



# TAMWORTH MARKET UPDATE 2nd Half 2019



## OVERVIEW

In Q3 2019, Tamworth\* recorded a median house price of \$339,500, and a median unit price of \$185,000. This represents annual (Q3 2018 – Q3 2019) median price softening of -6.2% for houses and -35.8% for units (low unit sales make this a volatile statistic). At the same time total sales slowed, by -14.4% for houses (214 sales) and by -45.0% for units (11 sales). With properties becoming more affordable and less competition in the market, now is the time to buy.

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

## MARKET CONDITIONS

### SALES MEDIAN PRICE Q3 2019



### SALES AVERAGE DAYS ON MARKET Q3 2019



### RENTAL MEDIAN PRICE Q3 2019

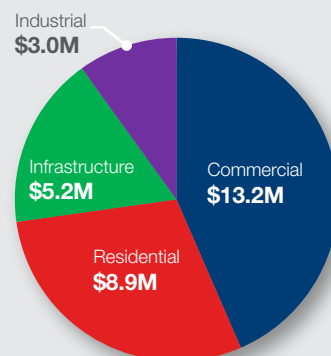


### RENTAL AVERAGE DAYS ON MARKET Q3 2019



## FUTURE DEVELOPMENTS

Tamworth\* is set to see approximately **\$30.4M worth of new projects commencing in the 2<sup>nd</sup> half of 2019.**



A focus on commercial projects will stimulate employment opportunities in Tamworth\*, while infrastructure and residential projects will result in the creation of dwellings and necessary amenities to support a growing population. Together, these are expected to have a positive spill-over impact on the real estate market.

A main commercial project over the 2<sup>nd</sup> half 2019 period is the new Aldi Tamworth supermarket (\$6.4M), which will create some local jobs. Key residential projects include: Ainslie Place Dwellings (\$3.0M, 21 dwellings) and Adolphus Drive and Back Kootingal Rd Residential Subdivision (\$2.9M, 65 lots).



10 Units/  
Apartments



21  
Dwellings



124 Lots

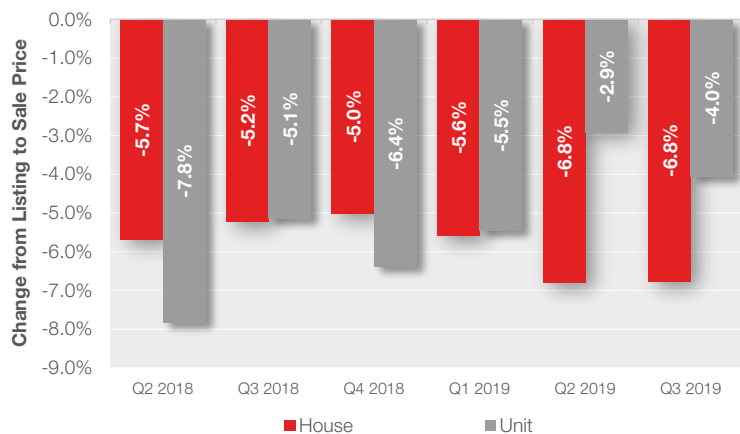
\*Tamworth market data and key indicators encapsulates aggregate property market conditions within the postcode 2340.

\*\*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 Pricefinder, Cordell Connect database.

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## 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.



