

RURAL LIVING MARKET ASSESSMENT

WAVERLEY & ST LEONARDS

FEBRUARY 2024

AUTHORS

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VERSION

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ACRONYMS

AAG	Average Annual Growth
ABS	Australian Bureau of Statistics
CBD	Central Business District
FYTD	Financial Year to Date
NTRLUS	Northern Regional Land Use Strategy
RLZ	Rural Living Zone
RZ	Rural Zone
SAP	Special Area Plan
YTD	Year to Date

EXECUTIVE SUMMARY

Urban Enterprise was engaged by 6ty Degrees (on behalf of the landowners) to undertake a market assessment for rural living zoned land and housing product in Waverley and St Leonards in Greater Launceston. The purpose of the assessment is to inform a proposed rezoning from Rural Zone to Rural Living Zone to facilitate a 23-lot subdivision.

SUBJECT SITE & PROPOSAL

- The subject site is located at 40768 Tasman Highway, Waverley, in the municipality of Launceston. The site is approximately 25.47 hectares, and generally rectangular in configuration.
- The Rural Zone currently applies to the site.
- The site is at the interface of, and adjacent to existing rural living estates, including Drivers Run and Hillside Estate; both of which have developed in recent years.
- The subject site is located along the Tasman Highway, approximately 6.5 km south east of Launceston's CBD.
- The proposed subdivision includes 23 lots, ranging between 1 ha and 1.4 ha.

STRATEGIC CONTEXT

- The Northern Tasmania Regional Land Use Strategy (NTRLUS) notes that an established Rural Residential Area has limited potential for efficient or practical agricultural or rural resource use on a commercial basis, and where the land use pattern:
 - Is predominantly residential land use, including lifestyle blocks, hobby farms and/or low density residential subdivision; and
 - Is characterised by fragmentation of the cadastral base and property ownership; and
 - May include topographical constraints resulting in physical impediments to rural resource use or connectivity, including biodiversity protection and/or conservation.
- Although the site is currently zoned Rural Resource, the property is not currently operating as a commercial farming enterprise; most likely a result of the restricted land size, land suitability and commercial viability.
- The subject site is adjacent to Rural Living zoned land to the south and east, including the more recently delivered Hillside and Drivers Run Estate along the Tasman Highway.
- The pattern of development in the immediate surrounds shows a cluster of rural living areas and properties that have established in response to expressed demand for this product in this location.
- Over the past decade, rural living development in the immediate area has leveraged the suite of favourable attributes such as:
 - High quality access and exposure to the Tasman Highway, providing a link to central Launceston;
 - Elevation that provides a favourable outlook towards southern Launceston;
 - A peri-urban setting that is within close proximity to Launceston's CBD; and
 - Access to nearby amenity and services in St Leonards, Waverley and Norwood.

RURAL LIVING LAND SUPPLY

- For the purpose of the land supply assessment, a local and regional RLZ catchment have been established. The local catchment includes the areas of Waverley-St Leonards and Relbia. The broader regional catchment encompasses Hadsphen-Longford, Perth and Carrick.
- Market ready lots in the RLZ in Waverley-St Leonards are relatively scarce. There are currently 11 lots that are approved or market ready. Beyond these lots, there is no other RLZ land supply in the Waverley-St Leonards area with an 'active' planning or development status.

- There are several other land areas in Waverley-St Leonards that are zoned Rural Living, however these areas have remained inactive for a long period of time. This means that although the land can theoretically accommodate additional lots through subdivision, there is a level of uncertainty in terms of the possibility and timing of development of these areas.
- Currently, the availability of market ready lots in Relbia is very limited. The City of Launceston has proposed an amendment to the zoning and subdivision controls in Relbia, which is currently being considered by the Tasmanian Planning Commission. The proposed Council amendment is likely to increase lot supply, however this is expected to occur incrementally and over time.
- Perth currently includes the majority of 'market ready' lot supply in the regional catchment. However, this areas is approximately 20km south west of the subject site; and offers much different locational attributes compared with Waverley and St Leonards, and thus would be serving a different part of the housing market.

DEMAND FOR RURAL LIVING

- The local catchment is an appealing location for rural living, evidenced by consistent development and sales activity in the adjoining estates.
- Rural living properties in the catchment primarily serve demand from:
 - Young to middle aged families (second & third homebuyers/homebuilders) seeking generous land sizes; and
 - Older adult couples (semi-retired, retired) with established families that no longer live at home, but can be accommodated when visiting.
- Dwelling approvals in the local catchment average 12 per annum. If this rate of approvals were to endure, the proposal would therefore accommodate at least 3 years of housing demand in the local catchment.
- Within the local catchment, only several properties remain on the market. Once these properties are consumed, the capacity of the local catchment to meet demand for new rural living properties will be lost.
- Hillside and Drivers Run provide evidence of expressed demand for ~1 ha lot sizes in this location, which indicates market confidence in the lot and product mix proposed at the subject site.

CONCLUSIONS

1. The location and geographic attributes of the subject site are well matched to market preferences for rural living lot and housing product.
2. The accessibility and configuration of the site will allow for development to occur in a relatively straightforward manner.
3. The proposal is consistent with the land use and development pattern in adjoining and adjacent areas, and would provide a logical extension of existing RLZ land.
4. The proposal will contribute to maintaining 15% of the municipal housing stock as rural residential, as stipulated in the Launceston Residential Land Strategy (2009-29).
5. With the exception of the adjacent parcel on Boomer Road, vacant RLZ land stocks in the local catchment are scarce.
6. 'Market ready' and advertised rural living properties are very limited. Once the remaining properties at Hillside Estate are sold out (likely in 2024-25), 'market ready' rural living lot and housing stock in the catchment will be close to exhausted.
7. The proposal at the subject site presents a logical location to accommodate the next rural living development in the catchment.
8. Delivering the subdivision as proposed will provide a timely release of rural living allotments to the market. This will encourage a transfer of demand from recently developed areas in the catchment, including the adjacent Hillside and Drivers Run.

1. INTRODUCTION

1.1. ENGAGEMENT

Urban Enterprise was engaged by 6ty Degrees (on behalf of the landowners) to undertake a market assessment for rural living zoned land and housing product in Waverley and St Leonards in Greater Launceston.

The purpose of the assessment is to inform a proposed rezoning from Rural Zone to Rural Living Zone to facilitate a 23-lot subdivision.

1.2. SCOPE

The scope of this assessment is as follows:

- **Site assessment** - Assess the property market attributes of the site and its location. Comment on the favourable and unfavourable characteristics for rural living.
- **Strategic planning context** – Review key planning strategies to understand the objectives for rural living in the municipality and the northern Tasmania region.
- **Catchment** – Establish a logical catchment surrounding the subject site to guide the land supply and housing demand assessment. The catchment will have regard to location and geographic characteristics, demographics, location and availability of rural living zoned land, and housing.
- **Demand for rural living** – Assess the demand for rural living lot and housing product to determine the strength and nature of demand within the catchment.
- **Land supply** – Review land supply prepared by 6ty Degrees to assess the availability of rural living zoned land supply in the catchment, determine the extent to which demand for rural living can be met now and in the future.
- **Findings** – Summarise findings, and discuss the suitability of the site to accommodate rural living product in respect of land supply and market demand.

2. PROPOSAL

2.1. SUBJECT SITE

The subject site is located at 40768 Tasman Highway, Waverley in the municipality of Launceston. The site is approximately 25.47 hectares, and generally rectangular in configuration.

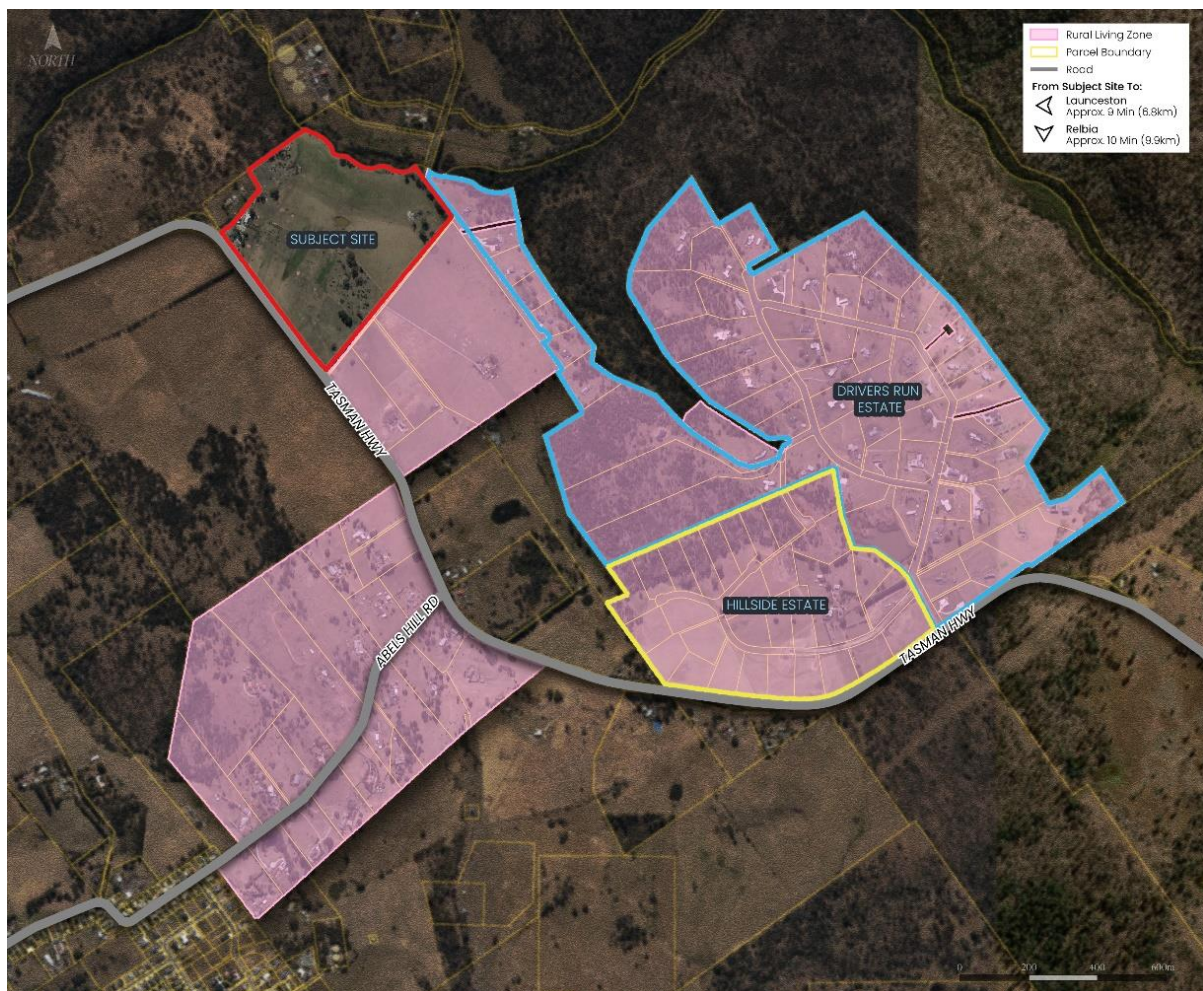
The site is currently zoned Rural Resource.

