



# Bendigo Market Update

## 2<sup>nd</sup> Half 2022



### OVERVIEW

In Q2 2022, Bendigo\* recorded a median house price of \$606,000, and a median unit price of \$433,000. This represents annual (Q2 2021 – Q2 2022) median price growth of 14.9% for houses and 18.6% for units. Total sales decreased between Q2 2021 – Q2 2022, by -18.9% (to 253 sales) for houses and by -40.5% for units (to 50 sales). Current owners can benefit from real returns on capital investment, as median price growth has been fuelled by an imbalance in high demand and low stock. The Bendigo\* market is heavily undersupplied, which can provide a buffer in a rising cash rate environment.

	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 Q2 2022



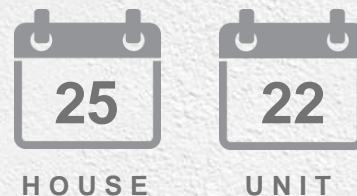
#### SALES AVERAGE DAYS ON MARKET Q2 2022



#### RENTAL MEDIAN PRICE Q2 2022

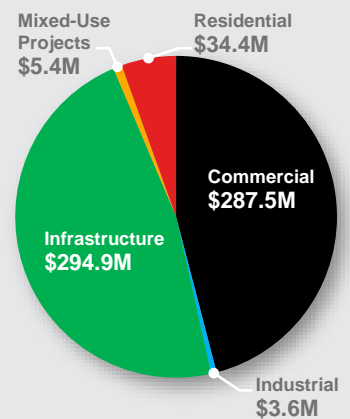


#### RENTAL AVERAGE DAYS ON MARKET Q2 2022



### FUTURE DEVELOPMENTS

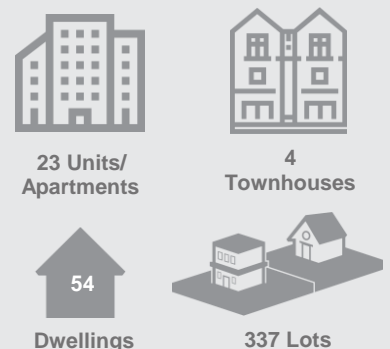
Bendigo\* is set to see approximately **\$625.7M** worth of new projects commencing in the 2<sup>nd</sup> half of 2022.



A focus on commercial and infrastructure will stimulate economic growth and create large employment opportunities in Bendigo\*. This will have a spill-over impact on the real estate market in the form of higher demand for stock.

A main commercial project over the 2<sup>nd</sup> half of 2022 is the Axedale Solar Farm (\$240.0M). The project is set to power over 55,000 homes in Bendigo\* through clean and sustainable energy. This project will not only improve liveability but also create new local job opportunities.

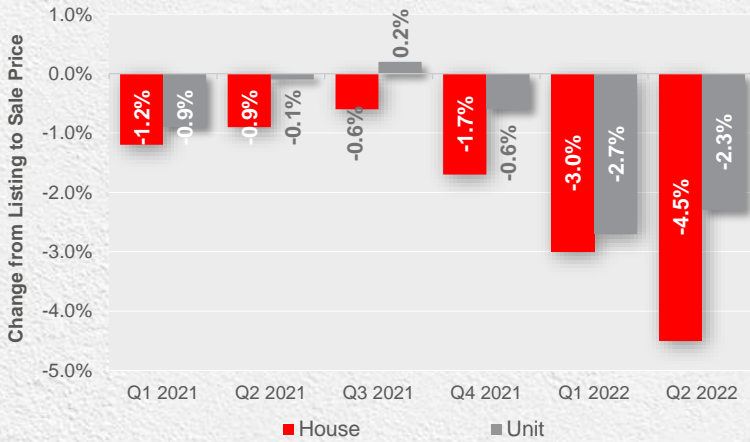
There are few residential and mixed-use projects planned to commence. This include: Apsley St Mixed-Use Developments (\$4.5M, 5 units), Midland Highway Residential Sub-division (\$10.2M, 227 lots), and Williamson & Queen St Dwellings (\$3.0M, 15 dwellings).





