

> Wide Bay Commercial  
Market Update 2022

# SALES

## Commercial

The median commercial sale price in Wide Bay\*, which in this report represent the Fraser Coast and Bundaberg Local Government Areas (LGA), was \$1,352 per sqm for Q1 2022. This represents an annual (Q1 2021 – Q1 2022) price softening of -38.5% respectively. A spike in commercial sales occurred in Q3 2021, as COVID-19 restrictions eased and Queensland opened borders. Commercial sales have declined since, due to lack of supply. In the Maryborough Greater Region for example, there were approximately 100 listings in December 2020. This has dropped to 16 listings in early 2022.



# INTRODUCTION

The Wide Bay Commercial Report provide market data and key indicators for the aggregate property market conditions within two Local Government Area: Bundaberg and Fraser Coast.

The following report focuses on commercial precincts, which include office and retail uses, as well as strata industrial properties specifically. This report provide sales and leasing activity analysis over the past 18 months to Q1 2022, and future development in the area. These indicators give a holistic understanding of the Wide Bay\* commercial and industrial markets.

Maryborough in particular continue to benefit from the flow on effect of the New South Wales bushfires, from higher demand for hard and soft wood. Timber mills are switching to higher usage methods, needing employees. The Tiaro Bypass is planned in the next 2 years, a long term infrastructure investment that will further increase liveability for residents and commercial productivity.

**\$1,352** Median commercial sale price per sqm in Wide Bay\* (Q1 2022)

**11** Total commercial property sales in Wide Bay\* (Q1 2022)

**\$500** Median industrial sale price per sqm in Wide Bay\* (Q1 2022)

**6** Total industrial property sales in Wide Bay\* (Q1 2022)

# SALES

## Industrial

With only 6 recorded sales in Q1 2022, the price per sqm for industrial properties in Wide Bay\* was \$500 per sqm. This represents an annual (Q1 2021 – Q1 2022) price softening of -50.0%. That said, Q1 2021 saw the highest prices recorded in industrial sales, thus causing a bigger percentage drop. The number of industrial property sales in Wide Bay\* is limited, with just 8 sales in Q1 2021 and 6 sales in Q1 2022. Available stock is limited, with only 1 current listing for an industrial property over 500sqm, the market has no small to medium size sheds for purchase. Thus further price growth is expected in 2022, due to escalating competition for space.



# LEASING

## Commercial

The median commercial net lease rate for Wide Bay\* in Q1 2022 was \$200 per sqm. This represents an annual (Q1 2021 – Q1 2022) growth of 4.0% respectively, as well as marking the highest commercial net lease rate on record over the past 2 years. Commercial leasing activity has dramatically declined, with 9 leases recorded in Q1 2022 (compared to 26 in Q1 2021). However there is a declining pattern overall for the past 5-6 quarters, which when combined with the increase in price is suggesting an undersupply in the market.



# MARKET CONDITIONS

61% of commercial leases, were taken on a Net basis (based on 158 known final leases). This is a continuing trend, evident in the past 24 months.

The average days to let commercial and industrial leasing space has increased in the 12 months to Q1 2022, by 23.5% (to 63 days) and 17.9% (to 46 days) respectively.

There is a struggle to find industrial land, due to the \$7.0B rail initiative announced by the State Government. This initiative include a \$700.0M factory for the construction of electric trains, to be prepared for the Olympics 2032. This is predicted to generate approximately 850 jobs in the Fraser Coast area, which represents a 1.0% increase in population. However at present there is very little supply of houses (old and new) and the lowest vacancy rates recorded in the past 10 years.

**\$260**

Median commercial net lease rate per sqm in Wide Bay (Q1 2022)

**9**

Number of quarterly commercial leases in Wide Bay (Q1 2022)

**\$113**

Median industrial net lease rate per sqm in Wide Bay (Q1 2022)

