

MARKET OUTLOOK GREEN SQUARE

The Green Square Town Centre is home to affluent, young professionals with convenient access to major employment centres, transport and amenity.

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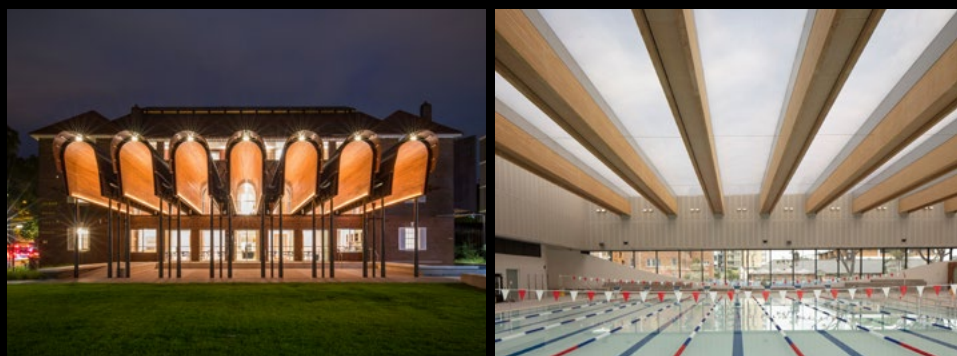
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Prepared exclusively for
Mirvac
September 2021



Top: Green Square Library; Bottom left: Joynton Avenue Creative Centre;
Bottom right: Gunyama Aquatic and Recreation Centre

LOCATION & ACCESSIBILITY

The Green Square Town Centre is well connected by rail with the train station one stop from Central Station and two stops from Sydney Airport. The area is also well serviced by buses along Botany Road and Bourke Street. The Green Square Town Centre will benefit from improved connectivity to key employment precincts following the anticipated opening in 2024 of the Sydney Metro Southwest rail line from Bankstown to Chatswood through the Sydney CBD. Waterloo Station (around 800 metres north of the Green Square Town Centre) is currently under construction and will improve connectivity to south-west Sydney as well as key employments hubs such as St Leonards, Chatswood and Macquarie Park.

Development of the Green Square Town Centre will improve the liveability of the area with 13,400 sq.m of retail space proposed including 11,000 sq.m by Mirvac and 40,000 to 45,000 sq.m of commercial office space. Nearby retail precincts include East Village Shopping Centre, Green Square Town Centre and Surry Hills Shopping Centre with shopping in Sydney's CBD easily accessible by train. Diverse food and beverage precincts include The Cannery in Rosebery, The Grounds of Alexandria, Erskineville Road and King Street Newtown.

Three of the top universities in Australia are located close to the Green Square Town Centre, making it an attractive location for students to live. These include the University of Sydney, University of New South Wales and the University of Technology Sydney (ranked 3rd, 4th and 10th in the QS Australian Universities World Rankings respectively). Sydney Girls High School and Sydney Boys High School are highly regarded secondary schools located in nearby Surry Hills (ranked 9th and 10th in the NSW HSC rankings respectively for 2020).

Royal Prince Alfred is a major hospital located in the Camperdown-Ultimo Health Precinct. Other nearby hospitals include St Vincent's in Darlinghurst and Prince of Wales in Randwick.

The Green Square Town Centre is within walking distance to several parks, stadiums and golf courses supporting an active outdoor lifestyle for residents. Centennial Park and the Sydney Cricket Ground are located to the north-east with local parks comprising Mary O'Brien Reserve, Joynton Park and Turruwul Park.



KEY TRANSPORT

- 01 Green Square Station
- 02 Central Station
- 03 Redfern Station
- 04 Bus Service

RETAIL AND DINING

- 05 Bondi Junction
- 06 East Village Shopping Centre
- 07 Surry Hills Shopping Village
- 08 Alexandria Homemaker Centre
- 09 Green Square Town Centre
- 10 The Grounds of Alexandria
- 11 The Cannery

The Green Square Town Centre is located 3.5km south of the Sydney CBD boasting direct connectivity by rail to major employment centres and Sydney Airport.



