

Clarence Market Update

1st Half 2026



OVERVIEW

In Q4 2025, Clarence* recorded a median house price of \$795,000, and a median unit price of \$652,500. This is an annual (Q4 2024 – Q4 2025) price growth of 6.0% for houses and 9.7% for unit. House sales increased between Q4 2024 – Q4 2025, by 19.2% (to 261 sales in Q4 2025); however, softened for units, by -26.7% (to 55 sales in Q4 2025). Houses and units are highly demanded in Clarence*, and lower interest rates have helped stimulate price growth. Thus, now is an ideal opportunity for owners to capitalise on their investment, particularly for units. There are several residential projects planned in 2026; however, these will take time to build.

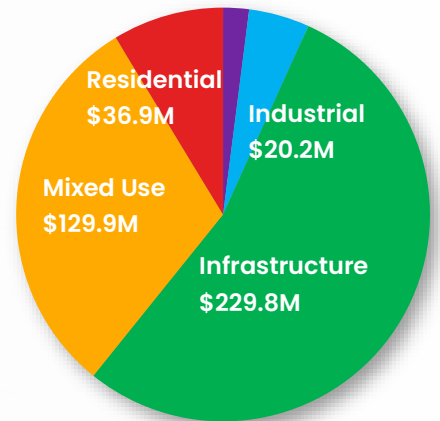
	CHANGE FROM LAST	YEAR	HALF YEAR
	HOUSE SALES	↑	↑
	HOUSE MEDIAN PRICE	↑	↑
	HOUSE RENTAL PRICE	↑	↑
	UNIT SALES	↓	↓
	UNIT MEDIAN PRICE	↑	↑
	UNIT RENTAL PRICE	↑	↓





FUTURE DEVELOPMENTS

Clarence will see approximately **\$425.4M of new projects commence construction in 2026.**



The majority of 2026 development in Clarence LGA is infrastructure, which will improve liveability for residents. There are residential and mixed-use projects that will boost supply, such as:

- Kangaroo Bay Boulevard Precinct Mixed Use (86 Dwellings)
- 74 Sugarloaf Road (15 Units)
- 91 & 93 Pass Road Subdivision Stages 1 – 10 (130 Residential Lots)
- 6 Paige Court (10 Townhouses)

There are several ready-to-sell stock in the 2026 pipeline but compared to Q4 2025 sales (261 houses & 55 units) this is still not enough. Further, these will take time to construct. Thus, in the short term a potential undersupply is expected, pushing up prices further.



MARKET CONDITIONS

MEDIAN PRICE
Q4 2025

\$795K

SALES

\$653K

AVERAGE DAYS
ON MARKET Q4 2025

37
HOUSE

39
UNIT

MEDIAN PRICE
Q4 2025

\$612

RENTALS

\$510

AVERAGE DAYS
ON MARKET Q4 2025

17
HOUSE

16
UNIT

69 Units/
Apartments

13
Townhouses

117
Dwellings

176 Lots



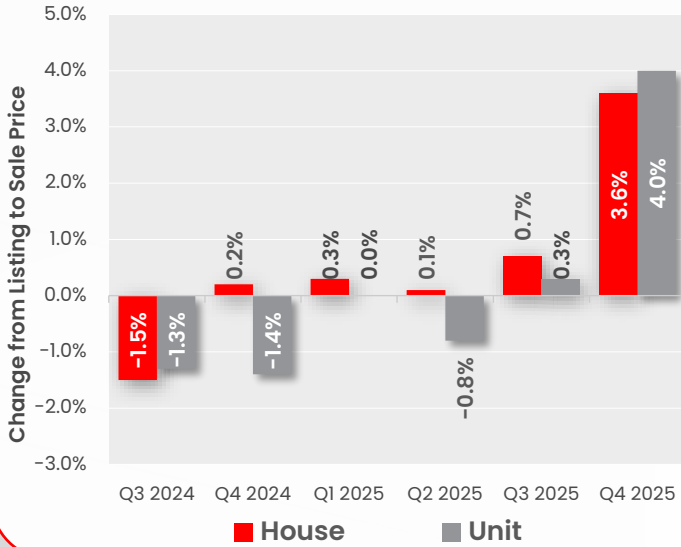
AVERAGE VENDOR DISCOUNT*

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.

