



Bendigo Market Update 1st Half 2022



OVERVIEW

In Q4 2021, Bendigo* recorded a median house price of \$572,000, and a median unit price of \$408,000. This represents annual (Q4 2020 – Q4 2021) median price growth of 27.2% for houses and 12.7% for units. Between Q4 2020 – Q4 2021 total sales increased for houses, up by +10.2% (to 422 sales), but slowed for units by -21.0% (to 64 sales). Owner occupiers and down-sizers can benefit from real returns on capital investment, as median price growth has been fuelled by high demand. The unit market is currently undersupplied, creating ideal opportunities for unit developers.

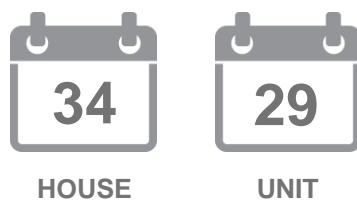
	CHANGE FROM LAST	YEAR	HALF YEAR
			
House Sales		↑	↑
House Median Price		↑	↑
House Rental Price		↑	↑
			
Unit Sales		↓	↓
Unit Median Price		↑	↑
Unit Rental Price		↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q4 2021



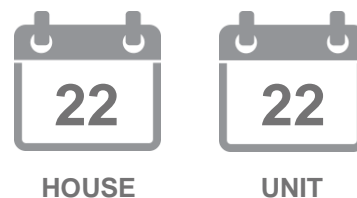
SALES AVERAGE DAYS ON MARKET Q4 2021



RENTAL MEDIAN PRICE Q4 2021

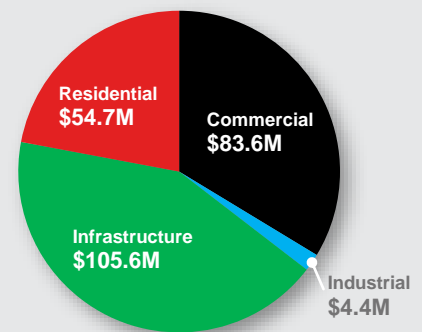


RENTAL AVERAGE DAYS ON MARKET Q4 2021



FUTURE DEVELOPMENTS

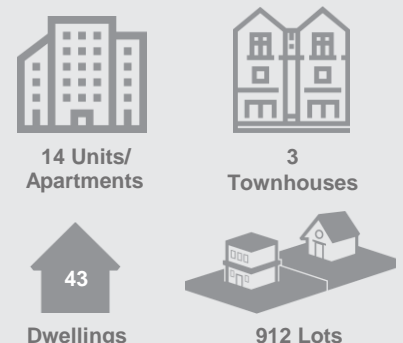
Bendigo* is set to see approximately **\$248.3M** worth of new projects commencing in the 1st half of 2022.



A strong focus on infrastructure and commercial projects will create employment opportunities in Bendigo*, which will positively impact the real estate market in terms of an increase in demand for housing.

A main infrastructure project in the 1st Half of 2022 is The Bendigo Health Day Rehabilitation Centre (\$59.0M). This project is set to refurbish activities in the Hyett-Phillips buildings at Bendigo Hospital. A key commercial project is Early Parenting Centre Buildings Bundle Vhba (\$30.0M) and Mantra Bendigo Hotel (\$18.0M).

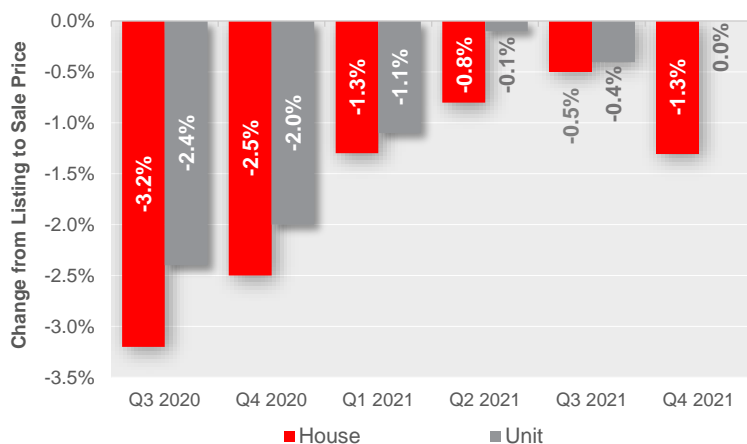
A total of \$54.7M of residential projects is planned, adding 14 units/apartments, 3 townhouses, 43 dwellings and 912 lots. A key project in the 1st Half of 2022 is the Sawmill Road & Whirrakee Parade Residential Subdivision (\$36.1M, 802 lots). First home buyers can build their dream home, supported by multiple government grants.



