Roaring Regions

Top 10 Affordable Regional Areas 2022

HOME AFFORDABILITY QLD, NSW, VIC & TAS

AFFORDABILITY

First home buyers were the winners of 2020 thanks to a multitude of Federal Government incentives and a historical low cash rate. The winds have changed course slightly, with first home buyer activity declining by 18.3% between the December quarters of 2020 and 2021. This was driven by the surge in property price growth in the past 12 months to a level that outpriced first home buyers, and the end of historical low fixed interest rates by some financial institutions.

Over the past 12 months to December quarter 2021, the weighted average Australian median house price increased by 25.0% to $1,021,710. In the same period, median family weekly income also grew by 5.3%. But this is nowhere near median house price growth. Thus, the proportion of family income needed to meet loan repayments increased to 37.0% and the home loan affordability index decreased by -10.6%.

Housing affordability is a pressing issue, especially within metro capital cities. Regional areas became the most attractive option in 2021, with buyers capitalising on lower median property prices and utilising flexible remote working conditions introduced amidst COVID-19. Regional areas in this "Top 10 Regional Affordable Areas" guide is very attractive for first home buyers as all chosen councils/ areas recorded median house prices below $550,000. The Australian dream of property ownership still exists, with regional areas leading the way in affordability and liveability.

The PRD Top 10 Regional Affordable Areas highlights affordable regional areas in Queensland (QLD), Victoria (VIC), New South Wales (NSW) and Tasmania (TAS).

TABLE 1. MEDIAN HOUSE PRICE AND AVERAGE STATE LOAN

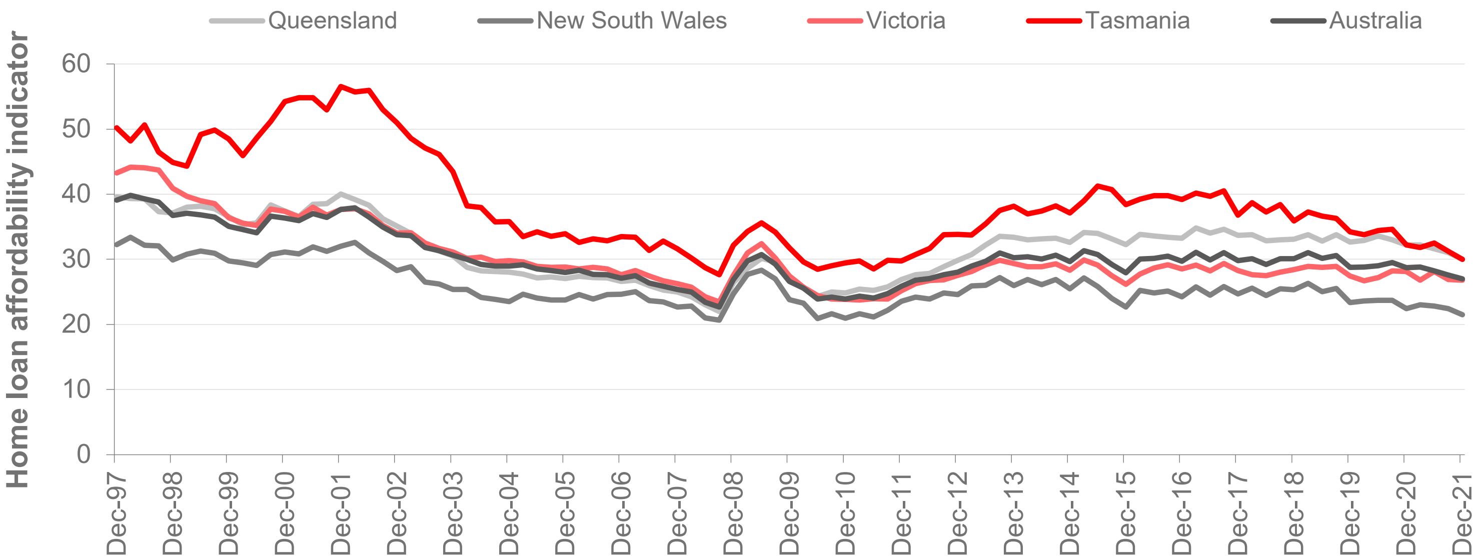
Location	Median House Price (Dec Quarter 2021)	Average State Loan (Dec Quarter 2021)
Brisbane, QLD	$702,000	$501,620
Sydney, NSW	$1,499,000	$763,990
Melbourne, VIC	$1,037,000	$616,513
Hobart, TAS	$698,000	$431,294

Source: Real Estate Market Facts Report December Quarter 2021 and Housing Affordability Report December Quarter 2021 by Real Estate Institute of Australia. Prepared by PRD Research.

The average state loan reflects the amount financial lenders are comfortable lending to consumers. Assuming consumers are providing a 20% deposit, we are able to calculate the ideal sale price range buyers can access.

The home loan affordability index reflects the ratio of median family income in relation to average home loan repayments. The graph below compares the four States in this report, along with the Australian national average. Home loan affordability has been at the lower end of the scale since its peak in 2001, with December 2021 figures showing more declines. In the past 12 months, TAS has declined to sit on-par with QLD's affordability, at 30.0 index points. VIC (26.8 index points) sits on par to the Australian average (27.0 index points), while NSW (21.5 index points) is the least affordable state for buyers. VIC interestingly saw the highest decline in the home loan affordability index, by -13.5% in the past 12 months. This is closely followed by NSW (-12.6%).

HOME LOAN AFFORDABILITY INDEX COMPARISON



Source: Housing Affordability Report December Quarter 2021 dataset by Real Estate Institute of Australia. Last updated February 2022. Prepared by PRD Research. © PRD 2022.

RESILIENT REGIONS

METHODOLOGY - SELECTION

CRITERIA

Affordability – the Local Government Area (LGA) has a median house price below the calculated maximum affordable property sale price, which is the state average loan + 20% (assumed deposit for an approved mortgage home loan).

Property trends – to ensure statistical reliability, the LGA considered must have 20 transactions or more in 2020 and 2021, with positive median house price growth within that time period.

Investment – to ensure conducive investment opportunities, the LGA will have an on-par or higher rental yield than its capital city, as well as an on-par or lower vacancy rate compared to its capital city.

Project development – the LGA will have a high estimated value of future project development, with a higher concentration of commercial and infrastructure projects to ensure a positive economic outlook.

Unemployment rate – as of the September quarter of 2021, the LGA will have an on-par or lower unemployment rate than the state average to ensure there is local job growth.

TOP 10 AFFORDABLE REGIONAL AREAS

Based on the above methodology and selection criteria, the following 10 regional locations are deemed to be affordable areas with solid fundamentals for sustainable future growth.

Excitingly, all chosen LGAs have a median house price of $550,000, which is half of Melbourne's and a third of Sydney's median house price in December Quarter 2021.

