

Wagga Wagga Market Update 1st Half 2023



OVERVIEW

In Q1 2023, Wagga Wagga* recorded a median house price of \$569,500, and a median unit price of \$337,500. This represents annual (Q1 2022 – Q1 2023) median price growth of 10.3% for houses and 8.5% for units. However, on a quarterly basis (Q4 2022-Q1 2023) median prices softened by -1.0% for houses and -2.2% for units. These trends suggests cash rate hikes translated into the market. Total sales declined between Q1 2022 – Q1 2023, by -31.9% (to 226 sales) for houses, while total sales for units increased by 6.3% over the 12 month period (to 34 sales). New opportunities now exist for buyers.

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

MARKET CONDITIONS

SALES MEDIAN PRICE
Q1 2023



SALES AVERAGE DAYS ON
MARKET Q1 2023



RENTAL MEDIAN PRICE
Q1 2023

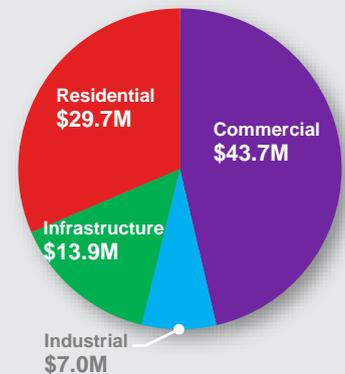


RENTAL AVERAGE DAYS ON
MARKET Q1 2023



FUTURE DEVELOPMENTS

Wagga Wagga is set to see approximately **\$94.3M** worth of new projects commencing in the 1st half of 2023.



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

A main commercial project for the 1st half of 2023 is the Pinaroo Drive Seniors Living Units. The project plans to construct 103 x 1 bedroom units with 18 duplexes.

Key residential projects planned for the 1st half of 2023 include:

- Birch Road Residential Subdivision (131 lots)
- Elizabeth Avenue Residential Subdivision (195 lots)
- Fernleigh Road Dwellings (8 dwellings).

This will assist in answering housing demand in the near future.



12 Units/
Apartments



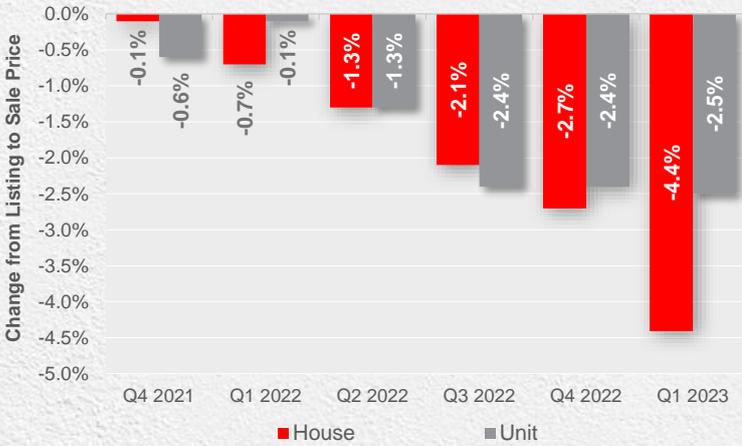
14
Dwellings



326 Lots

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.

