



**Toowoomba**  
**Property Factsheet**  
**1st Half 2019**





## MARKET CONDITIONS

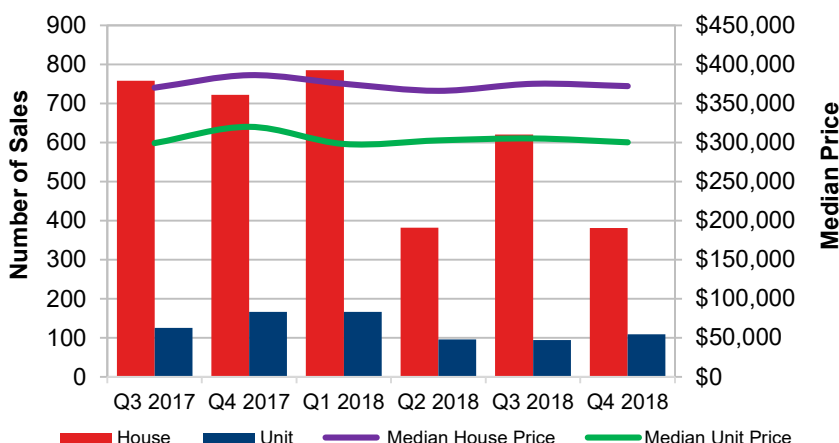
Toowoomba\* recorded a median house price of \$397,000 and \$299,000 for units in Q4 2018. This is an annual (Q4 2017-Q4 2018) median price softening of -1.4% for houses and -6.6% for units. Compared to the *Toowoomba\* 2<sup>nd</sup> half 2018 Research Factsheet*, which reported an annual (Q2 2017 – Q2 2018) median price change of -6.2% (house) and 3.4% (units), houses have strengthened in value and units have become more affordable. This represents a resilient market and an ideal time for buyers to step into the market.

Annual (Q4 2017-Q4 2018) median house prices softened in the Toowoomba Regional Local Government Area (LGA), by -3.6% to \$372,000. Median unit price also softened, by -6.3% to \$300,000. When compared to the LGA, Toowoomba\* unit property prices are on par, however the Toowoomba\* house market proves to a premium one, based on median price and capital growth.

Average vendor discounting has continued to favour buyers over the past 12 months to Q4 2018. Average vendor discount for houses widened from -3.6% in Q4 2017 to -4.2% in Q4 2018, as did units, widening from -4.5% in Q4 2017 to -5.9% in Q4 2018. These figures suggest that buyers Toowoomba's\* are able to secure greater discounts from first listing price, thus now is the time for first home buyers to enter the market.

Toowoomba\* median rental prices strengthened over the past 12 months to Q4 2018, by 2.9% to \$355 per week for houses and by 1.8% to \$290 for units. Investors are benefitting from quick rental uptake in this high-demand market, as vacancy rates (2.4%) in Toowoomba\* have remained stable over the past 12 months to December 2018. This is well below that of Brisbane Metro (3.2%), making Toowoomba\* an ideal affordable alternative for investment.

## TOOWOOMBA REGIONAL GROWTH



## OVERVIEW

Toowoomba\* is located 125 km west of Brisbane's CBD. Auction clearance rates in Toowoomba were at 69.8% in Q4 2018. This is well above the Brisbane Metro auction clearance rate of 37.0%. These numbers suggest high level of successful auction sales in Toowoomba.

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

## FUTURE DEVELOPMENTS\*\*

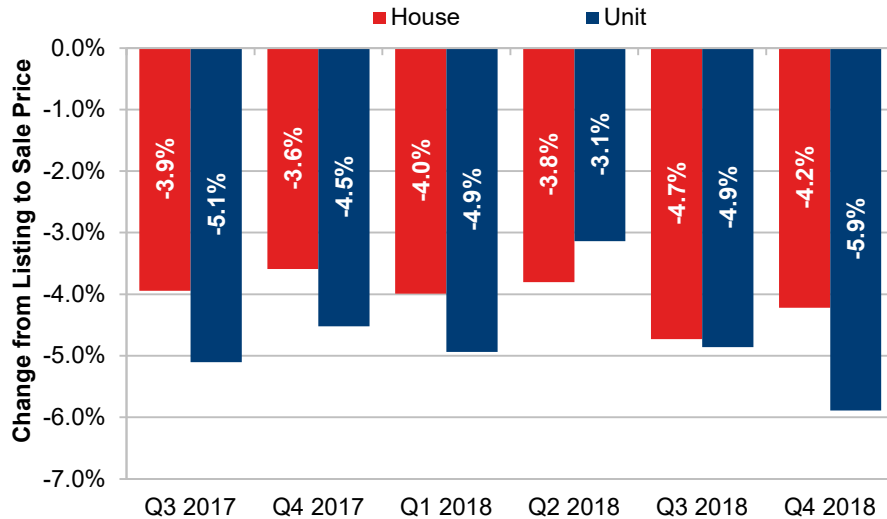
Toowoomba\* is set to see approximately \$212.8M of new projects planned for the 1<sup>st</sup> half of 2019. Commercial projects account for the majority (40.4%, \$86.1M). This is followed by infrastructure (23.4%, \$49.7M), residential (23.0%, \$49.0M), mixed-use (9.4%, \$20.0M) and industrial (3.8%, \$8.0M). The combination of these projects will cater to the property demand of Toowoomba whilst unlocking further private investment and economic activity.

