



# Bundaberg Market Update

## 1<sup>st</sup> Half 2023



### OVERVIEW

In Q1 2023, Bundaberg\* recorded a median house price of \$406,000, and a median unit price of \$300,000. This represents annual (Q1 2022 – Q1 2023) median price growth of 9.7% for houses and of 22.7% for units. Quarterly (Q4 2022 – Q1 2023) however, this represents slower growth of 0.2% (house) and 3.4% (units). This suggests cash rate hikes is starting to translate into the market. Total sales between Q1 2022 – Q1 2023 decreased, by -19.7% (to 200 sales) for houses and by -15.0% (to 34 sales) for units. The market is undersupplied, yet property prices have started to become more affordable.

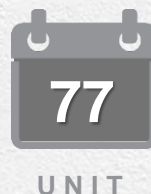
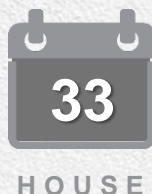
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↓	↑
	Unit Median Price	↑	↑
	Unit Rental Price	↔	↑

### MARKET CONDITIONS

SALES MEDIAN PRICE  
Q1 2023



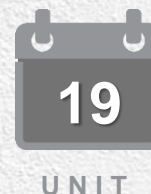
SALES AVERAGE DAYS ON  
MARKET Q1 2023



RENTAL MEDIAN PRICE  
Q1 2023

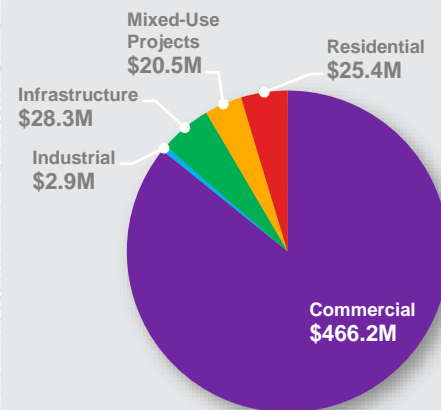


RENTAL AVERAGE DAYS ON  
MARKET Q1 2023



### FUTURE DEVELOPMENTS

Bundaberg<sup>£</sup> is set to see approx. **\$543.3M** worth of new projects commencing in the 1<sup>st</sup> half of 2023.



A focus on commercial projects will stimulate economic growth and create employment opportunities in Bundaberg. This can have a spill-over impact on the real estate market, in the form of higher demand for housing.

A main commercial project over the 1<sup>st</sup> half of 2023 is the Bundaberg Green Hydrogen & Ammonia Hub (\$400.0M). The project will create a green fuel source for domestic and export use. As part of the project, a deep-sea wharf will be created for large scale exports, contributing to the domestic economy.

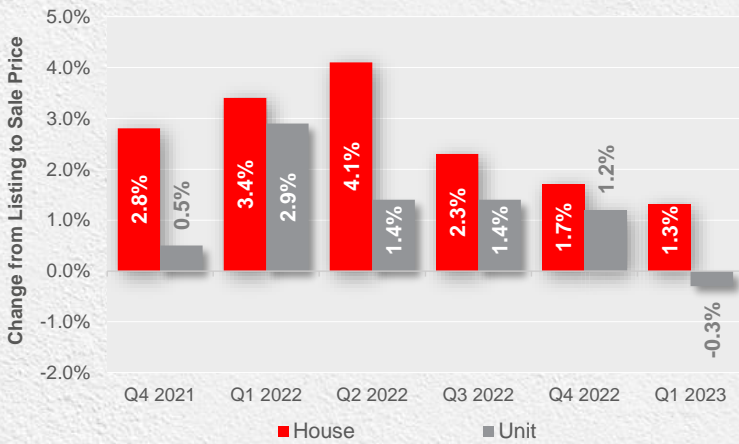
The Bargara Shores Lifestyle resort (\$20.0M) is a mixed-use project that will add 344 units to Bundaberg<sup>£</sup>. This will assist with current demand.

There are no new stand-alone dwellings planned for the 1<sup>st</sup> Half of 2023, which suggests that houses will remain undersupplied. Land lots does allow for buyers to build, but in the current construction challenges this can be costly and/or delayed.



