

# Bungendore Property Market Update 2<sup>nd</sup> Half 2024

Bungendore is a charming, picturesque historic village nestled in the Queanbeyan-Palerang region of New South Wales, Australia. It is located just 30 minutes from Canberra and about three hours from Sydney. Bungendore has a relaxed and friendly bush atmosphere making it an ideal family environment.

## Property Trends

In Q2 2024, Bungendore recorded a median house price of \$967,500, and a median vacant land price of \$487,500. This represents annual (Q2 2023 – Q2 2024) median price contractions of -0.1% for houses and -17.3% for vacant land. Comparing Q2 2023 vs Q2 2024 sales decreased, by -36.6% (to 26 for houses in Q2 2024) and by -36.4% (to 7 for land in Q2 2024). This is mostly due to higher interest rates and cautious consumers. House prices in Q2 2024 are slightly more affordable than 12 months prior, and there is less competition in the market, thus now is an ideal time for buyers to act; especially with no new houses in the horizon.

## Project Development

Bungendore will see approximately \$2.4M of new projects commencing construction in 2024 and 2025. There are no residential projects planned during this time in Bungendore. With no new incoming ready-to-go supply planned, an undersupply is expected. This will push up house and vacant land prices higher.

## Rental Market & Growth

House rental yields in Bungendore was 2.7% in June 2024. Median house rental price saw a -13.3% softening in the past 12 months to Q2 2024, at \$650 per week, whilst the number of houses rented increased by 60.0% (to 24 houses). This creates an ideal opportunity for renters. That said, Q2 2024 recorded the highest number of houses rented in the past 24 months, thus house renters must be quick to secure their property.

## Vacancy Rates & Property Investment

Bungendore recorded a vacancy rate of 4.5% in June 2024, which is above the Canberra Metro's 2.1% average. Vacancy rates in Bungendore have fluctuated in the past 12 months, due to investors entering / exiting the market alongside interest rate changes. There has been a slight decline in vacancy rates in the past 3 months to June 2024, which suggests a tighter rental market and quicker occupancy of rental properties. This is an opportunity for investors to enter the market, especially with a more affordable median house sales price in Q2 2024.