

Gundagai Market Update 2nd Half 2024



OVERVIEW

In Q2 2024, Gundagai* recorded a median house price of \$425,000, which represents an annual (Q2 2023 – Q2 2024) softening of -2.3%. The number of house sales increased between Q2 2023 – Q2 2024, by 14.3%, 8 sales in Q2 2024. Confidence has returned to Gundagai*, with houses in high demand. The slight decline in median house price is due to the higher interest rates, creating a slightly more affordable opportunity for buyers. The vacant land market remains small, with only 4 sales in 2024 – 3 in Q1 2024 and 1 in Q2 2024; at a median price of \$127,500. Without any new houses planned in 2024, now is the time to enter the market.

CHANGE FROM LAST YEAR HALF YEAR



HOUSE SALES



HOUSE MEDIAN PRICE



HOUSE RENTAL PRICE



LAND SALES

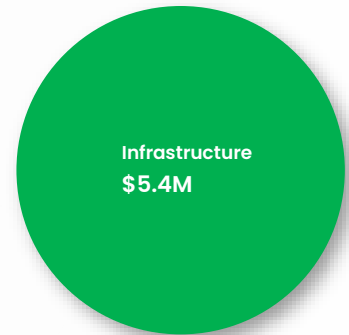


LAND MEDIAN PRICE



FUTURE DEVELOPMENTS

Gundagai is set to see approximately **\$5.4M of new projects commencing construction in 2024.**



A focus on infrastructure development will improve liveability for residents, whilst also creating employment opportunities during the construction phase. This can attract more people to live in Gundagai, which should have a positive spill-over impact on the real estate market, in the form of higher demand for housing.

The top infrastructure project due to commence construction in 2024 is the the Cootamundra Fire Station Refurbishment (\$2.1M). This New South Wales government project with help improve the safety of the Cootamundra-Gundagai region.

The Hillas Creek Bridge Replacement (\$1.0M) is another infrastructure project commencing construction in 2024. This improves access around the Cootamundra-Gundagai region. Assisting residents on a daily basis.

With no new ready-to-sell stand-alone residential stock planned in the pipeline, whether for townhouses, houses, or units; even land lots. Thus the Gundagai real estate market will continue to be undersupplied. Although the median house price is more affordable as of Q2 2024, an undersupply will put more pressure on house prices and result in a price recovery sooner than later.



MARKET CONDITIONS

MEDIAN PRICE
Q2 2024



SALES



AVERAGE DAYS
ON MARKET Q2 2024



MEDIAN PRICE
Q2 2024



RENTALS



AVERAGE DAYS
ON MARKET Q2 2024

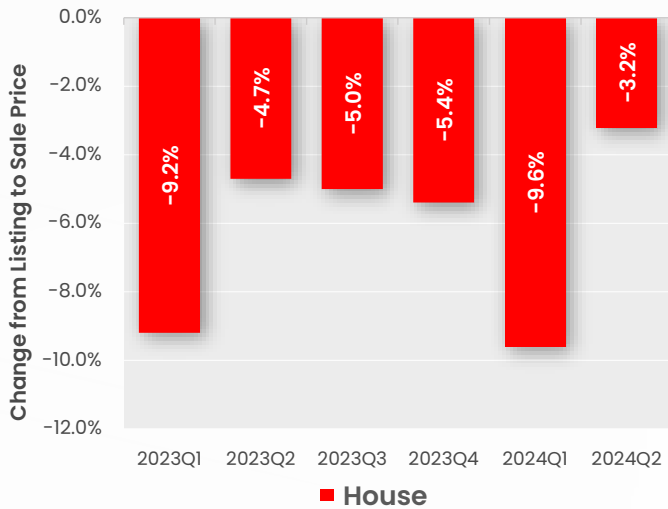




AVERAGE VENDOR DISCOUNT*

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 Q2 2023 and Q2 2024 have tightened to a lower discount of -3.2% for houses. House market conditions in Gundagai continue to favour buyers, as the final list price is still below the first list price. That said, with a tighter discount there is a slight shift to sellers. Thus, buyers must act fast to secure a discount.

