

MARKET OUTLOOK WARWICK

Warwick is the major centre within the Southern Downs region, offering residents a strong local community, as well as the convenience of local schools, retail amenity and employment opportunities.

- 01 Infrastructure
- 02 Demographics
- 03 Tourism
- 04 Residential Market
- 05 Rental Market

Prepared exclusively for
Aleva Estate
September 2018



Top: Lifestyle amenity; Bottom Left: Condamine River; Bottom Right: Criterion Hotel

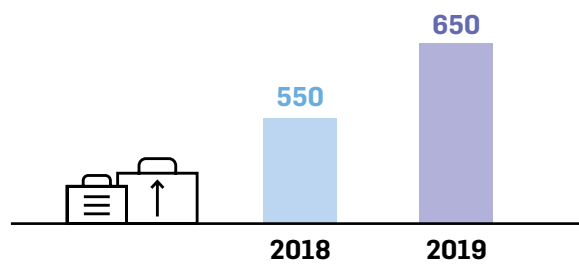
LOCATION & ACCESSIBILITY

Warwick is known for its historic buildings, picturesque open spaces and strong community ties. Located along the Condamine River, only one-hour south of Toowoomba, Warwick is the civic heart for the agricultural-rich Southern Downs region. Residents of Warwick are approximately one hour from the Wellcamp Airport.

Recently, Warwick and the Southern Downs region has benefited from infrastructure projects that have stimulated the economy and created employment opportunities for residents. Major projects include the Rose City Shoppingworld redevelopment and expansion to farming, manufacturing and processing plants. Over the next three years, with continued investment from the public and the private sector, the region is forecast to see 1,200 new employment opportunities, with over 550 of these new jobs expected in 2018 and a further 650 jobs in 2019¹.

¹ Southern Downs Regional Council 2018

FORECAST NEW JOBS FOR WARWICK



Prepared by Urbis; Source: Southern Downs Regional Council 2018

INFRASTRUCTURE

WELLCAMP AIRPORT \$200 Million (Complete)

Wellcamp Airport is located approximately one hour from Warwick and offers 80 passenger flights per week to domestic destinations, including Sydney, Melbourne, Townsville and Cairns. In addition, Wellcamp is Queensland's new air freight hub, providing weekly freight services to Hong Kong.

INLAND RAIL (Commenced)

Inland Rail will provide a high-capacity freight link between Melbourne and Brisbane, boosting regional economies, such as Warwick and the Southern Downs. The 10-year project will feature:

- \$9.3 billion** in investment
- 16,000** jobs created
- 1,700km** of rail line
- Connect regional farms** to national and global markets

CUNNINGHAM HIGHWAY SOLAR FARM

\$350 Million (Approved)

- 120** construction jobs
- 40** ongoing jobs

UNIVERSITY OF QUEENSLAND FREESTONE VALLEY SOLAR FARM

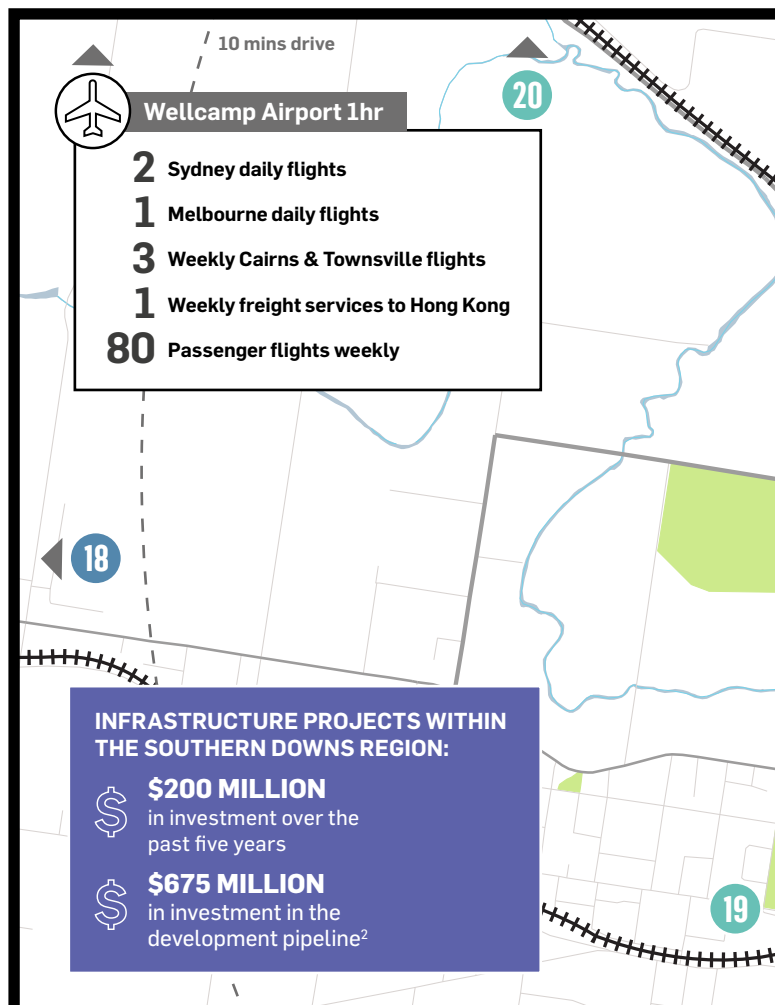
\$125 Million (Under Construction)

