



Bundaberg Market Update

2nd Half 2022



OVERVIEW

In Q2 2022, Bundaberg* recorded a median house price of \$383,000, and a median unit price of \$245,000. This represents annual (Q2 2021 – Q2 2022) median price growth of 27.9% for houses and a minor price growth of 4.3% for units. In Q2 2021 – Q2 2022 total sales declined, by -8.1% (to 237 sales) for houses and by -36.6% for units (to 26 sales). There is an undersupply for both property types, as median price growth is alongside less sales (low stock), but is more prevalent for houses. Owners looking to sell can capitalise on their investment. An undersupply can create a buffer in a rising cash rate setting.

	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

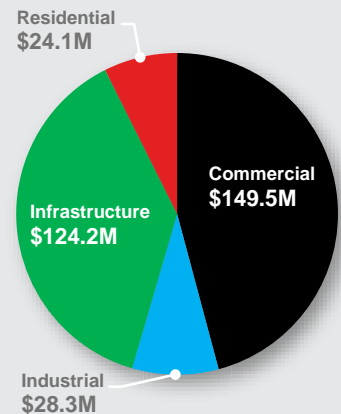


RENTAL AVERAGE DAYS ON
MARKET Q2 2022



FUTURE DEVELOPMENTS

Bundaberg is set to see approximately **\$326.0M** worth of new projects commencing in the 2nd half of 2022.



These projects will stimulate economic growth and create large employment opportunities in Bundaberg. This will have a positive spill-over impact on the real estate market, in the form of more demand for housing stock.

A main commercial project over the 2nd half of 2022 is the Banksia solar farm (\$100.0M). This project is a significant initiative that will not only create new jobs but also plans to improve liveability for residents. A potential spill-over effect is more people looking to live in the area, thus higher demand for housing.

The Bundaberg Regional Council Aquatic Centre (\$40.0M) is a key infrastructure project that further serve the needs of residents.

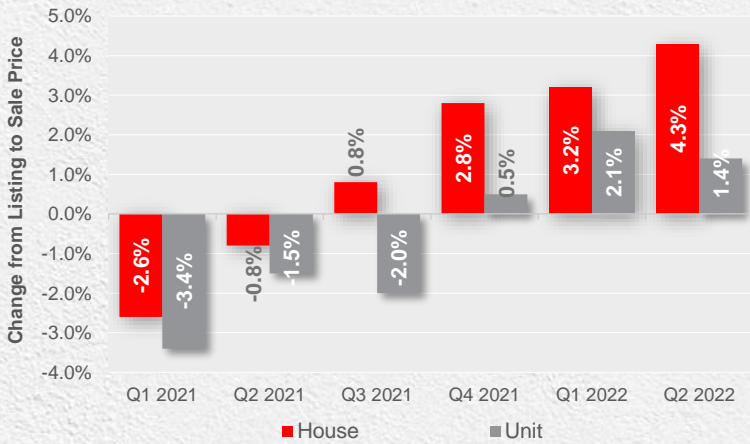
Approximately 533 lots are planned for the area, such as: Hughes Rd Residential Subdivision (\$2.1M, 46 lots), Beachlink Estate (\$3.8M, 86 lots), and Abington Heights Estate (\$2.4M, 53 lots). Buyers can build their dream home, however current construction challenges can mean a delay in ready-to-live supply.



533 Lots

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.

