

MARKET OUTLOOK

NEWSTEAD

Newstead's centralised location encourages a strong work-life balance with proximity to major employment areas, and significant lifestyle and amenity offerings.

02
**Accessibility
& Walkability**

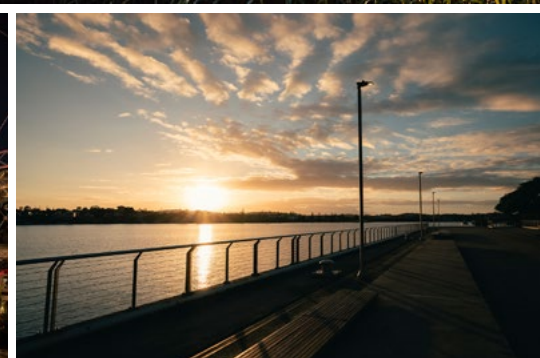
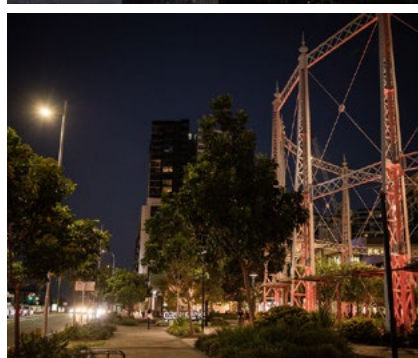
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**Infrastructure
Investment**

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**Population &
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Prepared exclusively for
Mirvac
May 2022



ACCESSIBILITY & WALKABILITY

Nestled alongside a commanding stretch of the Brisbane River and only two kilometres from the CBD, Newstead is widely regarded as one of Brisbane's most desirable suburbs.

Newstead has a long history, with the urban form and significant amenity emerging from industrial roots. This cosmopolitan environment has proven especially popular with Double Income No Kids (DINK) households with high disposable incomes.

