



Bendigo
Property Factsheet
1st Half 2019





MARKET CONDITIONS

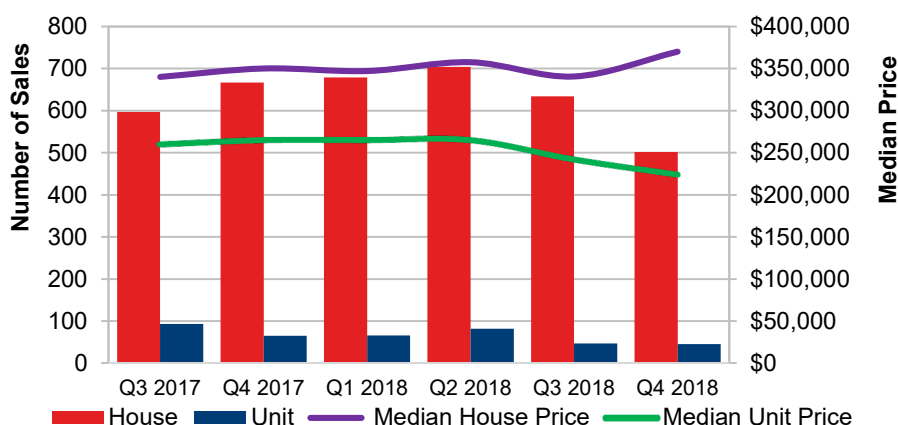
The median house price in Bendigo* was \$374,000 in Q4 2018, which represented annual (Q4 2017 – Q4 2018) median price growth of 6.9%. During this timeframe the number of houses sold declined by -24.3%, which suggests an undersupply of houses. On the other hand, the median unit price in Bendigo* softened by -4.4% over the past 12 months to Q4 2018 to \$258,000. During this time, the number of units sold declined by -35.0% which suggests that the market is saturated and that there is a strong preference towards houses.

The Greater Bendigo Local Government Area (LGA) recorded a median house price of \$370,000 in Q4 2018, which represented annual median price growth of 5.7%. Q4 2018 median unit price was \$225,000, representing an annual median price change of -15.1%. Compared to the LGA, Bendigo* is a premium market, with higher house and unit prices. Bendigo* also offers higher capital growth compared to the wider LGA.

Average vendor discount has remained relatively stable over the past 12 months to Q4 2018, with slight fluctuations between each quarter. Average vendor discount for houses and units were -5.2% and -7.3% respectively in Q4 2018, which suggests that buyers are able to secure their property for below the initial asking price. This suggests that now is the ideal time for first time home buyers to enter the market.

The Bendigo* rental market continued to serve investors well, with median house rent increasing by 3.2% to \$320 per week over the 12 months to Q4 2018 and median unit rent holding stable at \$265 per week. Rental yields in Bendigo* were recorded at 4.5% (house) and 5.5% (units) in December 2018, significantly higher than Melbourne Metro's rental yields of 2.9% (house) and 3.9% (units). With Bendigo* median property sale prices being much lower than Melbourne Metro, this confirms Bendigo* as a much more affordable and conducive investment option for first time investors.

GREATER BENDIGO LGA GROWTH



OVERVIEW

Bendigo is a city in Victoria, 150km north-west of Melbourne. Both auction and private treaty are considered the norm in Bendigo*, with 50.0% of sales in Q4 2018 through auction. There has been a spike in auction activity in the last 6 months of 2018. Greater Bendigo LGA recorded a 56.3% auction clearance rate in Q4 2018, higher than Melbourne Metro's 46.3%.

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

FUTURE DEVELOPMENTS**

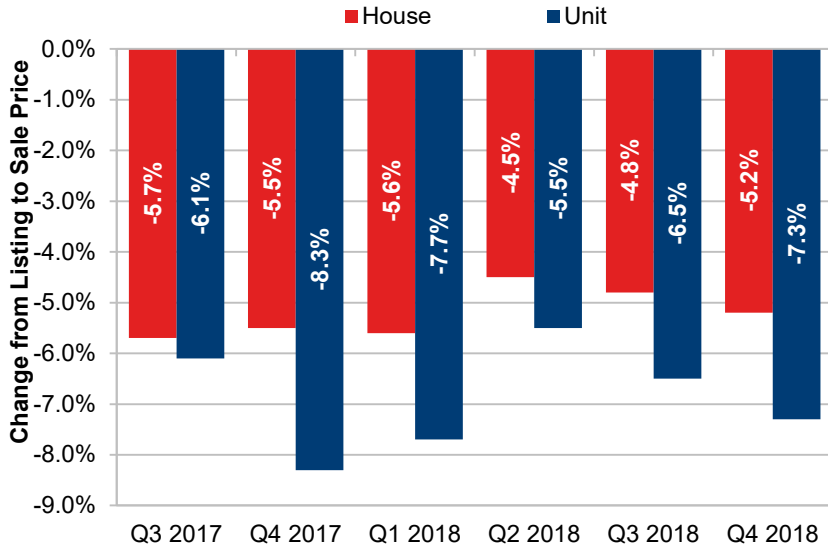
Bendigo* plans to invest approximately \$170.1M in 1st half of 2019, with 73.5% dedicated to commercial developments. This is followed by residential (12.2%), mixed-use (7.1%), industrial (4.0%), and infrastructure projects (3.3%). A focus on the commercial sector is key for Bendigo* as this will stimulate local economic and job growth, which will have a positive spill-over effect on the property market.

