

Tumut
Property Factsheet
1st Half 2018





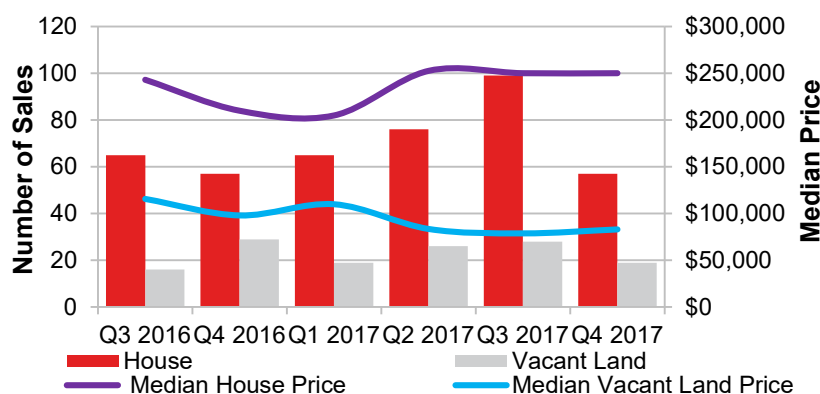
MARKET CONDITIONS

The Tumut* property market recorded a median house price of \$260,000 in Q4 2017, which showcases exponential growth over the past 12 months of 23.8%. This is above the Snowy Valley Council's Local Government Area (LGA) annual growth (over the same period of time) of 19.0% and median house price of \$250,000. This confirms the Tumut* house market as a premium market in the area, where homeowners and investors can capitalize on higher price growth.

Average days to sell for houses in Tumut* has increased over the past 12 months, currently at 100 days for houses in Q4 2017. Owners can take comfort in tighter average vendor discount (to -5.8% in Q4 2017), which suggests sellers are achieving final sale prices that are closer to their heart's desire. Average days on the market for land have significantly decreased, from 73 to 32 days, suggesting a high demand market. Further, there is a tightening in average vendor discount, from -12.6% to -8.3% (Q4 2016-Q4 2017), suggesting buyers are more willing to offer closer to first asking price.

Median house rent in Tumut* has seen a 5.9% increase over the past 12 months to Q4 2017, currently at \$270 per week. This is strong growth, particularly as the number of houses rented has also increased over the same period of time, by 43.5%. Vacancy rates in Tumut* continue to trend at a low level of 1.7% in December 2017, reflecting a sharp decline when compared to June 2017 levels of 2.7%. This is in contrast to Sydney Metro, confirming Tumut* as a lucrative yet more affordable investment option.

SNOWY VALLEY COUNCIL GROWTH



OVERVIEW

Tumut sits on the north-west foothills of the Snowy Mountains and is referred to as the gateway to the Snowy Mountains Scheme. The Tumut suburb had a population of 6,230 in the 2016 ABS Census. It is known as a major contributor to Australia's sustainable future, through active environment protection programs.

Change from Last	Year	Half Year
House Sales	↓	↓
House Median Price	↑	↑
House Rental Price	↑	↓
Vacant Land Sales	↑	↑
Vacant Land Price	↓	↓
Unit Rental Price	↓	↑

FUTURE DEVELOPMENTS**

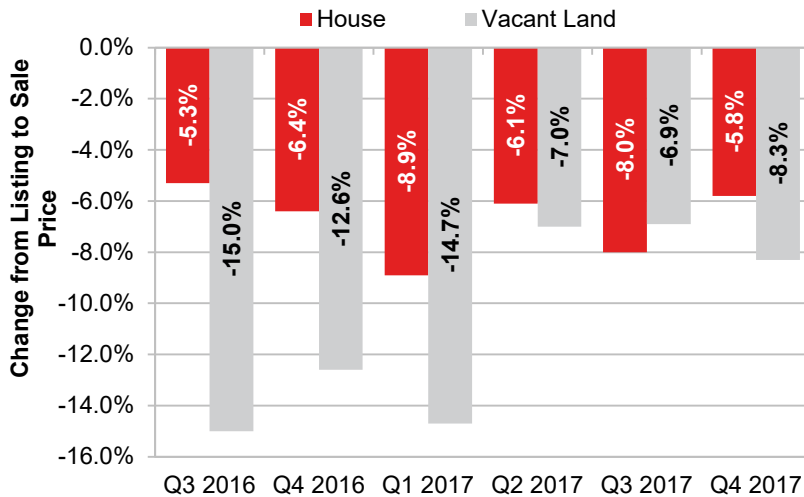
Developments in Tumut – particularly those within the former Tumut Regional area, were estimated at approx. \$316.7M between 2013 and 2017. From a project estimated value perspective there is a focus on commercial development – dominated by the Visy NSW Clean Energy Project. But, from a number of projects there is an emphasis on improving infrastructure for current and future residents.

