



Wodonga Market Update

1st Half 2023



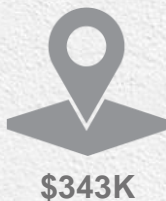
OVERVIEW

In Q4 2022, Wodonga* recorded a median house price of \$528,000, and a median land price of \$342,500. This represents annual (Q4 2021 – Q4 2022) median price growth of 7.8% for houses and 59.3% for land. That said median house price softened by -8.2% on a quarter by quarter basis (Q3 2022 – Q4 2022). This is a reflection of interest rate hikes, consumer uncertainty, and economic conditions. House sales decreased by -42.3% (to 146 sales) in Q4 2021 – Q4 2022, confirming a change in market dynamics. There is still an undersupply, but new opportunities exist for buyers ready to enter the market.

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

MARKET CONDITIONS

SALES MEDIAN PRICE
Q4 2022



SALES AVERAGE DAYS ON
MARKET Q4 2022



RENTAL MEDIAN PRICE
Q4 2022

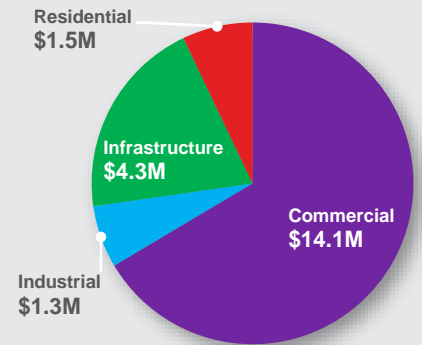


RENTAL AVERAGE DAYS ON
MARKET Q4 2022



FUTURE DEVELOPMENTS

Wodonga* is set to see approximately **\$21.2M** worth of new projects commencing in the 1st half of 2023.



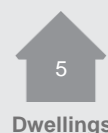
These projects will stimulate economic growth and create large employment opportunities in Wodonga*, which should have a positive spill-over impact on the real estate market.

A main residential project over the 1st half of 2023 is the Boyes Road Dwellings (\$1.5M). The project is will add 5 Dwellings to Wodonga*.

This is the only planned supply. With an already reduced supply of ready-to-sell land and dwellings, pressure on housing prices will continue. The current higher interest rate condition can create a temporary buffer, but it is not a sustainable strategy.

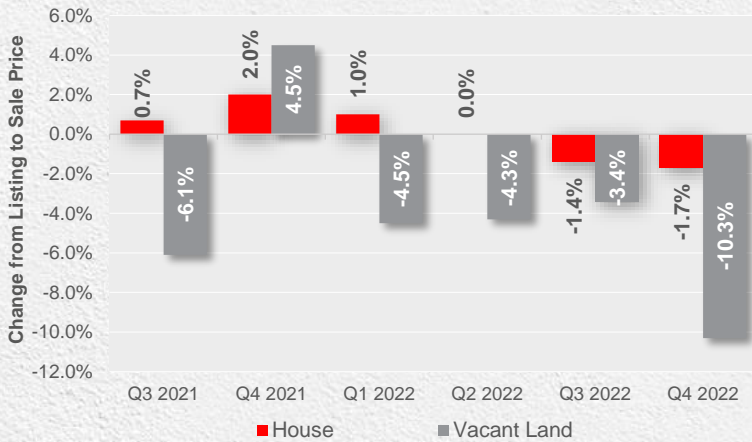
A main commercial project over the 1st half of 2023 is the Barnawartha Solar Farm (\$6.9M). This project is a part of a significant renewable energy push, which will create local jobs in the construction phase and after it is established. It can also act as a catalyst for more investment and property demand into the area.

The addition of two new service stations, 196 Melbourne Rd (\$3.9M) and 10-12 High St (\$2.5M) will assist further in the mobility of people. This improves liveability for residents.



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.

