



**Tumbarumba**  
**Property Factsheet**  
**1st Half 2019**





## MARKET CONDITIONS

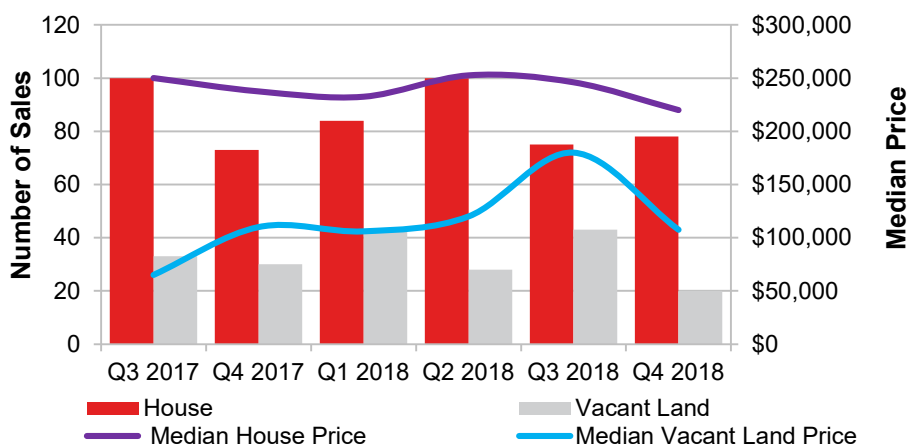
In Q4 2018, Tumbarumba\* recorded a median house price of \$175,000. This represents an annual (Q4 2017 – Q4 2018) price change of -21.0%. The 2<sup>nd</sup> Half 2018 Tumbarumba Property Factsheet reported annual (Q2 2017 – Q2 2018) price growth of -10.1% for houses, meaning the past 6 months has resulted in more affordability within the Tumbarumba\* house market. It is important to note that in regional areas fluctuations in median house price are expected due to low sale volumes, as well as often large variations in the scale of rural land affecting land sale prices also.

The Snowy Valleys Local Government Area (LGA) saw a median house price of \$220,000 as of Q4 2018, which represented a -7.4% price softening over the past 12 months. This positions Tumbarumba\* as a more affordable property market by featuring a lower median entry price. The wider Snowy Valleys LGA presents a more reliable growth trend for the area overall due to the greater number of sales recorded (when compared to Tumbarumba\*). Thus the Tumbarumba\* market may not actually have experienced as much price softening (-21.0%) as suggested by its median price.

Average vendor discounting slightly widened across Tumbarumba\* in the house market to reach -7.2% in Q4 2018. This was a widening of -1.0% over the past 12 months, which suggests that buyers have been able to achieve an even greater discount over the initial list price. Now is thus an ideal time for buyers to be active in the Tumbarumba\* market to secure available discounts.

Tumbarumba's\* median rental price increased to \$293 per week as of Q4 2018. This represents an annual (Q4 2017 – Q4 2018) price increase of 11.4%. This suggests that there are real rental returns for investors and room for more investment in the area. This is further supported by the low vacancy rate in Tumbarumba\*, which has been on a declining trend over the past 12 months, to 1.0% in December 2018.

## SNOWY VALLEYS LGA GROWTH



## OVERVIEW

Positioned around 480 km south-west of Sydney, Tumbarumba\* is located within the Riverina Region and is a part of the Snowy Valleys LGA. The preferred method of sale in the area is private treaty, as shown by a low number of auction sales in 2018. Auctions are increasing in popularity however, with a 90.0% clearance rate recorded in the Snowy Valleys LGA across 2018.

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

## FUTURE DEVELOPMENTS\*\*

The Tumbarumba Multipurpose Site (MPS) is a major project for the area which is currently under construction. Valued at an estimated \$32.0M, the project is set to expand the existing MPS site by adding a variety of additional hospital and aged care services, which will be partly accommodated for through the demolition of some existing buildings.

