



COMMITTEE FOR GREATER HOBART

Economic, financial and policy analysis

Missing-Middle Housing Demand in Greater Hobart

Market evidence, product strategy and investability

Greater Hobart's tight rental market, household structure and limited attached-housing stock support a focused missing-middle program. The strongest opportunities will match product, price, tenure and location to measured renter and buyer capacity, then measure absorption through a dated project cash flow.

Evidence period: 19 July 2026

Prepared for the Committee for Greater Hobart by Kailem Irwin, September 2026

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Executive summary

The Committee for Greater Hobart (CfGH) is an independent, member-funded think tank working across Greater Hobart. It has proposed the Greater Hobart Renewal Trust (GHRT) as a regional project assessment, coordination and investment vehicle. From a demand standpoint, the task is to identify who needs or may choose missing-middle housing, what product and location will suit them, what they can afford to rent or buy, and whether that interest is strong enough to support staged project delivery.

Household formation and housing fit support broader housing choice

Greater Hobart needs additional homes, but it also needs a better match between its households and housing stock. Household growth, a large number of one-person households, an ageing population and the strong rental role already performed by attached dwellings support more well-located terraces, townhouses and low-rise apartments. Efficient one and two-bedroom homes, accessible design and a mixture of rental, affordable and ownership options can serve different customer groups without assuming that one product will suit the whole region.

- Scale and formation: Greater Hobart's population was 255,250 at 30 June 2025, increasing by 542 or 0.2% in 2024-25. Under ABS Series II, households increase from 102,203 in 2021 to 122,259 in 2046, an increase of 20,056 or about 802 households a year across the period.
- Existing attached market: Attached homes represented 13,527 dwellings, or 14.2% of occupied stock at the 2021 Census. Of these, 8,948 or 66.1% were rented, supplying 32.8% of all rented dwellings. Two-bedroom homes represented 53.3% of attached stock.
- Housing fit: Greater Hobart recorded 26,263 lone-person households, including 19,082 or 72.7% living in separate houses. This does not imply that each household wants to move, but it establishes a sizeable group for direct research into accessibility, maintenance, location, price and preferred housing form.

Sources: ABS Greater Hobart 2021 General Community Profile, tables G36, G37, G41 and G42; ABS Regional Population 2024-25; ABS Household and Family Projections 2021-2046.

Tight rental conditions increase the value of well-targeted supply

Rental availability was limited in the latest dated indicators. Provider-defined Hobart vacancy was 0.7%, or 185 vacancies, in June 2026. Greater Hobart new-bond medians were \$370 for one bedroom, \$500 for two bedrooms and \$600 for three bedrooms in the March quarter of 2026. The broad Hobart unit value was \$587,749 at 30 June 2026, compared with \$803,094 for houses. This price difference can broaden the addressable buyer market, although each project still needs its own valuation, customer incomes, borrowing capacity, net operating income and finance terms.

The delivery pipeline also needs attention. The four Greater Hobart Act councils recorded 782 dwelling approvals from July 2025 to May 2026, including 164 other-residential dwellings. Approvals identify projects entering the pipeline; commencements, completions, leasing and sales show whether supply has reached households. The 30-Year Greater Hobart Plan provides a clear regional direction, proposing about 30,000 additional dwellings to 2050, including about 21,000 infill dwellings across Hobart, Glenorchy, Clarence and Kingborough.

Sources: SQM Research, June 2026; Tenants' Union of Tasmania, March quarter 2026; Cotality, July 2026; ABS Building Approvals, July 2025 to May 2026; 30-Year Greater Hobart Plan.

Converting regional demand into project absorption

Regional need becomes effective project demand only when a defined customer can and will transact at the proposed price or rent. Each site therefore needs a clear catchment, product, tenure, bedroom mix and accessibility offer, together with competing supply, customer income, borrowing or rental capacity and a dated release program. Interviews and stated preferences can shape the product, while finance-qualified buyers, rent-capable applicants, deposits, leases and off-take provide progressively stronger evidence for delivery.

CfGH can make this work consistent across the region by maintaining a demand and project register, coordinating customer and market research, and reporting achieved sales, leasing and occupancy. The proposed Trust could connect that evidence with complete project feasibility and consider capital where it directly improves delivery. The Greater Hobart Work Program 2025-28, Tasmanian Planning Policies and City of Hobart inner-city housing incentive provide relevant policy settings, while public authorities retain their planning, infrastructure and program responsibilities.

A staged demand approach would:

1. define the customer group and design a product around its location, size, tenure and accessibility needs;
2. establish the affordable price or rent and measure the depth of customers able and willing to transact;
3. release dwellings in stages and adjust later stages using achieved sales, leasing and occupancy; and
4. link further construction and capital to complete feasibility and independently assessed investment terms.

This approach does not treat projected households as automatic customers. It uses the regional evidence to locate opportunity, then converts that opportunity into measurable demand for real projects. Where customer depth, cash flow, debt coverage and risk-adjusted return align, long-term investors can participate through a transparent housing investment proposition. Over time, completed and occupied projects can add housing choice, improve the use of well-located land and contribute to the activity, amenity and vibrancy of Greater Hobart.

1. Attached housing serves a broader market than its stock share suggests

1.1 Metropolitan evidence and geographic scope

The demographic and dwelling analysis uses the ABS Greater Hobart Greater Capital City Statistical Area, area code 6GHOB. This is the ABS functional metropolitan geography and is wider than the four councils named in the Greater Hobart Act: Hobart, Glenorchy, Clarence and Kingborough.

The approvals analysis uses the four local government areas because the current ABS small-area file is reported by LGA and the 30-Year Greater Hobart Plan covers the four-council area. Rental sources publish their own Hobart or Greater Hobart boundaries. Each exhibit identifies its geography, keeping metropolitan, four-council and provider-defined measures distinct.

The 2021 Census remains the latest complete account of the relationships between dwelling structure, tenure, bedrooms, household composition, age and assistance needs. Population, rents, vacancy, values, finance, policy and approvals are drawn from 2025 and 2026 releases. The ABS makes small random adjustments to Census cells for confidentiality, so each calculation uses the denominator reported in its source table.

1.2 Attached dwellings carry a disproportionate share of rental housing

The Greater Hobart General Community Profile records 80,846 occupied separate houses, 5,768 occupied semi-detached, row or terrace houses and townhouses, and 7,759 occupied flats or apartments. Attached occupied housing combines the latter two categories, and Figure 1 reports their combined stock and share.

Tenure data show 3,552 rented semi-detached or townhouse dwellings and 5,396 rented flats or apartments. Their combined rental role and comparison with separate houses are reported in the first summary table (D1a) and Figure 1.

Attached housing has a disproportionate rental role

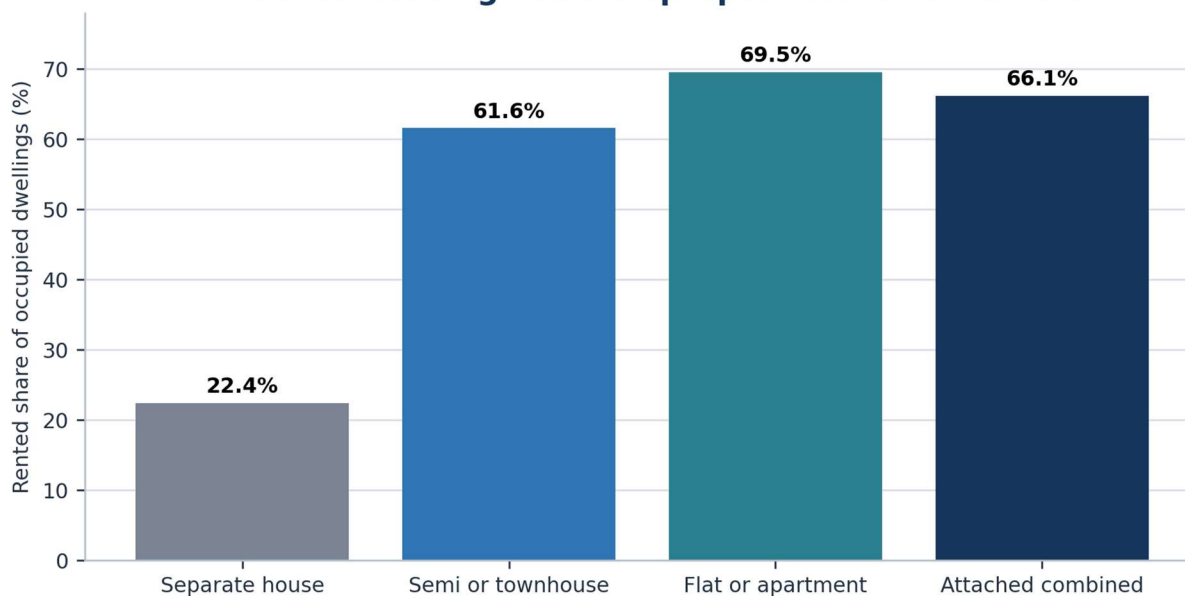


Figure 1. Rented share of occupied dwellings by dwelling structure.