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.

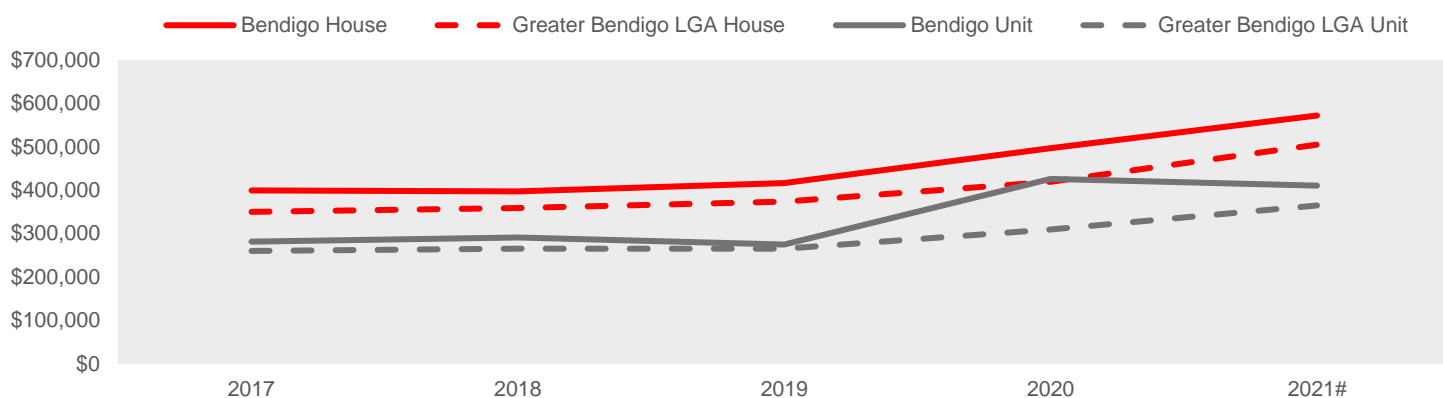
Average vendor discounts between Q4 2020 and Q4 2021 have tightened for both property types, to -1.3% for houses and at 0.0% for units. Market conditions in Bendigo* have shifted to favour vendors, with buyers needing to offer the first asking price or close to it.



The suburb of Bendigo has historically outperformed Greater Bendigo Local Government Area (LGA) in both house and unit median prices. This trend has continued in 2021# with houses recording extraordinary final sale prices.

The dominant proportion of homes sold in Bendigo* across 2021^ were priced within the mid-lower price segment of \$400,000 to \$499,999 (30.3%). Units also recorded a dominant price point within the affordable segment of \$300,000 to \$399,999 (41.9%). The middle and upper-mid markets have expanded, indicative of record high sales. First home buyers are encouraged to enter the market as affordable options are still available.

MARKET COMPARISON

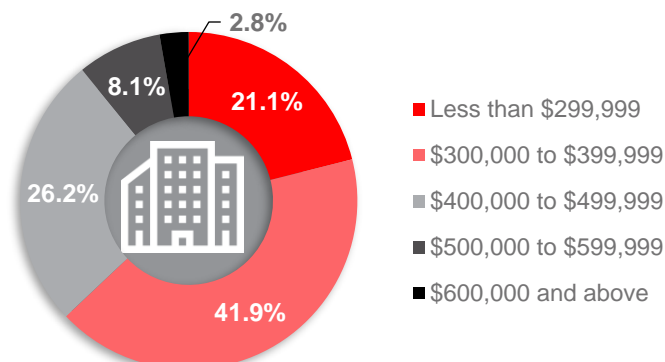
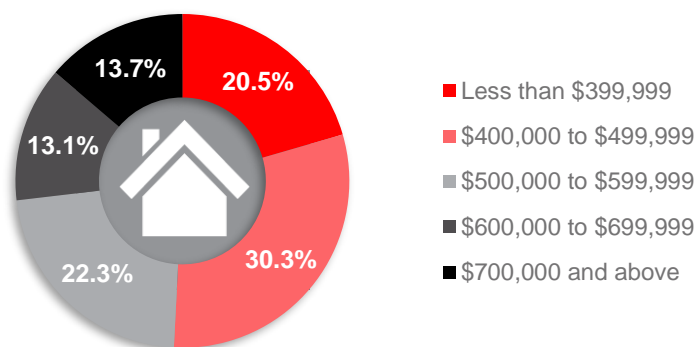


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Bendigo.

