

Glenorchy Market Update 2nd Half 2024



OVERVIEW

In Q2 2024, Glenorchy* recorded a median house price of \$570,000, and a median unit price of \$441,000. This represents annual (Q2 2023 – Q2 2024) median price softening of -5.0% for houses and -6.7% for units. During this time total sales decreased, by -7.3% (to 115 sales) for houses and by -54.9% (to 37 sales) for units. These indicators combined show a cautious market. That said, this creates a window of opportunity for first home buyers, as both houses and units are currently more affordable. This is not always the case with Glenorchy*, due to a low supply of new stand-alone house stock. Thus now is the time for buyers to act.

CHANGE FROM LAST YEAR HALF YEAR



HOUSE SALES



HOUSE MEDIAN PRICE



HOUSE RENTAL PRICE



UNIT SALES



UNIT MEDIAN PRICE

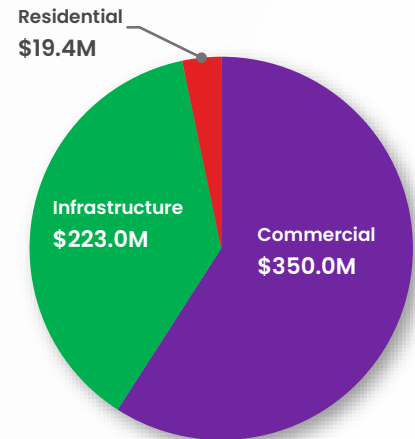


UNIT RENTAL PRICE



FUTURE DEVELOPMENTS

Glenorchy is set to see approximately **\$592.4M worth of new projects commencing in the 2nd half of 2024.**



The combination of infrastructure and commercial projects will improve liveability for residents and create local jobs at the same time. This will stimulate economic growth, which may result in higher demand for housing stock; impacting real-estate.

The Hobart Showgrounds Precinct development (\$200.0M) is a key infrastructure project by the State Government, adding 450 dwellings. This will be combination of private stock, affordable housing, and stock allocated for first home buyers.

Key residential projects include:

- 162a Abbotsfield Rd (33 dwellings)
- 1 Teering & 29 Maroni Rd (15 units)
- 5-5a Taree St and 15-17 Coraki St (23 dwellings)

The incoming supply of ready-to-go housing stock assists with demand, moderating price growth. This is an opportunity for buyers.



521 Dwellings



18 Units/
Apartments



MARKET CONDITIONS

MEDIAN PRICE
Q2 2024



\$570K



\$441K

SALES

AVERAGE DAYS
ON MARKET Q2 2024



HOUSE



UNIT

MEDIAN PRICE
Q2 2024



\$510



\$432

RENTALS

AVERAGE DAYS
ON MARKET Q2 2024



HOUSE

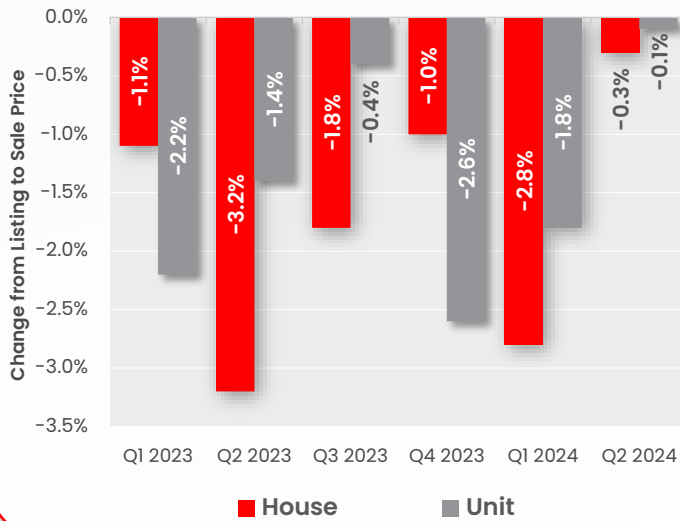


UNIT



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.



