

## Hobart Market Update 2nd Half 2025

### OVERVIEW

In Q2 2025, Hobart\* recorded a median house price of \$930,000 and a median unit price of \$680,000. This represents an annual (Q2 2024 – Q2 2025) stable price growth for houses and a slight softening of -1.0% for units. Comparing Q2 2024 and Q2 2025, total sales surged by 12.9% (to 149 sales in Q2 2025) for houses and grew by 12.8% (to 97 sales in Q2 2025) for units. This suggest that although there is a high demand for properties, higher interest rates have also impacted the market. This indicates that now is an ideal time for buyers to enter the market. There are several new houses and units planned to commence in 2025, which can assist with ensuring a more sustainable price growth; further benefitting buyers.

#### CHANGE FROM LAST YEAR HALF YEAR



HOUSE SALES



HOUSE MEDIAN PRICE



HOUSE RENTAL PRICE



UNIT SALES



UNIT MEDIAN PRICE

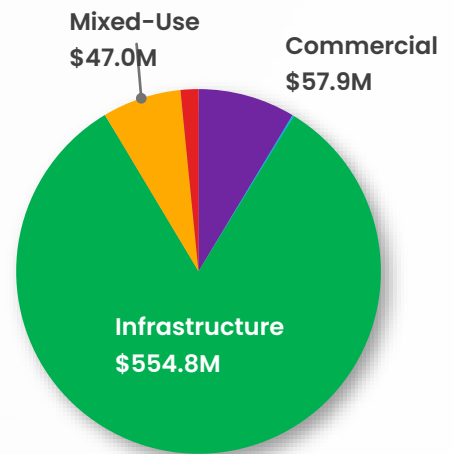


UNIT RENTAL PRICE



### FUTURE DEVELOPMENTS

Hobart<sup>f</sup> will see approx. **\$671.2M of new projects commence construction in 2025.**

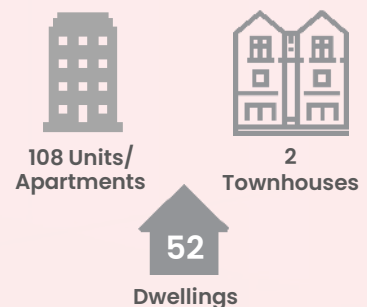


A key focus on infrastructure projects will stimulate the economy through job creation during and post construction phases, as well as improve liveability for residents. This can attract more people to live in Hobart, which can result in a more demand for housing.

There are quite a few mixed use & residential projects due to commence construction in 2025; including:

- 20 Barrack Street (56 Apartments)
- 199 Macquarie Street & 49 Molle Street Hobart (45 Dwellings)
- 227-229 Liverpool Street Mixed Use (2 townhouses & 1 apartment)
- The Orchard North Hobart Apartments (8 apartments)

This projects will assist in answering current demand for houses and units.



