



# Wagga Wagga Market Update 2nd Half 2021



## OVERVIEW

In Q3 2021, Wagga Wagga\* recorded a median house price of \$445,000, and a median unit price of \$320,000. This represents annual (Q3 2020 – Q3 2021) median price growth of 22.3% for houses and 29.3% for units. Between Q3 2020 – Q3 2021 total sales decreased by -3.3% for houses (to 412 sales) and increased by +65.7% for units to 58 sales. This suggests real returns in the Wagga unit market and a combination of strong demand and undersupply in the housing market. With a clear upswing in both demand and median sale prices, now is the time for homeowners and down-sizers to transact.

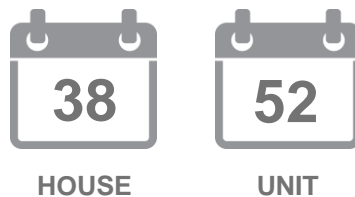
	CHANGE FROM LAST	YEAR	HALF YEAR
			
House Sales		↓	↑
House Median Price		↑	↑
House Rental Price		↑	↑
			
Unit Sales		↑	↑
Unit Median Price		↑	↑
Unit Rental Price		↑	↑

## MARKET CONDITIONS

### SALES MEDIAN PRICE Q3 2021



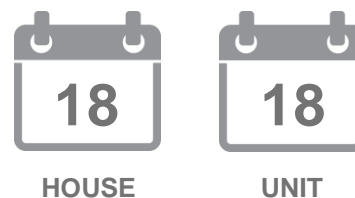
### SALES AVERAGE DAYS ON MARKET Q3 2021



### RENTAL MEDIAN PRICE Q3 2021

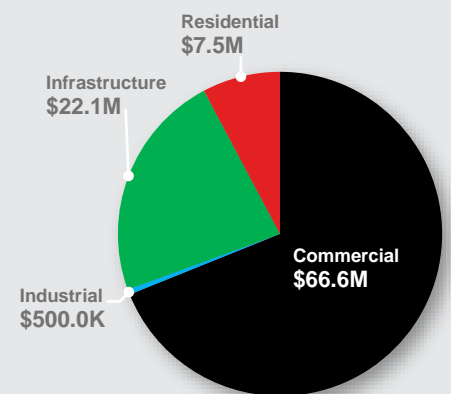


### RENTAL AVERAGE DAYS ON MARKET Q3 2021



## FUTURE DEVELOPMENTS

Wagga Wagga\* is set to see approximately **\$96.7M** worth of new projects commencing in the 2nd half of 2021.



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

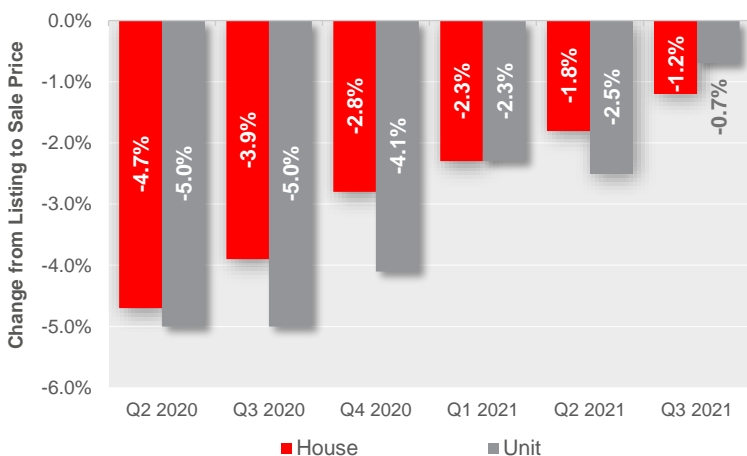
Two main commercial projects over the 2nd half of 2021 are the Pinaroo Drive Seniors Living Units (\$29.1M) and Caloola Aged Care Facility (\$25.0M). These projects will provide essential services for retirees and disabled persons. The Riverina Conservatorium of Music (\$11.0M) will see a change of use of the existing former Roads & Maritime Services site to an educational establishment. Wagga Wagga RAAF facilities will see building works (\$3.2M) and refurbishment (\$2.5M).

There will be a major increase in residential lots available, with the reconfiguration of the Harris Road Residential Subdivision (\$6.4M. 214 lots). That said there is still an opportunity for ready-to-sell stock to enter the market, as only 5 new dwellings are planned.



