

Toowong | 4066



Reflecting Toowong's status as an extremely desirable blue-chip location, the median house price is more than double that of wider Brisbane.

Area Overview

Located just 4km from the CBD, Toowong is directly serviced by Brisbane's high frequency public transport network and is only three stops from central station by train, and four by bus. Milton Road connects Toowong to major arterial networks and motorways, providing direct routes to key locations including the CBD, airport, and northern suburbs.

At Toowong's centre is a thriving commercial and retail hub including Toowong Village tower and several other office and retail buildings. The 46,000sqm Toowong Village recently underwent a \$50 million refurbishment, which saw revamped interiors, improved layout, new amenities and an alfresco dining precinct.

The Wesley Hospital on the suburb's northern border has also undergone an upgrade, making its private emergency department the largest in Brisbane.

Proximity to some of Queensland's most sought-after schools and tertiary institutions also provides immense appeal and bolsters property values. These include: St Ignatius Primary School, the ultra-exclusive Brisbane Boys' College, Stuartholme School, St Peters Lutheran College and The University of Queensland.

The SEQ Regional Plan functions as the overarching urban planning guide to all future growth and development decisions in South East Queensland. Toowong's designation as one of only ten "Major Activity Centres" within the region ensures sustained public and commercial investment in the suburb. As such, the area's exceptional pre-existing locational attributes will be further enhanced, boding well for residential investment prospects.

While Toowong is already amenity rich, residential values stand to capitalise further from a significant pipeline of development and proposed infrastructure. This includes a new \$450 million mixed-use precinct on a 9,000sqm site opposite Toowong Village, incorporating retail, dining, and a 5-star hotel.

Toowong is also set to greatly benefit from the Brisbane City Council 'Green Bridges' initiative, with detailed planning now underway for a cycling and pedestrian connection linking 600 Coronation Drive, Toowong to Orleigh Park, West End.





Population & Demographics

Toowong's residents are largely young and active white-collar professionals with a high socio-economic status. More than half the population have a tertiary qualification and are employed in professional services, with close to a quarter earning in excess of \$150,000 per annum.

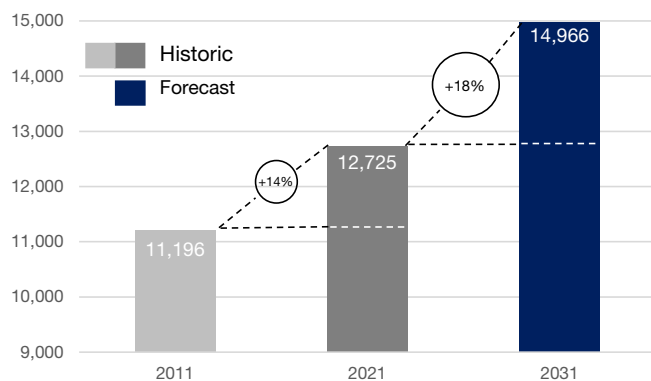
	Toowong	Greater Brisbane
Median Age	30	36
University Educated	54%	27%
Professional occupations	55%	37%
Median Weekly Individual Income	\$972	\$842
Median Weekly Family Income	\$2,628	\$2,179
>\$3,000 Gross weekly Income	28%	25%

Source: ABS

The area's residential population has grown by around 14% over the previous decade to around 12,700 in 2021. Based on current underlying demographic trends, the population is projected to increase by a further 18% by 2031.

That said, this does not factor additional potential influences on population such as increased social and community infrastructure development and employment opportunities. Given Toowong's designation as a "Major Activity Centre" and the subsequent investment and development focus it will attract, population numbers can be expected to notably exceed forecasts.

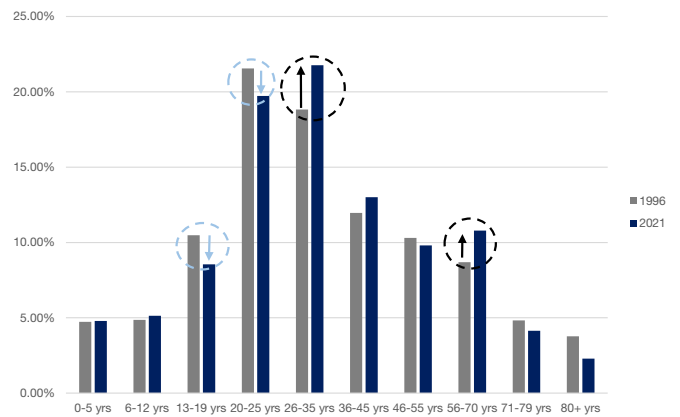
TOOWONG POPULATION- HISTORIC & FORECAST



Source: ABS, QGSO

A decrease in the proportion of teenagers and young adults between 20 and 25 has been offset by an increase in early aged professionals between 26 and 35 and those aged 56-70 encompassing the downsizer demographic. This reflects an increasing appetite for low maintenance, lifestyle-led living options near excellent levels of amenity. These groups also typically have greater financial capacity to rent or purchase premium quality dwellings.