In total 420 lots, 84 units/apartments and 58 townhouses will be added in the 1<sup>st</sup> half of 2019. A key mixed-use project is the Bernoth Centre & South Central Apartments (\$20.0M), adding 25 units, shops, and cafes. Key residential projects include: The Avenues of Highfields Estate (\$20.0M, 420 lots), South Street Townhouses (\$12.0M, 58 townhouses), and Alderley Street Units (\$8.0M, 25 units).

The main commercial projects planned include The Glad Hotel Hospitality complex (\$30.0M) and Brownsesholme Villa Aged Care (\$22.0M). These projects will attract a new demographic into the area and create local jobs, which will result in positive spill-over benefits to the property market in the near future.

\*Toowoomba market data and key indicators encapsulates aggregate property market conditions in the following: postcode 4350/4352.  
\*\*Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.  
Source: APM Pricerfinder, realestate.com.au. © Copyright PRDnationwide 2019.

## AVERAGE VENDOR DISCOUNT\*



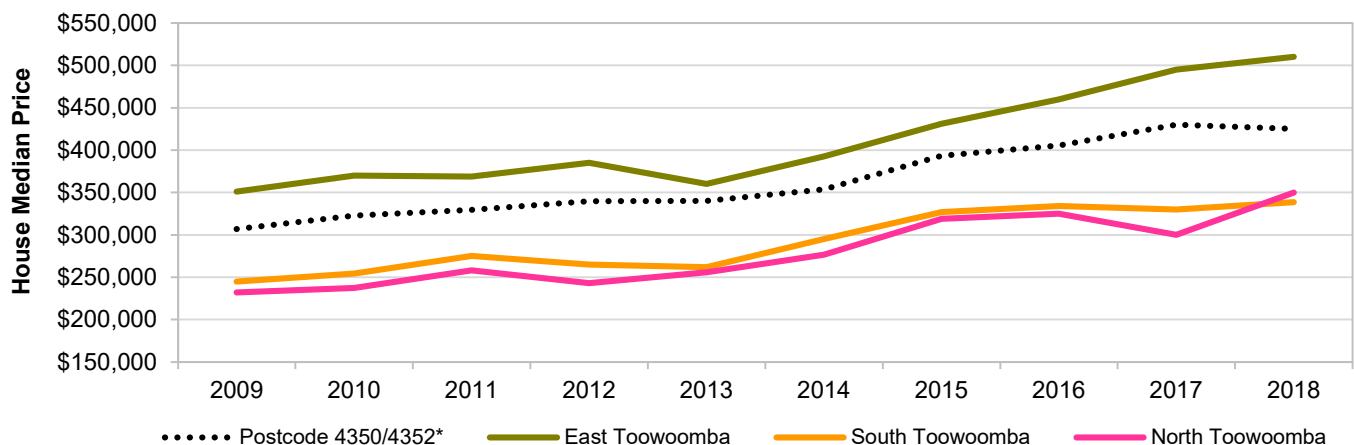
### AVERAGE VENDOR DISCOUNT

Average vendor discount reflects the average percentage difference between first list price and final sold price. A lower percentage difference (closer to 0) suggests buyers are willing to purchase close to the first asking price of a property.

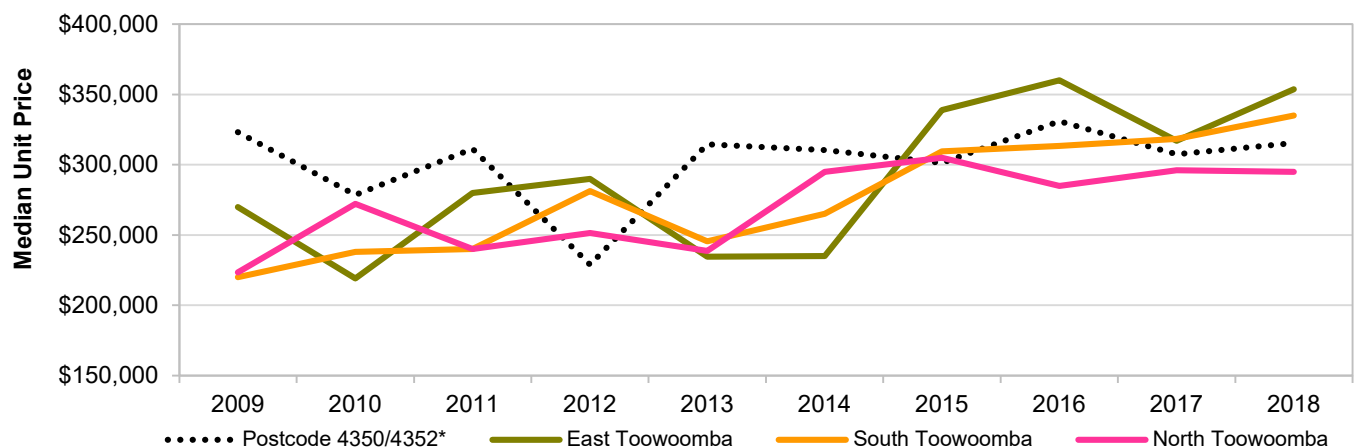
### MARKET COMPARISON GRAPH

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 area analysed in the factsheet, which is postcode 4350/4352\*. The main area is depicted through a dotted black line graph.