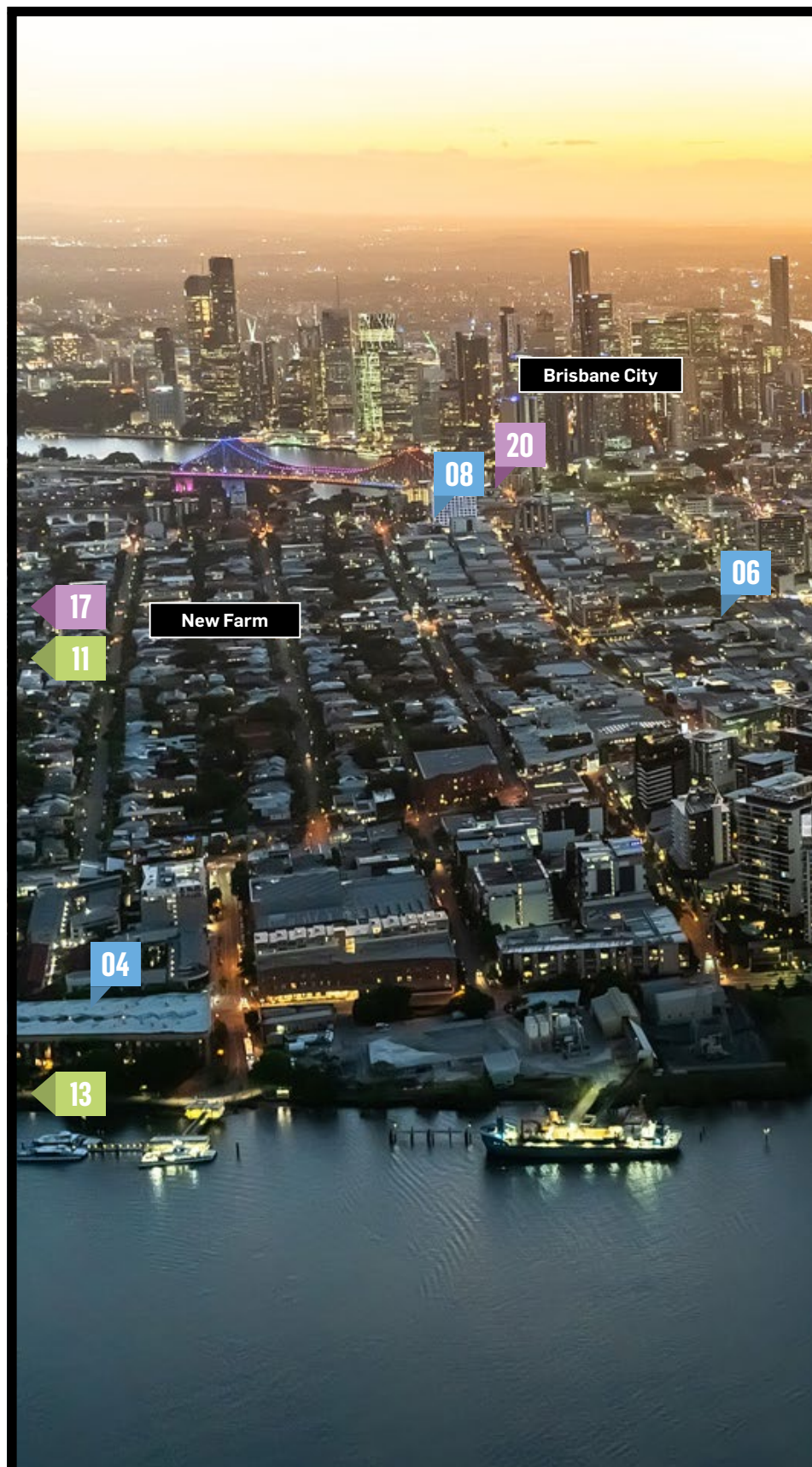
Located adjacent to the river, residents of Newstead have access to large expanses of outdoor recreation. The Brisbane Riverwalk provides a 870m pathway along the river, while the area offers 3ha of green space and a large public plaza.

