





WAGGA WAGGA MARKET UPDATE 2nd Half 2019



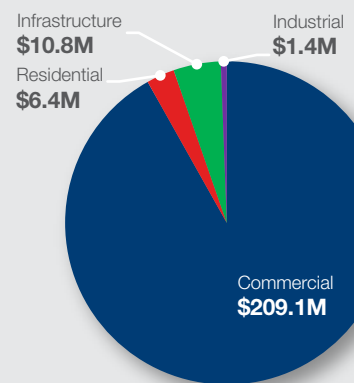
OVERVIEW

In Q3 2019, Wagga Wagga* recorded a median house price of \$372,500, and a median unit price of \$261,250. This represents annual (Q3 2018 – Q3 2019) median price growth of 0.4% for houses and a price softening of -3.3% for units. At the same time total house sales increased by 13.4% (297 sales), while units slowed by -3.3% (29 sales). Confidence is returning in the Wagga Wagga* house market, while units have become more affordable for first home buyers.

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

FUTURE DEVELOPMENTS

Wagga Wagga* is set to see approx. **\$227.6M worth of new projects commencing in the 2nd half of 2019.**



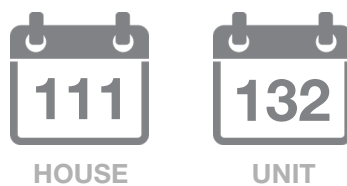
A key investment focus into commercial projects over the period will stimulate the local economy and create jobs. This may attract new residents into the area and/or result in an increased number of ready-to-buy residents. This will fuel demand for housing and have a positive spill-over effect for the property market in the future.

MARKET CONDITIONS

SALES MEDIAN PRICE Q3 2019



SALES AVERAGE DAYS ON MARKET Q3 2019



RENTAL MEDIAN PRICE Q3 2019



RENTAL AVERAGE DAYS ON MARKET Q3 2019



A main commercial project over the 2nd half 2019 period is the \$150.0M Bomen Solar Farm. The project is set to create 120 megawatt solar farm spread across 250 hectares, which will connect to the National Electricity Market. Residential development over the period is focused on the \$6.4M Harris Road Residential Subdivision, which will create an additional 214 lots for the Wagga Wagga* property market.

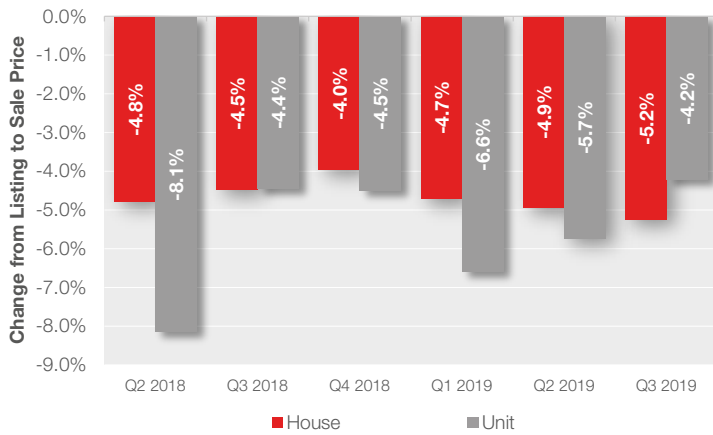


*Wagga Wagga market data and key indicators encapsulates aggregate property market conditions within the postcode 2650.

**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 PRDnationwide 2019.

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.



