Regional Development Australia Riverina NSW

Land Monitor

Report 2019-20

COMMITTEE 4 WAGGA

HIA

Regional Development Australia

RIVERINA NSW

rdariverina.org.au

Land Monitor
Report 2019-20

The Wagga Wagga Land Monitor Report was originally developed by the Housing Industry Association Wagga Branch. It provides an overview of the vacant land supply in Wagga Wagga.

The statistical information in this report relates to historical take-up rates, current production and consumption, together with future supply of vacant residential and rural residential land.

It is hoped this information will enable stakeholders to make better informed decisions relating to market demand and future economic growth. This data has been provided to help ensure that there is a sufficient supply and choice of vacant land in the future.

HIA are happy to partner with Committee 4 Wagga and Regional Development Australia Riverina in bringing together the results of the Land Monitor Report to December 2020.

We would also like to thank the continuing branch sponsors who enable the production of such a valuable resource for the city of Wagga Wagga.

Chairman of the Wagga branch of HIA

Definitions

Vacant Land

A lot that is vacant and is suitable for either residential or non—residential development. Lots produced for the purpose of public reserves, road reserves and boundary adjustments. have been excluded from this report.

Lots Produced

Lots produced for either residential or non—residential use that have been registered with the New South Wales Land Titles Office (LTO). This also includes lots that have become vacant due to demolition and removal of previous improvements and remained vacant till the end of the financial year. Redevelopment sites for the construction of residential units are considered produced once a Construction Certificate (CC) or Complying Development Certificate (CDC) has been issued.

Lots Consumed

A vacant lot on which construction of a dwelling or unit has commenced in the financial year.

Lots Sold

A vacant lot for which a Contract of Sale was exchanged during the financial year and that sale registered with the LTO. Settlement of the sale may have occurred after the end of the financial year. We have attempted to exclude any sales that are between related parties.

Dwelling

Land suitable for the construction of a single residential dwelling.

Rural Residential

Land suitable for the construction of a single dwelling with a site area generally larger than 1,200 square metres.

Units

Land suitable for the construction of Community Title and/or Strata Title units, duplexes, multiple dwellings on one title and flat developments. When counting units for the purpose of this report, each individual unit or dwelling on a lot is counted.

Median

The median is the middle point of a number set, in which half the numbers are above the median and half are below. Median is sometimes used instead of the average because it is more robust to outliers or extremely high or low values.

Average

The average is obtained by dividing the sum of a set of values by the number of values in the set.

Population

The population statistics quoted in this report relate to the whole Local Government Area of Wagga Wagga. There are two types of population statistics quoted in this report, Estimated Resident Population and Population Projections. Estimated Resident Population (ERP) is the official measure of the Australian population and is obtained from the Australian Bureau of Statistics. Population Projections are estimates of the future population. Different organisations use different methods and assumptions to calculate population projections and as such population projections can differ between organisations.

Englobo

An undeveloped lot, group of lots or parcel of land that is zoned to allow for, and capable of significant subdivision into smaller parcels under existing land use provisions.

Overview

Accuracy and Data Interpretation

As with any statistical calculation, a margin of error will result. In this report such errors are minor and typical due to a small percentage of lots which may not comply with the above definitions or a delay in information becoming publicly available. This report should not be used as an indication of a change in market value or the performance of our economy. Property market growth or decline is the result of various factors not limited to:

- The strength of the economy
- Decreasing household sizes resulting in more houses being required for the same population.
- Housing affordability as result of various factors such as interest rates and rising construction costs.
- Temporary housing demand as result of major building projects.
- Government decisions and grants that affect homebuilders.
- A shortage of supply of land.
- The availability of large englobo parcels that attract larger property developers to the market.

Data Sources

The information in this report has been researched, collated, and produced by Regional Development Australia (RDA) Riverina with the assistance of the Wagga Branch of the HIA, who have continually provided important industry information for councils, developers and interested commercial parties, and by property valuer Bob Connolly, who has over 50 years experience practising in the Riverina and South West Slopes regions of New South Wales. This report is now in its 7th year of production and is a significant document in strategic planning for the city of Wagga Wagga.

This year's report was compiled with assistance from Craig Barrett, a real estate valuer employed by Opteon Pty Ltd and the original author of the report. In formulating this report our research included physically identifying vacant blocks, reviewing property and sales databases, aerial imagery and collating the data to produce independent information that is supported by lot addresses and title information. Questions can be emailed to Melanie Renkin at RDA Riverina research@rdariverina.org.au

Disclaimer

 While the information contained in this report has been prepared with all due care for the benefit of the user, we do not warrant or make representations in relation to its accuracy. The information is made available on the understanding that the Regional Development Australia Riverina, Committee 4 Wagga and HIA Wagga Branch shall not have a liability for any loss whatsoever that might arise as a result of use of the information by the reader or by third parties who receive information directly or indirectly. It is the user's responsibility to make his or her own investigations, decisions and enquiries about the accuracy and completeness of the information.

Financial Year 2019-20 Snapshot

306

306 Lots produced during the 2019-2020 financial year, down 34.2% from 2018-2019.

328

328 Lots consumed during the 2019-2020 financial year, down 5.5% from 2018-2019.

807

807 vacant lots as of 30th June 2020, up 2.7% from 30th June 2019.