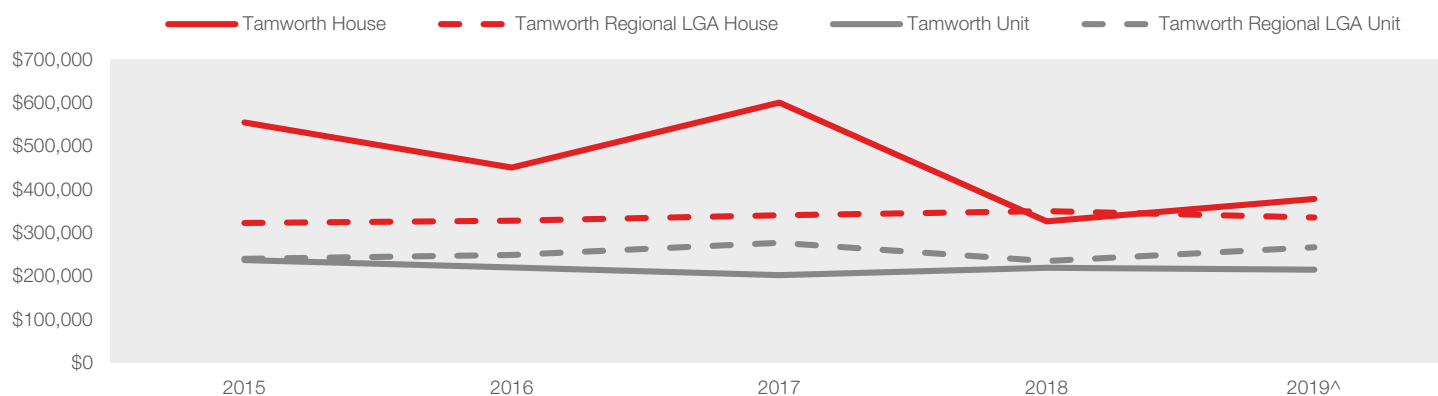
## KEY COMMENTS

Average vendor discount between Q3 2018 and Q3 2019 have widened to -6.8% for houses and tightened to -4.0% for units. Market conditions in Tamworth\* continue to favour buyers, where sellers are willing to negotiate below their initial listing price. Those looking for their first house can enjoy even higher discounts, thus now a good time to enter the market.

The suburb of Tamworth has historically outperformed the wider Tamworth Local Government Area (LGA) in median house prices. This said, 2019<sup>^</sup> sees the suburb performing much closer in price to the Tamworth LGA, suggesting real value is available within the suburb at present.

The dominant proportion of houses sold in Tamworth\* across 2019<sup>^</sup> were in the lower-mid price range of \$250,000-\$350,000 (32.9%). Units recorded a dominant lower-end price point of less than \$200,000 (27.7%). The Tamworth\* market remains popular with buyers for its affordability, however there is a growing premium market also.

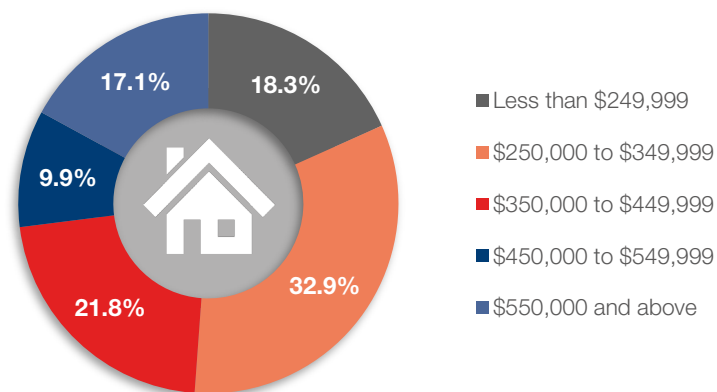
## MARKET COMPARISON



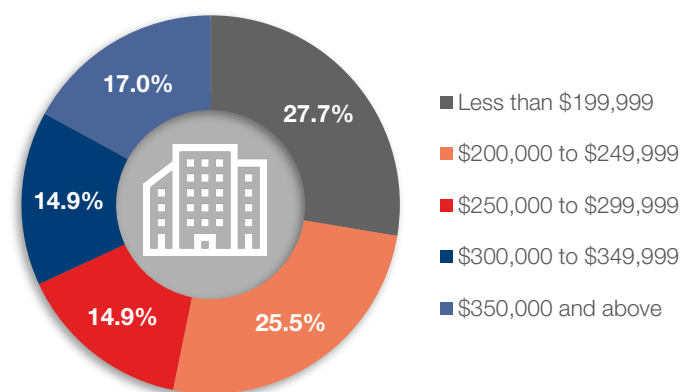
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled were chosen based on their proximity to the main suburb analysed, which is Tamworth.