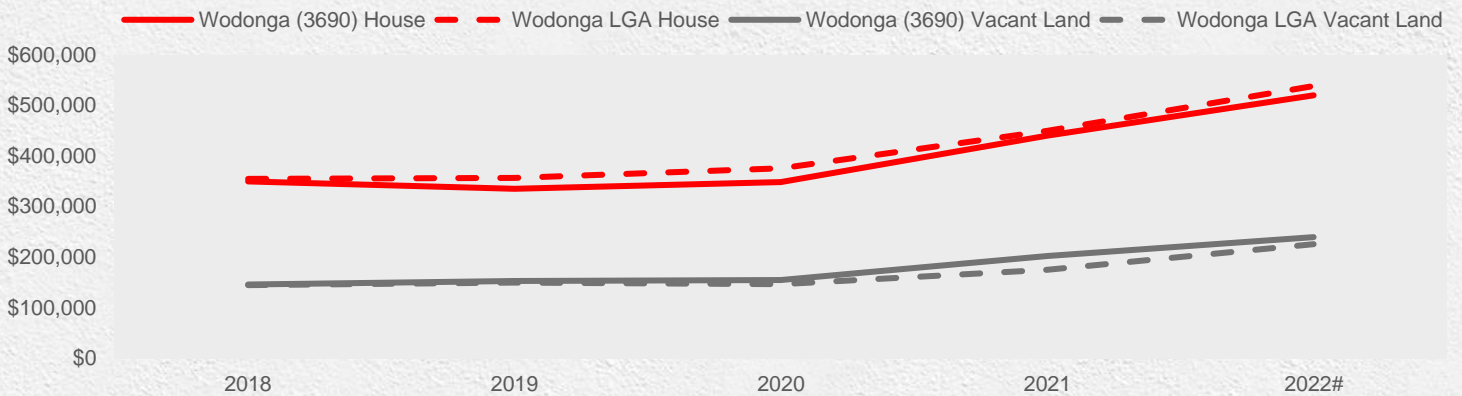


Average vendor discounts between Q4 2021 and Q4 2022 have swung to a discount for both property types, of -1.7% for houses and -10.3% for land. Q4 2022 recorded the highest discount for both property types since 2021, confirming a change in market dynamics. The market condition in Wodonga* have now shifted to favour buyers, where sellers are willing to negotiate below the initial listing price.

The suburb of Wodonga has historically provided a more affordable market compared to Wodonga Local Government Area (LGA) in both house and land median prices. This said, 2022# has seen a return to parity to the wider Wodonga LGA, for both property types.

The dominant proportion of homes sold in Wodonga* in 2022# were in the most affordable price point of less than \$499,999 (51.4%). Land recorded a dominance in the lower-middle price range, of \$150,000 - \$249,999 (52.5%). A premium market in both property types exist, but affordable options are plentiful for first home buyers.

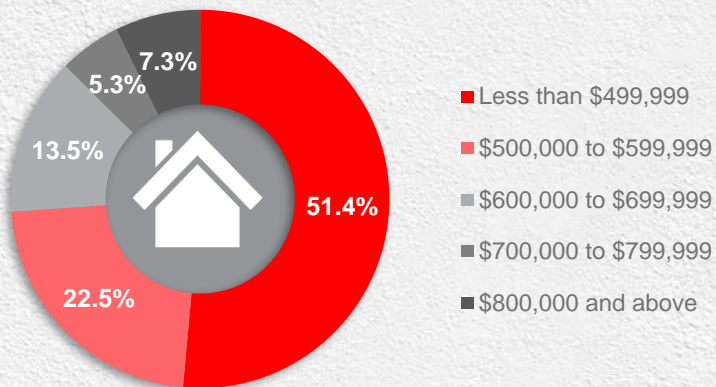
MARKET COMPARISON



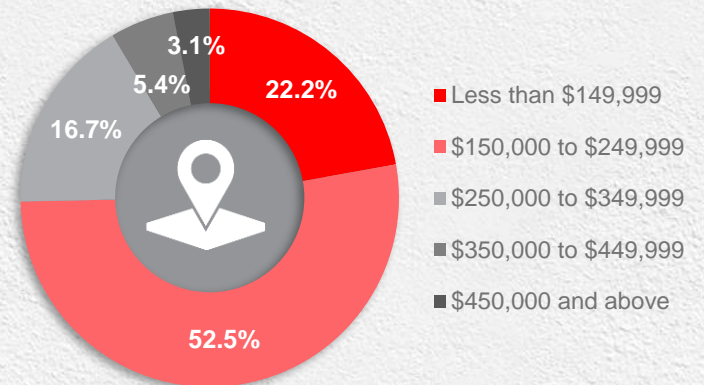
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Wodonga.

