

EDITION 22

HOBART CAPITAL CITY REVIEW



HOBART

 **PERFORMANCE**
PROPERTY RESEARCH

DISCLAIMER

The data presented in this report are sourced from 3rd party resources that we have selected due to their reliability and availability over the historical periods that we require for our research to be relevant. Due to the fact that the current year is not yet complete, data presented for the current year are estimated to represent a full year.

HOBART AT A GLANCE

RESEARCH REPORT HOBART REGIONAL CENTRE

EDITION 22

Price Parameters - Adjusted for Current Interest Rate

	HOUSE AI	PRICE	UNIT AI	PRICE
AI FLOOR	15%	\$208,046	12%	\$169,756
AI CURRENT	49%	\$694,250	40%	\$561,000
AI CEILING	48%	\$693,897	38%	\$557,430
3 YR PRICE TARGET	\$680,000 - \$700,000 Low Conviction		\$550,000 - 565,000 Low Conviction	

In the current stage of cycle

The Hobart house market has a **Hold or Sell Rating** while the unit market has a **Hold or Sell Rating**.

If buying houses, it would be best suited to a **Long Term Hold Strategy**. If buying units, it would be best suited to a **Long Term Hold Strategy**.

We classify the Hobart house market currently as a **Medium to High Risk Investment**, and the Hobart unit market as a **Medium to High Risk Investment** based on the stage of cycle.

Legend

Medium Term Strategy = **4 to 7 years**
Long Term Strategy = **15+ years**

HOUSE
YIELD **3.5%**

UNIT
YIELD **5.1%**

UNEMPLOYMENT RATE **4.3%**

POPULATION



Current: **230,353**

Current Growth Rate: **0.53%**

Avg 10 Yr Growth Rate: **1.42%**

CURRENT MEDIAN HOUSE

\$694,250

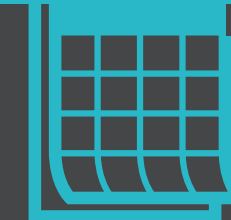
CURRENT MEDIAN UNIT

\$561,000

LONG TERM (1987) COMPOUNDED
GROWTH PA IS **6.67%** FOR
HOUSES & **6.41%** FOR UNITS.

Houses the last 3 years have seen 9.01%
PA growth, units 10.57%.

6.67%



Average Days
on Market

Houses : **21**
Units : **16**



EXECUTIVE SUMMARY

SHORT-TERM MARKET INDICATORS

Neutral

Affordability Index HOUSE V. Price Movement.....	08
TAS HH Lending Oc V investor Monthly	09
Stock on Market V. Avg Days on Market	10
Vacancy Rate V. Median Rent	11
Job Creation Index.....	12

SUPPLY & DEMAND - Negative

Does Demand Exceed Supply?

Change in Population	13
Population Movement	14
Airport Arrivals	15
Dwelling Approvals V. Population % Change	16
Bedrooms V. Population Change	17

AFFORDABILITY - Negative

Is Property Affordable?

Affordability Index HOUSE V. Price Movement	08
Affordability Index UNITS V. Price Movement	18
Price to Income Ratio	19
Rent to Income V Affordability.....	20
FHBs as % of Population	21

Positive

Slightly Positive

Neutral

Slightly Negative

Negative

CONFIDENCE - Positive

Is There Confidence In The Market?

Unemployment Rate	22
Underemployment Rate	23
State Job Vacancies	24
Business Investment	25

MONEY SUPPLY - Neutral

Will There Be More or Less Money Into The Economy?

State Budget	26
Gross State Product V. Median Price Movement.....	27
Council Budget.....	28

INVESTMENT VALUE - Negative

Is This Market Showing Value?

Yield V. Interest Rates	29
Long Term Performance	30
House V. Unit Price Comparison	06
Hobart V. Sydney HOUSE Price Movement.....	31
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RISK - Neutral

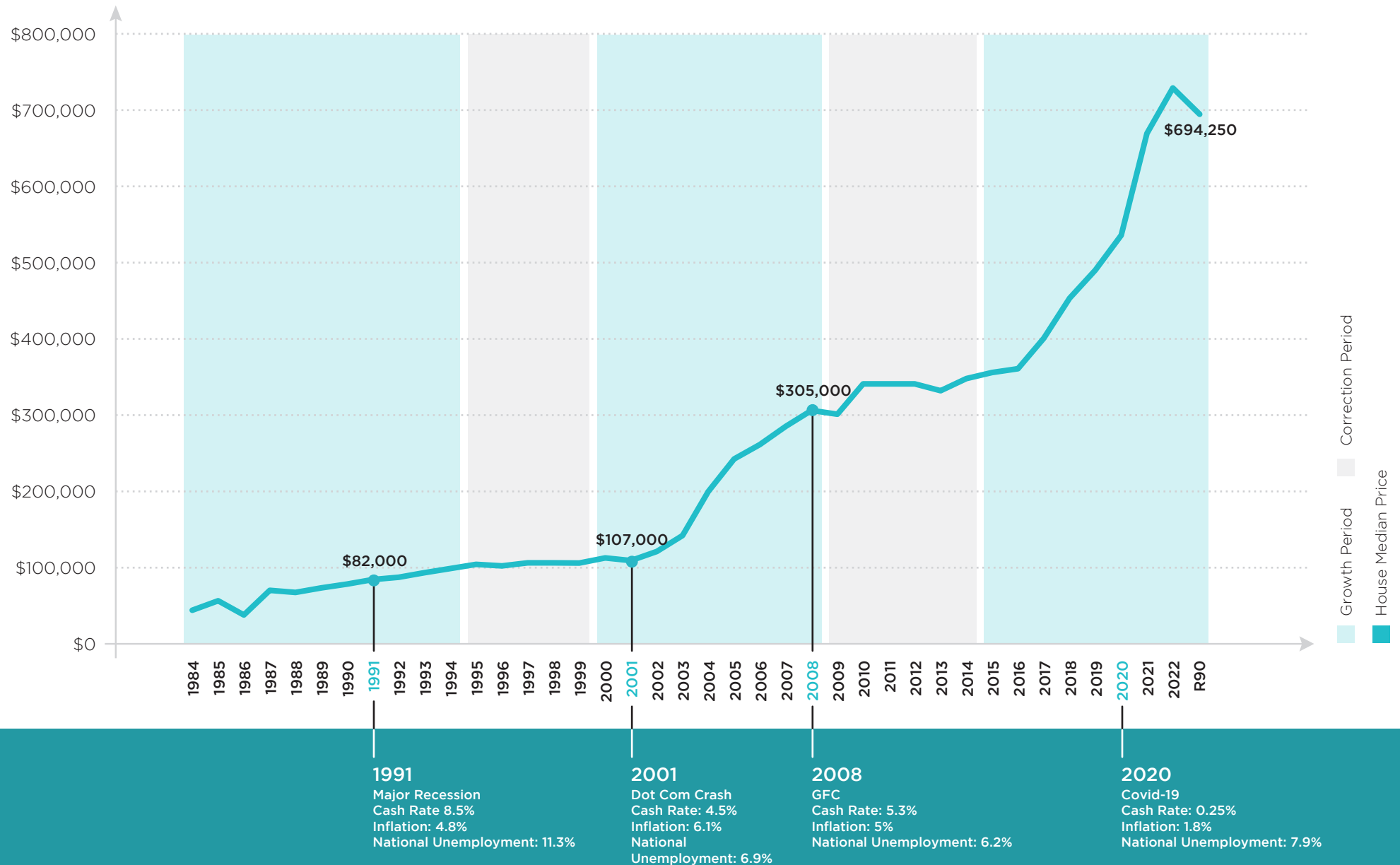
Is There Potentially Downside Volatility?

Affordability Index HOUSE V. Price Movement.....	08
Price to Income Ratio	19
Industry Value Added	33
Population Pyramid.....	34

HOBART HOUSE PRICE MOVEMENT

RESEARCH REPORT
HOBART REGIONAL CENTRE

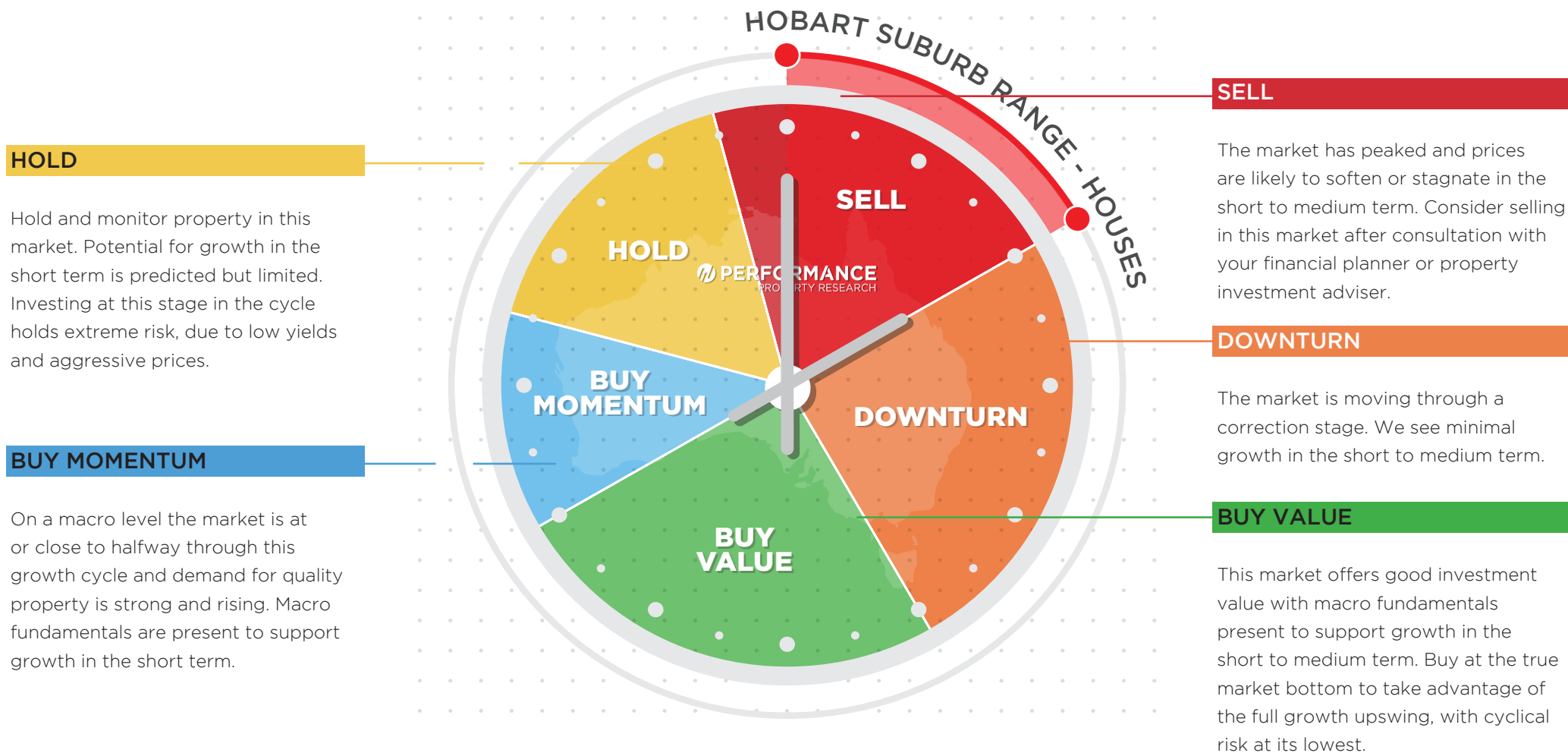
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OUR VIEW OF THE HOBART **HOUSE** MARKET

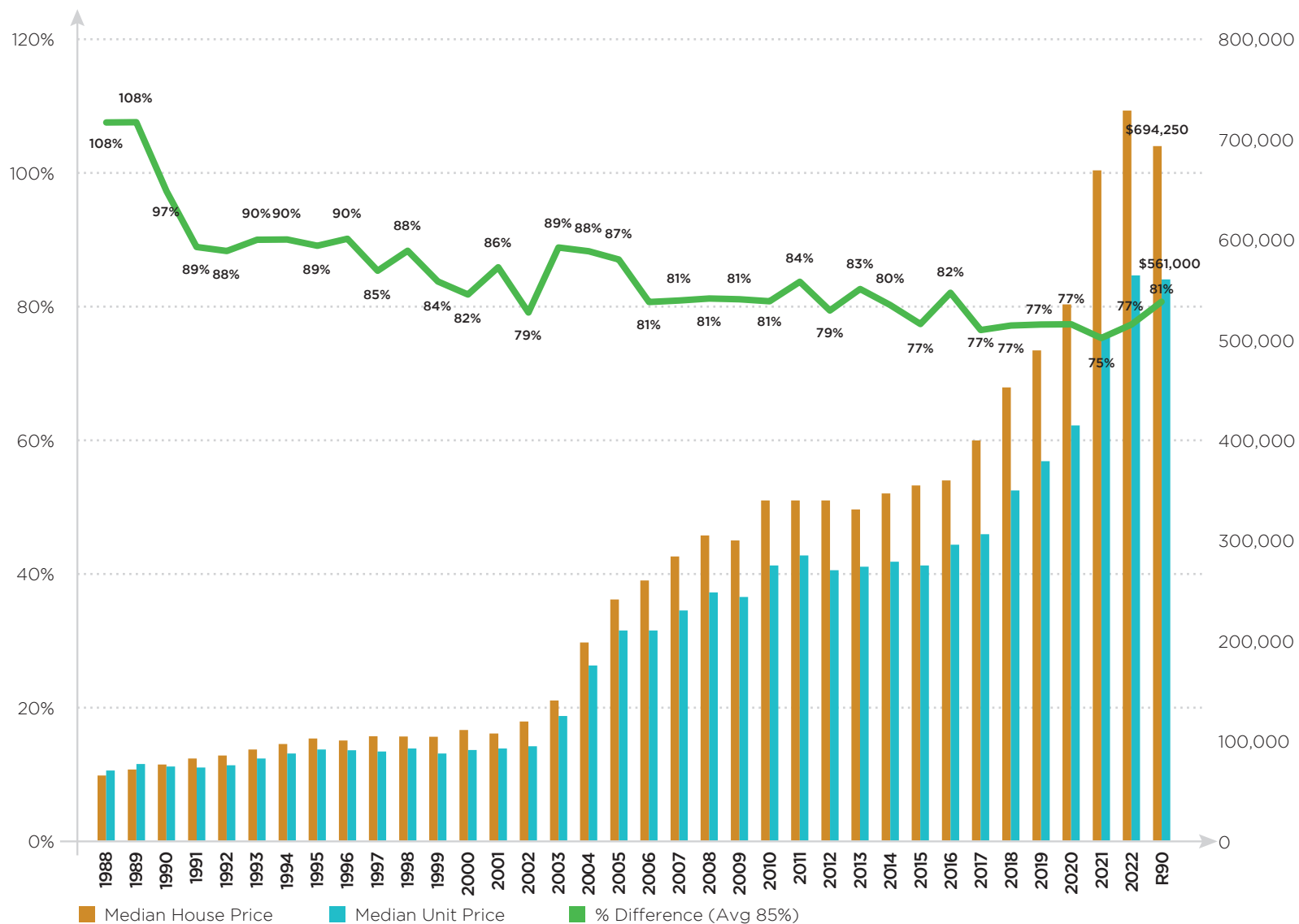
RESEARCH REPORT
HOBART REGIONAL CENTRE

EDITION 22



For more information on the Hobart market, including individual property and suburb information, call to speak to one of our professional property advisors on (03) 8539 0300.