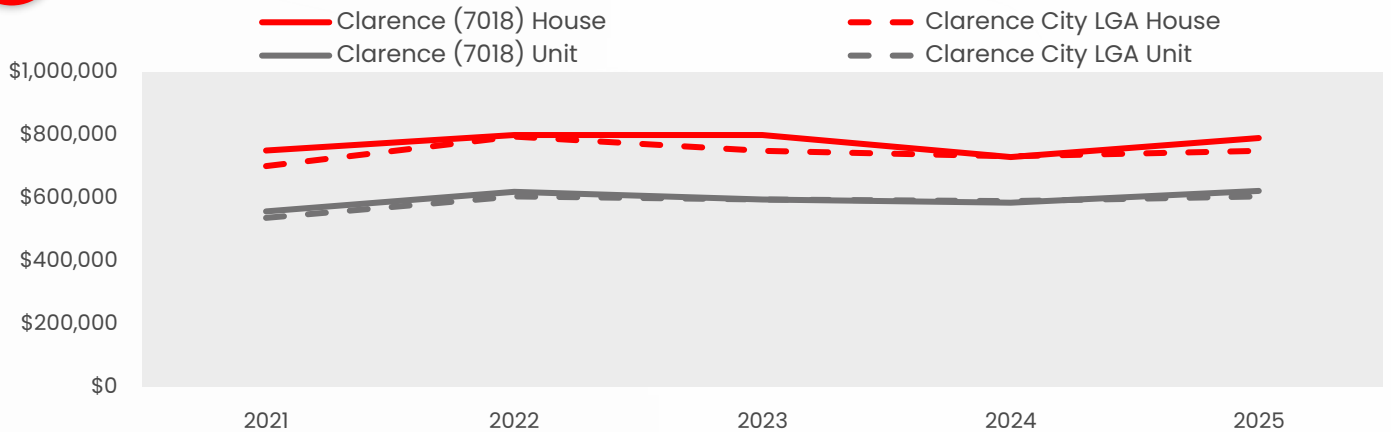
In the past 12 months to Q4 2025 average vendor discount for houses continue to be at a premium, but at a higher percentage of 3.6%. Conversely, units have swung from a discount of -1.4% to a premium. Overall, the market favours sellers, as buyers must offer higher than the first list price. This is good news for owners, along with price growth for both houses and units in the past 12 months to Q4 2025.

The suburb of Clarence has historically tracked on par with the Clarence City Local Government Area (LGA) in house and unit median prices. This continued to be the case for units in 2025#. However, median houses prices for 2025# in Clarence increased at a slightly higher pace, becoming a slightly more premium market than the wider LGA.

The dominant proportion of homes sold in Clarence* in 2025# were in the most affordable price point of less than \$649,999 (28.2%). A high number of sales (23.4%) were also found in the premium point of \$950,000. Conversely, units saw the greatest number of sales in the middle-priced bracket of \$600,000 to \$699,999 (27.4%) and the more affordable price of \$500,000 to \$599,999 (27.0%). Overall, there is an opportunity for all budgets in Clarence*.



MARKET COMPARISON

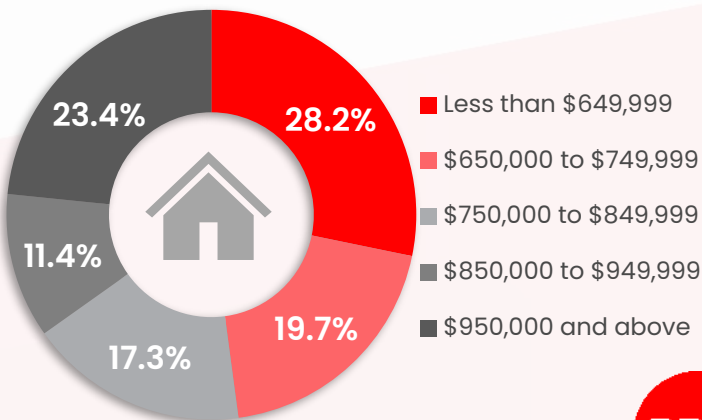


The market comparison graph provides a comparative trend for the median price of houses and unit in the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Clarence.

