





TOOWOOMBA MARKET UPDATE 2nd Half 2019



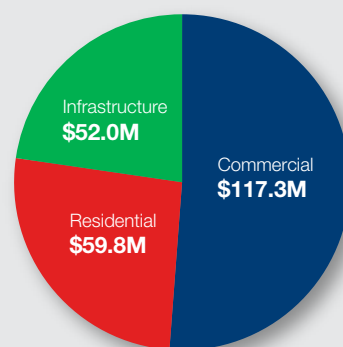
OVERVIEW

In Q2 2019, Toowoomba* recorded a median house price of \$395,000 (287 sales) and a median unit price of \$292,000 (57 sales). This represents annual (Q2 2018 – Q2 2019) median price growth of 3.9% (houses) and a softening of -5.6% (units). During this time sales slowed, by -12.0% (houses) and by -40.6% (units). The house market is undersupplied, an opportunity for owners to sell. The unit market has become more affordable, ideal for first home buyers.

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

FUTURE DEVELOPMENTS

The Toowoomba* area is set to see approximately **\$229.1M worth of new projects commencing in the 2nd half of 2019.**



A focus on commercial projects is a key strategy for Toowoomba*, as this will stimulate commercial activity and increase employment opportunities. This will have a positive spill-over impact on the real estate market, through an increase in property demand.

A significant commercial project due to commence in the 2nd Half 2019 is the Amitabha Resort (\$25.0M). This project will construct short term accommodations, which will invite a variety of demographics into the area and increase future demand.

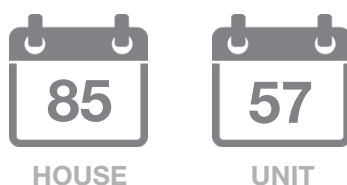
A key infrastructure project is the Toowoomba Regional Council Central Depot (\$45.0M). This project will increase commercial activity in the area and create employment opportunities.

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2019



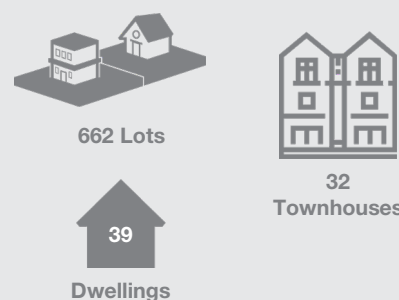
SALES AVERAGE DAYS ON MARKET Q2 2019



RENTAL MEDIAN PRICE Q2 2019



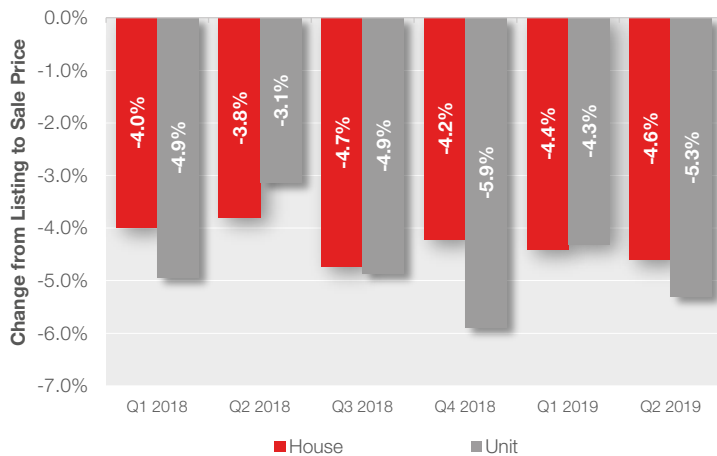
RENTAL AVERAGE DAYS ON MARKET Q2 2019



*Toowoomba market data and key indicators encapsulates aggregate market conditions within the post code 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 Pricefinder, Cordell Connect database, Australian Bureau of Statistics. ©Copyright PRDnationwide 2019.

AVERAGE VENDOR DISCOUNT*

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.



