

Brighton Market Update

1st Half 2024



OVERVIEW

In Q4 2023, Brighton recorded a median house price of \$625,000, and a median unit price of \$440,000. This represents annual (Q4 2022 – Q4 2023) median price growth of 15.2% for houses and a softening of -15.4% for units. Sales fell during this time, by -24.1% for houses (to 44 sales) and by -43.8% for units (to 9 sales). This suggest a house undersupply, with prices going up and less sales. Thus now is an ideal time for owners to capitalise on their investments. The unit market is now more affordable, which creates a window of opportunity for first home buyers. That said unit buyers must act fast, as there is only very few new stock planned.

CHANGE FROM LAST YEAR HALF YEAR



	YEAR	HALF YEAR
HOUSE SALES	↓	↓
HOUSE MEDIAN PRICE	↑	↑
HOUSE RENTAL PRICE	↓	↓

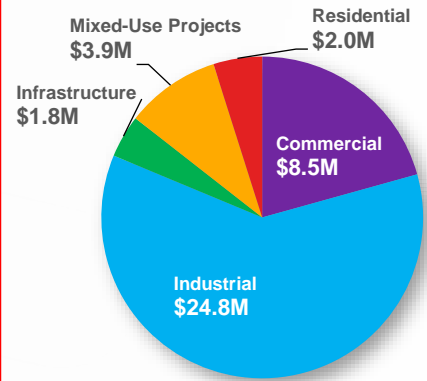


	YEAR	HALF YEAR
UNIT SALES	↓	↔
UNIT MEDIAN PRICE	↓	↓
UNIT RENTAL PRICE	↓	↓



FUTURE DEVELOPMENTS

Brighton is set to see approximately **\$40.9M worth of new projects commencing in the 1st half of 2024.**



A focus on industrial and commercial projects will stimulate economic growth and create employment opportunities in Brighton. This can have positive spill-over impact on the real estate market, in the form of more demand for housing.

The main industrial development in the 1st half of 2024 is the Woodrive Road Self Storage Facility (\$10.5M).

There are two residential projects due to commence construction in the 1st half 2024.

- 6 Munday Street (\$1.2M)-5 Units
- 13 Celtic Place (\$750K)-3 Dwellings

Whilst these projects will assist with some demand, this still very minimal. The lack of new ready-to-sell houses planned will push prices up even further, making it more challenging for first home buyers. Very little new units suggest the current softening in prices are most likely only temporary.



MARKET CONDITIONS

MEDIAN PRICE
Q4 2023



\$625K



\$440K

SALES

AVERAGE DAYS
ON MARKET Q4 2023



83
HOUSE



58
UNIT

RENTALS

MEDIAN PRICE
Q4 2023



\$440



\$430

AVERAGE DAYS
ON MARKET Q4 2023



24
HOUSE

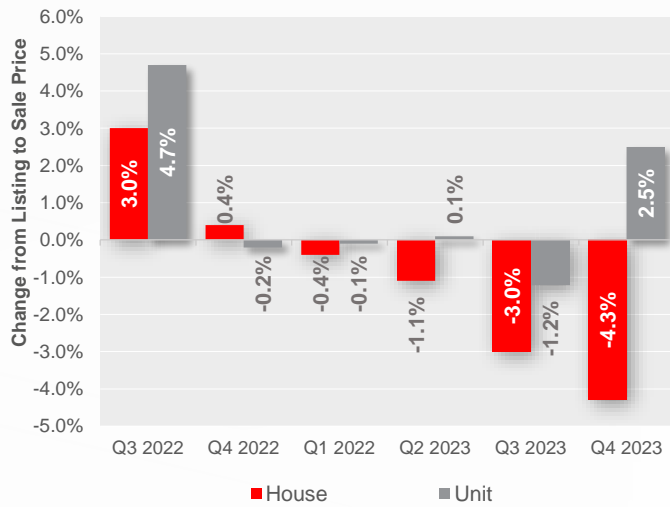


24
UNIT



AVERAGE VENDOR DISCOUNT*

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.



