

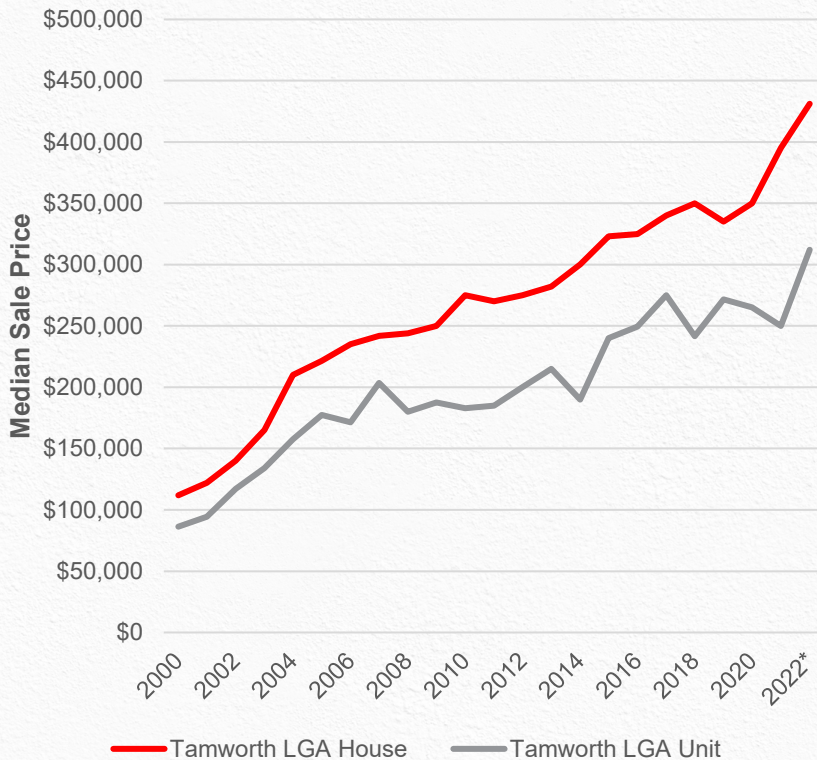
PRD  TAMWORTH
Sell • Buy • Rent • Lease Smarter

Capitalising on Opportunity in a Changing Property Market



TAMWORTH PROPERTY MARKET | 20 YEAR SNAPSHOT

TAMWORTH MEDIAN PROPERTY PRICES



2022 Median Price

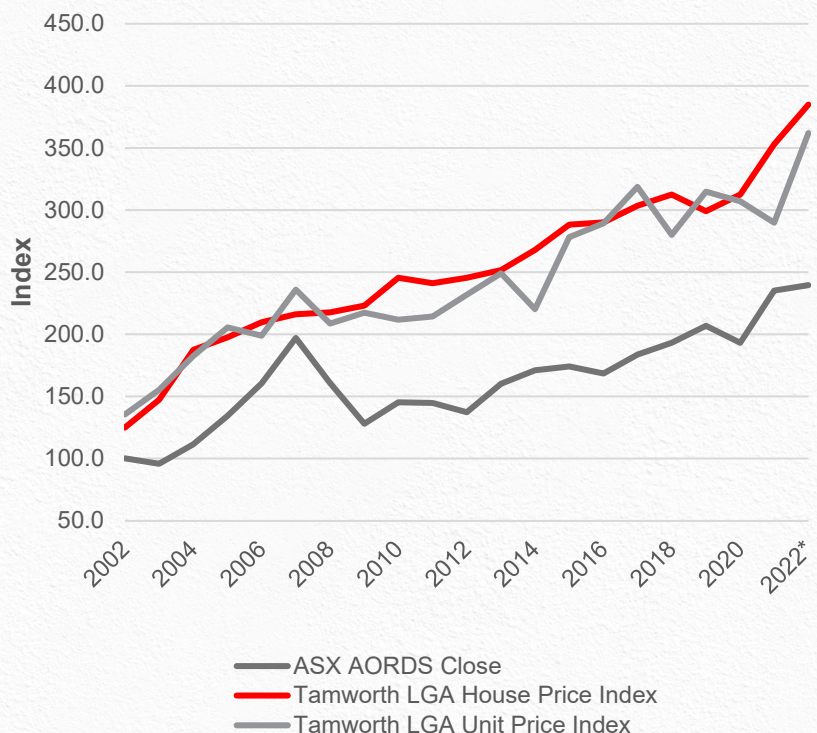
- Median House Price: \$431,000*
 - 1Y: +\$81,000 (23.1%)
 - 5Y: +\$91,000 (26.8%)
 - 10Y: +\$156,000 (56.7%)
 - 20Y: +\$291,000 (207.9%)
- Median Unit Price: \$312,000*
 - 1Y: +\$47,000 (17.7%)
 - 5Y: +\$37,000 (13.5%)
 - 10Y: +\$112,000 (56.0%)
 - 20Y: +\$195,000 (166.7%)

Key Comments

From 2002 to 2022, both houses and units in Tamworth have performed strongly, by returning 5-digit median price increases over the 1 to 5-year horizon, and six-digit median price increases over the past 10 and 20 years.