Figure 1 shows the location of the subject site in its immediate context. The site is at the interface of, and adjacent to existing rural living estate, including Drivers Run and Hillside Estate, which were both developed in recent years.

The subject site is located in Waverley, along the Tasman Highway; approximately 6.5 km south east of Launceston's CBD.

The subject site is in close proximity to amenity located in St Leonards and Norwood, including convenience retail, hospitality and retail services.

F1. SUBJECT SITE & SURROUNDING AREA



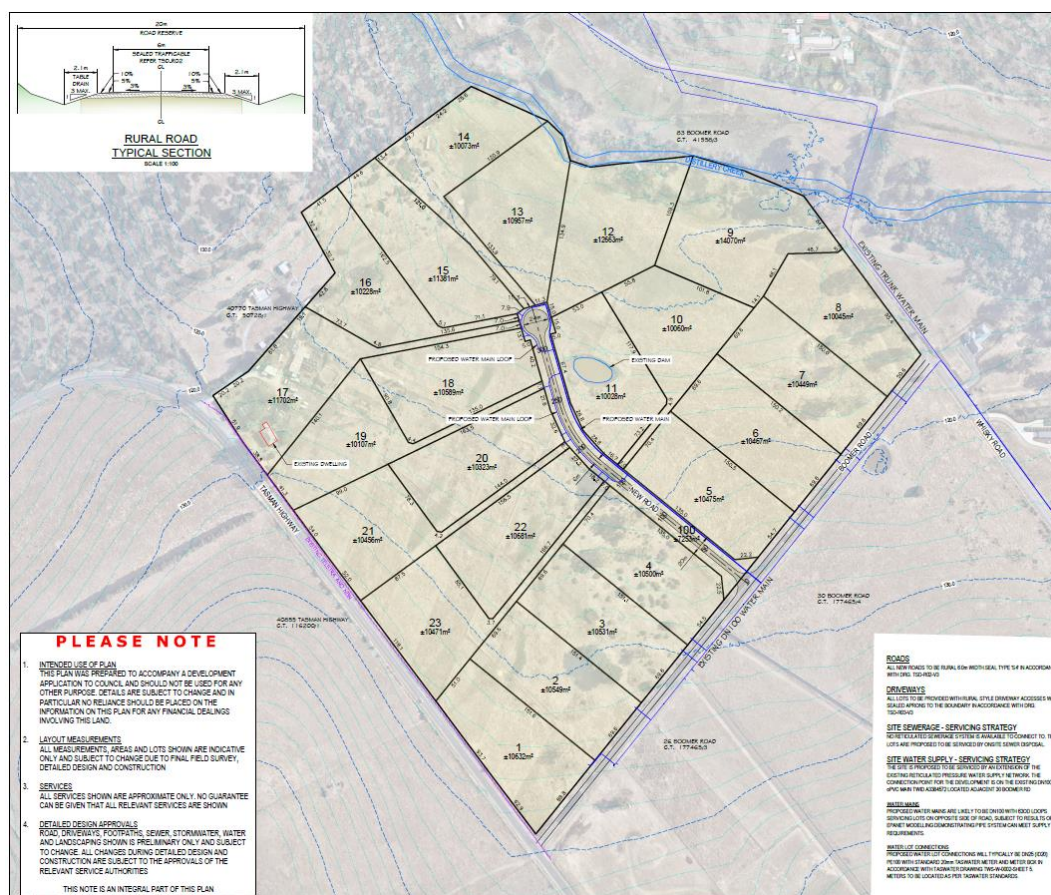
Source: Urban Enterprise, 2023

2.2. SUBDIVISION PLAN

The subdivision plan for the subject site is shown in Figure 2. The proposal includes 23 lots, ranging between 1 ha and 1.4 ha. Most allotments will be around 1 ha.

The subdivision is proposed to be staged in terms of construction of infrastructure and the release of lots to the market.

F2. SUBDIVISION PLAN, SUBJECT SITE



Source: Subdivision Plan, 6ty Degrees, 2023

Infrastructure and servicing information for the subject site is preliminary at this stage, and will be subject to further analysis and requirements identified through the approval process. However, the following preliminary information relating to servicing is relevant:

- Lots are proposed to be serviced by extension of a **reticulated pressure water supply network**. This will be subject to advice relating to the capacity of the existing system to service the subdivision. In the event that there are any issues, the lots will be serviced by water tanks, as was the case with the nearby Hillside development.
- The site and surrounding area (including Drivers Run) are not serviced by reticulated sewerage infrastructure. **On-site wastewater disposal systems will be provided** within the lots as part of development of future dwellings.
- It is intended that **stormwater** associated with the lots will predominantly be **managed on-site and/or by roadside drainage**.
- Consistent with Hillside, it is anticipated at that the proposed lots will be **served by overhead electricity reticulation, underground telecommunications and NBN Fixed Wireless network**.

3. STRATEGIC CONTEXT

3.1. INTRODUCTION

This section provides an assessment of local and regional strategies that are relevant to the proposal and the subject site.

3.2. NORTHERN TASMANIA REGIONAL LAND USE STRATEGY

The *Northern Tasmania Regional Land Use Strategy* (NTRLUS) was declared in June 2021 by the Minister for Planning, in partnership with local governments located in the northern region of Tasmania. The Strategy applies to all land in the northern region of Tasmania, and it establishes a policy basis to facilitate and manage urban growth and change to 2032.

The NTRLUS provides a policy framework to manage rural areas having regard to consolidation and growth opportunities, in particular the sustainability objectives/criteria used to assess land suitability for rural residential areas.

D.2.2 RURAL AREAS

D.2.2 of the NTRLUS provides direction for rural areas:

*“Rural Areas will protect significant high value productive rural land and primary industries; support the sustainable development and use of natural resources; and **provide appropriate opportunities for rural living** and other non-agricultural activities.” (p. 19)*

D.2.2.2 RURAL RESIDENTIAL AREAS

IN terms of Rural Residential Areas, the NTRLUS states that:

“The region’s rural landscape includes land suitable for opportunities for rural residential use and development on large allotments, in preferred locations, and provide residential opportunities within a rural landscape, including where services are limited, or existing natural and landscape values are to be retained.” (p. 22)

The NTRLUS states that the Rural Living Zone is typically applied to rural residential areas. However, the appropriate zone will be applied to reflect whether there is **established rural residential land use patterns** and/or additional areas identified in local strategy. For example, where there is support for a mix of housing options and densities to meet the demographic needs and preferences of the housing market.

The NTRLUS notes that an established Rural Residential Area is land with **limited potential for efficient or practical agricultural or rural resource** use on a commercial basis, **and where the land use pattern:**

- Is predominantly residential land use, including lifestyle blocks, hobby farms and/or low density residential subdivision; and
- Is characterized by fragmentation of the cadastral base and property ownership; and
- May include topographical constraints resulting in physical impediments to rural resource use or connectivity, including biodiversity protection and/or conservation.

Importantly, the NTRLUS notes that Rural Residential Areas delivered on land with limited agricultural or resource capacity serves residential demand this segments of the housing market, and diverts demand pressure away from Productive Resource Areas in the region.

The NTRLUS prioritises opportunities to increase the capacity of established Rural Residential Areas over expansion of existing or new areas. Intensification or expansion of established Rural Residential Areas, or new Rural Residential Areas must balance a range of matters.

Those matters which are most relevant to this market assessment are highlighted:

- Impact on the agricultural and environmental values of the land and surrounding areas;
- **Proximity to existing settlements containing social services;**
- **Land use efficiency, consolidating gaps in established rural residential land use patterns;**
- **Access to road infrastructure with capacity to support an intensified land use;**
- On-site waste water system suitability;
- Impact on natural values or the potential land use limitations as a result of natural values;
- Impact on agricultural land and land conversion;
- Impact on water resources required for agricultural and environmental purposes;
- Consideration of natural hazard management;
- **The housing mix available in a locality and the contribution additional rural residential land use may make in support of settlements;**
- Potential future requirement for the land for urban purposes; and
- The ability to achieve positive environmental outcomes through rezoning.