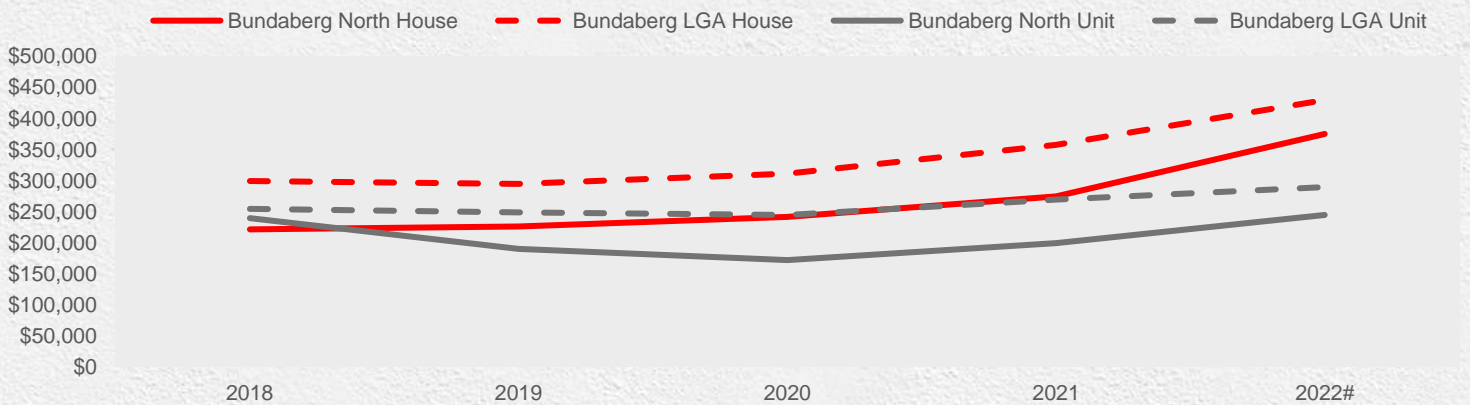


Average vendor discounts between Q2 2021 and Q2 2022 have rapidly swung to a premium for both property types, of 4.3% for houses and 1.4% for units. Market conditions in Bundaberg* continue to favour vendors, as buyers are willing to offer above the initial listing price. Q2 2022 recorded the highest premium for houses, due to the current undersupply.

The suburb of Bundaberg North has continued to present a more affordable market in comparison to Bundaberg Local Government Area (LGA), in both house and unit median prices. 2022# sees houses and units trending higher to closing the gap with LGA prices.

The dominant proportion of homes sold in Bundaberg* across 2022# were in the most affordable price point of below \$299,999 (36.7%). Units recorded a dominant price point of below \$249,999 (49.1%) also, confirming the availability of affordable options. However there is a growing middle and premium market, with 27.1% of the houses sold selling above \$400,000.

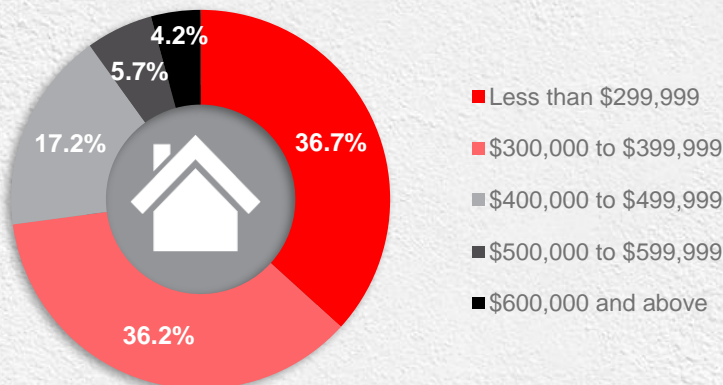
MARKET COMPARISON



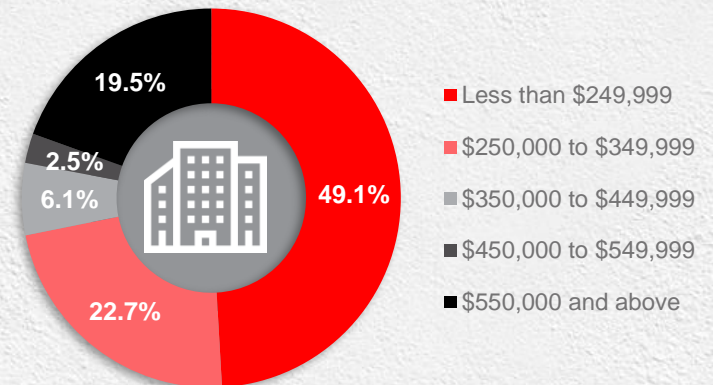
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Bundaberg.

