

Wodonga Market Update 1st Half 2022



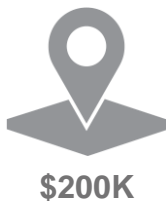
OVERVIEW

In Q4 2021, Wodonga* recorded a median house price of \$480,000 and a median land price of \$200,000. This represents annual (Q4 2020 – Q4 2021) median price growth of 23.4% for houses and 33.8% for land. Between Q4 2020 – Q4 2021 total sales slowed, by -1.7% (to 237 sales) for houses, and by -72.4% (to 54 sales) for land. Capital growth has largely been driven by low supply levels that is under-serving higher demand, creating room for more developers to enter the market. Owner occupiers and those down-sizing can benefit from higher returns to their initial capital investment in this 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

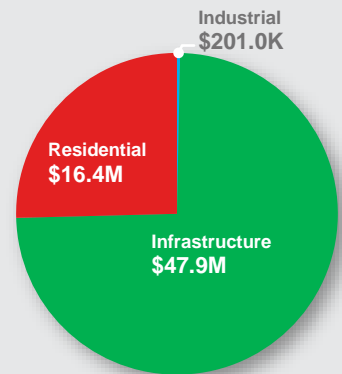


RENTAL AVERAGE DAYS ON MARKET Q4 2021



FUTURE DEVELOPMENTS

Wodonga* is set to see approximately **\$64.4M** worth of new projects commencing in the 1st half of 2022.

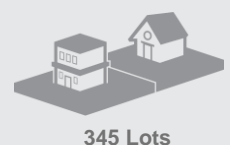
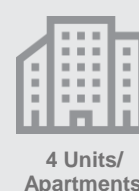


A strong focus on infrastructure projects will improve serviceability of amenities and lift the quality of life in the area. This can attract more people into Wodonga and create employment opportunities during the construction phase. This will have a positive spill-over impact on the real estate market, in the form of increased demand.

A main infrastructure project in the 1st Half of 2022 is Albury Wodonga Health Emergency Department & Short Stay Unit (\$36.0M). This will create separable portions of the emergency department expansion.

A total of \$16.4M of residential project is planned. This include: Boyes Road Residential Subdivision (\$15.5M, 345 Lots) and Rural Housing Network Rattray Avenue Units (\$840K, 4 Units).

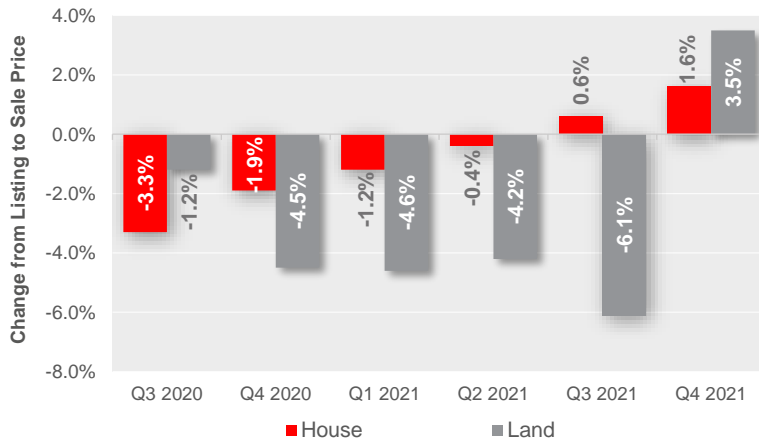
The creation of a large number of vacant lots is encouraging, as first home buyers can tap into multiple government grants and build their home. However this takes time, and the market needs ready-to-sell stock. Now is the time for developers to enter the market.



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.

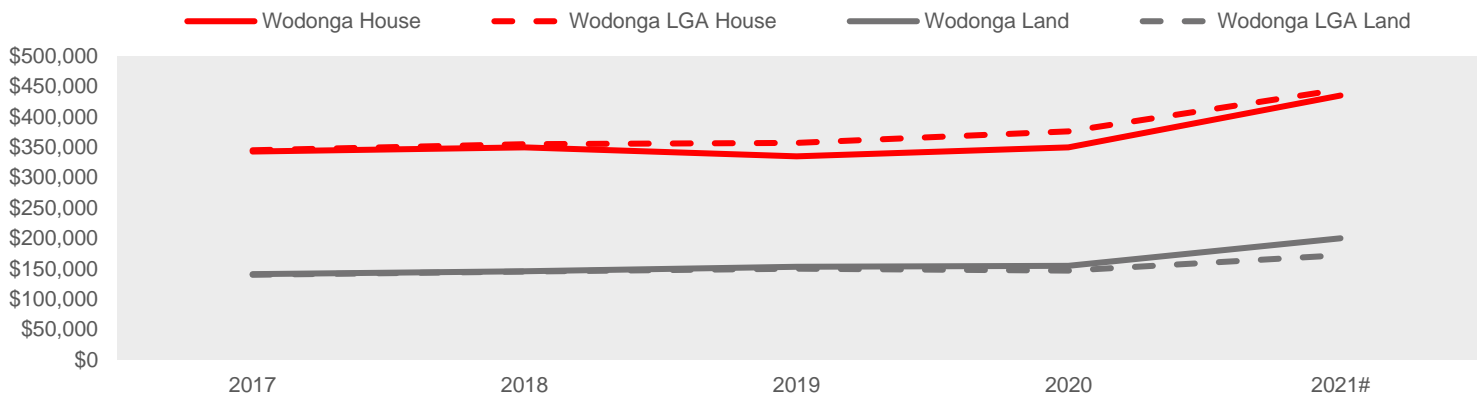
Average vendor discounts between Q4 2020 and Q4 2021 have swung to premiums of +1.6% for houses and +3.5% for land, the first time in the past 2-3 years. The market conditions in Wodonga* continue to favour vendors, with buyers having to offer higher than the first list price, particularly for vacant land.



