



South East Queensland

PROPERTY OVERVIEW BREAKFAST

Commercial Markets

ALISTAIR WEIR





Need expert advice from our property professionals?

Contact Alistair and our Commercial team

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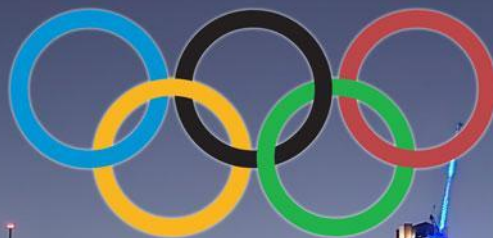
Helping our clients make the most of their property assets.

The countdown gets serious!



BRISBANE

HOST CITY OF 2032 OLYMPIC
& PARALYMPIC GAMES



Brisbane Olympics 2032

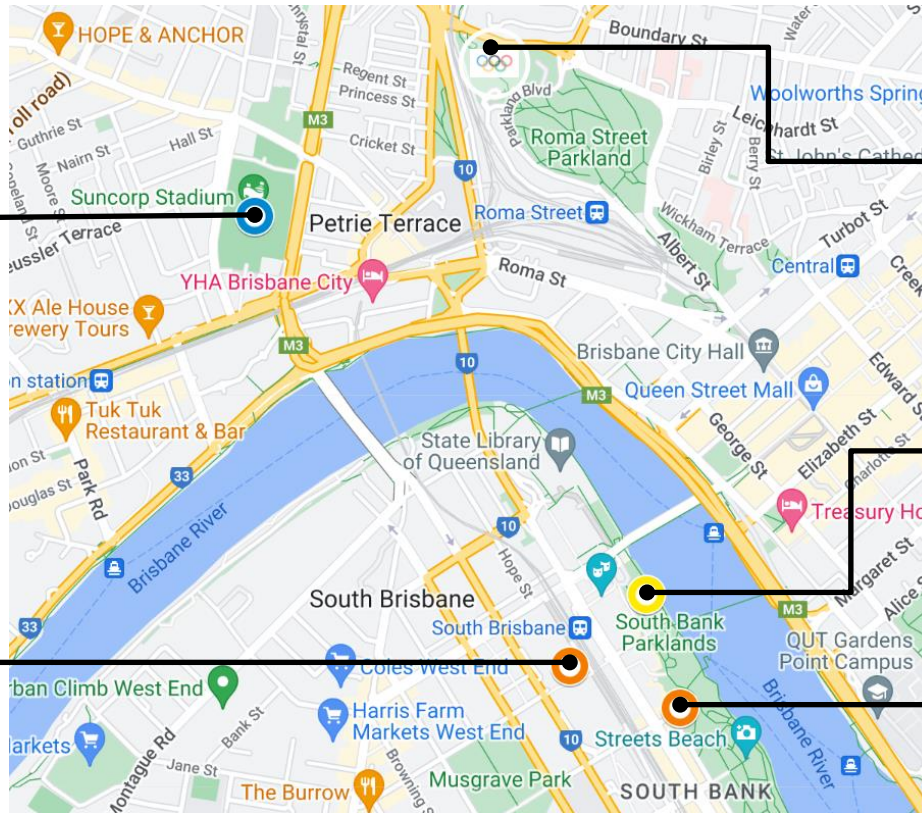
- Primarily hosted across Brisbane, Sunshine Coast & Gold Coast with some events in Townsville, Cairns, Sydney and Melbourne
- 37 venues...over 80% being existing or temporary.
- 16,000 athletes & officials during Olympic Games
- 8,000 during the Paralympic Games.
- \$8.1 billion in benefits to Qld, incl. \$4.6 billion economic boost to tourism and \$3.5 billion in social improvements.

Sources: HTW Research, Qld Government



Proposed Olympic Venues - Inner Brisbane

**Brisbane Stadium
'Suncorp Stadium'**



New Brisbane Arena



**South Bank
Cultural Forecourt**



South Bank Piazza



**Brisbane
Convention and
Exhibition Centre**



Proposed Olympic Venues – Outer Brisbane

New Moreton Bay Indoor Sports Centre



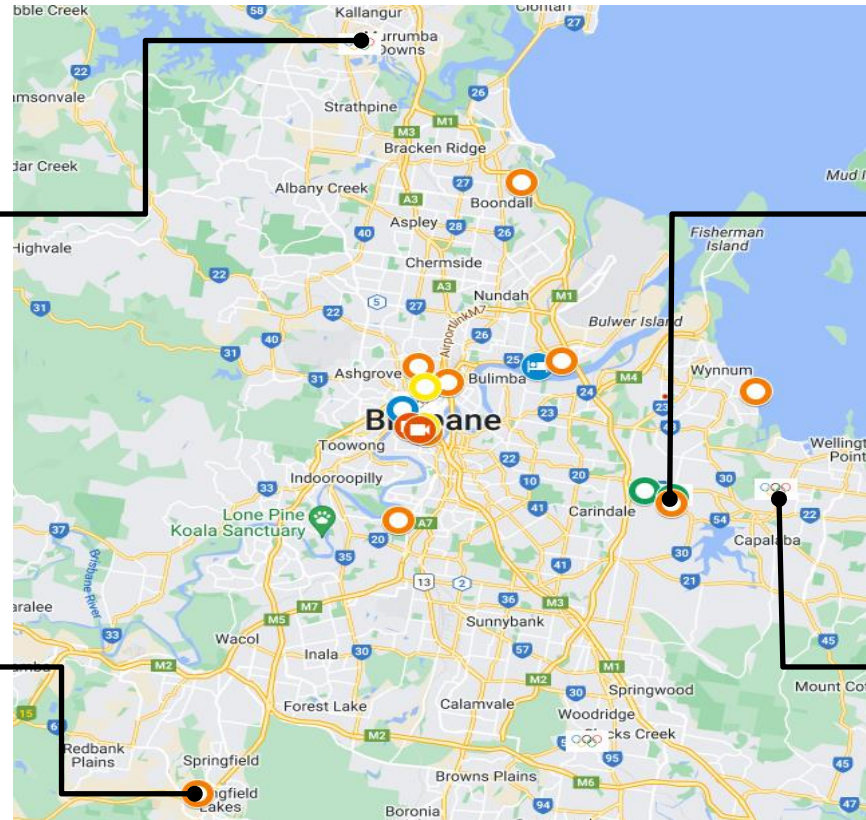
New Chandler Indoor Sports Centre



New Logan Indoor Sports Centre



New Redland Whitewater Centre



Gold Coast Venues

**Coomera
Indoor Sports Centre**



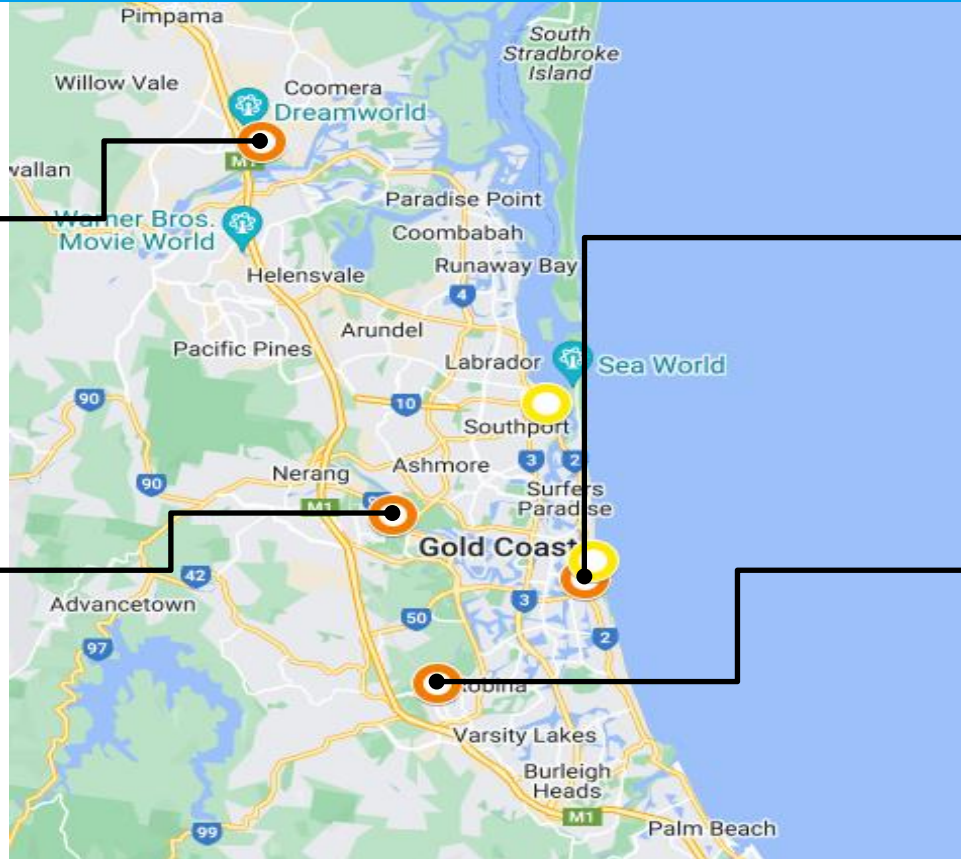
**Gold Coast Sports &
Leisure Centre, Carrara**



