



Bendigo

Property Factsheet

1st Half 2018





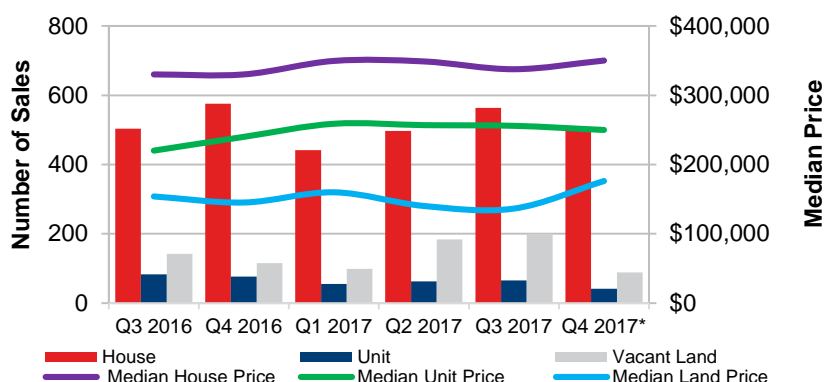
MARKET CONDITIONS

The Bendigo* property market recorded a median house price of \$400,000 and \$284,000 for units in Q4 2017, representing an annual price change of 5.3% and 18.3% respectively. Over the same period of time house prices in the Greater Bendigo LGA grew by 6.1% to \$350,000 and unit prices grew by 4.2% to \$250,000. Bendigo property prices are well above City of Greater Bendigo, indicating it is a sought after market by buyers and investors alike.

Average days to sell in Bendigo has improved for houses over the past 12 months, currently at 53 days in Q4 2017, while days on market for units fluctuated and sits at 91 days. Over the past 12 months to Q4 2017 average vendor discounting for houses and units has widened, to -5.8% and -7.4% respectively. This suggests there is more room for price negotiations. This puts the market in a unique equilibrium where buyers are benefitting from an increase in affordability, yet sellers are still enjoying positive capital growth – particularly in the unit market. Thus, now is the ideal time to buy and sell in the Bendigo* property market.

Median rent for houses in Bendigo improved over the past 12 months to Q4 2017, currently at \$320 per week. However, median rent for units has softened over the same period to \$225 per week. Low vacancy rates of 2.1% in December 2017 continue to demonstrate the strong rental demand in the area, and is on par with Melbourne (2.1%). Astute investors are benefitting from 4.4% (house) and 5.0% (unit) rental yields, which are higher than Melbourne’s property market, at 2.7% and 3.8% respectively.

GREATER BENDIGO GROWTH



OVERVIEW

Bendigo is the main service centre for the Loddon Mallee South region and the city's key industries include mining and financial services. Relative to Victoria, the city is set to experience a relatively high growth rate and is linked to Melbourne and other regions by high-quality road and rail infrastructure.

Change from Last	Year	Half Year
House Sales	↑	↑
House Median Price	↑	↑
House Rental Price	↑	↑
Unit Sales	↓	↑
Unit Median Price	↓	↓
Unit Rental Price	↓	↓

FUTURE DEVELOPMENTS**

Bendigo* is set to see approx. \$50.7M of new projects commencing in the 1st half of 2018. Infrastructure accounted for the majority of development value (59.3%), totaling an estimated \$30.1M of worth of projects. This was followed by mixed use developments, at approximately \$12.9M (25.4%), residential projects (\$5.1M, or 10.0%) and commercial developments (\$2.7M or 5.3% of total projects).

A main infrastructure project in 1st half 2018 is the Napier Street (Midland Highway) Upgrade Stage 2 project. Estimated at \$17.1M, it is set to improve the capacity of Napier Street between Weeroona Avenue and Hall Street.

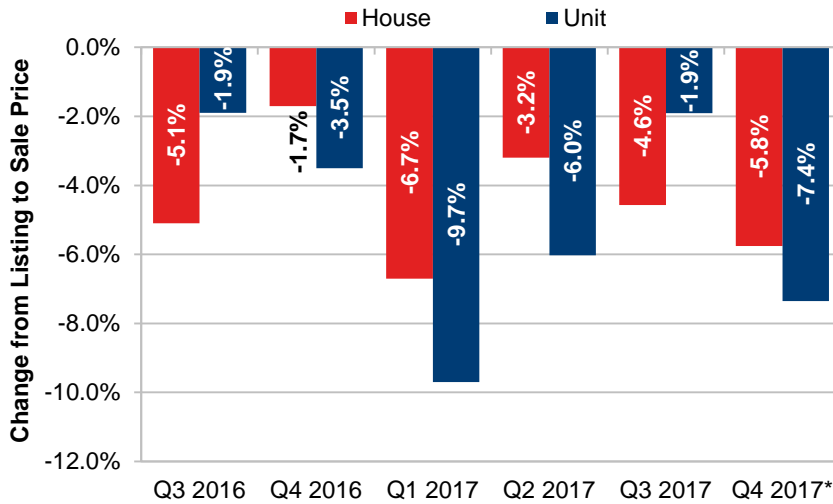
Another important project in the 1st half of 2018 is the Wills Street mixed use development with an estimated value of \$12.0M. This project, scheduled to commence in June 2018, will add 18 units to cater for forecasted population increase.