232

232 Vacant land sales during the 2019-2020 financial year, down 22.7% from 2018-2019.

349

349 Long-term vacant lots as of 30th June 2020, up 5.1% from 30th June 2019.

2068

Approximately **2068** Potential future lots.

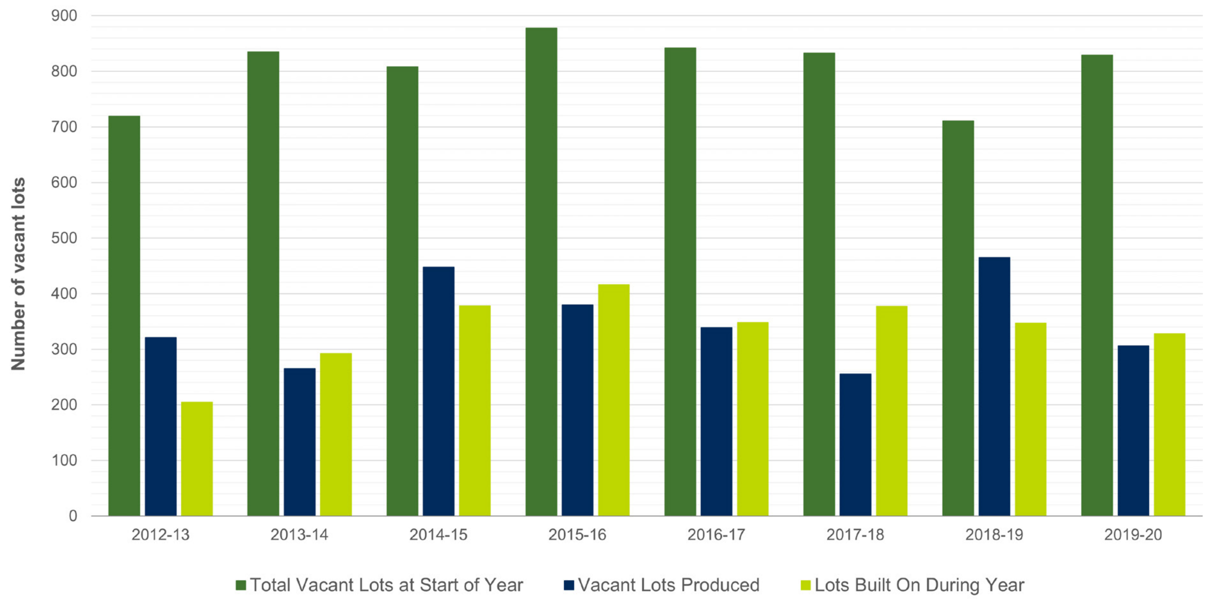
343

Population projections from .id show that **343** new dwellings will be required each year for the next five years. If the city is to reach 100,000 people by 2038 then 607 new dwellings will be require each year.

Total Vacant Lots

Figure 1: At the end the 2018-2019 financial year there were a total of 829 vacant lots in Wagga Wagga. During the 2019-2020 financial year a further 306 lots were produced and 328 were built on leaving a total of 807 vacant lots.

