

## Clarence Market Update 2nd Half 2025

### OVERVIEW

In Q2 2025, Clarence\* recorded a median house price of \$745,000, and a median unit price of \$600,000. This is an annual (Q2 2024 – Q2 2025) median price growth of 4.4% for houses, whilst units remained steady. Comparing Q2 2024 – Q2 2025, sales increased by 6.4% for houses (to 217 sales in Q2 2025) but declined by -32.9% for units (to 53 sales in Q2 2025). The current increase in house prices reflects confidence returning to the market after two interest rates cuts in the first half of 2025. This is also seen in the unit market, however more so due to an undersupply in unit stock. Combined, this suggests that now is an ideal time for owners to capitalise on their investments, and buyers to act quickly.

#### CHANGE FROM LAST YEAR HALF YEAR



HOUSE SALES



HOUSE MEDIAN PRICE



HOUSE RENTAL PRICE



UNIT SALES



UNIT MEDIAN PRICE

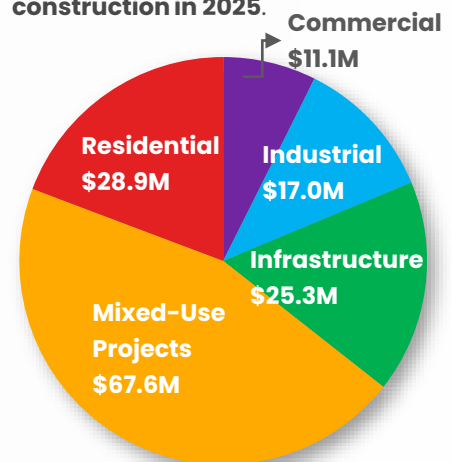


UNIT RENTAL PRICE



### FUTURE DEVELOPMENTS

Clarence is set to see approximately **\$149.8M of new projects commencing construction in 2025.**



There are several residential and mixed-use projects planned for 2025 that will help boost supply, including:

- Kangaroo Bay Boulevard Precinct Mixed Use (86 Dwellings)
- 39 Cambridge Road Apartments & Offices (10 Apartments)
- 8 & 10 Petchey Street (17 Townhouses)
- 6 Paige Court Residential & Community Development (10 Townhouses/Share Houses)

Although there are new ready-to-sell houses in the pipeline (93 in total), when compared to the number of house sales in Q2 2025 (217 sales) this is not enough. Thus, the potential for an undersupply of houses is very likely, which will push up prices even further – not only for houses but for other stock types as well.

54 Units/  
Apartments

33  
Townhouses

93  
Dwellings

73 Lots



### MARKET CONDITIONS

MEDIAN PRICE  
Q2 2025



\$745K



\$600K

SALES

AVERAGE DAYS  
ON MARKET Q2 2025



HOUSE



UNIT

MEDIAN PRICE  
Q2 2025



\$580



\$540

RENTALS

AVERAGE DAYS  
ON MARKET Q2 2025



HOUSE



UNIT



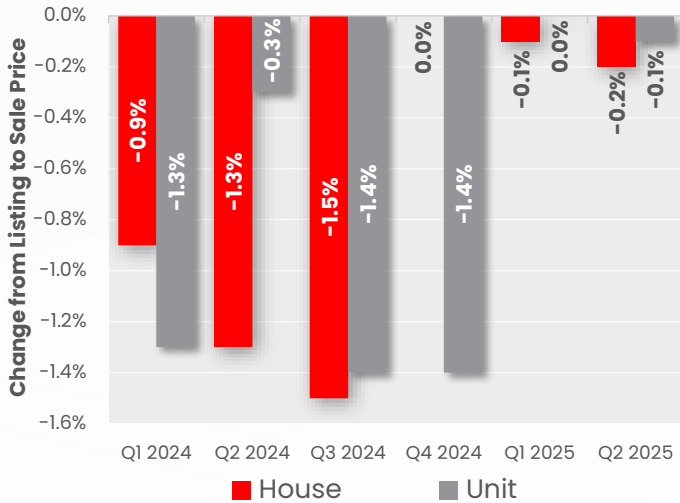
## AVERAGE VENDOR DISCOUNT\*

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.

