

Ballarat Market Update

1st Half 2022



OVERVIEW

In Q4 2021, Ballarat* recorded a median house price of \$620,000, and a median unit price of \$409,000. This represents annual (Q4 2020 – Q4 2021) median price growth of 21.6% for houses and 13.6% for units. Between Q4 2020 – Q4 2021 total sales for both property types slowed, down by -7.4% (to 399 sales) for houses, by -10.2% (to 88 sales) for units. The market is now undersupplied, particularly in the house market. Current owner occupiers can benefit from real returns on capital investment, as median price growth has been fuelled by high demand and low stock levels.

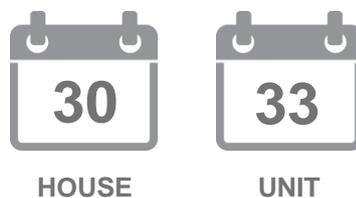
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↑
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↓	↓
	Unit Median Price	↑	↑
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q4 2021



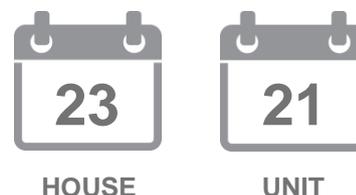
SALES AVERAGE DAYS ON MARKET Q4 2021



RENTAL MEDIAN PRICE Q4 2021

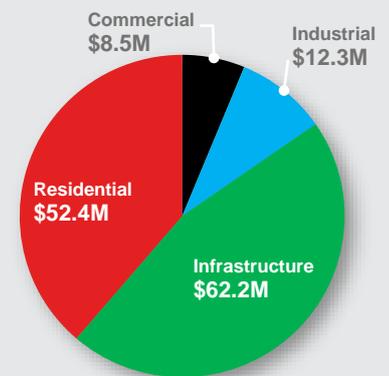


RENTAL AVERAGE DAYS ON MARKET Q4 2021



FUTURE DEVELOPMENTS

Ballarat* is set to see approximately **\$135.4M** worth of new projects commencing in the 1st half of 2022.



A strong focus on infrastructure and commercial projects will create employment opportunities in Ballarat*, which will 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 Ballarat Aviation Emergency Services Hub (\$32.0M). The Ballarat Aviation Emergency Services Hub will deliver an all-agency, all-hazards operations centre, runway upgrades, hanger & new aprons to cater for rotary air cranes & next generation large air tankers.

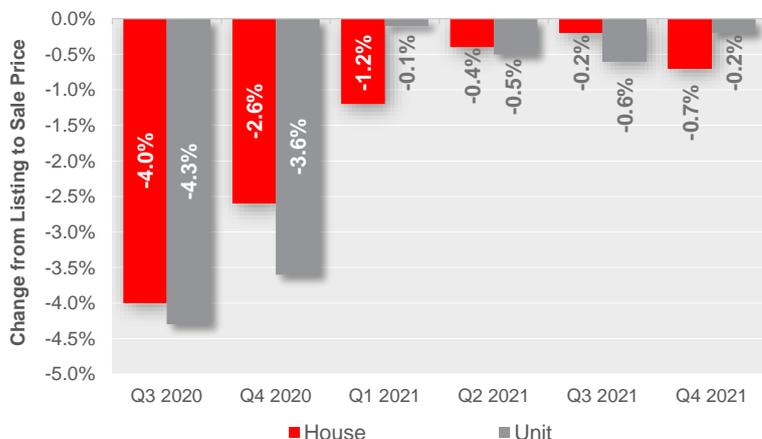
\$52.4M of residential projects is planned, adding 53 townhouses, 16 units/apartments, 93 dwellings and 212 lots. A key residential project in the 1st Half of 2022 is the 217 Joseph Street Townhouses & Residential Subdivision (\$12.0M, 35 townhouses).



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.

