

# Gundagai Market Update

## 1<sup>st</sup> Half 2024



### OVERVIEW

In Q4 2023, Gundagai\* recorded a median house price of \$452,500, and a median land price of \$380,000. This represents annual (Q4 2022 – Q4 2023) median price growth of 5.5% for houses and 133.8% for vacant land. During this time (Q4 2022 – Q4 2023) house sales increased, by 8.3% (to 13 sales), and unit sales declined by -37.5% (to 5 sales). This suggests that confidence has returned to Gundagai\*, with houses in high demand or undersupplied (vacant land). With no new ready-to-sell stock planned in the foreseeable future, now is an ideal time for owners to capitalise on their property investments.

#### CHANGE FROM LAST YEAR HALF YEAR



	YEAR	HALF YEAR
HOUSE SALES	↑	↓
HOUSE MEDIAN PRICE	↑	↓
HOUSE RENTAL PRICE	↑	↑

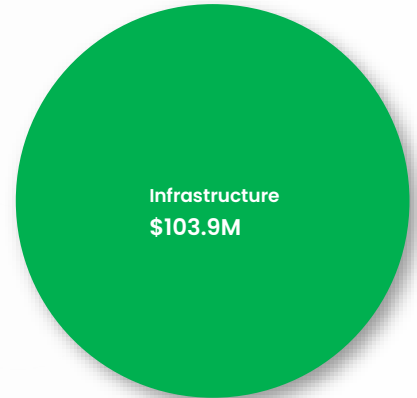


LAND SALES	↓	↑
LAND MEDIAN PRICE	↑	↑



### FUTURE DEVELOPMENTS

Gundagai is set to see approximately **\$103.9M worth of new projects commencing in the 1<sup>st</sup> half of 2024.**



A focus on infrastructure projects improve liveability for residents, whilst also creating local jobs in the construction phase. This can attract more people to live in the area, potentially increasing housing demand.

A key infrastructure project in the 1<sup>st</sup> half of 2024 is the Australian Inland Rail Expressway from Illabo to Stockinbingal (\$100.0M). This New South Wales State Government project will bring about a significant boost to connectivity and travel in and out of the Gundagai area.

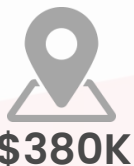
The Cootamundra Fire Station Refurbishment (\$1.75M) is another example of an infrastructure project due to commence construction in the 1<sup>st</sup> half of 2024. This development is an important improve liveability and services of the area.

With no new ready-to-sell stand-alone stock planned in the pipeline, whether for townhouses, houses, or units; the Gundagai property market remains undersupplied. This puts more pressure on an already tight market, pushing up prices for first home buyers.



### MARKET CONDITIONS

MEDIAN PRICE  
Q4 2023



**SALES**

AVERAGE DAYS  
ON MARKET Q4 2023



MEDIAN PRICE  
Q4 2023



**RENTALS**

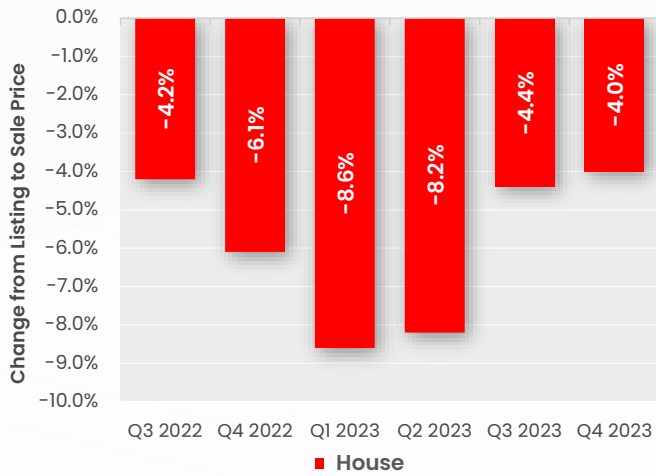
AVERAGE DAYS  
ON MARKET Q4 2023





## AVERAGE VENDOR DISCOUNT\*

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.



