



Wagga Wagga Market Update 1st Half 2020



OVERVIEW

In Q1 2020, Wagga Wagga* recorded a median house price of \$371,500, and a median unit price of \$271,750. This represents annual (Q1 2019 – Q1 2020) median price growth of 0.8% for houses and a very slight price softening of just -0.1% for units. Between Q1 2019 – Q1 2020 total sales in both markets improved, by 8.8% for houses (to 260 sales) and by 55.6% for units (to 28 sales). With steady to moderate price growth and increased sales activity, Wagga Wagga proves itself as a resilient market. Now is the time to transact.

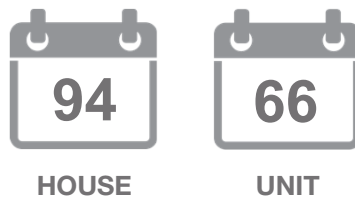
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↓
	House Median Price	↑	↑
	House Rental Price	↔	↔
	Unit Sales	↑	↑
	Unit Median Price	↓	↑
	Unit Rental Price	↔	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2020



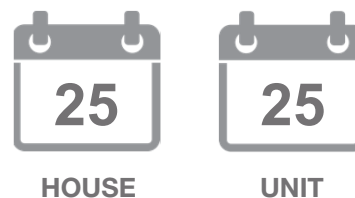
SALES AVERAGE DAYS ON MARKET Q1 2020



RENTAL MEDIAN PRICE Q1 2020

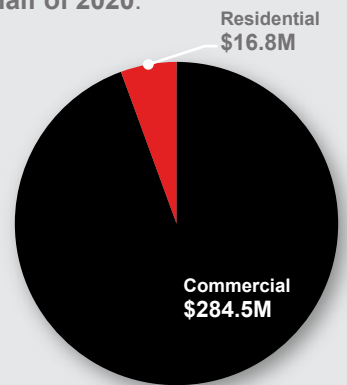


RENTAL AVERAGE DAYS ON MARKET Q1 2020



FUTURE DEVELOPMENTS

Wagga Wagga* is set to see around **\$301.3M** worth of new projects commencing between 2019 and the 1st half of 2020.



These projects will stimulate economic growth and create new employment opportunities in Wagga Wagga*, which should have a positive spill-over impact on the real estate market.

Two major commercial projects for the period are the \$100.0M Project EnergyConnect and the \$150.0M Bomen Solar Farm, which are both energy-driven projects set to create employment and improvements to utilities for residents. Residential projects such as the (\$6.4M, 214 Lot) Harris Road Subdivision are key to ensuring Wagga Wagga* can answer current demand.



3 Units/
Apartments



4
Dwellings



477 Lots

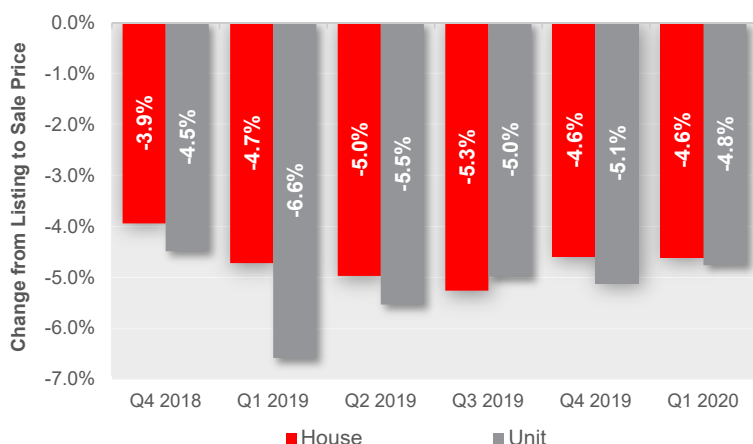
*Wagga Wagga market data and key indicators encapsulates aggregate property market conditions within the Postcode 2650.

**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, Cordell Connect database. © Copyright PRD 2020.

AVERAGE VENDOR DISCOUNT* KEY COMMENTS

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.

