



Wagga Wagga Market Update 1st Half 2022



OVERVIEW

In Q1 2022, Wagga Wagga* recorded a median house price of \$630,000, and a median unit price of \$361,000. This represents annual (Q1 2021 – Q1 2022) median price growth of 31.3% for houses and 57.0% for units. Total sales slowed between Q1 2021 – Q1 2022, by -46.0% (to 27 sales) for houses and by -5.9% (to 16 sales) for units. Owner occupiers can benefit from real returns on capital investment, as median price growth has been fuelled by high demand and lower stock levels. The market is undersupplied, creating an opportunity for developers who are able to create ready-to-sell stock.

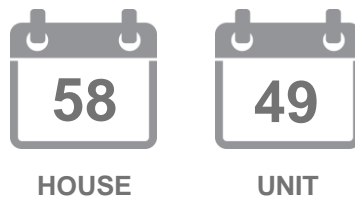
	CHANGE FROM LAST	YEAR	HALF YEAR
			
House Sales		↓	↓
House Median Price		↑	↑
House Rental Price		↑	↑
			
Unit Sales		↓	↓
Unit Median Price		↑	↓
Unit Rental Price		↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2022



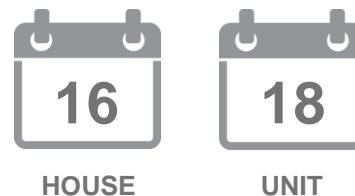
SALES AVERAGE DAYS ON MARKET Q1 2022



RENTAL MEDIAN PRICE Q1 2022

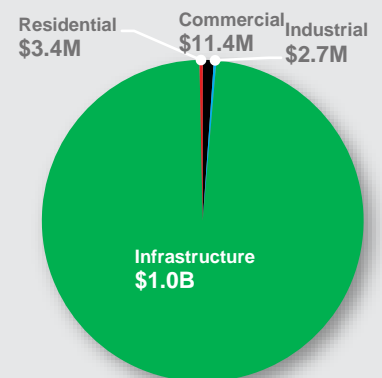


RENTAL AVERAGE DAYS ON MARKET Q1 2022



FUTURE DEVELOPMENTS

Wagga Wagga is set to see approximately **\$1.0B** worth of new projects commencing in the 1st half of 2022.



A key focus on infrastructure projects will create large employment opportunities during the construction phase and can attract more people into the area. This has the potential of creating more demand for real estate.

The primary infrastructure project planned in the 1st half of 22 is the large scale re-development of 3 key defence training bases located in the Riverina Murray Region of NSW & VIC (\$1.0B). Infrastructure projects will improve liveability for residents and create new jobs during the construction phase.

A key commercial development planned for the 1st half of 2022 is the Edward Street Health Services Facility (\$7.0M) and a key industrial project is Nagle Street East Self Storage Units (\$1.2M).

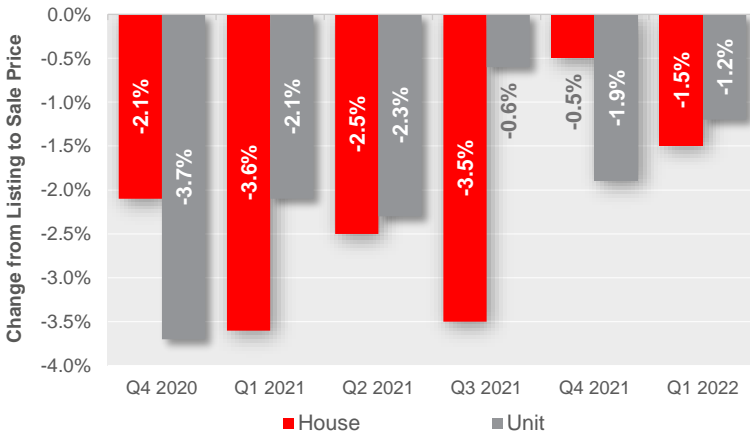
The Trail Street Townhouses (8 townhouses, \$3.3M) will provide new stock to buyers. That said due to the current undersupply of ready-to-sell stock in the market there are still opportunities for developers.



8
Townhouses

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.