# 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.

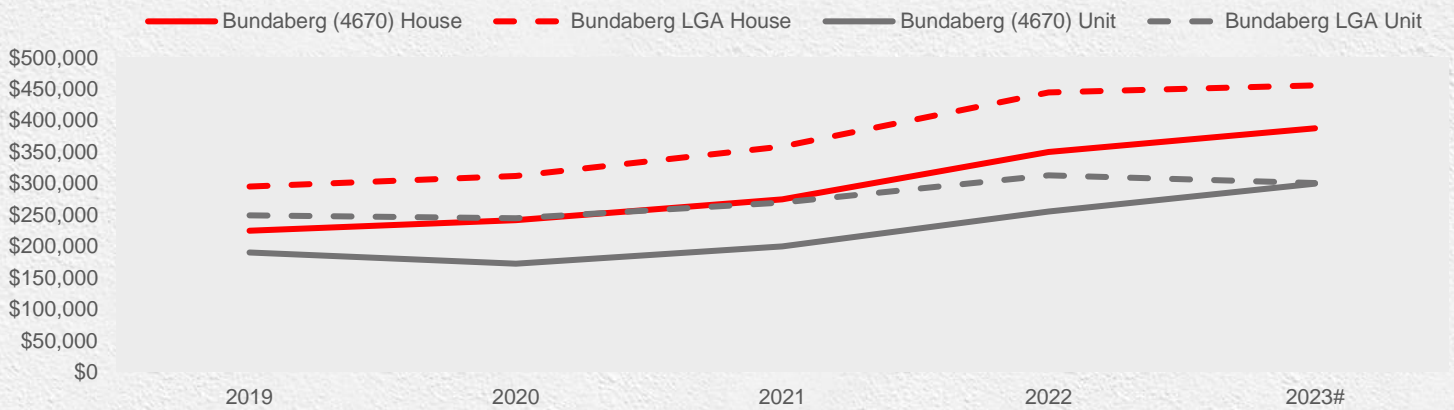


Average vendor discounts between Q1 2021 and Q1 2023 shifted to a lower premium of 1.3% (from 3.4%) for houses and swung to a discount of -0.3% (from 2.9%) for units. Q1 2023 recorded the lowest vendor discounts to date, thus market conditions in Bundaberg\* have now shifted to favour buyers. Vendors are willing to accept below the first listed price, thus now is the time to buy.

The suburb of Bundaberg has historically provided a more affordable market than the wider Bundaberg Local Government Area (LGA) in both house and unit median prices. Early 2023# saw a return to parity for Bundaberg unit prices, trending relative to LGA prices.

The dominant proportion of homes sold in Bundaberg\* across 2022# were priced between \$300,000 - \$399,000 (34.8%). Units also recorded a dominant mid range price point of between \$250,000-\$349,000 (40.8%). Affordable options are available, however high interest rates may affect sustained purchasing decisions.

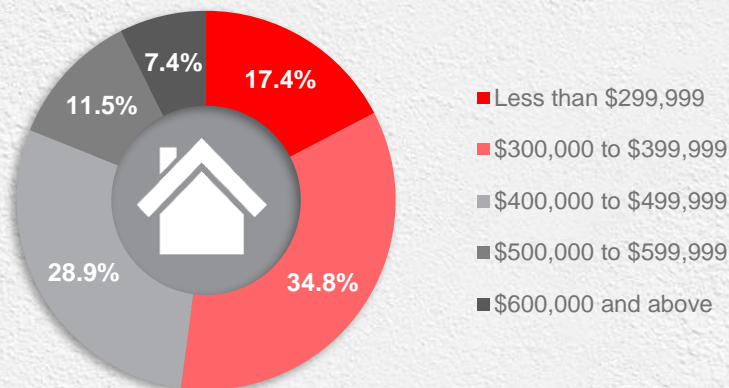
## MARKET COMPARISON



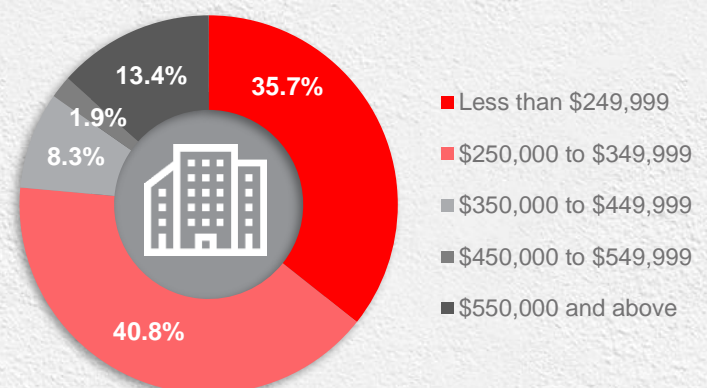
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Bundaberg.