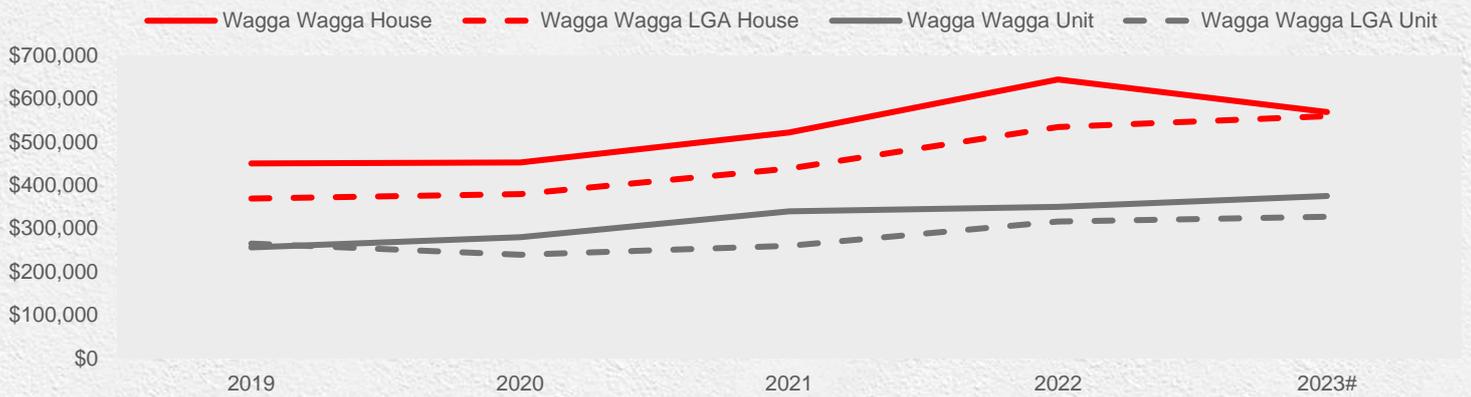


Average vendor discounts between Q1 2022 and Q1 2023 have widened to further discounts, of -4.4% for houses and -2.5% for units. Market conditions in Wagga Wagga now favour buyers, with Q1 2023 recording some of the highest average vendor discounts since 2020. That said units average vendor discounts have slightly stabilised between Q3 2022 and Q1 2023, thus unit sellers can be more confident of market conditions.

The suburb of Wagga Wagga has outperformed the wider Wagga Wagga Local Government Area (LGA) in both house and unit median prices for the past 5 years. 2023# saw a return to parity for Wagga Wagga houses, now trending relative / closer to LGA prices.

The dominant proportion of homes sold in Wagga* across 2022/23# were in the premium price bracket of \$650,000 and above (34.4%). Units on the other hand recorded a dominant most affordable price point of less than \$300,000 (39.1%). Affordable options are now more available, especially in the unit market. Only 27.8% of houses were sold under \$449,999.

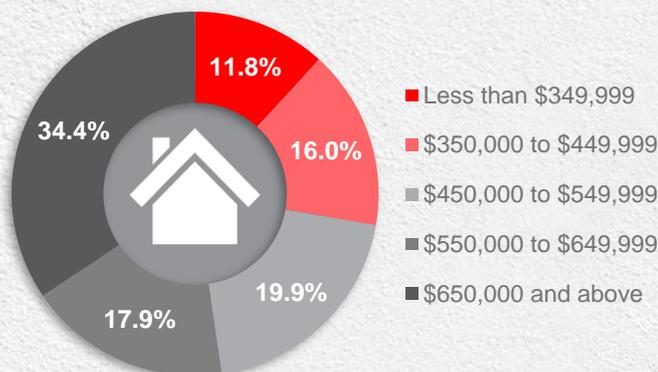
MARKET COMPARISON



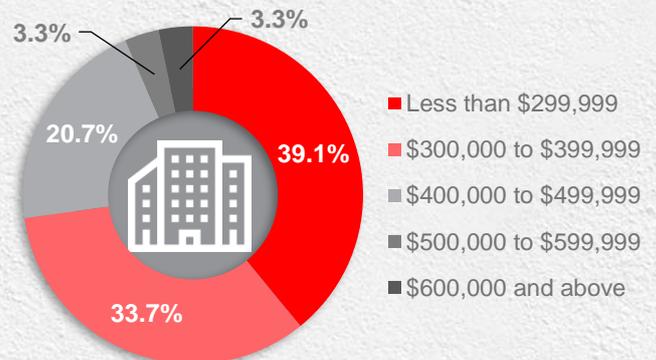
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Wagga Wagga.