TOOWONG POPULATION AGE PROFILE



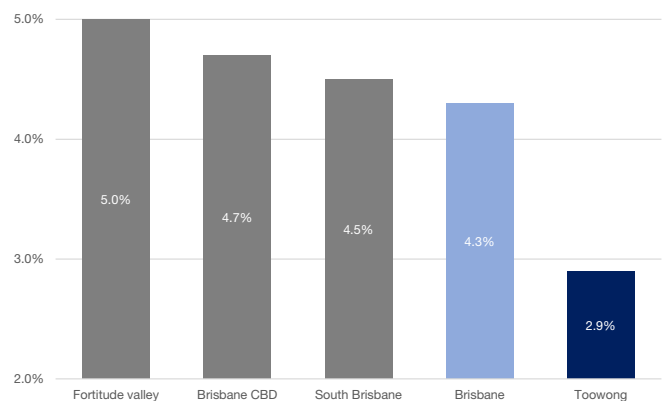
Source: ABS

Employment

Toowong's most recently recorded unemployment rate of 2.9% sits well below that of key nearby apartment market locations and that of wider Brisbane.

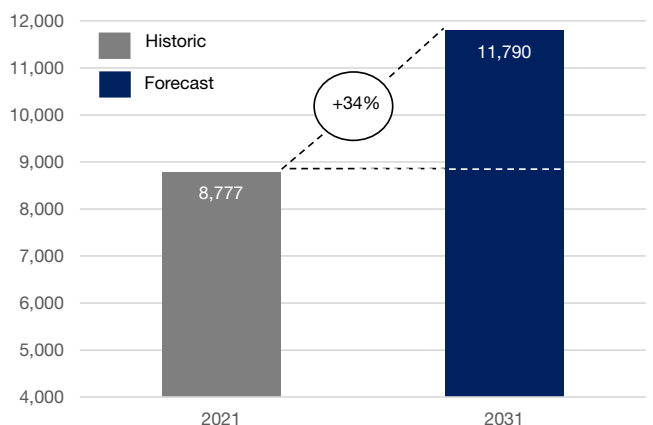
Further to this, local employment opportunities are projected to increase by 34% during the next 10 years.

COMPARATIVE UNEMPLOYMENT RATES



Source: National Skills Commission

LOCAL AREA EMPLOYMENT FORECAST



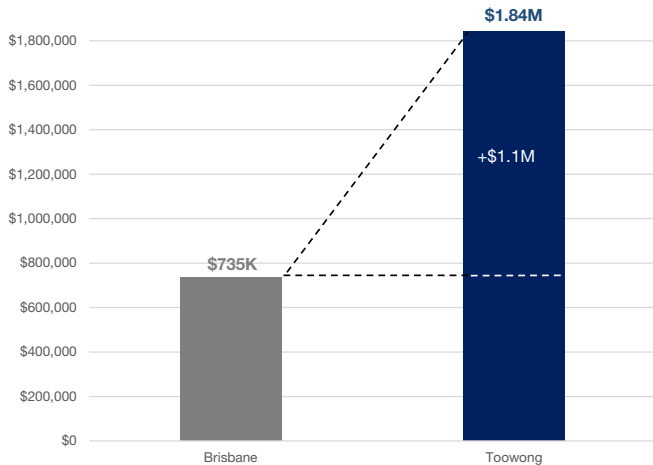
Source: ABS, BCC



Residential Property Market

Reflecting Toowong's status as an extremely desirable blue-chip location, the median house price of \$1.84m commands a \$1.1m or 150% premium above that of wider Brisbane.

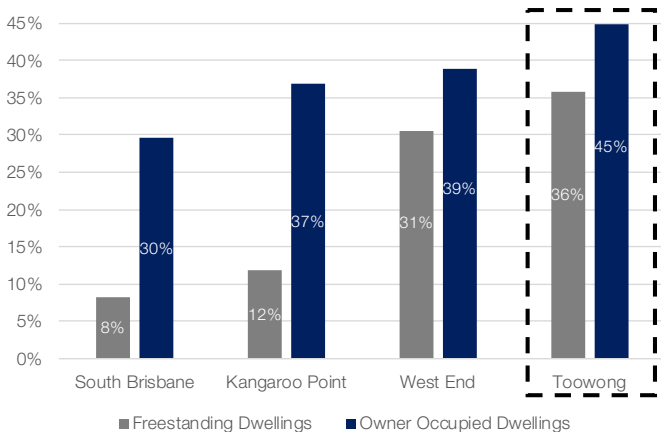
MEDIAN HOUSE PRICE COMPARISON



Source Pricefinder

Despite its proximity to Brisbane's CBD, Toowong has maintained a high number of freestanding character homes. This is especially true when considered relative to other inner city apartment markets where development has been largely unrestricted. Further to this, a comparatively large number of dwellings are also owner-occupied.