## PRICE BREAKDOWN 2022/23#

### HOUSES SOLD



### UNITS SOLD

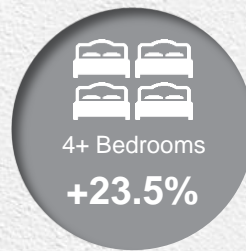


# RENTAL GROWTH 2023€

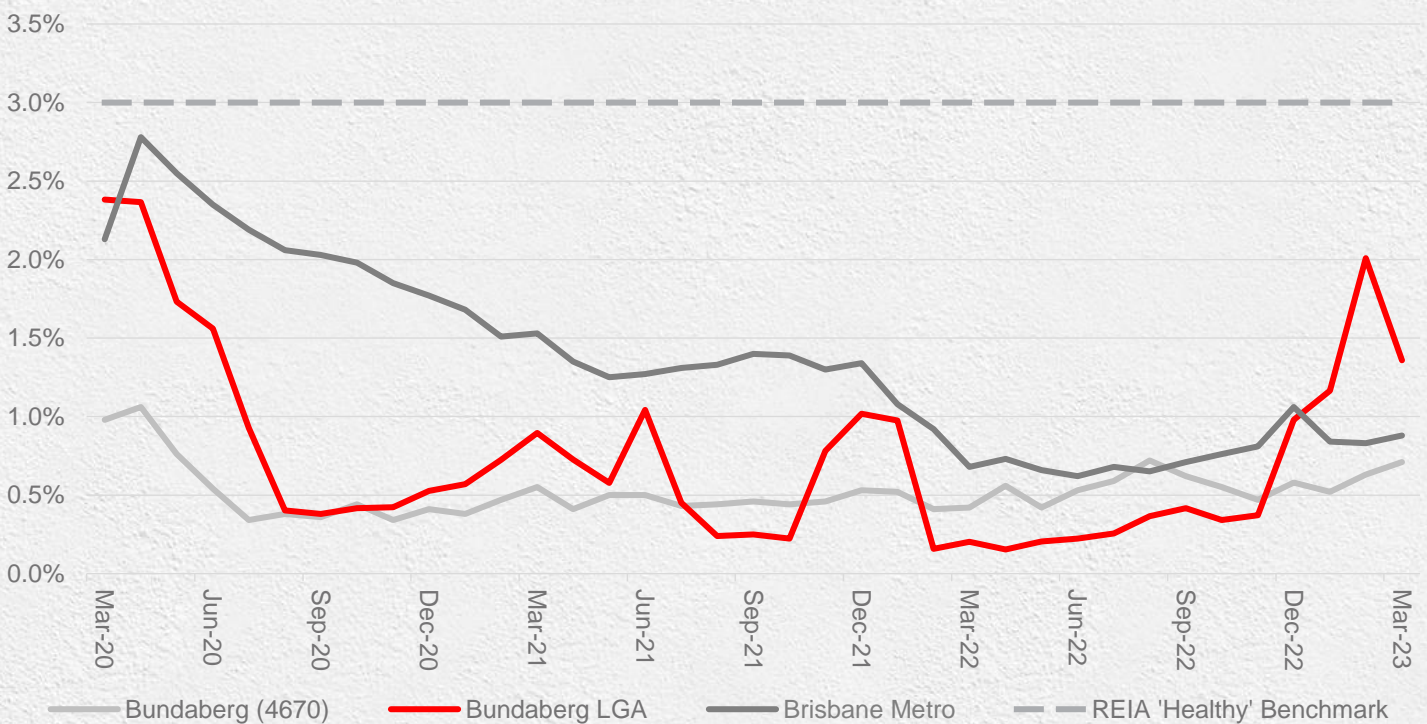
House rental yields in Bundaberg\* 4.7% in March 2023, higher than Brisbane Metro (3.7%). This was paired with a 17.9% increase in median house rent price in the past 12 months to Q1 2023, as well as a considerable 77.1% increase in the number of houses rented (to 147 rentals). This suggests a highly demanded rental market, in good news for investors.

