



Mildura Market Update

2nd Half 2021



OVERVIEW

In Q3 2021, Mildura* recorded a median house price of \$370,000 and a median vacant land price of \$135,000. This represents annual (Q3 2020 – Q3 2021) median price growth of 8.8% for houses and a stable growth for land. Between Q3 2020 – Q3 2021 total house sales increased, by 8.5% (to 178 sales), however total land sales declined by -65.9% (to 28 sales). Market conditions indicate real returns in capital investment in the house market, as median price growth is alongside increased sales volumes. First home buyers can still benefit from an affordable land market and build their dream home

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

MARKET CONDITIONS

SALES MEDIAN PRICE Q3 2021 **SALES MEDIAN LAND PRICE Q3 2021** **SALES AVERAGE DAYS ON MARKET Q3 2021**



RENTAL MEDIAN PRICE Q3 2021

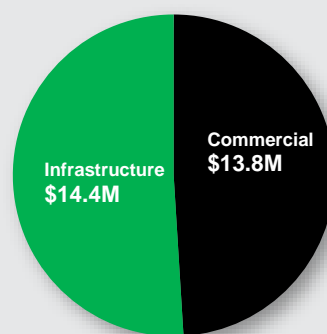


RENTAL AVERAGE DAYS ON MARKET Q3 2021



FUTURE DEVELOPMENTS

The Mildura* area is set to see approximately **\$28.2M worth of new projects commencing in the 2nd half of 2021.**



A focused approach on infrastructure projects signals improved services and liveability for residents. These projects will also create local jobs during the construction phase, which will stimulate the economy. That said an absence of residential projects is a concern, due to the high volume of house sales in the past 12 months. Supply will not match demand, and may result in first home buyers being priced out in the property market. On the flip-side home-owners can be assured of continued capital growth and asset value.

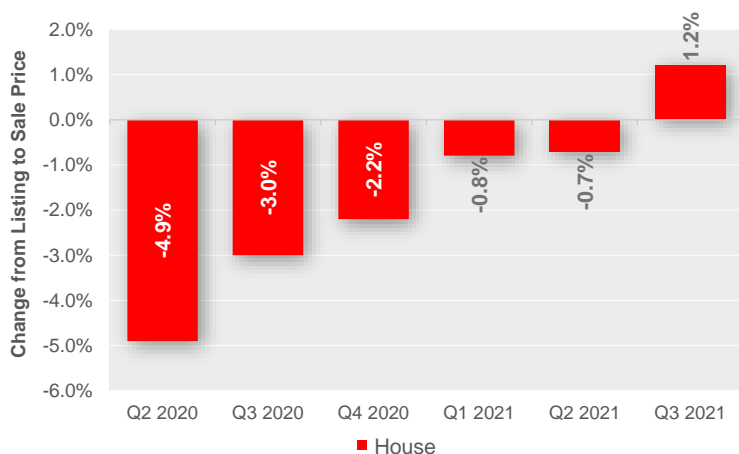
A major infrastructure project in 2nd half 2021 is the Mildura South Regional Sports Precinct Stage 2 (\$10.0M). This project is set to construct stage 2 of the Mildura Sporting Precinct and sports hub administration.

Key commercial projects include: Mildura Private Hospital Theatres (\$12.0m) and McDonalds Mildura (\$1.3M). These creates new jobs, which will stimulate the economy.

An undersupply of housing opens unique opportunities for the local government to unlock land supply, in order to provide ready-to-build options for first time home buyers. There is also an opportunity for developers to enter the market with ready-to-sell stand-alone housing stock, as it is highly demanded.

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.