HOUSE V. UNIT PRICE MOVEMENTS

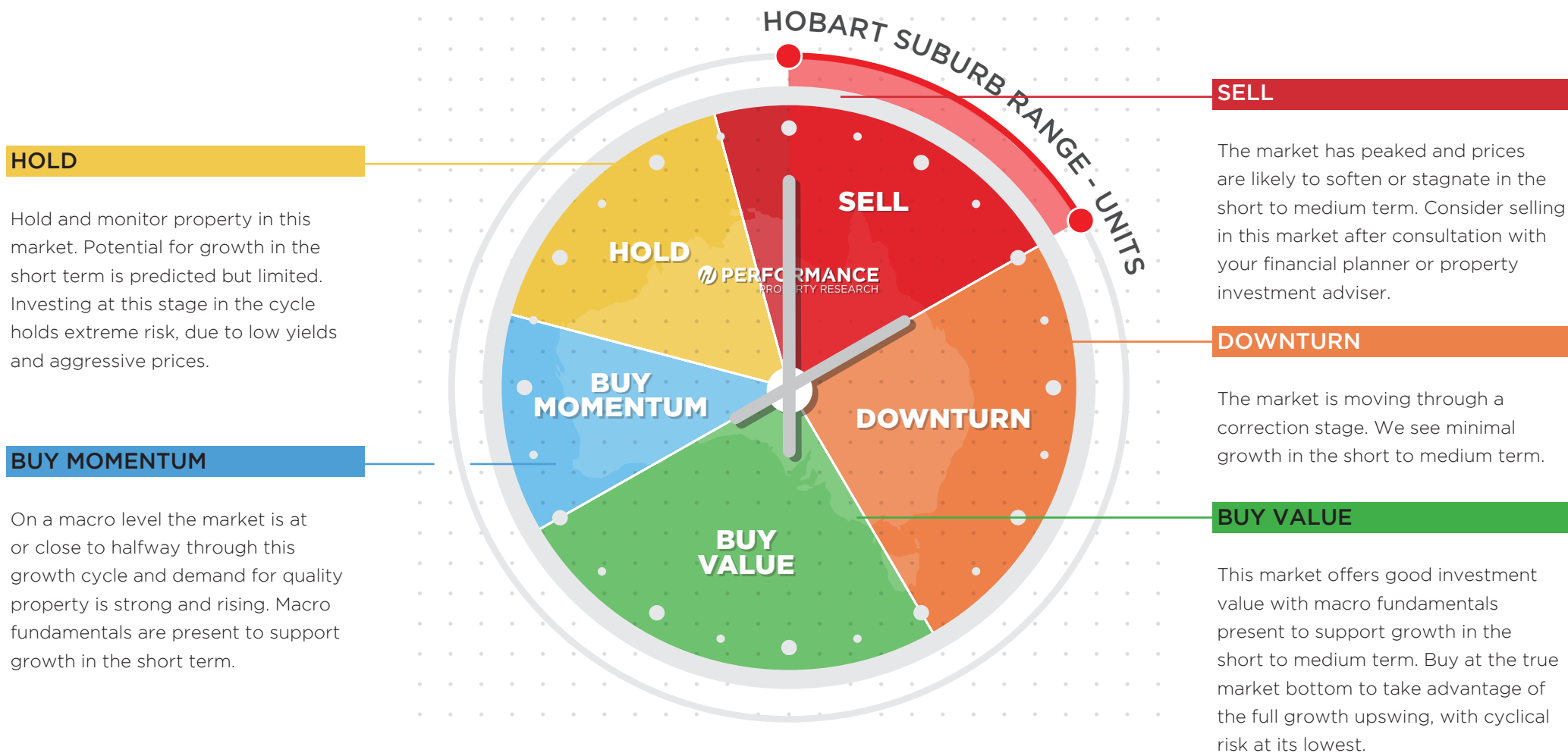


NEUTRAL

OUR VIEW OF THE HOBART **UNIT** MARKET

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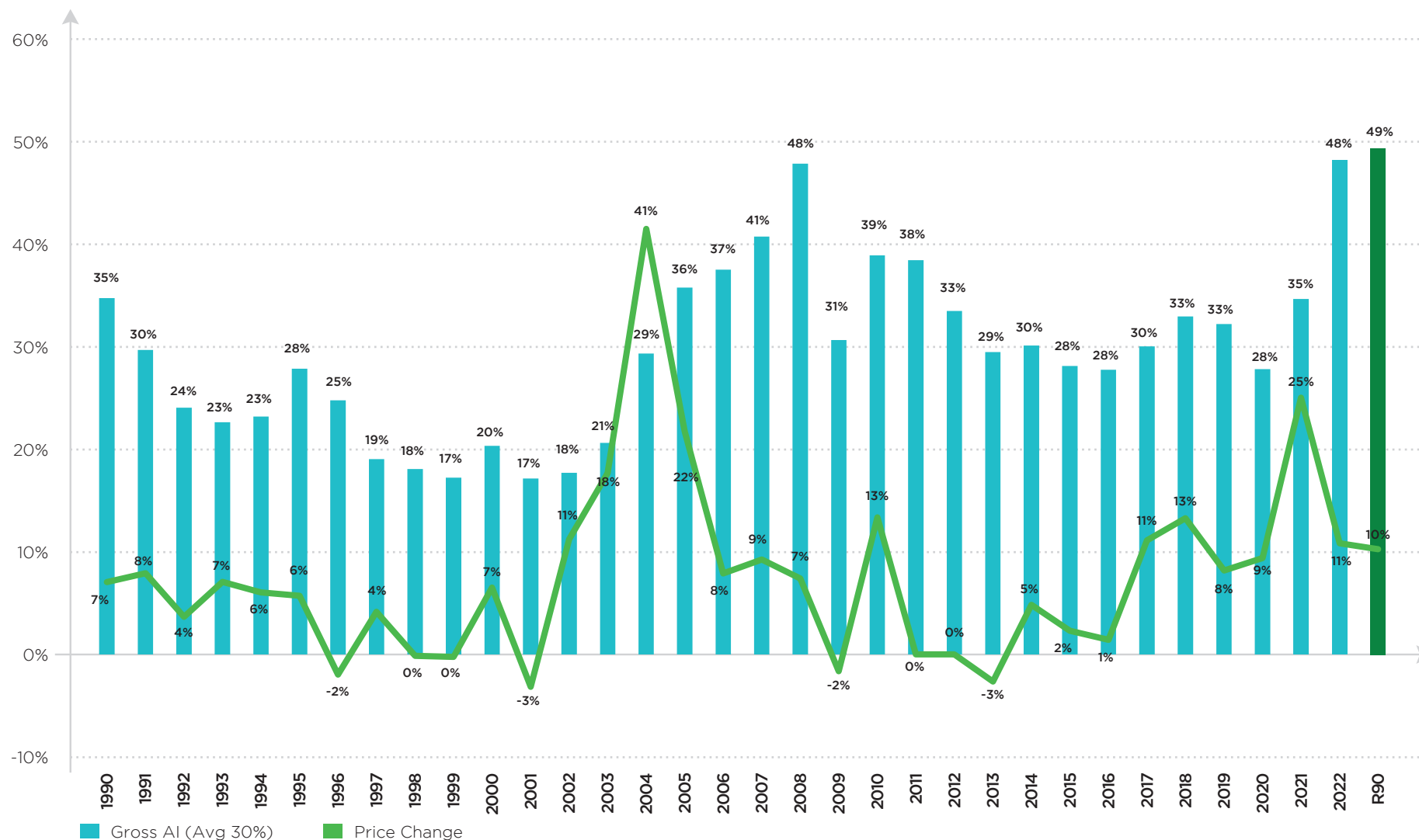
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AFFORDABILITY INDEX V. PRICE MOVEMENT - HOUSE

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This graph displays the impact interest rates have on house price movements. Performance Property's Gross Affordability Index (AI) is a measure of the average mortgage repayments versus the average income. The AI is calculated using the median price, average wage (before tax), assumes a 20% deposit, the current variable interest rate and Principle & Interest repayments over a 30 year loan term.

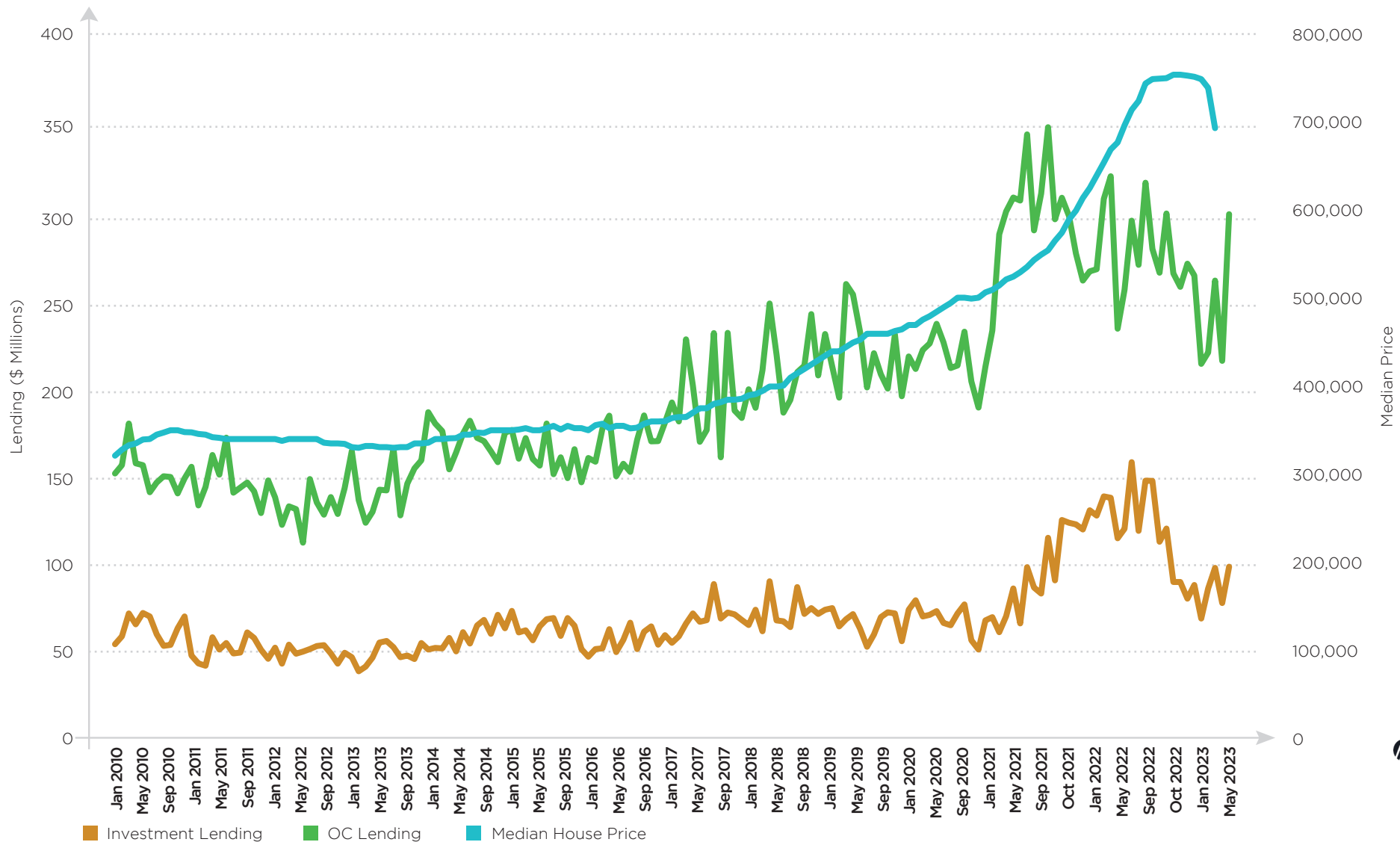


TAS MONTHLY HH LENDING TO OC V. MEDIAN HOUSE PRICE

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This graph displays the value of housing finance for the state each month for owner occupiers and investors versus the median house price.

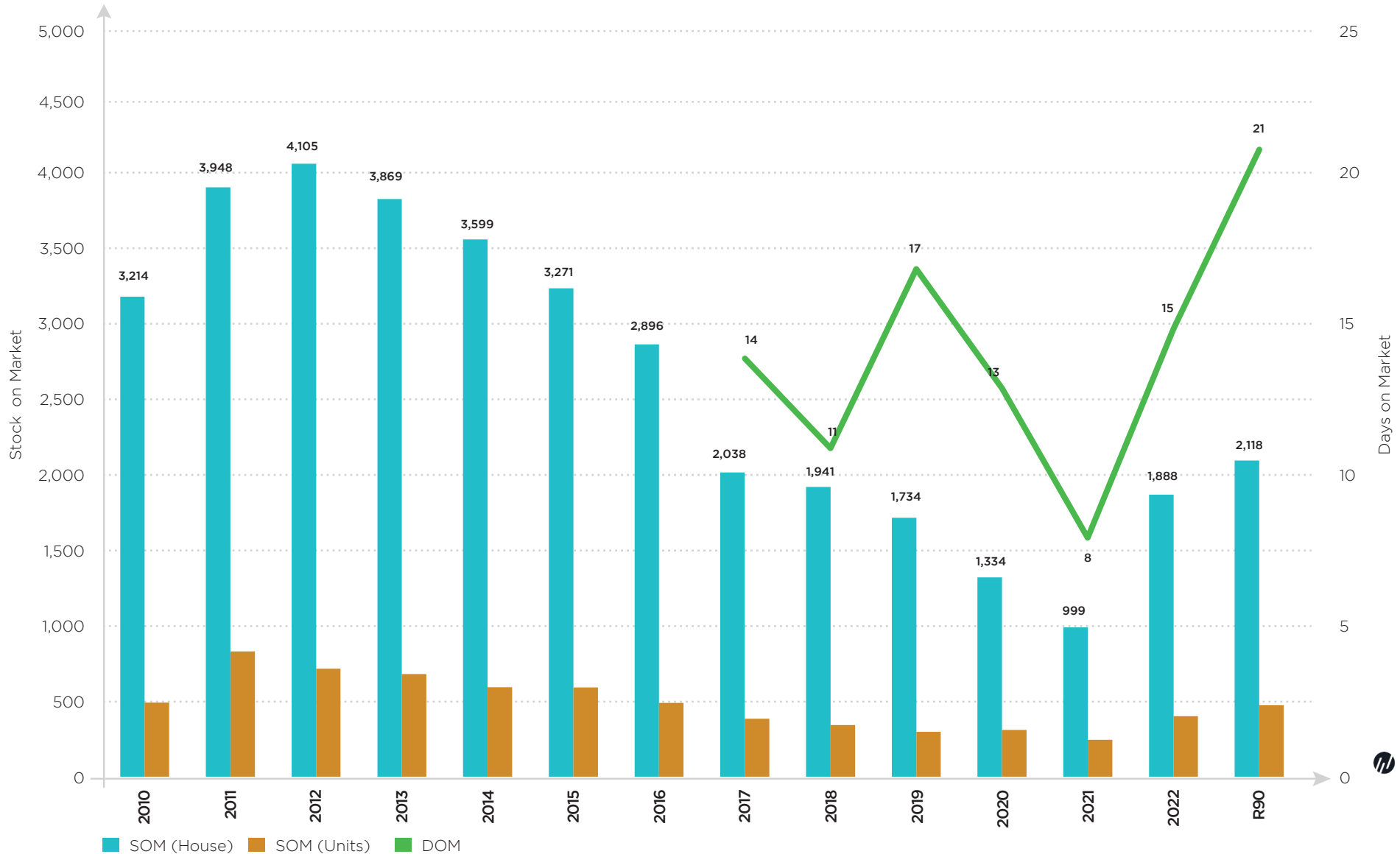


STOCK ON MARKET V. AVG DAYS ON MARKET

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This graph displays the average days on market and stock on market in one month of each year.

