



# Bungendore Market Update 1st Half 2022



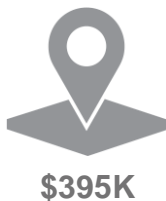
## OVERVIEW

In H2 2021, Bungendore\* recorded a median house price of \$933,500, and a median vacant land price of \$395,000. This represents annual (H2 2020 – H2 2021) median price growth of 23.7% for houses and 14.5% for land. Between H2 2020 – H2 2021 total sales in both markets slowed, down by -28.4% for houses (to 58 sales) and by -45.5% for land (to 6 sales). Strong levels of demand have quickly absorbed new listings, thus creating an undersupplied market. Now is an ideal time to sell your home in Bungendore\* and capitalise on higher returns to investment.

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

## MARKET CONDITIONS

### SALES MEDIAN PRICE 2H 2021



### SALES AVERAGE DAYS ON MARKET Q4 2021



### RENTAL MEDIAN PRICE 2H 2021

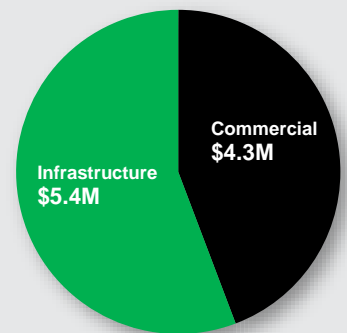


### RENTAL AVERAGE DAYS ON MARKET Q4 2021



## FUTURE DEVELOPMENTS

Bungendore\* is set to see approximately **\$9.7M** worth of new projects commencing in the 1st half of 2022.



A focus on commercial and infrastructure projects will drive the creation of amenities and jobs, which combined are drivers to a higher demand for housing in the area.

Two main commercial projects over the 1st half of 2022 are the Ellendon Street Seniors Housing Units (\$1.7M) and the King Street Light Industrial Units (\$1.2M). The Ellendon Street will see an 11 lot strata title subdivision after the demolition of existing dwellings and associated structures. The King Street project will construct industrial units with ancillary offices.

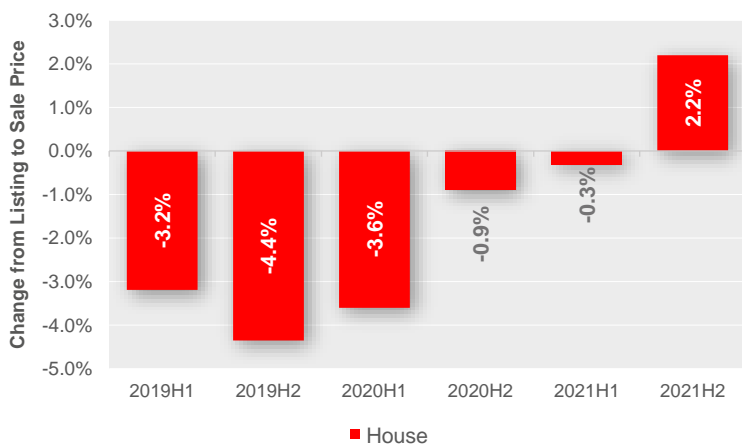
Infrastructure projects/upgrades coming to Bungendore include the Bungendore Sports Hub (\$4.9M) and the Bungendore Landfill (\$500K). The Bungendore Sports Hub will see the construction of a recreation area, amenities block, roads and pathways that will complement six grass sports fields, six hard courts, floodlights and irrigation. This project is an exciting addition to Bungendore that will create new jobs and opportunities for grass roots sports and community.

An absence in residential projects is a concern, as the market is currently undersupplied. Now is the time for developers to enter the market with ready-to-sell housing stock.