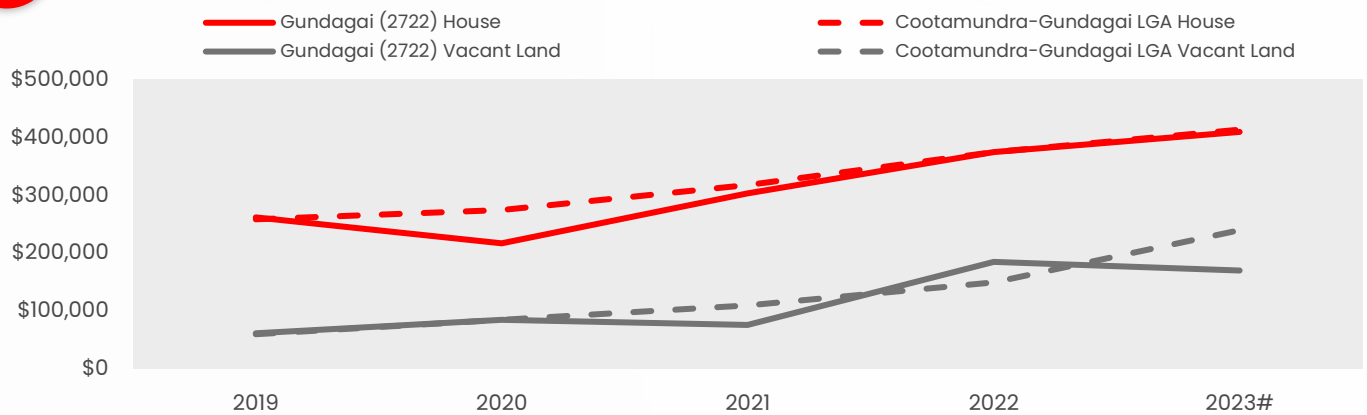
Average house vendor discounts between Q4 2022 and Q4 2023 have tightened a lower discount of -4.0%. Market conditions in Gundagai\* continue to favour buyers, where sellers are willing to accept below the first list price. This is further confirmed in the vacant land market, with average discount of -5.0% in Q4 2023. This creates an opportunity for buyers, even if there has been a price growth in both the house and land market in the past 12 months.

The suburb of Gundagai has historically trended on par to the wider Cootamundra-Gundagai Local Government Area (LGA) in both house and land median prices. This said, 2023# saw Gundagai's vacant land median prices saw a slight softening in price, creating a more affordable option compared to the LGA.

The dominant proportion of homes sold in Gundagai\* across 2023# were more affordable price point between \$300,000 and \$399,999 (28.8%), while most of vacant land sold were in the most affordable price point of less than \$249,999 (66.7%). This reveals that there is affordably priced stock available, in good news for buyers.



## MARKET COMPARISON

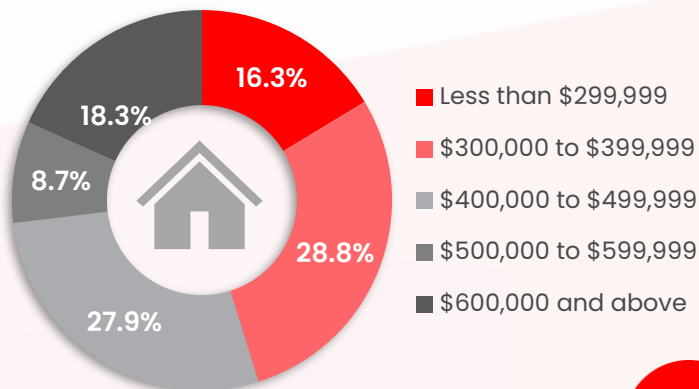


The market comparison graph provides a comparative trend for median price of houses and land over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Gundagai.

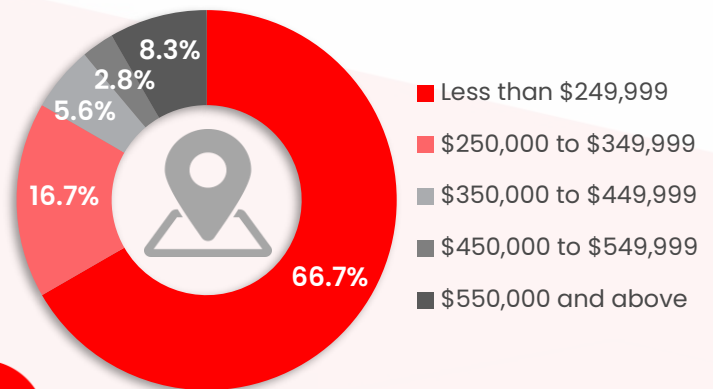


## PRICE BREAKDOWN 2023#

### HOUSES SOLD



### Land SOLD





## RENTAL GROWTH 2023€

House rental yields in Gundagai<sup>‡</sup> was 4.2% in December 2023, higher than Sydney Metro's average of 2.8%. This was paired with a median house price increase of 9.1% in the past 12 months to Q4 2023, to \$480 per week, whilst the demand for rental properties remained stable at 10 houses. Overall, this suggests a highly demanded rental market, despite the size of it being quite small. This is conducive for investors, even with a higher entry price.

