

**Tamworth**  
Property Factsheet  
1st Half 2018





## MARKET CONDITIONS

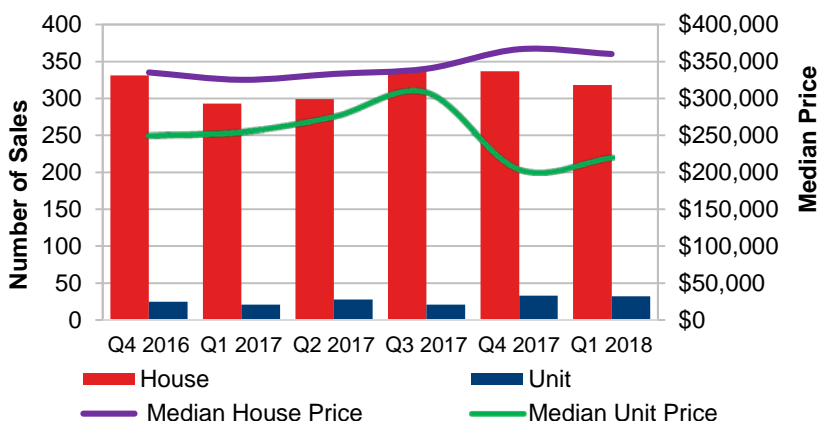
The Tamworth\* property market recorded a median house price of \$377,500 and \$239,625 for units in Q1 2018, which represents an annual price change of 11.0% and -5.8% respectively. Over the same period of time, house prices in the Tamworth Regional Council Local Government Area (LGA) grew by 10.8% to \$360,000 and unit prices softened by -13.5% to \$220,200. This suggests that Tamworth\* offers a more premium market than the wider LGA.

Tamworth\* and the Tamworth Regional Council LGA house market is highly attractive, and for the first time in 24 months in both affordability and capital growth. This is compared to Sydney's\*\*\* median house price of \$1,150,357 and -1.4% annual change, a cooling when compared to capital growth in Tamworth\*. Buyers are urged to capitalise on this rare opportunity now.

Over the past 12 months to Q1 2018, average vendor discounting tightened for houses (-4.5%) and units (-4.8%). This suggests sellers are achieving closer to their initial asking price and are benefitting from a higher demand market. This is good news for unit sellers, despite a softening in capital growth. Now is the perfect time for sellers to act, to capitalise on a strong house market and minimise risks in the unit market.

Median rent in Tamworth\* has experienced a positive annual growth (Q1 2017-Q1 2018) of 4.2% for units, currently at \$250 per week. Median rent for houses in Q1 2018 is \$335 per week. Investors are benefiting from rental yields of 4.8% (houses) and 4.9% (units), much higher than that of Sydney Metro (2.9% and 3.8% respectively). This provides investors with a much more affordable investment option yet with the potential of much greater returns.

## TAMWORTH REGIONAL COUNCIL GROWTH



## OVERVIEW

Tamworth is located approx. 310km north of Sydney's CBD. Tamworth is primarily known as rural town centre with a strong economy supported by agriculture, freight, services and food processing. According to the ABS Census 2016, 59,663 people lived in the Tamworth Regional Council area, a 6.0% increase over the past 5 years.

CHANGE FROM LAST	YEAR	HALF YEAR
House Sales	↑	↑
House Median Price	↑	↑
House Rental Price	↓	↑
Unit Sales	↑	↑
Unit Median Price	↓	↓
Unit Rental Price	↑	↓

## FUTURE DEVELOPMENTS\*\*

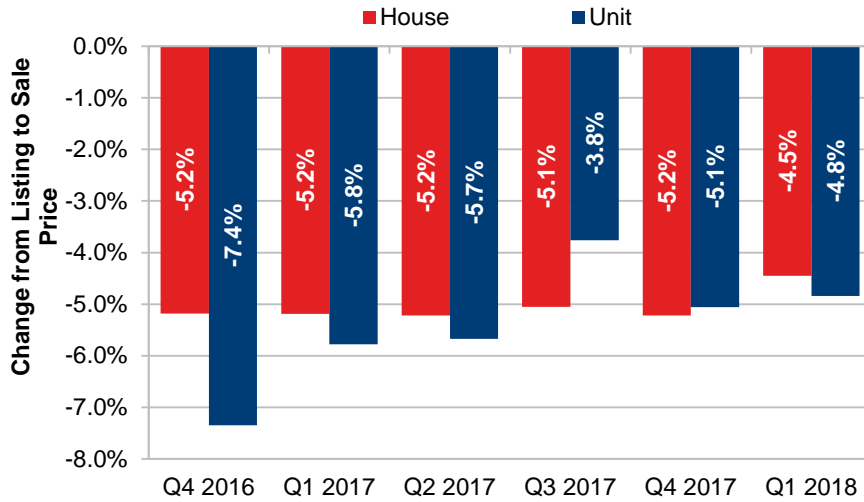
Tamworth\* is set to see approx. \$28.5M of new projects commencing in the 1<sup>st</sup> half of 2018. Commercial accounts for the majority of development value (\$14.8M or 51.8%), followed by residential (\$9.9M or 34.6%) and infrastructure (\$3.9M or 13.6%). The provision of residential stock will further satisfy the increasing demand from population growth, whereas commercial and key infrastructure projects will provide a good balance for sustainable economic growth.

