



**Tumut**  
Property Factsheet  
1st Half 2019





## MARKET CONDITIONS

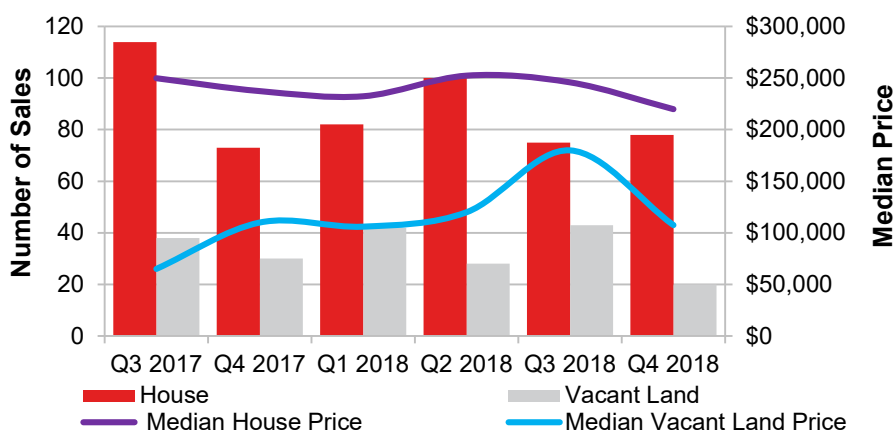
The median house price in Tumut\* during Q4 2018 was \$222,500, whilst the median vacant land price was \$101,500. This represents annual (Q4 2017 – Q4 2018) price growth of -7.3% (house) and 12.8% (land). The *Tumut 2<sup>nd</sup> Half 2018 Research Factsheet* reported growth of 7.2% (house) and -5.2% (land) annually to Q2 2018. Comparing growth levels, houses in Tumut\* have become more affordable, whilst land has strengthened in value. Sellers can capitalise on vacant land value upswing, whilst buyers have an opportunity to purchase homes in a cooler market.

The Snowy Valleys Local Government Area (LGA) saw a median house price of \$220,000 and a median vacant land price of \$107,500 as of Q4 2018, representing annual (Q4 2017 – Q4 2018) price growth of -7.4% and -2.3% respectively. Tumut\* is largely in line with these prices, featuring a slightly more premium house market median and a slightly cheaper vacant land market median. This again reinforces the opportunity presented in Tumut\* for house sellers and land buyers alike.

Average vendor discounting for houses and vacant land has slightly tightened for houses and vacant land, to -5.5% and -5.3% respectively in Q4 2018. This is a tightening of +0.6% (house) and +0.8% (land) on 12 months prior. This means that sellers are now achieving a sale price closer to their list price. This said, discounts are still available which should encourage buyers to enter the market.

Tumut\* recorded a median house rental price of \$270 per week in Q4 2018, whilst units showed a median rental price of \$215 per week. This represents price growth of 3.8% and 7.5% respectively in the 12 months to Q4 2018. Healthy yields of 4.9% (house) and 4.7% (unit) are outperforming Sydney Metro (2.9% for house and 3.8%, for units), making Tumut\* an alternative affordable investment opportunity.

## SNOWY VALLEYS LGA GROWTH



## OVERVIEW

Positioned around 130km to the west of Canberra, Tumut\* is a regional town in the Riverina Region of New South Wales. The preferred method of sale in Tumut\* is private treaty, as seen through the relatively low volume of auctions. An auction clearance rate of 84.6% in 2018 suggests auctions are viable however.

CHANGE FROM LAST	YEAR	HALF YEAR
House Sales	↑	↓
House Median Price	↓	↓
House Rental Price	↑	↓
Vacant Land Sales	↓	↓
Land Median Price	↑	↓
Unit Rental Price	↑	↑

