

Wodonga Market Update

1st Half 2024



OVERVIEW

In Q4 2023, Wodonga* recorded a median house price of \$560,000, and a median land price of \$225,000. This represents annual (Q4 2022 – Q4 2023) price growth of 8.0% for houses but a softening of -9.4% for land. That said on quarterly basis (Q3 2023 – Q4 2023), median price grew by 3.7% (houses) and 2.3% (vacant lands). Annually and quarterly total house sales have increased, to a record high of 95 sales in Q4 2023. This suggests a high demand for houses, creating a buffer against higher interest rates. The vacant land market also shows resilience, mostly due to an undersupply of stock, with prices recovering within 6 months.

CHANGE FROM LAST YEAR HALF YEAR



	YEAR	HALF YEAR
HOUSE SALES	↑	↑
HOUSE MEDIAN PRICE	↑	↑
HOUSE RENTAL PRICE	↑	↑

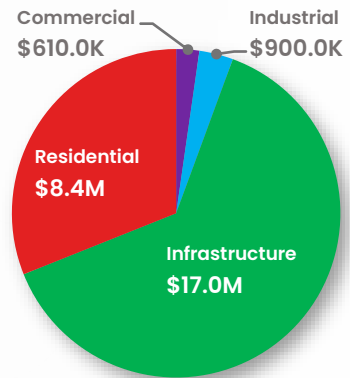


LAND SALES	↑	↓
LAND MEDIAN PRICE	↓	↑



FUTURE DEVELOPMENTS

Wodonga* is set to see approximately **\$26.9M worth of new projects commencing in the 1st half of 2024.**



A strong focus on infrastructure projects will improve liveability for residents and create local jobs during the construction phase. This can have an impact on the real estate market, in the form of more people choosing to live in Wodonga* and leading to higher demand for housing.

A key infrastructure project in the 1st half of 2024 is Wodonga Middle Years College Steam & Classrooms Upgrade (\$10.0M). This project is a New South Wales Government's initiative, to improve the education facilities for residents.

Two residential projects are planned, which include:

- 14-18 Havelock Street Townhouses (18 Townhouses)
- 30 Lasilla Place Units (5 Units)

Although these projects will add to the level of stock, there is still no new stand-alone houses planned. This will continue to push up house prices.



5 Units/
Apartments



18
Townhouses



MARKET CONDITIONS

MEDIAN PRICE
Q4 2023



\$560k



\$225K

SALES

AVERAGE DAYS
ON MARKET Q4 2023



HOUSE



UNIT

MEDIAN PRICE
Q4 2023



\$480



\$355

RENTALS

AVERAGE DAYS
ON MARKET Q4 2023



HOUSE

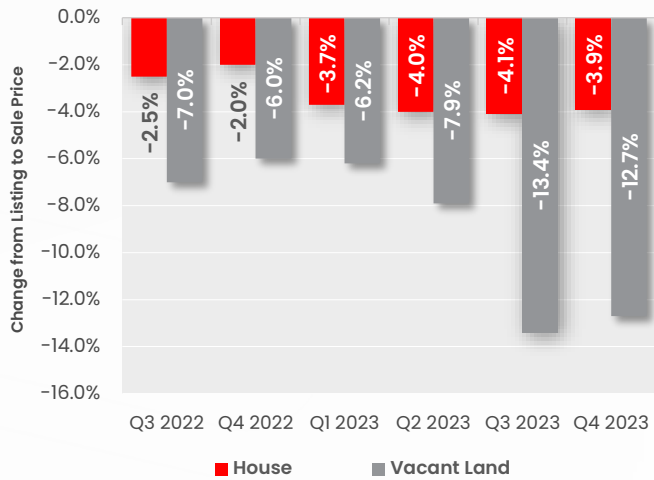


UNIT



AVERAGE VENDOR DISCOUNT*

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.



