

Albury Market Update

2nd Half 2023



OVERVIEW

In Q2 2023 Albury* recorded a median house price of \$547,000, representing an annual (Q2 2022 – Q2 2023) 2.2% growth. That said, on a quarterly basis (Q1 2023 – Q2 2023), this represents a relatively stable growth. This suggests a resilient market throughout cash rate hikes, underpinned by an undersupply as total house sales declined annually and quarterly; with Q2 2023 recording the lowest number of sales (227 sales). Albury recorded a median vacant land price of \$215,000 in Q2 2023, softer compared to 12 and 6 months ago. Both house and land markets create new opportunities for first home buyers.

	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 2023



SALES AVERAGE DAYS ON MARKET
Q2 2023



RENTAL MEDIAN PRICE
Q2 2023

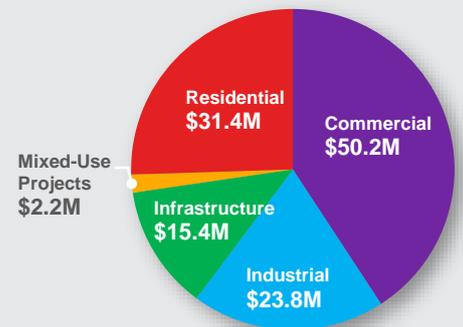


RENTAL AVERAGE DAYS ON MARKET
Q2 2023



FUTURE DEVELOPMENTS

Albury* is set to see approximately **\$123.0M** worth of new projects commencing in the 2nd half of 2023.



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, especially increasing the demand for housing stock.

A key residential project over the 1st half of 2023 is the 424 & 426 Olive & Hume Street (\$30.0M), to add 23 apartments. Others include:

- 674 David St and Winzer Lane Townhouses (6 townhouses)
- Land and Housing Corporation East Albury – 24 units

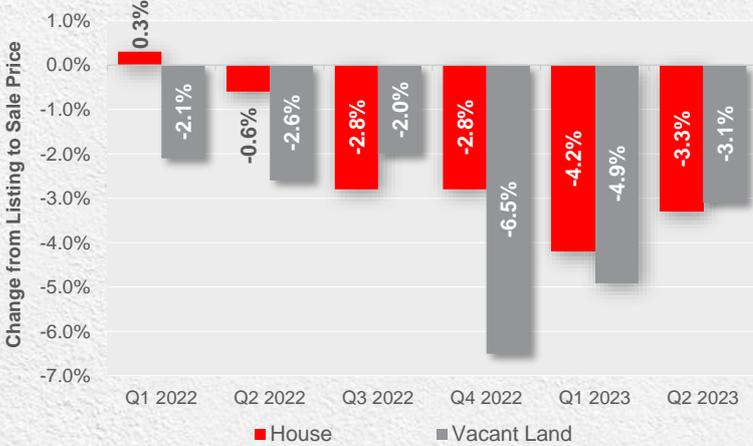
The 160 Hub Road & Hume Highway Warehouses (\$10.7M) is a significant industrial project that will facilitate commercial activity.

A low level of incoming supply is set to create a buffer for future cash rate hikes, allowing housing prices to remain stable.



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.