The suburb of Wodonga represents a more affordable house market when compared to the wider Wodonga Local Government Area (LGA). On the other hand, in 2021# land median prices have surged surpassing the LGA's, as demand continues to increase in the area.

The dominant proportion of homes sold in Wodonga* across 2021^ were in the premium price bracket of \$450,000 and above (49.8%). There was also high buyer activity for vacant land sales within the premium price bracket of \$175,000 and above (49.4%). Those looking for affordable options must act quickly, as these options have continued to shrink in the past 12 months.

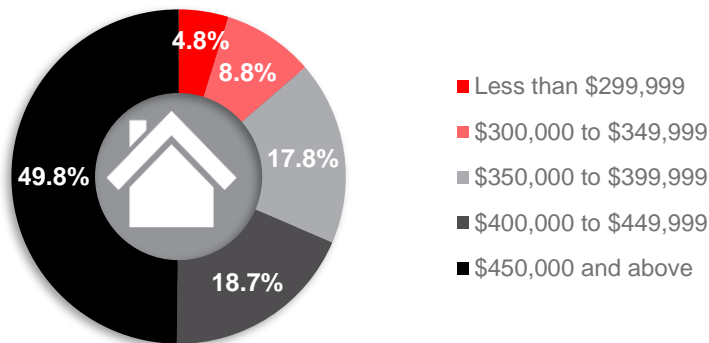
MARKET COMPARISON



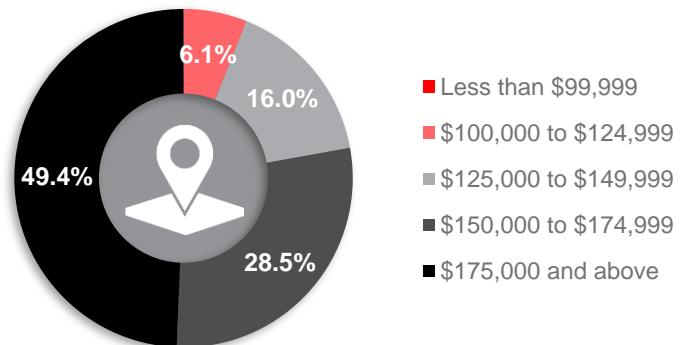
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Wodonga.