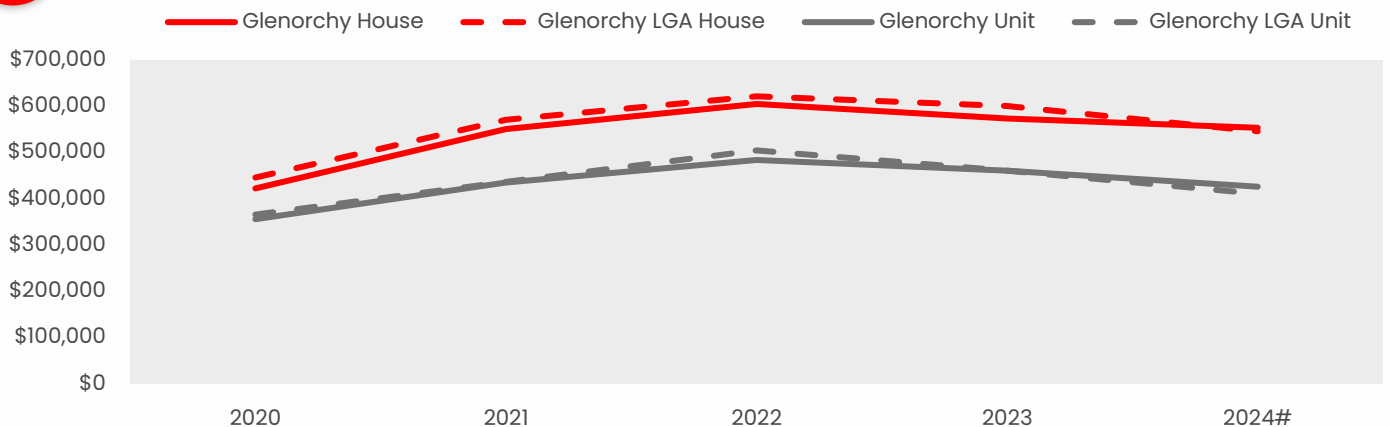
Average vendor discounts between Q2 2023 and Q2 2024 have tightened to lesser discounts for both houses and units, of -0.3% and 0.1% respectively. Although houses and units are still offering a discount in Q2 2024, benefitting buyers, the market is shifting towards a seller's market. Thus buyers must act fast, before it becomes a premium.

The suburb of Glenorchy has historically tracked on par with the wider Glenorchy Local Government Area (LGA) in both house and unit median prices. This has continued in 2024[#], with slower median price growth for both property types, in both the suburb and LGA.

The dominant proportion of homes sold in Glenorchy* across 2024[#] were split equally between the premium price bracket of priced \$650,000 and above, and the middle price bracket between \$550,000 and \$599,999 (23.3%). Units recorded a dominant middle price point of between \$400,000 and \$499,999 (44.6%). Overall there is a relatively well balanced amount of sales in each price bracket, thus a home for every budget. Further, there is affordably priced stock available, in good news for buyers.



MARKET COMPARISON

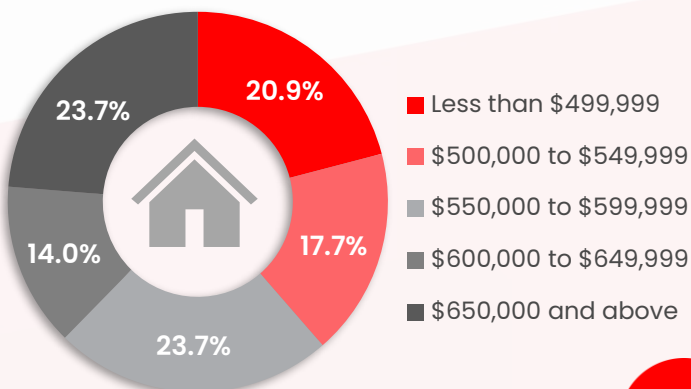


The market comparison graph provides a comparative trend for the median price of houses and unit over the past 5 years. The suburb chosen was based on their proximity to the main LGA analysed, which is Glenorchy*.