# 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.

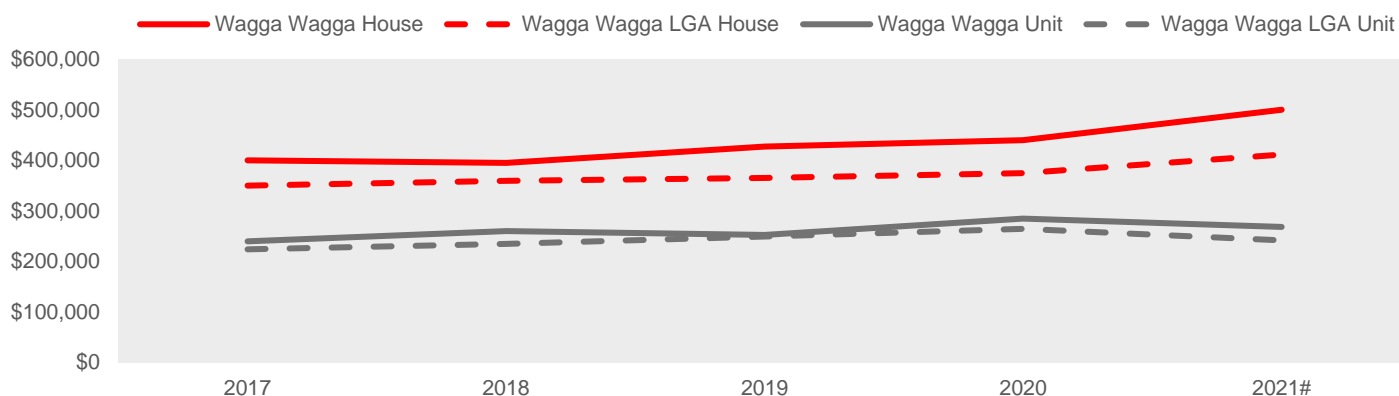


Average vendor discounts between Q3 2020 and Q3 2021 have tightened for both property types, to -1.2% for houses and -0.7% for units. Wagga Wagga\* sellers now have the opportunity for a final sale price that is closer to their first list price. Buyers looking to access a discount should act now, considering the speed in median 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 2021^ were in the premium price bracket of \$550,000 and above (25.2%). Units recorded a dominant premium price point of \$300,000 and above (34.5%). This reveals that prices have shifted toward a premium market in Wagga Wagga. Affordable options remain, however have shrunk in the past 6 months.

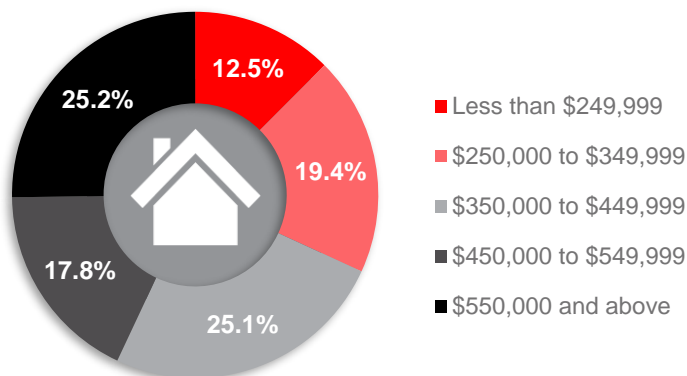
## MARKET COMPARISON



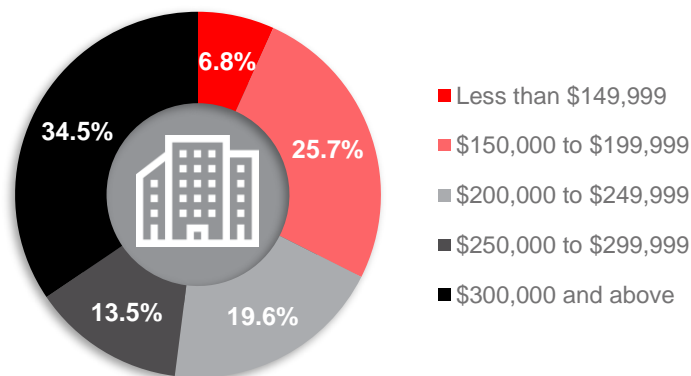
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Wagga Wagga.