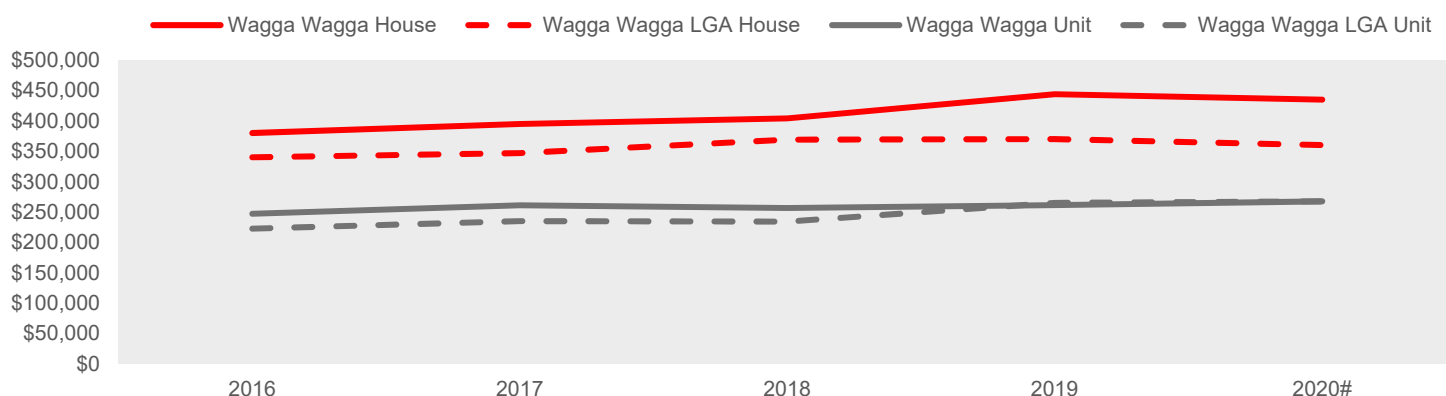


Average vendor discounts between Q1 2019 and Q1 2020 have tightened for both property types, to -4.6% for houses and -4.8% for units. Market conditions in Wagga Wagga* offers unique opportunities for both buyers and sellers. Sellers can now achieve a final sale price closer to their first list price, whilst at the same time buyers can benefit from a discount.

The suburb of Wagga Wagga has historically outperformed the wider Wagga Wagga Local Government Area (LGA) in median house price. This continues to be the case in 2020# to date.

The dominant proportion of homes sold in Wagga Wagga* across 2019^ were in the mid-lower price range of \$300,000-\$400,000 (29.8%), while units recorded a dominant middle price range of \$250,000-\$300,000 (29.7%). This shows the market remains highly accessible to first home buyers with limited budgets.

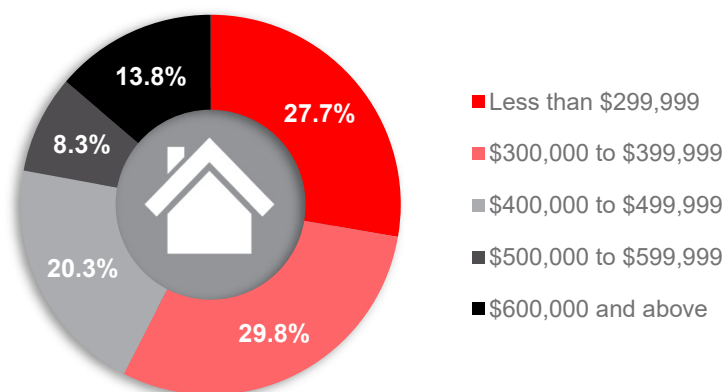
MARKET COMPARISON



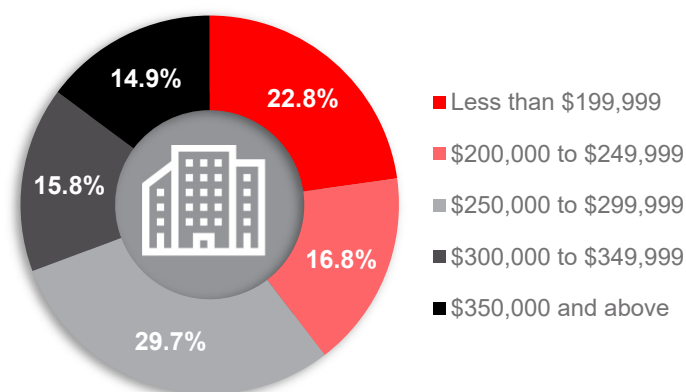
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Wagga Wagga.

