



# Wagga Wagga Market Update 1st Half 2020



## OVERVIEW

In Q1 2020, Wagga Wagga\* recorded a median house price of \$371,500, and a median unit price of \$271,750. This represents annual (Q1 2019 – Q1 2020) median price growth of 0.8% for houses and a very slight price softening of just -0.1% for units. Between Q1 2019 – Q1 2020 total sales in both markets improved, by 8.8% for houses (to 260 sales) and by 55.6% for units (to 28 sales). With steady to moderate price growth and increased sales activity, Wagga Wagga proves itself as a resilient market. Now is the time to transact.

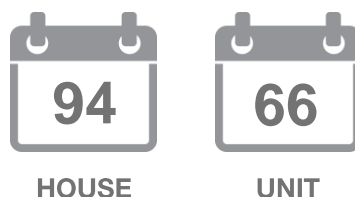
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↓
	House Median Price	↑	↑
	House Rental Price	↔	↔
	Unit Sales	↑	↑
	Unit Median Price	↓	↑
	Unit Rental Price	↔	↑

## MARKET CONDITIONS

### SALES MEDIAN PRICE Q1 2020



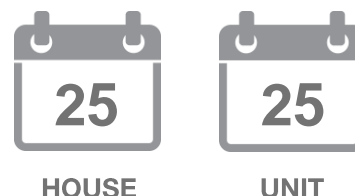
### SALES AVERAGE DAYS ON MARKET Q1 2020



### RENTAL MEDIAN PRICE Q1 2020

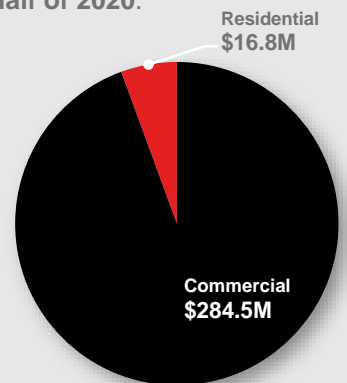


### RENTAL AVERAGE DAYS ON MARKET Q1 2020



## FUTURE DEVELOPMENTS

Wagga Wagga\* is set to see around **\$301.3M** worth of new projects commencing between 2019 and the 1st half of 2020.



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

Two major commercial projects for the period are the \$100.0M Project EnergyConnect and the \$150.0M Bomen Solar Farm, which are both energy-driven projects set to create employment and improvements to utilities for residents. Residential projects such as the (\$6.4M, 214 Lot) Harris Road Subdivision are key to ensuring Wagga Wagga\* can answer current demand.



3 Units/  
Apartments



4  
Dwellings



477 Lots

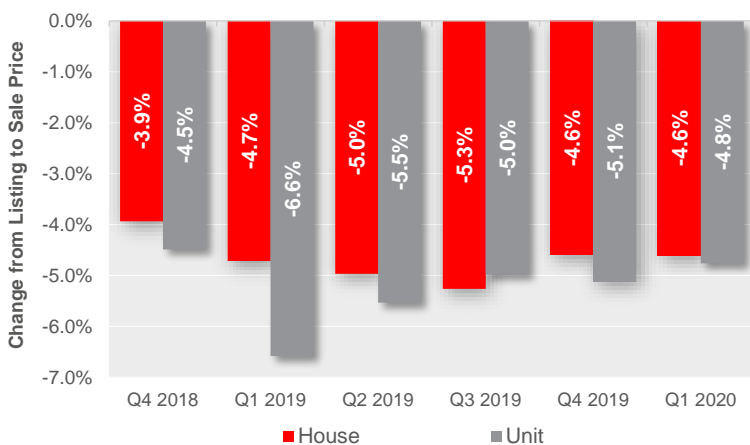
\*Wagga Wagga market data and key indicators encapsulates aggregate property market conditions within the Postcode 2650.

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

Source: APM Pricefinder, Cordell Connect database. © Copyright PRD 2020.

