



Toowoomba Market Update 1st Half 2022



OVERVIEW

In Q4 2021, Toowoomba* recorded a median house price of \$479,000, and a median unit price of \$320,000. This represents annual (Q4 2020 – Q4 2021) median price growth of 14.2% for houses and a softening of -5.9% for units. Between Q4 2020 – Q4 2021 total sales in both markets increased, by 24.7% for houses (to 1036 sales) and by 59.6% for units (to 332 sales). Owner occupiers and down-sizers can benefit from real returns on capital investment, as median price growth is alongside higher sales numbers. Ready-to-sell houses are in low supply, creating an opportunity for developers.

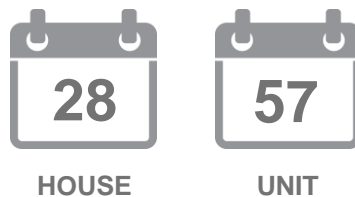
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↑
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↑	↑
	Unit Median Price	↓	↑
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q4 2021



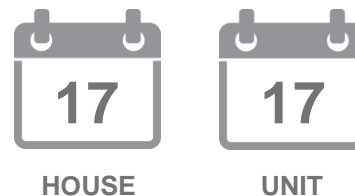
SALES AVERAGE DAYS ON MARKET Q4 2021



RENTAL MEDIAN PRICE Q4 2021

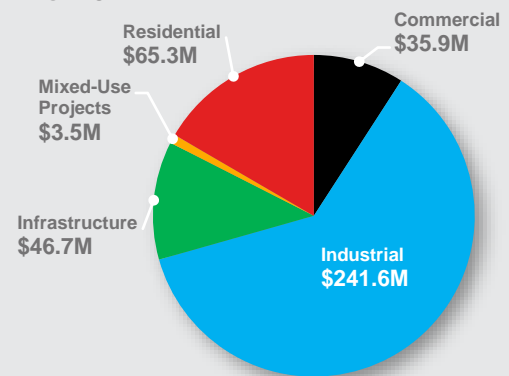


RENTAL AVERAGE DAYS ON MARKET Q4 2021



FUTURE DEVELOPMENTS

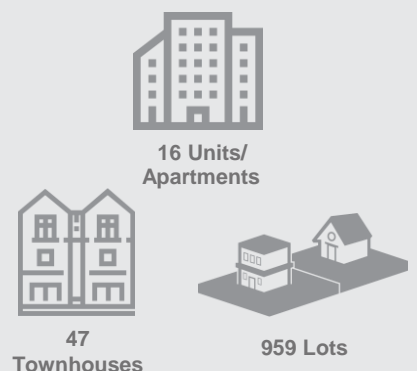
Toowoomba* is set to see approximately **\$393.0M** worth of new projects commencing in the 1st half of 2022.



A strong focus on industrial and residential projects will stimulate the economy and local employment opportunities in Toowoomba*, which will impact the real estate market in terms of an increase in demand for housing.

A main industrial project over the 1st half of 2022 is the InterlinkSQ Intermodal Freight Terminal Phase 1 (\$210.0M). This major project is proposed to construct InterLinkSQ Intermodal Freight Terminal.

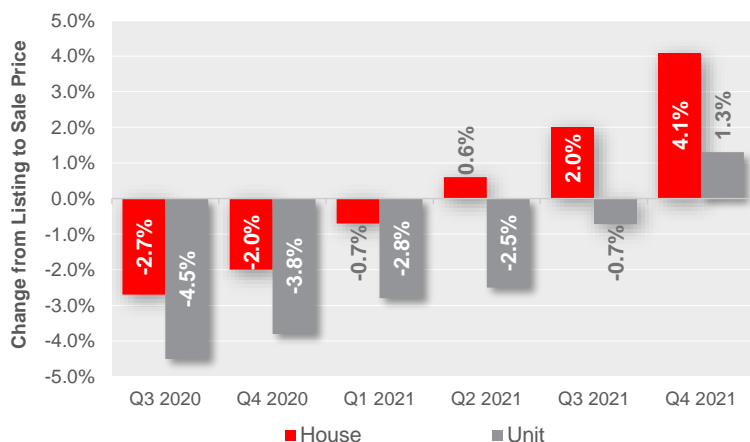
A total of \$65.3M of residential projects is set to be constructed in the area, adding 47 townhouses, 16 units/apartments, and 959 lots. New vacant lots give first home buyers the opportunity to access State and Federal Government grants, to build their home. That said there is still need for ready-to-sell stand-alone houses; demand for this property type is very high.



