



# Glenorchy Market Update

## 1<sup>st</sup> Half 2023



### OVERVIEW

In Q4 2022, Glenorchy\* recorded a median house price of \$587,500 and a median unit price of \$470,000. This represents annual (Q4 2021 – Q4 2022) median price softening of -8.2% for houses and -1.3% for units. Total sales declined between Q4 2021 – Q4 2022, by -13.1% (to 133 sales) for houses and by -55.6% (to 36 sales) for units. Further, on a quarter-by-quarter basis (Q3 2022 – Q4 2022) median price softened by -3.0% for houses and -6.9% for units. Thus, cash rate movements and consumer uncertainty are impacting all property types. New opportunities exist for buyers in both markets.

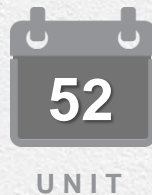
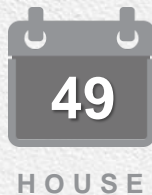
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↓	↓
	House Rental Price	↑	↑
	Unit Sales	↓	↓
	Unit Median Price	↓	↓
	Unit Rental Price	↑	↓

### MARKET CONDITIONS

SALES MEDIAN PRICE  
Q4 2022



SALES AVERAGE DAYS ON  
MARKET Q4 2022



RENTAL MEDIAN PRICE  
Q4 2022

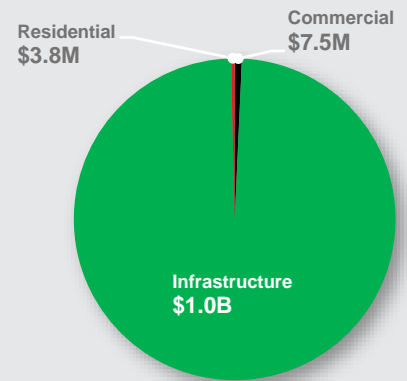


RENTAL AVERAGE DAYS ON  
MARKET Q4 2022



### FUTURE DEVELOPMENTS

Glenorchy is set to see approximately **\$1.0B worth of new projects commencing in the 1<sup>st</sup> half of 2023.**



A key focus on infrastructure projects improve liveability for residents and can create large employment opportunities in the construction phase. This has the potential of making the area more attractive to live in.

Infrastructure development holds majority of the development pipeline in the 1st half of 2023.

- Infrastructure projects planned include:
- Bridgewater Bridge Development (\$786M)
- Hobart Showgrounds Precinct (\$200M)

Residential developments planned for the 1st half of 2023 include:

- 151 Tolosa Street Dwellings (\$1.9M, 3 dwellings)
- 32 Cheviot Road Residential Subdivision (\$1.0M, 19 lots)
- 7 Birch Road Dwellings (\$1.9M, 3 dwelling)

Less residential projects suit the current economic market, allowing current stock to be absorbed.