- 120** construction jobs
- 6** ongoing jobs

BUNNINGS WARWICK \$10 million (Under Construction)

A new Bunnings warehouse is currently under construction and is expected to be completed in 2018, delivering:

- 50** new jobs to the store
- 10** additional local jobs to support the store



CHURCHES OF CHRIST REGENCY PARK EXPANSION

\$32 Million (Under Construction)

An additional 128-bed aged care accommodation facility is currently under construction. These new facilities will include:

- Landscaped gardens and central courtyard**
- 300-person auditorium**
- Create an additional 150 jobs to Warwick**

ROSE CITY SHOPPINGWORLD EXPANSION

\$40 Million (Complete)

Rose City is essential to the city's economic growth, with an expansion providing:

- 200** additional local jobs
- Improved food court with seating for 250 people**
- 20** specialty shops
- Additional 160** car parks

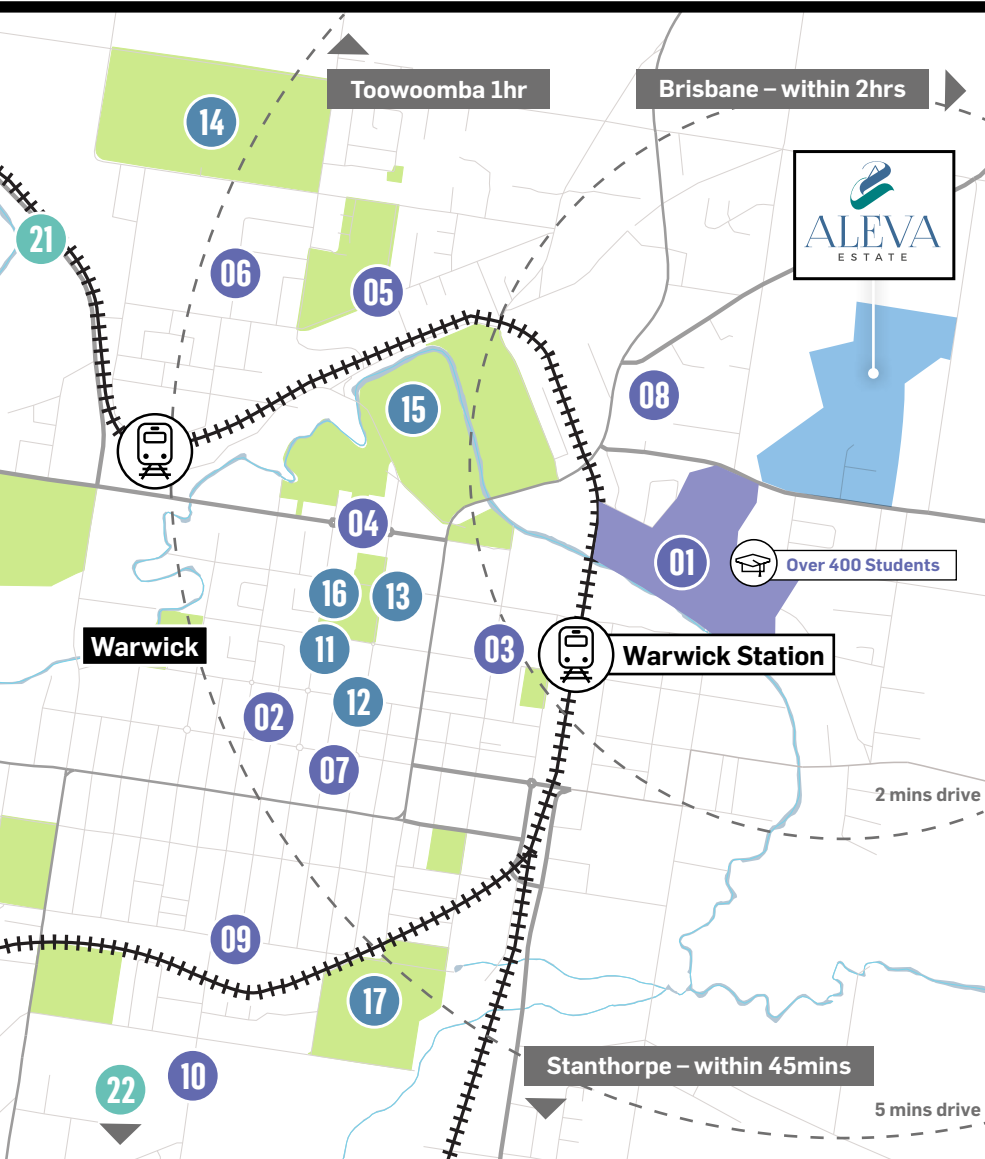
JOHN DEE EXPANSION \$15 Million (Under Construction)

