



Wagga Wagga Market Update 1st Half 2021



OVERVIEW

In Q1 2021, Wagga Wagga* recorded a median house price of \$410,000, and a median unit price of \$245,000. This represents annual (Q1 2020 – Q1 2021) median price growth of 9.3% for houses and of 2.5% for units. Between Q1 2020 – Q1 2021 total sales in both markets increased, by 1.9% for houses to 326 sales and by 50.0% for units to 36 sales. This suggest real returns in both property markets, as opposed to a price growth due to an undersupply. With a clear upswing in both demand and median sale prices, now is the time to sell your property in Wagga Wagga*.

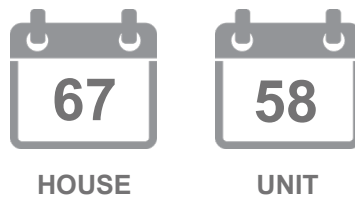
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↓
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↑	↑
	Unit Median Price	↑	↓
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2021



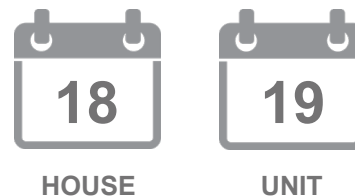
SALES AVERAGE DAYS ON MARKET Q1 2021



RENTAL MEDIAN PRICE Q1 2021

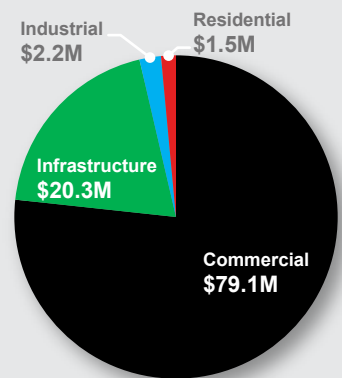


RENTAL AVERAGE DAYS ON MARKET Q1 2021



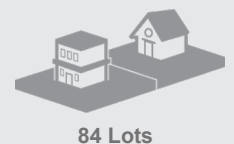
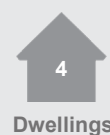
FUTURE DEVELOPMENTS

Wagga Wagga* is set to see approx. **\$103.1M** worth of new projects commencing in the 1st half of 2021.



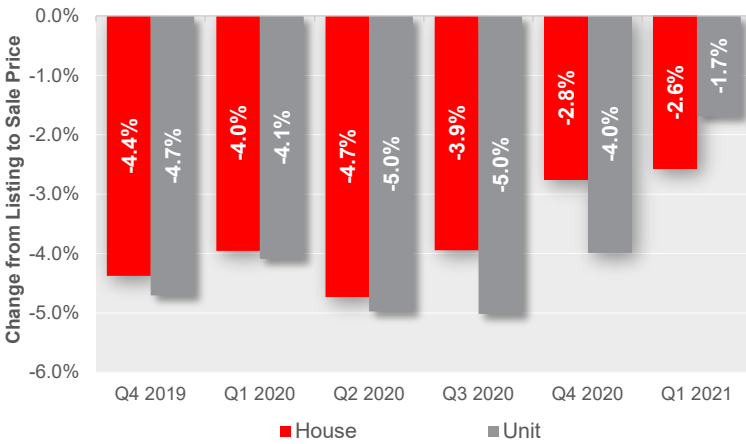
A focus on commercial projects will stimulate economic growth and create new employment opportunities in Wagga Wagga*, which should have a positive spill-over impact on the real estate market.

A main commercial project over the 1st half of 2021 is the \$30.0M Enrigi Battery Recycling Facility, which will see the expansion of the existing facility to increase its total production by over 70.0%. Major infrastructure such as the \$11.0M Riverina Conservatorium of Music will create more liveability options for residents while also attracting new employment into the area. The Leagues Precinct (\$870.0K) will create 84 residential lots, which will allow many first home buyers to enter the market, utilising available government grants. Current market demand and supply suggest there is room for further residential or mixed-use projects, to answer high demand and ensure sustainable price growth in Wagga Wagga.



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.

