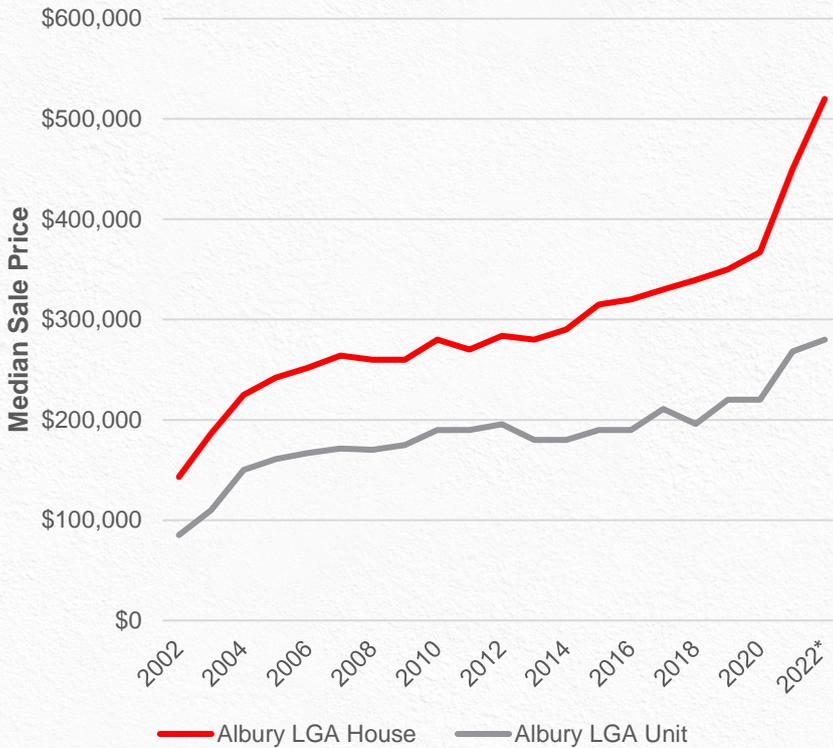


> Albury Investment Report
2022

ALBURY PROPERTY MARKET | 20 YEAR SNAPSHOT

ALBURY MEDIAN PROPERTY PRICES



2022 Median Price

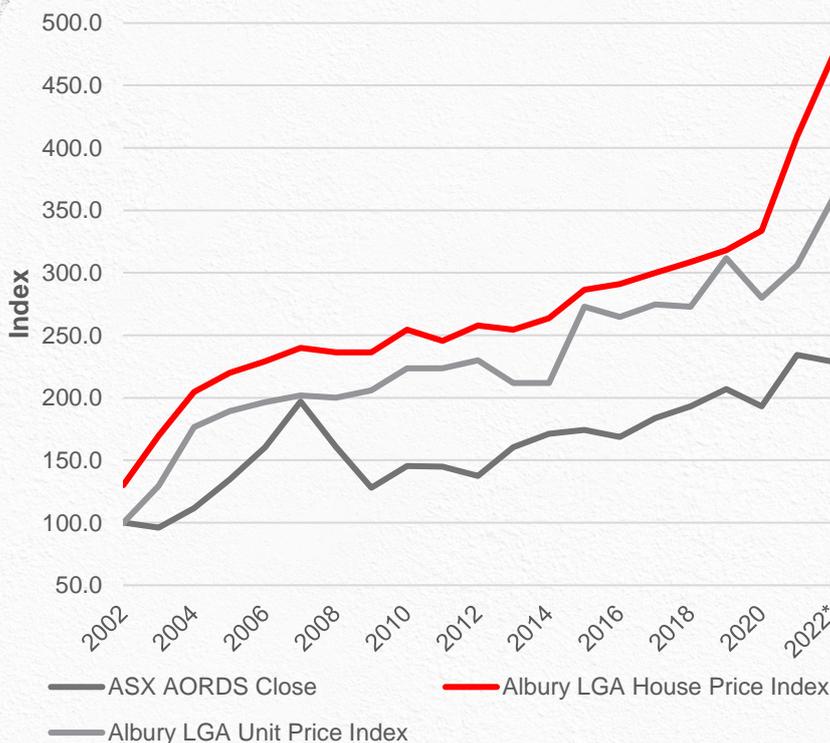
- Median House Price: \$520,000*
 - 1Y: +\$70,000 (15.6%)
 - 5Y: +\$190,000 (57.6%)
 - 10Y: +\$236,300 (83.3%)
 - 20Y: +\$377,000 (263.6%)
- Median Unit Price: \$280,000*
 - 1Y: +\$12,000 (4.5%)
 - 5Y: +\$69,250 (32.9%)
 - 10Y: +\$84,500 (43.2%)
 - 20Y: +\$195,000 (229.4%)

