

Wollongong Region Report

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Wollongong Property Market & Location Profile

Property Price Trends

Robust Growth in House Prices – Over the past decade, Wollongong’s housing market has boomed. Median house values have nearly **doubled**, now hovering around **\$1.1–1.2 million**. This surge (roughly **100% growth in 10 years**) was fueled by Sydney sea-changers and investors drawn to Wollongong’s coastal lifestyle. Even in just the **last 5 years**, house prices climbed about **8–9% per year on average**, equating to roughly **50% total growth since 2020**. Recent momentum has moderated slightly – the **past 12 months** saw about a **3% rise** in dwelling values – but overall trajectory remains positive.

Unit Market Performance – Units and apartments have seen steadier growth, trailing houses. The **median unit price** is approximately **\$715,000** as of late 2024. Over the past five years unit values rose around **5–6% annually** on average, slower than house growth. In the most recent year, unit prices were almost flat (+0.7% YoY), reflecting higher supply from new apartment developments and some buyer preference for houses. Nonetheless, units in prime locations (e.g. city beachfront) have performed well; for instance, North Wollongong units have grown ~4–5% annually, reaching a ~\$700k median. Strong rental demand (from students and young professionals) underpins the unit market.

High-Growth Suburbs & Forecasts – According to **Microburbs** data, several Wollongong suburbs are poised for **above-average price growth** in coming years. Microburbs projects **annualized** capital growth in the **mid to high single digits** (%) over the next **4 years** for these areas. For example:

- **Dapto & West Dapto Corridor** – A fast-developing area 15km south-west of the CBD, Dapto has seen **rapid recent growth** (houses +7.6% in the last year, to a ~\$800k median). New estates in **Horsley, Kembla Grange, Wongawilli** and surrounds are attracting young families. Microburbs ranks this growth corridor highly for future house price gains (a **“Premium”** 4-year forecast) given ongoing housing demand and infrastructure investment.
- **Northern Suburbs (Corrimal, Bellambi)** – Traditionally working-class, these suburbs offer relative affordability by the beach. They’re now gentrifying as buyers priced out of Thirroul/Austinmer look further south. Microburbs data signals **strong forecast growth** here as well – Corrimal and Bellambi both show **“Premium” outlooks** for house price rises. Recent demand has already pushed up values, and renovated homes are fetching high prices as coastal lifestyle appeal grows.

- **Port Kembla & Warrawong** – In the industrial south, these suburbs have **historically lower prices** but high growth potential. With the port slated for expansion and new industries (see “Future Developments”), investors are eyeing Port Kembla. Microburbs metrics indicate **above-average growth prospects** – a sign that as heavy industry transitions, property values could climb from a low base. Nearby Warrawong (home to a major shopping mall) similarly is forecast to improve.
- **Wollongong & North Wollongong (City)** – The city center and beachside unit markets are expected to remain **solid performers**. While past growth was moderate, the **outlook is positive** as limited new land and enduring buyer interest in ocean-view properties keep upward pressure. Microburbs gives Wollongong suburb a top-tier **growth rating** for houses. Overall, expect continued **capital growth** in the **20–30% range over four years** (cumulatively) in many of these high-growth suburbs, barring any major economic shocks.

Visual: Historical price trend graphs would show a steep climb for Wollongong houses from 2015 to 2022, a brief dip in 2022, and a modest uptick into 2024. Units would show a gentler rise. A table comparing suburb-by-suburb growth and forecasts (using Microburbs data) would highlight Dapto, Horsley, Corrimal, etc. as top performers.

Economic Drivers

Diverse and Evolving Economy – Wollongong’s economy has transitioned from its **industrial roots** into a more diversified base. Historically a steel city (BlueScope’s Port Kembla steelworks remains a major employer), the region now also leans on **education, health, and services**. The **University of Wollongong (UOW)** is a key pillar, drawing ~35,000 students and supporting an innovation hub. A large **hospital and healthcare sector** provides thousands of jobs. The port itself is busy with freight – handling commodities, cars, and soon renewable energy equipment – sustaining logistics and trade employment. Government data shows Wollongong’s **job market is reasonably healthy**; unemployment (~5.9% in mid-2024) is around the decade average, and job vacancies are elevated compared to pre-COVID times, indicating active hiring.