This combination is quite unique, however advantageous. Infrastructure projects improve liveability for residents and has the potential of improving connectivity to other commercial hubs, whilst commercial projects could improve local job growth. Both of these factors will have a positive spillover impact on the property market.

Notable infrastructure projects include the Northeast Airpark Estate, commercial precinct, and Tumut Aerodrome (\$5.0M); RMS Snow Clearing Depot (\$3.7M), the Snowy Region Quarrying Contract Tumut (\$1.2M), and the State Forests NSW Hume Region Roadworks (\$1.2M).

*Tumut market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Adelong, Batlow, Tumut, Gundagai, Talbingo.
**Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value. Quoted construction and completion dates are estimate only, as per relevant data authority.
Source: APM Pricerfindr, realestate.com.au, Real Estate Institute of NSW.
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AVERAGE VENDOR DISCOUNT*



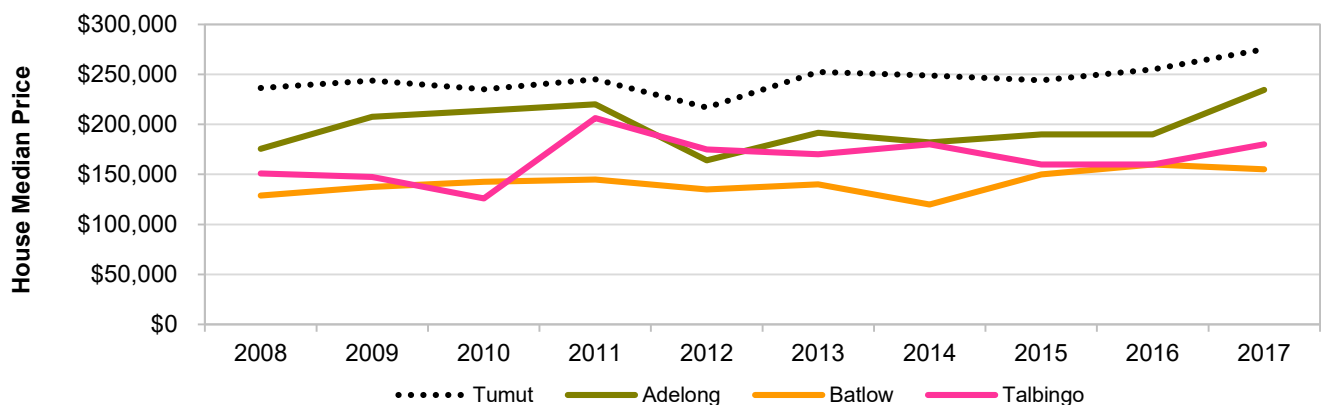
AVERAGE VENDOR DISCOUNT

Average vendor discount reflects the average percentage difference between first list price and final sold price. A lower percentage difference (closer to zero) suggests buyers are willing to purchase close to the first asking price of a property.

