



Glenorchy Market Update 2nd Half 2021



OVERVIEW

In Q2 2021, Glenorchy* recorded a median house price of \$525,000, and a median unit price of \$419,975. This represents annual (Q2 2020 – Q2 2021) median price growth of 20.3% for houses and 16.7% for units. Between Q2 2020 – Q2 2021 total sales increased, by 1.4% for houses (141 sales) and slowed by -17.0% for units (39 sales). These figures indicate high levels of demand in the Glenorchy market, which when accompanied by price growth indicates real returns in capital investment. Now is an ideal time for home owners to transact, as there is an absence of stand-alone houses being built.

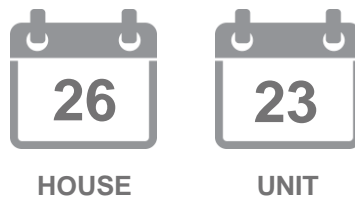
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↓
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↓	↓
	Unit Median Price	↑	↑
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2021



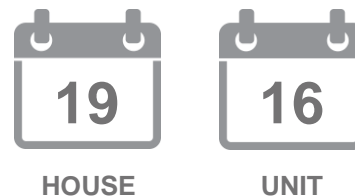
SALES AVERAGE DAYS ON MARKET Q2 2021



RENTAL MEDIAN PRICE Q2 2021

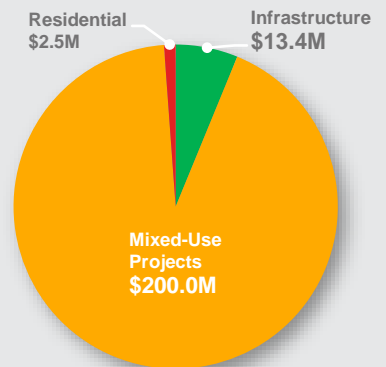


RENTAL AVERAGE DAYS ON MARKET Q2 2021



FUTURE DEVELOPMENTS

Glenorchy* is set to see approximately **\$215.9M** worth of new projects commencing in the 2nd half of 2021.



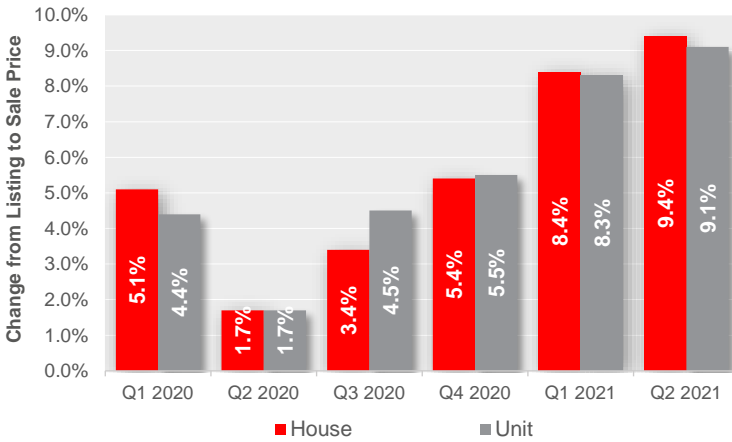
Large investments in mixed-use development will cater to property demand and ensure more sustainable price growth. Further, the addition of new amenities will benefit locals and positively impact the property market.

Major infrastructure projects in the 2nd half of 2021 are the Glenorchy Super Ambulance Station (\$6.0M) and MONA Accommodation Berriedale (\$6.0M), which will see the redevelopment of the Berriedale foreshore for the benefit of tourism in Glenorchy. The largest project due to commence in late 2021 is the Windermere Bay Precinct (\$200.0M). This mixed use project will see the redevelopment of the former Claremont primary school site and construction of a 7 storey, 315 apartment development. It will be supported by shops, cafes, a gym & pool, child care centre and landscaped park. Further supply will be available through the Abbotsfield Road Subdivision (\$2.5M, 50 lots), which will allow first home buyers to access government grants and build their home.



AVERAGE VENDOR DISCOUNT* KEY COMMENTS

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.

