

**Toowoomba**  
Property Factsheet  
1st Half 2018





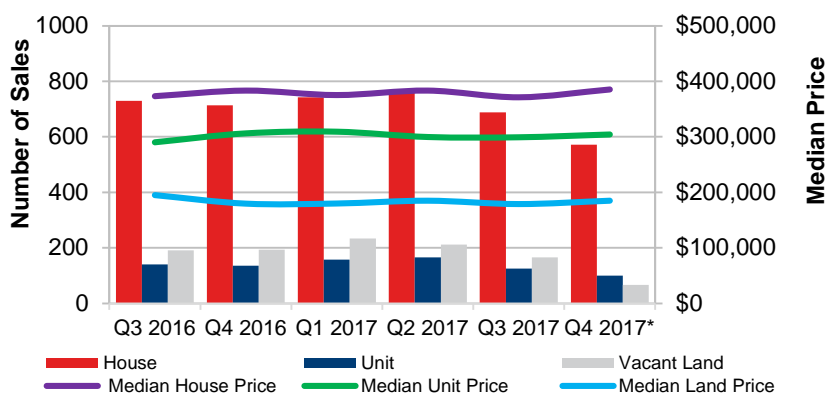
## MARKET CONDITIONS

In Q4 2017 the property market for postcodes 4350/4352 in Toowoomba\*\* recorded a median house price of \$400,000 and \$296,250 for units, representing an annual price change of 2.7% and -3.5% respectively. Over the same period of time house prices in the Toowoomba Regional LGA grew by 0.5% to \$385,000 and unit prices grew by -0.7% to \$304,000. Not only are median house prices in postcodes 4350/4352 well above the Toowoomba LGA, they also offer higher capital growth. This indicates that the 4350/4352 area is a sought after market by buyers and investors.

Average days to sell in postcodes 4350/4352 has declined over the past 12 months, currently at 73 days for houses and 113 for units in Q4 2017. Over the same period of time average vendor discounting has tightened for both property types, to -3.6% for houses and -4.2% for units, suggesting that sellers are achieving closer to their first asking price. That said, buyers should not be discouraged as there is still room for price negotiation, and access to a number of different price brackets to suit multiple budgets.

Median rent in postcodes 4350/4352 has increased for both houses and units over the 12 months to Q4 2017, currently at \$345 per week and \$280 per week respectively. Furthermore, rental average days on market has improved, sitting at 28 days (houses) and 32 days (units). Low vacancy rates of 2.4% demonstrate strong rental demand in the area, especially when compared to Brisbane (3.8%). Investors are benefiting from 4.5% (houses) and 5.0% (units) yields, higher than Brisbane's 3.8% and 5.0% respectively.

## TOOWOOMBA REGIONAL LGA GROWTH



## OVERVIEW

Located 125 kilometres west of Brisbane's CBD, Toowoomba is the main urban centre for the Toowoomba Regional area. In 2016 the labour force (59.6%) was higher compared to regional Queensland (58.8%). The suburb is an ideal location for couples with children and singles who are seeking affordable property prices.

Change from Last	Year	Half Year
House Sales	↓	↓
House Median Price	↑	↓
House Rental Price	↑	↑
Unit Sales	↓	↓
Unit Median Price	↓	↓
Unit Rental Price	↑	↑

## FUTURE DEVELOPMENTS\*\*\*

Toowoomba is actively working towards economic expansion and is set to deliver approx. \$430.9M of new projects in 2018. Commercial accounts for the majority of development value (53.2% or \$229.0M). This is followed by infrastructure projects (\$131.9M or 30.6%), mixed use (\$50.0M or 11.6%) and residential (\$20.0M or 4.6%).

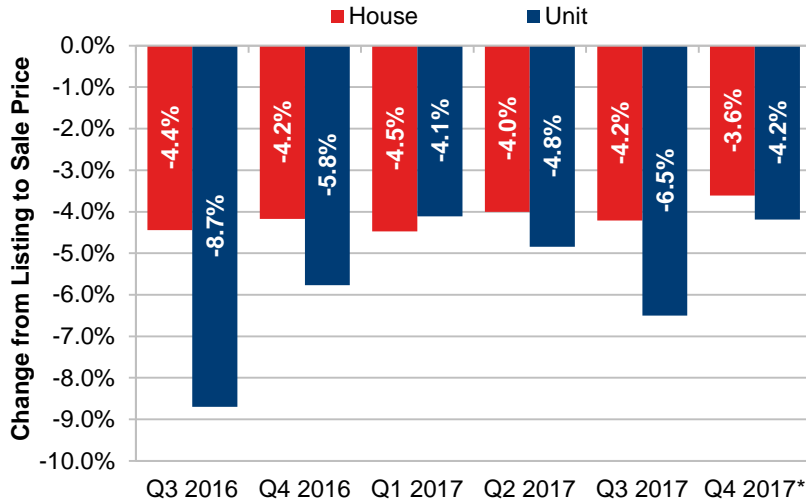
The Hampton Street Retirement Village is a key commercial project set to start in 1<sup>st</sup> half of 2018. Estimated at \$70.0M, this will deliver 162 dwellings by December 2021.