Retail outlets and office developments are set to boost job opportunities in Bendigo, which will have positive spill-over effects on the property market.

*Bendigo market data and key indicators encapsulates property market conditions in the following suburbs: Bendigo.

**Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value. Quoted construction and completion dates are estimate only, as per relevant data authority. Source: APM Pricerfinder, realestate.com.au, Real Estate Institute of Victoria. © Copyright PRDNationwide 2018.

AVERAGE VENDOR DISCOUNT**



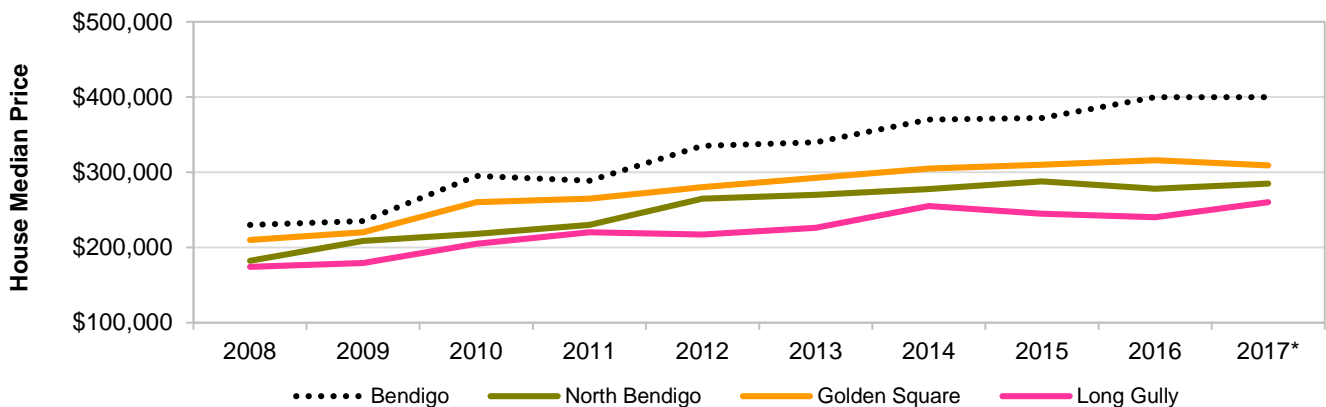
AVERAGE VENDOR DISCOUNT

Average vendor discount reflects the average percentage difference between first list price and final sold price. A lower percentage difference (closer to zero) suggests buyers are willing to purchase close to the first asking price of a property.

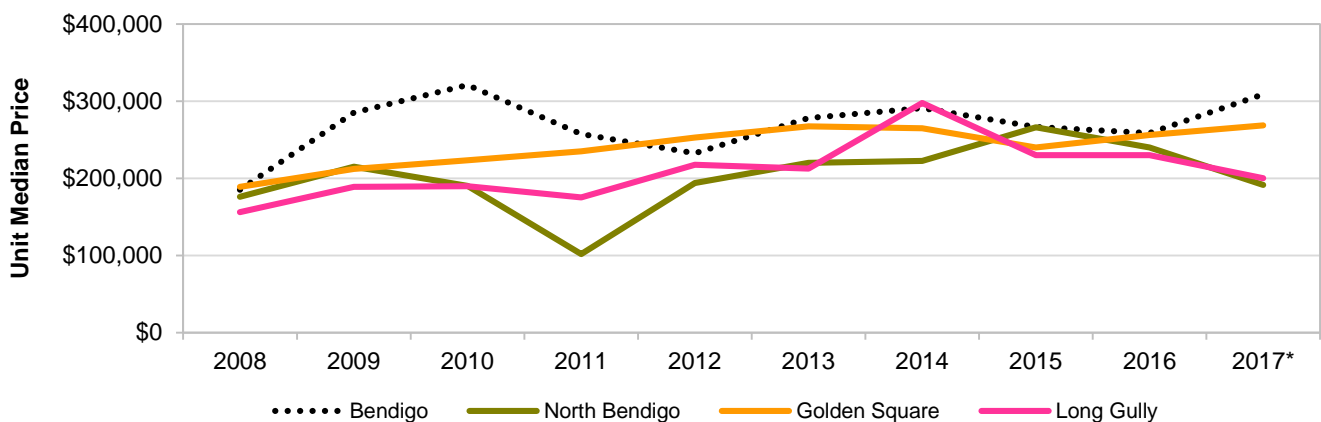
MARKET COMPARISON GRAPH

The market comparison graph provides comparative trend for median price of house and units over the past 10 years. Suburbs profiled are chosen based on proximity to the main suburb analysed in the factsheet, which is Bendigo. The main suburb is highlighted through a dotted black line graph.