Source: Australian Bureau of Statistics, 2021 Greater Hobart General Community Profile, tables G36 and G37. Attached combined comprises semi-detached, row or terrace houses, townhouses, flats and apartments. The Census describes occupied stock in August 2021; current vacancy and project demand are examined separately.

Attached homes made up 32.8% of all rented dwellings, despite representing only 14.2% of occupied stock. This establishes an existing attached-rental market materially larger than the stock share alone suggests.

Missing-middle and apartment forms therefore already carry an outsized share of Greater Hobart's rental housing.

The figures establish attached rental housing as a substantial existing Greater Hobart market. Project-level price assessment and staged release can then translate that tenure base into an absorption program.

1.3 Smaller and older households broaden the addressable market

The Census records 26,263 lone-person households in Greater Hobart. Of these, 19,082 lived in separate houses, 2,901 in semi-detached or townhouse dwellings and 4,000 in flats or apartments.

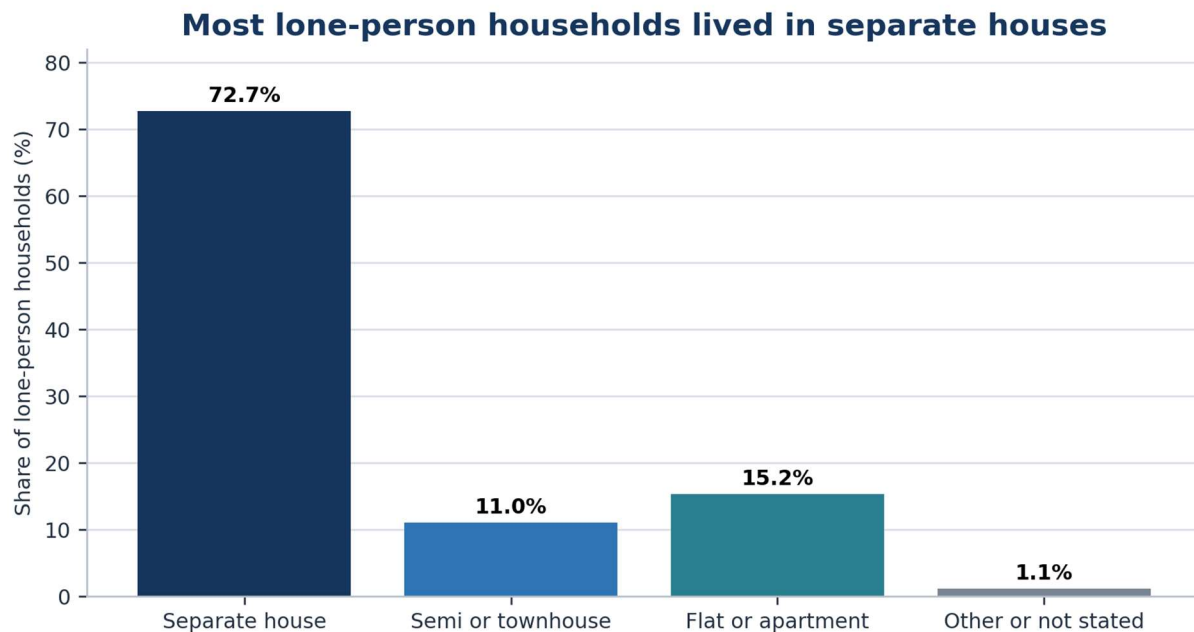


Figure 2. Distribution of Greater Hobart lone-person households by occupied dwelling structure.

Source: Australian Bureau of Statistics, 2021 Greater Hobart General Community Profile, table G42. Percentages use the table total of 26,263 lone-person households.

Age strengthens the relevance of accessible and low-maintenance design. Among Greater Hobart lone-person households, 17,352, or 66.1%, were aged 55 or older and 12,082, or 46.0%, were aged 65 or older. Among residents aged 65 or older in the relevant Census table, 8,090, or 17.4%, reported a need for assistance with a core activity. The corresponding share for residents aged 75 or older was 28.2%.

Source: ABS Greater Hobart 2021 General Community Profile, tables G27 and G18. Each percentage uses the total reported in its source table because ABS confidentiality adjustments can cause small differences between related tables.

Housing quantity and housing fit are both relevant. A large cohort may be better served by homes that are easier to access, maintain and heat, with convenient links to daily services. Step-free access, adaptable bathrooms, lifts where required, useful storage, acoustic privacy, nearby services and manageable maintenance provide a practical product response. Direct local market research can establish the conditions under which older owners would sell a separate house, choose attached living and transact at the proposed price.

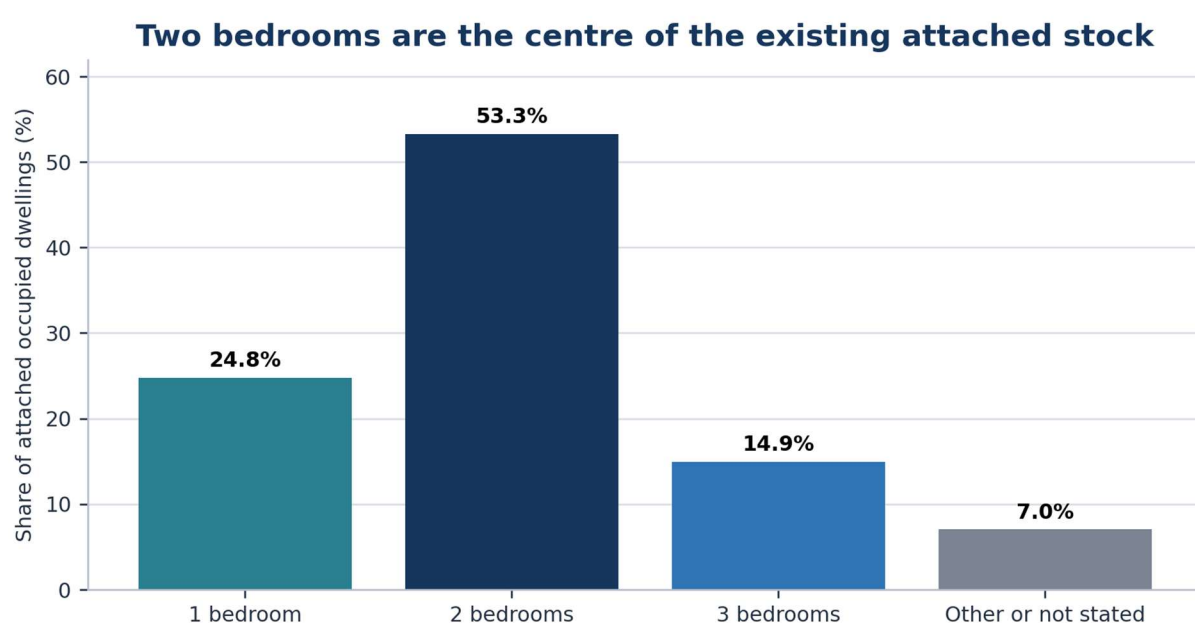
1.4 Two bedrooms form the centre of the existing attached market

The existing attached stock provides a factual starting point for product design:

Table D3. Two-bedroom homes form the centre of Greater Hobart's existing attached stock.

Source: ABS Greater Hobart 2021 General Community Profile, table G41.

Bedrooms	Attached occupied dwellings	Share of attached stock	Interpretation
One	3,348	24.8%	Established smaller-household product
Two	7,208	53.3%	Existing centre of the attached market
Three	2,022	14.9%	Smaller existing segment with family and house-like potential
Other or unclassified	949	7.0%	Includes studios, four or more bedrooms and responses outside the stated categories

*Figure 3. Bedroom mix of occupied attached housing in Greater Hobart.*

Source: Australian Bureau of Statistics, 2021 Greater Hobart General Community Profile, table G41. The existing stock mix provides the market baseline; project mix is determined for each site and customer group.

Two-bedroom housing is the best-supported initial product hypothesis because it forms 53.3% of the existing attached stock and serves several identified groups. The site mix follows customer evidence, valuation, cost and absorption. Accessible one-bedroom homes and selected three-bedroom terraces or townhouses can then be assessed against their own customer groups, prices, locations and delivery costs.

The established market is also dominated by house-like attached forms and low-rise apartment buildings. Semi-detached homes, terraces and townhouses accounted for 5,768 occupied dwellings, while flats or apartments in one or two-storey blocks accounted for another 5,960. Together, these forms represented 11,728 dwellings, or 86.7% of Greater Hobart's attached occupied stock. A low-rise demonstration program therefore builds on familiar local housing forms.

1.5 The customer base extends beyond lone and older households

The ABS household tables show several established customer groups for one, two and selected three-bedroom products. These counts describe households and residents in 2021. They define the groups to engage and the products to examine, rather than a forecast of transactions.

Table D4. Greater Hobart's customer base extends from smaller households to families, group households and mobile residents.

