



Tumut Market Update

2nd Half 2023



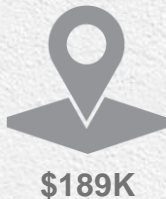
OVERVIEW

In Q2 2023, Tumut* recorded a median house price of \$442,500 and a median vacant land price of \$189,000. This is an annual (Q2 2022 – Q2 2023) price growth of 2.9% for houses and 2.2% for vacant land. On a quarterly (Q1 – Q2 2023) basis, median house prices continued to grow at 9.9%, while vacant land median price softened by -17.8%. Cash rate hikes did translate into the market, but for vacant land. In the past 12 months sales increased 32.7% for houses. Despite cash rate hikes demand is still strong in Tumut. This creates an opportunity for sellers who wish to capitalise from their investment.

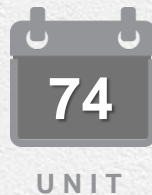
	CHANGE FROM LAST	YEAR	HALF YEAR
 House Sales		↑	↑
House Median Price		↑	↑
House Rental Price		↔	↔
 Land Sales		↓	↑
Land Median Price		↑	↓

MARKET CONDITIONS

SALES MEDIAN PRICE
Q2 2023



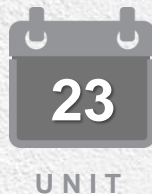
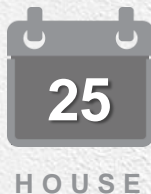
SALES AVERAGE DAYS ON MARKET
Q2 2023



RENTAL MEDIAN PRICE
Q2 2023

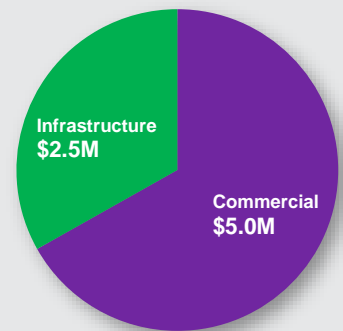


RENTAL AVERAGE DAYS ON MARKET
Q2 2023



FUTURE DEVELOPMENTS

Tumut* is set to see approximately **\$7.4M** worth of new projects commencing in the 2nd half of 2023.



Commercial projects will stimulate economic growth and create employment opportunities in Tumut*. Infrastructure projects also create jobs, especially in the construction phase, and once completed increases liveability aspects for residents. Combined this can lead to higher demand for housing, as more people become employed and/or attracted to live in the area.

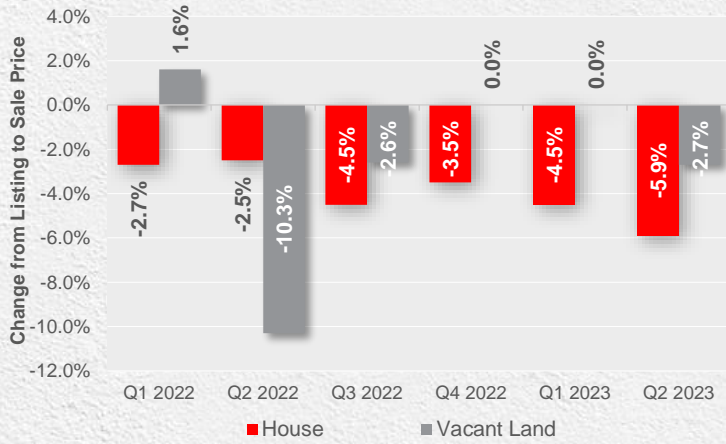
A main commercial project over the 1st half of 2023 is the Dog on the Tuckerbox. This project will see the redevelopment of the existing site into retail shops, outdoor spaces, cafes, and many others.

Infrastructure projects planned will improve liveability and commute, as it is mostly focused on roadworks.

An absence in residential projects is a concern, as even with cash rate hikes there is still a high demand for houses in Tumut. This will continue to put pressure on prices, thus any price reprieve from a higher cash rate is only temporary.