A key infrastructure project set to start in January 2018 is the Toowoomba and Liverpool Range Rail Tunnels Upgrade with an estimated value of \$48.0M. This project will include civil, track alignment, signalling, and remediation works.

With an estimated value of \$45.0M the Glenvale Mixed Use Centre Precincts will provide 5 precincts and will boost job creation and housing supply. Further, the Parkside Estate Residential Stages 1-5 project will add 301 residential lots to the local residential market at an estimated value of approx. \$12.0M.

\*Q4 2017 data represents transactions from 1/10/2017 to 31/12/2017 inclusive.  
 \*\*Toowoomba market data and key indicators encapsulates aggregate property market conditions in the following postcodes: 4350 and 4352 combined.  
 \*\*\*Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value. Quoted construction and completion dates are estimate only, as per relevant data authority.  
 Source: APM Pricerfinder, realestate.com.au, Real Estate Institute of Queensland.  
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## AVERAGE VENDOR DISCOUNT



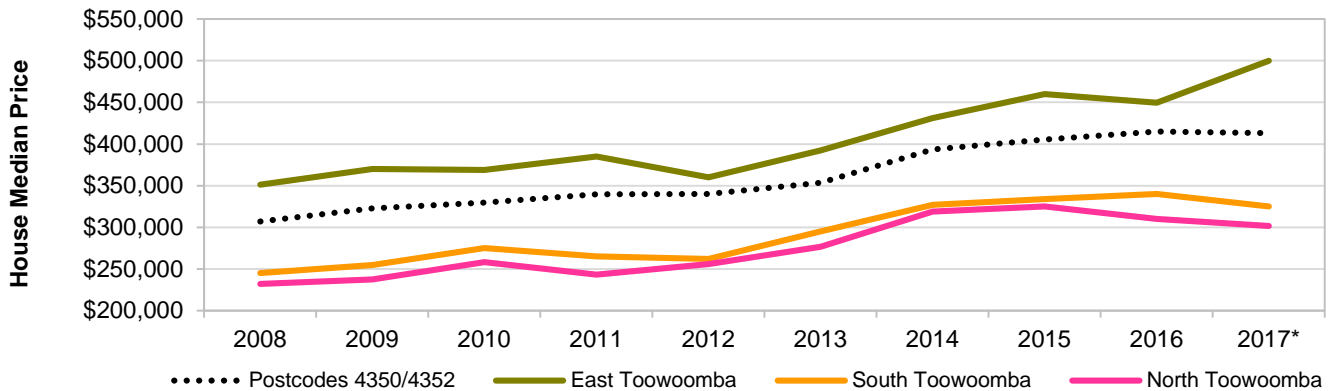
### AVERAGE VENDOR DISCOUNT

Average vendor discount reflects the average percentage difference between first list price and final sold price. A lower percentage difference (closer to zero) suggests buyers are willing to purchase close to the first asking price of a property.

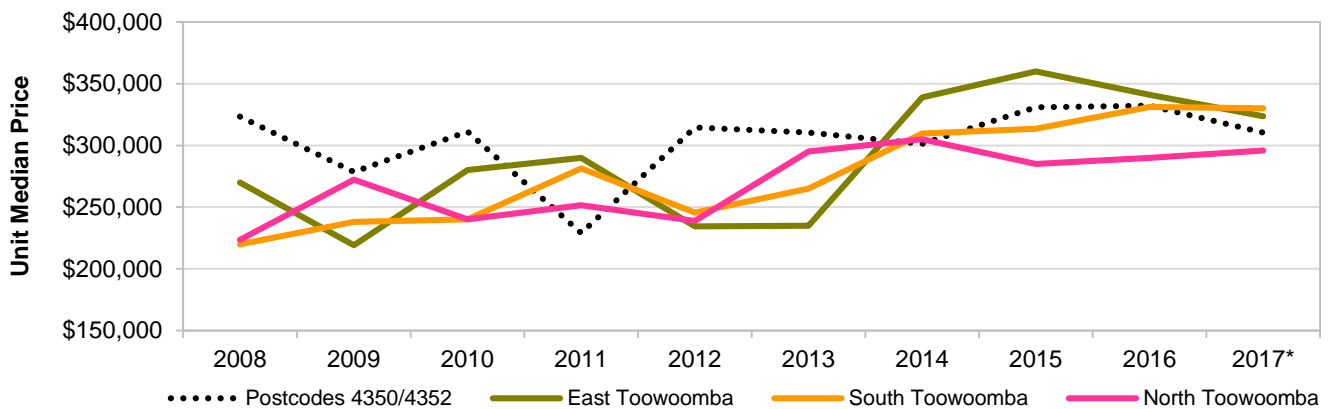
### MARKET COMPARISON GRAPH

The market comparison graph provides comparative trend for median price of house and units over the past 10 years. Suburbs profiled are chosen based on proximity to the main areas analysed in the factsheet, which is postcodes 4350/4352. The main area is highlighted through a dotted black line graph.