Key Comments

From 2002 to 2022*, both houses and units in Albury LGA have performed strongly, continuously returning positive growth within a 1yr to 20yrs period. The house market show significant growth, mostly due to an absence of supply.

**2022 data represents sales between 1st January 2022 – 30th September 2022.
Source: APM Pricerfinder.*

PROPERTY AND SHARES: ALBURY LGA VS ASX



20-Year Index Growth

- ASX All Ordinaries (Close): +128.52%
- Albury LGA House: +263.64%
- Albury LGA Unit: +258.82%

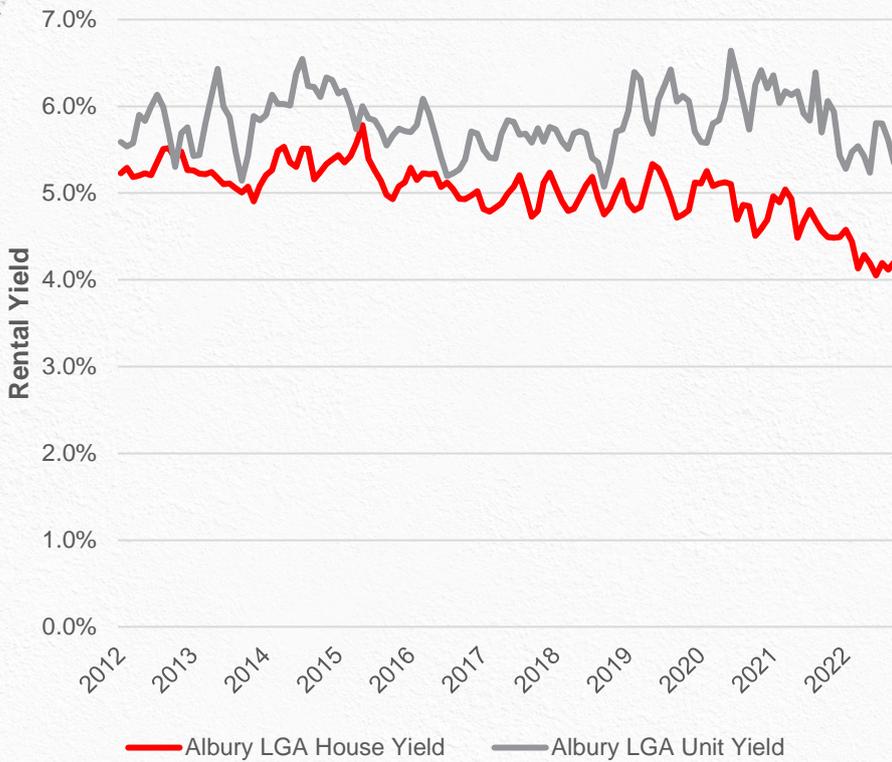
Key Comments

In 2002*, Albury's property markets have outperformed the ASX All Ordinaries. There are similarities in how the two asset classes perform, but the ASX has proven to be susceptible to shocks, more so than the property market.

2022 sees the biggest gap in returns for the two asset classes, with ASX softening and the Albury property market growing. This is particularly true when comparing ASX returns and the house market. This trend is projected to continue, due to the supply and demand imbalance of property stock in Albury.

Source: APM Pricerfinder, Yahoo! Finance.