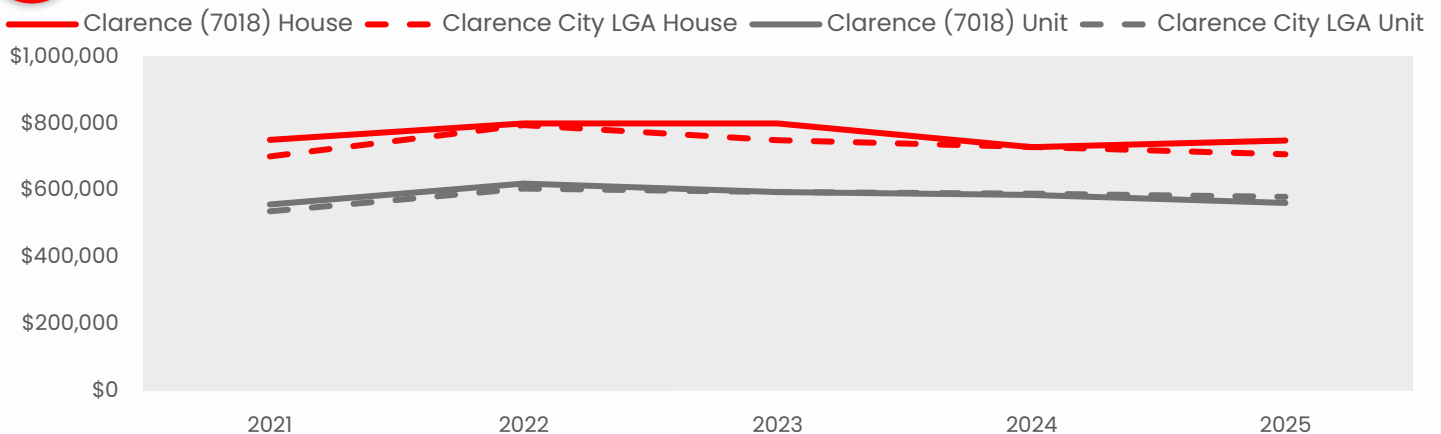
In the past 12 months to Q2 2025 average vendor discount, have tightened to lesser discounts of -0.2% for houses and -0.1% for units. The Clarence\* market is a buyer's market, where sellers are willing to accept less than the first listed price, but only just. For houses, discounts that were offered 12 months are no longer available. This suggests buyers must act quickly to secure a discount, whilst still available.

The suburb of Clarence has historically been on par with the wider Clarence City Local Government Area (LGA). In 2025# this trend has continued for both house and unit median prices, with both the suburb and LGA showcasing the same pace of steady price growth.

The dominant proportion of homes sold in Clarence\* in 2024/25# were sold in the premium price bracket of \$750,000 and above (25.8%), in good news for owners. That said 23.8% were sold in the most affordable price bracket of \$599,999 and less, which creates an opportunity for first home buyers. Most of the units sold in 2024/25# were in the middle price bracket of between \$550,000 to \$649,999 (\$34.2%). Overall, these indicators suggest there are house and unit options available for all budgets in Clarence\*.



## MARKET COMPARISON

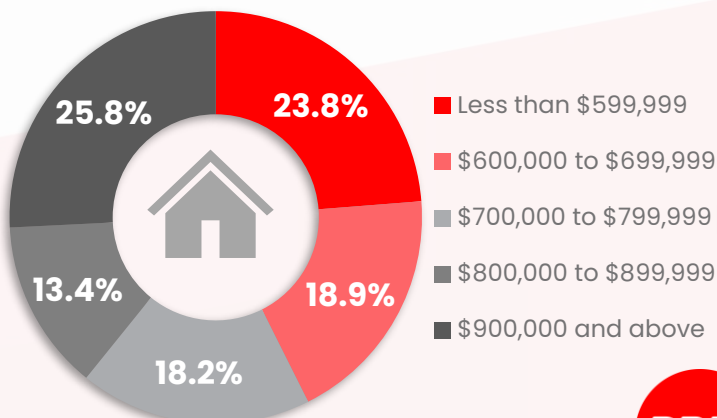


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Clarence.