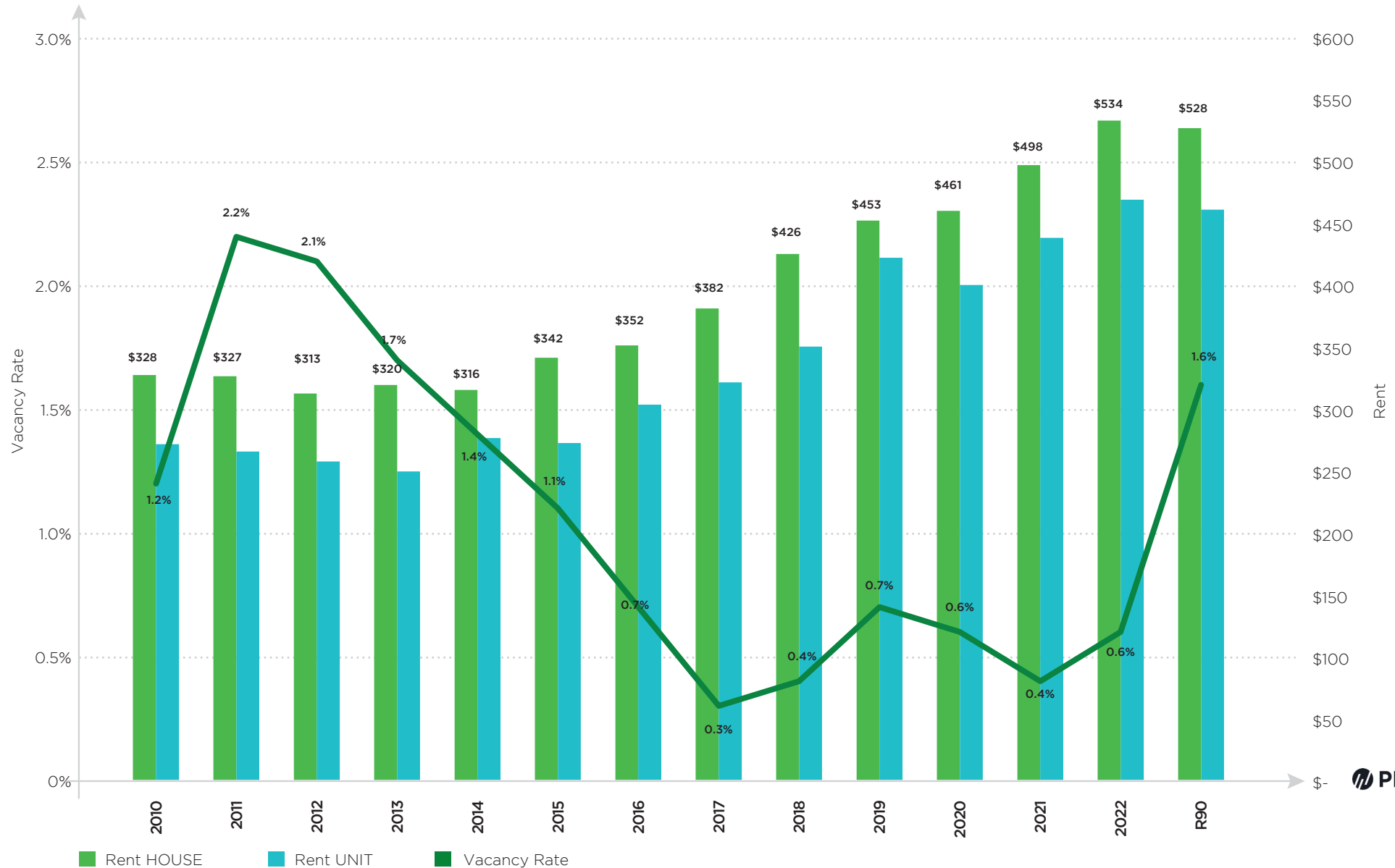


VACANCY RATE V. RENT

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This graph displays the relationship between rental growth for both houses and units and the vacancy rate.

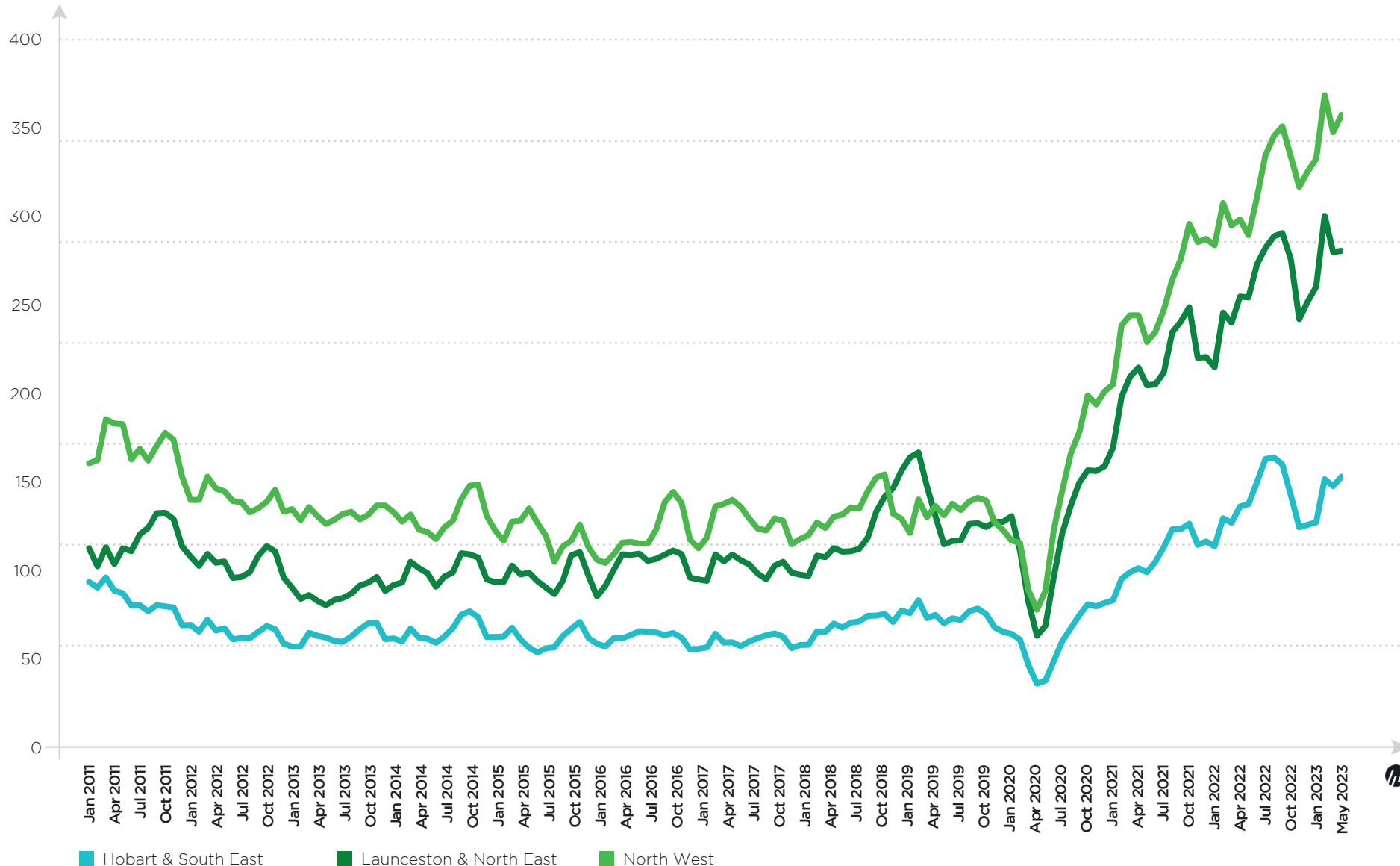


JOB CREATION INDEX - HOBART & SOUTH EAST TASMANIA

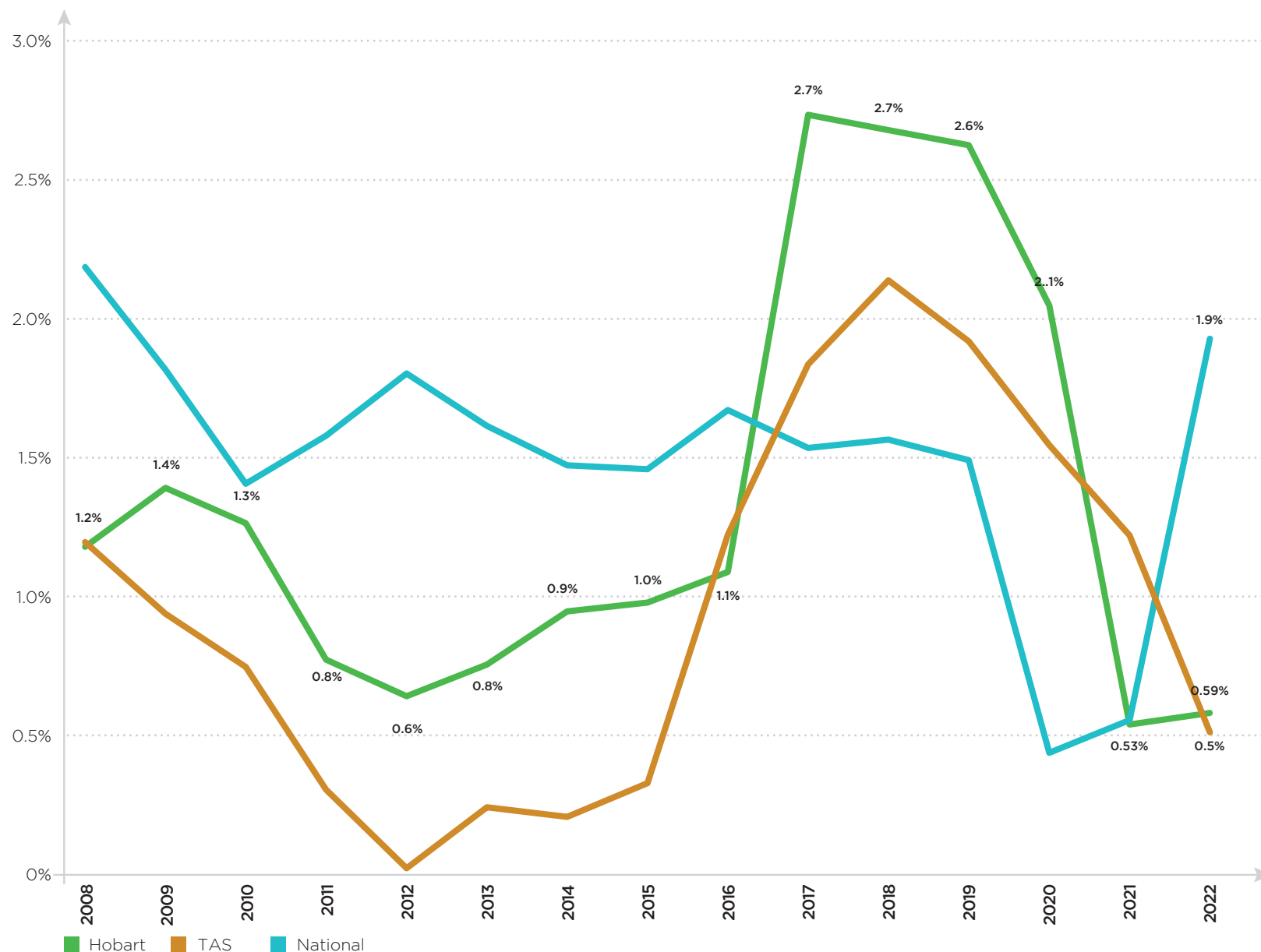
RESEARCH REPORT
HOBART REGIONAL CENTRE

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This graph shows the internet vacancy index for online job advertisements on the three major job boards.

