

MARKET OUTLOOK

DARLING HARBOUR

Darling Harbour offers a lively blend of entertainment, dining, and world-renowned views amidst continuous revitalisation.

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Prepared exclusively for
Mirvac
August 2024

LOCATION & ACCESSIBILITY

Darling Harbour's immediate proximity to the Sydney CBD, major health and retail districts, open spaces and entertainment precincts make it an ideal place for living, work and entertainment.

Darling Harbour is well-served by various modes of transport via the City Circle and other train lines, the Sydney Light Rail, an extensive bus network and the ferry network via Pyrmont Bay. The M1 Pacific Motorway and Cross City Tunnel enable vehicular movement across the Darling Harbour area and provide ongoing connections to the broader motorway network. The recently completed WestConnex and future Sydney Metro will also increase connectivity to other major areas of Sydney and Parramatta.

Darling Harbour is an ideal day-to-night destination with ample dining, recreational and entertainment facilities scattered across Circular Quay, the CBD and Chinatown. Sydney's most popular destinations, such as the Opera House, Star City Entertainment and SEA LIFE Sydney Aquarium, are in close proximity, contributing to an attractive quality of life for Darling Harbour residents.

In addition to the plethora of dining and entertainment facilities, Darling Harbour residents have access to major public and private hospitals, notably Royal Prince Alfred Hospital (RPA) and St Vincent's Hospital, which are situated 3.6 km and 3.2 km away, respectively.

There are several top-ranking tertiary institutions located within a five-kilometre radius of Darling Harbour, including the University of New South Wales (UNSW) Kensington Campus and the University of Sydney Camperdown (USYD) campus (ranked 2nd and 3rd in the QS Australian Universities World 2024 Rankings, respectively). The Study Area also encompasses reputable primary and secondary schools, including distinguished High Schools, namely St Andrews Cathedral School, North Sydney Boys High School, North Sydney Girls High School, Sydney Grammar School and SCEGGS Darlinghurst.

LEGEND

SUBJECT SITE

01. Harbourside by Mirvac

HEALTH

- 02. Royal Prince Alfred Hospital
- 03. St Vincent's Hospital

EDUCATION

- 04. University of Sydney
- 05. University of New South Wales
- 06. University of Technology Sydney

TRANSPORT

- 07. Wynyard Station
- 08. Central Station
- 09. Town Hall Station
- 10. Circular Quay Wharf
- 11. Barangaroo Wharf
- 12. Pyrmont Light Rail
- 13. Proposed Pyrmont Metro

PARKS AND RECREATION

- 14. Sydney Opera House
- 15. Star City Entertainment
- 16. Queen Victoria Building
- 17. Tumbalong Park
- 18. SEA Life Sydney
- 19. Sydney Fish Market
- 20. Chinatown Sydney
- 21. International Convention Centre
- 22. W Sydney Hotel

INFRASTRUCTURE

Major infrastructure investment includes:

SYDNEY METRO CITY AND SOUTH WEST

\$20 billion, Expected Completion 2024
This 30-kilometre metro line will extend the Sydney Metro North West under Sydney Harbour, through new CBD stations and southwest to Bankstown. *Source: NSW Government*

SYDNEY METRO WEST AND PYRMONT METRO STATION

\$25 billion, Expected Completion 2032
This 24-kilometre extension to the metro railway will double rail capacity between Parramatta and the Sydney CBD. It will include a new Pyrmont Metro Station, currently under construction and within a comfortable walking distance of approximately 200 metres from Harbourside Residences. This development will significantly increase connectivity for Darling Harbour residents. *Source: NSW Government*

TECH CENTRAL

\$10 billion, Expected Completion 2026
Development of a technology precinct near Central Station that will be anchored by Atlassian Central and will promote long-term revitalisation of the rail corridor from Central to Erskineville, and renewal of the Redfern to North Everleigh Precinct. *Source: NSW Government*

