



URBIS



# BANKSTOWN CENTRAL MARKET DEPTH ASSESSMENT

October 2022

Prepared for

**VICINITY CENTRES**

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**Urbis acknowledges the important contribution that Aboriginal and Torres Strait Islander people make in creating a strong and vibrant Australian society.**

**We acknowledge, in each of our offices, the Traditional Owners on whose land we stand.**

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# EXECUTIVE SUMMARY

Bankstown Central has long been identified as a future Transit-Oriented Development (TOD) at the core of Bankstown Strategic Centre. The development is envisioned to provide a mix of land uses, in increased density and connectivity around the future Bankstown Metro Station.

Vicinity Centres has engaged Urbis to prepare a report to assess the market supportability of the proposed uses on-site by 2041. The proposed uses being assessed include residential apartments, short-term accommodation, commercial office and student accommodation.

**Table E.1** overleaf provides the summary of the assessment.

Our assessment finds that the scale of land uses proposed for the redevelopment of Bankstown Central (shown opposite) can be supported by future market demand.

In addition to the land uses assessed in the market depth assessment of this report, we have also provided the likely mix of tenancies of the proposed 15,000 sq.m of retail and creative space (shown opposite).

## THE VISION FOR BANKSTOWN CENTRAL WILL DELIVER A LANDMARK TRANSIT ORIENTED DEVELOPMENT

Vicinity Centre's Anticipated Development Scheme Addition to the Site



**1,255**

Apartments (Units)



**528**

439 Hotel Rooms & 89 Serviced Apartments



**119,100 SQ.M**

Commercial office space (in GFA)



**694**

Student Housing (Beds)



**+ 15,000 SQ.M**

Retail and Creative Space comprising:

- 4,700 sq.m discount department store
- 1,600 sq.m supermarket
- 4,500 sq.m of food and beverage retail
- 1,500 sq.m of food retail (butchers, fresh food)
- 1,500 sq.m of general retail and services
- 1,200 sq.m of co-working and creative space







**+ 10,600 SQ.M**

Public Open Space

# EXECUTIVE SUMMARY

## SUMMARY OF MARKET DEPTH ASSESSMENT





Table E.1

	RESIDENTIAL	SHORT-TERM ACCOMMODATION	COMMERCIAL OFFICES	STUDENT ACCOMMODATION
Proposal	 <b>1,255</b> Apartments (Units)	 <b>528</b> 439 Hotel Rooms & 89 Serviced Apartments	 <b>119,100</b> Commercial office space (sq.m)	 <b>694</b> Student Housing (Beds)
Market Demand	<p><b>Strong demand</b> in the catchment, with a deficit of approximately 4,352 dwellings over the last 15 years (2006 to 2021). The market demand is forecast to remain strong with the fast-growing population.</p> <p>The scale of apartments proposed at Bankstown Central represents <b>5.4% of the total apartment market demand in the catchment by 2041.</b></p>	<p><b>Strong forecast demand</b>, with project occupied room nights of 360,273 by 2041. This is equivalent to a demand for 1,519 rooms.</p> <p>The proposed scale of short-term accommodation at Bankstown Central represents <b>35% of the total room demand in the catchment by 2041.</b></p>	<p><b>Strong forecast demand</b> for Bankstown Strategic Centre, with jobs forecast to grow at double the rate of Canterbury-Bankstown.</p> <p>The scale of commercial office floorspace proposed at Bankstown Central represents <b>96% of the additional floorspace demand in the catchment by 2041.</b></p>	<p><b>Moderate forecast demand</b>, with student enrolment projected to grow at 4.3% between 2019 and 2041.</p> <p>The scale of student accommodation proposed at Bankstown Central represents <b>75% of the total bed demand in the catchment by 2041.</b></p>
Supply	<p><b>Minimal future supply pipeline.</b> The catchment currently has a supply pipeline of 4,492 proposed apartments which increases to 5,747 apartments when including the subject site.</p> <p>The proposed scale of apartments at Bankstown Central would represent <b>21.8% of the currently proposed apartment supply in the catchment.</b></p>	<p><b>Minimal future supply pipeline</b>, with only one proposed project (totalling 5 rooms). The catchment is projected to be undersupplied by 754 rooms by 2041.</p> <p>The scale of short-term accommodation proposed at Bankstown Central would represent <b>41% of the total supply in the catchment.</b></p>	<p><b>Moderate future supply pipeline, with a lack of A-grade office space.</b> The catchment is estimated to accommodate 152,041 sq.m of office floorspace by 2041.</p> <p>The scale of commercial offices proposed at Bankstown Central would represent <b>43% of the estimated total office floorspace supply by 2041.</b></p>	<p><b>Weak future supply, with no additional Purpose-Built Student Accommodation (PBSA) proposed.</b> There is currently only one facility at operating within the catchment at WSU Milperra, which contains 290 beds.</p> <p>The scale of student accommodation proposed at Bankstown Central would represent <b>71% of the total supply in the catchment by 2041.</b></p>

# EXECUTIVE SUMMARY

## SUMMARY OF MARKET DEPTH ASSESSMENT

Table E.1

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Proposal	 <b>1,255</b> Apartments (Units)	 <b>528</b> 439 Hotel Rooms & 89 Serviced Apartments	 <b>119,100</b> Commercial office space (sq.m)	 <b>694</b> Student Housing (Beds)
Competitive Positioning	<p><b>Strong competitive positioning that supports the subject site to meet 7% of the supply/demand gap by 2041.</b></p> <p>This is mainly driven by the location surrounded by retail services, amenities, education facilities and major transport interchange.</p>	<p><b>Strong competitive positioning that would support the subject site to meet 70% of the supply/demand gap by 2041.</b></p> <p>This is mainly driven by the co-location with transport interchange, prime retail offering, and proximity to amenities.</p> <p>Achieving the required market share would need a national/ international operator offering 4-5 star accommodation.</p>	<p><b>Strong competitive positioning that would support the subject site to meet approximately 100% of the floorspace deficit in the catchment by 2041.</b></p> <p><b>As such, the delivery of the 119,100 sq.m would also have minimal impact on other centres across the Canterbury-Bankstown LGA under the target scenario as there is enough forecast demand within the Bankstown Strategic Centre alone to cater for the proposed 119,100 sq.m of office floorspace.</b></p> <p>This is mainly driven by the ease of access via public transportation and the location with retail services, businesses and amenities clustered around.</p> <p>Achieving the required market share would need the delivery of a true A-grade office development.</p>	<p><b>Strong competitive positioning that would enable the subject site to support 694 beds by 2041.</b></p> <p>This will need to be supported by partnering with Western Sydney University and a major PBSA operator. The partnership will help strengthen the subject site's brand and position in student accommodation; and provide greater certainty to students on accommodation quality.</p>



# **INTRODUCTION**

**STUDY OBJECTIVES AND METHODOLOGY**



# INTRODUCTION

## STUDY OBJECTIVES

Bankstown Central has long been identified as a strategic site for Transit Oriented Development (TOD), with its location at the core of the Bankstown Strategic Centre. The vision for Bankstown Central will deliver substantial economic benefits through the provision of a mix of land uses with increased connectivity around the future Bankstown Metro Station.

In order to demonstrate the proposed mix of uses are suitable for the site, Vicinity Centre has commissioned Urbis to assess the market supportability of the scale of uses proposed at the Bankstown Central site.

**This report provides an assessment of the market depth to support the following scale and mix of land uses proposed on-site by 2041:**

- Residential (1,255 Units)
- Commercial (119,100sq.m)
- Short-term Accommodation (439 hotel rooms and 89 serviced apartment units)
- Student Accommodation (694 beds).

## METHODOLOGY

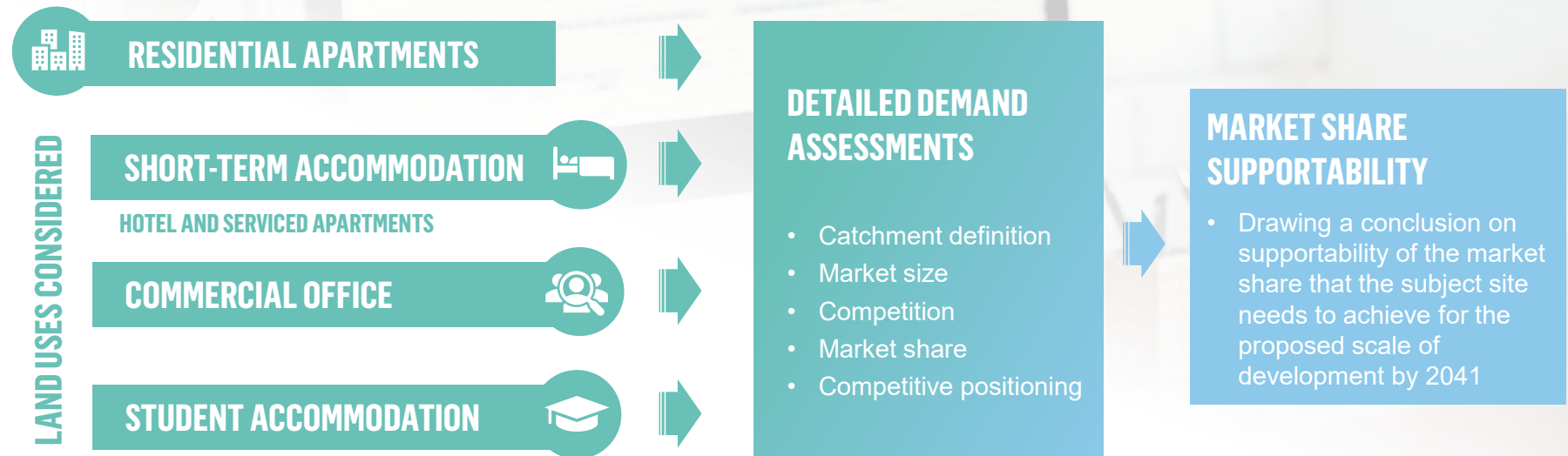
**Figure I.1** overleaf provides an overview of our approach in assessing the market depth for the land uses proposed at the subject site. The assessment considers the following:

- **Catchment Definitions** considers the geographical area that the subject site would draw the majority of customers from and the location of major competition to the proposed land use at the subject site. The catchments used for each land uses are shown on **Map I.1**.
- **Market Demand** considers whether there is currently latent demand or whether strong market growth is forecast in the future that can support additional provision. It also considers the current and future size of the market, and its capacity to support additional supply on the subject site.
- **Competitive context** considers the supply side and looks at the current quantum, location and quality of facilities within a property class, and the scale and distribution of the development pipeline.
- **Market Gap/ Potential** brings the demand and supply side factors together and looks at the relative strength of the subject site as a location for different facilities vis-à-vis the current and proposed supply, and current and future size of market demand.
- **Subject Site's Competitive Positioning** considers the key location drivers/ success factors for the land uses and identify the implications in supporting these on the subject site. This leads to determining the supportability of the proposed use and scale at the subject site.

# INTRODUCTION

## MARKET DEPTH ASSESSMENT – LAND USES CONSIDERED AND OVERALL APPROACH

Figure I.1



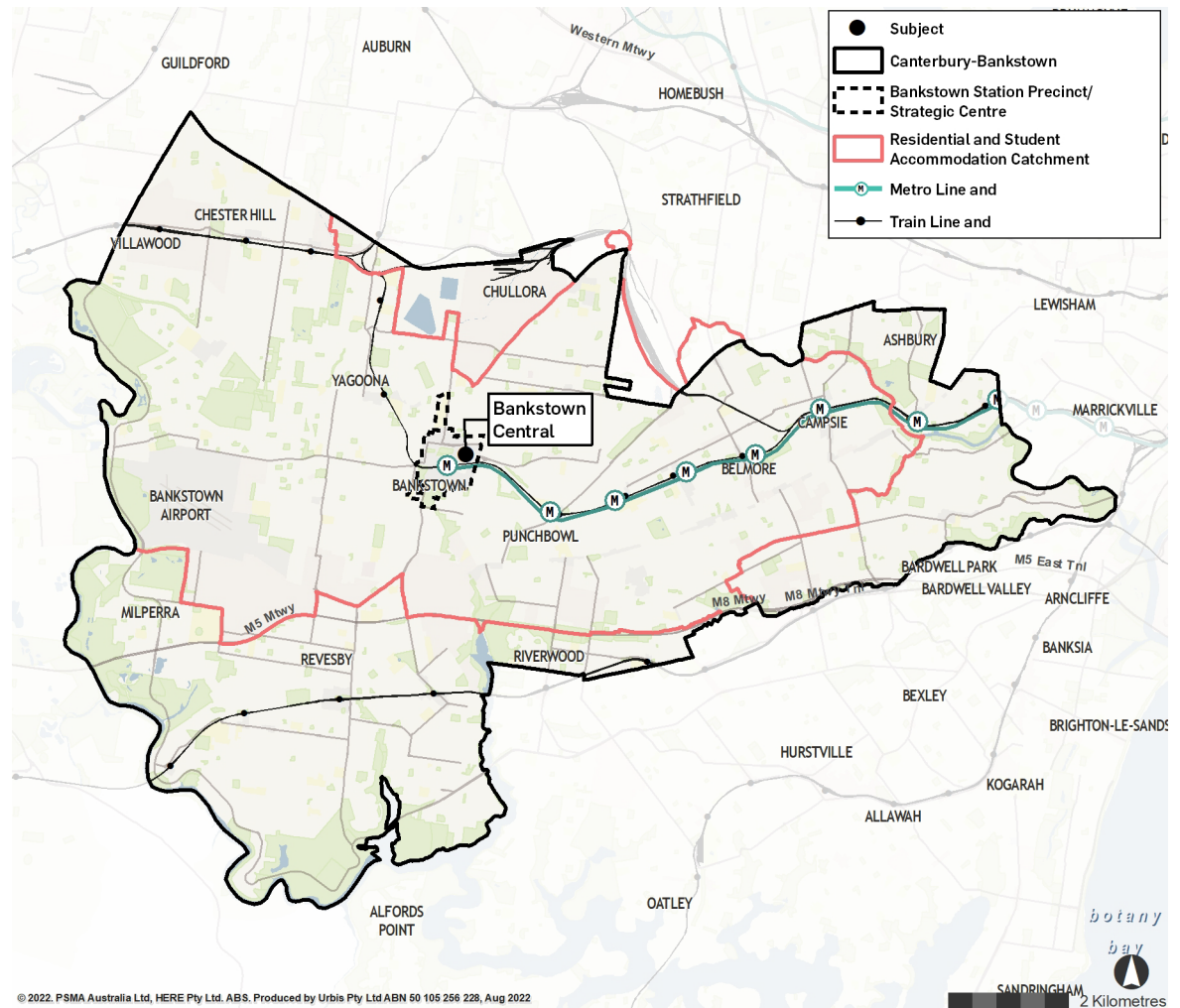
# CATCHMENT AREA DEFINITIONS

## KEY FINDINGS

- We have defined two catchments for the purposes of analysing the market share of the proposed land uses at Bankstown Central.
- The **Residential Catchment** has been defined through analysis of migration data from the ABS 2016 Census. This catchment has been used to assess the opportunity for residential development as well as **Student Accommodation**, at the subject site.
- The Local Government Area (LGA) of Canterbury-Bankstown has been adopted as a **Tourism Catchment** to assess the opportunity for short-term accommodation establishments including hotel and serviced apartments.
- The Bankstown Strategic Centre has been adopted as the **Commercial Catchment**. The Bankstown Strategic Centre was defined in the South District Plan (2018) by the Greater Sydney Commission (GSC).

