



Bendigo Market Update

2nd Half 2023



OVERVIEW

In Q2 2023, Bendigo* recorded a median house price of \$595,000, and a median unit price of \$420,000. This represents price stability in the past 12 months to Q2 2023 for houses and a -4.8% softening for units. That said, on a quarterly basis (Q1-Q2 2023) median house price grew by 8.2%. Cash rate hikes did impact the house market, but consumer confidence have returned. 263 houses were sold in Q2 2023, which is a -15.2% decline in the past 12 months. This indicates an undersupply and further explains the price growth. Units have become more affordable, thus an opportunity for first home buyers.

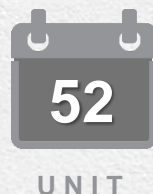
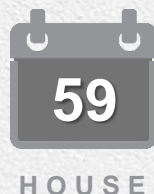
	CHANGE FROM LAST	YEAR	HALF YEAR
			
House Sales		↓	↓
House Median Price	↔	↔	↑
House Rental Price		↑	↑
			
Unit Sales		↓	↓
Unit Median Price		↓	↓
Unit Rental Price		↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2023



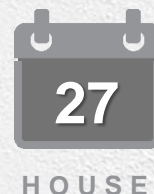
SALES AVERAGE DAYS ON MARKET Q2 2023



RENTAL MEDIAN PRICE Q2 2023

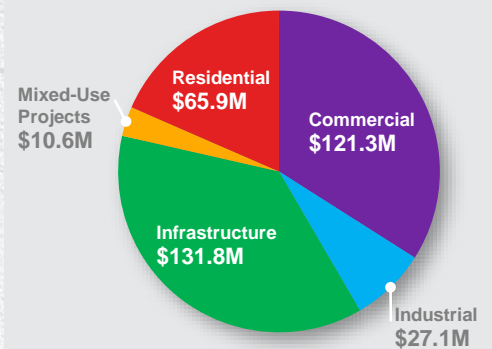


RENTAL AVERAGE DAYS ON MARKET Q2 2023



FUTURE DEVELOPMENTS

Bendigo* is set to see approximately **\$356.6M** worth of new projects commencing in the 2nd half of 2023.



Commercial and infrastructure projects will stimulate economic growth and create local jobs in Bendigo. This will have a spill-over effect on the real estate market, in the form of higher demand for housing stock.

A main commercial project over the 2nd half of 2023 is Bendigo Hotel Stage 2 (\$85.0M). This will add 3 multi level buildings, including a 6 storey commercial building.

The Derby Solar Farm (\$100.0M) is a significant infrastructure project that will create jobs and potentially attract more people to Bendigo.

The St Andrews Bendigo Social Housing project (\$25.0M) will add 73 units for those in need. Other residential projects include:

- Viewpoint Huntly Estate (338 lots)
- Fortuna Village Precinct (24 dwellings)
- 119 Queen Street (17 units)



103 Units/
Apartments



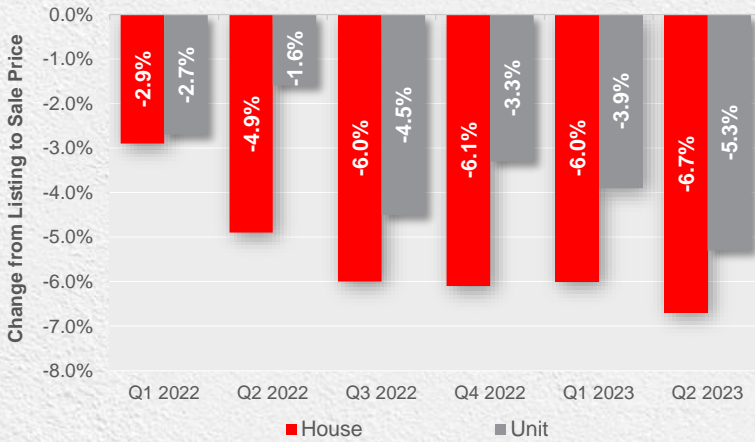
Dwellings



481 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.

