

SHEPHERD & CO

Real Estate Advisory

15 Things I Wish I Knew Before Investing in Tasmania

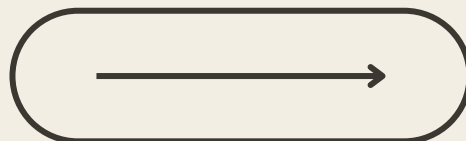


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An Insider's Guide

by Shepherd & Co.

Real Estate Advisory



Tasmania rewards insight and patience —
but it punishes guesswork.

What looks like a simple, affordable market from afar is in fact one of the most complex and competitive in the country. Local laws, disclosure gaps, and limited stock mean that even experienced investors can make costly mistakes without the right guidance.

At Shepherd & Co, we've represented clients from across Australia and overseas who've come to appreciate that success here depends on strategy, timing, and trusted local intelligence. Our role is to provide that confidence — to protect you from risk, open doors that others can't, and ensure every decision is informed, impartial, and in your best interest.

This guide distils a glipse of what we've learned on the ground: the nuances, the pitfalls, and the quiet advantages available to those who know where, and how, to look.

Welcome to Tasmania.

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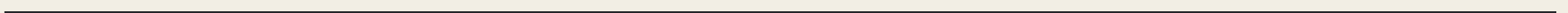
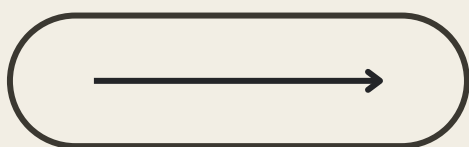
1. Understand What's Driving the Market

Tasmania's property story isn't a short-term boom – it's a structural shift. What began as covid driven 'work from home', lifestyle migration and "tree change" trends has evolved into a permanent reweighting of where Australians want to live.

The island's appeal is driven by relative affordability, quality of life, and a reputation for safety and community – factors that now attract not just retirees and creatives, but also professionals relocating from major capitals and mainland regions, and abroad.

However, Tasmania's growth isn't evenly distributed. Limited land supply, strict zoning, and heritage restrictions keep quality property scarce – especially within 20 minutes of Hobart's CBD. The imbalance between demand and supply is what underpins the island's price resilience.

Understanding these drivers allows investors to distinguish genuine growth potential from speculative hype. A local advisor can interpret the data behind the headlines – population trends, days on market, infrastructure plans – and help you pinpoint where growth is organic and sustainable, not opportunistic.



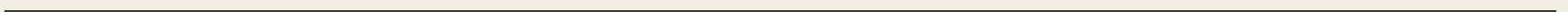
2. Yields Are Attractive – But They’re Not Equal Everywhere

Hobart and Launceston consistently rank among the most attractive markets in the country, yet the numbers can be deceiving.

A 5.5% yield in one suburb might represent stable, high-demand housing stock, while the same figure elsewhere could indicate oversupply or low-quality tenants.

Even within Hobart, there’s a two-to-three-point variance in gross yields between neighbouring streets, depending on amenities, demographics, school zones, and property type.

Local property managers and buyer’s agents can benchmark rent potential before you buy, ensuring your projections reflect reality. A trusted advocate can also identify streets and pockets that attract professional tenants, reduce vacancy risk, and ensure capital growth and yield remain balanced.

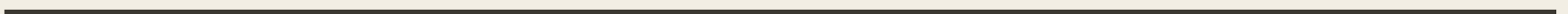


3. Don't Rely on the Property Portals

Most of Tasmania's premium and investment-grade homes never make it to realestate.com.au or domain. Many transactions are handled privately or pre-market, with local selling and buying agents contacting known buyers long before listings go public. Without a local presence, you're automatically on the back foot.

A buyer's agent bridges that gap – previewing homes before they're advertised, inspecting properties you can't fly down for, and presenting opportunities you would otherwise never see.

The result isn't just access – it's leverage. Off-market deals often mean less competition, better pricing, and cleaner negotiations.



“In Tasmania, local
knowledge isn’t a luxury —
it’s protection.”

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4. Define Your Strategy – Yield, Growth, or Dual Purpose

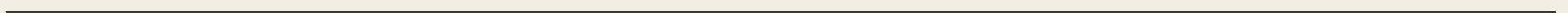
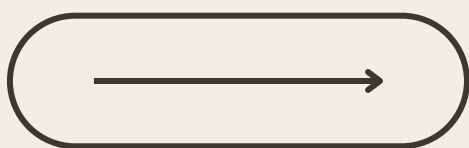
Tasmania rewards clarity.

Each region – Hobart, Launceston, northern regions, the Huon, or the East Coast – behaves differently.