## HOUSE MARKET COMPARISON



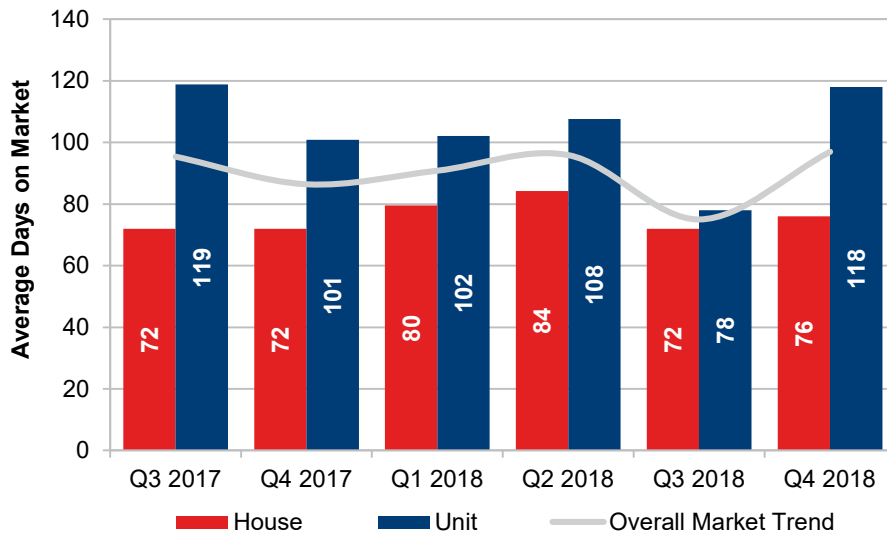
## UNIT MARKET COMPARISON



\*Toowoomba market data and key indicators encapsulates aggregate property market conditions in the following: postcode 4350/4352. Source: APM Pricerfinder. © Copyright PRDnationwide 2019.