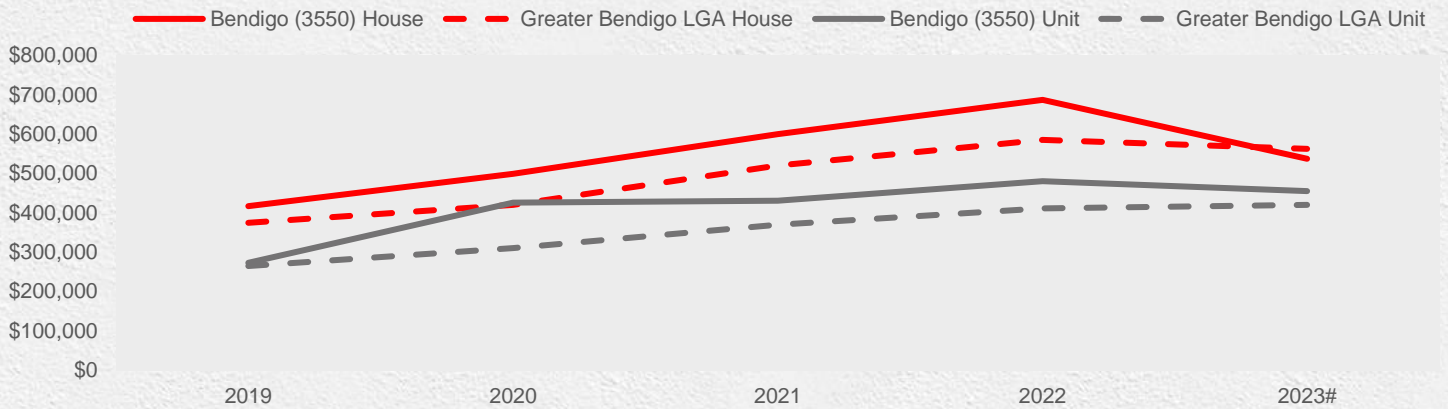


Average vendor discounts between Q2 2022 and Q2 2023 have widened to higher discounts for both property types, of -6.7% (houses) and -5.3% (units). Market conditions in Bendigo* have further shifted to favour buyers, as vendors are willing to accept below the initial listing price. Now is an opportune time for buyers.

The suburb of Bendigo has historically outperformed the wider Bendigo Local Government Area (LGA) in property prices. Early 2023# saw a return to parity for house prices in the suburb of Bendigo, now trending relative to LGA prices.

The dominant proportion of homes sold in Bendigo* across 2023# were in the most affordable price bracket of less than \$549,000 (43.6%). Units on the other hand recorded a dominant mid-range price point of between \$400,000-\$499,000 (42.5%). Affordable options are available, more so in the house market. That said the premium house market continues to grow, with 16.8% of homes sold at \$750,000 and above.

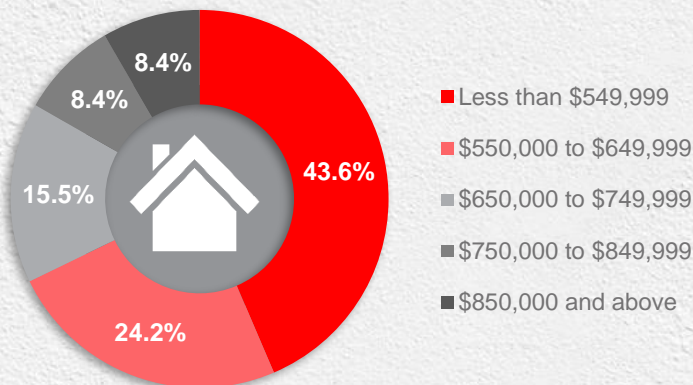
MARKET COMPARISON



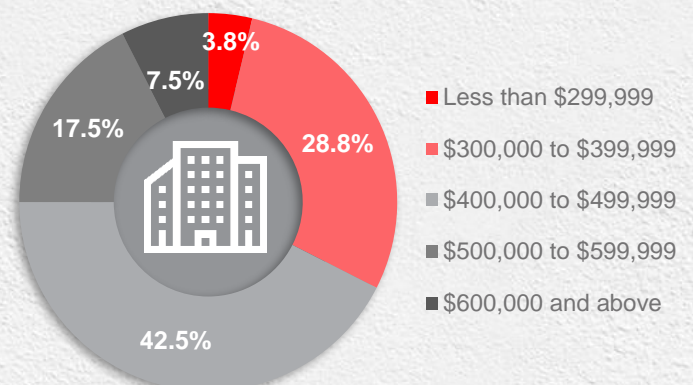
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Bendigo.

