



# Nagambie Market Update

## 1st Half 2022



### OVERVIEW

In Q1 2022, Nagambie\*, which in this report encapsulate Nagambie, Avenel, Murchison, Kirwans Bridge; recorded a median house price of \$522,000, and a median land price of \$265,500. This represents annual (Q1 2021 – Q1 2022) median price growth of 9.3% for houses and 29.5% for land. Total house sales increased between Q1 2021 – Q1 2022, by 8.3% (to 26 sales), but declined for land, by -15.4% (to 22 sales). There is real returns to capital investment for houses, as price growth is alongside higher sales volume. The land market is undersupplied, an opportunity for land-owners to benefit from their investment.

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

### MARKET CONDITIONS

#### SALES MEDIAN PRICE Q1 2022



#### SALES AVERAGE DAYS ON MARKET Q1 2022



#### RENTAL MEDIAN PRICE Q1 2022

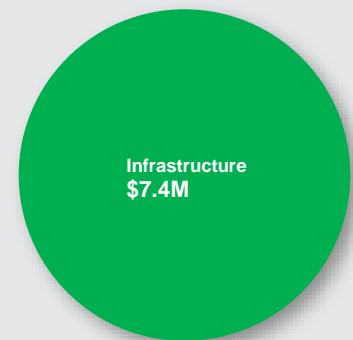


#### RENTAL AVERAGE DAYS ON MARKET Q1 2022



### FUTURE DEVELOPMENTS

Nagambie\* will see approximately **\$7.4M** worth of new projects commencing in 2022.



Infrastructure projects will improve liveability for current residents have the potential of new local jobs during and post construction phase. The absence of residential projects, especially new land lots is concerning, as there is high demand in the market. Higher land prices is a possibility, which may prove a challenge to local first home buyers.

Nagambie Foreshore Pathway will construct an accessible 1.6km foreshore walk as a pedestrian link between Nagambie Regatta Centre & the rest of Nagambie Community through the Nagambie lakes south shoreline. Rushworth Murchison (Waranga) Trail Project works to include construction of a trail from Rushworth to the shire boundary in Murchison, which will follow the former rail line.

Both of these projects will improve liveability for current residents.

Exciting infrastructure that holds a potential for jobs post-construction include Nagambie Waterway Solar Pump Station, which will upgrade the current stations.

There are no new property stock on the horizon for Nagambie and its surrounding areas, a concern for 2022 onwards. This is especially for those wanting to purchase vacant land and build a home.

# 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.

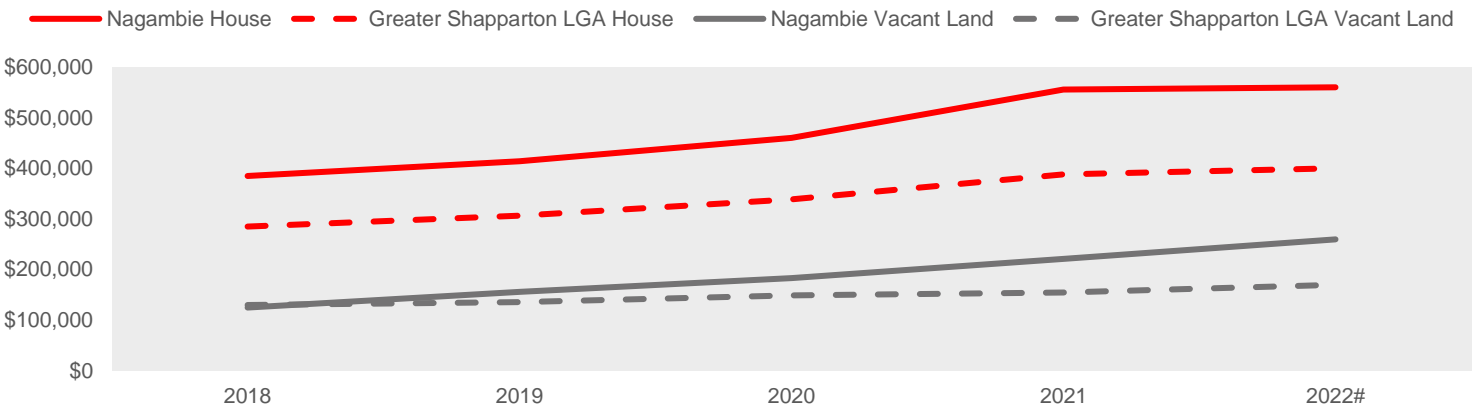
Average vendor discount between Q1 2021 and Q1 2022 have widened for houses, from -2.1% to -3.0%. This suggests sellers are willing to negotiate below their initial listing price. The land market saw a tightening in average vendor discount during the same time period, from -4.5% to -3.1%. Land buyers need to offer closer to the first list price to secure their property.