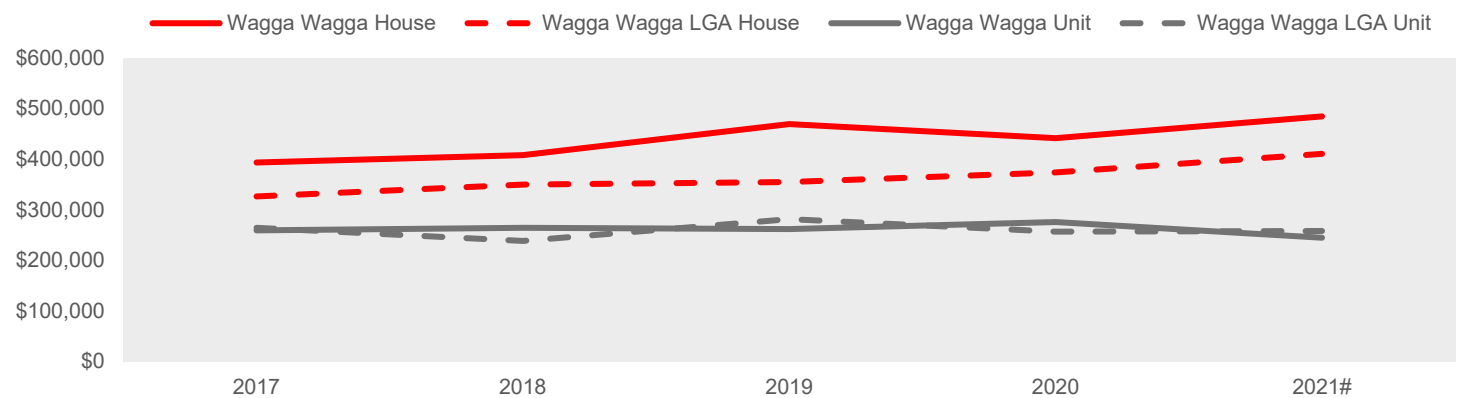


Average vendor discounts between Q1 2020 and Q1 2021 have tightened for both property types, to -2.6% for houses and -1.7% for units. Wagga Wagga* sellers now have the opportunity for a final sale price that is closer to their first list price. Buyers looking to access a discount should act now, considering current property price growth in the area.

The suburb of Wagga Wagga has historically sat above the wider Wagga Wagga Local Government Area (LGA) in median house price. This has continued to be the case into 2021#.

The dominant proportion of homes sold in Wagga Wagga* across 2020/21^ were in the middle-price range of \$350K-\$450K (25.3%). Units recorded a dominant upper-price point of \$250K-\$300K (26.3%). This shows an evenly distributed market in terms of pricing, which creates opportunities for buyers with differing budgets.

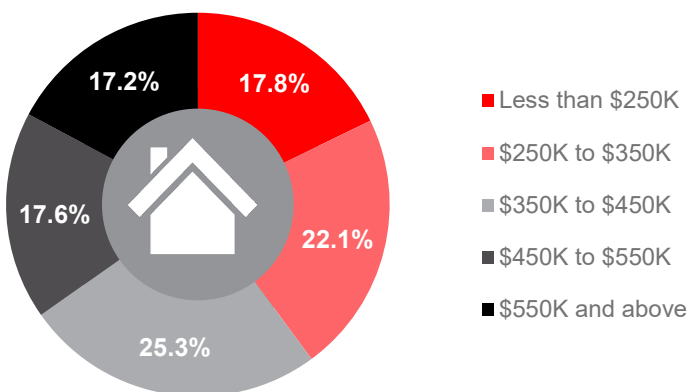
MARKET COMPARISON



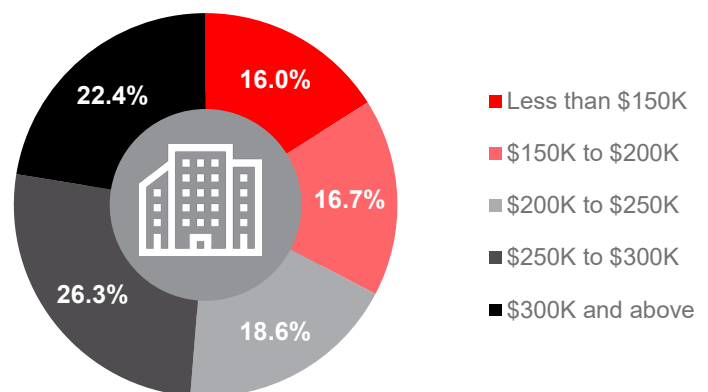
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Wagga Wagga.