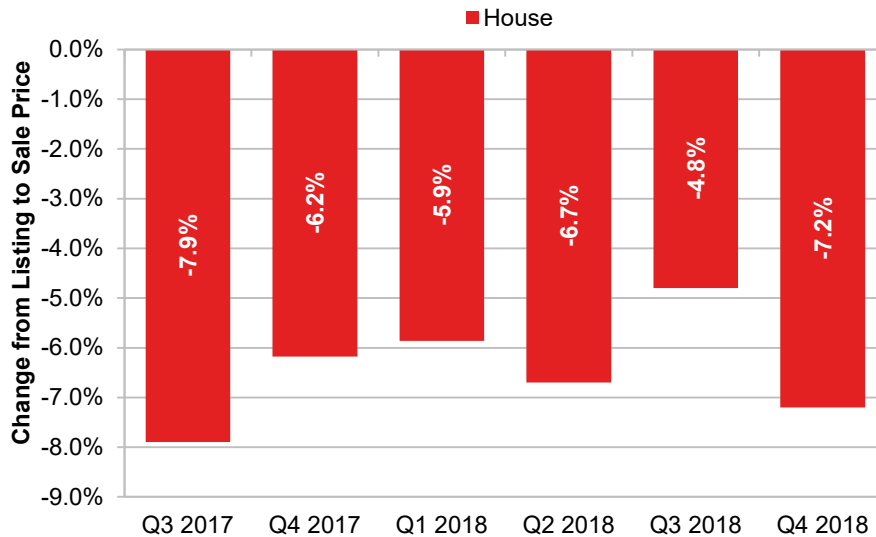
The project includes a new acute inpatient wing, refurbishment of the existing aged care building, provision of a new residential aged care wing, the expansion of the existing Emergency Department and Community Health areas, and a lounge for families of Palliative care patients. The project is expected to be completed in 2020.

This project will benefit Tumbarumba\* and surrounding areas by increasing the capacity of the MPS to better service more residents' health and aged care needs, whilst allowing families to remain closer to home as their needs change. The project has the potential to increase local job opportunities and to attract a different demographic into the area, which will have positive spill-over effects to the property industry in the future.

\*Tumbarumba market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Tumbarumba, Khanocoban, Rosewood, Humula, Jingellic and Laurel Hill.  
\*\*Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value. Quoted completion dates are estimate only, as per relevant data authority.  
Source: APM Pricerfinder, realestate.com.au. © Copyright PRDnationwide 2019.



## AVERAGE VENDOR DISCOUNT



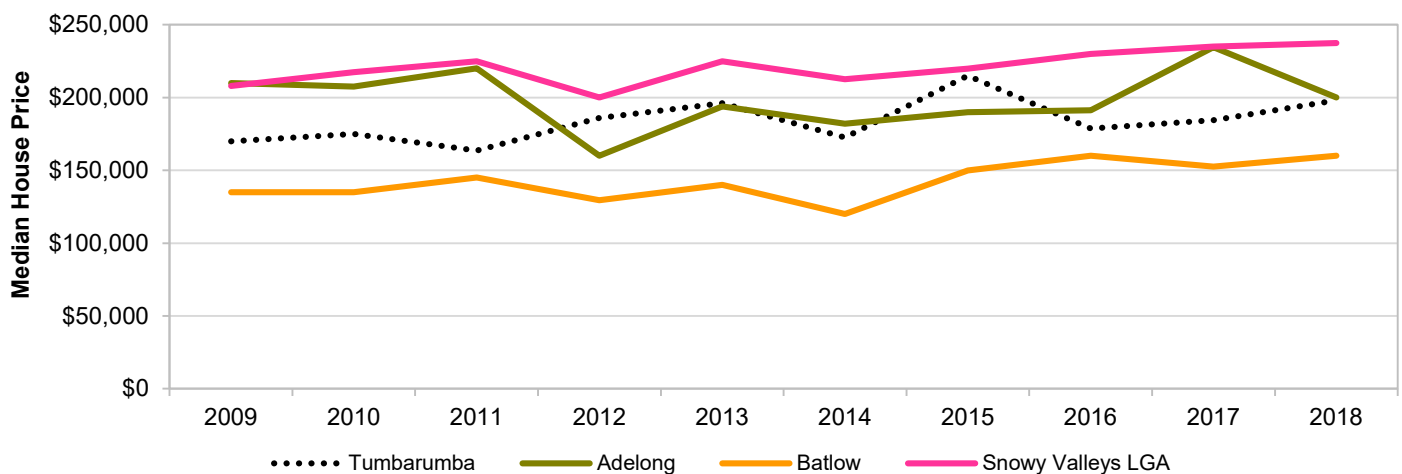
### AVERAGE VENDOR DISCOUNT

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.