SYDNEY FISH MARKET REDEVELOPMENT

\$750 million, Expected Completion 2024
Under the NSW Government's Blackwattle Bay urban renewal plan, the Sydney Fish Market will be relocated to the wharf of Blackwattle Bay. The harbourfront land will transform into a state of the art waterfront establishment near Darling Harbour residents. *Source: Sydney Fish Market website*

THE RIBBON

\$1 billion, Completed 2023
Located in the heart of Darling Harbour, the Ribbon is a mixed-use hotel development featuring the new IMAX theatre, ground floor retail space and the largest W Hotel in the world. *Source: NSW DPE*

SYDNEY BIOMEDICAL ACCELERATOR

\$540 million, Expected Completion 2027
Located within Tech Central, this investment is set to provide 36,000 sqm of biomedical research space for over 1,200 researchers and scientists. *Source: Sydney Biomedical Accelerator website*



POPULATION & DEMOGRAPHICS

The Study Area is home to increasingly affluent households and highly skilled workers who benefit from convenient access to nearby employment hubs.

For this analysis, the Study Area has been defined as the suburbs of Sydney, Pyrmont, Ultimo, Haymarket, The Rocks, Barangaroo and Millers Point. Over the next 15 years, the Study Area population is anticipated to grow from 48,872 to almost 72,000 residents by 2039. This equates to an average annual growth rate of 2.6%, significantly higher than the 1.1% per annum forecast for Greater Sydney over this period.

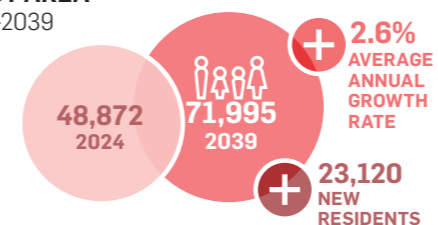
The Study Area is characterised by smaller households. The main household demographics are singles and couples with no children, averaging 35% and 33%, respectively. These are higher than the respective Greater Sydney averages of 23% and 24%. This coincides with the high rate of apartment living, with 75% of residents occupying apartments, indicating a strong preference for apartments in well-serviced areas with access to major employment hubs and recreational facilities.

The Study Area features a high proportion of residents aged between 25-39 and a high proportion of tertiary students. Given its proximity to core employment centres, major tertiary institutions, and inspirational recreational areas, it is an attractive location for young professionals and students.

The Study Area is an increasingly affluent market with household incomes experiencing significant growth, averaging 4.0% per annum between 2016 and 2023. This reflects the high proportion of Study Area resident workers employed in white-collar jobs.

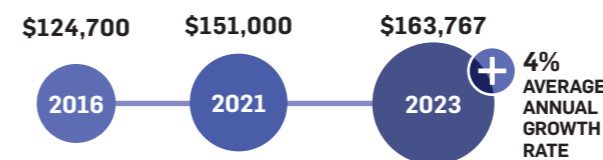
Additionally, 71% of Study Area households are currently renting, compared to just 37% across Greater Sydney, indicating a sizeable rental market that is favourable to potential investors.

POPULATION GROWTH, DARLING HARBOUR STUDY AREA 2024-2039



Source: ABS; TfNSW; Urbis

DARLING HARBOUR STUDY AREA AVERAGE ANNUAL HOUSEHOLD INCOME 2016-2023



Source: ABS; Urbis
*2023 Average Per Capita income was adjusted by the ABS Wage Price Index (September 2021-December 2023)

WHO LIVES IN THE DARLING HARBOUR STUDY AREA

	2016 Darling Harbour	2021 Darling Harbour	2021 Sydney
Average Age	34	36	38
Overseas Born (%)	75%	70%	41%
Residents Aged 25-39 (%)	46%	47%	23%
Single Person Household (%)	30%	35%	23%
Couple, No Children (%)	31%	33%	24%
Average Household Size (Persons)	2.4	2.1	2.7
Reside in Apartment (%)	81%	75%	28%
Renters (%)	68%	71%	37%
White Collar Workers (%)	78%	80%	77%
Bachelor's Degree or Higher (%)	71%	69%	54%
Undertaking Tertiary Education (%)	48%	35%	21%

