



# Albury Market Update 1st Half 2022



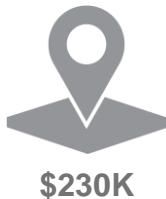
## OVERVIEW

In Q4 2021, Albury\* recorded a median house price of \$500,000 and a median land price of \$230,000. This represents annual (Q4 2020 – Q4 2021) median price growth of 22.0% for houses and 35.7% for land. Between Q4 2020 – Q4 2021 total sales slowed, by -20.1% (to 330 sales) for houses, and by -80.8% (to 35 sales) for land. Current owner occupiers can benefit from real returns on capital investment, as median price growth has been fuelled by high demand and low stock levels. The market is undersupplied, creating an opportunity for developers to enter the market.

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

## MARKET CONDITIONS

### SALES MEDIAN PRICE Q4 2021



### SALES AVERAGE DAYS ON MARKET Q4 2021



### RENTAL MEDIAN PRICE Q4 2021

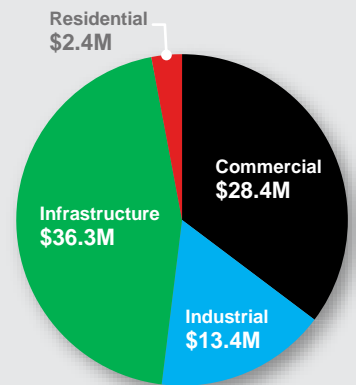


### RENTAL AVERAGE DAYS ON MARKET Q4 2021



## FUTURE DEVELOPMENTS

Albury\* is set to see approximately **\$80.6M** worth of new projects commencing in the 1st half of 2022.



A strong focus on infrastructure and commercial projects will create employment opportunities in Albury\*, which will impact the real estate market in terms of an increase in demand for housing. There is a disproportionate amount of residential projects planned, which will prolong the imbalance in supply and demand, thus resulting in higher price growth in the near future.

A main infrastructure project in the 1st Half of 2022 is The Albury - Wodonga Base Hospital Emergency Department (\$29.3m). This project is set to redevelop the emergency department at the existing Albury base hospital in stages 1 & 2.

A total of \$2.4M Worth of residential project is set to be constructed in the area. These include: Pastoral Lane & Kywanna Road Residential Subdivision (\$1.4M, 30 Lots) and Hume Country Retirement Resort (\$996K, 30 Dwellings).

New lots will allow first home buyers to tap into Government schemes to build their new home, and the extra dwellings will relieve some pressure off the supply needed. There is still a need for ready-to-sell stock to be built, to cater for demand.



