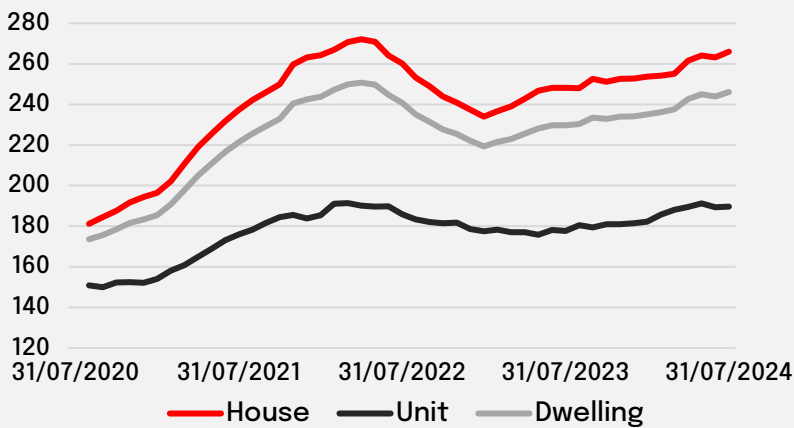




HOBART MARKET SNAPSHOT

Home Value Index July 2024

The change in house and unit values to end of July 2024 is recorded at:


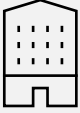


	 HOUSES	 UNITS
Quarter	-0.8%	+0.6%
Annual	-2.0%	+3.0%

Annual Dwelling Sales July 2024

3,860

2.1% higher than one year ago.
-9.4% below the five-year average.

 HOUSE SALES	 UNIT SALES
3.8%	-2.7%

Source: CoreLogic

The Hobart property market continued to remain relatively flat, record softening with slight easing in dwelling growth of -0.5% for the month of July and -0.8% for the quarter. July's result followed the previous months trend of slight easing with -0.3%.

House prices were marginally lower in July easing -0.8% for the month following prior month's negative result of -0.2%. The Hobart market continues to track sideways over the last twelve months of 2023 and to date in 2024. On an annual basis, Hobart dwelling values recorded easing of -1.2%, and sits -12.5% below the record high in the March 2022 peak, however, is up +26.9% on pre-Covid onset.

Nationally, headline growth rate remains positive, it is clear however that momentum is leaving the cycle and conditions are becoming more diverse. Three capitals recorded a decline in values over the past quarter with Melbourne leading the

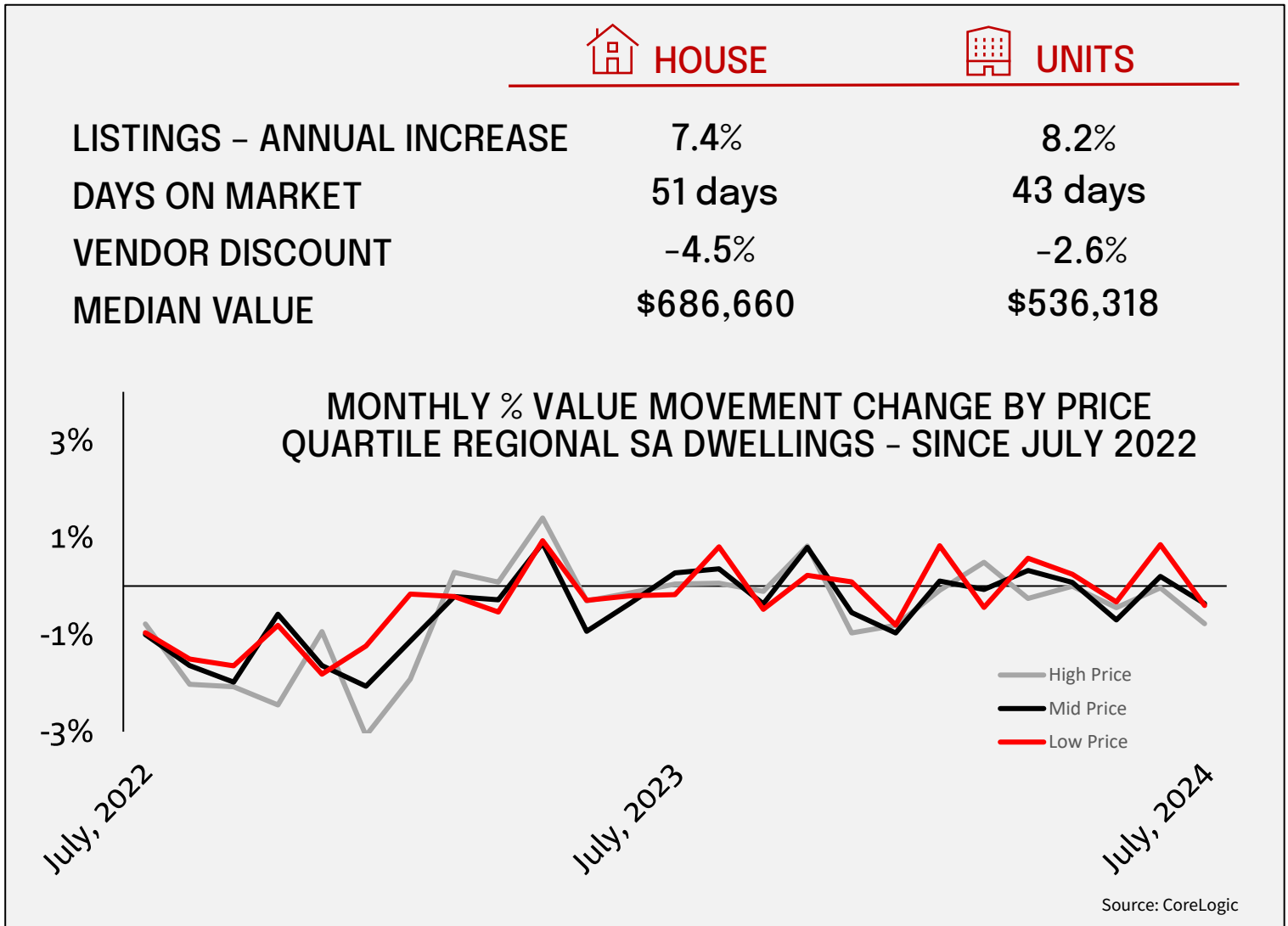
decline with a -0.9% easing, alongside a -0.8% and -0.3% reduction in Hobart and Darwin values respectively.