Before you buy, determine your investment outcome:

- Yield-focused: Look north to pockets of Launceston, Devonport, Burnie, where lower entry costs and strong rental demand deliver stable returns.
- Growth-focused: Focus on tightly held inner suburbs around Hobart, the Northern Midlands, or connected coastal areas where scarcity drives capital gain.
- Dual-purpose: Consider short-stay or dual-occupancy homes that allow flexibility between future personal, lifestyle and investment use.

Shepherd & Co helps investors refine this strategy – shortlisting suburbs, running feasibility on returns, and ensuring every purchase aligns with both personal, cash flow and capital growth goals.



5. Learn How the “Offers Over” System Really Works

Tasmania’s pricing system is unlike any other.

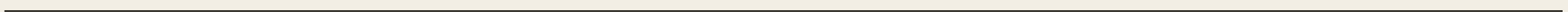
Instead of auctions, 95% of homes are sold via “Offers Over” or
“Expressions of Interest.”

These campaigns lack transparency. The advertised figure is rarely indicative of final sale price – it’s a marketing tool. Sometimes grossly under the actual market value (leading to many uninformed buyers missing out countless times), or significantly overpriced, resulting in paid premiums of 10–20%.

Interstate buyers, unfamiliar with local conventions, unwittingly and routinely pay a ‘mainlanders tax’, overpaying by tens of thousands of dollars.

An experienced buyer’s agent interprets the market correctly – analysing comparable sales, gauging true market value, and ensuring your offer is competitive without being emotional.

This alone can save you multiples of the cost of an entire advocates fee.



6. Be Finance-Ready Before You Even Start Looking

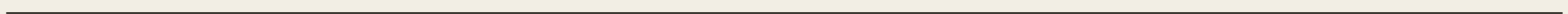
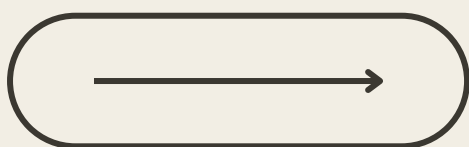
In Tasmania, hesitation costs deals.

The best, appropriately priced homes can sell in under 72 hours, often to well-prepared local buyers.

Pre-approval signals confidence, but that's just the start. You'll also need:

- Access to fast and reliable local building inspectors,
- A local property lawyer or conveyancer familiar with Tasmanian contract law,
- An understanding of where and how to access critical information to understand what you're really buying.
- And a clear plan for valuation and finance turnaround.

Shepherd & Co clients benefit from an established network – meaning extensive due diligence, inspections, and negotiations can happen within days, not weeks.



7. Know the Disclosure Rules (There Aren't Many)

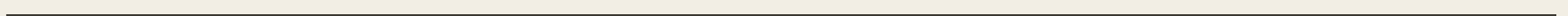
Tasmania has the most limited vendor disclosure laws in the country.

There's no obligation for sellers to declare building defects, unapproved structures, boundary encroachments, neighbourly disputes, or outstanding occupancy certificates. Purchasers take the property "as found," with little to no hope of legal recourse.

We regularly see unrepresented buyers discover major non-compliance after settlement – extensions without council approval, unapproved bedrooms, unsafe wiring, or missing drainage permits.

A buyer's agent ensures you're protected, engaging local experts to fast-track checks on building, plumbing, and zoning compliance before you commit.

This layer of protection can be the difference between a profitable investment and a legal nightmare.



“You don’t need to know
every agent in Tasmania, or
every potential pitfall — you
just need someone
who does.”

Kafka Watson, BA

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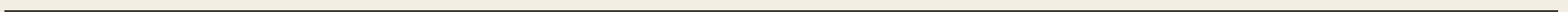
8. Location Matters – But So Does Lifestyle Amenity

Tasmania's landscapes are breathtaking.
And deceptive.

That sweeping hilltop view may come with daily 90 km/h winds, steep access, structural issues, and limited sunlight.

For investors, practicality should trump aesthetics. Walkability, solar orientation, and proximity to shops or transport heavily influence tenant demand.

Shepherd & Co assesses these variables for you – evaluating not just the home but its liveability and rentability – ensuring every purchase performs financially and appeals emotionally to the right tenant.



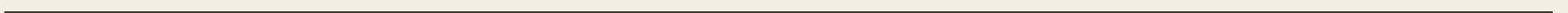
9. Don't Overlook Launceston and the North

While Hobart's prestige market commands attention, the North offers exceptional fundamentals.

Launceston, Devonport, and their surrounding corridors benefit from new hospitals, educational facilities, and infrastructure investment.

The Northern economy is diversifying – from logistics to tourism – attracting a mix of tenants and consistent yields. Savvy investors who enter now will likely ride the next growth wave.

Our team frequently identifies undervalued prestige heritage homes, duplexes, and high-yielding infill properties that mainland investors overlook entirely



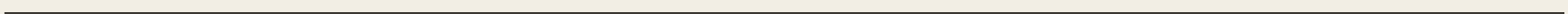
10. Understand Supply – It's Tighter Than You Think

Between heritage overlays, planning restrictions and the island's geography, Tasmania has limited land supply.