**Gold Coast Convention
& Exhibition Centre,
Broadbeach**

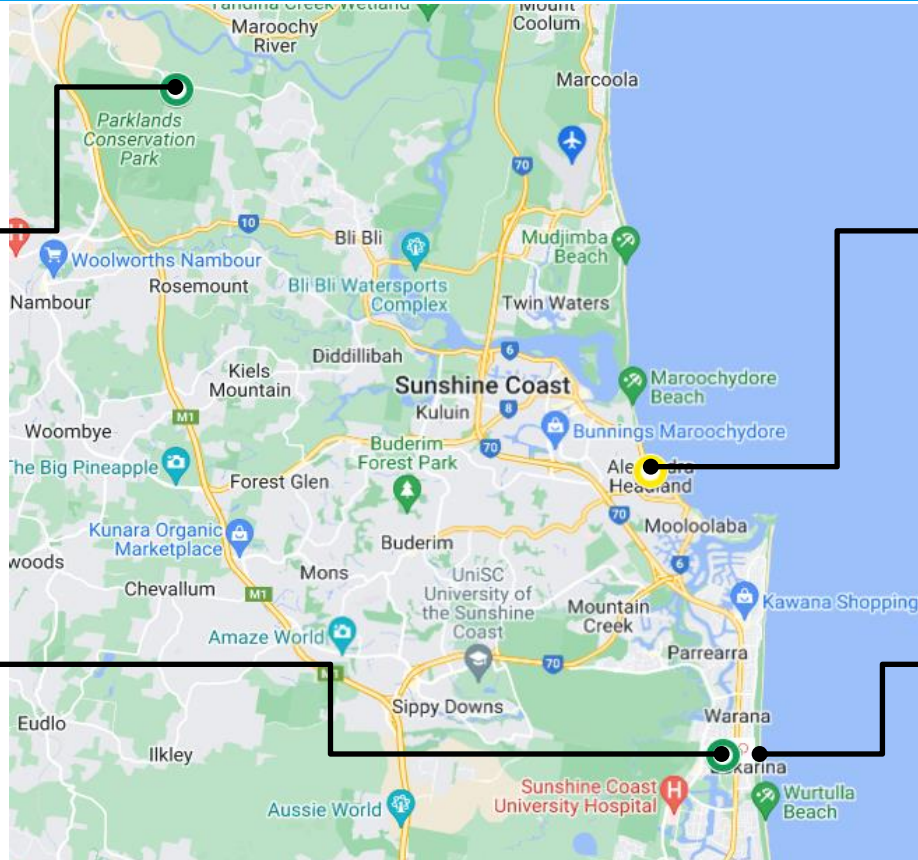


**Gold Coast CBUS
Stadium, Carrara**



Sunshine Coast Venues

Proposed Upgrade: Mountain Bike Centre, Parklands



Temporary Venue: Alexandra Headland



New Venue: Sunshine Coast Indoor Sports Centre, Kawana



Proposed Upgrade: Sunshine Coast Stadium, Kawana



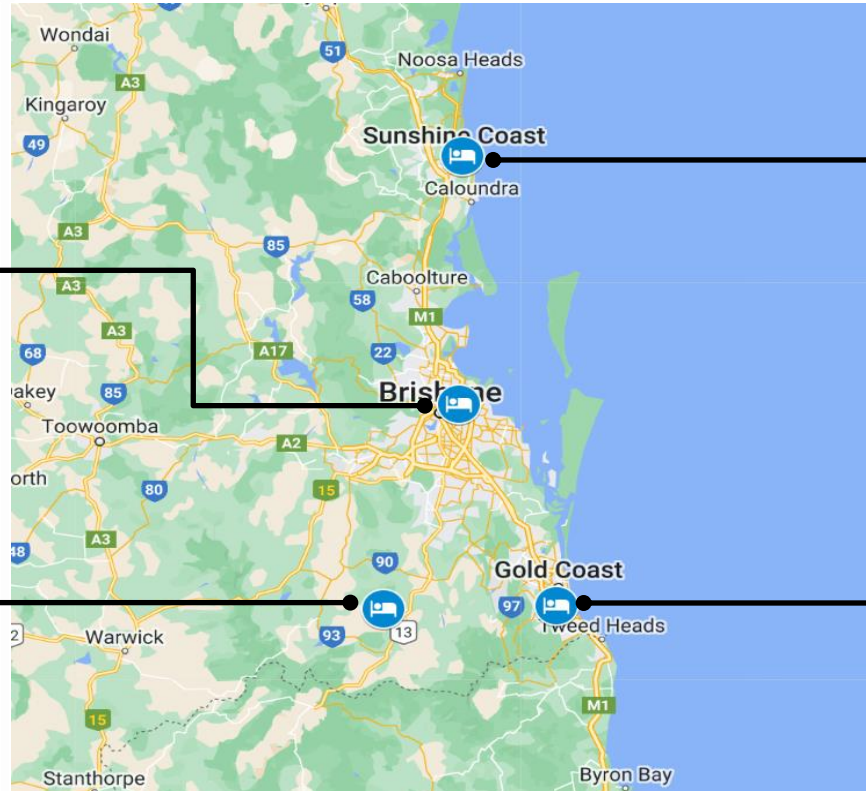
Four Athlete Villages

Brisbane, Gold Coast, Sunshine Coast & Kooralbyn

**New Village: Northshore
Hamilton**



**Satellite Village:
Kooralbyn**



**New Village:
Maroochydore CBD**



**New Village:
Robina**



Proposed Olympic Venues - Brisbane

New Venues	Upgraded Venues	Existing Venues	Temporary Venues	Non-competition Venues
<ul style="list-style-type: none"> ➤ Main Stadium ➤ Brisbane Arena ➤ Chandler Indoor Sports Centre ➤ Moreton Bay Indoor Sports Centre ➤ Logan Indoor Sports Centre ➤ Redland Whitewater Centre 	<ul style="list-style-type: none"> ➤ Brisbane International Shooting Centre, Belmont ➤ Brisbane Aquatic Centre, Chandler ➤ Brisbane Stadium 'Suncorp Stadium', Milton 	<ul style="list-style-type: none"> ➤ Ballymore Stadium ➤ BCEC, South Bank ➤ BEC Boondall ➤ RNA Showgrounds ➤ Chandler Sports Precinct ➤ Ipswich Stadium ➤ South Bank Piazza ➤ Royal Queensland Golf Club, Eagle Farm ➤ Manly Boat Harbour ➤ Qld Tennis Centre, Tennyson 	<ul style="list-style-type: none"> ➤ Southbank Cultural Forecourt ➤ Victoria Park, Herston 	<ul style="list-style-type: none"> ➤ New International Broadcast Centre, South Brisbane ➤ BCEC, South Bank

