

# MARKET OUTLOOK

## MARRICKVILLE

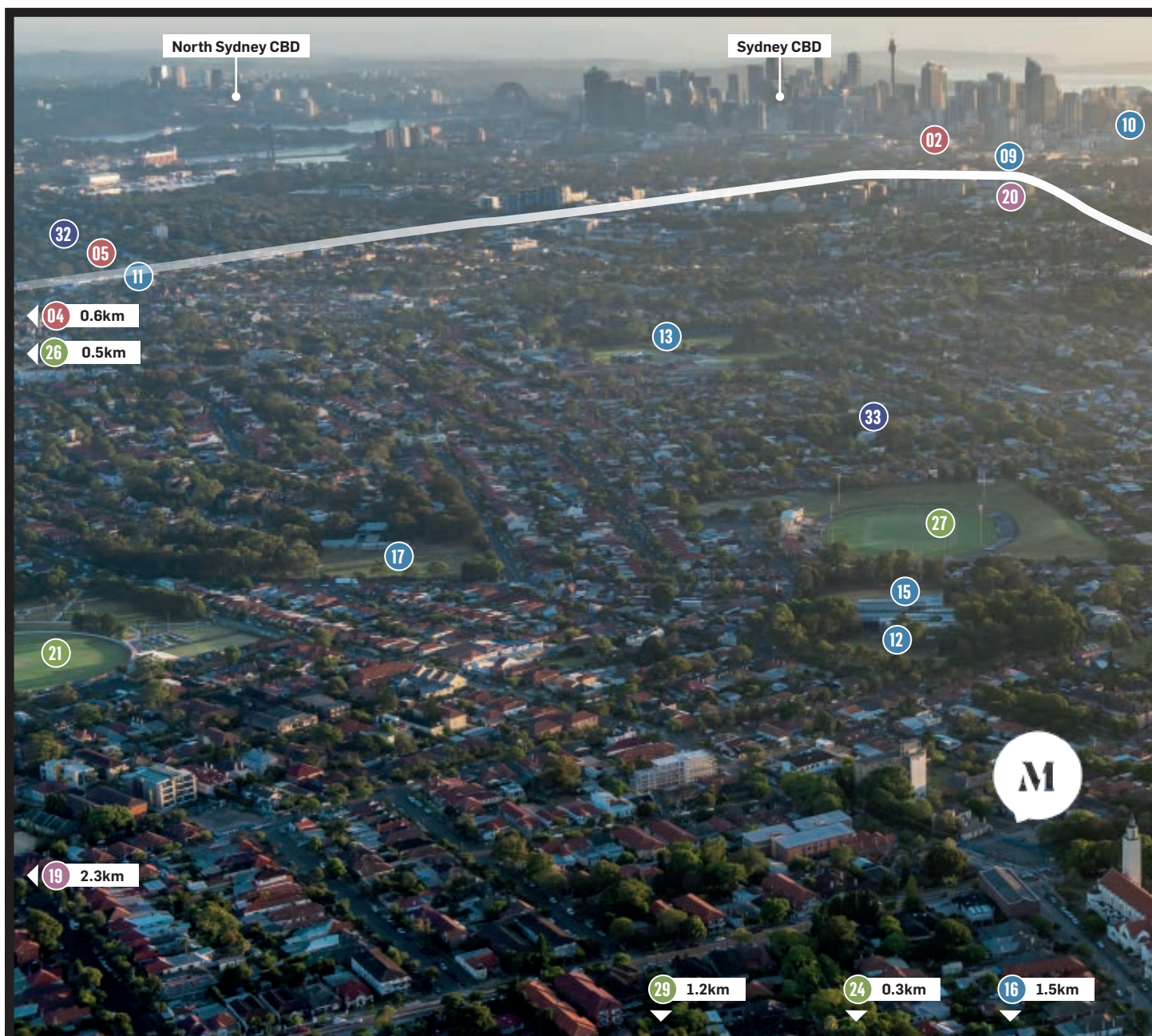
Marrickville is an attractive location offering residents high amenity, access to the Sydney CBD and connection to several major employment centres.

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Prepared exclusively for  
**Mirvac**  
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# LOCATION & ACCESSIBILITY



Marrickville is located in the Inner West region, approximately 6 km south west of the Sydney CBD. Marrickville has traditionally been a low density suburb, with limited new apartment supply. However, there has been growing interest in apartment living in the area.

There are a number of primary and secondary schools located in close proximity to Marrickville, as well as the University of Sydney which is ranked 42nd in the world in the 2019 QS World University Rankings, offering residents access to high quality education.