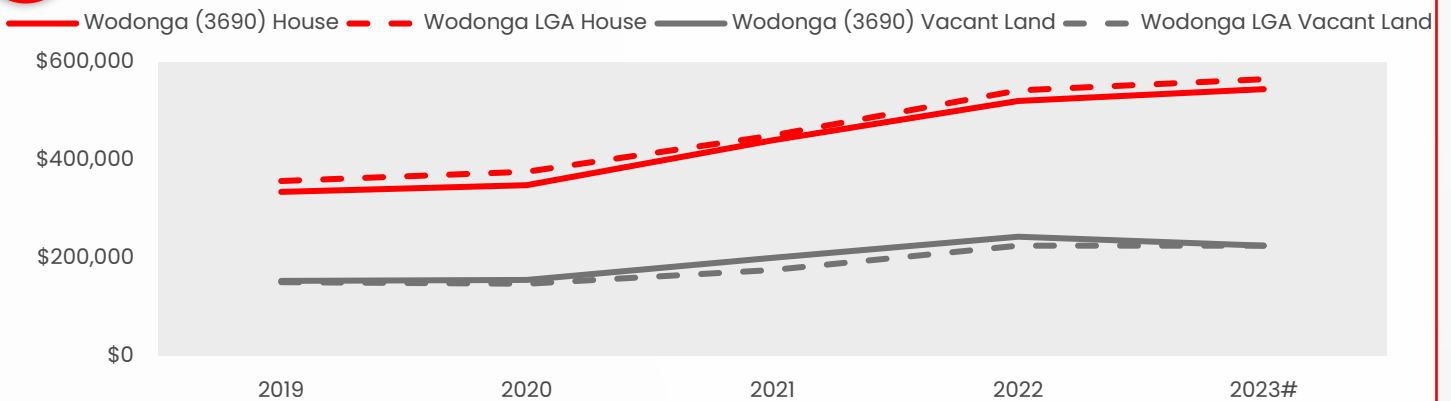
Average vendor discounts between Q4 2022 and Q4 2023 have widened for both property types, to -3.9% for houses and -12.7% for vacant lands. Market conditions in Wodonga* continue to favour buyers, especially vacant land, as sellers are willing to accept below the first listing price. Although average vendor discount for houses has been steady for the past 6 months, past data shows that there is a tendency for tighter discount. Thus now is an ideal time to act.

The suburb of Wodonga has historically performed quite on par compared to Wodonga Local Government Area (LGA) in both house and vacant land prices. 2023# saw this continue, with prices in both the suburb and LGA trending in the same direction. This creates some stability for buyers.

The dominant proportion of homes sold in Wodonga* across 2023# were in the most affordable price point of less than \$499,999 (40.9%), signifying a continued opportunity for first-time homebuyers aspiring to enter the market. The vacant land recorded a mid-range price point between \$225,000-\$249,999 (38.8%). Combined this suggests there is a home for every budget in Wodonga.



MARKET COMPARISON



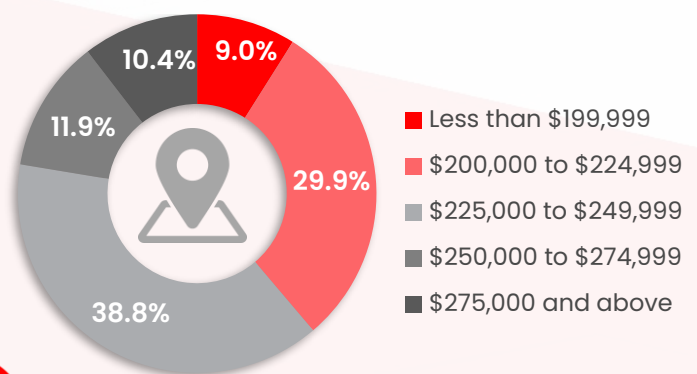
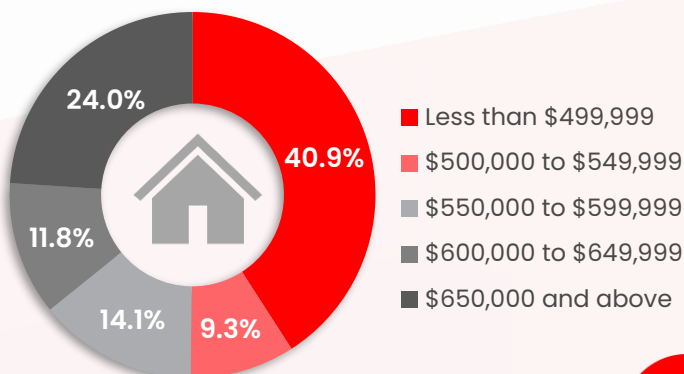
The market comparison graph provide a comparative trend for median price of houses and vacant land over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Wodonga.



PRICE BREAKDOWN 2023#

HOUSES SOLD

VACANT LAND SOLD





RENTAL GROWTH 2023€

House rental yields in Wodonga* was 4.1% as of December 2023, higher than Canberra Metro (3.2%). This was paired with a 6.7% increase in median house rental price in the past 12 months to Q4 2023, currently at \$480 per week. This is alongside a 23.2% increase in the number of houses rented (to 175 houses). Further, average days on market to let declined by -5.3%. This suggests a highly demanded rental market, which is beneficial to investors.

4+ bedroom houses recorded a 9.3% rental growth annually, at a median of \$530 per week.

Wodonga* recorded a vacancy rate of 0.7% in December 2023, well below Wodonga LGA's 1.1% and Canberra Metro's 2.1% average. Vacancy rates in Wodonga* have slightly increased in the past 12 months, potentially due to investors returning to market and capitalising on rental demand. That said a 0.7% vacancy rate is still very low, well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, thus suggesting quicker occupancy of rental homes. This suggests a conducive and sustainable environment for investors.