The 'Critical Path' Big Ticket Items



Main Stadium



Brisbane Arena



Main Athletes Village

Infrastructure



Brisbane Metro completes its trial

Sources: Brisbane City Council, Cross River Rail Delivery Authority



Cross River Rail Edges Closer



Coomera Connector and Burleigh Light Rail

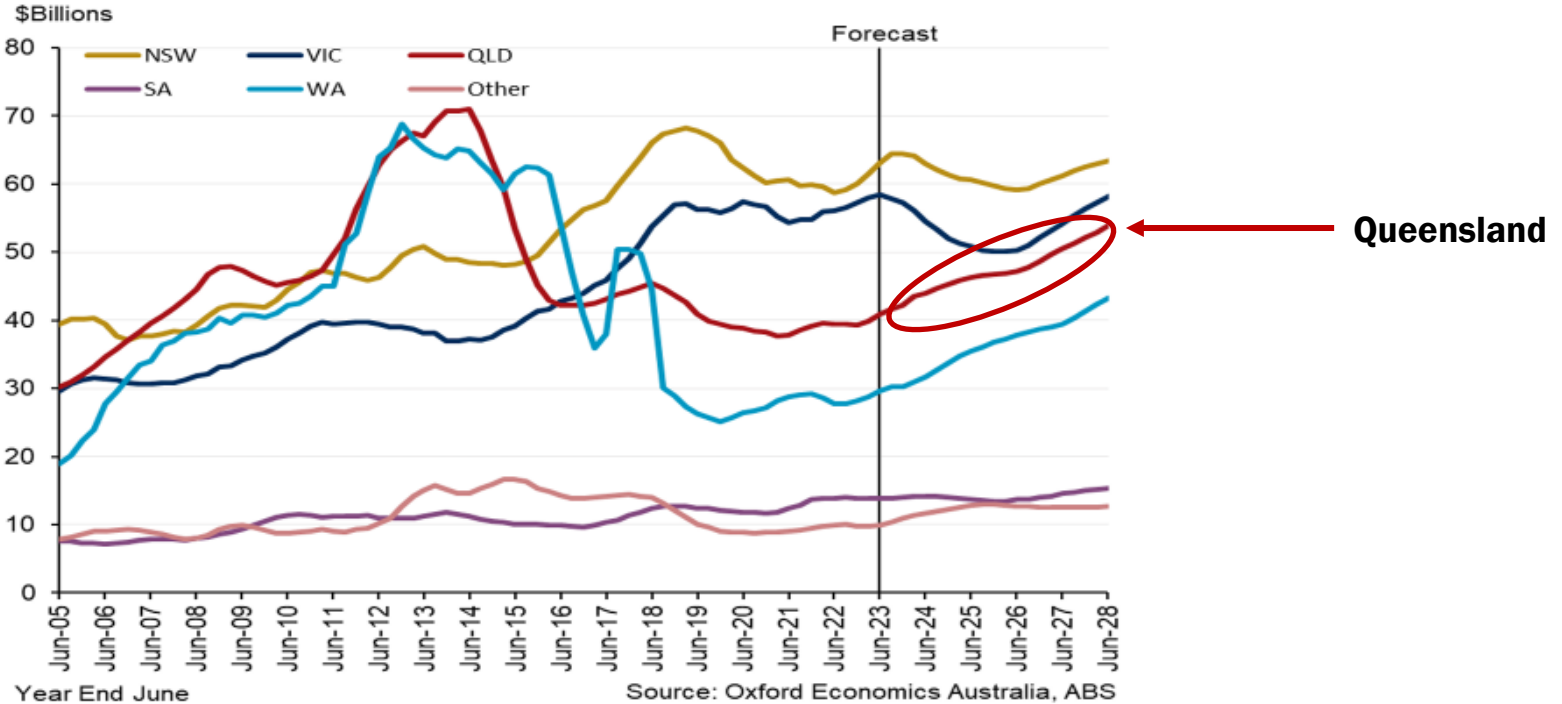


Coomera Connector

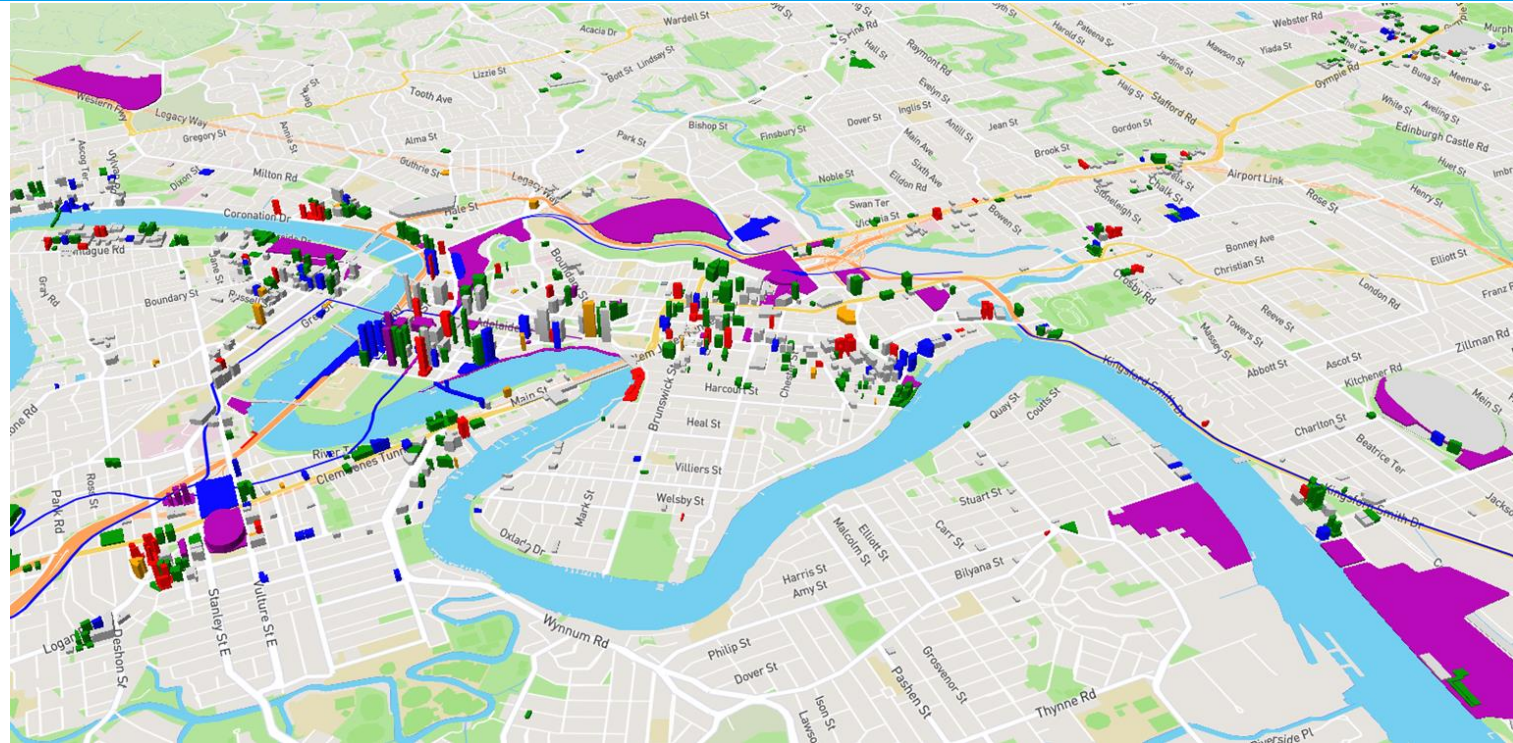


**Stage 3 Light Rail
Broadbeach to Burleigh**

Massive Infrastructure Program Ahead



CBD and Fringe Areas: Primary Beneficiaries



Red = Proposed
Green = Approved

Blue = Under Construction
Purple = Master Plan Projects

Grey = Completed
Orange = Appealed / Refused / Withdrawn

How the CBD will change



Red = Proposed

Green = Approved

Blue = Under Construction

Purple = Master Plan Projects

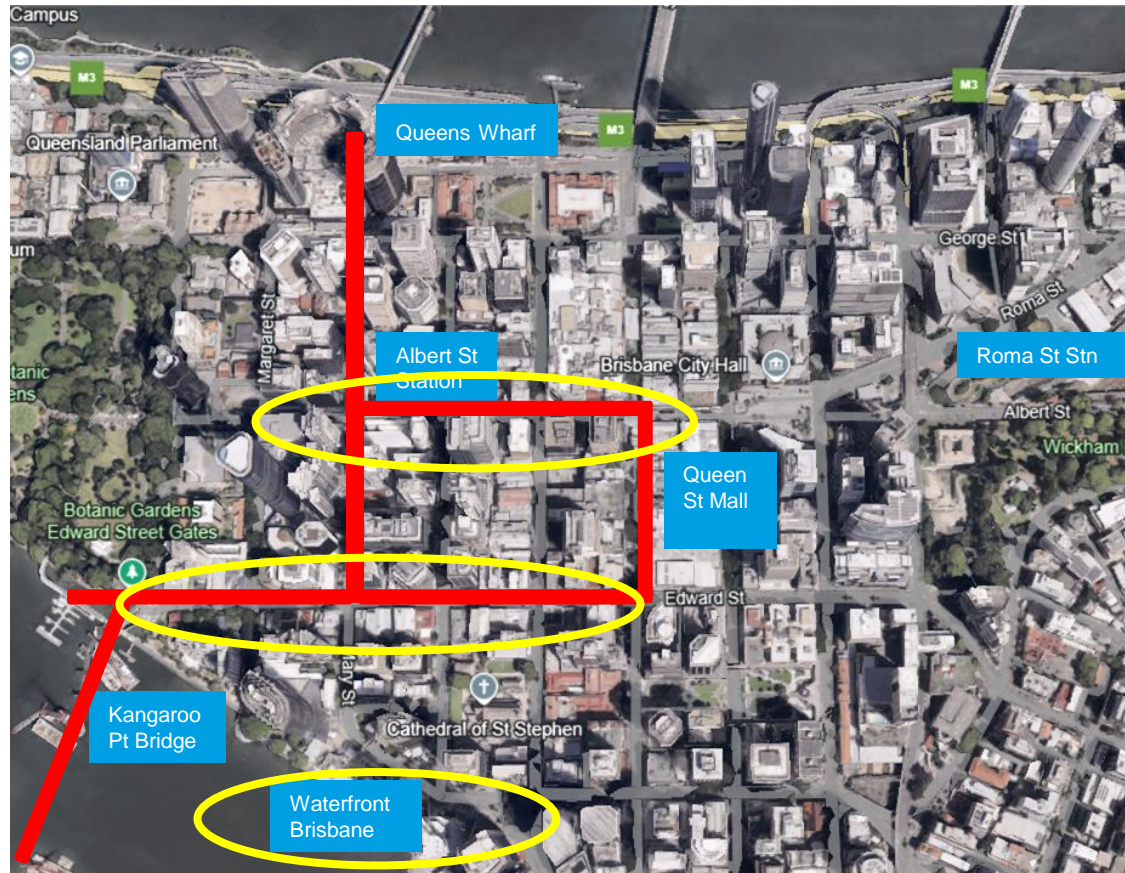
Grey = Completed

Orange = Appealed / Refused / Withdrawn

How the CBD will change...