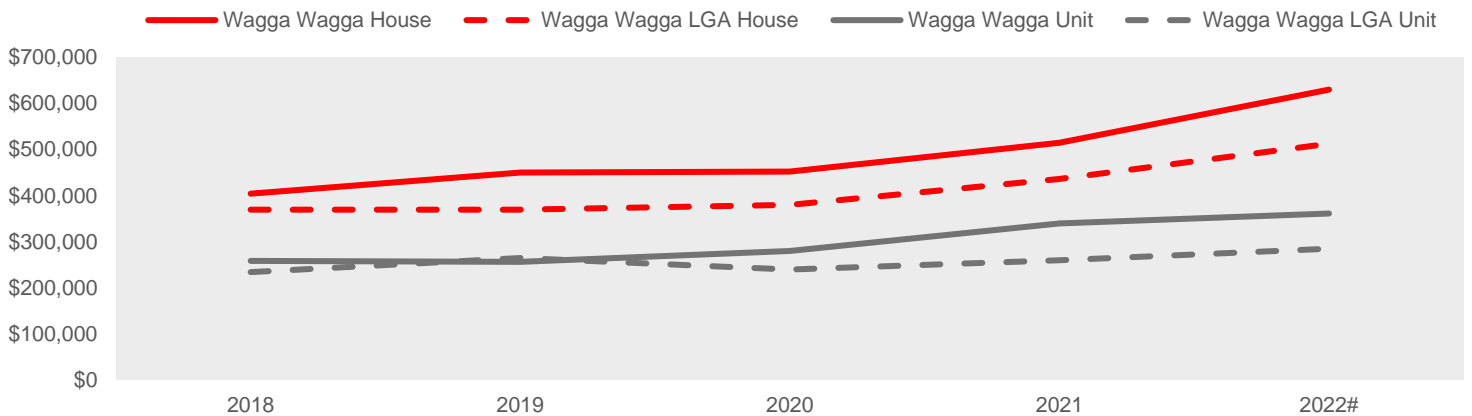


Average vendor discounts between Q1 2021 and Q1 2022 have tightened for both property types, to -1.5% for houses and -1.2% for units. Market conditions in Wagga Wagga* have now shifted closer to the vendors asking price, where buyers need to offer closer to the first listing price to secure their property.

The suburb of Wagga Wagga has outperformed the wider Wagga Wagga Local Government Area (LGA) in both house and unit median prices for the past 5 years. This continued to be the case in 2021/22^.

The dominant proportion of homes sold in Wagga Wagga* across 2021/22^ were in the premium price point of \$700,000 and above (25.9%). Units recorded a lower-middle dominant price point of \$300,000-\$399,999K (39.8%), with a very small premium market. There is a healthy balance of price points available in the house market, and a higher availability of affordable options for units. This is good news for buyers, but with the market being undersupplied this can shift quickly.

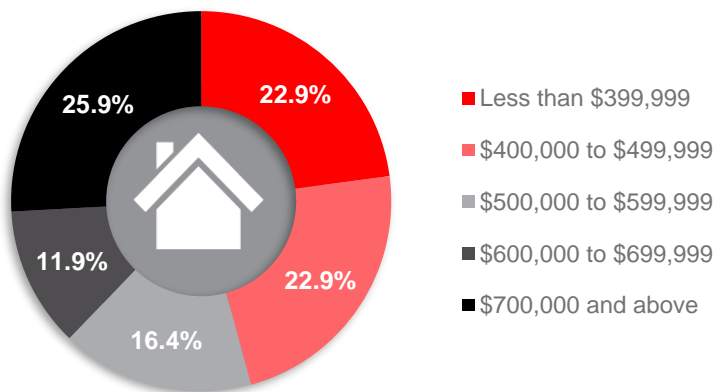
MARKET COMPARISON



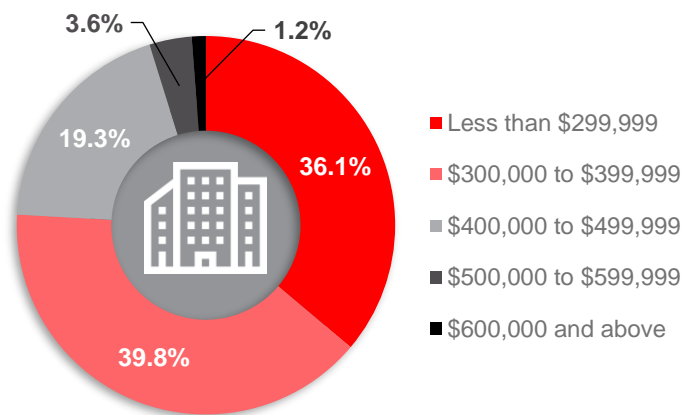
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Wagga Wagga.