Dwellings

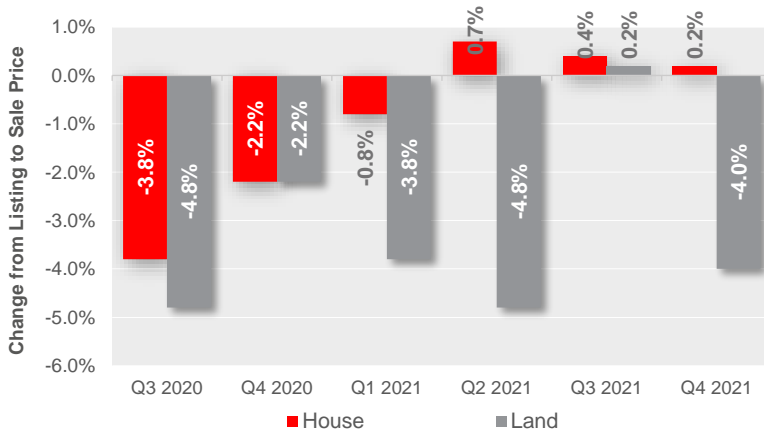


30 Lots

# 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.

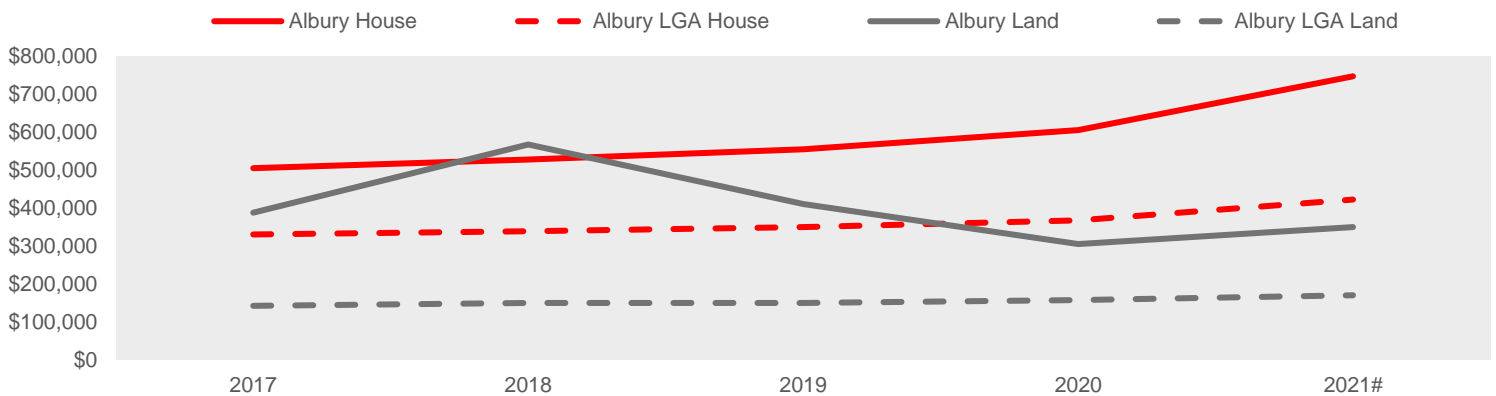
Average vendor discounts between Q4 2020 and Q4 2021 have swung to premiums of +0.2% for houses, whereby buyers have to offer higher than the first list price. House market conditions favour sellers, however vacant land buyers can still benefit from a discount.



The suburb of Albury has historically outperformed the wider Albury Local Government Area (LGA) for median house and land prices. This continues to be the case in 2021<sup>#</sup>, where the price gap between Albury and the LGA is at its widest in the past 5 years.

The dominant proportion of homes sold in Albury\* across 2021<sup>^</sup> were in the premium price bracket of \$550,000 and above (28.1%). Vacant land recorded a dominant lower price bracket, of \$150,000 to \$174,999 (32.5%). There is still an even spread of house prices available, however affordable options are shrinking. Those wanting to build need to move quickly and secure affordable land options whilst it's still available.

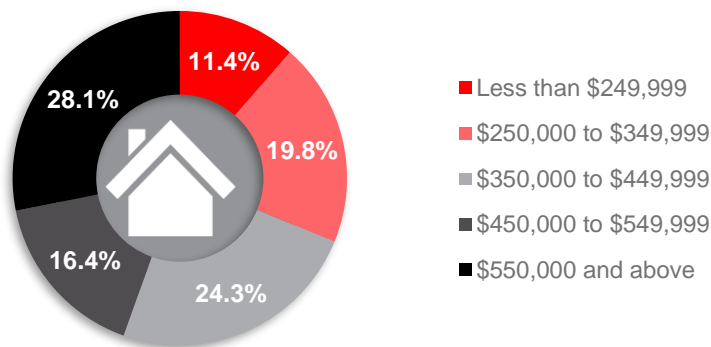
## MARKET COMPARISON



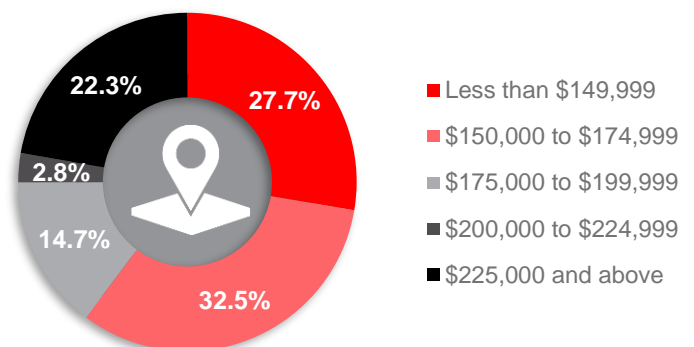
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Albury.

