

Bendigo Market Update 1st Half 2024



OVERVIEW

In Q4 2023, Bendigo* recorded a median house price of \$570,000, and a median unit price of \$430,000. This represents annual (Q4 2022 – Q4 2023) softening of -0.4% for houses but an increase of 2.0% for units. That said on a quarterly basis (Q3 2023 – Q4 2023), median price grew by 1.0% for houses and 1.2% for units. During this time, sales declined for houses, by -9.6% (to 263 sales), but increased for units, by 2.0% (to 50 sales). There is an undersupply of houses, which prompted buyers to pivot towards units – thus more competition in the unit market that resulted in higher prices. Now is an ideal time for owners to transact.

CHANGE FROM LAST YEAR HALF YEAR



	YEAR	HALF YEAR
HOUSE SALES	↓	↑
HOUSE MEDIAN PRICE	↓	↓
HOUSE RENTAL PRICE	↑	↑



	YEAR	HALF YEAR
UNIT SALES	↑	↑
UNIT MEDIAN PRICE	↑	↑
UNIT RENTAL PRICE	↑	↑



MARKET CONDITIONS

MEDIAN PRICE
Q4 2023



\$430K

SALES

AVERAGE DAYS
ON MARKET Q4 2023



HOUSE



UNIT

MEDIAN PRICE
Q4 2023



\$400

RENTALS

AVERAGE DAYS
ON MARKET Q4 2023



HOUSE

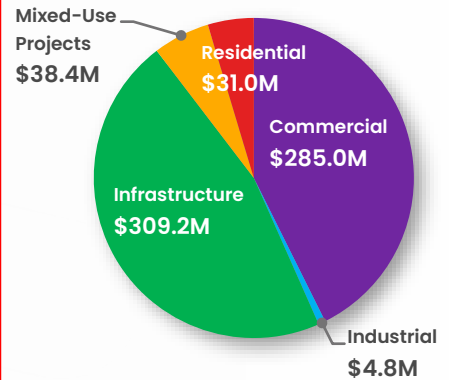


UNIT



FUTURE DEVELOPMENTS

Bendigo is set to see approximately **\$668.2M worth of new projects commencing in the 1st half of 2024.**



A strong focus on infrastructure and commercial projects will improve liveability for residents and create local jobs during the construction phase. This can have an impact on the real estate market, in the form of more people choosing to live in Bendigo*; which can lead to higher demand for housing.

A remarkable infrastructure project in the 1st half of 2024 is South Energy Raywood Solar Farm (Victorian State Government), which is expected to generate enough clean power for approximately 71,500 households.

Key residential projects include:

- 9, 31 & Walmer Street, McCleans Road & Mannes Lane (6 Dwellings & 257 Lots)
- 48-50 Williamson & Queen Streets Dwellings (15 Dwellings)



81 Units/
Apartments



Dwellings



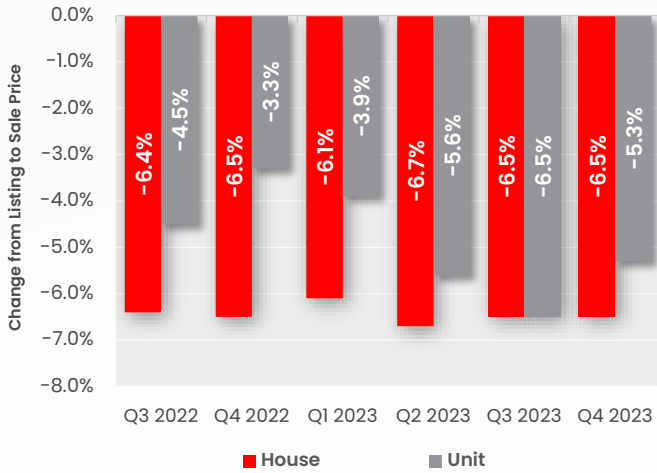
742 Lots



AVERAGE VENDOR DISCOUNT*

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 2022 and Q4 2023 have remained stable at -6.5% for houses, however, have widened to -5.3% for units. Market conditions in Bendigo* have further shifted to favour buyers, with sellers willing to accept below the initial listing price. A steady average vendor discount environment creates a stable platform for first home buyers to enter the market.

