

Wagga Wagga Market Update

1st Half 2024



OVERVIEW

In Q1 2024, Wagga Wagga* recorded a median house price of \$597,000, and a median unit price of \$394,500. This represents annual (Q1 2023 – Q1 2024) median price growth of 4.7% for houses and 17.1% for units. Total house sales decreased between Q1 2023 – Q1 2024, by -11.4% (to 239 sales), but increased for units, by 22.6% (to 38 sales). The house market in Wagga Wagga* is undersupplied, as there is less sales and price growth, whereas the unit market is highly demanded (higher sales and price growth). The market is resilient despite higher interest rates, and now is an ideal time for owners to capitalise on their investments.

CHANGE FROM LAST YEAR HALF YEAR



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

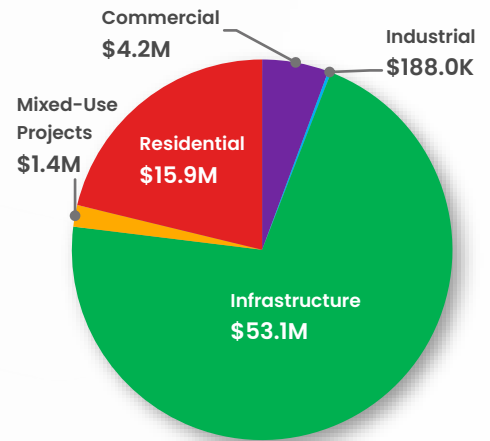


UNIT SALES	↑	↑
UNIT MEDIAN PRICE	↑	↑
UNIT RENTAL PRICE	↑	↑



FUTURE DEVELOPMENTS

Wagga Wagga will see approximately **\$74.7M worth of new projects commencing in the 1st half of 2024.**



A focus on infrastructure projects improve liveability for residents, which can draw in more people to the area. Thus increasing the demand for housing stock.

A key infrastructure project in the 1st half of 2024 is Rodhams Road Solar Farm (\$18.9M). A New South Wales state government initiative, this will stimulate job creation in the area.

The largest residential development in the 1st half of 2024 is Harris Road Residential Subdivision (\$6.4M), due to add 217 lots to the area.

Whilst there is a new supply planned for construction there is not enough of ready-to-sell stock to address the current undersupply. This will push up prices even further.



MARKET CONDITIONS

MEDIAN PRICE
Q1 2024



\$597K



\$394K

SALES

AVERAGE DAYS
ON MARKET Q1 2024



74
HOUSE



70
UNIT

RENTALS

MEDIAN PRICE
Q1 2024



\$480



\$370

AVERAGE DAYS
ON MARKET Q1 2024



20
HOUSE



19
UNIT



12 Units/
Apartments



21
Dwellings



281 Lots



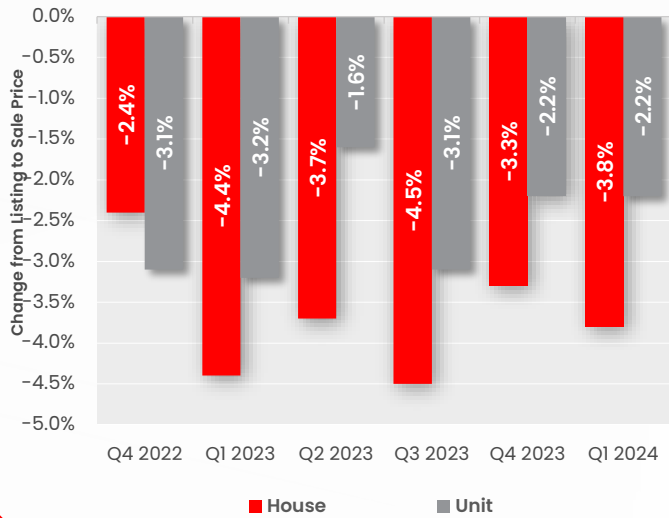
AVERAGE VENDOR DISCOUNT*

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.

