

First-home buyer regional hotspots revealed



PropTech firm InfoTrack unearths which regions enticed the most first-time purchasers

First-home buyers are riding a regional house hunting wave and now exclusive data reveals just where they are starting their homeowner journey in NSW.

New analysis by InfoTrack, innovators in legal and conveyancing technology, demonstrates that over the past 12 months first-home buyers in regional NSW have mostly sat in one of two camps. They are overwhelmingly interested in locations within a part-time commutable distance of Sydney, or close to a thriving regional airport.

"The data indicates there is plenty of action and some refreshing standouts to speak about. Our May and June data tells us that the hottest suburbs are still those outer western suburbs of Sydney like Austral and Marsden Park. However, in the regions there is a lot more variety in the types of suburbs that first-home buyers are going for," says John Ahern, Chief Executive Officer of InfoTrack.

The most popular regional location for first-home buyers during FY21 was Hamlyn Terrace, near Wyong on the Central Coast, 113kms north of Sydney and 72kms from Newcastle. The sought-after suburb, which incorporates Wyong Hospital and is close to Tuggerah Lake, has a median three-bedroom house price of \$540,000.

10 hottest regional suburbs:

Suburb	Median \$ 3-bed houses	Dist. from Sydney
Hamlyn Terrace	\$540,000	113kms
Wagga Wagga	\$435,000	459kms
Greater Gosford	\$575,000	85kms
Dubbo	\$350,000	390kms
Bathurst	\$425,000	200kms
Tamworth	\$386,000	414kms
Rutherford	\$418,000	179kms
Cameron Park	\$525,000	155kms
Albury	\$620,000	554kms
Wallsend	\$530,000	159kms

* Data from domain.com.au

"What is interesting is that Wagga Wagga is the next hottest area in the regions for first-home buyers. Although it's far from Sydney, the median price for a 3-bedroom property there is \$435,000 - and that comes with plenty of land too," Mr Ahern adds.

Despite being 460kms from the state capital, Wagga Wagga is home to a well-serviced airport with an approximate 1-hour flight time to Sydney.

The bronze medal goes to the Greater Gosford area, a regional hub also on the Central Coast halfway between Sydney and Newcastle where the median house price is \$575,000.

"Also on the Central Coast, Gosford is further south and closer to Sydney than Hamlyn Terrace - and it's a bit more expensive too - but that's likely due to its proximity to the city," he says.

Dubbo, Bathurst and Tamworth place 4th, 5th and 6th on the list and are all more than 200kms from Sydney's CBD. InfoTrack's data also shows that

Wagga Wagga, Dubbo and Tamworth rank more highly with first-home buyers than middle to outer ring Sydney suburbs such as Blacktown and Penrith.

"Now these are true regional areas that don't need proximity to Sydney because they have formed their own regional centres. All three have major hospitals and airports, plus Dubbo and Bathurst offer easy access to on-campus universities too," Mr Ahern explains.

Although placing ninth on the list, Mr Ahern says Albury on the NSW state border was a stand out location according to InfoTrack's latest analysis.

"The newest data gives us insight to the last financial year and we can see some regional areas have experienced a real shift in demand. This time last year first-home buyers in Albury were in the single digits, now we're seeing almost three times as many making purchases in that postcode," he said, adding that given Albury sits on the Victorian border some buyer interest could be attributed to migration from areas which endured extended lockdowns throughout 2020.

Since the arrival of Covid-19, most Australian regional housing markets have experienced unprecedented boom conditions as dwelling values have out-performed metropolitan markets. Over the 12 months to April, combined regional housing values climbed by 13 per cent, while capital city home values rose by just 6.4 per cent, CoreLogic data shows.

Despite that sustained growth, regional NSW still offers first-home buyers more square metre bang for their buck than in Greater Sydney. While Sydney's median house price has risen to \$994,298, the median price for a house in regional NSW is significantly lower at \$586,982.

The 2021 landscape for first-home buyers might have changed since mid-2020 when historically low interest rates, little to no investor competition due to Covid-19, and the Federal Government's HomeBuilder Grant were all in play. And although the highly popular HomeBuilder program ceased in April, Mr Ahern points out that there are still active schemes out there to help first-home buyers to get on the property ladder.

The New Home Guarantee (formerly the First Home Loan Deposit Scheme) has been extended with an additional 10,000 places available from 1 July 2021 to 30 June 2022. The scheme means first-time purchasers can avoid paying Lender's Mortgage Insurance and get into a loan with as little as 5% deposit. There is also the First Home Owner's Grant, a \$10,000 package for those purchasing or building a new home, plus the First Home Buyer Assistance Scheme which allows eligible purchasers to apply for an exemption or reduction of transfer duty.

"These home buyer schemes are often capped on purchase price and unfortunately those price caps are too easily reached in Sydney so first-home buyers are looking for options elsewhere. They also encourage first-time purchasers to take up home and land packages and one way to do that is to head to the regions where there's more space."

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Notes to editors

For more information about InfoTrack, visit: infotrack.com.au

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About InfoTrack:

InfoTrack is the leading innovator in legal technology and pioneers of property conveyancing automation in Australia. InfoTrack's integrated platform has been supporting over 8,000 businesses with technology adoption for over 21 years enabling clients to find, analyse, organise and communicate information more efficiently. InfoTrack's wealth of data, deep knowledge and expertise of the Australian legal and conveyancing industry is your barometer for property activity from contract creation through to settlement.

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