PRICE BREAKDOWN 2020/21^

HOUSES SOLD



UNITS SOLD

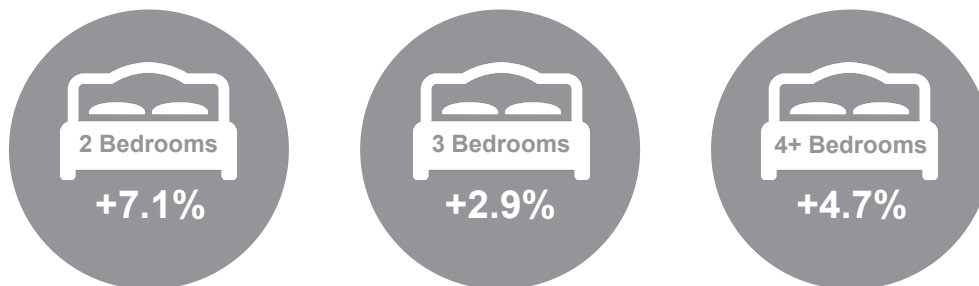


RENTAL GROWTH 2020/21€

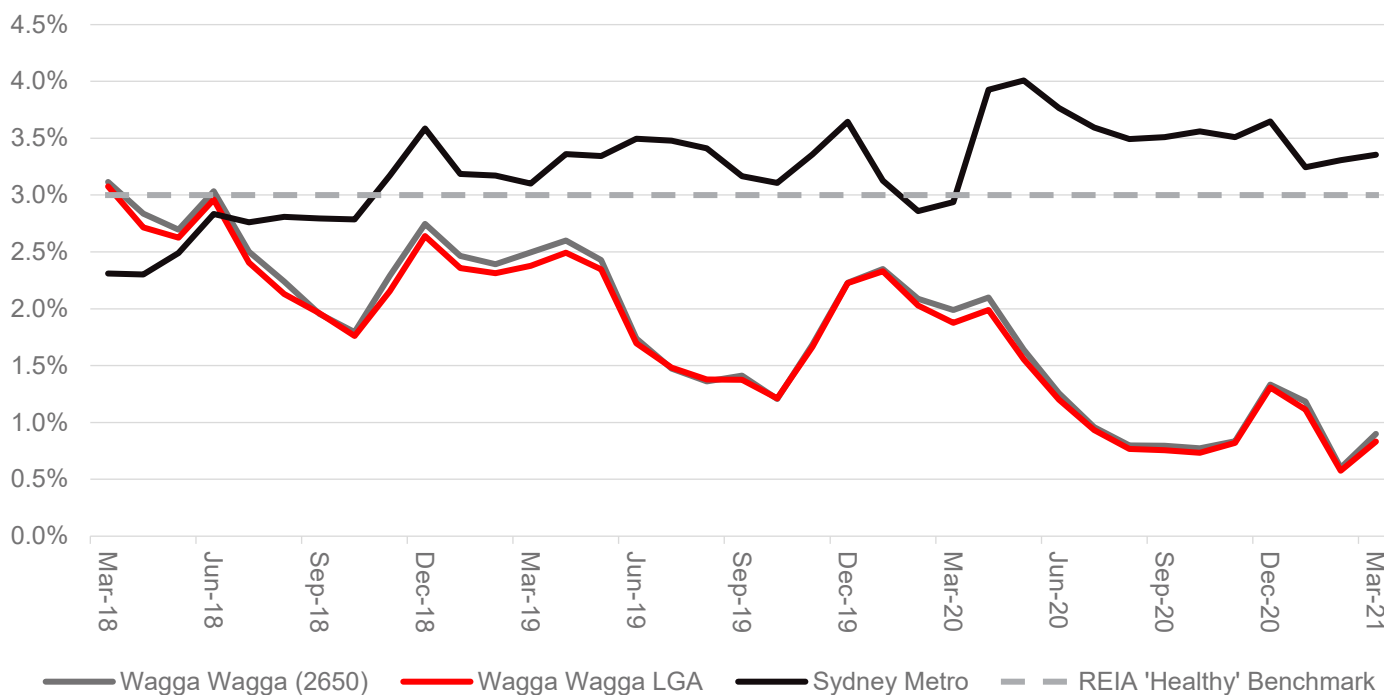
In March 2021, house rental yields in Wagga Wagga* were recorded at 4.7%. In the 12 months to Q1 2021, the median house rental price increased by 5.7% to reach \$370 per week, while average days on the market declined sharply by -39.3% (to just 18 days). Overall Wagga Wagga* has proven to be a highly resilient rental market throughout COVID-19 to date.