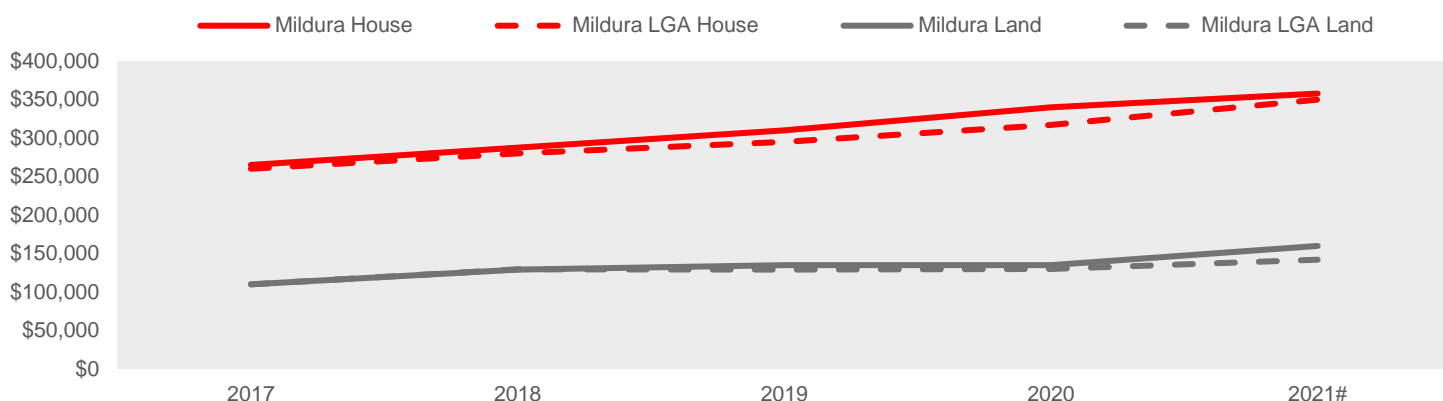


Average vendor discounts for houses have swung to a premium of 1.2% between Q3 2020 and Q3 2021. Market conditions in Mildura* have now shifted to favour sellers, where buyers are willing to negotiate above the initial listing price. This is the first occurrence in the past 24 months, making now an ideal time to sell.

The suburb of Mildura has historically outperformed the wider Mildura Local Government Area (LGA) in both house and land median prices. 2021[#] showcased exponential growth for both property types, which has continued to place Mildura as a premium market.

The dominant proportion of homes sold in Mildura* across 2021[^] were in the premium price segment of \$400K and above (40.7%). There was also a high buyer activity within the premium price segment of \$175K and above (40.5%) for land sales. Affordable options are still available, however have shrunk in the past 12 months.

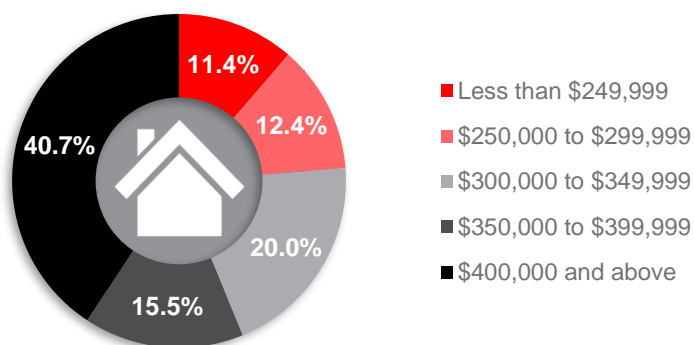
MEDIAN HOUSE PRICE COMPARISON



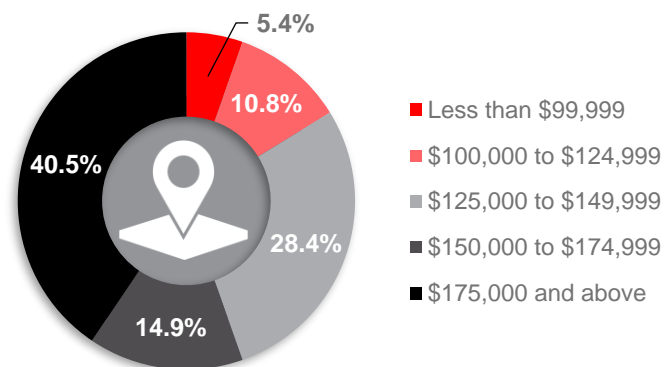
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Mildura.