3.3. LAUNCESTON RESIDENTIAL STRATEGY 2009-2029

The Launceston Residential Strategy 2009-2029 (**the Strategy**) was prepared by Launceston City Council in 2010. This Strategy outlines the future for housing in the Launceston municipality for the period 2009 to 2029.

The Strategy provides a planning framework to suitably and sustainably accommodate future population and dwelling growth in the Council area over the 20-year planning period. As a general rule, the Strategy identifies that 15 per cent of housing in the municipality should be rural residential in nature, with the balance (85 per cent) concentrated to serviced residential areas.

RURAL RESIDENTIAL DEVELOPMENT

The Strategy provides policy direction to promote housing growth in inner areas with smaller housing provisions and alternative forms of housing outside of these areas.

Based on the current supply of vacant rural residential land and demand projections for rural residential allotments, the Strategy identifies that “there is a considerable shortfall in supply of rural residential allotments and some justification for zoning additional Rural Residential land in the period up to 2024” (p.51).

Policy 15 of the Strategy states that:

“Council will ensure that future Rural Residential development respects the environmental capacity of its location and creates an attractive, safe and functional areas for future residents” (p. 53).

LAND SUITABILITY FOR RURAL RESIDENTIAL DEVELOPMENT

Criteria for land suitability in respect of rural residential development must have regard to the following site and locational attributes, including:

- Access to services (reticulated water);
- Sealed and/or gravel road frontage;
- Topography;
- Ease of access for garbage collection;
- The absence of conservation and/or agricultural land value;

- Proximity and interface with other rural residential areas.

Table 1 comments on subject site's ability to meet land suitability criteria. The subject site satisfies many of the above criteria.

T1. LAND SUITABILITY FOR RURAL LIVING

Criteria	Comments
Access to services (reticulated water)	The site and surrounding area (including Drivers Run) are not serviced by reticulated sewerage infrastructure. On-site wastewater disposal systems are proposed.
Sealed and/or gravel road frontage	The site has extensive frontage to Tasman Highway and Boomer Road (sealed), with a new internal road proposed to ensure all lots are accessible.
Topography	Slight undulation, but no topographic constraints to development.
Ease of access for garbage collection	The site has extensive frontage to Tasman Highway and Boomer Road (sealed), with a new internal road proposed to ensure all lots are accessible.
The absence of conservation and/or agricultural land value	The site is currently used for hobby farming. It is understood that the site area (~25 ha) is not of a scale that could viably support a commercial farming enterprise. Further, the site adjoins, and is adjacent to, existing Rural Living zoned land.

Source: Urban Enterprise, derived from Launceston Residential Strategy 2009-2029

3.4. KEY POINTS

- The NTRLUS notes that an established Rural Residential Area is land with limited potential for efficient or practical agricultural or rural resource use on a commercial basis, and where the land use pattern:
 - Is predominantly residential land use, including lifestyle blocks, hobby farms and/or low density residential subdivision; and
 - Is characterized by fragmentation of the cadastral base and property ownership; and
 - May include topographical constraints resulting in physical impediments to rural resource use or connectivity, including biodiversity protection and/or conservation.
- Although the site is currently zoned Rural Resource, the 25 ha property is not currently operating as a commercial farming enterprise; most likely a result of a restrictive land area, land suitability and commercial viability.
- The subject site is surrounded by a collection of Rural Living zoned land to the south and east, including the more recently delivered Hillside and Drivers Run Estate along the Tasman Highway.
- The pattern of development in the immediate surrounds shows a cluster of rural living areas and properties that have established in response to expressed demand for this product in this location.
- Over the past decade, rural living development in the immediate area has leveraged the suite of favourable attributes such as:
 - High quality access and exposure to the Tasman Highway, providing a link to central Launceston;
 - Elevation that provides a favourable outlook towards southern Launceston;
 - A peri-urban setting that is within close proximity to Launceston's CBD; and
 - Access to nearby amenity and services in St Leonards, Waverley and Norwood.

4. RURAL LIVING SUPPLY

4.1. INTRODUCTION

This section provides an assessment of Rural Living Zoned (RLZ) land supply that is in reasonable proximity to the subject site. The assessment identifies, quantifies and qualifies the current availability of rural residential areas in parts of Greater Launceston that contain comparable attributes to the subject site.

The purpose is to determine the capacity of existing rural areas to meet current and future demand for this type of lot and housing product.

This supply assessment was prepared by 6ty Degrees, and supplied to Urban Enterprise.

4.2. APPROACH

The following approach has been adopted to assess RLZ land supply:

- **Catchment** - Establish a local and sub-regional catchment to guide the land supply assessment.
- **Supply categories** – Define four supply categories to determine the availability and developability of broadhectare RLZ land. Categories are as follows:
 - **Category 1** – Suitably zoned, vacant and considered ‘market ready’. This means a planning permit is approved or in-train, and/or subdivision works are underway or about to commence, and the land is ready for market consumption (i.e. available <12 months).
 - **Category 2** – Suitably zoned, vacant, but not yet subdivided;
 - **Category 3** – Suitably zoned, occupied and not yet subdivided; and
 - **Category 4** – Suitably zoned, occupied and requires a consolidation of adjoining land parcel(s) and then subdivided.
- **Lot capacity** – Estimate the retail lot capacity of category 2-4 areas by dividing each parcel by the minimum lot size to estimate the potential lot capacity, either:
 - Rural Living A (1ha);
 - Rural Living B (2ha);
 - Rural Living C (5ha); or
 - Rural Living D (10ha).Apply a 20% discount to the gross land area where it appears that road infrastructure would likely be needed in order for subdivision to occur.
- **Special Area Plan** – If a Special Area Plan (SAP) applies to a particular area, apply the minimum subdivision area to estimate the retail lot capacity.

It should be noted that the identified lot supply represents the theoretical maximum lot capacity that could be delivered within existing zoned areas using minimum subdivision requirements. There are many reasons why this theoretical maximum may never be achieved, including:

- Current use of the land prevail;
- Landowners have little or no intention of subdividing;
- Landowners have limited financial capacity and expertise to develop;
- Physical constraints on the land, which restrict or constrain the development potential; and
- Servicing constraints, which restrict or constrain the development potential.

For these reasons, the primary focus in respect of current supply is category 1 land supply, which is either approved or ‘market ready’, as this represents supply that is currently available or will be available in the near future.

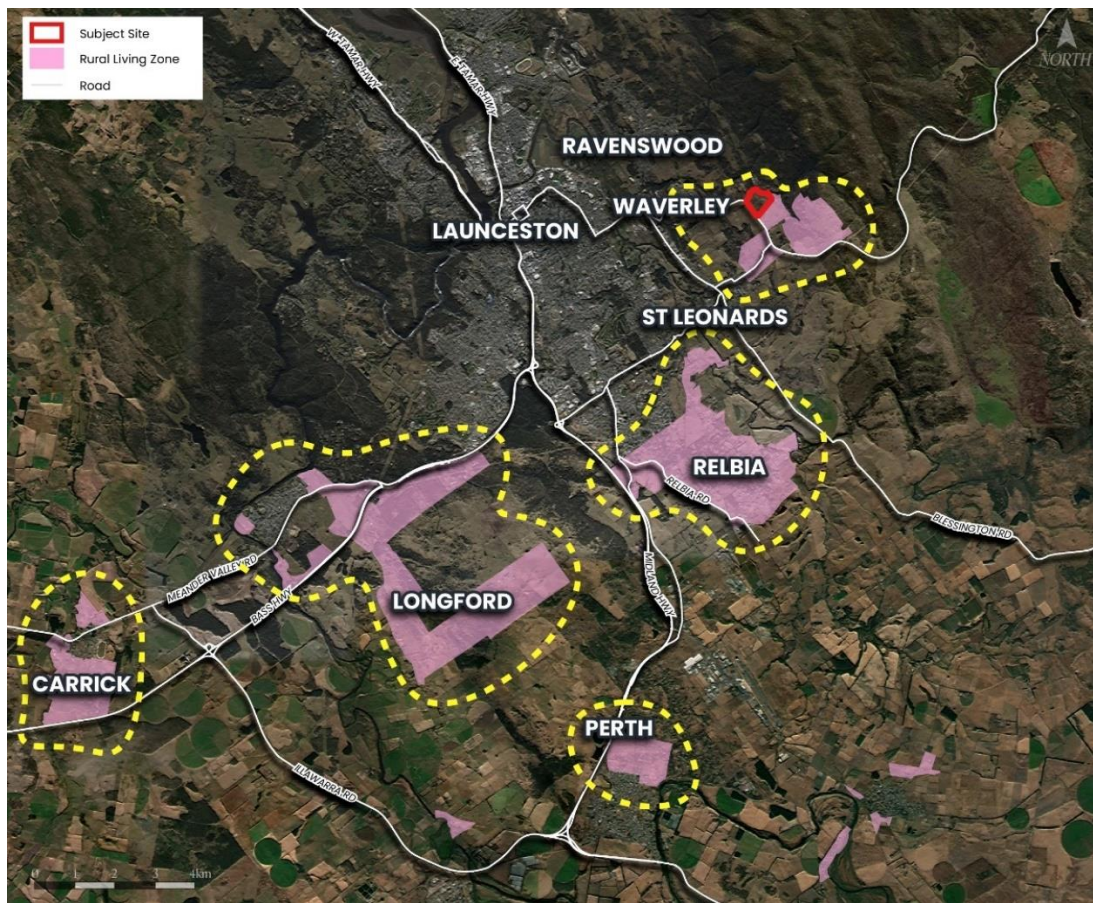
RLZ SUPPLY CATCHMENT

For the purpose of this land supply assessment, a regional RLZ catchment has been established, and is shown in Figure 3. This catchment represents the main RLZ areas in southern and eastern Launceston, including Waverley-St Leonards, Relbia, Hadspen-Longford, Perth and Carrick.