## PRICE BREAKDOWN 2019<sup>^</sup>

### HOUSES SOLD



### UNITS SOLD

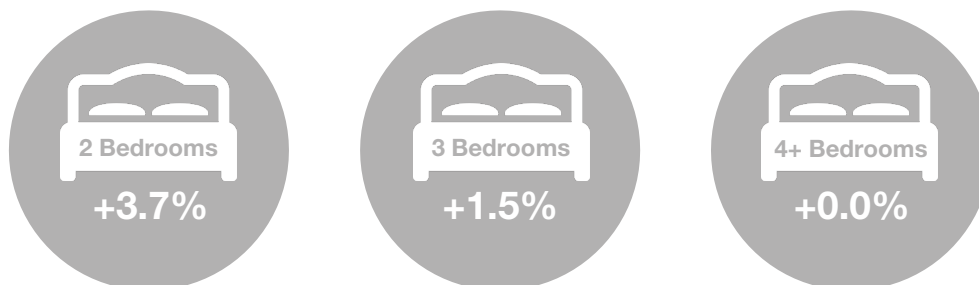


## RENTAL GROWTH 2019\*

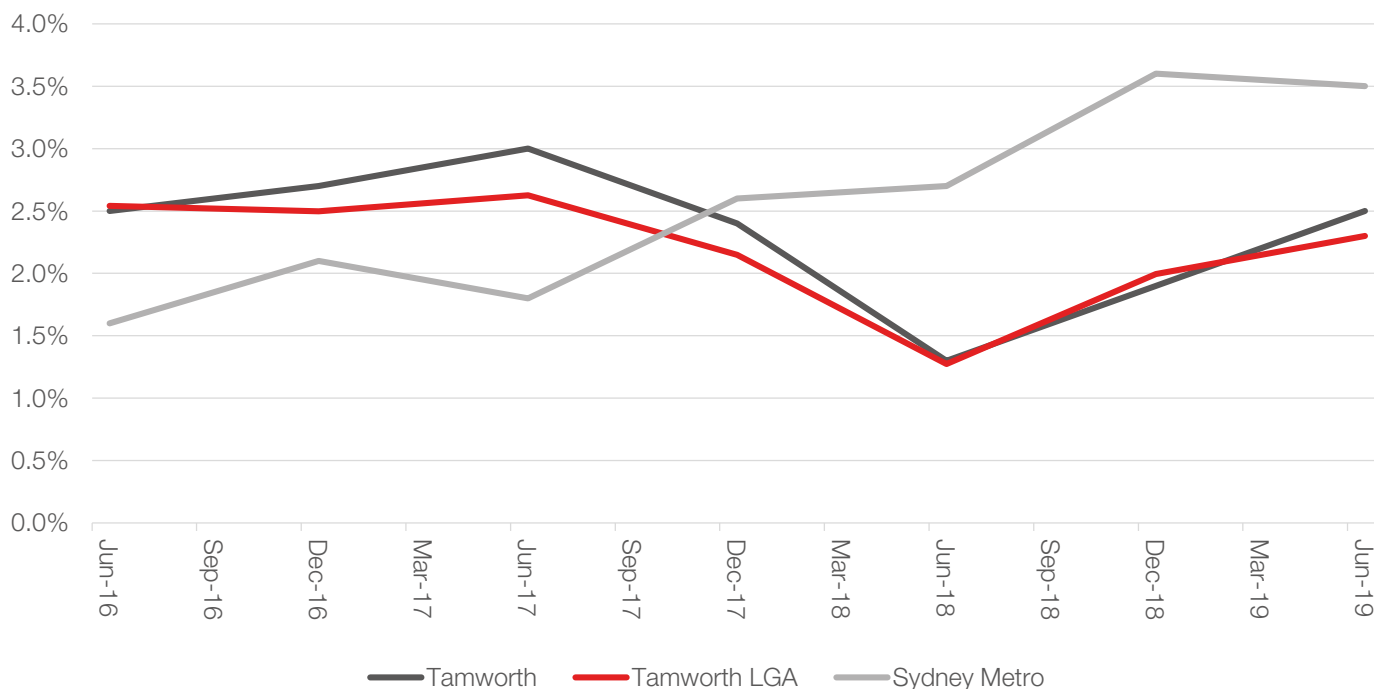
Over the past 12 months, house rental yields in Tamworth\* slightly tightened to be at 4.9% in June 2019; well above Sydney Metro's 2.9%. The house rental market is in quite a healthy position, confirmed by a steady demand for stock.