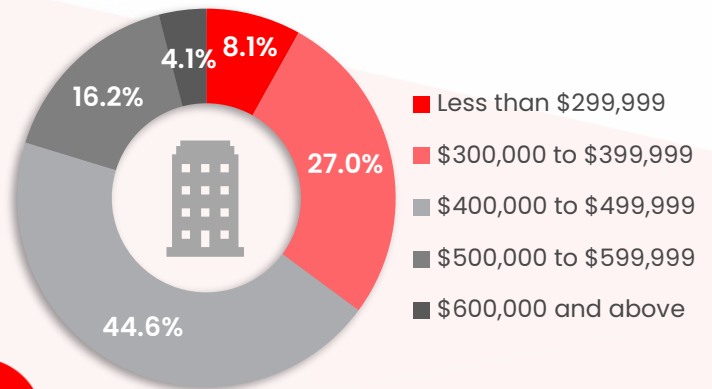


PRICE BREAKDOWN 2024[#]

HOUSES SOLD



UNITS SOLD





RENTAL GROWTH 2024€

House rental yields in Glenorchy* was 4.7% in June 2024, higher than Glenorchy LGA (4.3%) and much higher than Hobart Metro (3.5%). This was paired with a 3.0% increase in median house rental price in the past 12 months to Q2 2024, at \$510 per week, and a -12.6% decline in the number of houses rented (to 362 rentals). Average days on the market in Q2 2024 was 25 days, one of the lowest recorded in the past 2 years. This is good news for investors.

3 bedroom houses have provided investors with +2.0% rental growth annually, achieving a median rent of \$520 per week.

Glenorchy* recorded a vacancy rate of 0.6% in June 2024, well below Hobart Metro's 1.5% average. Vacancy rates in Glenorchy* have held relatively steady over the past 12 months, with some fluctuations due to investors entering / exiting the market alongside cash rate hikes. That said, a 0.6% vacancy rate is significantly below the REIA 'Healthy' Benchmark of 3.0%, indicating quicker occupancy of rental properties in Glenorchy*. These key indicators suggest a conducive and sustainable environment for investors.

