

Tumut Market Update 2nd Half 2024



OVERVIEW

In Q2 2024, Tumut* recorded a median house price of \$450,000, and a median land price of \$190,000. This represents annual (Q2 2023 – Q2 2024) median price growth of 5.9% for houses and 5.6% for vacant land. Comparing Q2 2023 – Q2 2024, houses sales increased by 17.5% (to 67 sales in Q2 2024) whilst land sales decreased by -9.1% (to 10 sales in Q2 2024). Confidence has returned to the Tumut* house market, as prices have continued to grow even with higher number of sales. The land market is experiencing an undersupply. Overall, this suggests that now is an ideal time for owners to capitalise on their investments.

CHANGE FROM LAST YEAR HALF YEAR



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

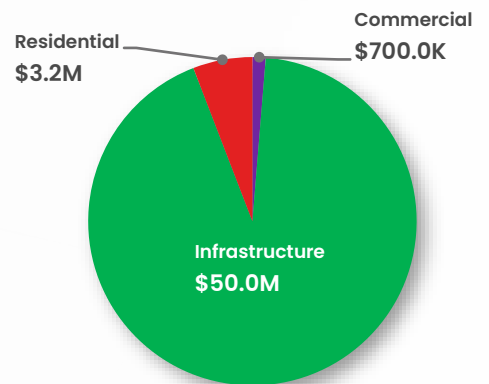


LAND SALES	↓	↑
LAND MEDIAN PRICE	↑	↑



FUTURE DEVELOPMENTS

Tumut is set to see approximately **\$53.8M new projects commencing construction between 2020 and 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 Tumut, which will have a spill-over impact on the real estate market, in the form of higher demand.

Tumut District Hospital (\$40.)M is a key infrastructure project in Tumut*. This project will greatly benefit the area, creating local jobs and better healthcare services for residents.

There are two residential projects set to commence construction in 2024:

- Lot 9 Fitzroy Street (6 dwellings)
- 140 Lambie Street Units (3 units)

Although there are some new-builds, this is not enough to satisfy demand. With very little new ready-to go stock planned, the Tumut house remains undersupplied. This puts pressure on an already tight market, pushing up house prices further. Thus, now is the time for buyers to enter the market.



MARKET CONDITIONS

MEDIAN PRICE
Q2 2024



\$450K



\$190K

SALES

AVERAGE DAYS
ON MARKET Q2 2024



HOUSE



LAND

MEDIAN PRICE
Q2 2024



\$420



\$310

RENTALS

AVERAGE DAYS
ON MARKET Q2 2024



HOUSE



UNIT



Dwellings

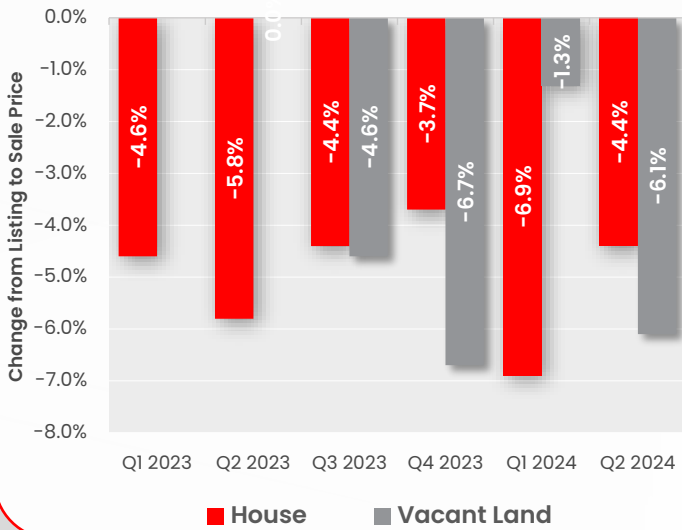


3 Units/
Apartments



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.