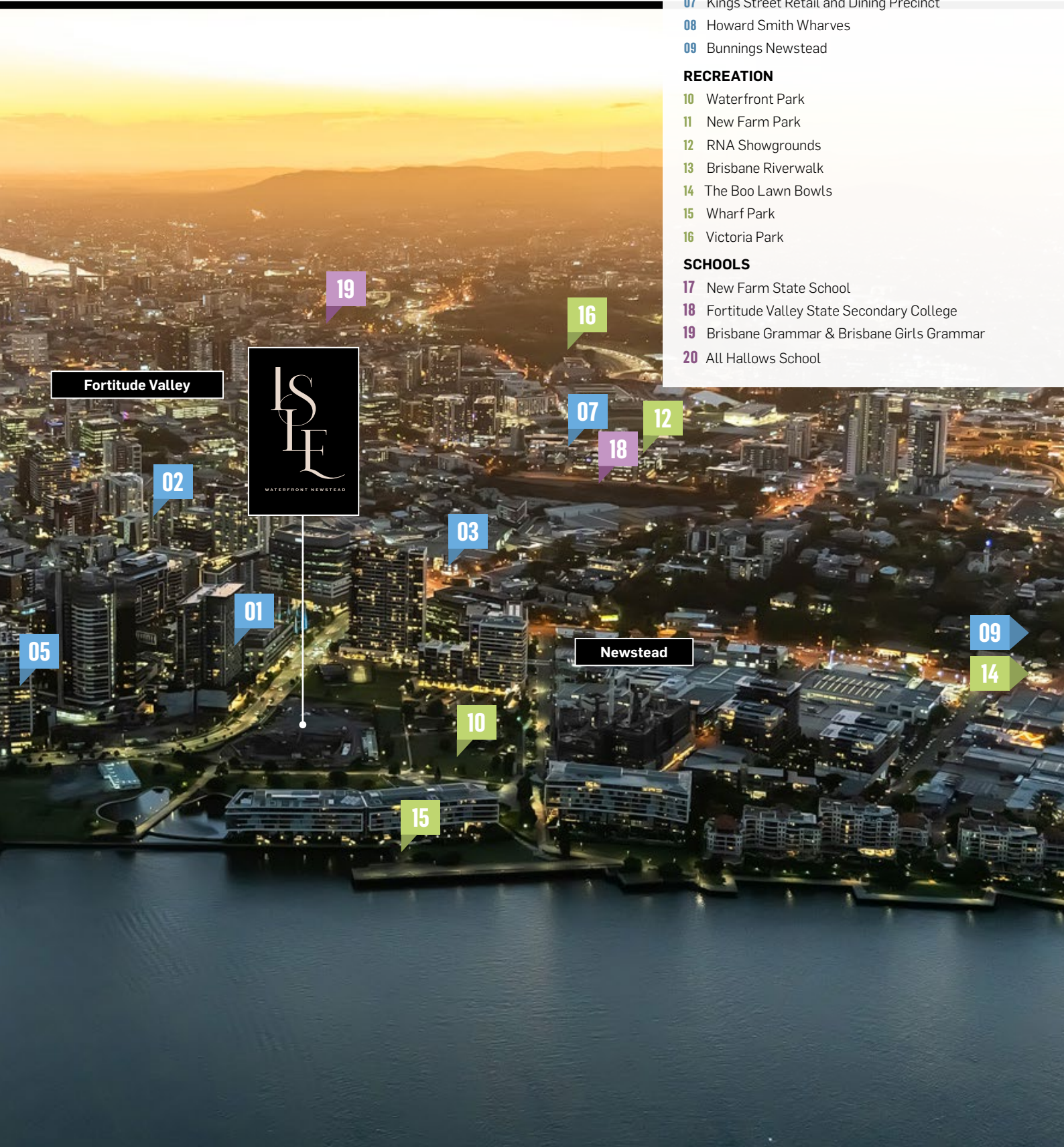
Gasworks Plaza provides considerable amenity and services within walking distance. The centre offers a full-line supermarket, fresh food market, medical centre, physio, dentist, chemist, 12 specialty retail, as well as 13 cafes/restaurants.

In conjunction to Gasworks, Newstead residents have access to a range of lifestyle drivers. James Street retail and dining, as well as the Teneriffe dining precinct are both within 1km, while the ever-popular New Farm Park is just 3km away, accessed via the Riverwalk. Speciality retail, trendy cafés and high-end gyms are also scattered around Newstead, providing a range of choices for residents.

The Newstead Catchment is not only attractive to residents, but to employees as well, being one of the largest white collar employment nodes in Brisbane offering opportunities in engineering, finance, health and mining. The area is very well connected, and is well positioned between employment nodes within the Brisbane CBD, and the Brisbane Airport.

Supported by public transport connections via the ferry and frequent bus routes, there has been a decline in car ownership within Newstead Residents over the last ten years. The need for private vehicles is reduced with considerable amenity within walking distance, and convenient connections to employment.





RETAIL & DINING

- 01 Gasworks Plaza
- 02 James Street Precinct
- 03 Homemaker Centre
- 04 Teneriffe Dining Precinct
- 05 Long Island Retail and Dining Piazza
- 06 Brunswick Street Mall and Entertainment District
- 07 Kings Street Retail and Dining Precinct
- 08 Howard Smith Wharves
- 09 Bunnings Newstead

RECREATION

- 10 Waterfront Park
- 11 New Farm Park
- 12 RNA Showgrounds
- 13 Brisbane Riverwalk
- 14 The Boo Lawn Bowls
- 15 Wharf Park
- 16 Victoria Park

SCHOOLS

- 17 New Farm State School
- 18 Fortitude Valley State Secondary College
- 19 Brisbane Grammar & Brisbane Girls Grammar
- 20 All Hallows School

Fortitude Valley



Newstead

INFRASTRUCTURE INVESTMENT

Ongoing infrastructure investment and existing amenity hubs act as major drivers for residential development in Inner Brisbane as residents seek to live closer to key lifestyle and employment.