# 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.

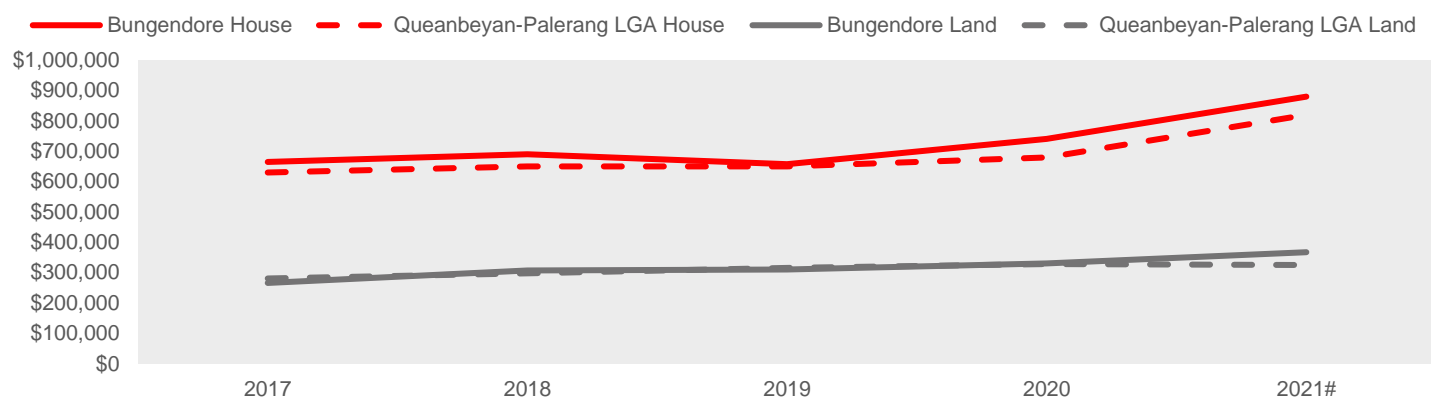
Average vendor discounts between H2 2019 and H2 2021 have swung to a premium of 2.2%, from -4.4%. Bungendore\* has now shifted to favour vendors, where buyers must negotiate above the initial listing price. This is the first occurrence in the area for the past 2years, truly indicative of an undersupplied market.



The suburb of Bungendore has historically performed similarly to the wider Queanbeyan-Palerang Local Government Area (LGA). Since 2019 Bungendore has performed at a higher price point for houses and is now starting to do the same for land in 2021#.

The dominant proportion of homes sold in Bungendore\* across 2021^ were in the premium price range of above \$1,000,000 (27.1%), while vacant land sales recorded a dominant middle price range of \$300,000-\$350,000 (40.0%). Despite a premium price bracket for houses, there is still affordably priced stock available. That said it is shrinking, thus now is the time to act.

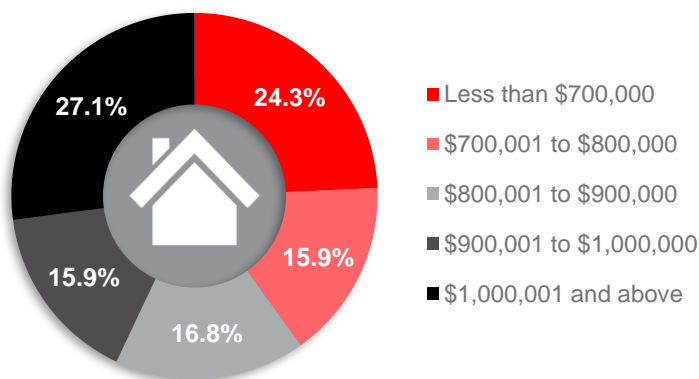
## MARKET COMPARISON



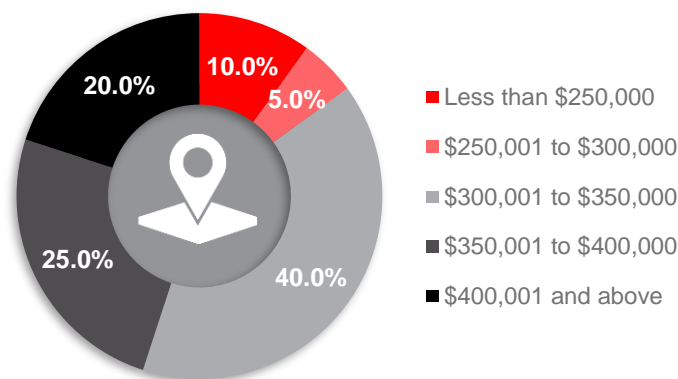
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Bungendore.

