



# Bungendore Market Update 2nd Half 2022



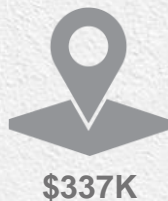
## OVERVIEW

In Q2 2022, Bungendore\* recorded a median house price of \$1,210,000, and a median land price of \$337,000. This represents annual (Q2 2021 – Q2 2022) median price growth of 49.7% for houses and a price softening of -13.4% for land. Total sales decreased between Q2 2021 – Q2 2022, by -18.8% (to 26 sales) for houses and remained stable at 0.0% for land. Strong levels of demand have quickly absorbed new listings, thus creating an undersupplied house market. Now is an ideal time for house owners in Bungendore\* to 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  
Q2 2022



SALES AVERAGE DAYS ON  
MARKET Q2 2022



RENTAL MEDIAN PRICE  
Q2 2022



RENTAL AVERAGE DAYS ON  
MARKET Q2 2022



## FUTURE DEVELOPMENTS

Bungendore\* is set to see approximately **\$1.3M worth of new projects commencing in the 2<sup>nd</sup> half of 2022.**



A large concentration on commercial projects will stimulate economic growth and create employment opportunities in Bungendore\*. This may translate to a higher demand for the real estate market.

A main commercial project over the 2<sup>nd</sup> half of 2022 is the Bungendore Rural Services & Streeeton Streets Townhouses (\$625K). The project will create additions and alterations to existing commercial premises.

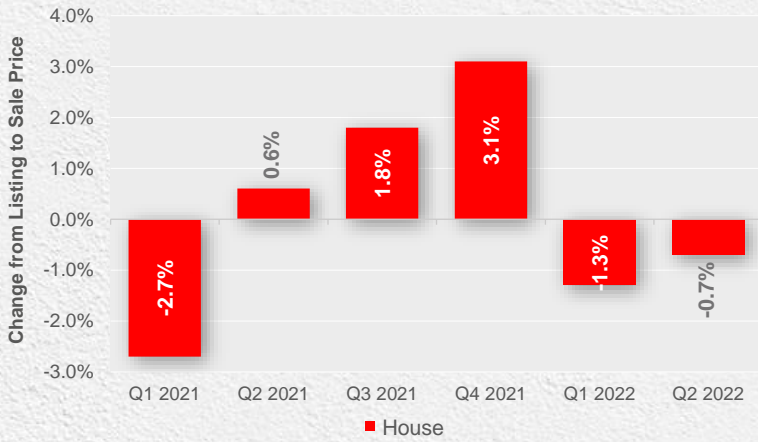
The Royal Hotel Bungendore (\$649K) is a key commercial project that will add to the current amenities in the area. This will add to local jobs and further strengthen the local economy.

Due to an absence of residential projects, the house and land market will remain undersupplied. This creates a buffer to cash rate movements and uncertainty in the market, with median house and land prices likely to still be on a positive growth trajectory.

Absence in ready-to-sell stock can create an ideal opportunity for down-sizers and owner occupiers to capitalise on high returns on investment.