## HOUSE MARKET COMPARISON



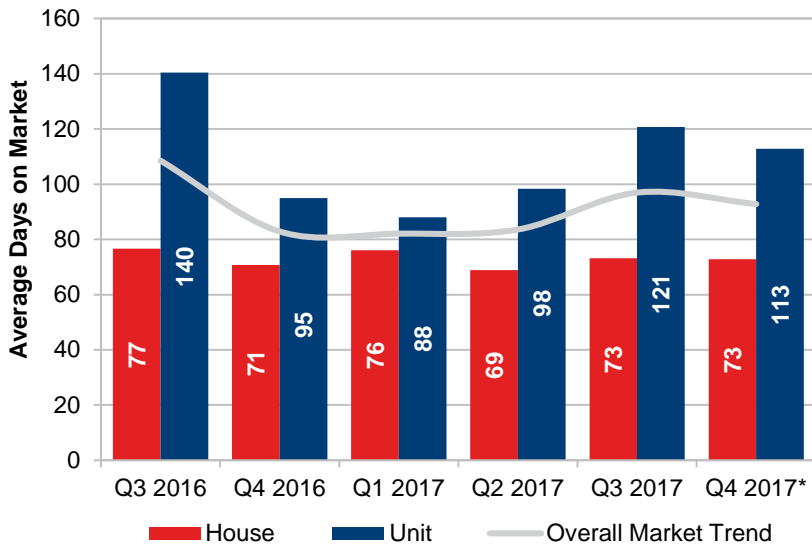
## UNIT MARKET COMPARISON



\*Q4 2017 and 2017 data represents data from both Normal sales (i.e. settled sales transactions derived from Government sources) and Agents Advice sales (i.e. sales transactions not derived from Government sources).

Source: APM Pricefinder, realestate.com.au, Real Estate Institute of Australia. © Copyright PRDnationwide 2018.

