



# Albury Market Update 2<sup>nd</sup> Half 2022



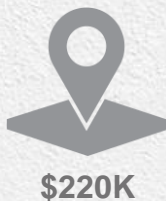
## OVERVIEW

In Q2 2022, Albury\* recorded a median house price of \$520,000, and a median vacant land price of \$220,000. This represents annual (Q2 2021 – Q2 2022) median price growth of 22.4% for houses and 37.5% for vacant land. Total sales decreased between Q2 2021 – Q2 2022, by -21.5% (to 263 sales) for houses and by -74.4% (to 30 sales) for vacant land. Strong demand have quickly absorbed new listings, thus creating an undersupplied market. Now is an ideal time for owners and down-sizers to capitalise on their investment. The imbalance in demand and supply can provide a buffer against cash rate hikes.

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

## MARKET CONDITIONS

SALES MEDIAN PRICE  
Q2 2022



SALES AVERAGE DAYS ON  
MARKET Q2 2022



RENTAL MEDIAN PRICE  
Q2 2022

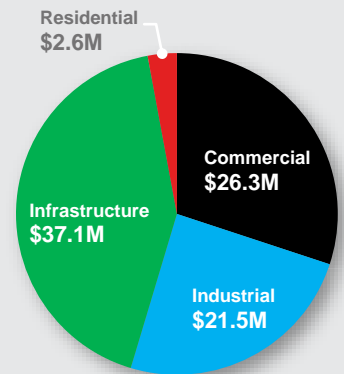


RENTAL AVERAGE DAYS ON  
MARKET Q2 2022



## FUTURE DEVELOPMENTS

Albury\* is set to see approximately **\$87.4M** worth of new projects commencing in the 2<sup>nd</sup> half of 2022.



These projects will stimulate economic growth and create large employment opportunities in Albury. This will have a spill-over impact on the real estate market, in the form of higher demand for properties.

Albury - Wodonga Base Hospital Emergency Department Expansion (\$29.3M) is a key infrastructure project that improves liveability for current residents, and create local jobs in the area.

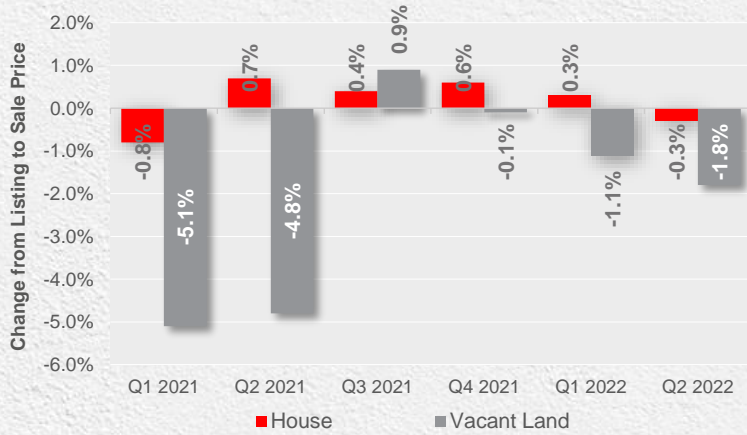
A main commercial project in the 2<sup>nd</sup> half of 2022 is Table Top Road & Lindisfarne Court Self Contained Dwellings (\$8.4M). The project is set to propose construction of 31 single storey detached self contained dwellings in Stage 9.

110 Ceres Drive Residential Subdivision (\$1.7M, 39 lots) is a major residential project that can assist with the supply issues in Albury, especially buyers who are looking to build their dream home. Yet there is still a need for more ready-to-sell stock, an opportunity for developers.