HOUSE MARKET COMPARISON



UNIT MARKET COMPARISON

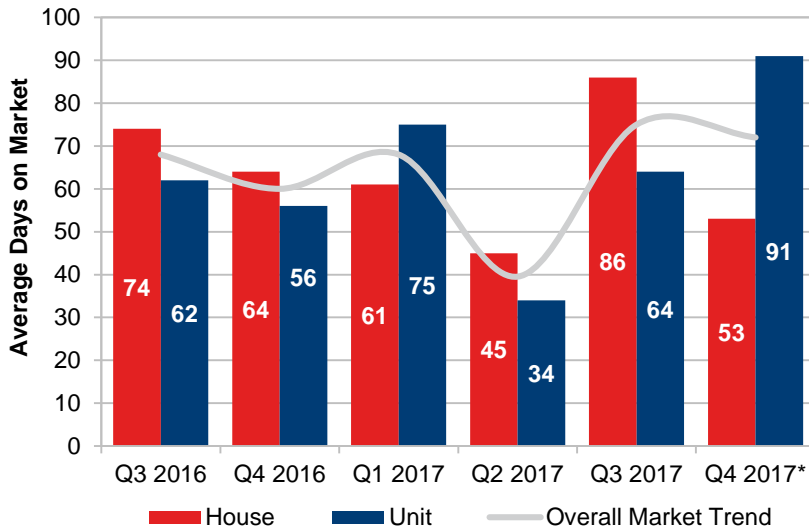


*Q4 2017 and 2017 data represents data from both Normal sales (i.e. settled sales transactions derived from Government sources) and Agents Advice sales (i.e. sales transactions not derived from Government sources).

**Average vendor discount data encapsulates property transactions in the following suburbs: Bendigo.

Source: APM Pricerfinder, realestate.com.au, Real Estate Institute of Victoria. © Copyright PRDnationwide 2018.