PRICE BREAKDOWN 2022#

HOUSES SOLD



VACANT LAND SOLD

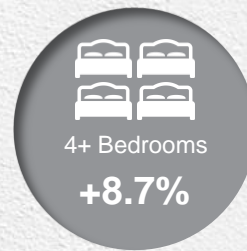


RENTAL GROWTH 2022€

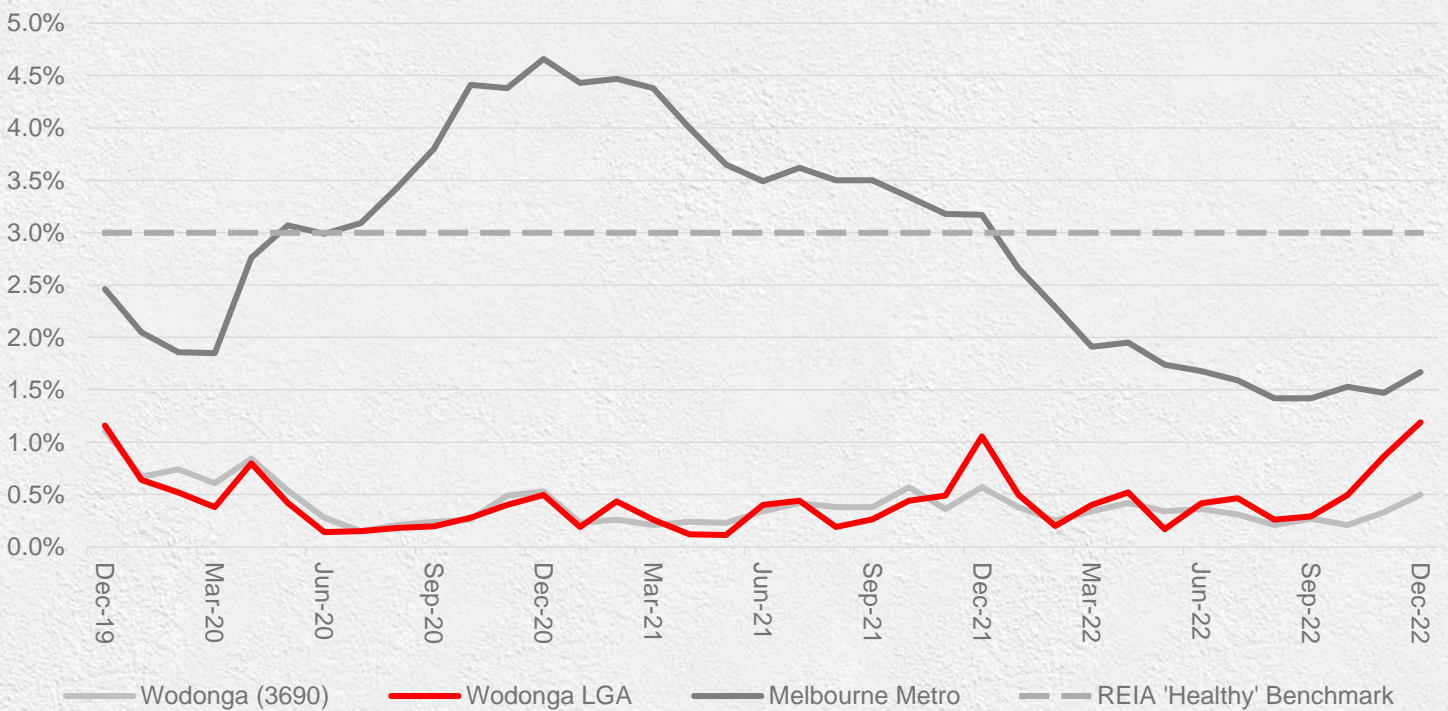
House rental yields in Wodonga* was 4.4% in December 2022, significantly higher than Melbourne Metro (2.7%). This was paired with a 9.3% increase in median house rental price in the 12 months to Q4 2022 and a -11.6% decline in the number of houses rented. Further, average days on market to let declined by -5.3%. This suggests an undersupplied rental market, creating opportunities for investors looking for a more affordable option than Melbourne Metro.