PRICE BREAKDOWN 2023#

HOUSES SOLD



UNITS SOLD

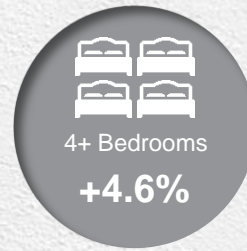
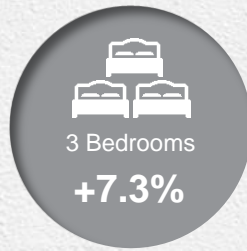
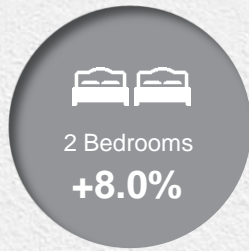


RENTAL GROWTH 2023€

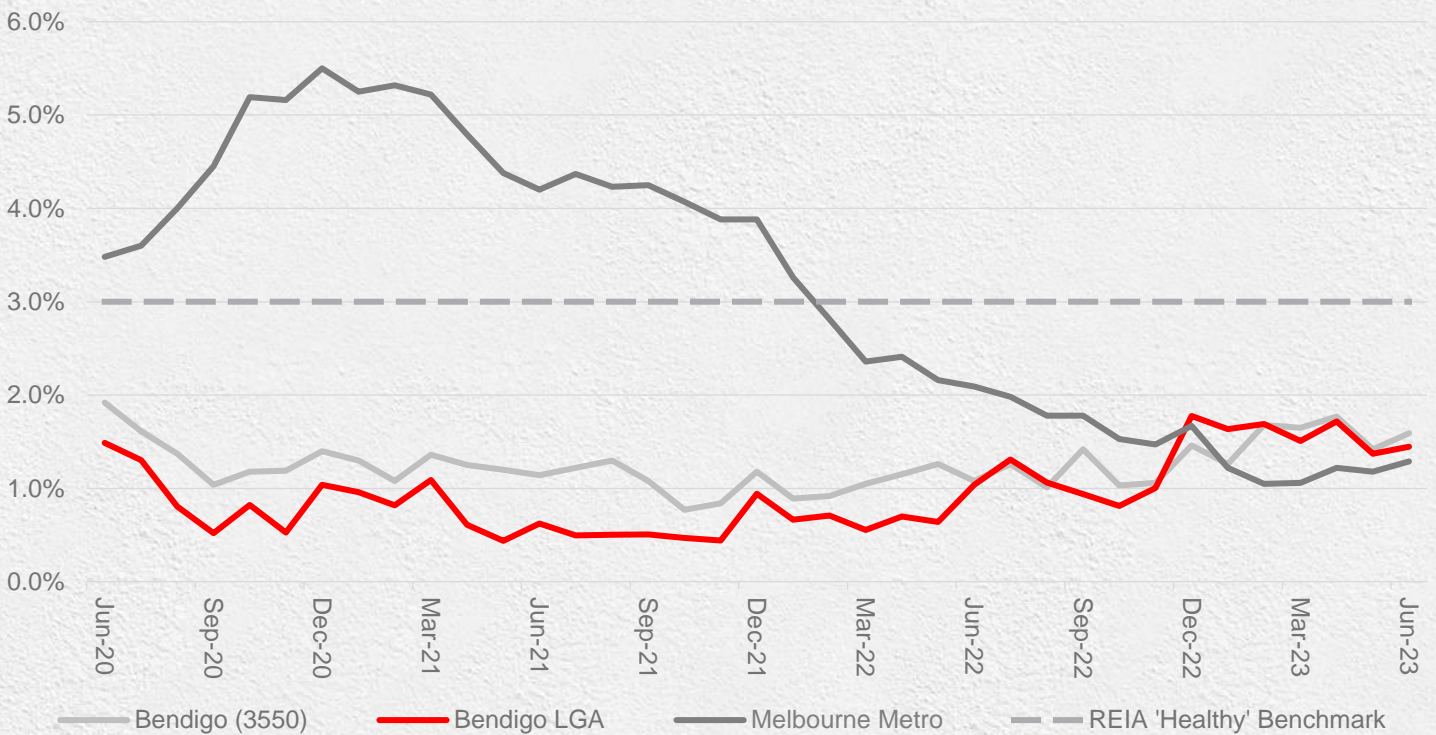
House rental yields in Bendigo[‡] was 3.6% in June 2023, higher than Melbourne Metro (2.9%). This was paired with a 7.1% increase in median house rental price in the 12 months to Q2 2023, to \$450 per week, alongside a 7.7% increase in the number of houses rented (350 rentals). The unit rental market is undersupplied, as median unit rental price grew by 9.1% in the past 12 months (to \$360 per week) yet the number of units rented declined by -1.1%.