## AVERAGE NUMBER OF DAYS ON THE MARKET\*\*



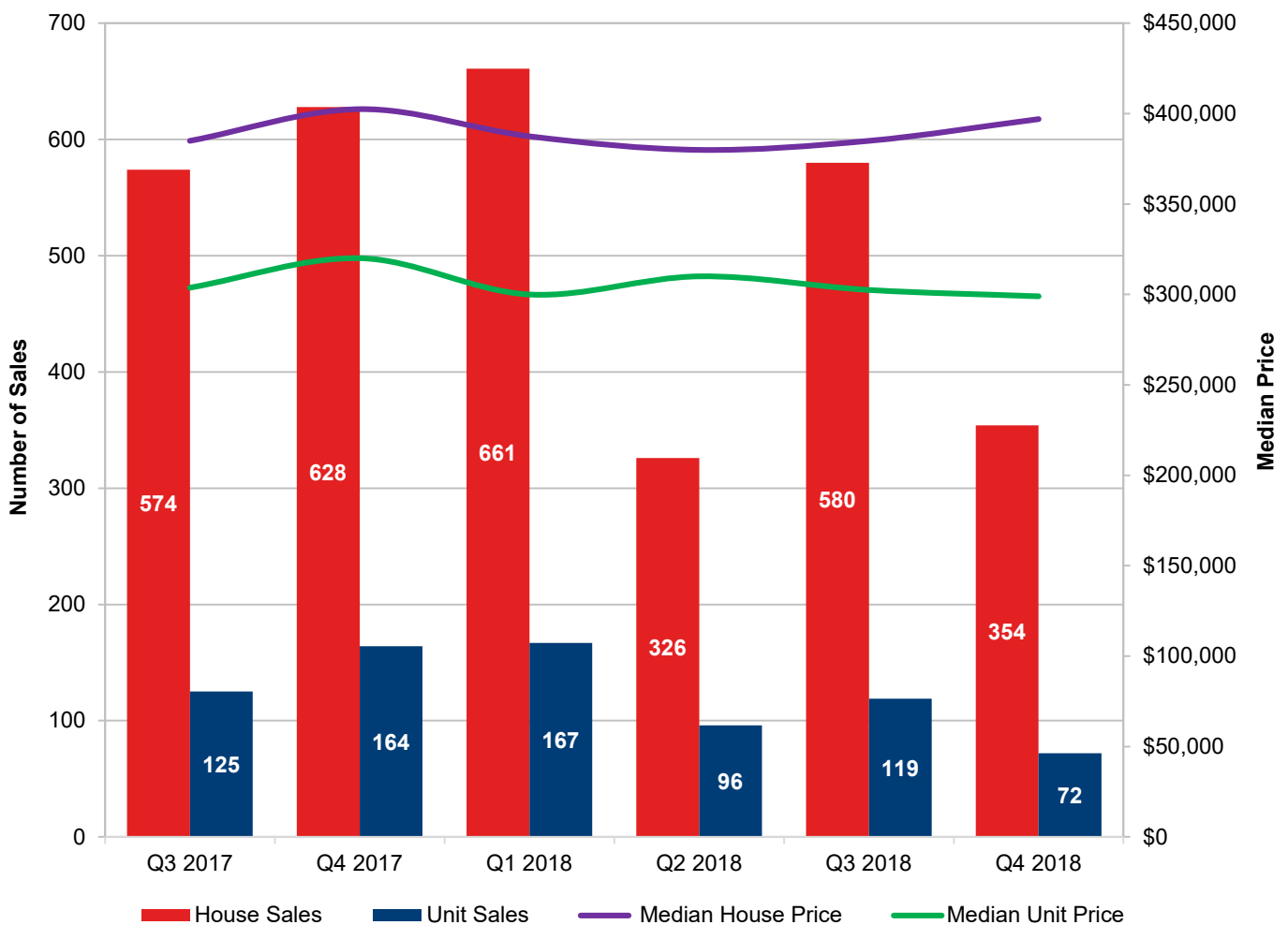
### HOUSE KEY FACTS Q4 2018

Median Sale Price: \$397,000  
 Annual Growth: -1.4%\*  
 Average Days on Market: 76  
 % Change between First Listed Price and Sold Price: -4.2%

### UNIT KEY FACTS Q4 2018

Median Sale Price: \$299,000  
 Annual Growth: -6.6%\*  
 Average Days on Market: 118  
 % Change between First Listed Price and Sold Price: -5.9%

## SALES AND MEDIAN PRICE\*\*



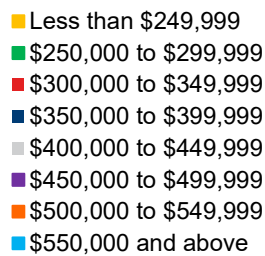
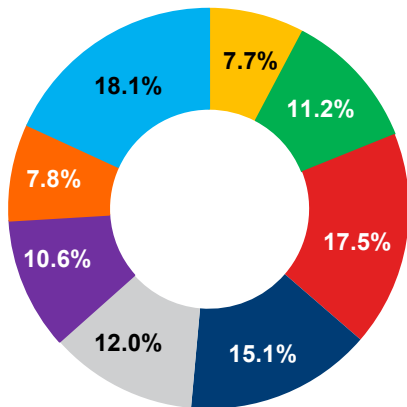
\*Annual growth represents price growth for property transactions between Q4 2017 to Q4 2018 (inclusive).

\*\*Toowoomba market data and key indicators encapsulates aggregate property market conditions in the following: postcode 4350/4352. Note: Due to a time lag between transactions and data entry, the number of sales might not reflect all the transactions that have occurred during Q4 2018.

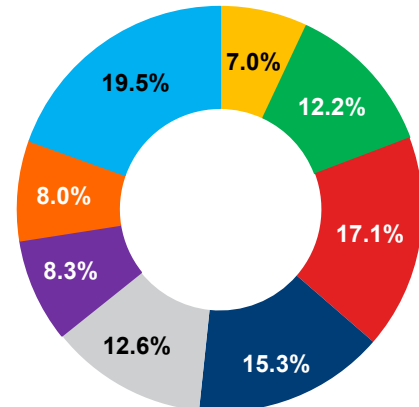
Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

## SALES PRICE POINT COMPARATIVE ANALYSIS

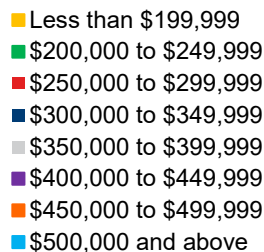
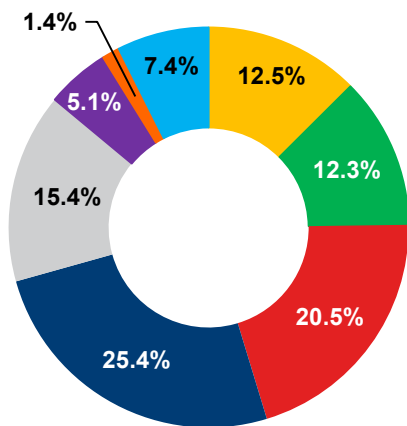
### HOUSE PRICE POINT 2017



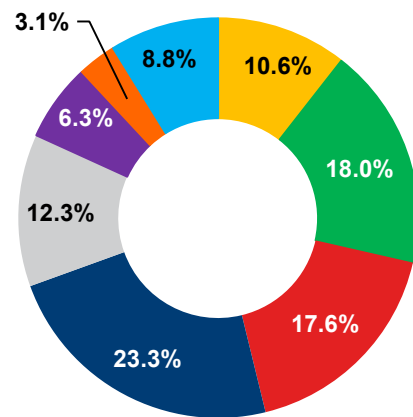
### HOUSE PRICE POINT 2018



### UNIT PRICE POINT 2017



### UNIT PRICE POINT 2018



#### KEY IMPLICATIONS - HOUSE

The majority of houses sold in Toowoomba\*, particularly in postcodes 4350/4352 during 2018, was above \$550K (19.5%). This is an increase compared to 2017, which recorded 18.1% of sales. This confirms Toowoomba\* is becoming more of a premium market, benefiting sellers. There are still affordable options in the lower end of the market, of less than \$249K, however this has slightly decreased from 7.7% in 2017 to 7.0% in 2018.