# 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.

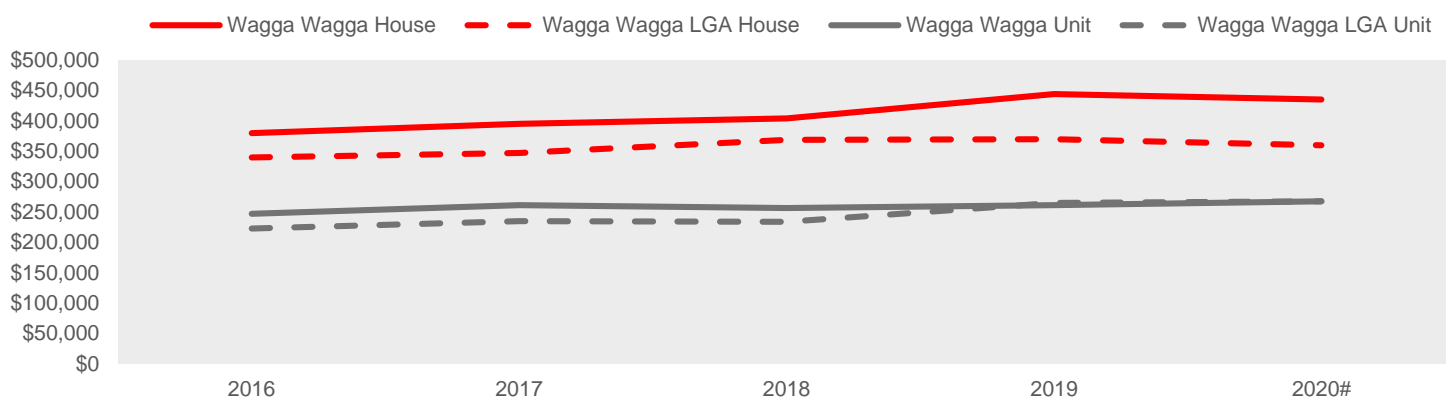


Average vendor discounts between Q1 2019 and Q1 2020 have tightened for both property types, to -4.6% for houses and -4.8% for units. Market conditions in Wagga Wagga\* offers unique opportunities for both buyers and sellers. Sellers can now achieve a final sale price closer to their first list price, whilst at the same time buyers can benefit from a discount.

The suburb of Wagga Wagga has historically outperformed the wider Wagga Wagga Local Government Area (LGA) in median house price. This continues to be the case in 2020# to date.

The dominant proportion of homes sold in Wagga Wagga\* across 2019^ were in the mid-lower price range of \$300,000-\$400,000 (29.8%), while units recorded a dominant middle price range of of \$250,000-\$300,000 (29.7%). This shows the market remains highly accessible to first home buyers with limited budgets.

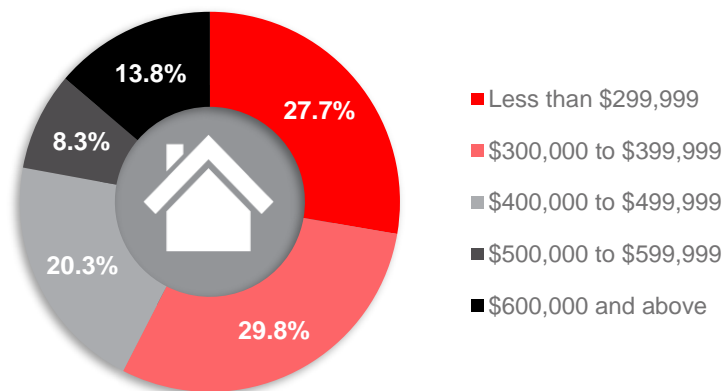
## MARKET COMPARISON



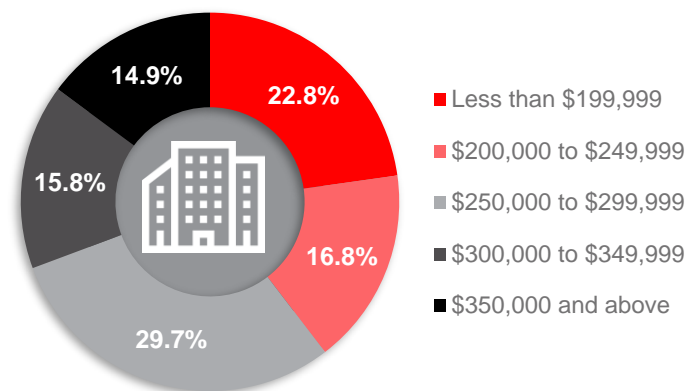
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Wagga Wagga.