## PRICE BREAKDOWN 2021^

### HOUSES SOLD



### UNITS SOLD

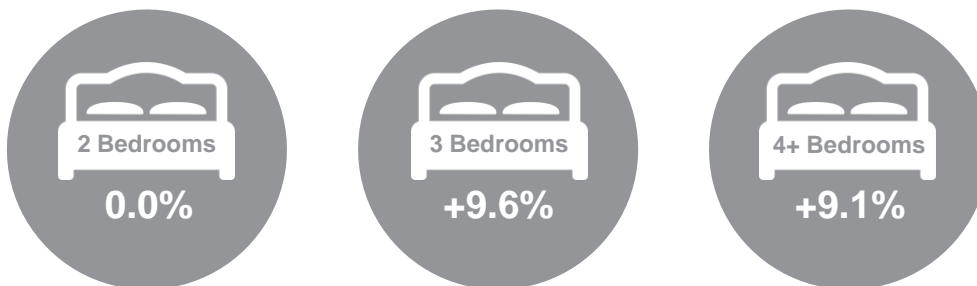


## RENTAL GROWTH 2021€

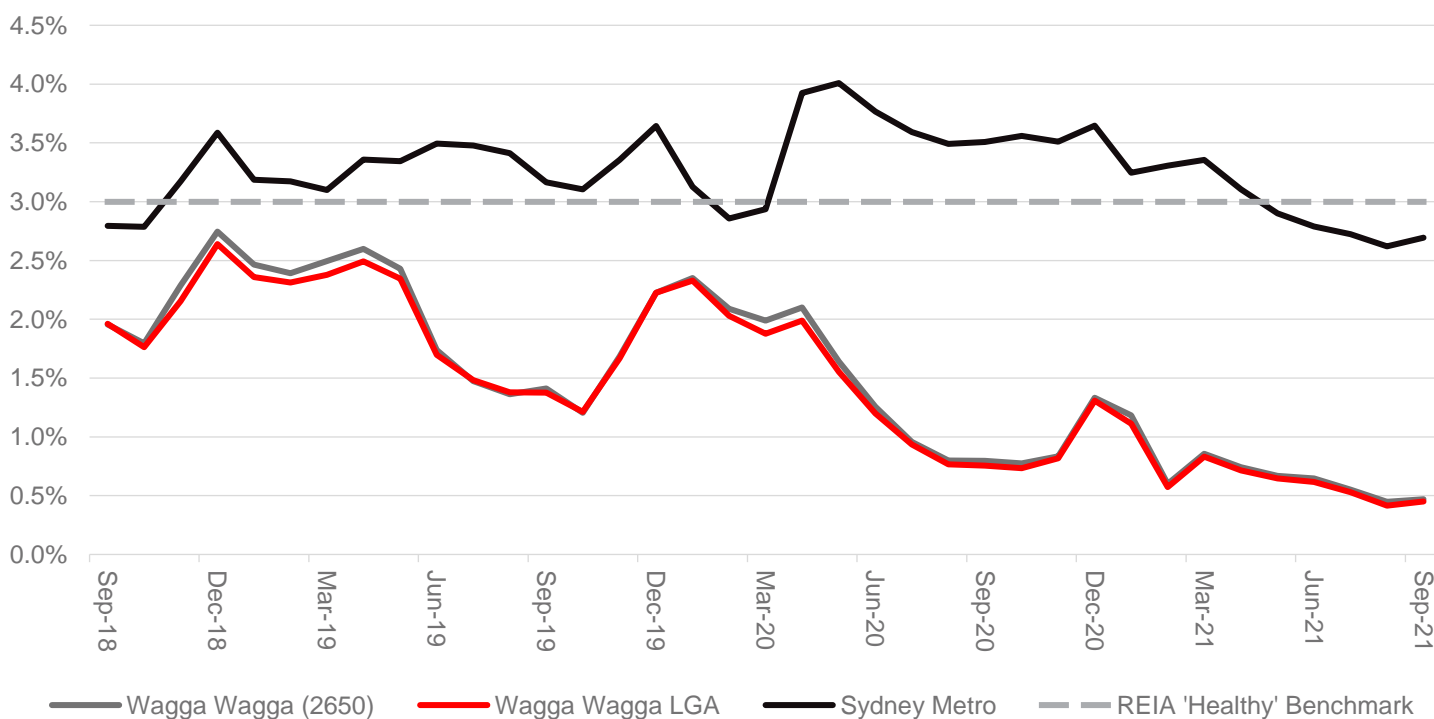
In September 2021, house rental yields in Wagga Wagga\* were recorded at 4.9%. In the 12 months to Q3 2021, the median house rental price increased by 12.5% to reach \$405 per week, further complemented with a -18.2% decline in average days on the market (to 18 days). Overall the Wagga Wagga rental market has strengthened over the course of 2021.

