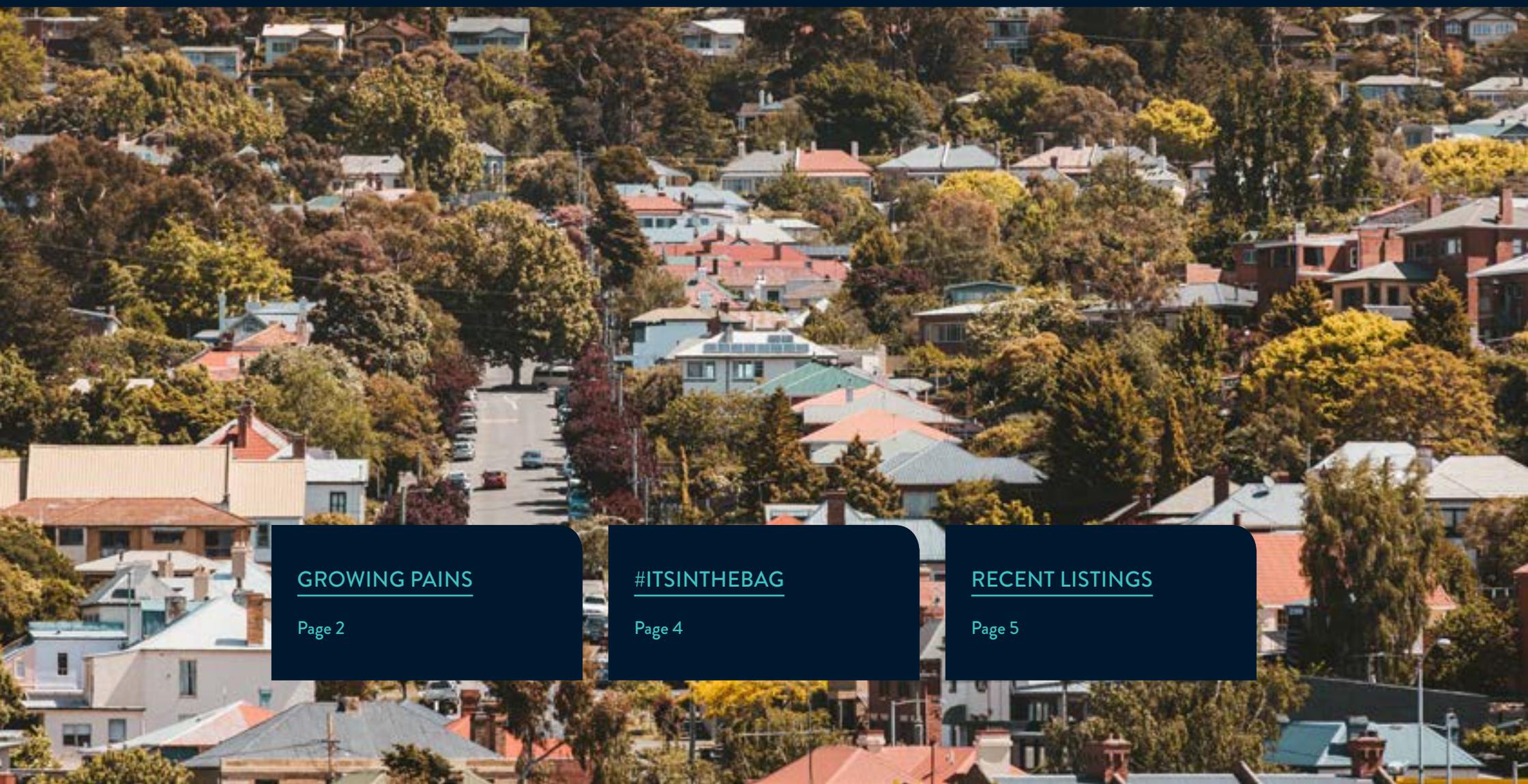


devine

November 2019



[GROWING PAINS](#)

Page 2

[#ITSINTHEBAG](#)

Page 4

[RECENT LISTINGS](#)

Page 5

Growing pains

Over the last few weeks a number of organisations and commentators have reported on an upsurge in house prices across the country, but particularly so in Hobart.

