

# Bundaberg Market Update 1st Half 2020



## OVERVIEW

In Q1 2020, Bundaberg\* recorded a median house price of \$245,000, and a median unit price of \$200,000. This represents annual (Q1 2019 – Q1 2020) median price growth of 2.7% for houses and 13.7% for units. Between Q1 2019 – Q1 2020 total sales slightly declined, by -8.3% for houses (to 110 sales), and by -15.4% for units (to 11 sales). The Bundaberg\* property market shows signs of resilience through capital growth over the past 12 months to Q1 2020, and with less stock available now is an ideal time to sell.

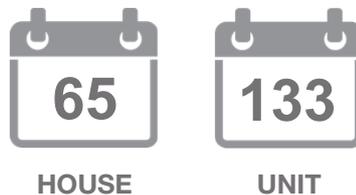
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↑	↓
	House Rental Price	↑	↑
	Unit Sales	↓	↓
	Unit Median Price	↑	↑
	Unit Rental Price	↔	↓

## MARKET CONDITIONS

### SALES MEDIAN PRICE Q1 2020



### SALES AVERAGE DAYS ON MARKET Q1 2020



### RENTAL MEDIAN PRICE Q1 2020

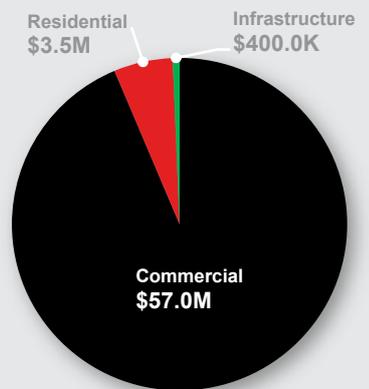


### RENTAL AVERAGE DAYS ON MARKET Q1 2020



## FUTURE DEVELOPMENTS

The Bundaberg\* area is set to see approximately **\$60.9M** worth of new projects commencing in the 1<sup>st</sup> half of 2020.



A large commercial project development plan will stimulate economic growth in Bundaberg\*, which will have positive a spill-over impact on the real estate market. New housing stock will assist with the current demand, and ensure a sustainable level of price growth.

A main commercial project in 1st half 2020 period is River Springs Drive Residential & Community Development (\$50.0M). This project will construct relocatable home park and 2 storey aged care facility. A key residential project is the Branyan Drive Residential Subdivision (\$2.2M, 48 lots). Others include: Targo Street Units (\$660K, 4 Units) and Goodwin Street Units (\$600K, 6 Units).



10 Units/  
Apartments



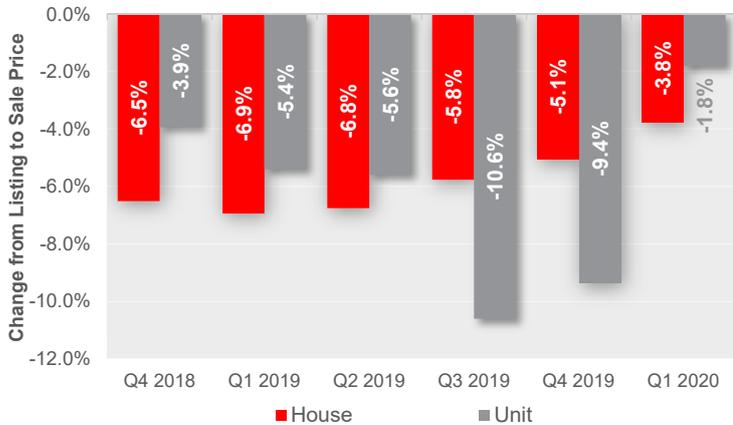
48 Lots

\*Bundaberg market data and key indicators encapsulates aggregate property market conditions within the suburbs of Avenell Heights, Avoca, Branyan, Bundaberg North, Bundaberg South, Kepnock, Svensson Heights, Walkervale.  
\*\*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 Pricer, Cordell Connect database. © Copyright PRD 2020.

# AVERAGE VENDOR DISCOUNT\* KEY COMMENTS

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.