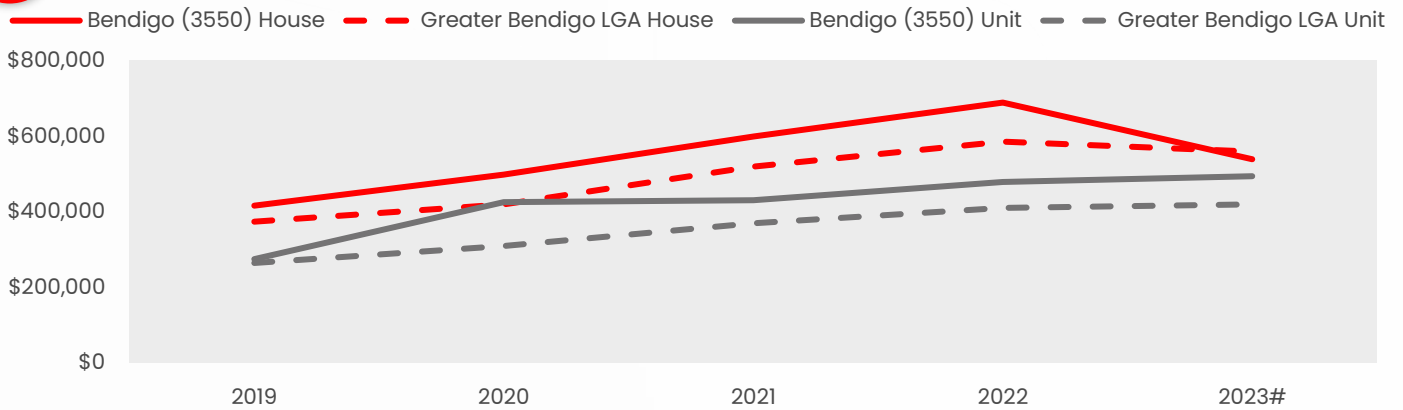


The suburb of Bendigo has historically outperformed the wider Bendigo Local Government Area (LGA) in both house and unit prices. Early 2023# saw a return to parity for house prices in the suburb of Bendigo, now on par with LGA prices.

The dominant proportion of homes sold in Bendigo* across 2023# were in the most affordable price bracket of less than \$529,000 (44.1%). Meanwhile units recorded a dominant mid-range price point of between \$300,000 – \$399,999 (30.4%). Affordable options are available, in good news for first home buyers. That said the premium markets remain strong, with 16.0% sold at \$750,000 and above (houses) and 25.9% sold at \$500,000 and above (units). Thus, owners and investors can have confidence in their properties.



MARKET COMPARISON



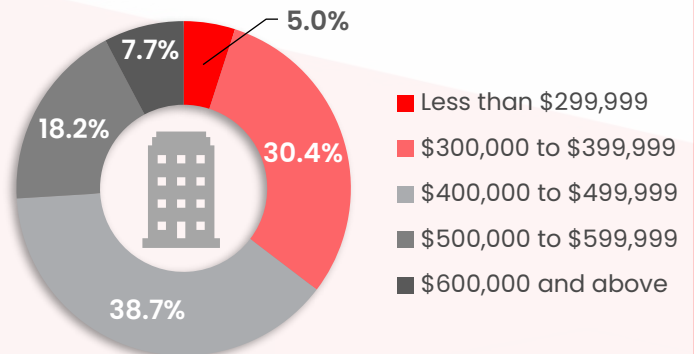
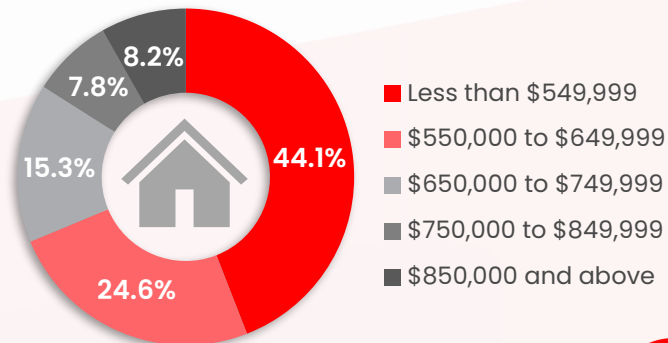
The market comparison graph provides a comparative trend for the median price of houses and unit over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Bendigo.