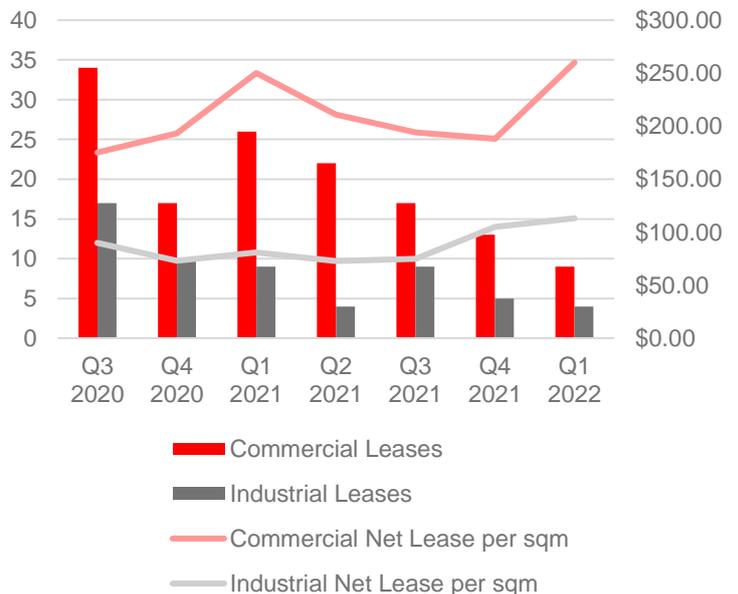
**4**

Number of quarterly industrial leases in Wide Bay (Q1 2022)

# LEASING

## Industrial

Wide Bay\* median industrial net lease rate was \$113 per sqm as of Q1 2022. This represents an annual (Q1 2021 – Q1 2022) price growth of 39.5%, and for the past 24 months is the highest net lease rate on record. The number of industrial properties leased declined significantly since Q1 2021, with 4 leases recorded in Q1 2022 – the lowest amount leased in the past 12 months. Industrial leasing is in high demand, with lessors willing to pay higher for a space. At present in Maryborough there are 5 industrial spaces available for lease. 3 of these are not yet built (still in construction or planning stage), 1 already rented, and another available to the market. Thus there is a dire need for supply, with very limited land to build more industrial sheds.



\*Wide Bay market data and key indicators encapsulates aggregate property market conditions in the Local Government Areas of Bundaberg and Fraser Coast LGA. \*\*Lease data only encapsulates transactions with sufficient data available to be fully utilised for the purpose of inclusion in the report. Lease data is representative of a limited number of overall transactions within a period and is not exhaustive. Leases have been selected based on comparability in terms of size, age, and location within Wide Bay. ^Median Net per sqm is calculated only on leases where this information was clearly disclosed or determinable from an advertised floor area and net rental amount for the lease. Source: APM Pricerfinder, commercialrealestate.com.au. © Copyright PRD 2022.

## EXAMPLES OF RECENT SALES

### COMMERCIAL

| Property Address                    | Sale Price  | Area (sqm) | Price per sqm | Sale Date |
|-------------------------------------|-------------|------------|---------------|-----------|
| 158 Main St, Kawungan               | \$1,100,000 | 1,500      | \$733         | Sep-21    |
| 168 & 172 Main St, Kawungan         | \$2,000,000 | 1,500      | \$1,333       | Aug-21    |
| 182 Main St, Kawungan               | \$1,700,000 | 1,500      | \$1,133       | Dec-21    |
| 9 Mayne St, Tiaro                   | \$539,000   | 360        | \$1,497       | Jan-22    |
| 301 Kent St, Maryborough            | \$410,000   | 503        | \$815         | Jan-22    |
| 2/11 Targo St, Bundaberg South      | \$715,000   | 349        | \$2,049       | Jan-22    |
| 303 Kent St, Maryborough            | \$676,500   | 240        | \$2,819       | Jan-22    |
| 459 Esplanade, Torquay              | \$1,400,000 | 2194       | \$638         | Feb-22    |
| 8 Birks St, Avenell Heights         | \$560,000   | 467        | \$1,199       | Feb-22    |
| 2/39 Bourbong St, Bundaberg Central | \$1,005,000 | 610        | \$1,648       | Feb-22    |
| 65 Bourbong St E, Bundaberg Central | \$325,000   | 160        | \$2,031       | Mar-22    |
| 2/283 Goodwood Rd, Thabeban         | \$126,500   | 82         | \$1,542       | Mar-22    |
| 25 Mayne St, Tiaro                  | \$160,000   | 1,196      | \$134         | Mar-22    |