- 12 Erskineville Dining Precinct
- 13 Moore Park Entertainment Quarter
- HEALTH**
- 14 Royal Prince Alfred Hospital
- 15 St Vincent's Hospital
- 16 Prince of Wales Hospital
- EDUCATION**
- 17 University of Sydney
- 18 University of New South Wales
- 19 University of Technology Sydney
- 20 Sydney TAFE Ultimo College
- 21 Hillsong College City Campus
- 22 Taylors College Sydney
- 23 Alexandria Park Community School

- 24 Our Lady of Mt Carmel Catholic Primary
- 25 Our Lady of the Sacred Heart College
- 26 Sydney Boys High School
- 27 Sydney Girls High School
- 28 Goodstart Waranara Childcare Centre
- 29 Randwick Girls High School
- 30 Randwick Boys High School
- 31 Future Green Square Public School
- PARKS AND RECREATION**
- 32 Centennial Park
- 33 Sydney Cricket Ground
- 34 The Australian Golf Club
- 35 Mary O'Brien Reserve

- 36 Joynton Park
- 37 Beaconsfield Park
- 38 Turruwul Park
- 39 Perry Park
- 40 Tote Park
- 41 Alexandria Park
- 42 Green Square Library
- 43 Royal Randwick Racecourse
- 44 Moore Park
- 45 Moore Park Golf Course
- 46 Future Sydney Football Stadium
- 47 Future Drying Green Community Park
- 48 Gunyama Park Aquatic and Recreation Centre

INFRASTRUCTURE & EMPLOYMENT

The Green Square Town Centre will benefit from around \$20 billion in infrastructure investment across major transport, employment, education and community projects.

INFRASTRUCTURE

01 GREEN SQUARE TOWN CENTRE \$540 million (Expected completion 2026)

Construction of a major residential, retail and cultural hub with current planning consisting of 35,000 new dwellings, 13,400 sq.m of retail, 50,500 sq.m of office floorspace and community facilities. The staged development has already delivered the Green Square Library, the creative arts centre, childcare, Green Square Community Hall, small scale retail and residential apartments.

02 GUNYAMA PARK AQUATIC AND RECREATION CENTRE \$84 million (Completed 2021)

Gunyama Park includes a synthetic playground, a fitness training circuit and a multipurpose sports field. The precinct also comprises a new aquatic and recreation centre featuring multiple pools, a gym, a café and an indoor crèche.

03 DRYING GREEN COMMUNITY PARK \$10 million (Expected completion 2022)

Construction of a 6,200 sq.m park in the Green Square Town Centre with proposed terraced lawns, barbecues and shade structures to improve the liveability of the area.

04 GREEN SQUARE PUBLIC SCHOOL \$TBC (Expected completion 2025)

A new fit-for-purpose public primary school is being planned for around 600 students to service the growing population.

05 SYDNEY METRO SOUTHWEST \$8.3 billion (Expected completion 2024)

The second phase of the Sydney Metro rail network will connect Chatswood to Bankstown through the Sydney CBD. A new station is currently under construction in Waterloo (1km north of the Green Square Town Centre), which will improve connectivity to Sydney's CBD and surrounds.

06 AUSTRALIAN TECHNOLOGY PARK REDEVELOPMENT \$1 billion (Completed 2021)

Revitalisation of the existing technology park through the development of 93,000 sq.m of commercial floorspace with the Commonwealth Bank of Australia as a key tenant.

07 CENTRAL TO EVELEIGH URBAN RENEWAL PROGRAM \$10 billion (Potential completion 2037)

Long-term revitalisation of the rail corridor from Central to Macdonaldtown and Erskineville. Residential, retail and commercial floorspace is proposed to be developed including an expanded Innovation and Technology Precinct to generate employment growth.