A significant project commencing in the 1<sup>st</sup> half of 2018 is the Oak Tree Retirement Village Calala. This involves the construction of 43 two-bedroom single storey villas with community facilities and a swimming pool. With an approx. value of \$8.3M, this project will assist in the growth of the economy and employment.

Another important project is the Moore Creek Road Residential Subdivision. The development has an approx. value of \$5.9M and will deliver an additional 183 subdivided lots to the market. Other additions in Tamworth over 1<sup>st</sup> half 2018 will include 23 dwellings and 4 villas.

\*Tamworth market data and key indicators encapsulates aggregate property market conditions in the following postcode: 2340.  
\*\*Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value. Quoted construction and completion dates are estimate only, as per relevant data authority.  
\*\*\*Based on REIA Real Estate Market Facts March Quarter 2018 report.  
Source: APM Pricerfinder, realestate.com.au. © Copyright PRDnationwide 2018.

## AVERAGE VENDOR DISCOUNT



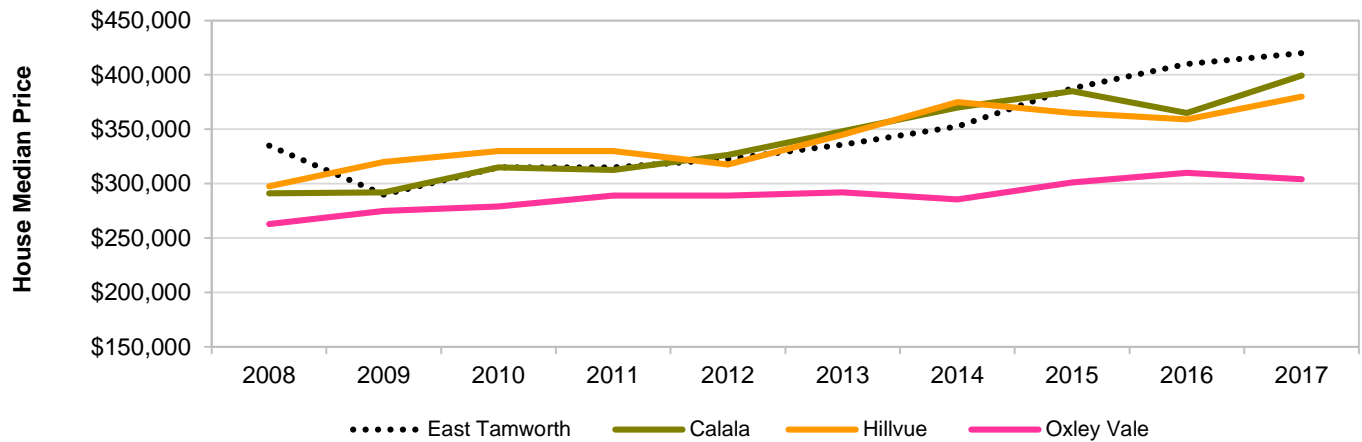
### AVERAGE VENDOR DISCOUNT

Average vendor discount reflects the average percentage difference between first list price and final sold price. A lower percentage difference (closer to 0) suggests buyers are willing to purchase close to the first asking price of a property.