PRICE BREAKDOWN 2019^

HOUSES SOLD



UNITS SOLD

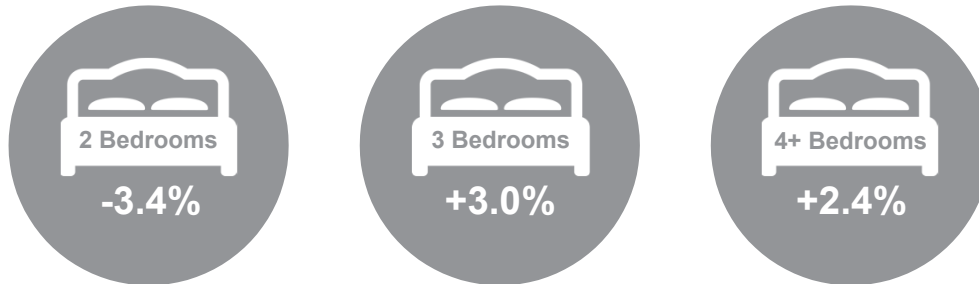


RENTAL GROWTH 2019*

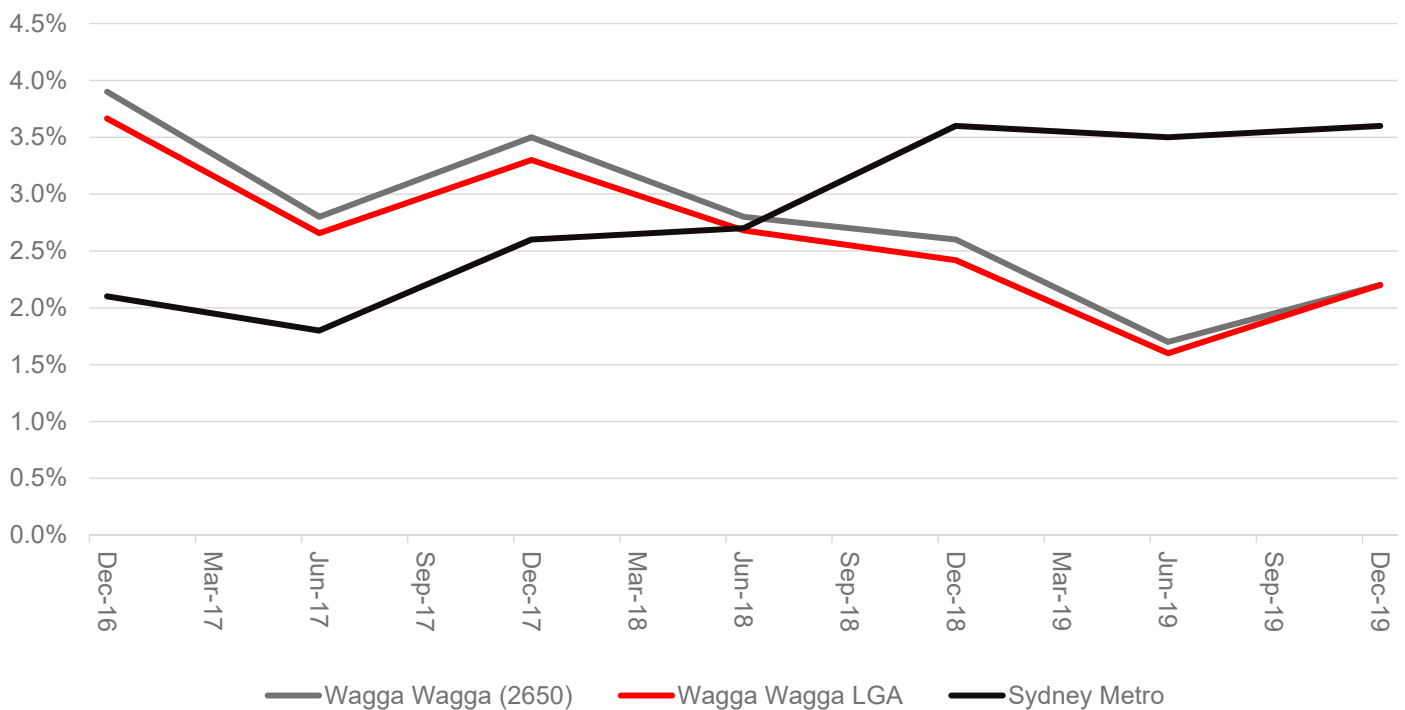
Over the past 12 months, house rental yields in Wagga Wagga slightly tightened to sit at 4.9% in December 2019. This suggests the house rental market is in quite a healthy position, particularly when combined with the 0.8% increase in rental demand in the past 12 months to Q1 2020 (with 514 house rentals).