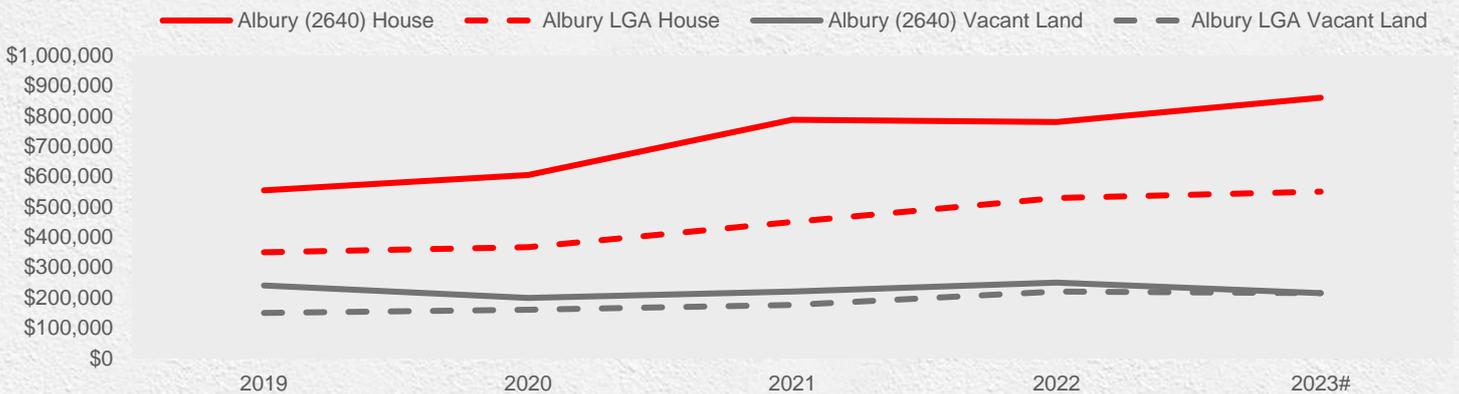


Average vendor discounts between Q2 2022 and Q2 2023 have widened to a higher discount, of -3.3% for houses and -3.1% for land. House and land market conditions in Albury continue to favour buyers, where sellers are willing to sell below the initial listing price. That said Q2 2023 average vendor discount is less than Q1 2023, which suggests buyers must act fast.

The suburb of Albury has historically outperformed the wider Albury Local Government Area (LGA), especially the house market. This continues in 2023# for houses, establishing a premium market. However land prices has seen a return to parity to the wider LGA.

The dominant proportion of homes sold in Albury* in 2023# were in the most affordable price point of less than \$499,999 (40.9%). Vacant land recorded a mid-range price point between \$200,000-\$299,999 (43.7%). Overall there is ample affordably priced stock available. The premium market is now gaining momentum, with 17.5% of houses sold at \$800,000 and above.

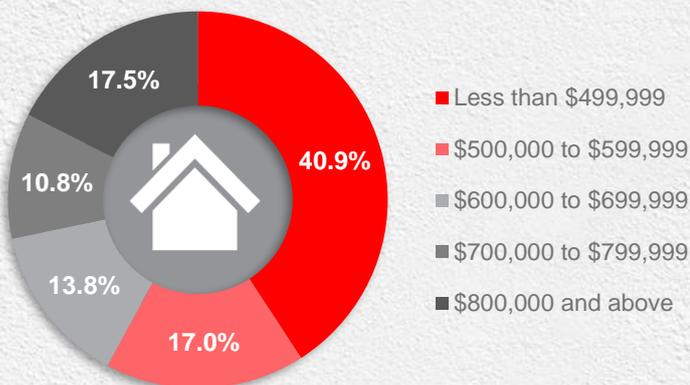
MARKET COMPARISON



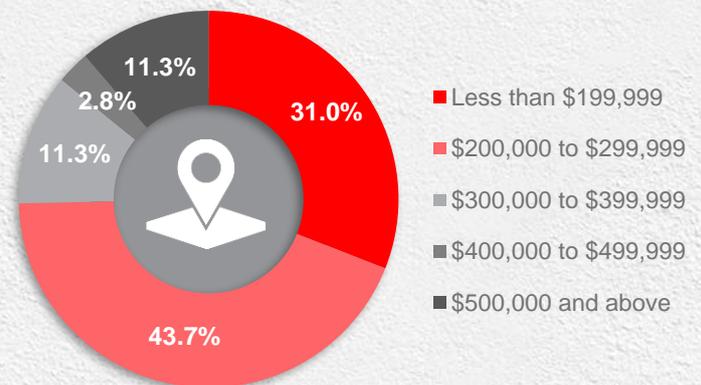
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Albury.