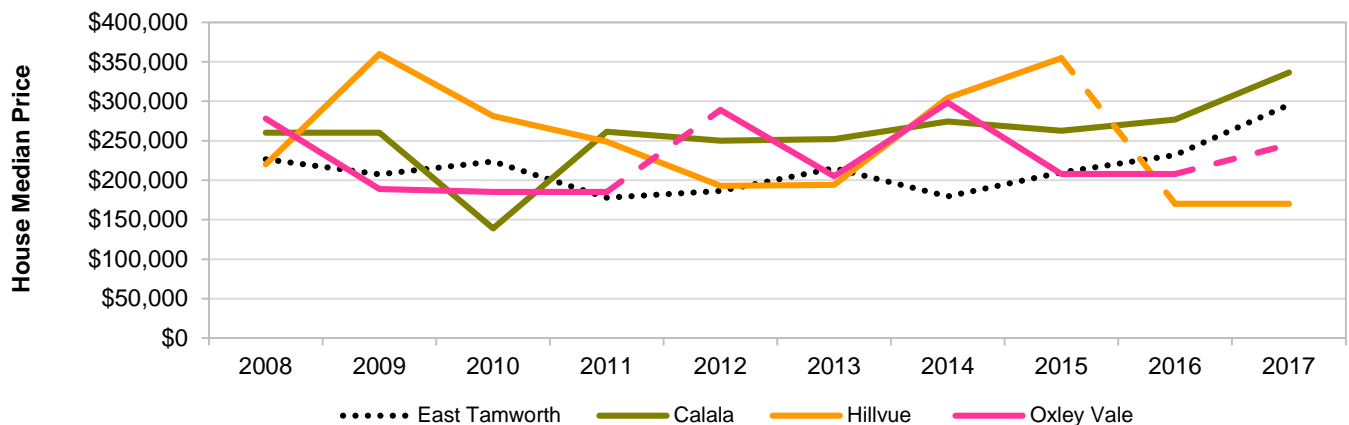
### MARKET COMPARISON GRAPH

The market comparison graph provides comparative trend for median price of house and units over the past 10 years. Suburbs profiled are chosen based on proximity to the main suburb analysed in the factsheet, which is East Tamworth. The main suburb is indicated with a dotted black line graph.