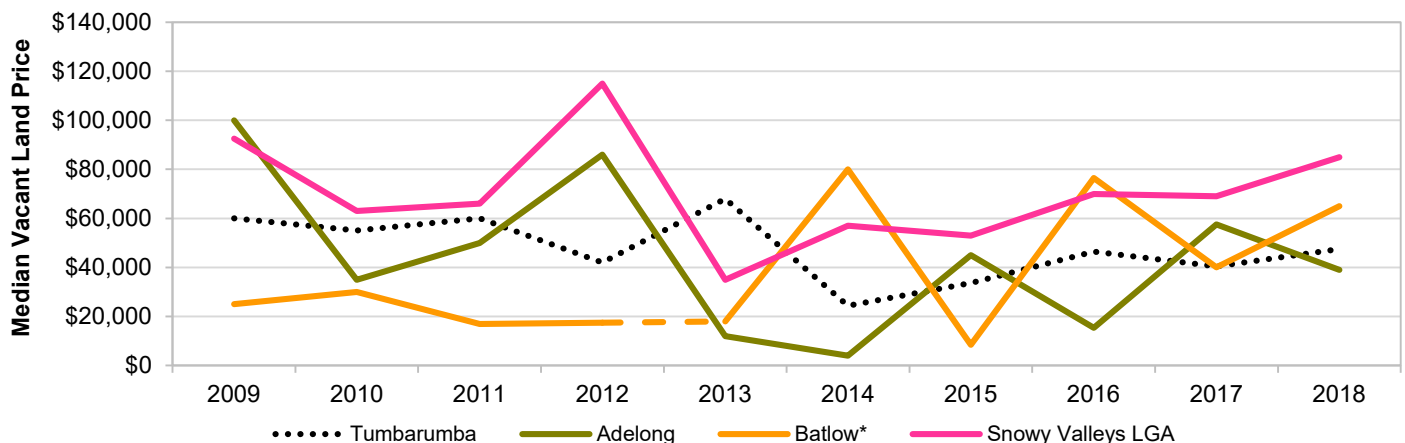
### MARKET COMPARISON GRAPH

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 Tumbarumba. The main suburb is shown as a dotted black line in the graphs below.