# 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.

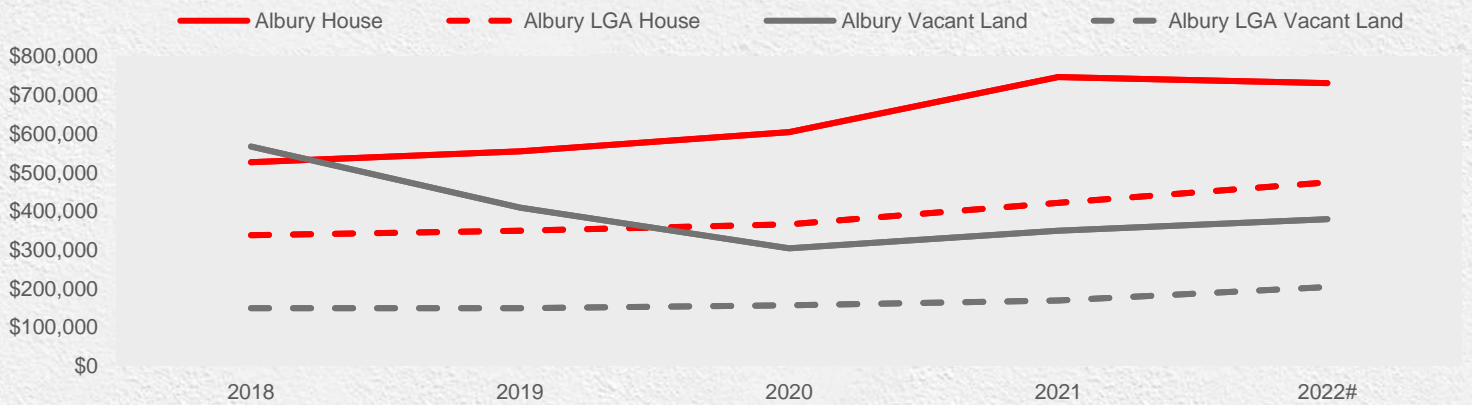


Average vendor discount between Q2 2021 and Q2 2022 is showing a two-speed market. For house, it has swung from a premium to a discount of -0.3%, which means sellers are willing to accept below the first price. For vacant land it has tightened to -1.8%, thus buyers must offer closer to the first list price. That said average vendor discount have fluctuated in the past 4 quarters.

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 2022<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 2022<sup>#</sup> were in the premium price of \$550,000 and above (35.9%). Vacant land recorded a dominant sales activity within the affordable segment of \$150,000 to \$249,999 (62.1%). This suggests different market speeds between the property types, benefitting buyers of different budgets.

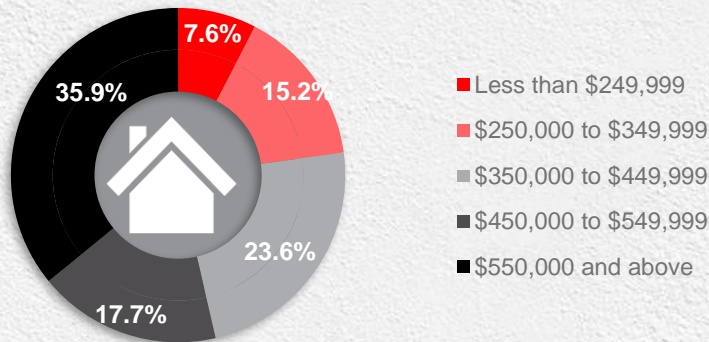
## MARKET COMPARISON



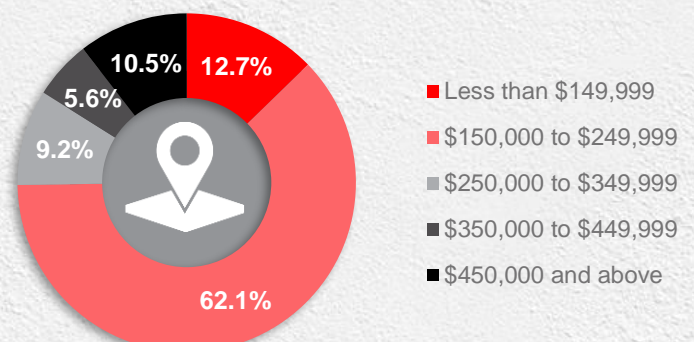
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled are chosen based on their proximity to the main suburb analysed, which is Albury.

