

URBIS APARTMENT MARKET ANALYSIS

WEST MELBOURNE & MELBOURNE CBD

JULY 2016

URBIS

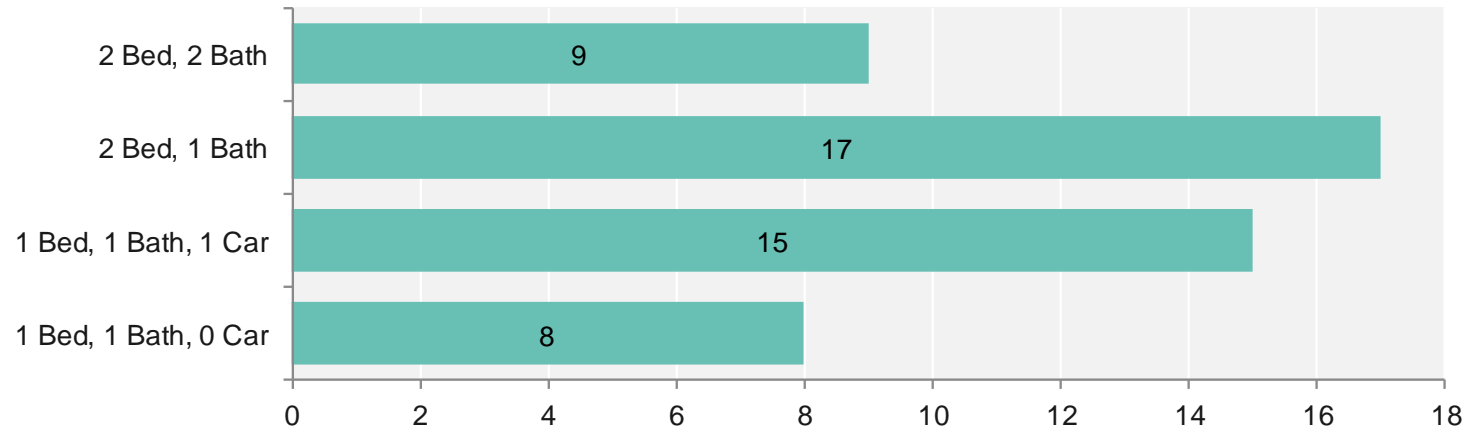
WEST MELBOURNE LOCATION DRIVERS



URBIS APARTMENT MARKET RESEARCH

Number of Off The Plan Sales in Q1 2016

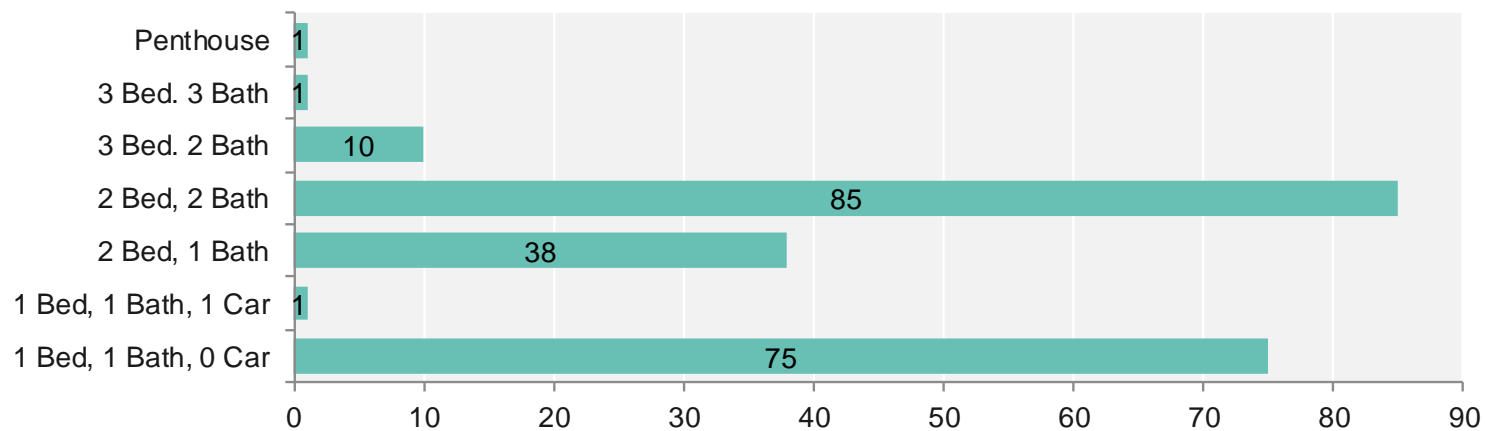
WEST MELBOURNE



Source: Urbis

Number of Off The Plan Sales in Q1 2016

MELBOURNE CBD



Source: Urbis

SUPPLY AND DEMAND OF 1 BED AND 2 BED STOCK

Absolute Volume & Sales Progress

WEST MELBOURNE & MELBOURNE CBD

	Total Volume in Presales/Construction	Total in Surveyed Projects	Total Sold as at Q1 2016 in Surveyed Projects	Total Remaining in Surveyed Projects	Average Monthly % if Stock Absorbed
1 Bedroom	2,100	1,037	823	195	5% - 13%
2 Bedroom	3,415	1,618	1,381	234	6% - 15%*

