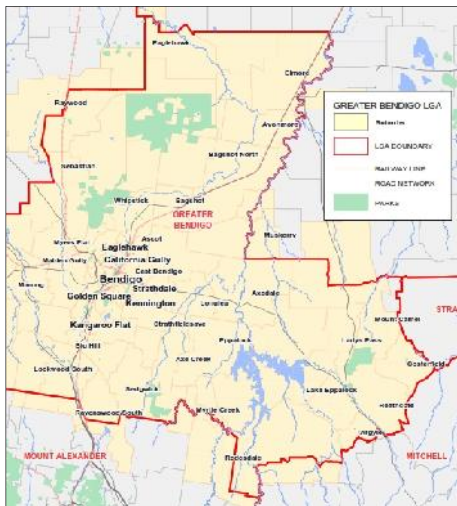


BENDIGO AREA

Property Watch®



GREATER BENDIGO LGA REGIONAL MAP



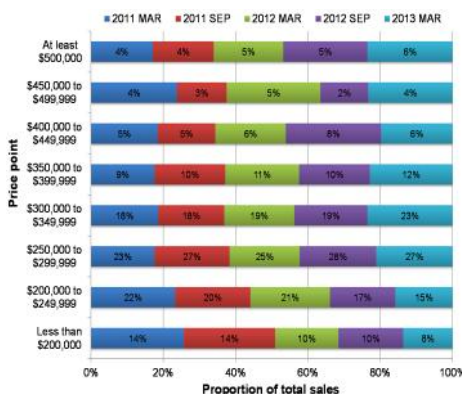
BENDIGO AREA MARKET OVERVIEW

The following Property Watch report is the result of an investigation into the historic and current market trends of the Bendigo Local Government Area (LGA) highlighting the area's characteristics and trends to provide an understanding of the current market as well as aid in forecasting future house, unit and vacant land markets for the Bendigo Area.

The Bendigo Area house markets transaction activity has been gradually declining over the past five years, down 4.2 per cent per annum since the economic uncertainty which unfolded since March 2008. Despite the uncertainty in transaction numbers spurred by the Global Financial Crisis (GFC), the median price has continued its rise reporting a 5.5 per cent per annum positive shift over the past five years closing Q1 2013 with median price of \$298,000.

The aforementioned increase in median since the period ending Q1 2011 is likely due to the eight per cent positive shift in sales within the \$300,000 to \$399,999 price point accounting for 35 per cent of transaction and four per cent increase in transactions greater than \$400,000. Paired with the 13 per cent decrease in sales under \$250,000, the Bendigo Area market is seeing a price shift as the appetite for inner city living becomes more desirable.

HOUSE PRICE POINTS



Prepared by PRDnationwide Research. Source: PDS

Suburbs within a ten kilometre range of the city centre have provided 87 per cent of sales in the annual period ending Q1 2013 most noticeably the suburbs of Eaglehawk, California Gully, Strathdale, Kennington, Golden Square and Kangaroo Flat. When analysed at a closer level, in the past twelve month period to March 2013, the bulk of transactions in the Bendigo Area housing market occurred in Kangaroo Flat with 182 sales which equates to 12% of total sales for the period. This was followed by Golden Square (11%) and Bendigo (8%).

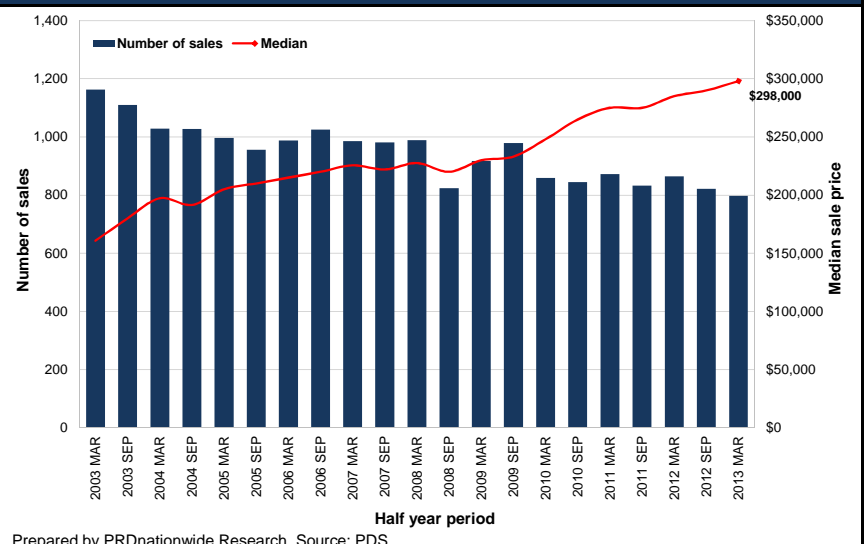
Of the Bendigo Area suburbs that recorded greater than fifty transactions in the past year to March 2013, Strathfieldsaye recorded the highest median price reaching \$365,000 followed by Strathdale (\$361,000), Bendigo (\$330,000) and Spring Gully (\$327,500). The most affordable house median was recorded in Long Gully (\$229,000) and California Gully (\$245,000).