The suburb of Nagambie has historically outperformed the Greater Shepparton Local Government Area (LGA) in both house and land median prices. This has continued in 2022#, with vacant land trending towards a premium market and hitting historical high sale prices.

The dominant proportion of homes sold in Nagambie\* across 2021/22^ were in the premium price point of \$550,000 and above (39.6%). Vacant land sees a dominance in the middle-price bracket, of 39.1%. There is a growing premium market for vacant land, due to an undersupply. Affordable options are shrinking.

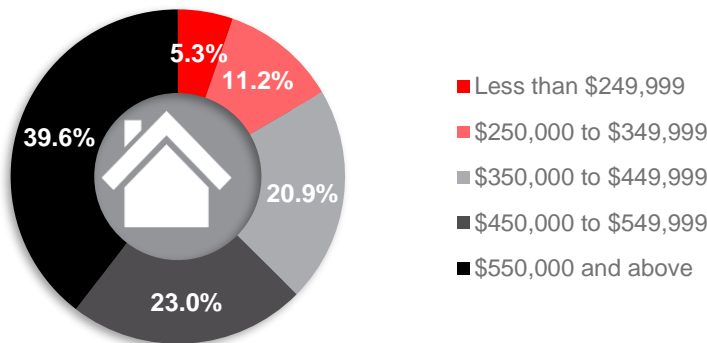
## MARKET COMPARISON



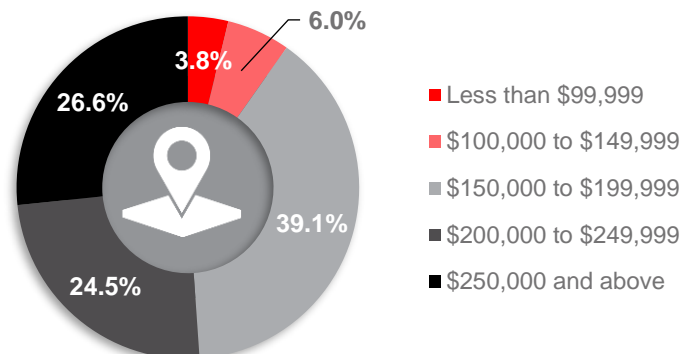
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main areas profiled are chosen based on their proximity to the main suburb analysed, which is Nagambie.