2 bedroom houses have provided investors with +7.1% rental growth annually, with a median rent of \$300 per week.

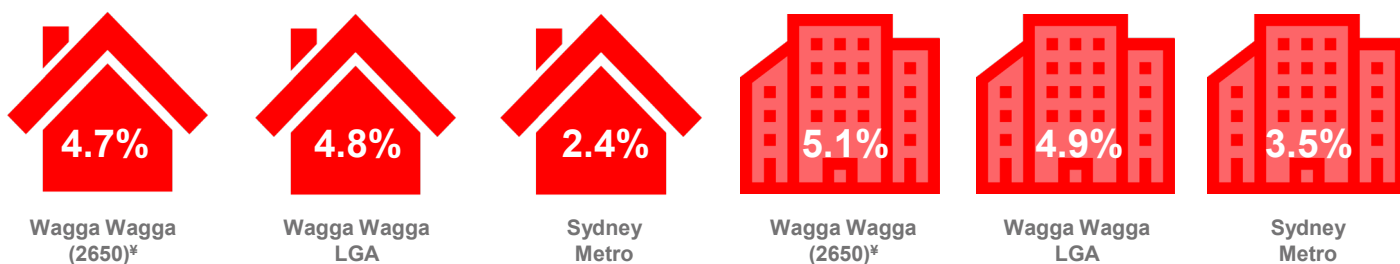
In March 2021, Wagga Wagga* recorded a vacancy rate of 0.9%, on-par with the wider Wagga Wagga LGA (0.8%) and well below Sydney Metro (3.4%). Vacancy rates in Wagga Wagga* continued on a declining trend post-COVID-19 peak in April 2020, now at a record low. This confirms there is still a strong ongoing rental demand, suggesting that investors can be confident of a conducive investment environment in Wagga Wagga*.