MARKET INDICATORS

Change from Last	Year	Half Year
HOUSE SALES	↓	↓
HOUSE MEDIAN	↑	↑
LAND SALES	↑	↓
LAND MEDIAN	↑	↑
UNIT SALES	↑	↓
UNIT MEDIAN	↑	↑

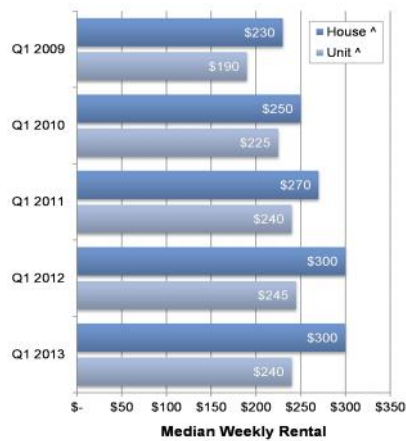
The indicators depicted above are based on the year ending 31 March 2013.

BENDIGO AREA HOUSE SALES CYCLE



Prepared by PRDnationwide Research. Source: PDS

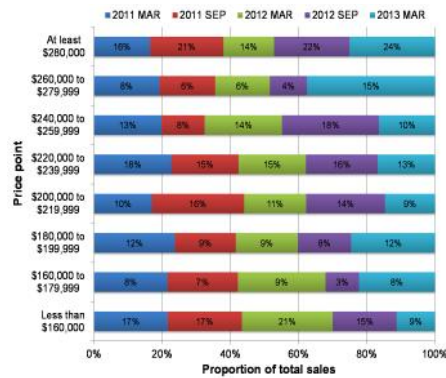
GREATER BENDIGO LGA MEDIAN RENTS



^Rental median assumptions are based on the configuration of a 3-bed house and 2-bed unit as standard.

Prepared by PRDnationale Research. Source: RP Data.

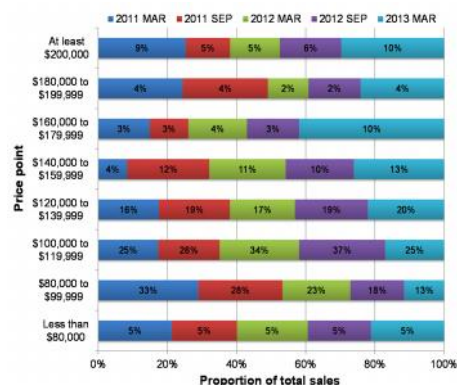
UNIT PRICE POINTS



Prepared by PRDnationale Research. Source: PDS

“The 29 per cent increase in unit sales greater than \$260,000 has resulted in the Bendigo Area unit median price to peak at \$237,500, an increase of eight per cent on the previous year”

