



# Bungendore Market Update 2nd Half 2021



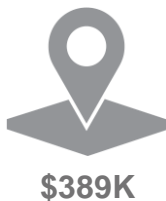
## OVERVIEW

In Q2 2021, Bungendore\* recorded a median house price of \$815,000, and a median vacant land price of \$389,000. This represents annual (Q2 2020 – Q2 2021) median price growth of 16.0% for houses and 21.6% for land. Between Q2 2020 and Q2 2021 total sales in both markets slowed, by -3.2% for houses (to 30 sales) and only one recorded sale for vacant land. Price growth in both property types coupled with declining stock indicate a potential undersupply in Bungendore\*. There is an absence in ready-to-sell stock in the development pipeline, thus now is an ideal time for stand-alone dwelling owners to sell.

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

## MARKET CONDITIONS

### SALES MEDIAN PRICE Q2 2021



### SALES AVERAGE DAYS ON MARKET Q2 2021



### RENTAL MEDIAN PRICE Q2 2021

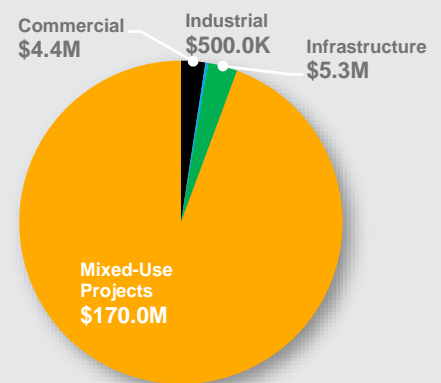


### RENTAL AVERAGE DAYS ON MARKET Q2 2021



## FUTURE DEVELOPMENTS

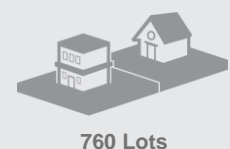
Bungendore\* is set to see approximately **\$180.2M** worth of new projects commencing in the 2nd half of 2021.



Large investments in mixed-use development with a primary focus on residential stock will cater to demand, ensuring more sustainable price growth for first home buyers. Further, the addition of new amenities will benefit locals and positively impact the property market.

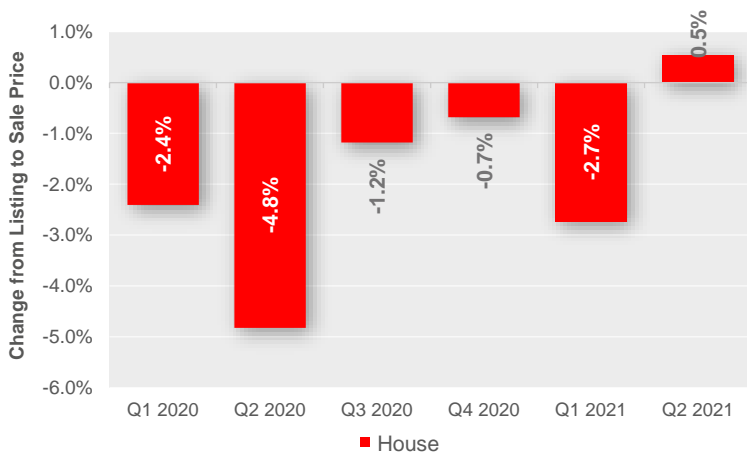
A major mixed-use development commencing in the 2<sup>nd</sup> half of 2021 is the \$170.0M Bungendore East Project. This will comprise of 760 low and medium density dwellings, a community hub and open space. The residential contribution of 760 vacant lots will allow for new housing stock to be built, and potentially utilising multiple government grants if a first home buyer. This will cater to the growing population in Bungendore and assist in easing rising house and vacant land prices.

Bungendore will see a \$4.9M Sports Hub in the 2<sup>nd</sup> half of 2021, whilst a \$2.1M Arts Hub - which will create an art gallery and two new commercial tenancies - is already underway.