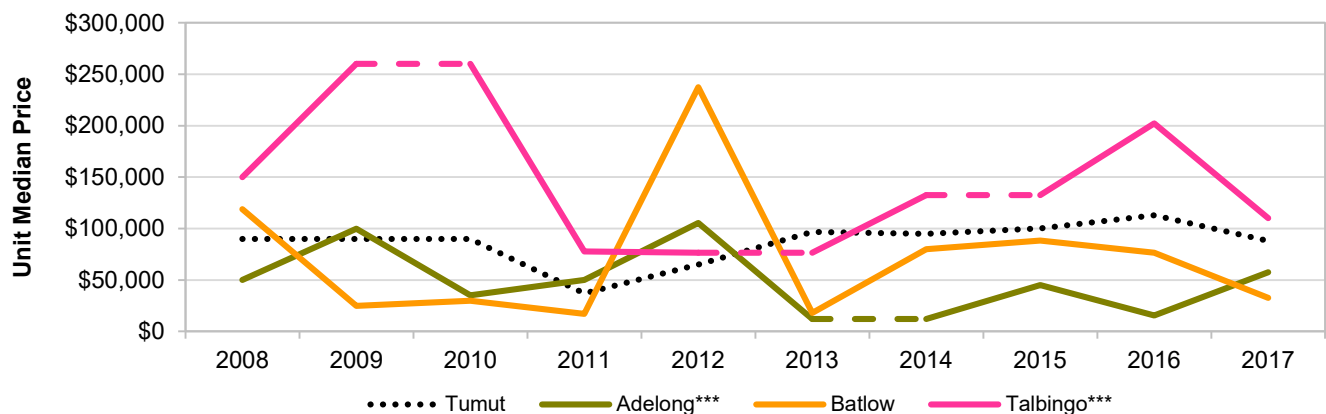
MARKET COMPARISON GRAPH

The market comparison graph provides comparative trend for median price of house and units over the past 10 years. Suburbs profiled are chosen based on proximity to the main suburb analysed in the factsheet, which is Tumut. The main suburb is highlighted through a dotted black line graph.

HOUSE MARKET COMPARISON



UNIT MARKET COMPARISON**



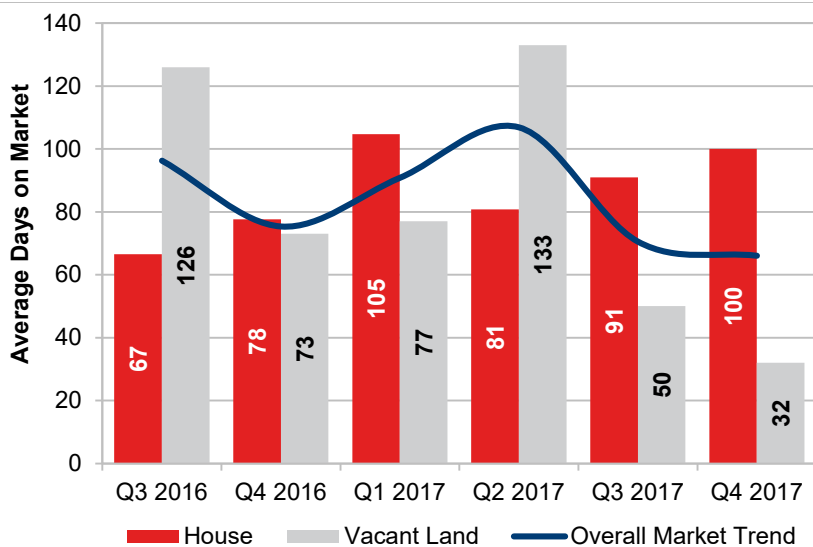
*Disclaimer: Tumut market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Adelong, Batlow, Tumut, Gundagai, Talbingo.

**Due to the nature of land availability and the land market in the area, median prices for suburbs other than Tumut are indicative only as there are less than 20 transactions each year.

***The dashed line for Adelong and Talbingo signifies a period of no sales transactions. Previously known data is used for this period, thus it is indicative only.

Source: APM Pricefinder, Realestate.com.au, Real Estate Institute of Australia. © Copyright PRDnationwide 2018.