Relbia is the closest RLZ area to the subject site and Waverley-St Leonards. Together, these areas form the local rural living catchment.

Other RLZ areas located in northern Launceston (along the Tamar River) such as Swan Bay and Dilston offer inherently different location and geographic characteristics compared with the south and the east. Therefore, these areas have been excluded from the land supply assessment.

F3. RLZ REGIONAL SUPPLY CATCHMENT



Source: Urban Enterprise, 2024

4.3. LOT SUPPLY SUMMARY

This section summarises the findings from the RLZ land supply assessment for the regional catchment. Details for specific areas within the catchment are provided in **Appendix A**.

As at February 2024, the regional catchment is estimated to include the following RLZ lot capacity:

- 212 lots across all areas and categories.
- The majority of capacity is dispersed across Hadspen-Longford (37%) and Perth (33%).
- Two thirds of the regional lot capacity (139 lots) is located in category 3 and 4 land areas, meaning that these areas can theoretically accommodate additional lots through subdivision, but are inactive with no planning or development status. Therefore, there is a level of uncertainty in terms of the eventuality, possibility and timing of development for these areas.
- There are a total of 44 lots located within category 1 areas in the catchment, including 33 lots that are approved, and 11 lots that are considered 'market ready'.
- The majority of category 1 land supply is located in Perth where there are 25 lots that are approved, and a further 7 that are market ready.

T2. LOT SUPPLY SUMMARY BY AREA, RLZ CATCHMENT

Area	1	2	3	4	Total
Waverley - St Leonards	11	0	9	5	25
Relbia	0	7	12	4	23
Perth	32	13	15	9	69
Hadspen - Longford	0	7	53	19	79
Carrick	1	2	13	0	16
Total	44	29	102	37	212

Source: 6ty Degrees, 2024.

T3. LOT SUPPLY SUMMARY, CATEGORY 1, RLZ CATCHMENT

Land Category		Vacant Lots			
		Approved	Market Ready	Other*	Total Vacant
1	Waverley - St Leonards	7	4	21	32
	Relbia			16	16
	Perth	25	7	5	37
	Hadspen - Longford			3	3
	Carrick	1		25	26
	Totals	33	11	70	114

Source: 6ty Degrees, 2024. *Other – Lots that have been purchased but are yet to construct a dwelling. In any case, these lots are considered to be consumed and unavailable to the market (unless re-listed).

In the **Waverley-St Leonards** area (local catchment) where the subject site is located, only 7 lots are approved and a further 4 are 'market ready'. In addition to category 1 lot capacity, the lot capacity of the area is estimated at 14 lots; all of which are located in category 3 or 4 landholdings, which means they are suitably zoned and occupied, but inactive with no known planning or development status.

Relbia is the closest RLZ area to the subject site, but there are currently no approved or market ready lots in this location. It should be noted that the assessment for Relbia is based on the current planning controls detailed in the Relbia and Glenwood Road Specific Area Plan, which stipulates a 4ha minimum lot size.

The City of Launceston has proposed an amendment to the zoning and subdivision controls in Relbia, which is currently being considered by the Tasmanian Planning Commission. Given that Council's amendment is unresolved, the potential impact on lot supply in the regional catchment is not yet known. However, the proposed Council amendment consists of applying the Rural Living Zone to 18 additional properties and reducing the

minimum lot size to 2ha and 1ha in some areas. It would enable the implementation of Council's strategy for the locality, which seeks to maintain its character whilst providing limited opportunity for growth.

Council's analysis associated with the proposed amendment in Relbia identifies a potential yield of 75 lots, including 12 lots with a 1ha minimum size, 54 lots with a 2ha minimum size and 9 lots with a 4ha minimum size. This analysis excludes the theoretical supply associated with land that will continue to be subject to a 4ha minimum lot size. 6ty Degrees estimated that the net increase in the theoretical maximum supply that would result from Council's proposed amendment in Relbia is 58 lots.

4.4. KEY FINDINGS

- Market ready lots in the RLZ in Waverley-St Leonards are relatively scarce.
- Beyond the 11 lots that are identified in category 1 land areas, there are no other zoned land supply that is available in the immediate area with an 'active' planning or development status.
- It is acknowledged that there are several RLZ land in Waverley-St Leonards, however they are located in category 3 and 4 areas. This means that although the land can theoretically accommodate additional lots through subdivision, is a level of uncertainty in terms of the eventuality, possibility and timing of development for these areas due to long term inactivity.
- Currently, the availability of market ready lots in Relbia is very limited. The City of Launceston has proposed an amendment to the zoning and subdivision controls in Relbia, which is currently being considered by the Tasmanian Planning Commission. The proposed Council amendment is likely to increase lot supply, however this is expected to occur incrementally and over time.
- Whilst Perth currently includes the majority of lot supply in category 1 land areas, this areas is approximately 20km south west of the subject site; and offers much different locational attributes compared with Waverley and St Leonards.

5. HOUSING DEMAND

5.1. INTRODUCTION

Demand for housing is primarily driven by:

- Population growth, owing to a combination of natural increases and net migration (both internal and overseas); and
- Changes in demographic and socioeconomic needs and preferences.

Typically for rural living product, market segments are seeking:

- Allotments that are larger than conventional densities (e.g. 2,000+ sqm);
- A location that is relatively divorced from higher density urban areas; and
- Unique natural amenity and physical attributes such as elevation, aspect, vegetation, etc.

This section provides an assessment of demand metrics for housing, with a particular focus on rural residential.

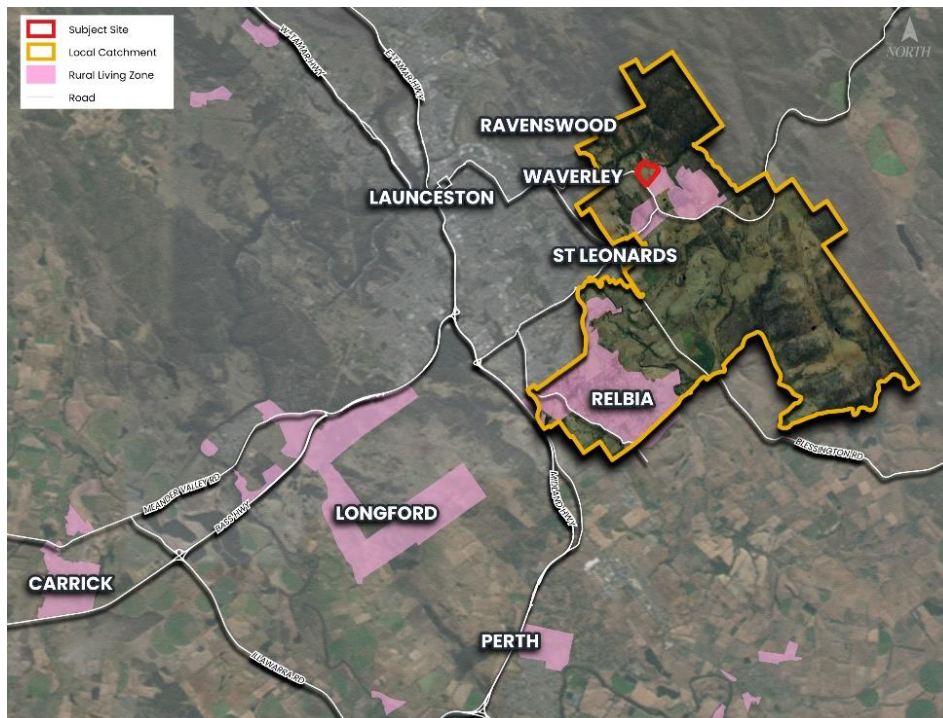
DATA AREAS

For the purpose of this assessment, several data areas are referenced in this section, and include:

- **Local catchment**, which primarily encompasses rural living areas in Waverley, St Leonards and Relbia (see Figure 4);
- **Greater Launceston region**; and
- **Northern Tasmania**, which includes the Local Government Areas of Launceston, Meander Valley, Northern Midlands, George Town and West Tamar.

Data areas are detailed in **Appendix B**.

F4. LOCAL CATCHMENT



Source: Urban Enterprise, 2023

5.2. DEMOGRAPHICS & HOUSING

An overview of demographics and housing in the local catchment compared with Greater Launceston is shown in Table 4. Key observations include:

- The local catchment includes a population of approximately 1,200 residents.
- 99% of dwellings are separate houses, which reflects the low density residential environment;
- Close to 75% of households are either families with children or adult couples.
- 85% of households are owner occupiers compared with 59% in Greater Launceston.
- The household income in the local catchment is more than double that of Greater Launceston.

Based on the demographic and housing information, the local catchment primarily accommodates young to middle aged families, and older adult couples (empty nesters) – and are predominantly owner occupiers.