## FUTURE DEVELOPMENTS\*\*

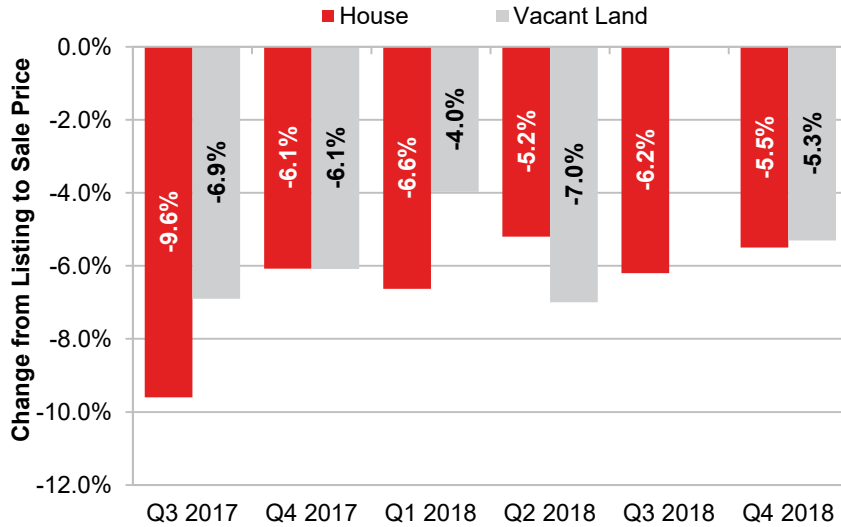
A number of projects are scheduled for commencement in Tumut\*, collectively estimated at approx. \$900K. Funding for all of these projects was announced in November 2018, as part of the second round of the NSW Government's Stronger Country Communities Fund.

One major project set to be completed as a result of this funding is the Talbingo Walking Track. \$350K has been awarded to go towards the track, which will run from the centre of Talbingo out to the Snowy Mountains Highway. This project is set to provide another tourist attraction within Tumut\*, while also enhancing the lifestyle benefits to residents of the area.

Another major project set to benefit Tumut\* is the \$250K of upgrades set for Twickenham Oval. A large portion of the funds will be spent on providing female change rooms and toilets. By providing such facilities, Tumut\* opens itself up as a viable venue for more visiting sports teams as well as directly providing better infrastructure for residents of Tumut\*. These projects will enhance liveability within the Tumut\* area, potentially offering a positive influence on the property market in the near future.

\*Tumut market data encapsulates aggregate property market conditions in the following suburbs: Adelong, Batlow, Tumut, Gundagai and Talbingo.  
\*\*Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.  
Source: APM Pricerfinder, realestate.com.au, Tumut and Adelong Times.  
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## AVERAGE VENDOR DISCOUNT



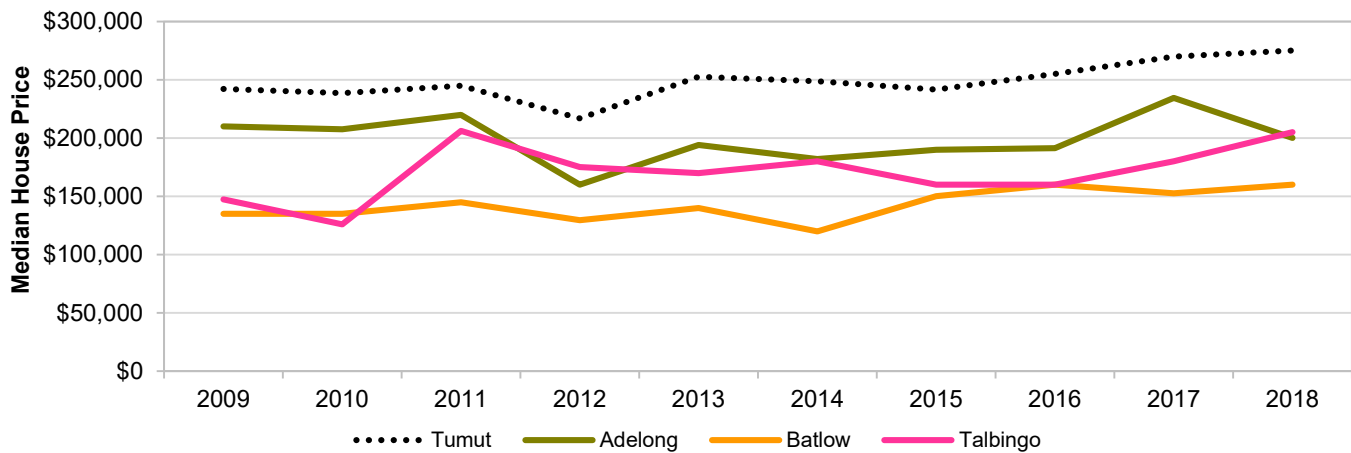
### AVERAGE VENDOR DISCOUNT

The average vendor discount reflects the average percentage difference between the first list price and the final sold price. A lower percentage difference (closer to 0) suggests buyers are willing to purchase close to the first asking price of a property.