4+ bedroom houses have provided investors with +8.7% rental growth annually, achieving a median rent of \$500 per week.

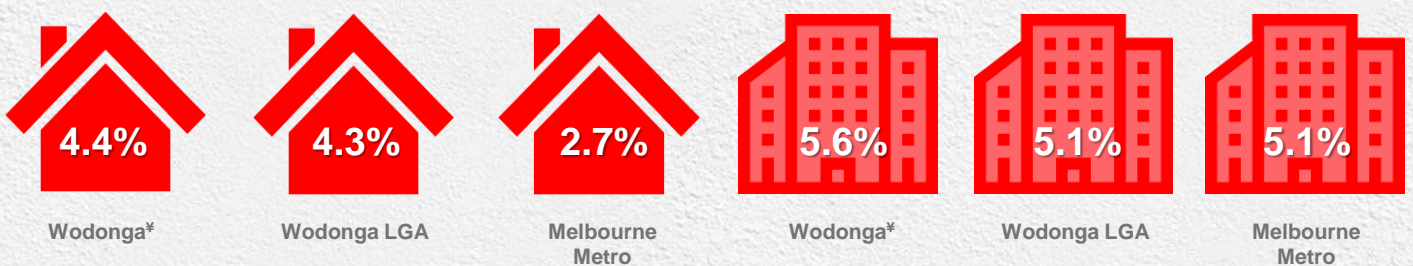
Wodonga* recorded a vacancy rate of 0.5% in December 2022, which is below Melbourne Metro's 1.7% average. Vacancy rates in Wodonga* have slightly increased in the past 3 months, potentially due to increasing interest rates and the financial viability of certain properties. That said vacancy rates have remained within the 0.5% for the past 24 months. This suggests a conducive and sustainable environment for investors, especially with the recent softening of median house prices.