# 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.

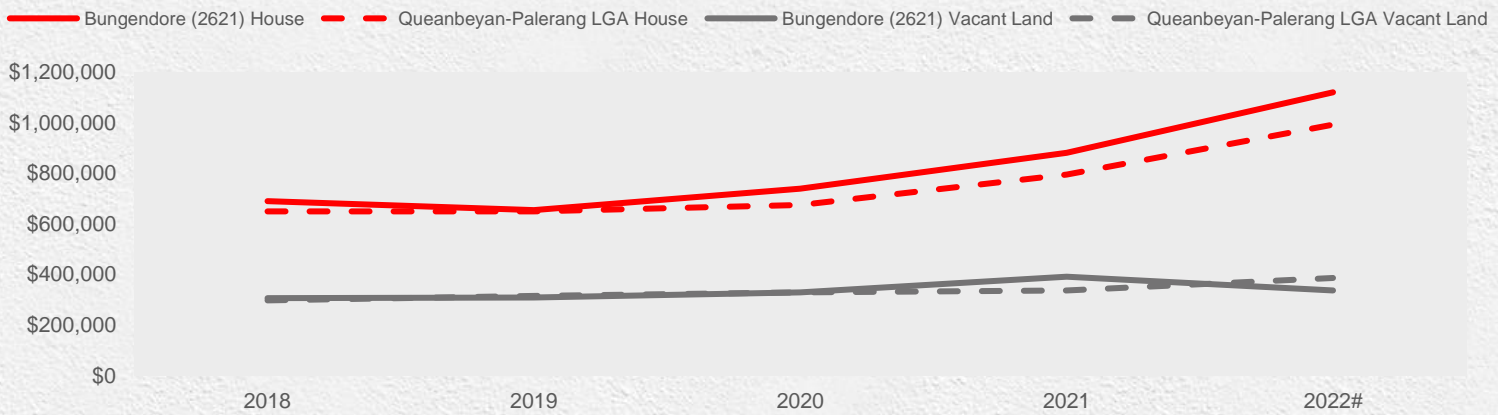


Average vendor discounts between Q2 2021 and Q2 2022 have swung to a discount for both property types, to -1.2% for houses and -1.3% for land. Bungendore\* market conditions have now shifted to favour buyers, where sellers are willing to negotiate below their initial listing price. Between the increase in median house price and average vendor discount pattern, there is now a unique opportunity for buyers and sellers.

The suburb of Bungendore has outperformed the wider Queanbeyan-Palerang Local Government Area (LGA) in both house and land median prices. 2022# has seen median land price in Bungendore lower compared to the wider Queanbeyan-Palerang LGA, while houses continue to present a premium market.

The dominant proportion of homes sold in Bungendore\* across 2022# were priced below \$850,000 (33.8%). There is affordably priced stock available in both house and land markets, in good news for buyers.

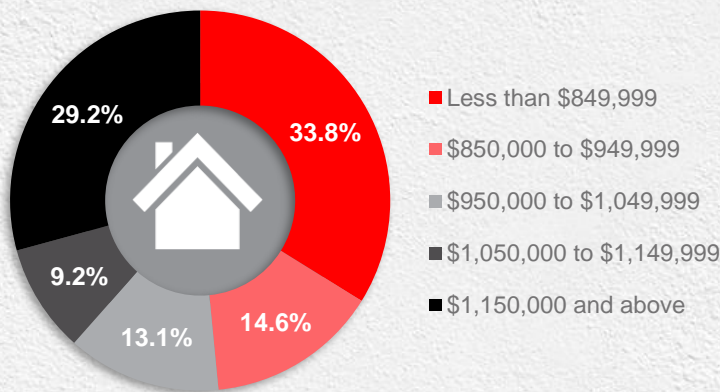
## MARKET COMPARISON



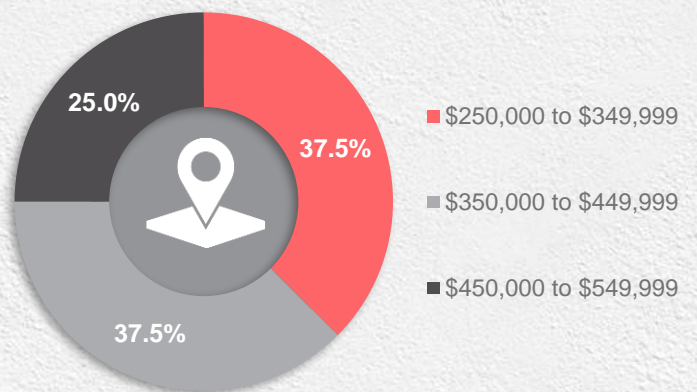
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Bungendore.

