



Gundagai Market Update 2nd Half 2021



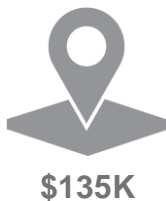
OVERVIEW

In Q4 2021, Gundagai* recorded a median house price of \$306,660, and a median land price of \$135,000. This represents annual (Q4 2020 – Q4 2021) median price growth of 14.2% for houses and stable price growth (0.0%) for land. Between Q4 2020 – Q4 2021 total sales in both markets increased, up by 2.6% for houses (to 39 sales) and by 18.8% for land (to 19 sales). Market conditions in Gundagai* show real returns to investment, as price growth or stability is alongside higher sales figures. Owner-occupiers and downsizers can benefit from a highly demanded market, thus now is the time to transact.

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

MARKET CONDITIONS

SALES MEDIAN PRICE Q4 2021



SALES AVERAGE DAYS ON MARKET Q4 2021



RENTAL MEDIAN PRICE Q4 2021

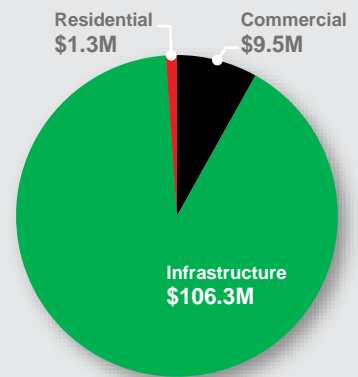


RENTAL AVERAGE DAYS ON MARKET Q4 2021



FUTURE DEVELOPMENTS

Gundagai* is set to see approximately **\$117.1M** of projects between 2019 and 2023.



A focus on infrastructure projects will improve liveability for residents and create employment opportunities in the construction phase. Key commercial projects revitalise the economy and also create jobs. Combined this potentially will increase demand for housing, which will create more price pressures, unless a larger number of ready-to-sell stock is available.

Infrastructure projects dominate the agenda for 2022, with projects such as Carrs Road Bridge 134, Brawlin Rd Bridge 380 Replacement, Burra Rd Bridge 126 Replacement, and Lucerndale Rd Bridge Replacement.

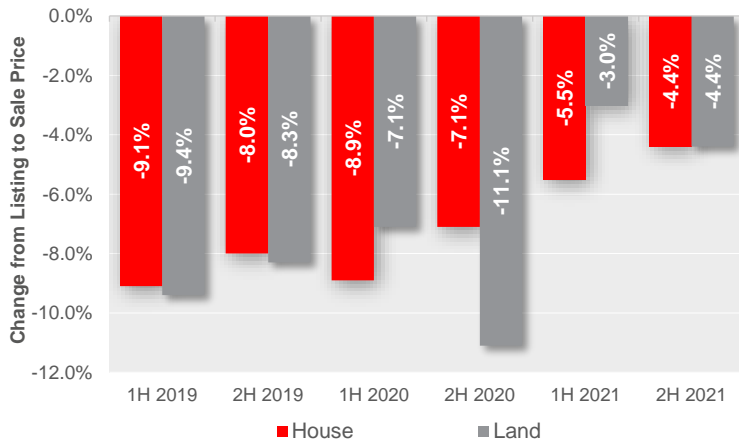
Plans for 2023 include: Australian Inland Rail Expressway Illabo to Stockinbingal (\$100.0M), which will construct and operate 37kms of single track railway; and Dog on the Tucker Box (\$5.0M) redevelopment.

Temore St Residential Subdivision (\$1.3M, 29 lots) was the sole project adding stock to the market, back in 2019/2020. Although this allows for first home buyers to access multiple government grants and build a home, there is a need for read-to-sell stock. Now is the time for developers and Local Government to work together.



AVERAGE VENDOR DISCOUNT* KEY COMMENTS

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.