# 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.

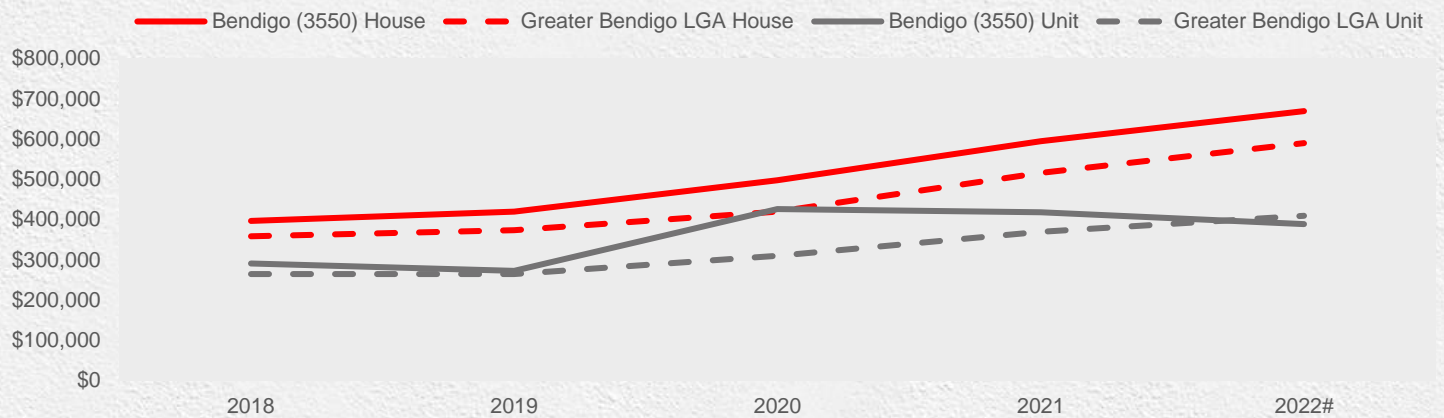


Average vendor discounts between Q2 2021 and Q2 2022 have widened for both property types, to further discounts of -4.5% for houses and -2.3% for units. Market conditions in Bendigo\* have now shifted to favour buyers, as vendors are willing to accept below the initial listing price. This can counter-act the increase in property prices, thus an opportunity for buyers.

The suburb of Bendigo has historically outperformed the wider Bendigo Local Government Area (LGA) in both house and unit median prices. 2022# saw a return to parity for units prices. In contrast houses continue to trend towards a more premium market.

The dominant proportion of homes sold in Bendigo\* across 2022# were in the more affordable price point of below \$499,999 (32.3%). Units recorded a dominant lower-middle price point between \$300,000 to \$399,999 (38.4%). Affordable options are available, in good news for first time home buyers. That said a premium market is growing, with 13.3% of houses sold above \$800K.