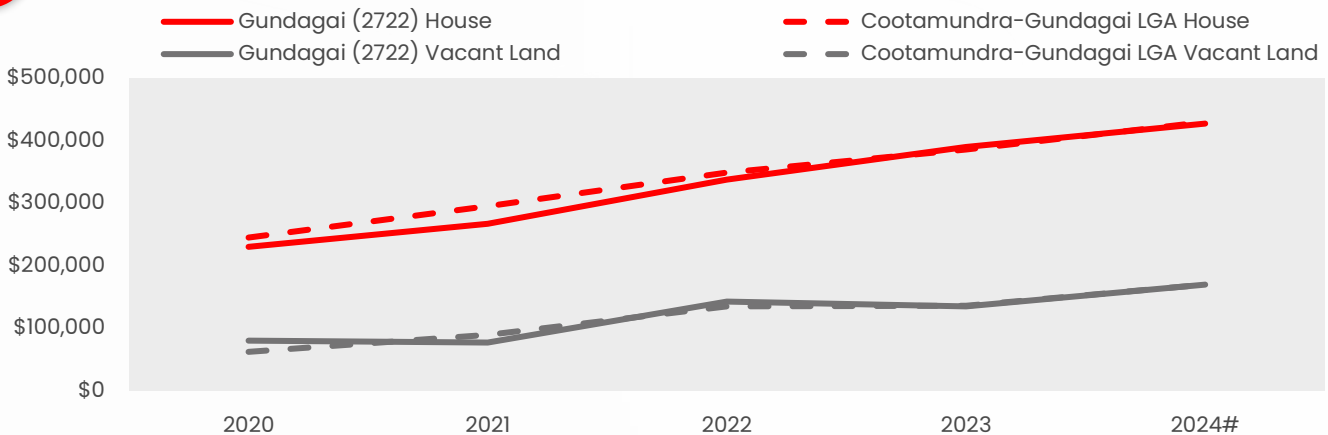


The suburb of Gundagai has historically provided a slightly more affordable house market compared to the wider Cootamundra-Gundagai Local Government Area (LGA), and an on-par vacant land market. 2024# saw median house prices rising in the suburb, to become on par with the LGA; whilst vacant land remained on trend.

The dominant proportion of homes sold in Gundagai* in 2024# were in the middle price bracket of \$350,000 and \$449,999 (42.9%). Vacant land show an equal dominance between the more affordable price point of \$100,000 to \$149,999 and middle-pricing of \$150,000 to \$199,000, both at 28.0%. That said the premium market is strong, with 10.2% of houses sold at \$550,000 and above and 14.3% of land sold at \$250,000 and above. The most affordable options are also evident, thus a home for every budget.



MARKET COMPARISON

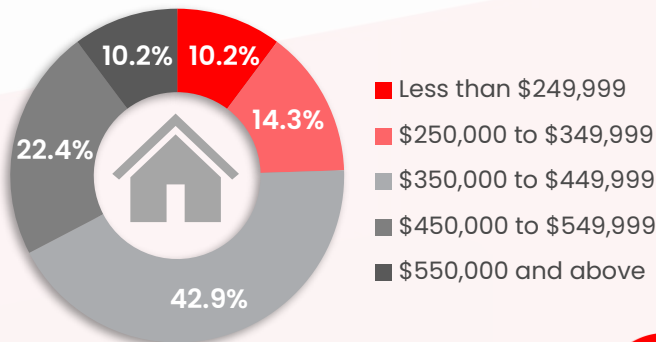


The market comparison graph provides a comparative trend for median price of houses and units over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Gundagai.