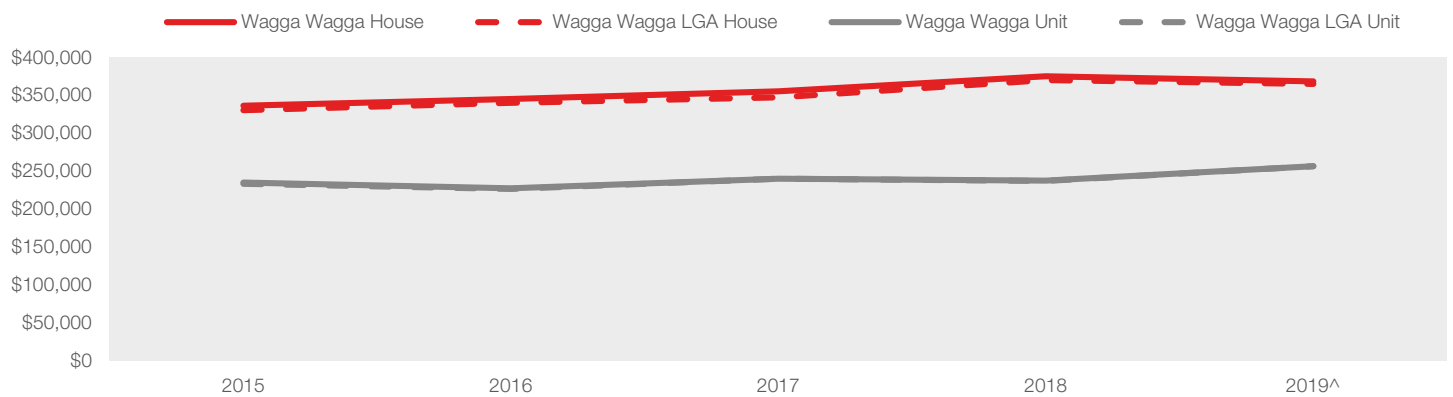
KEY COMMENTS

Average vendor discounts between Q3 2018 and Q3 2019 widened to -5.2% for houses, while tightening to -4.2% for units. Market conditions in Wagga Wagga* continue to favour buyers, where sellers are willing to negotiate below their initial listing price. Now is the time to enter the market.

The suburb of Wagga Wagga has historically remained very close to the wider Wagga Wagga Local Government Area (LGA) in both house and unit median prices. This continues to be the case in 2019[^], largely due to the high volume of sales which fall in the suburb of Wagga Wagga.

The dominant proportion of houses sold in Wagga Wagga* across 2019[^] were in the lower-mid range price of \$300,000-\$400,000 (32.4%). Units recorded a split in dominant price points, in the lower end of less than \$200,000 and mid-range \$250,000-\$300,000 (each 23.9%). There is a wide variety of stock available in Wagga Wagga* at various price points, which should encourage those looking to buy.

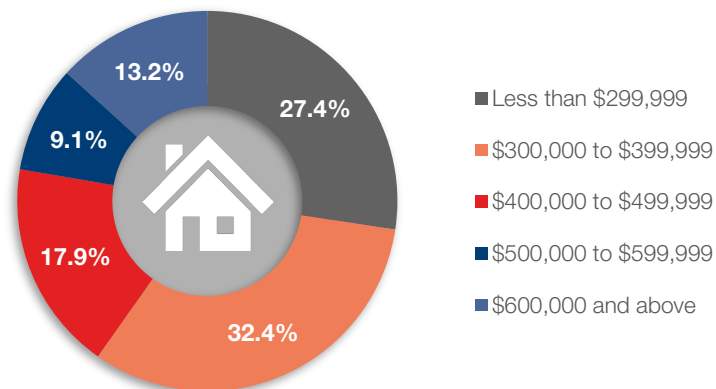
MARKET COMPARISON



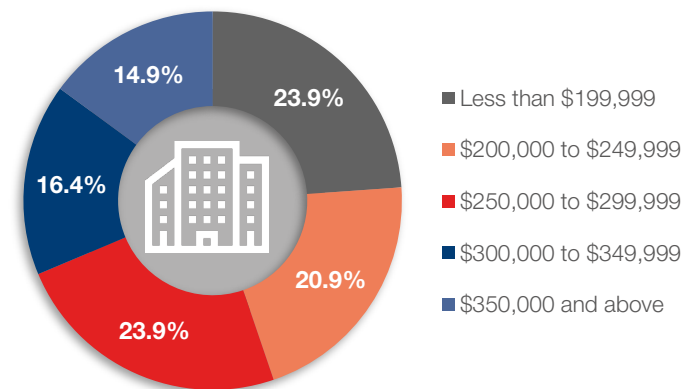
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled were chosen based on their proximity to the main suburb analysed, which is Wagga Wagga.