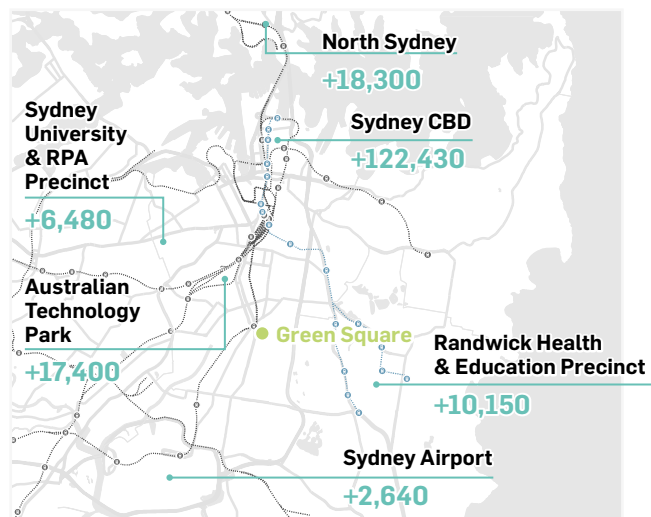
EMPLOYMENT

Employment growth is an important driver of residential demand with workers looking to live near where they work. Forecast employment growth in nearby employment centres has the potential to drive residential demand from new workers.

The Green Square Town Centre is in close proximity to key employment centres that are highly accessible by train. Prior to the onset of COVID-19, Transport for NSW forecast the Sydney CBD to record 122,430 new jobs by 2036, primarily in the professional services sector.

The Australian Technology Park in Eveleigh is expected to add 17,400 new jobs with the Commonwealth Bank having relocated staff to the precinct in 2019 and 2020. The health and education precincts around Randwick and Sydney University are projected to add 10,150 and 6,480 jobs by 2036 respectively with an additional 2,640 jobs forecast to be created at Sydney Airport.

EMPLOYMENT GROWTH WITHIN KEY SURROUNDING CENTRES, 2016 TO 2036



Prepared by Urbis; Source: TfNSW, CBA



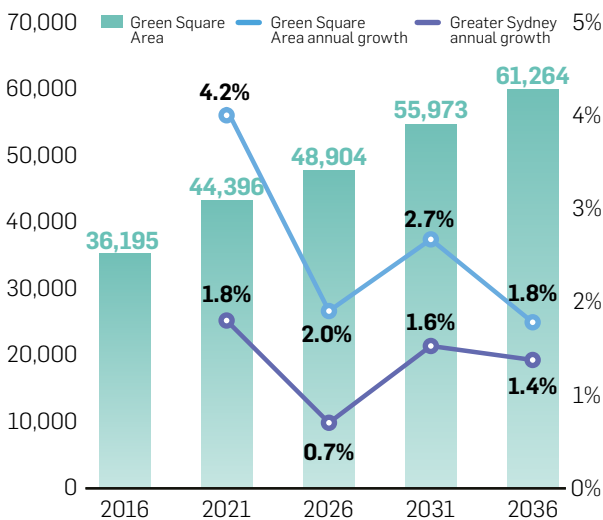
POPULATION & DEMOGRAPHICS

The Green Square area is projected to record strong population growth of around 25,000 additional residents by 2036, outperforming the Greater Sydney average.

For the purpose of this profile, the 'Green Square area' has been defined by the suburbs of Waterloo, Zetland, Beaconsfield and Alexandria in assessing population growth, demographic characteristics and the property market.

Transport for NSW have forecast that the population of the Green Square area is projected to increase to 61,264 in 2036, significant growth from the 2016 population of 36,195. The projected growth equates to around 1,250 additional residents per year at an average annual growth rate of 2.7%, which is significantly higher than Greater Sydney (1.4% per annum). The projection incorporates the impacts of migration due to the onset of COVID-19, with population growth anticipated to slow down from 2020-2022 largely as a result of lower international migration as Australia's borders remained closed. However, Australia remains a desirable destination and it is anticipated to resume to pre-covid levels of growth following the opening of borders.