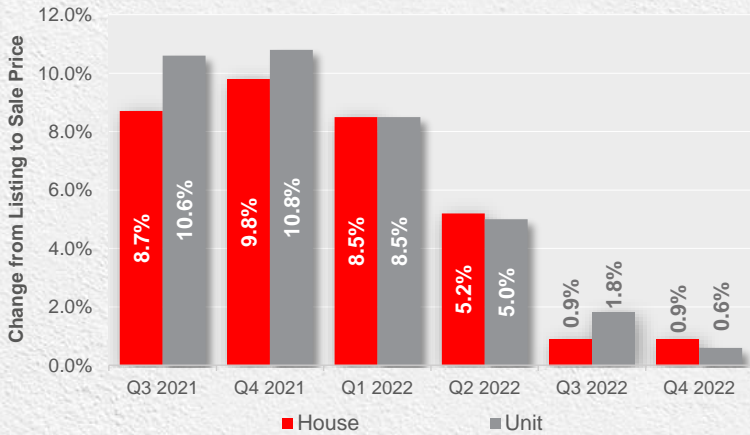
Dwellings



19 Lots

# 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.

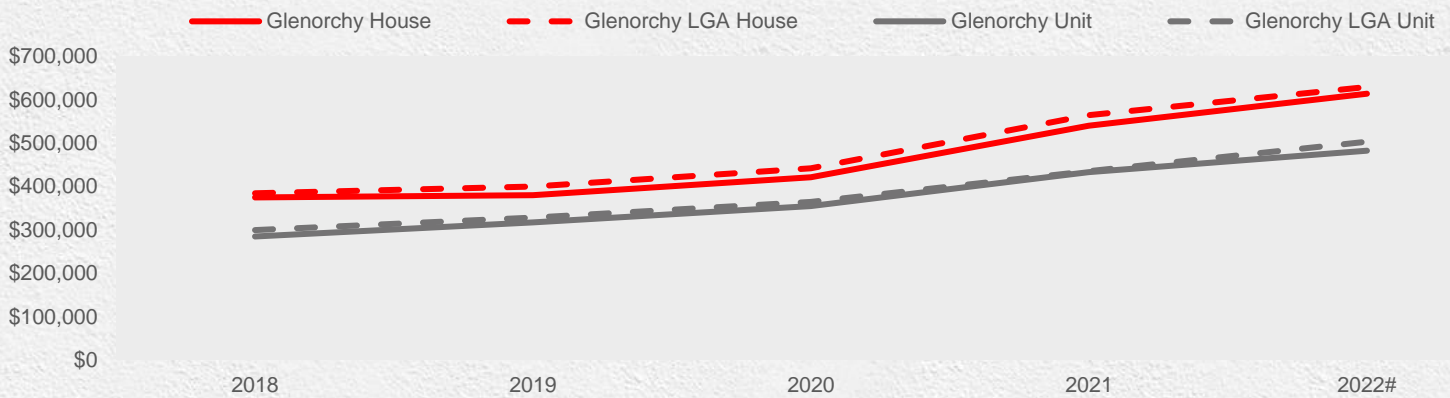


Average vendor discounts between Q4 2021 and Q4 2022 have remained at a premium, however to a lower rate of 0.9% for houses and 0.6% for units. Sellers can still benefit from a final sale price that is slightly above the first list price, however based on trends for the past 6 quarters, time is limited. There is now opportunity for buyers, who can enter the market at a lower premium.

The suburb of Glenorchy has historically been on par with the wider Glenorchy Local Government Area (LGA) in both house and unit median prices. This continued to be the case throughout 2022#.

The dominant proportion of homes sold in Glenorchy\* across 2022# were in the middle-price bracket between \$600,000 to \$700,000 (33.8%). Units on the other hand recorded a dominant premium price point of \$550,000 and above. There is a relatively balanced percentage of sales in all price brackets, thus an opportunity for all different budgets.

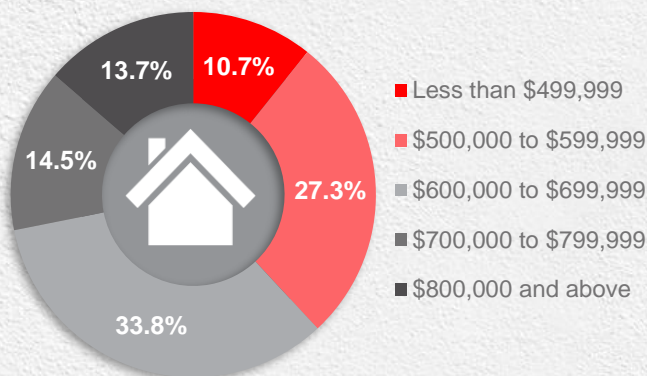
## MARKET COMPARISON



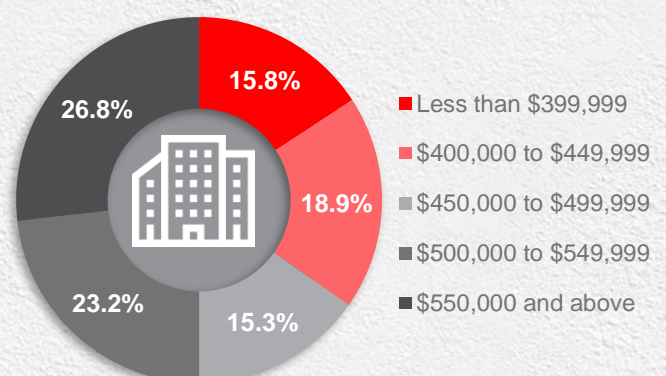
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main areas profiled are chosen based on their proximity to the main suburb analysed, which is Glenorchy.