Major Industries & Employers:

- **Steel & Manufacturing:** BlueScope Steel and related industries at Port Kembla anchor the manufacturing sector. While steel production has downsized from its peak, it still contributes significantly to the local economy and exports.
- **Port & Logistics:** **Port Kembla** is NSW’s second-largest port. It’s critical for coal exports, grain, vehicle imports, and more. Plans to expand port capacity and diversify into new trades (like green energy) will create jobs and increase demand for industrial land and worker housing.
- **Education & Research:** UOW and its spinoffs (research institutes, the Innovation Campus) inject skilled employment and a student population that supports housing (especially rentals). Education is one of the city’s growth industries, attracting international students and academics.

- *Healthcare*: Wollongong Hospital (a 500+ bed tertiary hospital) and Wollongong Private Hospital make the city a medical hub for the Illawarra. Health and social services are among the fastest-growing employment sectors locally.
- *Professional Services & IT*: An emerging tech scene and government offices in the CBD contribute white-collar jobs. While many residents commute to Sydney for work (via road or rail), an increasing number of businesses are choosing Wollongong for its lower costs and skilled talent from UOW.

Economic Trends: The region's economy has been buoyant in recent years due to population growth and infrastructure spending. **Infrastructure investment jumped ~9% in 2024**, according to council reports, which improves employment and can boost property values near projects . Population inflows (including some Sydneysiders relocating post-COVID for lifestyle) have translated into **strong housing demand**, supporting the property market. However, housing **affordability challenges** mean some local young families are pushed to outer suburbs or Shellharbour, tempering internal migration . Overall, Wollongong's economic outlook is solid – a mix of stable industries (education, health), ongoing industrial activity, and new sectors on the horizon (renewables, defense) provide a foundation for sustained housing demand.

Local Amenities & Liveability

Lifestyle and Leisure – Wollongong consistently rates highly for liveability. Microburbs scores the city **8/10 or above** in lifestyle factors – **family friendliness, safety, convenience, and community** are all strong . The appeal begins with the **natural setting**: residents enjoy 17 patrolled beaches along the coastline, plus Lake Illawarra to the south for fishing and boating. The dramatic Illawarra Escarpment offers hiking, lookouts, and greenery, giving many suburbs a backdrop of bushland. Recreational facilities abound, from coastal bike paths and rock pools to sporting complexes. Popular spots like Wollongong Botanic Garden, Stuart Park, and the Blue Mile promenade add to the outdoor lifestyle.

Schools & Education – The city is well-served by **quality schools**, making it attractive for families (reflected in the high *Family Score*). There are dozens of public and private primary and high schools. Notably, Wollongong boasts **selective high schools** (e.g. Smith's Hill High) and strong Catholic colleges that draw students region-wide. The presence of the **University of Wollongong** and TAFE campuses means educational opportunities from preschool to postgraduate are available locally. This education infrastructure not only supports families but also sustains a lively student community, contributing to the city's vibrancy and rental demand in suburbs near the uni (e.g. Gwynneville, Keiraville).

Healthcare – Residents have access to comprehensive healthcare. **Wollongong Hospital** (public) is the region's principal healthcare facility, recently earmarked for a ~\$21.9 million upgrade including new MRI/CT facilities by 2025 . Several smaller hospitals and specialist centers complement it: Wollongong Private Hospital in the CBD, Shellharbour Hospital (~20 min south) for southern

suburbs, and community health clinics throughout. These facilities ensure advanced medical care is close by – an important liveability factor for retirees and families alike.

Shopping & Dining – Wollongong offers big-city conveniences with a relaxed pace. **Wollongong Central** mall in the CBD is a major shopping center (over 200 stores, supermarkets, cinemas), anchoring a revitalized city core that also features a growing small bar and restaurant scene. Suburban retail hubs include **Warrawong Plaza** (servicing the southern suburbs), **Dapto Mall**, **Corrimal Shopping Centre**, and Figtree Grove – each providing groceries, shops, and services for locals. Charming café strips can be found in villages like Thirroul and Balgownie. Dining options range from beachside fish & chips to multicultural eateries (a reflection of the city’s diversity). This array of amenities, coupled with entertainment venues like WIN Entertainment Centre (for concerts and sports) and a lively arts scene, gives Wollongong a well-rounded urban lifestyle score (Microburbs Lifestyle Score 8/10) .

