



Tumbarumba Market Update 1st Half 2022



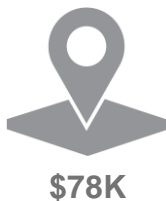
OVERVIEW

In H2 2021, Tumbarumba* recorded a median house price of \$300,000, and a median vacant land price of \$78,625. This represents annual (H2 2020 – H2 2021) median price growth of 18.8% for houses and 47.0% for land. Between H2 2020 – H2 2021 total sales in both markets slowed, by -33.3% for houses (to 32 sales) and by -63.2% for vacant land (to 7 sales). Tumbarumba* is currently experiencing its highest ever median property prices, spurred on by high demand for more rural property and limited supply. Both house and unit markets are undersupplied, creating an opportunity for developers.

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

MARKET CONDITIONS

SALES MEDIAN PRICE H2 2021



SALES AVERAGE DAYS ON MARKET H2 2021



RENTAL MEDIAN PRICE H2 2021

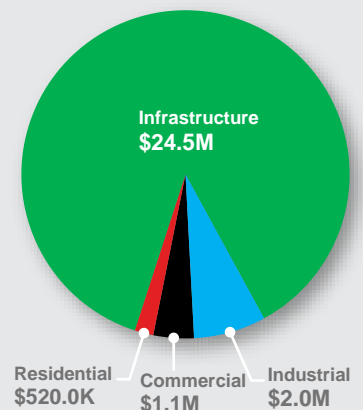


RENTAL AVERAGE DAYS ON MARKET H2 2021



FUTURE DEVELOPMENTS

Tumbarumba* has seen/is set to see approximately **\$28.1M** worth of new projects commencing between 2017 and the 1st half of 2022.



A focus on infrastructure projects has helped stimulate economic growth and create employment opportunities in Tumbarumba*. This can potentially create more demand for housing in the area, pushing prices up further.

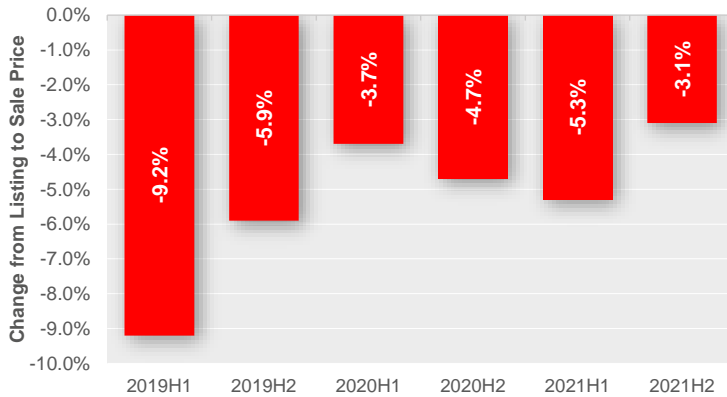
A main infrastructure project over the 1st half of 2022 is the construction of the new Coppabella Creek Suspension Bridge (\$500K) which will see a new 70 metre suspension bridge come to Tumbarumba. Over the past 5 years Tumbarumba as see projects such as the \$15.2M Tumbarumba Multipurpose Services (MPS) in 2019, the \$1.0M Essential Energy Depots and the Winton Street Units (\$520K, 4 units).

As the only residential project constructed in the last 5 years in the area, there is an opportunity for developers. There is demand for new ready-to-sell houses and vacant land, and an ongoing need to ensure that first home buyers can enter the market.



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.