PRICE BREAKDOWN 2021[^]

HOUSES SOLD



LAND SOLD

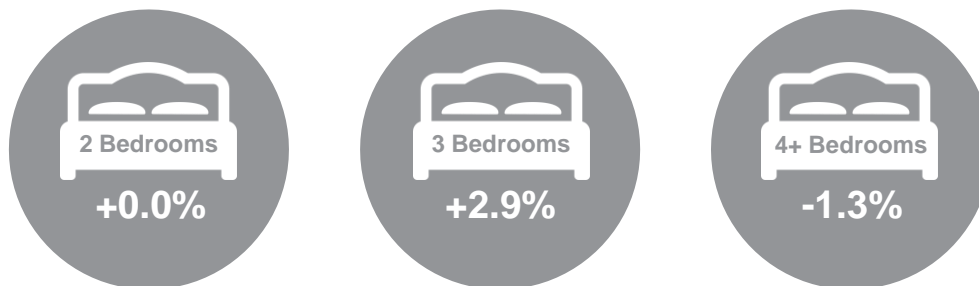


RENTAL GROWTH 2021€

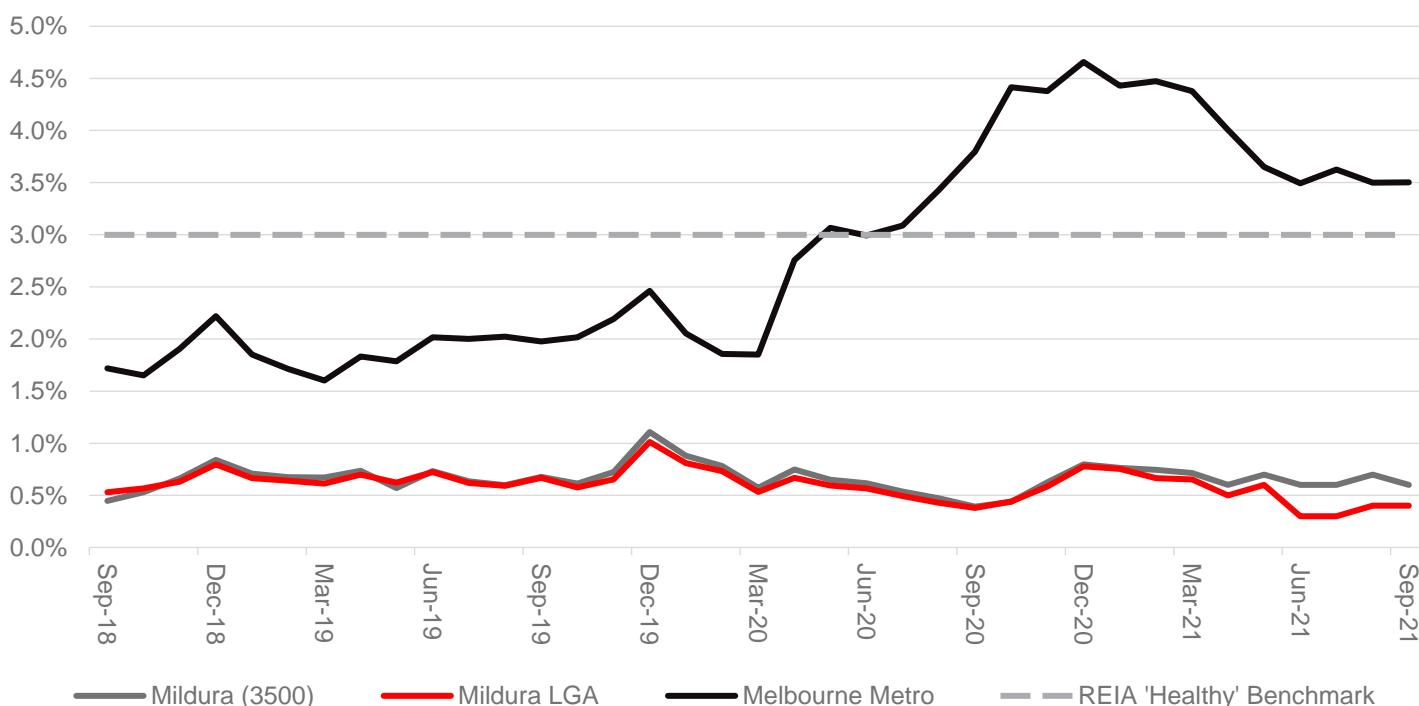
In September 2021, house rental yields in Mildura* were recorded at an attractive 5.2%. In the 12 months to Q3 2021 the median house rental price were stable at \$350 per week, in conjunction with low average days on the market of 22 days. Overall this represents a healthy rental market in the Mildura* area.