2 bedroom houses have provided investors with +8.0% rental growth annually, achieving a median rent of \$378 per week.

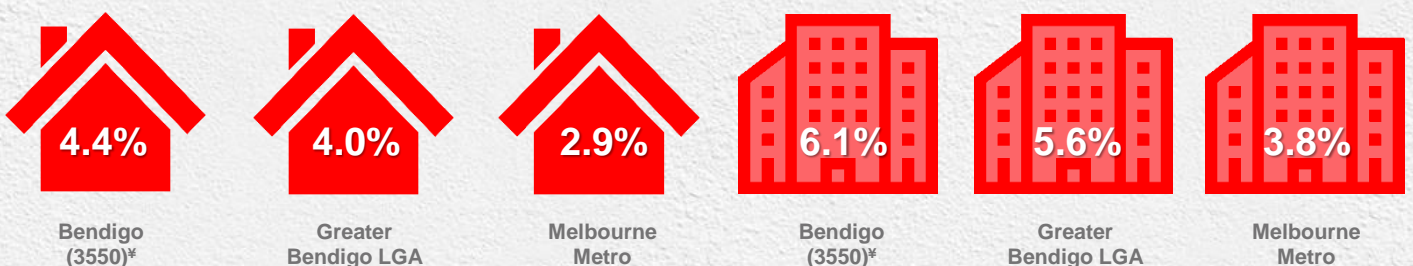
Bendigo[‡] recorded a vacancy rate of 1.6% in June 2023, slightly above Melbourne Metro's 1.3% average. Vacancy rates in Bendigo[‡] have slightly increased in the past 12 months, due to investors re-entering the market. However the vacancy rate is still below the Real Estate Institute of Australia's healthy benchmark of 3.0%. This suggests a conducive investment environment, especially as Bendigo[‡] offers a more affordable property price compared to Melbourne Metro.



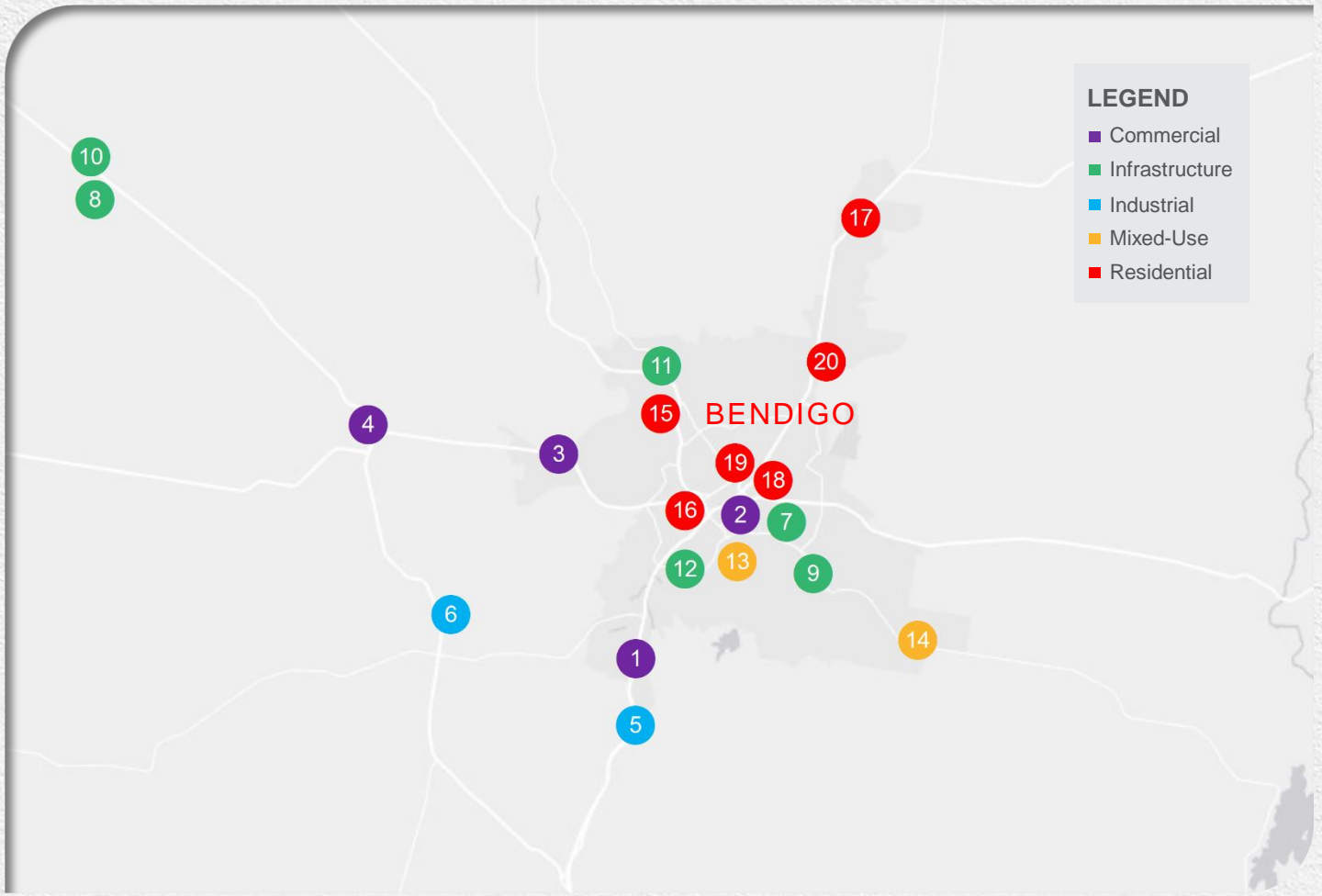
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 2nd HALF 2023[†]