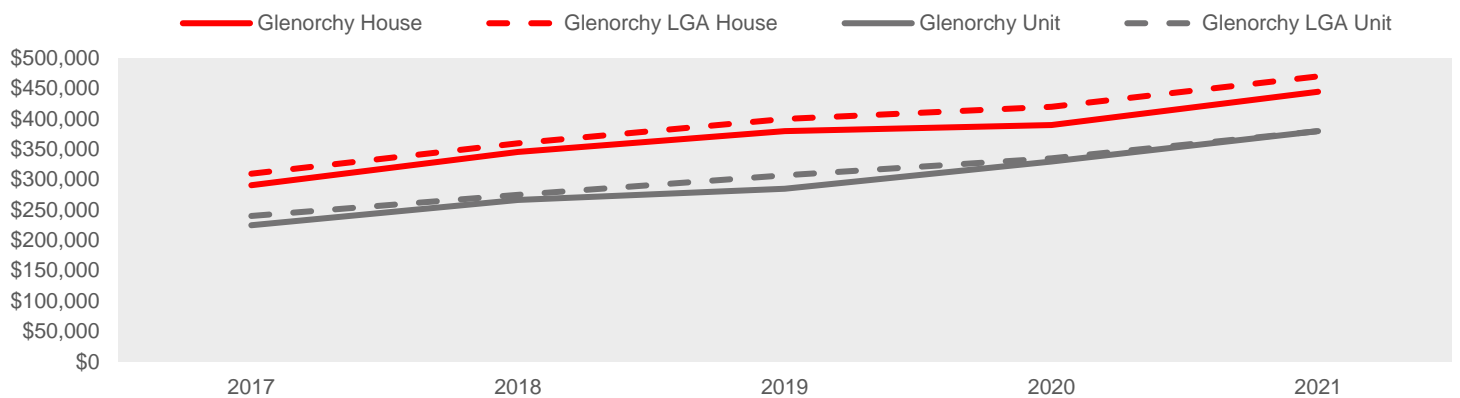


Average vendor premiums between Q2 2020 and Q2 2021 have increased further for both property types, to +9.4% for houses and +9.1% for units. Market conditions in Glenorchy* continue to further favour vendors, as sellers must offer above the initial listing price. Now is the time to sell in Glenorchy*.

The suburb of Glenorchy has historically offered very similar to slightly better affordability than the wider Glenorchy Local Government Area (LGA) in both house and unit median prices. This continued to be the case throughout 2021.

The dominant proportion of homes sold in Glenorchy* across 2021^ were in the middle-price bracket of \$450,000 - \$550,000 (37.7%), while units recorded a dominant lower-price point of less than \$350,000 (27.7%). There is affordably priced stock available, however first home buyers must act quickly as median house and unit prices continue to rise.

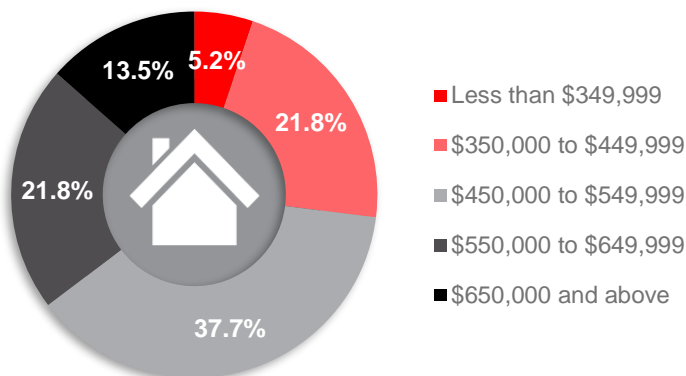
MARKET COMPARISON



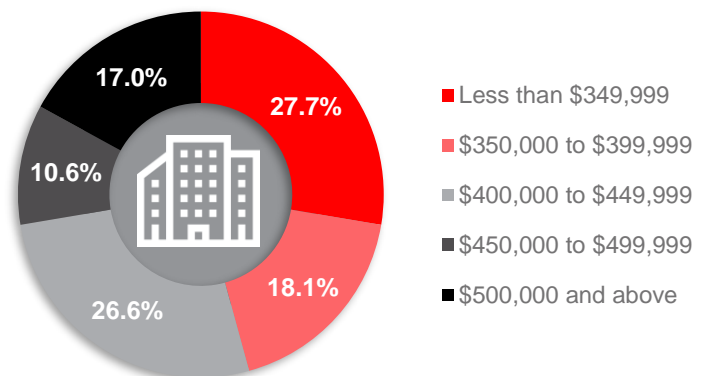
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Glenorchy.