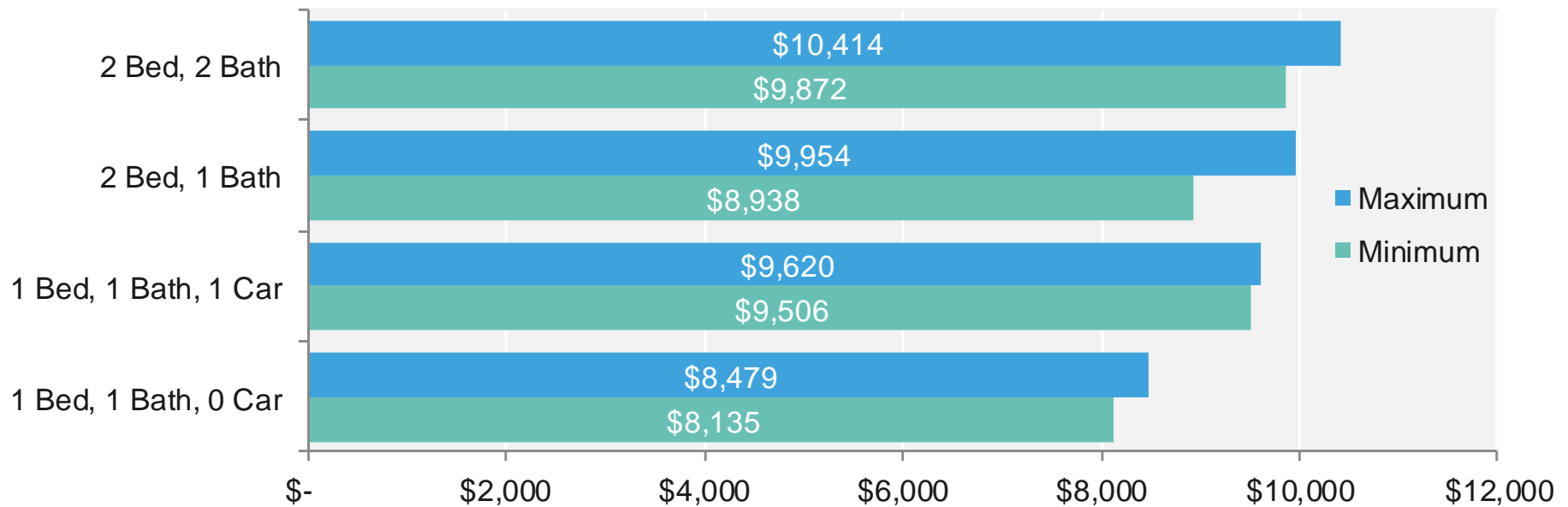
Source : Urbis

* Excludes one project outlier at 26%

PRICE

Price Per Internal Square Metre for Off The Plan Sales in Q1 2016

WEST MELBOURNE

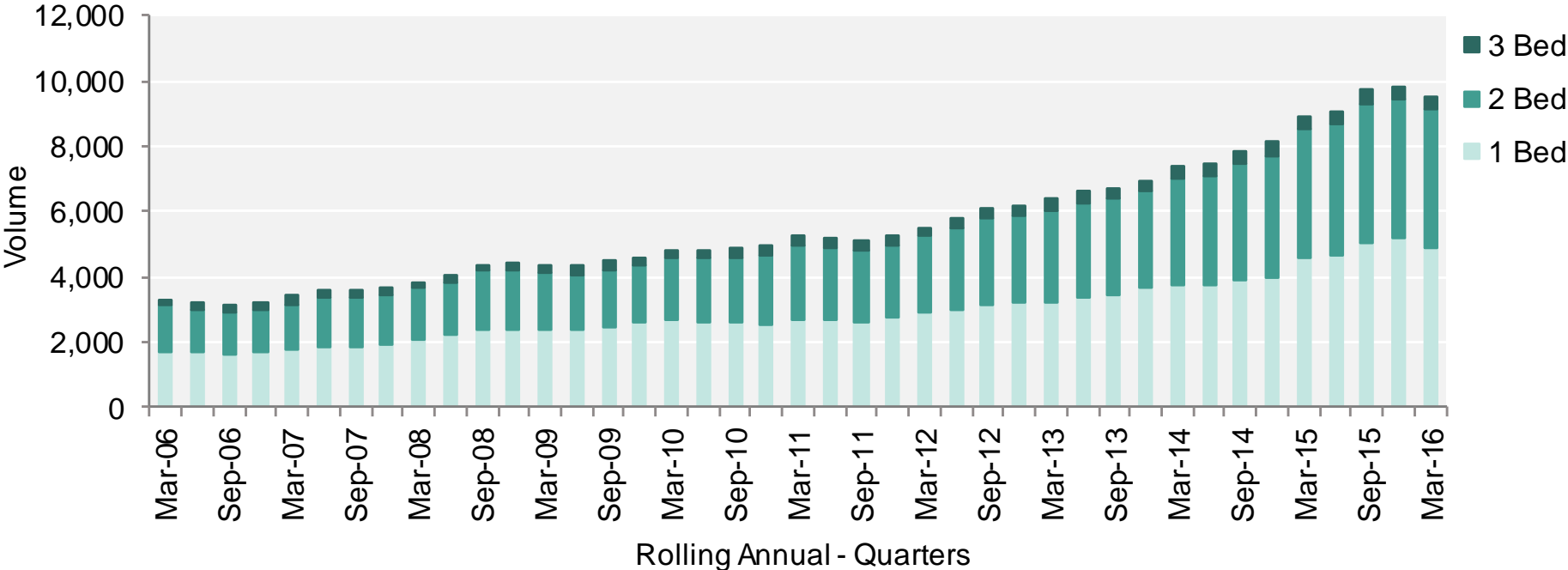


Source : Urbis

RENTAL VOLUME

Rental Contract Volume

WEST MELBOURNE

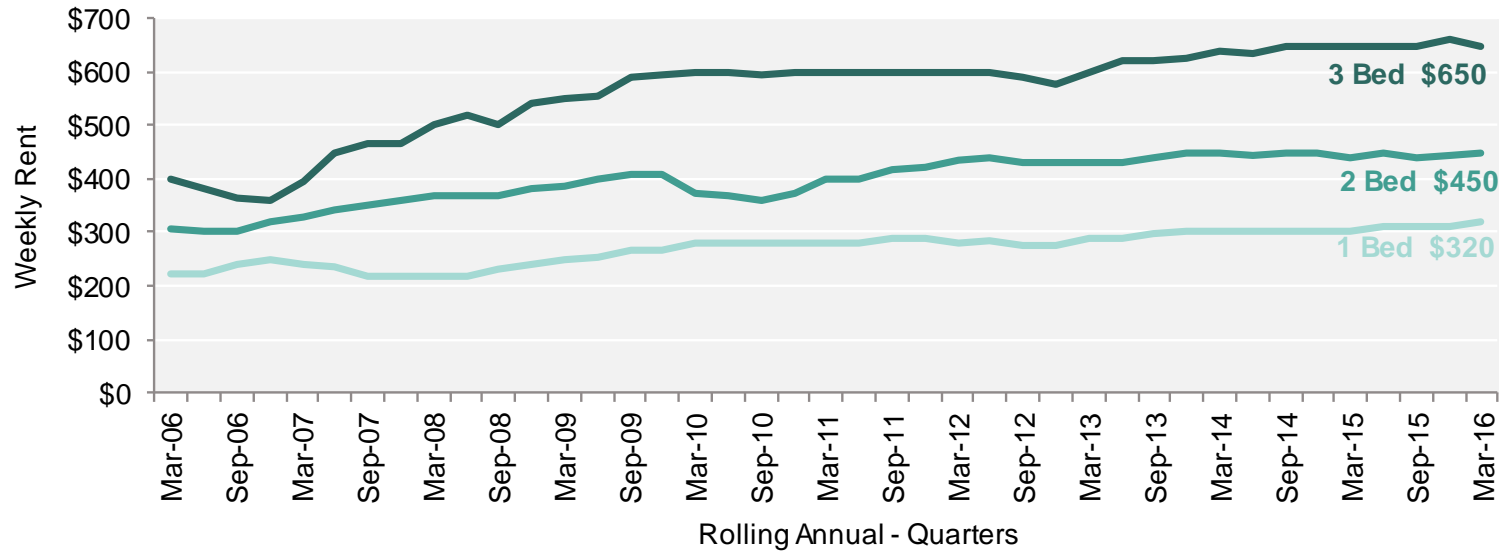


Source : Department of Human Services, Urbis

RENTS

Median Weekly Rents

WEST MELBOURNE