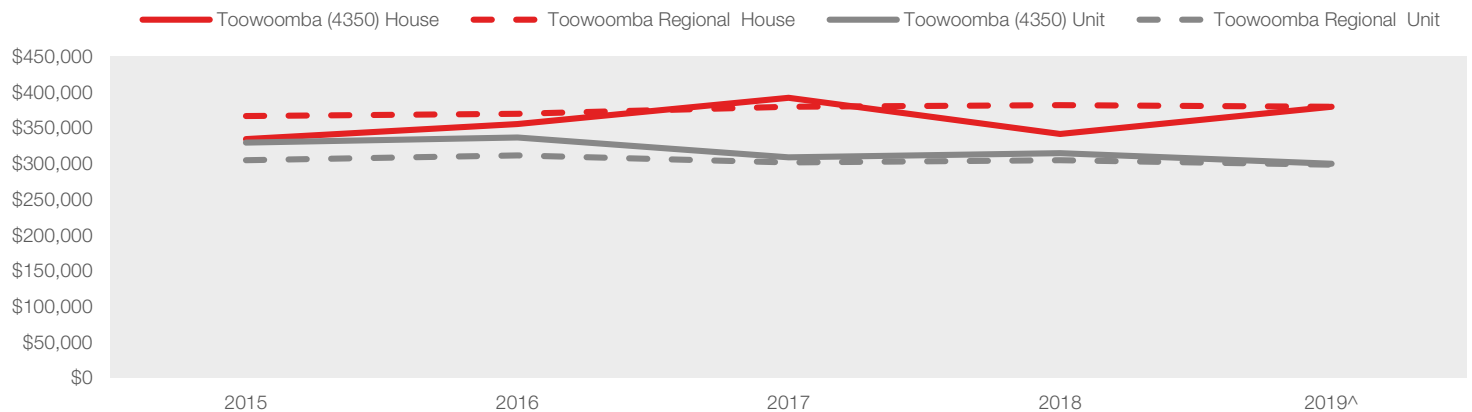
KEY COMMENTS

Average vendor discount between Q2 2018 and Q2 2019 has widened for both houses and units, to -4.6% and -5.3% respectively. The housing market conditions in Toowoomba* has continued to favour buyers, where sellers are willing to negotiate below their initial listing price. First home buyers are encouraged to take this opportunity to enter the market.

The suburb of Toowoomba* largely follows the Toowoomba Regional market in regards to property prices. Compared to the Local Government area (LGA), the Toowoomba* house market provides more affordable opportunities for first home buyers, with median prices just under the LGA. That said, home owners can be more confident, as 2019^ recorded positive capital growth.

The dominant proportion of houses sold in Toowoomba* across the 1st half of 2019 were priced in the low price bracket of less than \$349K (41.1%). Most units sold (35.6%) were in the mid-lower price bracket of \$250K-\$349K. This confirms there is a high appetite for affordable housing stock.

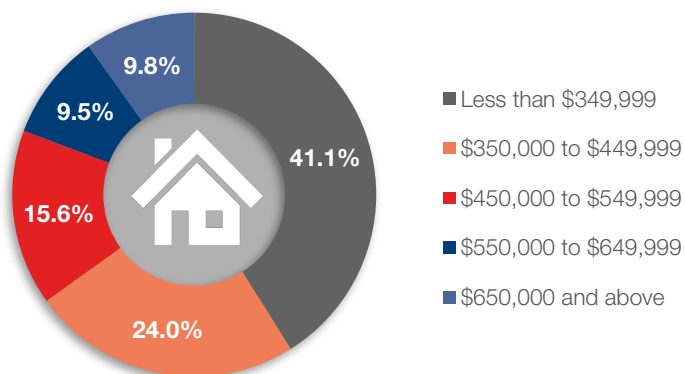
MARKET COMPARISON



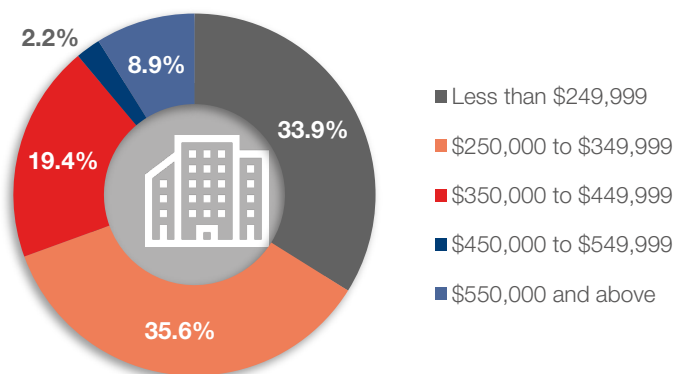
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Toowoomba.