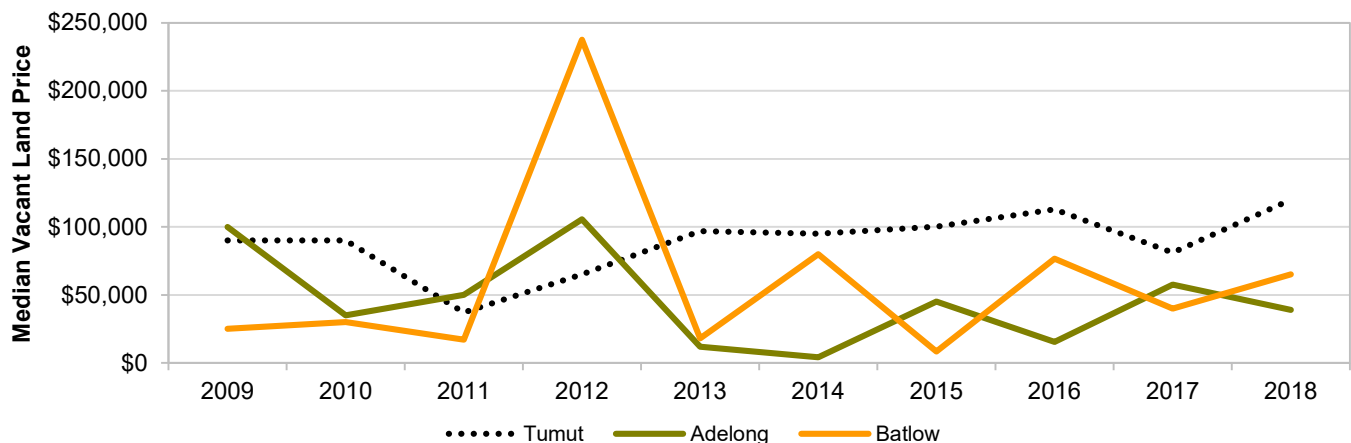
### MARKET COMPARISON GRAPH

The market comparison graph provides a comparative trend for the median price of houses and units over the past 10 years. Suburbs profiled are chosen based on their proximity to the main suburb analysed in this Factsheet, which is Tumut. The main suburb is shown as a dotted black line in the graphs below.