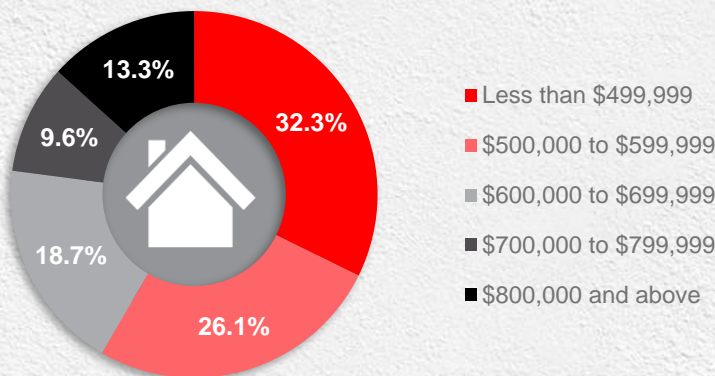
## MARKET COMPARISON



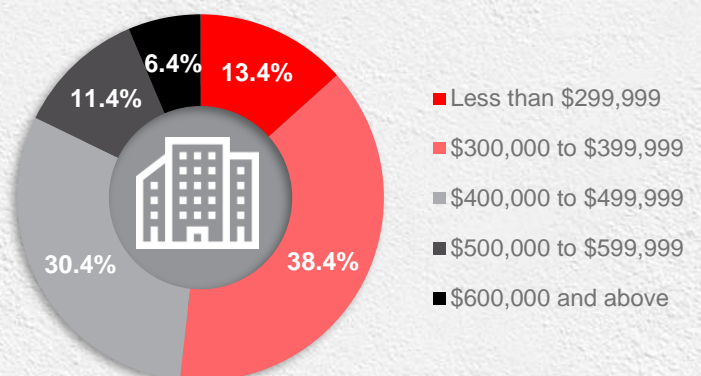
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Bendigo.

## PRICE BREAKDOWN 2022#

### HOUSES SOLD



### UNITS SOLD



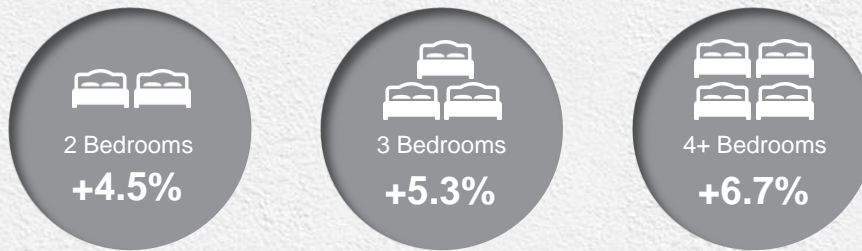


# RENTAL GROWTH 2022€

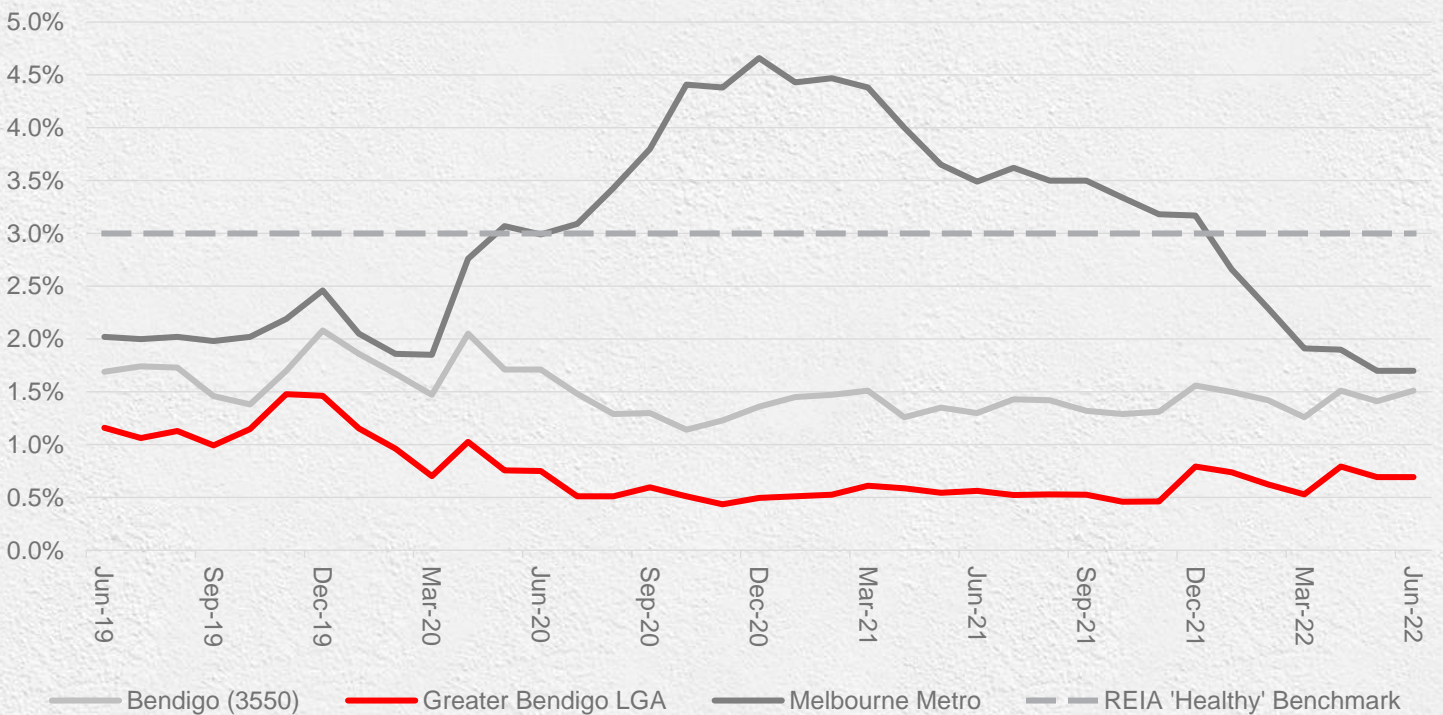
Over the past 12 months, house rental yields in Bendigo\* increased to sit at 3.9% in June 2022. This is at a higher rate than Melbourne Metro (2.5%) yet with a more affordable price of entry. Median house rental price grew slightly by 1.3% between Q2 2021-Q2 2022, paired with a 1.6% increase in the number of houses rented. Renters are willing to offer a higher price, despite availability of rental houses. This is an expected dynamic in the market, due to a decrease in property sales.