PRICE BREAKDOWN 2023#

HOUSES SOLD



VACANT LAND SOLD



RENTAL GROWTH 2023€

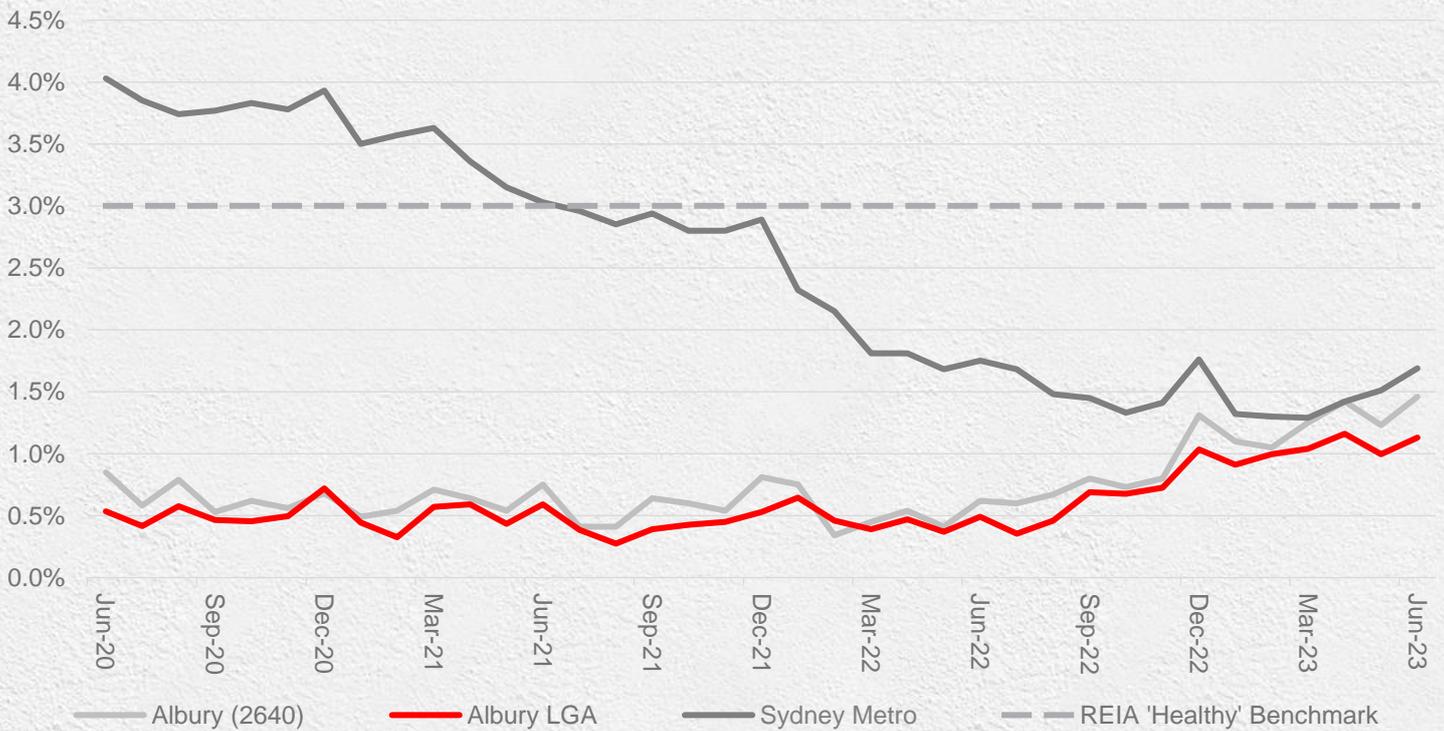
House rental yields in Albury* was 3.8% in June 2023, higher than Sydney Metro (2.8%). Median house rental price remain stable in the past 12 months to Q2 2023, along with an increase in the number of houses rented (up by 37.3% to 313 rents). The unit rental market saw a 9.7% growth in price, to \$340 per week, alongside a 16.3% increase in the number of units rented. Overall this points to a highly demanded rental market, with a more affordable price point than Sydney Metro.

2 bedroom houses have provided investors with +10.0% rental growth annually, achieving a median rent of \$330 per week.