ALBURY RENTAL YIELDS



Sep-22 Overview

- House Rental Yield: 4.2%
- Unit Rental Yield: 5.3%

Key Comments

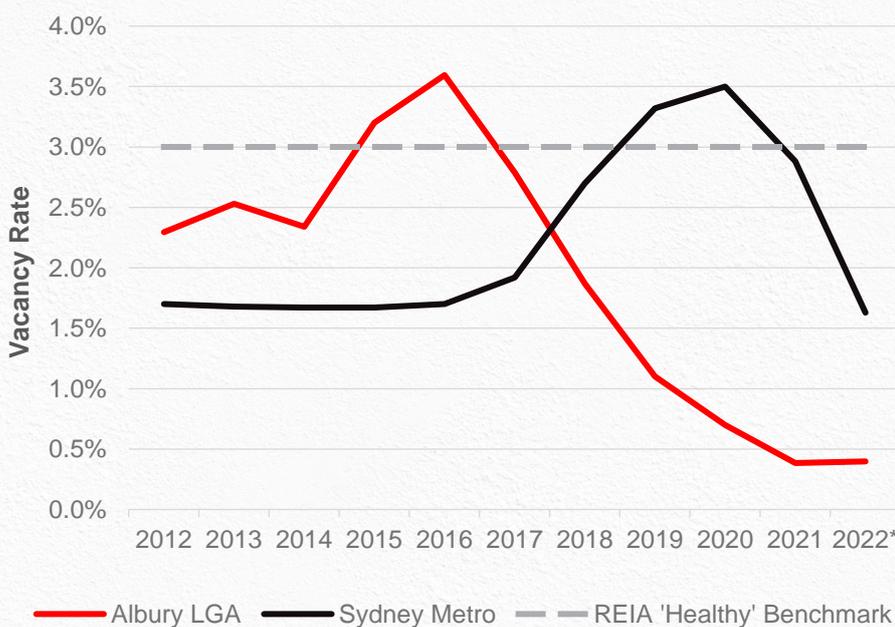
Between 2012 to 2022, Albury LGA's house rental yields remained within a band of 4.1% to 5.8%, averaging 5.0%. Unit rental yields fluctuated over the 10-year period, averaging 5.8%.

Rental yields in Albury saw a slight decrease during COVID-19 lockdowns, but this recovered without delay.

September 2022 house rental yields in Albury (4.2%) was higher than Sydney Metro's (2.6%). This confirms Albury as an attractive and more affordable alternative investment when compared to Sydney Metro.

Source: SQM Research.

ALBURY VACANCY RATES



Sep-22 Vacancy Rates

REIA 'Healthy' Benchmark: 3.0%

- Albury LGA: 0.4%
- Sydney Metro: 1.6%

Key Comments

Albury LGA recorded a vacancy rate of 0.4% in September 2022, a historical low for the past 10 years.

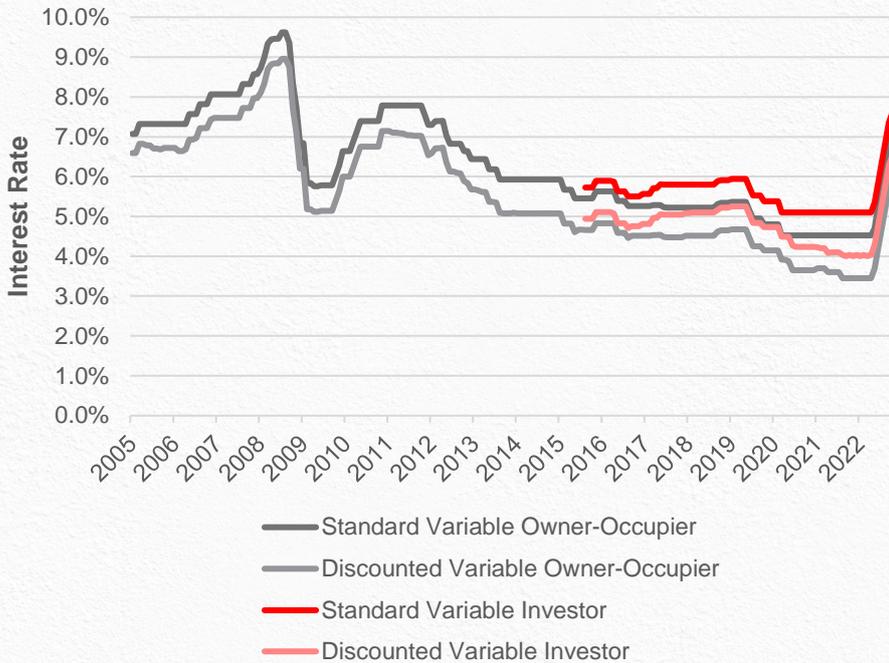
Vacancy rates in Albury have been on a declining trend since 2015, reflective of stronger rental demand.