PRICE BREAKDOWN 2021^

HOUSES SOLD

UNITS SOLD



RENTAL GROWTH 2021€

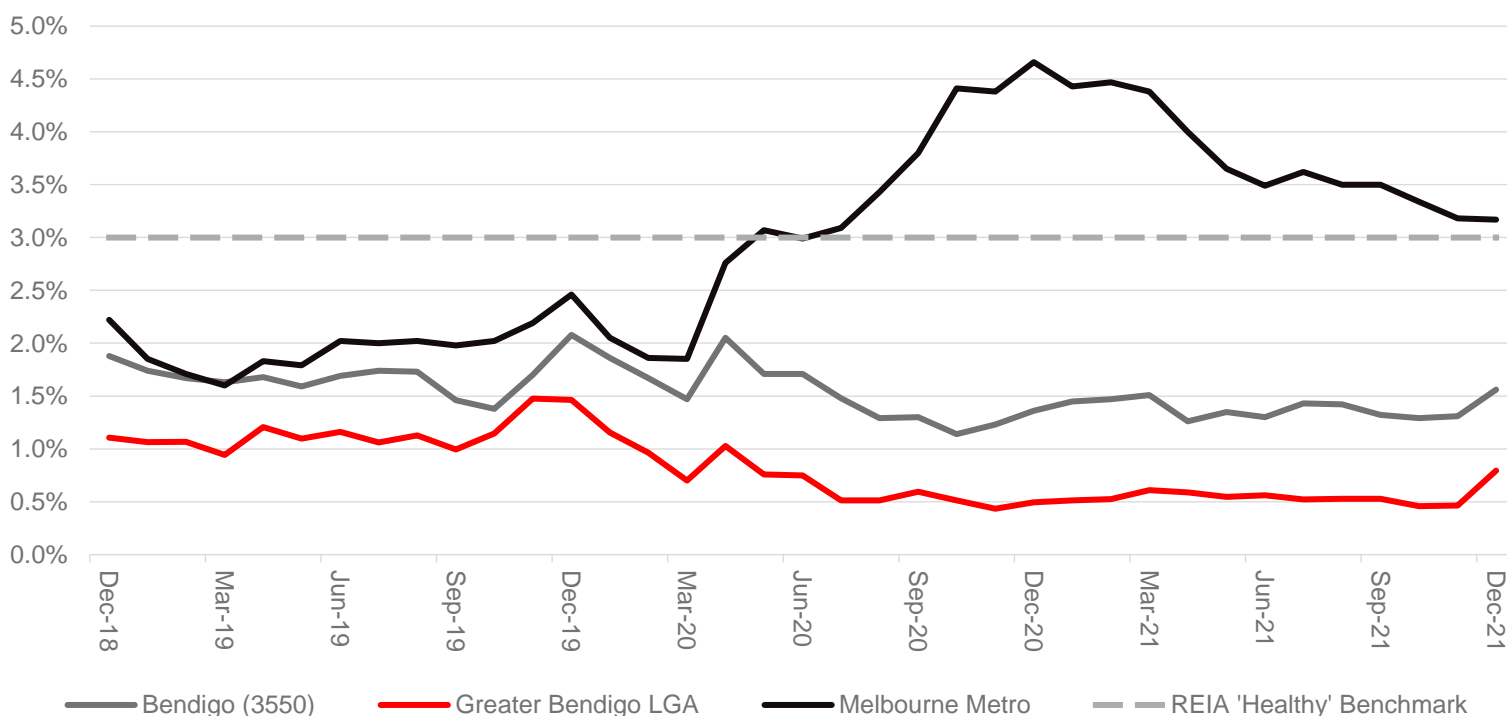
In December 2021, house rental yields in Bendigo* were recorded at 3.7%. In the 12 months to Q4 2021, the median house rental price increased by 8.1% to reach \$400 per week, while average days to let on the market remained at 22 days. A strong increase in rental prices and a house rental yield generally on par with the Greater Bendigo LGA (3.9%) suggests Bendigo* remains a resilient rental market.