### INDUSTRIAL

| Property Address                   | Sale Price  | Area (sqm) | Price per sqm | Sale Date |
|------------------------------------|-------------|------------|---------------|-----------|
| 73 Old Maryborough Rd, Pialba      | \$1,000,000 | 800        | \$1,250       | Sep-21    |
| 13 Kingston Dr, Maryborough West   | \$600,000   | 2868       | \$209         | Dec-21    |
| 2 Driftwood Court, Urangan         | \$830,000   | 672        | \$1,235       | Dec-21    |
| 128 Scrub Hill Rd, Dundowran       | \$420,000   | 4000       | \$105         | Dec-21    |
| 1037 Saltwater Creek Rd, St Helens | \$1,375,000 | 18,540     | \$74          | Jan-22    |
| 8 Lucas St, St Helens              | \$745,000   | 2,946      | \$253         | Jan-22    |
| 7-9 Kelvin Grove St, Tinana        | \$500,000   | 720        | \$694         | Jan-22    |
| 9 Charlie Triggs Cres, Thabeban    | \$2,700,000 | 1,900      | \$1,421       | Feb-22    |
| 85 Gympie Rd, Tinana               | \$449,000   | 891        | \$504         | Mar-22    |

## EXAMPLES OF RECENT LEASES

### COMMERCIAL

| Property Address                    | Lease Value | Lease Type | Area (sqm) | Price per sqm | Lease Date |
|-------------------------------------|-------------|------------|------------|---------------|------------|
| 3/19 Electra St, Bundaberg Central  | \$24,000    | Net        | 140        | \$171         | Dec-21     |
| 19 Hyne St, Gympie                  | \$23,660    | Net        | 126        | \$188         | Dec-21     |
| 3/46 Maryborough, Bundaberg Central | \$7,920     | Gross      | 36         | \$220         | Jan-22     |
| 7/133 Bourbong, Bundaberg Central   | \$6,000     | Net        | 30         | \$200         | Jan-22     |
| 8/19 Taylor St, Pialba              | \$12,240    | Gross      | 48         | \$255         | Jan-22     |
| 69 Mary St, Gympie                  | \$35,000    | Net        | 295        | \$119         | Jan-22     |
| 102 Wharf St, Maryborough           | \$30,000    | Net        | 300        | \$100         | Feb-22     |
| 2/36 Torquay Rd, Pialba             | \$26,800    | Net        | 134        | \$200         | Feb-22     |
| 224 Adelaide St, Maryborough        | \$8,840     | Gross      | 108        | \$85          | Feb-22     |
| 2/39 Hurst St, Walkervale           | \$18,000    | Gross      | 113        | \$159         | Mar-22     |

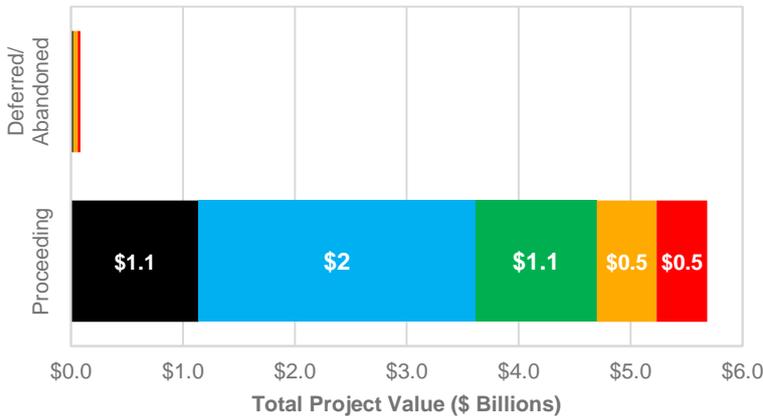
### INDUSTRIAL

| Property Address                       | Lease Value | Lease Type | Area (sqm) | Price per sqm | Lease Date |
|--|-------------|------------|------------|---------------|------------|
| 1/5 Nissen Street, Pialba              | \$38,000    | Net        | 108        | \$352         | Dec-21     |
| 13 Avenue, Dundowran                   | \$104,500   | Gross      | 404        | \$259         | Nov-21     |
| 1/87 Islander Road, Pialba             | \$17,500    | Net        | 180        | \$97          | Nov-21     |
| 27 Lester St, Norville                 | \$60,500    | Net        | 800        | \$76          | Oct-21     |
| 1&3/12 Commercial St, Svensson Heights | \$60,600    | Net        | 578        | \$105         | Oct-21     |
| 9-11 Citrus Drive, Dundowran           | \$170,000   | Net        | 1574       | \$108         | Nov-21     |
| 1/33 Enterprise St, Maryborough        | \$19,200    | Net        | 180        | \$107         | Jan-22     |
| B4/87 Boat Harbour Drive, Pialba       | \$10,200    | Net        | 86         | \$119         | Mar-22     |
| 2/33 Enterprise St, Maryborough        | \$19,200    | Net        | 180        | \$107         | Feb-22     |
| 3&4/47 Princess, Bundaberg East        | \$84,000    | Net        | 90         | \$933         | Jan-22     |