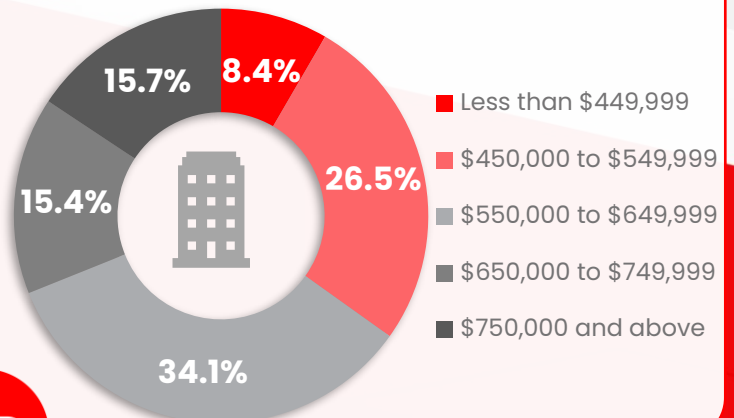


## PRICE BREAKDOWN 2024/25#

### HOUSES SOLD



### UNITS SOLD





## RENTAL GROWTH 2025€

House rental yields in Clarence\* was 4.2% in June 2025, above Hobart Metro (3.5%). This was paired with a 5.5% increase in median house rent price in the past 12 months to Q2 2025, at \$580 per week. The number of houses rented decreased by -14.0%, to 197 rentals in Q2 2025; which suggests an undersupply. Median unit rent price increased by 13.7% to \$540, and the number of units rented also increased, by 9.4% to 70 units in Q2 2025. This suggests a highly demanded unit rental market. Overall, the rental market is beneficial for investors.

2+ bedroom houses have provided investors with +6.9% rental growth annually, achieving a median rent of \$695 per week.

Clarence\* recorded a vacancy rate of 0.4% in June 2025, below that of Clarence City LGA's 0.6% and Hobart Metro's 0.6% average. Vacancy rates in Clarence\* have generally trended downwards in the past 12 months, which suggests an even tighter rental market. Further, 0.3% vacancy rate is significantly below the Real Estate Institution of Australia's healthy benchmark of 3.0%, suggesting quicker occupancy of rental homes in Clarence\*.

