

# BUILDING & DEVELOPMENT ACTIVITY REPORT

April 2021





Photo credit: Dan Proud



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# 1. INTRODUCTION

## 1.1 Instructions

3D Property Consulting has been instructed by Lyndal Davis of Toowoomba Regional Council, to prepare a market research report on the Toowoomba property market to assist with the compilation of the 2021 Building & Development Activity Report.

Specifically, we have been instructed to address the following:

- Market overview.
- Major Infrastructure and development projects.
- Office property.
- Industrial property.
- Retail property.
- Residential property.

## 1.2 Date of Report

April 2021.

## 1.3 Assumptions and Qualifications

This report has been prepared for information purposes and may only be relied upon by Toowoomba Regional Council. The report is not available for any other purpose, nor is any liability extended to any third party, without our written authority and consent.

This report has been completed on the basis of certain critical assumptions and qualifications which include:

- This report has been prepared by 3D Property Consulting Pty Ltd, its servants and agents solely for the benefit of Toowoomba Regional Council. Certain information contained in this report is obtained from external sources and has not been independently verified by us. The material in this report is based on information available to 3D Property Consulting Pty Ltd at the time of its preparation and certain assumptions and estimates made by 3D Property Consulting Pty Ltd may not be accurate or correct. 3D Property Consulting Pty Ltd accepts no liability or responsibility (whether arising from negligence, contract or otherwise) in relation to the contents of the report and does not warrant the correctness of any fact or opinion set forth in the report.



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## 2. HIGHLIGHTS

Toowoomba Region has been a major beneficiary of the Australian Government HomeBuilder grant, with a surge in vacant residential land sales and building approvals since the grant announcement in June 2020. This has fuelled a residential **construction boom** which is likely to extend through 2021 and into 2022.

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The Wagner Corporation is developing the **Toowoomba Regional Trade Distribution Centre (RTDC)**, an export facility adjoining the Toowoomba Wellcamp Airport that will deliver over 4,000sqm in gross floor area comprising of 1,500sqm of state-of-the-art refrigerated storage, freezer rooms and temperature-controlled transit areas as well as large ambient transit and covered external storage areas.

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The Darling Downs Hospital and Health Service has lodged plans for the approximately \$1.8 billion **Toowoomba Hospital Redevelopment** project with the State Government. A Ministerial Infrastructure Designation approval will facilitate the relocation of the Toowoomba Hospital to the 74ha Baillie Henderson Hospital site at Cranley.

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The FKG Group will soon commence the development of the **AATLIS Innovation Precinct** – a state-of-the-art 760ha master planned, purpose built industrial precinct, where advanced manufacturing meets digital technology and collaborative research.

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Toowoomba is emerging as a potential **medicinal cannabis** capital of Australia, with 2 major projects proposed (Asterion and Medibis).

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Work on Australia's largest freight rail infrastructure project '**Inland Rail**' is well underway. Connecting Melbourne and Brisbane via regional Victoria, New South Wales and Queensland, this 1,700km rail project will significantly improve the national freight network, connecting producers to markets and creating new opportunities for businesses, industries and regional communities, including the Toowoomba Region.

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Toowoomba is an emerging **transport and logistics hotspot** of national significance, being connected to major road, rail and air transport corridors, providing access to national and international networks.

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Toowoomba is a leading **agribusiness hub** and includes primary production, large scale intensive greenhouse horticulture, food processing, agtech and research, supported by an extensive logistics infrastructure and professional services.

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National investors are snapping up **Toowoomba commercial property** with secure cash flows and long lease terms in the hunt for yield, stability and good prospects for capital growth.

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**Toowoomba housing** remains extremely affordable, with 52.8% of all house sales and 82.5% of all unit sales recorded during 2020 priced below \$400,000.

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Toowoomba offers an **enviable lifestyle** and is supported by world class health, education, shopping, entertainment, research and social infrastructure.

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## 3. PROPERTY MARKET OVERVIEW

Toowoomba is the second largest inland city in Australia and benefits from connectivity more commonly associated with capital cities. Known as the gateway to the Darling Downs region, Toowoomba has emerged as one of the country's most liveable regional cities. The property market is renowned for its stable and resilient nature, and prospects for long term sustainable growth.

Following several years of being at the bottom of the property cycle, the Toowoomba residential market is now on the move and is regarded as being in the 'upswing' or the 'rising market' sector of the cycle. This is characterised by rising sales volumes, reduced stock on the market, reduced days on market, rising prices, falling vacancy rates and rising rents.

The Toowoomba Region has been a major beneficiary of the HomeBuilder grant, with a surge in vacant residential land sales and building approvals since the grant announcement in June 2020. This has fuelled a construction boom which is likely to extend through 2021 and into 2022. This is one example of some of the positive outcomes and opportunities for the Toowoomba Region flowing from the coronavirus pandemic.

Preliminary data released by Federal Treasury indicates that Queensland has punched above its weight, recording the second highest number of new build applications across the country as at 12 March 2021.

### HOME BUILDER GRANT TOTAL APPLICATIONS AS AT 12 MARCH 2021

STATE	NEW BUILD	RENOVATION	TOTAL	SHARE
NSW	10,966	5,693	16,659	18%
VIC	21,980	4,878	26,858	29%
QLD	16,891	3,658	20,549	22%
WA	13,208	1,039	14,247	15%
SA	7,911	1,813	9,724	10%
TAS	2,308	432	2,740	3%
ACT	1,683	598	2,281	2%
NT	309	36	345	0%
<b>Total</b>	<b>75,256</b>	<b>18,147</b>	<b>93,403</b>	

PREPARED BY 3D Property Consulting; SOURCE: Federal Treasury

Positive net interstate migration into Queensland combined with a strong regional migration trend has also benefited the Toowoomba Region as residents relocate from the densely populated capital cities in favour of regional and fringe city areas. Returning expats has also benefited regional areas, including the Toowoomba Region.

A moderate level of demand for office space appears to have been maintained across Toowoomba. Some businesses have taken the opportunity to upgrade to better quality office space while attractive incentives are on offer and many have undertaken a redesign to create a safer and lower density workplace. Investor demand for quality commercial properties with secure long term cash flows is very strong and yields are being compressed due to record low interest rates and limited options for generating acceptable investor returns.

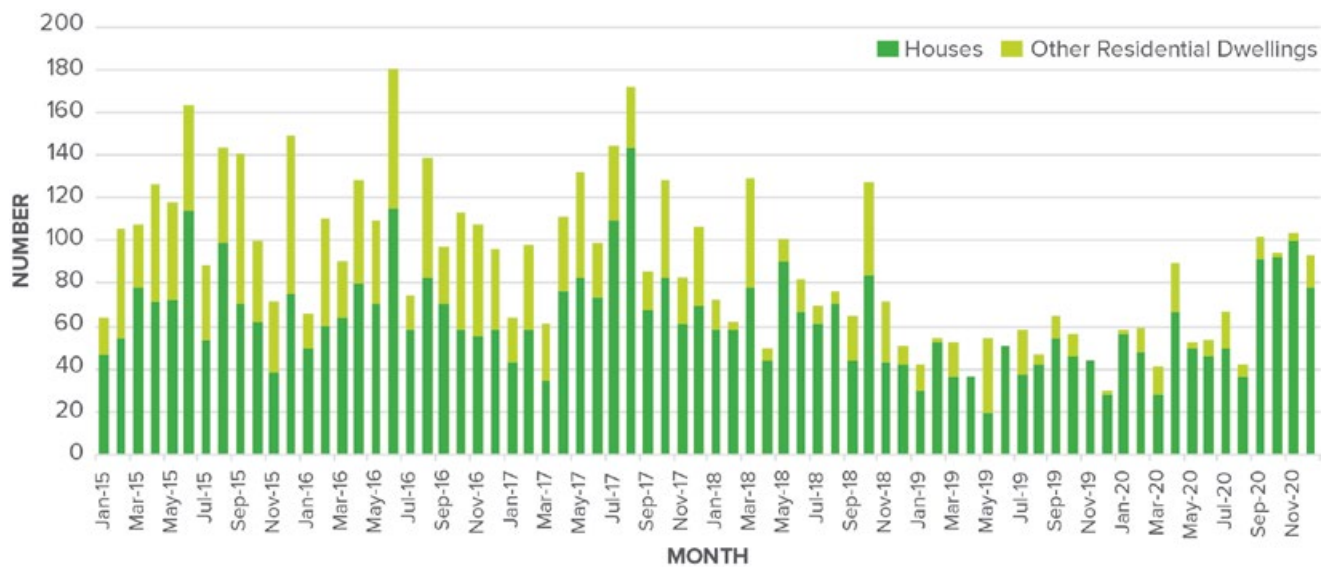
The retail sector has faced a number of challenges in recent years on a national and local level and the coronavirus pandemic has served to accelerate these trends. Subsequently, retail leasing in Toowoomba has been subdued as a reflection of reduced tenant demand and transactions have been limited. Suburban convenience and neighbourhood centres have been the most resilient standout performer in this sector. These assets are in strong demand, however are rarely offered to the market for sale.