BRISBANE OLYMPICS 2032

Brisbane has been announced to host the 2032 Summer Olympics and Paralympics. Brisbane, along with South East Queensland, will host events and

utilise existing facilities, as well as creating new facilities, including the redevelopment of The Gabba stadium as the centrepiece of the 2032 Summer Olympics, driving infrastructure and job creation for the city.

The potential flow-on benefits to the city include increased global profile, expedited infrastructure investment, and increased residential demand. Following the 2000 Sydney Olympics, the residential market in Sydney saw residential sales and price points increase following the announcement and again after the games.



QUEENS WHARF

Queen's Wharf is set to be a world-class integrated resort development. The \$3 billion project includes a mix of six-star hotels, retail, dining, entertainment, theatre and convention uses,

including a major casino. The development will attract visitors and investment to Brisbane, providing a boost to Brisbane's construction and tourism industries, as well as potential to promote greater interaction with the Brisbane River and key heritage sites.



BRISBANE AIRPORT

The completion of the new parallel runway at the Brisbane Airport is currently the biggest aviation project in

Australia. The project utilised 360 hectares of marshland to develop a 3.3 km runway with an additional 12 km of taxiways. The project will create 7,800 jobs for the Brisbane and Moreton Bay region by 2035.

OTHER MAJOR PROJECTS

CROSS RIVER RAIL

Under Construction **\$5.4B**

BRISBANE METRO

Under Construction **\$1B**

BRISBANE LIVE

Proposed **\$2B**

HERSTON QUARTER

Under Construction **\$1.1B**

QUEENSLAND PERFORMING ARTS CENTRE

Under Construction **\$150M**

BREAKFAST CREEK GREEN BRIDGE

Planned **\$150M+**

VICTORIA PARK REDEVELOPMENT

Planned **\$83M**



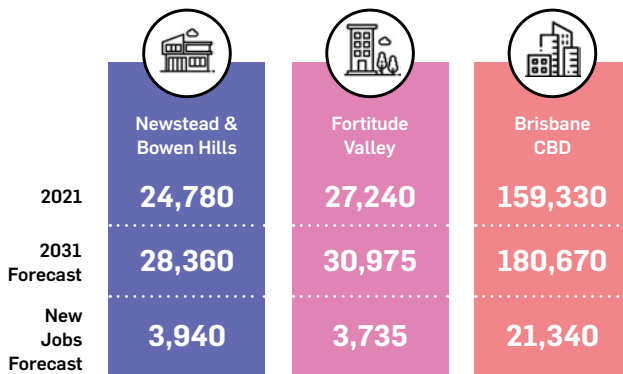
Top: Victoria Park Redevelopment; Bottom left: Herston Quarter; Bottom right: Brisbane Live

POPULATION & EMPLOYMENT

EMPLOYMENT

Newstead has strong connectivity to major employment nodes which are projected to have solid job growth over the next decade. Being centrally located between the city, and the Brisbane Airport, the area is appealing to a range of workers.

EMPLOYMENT FORECASTS



Source: ABS, DAE, Department of Jobs & Small Business

POPULATION

Interstate migration is a major contributor to the State's overall population growth. In the two years to September 2021, interstate migration contributed 54% of all growth, and a considerable 70% in the last year. Queensland's interstate migration is set to continue its strong performance, by remaining the leading interstate migration destination in Australia.

The Newstead catchment is forecast to see strong population growth. Between 2021 and 2031, there are expected to be an additional 560 people each year relocating to the area. This rate of growth of 1.7% is higher than that expected within the wider Brisbane LGA at just 1.0%.