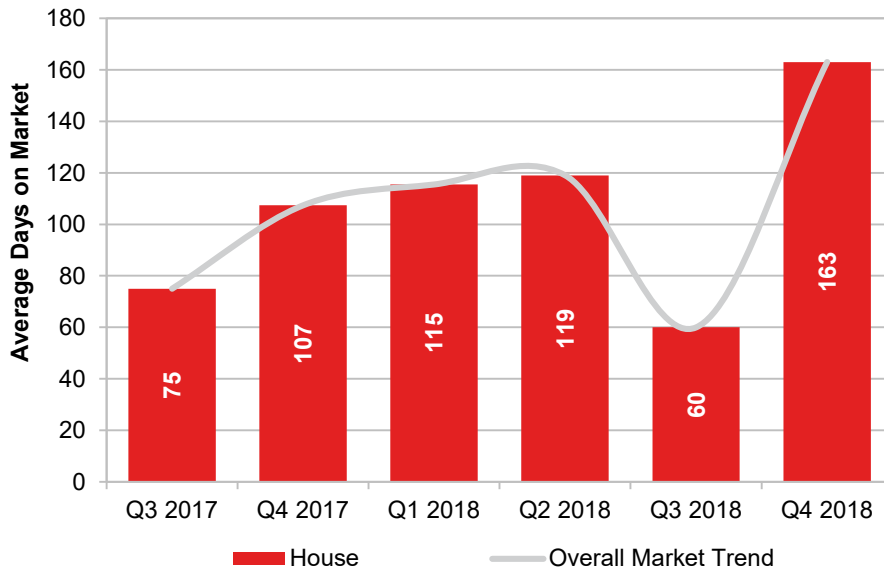
## HOUSE MARKET COMPARISON



## VACANT LAND MARKET COMPARISON

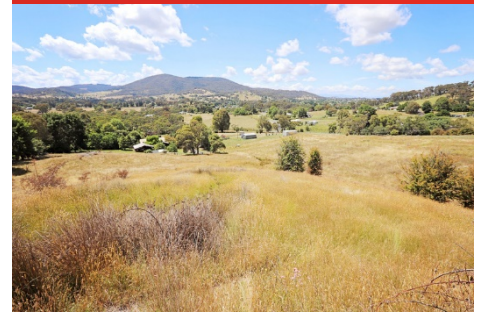


## AVERAGE NUMBER OF DAYS ON THE MARKET\*\*

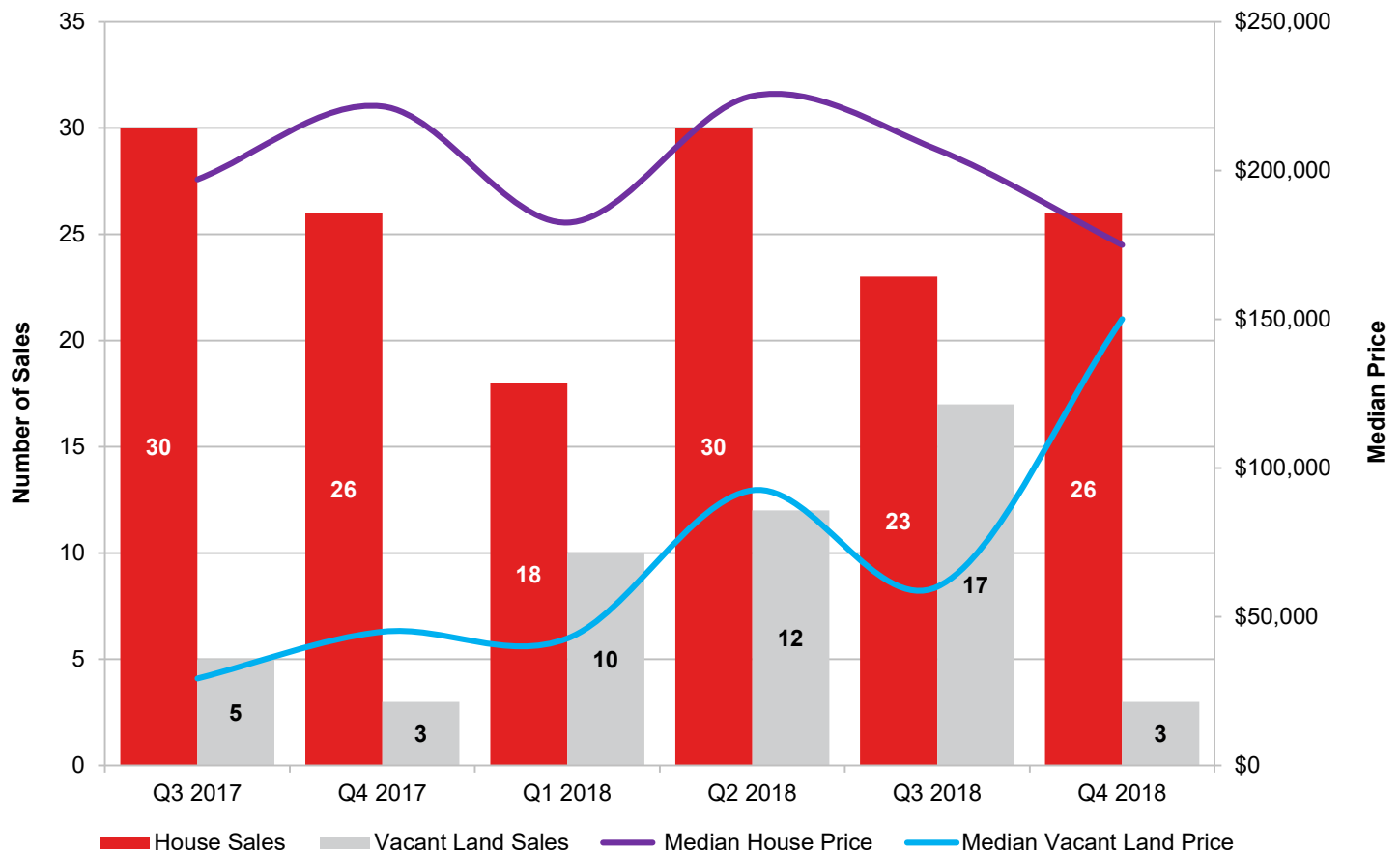


### KEY HOUSE FACTS Q4 2018

Median Sale Price: \$175,000  
Annual Growth: -21.0%\*  
Average Days on Market: 163  
% Change Between First Listed Price and Sold Price: -7.2%