AVERAGE VENDOR DISCOUNT* KEY COMMENTS

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.

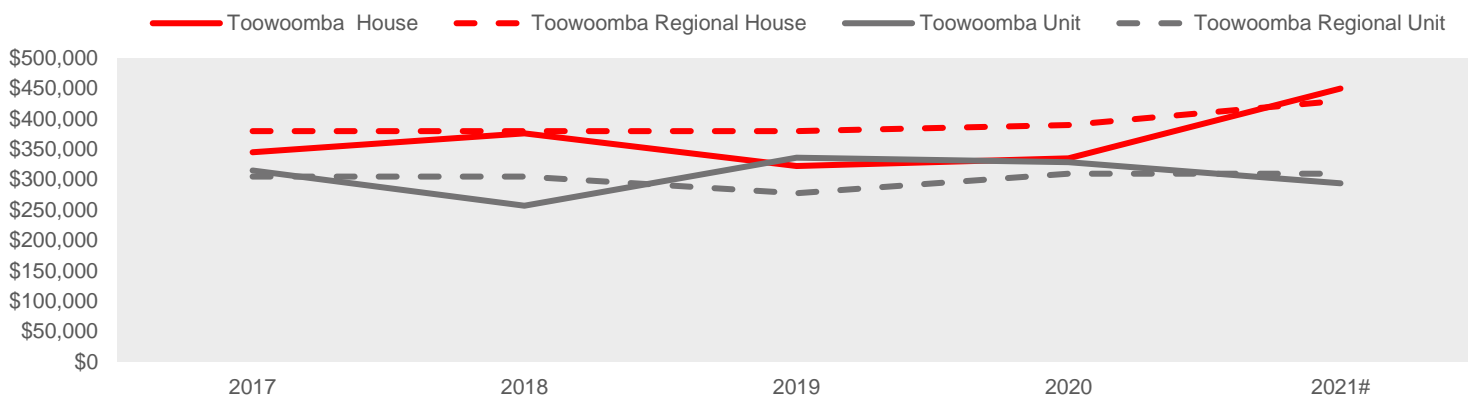
Average vendor discounts between Q4 2020 and Q4 2021 have swung to a premium, to 4.1% for houses and 1.3% for units. Market conditions in Toowoomba* have now shifted to favour sellers, where buyers are willing to offer above the first list price.



In 2021# the suburb of Toowoomba has outperformed the wider Toowoomba Regional Local Government Area (LGA) in regards to house prices. Units on the other hand have become more affordable in the suburb, providing an opportunity for first home buyers to enter the market.

The dominant proportion of homes sold in Toowoomba* across 2021^ were in the lower-middle price bracket between \$350,000 and \$449,999 (29.3%). Units recorded a high buyer activity within the premium sector of \$400,000 and above (31.2%). There is a growing premium market in Toowoomba*, however affordably priced stock is available, in good news for home buyers.

MARKET COMPARISON

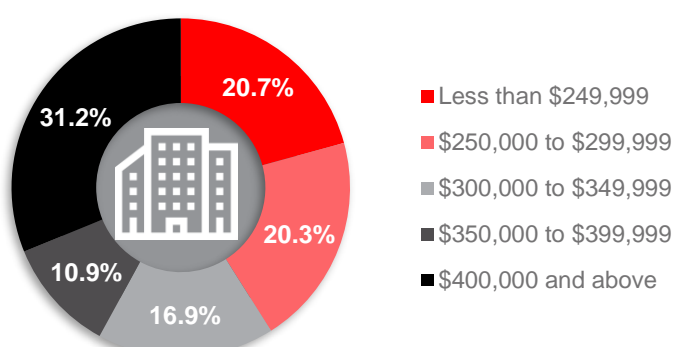
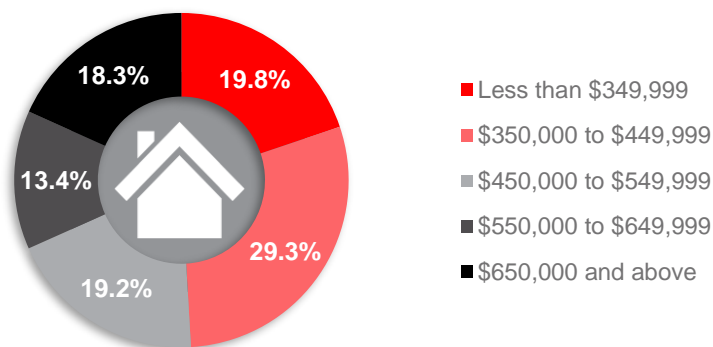


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Toowoomba.

