



INDOOROOPILLY

SUBURB PROFILE

Indooroopilly is one of the western suburb's most sought-after residential addresses given its high level of accessibility and proximity to major employment, education and retail nodes.

INDOOROOPILLY OVERVIEW

The riverfront suburb of Indooroopilly is situated 6 kilometres from the Brisbane CBD in Brisbane's blue chip inner-west. Indooroopilly is one of the western suburb's most sought-after residential addresses given its high level of accessibility and proximity to major employment, education and retail nodes.

Indooroopilly is bordered by the Brisbane River, the Brisbane Botanic Gardens Mt Coot-tha, the Sir John Chandler Park and both the Indooroopilly and St Lucia Golf Clubs which all combine to act as a natural barrier preserving the character of the suburb and limiting the volume of future development.

POPULATION & DEMOGRAPHICS

The latest population estimate for Indooroopilly was 12,577 persons. Moving forward, the population is projected to reach almost 18,000 by 2036. The suburb's population

is projected to grow at a faster rate than Brisbane at an average annual rate of 1.4% versus 1.1%.



POPULAR
GEN-Y
ADDRESS

Indooroopilly's population is characterised by younger residents working in high-income earning professions or enrolled in tertiary studies. When compared with Brisbane, with the suburb's population is considerably younger with a median age of 30, compared to Brisbane's 35. This median age is one of the youngest in the state. According to the latest population data, more than one-quarter of the suburb's population fall into the Generation-Y cohort, which is significantly higher in comparison to Brisbane.

More than half (54%) the suburb's working population are employed in professional and managerial occupations achieving higher median personal, family and household incomes than those recorded across Brisbane. In line with this is a population who not only have a propensity, but a willingness to pay more for dwellings within Indooroopilly.



YOUNG
HIGH-INCOME
EARNING
POPULATION

Census data shows that median monthly mortgage repayments in Indooroopilly were at an 11% premium to Brisbane and median weekly rents at a 20% premium. The primary industries of employment for the suburb's population are education and retail,

More than half the suburb's working population are employed in professional and managerial occupations achieving incomes at premium to those recorded across Brisbane. In line with this is a population who not only have a propensity, but a willingness, to pay more for dwellings within Indooroopilly.

which is unsurprising given its immediate proximity to the state's largest university and one of its largest shopping centres.

The dwelling landscape of the suburb is varied with an even split of detached house and townhouses/apartments. The volume of apartments within the suburb is considerably lower when compared with Brisbane's inner city precinct which is a factor uniquely underpinning the strength of Indooroopilly's apartment market. Couples with children at home and lone parent families account for the largest proportion of occupied households in the suburb (38%) followed by couples with no children (26%), lone persons (22%) and group/share households (15%).

Our research shows that primary dwelling demand in the suburb is for two and three bedroom apartments with evidence of an undersupply of one-bedroom apartments in place given the high proportion of lone person households prevalent throughout the suburb.

The suburb enjoys a particularly high-level of rental demand principally underpinned by Gen-Y students enrolled in tertiary studies. Census data shows that just under half (44%) of all dwellings within the suburb were occupied under rental tenure.





 **PRIMARY DEMAND**
FOR TWO & THREE-BEDROOM DWELLINGS

UNDERSUPPLY OF ONE-BEDROOM APARTMENTS

THE SUBURB ENJOYS A PARTICULARLY HIGH-LEVEL OF RENTAL DEMAND PRINCIPALLY UNDERPINNED BY GEN-Y STUDENTS ENROLLED IN TERTIARY STUDIES.

THE VOLUME OF APARTMENTS WITHIN THE SUBURB IS CONSIDERABLY LOWER WHEN COMPARED WITH BRISBANE'S INNER CITY PRECINCT WHICH IS A FACTOR UNIQUELY UNDERPINNING THE STRENGTH OF INDOOROOPILLY'S APARTMENT MARKET.

HOUSEHOLD COMPOSITION

 PARENTS WITH CHILDREN AT HOME 38%	 LONE PERSONS 22%
 COUPLES WITH NO CHILDREN 26%	 GROUP/SHARE HOUSEHOLDS 15%

INFRASTRUCTURE & INVESTMENT

The positive impact of the recently completed \$1.5 billion Legacy Way on Indooroopilly's accessibility and property market has been profound. Local residents are no longer reliant on the local major road networks including Coronation Drive and Milton Road which has resulted in commuter times being dramatically slashed. The tunnel facilitates travel from the Western Freeway at Toowong to the Inner City Bypass (ICB) at Kelvin Grove in just four minutes almost halving peak hour travel times between the Western Freeway and the ICB.

