

“The Tunnel” and Property Values



By **HAYDEN GROVES**
REIWA President
REIA Deputy President



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hayden@dgre.com.au for your free REIWA Suburb Report

The State Government recently released a report that found property values in and around main roads were significantly enhanced in circumstances where these major arterials were re-routed via a tunnel, sunk or realigned.

The report by Matusik Property Insights found that residential property values around major roads that are re-routed by new tunnel infrastructure can increase by as much as 80 per cent once completed. I had to re-read that part of the report a few times as I thought about a humble home on High street opposite the golf course worth say \$625,000 suddenly being worth \$1,125,000 upon finding themselves on a quiet side street.

Obviously, this would not be the case as so many other market variables come into play when it comes to assessing property values. The report goes on to clarify this point but settles on a “potential uplift [of property values] of 50% for a tunnel option.” This figure is more realistic as I can point to properties in quiet streets nearby unaffected by high traffic volumes that would achieve a sale in the low \$900,000’s.

*It seems we can’t
have it both ways.*

Busy roads just get busier and for those that live in and around the main routes of Leach Hwy, High Street and Stirling Hwy the idea of a tunnel from the intersection of Stirling and High to Winterfold and Stock must be welcome news. The alternate route through the golf course, past (and partially through) the cemetery and through Storage, Smallgoods and a Brewery was always more difficult politically. Not to mention the hundred or so homes to demolish on the way.

Those residents along the old Fremantle Eastern By-pass and South Street have much to gain too with any uncertainty about deleted or current road reserves no longer a concern.



We’re told the tunnel will take about 500 trucks a week off the current roads affected by freight movement and many more cars than that. The tunnel will give Fremantle residents an easier path to the airport and the Freeways north and south. Stirling, Marmion, Tydemans and Canning Hwy intersections have been obviously identified for upgrade.

It would be better if we didn’t need the tunnel at all but given the planned increase in freight coming through the Fremantle Port improved road infrastructure is necessary. The volume of traffic on High Street, Leach Hwy and roads servicing the port is not sustainable. When asked about the working port in Fremantle, the majority of residents want it to remain that way. It seems we can’t have it both ways.

An alternate outer harbour is nice idea too but to build one is extraordinarily expensive and has its own adverse environmental consequences (think Cockburn Sound sea grasses and marine life) and shifts the problem elsewhere.

Rail would have been a solid alternate too but there are difficulties with increasing freight movements this way too especially through the historic tourist areas of the West End and Fishing Boat Harbour.

Next time you try and turn right from Montreal Street into High Street given the tunnel a thought.