A key commercial project is the Ridley Feedmill Bendigo (\$45.0M), which will design and construct a new site for Ridley Agriproducts. Another key project is Mercy Health Bethlehem Bendigo (\$44.0M), which will construct 176 single level dwellings within a retirement village.

A total of 26 apartments, 224 subdivision lots, 195 dwellings, and 4 townhouses are planned for Bendigo in the 1st half of 2019. A key mixed-use project is the Wilsons Lane Mixed Use Development (\$12.0M); constructing 18 apartments, ground floor retail outlets, laneway cafes, and office space. A key residential project is the Emu Creek Road Residential Subdivision (\$5.3M), which will add 119 lots to the Bendigo* property market.

*Bendigo represents aggregate property market conditions in the following suburbs: Bendigo, Golden Square, Kangaroo Flat, Quarry Hill, Flora Hill, Kennington, Strathdale, Strathfieldsaye, Epsom, White Hills, and Huntly.
**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 Pricerfinder, Cordell Connect. © Copyright PRDNationwide 2019.

AVERAGE VENDOR DISCOUNT



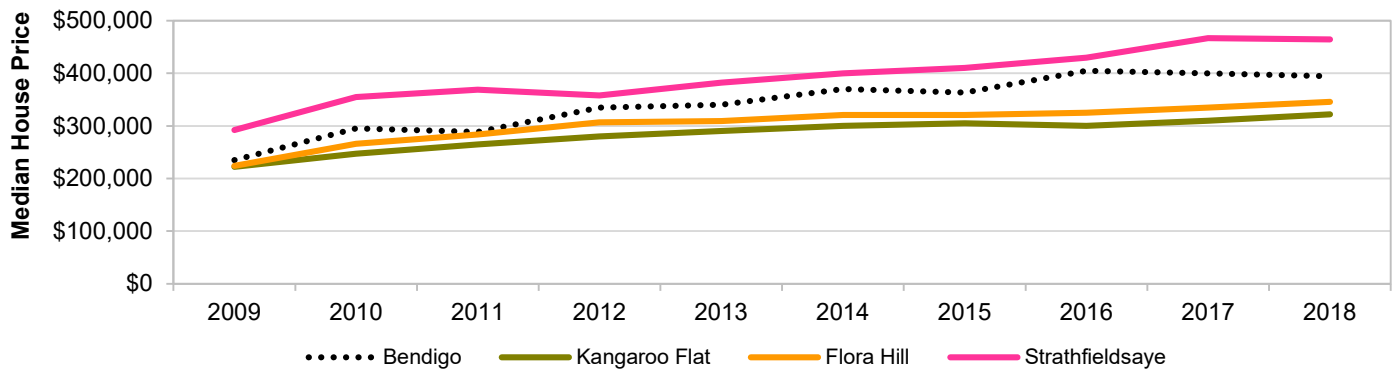
AVERAGE VENDOR DISCOUNT

The average vendor discount reflects the average percentage difference between the first list price and the final sold price. A lower percentage difference (closer to 0) suggests buyers are willing to purchase close to the first asking price of a property.

MARKET COMPARISON GRAPH

The market comparison graph provides a comparative trend for the median price of houses and units over the past 10 years. Suburbs profiled are chosen based on their proximity to the main suburb analysed in this Factsheet, which is Bendigo. The main suburb is shown as a dotted black line in the graphs below.