*2022 data represents sales between 1st January 2022 – 31st May 2022.
Source: APM Pricerfinder.

PROPERTY AND SHARES: TAMWORTH LGA VS ASX



20-Year Index Growth

- ASX All Ordinaries (Close): +139.2%
- Tamworth LGA House: +208.0%
- Tamworth LGA Unit: +166.9%

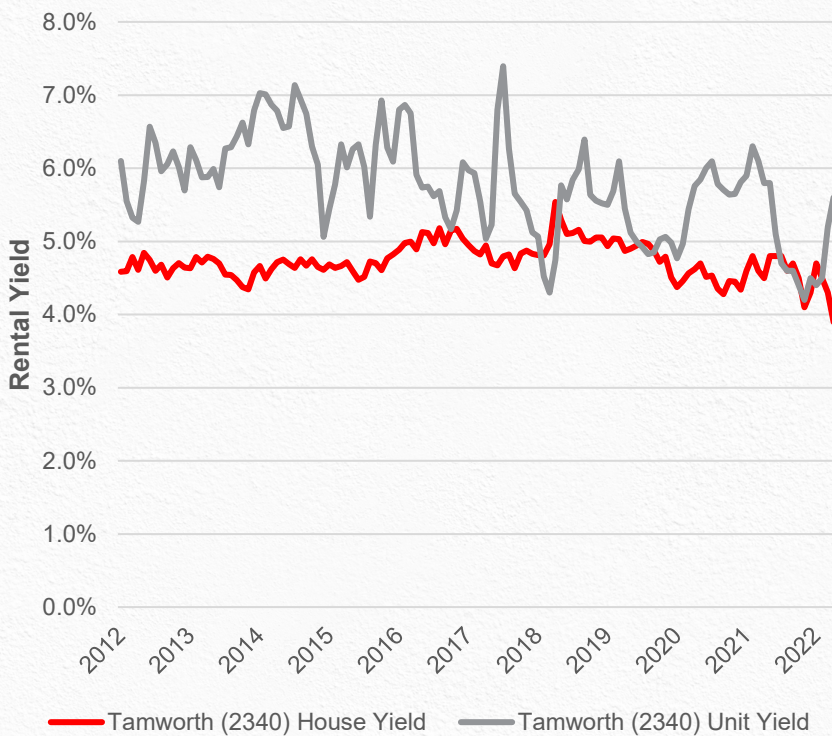
Key Comments

Since 2002, Tamworth's property markets have outperformed the ASX All Ordinaries and provided a more stable platform for investment returns. There are similarities in how the two asset classes perform, but the ASX has proven to be susceptible to shocks, more so than the property market.

2022 sees the biggest gap in returns for the two asset classes, with ASX growing at a slower pace compared to Tamworth's property market. This trend is projected to continue, due to the supply and demand imbalance of property stock in Tamworth.

Source: APM Pricerfinder, Yahoo! Finance.

TAMWORTH RENTAL YIELDS



Apr-22 Overview

- House Rental Yield: 3.9%
- Unit Rental Yield: 5.6%

Key Comments

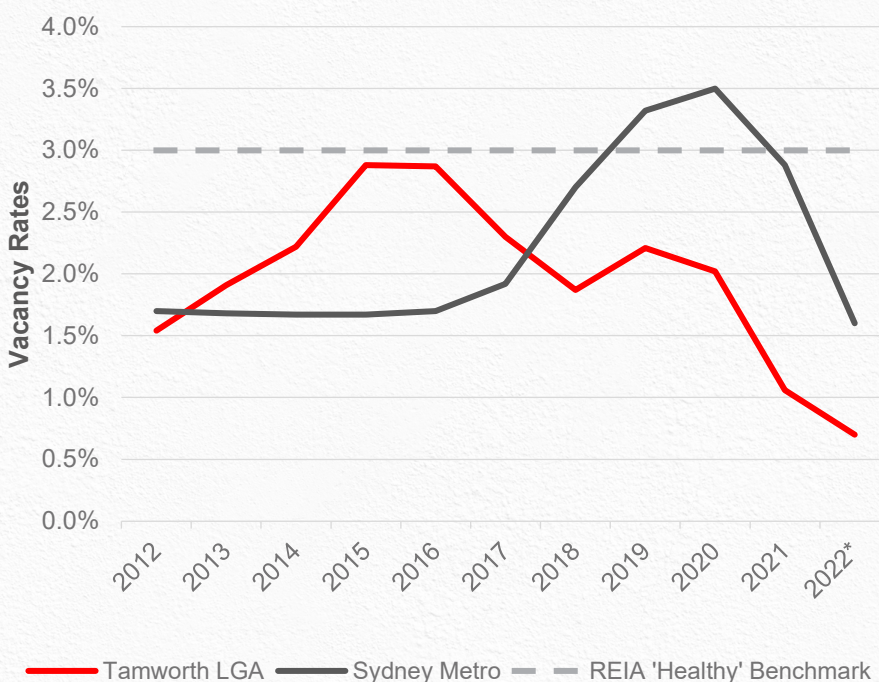
Between 2012 to 2022, Tamworth's (2340) house rental yields remained within a band of 4.0% to 5.0%, averaging 4.7%. Unit rental yields fluctuated over the 10-year period, averaging 5.4%.