## PRICE BREAKDOWN 2022#

### HOUSES SOLD



### VACANT LAND SOLD



# RENTAL GROWTH 2022€

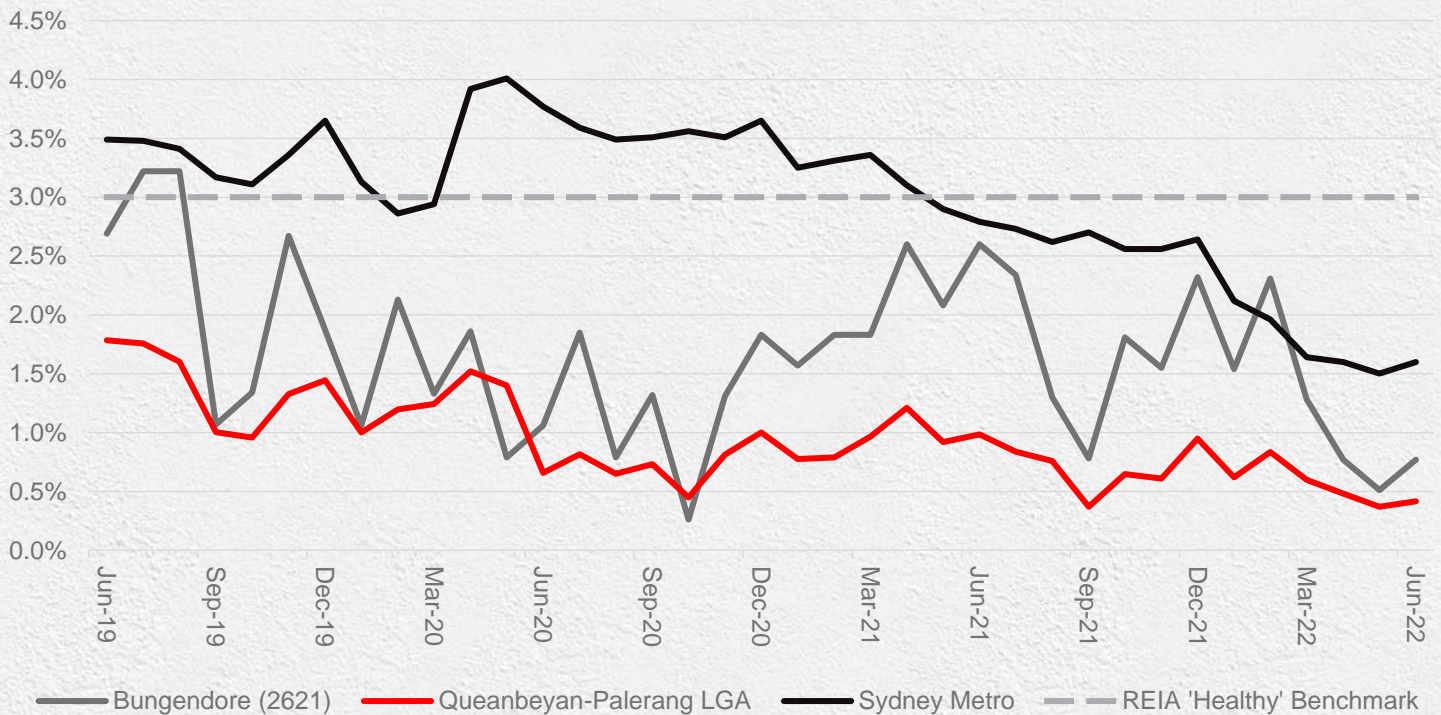
In June 2022, house rental yields in Bungendore<sup>€</sup> were recorded at 2.7%. In the 12 months to Q2 2022 house rental price declined -8.4% (to \$575 per week), while average days on the market have declined by -25.0% (to 24 days). Despite rental yields decreasing due to median house sales price growth outstripping that of median house rental price growth, there is a strong demand for rental properties in Bungendore. This represents a resilient market.

3 bedroom houses have provided investors with +11.8% rental growth annually, achieving a median rent of \$615 per week.

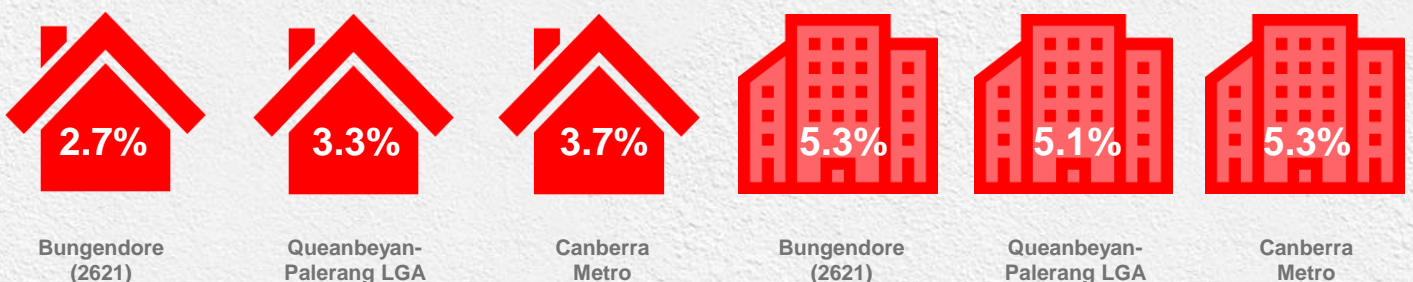
Bungendore<sup>€</sup> (postcode 2621) recorded a vacancy rate of 0.8% in June 2022, which is below Sydney Metro's 1.6% average but above the Queanbeyan-Palerang 0.4% average. Vacancy rates in Bungendore<sup>€</sup> have fluctuated in the past 12 months, due to the small number of houses let. However vacancy rates is now back to under 1.0%, which creates a conducive and sustainable environment for investors despite the increase in median sale prices of property over the past 12 months.