Affordable options still exist in Toowoomba\*, however buyers need to act fast as sales activity in the lower end price brackets are reducing. Price bracket of \$300K-\$349K slightly shrunk from 17.5% in 2017 to 17.0% in 2018. That said overall, investors can still tap into the market and benefit from the high rental yields of 4.5%.

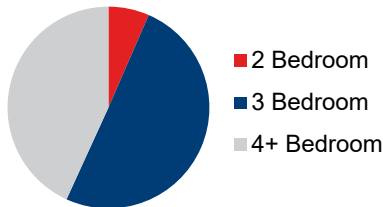
#### KEY IMPLICATIONS - UNIT

The highest proportion of units sold in Toowoomba\* in 2018 was within the \$300K- \$349K price bracket (23.3%). This price bracket has seen an increase in activity, from 25.4% in 2017, suggesting a stronger mid-range price. There is an increase in sales activity in the premium (\$500K plus) market, from 7.4% in 2017 to 8.8% in 2018.

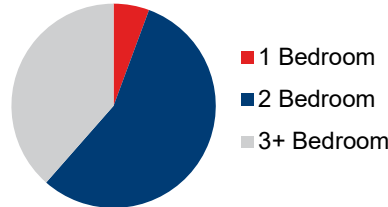
The second highest proportion of units sold in 2018 were in the lower price bracket of \$200K- \$249K (18.0%), showing high activity from first home buyers. This price bracket has experienced an increase in sales activity from 12.3% in 2017. The Toowoomba\* unit market is relatively evenly spread between different price ranges, suggesting that there is a unit for every budget.

## INVESTMENT ANALYSIS

### HOUSE



### UNIT



### HOUSE KEY FACTS Q4 2018

Median Rent Price: \$355 per week  
 Rental Yield: 4.5%  
 Average Days on Market: 28  
 Bedroom Breakdown:  
 2 Bed: 7%, 3 Bed: 50%, 4+ Bed: 43%

### UNIT KEY FACTS Q4 2018

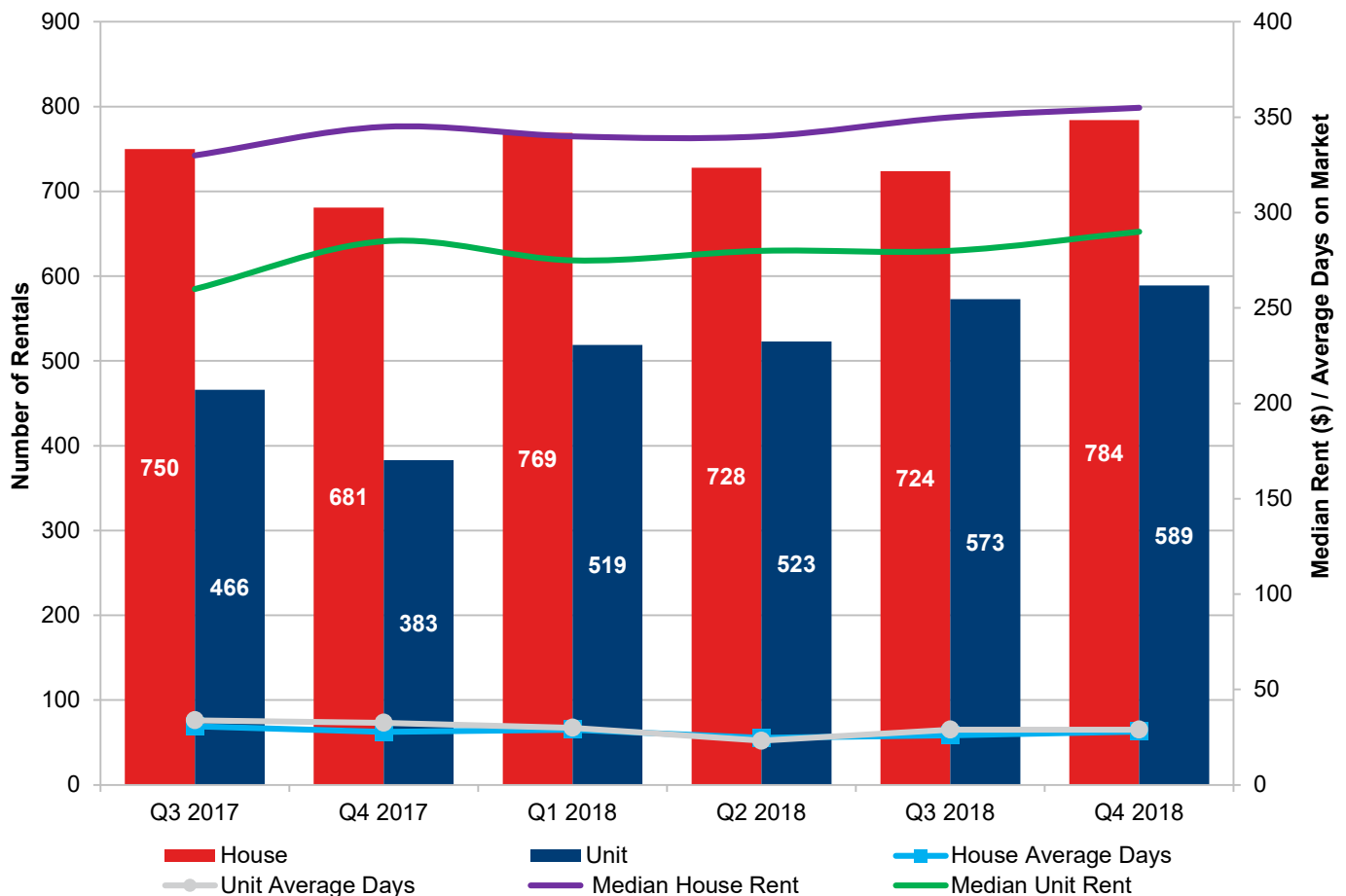
Median Rent Price: \$290 per week  
 Rental Yield: 5.2%  
 Average Days on Market: 29  
 Bedroom Breakdown:  
 1 Bed: 6%, 2 Bed: 56%, 3+ Bed: 39%