## PRICE BREAKDOWN 2021^

### HOUSES SOLD



### VACANT LAND SOLD



## RENTAL GROWTH 2021€

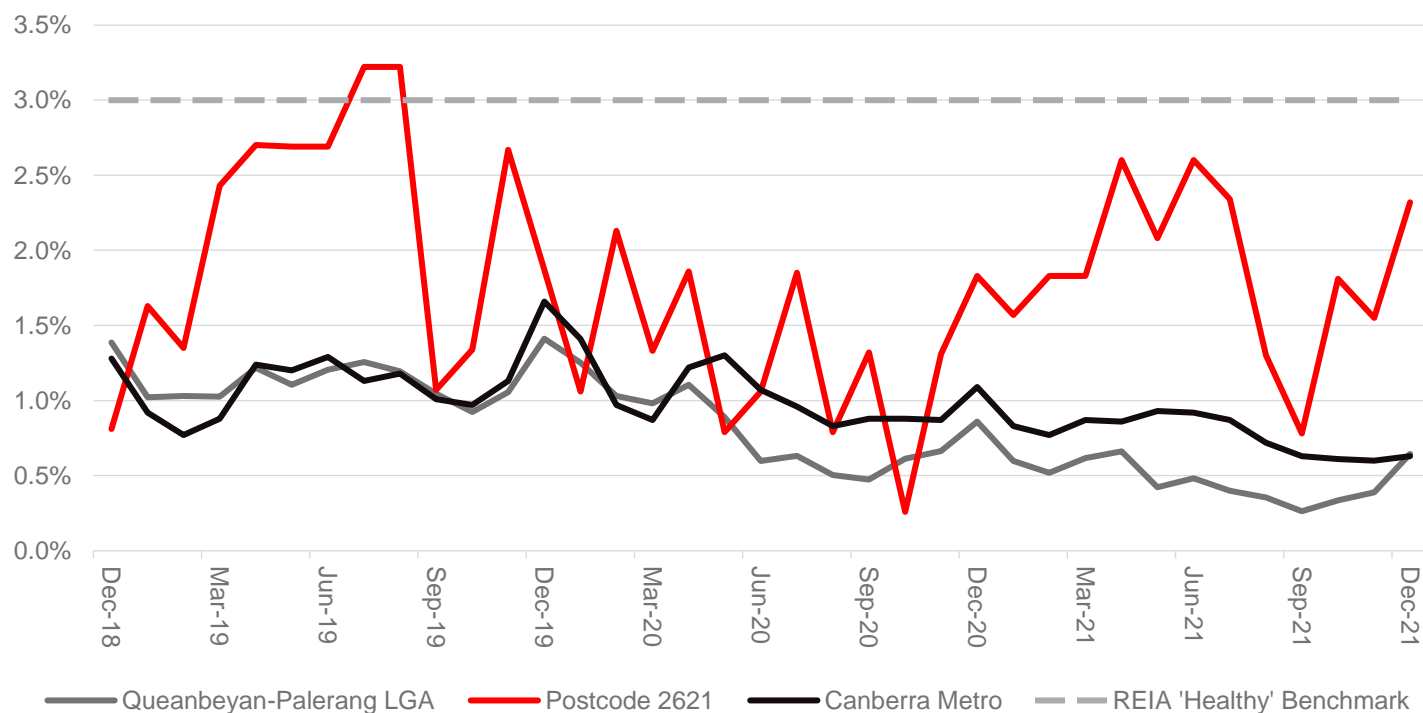
In December 2021, house rental yields in Bungendore<sup>€</sup> were recorded at 3.6%. In the 12 months to H2 2021, the median house rental price remained unchanged at \$595 per week, while average days on the market declined by -17.2% (to 24 days). Despite rental yields decreasing due to median house sales price growth outstripping that of median house rental price growth, there is strong demand for rental properties in Bungendore<sup>€</sup>. This represents a resilient rental market.

4+ bedroom houses have provided investors with +8.2% rental growth annually<sup>€</sup>, with a median rent of \$725 per week.

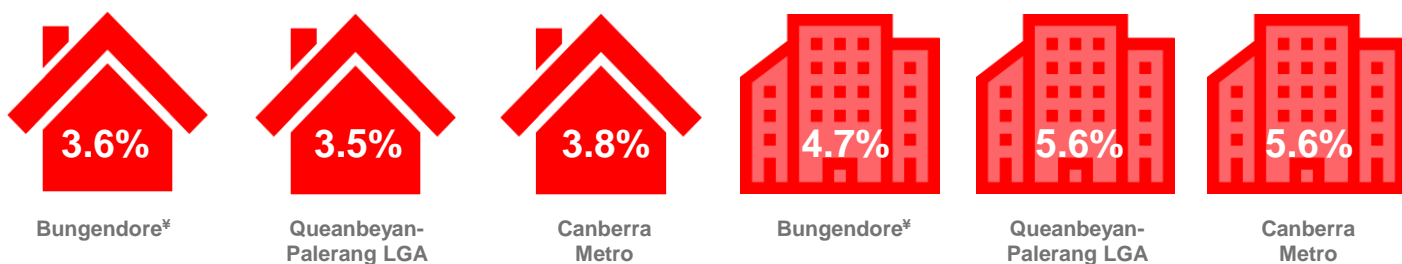
Also in December 2021, Bungendore<sup>€</sup> recorded a vacancy rate of 2.3%, above that of Queanbeyan-Palerang LGA (0.6%) and Canberra Metro (0.6%). Vacancy rates in Bungendore<sup>€</sup> do however remain below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even amidst COVID-19 conditions. This confirms there is still a healthy rental demand and investors can be confident of a conducive investment environment in Bungendore<sup>€</sup>.