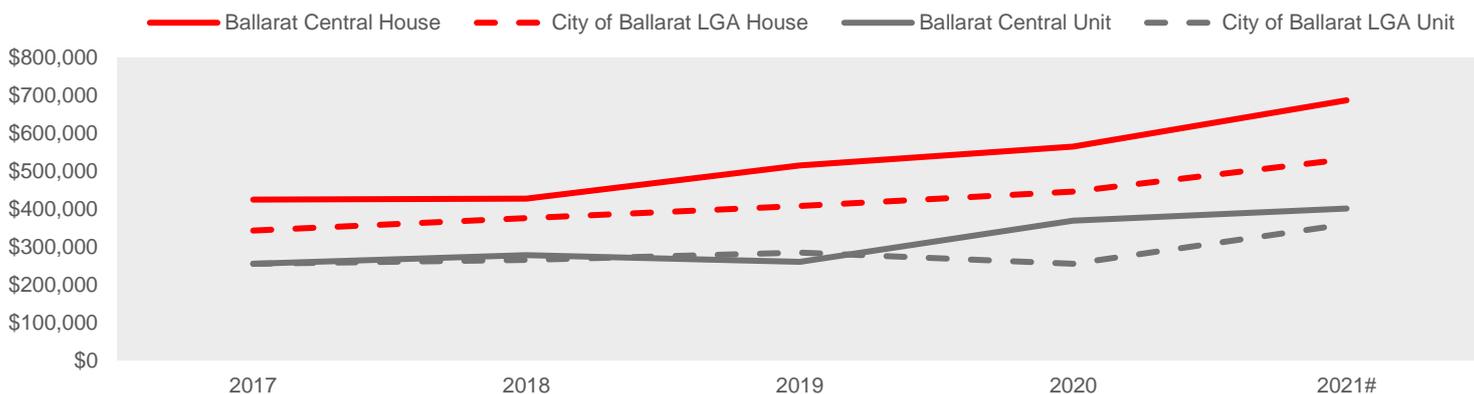
Average vendor discounts between Q4 2020 and Q4 2021 have tightened for both property types, to -0.7% for houses and -0.2% for units. Market conditions in Ballarat* have shifted to favour vendors, where buyers must offer close to the first list asking price. There is marginal room to negotiate, however time is limited.



The suburb of Ballarat Central has historically outperformed City of Ballarat 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 Ballarat* across 2021^ were priced within the lower price segment of less than \$499,999 (32.4%). Units also recorded a dominant price point within the affordable segment of less than \$349,999 (34.3%). Although the premium market is now more predominant, affordable options are still available for first home buyers.

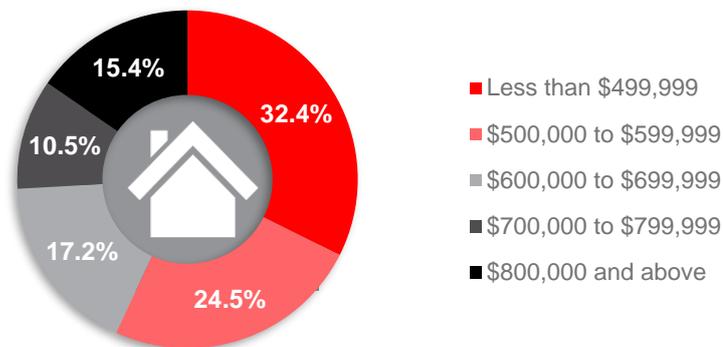
MARKET COMPARISON



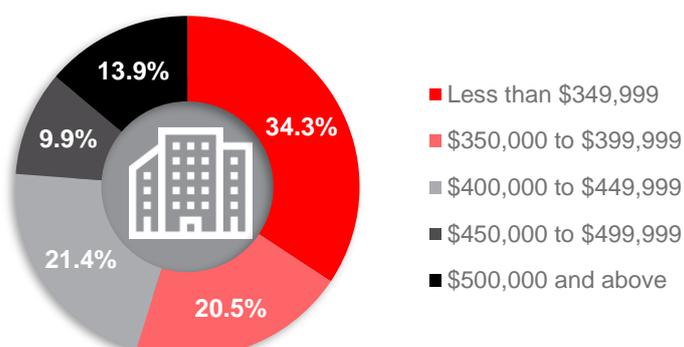
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Ballarat Central.

