



Bendigo Market Update

1st Half 2023



OVERVIEW

In Q4 2022, Bendigo* recorded a median house price of \$560,000, and a median unit price of \$410,000. This represents annual (Q4 2021 – Q4 2022) median price softening of -3.4% for houses and -1.8% for units. On a quarterly basis (Q3 2022 – Q4 2022), median prices softened by -5.1% for houses and by -8.0% for units. This reflects interest rate hikes and consumer uncertainty translating in the market. Total sales figures have continued to decline, with Q4 2022 recording the lowest number of sales - 362 for houses and 30 for units. There are now new opportunities for buyers ready to enter the market.

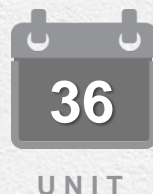
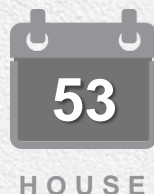
	CHANGE FROM LAST	YEAR	HALF YEAR
 House Sales		↓	↓
House Median Price		↓	↓
House Rental Price		↑	↑
 Unit Sales		↓	↓
Unit Median Price		↓	↓
Unit Rental Price		↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE
Q4 2022



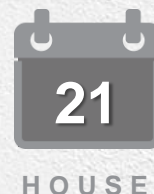
SALES AVERAGE DAYS ON
MARKET Q4 2022



RENTAL MEDIAN PRICE
Q4 2022

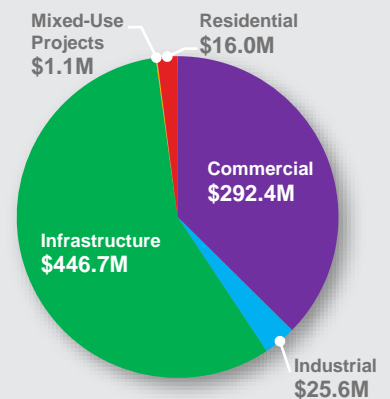


RENTAL AVERAGE DAYS ON
MARKET Q4 2022



FUTURE DEVELOPMENTS

Bendigo is set to see approximately **\$781.7M** worth of new projects commencing in the 1st half of 2023.



A large focus on Solar Farms in Bendigo* will assist in stimulating economic growth, through creating large employment opportunities pre and post construction.

A main infrastructure project is the South Energy Raywood Solar Farm (\$300.0M). A State Government initiative, this project plans to power in over 55,000 homes in Victoria.

The Axedale Solar Farm (\$240.0M) is a significant commercial project that will stimulate more commercial investment into the area.

The 3c Spring Gully Road Sda Units (\$2.5M, 21 units) a planned project in the 1st half of 2023. Overall 132 lots and 17 dwellings are also in the pipeline. This create opportunities for first home buyers, especially in a softer-priced market.



21 Units/
Apartments



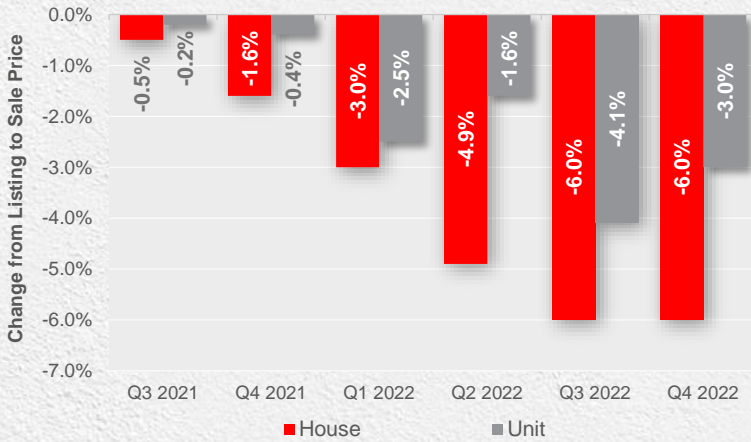
17
Dwellings



132 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.