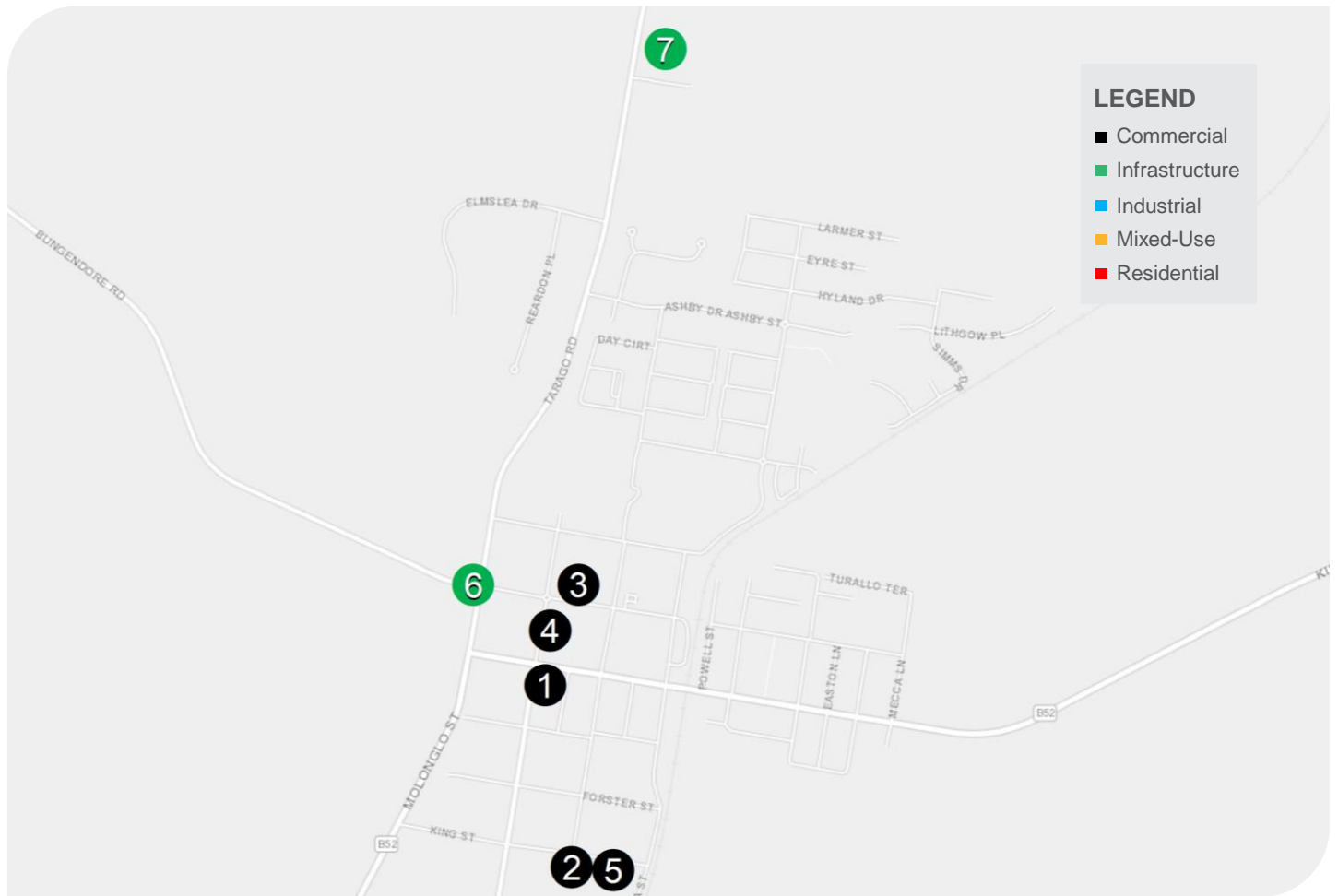
## RENTAL VACANCY RATES 2021



## RENTAL YIELD 2021§



# TOP DEVELOPMENTS MAP 1st HALF 2022<sup>▲</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Commence Date <sup>ψ</sup>
1	Ellendon Street Seniors Housing Units	Commercial	\$1,680,000	18/05/2022
2	King Street Light Industrial Units	Commercial	\$1,232,000	31/01/2022
3	Royal Hotel Bungendore	Commercial	\$649,000	09/11/2021
4	Ellendon Street Dental Clinic	Commercial	\$384,000	18/11/2021
5	King Street Commercial Development	Commercial	\$339,000	06/04/2022
6	Bungendore Sports Hub	Infrastructure	\$4,900,000	10/02/2022
7	Bungendore Landfill	Infrastructure	\$500,000	11/01/2022

## 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 2021 (01/01/2021 – 31/12/2021) only.

^ 2021 encapsulates sales transactions for 2021 (01/01/2021 – 31/12/2021) only.

€ Annual rental growth is a comparison between 2020 (01/01/2020 – 31/12/2020) and 2021 (01/01/2021 – 31/12/2021) house median rent figures.

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

§ Rental yields shown are as reported as of December 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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