### MARKET CONDITIONS

MEDIAN PRICE  
Q2 2025



**\$930K**



**\$680K**

**SALES**

AVERAGE DAYS  
ON MARKET Q2 2025



**HOUSE**



**UNIT**

MEDIAN PRICE  
Q2 2025



**\$620**



**\$508**

**RENTALS**

AVERAGE DAYS  
ON MARKET Q2 2025



**HOUSE**

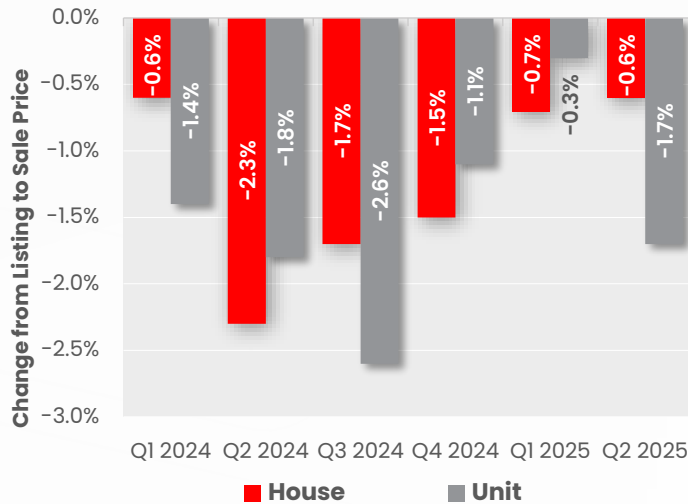


**UNIT**

%

## 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.



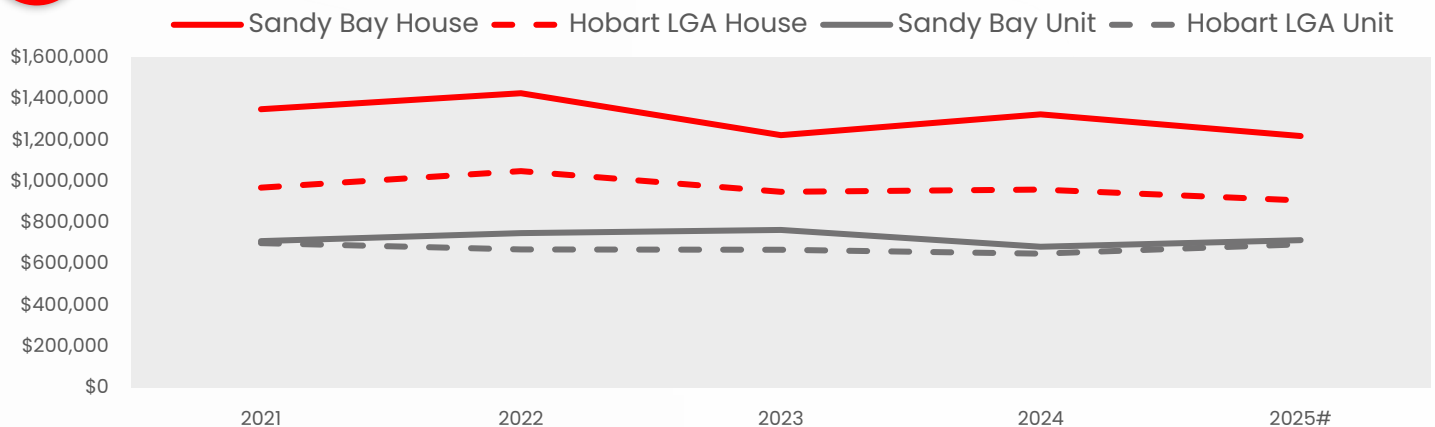
Average house vendor discounts between Q2 2024 and Q2 2025 have tightened from a discount of -2.3% to -0.6%. That said, average vendor discounts have remained steady for units, at -1.7%. Both house and unit buyers can still benefit from a discount, as sellers are willing to accept lower than the first list price. Tighter average house vendor discount suggests a shift towards sellers; thus, buyers must act fast.

The suburb of Sandy Bay has outperformed the wider Hobart Local Government Area (LGA) in median house and unit prices for the past 5 years. This continued to be the case in 2025# for houses; however, units have become more on par with the LGA; thus, an opportunity for buyers.

Most of the homes sold in Hobart\* in 2024/25# were in the premium price bracket of \$1,100,00 and above (37.3%). That said, 27.4% were sold in the most affordable price point of less than \$799,999; in good news for buyers. In contrast, most unit sales (33.8%) were in the affordable price bracket of less than \$549,999 and 26.8% were in the premium price bracket of \$850,000 and above. Both houses and units showed a similar percentage in the middle price brackets indicating there is a home for every budget in Hobart\*.



## MARKET COMPARISON

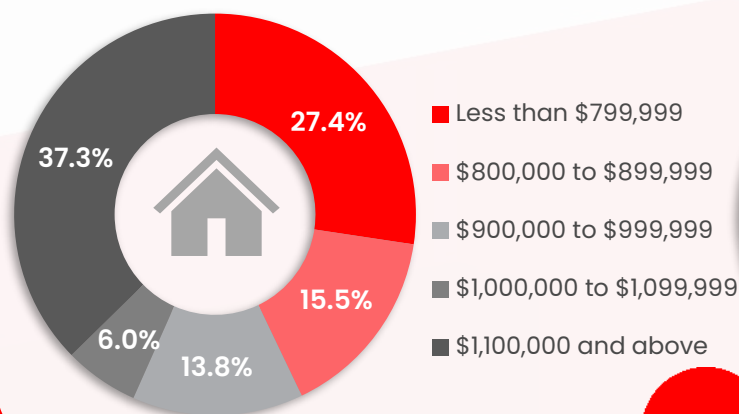


The market comparison graph provides a comparative trend for median price of houses and units over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Sandy Bay.