Interestingly vacancy rates in Albury declined during COVID-19, in contrast to Sydney Metro (which increased).

This suggests a highly resilient rental market in Albury, creating a conducive quicker rental occupancy for investors.

Source: Haver Analytics.

PROPERTY INTEREST RATES



Source: Reserve Bank of Australia.

Oct-22 Variable Rates

- Standard Owner-Occupier: 7.0%
- Discounted Owner-Occupier: 6.0%
- Standard Investor: 7.6%
- Discounted Investor: 6.5%

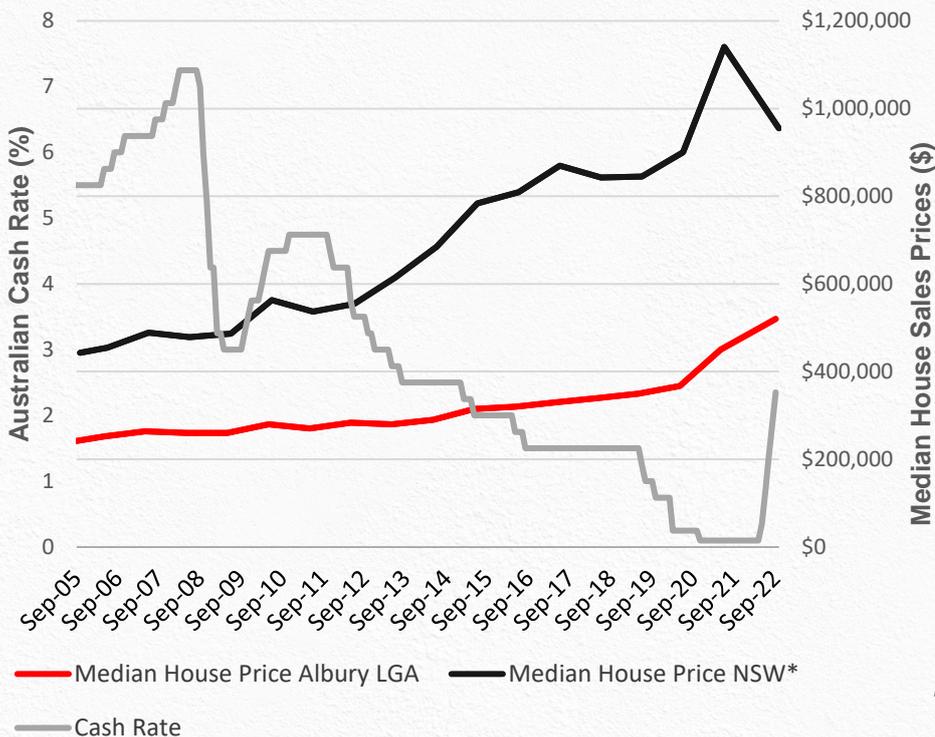
Key Comments

The RBA has increased the cash rate 7 times since its first time in May 2022, with 4 times being 50 basis point increases. This is not the RBA's norm of 25 basis point increases. This has lowered people's borrowing capacity, thus their purchasing power.

"The Board has increased interest rates materially since May. This has been necessary to establish a more sustainable balance of demand and supply in the Australian economy to help return inflation to target... The Board expects to increase interest rates further over the period ahead"

– Philip Lowe, RBA Governor, 1 Nov 2022

AUSTRALIAN CASH RATE VS ALBURY MEDIAN HOUSE PRICE VS NSW MEDIAN HOUSE PRICE



2022 Median Prices

- NSW Median House Price: \$955,000
- Albury LGA Median House Price: \$520,000
- Cash Rate (September 2022): 2.35%

Key Comments

The NSW property market is softening. Affordability constraints have started to bite and a change in interest rates meant buyers can borrow less.

NSW median house price saw a price softening in recent times, as the market enters uncertain times.

In contrast median property prices in Albury LGA continue to see growth, even if at a slower pace. Thus it is a more resilient investment option.

*Disclaimer Median House Price NSW for 2022 represents projected figures based on known sales between 1st January-30th September 2022.

Source: APM Pricer, Reserve Bank of Australia