### KEY COMMENTS

Rental demand in Toowoomba\* have strengthened over the past 12 months to Q4 2018, by 15.1% (house) and 53.8% (units). During this time median rental price also increased, by 2.9% (house) and 1.8% (units), which suggests there are real rental returns to be made and a healthy rental demand. Furthermore average days on market continue to remain low, at 28 days for houses and 29 days for units, which suggests a quick rental uptake. This is encouraging for first time investors wanting to start their portfolio. These key indicators confirms that Toowoomba\* has a conducive environment for regional investment.

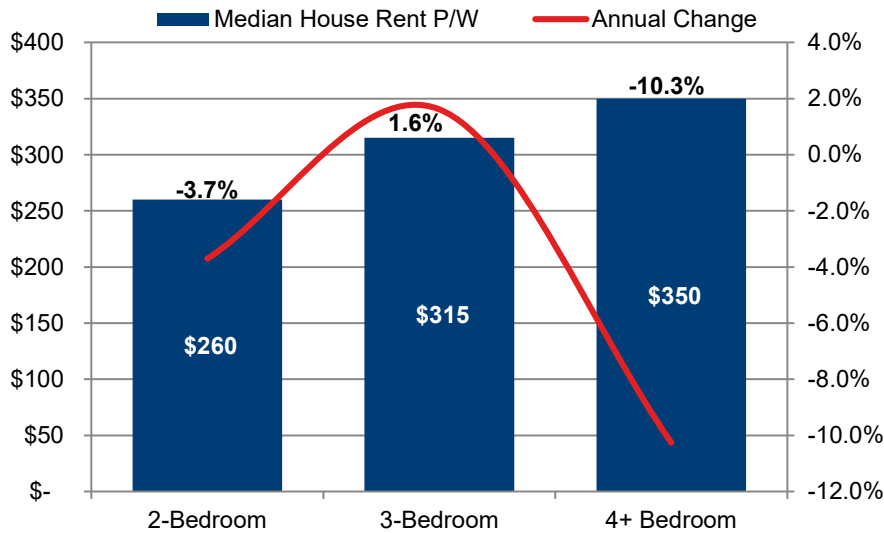


## MEDIAN RENT AND AVERAGE DAYS ON MARKET\*



\*Disclaimer: Toowoomba market data and key indicators encapsulates aggregate property market conditions in the following: postcode 4350/4352. Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