Source : Department of Human Services, Urbis

	1 Bed	2 Bed	3 Bed
1 yr	5.6%	2.3%	0.0%
5 yrs	2.7%	2.4%	1.7%
10 yrs	3.7%	3.9%	5.0%
Total 10 Year Growth	43.5%	46.1%	62.9%

Source : Department of Human Services, Urbis

YIELDS & VACANCY

Median Weekly Rents

WEST MELBOURNE

	Average Weekly Asking Rent	Average Annual Asking Rent	Average Asking Price	Yield
1 Bed, 1 Bath, 0 Car	\$367	\$19,067	\$334,167	5.71%
1 Bed, 1 Bath, 1 Car	\$387	\$20,107	\$359,625	5.59%
2 Bed, 1 Bath	\$460	\$23,920	\$459,825	5.20%
2 Bed, 2 Bath	\$550	\$28,600	N/A	N/A

Source : realestate.com.au, Urbis

Median Weekly Rents

MELBOURNE CBD

	Average Weekly Asking Rent	Average Annual Asking Rent	Average Asking Price	Yield
1 Bed, 1 Bath, 0 Car	\$415	\$21,580	\$303,000	7.12%
1 Bed, 1 Bath, 1 Car	\$460	\$23,920	\$519,750	4.60%
2 Bed, 1 Bath	\$585	\$30,420	\$465,800	6.53%
2 Bed, 2 Bath	\$618	\$32,136	\$650,000	4.94%