## PRICE BREAKDOWN 2021/22^

### HOUSES SOLD



### VACANT LAND SOLD



## RENTAL GROWTH 2022€

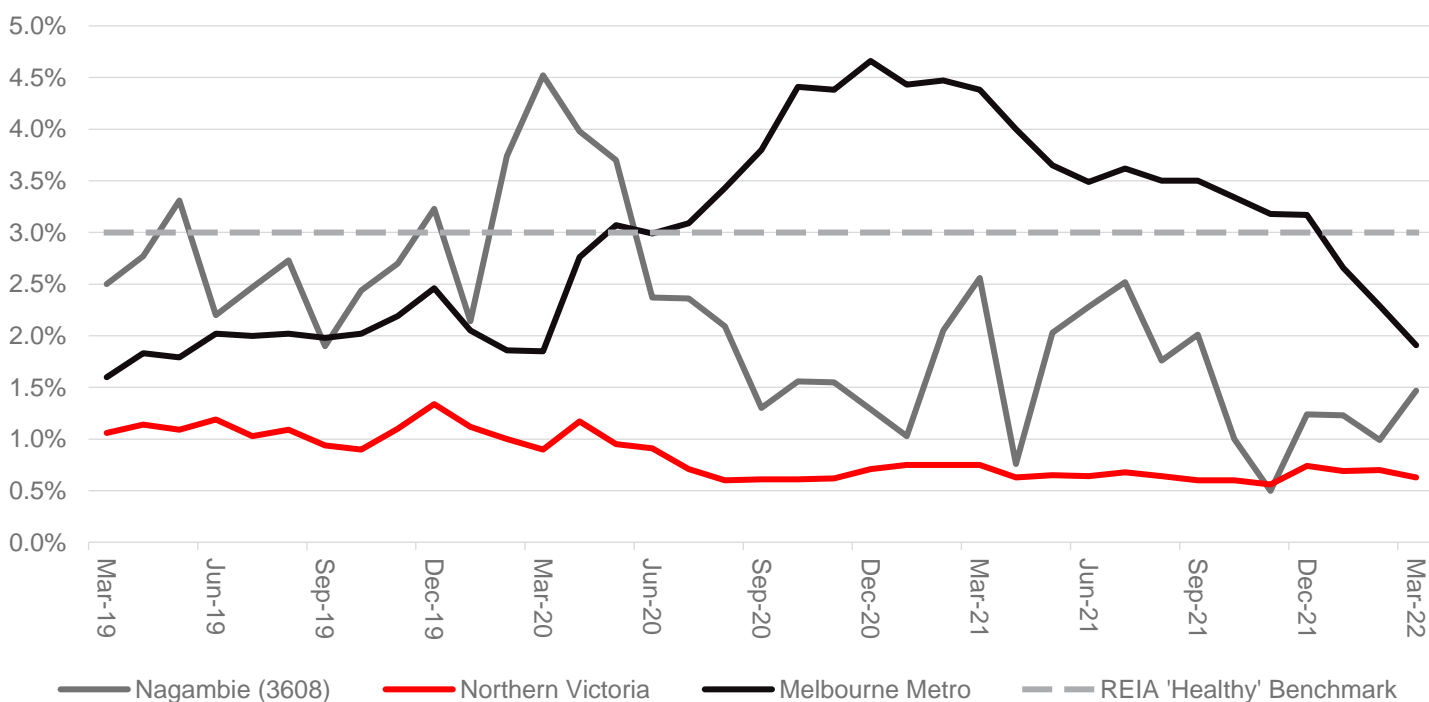
House rental yields in Nagambie\* (postcode 3608) recorded an attractive rate of 4.0% in March 2022, above Northern Victoria (3.8%) and Melbourne Metro (2.4%). With a lower entry price compared to Melbourne Metro, this is ideal for investors - particularly as median house rental price have increased by 4.7% to \$335, due to an undersupply of rental stock.

2 bedroom houses have provided investors with +14.3% rental growth annually, achieving a median rent of \$320 per week.

Nagambie\* (postcode 3608) recorded a vacancy rate of 1.5% in March 2022, above Northern Victoria (0.6%) but lower than Melbourne Metro (1.9%). Vacancy rates in Nagambie\* have fluctuated over the past 12 months, due to a smaller rental market than other regional areas. That said vacancy rates in Nagambie\* have remained below the Real Estate Institute of Australia's healthy benchmark of 3.0% for the past 18 months and under 2.0% for the past 6 months. These key indicators create a conducive environment for investors, however longer leases will safeguard against fluctuations in the market.



