



Gundagai Market Update

2nd Half 2023



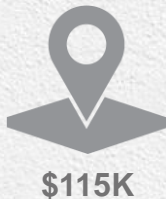
OVERVIEW

In the 1st half of 2023, Gundagai* recorded a median house price of \$390,000 and median land price of \$115,000. This is an annual (1H 2022 – 1H 2023) price softening of -3.7% for houses and -36.1% for vacant land. This is a reflection of high interest rates and lower consumer confidence. That said median house prices have not returned to pre-COVID times, thus a resilience in capital growth. House sales have trended relatively stable for the past 6 months (to 29 sales) but vacant land sales have declined significantly (to just 2 sales). For those looking for a more affordable market, now is an ideal time.

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

MARKET CONDITIONS

SALES MEDIAN PRICE
1H 2023



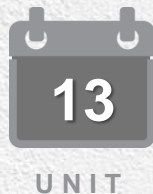
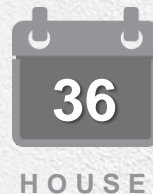
SALES AVERAGE DAYS ON
MARKET 1H 2023



RENTAL MEDIAN PRICE
1H 2023

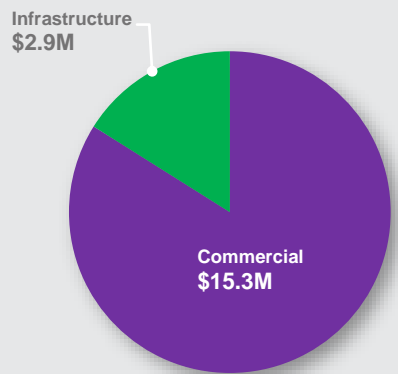


RENTAL AVERAGE DAYS ON
MARKET 1H 2023



FUTURE DEVELOPMENTS

Gundagai* is set to see approximately **\$18.2M** worth of new projects commencing in the 2nd half of 2023.



A focus on commercial projects will stimulate economic growth and create employment opportunities in Gundagai*. With more people employed this can have a spill-over impact on the real estate market, in the form of higher demand for housing stock.

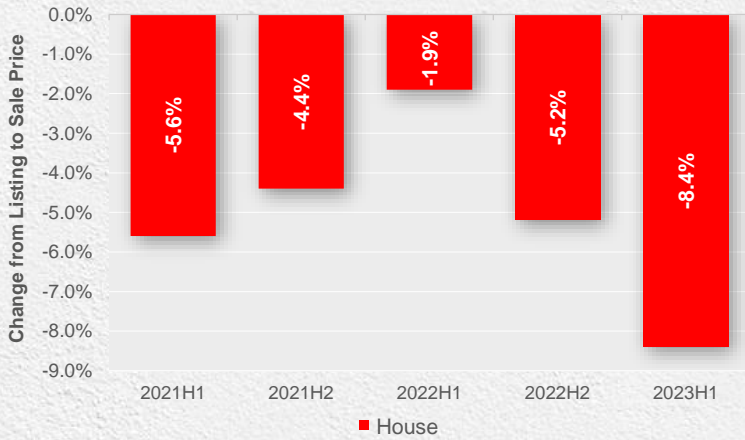
A main commercial project over the 2nd half of 2023 is Cootamundra Solar Farm. This project will see the demolition of existing houses, in order to construct a 5 megawatt solar farm. This supports economic growth through added jobs and is an effort towards renewable energy.

An absence in residential projects is a concern, as the market is currently undersupplied. This is particularly of concern in the house market., and can put pressure on house prices.

The current high interest rate environment provides some buffer to much needed supply, as there is lower consumer confidence. Thus it allows for current supply to be absorbed. That said this is not a sustainable strategy for the long term, especially with a commercial projects planned for the area.

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.

