

Bargara Market Update

2nd Half 2022



OVERVIEW

In Q2 2022, Bargara* recorded a median house price of \$575,000, and a median unit price of \$456,000. This represents annual (Q2 2021 – Q2 2022) median price growth of 25.3% for houses and 15.4% for units. Total sales decreased between Q2 2021 – Q2 2022, by -18.7% (to 139 sales) for houses and by -15.6% for units (to 27 sales). There is an undersupplied market for both property types, as median price growth is alongside less sales (due to low stock). Owners looking to sell can capitalise on their investment, and an undersupplied market potentially provide 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

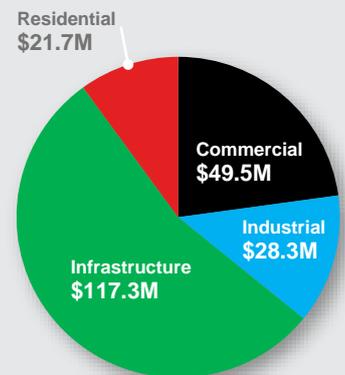


RENTAL AVERAGE DAYS ON
MARKET Q2 2022



FUTURE DEVELOPMENTS

Bargara* is set to see approximately **\$216.7M** worth of new projects commencing in the 2nd half of 2022.



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

A key commercial project in the 2nd half of 2022 is Port of Bundaberg (\$20.0M). The project will construct a new bulk goods conveyor facility, including modifications to the existing ship loading facilities and electrical works.

The Bundaberg Regional Council Aquatic Centre (\$40.0M) is a key infrastructure project that improves liveability for current residents.

Approximately 480 lots are planned for the area, with the main project being Telegraph Road Residential Subdivision (\$9.0M, 199 lots). This allows first home buyers to build, however will take time due to the current construction challenges.

A lack of ready to sell dwellings will prolong the undersupply of houses. This may result in further price increase in the near future.



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.

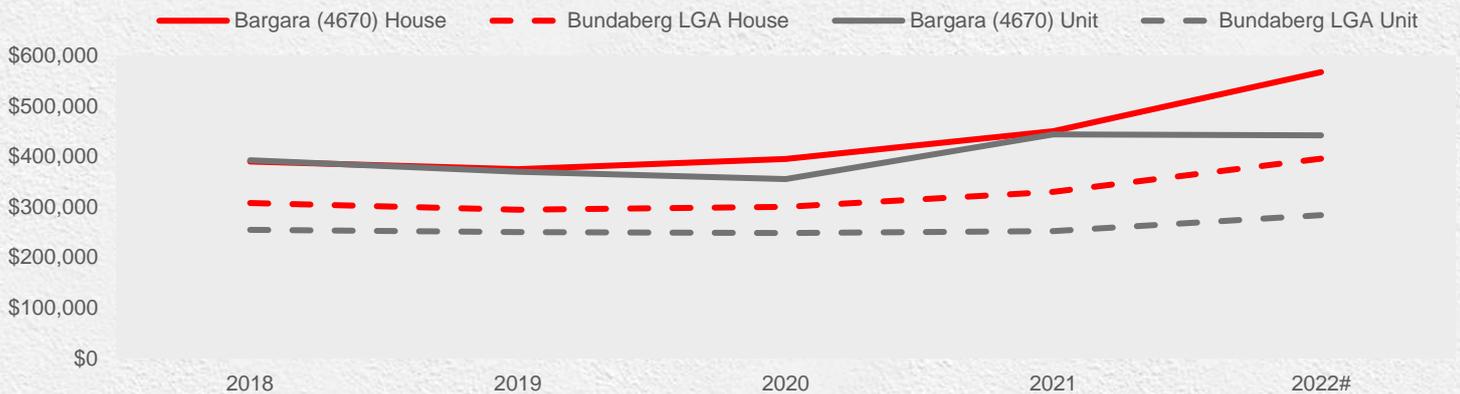


Average vendor discounts between Q2 2021 and Q2 2022 have rapidly swung for both property types, to premiums of 2.2% for houses and 3.9% for units. Market conditions in Bargara* are favouring vendors, as buyers are willing to offer above the initial listing price. This has remained the case for the past three quarters.

The suburb of Bargara has historically outperformed the wider Bundaberg Local Government Area (LGA) in both house and unit median prices. This continued to be the case in 2022#, with houses trending toward a more premium market.

The dominant proportion of homes sold in Bargara* across 2022# were in the most affordable price range of below \$449,999 (38.2%). Likewise, units also recorded a dominant price point of below \$299,999 (30.8%). The affordable options remain available, however on the flip side there is also a growing premium market. That said this is more prevalent in the units market, with 23.8% of units sold in 2022# priced at \$600,000 and above.