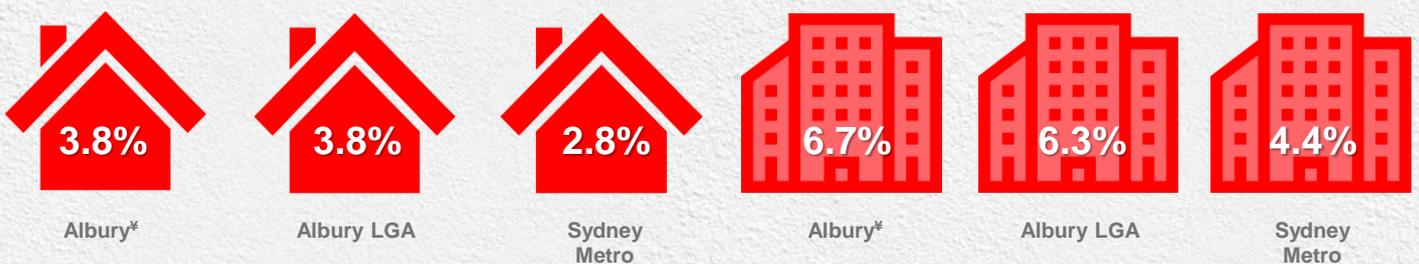
Albury* recorded a vacancy rate of 1.5% in June 2023, which is slightly below Sydney Metro's 1.7% average. Vacancy rates in Albury* have steadily increased over the past 12 months, due to investors re-entering the market and capitalising on the tight rental market. This is still below the Real Estate Institute of Australia's balanced supply and demand benchmark of 3.0%, thus Albury* continue to present a conducive and sustainable environment for investors.



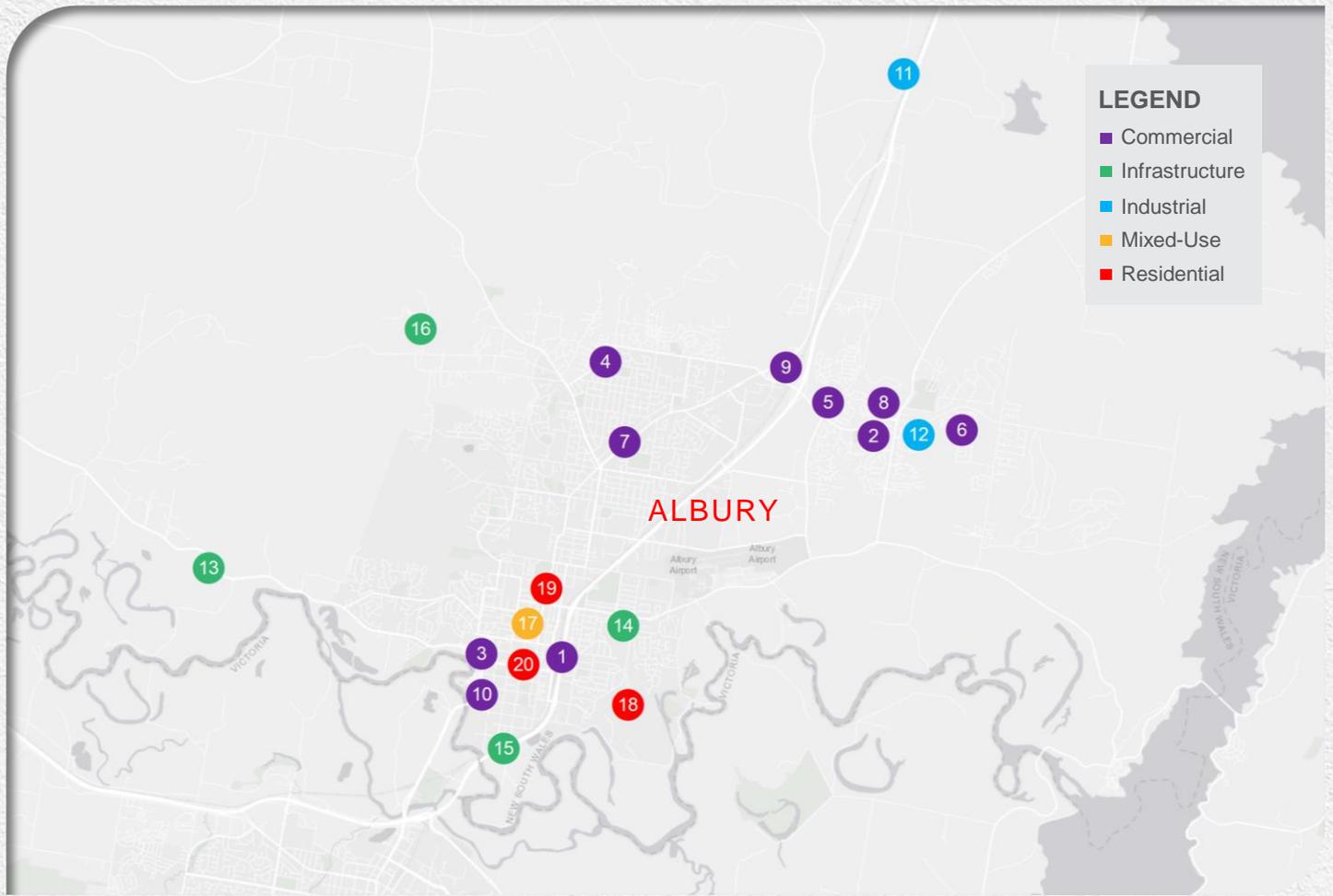
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 2nd HALF 2023[†]