Construction costs have surged, and approvals can take months, and new builds are often sub par in quality, finish and location.

This means established homes – particularly in sought-after catchments – will continue to outperform for years to come.

Low supply also means higher competition. Shepherd & Co monitors upcoming stock levels daily, often securing properties pre-listing before they attract multiple offers.



11. Renovations Can Unlock Serious Value

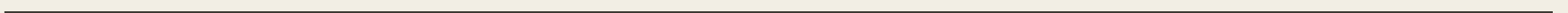
Tasmania's housing stock is rich in history but often dated in presentation.

The right renovation – simple, tasteful, and sympathetic to character – can elevate value dramatically.

Many interstate investors assume “renovating in Tassie is too hard.” In truth, it's about network and knowledge.

With our established trade partners, approvals guidance, and project oversight, we help clients identify feasible cosmetic improvements that lift rent, resale value, or both.

From reinstating period details to energy or heating upgrades, from a quick paint to a landscape spruce, the goal is to enhance value without overcapitalising



“Drastically overpaying,
missing out repeatedly, and
being caught out by
undisclosed issues are the
top frustrations for investors.
Our system is very flawed...”

Jasmin Rankin, BA

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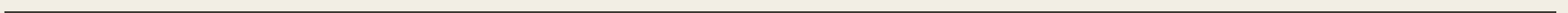
12. Property Management Is Crucial

Once you've bought, your returns depend on who manages the asset.

The best property managers in Tasmania operate more like portfolio guardians – advising on rent adjustments, tenant selection, and maintenance planning.

Poor management, however, can erode returns fast.

Shepherd & Co connects clients with vetted, performance-driven managers who understand the local market intimately and are connected with premium employers – ensuring consistency, compliance, tenant quality, and care long after settlement.



13. Short-Stay and Dual-Use Properties Require Strategy

Short-stay accommodation can yield exceptional returns but comes with layers of regulation.

Each council interprets zoning differently, and new restrictions continue to emerge.

We guide clients through these nuances – identifying compliant properties, securing permits, and balancing flexibility between long-term and short-stay use.

Dual-occupancy homes or hybrid homes/airbnb's often provide the best of both worlds: consistent income now, opportunity to use yourself either part time or permanently, and future resale appeal.



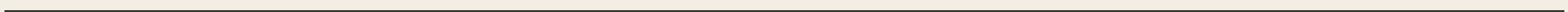
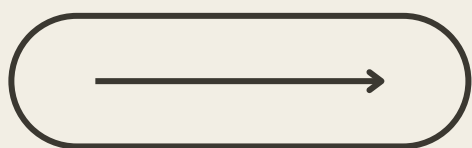
14. Don't Buy Blind

Tasmania looks small on a map, but it behaves like multiple micro-markets.

What's true in Sandy Bay isn't true in Kingston, Glenorchy or Evandale. Without context, it's easy to misread value, overpay, or buy the wrong asset entirely.

We see this every month – unrepresented interstate buyers discovering too late that their “bargain” sits in a flood zone, a rental dead spot, or an unapproved building footprint.

A buyer's agent not only inspects on your behalf – they see thousands of homes every year and can interpret everything you can't see online or with little comparisons: street noise, neighbourhood nuances, surrounding occupants, privacy, dampness, gradient, and build quality. You receive a detailed report covering market value, due diligence findings, and comparable rentals – a 360° assessment before you commit.



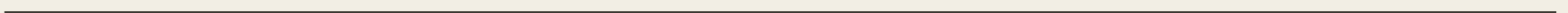
15. Think Long Term – This Market Rewards Patience

Tasmania is not a flipping market. It rewards investors who value quality, scarcity, and longevity.

Buy homes and locations you'd be content to reside in yourself.

The best-performing assets are those that attract stable tenants, appreciate with time, and remain liquid even in downturns.

Shepherd & Co clients are guided beyond the transaction – we stay involved through leasing, portfolio reviews, and future acquisitions or divestments – ensuring your strategy is future proofed and evolves with the market.



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Shepherd & Co is Tasmania's only trusted real estate advisory and buyer's agency, representing clients across Hobart, Launceston, and greater Tasmania. We help investors and relocators buy strategically, safely, and with confidence – both on and off-market.

Whether you want discreet on-the-ground inspections and due diligence reports, contractual advice, or end-to-end representation from search to settlement, our role is simple: to protect your interests and maximise your return.

Jasmin & Kafka.



Let's Begin the Conversation

Buying in Tasmania is rewarding — but complex.

A short Discovery Call is the easiest way to explore your options and get unbiased local advice before you take a critical step.

Book a Complimentary Discovery Call



https://shepherdandco.com.au/discovery_