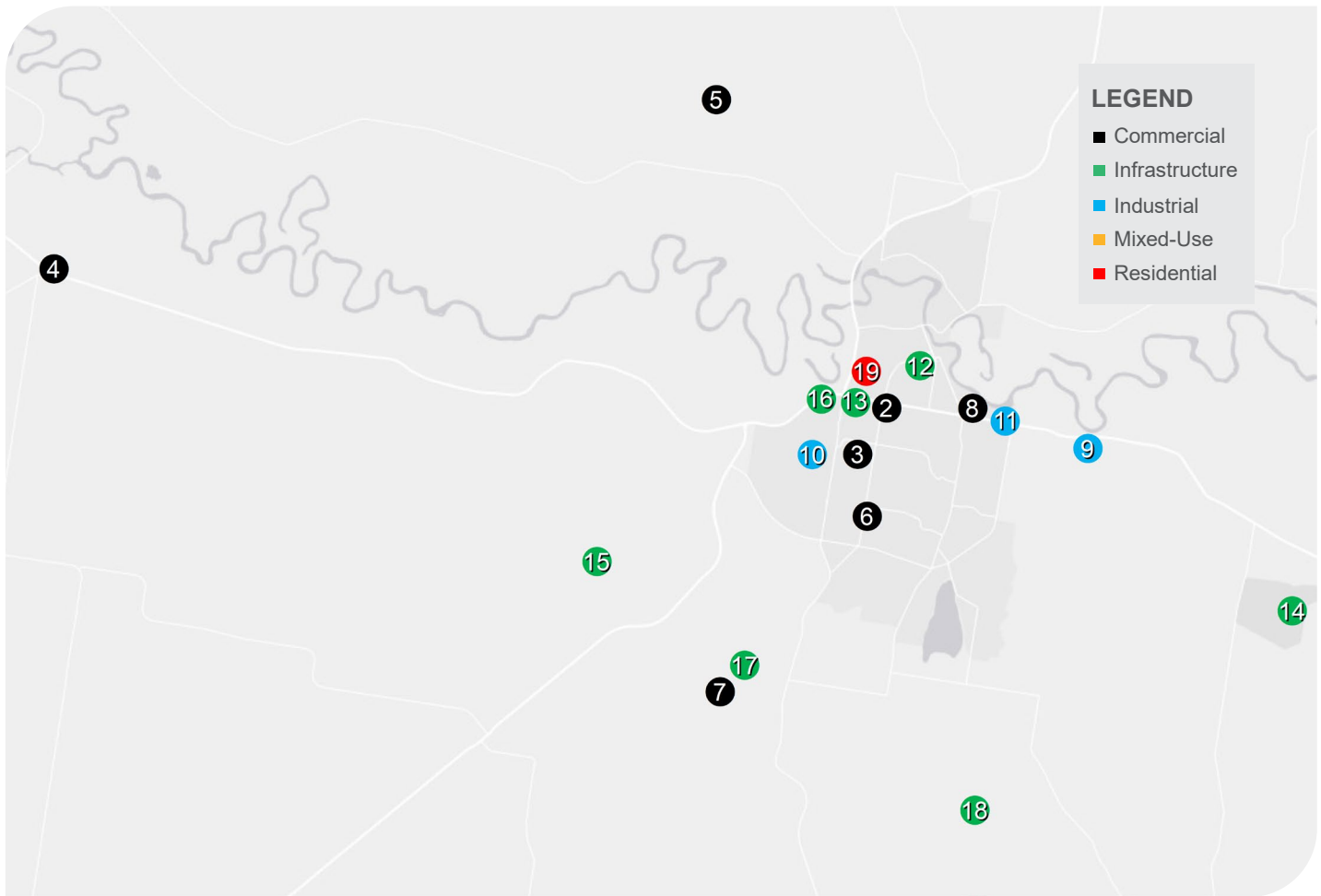
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 1ST HALF 2021[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Enirgi Battery Recycling Facility	Commercial	\$30,000,000	01/02/2021
2	Wagga Wagga Base Hospital	Commercial	\$25,408,000	26/04/2021
3	Hely Avenue Aged Care Facility	Commercial	\$20,000,000	24/03/2021
4	Highway Service Centre	Commercial	\$2,000,000	05/04/2021
5	Charles Sturt University Wagga Campus Roadworks	Commercial	\$400,000	08/02/2021
6	Temerloh Avenue Boarding Houses	Commercial	\$397,000	02/02/2021
7	Dunns Road Farm Stay Accommodation	Commercial	\$300,000	12/04/2021
8	Essential Energy Wagga Wagga Depot	Commercial	\$300,000	30/06/2021
9	Lawson Street East Industrial Building	Industrial	\$935,000	24/04/2021
10	Ferleigh Road Industrial Development	Industrial	\$750,000	14/03/2021
11	Hammond Avenue Storage Shed	Industrial	\$371,000	25/04/2021
12	Riverina Conservatorium Of Music	Infrastructure	\$11,000,000	13/06/2021
13	Raaf Wagga Building Works	Infrastructure	\$3,200,000	13/01/2021
14	Raaf Base Wagga	Infrastructure	\$2,500,000	17/02/2021
15	Blamey Barracks	Infrastructure	\$1,750,000	11/02/2021
16	Wagga Wagga Footbridges & Underpasses	Infrastructure	\$700,000	06/05/2021
17	Dunns Road	Infrastructure	\$650,000	21/06/2021
18	Gregadoo Waste Management Centre	Infrastructure	\$453,000	02/02/2021
19	The Leagues Precinct (84 Lots)	Residential	\$870,000	01/04/2021
20	Bennelong Crescent Dwellings (4 Dwellings)	Residential	\$660,000	21/06/2021

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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REFERENCES

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

** Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

2021 encapsulates sales transactions for Q1 2021 (01/01/2021 – 31/03/2021).

^ 2020/21 encapsulates sales transactions for 2020 & Q1 2021 (01/01/2020 – 31/03/2021).

€ Annual rental growth is a comparison between 2019 (01/01/2019 – 31/12/2019) and 2020/21 (01/01/2020 – 31/03/2021) house median rent figures.

¥ Wagga Wagga market data encapsulates aggregate property conditions within the postcode of 2650.

§ Rental yields shown are as reported as of March 2021.

⌘ 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 Wagga Wagga LGA.

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 Pricerfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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