



TUMBARUMBA MARKET UPDATE 2nd Half 2019



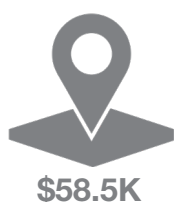
OVERVIEW

In H1 2019, Tumbarumba* recorded a median house price of \$181,000, and a median vacant land price of \$58,515. This represents annual (H1 2018 – H1 2019) median price softening of -5.7% for houses and growth of 28.9% for land. Total sales slowed annually by -26.2% for houses to 31 sales and by -4.3% for land to 22 sales in H1 2019. Limited land sales make this data more volatile, however it is a highly affordable option for home and land buyers alike.

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

MARKET CONDITIONS

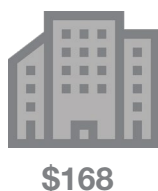
SALES MEDIAN PRICE H1 2019



SALES AVERAGE DAYS ON MARKET H1 2019



RENTAL MEDIAN PRICE H1 2019

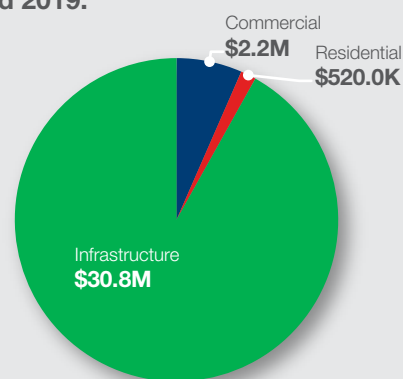


RENTAL AVERAGE DAYS ON MARKET H1 2019



FUTURE DEVELOPMENTS

Tumbarumba* is set to have seen approximately **\$33.5M worth of projects commence between 2014 and 2019.**



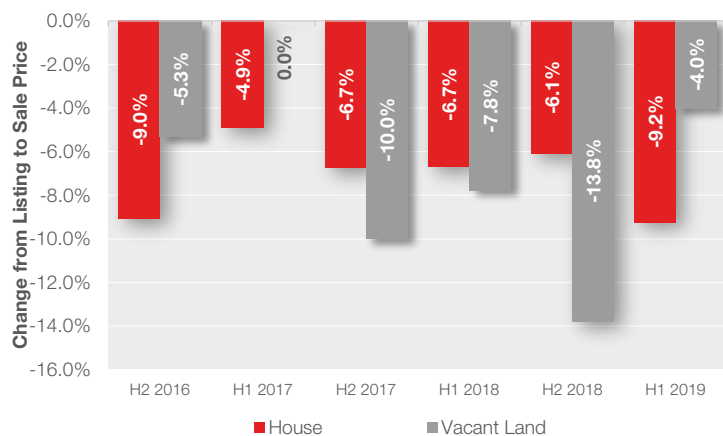
A focus on infrastructure projects improve liveability for residents. Evidence of a steady flow of historical project development indicates the area is capable of stable economic growth, which may attract employment opportunities to Tumbarumba*. This in turn would be expected to have a positive spill-over impact on the local real estate market, particularly in regards to demand for new homes.

A main commercial project for Tumbarumba* is the Essential Energy Depots (\$1.0M). The project is set to commence in the 2nd half of 2019, and will see the upgrading of depots and pole yards in Tumut and Tumbarumba. A major recent infrastructure project is the Tumbarumba Multipurpose Services (MPS) (\$15.2M), which refurbished and extended the existing facility. Key focuses include aged care, the emergency department, and Community Health area. This will ensure residents can remain in Tumbarumba* and be well supported by local medical services through all stages of life.

*Tumbarumba market data and key indicators encapsulates aggregate property market conditions within the suburbs Tumbarumba, Khancoban, 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.
Source: APM Pricer, Cordell Connect database. © Copyright PRDnationwide 2019.

AVERAGE VENDOR DISCOUNT*

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.