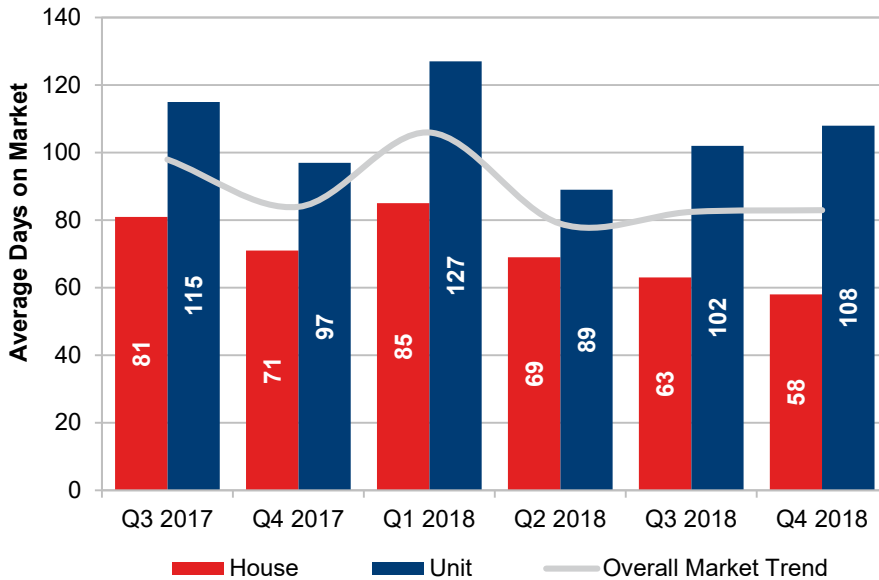
HOUSE MARKET COMPARISON – 10 YEARS



HOUSE MARKET COMPARISON INDIVIDUAL SUBURBS

Suburbs***	2013	2016	2018	2-Year % Growth (2016-2018)	5-Year % Growth (2013-2018)
Bendigo	\$340,000	\$405,000	\$394,250	-2.7%	16.0%
Golden Square	\$292,500	\$315,953	\$332,000	5.1%	13.5%
Kangaroo Flat	\$290,500	\$300,000	\$322,250	7.4%	10.9%
Quarry Hill	\$375,500	\$349,000	\$390,000	11.7%	3.9%
Flora Hill	\$309,250	\$325,000	\$346,000	6.5%	11.9%
Kennington	\$349,500	\$354,852	\$377,500	6.4%	8.0%
Strathdale	\$385,000	\$445,000	\$416,250	-6.5%	8.1%
Strathfieldsaye	\$382,500	\$430,000	\$464,625	8.1%	21.5%
Epsom	\$316,250	\$340,000	\$351,750	3.5%	11.2%
White Hills	\$277,500	\$309,000	\$312,250	1.1%	12.5%
Huntly	\$281,000	\$345,000	\$370,000	7.2%	31.7%
Greater Bendigo LGA	\$308,000	\$332,000	\$353,850	6.6%	14.9%

