



Toowoomba Market Update 1st Half 2023



OVERVIEW

In Q4 2022, Toowoomba* recorded a median house price of \$538,500, and a median unit price of \$390,000. This represents annual (Q4 2021 – Q4 2022) median price growth of 10.5% for houses and a growth of 21.9% for units. On a quarterly (Q3 2022 – Q4 2022) basis median prices grew at a slower rate, of 2.6% for houses and 8.3% for units. The market is reflecting cash rate hikes, lower consumer confidence, and current economic conditions. Q4 2022 recorded the lowest number of house sales, of 468 sales. There are now new opportunities for buyers ready to enter the market.

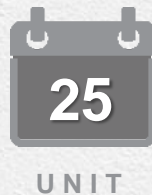
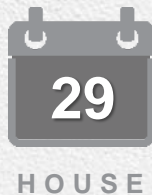
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↓	↓
	Unit Median Price	↑	↑
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE
Q4 2022



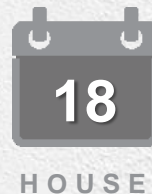
SALES AVERAGE DAYS ON
MARKET Q4 2022



RENTAL MEDIAN PRICE
Q4 2022

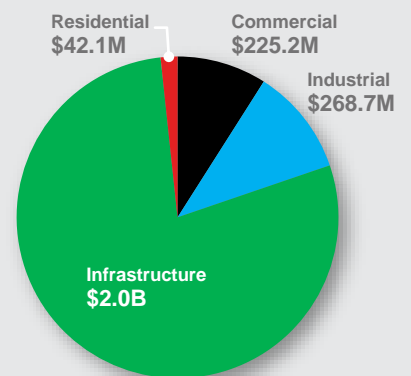


RENTAL AVERAGE DAYS ON
MARKET Q4 2022



FUTURE DEVELOPMENTS

Toowoomba is set to see approximately **\$2.5B** worth of new projects commencing in the 1st half of 2023.



A focus on infrastructure projects will improve liveability for residents and create local jobs in the construction process. It can also attract new residents into the area, which can impact the level of demand for property.

A main commercial project over the 1st half of 2023 is the Wellcamp Entertainment Precinct (\$175.0M). The project will add a Motorsport Driver Trainer Centre and racing venue to Toowoomba*.

The Toowoomba Public Hospital redevelopment (\$1.8BM) is a key infrastructure project that will allow residents better access to health services and create local jobs.

Residential projects for the 1st half of 2023 shows an absence in ready to sell houses. Current economic conditions allow for this, however it is not sustainable for the long term.



21 Units/
Apartments



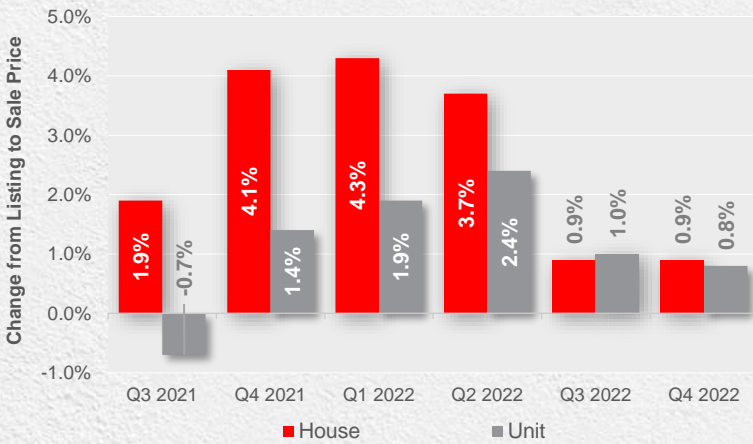
46
Townhouses



342 Lots

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.

