

Tamworth Market Update 2nd Half 2024



OVERVIEW

In Q3 2024, Tamworth*, which in this report encapsulates data for the postcode 2340, recorded a median house price of \$550,000, and a median unit price of \$450,000. This represents annual (Q3 2023 – Q3 2024) price growth of 7.8% for houses and 25.0% for units. Comparing Q3 2023 and Q3 2024 sales increased, by 3.0% for houses (to 276 sales in Q3 2024) and by 12.5% for units (to 27 sales in Q3 2024). The property market is in high demand; which creates a buffer even with higher interest rates and resulting in price growth. With very little new stand-alone properties planned, further price growth is expected.

CHANGE FROM LAST YEAR HALF YEAR



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



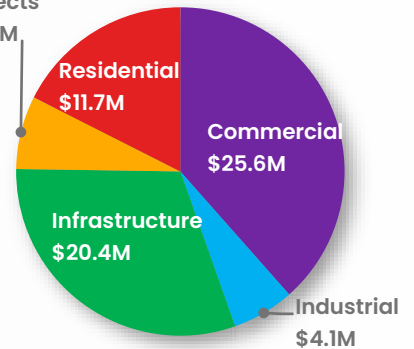
UNIT SALES	↑	↑
UNIT MEDIAN PRICE	↑	↑
UNIT RENTAL PRICE	↑	↑



FUTURE DEVELOPMENTS

Tamworth is set to see approximately **\$66.7M of new projects commencing construction in 2024.**

Mixed-Use Projects
\$4.8M



These projects will stimulate economic growth and create new job opportunities in Tamworth. This should have a spill-over impact on the real estate market, in the form of higher demand for housing stock.

The main commercial project over 2024 in the Tamworth* area is the Longyard Golf Course & The Mill Tavern (\$15.0M). There are several infrastructure projects planned for construction, which will improve the liveability for residents.

The only ready-to-go residential development over 2024 is Darling Street Units (\$2.2M). This project will add 7 units to the Tamworth* area.

With only a limited supply of new ready-to-go residential project, the Tamworth property market can turn into an undersupplied market very quickly within a short time frame. This will result in median sale prices to increase even further, even with a higher interest rate.



7 Units/
Apartments



211 Lots



MARKET CONDITIONS

MEDIAN PRICE
Q3 2024



\$550K



\$450K

SALES

AVERAGE DAYS
ON MARKET Q3 2024



50
HOUSE



51
UNIT

MEDIAN PRICE
Q3 2024



\$470



\$355

RENTALS

AVERAGE DAYS
ON MARKET Q3 2024



18
HOUSE



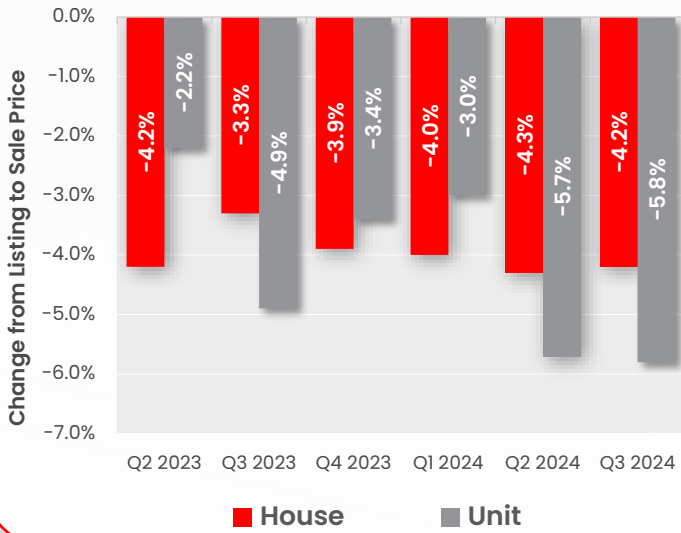
23
UNIT



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.

In the past 12 months to Q3 2024 average vendor discount have widened, to a further discount of -4.2% for houses and -5.8% discounts for units. The property market conditions in Tamworth continue to favour buyers, where vendors are willing to accept below the initial listing price. Q3 2024 average vendor discount is a mirror of Q2 2024, which suggests that now is an ideal time to buy.