PRICE BREAKDOWN 2019[^]

HOUSES SOLD



UNITS SOLD

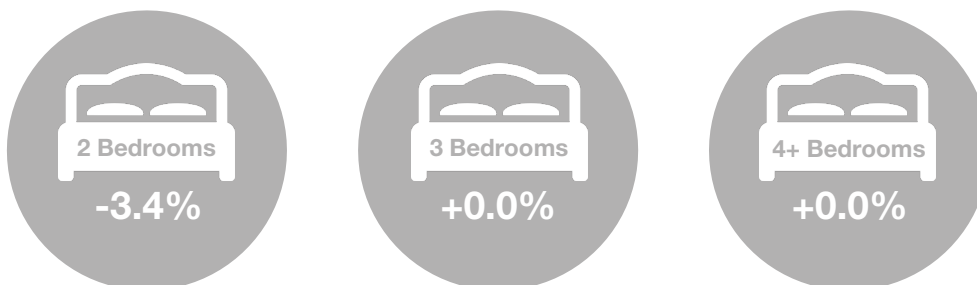


RENTAL GROWTH 2019*

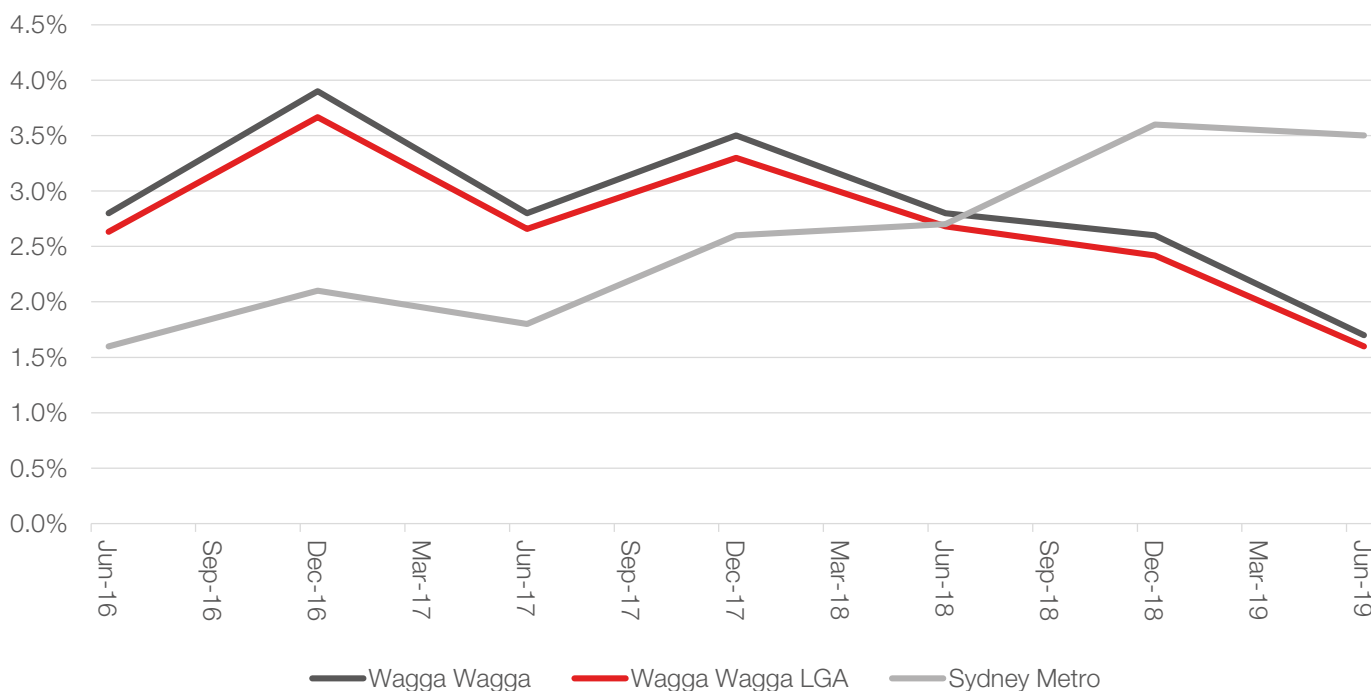
Over the past 12 months, house rental yields in Wagga Wagga* softened slightly to sit at 4.8% in June 2019; however is still well above Sydney Metro's 2.9%. This suggests the house rental market is in a relatively healthy position, as does the low average days to let a house rental in Wagga Wagga*, of just 25 days in Q3 2019.