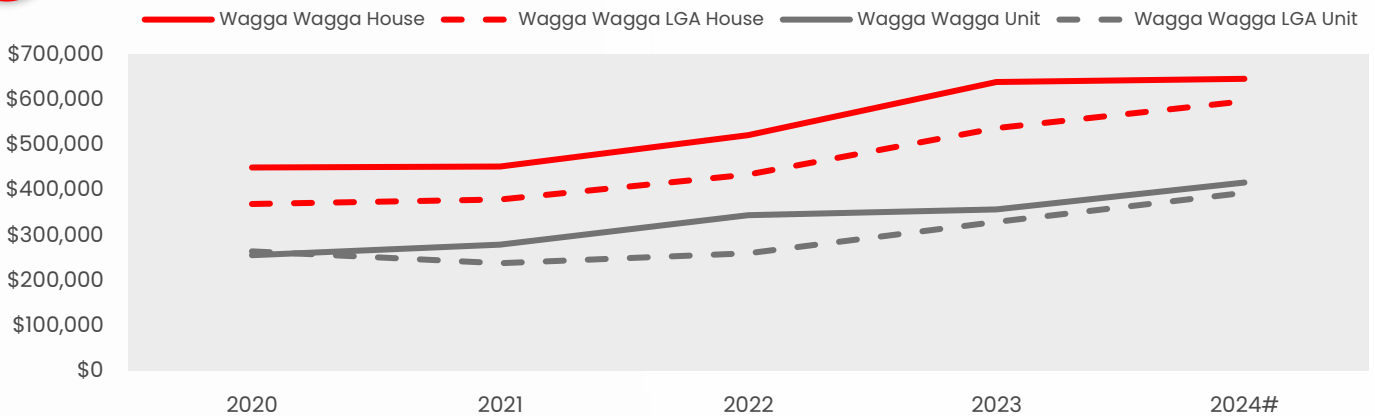
Average vendor discounts between Q1 2023 and Q1 2024 have slightly tightened, however they have remained at discount, of -3.8% for houses and -2.2% for units. Market conditions in Wagga Wagga* continue to favour buyers, where vendors are willing to accept below the initial listing price. Thus despite median price growth in the past 12 months, there are still opportunities for buyers.

The suburb of Wagga Wagga has outperformed the wider Wagga Wagga Local Government Area (LGA) in both house and unit median prices in the past 5 years. This said, 2024# has seen a return to parity for both property prices, now more in line with the wider Wagga Wagga LGA.

The dominant proportion of homes sold in Wagga Wagga* across 2023/2024# were in the most affordable price bracket below \$449,999 (23.6%). However there is almost a similar amount in the premium price bracket of \$750,000 above (23.2%). This suggests there are benefits for both sellers and buyers. In contrast most of the units sold were in the more affordable price bracket of \$250,000 and \$349,999 (30.0%), which is good news for buyers.



MARKET COMPARISON

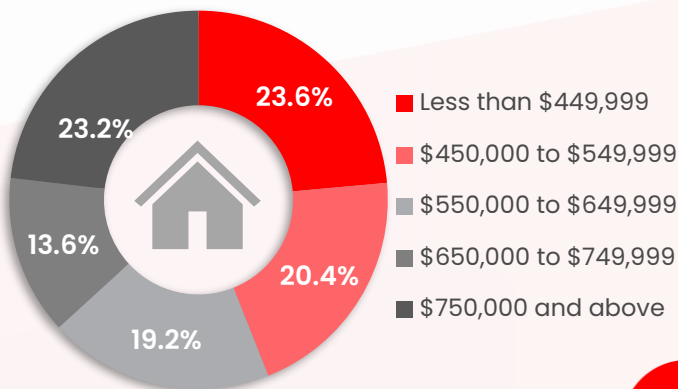


The market comparison graph provides a comparative trend for the median price of houses and units in the past 5 years. The main LGA profiled was chosen based on its proximity to the key suburb analysed, which is Wagga Wagga.