PRICE BREAKDOWN 2021^

HOUSES SOLD



VACANT LAND SOLD

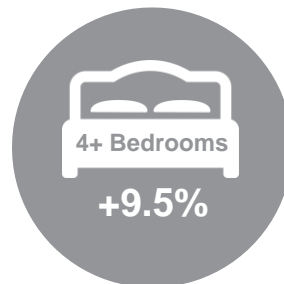


RENTAL GROWTH 2021€

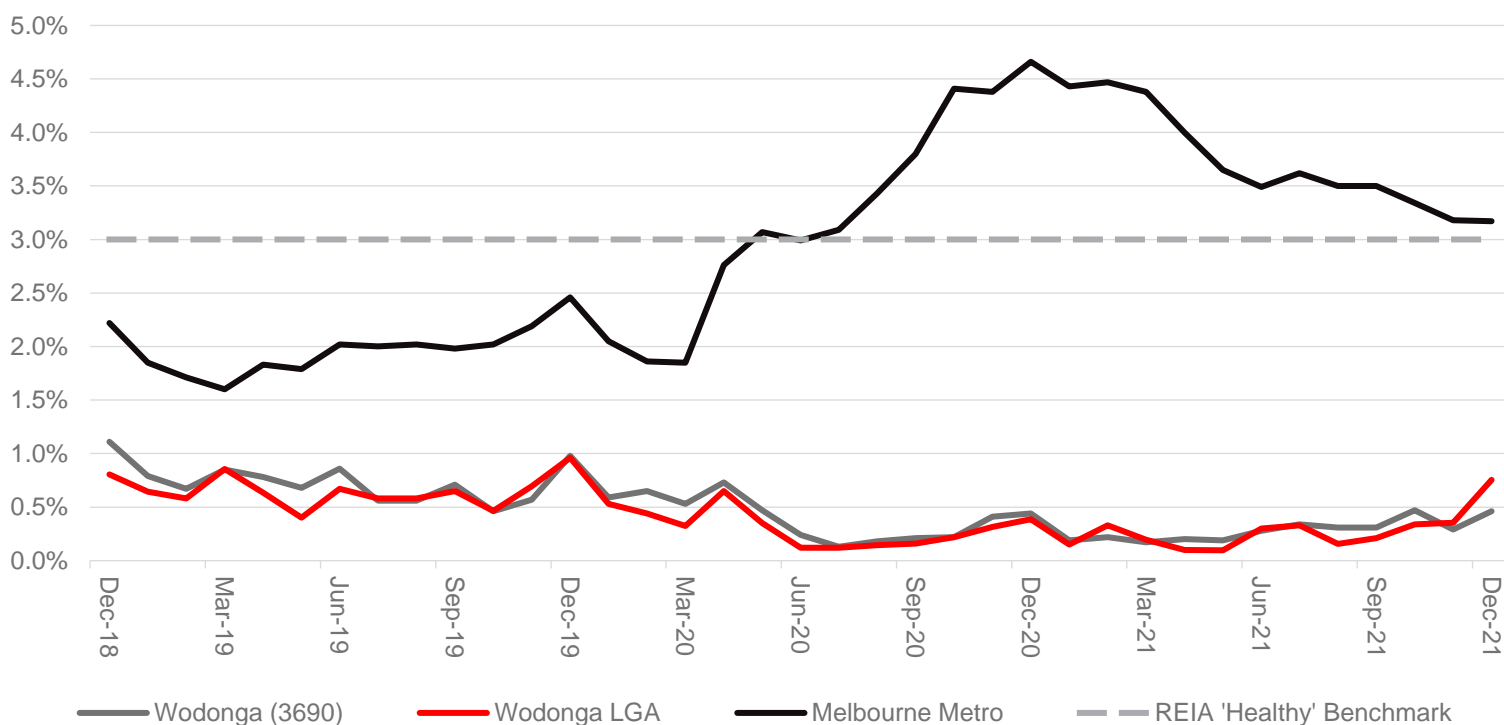
In December 2021, house rental yields in Wodonga* were recorded at 4.8%. In the 12 months to Q4 2021, the median house rental price increased by 13.2% to reach \$430 per week, while average days to let on the market remained at a low 19 days. A strong increase in rental prices and a house rental yield above the Wodonga LGA (4.4%) suggests Wodonga* remains a resilient rental market.

2 bedroom houses have provided investors with +12.3% rental growth annually€, with a median rent of \$320 per week.

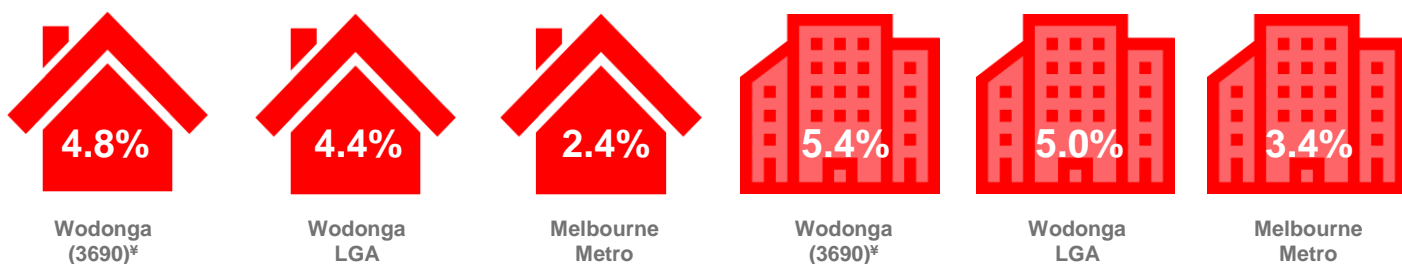
Also in December 2021, Wodonga* recorded a vacancy rate of 0.5%, below that of Wodonga LGA (0.8%) and well below Melbourne Metro (3.2%). Vacancy rates in Wodonga* remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. Vacancy rates have trended on or below 0.5% for the past 18 months, confirming there is a healthy level of rental demand and investors can be confident of a conducive investment environment.