The tunnel provides a critical connection with both the Western Growth Corridor and the Australia

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Trade Coast area which is likely to be a key factor heightening demand for residential dwellings within Indooroopilly from each of these major employment nodes.

A major, \$450 million redevelopment of the Indooroopilly Shopping Centre was completed in 2015 resulting in a significant expansion of the centre's retail offering, a fully refurbished Myer, a new Coles supermarket and a new outdoor dining precinct. The Centre is now home to around 340 speciality retailers together with a state-of-the-art 16-screen Event Cinemas complex. Indooroopilly Shopping Centre is the largest shopping centre in Brisbane's west and one of the region's major employers.

TRANSPORT & ACCESSIBILITY

Indooroopilly is one of the inner-West's most accessible suburbs serviced by a diverse offering of public transport services and major road networks.



14MINS
TO AIRPORT
4MINS
TO I.C.B

The Indooroopilly Railway Station is situated within a five minute

walk from the Indooroopilly Shopping Centre adjacent to the Station Road high street precinct. Queensland Rail's, Springfield/ Brisbane and Ipswich/Caboolture (via Brisbane City) services run through the station. Travel time to Central Station is ten minutes.



10
MINUTE
COMMUTE

TransLink's Indooroopilly Bus Station is situated within Indooroopilly Shopping Centre and serviced by 30 bus routes. The station is a major bus interchange for the University of Queensland. The bus routes which operate from the station provide a range of services linking the suburb with major employment, education, retail and recreational nodes throughout Brisbane.



30+
BUS
ROUTES

Moggill Road is the major arterial road running through the suburb which connects with Coronation

Drive at Toowong and the Western Motorway/Legacy Way tunnel.

EMPLOYMENT

According to the latest data available, Brisbane's CBD workforce sat at 156,545. By 2031 the number of workers within the CBD is projected to expand by more than 65,630 to reach a total of 222,175¹. This significant jobs growth will inevitably underpin demand for new, inner-city dwellings in locations serviced by a high level of public transport infrastructure including Indooroopilly.

21,000+
NEW JOBS FOR
THE INNER WEST
+
65,630
NEW JOBS IN
THE CBD
=
86,630+
NEW JOBS

Indooroopilly ranks in the top 20 high-employment growth areas in Brisbane. It falls within the inner-western employment node, which

¹ NIEIR, BCC - March 2016

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also contains the suburbs of St Lucia, Milton and Toowong. This high-growth employment area is projected to see the creation of more than 21,000 jobs over the coming 15 years which will be a key contributor to dwelling demand within Indooroopilly.


The suburb's local economy is prosperous, home to almost 1,200 business, with more than 60 reporting a turnover of more than \$2 million. Indooroopilly's working population are primarily employed in white-collar roles within Brisbane's CBD, the University of Queensland's St Lucia Campus and retail occupations within the Indooroopilly Shopping Centre.



1,200
LOCAL BUSINESSES
DRIVING THE
LOCAL ECONOMY

EDUCATION

Demand for residential dwellings within St Lucia is strongly underpinned by students at the University of Queensland and those enrolled at an additional number of Queensland's major universities situated close by.



117,600
TERTIARY
STUDENTS IN A
10KLM RADIUS

The state's largest university, the University of Queensland's St Lucia campus is only 4.5 kilometres from the centre of Indooroopilly. There are more than 43,600 students enrolled in tertiary studies at the university who are the main driver of rental demand within Indooroopilly. The University's St Lucia campus continues to see its student numbers increase, with an expansion of more than 4,000 in its student body over the past two years.

DEMAND FOR RESIDENTIAL DWELLINGS WITHIN ST LUCIA IS STRONGLY UNDERPINNED BY STUDENTS AT THE UNIVERSITY OF QUEENSLAND AND THOSE ENROLLED AT AN ADDITIONAL NUMBER OF QUEENSLAND'S MAJOR UNIVERSITIES SITUATED CLOSE BY.

Queensland University of Technology's Gardens Point (CBD) and Kelvin Grove Campuses

are both situated within a ten-kilometre radius of Indooroopilly which collectively have more than 39,000 students enrolled. A further 35,000 students are enrolled in tertiary studies at the South Bank Institute of Technology, Griffith University's South Bank campus and the University of Queensland's Herston Campus with also sit within ten kilometres of Indooroopilly. Each of these institutions are easily accessible via the public transport infrastructure which is in place within Indooroopilly.

