



Albury

Property Factsheet

2nd Half 2018





MARKET CONDITIONS

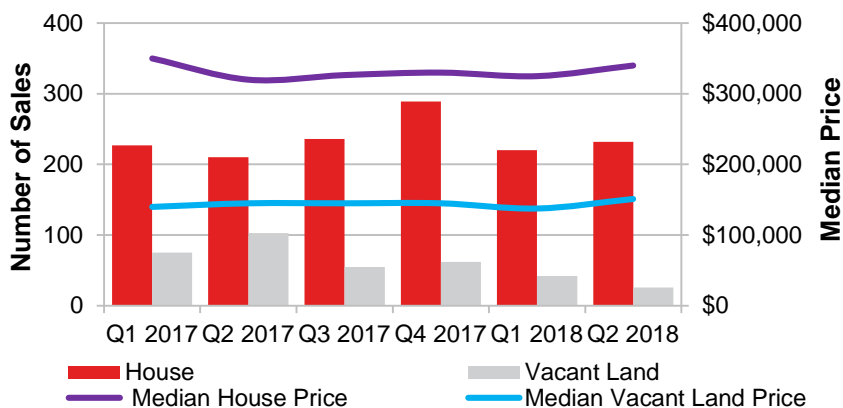
Albury* recorded a median house price of \$355,000 and a median unit price of \$152,000 in Q2 2018. This represents an annual price change (Q2 2017 – Q2 2018) of 8.6% and 4.6% respectively. Compared to the 1st half of 2018 Albury* research report, which reported an annual price change (Q4 2016-Q4 2017) of 1.5% and 3.7%, this suggests the Albury* market has strengthened, whereby owners and investors can benefit from higher capital growth.

The wider City of Albury Local Government Area (LGA) is seeing a similar trend to Albury*, with Q2 2018 median prices of \$340,000 (house) and \$151,000 (units); representing an annual price change of 6.3% and 4.1% respectively. Further, the number of houses sold in the LGA has increased by 10.5% over this period of time (Q2 2017-Q2 2018), which suggests a real increase in capital growth. The same trend is observed in Albury*, with the number of house transactions increasing by 5.8%.

Average vendor discounting has slightly tightened for both houses and units, to -5.0% and -6.1% (respectively) in Q2 2018. This suggests that sellers are achieving final sale prices that are closer to their first list price, indicating now is the time to sell. Buyers looking to enter the market need to act as quickly as possible, as price growth is continuing to rise, and before average vendor discount tightens even further – as this means buyers will need to pay more.

Over the past 12 months median rent for both houses and units has increased in Albury*, by 3.2% and 4.5% respectively, to \$320 per week and \$230 per week in Q2 2018. Rental yield in City of Albury is 5.0% (house) and 5.8% (units) in June 2018, much higher than Sydney Metro (2.7% and 3.7% respectively), further confirming Albury* as an affordable investment hotspot.

CITY OF ALBURY GROWTH



OVERVIEW

Albury is a major regional city located in between Melbourne (approx. 328km) and Canberra (approx. 368km). The City of Albury LGA recorded a population of 51,076 in ABS Census 2016, representing 6.8% growth over the past 5 years. During the same time frame private dwellings grew by 8.6%, indicating any price growth is the result of a real increase in property value and not due to an undersupply.

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

FUTURE DEVELOPMENTS**

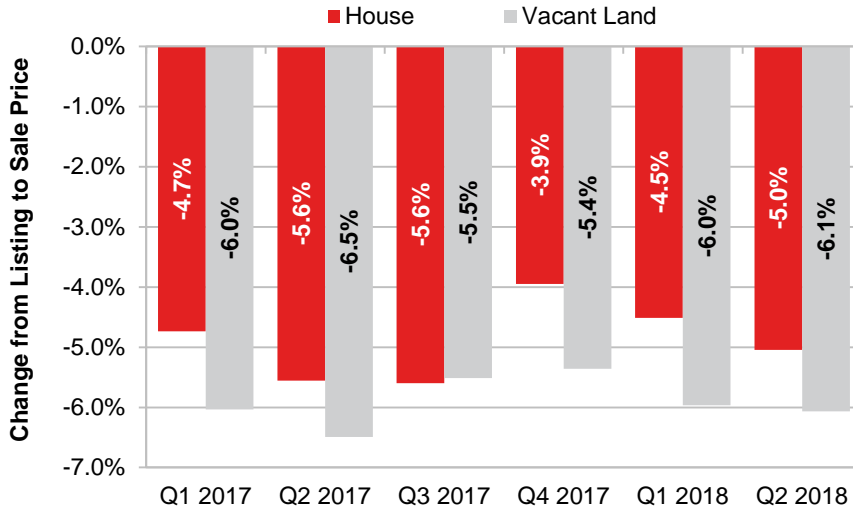
Albury* is set to invest approximately \$105.9M in future development for the 2nd half of 2018, with the majority dedicated to residential projects (64.0% share, a total of \$67.9M). Infrastructure investment is the second highest, at \$17.8M, which represents 17.0% of development value.

