



Buninyong Market Update

2nd Half 2020



OVERVIEW

In Q3 2020, the Buninyong* area recorded a median house price of \$623,000. This represents annual (Q3 2019 – Q3 2020) median house price growth of 6.3%. Between Q3 2019 – Q3 2020 sales declined by -53.8% for houses (to 6 sales), however this is potentially due to low levels of stock on the market and/or COVID-19 conditions. Positive median price growth amidst COVID-19 indicate a resilient market, and potentially an undersupply of house stock. Now is an opportune time to transact in the Buninyong* market.

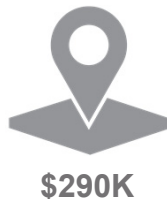
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↑	↓
	House Rental Price	↓	↓
	Land Sales	↑	↑
	Land Median Price	↓	↓

MARKET CONDITIONS

SALES MEDIAN HOUSE PRICE 2020#



SALES MEDIAN LAND PRICE 2020#



SALES AVERAGE DAYS ON MARKET Q3 2020



RENTAL MEDIAN PRICE Q3 2020

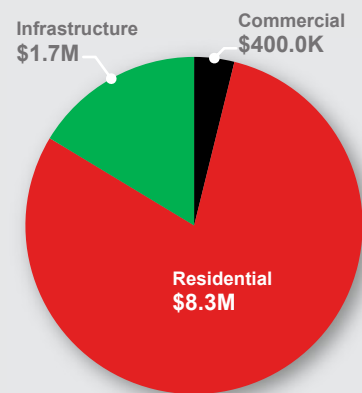


RENTAL AVERAGE DAYS ON MARKET Q3 2020



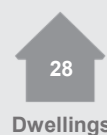
FUTURE DEVELOPMENTS

The Buninyong* area is set to see approximately **\$10.4M worth of new projects commencing in the 2nd half of 2020.**



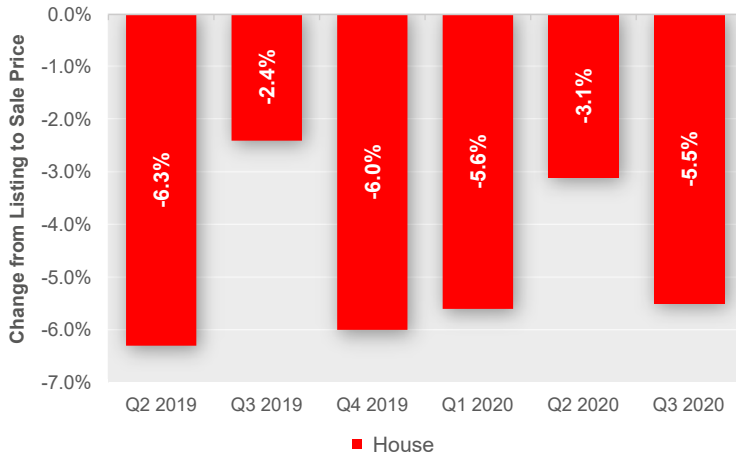
A large focus on residential projects is ideal for Buninyong*, particularly in the creation of dwellings and townhouses, as this will answer current demand. This will create a balanced demand and supply market, ensuring there is affordability for first home buyers.

A total of \$8.3M of residential projects will add 10 townhouses and 28 dwellings. Key residential projects in the 2nd half 2020 period include: Recreation Road Dwellings (\$2.0M, 10 dwellings), Albert St Dwellings (\$1.0M, 4 dwellings), Grant Street Dwellings (\$1.0M, 4 dwellings). The Eddy Avenue Townhouse (\$1.8M) plans construct 10 townhouses, and will demolish existing dwelling to create 8 x 2 bedroom & 2 x 3 bedroom x 2 storey townhouses. This is complemented with \$1.7M of infrastructure projects, which will improve services for residents.



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.