PRICE BREAKDOWN 2021^

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2021€

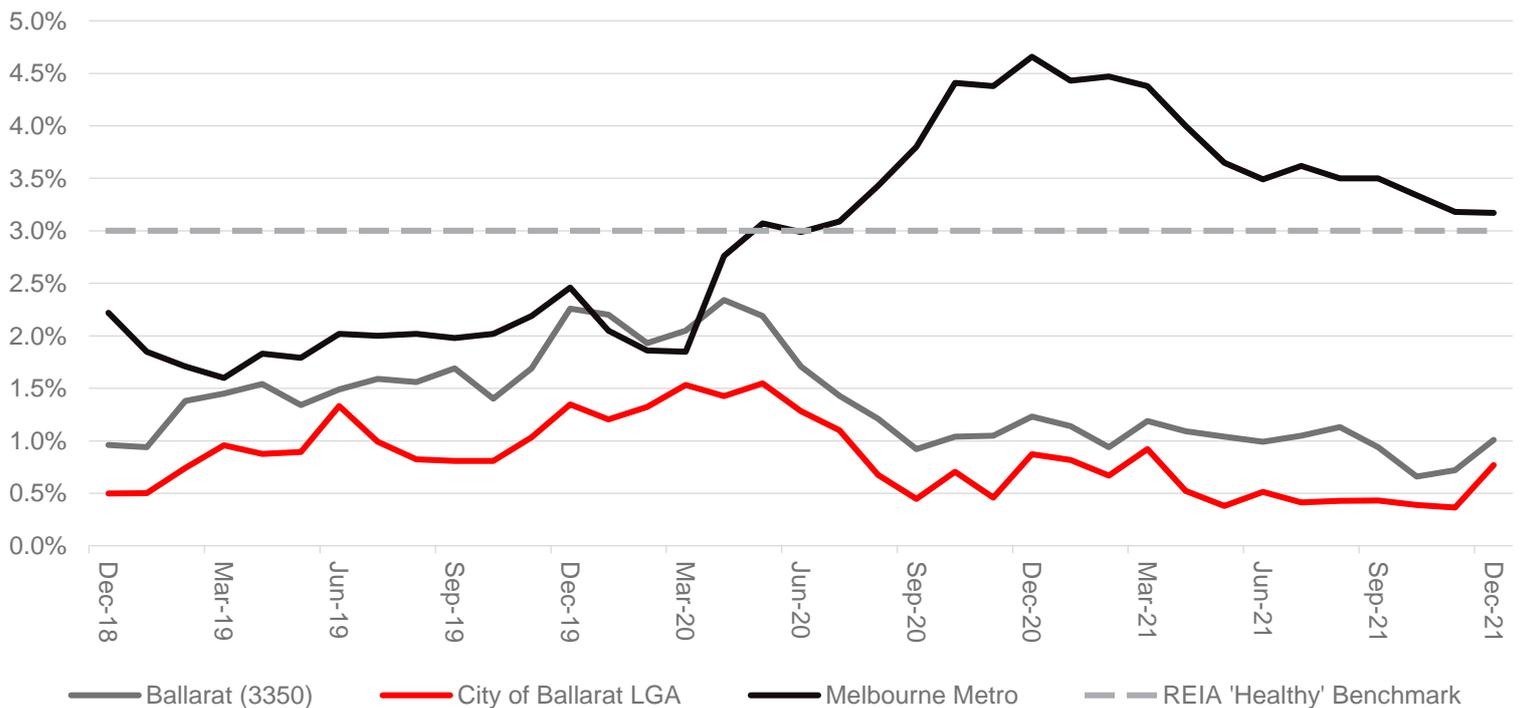
In December 2021, house rental yields in Ballarat* were recorded at 3.2%. In the 12 months to Q4 2021, the median house rental price increased by 5.4% to reach \$390 per week, while average days to let on the market was recorded at a low 23 days. A strong increase in rental prices suggests Ballarat* remains a resilient rental market.

3 bedroom houses have provided investors with +5.9% rental growth annually€, with a median rent of \$360 per week.