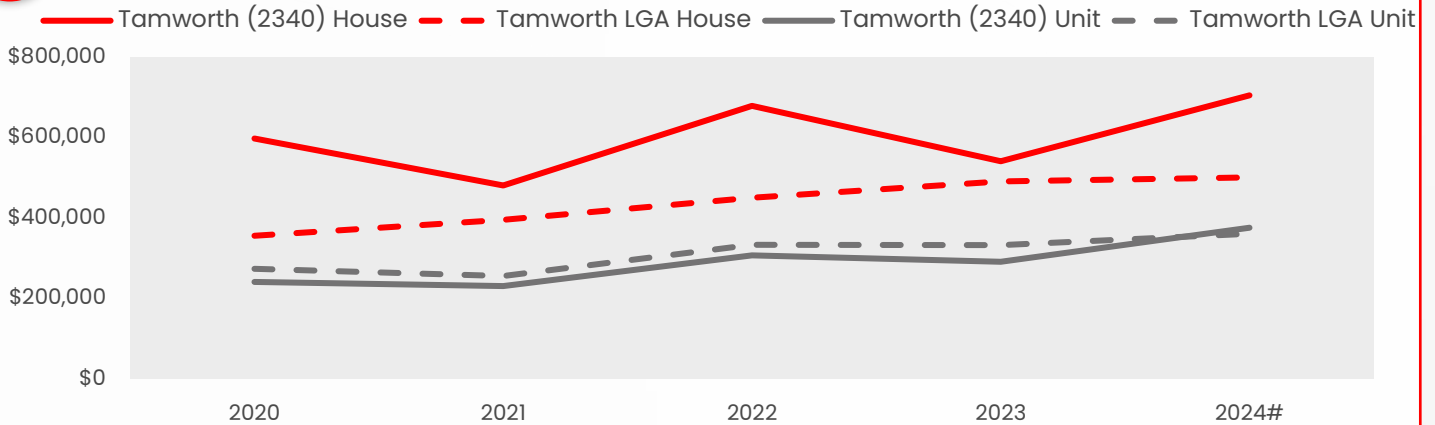


The suburb of Tamworth has historically outperformed the wider Tamworth Local Government Area (LGA) house median prices. Conversely, units provided affordability compared to the wider LGA region. This said, 2024# has seen Tamworth's unit prices rise to become on par with the wider Tamworth LGA.

The dominant proportion of homes sold in Tamworth* across 2024# were in the premium market of \$650,000 and above (32.5%). That said, 31.4% of houses were sold under \$449,999; creating an opportunity for buyers. Even though there has been a significant increase in median unit price, most of the units sold were in the affordable price point of less than \$349,999 (36.4%). This reveals that there are still opportunities for first home buyers.



MARKET COMPARISON

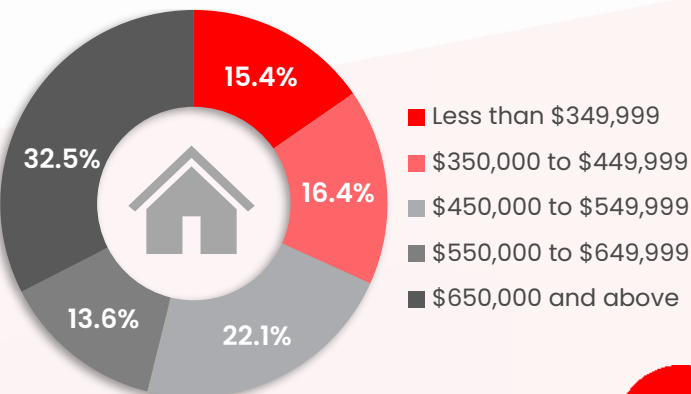


The market comparison graph provides a comparative trend for median price of houses and units over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Tamworth.