T4. DEMOGRAPHICS & HOUSING, LOCAL CATCHMENT, 2021

	Local Catchment	Greater Launceston
Population	1,196	89,930
Median age	41	39
Dwellings	419	39,842
Dwelling Structure	Detached House: 99% Townhouse: 0% Apartment: 1%	Detached House: 81% Townhouse: 10% Apartment: 9%
Household types	Couple families with children: 40% Couple families no children: 33% Lone person: 13%	Couple families with Children: 22% Couple families no children: 24% Lone person: 27%
Ave household size	2.4	2.3
Weekly Household Income (median)	\$2,131	\$1,029
Tenure	Owned Outright: 45% Mortgage: 40% Rented: 6%	Owned Outright: 30% Mortgage: 29% Rented: 29%

Source: Census of population and housing, ABS, 2021

5.3. GROWTH TRENDS

HISTORICAL

Since 2011, the local catchment has added around 350 residents and 105 dwellings, which equates to 35 residents and 11 dwellings per annum.

The catchment recorded an average annual population growth rate of 3.6%, which is substantially higher compared with Greater Launceston and Northern Tasmania.

The higher rate of population and dwelling growth recorded in the local catchment highlights high market appeal for rural living product in this location.

T5. HISTORIC POPULATION AND DWELLING GROWTH

Population	2011	2016	2021	Change (2011-21)	AAG	AAGR %
Local catchment	843	1,065	1,196	353	35	3.6%
Greater Launceston	81,352	83,362	89,930	8,578	858	1.0%
Northern Tasmania	123,764	126,858	136,687	12,923	1,292	1.0%
Dwellings						
Local catchment	314	379	419	105	11	1.9%
Greater Launceston	36,292	37,859	39,842	3,550	355	0.9%
Northern Tasmania	56,733	58,715	62,082	5,349	535	0.9%

Source: Census of Population & housing, Australian Bureau of Statistics (ABS), 2011-21

PROJECTIONS

In 2015, Tasmania's Department of State Growth released a *Population Growth Strategy*. The Strategy provides a target to grow the state's population to 650,000 people by 2050.

Tasmania's official population projections were published by the Department of Treasury and Finance for a 25-year period for each Local Government Areas from 2017 to 2042. The projections were first published in 2014 and later updated in 2019.

In 2015, Tasmania's Department of State Growth released a *Population Growth Strategy*. The Strategy provides a target to grow the state's population to 650,000 people by 2050.

Projections for the Greater Launceston region are unavailable, but the municipal population is projected to grow by approximately 6,500 residents by 2042. This equates to an average of 325 new residents per annum.

T6. POPULATION PROJECTIONS, LAUNCESTON LGA, 2023-28

	2023	2042	Change	AAG	AAGR %
Launceston LGA	72,501	78,995	6,494	325	0.4%
Northern Tasmania	140,672	142,947	2,276	114	0.1%

Source: Interim rebased population projections, Tasmanian Department of Treasury and Finance, 2019

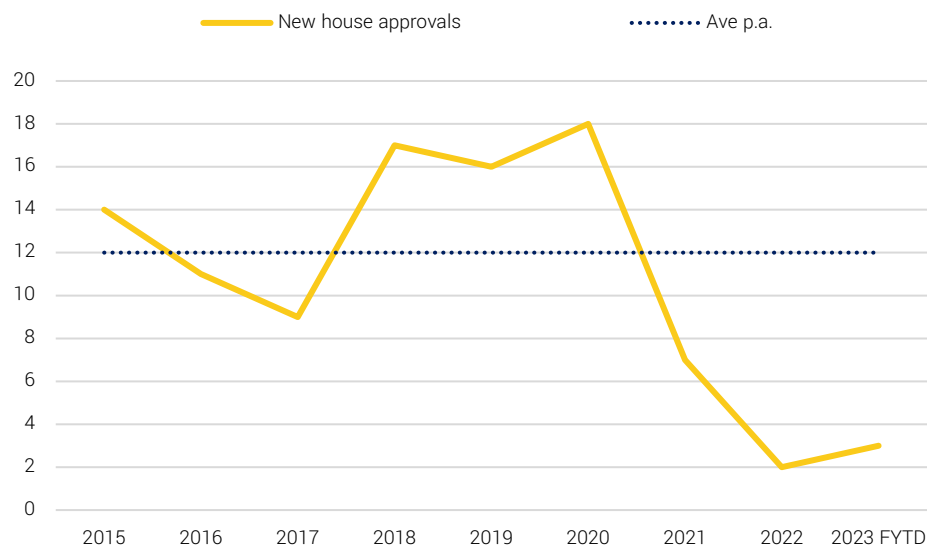
5.4. DWELLING APPROVALS

Another indicator for housing demand is dwelling approvals, albeit approvals can only occur where there is land supply and capacity for development to occur. Data has been analysed for the local catchment.

Between 2015 and 2022, the local catchment averaged 12 dwelling approvals per annum. This includes all separate houses across all densities (conventional, rural residential, etc). However, the majority of the local catchment consists of RLZ and RRZ. It is therefore apparent that approvals are weighted towards rural residential dwellings.

The local catchment recorded above average dwelling approvals between 2018 to 2020, which coincided with low interest rates, the Federal Government's HomeBuilder scheme, and importantly housing development in the nearby Hillside and Drivers Run Estates.

T7. DWELLING APPROVALS, LOCAL CATCHMENT, 2019-23 FYTD



Source: Small Area Dwelling Approvals, ABS, 2015-23.

Note: FY'23 figure covers only first 2 quarters.

5.5. RESIDENTIAL PROPERTY VALUES

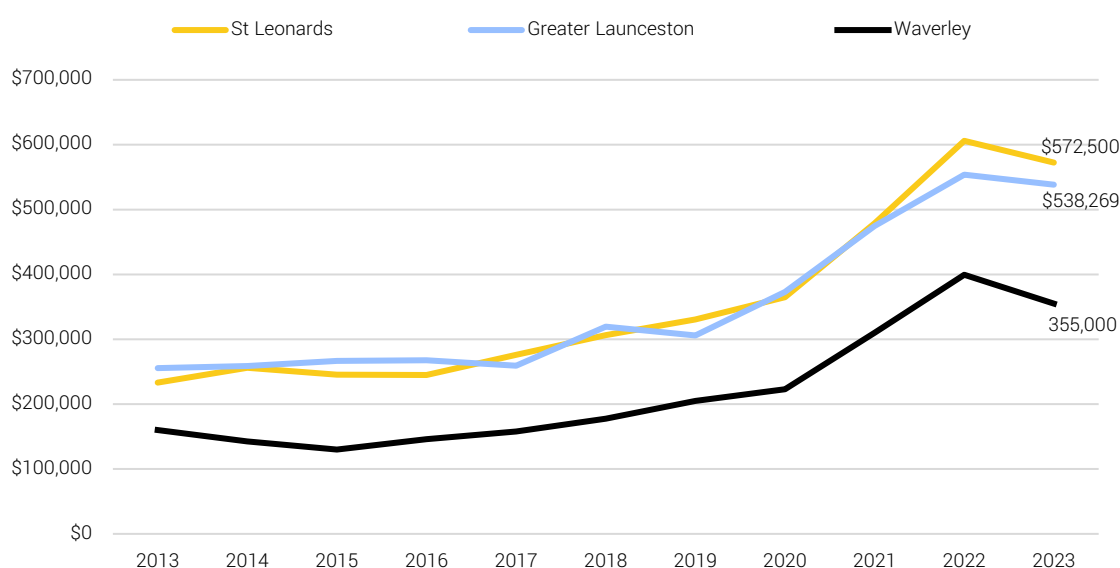
Median house price data has been collected for the suburbs of St Leonards and Waverley, which sit within the local catchment, and are compared with Greater Launceston.

Currently, the median house price in St Leonards is around \$570,000, which is higher than Greater Launceston (\$540,000). The median house price in St Leonards has increased by close to 150% since 2013.

In the most recent 5-year period since 2018, price growth has accelerated. Since 2018, Greater Launceston, St Leonards and Waverley have all recorded annual double digit price growth, with St Leonards recording more than 13% growth per annum.

The median house price in St Leonards has closely reflected Greater Launceston over the past 10 years, as shown in Figure 5. The strong growth that has been achieved is often owed to buoyant demand conditions, low stock availability or combination of both.

F5. MEDIAN HOUSE PRICES, ST LEONARDS & WAVERLEY, 2013-23 YTD



Source: Suburb Report, Real Estate Institute of Tasmania, 2013-2023 (YTD 31st July)

Note: REIT reports suburb level data only. Greater Launceston is based on a weighted average of each suburb in proportion to sales recorded.