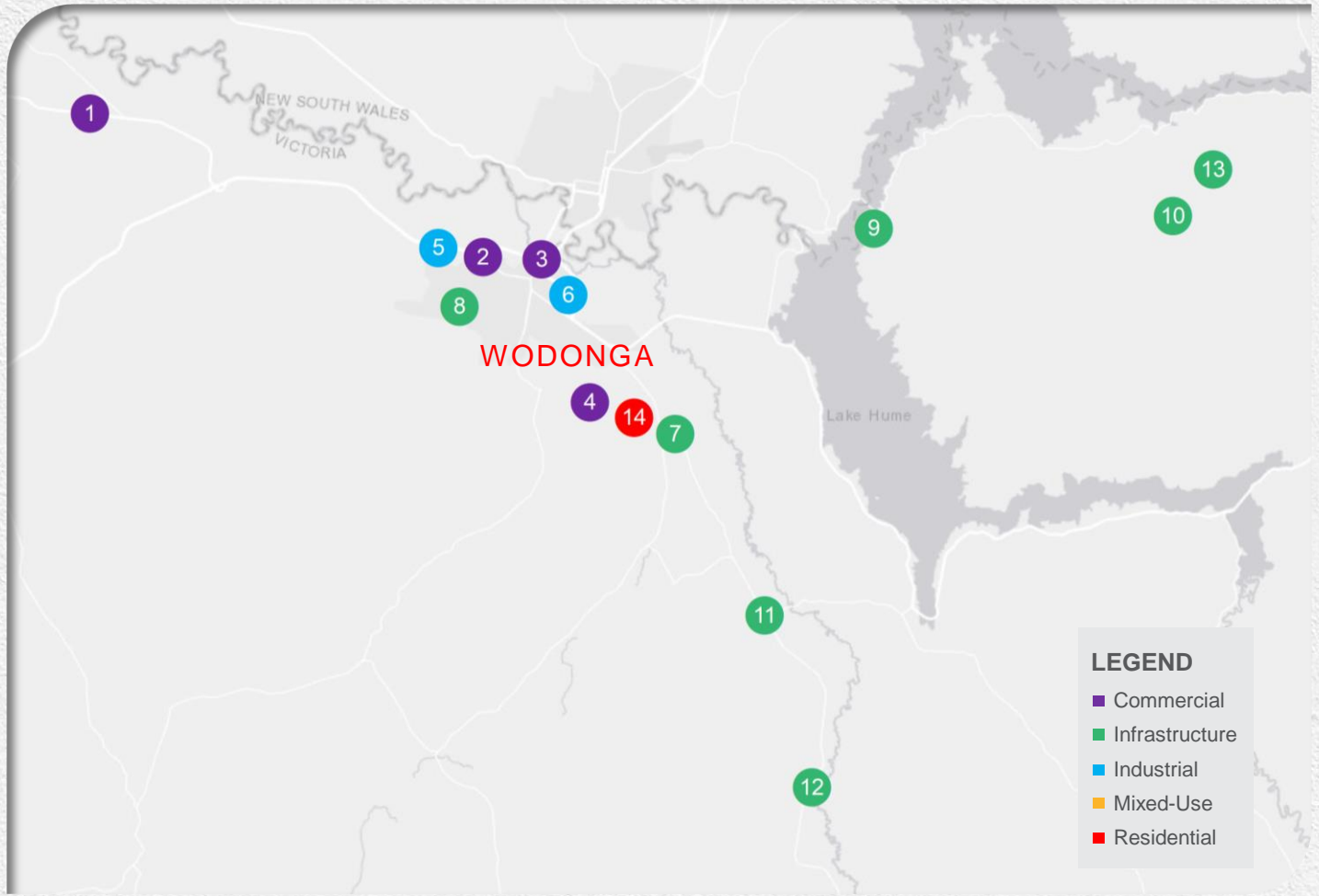
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 1st HALF 2023[▲]



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Barnawartha North Solar Farm & Battery Energy Storage System	Commercial	\$6,500,000	22/05/2023
2	196 Melbourne Road Commercial Development	Commercial	\$3,900,000	09/04/2023
3	Otr Wodonga Service Station - 10-12 High Street	Commercial	\$2,500,000	06/03/2023
4	Federation Clinic	Commercial	\$1,200,000	14/02/2023
5	207 Mckoy Street Warehouses	Industrial	\$730,000	26/05/2023
6	Huon Street Warehouse	Industrial	\$600,000	25/06/2023
7	Baranduda Cfa Fire Station Upgrade	Infrastructure	\$1,300,000	09/01/2023
8	Racecourse Exhibition Centre Redevelopment Electrical Works	Infrastructure	\$800,000	08/03/2023
9	Bellbridge Retaining Wall	Infrastructure	\$650,000	16/05/2023
10	Georges Creek Road Roadworks Stage 3	Infrastructure	\$450,000	30/06/2023
11	Gundowring Road Roadworks	Infrastructure	\$400,000	03/05/2023
12	Kergunyah Hall Upgrades	Infrastructure	\$386,000	20/02/2023
13	Wises Creek Road Roadwork Upgrade Stage 1	Infrastructure	\$300,000	16/01/2023
14	Boyes Road Dwellings (5 Dwellings)	Residential	\$1,500,000	24/02/2023



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 2022 (01/01/2022 – 31/12/2022) only.

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/12/2022) and 2022 (01/01/2022 – 31/12/2022) house median rent figures.

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

§ Rental yields shown are as reported as of December 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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