PRICE BREAKDOWN 2023#

HOUSES SOLD

UNITS SOLD





RENTAL GROWTH 2023

House rental yields in Bendigo* was 3.7% as of December 2023, higher than Melbourne Metro's 3.0%. This was paired with a 3.5% increase in median house rental price in the past 12 month to Q4 2023, to \$440 per week, and a 2.3% growth in the number of houses rented (to 243 rentals). The same pattern can be seen in the unit rental market, which confirms Bendigo* as an attractive and more affordable investment option compared to Melbourne Metro.

2 and 3+ bedroom houses have provided investors with +8.6% and +7.3% rental growth annually, achieving a median rent of \$380 and \$440 per week respectively.

Bendigo* recorded a vacancy rate of 1.2% in December 2023, below that of Bendigo LGA (1.8%) and Melbourne Metro (1.5%). Vacancy rates in Bendigo* slightly declined in the past 12 months, which suggests an even tighter market and quicker occupancy of rental properties. Further, a 1.2% vacancy rate is lower than the Real Estate Institute of Australia's healthy benchmark of 3.0%. This creates a conducive environment for investors, especially with a slightly more affordable house property price in the past 12 months to Q4 2023.

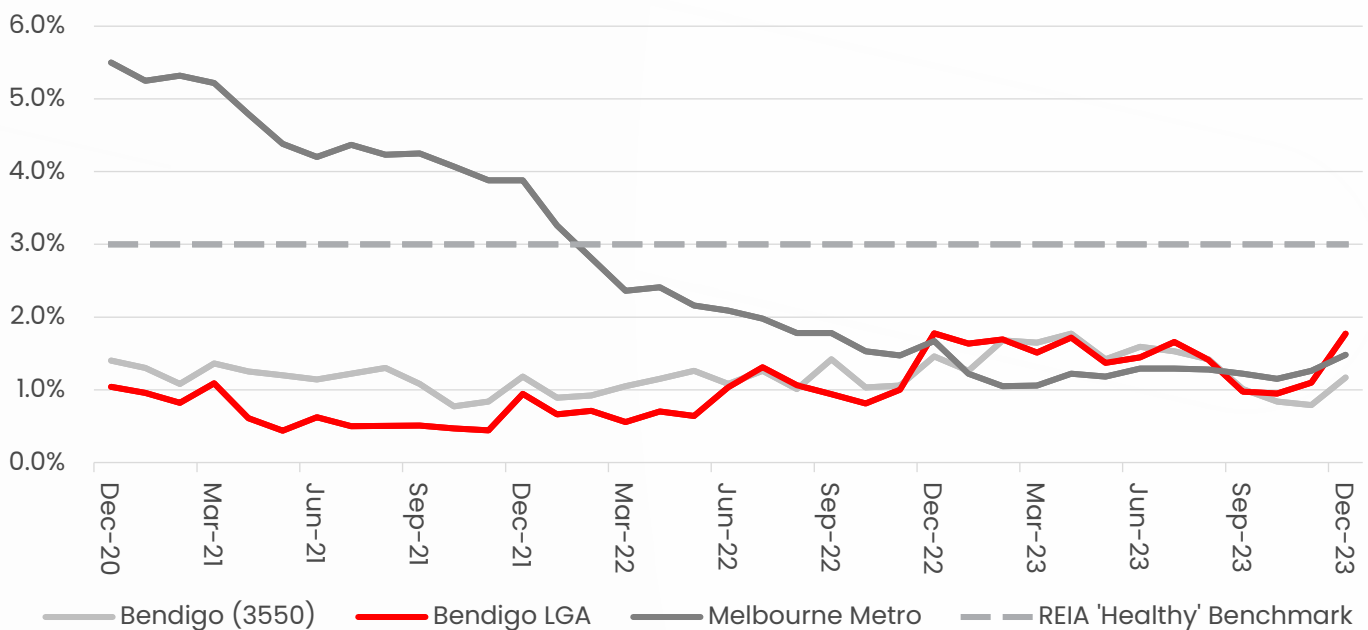
 2 BEDROOMS
+8.6%

 3 BEDROOMS
+7.3%

 4 BEDROOMS
+5.2%



RENTAL VACANCY RATES 2023



RENTAL YIELD 2023§



3.7%

Bendigo*



3.7%

Bendigo LGA



3.0%

Melbourne Metro