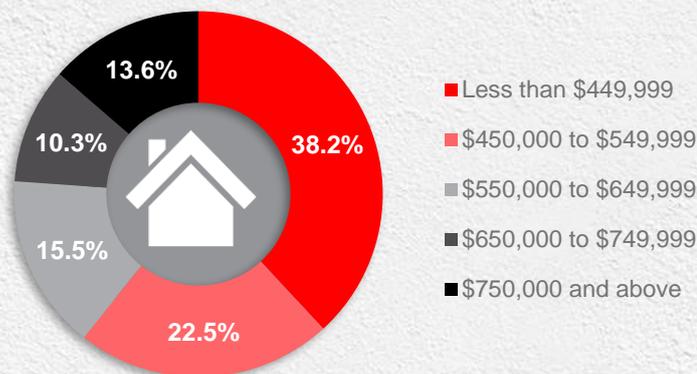
MARKET COMPARISON



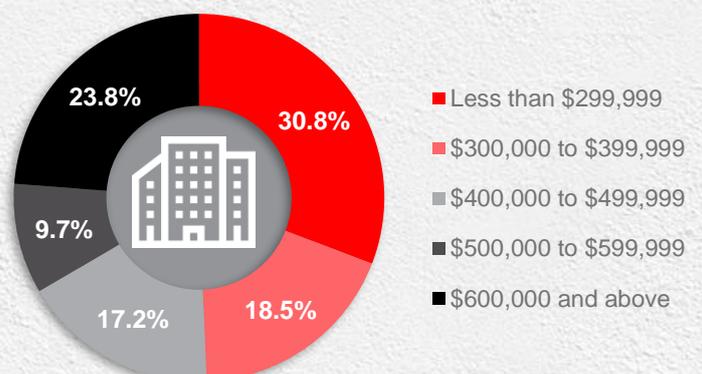
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Bargara.

PRICE BREAKDOWN 2022#

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2022€

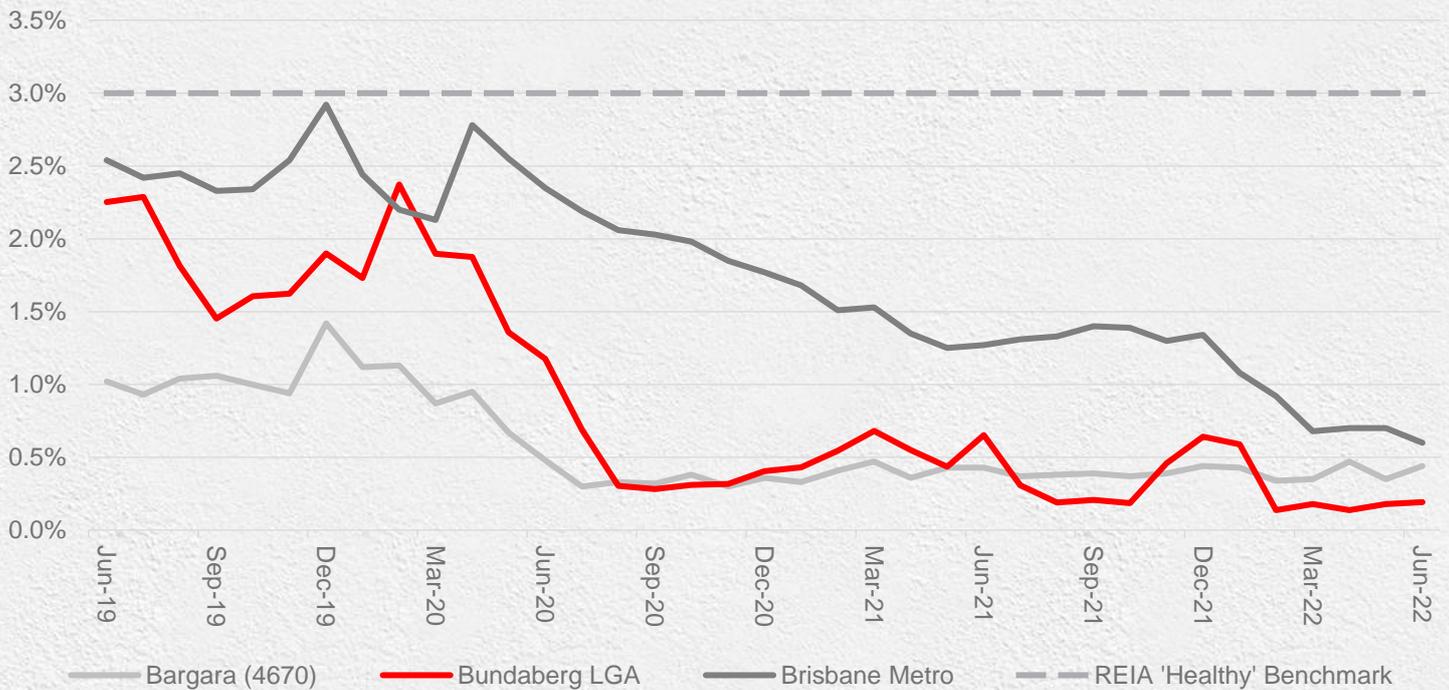
House rental yields in Bargara* was 4.9% in June 2022, higher than Brisbane Metro (3.4%). This was paired with a 20.0% in median house rental price between Q2 2021 – Q2 2022, and a -6.3 decline in the number of houses rented. Also, average day on the market declined by -5.3%. Overall this indicates an undersupplied rental market, which is beneficial for investors.