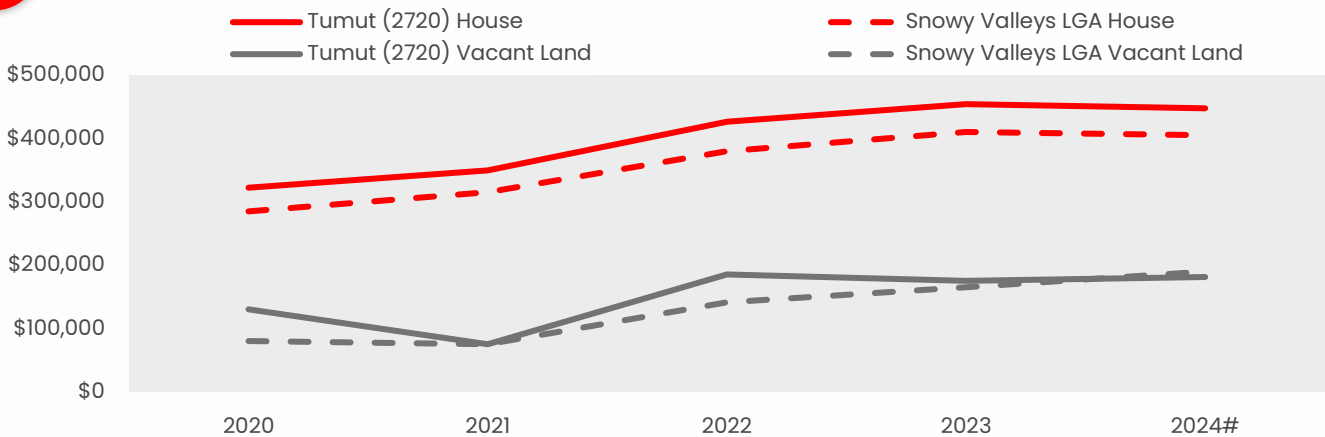
Average vendor discounts between Q2 2023 and Q2 2024 have tightened, to a lesser discount of -4.4% for houses. Average vendor discount for vacant land was -6.1% as of Q2 2024, however with a small market (10 sales) this is a fluctuated reading. Market conditions in Tumut continue to favour buyers, as the final list price is below the first list price. That said with average vendor discount for houses tightening, buyers need to act fast to secure a discount.

The suburb of Tumut has historically outperformed the wider Snowy Valley Local Government Area (LGA) in house median price. 2024# has seen a return to parity for land prices in Tumut with the wider Snowy Valley LGA, while houses continue to present a premium market.

The dominant proportion of homes sold in Tumut* across 2024# were in the middle-price bracket between \$400,000 and \$499,999 (30.2%). Similarly vacant land recorded a dominant middle-price point of \$150,000 and \$249,999 (37.5%). There is also a large percentage of houses sold in the more affordable priced stock of less than \$399,999 (38.7%), in good news for buyers. The premium market of \$600,000 and above is growing, with 13.2% of houses sold.



MARKET COMPARISON

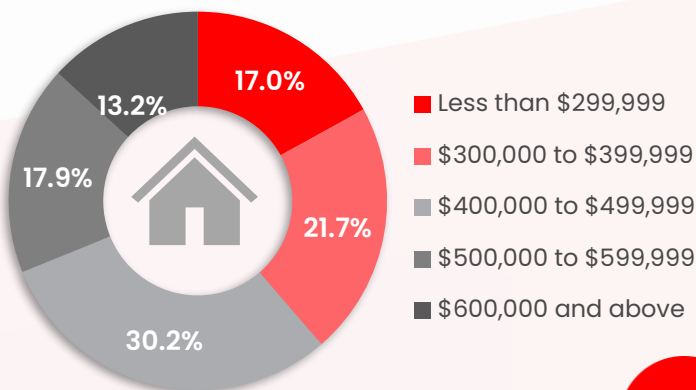


The market comparison graph provides a comparative trend for the median price of houses and unit over the past 5 years. The suburb chosen was based on their proximity to the main LGA analysed, which is Tumut*.

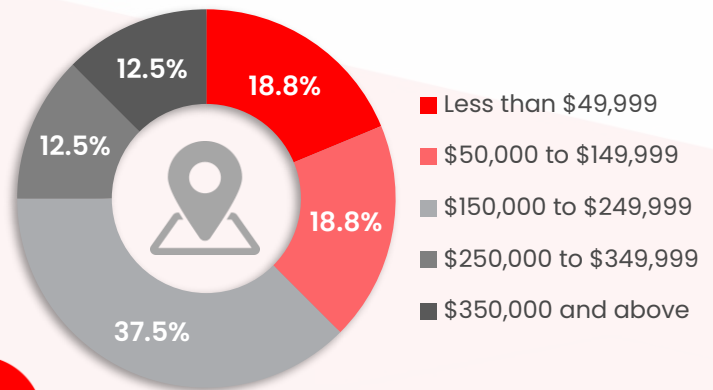


PRICE BREAKDOWN 2024#

HOUSES SOLD



VACANTS SOLD






RENTAL GROWTH 2024€


House rental yields in Tumut* was 3.9% in June 2024, higher than the Sydney Metro average of 2.8%. This was paired with 5.0% increase in median house rental price in the past 12 months to Q2 2024, now at \$420 per week in Q2 2024. Further, the number of houses rented increased by 27.6% in the same timeframe, to 37 rentals in Q2 2024. This suggests a highly demanded house rental market, which is beneficial for investors.

4+ bedroom houses have provided investors with +15.9% rental growth annually, achieving a median rent of \$475 per week.