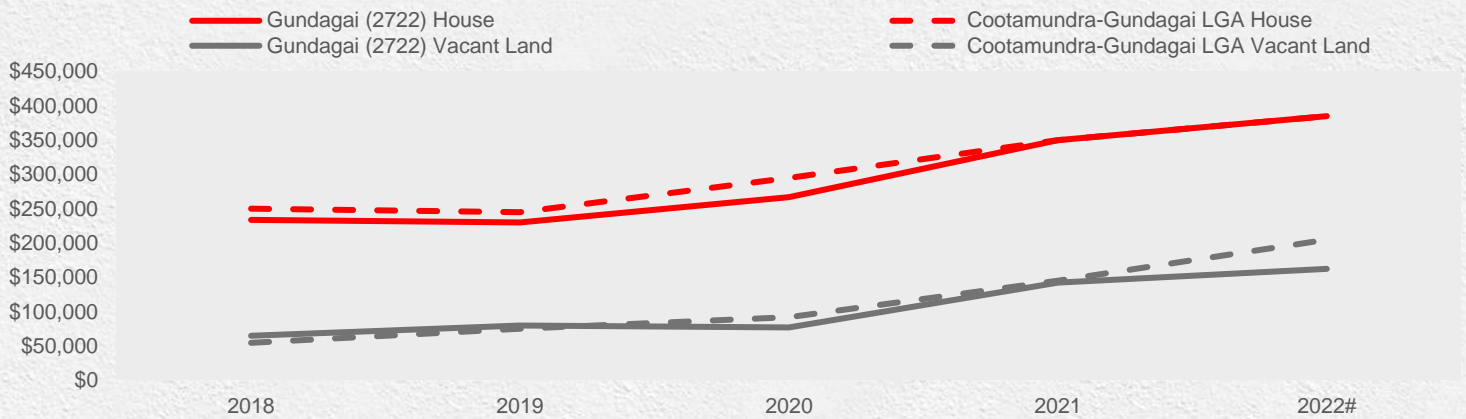


Average vendor discounts between 1H 2022 – 1H 2023 have swung to a wider discount of -8.4% for houses. The house market conditions in Gundagai* continue to favour buyers, with 1H 2023 recording the highest average vendor discount over the past 24 months. Now is an opportune time for first home buyers.

The suburb of Gundagai* has historically provided a slightly more affordable house market than the wider Cootamundra-Gundagai Local Government Area (LGA) and an on par vacant land market. Early 2023 sees house prices rising to become more on par with the LGA, whereas vacant land is now more affordable.

The dominant proportion of homes sold in Gundagai* across 2023# were priced in the lower-mid price bracket of \$300,000 to \$400,000 (28.0%), while vacant land recorded a dominant most affordable price point of below \$200,000 (52.9%). There is ample affordably priced stock available, in good news for buyers.

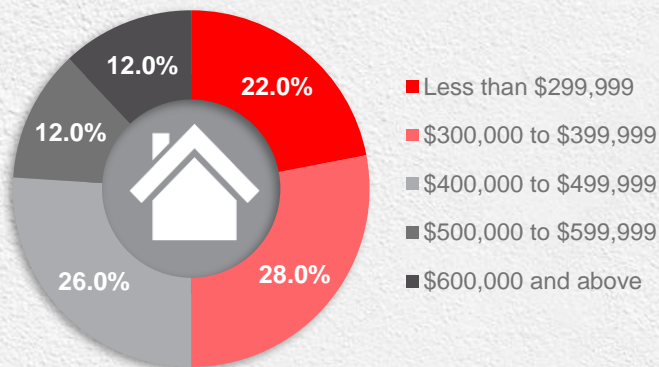
MARKET COMPARISON



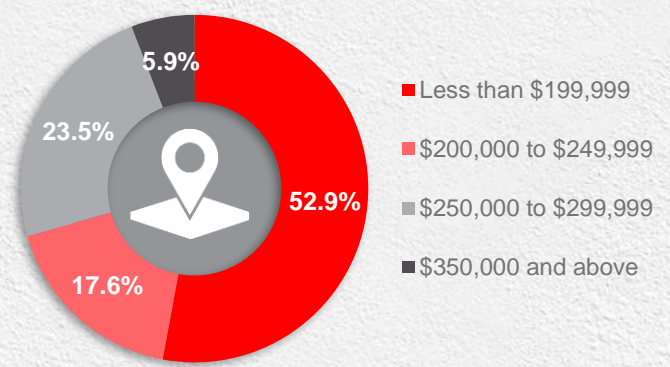
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled are chosen based on their proximity to the main suburb analysed, which is Gundagai.