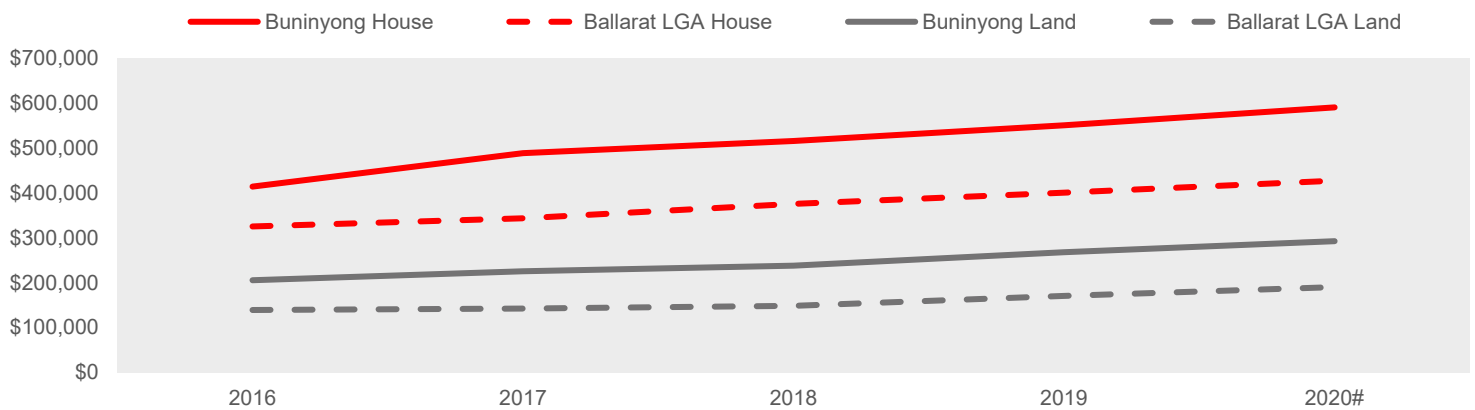
KEY COMMENTS

Average vendor discounting between Q3 2019 and Q3 2020 has widened to -5.5% for houses. This indicates that market conditions in Buninyong* continue to favour buyers, where sellers are accepting prices below the listing price. This is a great opportunity for first home buyers and investors, particularly to take advantage of the ample Government incentives at hand.

Over the past 5 years to 2020#, the suburb of Buninyong has outperformed the Ballarat Local Government Area (LGA) area regarding property prices. Buninyong is a premium market compared to the LGA, with the expectation for further demand for housing.

The dominant proportion of houses sold in Buninyong* across 2020^ were in the middle price bracket of \$550K to \$649K (33.3%). Land sales on the other hand saw high activity within the lowest price bracket of less than \$299K (50.0%). This indicates that there is a property for every budget in the Buninyong* area.

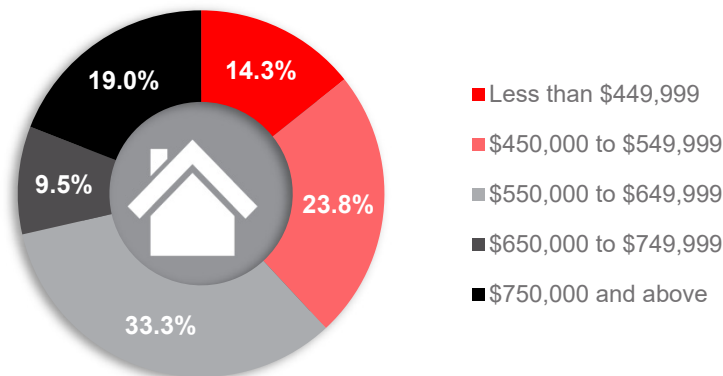
MARKET COMPARISON



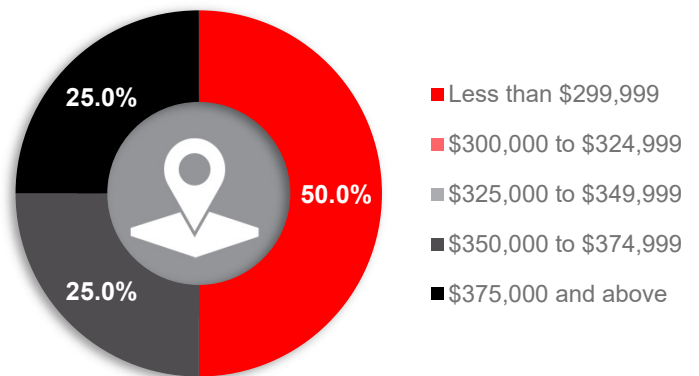
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled is chosen based on their proximity to the main suburb analysed, which is Buninyong.