A focus in residential projects will assist in satisfying demand from non-local buyers and interstate investors, which will assist in slowly returning price growth back to sustainable and more affordable levels. Infrastructure and commercial projects assist in growing the local economy and improve liveability for residents.

A total of 1655 subdivision lots, 18 units, 212 dwellings, and 5 townhouses will be added to the property stock in Albury*. A key project is the Thurgoona Residential Subdivision, estimated at \$42.0M and adding 1400 lots into the market. Others include: Albury Valley Views (\$14.0M, 207 dwellings), Hovell St Residential Units (\$4.9M, 18 units), Woolshed Estate Subdivision (\$2.3M, 145 lots), Chisholm Park (\$2.1M, 110 lots), and David St Townhouses (\$1.6M, 5 townhouses).

*Albury market data and key indicators encapsulates aggregate property market conditions in the postcodes 2640 and 2641.
**Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.
Source: APM Pricefinder, realestate.com.au. © Copyright PRDnationwide 2018.

AVERAGE VENDOR DISCOUNT*



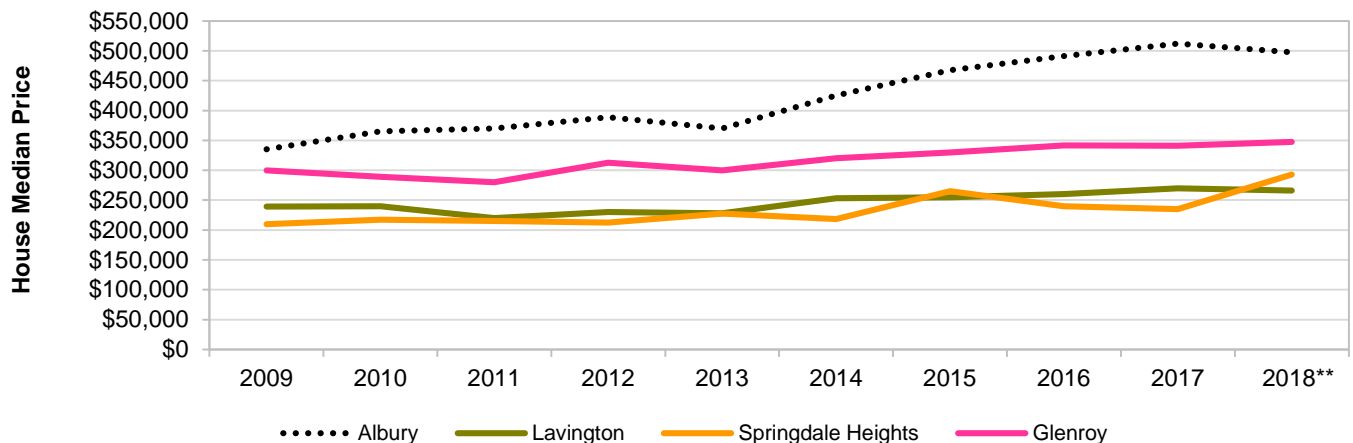
AVERAGE VENDOR DISCOUNT

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.

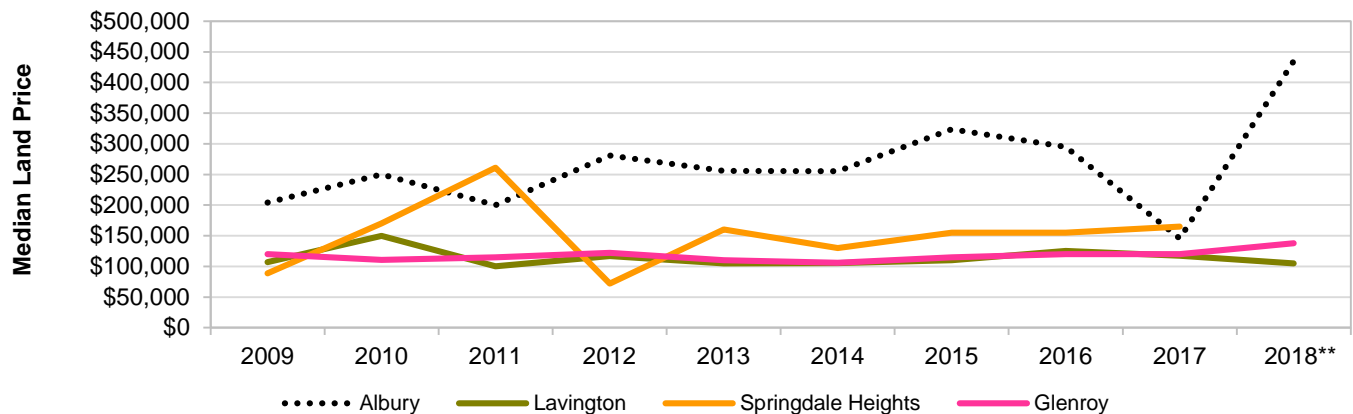
MARKET COMPARISON GRAPH

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 Albury. The main suburb is highlighted through a dotted black line graph.