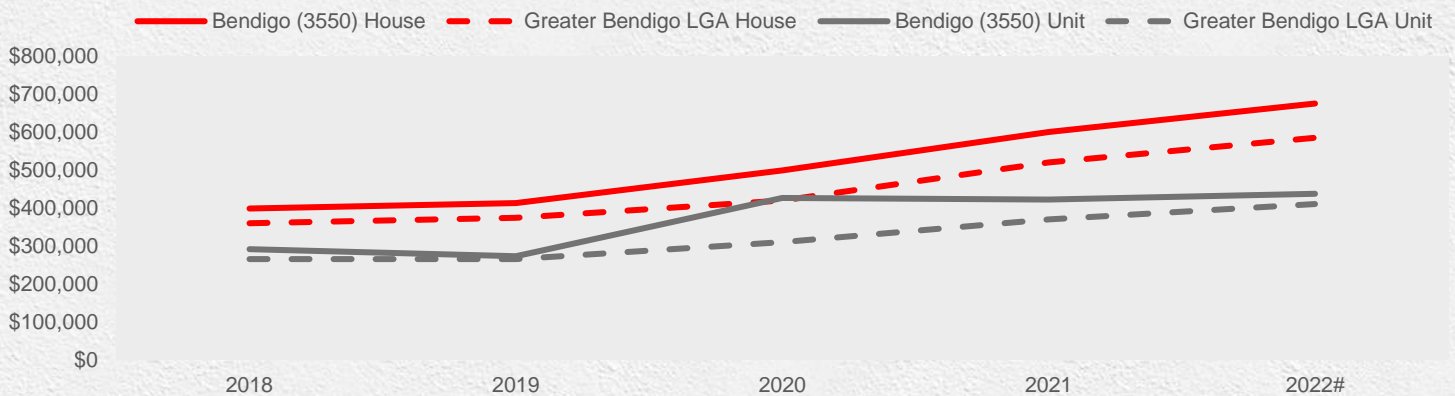


Average vendor discounts between Q4 2021 and Q4 2022 have widened to higher discounts for both property types, of -6.0% for houses and -3.0% for units. Market conditions in Bendigo* have further shifted to favour buyers, as vendors are willing to negotiate below the initial listing price. Now is the time to buy.

The suburb of Bendigo has historically outperformed the wider Bendigo Local Government Area (LGA) in both house and unit median prices. Late 2022# saw a return to parity for Bendigo's median unit price, which creates new opportunities for first home buyers.

The dominant proportion of homes sold in Bendigo* across 2022# were in the more affordable price bracket of less than \$549,000 (47.5%). Units also recorded a dominant affordable price point, of between \$300,000-\$399,000 (37.4%). Premium properties are available for both house and units, but affordable options have increased in sales percentage in the past 6 months. This is good news for those looking to enter the market.

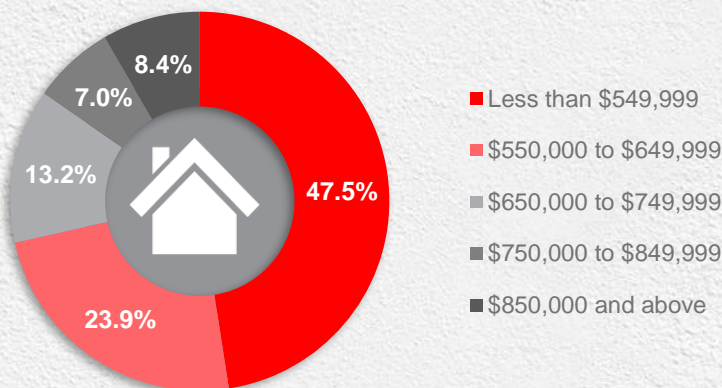
MARKET COMPARISON



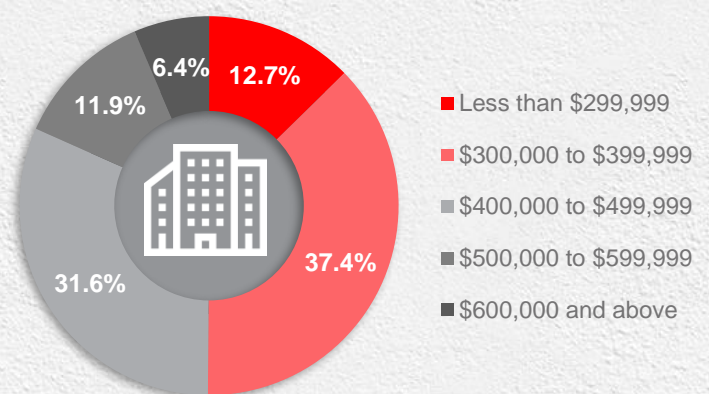
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Bendigo.