Headwinds surrounding the higher for longer interest rates outlook, cost-of-living pressures contributing to low consumer sentiment and worsening affordability persist. Continued supply of newly built homes remains insufficient relative to population growth. A further -6.5% drop in dwelling approvals through June highlights the ever present challenges faced by the residential construction sector. Impacts such as compressed profit margins, scarcity of skilled trades and holding costs remain high.

The outlook for Hobart indicates a continued softer conditions given the more elevated level of listings and interest rates adding to affordability challenges notwithstanding the introduction Stage 3 tax cuts in early July.



MARKET CONDITIONS



The month of July saw market movements remain relatively consistent across all quartiles in the Hobart market, all three market segments recording easing for the month following the on-going descending trend of previous months.

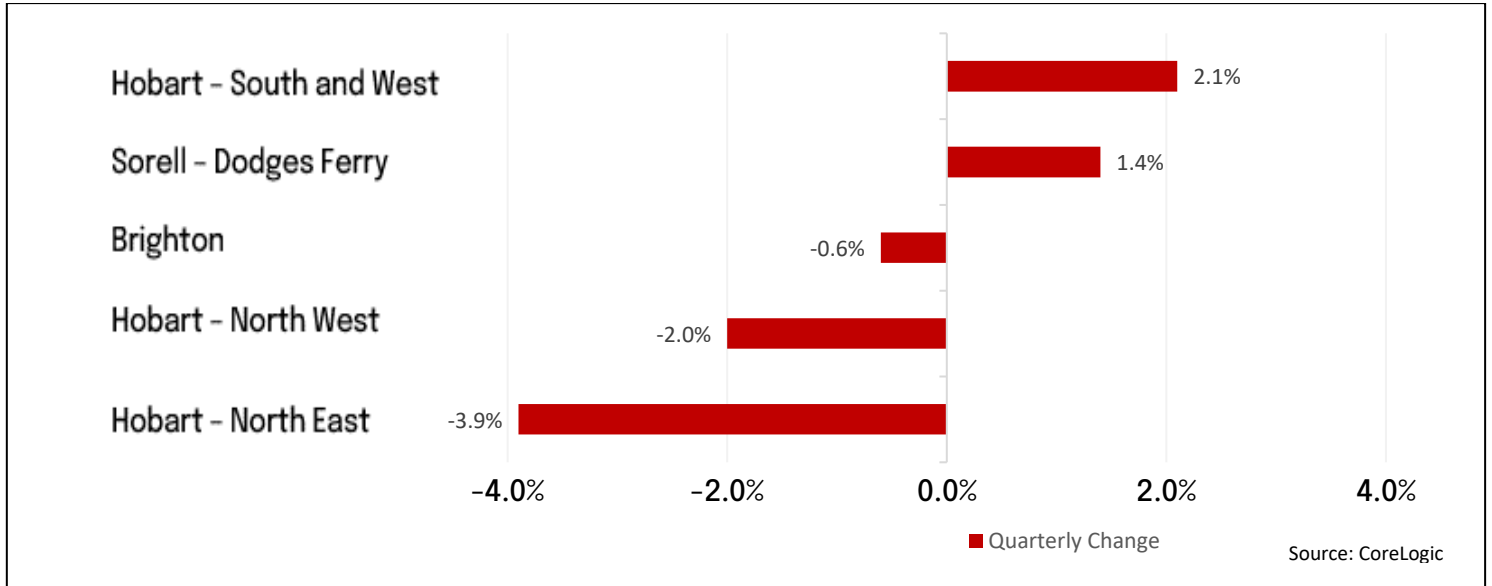
Available supply is currently a key factor explaining the diverse outcome in housing trends. The number of homes for sale in Brisbane, Adelaide and Perth is more than 30% below average

for this time of year, while in Hobart advertised supply well above average levels.