PRICE BREAKDOWN 2021/22^

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2022€

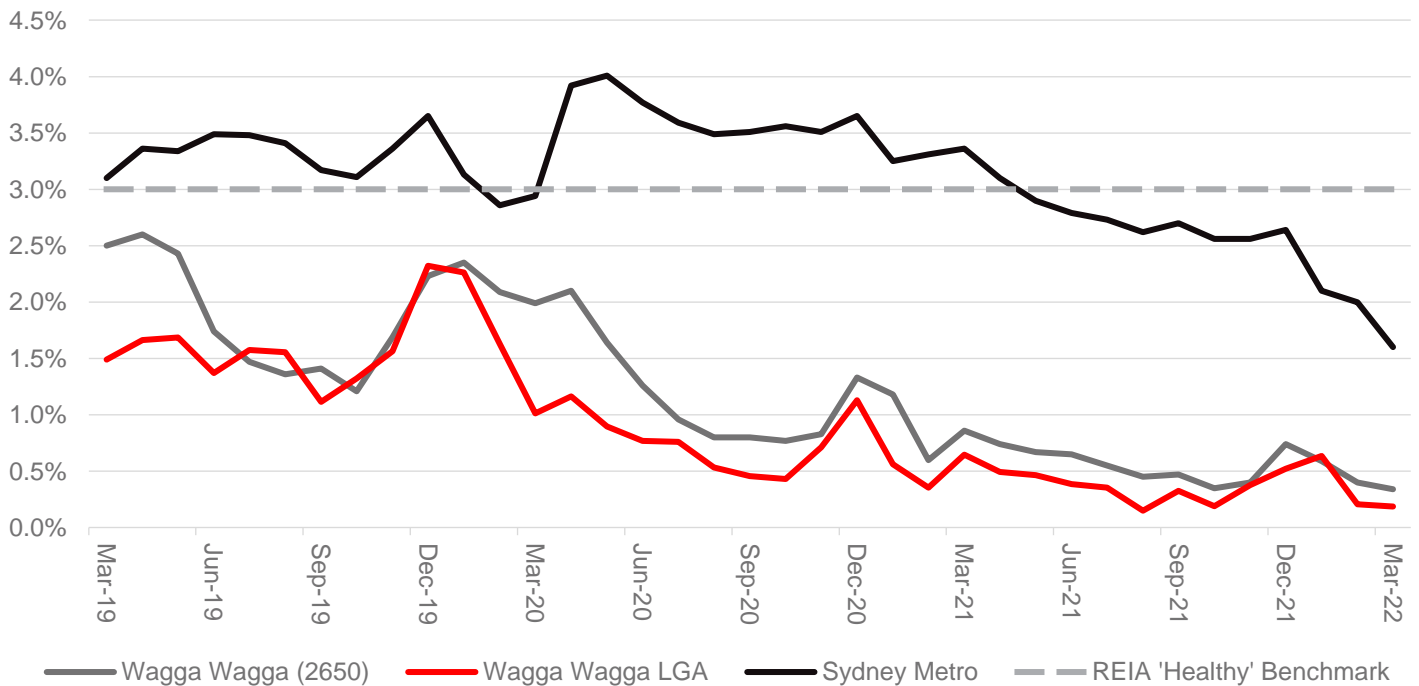
House rental yields in Wagga Wagga* sat at an attractive rate of 4.2% in March 2022, significantly above Sydney Metro (2.3%). With a lower entry price compared to Sydney Metro this is great news for investors, particularly as demand for rental properties have increased, with average days on market declining by -33.3% to 16 days in the past 12 months to Q1 2022.