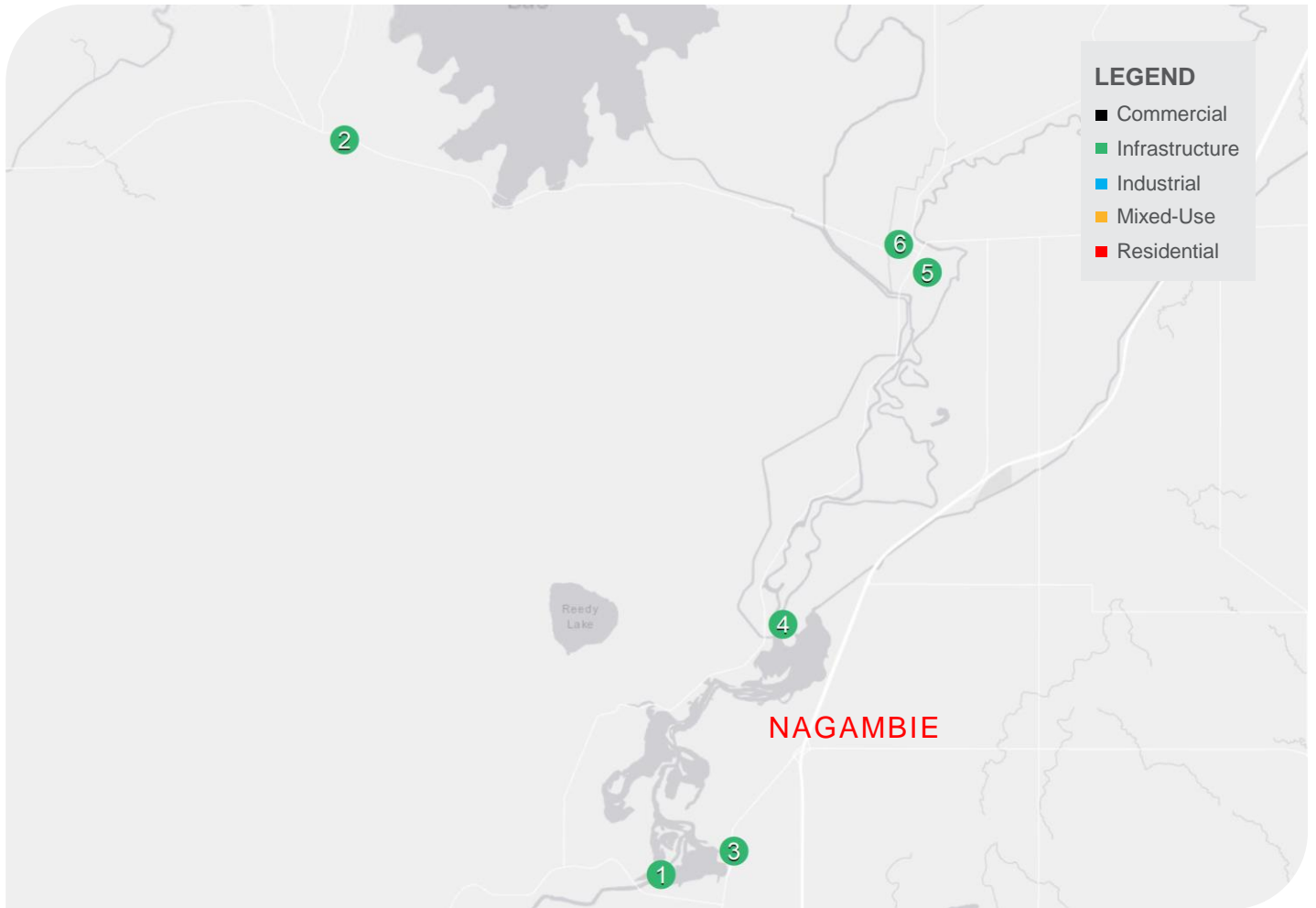
## RENTAL VACANCY RATES 2022



## RENTAL YIELD 2022§



# TOP DEVELOPMENTS MAP 2022<sup>A</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Commence Date <sup>ψ</sup>
1	Nagambie Foreshore Pathway	Infrastructure	\$3,800,000	17/02/2022
2	Rushworth Murchison (Waranga) Trail Project	Infrastructure	\$2,000,000	27/06/2022
3	Nagambie Waterway Solar Pump Stations	Infrastructure	\$450,000	11/03/2022
4	Cattanach Canal Offtake	Infrastructure	\$400,000	10/01/2022
5	Murchison Rail Trail Bridge Stage 1	Infrastructure	\$400,000	18/08/2022
6	Murchison Shed	Infrastructure	\$300,000	22/03/2022

## 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

\*Nagambie market data and key indicators encapsulates aggregate property market conditions within the suburbs of Nagambie, Avenel, Murchison, Kirwans Bridge

\*\* 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.

¥ Nagambie market data encapsulates aggregate property conditions within the postcode of 3608.

§ 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 postcodes of 3608,3612 and 3610

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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