AVERAGE DAYS ON MARKET**



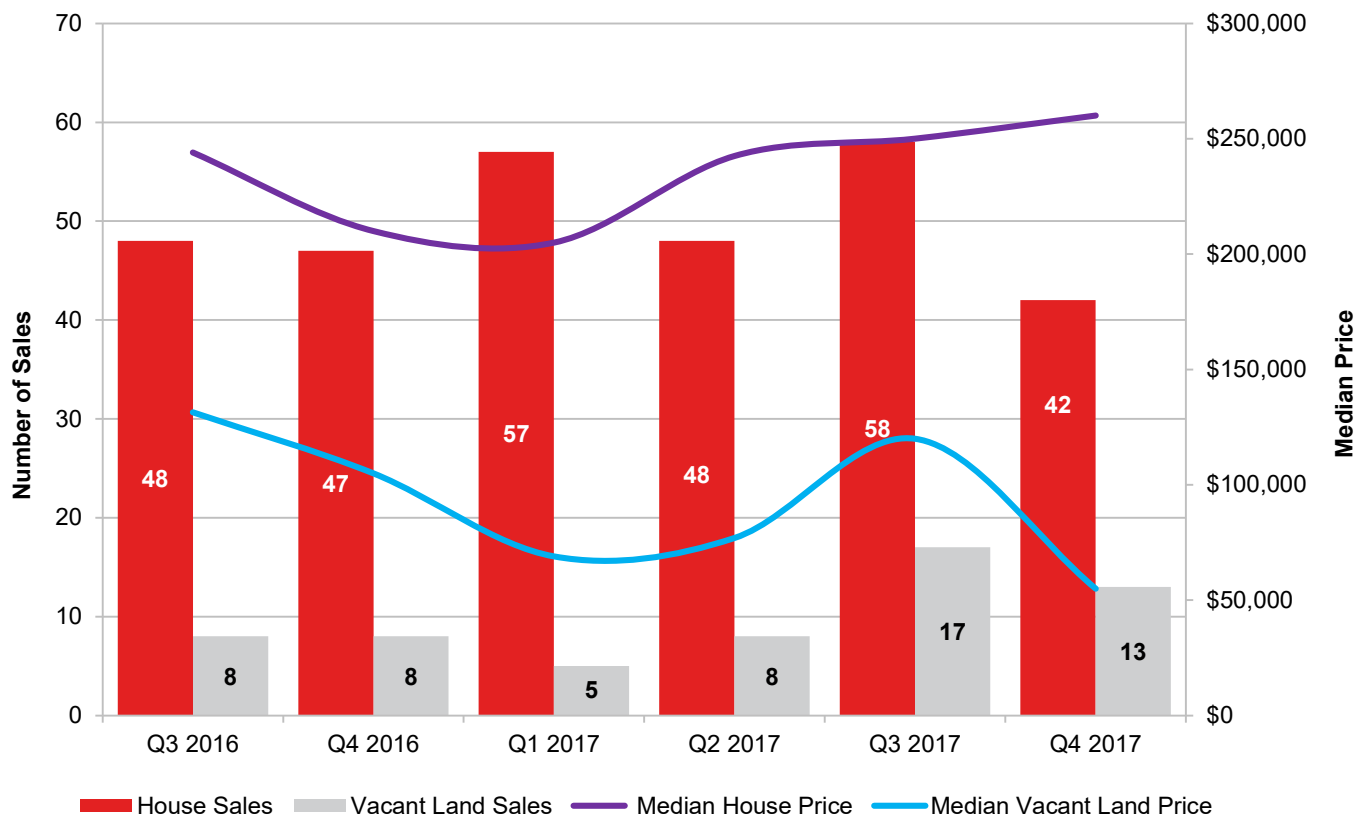
HOUSE KEY FACTS Q4 2017

Median Sale Price: \$260,000
Annual Growth: 23.8%*
Average Days on Market: 100
% Change between First Listed Price and Sold Price: -5.8%%

LAND KEY FACTS Q4 2017***

Median Sale Price: \$55,000
Annual Growth: -47.6%*
Average Days on Market: 32
% Change between First Listed Price and Sold Price: -8.3%

SALES AND MEDIAN PRICE**



*Annual growth represents price growth for property transactions between Q4 2016 to Q4 2017 (inclusive).

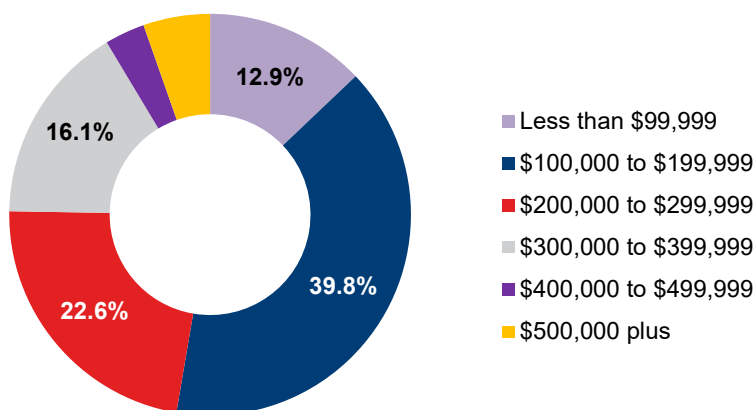
**Tumut market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Adelong, Batlow, Tumut, Gundagai, Talbingo.

