



Tumut Market Update 2nd Half 2022



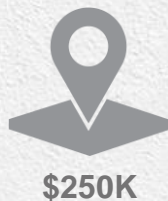
OVERVIEW

In Q2 2022, Tumut* recorded a median house price of \$425,000, and a median land price of \$250,000. This represents annual (Q2 2021 – Q2 2022) median price growth of 41.7% for houses and significantly for land. Total sales decreased between Q2 2021 – Q2 2022, by -18.2% (to 54 sales) for houses and by -9.5% for land (to 19 sales). An undersupply is evident, as high price growth is alongside lower sales volumes. Now is an ideal time for owners to capitalise on their investment, and for developers to offer ready-to-sell stock. An undersupplied market can create a buffer against rising cash rates.

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

MARKET CONDITIONS

SALES MEDIAN PRICE
Q2 2022



SALES AVERAGE DAYS ON
MARKET Q2 2022



RENTAL MEDIAN PRICE
Q2 2022

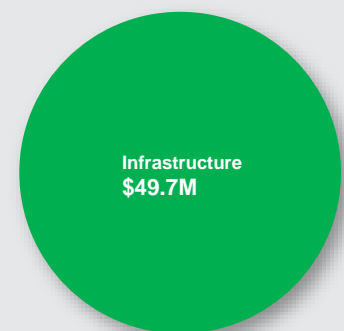


RENTAL AVERAGE DAYS ON
MARKET Q2 2022



FUTURE DEVELOPMENTS

Tumut* is set to see approximately **\$49.7M** worth of new projects commencing between 2017 and the 2nd half of 2022.



A focus on infrastructure projects will create employment opportunities in the short term and improve liveability for residents. This could lead to higher demand for housing, as the area becomes more attractive to live in.

A main infrastructure project over the 2nd half of 2022 is the Tumut District Hospital (\$40.0M). The project is set to redevelop the Tumut* district Hospital and add staff accommodation.

Other infrastructure projects include:

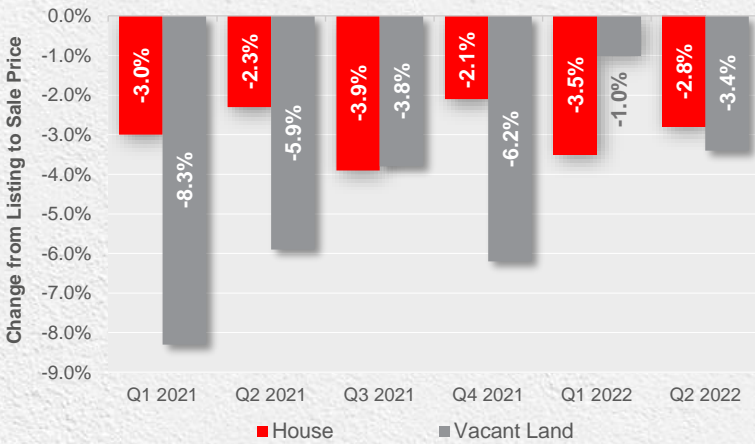
- Batlow Caravan Park (\$2.7M)
- Forsters Road Landslide Stabilisation (\$1.1M)
- Tumut Sealing Works (\$1.0M)

The above infrastructure projects will improve liveability and create new jobs, boosting the economy.

There are no residential projects in the 2nd half of 2022, a key concern considering market demands, and approximately 40% price growth due to low stock. There is a need for ready-to-sell stock, as well as the creation of subdivision lots. Now is the time for developers and the Local Government to create an innovative strategy 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.