4+ bedroom houses have provided investors with +23.5% rental growth annually, achieving a median rent of \$500 per week.

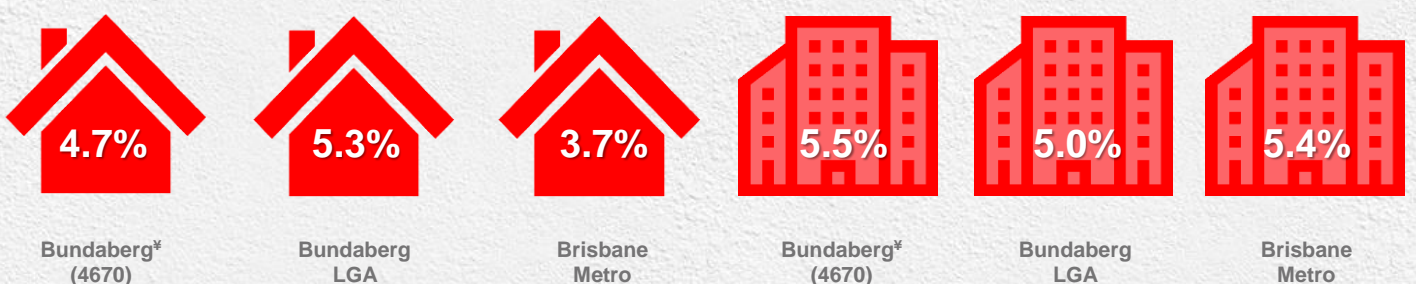
Bundaberg\* recorded a vacancy rate was 0.7% in March 2023, slightly below Brisbane Metro's 0.9% average. Vacancy rates in Bundaberg\* have held relatively steady over the past 12 months, with a slight uptick in early 2023 due to investors capitalising on a tight rental market. However the vacancy rate spike in Bundaberg\* is less than Bundaberg LGA, which suggests quicker occupancy of rental properties. These key indicators create a conducive and sustainable environment for investors, especially with property prices starting to see a slower growth in the past quarter (Q4 2022 – Q1 2023).