AVERAGE NUMBER OF DAYS ON THE MARKET**



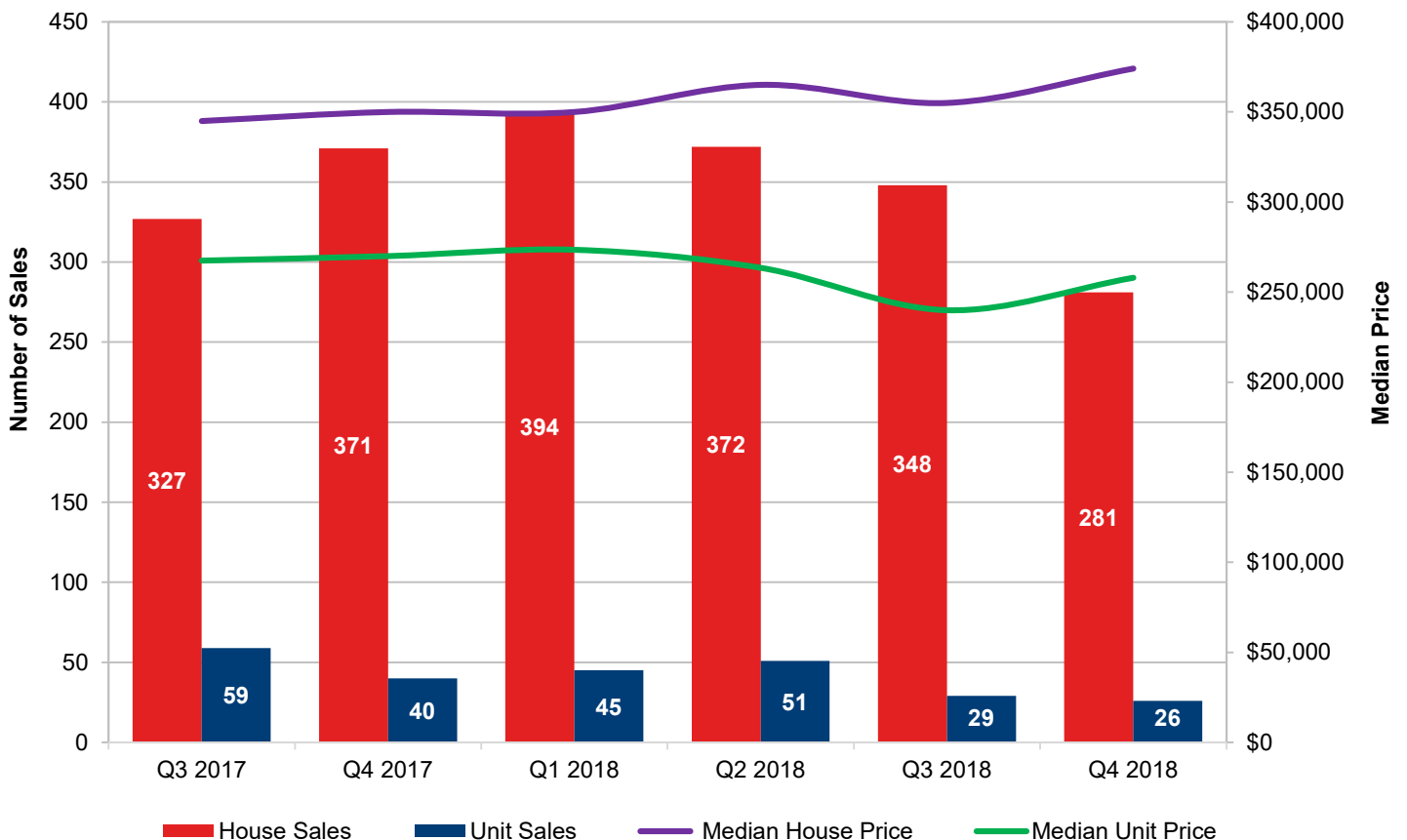
KEY HOUSE FACTS Q4 2018

Median Sale Price: \$374,000
 Annual Growth: 6.9%*
 Average Days on Market: 58
 % Change Between First Listed Price and Sold Price: -5.2%

KEY UNIT FACTS Q4 2018

Median Sale Price: \$258,000
 Annual Growth: -4.4%*
 Average Days on Market: 108
 % Change Between First Listed Price and Sold Price: -7.3%

SALES AND MEDIAN PRICES**



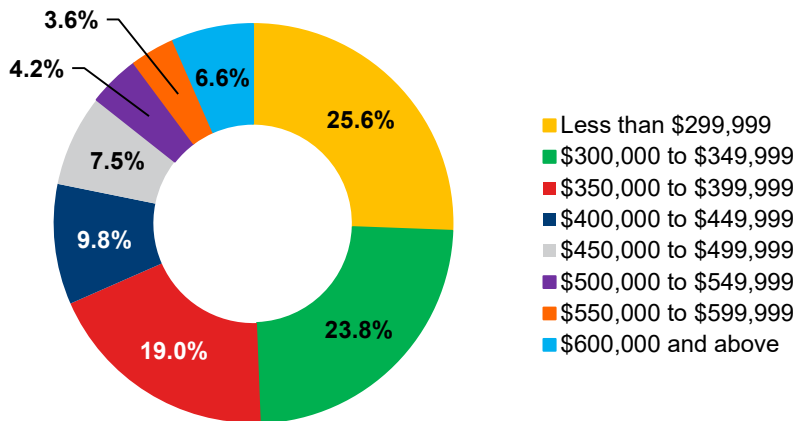
*Annual growth represents price growth for property transactions between Q4 2017 to Q4 2018 (inclusive).

**Bendigo market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Bendigo, Golden Square, Kangaroo Flat, Quarry Hill, Flora Hill, Kennington, Strathdale, Strathfieldsaye, Epsom, White Hills, and Huntly.

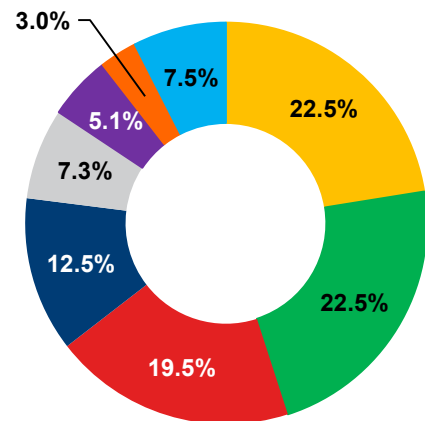
Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

SALES PRICE POINT COMPARATIVE ANALYSIS

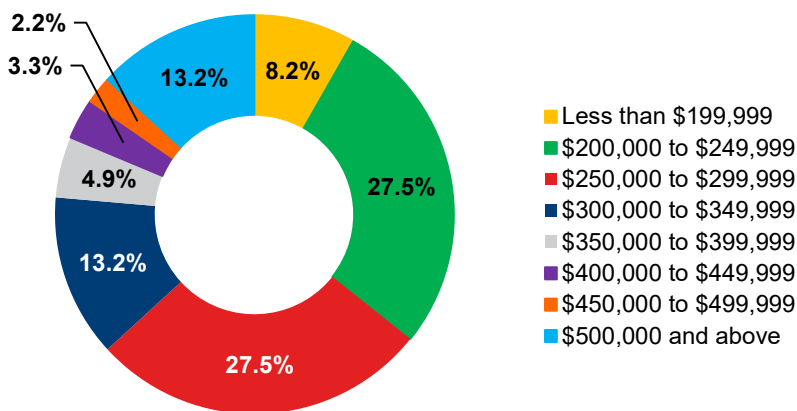
HOUSE PRICE POINT 2017



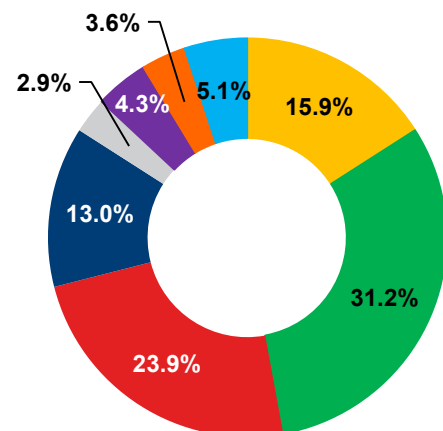
HOUSE PRICE POINT 2018



UNIT PRICE POINT 2017



UNIT PRICE POINT 2018



KEY IMPLICATIONS - HOUSES

Median house sales price point in Bendigo* remained relatively stable between 2017 and 2018, with two price brackets of less than \$300K and between \$300K-345K being the predominant price points.