PROJECTED GREEN SQUARE AREA POPULATION GROWTH



Prepared by Urbis; Source: ABS Census 2016; TfNSW 2019

The Green Square area is an attractive location for young white-collar professionals which account for around 86% of the resident labour force. Almost half of the population is made up of residents aged 20 to 34 years old, with an average age of 33.6. The average per capita income is significantly higher in the Green Square area at \$60,369 compared to Greater Sydney at \$50,309. The strong population growth rate and affluence in the Green Square area reflects the attractiveness of the area to young professionals driven by proximity to the Sydney CBD and amenities.

WHO LIVES IN THE GREEN SQUARE AREA?

	Green Square Area	Sydney
Average Age of Residents	34	37
Aged 20-34	48%	23%
Average Per Capita Income	\$60,369	\$50,309
Household Income Above \$156,000	27%	24%
Average Household Size	2.1	2.8
Renters	67%	36%
Lone Person Households	32%	22%
Group Households	17%	4%
Couple Family with no Children Households	62%	33%
Overseas Born	56%	39%
Employed in White Collar Jobs	86%	75%
Managers and Professionals	57%	41%
Bachelor Degree or Higher	42%	28%
Undertaking Tertiary Education	16%	7%

Prepared by Urbis; ABS Census 2016

Around two thirds of residents in the Green Square area are renters, compared to 36% across Greater Sydney. The potential tenant pool in the Green Square area is underpinned by strong demographic fundamentals, namely higher levels of overseas born residents, couples without children and students undertaking tertiary education relative to the Greater Sydney average.

RESIDENTIAL MARKET

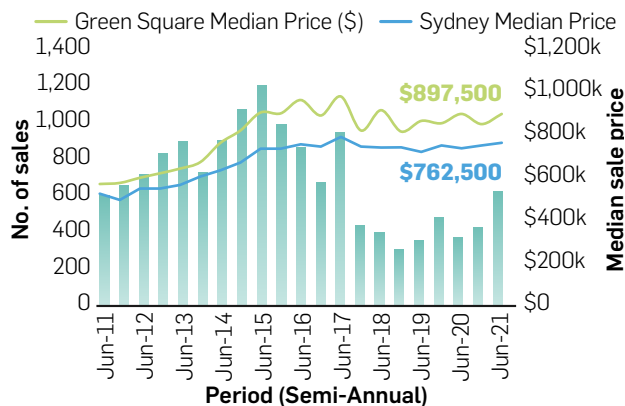
The Green Square area has recorded annual apartment price growth of 4.6% over the last decade, which is above the Sydney average.

Over the last decade, the median apartment price in the Green Square area has grown at 4.6% per annum, above the Sydney average of 3.8%, highlighting the strong long term growth. Apartment prices in the Green Square area peaked in 2017 before slowing down over the next two years as the wider Sydney residential market slowed. Apartment prices have grown after a market low in 2018 with prices continuing to increase in 2020 and 2021 despite the onset of the COVID-19 pandemic. This growth has been fueled by record low interest rates, Government stimulus and buyer confidence despite COVID lockdowns.

The transformation of the Green Square area including a new town centre and significant infrastructure investment is supporting new residential development.

Around 5,800 dwellings are proposed to be completed in the Green Square area within projects ranging from being under construction to having lodged a development application. A total of 2,300 dwellings are proposed to be developed in Zetland, 2,030 in Alexandria and 1,410 in Waterloo.