4+ bedroom houses have provided investors with +28.9% rental growth annually, achieving a median rent of \$580 per week.

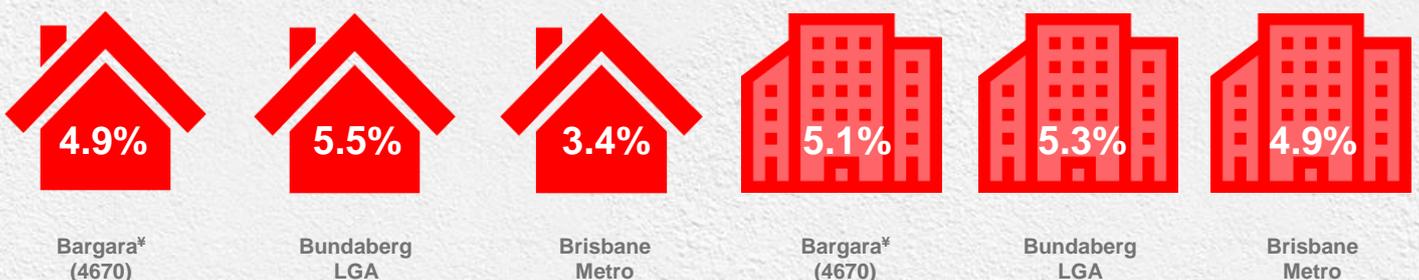
Bargara* recorded a vacancy rate of 0.4% in June 2022, which is slightly below Brisbane Metro's 0.6% average. A low vacancy rate suggest quicker occupancy – thus quicker rental cash flow. Vacancy rates in Bargara* have held steady over the past 24 months, trending within 0.5%. This indicates stability in rental demand, thus continuous opportunity for investors. Despite the increase in median sale prices of property over the past 12 months these key indicators suggest a conducive and sustainable environment for investors, especially as Bargara* is a more affordable market compared to Brisbane Metro.