## AVERAGE DAYS ON MARKET\*\*



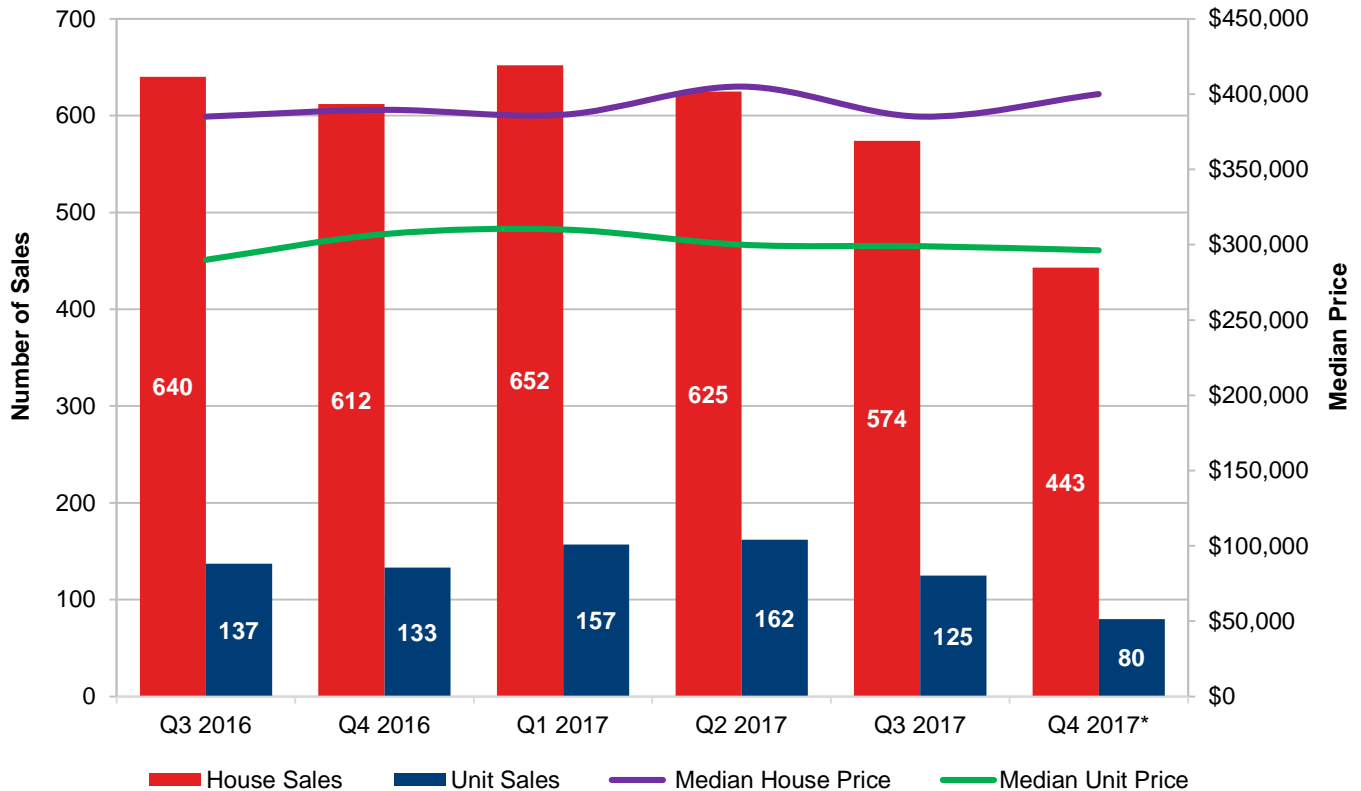
### HOUSE KEY FACTS Q4 2017

Median Sale Price: \$400,000  
Annual Growth: 2.7%\*\*\*  
Average Days on Market: 73  
% Change between First Listed Price and Sold Price: -3.6%

### UNITS KEY FACTS Q4 2017

Median Sale Price: \$296,250  
Annual Growth: -3.5%\*\*\*  
Average Days on Market: 113  
% Change between First Listed Price and Sold Price: -4.2%

## SALES AND MEDIAN PRICE\*\*



\*Q4 2017 data represents data from both Normal sales (i.e. settled sales transactions derived from Government sources) and Agents Advice sales (i.e. sales transactions not derived from Government sources).

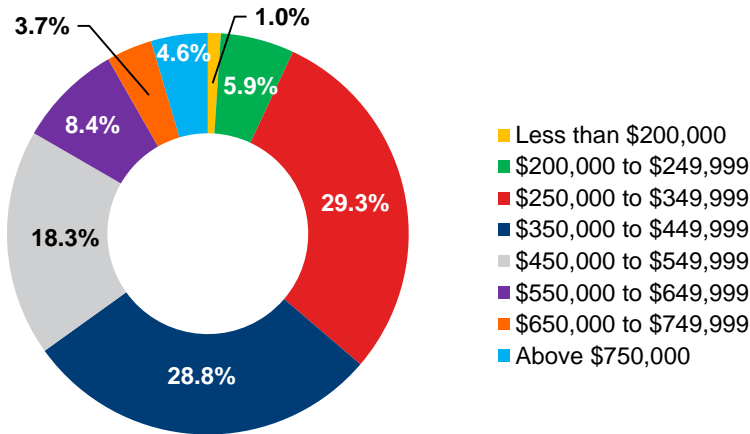
\*\*Toowoomba market data and key indicators encapsulates aggregate property market conditions in the following postcodes: 4350 and 4352.

\*\*\*Annual growth represents price growth for property transactions between Q4 2016 to Q4 2017 (inclusive).

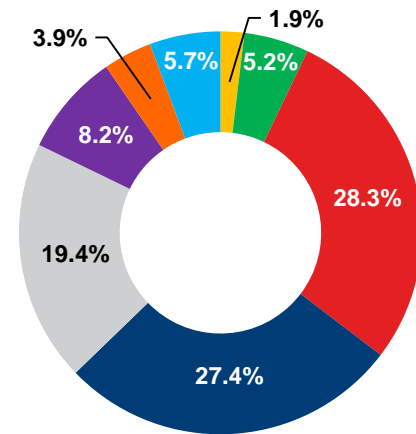
Source: APM Pricer, realestate.com.au, SQM Research, Real Estate Institute of Queensland, Toowoomba Regional Council. © Copyright PRDnationwide 2018.