PRICE BREAKDOWN 2022/23#

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2023€

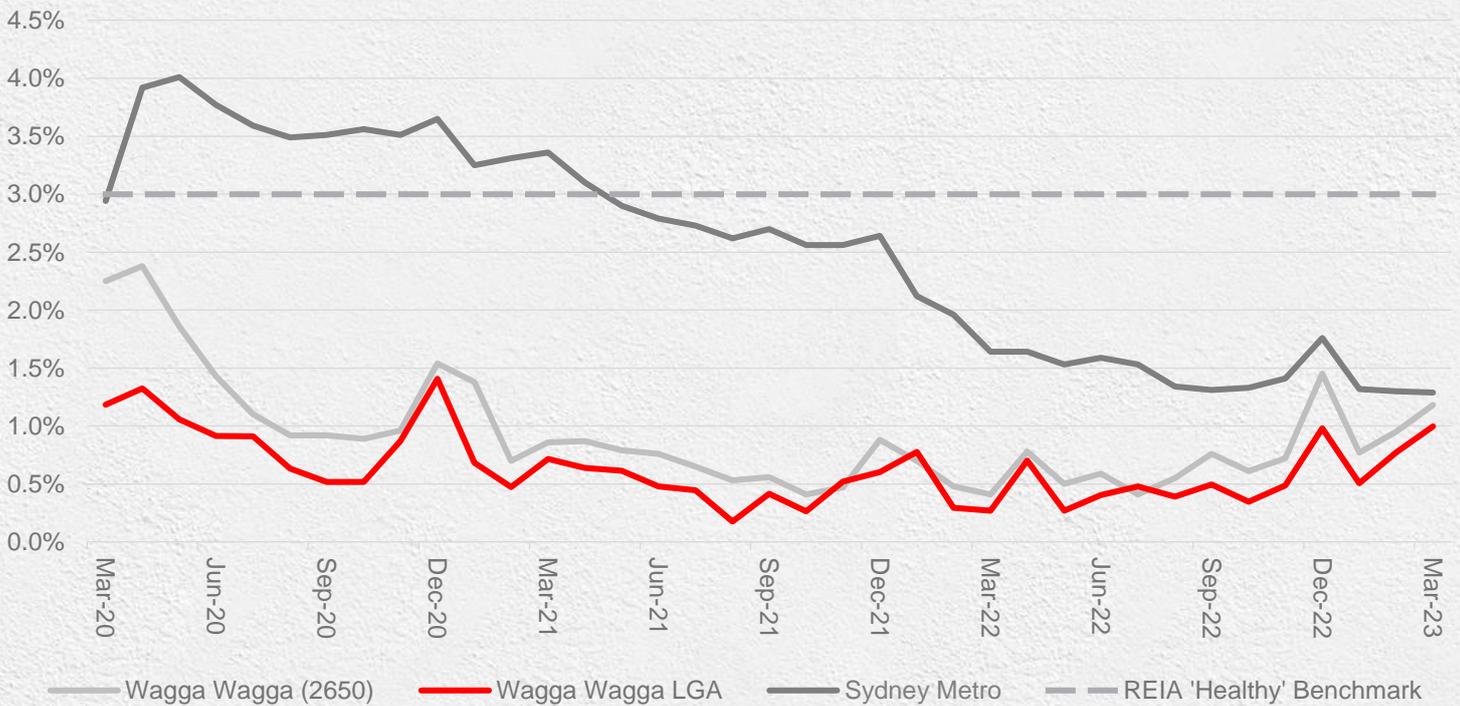
House rental yields in Wagga Wagga were recorded at 4.0% in March 2023, well above Sydney Metro (2.9%). Furthermore, in the 12 months to Q1 2023 median house rental price increased by 6.7% to sit at \$480 per week, alongside a significant increase in the number of houses rented (to 427 rentals). Average days on market remained at a low 23 days in Q1 2023. The same pattern can be seen in the unit rental market, confirming Wagga Wagga as an attractive investment option.

3 bedroom houses have provided investors with +13.9% rental growth annually, achieving a median rent of \$450 per week.