2 bedroom houses have provided investors with +3.7% rental growth annually, achieving a median rent of \$280 per week.

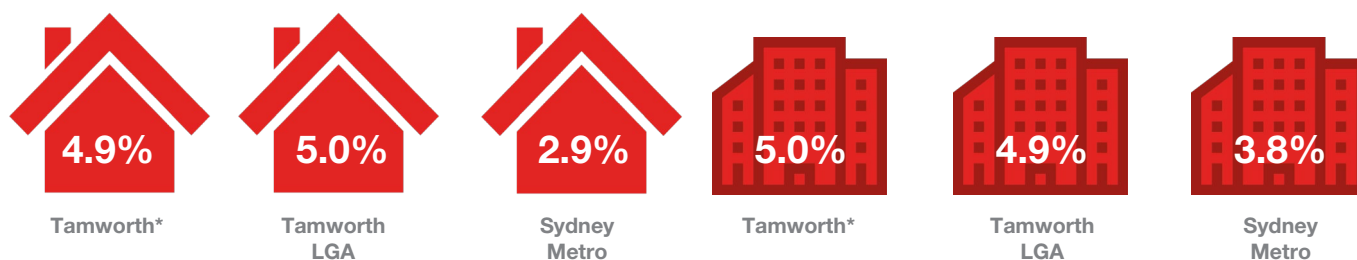
Tamworth\* recorded a vacancy rate of 2.5% in June 2019, well below Sydney Metro's 3.5% average. Although there is a healthier rental demand compared to Sydney Metro, an increasing vacancy rate over the past 12 months suggest landlords need to secure longer leases to mitigate vacancy risks.