3 bedroom houses have provided investors with +3.0% rental growth annually, achieving a median rent of \$340 per week.

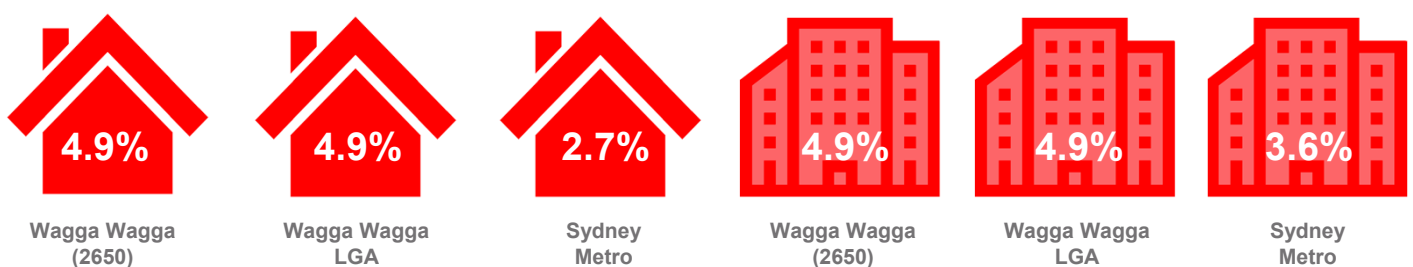
Wagga Wagga recorded a vacancy rate of 2.2% in December 2019. This represents a declining trend over the past 3 years, which indicates a continuous improvement in rental demand. Wagga Wagga vacancy rate is also well below the Real Estate Institute of Australia's healthy benchmark of 3.0% and Sydney Metro's 3.6% average for the same period. This confirms there is a healthier rental demand in Wagga Wagga, which is good news for investors.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