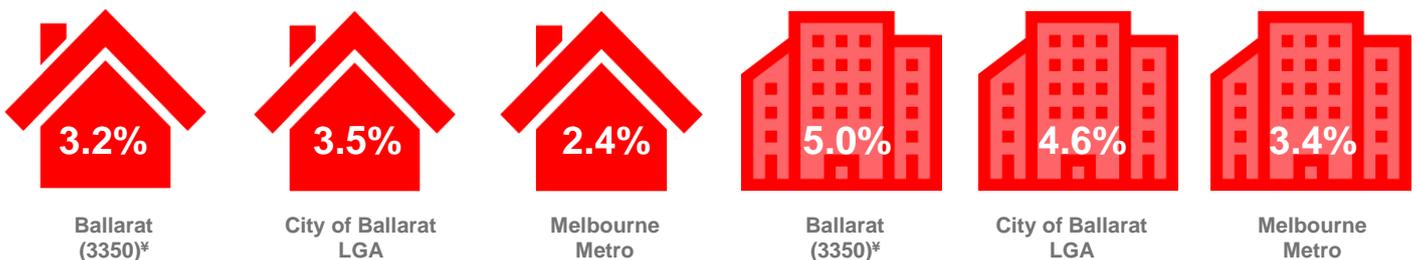
Also in December 2021, Ballarat* recorded a low vacancy rate of 1.0%, slightly above that of City of Ballarat LGA (0.8%) but well below that of Melbourne Metro (3.2%). Vacancy rates in Ballarat* have trended within the 1.0% mark since September 2020 and have remained well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. This confirms there is a healthy rental demand and investors can be confident of a conducive investment environment in Ballarat*.



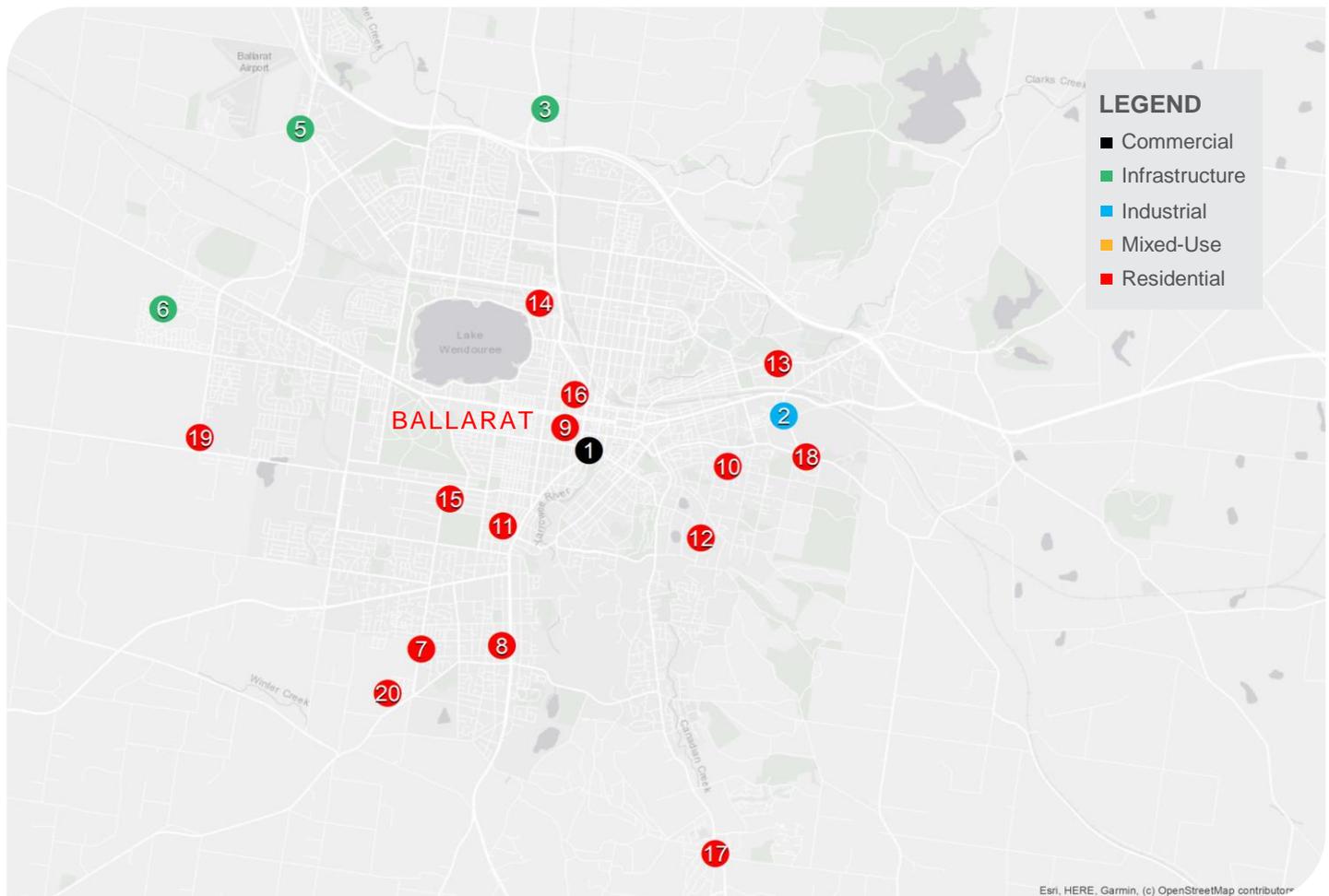
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