AVERAGE DAYS ON MARKET**



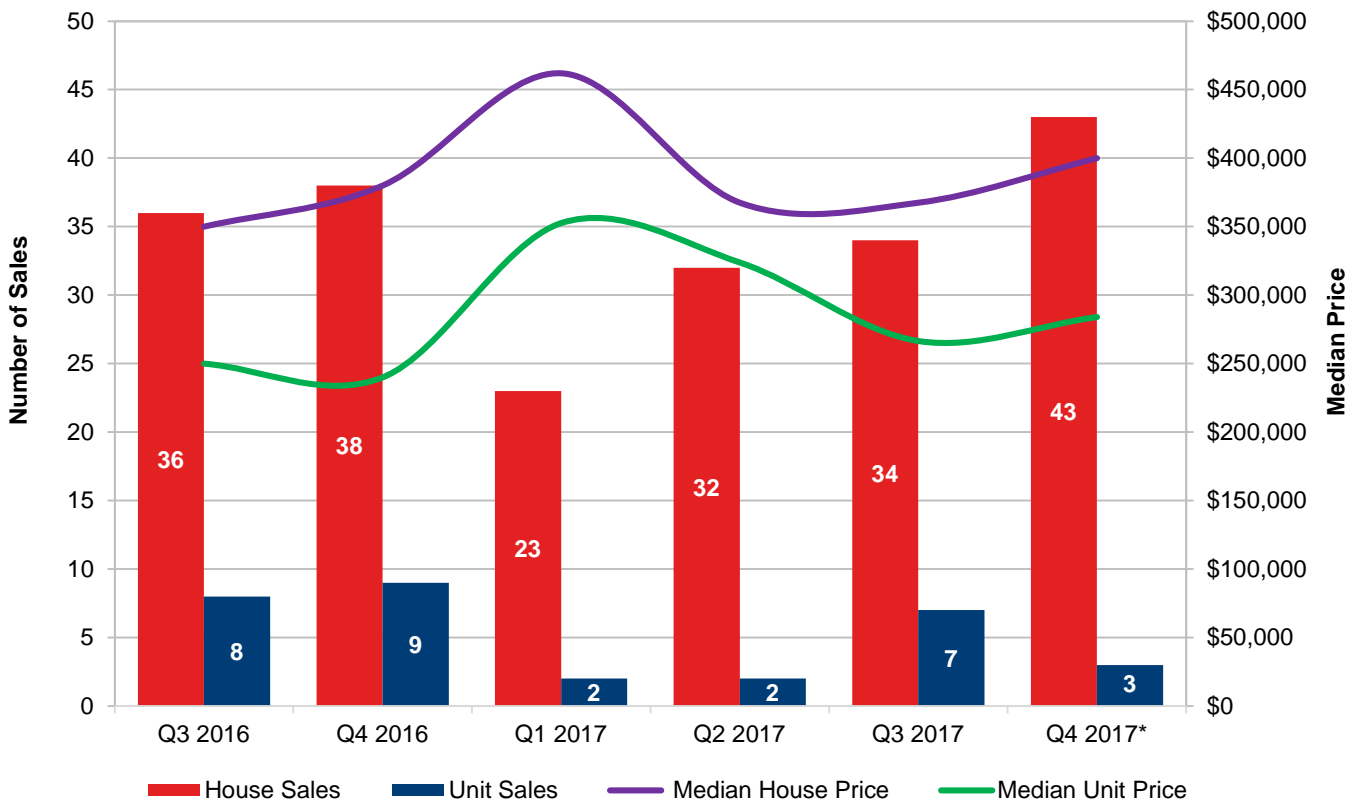
HOUSE KEY FACTS Q4 2017

Median Sale Price: \$400,000
 Annual Growth: 5.3%***
 Average Days on Market: 53
 % Change between First Listed Price and Sold Price: -5.8%

UNITS KEY FACTS Q4 2017

Median Sale Price: \$284,000
 Annual Growth: 18.3%***
 Average Days on Market: 91
 % Change between First Listed Price and Sold Price: -7.4%

SALES AND MEDIAN PRICE**



*Q4 2017 data represents data from both Normal sales (i.e. settled sales transactions derived from Government sources) and Agents Advice sales (i.e. sales transactions not derived from Government sources).

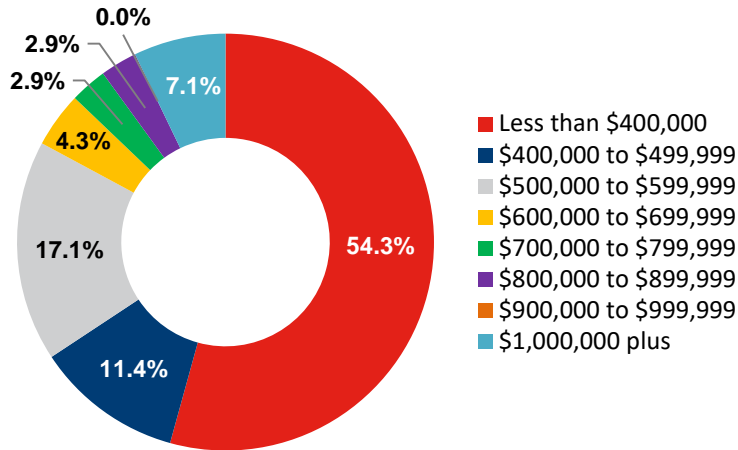
**Bendigo market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Bendigo.

***Annual growth represents price growth for property transactions between Q4 2016 to Q4 2017 (inclusive).

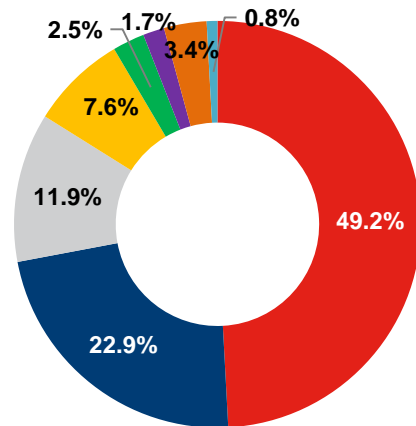
Source: APM Pricefinder, realestate.com.au, SQM Research, Real Estate Institute of Victoria, City of Greater Bendigo. © Copyright PRDNationwide 2018.