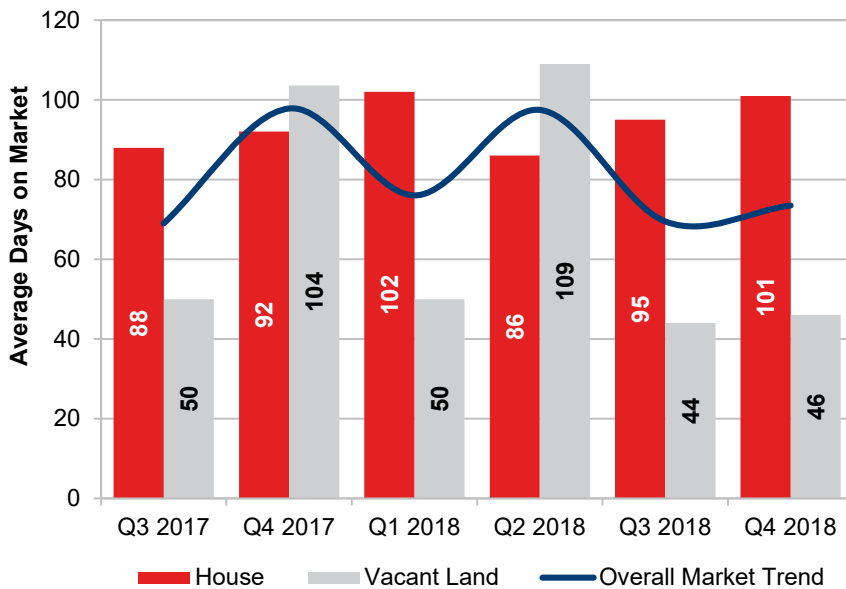
## HOUSE MARKET COMPARISON



## UNIT MARKET COMPARISON



## AVERAGE NUMBER OF DAYS ON THE MARKET\*\*



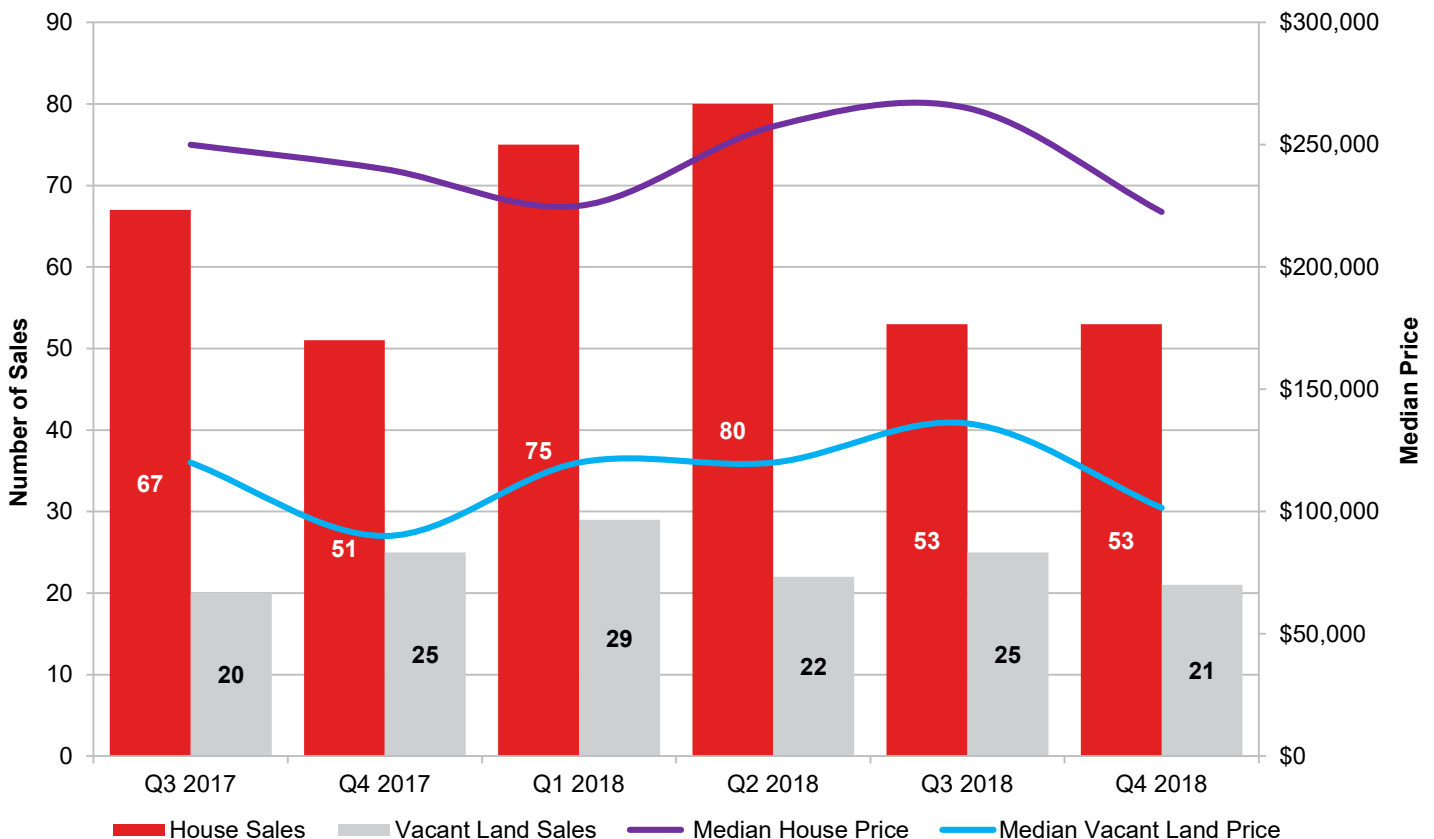
### KEY HOUSE FACTS Q4 2018

Median Sale Price: \$222,500  
 Annual Growth: -7.3%\*  
 Average Days on Market: 101  
 % Change Between First Listed Price and Sold Price: -5.5%

### KEY UNIT FACTS Q4 2018

Median Sale Price: \$101,500  
 Annual Growth: 12.8%\*  
 Average Days on Market: 46  
 % Change Between First Listed Price and Sold Price: -5.3%

## SALES AND MEDIAN PRICES\*\*

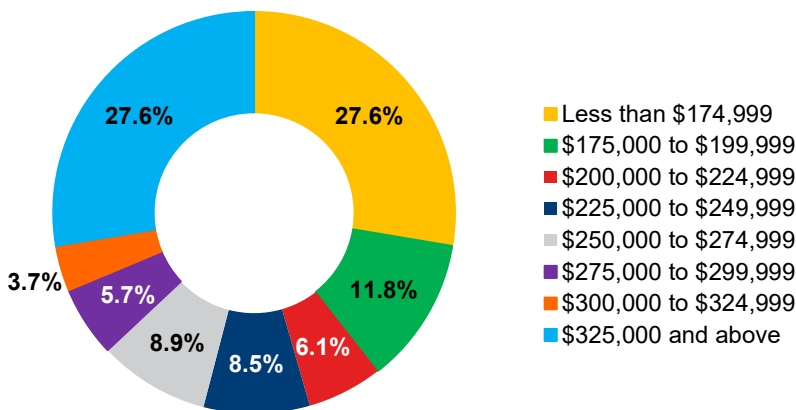


\*Annual growth represents price growth for property transactions between Q4 2017 to Q4 2018 (inclusive).