PRICE BREAKDOWN 2022#

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2022€

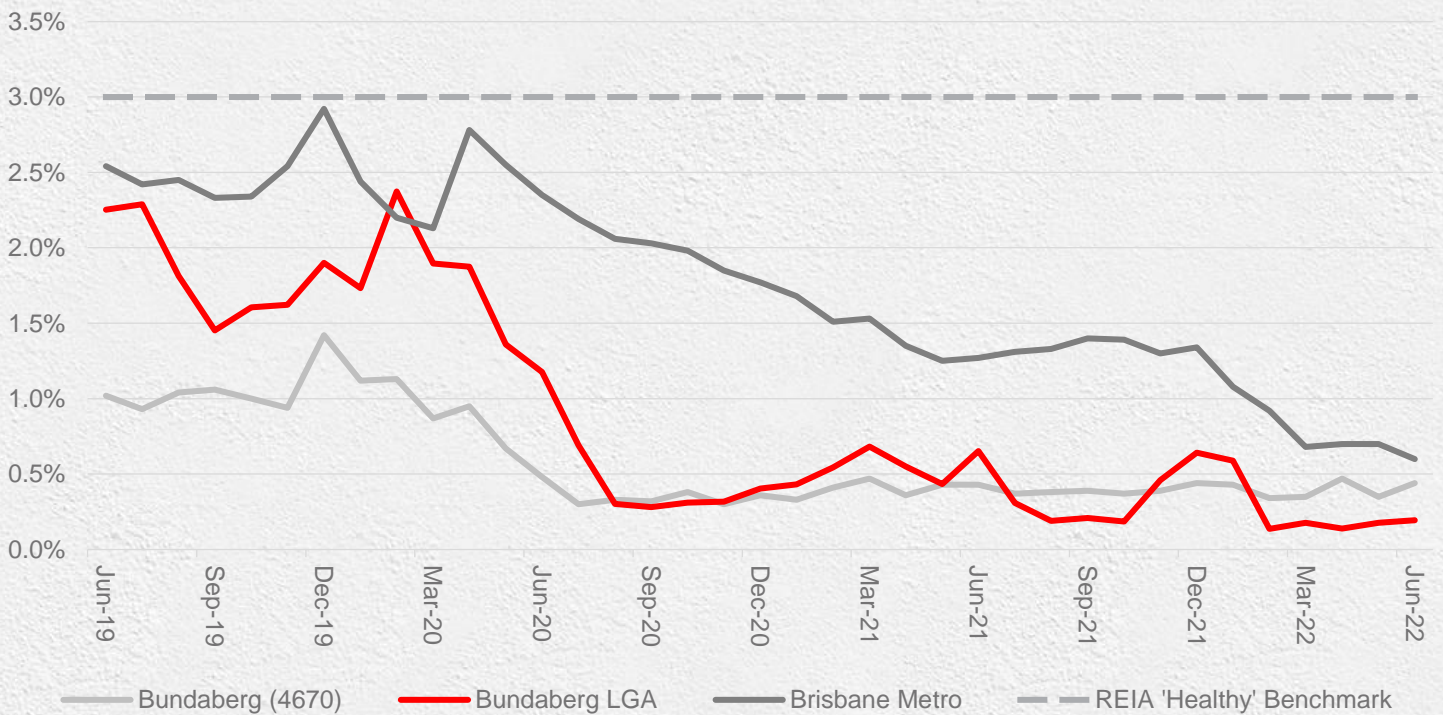
House rental yields in Bundaberg* was 4.9% in June 2022. Median house rental price increased by 25.7% in the 12 months to Q2 2022, to \$440 per week. This was paired with a -12.1% decrease in the number of houses rented, which indicates an undersupply. This presents Bundaberg* as a viable investment opportunity, and more affordable than Brisbane Metro.

4+ bedroom houses have provided investors with +23.4% rental growth annually, achieving a median rent of \$475 per week.