Rental yields in Tamworth saw a slight decrease during COVID-19 lockdowns, but this recovered without too much delay.

April 2022 rental yields in Tamworth was higher than Sydney Metro's (2.4% for house and 3.7% for units). This confirms Tamworth as a more affordable and attractive alternative investment compared to Sydney Metro.

Source: SQM Research.

TAMWORTH VACANCY RATES



Apr-22 Vacancy Rates

REIA 'Healthy' Benchmark: 3.0%

- Tamworth LGA: 0.7%
- Sydney Metro: 1.6%

Key Comments

Tamworth LGA recorded a vacancy rate of 0.7% in April 2022, a historical low for the past 10 years.

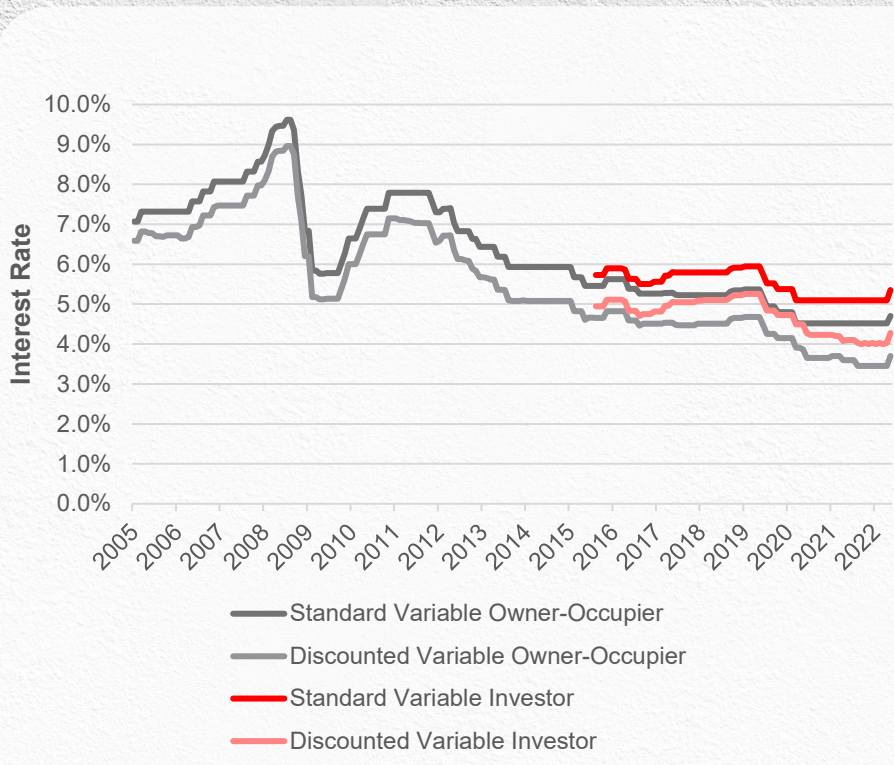
Vacancy rates in Tamworth have been on a declining trend since 2016, with a brief fluctuation in 2018-2019 due to the GFC.

Interestingly vacancy rates in Tamworth declined during COVID-19, in contrast to Sydney Metro (which increased).

This suggests a highly resilient rental market in Tamworth, creating a conducive quicker rental occupancy for investors.

Source: Haver Analytics.