3 bedroom houses have provided investors with +9.6% rental growth annually€, with a median rent of \$375 per week.

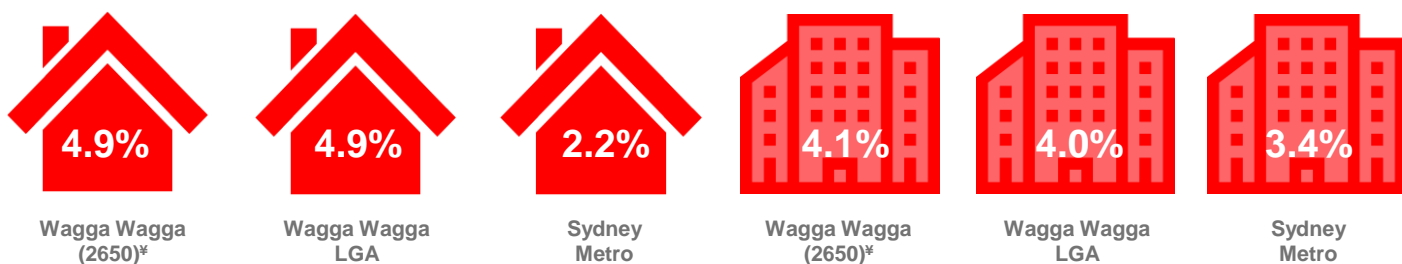
Also in September 2021, Wagga Wagga\* recorded a vacancy rate of 0.5%, on par with the Wagga Wagga LGA and well below the Sydney Metro (2.7%). Vacancy rates in Wagga Wagga\* are well below the Real Estate Institute of Australia's healthy benchmark of 3.0% and have continued on a declining trend since December 2020, which confirms there is an increasing level of rental demand. Investors can be confident of a conducive investment environment in Wagga Wagga\*.