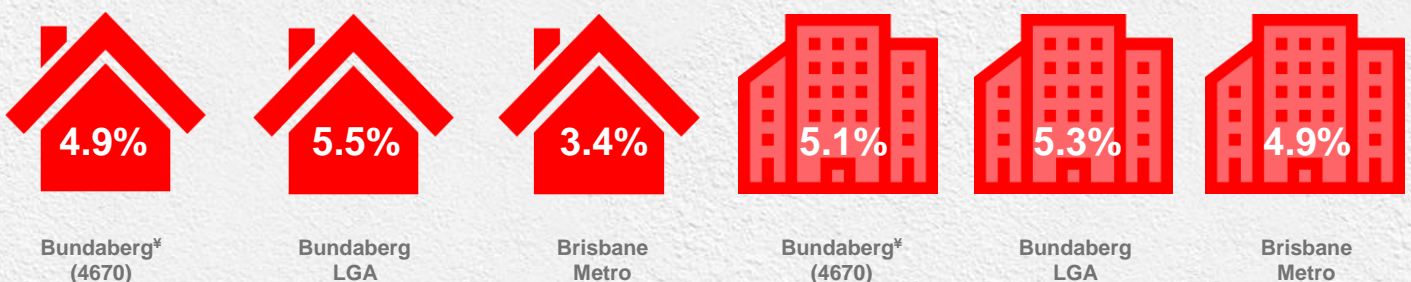
Bundaberg* recorded a vacancy rate of 0.4% in June 2022, which is slightly below Brisbane Metro's 0.6% average. Vacancy rates in Bundaberg* have held steady over the past 24 months, trending below 0.5%. This indicates quicker occupancy, which is ideal for rental income cash-flow. Vacancy rates in Bundaberg* have remained under the Real Estate Institute of Australia's healthy benchmark of 3.0%, even when it fluctuated during COVID-19. These key indicators suggest a conducive and sustainable environment for investors, despite the increase in median sale prices of property over the past 12 months.



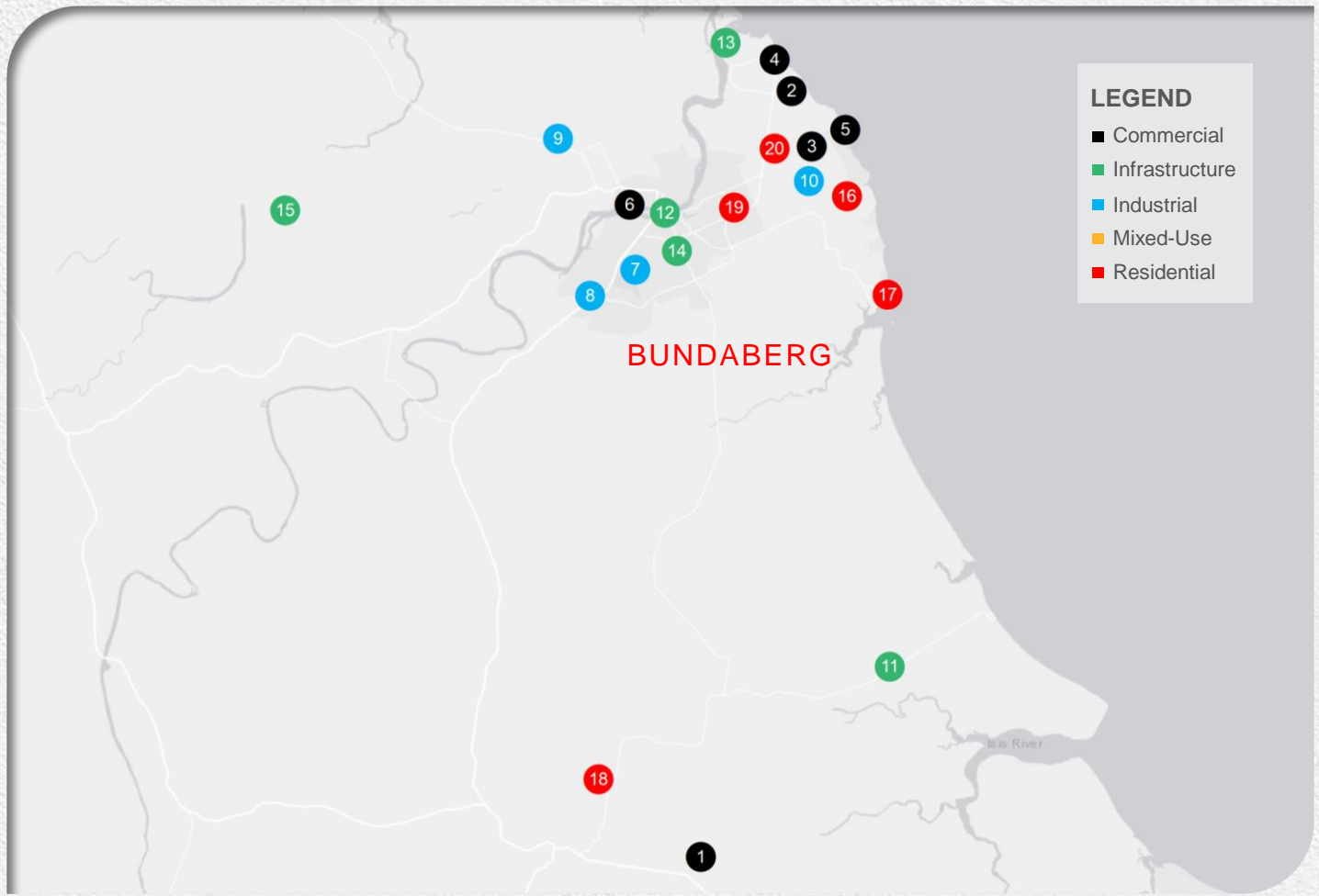
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 2nd HALF 2022[†]