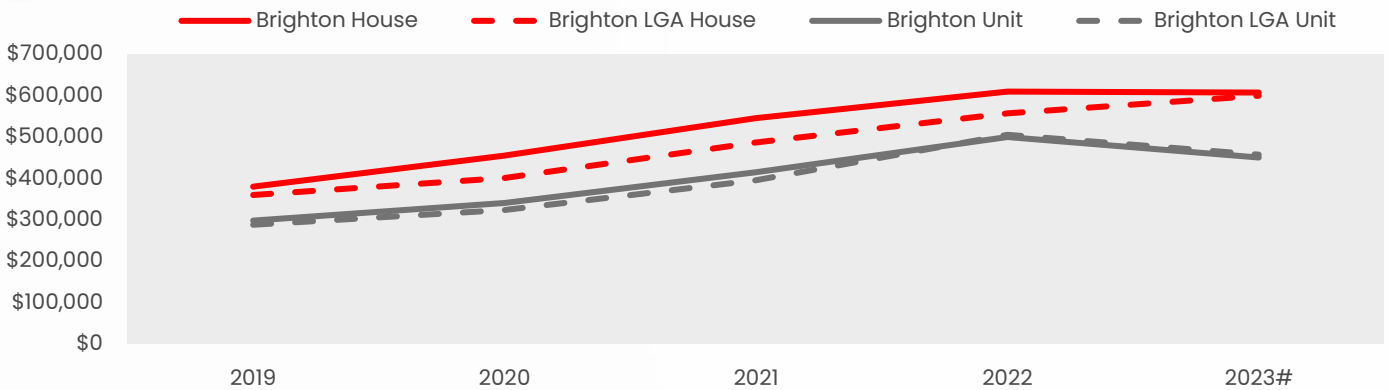
Average vendor discounts between Q4 2022 and Q4 2023 saw a significant shift. For houses it swung from premium to a discount of -4.3% for houses, the widest discount recorded in 18 months. Now is the time for buyers to enter the market, even if there is an increase in median house price. On the other hand, units have swung from a discount to a premium, of 2.5% in Q4 2023. Thus despite a softening in price, buyers must offer above the first list price.

The suburb of Brighton has historically been relatively on par with the wider Brighton Local Government Area (LGA) in house and units median prices. This trend continued throughout 2023#, with house prices holding steady and unit prices declining gradually in the last 12 months.

The dominant proportion of homes sold in Brighton across 2023 were in the most affordable price point of less than \$449,999 (23.6%). Similarly most unit sales were also in the most affordable price point. This is good news for first home buyers. That said there is also a growing premium market, 22.1% for houses and 27.4% for units, which assures owners and investors of their property's capital growth.



MARKET COMPARISON

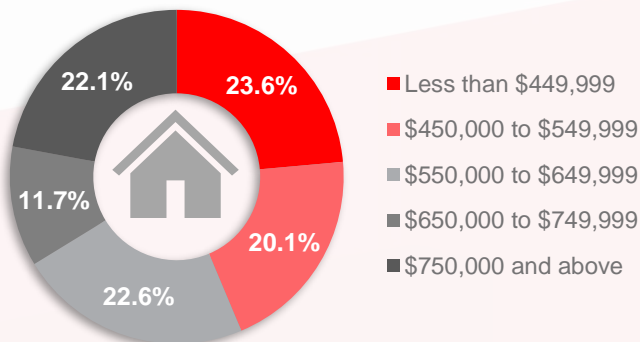


The market comparison graph provide a comparative trend for median price of houses and vacant land over the past 5 years. The main LGA chosen was based on their proximity to the main postcode analysed, which is Brighton.

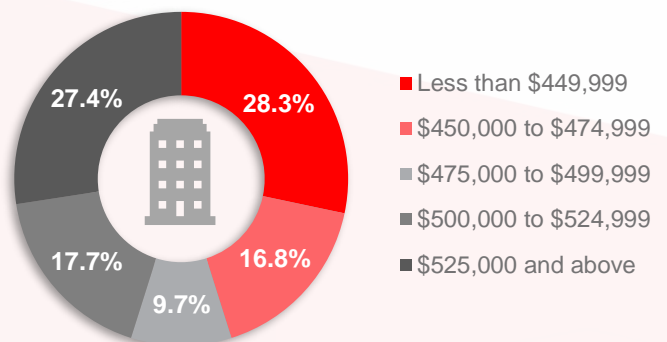


PRICE BREAKDOWN 2023#

HOUSES SOLD



UNITS SOLD





RENTAL GROWTH 2023

Over the past 12 months, house rental yields in Brighton[‡] increased marginally to sit at 4.6% in December 2023, higher than Hobart Metro (3.5%). This was paired with an increase in the number of properties rented across the same time period, and a decrease in median unit and house rent. This creates a unique opportunity, as investors can still benefit from higher rental yields and renters can take advantage of a more affordable rental market.

4+ bedroom houses have provided investors with +3.2% rental growth annually, achieving a median rent of \$580 per week.

Brighton[‡] recorded a vacancy rate of 0.4% in December 2023, below Hobart Metro's 1.1% average. Vacancy rates in Brighton have slightly fluctuated in the past 12 months, due to investors entering/exiting the market as a result of cash rate hikes. That said Brighton's vacancy is significantly below the Real Estate Institute of Australia's healthy benchmark of 3.0%, indicating there is a still a much quicker occupancy of rental properties in the area.