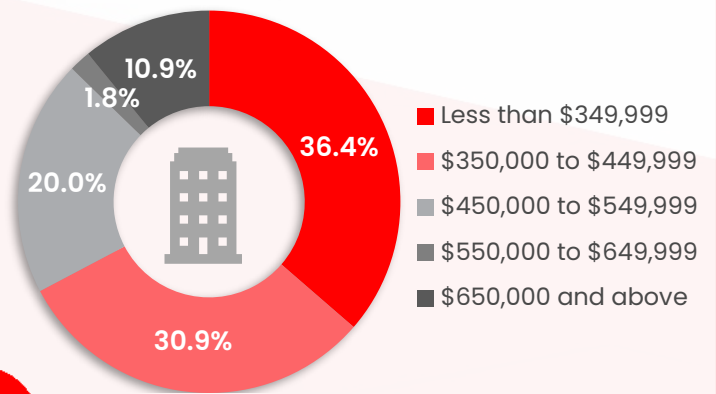


PRICE BREAKDOWN 2024#

HOUSES SOLD



UNITS SOLD





RENTAL GROWTH 2024€

House rental yields in Tamworth[‡] was 4.4% in September 2024, roughly on par with Tamworth LGA (4.7%) but significantly higher than Sydney Metro (2.8%). This was paired with a 6.8% increase in median house rent price in the past 12 months to Q3 2024, at \$470 per week. The number of houses rented declined by -3.8% in the past 12 months, to 298 rentals in Q3 2024. The same pattern of higher rent can also be seen in the unit rental market. This suggests an attractive and more affordable (compared to Sydney Metro) rental market to investors.

4+ bedroom houses have provided investors with +10.0% rental growth annually, achieving a median rent of \$550 per week.

Tamworth[‡] recorded a vacancy rate of 0.9% in September 2024, lower than the Tamworth LGA's 1.3% average, and Sydney Metro's 1.6% average. Vacancy rates in Tamworth[‡] have shown a declining pattern in the past 12 months, signalling a tighter rental market. Further, a 0.9% rate is well below the Real Estate Institution of Australia's healthy benchmark of 3.0%, suggesting quicker occupancy of rental homes. This is a conducive environment for investors.