## PRICE BREAKDOWN 2022<sup>#</sup>

### HOUSES SOLD



### VACANT LAND SOLD



# RENTAL GROWTH 2022€

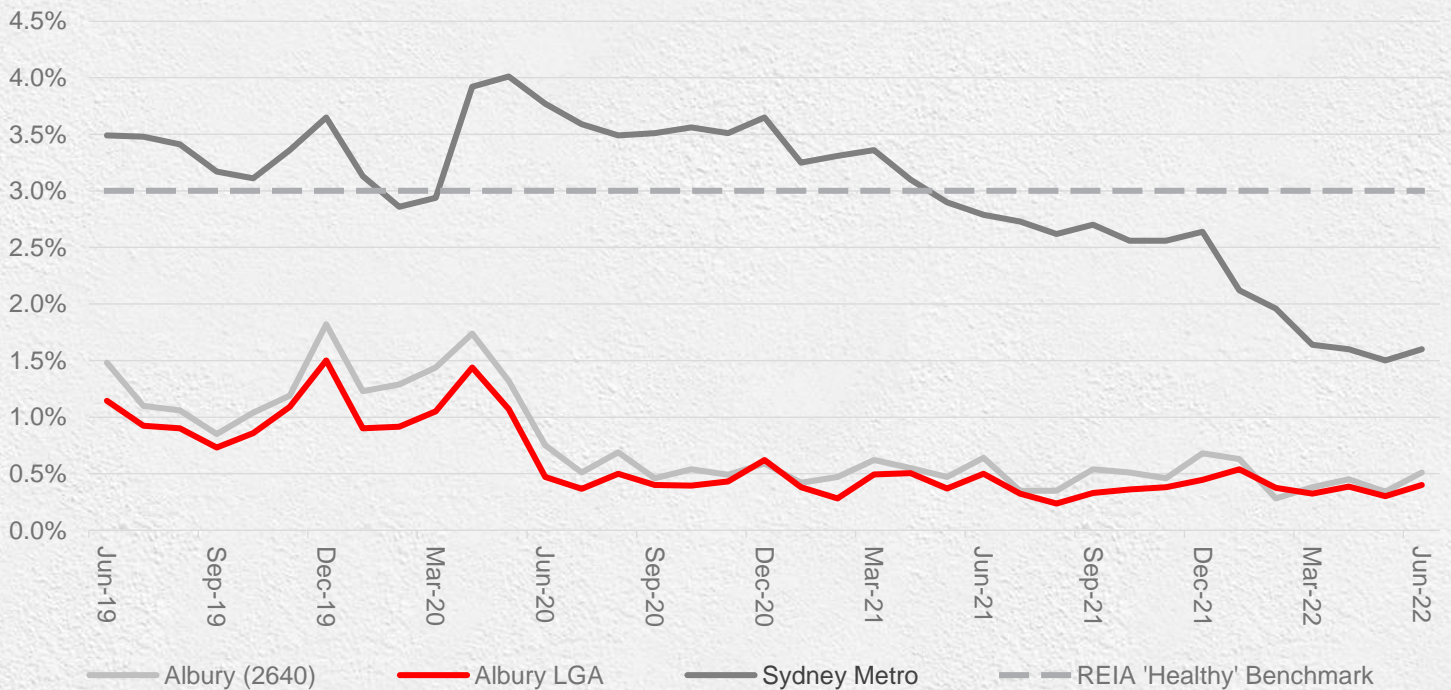
Over the past 12 months, house rental yields in Albury\* softened to sit at 3.7% in June 2022. This is due to annual median house sale price growth of 22.4% outperforming annual median house rental price growth (14.1%). That said house rental yield in Albury\* is higher than Sydney Metro (2.5%) and the house rental market is undersupplied, with -2.1% less stock available. This presents a beneficial rental market for investors.

3 bedroom houses have provided investors with +12.3% rental growth annually, achieving a median rent of \$410 per week.