## PRICE BREAKDOWN 2022#

### HOUSES SOLD



### UNITS SOLD

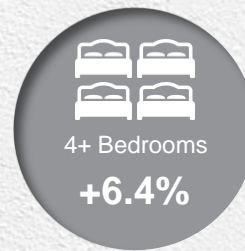


# RENTAL GROWTH 2022€

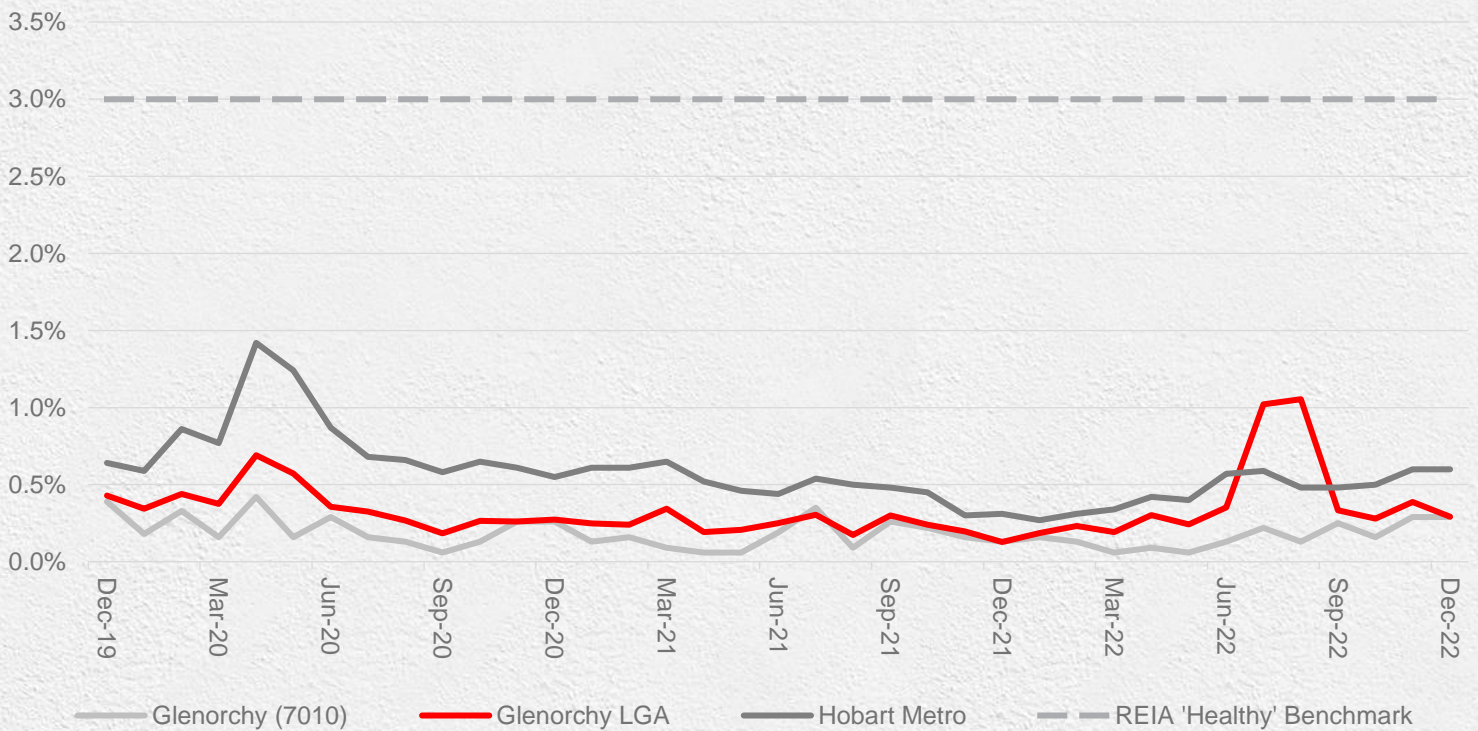
House rental yields in Glenorchy\* was 4.8% in December 2022, higher than Hobart Metro (4.5%). This was paired with a 7.8% increase in median house rental price in the 12 months to Q4 2022 and a 66.7% (to 150 rentals) increase in the number of houses rented. Average day on the market has stabilised, however still at a low 20 days. This suggests a resilient rental market in Glenorchy\* and provides an affordable alternative to Hobart Metro.

