

Tumut Market Update

1st Half 2024



OVERVIEW

In Q4 2023, Tumut* recorded a median house price of \$425,000, and a median vacant land price of \$185,000. This represents annual (Q4 2022 – Q4 2023) growth of 7.1% for houses and a minor softening of -3.6% for vacant land. During this time total sales declined for houses, by -9.6% (to 47 sales), but grew by 36.4% for vacant land (to 15 sales). There is an undersupply of houses in Tumut*, which created a buffer against cash rate hikes. The vacant land market is slightly saturated, however quite expected due to the increase in sales. It is currently more affordable than 12 months prior, in good news for buyers wishing to build.

CHANGE FROM LAST YEAR HALF YEAR



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

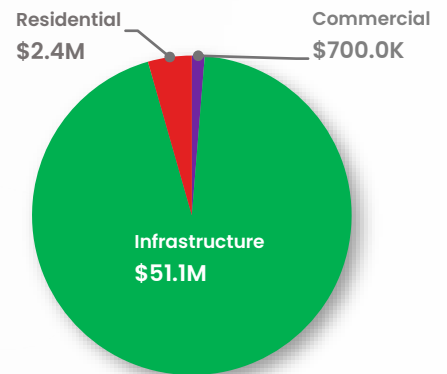


	YEAR	HALF YEAR
VACANT LAND SALES	↑	↑
VACANT LAND PRICE	↓	↑



FUTURE DEVELOPMENTS

Merewether is set to see approximately **\$54.2M worth of new projects commencing in between 2020 and 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.

Tumut District Hospital (\$40.0M) is a key infrastructure project in Tumut*. This project will greatly benefit the area, creating local jobs and better healthcare services for residents. Other infrastructure projects include:

- Batlow Caravan Park (\$2.7M)
- Snowy Mountains Highway Slopes Remediation (\$1.7M)
- Forsters Road Landslide Stabilisation (\$1.0M)

There is only one residential project from 2020-2024, Lot 9 Fitzroy Street (\$2.4M), adding 6 dwellings.

With very little new ready-to-sell stand-alone stock planned, Tumut remains undersupplied. This puts more pressure on an already tight market, pushing up prices further.



MARKET CONDITIONS

MEDIAN PRICE
Q2 2023



SALES



AVERAGE DAYS
ON MARKET Q4 2023



MEDIAN PRICE
Q2 2023



RENTALS



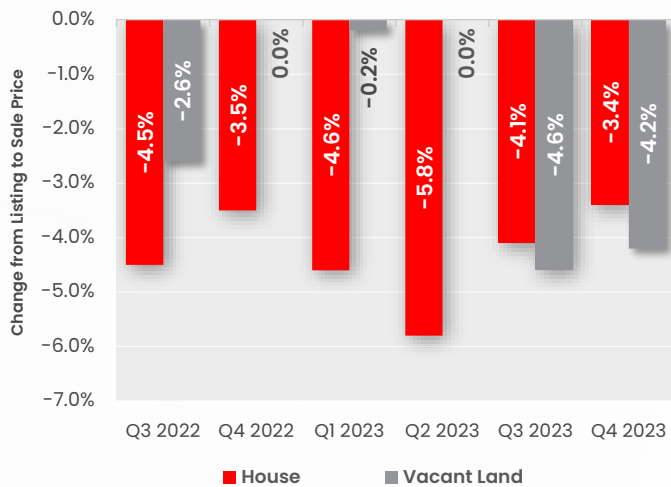
AVERAGE DAYS
ON MARKET Q4 2023





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.