3 and 4+ bedroom houses each provided investors with steady rental returns annually, achieving median rents of \$330 and \$420 per week respectively.

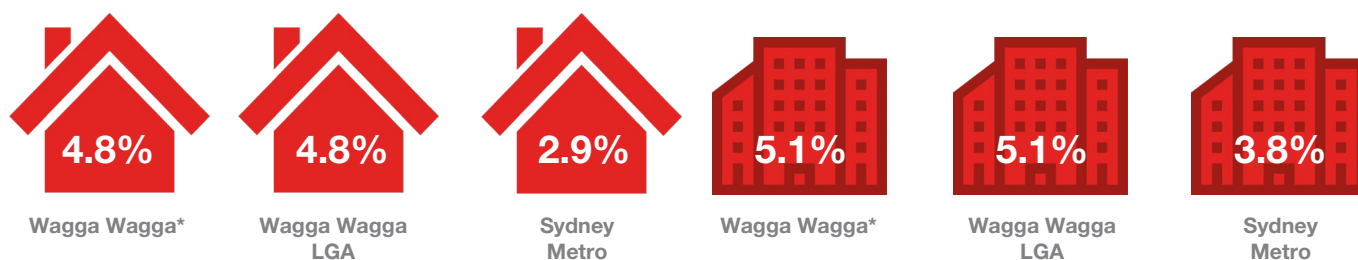
Wagga Wagga* recorded a vacancy rate of 1.7% in June 2019, which is a healthy position when compared to Sydney Metro's 3.5% average. There has been a declining trend over the past 3 years, indicating a healthier rental demand.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