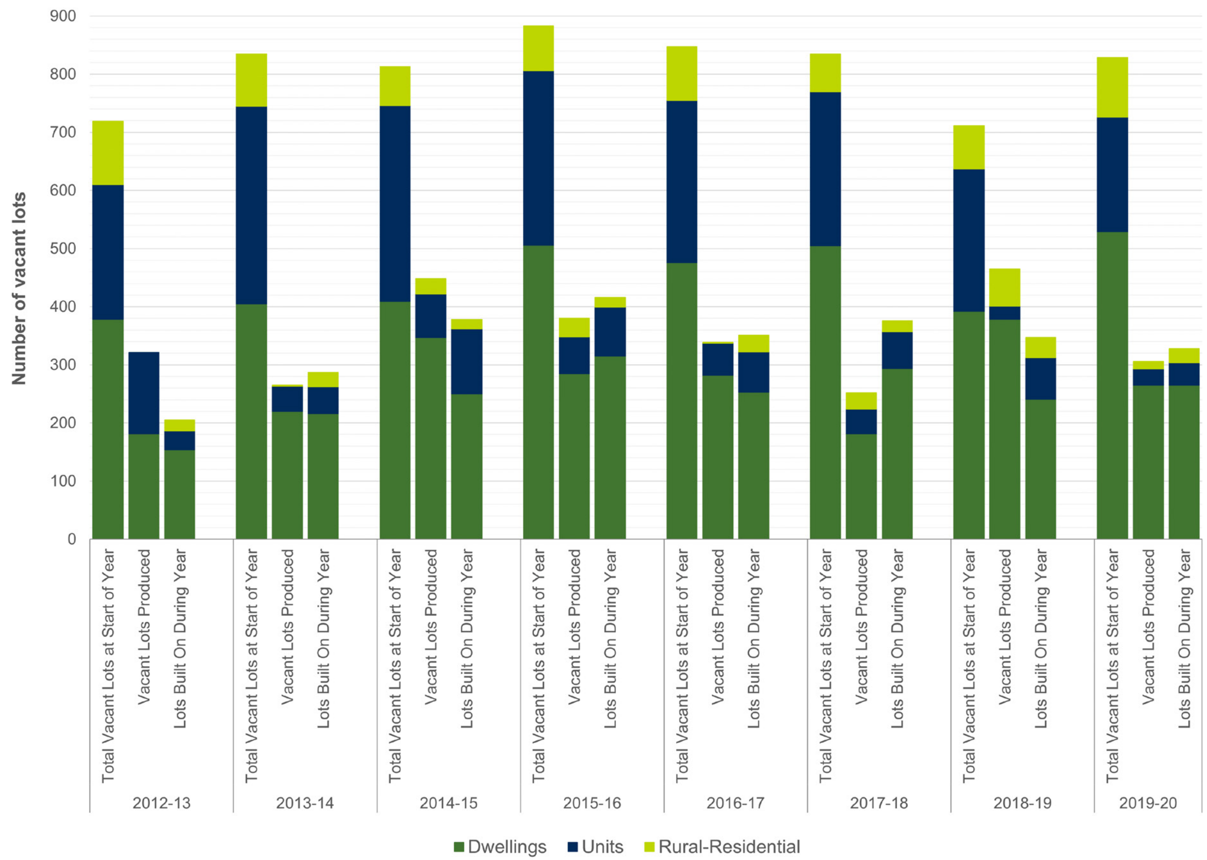
Vacant Lots by Financial Year



Dwellings, Units and Rural Residential

Figure 2: Out of the 829 vacant lots at the start of the financial year 63.8% were for dwellings, 23.8% were units and 12.4% were rural residential. Of the additional lots produced during 2019-2020, 86.6% were dwellings, 9.2% were units and 4.2% were rural residential. 80.8% of the lots consumed during 2019-2020 were for dwellings, 11.9% were units and 7.3% were rural residential.

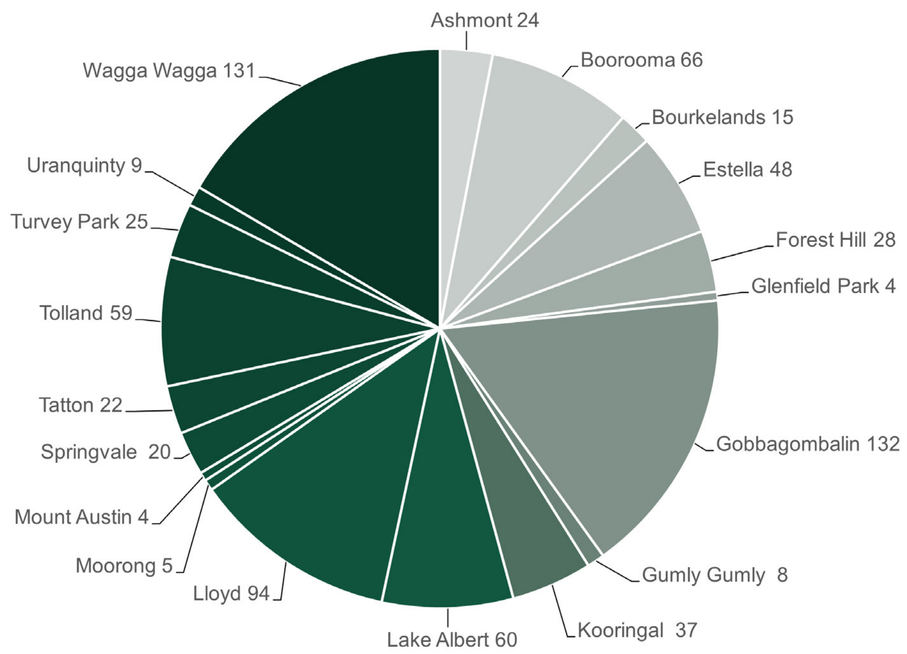
Vacant Lots by Type



Vacant Lots by Suburb

Figure 3: Over 50% of all vacant lots in Wagga Wagga are currently in 4 suburbs, Gobbagombalin at 16.4%, Central at 16.2%, Lloyd at 11.6% and Boorooma at 8.2%. The next 25% of vacant lots are spread across Lake Albert at 7.4%, Tolland at 7.3%, Estella at 5.9% and Kooringal at 4.6%.