PRICE BREAKDOWN 2023#

HOUSES SOLD



VACANT LAND SOLD

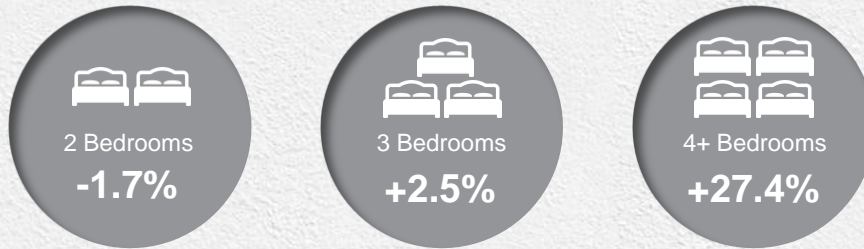


RENTAL GROWTH 2023€

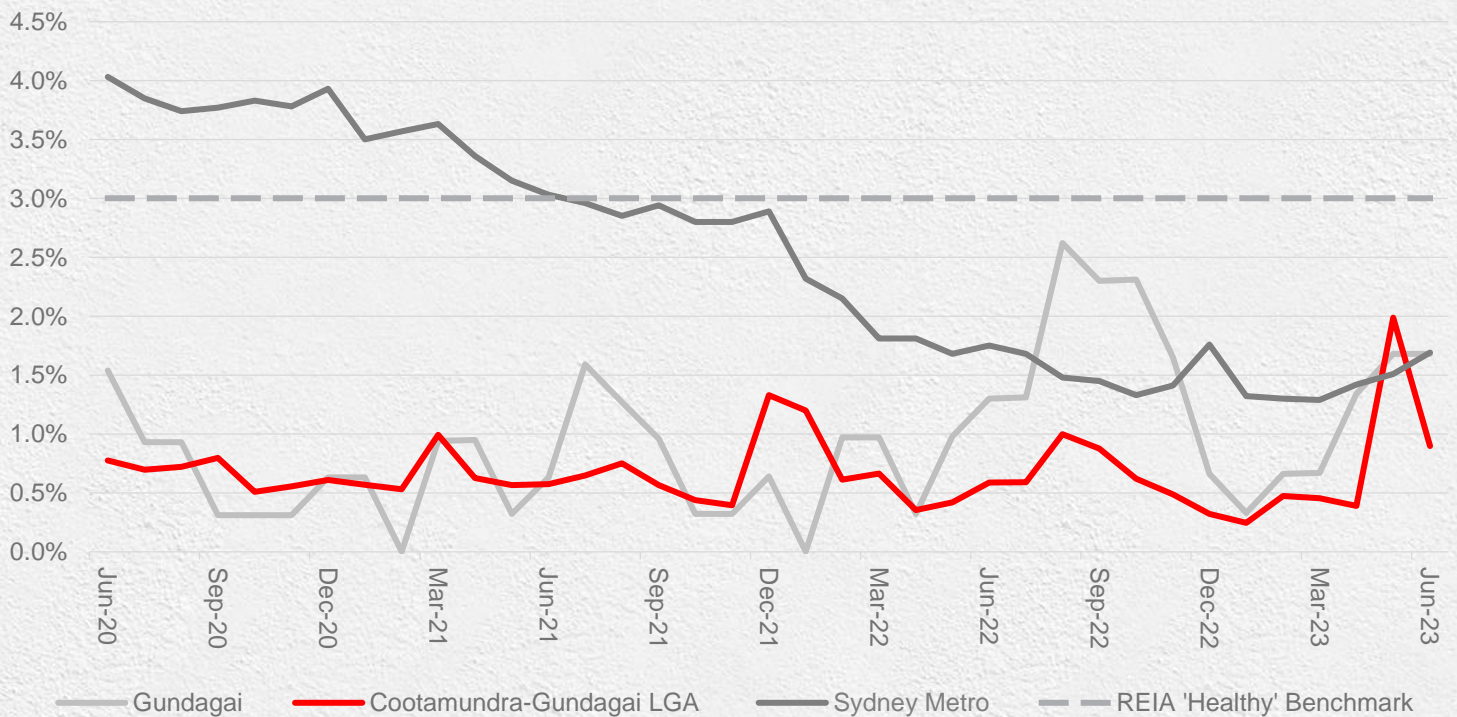
House rental yields in Gundagai* (postcode 2722) were recorded at 3.1% in June 2023, above Sydney Metro (2.8%). Median house price have remained relatively stable in the 12 months to 1st half of 2023, at \$400 per week, alongside a 77.8% increase (to 16 rentals) in the number of houses rented. The 1st half of 2023 recorded the highest number of houses rented since 2021, and with a relatively stable rental price, speaks to the resilience of the rental market in Gundagai*.