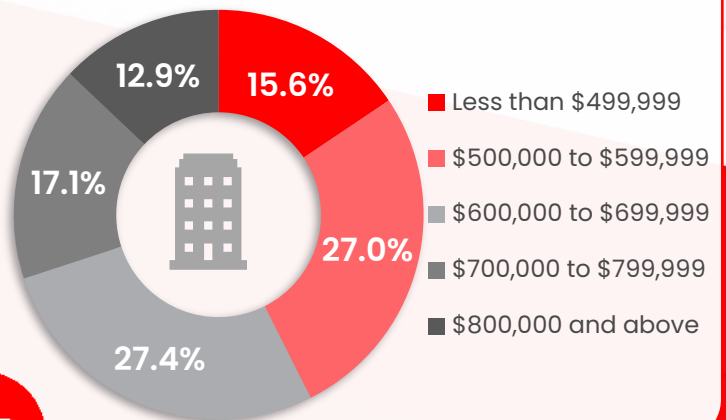


PRICE BREAKDOWN 2025

HOUSES SOLD



UNITS SOLD





RENTAL GROWTH 2025€

House rental yields in Clarence[¥] was 4.3% in December 2025, slightly higher than Clarence City LGA (4.2%) and the Hobart Metro (3.5%). This was paired with a 7.4% increase in median house rental price in the past 12 months to Q4 2025, at \$612 per week. At the same time, the number of houses rented decreased, by -7.8% in the past 12 months, to 214 rentals in Q4 2025. This suggests an undersupplied house rental market in Clarence[¥], which is beneficial to investors.

4+ bedroom houses have provided investors with +7.7% rental growth annually, achieving a median rent of \$700 per week.

Clarence[¥] recorded a vacancy rate of 0.2% in December 2025, slightly lower than Hobart Metro 0.5% average. Vacancy rates in Clarence[¥] decreased in the past 12 months, which indicates a tighter rental market. Furthermore, a 0.2% vacancy rate is significantly below the Real Estate Institution of Australia's healthy benchmark of 3.0%, which suggests quicker occupancy of rental homes. This is a conducive environment for investors, even if median house and unit sale prices (thus, entry prices) have increased in the past 12 months to Q4 2025.