Source: ABS Greater Hobart 2021 General Community Profile, tables G15, G35, G42 and G44.

Greater Hobart customer evidence	Official count	Product implication
One-person and two-person occupied households	58,862, or 62.0% of occupied dwellings	Supports a broad design focus on efficient one and two-bedroom homes
Couple-family households with no children	26,496 occupied dwellings, including 3,054 attached dwellings	Supports two-bedroom products with useful storage and a flexible second room
Couple families with children and one-parent families	37,163 occupied dwellings, including 2,436 attached dwellings	Supports selected two and three-bedroom terraces, townhouses and apartments with usable living space
Group households	4,007 occupied dwellings, including 976 attached dwellings	Supports well-planned two and three-bedroom rental products with privacy, storage and equitable room sizes
People living at a different address one year earlier	35,467 people aged one year or older, including 1,182 who had lived overseas	Establishes a substantial mobile population for rental and entry-ownership research
People attending tertiary education	19,923	Supports investigation of flexible rental products near education, employment and transport, while recognising that the count includes different ages and study modes

Attached housing already accommodates 3,054 couple households without children, 1,256 couple households with children, 1,180 one-parent households and 976 group households, as well as 6,901 lone-person households. The attached market is therefore broader than a downsizer or single-person proposition. Product research should address each group on its own terms, particularly the value of a second bedroom, private open space, storage, accessibility, pets and parking.

Source: [ABS Greater Hobart 2021 General Community Profile](#), tables G15, G35, G42 and G44. ABS confidentiality adjustments can cause related cells to differ by small amounts.

1.6 Parking is a product and investment decision

Vehicle ownership remains material. Among Greater Hobart dwellings where vehicle ownership was stated, 93.0% had at least one motor vehicle and 56.6% had at least two. Parking can improve customer acceptance and value, while also using land, structure and capital. The decision belongs in the project economics from the first concept plan.

Table D5. Parking should be sized and priced as part of the project economics, with customer value weighed against displaced yield and lifetime cost.

Source for Greater Hobart vehicle ownership: ABS Greater Hobart 2021 General Community Profile, table G34. Method: Committee for Greater Hobart analysis.

Parking question	Project measure	Financial treatment
How many spaces serve the intended customer?	Resident research, local vehicle ownership, accessible-parking requirements, public transport access and qualified buyer or renter response	Set the parking ratio by product and tenure, rather than applying one ratio across every site
What does each space cost to provide?	Quantity-surveyor cost for the actual surface, podium, undercroft or basement design	Price the actual surface, podium, undercroft or basement space in the project cost plan
Does parking add or displace dwelling value?	Matched concept plans for the proposed parking arrangement and the best feasible alternative	Compare supported project value under the proposed parking design and the best feasible alternative
What revenue does parking support?	Independent valuation of sale-price, rent and absorption differences associated with parking	Include only independently supported sale-price, rent or absorption effects in project revenue
What does parking cost to hold?	Cleaning, lighting, security, maintenance, insurance and capital replacement	Calculate the present value of recurring parking operating costs and planned capital expenditure
What is the net project effect?	Revenue effect, dwelling-yield effect, capital cost, finance cost and operating cost on a common dollar basis	Compare the supported revenue and dwelling-yield effects with capital, finance and lifecycle operating costs

The parking assessment compares customer value, supported revenue, dwelling yield, capital cost, finance cost and lifecycle operating cost on one consistent dollar basis. The project-specific method and required project assumptions and terms are listed in the companion equations paper.

Central Hobart projects can examine unbundled or lower parking provision where access and customer evidence support it. Projects in Glenorchy, Clarence and Kingborough can adopt a different response shaped by their customer group and site access. Accessible parking, servicing and visitor needs remain explicit in every case. This approach allows parking to improve the product where customers value it and avoids carrying unnecessary cost where they do not.

2. Household growth and rental pressure support staged supply

2.1 Population growth alone understates the housing requirement

Greater Hobart's estimated population reached 255,250 at 30 June 2025, an increase of 542 people or 0.2% over the year. The components were:

Table D6. Net overseas migration offset internal migration loss in 2024-25, leaving modest Greater Hobart population growth.

Source: ABS Regional Population 2024-25, Greater Hobart GCCSA.

Component, 2024-25	Persons
Natural increase	+587
Net internal migration	-1,878
Net overseas migration	+1,833
Net population change	+542

Greater Hobart population change was modest and mixed, 2024-25

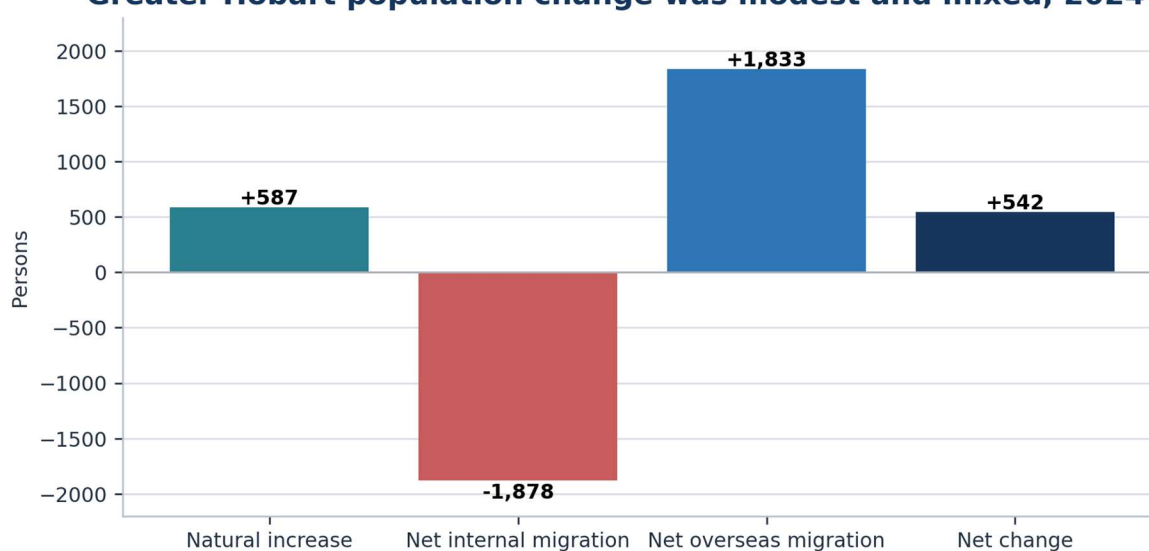


Figure 4. Components of Greater Hobart population change in 2024-25.

Source: Australian Bureau of Statistics, Regional Population 2024-25, Greater Hobart GCCSA. Components can differ slightly from the rounded net change displayed in ABS commentary.

The latest population result supports a selective volume strategy based on household projections and clearly identified segments, locations and tenures.

ABS Household and Family Projections increase Greater Hobart households from 102,203 in 2021 to:

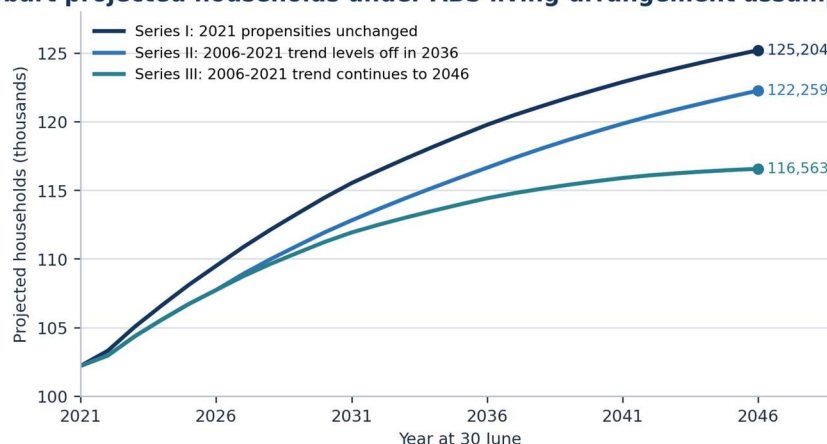
Table D7. Every ABS Greater Hobart household-projection scenario shows growth to 2046; Series II, whose 2006-2021 propensity trend levels off in 2036, adds about 802 households a year.

Source: ABS Household and Family Projections 2021-2046, data table ABS_HH_PROV, Greater Hobart 6GHOB, total households.

ABS scenario and living-arrangement assumption	Households in 2046	Increase from 2021	Average increase across 25 years
ABS Series I: 2021 propensities unchanged	125,204	23,001, or 22.5%	About 920 a year
ABS Series II: 2006-2021 trend levels off in 2036	122,259	20,056, or 19.6%	About 802 a year
ABS Series III: 2006-2021 trend continues to 2046	116,563	14,360, or 14.1%	About 574 a year

All three scenarios apply a different living-arrangement assumption to the same ABS medium population projection. Series I holds 2021 propensities unchanged. Series II applies the 2006-2021 historical rate of change and levels off in 2036. Series III continues that historical rate of change through 2046. Every scenario points to further household formation. Each is a conditional projection under its stated living-arrangement assumption. Series II implies compound household growth of about 0.72% a year from 2021 to 2046 and provides the central planning comparison.