## SALES PRICE POINT ANALYSIS

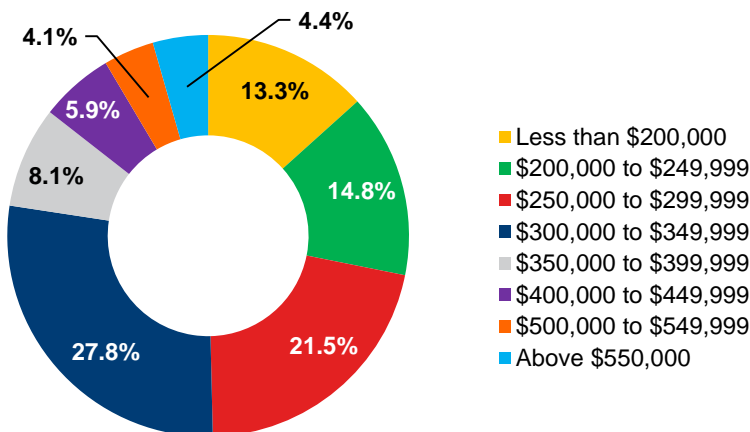
### HOUSE PRICE POINT 2016



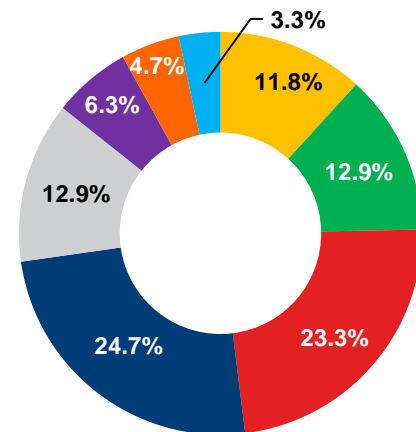
### HOUSE PRICE POINT 2017



### UNIT PRICE POINT 2016



### UNIT PRICE POINT 2017



#### KEY IMPLICATIONS - HOUSE

The housing market demonstrated a fairly stable price point structure from 2016 through to 2017 in postcodes 4350/4352. The top 3 price points are \$250K-\$350K (28.3%), \$350K-\$450K (27.4%), and \$450K-\$550K (19.4%). The relatively equal proportion of houses sold within varying price brackets provides home buyers and investors a range of budget-friendly opportunities.

Toowoomba has maintained symmetrical price points between 2016 and 2017. This suggests that boom and bust situations experienced in some regional areas are unlikely. This is comforting for owners and they are sure to benefit from this reliable housing market.

#### KEY IMPLICATIONS - UNIT

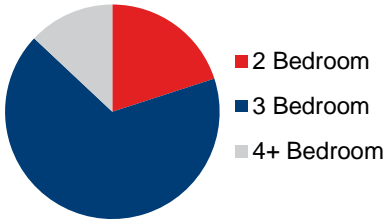
In 2017 the unit market in postcodes 4350/4352 were mostly sold within the \$250K-\$299K (23.3%) and \$300K-\$349K (24.7%) price brackets. Similar to the housing market, the unit market experienced relatively stable patterns in price structure movements, with only minor shifts. This suggests buyers have ample opportunities depending on their budget.

In 2017 unit sales within the price point \$350K-\$400K had the largest increase of 4.8%; no other price point reflected changes above 4.8%. This reflects high resilience of the unit market, providing an attractive investment opportunity for those looking beyond the Brisbane Metro market.

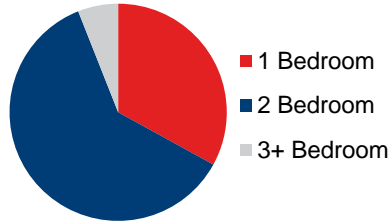


## INVESTMENT ANALYSIS

### HOUSE



### UNIT



### HOUSE KEY FACTS Q4 2017

Median Rent Price: \$345 per week  
 Suburb Rental Yield: 4.5%  
 Average Days on Market: 28  
 Bedroom Breakdown:  
 2 Bed: 20%, 3 Bed: 67%, 4+ Bed: 13%