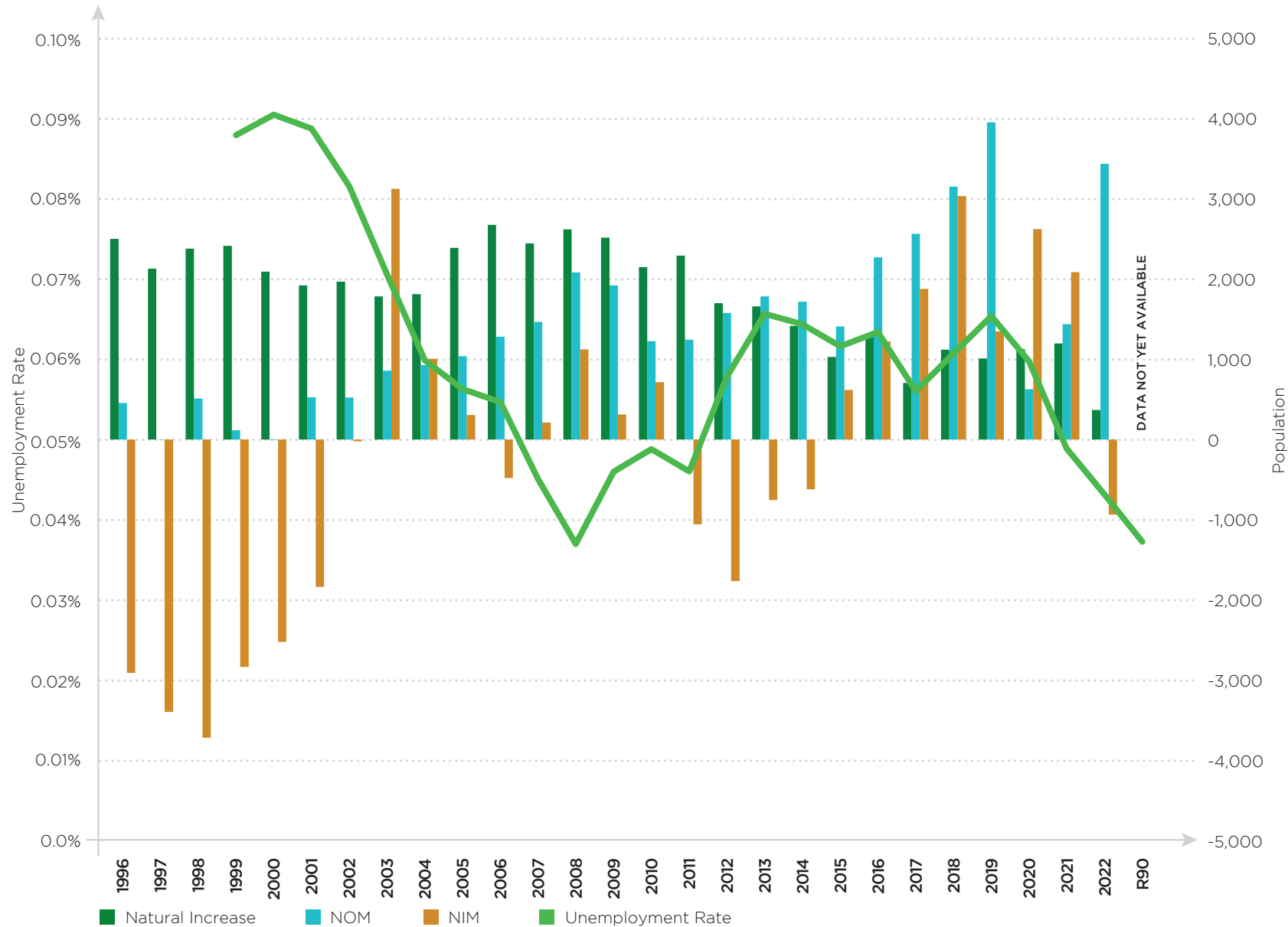


CHANGE IN POPULATION

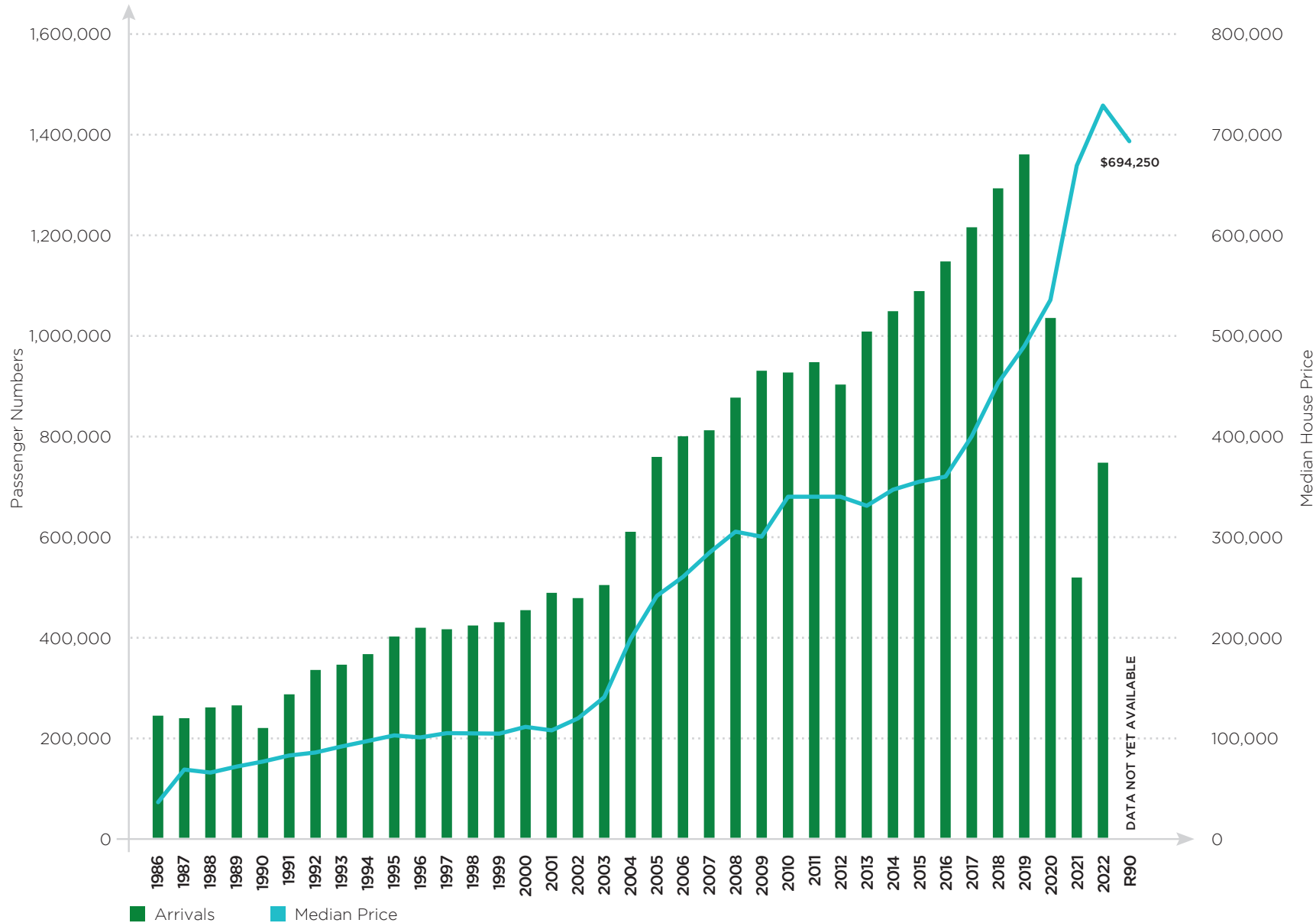


NEGATIVE

POPULATION TYPE

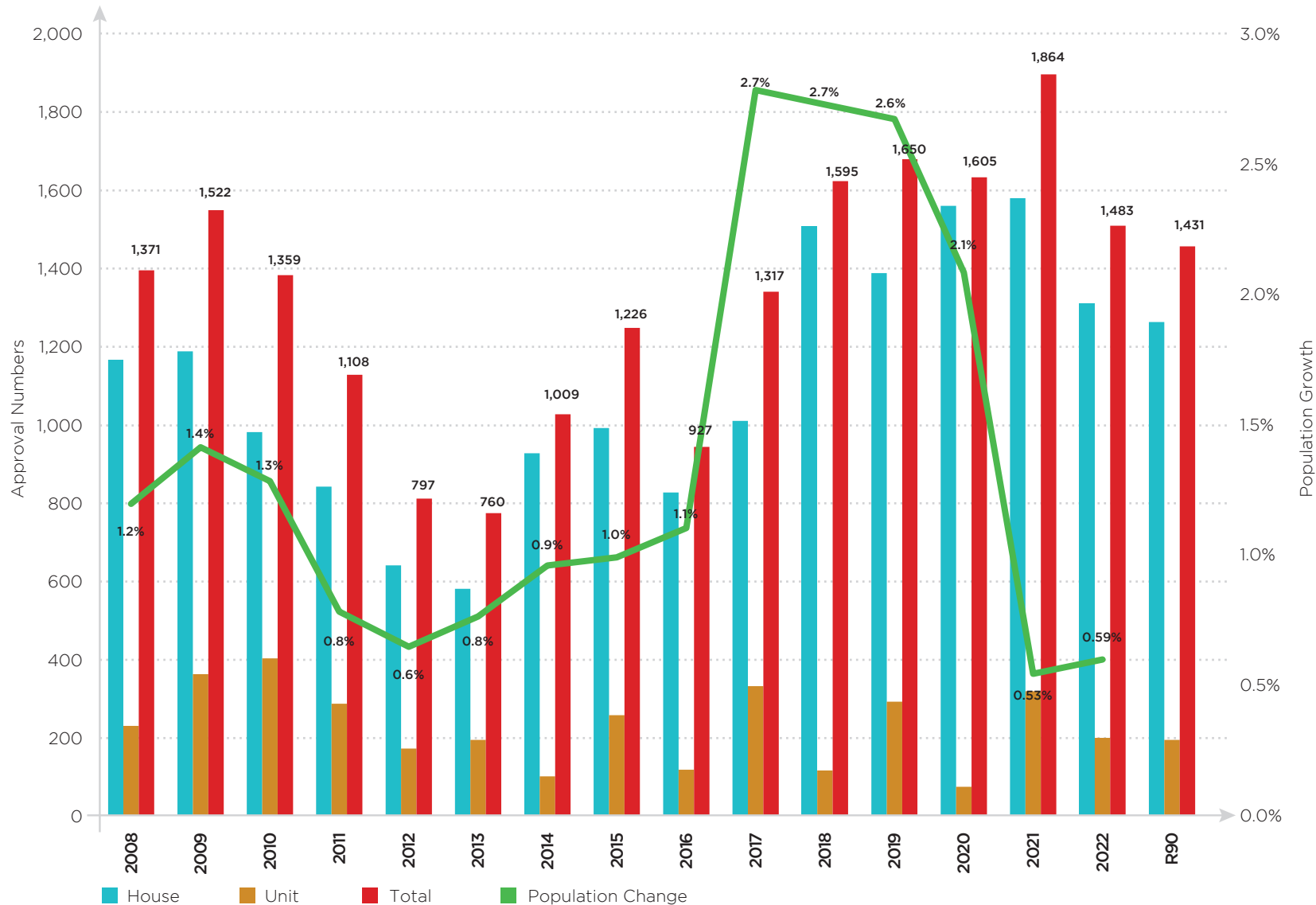


AIRPORT ARRIVALS



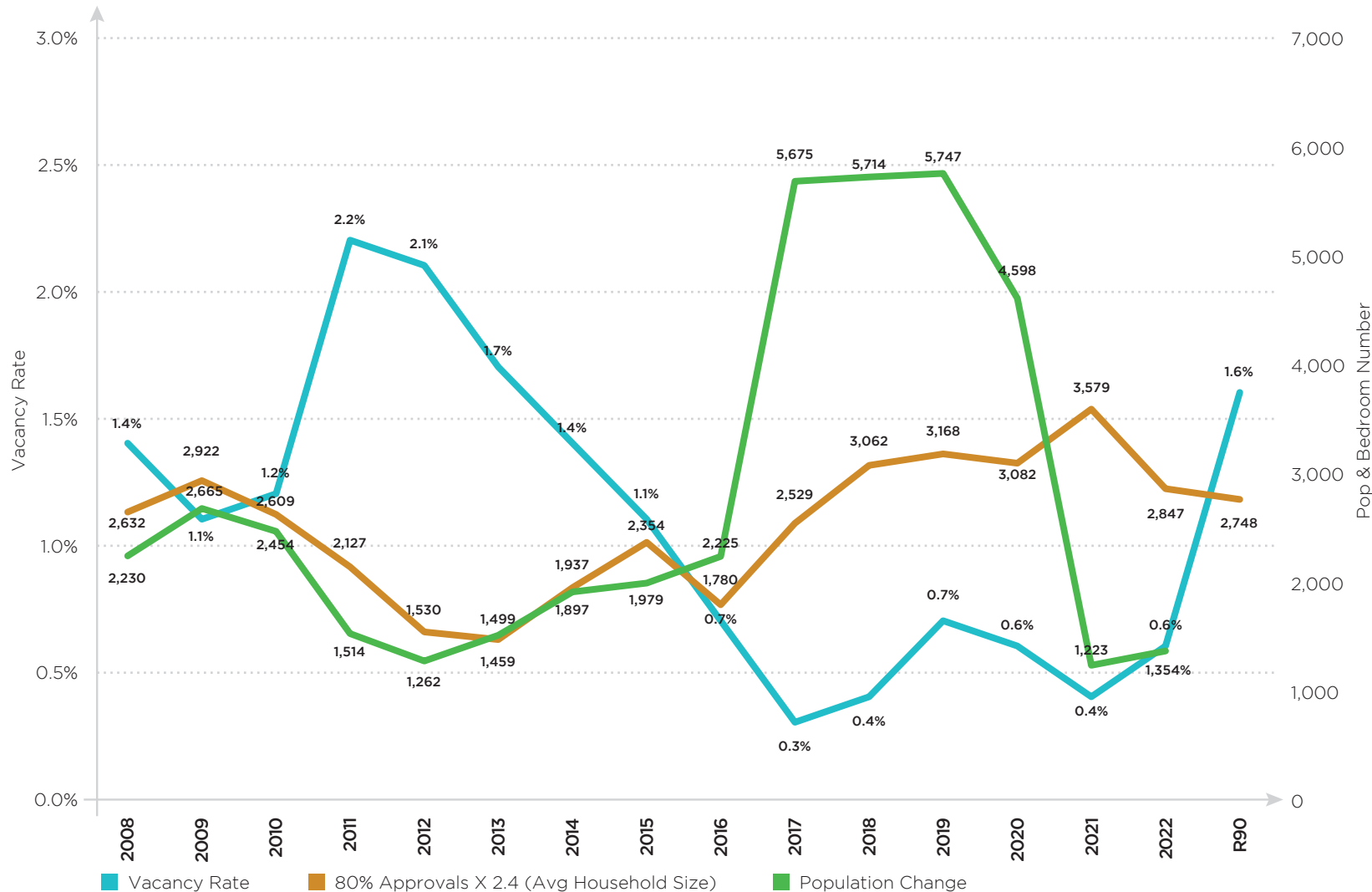
**SLIGHTLY
NEGATIVE**

GREATER HOBART DWELLING APPROVALS



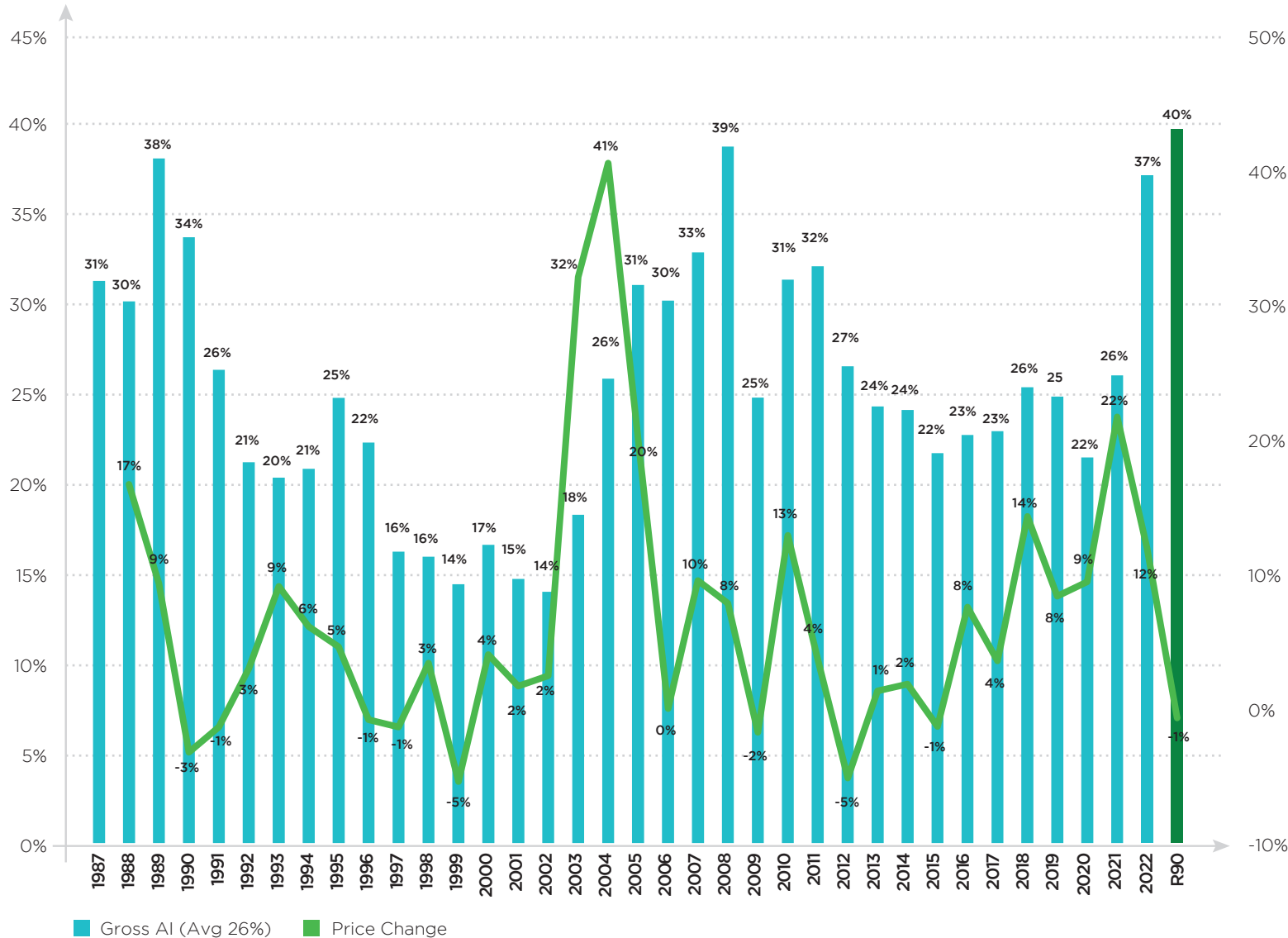
SLIGHTLY
POSITIVE

BEDROOM COMMENCEMENTS V. POPULATION CHANGE & VACANCY RATE



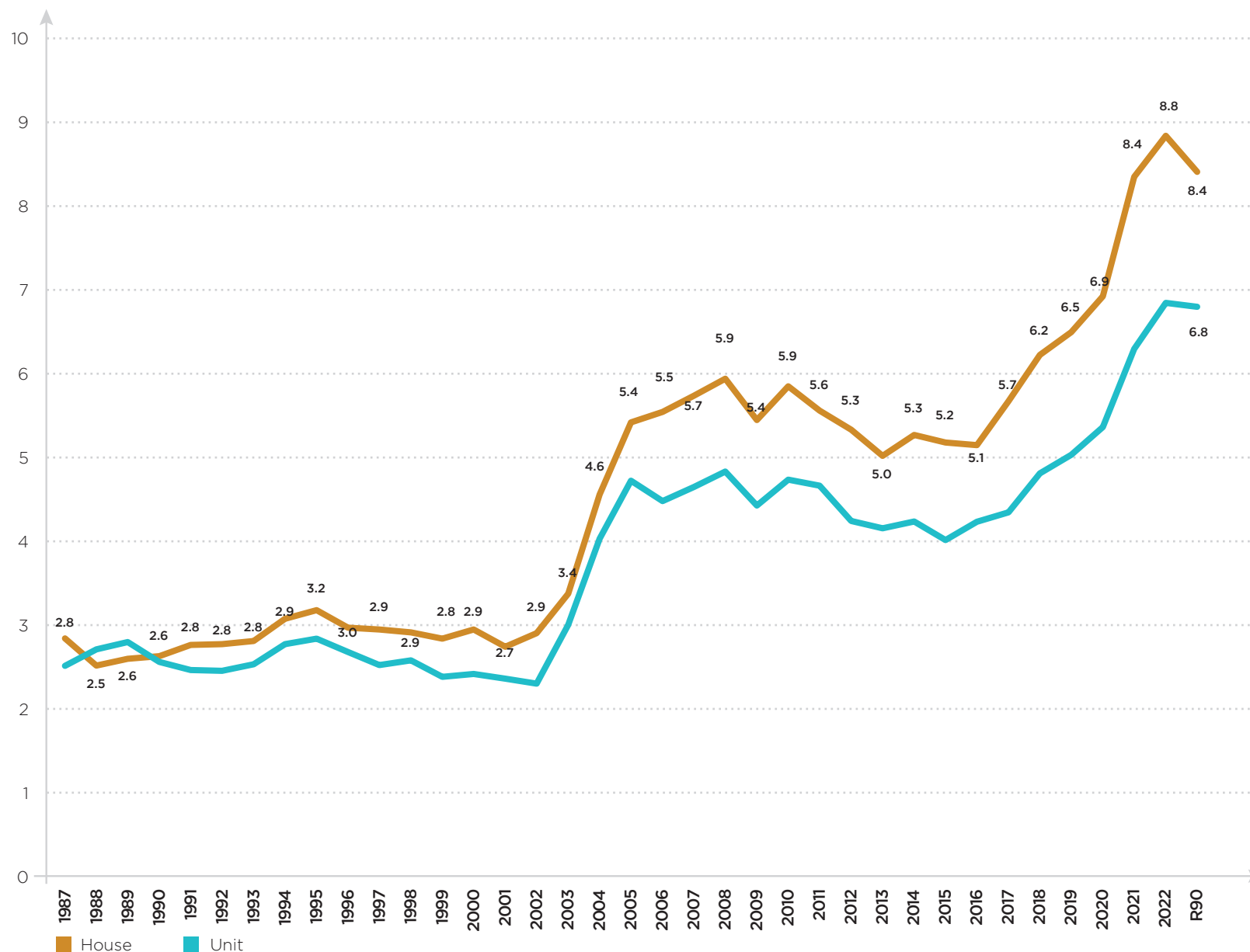
NEGATIVE

GROSS AFFORDABILITY INDEX (UNIT) V. PRICE GROWTH



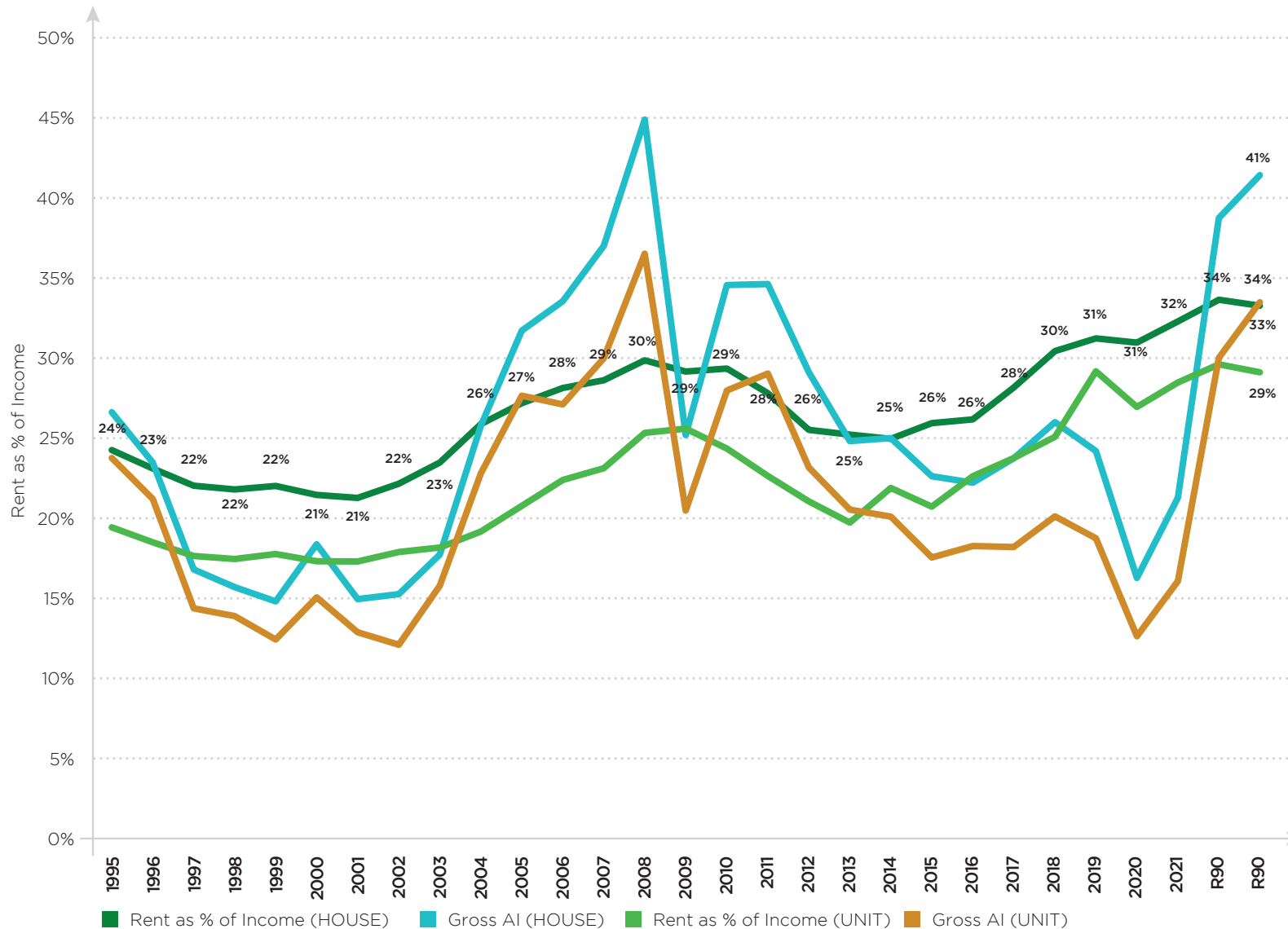