Community & Environment – Residents benefit from a strong community spirit and relative tranquility in suburban streets (Tranquility rated 9/10). Crime rates are **low overall** , and the city maintains lots of green space – from neighborhood parks and playgrounds to larger reserves. Family-oriented facilities (public pools, sports fields, libraries) are widespread. All these factors contribute to Wollongong’s reputation as a city that balances **urban conveniences with coastal town charm**, enhancing both liveability and property appeal.

Transport & Infrastructure

Connectivity – Wollongong is well-connected by both road and rail, and ongoing upgrades promise improved accessibility. The city lies ~80 km south of Sydney, and many residents commute or travel regularly between the two. The **M1 Princes Motorway** (formerly F6) links Wollongong to southern Sydney; recent investments aim to make this route faster and safer. A major project is the **Mount Ousley interchange**, now under construction (late 2024–2028) with ~\$390 million funding . This new interchange at the primary gateway to Wollongong will replace a notorious intersection, easing the bottleneck where the M1 meets Mt Ousley Road. **Benefits** will include shorter travel times to the CBD and University, and safer separation of heavy vehicles from cars on steep Mt Ousley . For locals, this means a smoother daily commute and enhanced appeal for suburbs along the corridor.

Public Transport – Wollongong is served by the **South Coast railway line**, with frequent trains north to Sydney (about 1.5 hours to Central) and south to Kiama. The railway stations (e.g. Wollongong, North Wollongong, Thirroul, Dapto) are hubs for commuters. A unique free “Gong Shuttle” bus loops around central suburbs and the university, supporting car-free mobility in town. Regular bus networks connect outlying suburbs to the CBD and each other. Looking ahead, the NSW government’s “**More Trains, More Services**” initiative promises increased rail frequency and modernized signalling on the South Coast line , which will improve reliability for commuters. There is also long-term planning being discussed for **faster rail** or even a potential future **Sydney–Wollongong rail upgrade**, which, if realized, could cut travel times further and significantly boost Wollongong’s attractiveness to Sydney-based professionals.

Local Transport & Active Travel – Within the city, road upgrades are ongoing to cater to growth. New subdivisions in West Dapto are being connected by improved roads (e.g. the **Cleveland Road upgrade**, with ~\$20M NSW funding, to support 3,000–5,000 new homes in that growth area). In the north, upgrades on the **Princes Highway at Bulli Pass** and improved **Lawrence Hargrave Drive** aim to enhance safety on coastal routes. The city and state have also invested in **active transport**: a recent \$10M program will deliver better footpaths, lighting, and bike storage at **11 Illawarra train stations** . For example, Corrimal is getting a new 1km two-way cycleway linking the station with surrounding streets , and stations like Helensburgh and Stanwell Park will see upgraded paths, lighting, and CCTV . These projects encourage walking and cycling, reducing traffic and adding to the lifestyle appeal (great news for suburbs like Corrimal and Thirroul known for active, outdoorsy residents).

Infrastructure Projects Shaping the Future – A number of big-ticket infrastructure projects either underway or planned are set to shape Wollongong’s property market:

- *Road*: Besides the Mount Ousley project, there are ongoing **Princes Motorway widening** and safety works. An **Albion Park bypass** (completed just outside Wollongong) has improved access to Shellharbour and the South Coast, indirectly benefiting Wollongong by easing regional traffic.
- *Rail*: A proposal for a **Thirroul rail tunnel** (to straighten the rail line and increase capacity) is sometimes floated in transport strategies – if ever approved, it would be transformative. In the meantime, incremental upgrades will gradually shorten commute times.
- *Utilities*: The NBN and mobile networks are strong (Communications Score 9/10) , supporting the growing work-from-home trend. Continued investment in digital infrastructure is likely as more professionals choose to live in Wollongong and telecommute.
- *Airport*: While Wollongong itself doesn’t have a major airport, the nearby Shellharbour Airport (Albion Park) now offers limited passenger flights (opened in recent years). There is discussion of expanding services, which could improve Wollongong’s connectivity for business and tourism. Additionally, Sydney’s upcoming **Western Sydney International (Badgerys Creek) Airport** (opening 2026) may indirectly benefit Wollongong by providing another travel option ~75 minutes’ drive away.