## PRICE BREAKDOWN 2019^

### HOUSES SOLD



### UNITS SOLD

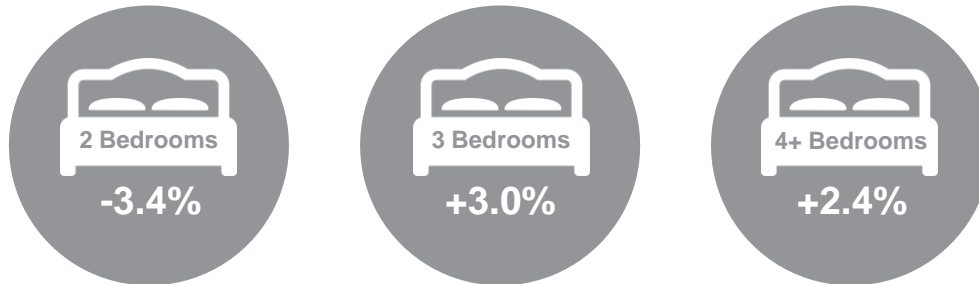


## RENTAL GROWTH 2019\*

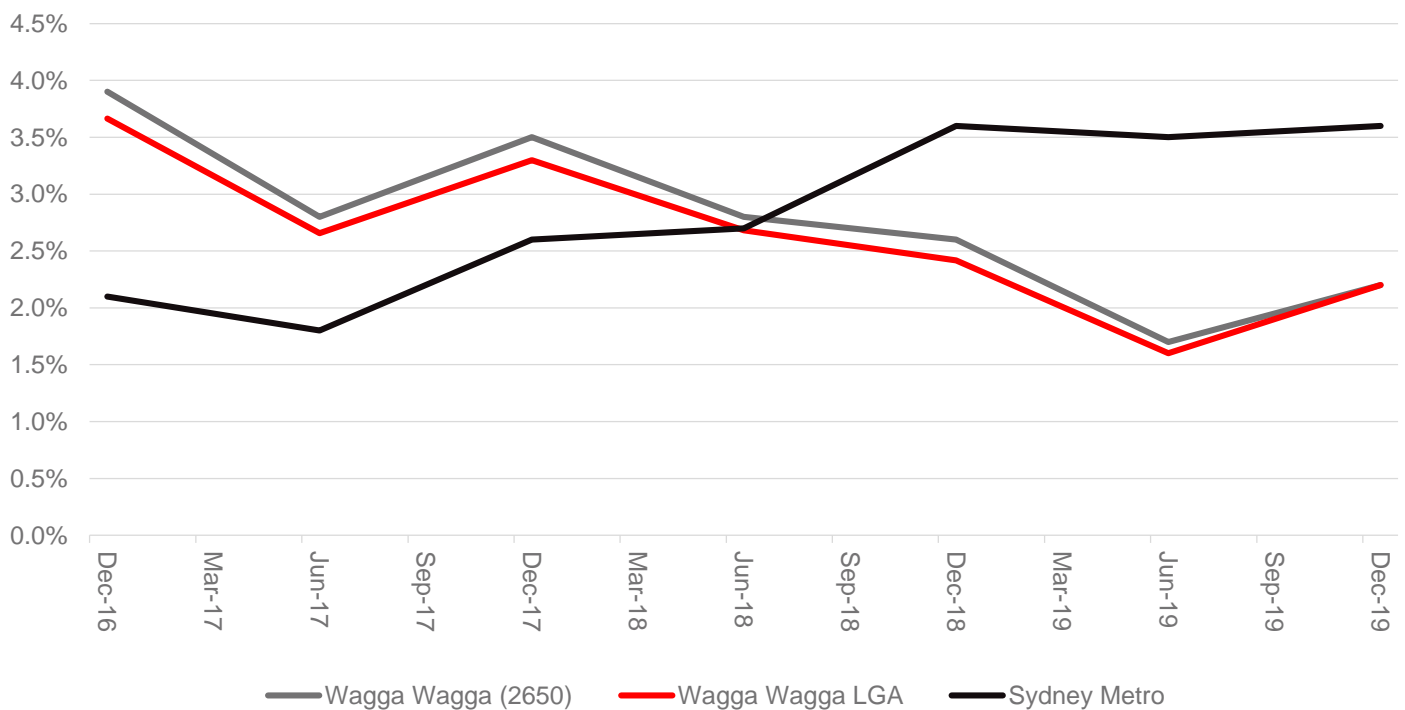
Over the past 12 months, house rental yields in Wagga Wagga slightly tightened to sit at 4.9% in December 2019. This suggests the house rental market is in quite a healthy position, particularly when combined with the 0.8% increase in rental demand in the past 12 months to Q1 2020 (with 514 house rentals).