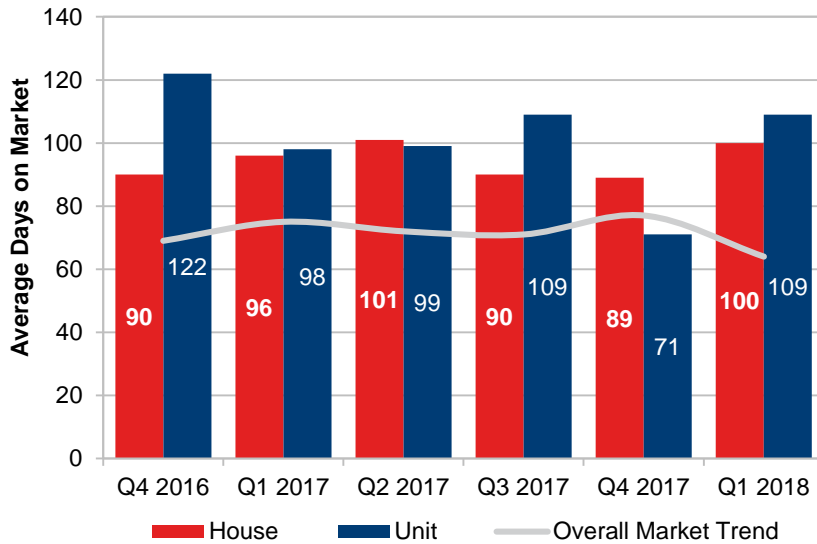
## HOUSE MARKET COMPARISON



## UNIT MARKET COMPARISON



## AVERAGE DAYS ON MARKET\*\*



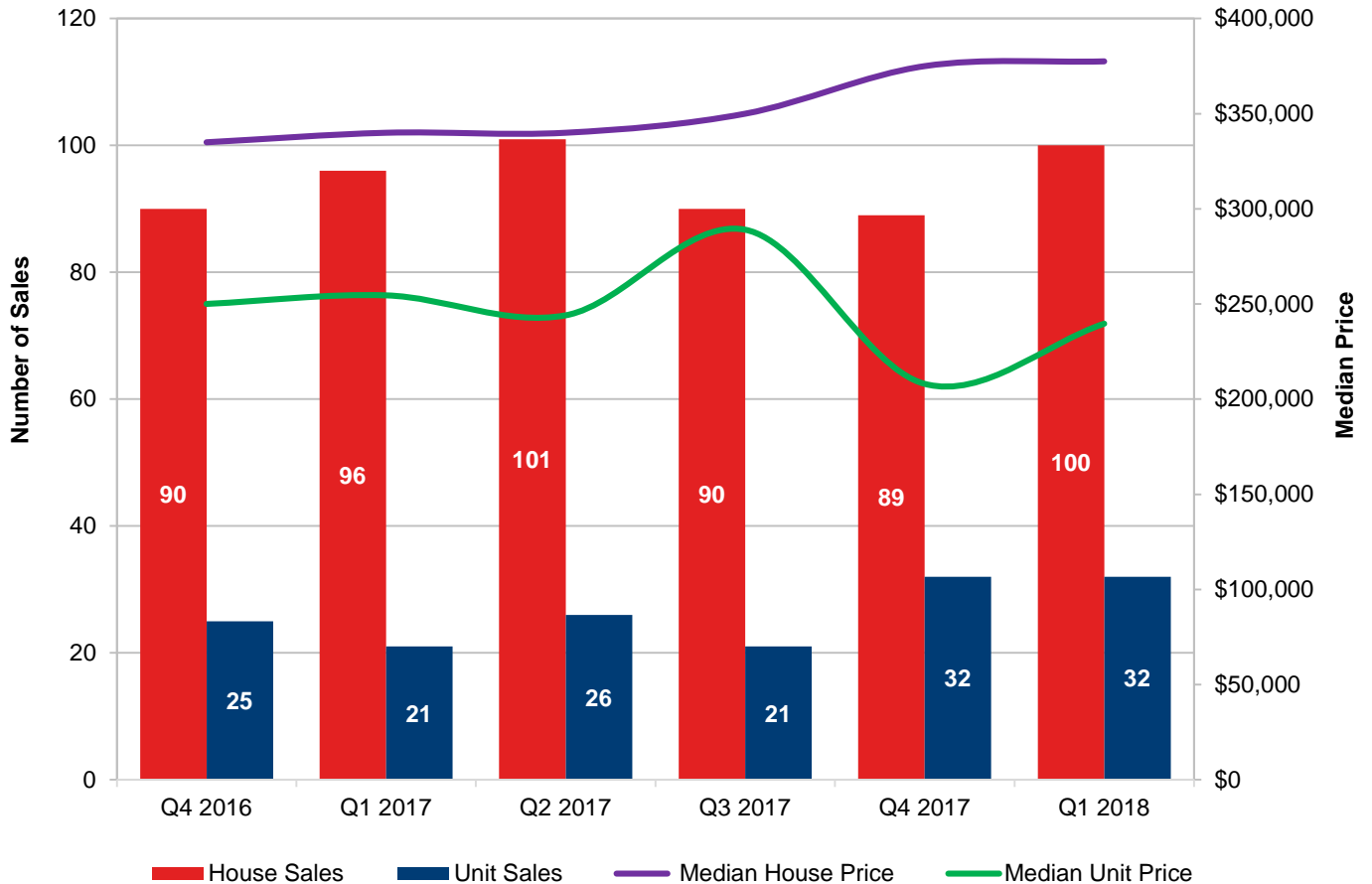
### HOUSE KEY FACTS Q1 2018

Median Sale Price: \$377,500  
 Annual Growth: 11.0%\*  
 Average Days on Market: 100  
 % Change between First Listed Price and Sold Price: -4.5%

### UNIT KEY FACTS Q1 2018

Median Sale Price: \$239,625  
 Annual Growth: -5.8%\*  
 Average Days on Market: 109  
 % Change between First Listed Price and Sold Price: -4.8%

## SALES AND MEDIAN PRICE\*\*

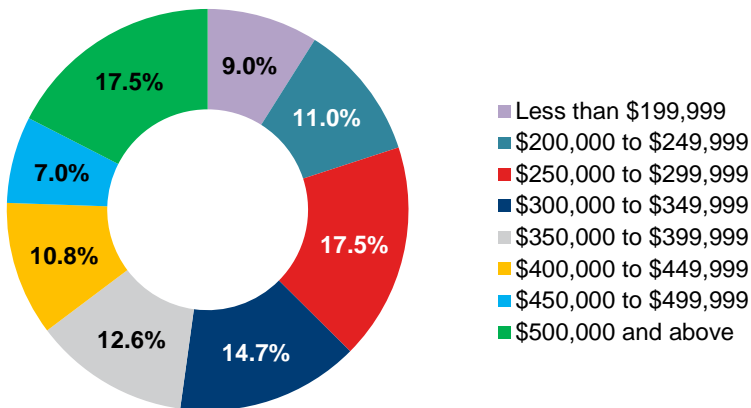


\*Annual growth represents price growth for property transactions between Q1 2017 to Q1 2018 (inclusive).  
 \*\*Tamworth market data and key indicators encapsulates aggregate property market conditions in the following postcode: 2340.  
 Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