***Data for vacant land sales are an approximate only due to less than 20 sales transactions at each quarter.

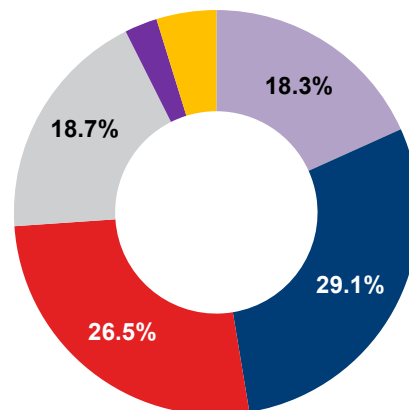
Source: APM Pricefinder, realestate.com.au, SQM Research, Real Estate Institute of NSW, Snowy Valley Council. © Copyright PRDnationwide 2018.

SALES PRICE POINT ANALYSIS

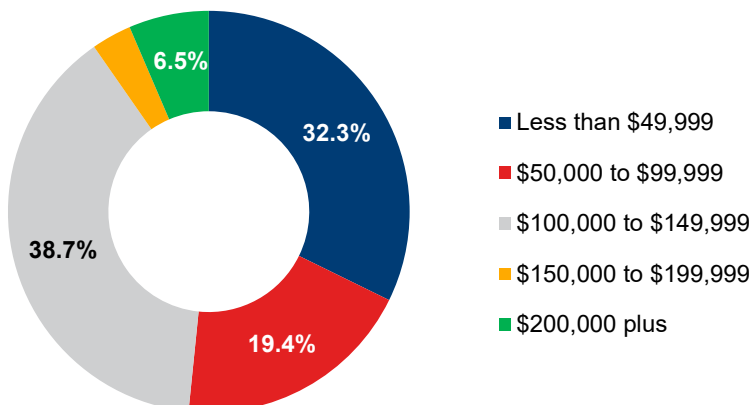
HOUSE PRICE POINT 2016



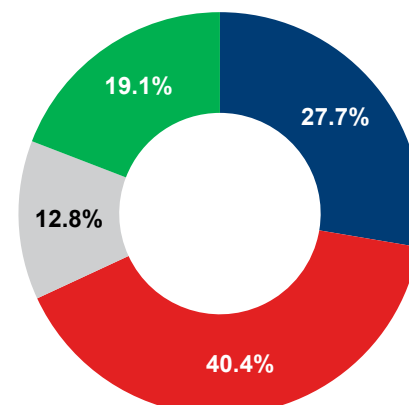
HOUSE PRICE POINT 2017



LAND PRICE POINT 2016



LAND PRICE POINT 2017



KEY IMPLICATIONS - HOUSE

The Tumut* house market has seen a shift towards a higher price point, confirming the strong 23.8% annual price growth witnessed over the past 12 months to Q4 2017. In 2016 the majority of house sales were within the \$100,000-\$199,999 (39.8%) which in 2017 has reduced to 29.1% of sales. The \$200,000-\$299,999 price bracket sales has increased from 22.6% to 26.5% between 2016 and 2017, whereas the \$300,000-\$399,999 price bracket has increased from 16.1% to 18.75.

Interestingly there is an increase in the less than \$99,999 price bracket also, to 18.3% in 2017, suggesting there are still some affordable options for first home buyers.

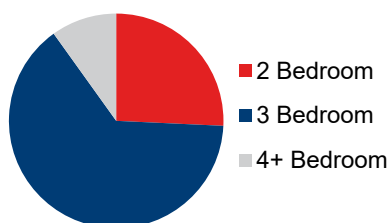
KEY IMPLICATIONS – VACANT LAND

Vacant land sales in Tumut* has seen a major change for the \$50,000-\$99,999 price range, from 19.4% in 2016 to 40.4% in 2017. This is potentially due to an increase in the amount of vacant land available for sale, moving away from the \$100,000-\$149,999 price point in 2016 (38.7% to 12.8%). This suggests that there is an increase in affordability within the Tumut* land market, in line with the softening in annual price growth.

