

# Wodonga Market Update

## 2<sup>nd</sup> Half 2022



### OVERVIEW

In Q2 2022, Wodonga\* recorded a median house price of \$539,000, and a median vacant land price of \$250,000. This represents annual (Q2 2021 – Q2 2022) median price growth of 17.3% for houses and 47.1% for vacant land. Total sales decreased between Q2 2021 – Q2 2022, by -32.2% (to 181 sales) for houses and by -91.2% (to 8 sales) for vacant land. A median property price growth coupled with lower sales indicate 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

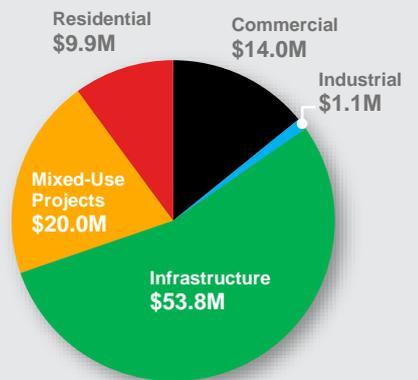


RENTAL AVERAGE DAYS ON  
MARKET Q2 2022



### FUTURE DEVELOPMENTS

Wodonga\* is set to see approximately **\$98.8M** 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 Wodonga. This will have a spill-over impact on the real estate market, in the form of higher demand for properties.

A main commercial project in the 2<sup>nd</sup> half of 2022 is the Westmont Aged Care services cottages (\$7.5M). The project is set to propose construction of 2x7 and 2x8 bedroom cottages in stage 2.

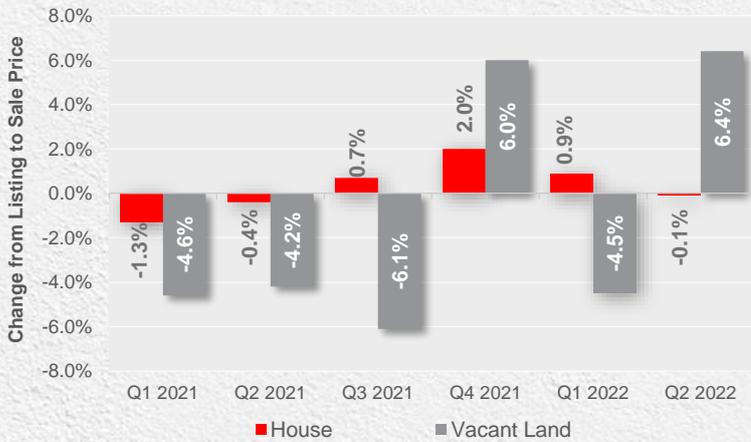
The Quarter Wodonga (\$20.0M, 18 apartments) is a major mixed-use project that will assist with the current supply issues in Wodonga. Key residential projects include: Boyes Rd Dwellings (\$1.5M, 5 dwellings), Dover Court Dwellings (\$623K, 4 dwellings), and Havelock St Wodonga Townhouses (\$7.8M, 20 townhouses).

These projects will play a key role in ready-to-sell stock in Wodonga.