Industrial property has emerged as the most resilient sector of the Toowoomba commercial property market. Industrial tenants were largely unaffected through the pandemic restrictions and in fact those associated with warehousing, transport and logistics have experienced boom conditions as online shopping accelerated. Toowoomba's future role as a transport and logistics hub has therefore been further strengthened.

Building approval volumes trended downwards between 2015 and 2019, with only 475 houses and 114 other residential dwellings approved in 2019. Following implementation of the HomeBuilder grant in June 2020, building approvals rebounded with a spike in house approvals evident from September 2020. Monthly building approval data between January 2015 and December 2020 are illustrated below.



## TOOWOOMBA REGIONAL COUNCIL BUILDING APPROVALS



PREPARED BY 3D Property Consulting; Source: ABS 8731.0, Building Approvals, Australia, various editions

A snapshot of key property market indicators is provided below.

## TOOWOOMBA PROPERTY MARKET FAST FACTS

Median House Price 2020 <b>\$389,000</b>	Residential Vacancy Rate (Feb-21) 0.7%
Median Unit Price 2020 \$307,000	Median Rent 4 Bedroom House (Dec-20 Qtr) \$410/wk
Median Residential Land Price 2020 \$180,000	Estimated Resident Population (Jun -20) 170,356
Industrial A Grade Rent \$120-\$160/sqm	Industrial A Grade Yield 6.5%-8.0%
Office A Grade Rent \$340-\$440/sqm	Office A Grade Yield 6.5%-8.0%
Retail A Grade Rent \$500-\$2,000/sqm	Retail A Grade Yield 6.0%-7.5%

PREPARED BY 3D Property Consulting

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## 4. MAJOR INFRASTRUCTURE & DEVELOPMENT PROJECTS

According to the latest Toowoomba and Surat Basin Enterprise (TSBE) Development Status Report February 2020, the region has an infrastructure pipeline in excess of \$13 billion. A number of major projects were completed during 2020, including: Toowoomba Regional Council's \$55.58 million **Principal Depot** project at Charlton; **The Gladstone Hotel** redevelopment (Oaks Hotel), Bernoth Properties mixed use project '**Inspire South Central**', QIC's Grand Central **Cinema Expansion** and St Vincent's Private Hospital's new \$15 million **Emergency & Radiology Department**.

Some of the key major infrastructure and development projects planned and underway in the region include:

**Wellcamp Entertainment Precinct (WEP).** Wagner Corporation are planning a \$175 million project that incorporates motorsport, driver-training and a 40,000 person performing arts venue. The plan was boosted by the State Government in October 2020, with a pledged contribution of \$40 million towards the project.

**SEQ City Deal.** A partnership between Federal, State and Local Government to align planning, investment and governance of the region to deliver better transport connectivity, more jobs and liveability, supporting the South East Queensland (SEQ) region's population growth. A Statement of Intent was signed in 2019 and the SEQ City Deal currently under negotiation will be the largest in Australia, worth up to \$58 billion over the next 25 years. A transformational opportunity has been identified for the Toowoomba Region to advance an SEQ Trade and Enterprise Spine between the Toowoomba Trade Gateway and the Australia TradeCoast by connecting Inland Rail to the Port of Brisbane and unlocking new jobs in the south-west and western growth areas.

The Wagner Corporation is developing the **Toowoomba Regional Trade Distribution Centre (RTDC)**, an export facility adjoining the Toowoomba Wellcamp Airport that will deliver over 4,000sqm in gross floor area comprising of 1,500sqm of state-of-the-art refrigerated storage, freezer rooms and temperature-controlled transit areas as well as large ambient transit and covered external storage areas.

The Darling Downs Hospital and Health Service has lodged plans for the approximately \$1.8 billion **Toowoomba Hospital Redevelopment** project with the State Government. A Ministerial Infrastructure Designation approval will facilitate the relocation of the Toowoomba Hospital to the 74ha Baillie Henderson Hospital site at Cranley.

The FKG Group is continuing to develop the **AATLIS Precinct** – a state-of-the-art 760ha master planned, purpose built industrial precinct, that incorporates technology, advanced manufacturing, energy and food production precincts. AATLIS is the base for the Agtech & Logistics Hub that secured \$3 million in funding from the Queensland Government In October 2020.

Asterion (Australia) Pty Ltd will be developing the world's largest and most sophisticated **medicinal cannabis** cultivation, research and manufacturing facility at Wellcamp. A contract has been entered into with Watpac for the construction of the facility, anticipated to commence in the second quarter of 2021. The \$450 million project includes 40ha of greenhouse cultivation and is expected to create up to 1,100 jobs and generate up to 500 tonnes of medicinal cannabis each year, with an export value of \$1 billion.

Medibis is planning to construct and operate a highly automated, pharmaceutical export grade medicinal cannabis cultivation facility in the AATLIS Precinct. The proposed \$180 million facility is a state-of-the-art glasshouse concept design, covering an area of more than 11ha at full capacity.

**InterLinkSQ** is a master-planned logistics, warehousing and industrial estate, strategically located 13km west of Toowoomba to maximise transportation and supply chain efficiencies. The facility will house 3km of state-of-the-art rail infrastructure for the existing West Moreton rail line as well as direct connection to the Inland Rail alignment. Seaway Intermodal will work in partnership with InterLinkSQ to build and operate a \$235 million shipping and logistics solution for organisations involved in interstate and international business and transport.

Work on Australia's largest freight rail infrastructure project '**Inland Rail**' is well underway. Connecting Melbourne and Brisbane via regional Victoria, New South Wales and Queensland, this 1,700km rail project will complete our national freight network, connecting producers to markets and creating new opportunities for businesses, industries and regional communities including the Toowoomba Region.



**Bell Street Tower.** Bernoth Properties are planning an 11 storey parking and residential tower on Neil and Bell St in the Toowoomba CBD. The tower will feature 307 car parks, 30 apartments ranging from one to four bedrooms and ground floor retail.

**1-3 Mylne Street and 4 Baty Lane.** A project comprising 12 multiple dwelling units and ground floor retail on Mylne St and Baty Lane is under assessment.

**Bowery Residences.** Located on Snell St at the western end of the CBD, this \$8 million project will feature 14 apartments over 6 storeys.

The **Toowoomba Railway Parklands Priority Development Area (PDA)** is transforming the northern sector of the CBD and will develop as an active, high-quality, mixed-density urban village. Covering an area of approximately 50ha, current projects include:

- The Foundry: A conversion of part of the former Toowoomba Foundry site fronting Ruthven St into professional offices. Fronting Ruthven St, this project is a visible and important milestone in the implementation of the Railway Parklands Master Plan.
- The Mill: The former Defiance Flour Mill is being transformed into mixed commercial uses.
- The Gasworks: A former industrial site of 10,569sqm recently remediated and being marketed for sale.

Toowoomba Regional Council has given preliminary approval for a **master planned community** at Mount Kynoch. The estate known as 'Habitat' will comprise approximately 1,000 residential lots over the next 10 to 15 years.

The Avenues of Highfields has experienced a sales surge since June 2020 and has now developed approximately half of its 530 residential lots. The **master planned residential estate** incorporates a comprehensive design guideline, a builders guild and the largest display village in the Region.