QUEENSLAND
Whitsunday
Mackay
Toowoomba
NEW SOUTH WALES
Upper Hunter
Wagga Wagga
Griffith City
VICTORIA
Northern Grampians
Wodonga City
Greater Bendigo
TASMANIA
Central Highlands

AFFORDABLE REGIONAL AREAS WITH SOLID GROWTH FUNDAMENTALS

TOP AFFORDABLE MAJOR REGIONAL AREA

WHITSUNDAY, QLD

Whitsunday LGA is a tropical coastal area in the north of QLD that has recorded a 5-year population growth of 4.0% (+1389 residents) to 2020. In the September quarter of 2021, Whitsunday LGA saw an unemployment rate of 4.1%, sitting below QLD's average of 4.3%. 2021 saw an annual 4.1% increase in house prices, likely due to lower supply / stock levels and increased demand thanks to increased travel post Covid-19.

Median price growth in Whitsunday LGA over the past 10 years (2012-2021) has been significant for land, showing a growth of +22.1%. In the same timeframe, median house price grew by +6.0% and median unit price grew by +1.9%. QLD's COVID-19 conditions resulted in higher confidence from interstate buyers and Queenslanders residing outside of Whitsunday LGA, driving up demand in the 2nd half of 2021. Now is an ideal time to transact, advantageous for both sellers and buyers.

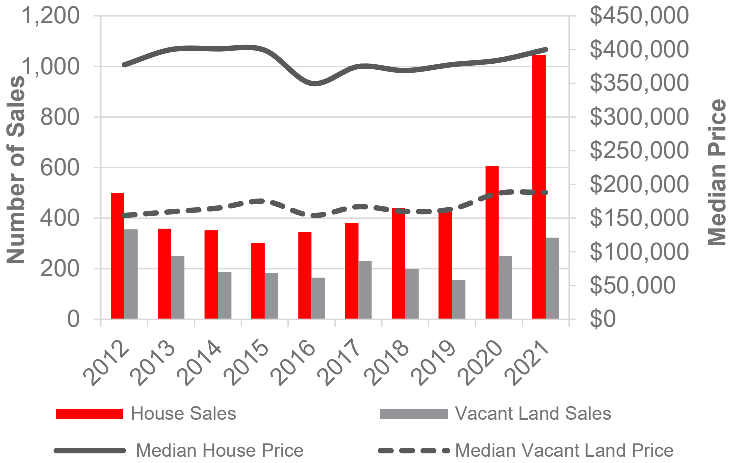
In December 2021, investors in the Whitsunday LGA benefited from average rental yields of 4.2% for houses, sitting well above Brisbane Metro (3.4%). Units in the Whitsunday LGA recorded an average rental yield of 8.2%. In December 2021 vacancy rates were at a low 0.8%, and have trended within the 1.0% mark for the past 12 months, below that of Brisbane Metro (1.3%). Vacancy rates have trended down since the peak of COVID-19 in April 2020, suggesting there is quicker occupancy of investment properties. Investors can be confident in their decision to enter the Whitsunday LGA market. With a lower entry price compared to Brisbane, first time investors are encouraged to enter.

Throughout 2022 Whitsunday LGA is set to see a total of $2.5B* worth of project development commence, mainly in commercial projects. This signals the creation of new businesses and improved services, thus the potential to create more jobs and stimulate a more vibrant economy. A total of 1866 lots and 68 units will be added to the Whitsunday LGA market, which will cater to the increasing property demand. Ready-to-sell stock is much needed, to assist with keeping a sustainable level of price growth; particularly for stand-alone dwellings / houses.

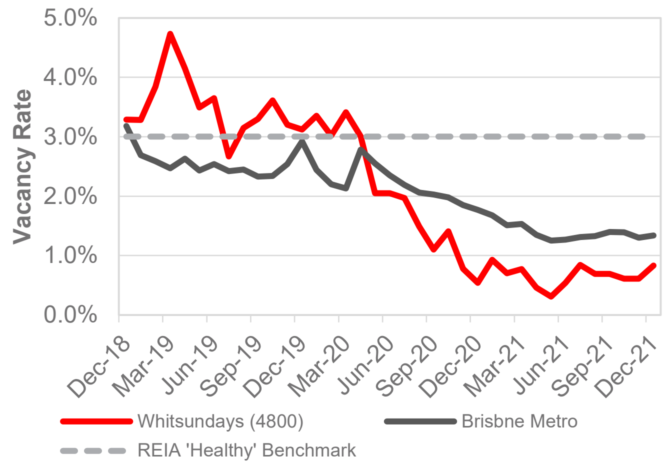
KEY FACTS

House median price (2021)	$400,000
Land median price (2021)	$188,000
Unit median price (2021)	$300,000
Vacancy rate (as of Dec-21)	0.8%
House rental yield (as of Dec-21)	4.2%
Unit rental yield (as of Dec-21)	8.2%
Estimated value of developments in 2022	$2,478,068,000
Total dwellings set to commence in 2022	1,866 lots 68 units/apartments
Unemployment rate (as of Sep Quarter 2021)	4.1%
5-year population growth (from ABS ERP 2020)	4.0% (+1389 residents)

AREA SALES & MEDIAN PRICE



VACANCY RATE



*Disclaimer: Estimated value is the value of construction costs as per provided by the relevant data authority, it does not reflect the project's sale/commercial value.
Source: APM Pricefinder, SQM Research, Cordell Database, Australian Bureau of Statistics, Australian Government Department of Jobs and Small Business.

PRD. REAL ESTATE

TOP AFFORDABLE MAJOR REGIONAL AREA

TOOWOOMBA, QLD

Toowoomba LGA is a sought after region, forming part of the South-East Queensland (SEQ) Council of Mayors organisation. It is also home of the well-known Carnival of Flowers, celebrated each September, and the University of South Queensland. Toowoomba LGA experienced a 5-year population growth of +3.8% (+6,188 residents) in 2020, which is predicted to continue to increase due to flexible working conditions being introduced. In the September quarter of 2021, the area recorded an unemployment rate of 3.9%, sitting below QLD's average of 4.3%.

Over the past 10 years (2012-2021) Toowoomba LGA experienced positive median price growth for all residential property types; houses saw +36.9%, land +32.3%, and units +19.2%. The market shows real returns in capital investment, as median price growth is alongside higher number of sales; of 59.6% for house sales, 19.6% for land sales, and 91.3% for unit sales. This is great news for owner occupiers and down-sizers as they can capitalise in the current sellers' market and achieve final sale prices closer to their expectations.

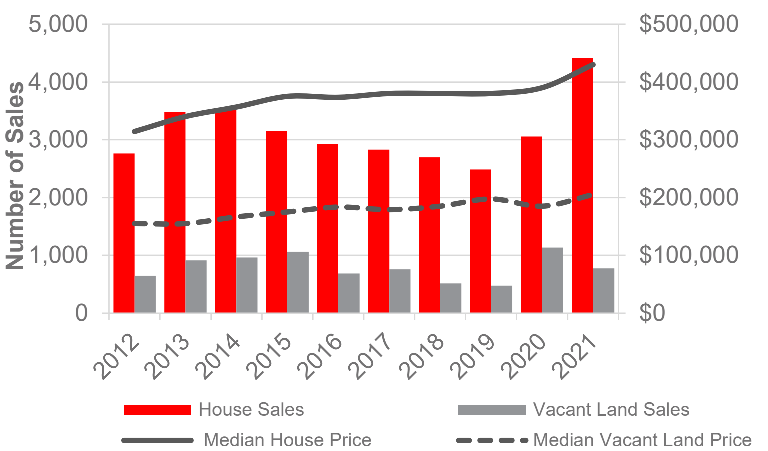
In December 2021, investors in Toowoomba LGA benefited from 4.8% average rental yields for houses, which sits well above Brisbane Metro (3.4%). Units saw an average rental yield of 5.8% in the same period. Toowoomba LGA recorded a significantly low vacancy rate of 0.5% in December 2021, well below Brisbane Metro (1.3%); and have remained within the 1.0% mark in the past 18 months. There is a strong demand in the rental market even amidst COVID-19, thus investors can be confident in their decision to enter the Toowoomba LGA market.

