



Mildura Market Update

2nd Half 2023



OVERVIEW

In Q3 2023, Mildura* recorded a median house price of \$440,000, and a median unit price of \$333,500. This represents annual (Q3 2022 – Q3 2023) growth of 3.0% for houses and 7.6% for units. Total sales decreased between Q3 2022 – Q3 2023, by -23.4% (to 128 sales) for houses and by -43.8% for units (to 27 sales). A market undersupply is evident, as median property prices grew while total sales declined. However on a quarterly basis (Q2 2023 – Q3 2023) house prices softened by -2.2%, which creates new opportunities for first home buyers waiting to enter the market.

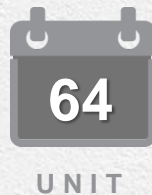
	CHANGE FROM LAST	YEAR	HALF YEAR
 House Sales		↓	↓
House Median Price		↑	↑
House Rental Price		↑	↔
 Unit Sales		↓	↓
Unit Median Price		↑	↑
Unit Rental Price		↓	↓

MARKET CONDITIONS

SALES MEDIAN PRICE
Q3 2023



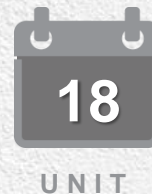
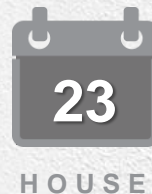
SALES AVERAGE DAYS ON
MARKET Q3 2023



RENTAL MEDIAN PRICE
Q3 2023

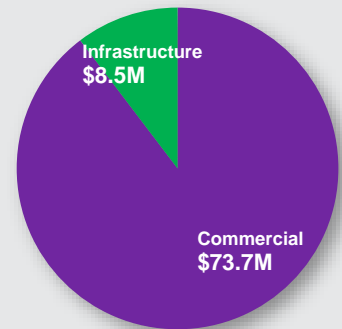


RENTAL AVERAGE DAYS ON
MARKET Q3 2023



FUTURE DEVELOPMENTS

Mildura is set to see approximately **\$82.2M** worth of new projects commencing in the 2nd half of 2023.



These projects will stimulate economic growth and create large employment opportunities in Merewether. This will have a spill-over impact on the real estate market, in the form of higher demand for housing stock.

A main commercial project over the 2nd half of 2023 is the Specialist Rehabilitation Facility (\$36.0M). The project plans to add a 30 bed facility, with various infrastructure.

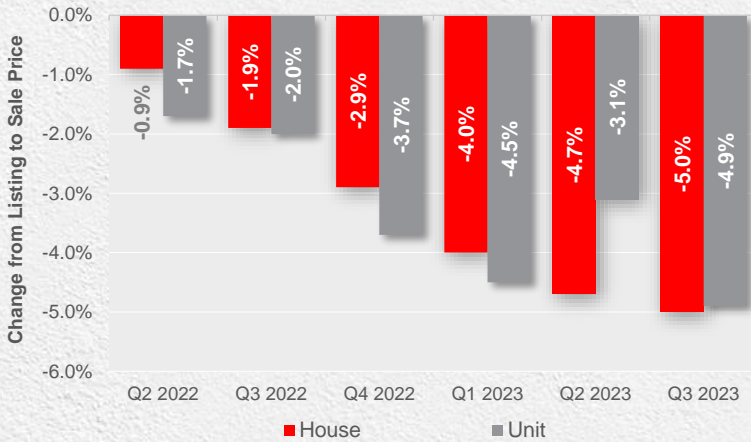
The Mildura Multi-Disciplinary Centre (\$10.0M) is a significant infrastructure the 2nd half of 2023. This is a State Government project that plans to add new care facility accommodation units, which will benefit those seeking the service.

Multiple infrastructure projects will improve liveability for residents, and can make the area more attractive to prospective residents.

The absence of ready-to-sell stock in the supply pipeline is concerning for buyers, especially as Mildura is already undersupplied. Cash rate hikes can act as a temporary buffer, however this is not a long term solution.

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.