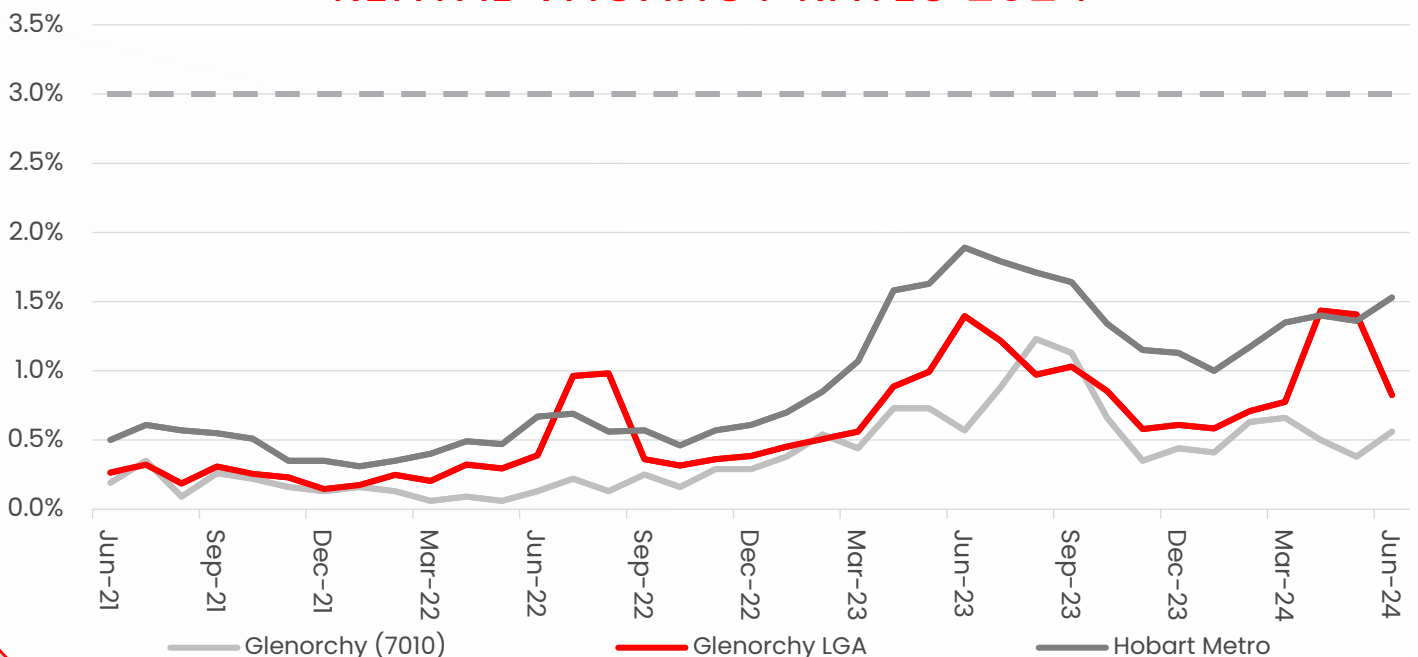
 2 BEDROOMS
+0.0%

 3 BEDROOMS
+2.0%

 4 BEDROOMS
+0.0%



RENTAL VACANCY RATES 2024



RENTAL YIELD 2024§



4.7%

Glenorchy*



4.3%

Glenorchy
LGA



3.5%

Hobart
Metro



5.1%

Glenorchy*



5.3%

Glenorchy
LGA

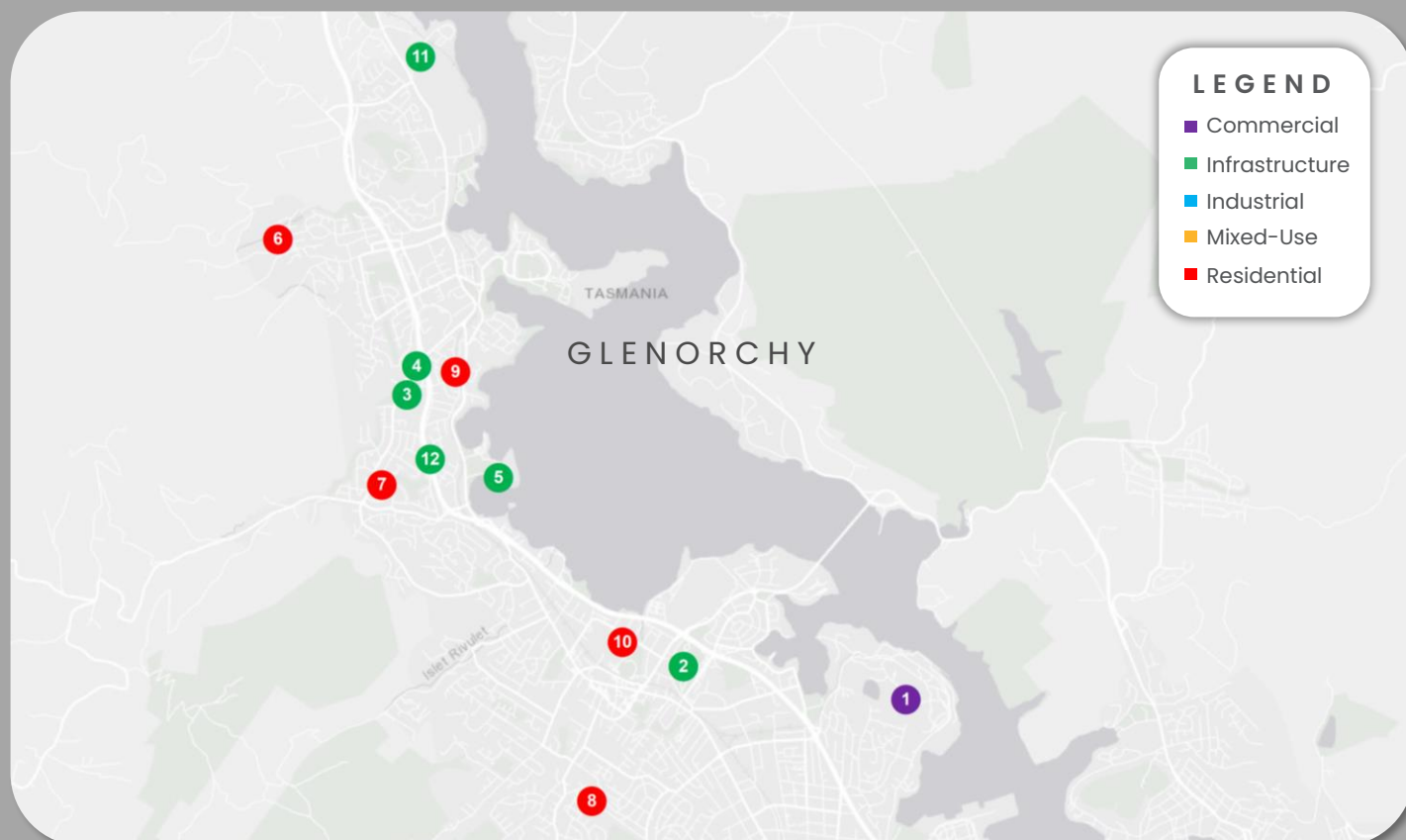


4.8%

Hobart
Metro

PRD.

PROJECT DEVELOPMENT MAP 2nd HALF 2024^A



#	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Nyrstar Electrolysis Plant	Commercial	\$350,000,000	20/11/2024
2	Hobart Showgrounds Precinct – Stage 3 – Pavilion & Dwellings (450 Dwellings) (State Government)	Infrastructure	\$200,000,000	13/09/2024
3	Greater Hobart Park & Ride (State Government)	Infrastructure	\$10,000,000	11/11/2024
4	Greater Hobart Park & Ride – Claremont Park & Ride (State Government)	Infrastructure	\$6,600,000	6/12/2024
5	Mona Access Tunnel – Ferry Terminus To Museum Entrance	Infrastructure	\$5,000,000	25/09/2024
6	162a Abbotsfield Road Dwellings (33 Dwellings)	Residential	\$5,000,000	15/07/2024
7	5–5a Taree Street & 15–17 Coraki Street & 4 Tootonga Street – Dwellings (23 Dwellings)	Residential	\$5,000,000	11/11/2024
8	25 Thornleigh Street & 62 Ashbourne Grove – Moonah West – Community Housing (15 Dwellings)	Residential	\$5,000,000	25/11/2024
9	1–7 Teering & 29–35 Maroni Road – Units (15 Units)	Residential	\$3,500,000	6/12/2024
10	5, 7 & 9 Young Street Units (3 Units)	Residential	\$900,000	26/08/2024
11	261 Main Road Upss Decommissioning & Waste Management (Local Government)	Infrastructure	\$850,000	17/12/2024
12	Berriedale Foreshore Walking Track Upgrade (Local Government)	Infrastructure	\$500,000	20/12/2024



Your home of the latest property market insights.

RESEARCH SERVICES

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



Natalie Gray



+61 417 344 822



nataliegray@prdhobart.com.au



Rychelle Brown