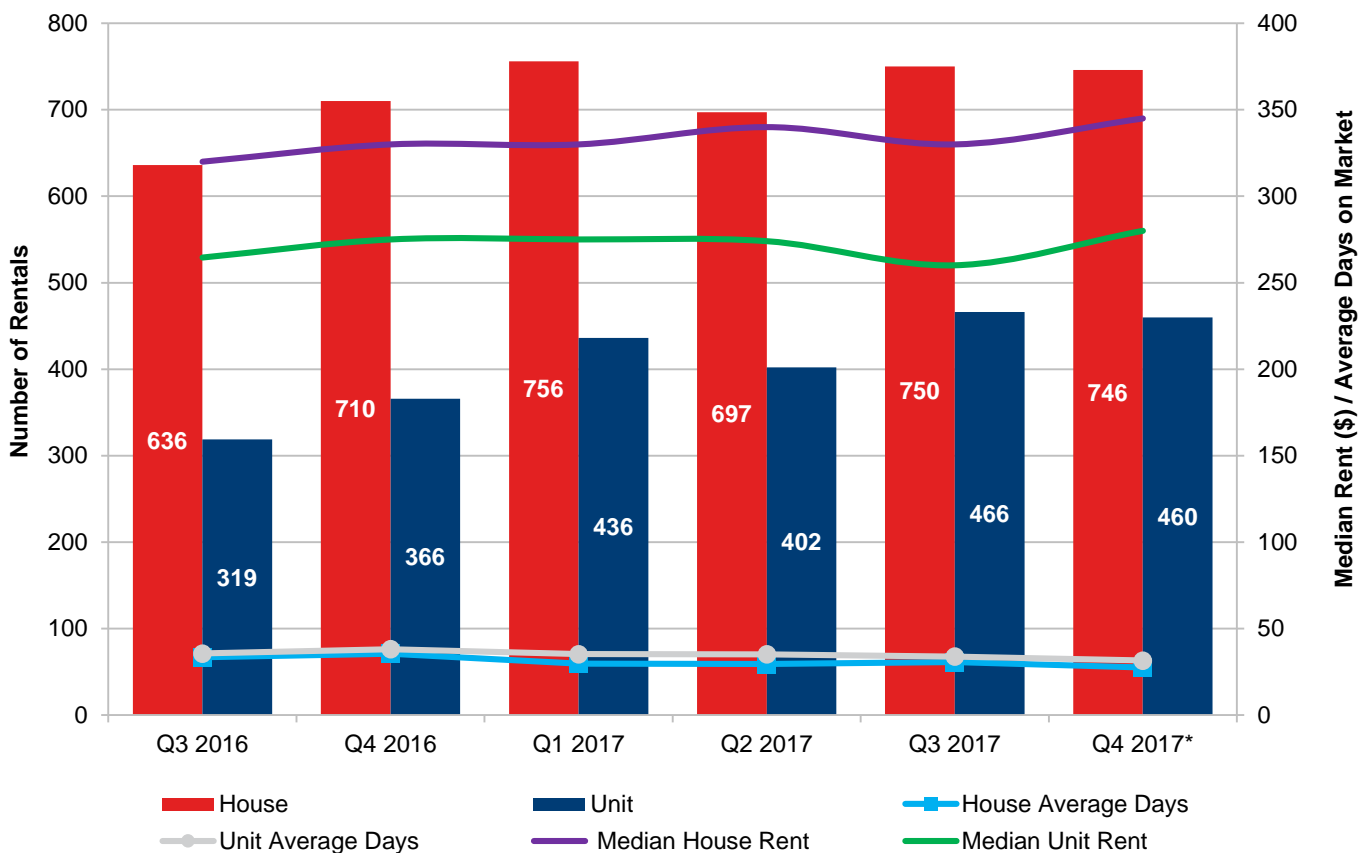
### UNITS KEY FACTS Q4 2017

Median Rent Price: \$280 per week  
 Suburb Rental Yield: 5.0%  
 Average Days on Market: 32  
 Bedroom Breakdown:  
 1 Bed: 33%, 2 Bed: 61%, 3+ Bed: 6%

### KEY COMMENTS

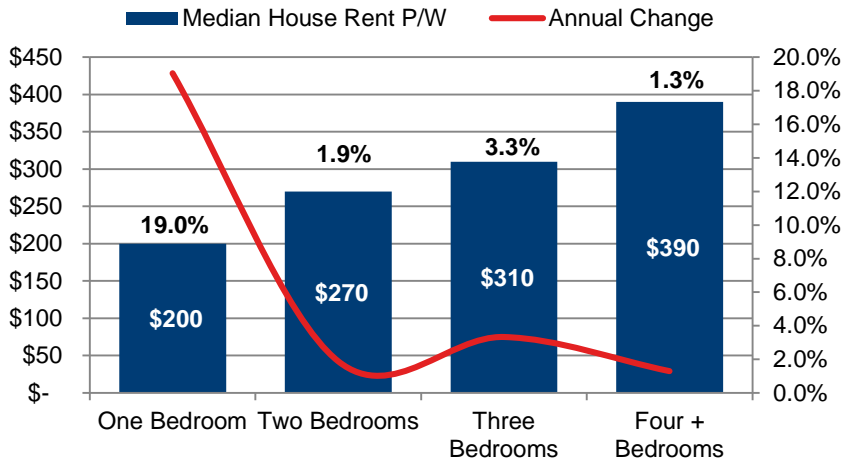
The rental market for postcodes 4350/4352 have gone from strength to strength over the past 6 quarters. Over the past 12 months to Q4 2017 there has been an annual increase in both properties rented (5.1% for house; 25.7% for unit) and median rental price (4.5% for house; 1.5% for unit). Rental average days on market has improved, suggesting properties are rented quicker. This indicates a real high demand for rental properties, indicating a conducive environment for sustainable investment returns.