## RENTAL PERFORMANCE 2018\*



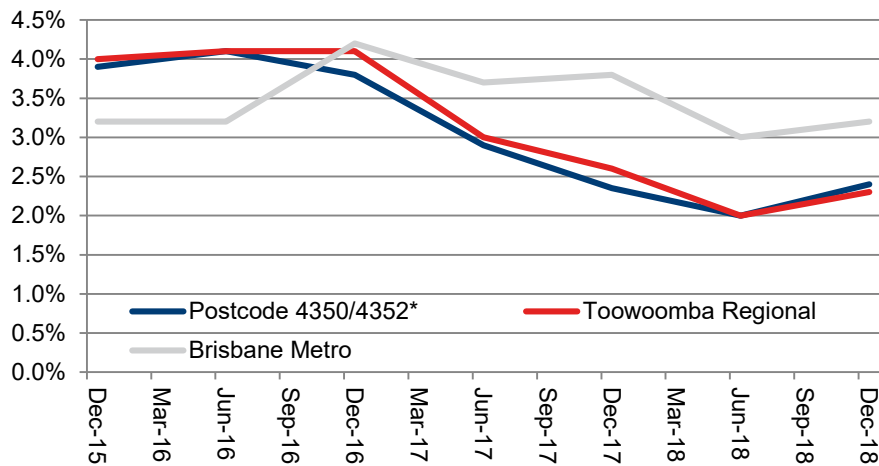
### KEY COMMENTS

Rental returns have proven to be resilient in Toowoomba\*, currently at 4.5% (house) and 5.2% (unit). This is well above that of Brisbane Metro at 3.8% (house) and 5.2% (units).

3 bedroom houses provide the highest annual rental growth at 1.6%, at \$315 per week.

Vacancy rates in Toowoomba\* was 2.4% in December 2018, slightly above Toowoomba LGA (2.3%) but well below that of Brisbane Metro (3.2%). Furthermore this represents a declining trend since December 2017 (2.6%), thus there is now a healthier rental demand in Toowoomba\*.

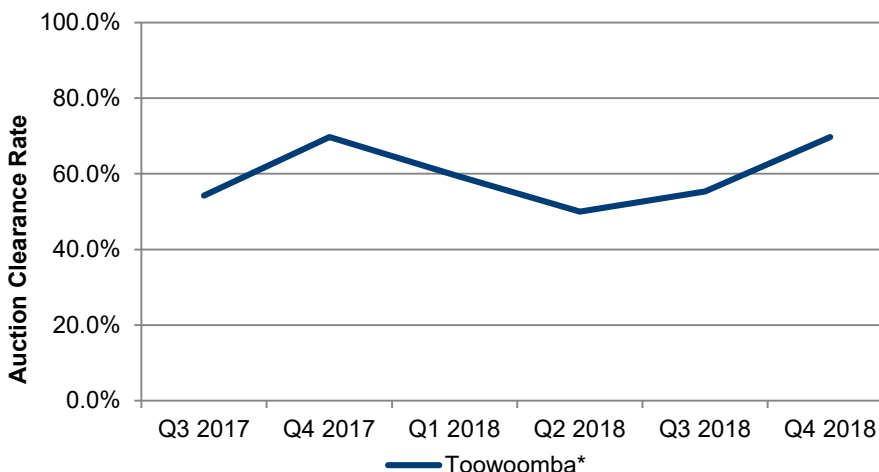
## VACANCY RATES 2018



## RENTAL YIELD 2018

Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Postcode 4350	4.9%	5.4%
Postcode 4352	4.2%	5.1%
Combined Postcode 4350/4352*	4.5%	5.2%
Toowoomba Regional	4.9%	5.4%
Brisbane Metro	3.8%	5.2%

## AUCTION CLEARANCE RATES 2018



## Q4 2018 COMPARISON

Suburb/Postcode/LGA	Auction Clearance Rate
Toowoomba**	69.8%
Toowoomba Regional^	72.0%
Brisbane Metro^	37.0%