# 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.

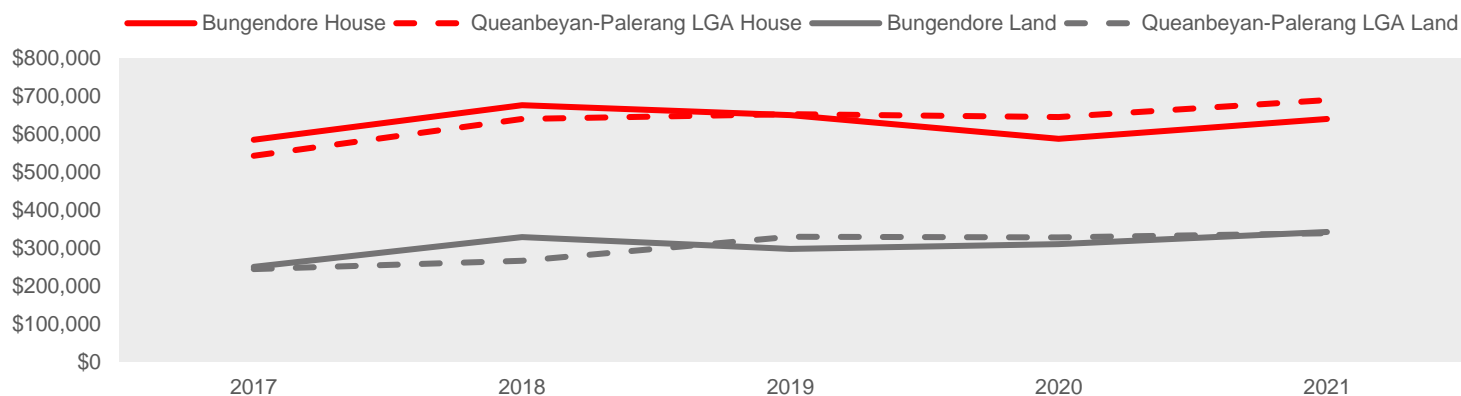


Average vendor discounts between Q2 2020 and Q2 2021 have swung to premium of 0.5%, from 4.8%. Bungendore\* have now shifted to favour vendors, where buyers must negotiate above the initial listing price. Now is an ideal time for vendors to achieve premium results.

The suburb of Bungendore has historically performed similarly to the wider Queanbeyan-Palerang Local Government Area (LGA). This continued to be the case throughout 2021# for land, however, has comparatively become a more affordable housing market since the start of COVID-19. This provides first home buyers with a golden opportunity to enter the Bungendore market.

The dominant proportion of homes sold in Bungendore\* across 2021^ were in the lower price range of under \$600,000 (29.1%), while vacant land sales recorded a dominant lower-middle price range of \$300,000-\$325,000 (39.1%). There is affordably priced stock available, which bodes well for first home buyers.