## 5. OFFICE PROPERTY

### 5.1 Overview

While the coronavirus pandemic has demonstrated that a considerable amount of professional office based work can be undertaken remotely, a moderate level of demand for office space appears to have been maintained across Toowoomba. Some businesses have taken the opportunity to upgrade to better quality office space while attractive incentives are on offer and many have undertaken a redesign to create a safer and lower density workplace.

There is a real opportunity for regional cities to lobby for and capitalise on decentralisation to the regions where the lower population density provides reduced risk of coronavirus infection and employees have the added lifestyle benefits, including reduced commuting times, affordable parking and lower cost housing. Office leasing costs are also highly affordable compared to the capital city CBD's.

Incentives have generally increased and tenant demand for secondary office accommodation across Toowoomba has been weak post pandemic restrictions. Owner occupier demand continues to be strong for sub 300sqm space, often in stand alone converted houses.

The Toowoomba Office Market Indicators are tabled below.

#### OFFICE MARKET INDICATORS

TYPE	GROSS RENTAL RANGE (\$/m <sup>2</sup> NLA)	INVESTMENT SALE ANALYSED YIELD RANGE (%)
A Grade	340-440	6.5 - 8.0
Secondary Grade	200-300	8.0 - 9.5
A Grade Medical	375-475	6.0 - 7.5

SOURCE: 3D Property Consulting

A selection of recent office lease transactions are tabled below.

#### OFFICE PROPERTY RENTS

ADDRESS	SUBURB	LETTABLE AREA (M <sup>2</sup> )	START DATE	TERM (YEARS)	GROSS RENTAL P.A.	\$/M <sup>2</sup> LETTABLE AREA GROSS	COMMENTS
5/614-616 Ruthven St	Toowoomba City	98	1/3/21	1	\$27,250	\$278	2 car-parks included
4 Bowen St	Toowoomba City	220	1/4/20	3+3	\$60,000	\$273	7 car-parks included
134 Mort St	Toowoomba City	135	1/4/20	3	\$54,400	\$403	6 car-parks included
66 Neil St	Toowoomba City	200	16/3/20	2	\$45,000	\$225	4 car-parks included
108 Herries St	East Toowoomba	153	1/10/20	3	\$56,600	\$370	4 car-parks included
18 Hanna Ct	Kearneys Spring	311	1/7/20	5+5	\$118,500	\$381	19 car-parks included
182 Ruthven St	North Toowoomba	237	1/8/20	6+3+3	\$80,500	\$340	8 car-parks included

SOURCE: 3D Property Consulting

## 5.2 Investment Market

Investor demand for quality properties with secure long term cash flows is very strong and yields are being compressed for properties that meet these criteria.

Recent office sales of note are summarised in the table below.

### OFFICE SALES

ADDRESS	SUBURB	SALE DATE	SALE PRICE	LAND AREA (M <sup>2</sup> )	LETTABLE AREA (M <sup>2</sup> )	\$/M <sup>2</sup> LETTABLE AREA	ANALYSED MARKET YIELD (%)
610-616 Ruthven St	Toowoomba City	31/10/20	\$4,100,000	3,850	936	\$4,380	9.17
154 Hume St	East Toowoomba	27/2/20	\$2,650,000	735	683	\$3,880	6.82
111-113 Herries St	East Toowoomba	16/7/20	\$1,100,000	1,077	324	\$3,395	8.23
173 Hume St	Toowoomba City	31/7/20	\$3,150,000	1,016	900	\$3,500	8.35
4 Hall Ln	Toowoomba City	9/10/20	\$530,000	321	230	\$2,304	7.25
145 Ruthven St	North Toowoomba	11/3/20	\$420,000	476	130	\$3,231	9.30

SOURCE: 3D Property Consulting & RP Data

## 5.3 Future Supply

Toowoomba's heritage is being embraced through the redevelopment of a number of former industrial buildings in the Railway Parklands Precinct, into unique professional office space. New office space is also emerging, across the city, including on the site of the former Amigos restaurant which was destroyed by a fire in 2017.

The below table highlights a selection of office projects proposed, under construction and recently completed across Toowoomba.

### FUTURE OFFICE SUPPLY

ADDRESS	SUBURB	LETTABLE AREA (M <sup>2</sup> )	COMMENTS	STATUS
131 Margaret St	Toowoomba City	851	New A Grade office space over 2 levels plus basement car park. 4 tenancies, 24 onsite car parks, 1 lift.	Under construction
367 Ruthven St	Toowoomba City	1,016	Transport & Main Roads Toowoomba - New Customer Service Centre Refurb	Under construction
239 Ruthven St - The Foundry	Toowoomba City	2,400	Conversion of part of the former Toowoomba Foundry to office, paramedical and retail (stage 1).	Under construction
Russell St - Rowes Redevelopment	Toowoomba City		This \$11 million redevelopment of the Rowes precinct on Russell St will provide multiple office tenancies	Under construction
19 Isabel St	Toowoomba City	322	Professional office building located in a mixed residential/medical/office precinct, adjoining a heritage listed building known as 'Clifford House'.	Development approval
23 & 23A Isabel St	Toowoomba City	197	Combined MCU and RAL Office and Access Easements	Under Assessment
106 Campbell St	Toowoomba City	194	Office	Development Approval
1-5 Bowen St	Toowoomba City	834	Extensive renovation of RMA offices and car park.	Completed
251-291 Ruthven St - The Mills Precinct	Toowoomba City	N/A	Mixed use project incorporating retail, office, accommodation and residential, connecting to the Railway Parklands precinct.	Progressively being completed
7-9 Kitchener St	East Toowoomba	600	Premium A Grade office space over 4 levels. 70 onsite car parks, 2 lifts.	Development approval
22 Herries St	East Toowoomba	163	Health Care Service	Approved
677-683 Ruthven St - Inspire South Central	South Toowoomba	4,000	7 storey complex including residential, retail and office components.	Completed
184 Ruthven St	North Toowoomba	388	Health Care Services	Approved
Vision & Pipe Sts, Wellcamp, Toowoomba Technology Park	Wellcamp	Unconfirmed	Master Plan to facilitate the establishment of an inter-related technology, innovation and manufacturing hub around the newly establishment state-of-the-art data centre. The proposal intends to create substantial office space that has a direct nexus to the sites location and proximity to the data centre. The project is proposed to form an integral part of the AATLIS project.	Under Assessment
George Weston Foods – Mort St, Harlaxton (Lot 1 SP116255)	Harlaxton	Unconfirmed	Variation Request - preliminary approval for a material change of use including a mechanism to vary the <i>Toowoomba Regional Planning Scheme 2012</i> to facilitate the establishment of a mix of service industrial, commercial, medical, professional office and retail uses.	Under Assessment

SOURCE: 3D Property Consulting; Toowoomba Regional Council



## 6. INDUSTRIAL PROPERTY

### 6.1 Overview

Industrial property has emerged as the most resilient sector of the Toowoomba commercial property market. Industrial tenants were largely unaffected through the coronavirus restrictions and in fact those associated with warehousing, transport and logistics have experienced boom conditions as online shopping accelerated. An additional 2.3 million square metres of industrial and logistics floor space across Australia will be taken up by the e-commerce sector between now and 2025, according to JLL. Toowoomba's future as a transport and logistics hub has therefore been further strengthened. Combined with the current building boom, and the increased demand for construction materials, fabricated products and storage, the stage is set for Toowoomba's industrial future.

The Toowoomba Industrial Market Indicators are tabled below.

#### INDUSTRIAL MARKET INDICATORS

TYPE	GROSS RENTAL RANGE (\$/m2 NLA)	INVESTMENT SALE ANALYSED YIELD RANGE (%)
A Grade	120 - 160	6.5 - 8.0
Secondary Grade	75 - 120	7.5 - 9.0
Strata Units	110 - 140	6.0 - 7.5

SOURCE: 3D PROPERTY CONSULTING

Much of Toowoomba's future industrial activity will be centred around the Toowoomba Trade Gateway precinct (formerly Toowoomba Enterprise Hub) comprising: InterLinkSQ, Toowoomba Wellcamp Airport, Wellcamp Business Park and the AATLIS Precinct.

Major Industrial projects proposed and under construction are tabled below.