## PRICE BREAKDOWN 2021<sup>^</sup>

### HOUSES SOLD



### VACANT LAND SOLD



## RENTAL GROWTH 2021€

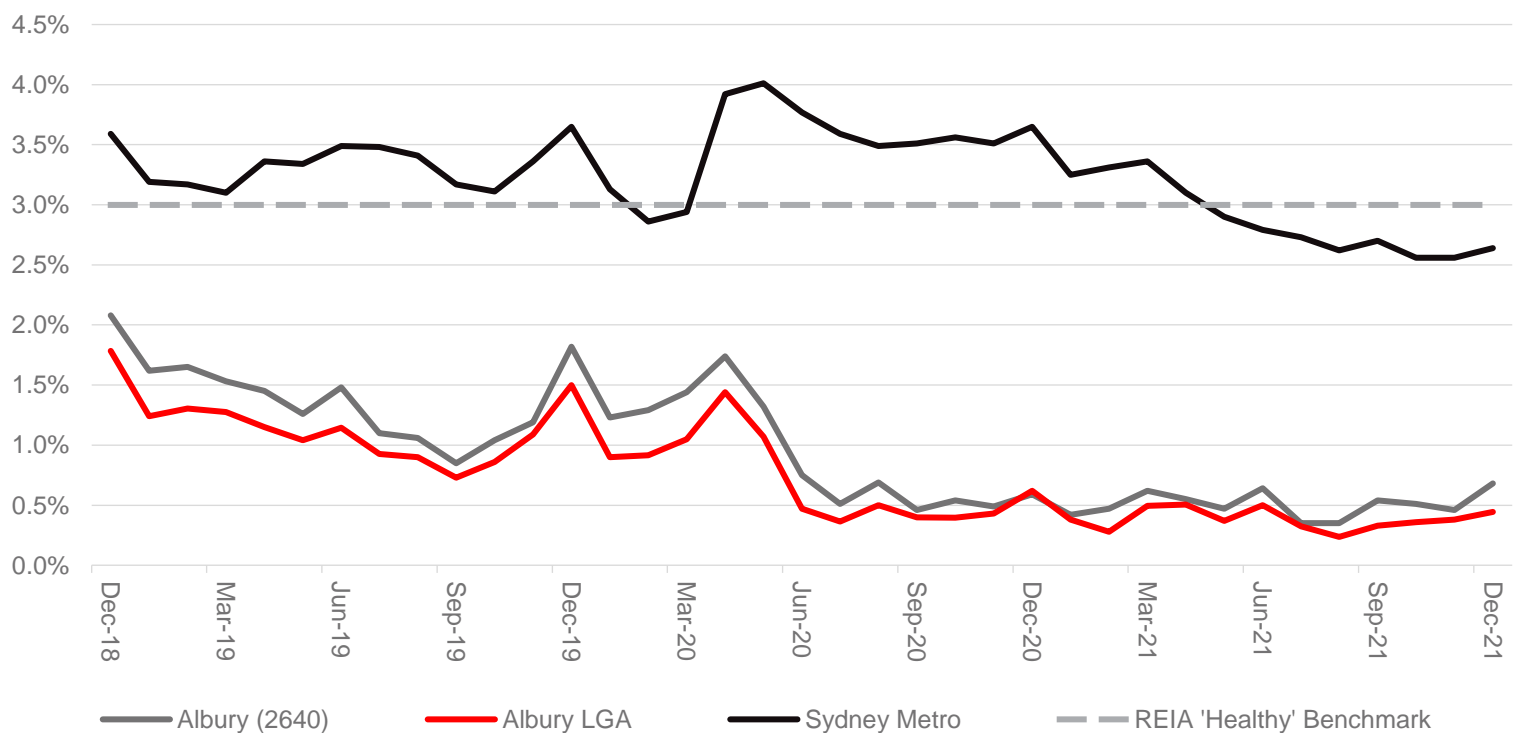
In December 2021, house rental yields in Albury\* were recorded at 4.5%. In the 12 months to Q4 2021, the median house rental price increased by 14.9% to reach \$425 per week, while average days to let on the market remained at 18 days. A strong increase in rental prices and a house rental yield generally on par with the Albury LGA (4.4%) suggests Albury\* remains a resilient rental market.