## SALES AND MEDIAN PRICES\*\*

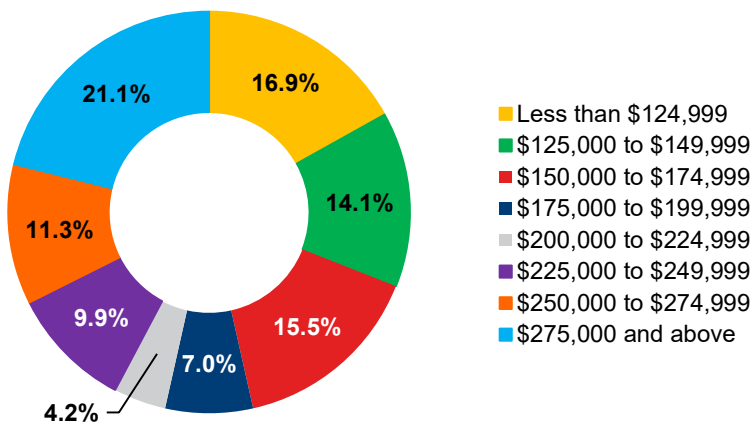


\*Annual growth represents price growth for property transactions between Q4 2017 to Q4 2018 (inclusive).

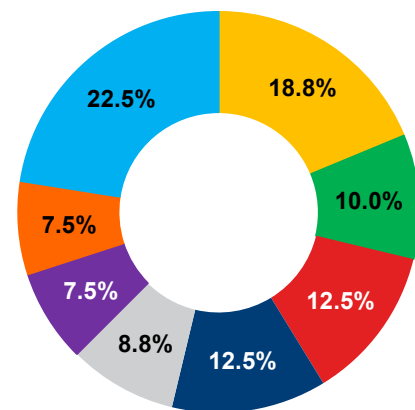
\*\*Tumbarumba market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Tumbarumba, Khancoban, Rosewood, Humula, Jingellie and Laurel Hill. Source: APM Pricefinder. © Copyright PRDnationwide 2019.

## SALES PRICE POINT COMPARATIVE ANALYSIS

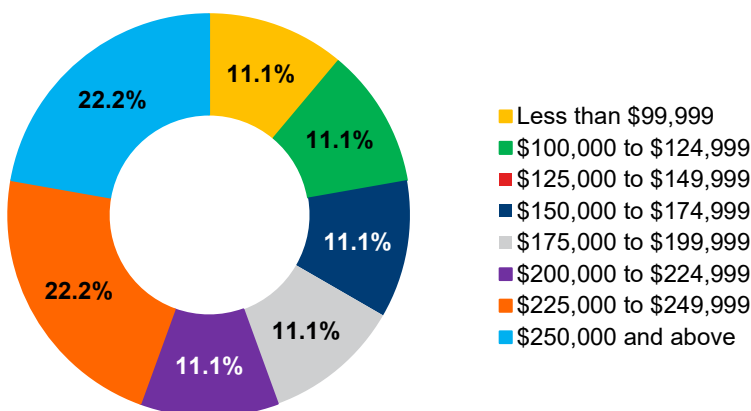
### HOUSE PRICE POINT 2017



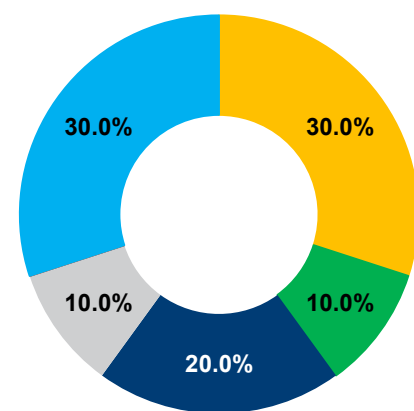
### HOUSE PRICE POINT 2018



### LAND PRICE POINT 2017



### LAND PRICE POINT 2018



#### KEY IMPLICATIONS - HOUSES

The dominant price point for houses sold in 2018 in Tumbarumba\* was the \$275K+ bracket, with 22.5% of all sales. This was also the major price point in 2017, where it accounted for 21.1% of sales. The single largest change in price brackets occurred in the \$225K-250K price range, up from 7.0% in 2017 to 12.5% in 2018.