Greater Hobart projected households under ABS living-arrangement assumptions, 2021-2046



All three scenarios use the ABS medium population projection. They are conditional projections, not predictions or forecasts.

Figure 5. Greater Hobart projected households under the three ABS living-arrangement assumptions, 2021-2046.

Source: Australian Bureau of Statistics, Household and Family Projections, Australia, 2021-2046, ABS_HH_PROV, Greater Hobart 6GHOB, total households. All three scenarios use the ABS medium population projection. Series I holds 2021 propensities unchanged; Series II applies the 2006-2021 change and levels off in 2036; Series III continues that change to 2046. These are conditional projections, not predictions or forecasts.

Household formation, smaller household size, tenure change, replacement, accessibility needs and choices about housing form or location can all contribute to dwelling demand. A staged pipeline should state which source of demand each project serves and report its dwelling count as a transparent share of the selected ABS household-growth scenario, with the scenario and delivery period named.

This ratio places a project in context and shows the proportion of projected household growth that its defined customer market would need to support. [ABS Household and Family Projections 2021-2046](#)

2.2 Low vacancy supports rental demand, while rents limit affordability

SQM Research reported a Hobart rental vacancy rate of 0.7% in June 2026, representing 185 vacancies. This was up from 0.6% in May, so the June 2026 reading shows continued scarcity with modest monthly easing. SQM defines a vacancy using online listings advertised for three weeks or more relative to its estimate of established rental properties. Comparisons with another provider's vacancy series need to account for differences in method.

SQM also reported that Hobart combined asking rents were 12.1% higher over the year to 12 July 2026, alongside a 0.9% fall over the preceding month. The annual increase records recent pressure, while the monthly fall shows that short-run movement can reverse. Project cash flow should begin from achieved product-specific rent and include future escalation only where a cited forecast, contractual review mechanism or approved valuation basis supports it. [SQM Research, June 2026 vacancy release](#)

The Tenants' Union of Tasmania's compilation of Rental Deposit Authority bond data provides a separate new-bond rent reference. For the Greater Hobart ABS Statistical Area identified in the source in the March quarter 2026, median weekly rents on new bonds were \$370 for one bedroom, \$500 for two bedrooms and \$600 for three bedrooms. The source does not identify a current ASGS code and does not provide a dwelling-form, building-age or new-build filter for these bedroom medians. Apartment, new-build and local comparables can refine them for a particular project.

Table D8. March 2026 new-bond rents provide a transparent gross-income indication at a 30% rent-to-income criterion.

Source: Tenants' Union of Tasmania, *Tasmanian Rents, March quarter 2026*, Table 2, report-labelled Greater Hobart ABS Statistical Area. Calculations apply weekly rent multiplied by 52 and divided by 0.30. This simple arithmetic indication is not the ABS 30/40 housing-stress measure, which applies a 30% housing-cost threshold to lower-income households and has additional income and Rent Assistance qualifications. [ABS, Survey of Income and Housing User Guide: housing](#)

Bedrooms	Published weekly new-bond rent	Annualised rent	Gross household income at a 30% rent-to-income criterion
One	\$370	\$19,240	About \$64,100
Two	\$500	\$26,000	About \$86,700
Three	\$600	\$31,200	\$104,000

Table D8 and Figure 6 report the resulting annual rent and gross-income indication. The Evidence and Report Workbook retains the complete calculation.

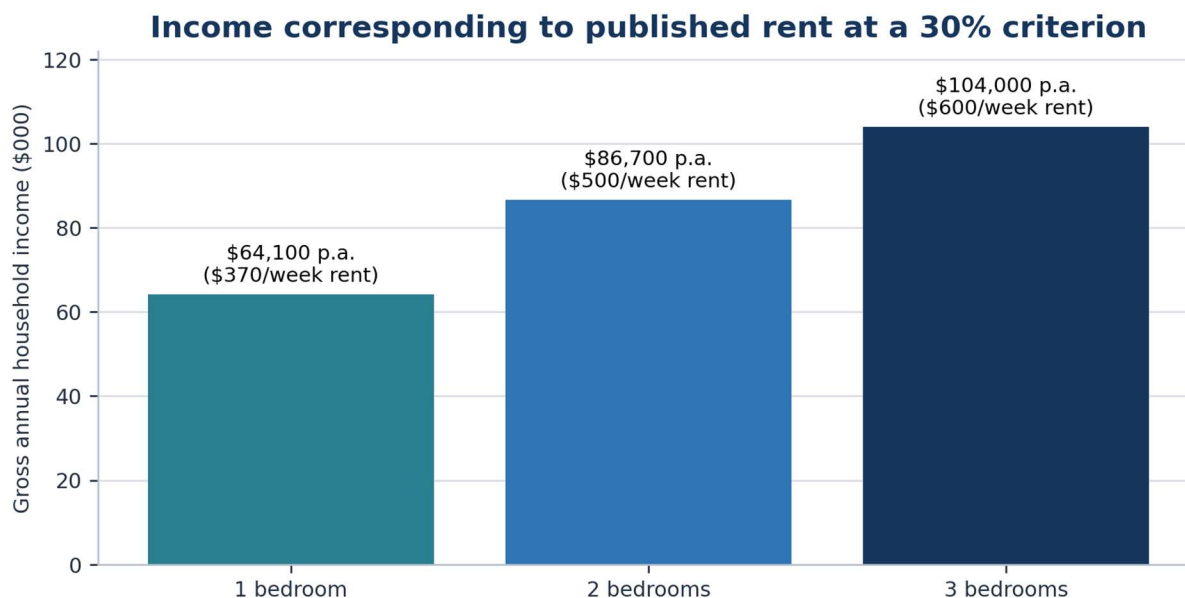


Figure 6. Gross annual household income corresponding to published new-bond rent using a simple 30% rent-to-income calculation.

Source: Tenants' Union of Tasmania, Tasmanian Rents March quarter 2026, Table 2, using Rental Deposit Authority new bonds. This is an arithmetic indication, not the ABS 30/40 housing-stress measure. Household counts, project rents and credit assessment are separate measures.

The same publication provides four Rental Deposit Authority areas that align wholly or partly with the four-council market:

Table D9. New-bond rents differ across the four-council market, supporting locally differentiated products and revenue settings.

Source: Tenants' Union of Tasmania, *Tasmanian Rents*, March quarter 2026, Table 1.

Rental Deposit Authority area	One bedroom	Two bedrooms	Three bedrooms	Product reading
Hobart City	\$380	\$550	\$685	Highest two and three-bedroom medians in the four-council set support a central-city revenue case, subject to product-specific achieved rents
Glenorchy City	\$370	\$480	\$585	Lower entry rent than Hobart City, with an established attached and rental market
Eastern Shore	\$370	\$505	\$595	Mid-range two and three-bedroom rent points support investigation of townhouses and smaller apartment groups near services
Kingston Area	\$410*	\$500	\$600	Supports investigation of one and two-bedroom products and house-like three-bedroom forms; the one-bedroom result has a small sample

Source: Tenants' Union of Tasmania, *Tasmanian Rents, March quarter 2026*, Table 1, based on Rental Deposit Authority new bonds. An asterisk denotes 10 to 29 bonds. Eastern Shore is the former Clarence statistical local area excluding Richmond; Kingston Area is part of Kingborough. The publication does not report a dwelling-form, building-age or new-build filter for these bedroom medians.

At the 30% criterion, the published rents correspond to gross household incomes of about \$64,100, \$86,700 and \$104,000. Affordability depends on the intended cohort's current income and household composition. A viable program therefore separates market rental, discounted rental, social housing and ownership products, then matches each tenure to its own revenue source and funding structure.

2.3 Four council markets support different initial products

The four councils contain distinct housing markets. ABS 2021 Census structure and tenure data, read together with dated approvals and 2026 bond rents, provide a factual starting point for program design:

Table D10. The four councils support distinct starting products, with attached and rental-led opportunities in Hobart and Glenorchy and house-like missing middle in Clarence and Kingborough.

Sources: ABS 2021 Census QuickStats for the four LGAs; ABS Building Approvals May 2026, Tasmanian LGA 2025-26 financial year-to-date datacube; Tenants' Union of Tasmania March quarter 2026, Tables 1 and 2. Method: Committee for Greater Hobart analysis.