NEGATIVE

PRICE TO INCOME RATIO



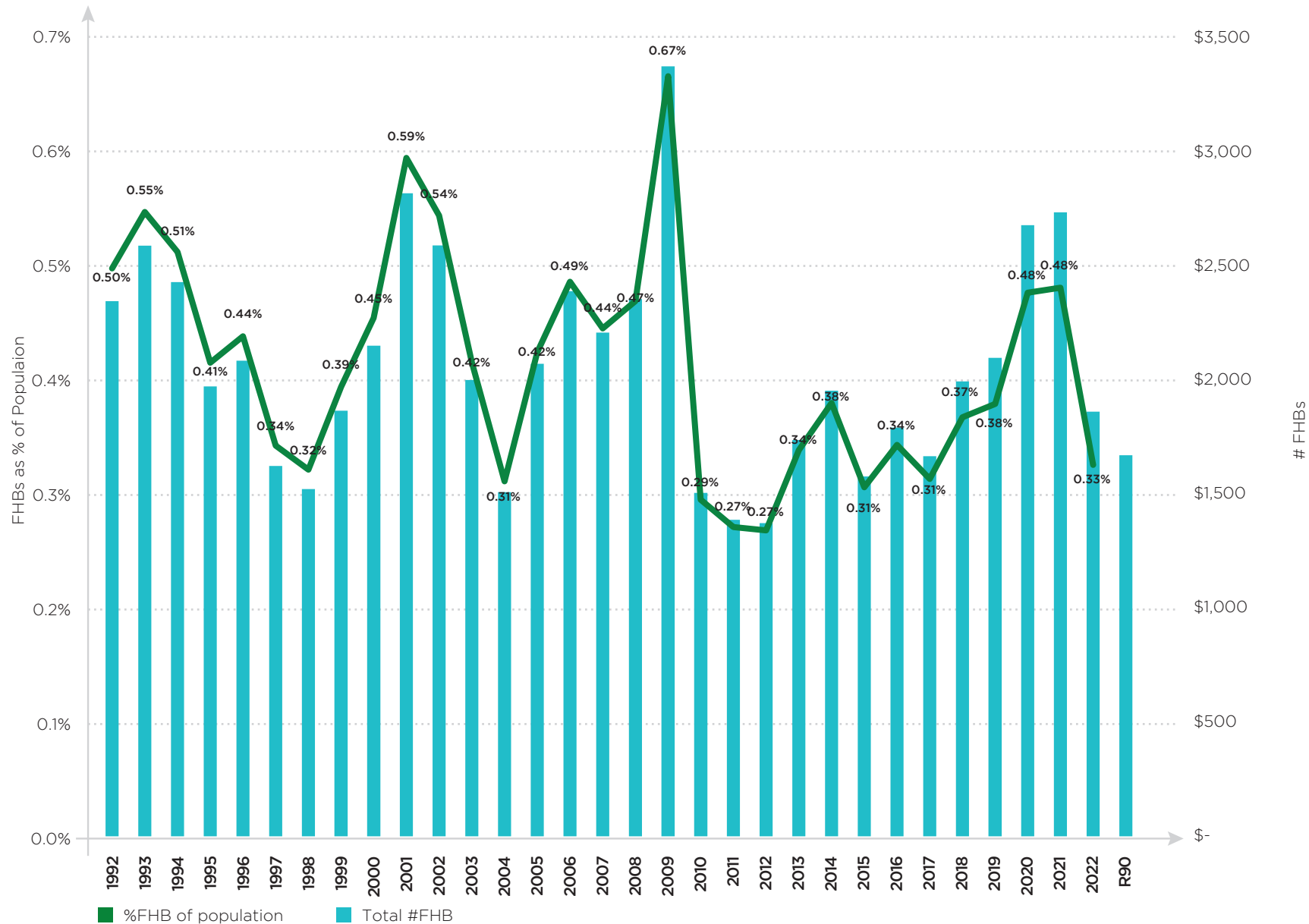
**SLIGHTLY
NEGATIVE**

RENT AS % OF INCOME V. AFFORDABILITY INDEX



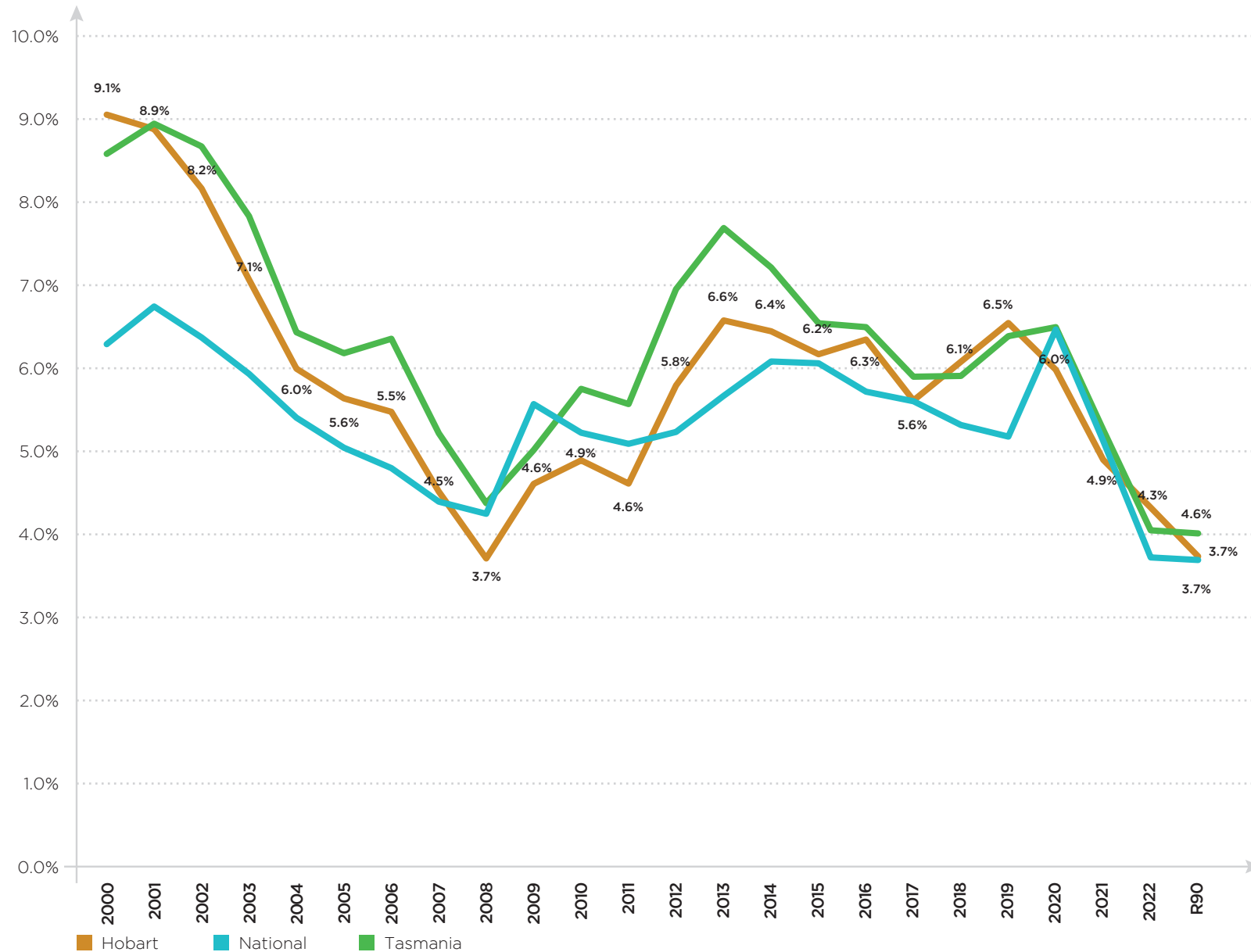
NEGATIVE

FHB AS % OF POPULATION



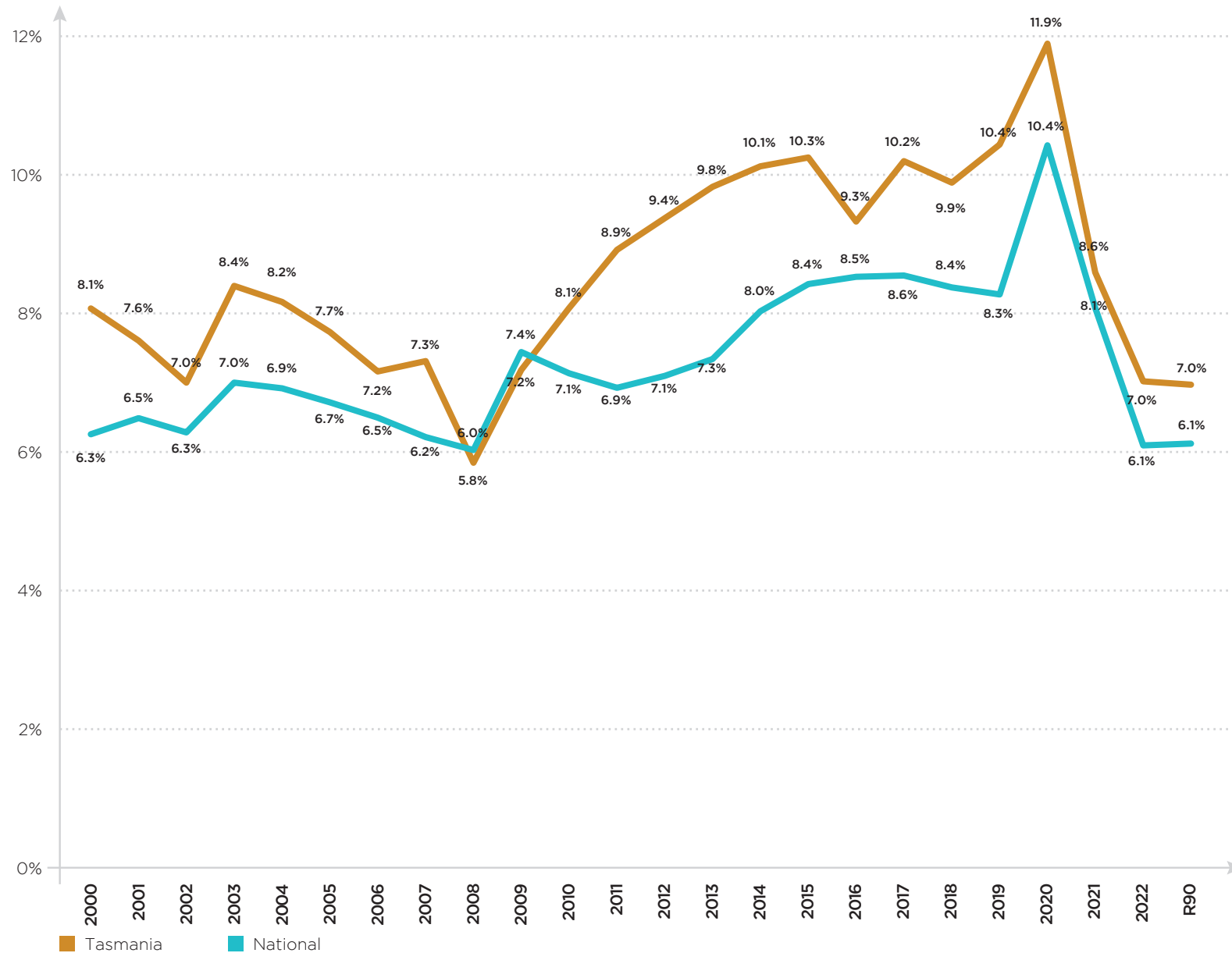
NEGATIVE

UNEMPLOYMENT RATE



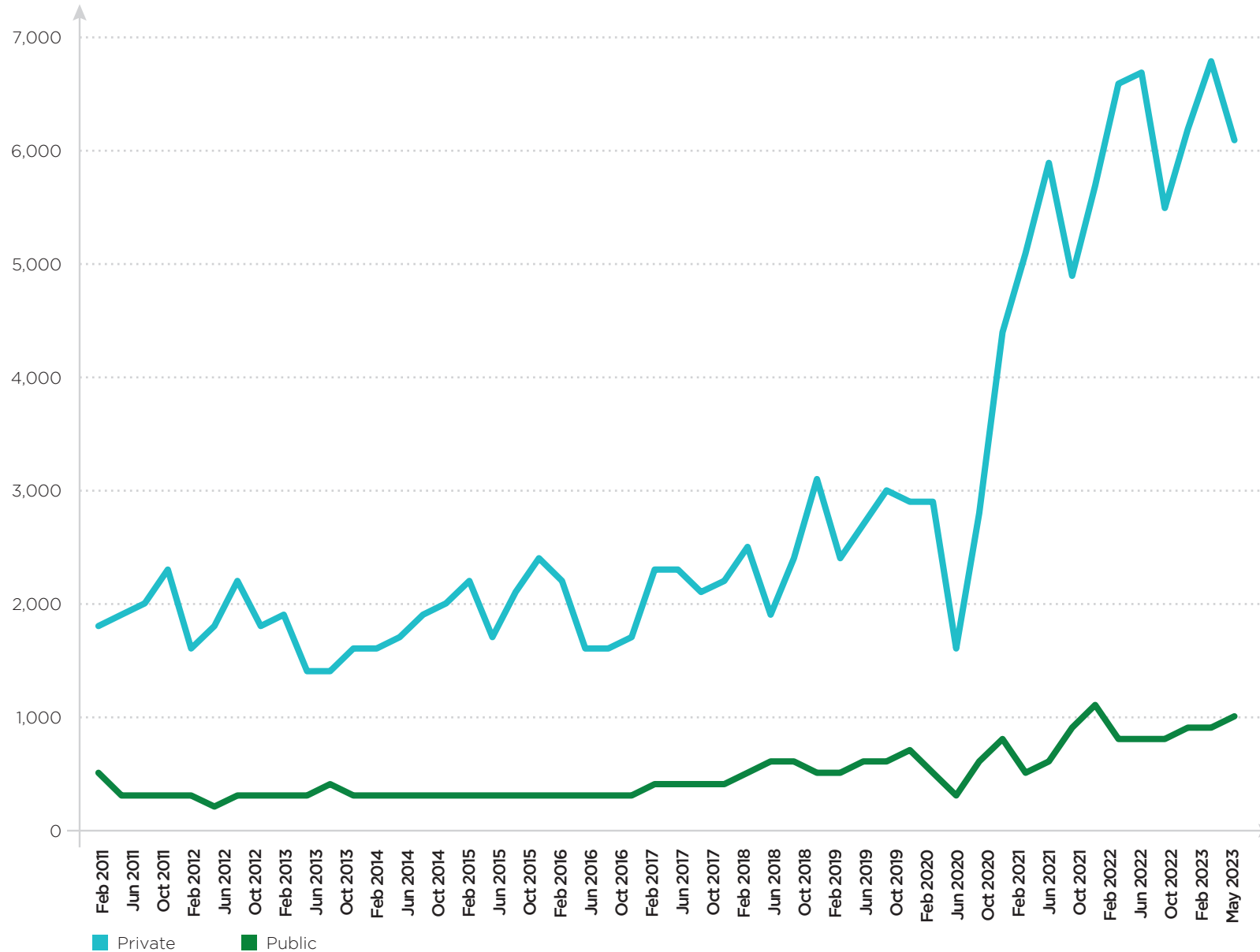
POSITIVE

UNDEREMPLOYMENT RATE



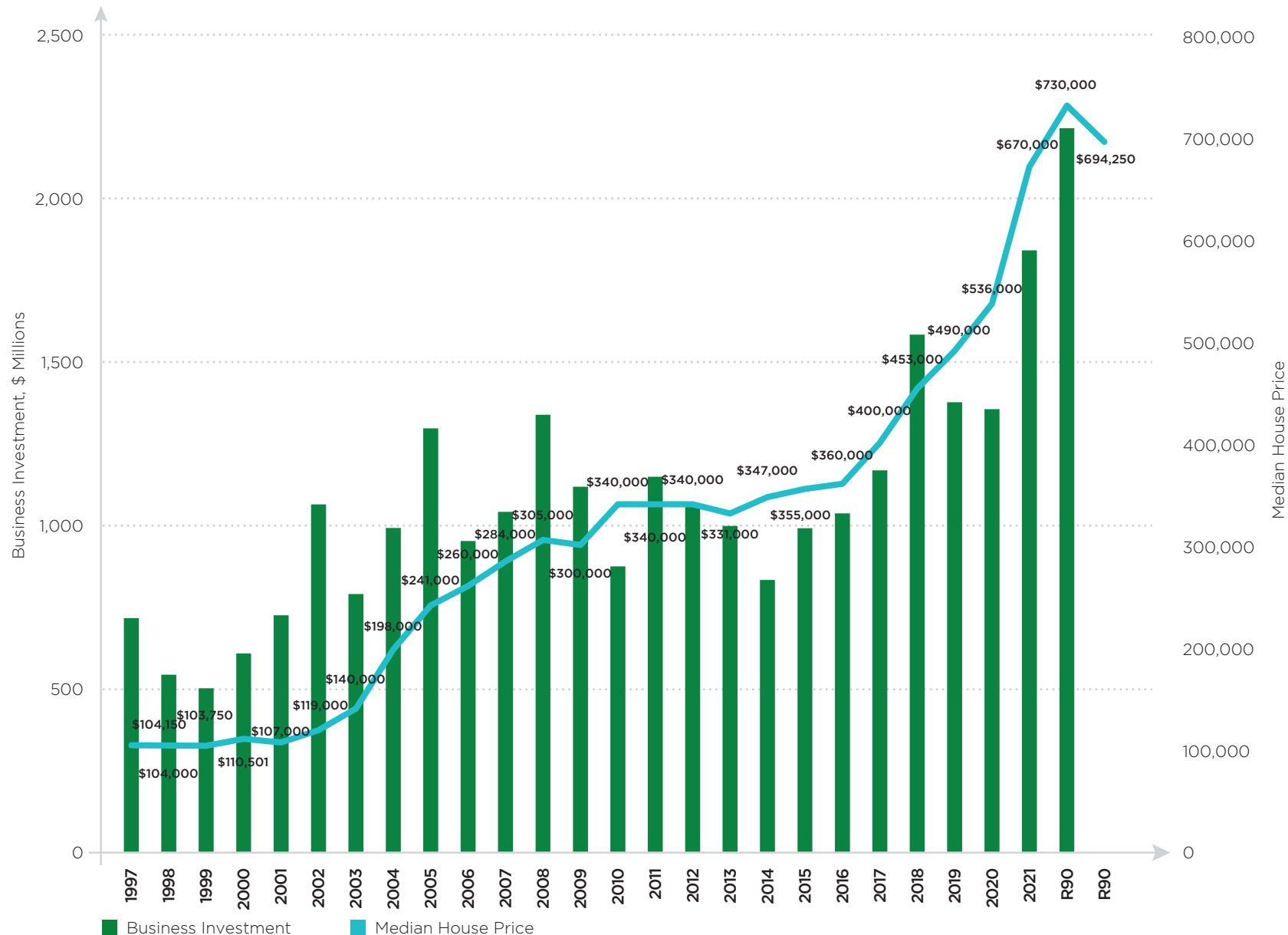
**SLIGHTLY
POSITIVE**

STATE JOB VACANCIES



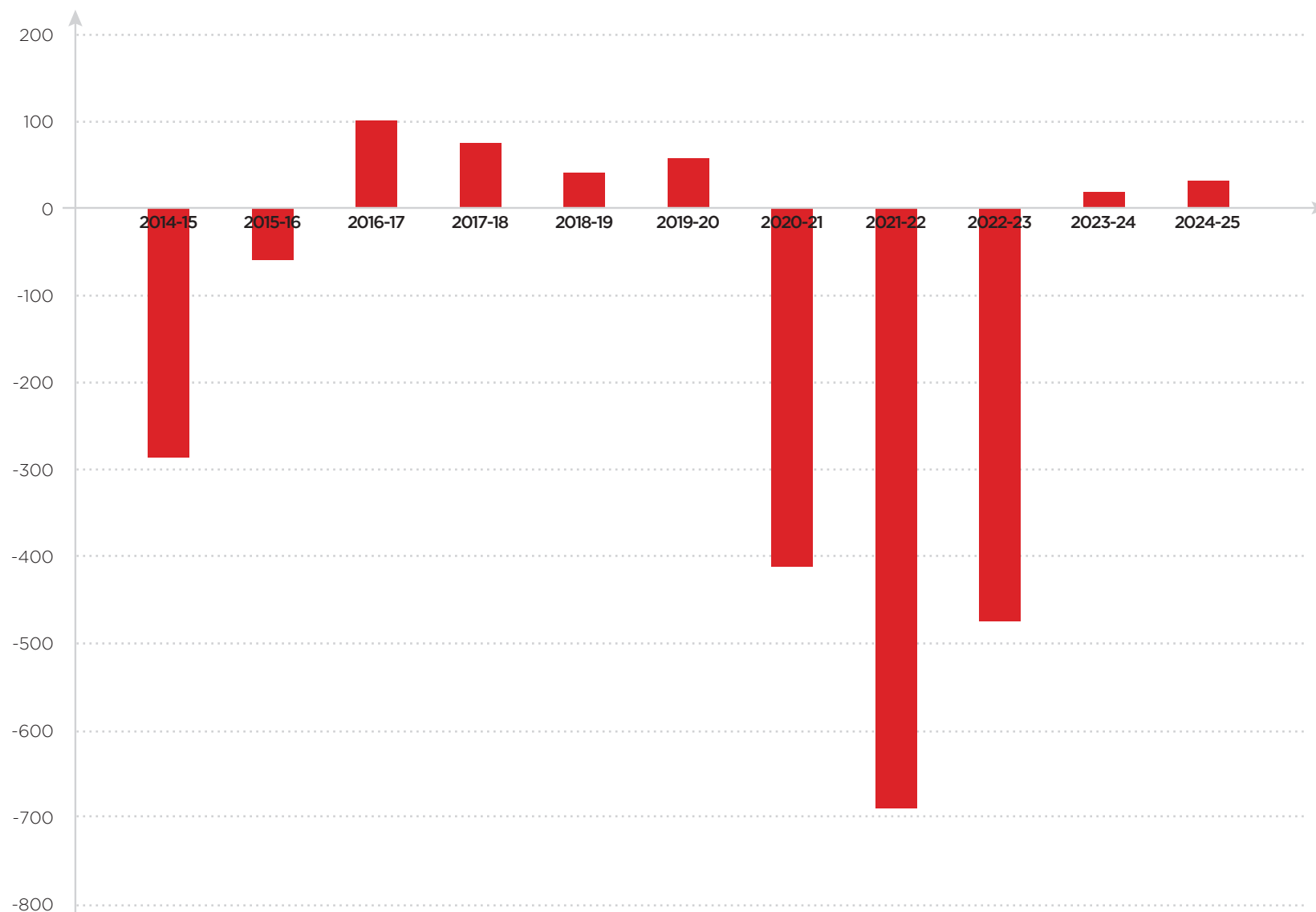
POSITIVE

BUSINESS INVESTMENT



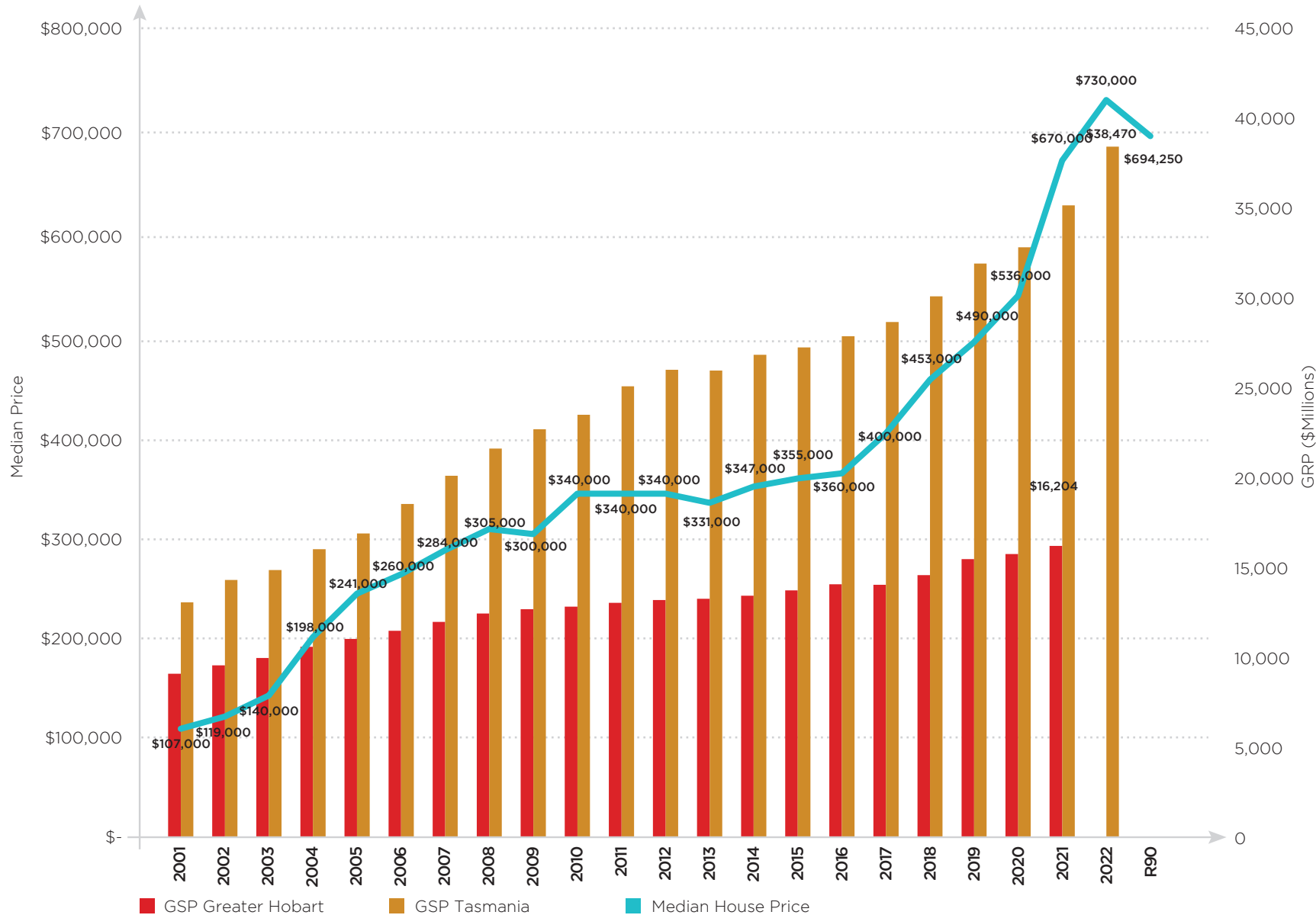