PRICE BREAKDOWN 2022#

HOUSES SOLD



UNITS SOLD

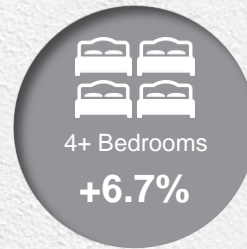


RENTAL GROWTH 2022€

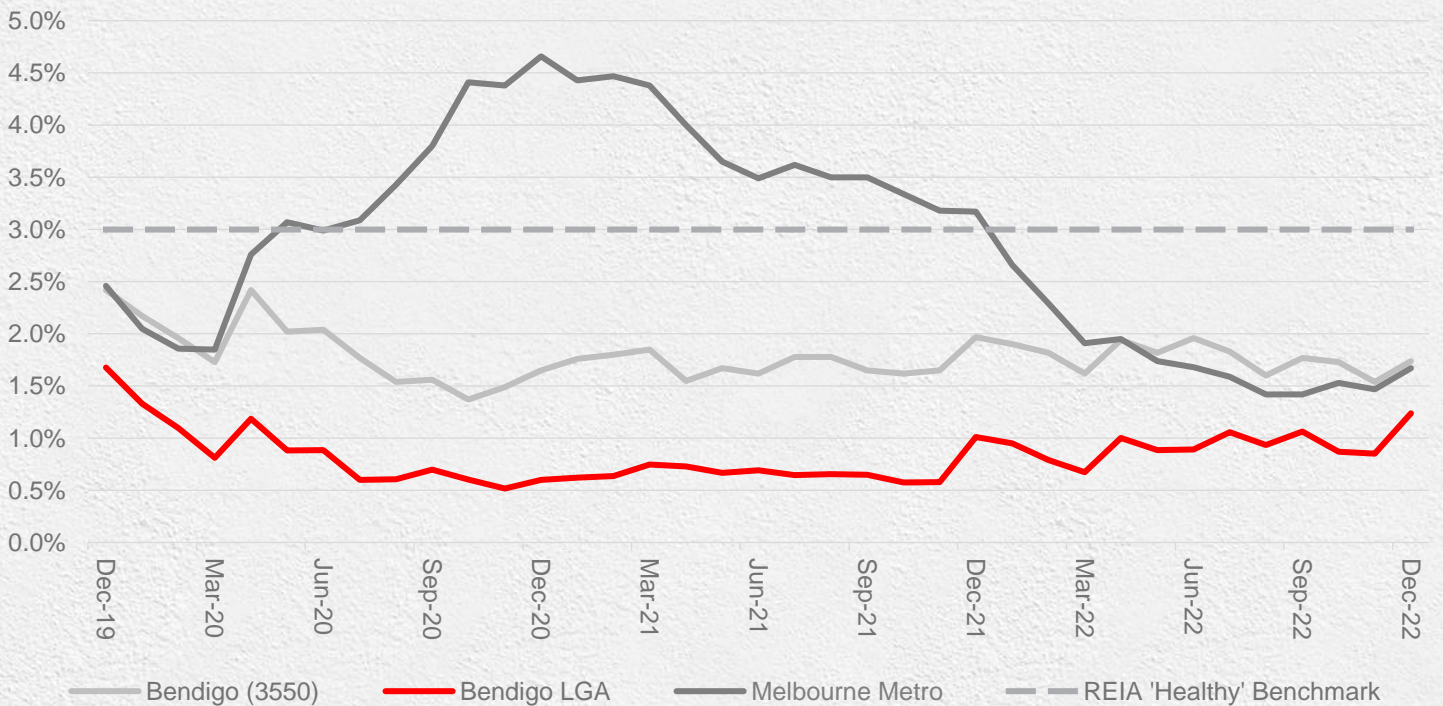
House rental yields in Bendigo* was 3.9% in December 2022, higher than Melbourne Metro (2.7%). This was paired with a 10.0% increase in median house rental price in the 12 months to Q4 2022 and a -0.3% decrease in the number of houses rented. Average days on the market also declined, by -4.5% to 21 days. The same pattern can be seen in the unit rental market, which confirms Bendigo* as an attractive more affordable investment option compared to Melbourne Metro.

3 bedroom houses have provided investors with +7.7% rental growth annually, achieving a median rent of \$420 per week.