LGA	Occupied private dwellings, 2021	Attached and rented shares	Other-residential approvals, Jul 2025 to May 2026	Initial product opportunity
Hobart	21,459	30.2% attached; 35.6% rented	76	One and two-bedroom apartments, adaptable housing, upper-floor conversion and mixed tenure near established services
Glenorchy	19,865	17.9% attached; 36.0% rented	75	Two-bedroom low-rise apartments and townhouses for renters, first-home buyers and couples without children near activity centres and transport
Clarence	23,584	6.2% attached; 22.7% rented	13	Two and three-bedroom terraces, townhouses and small apartment groups that offer a house-like alternative near services
Kingborough	15,083	6.5% attached; 20.4% rented	0	Accessible two-bedroom villas, terraces and selected three-bedroom homes near Kingston and other serviced centres

The product column is an opportunity comparison derived from the observed structure, tenure, current rent geography and approval pattern. Each project still proceeds through customer research, concept design, valuation and financial analysis. This comparison avoids treating one product as a universal Greater Hobart solution.

Sources: ABS 2021 Census QuickStats for [Hobart](#), [Glenorchy](#), [Clarence](#) and [Kingborough](#); ABS Building Approvals, May 2026 small-area datacube; Tenants' Union of Tasmania, *Tasmanian Rents*, March quarter 2026.

2.4 The approval-to-construction opportunity is already visible

Table D11 reports the latest reproducible ABS small-area release, covering July 2025 to May 2026.

Table D11. Hobart and Glenorchy accounted for 92.1% of the four councils' other-residential approvals from July 2025 to May 2026.

Source: ABS Building Approvals May 2026, Tasmanian LGA 2025-26 financial year-to-date datacube, original series.

LGA	New houses	New other-residential dwellings	Total dwellings approved	Estimated value of approved residential building work
Clarence	250	13	264	\$140.911m
Glenorchy	126	75	203	\$111.608m
Hobart	116	76	192	\$109.117m
Kingborough	121	0	123	\$69.408m
Four-council total	613	164	782	\$431.044m

The total-dwellings column also includes dwellings approved through alterations, additions or conversions, accounting for the five-dwelling difference from new houses plus new other-residential dwellings.

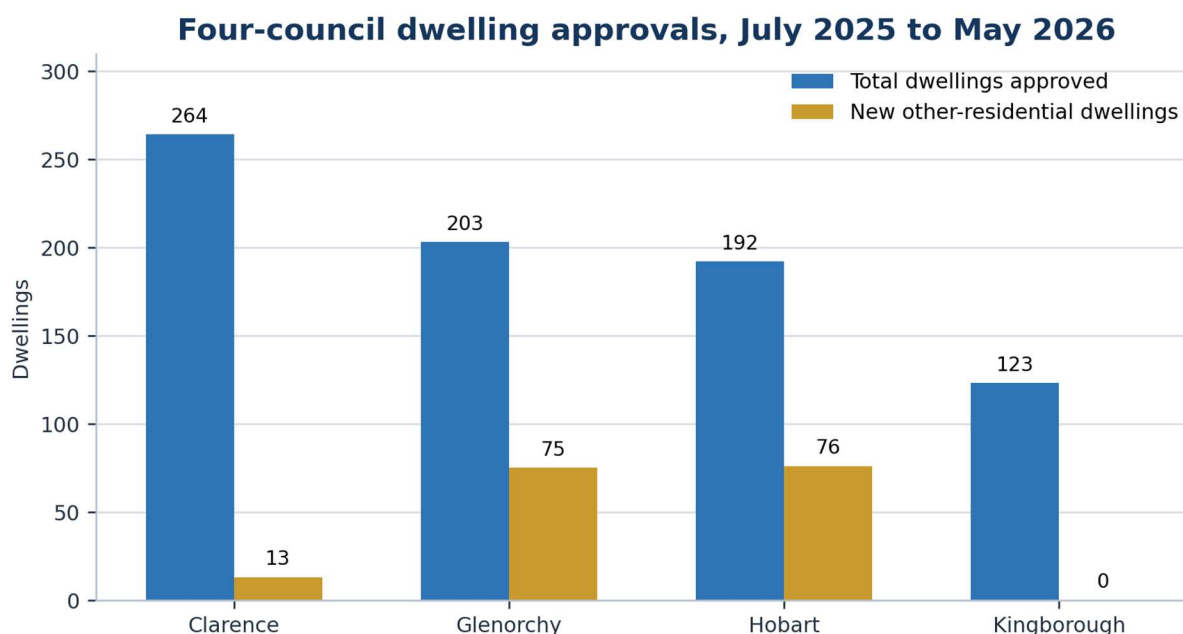


Figure 7. Total dwelling approvals and the other-residential subset across the four Greater Hobart Act councils.

Source: Australian Bureau of Statistics, Building Approvals May 2026, Tasmanian LGA datacube 2025 to 2026 financial year to date, original series, July 2025 to May 2026. Other-residential is an ABS building category and is broader than missing-middle housing.

The 164 other-residential dwellings are the flow approved during the period, rather than a stock of unbuilt projects. Hobart and Glenorchy accounted for 92.1% of that flow, while Clarence and Kingborough remained predominantly house-led. This pattern supports two complementary actions: reconcile the recent attached approvals in Hobart and Glenorchy to their delivery stage, and establish well-targeted house-like missing-middle products in Clarence and Kingborough.

The City of Hobart separately reported in April 2026 that around 900 approved dwellings were awaiting delivery within that municipality. A four-council project register can reconcile each material approval to commencement, completion, lapse or amendment, then record the delivery constraint, housing product and action that could lead to commencement. [City of Hobart, April 2026 incentive announcement](#)

Table D12. A four-council register can convert approval data into a dated path to commencement, completion and occupancy.

Method: Committee for Greater Hobart analysis.

Register field	Delivery use	Lead responsibility
Address, council, proponent and approval date	Establishes responsibility and approval age	Council administrative record and proponent confirmation; CfGH maintains the regional research register
Approved dwellings by bedroom and structure	Connects the pipeline to the customer and product strategy	Council approval record and proponent dwelling schedule
Approval conditions, infrastructure and service requirements	Identifies enabling work and sequencing	Council, TasWater, TasNetworks and the proponent according to the relevant condition or service
Construction cost, valuation, finance and pre-sale position supplied by the proponent	Identifies the commercial line that determines commencement	Proponent, quantity surveyor, valuer and lender
Builder, procurement route and earliest commencement	Establishes a deliverable program	Proponent and appointed delivery team
Agreed renewal instrument and public outcome	Links any assistance to additional or accelerated housing	Proposed GHRT board or investment committee, funding counterparty and proponent
Commencement, completion, settlement and occupancy dates	Measures conversion from approval to occupied housing	Proponent, building surveyor, council records and settlement or property manager data

The project register provides the supply-response model. It follows each cohort from approval through commencement, completion and occupation rather than treating an approval as delivered supply.

Project identifiers and approval cohorts are retained through the calculation because commencement and completion can occur in later periods. This model shows whether the program is increasing approvals, improving conversion, shortening delivery time or producing occupied supply. It strengthens

the original planning proposition by connecting new infill opportunities and existing approvals to completed homes.

3. The ownership price gap creates an entry point

3.1 Units provide a lower broad price point than houses

Cotality's Australia Home Value Index reported the following broad Hobart measures at 30 June 2026:

Table D13. Hobart units provide a broad \$215,345 ownership price step below houses and a higher reported gross yield.

Source: Cotality Australia, July 2026 Home Value Index, p. 4.

Measure	Houses	Units
Modelled median value	\$803,094	\$587,749
Annual value change	9.7%	7.5%
Gross rental yield	4.3%	4.8%

The \$215,345 difference is a broad price-ladder signal. Settled and adjusted comparable transactions, organised by bedroom, suburb, floor area, design, parking and strata cost, translate that relationship into project revenue supported by an independent valuation, buyer-capacity evidence and measured absorption.

Cotality also reported annual unit value growth of 7.5% and a provider-calculated total return of 12.6%. Both measures describe past movement in the broad market index. Project forecasts and leveraged investor returns are calculated separately from project prices, operating costs, finance and cash-flow timing. [Cotality Australia, July 2026 Home Value Index](#)

3.2 Official buyer pathways can reduce the deposit or mortgage barrier

Current Australian and Tasmanian programs can reduce deposit or mortgage barriers for eligible buyers. The calculations show the mechanics at each published ceiling. Project prices can be set from market and cost evidence, then assessed against the applicable policy limit:

Table D14. Official buyer pathways can materially reduce the deposit or mortgage amount at their published Tasmania ceilings.

Sources: Australian Government 5% Deposit Scheme, Help to Buy and Homes Tasmania MyHome program rules and property-price-cap pages cited below. Method: Committee for Greater Hobart analysis using the published ceilings and program percentages.

Buyer channel	Published Tasmania capital-city or new-home ceiling	Minimum buyer deposit at that ceiling	Maximum government equity at that ceiling	Amount remaining before transaction costs
Australian Government 5% Deposit Scheme, first-home buyer stream	\$700,000	\$35,000	None	\$665,000 financed by buyer subject to lender approval
Australian Government Help to Buy, newly built home	\$700,000	\$14,000	Up to \$280,000	\$406,000 financed by buyer if maximum equity is used
Tasmania MyHome, new home	\$800,000	\$16,000	Lesser of 40% or \$300,000, therefore \$300,000	\$484,000 financed by buyer if maximum equity is used

The 5% Deposit Scheme operates through a lender guarantee. The table applies its 5% first-home buyer setting; eligible single parents or legal guardians may use the Scheme with a minimum 2% deposit. Help to Buy and MyHome use shared-equity arrangements with ongoing obligations. Buyer qualification incorporates scheme and lender eligibility, serviceability, property rules, postcode caps, fees and transaction costs. The calculations show the funding structure; lender assessment and a buyer pipeline then establish the number of qualifying customers.