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.

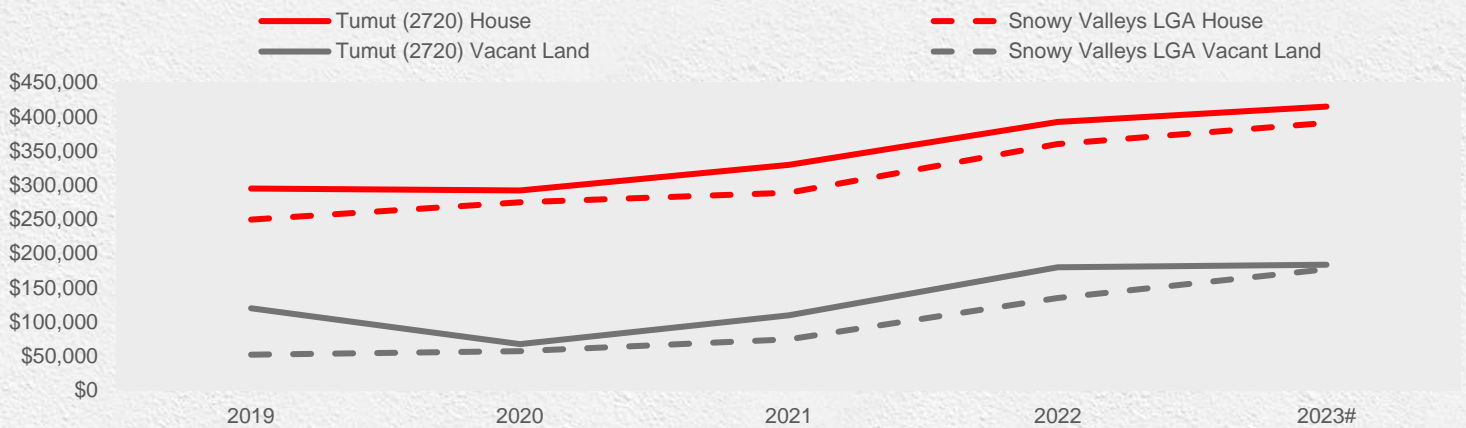


Average vendor discounts between Q2 2022 and Q2 2023 have widened to a larger discount of -5.9% for houses and tightened to -2.7% for vacant land. Tumut market conditions continue to favour buyers, as sellers are willing to accept below the initial list price. Q2 2023 house vendor discount is the highest for the past 24 months, thus an ideal time for first home buyers.

The suburb of Tumut has historically outperformed the wider Snowy Valleys Local Government Area (LGA) in both house and land median prices. 2023# has seen a return to parity for land prices to the LGA, whilst houses are still trending above the LGA.

The dominant proportion of homes sold in Tumut* across 2023# were in the middle-range price point of between \$350,000-\$450,000 (26.9%), while vacant land recorded a dominant more affordable price bracket between \$150,000-\$250,000 (63.2%). There is more affordable houses available, but the premium market remains strong, with 23.1% of sales above \$550,000.