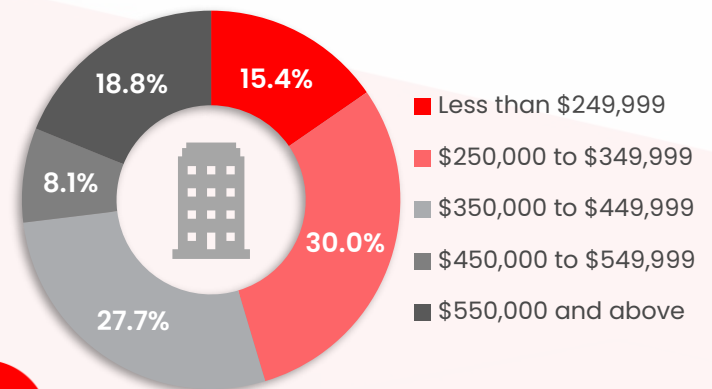


PRICE BREAKDOWN 2023/2024#

HOUSES SOLD



UNITS SOLD





RENTAL GROWTH 2024€

House rental yields in Wagga Wagga* was 3.5% as of March 2024, higher than Sydney Metro (2.9%). This was paired with a 2.1% increase in median house rental price in the past 12 months to Q1 2024, to \$480 per week, and a -3.9% decline in the number of houses rented (to 464 rentals). This suggests an undersupplied house rental market and establishes the area as an alternative more affordable investment option to Sydney Metro.

4+ bedroom houses have provided investors with +3.7% rental growth annually, achieving a median rent of \$560 per week.

Wagga Wagga* recorded a vacancy rate of 0.6% in March 2024, well below Sydney Metro's 1.1% average. Vacancy rates in Wagga Wagga* have declined in the past 12 months, which suggests a tighter rental demand. Furthermore, vacancy rates in Wagga Wagga are well below the Real Estate Institute of Australia's 'healthy' benchmark of 3.0%, indicating quicker occupancy of rental properties. This suggests a conducive rental market for investors, even if property sale prices (thus entry price) has increased in the past 12 months.