GREEN SQUARE AREA APARTMENT MARKET



Prepared by Urbis; Source: Pricefinder

10-YEAR APARTMENT ANNUAL GROWTH RATE (2011-2021)

Green Square area	4.6%
Greater Sydney	3.8%

Prepared by Urbis; Source: Pricefinder



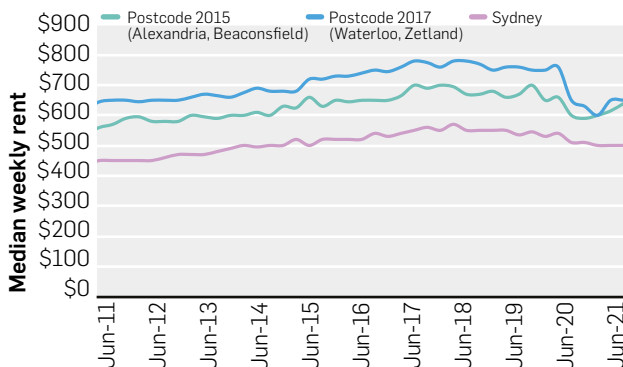
RENTAL MARKET

The Green Square area is an attractive location for renters having recorded strong rental growth with gross yields above the Sydney average.

Median rent data from the NSW Government for units in the postcodes 2015 and 2017 have been used as a suitable proxy for the Green Square area. The 2017 postcode (Waterloo, Zetland) recorded a median weekly rent of \$650 in June 2021 compared to \$640 for postcode 2015 (Alexandria and Beaconsfield).

Rents in both postcodes increased steadily from 2011 to 2017 before stabilising in 2018 and 2019 as a result of an increase in new apartment completions across Sydney. This highlighted the strong long term growth in the local rental market prior to the market shock from COVID-19. The onset of the COVID-19 pandemic had a significant impact on the local rental market as the Green Square area has historically been reliant on new migrants and international students. Rents in the area have started to rebound in 2021 and are well placed to bounce back quickly once Australia reopens its borders to skilled migrants and students.

MEDIAN WEEKLY RENT – 2 BEDROOM UNIT JUNE 2011 - JUNE 2021



Prepared by Urbis; Source: NSW Department of Housing Rent Data

Indicative gross rental unit yields in the Green Square area were 3.5% in April 2021 above the Greater Sydney average of 3.4%, highlighting the strong rents achieved relative to sales prices and general health of the rental market in the Green Square area. The gross rental yields remain well above the current average mortgage interest rates.

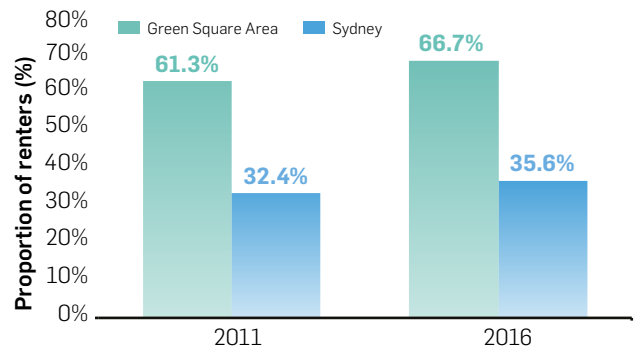
INDICATIVE GROSS RENTAL YIELD (APRIL 2021)

Suburb	Unit
Green Square area	3.5%
Greater Sydney	3.4%

Prepared by Urbis; Source: Pricefinder

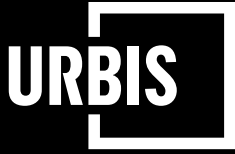
In 2016 around two thirds of the Green Square area population were renting, almost double that of Sydney. Over the five year period, this proportion has grown significantly from 61% of households while Sydney's proportion of renters increased from 32% to 36%. The increased proportion of renters reflects the significant investor activity in the local market and the attractiveness of the area to renters looking to live in a high amenity area close to major employment hubs and universities.

PROPORTION OF RENTERS IN THE GREEN SQUARE AREA (2011 TO 2016)



Prepared by Urbis; Source: ABS





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