Looking at the age distribution, the majority of people are young adults aged 20-34. These residents are generally DINKS, with strong desire to reside in low maintenance apartments in areas of high amenity. The influence of this age group will continue to drive demand for apartments within the Newstead Catchment.

DEMOGRAPHIC SNAPSHOT

Newstead features high proportions of:



WHITE COLLAR WORKERS



COUPLES WITHOUT CHILDREN



RENTERS



HIGH-INCOME HOUSEHOLDS



PERSONS AGED 20-34

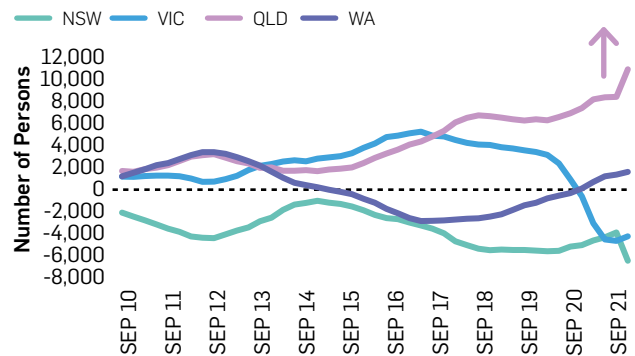
Source: ABS Census 2016



NEARBY REPUTABLE SCHOOLS

- New Farm State School 1.7km
- Brisbane Grammar 3.4km
- Brisbane Girls Grammar 3.3km
- All Hallows School 2km
- Fortitude Valley State Secondary College 1.3km

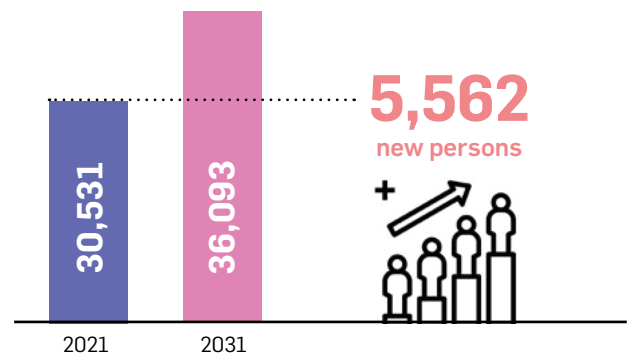
INTERSTATE MIGRATION



Source: ABS

POPULATION FORECASTS

Newstead Catchment



Source: QGSO, Urbis

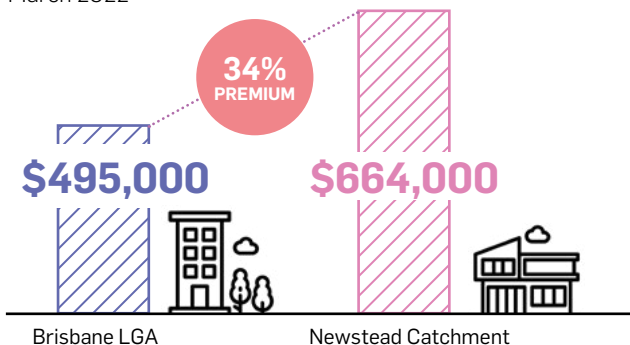
Newstead Catchment includes Newstead, Teneriffe, New Farm and Bowen Hills.

RESIDENTIAL MARKET

The property market within Brisbane has seen very strong demand over the last 12 months. This has been supported by low interest rates, finance availability and strong purchaser sentiment. Apartment sales within the Newstead Catchment have increased by 55% during 2021 in comparison to the previous year.

During the March 2022 quarter, the Newstead catchment recorded a median apartment sale price of \$664,000 – considerably higher than Brisbane LGA's \$495,000, indicating the strength and demand of the area. Off-the-plan apartments are registering a further premium, with a weighted average sale price sitting at \$941,711 for the March quarter.