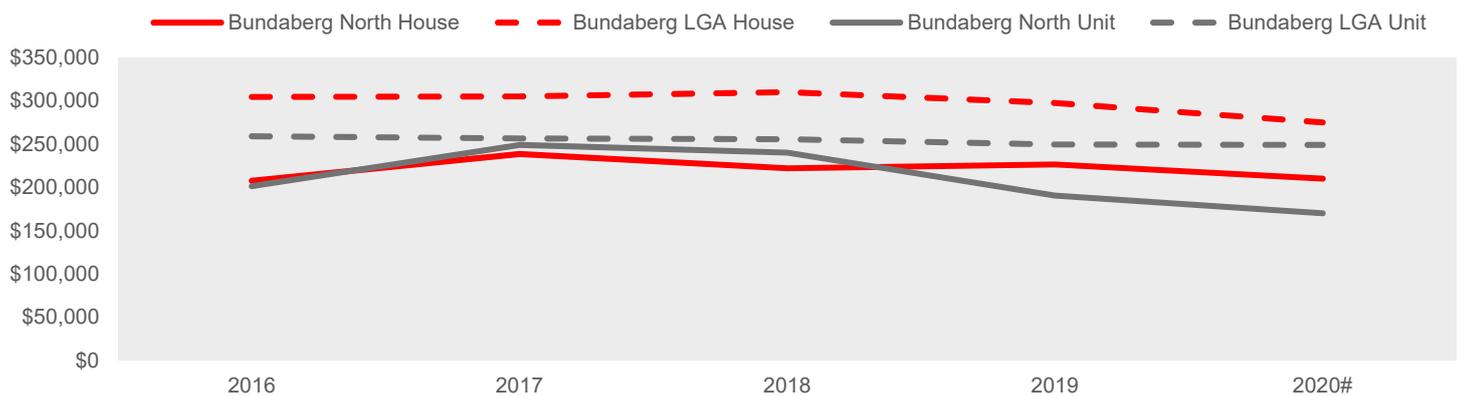
Average vendor discounting between Q1 2019 and Q1 2020 has tightened to -3.8% (houses) and -1.8% (units). There are signs of market recovery and the current market conditions in Bundaberg\* are attractive to both buyers and sellers, as sellers can achieve a final sale price closer to their first list asking price, yet buyers can still enjoy a minor discount.



The suburb of Bundaberg North has continued to present a more affordable market in comparison to the wider Bundaberg Local Government Area (LGA) in regards to property median prices. This provides an ideal opportunity for first home buyers and investors.

The dominant proportion of houses sold in Bundaberg\* across 2019<sup>^</sup> were in the mid-lower price bracket of \$200K to \$249K (26.8%). Units recorded a similar buyer trend within the mid-lower price segment of \$150K to \$199K (39.5%). Affordable options are still available and now is an ideal time to transact in the market.