Total Vacant Lots by Suburb at 30 June 2020



Lots Produced by Suburb

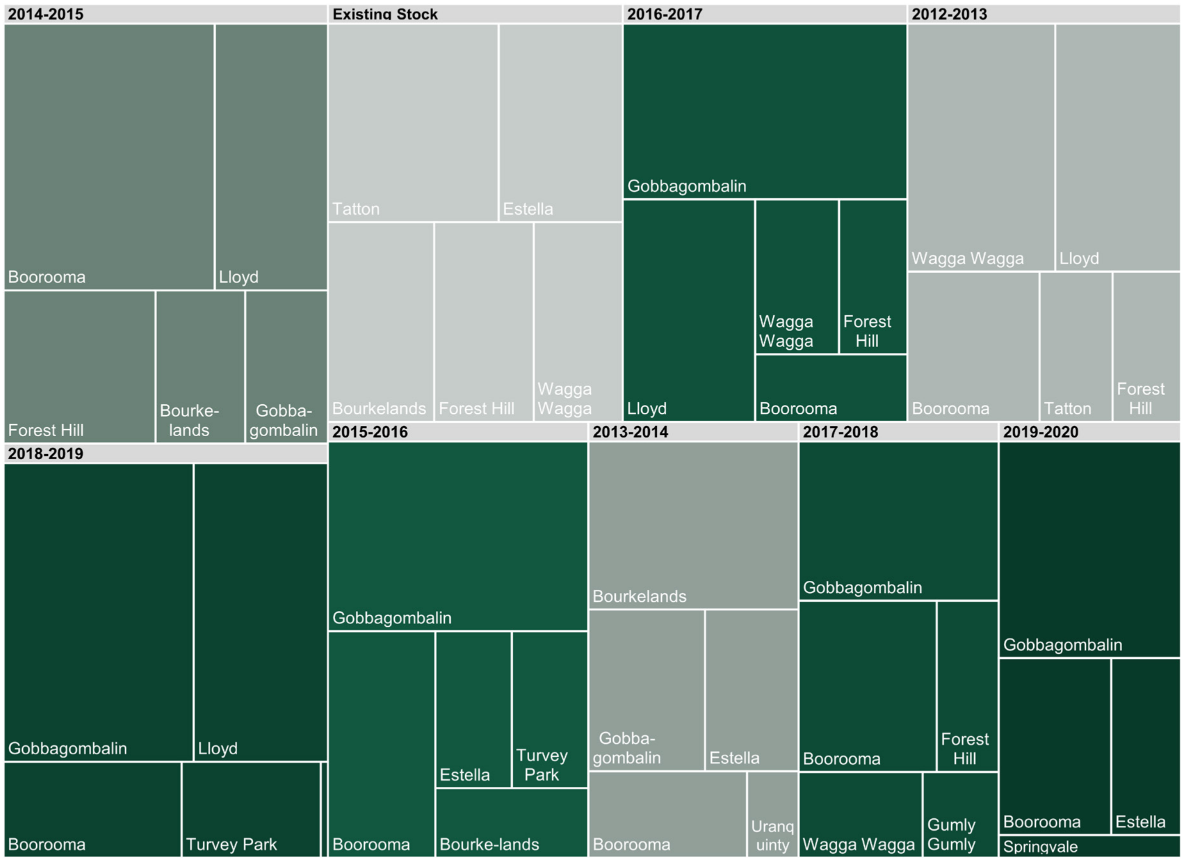
Table 1: Lots Produced by Suburb 2019-2020

Suburb	Lots Produced (%)
Gobbagombalin	37.6
Boorooma	19.0
Lloyd	12.7
Estella	11.8
Lake Albert	4.2
Springvale	3.9
Gregadoo	3.9
Uranquinty	3.3
Turvey Park	2.6
Tatton	0.7
Kooringal	0.3

Lots Produced by Suburb

Figure 4: 37.6% of all lots produced in 2019-2020 were in Gobbagombalin, followed by 19% in Boorooma, 12.7% in Lloyd and 11.8% in Estella.

Vacant Lots Produced by Suburb and Year - Top 5 Suburbs



Vacant Lots Sold

There were 232 vacant land sales during 2019-2020. 28% of these were in Gobbagombalin, 17.7% were in Lloyd, 15.1% in Bourooma, 9.5% in Lake Albert, 6.9% in Estella and 6.9% in Turvey Park.

Table 2: Vacant Land Sales by Suburb 2019-2020

Suburb	Lots Sold (%)
Gobbagombalin	28.0
Lloyd	17.7
Boorooma	15.1
Lake Albert	9.5
Estella	6.9
Turvey Park	6.9
Uranquinty	3.0
Bourkelands	1.7
Kooringal	1.7
Springvale	1.7
Gregadoo	1.7
Ashmont	0.9
Forest Hill	0.9
Central	0.9
Gumly Gumly	0.9
Tatton	0.4
Tolland	0.4
Ladysmith	0.4
Mangoplah	0.4
Tarcutta	0.4
Moorong	0.4

Lots Consumed by Suburb

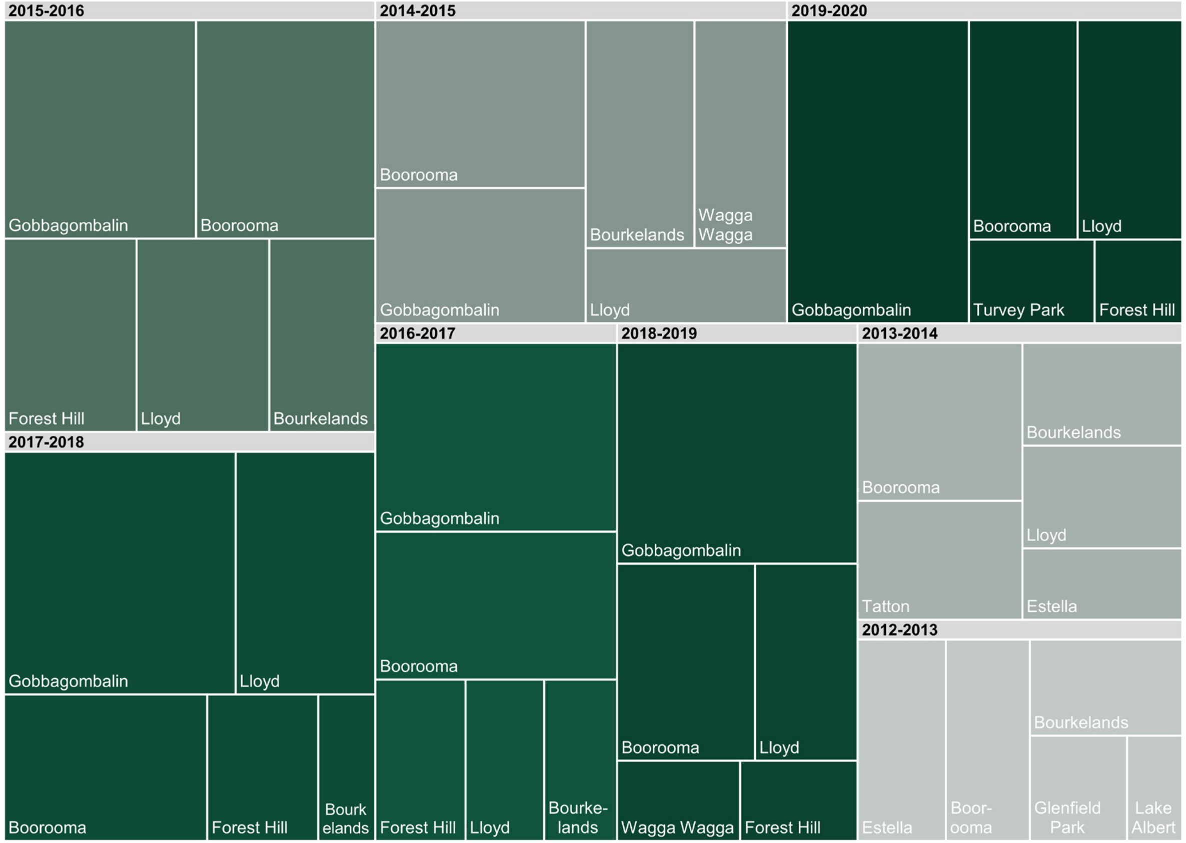
Table 3: Lots Consumed by Suburb 2019-2020