Location	Project [‡]	Type	Estimated Value ^{††}	Commence Date ^{†††}
1	Hume Highway & Davey Road Service Centre Site	Commercial	\$3,000,000	14/07/2023
2	100 Table Top Road & 16 Lindisfarne Court Self Contained Dwellings Stage 9	Commercial	\$8,414,000	08/11/2023
3	Bp Border	Commercial	\$2,079,000	12/12/2023
4	143 Kaitlers Road & Woolpoint Court Light Industrial Units	Commercial	\$6,732,000	06/12/2023
5	299 Elizabeth Mitchell Drive Medical Centre	Commercial	\$5,223,000	14/12/2023
6	52 Diamond Drive Medical Centre & Commercial Tenancies	Commercial	\$2,400,000	13/12/2023
7	Guzman Y Gomez & Oporto	Commercial	\$3,931,000	17/12/2023
8	Woolworths Thurgoona Supermarket Alterations & Additions	Commercial	\$2,860,000	05/12/2023
9	Bp Truckstop	Commercial	\$2,640,000	03/07/2023
10	308-316 Wodonga Place & Nurigong Street Retail Premises	Commercial	\$2,700,000	27/10/2023
11	160 Hub Road & Hume Highway Warehouses	Industrial	\$10,725,000	06/12/2023
12	28 Arc Circuit Warehouse	Industrial	\$4,969,000	23/10/2023
13	Wonga Wetlands Education Centre Splitters Creek Tourist Centre	Infrastructure	\$2,500,000	01/12/2023
14	Albury Wodonga Hospital Negative Pressure Rooms	Infrastructure	\$2,000,000	02/10/2023
15	South Albury Levee	Infrastructure	\$2,000,000	03/12/2023
16	Albury Waste Management Centre Hamilton Valley Material Recycling Facility	Infrastructure	\$4,000,000	14/12/2023
17	534-536 Olive Street Shop Top Housing Redevelopment (2 Units)	Mixed-use	\$2,232,000	21/11/2023
18	Lahc - East Albury (24 Units)	Residential	\$7,000,000	16/10/2023
19	674 David Street & Winzer Lane Townhouses (6 Townhouses)	Residential	\$2,751,000	10/09/2023
20	424 & 426 Olive & Hume Streets Apartments (23 Units)	Residential	\$15,537,000	13/12/2023



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

* 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.

2023 encapsulates sales transactions for 2023 (01/01/2023 – 30/6/2023) only.

€ Annual rental growth is a comparison between Q2 2022 (01/04/2022 – 30/06/2022) and Q2 2023 (01/04/2023 – 30/06/2023) 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 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 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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