## CATCHMENT AREAS

Map I.1





An aerial architectural rendering of a city development project. The scene shows a mix of existing urban fabric and new construction. In the center, several modern high-rise buildings with glass facades and balconies are clustered together. To the right, a curved road or canal runs alongside the development. The surrounding area includes lower-rise residential buildings, parking lots, and green spaces. The lighting suggests a bright, sunny day, with a hazy sky. The overall tone is professional and forward-looking.

1.0

# SUBJECT SITE CONTEXT



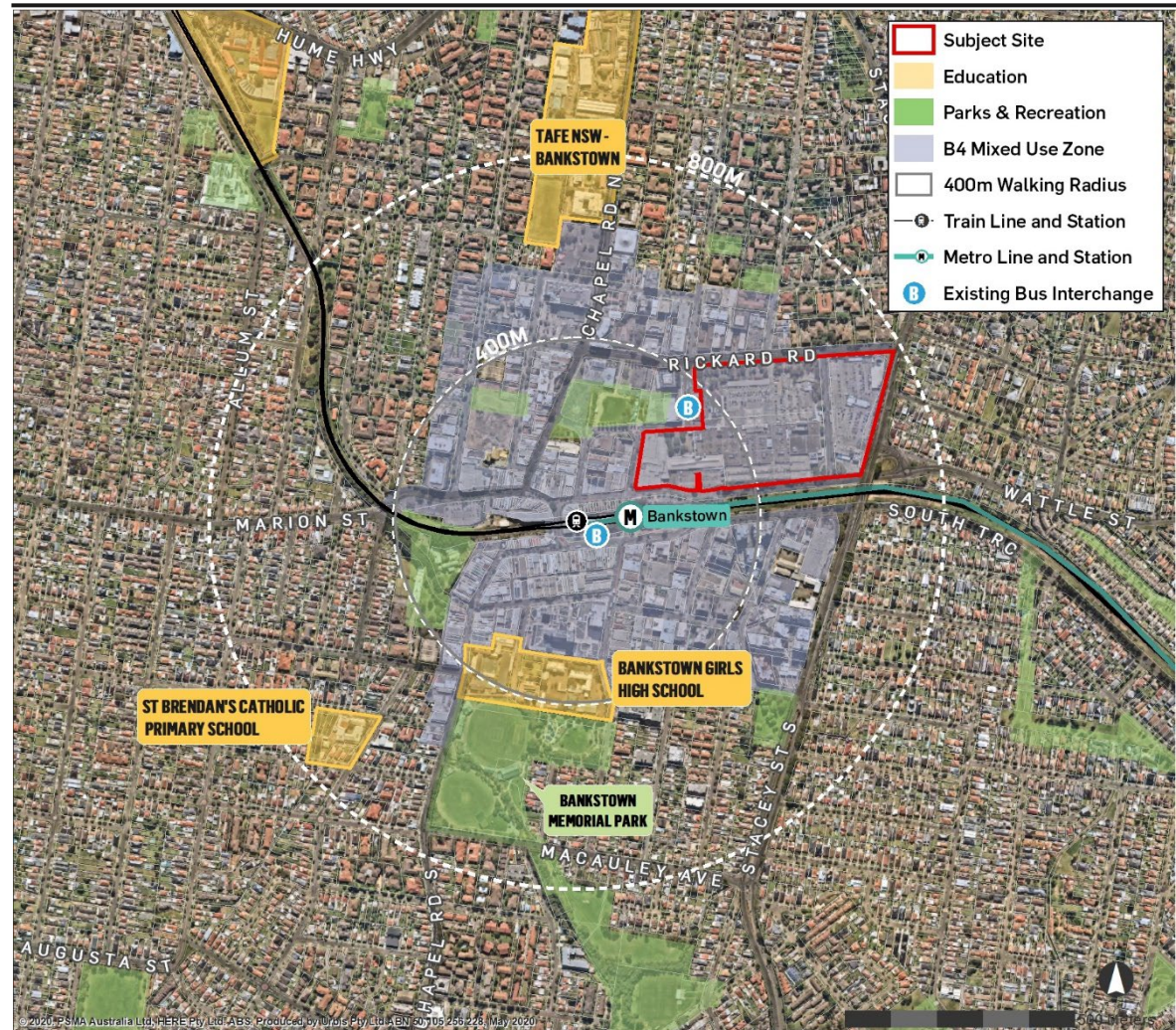
# SUBJECT SITE CONTEXT

## KEY FINDINGS

- Bankstown Central is located at the core of Bankstown Strategic Centre. The site is situated at the immediate north-east of Bankstown Station, along North Terrace.
- As part of Bankstown transport interchange, the site plays a key role in delivering development that supports public transport usage.
- There are currently two bus interchanges serving the centre, with one located on-site and the other to the south of Bankstown station.
- Parramatta is a 20-minute drive away from Bankstown and the Sydney CBD is approximately a 30-minute drive away. With a future Metro station proposed at Bankstown, the travel time to these two major centres by public transport will be greatly improved; within 30 minutes compared to the current 40-45 minute commute.
- The subject site is surrounded by residential to the north and east and retail to the direct south and west.
- **The site possess opportunity for increased density and diversity of land uses, with:**
  - Excellent access to two transport modes, including bus and train services.
  - Access to major employment centres within 20 minutes, including Cabramatta to the west, Lidcombe to the North, and Sydenham to the east.
  - Proximity to educational facilities and public amenities, including Bankstown TAFE to the north (5-minute walk), and Paul Keating Park right at the doorstep.
  - Western Sydney University Bankstown City Campus, to be located west of the site, is currently under construction and expected to open in 2023.

## SUBJECT SITE CONTEXT

Map 1.1







2.1

# RESIDENTIAL

DETAILED MARKET ASSESSMENT



1,255

Apartment Units

**Represents 5.4% of the Total Market Demand, 21.8% of the Total Proposed Apartment Supply, and 7% of the Market Demand and Supply Gap by 2041.**

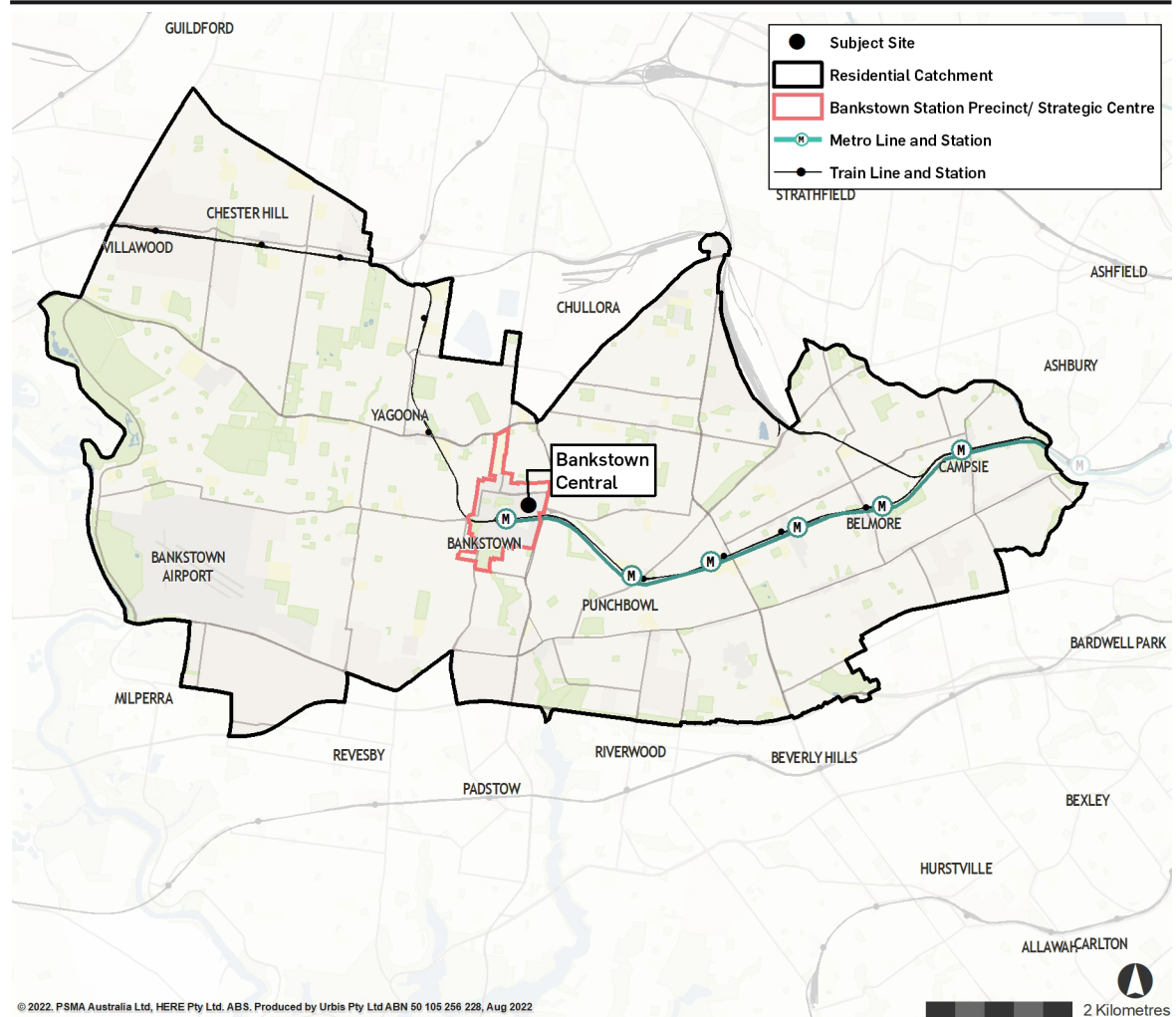
# CATCHMENT AREA DEFINITION

## KEY FINDINGS

- The residential catchment refers to the geographic market for apartments and townhouses on the subject site. It is bounded by:
  - Henry Lawson Drive to the west
  - South Western Motorway to the south
  - Cooks River to the east
  - Hume Highway to the north.
- This catchment was defined by assessing migration statistics from the 2016 ABS Census. These statistics identify the origin of local residents and therefore provide an indication of the area from which a residential development at the subject site would draw residents from.
- As such, any residential development at the subject site is expected to compete with the proposed developments within this catchment.
- This section of the report assesses the likely demand for additional apartment and townhouses within the catchment and their supportability at the subject site.

## RESIDENTIAL CATCHMENT

Map 2.1.1



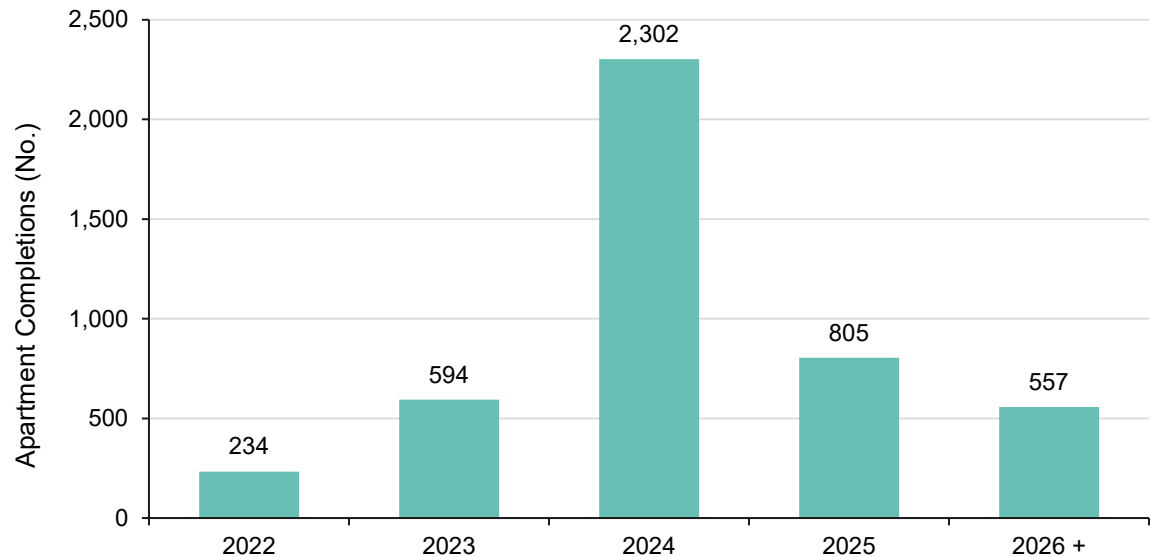
# COMPETITIVE CONTEXT - APARTMENTS

## KEY FINDINGS

- We have estimated that there are currently 62 apartment projects that are either under construction or proposed within the catchment area. These projects are anticipated to deliver a total of just over 4,492 apartments by 2027 (**refer to Appendix A for a detailed breakdown of these projects**).
- **Chart 2.1.1 and 2.1.2** shows the projected completions in the catchment by year and status, illustrating that:
  - Projects range from the Development Application to Under Construction stages
  - 82% of all apartments are yet to commence construction, with the likelihood of these projects proceeding dependent on planning approvals and project financing being achieved
  - Projects that are under construction or in progress (site works) are forecast to deliver approximately 806 dwellings over the next three years
  - Nearly 70% of the apartment supply is expected be delivered in 2024, although a number of these projects could face delays due to challenges in developer financing and other market conditions.