4.2%

Bendigo*



4.6%

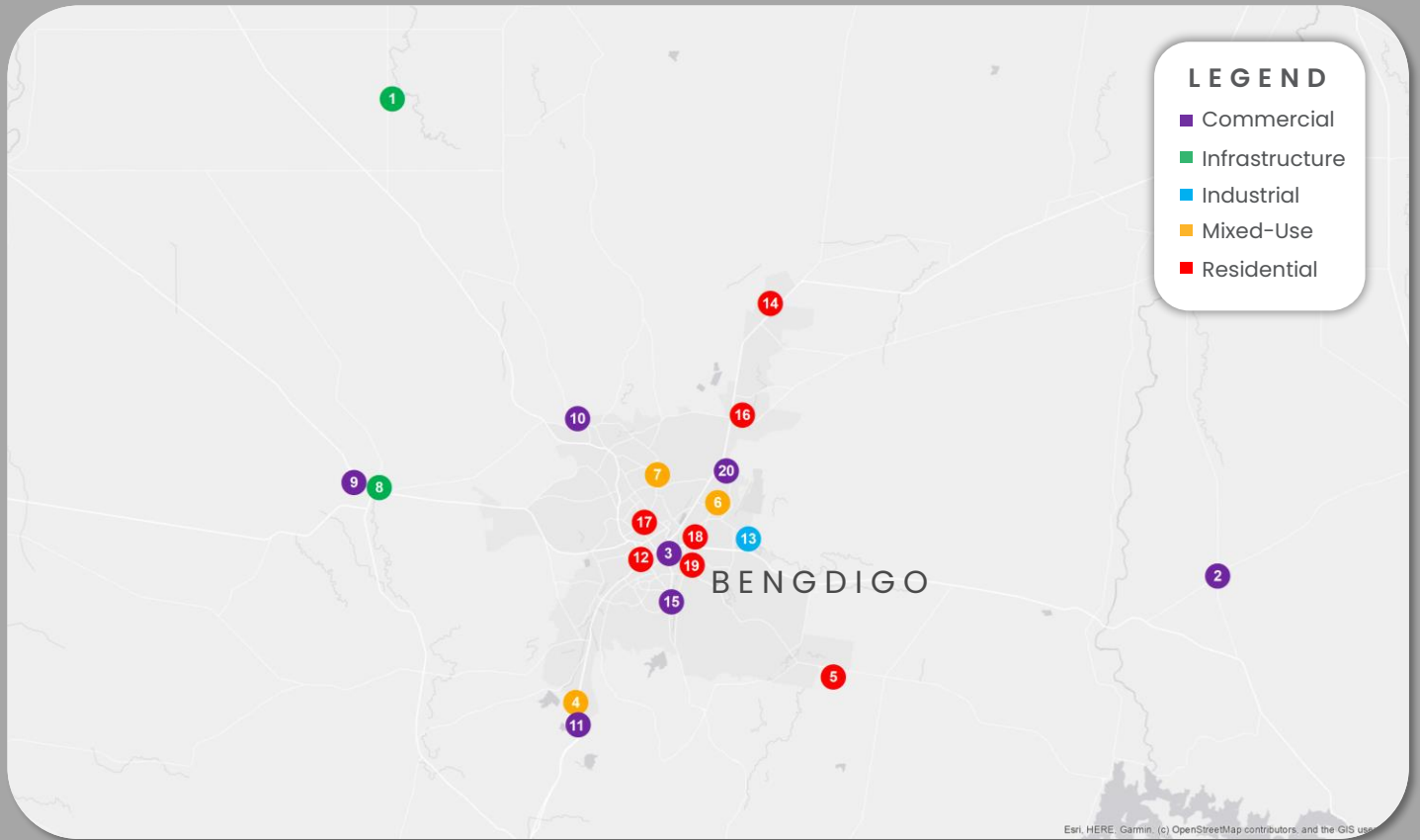
Bendigo LGA



4.5%

Melbourne Metro

PROJECT DEVELOPMENT MAP 1st HALF 2024^A



#	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	South Energy Raywood Solar Farm (Victorian State Government)	Infrastructure	\$300,000,000	12/06/2024
2	Axedale Solar Farm	Commercial	\$240,000,000	17/06/2024
3	St Andrews Bendigo Social Housing Project Units	Commercial	\$25,000,000	04/06/2024
4	31 Furness & Granter Streets Residential Village & Clubhouse Stage 9 (Residential & Commercial)	Mixed-use	\$13,850,000	12/02/2024
5	9, 31 & Walmer Street, Mccleans Road & Mannes Lane Residential Subdivision & Dwellings (6 Dwellings & 257 Lots)	Residential	\$13,100,000	22/06/2024
6	Christians Bus Company Depot East Bendigo (Office & Industrial)	Mixed-use	\$12,500,000	03/06/2024
7	BDAC Mixed Use Health Facility North Bendigo Medical Centre Stage 3 (Office & Commercial)	Mixed-use	\$12,000,000	04/03/2024
8	Marong Kindergarten And Community Hub (Local Government)	Infrastructure	\$5,500,000	22/04/2024
9	Calder Highway Retirement Village	Commercial	\$5,000,000	05/04/2024
10	Eaglehawk North Primary School Early Learning Centre Bundle	Commercial	\$5,000,000	04/03/2024
11	Aviva Residential Village Kangaroo Flat Aged Care Units Stage 8	Commercial	\$4,420,000	27/06/2024
12	48-50 Williamson & Queen Streets Dwellings (15 Dwellings)	Residential	\$3,000,000	08/04/2024