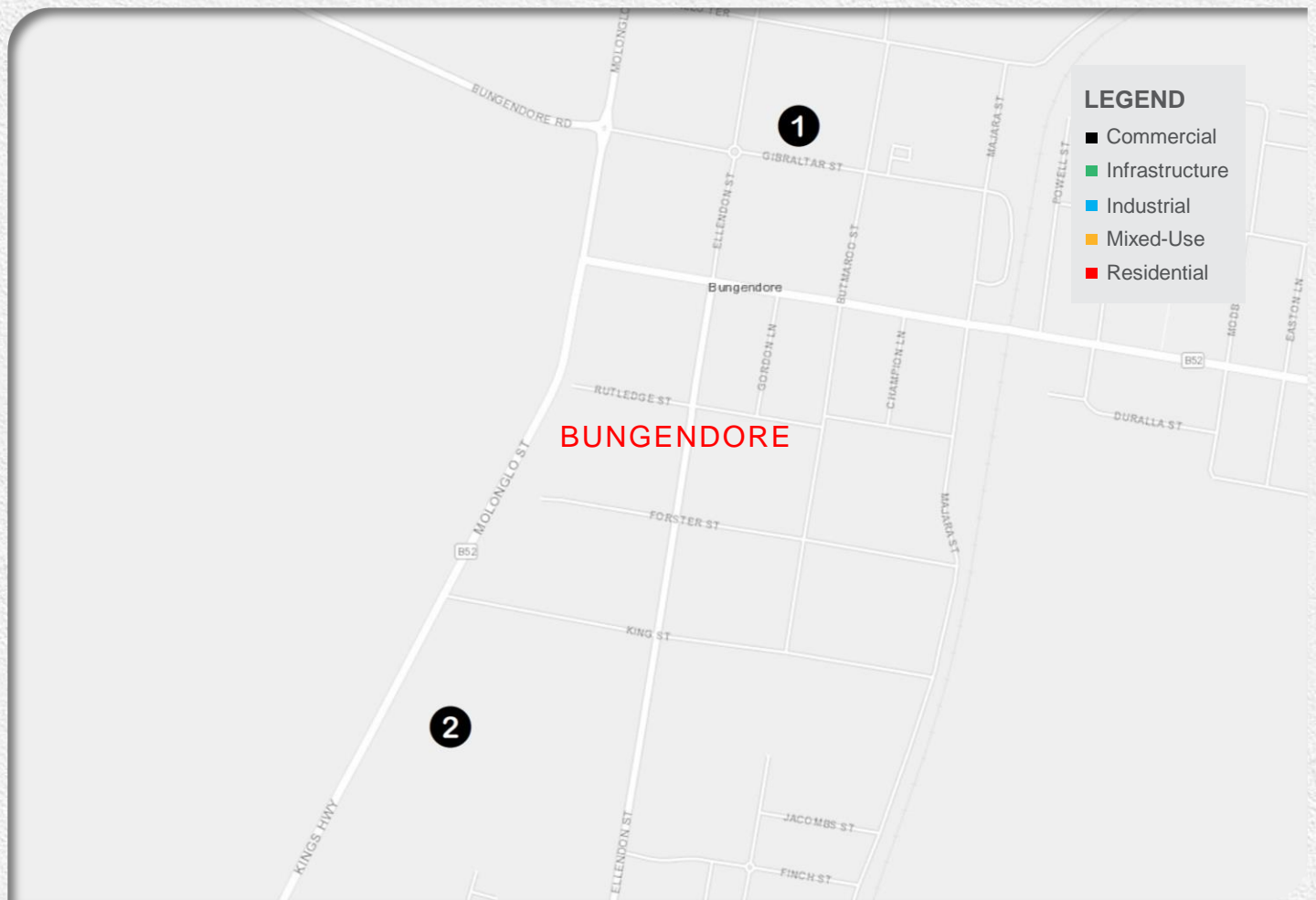
# RENTAL VACANCY RATES 2022



# RENTAL YIELD 2022\$



# TOP DEVELOPMENTS MAP 2<sup>nd</sup> HALF 2022<sup>Ⓐ</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>Ⓜ</sup>	Commence Date <sup>Ⓜ</sup>
1	Royal Hotel Bungendore	Commercial	\$649,000	09/11/2022
2	Bungendore Rural Services	Commercial	\$625,000	17/08/2022



## 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.



### **Dan Woodford**

**Principal**

**M +61 414 264 441**

**E [dan.woodford@prd.com.au](mailto:dan.woodford@prd.com.au)**



## PRD Bungendore

**P +61 2 6238 0999**

**F +61 2 6238 0888**

**[PRD.com.au/bungendore](http://PRD.com.au/bungendore)**

**2/33 Ellendon Street  
Bungendore NSW 2621**

# 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.

# 2022 encapsulates sales transactions for 1H 2022 (01/01/2022 – 30/06/2022) only.

€ Annual rental growth is a comparison between 1H 2021 (01/01/2021 – 30/06/2021) and 1H 2022 (01/01/2022 – 30/06/2022) 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 2022.

⌘ 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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