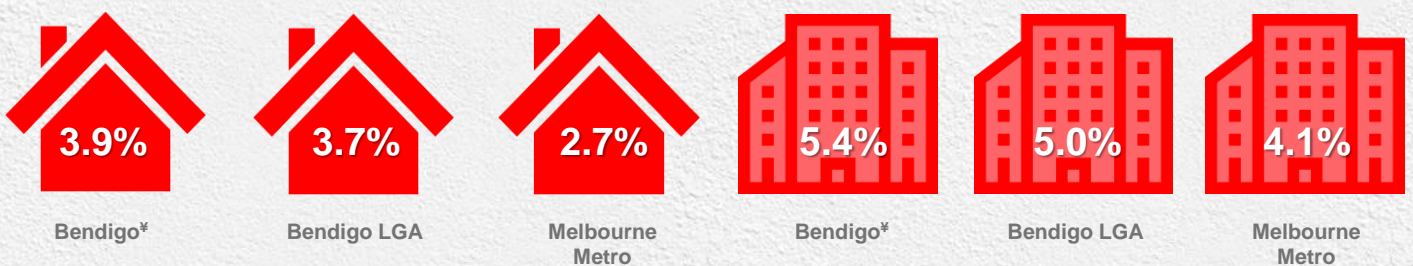
Bendigo* recorded a vacancy rate of 1.7% in December 2022, which is on par with Melbourne Metro's. Vacancy rates in Bendigo* saw a slight spike in the late 2022, potentially due to investors responding to higher interest rates. But it is still below the Real Estate Institute of Australia's healthy benchmark of 3.0% and pre-COVID-19 level, thus high rental demand. This suggests a conducive investment environment, especially with a decrease in median house price in the past year.



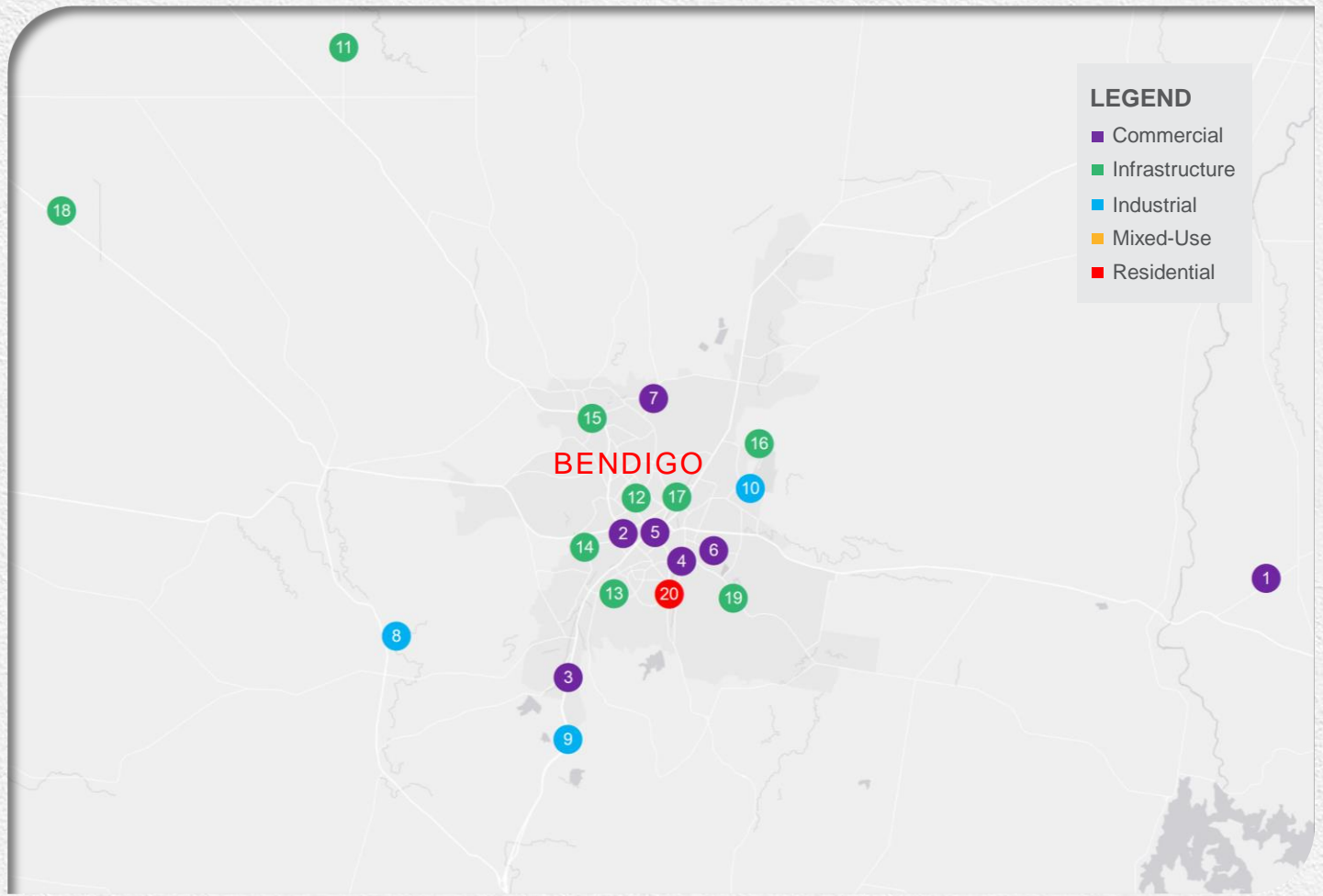
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 1st HALF 2023[▲]