3 bedroom units have provided investors with +12.8% rental growth annually, achieving a median rent of \$440 per week.

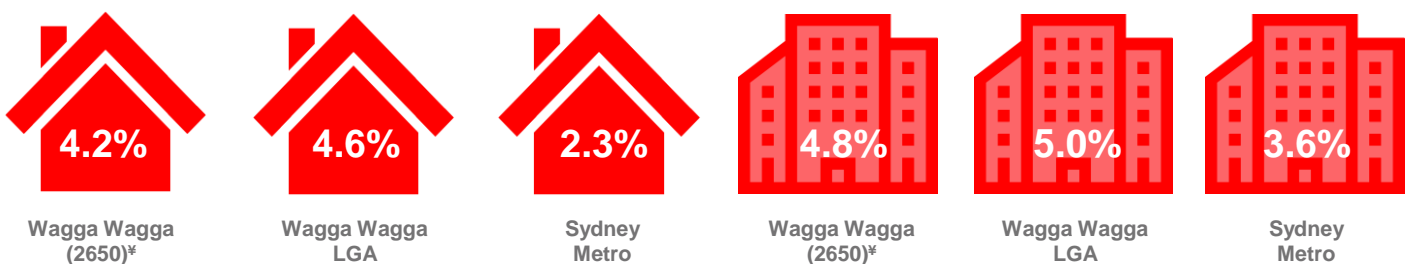
Wagga Wagga* recorded a vacancy rate of 0.3% in March 2022, slightly above Wagga Wagga LGA (0.2%) but well below Sydney Metro (1.6%). Vacancy rates in Wagga Wagga have continued to decline in the past 12 months, to the lowest recorded for the past 3 years. This indicates increased rental demand coupled with limited supply in the market. Vacancy rates in Wagga Wagga have consistently trended under the Real Estate of Australia's healthy benchmark of 3.0%, even throughout COVID-19, indicating a sustainable investment environment for investors.



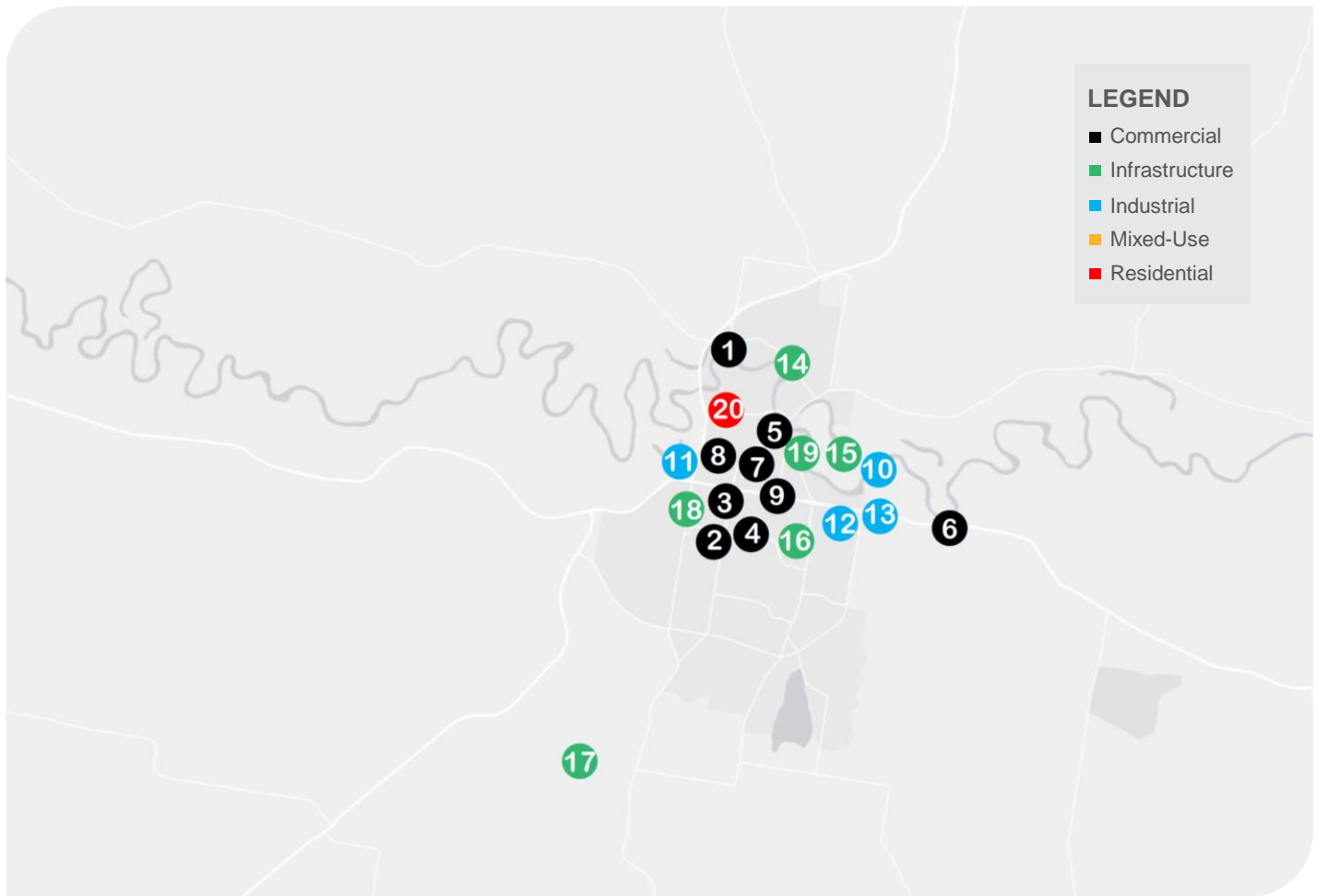
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022§