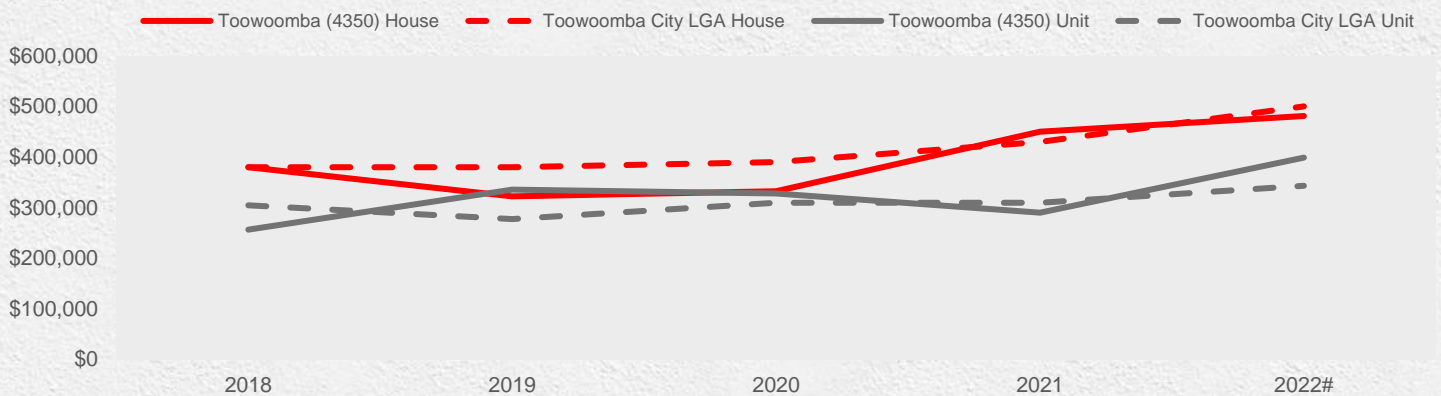


Average vendor discounts between Q4 2021 and Q4 2022 have trended to lower premiums for both property types, of 0.9% for houses and 0.8% for units. Market conditions in Toowoomba* are starting to shift to favour buyers, as vendors are willing to accept closer to the initial listing price. Now is the time to transact.

Houses in the suburb of Toowoomba has historically provided a more affordable option compared to the wider Toowoomba Local Government Area (LGA), but this is now on par. Units was more affordable in 2021, but is more expensive in late 2022#.

The dominant proportion of homes sold in Toowoomba* across 2022# were in the most affordable price point of less than \$599,000 (69.2%). Units also recorded a dominant most affordable price point below \$399,000 (67.3%). Affordable options are becoming widely available, which is good news for buyers. That said the premium market remains stable, with 7.2% of houses sold being \$900,000 and above.

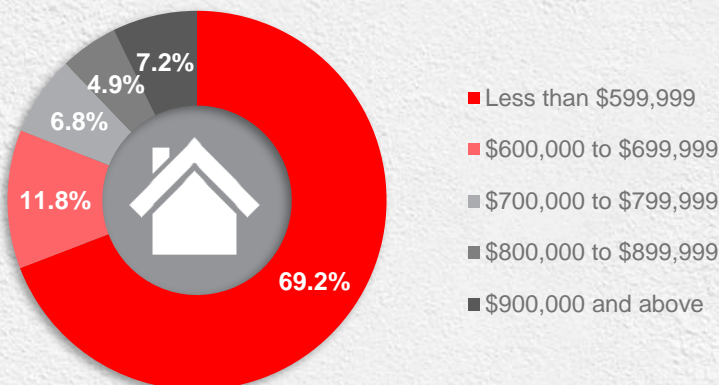
MARKET COMPARISON



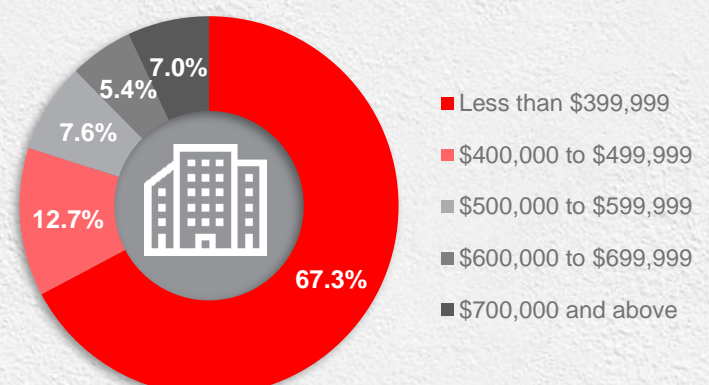
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Toowoomba.