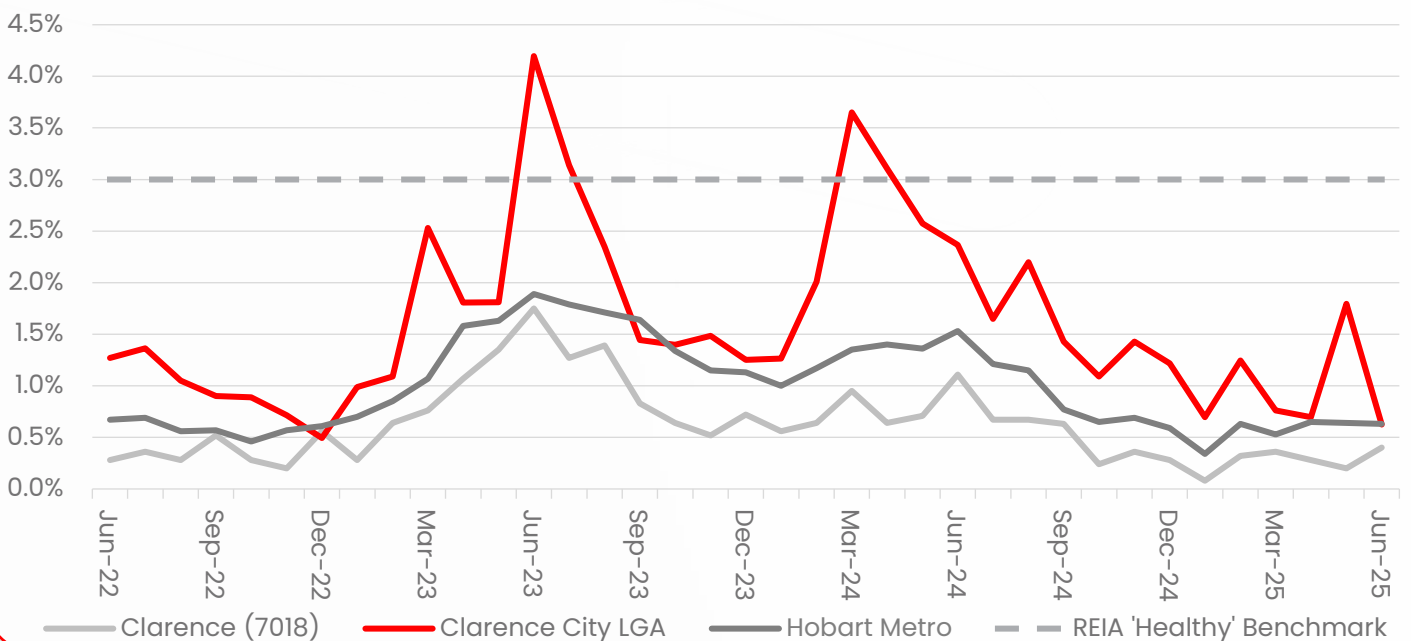
 2 BEDROOMS  
**+6.4%**

 3 BEDROOMS  
**+3.6%**

 4 BEDROOMS  
**+6.9%**



## RENTAL VACANCY RATES 2025



## RENTAL YIELD 2025§



**4.2%**

Clarence\*



**3.9%**

Clarence City LGA



**3.5%**

Hobart Metro



**4.1%**

Clarence\*



**4.6%**

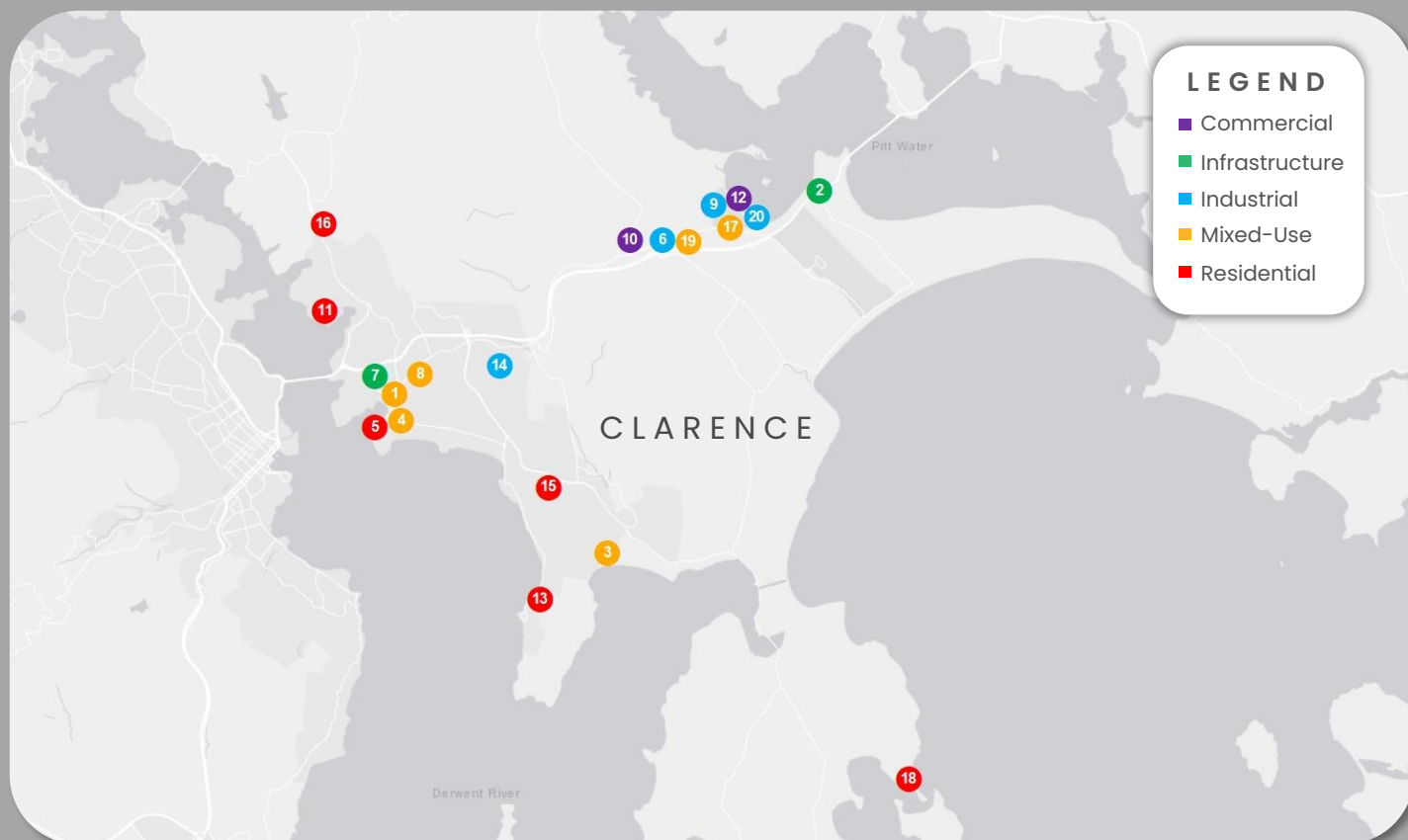
Clarence City LGA



**5.3%**

Hobart Metro

# PROJECT DEVELOPMENT MAP 2025<sup>A</sup>



#	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Commence Date <sup>ψ</sup>
1	Kangaroo Bay Boulevard Precinct Mixed Use Development (86 Dwellings/Shops/Food & Drink Outlet/Museum)	Mixed Use	\$40,000,000	8/12/2025
2	Tasman Highway & Pittwater Road Civil Works (State Government)	Infrastructure	\$10,000,000	14/12/2025
3	96 Droughty Point Road Warehouse Units (Warehouse & Office)	Mixed Use	\$8,000,000	24/11/2025
4	39 Cambridge Road Apartments & Offices (10 Apartments/Office)	Mixed Use	\$6,800,000	16/09/2025
5	8 & 10 Petchey Street Townhouses (17 Townhouses)	Residential	\$6,000,000	18/12/2025
6	Cambridge Industrial Estate Warehouses	Industrial	\$5,600,000	6/12/2025
7	Tasmanian AFL High Performance Centre (Local Government)	Infrastructure	\$5,000,000	14/02/2025
8	6 Paige Court Residential & Community Development (10 Townhouses/Share Houses)	Mixed Use	\$5,000,000	19/12/2025
9	14 & 40 Cherokee Drive & 1 Corvalis Lane - Warehouses	Industrial	\$3,950,000	6/12/2025
10	Barilla Holiday Caravan Park Extension	Commercial	\$3,000,000	29/04/2025
11	4 Lincoln Street Units (3 Units)	Residential	\$2,500,000	5/12/2025
12	47 Cherokee Drive Transport Depot	Commercial	\$2,000,000	17/09/2025