4+ bedroom houses have provided investors with +27.4% rental growth annually, achieving a median rent of \$660 per week.

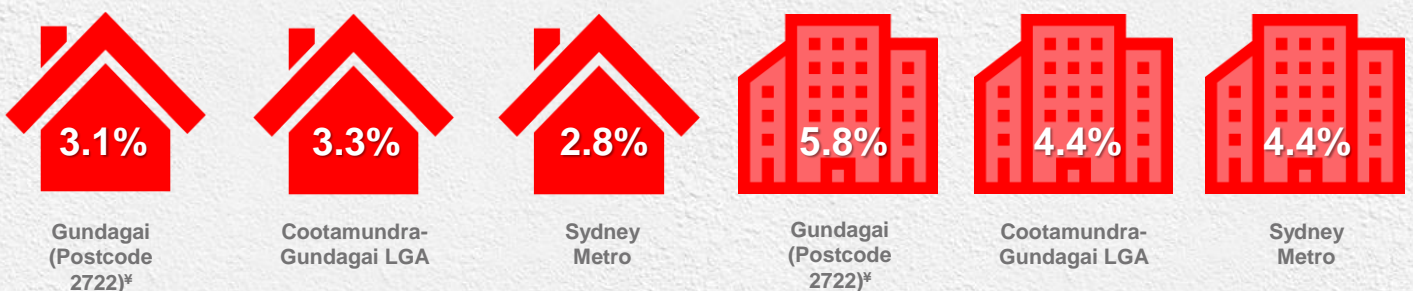
Gundagai* recorded a vacancy rate of 1.7% in June 2023, which is on par with Sydney Metro's 1.7% average. Vacancy rates in Gundagai* have fluctuated in the past 12 months, however overall increasing in trend. This could be due to investors taking advantage of the tight rental market. That said vacancy rates in Gundagai* are still below the Real Estate Institute of Australia's healthy benchmark of 3.0%, thus creating a conducive and sustainable environment for investors.