Marrickville is located close to hospitals such as the Sydney Private Hospital and the Royal Prince Alfred Hospital, providing a range of health services to local residents.

Marrickville is home to many independent artists, studios, art galleries, theatres and festivals. Marrickville has its own diverse dining precinct and is also located close to other dining precincts such as King Street Newtown and Norton Street Leichhardt. The Addison Community Centre also hosts the weekly Organic

Food Markets which specialises in certified organic produce, plants and hand-crafted goods. Proximity to these dining precincts, access to markets and vibrant arts scene add to the appeal and attraction of the area, making it an exciting place for residents to live.

There are several parks and reserves within and around Marrickville such as Marrickville Park, Enmore Park, Sydney Park and Marrickville Golf Club. Other recreational facilities include the Fanny Durack Aquatic Centre and Annette Kellerman Aquatic Centre.

Marrickville is located 6km south west of the Sydney CBD in close proximity to schools, vibrant dining and retail precincts and parks.



**RETAIL AND ENTERTAINMENT**

- 01 Marrickville Metro
- 02 Broadway Sydney
- 03 Central Park Mall
- 04 Marketplace Leichhardt
- 05 Norton Plaza
- 06 Ikea Tempe
- 07 Alexandria Homemaker Centre
- 08 The Enmore Theatre

**EDUCATION**

- 09 The University of Sydney
- 10 University of Technology Sydney
- 11 TAFE NSW Petersham
- 12 Marrickville High School
- 13 Newington College
- 14 Casimir Catholic College
- 15 Marrickville Public School
- 16 Marrickville West Public School
- 17 Wilkins Public School
- 18 St Brigid's Catholic Primary School

**HEALTH**

- 19 The Sydney Private Hospital
- 20 Royal Prince Alfred Hospital

**PARKS AND RECREATION**

- 21 Marrickville Park
- 22 Enmore Park
- 23 Sydney Park
- 24 Marrickville Golf Club
- 25 Annette Kellerman Aquatic Centre
- 26 Fanny Durack Aquatic Centre
- 27 Henson Park
- 28 McNeilly Park
- 29 Cooks River

**DINING PRECINCTS**

- 30 Marrickville Road and Illawarra Road, Marrickville
- 31 King Street, Newtown
- 32 Norton Street, Leichhardt
- 33 Organic Food Markets, Marrickville

**OTHER**

- 34 Australian Technology Park
- 35 Sydney Airport
- 36 Port Botany
- 37 Marrickville Town Hall

The train station at Marrickville provides residents with direct access to Wynyard, Town Hall, Circular Quay and Western Sydney region. Residents in Marrickville have the added convenience of the Inner West Light Rail which starts at Dulwich Hill. The proposed Marrickville Metro Station will further improve public transport accessibility including direct connections with four new Sydney CBD stations, North Sydney and Bankstown.

The revitalisation of the Inner West region has resulted in strong growth in property prices and rents. The Inner West region remains an attractive destination due to its proximity to the Sydney CBD. In addition, the range of amenities, vibrant neighbourhoods, convenient public transport and infrastructure investment continues to attract owner occupiers, investors and renters alike to the region.

# INFRASTRUCTURE & EMPLOYMENT

Over \$16 billion in infrastructure investment to benefit the region.

## INFRASTRUCTURE

### SYDNEY METRO CITY RAIL NETWORK (2024) \$8.3 billion

The Sydney Metro City and South West Rail Network will extend the new Sydney Metro Northwest and will connect to Chatswood through to Bankstown. Marrickville station is being redeveloped and will significantly improve connectivity to the Sydney CBD (including Barangaroo), the North Shore, North West and South West regions.

### PATYEGARANG PLACE — MARRICKVILLE LIBRARY (2019) – Approximately \$40 million

Marrickville Council is partnering with Mirvac to redevelop the former Marrickville hospital site, which will consist of a new community hub and a larger library with meeting rooms, technology area and children's zone with play space and café.

### GREENWAY (2022) – \$24 million

The GreenWay Corridor Masterplan will connect Cooks River in Dulwich Hill with Sydney Harbour at Iron Cove in Leichhardt. A key feature will be a bicycle path for cyclists which will run adjacent to the Inner West Light Rail Extension between Lilyfield and Dulwich Hill.