2 bedroom houses have provided investors with +12.5% rental growth annually€, with a median rent of \$315 per week.

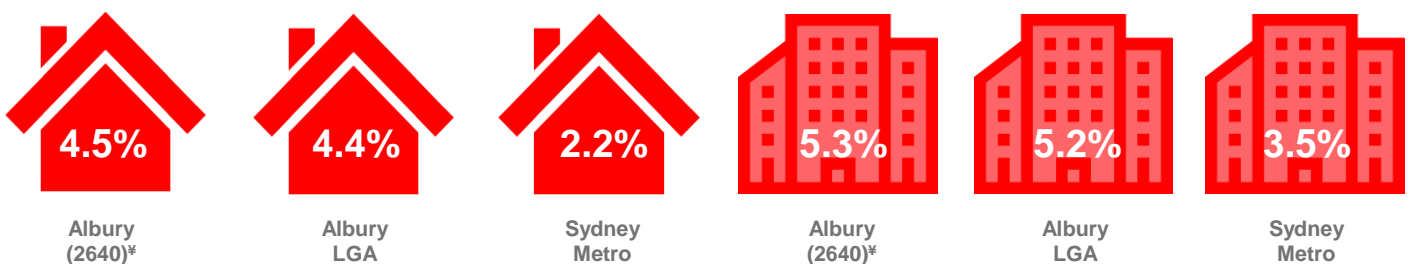
Also in December 2021, Albury\* recorded a vacancy rate of 0.7%, slightly above that of Albury LGA (0.4%) but well below Sydney Metro (2.6%). Vacancy rates in Albury\* has trended below 1.0% for the past 18 months, remaining well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. Continuous low vacancy rates confirm there is a healthy level of rental demand and investors can be confident of a conducive investment environment.