Source : realestate.com.au, Urbis

Indicative Gross Yield

WEST MELBOURNE & MELBOURNE CBD

West Melbourne	4.1%
Melbourne CBD	5.1%

Source : APM PriceFinder

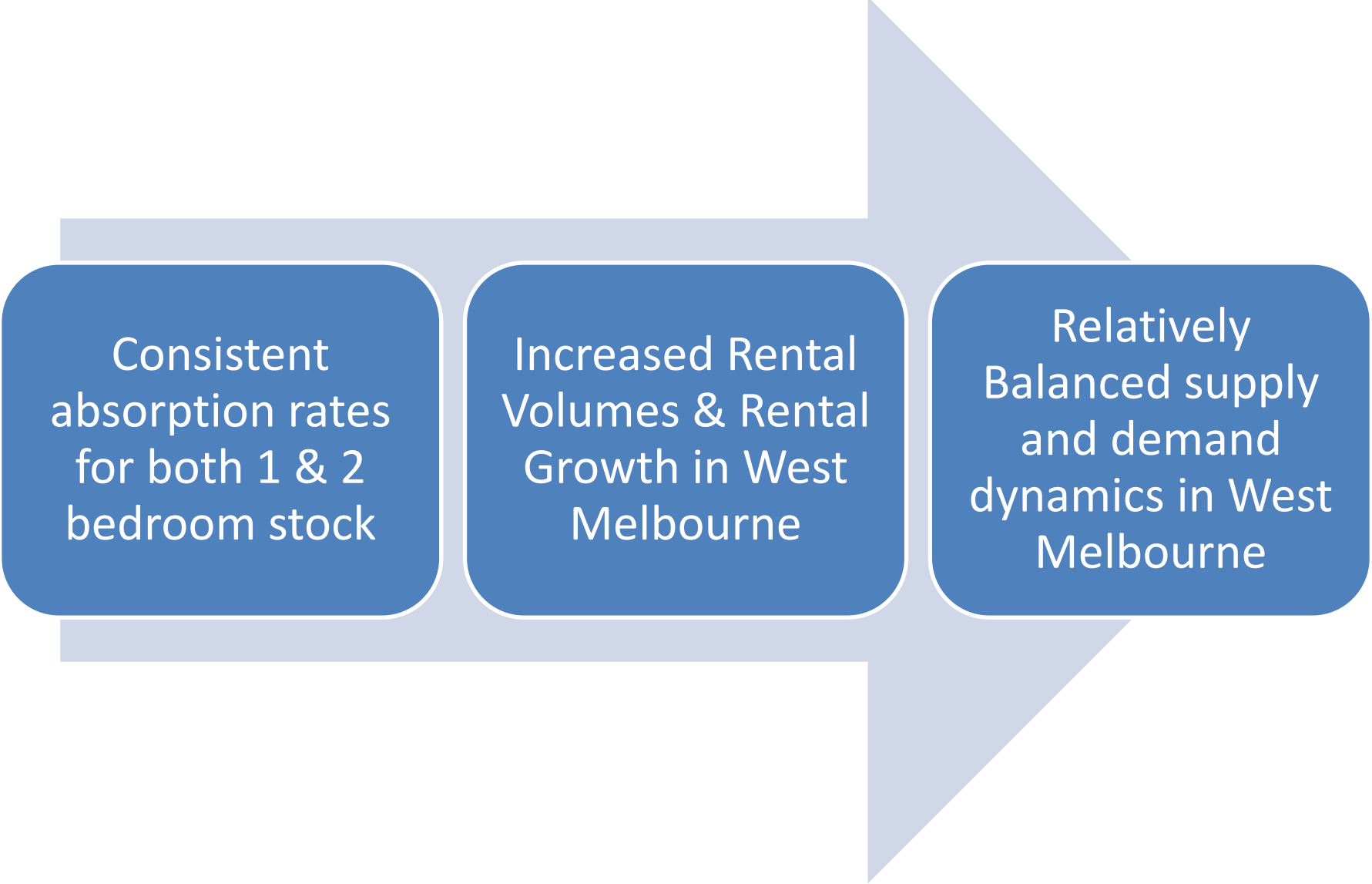
Vacancy Rate

Jun-16

West Melbourne	3.1%
Melbourne CBD	2.4%

Source : APM PriceFinder

SUMMARY



Consistent
absorption rates
for both 1 & 2
bedroom stock

Increased Rental
Volumes & Rental
Growth in West
Melbourne

Relatively
Balanced supply
and demand
dynamics in West
Melbourne