Sources: [Australian Government 5% Deposit Scheme](#); [5% Deposit Scheme property price caps](#); [Australian Government Help to Buy](#); [Help to Buy property price caps](#); [Help to Buy 2026-27 thresholds](#); [Homes Tasmania MyHome](#).

Tasmania's First Home Owner Grant is \$20,000 for eligible transactions commencing from 1 July 2026 to 30 June 2027. It applies to eligible new homes subject to commencement, completion, occupancy and applicant requirements. The grant can assist settlement funding, while borrowing capacity and lender approval remain separate. [Tasmanian State Revenue Office, First Home Owner Grant](#)

The practical opportunity is to develop products that retain appropriate design quality while falling within relevant scheme caps and genuine household borrowing capacity. Direct buyer qualification and lender engagement should establish the depth of that market before a project relies on it.

4. Product and tenure should follow the local market

4.1 Product roles by bedroom and household type

Table D15. Two-bedroom homes are the best-supported initial product hypothesis, with one and three-bedroom products serving defined cohorts.

Sources: ABS Greater Hobart 2021 General Community Profile evidence cited in Sections 1.3 to 1.5; Tenants' Union of Tasmania March quarter 2026, Table 2. Method: Committee for Greater Hobart analysis.

Product	Greater Hobart evidence	Market role	Main feasibility question
Accessible one-bedroom home	24.8% of existing attached stock is one bedroom; lone-person and older-household evidence; \$370 weekly new-bond reference	Smaller rental, affordable rental or owner-occupier product near services	Can the required floor area, accessibility, storage and amenity be delivered at a price or rent the intended cohort can sustain?
Flexible two-bedroom home	53.3% of existing attached stock is two bedrooms; \$500 weekly new-bond reference	Central product for couples, sharers, smaller households, carers and home work	Does the second room add sufficient customer depth and value relative to its construction and parking cost?
Three-bedroom apartment, terrace or townhouse	14.9% of existing attached stock is three bedrooms; \$600 weekly new-bond reference	Selected house-like alternative for families and downsizers	Can the product supply usable area, open space, storage, access and parking while retaining a price advantage over a house?
Adaptable or accessible dwelling	17.4% of residents aged 65 or older in the relevant Census table reported a core-activity assistance need	Cross-cutting design response across tenures	Which features are required by standards, valued by residents and recognised in cost and valuation?

The evidence supports a site-responsive product mix. A central Hobart site near services may support a different mix from a suburban infill site in Clarence or Kingborough. A walk-up building will also have different accessibility and construction economics from a lift-served apartment building. Site design, customer research, local transactions, achieved rents and valuation together determine the appropriate selection.

The Tasmanian Government's Medium Density Design Guidelines, released in May 2025, provide local guidance on site layout, building form, open space, privacy, streetscape, sustainability and liveability. They are non-statutory and advisory, so they provide a useful product brief alongside the applicable planning scheme and site-specific planning advice. [Medium Density Design Guidelines](#)

4.2 Three investment structures translate demand into revenue

Tables D16a and D16b set out three clear structures. Each serves a different customer, receives revenue at a different time and requires its own financial model.

Table D16a. Build-to-sell and rental-hold structures translate demand into different revenue, capital and risk profiles.

Method: Committee for Greater Hobart analysis.

Structure	Customer and revenue	Capital and exit	Principal risks and response
Build-to-sell	Eligible first-home buyers, couples without children, selected families and equity-funded downsizers. Forecast sale proceeds support appraisal, executed contracts establish contracted values and settlement produces cash receipts. Each stage is supported by independent valuation and actual buyer qualification.	Sponsor equity and development debt. Debt is repaid from settlements, with sponsor and renewal capital returned from net proceeds under the agreed priority. Buyer schemes support eligible purchasers rather than project revenue.	Price and absorption risk is managed through a staged release, finance-qualified buyers, unconditional contracts and a unit-by-unit settlement program.
Rental hold	Private renters seeking one and two-bedroom homes, group households, older renters and households wanting longer tenure. Net operating income is gross potential rent calculated at achieved rent levels less vacancy, credit loss and recurring operating expenses; capital expenditure and reserve funding are calculated below NOI.	Equity plus construction debt that converts to term debt when income and value support refinancing. The exit can be long-term income, periodic refinancing or whole-asset sale.	Lease-up, operating-cost, interest-rate and valuation risk is managed through independent rental evidence, pre-leasing, an itemised operating budget and debt cover.

Table D16b. Mixed tenure can combine sale, rental and binding off-take only when each cash source and obligation is documented.

Structure	Customer and revenue	Capital and exit	Principal risks and response
Mixed tenure with binding off-take	Owner-occupiers alongside private, discounted or community-housing tenants. Revenue combines sale settlements, retained rental income and contracted purchase or lease payments from an authorised partner.	Sponsor equity and senior debt combined with binding off-take and any explicit affordability funding. Sales repay part of the debt, retained dwellings refinance and off-take settles or funds the contracted component.	Tax, title, valuation and management arrangements are addressed through a defined allocation of dwellings, prices, rents, obligations and remedies before finance.

The build-to-sell case is a price-ladder proposition. It uses the broad \$215,345 unit-to-house value difference as a market signal and aligns suitable new homes with the \$700,000 Australian Government scheme ceiling and the \$800,000 MyHome new-home ceiling where project value and buyer eligibility support that fit.

The rental-hold case is an income proposition. It starts with the March-quarter 2026 Greater Hobart new-bond medians of \$370, \$500 and \$600 by bedroom, then replaces those regional references with

an independent project rental assessment and a complete operating budget. Net operating income, debt service and long-term capital value determine the investment result.

The mixed-tenure case is a delivery and risk-allocation proposition. Sale settlements can return development capital, retained rental dwellings can provide continuing income, and a binding off-take can replace a defined part of market absorption. Any discounted or social component has an explicit funding source and an enforceable housing outcome.

The three revenue models remain distinct in the financial analysis: contracted sale proceeds, achieved rental net operating income, and realised cash from documented mixed-tenure sources are not interchangeable.

4.3 Three demonstration product cases

An initial program can examine three products that reflect the observed Greater Hobart market. These are product cases for identified sites, rather than fixed development sizes or prices.

Table D17. Three locally differentiated demonstration products can measure demand while producing reusable Greater Hobart cost and market evidence.

Method: Committee for Greater Hobart analysis, drawing on the Greater Hobart evidence cited in Sections 2.3 and 2.4.

Demonstration product	Market and customer	Product and tenure	Commercial proposition and evidence produced
Inner Hobart accessible apartments	Hobart has the highest attached share in the four-council area, 76 other-residential dwellings approved from July 2025 to May 2026 and an inner-city incentive. Customers include lone households, couples without children, older residents and central-area renters.	Predominantly one and two-bedroom homes with step-free access, adaptable bathrooms, storage, acoustic performance and parking matched to central access. Rental hold or mixed tenure.	Current local rents and the City incentive provide the starting settings. The project records achieved rent or sale price, response to accessibility and parking, absorption, operating cost and incentive value.
Glenorchy two-bedroom low-rise housing	Glenorchy combines a 36.0% rental share, an established attached market and 75 other-residential dwellings approved from July 2025 to May 2026. Customers include first-home buyers, couples without children, sharers and smaller renter households.	Flexible two-bedroom walk-up apartments or compact townhouses near an activity centre, with storage, private open space where feasible and practical parking. Build-to-sell or rental hold.	The lower local two-bedroom new-bond median relative to Hobart City supports a differentiated offer, while buyer schemes can support eligible purchasers. The project records buyer qualification, value of the second room, parking response, repeatable construction cost and absorption.
Clarence or Kingborough house-like missing middle	Both markets remain strongly detached and have a small attached share. Customers include couples, families, one-parent households and downsizers.	Two and three-bedroom terraces, townhouses or villas with ground-level access where feasible, usable private open space, storage and parking. Build-to-sell or mixed tenure with off-take.	The product seeks a price and maintenance advantage over a separate house while retaining useful house-like features. The project records form preference, price or rent acceptance, parking response and the cost of family-suitable space.

Each demonstration begins with an identified site and a product brief drawn from the table. The decision to proceed rests on the resulting design, valuation, cost plan, customer response and finance terms. In return, the completed program creates Greater Hobart evidence on product acceptance, costs, rents, prices, absorption and operating performance that can improve the next project.

