



Bungendore Market Update 1st Half 2023



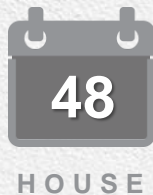
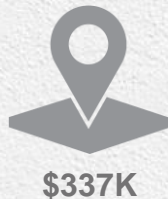
OVERVIEW

In Q4 2022, Bungendore* recorded a median house price of \$1,110,000 and a median land price of \$556,000. This is an annual (Q4 2021 – Q4 2022) growth of 14.4% for houses and 30.8% for land. On a quarter-by-quarter basis (Q3 2022 – Q4 2022) median price grew by 13.3% (house) and 24.9% (land). This is in contrast to other regions in Canberra, New South Wales, and Sydney. Sales declined between Q4 2021 – Q4 2022, by -8.6% (house) and -33.3% (land). The market is heavily undersupplied, creating a buffer against cash rate hikes. Now is an ideal time for owners to capitalise on their investments.

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

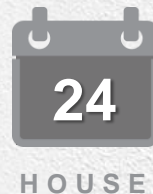
MARKET CONDITIONS

SALES MEDIAN PRICE
Q4 2022



SALES AVERAGE DAYS ON
MARKET Q4 2022

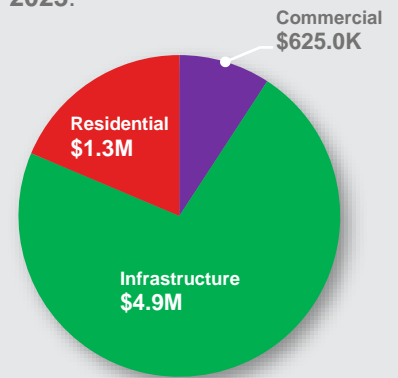
RENTAL MEDIAN PRICE
Q4 2022



RENTAL AVERAGE DAYS ON
MARKET Q4 2022

FUTURE DEVELOPMENTS

Bungendore* is set to see approximately **\$6.8M** worth of new projects commencing in the 1st half of 2023.



Infrastructure projects improve liveability for current residents and create job opportunities in the construction phase. It can also attract more people to the area. Residential projects assist with the current undersupply, in good news for first home buyers.

A key infrastructure project planned for the 1st of 2023 is the Bungendore Sports Hub (\$4.9M). The project is set to provide a recreation area, amenities block, road and pathways. This will add to local jobs and further strengthen the local economy.

The Ellendon Street Units (\$1.3M, 14 units) is the sole residential project planned in the 1st half of 2023. This will bring much needed supply to the area, although the market will remain undersupplied.

The absence of ready-to-sell stock, especially stand-alone houses, does create an ideal opportunity for owner occupiers and down-sizers and to capitalise on their investments. Also, it can safe-guard house values from increasing interest rates.

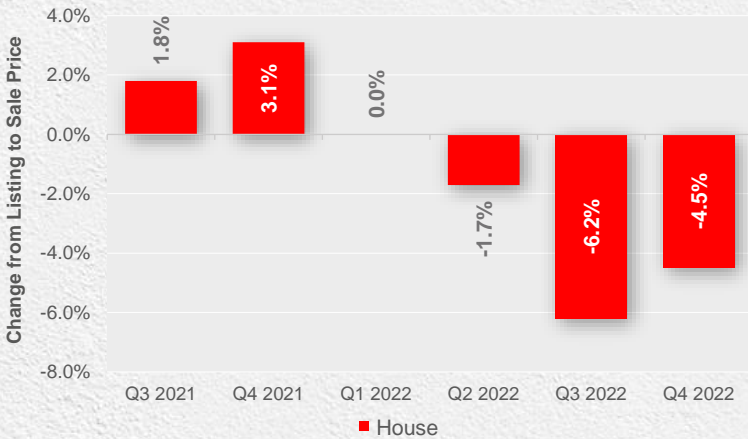


14 Units/
Apartments

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.