Location	Project [‡]	Type	Estimated Value ^{††}	Commence Date ^{††}
1	Beacon Lighting Store & Bulky Goods Development - 285-289 High Street Bendigo	Commercial	\$3,000,000	01/12/2023
2	Bendigo Hotel Stage 2	Commercial	\$85,000,000	05/10/2023
3	Maiden Gully Village	Commercial	\$14,000,000	23/10/2023
4	Calder Highway Retirement Village	Commercial	\$5,000,000	05/10/2023
5	Mckern Steel Big Hill Factory & Office	Industrial	\$4,000,000	27/12/2023
6	Hazeldene Chicken Farm Aviary Processing Facility Extension	Industrial	\$15,000,000	07/12/2023
7	Bendigo Youth Prevention & Recovery Care (Yparc) Refurbishment Package A	Infrastructure	\$4,500,000	12/12/2023
8	Calder Highway Sec 3 Overtaking Lane	Infrastructure	\$5,000,000	25/12/2023
9	Bendigo-redesdale Road (Condon Street) & Kairn Road Intersection Upgrade	Infrastructure	\$5,000,000	13/10/2023
10	Derby Solar Farm	Infrastructure	\$100,000,000	06/12/2023
11	Bendigo Community Health Services	Infrastructure	\$7,300,000	05/12/2023
12	Dja Dja Wurrung Corporate & Community Centre Development	Infrastructure	\$6,000,000	15/12/2023
13	119 Queen Street & King Street Mixed Use Development (17 Units)	Mixed-use	\$5,000,000	20/11/2023
14	19-23 Apsley Street Apartments & Retail (5 Units)	Mixed-use	\$4,500,000	18/10/2023
15	27-29 Brown Street Dwellings (24 Dwellings)	Residential	\$6,000,000	19/12/2023
16	Fortuna Village Precinct 2 Golden Square Dwellings (24 Dwellings)	Residential	\$6,000,000	22/12/2023
17	Viewpoint Huntly Estate Precinct F&G(338 Lots)	Residential	\$12,000,000	10/12/2023
18	St Andrews Bendigo Social Housing Project (73 Units)	Residential	\$25,000,000	04/09/2023
19	48-50 Williamson & Queen Streets Dwellings (15 Dwellings)	Residential	\$3,000,000	08/12/2023
20	7 Station Street Residential Village (N/A)	Residential	\$3,000,000	07/11/2023



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

*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.

2023 encapsulates sales transactions for 1st half of 2023 (01/01/2023 – 30/6/2023) only.

€ Annual rental growth is a comparison between Q2 2022 (01/04/2022 – 30/06/2022) and Q2 2023 (01/04/2023 – 30/06/2023) house median rent figures.

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

§ Rental yields shown are as reported as of June 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 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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