MEDIAN APARTMENT PRICE COMPARISON March 2022



Source: Pricefinder
Newstead Catchment includes Newstead, New Farm and Teneriffe

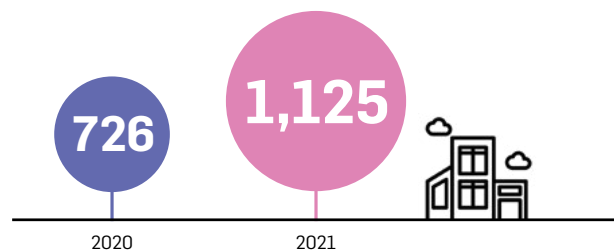
APARTMENT SALES WITHIN THE NEWSTEAD CATCHMENT HAVE INCREASED BY 55% DURING 2021



Across the catchment, there has been a declining number of project launches. Being a smaller suburb, there are very limited opportunities for new development, which has limited the supply available. Over the next 10 years, the additional population incoming equates to a demand for circa 2,700 new apartments. With limited opportunities within Newstead remaining, the pressures on existing supply are likely to increase. With a high average hold period of 6.2 years, there is also limited opportunities for resales within the existing apartment market.

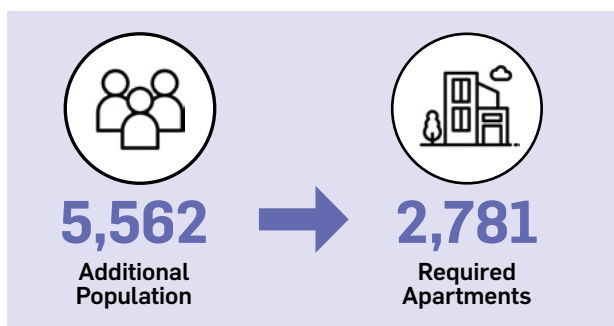
Newstead remains a highly desirable place to live for a range of demographic groups, offering high-quality apartment living, as well as proximity to amenities, employment and outdoor recreation.

DEMAND OF APARTMENTS - TOTAL SALES Newstead Catchment



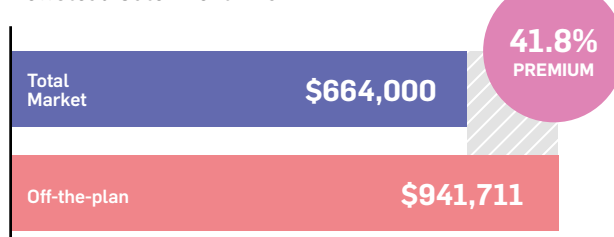
Source: Pricefinder
Newstead Catchment includes Newstead, New Farm and Teneriffe

DEMAND AND SUPPLY 2021-2031



Source: ABS, QGSO

NEW APARTMENT PRICE PREMIUM Newstead Catchment – 2021



Source: Pricefinder, Urbis Apartment Essentials
Newstead Catchment includes Newstead, New Farm and Teneriffe

RENTAL MARKET

The maturing of the apartment market within Brisbane has seen an increasing demand for apartments within close proximity to lifestyle amenity and the Brisbane CBD.

The increasing demand of rental apartments within Newstead catchment is evident through the very low vacancy rate. Alongside vacancy, the demand for the area is influencing rental yields. Since the start of 2020, rental yields within Newstead have risen from 4.0% to 4.7% in March 2022.

The Residential Tenancies Authority (RTA) provides median weekly rental data on typical rents for recently rented apartments, incorporating both established and new product. Based on RTA data, over the past three years to March 2022, one and two-bedroom apartments in the catchment demonstrated an average annual growth rate of 1.7% and 2.7% respectively.