13	386 Carella Street Units (4 Units)	Residential	\$1,900,000	24/09/2025
14	122b Mornington Road Warehouses	Industrial	\$1,850,000	5/09/2025
15	21 Raleigh Court Units (6 Units)	Residential	\$1,800,000	15/12/2025
16	2 Bellemont Court & 74-76 Clinton Road Units (3 Units)	Residential	\$1,750,000	3/12/2025
17	8 Cherokee Drive Aircraft Hanger (Aircraft Hanger/Offices)	Mixed Use	\$1,580,000	16/12/2025
18	1 Cremorne Avenue Townhouses (3 Townhouses)	Residential	\$1,500,000	16/06/2025
19	40 Kennedy Drive Warehouses (Warehouses/Office)	Mixed Use	\$1,500,000	12/12/2025
20	57 Cherokee Drive Warehouses	Industrial	\$1,500,000	3/12/2025

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## 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.



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## REFERENCES

\* Clarence sales market data and key indicators encapsulates aggregate property market conditions within Clarence 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.

# 2025 encapsulates sales transactions for the 1<sup>st</sup> Half 2025 (01/01/2025 – 31/06/2025).

€ Annual rental growth is a comparison between Q2 2024 (01/04/2024 – 30/06/2024) and Q2 2025 (01/04/2025 – 30/06/2025) house median rent figures.

¥ Clarence rental market data encapsulates aggregate property conditions within the postcode of 7018.

§ Rental yields shown are as reported as of June 2025.

▲ 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 Clarence Local Government Area.

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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