HOUSE MARKET COMPARISON

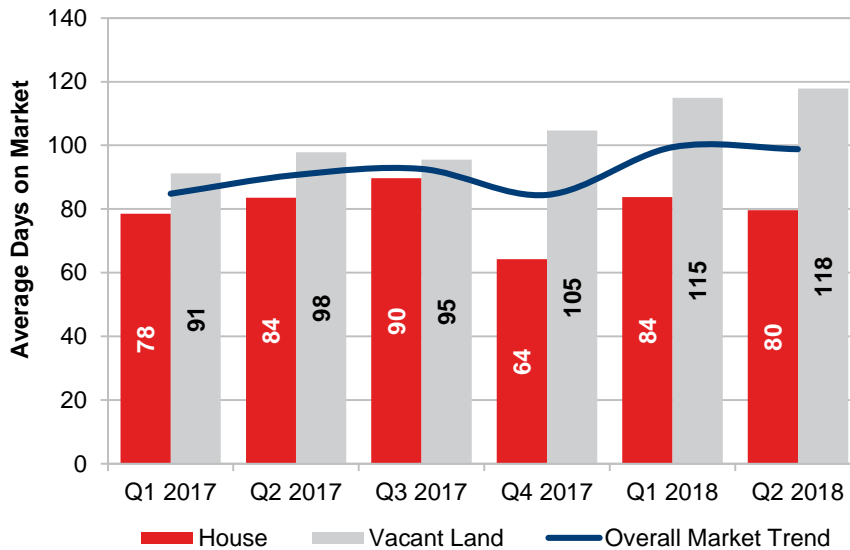


VACANT LAND MARKET COMPARISON



*Albury market data and key indicators encapsulates aggregate property market conditions in the postcodes 2640 and 2641.
 **2018 sales data encapsulates sales recorded in the 1st half of 2018 only.
 Source: APM Pricefinder. © Copyright PRDNationwide 2018.