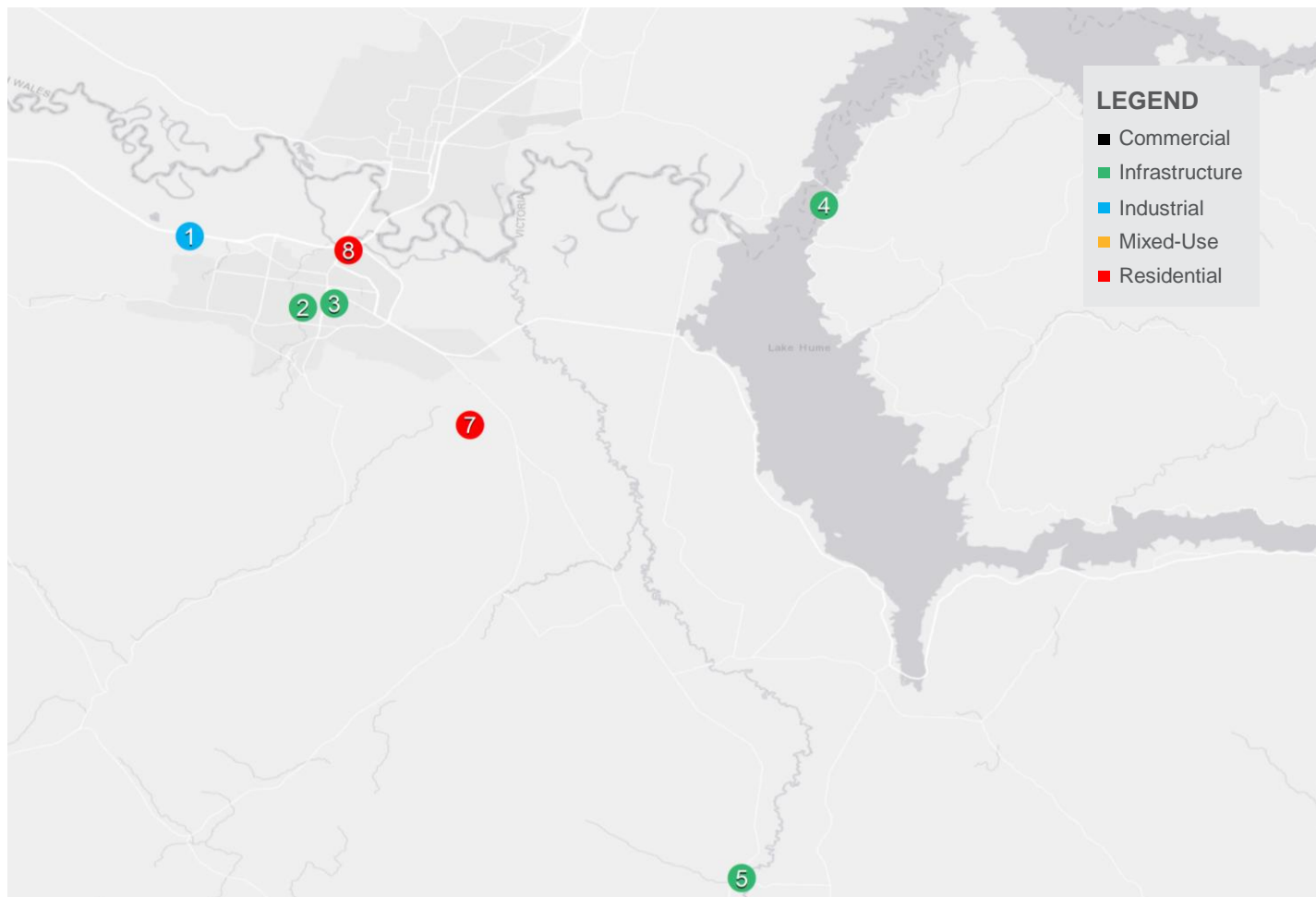
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 1st HALF 2022^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date [¶]
1	Mckoy Street West Warehouse	Industrial	\$201,000.0	19/02/2022
2	Albury Wodonga Health Emergency Department & Short Stay Unit	Infrastructure	\$36,000,000.0	15/02/2022
3	Wodonga Middle Years College	Infrastructure	\$10,000,000.0	28/03/2022
4	Towong Shire Council Roadworks	Infrastructure	\$950,000.0	01/02/2022
5	Kergunyah Hall	Infrastructure	\$500,000.0	11/02/2022
Not Mapped	Redbank Mongans Road Roadworks	Infrastructure	\$400,000.0	28/04/2022
7	Boyes Road Residential Subdivision- (345 Lots)	Residential	\$15,525,000.0	28/04/2022
8	Rural Housing Network Rattray Avenue Units- (4 Units)	Residential	\$840,000.0	13/01/2022

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

* Wodonga market data and key indicators encapsulates aggregate property market conditions within the Wodonga Local Government Area.

** 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.

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€ 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.

¥ Wodonga market data encapsulates aggregate property conditions within the postcode of 3690.

§ 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 of 3690 and 3691.

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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