SALES PRICE POINT ANALYSIS

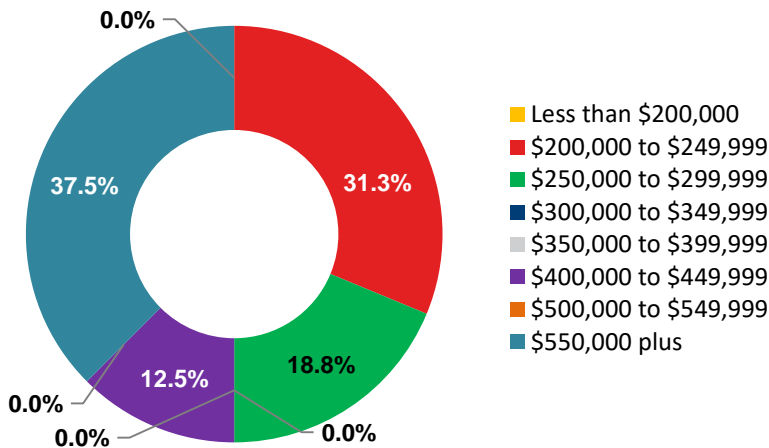
HOUSE PRICE POINT 2016



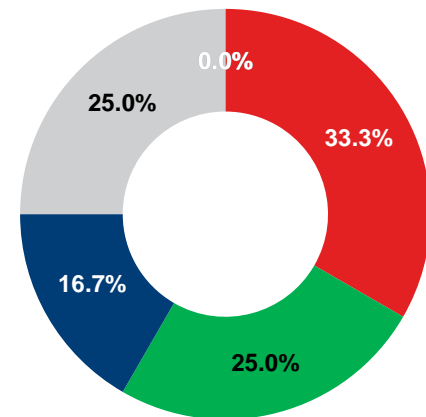
HOUSE PRICE POINT 2017



UNIT PRICE POINT 2016



UNIT PRICE POINT 2017



KEY IMPLICATIONS - HOUSE

In 2017 the less than \$400K price point remains the most dominant bracket, at 49.2% sales. However proportion for this bracket has decreased from 2016 (54.3%), which suggests that although affordable options is still available in Bendigo* it is shrinking, and the time for first home buyers to enter the market is now.

Sales in the price segment \$400K-\$500K doubled to 22.9%, while sales in the price segment \$600K to \$700K also increased to 7.6% respectively. This signals a shift in the structure of sales in Bendigo, potentially due to the high quality of housing stock entering the Bendigo house market, providing attractive options to higher end buyers.

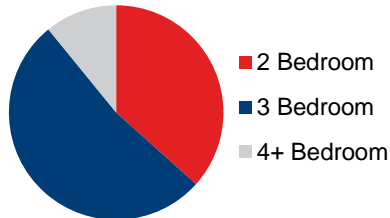
KEY IMPLICATIONS - UNIT

The proportion of units being sold in Bendigo in 2017 is mainly within the \$200K-\$250K price segment (33.3%) which is a similar trend to 2016.

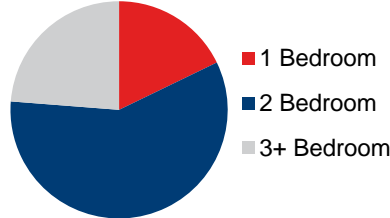
That said the Bendigo unit market experienced a shift in the structure of sales. In 2017 there were no sales above \$400K, which suggests no interest, or stock, in the higher end market. However two new price segments have emerged in 2017 - the \$300K-\$350K and \$350K-\$400K price segments, at 16.7% and 25.0% respectively. This gives increased level of access to first-time buyers wishing to enter the Bendigo unit market, and benefit from this new opportunity.

INVESTMENT ANALYSIS

HOUSE



UNIT



KEY COMMENTS

Interest in Bendigo* and its surrounding suburbs is recorded at 327 online visits per property. Median rent for houses saw an increase of 9.2% over the past 12 months to Q4, which indicates higher competition in the market. Vacancy rates are 2.1% in December 2017, which is on par to that of Melbourne. This indicates a strong level of rental demand. Rental yields in Bendigo (4.4% and 5.0%) are higher than Melbourne (2.7% and 3.8%), providing conducive conditions for strong investment returns.