T8. MEDIAN PRICE GROWTH, ST LEONARDS & WAVERLEY

	2013	2018	2023	Change 2013-23	AAGR 2013-23	Change 2018-23	AAGR 2018-23
St Leonards	\$233,250	\$306,500	\$572,500	+\$339,250	+9.4%	+\$266,000	+13.3%
Waverley	\$160,000	\$177,500	\$355,000	+\$195,000	+8.3%	+\$177,500	+14.9%
Greater Launceston	\$255,574	\$319,454	\$538,269	+\$282,695	+7.7%	+\$218,816	+11.0%

Source: Urban Enterprise 2023, derived from Suburb Report, Real Estate Institute of Tasmania, 2013-2023

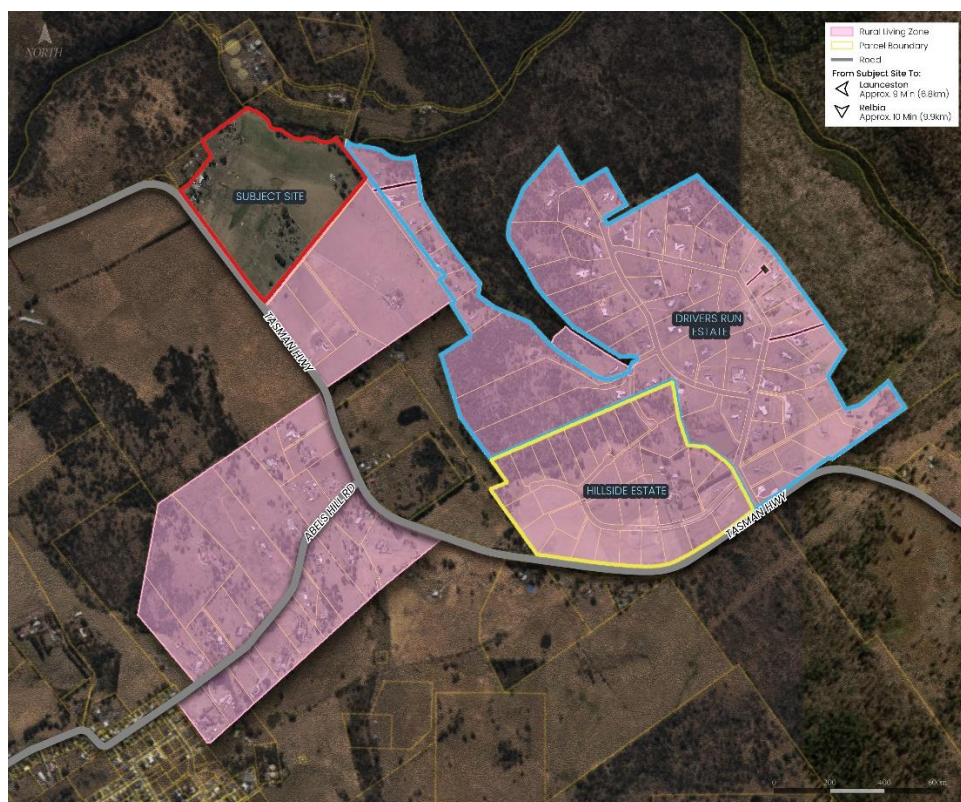
5.6. RURAL LIVING EXAMPLES

The subject site is located adjacent to two comparable rural living developments in St Leonards along the Tasman Highway. These include:

- **Drivers Run Estate** – 61 lots (sales commenced in 2011, and sold out in 2017); and
- **Hillside Estate** – 30 lots (sales commenced in 2021, with approximately 4 left).

Together, these two developments provide an insight into the market appeal for rural living product at this location.

F6. SUBJECT SITE AND CASE STUDY MAP



Source: Urban Enterprise, 2023

DRIVERS RUN, ST LEONARDS

Drivers Run is a 61 lot development located to the subject site's immediate south-east, situated off the Tasman Highway and bound by Distillery Creek.

Land sales commenced in 2011 and sold out in 2017; attracting an average of 10 sales per annum over the six year selling period. Figure 7 shows the volume of annual lot sales and the average sale price, which averaged around \$200,000 for the entire development period.

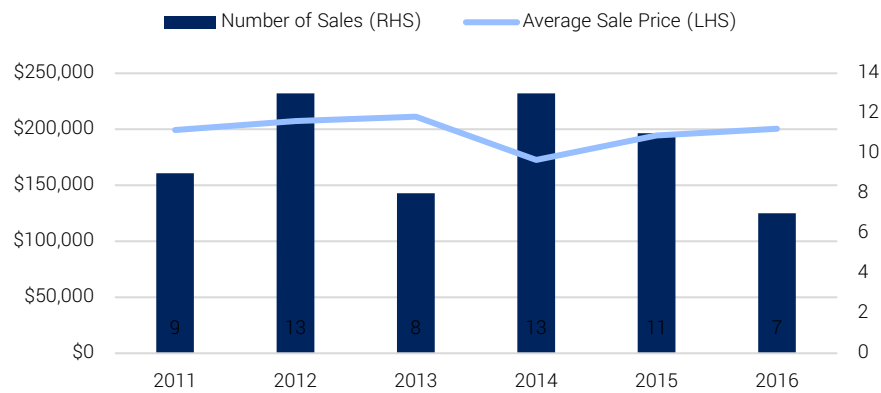
A review of satellite imagery shows that around half of all lots were occupied by a dwelling towards the end of 2015. Construction of dwelling across the balance of lots was completed by 2019.

Anecdotally, agents indicated that Drivers Run was highly sought after and attractive to the market for the following reasons:

- A minimum lot size of 1 ha;
- Close proximity to the CBD;
- Direct road access;
- Rural aspect and favourable outlook.

The key buyers of rural living stock at Drivers Run included families and homebuilders seeking to relocate to larger allotments that are close to the amenity of the CBD, with desirable lifestyle attributes.

F7. DRIVERS RUN SALES AND PRICING PROGRESS



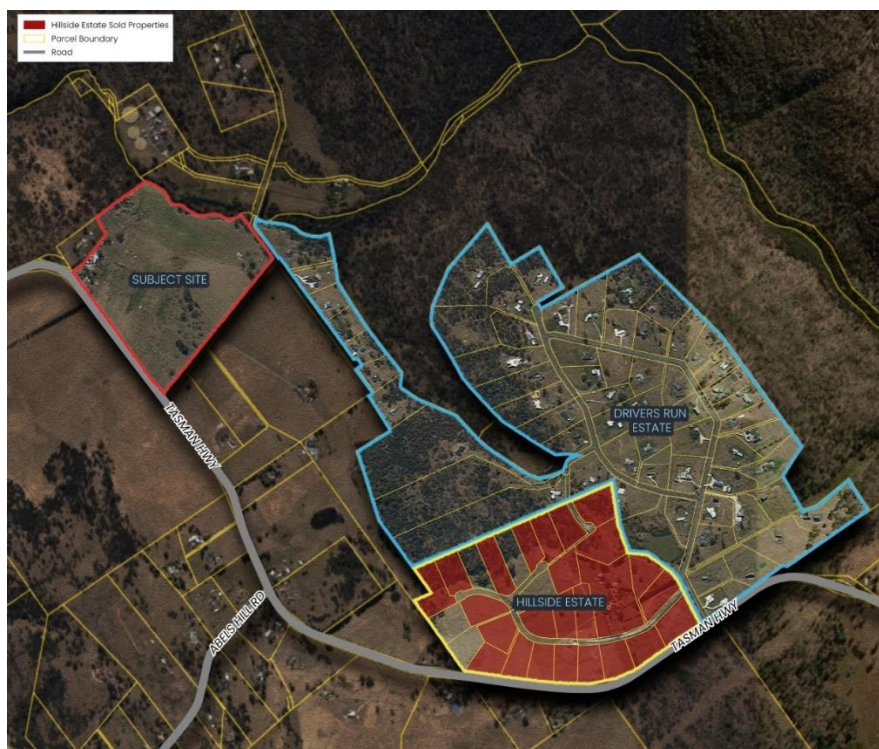
Source: Pricerfinder, 2011-16

HILLSIDE, ST LEONARDS

Hillside Estate adjoins the southern boundary of Drivers Run, and approximately 1.5km south west of the subject site.

The 30 lot rural living development is effectively an extension of Drivers Run, and includes a comparable lot size and mix (~1 ha). Land sales for stage 1 commenced in April 2021, with the 10 lots selling out within several months. As at November 2023, only 4 lots remain unsold at Hillside, as shown in Figure 8. Based on absorption rates, it is anticipated that Hillside will sell out in 2024-25.

F8. HILLSIDE ESTATE, SOLD LOTS, NOVEMBER 2023



Source: Urban Enterprise 2023, derived from land sales information.

5.7. ADVERTISED LISTINGS: RURAL LIVING

A search was conducted (Nov, 2023) for advertised rural living property listings across the local catchment; specifically the suburbs of St Leonards, Waverley, Relbia, Perth, and Longford.

The results show that there are only 5 available properties; 3 of which are located within the Hillside development. Overall, the market availability of rural living properties is extremely limited.

The point at which the remaining Hillside properties sell, there will be no other rural living properties available in the catchment (unless existing properties are re-listed). When this occurs, the proposal at the subject site presents a logical next location to deliver 'market ready' rural living product, and absorb a transfer in demand.

T9. ADVERTISED LISTINGS, RURAL LIVING ZONED LOTS

Address	Suburb	Price	Size (sqm)	Comments
Lot 20, 40520 Tasman Highway	St Leonards	\$430,000	10,920	Hillside Estate
60 Towers Drive	St Leonards	\$395,000	10,660	Hillside Estate
63 Towers Drive	St Leonards	\$395,000	10,770	Hillside Estate
99 Abels Hill Road	St Leonards	\$1,800,000	8,210	Advertised as development site.
Lot 1 & 2, Gibbet Hill Rise	Perth	\$350,000	5,000	Listing is for 2 lots at \$350k each

Source: Urban Enterprise, derived from search of Realestate.com.au / Domain, November 2023

5.8. KEY FINDINGS

- The local catchment is an appealing location for rural living, evidenced by consistent development and sales activity in the adjoining estates.
- Rural living properties in the catchment primarily serves demand from:
 - Young to middle aged families (second & third homebuyers/homebuilders) seeking generous land sizes; and
 - Older adult couples (semi-retired, retired) with established families that no longer live at home, but can be accommodated when visiting.
- Dwelling approvals in the local catchment average 12 per annum. If this rate of approvals were to endure, the proposal would therefore accommodate at least 3 years of housing demand in the local catchment.
- Within the local catchment, only several properties remain on the market. Once these properties are consumed, the capacity of the local catchment to meet demand for new rural living properties will be lost.
- The proposal at the subject site presents a logical location to accommodate the next rural living development in the catchment. Hillside and Drivers Run provide evidence of expressed demand for ~1 ha lot sizes in this location, which indicates market confidence in the lot and product mix proposed at the subject site.