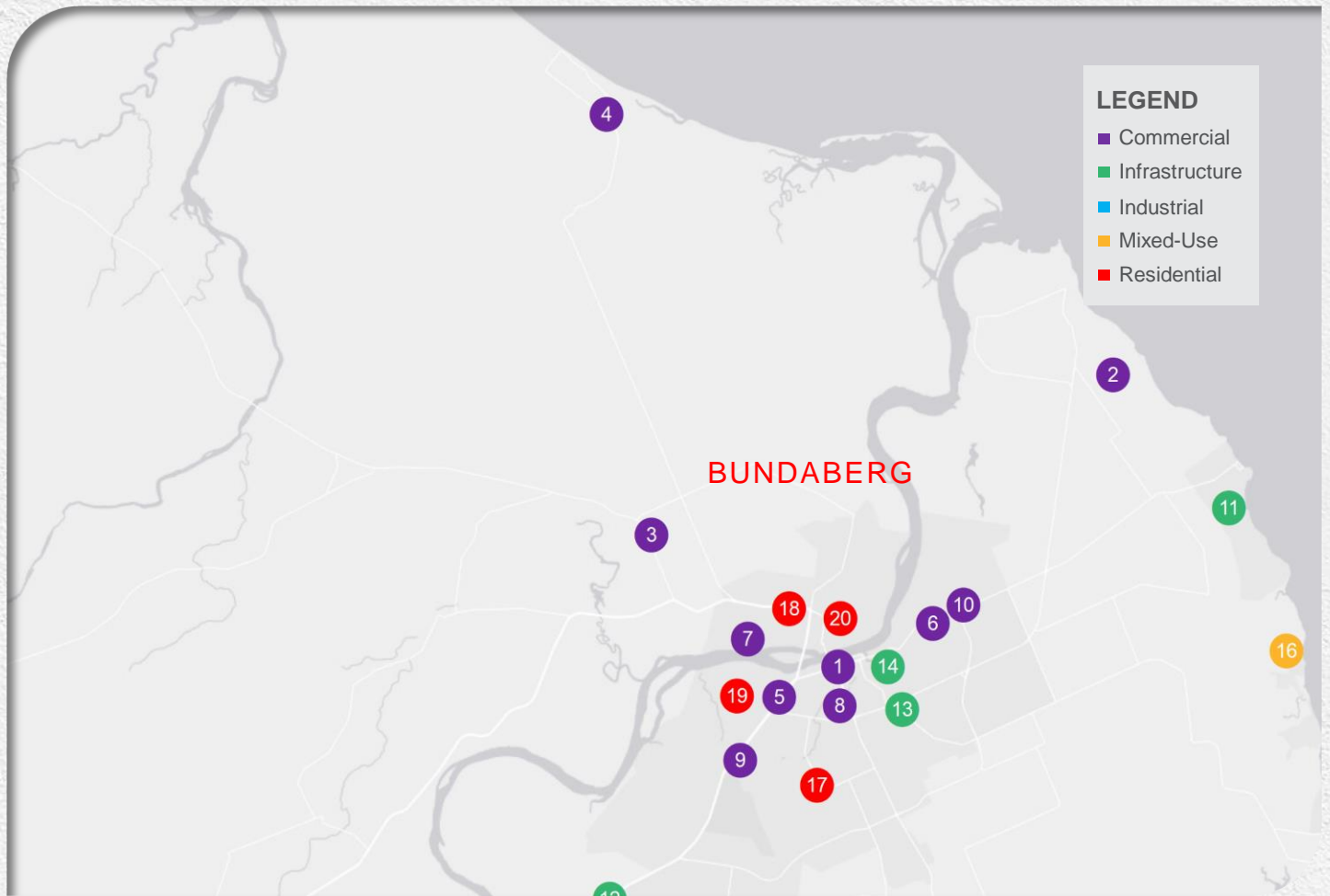
# RENTAL VACANCY RATES 2023



# RENTAL YIELD 2023\$



# TOP DEVELOPMENTS MAP 1<sup>st</sup> HALF 2023<sup>A</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Commence Date <sup>ψ</sup>
1	Bundaberg Green Hydrogen & Ammonia Hub	Commercial	\$400,000,000	29/03/2023
2	85 Moores Road Community Development	Commercial	\$2,900,000	15/05/2023
3	Marquis Macadamias Bundaberg	Commercial	\$19,000,000	01/04/2023
4	Moore Park Beach Tourist Park	Commercial	\$8,000,000	10/05/2023
5	Oporto Fast Food Restaurant Bundaberg West	Commercial	\$3,000,000	05/06/2023
6	Bargara Road Shopping Complex	Commercial	\$7,000,000	09/01/2023
7	Fairways Racf	Commercial	\$7,000,000	05/04/2023
8	Bourbong & Woongarra Streets Community & Commercial Development	Commercial	\$3,000,000	07/03/2023
9	22 Faircloth Crescent Shopping Centre	Commercial	\$3,400,000	24/03/2023
10	Red Rooster Bundaberg East	Commercial	\$3,500,000	23/01/2023
11	Lady Musgrave Island Pontoon & Tourist Accommodation	Infrastructure	\$3,000,000	24/01/2023
12	Bundaberg, Fraser Coast And North Burnett Regional Council Areas Roadworks	Infrastructure	\$4,797,000	01/05/2023
13	Washpool Creek	Infrastructure	\$3,847,000	27/05/2023
14	Bundaberg Regional Council Area Roadworks Asphalt Resurfacing 2022/2023	Infrastructure	\$5,335,000	08/05/2023
15	Bundaberg & Lower Mary Electrical Switchboard Works	Infrastructure	\$2,500,000	30/06/2023
16	Bargara Shores Lifestyle Resort (344 Units)	Mixed-use	\$20,000,000	18/04/2023
17	Edenbrook Estate (60 Lots)	Residential	\$2,700,000	22/04/2023
18	Young Street Residential Subdivision (120 Lots)	Residential	\$5,500,000	08/05/2023
19	323 & 323a Bourbong Street Relocatable Home Park Colebrook Developments (40 Relocatable Homes, 1 Unit)	Residential	\$8,000,000	24/05/2023
20	Marina Quays (12 Units)	Residential	\$3,600,000	18/05/2023



## 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.



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# 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.

# 2023 encapsulates sales transactions for Quarter 1 (01/01/2023 – 31/3/2023) only.

€ Annual rental growth is a comparison between 2022 (01/01/2022 – 31/12/2022) and 2023 (01/01/2023 – 31/3/2023) median rent figures.

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

§ Rental yields shown are as reported as of March 2023.

⌘ 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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