

# Domain House Price Report

We've pulled together the latest property market movements for the September 2022 quarter

Key  
insights

## HOBART KEY FINDINGS

### House price growth in reverse

Hobart's house prices declined for a second consecutive quarter for the first time since 2014. This is the weakest outcome in a single quarter and the slowest annual pace of house price growth since mid-2020. House prices are now 3.3% below the March 2022 price peak, down by about \$25,000. Despite the fast pace of the falls this quarter, house prices are sitting substantially higher than what they were prior to the recent pandemic property boom – prices are still \$238,000 higher – and would need to fall by a further 32% to erase all the growth seen.

Hobart bucks the national trend to become one of only two cities to record quarterly unit price growth. The 2.9% quarterly increase reverses about half of last quarter's fall. That being said, the pace of annual growth is now at its weakest since mid-2019 at 2%. Unit prices are only 2.2% below the December 2021 price peak, down about \$12,000. Despite the fluctuations, unit prices are still sitting substantially higher than what they were before the recent pandemic property boom – prices are still \$118,000 higher – and would need to fall by a further 21.5% to erase all the growth seen.

### Hobart Median Property Price September QoQ change



Houses

**\$741,275**

**-2.6%**



Units

**\$549,135**

**+2.9%**



Dr Nicola Powell

Chief of Research & Economics, Domain

*"We're going through housing market conditions that many buyers and sellers have never experienced in their lifetime. The mix of interest rate hikes, strong inflation levels and high household debt has understandably had a significant impact on consumer sentiment.*

*While prices are expected to continue to fall further, our data married with the current economic indicators show it is likely that the September quarter could be a peak quarterly decline. We've started to see the RBA ease the pace of interest rate hikes which has helped to shift the tone of what we can expect for the rest of the year, along with rising auction clearance rates and consumer sentiment improving from its low. With rising overseas migration and short-term visa holders returning, we should start to see an improvement in investment activity which, in time, will provide more rental opportunities. However, prospective buyers will continue to stick to a more conservative approach by forward planning for any further rate hikes and being mindful of their lower borrowing capacity."*

## Tasmania by SA4



SA4 (Houses)	Median	QoQ	YoY
Hobart	\$705,000	-0.7%	9.4%
Launceston & North East	\$565,000	4.6%	23.6%
South East	\$645,000	7.5%	35.8%
West & North West	\$465,000	5.7%	24.4%

## Tasmania by SA4



SA4 (Units)	Median	QoQ	YoY
Hobart	\$542,500	-1.5%	-6.5%

Source: Domain, powered by APM

Median: Capital cities are calculated by using a stratified median price. All other geographies use a middle sale price.  
QoQ: The quarterly change in the median house or unit price.  
YoY: The annual change in the median house or unit price.