### PARRAMATTA ROAD URBAN AMENITY IMPROVEMENT PLAN (over the next 30 years) – \$198 million

The Urban Amenity Improvement Plan (UAIP) outlines areas which will undergo revitalisation along the Parramatta Road Corridor. The UAIP entails works such as streetscape upgrades, new open spaces, improvements to existing green spaces, urban plazas, new walking and cycling links.

### UNIVERSITY OF SYDNEY AND UTS CITY CAMPUS REDEVELOPMENT PROGRAMS (2020) – \$3.5 billion

Master Plan redevelopment of the University of Sydney Camperdown/ Darlington campus and UTS City Campus will contribute to the creation of an active student precinct. The development of research and technology hubs is expected to create global partnerships and attract innovative companies to the region.

### AUSTRALIAN TECHNOLOGY PARK REDEVELOPMENT (2020) – \$1 billion

Revitalisation of the existing technology park through the development of 93,000 sq.m of new office space with the Commonwealth Bank of Australia as a major tenant. The addition of approximately 3,000 sq.m of retail floorspace and public amenity such as a gym, childcare centre and multipurpose community space will contribute to an active worker's precinct.

### WESTCONNEX (2023) – \$3.6 billion

WestConnex is Australia's largest urban transport project and is part of the plan to ease congestion and connect communities. The new motorway will support Sydney's long-term economic and population growth and provide linkages between Sydney's Western and South Western suburbs with the CBD, Sydney Airport and Port Botany.

## EMPLOYMENT

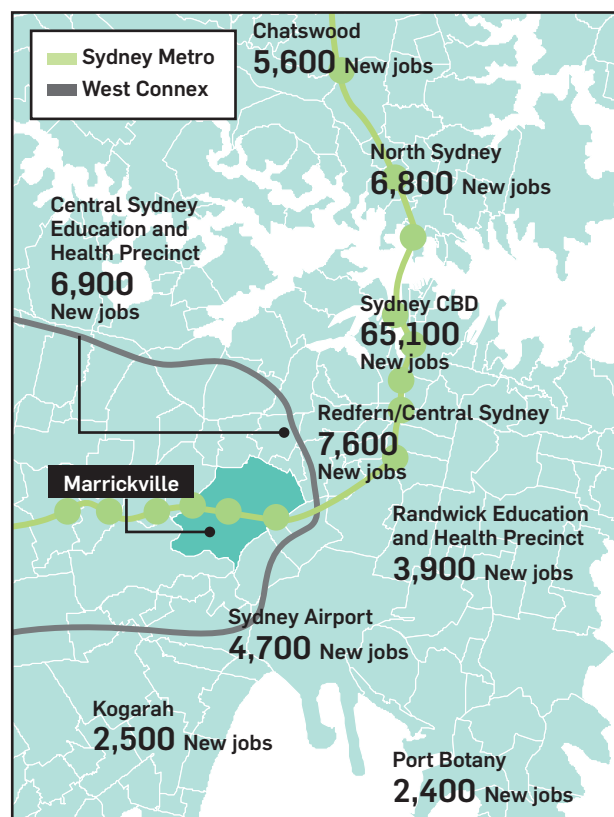
Employment growth is an important driver of residential demand with workers seeking housing within a close commute. Forecast employment growth in nearby centres has the potential to drive housing demand in Marrickville from new workers.

Marrickville is well serviced by train and buses, providing residents with good access to major employment centres such as the Sydney CBD and Sydney Airport.

The future Sydney Metro will include a new metro train station at Marrickville, which will connect directly to four new Sydney CBD stations and North Sydney. It will also provide direct connections with other major employment centres in the North Shore, North West and South West regions.

The Australian Technology Park in Redfern is a short distance by train from Marrickville and is expected to generate significant employment opportunities for local residents. The Commonwealth Bank of Australia is relocating over 10,000 employees to the precinct, with the investment anticipated to benefit the local residential market.

### EMPLOYMENT GROWTH WITHIN KEY EMPLOYMENT CENTRES (2016-2031)



Prepared by Urbis; Source: NSW Bureau of Transport Statistics 2014



**OVER 168,000 NEW JOBS WITHIN KEY EMPLOYMENT CENTRES BY 2036**

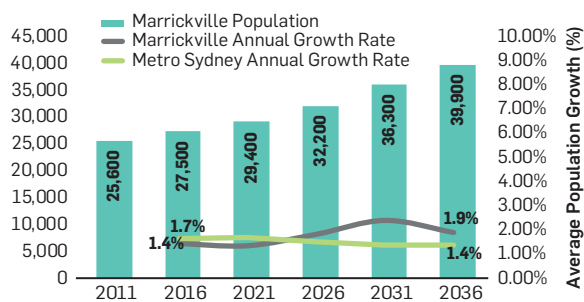
# POPULATION & DEMOGRAPHICS

Marrickville has strong projected growth of an additional 12,400 new residents by 2036.