## RESIDENTIAL APARTMENT PIPELINE BY YEAR – CATCHMENT AREA

Chart 2.1.1



Source: Cordell Connect; Urbis



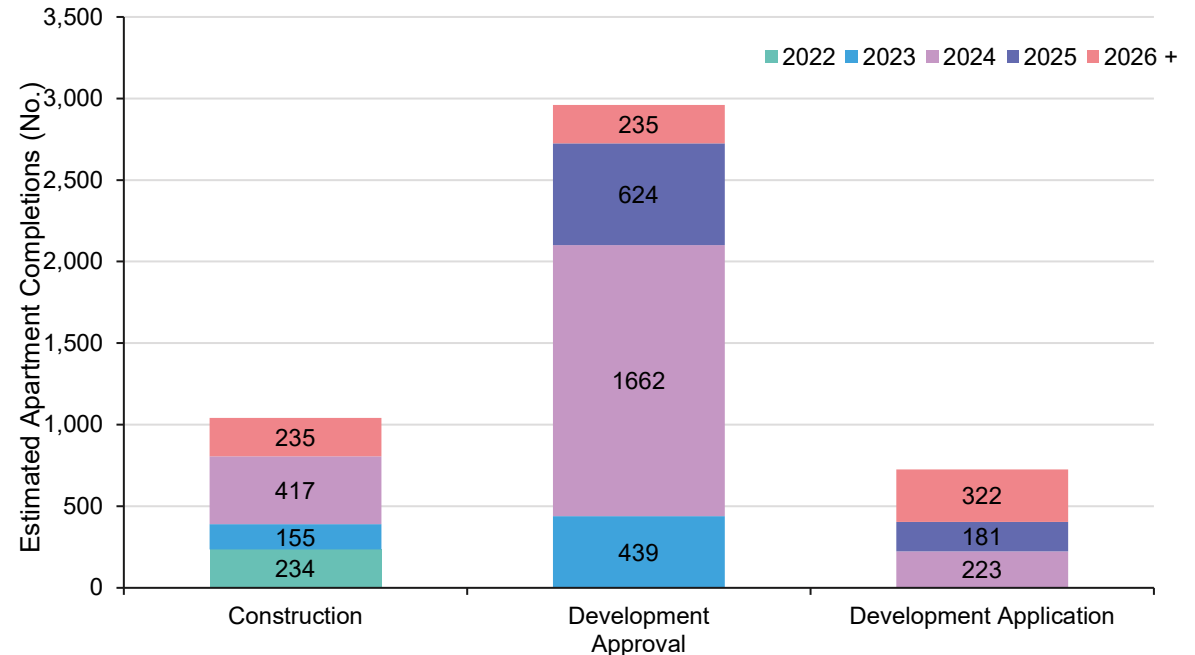
# COMPETITIVE CONTEXT - APARTMENTS

## KEY FINDINGS

- The largest developments in the catchment are Spring Square by Poly – 417 apartments (32 Kitchener Parade), Virtu – 290 apartments (350 Hume Highway), Novita – 230 apartments (348 Hume Highway). All other proposed developments are less than 200 apartments.
- Most projects are in the “firm” stage with 84% of apartments either being under construction or approved. These projects are expected to deliver 3,766 apartments.
- The remaining projects are awaiting development approval and are expected to deliver an additional 726 apartments.
- The proposed 1,255 apartments at the subject site would increase the pipeline of apartments to 5,747. **As such, the subject site would represent 21.8% of currently proposed residential apartments.**
- The maps on the following pages illustrate the location and timing of future apartment developments in the catchment area.

## RESIDENTIAL APARTMENT PIPELINE BY STAGE AND YEAR – CATCHMENT AREA

Chart 2.1.2



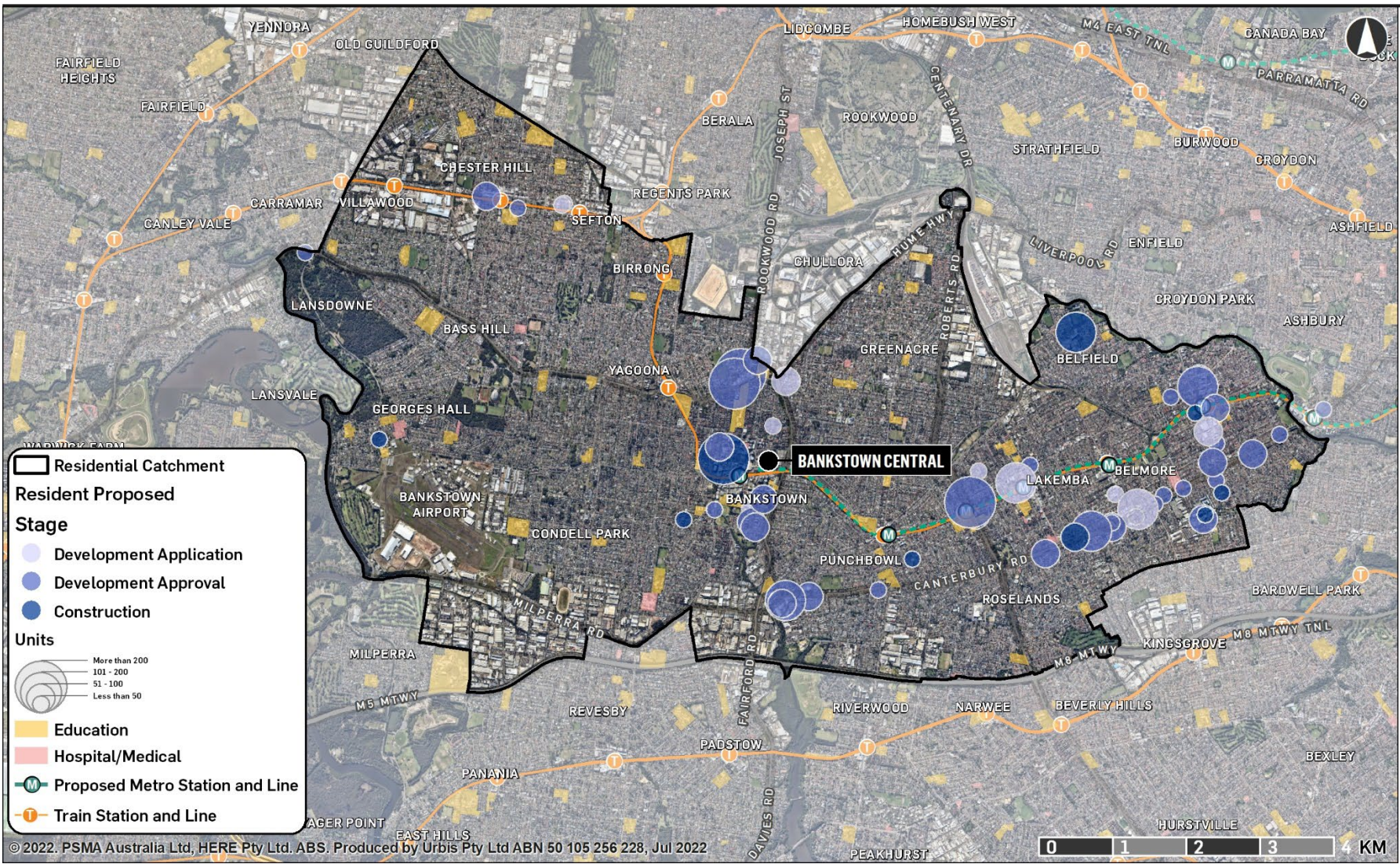
Source: Cordell Connect; Urbis



# COMPETITIVE CONTEXT – APARTMENTS

## PROPOSED APARTMENT DEVELOPMENTS

Map 2.1.2

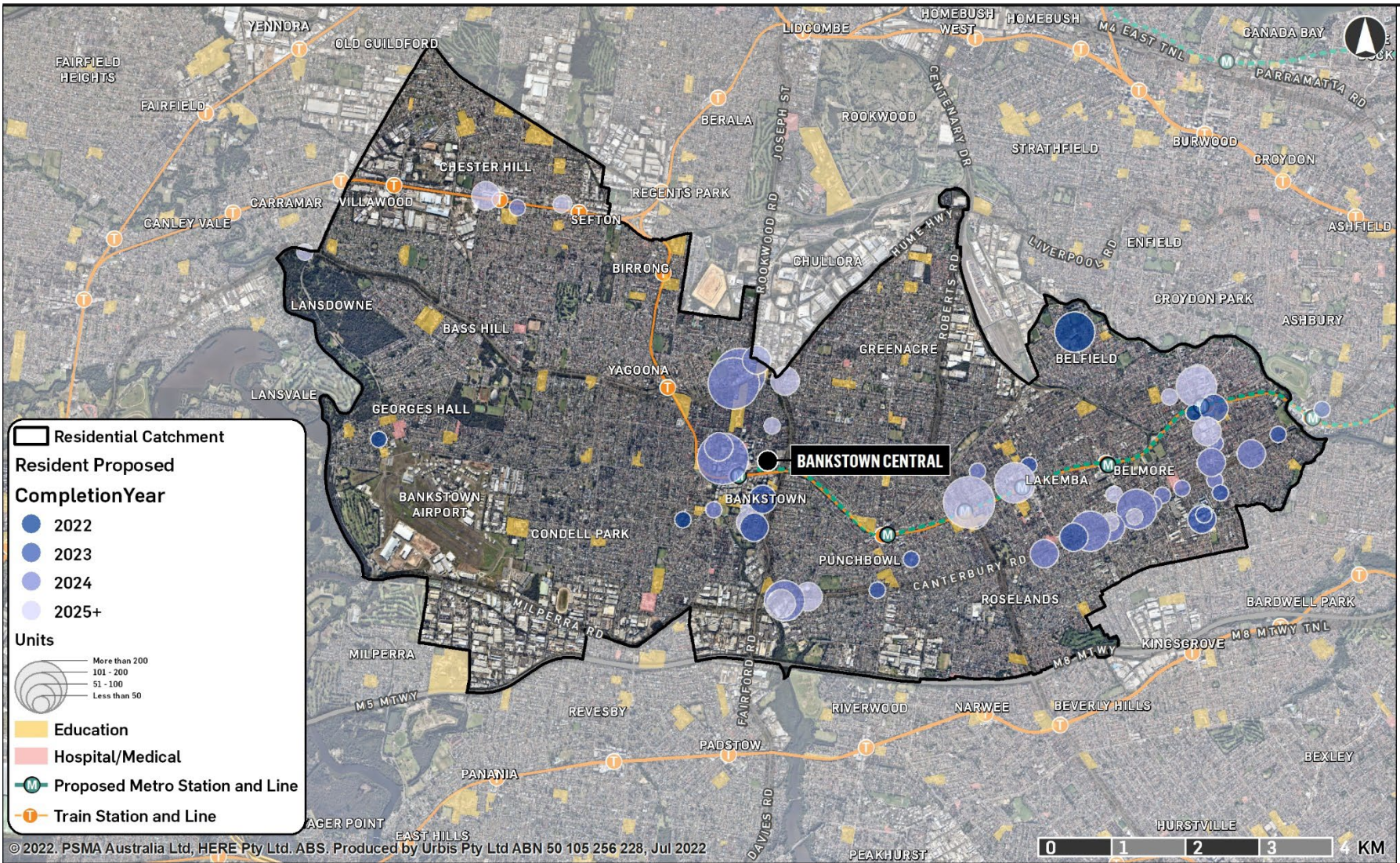




# COMPETITIVE CONTEXT – APARTMENTS

## TIMING OF PROPOSED APARTMENT DEVELOPMENTS

Map 2.1.3





# RESIDENTIAL DEVELOPMENT POTENTIAL – APARTMENTS

## HISTORICAL DEMAND

- The demand for apartments within the catchment area has been assessed by analysing the projected demand for dwellings in Metropolitan Sydney and the potential share of demand that the catchment area could achieve.
- We assumed that the Sydney housing market was in equilibrium in 2005, which represents the end of the previous housing boom.
- According to the ABS Census the catchment recorded 11,643 dwelling completions in the 15 years from 2006 to 2021. However, over the same period, the catchment experienced an increase of 47,058 residents.
- Based on the average household size in the catchment area of 2.9 (as at Census 2006), the 47,058 new residents could have resulted in demand for 15,995 dwellings from 2006 to 2021.
- As only 11,643 dwellings were created during this period, there was a deficit of approximately 4,352 dwellings.
- Due to this disparity between supply and demand, household sizes in the catchment have increased between 2006 and 2021. The increasing average household size is contrary to wider socio-demographic trends across Sydney (such as an ageing population and declining fertility rates) that are placing downward pressure on household sizes.
- This pent-up demand is also reflected in the above-average proportions of family households with non-dependent children recorded in the catchment area. Given sufficient supply, these non-dependent children would be expected to leave home and form new households, thereby reducing average household sizes.
- Based on the historic apartment approval rate for the catchment area, we estimate that 50% of the dwelling deficit could have comprised of apartments. As such, there is currently a shortage of apartments in the catchment area.

## FUTURE DEMAND

- The NSW Department of Planning and Environment (DPE) projects Metropolitan Sydney's population growth to be 1.1% per annum over the next decade, equating to demand for around 29,400 additional dwellings per year (based on the average household size forecast also provided by NSW DPE).
- Around 50% of new dwellings across Metropolitan Sydney in the 10 years from 2012 to 2021 were apartments, which we estimate will grow to around 60% over the next 10 years (reflecting increased acceptance of higher density dwellings), equating to demand for approximately 16,500 additional apartments per year.
- This growth will be driven by higher density development around new metro train stations including Bankstown, and urban renewal precincts (e.g. Liverpool CBD, Western Sydney Airport).
- It is important to note that future dwelling demand will be driven by both population growth (i.e. new residents in the catchment) as well as household formation.

### Population Growth-Driven Demand

- We forecast that the catchment area has the potential to achieve a share of around 4% of population growth-driven future apartment demand in Metropolitan Sydney, increasing to 6.5% by 2041.
- This share reflects the average historical share of apartment approvals that have occurred in the catchment area in the 10 years from 2012 to 2021 and the significant competition from other areas throughout Sydney for future apartment demand (particularly the North West and Parramatta which are anticipated to achieve higher shares).
- We forecast the catchment area's share of future apartment demand will increase over time due to:
  - Increased acceptance of higher density in the catchment
  - Readily available cheaper land compared to the rest of Sydney.

### Household Formation-Driven Demand

- We also forecast that the catchment area has the potential to achieve a share of around 1% of household formation-driven future apartment demand in Metropolitan Sydney, increasing to 1.5% by 2041.
- This is underpinned by the pent up demand for new dwellings (reflected in higher average household sizes and above-average proportion of family households with non-dependent children compared to the rest of Sydney).