PRICE BREAKDOWN 2021^

HOUSES SOLD



UNITS SOLD

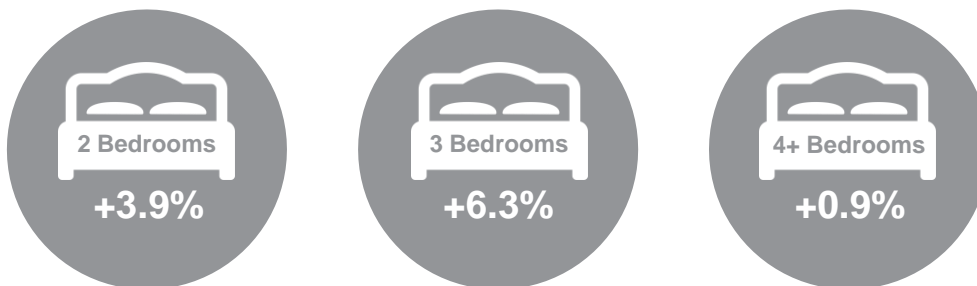


RENTAL GROWTH 2021€

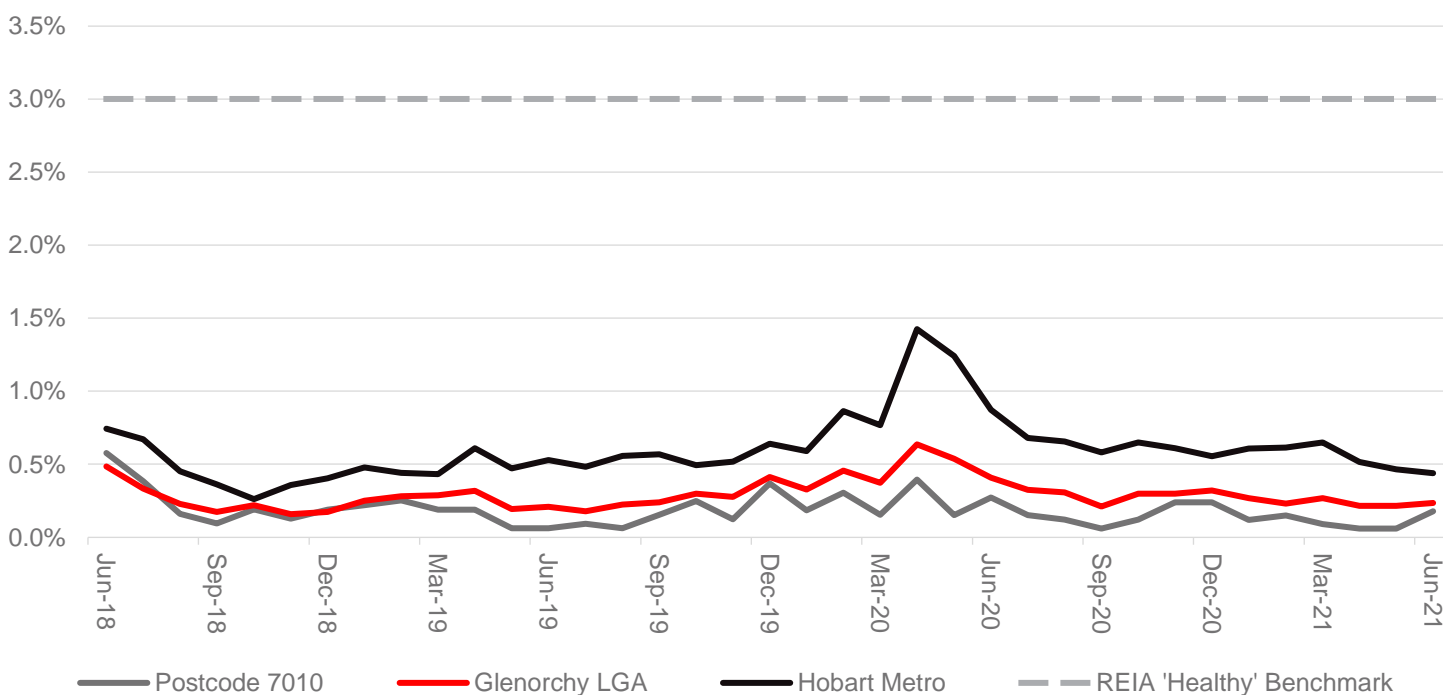
In June 2021, house rental yields in Glenorchy* were recorded at 4.9%. In the 12 months to Q2 2021, the median house rental price increased by 11.6% to reach \$480 per week, while average days on the market declined by -24.0% (to 19 days). Overall this indicates Glenorchy* has remained a very resilient rental market throughout COVID-19.