# 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.

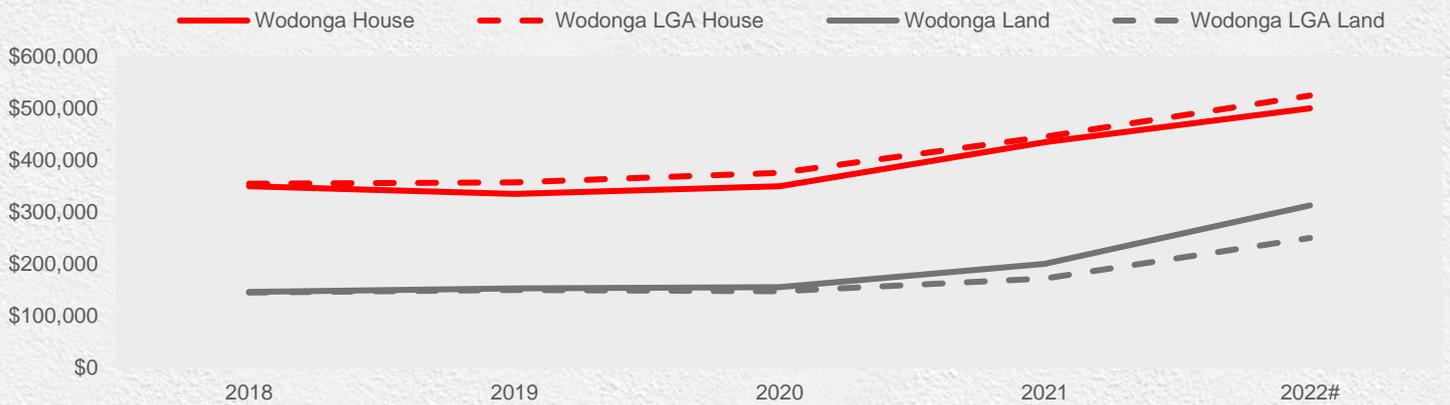


Average vendor discount between Q2 2021 and Q2 2022 is suggesting a higher benefit to vendors. House buyers are offering closer to the first list price, with the average vendor discount tightening to -0.1%. Vacant land buyers must offer higher than the first list price, as the average vendor discount have swung to a premium of 6.4%, the highest recorded in the past 6 quarters.

The suburb of Wodonga has historically performed on par with the wider Wodonga Local Government Area (LGA) for median house and land prices. This continues to be the case for houses in 2022#, but vacant land is trending towards a premium market.

The dominant proportion of homes sold in Wodonga\* across 2022# were in the premium price of \$500,000 and above (44.3%). Vacant land recorded a dominant sales activity within the affordable segment of \$150,000 to \$174,999 (26.3%). There is different market speeds for property types, benefitting buyers of many budgets.

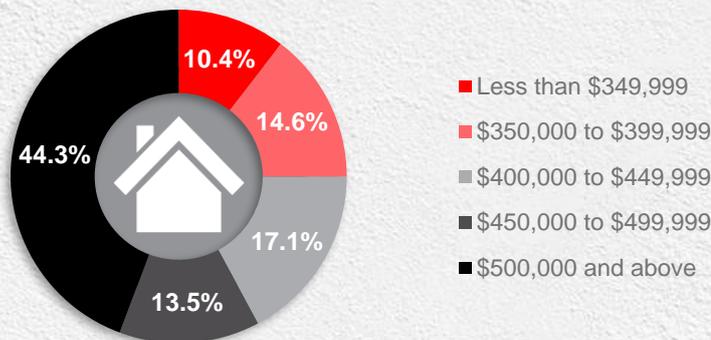
## MARKET COMPARISON



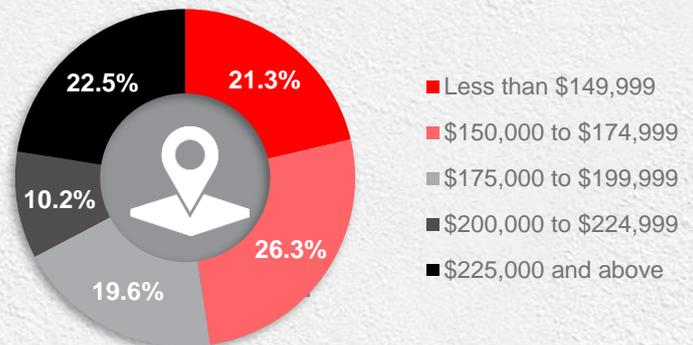
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled are chosen based on their proximity to the main suburb analysed, which is Wodonga.