FREESTANDING & OWNER-OCCUPIED DWELLING COMPOSITION



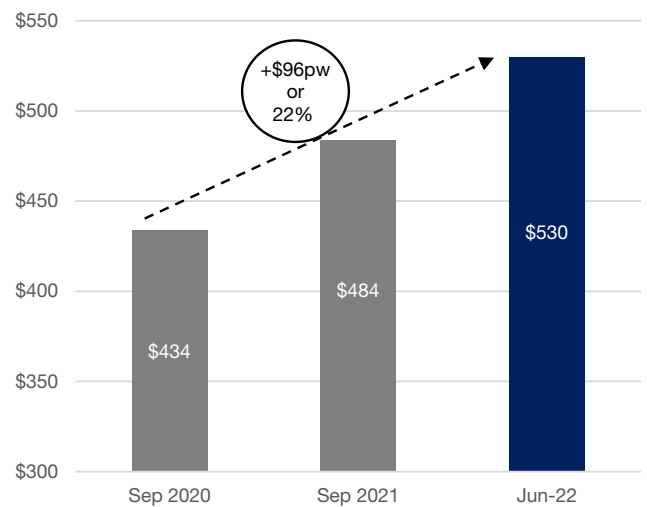
Source ABS

A high percentage of free-standing and owner-occupied dwellings provide a crucial differentiation for Toowong over other inner-city locations, favouring future investment prospects for attached dwellings. This is because it provides a "safety net" to the apartment market or a logical position from which units should be valued and not just an "investment yield value". A larger proportion of owner-occupiers on high incomes is indicative of a less volatile and more sustainable market than one which is primarily supported by investor demand.

Further, strong demand for limited rental stock has seen 2- and 3-bedroom apartment rents increase by \$96 per week or 22% over 21 months.

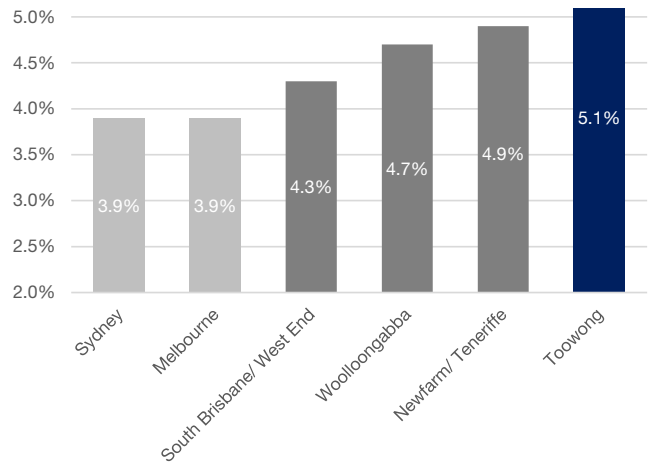
Toowong's subsequent residential investments yields are exceedingly strong, especially when compared to Sydney and Melbourne. And while Brisbane apartment yields have outperformed the southern capitals for an extended period, Toowong apartment yields demonstrate an even higher return than other key Brisbane apartment market catchments.

TOOWONG AVERAGE 2 & 3 BEDROOM APARTMENT RENTS



Source RTA

APARTMENT RENTAL YIELDS



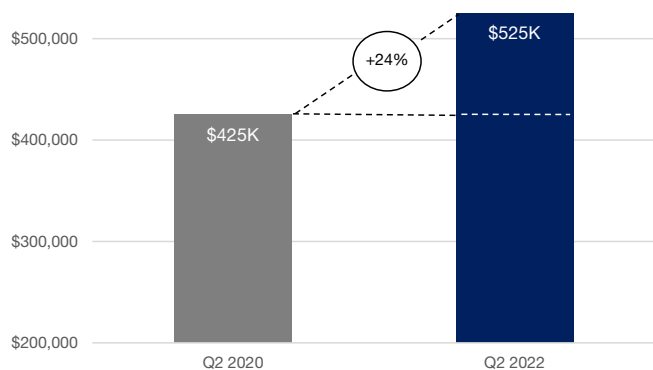
Source SQM Research





During the previous two years the median Toowong apartment price has increased by \$100,000 or 24%. Recent apartment resale results further substantiate the phenomenal growth that has been experienced within the market and illustrate the extent of outperformance that has been achieved beyond the standard measure of growth reflected in median values (see table at the bottom of the page).