### Annual Catchment Demand

- These catchment area market shares equate to demand for around 23,200 apartments by 2041. The **subject site would represent 5.4% of this market demand** within the catchment.
- When compared to projected supply this equates to a gap of around 18,800 apartments by 2041, indicating an undersupply in the catchment. The **subject site would fill 7% of this supply gap**.



# RESIDENTIAL COMPETITIVE POSITIONING

## LOCATION DRIVERS FOR RESIDENTIAL DEVELOPMENT

Table 2.1.1

LOCATION DRIVER	IMPACT	IMPLICATIONS FOR SUBJECT SITE	RATING
<b>I. Attractive Views and Surrounding</b>	High	<ul style="list-style-type: none"> <li>Low and medium density residential areas surround the subject site meaning that the high-density apartments can maximise panoramic views and natural sunlight.</li> <li>Future residential development will be co-located with the prime retail centre of Bankstown. This makes the subject site more attractive and provides convenience to residents, but it can be exposed to noise resulting from traffic.</li> </ul>	Moderate
<b>II. Amenities and Services</b>	Very High	<ul style="list-style-type: none"> <li>The site is located at the core of Bankstown Strategic Centre, where major retail, amenities and services are located. Bankstown Central is the only regional shopping centre servicing Bankstown, which is home to major retailers such as Woolworths, Myer, Kmart. It also offers a broad range of specialty stores, food and beverages, amenities and services. A Coles supermarket will open in late 2022.</li> <li>Bankstown is a multicultural community enjoying the diverse range of Food and Beverage offerings, including cafes, restaurants, bars and specialties, distributed around 500 metres walking distance from the site.</li> <li>The site is accessible to several family-friendly parks including Paul Keating Park and other community facilities such as Bankstown Library and Knowledge Centre.</li> <li>The site is well placed to access various educational institutions, including Western Sydney University, Bankstown TAFE NSW on the north, Bankstown Girls High School and St Brendan's Catholic Primary School on the South.</li> </ul>	Positive
<b>III. Transport Accessibility and Infrastructure</b>	Very High	<ul style="list-style-type: none"> <li>The subject site is located on the doorstep of Bankstown Station and close to major roads, including the M5 motorway, Hume Highway, Stacey Street and Canterbury Road making the subject site highly accessible.</li> <li>Bankstown Station and a network of bus lines connect the subject site to Sydney CBD, Parramatta, Strathfield and major regional centres, including Liverpool and Burwood Westfield Shopping Centres. Bankstown Metro is also expected to open in 2024 on the new Metro City &amp; Southwest line which will increase the speed and frequency of train services to the Sydney CBD.</li> </ul>	Positive
<b>IV. Employment Opportunities</b>	Very High	<ul style="list-style-type: none"> <li>The site benefits from the location close in proximity to Bankstown Station and bus interchange, with access to key employment areas within a 20 minute commute to Cabramatta, Lidcombe and Sydenham.</li> <li>There are high employment opportunities within the local area with the top 3 industries being <i>Health Care and Social Assistance</i>, <i>Education and Training</i>, and <i>Retail Trade</i>, representing over 50% of employment within Bankstown.</li> </ul>	Positive
<b>V. Availability of Choice and Competing Supply</b>	Moderate	<ul style="list-style-type: none"> <li>The site is located in an area of high residential demand and moderate supply.</li> <li>The supply pipeline indicates that residential developments in the catchment area are anticipated to be complete by 2027, with more than 4,490 units expected to be delivered in the catchment area. Of these, nine developments are under construction and will offer more than 800 units by 2024.</li> </ul>	Moderate
<b>Overall Outlook</b>		<ul style="list-style-type: none"> <li><b>Extensive range of retail, facilities, services and public amenities right at the doorstep. Accessible to various educational opportunities, including primary, high school and tertiary education.</b></li> <li><b>Excellent accessibility to major transport interchanges that provide connections to key employment centres.</b></li> <li><b>Limited competition as there are currently no high-density residential apartments around the subject site and limited proposed high-density developments in the future pipeline.</b></li> </ul>	

# RESIDENTIAL SUPPORTABLE MARKET SHARE

## MARKET DEMAND

- The subject site will represent **5.4% of the total apartment market demand in the catchment by 2041.**
- Metropolitan Sydney's population growth projected to be 1.1% per annum over the next decade, equating to demand for around 29,400 additional dwellings per year.
- Over the 15 years from 2006 to 2021, the catchment area population recorded growth of around 47,058 residents which could have resulted in demand for 15,955 dwellings over the 15 year period.
- As only 11,643 dwellings were created during this period, there was a deficit of approximately 4,352 dwellings.

## SUPPLY

- The subject site will represent **21.8% of the currently proposed apartment supply in the catchment.**
- There are currently 62 apartment projects that are either under construction or proposed within the catchment area.
- These projects are anticipated to deliver a total of just over 4,492 apartments by 2027.
- When including the proposed 1,255 apartments at the subject site, the pipeline would increase to 5,747 apartments.

## COMPETITIVE SHARE

- The subject site will meet **7% of the apartment supply-demand gap in the catchment by 2041.**
- Future residential development will be co-located with the prime retail centre of Bankstown.
- The site is accessible to several family-friendly parks including Paul Keating Park and other community facilities such as Bankstown Library and Knowledge Centre.
- The site is accessible to variety of education facilities within an 800 metre radius, including Bankstown TAFE NSW at the north, Bankstown Girls High School and St Brendan's Catholic Primary School at the South. It will also be nearly adjacent to the future WSU Bankstown City campus.
- The site benefits from the location in proximity to Bankstown Station and bus interchange.

## MARKET SHARE SUPPORTABILITY

- **The construction of 1,255 Apartments on the subject by 2041 is supportable. This considers the following:**
  - The site offers a better location than other large scale residential developments in the catchment
  - The site offers a high level of external amenity through its mix of uses and established location
  - The apartments should offer a range of floor plans to suit varying budgets and lifestyles, be of high quality, offer a high level of internal amenity and maximise apartments with north-eastern aspects
  - There is limited competition of this scale within the catchment, particularly within Bankstown Central, therefore it is likely the subject site will be able to capture a high market share.



# 2.2

## SHORT-TERM ACCOMMODATION

DETAILED MARKET ASSESSMENT

 **528**

Hotel Rooms & Serviced Apartments

Represents 35% of the Total Room Demand,  
41% of the Total Supply, and  
70% of the Catchment's Demand-Supply Gap by 2041.

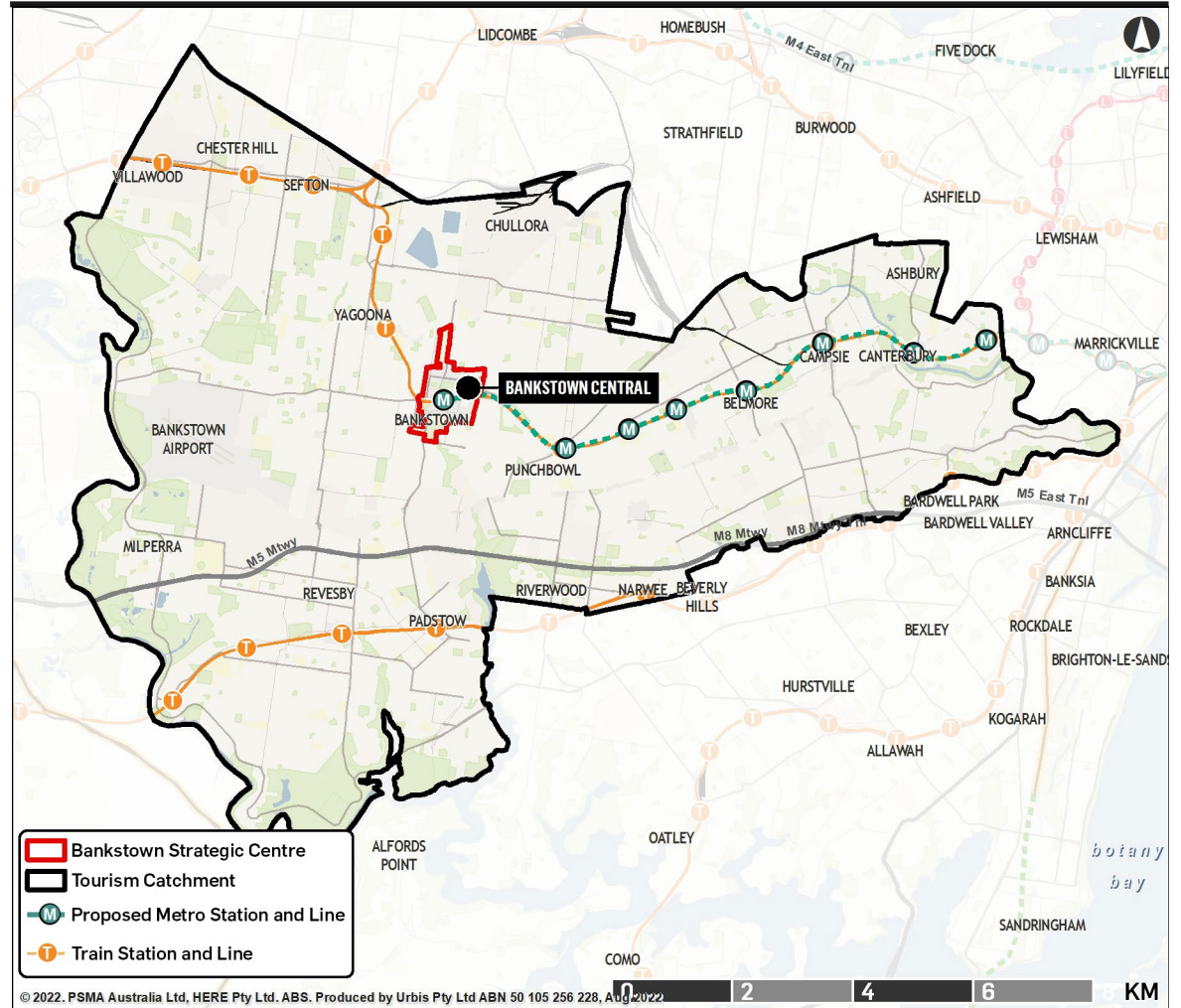
# CATCHMENT AREA DEFINITION

## KEY FINDINGS

- We adopted the **tourism catchment** defined in the introduction to assess the market demand for short term accommodation uses at the subject site.
- The tourism catchment area comprises of Canterbury-Bankstown LGA. This reflects the clustering of the existing short term accommodation establishments along major roads (Hume Highway and Canterbury Road) and centres (Campsie and Bankstown).
- Any short term accommodation establishment at the subject site is expected to compete with the existing and proposed facilities within this catchment.
- This section of the report assesses the likely demand for additional short term accommodation facilities within the tourism catchment and their supportability at the subject site.

## TOURISM CATCHMENT

Map 2.2.1





# SHORT-TERM ACCOMMODATION EXISTING SUPPLY

## KEY FINDINGS

**Table 2.2.1** provides a list of short-term accommodation establishments that are currently operating in the catchment.

- The catchment has 21 short-term accommodation establishments, providing a total of 760 rooms.
- The existing establishments mainly comprise a mix of hotel (13 establishments) and motel (8 establishments) accommodation. They range in operation scale, from 8 rooms at Nightcap At High Flyer Hotel, up to 214 rooms at Mercure Sydney Bankstown.
- The majority of the existing establishments are of 2 Star quality (13 establishments), while six establishments are 3 star quality and two establishments, Rydges Bankstown Sydney and Mercure Sydney Bankstown has 4 Star quality.
- Mercure Sydney Bankstown, formally Travelodge Hotel Bankstown is located approximately 650m south of Bankstown Central (8 mins walk). As one of the major operator offering 4 star quality accommodation, this establishment is likely to pose direct competition to the subject site.

## EXISTING SHORT TERM ACCOMMODATION ESTABLISHMENTS

Table 2.2.1

FACILITY NAME	ADDRESS	SUBURB	ROOMS	TYPE	Grade
Mercure Sydney Bankstown	8 Greenfield Parade	Bankstown	214	Hotel	4 Star
Nightcap at Hume Hotel	501 Hume Highway	Bankstown	14	Motel	3 Star
Twin Willows Hotel	739 Hume Highway	Bass Hill	10	Motel	2 Star
Banksia Motel Bass Hill	966 Hume Highway	Bass Hill	38	Motel	2 Star
Bass Hill Tourist Park & Motel	713 Hume Highway	Bass Hill	18	Motel	2 Star
Rydges Bankstown Sydney	874 Hume Highway	Bass Hill	120	Hotel	4 Star
Sundowner Gardenia Motor Inn	850 Hume Highway	Bass Hill	42	Motel	2 Star
Campsie Hotel Sydney	327 Beamish Street	Campsie	13	Hotel	2 Star
Oasis On Beamish Hotel Sydney	165 Beamish Street	Campsie	23	Hotel	2 Star
Nightcap At Chester Hill Hotel	196 Waldron Road	Chester Hill	17	Hotel	3 Star
Arena Hotel	97 Hume Highway	Chullora	85	Motel	3 Star
The Palms Hotel	167 Hume Highway	Chullora	20	Hotel	2 Star
Nightcap At High Flyer Hotel	25 Birch Street	Condell Park	8	Hotel	3 Star
Greenacre Hotel	166 Waterloo Road	Greenacre	19	Hotel	2 Star
Motel 10 Bankstown	217 Hume Highway	Greenacre	30	Motel	3 Star
The Mill Hotel	189 Beaconsfield Street	Milperra	21	Hotel	3 Star
Narwee Hotel	116 Penshurst Road	Narwee	14	Hotel	2 Star
Padstow Park Hotel	31 Howard Road	Padstow	12	Hotel	2 Star
Panania Hotel Sydney	63 Anderson Avenue	Panania	16	Motel	2 Star
Villawood Hotel	924 Woodville Road	Villawood	15	Hotel	2 Star
Wiley Park Hotel	67 King Georges Road	Wiley Park	11	Hotel	2 Star
<b>Total</b>			<b>760</b>		