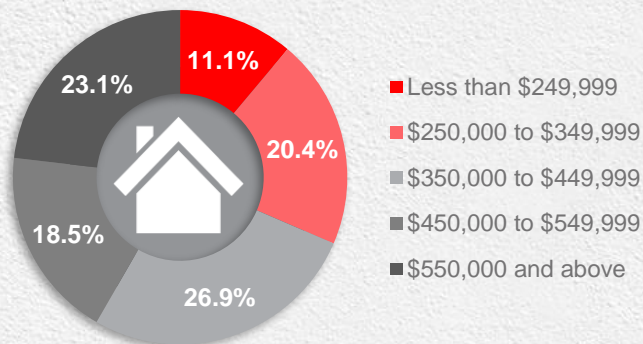
MARKET COMPARISON



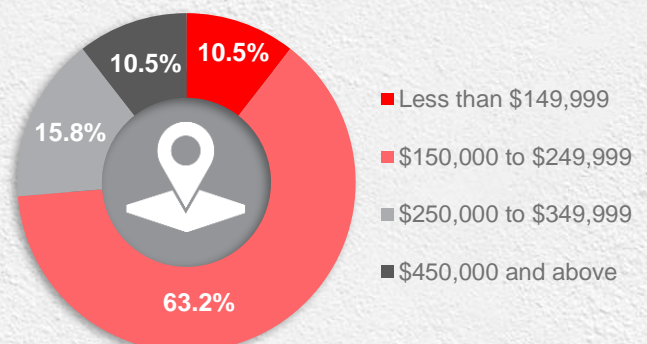
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tumut.

PRICE BREAKDOWN 2023#

HOUSES SOLD



VACANT LAND SOLD



RENTAL GROWTH 2023€

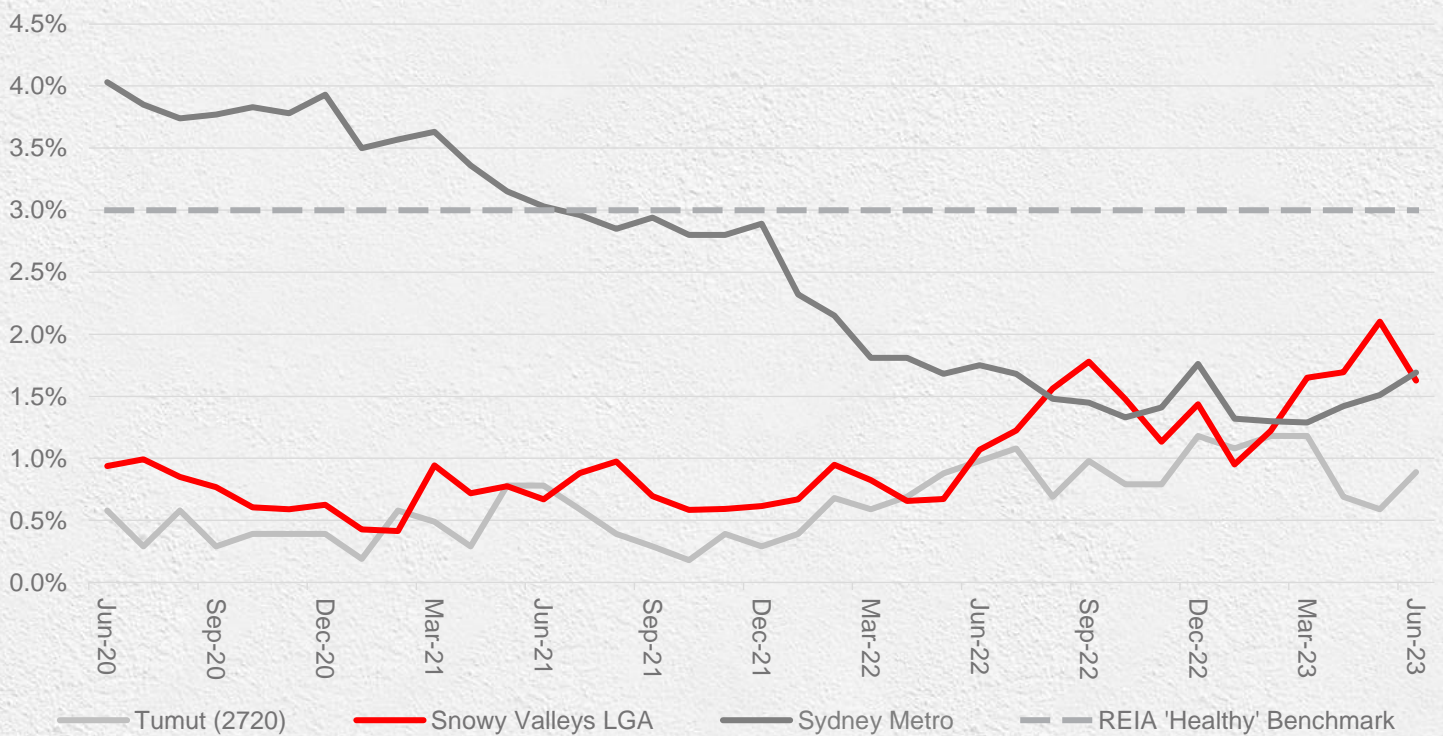
In June 2023, house rental yields in Tumut[‡] were recorded at 4.3%, well above Sydney Metro (2.8%). In the 12 months to Q2 2023 median rental price remained stable, at \$400 per week. In this time the number of houses rented also remained stable, at 30 rentals. Median unit rental price have increased by 20.0%, to \$300 per week, during the same time frame. This confirms Tumut[‡] as a more affordable market for investment when compared with Sydney Metro.