PROPERTY INTEREST RATES



May-22 Variable Rates

- Standard Owner-Occupier: 4.7%
- Discounted Owner-Occupier: 3.7%
- Standard Investor: 5.4%
- Discounted Investor: 4.3%

Key Comments

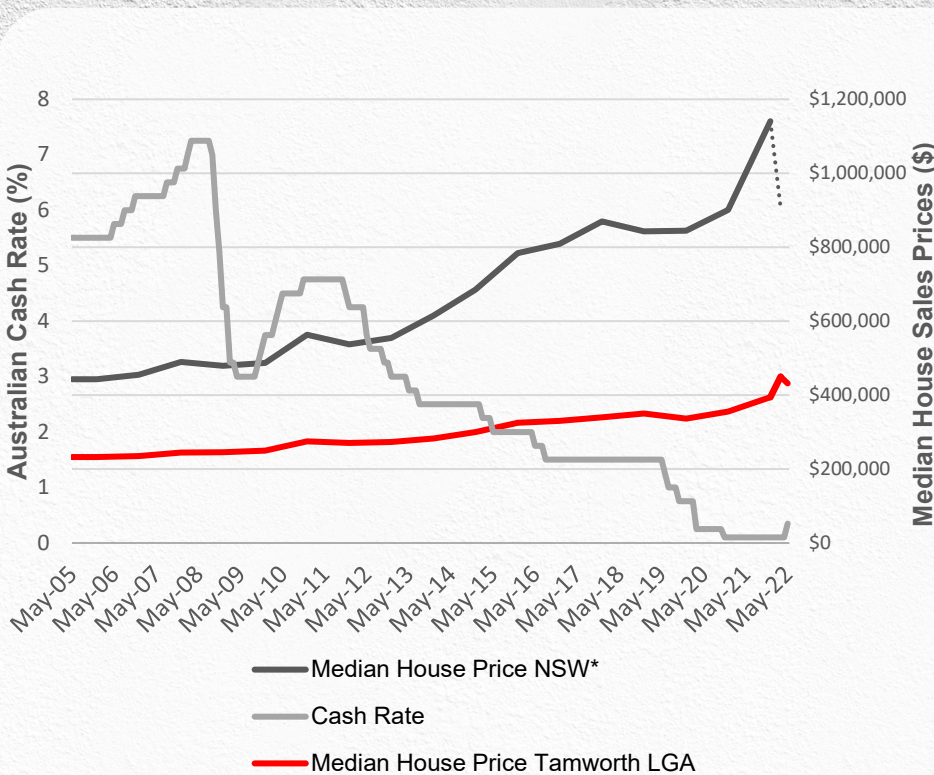
The property market is entering uncertain times, with the first cash rate hike introduced in May 2022. This has changed the landscape for people's borrowing capacity and their purchasing power for big ticket items such as property. Coupled with higher cost of living many households are revisiting their priorities.

"...the Board is committed to doing what is necessary to ensure that inflation in Australia returns to target... This will require a further lift in interest rates over the period ahead."

– Philip Lowe, RBA Governor, 3 May 2022

Source: Reserve Bank of Australia.

AUSTRALIAN CASH RATE VS TAMWORTH MEDIAN HOUSE PRICE VS NSW MEDIAN HOUSE PRICE



May-22 Median Prices

- NSW Median House Price: \$907,000
- Tamworth Median House Price: \$450,000
- Cash Rate: 0.1%

Key Comments

The NSW property market seemed to have peaked, as affordability constraints start to bite and a change in interest rates meant buyers can borrow less.

NSW median house price saw a price softening in recent times, as the market enters uncertain times.

Tamworth LGA market has seen a similar trend, however with less of a significant impact. Thus presenting a more affordable and resilient market for investors.

*Disclaimer Median House Price NSW for May 2022 represents projected figures based on known sales between 1st January- 31st March 2022. Source: APM Pricerfinder, Reserve Bank of Australia

SPEAKERS



Mark Sleiman | *Licensed Real Estate Agent* Principal & Licensee in Charge

Over the last 12 years in Real Estate, Mark has worked his way from a Professional Assistant to Licensee in Charge in the same business!

Born and raised in Tamworth with a family background of property development, Mark has obtained substantial knowledge and specialises in high end and lifestyle property sales alongside his highly effective and dedicated associate Suellen Marsh.

Mark has been involved in a number of residential and commercial property developments, the most prominent in recent times the Iconic Northern Daily Leader Building restoration and redevelopment.

The drive to achieve the best possible result for his clients has led to Mark winning many accolades including the PRD Creative Marketing Award and consistently ranking in the PRD National Top 10 Selling Principals.

Mark is a dedicated father to Gabriella and Peter and husband to Jacqui. Loves the weekend to BBQ and share with friends.

Jacqui Bijmens | *LREA, BCom, CA* Chief Operating Officer

Following a career as a chartered accountant working with Ernst & Young and Grant Thornton International in Sydney and London, Jacqui returned to Tamworth in 2010 with her husband to be closer to family and to raise their children. In 2015, Jacqui joined PRDTamworth as a Director where she leads the Property Management team and oversees the internal operations of the business.

Jacqui enjoys keeping fit and healthy so she can keep up with her active young boys!



Sell, Buy, Rent & Lease Smarter with PRD Tamworth

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