3 bedroom houses have provided investors with +6.3% rental growth annually€, with a median rent of \$470 per week.

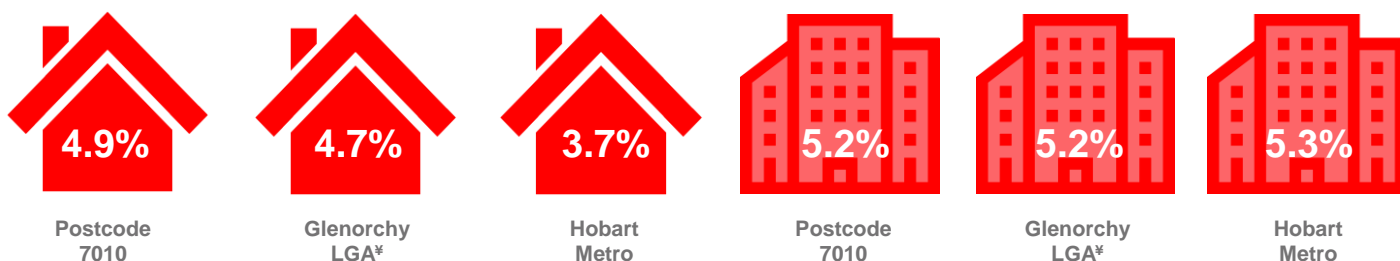
Also in June 2021, postcode 7010* recorded an incredibly low vacancy rate of 0.2%, on par with that of the Glenorchy LGA (0.2%) and below Hobart Metro's also low rate (0.4%). Vacancy rates in Postcode 7010* remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even amidst COVID-19 conditions. This confirms there is a strong ongoing level of rental demand, thus investors can be confident of a conducive investment environment in Glenorchy*.