All told, Wollongong’s accessibility is improving. Upgraded infrastructure not only cuts travel times but also tends to **raise property values** in well-connected suburbs . Suburbs near new transport links or road improvements often see heightened demand, as buyers capitalize on better commute options. Thus, the current wave of infrastructure projects bodes well for the property market, especially in growth areas like West Dapto (new roads) and northern suburbs (better station access).

Risk & Environmental Factors

While Wollongong offers an enviable lifestyle, buyers and investors should be mindful of certain **risks and environmental considerations** that can affect properties, insurance, and long-term value.

Flood Risk – Parts of Wollongong are low-lying or near waterways, making them prone to flooding in extreme rain. Suburbs around **Lake Illawarra** (such as Berkeley, Kanahooka, Lake Heights) and those along creek floodplains (parts of Wollongong CBD near Fairy Creek, Corrimal near Towradgi Creek, etc.) have designated **flood zones**. The city has experienced flash flooding in the past from torrential rain events. Local government flood maps identify these at-risk zones, and development in these areas often requires raised floor levels or flood mitigation. Homebuyers should check flood hazard reports – being in a flood-prone area can increase insurance costs and maintenance (for example, properties in the 1-in-100 year flood zone might face significantly higher premiums). On the plus side, Wollongong City Council has been investing in **flood management infrastructure** (e.g. improved drainage and flood detention basins) to reduce this risk over time. Still, it remains an important due diligence point, especially as climate change is expected to bring more intense rainfall events.

Bushfire Risk – The beautiful bushland on Wollongong’s escarpment and in the Royal National Park (north) brings a **bushfire hazard** to adjacent suburbs. Areas on the fringe of dense vegetation – for example **Austinmer, Thirroul, Wombarra** in the north, parts of **Figtree, Mount Kembla** and the **West Dapto** suburbs in the south-west – are classified as **bushfire-prone**. Living in these zones means homes may need special construction standards (fire-resistant materials, cleared asset protection zones) and again, higher insurance. Bushfire risk is typically highest in late spring to summer. Buyers value Wollongong’s greenery and privacy, but should weigh the bushfire factor. Notably, the Rural Fire Service and council have strict controls on new developments in these zones, and community preparedness is strong. In recent years, Wollongong has avoided major bushfires, but the risk is present each summer.

Coastal Hazards – Properties right on the coastline (e.g. in **Thirroul, East Corrimal, Windang**) face **coastal erosion and storm surge** risks over the long term. Council has identified certain erosion hotspots, though much of the Illawarra coast is buffered by wide beaches and dunes. Sea level rise projections are a consideration for waterfront real estate – not an immediate concern for most of Wollongong (since urban areas sit slightly elevated or set back), but something to monitor in low-lying coastal strips.

Environmental Planning – Many parts of Wollongong are subject to environmental overlays that preserve green space or coastal wetlands. This can limit land supply (a positive for existing owners) but also restricts building in certain areas. For example, **corridor suburbs near the escarpment** have protected forest areas; **southern lake suburbs** border sensitive wetland habitats. These factors can be double-edged: they maintain the natural beauty and **tranquility** (Microburbs Tranquillity Score 9/10) that make an area desirable, but they may also pose constraints or additional costs for property improvements.

Crime and Safety – Wollongong is generally a safe region, with **low crime levels** by state standards. The city’s Safety Score (8/10) reflects a relatively low incidence of serious crimes in residential areas. Of course, like any city, some pockets have higher petty crime or anti-social behavior – typically around the CBD late at night or in a few disadvantaged neighborhoods. However, Wollongong does **not have major issues with violent crime**, and community policing is active. For property buyers, this means most suburbs provide a secure environment for families. It’s always wise to check

local crime stats if you're particularly sensitive (for instance, break-in rates can vary by suburb), but overall Wollongong's **safety profile is a selling point** rather than a concern.