Source: Urbis



# SHORT-TERM ACCOMMODATION FUTURE SUPPLY

## KEY FINDINGS

- Table 2.2.2** outlines the proposed short-term accommodation developments in the catchment.
- There is currently one development proposed in the catchment area. This development, the New Canterbury Road Mixed Use Development, is expected to deliver five rooms by 2024. These rooms are expected to be a mix of 1-2 bedroom serviced apartments.
  - This proposed development is located relatively far from the subject site, approximately 8.5 km east (22 min drive) and expected to be deliver only five rooms. This indicates the minimal competition around Bankstown in the near future.
  - Existing supply and future development pipeline indicate a lack of serviced apartment offers, and high quality hotels of 4-5 stars in the tourism catchment area.
  - **As there are 765 existing and proposed rooms in the catchment, the proposed 439 hotel rooms and 89 serviced apartments (528 short-term accommodation units) at Bankstown Central would increase the total supply to 1,293 rooms. As such, Bankstown Central would represent 41% of the total supply.**

## PROPOSED SHORT TERM ACCOMMODATION ESTABLISHMENTS

Table 2.2.2

FACILITY NAME	ADDRESS	SUBURB	ROOMS	STATUS	COMPLETION YEAR
New Canterbury Road Mixed Use Development	636-638 New Canterbury Rd	Hurlstone Park	5	Development Approval	2024
Total			5		

Source: Cordell; Urbis



## Map 2.2.2





# CATCHMENT TOURISM MARKET PROFILE

## KEY FINDINGS

- As shown in **Table 2.2.3**, overnight tourist visitation to the tourism catchment increased significantly in the 10 years from 2011 to 2019.
- Throughout this period the number of visitor nights spent in the catchment grew from around 2.2 million in 2011 to 3.4 million in 2019. This represents an average annual increase of 150,724 nights per annum, or an average annual growth rate of 5.7% per annum.
- Most growth has been driven by international visitation, which grew from accounting for a 73% share of visitor nights in 2011 to 86% by 2019.
- The COVID-19 pandemic had a negative impact on visitation, particularly international visitation, throughout 2020 and 2021 due to both domestic and international border closures.
- **Chart 2.2.1** shows the split of visitor nights spent in the catchment by purpose of visit in the five years prior to the pandemic (2015 to 2019).
- Visiting friends and relatives (VFR) was the most common reason for domestic and international visitors to stay in the catchment (58% and 44% respectively). This is consistent with the notion of population growth driving additional visitation.
- The purpose of stopover categorised with “Others” has the second largest proportion for international visitors. This category comprises visitors staying the catchment for employment and education purposes, indicating that the subject site has the opportunity to specifically target international visitors travelling for employment and education purposes.

## HISTORICAL VISITATION – TOURISM CATCHMENT

Table 2.2.3

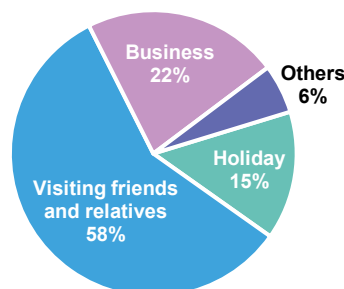
	VISITOR NIGHTS			
	2011	2015	2019	2021 (COVID-19)
Domestic Visitor Nights	576,873	659,126	480,026	300,138
International Visitor Nights	1,577,783	1,821,771	2,880,418	37,484
<b>Total</b>	<b>2,154,656</b>	<b>2,480,897</b>	<b>3,360,444</b>	<b>337,622</b>
	AVERAGE ANNUAL GROWTH (NIGHTS)			
	2011-15	2015-19	2011-19	2019-2021 (COVID-19)
Domestic Visitor Nights	20,563	-44,775	-12,106	-89,944
International Visitor Nights	60,997	264,662	162,829	-1,421,467
<b>Total</b>	<b>81,560</b>	<b>219,887</b>	<b>150,724</b>	<b>-1,511,411</b>
	AVERAGE ANNUAL GROWTH (%)			
	2011-15	2015-19	2011-19	2019-2021 (COVID-19)
Domestic Visitor Nights	3.4%	-7.6%	-2.3%	-20.9%
International Visitor Nights	3.7%	12.1%	7.8%	-88.6%
<b>Total</b>	<b>3.6%</b>	<b>7.9%</b>	<b>5.7%</b>	<b>-28.3%</b>

Source: Tourism Research Australia; Urbis

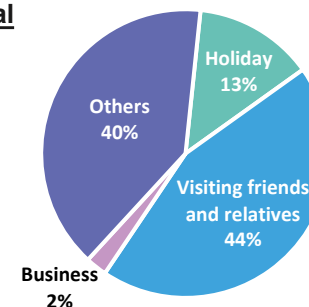
## PURPOSE OF STOPOVER – TOURISM CATCHMENT (5-YR AVG 2015-19)

Chart 2.2.1

### Domestic



### International



Source: Tourism Research Australia; Urbis

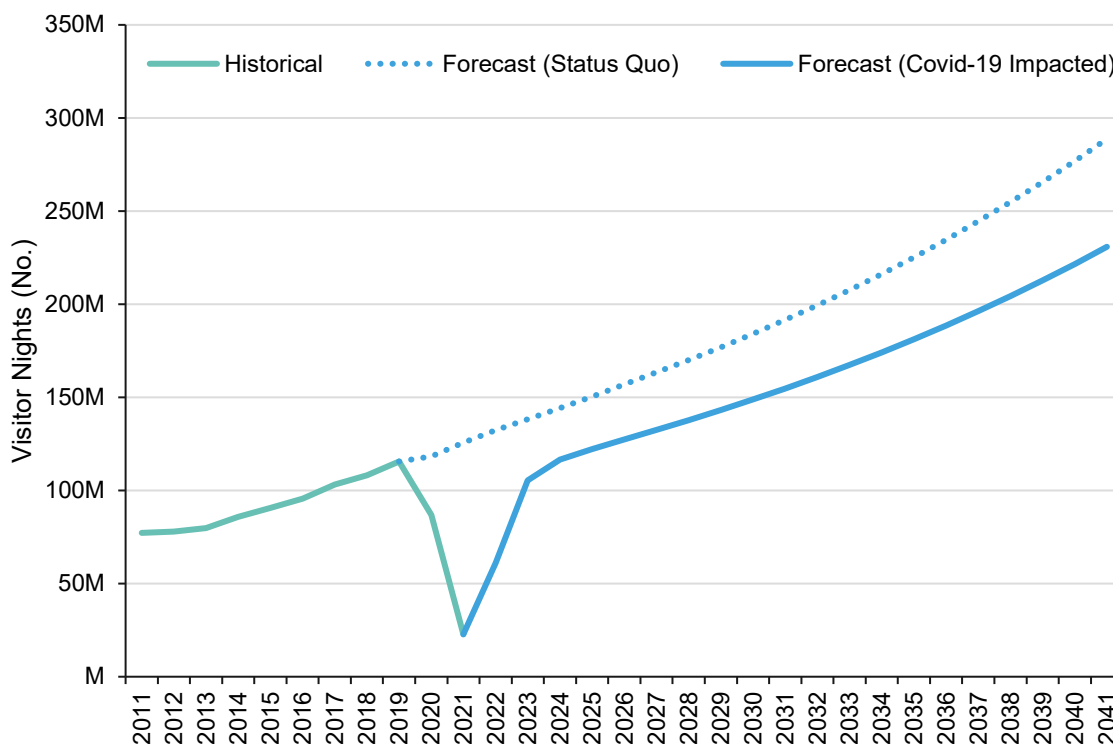
# SYDNEY TOURISM FORECAST

## KEY FINDINGS

- In order to assess the future demand for short term accommodation within the catchment, we conducted a market share analysis, drawing on historical and forecast growth in occupied room nights, released by Tourism Research Australia (TRA), occupancy rate assumptions and future short term accommodation developments.
- The Tourism Research Committee, within TRA, prepares visitor night forecasts for tourism regions throughout Australia.
- Prior to the COVID-19 pandemic, the TRA projected visitor nights for the Sydney Tourism Region (TR) (as shown in Chart 2.3.2) to grow from around 115.5 million in 2019 to 288.7 million by 2041. However, these forecasts do not account for the impacts of COVID-19.
- We have therefore assessed the impacts of the pandemic since these projections were released which includes consideration of:
  - The latest TRA projections for domestic visitors (released in late 2021) which takes into account the impacts of COVID-19.
  - As TRA has not yet released projections which take into account the impacts of the pandemic on international visitor nights, we have adopted the Urbis house view. This view anticipates that the international tourism sector will recover to pre-COVID-19 (2019) levels by 2024. We have then adopted the forecast growth rates from the pre-COVID-19 TRA projections from 2024 onwards.
- Under this approach, we anticipate that visitor nights in the Sydney TR will recover from a low of 22.8 million in 2021 to 230.8 million by 2041.

## HISTORICAL AND FORECAST VISITOR NIGHTS – SYDNEY TR

Chart 2.2.2



Source: Tourism Research Australia; Deloitte; Urbis



# CATCHMENT SHARE OF SYDNEY TOURISM REGION DEMAND

## KEY FINDINGS

- **Table 2.2.4** outlines the catchment's share of Sydney Tourism Region visitor nights in 2019, prior to the onset of the COVID-19 pandemic.
- The estimated catchment hotel visitor nights for 2019 (288,496) has been based on:
  - 760 rooms available in the catchment in 2019
  - Average of 1.6 visitors per room, based on 2016 ABS data
  - Occupancy rate of 65% in the catchment, based on STR Global research's occupancy rates for comparable areas.
- This estimated occupied room nights in the catchment represents 0.25% of the 115.5 million visitor nights spent in the Sydney TR in 2019.
- This 0.25% share is what we will apply to the forecast Sydney Tourism Visitor nights to reach the estimated hotel / serviced apartments visitor nights within the catchment.

## CATCHMENT SHARE OF SYDNEY TOURISM REGION VISITOR NIGHTS, 2019

Table 2.2.4

	2019
Existing Room Supply	760
Occupancy Rate	65.0%
Average Guests per Room	1.6
Days per Year	365
<b>Catchment Hotel / Serviced Apartment Visitor Nights</b>	<b>288,496</b>
Sydney TR Visitor Nights	115.5 million
<b>Catchments Hotel / Serviced Apartment Visitors Nights Share of Sydney TR Visitor Nights (%)</b>	<b>0.25%</b>

Source: Tourism Research Australia; STR Global; ABS; Urbis

# FORECAST ROOM DEMAND – CATCHMENT AREA

## KEY FINDINGS

- **Table 2.2.5** outlines the forecast catchment hotel room demand and the resulting demand and supply gap when taking the catchments existing and future hotel room supply into account.
- We have assumed that the catchment will account for a the 0.25% share of Sydney TR visitor nights **(as calculated in Table 2.2.4)** from 2021 onwards.
- Based on this assumed share, we have estimated that approximately **576,436 hotel visitor nights are forecast to be spent in the catchment by 2041.**
- Based on the forecast visitor nights and an average of 1.6 visitors per room, it is estimated that 360,273 occupied room nights will be demanded in the catchment area in 2041.
- Applying an assumed annual occupancy of 65% **(as adopted in Table 2.2.4)**, the 360,273 occupied room nights in 2041 equates to a total room demand of 1,519 rooms.
- **As such, the proposed 439 hotel rooms and 89 serviced apartments (528 short-term accommodation units) at Bankstown Central would represent 35% of the forecast demand in 2041.**
- Based on the current supply pipeline, there will be a total of 765 rooms in the catchment by 2041. Comparing this with the expected demand there is expected to be an undersupply of 754 rooms by 2041.
- **The proposed short-term accommodation at Bankstown Central has the capacity to increase the total room supply to 2,047 by 2041, which would fill 70% of the currently expected demand-supply gap.**

## FORECAST CATCHMENT HOTEL ROOM DEMAND AND SUPPLY GAP

Table 2.2.5

	2021*	2026	2031	2036	2041
Sydney TR Visitors Nights (000's)	22,850	127,392	154,762	188,564	230,818
% of Visitor Nights in Catchment Hotels	0.25%	0.25%	0.25%	0.25%	0.25%
Catchment Hotel/Serviced Apartment Visitor Nights	57,064	318,145	386,497	470,911	576,436
Visitors per Room	1.6	1.6	1.6	1.6	1.6
Occupied Room Nights	35,665	198,840	241,560	294,320	360,273
Sustainable Occupancy Rate**	65%	65%	65%	65%	65%
Sustainable Occupied Room Nights	54,869	305,908	371,631	452,799	554,266
<b>Total Room Demand (= Sustainable Occupied Room Nights ÷ 365)</b>	<b>150</b>	<b>838</b>	<b>1,018</b>	<b>1,241</b>	<b>1,519</b>
<b>Total Room Supply</b>	<b>760</b>	<b>765</b>	<b>765</b>	<b>765</b>	<b>765</b>
<b>Gap (+ Surplus / - Shortage)</b>	<b>+610</b>	<b>-73</b>	<b>-253</b>	<b>-476</b>	<b>-754</b>

\*2021 figures for Sydney TR Nights were low due to the impacts of Covid-19 (e.g. international and domestic border closures and lockdowns) which resulted in a temporary oversupply in 2021. The visitor market is estimated to recover to pre Covid-19 levels by around 2024.