Suburb	Lots Consumed (%)
Gobbagombalin	36.6
Boorooma	15.9
Lloyd	15.2
Turvey Park	7.0
Forest Hill	4.9
Lake Albert	4.3
Estella	3.7
Tatton	3.0
Springvale	2.4
Gumly Gumly	1.8
Kooringal	1.8
Bourkelands	0.9
Uranquinty	0.9
Gelston Park	0.6
Ashmont	0.3
Moorong	0.3
Tolland	0.3

Lots Consumed by Suburb

Figure 5: 36% of all vacant lots consumed were in Gobbagombalin, followed by 15.9% in Boorooma, 15.2% in Lloyd and 7% in Turvey Park.

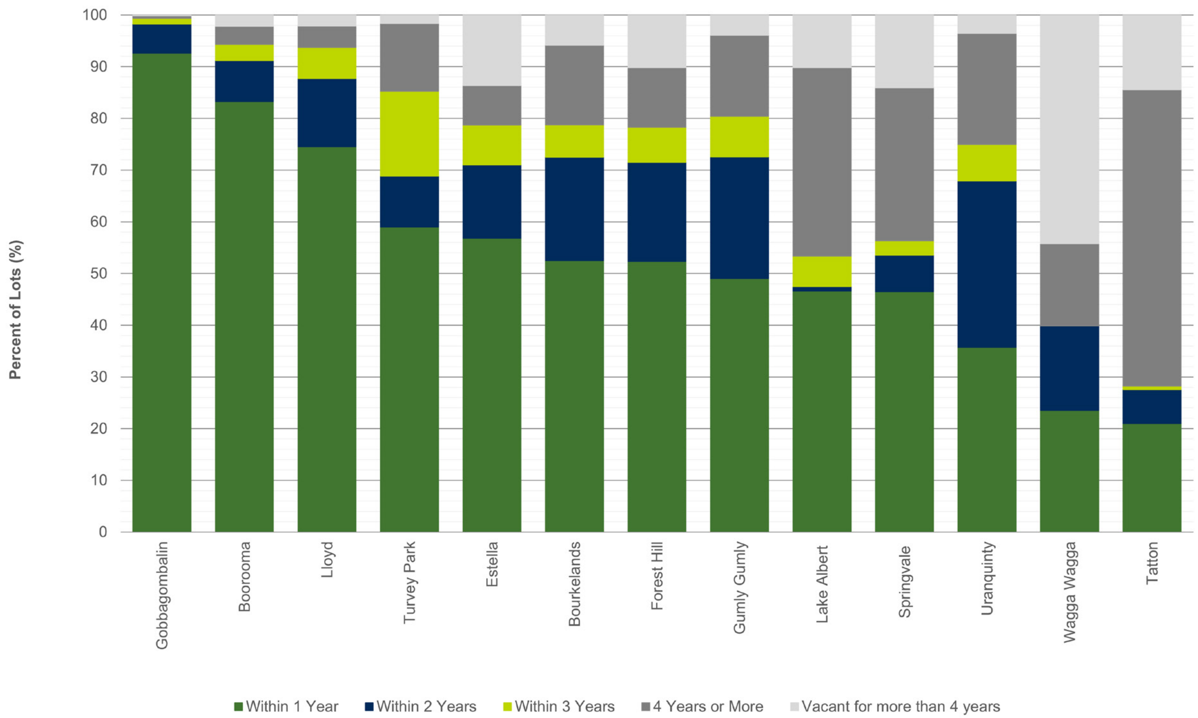
Vacant Lots Consumed by Suburb and Year - Top 5 Suburbs



Time from Production to Building

Figure 6: Gobbagombalin has the shortest time to build with 93.6% of lots produced being built on within 1 year. This is followed by Boorooma at 83.3%, Lloyd at 74.6%, Turvey Park at 59.0% and Estella at 56.8% of lots being built on within 1 year.