## POPULATION

Based on data from the Bureau of Transport Statistics, the population of Marrickville is projected to increase by more than 12,400 people between 2016 and 2036. The projected growth equates to an average of around 620 new residents per year at an average growth rate of 1.9% per annum.

### MARRICKVILLE POPULATION GROWTH

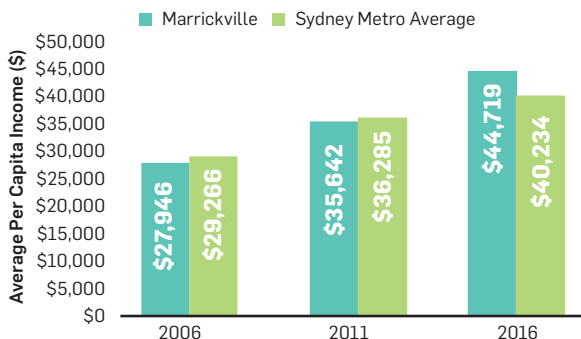


Prepared by Urbis; Source: ABS Census 2016; BTS Population Projections 2016

Marrickville has a higher share of residents aged 25 to 39 (58%) compared to the Sydney average of 49%. Marrickville has a smaller share of residents who are under 15 years of age (14%) compared to the Sydney average (19%). This suggests there are a higher share of couple households with no children in Marrickville compared to the Sydney average. The proximity to the Sydney CBD and other employment centres, as well as the other amenities offered makes Marrickville an attractive location for younger aged households.

## DEMOGRAPHICS

### AVERAGE PER CAPITA INCOME



Prepared by Urbis; Source: ABS Census 2011 and 2016


Marrickville has a larger proportion of residents working in white collar occupations, comprising 79% compared to 75% for the Sydney average. The proximity of Marrickville to employment centres such as the Sydney CBD provides good accessibility and convenience for white collar workers. As a result, Marrickville is an attractive and appealing place to live, especially for residents who work in or around the Sydney CBD.

Marrickville consists of residents from a diverse range of backgrounds, with 40% of residents born overseas. This proportion is in line with the Sydney average of 39% and reflects the multicultural nature of Marrickville.

The average household size in Marrickville is 2.5 people per household, which is lower than the Sydney average of 2.8. This reflects the large proportion of couple families with no children (40%) and lone person households (26%) living in the area. These households are more likely to seek smaller sized dwellings such as one or two bedroom apartments.

In 2016, the average per capita income in Marrickville was \$44,719, which was 11% above the Sydney average. Incomes in Marrickville also increased at a faster pace than Sydney (4.6% vs 2.1%) between 2011 and 2016. This increasing affluence indicates buying capacity of residents and helps drive property prices.

### WHO LIVES IN MARRICKVILLE?

|  | Marrickville (2011) | Marrickville (2016) | Metropolitan Sydney (2016) |
|--|---------------------|---------------------|----------------------------|
|  Average Age of Residents | 38.0                | 37.5                | 36.8                       |
| Average per capita Income  | \$35,642            | \$44,719            | \$40,234                   |
| Average Household Income   | \$86,388            | \$108,430           | \$106,502                  |
| Household Income Above \$130,000   | 24%                 | 32%                 | 32%                        |
| Average Household Size   | 2.4                 | 2.5                 | 2.8                        |
| Renters  | 43%                 | 48%                 | 36%                        |
| Family Households  | 64%                 | 63%                 | 74%                        |
| Couples with no Children   | 38%                 | 40%                 | 33%                        |
| Lone Person  | 27%                 | 26%                 | 22%                        |
| Employed in White Collar Jobs  | 75%                 | 79%                 | 75%                        |
| Bachelor Degree or Higher  | 29%                 | 36%                 | 28%                        |
| Born Overseas  | 43%                 | 40%                 | 39%                        |

Prepared by Urbis; Source: ABS Census 2011 and 2016

# RESIDENTIAL MARKET

Marrickville is an attractive location, close to the Sydney CBD and other employment centres and has recorded strong price growth.

## SYDNEY OVERVIEW

Sydney is Australia's Global City and is internationally recognised as an important financial and economic hub. Over 40% of Australia's top 500 companies have their head office in New South Wales with over 90% of international banks, 60% of information and communications technology companies and 50% of professional service firms headquartered in Sydney. This supports an affluent population with average incomes 6% above Melbourne and 2% above Brisbane (ABS Census 2016).