6. CONCLUSIONS

Based on the research, analysis and observations presented in this report, the following land supply and demand conclusions are drawn in relation to the proposal.

1. The location and geographic attributes of the subject site are well matched to market preferences for rural living lot and housing product.
2. The accessibility and configuration of the site will allow for development to occur in a relatively straightforward manner.
3. The proposal is consistent with the land use and development pattern in adjoining and adjacent areas, and would provide a logical extension of existing RLZ land.
4. The proposal will contribute to maintaining 15% of the municipal housing stock as rural residential, as stipulated in the Launceston Residential Land Strategy (2009-29).
5. With the exception of the adjacent parcel on Boomer Road, vacant RLZ land stocks in the local catchment are scarce.
6. 'Market ready' and advertised rural living properties are very limited. Once the remaining properties at Hillside Estate are sold out (likely to occur in 2024), new RLZ lot and housing stock in the catchment will be close to exhausted.
7. Hillside and Drivers Run provide evidence of expressed demand for ~1 ha lot sizes in this location, which indicates market confidence in the lot and product mix proposed at the subject site.
8. Delivering the subdivision as proposed will provide a timely release of rural living allotments to the market. This will encourage a transfer of demand from recently developed areas in the catchment, including the adjacent Hillside and Drivers Run.

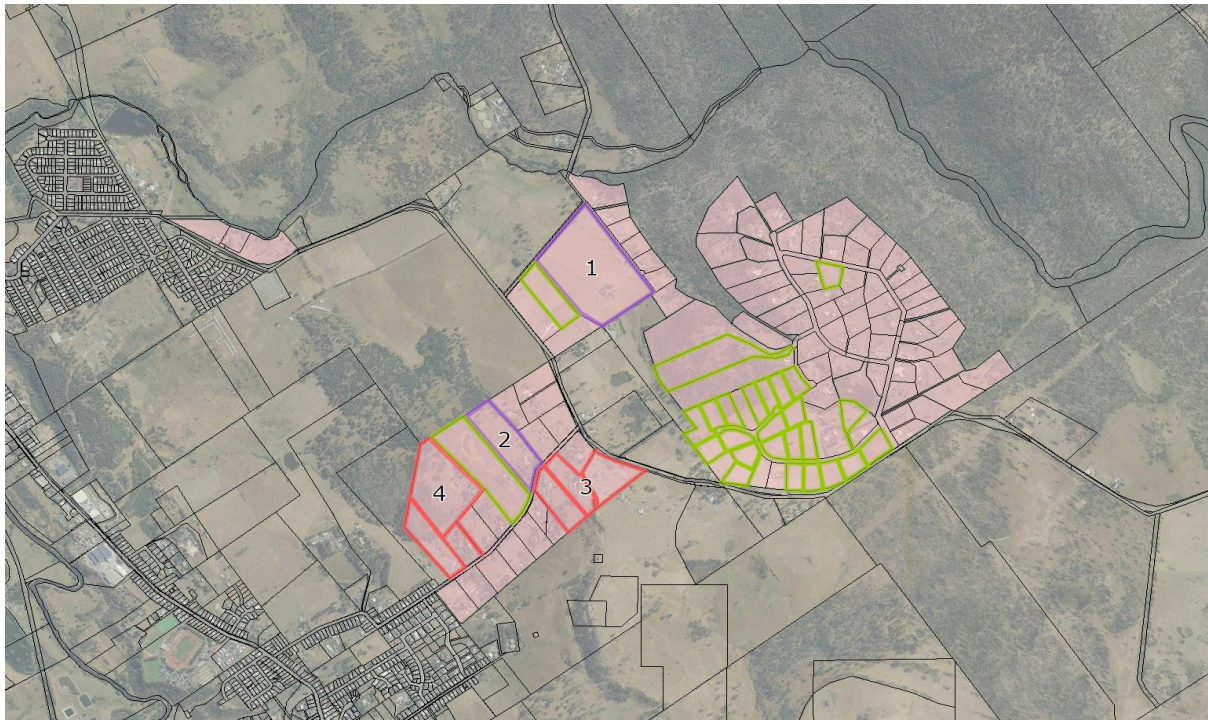
APPENDICES

APPENDIX A RURAL LIVING LAND SUPPLY

WAVERLEY-ST LEONARDS

Land Category	Vacant Lots			
	Approved	Market Ready	Other	Total Vacant
1	7	4	21	32

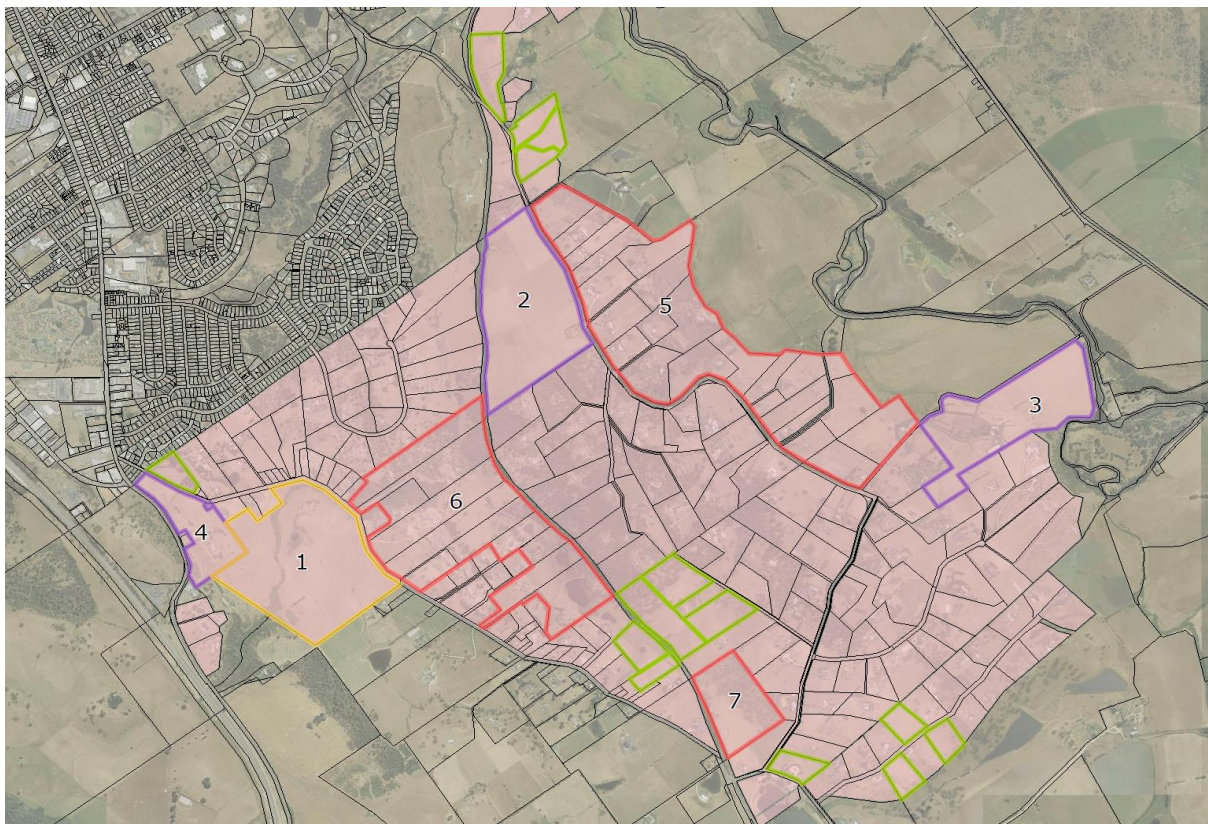
Land Category	Total Potential Supply (Additional Lots)					
	RLZ A (1ha)	RLZ B (2ha)	4ha	RLZ C (5ha)	RLZ D (10ha)	Sub-Totals
2						0
3		9				9
4		5				5
Totals	0	14	0	0	0	14



RELBIA

Land Category	Vacant Lots			
	Approved	Market Ready	Other	Total Vacant
1			16	16

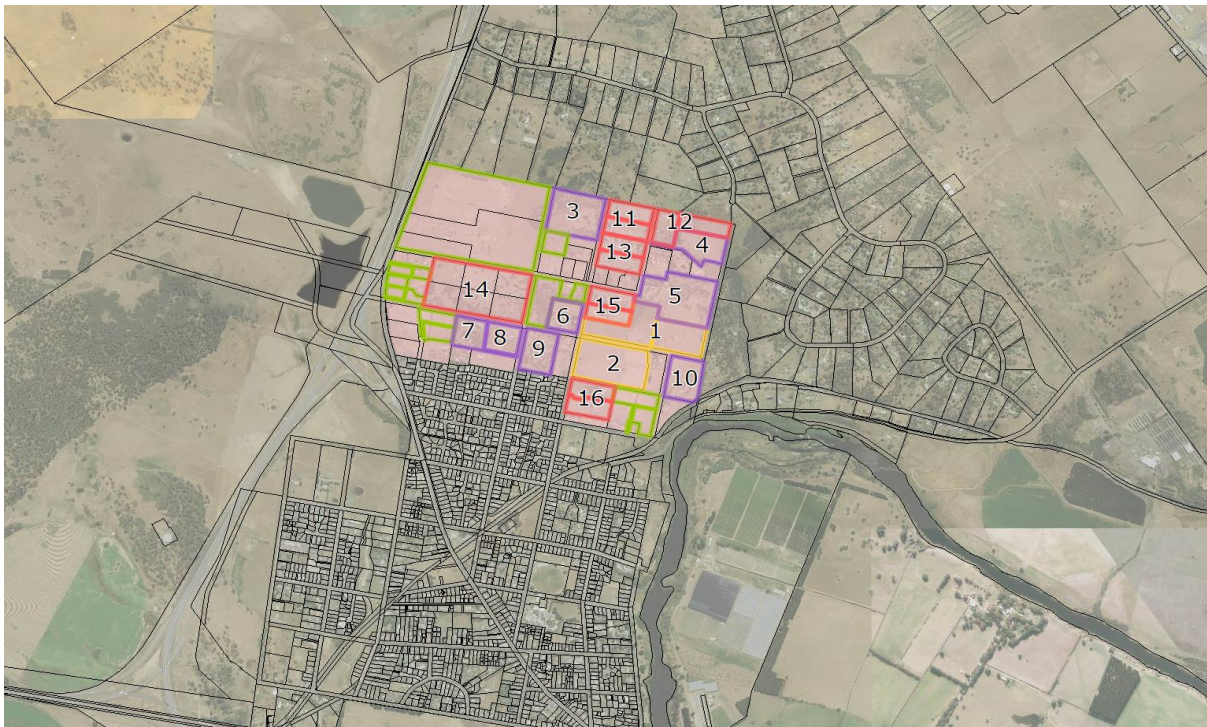
Land Category	Total Potential Supply (Additional Lots)					
	RLZ A (1ha)	RLZ B (2ha)	4ha	RLZ C (5ha)	RLZ D (10ha)	Sub-Totals
2			7			7
3			12			12
4			4			4
Totals	0	0	23	0	0	23