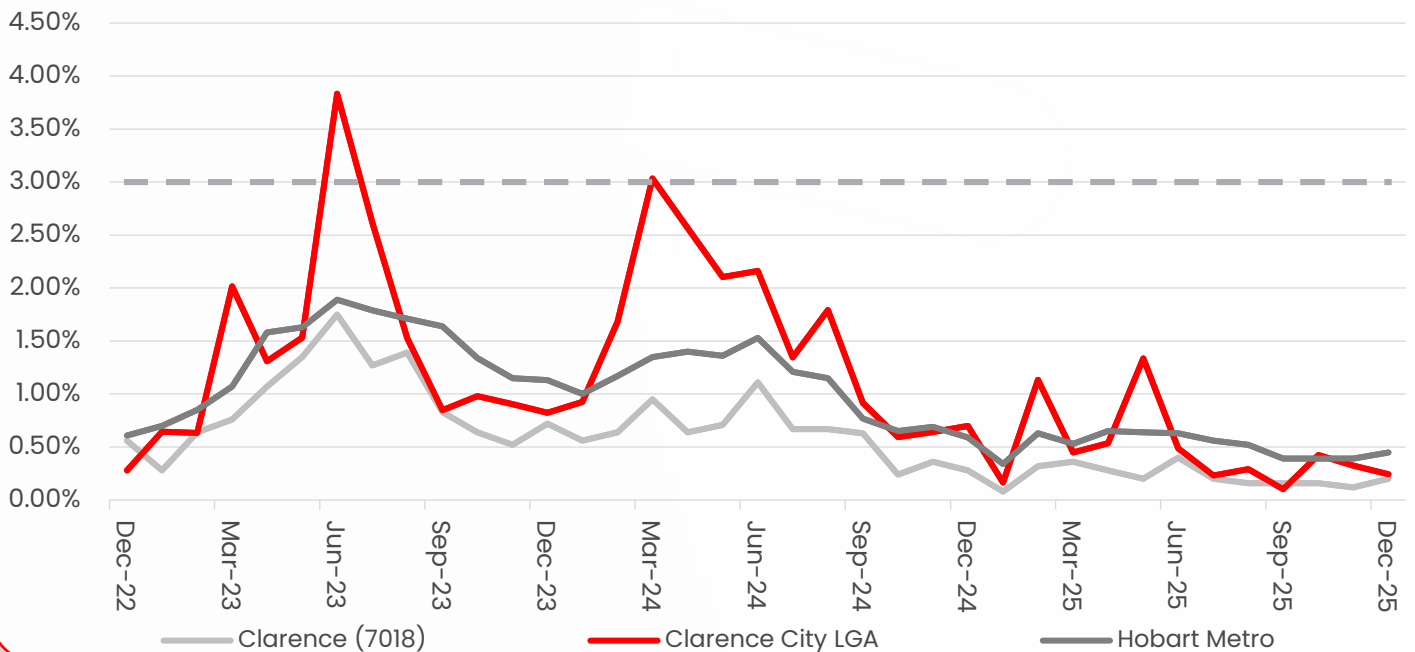
2 BEDROOMS
+3.1%

3 BEDROOMS
+5.5%

4+ BEDROOMS
+7.7%



RENTAL VACANCY RATES 2025



RENTAL YIELD 2025§



4.3%

Clarence[¥]



4.2%

Clarence City



3.5%

Hobart Metro



3.9%

Clarence[¥]