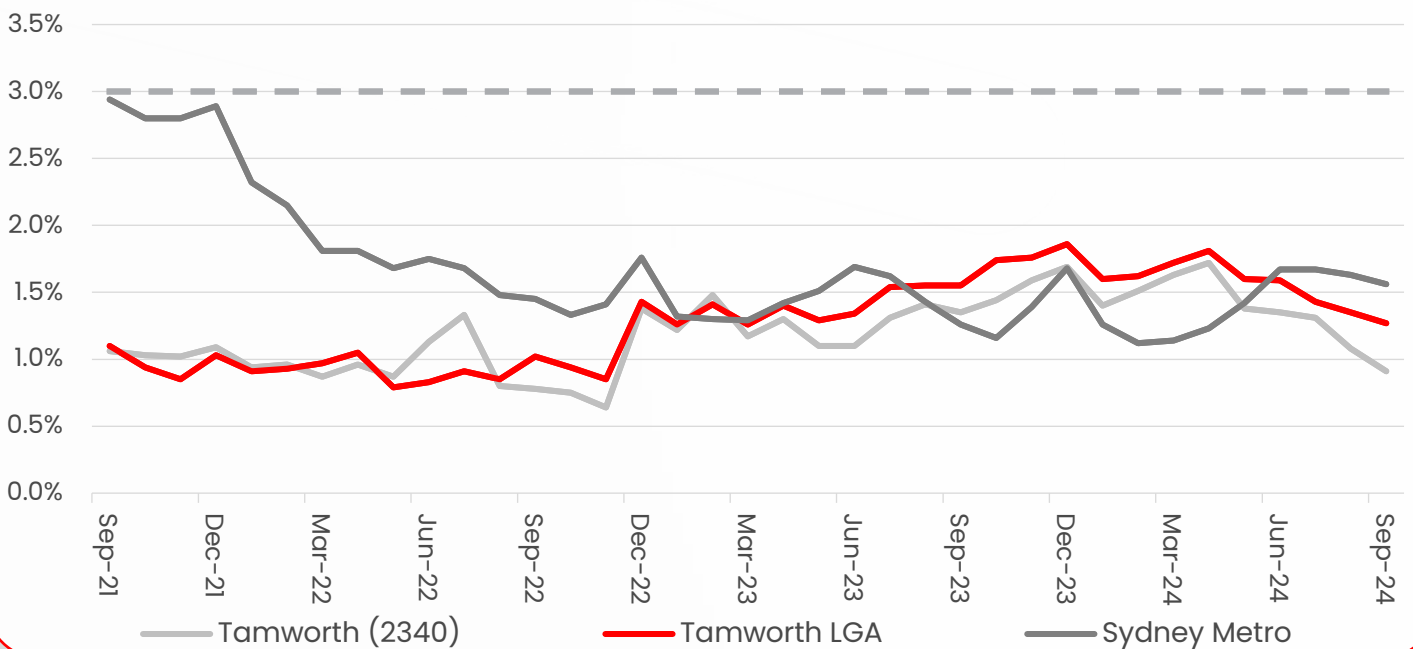
2 BEDROOMS
+2.9%

3 BEDROOMS
+7.1%

4+ BEDROOMS
+10.0%



RENTAL VACANCY RATES 2024



RENTAL YIELD 2024§

3.4%
Tamworth (2340)