Toowoomba LGA is set to see a total of $1.4B* worth of development commence throughout 2022, with a large focus in infrastructure projects. This signals higher liveability and improved services for residents, and new local jobs in the construction phase. A total of 2,171 lots, 183 units and 145 townhouses are planned for Toowoomba LGA market, which will assist with managing property demand. The ready-to-sell house market remains undersupplied, creating an opportunity for developers.

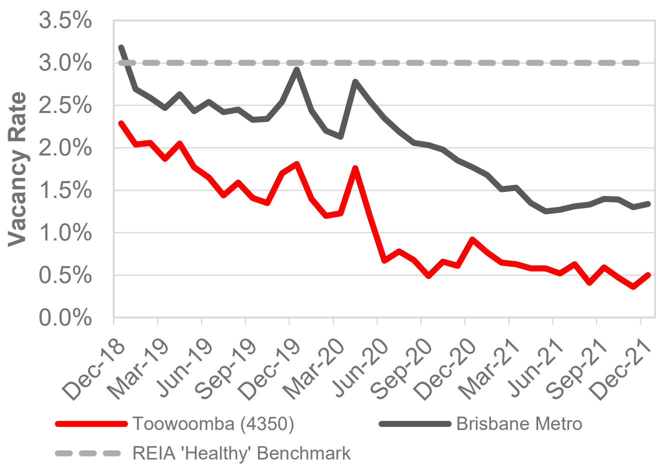
KEY FACTS

House median price (2021)	$430,000
Land median price (2021)	$205,000
Unit median price (2021)	$310,000
Vacancy rate (as of Dec-21)	0.5%
House rental yield (as of Dec-21)	4.8%
Unit rental yield (as of Dec-21)	5.8%
Estimated value of developments in 2022	$1,435,019,000
Total dwellings set to commence in 2022	2,171 lots 183 units 145 townhouses
Unemployment rate (as of Sep Quarter 2021)	3.9%
5-year population growth (from ABS ERP 2020)	3.8% (+6188 residents)

AREA SALES & MEDIAN PRICE



VACANCY RATE



*Disclaimer: Estimated value is the value of construction costs as per provided by the relevant data authority, it does not reflect the project's sale/commercial value.
Source: APM Pricefinder, SQM Research, Cordell Database, Australian Bureau of Statistics, Australian Government Department of Jobs and Small Business.

TOP AFFORDABLE MAJOR REGIONAL AREA

MACKAY, QLD

Mackay LGA is a coastal area located in North QLD known for its close connection to the Great Barrier Reef. In the past 5 years to 2020 there has been a 0.6% increase in population, in line with expectations for a regional area. A high level of infrastructure and commercial projects are planned in 2022, and with COVID-19 triggering lifestyle changes for Australians, population growth is imminent. In the September quarter of 2021, Mackay LGA recorded an unemployment rate of 3.5%, sitting well below QLD's 4.3%. This is great news for the area as it signals local job growth and a healthy economy, particularly post COVID-19 recovery.

Median land price growth in Mackay LGA in the past 10 years (2012-2021) was +5.0%, modest compared to Whitsundays (22.1%) and Toowoomba LGA (32.3%). Between 2012 – 2021 median house price softened by -5.3% and median unit price softened by -21.5%, creating an affordable market for first home buyers. Toowoomba LGA market is strongly recovering from multiple natural disasters (Cyclone Debbie 2017, Cyclone Anthony 2011), with an uplift in median prices between 2020-2021; of 7.0% for house, 13.0% for land, and 23.1% for units.

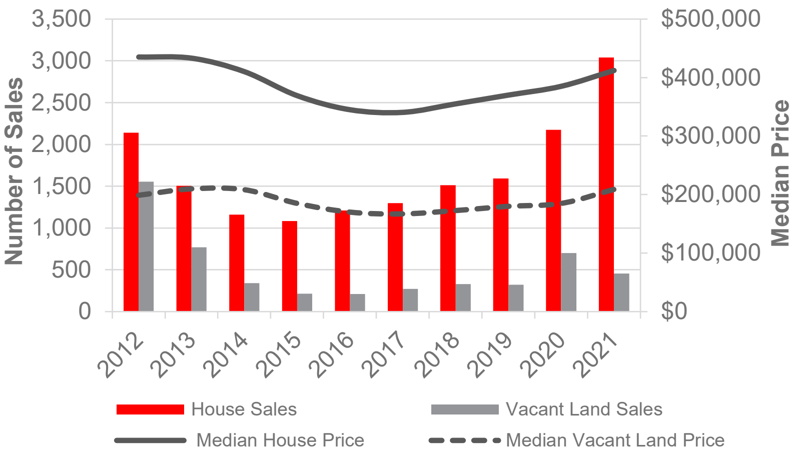
In December 2021, investors in Mackay LGA benefited from average rental yields of 5.9% for houses, which sits well above Brisbane Metro (3.4%). Units recorded an average rental yield of 6.4% over the same period. Vacancy rates were recorded at a low 0.8% in December 2021 and have trended within the 1.0% mark for 18 months, below that of Brisbane Metro (1.8%). Low vacancy rates coupled with high rental returns suggest rental market resilience in Mackay amidst COVID-19. With a median entry price that is much lower than Brisbane, first time investors are encouraged to take this opportunity to re-enter the market.

Mackay LGA is set to see an estimated $949.3M* of projects commence throughout 2022, with a large component of this being infrastructure and commercial developments. Combined, this will improve liveability and services for residents, create local jobs and stimulate the economy. There are 979 lots planned in 2022, ideal for first home buyers wanting to access multiple grants and build their home. There is still a need for ready-to-sell dwellings, an opportunity for down-sizers and developers.