PRICE BREAKDOWN 2022#

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2022€

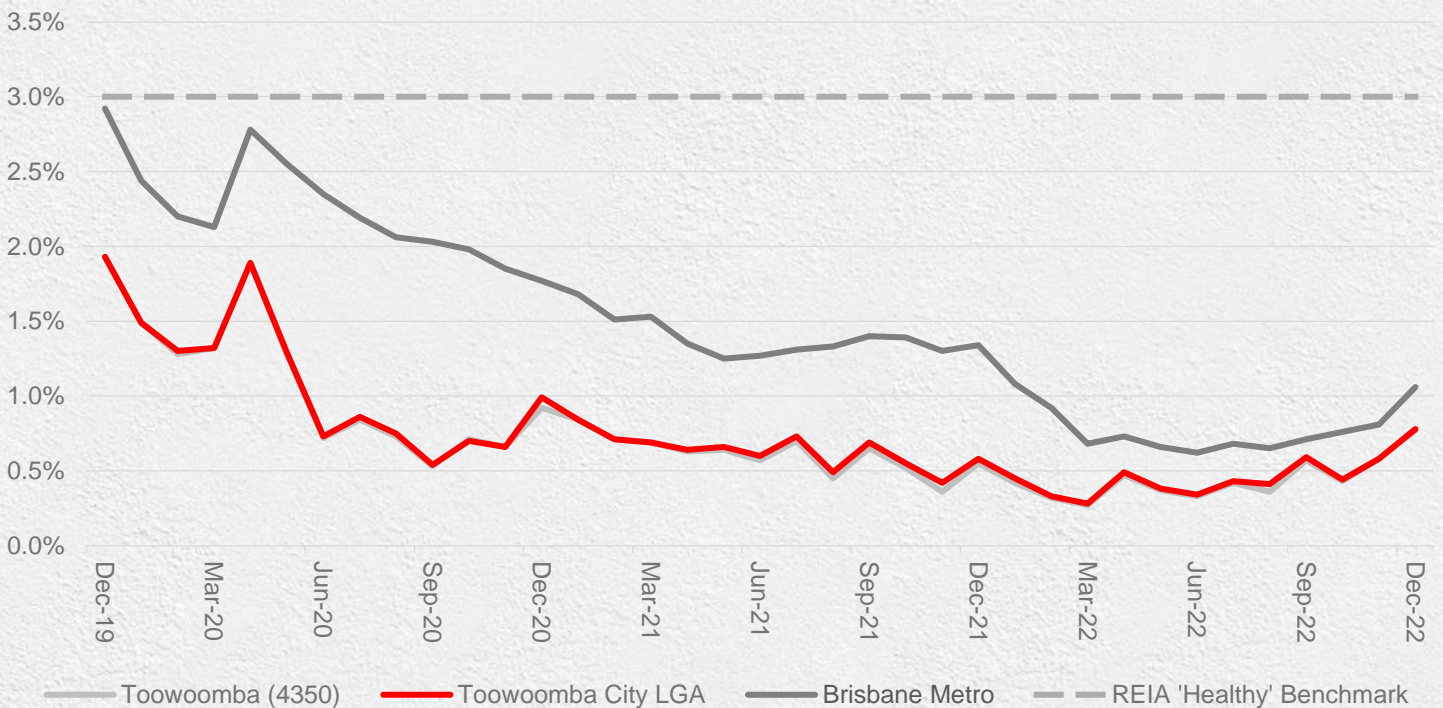
House rental yields in Toowoomba* was 4.7% in December 2022, on par with Toowoomba LGA (4.6%) and much higher than Brisbane Metro (3.6%). Median house rental price has increased by 14.5% in the 12 months to Q4 2022, whilst the number of houses rented increased by 20.8%. The same pattern can be seen in the unit rental market; thus, Toowoomba* has a resilient rental market and is a more attractive affordable option compared to Brisbane Metro.