CAFÉ CULTURE AND ENTERTAINMENT

Indooroopilly is rated by Walkscore as a very walkable neighbourhood where most errands can be accomplished on foot. Dwellings situated within close proximity of both Indooroopilly Shopping Town and the Indooroopilly Train Station are ranked as a "walkers paradise" by Walkscore where daily errands do not require the use of a car and the high level of public transport infrastructure in place.

Station Road is developing into the suburb's high street with a diverse offering of restaurants, bars, café's and boutique retailers which are popular with not only the local community but throughout the greater western region.

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Indooroopilly Shopping Centre's Station Road Dining precinct is the focal point home to the popular Nantucket Kitchen & Bar, The Mero Kitchen & Bar, Nitrogenie, Harajuku Gyoza and Ole Fuego.

STATION ROAD IS DEVELOPING INTO THE SUBURB'S HIGH STREET WITH A DIVERSE OFFERING OF RESTAURANTS, BARS, CAFÉ'S AND BOUTIQUE RETAILERS.

The Indooroopilly Hotel, situated directly opposite the train station is an inner-western institution. The Hotel has long been a local favourite and has been upgraded over the years to enhance the dining and entertainment offering within Indooroopilly.

Moviegoers have the choice of two cinema complexes which are both located within Indooroopilly – the 16-screen Event Cinemas complex within the Indooroopilly Shopping Centre and the iconic 8-screen Eldorado Cinema which was recently acquired by United Cinemas Australia. The Eldorado Cinema is one of the oldest cinemas in Brisbane's west and is a much-loved venue offering a smaller, more intimate experience which draws crowds from all over Brisbane.

RECREATIONAL AMENITY

The Indooroopilly community have access to more than 20 parks and recreational reserves which accommodate a diverse range of both active and passive pursuits. A number of these parks include fitness stations and sporting facilities for local clubs. This large offering of green, open-spaces affords the community a high-quality of life and encourages active lifestyles.



The most notable open space – the 70-hectare Sir John Chandler Park is one of the largest green spaces within inner Brisbane. The Park is home to the prestigious, 36-hole championship Indooroopilly Golf course, the Bougainvillea Gardens and Thomas Park which is equipped with a public boat ramp providing direct access to the Brisbane River.

THE LARGE OFFERING OF GREEN, OPEN-SPACES AFFORDS THE COMMUNITY A HIGH-QUALITY OF LIFE AND ENCOURAGES ACTIVE LIFESTYLES.

The 52-hectare Brisbane Botanic Gardens, Mount Coot-tha are Queensland's premier subtropical gardens situated only 5 kilometres from the heart of Indooroopilly. The Gardens are a popular picnic destination and offer a variety of environments and natural wildlife. The Gardens is also home to the iconic Sir Tomas Brisbane Planetarium.

Residents of Indooroopilly have access to the Western Freeway Bikeway running parallel to the Western Freeway from Toowong through to Richlands. From Toowong cyclists can connect with the Bicentennial Bikeway facilitating an easy commute to the Brisbane CBD.

APARTMENT MARKET FUNDAMENTALS – PRICE GROWTH & DEMAND

Over the past ten years, the median apartment price within Indooroopilly has risen by a healthy 3.0% which is broadly in line with that recorded throughout greater Brisbane. Over the past 3 years, median values have risen by 15%

Median apartment values within Indooroopilly have risen by 15% over the past three years which is more than double the growth recorded throughout Brisbane.

corresponding with a continual uplift in demand. This lift in median values has been significantly higher than the 7% witnessed throughout Brisbane.



APARTMENT VALUES UP 15% IN 3 YEARS

At the peak of the last cycle in 2006/2007 the local market saw the introduction of its first