POSITIVE

STATE BUDGET



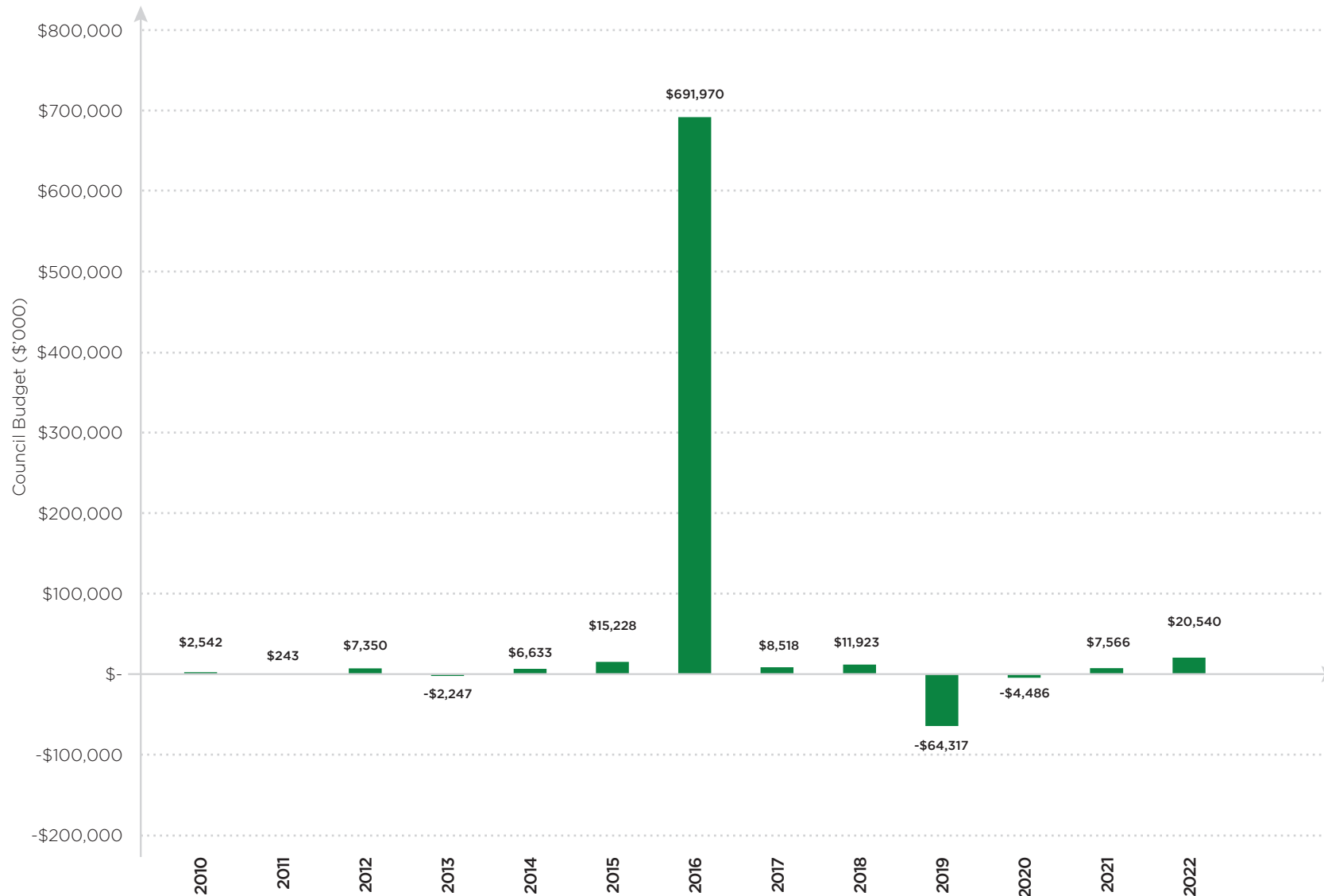
NEUTRAL

GROSS STATE PRODUCT



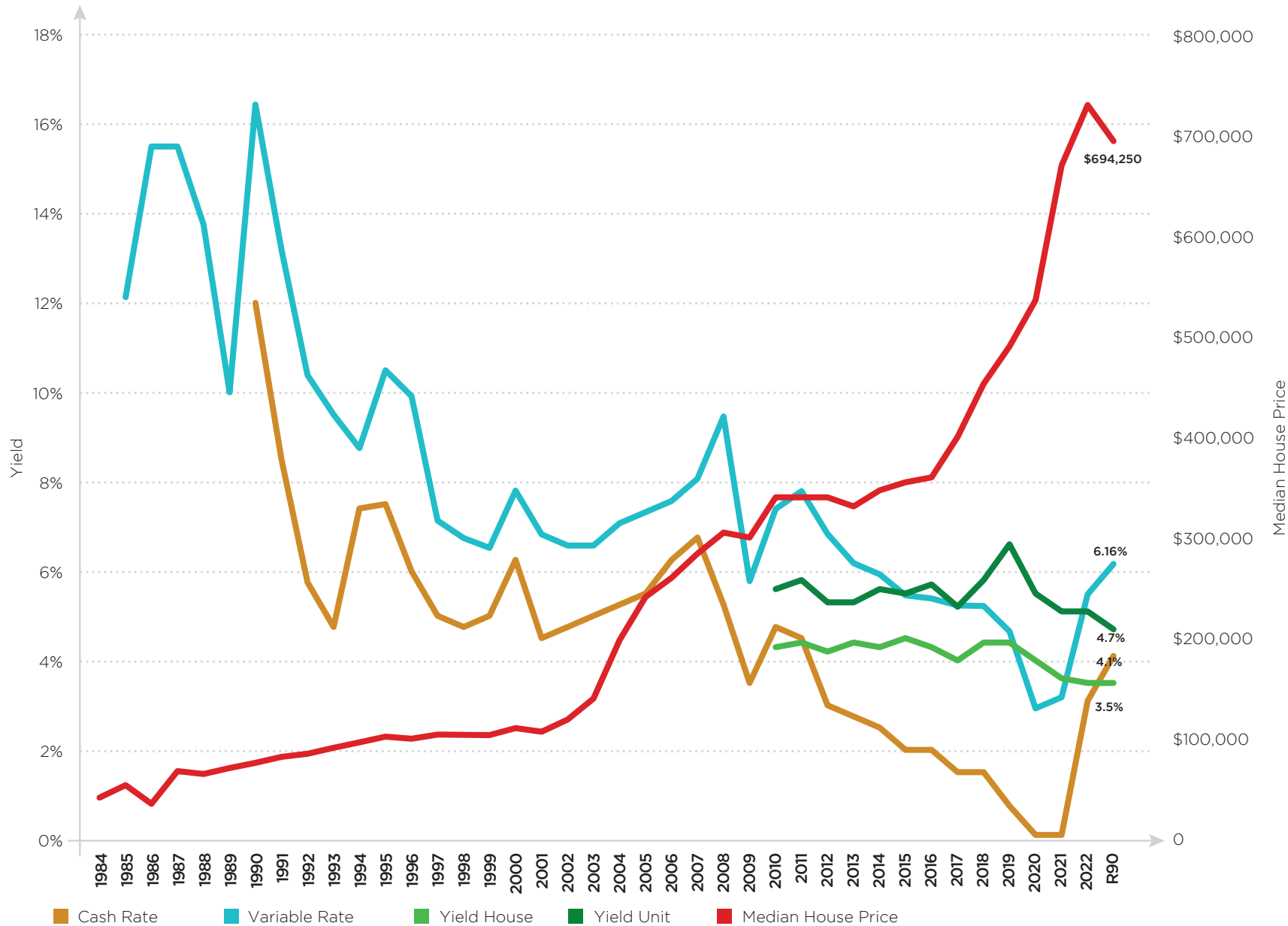
**SLIGHTLY
NEGATIVE**

HOBART CITY COUNCIL BUDGET POSITION



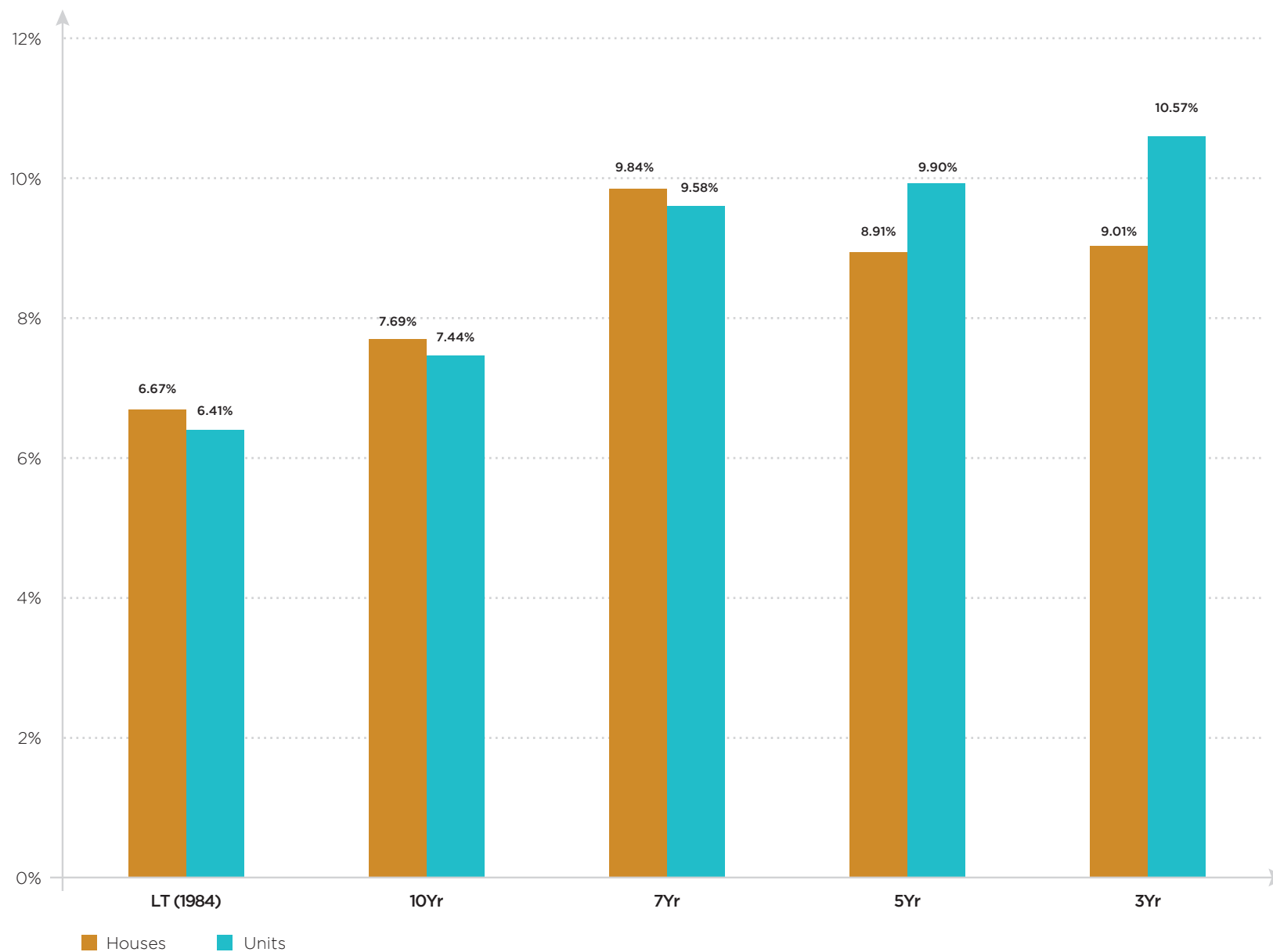
POSITIVE

YIELD



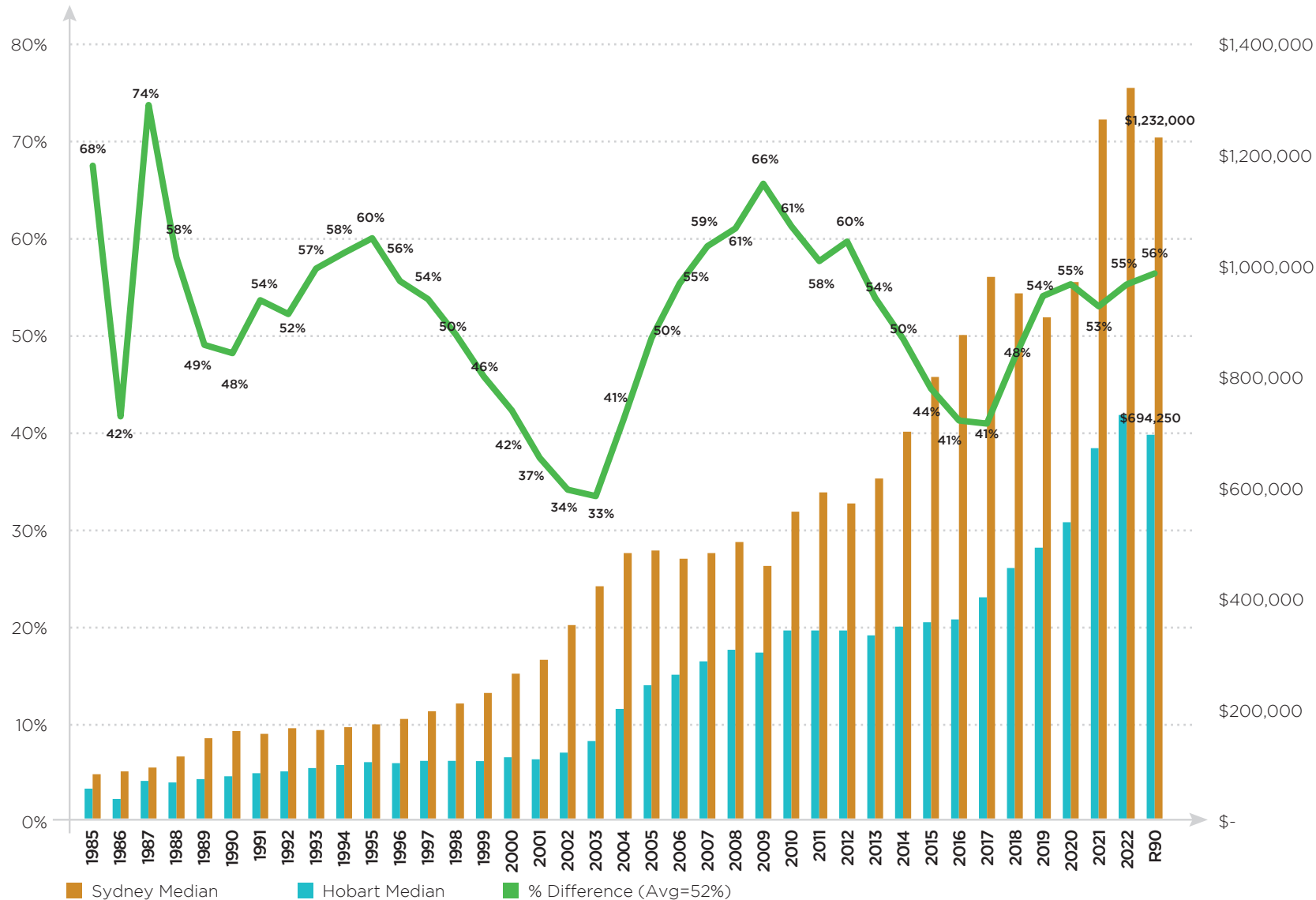
NEGATIVE

LONG TERM PERFORMANCE



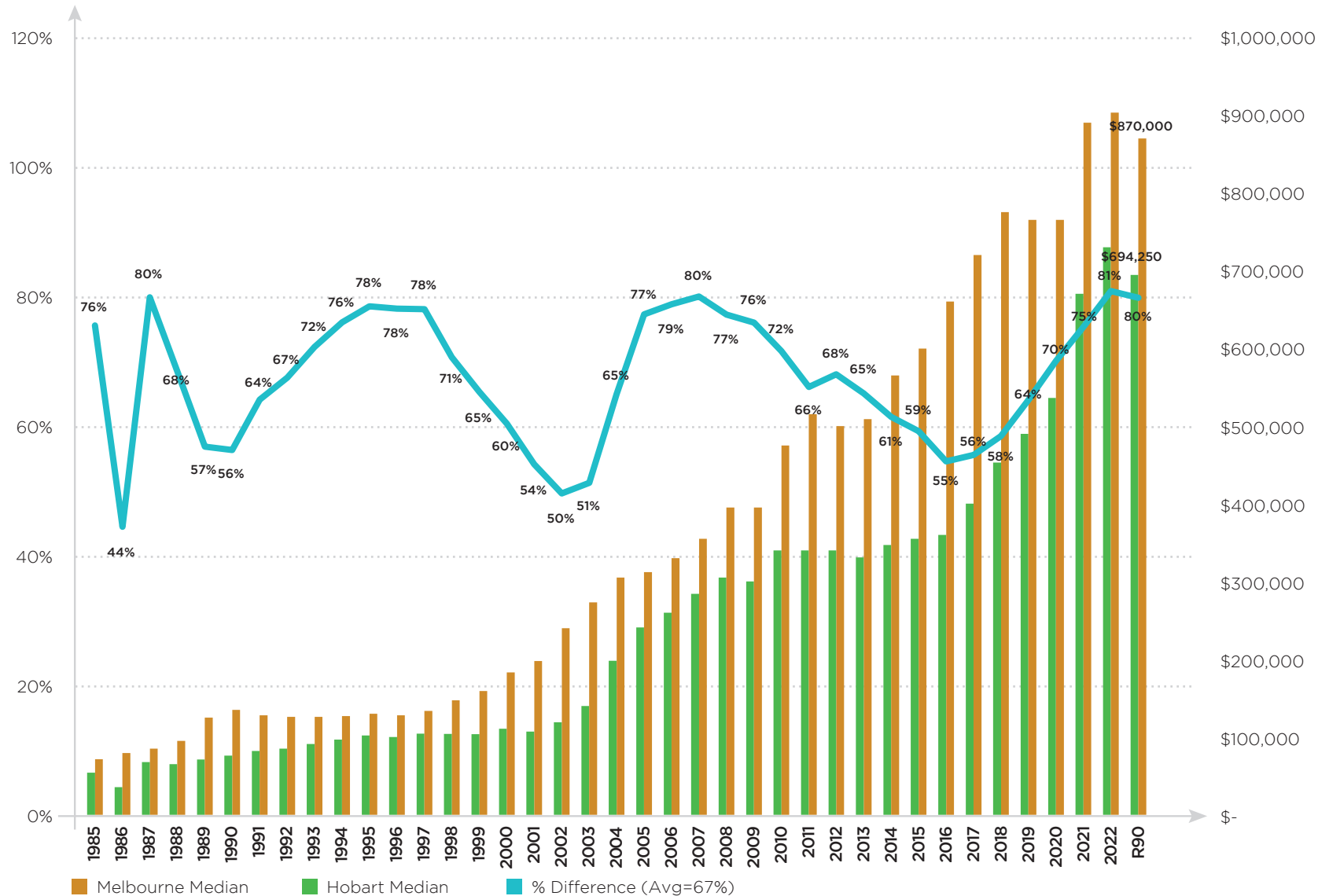
NEGATIVE

HOBART V. SYDNEY PRICE COMPARISON



NEUTRAL

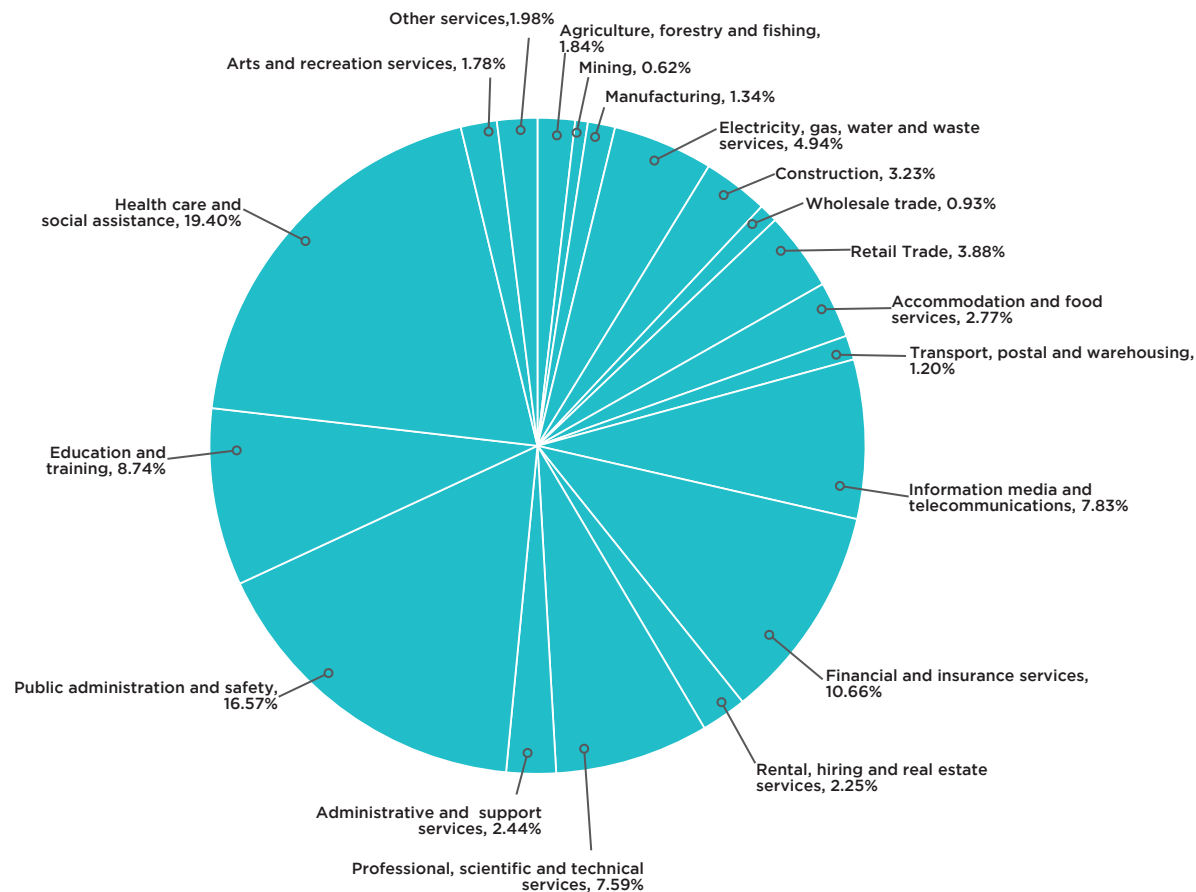
HOBART V. MELBOURNE PRICE COMPARISON



NEGATIVE

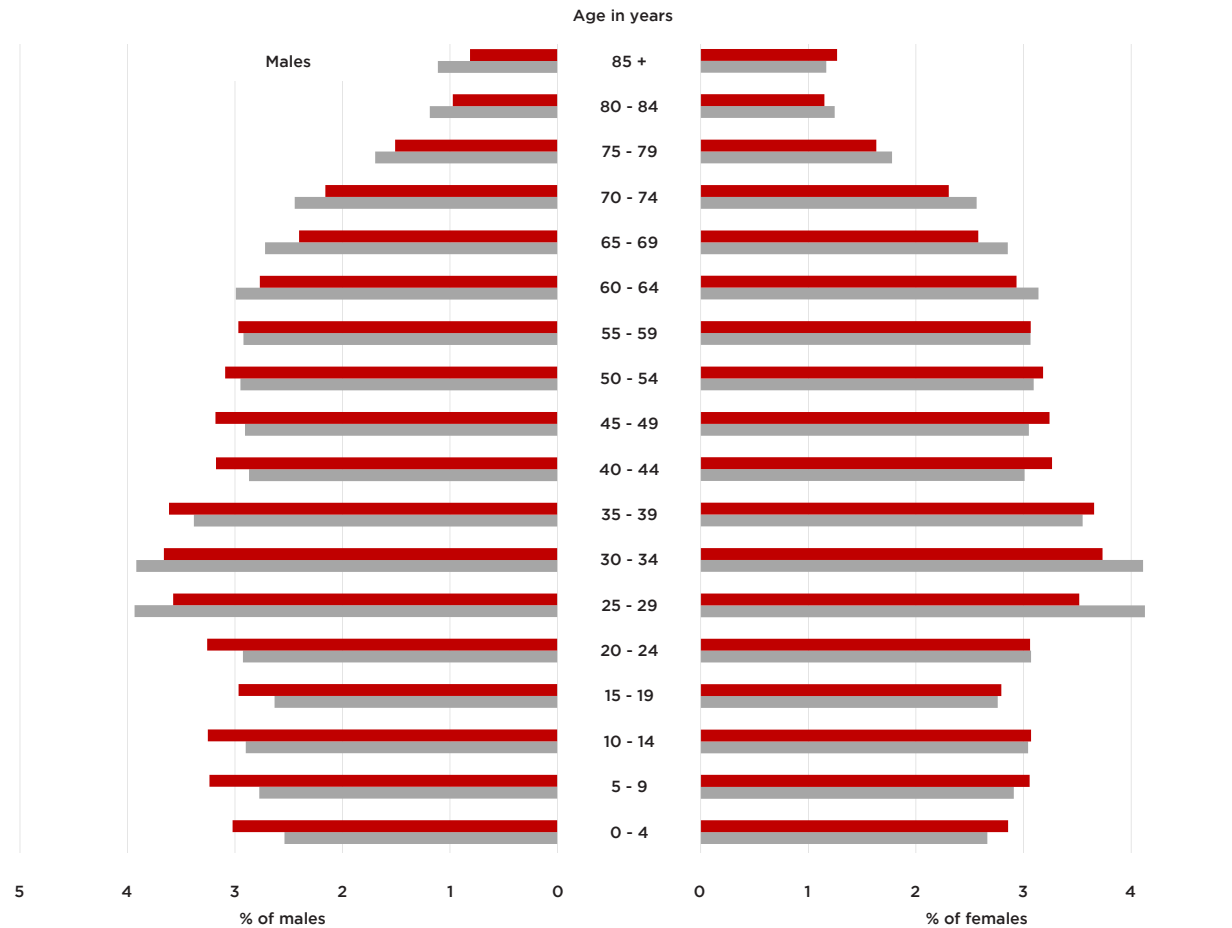