Hobart is experiencing a growth in its population and an increasing interest from investors, and these factors are driving a rise in real estate values. A spokesperson for the company Propertyology has stated that price rises have been greater than in Sydney, the Real Estate Institute has noted the increase has been really strong in the inner suburbs, and QBE anticipates a continuing growth on prices over the next few years.

The increase in house prices has been very strong in the inner suburbs of Hobart, and the rise in house prices has also led to an increase in rentals, with some inner city areas experiencing rises in excess of 30% over the last 2 years.

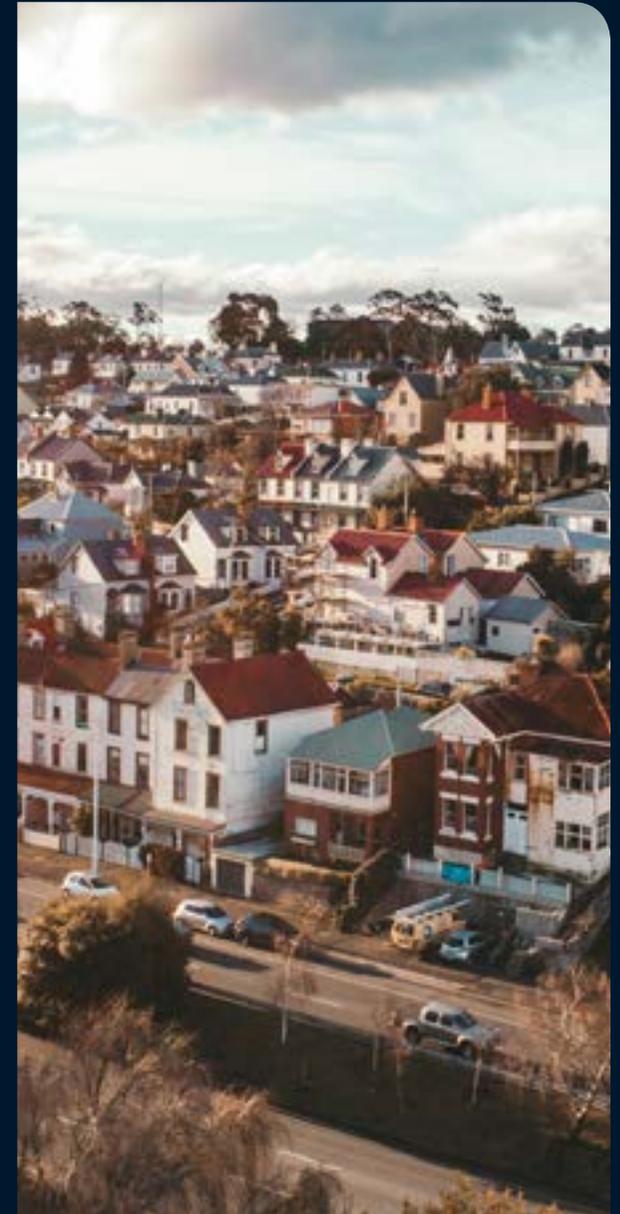
Strong demand and a shortage of supply has led to a number of social factors coming to the fore, such as housing affordability and particularly so for those entering the market for the first time. In fact, QBE found that, relative to local incomes, Hobart is now one of Australia's least affordable capital cities.

For many people, the difficulty in finding suitable housing has led to an exodus to the outer fringes, such as Brighton, Sorell, and the Huon area. The mayor of Kingborough, south of Hobart has acknowledged the growing pains in his municipality, and has sought assistance in providing new infrastructure to accommodate the expanding population. The Mayor of Glenorchy is enthusiastically encouraging people to come and live in her municipality, as is the mayor of Sorell. Not to be outdone, the Lord Mayor of Hobart is now encouraging the development of medium density accommodation in the inner-city space.