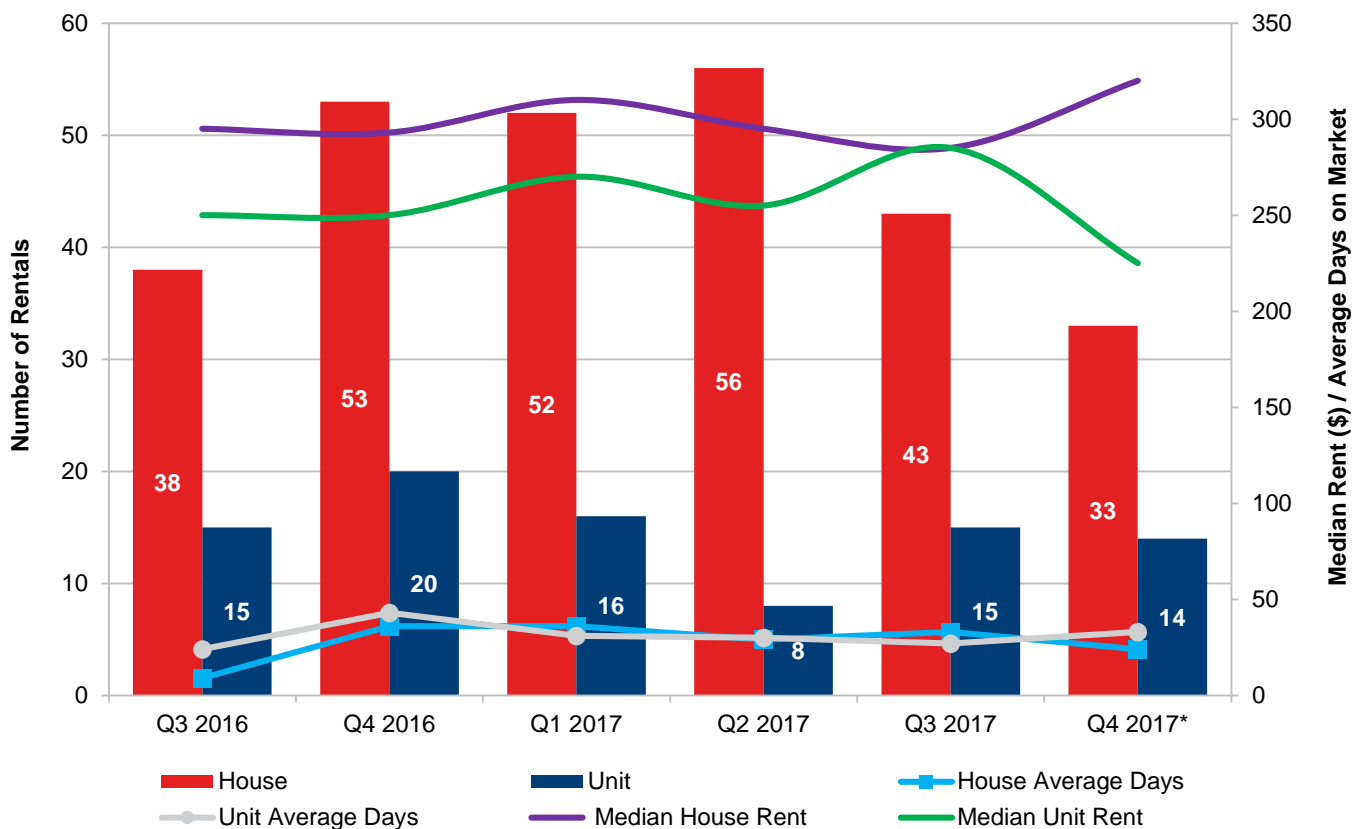
HOUSE KEY FACTS Q4 2017

Median Rent Price: \$320 per week
 Suburb Rental Yield: 4.4%
 Average Days on Market: 24
 Bedroom Breakdown:
 2 Bed: 37%, 3 Bed: 53%, 4+ Bed: 11%

UNITS KEY FACTS Q4 2017

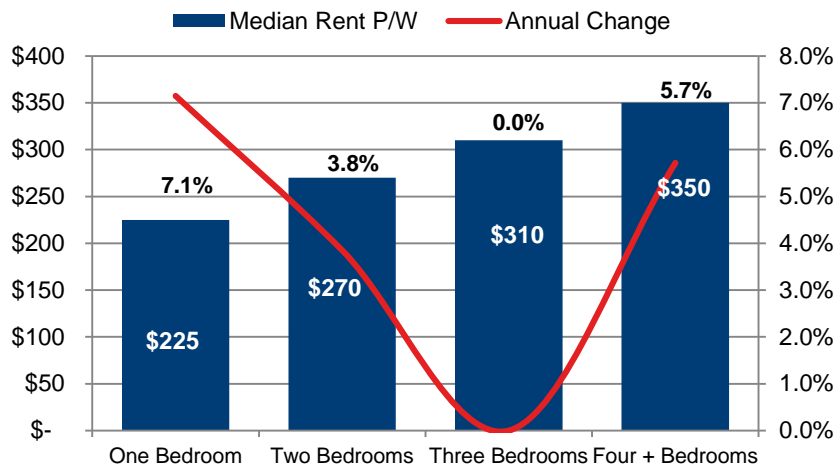
Median Rent Price: \$225 per week
 Suburb Rental Yield: 5.0%
 Average Days on Market: 33
 Bedroom Breakdown:
 1 Bed: 18%, 2 Bed: 59%, 3+ Bed: 24%

MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Disclaimer: Bendigo market data and key indicators encapsulate aggregate property market conditions in the following suburbs: Bendigo.
 Source: APM Pricfinder, realestate.com.au, SQM Research, Australian Bureau of Statistics, Real Estate Institute of Victoria. © Copyright PRDnationwide 2018.