3 bedroom houses have provided investors with +3.0% rental growth annually, achieving a median rent of \$340 per week.

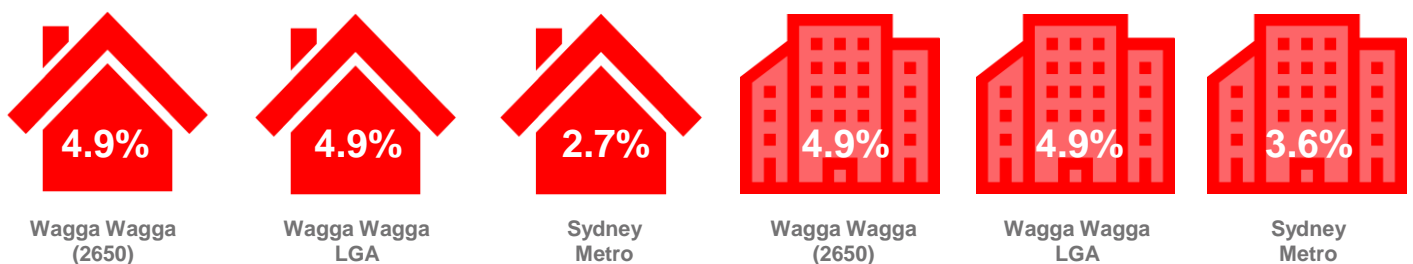
Wagga Wagga recorded a vacancy rate of 2.2% in December 2019. This represents a declining trend over the past 3 years, which indicates a continuous improvement in rental demand. Wagga Wagga vacancy rate is also well below the Real Estate Institute of Australia's healthy benchmark of 3.0% and Sydney Metro's 3.6% average for the same period. This confirms there is a healthier rental demand in Wagga Wagga, which is good news for investors.