+61 488 074 240



rychellekay@prdhobart.com.au

GET IN TOUCH WITH US TODAY >



PRD Hobart

Your trusted local real estate agency



+61 0 0000 0000



hello@prdhobart.com.au



PRD.com.au/office



439 Main Road

Montrose, TAS, 7010

REFERENCES

* Glenorchy sales market data and key indicators encapsulates aggregate property market conditions within the suburbs of Glenorchy 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.

2024 encapsulates sales transactions for 1st Half 2024 (01/01/2024 – 30/06/2024) only, other years encapsulates sales transactions for the full year (i.e 01/01 to 31/12 of the relevant year).

€ Annual rental growth is a comparison between Q2 2023 (01/04/2023 – 30/06/2023) and Q2 2024 (01/04/2024 – 30/06/2024) house median rent figures.

¥ Glenorchy rental market data encapsulates aggregate property conditions within the postcode of 7010.

§ Rental yields shown are as reported as of June 2024.

A 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 Local Government Area (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.

Disclaimer: PRD does not give any warranty in relation to the accuracy of the information contained in this report. If you intend to rely upon the information contained herein, you must take note that the information, figures and projections have been provided by various sources and have not been verified by us. We have no belief one way or the other in relation to the accuracy of such information, figures and projections. PRD will not be liable for any loss or damage resulting from any statement, figure, calculation or any other information that you rely upon that is contained in the material.

Prepared by PRD Research. © All medians and volumes are calculated by PRD Research. Use with written permission only. All other responsibilities disclaimed. © Copyright PRD 2024.