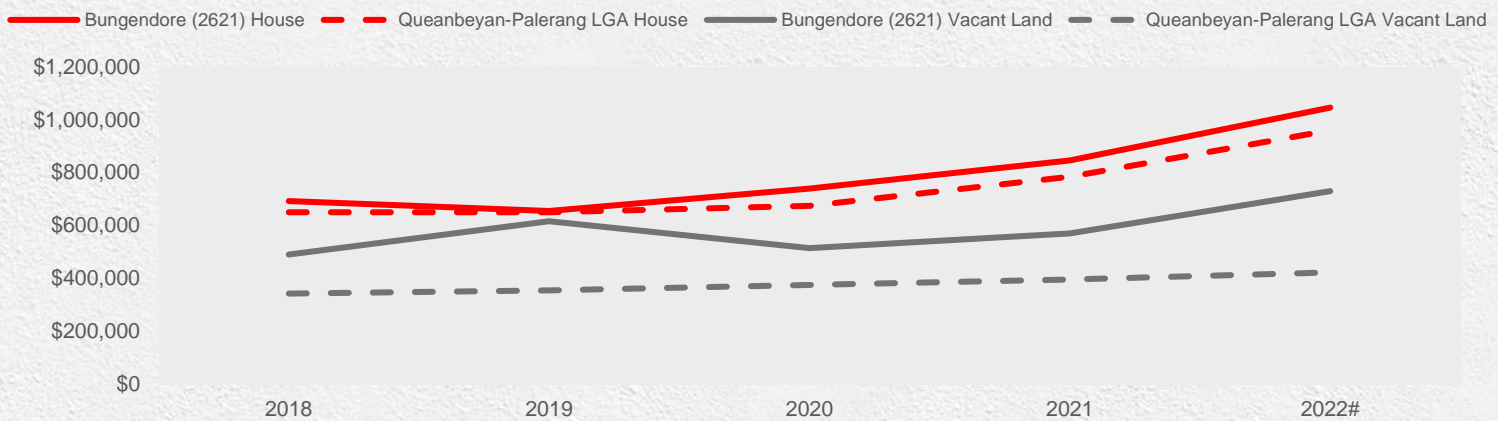
Average vendor discounts between Q4 2021 and Q4 2022 have swung from a premium of 3.1% to a discount of -4.5%. That said this is a tighter discount compared to Q3 2022 (-6.2%). This creates a unique opportunity for both buyers and sellers.



The suburb of Bungendore has historically performed on par with the wider Queanbeyan-Palerang Local Government Area (LGA) in median house prices. Vacant land in Bungendore have historically outperformed the wider Queanbeyan-Palerang LGA.

The dominant proportion of homes sold in Bungendore* in 2022# were in the premium price point of \$1,150,000 and above (39.3%), Interestingly there is similar amount of stock sold at both premium and most affordable price points, indicating there is a home for every budget. Vacant land sales recorded a dominant lower mid-price point of \$400,000 to \$424,000 (40.4%), in good news for first home buyers wishing to build.