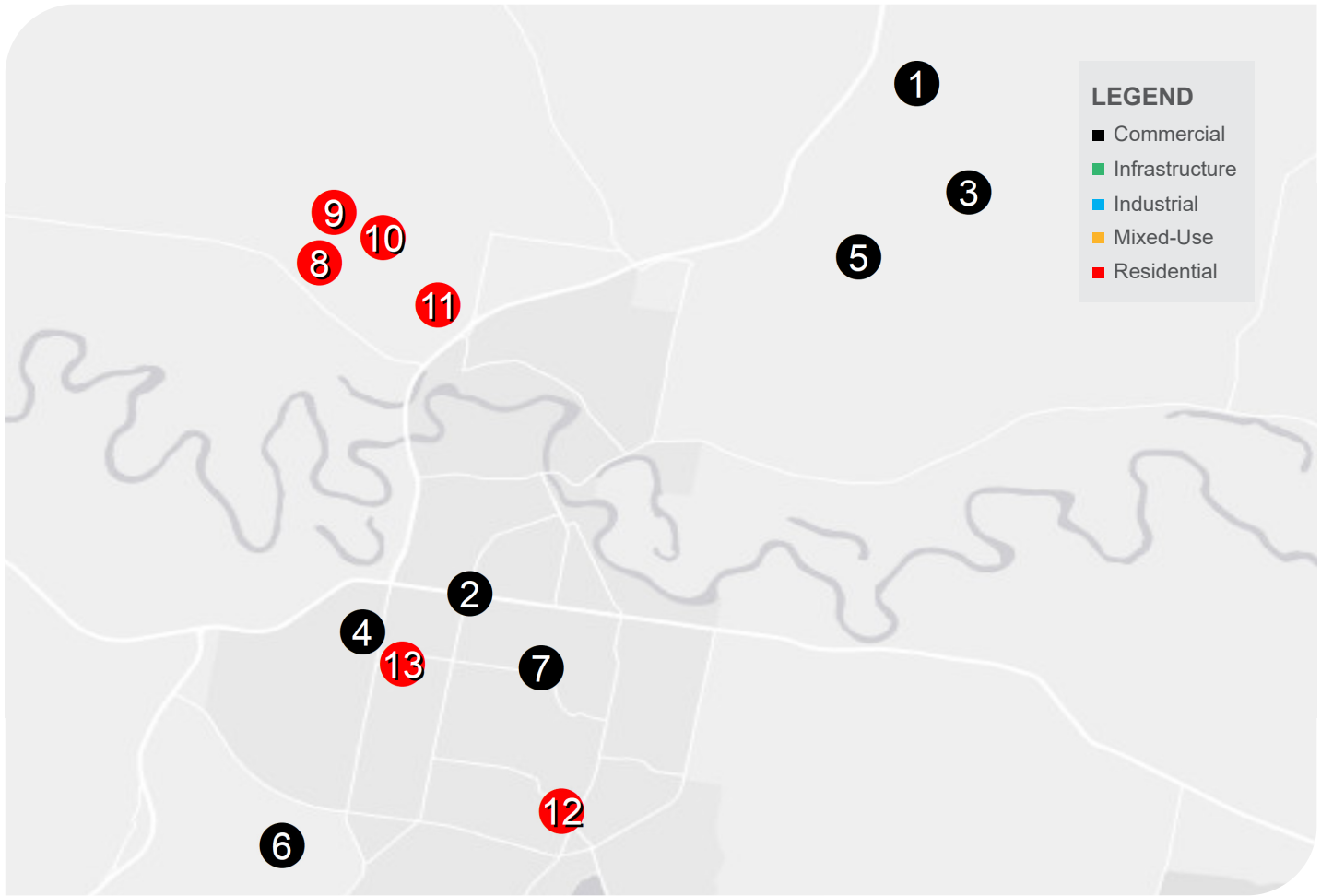


*Rental performance graph represents aggregate house median rent prices within the Postcode 2650. Annual rental growth is a comparison between 2018 and 2019 house median rent figures.

^Rental yields shown are as reported at December 2019.

Source: APM Pricer, SQM Research. © Copyright PRD 2020.

PROJECT DEVELOPMENT MAP 2019 – 1ST HALF 2020*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Bomen Solar Farm	Commercial	\$150,000,000	19/08/2019
2	Project EnergyConnect	Commercial	\$100,000,000	09/03/2020
3	Enirgi Battery Recycling Facility	Commercial	\$30,000,000	21/10/2019
4	Thomas Bros Vehicle Sales	Commercial	\$2,035,000	15/11/2019
5	Southern Oil Refining	Commercial	\$1,800,000	09/08/2019
6	Coles Street Multiple Dwellings	Commercial	\$476,000	25/11/2019
7	Lord Baden Powell Drive Office	Commercial	\$156,000	18/06/2019
8	Harris Road Residential Subdivision (214 Lots)	Residential	\$6,400,000	18/06/2020
9	Harris Road Residential Subdivision Stages 1-3 (129 Lots)	Residential	\$3,900,000	01/04/2020
10	Pine Gully Road Residential Subdivision (98 Lots)	Residential	\$2,940,000	10/05/2020
11	Alma Crescent Residential Subdivision (36 Lots)	Residential	\$1,500,000	08/06/2020
12	Horsley Street Units (3 Units)	Residential	\$1,200,000	05/04/2019
13	Peacock Drive Dwellings (4 Dwellings)	Residential	\$880,000	11/04/2019

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

OUR KNOWLEDGE

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

OUR PEOPLE

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

OUR SERVICES

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



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