2 bedroom houses have provided investors with +19.9% rental growth annually, achieving a median rent of \$350 per week.

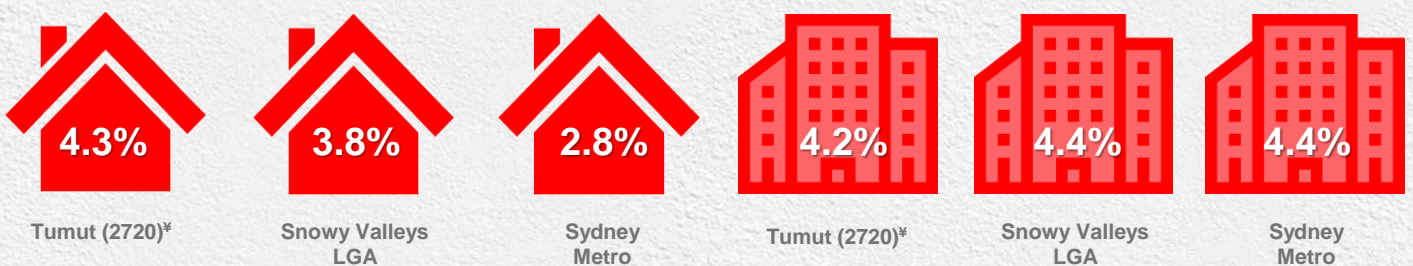
Tumut[‡] recorded a vacancy rate of 0.9% in June 2023, below Sydney Metro's 1.7% average. Vacancy rates in Tumut have fluctuated in the past 12 months, however overall have remained relatively stable. This suggests a stable rental demand and quicker occupancy. Vacancy rates in Tumut[‡] are below the Real Estate Institute of Australia's healthy benchmark of 3.0%, thus a conducive and sustainable environment for investors - even with a higher sale price in the past quarter (Q1-Q2 2023).