Location	Project [£]	Type	Estimated Value [!]	Commence Date [▼]
1	Axedale Solar Farm	Commercial	\$240,000,000	06/03/2023
2	Mantra Hotel - 306 Hargreaves Street Bendigo	Commercial	\$18,000,000	29/05/2023
3	Beacon Lighting Store & Bulky Goods Development - High Street Kangaroo Flat	Commercial	\$3,000,000	06/02/2023
4	Vhba Early Parenting Centre Buildings Bundle - Bendigo	Commercial	\$10,000,000	09/01/2023
5	Bendigo Hotel Stage 1	Commercial	\$3,500,000	03/04/2023
6	Bendigo Youth Prevention & Recovery Care (Yparc) Upgrade Package A	Commercial	\$4,500,000	06/02/2023
7	Evergreen Village	Commercial	\$4,500,000	01/02/2023
8	Hazeldene Chicken Farm Aviary Expansion (Factory)	Industrial	\$15,000,000	06/02/2023
9	Mckern Steel (Factory)	Industrial	\$4,000,000	27/02/2023
10	Bendigo Airport Business Park (Warehouses – Aviation Distribution Centre)	Industrial	\$4,000,000	07/06/2023
11	South Energy Raywood Solar Farm	Infrastructure	\$300,000,000	04/02/2023
12	Ironbark Gully Trail	Infrastructure	\$2,900,000	23/01/2023
13	Dja Dja Wurrung Corporate & Community Centre Development	Infrastructure	\$6,000,000	06/02/2023
14	Golden Square Fire Station Cfa Redevelopment 61 Specimen Hill Road	Infrastructure	\$2,500,000	13/06/2023
15	Bendigo Community Health Services	Infrastructure	\$7,300,000	05/06/2023
16	Bendigo Airport Terminal & Administration Building	Infrastructure	\$9,985,000	16/01/2023
17	Bendigo Tramways Depot & Workshops Expansion	Infrastructure	\$10,700,000	09/01/2023
18	Derby Solar Farm	Infrastructure	\$100,000,000	06/02/2023
19	Bendigo-redesdale Road (Condon Street) & Kairn Road Intersection Upgrade	Infrastructure	\$5,000,000	13/05/2023
20	3c Spring Gully Road Sda Units (21 Unts)	Residential	\$2,500,000	06/02/2023



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.



Tom Isaacs

Director & OIEC

M +61 417 532 871

E tomi@prdbendigo.com.au



PRD Bendigo

P +61 3 5444 0344

PRD.com.au/bendigo

**158 Lyttleton Terrace,
Bendigo, VIC 3550**

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 2022 (01/01/2022 – 31/12/2022) only.

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/12/2022) and 2022 (01/01/2022 – 31/12/2022) house median rent figures.

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

§ Rental yields shown are as reported as of December 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.

Disclaimer: PRD does not give any warranty in relation to the accuracy of the information contained in this report. If you intend to rely upon the information contained herein, you must take note that the information, figures and projections have been provided by various sources and have not been verified by us. We have no belief one way or the other in relation to the accuracy of such information, figures and projections. PRD will not be liable for any loss or damage resulting from any statement, figure, calculation or any other information that you rely upon that is contained in the material.

Prepared by PRD Research. © All medians and volumes are calculated by PRD Research. Use with written permission only. All other responsibilities disclaimed. © Copyright PRD 2023.