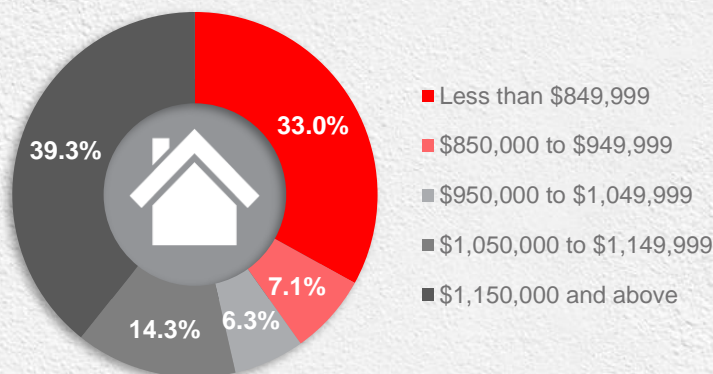
MARKET COMPARISON



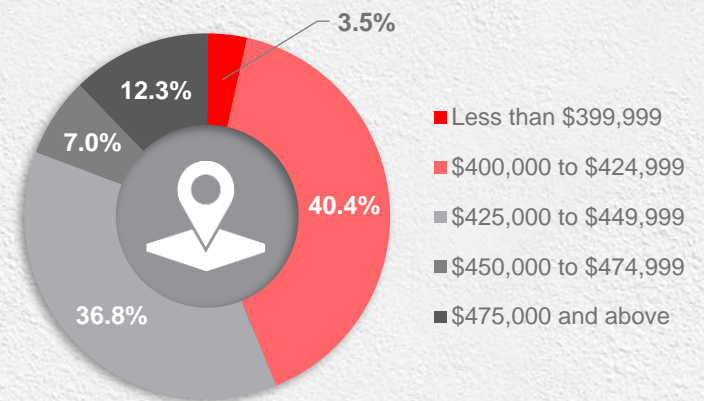
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Bungendore.

PRICE BREAKDOWN 2022#

HOUSES SOLD



VACANT LAND SOLD

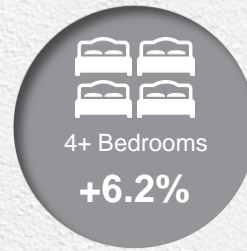


RENTAL GROWTH 2022€

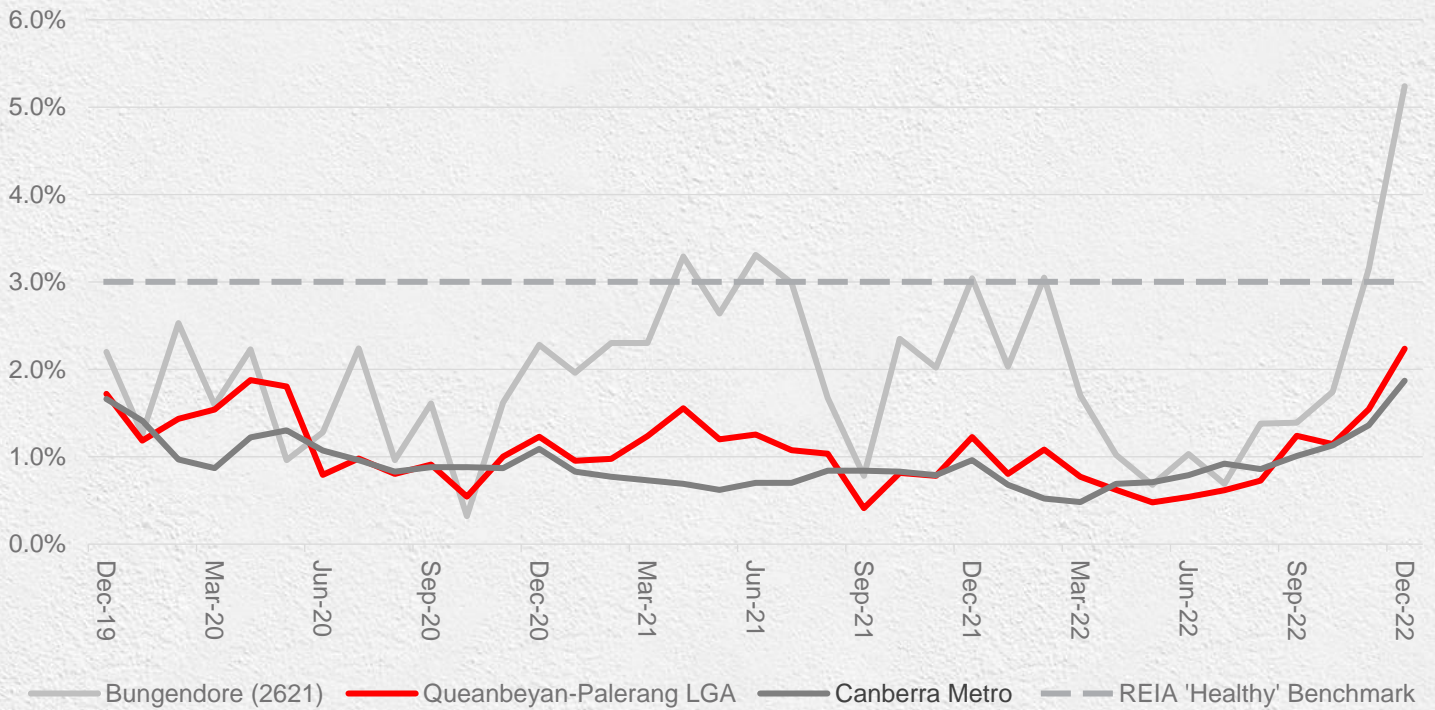
In December 2022, house rental yields in Bungendore[‡] were recorded at 3.2%. In the 12 months to Q4 2022, median house rental price declined by -9.6% to sit at \$610 per week. In this time the number of houses rented increased by 4.5% and average days to let increased to 33 days. Despite median house rental price declining over the year, there is a strong demand for rental properties in Bungendore.