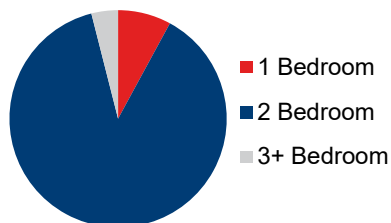
That said there is an increase in the premium market (\$200,000 plus), raising from 6.5% in 2016 to 19.1% in 2017. This is potentially due to larger acreages being available for sale, attracting higher prices.

INVESTMENT ANALYSIS

HOUSE



UNIT



KEY COMMENTS

The Tumut* house rental market has gone strength to strength over the past six quarters, with an annual increase in median rental price of 5.9% over the past 12 months to Q4 2017. The number of houses rented has significantly increased during the same period – by 43.5% - suggesting that there is real high demand for rental properties. Unit median rental price growth has been relatively stable over the past six quarters, with Q4 2017 recording the highest number of units rented.

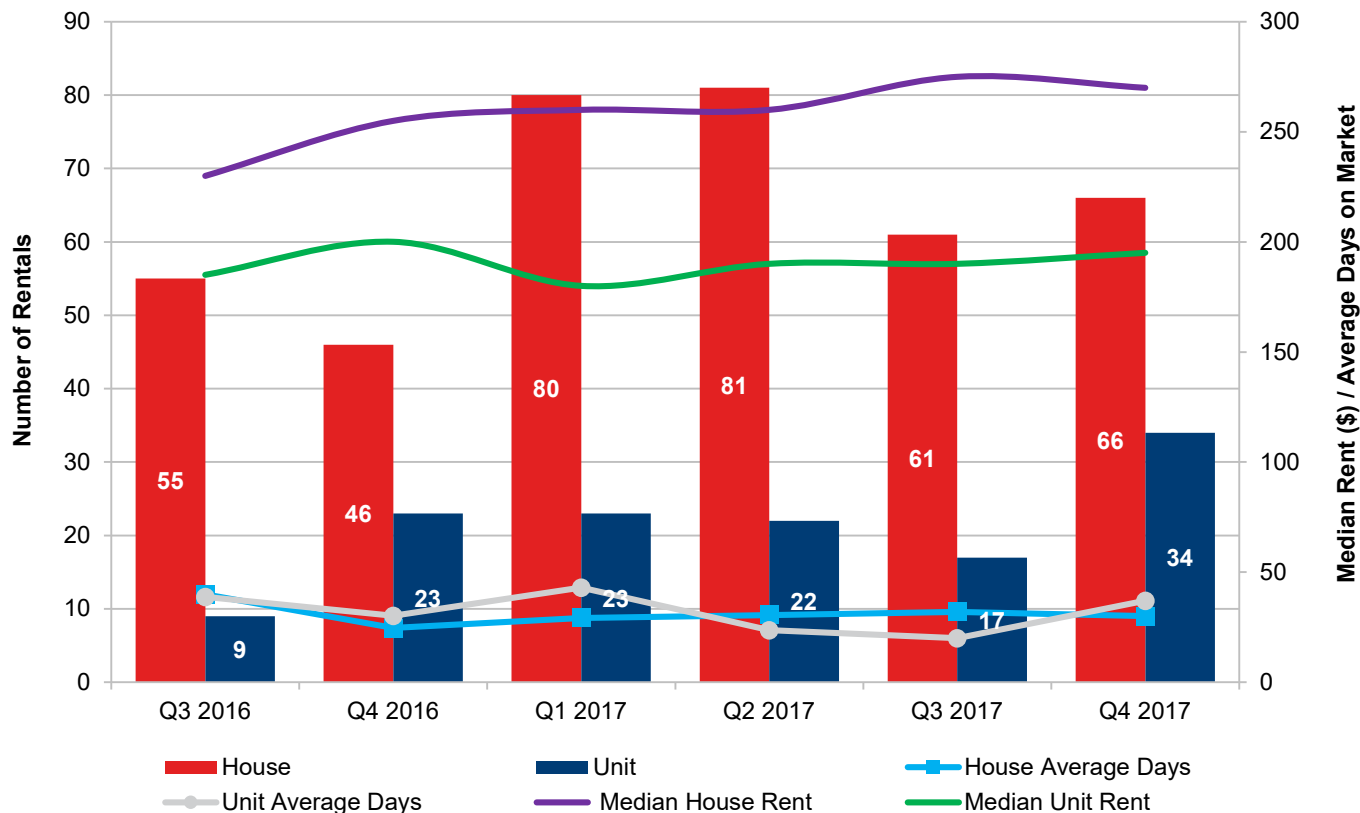
HOUSE KEY FACTS Q4 2017