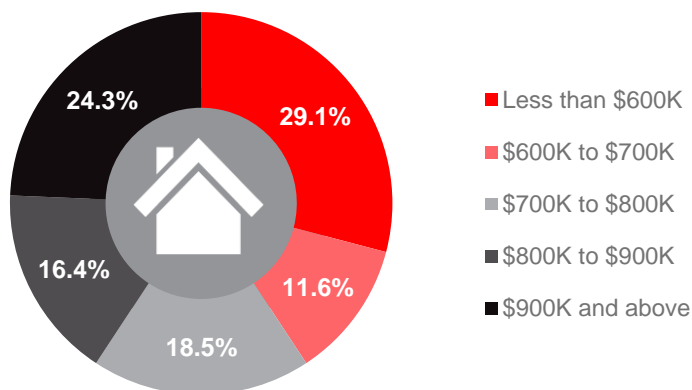
## MARKET COMPARISON



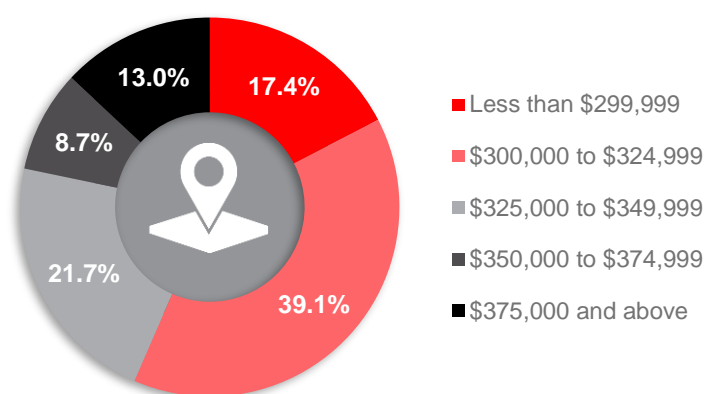
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on its proximity to the main suburb analysed, which is Bungendore.

## PRICE BREAKDOWN 2021^

### HOUSES SOLD



### VACANT LAND SOLD



## RENTAL GROWTH 2021€

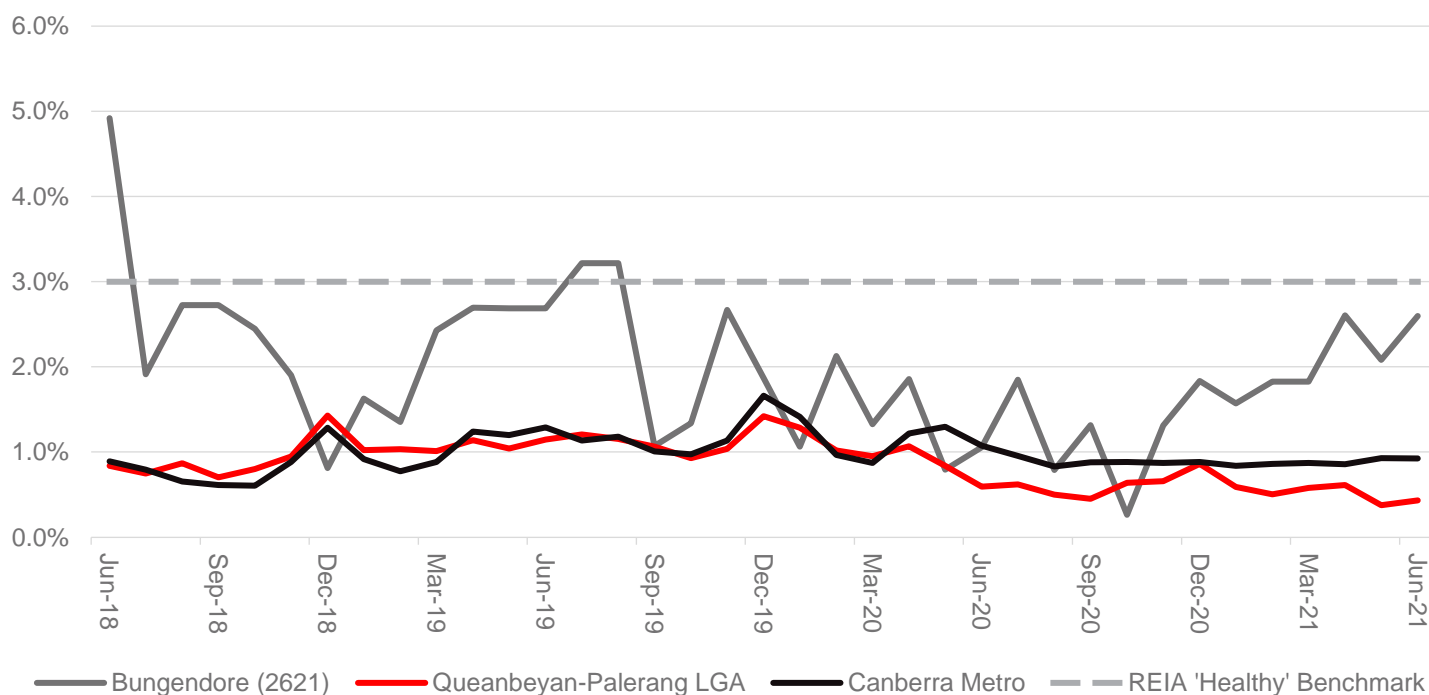
In June 2021, house rental yields in Bungendore\* (postcode 2621) were recorded at 4.0%. In the 12 months to Q2 2021, the median house rental price increased by 11.8% to \$615 per week. Although there was an increase in the average days on the market (by 12.1% to 26 days), it is offset by higher rents. Overall there is a resilient rental market throughout COVID-19.