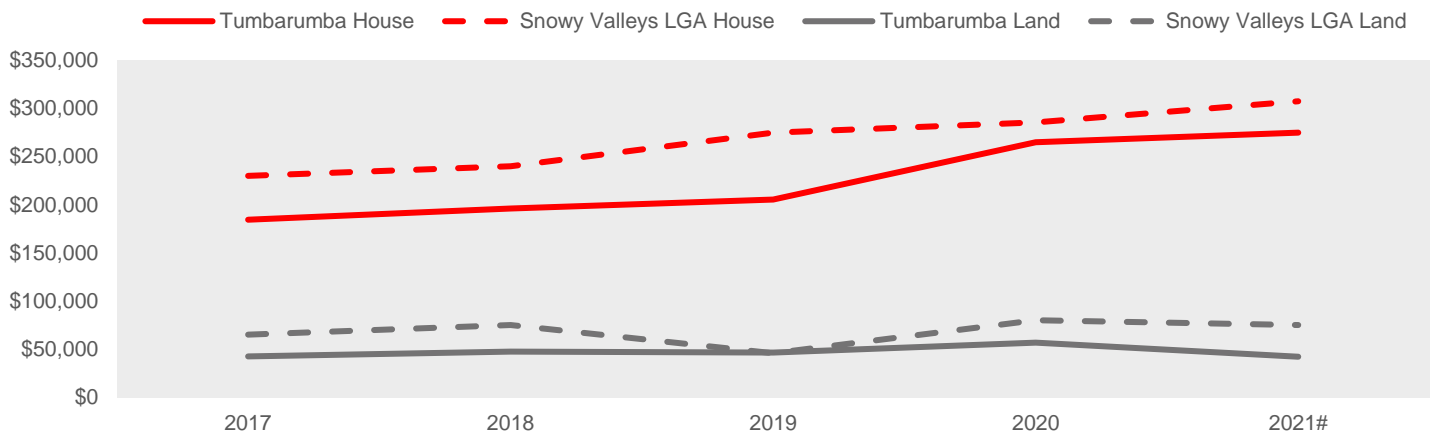


Average vendor discounts between H2 2021 and H2 2022 have tightened to -3.0%, the tightest seen in the past 24 months. Market conditions in Tumbarumba* offer unique opportunities, where sellers can now achieve a final sale price closer to their first list price, yet buyers can still benefit from a discount.

The suburb of Tumbarumba has typically been more affordable than the Snowy Valleys Local Government Area (LGA) in both house and land median prices. This continued in to be the case throughout 2021#.

The main proportion of homes sold in Tumbarumba* across 2021^ were priced below \$200,000 (40.0%). Land recorded a dominant middle price point between \$50,000-\$60,000 (30.4%). Despite a growing premium market, in which houses \$350,000 and above account for 21.3% of sales, and limited new supply coming to Tumbarumba, there are still ample affordable options available for first time home buyers.

MARKET COMPARISON

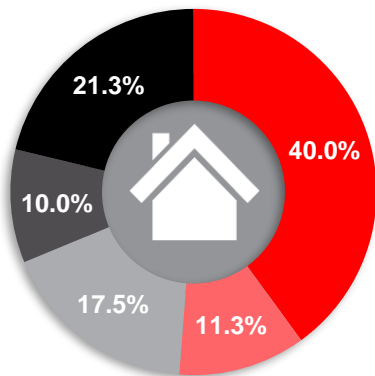


The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tumbarumba.

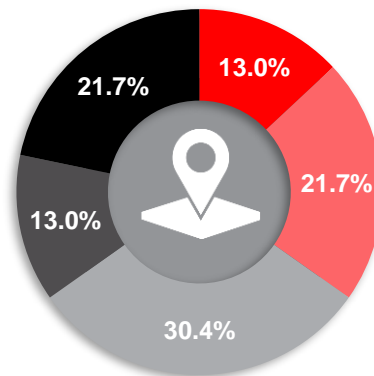
PRICE BREAKDOWN 2021^

HOUSES SOLD

VACANT LAND SOLD



- Less than \$200,000
- \$200,001 to \$250,000
- \$250,001 to \$300,000
- \$300,001 to \$350,000
- \$350,001 and above