## INDUSTRIAL AND RELATED DEVELOPMENT ACTIVITY & PROJECTS

PROJECT	SUBURB	COMMENTS	STATUS
Toowoomba Trade Gateway	Wellcamp	Formerly known as the Toowoomba Enterprise Hub, the precinct has three major stakeholders: Freight terminals Pty Ltd's InterlinkSQ, Wagners Toowoomba Wellcamp Airport and Wellcamp Business Park and FKG Group's AATLIS project and Charlton Logistics Park.	Progressively being developed
Interlink SQ Terminal	Wellcamp	InterLinkSQ is a master-planned logistics, warehousing and industrial estate, strategically located 13km west of Toowoomba to maximise transportation and supply chain efficiencies. The facility will house 3km of state-of-the art rail infrastructure for the existing West Moreton rail line as well as direct connection to the Inland Rail alignment.	Initial stages of construction
Wellcamp Business Park	Wellcamp	The Wellcamp Business Park which adjoins the new airport will be progressively developed, with a focus on aviation, logistics, transport, corporate and mining services.	Progressively being developed
Toowoomba Regional Trade Distribution Centre	Wellcamp	Wagner Corporation is developing an export facility adjoining the Wellcamp airport that will deliver over 4,000sqm in gross floor area comprising of 1,500sqm of state-of-the-art refrigerated storage, freezer rooms and temperature-controlled transit areas as well as large ambient transit and covered external storage areas.	Under construction
Environex Plastic Recycling Facility	Wellcamp	Environex are proposing a \$3.9 million plastic waste recovery, processing and remanufacturing facility within the Wellcamp Business Park.	Under construction
Asterion Medicinal Cannabis Project	Wellcamp	Asterion (Australia) Pty Ltd will be developing the world's largest and most sophisticated medicinal cannabis cultivation, research and manufacturing facility on 75ha of land adjacent to Toowoomba Wellcamp Airport. The \$450 million project includes 40ha of greenhouse cultivation.	Approved
Larpro Toowoomba Premium Milk Project	Wellcamp	Stage 1 is a proposed \$35 million infant formula manufacturing facility with a capacity of 30 million tins a year. The factory will be located within the Wellcamp Airport Business Park, adjoining the Wellcamp airport. The stage 1 factory will have a gross floor area of 5,365sqm and a building footprint of 4,834sqm. Subsequent stages to include fresh milk.	Approved
Green Distillation Technologies	Wellcamp	Construction of a \$10 million tyre recycling facility at Wellcamp Business Park..	Approved
Composite Fibre Technology Facility - Stage 2	Wellcamp	Stage 2 is an extension to the existing Fibre Composite Technology Facility which essentially duplicates the existing facility. The development will be built in 3 stages having a total Gross Floor Area (GFA) of 5,957.9m <sup>2</sup> .	Approved
Schlumberger Transport Depot	Wellcamp	Expansion of constructed Medium Impact Industry and Transport Depot. Transport Depot has been extended to include additional land to facilitate a larger Transport Depot component. Total site area of 5.5ha.	Approved
Gas Power Plant and Solar Farm	Wellcamp	Gas power station surrounded by a large solar panel array. The facility will be located adjacent (west of) the existing Wellcamp Industrial area centred around Witmack Rd and will form an integral part of the AATLIS project.	Approved
Vision & Pipe Sts, Wellcamp, Toowoomba Technology Park	Wellcamp	Master Plan to facilitate the establishment of an inter-related technology, innovation and manufacturing hub around the newly establishment state-of-the-art data centre. The proposal intends to create substantial office space that has a direct nexus to the sites location and proximity to the data centre. The project is proposed to form an integral part of the AATLIS project.	Under assessment
Witmack Rd Glasshouse Facility	Wellcamp	Six (6) main glasshouse structures for the production of crops for human consumption through hydroponic processes. The development will also include ancillary packing houses, administration offices, storage and dispatch (loading bay) areas.	Approved
Medibis	Wellcamp	Australian-based company, Medibis, is planning to construct and operate a highly automated, pharmaceutical export grade medicinal cannabis cultivation facility in Toowoomba. The \$180 million facility is a state-of-the-art glasshouse concept design, covering an area of more than 11ha at full capacity.	Under assessment
Witmack Rd	Wellcamp	Medium Impact Industry and High Impact Industry (Steel Fabrication and Pre-Cast Concrete Factory) 4295m <sup>2</sup> GFA	Under Assessment
Proposed Lot 6, Lot 2 SP244476 147 O'Mara Rd	Charlton	Medium Impact Industry and Warehouse 2791m <sup>2</sup> GFA	Under Assessment
Telstra Satellite Relay Station	Charlton	Satellite relay station (23 dishes and supporting infrastructure) for the tracking of OneWeb satellites. The development will assist in the delivery of internet services across the globe remotely via satellite to improve internet speeds.	Under Assessment
Steger Rd	Charlton	Transport Depot, Medium Impact Industry, Food & Drink Outlet, Car Wash & Service Station.	Approved
Torrington Industrial Estate	Torrington	The estate will occupy a site of 5.8ha with 21 proposed lots commencing from 1,000sqm up to 4,532sqm.	Approved
1 Lewis St	Torrington	Medium Impact Industry 2,386m <sup>2</sup> GFA	Approved



PROJECT	SUBURB	COMMENTS	STATUS
31-33 Carrington Rd	Torrington	Low Impact Industry and Warehouse 1,062m2 GFA	Approved
14-18 Kimberley Court	Torrington	Medium Impact Industry 2,316m2 GFA	Approved
9 Freighter Avenue	Wilsonton	Medium Impact Industry 1,461m2 GFA	Approved
1-3 Barrabool Court	Wilsonton	Medium Impact Industry 2,050m2 GFA	Approved
63 Isaac St	North Toowoomba	Low Impact Industry 1,557m2 GFA	Under Assessment
Timber St	Crows Nest	Medium Impact Industry 546m2 GFA	Approved
George Weston Foods – Mort St, Harlaxton (Lot 1 SP116255)	Harlaxton	Variation Request - preliminary approval for a material change of use including a mechanism to vary the <i>Toowoomba Regional Planning Scheme 2012</i> to facilitate the establishment of a mix of service industrial, commercial, medical, professional office and retail uses.	Under Assessment
Society St	Toowoomba City	Low Impact Industry (Vehicle Service & Predelivery Centre) with an overall area of 7,685m2.	Approved

SOURCE: 3D Property Consulting; Toowoomba Regional Council

## 6.2 Leasing Activity

Leasing activity across Toowoomba has been moderate and rental rates have been stable in recent years. Rental rates vary due to factors such as primary or secondary industrial location; exposure; size of tenancy; quality of building; quality and ratio of office space; inclusion of overhead gantry cranes; size and quality of hardstand and ancillary site improvements such as vehicle wash bays and drive through truck access. Generally smaller buildings with good office and showroom components will achieve a higher rate per square metre than larger warehouse buildings and those designed to specific tenant requirements will often achieve the highest rates.

A selection of recent Industrial leases are summarised in the table below.

### INDUSTRIAL PROPERTY RENTS

ADDRESS	SUBURB	LAND AREA (M <sup>2</sup> )	LETTABLE AREA (M <sup>2</sup> )	START DATE	TERM (YEARS)	GROSS RENTAL P.A.	\$/M <sup>2</sup> LETTABLE AREA	COMMENTS
64 Carrington Rd	Torrington	6,226	1,369	1/7/20	5	\$143,350	\$105	Workshop, office, concrete hardstand yard
8 Freighter Av	Wilsonton	2,828	1,465	1/4/20	5	\$141,356	\$96	Warehouse, office, small yard
318-320 Anzac Av	Harristown	4,048	1,125	1/3/20	7	\$190,000	\$169	2 Workshops, office, concrete hardstand yard
51 Carrington Rd	Torrington	10,000	925	1/8/20	3	\$125,000	\$135	Workshop, showroom/office, display yard
4/398 Taylor St	Glenvale	620	620	1/7/20	3	\$61,000	\$98	Workshop, office, car park
339-351 Anzac Av	Harristown	21,700	3,286	1/7/20	5	\$635,000	\$193	2 Workshops, large office, extensive gravel hardstand yard

SOURCE: 3D Property Consulting

## 6.3 Transactional Activity

Investor appetite for strong and stable income streams has been evident across Toowoomba, with several post \$5 million sales and one post \$20 million sale during 2020, all at sub 7.0% yields. While investor demand has been strong, owner occupier demand has been more limited. Some owners are reinvesting in their existing premises, including a local truck and machinery dealer in the machinery mile precinct on Taylor St, who has constructed a new showroom and workshop.