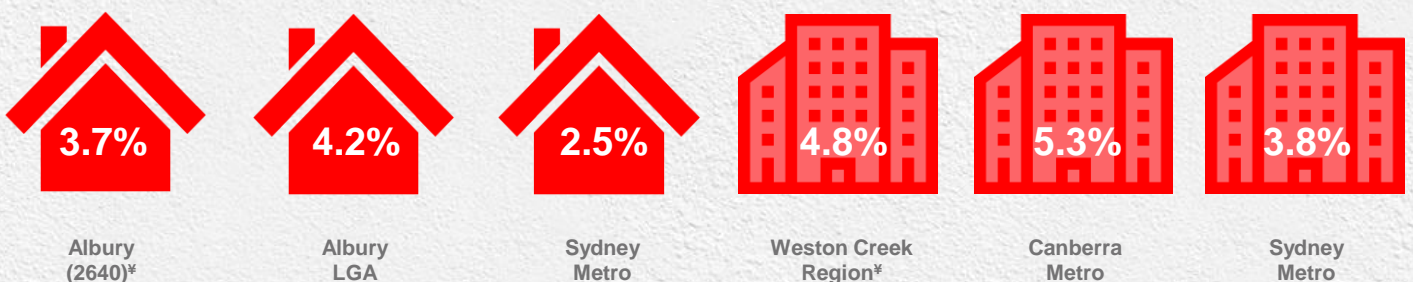
Albury\* recorded a vacancy rate of 0.5% in June 2022, well below Sydney Metro's 1.6% average. Vacancy rates in Albury\* have held steady, trending below 1.0% for almost 24 months and signifying a stable level of rental demand. Vacancy rates in Albury\* historically trend under the Real Estate Institute of Australia's healthy benchmark of 3.0%, and remained as such during COVID-19. This indicates a conducive environment for investors, despite the current increase in median sale prices.