# PROJECT DEVELOPMENT

## 2021-2023 OVERVIEW

Wide Bay\* is set to benefit from an estimated \$5.6B of planned future project developments, scheduled to commence between 2021-2023. There are 367 major projects commencing, which represents 98.6% of the original development pipeline. This is relatively high, as 2021-2023 has represented numerous uncertainties due to COVID-19 and supply shortages.



■ Commercial ■ Industrial ■ Infrastructure ■ Mixed-Use ■ Residential

In 2021 there was a strong focus on infrastructure projects, which will improve liveability factors for current residents and create employment opportunities during the construction phase. 2022 sees a shift in the project landscape, prioritising commercial projects. The projected 2023 development landscape sees a focus on industrial projects. All combined 2021 – 2023 brings a more robust economic development to Wide Bay\*, which can potentially have a spill-over effect to the property market, in the form of increasing demand.

### Proceeding Projects: Total Estimated Value

|                | 2021            | 2022          | 2023          |
|----------------|-----------------|---------------|---------------|
| Commercial     | \$170.4M        | \$844.5M      | \$124.8M      |
| Industrial     | \$4.3M          | \$72.2M       | \$2.3B        |
| Infrastructure | \$300.0M        | \$349.4M      | \$433.8M      |
| Mixed-Use      | \$40.8M         | \$265.7M      | \$230.0M      |
| Residential    | \$61.9M         | \$287.5M      | \$101.3m      |
| <b>Total</b>   | <b>\$577.4M</b> | <b>\$1.8B</b> | <b>\$3.2B</b> |

### Proceeding Projects: Total Project Count

|                | 2021       | 2022       | 2023      |
|----------------|------------|------------|-----------|
| Commercial     | 35         | 58         | 29        |
| Industrial     | 7          | 19         | 10        |
| Infrastructure | 40         | 51         | 11        |
| Mixed-Use      | 2          | 8          | 6         |
| Residential    | 17         | 49         | 25        |
| <b>Total</b>   | <b>101</b> | <b>185</b> | <b>81</b> |

## 1<sup>st</sup> HALF 2022 OVERVIEW

A key project for the 1<sup>st</sup> half of 2022 is the \$50.0M Marina Square mixed-use development. This project will construct 3 separate towers to comprise a 17 storey hotel (Riviera Hotel - 4-star short term accommodation tower) & 2 residential towers (Pinnacles - 2 stages) with 83 x 2 bedroom & 37 x 3 bedroom units.

Key commercial projects Bunnings Warehouse Hervey Bay (\$20.0M), Kepnock Town Centre (\$13.0M), and Station Square Shopping Centre (\$8.0M). Residential projects include: Gahans Road Units (\$27.0M, 93 units), Kawungan Way Residential Subdivision (\$7.8M, 173 lots) and the Bargara Mixed Use Development (\$24.0M, 55 apartments and 10 townhouses).

### 1st Half 2022 Proceeding Project Breakdown

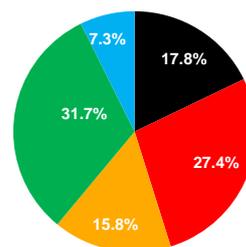
|                | Project Value        | Total Projects |
|----------------|----------------------|----------------|
| Commercial     | \$70,450,000         | 18             |
| Industrial     | \$28,900,000         | 4              |
| Infrastructure | \$125,270,000        | 36             |
| Mixed-Use      | \$62,500,000         | 2              |
| Residential    | \$108,100,000        | 12             |
| <b>Total</b>   | <b>\$395,220,000</b> | <b>72</b>      |

Bruce Highway - Kanyan Road Intersection Roadworks (\$28.3M) is a key infrastructure project for the 1<sup>st</sup> half of 2022. This project will upgrade works & improvements at Bruce Highway on Kanyan Road intersection, which will improve mobility of residents.