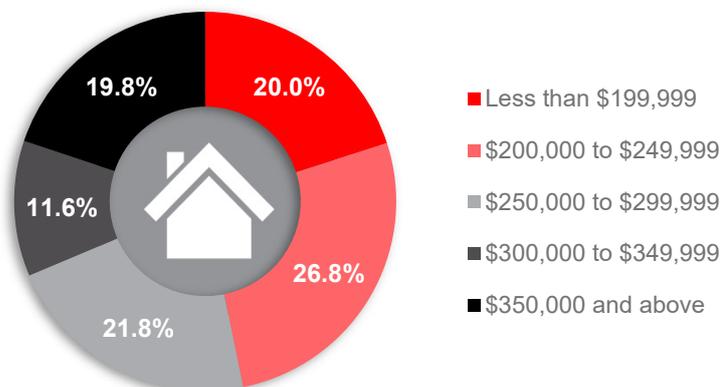
## MARKET COMPARISON



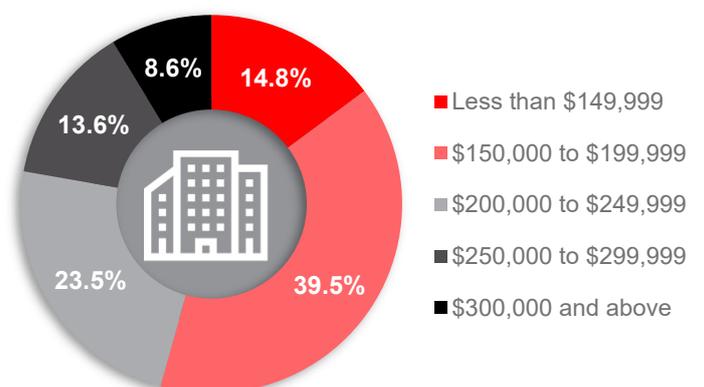
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Bundaberg North.

## PRICE BREAKDOWN 2019<sup>^</sup>

### HOUSES SOLD



### UNITS SOLD



# RENTAL GROWTH 2019\*

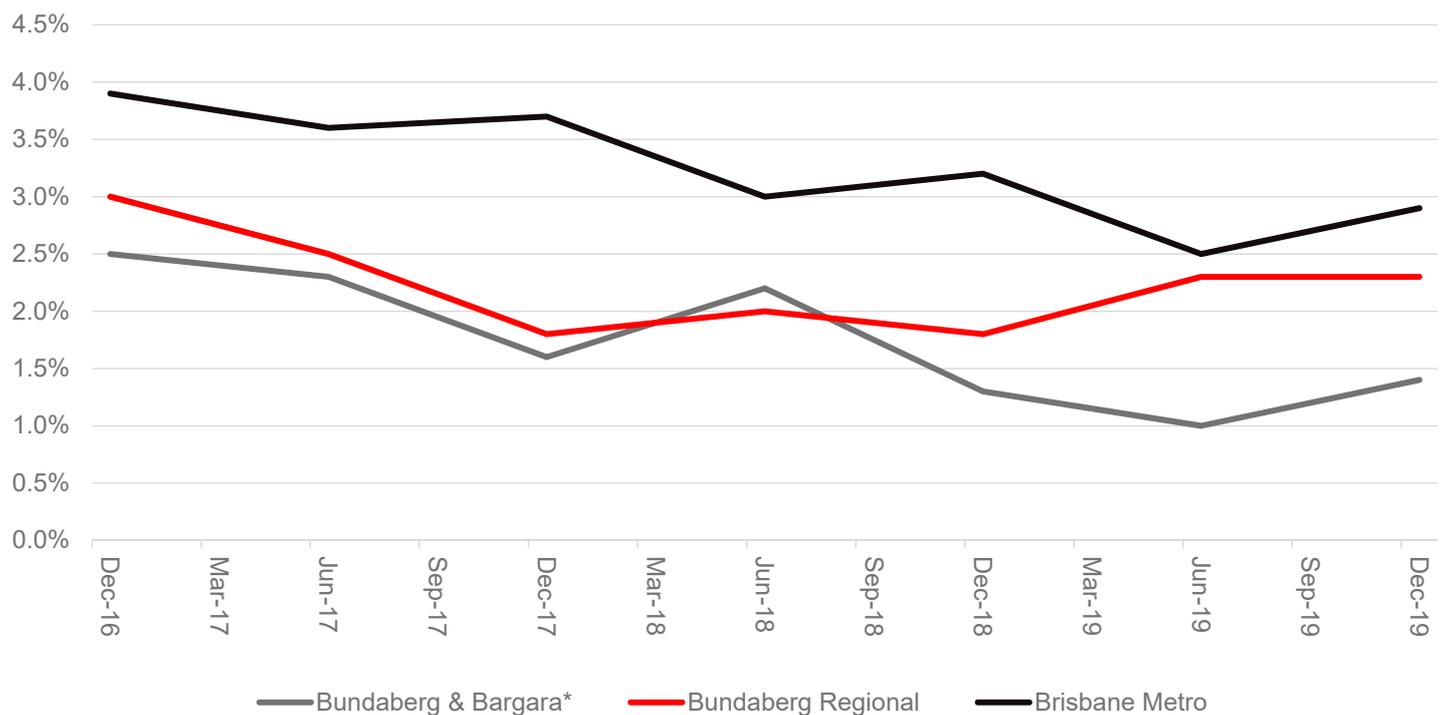
House rental yields in Bundaberg\* were recorded at a healthy 5.0% in December 2019, slightly below the wider Bundaberg LGA's 5.3% but well above Brisbane Metro's 3.9%. The house rental market is in a strong healthy position, particularly when combined with the increased rental median price over the past 12 months to Q1 2020, up +3.3% to \$310 per week.