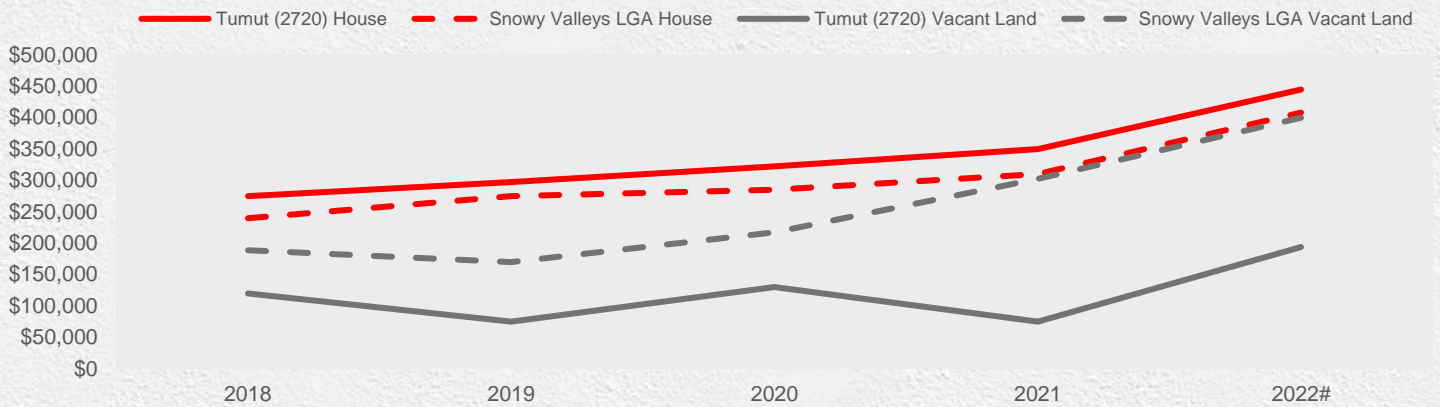


Average vendor discounts between Q2 2021 and Q2 2022 have widened for houses, to -2.8%, and tightened to -3.4% for land. Market conditions in Tumut* are continuing to favour buyers, where sellers are willing to negotiate below their initial listing price. Now is the time to enter the market.

The suburb of Tumut has historically outperformed the wider Snowy Valleys Local Government Area (LGA) in house median prices and more affordable for vacant land. This continues in 2022#, with houses presenting a premium market. The gap for land prices is now at its widest, despite Tumut recording high final sale prices.

The dominant proportion of homes sold in Tumut* across 2022# were in the most affordable price bracket of below \$299,999 (38.5%), while vacant land recorded a dominant price point of below \$99,999 (53.1%). This reveals that there is affordably priced stock available, in good news for buyers.

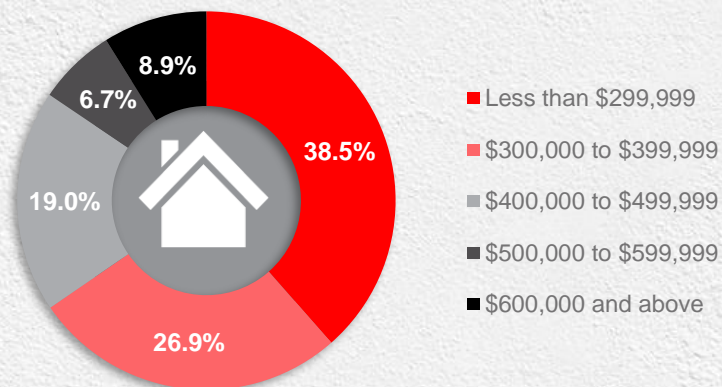
MARKET COMPARISON



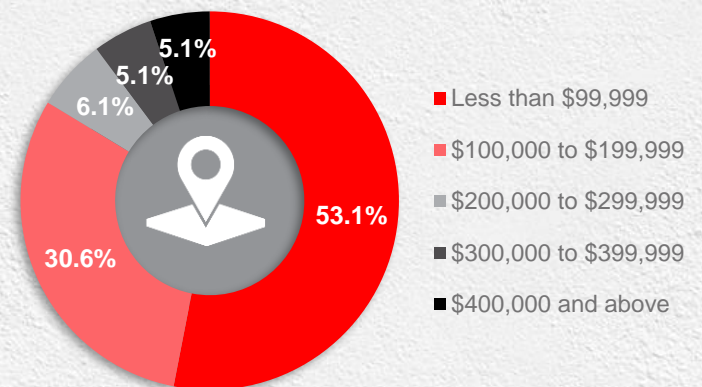
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tumut.