2 bedroom houses have provided investors with +10.5% rental growth annually, achieving a median rent of \$420 per week.

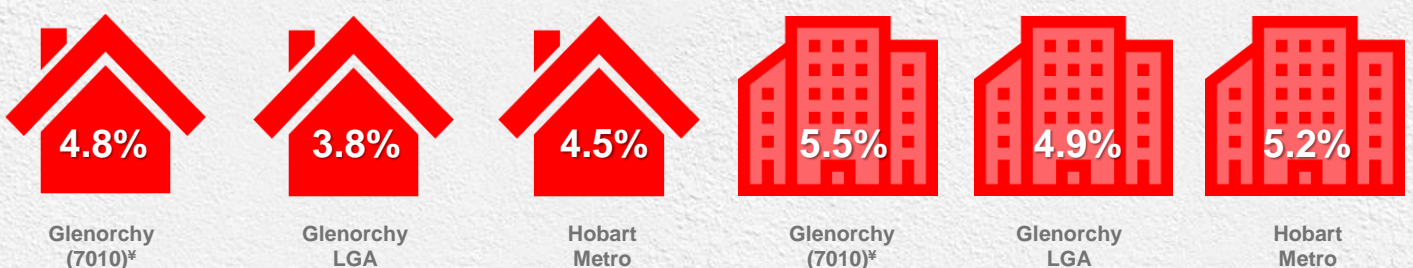
Glenorchy\* recorded a vacancy rate of 0.3% in September 2022, which is below Hobart Metro's 0.6% average. Vacancy rates in Glenorchy (Postcode 7010)\* have slightly increased in late 2022, potentially due to increasing cash rates. However it remains well below the Real Estate Institute of Australia's healthy benchmark of 3.0% and on par with pre-COVID-19 rate. This suggests a conducive and sustainable environment for investors, especially with a softer median property sale price.