AVERAGE DAYS ON MARKET**



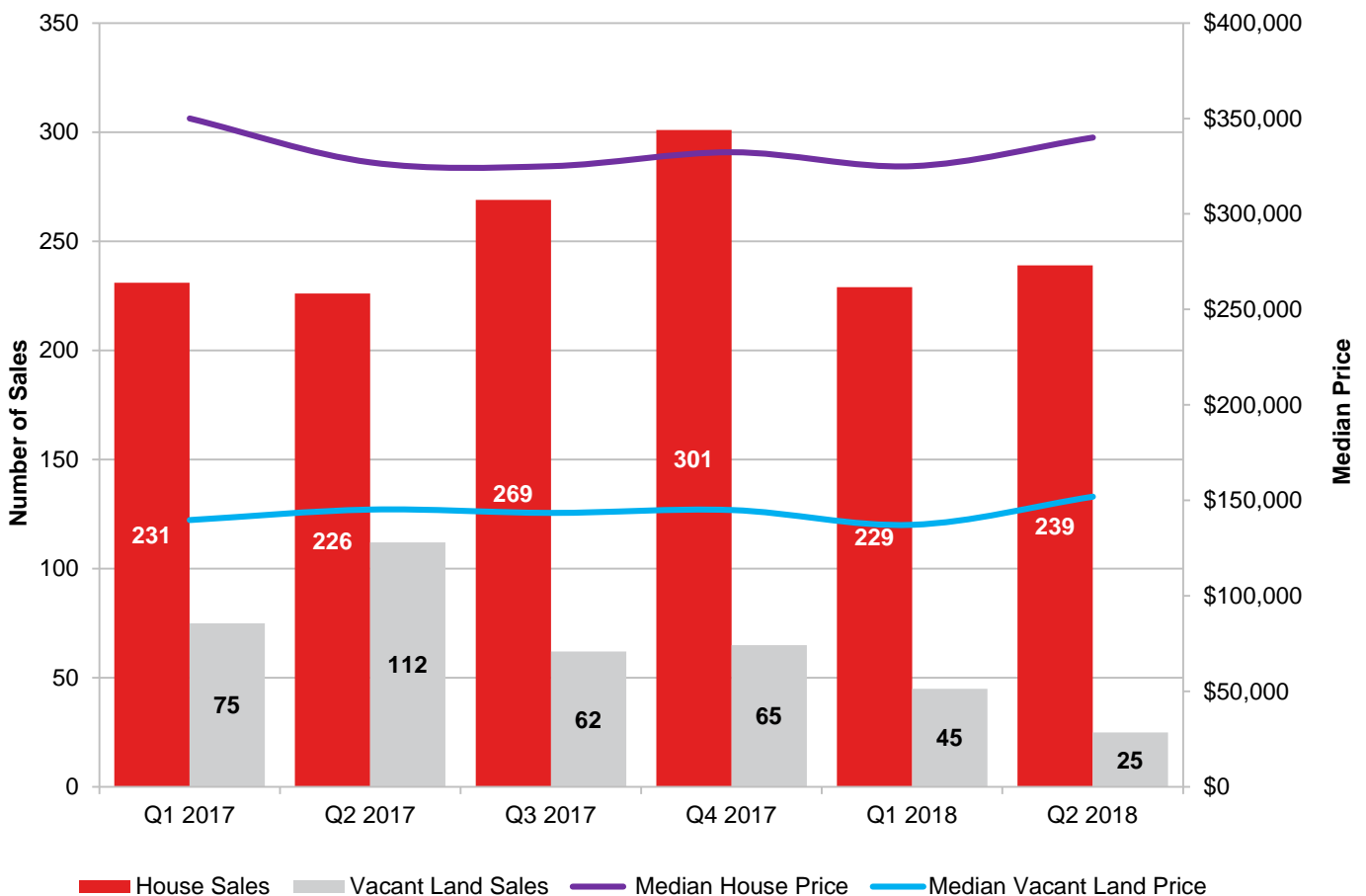
HOUSE KEY FACTS Q2 2018

Median Sale Price: \$355,000
 Annual Growth: 8.6%*
 Average Days on Market: 80
 % Change between First Listed Price and Sold Price: -5.0%

UNIT KEY FACTS Q2 2018

Median Sale Price: \$152,000
 Annual Growth: 4.6%*
 Average Days on Market: 118
 % Change between First Listed Price and Sold Price: -6.1%

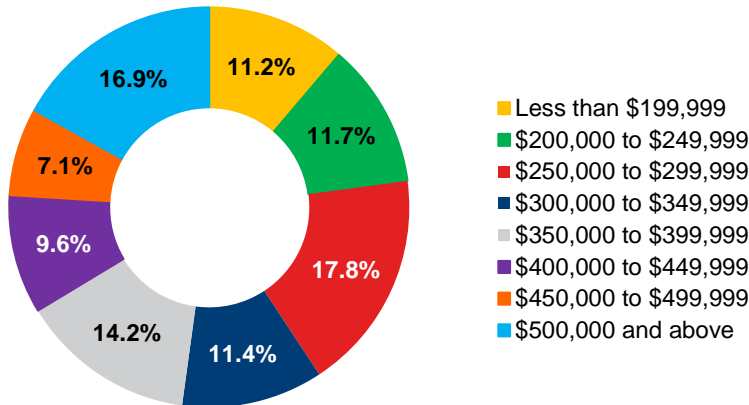
SALES AND MEDIAN PRICE**



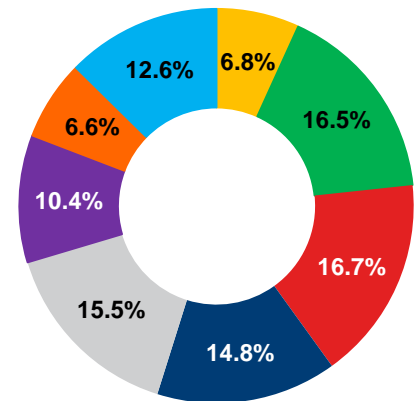
*Annual growth represents price growth for property transactions between Q2 2017 to Q2 2018 (inclusive).
 **Albury market data and key indicators encapsulates aggregate property market conditions in the postcodes 2640 and 2641.
 Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