3 bedroom houses have provided investors with +15.5% rental growth annually, achieving a median rent of \$615 per week.

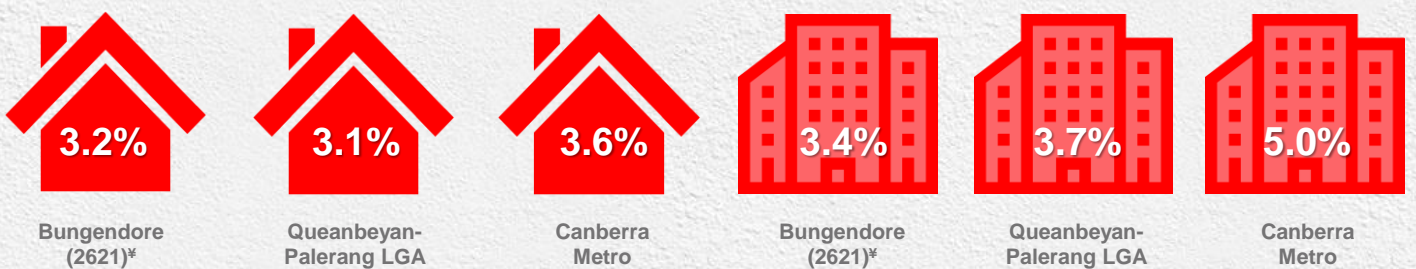
Bungendore[‡] recorded a vacancy rate of 5.2% in December 2022. The sudden spike can be attributed to interest rate hikes, with investors potentially selling due to financial viability. Further, the increase in vacancy rates is a common trend across all capital cities – particularly Canberra, Sydney, and Melbourne. Traditionally vacancy rates in Bungendore[‡] have sat within the Real Estate of Institute of Australia's healthy benchmark of 3.0%, creating a conducive environment for investment.