\*\*Based on historical occupancy levels in the catchment

Source: Tourism Research Australia; STR Global; ABS; Urbis

# SHORT-TERM ACCOMMODATION COMPETITIVE POSITIONING

## LOCATION DRIVERS FOR SHORT-TERM ACCOMMODATION ESTABLISHMENTS

Table 2.2.6

SUCCESS DRIVERS	IMPACT	IMPLICATIONS FOR SUBJECT SITE	RATING
I. Amenities and Services	High	<ul style="list-style-type: none"> <li>The site is situated at the core of Bankstown Strategic Centre, where major retail, amenities and services are located. Bankstown Central itself is the only retail centre servicing Bankstown. Bankstown Central is home to major retailers such as Woolworths, Myer and Kmart. It also offers broad range of specialty stores, food and beverages, amenities and services. A Coles supermarket will also open in late 2022.</li> <li>Broader range of other retail offering including cafes, restaurants, bars and specialties are distributed around 500m walking distance from the site.</li> <li>The site is accessible to several family-friendly parks including Paul Keating Park and other community facilities such as Bankstown Library and Knowledge Centre.</li> </ul>	Positive
II. Visitor Attractions	Very High	<ul style="list-style-type: none"> <li>Several local parks in the area are attractive to tourist, with the incorporation of public arts and kids play area. These include Paul Keating Park to the immediate west of the site and Bankstown City Garden to the south.</li> <li>Telstra Museum and Bankstown Reservoir are also top sights within Bankstown area. These destinations are all accessible within 5-15 minutes walking distance.</li> <li>DFO Homebush and Sydney Olympic Park is 10km north of the site (15-minutes driving distance). These destinations provide tourists with greater variety of retail services, sporting facilities and events.</li> </ul>	Moderate
III. Transport Accessibility	Very High	<ul style="list-style-type: none"> <li>Bankstown Airport is located 7-minutes west of the site (driving distance).</li> <li>The site is highly accessible via different modes of travel with its' location within Bankstown Station Precinct.</li> <li>Bankstown station and bus interchange are located at the immediate south of the subject site, providing convenient train and bus services to Sydney CBD, Parramatta and major regional centres including Strathfield and Sydney Olympic Park.</li> </ul>	Positive
IV. Proximity to Employment	Moderate	<ul style="list-style-type: none"> <li>The site benefits from the location in proximity to Bankstown Station and bus interchange, with access to key employment areas within 20 minutes including Cabramatta, Lidcombe and Sydenham.</li> </ul>	Moderate
V. Brand, Availability of Choice and Competing Supply	Moderate	<ul style="list-style-type: none"> <li>Mercure is currently the only major operator in Bankstown. Current supply market indicates the lack of 4-5 Star rating short-term accommodation establishments in the catchment.</li> <li>The supply pipeline indicates that minimal short-term accommodation establishments are proposed within the catchment. The single proposed development (5 rooms) is anticipated to be completed by 2024.</li> </ul>	Positive
Overall Outlook		<ul style="list-style-type: none"> <li>Extensive range of retail, facilities, services and public amenities right at the doorstep</li> <li>Excellent access to major transport interchange that provide access to key employment centres</li> <li>Limited premium quality establishments and low level of supply within the catchment</li> </ul>	



# SHORT-TERM ACCOMMODATION SUPPORTABLE MARKET SHARE

## MARKET DEMAND

- The subject site will meet **35% of the total room demand in the catchment by 2041.**
- There is strong projected growth in visitor nights of approximately 3.5% per annum between 2019 and 2041 in Sydney.
- Significant growth in visitor nights spent in the catchment from 2011 to 2019 at an average annual growth rate of 5.7% per annum.
- Increasing population and employment opportunities around Bankstown.
- Approximately **576,436 hotel visitor nights are forecast to be spent in the catchment by 2041**
- **Assumed annual occupancy of 65% (consistent with current levels), the 360,273 occupied room nights in 2041 will equate to demand for 1,519 rooms.**

## SUPPLY

- The subject site is expected to represent **41% of the total supply in the catchment by 2041.**
- The consistent forecast of undersupply indicates potential for a short-term establishment at the subject site. Comparing the demand against the total proposed rooms, the catchment is forecast to be **undersupplied by 253 rooms in 2031, growing to 754 rooms by 2041.**
- Only one project in the supply pipeline, expected deliver five rooms by 2024.
- The existing short-term accommodation establishments in the catchment indicate the lack of serviced apartment, and premium quality hotel (4-5 Star quality).

## COMPETITIVE SHARE

- The subject site will meet **70% of the demand supply gap in the catchment by 2041.**
- The subject site is situated at the core of Bankstown Strategic Centre which offers a high level of retail and tourism amenity in addition to strong transport connectivity to surrounding employment hubs.
- There are a limited number of short-term accommodation facilities directly surrounding the subject site, and none to the scale of the proposed development.

## MARKET SHARE SUPPORTABILITY

- **The construction of 528 Hotel Rooms & Serviced Apartments on the subject by 2041 is supportable. This considers the following:**
  - A national / international operator to be secured in order to leverage existing marketing and sales, provide greater certainty of accommodation quality for customers and create higher visibility in the market
  - The development would be of high quality, providing a 4-5 star rating
- There is limited competition of this scale within the catchment, particularly within Bankstown Central, therefore it is likely the subject site will be able to capture a large share of the market.

## 2.3

# COMMERCIAL OFFICE

## DETAILED MARKET ASSESSMENT



**119,100 SQ.M**

Commercial office space (in GFA)

**Represents 96% of the Total Market Demand for Additional Office Space, 100% of the Catchment's Demand-Supply Gap , and 43% of the Total Supply by 2041.**

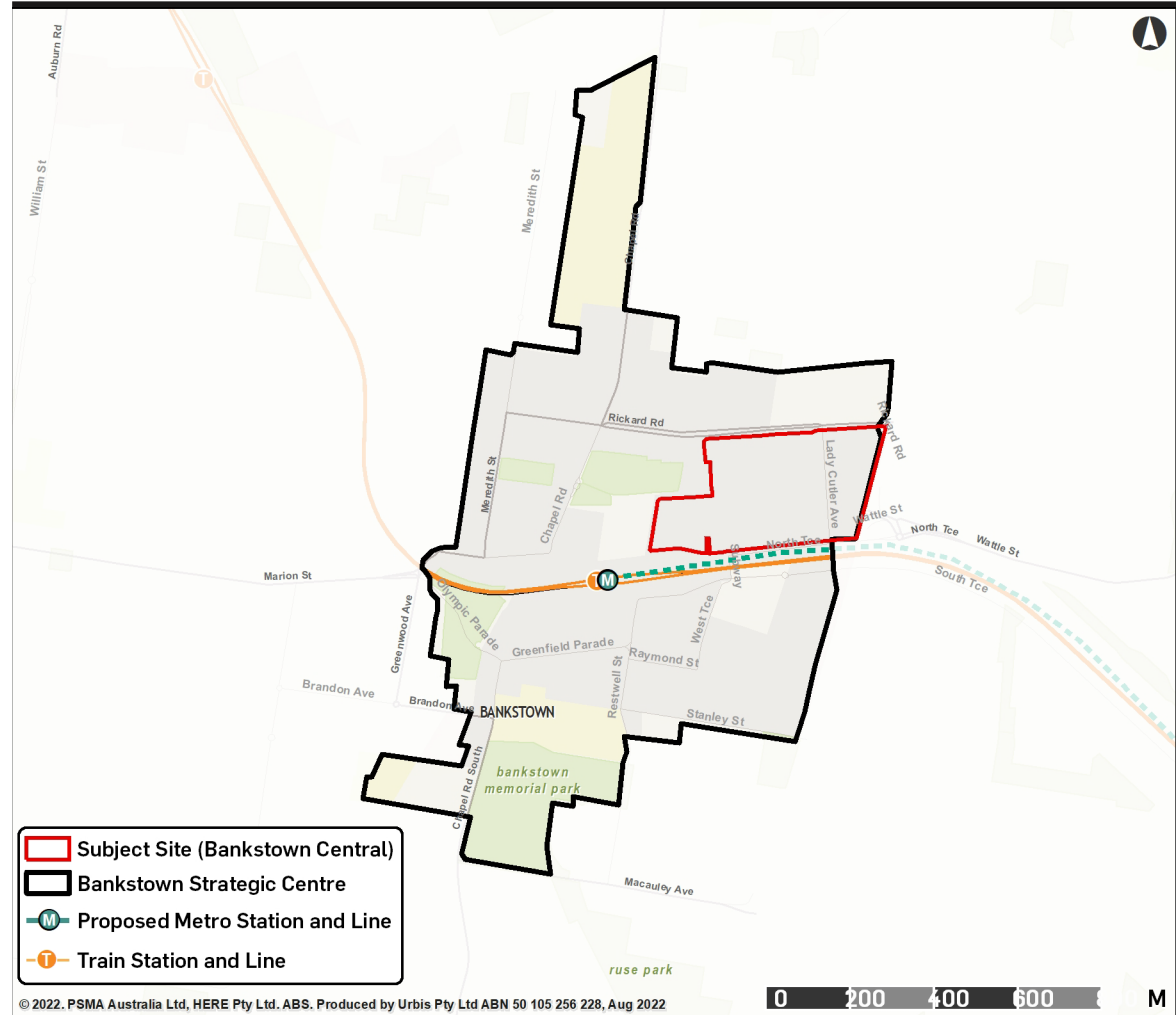
# CATCHMENT AREA DEFINITION

## KEY FINDINGS

- For the purposes of this commercial office assessment, the Bankstown Strategic Centre has been adopted as the catchment. The Bankstown Strategic Centre was defined in the South District Plan (2018) by the Greater Sydney Commission (GSC).
- **Map 2.3.1** shows the location of the subject site within this office market catchment. This reflects the strategic location of the site, that is
  - Located at the core of Bankstown Strategic Centre
  - Adjacent to the Bankstown metro station of future Sydenham-Bankstown Metro Line.
- This section of the report assesses the likely demand for additional office space within the catchment and the supportable market share of such space at the subject site.

## OFFICE CATCHMENT

Map 2.3.1





# EXISTING OFFICE SUPPLY

## KEY FINDINGS

- **Table 2.3.1** provides an overview of state of the office market within the Bankstown Strategic Centre as at February 2020 according to the Canterbury-Bankstown Employment Lands Strategy (the strategy).
- As per the strategy, there was approximately 152,041 sq.m of GFA in February 2020. As there has been no significant new developments or withdrawals since February 2020, this floorspace estimate is still considered current and accurate .
- The strategy identifies vacancy rates for each grade of commercial space in the Strategic Centre. These figures indicate that vacancy was tightest in B-Grade (0.3%) and D-Grade (3.3%) space. A-Grade (12.2%) and C-Grade (7.0%) both had relatively higher vacancy rates.
- However, the strategy also indicated that A-Grade vacancy was boosted by high vacancy in the recently completed Flinders Centre (10,525 sq.m). AEC Group in their audit of the Bankstown Strategic Centre noted that Flinders Centre still had vacancy of 5,750 sq.m in September 2020.
- Discussions with the leasing agent of Flinders Centre have indicated that the building now only has around 1,350 sq.m of vacant floorspace (August 2022), indicating that there is interest in the market for A-Grade floorspace and that vacancy is likely now lower than 12.2% for this grade.
- The B-Grade Civic Tower (12,800 sq.m) has also experienced renewed interest with its vacancy dropping from 2,640 sq.m in 2020 to 270 sq.m in 2022.
- The recent leasing activity in these two large office developments in the catchment indicate that there is appetite for a high-quality office development with large floorplates, despite the impacts of COVID-19.

## BANKSTOWN STRATEGIC CENTRE (CATCHMENT) COMMERCIAL FLOORSPACE Table 2.3.1

February 2020	
Commercial Office Floorspace	152,041 sq.m GFA
<b>Breakdown by Type</b>	
Commercial – General	54,125 sq.m GFA
Commercial – Medical	40,832 sq.m GFA
Commercial – Financial	24,445 sq.m GFA
Commercial – Other (Legal, Real Estate, Education, Government, Vacant Space)	32,639 sq.m GFA
<b>Vacancy by Grade</b>	
A-Grade	12.2%
B-Grade	0.3%
C-Grade	7.0%
D-Grade	3.3%

Source: City of Canterbury-Bankstown; Cordell; Urbis

## CATCHMENT MAJOR OFFICE SUPPLY Table 2.3.2

BUILDING NAME	ADDRESS	GRADE	COMMERCIAL OFFICE FLOORSPACE	VACANT FLOORSPACE	
				SEPTEMBER 2020	AUGUST 2022
Flinders Centre	25 Restwell Street, Bankstown	A-Grade	10,525 sq.m	5,750 sq.m	1,350 sq.m
Civic Tower	66-72 Rickard Street, Bankstown	B-Grade	12,800 sq.m	2,640 sq.m	270 sq.m

Source: AEC Group; Agent Discussions; Urbis

# COMPETITIVE CONTEXT – FUTURE SUPPLY

## KEY FINDINGS

- **Table 2.3.3** show the two proposed office developments in the catchment, with at least 500 sq.m of commercial office floorspace. These developments are expected to deliver a combined 6,400 sq.m of commercial office floorspace by 2024.
- **Poly Bankstown Spring Square** is currently under construction and expected to contain around 5,500 sq.m of commercial office floorspace across the lower floors of four mixed-use buildings. It is situated less than 500 metres west of the subject site.
- **Kitchener Parade** is a proposed seven-storey retail and commercial building expected to contain around 2,700 sq.m of commercial office floorspace over three levels, which is yet to gain development approval. It is less than 500 metres north-west of the subject site.
- **Map 2.3.2** overleaf demonstrates the location of these two proposed office developments in the catchment, and their competitive positioning compared to the subject site.
- When adding the proposed floorspace to the estimated existing floorspace in the Bankstown Strategic Centre, there is expected to be around 158,400 sq.m of office floorspace by 2024.
- **As such the proposed 119,100 sq.m of office floorspace at Bankstown Central, which will bring the total office supply to around 277,500 sq.m, will therefore represent 43% of the total catchment floorspace.**

## PROPOSED OFFICE DEVELOPMENTS (ABOVE 500 SQ.M)

Table 2.3.3

FACILITY NAME	ADDRESS	STAGE	ESTIMATED COMPLETION	COMMERCIAL OFFICE FLOORSPACE (SQ.M)
Poly Bankstown Spring Square	32 Kitchener Parade, Bankstown	Under Construction	2023	5,500
Kitchener Parade Commercial Building	82 Kitchener Parade, Bankstown	Development Application	2024	2,700
Total				6,400

Source: Cordell; Urbis



# COMPETITIVE CONTEXT

## PROPOSED MAJOR OFFICE DEVELOPMENTS

Map 2.3.2





# COMMERCIAL OFFICE DEMAND

## EMPLOYMENT PROJECTIONS BY INDUSTRY

- Our methodology for forecasting future demand for commercial office space involves forecasting the additional number of office workers who will be employed in the catchment to 2041.
- **Table 2.3.4** shows the employment by industry projections in the catchment from 2021 to 2041. The “Trend” projections are based solely on the Transport for NSW (TfNSW) employment projections. The “Target” projections instead adjust the TfNSW projections upwards to account for the target of Bankstown Strategic Centre providing 25,000 jobs by 2036. This jobs target was set in the South District Plan (2017) and is underpinned by the opening of the WSU Bankstown City Campus (2023) and the Bankstown Metro (2024) creating opportunities for new knowledge intensive jobs.
- The projected number of jobs has been converted to office jobs using Urbis benchmarks. These benchmarks are derived from the number of jobs in each industry by occupation according to ABS 2016 Place of Work data. Based on these benchmarks, the share of office jobs is expected to grow from 40.2% in 2021 to 41.4% by 2041.
- Under the **trend scenario**, it is expected office jobs will grow from 4,797 in 2021 to 6,328 by 2041, reflecting an average annual growth rate of 1.4% per annum.
- Under the **target scenario**, office jobs are projected to grow strongly to 10,900 jobs by 2041, equating to an average annual growth rate of 4.2% per annum.
- Given the current construction of the WSU Bankstown City Campus (opening in 2023) and the Bankstown Metro (due for 2024 opening), the target scenario is considered achievable. However, achieving this target will require a significant amount of new commercial office floorspace to support these jobs.