TOP DEVELOPMENTS MAP 1st HALF 2022[▲]



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Charles Sturt University Wagga Campus	Commercial	\$209,000.00	30/01/2022
2	Edward Stuart Health Services Facility	Commercial	\$7,041,000.00	14/04/2022
3	Lewisham Avenue Health Services Facility	Commercial	\$400,000.00	23/04/2022
4	Artc Network Control Centre South	Commercial	\$400,000.00	17/03/2022
5	Mantra Pavilion Hotel	Commercial	\$450,000.00	09/03/2022
6	Intersales	Commercial	\$850,000.00	25/04/2022
7	Active Physiotherapy	Commercial	\$850,000.00	12/05/2022
8	Edward Street & Gormly Avenue Medical Centre	Commercial	\$700,000.00	22/05/2022
9	Baylis Street Commercial Premises	Commercial	\$500,000.00	21/06/2022
10	Hammond Avenue East Warehouse	Industrial	\$450,000.00	16/06/2022
11	Edward Street Hardware & Building Supplies	Industrial	\$700,000.00	02/05/2022
12	Nagle Street East Self Storage Units	Industrial	\$1,200,000.00	02/05/2022
13	Hammond Avenue East Hardware & Building Supplies	Industrial	\$300,000.00	24/04/2022
14	Active Travel Plan Cycleway	Infrastructure	\$450,000.00	09/05/2022
15	Riverina Water Operations Office	Infrastructure	\$450,000.00	25/05/2022
16	Coleman Street Office	Infrastructure	\$450,000.00	22/06/2022
17	Dunns Road Upgrade Phase 1	Infrastructure	\$4,000,000.00	21/02/2022
18	Dobney Avenue & Pearson Street Rehabilitation	Infrastructure	\$5,600,000.00	23/05/2022
19	Riverina Redevelopment Program (RRP)	Infrastructure	\$1,000,000,000.00	21/02/2022
20	Trail Street Townhouses (8 Townhouses)	Residential	\$3,367,000.00	10/04/2022

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

* Wagga Wagga market data and key indicators encapsulates aggregate property market conditions within the suburbs of 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.

2022 encapsulates sales transactions for Q1 2022 (01/01/2022 – 31/03/2022) only.

^ 2021/22 encapsulates sales transactions for 2021 & Q1 2022 (01/01/2021 – 31/03/2022).

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/03/2021) and 2022 (01/01/2022 – 31/03/2022) 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 March 2022.

⌘ 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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