## PRICE BREAKDOWN 2022#

### HOUSES SOLD



### VACANT LAND SOLD



# RENTAL GROWTH 2022€

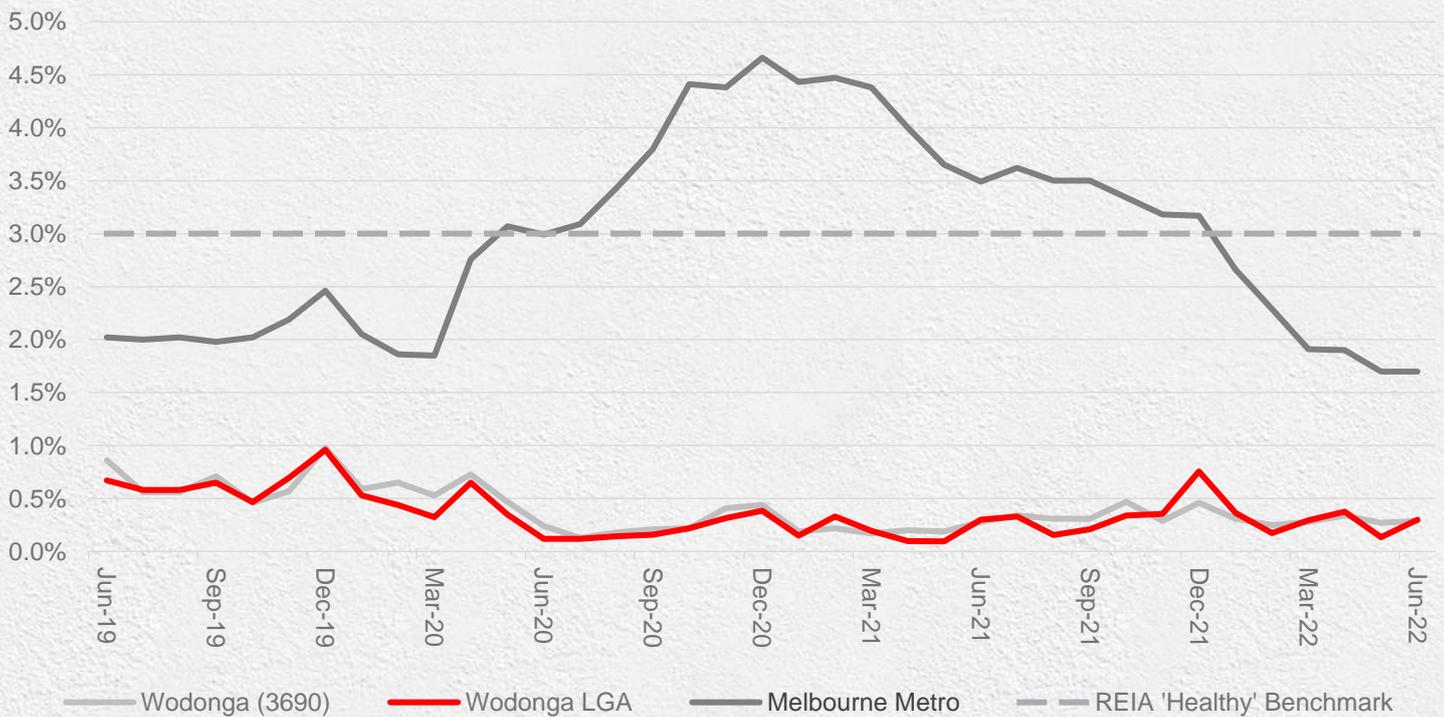
Over the past 12 months, house rental yields in Wodonga\* softened to sit at 3.8% in June 2022. This is due to median house rental price growth of 7.5% between Q2 2021-Q2 2022 being lower than median house sale price growth (17.3%). That said the house rental market remains undersupplied, with -32.2% less houses rented in the past 12 months and average days on the market declining by -5.6%. Overall this presents a beneficial rental market for investors.

3 bedroom houses have provided investors with +10.8% rental growth annually, achieving a median rent of \$410 per week.