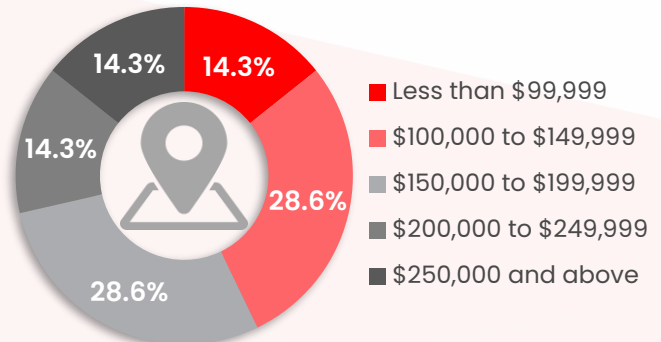


PRICE BREAKDOWN 2024#

HOUSES SOLD



VACANT UNITS SOLD






RENTAL GROWTH 2024€

House rental yields in Gundagai[‡] was at 4.9% in July 2024, higher than Sydney Metro's average of 2.8%. This was paired with a slight decrease in median house rental price, of -5.7% in the past 12 months to Q2 2024, to \$410 per week. That said, demand for house rentals increased, to a high of 14 houses rented in Q2 2024. Overall, this suggests a highly demanded rental market, despite the size of it being quite small.

4+ bedroom houses have provided investors with +22.6% rental growth annually, achieving a median rent of \$515 per week.

Gundagai[‡] recorded a vacancy rate of 0.8% in June 2024, which is well below Sydney Metro's 1.7% average. Vacancy rates in Gundagai[‡] have held steady over the past 12 months, with fluctuations in between due to the small size of its rental market. That said, a 0.8% vacancy rate is well below the Real Estate Institute of Australia's benchmark of 3.0%, thus indicating a quicker occupancy for rentals. With the median house sale price now slightly more affordable, this is an ideal time for investors to enter the Gundagai[‡] market.