Other Considerations – Investors should note if a suburb has a high number of **public housing units** or social issues, as that can affect perceptions and rental demand – suburbs like Warrawong and Bellambi have some areas of higher social disadvantage, which may coincide with lower median prices (and potentially opportunity for gentrification). Also, **heritage conservation** can be a factor in older suburbs: Wollongong has heritage coal cottages and historic buildings that carry restrictions. Finally, as the city grows, **traffic congestion** is emerging in some areas (e.g. along the Princes Highway through Towradgi/Fairy Meadow, or around West Dapto construction zones). While not an “environmental” risk per se, congestion is something the infrastructure projects aim to address, and homebuyers might consider ease of transport when choosing a location.

In summary, **due diligence** on environmental and safety factors is important, but none of these risks are unmanageable. Most Wollongong high-growth suburbs score well on safety and have manageable environmental risks – and where risks exist, they are being actively mitigated by planning and infrastructure works (for example, flood mitigation and bushfire management plans). Many investors find the **rewards of Wollongong's growth outweigh these risks**, especially with proper insurance and informed site selection.

Demographics & Population Trends

Population Growth – Wollongong's population has been on a steady **upward climb**. The City of Wollongong LGA is home to about **223,000 people in 2025**. Growth has accelerated in recent years, partly due to the “sea change” trend and spillover from Sydney. Forecasts suggest the population will reach roughly **292,000 by 2046** – an average growth of ~1.1% per year. Key growth areas include the West Dapto Release (expected to house tens of thousands of new residents over the next 20 years) and the northern coastal suburbs where medium-density infill is adding residents. Microburbs data highlights suburbs like **Calderwood, North/West**

Wollongong, Tullimbar, Horsley as population growth hotspots in the Illawarra, each adding well over **1,000** new residents in recent years from new housing developments. This expanding population underpins housing demand – more people, especially **young families and professionals**, are looking for homes in the region every year.

Age & Family Composition – Wollongong has a **diverse demographic mix**. The median age is about mid-30s, reflecting both young adults and a solid base of families. Thanks to the university, there's a noticeable **student and young professional population** in the 18–29 range (concentrated around the city and campus). Meanwhile, outer suburbs attract couples in their 30s and 40s with kids – Wollongong scores **8/10 on Family friendliness**, and indeed **37%** of households are families with children (according to Census data). The presence of good schools and parks in suburbs like Figtree, Woonona, and Farmborough Heights draws many **families** from Sydney or other parts of NSW. There is also a sizeable **retiree** segment, particularly in coastal suburbs (many retirees downsize from Sydney to enjoy the beach lifestyle). However, overall Wollongong skews a bit younger than the national average due to the student influence.

Multiculturalism – The city is **multicultural**, with about a third of residents born overseas. There are long-established communities of Southern European descent (Italian, Greek, Macedonian – dating back to the steelworks migration waves), as well as a growing Asian international student community and recent migrants from India, China, and elsewhere. This diversity is seen in local restaurants, cultural festivals, and places of worship across the city. A varied demographic base often correlates with a dynamic local economy and rental market (for example, overseas students and workers often rent near the Uni or CBD). English proficiency is high overall, and Wollongong’s community is known to be welcoming, aided by strong community networks.

Income & Affluence – Wollongong’s **Affluence Score is moderate (5/10)** . This means incomes and socio-economic status are around the Australian average. The median household income here is lower than Sydney’s, but housing is also more affordable, so the home ownership rate is solid (~64% of households own or are paying off homes) . There are pockets of high affluence – e.g. **Austinmer, Thirroul, Balgownie** – where professionals and executives live in million-dollar homes by the beach or escarpment. Conversely, a few areas like **Warrawong or Cringila** have lower incomes and higher welfare reliance, reflecting the industrial working-class roots. Overall, though, Wollongong is a middle-class city. Unemployment, as noted, is around 5–6%, and many households have dual incomes (commuters to Sydney often earn Sydney-level salaries but live in Wollongong). **Economic prospects** (new jobs in tech, port, etc.) could lift incomes in coming years, gradually increasing affluence.

Population Structure Trends – Two trends stand out: **inward migration of young families** and **influx of students/migrants**. The pandemic period saw many young families move out of Sydney to regions like Wollongong for larger homes and lifestyle – evident in surging school enrollments in suburbs like Dapto and Russell Vale. At the same time, with international borders open, **overseas migration has resumed**, chiefly bringing students to UOW and skilled migrants to take up regional jobs . The city’s population growth from overseas migration is recovering strongly post-COVID . Internal migration (from other parts of Australia) is a bit more mixed – affordability pressures have caused some locals to leave for more affordable regions, but this is offset by those arriving from Sydney.