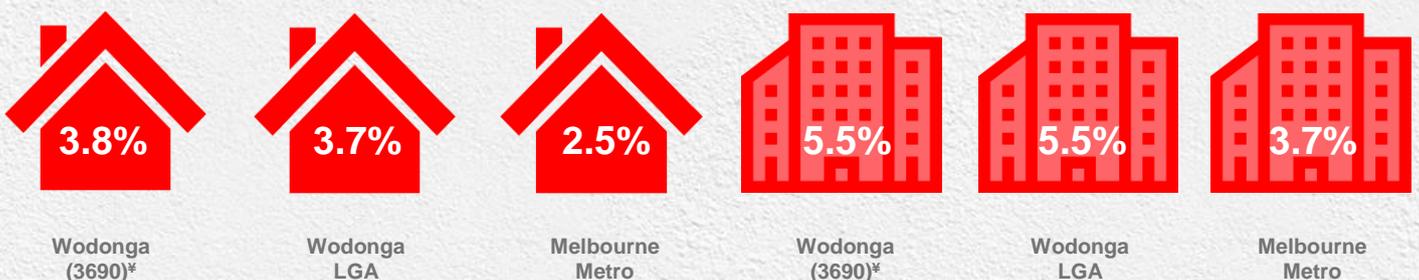
Wodonga\* recorded a vacancy rate of 0.3% in June 2022, which is well below Melbourne Metro's 1.7% average. Vacancy rates in Wodonga\* have held steady over the past 12 months, and trended below 0.5% for almost 24 months. This suggests a high level of demand, at a stable pace. These key indicators create a conducive and sustainable environment for investors, despite the increase in median sale prices of property over the past 12 months.