It is patently obvious that there is no overarching plan to accommodate the increasing demand, and people are making their decisions based on their ability to manage the market demand. As such we are witnessing an unprecedented demand for housing in areas that traditionally have not been regarded as attractive propositions, and which in the past have been the subject of some social criticism.

More important, these areas, once the heartland for the employees of industry and of postwar migration, have been quietly gentrifying, and the increasing interest is now leading to a rebirth of these suburbs.

Continued on page 3



We are witnessing an unprecedented demand for housing in areas that traditionally have not been regarded as attractive propositions.

Which leads to the point that these areas, in their rebirth, will require a rebirth in the social and civil infrastructure that services them. Kindergartens, child care centres, parks and playgrounds are an integral part of suburban life, and these are in many cases the responsibility of Councils to provide.

For Councils, it is a 2-edged sword. On the one hand, Councils will receive higher revenue through rates, and higher economic activity in their malls and retail centres, while on the other hand will have to commit to increased expenditure in providing the necessary civil services.

Councils also have oversight of the planning rules for their municipality, and Councillors and mayors, when calling for increasing the population of their respective areas, need also be cognisant of the responsibility of managing the increased demand for services. Planning laws can be cumbersome and inflexible, and as such can be the cause of much angst and unnecessary expenditure.

The State Government has a role to play here as well. It has called for an increase in the population, and has paraded the success of its policy when population figures are released. However the government seems to have been caught on the back foot when it comes to the provision of social infrastructure, such as affordable housing, and in ensuring education and health services are able to be easily accessible as the Hobart region expands, both in numbers and acreage.

If the market is to continue along its glide path, then more and more people will be looking for housing in these “middle ring” suburbs, and that trend will require the provision of appropriate infrastructure to ensure these suburbs do not become the wastelands of tomorrow.

Real estate agents such as ours are at the coal face when it comes to property transactions and property management, and this article should be seen as a report on what we are seeing. Hopefully the various government agencies are also seeing what we are seeing, and have the capacity and the will to respond to these changes in the population dynamic.



Devine Property are supporting #itsinthebag

Donate to our Christmas collection #itsinthebag. You have the power to make life better for a woman or girl experiencing homelessness or poverty this Christmas. Provide pads and tampons, personal hygiene products and everyday luxuries to homeless women, women at risk or women experiencing domestic violence.

It's simple. First of all, choose a handbag in good condition that you no longer use. Then, fill it with items that would make a woman feel special, pop in a thoughtful note or Christmas card and show her someone cares. Show her that she matters because everyone deserves to feel that way. Next time you're at the shops, collect a few items for your Christmas handbag. No matter how you celebrate Christmas with your family, this will be the most meaningful and appreciated gift you give this year.

Why It's in the Bag?

It's In The Bag Christmas charity campaign idea came to us when we realised that women in crisis will put the needs of others before themselves, whatever the time of year. And we wanted to do something that would give these women a little happiness at Christmas.

There are 85,000 homeless women who need your help this Christmas. Many have fled domestic violence or experienced extreme poverty. We want to make them feel special. You can help. It's simple and it makes a big difference in a woman's life.

If you would like to make a donation to this wonderful cause, head into our office and drop in a bag!

sharethedignity.com.au/christmas-charity



Recent listings



654a Sandy Bay Road, Sandy Bay

Offers over \$1,975,000
devineproperty.com.au/1p9276



2/20 Raleigh Court, Howrah

Offers early \$400,000's
devineproperty.com.au/1p9218



23/1b Bournville Crescent, Claremont

Offers over \$595,000
devineproperty.com.au/1p9255



Ground Level - 137 Harrington Street, Hobart

For Lease by Negotiation
devineproperty.com.au/1p9176



The Fresh Connection, Hobart

Expressions of Interest
devineproperty.com.au/1p9168



14 High Street, New Norfolk

Offers over \$650,000
devineproperty.com.au/1p9164

119 Harrington Street
Hobart TAS 7000

p 03 6238 4800

e info@devineproperty.com.au

devineproperty.com.au