The expansion includes construction of a new cold storage facility at the John Dee beef processing plant. The project will provide:

- An additional 150** jobs at the facility
- A further 187** jobs to the wider Southern Downs economy

GINA RINEHART'S HANCOCK PROSPECTING MAYDAN FEEDLOT INVESTMENT, WARWICK \$22 million

² Cordell Connect Database



EDUCATION

- 01 Scots PGC College
- 02 Warwick Central State School
- 03 Warwick East State School
- 04 Warwick State High School
- 05 Warwick Christian College
- 06 Glennie Heights State School
- 07 St Mary's Primary School
- 08 The School of Total Education
- 09 Assumption College
- 10 TAFE Queensland, Warwick

RETAIL, DINING & RECREATIONAL AMENITY

- 11 Rose City Shoppingworld
- 12 Palmerian Street Retail and Dining
- 13 Bunnings Warwick
- 14 Warwick Golf Course
- 15 Queens Park
- 16 Leslie Park
- 17 Warwick Showground
- 18 Leslie Dam

HEALTH, EMPLOYMENT & INFRASTRUCTURE

- 19 Warwick Hospital
- 20 Warwick Airport
- 21 John Dee Processing Plant
- 22 Churches of Christ Care Regency Park Retirement Village

DEMOGRAPHICS

WHO LIVES IN WARWICK?		Warwick Catchment	Southern Downs LGA
	Average Household Income	\$65,544	\$63,011
	Family Households	68%	70%
	Children Aged 0-14 years	21%	19%
	Dwellings with 3 Bed or more	81%	79%
	Rented Dwellings	36%	30%

Source: ABS Census 2016

Note: Warwick Catchment includes the suburbs of Warwick, Canningvale, Morgan Park, Mount Tabor, Rosehill, Rosenthal Heights and Wornina.

TOURISM

The Southern Downs Region tourism sector provides approximately 1,000 jobs and contributes more than \$100 million to the economy each year³.

TOURISM TO THE SOUTHERN DOWNS REGION

Year ending March 2018

Domestic and International Visitors
935,500

Tourism Expenditure⁴
\$171.6million

Number of Tourism Business⁴
425



Prepared by Urbis; Source: Tourism Research Australia

³ Southern Downs Regional Council 2016

⁴ Tourism Research Australia 2016

RESIDENTIAL MARKET

As the civic heart of the Southern Downs region, coupled with ongoing infrastructure investment, Warwick has experienced consistent house price growth over recent years.