INDUSTRY VALUE ADDED

INDUSTRY BREAKDOWN



POSITIVE

POPULATION PYRAMID



Source: Australian Bureau of Statistics, Census of Population and Housing, 2021 (Usual residence data).

■ Greater Hobart ■ Australia

POSITIVE

WHY USE US?

INVESTMENT PHILOSOPHY

PERFORMANCE
PROPERTY ADVISORY
IS A DYNAMIC PROPERTY
FIRM PROVIDING
PROPERTY ACQUISITION
SERVICES ACROSS
AUSTRALIA. OUR
FIRM IS COMPLETELY
RESEARCH DRIVEN AND
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INVESTMENT APPROACH.

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RESEARCH

Macro Micro Property

ACQUIRE

Find Assess Negotiate

MANAGE

Property Management

REVIEW

Annual Portfolio Review

ADVISE

Hold Improve Dispose

PERFORMANCE PROPERTY ADVISORY SERVICES

- Property Acquisition
- Property Management
- Portfolio Review
- Sales Advisory / Vendor Advocacy

DATA SOURCES:

- Australian Bureau of Statistics
- BIS Shrapnel
- Residex
- SQM Research
- CoreLogic RP Data
- Foreign Investment Review Board
- Australian Trade & Investment Commission

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Capital Cities and Regions Median House Price