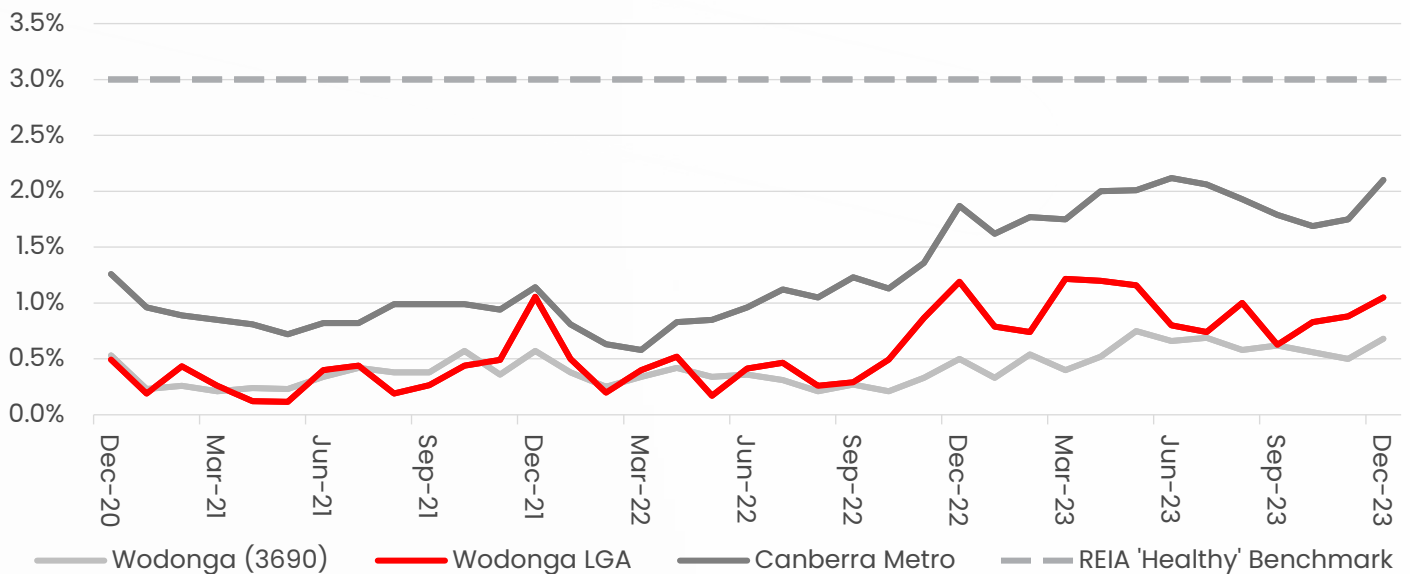
 2 BEDROOMS
+0.0%

 3 BEDROOMS
+4.8%

 4 BEDROOMS
+9.3%



RENTAL VACANCY RATES 2023



RENTAL YIELD 2023§



4.1%

Wodonga*



4.2%

Wodonga LGA



3.2%

Canberra Metro



4.5%

Wodonga*



4.5%

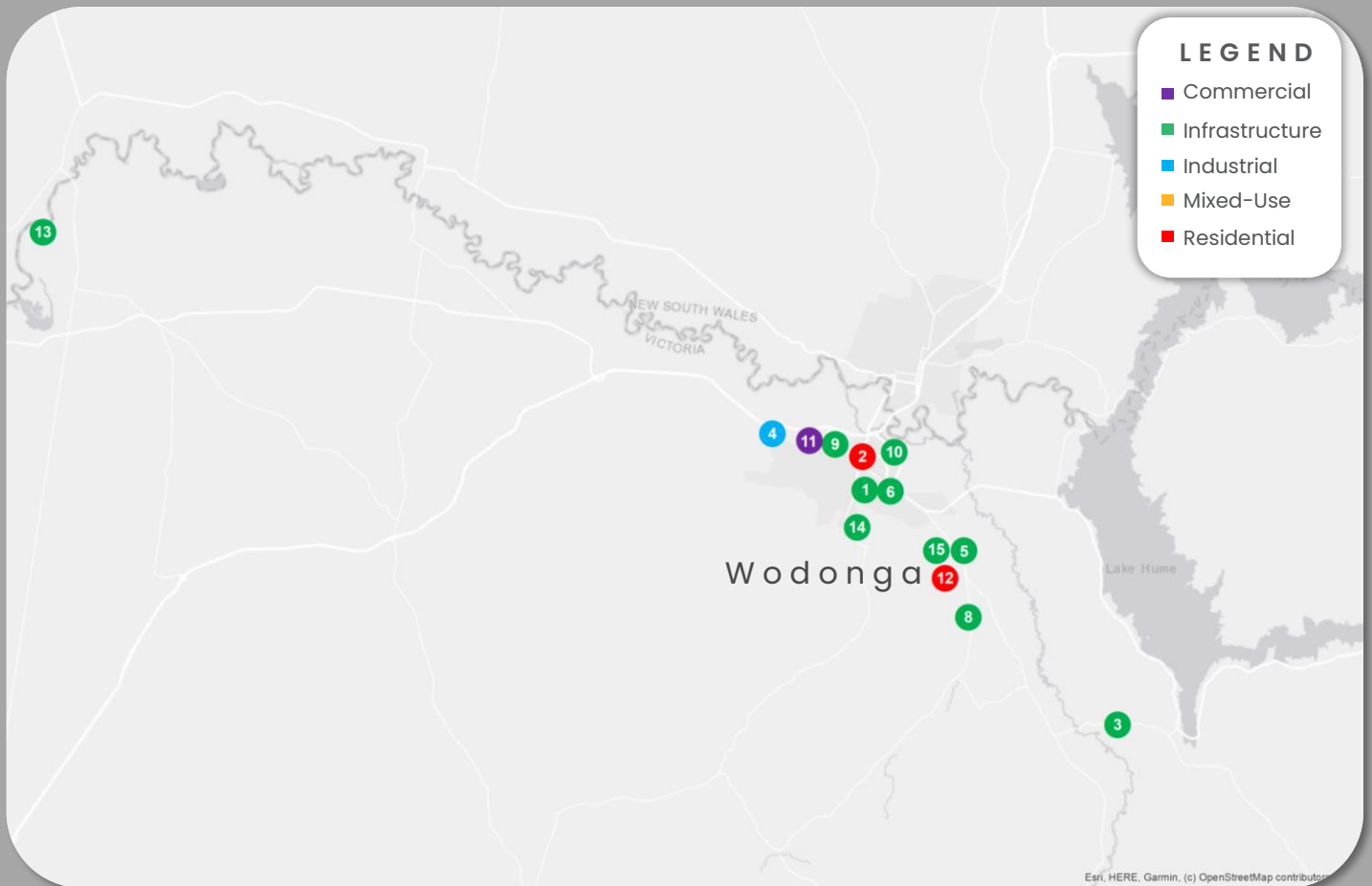
Wodonga LGA



4.9%

Canberra Metro

PROJECT DEVELOPMENT 1st HALF MAP 2024^A



#	Project [§]	Type	Estimated Value [¶]	Commence Date ^ψ
1	Wodonga Middle Years College Steam & Classrooms Upgrade (State Government)	Infrastructure	\$10,000,000	2024-04-29
2	14-18 Havelock Street Townhouses (18 Townhouses)	Residential	\$7,800,000	2024-05-21
3	Tangambalanga Streetscape Development (Local Government)	Infrastructure	\$1,000,000	2024-02-26
4	Elkington Road Warehouse Buildings	Industrial	\$900,000	2024-04-29
5	Baranduda Fields Internal Street Light & Communication (Local Government)	Infrastructure	\$850,000	2024-05-07
6	Racecourse Exhibition Centre Redevelopment Electrical Works (Local Government)	Infrastructure	\$800,000	2024-01-15
7	Wises Creek Road Roadworks Upgrade & Sealing Work Stage 3 (Local Government)	Infrastructure	\$800,000	2024-06-11
8	Baranduda High Level Water Tank Renewal (State Government)	Infrastructure	\$800,000	2024-03-11
9	Sansters Road & House Creek Bridge Decommissioning Project (Local Government)	Infrastructure	\$756,000	2024-05-20
10	Wodonga Creek Flood Levee (State Government)	Infrastructure	\$700,000	2024-06-24
11	Econo Lodge Border Gateway West Wodonga Motel Additions	Commercial	\$610,000	2024-05-06
12	30 Lasilla Place Units (5 Units)	Residential	\$550,000	2024-05-31
13	Wahgunyah Railway Land & Tangambalanga Kiewa Valley Estate Recreation Asphalt Pump Tracks (Local Government)	Infrastructure	\$519,900	2024-01-08
14	Kinchington & Leneva Playspaces (Local Government)	Infrastructure	\$400,000	2024-06-24
15	Baranduda Fields Landscaping - Stage 1 (Local Government)	Infrastructure	\$400,000	2024-06-24

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- Demographic and target market analysis
- Geographic information mapping
- Project analysis including product and pricing recommendations
- Rental and investment return analysis

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REFERENCES

* Wodonga sales 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.

2023 encapsulates sales transactions for all of 2023 (01/01/2023 – 31/12/2023).

€ Annual rental growth is a comparison between Q4 2022 (01/10/2022 – 31/12/2022) and Q4 2023 (01/10/2023 – 31/12/2023) house median rent figures

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

§ Rental yields shown are as reported as of December 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 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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