PRICE BREAKDOWN 2020^

HOUSES SOLD



LAND SOLD

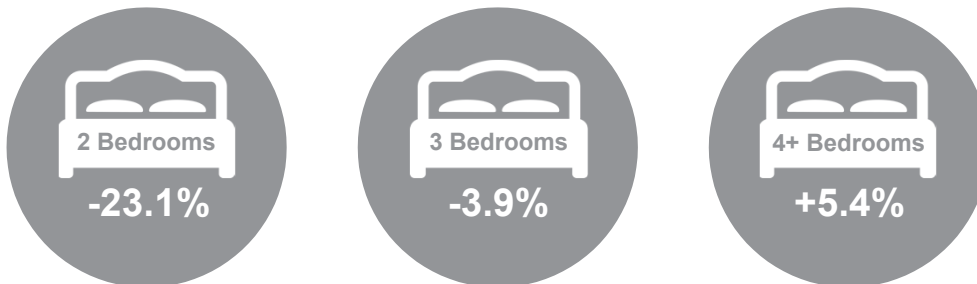


RENTAL GROWTH 2020€

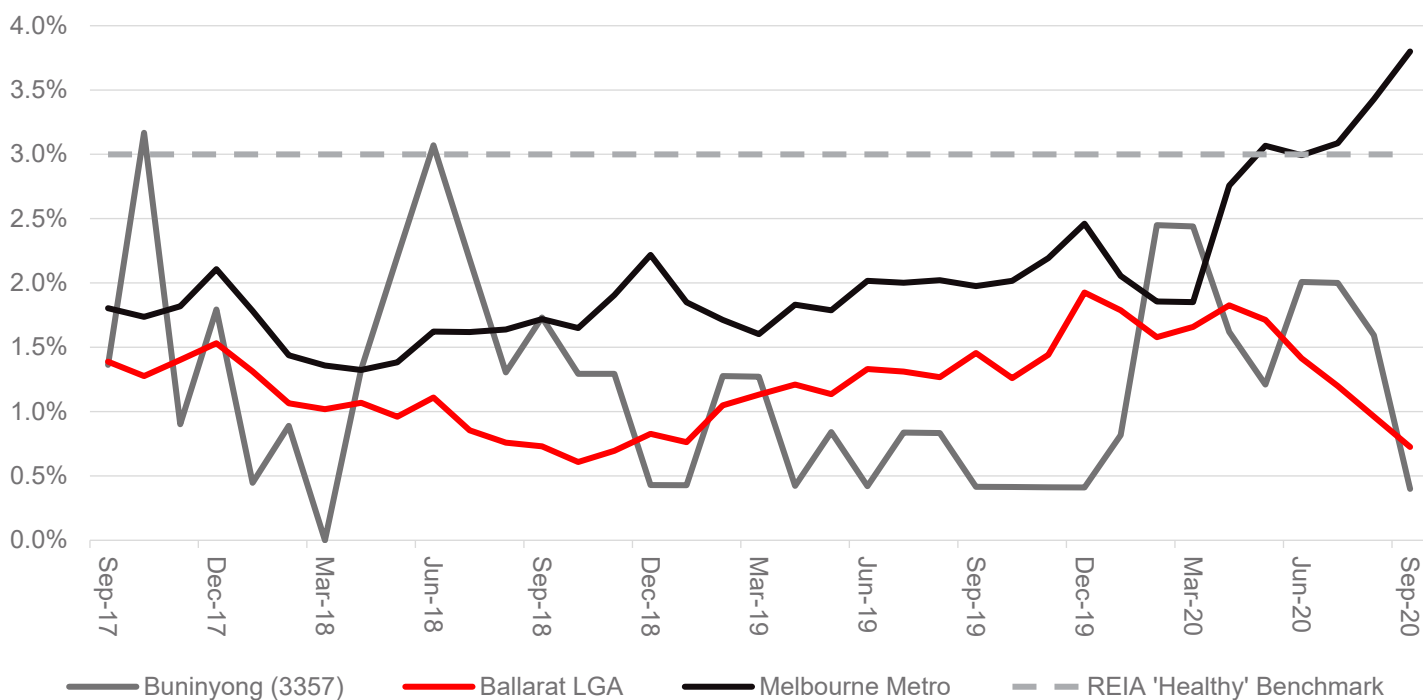
In September 2020, house rental yields in the Buninyong[‡] area were recorded at 2.4%. In the 12 months to Q3 2020, median house rental price softened by 24.4% at \$340 per week. That said, average days to rent a house declined by 56.7% (to 13 days). Overall this represents a resilient rental market amidst COVID-19, due to increased demand in regional areas.