There is a slight shift towards higher pricing, reflective of the 6.9% median price growth over the past 12 months to Q4 2018. This is evident through the slight decrease in the number of total sales under \$350K, from 49.4% in 2017 to 45.0% in 2018; and slight increase in the number of total sales above \$400K, from 31.7% in 2017 to 35.4% in 2018. That said the Bendigo* house market continues to provide opportunities for buyers with any budget.

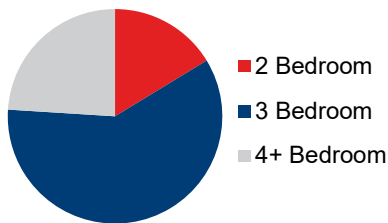
KEY IMPLICATIONS - UNITS

The dominant price point for 2018 unit sales was within the \$200K-250K bracket, at 31.2% of total sales. This is a shift towards more affordable pricing compared to 2017 unit sales, in which the dominant price point was shared equally between the \$200K-250K and \$250K-300K price bracket, each with 27.5% of total sales.

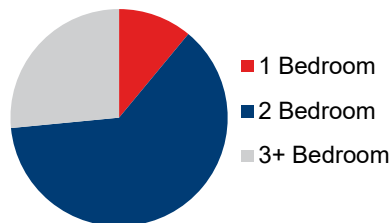
The Bendigo* premium unit market, priced at \$500K and above, shrunk from 13.2% in 2017 to 5.1% in 2018. At the same time, the most affordable price bracket of less than \$200K increased from 8.2% in 2017 to 15.9% in 2018. This is reflective of the softening in median price of -4.4% over the past 12 months to Q4 2018.

INVESTMENT ANALYSIS

HOUSE



UNIT



KEY HOUSE FACTS Q4 2018

Median Rent Price: \$315 per week
Rental Yield: 4.4%**
Average Days on Market: 26
Bedroom Breakdown:
 2 Bed: 16%, 3 Bed: 60%, 4+ Bed: 24%

KEY UNIT FACTS Q4 2018

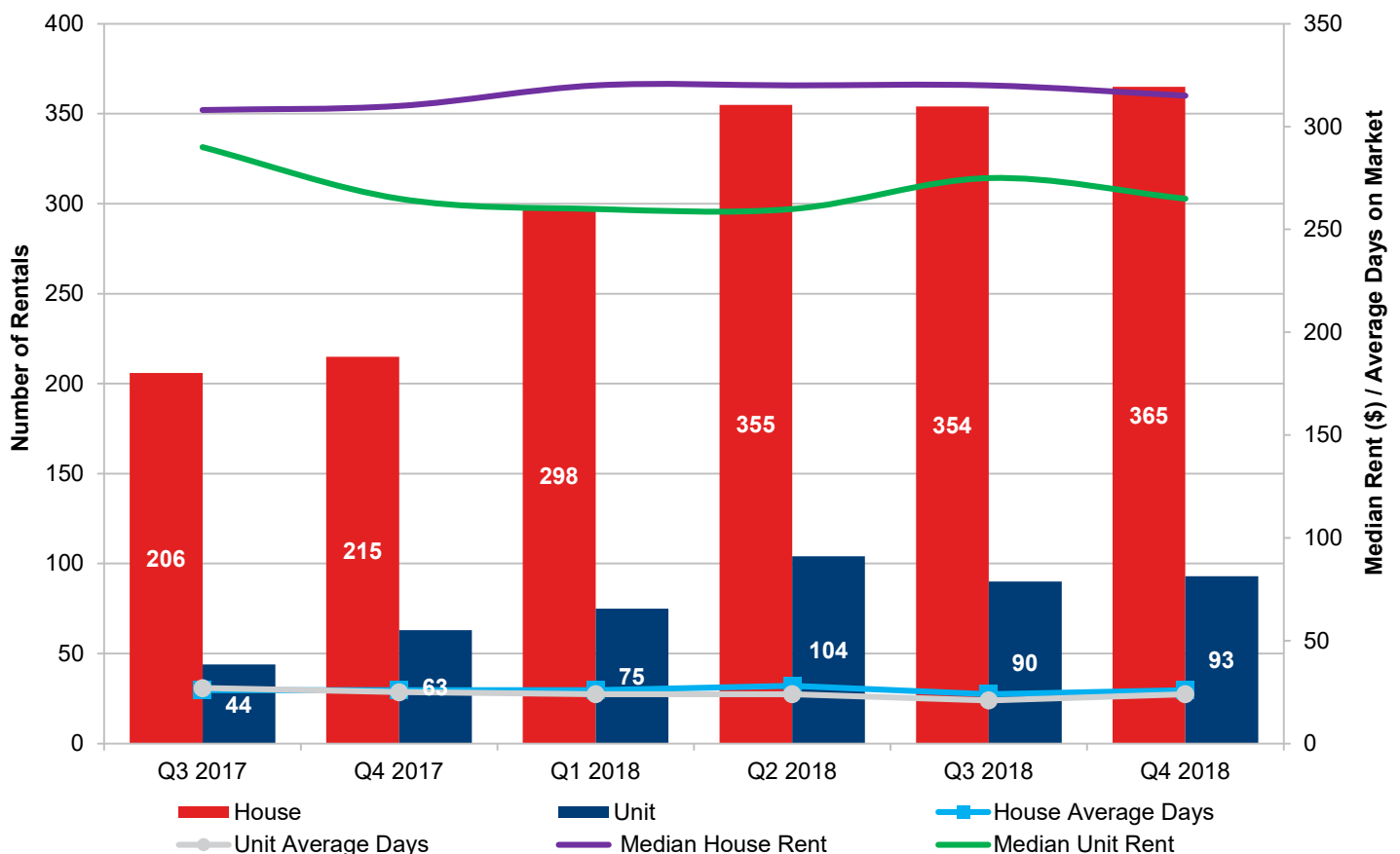
Median Rent Price: \$265 per week
Rental Yield: 5.5%**
Average Days on Market: 24
Bedroom Breakdown:
 1 Bed: 11%, 2 Bed: 62%, 3+ Bed: 27%