4+ bedroom houses have provided investors with +12.9% rental growth annually€, with a median rent of \$700 per week.

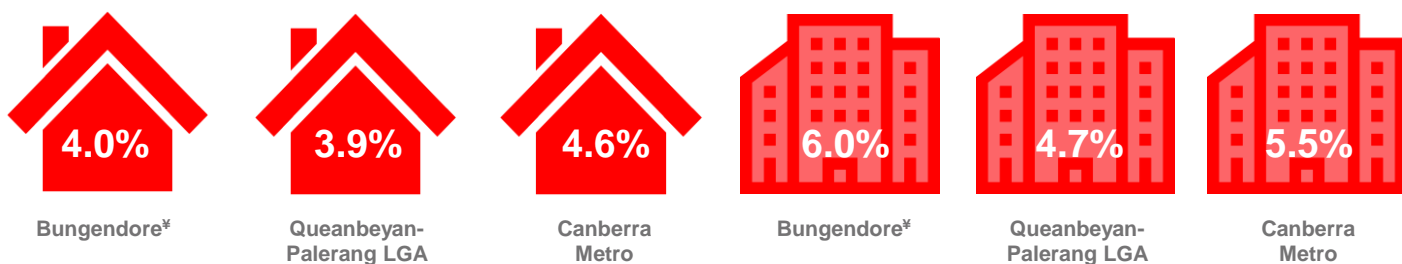
Also in June 2021, Bungendore\* (postcode 2621) recorded a vacancy rate of 2.6%, above that of Queanbeyan-Palerang LGA (0.4%) and Canberra Metro (0.9%), but below Sydney Metro (2.8%). Furthermore, vacancy rates in the area remain below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even amidst changing COVID-19 conditions. This confirms there is still a healthy rental demand and investors can be confident in the Bungendore\* rental market.