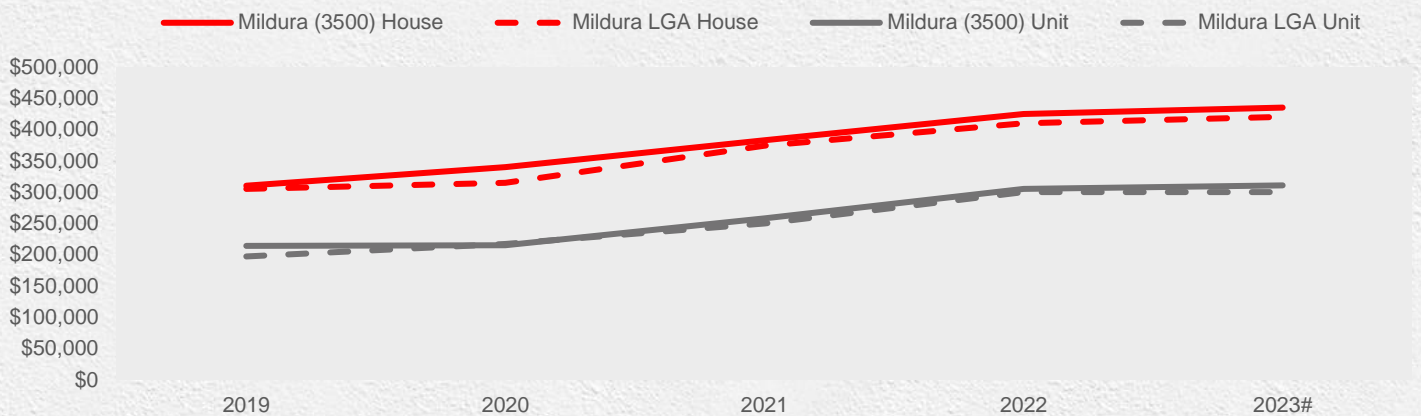


Average vendor discounts between Q3 2022 and Q3 2023 have widened further for both property types, to higher discounts of -5.0% for houses and -4.9% for units. Market conditions in Mildura* continue to favour buyers, as vendors are willing to accept below the initial listing price. Now is the time to buy.

The suburb of Mildura has historically performed on par with the Mildura Local Government Area (LGA), in both house and unit median prices. 2023# saw this pattern continuing, as both areas experienced the same price growth patterns in the past 12 months.

The dominant proportion of homes sold in Mildura* across 2023# were in the most affordable price bracket of less than \$399,999 (37.9%). Units sales were mostly in the more affordable price point of between \$250,000-\$349,000 (40.5%). Affordable options are increasingly available, which is good news for buyers. The premium market has shrunk, to only 6.3% of houses sales and 5.1% of unit sales.

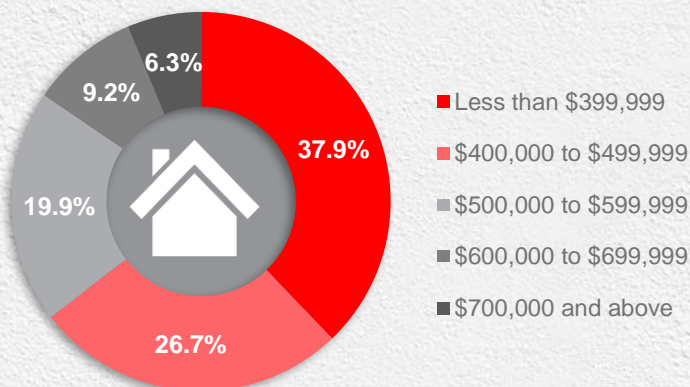
MARKET COMPARISON



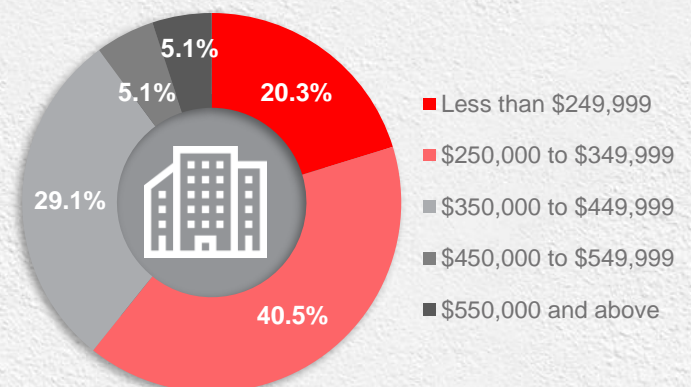
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGAs profiled was chosen based on their proximity to the main suburb analysed, which is Mildura.