3 bedroom houses have provided investors with +2.9% rental growth annually€, with a median rent of \$350 per week.

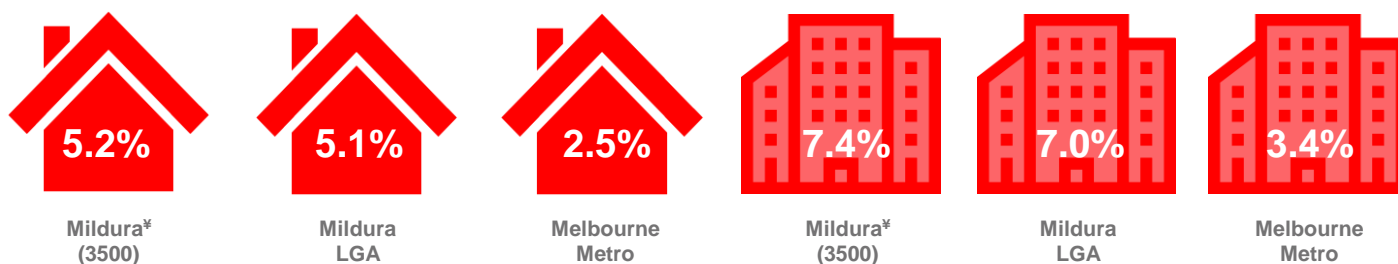
Also in September 2021, the Mildura* area recorded a record low vacancy rate of 0.6%, below Mildura LGA (0.4%) and well below that of Melbourne Metro (3.5%). Vacancy rates in Mildura* are at all time record lows, and well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. This confirms it is a highly resilient rental market demand despite COVID-19 lockdowns, thus investors can be confident in their decision to invest in the Mildura* area.