Interestingly, the second largest price point for house sales was those less than \$125K, at 18.8%, which also grew from 2017 (then 16.9%). This suggests that buyer activity is expanding further into both the most affordable and most premium properties in Tumbarumba.\* Buyers seeking mid-range properties should thus act quickly based on limited total stock availability in Tumbarumba.\*

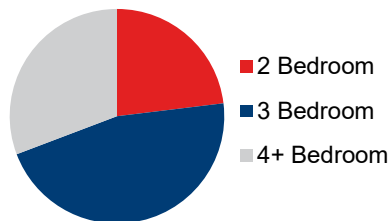
#### KEY IMPLICATIONS – VACANT LAND

Vacant land sales in Tumbarumba\* across 2018 saw a split majority in price point dominance, with most of the sales occurring in two price segments of below \$100K and above \$250K, each with 30.0% of all sales. In 2017, the largest price bracket was split between sales in \$225K-250K and \$250K+, each with 22.2% of all sales.

This equal sharing of dominant price brackets across both 2017 and 2018 is attributed to the low volume of land sales in Tumbarumba\* across a year, and explains the apparently volatile shifts between years. This said, the continuing dominant position of the \$250K+ bracket across both 2017 and 2018 suggests that this market will likely remain significant in Tumbarumba\* into the future.

## INVESTMENT ANALYSIS

### HOUSE



#### KEY HOUSE FACTS Q4 2018

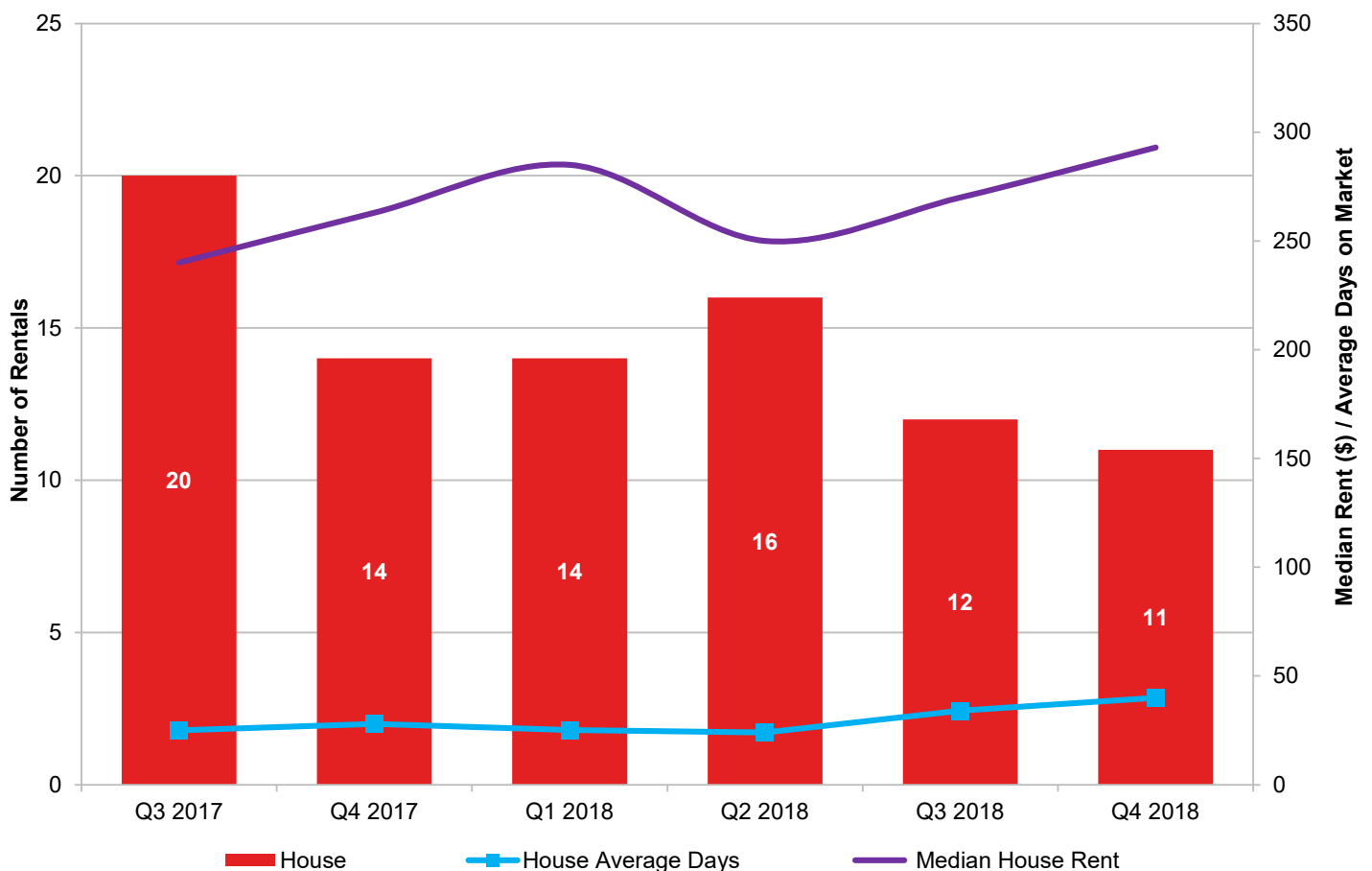
**Median Rent Price:** \$293 per week  
**Rental Yield:** 5.3%  
**Average Days on Market:** 40  
**Bedroom Breakdown:**  
 2 Bed: 23%, 3 Bed: 46%, 4+ Bed: 31%