According to APM PriceFinder, Sydney has recorded a five year median price increase of 7.6% per annum for apartments. This has been well above both Melbourne (3.6%) and Brisbane (1.5%).

Sydney offers its residents excellent economic and lifestyle opportunities, making it one of the most liveable cities in the world (10th in the world and 1st in Australia according to the Mercer 2018 Quality of Living Survey). Sydney Harbour, world renowned beaches and open space provide excellent amenity to residents.

Sydney is a leading education provider and is home to a number of globally recognised universities such as the University of Sydney and the University of New South Wales. These institutions attract students from throughout the world.

The trend towards higher density living in Sydney is continuing to grow as residents seek opportunities to locate in close proximity to the city's wide range of amenity and enjoy its unique lifestyle. In particular, inner ring areas such as Marrickville are undergoing significant development, and apartment buyers are looking to capitalise on this new infrastructure and amenity.

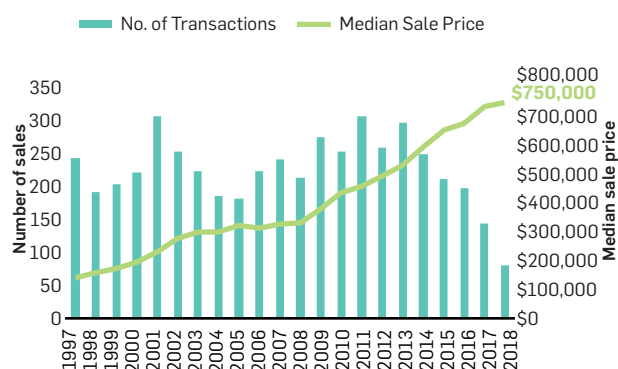
## MARRICKVILLE APARTMENT MARKET

Median sale prices for apartments in Marrickville experienced rapid growth during 2013-17 as a result of the residential boom and have continued to increase in 2018. Apartments in Marrickville have recorded a five year median price increase of 8.7% per annum, which is higher than the Sydney average of 7.6%. This reflects the strong demand for housing and constrained supply in Marrickville.

While Marrickville has traditionally been a low density suburb with limited new apartment supply, there has been growing interest from developers to capitalise on strong demographics and construct new apartment supply. Data compiled by Cordell Connect as of August 2018 indicates there are 588 apartments proposed to be completed in Marrickville over the next three years, which reflects relatively low supply.

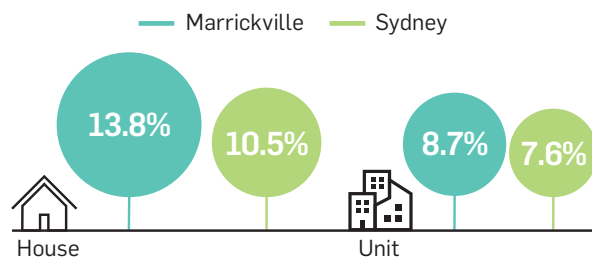
Suburbs located directly adjacent to Marrickville towards the CBD have recorded more residential development in recent years, which has equated to higher average price growth. More affluent residents are moving into Marrickville which is attracting development interest from developers with potential to drive price growth moving forward.

## MARRICKVILLE APARTMENT SALES GROWTH



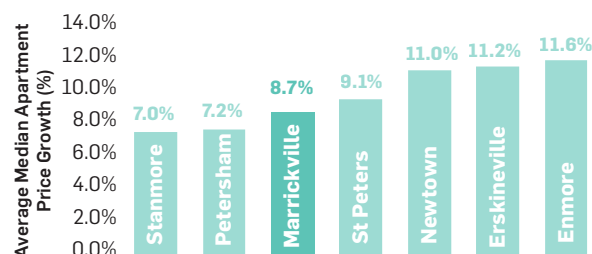
Prepared by Urbis; Source: APM Pricefinder  
Note: Data up to 30 June 2018

## 5 YEAR MEDIAN PRICE GROWTH — MARCH 2018



Prepared by Urbis; Source: APM Pricefinder

## SUBURB AVERAGE MEDIAN APARTMENT PRICE GROWTH (5 YEAR) — MARCH 2013 TO MARCH 2018



Prepared by Urbis; Source: APM Pricefinder  
Note: Data from March 2013 to March 2018

# RENTAL MARKET

Marrickville has recorded strong median rental price growth coupled with consistently low vacancy rates over the past decade.