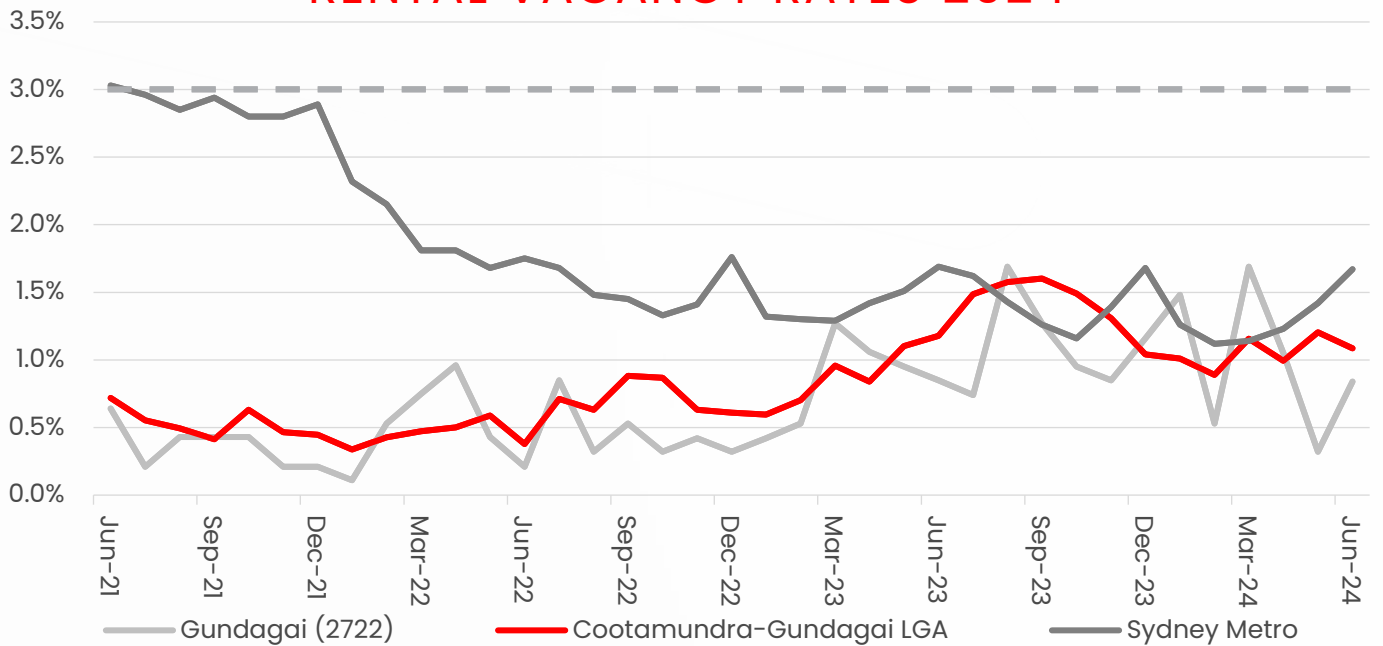
 2 BEDROOMS
+0.0%

 3 BEDROOMS
-9.1%


 4 BEDROOMS
+0.0%





RENTAL VACANCY RATES 2024




RENTAL YIELD 2024§



4.9%
Gundagai
(2722)[‡]