## RENTAL VACANCY RATES 2019



## RENTAL YIELD 2019^

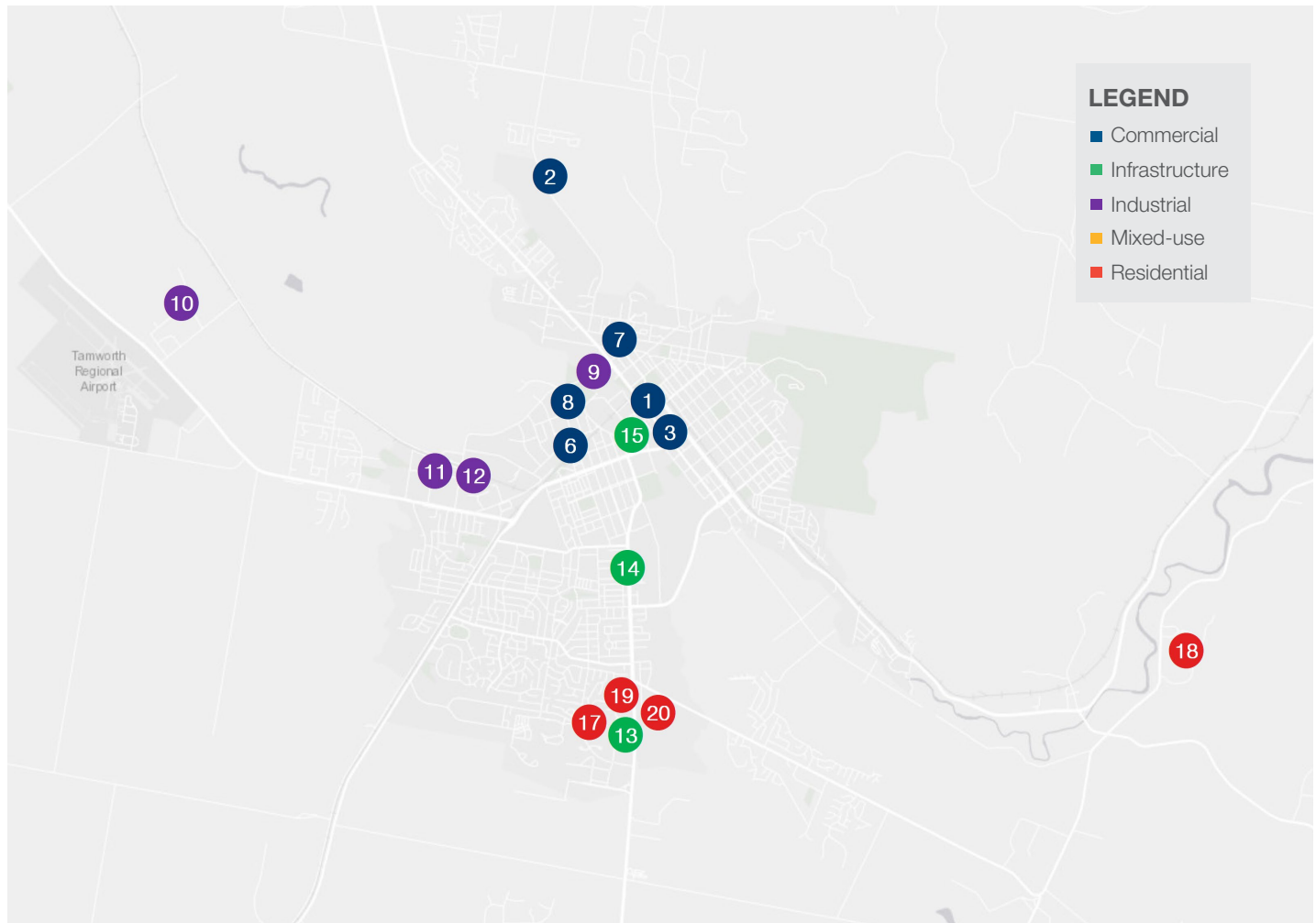


\*Rental performance graph represents aggregate house median rent prices within the postcode 2340. Annual rental growth is a comparison between 2018 and 2019 (Q1 – Q3) house median rent figures.

^Rental yields shown are as reported at June 2019.

Source: APM Pricefinder, SQM Research. © Copyright PRDNationwide 2019.

# PROJECT DEVELOPMENT MAP 2ND HALF 2019\*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Aldi Tamworth	Commercial	\$6,403,000	15/12/2019
2	Calrossy Anglican School	Commercial	\$3,600,000	04/11/2019
3	Peel Street Commercial Development	Commercial	\$1,200,000	30/12/2019
4	Carroll Cotton Gin Facility	Commercial	\$1,000,000	31/10/2019
5	Oxley Highway Solar Panels	Commercial	\$345,000	09/10/2019
6	Ridley Agriproducts Taminda	Commercial	\$261,000	19/11/2019
7	Tamara Private Hospital	Commercial	\$250,000	04/10/2019
8	Coates Hire Taminda	Commercial	\$150,000	22/09/2019
9	Federation Park Industrial Subdivision	Industrial	\$1,800,000	28/12/2019
10	Thomas Foods International	Industrial	\$480,000	02/07/2019
11	Mayday Place Industrial Retail Shed	Industrial	\$450,000	29/09/2019
12	East West Place Industrial Building	Industrial	\$293,000	16/08/2019
13	South Tamworth Fire Station & Zone Office	Infrastructure	\$3,500,000	28/10/2019
14	Australian Equine & Livestock Events Centre (Aelec)	Infrastructure	\$850,000	19/09/2019
15	Tamworth Regional Council Solar Pv	Infrastructure	\$595,000	02/07/2019
16	Somerton Landfill	Infrastructure	\$302,000	11/09/2019
17	Ainslie Place Dwellings (21 Dwellings)	Residential	\$3,000,000	07/12/2019
18	Adolphus Drive & Back Kootingal Road Residential Subdivision (65 Lots)	Residential	\$2,900,000	17/12/2019
19	Baringa Gardens Estate - Stage 2 (59 Lots)	Residential	\$1,500,000	20/10/2019
20	Goonoo Goonoo Road Units (10 Units)	Residential	\$1,500,000	28/12/2019

## 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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