Source: ABS; Urbis

EMPLOYMENT

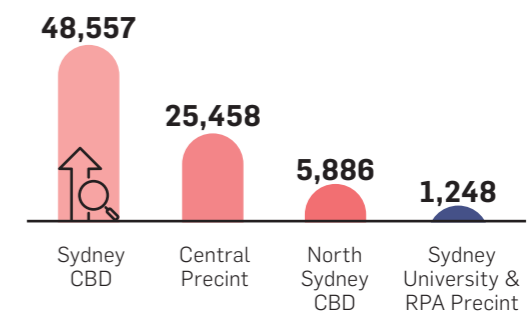
Employment growth is an important driver of residential demand as workers look to live near where they work.

The Sydney CBD is poised for significant job growth of almost 50,000 new jobs between 2024 and 2039. Professional, Scientific and Technical Services and Financial and Insurance Services are anticipated to account for a combined 77% of additional jobs within the Sydney CBD during this period.

Darling Harbour is well connected to other commercial centres by road and rail, providing residents with excellent access to jobs. The rail line provides direct access to employment centres, such as North Sydney and the Sydney University and RPA Precinct, projected to provide more than 7,000 new jobs by 2039.

Within walking distance to Darling Harbour, residents have access to the rapidly growing Central Precinct. The Central Precinct is estimated to deliver ~25,000 innovative and highly skilled jobs over the next 15 years, with an emphasis on circular economy industries.

ADDITIONAL JOBS 2024-2039



Source: TfNSW; Urbis

RESIDENTIAL MARKET

The Study Area delivers premium apartments and strong rental yields in an established apartment area with high quality amenity offerings.

Sydney boasts a great lifestyle, ranking 7th in the Economist's Global Liveability Rankings (2024).

The Inner Sydney luxury apartment market emerged around 25 years ago, with Bennelong Apartments establishing a new market offering. The Sydney CBD has since continued to evolve from a purely commercial precinct to a premium living destination. This has been underpinned by investment in transport networks, high-quality retail and dining offerings, and new waterfront open space.

Against the backdrop of a revitalised CBD, the pipeline of luxury apartment projects increased in the mid-2010s. Luxury apartment projects have been primarily located in direct waterfront locations such as Opera Residences, Crown Residences (One Barangaroo), and One Sydney Harbour.

Residences One in One Sydney Harbour and the Crown Residences (One Barangaroo) both launched in 2018 during a slowing residential market. These projects set new benchmarks in luxury apartment quality and pricing in Sydney and recorded strong take-up from both domestic and international buyers. Significant achievements include the Residences One Penthouse selling for over \$140 million, breaking the record for the highest price paid for a residence in Australia.

These projects also highlight the evolution of the Study Area as a luxury apartment and lifestyle precinct. The area has become a vibrant waterfront destination with retail, restaurants, cafes, bars, and new waterfront open space. As a result of these premium apartments, the Study Area apartment market has achieved a robust 19% median rental growth per annum since 2021.

There are ~4,161 apartments in the future pipeline, of which ~1,292 are under construction, ~220 in presales and 60% are in the development approval stage. Coupled with strong rental growth and a constrained supply pipeline, the Study Area's rental housing market is primed for further growth, a positive for potential investors.

MEDIAN WEEKLY APARTMENT RENT

March 2024

DARLING HARBOUR STUDY AREA



Source: NSW Communities and Justice; Urbis

FUTURE APARTMENT PIPELINE

DARLING HARBOUR STUDY AREA



Source: Cordell Connect; Urbis Apartment Essentials

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