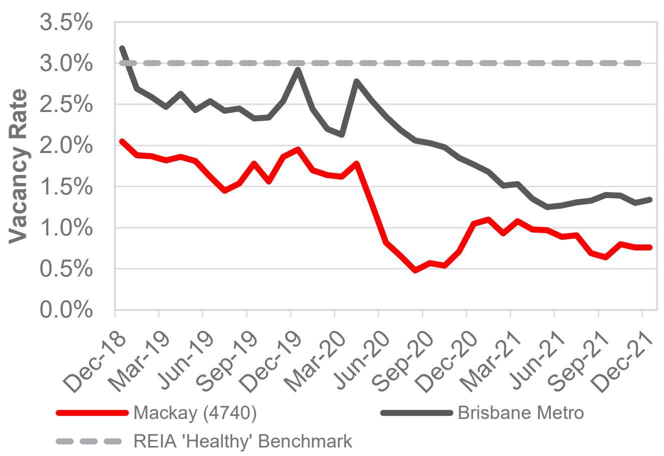
KEY FACTS

House median price (2021)	$412,000
Land median price (2021)	$209,000
Unit median price (2021)	$309,431
Vacancy rate (as of Dec-21)	0.8%
House rental yield (as of Dec-21)	5.9%
Unit rental yield (as of Dec-21)	6.4%
Estimated value of developments in 2022	$949,388,000
Total dwellings set to commence in 2022	979 lots 1 dwellings 240 units 22 townhouses
Unemployment rate (as of Sep Quarter 2021)	3.5%
5-year population growth (from ABS ERP 2020)	+0.6% (+684 residents)

AREA SALES & MEDIAN PRICE



VACANCY RATE



*Disclaimer: Estimated value is the value of construction costs as per provided by the relevant data authority, it does not reflect the project's sale/commercial value.
Source: APM Pricefinder, SQM Research, Cordell Database, Australian Bureau of Statistics, Australian Government Department of Jobs and Small Business.

TOP AFFORDABLE MAJOR REGIONAL AREA

UPPER HUNTER, NSW

The Upper Hunter LGA is a inland rural area west of Port Macquarie in NSW, which held an estimated population of 14,167 persons in 2020. With a local unemployment rate of 2.4% over the September quarter of 2021, well below the NSW average of 3.9%, Upper Hunter LGA highlights high economic resilience even throughout COVID-19.

Median property price growth in the Upper Hunter LGA over the past 10 years (2012-2021) has proven exceptionally strong for vacant land, with a growth of +48.6% over the period. Across the same decade, there has been +16.6% median house price growth and +18.5% median unit price growth, affirming the strength of the property market. Upper Hunter LGA's rural location has become more popular in 2020 and 2021, with a 36.7% annual and 62.8% 10yrs growth in house sales. Increasing prices in capital city and metro areas, and work from home capabilities during COVID-19 and beyond will ensure positive price growth into the future.

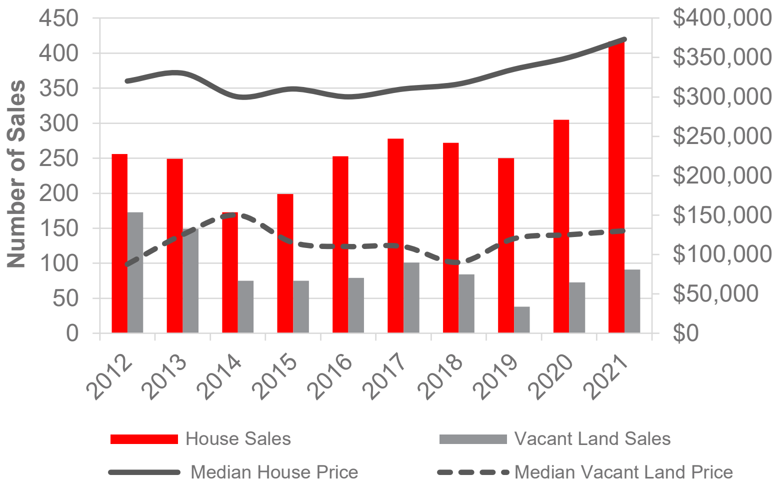
As of December 2021, Upper Hunter LGA investors benefited from an average rental yield of 6.1% for houses, which sits well above Sydney Metro's average house rental of just 2.2%. Units across Upper Hunter LGA recorded an average rental yield of 6.4% in December 2021, again well above Sydney Metro (3.5%). A very low vacancy rate of just 0.2% in December 2021 was also below Sydney Metro (3.5%), with Upper Hunter LGA historically having lower vacancy rates than Sydney Metro for the past three years. As an alternative investment perspective, Upper Hunter LGA is an attractive regional market due to its affordable pricing, higher rental returns and higher rental occupancy rates.

Upper Hunter LGA is set to see a total of $211.7M* in developments commence throughout 2022. Within this there is a limited estimated spend on residential projects of approximately $1.25M, which is set to add 5 units across the Upper Hunter LGA in 2022. An absence in residential development will result in continued upward pressure on property prices, thus buyers must act quickly to secure their property at current levels of affordability. Now is the time for the local government and developers to formulate a plan for new ready-to-sell stock.

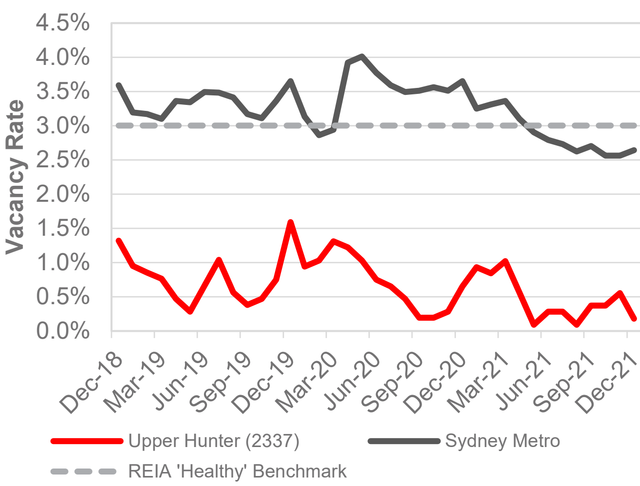
KEY FACTS

House median price (2021)	$373,000
Land median price (2021)	$130,000
Unit median price (2021)	$231,000
Vacancy rate (as of Dec-21)	0.2%
House rental yield (as of Dec-21)	6.1%
Unit rental yield (as of Dec-21)	6.4%
Estimated value of developments in 2022	$211,771,000
Total dwellings set to commence in 2022	5 Units
Unemployment rate (as of Sep Quarter 2021)	2.4%
5-year population growth (from ABS ERP 2020)	-1.2% (-177 residents)

AREA SALES & MEDIAN PRICE



VACANCY RATE



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Source: APM Pricefinder, SQM Research, Cordell Database, Australian Bureau of Statistics, Australian Government Department of Jobs and Small Business.

TOP AFFORDABLE MAJOR REGIONAL AREA

WAGGA WAGGA, NSW

Known as the ‘Garden City’ because of its beautiful parks, Wagga Wagga LGA is located at the halfway point between Melbourne and Sydney, a NSW town boasting an estimated population of 65,770 in 2020. In the September quarter of 2021, Wagga Wagga LGA recorded an unemployment rate of 2.5%, which sat well below the NSW’s 3.9% average for the same period.

Median price growth in the Wagga Wagga LGA has grown significantly from 2012-2021, with a median price growth of +45.4% for houses, +55.1% for vacant land and +23.8% for units. Median house price has grown particularly strong in the past 12 months (2020-2021), of +14.8%. Further, 2021 was also the strongest year for house sales in the past decade, with 1674 transactions occurring. There are real returns in capital investment, which will be sustained due to Wagga Wagga LGA being a major transport hub and increased movement to regional areas.