PRICE BREAKDOWN 2022#

HOUSES SOLD



VACANT LAND SOLD



RENTAL GROWTH 2022€

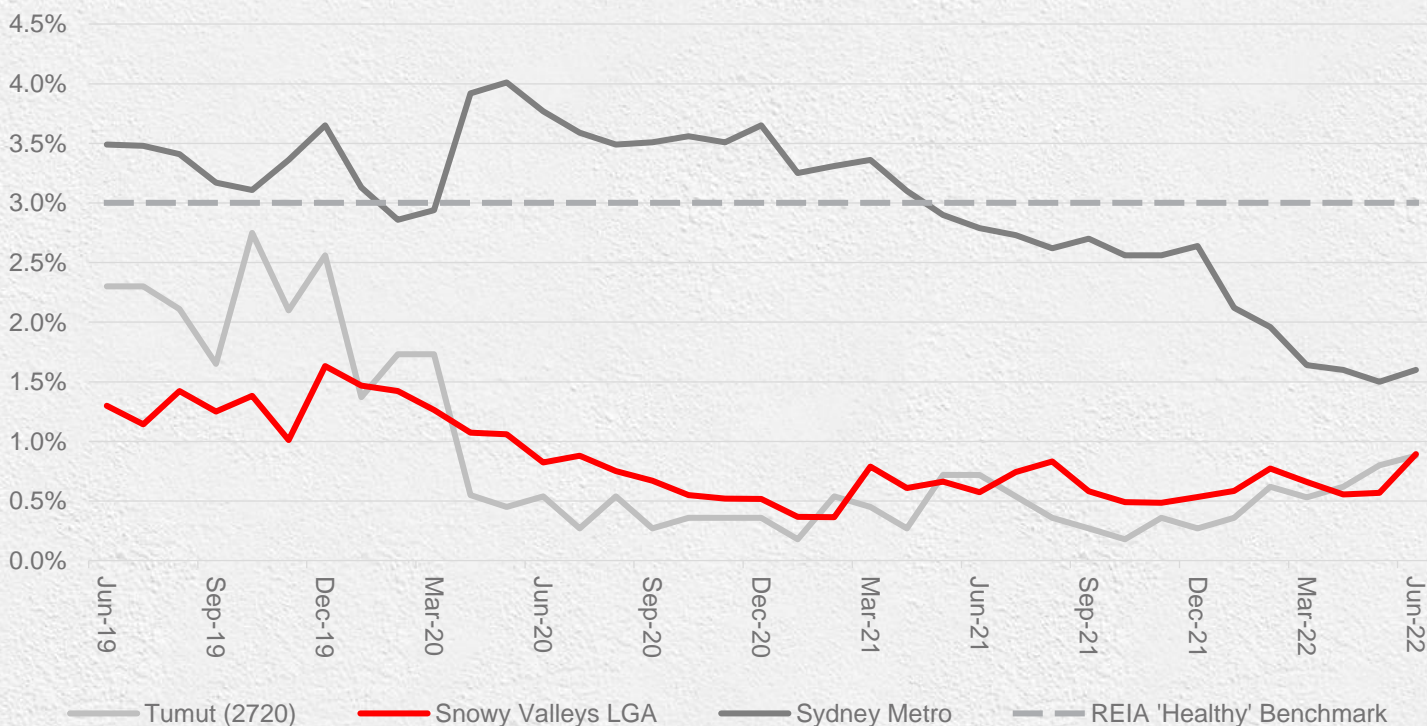
House rental yields in Tumut* was 4.9% in June 2022, much higher than Sydney Metro's 2.5%. This was paired with an 11.8% increase in median house rental price (to \$380 per week) in the 12 months to Q2 2022 and a decrease of -16.7% (to 30 rentals) in the number of houses rented. This suggests an undersupply in the rental market. Combined with Tumut* being a more affordable market compared to Sydney Metro, this creates an incentive for investors to enter the market.