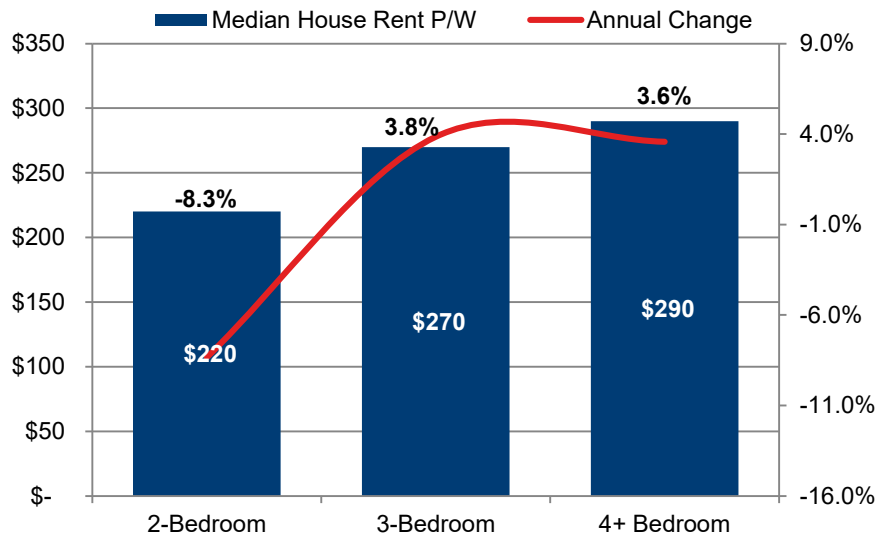
#### KEY COMMENTS

Interest in Tumbarumba\* was recorded at an average of 293 online visits per property in Q4 2018. This represents a 25.2% increase on the average number of online visits recorded in Q3 2018, which suggest there is increasing interest in the area. The median rental price for houses in Tumbarumba\* increased by 11.4% to \$293 per week in the 12 months to Q4 2018. The total volume of house rentals in Tumbarumba\* remained relatively low with just 11 rentals in Q4 2018, which represented a -5.6% decline. This suggests that there is room for more house rentals in Tumbarumba\*, a conducive environment for investors.

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



## RENTAL PERFORMANCE 2018\*



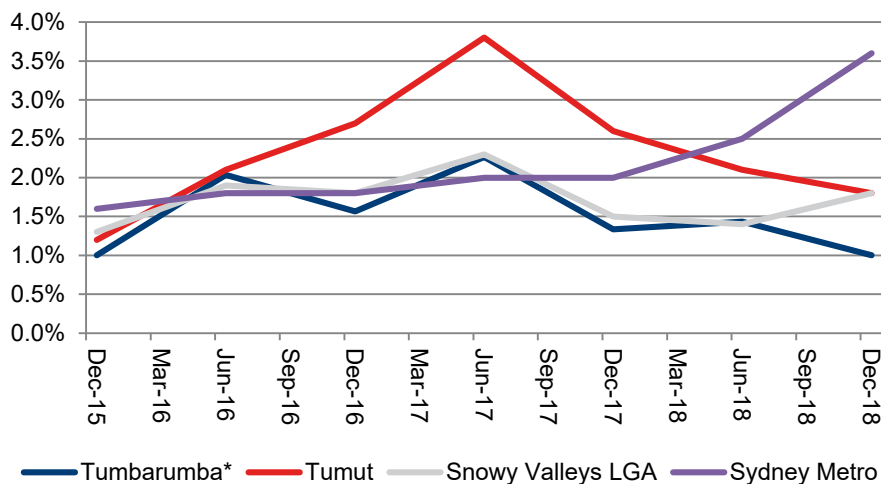
### KEY COMMENTS

Tumbarumba\* recorded rental returns of 5.3% for houses, above the Snowy Valleys LGA average of 5.1%, as well as being well above Sydney Metro (2.9%). Tumbarumba's\* house rental market has a stronger average rental return rate when compared to others.