Median Rent Price: \$270 per week
Suburb Rental Yield: 6.1%
Average Days on Market: 30
Bedroom Breakdown:
2 Bed: 26%, 3 Bed: 65%, 4+ Bed: 10%

UNITS KEY FACTS Q4 2017

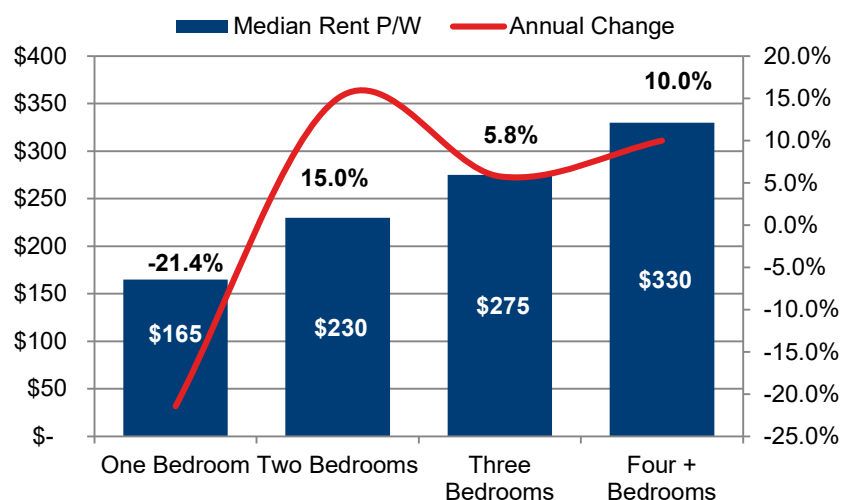
Median Rent Price: \$195 per week
Suburb Rental Yield: 5.5%
Average Days on Market: 37
Bedroom Breakdown:
1 Bed: 8%, 2 Bed: 88%, 3+ Bed: 4%

MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Disclaimer: Tumut market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Adelong, Batlow, Tumut, Gundagai, Talbingo.
Source: APM Pricer, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

RENTAL PERFORMANCE 2017*



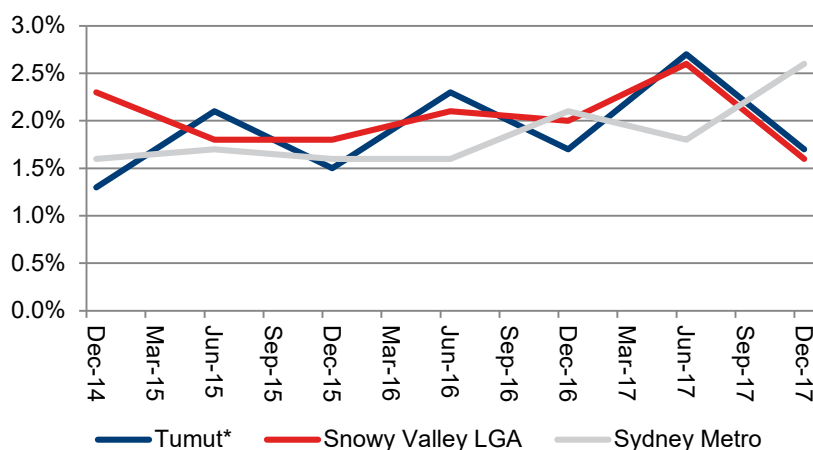
KEY COMMENTS

Rental returns in Tumut* is strong, at an average of 6.1% (houses) and 5.5% (units). This is on par with the Riverina region and well above Sydney Metro.