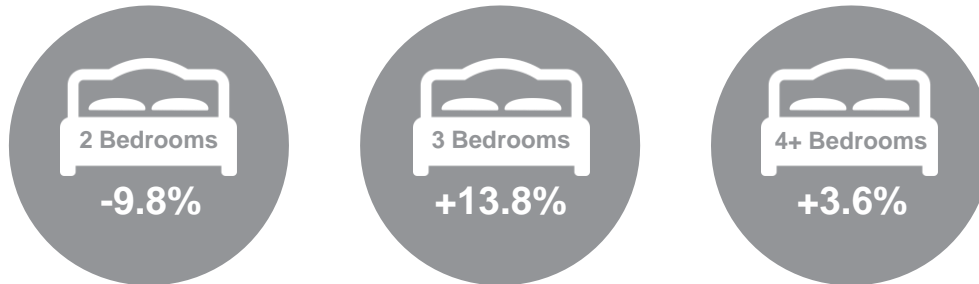
- Less than \$40,000
- \$40,001 to \$50,000
- \$50,001 to \$60,000
- \$60,001 to \$70,000
- \$70,001 and above

RENTAL GROWTH 2021€

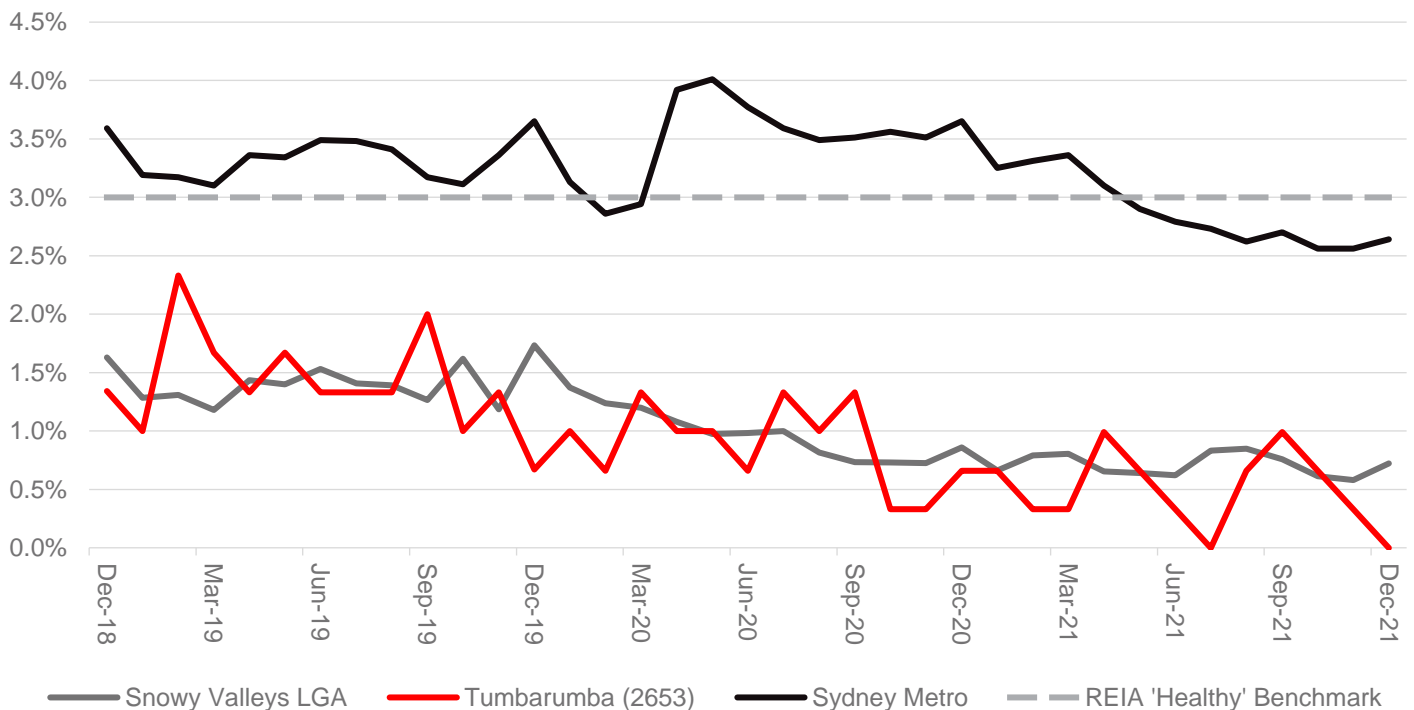
In December 2021, house rental yields in Tumbarumba (2653)* were recorded at 4.6%, well above the Sydney Metro (2.2%). In the 12 months to Q4 2021, the median house rental price increased by 24.5% to reach \$330 per week, while average days on the market declined by -11.1% (to 24 days). With scarce supply in the area, investors can be confident of a resilient rental market in Tumbarumba*.