2 bedroom houses have provided investors with +13.8% rental growth annually€, with a median rent of \$330 per week.

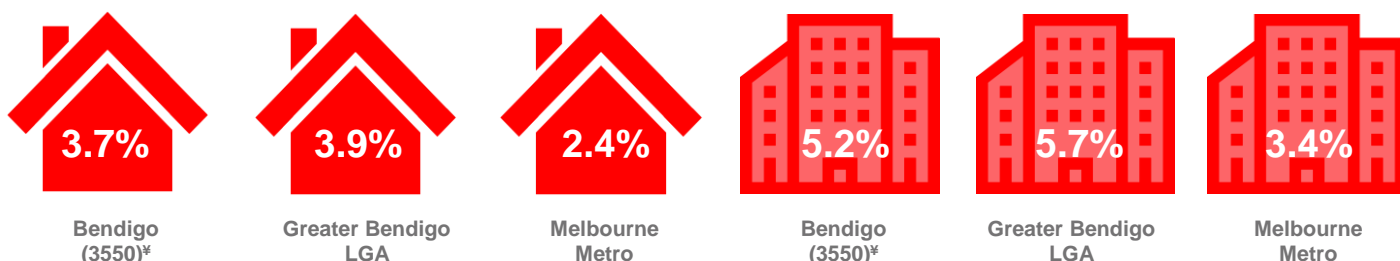
Also in December 2021, Bendigo* recorded a vacancy rate of 1.6%, slightly above that of Greater Bendigo LGA (0.8%) but well below that of Melbourne Metro (3.2%). Vacancy rates in Bendigo* have trended around the 1.5% mark for the past 18 months and have remained well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. This confirms there is still a healthy rental demand and investors can be confident of a conducive investment environment in Bendigo*.