PRICE BREAKDOWN 1ST HALF 2019

HOUSES SOLD



UNITS SOLD

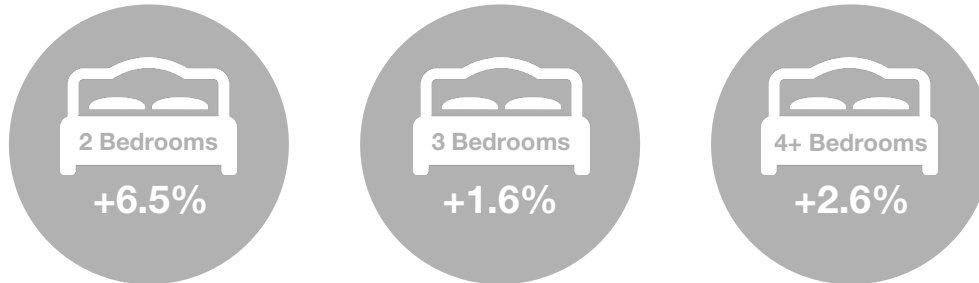


RENTAL GROWTH 2019*

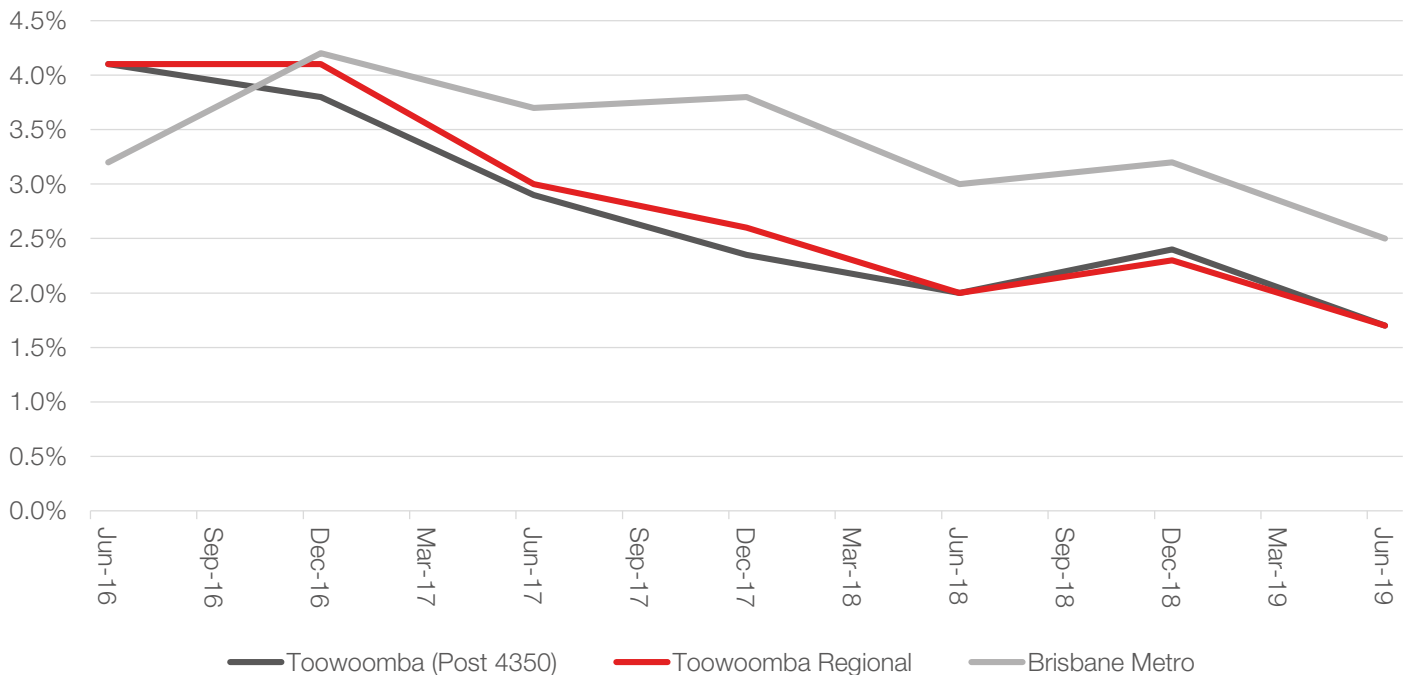
In the 12 months to Q2 2019 rental demand in Toowoomba* was stable for houses and increased for units, by 8.4%. During this time median rental price strengthened, by 2.9% to \$350 per week for houses and by 1.8% to \$285 per week for units. This indicates that there is a high demand towards renting but without compromising on rental returns.