PRICE BREAKDOWN 2021^

HOUSES SOLD

UNITS SOLD



RENTAL GROWTH 2021€

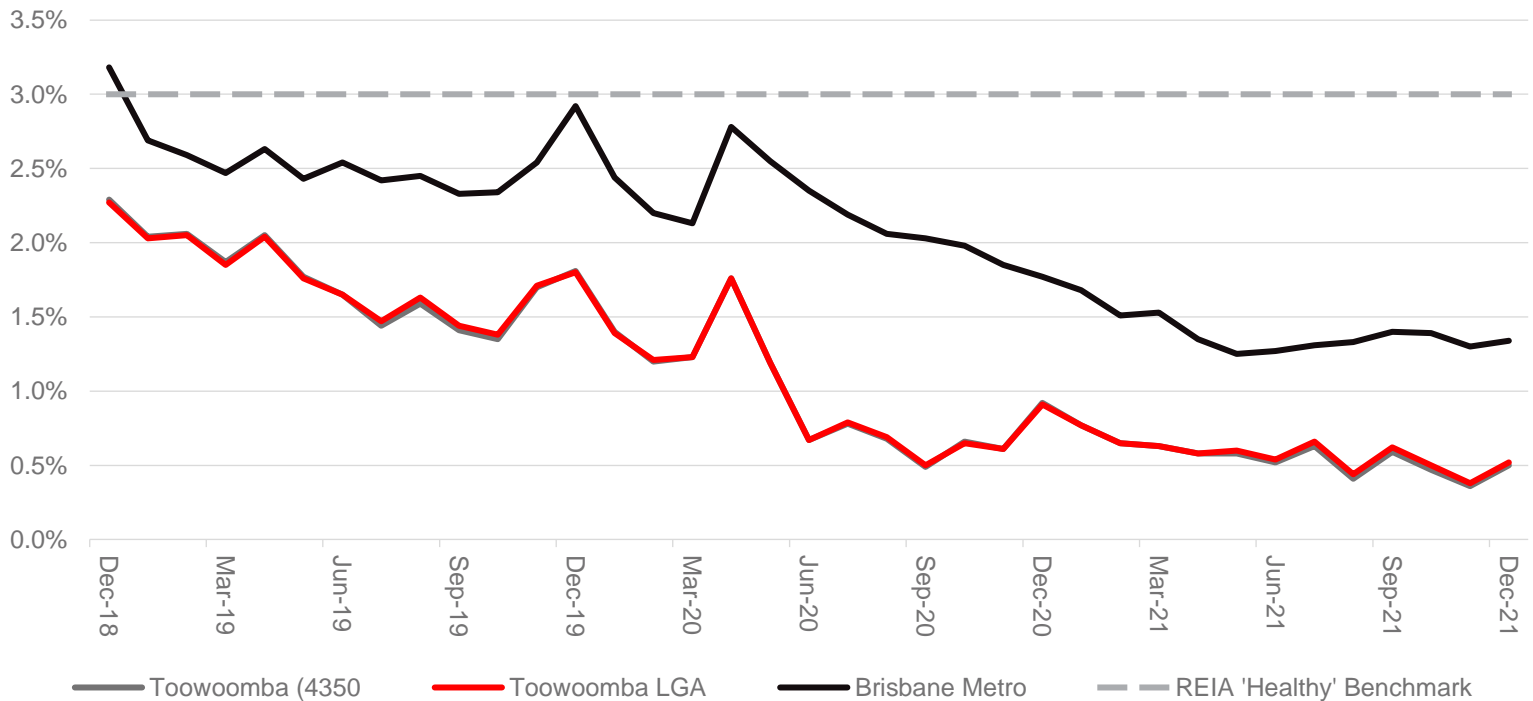
In December 2021 house rental yields in Toowoomba* were recorded at 4.9%, much higher than Brisbane Metro (3.4%). In the 12 months to Q4 2021 the median house rental price increased by 9.3% to reach \$410 per week, while average days on the market remained at a low 17 days; thus indicating resilient rental market.