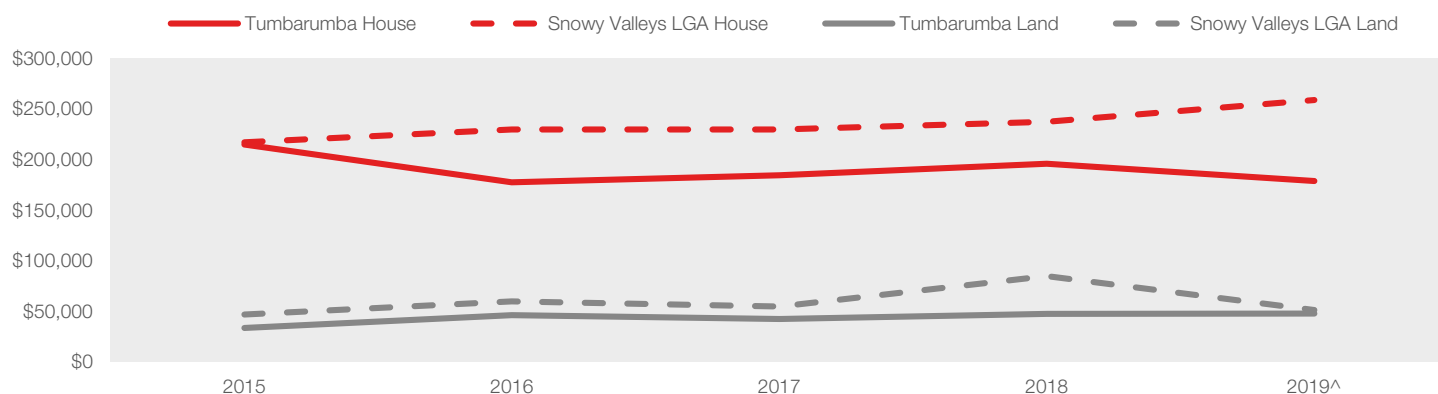
KEY COMMENTS

Average vendor discount between H1 2018 and H1 2019 have widened for houses to -9.2% and tightened to -4.0% for vacant land. Market conditions in Tumbarumba* continue to favour buyers, where sellers are willing to negotiate below their initial listing price. With discounts available in an already affordable area, now is an ideal time to buy.

The suburb of Tumbarumba has historically been more affordable than the wider Snowy Valleys Local Government Area (LGA) in both house and vacant land median prices. This continues in 2019[^], further highlighting the real value offered in Tumbarumba.

The dominant proportion of homes sold in Tumbarumba* (33.3%) across the 1st half of 2019 were priced above \$225,000. This said, affordable options below \$150,000 were still readily available. Vacant land recorded a dominant lower price point of less than \$25,000 (36.4%), with very few sales above \$75,000. This reveals the availability of various housing stock locally, whilst showing affordable land is still popular.