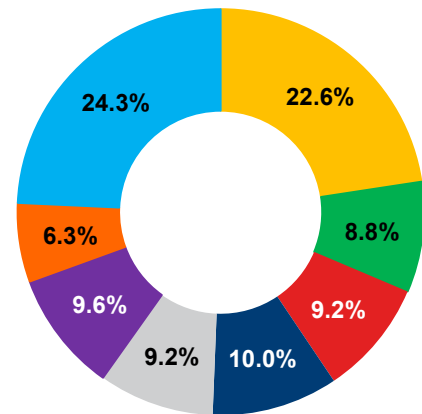
\*\*Tumut market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Adelong, Batlow, Tumut, Gundagai and Talbingo.  
 Source: APM Pricer, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

## SALES PRICE POINT COMPARATIVE ANALYSIS

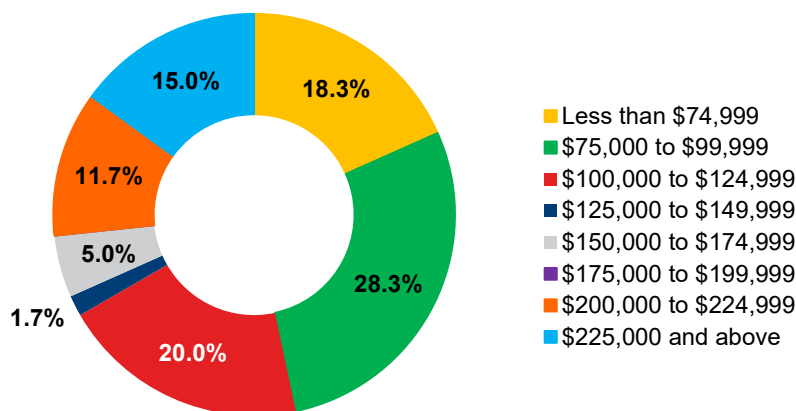
### HOUSE PRICE POINT 2017



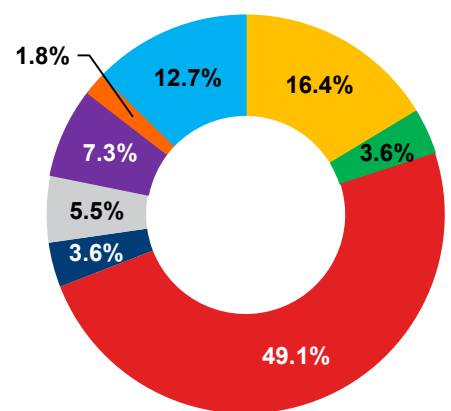
### HOUSE PRICE POINT 2018



### LAND PRICE POINT 2017



### LAND PRICE POINT 2018



#### KEY IMPLICATIONS - HOUSES

2018 saw the dominant portion of houses sold in Tumut\* fall into the \$325K+ range, with 24.3% of total sales. In 2017, this title was jointly held by the less than \$175K and \$325K+ price brackets, each at 27.6%. Both of these brackets slightly shrunk during 2018, yet still remained the largest 2 price brackets. This reveals a clear demand for both premium and affordable housing stock in Tumut\*.

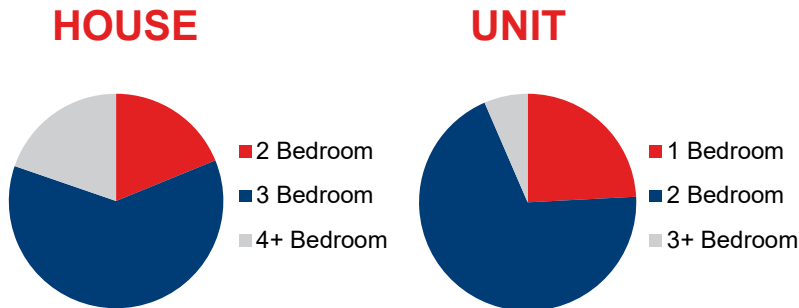
As a result of these brackets shrinking, middle range options have begun to increase in total sales. This shift is providing more options available near the median price in Tumut\*. Buyers at all price points are thus able to seek out property, while it is slowly becoming more difficult to access the most premium and most affordable options.