SALES PRICE POINT COMPARATIVE ANALYSIS

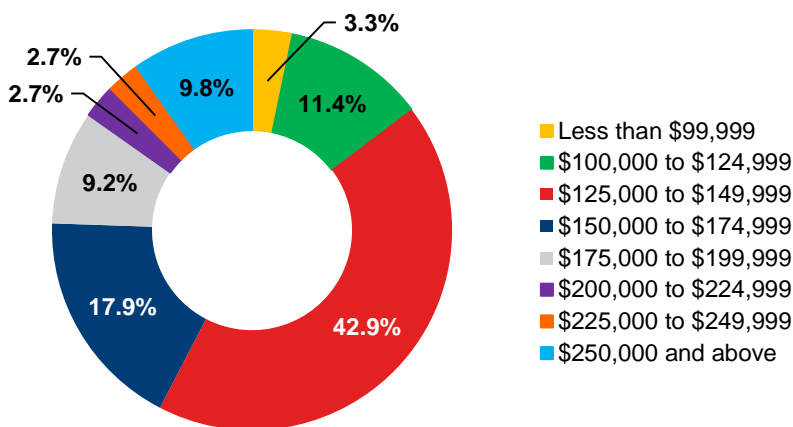
HOUSE PRICE POINT 1st HALF 2017



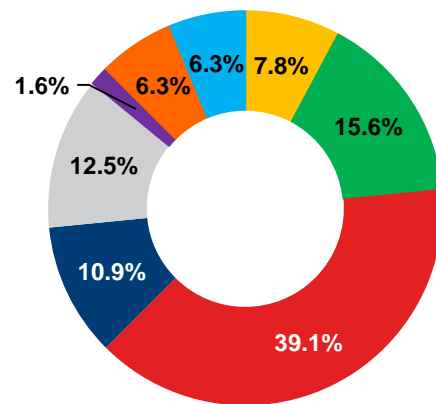
HOUSE PRICE POINT 1st HALF 2018



LAND PRICE POINT 1st HALF 2017**



LAND PRICE POINT 1st HALF 2018**



KEY IMPLICATIONS - HOUSE

House sales in Albury* were predominantly in the \$250-\$300K price bracket in the 1st half of 2018, representing 18.7% of the market. Interestingly this is a similar trend to the 1st half of 2017, which suggests there is some stability in the pricing structure of house sales, despite an 8.6% annual price growth to Q2 2018.

Demand for premium pricing has lessened in the 1st half of 2018, with price brackets above \$450K decreasing from a total of 24.0% to 19.2% in the 1st half of 2018. Those with a budget of less than \$250K can be excited, as the proportion of sales within this price bracket has increased from 22.9% to 23.3% in the 1st half of 2018. Thus there are more affordable options for buyers.

KEY IMPLICATIONS – LAND

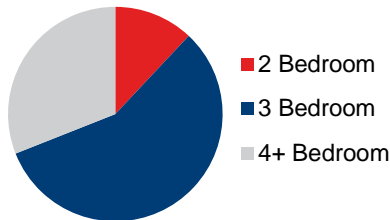
Land sales in Albury* continue to be predominantly within the \$125-\$150K price bracket in the 1st half of 2018. That said there has been a decrease in market share, from 42.9% to 39.1%; which seems to have been transferred to the lower priced brackets of less than \$125K. Market share in these price brackets have almost doubled from a total of 14.7% to 23.4% in the 1st half of 2018, good news for first home buyers looking to build their own homes.

That said the appetite for premium priced vacant land lots has remained stable over the past 12 months, particularly those priced \$225K and above. In the 1st half of 2018 12.6% of land sales were within this price bracket, similar to the 1st half of 2017 (12.5%).

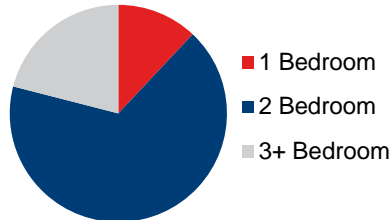
*Disclaimer: Albury market data and key indicators encapsulates aggregate property market conditions in the postcodes 2640 and 2641.
**For comparative purposes, house and unit sales for 2017 and 2018 are only representative of the 1st half of each year.
Source: APM Pricerfinder. © Copyright PRDnationwide 2018.

INVESTMENT ANALYSIS

HOUSE



UNIT



HOUSE KEY FACTS Q2 2018

Median Rent Price: \$320 per week
Rental Yield: 5.0%
Average Days on Market: 26
Bedroom Breakdown:
 2 Bed: 12%, 3 Bed: 57%, 4+ Bed: 31%