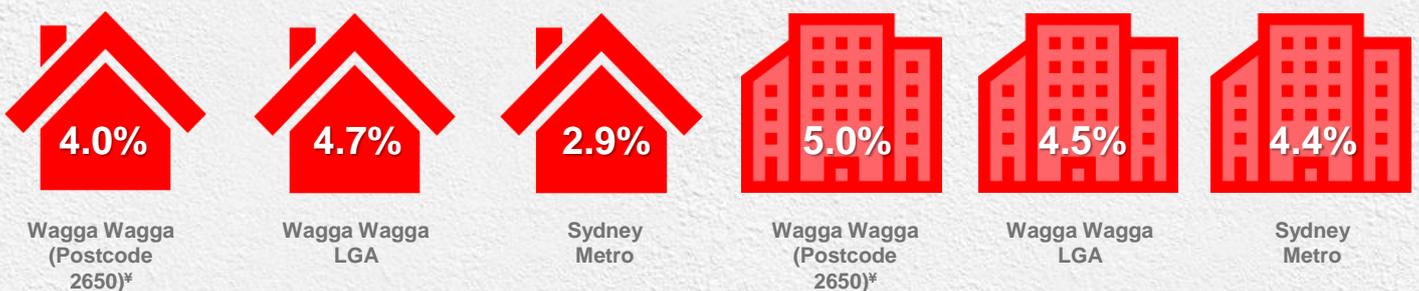
Wagga Wagga* recorded a vacancy rate of 1.2% in March 2023, which is slightly below Sydney Metro's 1.3% average. The spike in early 2023 can be attributed to more investors capitalising on a tight rental market. Vacancy rates in Postcode 2650 still remain lower than pre-COVID-19 time and under the Real Estate Institute of Australia's healthy benchmark of 3.0%. This suggests a conducive investment environment, especially with a more affordable house price in the past quarter.