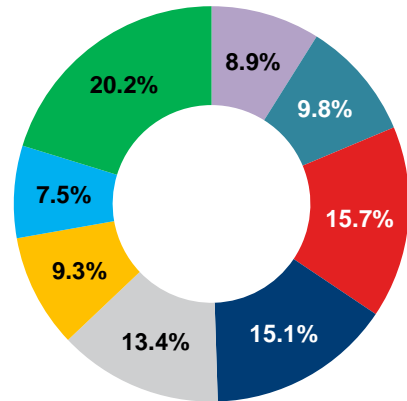


# SALES PRICE POINT COMPARATIVE ANALYSIS

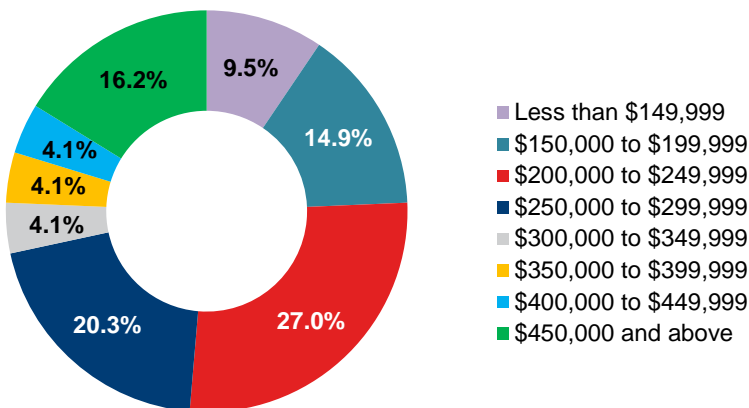
## HOUSE PRICE POINT 2016



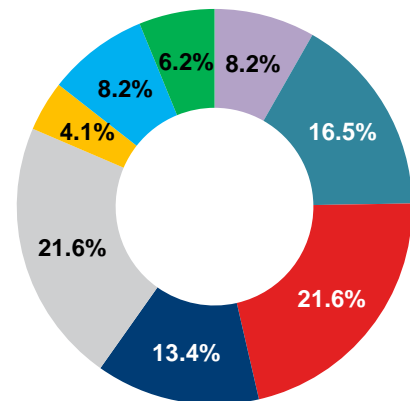
## HOUSE PRICE POINT 2017



## UNIT PRICE POINT 2016



## UNIT PRICE POINT 2017



### KEY IMPLICATIONS - HOUSE

The proportion of houses sold in Tamworth\* in 2017 were primarily in the \$500K and above segment, increasing from 17.5% in 2016 to 20.2%. This indicates a growing demand for higher quality housing, which is a great opportunity for sellers and buyers.

Between 2016 and 2017, there has been gentle shifts in price segments, suggesting a healthy growth of house prices in Tamworth's market. However, sales occurring below the \$300K price segment have experienced partial decreases, in particular the \$250K-\$300K segment from 17.5% to 15.7%, meaning that more affordable opportunities are declining. Buyers with lower budgets are strongly encouraged to secure a property now.

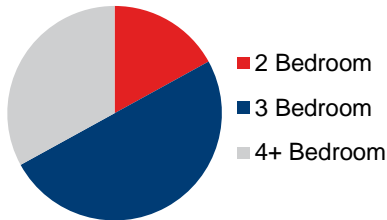
### KEY IMPLICATIONS - UNIT

The proportion of units sold in Tamworth\* over 2017 were primarily in the \$200K-\$250K and \$300K-\$450K price segments, both at 21.6%. Compared to 2016 this suggests a more diverse market, catering for a variety of buyer preferences and budgets.

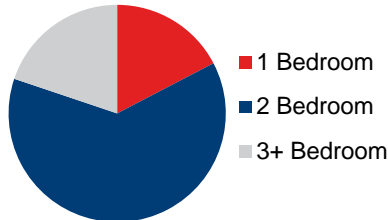
Between 2016-2017 most sales occurring in higher price brackets have experienced contractions, in particular the \$450K plus segment which declined from 16.2% to 6.2%. Meanwhile, sales in the \$300K-\$350K bracket grew from 4.1% to 21.6% which has created a stronger mid-market offering. Buyers who are looking for extremely affordable options should take action now, as the pool of available units for under \$150K has shrunk from 9.5% to 8.2% in 2017.

## INVESTMENT ANALYSIS

### HOUSE



### UNIT



### HOUSE KEY FACTS Q1 2018

**Median Rent Price:** \$335 per week  
**Rental Yield:** 4.8%  
**Average Days on Market:** 29  
**Bedroom Breakdown:**  
 2 Bed: 17%, 3 Bed: 50%, 4+ Bed: 33%

