

TOOWOOMBA AREA

Property Watch®

PRD nationwide



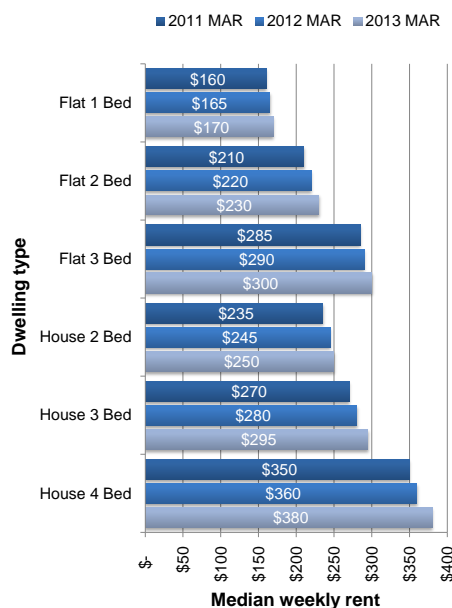
For Sale – 12 Quail St, Rangeville

MARKET INDICATORS

Change from Last	Year	Half Year
HOUSE SALES	↑	↓
HOUSE MEDIAN	↑	↑
LAND SALES	↑	↑
LAND MEDIAN	↓	↓

Indicators are based on the year ending 30 April 2013, except for rental indicators which are based on quarterly data ending March 2013.

MEDIAN RENTS BY POSTCODE



Prepared by PRDnationwide Research. Source: RTA

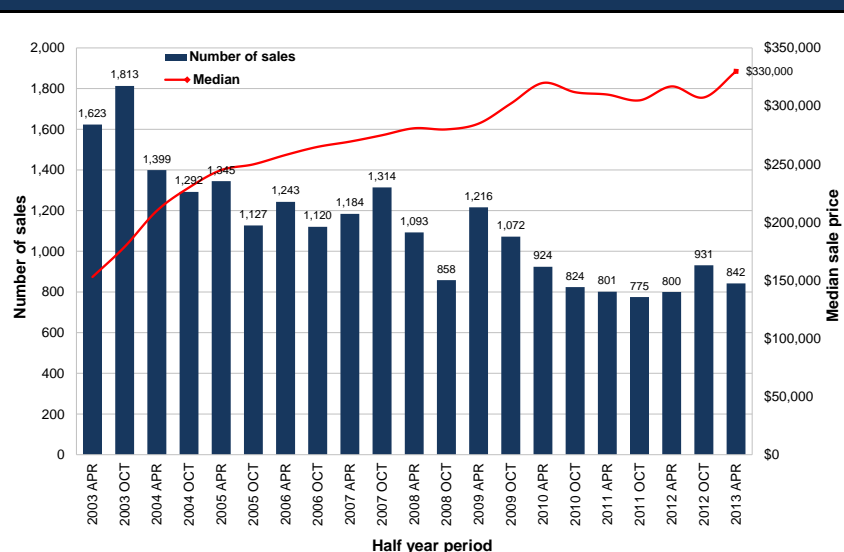
TOOWOOMBA AREA MARKET OVERVIEW

The following Property Watch report is an investigation into the historic and current residential real estate market trends of the Toowoomba Area – defined by the suburbs within the 4350 postcode.

The Toowoomba Area house market registered 842 settled transactions in the six months to 30 April 2013, representing a 10 per cent contraction from the previous October 2012 half year period; however is an improvement of five per cent when compared to the corresponding April 2012 half year period. The drop in sales has corresponded with a rather rapid rise in median price in the Toowoomba Area, seeing a seven per cent rise over the six months to April 2013 to record a median house price of \$330,000. This rise in median price has been due to a larger number of transactions occurring in the \$350,000 to \$399,999 price point, climbing from 11 per cent during the October 2012 half year period up to 16 per cent during the most recent April 2013 period. At the same time, the \$250,000 to \$299,999 price point saw a decline from 27 per cent during October 2012 down to 21 per cent in April 2013. This shift to a slightly higher price point may likely be due to increased investor activity in the market on the back of Coal Seam Gas mining operations happening within close proximity to Toowoomba.

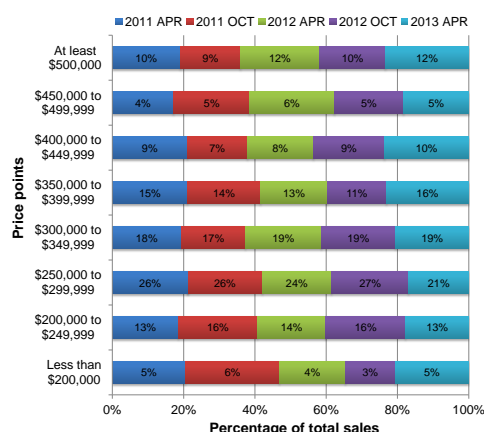
The attractiveness of the Toowoomba Area to investors is clear as it is seen as the fastest growing regional centre in Queensland (in front of coal mining hubs such as Mackay and Gladstone). The combined vicinity to both the states capital Brisbane as well as the major gas fields throughout the Surat Basin has resulted in renewed interest in what is known as “The Garden City”. The main attractor for the Toowoomba Area however is the employment opportunities provided from these gas mining operations, and thus this is the key attribute from an investor point of view. The largest median rental price increases were seen in three and four bedroom houses.