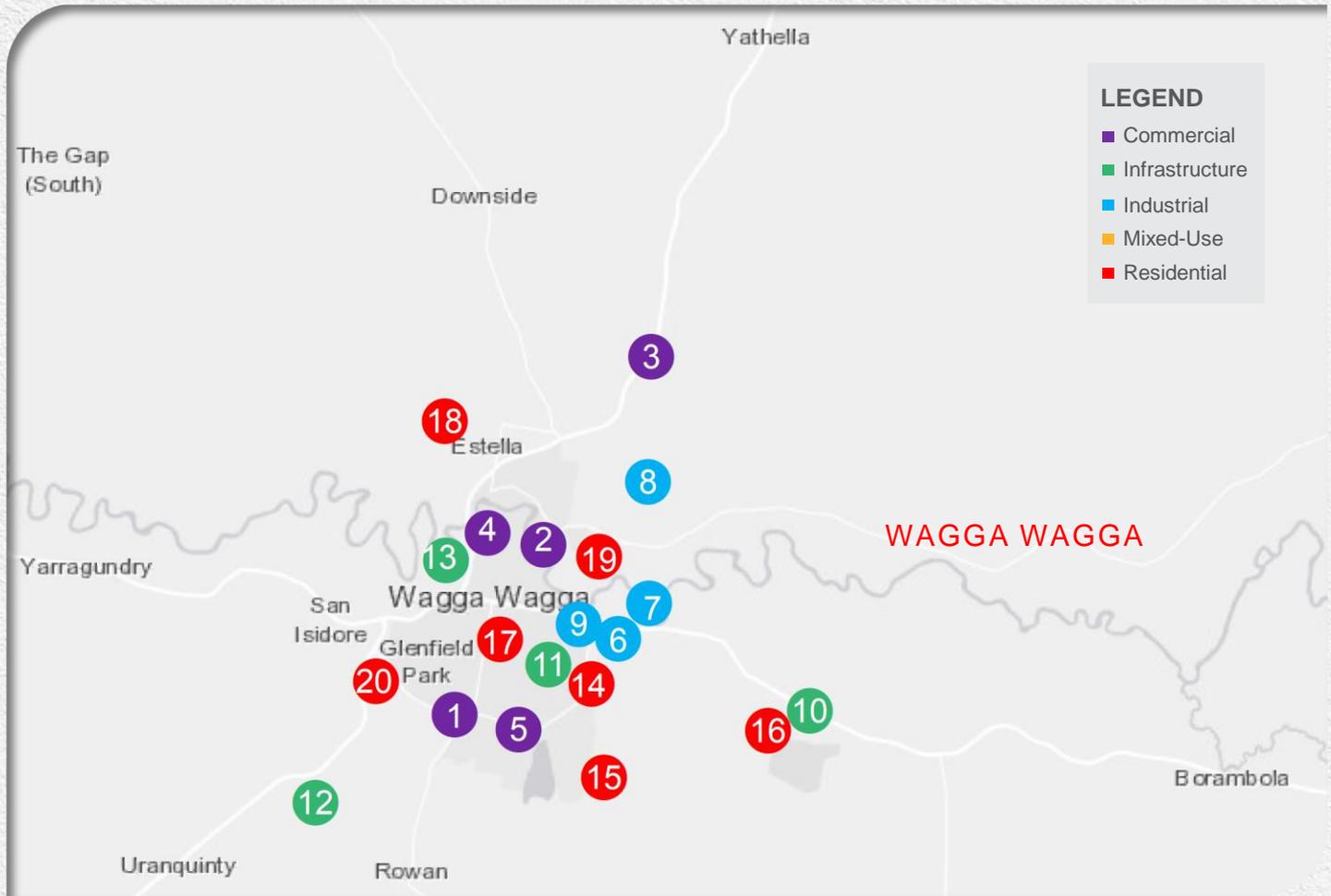
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 1st HALF 2023^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	70 Pinaroo Drive Seniors Living Units	Commercial	\$29,079,000	06/05/2023
2	187 Fitzmaurice Street Commercial Development	Commercial	\$1,500,000	05/06/2023
3	4 Trahairs Road Bulk Earthworks	Commercial	\$4,958,000	08/05/2023
4	Wagga Rsl Club	Commercial	\$3,505,000	07/03/2023
5	Koorungal Veterinary Hospital	Commercial	\$3,000,000	20/02/2023
6	221 Copland Street East Self Storage Units	Industrial	\$1,170,000	26/05/2023
7	26 Houtman Street Industrial Units	Industrial	\$1,618,000	06/06/2023
8	Byrnes Rd Industrial Subdivision	Industrial	\$2,200,000	06/02/2023
9	30 Jones Street East Warehouses	Industrial	\$800,000	28/02/2023
10	Raaf Wagga Training Centre Refurbishment	Infrastructure	\$2,500,000	06/05/2023
11	Lord Baden Powell Drive Roadworks	Infrastructure	\$1,755,000	15/02/2023
12	Dunns Road Upgrade Phases 2 & 3	Infrastructure	\$7,040,000	16/02/2023
13	Murrumbidgee River Pedestrian Bridge	Infrastructure	\$1,000,000	02/02/2023
14	97 Grove Street Units (3 units)	Residential	\$809,000	12/04/2023
15	1 Birch Road Residential Subdivision (131 lots)	Residential	\$7,259,000	12/05/2023
16	Elizabeth Avenue Residential Subdivision (195 lots)	Residential	\$13,650,000	06/03/2023
17	212 Edward Street Units (3 units)	Residential	\$1,140,000	17/06/2023
18	7 Denny Crescent Dwellings (3 dwellings)	Residential	\$900,000	06/02/2023
19	2 Lampe Avenue Units (2 units)	Residential	\$867,000	18/04/2023
20	208a Fernleigh Road Dwellings (8 dwellings)	Residential	\$3,245,000	05/06/2023



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

* Wagga market data and key indicators encapsulates aggregate property market conditions within the Wagga Wagga LGA

** Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

2023 encapsulates sales transactions for Quarter 1 (01/01/2023 – 31/3/2023) only.

€ Annual rental growth is a comparison between Quarter 1 2022 (01/01/2022 – 31/3/2022) and Quarter 1 2023 (01/01/2023 – 31/3/2023) house median rent figures.

¥ Wagga Wagga rental market data encapsulates aggregate property conditions within the postcode of 2650.

§ Rental yields shown are as reported as of March 2023.

⌘ 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 suburbs of Wagga Wagga LGA.

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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