Demographically, these trends bode well for the property market: **family buyers** drive demand for houses (especially 3-4 bedroom homes in safe suburbs), while **students and new workers** drive demand for rentals and units. The mix of ages and cultures also means demand exists for different property types – from modern apartments downtown to house-and-land packages in new estates. Looking ahead, Wollongong’s population is not just growing but also **aging slightly** (like the rest of Australia). There will be increasing need for downsizer units, retirement living, and healthcare services, which could influence development (e.g. more townhouses, apartments, and seniors’ housing projects).

In summary, Wollongong’s demographic profile – growing, youthful yet family-oriented, and moderately affluent – provides a **stable base for housing demand**. A growing population with a high home-ownership aspiration translates to sustained pressure on the property market, supporting long-term growth.

Future Developments

Multiple developments (residential, commercial, and industrial) are on the horizon in Wollongong, which will shape the market's future supply and demand dynamics. Here are some of the **key future developments and projects** to watch:

- **West Dapto Urban Release:** The largest residential expansion in the region, West Dapto is a masterplanned area set to accommodate **up to 19,000 new homes** over a 30-year period. Suburbs like **Wongawilli, Kembla Grange, Calderwood (nearby)** are already seeing new housing estates. This will effectively create new suburbs and town centers. As this area builds out with schools, parks, and shops, it will cement Dapto's role as a major population center. For the market, it means a steady supply of new house and land packages – great for keeping young families local, though investors should monitor that supply doesn't outpace demand. So far demand is strong, with West Dapto estates often selling out stages quickly. Infrastructure funding (roads, drainage, etc.) is committed to support this growth .
- **Wollongong CBD Revitalisation:** The city centre is undergoing a transformation with several high-rise apartment and mixed-use projects either recently completed or planned. In the pipeline are new **apartment towers** (some 20+ storeys) adding modern units, many with ocean views. The Council has an **urban renewal strategy** to attract more residents into the CBD, activating the area after hours. Expect more boutique apartments, possibly a new hotel or two (to boost tourism), and continued upgrade of streetscapes (e.g. Crown Street Mall improvements). A recently completed project is the **Wollongong Central expansion**, which has enhanced retail offerings. Upcoming are proposals for redeveloping older office blocks into residential and adding more student accommodation buildings for university students. A more vibrant CBD with more residents tends to raise surrounding property values and rental yields.
- **Port Kembla & Industrial Developments:** Port Kembla is earmarked for several significant projects. One headline item is its candidacy for the future **East Coast submarine base** for the Royal Australian Navy (as part of the AUKUS pact) – while no decision is final, if Port Kembla is chosen, it would bring massive investment and an influx of defense personnel in the 2030s. In the nearer term, Port Kembla is set to become a **renewable energy hub**. The federal government **declared an Offshore Wind Zone** off the Illawarra coast in 2023, stretching from Wombarra to Kiama, with potential to generate **4.2 GW** of power . This paves the way for large offshore wind farms; Port Kembla would likely host the construction and maintenance facilities, creating jobs. Additionally, the NSW government announced an **Illawarra Renewable Energy Zone (REZ)** – attracting industries like green hydrogen production, battery manufacturing, and other clean tech to the region . A number of proposals (e.g. a hydrogen hub at the steelworks, a new power plant converting steel by-products to energy) are under consideration. These industrial developments could significantly **boost employment** in the area and increase demand for housing, particularly around Port Kembla, Cringila, and even extending to Shellharbour. Commercial property

demand (warehouses, offices) is also expected to rise as new businesses set up to support these industries.