2 bedroom houses provided investors with +3.8% rental growth annually, achieving a median rent of \$270 per week.

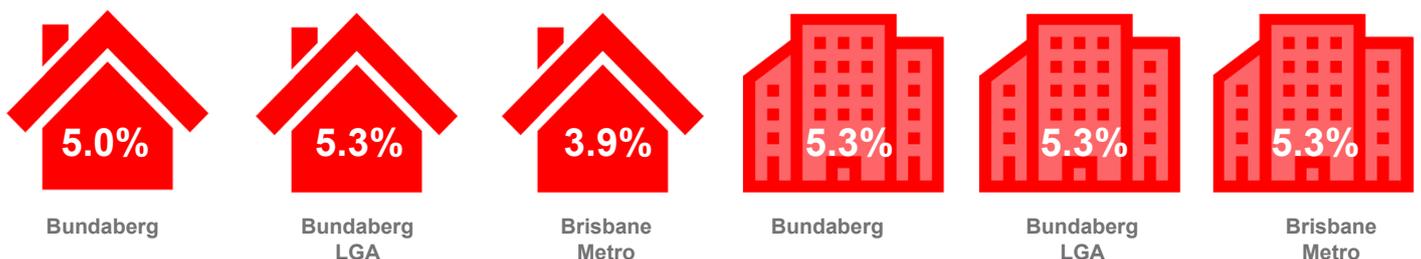
Bundaberg\* recorded a vacancy rate of 1.4% in December 2019. This represents a healthy market, remaining well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. Furthermore, Bundaberg\* recorded vacancy rates were below Bundaberg LGA's 2.3% and Brisbane Metro's 2.9%. This confirms there is a healthy rental demand in Bundaberg\*, which is good news for investors.



# RENTAL VACANCY RATES 2019



# RENTAL YIELD 2019^



\*Bundaberg market data and key indicators encapsulates aggregate property market conditions within the suburbs of Avenell Heights, Avoca, Branyan, Bundaberg North, Bundaberg South, Kepnock, Svensson Heights, and Walkervale.  
 Annual rental growth is a comparison between 2018 and 2019 house median rent figures.  
 ^Rental yields shown are as reported at December 2019.  
 Source: APM Pricerfinder, SQM Research. © Copyright PRD 2020.

# PROJECT DEVELOPMENT MAP 1ST HALF 2020\*



Location	Project**	Type	Estimated Value***	Commence Date****
1	River Springs Drive Residential & Community Development	Commercial	\$50,000,000	31/03/2020
2	Fairways RACF	Commercial	\$7,000,000	06/05/2020
3	Bundaberg Regional Council Pathways Program 2019-2020	Infrastructure	\$400,000	03/06/2020
4	Branyan Drive Residential Subdivision- (48 Lots)	Residential	\$2,200,000	11/05/2020
5	Targo Street Units- (4 Units)	Residential	\$660,000	08/06/2020
6	Goodwin Street Units- (6 Units)	Residential	\$600,000	19/06/2020

## 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

## OUR KNOWLEDGE

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

## OUR PEOPLE

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

## OUR SERVICES

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



**Ainsley Driver**, Principal  
**M** +61 422 288 907  
**E** [ainsley@prdbundaberg.com.au](mailto:ainsley@prdbundaberg.com.au)

**PRD Bundaberg**  
**P** +61 7 4155 5000

156 Bourbong Street  
Bundaberg QLD 4670

[PRD.com.au/bundaberg](http://PRD.com.au/bundaberg)