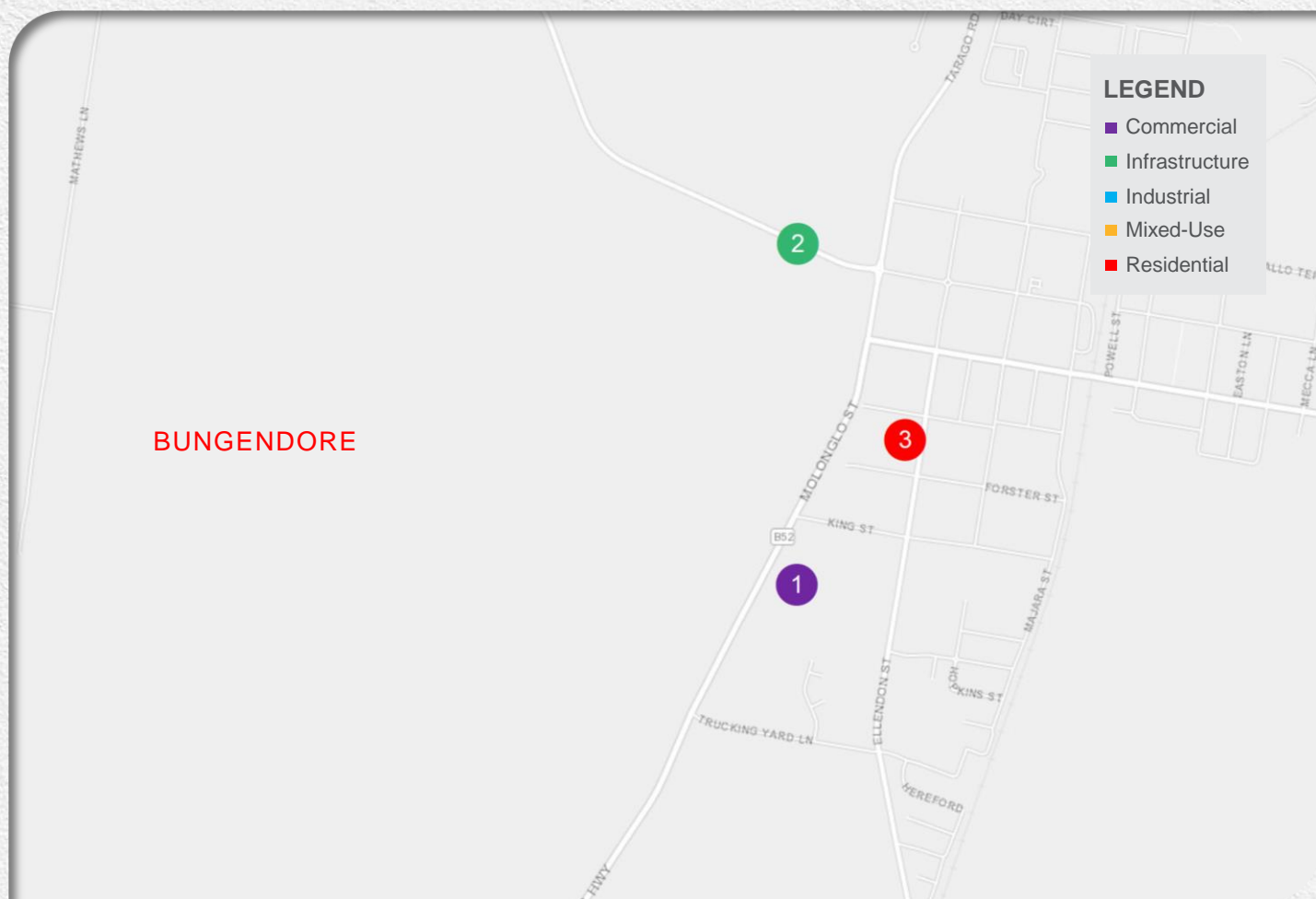
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 1st HALF 2023^A



Location	Project [§]	Type	Estimated Value [¶]	Commence Date ^{¶¶}
1	Bungendore Rural Services	Commercial	\$8,000,000	06/03/2023
2	Bungendore Sports Hub	Infrastructure	\$150,000	10/02/2023
3	Ellendon Street Units (14 units)	Residential	\$16,000,000	19/06/2023

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.

2022 encapsulates sales transactions for 2022 (01/01/2022 – 31/12/2022) only.

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/12/2021) and 2022 (01/01/2022 – 31/12/2022) house median rent figures.

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

§ Rental yields shown are as reported as of December 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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