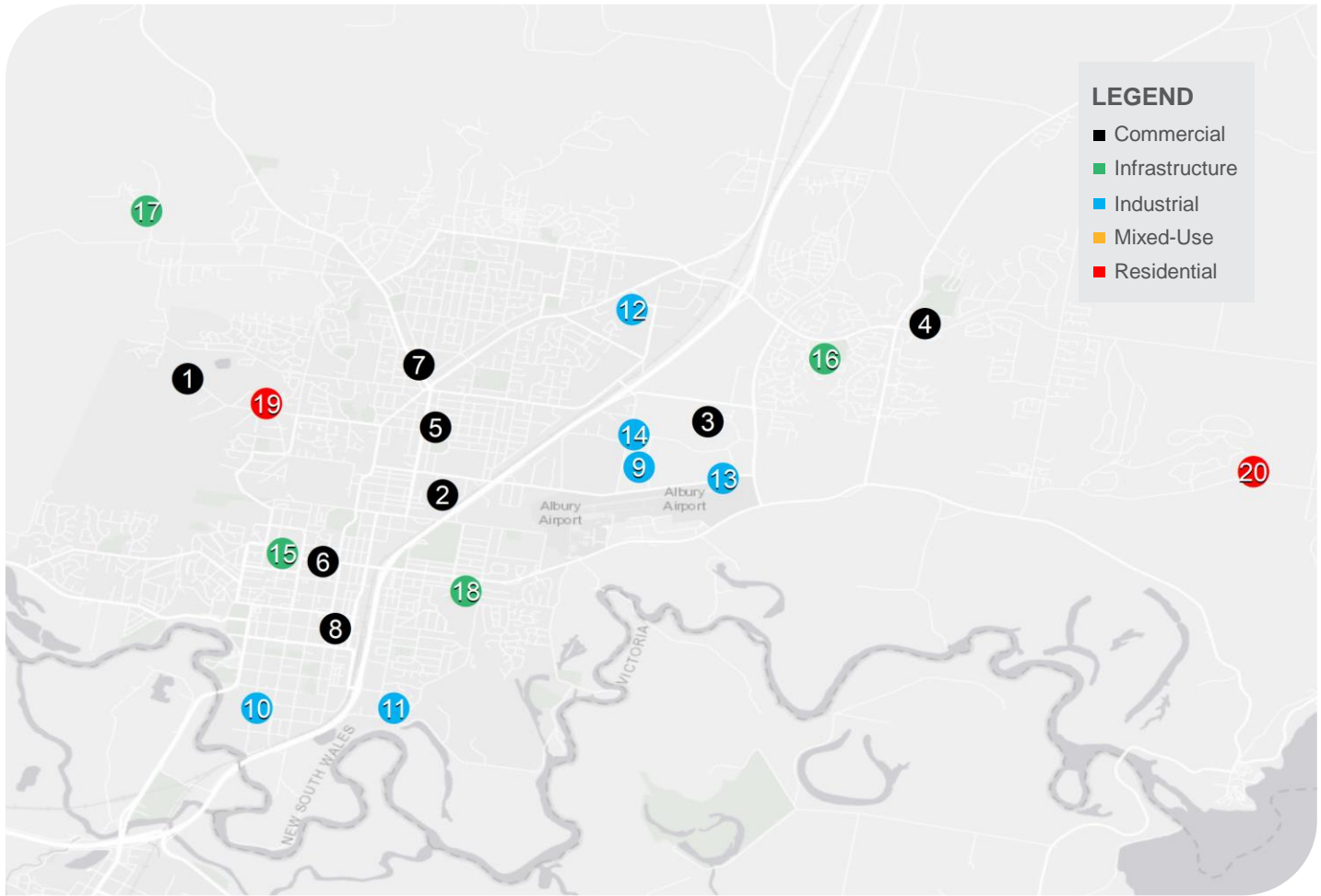
## RENTAL VACANCY RATES 2021



## RENTAL YIELD 2021\$



# TOP DEVELOPMENTS MAP 1st HALF 2022<sup>A</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>¶</sup>	Commence Date <sup>¶</sup>
1	Albury Valley Views	Commercial	\$14,000,000	30/03/2022
2	Mate, Eames, Elmore, Fallon, North & Smith Streets Commercial Development	Commercial	\$694,000	12/03/2022
3	Hoffmann Road Respite Day Care Centre	Commercial	\$3,300,000	07/03/2022
4	Diamond Drive Community & Commercial Development	Commercial	\$2,400,000	13/06/2022
5	Mate & Corella Streets Community & Commercial Development	Commercial	\$2,035,000	26/06/2022
6	Olive Street & Selle & Volt Lanes Medical Centre	Commercial	\$900,000	27/03/2022
7	7 Eleven Service Station	Commercial	\$1,739,000	28/03/2022
8	Bradys Railway Hotel	Commercial	\$1,000,000	20/05/2022
9	Merkel Street Warehouses	Industrial	\$1,471,000	27/04/2022
10	Sunjan Trading	Industrial	\$824,000	02/03/2022
11	Ruby Court East Warehouse	Industrial	\$657,000	01/05/2022
12	Catherine Crescent Warehouses	Industrial	\$675,000	03/04/2022
13	Alspec Warehouse	Industrial	\$2,000,000	11/02/2022
14	Arc Court & Ceres Drive Industrial & Commercial Development	Industrial	\$6,929,000	08/06/2022
15	A2i Reference Design And Eis Services -Albury To Illabo	Infrastructure	\$1,000,000	05/03/2022
16	Ernest Grant Park	Infrastructure	\$1,000,000	11/01/2022
17	Albury Waste Management Centre	Infrastructure	\$4,000,000	06/06/2022
18	Albury - Wodonga Base Hospital Emergency Department	Infrastructure	\$29,315,000	21/05/2022
19	Hume Country Retirement Resort- (30 Dwellings)	Residential	\$996,000	26/03/2022
20	Pastoral Lane & Kywanna Road Residential Subdivision- (30 Lots)	Residential	\$1,400,000	03/01/2022

## 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

\* Albury market data and key indicators encapsulates aggregate property market conditions within 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.

# 2021 encapsulates sales transactions for 2021 (01/01/2021 – 31/12/2021) only.

^ 2021 encapsulates sales transactions for 2021 (01/01/2021 – 31/12/2021) only.

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

¥ Albury market data encapsulates aggregate property conditions within the postcode of 2640.

§ Rental yields shown are as reported as of December 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 postcodes 2640 and 2641.

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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