2+ Bedroom houses provide the highest annual rental growth, at 15.0%.

Vacancy rates in Tumut* is at an average of 1.7% in December 2017, which is on par with the Snowy Valley LGA (1.6%) and signifying a dramatic decline over the past 6 months. This is much lower than Sydney Metro's vacancy rate of 2.6% and in contrast with the rapidly increasing trend. This confirms that Tumut* provides a conducive environment for investors.

VACANCY RATES 2017*



Suburb/ Postcode/ LGA	House Rental Yield	Unit Rental Yield
Tumut (suburb)	5.4%	5.6%
Tumut*	6.1%	5.5%
Snowy Valley Council LGA	4.5%	4.9%
Riverina Region	5.6%	5.5%
Sydney Metro	2.9%	3.8%

KEY HOUSING DEMOGRAPHICS

	Tumut	Snowy Valleys Councils LGA	New South Wales
Median weekly household income	\$1,073	\$1,120	\$1,486
Median monthly mortgage repayments	\$1,361	\$1,300	\$1,986
Unemployed	6.5%	5.4%	6.3%
Professionals	13.7%	12.2%	23.6%
Owned outright	37.1%	42.2%	32.2%
Owned with mortgage	29.2%	29.1%	32.3%
Rented	30.0%	24.8%	31.8%

*Rental performance graph and rental yield represents aggregate house median rent prices in the following suburbs: Adelong, Batlow, Tumut, Gundagai, and Talbingo. Annual rental change is a comparison between 2016 and 2017 median rent figures. Vacancy rates for Tumut is an average of vacancy rates in the following postcodes: 2729, 2730, 2720, and 2722. Source: APM Pricerfinder, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

PROJECT DEVELOPMENT MAP 2013-2017*



Location	Project**	Type	Estimated Value***	Commence Date****
1	RMS Snow Clearing Depot	Infrastructure	\$3,690,000	20/05/2013
2	Tumut Shire Councils Landslip Remediation	Infrastructure	\$1,000,000	02/10/2013
3	Essential Energy Tumut	Commercial	\$820,000	25/03/2014
4	Tumut Courthouse	Infrastructure	\$167,000	22/01/2015
5	Tumut District Hospital	Infrastructure	\$352,000	01/06/2015
6	Northeast Airpark Estate, Commercial Precinct & Tumut Aerodrome	Infrastructure	\$5,000,000	18/05/2016
7	Visy NSW Clean Energy Project	Commercial	\$300,000,000	21/06/2016
8	Tumut Star Hotel	Commercial	\$400,000	11/04/2017
9	Carey Street Shed	Commercial	\$300,000	04/08/2017
Not Mapped	Wondalga Road Embankment Stabilisation	Infrastructure	\$500,000	30/10/2017
Various Locations	Snowy Region Quarrying Contract - Tumut	Infrastructure	\$1,200,000	09/12/2014
Various Locations	State Forests NSW Hume Region Roadworks	Infrastructure	\$1,200,000	08/01/2013
Various Locations	Tumut Council Bituminous Works	Infrastructure	\$1,000,000	24/09/2013
Various Locations	Snowy Valleys Council Bridges	Infrastructure	\$649,000	28/11/2016
Various Locations	Tumut Management Area Roadworks	Infrastructure	\$400,000	10/12/2015

*Disclaimer: Projects refers to all projects commencing from 2013 –2017 in the former Tumut Regional Council area only, due to accuracy of addresses for geocoding purposes.

**Estimated value is the value of construction costs, it does not reflect sale/commercial value. Commencement date quoted is approximate only, as provided by the relevant data authority.

Source: Cordell Database, BatchGeo, ESRI ArcGIS, Department of Planning and Environment NSW. © Copyright PRDNationwide 2018.

ABOUT PRDnationwide RESEARCH

PRDnationwide's research division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia.

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions.

As the first and only truly knowledge based property services company, PRDnationwide shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis.

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia captured in a variety of standard and customized products.

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



OUR SERVICES INCLUDE:

- Advisory and consultancy
- Market Analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market Analysis
- Geographic information mapping
- Project Analysis including product and pricing recommendations
- Rental and investment return analysis

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