2+ bedroom houses have provided investors with +35.6% rental growth annually, achieving a median rent of \$400 per week.

Gundagai<sup>‡</sup> recorded a vacancy rate of 1.4% in December 2023, below Sydney Metro's 1.7% average. Vacancy rates in Gundagai<sup>‡</sup> have overall increased in the past 12 months, due to more investors taking advantage of a tight rental market. That said a 1.4% vacancy rate is still significantly below the Real Estate Institute of Australia's 'Healthy' benchmark of 3.0%, which suggests quicker occupancy of rental properties.

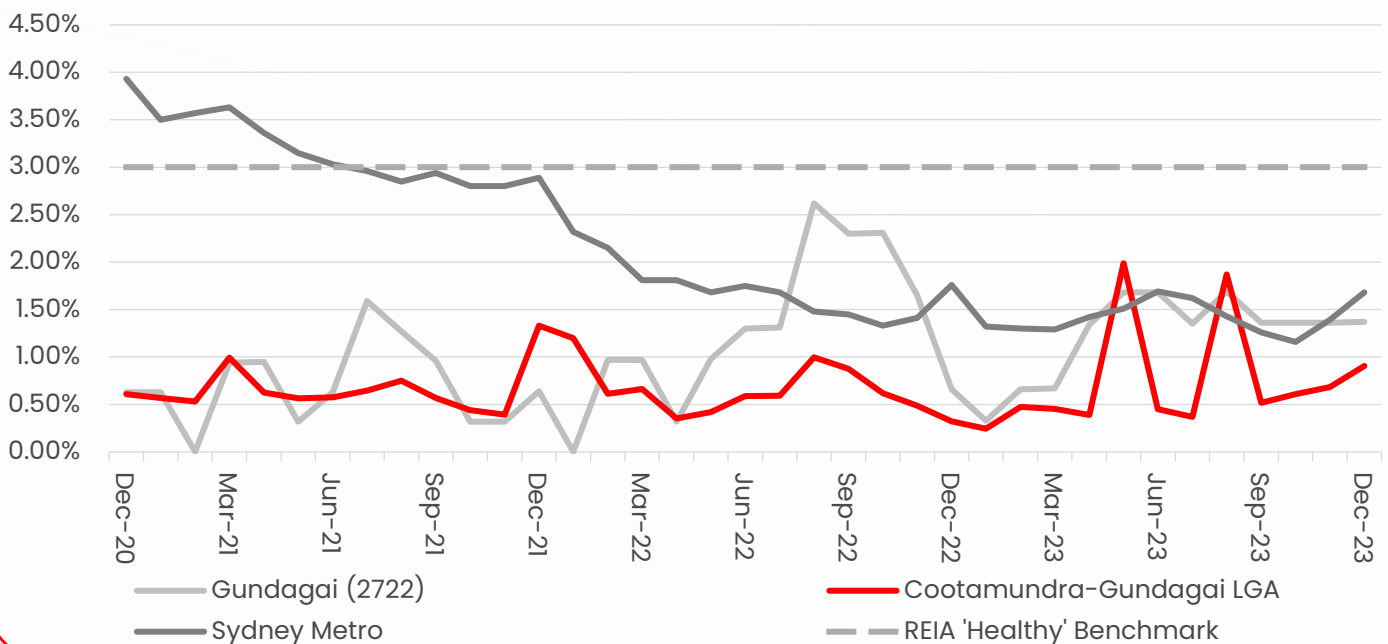
2 BEDROOMS  
**+35.6%**

3 BEDROOMS  
**-6.7%**

4 BEDROOMS  
**-14.2%**



## RENTAL VACANCY RATES 2023



## RENTAL YIELD 2023§



**4.2%**

Gundagai<sup>‡</sup>



**4.0%**

Cootamundra-Gundagai LGA



**2.8%**

Sydney Metro



**5.8%**

Gundagai<sup>‡</sup>



**3.7%**

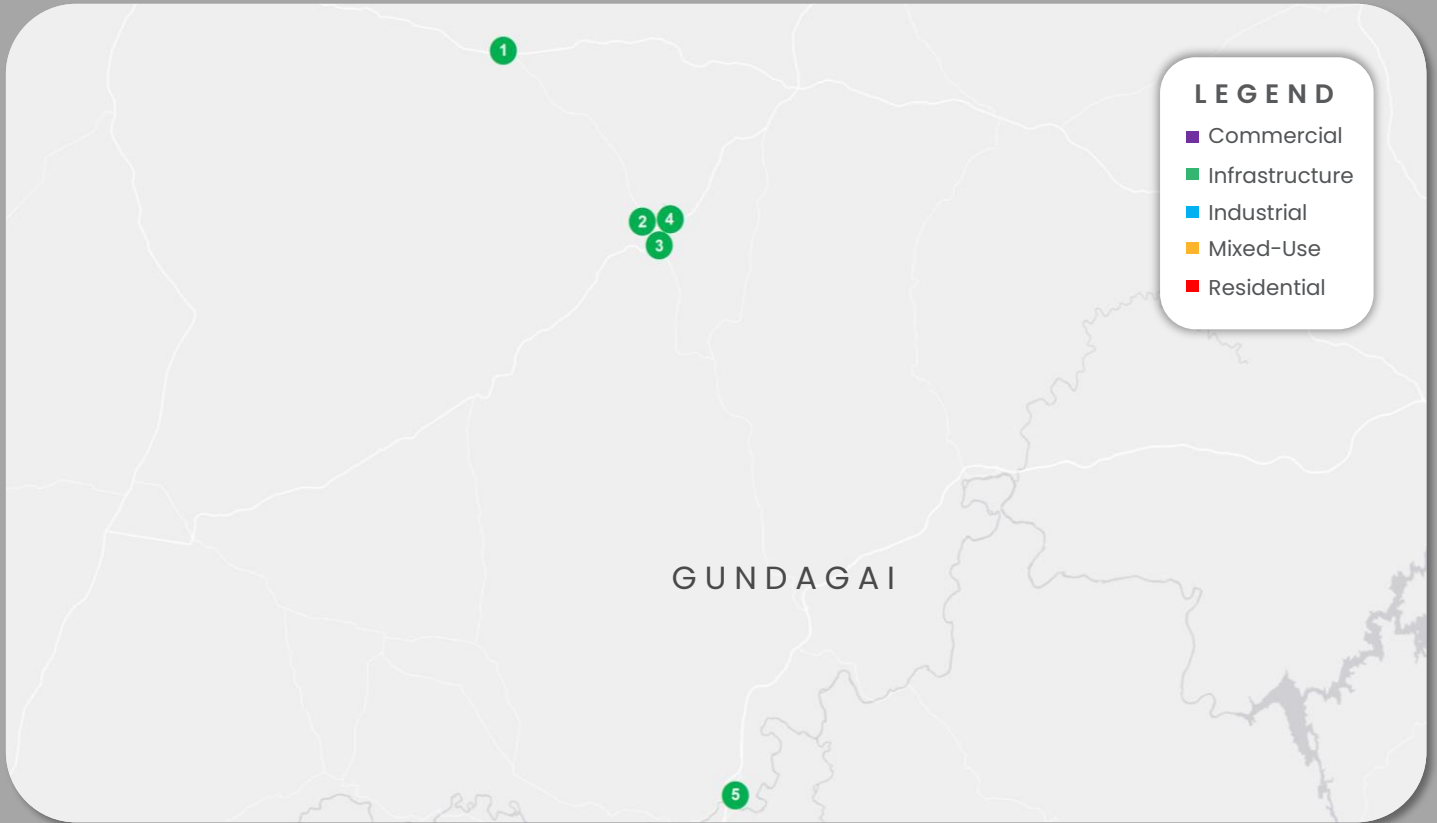
Cootamundra-Gundagai LGA



**4.5%**

Sydney Metro

# PROJECT DEVELOPMENT 1<sup>st</sup> HALF MAP 2024<sup>A</sup>



#	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Commence Date <sup>ψ</sup>
1	Australian Inland Rail Expressway Illabo To Stockinbingal	Infrastructure	\$100,000,000	10/06/2024
2	Cootamundra Fire Station - Refurbishment	Infrastructure	\$1,750,000	01/04/2024
3	Cootamundra-Gundagai Regional Council Water & Wastewater Network Telemetry & Solar Upgrade	Infrastructure	\$850,000	08/06/2024
4	Cootamundra-Gundagai Regional Council Footpaths Replacement	Infrastructure	\$750,000	16/04/2024
5	Sheridan Street Block 3 Upgrade Stage 2	Infrastructure	\$500,000	16/04/2024

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## RESEARCH SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products, and 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

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## REFERENCES

\* Gundagai sales market data and key indicators encapsulates aggregate property market conditions within the suburbs of 2722.

\*\* 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 all of 2023 (01/01/2023 – 31/12/2023).

€ Annual rental growth is a comparison between Q4 2022 (01/10/2022 – 31/12/2022) and Q4 2023 (01/10/2023 – 31/12/2023) 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 December 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 Local 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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