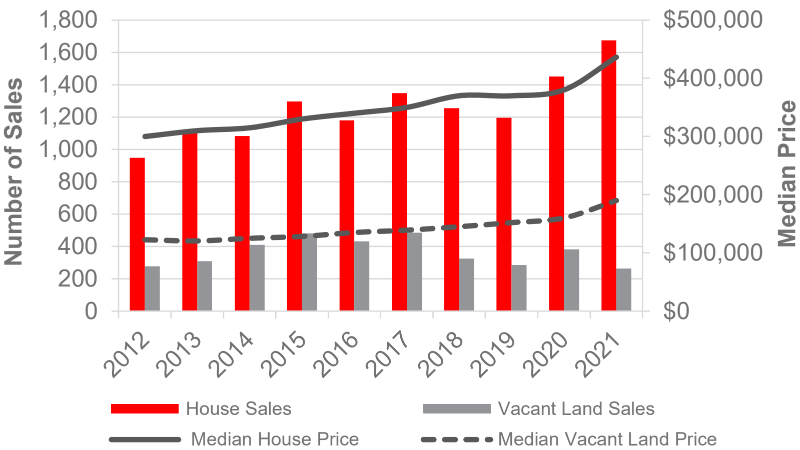
From an investment perspective, investors within Wagga Wagga LGA have benefitted from average rental returns of 4.0% for houses and 3.9% for units as of December 2021. These returns are well above those achieved in Sydney Metro (at 2.2% and 3.5% for houses and units respectively). Further, Wagga Wagga LGA recorded a very low vacancy rate of just 0.7% in December, with a declining trend in the past 3 years and being within the 1.0% mark for the past 12 months. This suggests that properties are occupied relatively quickly, minimising vacancy risk which is notably higher in Sydney Metro (2.6% for December 20121). Combined, an affordable entry price and superior returns highlight the comparative strength of Wagga Wagga LGA as an alternative market.

Wagga Wagga LGA is set to benefit from a total estimated development pipeline of $2.1B* across 2022. The majority of this is geared towards commercial projects ($1.9B) such as interstate energy connections and solar farms. Infrastructure projects ($1.0B), including redevelopments of main arterial roads and pipelines, will improve amenities for residents in the area. A total of 431 lots, 3 units, 15 dwellings and 8 townhouses will be added to the Wagga Wagga LGA market, which will assist with managing population growth and increasing property demand.

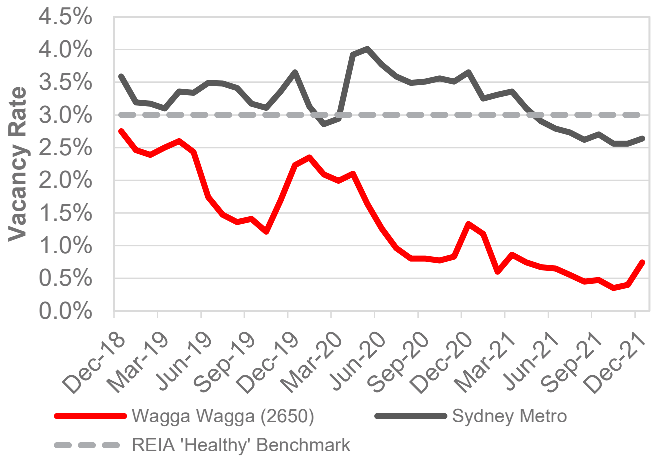
KEY FACTS

House median price (2021)	$436,250
Land median price (2021)	$190,000
Unit median price (2021)	$259,950
Vacancy rate (as of Dec-21)	0.7%
House rental yield (as of Dec-21)	4.0%
Unit rental yield (as of Dec-21)	3.9%
Estimated value of developments in 2022	$2,970,126,000
Total dwellings set to commence in 2022	431 lots 15 dwellings 8 townhouses 3 units
Unemployment rate (as of Sep Quarter 2021)	2.5%
5-year population growth (from ABS ERP 2020)	+2.9% (+1864 residents)

AREA SALES & MEDIAN PRICE



VACANCY RATE



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Source: APM Pricefinder, SQM Research, Cordell Database, Australian Bureau of Statistics, Australian Government Department of Jobs and Small Business.

TOP AFFORDABLE MAJOR REGIONAL AREA

GRIFFITH CITY, NSW

Griffith City LGA is located in the Riverina region of south-western NSW, about 450 kilometres north of Melbourne CBD, and 570 kilometres west of Sydney CBD. The LGA experienced a moderate 5-year population growth of +3.0% (799 residents) in 2020. Unemployment locally was recorded at a very low 1.9% for the September quarter of 2021, sitting far below the NSW state average benchmark of 4.6%.

Median property price growth in the Griffith City LGA over the past 10 years (2012-2021) has proven exceptionally strong for houses, with a growth of +77.5% over the period (+19.0% growth occurring in just the 12 months between 2020-2021). Across the same decade, there has been a +91.1% price growth in vacant land and +70.7% for units, thus affirming the strength of the entire property market. In addition, Griffith City LGA recorded 380 house sales in 2021, representing a 52.0% increase in the past 10yrs and 4.9% increase in the past 12 months. The market is expected to grow due to increased demand in the area.

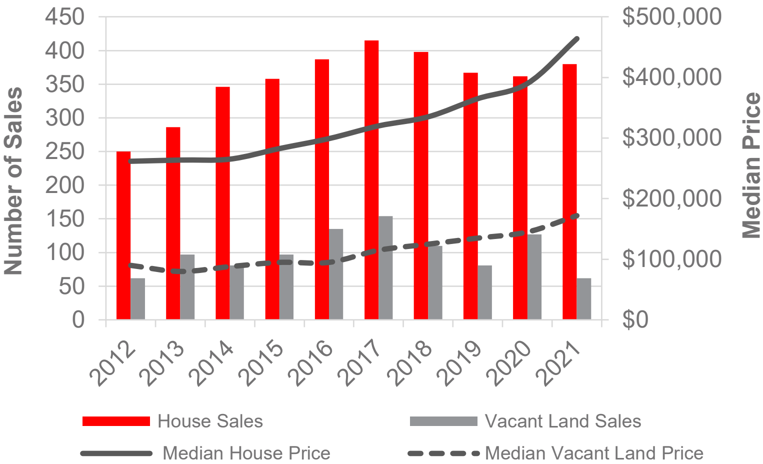
Investors in the Griffith City LGA have benefited from strong rental returns, averaging 3.9% for houses and 5.4% for units in December 2021. These levels are well above those achieved in Sydney Metro (at 2.2% and 3.5% for houses and units respectively). Griffith City LGA recorded significantly low vacancy rates of 0.7%, below Sydney Metro (2.6%) for the same period. Low vacancy rates combined with strong rental returns create the perfect environment for a thriving rental market in Griffith City LGA. With a much lower entry price compared to Sydney Metro, now is an ideal time for first-time investors to enter the market.

Throughout 2022, Griffith City LGA's development pipeline is estimated at $375.8M*, with a large component being infrastructure ($263.3M*) and commercial ($90.8M*) developments. Combined, this will improve liveability and services for residents, create local jobs and stimulate the economy. A total of 33 lots, 28 units, 57 dwellings, and 25 townhouses will be added to the Griffith City LGA market in 2022. This will answer current high demand for property and assist in managing increasing population in the area.