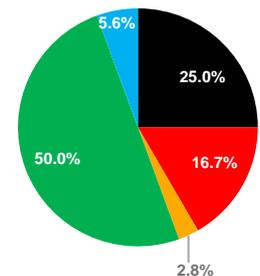
A plant to house 20 foot container batteries is planned in Maryborough, to commence construction in 2022. This alone is slated to create approximately 250 new jobs.

The most notable industrial project set to commence in the 1<sup>st</sup> half of 2022 is the Bundaberg Brewed Drinks (\$18.0M). This will construct an industrial facility to include 6568sq m warehouse & logistics area.

### Projects by Value



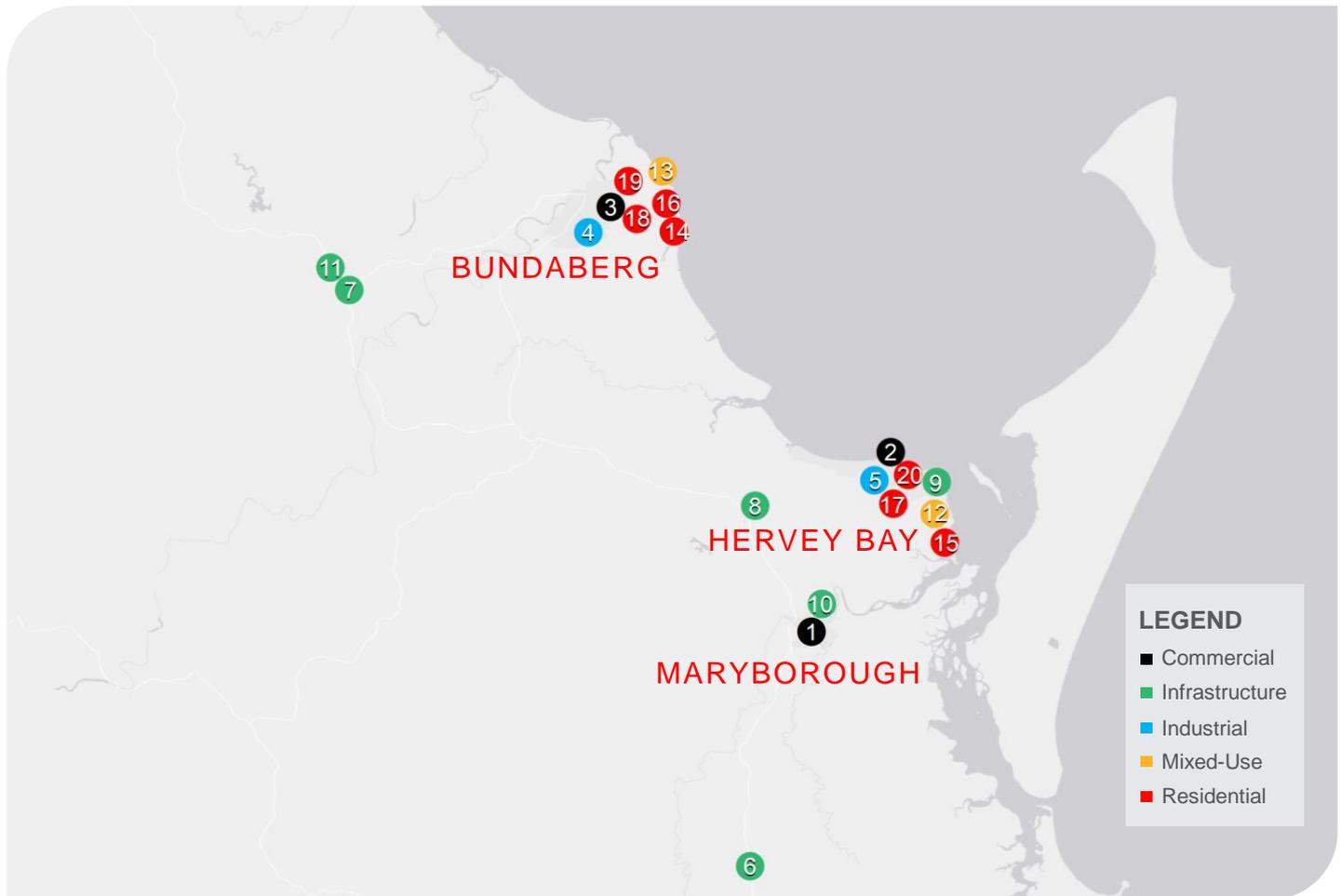
### Projects by Count



■ Commercial ■ Industrial ■ Residential  
■ Infrastructure ■ Mixed-Use

\*Wide Bay market data and key indicators encapsulates aggregate property market conditions in the Local Government Areas of Bundaberg and Fraser Coast LGA. \*\*2021-2023 dates are based on project commencement dates obtained for each project and are approximate only, as provided by the relevant data authority. PRD does not hold any liability to the exact date. #Estimated value is the value of construction costs provided by relevant data authority, and do not reflect the project's sale/commercial value. \*Annual breakdown of projects is presented for proceeding projects in Wide Bay\* by development type and year of scheduled commencement. Source: Cordell Connect. © Copyright PRD 2022.

# PROJECT DEVELOPMENT MAP 1st HALF 2022\*



| Location | Project <sup>£</sup>   | Type           | Estimated Value <sup>¶</sup> | Commence Date <sup>ψ</sup> |
|----------|--|----------------|------------------------------|----------------------------|
| 1        | Station Square Shopping Centre   | Commercial     | \$8,000,000.0                | 30/04/2022                 |
| 2        | Bunnings Warehouse Hervey Bay  | Commercial     | \$20,000,000.0               | 31/01/2022                 |
| 3        | Kepnock Town Centre  | Commercial     | \$13,000,000.0               | 28/02/2022                 |
| 4        | Bundaberg Brewed Drinks  | Industrial     | \$18,000,000.0               | 24/01/2022                 |
| 5        | Islander Road Storage Facility   | Industrial     | \$10,000,000.0               | 07/06/2022                 |
| 6        | Bruce Highway - Kanyan Road Intersection Roadworks   | Infrastructure | \$28,382,000.0               | 18/04/2022                 |