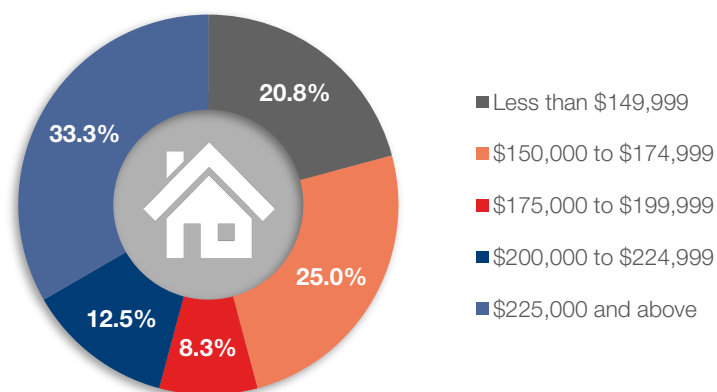
MARKET COMPARISON



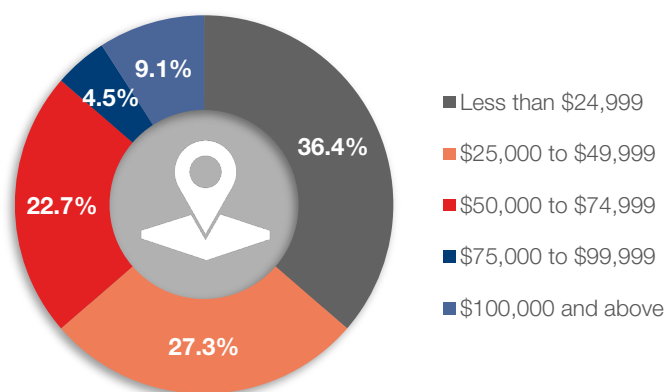
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled were chosen based on their proximity to the main suburb analysed, which is Tumbarumba.

PRICE BREAKDOWN 1ST HALF 2019

HOUSES SOLD



LAND SOLD



RENTAL GROWTH 2019*

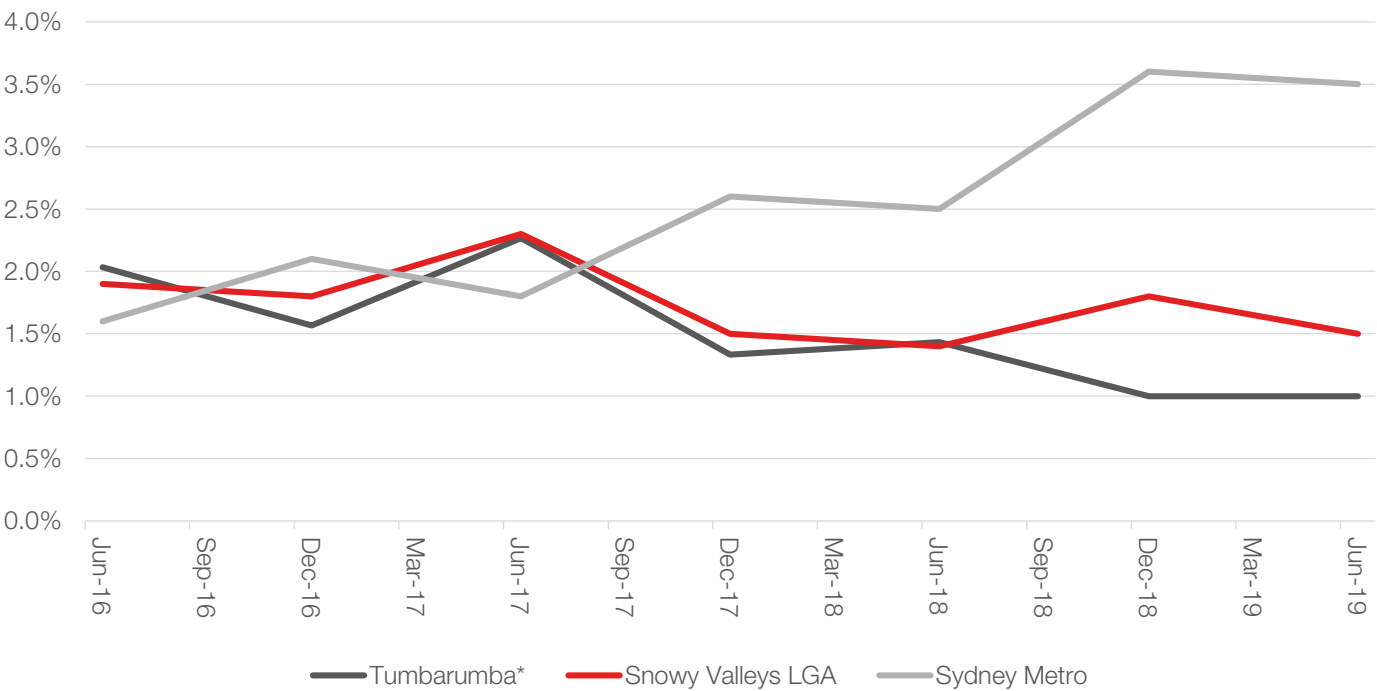
Over the past 12 months, house rental yields in Tumbarumba* saw a slight increase to reach 5.4% in June 2019. This suggests the house rental market is in a healthy position, despite a slight decline in demand for rental properties in Tumbarumba* across the same time period (down by -23.3% in the 12 months H1 2019, with 33 houses rented).