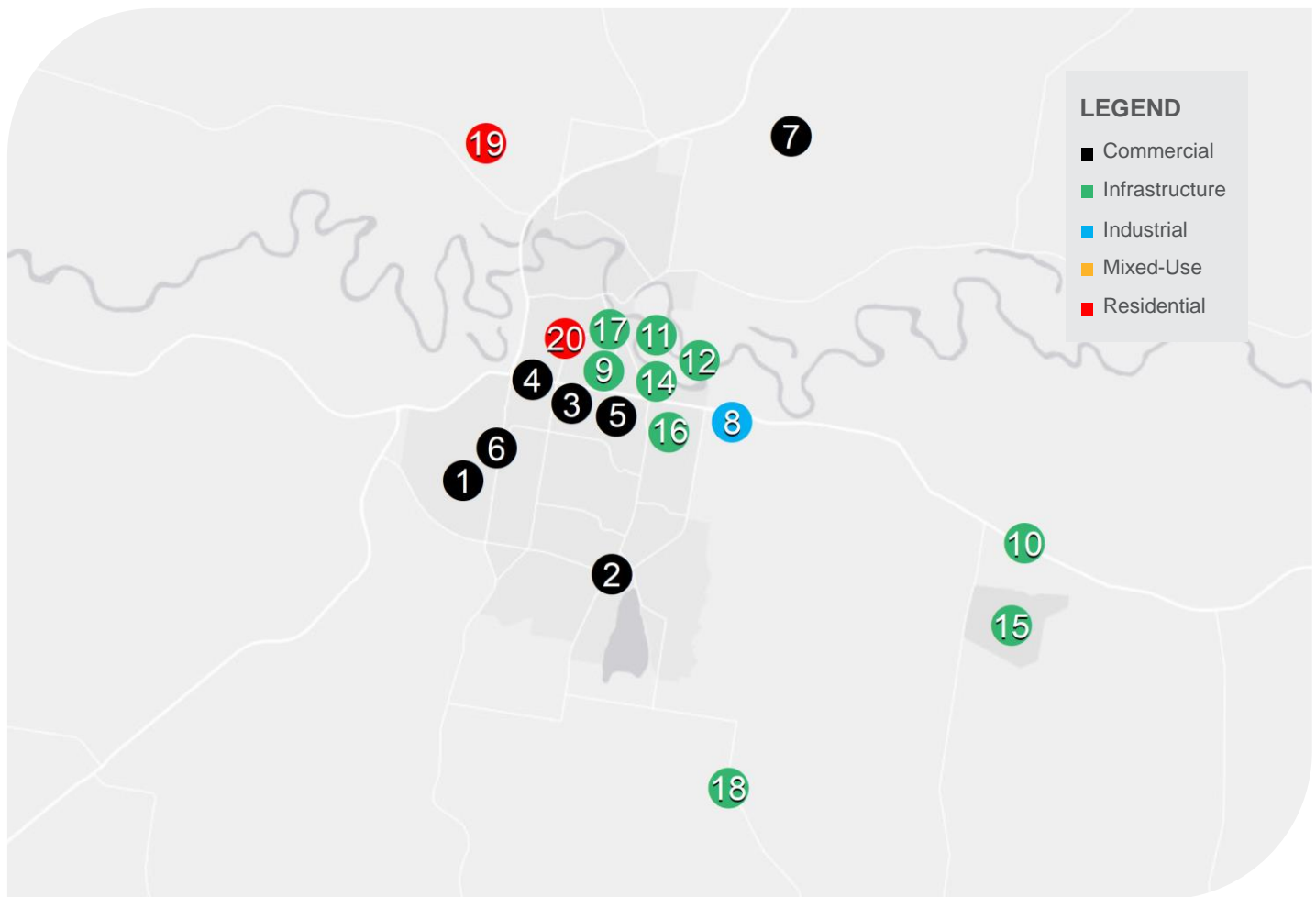
## RENTAL VACANCY RATES 2021



## RENTAL YIELD 2021§



# TOP DEVELOPMENTS MAP 2ND HALF 2021<sup>▲</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Commence Date <sup>ψ</sup>
1	Pinaroo Drive Seniors Living Units	Commercial	\$29,079,000	26/12/2021
2	Caloola Aged Care	Commercial	\$25,000,000	25/10/2021
3	Artc Network Control Centre South	Commercial	\$400,000	25/10/2021
4	Edward Street Health Services Facility	Commercial	\$7,041,000	17/08/2021
5	Lake Albert Road Community & Commercial Development	Commercial	\$3,917,000	01/07/2021
6	Mcdonalds Glenfield Park	Commercial	\$216,000	21/12/2021
7	Southern Oil Refining	Commercial	\$989,000	04/10/2021
8	Riedell Street East Warehouse	Industrial	\$500,000	02/11/2021
9	Wagga Wagga Active Travel Plan Intersection	Infrastructure	\$400,000	01/10/2021
10	Raaf Base Wagga	Infrastructure	\$750,000	18/10/2021
11	Wagga Wagga City Council Atp1 Concrete Sections	Infrastructure	\$800,000	07/11/2021
12	Bandiana & Wagga Wagga Barracks	Infrastructure	\$950,000	25/09/2021
Not Mapped	Umbango Rural Fire Shed	Infrastructure	\$163,000	04/12/2021
14	Wagga Wagga Footbridges & Underpasses	Infrastructure	\$1,186,000	13/07/2021
15	Raaf Base Wagga	Infrastructure	\$2,500,000	10/08/2021
16	Raaf Wagga Building Works	Infrastructure	\$3,200,000	12/10/2021
17	Riverina Conservatorium Of Music	Infrastructure	\$11,000,000	29/11/2021
18	Waste Management Centre	Infrastructure	\$1,000,000	30/10/2021
19	Harris Road Residential Subdivision (214 Lots)	Residential	\$6,400,000	06/10/2021
20	Goonigul Avenue Multiple Dwellings (5 Dwellings)	Residential	\$1,117,000	16/11/2021

## 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 2021 (01/01/2021 – 30/09/2021) only.

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€ Annual rental growth is a comparison between 2020 (01/01/2020 – 30/09/2020) and 2021 (01/01/2021 – 30/09/2021) 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 September 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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