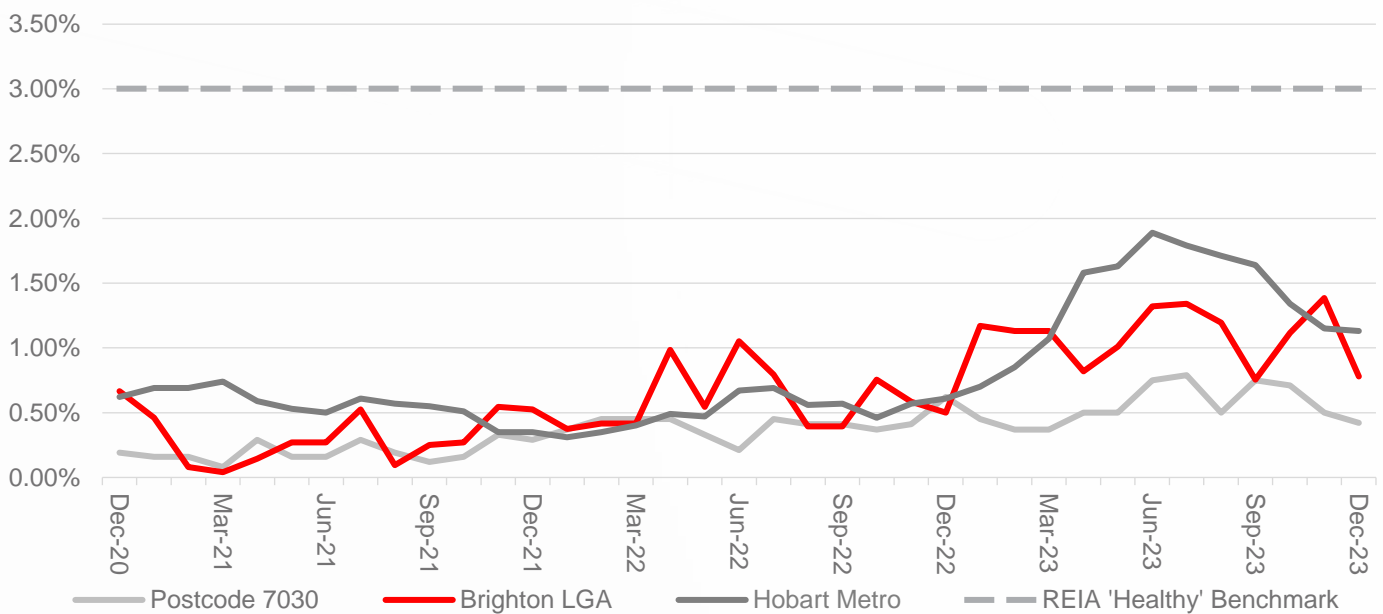
2 BEDROOMS
+0.0%

3 BEDROOMS
+0.0%

4 BEDROOMS
+3.2%



RENTAL VACANCY RATES 2023



RENTAL YIELD 2023[§]