PRICE BREAKDOWN 2023#

HOUSES SOLD



UNITS SOLD

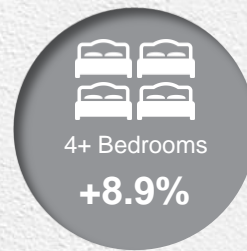


RENTAL GROWTH 2023€

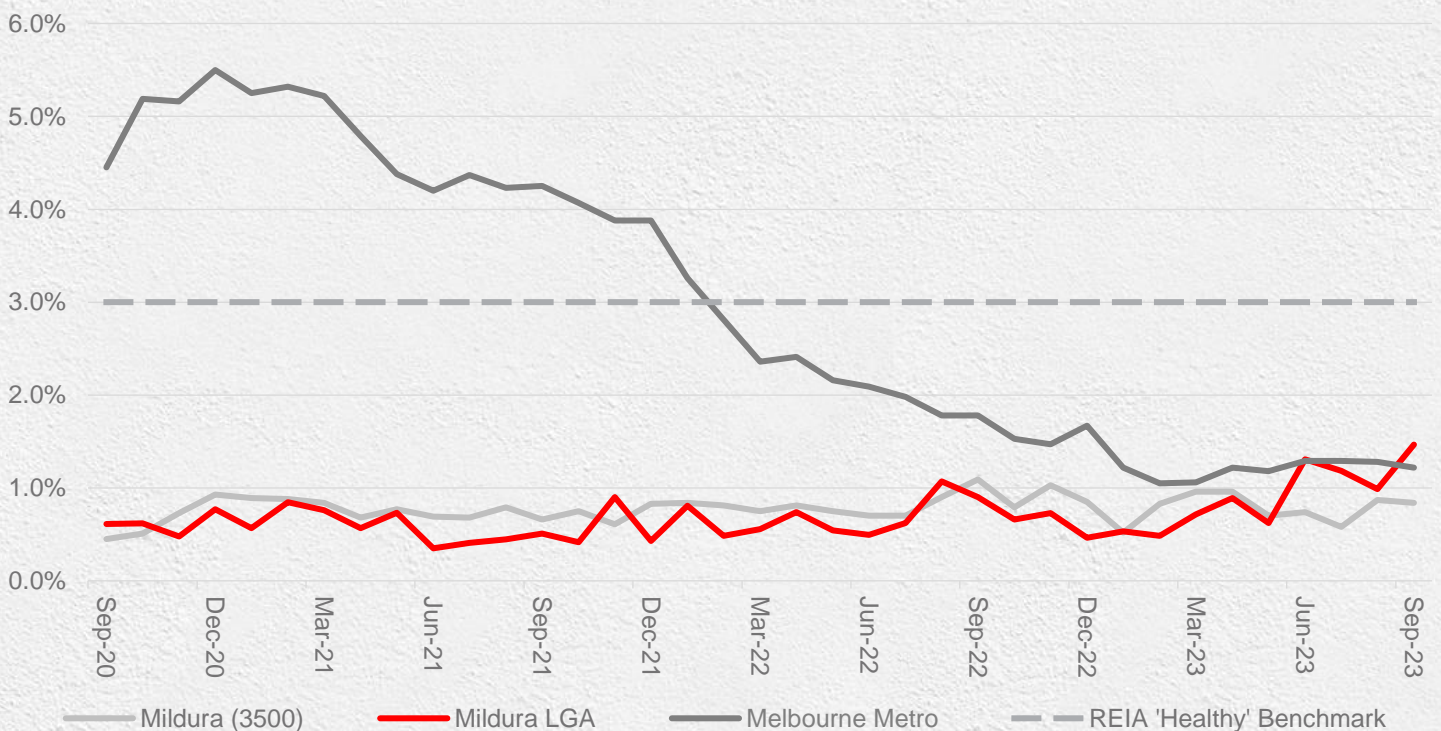
House rental yields in Mildura[‡] was 4.7% in September 2023, higher than Melbourne Metro (3.1%). This was paired with 5.3% increase in median house rental price in the past 12 months to Q3 2023, to \$400 per week, and a -18.0% decline in the number of houses rented (to 164 rentals). This median unit rental price has remained stable, while the number of units rented declined. This indicates an undersupply in both rental markets, and an opportunity for investors.