3 bedroom houses have provided investors with +13.8% rental growth annually€, with a median rent of \$330 per week.

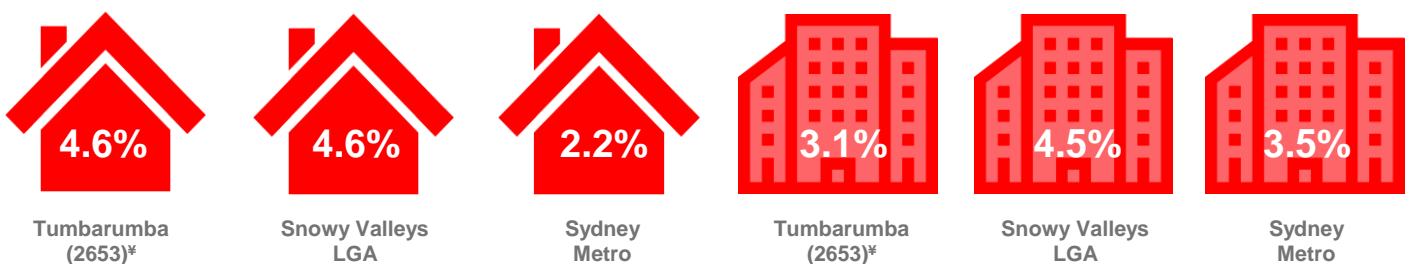
Also in December 2021, Tumbarumba* recorded a vacancy rate of 0.0%, below that of Snowy Valleys LGA (0.7%) and well below Sydney Metro (2.6%). Vacancy rates in Tumbarumba* have remained well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. With zero rental properties available for renters, investors can be confident of consistent cashflow and increasing rental prices, thus a conducive investment environment in Tumbarumba*.