4.3%
Cootamundra-Gundagai LGA

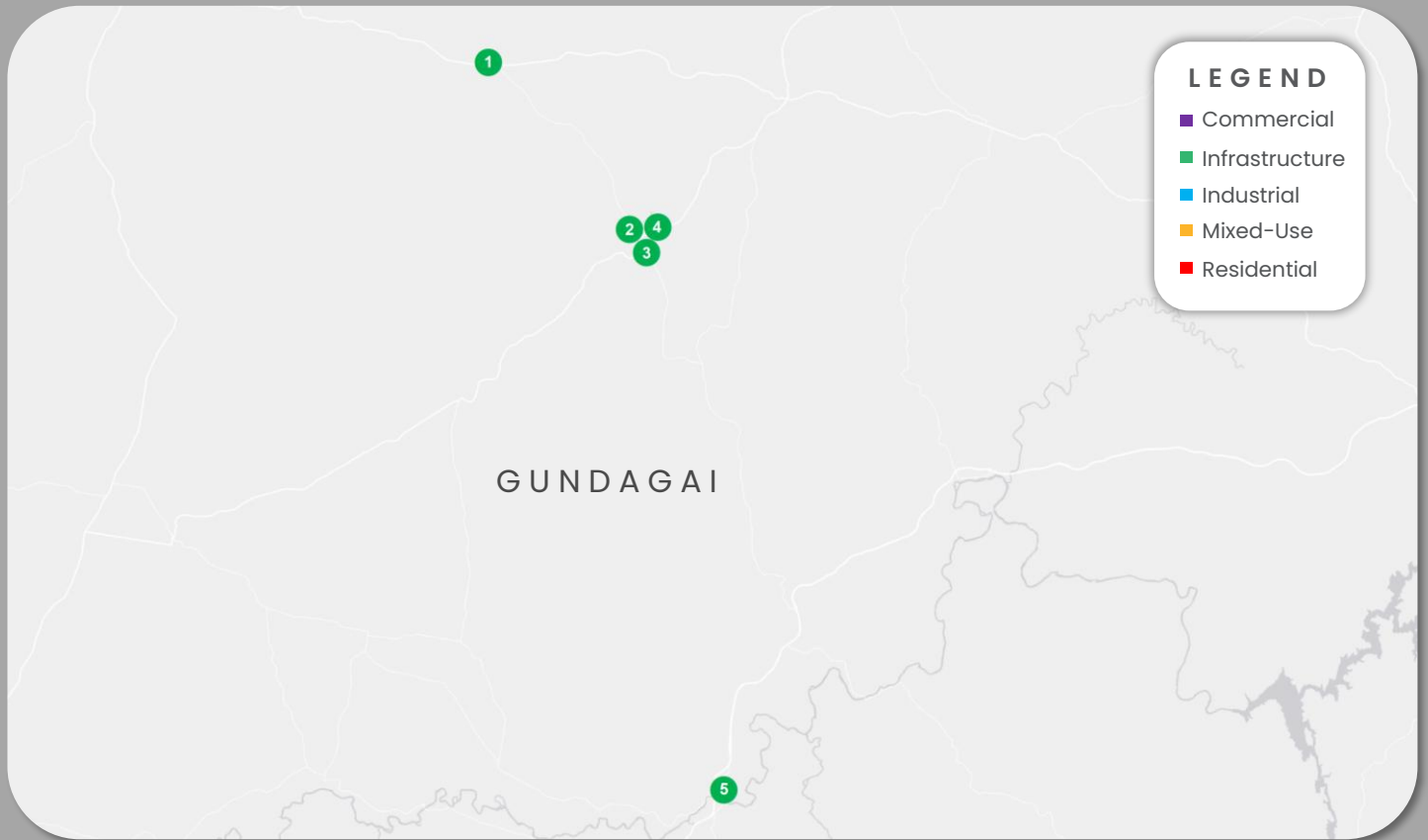

2.8%
Sydney Metro


5.0%
Gundagai
(2722)[‡]


4.3%
Cootamundra-Gundagai LGA


4.4%
Sydney Metro

PROJECT DEVELOPMENT MAP 2024^A



#	Project [‡]	Type	Estimated Value [¶]	Commence Date ^ψ
1	Cootamundra Fire Station – Refurbishment (State Government)	Infrastructure	\$2,195,375	1/04/2024
2	Hillas Creek Bridge Replacement (Local Government)	Infrastructure	\$1,000,000	29/08/2024
3	Cootamundra–Gundagai Regional Council Water & Wastewater Network Telemetry & Solar Upgrade (Local Government)	Infrastructure	\$850,000	8/06/2024
4	Salt Clay Lane Rehabilitation & Drainage Upgrade (Local Government)	Infrastructure	\$750,000	1/04/2024
5	Gundagai Old Sheahan Bridge Rehabilitation Works (State Government)	Infrastructure	\$650,000	12/12/2024

Your home of the latest property market insights.

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

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.



Jed Masters

Director/Licensee

 +61 417 274 977

 jed.masters@prd.com.au

GET IN TOUCH WITH US TODAY >




PRD Gundagai

Your trusted local real estate agency

 +61 2 6947 1722

 jed.masters@prd.com.au

 PRD.com.au/tumut

 2/81 Wynyard Street
Tumut, STATE, 0000

REFERENCES

* Gundagai market data and key indicators encapsulates aggregate property market conditions within the postcode 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.

2024 encapsulates sales transactions for 2024 (01/01/2024 – 30/6/2024) only, other years encapsulates sales transactions for the full year (i.e 01/01 to 31/12 of the relevant year)

€ Annual rental growth is a comparison between Q2 2023 (01/04/2023 – 30/06/2023) and Q2 2024 (01/04/2024 – 30/06/2024) house median rent figures.

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

§ Rental yields shown are as reported as of July 2024.

A 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 Pricfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

Disclaimer: PRD does not give any warranty in relation to the accuracy of the information contained in this report. If you intend to rely upon the information contained herein, you must take note that the information, figures and projections have been provided by various sources and have not been verified by us. We have no belief one way or the other in relation to the accuracy of such information, figures and projections. PRD will not be liable for any loss or damage resulting from any statement, figure, calculation or any other information that you rely upon that is contained in the material.

Prepared by PRD Research. © All medians and volumes are calculated by PRD Research. Use with written permission only. All other responsibilities disclaimed. © Copyright PRD 2024.