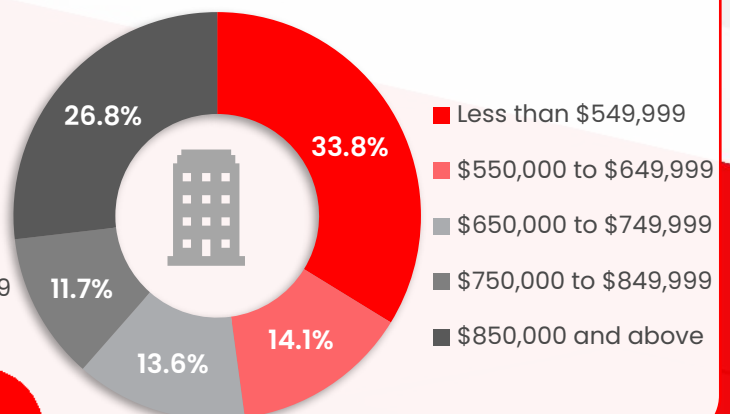
\$

## PRICE BREAKDOWN 2024/25#

### HOUSES SOLD



### UNITS SOLD



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## RENTAL GROWTH 2025€

House rental yields in Hobart\* was 3.1% as of June 2025, slightly below the Hobart LGA (3.9%) and the Hobart Metro (3.5%). That said, median house rental price increased by 7.8% in the past 12 months to Q2 2025, at \$620 per week. In the same timeframe the number of houses rented decreased, by -29.2% (to 252 houses in Q2 2025); suggesting an undersupply of rental houses. This unit rental market shows a similar pattern, which is beneficial to investors.

2-bedroom houses have provided investors with +10.0% rental growth annually, achieving a median rent of \$550 per week.

Hobart\* recorded a vacancy rate of 1.1% in June 2025, slightly above the Hobart LGA average of 0.7% and Hobart Metro's 0.6%. Vacancy rates have fluctuated in the past 12 months, but overall showed a declining pattern, which indicates an even tighter rental market. Furthermore, a 1.1% vacancy rate is well below the Real Estate Institution of Australia's healthy benchmark of 3.0%, thus quicker occupancy of rental properties in Hobart\*. This creates a conducive environment for investors, especially with a more stable house sales price and affordable unit sales price.