## CATCHMENT EMPLOYMENT PROJECTIONS, 2021 – 2041

Table 2.3.4

Industry Sector	2021	2031		2036		2041	
		Trend	Target	Trend	Target	Trend	Target
Agriculture, Forestry and Fishing	3	3	4	3	5	3	5
Mining	0	0	0	0	0	0	0
Manufacturing	111	112	176	113	195	114	196
Electricity, Gas, Water and Waste Services	4	5	7	5	8	5	8
Construction	243	263	410	267	460	281	485
Wholesale Trade	26	28	44	29	49	29	50
Retail Trade	1,881	2,037	3,181	2,088	3,597	2,167	3,733
Accommodation and Food Services	1,235	1,345	2,100	1,383	2,383	1,391	2,395
Transport, Postal and Warehousing	212	222	347	227	391	230	395
Information Media and Telecommunications	175	181	282	189	325	192	332
Financial and Insurance Services	482	495	773	519	893	535	921
Rental, Hiring and Real Estate Services	375	425	663	441	760	457	788
Professional, Scientific and Technical Services	899	1,005	1,570	1,050	1,809	1,090	1,877
Administrative and Support Services	344	354	552	364	628	373	643
Public Administration and Safety	1,512	1,630	2,546	1,693	2,917	1,718	2,959
Education and Training	1,300	2,168	3,385	2,302	3,964	2,489	4,288
Health Care and Social Assistance	2,209	2,761	4,311	3,075	5,296	3,406	5,866
Arts and Recreation Services	221	242	378	253	435	262	451
Other Services	445	494	771	514	885	530	914
<b>Total Jobs</b>	<b>11,678</b>	<b>13,769</b>	<b>21,500</b>	<b>14,514</b>	<b>25,000</b>	<b>15,273</b>	<b>26,307</b>
<b>Office Jobs Share (%)</b>	<b>40.2%</b>	<b>41.0%</b>		<b>41.3%</b>		<b>41.4%</b>	
<b>Total Office Jobs</b>	<b>4,797</b>	<b>5,649</b>	<b>8,820</b>	<b>5,993</b>	<b>10,323</b>	<b>6,328</b>	<b>10,900</b>

Source: TfNSW; ABS; South District Plan (2017); Urbis

# COMMERCIAL OFFICE DEMAND

## FORECAST OFFICE DEMAND – CATCHMENT AREA

Table 2.3.5

	UNITS	2022	2023	2026	2031	2036	2041
Projected Total Jobs - Trend	no.	11,944	12,211	13,010	13,769	14,514	15,273
Projected Total Jobs - Target	no.	12,929	14,181	17,935	21,500	25,000	26,307
Projected Office Jobs - Trend	no.	4,904	5,012	5,335	5,649	5,993	6,328
Projected Office Jobs - Target	no.	5,308	5,820	7,355	8,820	10,323	10,900
Projected Additional Office Jobs - Trend	no.		108	431	744	1,089	1,424
Projected Additional Office Jobs - Target	no.		512	2,047	3,512	5,015	5,592
<i>Benchmark Office Job Density</i>		<i>20 sq.m/job</i>					
Demand for Additional Occupied Office Space - Trend	sq.m		2,155	8,620	14,885	21,779	28,477
Demand for Additional Occupied Office Space - Target	sq.m		10,234	40,936	70,236	100,297	111,835
<i>Vacancy Rate</i>	%				10%		
<b>Demand for Additional Office Space – Trend</b>	<b>sq.m</b>		<b>2,395</b>	<b>9,578</b>	<b>16,539</b>	<b>24,199</b>	<b>31,641</b>
<b>Demand for Additional Office Space – Target</b>	<b>sq.m</b>		<b>11,371</b>	<b>45,485</b>	<b>78,040</b>	<b>111,442</b>	<b>124,261</b>

Source: TfNSW; ABS; Landcom; City of Canterbury-Bankstown; Urbis

- **Table 2.3.5** presents the forecast demand for additional commercial office space in the catchment until 2041 under both the trend and target scenarios.
- For each scenario we have adopted the following assumptions in forecasting potential demand:
  - Average job density of 20 sq.m of office floorspace per additional worker based on workspace ratios published by Landcom for office markets in non-CBD locations.
  - Vacancy rate of 10% for new office floorspace based on the historical performance of comparable office markets including Chatswood.

- We have applied these assumptions to the projected additional office jobs in the trend and target scenarios (**calculated from figures provided in Table 2.3.4**).
- Under the business-as-usual **trend scenario**, we forecast that there will be demand for around 16,500 sq.m of additional office floorspace by 2031, growing to around 31,600 sq.m by 2041.
- However, under the more aspirational **target scenario**, we expect that there will be demand for around 78,000 sq.m of additional office floorspace by 2031, growing to around 124,300 sq.m by 2041.

- **The proposed commercial floorspace at Bankstown Central represents 96% of this additional demand in the target scenario by 2041.**

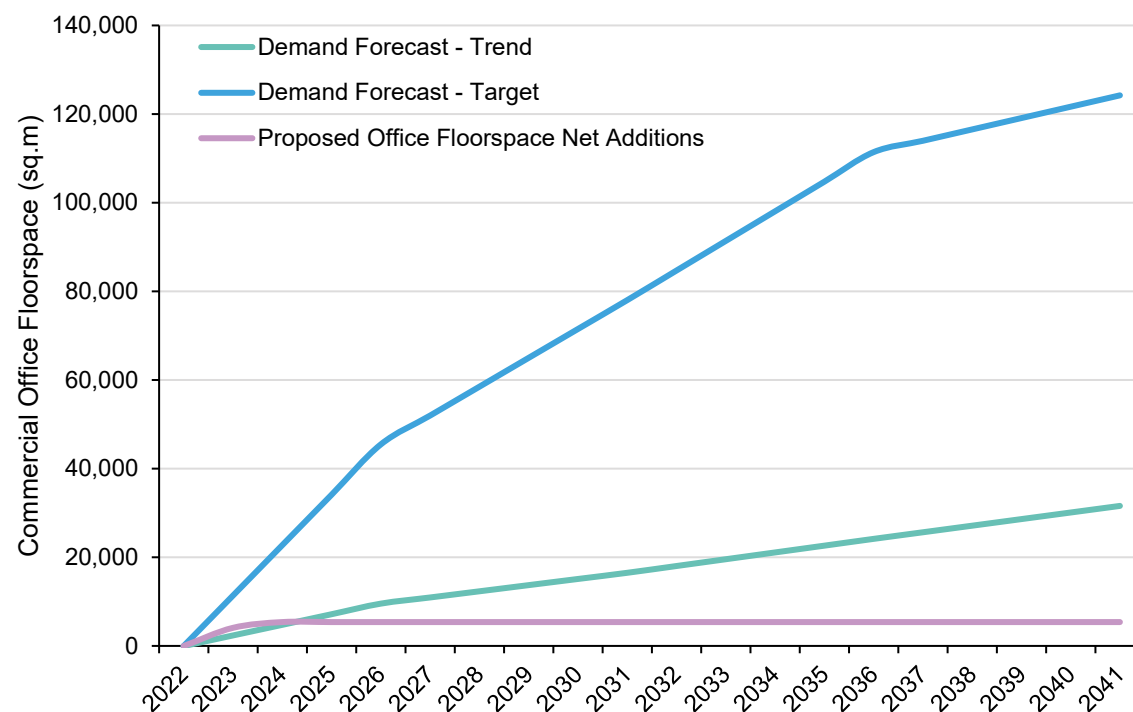
# COMMERCIAL OFFICE POTENTIAL

## KEY FINDINGS

- **Chart 2.3.1** illustrates the potential for commercial office in the catchment to 2041. This chart compares future demand indicators (demand forecasts) to future supply indicators (proposed additions and withdrawals).
- The demand forecast of around 31,600 sq.m in the trend scenario and of around 124,300 sq.m in the target scenario by 2041 is significantly higher than the cumulative office floorspace net additions (5,400 sq.m).
- This gap between demand and supply reflects the low level of proposed new office floorspace in the catchment, particularly with an undersupply expected against the trend demand forecast just after 2024.

## COMMERCIAL OFFICE POTENTIAL

Chart 2.3.1



Source: TfNSW; ABS; Cordell; City of Canterbury-Bankstown; Urbis



# COMPETITIVE POSITIONING

## CATCHMENT COMMERCIAL OFFICE MARKET AND SUBJECT SITE ASSESSMENT AGAINST DEMAND DRIVERS

Table 2.3.6

LOCATION DRIVER	IMPACT	IMPLICATIONS FOR SUBJECT SITE	RATING
<b>I. Surrounding Resident Population/ Customers</b>	High	<ul style="list-style-type: none"> <li>The site has access to a resident population that has strong forecast growth. The planned offering of health and education facilities at Bankstown (including the WSU Bankstown City Campus which is currently under construction) are key drivers of this population growth.</li> </ul>	Positive
<b>II. Retail and Leisure Amenity</b>	High	<ul style="list-style-type: none"> <li>The site is located as part of the prime retail location of Bankstown Strategic Centre, where broader range of retail services and amenities will be provided as part of the redevelopment.</li> </ul>	Positive
<b>III. Clustering of Related Businesses</b>	High	<ul style="list-style-type: none"> <li>The site is located at the core of Bankstown Strategic Centre, where educational facilities, arts and creative services are clustered around.</li> <li>The location of the site within the catchment's Health &amp; Education Precinct further strengthen the location as office location.</li> </ul>	Positive
<b>IV. Rent Affordability</b>	High	<ul style="list-style-type: none"> <li>Existing commercial spaces is rather limited in the Bankstown Strategic Centre, where prices have indicated to be slightly higher compared to other commercial areas in the Canterbury-Bankstown LGA such as Campsie.</li> </ul>	Moderate
<b>V. Public Transport Access</b>	Moderate	<ul style="list-style-type: none"> <li>The site benefits from the location right next to the major transport interchange, where access to Bus, Train and the Future Metro Station are extremely convenient.</li> </ul>	Positive
<b>VI. Perceived Car Access and Parking</b>	Moderate	<ul style="list-style-type: none"> <li>The site is currently well-served by Stacey Street at the east, North Terrace at the South, Rickard Road at the North, and Lady Cutler Avenue across the site from North to South. With the major redevelopment taking place on-site, office spaces on-site will have greater certainty with access to car parking.</li> </ul>	Positive
<b>VII. Attractive Outlook and Urban Landscape</b>	Moderate	<ul style="list-style-type: none"> <li>The site is currently located next to Paul Keating Park. The master plan is envisioned to deliver additional 10,600 sq.m of public open space. This will enhance the public domain around the site and provide an attractive urban landscape where office workers can enjoy.</li> </ul>	Positive
<b>Overall Outlook</b>		<ul style="list-style-type: none"> <li><b>Strong population growth that will remain with the clustering of health and educational facilities being planned for the centre</b></li> <li><b>Excellent access to retail and leisure amenity, as well as public transport, and car parking</b></li> </ul>	

# COMMERCIAL OFFICE SUPPORTABLE MARKET SHARE

## SUPPORTABLE OFFICE FLOORSPACE – SUBJECT SITE

Table 2.3.7

	UNITS	2023	2026	2031	2036	2041
Demand for Additional Office Space – Trend	sq.m	2,395	9,578	16,539	24,199	31,641
Demand for Additional Office Space – Target	sq.m	11,371	45,485	78,040	111,442	124,261
Cumulative Proposed Office Floorspace	sq.m	5,500	8,200	8,200	8,200	8,200
Cumulative Proposed Office Withdrawals	sq.m	-1,400	-2,800	-2,800	-2,800	-2,800
Proposed Net Additions (Proposed Office Floorspace and Withdrawals)	sq.m	4,100	5,400	5,400	5,400	5,400
<b>Cumulative excess (+) / deficit (-) of office floorspace – Trend</b>	<b>sq.m</b>	<b>+1,705</b>	<b>-4,178</b>	<b>-11,139</b>	<b>-18,799</b>	<b>-26,241</b>
<b>Cumulative excess (+) / deficit (-) of office floorspace – Target</b>	<b>sq.m</b>	<b>-7,271</b>	<b>-40,085</b>	<b>-72,640</b>	<b>-106,042</b>	<b>-118,861</b>

Source: TfNSW; ABS; Landcom; Cordell; City of Canterbury-Bankstown; Urbis

- **Table 2.3.7** presents the supportable commercial office space in the catchment to 2041 under both the trend and target scenarios.
- Comparing the demand and supply forecasts for office space in the catchment, we forecast a **total deficit of around 26,200 sq.m in the trend scenario and around 118,900 sq.m in the target scenario of office floorspace by 2041.**
- **The proposed office space at Bankstown Central will meet approximately 100% of the deficit in the target scenario, highlighting the need for the proposal to support the target jobs set out by the South District Plan.**
- The proposed development is slated to be spread across three precincts (which will also be staged) containing a combined 14 buildings, including the:
  - **Town Centre Precinct:** expected to be fully delivered in multiple stages by around 2027
  - **North Mixed Use Precinct:** expected to be fully delivered in multiple stages from 2029 to 2034
  - **South Mixed Use Precinct:** expected to be fully delivered in multiple stages from 2029 to 2038.
- This staged approach will ensure new office supply is provided to the market progressively as demand grows.
- **As such, the proposed development presents a rare opportunity which has the scale and staging required to meet the growing demand-supply gap of the Bankstown Strategic Centre at different time periods until 2041.**
- **The delivery of the 119,100 sq.m would also have minimal impact on other centres across the Canterbury-Bankstown LGA under the target scenario as there is enough forecast demand within the Bankstown Strategic Centre alone to cater for the proposed 119,100 sq.m of office floorspace.**

# COMMERCIAL OFFICE SUPPORTABLE MARKET SHARE

## MARKET DEMAND

- The subject site can meet **96% of the additional floorspace demand in the catchment to 2041 if the District Plan job targets are realised** (noting that this does not yet capture stock that will be withdrawn from the market, and the limited supply in the pipeline).
- To reach the District Plan Target of 25,000 jobs by 2036, jobs in the Bankstown Strategic Centre must grow at an annual rate of 5.2% per annum from 2021 to 2036.