New Ant Trail and Hotspots

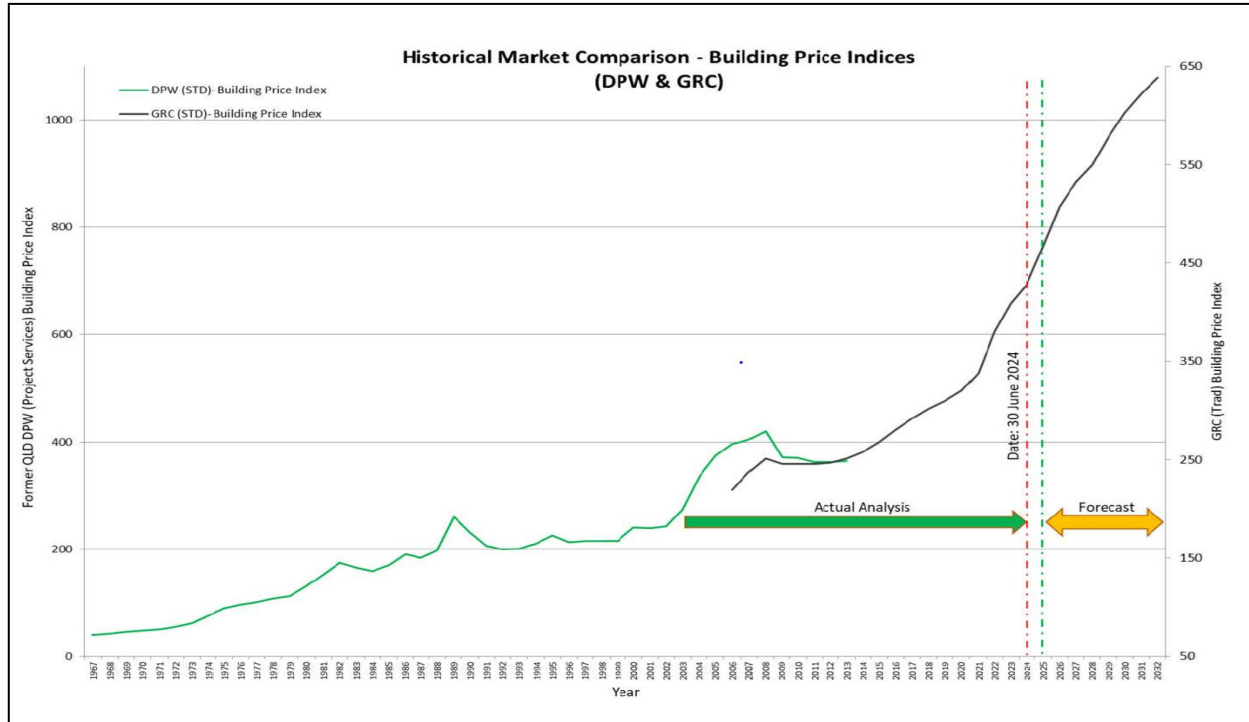


Property Markets

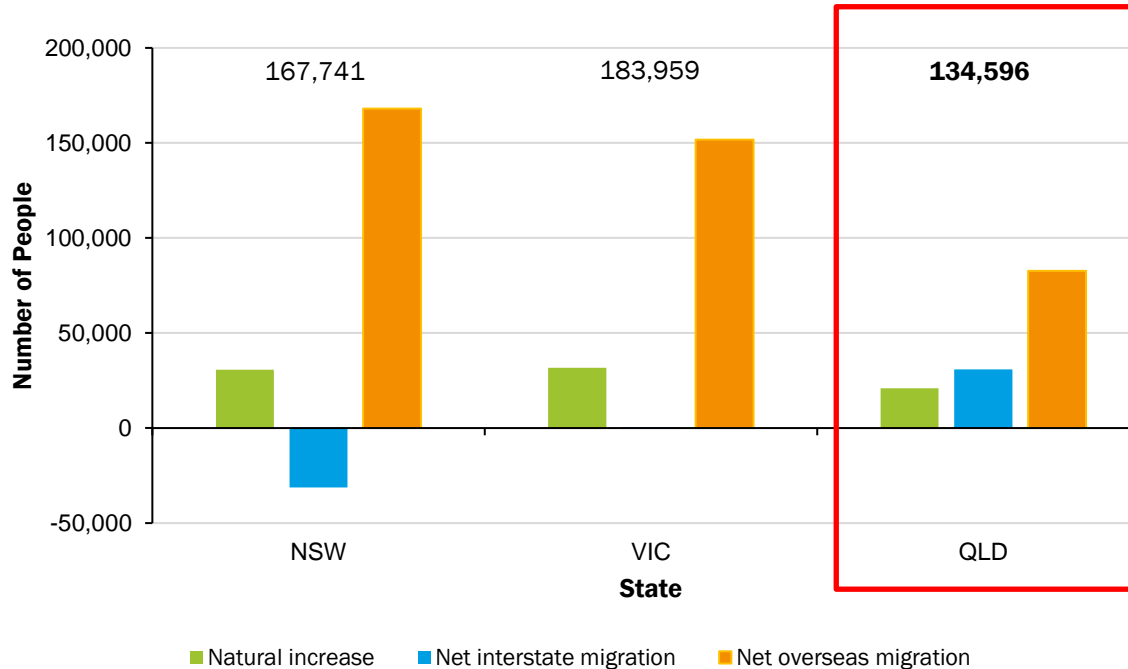


Image Source: Australian Development Review

Construction Cost Growth



Annual Population Growth – March 2024

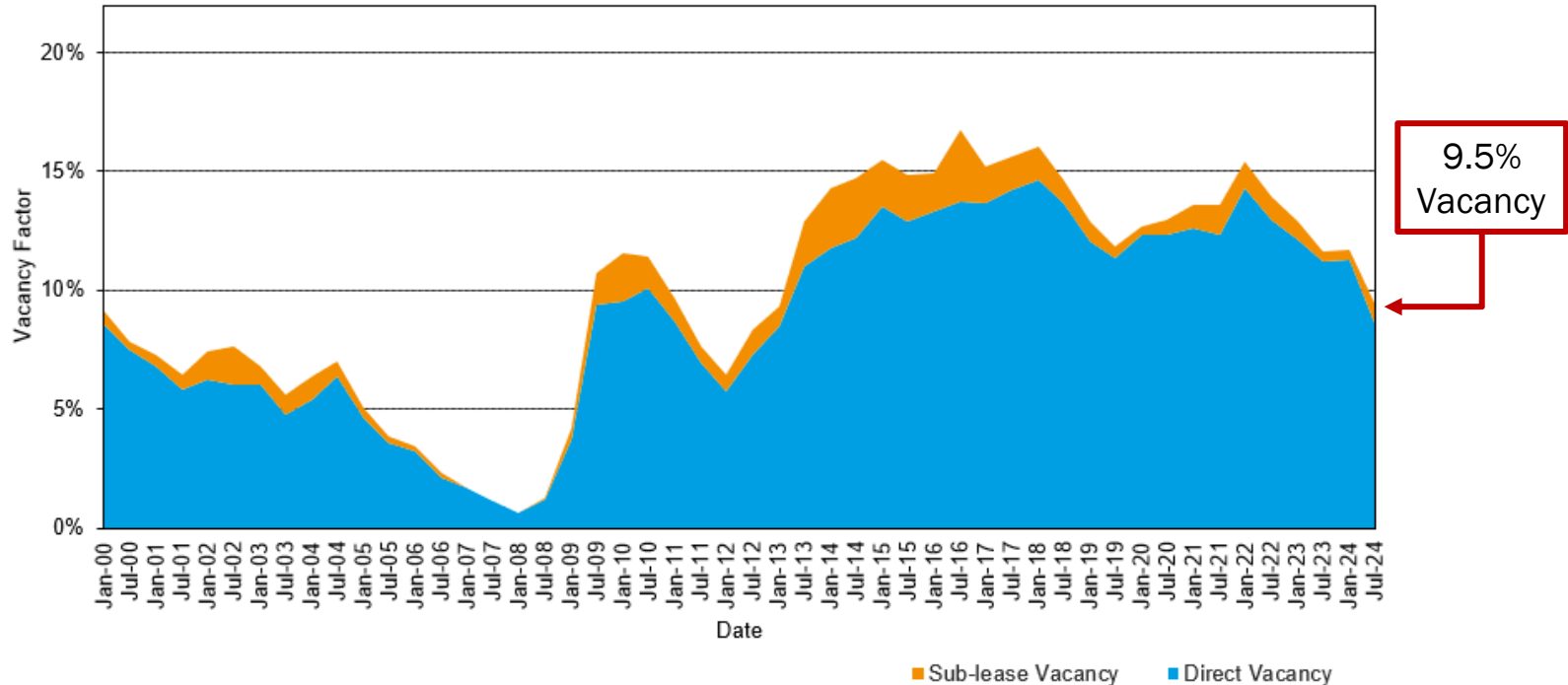


Assuming about 70% or 90,000 of that growth is in SEQ, it requires:

- Retail - 90,000sqm
- Office - 90,000sqm
- Industrial - 360,000sqm

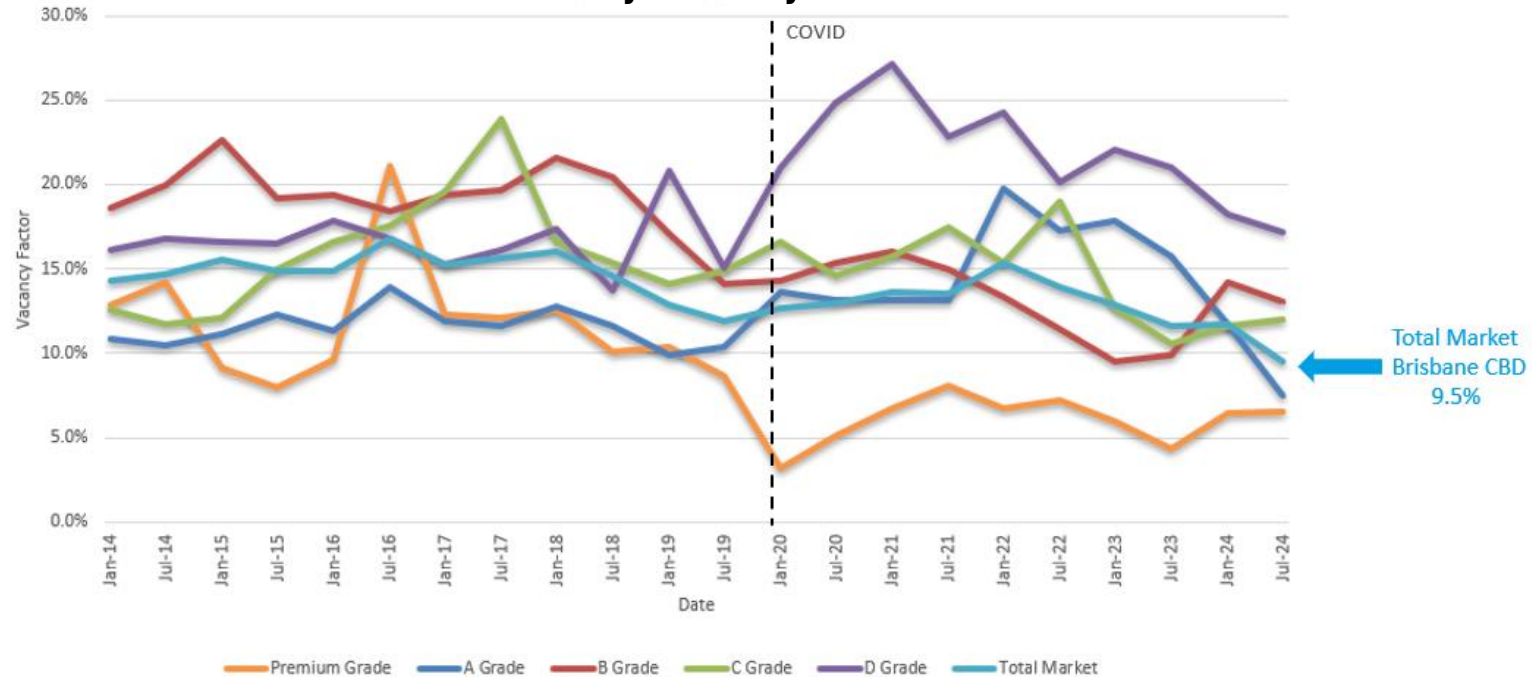
Brisbane CBD Vacancies

Historical Total Vacancy Factor – Brisbane CBD Office



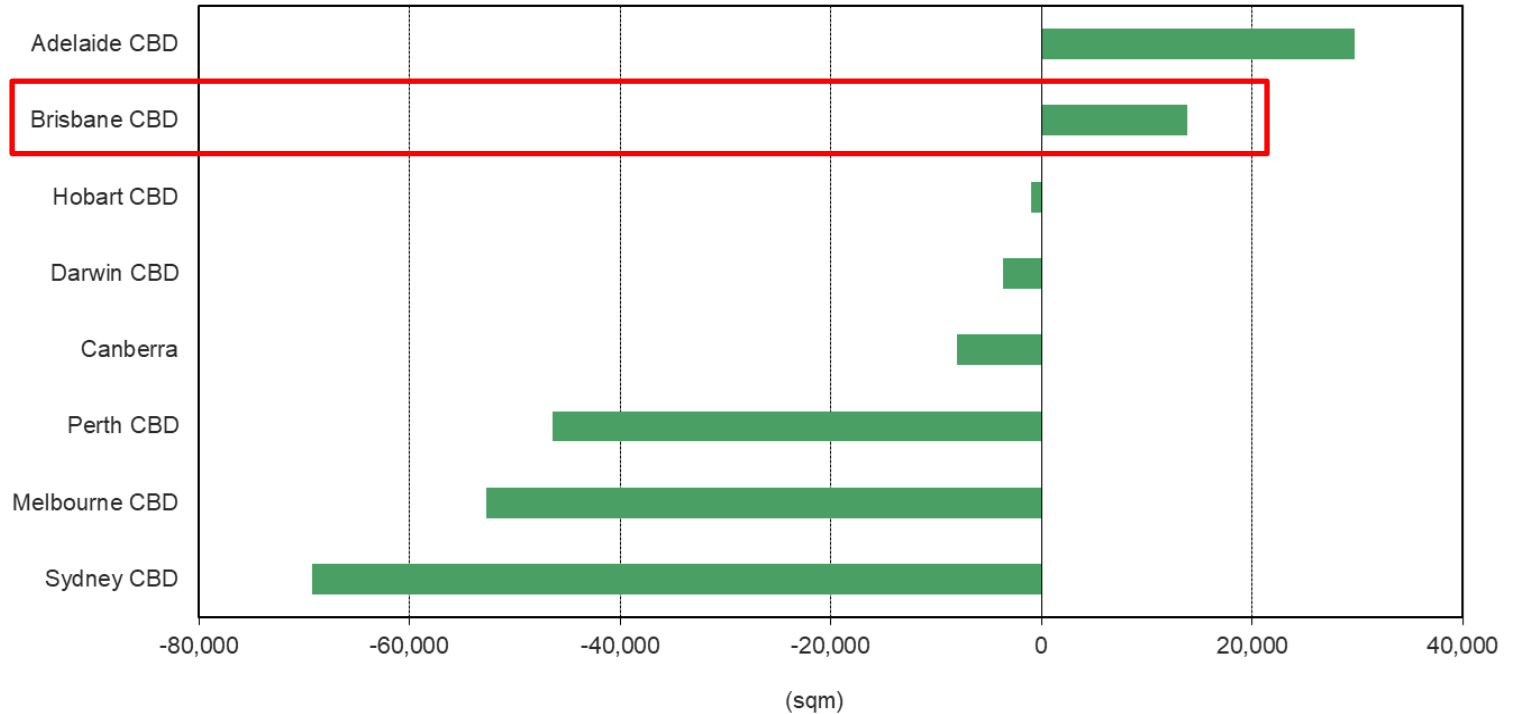
CBD Comparative Vacancy Rates

Historical Total Vacancy Factor by Grade – Brisbane CBD Office



CBD Net Absorption

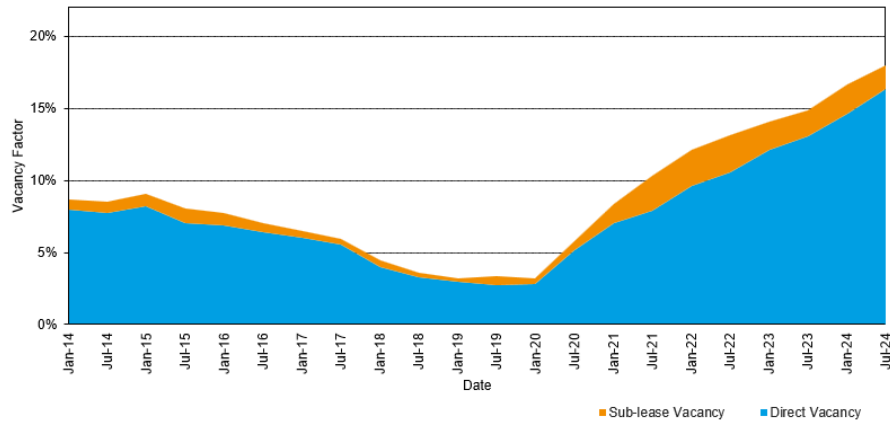
CBD Net Absorption: Twelve months to July 2024



Melbourne and Sydney doing it tough

Melbourne CBD

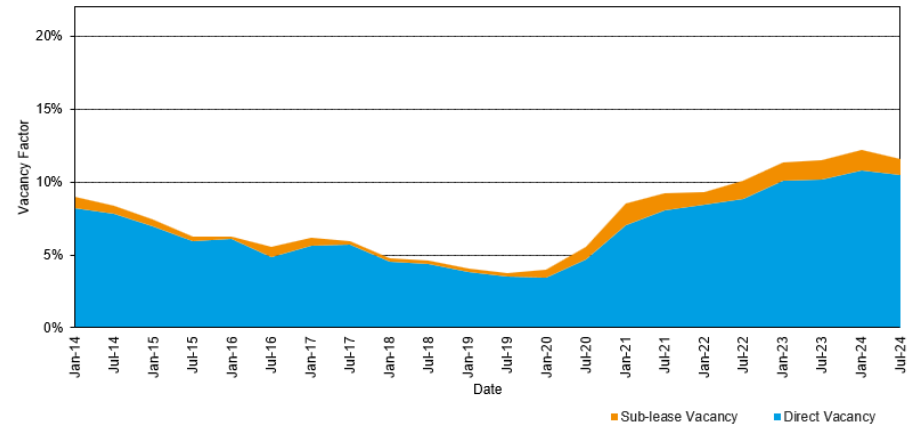
Total Vacancy Factor – Melbourne CBD



16% Direct Vacancy

Sydney CBD