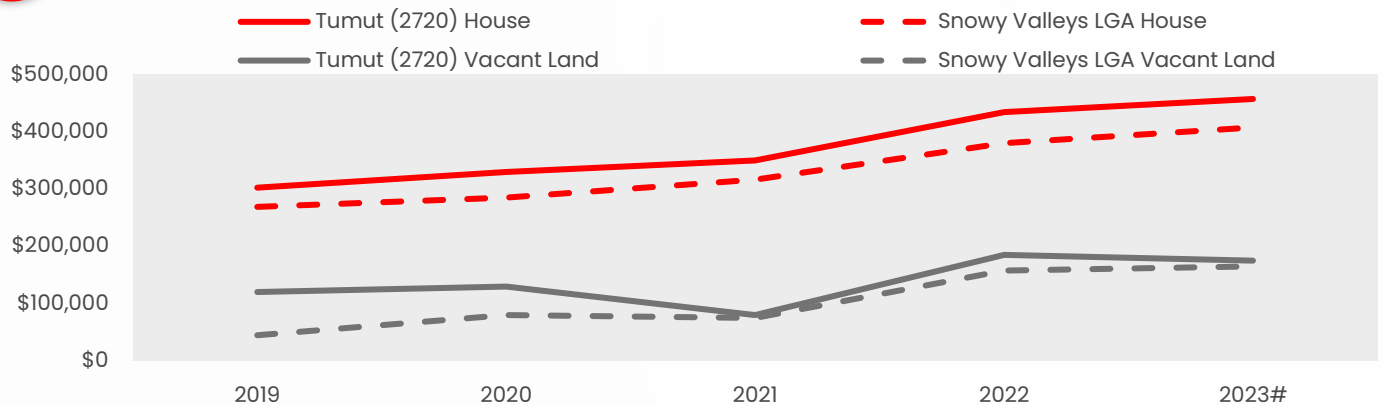
Average vendor discounts between Q4 2022 and Q4 2023 have remained relatively stable, now at -3.4%. The peak for a discount seems to have passed, which occurred in mid-2023 (-5.8%). House market conditions in Tumut continue to favour buyers, however there is a slight shift to sellers. Thus now is an ideal time to enter, before there is less discount. Average vendor discount for vacant land have widened to -4.2%, creating an opportunity for buyers.

The suburb of Tumut has historically performed slightly above the wider Snowy Valleys Local Government Area (LGA) for house median prices, and on par for vacant land. 2023# has seen this trend continue.

The dominant proportion of homes sold in Tumut* across 2023# were in the middle-price bracket between \$400,000 to \$499,999 (28.4%). Similarly vacant land also recorded a dominant middle-price point of \$150,000 and \$249,999 (60.0%). That said the premium market is strong for both, with 17.5% of houses sold at \$600,000 and above and 20.0% of land at \$250,000 and above. Affordable options are also evident, thus a home for every budget.



MARKET COMPARISON

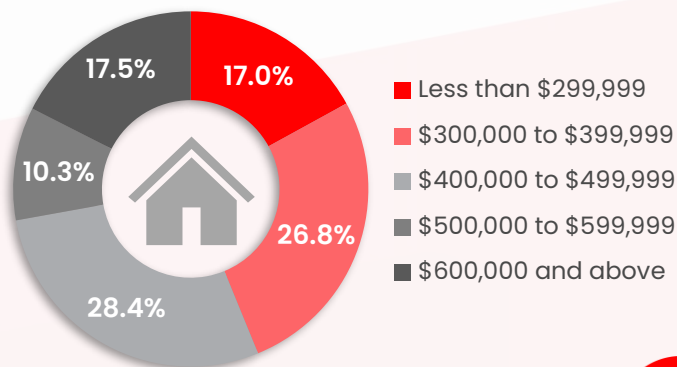


The market comparison graph provides a comparative trend for median price of houses and units over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Tumut.

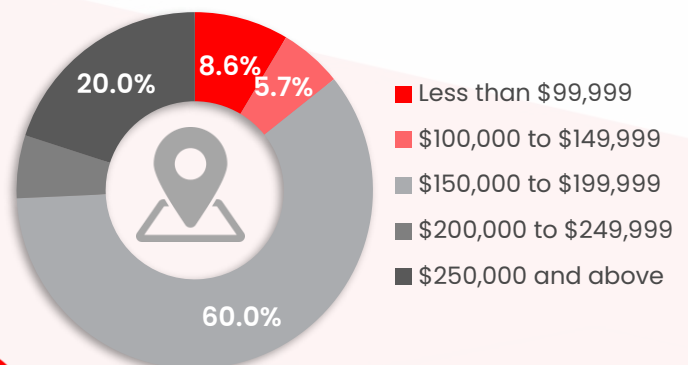


PRICE BREAKDOWN 2023#

HOUSES SOLD



VACANT UNITS SOLD






RENTAL GROWTH 2023€

House rental yields in Tumut* held steady in the past 12 months, to sit at 3.8% in December 2023, higher than Sydney Metro's 2.8%. Median house rental price in Tumut* has remained steady, at \$400 per week, even with a 9.4% in the number of houses rented (to 35 rentals). A higher demand was not a surprise, as there has been a decrease in house sales. However, a steady rental price suggest a resilient rental market, in good news for investors.

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 December 2023, well below Sydney Metro's 1.7% average. Vacancy rates in Tumut* held relatively steady in the past 12 months, with some fluctuations due to investors entering/exiting the market and an undersupply in houses available for sale. A 0.9% vacancy rate is well below the Real Estate Institute of Australia's benchmark of 3.0%, indicating quicker occupancy of rentals. This is a positive environment for investors, despite an increase in median house sale prices in the past 12 months.