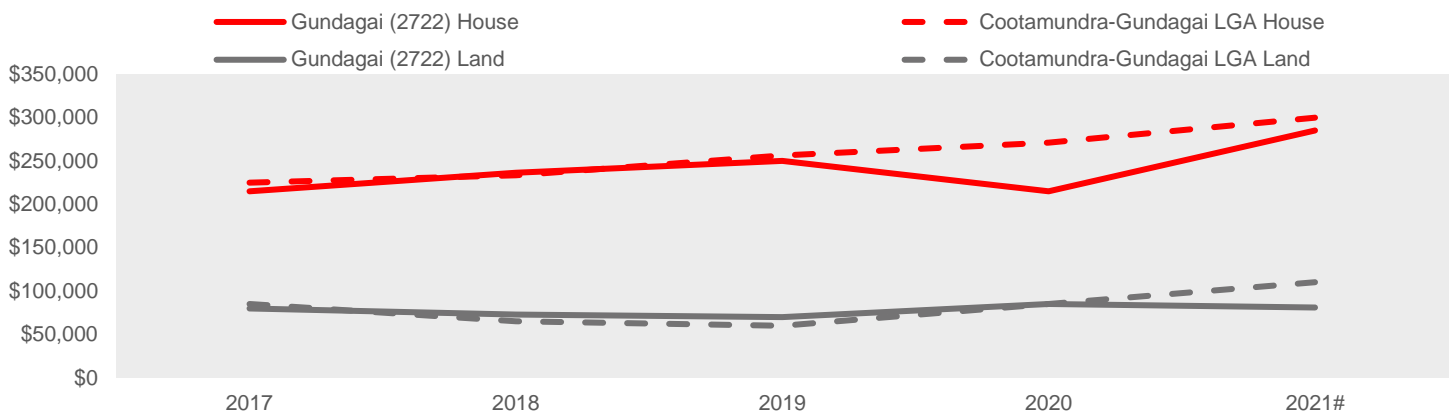


Average vendor discounts between Q4 2020 and Q4 2021 have tightened for both property types, to -4.4% for houses and -4.4% for land. Market conditions in Gundagai* have now shifted to favour sellers, where buyers are willing to negotiate closer to initial listing price. Now is the time to capitalise on your investment.

The suburb of Gundagai has historically offered a more affordable house price than the wider Cootamundra-Gundagai Local Government Area (LGA), and a slightly higher land price. This said, 2021# has seen a return to parity for house prices in Gundagai with the wider LGA, while land now presents a more affordable option.

The dominant proportion of homes sold in Gundagai* across 2021^ were in the low-middle price bracket of \$200K-\$300K (27.5%), while vacant land recorded a dominant price point of below \$100,000 (48.4%). This shows there is affordably priced stock available, despite a growing premium market in both house and land.

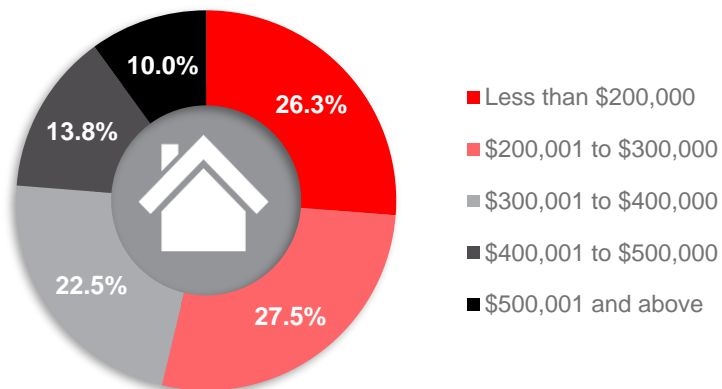
MARKET COMPARISON



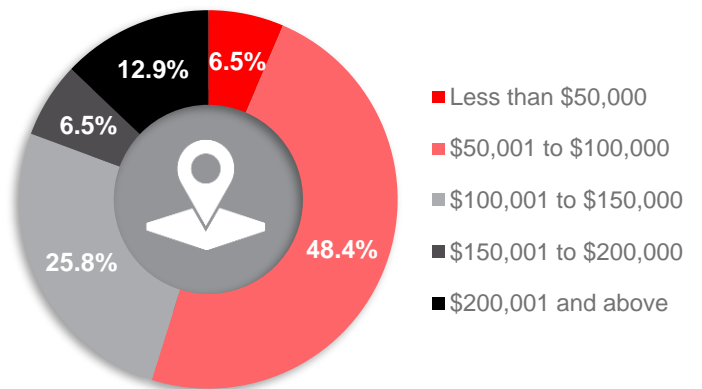
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Gundagai.