Tumut* recorded a vacancy rate of 1.2% in June 2024, which is well below Sydney Metro's 1.7% average. Vacancy rates in Tumut* have fluctuated over the past 12 months, due to the level of investors opting in/out of the area and small size of the rental market. That said, a 1.2% vacancy rate is still significantly below the Real Estate Institute of Australia's 'Healthy' Benchmark of 3.0%, and below the Snowy LGA vacancy rate of 3.1%. This indicates a quicker occupancy of rentals, which confirms a conducive environment for investors.

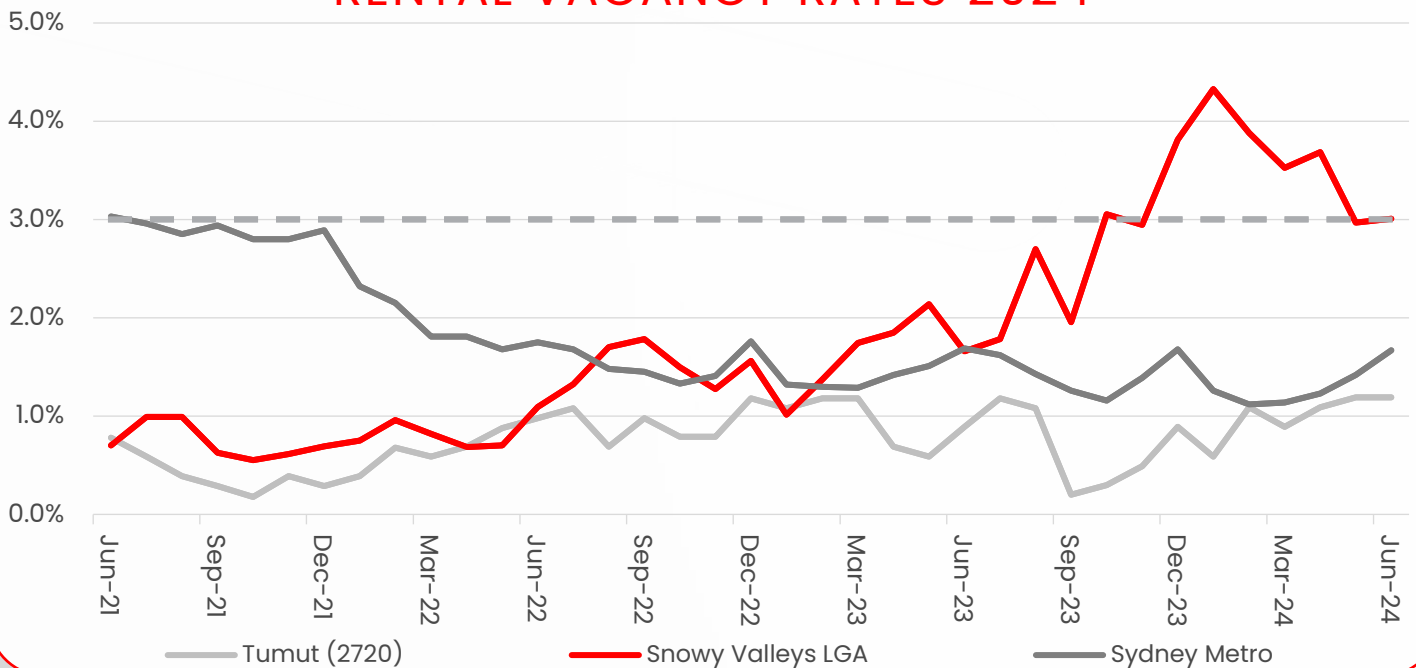
 2 BEDROOMS
+0.0%

 3 BEDROOMS
+5.0%

 4 BEDROOMS
+15.9%



RENTAL VACANCY RATES 2024



RENTAL YIELD 2024§



3.9%

Tumut*



4.0%

Snowy Valley LGA



2.8%

Sydney Metro



4.2%

Tumut*



4.0%

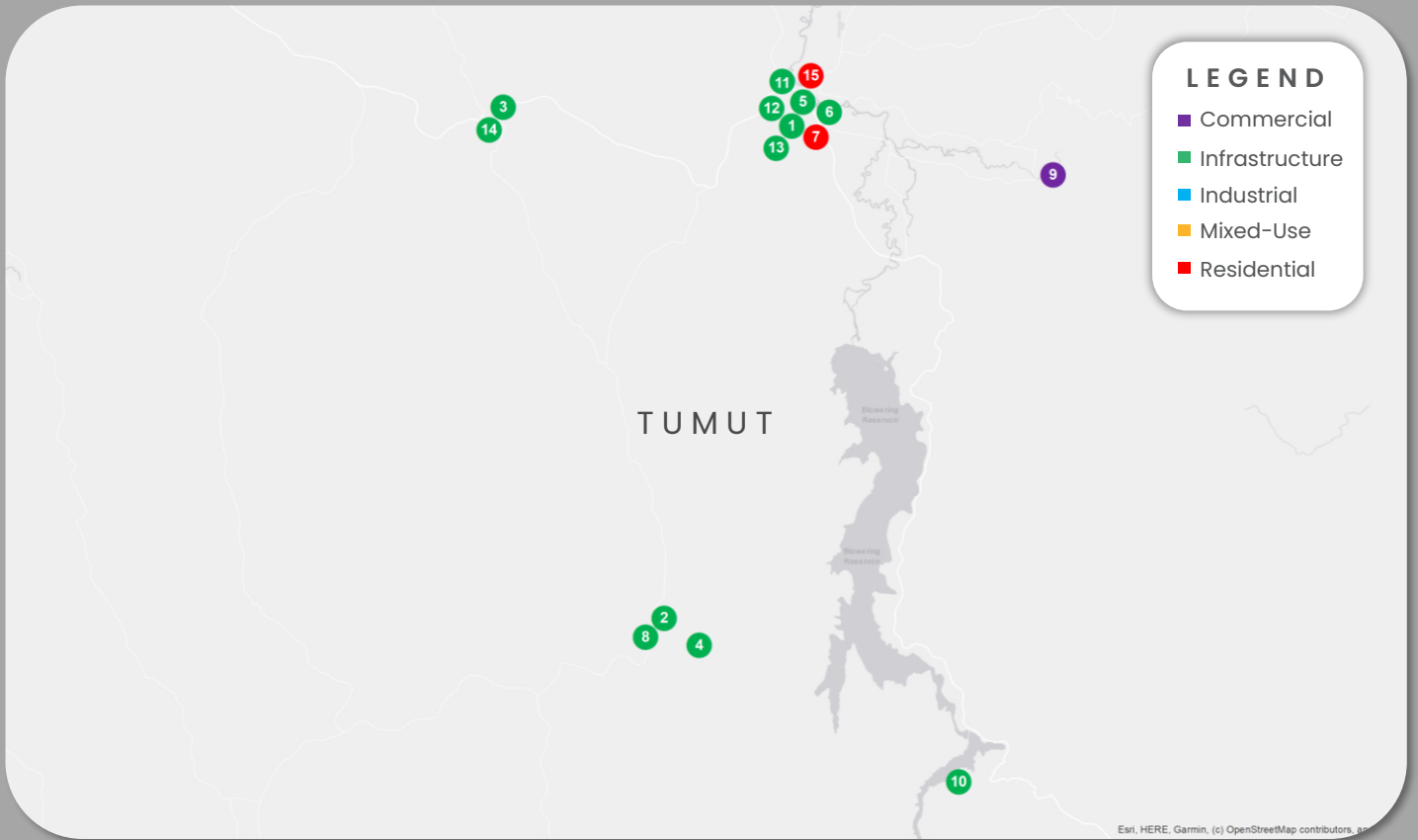
Snowy Valley LGA



4.5%

Sydney Metro

PROJECT DEVELOPMENT MAP 2024^A



#	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Tumut District Hospital (State Government)	Infrastructure	\$40,000,000	10/02/2020
2	Batlow Caravan Park (Local Government)	Infrastructure	\$2,700,000	10/02/2022
3	Snowy Mountain Highway Slopes Remediation (State Government)	Infrastructure	\$1,693,739	16/01/2024
4	Forsters Road Landslide Stabilisation (Local Government)	Infrastructure	\$1,070,000	15/07/2021
5	Tumut Sealing Works (State Government)	Infrastructure	\$1,000,000	22/02/2021