4+ bedroom houses have provided investors with +8.9% rental growth annually, achieving a median rent of \$490 per week.

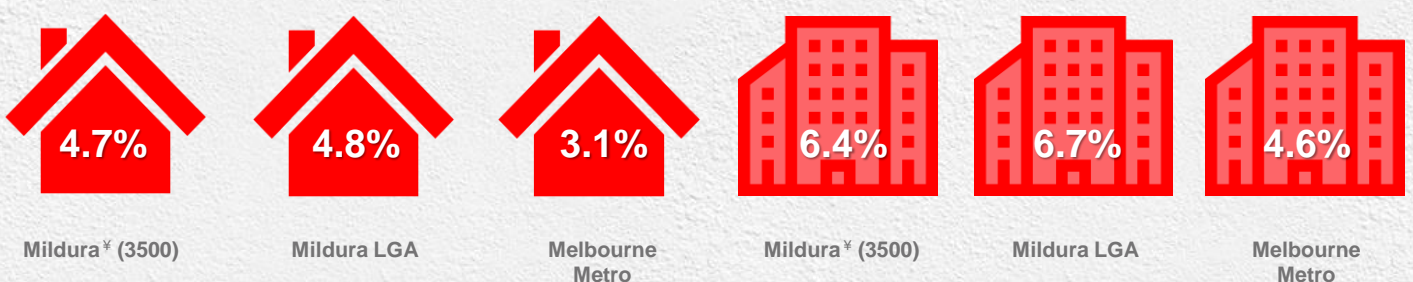
Mildura[‡] recorded a vacancy rate of 0.8% in September 2023, slightly below Melbourne Metro's 1.2% average. Vacancy rates in Mildura[‡] have held steady in the past 12 months, indicating stability in its rental demand. A 0.8% vacancy rate is lower than the Real Estate of Institute of Australia's benchmark of 3.0%, thus a quicker rental occupancy in Mildura[‡]. This suggests a conducive and sustainable environment for investors, with a more affordable entry price than Melbourne Metro.



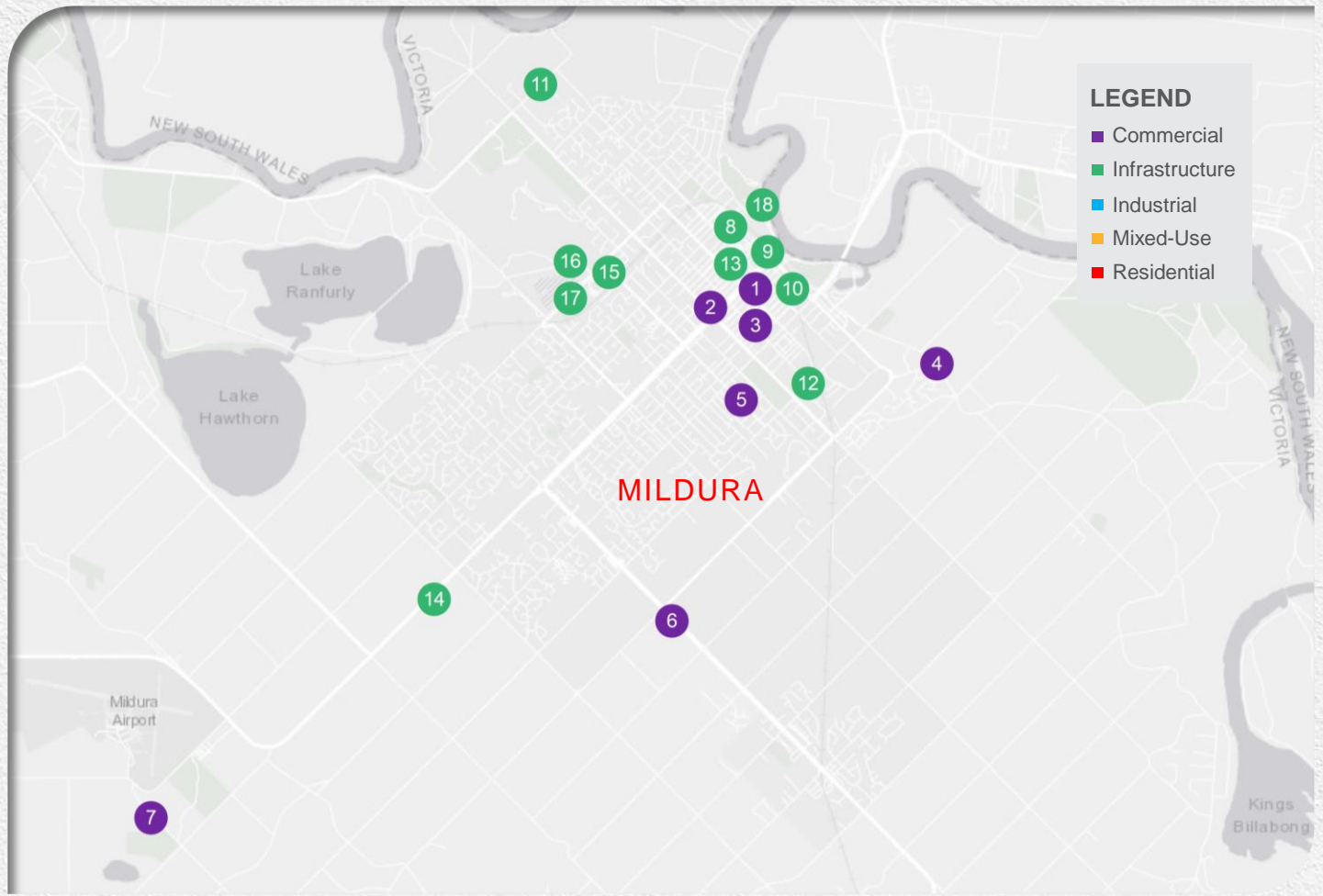
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 2nd HALF 2023[†]