PRICE BREAKDOWN 2021^

HOUSES SOLD



VACANT LAND SOLD



RENTAL GROWTH 2021€

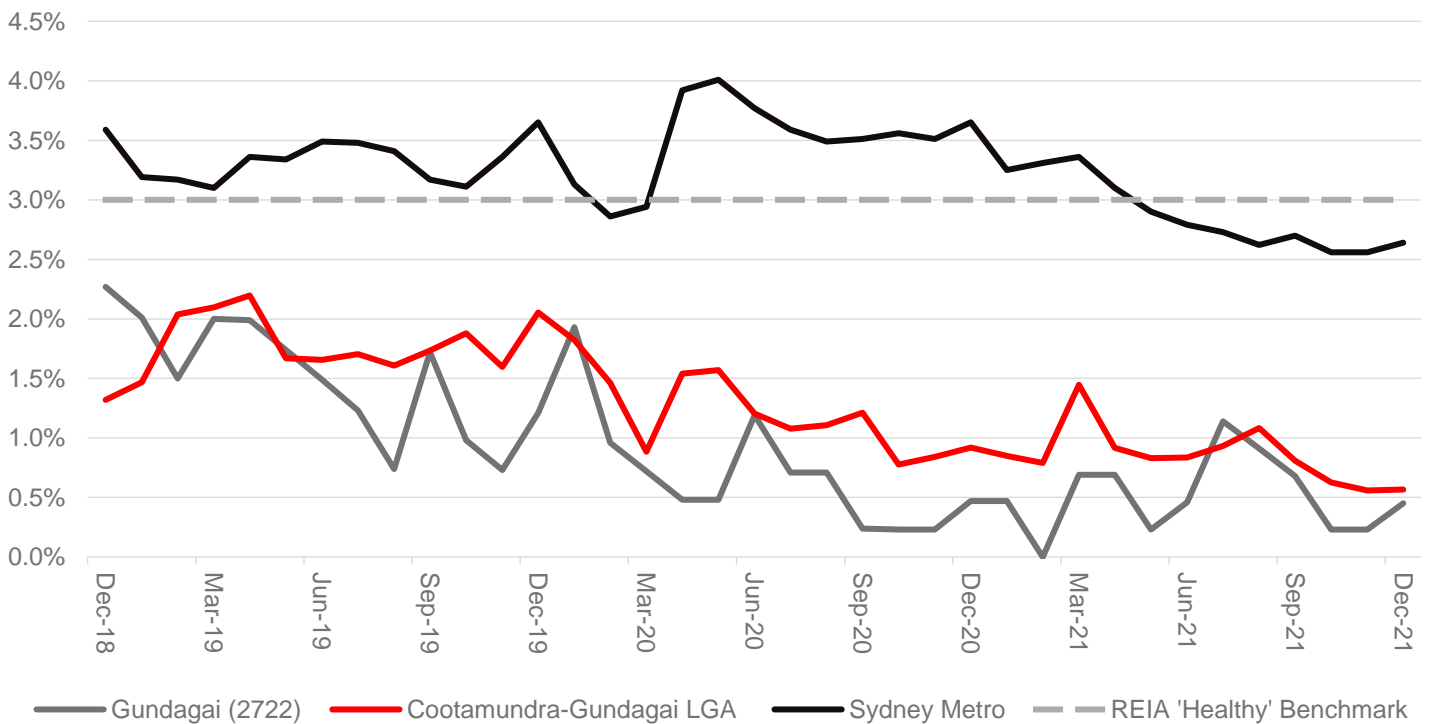
In December 2021, house rental yields in Gundagai* were recorded at 4.3%. In the 12 months to Q4 2021, the median house rental price increased by 19.0% to reach \$345 per week, while average days on the market remained constant at 20 days. Overall this represents a growing rental market, with a limited regional demand.

3 bedroom houses have provided investors with +11.7% rental growth annually€, with a median rent of \$335 per week.