- **Retail and Commercial Projects:** Outside the CBD, there are plans to expand some suburban centers. For instance, **Warrawong Plaza** has proposed upgrades to modernize and possibly include entertainment/dining precincts. **Corrimal town center** is undergoing renewal with new shopfronts and medium-density apartments approved. We may also see new commercial parks – the **Innovation Campus** (iC) at North Wollongong continues to grow, hosting tech firms and research companies, and there’s land earmarked for future commercial use around it. Any significant increase in local jobs will have a knock-on effect on housing demand. The University is also expanding its Innovation Campus which could include a new research hospital or additional student housing – another factor that would drive nearby real estate.
- **Infrastructure Pipelines:** We discussed transport projects in their own section, but to reiterate as “developments”: the **Mount Ousley interchange (M1)** and **South Coast rail improvements** are key. There is also the **Wollongong Hospital redevelopment** on the cards – while currently only a \$21.9M upgrade is funded, the master plan envisions a larger redevelopment in coming years (which could include new clinical buildings). This will ensure healthcare keeps pace with population growth and will sustain construction jobs in the interim. Moreover, the hospital project once fully realized could spur medical precinct growth (specialist clinics, labs, etc.) in the surrounding area of Wollongong/Coniston.
- **New Community Facilities:** As the population grows, new schools (e.g. a proposed public high school in West Dapto) and recreation facilities (sports grounds, community centers) will be built. For example, a new **district library and community hub** is slated for Dapto, and **sports facility upgrades** are ongoing (a major upgrade to Beaton Park leisure centre in Gwynneville has been discussed). These amenities enhance liveability in growth suburbs, which in turn supports property values.

Overall, **future developments in Wollongong are very much a story of growth and transition.** Large-scale residential expansion will add supply chiefly in the outer suburbs, while economic and infrastructure projects will spur demand. The balance looks favorable: most analysts expect **demand to keep up with or exceed supply**, given Wollongong’s strategic appeal and the relatively measured pace of land releases. Notably, Microburbs’ forward-looking data incorporates many of these developments (e.g. factoring new infrastructure into its suburb forecasts), which is why so many suburbs here have high growth forecasts. Investors and homebuyers should keep an eye on the progress of these projects, as they often create “**hotspots**” – for instance, if Port Kembla’s renewable projects take off, nearby suburbs could suddenly see heightened demand from workers looking for homes close to new jobs. Planning and timing will be key, but Wollongong’s pipeline of projects paints an **optimistic picture for the region’s medium to long-term prosperity.**

Visual: A map of Wollongong could be provided here highlighting key development zones: West Dapto (residential), Port Kembla (industrial/energy), the CBD (high-rises), and infrastructure like the M1 interchange and rail line. Tables or infographics could summarize these projects, including expected

completion dates and impacts (e.g., “Mount Ousley Interchange – completes 2028 – will cut travel times to Sydney by X minutes” or “Offshore Wind Zone – construction from ~2026 – thousands of jobs”).

Investor & Liveability Insights

Wollongong strikes an attractive **balance between investment potential and quality of life**, making it a compelling choice for both property investors and owner-occupiers. Here we consider a few insights at this intersection:

Strong Investment Fundamentals: The Wollongong property market offers investors solid fundamentals – **steady capital growth, tight rental supply, and healthy yields**. As covered, houses have achieved impressive long-term growth (~8%+ annually in recent years) and even units, despite slower growth, hold their value well with low volatility. Looking ahead, Microburbs’ data-driven forecasts put many Wollongong suburbs in a “**premium**” **growth category**, signaling confidence in continued price appreciation. From an investment standpoint, **demand drivers** are clear: population growth, expanding industries (more jobs), and infrastructure improvements (better connectivity) all point to sustained housing demand. Additionally, Wollongong benefits from a **spillover effect** – when Sydney’s market runs hot or becomes unaffordable, buyers and renters turn to Wollongong, providing a buffer to downturns. In 2023-24, while some Australian markets stalled, Wollongong still notched modest growth, exemplifying its resilience.

Rental Market & Yields: Investors will be encouraged by the **tight rental market** in Wollongong. Vacancy rates have been **under 1%** recently, indicating virtually full occupancy – properties rent out quickly. This has driven up rents sharply (over **7% rent growth in a year** post-COVID). As a result, **rental yields** are quite attractive, especially compared to Sydney. Typical gross yields: ~4% for houses in affordable suburbs and 4-5% for units. For example, a Dapto house (median ~\$800k) rents for around \$570/week, yielding ~3.9%. Units in Wollongong might yield ~4% or slightly more. These are **healthy yields** given the low interest rate environment of recent years (even with rising rates, many properties remain neutrally geared or only slightly negatively geared). High rental demand comes from university students, hospital staff, young families and some commuters – a diverse tenant pool. For investors, this means lower risk of prolonged vacancy and the ability to be selective with tenants. Moreover, the rising rents improve cash-flow, and with **64% home ownership**, there’s still a sizeable rental cohort (over one-third of households) ensuring ongoing rental needs. The only caution is that new apartment supply in the CBD could soften unit rents at the high end, but so far demand has kept up.