2 bedroom houses have provided investors with +20.0% rental growth annually, achieving a median rent of \$240 per week.

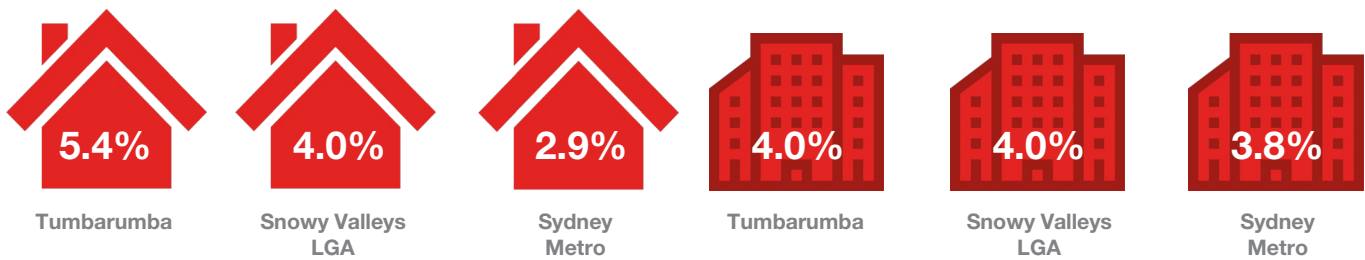
Tumbarumba* recorded a vacancy rate of 1.0% in June 2019, which represents a decline over the past 12 months, and is the lowest vacancy rate recorded to date. This confirms there is a healthier rental demand, which combined with a softening in median house price, presents a very attractive market for investors.