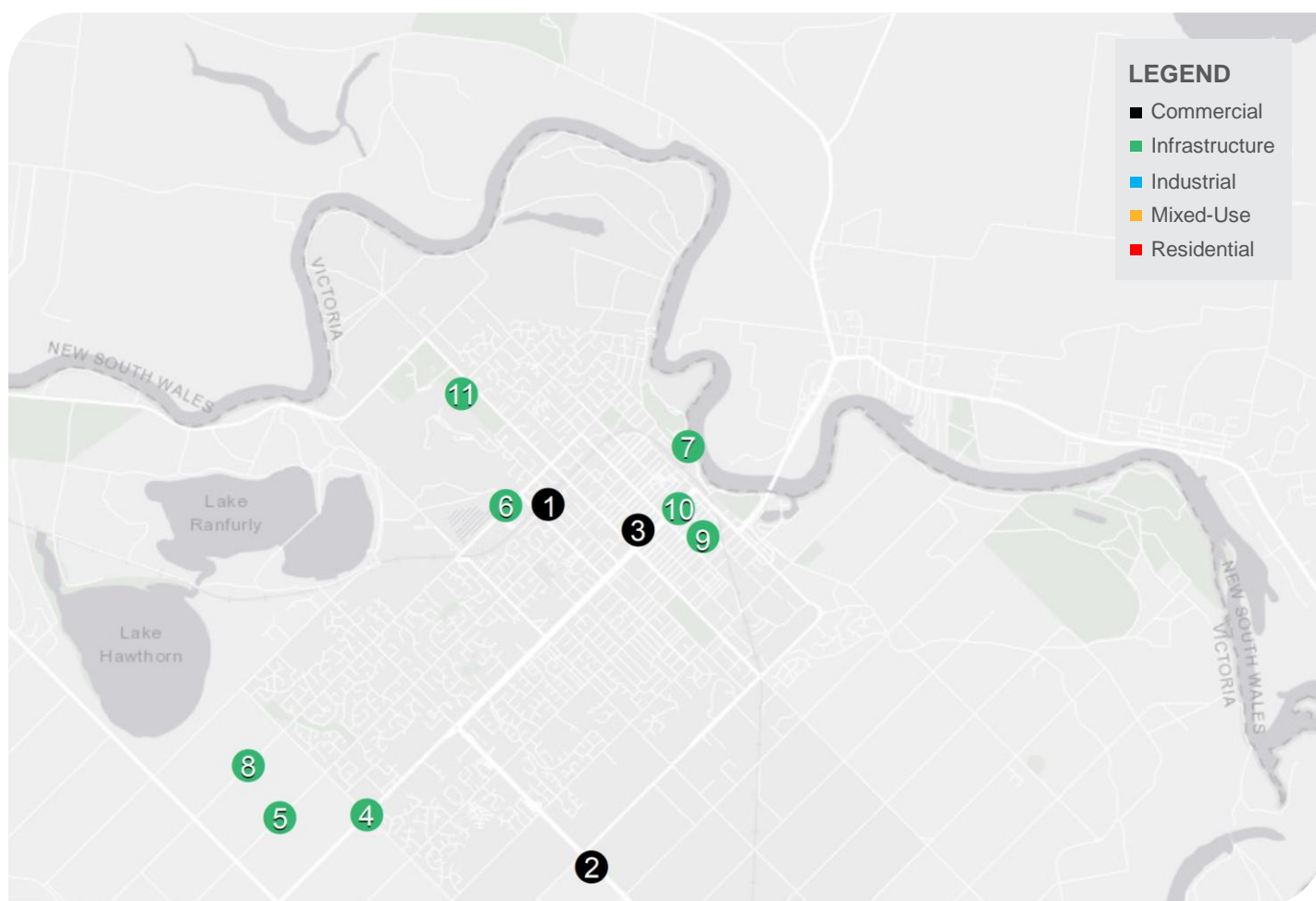
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 2nd HALF 2021^A



Location	Project [£]	Type	Estimated Value [¥]	Commence Date [¥]
1	Mildura Private Hospital Theatres	Commercial	\$12,000,000	15/08/2021
2	Mcdonalds Mildura	Commercial	\$1,300,000	15/12/2021
3	Langtree Avenue Commercial Building	Commercial	\$500,000	21/12/2021
4	Mildura South Regional Sports Precinct Stage 2 Duplicate Project	Infrastructure	\$10,000,000	28/09/2021
5	Riverfront Stage 2 Village Square	Infrastructure	\$1,000,000	28/10/2021
6	Mildura Landfill	Infrastructure	\$1,000,000	03/09/2021
7	Mildura Riverfront Precinct Roadworks	Infrastructure	\$1,000,000	25/08/2021
8	Mildura Base Public Hospital	Infrastructure	\$400,000	30/11/2021
9	Mildura Marina Bridge	Infrastructure	\$350,000	28/08/2021
10	San Mateo, Hazel Avenues & Windsor Street Roadworks	Infrastructure	\$300,000	27/07/2021
11	John Hall Oval	Infrastructure	\$300,000	22/07/2021

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

*Mildura market data and key indicators encapsulates aggregate property market conditions within the suburb of Mildura.

** 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.

^ 2021 encapsulates sales transactions for 2021 (01/01/2021 – 30/09/2021) only.

€ 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.

¥ Mildura market data encapsulates aggregate property conditions within Mildura (3500).

§ 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 suburb of Mildura.

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

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