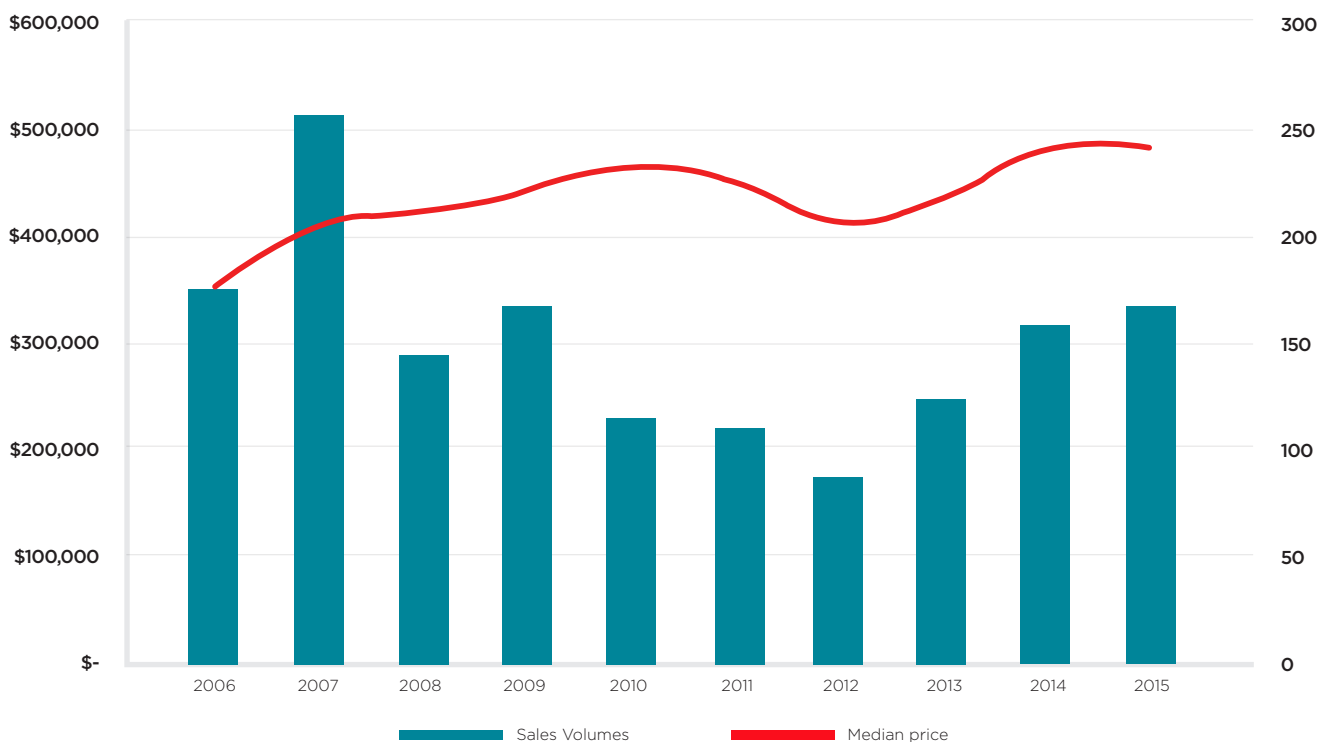
wave of modern, high-density development. Since this time, new supply has been minimal with market activity largely limited to older, resale stock. Across 2006 and 2007, the market recorded the highest sales volumes on record, driven by demand for new apartments in favour of established, older product. For the year ended December 2015 demand was at its highest level since 2009 demonstrating an increasingly strong appetite for apartment dwellings in this

location by both investors and owner-occupiers.

APARTMENT MARKET FUNDAMENTALS - RENTAL MARKET CONDITIONS

Indooroopilly's apartment market has recorded long-term rental growth, with median weekly rents across one, two and three bedroom apartments all witnessing solid lifts in values. Over the past ten years, one-bedroom apartments have recorded an increase in median

INDOOROOPILLY APARTMENT MARKET - MEDIAN PRICE & DEMAND 2006 TO 2015



Source: Resolution Research, The State of Queensland - March, 2016

For the year ended December 2015 demand was at its highest level since 2009 demonstrating an increasingly strong appetite for apartment dwellings in this location by both investors and owner-occupiers.

weekly rent of \$45 per week, two-bedroom apartments an increase of \$110 per week and three-bedroom apartments an increase of \$170 per week.

NEW VS. ESTABLISHED RENTAL PREMIUMS

ONE BEDROOM

56%

TWO BEDROOM

39%

THREE BEDROOM

40%

Our analysis of current rental market conditions within Indooroopilly reveals that new apartments are achieving significant premiums over older, established apartments. The median weekly rent of a new, one-bedroom apartment is achieving a 56% premium (or, \$143 per week); of a new two-bedroom apartment a premium of 39% or \$145 per week and a the median weekly rent for a three-bedroom apartment a premium of 40% or \$210 per week. In concert with these premiums is a limited availability of new apartments for rent,

with the overwhelming majority of vacancies within the suburb comprised of older, established stock.

Gross rental yields throughout the suburb's apartment market have averaged an impressive 4.5% over the past two years.

Taking into consideration the continued expansion of the area's employment and education nodes, recent infrastructure investment and the constrained availability of land for new development, we anticipate these healthy rental market conditions will remain in place over the long term.



CONSISTENTLY
STRONG GROSS
RENTAL YIELD
4.5%