KEY COMMENTS

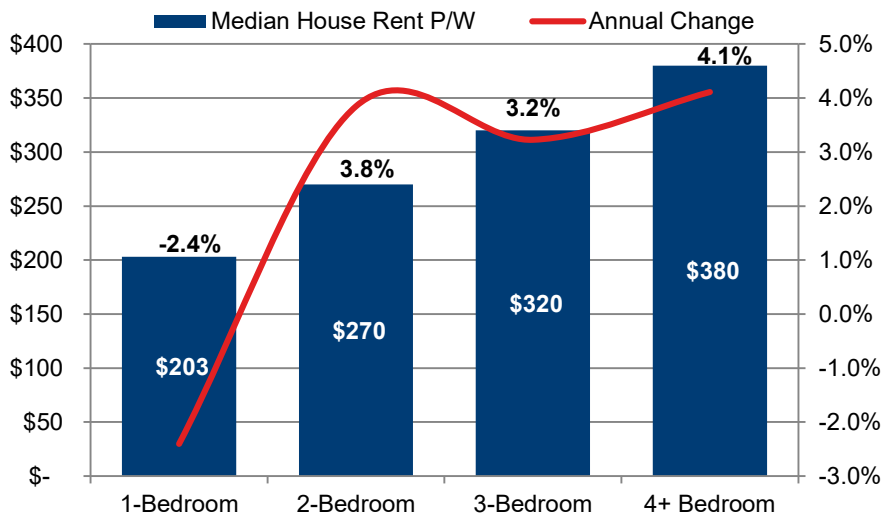
The Bendigo* rental market has proven to be resilient and beneficial for investors over the past 12 months to Q4 2018. The number of houses rented increased by 69.8%, recording its highest number (365 houses) over the past 6 quarters. During this time median house rental price increased by 1.6%, suggesting there is real rental returns within the market. The number of units rented increased by 47.6%, whilst the median unit rental price remained stable. This suggests resilience within the unit rental market. Average days on the market remained low during this time, thus investors are able to benefit from rental returns quicker.

MEDIAN RENT AND AVERAGE DAYS ON THE MARKET*



*Disclaimer: Bendigo market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Bendigo, Golden Square, Kangaroo Flat, Quarry Hill, Flora Hill, Kennington, Strathdale, Strathfieldsaye, Epsom, White Hills, Huntly
 **Rental yield for house and units quoted is the average of rental yield for the following postcodes: 3550, 3551, 3555.
 Source: APM Pricer, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