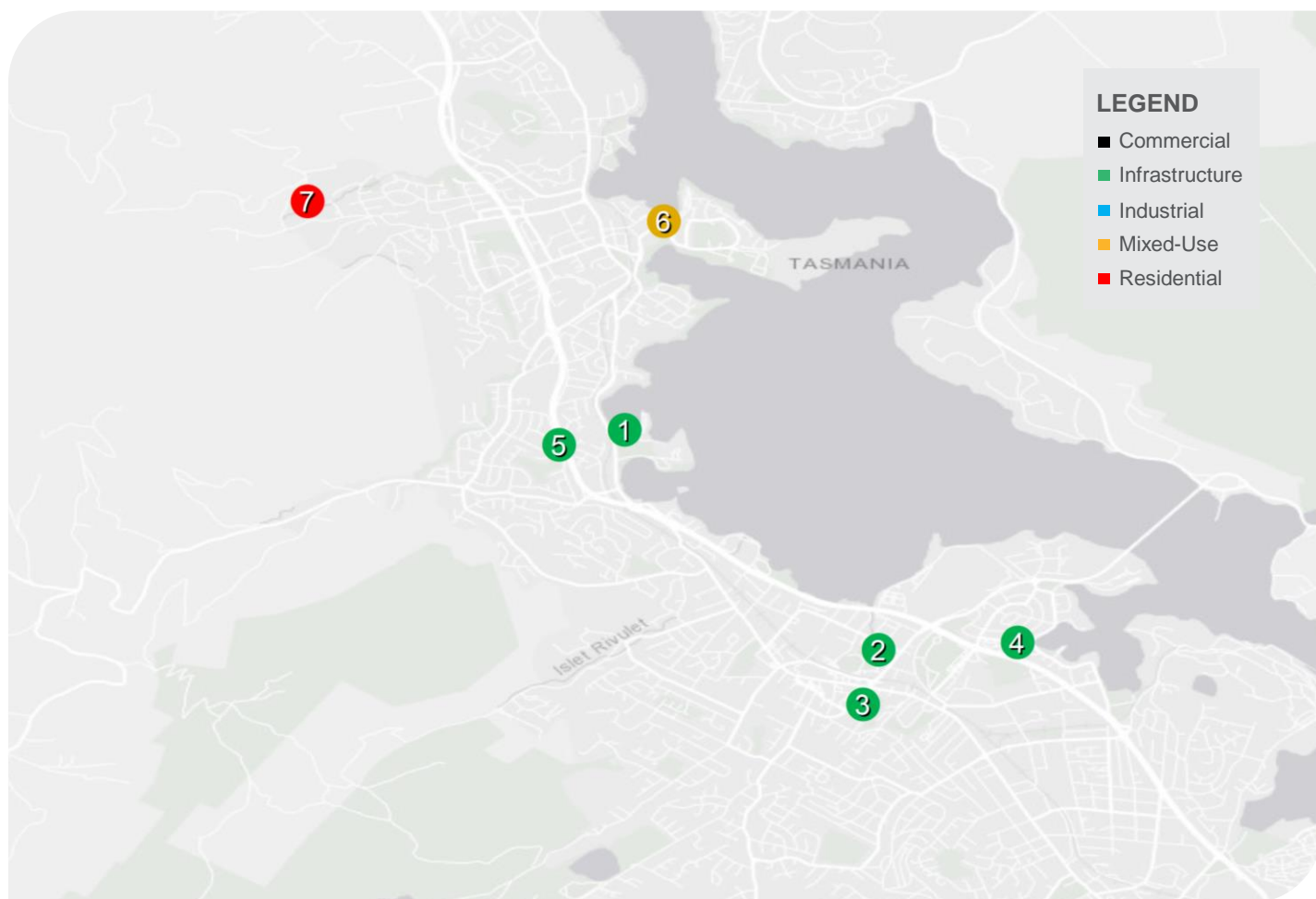
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



TOP DEVELOPMENTS MAP 2ND HALF 2021[†]



Location	Project [£]	Type	Estimated Value [¥]	Commence Date ^ψ
1	Mona Accommodation Berriedale (MOAB)	Infrastructure	\$6,000,000	15/09/2021
2	Glenorchy Super Ambulance Station	Infrastructure	\$6,000,000	18/10/2021
3	Eady Street Sports Ground	Infrastructure	\$850,000	21/07/2021
4	Howard Road Footpath	Infrastructure	\$300,000	06/11/2021
5	Catherine Street Roadworks	Infrastructure	\$250,000	25/10/2021
6	Windermere Bay Precinct (315 Apartments)	Mixed-use	\$200,000,000	06/12/2021
7	Abbotsfield Road Subdivision (50 Lots)	Residential	\$2,500,000	27/09/2021

OUR SERVICES INCLUDE

- Advisory and consultancy
- Market analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market analysis
- Geographic information mapping
- Project analysis including product and pricing recommendations
- Rental and investment return analysis

OUR KNOWLEDGE

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

OUR PEOPLE

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

OUR SERVICES

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



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REFERENCES

* Glenorchy market data and key indicators encapsulates aggregate property market conditions within the Glenorchy LGA.

** Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

2021 encapsulates sales transactions for 1H 2021 (01/01/2021 – 30/06/2021).

^ 2021 encapsulates sales transactions for 1H 2021 (01/01/2021 – 30/06/2021).

€ Annual rental growth is a comparison between 1H 2020 (01/01/2020 – 30/06/2020) and 1H 2021 (01/01/2021 – 30/06/2021) house median rent figures.

¥ Glenorchy LGA market data encapsulates aggregate property conditions within the he postcodes of 7008, 7009, 7010, 7011, 7012, 7030, and 7054.

§ Rental yields shown are as reported as of June 2021.

⌘ 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 Glenorchy LGA.

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

ψ Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRD does not hold any liability to the exact date.

Source: APM Pricerfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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