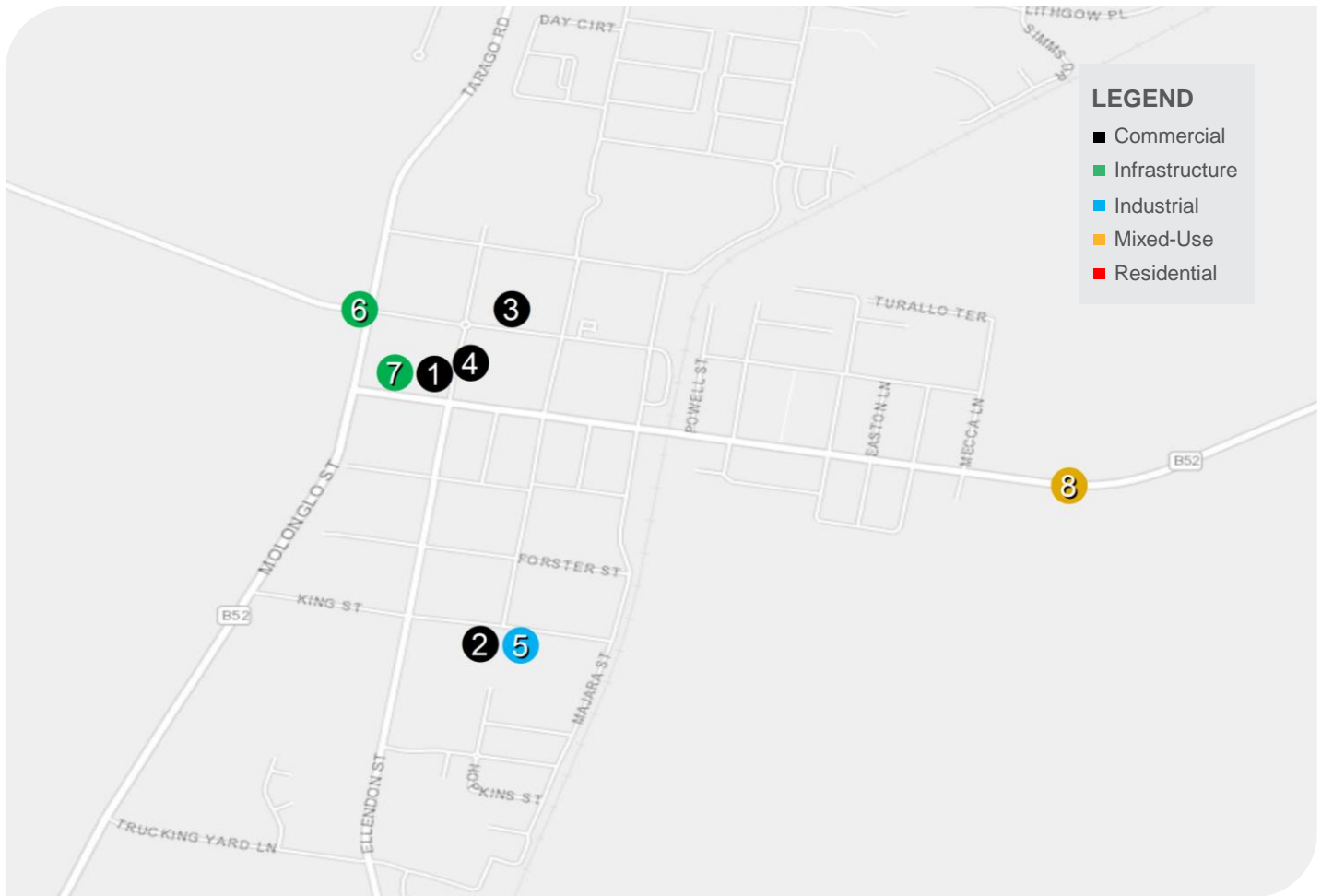
## RENTAL VACANCY RATES 2021



## RENTAL YIELD 2021\$



# TOP DEVELOPMENTS MAP 2021<sup>†</sup>



Location	Project <sup>€</sup>	Type	Estimated Value <sup>†</sup>	Commence Date <sup>‡</sup>
1	Malbon & Ellendon Streets Arts Hub	Commercial	\$2,107,000	03/05/2021
2	King Street Light Industrial Units	Commercial	\$1,232,000	12/08/2021
3	Royal Hotel Bungendore	Commercial	\$649,000	09/11/2021
4	Ellendon Street Dental Clinic	Commercial	\$384,000	12/10/2021
5	King Street Warehouse	Industrial	\$500,000	29/03/2021
6	Bungendore Sports Hub	Infrastructure	\$4,900,000	03/11/2021
7	Bungendore Off Street Car Park	Infrastructure	\$400,000	29/07/2021
8	Bungendore East Project (760 Lots)	Mixed-use	\$170,000,000	14/08/2021

## 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

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

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

# 2021 encapsulates sales transactions for 1H 2021 (01/01/2021 – 30/06/2021).

^ 2021 encapsulates sales transactions for 1H 2021 (01/01/2021 – 30/06/2021).

€ Annual rental growth is a comparison between 1H 2020 (01/01/2020 – 30/06/2020) and 1H 2021 (01/01/2021 – 30/06/2021) house median rent figures.

¥ Bungendore market data encapsulates aggregate property conditions within the postcode of 2621.

§ Rental yields shown are as reported as of June 2021.

⌘ 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 suburb of Bungendore.

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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