On-the-market rental data, which records advertised rents for new and near-new apartment product, indicates that all new or near-new product within the catchment is achieving rental premiums. **New one-bedroom apartments have achieved average premiums of 14% over existing stock, and rents up to \$555 per week, while two-bedroom apartments recorded a higher premium of 25% and rents up to \$1,150 for high quality large offerings. This highlights the significant value that tenants see in renting new product.**

Looking specifically at one bedroom apartments without a car, rents are expected to be circa 20-25% lower than a comparable apartment with a car space. In areas such as Newstead which offers amenity and strong connectivity, the lack of a car space is desirable to some tenants.

With continued rental growth, a low vacancy rate, and strong rental yields, Newstead offers a strong investment proposition.

SINCE THE START OF 2020, RENTAL YIELDS WITHIN NEWSTEAD HAVE RISEN FROM 4.0% TO 4.7% IN MARCH 2022.

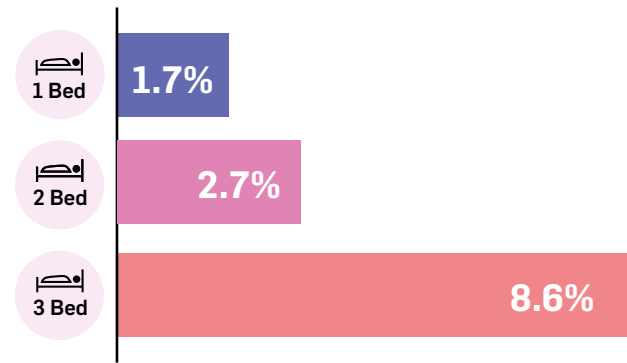
VACANCY RATE March 2022



Source: SQM Research

RENTAL PRICE GROWTH

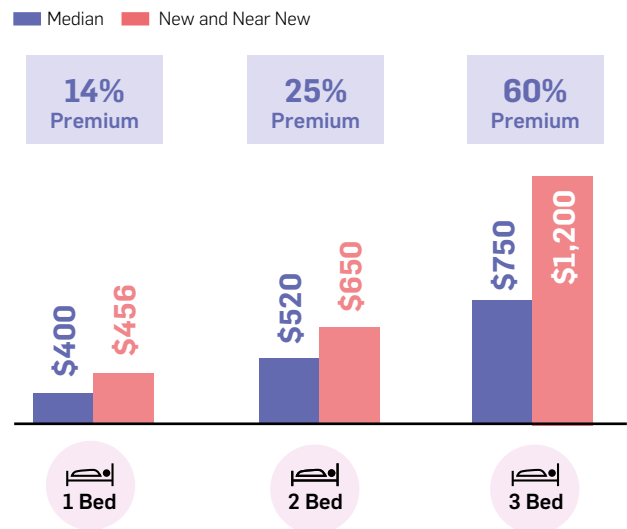
Newstead Catchment – March 2019 - March 2022



Source: RTA
Newstead Catchment includes the postcode of 4006

NEW AND NEAR NEW APARTMENT PREMIUM

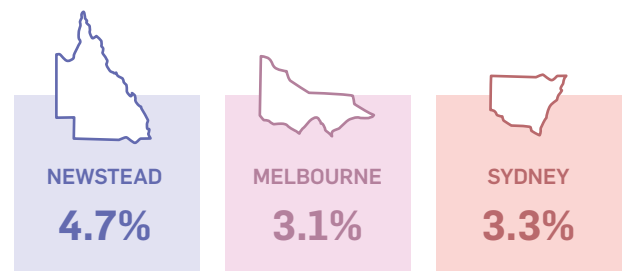
Newstead Catchment – March 2022



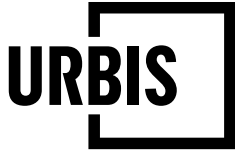
Source: RTA, Urbis Rental Intelligence Dashboard
Newstead Catchment includes the postcode of 4006

RENTAL YIELD COMPARISON

March 2022



Source: Pricerfinder



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