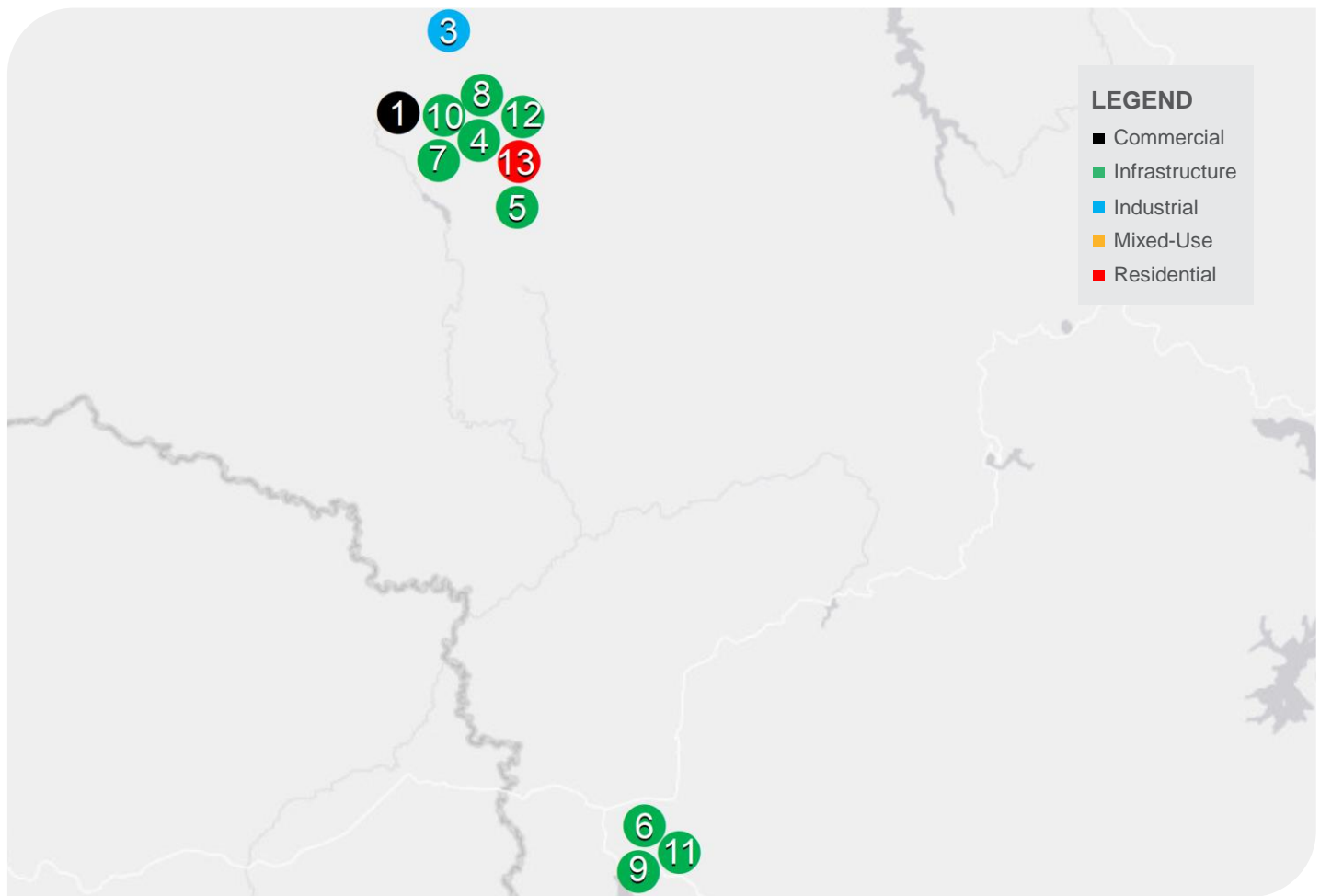
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 2017 - 2022[Ⓐ]



Location	Project [Ⓕ]	Type	Estimated Value [Ⓗ]	Commence Date [Ⓗ]
1	Essential Energy Depots	Commercial	\$1,000,000	29/04/2019
2	Quarry Road Horse Arena	Commercial	\$120,000	11/07/2021
3	Costa Group Storage Shed	Industrial	\$2,000,000	22/09/2021
4	Tumbarumba Multipurpose Services (MPS)	Infrastructure	\$15,200,000	08/01/2018
5	Tooma Road	Infrastructure	\$3,311,000	29/05/2017
6	Snowy Valleys Council Sewer Rehabilitation	Infrastructure	\$2,000,000	06/09/2018
7	Tumbarumba To Rosewood Rail Trail Bridges	Infrastructure	\$1,319,000	06/04/2020
8	Bago State Forest Bridges	Infrastructure	\$1,000,000	22/02/2021
9	Mr677 Alpine Way Slope	Infrastructure	\$577,000	02/05/2020
10	Coppabella Creek Suspension Bridge	Infrastructure	\$500,000	14/04/2022
11	Khancoban Rose Garden	Infrastructure	\$300,000	01/10/2018
12	Tumbarumba Creekscape	Infrastructure	\$250,000	05/11/2018
13	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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REFERENCES

* Tumbarumba market data and key indicators encapsulates aggregate property market conditions within the suburbs of 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.

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.

¥ Tumbarumba market data encapsulates aggregate property conditions within the postcode of 2653.

§ 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 Tumbarumba, Khancoban, Rosewood, Humula, Jingellic, and Laurel Hill.

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.

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