## MEDIAN RENT AND AVERAGE DAYS ON MARKET\*



\*Disclaimer: Toowoomba market data and key indicators encapsulates aggregate property market conditions in the following postcodes: 4350 and 4352 combined. Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

## RENTAL PERFORMANCE 2017\*



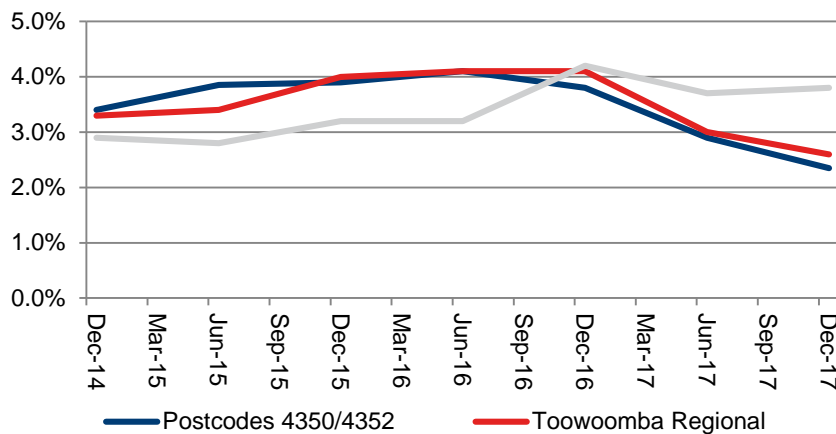
### KEY COMMENTS

House rental yields for the combined postcodes 4350/4352 prove to be strong (4.5%), as they are above that of the Brisbane Metro house rental yield, which is at 3.8%. At the same time, rental yield for units is on par with that of Brisbane's 5.0%.

One bedroom houses provide the highest annual rental growth at 19.0%, currently at \$200 per week in 2017.

Postcodes 4350/4352 vacancy rates were at 2.4% in December 2017 and have trended downwards over the past 18 months. The Toowoomba Regional vacancy rates have also trended downwards, suggesting high occupancy rates of rental properties.

## VACANCY RATES 2017



## RENTAL YIELD 2017

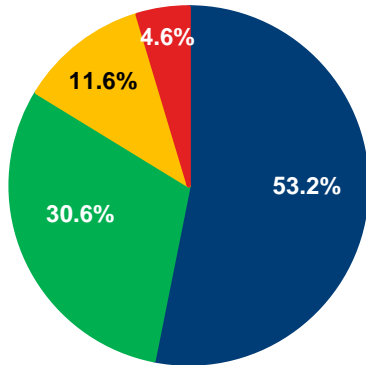
Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Postcode 4350	4.7%	5.3%
Postcode 4352	4.2%	4.7%
Combined Postcodes 4350/4352	4.5%	5.0%
Toowoomba Regional LGA	4.6%	5.2%
Brisbane Metro	3.8%	5.0%

## KEY HOUSING DEMOGRAPHICS

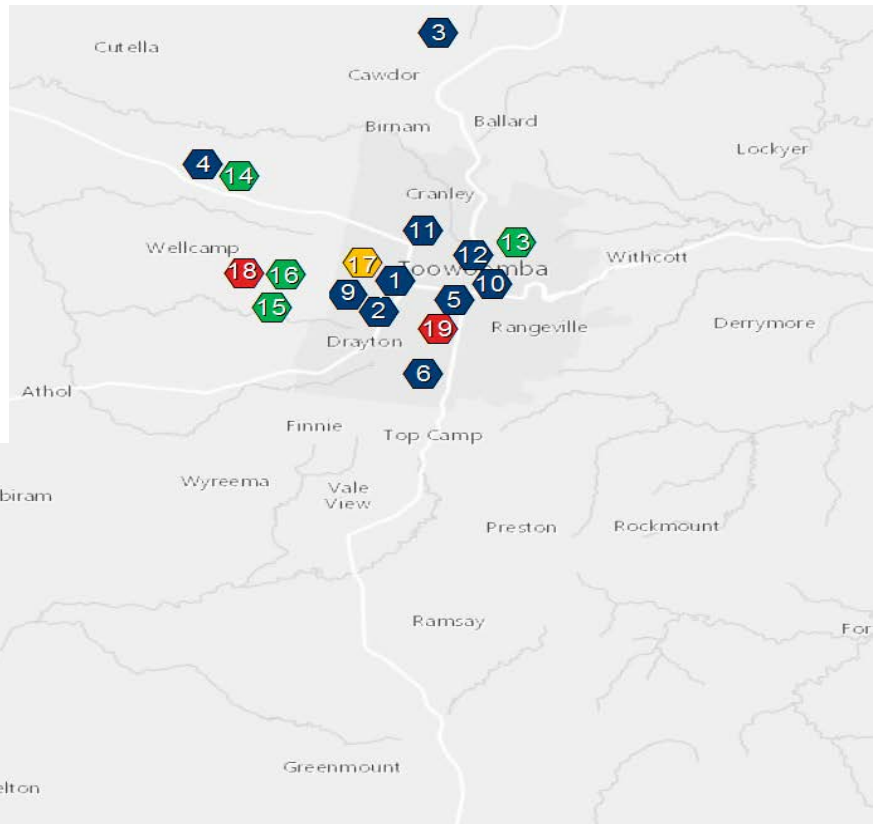
	Postcode 4350	Postcode 4352	Queensland
Median weekly household income	\$1,231	\$1,723	\$1,402
Median monthly mortgage repayments	\$1,517	\$1,733	\$1,733
Unemployed	7.5%	4.6%	7.6%
Professionals	21.1%	18.6%	19.8%
Owned outright	30.4%	34.4%	28.5%
Owned with mortgage	29.5%	47.7%	33.7%
Rented	36.2%	15.3%	34.2%