TOP DEVELOPMENTS MAP 1st HALF 2022^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Armstrong Street South Medical Centre	Commercial	\$3,000,000	06/05/2022
2	Fussell Street Warehouses & Industrial Subdivision	Industrial	\$1,200,000	13/04/2022
3	Department Of Environment Land Water & Planning Depot (Delwp) Mount Rowan	Infrastructure	\$9,773,000	09/05/2022
Not Mapped	Gleneil Highway & Eurambien Streatham Road Intersection Roundabout	Infrastructure	\$5,000,000	15/03/2022
5	Ballarat Aviation Emergency Services Hub	Infrastructure	\$32,000,000	14/06/2022
6	Ingenia Parkside Clubhouse And Wellness Centre Precinct	Infrastructure	\$7,000,000	10/03/2022
7	Tait Street Residential Subdivision- (124 Lots)	Residential	\$5,600,000	06/06/2022
8	Beverin Street Dwellings- (26 Dwellings)	Residential	\$7,800,000	04/04/2022
9	18 Lyons Street Rooming House Ballarat	Residential	\$4,500,000	18/06/2022
10	York Street Dwellings- (10 Dwellings, 10 Lots)	Residential	\$3,000,000	10/03/2022
11	Talbot Street South Dwellings- (5 Dwellings)	Residential	\$1,250,000	03/05/2022
12	217 Joseph Street Townhouses & Residential Subdivision- (35 Townhouses)	Residential	\$12,075,000	05/05/2022
13	272 Humffray Street North Dwellings- (16 Dwellings)	Residential	\$2,400,000	27/01/2022
14	Gregory Street Dwellings- (8 Dwellings)	Residential	\$2,000,000	10/04/2022
15	Darling Street Dwellings- (8 Dwellings)	Residential	\$2,000,000	15/02/2022
16	Davey Street Residential Subdivision- (43 Lots)	Residential	\$1,950,000	06/05/2022
17	Eddy Avenue Mount Helen Townhouses- (10 Townhouses)	Residential	\$1,800,000	03/04/2022
18	Eureka Street Townhouses-(5 Townhouses)	Residential	\$1,500,000	12/06/2022
19	Mia Street Dwellings- (6 Dwellings)	Residential	\$1,500,000	21/02/2022
20	Ross Creek Road Dwellings- (11 Dwellings)	Residential	\$2,750,000	16/02/2022

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.



Jason Birch, Sales Manager/Director

M +61 409 388 377

E jasonb@prdballarat.com.au

PRD Ballarat

P +61 3 5331 1111

F +61 3 5331 5778

Level 1, 51 Lydiard Street South
Ballarat, VIC 3350

PRD.com.au/ballarat

REFERENCES

*Ballarat represents aggregate property market conditions in the postcode of 3350.

** 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.

¥ Ballarat market data encapsulates aggregate property conditions within the postcode of 3350.

§ 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 Ballarat 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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