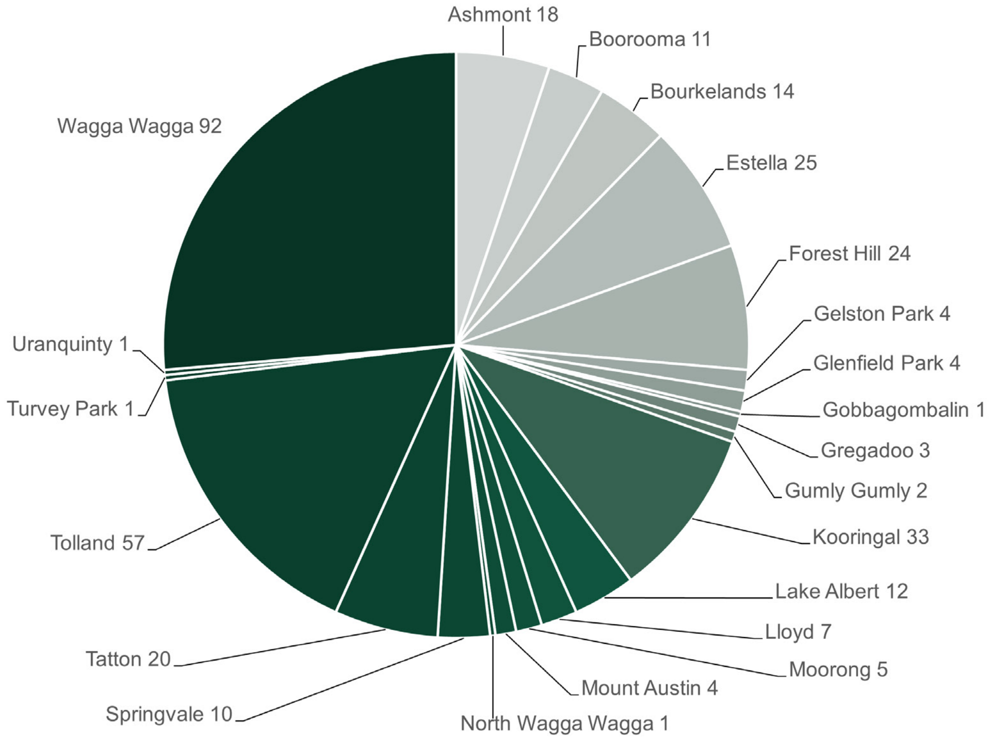
Time to Build on Vacant Lots by Suburb



Long-term Vacant Lots

Figure 7: Long-term vacant lots are defined as lots that have been vacant for 4 or more years. As of June 30th 2020 there are 349 long-term vacant lots in Wagga Wagga. Central has the highest proportion of long-term vacant lots at 23.4% of all vacant lots in the area. This is followed by Tolland at 16.3%, Kooringal at 9.5%, Estella at 7.2% and Forest Hill at 6.9%.

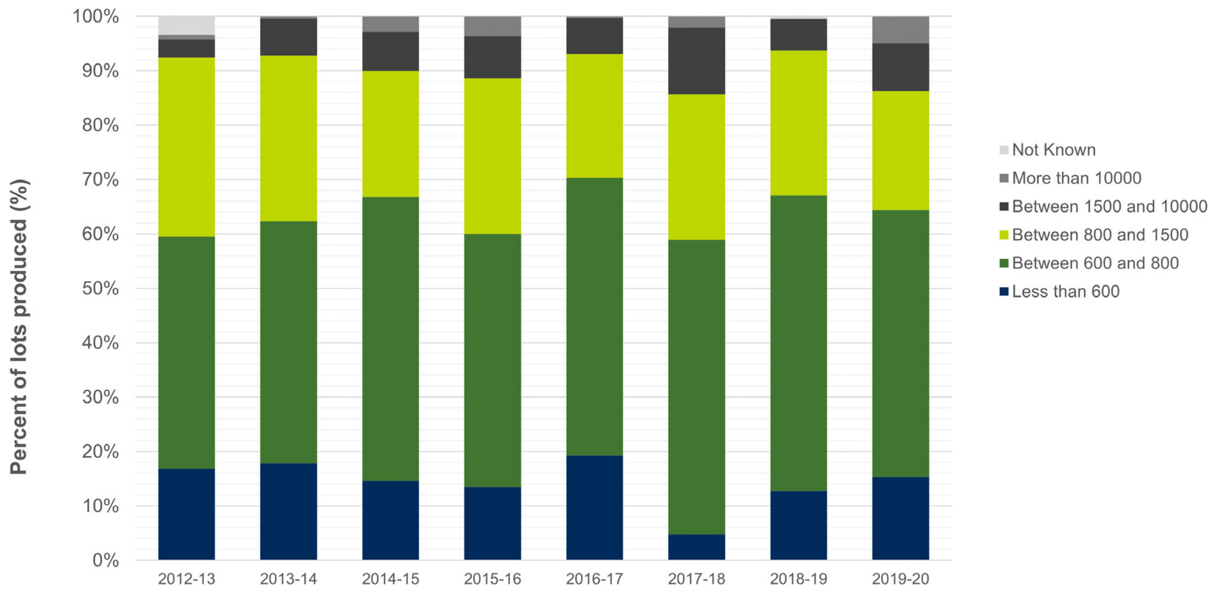
Lots Vacant for Four or More Years



Size of Lots Produced

Figure 8: 49% of the lots produced in 2019-2020 were between 600 m^2 and 800 m^2, down from 54.3% in 2018-2019. A further 21.9% were between 800 m^2 and 1500 m^2, 15.4% were less than 600 m^2, 8.8% were between 1500 m^2 and 10000 m^2 and 4.9% were more than 10000 m^2.