Location	Project [‡]	Type	Estimated Value [†]	Commence Date [†]
1	Banksia Solar Farm	Commercial	\$100,000,000	18/11/2022
2	85 Moores Road Community Development	Commercial	\$2,900,000	20/08/2022
3	Bargara Central Tavern	Commercial	\$3,000,000	26/09/2022
4	Port Of Bundaberg Common User Infrastructure	Commercial	\$20,000,000	19/09/2022
5	Palms Plaza Hotel	Commercial	\$12,500,000	06/12/2022
6	Fairways Racf	Commercial	\$7,000,000	24/08/2022
7	Swift Storage	Industrial	\$2,700,000	02/11/2022
8	10 Phoebe Crescent Warehouse Ascot Homes & Garages	Industrial	\$2,200,000	18/07/2022
9	Rosedale Road Packing Sheds	Industrial	\$6,500,000	20/08/2022
10	Windermere Road Packing Shed	Industrial	\$16,000,000	21/09/2022
11	Kinkuna Estate	Infrastructure	\$6,300,000	14/12/2022
12	Burnett River Traffic Bridge	Infrastructure	\$28,600,000	08/10/2022
13	Pacific Tugs Marine Maintenance Facility	Infrastructure	\$35,000,000	03/10/2022
14	Bundaberg Regional Council Aquatic Centre	Infrastructure	\$40,000,000	05/09/2022
15	Bundaberg & Lower Mary Electrical Switchboard Works	Infrastructure	\$2,500,000	30/11/2022
16	Beachlink Estate (86 Lots)	Residential	\$3,870,000	10/10/2022
17	Ocean Heights Estate (77 Lots)	Residential	\$3,500,000	02/10/2022
18	Abington Heights Estate (53 Lots)	Residential	\$2,400,000	14/09/2022
19	Telegraph Road Residential Subdivision (199 Lots)	Residential	\$9,000,000	30/11/2022
20	Hughes Road Residential Subdivision (46 Lots)	Residential	\$2,100,000	23/10/2022

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.



Wade Stuart

Sales Consultant

M +61 431 721 120

E wade.stuart@prd.com.au



PRD Bundaberg

P +61 431 721 120

PRD.com.au/bundaberg

REFERENCES

*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.

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.

¥ Bundaberg market data encapsulates aggregate property conditions within Bundaberg (4670).

§ 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 Bundaberg LGA.

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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