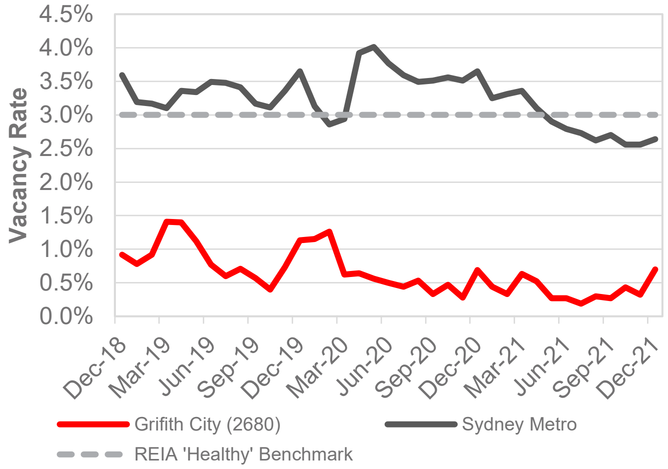
KEY FACTS

House median price (2021)	$464,250
Land median price (2021)	$172,000
Unit median price (2021)	$350,000
Vacancy rate (as of Dec-21)	0.7%
House rental yield (as of Dec-21)	3.9%
Unit rental yield (as of Dec-21)	5.4%
Estimated value of developments in 2022	$310,709,000
Total dwellings set to commence in 2022	28 lots 57 dwellings 25 townhouses 33 lots
Unemployment rate (as of Sep Quarter 2021)	2.0%
5-year population growth (from ABS ERP 2020)	+3.0% (+799 residents)

AREA SALES & MEDIAN PRICE



VACANCY RATE



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TOP AFFORDABLE MAJOR REGIONAL AREA

NORTHERN GRAMPIANS, VIC

Northern Grampians LGA is located in central west VIC, which held a population of approx. 11,403 persons in 2020. Northern Grampians LGA is known for its innovative growth and development, particularly in grain, sheep and viticulture. In the September quarter of 2021, Northern Grampians LGA recorded a low unemployment rate of 2.9%, sitting well below the VIC average state benchmark of 4.6%.

Over the past 10 years (2012-2021), Northern Grampians experienced exceptional median price surges for all property types; houses by +74.2%, vacant land by +312.5% and units by +100.9%. Strong median price growth was recorded in the vacant land market over the last year (2020-2021), increasing by +83.5%. 2021 was also the strongest year for vacant land sales in the past decade, with 89 sales occurring. House sales grew by 30.5% in the past decade and unit sales grew by 37.5%. Real returns in capital growth are evident in the area, as median price growth is alongside increased sales. Now is the time to transact.

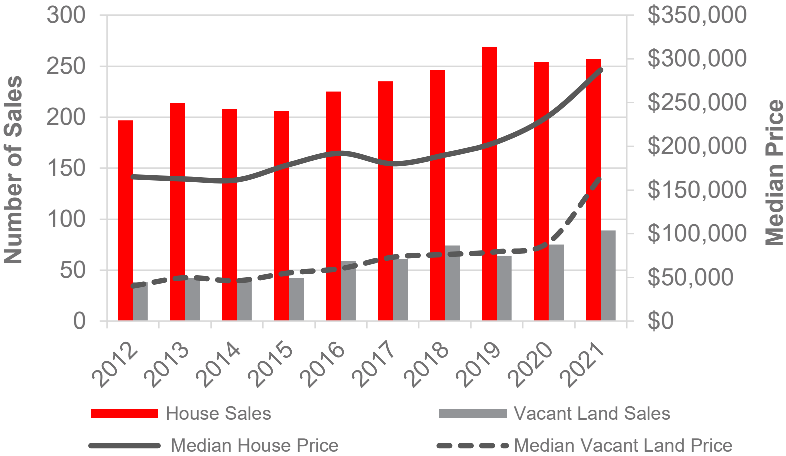
In December 2021, investors in Northern Grampians LGA benefited from average rental yields of 4.2% for houses, well above Melbourne Metro (2.6%). Units recorded an average rental yield of 3.3%. A very low vacancy rate of just 0.1% in December 2021 ensures that properties are occupied relatively quickly. With a historical vacancy rate band of within 0.5% in the past 24 months, this minimises vacancy risk which is notably higher in Melbourne Metro (at 3.2% for December 2021). Lower entry price and superior returns highlights Northern Grampians as a strong alternative area for investment.

Northern Grampians LGA is set to benefit from a total development pipeline of $387.1M* across 2022, with infrastructure development as a primary focus ($371.3M*). Infrastructure projects will create new jobs in pre and post construction phases and improve liveability for residents in the long term. A lack of residential development will result in continued upward pressure on property prices, suggesting buyers must act quickly to secure their property at current levels of affordability.

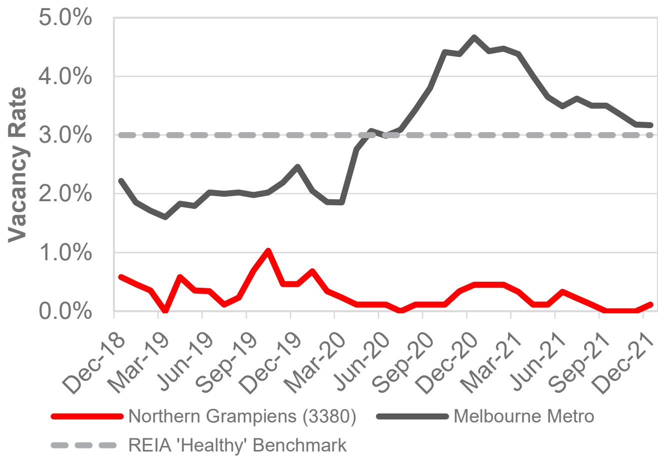
KEY FACTS

House median price (2021)	$287,500
Land median price (2021)	$165,000
Unit median price (2021)	$285,750
Vacancy rate (as of Dec-21)	0.1%
House rental yield (as of Dec-21)	4.2%
Unit rental yield (as of Dec-21)	3.3%
Estimated value of developments in 2022	$387,117,000
Total dwellings set to commence in 2022	N/A
Unemployment rate (as of Sep Quarter 2021)	2.9%
5-year population growth (from ABS ERP 2020)	-1.4% (-167 residents)

AREA SALES & MEDIAN PRICE



VACANCY RATE



*Disclaimer: Estimated value is the value of construction costs as per provided by the relevant data authority, it does not reflect the project's sale/commercial value.
Source: APM Pricefinder, SQM Research, Cordell Database, Australian Bureau of Statistics, Australian Government Department of Jobs and Small Business.

TOP AFFORDABLE MAJOR REGIONAL AREA

WODONGA, VIC

Wodonga City LGA is located on the Victorian/New South Wales border, about 300 kilometres north-east of Melbourne, and is Victoria's fastest growing regional city. Its close proximity to both Melbourne and Sydney provides a key advantage for commuters and those wishing to divide their home and work life. Wodonga City LGA experienced a 5-year population growth of 6.4% (+2,562 residents) in 2020 and has a low unemployment rate of 2.3%, sitting well below VIC's average of 4.6%.

