercial	\$30,000,000	02/04/2018
3	Barossa Park Lodge - Stage 2	Commercial	\$7,000,000	06/02/2018
4	Mona Accommodation Berriedale (MOAB)	Commercial	\$6,000,000	04/06/2018
5	Dan Murphys New Town	Commercial	\$3,000,000	13/04/2018
6	Woodhouse Building Air Conditioning	Commercial	\$300,000	05/03/2018
7	Nyrstar Ground Water Extraction System	Infrastructure	\$1,000,000	16/02/2018
8	Maple Avenue Roadworks	Infrastructure	\$400,000	01/06/2018
9	Department Of Treasury & Finance Building V Stage 5	Infrastructure	\$250,000	07/05/2018
10	Glenorchy City Council Roadworks	Infrastructure	\$250,000	07/06/2018
11	Tolosa Park	Infrastructure	\$165,000	17/04/2018
12	The Commons Hobart (30 units)	Mixed Use	\$20,000,000	02/02/2018
13	New Town Road Mixed Use Development (16 units)	Mixed Use	\$6,000,000	15/02/2018
14	Bellevue Parade Townhouses (6 townhouses)	Residential	\$1,395,000	25/06/2018
15	Lenah Valley Road Units (5 units)	Residential	\$960,000	02/04/2018

*Disclaimer: Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

**Projects refers to the top developments within the suburbs of Hobart, Glenorchy, Berriedale, New Town, Lutana, Moonah, Lenah Valley.

***Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

****Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRDnationwide does not hold any liability to the exact date in which each project commences and/or is completed.

Source: Cordell Database, ESRI ArcGIS, Department of Primary Industries, Parks, Water and Environment, City of Glenorchy Council. © Copyright PRDnationwide 2018.

ABOUT PRDnationwide RESEARCH

PRDnationwide's research division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions

As the first and only truly knowledge based property services company, PRDnationwide shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customized products

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



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