| 7        | Bruce Highway (Maryborough - Gin Gin) Roadworks  | Infrastructure | \$7,564,000.0                | 11/04/2022                 |
| 8        | Pialba Road Roadworks & Beelbi Creek Bridge Works  | Infrastructure | \$22,210,000.0               | 16/05/2022                 |
| 9        | Boundary Road Roadworks  | Infrastructure | \$19,847,000.0               | 10/01/2022                 |
| 10       | Maryborough Landfill - Cell 9a   | Infrastructure | \$6,833,000.0                | 23/05/2022                 |
| 11       | Bruce Highway (10c Maryborough - Gin Gin) Roadworks  | Infrastructure | \$10,816,000.0               | 31/01/2022                 |
| 12       | Marina Square- (120 Units)   | Mixed-use      | \$50,000,000.0               | 21/03/2022                 |
| 13       | Bauer & See Streets Mixed Use Development- (5 Units)   | Mixed-use      | \$12,500,000.0               | 21/05/2022                 |
| 14       | Chantelle Circuit & Pebble Beach Drive Units & Residential Subdivision- (28 Units and 28 Lots) | Residential    | \$9,400,000.0                | 08/03/2022                 |
| 15       | Marina Cove- (17 Villas)   | Residential    | \$8,000,000.0                | 04/02/2022                 |
| 16       | Bargara Mixed Use Development- (55 Apartments and 10 Townhouses)                               | Residential    | \$24,000,000.0               | 21/04/2022                 |
| 17       | Kawungan Way Residential Subdivision- (173 Lots)   | Residential    | \$7,800,000.0                | 16/03/2022                 |
| 18       | Gahans Road Units- (93 Units)  | Residential    | \$27,000,000.0               | 17/03/2022                 |
| 19       | Gahans Road Units- (50 Units)  | Residential    | \$9,500,000.0                | 17/03/2022                 |
| 20       | Torquay Terrace Townhouses- (20 Townhouses)  | Residential    | \$6,000,000.0                | 12/05/2022                 |

## 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.



**Tony Nioa**, Commercial Sales and Leasing  
Principal/Licensee  
**M** +61 418 741 544  
**E** tony@prdmaryborough.com.au

**PRD Maryborough**  
**P** 07 4121 0616

232-244 Adelaide Street  
Maryborough Qld 4650

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