PERTH

Land Category	Vacant Lots			
	Approved	Market Ready	Other	Total Vacant
1	25	7	5	37

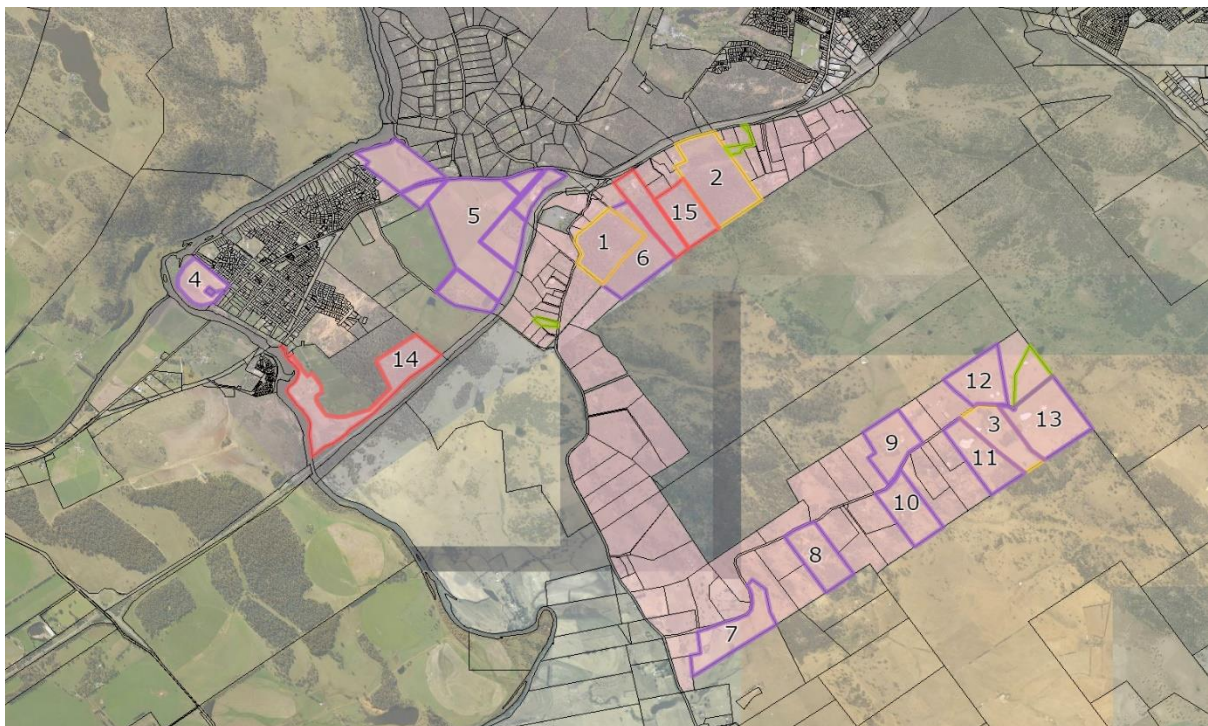
Land Category	Total Potential Supply (Additional Lots)					
	RLZ A (1ha)	RLZ B (2ha)	4ha	RLZ C (5ha)	RLZ D (10ha)	Sub-Totals
2	13					13
3	15					15
4	9					9
Totals	37	0	0	0	0	37



HADSPEN-LONGFORD

Land Category	Vacant Lots			
	Approved	Market Ready	Other	Total Vacant
1			3	3

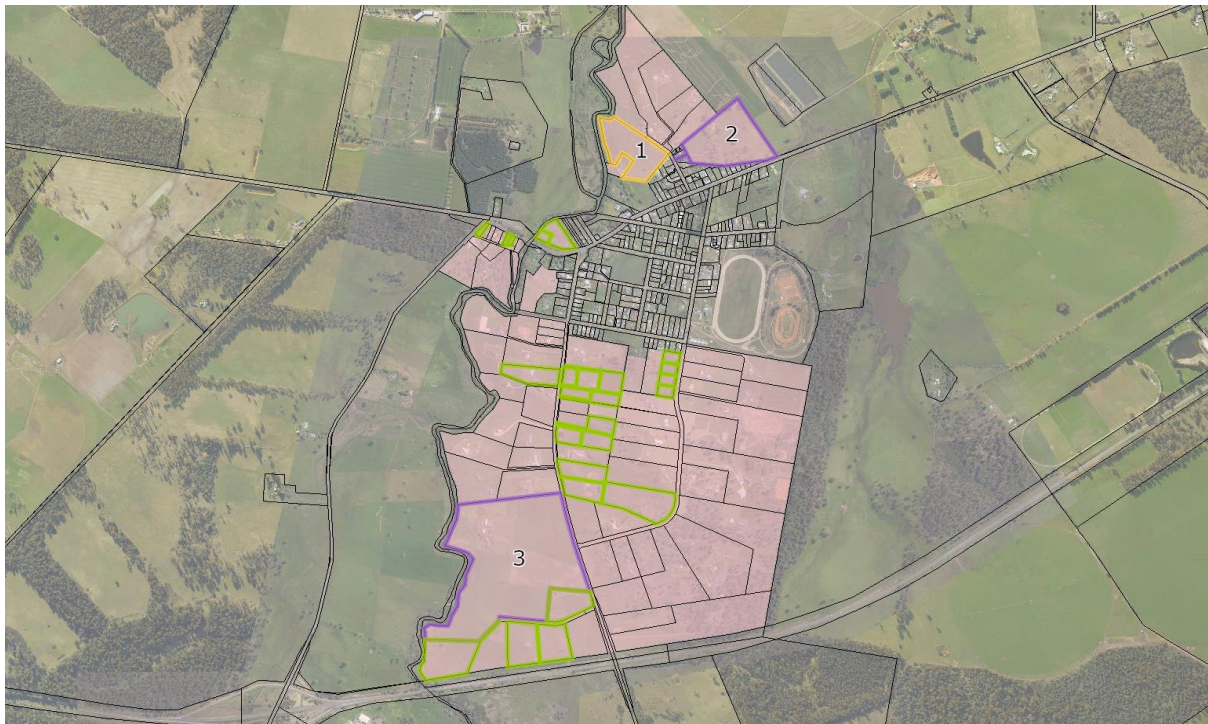
Land Category	Total Potential Supply (Additional Lots)					
	RLZ A (1ha)	RLZ B (2ha)	4ha	RLZ C (5ha)	RLZ D (10ha)	Sub-Totals
2					7	7
3		44			9	53
4		18			1	19
Totals	0	62	0	0	17	79



CARRICK

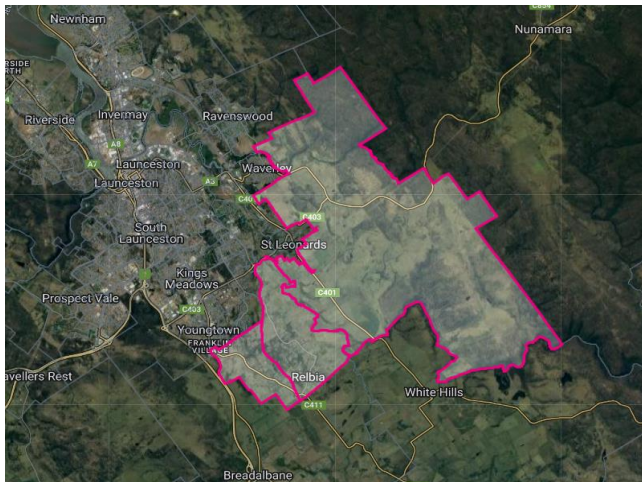
Land Category	Vacant Lots			
	Approved	Market Ready	Other	Total Vacant
1	1		25	26

Land Category	Total Potential Supply (Additional Lots)					
	RLZ A (1ha)	RLZ B (2ha)	4ha	RLZ C (5ha)	RLZ D (10ha)	Sub-Totals
2		2				2
3		3		10		13
4						0
Totals	0	5	0	10	0	15



APPENDIX B DATA AREAS

LOCAL CATCHMENT



GREATER LAUNCESTON



NORTHERN TASMANIA