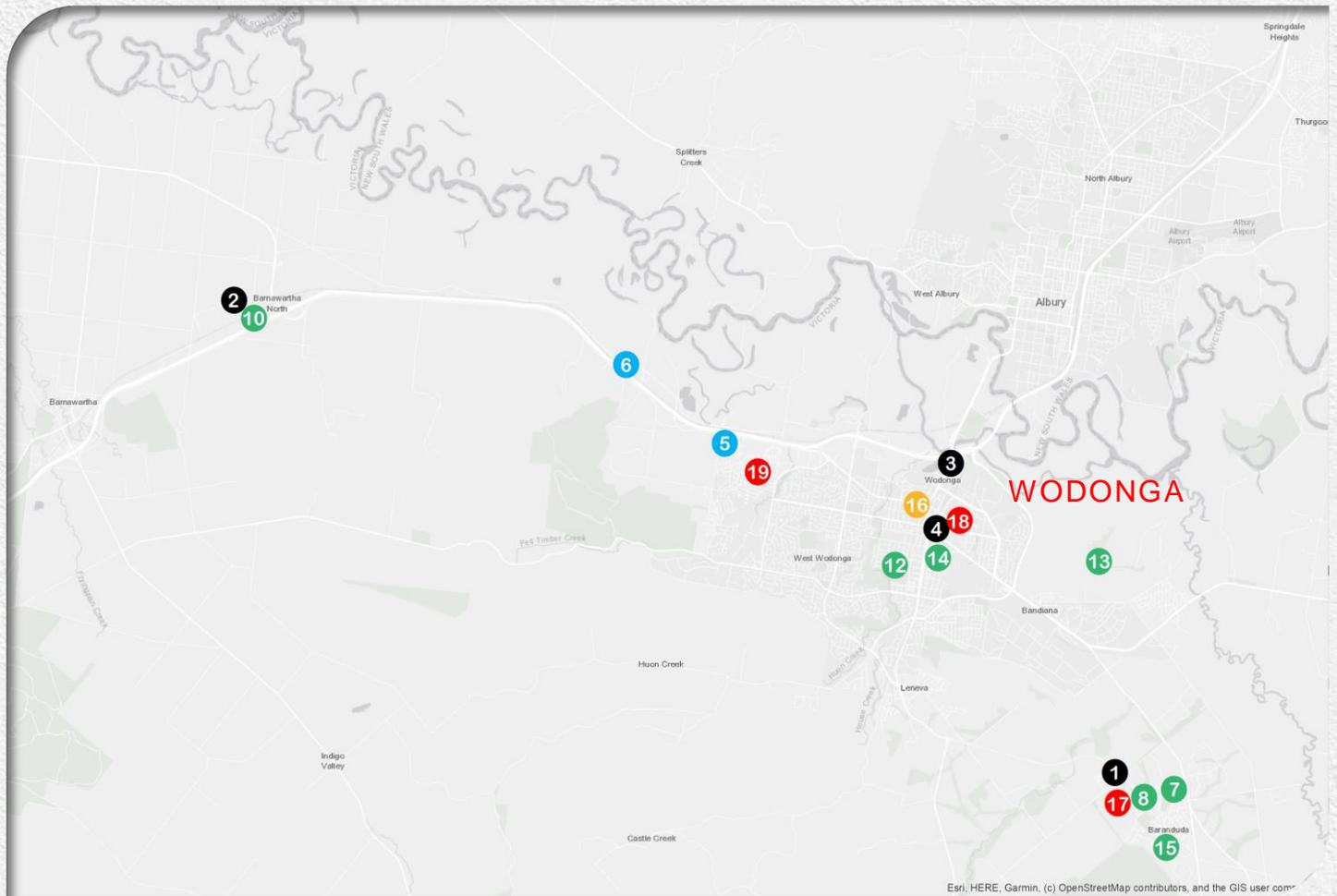
# RENTAL VACANCY RATES 2022



# RENTAL YIELD 2022\$



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



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Location	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Commence Date <sup>ψ</sup>
1	Westmont Aged Care Services Dementia Cottages Stage 2	Commercial	\$7,500,000	23/11/2022
2	Roche Drive Utility Installation	Commercial	\$3,700,000	30/08/2022
3	High Street Service Station	Commercial	\$2,500,000	24/10/2022
4	Enhance Physiotherapy Wodonga	Commercial	\$250,000	08/12/2022
5	8 Stead Street West Factory Building	Industrial	\$150,000	15/12/2022
6	166 Old Barnawartha Road West Warehouse	Industrial	\$975,000	15/12/2022
7	Baranduda Sports Fields Fencing & Concreting Works	Infrastructure	\$400,000	17/08/2022
8	Baranduda Sports Fields Sports Lighting	Infrastructure	\$400,000	17/08/2022
Not Mapped	Gundwring Road Roadworks	Infrastructure	\$400,000	03/08/2022
10	Logic Industrial Estate Stage 5	Infrastructure	\$400,000	26/07/2022
Not Mapped	Redbank Mongans Road Roadworks	Infrastructure	\$400,000	28/08/2022
12	Wodonga Wodonga Health Emergency Department & Short Stay Unit	Infrastructure	\$36,000,000	03/10/2022
13	Gaza Ridge Barracks - North Bandiana Building	Infrastructure	\$4,500,000	03/09/2022
14	Wodonga Middle Years College Steam And Gpc	Infrastructure	\$10,000,000	28/09/2022
15	Baranduda Fire Station	Infrastructure	\$1,300,000	19/10/2022
16	The Quarter Wodonga- (18 Apartments)	Mixed-use	\$20,000,000	18/09/2022
17	Boyes Road Dwellings- (5 Dwellings)	Residential	\$1,500,000	24/10/2022
18	14-18 Havelock Street Wodonga – Townhouses- (20 Townhouses)	Residential	\$7,800,000	31/08/2022
19	Dover Court Dwellings- (4 Dwellings)	Residential	\$623,000	24/07/2022



## 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.

# 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.

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

§ 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 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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