2 BEDROOMS

**+10.0%**



3 BEDROOMS

**+5.1%**

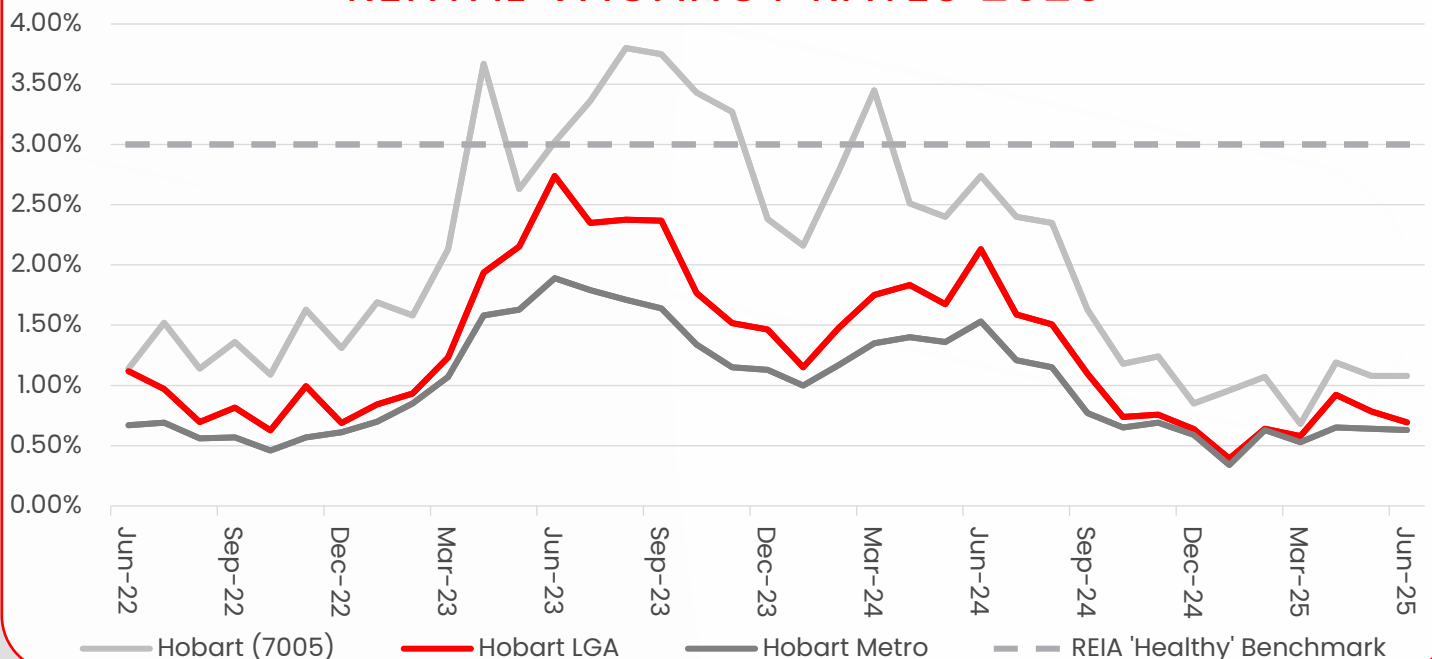


4+ BEDROOMS

**+7.4%**



## RENTAL VACANCY RATES 2025



## RENTAL YIELD 2025§



**3.1%**

Hobart (7005)\*



**3.9%**

Hobart LGA



**3.5%**

Hobart Metro



**4.4%**

Hobart (7005)\*



**4.4%**

Hobart LGA

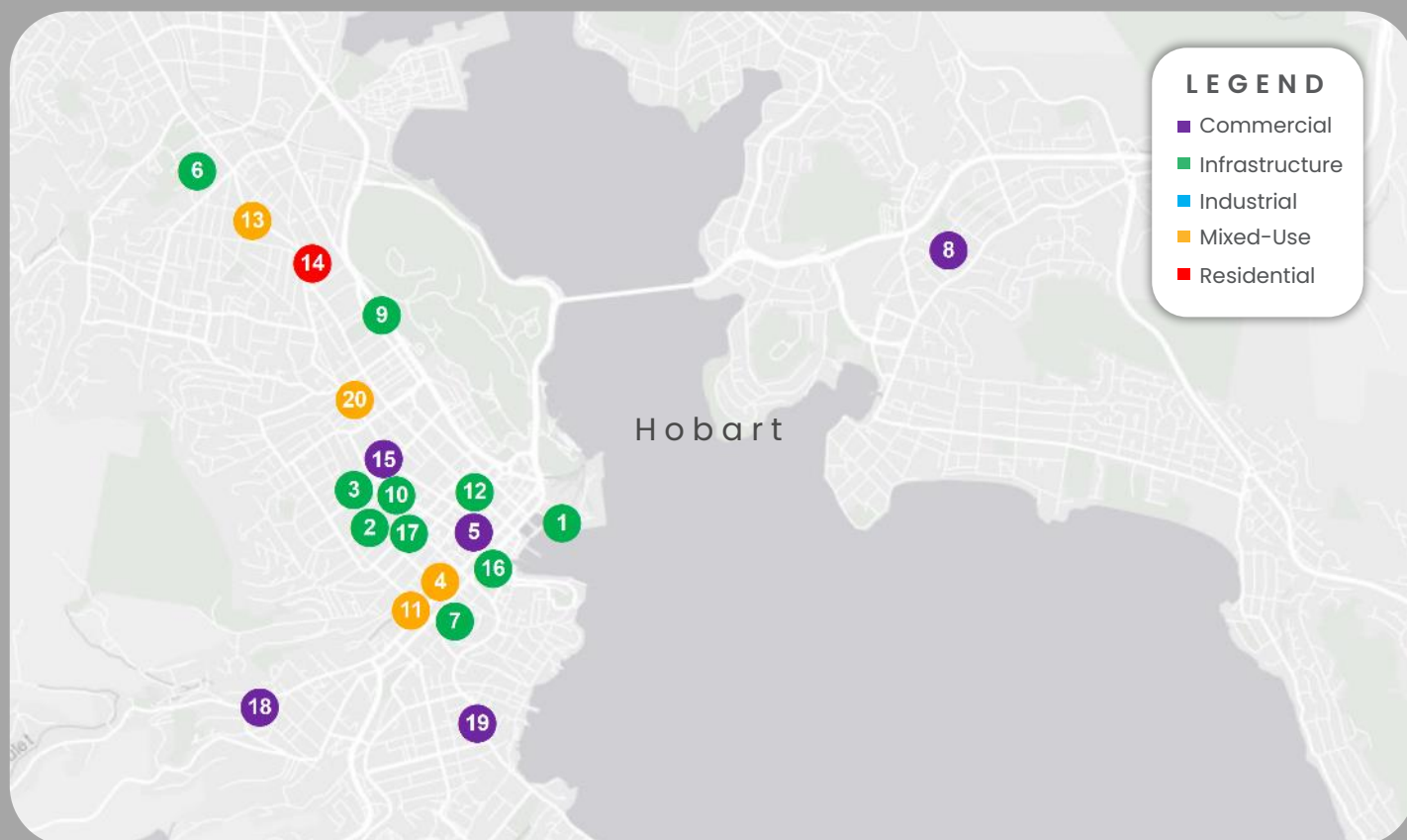


**5.3%**

Hobart Metro

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



#	Project <sup>£</sup>	Type	Estimated Value <sup>¤</sup>	Commence Date <sup>¥</sup>
1	Macquarie Wharf Number 6 Redevelopment (State Government)	Infrastructure	\$240,000,000	22/12/2025
2	Tasman Highway – Midway Point & Sorell Causeways & McGees Bridge Stages 1-2 (State Government)	Infrastructure	\$187,000,000	22/12/2025
3	Hobart Old Bridgewater Bridge Demolition (State Government)	Infrastructure	\$25,000,000	16/10/2025
4	20 Barrack Street Apartments & Commercial Tenancies (56 Apartments/Commercial Tenancies)	Mixed Use	\$24,000,000	10/12/2025
5	79 Collins Street Hotel	Commercial	\$22,000,000	1/12/2025
6	Hobart City High School Redevelopment Stage 1 (State Government)	Infrastructure	\$21,500,000	28/10/2025
7	Anglesea Barracks – Paterson Building Works (Federal Government)	Infrastructure	\$14,500,000	3/03/2025
8	Bass Highway Eastbound Heavy Vehicle Rest Area	Commercial	\$10,000,000	15/09/2025
9	Montrose Foreshore Signalised Intersection Upgrade (State Government)	Infrastructure	\$10,000,000	8/12/2025
10	Waterfront Interpretation Project – Hobart City Council (The Waters Edge) (State Government)	Infrastructure	\$10,000,000	1/07/2025
11	199 Macquarie Street & 49 Molle Street Hobart Dwellings (45 Dwellings/Office)	Mixed Use	\$8,000,000	16/12/2025
12	Liverpool Clinics Public Diagnostic Breast Care Centre Fitout Works (State Government)	Infrastructure	\$8,000,000	15/12/2025