5.1%

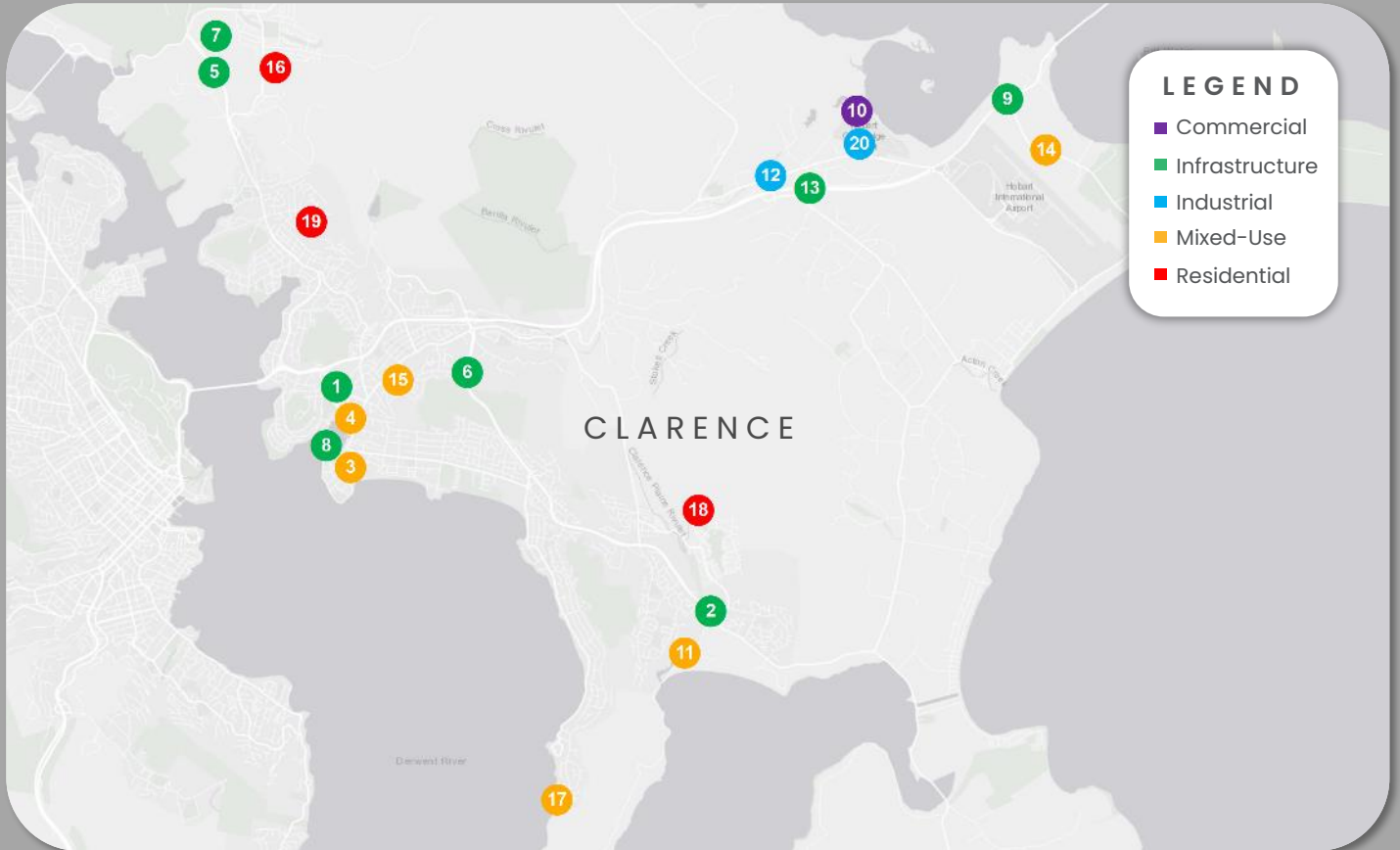
Clarence City



5.1%

Hobart Metro

PROJECT DEVELOPMENT MAP 2026 [▲]



#	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Tasmanian Afl High Performance Centre (State Government)	Infrastructure	\$70,000,000	23/02/2026
2	Rokeyby Road - South Arm Road Upgrades (State Government)	Infrastructure	\$55,000,000	5/11/2026
3	40-40a Kangaroo Bay Drive & Cambridge Road - Kangaroo Bay Hotel (Hotels/155 Serviced Apartments/Shop/Restaurant)	Mixed Use	\$50,000,000	17/11/2026
4	Kangaroo Bay Boulevard Precinct Mixed Use Development (86 Dwellings/Shops/Food & Drink Outlet/Museum)	Mixed Use	\$40,000,000	6/02/2026
5	Risdon Prison Complex New Maximum Security Accommodation Unit (Federal Government)	Infrastructure	\$33,000,000	11/05/2026
6	Mornington Roundabout Upgrade (State Government)	Infrastructure	\$30,000,000	18/05/2026
7	Mary Hutchinson Womens Prison Risdon Vale Custodial Facility & Kitchen Facility (Federal Government)	Infrastructure	\$15,000,000	28/01/2026
8	2b Cambridge Road Ferry Terminal Installation (State Government)	Infrastructure	\$10,000,000	19/01/2026
9	Tasman Highway & Pittwater Road Civil Works (State Government)	Infrastructure	\$10,000,000	14/12/2026
10	Surf Life Saving Tasmania Centre Of Excellence	Commercial	\$8,100,000	11/12/2026
11	96 Droughty Point Road Warehouse Units (16 Warehouse Units/Office)	Mixed Use	\$8,000,000	24/11/2026
12	Cambridge Industrial Estate Warehouses	Industrial	\$5,600,000	7/12/2026
13	Tasman Highway Roadworks (State Government)	Infrastructure	\$5,000,000	17/03/2026
14	Seven Mile Beach Golf Course Mixed Use Development (Clubhouse/ Shed/Restaurant/Bar/Retail/Amenities Block)	Mixed Use	\$5,000,000	7/12/2026
15	6 Paige Court Residential & Community Development (1 Townhouses/3 Share Houses)	Mixed Use	\$5,000,000	14/12/2026
16	74 Sugarloaf Road Units Stages 1 & 2 (15 Units)	Residential	\$4,500,000	6/11/2026
17	20-26 Nayuka Street Units (9 Units)	Residential	\$4,000,000	25/12/2026
18	24 & 26 Yachtsmans Way Units & Shops (13 Units/3 Shops)	Mixed Use	\$4,000,000	24/06/2026
19	91 & 93 Pass Road Residential Subdivision Stages 1-10 (130 Residential Lots)	Residential	\$4,000,000	17/04/2026
20	14 & 40 Cherokee Drive & 1 Corvalis Lane - Warehouses	Industrial	\$3,950,000	7/12/2026

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RESEARCH SERVICES

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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 2025 full year (01/01/2025-31/12/2025).

€ Annual rental growth is a comparison between Q4 2024 (01/10/2024 – 31/12/2024) and Q4 2025 (01/10/2025 – 31/12/2025) 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 December 2025.

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 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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