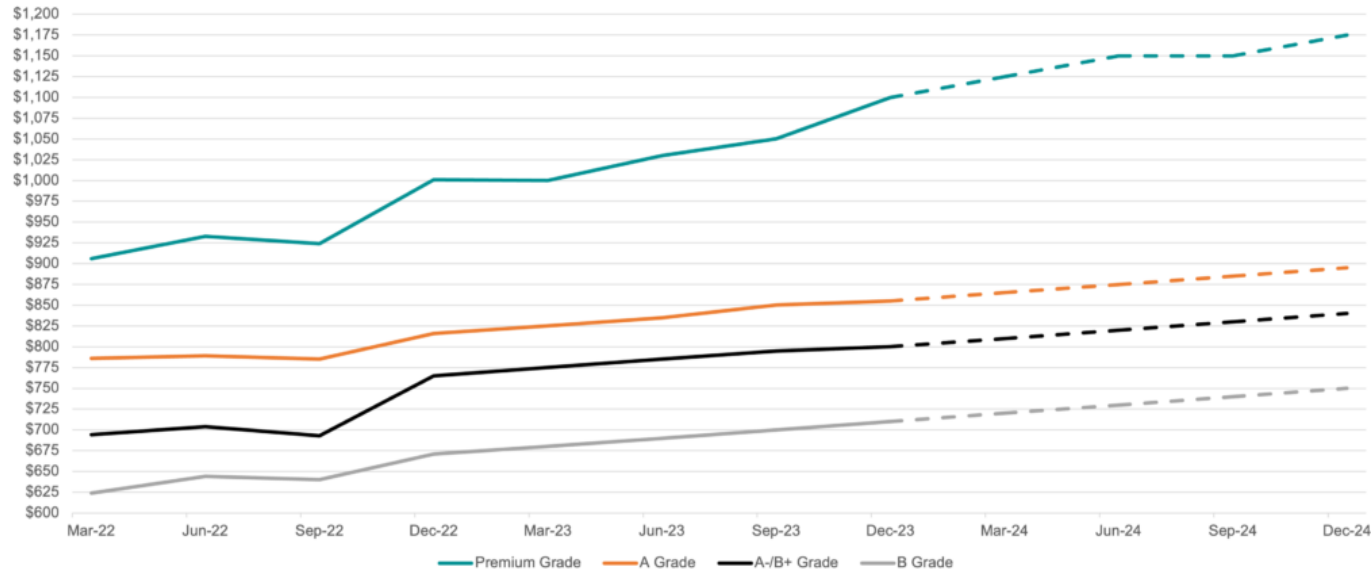
Total Vacancy Factor – Sydney CBD



10% Direct Vacancy

Rents increasing and Incentives decreasing

Average Gross Rents – Brisbane CBD Office



Opportunities

60 Edward Street, Brisbane
Purchase Price: \$72,000,000



NLA

\$/NLA

**Reported
Net Yield**

10,638m²

\$6,768

>8.00%

120 Edward Street, Brisbane
Purchase Price: \$120,000,000



NLA

\$/NLA

**Reported
Net Yield**

15,161m²

\$7,849

8.46%

**Value
Change
since
2017**

-16.6%

447 Upper Edward Street, Spring Hill



Sold in 2021

\$3,100,000 (excl GST)

\$2,600/m² NLA



Sold in 2024

\$9,800,000 (excl GST)