The main drivers for dwelling values in the Hobart property market remain primarily the future trajectory of interest rates, elevated stock levels and concerns surrounding affordability. NAB's view remains the next change to be a reduction in May 2025.

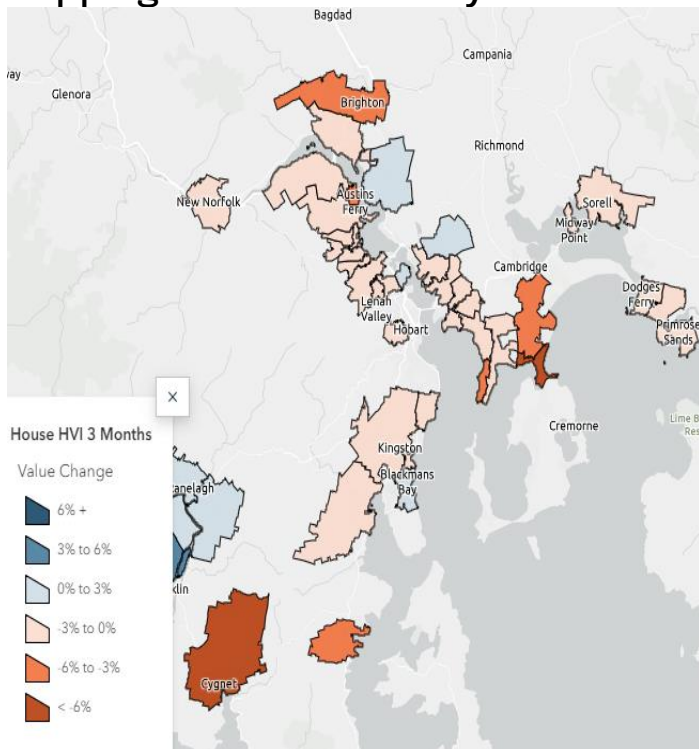


Top Suburbs Annual Change - Dwellings



Key highlights and trends surrounding each of the Housing, Unit and Rental Markets being seen include:

Mapping the Market - July 2024



Source: CoreLogic

- The median house values in Hobart now sits at \$686,660 having eased marginally -0.8% across the month, -1.5% for the quarter and is now sitting down -2.0% over the last twelve months.
- On the unit side, while making up a smaller portion of the market, the median unit value in Hobart has increased this month sitting at \$536,318. Unit values are up +0.6% for the month and +2.2% for the quarter. Unit values have also increased +3.0% higher for the year.
- Vacancy rates sit at record lows, now at 1.2% across Hobart. The low vacancy rates place upward pressure on rental values with house rents gaining +3.3% and unit rents improving by +2.2% over the last year.



RECENT SALES ACTIVITY

Lower Market

14 Sycamore Road, Risdon Vale



The sale property comprises an original three-bedroom, one-bathroom 1962-built single-level brick dwelling of 96 square metres on a standard 595 square metre lot. A spacious, modern kitchen with ample bench and storage space. Traveling down the hall, three generous-sized bedrooms, a tidy bathroom, and a separate toilet. The property was on the market for 95 days with the property being sold for \$418,000 on 26th July.

Mid-Market

44 Pirie Street, New Town



The sale property comprises a meticulously renovated, three-bedroom, one-bathroom 1880-built single-level brick dwelling of 160 square metres on a 263 square metre lot. With three bedrooms and upstairs you will find two with dormer windows, powder room, and a study. The property was recently offered for private sale through a local agency in May with offers over \$1,000,000 provided. After a marketing campaign and 57 days on the market, the property was sold for \$1,000,000 on 23rd July.

Premium Market

242 Churchill Avenue, Sandy Bay



The sale property comprises a well-presented and fully renovated 1962-built, four-bedroom, three-bathroom dwelling of 167 square metres on a large 263 square metre lot over-looking Sandy Bay. You are welcomed with the modernisation of the front facade and a beautiful hardwood timber door. The property was offered for private sale on 5th July with a listed price of \$1,395,000. After a marketing campaign and 14 days on market, the property sold for \$1,500,000 on 18th July.

Disclaimer – The information contained in this publication is gathered from multiple sources believed to be reliable as at the end of July 2024 and is intended to be of general nature only. It has been prepared without taking into account any person's objectives, financial situation or needs. Before acting on this information, NAB recommends that you consider whether it is appropriate for your circumstances. NAB recommends that you seek independent legal, property, financial, and taxation advice before acting on any information in this publication.