13	Reece Plumbing Centre Junortoun Warehouse	Industrial	\$3,000,000	05/04/2024
14	Harlowe Bendigo Estate Subdivision (401 Lots)	Residential	\$3,000,000	06/06/2024
15	3C Spring Gully Road Quarry Hill Specialist Disability Units	Commercial	\$2,500,000	11/02/2024
16	96 Myrtle Road Residential Subdivision (6 Dwellings & 7 Lots)	Residential	\$2,000,000	13/06/2024
17	20-24 Mccoll Street Dwellings (7 Dwellings)	Residential	\$1,750,000	21/06/2024
18	39-51 Lansell Street Dwellings Stage 3 (7 Dwellings)	Residential	\$1,750,000	17/05/2024
19	4-6A Skene & Havlin Streets East Dwellings (8 Dwellings)	Residential	\$1,500,000	21/06/2024
20	Bendigo Jockey Club	Commercial	\$1,500,000	04/06/2024

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RESEARCH SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products, and 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

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REFERENCES

* Bendigo sales market data and key indicators encapsulates 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 all of 2023 (01/01/2023 – 31/12/2023).

€ Annual rental growth is a comparison between Q4 2022 (01/10/2022 – 31/12/2022) and Q4 2023 (01/10/2023 – 31/12/2023) 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 December 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 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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