\$8,221/m² NLA



Inner City Service Industry/Office

49 Montpelier Road, Bowen Hills



Sold April 2024
\$2,950,000 (excl GST)

Analysed Market Yield 4.06%
\$7,375 of NLA



531m²

**Lettable
Area**

400m²

**WALE
(By Income)**

N/A

**\$/m²
Land Area**

\$5,556

Industrial Markets



Image Source: Tomkins Group

Hi Tech Logistics – Coles Redbank



Industrial Land

(5,000m² parcel)

Brendale
\$650+

Mid-North
\$800+

Richlands
\$650+

Ipswich
\$450+

25KM

15KM

5KM

BRISBANE

Narangba
\$600+

Australian Trade Coast
\$850+

**Rocklea Acacia Ridge
(Flood Free)**
\$500+

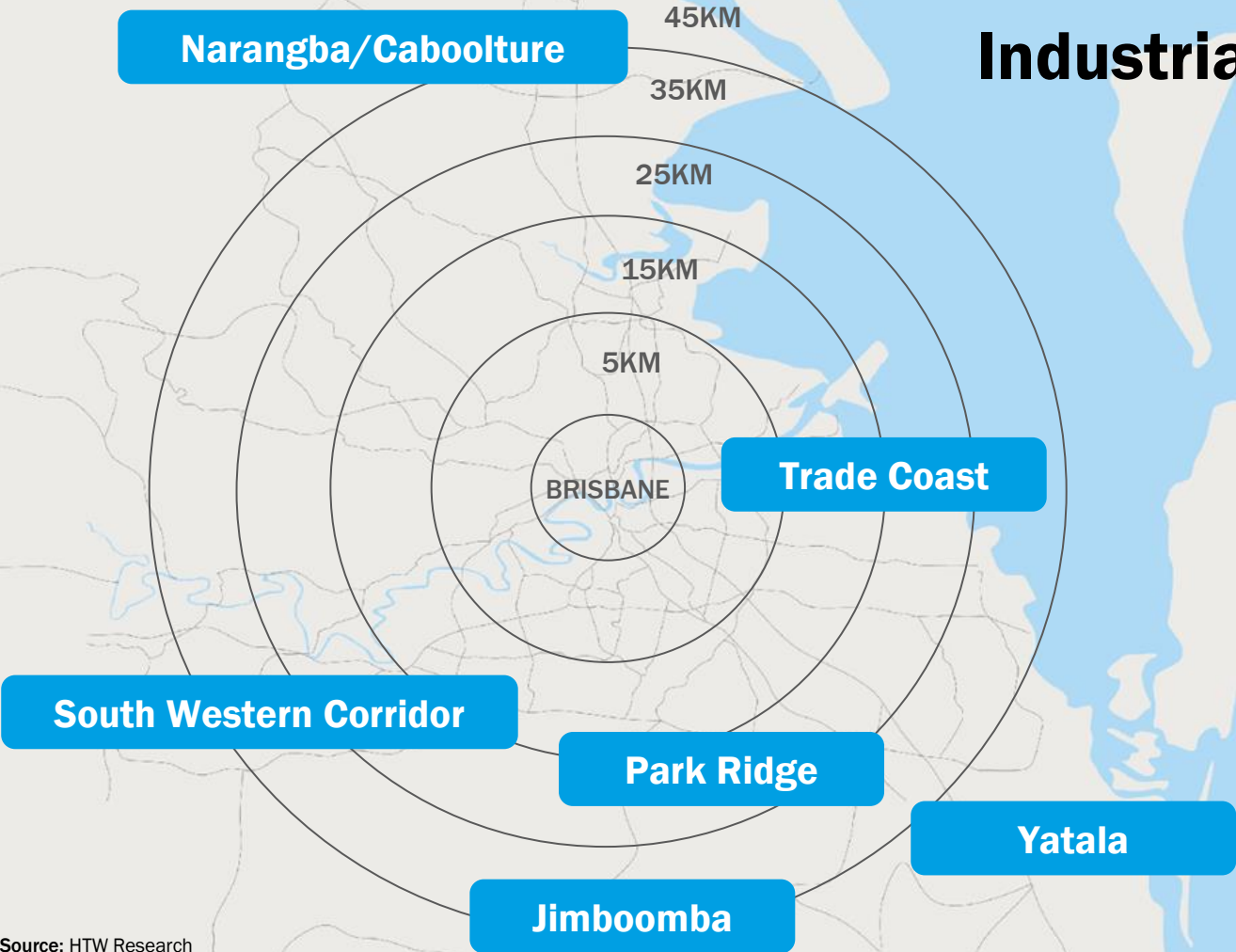
Crestmead/Park Ridge
\$550+

Yatala
\$650+

IPSWICH

Source: HTW Research

Industrial Growth Areas



Source: HTW Research

Outer Northern Land Sales



Caboolture Park East

- 40 Lots sold in 3 days
- \$500-\$600/m²

Hot Owner Occupier Market



47 Weaver Street, Coopers Plains



Sold in June 2024

\$1,690,000 (excl GST)

\$4,518/m²

350 Enquiries

20 Offers

Retail Markets



Image Source: Herron Todd White

Difficult Retail Conditions

MOSAIC
BRANDS LTD

Millers
WOMAN

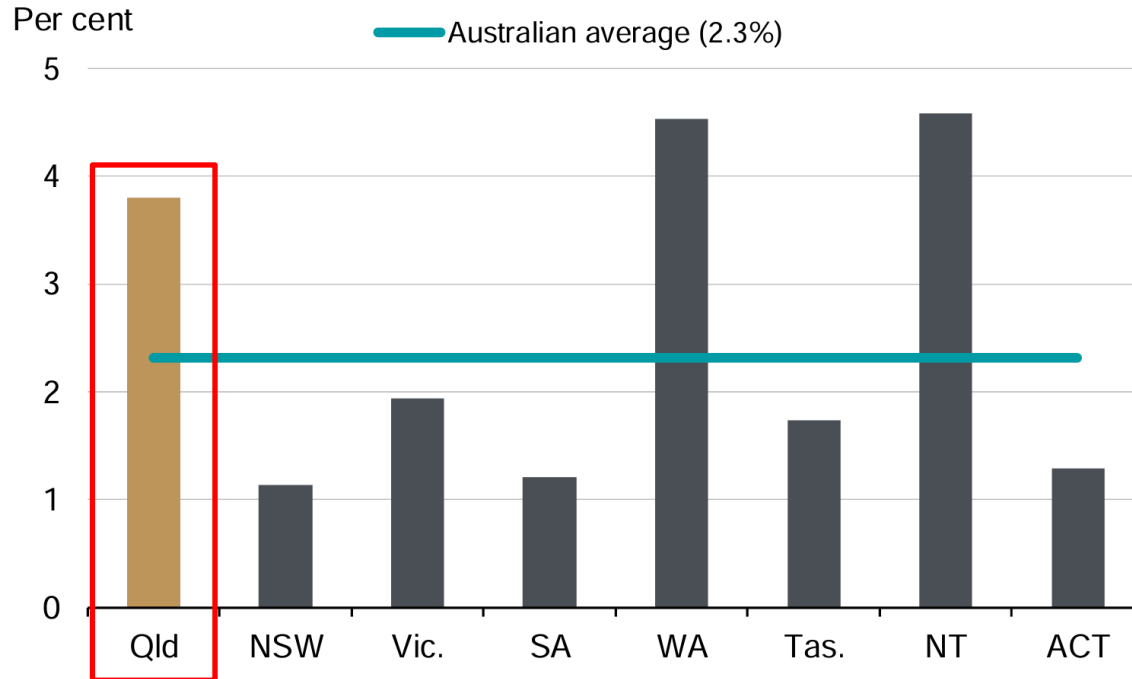
rockmans

NONIB



Retail in Qld outperforming southern states

Annual Change in Retail Turnover, September 2024



Retail - Convenience

318 Wardell Street, Enoggera



Sold in July 2024
\$5,400,000 (excl GST)

Analysed Market Yield 6.56%



Lettable
Area

2,691 m²

WALE
(By Income)

2.0Y

\$/m²

\$8,232

Neighbourhood Centres

The Soda Factory, 79 Boundary Street, South Brisbane



Sold in May 2024

Circa \$41,000,000

Analysed Market Yield 5.80%



Sub-Regional Yields Soft

Market Central Lutwyche



Sold in September 2024

\$121,000,000 (excl GST)