4.7%
Tamworth LGA

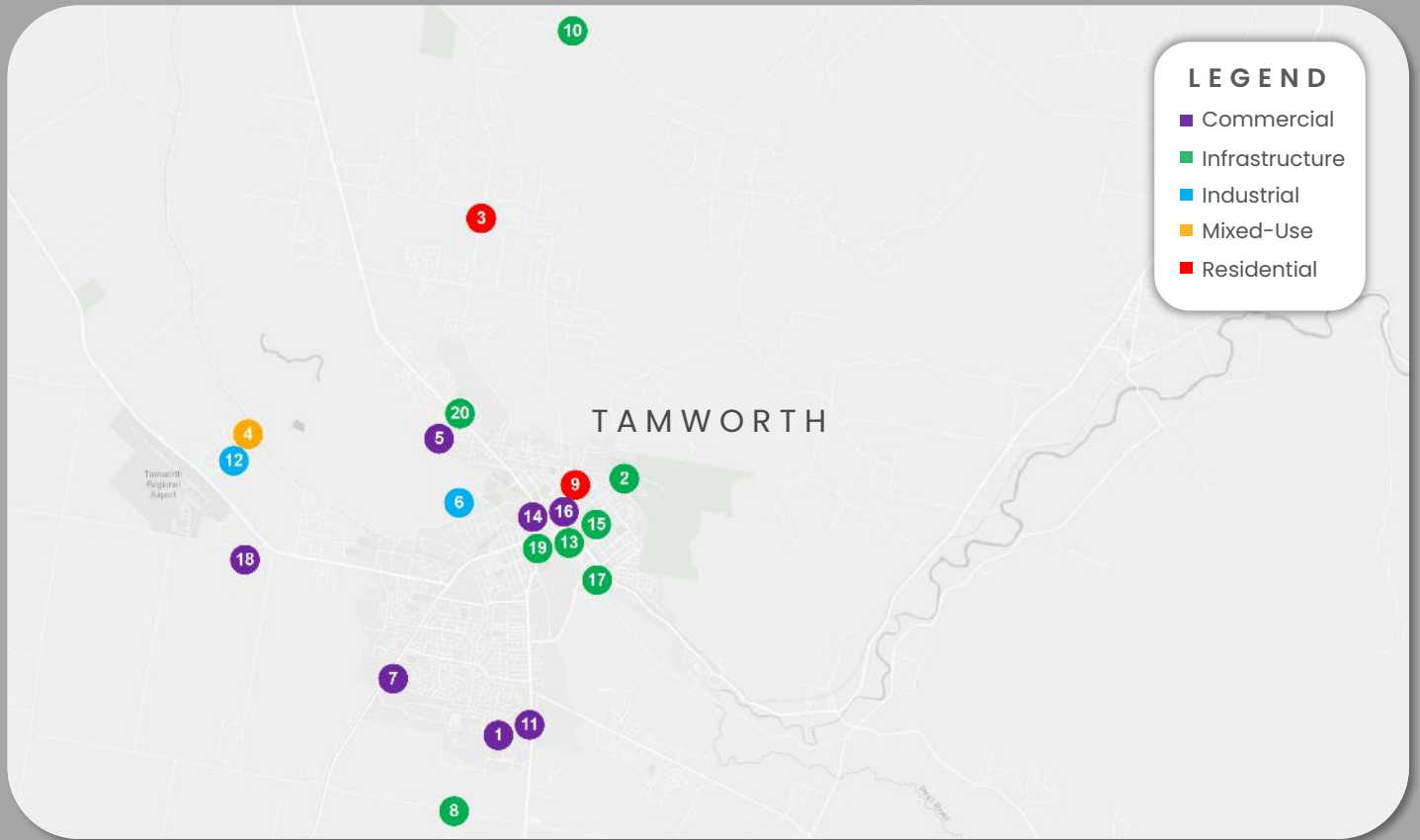
2.8%
Sydney Metro

4.8%
Tamworth (2340)

4.8%
Tamworth LGA

4.4%
Sydney Metro

PROJECT DEVELOPMENT 2024^A



#	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Longyard Golf Course & The Mill Tavern	Commercial	\$15,000,000	23/12/2024
2	Tamworth Regional Skywalk (Local Government)	Infrastructure	\$11,904,458	14/10/2024
3	Lots 7, 722 & 121 Moore Creek Road Residential Subdivision (211 Lots)	Residential	\$9,495,000	30/08/2024
4	86 Goddard Lane Mixed Use Development (Service station / industrial warehouse / retail premises)	Mixed Use	\$4,810,000	27/02/2024
5	Tamworth Gardens Retirement Estate Extension	Commercial	\$3,850,000	19/07/2024
6	Winning Post Business Park Taminda Light Industrial Building	Industrial	\$3,120,882	5/02/2024
7	12 Coorigil Street Group Homes	Commercial	\$2,739,700	16/05/2024
8	Burgmanns Lane & New Winton Road Bridges (Local Government)	Infrastructure	\$2,640,762	18/03/2024
9	76–82 Darling Street Units (7 Units)	Residential	\$2,200,000	28/11/2024
10	Upper Moore Creek Road Residential Subdivision (Local Government) (40 Lots)	Infrastructure	\$2,000,000	11/10/2024
11	Bp Service Station Hillvue Food & Drink Premises Extension	Commercial	\$1,038,000	15/02/2024
12	31 Goddard Lane Industrial Sheds	Industrial	\$954,720	25/03/2024
13	Tamworth Regional Council Roadworks Active Transport Path (Local Government)	Infrastructure	\$950,000	8/01/2024
14	209 Peel Street Restaurant Conversion	Commercial	\$890,000	1/08/2024
15	Tamworth Airport Shand Circuit Rehabilitation (Local Government)	Infrastructure	\$676,964	7/09/2024
16	Brisbane Street Subfloor Renewal	Commercial	\$650,000	9/09/2024
17	542 Peel Street Commercial Building (Local Government)	Infrastructure	\$650,000	1/08/2024
18	Swan Hill Bus Lines Westdale Depot	Commercial	\$600,000	2/08/2024
19	Tamworth Regional Council Street Lighting (Local Government)	Infrastructure	\$533,006	19/02/2024
20	Oxley Vale Public School Access Ramps & Paths (State Government)	Infrastructure	\$466,704	1/11/2024

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REFERENCES

* Tamworth sales market data and key indicators encapsulates aggregate property market conditions within the postcode of 2340.

** 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 Q1 –Q3 (01/01/2024 – 30/09/2024) 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 Q3 2023 (01/07/2023 – 30/09/2023) and Q3 2024 (01/07/2024 – 30/09/2024) house median rent figures.

¥ Tamworth rental market data encapsulates aggregate property conditions within the postcodes of 2340

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

▲ 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 postcode of 2340.

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.

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