The following graph illustrates improved industrial sales in Toowoomba over the past six years. Sales volumes have remained relatively stable ranging from 48 to 67 sales per annum, with little volatility in the median sale price, ranging from \$500,000 to \$680,000.

### TOOWOOMBA REGIONAL COUNCIL LGA IMPROVED INDUSTRIAL SALES CYCLE



PREPARED BY 3D Property Consulting, Source: Pricerfinder

The peak price during 2020 was the sale of 275-283 McDougall St Glendale at \$23 million, followed by 339-351 Anzac Av Harristown at \$8.5 million. Both sales were to interstate investors, attracted by the long lease term, achievable yield, quality of the property and the future of Toowoomba's industrial sector.

Recent Industrial sales of note are summarised in the table below.

### INDUSTRIAL PROPERTY SALES

ADDRESS	SUBURB	SALE DATE	SALE PRICE	LAND AREA (M <sup>2</sup> )	LETTABLE AREA (M <sup>2</sup> )	\$/M <sup>2</sup> LETTABLE AREA	ANALYSED MARKET YIELD (%)
339-351 Anzac Av	Harristown	14/12/20	\$8,500,000	21,700	3,286	\$2,587	6.9
11/57 Heinemann Rd	Wellcamp	13/11/20	\$7,200,000	16,180	4,031	\$1,786	6.9
275-283 McDougall St	Glendale	18/9/20	\$23,000,000	35,000	7,011	\$3,281	6.7
26 Jones St	North Toowoomba	13/7/20	\$465,000	617	300	\$1,550	7.4
8 Freighter Av	Wilsonton	30/7/20	\$1,440,000	2,828	1,465	\$983	8.3
366 Anzac Av	Drayton	30/7/20	\$1,440,000	6,609	1,500	\$960	7.3

SOURCE: 3D Property Consulting & RP Data



## 7. RETAIL PROPERTY

### 7.1 Overview

The retail sector has faced a number of challenges in recent years on a national and local level. The coronavirus pandemic has served to accelerate these trends, such as a rise in online retailing, weak discretionary spending and forced innovation and adoption of technology such as widespread use of food delivery platforms.

Hospitality and fashion were some of the most affected retailers during the initial stages of the pandemic. The restrictions saw the majority of non-essential retail outlets either close or substantially reduce trading hours. Café's and hospitality outlets that remained open reverted to takeaway businesses to maintain some level of trade and to retain staff with the assistance of JobKeeper. The Mandatory Code of Conduct for commercial leasing provided a benefit for lessees and a potential waiver of rental for the lessor during this period, depending on negotiation outcomes between the parties. Lockdowns and rent abatements created a heightened level of risk and uncertainty.

Subsequently, retail leasing in Toowoomba has been subdued as a reflection of reduced tenant demand and transactions have been limited. Suburban convenience and neighbourhood centres have been the most resilient standout performer. These assets are in strong demand, however are rarely offered to the market for sale.

The Toowoomba CBD continues to evolve into a food and service industry centre. Recent Council initiatives including the Russell St Upgrade and the Shop Top Living Design Guide will serve to inject vibrancy and help boost future economic development within the CBD, while providing a key connection to the emerging Railway Parklands precinct and Queens Park.

#### RETAIL MARKET INDICATORS

TYPE	GROSS RENTAL RANGE (\$/m <sup>2</sup> NLA)	INVESTMENT SALE ANALYSED YIELD RANGE (%)
CBD Prime	500-2,000	6.0 - 7.5
CBD Secondary	250-500	7.0 - 8.5
CBD Fringe	200-300	6.5 - 8.0

SOURCE: 3D Property Consulting



## 7.2 Transactional Activity

Recent retail sales of note are summarised in the table below.

### RETAIL SALES

ADDRESS	SUBURB	SALE DATE	SALE PRICE	LAND AREA (M <sup>2</sup> )	LETTABLE AREA (M <sup>2</sup> )	\$/M <sup>2</sup> LETTABLE AREA	ANALYSED MARKET YIELD (%)
52 Clifford St	Toowoomba City	8/11/19	\$2,500,000	1,699	949	\$2,634	7.11
11 Annand St	Toowoomba City	17/12/19	\$3,750,000	617	745	\$5,034	7.62
546 Bridge St	Torrington	10/9/20	\$10,500,000	8,094	2,497	\$4,205	6.70
162A James St	South Toowoomba	9/7/20	\$773,000	390	210	\$3,681	6.73
2-4 Gore St	Westbrook	23/9/20	\$8,620,000	4,028	N/A	N/A	5.20
255 James St	Toowoomba City	7/2/20	\$1,350,000	1,201	630	\$2,143	7.53

SOURCE: 3D Property Consulting & RP Data

## 7.3 Future Supply

Retail development projects proposed and underway are summarised in the table below.

### FUTURE RETAIL PROJECTS

ADDRESS	SUBURB	LETTABLE AREA (M <sup>2</sup> )	COMMENTS	STATUS
58 Russell St - Rowses Precinct	Toowoomba City	N/A	Proposed 3 stage redevelopment of Rowses Furniture, including retail, office and open space.	Under construction
8-10 Russell St	Toowoomba City	N/A	11 storey residential and parking tower with ground floor retail. 2x1 Bedroom Units 24x2 Bedroom Units 2x3 Bedroom Units and 2x4 Bedroom Units Shop Food and Drink Outlet and Parking Station.	Under assessment
1-3 Mylne St and 4 Baty Lane	Toowoomba City	452	12x Multiple Dwelling Units Shop and Food and Drink Outlet	Under assessment
187 Hume St	Toowoomba City	285	Combined MCUC Shopping Centre and OWS Wall Signs	Approved
233 James St	Toowoomba City	1,814	Showroom	Approved
251-291 Ruthven St - The Mills Precinct	Toowoomba City	N/A	Mixed use project incorporating retail, office, accommodation and residential, connecting to the Railway Parklands precinct.	Progressively being developed.
152 James St	South Toowoomba	3,426	Showroom and Shop in 3 separate tenancies.	Under assessment
202-224 Hursley Rd	Glenvale	N/A	Mixed use development incorporating residential, childcare and retail including supermarket, tavern, service station and fast food.	Development approval
171-173 Anzac Av	Harristown	337	Proposed 3 tenancy retail food outlet building with a total lettable area of approximately 337sqm and outdoor dining areas of approximately 44sqm. The largest tenancy is to be leased to a café and will contain a drive-through facility. There will be on-site car-parking for 13 vehicles.	Development approval
624 Alderley St - Service Station	Harristown	413	Service Station	Under Construction
407-415 Bridge St	Wilsonton	1,035	Service Station Showroom Food and Drink Outlet and Shop	Under assessment
407-415 Bridge St	Wilsonton	33	Car Wash	Under assessment
1-25 Old Mort St & 2-130 Hermitage St East	Cranley	7,880	Combined MCU RAL and OW for a Service Station Food and Drink Outlet and Showrooms and Reconfigure 2 into 3 Lots and Preliminary Approval for Bulk Earthworks and Civil Works	Under assessment
214-220 North St	Rockville	5,396	Service Station and Warehouse (Self Storage)	Approved
133-137 North St	Harlaxton	192	Service Station	Approved
117 & 117A & 119 Ruthven St & 1 Jones St	Harlaxton	408	Food and Drink Outlet	Under assessment
6-10 Ruthven St - Service Station	Harlaxton	200	Service Station	Under Construction
11301 Warrego Highway and 9 Gowrie Mountain School St	Kingsthorpe	962	Service Station, Food and Drink Outlet, Car Wash and Caretakers Accommodation	Under assessment
12 Gowrie St	Kingsthorpe	1,385	Staged Shopping Centre & Specialty Retail	Stage 1 complete
Eton St	Cambooya	500	Foodworks supermarket	Development approval
25 Toomey St	Yarraman	308	Combined MCU and OWS Service Station and 2x Pylon Signs	Under assessment

SOURCE: 3D Property Consulting; Toowoomba Regional Council



Photo credit: Aspect Architects



Photo credit: Grand Central Shopping Centre

# 8. RESIDENTIAL PROPERTY

## 8.1 House Market

Following several years of being at the bottom of the property cycle, the Toowoomba residential market is now on the move and is regarded as being in the 'upswing' or the 'rising market' sector of the cycle. This is characterised by rising sales volumes, reduced stock on the market, reduced days on market, rising prices, falling vacancy rates and rising rents.