#### KEY IMPLICATIONS – VACANT LAND

The dominant proportion of vacant land sales which occurred in Tumut\* during 2018 were in the \$100K-125K price range, with 49.1% of total sales. This represents growth of +19.1% compared to 2017. In contrast, the largest price point in 2017 was \$75K-100K, with 28.3% of sales. In 2018, total sales within this price range declined by -24.7% to just 3.6% of total sales. This indicates a clear upward movement into the next price bracket.

2018 thus saw a clear decrease in the availability of more affordable land relative to sales which occurred in 2017. Buyers should thus act quickly to secure more affordable vacant land options, or expect to choose from a wider range of middle-market price range options.

## INVESTMENT ANALYSIS



### KEY HOUSE FACTS Q4 2018

Median Rent Price: \$270 per week  
 Rental Yield: 4.9%  
 Average Days on Market: 25  
 Bedroom Breakdown:  
 2 Bed: 19%, 3 Bed: 61%, 4+ Bed: 20%

### KEY UNIT FACTS Q4 2018

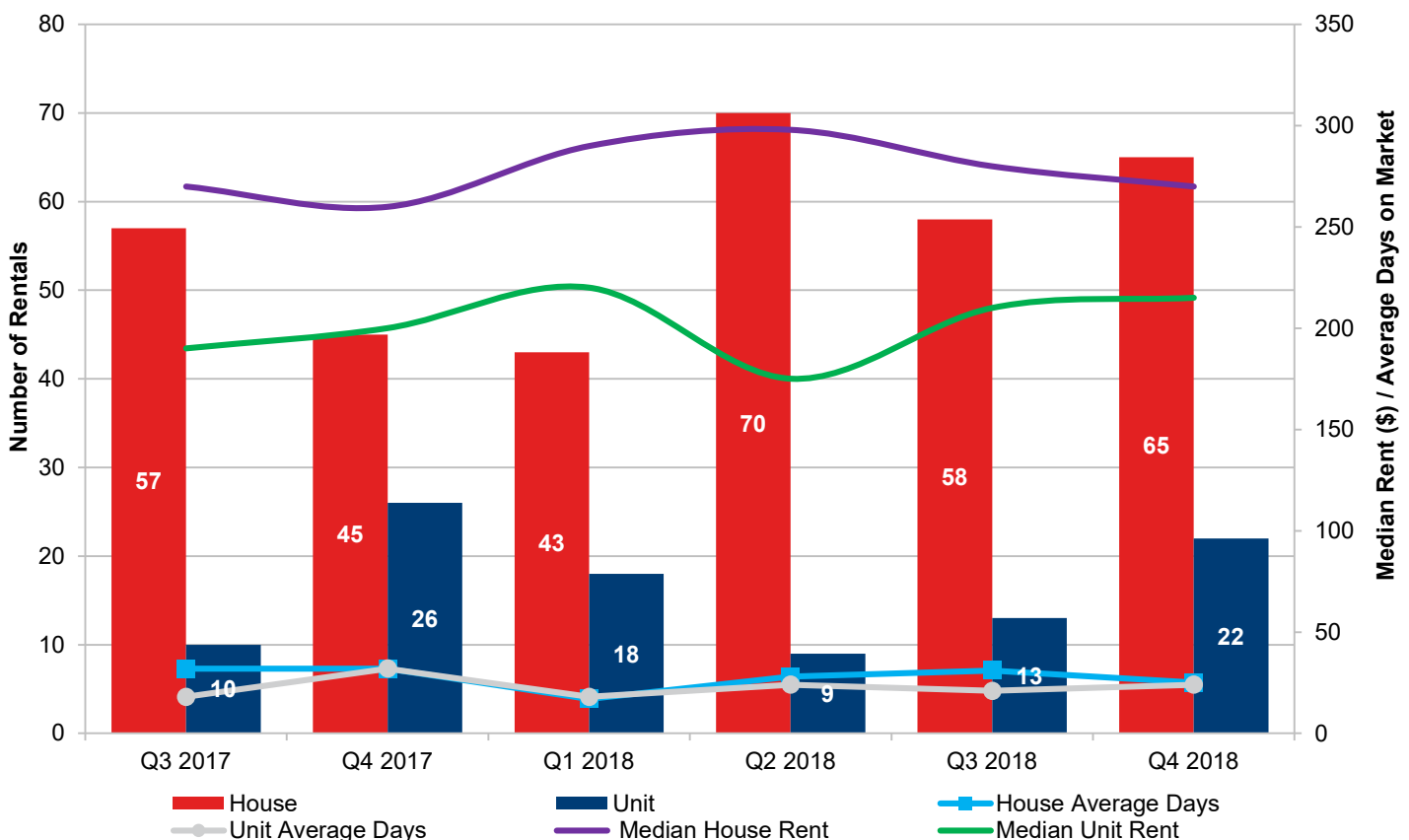
Median Rent Price: \$215 per week  
 Rental Yield: 4.7%  
 Average Days on Market: 24  
 Bedroom Breakdown:  
 1 Bed: 24%, 2 Bed: 69%, 3+ Bed: 7%