UNIT KEY FACTS Q2 2018

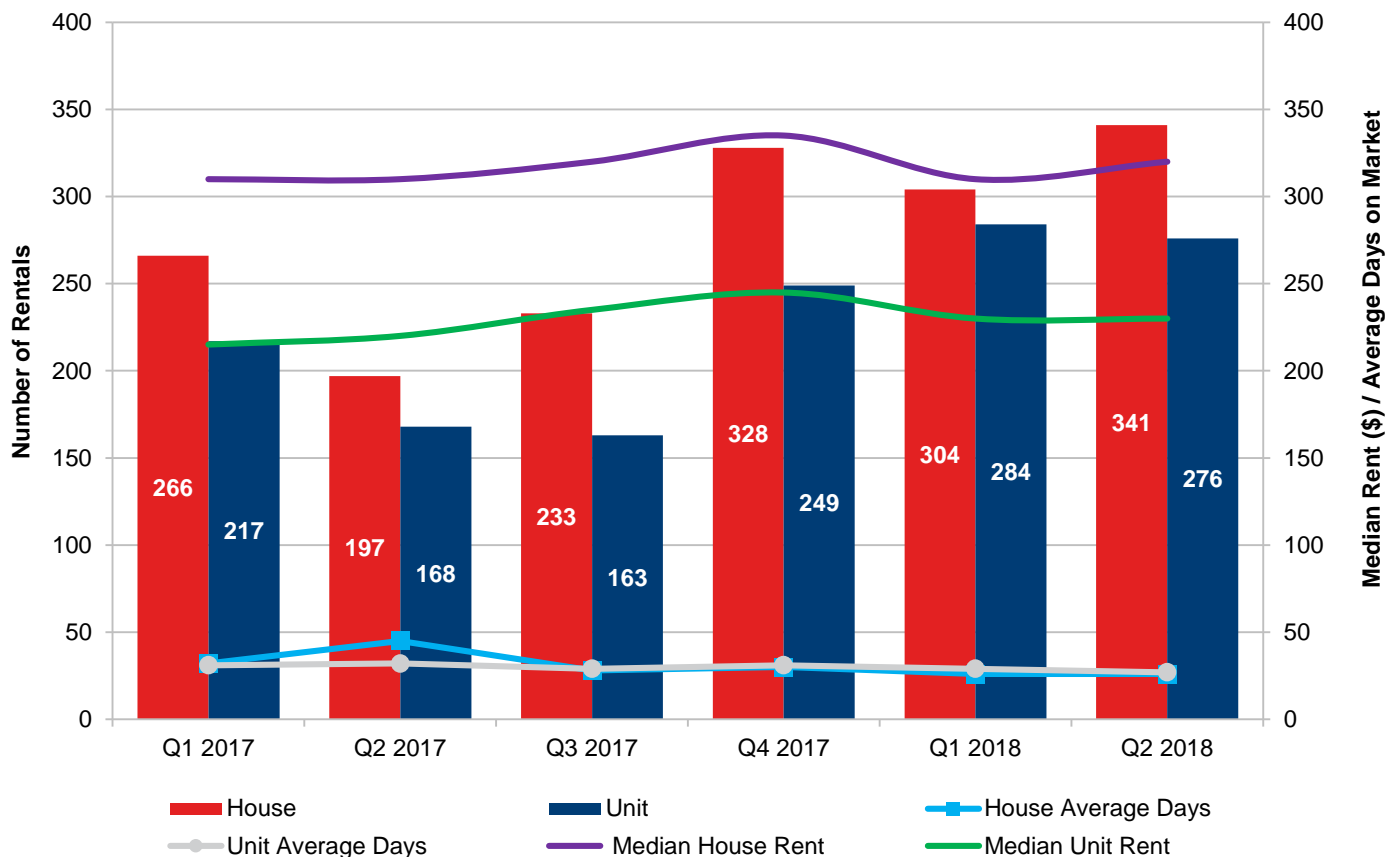
Median Rent Price: \$230 per week
Rental Yield: 5.8%
Average Days on Market: 27
Bedroom Breakdown:
 1 Bed: 12%, 2 Bed: 67%, 3+ Bed: 21%

KEY COMMENTS

Interest in Albury* was recorded at an average of 349 online visits per property, with the highest number of visits recorded in Table Top (603), South Albury (482), and West Albury (408). The Albury* rental market is highly attractive. The number of houses and units rented increased by 73.1% and 64.3% over the past 12 months to Q2 2018, whilst median rent prices increased by 3.2% and 4.5% respectively. This suggests real rental returns and room for more investment properties. Average days on market has decreased by -42.2% (house) and -15.6% (units), suggesting investors are benefitting from returns at a quicker rate.