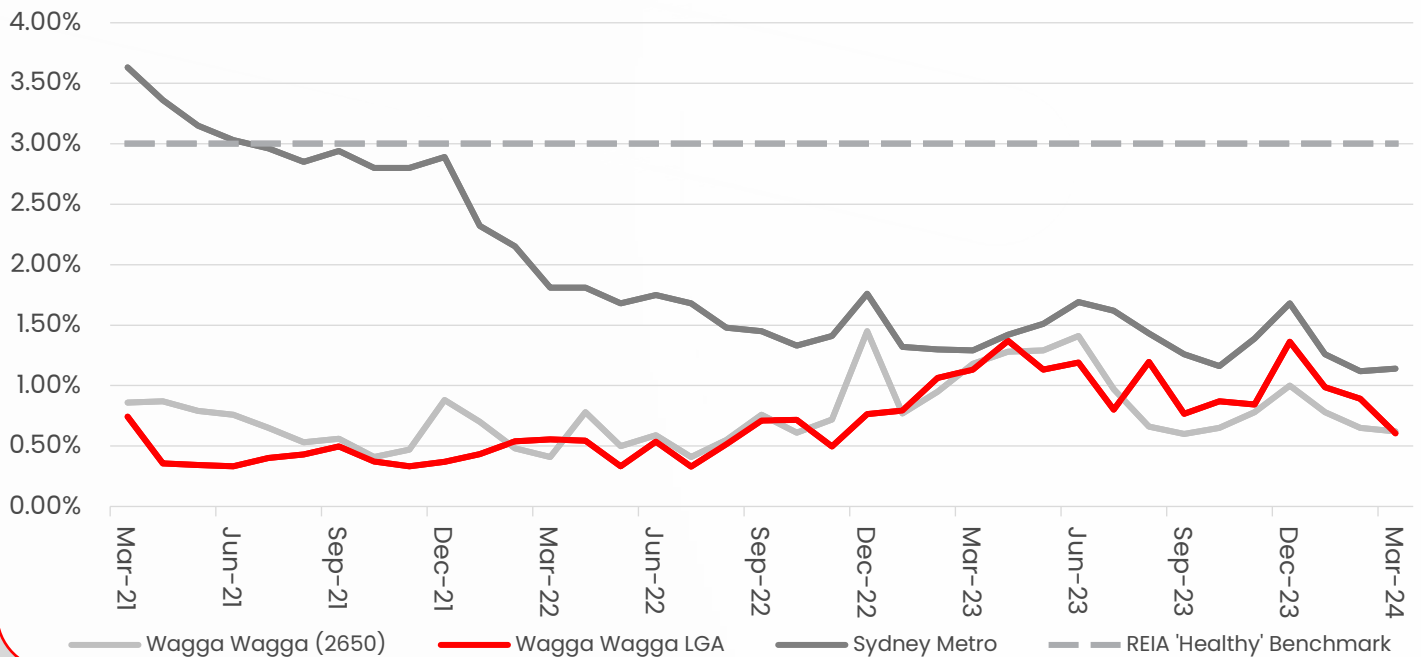
2 BEDROOMS
+2.8%

3 BEDROOMS
+2.2%

4 BEDROOMS
+3.7%



RENTAL VACANCY RATES 2024



RENTAL YIELD 2024§



3.5%

Wagga Wagga (2650)*



4.4%

Wagga Wagga LGA



2.9%

Sydney Metro



4.5%

Wagga Wagga (2650)*



4.3%

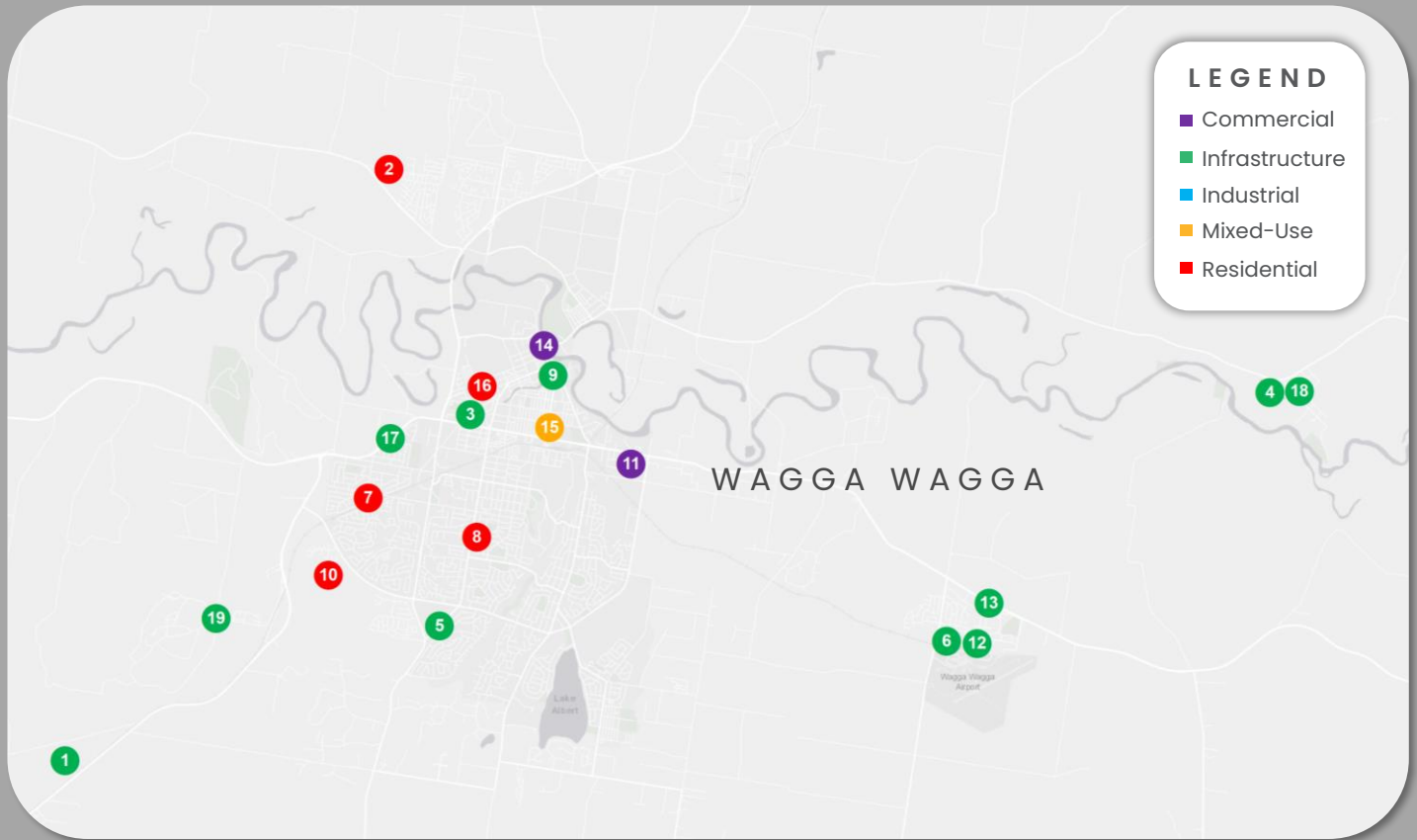
Wagga Wagga LGA



4.6%

Sydney Metro

PROJECT DEVELOPMENT 1st HALF MAP 2024^A



#	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Rodhams Road Solar Farm - Sandy Creek Solar Farm	Infrastructure	\$18,955,000	03/06/2024
2	Harris Road Residential Subdivision (214 Lots)	Residential	\$6,400,000	14/06/2024
3	Land and Housing Corporation - Wagga Wagga Units (Housing by New South Wales State Government)	Infrastructure	\$6,373,015	25/04/2024
4	Picton To Wagga Wagga Railway Upgrade	Infrastructure	\$6,000,000	11/03/2024
5	Jubilee Park Athletics Centre Bulk Earthworks	Infrastructure	\$5,100,000	22/02/2024
6	RAFF Wagga Base Refurbishment	Infrastructure	\$3,500,000	01/03/2024
7	208a Fernleigh Road Dwellings (8 Dwellings)	Residential	\$3,245,175	05/06/2024
8	2-6 Manoora Avenue Dwellings (11 Dwellings)	Residential	\$2,724,750	29/03/2024
9	Wagga Wagga Courthouse Facade Repairs	Infrastructure	\$2,671,753	14/04/2024
10	80 Lingiari Drive Residential Subdivision Stage 2 (67 Lots)	Residential	\$2,345,000	06/06/2024
11	19 Jones Street Commercial Buildings	Commercial	\$2,098,000	05/06/2024
12	RAAF Wagga Training Centre Refurbishment	Infrastructure	\$1,961,537	04/03/2024
13	RAAF Base Wagga Refurbishment	Infrastructure	\$1,750,000	13/05/2024
14	187 Fitzmaurice Street Mixed Use Development Alterations & Additions	Commercial	\$1,500,000	05/06/2024
15	63 Baylis Street Commercial Premises Alterations & Additions	Mixed Use	\$1,378,000	06/06/2024
16	59 Shaw Street Dwellings (3 Dwellings)	Residential	\$1,140,000	19/05/2024
17	Marshalls Creek Bridge Replacement	Infrastructure	\$1,000,000	08/01/2024
18	Murrumbidgee River Pedestrian Bridge	Infrastructure	\$1,000,000	05/02/2024
19	Kapooka Electrical Infrastructure Works - Blamey Barracks	Infrastructure	\$800,000	07/02/2024