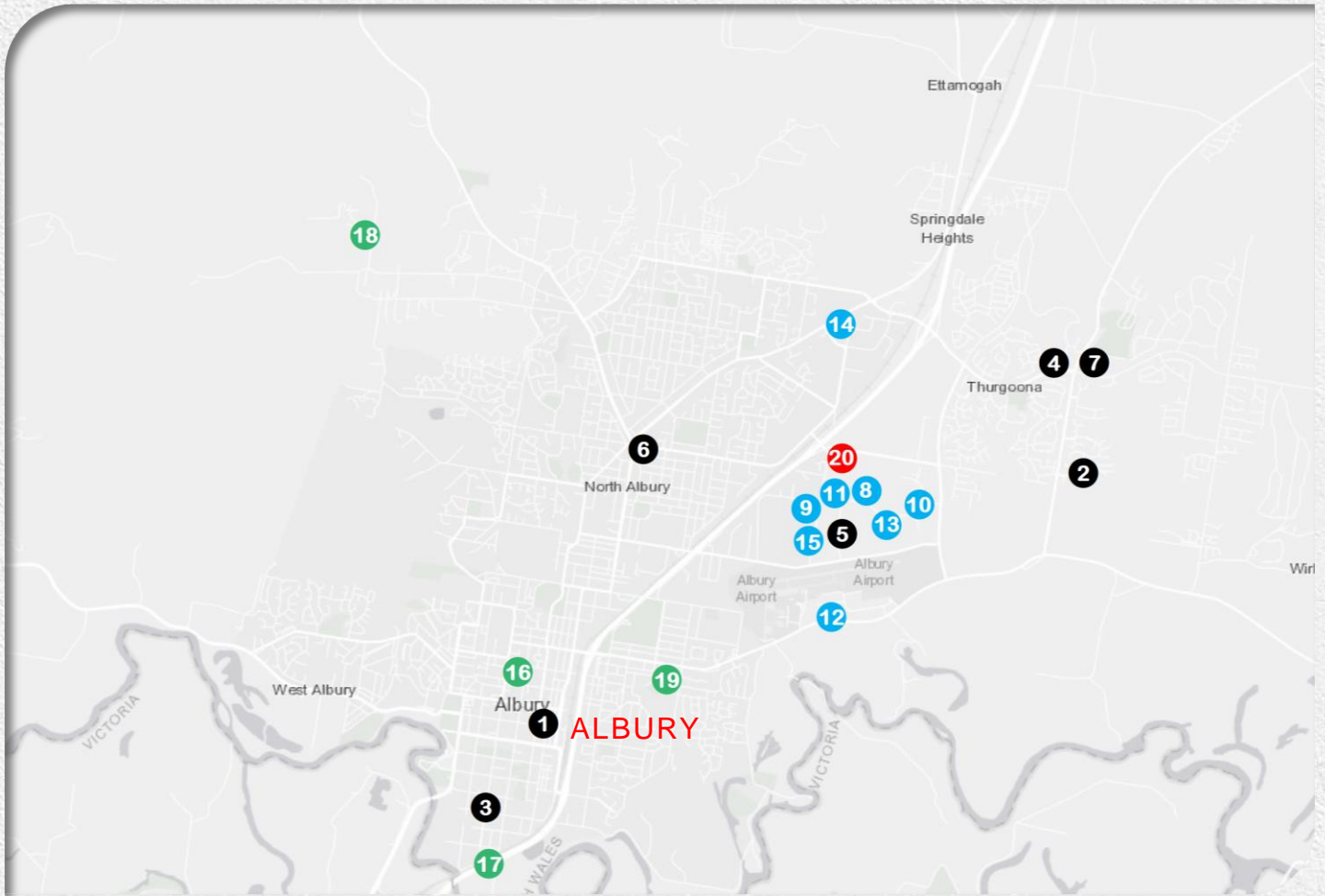
# RENTAL VACANCY RATES 2022



# RENTAL YIELD 2022\$



# TOP DEVELOPMENTS MAP 2<sup>nd</sup> HALF 2022<sup>Ⓐ</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>Ⓜ</sup>	Commence Date <sup>Ⓜ</sup>
1	Bradys Railway Hotel	Commercial	\$1,000,000	20/09/2022
2	Table Top Road & Lindisfarne Court Self Contained Dwellings	Commercial	\$8,414,000	04/11/2022
3	Knowles Road & Kiewa Street Workshop	Commercial	\$4,265,000	13/09/2022
4	Woolworths Thurgoona	Commercial	\$2,860,000	26/12/2022
5	Merkel Street Warehouse	Commercial	\$1,167,000	05/09/2022
6	Mate & Corella Streets Community & Commercial Development	Commercial	\$2,035,000	26/10/2022
7	Diamond Drive Liquor Shop	Commercial	\$1,354,000	03/10/2022
8	Tig Drive Warehouse	Industrial	\$1,025,000	16/08/2022
9	Merkel Street Warehouse Units	Industrial	\$1,043,000	11/07/2022
10	20 Ceres Drive Warehouse	Industrial	\$1,202,000	24/08/2022
11	Ceres Drive Warehouses	Industrial	\$1,235,000	01/08/2022
12	Vulcan	Industrial	\$2,000,000	08/08/2022
13	Alspec Aluminium Warehouse	Industrial	\$2,826,000	04/07/2022
14	Wagga & Dalling Roads Self Storage Units	Industrial	\$3,463,000	01/10/2022
15	Merkel Street Warehouses	Industrial	\$1,471,000	14/09/2022
16	Wilson Street Car Park	Infrastructure	\$1,000,000	17/11/2022
17	South Albury Levee	Infrastructure	\$2,000,000	03/12/2022
18	Albury Waste Management Centre	Infrastructure	\$4,000,000	14/11/2022
19	Albury - Wodonga Base Hospital Emergency Department Expansion	Infrastructure	\$29,315,000	21/10/2022
20	110 Ceres Drive Residential Subdivision- (39 Lots)	Residential	\$1,755,000	03/12/2022



## 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.



**Kate Stevens**

Director

+61 438 254 334

[kate.stevens@prdalbury.com.au](mailto:kate.stevens@prdalbury.com.au)



**Matt Sharp**

Director

+61 488 044 046

[matt.sharp@prdalbury.com.au](mailto:matt.sharp@prdalbury.com.au)



## PRD Albury

P +61 2 6021 0442

[PRD.com.au/albury](http://PRD.com.au/albury)

Suite 3, Ground Floor,  
429 Swift Street  
Albury NSW 2640

# 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.

# 2022 encapsulates sales transactions for 1H 2022 (01/01/2022 – 30/06/2022) only.

€ Annual rental growth is a comparison between 1H 2021 (01/01/2021 – 30/06/2021) and 1H 2022 (01/01/2022 – 30/06/2022) house median rent figures.

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

§ Rental yields shown are as reported as of June 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 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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