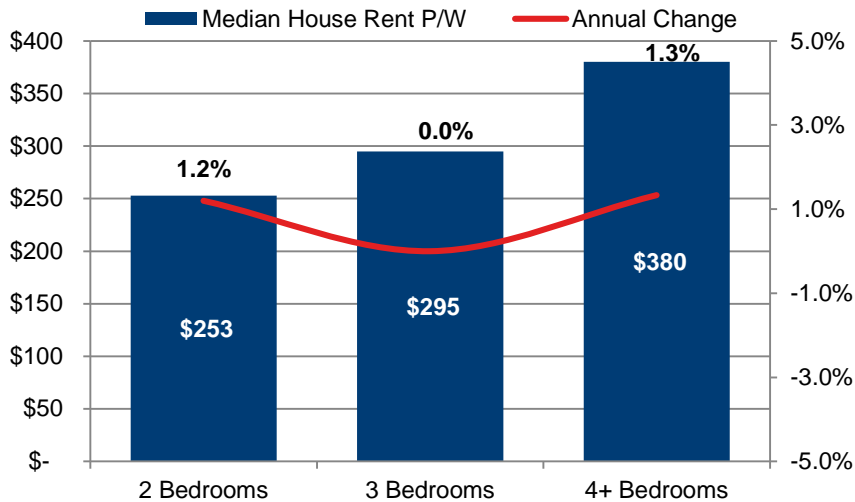


MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Disclaimer: Albury market data and key indicators encapsulates aggregate property market conditions in the suburbs 2640 and 2641. Source: APM Pricfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

RENTAL PERFORMANCE 2018*



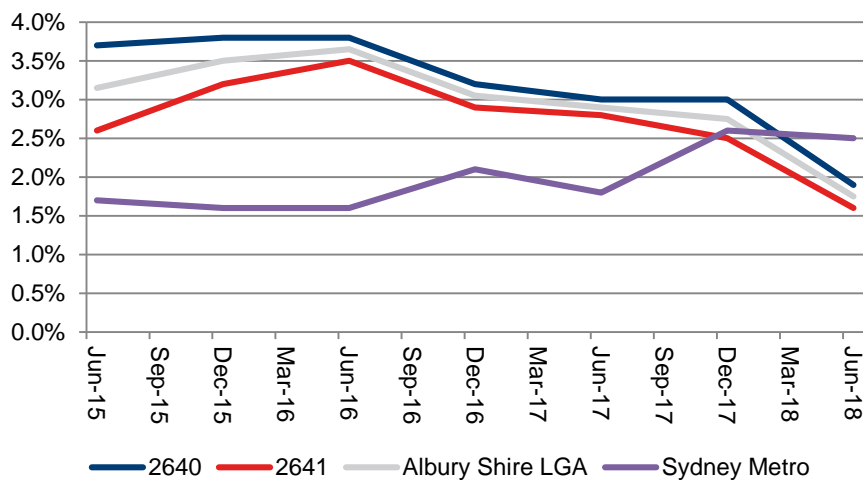
KEY COMMENTS

Rental returns are strong in Albury, particularly within the 2641 postcode (5.5% house and 5.95 units). This is significantly higher than the Riverina Region and Sydney Metro areas.

4+ bedroom houses provide the highest annual rental growth at 1.3%.

Vacancy rates in postcodes 2640 and 2641 are significantly lower than that of Sydney Metro (2.5%), at 1.9% and 1.6% respectively in June 2018. This suggests a higher probability for rental properties to be occupied, good news for investors. Furthermore vacancy rates in these areas are declining, indicating a healthier rental demand.