RENTAL PERFORMANCE 2018*



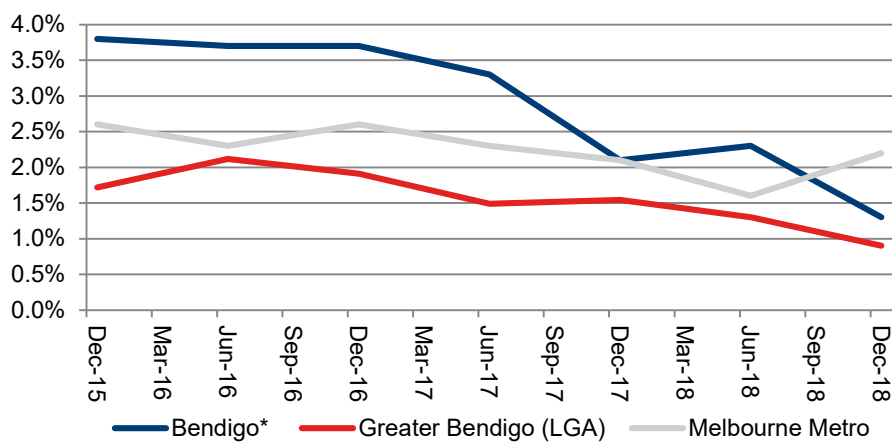
KEY COMMENTS

Rental yields are extremely strong in Bendigo*, at 4.5% (house) and 5.5% (units). This is above the yields seen across the Greater Bendigo LGA (4.3% for house and 4.8% for units) and is well above Melbourne Metro (2.9% for house and 3.9% for units).

4+ Bedroom houses recorded the highest annual median rent change in 2018, at 4.1% and \$380 per week.

Bendigo* vacancy rates have declined dramatically over the past 12 months, currently at 1.3% in December 2018. This is much lower than the Melbourne Metro vacancy rate of 2.2%, indicating a healthier rental demand in Bendigo*.

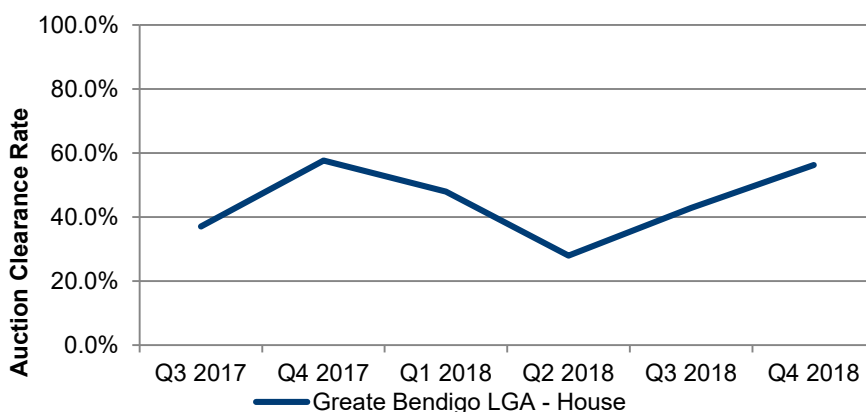
VACANCY RATES 2018



RENTAL YIELD 2018

Suburb/ Postcode/ LGA	House Rental Yield	Unit Rental Yield
Bendigo*	4.5%	5.5%
Greater Bendigo (LGA)	4.3%	4.8%
Melbourne Metro	2.9%	3.9%

AUCTION CLEARANCE RATES 2018**



Q4 18 COMPARISON

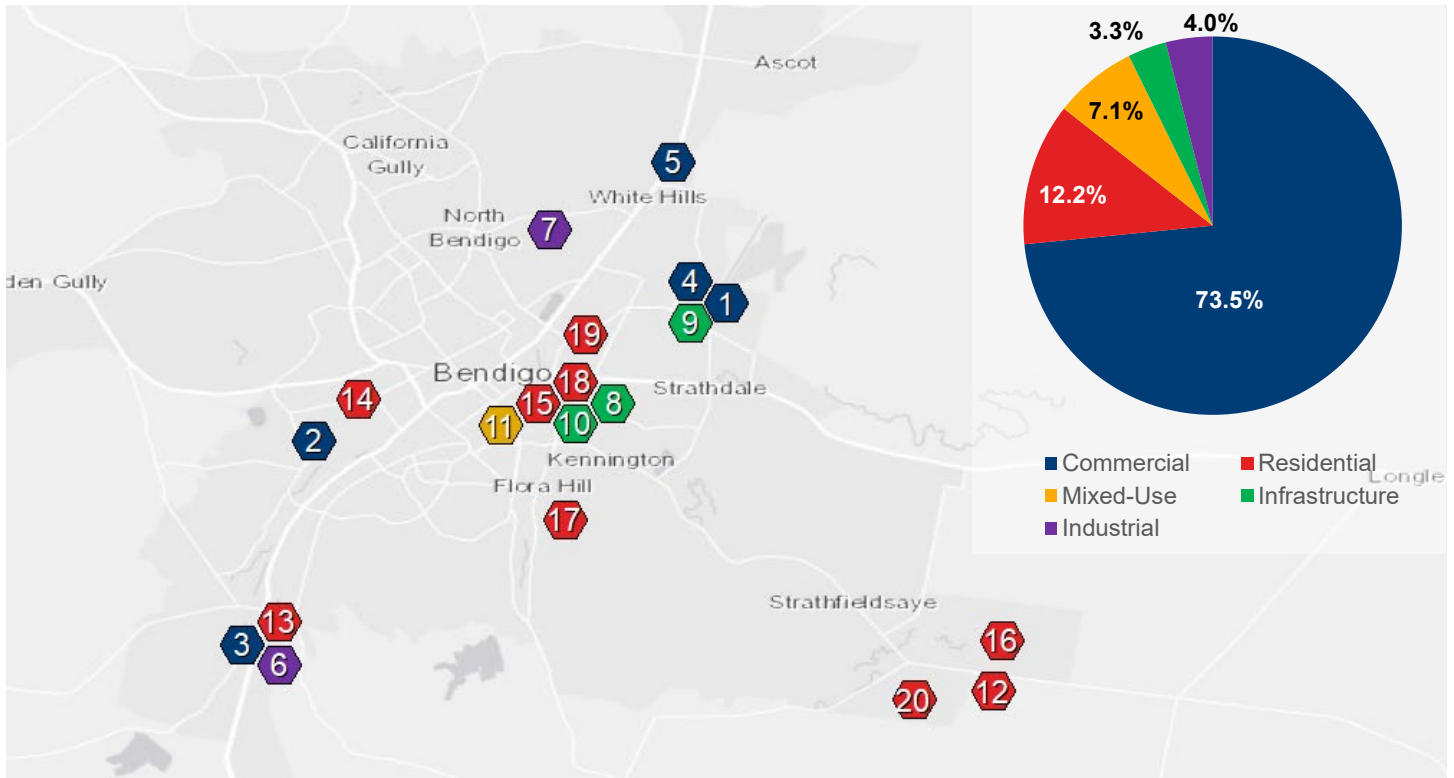
Suburb/ Postcode/ LGA	Auction Clearance Rate (Houses only)
Bendigo**	50.0%
Greater Bendigo (LGA)	56.3%
Melbourne Metro^	46.3%