13	156 New Town Road Apartments & Gymnasium (19 Apartments/Gymnasium)	Mixed Use	\$7,000,000	1/01/2025
14	73a New Town Road Apartments (22 Apartments)	Residential	\$6,700,000	13/06/2025
15	Motor Accident Insurance Board (Maib) Rehabilitation Facilities	Commercial	\$6,000,000	19/12/2025
16	Salamanca Building Internal Office Fitout & Demolition (State Government)	Infrastructure	\$5,000,000	15/09/2025
17	Tasmania Carbon Fibre Bridges Freight Capacity Upgrade (State Government)	Infrastructure	\$5,000,000	25/08/2025
18	Calvary St Johns Hospital South Hobart Alterations & Additions	Commercial	\$3,600,000	16/01/2025
19	Dan Murphys Sandy Bay Bottle Shop Conversion	Commercial	\$2,700,000	8/05/2025
20	The Orchard North Hobart Apartments & Commercial (8 Apartments/Commercial)	Mixed Use	\$2,500,000	17/12/2025



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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

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



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## REFERENCES

\* Hobart sales market data and key indicators encapsulates aggregate property market conditions within the Hobart Local Government Area.

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

# 2024/25 encapsulates sales transactions for the 2024 full year (01/01/2024 – 31/12/2024) and 1<sup>st</sup> half 2025 (01/01/2025 – 30/06/2025).

€ 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.

¥ Hobart rental market data encapsulates aggregate property conditions within the postcode of 7005.

§ 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 the Hobart 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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