RENTAL PERFORMANCE 2017



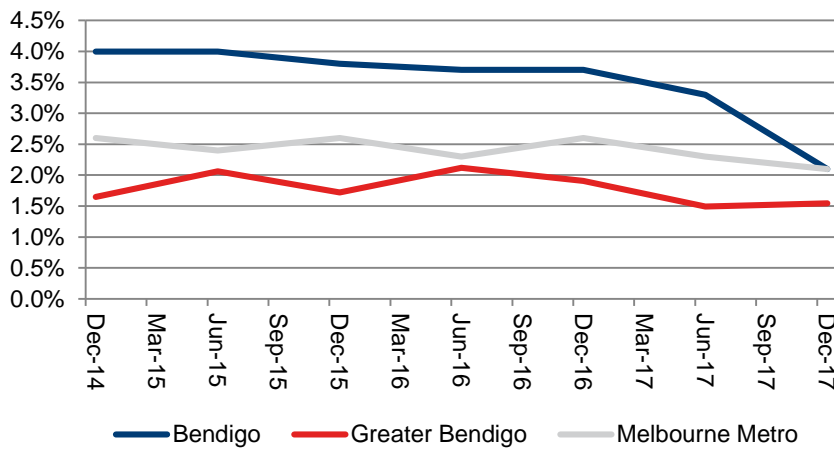
KEY COMMENTS

Bendigo rental returns is strong, with house and unit yield of 4.4% and 5.0% respectively. This is substantially above rental yields for Melbourne Metro - house (2.7%) and unit (3.8%).

1 bedroom houses provide the highest annual rental growth at 7.1%.

The City of Greater Bendigo's vacancy rate is 1.5%, well below Melbourne Metro's 2.1%. Bendigo's vacancy rates currently sitting at 2.1% and is on a declining trend, in contrast to Melbourne Metro's fluctuating trend. This confirms Bendigo as an investment hotbed.

VACANCY RATES 2017



RENTAL YIELD 2017

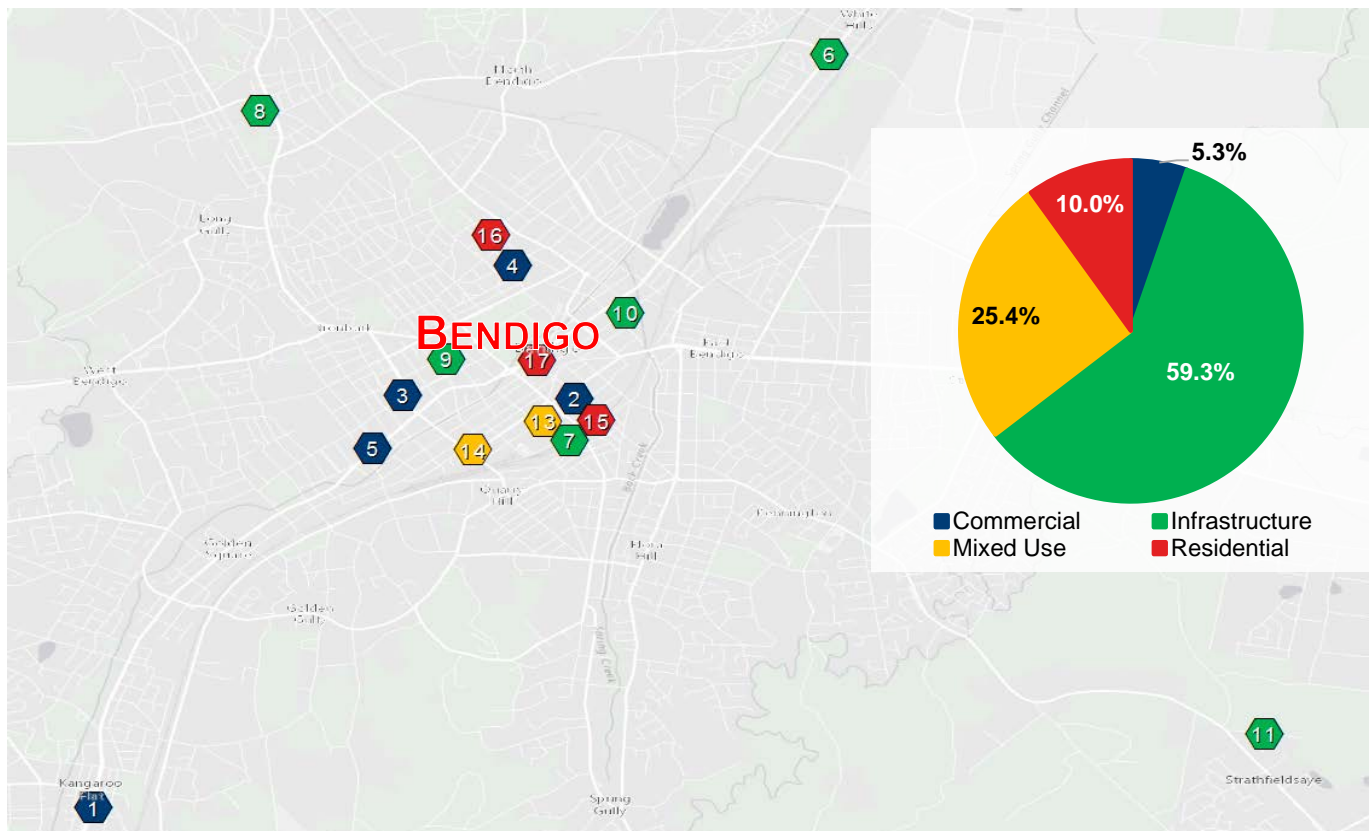
Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Bendigo	4.4%	5.0%
North Bendigo	4.4%	5.0%
Golden Square	5.0%	5.4%
Long Gully	4.4%	5.0%
Greater Bendigo	4.7%	5.7%
Melbourne Metro	2.7%	3.8%