Size (m^2) of Lots Produced by Financial Year



Summary of 2020-21

Financial year to 31st December 2020

Vacant Lots Produced

As of 31 December 2020, there have been approximately 200 lots produced with 49.7% of them located in Lloyd, 46.1% in Gobbagombalin, 1.6% in East Wagga Wagga, 1.6% in Springvale and 1.0% in Lake Albert.

Vacant Lots Sold

There were 172 vacant land sales from July 2020 though to December 2020. Sales in Gobbagombalin accounted for 35.5%, 20.3% were in Lloyd, 8.3% in Estella, 6.4% in Boorooma and 4.7% in Uranquinty.

Table 4: Vacant Land Sales July 2020-December 2020

Suburb	Lots Sold (%)
Gobbagombalin	35.5
Lloyd	20.3
Estella	8.7
Boorooma	6.4
Uranquinty	4.7
Lake Albert	4.1
Forest Hill	2.9
Turvey Park	2.9
Gregadoo	2.9
Kooringal	1.7
Ashmont	1.2
Bourkelands	1.2
Springvale	1.2
Central	1.2
Ladysmith	1.2
Tolland	0.6
North Wagga	0.6
Collingullie	0.6
Currawarna	0.6
Gelston Park	0.6
Oura	0.6
Rowan	0.6

Lots Consumed

There were an additional 149 lots consumed between July 2020 and December 2020. 37.6% of these were in Gobbagombalin, 20.1% in Lloyd, 10.1% in Boorooma, 10.1% in Central and 6.0% in Estella.

Table 5: Lots Consumed July 2020-December 2020

Suburb	Lots Sold (%)
Gobbagombalin	37.6
Lloyd	20.1
Boorooma	10.1
Central	10.1
Estella	6.0
Lake Albert	4.7
Uranqunity	3.4
Tatton	2.7
Turvey Park	2.7
Kooringal	2.0
Forest Hill	0.7

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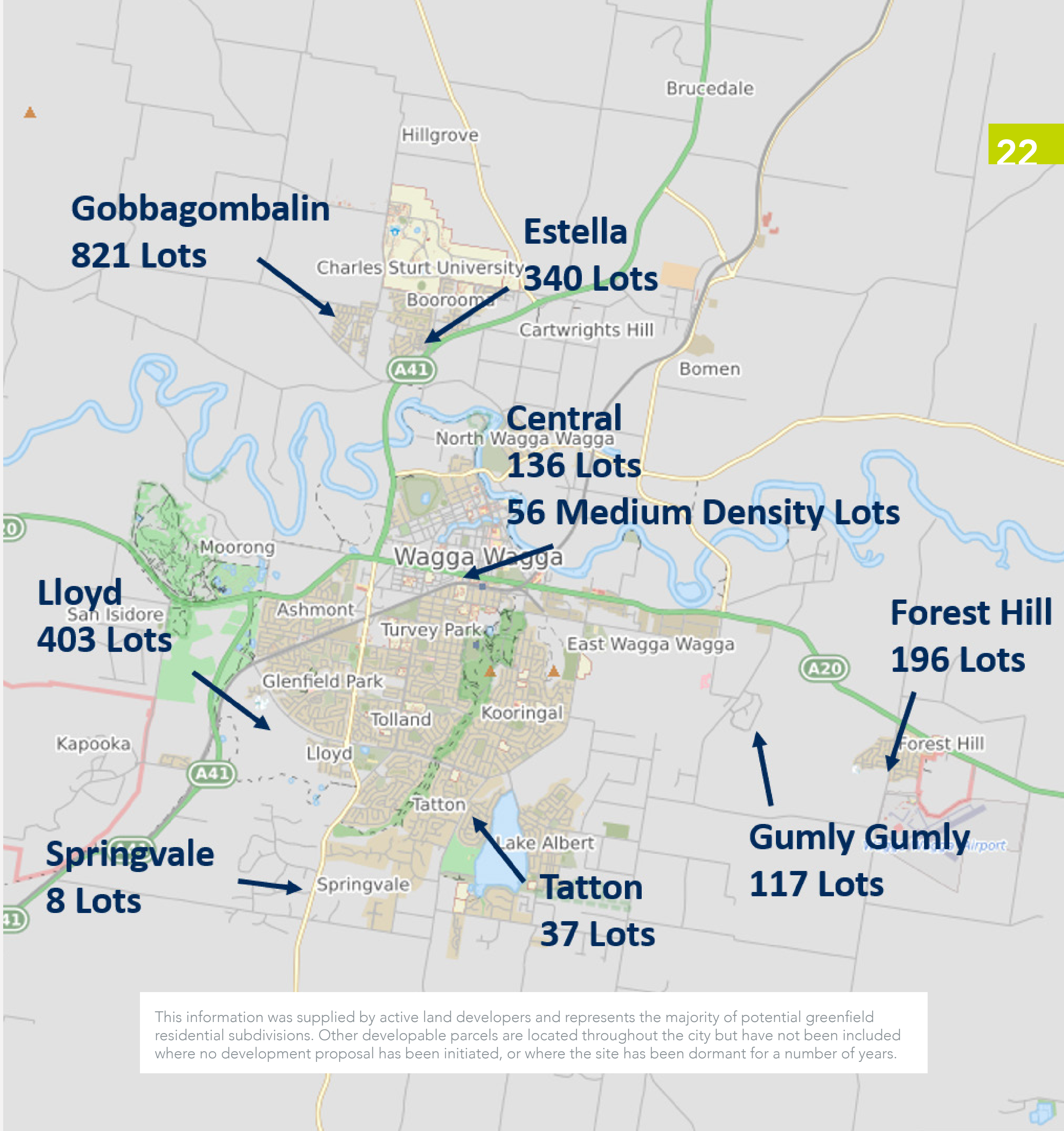
Approvals