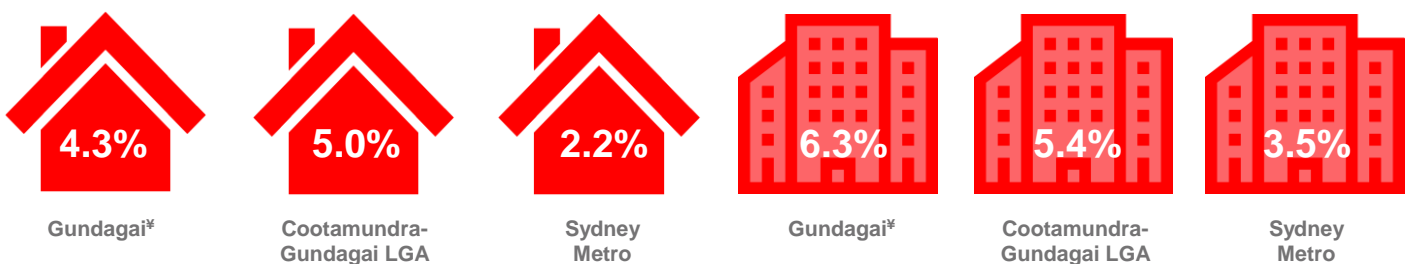
Also in December 2021, Gundagai* recorded a vacancy rate of 0.5%, below that of Cootamundra-Gundagai LGA (0.6%) and well below that of Sydney Metro (2.6%). Vacancy rates in Gundagai* have does fluctuate, due to low rental stock. But it has remained well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. This confirms there is a healthy rental demand with reliable tenants. Investors can be confident of a conducive investment environment in Gundagai*.



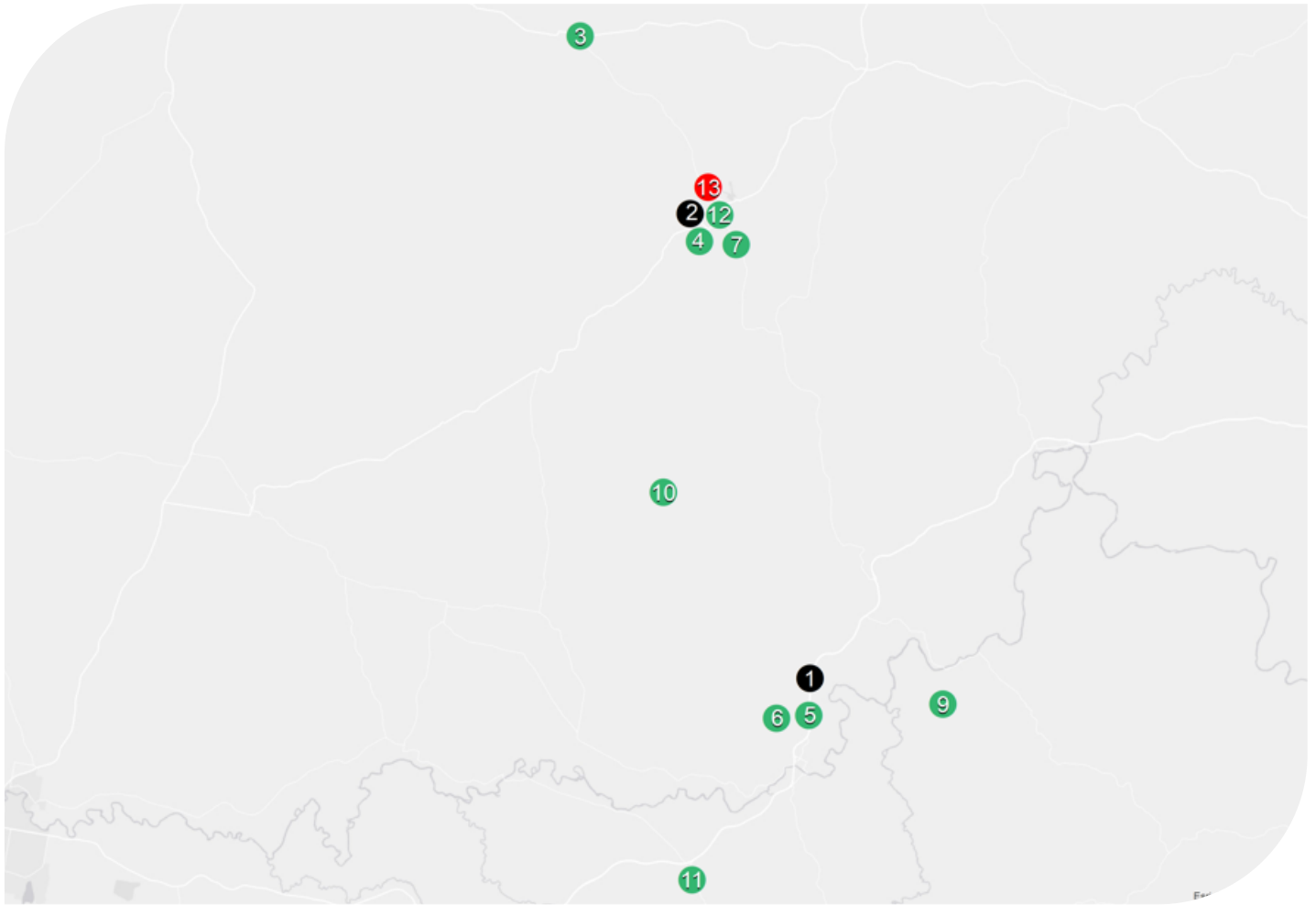
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