3-Bedroom houses provided the highest annual rental growth, at 3.8%.

Vacancy rates in Tumbarumba\* declined to a low 1.0% in December 2018. This is lower than both the Snowy Valleys LGA (1.8%) and Sydney Metro (3.6%). Tumbarumba\* is an ideal option for investors seeking cashflow security in a regional area.

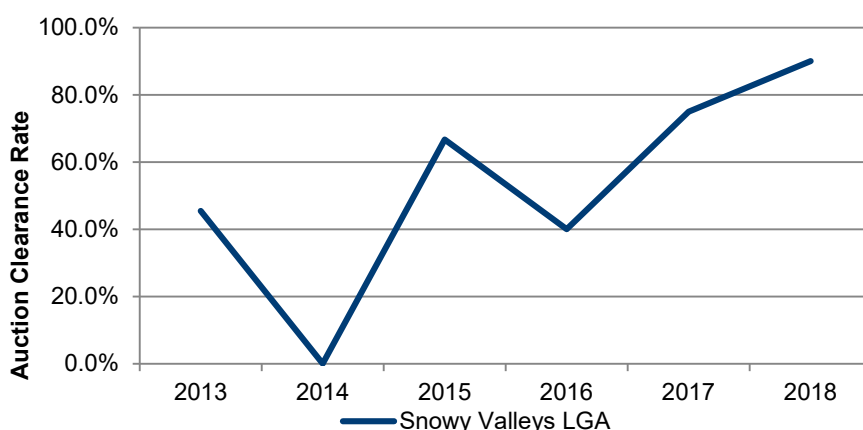
## VACANCY RATES 2018



## RENTAL YIELD 2018

Suburb/Postcode/LGA	House Rental Yield
Tumbarumba*	5.3%
Tumut	4.5%
Snowy Valleys LGA	5.1%
Sydney Metro	2.9%

## AUCTION CLEARANCE RATES 2018\*\*



## Q4 18 COMPARISON

Suburb/Postcode/LGA	Auction Clearance Rate
Tumbarumba (2018)**	-
Snowy Valleys LGA (2018)	90.0%
Sydney Metro (Q4 18)^	44.3%

\*Rental performance graph represents aggregate house median rent prices in the following suburbs: Tumbarumba, Khancoban, Rosewood, Humula, Jingellic and Laurel Hill. Annual change is a comparison between 2017 and 2018 median rent figures.

\*\*Auction Clearance rates for Tumbarumba are for all residential auctions held in the suburbs Tumbarumba, Khancoban, Rosewood, Humula, Jingellic and Laurel Hill.

^Capital city data obtained by accumulating Domain's weekly auction clearance results. Annual change is a comparison between 2017 and 2018 median rent figures.

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



## KEY PROJECT DEVELOPMENTS

### TUMBARUMBA PUMP TRACK



The Tumbarumba Pump Track project was recently opened in December 2018. The project was funded in part by a \$149,500 NSW Government Stronger Country Communities grant as well as a \$50,000 Hyne Community Trust grant. The project saw the construction of an asphalt pump track in the south-west corner of Tumbarumba Creekscape park.

### TUMBARUMBA SPORTS GROUND UPGRADE



The New South Wales Government has provided \$308,000 through the Stronger Country Communities Fund to turn the existing Tumbarumba Sports Ground into a high standard playing field. A variety of improvements to the grounds are set to be undertaken, including drainage and irrigation improvements, as well as returfing the sports field.

### GROUP ACCOMMODATION UPGRADE



This project is occurring as a part of the wider Tumbarumba Creek Caravan Park upgrade, jointly funded by the park's lessee, Federal Government and Snowy Valleys Council with a total estimated value of \$2.7M. The group accommodation upgrade will see 2 double-story building modules built, with a capacity to accommodate up to 120 people between them.

### TUMBARUMBA MULTIPURPOSE SITE



The \$32.0M Tumbarumba Multipurpose Site is a major project for the area which is currently under construction. The project is set to add a new acute inpatient wing, refurbish the existing aged care building, provide a new residential aged care wing, and expand the Emergency Department and Community Health areas. The project is expected to be completed in 2020.



## 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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