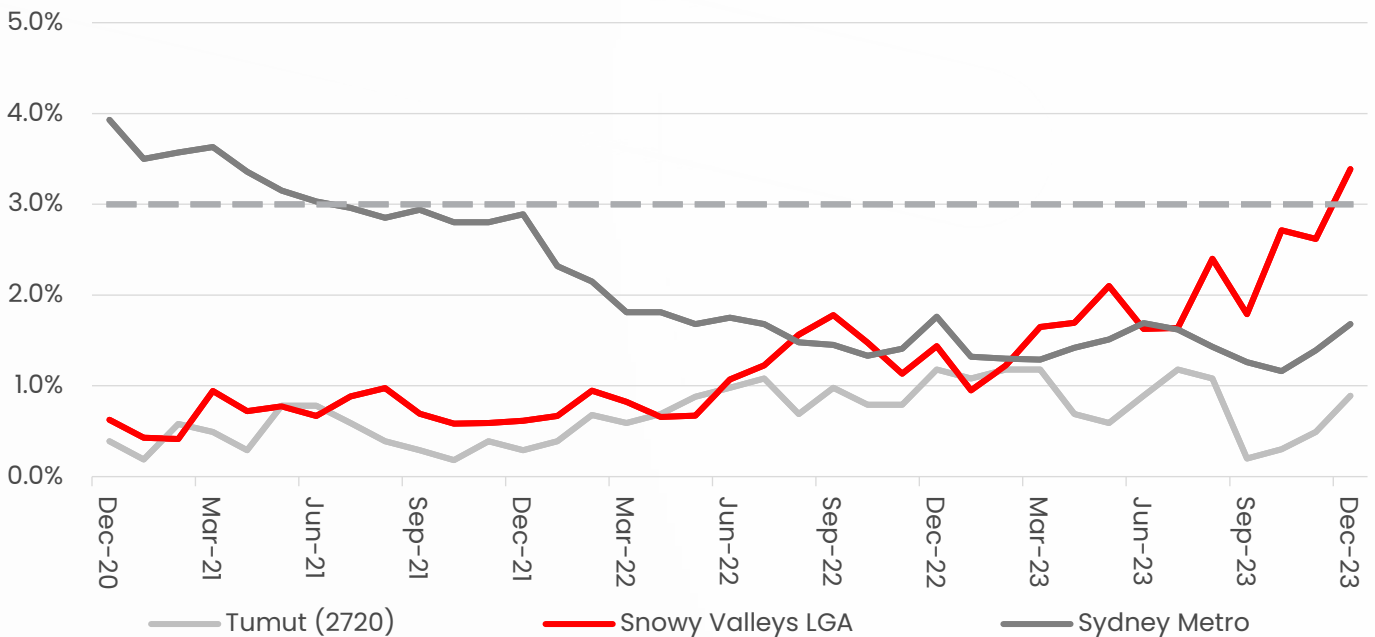
 2 BEDROOMS
+19.9%

 3 BEDROOMS
+3.9%

 4 BEDROOMS
-0.4%



RENTAL VACANCY RATES 2023



RENTAL YIELD 2023§



3.8%

Tumut*



4.0%

Snowy Valley LGA



2.8%

Sydney Metro



4.0%

Tumut*



4.0%

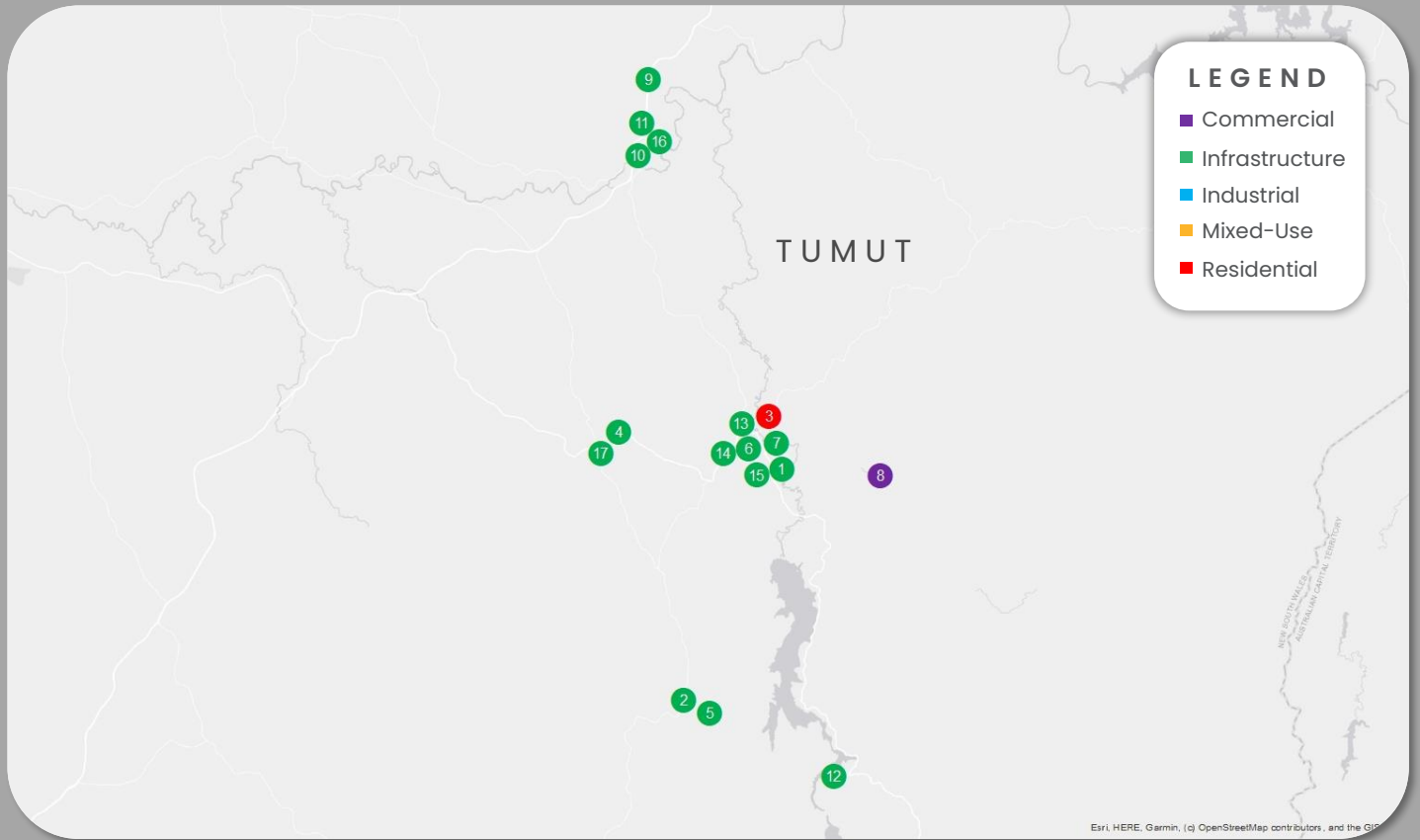
Snowy Valley LGA



4.5%

Sydney Metro

PROJECT DEVELOPMENT 2020-2024^A



#	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Tumut District Hospital	Infrastructure	\$40,000,000	10/02/2020
2	Batlow Caravan Park	Infrastructure	\$2,700,000	10/02/2022
3	Lot 9 Fitzroy Street Dwellings (6 dwellings)	Residential	\$2,400,000	16/12/2024
4	Snowy Mountain Highway Slopes Remediation	Infrastructure	\$1,693,739	16/01/2024
5	Forsters Road Landslide Stabilisation	Infrastructure	\$1,070,000	15/07/2021
6	Tumut & Murray Rivers - River Works	Infrastructure	\$1,000,000	16/08/2023
7	Tumut Sealing Works	Infrastructure	\$1,000,000	22/02/2021
8	Pretty Parrot Micro Distillery Little River	Commercial	\$700,000	12/06/2024
9	Annie Pyers Drive Roadworks	Infrastructure	\$650,000	27/10/2023
10	Sheridan Street Block 3 Upgrade Stage 2	Infrastructure	\$500,000	16/05/2023
11	Hume Highway Culvert	Infrastructure	\$500,000	01/10/2020
12	Talbingo Boat Ramp	Infrastructure	\$474,000	23/01/2020
13	Gocup Road Intersection Powerlines & Streetlights	Infrastructure	\$400,000	23/01/2023
14	Tumut Main Street Roadworks	Infrastructure	\$386,000	20/05/2020
15	Tumut High School Canteen Upgrade	Infrastructure	\$331,000	28/08/2023
16	Gundagai Public School	Infrastructure	\$185,000	18/04/2022
17	Adelong Public School	Infrastructure	\$177,000	09/05/2022

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- Geographic information mapping
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REFERENCES

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

¥ Tumut rental market data encapsulates aggregate property conditions within the postcode of 2640.

§ 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 Adelong, 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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