VACANCY RATES 2018



RENTAL YIELD 2018

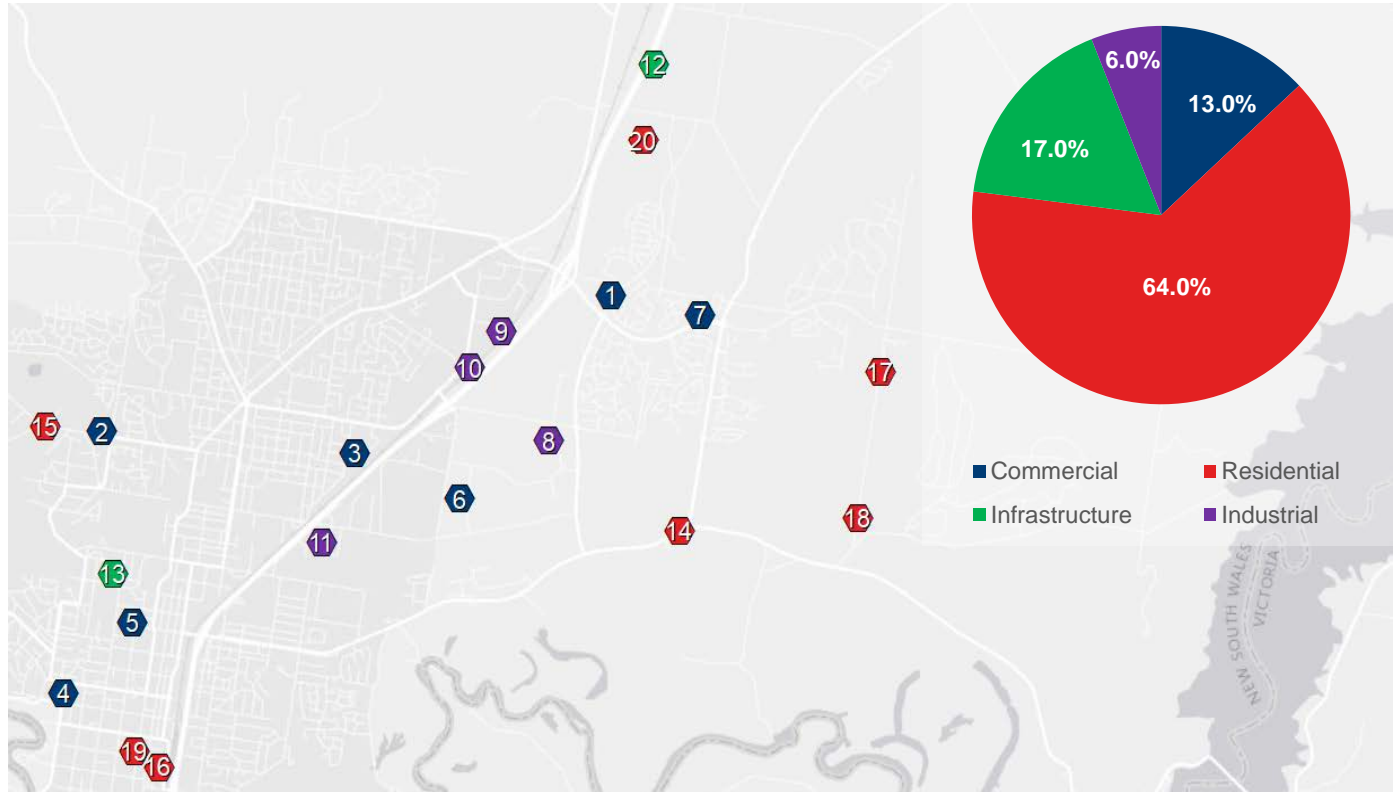
Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
2640	4.4%	5.6%
2641	5.5%	5.9%
City of Albury LGA	5.0%	5.8%
Riverina Region	5.2%	5.8%
Sydney Metro	2.7%	3.7%

KEY HOUSING DEMOGRAPHICS

	Albury	Albury LGA	New South Wales
Median weekly rent	\$240	\$231	\$380
Family households	1,115	12,674	1,874,524
Single or lone person households	763	6,020	620,778
Worked full time	1,353	13,599	2,134,521
Worked part time	822	8,084	1,071,151
Occupied private dwellings	1,959	19,492	2,604,320
Unoccupied private dwellings	443	2,489	284,741

*Rental performance graph represents aggregate house median rent prices in the postcodes 2640 and 2641. Annual change is a comparison between 1st half 2017 and 1st half 2018 median rent figures.
Source: APM Pricerfinder, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

PROJECT DEVELOPMENT MAP 2nd HALF 2018*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Elizabeth Mitchell Drive Medical Centre	Commercial	\$5,223,000	21/12/2018
2	Japara Albury Aged Care Facility	Commercial	\$5,083,000	26/11/2018
3	Boronia St Warehouse - Frauenfelder	Commercial	\$1,346,000	13/08/2018
4	Gardens Medical Centre	Commercial	\$1,213,000	15/11/2018
5	Star Hotel	Commercial	\$466,000	10/09/2018
6	Merkel Street Towing Depot & Shed Stages 1-2	Commercial	\$200,000	06/08/2018
7	Shuter & Leahy Avenue Medical Consulting Rooms	Commercial	\$150,000	05/11/2018
8	Hoffmann Rd Light Industrial Complex	Industrial	\$5,500,000	22/10/2018
9	Conard PI Industrial Building	Industrial	\$550,000	15/10/2018
10	Dallinger Road Industrial Building	Industrial	\$260,000	15/10/2018
11	Knight Rd Industrial Building	Industrial	\$210,000	23/07/2018
12	Hume Hwy Upgrade	Infrastructure	\$14,030,000	03/11/2018
13	Mercy Hospital - Albury Wodonga Brain & Mind Centre	Infrastructure	\$3,805,000	10/09/2018
14	Thurgoona Residential Subdivision (1400 Lots)	Residential	\$42,000,000	17/09/2018
15	Albury Valley Views (207 Dwellings)	Residential	\$14,000,000	25/11/2018
16	Hovell St Residential Units (18 Units)	Residential	\$4,950,000	12/11/2018
17	Woolshed Estate Subdivision (145 Lots)	Residential	\$2,300,000	22/11/2018
18	Chisholm Park (110 Lots)	Residential	\$2,100,000	03/12/2018
19	David St Townhouses (5 Townhouses)	Residential	\$1,570,000	16/12/2018
20	Lankester Court & Stanton Drive Dwellings (5 Dwellings)	Residential	\$980,000	18/11/2018

*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 postcodes 2640 and 2641.

***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, City of Albury 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.



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