2 YEAR MEDIAN TOOWONG APARTMENT PRICE CHANGE



Source Pricefinder

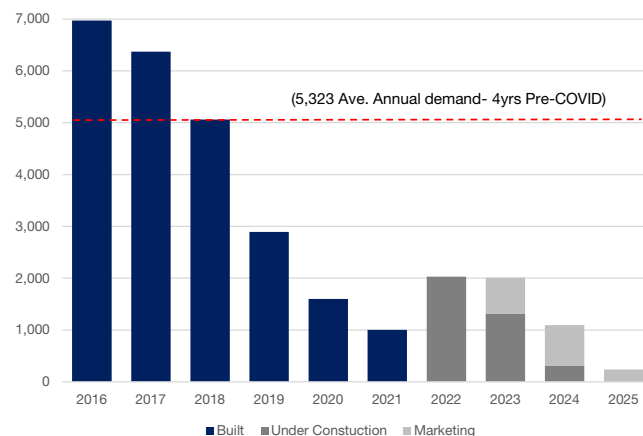
Brisbane Macro Fundamentals

The future strength of Brisbane's apartment market will ultimately be underpinned by rising demand due to accelerating population growth set against a diminishing supply pipeline. Interstate migration to Queensland has been trending upwards for over a decade, and reached a record high of 50,000 people in 2021. With international migration now having resumed, a further 35,000 people can be expected to move to Queensland each year. The vast majority of these interstate and international arrivals will settle in state's South East corner and Brisbane.

Based on historical demand and likely anticipated supply, Inner Brisbane will experience a shortfall of 16,000 new apartments over the next four years. More importantly in respect of Toowong, the suburb it is located within Brisbane's inner west were only a very small proportion of the dwindling supply

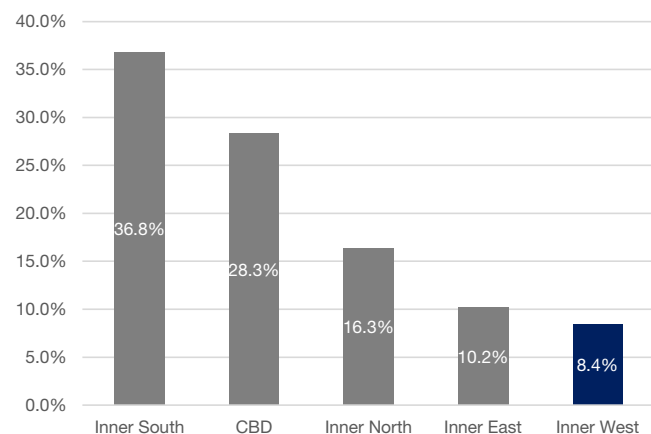
pipeline is being delivered. Being subject to exceptionally strong underlying demand drivers and a comparatively constrained future dwelling supply pipeline means Toowong is very likely to continue outperforming the wider Brisbane residential apartment market in coming years.

POTENTIAL APARTMENT SUPPLY - INNER BRISBANE



Source CoreLogic, Place Advisory, PriceFinder, JLL

POTENTIAL APARTMENT SUPPLY - INNER BRISBANE



Source JLL

TOOWONG APARTMENT RESALE PERFORMANCE

Address	Initial Sale Price	Initial Sale Date	Resale Price	Resale Date	Hold period (Yrs)	Total Growth	Ave. Annual Growth
2/16 JEPHSON ST	\$268,500	5/11/2020	\$440,000	01/06/2022	1.6	\$171,500	\$109,245
1202/37 ARCHER ST	\$425,000	12/02/2021	\$503,000	26/04/2022	1.2	\$78,000	\$65,000
501/527 CORONATION DR	\$1,400,000	27/01/2021	\$1,700,000	25/03/2022	1.2	\$300,000	\$259,479
3/576 CORONATION DR	\$500,000	15/04/2014	\$1,000,000	11/02/2022	7.8	\$500,000	\$63,834
2/74 MARYVALE ST	\$285,000	9/04/2019	\$455,000	20/01/2022	2.8	\$170,000	\$61,013
6/40 GLEN RD	\$1,180,000	13/01/2020	\$1,350,000	16/11/2021	1.8	\$170,000	\$92,199
260/32 PATRICK LANE	\$1,100,000	19/12/2002	\$2,200,000	15/11/2021	18.9	\$1,100,000	\$58,138
210/37 ARCHER ST	\$915,000	13/01/2017	\$1,300,000	24/10/2021	4.8	\$385,000	\$80,530
5/31 GROVE ST	\$335,000	5/01/2021	\$395,500	20/08/2021	0.6	\$60,500	\$97,280
9/111 ELIZABETH ST	\$850,000	13/11/2015	\$1,200,000	30/08/2021	5.8	\$350,000	\$60,345
Average					4.7	\$328,500	\$94,706