## RENTAL VACANCY RATES 2019



## RENTAL YIELD 2019^

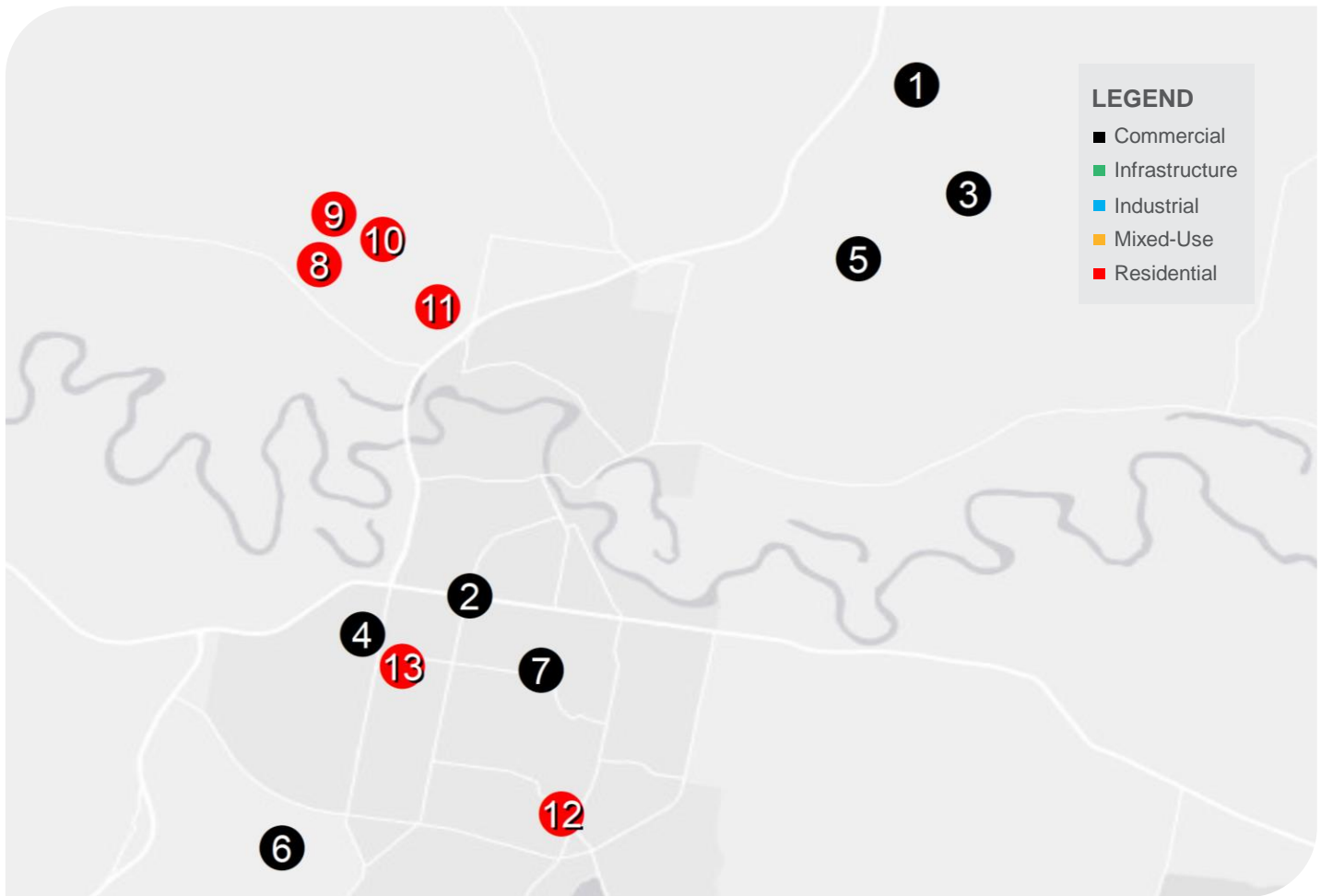


\*Rental performance graph represents aggregate house median rent prices within the Postcode 2650. Annual rental growth is a comparison between 2018 and 2019 house median rent figures.

^Rental yields shown are as reported at December 2019.

Source: APM Pricerfinder, SQM Research. © Copyright PRD 2020.

# PROJECT DEVELOPMENT MAP 2019 – 1ST HALF 2020\*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Bomen Solar Farm	Commercial	\$150,000,000	19/08/2019
2	Project EnergyConnect	Commercial	\$100,000,000	09/03/2020
3	Enirgi Battery Recycling Facility	Commercial	\$30,000,000	21/10/2019
4	Thomas Bros Vehicle Sales	Commercial	\$2,035,000	15/11/2019
5	Southern Oil Refining	Commercial	\$1,800,000	09/08/2019
6	Coles Street Multiple Dwellings	Commercial	\$476,000	25/11/2019
7	Lord Baden Powell Drive Office	Commercial	\$156,000	18/06/2019
8	Harris Road Residential Subdivision (214 Lots)	Residential	\$6,400,000	18/06/2020
9	Harris Road Residential Subdivision Stages 1-3 (129 Lots)	Residential	\$3,900,000	01/04/2020
10	Pine Gully Road Residential Subdivision (98 Lots)	Residential	\$2,940,000	10/05/2020
11	Alma Crescent Residential Subdivision (36 Lots)	Residential	\$1,500,000	08/06/2020
12	Horsley Street Units (3 Units)	Residential	\$1,200,000	05/04/2019
13	Peacock Drive Dwellings (4 Dwellings)	Residential	\$880,000	11/04/2019

## 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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