6	Tumut & Murray Rivers - River Works (State Government)	Infrastructure	\$1,000,000	16/08/2023
7	140 Lambie Street Units (3 Units/Apartments)	Residential	\$750,000	1/11/2024
8	Batlow Polices Residences (State Government)	Infrastructure	\$726,660	11/03/2024
9	Pretty Parrot Micro Distillery Little River	Commercial	\$700,000	23/07/2024
10	Talbingo Boat Ramp (Local Government)	Infrastructure	\$474,000	23/01/2020
11	Gocup Road Intersection Powerlines & Streetlights (State Government)	Infrastructure	\$400,000	23/01/2023
12	Tumut Main Street Roadworks (Local Government)	Infrastructure	\$386,000	20/05/2020
13	Tumut High School Canteen Upgrade (State Government)	Infrastructure	\$331,000	28/08/2023
14	Adelong Public School (State Government)	Infrastructure	\$177,000	9/05/2022
15	Lot 9 Fitzroy Street Dwellings (6 Dwellings)	Residential	\$2,400,000	16/12/2024

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REFERENCES

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

2024 encapsulates sales transactions for 1st Half 2024 (01/01/2024 – 30/06/2024) 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.

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

§ Rental yields shown are as reported as of June 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 Adelong, Batlow, Tumut 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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