### KEY COMMENTS

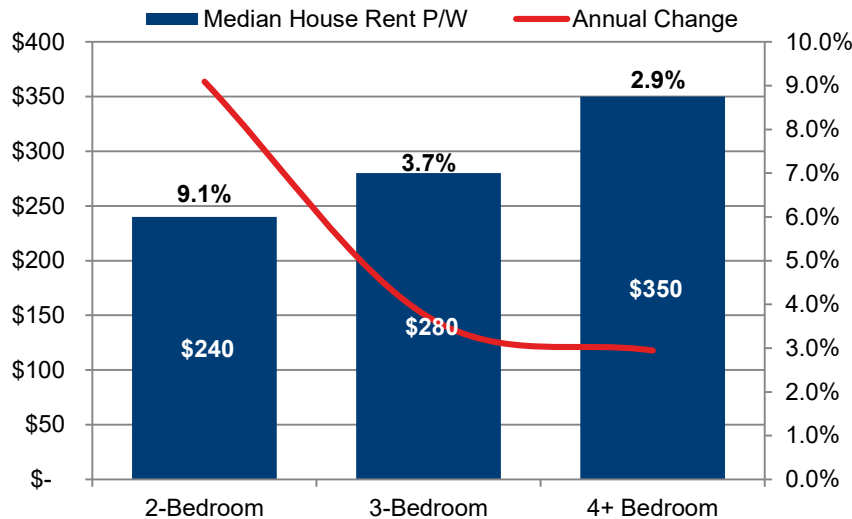
Interest in Tumut\* was recorded at an average of 148 online visits per property in December 2018. House rental demand has seen a significant upswing in Tumut\*, increasing by +44.4% in the 12 months to Q4 2018. At the same time, the median house rental price grew by 3.8%. This suggests there is healthy rental demand for houses. Unit median rental prices grew 7.5% to \$215 per week over the past 12 months to Q4 2018, with the number of units rented relatively stable during this time. Average days on market continue to trend low, at 25 days (house) and 24 days (units), ensuring quick rental returns for investors.

## MEDIAN RENT AND AVERAGE DAYS ON THE MARKET\*



\*Disclaimer: Tumut market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Adelong, Batlow, Tumut, Gundagai and Talbingo. Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

## RENTAL PERFORMANCE 2018\*



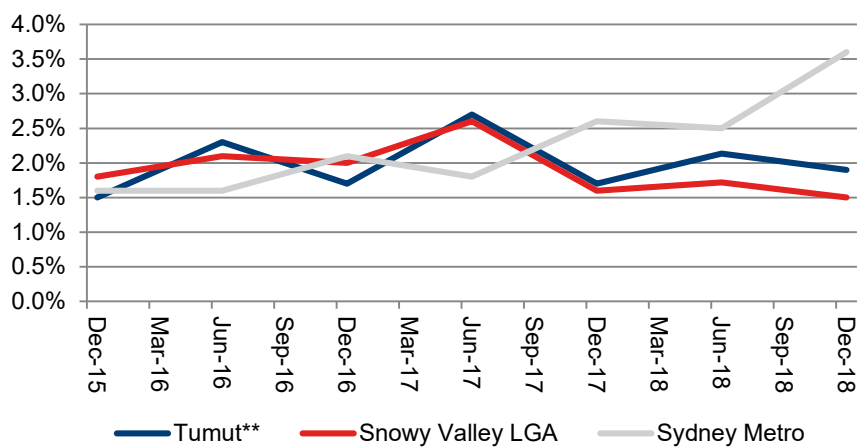
### KEY COMMENTS

Tumut's\* rental returns for both houses (4.9%) and units (4.7%) are comparatively superior, being above postcode 2720 (4.5% for house and 4.6% for units) and Sydney Metro (2.9% for house and 3.6% for units).