TOOWOOMBA AREA HOUSE SALES CYCLE



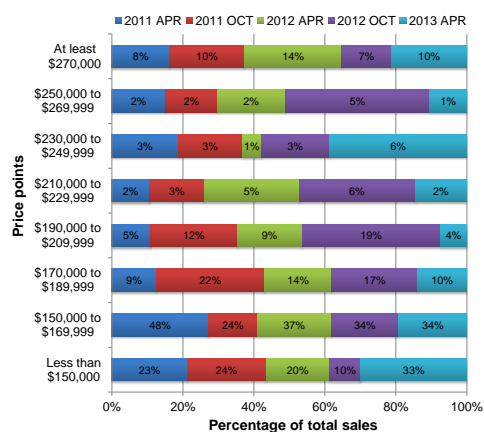
Prepared by PRDnationwide Research. Source: PDS

HOUSE PRICE POINTS



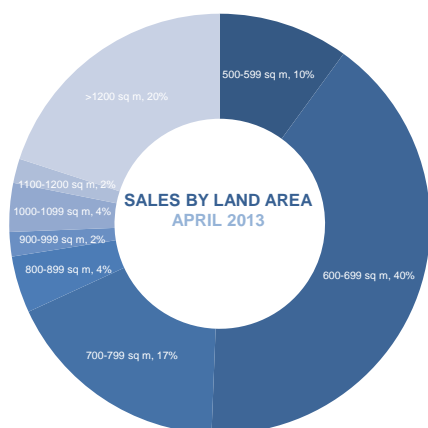
Prepared by PRDnationwide Research. Source: PDS

VACANT LAND PRICE POINTS



Prepared by PRDnationwide Research. Source: PDS

VACANT LAND APRIL 2013 H/Y AREA DISTRIBUTION

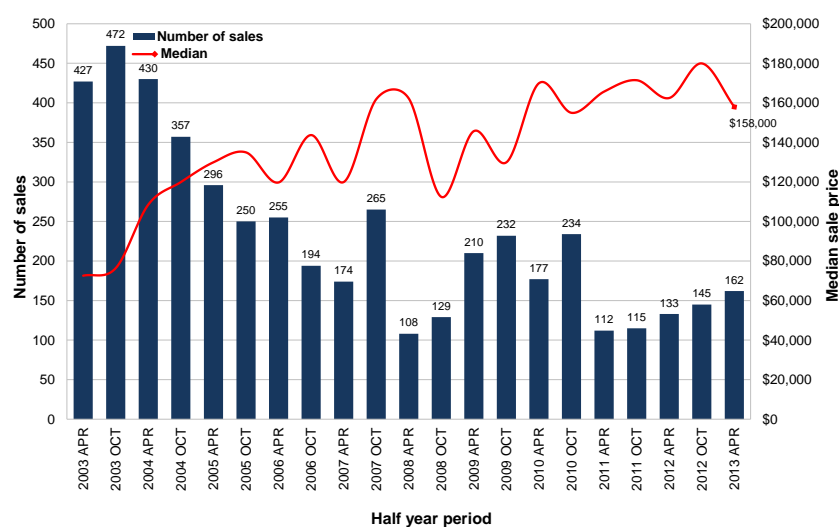


Prepared by PRDnationwide Research. Source: PDS

The Toowoomba Area rental market has performed well over the past three years, with all the dominant dwelling types experiencing rental price increases on a year on year basis. With some of the tightest rental vacancies in the state, tenants are requiring to pay more and more to be competitive and secure themselves a rental property. This makes the area an attractive investment proposition, as there is still some room for capital growth as the gas industry continues to grow and improve, while also maintaining a tight rental market with consistent demand.

The Toowoomba vacant land market has historically been rather volatile, with the median price shifting regularly. It recorded a median price peak of \$180,000 during the half year period ending October 2012, and since then has seen a 12 per cent contraction. This resulted in a median vacant land price of \$158,000 during the most recent April 2013 half year period.

TOOWOOMBA AREA VACANT LAND SALES CYCLE



Prepared by PRDnationwide Research. Source: PDS

The drop in median price has been as a result of a larger number of transactions occurring in the lower price points in the Toowoomba Area. During the previous October 2012 half year period, where the vacant land median price peaked, there were a large number of transactions (19 per cent) in the \$190,000 to \$209,999 price point, while there were only 10 per cent of total transactions occurring at \$150,000 or less. Fast forward to the most recent April 2013 half year period, and the once dominant \$190,000 to \$209,999 price point accounted for only four per cent of total transactions, while transactions less than \$150,000 accounted for 33 per cent of total sales.

Buyers have clearly expressed past interest in more affordable vacant land in the Toowoomba Area, and as such builders and developers have obliged, releasing more affordable land options. It should be noted that interestingly, this drop in median vacant land price has not been met with an increased demand for smaller sized blocks. Block sizes of 600-699m² accounted for the majority of transactions with 40 per cent, though this figure is down five per cent compared to the previous October 2012 half year period. During this same crossover period, block sizes of 1,200m² and up saw an increase from 15 per cent of total transactions during the October 2012 half year period to 20 per cent during the most recent six months ending April 2013.

Over the past two years, the Toowoomba Area has seen sales increasing each six month period, with the average annual growth in sales since the April 2011 half year period at 20 per cent. The growth in sales activity in the Area can be attributed to renewed interest as a result of gas mining operations, with both investors and local residents taking advantage of the amount of land coming to the market, largely at attractive prices.

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