2 bedroom houses have provided investors with +11.4% rental growth annually€, with a median rent of \$312 per week.

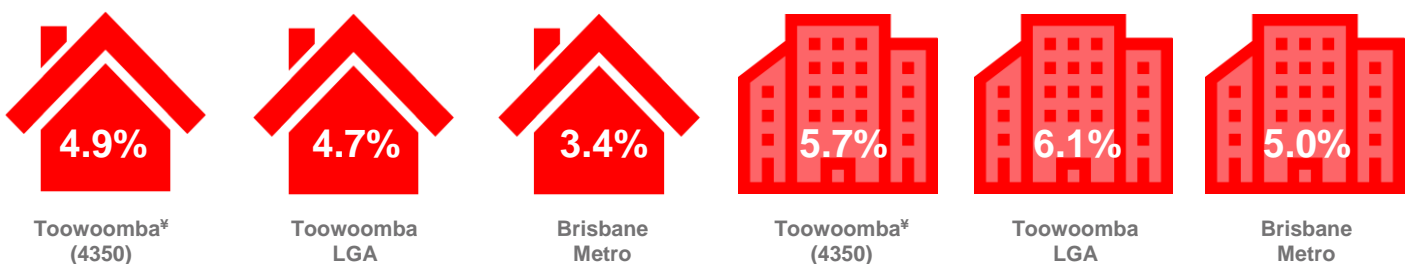
Also in December 2021, Toowoomba* recorded a vacancy rate of 0.5%, on par with Toowoomba LGA and well below Brisbane Metro (1.3%). Vacancy rates in Toowoomba* have trended below 1.0% for the past 19 months and remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. This confirms there is a healthy rental demand and investors can be confident of a conducive investment environment in Toowoomba*.



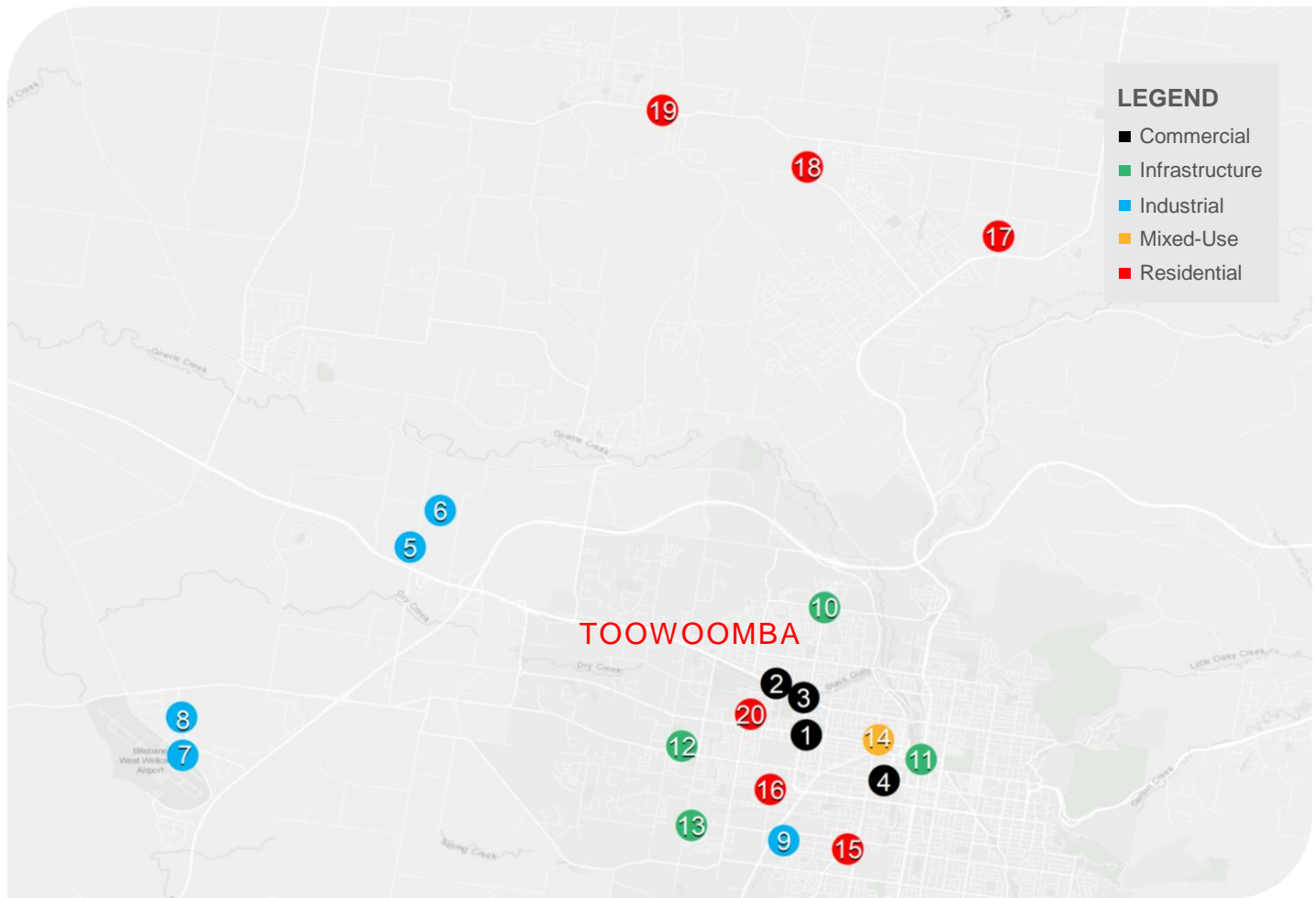
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