The Toowoomba region has been a major beneficiary of the HomeBuilder grant, with a surge in vacant residential land sales and building approvals since the grant announcement in June 2020. This has fuelled a construction boom which is likely to extend through 2021 and into 2022. This is one example of many positive outcomes and opportunities for the Toowoomba region flowing from the coronavirus pandemic.

Positive net interstate migration into Queensland combined with a strong regional migration trend has also benefited the Toowoomba region as residents relocate from the densely populated capital cities in favour of regional and fringe city areas.

According to REIQ data<sup>1</sup>, the twelve months ending December 2020 shows a median price for housing<sup>2</sup> in the Toowoomba Regional Council area of \$363,000 based on 2,174 transactions.

<sup>1</sup> SOURCE: REIQ, Queensland Market Monitor, December 2020 <sup>2</sup> Sales Market – Houses <2400m<sup>2</sup>

Based on Pricefinder data, 2020 shows a median house price for all lot sizes in the region of \$389,000 based on 2,999 transactions. The median house price has been very stable over the past four years, with a rise evident in the second half of 2020. Sales volumes bottomed in 2011 following the February floods and improved up to a peak in 2014 before a steady decline to 2019, with increased activity in the second half of 2020. The ten-year average is approximately 2,922 sales per annum.

Vacancy rates across Toowoomba (postcode 4350) were approximately 0.7% as at February 2021 (Source: SQM Research), which is considered very tight and well below the balanced market level of 3%. Vacancy rates have been trending lower since the beginning of 2017 and have been sub 1% since June 2020. This trend has been observed right across regional Queensland, due to a range of factors including low levels of construction and investor activity in recent years, compounded by changes in internal migration patterns during the pandemic. Current market conditions provide an opportunity for investors to increase housing supply, however accommodation shortages and rental rate increases are likely in the short term.

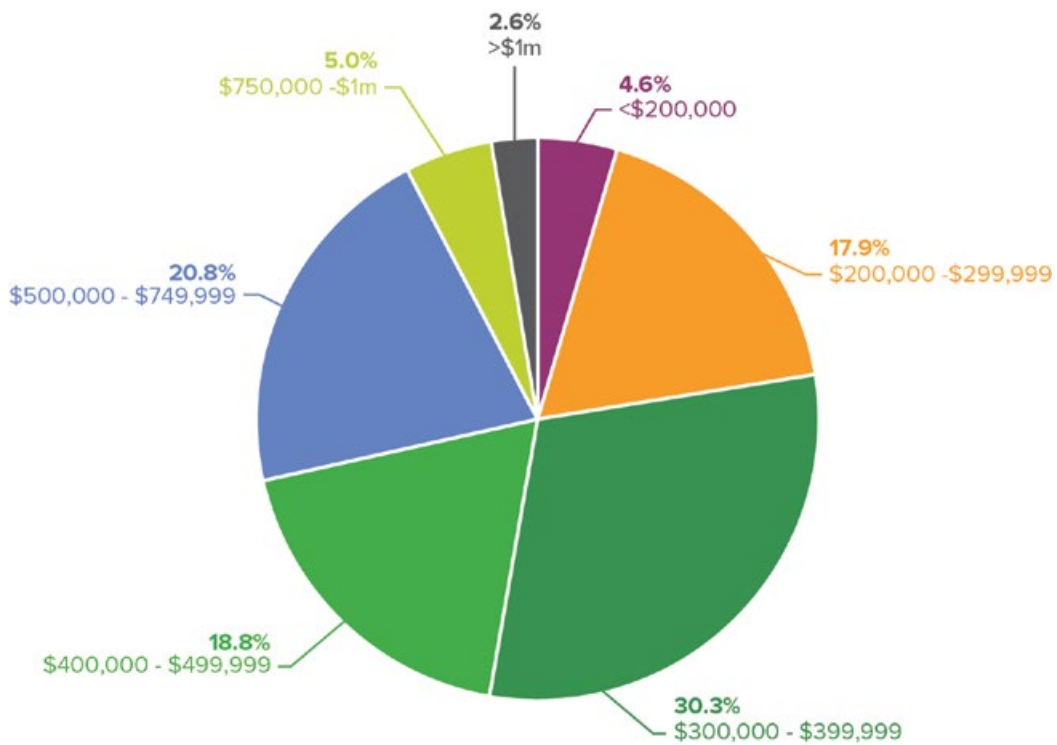
### TOOWOOMBA REGIONAL COUNCIL LGA HOUSE SALES CYCLE



PREPARED BY 3D Property Consulting; Source: Pricefinder | Property type: House; All land areas; Excl. related party & \$0 sales.

An analysis of all house sales recorded during 2020 reveals the continued high affordability of the Toowoomba housing market. The market is dominated by the \$300,000 to \$399,999 price bracket which represented 30.3% of sales in 2020, while 52.8% of all recorded sales were priced below \$400,000. Entry level housing is readily available across the Toowoomba Region, providing exceptional opportunity for first home buyers and new residents to experience home ownership and for investors to provide affordable rental accommodation.

## TOOWOOMBA REGIONAL COUNCIL 2020 HOUSE SALES BY PRICE POINT

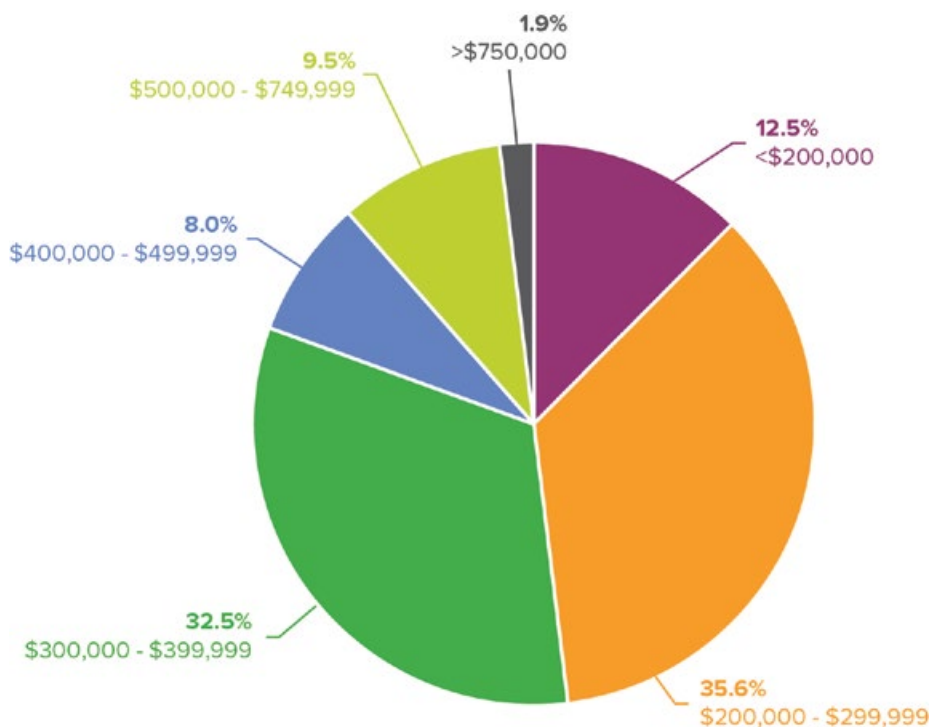


PREPARED BY 3D Property Consulting; Source: Pricerfinder

## 8.2 Unit Market

The Toowoomba unit market is concentrated in the \$200,000 to \$299,999 price bracket and the \$300,000 to \$399,999 price bracket which represented 35.6% and 32.5% of sales in 2020 respectively, while 80.6% of all recorded sales were priced below \$400,000. The post \$500,000 market only represented 11.4% of all unit sales in 2020, which is slightly below 12.1% in the previous twelve-month period.