4+ bedroom houses have provided investors with +5.4% rental growth annually, with a median rent of \$490 per week.

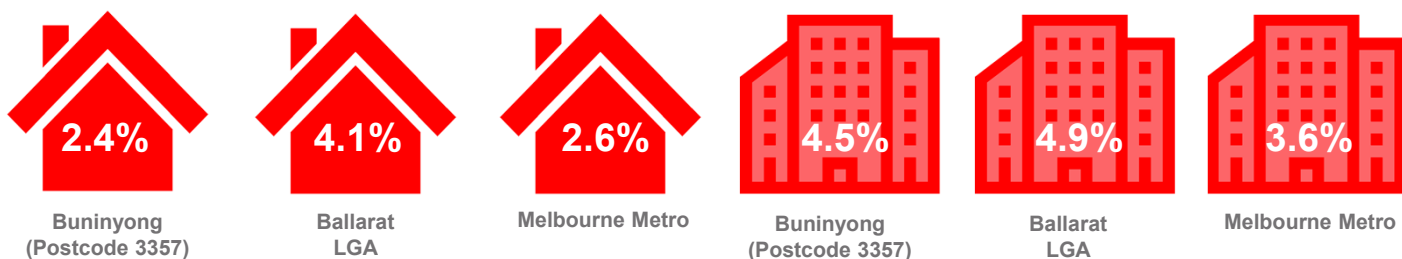
In September 2020, Buninyong[‡] recorded a significantly low vacancy rate of 0.4%, sitting below Ballarat LGA (0.7%) and well below that of Melbourne Metro (3.8%). Vacancy rates in Buninyong[‡] is now at a record low, well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, and continuing on a declining trend even amidst COVID-19 conditions. This confirms there is an increasingly healthier rental demand and a conducive investment environment in the area.