2 bedroom houses provided the highest rental growth annually, of 6.5%. As of June 2019, rental yields in Toowoomba* was 5.0% (houses) and 5.7% (units). These yields are on par with Toowoomba Region and outperforming Brisbane Metro.

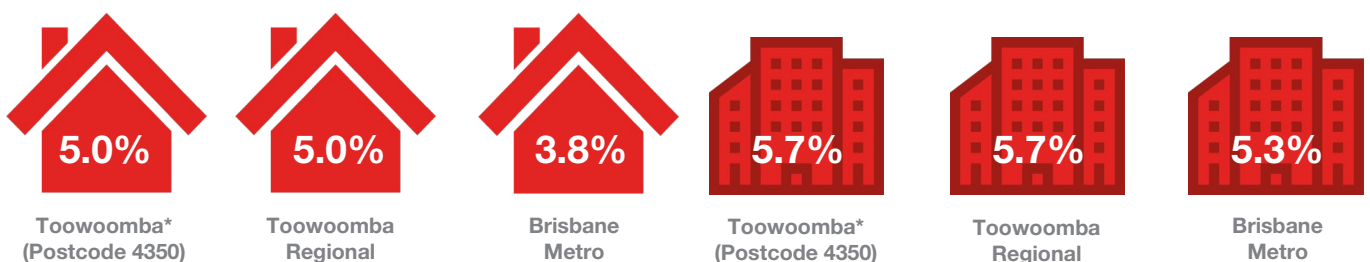
Toowoomba* recorded a low vacancy rate of 1.7% in June 2019, reflecting a sharp declining trend since December 2018. This suggests there is an increasingly healthier rental demand in Toowoomba*, which is good news for investors.