Between 2012-2021, Wodonga City LGA has shown an extraordinary level of price growth in its housing market, up by +73.1%. In addition, vacant land and unit median price growth between 2012-2021 was +56.7% and +52.3% respectively, indicating a strong property market as a whole. Owner-occupiers and down-sizers will welcome this news, particularly those looking to sell. There were 903 house sales in 2021, representing 83.0% growth in the past decade and 20.7% in the past 12 months.

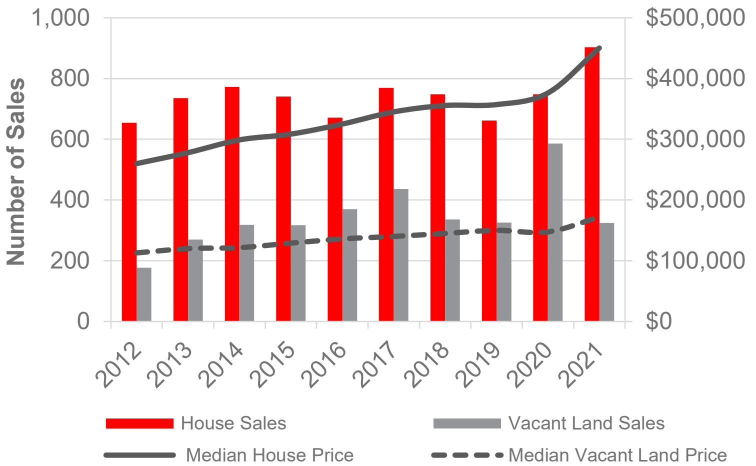
From an investment perspective, investors within the Wodonga City LGA have yielded average rental returns of 4.7% for houses and 5.1% for units as of December 2021. These averages are well above those achieved in Melbourne Metro (2.6% and 3.9% for houses and units respectively). A very low vacancy rate of just 0.3% in December 2021, and always within the 0.5% mark in the past 18 months, ensures rental properties are occupied relatively quickly. This minimises vacancy risk which is notably higher in Melbourne Metro (at 3.2% in December 2021). First time investors wishing for greater returns and security of cashflow may wish to look into top regional markets such as Wodonga City LGA.

Wodonga City LGA is set to benefit from a total estimated development pipeline of $303.5M*. Most of this is geared towards infrastructure projects ($260.2M*). This is great news for residents, as they will benefit from improved amenities in the local area. Additionally, infrastructure development will stimulate economic growth through creating jobs pre and post construction. A total of 7 dwellings, 20 townhouses and 18 units will be added to Wodonga City LGA, catering for high property demand. That said, there is still room for new ready-to-sell stock.

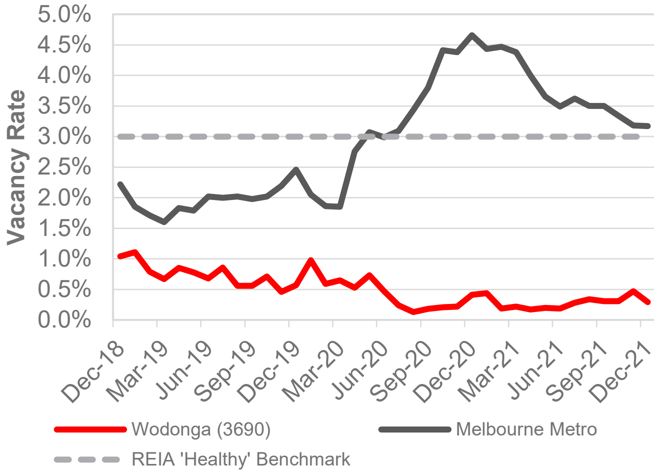
KEY FACTS

House median price (2021)	$450,000
Land median price (2021)	$172,000
Unit median price (2021)	$288,250
Vacancy rate (as of Dec-21)	0.3%
House rental yield (as of Dec-21)	4.7%
Unit rental yield (as of Dec-21)	5.1%
Estimated value of developments in 2022	$303,574,000
Total dwellings set to commence in 2022	18 units 20 townhouses 7 dwellings
Unemployment rate (as of Sep Quarter 2021)	2.3%
5-year population growth (from ABS ERP 2020)	+6.4% (+2562 residents)

AREA SALES & MEDIAN PRICE



VACANCY RATE



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TOP AFFORDABLE MAJOR REGIONAL AREA

GREATER BENDIGO, VIC

Greater Bendigo LGA is an inland region located in the central part of VIC, acclaimed as the State's third largest economy. Greater Bendigo LGA is also considered a service and infrastructure centre for north central VIC. Greater Bendigo LGA has experienced a 5-year population growth of 6.9% to (+7713 residents) 2020. In the September quarter of 2021 Greater Bendigo saw an unemployment rate of 3.9%, sitting below VIC's average of 4.6%. This is great news for the area as it signals local job growth and a healthy economy post COVID-19 restrictions.

Over the past 10 years (2012-2021) Greater Bendigo LGA experienced strong median price growth for all property types; houses by +76.9%, vacant land +73.0% and units by +67.1%. In addition, both houses and units recorded peak number of sales within the decade, at 2542 sales and 450 sales respectively, highlighting strong demand. Real returns in capital investment are evident in Greater Bendigo LGA, as price growth is alongside higher number of sales – both for over the decade (2012-2021) and in the past 12 months. Now is in ideal time for owner-occupiers and down-sizers to transact.

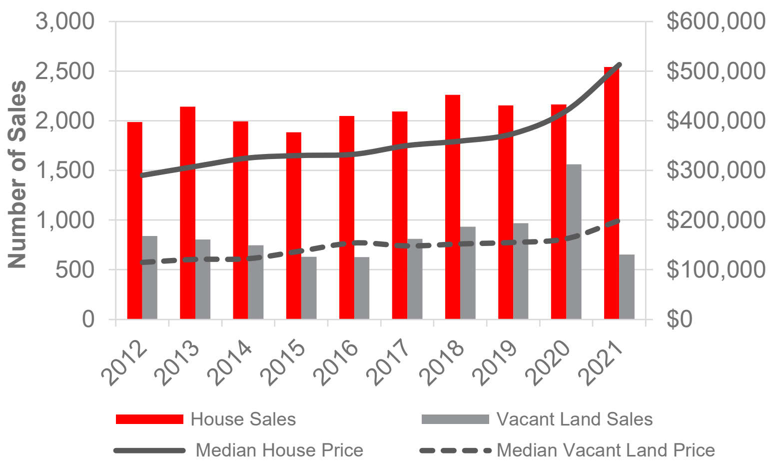
In December 2021, investors in Greater Bendigo LGA benefited from average house rental yields of 3.9%, which sits well above Melbourne Metro (2.6%). Units recorded an average rental yield of 5.7% over the same period, sitting above Melbourne Metro (3.9%). Greater Bendigo LGA's vacancy rates were recorded at a low 1.6% in December 2021, below Melbourne Metro (3.2%) for the same period. Vacancy rates in Greater Bendigo LGA have trended below the 2.0% mark in the past 18 months, thus further minimising vacancy risks.