The Warwick Catchment¹ recorded a median house price of \$286,000, an significant increase of 12.2 per cent for the 12 months to June 2018. The catchment registered a price premium of \$6,000 more than the wider Southern Downs LGA median house price. The new house market is driving a high level of demand, with the vacant land median sale price **increasing by 3.6 per cent per annum over the past three years to June 2018.**

An analysis of the surrounding LGAs for the year to June 2018 identifies the comparable affordability of the Warwick Catchment residential market. The catchment median house sale price of \$286,000, is \$89,000 more affordable than the Toowoomba LGA. This was the same for vacant land, with the Warwick Catchment recording a vacant land sale price 55% more affordable than the Toowoomba LGA. The catchment's value proposition, coupled with solid investment into infrastructure into the region, will bode well for continued residential demand.

¹ Warwick Catchment includes the suburbs of Warwick, Canningvale, Morgan Park, Mount Tabor, Rosehill, Rosenthal Heights and Womina.

HOUSE MEDIAN SALE PRICE

Warwick Catchment – Year to June 2018 (Preliminary)

	Warwick Catchment	Southern Downs LGA	Toowoomba LGA
House Median Sale Price	\$286,000	\$280,000	\$375,000
House Price Gap to Warwick Catchment		-\$6,000	\$89,000
Price Growth 1 year	12.2%	4.5%	-

Prepared by Urbis; Source: APM PriceFinder

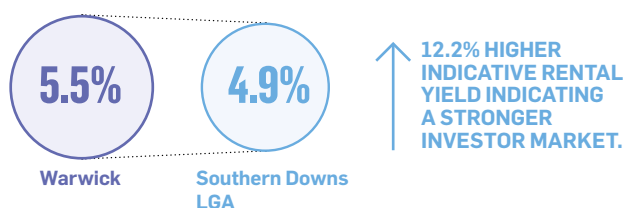
LAND MEDIAN SALE PRICE THREE-YEAR-GROWTH

Warwick Catchment – Year to June 2018 (Preliminary)



Prepared by Urbis; Source: APM PriceFinder

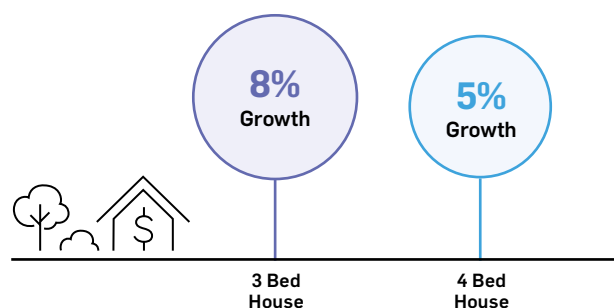
INDICATIVE HOUSE RENTAL YIELDS



Prepared by Urbis; Source: APM PriceFinder

MEDIAN WEEKLY RENTAL GROWTH

Warwick Catchment* 5-year direct growth to June 2018



Prepared by Urbis; Source: Residential Tenancies Authority (RTA)

*Warwick Catchment RTA rental data is based on the postcode of 4370 and includes the suburbs of Warwick, Rosenthal Heights, Womina, Freestone and Maryvale.

 **AS AT SEPTEMBER 2018, WARWICK REGISTERED A VACANCY RATE OF 1.8 PER CENT.**

RENTAL MARKET

Areas such as the Warwick Catchment offer encouraging prospects for the rental market with a strong sense of community and local amenity. The Warwick Catchment recorded indicative house rental yields of up to 5.5 per cent (gross) during the March 2018 quarter, higher than the wider Southern Downs LGA yield of 4.9 per cent.

In the month of July, houses in the rental market took an average of three weeks to let, which is below the regional average.

Three and four-bedroom houses achieved a median weekly rent of \$270 and \$330 per week respectively. Demand for new houses is being reflected in the rental market, **with new four-bedroom housing letting within a week and registering rents between \$410 to \$435 per week.**

Three and four-bedroom houses have also registered strong rental growth of 8 per cent and 5 per cent respectively. The increasing rental prices indicate the demand for housing product, which is expected to further push rental prices upwards. With continued infrastructure investment and strong employment drivers, Warwick possesses the key fundamentals for sustainable growth.

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