TOP DEVELOPMENTS MAP 1st HALF 2022^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Taylor & Tor Streets Service Station	Commercial	\$3,000,000	07/02/2022
2	Wilsonton Shopping Centre Redevelopment Stage 2	Commercial	\$18,000,000	26/06/2022
3	Gowrie Road Hotel Redevelopment	Commercial	\$4,000,000	13/04/2022
4	Grand Central Shopping Center - Myer Refurbishment	Commercial	\$4,500,000	31/01/2022
5	Interlinksq Intermodal Freight Terminal Phase 1	Industrial	\$210,000,000	13/06/2022
6	Nass Road Transport Depot Stages 1-3	Industrial	\$11,700,000	20/05/2022
7	Wagners Composite Fibre Technologies	Industrial	\$9,000,000	18/03/2022
8	Envorinex Plastic Recycling Plant	Industrial	\$5,000,000	18/02/2022
9	Warwick Street Industrial Development	Industrial	\$2,400,000	14/06/2022
10	Baillie Henderson Hospital	Infrastructure	\$3,000,000	16/05/2022
11	Darling Downs Region Roadworks	Infrastructure	\$5,000,000	14/03/2022
12	Glenholme Park Sports & Community Hub Masterplan	Infrastructure	\$30,000,000	06/06/2022
13	22a New England & 18c Warrego Highways Roadworks	Infrastructure	\$5,000,000	09/03/2022
14	Mylne Street Mixed Development Toowoomba- (8 Units)	Mixed-use	\$3,500,000	11/05/2022
15	Drayton Road Townhouses- (33 Townhouses)	Residential	\$10,000,000	10/06/2022
16	Glenvale Road Townhouses- (10 Townhouses)	Residential	\$3,800,000	11/04/2022
17	The Avenues Of Highfields- (71 Lots)	Residential	\$3,200,000	18/01/2022
18	Browne Road Residential Development Site- (738 Lots)	Residential	\$36,900,000	27/06/2022
19	Hillcrest Heights Subdivision- (54 Lots)	Residential	\$2,400,000	01/02/2022
20	Payne Street Units- (8 Units)	Residential	\$2,300,000	02/04/2022

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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REFERENCES

*Toowoomba market data and key indicators encapsulates aggregate property conditions within the 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.

2021 encapsulates sales transactions for 2021 (01/01/2021 – 31/12/2021) only.

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€ Annual rental growth is a comparison between 2020 (01/01/2020 – 31/12/2020) and 2021 (01/01/2021 – 31/12/2021) house median rent figures.

¥ Toowoomba market data encapsulates aggregate property conditions within the postcode of 4350.

§ Rental yields shown are as reported as of December 2021.

⌘ 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.

μ Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

ψ Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRD does not hold any liability to the exact date.

Source: APM Pricerfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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