### UNIT KEY FACTS Q1 2018

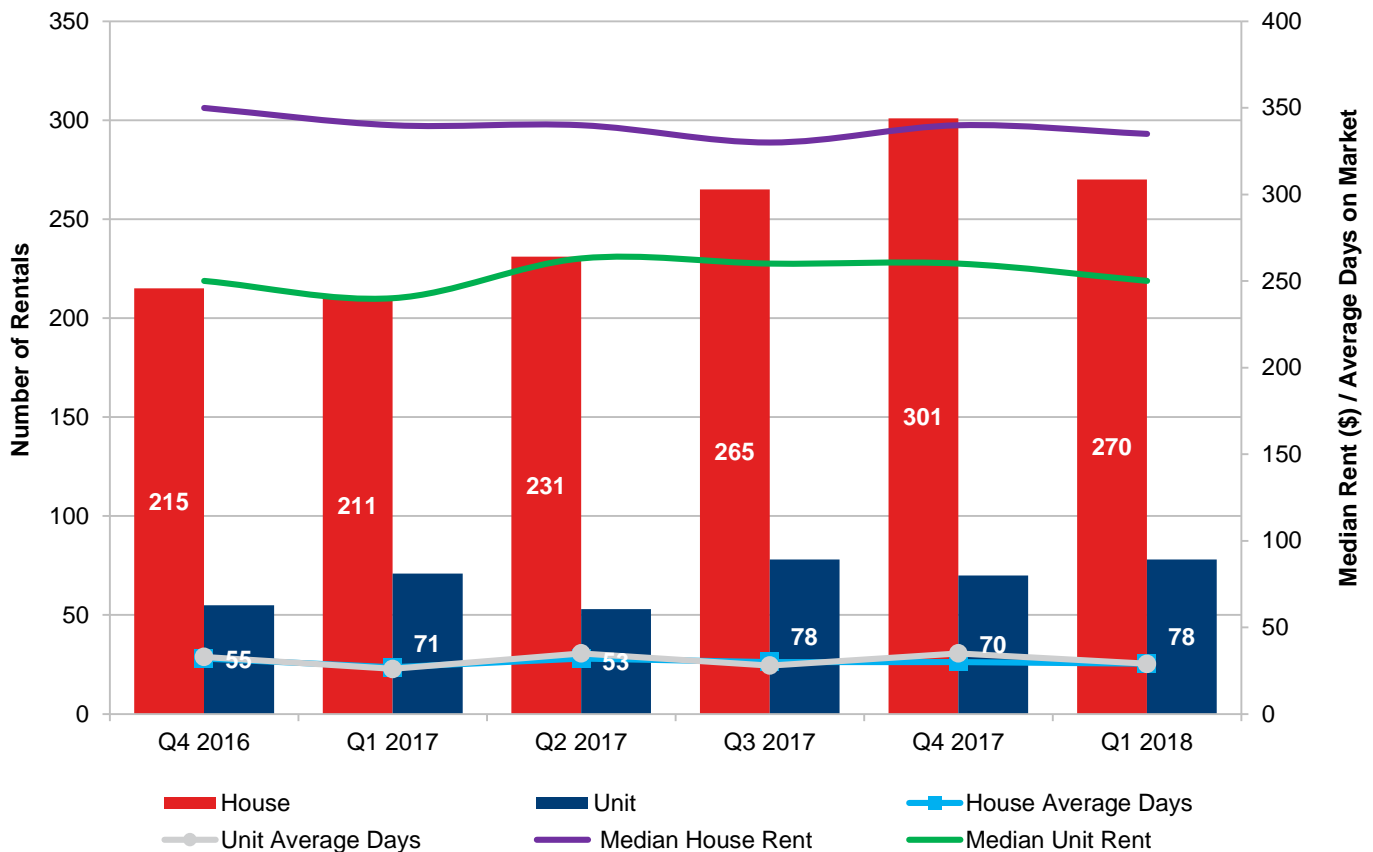
**Median Rent Price:** \$250 per week  
**Rental Yield:** 4.9%  
**Average Days on Market:** 29  
**Bedroom Breakdown:**  
 1 Bed: 21%, 2 Bed: 76%, 3+ Bed: 24%

### KEY COMMENTS

Over the past 12 months the number of rental properties have increased significantly, growing by 28.0% (houses) and 9.9% (units). This suggests a growing demand for rental properties which is supported by a downward trending vacancy rate, recording 2.4% in December. Further, desirability in this market is due to strong rental yields currently at 4.8% (houses) and 4.9% (units), which are much greater than Sydney's 2.9% and 3.8%. Current investors are urged to hold onto their assets, while prospective investors are encouraged to expand their current portfolios in Tamworth's\* highly lucrative market.

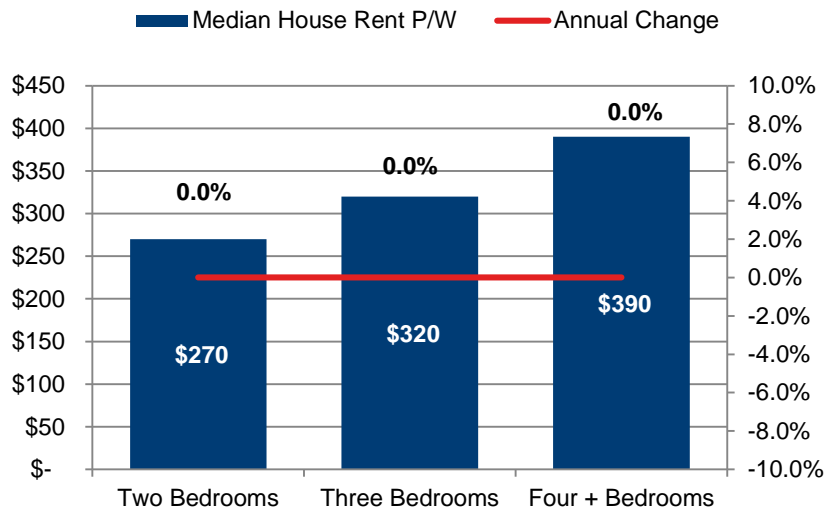


## MEDIAN RENT AND AVERAGE DAYS ON MARKET\*



\*Disclaimer: Tamworth market data and key indicators encapsulates aggregate property market conditions in the following postcode: 2340. Source: APM Pricfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