RENTAL VACANCY RATES 2019

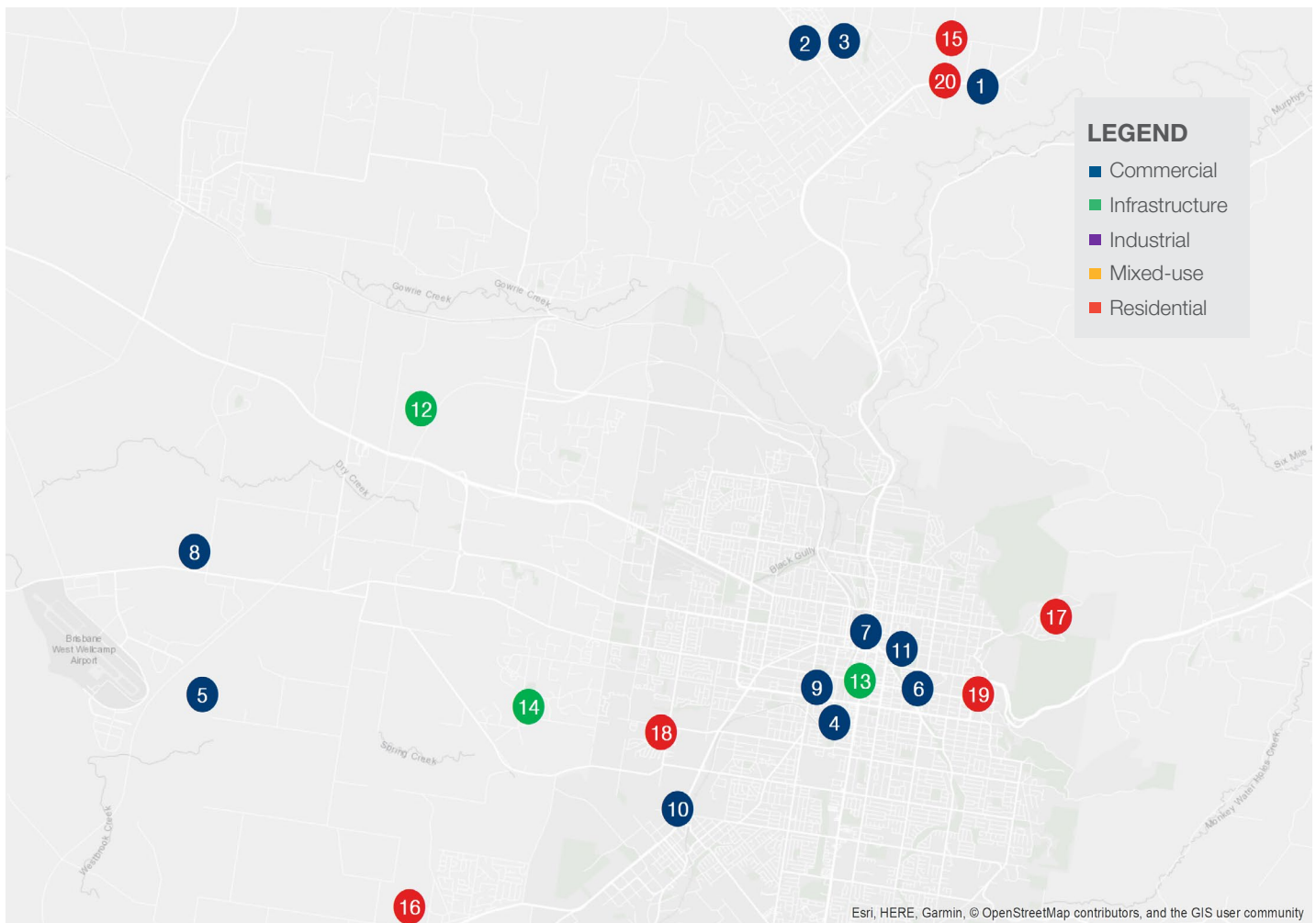


RENTAL YIELD 2019^



*Rental performance graph represents aggregate house median rent prices of post code 4350/4352. Annual rental growth is a comparison between 1st half 2018 and 1st half 2019 house median rent figures.. ^Rental yields shown are as reported at June 2019.
Source: APM Pricerfinder, SQM Research. © Copyright PRDnationwide 2019.

PROJECT DEVELOPMENT MAP 2ND HALF 2019*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Amitabha Resort	Commercial	\$25,000,000	21/07/2019
2	Brownesholme Village Aged Care Facility & Villas Stages 2-5	Commercial	\$22,000,000	05/08/2019
3	Mary Mackillop College Remaining Stages	Commercial	\$20,000,000	10/11/2019
4	Toowoomba Hospital Mental Health Facility Stages 1 & 2	Commercial	\$15,000,000	18/11/2019
5	Rspca Animal Welfare Centre Stage 1	Commercial	\$8,000,000	19/08/2019
6	Kitchener Street Office Building	Commercial	\$6,000,000	02/12/2019
7	Ruthven Street Shop & Showroom Stages 1a, 1b & 2	Commercial	\$5,000,000	21/11/2019
8	Hanrahan Road Intensive Horticulture Facility	Commercial	\$5,000,000	17/12/2019
9	Brodribb Home Aged Care Facility	Commercial	\$5,000,000	18/11/2019
10	Westside Petroleum	Commercial	\$3,500,000	12/08/2019
11	Margaret Street Commercial Building	Commercial	\$2,800,000	18/11/2019
12	Toowoomba Regional Council Central Depot	Infrastructure	\$45,000,000	17/06/2019
13	Soldiers Memorial Hall Upgrade Stage 1	Infrastructure	\$4,000,000	28/10/2019
14	Toowoomba Range Roadworks	Infrastructure	\$3,000,000	19/08/2019
15	The Avenues Of Highfields Estate Masterplanned Residential Community Stages 3 – 10 (420 Lots)	Residential	\$20,000,000	21/09/2019
16	Hillhaven Estate Residential Subdivision- (168 Lots)	Residential	\$13,500,000	14/08/2019
17	Prince Henry Drive Townhouses Stages 1-2- (32 Townhouses)	Residential	\$13,000,000	18/10/2019
18	Living Gems Toowoomba Villas- (22 Villas)	Residential	\$6,000,000	04/11/2019
19	Tourist Road Residential Site- (17 Dwellings, 10 Lots)	Residential	\$4,300,000	18/12/2019
20	The Avenues Of Highfields Stage 3- (64 Lots)	Residential	\$3,000,000	27/10/2019

*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.

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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