Liveability Advantages: From an owner-occupier perspective, Wollongong’s liveability is a huge drawcard. It routinely ranks as one of the best regional cities to live in NSW, thanks to its mix of coastal relaxation and urban amenities. Families appreciate the **excellent schools, low crime, and community feel**; professionals enjoy the **beach lifestyle** and now often have the flexibility to work from home several days a week, making a Sydney job compatible with Wollongong living. Retirees find a welcoming environment with good healthcare and leisure. These quality-of-life factors translate to **stable long-term demand** – people who move to Wollongong for lifestyle tend to stay, and word-of-mouth brings more migrants (including returning expats or those from Sydney seeking

a change). For investors, a liveable city means **lower turnover** of tenants and generally better care of properties (pride in the area). It also means in market downturns, places like Wollongong hold value better because people **don't rush to leave a location that offers so much**. The Microburbs *Community and Lifestyle scores* (8-9/10) highlight this intangible but important facet: a high level of resident satisfaction. This is evidenced by strong owner-occupier rates and relatively stable homeownership over time .

Balanced Market Dynamics: Wollongong offers a mix of property types, which allows both investors and homebuyers to find suitable options. New house-and-land packages target first-home buyers and investors looking for depreciation benefits; established homes in prime areas attract upgraders; units and townhouses provide affordable entry points or downsizer options. This balanced mix means the market isn't **over-reliant on one segment**. If, say, investor activity cools due to interest rates, owner-occupiers step in (many Sydney families are still actively purchasing in Wollongong). Conversely, if first-home buyer incentives are strong, new developments see uptake, etc. For investors specifically, this diversity means you can tailor your strategy – e.g., yield-focused investors might opt for a unit in Wollongong or Warrawong (lower price, decent rent), while capital-growth seekers might choose a house in Thirroul or an emerging suburb like Kembla Grange. **Both strategies have merit in Wollongong**, given the area's rising tide lifts most boats.

Outlook and Key Insights: The outlook for 2025 and beyond is **positive**. Analysts predict Wollongong prices will **rise in 2025** and onward, albeit at a moderate pace, driven by high demand and constrained supply . Microburbs' forecasts and other market analyses align on this uptrend, barring any major economic downturn. Importantly, Wollongong is no longer just a "regional town" – it's part of the NSW Government's **Six Cities plan** as the capital of the Illawarra, meaning more planning attention and investment will flow here. Upcoming projects (like those offshore wind farms, or the potential defense base) are large-scale **game changers** that could turbocharge the local economy and housing market over the next decade. Investors taking a long view see that **Wollongong today is akin to Newcastle 10-15 years ago** – a city reinventing itself, with property values that, while having grown, may have more room to run as the region's profile increases.

From a liveability standpoint, the city is also **hitting its stride**: infrastructure upgrades will solve past pain points (traffic, train frequency), new entertainment and dining options are popping up, and the overall buzz about Wollongong is attracting talent and entrepreneurs. All this enhances the "place to be" factor, which tends to support the upper end of the property market as well (we've seen more million-dollar suburbs emerge – e.g., suburbs like Coledale now top \$2M median , reflecting how far the region has come in affluence).

In conclusion, **Wollongong provides both investors and residents a promising proposition**: investment-wise, a blend of growth and yield underpinned by real economic drivers; and lifestyle-wise, a coastal city with amenities that rival the capital cities. High-growth forecast suburbs identified by Microburbs combine these traits – for instance, **Dapto offers new infrastructure and strong rental yields along with family-friendly living**, whereas **Corrimal offers capital upside through gentrification plus beach proximity**. Finding that sweet spot is key, and Wollongong has a range of suburbs that fit the bill. As always, due diligence is important (check those flood/fire maps and

growth stats), but the data so far indicates Wollongong's property market in 2025 is **positioned for continued healthy growth with a high quality of life to boot.**

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