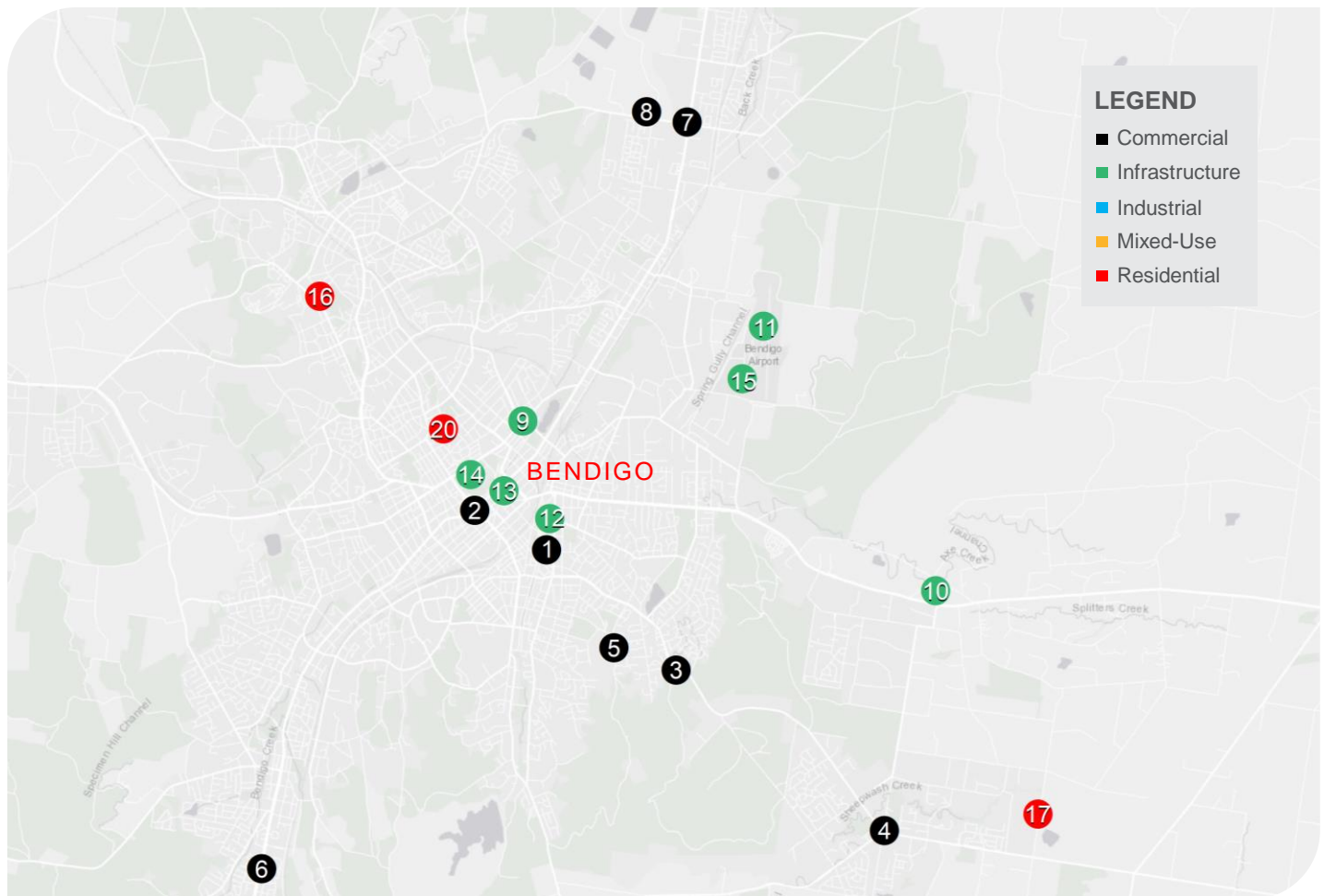
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 1st HALF 2022^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Early Parenting Centre Buildings Bundle Vhba - Bendigo	Commercial	\$30,000,000	01/04/2022
2	Mantra Bendigo Hotel	Commercial	\$18,000,000	07/03/2022
3	Victory Christian College	Commercial	\$2,200,000	17/01/2022
4	Club Court Mixed Development	Commercial	\$9,410,000	27/06/2022
5	La Trobe University Space Optimisation Package 5 Bendigo Campus	Commercial	\$7,500,000	13/04/2022
6	Beacon Lighting	Commercial	\$3,000,000	23/02/2022
7	Kfc Epsom	Commercial	\$1,900,000	21/04/2022
8	Midland Highway Retail Centre	Commercial	\$3,000,000	07/02/2022
9	Bendigo Health Day Rehabilitation Centre	Infrastructure	\$59,500,000	28/02/2022
10	Mcivor Highway & Cashens Road Intersection Roadworks	Infrastructure	\$2,000,000	08/03/2022
11	Bendigo Airport Terminal & Administration Building	Infrastructure	\$2,500,000	22/05/2022
12	Bendigo Youth Prevention & Recovery Care (Yparc)	Infrastructure	\$6,000,000	23/05/2022
13	Bendigo Tramways Expansion	Infrastructure	\$10,700,000	07/03/2022
14	Golden Dragon Museum	Infrastructure	\$15,000,000	13/04/2022
15	Bendigo Airport Business Park	Infrastructure	\$4,000,000	07/02/2022
16	Californian Gold On Brown Street- (24 Dwellings)	Residential	\$6,000,000	19/03/2022
17	Dukes Lane & Somerset Park Road Residential Subdivision-(58 Lots)	Residential	\$2,600,000	05/04/2022
Not Mapped	Caldwell Street Residential Subdivision-(52 Lots)	Residential	\$2,350,000	19/05/2022
Not Mapped	Sawmill Road & Whirrakee Parade Residential Subdivision- (802 Lots)	Residential	\$36,100,000	10/02/2022
20	Redan Street Dwellings- (7 Dwellings)	Residential	\$1,750,000	07/03/2022

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.



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REFERENCES

*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.

2021 encapsulates sales transactions for 2021 (01/01/2021 – 31/12/2021) only.

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€ Annual rental growth is a comparison between 2020 (01/01/2020 – 31/12/2020) and 2021 (01/01/2021 – 31/12/2021) house median rent figures.

¥ Bendigo market data encapsulates aggregate property conditions within the postcode of 3550.

§ Rental yields shown are as reported as of December 2021.

⌘ 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 within the Greater Bendigo Local Government Area.

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

ψ Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRD does not hold any liability to the exact date.

Source: APM Pricerfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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