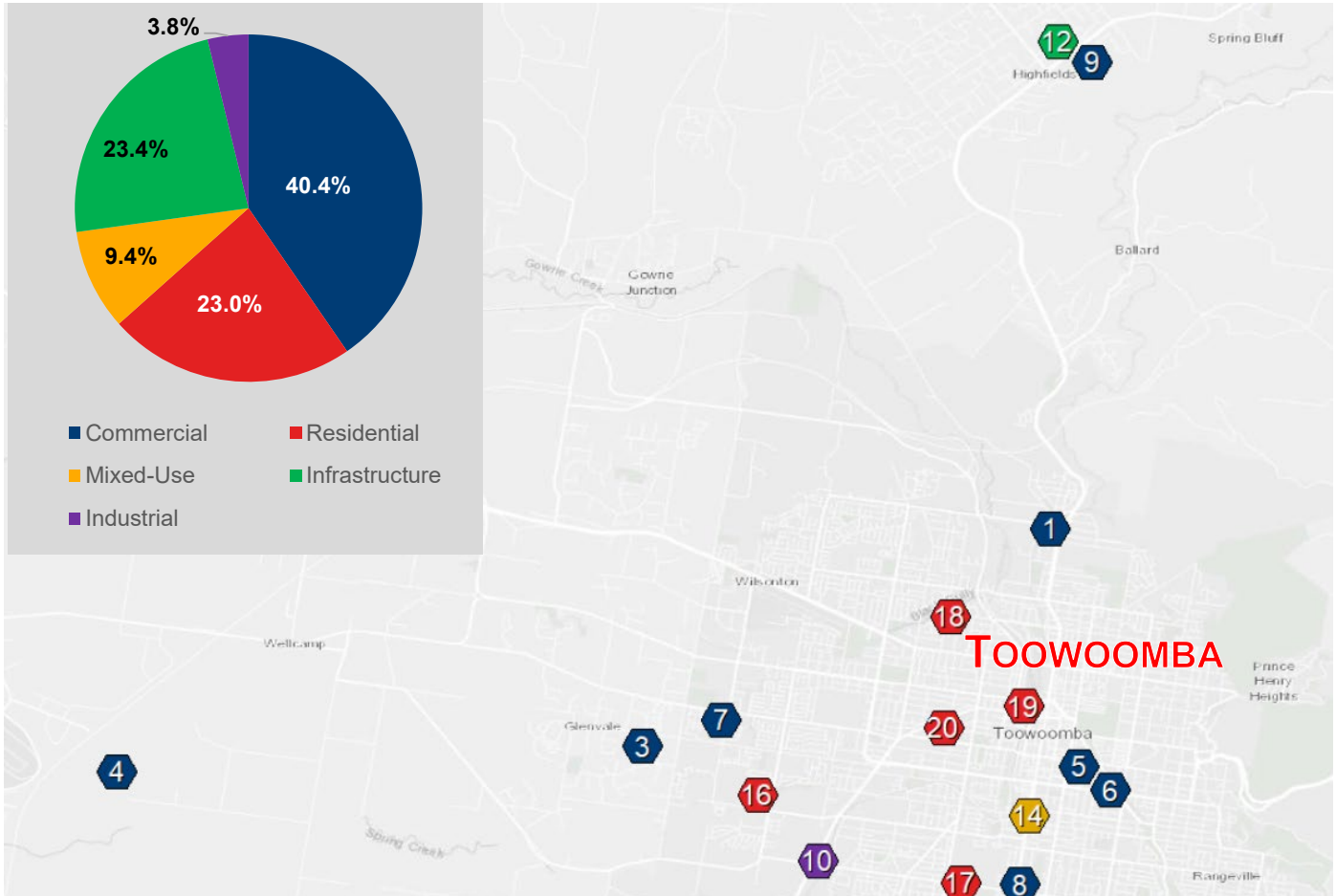
\*Rental performance graph for Toowoomba represents aggregate house median rent prices in the following: Postcode 4350/4352. Annual change is a comparison between 2<sup>nd</sup> half 2017 and 2<sup>nd</sup> half 2018 median rent figures.

\*\*Auction Clearance rates for Toowoomba are for all residential auctions held in the post code of: 4350/4352

^Capital city data obtained by accumulating Domain's weekly auction clearance results.

Source: APM Pricer, Domain, SQM Research. © Copyright PRDnationwide 2019.

## PROJECT DEVELOPMENT MAP 1<sup>st</sup> HALF 2019



Location	Project**	Type	Estimated Value***	Commence Date****
1	The Glad Hotel Hospitality Complex Toowoomba	Commercial	\$30,000,000	27/05/2019
2	Brownesholme Village Aged Care Facility & Villas Stages 2-5	Commercial	\$22,000,000	11/03/2019
3	Coles Shopping Centre Glenvale	Commercial	\$9,000,000	16/02/2019
4	Rspca Animal Welfare Centre Stage 1	Commercial	\$8,000,000	25/02/2019
5	Kitchener Street Office Building	Commercial	\$6,000,000	22/04/2019
6	James Street Cabins	Commercial	\$3,300,000	23/03/2019
7	Glenvale Central Freedom Fuels Service Station	Commercial	\$3,000,000	18/02/2019
8	Ruthven Street Motel	Commercial	\$2,800,000	03/06/2019
9	New England Highway Mixed Development	Commercial	\$2,000,000	22/04/2019
10	Alderley Street Industrial Development	Industrial	\$8,000,000	03/06/2019
11	Toowoomba Regional Council Central Depot	Infrastructure	\$45,000,000	20/03/2019
12	Highfields Police Station	Infrastructure	\$2,770,000	03/06/2019
13	Nass Road Detention Facility	Infrastructure	\$2,000,000	20/05/2019
14	Bernoth Centre & South Central Apartments- (25 Units/Shops/Offices/Restaurant)	Mixed-use	\$20,000,000	04/02/2019
15	The Avenues Of Highfields Estate Masterplanned Residential Community Stages 3 – 10 (420 Lots)	Residential	\$20,000,000	21/05/2019
16	South Street Townhouses Stages 2-5- 58 Townhouses	Residential	\$12,000,000	18/03/2019
17	Alderley Street Units- 25 Units	Residential	\$8,000,000	03/03/2019
18	Jellicoe Street Units- 11 Units	Residential	\$3,300,000	21/05/2019
19	Royal & Snell Streets Apartments- 14 Apartments	Residential	\$3,000,000	11/05/2019
20	Hill Street Units- 9 Units	Residential	\$2,700,000	12/04/2019

\*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 suburbs of Charlton, Cotswold Hills, Glenvale, Harristown, Highfields, Meringandan, Newtown, Prince Henry Heights, Toowoomba, Toowoomba South, Wellcamp, Westbrook, and Wilsonton.

\*\*\*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, PRDnationwide does not hold any liability to the exact date.

Source: Cordell Database, ESRI ArcGIS, Toowoomba Regional Council. © Copyright PRDnationwide 2019.



## 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

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