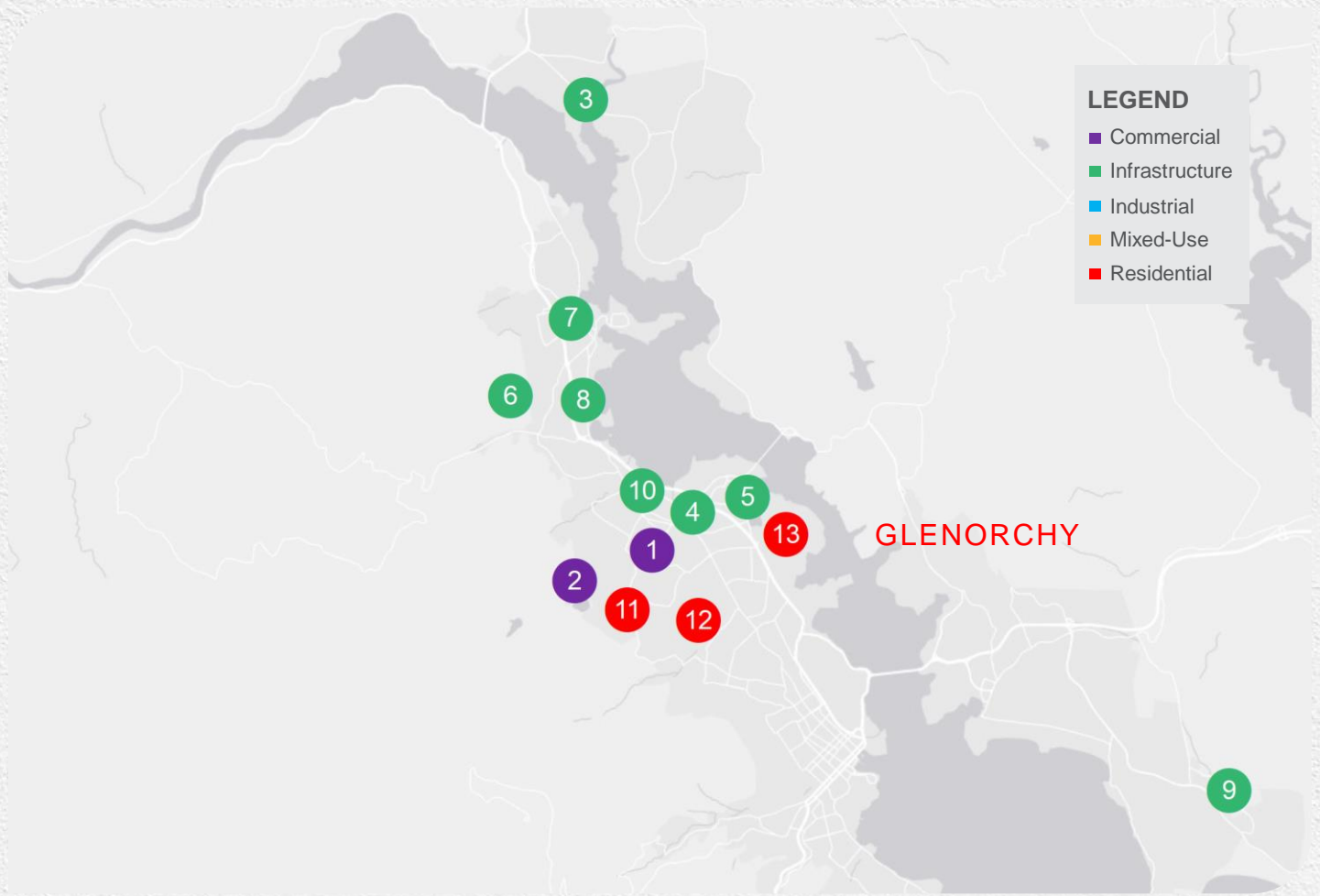
# RENTAL VACANCY RATES 2022



# RENTAL YIELD 2022\$



# TOP DEVELOPMENTS MAP 1<sup>st</sup> HALF 2023<sup>A</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Commence Date <sup>ψ</sup>
1	Barossa Park Lodge - Stage 2	Commercial	\$7,000,000	03/04/2023
2	Tolosa Street Path Link (Dominic College To Tolosa Park)	Commercial	\$500,000	16/04/2023
3	Bridgewater Bridge Redevelopment	Infrastructure	\$786,600,000	13/03/2023
4	Hobart Showgrounds Precinct - Stage 3 - Pavilion & Dwellings	Infrastructure	\$200,000,000	29/05/2023
5	Glenorchy Super Ambulance Station	Infrastructure	\$12,000,000	08/05/2023
6	15-21 Bellette Place Mental Health Supported Accommodation	Infrastructure	\$12,000,000	14/03/2023
7	Claremont Park & Ride	Infrastructure	\$6,600,000	06/02/2023
8	Mona Accommodation Berriedale (Moab)	Infrastructure	\$6,000,000	23/01/2023
9	Department Of Communities Tasmania Neighbourhood Houses	Infrastructure	\$4,500,000	23/02/2023
10	Glenorchy City Council Roadworks	Infrastructure	\$950,000	09/05/2023
11	151 Tolosa Street Dwellings (3 dwellings)	Residential	\$1,900,000	30/01/2023
12	32 Cheviot Road Residential Suidivision (19 lots)	Residential	\$1,000,000	16/04/2023
13	7 Birch Road Dwellings (3 dwellings)	Residential	\$900,000	17/01/2023



## 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 suburbs of 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.

# 2022 encapsulates sales transactions for 2022 (01/01/2022 – 31/12/2022) only.

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/12/2022) and 2022 (01/01/2022 – 31/12/2022) house median rent figures.

¥ Glenorchy market data encapsulates aggregate property conditions within the postcode of Glenorchy LGA.

§ Rental yields shown are as reported as of December 2022.

⌘ 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 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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