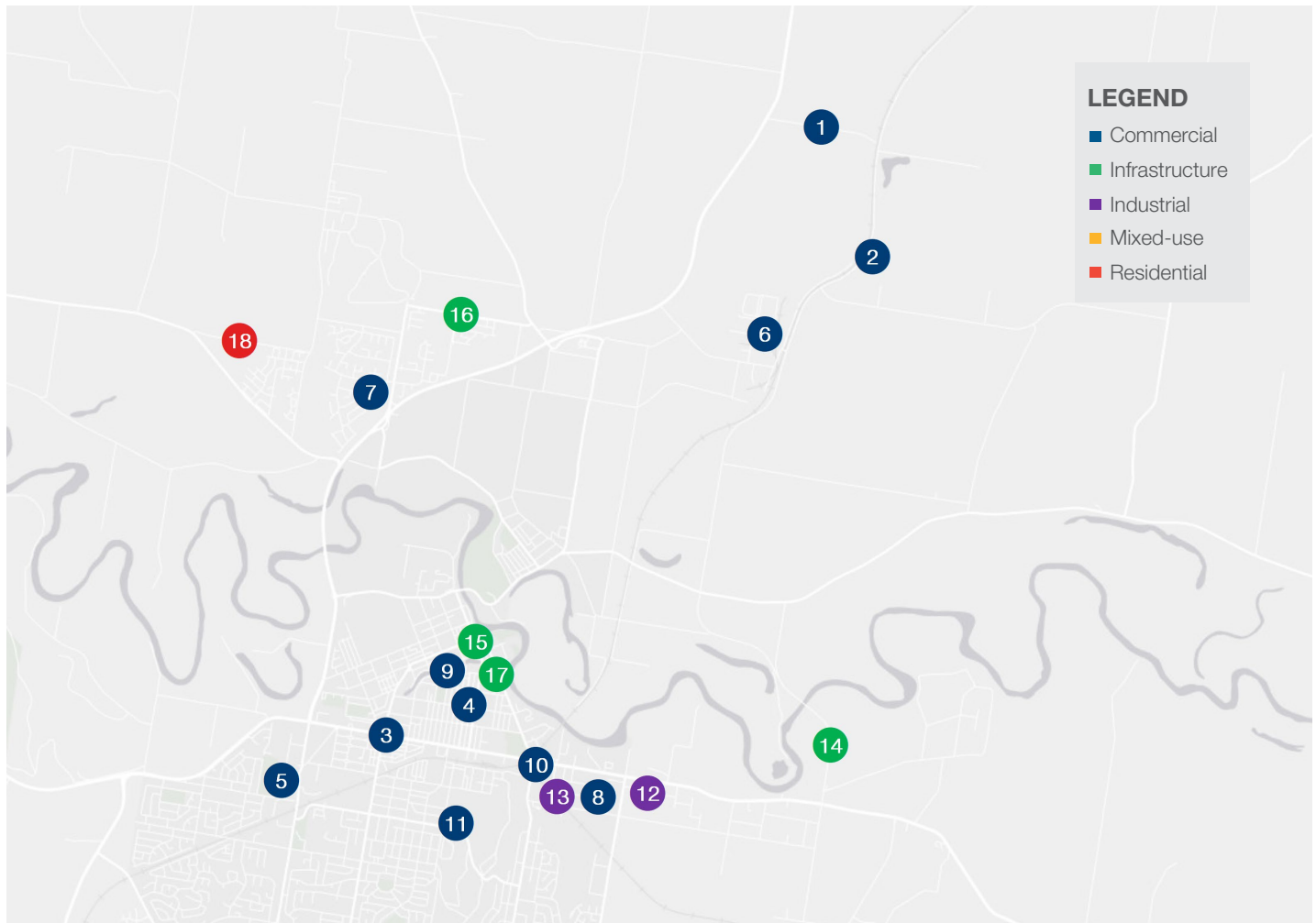


*Rental performance graph represents aggregate house median rent prices within the postcode 2650. Annual rental growth is a comparison between 2018 and 2019 (Q1 - Q3) house median rent figures.

^Rental yields shown are as reported at June 2019.

Source: APM Pricer, SQM Research. © Copyright PRDnationwide 2019.

PROJECT DEVELOPMENT MAP 2ND HALF 2019*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Bomen Solar Farm	Commercial	\$150,000,000	19/08/2019
2	Enirgi Battery Recycling Facility	Commercial	\$30,000,000	21/10/2019
3	University Of NSW - Wagga Wagga Rural Medical School	Commercial	\$17,000,000	14/10/2019
4	Forsyth Street Hotel	Commercial	\$5,313,000	29/12/2019
5	Thomas Bros Vehicle Sales	Commercial	\$2,035,000	02/10/2019
6	Southern Oil Refining	Commercial	\$1,800,000	09/11/2019
7	Settlers Village Retirement Community	Commercial	\$1,700,000	15/12/2019
8	Sutton Street East Self Storage Units	Commercial	\$539,000	30/09/2019
9	Peter Street Health Service Facility	Commercial	\$314,000	29/09/2019
10	Farmers Home Hotel	Commercial	\$250,000	04/07/2019
11	Lord Baden Powell Drive Office	Commercial	\$156,000	09/09/2019
12	Riedell Street Industrial & Commercial Development	Industrial	\$900,000	17/12/2019
13	Jones Street East Industrial Shed	Industrial	\$450,000	13/10/2019
14	Eunony Bridge	Infrastructure	\$9,812,000	01/11/2019
15	Hampden Bridge Rehabilitation	Infrastructure	\$364,000	02/12/2019
16	Farrer Road Roadworks	Infrastructure	\$350,000	01/10/2019
17	Wagga Wagga Civic Centre Precinct	Infrastructure	\$250,000	07/10/2019
18	Harris Road Residential Subdivision (214 Lots)	Residential	\$6,400,000	24/12/2019

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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