2 bedroom houses have provided investors with +12.3% rental growth annually, achieving a median rent of \$292 per week.

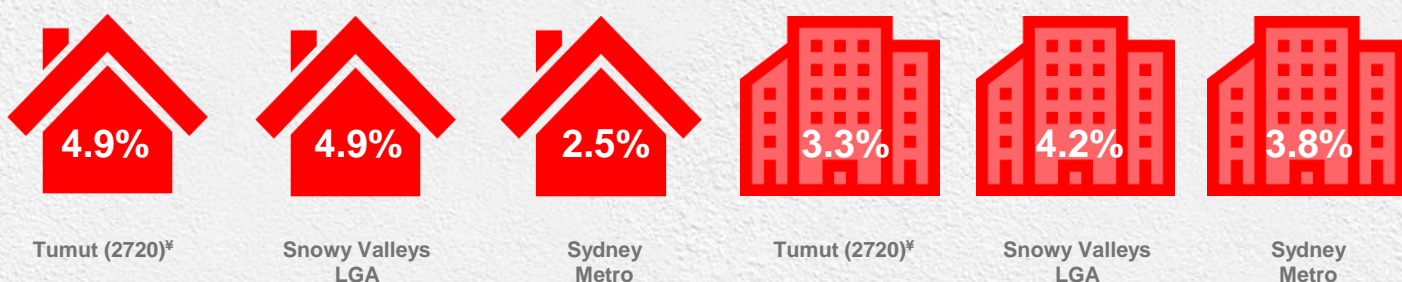
Tumut* recorded a vacancy rate of 0.9% in June 2022, which is below Sydney Metro's 1.6% average. Vacancy rates in Tumut* have held steady over the past 12 months, trending within the 1.0% band. This indicates quick rental occupancy and stability in rental demand. These key indicators create a conducive and sustainable environment for investors, despite the increase in median sale prices of property over the past 12 months.