## RENTAL PERFORMANCE 2017\*



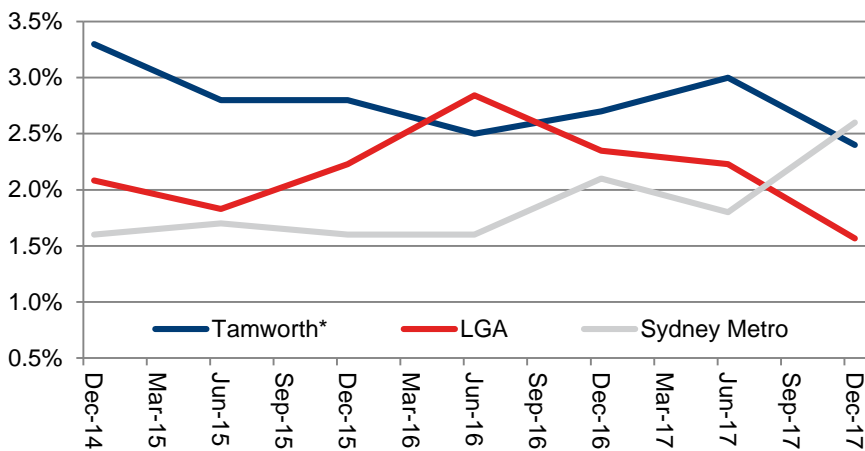
### KEY COMMENTS

Rental returns are particularly strong in Tamworth\*, recording 4.8% (houses) and 4.9% (units). This is much higher than Sydney Metro's returns of 2.9% (houses) and 3.8% (units).

2, 3 and 4+ bedroom house rentals annual growth have remained stable over 2016 and 2017, recording median weekly rental price of \$270, \$320 and \$390 respectively.

Vacancy rates in Tamworth\* and the LGA have been trending downward, recording 2.4% and 1.6% in December 2017. These are much lower than Sydney Metro's rate of 2.6%, which suggest a healthier rental demand.

## VACANCY RATES 2017



## RENTAL YIELD 2017

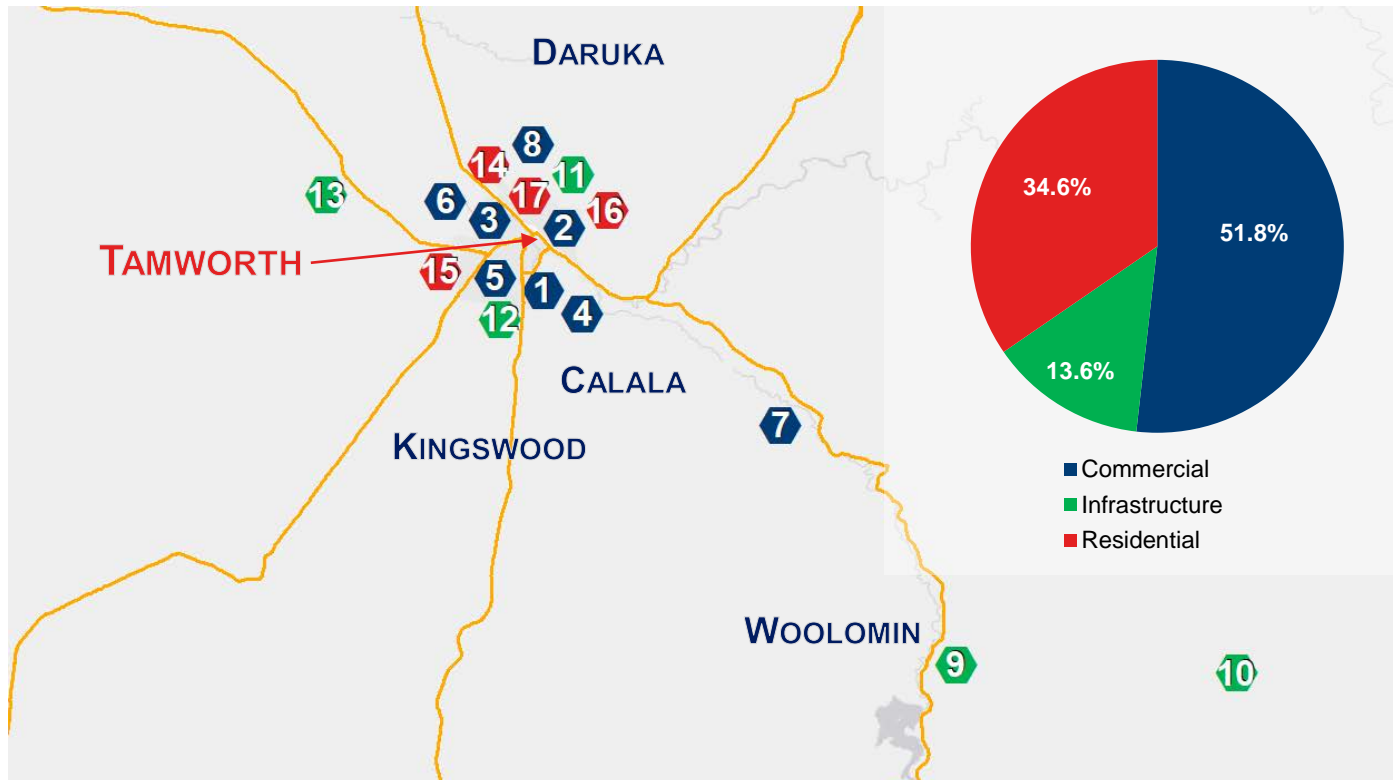
Suburb/ Postcode/ LGA	House Rental Yield	Unit Rental Yield
Tamworth*	4.8%	4.9%
Tamworth LGA	4.8%	4.3%
Sydney Metro	2.9%	3.8%