5. Turning regional demand into project absorption

5.1 From regional evidence to project transactions

Regional scarcity and household structure establish the opportunity. Project demand is narrower: it is the number of households willing and able to transact on a defined product, in a defined location, at a defined price or rent and within the development program.

For one catchment and delivery period T, effective project demand is assessed as a sequence from an in-market cohort through product fit, financial or tenancy capacity and binding commitment. Table D18 identifies the evidence required at each stage.

Each rate is calculated from the group reaching that stage, which avoids treating the stages as independent. Populating the sequence from evidence for the actual project converts the regional opportunity into the smaller number of transactions available to a defined product, location, price and delivery period.

The evidence for each term is set out in Table D18.

Table D18. Effective project demand becomes measurable by tracing addressable households through moving, location, product, capacity and conversion stages.

Method: Committee for Greater Hobart analysis.

Term	Evidence
Addressable households	ABS household and tenure data, target-cohort definition and catchment
Moving incidence	Recent local transaction, bond and mobility data; direct cohort evidence
Location acceptance	Enquiry origin, comparable-project demand, travel and amenity research
Product acceptance	Customer choice research, design review, reservations by unit type and observed comparable transactions
Finance or rent capacity	Lender assessment, income and savings evidence, scheme eligibility, rent applications
Conversion	Enquiry-to-application, application-to-reservation, reservation-to-contract and fall-over rates

This sequence becomes a project-specific demand schedule when the same product is offered at supported price or rent points. Demand at each point is limited to households that satisfy the documented product, location, financial-capacity and commitment requirements for the delivery period.

The corresponding supply schedule is built from identified Greater Hobart projects rather than a generic elasticity. Dwellings enter feasible supply only when dated cost, revenue, program, debt and equity evidence supports delivery.

A planning, land, infrastructure or finance measure shifts feasible supply only where it changes the relevant project cash flow and moves an identified project from unsupported to supported delivery.

This framework establishes whether a measure increases the number of financially deliverable homes at a supported customer price. Repeated project releases can subsequently provide the observations required to estimate market-wide elasticity; the initial application remains project-specific.

5.2 Absorption determines cash flow and staging

For a sale project, absorption is monitored through monthly net unconditional contracts, cancellations, stock released and cumulative net sell-through.

For a rental project, absorption is monitored through new lease commencements, completed rentable stock and stabilised occupancy.

The project program should record releases, enquiries, qualified applicants, reservations, contracts, prior-period contract cancellations returned to stock, finance fall-overs, settlements, applications, leases and withdrawals by unit type and price. The monthly denominator includes prior-period cancellations only when those dwellings return to sale stock during that month. Cumulative net sell-through uses the opening program stock plus cumulative new releases so a cancelled dwelling is not counted as a new release a second time. These measures connect market demand directly to the monthly project cash flow and allow later stages to respond to achieved absorption.

Competing projects should also be mapped by unit count, bedroom mix, tenure, approval status, expected commencement and completion. An approval is recorded as potential supply until commencement and completion evidence is available.

5.3 A monthly release program turns interest into measured absorption

For build-to-sell, Month 0 is the first public release. For rental hold, Month 0 is the first release of occupation-ready dwellings. Release quantities come from the approved financial program, lender requirements, qualified customer evidence and the number of homes ready for sale or occupation. The program in Tables D19a and D19b preserves a real commercial basis for each monthly decision.

Table D19a. The initial release sequence converts qualified interest into contracts, leases and finance evidence.

Method: Committee for Greater Hobart analysis.

Month	Build-to-sell activity	Rental or mixed-tenure activity	Decision produced
Month -3	Complete the independent valuation, buyer catchment, scheme-eligibility material and unit-by-unit price schedule	Complete the independent rental assessment, operating budget, tenancy offer and any off-take proposal	Approve the product, tenure and market-release basis
Month -2	Hold targeted sessions with intended customer groups and lender or broker representatives; record preferred units, deposit position and finance pathway	Engage intended renters and any housing partner; record bedroom, accessibility, location, parking and tenure requirements	Refine the mix and marketing material around observed customer response
Month -1	Open registration for the first release and distinguish enquiries from finance-qualified buyers	Open pre-registration or pre-leasing for the first available homes and complete partner terms	Set the first release from qualified depth and the finance program
Month 0	Release the first tranche; record enquiries, appointments, reservations and contracts by product and price	Release the first occupation-ready tranche; record applications, approved tenants, leases and offered rents	Establish the first actual conversion and absorption results

Table D19b. Later releases remain conditional on fall-over, residual stock, delivery progress, cash receipts and governing approval.

Month	Build-to-sell activity	Rental or mixed-tenure activity	Decision produced
Month +1	Convert reservations into unconditional contracts and record finance outcomes and withdrawals	Commence leases, record accepted and declined offers, and monitor the first operating results	Compare actual monthly receipts and timing with the project cash flow
Month +2	Release the next tranche where qualified demand and the settlement program support it	Release the next completed tranche or activate contracted off-take	Maintain, alter or pause the next release on commercial evidence
Month +3	Review unit-type demand, price response, buyer origin, finance fall-over and sales costs	Review application depth, achieved rent, concessions, vacancy, arrears and management costs	Confirm the remaining mix, tenure allocation and release sequence
Months +4 to +6	Continue measured releases and report contracts, settlements and cancellations each month	Continue leasing, report occupied dwellings and move toward stable operations	Update the monthly debt, equity and cash-flow program from achieved results
Each quarter thereafter	Reconcile remaining stock, competing supply and expected settlements	Reconcile occupancy, operating income, tenant retention and capital expenditure	Decide the timing of the next stage and any capital recycling

The core schedule is recorded by dwelling and bedroom type. It shows the opening stock, new release, qualified demand, contracts or leases, cancellations, settlements or commencements, closing stock and

cash received. The next release follows achieved evidence rather than a predetermined sales or rent escalation.

The proponent's appointed sales or leasing manager maintains the dwelling-level schedule, the lender reconciles the measures used in financing conditions, and the project vehicle incorporates receipts in the monthly cash flow. CfGH can aggregate non-confidential delivery measures across Greater Hobart for research and convening; investment approval remains with the authorised project and capital decision-makers.

5.4 Investment decisions should deepen as market evidence develops

Table D20. Capital commitments deepen as evidence progresses from regional opportunity to binding market transactions.

Method: Committee for Greater Hobart analysis.

Stage	Market evidence	Decision use
Concept	Local household, tenure, rent, value, vacancy, planning and service evidence	Select plausible sites, cohorts and typologies
Product design	Architectural site-fit study, direct user research, local settled sales and achieved rents	Define unit mix, size, amenity, access and parking
Financial design	Independent valuation, quantity-surveyor cost plan, operating budget and lender feedback	Reconcile supported revenue with total development cost and required return
Market release	Qualified enquiries, finance evidence, reservations, pre-sales or lease applications	Measure depth, conversion, price sensitivity and absorption
Commitment	Binding contracts, finance and off-take where applicable	Establish fundable demand and delivery timing

This sequence allows early opportunity work to proceed while narrowing design and capital decisions as direct market evidence accumulates.

6. Investor returns depend on net income and risk allocation

6.1 Net income is the basis of investor return

Cotality reported a broad Hobart unit value of \$587,749 and unit gross yield of 4.8% at 30 June 2026. Together, these figures provide a broad gross-income indicator before project rent, vacancy and operating costs are applied.

The result is implied by two Cotality aggregate measures. It is broadly close to the \$500 two-bedroom new-bond median and \$600 three-bedroom new-bond median, although the measures have different definitions and coverage. Achieved rents and operating costs provide the project-level bridge from this market context to net income.

At 30 June 2026 the broad Hobart unit gross yield was 4.8%. The May 2026 national average rate on new investor interest-only housing loans was 6.49%. These observations are finance context, rather than a project margin: gross yield is measured on total property value before operating costs, while interest

applies only to debt. Project financing is therefore assessed from the actual debt share, written rate, fees, draw timing, amortisation and lender terms, rather than by comparing a gross property yield directly with a whole-property interest rate.

The financing comparison is compared with net operating income in the dated project cash flow. Source: [Reserve Bank of Australia, lenders' interest rates.](#)

Project investment is assessed from supported gross potential rent, net operating income, capital expenditure, reserves, debt service, tax and the complete dated equity cash-flow sequence.

Recurring operating expenses include management, rates, insurance, routine maintenance and strata costs. Capital expenditure and reserve funding are recognised below net operating income before debt and tax.

An investor case should calculate these measures from a project operating budget, the actual debt structure and a dated cash flow. The broad market yield provides context; the project measures determine the investment case.

6.2 A renewal vehicle can improve investability by changing a defined constraint

A Greater Hobart renewal vehicle is economically reasonable where it changes a specific cost, revenue, time or risk line. Where the underlying project carries an economic loss, the response can target the cost, revenue or public-purpose obligation causing the gap, with capital structured around that solution. Tables D21a and D21b link each proposed response to its financial transmission and evidence of success.

Table D21a. Pre-development funding, sell-down risk and unsupported site price require different, evidenced responses.