Rental performance graph represents aggregate house median rent prices in the following suburbs: Bendigo, Golden Square, Kangaroo Flat, Quarry Hill, Flora Hill, Kennington, Strathdale, Strathfieldsaye, Epsom, White Hills, Huntly. Annual change is a comparison between 2017 and 2018 median rent figures.

**Auction Clearance rates for Bendigo are for all residential auctions held in the suburbs Bendigo, Golden Square, Kangaroo Flat, Quarry Hill, Flora Hill, Kennington, Strathdale, Strathfieldsaye, Epsom, White Hills, Huntly. ^Capital city data obtained by accumulating Domain's weekly auction clearance results.

Source: APM Pricerfinder, Domain, SQM Research. © Copyright PRDnationwide 2019.

PROJECT DEVELOPMENT MAP 1st HALF 2019*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Ridley Feedmill Bendigo	Commercial	\$45,000,000	01/02/2019
2	Mercy Health Bethlehem Bendigo	Commercial	\$44,000,000	06/01/2019
3	Benetas St Laurence Court Kangaroo Flat Stage 1 & 2	Commercial	\$25,000,000	15/05/2019
4	Rowena Street Prayer Hall & Community Centre Bendigo	Commercial	\$10,000,000	03/04/2019
5	Napier Street Medical Centre	Commercial	\$1,000,000	10/05/2019
6	Railway Street Industrial Subdivision	Industrial	\$5,000,000	01/01/2019
7	Finn Street Warehouse	Industrial	\$1,780,000	21/06/2019
8	City Of Greater Bendigo Roadworks	Infrastructure	\$3,000,000	22/01/2019
9	Murphy Street & Strickland Road Roundabout	Infrastructure	\$1,500,000	17/06/2019
10	City Of Greater Bendigo Asphalt Paving	Infrastructure	\$1,141,000	19/01/2019
11	Wilsons Lane Mixed Use Development (18 Apartments)	Mixed-Use	\$12,000,000	04/06/2019
12	Emu Creek Road Residential Subdivision (119 Lots)	Residential	\$5,300,000	01/06/2019
13	High Street Dwellings (12 Dwellings)	Residential	\$3,000,000	13/04/2019
14	Fortuna Villa Residential Subdivision (79 Lots)	Residential	\$2,765,000	04/05/2019
15	Galvin Street Apartments (8 Apartments)	Residential	\$2,500,000	28/06/2019
16	Sullivans Road Residential Development (173 Dwellings)	Residential	\$2,000,000	01/06/2019
17	Drechsler Street Dwellings (5 Dwellings)	Residential	\$1,500,000	02/05/2019
18	Neale Street Townhouses (4 Townhouses)	Residential	\$1,400,000	16/05/2019
19	Strickland Road Dwellings (5 Dwellings)	Residential	\$1,250,000	02/03/2019
20	Imagine Strathfieldsaye Estate Stage 14 (26 Lots)	Residential	\$1,000,000	03/06/2019

*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, Golden Square, Kangaroo Flat, Quarry Hill, Flora Hill, Kennington, Strathdale, Strathfieldsaye, Epsom, White Hills and Huntly.

***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.

Source: Cordell Database, ESRI ArcGIS. © Copyright PRDnationwide 2019.

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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