4.6%
Brighton



4.6%
Brighton LGA



3.5%
Hobart Metro



5.6%
Brighton

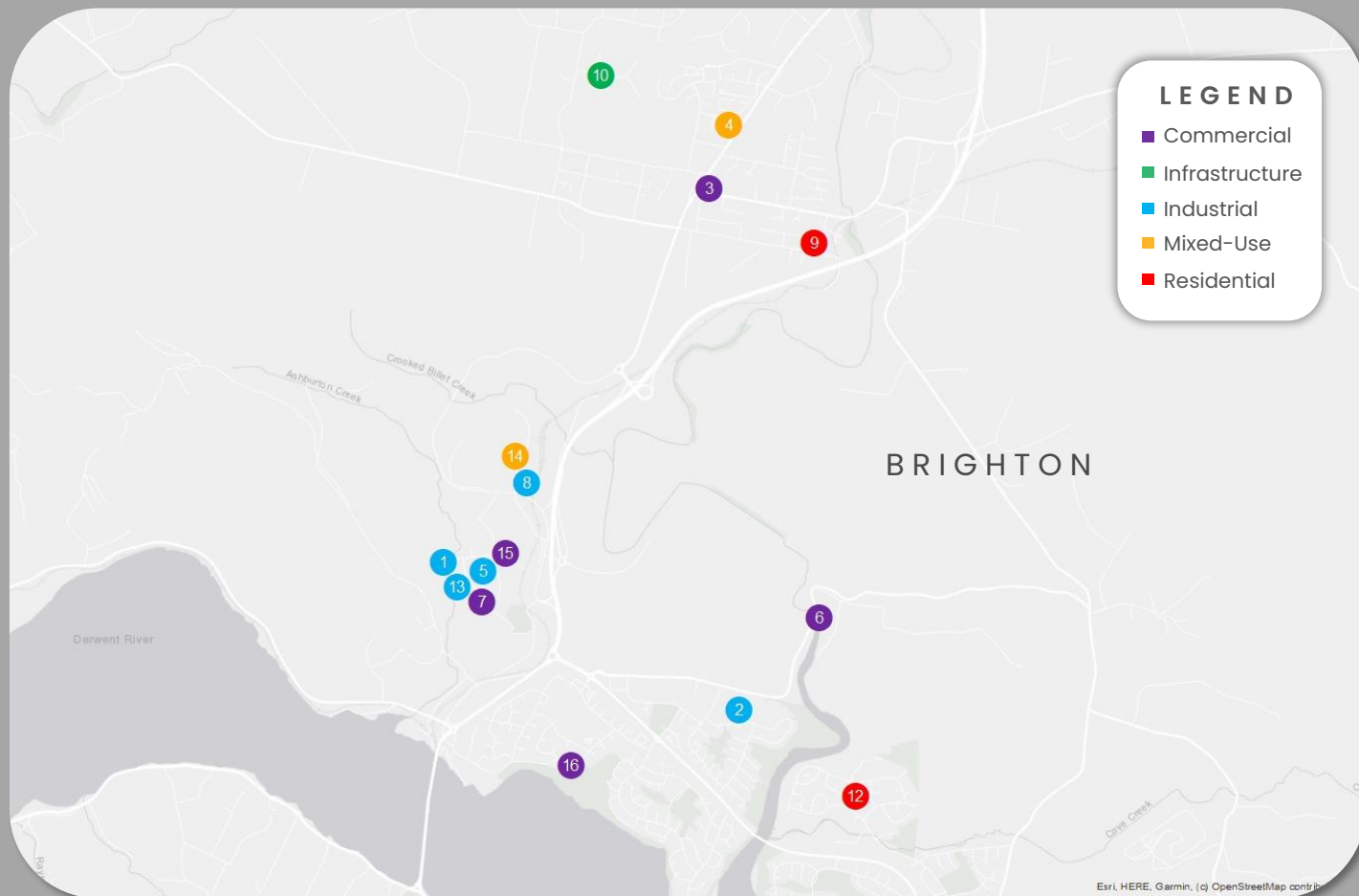


4.5%
Brighton LGA



4.5%
Hobart Metro

PROJECT DEVELOPMENT 1st HALF MAP 2024



#	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	4 Woodrive Road Self Storage Facility	Industrial	\$10,500,000	01/04/2024
2	Bridgewater Industrial Park - Point B	Industrial	\$10,000,000	08/04/2024
3	150 & 162 Brighton Roads Supermarket	Commercial	\$4,701,400	14/06/2024
4	203-211 Brighton Road - Brighton - Mixed Use Development	Mixed-Use	\$3,500,000	26/02/2024
5	9 Woodrive Road Warehouse Buildings	Industrial	\$2,264,400	05/05/2024
6	Hungry Jacks Cove Hill	Commercial	\$1,750,000	25/03/2024
7	Calows Coaches	Commercial	\$1,500,000	15/04/2024
8	Dillons Transport Bridgewater Vehicle Storage Shed	Industrial	\$1,500,000	23/03/2024
9	6 Munday Street Units (5 Units)	Residential	\$1,250,000	24/06/2024
10	Holsworthy Barracks Roadworks Refurbishment & Maintenance	Infrastructure	\$950,000	20/02/2024
Not Mapped	Pumphouse Bay & Jonah Bay Campground Upgrades	Infrastructure	\$800,000	16/06/2024
12	13 Celtic Place Dwellings (3 Dwellings)	Residential	\$750,000	27/04/2024
13	7 Woodrive Road Bridgewater - Contractors Storage Yard	Industrial	\$500,000	19/02/2024
14	Temperature Solutions Tasmania Bridgewater Office Building & Shed Alterations & Additions	Mixed-Use	\$400,000	16/04/2024
15	Greenbanks Distilling Bridgewater Whiskey Distillery Conversion	Commercial	\$300,000	09/05/2024
16	Botanical Cafe Alterations & Additions	Commercial	\$200,000	09/03/2024

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- Geographic information mapping
- Project analysis including product and pricing recommendations
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REFERENCES

- * Brighton sales market data and key indicators encapsulates aggregate property market conditions within the suburbs of Brighton Local Government Area (LGA)
- ** Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.
- # 2023 encapsulates sales transactions for all of 2023 (01/01/2023 – 31/12/2023).
- € Annual rental growth is a comparison between Q4 2022 (01/10/2022 – 31/12/2022) and Q4 2023 (01/10/2023 – 31/12/2023) house median rent figures
- ¥ Brighton rental market data encapsulates aggregate property conditions within the postcode of 7030.
- § Rental yields shown are as reported as of December 2023.
- Ⓐ 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 Brighton 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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