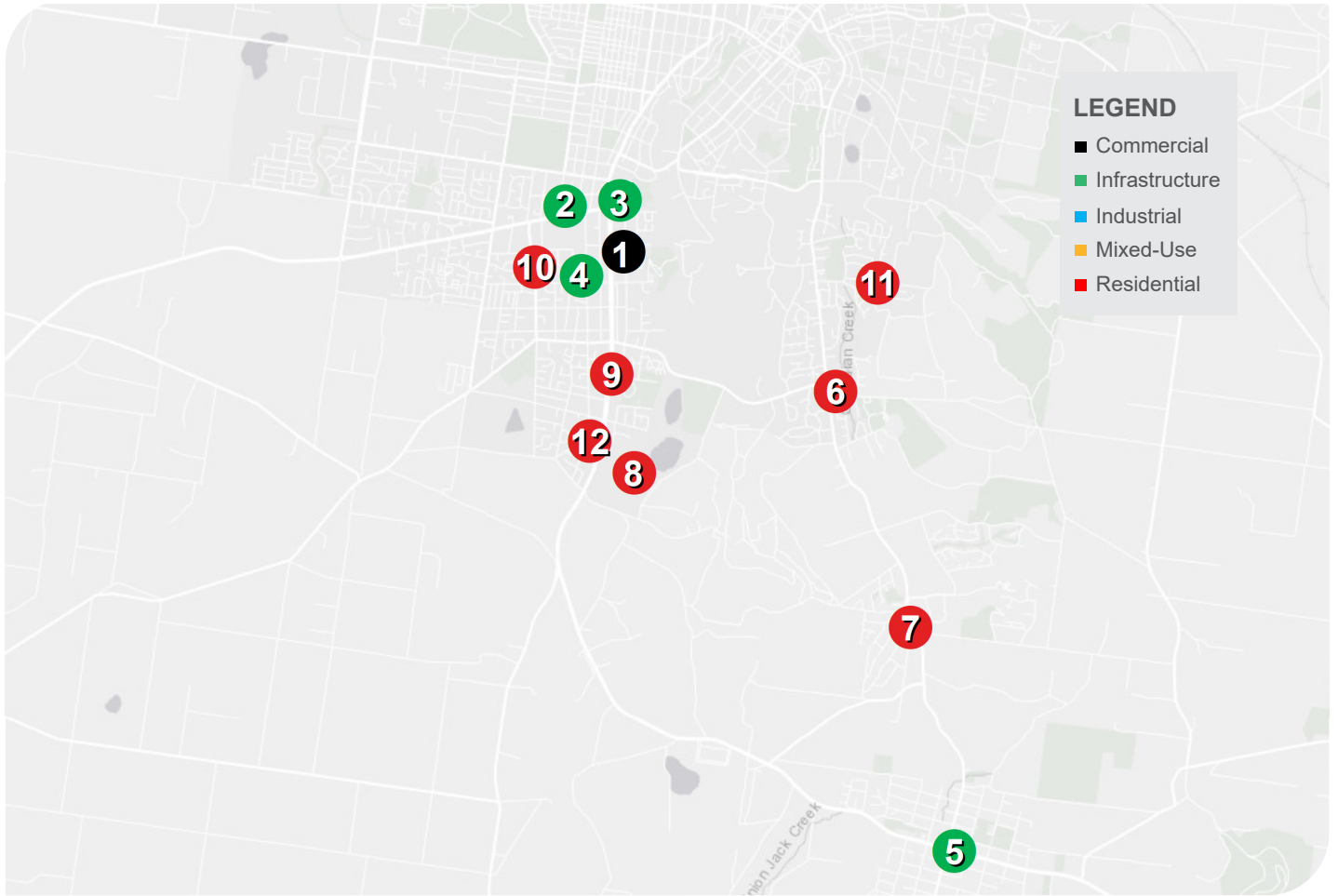
RENTAL VACANCY RATES 2020



RENTAL YIELD 2020\$



PROJECT DEVELOPMENT MAP 2nd HALF 2020[Ⓐ]



Location	Project [Ⓔ]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Coles Sebastopol	Commercial	\$400,000	30/10/2020
2	Mr Power Park Playground	Infrastructure	\$500,000	27/07/2020
3	Albion Street Roadworks	Infrastructure	\$450,000	17/12/2020
4	Rowlands Street Roadworks	Infrastructure	\$450,000	30/12/2020
5	Learmonth Street South Service Road Roadworks	Infrastructure	\$300,000	11/11/2020
6	Recreation Road Dwellings- (10 Dwellings)	Residential	\$2,000,000	05/10/2020
7	Eddy Avenue Townhouses- (10 Townhouses)	Residential	\$1,800,000	03/09/2020
8	Albert Street Dwellings- (4 Dwellings)	Residential	\$1,000,000	30/07/2020
9	Albert Street Dwellings- (4 Dwellings)	Residential	\$1,000,000	29/09/2020
10	Grant Street Dwellings- (4 Dwellings)	Residential	\$1,000,000	30/07/2020
11	Horwood Drive Dwellings- (3 Dwellings)	Residential	\$750,000	21/07/2020
12	Nelson Street Dwellings- (3 Dwellings)	Residential	\$750,000	30/07/2020

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

*Buninyong market data and key indicators encapsulates aggregate property market conditions within the suburb of Buninyong.

** Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

2020 encapsulates sales transactions for 2020 (01/01/2020 – 30/09/2020) only.

^ 2020 encapsulates sales transactions for 2020 (01/01/2020 – 30/09/2020) only.

€ Annual rental growth is a comparison between 2019 (01/01/2019 – 30/06/2019) and 2020 (01/01/2020 – 30/09/2020) house median rent figures.

¥ Buninyong market data encapsulates aggregate property conditions within Buninyong (3357).

§ Rental yields shown are as reported at September 2020.

⌘ 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 Buninyong and surrounding areas.

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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