4+ bedroom houses have provided investors with +6.7% rental growth annually, achieving a median rent of \$480 per week.

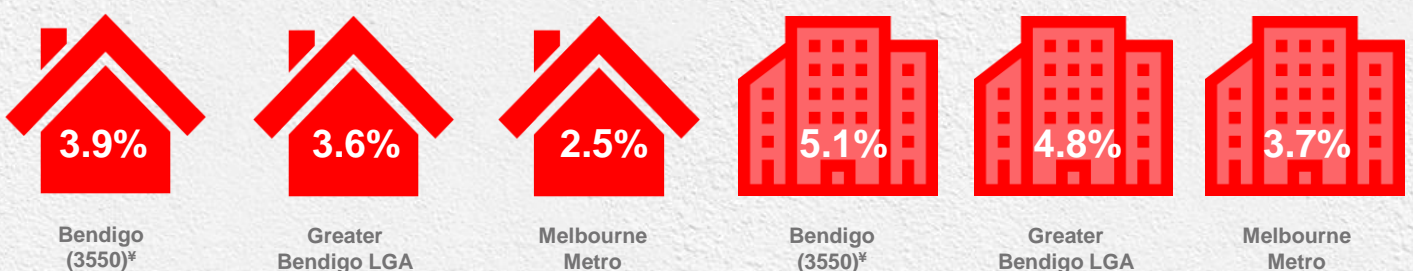
Bendigo\* recorded a vacancy rate of 1.5% in June 2022, generally on par with Melbourne Metro's 1.7% average. Vacancy rates in Bendigo\* have held steady over the past 12 months, trending within the 1.5% band. This indicates quick occupancy and stability in rental demand. This suggests a conducive and sustainable environment for investors, despite the increase in median sale prices of property over the past 12 months.



# RENTAL VACANCY RATES 2022



# RENTAL YIELD 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.

# 2022 encapsulates sales transactions for 1H 2022 (01/01/2022 – 30/06/2022) only.

€ Annual rental growth is a comparison between 1H 2021 (01/01/2021 – 30/06/2021) and 1H 2022 (01/01/2022 – 30/06/2022) house median rent figures.

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

§ Rental yields shown are as reported as of June 2022.

⌘ 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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