2-Bedroom houses provided the highest annual rental growth, at 9.1%.

Vacancy rates in Tumut\* was 1.9% in December 2018, well below Sydney Metro's 3.6% level. This highlights a healthier rental demand in Tumut\*, particularly in comparison to often preferred Metro areas. Investors seeking stable occupancy and healthy yields should thus consider Tumut\*.

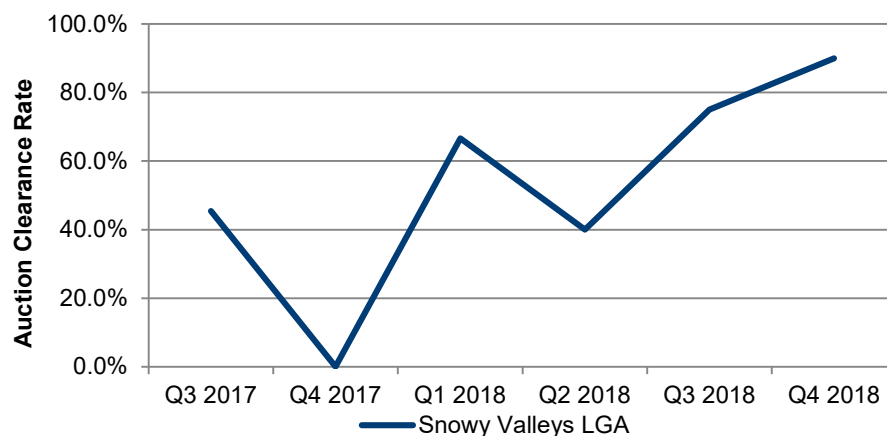
## VACANCY RATES 2018



## RENTAL YIELD 2018

Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Tumut**	4.9%	4.7%
Postcode 2720	4.5%	4.6%
Snowy Valleys LGA	5.1%	5.0%
Riverina Region	5.4%	5.9%
Sydney Metro	2.9%	3.8%

## AUCTION CLEARANCE RATES 2018\*\*



## Q4 18 COMPARISON

Suburb/Postcode/LGA	Auction Clearance Rate
Tumut** (2018)	84.6%
Snowy Valleys LGA	90.0%
Sydney Metro^	44.3%

\*Rental performance graph represents aggregate house median rent prices in the following suburbs: Adelong, Batlow, Tumut, Gundagai and Talbingo. Annual change is a comparison between 2017 and 2018 median rent figures

\*\*Auction Clearance rates for Tumut are for all residential auctions held in the suburbs Adelong, Batlow, Tumut, Gundagai and Talbingo.

^Capital city data obtained by accumulating Domain's weekly auction clearance results..

Source: APM Pricefinder, Domain, SQM Research. © Copyright PRDnationwide 2019.

## KEY PROJECT DEVELOPMENTS

### TUMUT LAWN TENNIS CLUB RESURFACING



\$87,000 was awarded to the Tumut Lawn Tennis Club in November 2018 through the NSW Government Stronger Country Communities Fund. The money is set to be utilised in resurfacing three of the club's courts. This is expected to allow the club to attract new tournaments to the area, thus increasing tourism and the economic development of Tumut\*.

### TUMUT POOL HEATING UPGRADE



The Tumut Pool is set to receive a heating upgrade, thanks to the recently announced grant issued through the NSW Government Stronger Country Communities Fund. The \$204,000 grant is to be used for equipment to regulate the pool's temperature. This upgrade will enhance the liveability of Tumut\* by providing upgrades to existing infrastructure.

### TALBINGO WALKING TRACK



The Talbingo Progress Association have successfully lobbied for \$350,000 to create a walking track under the NSW Government's Stronger Country Communities Fund. The track will run from the centre of Talbingo to the Snowy Mountains Highway, and is expected to provide tourism benefits commercially and to residents of Tumut\* also.

### TWICKENHAM OVAL CHANGE ROOMS



A ladies' change room will be added to the Twickenham Oval with the \$250,000 grant recently awarded under the NSW Government Stronger Country Communities Fund. The change rooms will have home and away areas, each having three showers and toilets. In improving recreational facilities in Tumut\* residents will enjoy greater lifestyle benefits.



## 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

#### Jed Masters

Principal

**M** +61 417 274 977

**E** [jed.masters@prd.com.au](mailto:jed.masters@prd.com.au)

#### PRDnationwide Tumut

2/81 Wynard Street

Tumut NSW 2720

Australia

**T** +61 2 6947 1722

**F** +61 2 6947 3671

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