RENTAL VACANCY RATES 2019

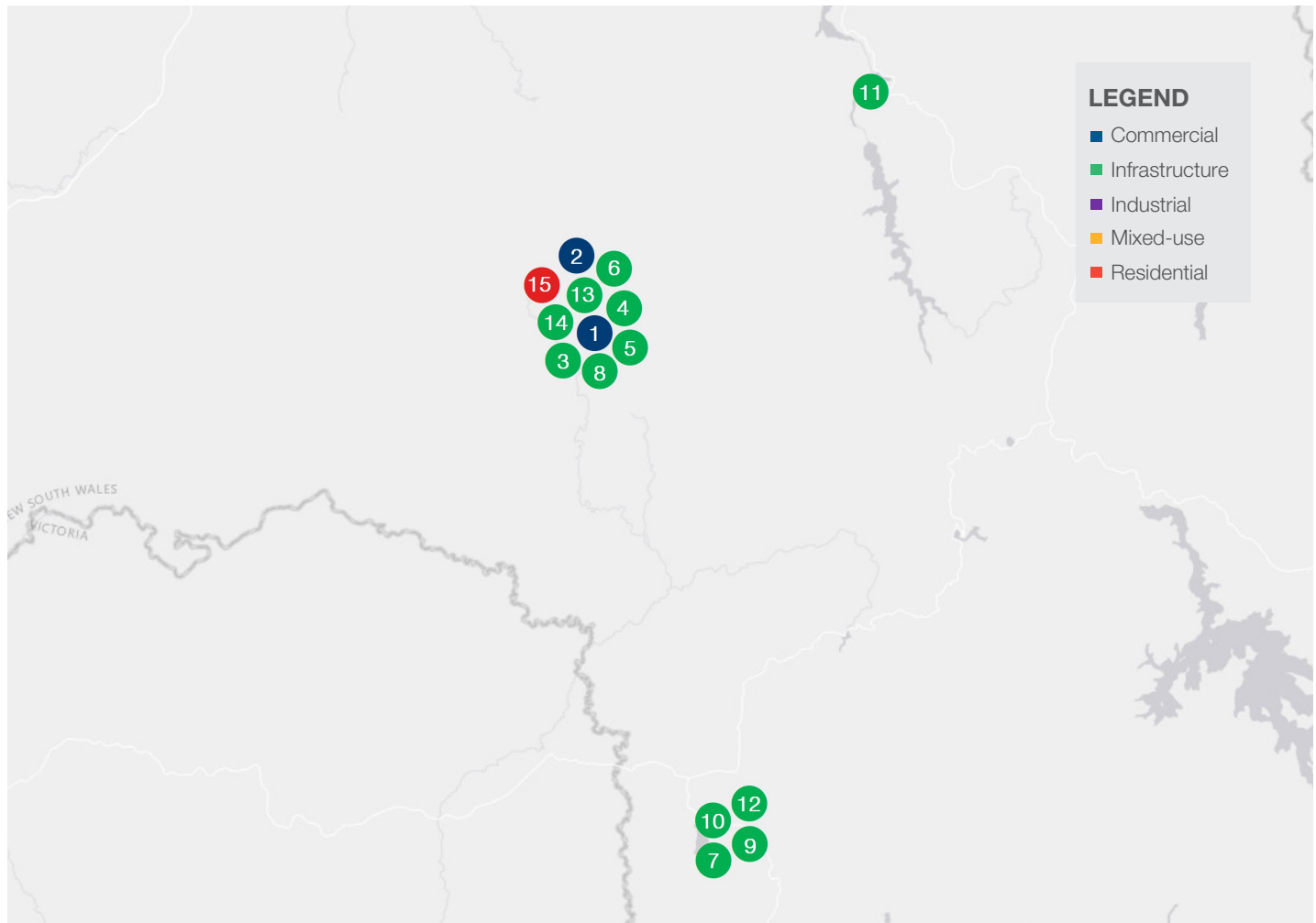


RENTAL YIELD 2019^



*Rental performance graph represents aggregate house median rent prices within the suburbs Tumbarumba, Khancoban, Rosewood, Humula, Jingellie and Laurel Hill. Annual rental growth is a comparison between 1st half 2018 and 1st half 2019 house median rent figures.
^Rental yields shown are as reported at June 2019.
Source: APM Pricefinder, SQM Research. © Copyright PRDnationwide 2019.

PROJECT DEVELOPMENT MAP 2014 – 2019*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Tumbarumba Retirement Village	Commercial	\$1,200,000	30/08/2014
2	Essential Energy Depots	Commercial	\$1,000,000	29/09/2019
3	Tumbarumba Multipurpose Services (MPS)	Infrastructure	\$15,200,000	08/01/2018
4	Mannus Dam	Infrastructure	\$4,399,000	24/03/2014
5	Tooma Road	Infrastructure	\$3,311,000	29/05/2017
6	Tumbarumba Retirement Village - Overall Project	Infrastructure	\$2,200,000	22/04/2016
7	Snowy Valleys Council Sewer Rehabilitation	Infrastructure	\$2,000,000	06/09/2018
8	Tumbarumba Retirement Villages	Infrastructure	\$900,000	25/07/2016
9	National Parks & Wildlife Services (NPWS)	Infrastructure	\$780,000	20/10/2014
10	Risk Reduction Works KNP5	Infrastructure	\$720,000	21/03/2016
11	Khancoban & Talbingo Public Areas	Infrastructure	\$480,000	07/10/2019
12	Khancoban Rose Garden	Infrastructure	\$300,000	01/10/2018
13	Tumbarumba Shire Asphalt Works	Infrastructure	\$265,000	30/06/2014
14	Tumbarumba Creekscape	Infrastructure	\$250,000	05/11/2018
15	Winton Street Units (4 Units)	Residential	\$520,000	23/10/2017

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

OUR KNOWLEDGE

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

OUR PEOPLE

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

OUR SERVICES

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



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