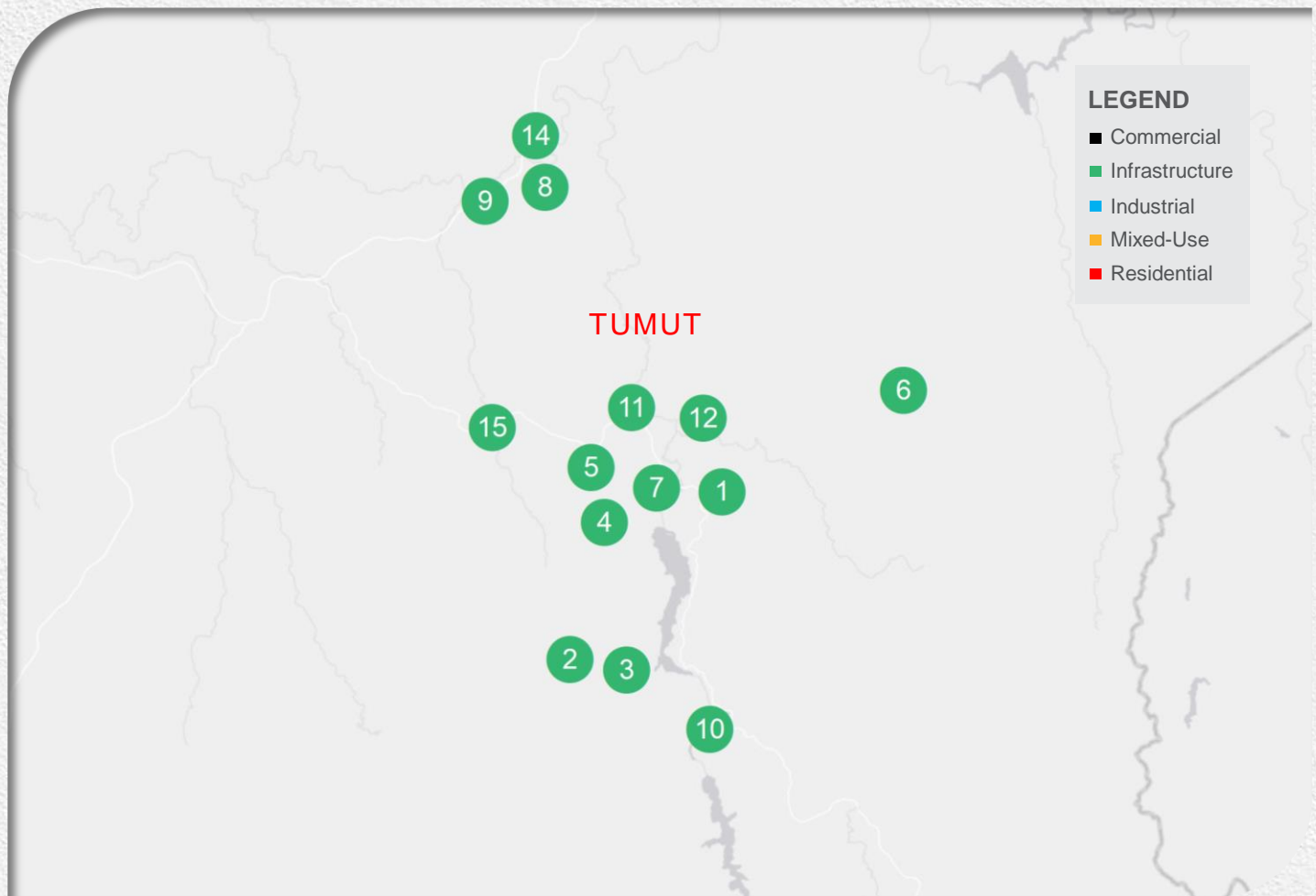
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 2017-2022[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Tumut District Hospital	Infrastructure	\$40,000,000	10/02/2020
2	Batlow Caravan Park	Infrastructure	\$2,700,000	10/02/2022
3	Forsters Road Landslide Stabilisation	Infrastructure	\$1,070,000	15/07/2021
4	Tumut Sealing Works	Infrastructure	\$1,000,000	22/02/2021
5	Tumut & Murray Rivers - River Works	Infrastructure	\$1,000,000	11/12/2022
6	Brindabella Road	Infrastructure	\$500,000	15/06/2019
7	Snowy Valleys Council Sprayed Bituminous Surfacing	Infrastructure	\$500,000	02/12/2019
8	Hume Highway Culvert	Infrastructure	\$500,000	01/10/2020
9	Hume Highway Culvert	Infrastructure	\$500,000	10/08/2020
10	Talbingo Boat Ramp	Infrastructure	\$474,000	23/01/2020
11	Gocup Road Intersection Powerlines & Streetlights	Infrastructure	\$400,000	27/08/2022
12	Tumut Main Street Roadworks	Infrastructure	\$386,000	20/05/2020
13 (not mapped)	Khancoban & Talbingo Public Areas	Infrastructure	\$329,000	07/09/2019
14	Gundagai Public School	Infrastructure	\$185,000	18/04/2022
15	Adelong Public School	Infrastructure	\$177,000	09/05/2022

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

* Tumut market data and key indicators encapsulates aggregate property market conditions within the suburbs of Adelong, Batlow, Tumut, Gundagai, and Talbingo.

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

2022 encapsulates sales transactions for 1H 2022 (01/01/2022 – 30/06/2022) only.

€ Annual rental growth is a comparison between 1H 2021 (01/01/2021 – 30/06/2021) and 1H 2022 (01/01/2022 – 30/06/2022) house median rent figures.

¥ Tumut market data encapsulates aggregate property conditions within the postcode of 2720.

§ Rental yields shown are as reported as of June 2022.

⌘ 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 Adelong, Batlow, Tumut, Gundagai, and Talbingo.

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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