## TOOWOOMBA REGIONAL COUNCIL 2020 UNIT SALES BY PRICE POINT



PREPARED BY 3D Property Consulting; Source: Pricerfinder

The median unit price increased strongly between 2019 and 2020, however is still highly affordable, with a median sale price of \$307,000 during 2020. Sales volumes peaked in 2014 with 825 transactions recorded. 522 sales were recorded in 2020 which is slightly below the ten-year average of approximately 560 sales per annum and signals a turning point, following 5 years of declining sales volumes. While detached houses are the dominate dwelling type across Toowoomba, accounting for 83.2 % of all dwellings as at the 2016 census, further medium density supply may be required in order to meet the level of accommodation demand.

### TOOWOOMBA REGIONAL COUNCIL LGA UNIT SALES CYCLE



PREPARED BY 3D Property Consulting, Source: Pricerfinder PROPERTY TYPE: Unit; Excl. related party & \$0 sales

## 8.3 Land Market

The Toowoomba residential land market has averaged approximately 670 urban lot (60 to 2,499sqm sales per annum over the past 30 years). 2019 saw the lowest level of sales in over 30 years at only 304 transactions. 2020 began with subdued optimism, however once a global pandemic was declared in March, sales volumes slowed until the HomeBuilder grant announcement in June. The effect of the grant was instant and substantial, with a sharp increase in land sales from June onwards. 2020 data in the below graph is still preliminary, and final numbers are likely to be higher due to a lag between date of contract and date of settlement based on data reported by the State Government. This is supported by developer and agent feedback, which indicates that sales remained extremely strong for the balance of the year and into 2021.

The median land price displays a modest upward trend over the 10-year reporting period, rising from \$145,500 in 2011 to \$180,000 in 2020. Variations can often be attributed to composition of sales rather than changes in demand. For example, the peak of \$191,372 in 2019 is due to the high proportion of sales within 'The Leas' estate in Middle Ridge, which accounted for approximately one third of total market share during 2019.

By necessity, the majority of new residential estates are concentrated in fringe urban areas to the west (Glenvale, Torrington and Cotswold Hills), and satellite suburbs to the north (Highfields/Kleinton) and south (Wyreema/Cambooya), with the main urban area under development being Kearneys Spring. Some infill development has occurred in Middle Ridge and has been met with strong buyer demand.

Urban residential lot pricing across Toowoomba generally ranges from \$175,000 to \$225,000, however infill estates in desirable established suburbs can see price points shifting to \$200,000 to \$300,000, with larger lots in desirable locations achieving above this level.

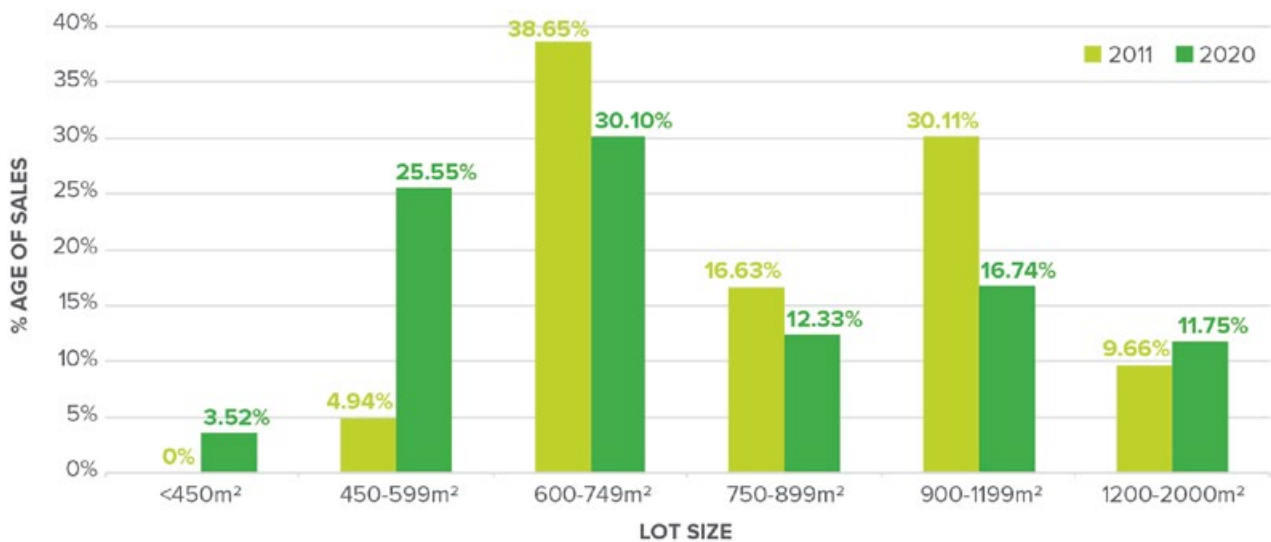
## TOOWOOMBA REGIONAL COUNCIL LGA LAND SALES CYCLE



PREPARED BY 3D Property Consulting, Source: Pricerfinder PROPERTY TYPE: Vacant Land; 60 to 2,499sqm; Exc. related party & \$0 sales

The graph below illustrates the change in composition of residential lot sizes across the Toowoomba Regional Council area over the past decade. While the dominant size bracket has remained 600 to 749sqm the notable change has been the increase in the 450 to 599sqm bracket (from 4.94% in 2011 to 25.55% in 2020) and the reduction in the 900 to 1,199sqm bracket (from 30.11% in 2011 to 16.74% in 2020). There are also some sales now occurring in sub 450sqm lots.

## TOOWOOMBA REGIONAL COUNCIL LGA CHANGE IN COMPOSITION OF RESIDENTIAL LOT SIZES 2011 TO 2020



PREPARED BY 3D Property Consulting, Source: Pricerfinder



## 8.4 Rental Market

In December 2020, the Residential Tenancy Authority held a total of 11,801 bonds for houses and 8,274 bonds for units and townhouses across the Toowoomba Region. This is up from 11,738 bonds for houses and 8,106 bonds for units and townhouses as at December 2019. Overall, rents rose only modestly between December 2019 and December 2020.

Analysis of median weekly rentals by postcode shows that rural townships such as Pittsworth, Millmerran and Oakey offer the most affordable housing. The highest median rent of all dwelling types was \$450 per week for 4-bedroom houses in the outer Toowoomba postcode of 4352. Rents are widely forecast to increase during 2021 while vacancy rates continue to be extremely tight and well below the balanced market level of 3.0% (0.7% as at February 2021, source: SQM Research).

TOOWOOMBA REGIONAL COUNCIL	Dec-16 Qtr		Dec-17 Qtr		Dec-18 Qtr		Dec-19 Qtr		Dec-20 Qtr	
	RENT (\$/Wk)	NEW BONDS	RENT (\$/Wk)	NEW BONDS	RENT (\$/Wk)	NEW BONDS	RENT (\$/Wk)	NEW BONDS	RENT (\$/Wk)	NEW BONDS
1 Bedroom units	180	84	190	68	185	74	200	76	200	74
2 Bedroom units	245	358	245	415	250	394	250	395	270	298
3 Bedroom units	295	176	300	216	310	236	315	258	325	226
2 Bedroom houses	260	64	260	77	253	70	270	73	280	53
3 Bedroom houses	300	574	300	499	310	494	320	578	330	441
4 Bedroom houses	370	380	380	383	385	382	400	437	410	321
2 Bedroom townhouses	260	19	280	31	290	25	275	28	280	39
3 Bedroom townhouses	310	30	320	35	325	30	338	38	340	35

PREPARED BY 3D Property Consulting; Source: Residential Tenancies Authority

### BONDS HELD (NO.) TOOWOOMBA REGIONAL COUNCIL LGA

DWELLINGS	DEC-20 QTR	DEC-2019 QTR	CHANGE (NO.)	CHANGE (%)
Houses	11,801	11,738	63	0.5%
Units/Townhouses	8,274	8,106	168	2.1%
Other	632	620	12	1.9%
<b>Total</b>	<b>20,707</b>	<b>20,464</b>	<b>243</b>	<b>1.2%</b>

PREPARED BY 3D Property Consulting; Source: Residential Tenancies Authority

## 8.5 Future Supply

The latest Queensland Government broad hectare figures (December 2020) indicate that there is approximately 3,411ha of land suitable for residential development within the Toowoomba Region. This area of land is forecast to yield in the order of 17,780 dwellings (medium series). 2,032ha is suitable for standard urban density development, with 191ha likely to be developed over the next two years and 863ha over 10+ years.