TOP DEVELOPMENTS MAP 2019-2023^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Dog On The Tucker Box	Commercial	\$5,000,000	12/10/2023
2	Cootamundra Ambulance Station	Commercial	\$4,500,000	28/02/2020
3	Australian Inland Rail Expressway Illabo To Stockinbingal	Infrastructure	\$100,000,000	20/03/2023
4	Junee And Cootamundra Railway Stations	Infrastructure	\$2,991,000	11/11/2021
5	Hume Highway Culvert	Infrastructure	\$500,000	01/10/2020
6	Hume Highway Culvert	Infrastructure	\$500,000	10/08/2020
7	Cootamundra Main Street Cbd Upgrade	Infrastructure	\$500,000	12/07/2021
8	Burra Road Bridge 126 Replacement	Infrastructure	\$480,000	13/05/2022
9	Carrs Road Bridge 134	Infrastructure	\$400,000	12/05/2022
10	Brawlin Road Bridge 380 Replacement	Infrastructure	\$396,000	13/02/2022
11	Lucerndale Road Bridge 157 Replacement	Infrastructure	\$336,000	10/05/2022
12	Fisher Park	Infrastructure	\$216,000	20/09/2019
13	Temora Street Residential Subdivision	Residential	\$1,300,000	18/12/2019

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.



Jed Masters, Director/ Licensee
M +61 0417 274 977
E jed.masters@prd.com.au

PRD Tumut
P +61 2 6262 5232
F +61 2 6103 9149

2/81 Wynyard Street
Tumut, NSW, 2720

PRD.com.au/tumut

REFERENCES

* Gundagai market data and key indicators encapsulates aggregate property market conditions within the postcode 2722.

** Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

2021 encapsulates sales transactions for 2021 (01/01/2021 – 31/12/2021) only.

^ 2021 encapsulates sales transactions for 2021 (01/01/2021 – 31/12/2021) only.

€ Annual rental growth is a comparison between 2020 (01/01/2020 – 31/12/2020) and 2021 (01/01/2021 – 31/12/2021) house median rent figures.

¥ Gundagai market data encapsulates aggregate property conditions within the postcode of 2722.

§ Rental yields shown are as reported as of December 2021.

⌘ Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

£ Projects refers to the top developments within the suburbs of Cootamundra – Gundagai Local Government Area

μ Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

ψ Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRD does not hold any liability to the exact date.

Source: APM Pricerfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

Disclaimer: PRD does not give any warranty in relation to the accuracy of the information contained in this report. If you intend to rely upon the information contained herein, you must take note that the information, figures and projections have been provided by various sources and have not been verified by us. We have no belief one way or the other in relation to the accuracy of such information, figures and projections. PRD will not be liable for any loss or damage resulting from any statement, figure, calculation or any other information that you rely upon that is contained in the material.

Prepared by PRD Research. © All medians and volumes are calculated by PRD Research. Use with written permission only. All other responsibilities disclaimed. © Copyright PRD 2021.