## KEY HOUSING DEMOGRAPHICS

	Tamworth*	Tamworth LGA	New South Wales
Median weekly household income	\$1,224	\$1,180	\$1,486
Median monthly mortgage repayments	\$1,517	\$1,500	\$1,986
Unemployed	5.9%	5.8%	6.3%
Professionals	18.4%	17.5%	23.6%
Owned outright	31.8%	33.9%	32.2%
Owned with mortgage	31.2%	33.1%	32.3%
Rented	33.1%	30.9%	31.8%

\*Rental performance graph represents aggregate house median rent prices in the following postcode: 2340. Annual change is a comparison between 2016 and 2017 median rent figures. Source: APM Pricerfinder, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

## PROJECT DEVELOPMENT MAP 1<sup>st</sup> HALF 2018\*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Oak Tree Retirement Village Calala	Commercial	\$8,300,000	05/02/2018
2	Woodleys Motors Tamworth	Commercial	\$2,600,000	19/03/2018
3	Oxley Hwy Poultry Farm	Commercial	\$2,100,000	08/05/2018
4	Carlo's IGA Supermarket	Commercial	\$650,000	20/02/2018
5	McDonalds West Tamworth	Commercial	\$304,000	22/05/2018
6	Lockheed Street Hardware & Building Supplies	Commercial	\$300,000	27/05/2018
7	Fishers Lane Office Building	Commercial	\$270,000	15/05/2018
8	Forest Road Telecommunications Facility	Commercial	\$250,000	21/02/2018
9	Nundle Road Roadworks	Infrastructure	\$1,099,000	23/02/2018
10	Nowendoc Rd Stabilising Works	Infrastructure	\$850,000	20/03/2018
11	Forest Road Waste Management Facility Landfill Gas Project	Infrastructure	\$850,000	27/01/2018
12	Northern Inland Centre Of Sporting Excellence	Infrastructure	\$500,000	17/01/2018
13	Old Winton Road Hay Shed	Infrastructure	\$385,000	05/03/2018
Various Locations	Tamworth Regional Sports Field Lighting	Infrastructure	\$200,000	28/02/2018
14	Moore Creek Road Residential Subdivision (183 Lots)	Residential	\$5,900,000	07/05/2018
15	Southview St Dwellings (20 Dwellings)	Residential	\$2,645,000	15/05/2018
16	Brisbane Street Dwellings (3 Dwellings)	Residential	\$780,000	13/03/2018
17	Cohen Street Villas (4Villas)	Residential	\$540,000	12/03/2018

\*Disclaimer: 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: 2340.

\*\*\*Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

\*\*\*\*Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRDnationwide does not hold any liability to the exact date.

Source: Cordell Database, ESRI ArcGIS, Department of Planning and Environment NSW, Tamworth Regional Council. © Copyright PRDnationwide 2018.



## ABOUT PRDnationwide RESEARCH

**PRDnationwide's research division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia**

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

## OUR KNOWLEDGE

**Access to accurate and objective research is the foundation of all good property decisions**

As the first and only truly knowledge based property services company, PRDnationwide shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

## OUR PEOPLE

**Our research team is made up of highly qualified researchers who focus solely on property analysis**

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

## OUR SERVICES

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

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



### OUR SERVICES 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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