3 bedroom houses have provided investors with +15.1% rental growth annually, achieving a median rent of \$420 per week.

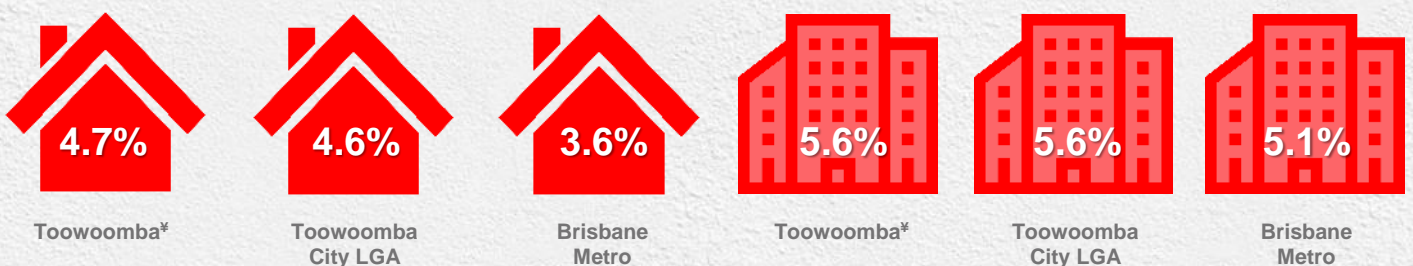
Toowoomba* recorded a vacancy rate of 0.8% in December 2022, which is slightly below Brisbane Metro's 1.1% average. Vacancy rates in Toowoomba* saw a slight uptick in late 2022, due to the number of investors capitalising on a tight rental market. That said vacancy rates remain below pre-COVID-19 levels. This suggests there is a conducive and sustainable environment for investors, especially now with the slower growth in median property sale prices in the past 12 months.