Your home of the latest property market insights.

RESEARCH SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products, and 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.



Simon Freemantle



+61 419 987 549



simonfreemantle@prdwagga.com.au

GET IN TOUCH WITH US TODAY >



PRD Office Name

Your trusted local real estate agency



+61 2 6923 3555



simonfreemantle@prd.com.au



PRD.com.au/waggawagga



53 Fitzmaurice Street

Wagga Wagga, NSW, 2650

REFERENCES

- * Wagga Wagga market data and key indicators encapsulates aggregate property market conditions within the suburbs of 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.
- # 2024 encapsulates sales transactions for Q1 2024 (01/01/2024 – 31/03/2024) only, other years encapsulates sales transactions for the full year (i.e 01/01 to 31/12 of the relevant year).
- € Annual rental growth is a comparison between Q1 2023 (01/01/2023 – 31/03/2023) and Q1 2024 (01/01/2024 – 31/03/2024) house median rent figures.
- ¥ Wagga Wagga market data encapsulates aggregate property conditions within the postcode of 2650.
- § Rental yields shown are as reported as of March 2024.
- ▲ 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 2650, 2651, 2652, 2661 .
- 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.

Disclaimer: PRD does not give any warranty in relation to the accuracy of the information contained in this report. If you intend to rely upon the information contained herein, you must take note that the information, figures and projections have been provided by various sources and have not been verified by us. We have no belief one way or the other in relation to the accuracy of such information, figures and projections. PRD will not be liable for any loss or damage resulting from any statement, figure, calculation or any other information that you rely upon that is contained in the material.

Prepared by PRD Research. © All medians and volumes are calculated by PRD Research. Use with written permission only. All other responsibilities disclaimed. © Copyright PRD 2024.