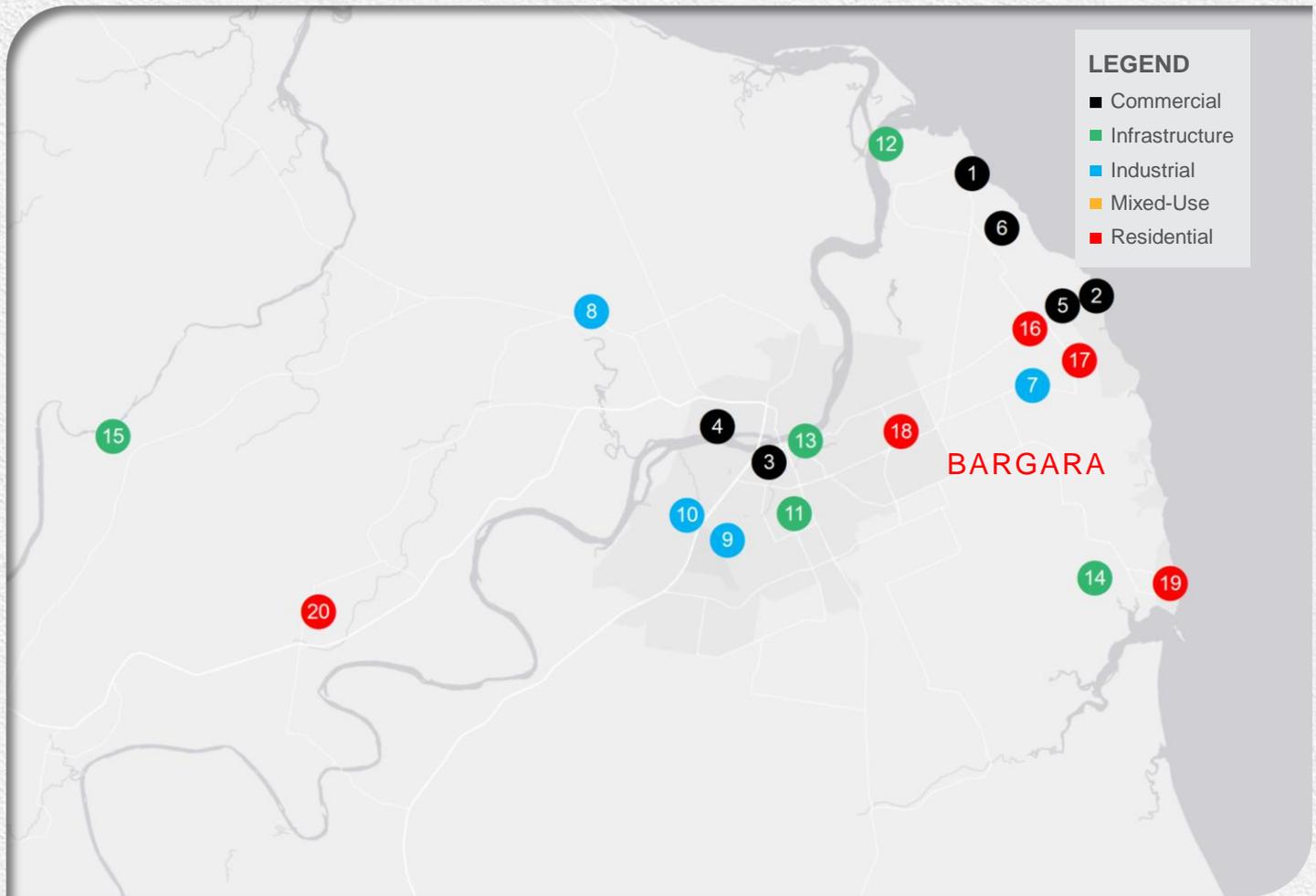
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 2nd HALF 2022[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Port Of Bundaberg Common User Infrastructure	Commercial	\$20,000,000	19/09/2022
2	Palms Plaza Hotel	Commercial	\$12,500,000	06/12/2022
3	Friendly Society Private Hospital	Commercial	\$2,000,000	26/09/2022
4	Fairways Racf	Commercial	\$7,000,000	24/08/2022
5	Bargara Central Tavern	Commercial	\$3,000,000	26/09/2022
6	85 Moores Road Community Development	Commercial	\$2,900,000	20/08/2022
7	Windermere Road Packing Shed	Industrial	\$16,000,000	21/09/2022
8	Rosedale Road Packing Sheds	Industrial	\$6,500,000	20/08/2022
9	Swift Storage	Industrial	\$2,700,000	02/11/2022
10	10 Phoebe Crescent Warehouse Ascot Homes & Garages	Industrial	\$2,200,000	18/07/2022
11	Bundaberg Regional Council Aquatic Centre	Infrastructure	\$40,000,000	05/09/2022
12	Pacific Tugs Marine Maintenance Facility	Infrastructure	\$35,000,000	03/10/2022
13	Burnett River Traffic Bridge	Infrastructure	\$28,600,000	08/10/2022
14	Harts Road Roadworks	Infrastructure	\$1,838,000	10/07/2022
15	Bundaberg & Lower Mary Electrical Switchboard Works	Infrastructure	\$2,500,000	30/11/2022
16	Hughes Road Residential Subdivision (46 Lots)	Residential	\$2,100,000	23/10/2022
17	Beachlink Estate (86 Lots)	Residential	\$3,870,000	10/10/2022
18	Telegraph Road Residential Subdivision (199 Lots)	Residential	\$9,000,000	30/11/2022
19	Ocean Heights Estate (77 Lots)	Residential	\$3,500,000	02/10/2022
20	Lot 2 Birthamba Road Residential Subdivision (38 Lots)	Residential	\$1,700,000	19/10/2022



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

*Bargara and Coastal market data and key indicators encapsulates aggregate property market conditions within the suburbs of Moore Park Beach, Burnett Heads, Mon Repos, Bargara, Innes Park, Coral Cove and Elliott Heads

** 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.

¥ Bargara and Coastal market data encapsulates aggregate property conditions within Bargara (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 postcode of 4670.

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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