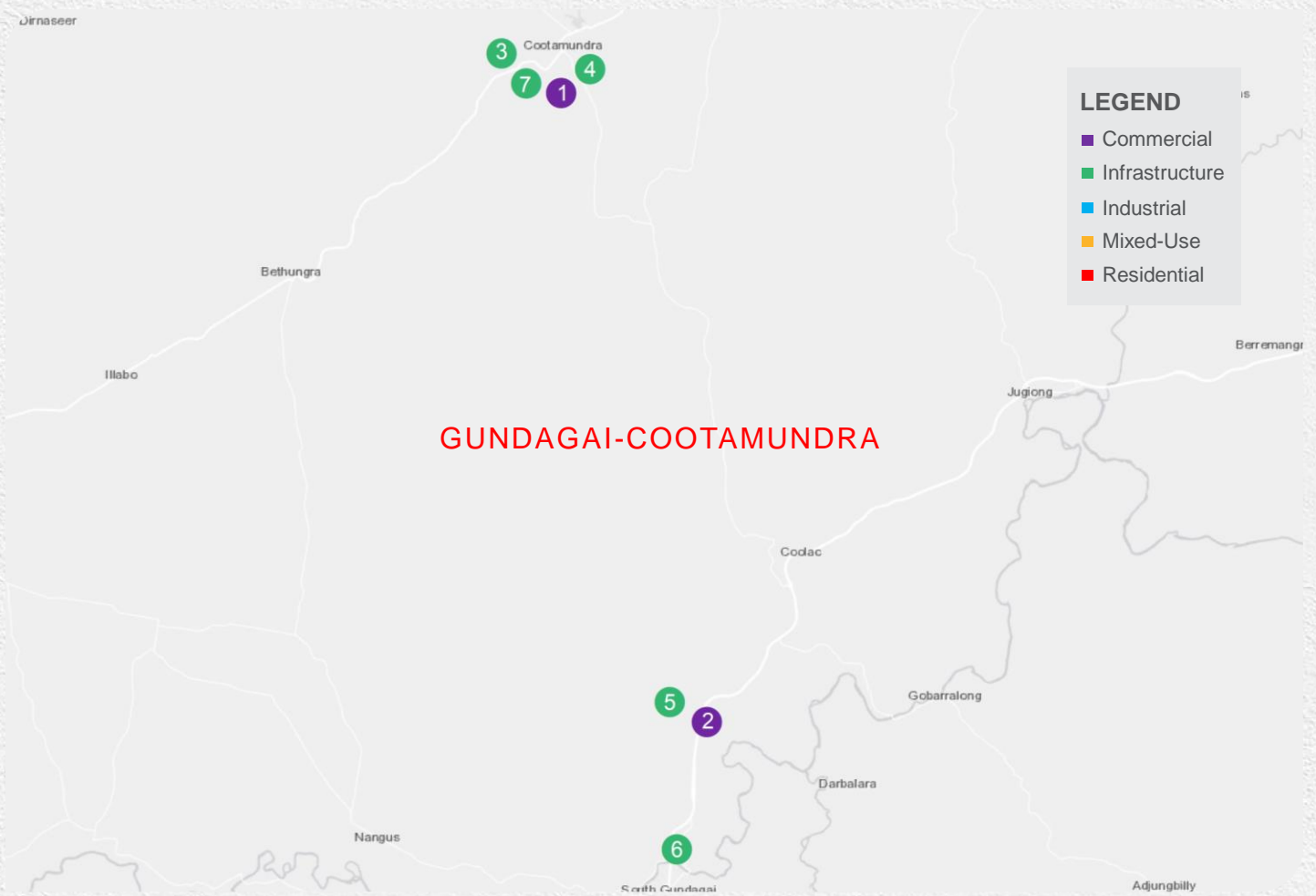
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 2nd HALF 2023^A



Location	Project [£]	Type	Estimated Value [¤]	Commence Date [¥]
1	Cootamundra Solar Farm	Commercial	\$10,291,000	22/08/2023
2	Dog On The Tucker Box	Commercial	\$5,000,000	12/10/2023
3	Salt Clay Lane Rehabilitation & Drainage Upgrade	Infrastructure	\$750,000	10/12/2023
4	Cootamundra-gundagai Regional Council Footpaths Replacement	Infrastructure	\$750,000	07/09/2023
5	Annie Pyers Drive Roadworks	Infrastructure	\$650,000	27/11/2023
6	Sheridan Street Block 3 Upgrade Stage 2	Infrastructure	\$500,000	16/10/2023
7	Ea Southbee Public School Security Fencing	Infrastructure	\$277,000	21/08/2023



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.



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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.

1H 2023 encapsulates sales transactions for 01/01/2023 – 30/6/2023 only.

€ Annual rental growth is a comparison between 1H 2022 (01/01/2022 – 30/06/2022) and 1H 2023 (01/01/2023 – 30/06/2023) house median rent figures.

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

§ 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 Cootamundra-Gundagai Local Government Area (LGA).

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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