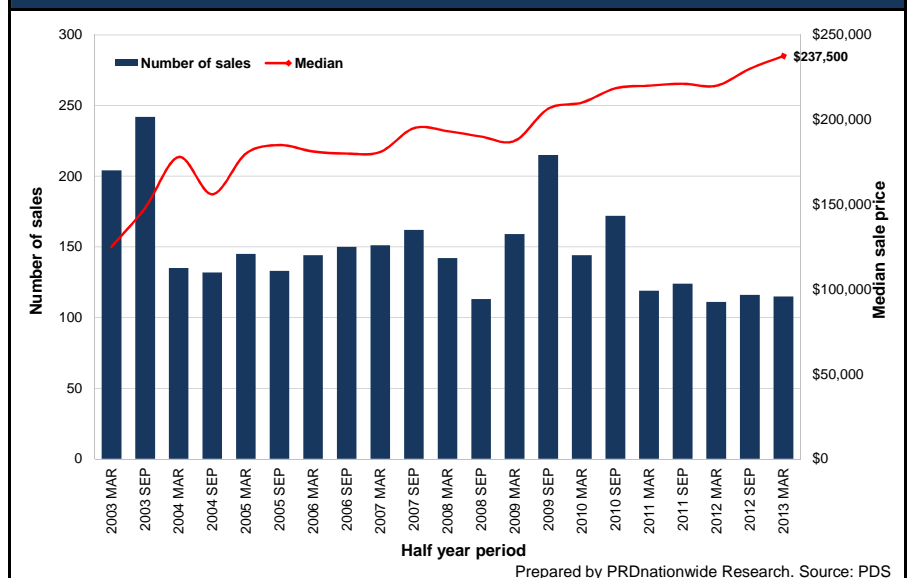
VACANT LAND PRICE POINTS



Prepared by PRDnationale Research. Source: PDS

The Bendigo Area rental markets have witnessed an increase of 23 and 21 per cent for house and unit median prices over the past five years. The total number of rental properties has increased more favourably over this period within the Bendigo Area rental market seeing house rentals increase 32 per cent while unit opportunities similarly high with 25 per cent.

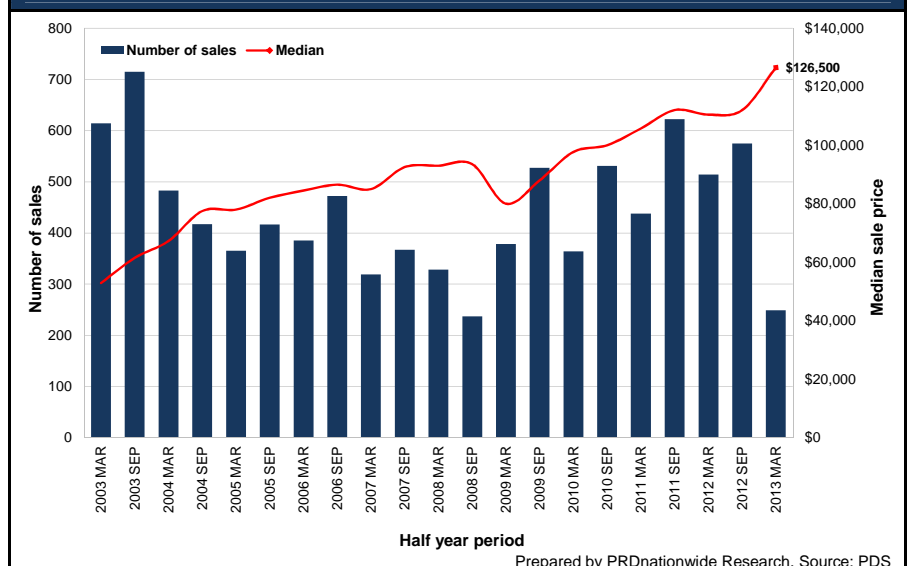
BENDIGO AREA UNIT SALES CYCLE



Prepared by PRDnationale Research. Source: PDS

Despite the Bendigo Area unit markets dwindling sales over the past five years, down 4.1 per cent per annum, the market has witnessed a continual increase in median price closing Q1 2013 at \$237,500 mainly due to the 15 per cent increase in sales greater than \$260,000 accounting for 39% of transactions since the period ending Q1 2011. This, paired with the 8 per cent decline in entry level units priced less than \$160,000 has left the Bendigo Area unit market witnessing an increasing median price growth as the appetite for inner city living within Bendigo becomes more desirable.

BENDIGO AREA VACANT LAND SALES CYCLE



Prepared by PRDnationale Research. Source: PDS

Despite registering only 43 per cent of the five year average vacant land transactions in the six month period to March 2013, the Bendigo vacant land median price market has seen a 14.5 per cent spike in the vacant land median price closing the six month period to March 2013 at \$126,500. This positive shift is in part due to the twenty per cent increase in sales between \$120,000 and \$179,999 paired with the twenty per cent decline in affordable vacant land sales under \$100,000.