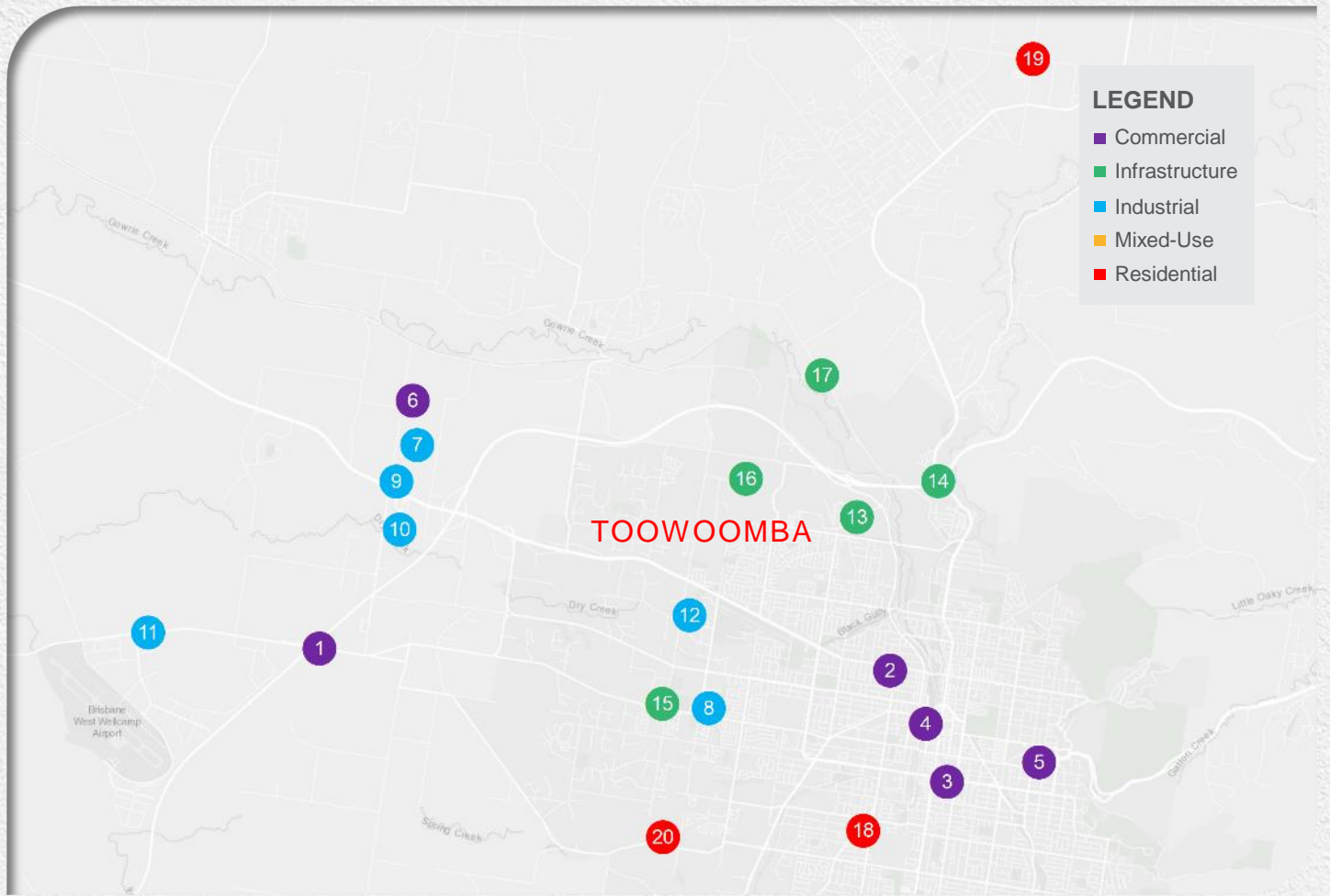
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 1st HALF 2023^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Wellcamp Entertainment Precinct	Commercial	\$175,000,000	15/05/2023
2	Gowrie Road Hotel Redevelopment	Commercial	\$4,000,000	13/04/2023
3	James Street Commercial Building Toowoomba South	Commercial	\$5,500,000	21/02/2023
4	Clifford Gardens Shopping Centre	Commercial	\$14,000,000	15/05/2023
5	St Vincents Private Hospital Toowoomba	Commercial	\$12,500,000	20/02/2023
6	167 Draper Road Industrial Building	Commercial	\$3,900,000	16/05/2023
7	Interlinksq Intermodal Freight Terminal Phase 1	Industrial	\$210,000,000	13/06/2023
8	Russell Mineral Equipment	Industrial	\$6,500,000	09/03/2023
9	Kotzur Factory & Office Charlton	Industrial	\$17,500,000	20/02/2023
10	1 Moorebank Road Self Storage Facility	Industrial	\$9,500,000	09/02/2023
11	Wagners Composite Fibre Technologies	Industrial	\$9,000,000	18/03/2023
12	86-98 Industrial Avenue Industrial Buildings Stages 1 & 2	Industrial	\$6,900,000	20/05/2023
13	Toowoomba Hospital	Infrastructure	\$1,800,000,000	07/06/2023
14	New England Highway (Toowoomba - Warwick) Roadworks 22b	Infrastructure	\$10,000,000	24/04/2023
15	Glenholme Park Sports & Community Hub Masterplan	Infrastructure	\$30,000,000	06/06/2023
16	Cunningham Highway - Bushfire Area Works	Infrastructure	\$109,303,000	27/02/2023
17	Highfields To Wilsonton Roadworks	Infrastructure	\$7,520,000	06/02/2023
18	24-36 Drayton Road Townhouses Harristown (33 Townhouses)	Residential	\$18,000,000	27/03/2023
19	The Avenues Of Highfields (130 Lots)	Residential	\$5,900,000	09/05/2023
20	South Street & Euston Road Residential Subdivision Stages 1-2 (77 Lots)	Residential	\$3,500,000	18/04/2023



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.

2022 encapsulates sales transactions for 2022 (01/01/2022 – 31/12/2022) only.

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/12/2022) and 2022 (01/01/2022 – 31/12/2022) 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 2022.

⌘ 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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