Greater Bendigo LGA is set to see a total of $1.1B* worth of project development commence throughout 2022, with a predominant focus on commercial projects ($778.2M*). A key focus on commercial projects signals new businesses, local jobs, and economic growth. Greater Bendigo LGA will see a total of 1,457 lots, 128 dwellings, 87 units and 18 townhouses added to the market. This is key as Greater Bendigo LGA is one of the fastest growing regions in VIC. Multiple vacant lots will allow first home buyers to access multiple government grants and build.

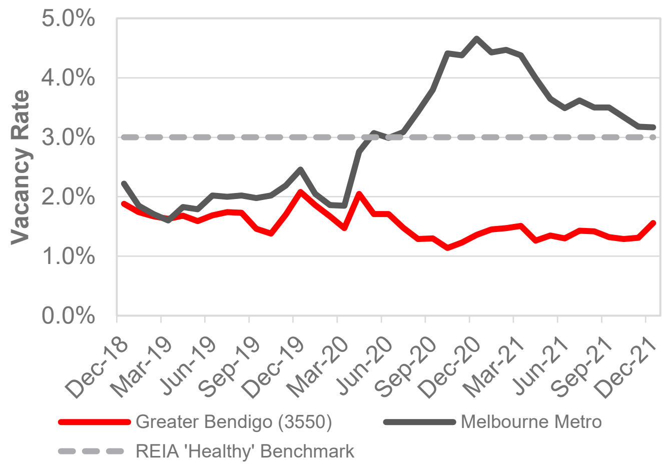
KEY FACTS

House median price (2021)	$510,000
Land median price (2021)	$199,000
Unit median price (2021)	$368,000
Vacancy rate (as of Dec-21)	1.6%
House rental yield (as of Dec-21)	3.9%
Unit rental yield (as of Dec-21)	5.7%
Estimated value of developments in 2022	$1,152,544,000
Total dwellings set to commence in 2022	1,457 lots 128 dwellings 18 townhouses 87 units
Unemployment rate (as of Sep Quarter 2021)	3.9%
5-year population growth (from ABS ERP 2020)	+6.9% (+7713 residents)

AREA SALES & MEDIAN PRICE



VACANCY RATE



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TOP AFFORDABLE MAJOR REGIONAL AREA

CENTRAL HIGHLANDS, TAS

Central Highlands is a rural LGA and held a population of 2,166 persons in 2020. The Central Highlands boasts glorious scenery and dramatic built heritage dating back to the early 19th century. In the September quarter of 2021, Central Highlands saw unemployment of 3.5%, sitting below TAS's state average of 3.8% for the same period.

Between 2012-2021 Central Highlands LGA recorded significant median house price growth, up by +85.2% over the period. Additionally, median land price grew by +21.4%. House sales volume sat at the peak for the decade in 2021, at 109 sales. This represents a 62.7% increase between 2012-2021 and a 9.0% between 2020-2021. Homeowners will welcome this news, particularly those looking to sell and achieve final sale prices closer to their expectations. As strong level of demand and higher prices in metropolitan areas of TAS push buyers further out, regional areas of the State such as Central Highlands LGA are set to benefit.

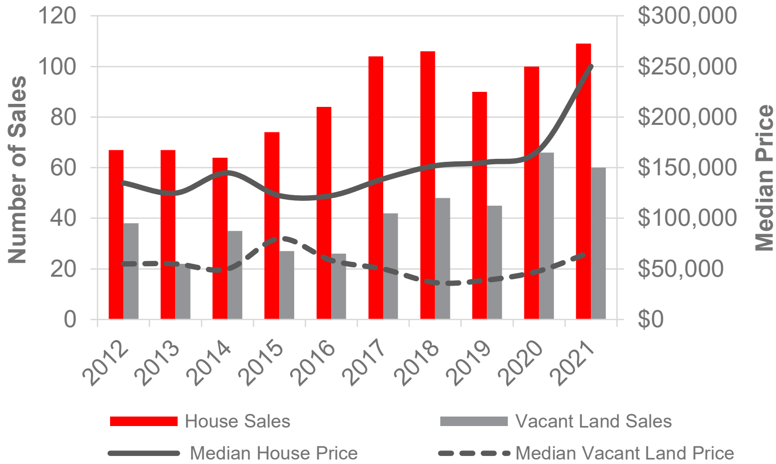
As of December 2021, Central Highlands LGA recorded an average house rental yield of 4.2%, marginally above Hobart Metro (4.1% for the same period). The LGA recorded an average unit yield of 6.6%, but due to the very limited number of rental units in the area it is not comparable to Hobart Metro's average unit yield of 4.0%. Central Highlands LGA recorded an extremely low vacancy rate of just 0.3%, on par with Hobart Metro (0.3%). Further, vacancy rates in Central Highlands LGA has trended below Hobart Metro's in the past 3 years. With a much lower median price level compared to Hobart Metro, solid rental returns and low vacancy rates, Central Highlands is attractive for first time investors.

Throughout 2022, Central Highlands LGA's development pipeline is estimated at $15.2M*, with a predominant focus on infrastructure development. This is ideal for Central Highland LGA, as it indicates new businesses and upgraded services. Infrastructure projects will improve liveability for residents and create new jobs during the construction phase. With no new dwellings set to commence in 2022, the property market can only rely on current owners selling. Buyers must act quickly to secure their property at current levels of affordability.

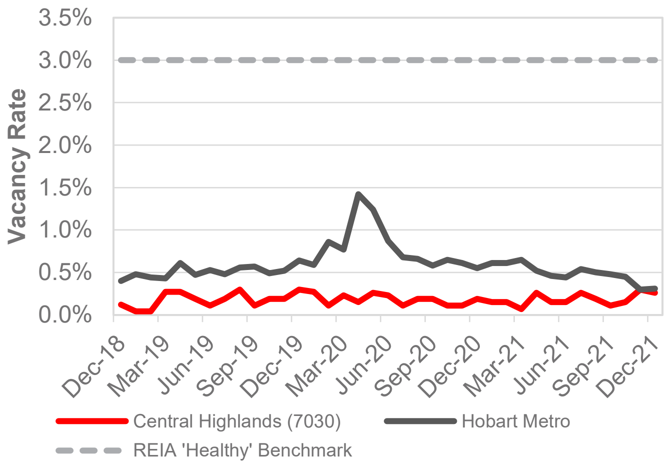
KEY FACTS

House median price (2021)	$250,000
Land median price (2021)	$66,775
Unit median price (2021)	$180,000
Vacancy rate (as of Dec-21)	0.3%
House rental yield (as of Dec-21)	4.2%
Unit rental yield (as of Dec-21)	6.6%
Estimated value of developments in 2022	$15,246,000
Total dwellings set to commence in 2021	0 lots 0 dwellings
Unemployment rate (as of Sep Quarter 2021)	3.5%
5-year population growth (from ABS ERP 2020)	-0.1% (-3 residents)

AREA SALES & MEDIAN PRICE



VACANCY RATE



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ABOUT PRD RESEARCH

PRD Research Division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions.

As the first and only truly knowledge based property services company,

PRD shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis.

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customized products.

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.

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

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