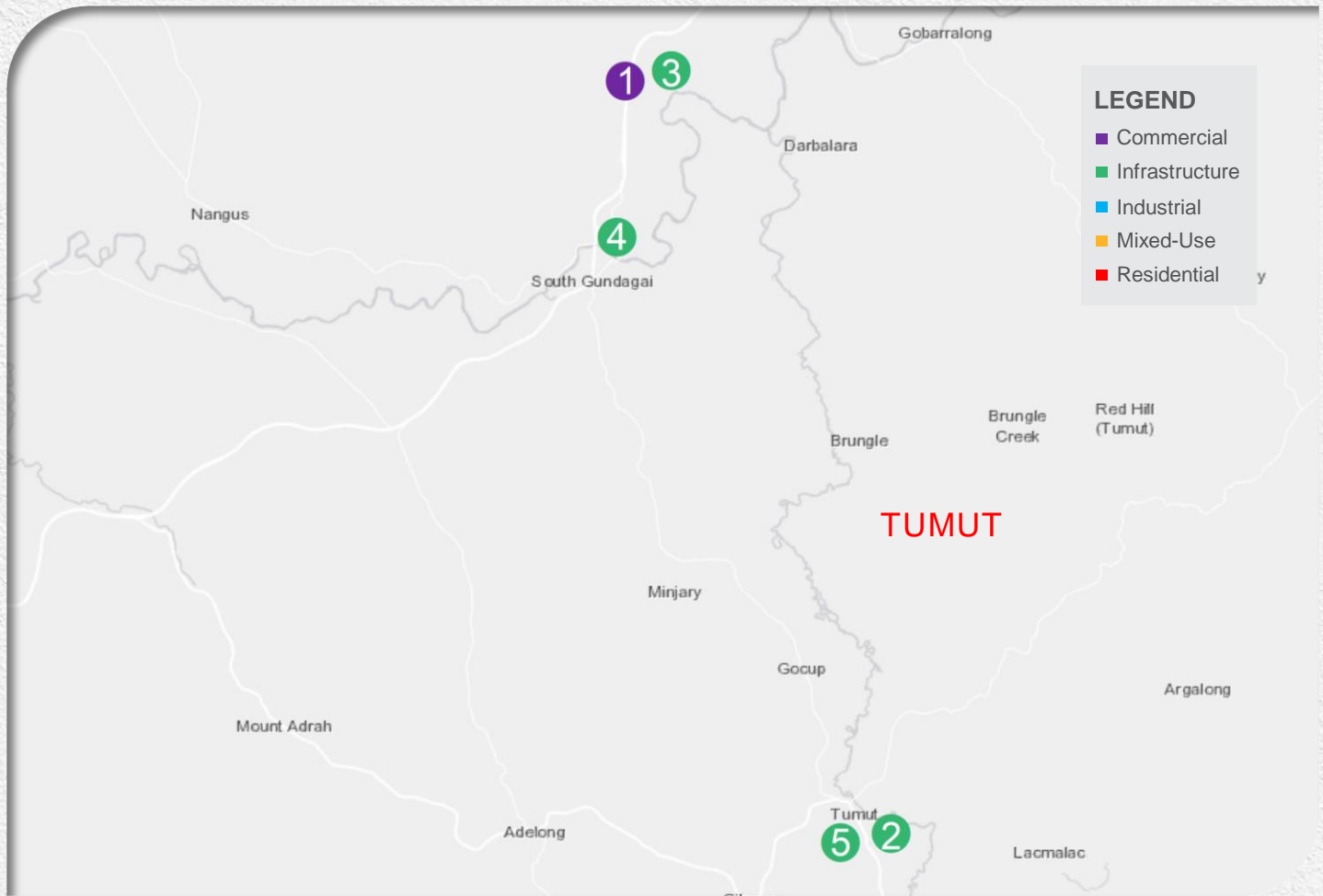
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023§



TOP DEVELOPMENTS MAP 2nd HALF 2023[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Dog On The Tucker Box	Commercial	\$5,000,000	12/10/2023
2	Tumut & Murray Rivers - River Works	Infrastructure	\$1,000,000	16/08/2023
3	Annie Pyers Drive Roadworks	Infrastructure	\$650,000	27/11/2023
4	Sheridan Street Block 3 Upgrade Stage 2	Infrastructure	\$500,000	16/10/2023
5	Tumut High School Canteen Upgrade	Infrastructure	\$331,000	28/08/2023



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

M +61 417 274 977

E jed.masters@prd.com.au



PRD Tumut

P +61 2 6947 1722

F +61 2 6947 3671

**2/81 Wynyard Street
Tumut NSW 2720**

PRD.com.au/tumut

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.

2023 encapsulates sales transactions for Q1 and Q2 2023 (01/01/2023 – 30/6/2023) only.

€ Annual rental growth is a comparison between Q2 2022 (01/04/2022 – 30/06/2022) and Q2 2023 (01/04/2023 – 30/06/2023) house median rent figures.

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

§ Rental yields shown are as reported as of June 2023.

⌘ 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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