Method: Committee for Greater Hobart analysis.

Demonstrated constraint	Potential response	Financial transmission	Evidence of success	Lead responsibility
Pre-development work lacks funding before senior debt is available	Recoverable pre-development facility	Funds defined design, approval and diligence work; repaid at financial close or from agreed proceeds	Milestones completed, recovery terms met and project reaches a fundable decision	Proposed GHRT investment committee and project proponent
Approval-to-construction gap	Time-certain coordination and eligible City incentive	Coordination can reduce an evidenced critical-path delay; the incentive reduces approved municipal rates and fees from construction commencement	Dated baseline and revised program; formal incentive eligibility; construction commencement	Council for statutory and incentive functions; proponent for delivery; CfGH for convening where useful
Site price exceeds supported housing economics	Conditional site control, public-land terms or deferred consideration	Reduces cash acquisition or aligns payment with delivery	Independent land value, disclosed concession and enforceable housing outcome	Asset owner, Treasury Property Services where applicable, proponent and proposed GHRT investment committee

Table D21b. Infrastructure, finance, absorption and affordability constraints require instruments matched to the specific transmission channel.

Demonstrated constraint	Potential response	Financial transmission	Evidence of success	Lead responsibility
Infrastructure work benefits more than one project	Precinct coordination or infrastructure finance	Allocates or finances a defined enabling work across beneficiaries	Serviceability plan, cost allocation and additional dwellings unlocked	TasWater, TasNetworks, councils and the relevant asset owner
Finance price, tenor or ranking is the binding issue	Concessional or subordinated loan with explicit terms	Changes interest, fees, maturity or loss allocation	Written lender terms and full cash-flow comparison	Proposed GHRT investment committee, proponent, lender and investor
Absorption uncertainty blocks senior finance	Binding off-take or staged release	Replaces a defined portion of sales or lease-up uncertainty	Executed commitment accepted by the financier	Authorised purchaser or lessor, proponent and lender
Intended affordable rent is below market-supportable revenue	Explicit grant, land contribution or availability payment	Funds a measured affordability obligation	Rent discount, eligible cohort, dwellings and duration are enforceable	Funding agency, housing provider, proposed GHRT investment committee and proponent

The renewal vehicle should use the least-cost response that changes the diagnosed constraint. Its effect is priced in dollars through the project cash flow, allowing each intervention to be compared on a consistent financial basis.

7. A focused delivery program

7.1 Regional policy becomes a project pipeline

The adopted regional policy direction creates a clear delivery objective: convert the four-council infill objective into identified sites, approved products, construction programs and occupied dwellings. The 164 other-residential dwellings approved from July 2025 to May 2026 provide a recent flow to reconcile through the supply model, while Hobart's reported group of around 900 approved dwellings provides a municipality-specific starting point alongside new site opportunities.

The four-council register, three demonstration products and monthly release program provide the link between policy and delivery. Together they show which dwellings are progressing, who they are intended to serve, what revenue and capital structure supports them, and how actual absorption affects the next release.

7.2 The City of Hobart incentive can improve eligible project cash flow

The City of Hobart's Inner City Housing Supply Incentive targets eligible developments of five or more dwellings and upper-floor conversions in defined central Hobart areas. Under an approved agreement, the policy provides reimbursement of listed council application fees and remission of the General Rate and Stormwater Removal Service Rate for the construction financial year and four further financial years. Other listed rates and charges continue. [City of Hobart, Inner City Housing Supply Incentive Policy](#)

For an eligible project in the defined area, the financial value is the present value of approved fee reimbursements and rate remissions under the documented policy terms and project program.

The value depends on formal eligibility, an approved agreement, the remission period and the project's actual specified rates and listed fees. Once established, those quantities can be incorporated directly into the monthly cash flow. The incentive reduces the eligible municipal cost lines from construction commencement through the approved remission period. Pre-construction holding, land, infrastructure, construction and finance constraints require their own measures.

7.3 Begin with a small portfolio of distinct projects

A reasonable initial program is a small portfolio selected across distinct typologies or locations. This creates direct evidence of costs, customer response and delivery while keeping capital exposure proportionate.

Projects should be selected on:

1. alignment with the Greater Hobart infill strategy;
2. an identified site and planning pathway;
3. local product and demand evidence;
4. a complete base feasibility before assistance;
5. a clearly diagnosed delivery constraint;
6. the least-cost instrument that changes that constraint;
7. a defined housing, affordability, accessibility or place outcome;
8. sponsor capital and risk retained appropriately; and
9. a credible construction, completion, sale, lease, repayment or capital-recycling pathway.

The first portfolio can draw from the inner Hobart accessible apartment, Glenorchy two-bedroom low-rise and Clarence or Kingborough house-like product cases in Section 4.3. Each receives its own financial result, reflecting its land, design, tenure, customer evidence and finance conditions.

7.4 Market and housing outcomes should be measured together

Table D22. Delivery, customer acceptance, affordability, risk reduction and capital recycling can be measured together.

Method: Committee for Greater Hobart analysis.

Question	Measure
Did the project reach the market?	Approval, financial close, construction commencement, completion and settlement or lease dates
Did customers accept the product?	Qualified enquiries, reservations, contracts, applications, leases, cancellations and reasons by unit type
Was absorption consistent with the cash flow?	Monthly contracted sales, settlements, leases and stabilised occupancy against the dated program
Was pricing supported?	Valuation, achieved price or rent, incentives and variance from the supported range
Did the intended cohort obtain housing?	Dwellings by tenure, bedroom, accessibility and household group, subject to privacy protections
Was affordability delivered?	Enforceable rent or price discount, eligible cohort and duration
Did risk reduction work?	Change in actual cost, timing, debt terms, required capital or binding demand attributable to the instrument
Can capital be reused?	Principal repaid, realised loss, remaining exposure and capital available for another project

8. Findings and conclusion

The principal conclusions are:

1. Greater Hobart has an adopted infill direction and long-run projected household growth. ABS Series II, which applies the 2006-2021 living-arrangement trend and levels off in 2036, projects 20,056 additional households from 2021 to 2046, supporting a selective pipeline that releases housing in line with measured customer depth.
2. Attached housing is already a substantial rental form. Its 66.1% rental rate was about three times the rate for separate houses at the 2021 Census, and it provided 32.8% of all rented dwellings from 14.2% of occupied stock.
3. The addressable customer base is broad. One-person and two-person households occupied 58,862 dwellings, while attached housing also served 3,054 couples without children, 2,436 couple-with-children and one-parent households, and 976 group households.
4. Two-bedroom housing forms the centre of the current attached market, and 86.7% of attached homes were semi-detached homes, terraces, townhouses or flats in buildings of one or two storeys. A low-rise program therefore builds on established local forms.

5. Each council supports a different starting product. Hobart and Glenorchy have larger attached and rental markets, while the highly detached Clarence and Kingborough markets provide a case for house-like terraces, townhouses and villas near services.
6. Rental availability remained constrained at 0.7% in June 2026. March-quarter 2026 new-bond medians show meaningful local differences, from \$480 for two bedrooms in Glenorchy City to \$550 in Hobart City, which helps position distinct products rather than one regional offer.
7. Observed rents show both revenue potential and an affordability constraint. The 30% criterion converts the March-quarter 2026 Greater Hobart medians into gross annual household incomes of about \$64,100, \$86,700 and \$104,000 for one, two and three bedrooms respectively. Market, discounted, social and ownership tenures therefore require separate revenue structures.
8. Units provide a broad ownership price step below houses, and official buyer schemes can lower the deposit or mortgage burden for eligible households. The project price, buyer qualification and lender decision determine the realised market.
9. The recent approval flow and reported Hobart backlog create a delivery opportunity. The four councils approved 164 other-residential dwellings from July 2025 to May 2026, and the City of Hobart reported around 900 approved dwellings awaiting delivery. A regional register can reconcile each approval to commencement, completion, lapse or amendment and connect active projects with the action that leads to construction.
10. Build-to-sell, rental hold and mixed tenure each provide a credible investment route when customer, revenue, capital, risk and exit are addressed separately. The monthly release program then connects actual contracts, leases and receipts to the project cash flow.

Greater Hobart has a locally evidenced basis for a targeted missing-middle program that supports the adopted planning direction. A sensible starting point is a small portfolio of well-located one, two and selected three-bedroom homes, centred on two-bedroom low-rise housing, accessible design and tenure matched to each customer group. The four-council opportunity map, three demonstration products, three investment structures and monthly release program provide a practical route from regional need to completed and occupied homes.

Evidence base

The numerical evidence is drawn from Greater Hobart, Hobart, the four Greater Hobart Act councils, Tasmania, and Australian policy and finance settings that apply in Tasmania. The evidence base centres on official statistics, published policy, primary institutional sources and Australian market series with specific Hobart observations.

All 26 publications are linked at the propositions and calculations they support. Their geography, period, measure, interpretation and scope are recorded in the accompanying Greater Hobart source guide and bibliography.