As of 31st December 2020, there were 382 residential development applications approved and 50 non residential approvals. There were also 48 residential complying development certificate approvals and 3 other approvals.

	Development Applications	Complying Development Certificate
Residential	382	48
Other	50	3

*Figures provided by Wagga Wagga City Council March 2021

Future Residential Development



This information was supplied by active land developers and represents the majority of potential greenfield residential subdivisions. Other developable parcels are located throughout the city but have not been included where no development proposal has been initiated, or where the site has been dormant for a number of years.

Future Residential Development

Of these 2068 potential developments, approximately 60% have a release date with around 25% of these lots are already sold or under offer.

Around 20% of the potential developments are awaiting council consideration, while 5% have not yet initiated a development application. 7% of the potential lots are rural residential and 5% are high density sites.

Table 6: Potential Future Developments

Suburb	Zone	2020	2021	2022	2023	Future	Total Lots
Boorooma	Residential						
Estella	Residential			13.24%	20.59%	66.18%	340
Forest Hill	Residential				45.41%	54.59%	196
Gobbagombalin	Residential	4.75%	37.27%	19%		38.98%	821
Lloyd	Residential	21.84%	25.81%	41.44%	10.92%		403
Tatton	Residential			83.78%	16.22%		37
Turvey Park	Residential					100%	21
Central	Residential		35.2%	16.8%	16%	32%	125
Gumly Gumly	Rural Residential		30.77%			69.23%	117
Springvale	Rural Residential		100%				8
Total		**6.14%**	**24.08%**	**20.31%**	**11.07%**	**38.39%**	**2068**

* Approximate percentages only

Number of Approvals

Approval data is sourced from the Australian Bureau of Statistics, Building Approvals, Australia. The above residential building approvals are compiled by the Australian Bureau of Statistics from permits issued by local government authorities and other principal certifying authorities. Alterations or additions to existing dwellings are not included. A 'Residential Dwelling' is a stand-alone residential structure, separated on all sides from other dwellings by at least half a metre. 'Other Residential' is a building other than a house primarily used for long-term residential purposes. It contains more than one dwelling unit within the same structure.

Table 7: Residential Approvals

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Residential Dwellings	227	243	340	448	277	343	312	297
Other Residential	29	110	41	46	74	47	35	30
Total Residential Approvals	256	353	381	494	351	390	346	327

Value of Approvals

Value of building approval data is sourced from the Australian Bureau of Statistics, Building Approvals, Australia. The value of approval data includes all approved residential building valued at $10,000 or more and all approved non-residential building valued at $50,000 or more. Value of building work excludes the value of land, and also excludes landscaping, but includes site preparation costs. Both new dwellings and alterations and additions to existing dwellings are included in the residential approvals.

Table 8: Value of Approvals

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Residential	$82m	$116m	$115m	$143m	$115m	$131m	$130m	$118m
Non-Residential	$54m	$221m	$114m	$60m	$39m	$75m	$169m	$57m
Total	$136m	$338m	$229m	$204m	$153m	$206m	$300m	$175m

Future Housing Requirements - Table 9 Population Projections and Future Housing Requirements

Source	Year	2016	2021	2026	2031	2036	2041
forecast.id	Population	64086	69523	73809	77439	80984	
	Dwellings required (2.5 people/dwelling)		2174.8	1714.4	1452	1418	
NSW Planning Low Scenario	Population	63906	66325	67877	68836	69203	69011
	Dwellings required (2.5 people/dwelling)		967.6	620.8	383.6	146.8	-76.8
NSW Planning Common Planning Assumptions	Population	63906	66136	68127	69621	70661	71271
	Dwellings required (2.5 people/dwelling)		892	796.4	597.6	416	244
NSW Planning High Scenario	Population	63906	66611	70600	74483	78221	81795
	Dwellings required (2.5 people/dwelling)		1082	1595.6	1553.2	1495.2	1429.6
Wagga 100000 * *Estimates Only	Population	63906	70752	78331	86722	96011	
	Population Growth over 5 years (Assume a constant population growth of approximately 2.06% each year)		10.71	10.71	10.71	10.71	
	Dwellings required (2.5 people/dwelling)		2738	3032	3356	3716	

Based on population projections from forecast.id, an additional 343 dwelling are required each year for the next 5 years. If Wagga Wagga aims for a population of 100000 by 2038 then an additional 607 dwellings are required, each year for the next 5 years.

* The average household size at the 2016 census was 2.5 persons per dwelling.

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