\*Rental performance graph represents aggregate house median rent price in the following postcodes: 4350 and 4352. Annual change is a comparison between 2016 and 2017 median rent figures. Source: APM Pricerfinder, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

## PROJECT DEVELOPMENT MAP 1<sup>ST</sup> HALF 2018\*



■ Commercial      ■ Infrastructure  
■ Mixed Use      ■ Residential



Location	Project**	Type	Estimated Value***	Commence Date****
1	Hampton Street Retirement Village	Commercial	\$70,000,000	09/04/2018
2	Hampton Street Retirement Facility Stages 1-7	Commercial	\$42,000,000	16/04/2018
3	Brownesholme Village Aged Care Facility & Villas Stages 2-5	Commercial	\$22,000,000	17/01/2018
4	Charlton Truck Stop	Commercial	\$20,000,000	18/05/2018
5	Toowoomba Hospital Mental Health Facility Stages 1 & 2	Commercial	\$15,000,000	29/06/2018
6	Mclean Chicken Farm Grading Facility	Commercial	\$15,000,000	09/04/2018
7	Gardens Cage Free Egg Laying Sheds Alterations & Additions	Commercial	\$10,000,000	05/02/2018
8	Mclean Chicken Farm Grading Facility	Commercial	\$10,000,000	28/01/2018
9	Coles Supermarket / Liquorland Stages 1 & 2	Commercial	\$9,000,000	16/03/2018
10	Kitchener Street Office Building	Commercial	\$6,000,000	17/04/2018
11	St Andrews Toowoomba Hospital Mental Health Unit Building	Commercial	\$5,000,000	14/05/2018
12	Blue Mountain Hotel Alterations & Additions	Commercial	\$5,000,000	15/06/2018
13	Toowoomba & Liverpool Range Rail Tunnels Upgrade	Infrastructure	\$48,000,000	08/01/2018
14	Toowoomba Regional Council Central Depot	Infrastructure	\$45,000,000	30/04/2018
15	West Moreton Rail Line	Infrastructure	\$25,000,000	04/06/2018
16	Darling Downs Asphalt Rehabilitation	Infrastructure	\$13,850,000	16/04/2018
17	Glenvale Mixed Use Centre Precincts (number of units not disclosed)	Mixed Use	\$50,000,000	07/05/2018
18	Parkside Estate Residential Stages 1 – 5 (301 residential lots)	Residential	\$12,000,000	03/06/2018
19	Alderley Street Units (25 units)	Residential	\$8,000,000	07/05/2018

\*Disclaimer: 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 postcodes of 4350 and 4352. \*\*\*Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value. Commencement date quoted for each project is an approximate only, as provided by the relevant data authority Source: Cordell Database, ESRI ArcGIS, Department of Infrastructure, Local Government and Planning, Toowoomba Regional Council. © Copyright PRDnationwide 2018.



## ABOUT PRDnationwide RESEARCH

**PRDnationwide's research division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia**

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

### OUR KNOWLEDGE

**Access to accurate and objective research is the foundation of all good property decisions**

As the first and only truly knowledge based property services company, PRDnationwide shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

### OUR PEOPLE

**Our research team is made up of highly qualified researchers who focus solely on property analysis**

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

### OUR SERVICES

**Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customized products**

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



#### 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

**John Bleakley**  
**PRDnationwide Toowoomba**

134 Margaret Street  
Toowoomba QLD 4350  
Australia

T +61 7 4638 2877  
F +61 7 4639 2838  
M +61 400 723 933  
E [johnbleakley@prdtba.com.au](mailto:johnbleakley@prdtba.com.au)

[PRD.com.au/toowoomba](http://PRD.com.au/toowoomba)

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