According to Queensland Government data, 102 residential lots were approved by Council in the year ending June 2020, of which 87 were classed as urban lots. This is below the level of approvals in the previous 12-month period (446 lots) and below the five-year average of 655 lots per annum. During this period, operational works approval was granted for 467 lots, of which 422 were classed as urban lots. This is above the level of approvals in the previous 12-month period (329 lots) and slightly below the five-year average of 488 lots per annum. 408 lots were certified during this period, with 326 of these being urban lots. This is above the level of approvals in the previous 12-month period (233 lots) but still below the five-year average of 537 lots per annum.

### UNCOMPLETED RESIDENTIAL LOTS WITHIN THE TOOWOOMBA REGIONAL COUNCIL LOCAL GOVERNMENT AREA

QUARTER	OPENING STOCK UNCOMPLETED APPROVED LOTS	LOTS APPROVED	LOTS CERTIFIED	LOTS LAPSED	CLOSING STOCK APPROVED LOTS	CLOSING STOCK LOTS WITH OPERATIONAL WORKS APPROVAL	%AGE OF APPROVED LOTS WITH OPERATIONAL WORKS APPROVAL
	A	B	C	D	(A+B-C-D)		
Jun-16	4,646	132	77	0	4,701	997	21%
Sep-16	4,701	78	136	4	4,639	988	21%
Dec-16	4,557	22	150	1	4,428	1013	23%
Mar-17	4,428	69	282	2	4,213	816	19%
Jun-17	4,190	65	219	11	4,025	730	18%
Sep-17	4,025	15	234	1	3,805	839	22%
Dec-17	3,805	152	233	32	3,692	659	18%
Mar-18	3,692	88	64	21	3,695	684	19%
Jun-18	3,695	63	104	12	3,642	648	18%
Sep-18	3,642	150	155	1	3,636	511	14%
Dec-18	3,636	77	59	5	3,649	660	18%
Mar-19	3,649	129	10	17	3,751	769	21%
Jun-19	3,751	90	9	4	3,828	771	20%
Sep-19	3,828	32	34	78	3,748	858	23%
Dec-19	3,748	11	231	4	3,524	680	19%
Mar-20	3,524	9	15	9	3,509	721	21%
Jun-20	3,509	50	128	2	3,429	817	24%

PREPARED BY 3D Property Consulting; SOURCE: Queensland Government Statisticians Office

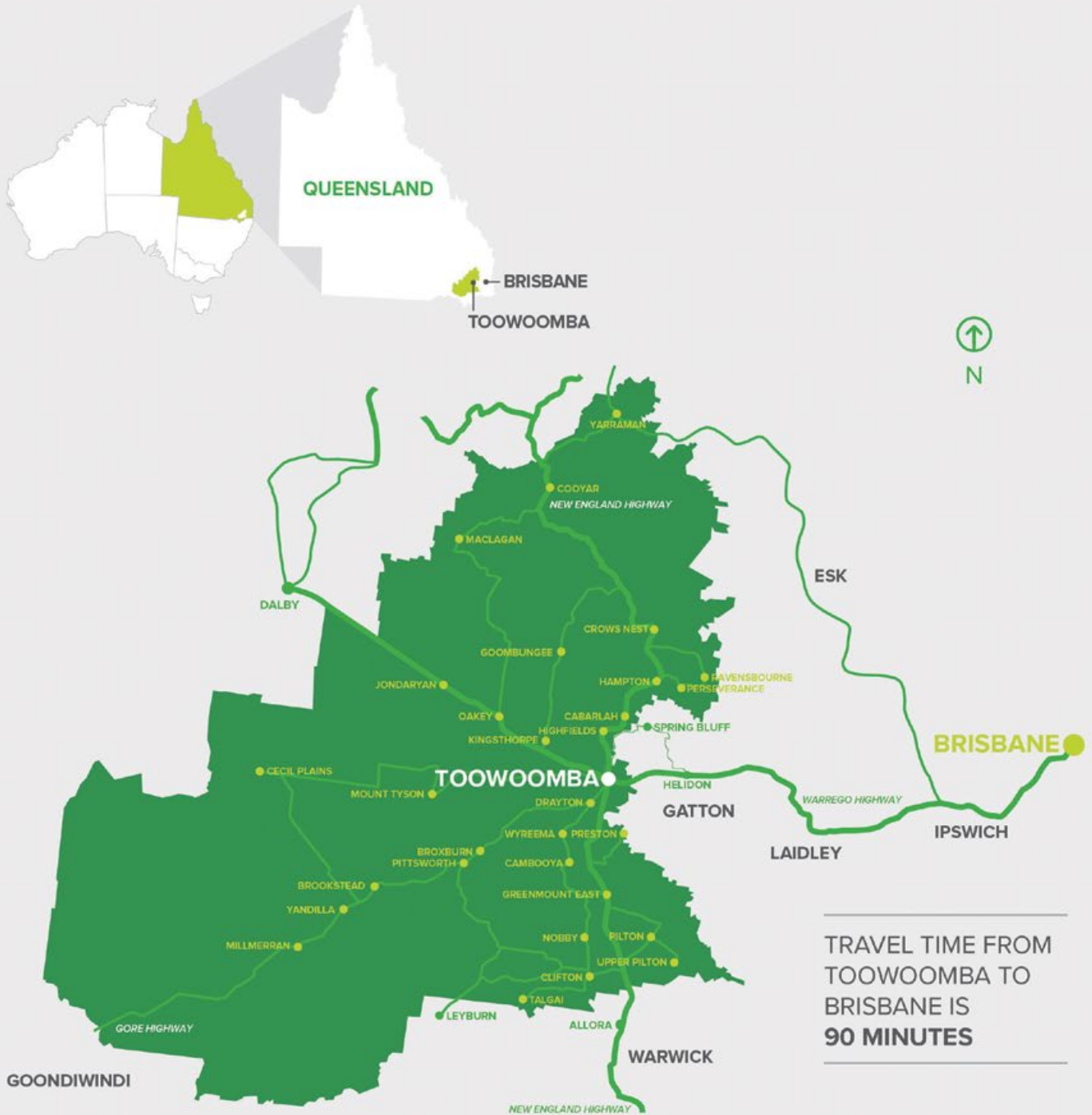
We note that the above data includes the total number of lots approved; therefore, the approved lots may be developed over an extended period of time, particularly for large multi-stage projects. The closing stock of lots with operational works approvals, is therefore more indicative of lots that are likely to be developed in the short term.

482 urban lots were registered in the year ending December 2020. This is down from 541 in the previous year and well below the five-year average of 746 lot registrations. In the year ending December 2020, 742 houses were approved in the Toowoomba Region. This is above the level of approvals in the previous 12-month period (475 houses) and the five-year average of 722 houses per annum. We note that dwelling approvals include dwellings on rural lots and within retirement villages (which do not require a registered residential lot), therefore dwelling approvals can often exceed the volume of urban residential land sales.

New residential communities are under development at Highfields, Cotswold Hills, Glenvale and Kearneys Spring. Toowoomba Regional Council has given preliminary approval for a master planned community at Mount Kynoch. The estate known as 'Habitat' will comprise approximately 1,000 residential lots over the next 10 to 15 years.

The Avenues of Highfields has experienced a sales surge since June 2020 and has now developed approximately half of its 530 residential lots. The master planned residential estate incorporates a comprehensive design guideline, a builders guild and the largest display village in the Region. When combined with some smaller infill projects, Toowoomba Region residents are provided with a range of housing locations and price points.

# TOOWOOMBA REGIONAL COUNCIL BOUNDARY MAP



TRAVEL TIME FROM  
TOOWOOMBA TO  
BRISBANE IS  
**90 MINUTES**