Analysed Market Yield Circa 8.0%



CBD Coming Back Slowly



March 2020



November 2024

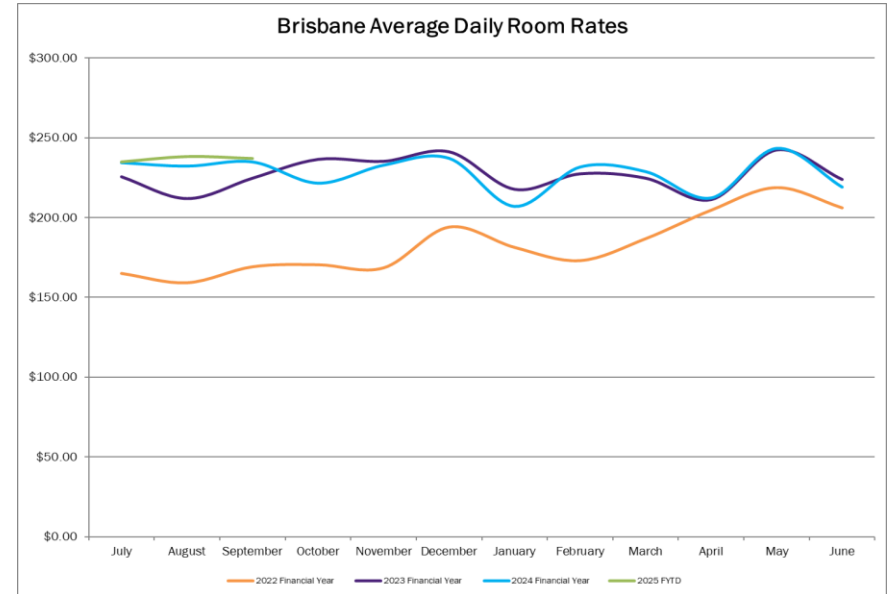
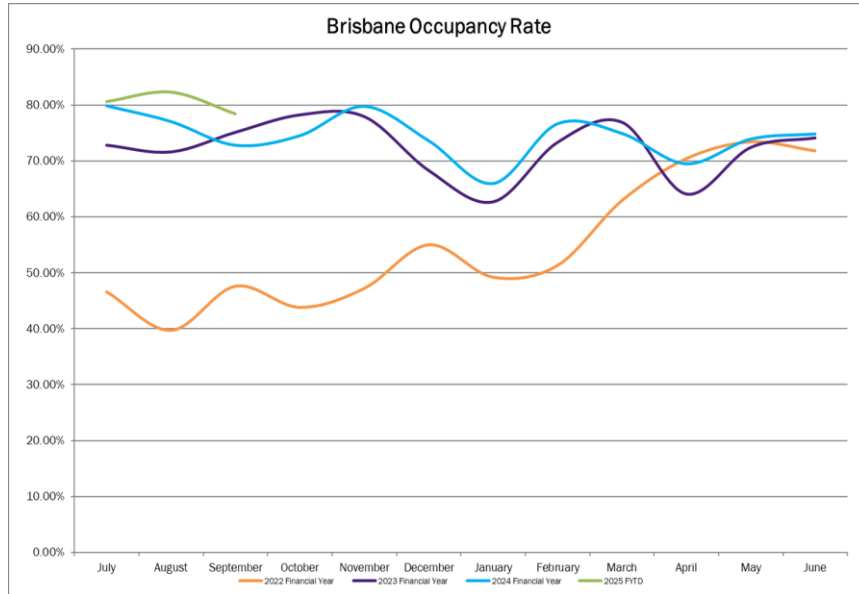
25% increase in foot traffic

Accommodation



Image Source: Luxury Escapes Website

Brisbane Metrics



Other Investment Markets



Image Source: Cushman and Wakefield

Medical Centres

1000 Logan Road, Holland Park West

Previously Sold in 2020



\$3,960,000 (excl GST)

Analysed Market Yield 5.79%

Sold in September 2024



\$4,000,000 (excl GST)

Analysed Market Yield 6.48%



	Lettable Area	WALE (By Income)	\$/m ²
1,583 m ²	553 m ²	2.04 Y	\$7,233

Chermside Health Hub



Lot	RSA	Sale Date	Sale Price	\$/m ²
Lots 306-307	355	August 2024	\$4,260,000	\$12,000
Lots 205-207	355	November 2023	\$3,445,000	\$9,704

Lot	RSA	Sale Date	Sale Price	\$/m ²
Lot 305	84	July 2024	\$975,000	\$11,607
Lot 304	83	December 2022	\$805,100	\$9,700

Service Stations – Prices have softened

1362 Wynnum Road, Tingalpa



Sold in February 2024
\$6,450,000 excl. gst

Analysed Market Yield 6.20%



**Lettable
Area**

2,426 m²

**WALE
(By Income)**

7.6 Y

**Land Area
\$/m²**

\$2,688

Child Care – Still Strong

117 Kangaroo Gully Road, Bellbowrie



Sold in June 2024

\$5,400,000

Analysed Market Yield 5.44%



83

Lease
Term

14.88Y

Rate/
ACCP

\$65,060

Yield

5.44%

Value Changes: May 2022 – Nov 2024

Market Sector	January 2022	November 2024	Value Change
Prime CBD Office	5.00%	7.00%	-15% to -20%
Secondary CBD Office	6.50%	8.00%	-20% to -25%
A Grade Fringe Office	5.25%	7.00%	-15% to -20%
Sub \$10m Owner Occupier Office	6.50%	5.25%	30% to 50%
Convenience Retail	5.50%	6.00%	-8% to -12%
Neighbourhood Centre Retail	5.00%	5.75%	-5% to -10%
Large Format Retail	5.00%	6.25%	-5% to -10%
Prime Service Stations	4.75%	6.00%	-10% to -20%
Medical Centres	5.00%	6.25%	-5% to -10%
Freehold Child Care Centres	4.50%	5.25%	-5% to -10%
Prime Industrial	4.25%	5.75%	-5% to -10%

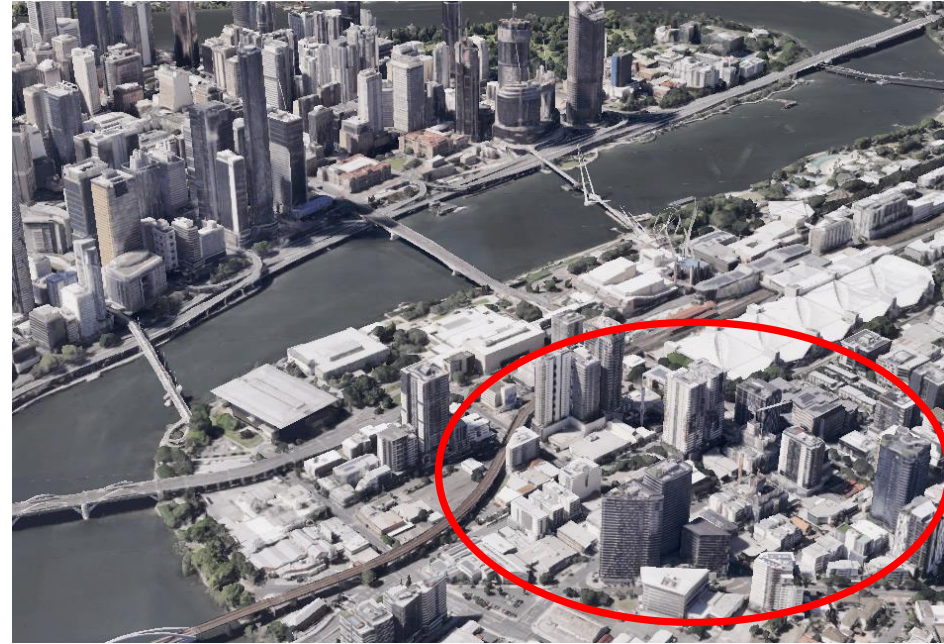


Summary

- Yields have generally stabilised. More sales occurring
- Population growth will continue to underpin demand for new development
- Gap between cost and value continues to pull values up on second hand assets
- Concentration of activity around Inner Areas
- Olympic activity expected to start to ramp up soon



Where would I invest \$10 million?



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