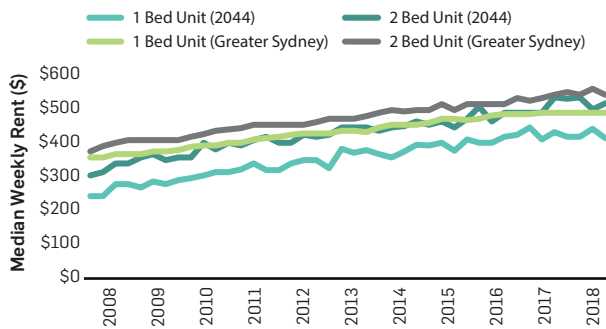
The median rental prices in Marrickville over the last decade have increased by 6.6% per annum for one bedroom units (compared to 3.6% for the Sydney average) and 5.9% per annum for two bedroom units (compared to 3.8% for the Sydney average).

Vacancy rates in Marrickville have remained below 2% over the past five years. The sustained low vacancy rate highlights the strong demand for rental dwellings in Marrickville.

The strong apartment rental growth in Marrickville makes it an attractive location for investors to purchase apartments. The high proportion of renters and the low vacancy rates further illustrate the strong rental market in Marrickville.

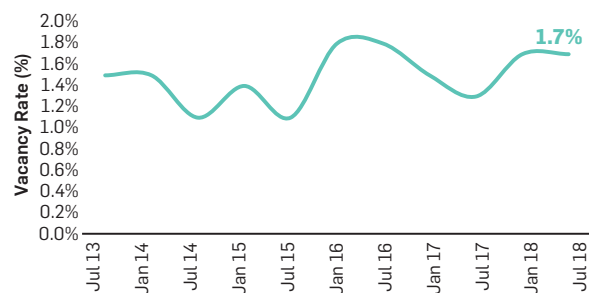


## MEDIAN RENTAL GROWTH



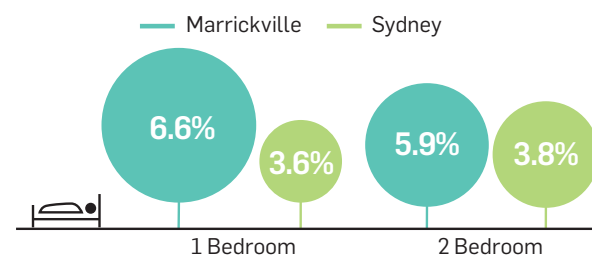
Prepared by Urbis; Source: Housing NSW  
Note: Data from June 2008 to June 2018

## MARRICKVILLE DWELLING VACANCY RATE



Prepared by Urbis; Source: SQM Research

## 10 YEAR RENTAL GROWTH — JUNE 2018



Prepared by Urbis; Source: Housing NSW

## SUMMARY

Urbis has investigated the trends that will deliver a sustainable residential market comprising of sustained and confident growth now and into the future. This involves recognising the key fundamentals that investors seek in order to secure returns, as well as identifying regions that will be the most desirable to live, work and play. Urbis has concluded that the most desirable locations are those that deliver "P.I.E" – Population, Investment and Employment.

## POPULATION

Marrickville has strong projected growth of an additional 12,400 new residents by 2036. The strong demand for housing in Marrickville is illustrated by the 10-year median weekly rent price growth of 6.6% per annum for one bedroom units and two bedroom unit rental price growth of 5.9% per annum on average during the last decade.

## INFRASTRUCTURE

Marrickville has strong public transport and amenity, which will further improve with the proposed Marrickville Metro Station as part of the \$8.3 billion Sydney Metro City Rail Network. In addition, the new Marrickville library and community hub will improve resident amenity in the area.

## EMPLOYMENT

Proximity to employment nodes and centres is an essential fundamental for residential growth. New jobs lead to new residents as people seek to minimise travel times and improve work/life balance. Marrickville is located in close proximity to the Sydney CBD, Australian Technology Park and Sydney Airport. The Sydney Metro City Rail Network will further improve accessibility to major employment centres in Sydney's CBD, the North Shore, North West and South West regions.



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Stage 2 of the proposed Sydney Metro City Rail Network and the proposed Marrickville station is currently intended to be delivered by the Government and is still subject to the planning process, community consultation and funding. Urbis makes no representation that Stage 2 of the proposed Sydney Metro City Rail Network or the proposed Marrickville station will actually be delivered and if so by what time.