KEY HOUSING DEMOGRAPHICS

	Bendigo	Greater Bendigo	Victoria
Median weekly household income	\$1,117	\$1,184	\$1,402
Median monthly mortgage repayments	\$1,408	\$1,387	\$1,733
Unemployed	7.4%	6.4%	6.6%
Professionals	29.6%	20.1%	23.3%
Owned outright	29.7%	33.1%	32.3%
Owned with mortgage	24.0%	35.5%	35.3%
Rented	42.4%	28.0%	28.7%

*Rental performance graph represents aggregate house median rent price in the following suburbs: Bendigo. Annual change is a comparison between 2016 and 2017 median rent figures. Source: APM Pricerfinder, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

PROJECT DEVELOPMENT MAP 1ST HALF 2018*



Location	Project**	Type	Estimated Value***	Commence Date****
1	High Street Commercial Building	Commercial	\$1,000,000	22/01/2018
2	Williamson Street Mixed Use Building	Commercial	\$900,000	08/05/2018
3	Don Street Medical Centre	Commercial	\$300,000	07/04/2018
4	Drought Street Medical Centre	Commercial	\$300,000	11/04/2018
5	Hungry Jacks Golden Square Carpark	Commercial	\$200,000	16/01/2018
6	Napier Street (Midland Highway) Upgrade Stage 2	Infrastructure	\$17,000,000	08/03/2018
7	Bendigo Station Upgrade	Infrastructure	\$8,000,000	06/06/2018
8	City of Greater Bendigo Roadworks	Infrastructure	\$3,000,000	26/03/2018
9	Loddon Mallee Murray Health Residential Accommodation	Infrastructure	\$1,000,000	23/03/2018
10	Bendigo Town Hall	Infrastructure	\$350,000	12/02/2018
11	City of Greater Bendigo Asphalt Works	Infrastructure	\$350,000	26/03/2018
12	City of Greater Bendigo Asphalt Works	Infrastructure	\$350,000	08/02/2018
13	Wills Street Mixed Use Development (18 units)	Mixed Use	\$12,000,000	04/06/2018
14	Wills Street Mixed Use Development (5 units)	Mixed Use	\$900,000	03/01/2018
15	Galvin Street Apartments (8 units)	Residential	\$2,500,000	28/02/2018
16	Michelsen Street Dwellings (7 dwellings)	Residential	\$1,800,000	09/05/2018
17	Williamson Street Apartments (3 units)	Residential	\$750,000	05/03/2018

*Disclaimer: Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

**Projects refers to the top developments within the suburbs of Bendigo.

***Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

****Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRDnationwide does not hold any liability to the exact date in which each project commences and/or is completed.

Source: Cordell Database, ESRI ArcGIS, Department of Environment, Land, Water and Planning Victoria, City of Greater Bendigo Council. © Copyright PRDnationwide 2018.

ABOUT PRDnationwide RESEARCH

PRDnationwide's research division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions

As the first and only truly knowledge based property services company, PRDnationwide shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customized products

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



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

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