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ν
1	Specialist Drug & Alcohol Residential Withdrawal & Rehabilitation Facility Mildura	Commercial	\$36,000,000	13/11/2023
2	123 Ninth Street Mallee Family Care Commercial Office	Commercial	\$18,000,000	21/12/2023
3	Mallee Sexual Assault Unit Office Mildura	Commercial	\$10,000,000	15/07/2023
4	Sun City Leisure Life Park Mildura Retirement Units	Commercial	\$6,000,000	14/12/2023
5	Sunnyside Living Aged Care Units	Commercial	\$2,000,000	18/12/2023
6	Mcdonalds Mildura Refurbishment	Commercial	\$1,300,000	07/09/2023
7	Sunraysia Training Campus Cfa Shed	Commercial	\$400,000	03/10/2023
8	Mildura Rural City Council Kerb & Channel Upgrade	Infrastructure	\$400,000	18/09/2023
9	Merle & Tarella Courts	Infrastructure	\$450,000	11/12/2023
10	Mildura Rural City Council Footpath Works	Infrastructure	\$500,000	18/12/2023
11	Old Aerodrome Sporting Complex - Soccer Park Lighting Upgrade	Infrastructure	\$650,000	25/09/2023
12	Tenth Street & Etiwanda Avenue Roadworks Intersection Upgrade	Infrastructure	\$800,000	27/11/2023
13	Mildura Council Footpath Construction Works	Infrastructure	\$800,000	30/12/2023
14	Mildura Sporting Precinct Operational Solar System	Infrastructure	\$800,000	20/10/2023
15	Mildura Base Public Hospital - Operating Theatre Additions	Infrastructure	\$1,500,000	22/12/2023
16	Mildura Landfill Weighbridge And Office	Infrastructure	\$1,500,000	08/12/2023
17	Mildura Landfill Gatehouse & Weighbridge	Infrastructure	\$750,000	04/12/2023
18	Nowingi Playspace Replacement	Infrastructure	\$350,000	10/07/2023

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

*Mildura market data and key indicators encapsulates aggregate property market conditions within the suburb of Mildura.

** 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 Q1 to Q3 2023 (01/01/2023 – 30/09/2023) only.

€ Annual rental growth is a comparison between Q3 2022 (01/07/2022 – 30/09/2022) and Q4 2023 (01/07/2023 – 30/09/2023) median house rent figures.

¥ Mildura rental market data encapsulates aggregate property conditions within postcode 3500.

§ Rental yields shown are as reported as of September 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 suburb of Mildura.

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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