## SUPPLY

- The subject site will represent **43% of the total supply in the catchment under the currently supply pipeline**.
- Currently an estimated 152,041 sq.m of commercial office floorspace in the catchment.
- There has been a strong recent take-up of A-Grade and B-Grade office stock as indicated by leasing agents of the Flinders Centre and Civic Tower.
- Minimal new office space additions in the pipeline of 6,500 sq.m by 2024.
- There is also 5,400 sq.m of withdrawals expected by 2024.
- The proposed development presents a unique opportunity to vastly increase the quantum of A-Grade office space in the catchment.

## COMPETITIVE SHARE

- The subject site can meet **approximately 100% of the total floorspace deficit in the catchment by 2041 if the District Plan job targets are reached**.
- Deficit of around 118,900 sq.m of office floorspace by 2041 in the target scenario.
- The site is located as part of the prime retail location of Bankstown Strategic Centre, where broader range of retail services and amenities will be provided as part of the redevelopment.
- The site benefits from the location right next to the major transport interchange, where access to Bus, Train and the Future Metro Station are extremely convenient.
- The proposed development also represents a rare opportunity as a consolidated site in single ownership which has potential to accommodate a development with the scale and staging required to meet the growing demand-supply gap of the Bankstown Strategic Centre.
- Achieving the scale of development required to meet the gap will be difficult on other sites throughout the Bankstown Strategic Centre due to fragmented landholdings and ownership.

## MARKET SHARE SUPPORTABILITY

- **The construction of 119,100 sq.m of commercial office space (in GFA) on the subject by 2041 is supportable. This considers the following:**
  - A well-known anchor tenant needs be secured in order to establish credibility and fill vacancies as well as validate the area as an ideal business hub
  - The development will be a true A-grade tower offering premium location, construction quality and amenities
- There is limited competition of this quality and scale within the catchment, particularly within Bankstown Central, therefore it is likely the subject site will be able to capture a high market share.
- The District Plan job targets are reached, which is more likely if there is an appropriate availability of quality office floorspace in the catchment (such as offered by this proposal) to support the current development of education and health facilities.





# 2.4

## STUDENT ACCOMMODATION

DETAILED MARKET ASSESSMENT



**694**

Student Housing (Beds)

**Represents 75% of the total student accommodation bed demand and 71% of the total supply in the catchment by 2041.**

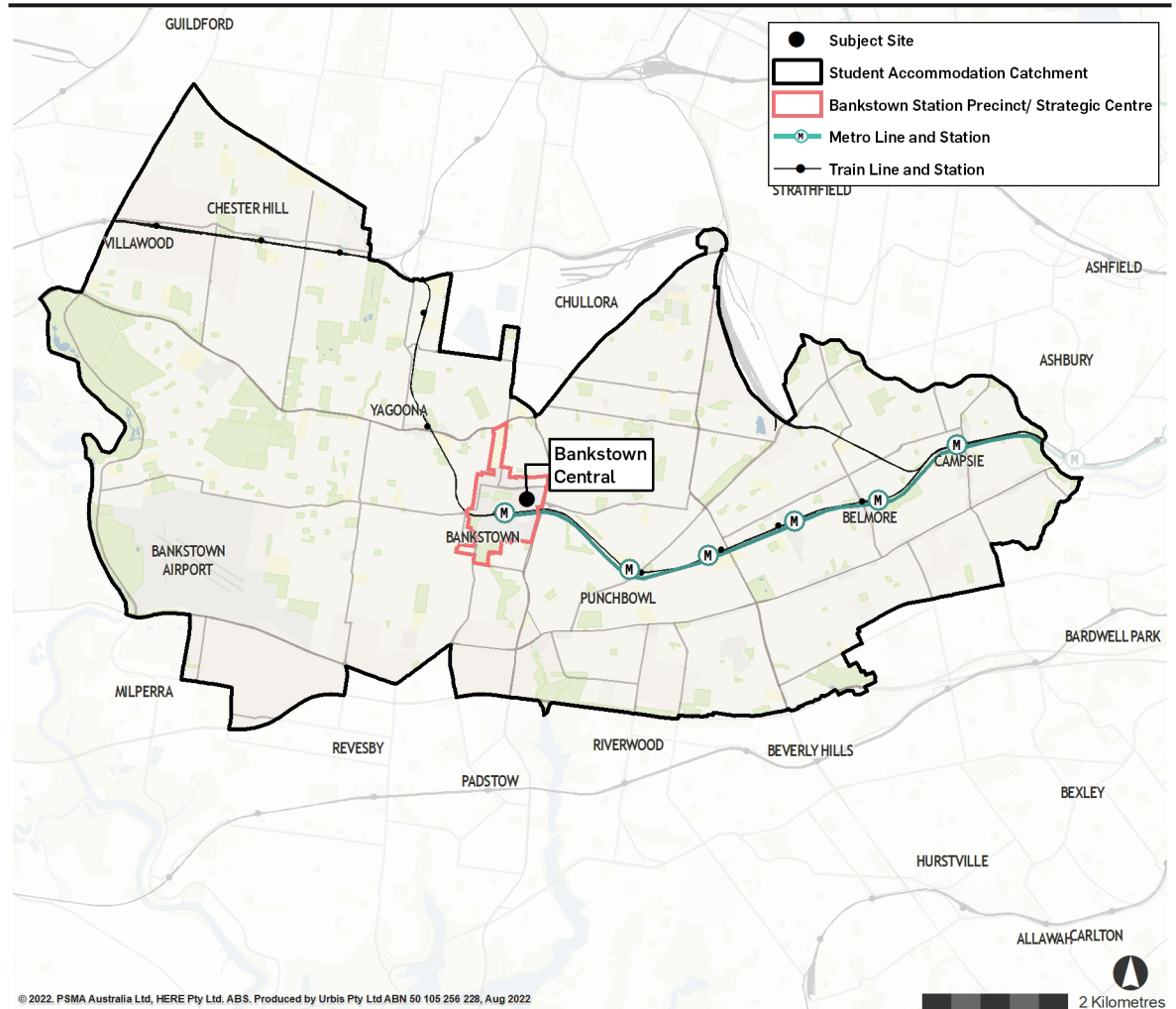
# CATCHMENT AREA DEFINITION

## KEY FINDINGS

- The student accommodation catchment adopts the residential catchment, as documented in Page 15.
- This catchment was defined by assessing migration statistics from the 2016 ABS Census. These statistics identify the origin of local residents and therefore provide an indication of the area from which a residential development at the subject site would draw residents from.
- As such, any student accommodation facilities at the subject site is expected to compete with the proposed developments within this catchment as well as those surrounding the Western Sydney University (WSU) Bankstown Campus.
- The following section assesses the likely demand for student accommodation beds within the catchment and their supportability at the subject site.

## STUDENT ACCOMMODATION CATCHMENT

Map 2.4.1





# COMPETITIVE CONTEXT

## KEY FINDINGS

- The current WSU Bankstown Campus is located next to Bankstown Airport, approximately 8 km south-west of the site.
- The campus mainly offers courses in the field of Arts, Social Science, International Studies, Business, Information and Communication Technology.
- Set to open in 2023, WSU will deliver a new campus at the core of Bankstown Strategic Centre (150 metres north of the subject site).
- The new campus is set to support the defining role of Canterbury-Bankstown, by offering teaching and research programs focused in health, advanced manufacturing and education.
- Specifically, the Bankstown City Campus will offer courses in teacher education, psychology, arts and humanities, business, accounting, IT and non-clinical health areas.
- The new WSU Bankstown City Campus will be able to accommodate 10,000 students, noting it is anticipated to eventually replace the old campus.
- **Bankstown City Campus is anticipated to attract greater number of international and regional students with its:**
  - Location that is highly-accessible to public transportation, retail services and amenities
  - Course offerings
  - Offering of work-integrated learning and collaborative research partnership
  - World-class high-rise campus.



Existing WSU Bankstown Campus





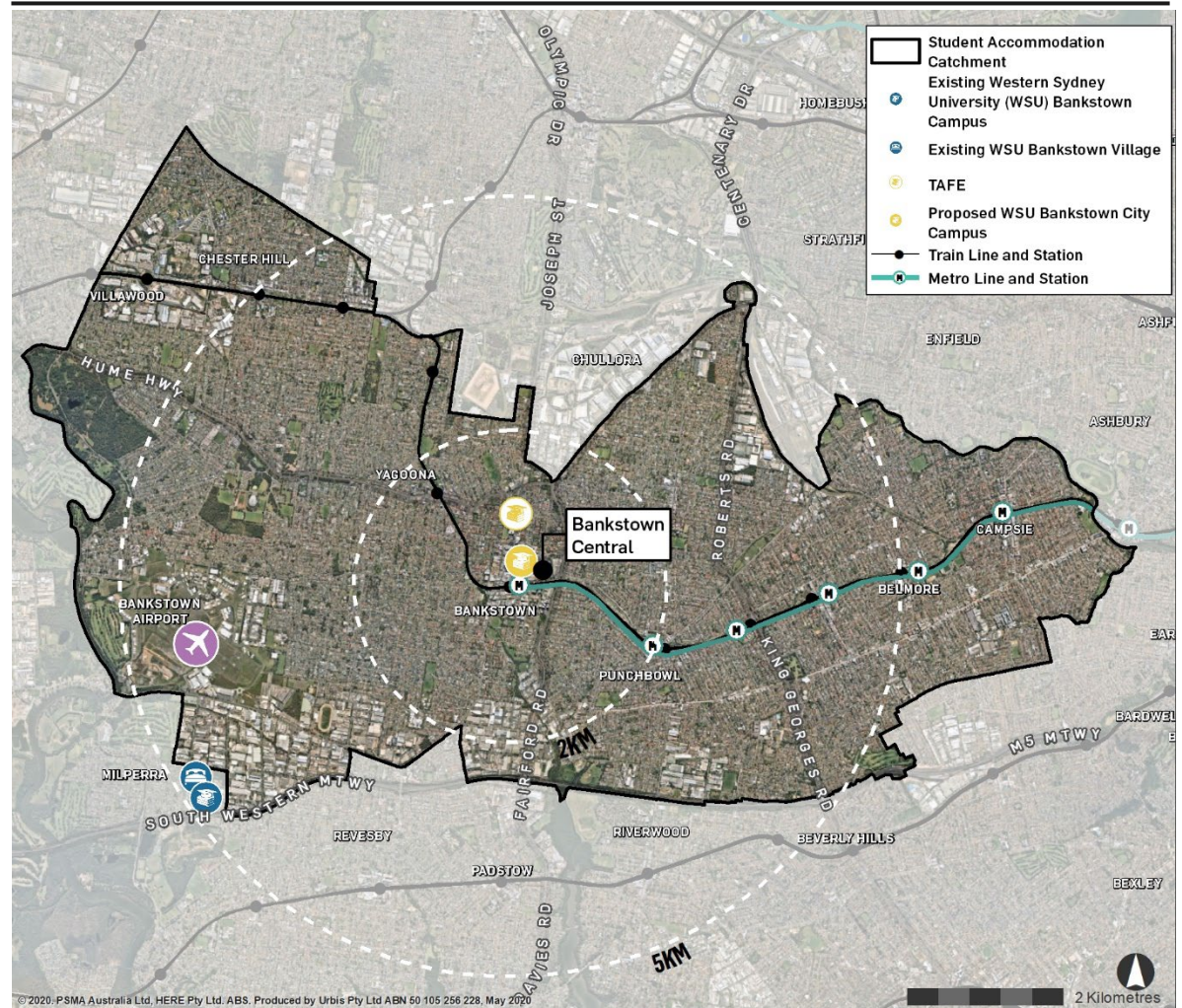
# STUDENT ACCOMMODATION COMPETITIVE CONTEXT

## KEY FINDINGS

- There is currently limited Purpose-Built Student Accommodation (PBSA) within the catchment. WSU Bankstown Village is the only operator offering on-campus accommodation (290 beds) at Milperra. These students will likely relocate to closer to the Bankstown City campus once it is relocated from Milperra.
- Our analysis of the future development pipeline indicated that there is currently no additional PBSA proposed in the catchment.
- This indicates that the **proposed 694 beds at Bankstown Central will represent 71% of the total supply once built in the current supply pipeline.**
- Whilst this indicates a rather high proportion, it is common for one operator (i.e. Unilodge, Campus Living Villages, Atira) to dominate the market and take up several facilities on-site.
- **Map 2.4.2** demonstrates the location of existing and proposed WSU Bankstown Campus along with associated PBSA.
- **The subject site will be an attractive location for student-living, with its location:**
  - Close to the new WSU campus
  - Adjacent to major transport interchange
  - Above the prime retail centre
  - Within the cluster where amenities, arts and creative facilities are located.

## WSU BANKSTOWN CAMPUS AND PBSA OPERATOR

Map 2.4.2



# STUDENT ACCOMMODATION – HISTORICAL ENROLMENTS

## KEY FINDINGS

- The data shown in **Table 2.4.1** has been adopted using full-time on-campus enrolments for the Western Sydney University (WSU) sourced from the Department of Education and Training data (DET) and the WSU campus breakdown provided by the WSU annual reports.
- From 2011 to 2016, WSU Bankstown enrolments grew strongly from 4,890 to 5,920 enrolments, reflecting an average annual growth rate of 3.9% per annum.
- From 2016 to 2019 enrolments declined to 4,091 enrolments. This decline is attributable to WSU opening new city campuses in Liverpool and Parramatta.
- Over the period between 2011 to 2019, WSU recorded a shift from domestic student growth to international student growth. This shift is expected to continue going forward (once the impacts of COVID-19 deteriorate) as the central location of the new campus attracts an increasing proportion of international students.

## WESTERN SYDNEY UNIVERSITY – HISTORICAL ENROLMENTS

Table 2.4.1

TYPE	2011	2012	2013	2014	2015	2016	2017	2018	2019	2011-19
<b>Commencing</b>										
<b>Domestic – Local</b>										
Undergraduate	1,196	1,223	1,326	1,352	1,582	1,519	1,294	1,172	890	-306
Postgraduate	167	153	172	175	158	160	135	111	91	-77
<b>Domestic – Regional and Interstate</b>										
Undergraduate	378	386	419	427	500	480	408	370	281	-96
Postgraduate	65	60	67	68	61	62	53	43	35	-30
<b>International</b>										
Undergraduate	136	132	129	150	185	200	206	211	189	53
Postgraduate	122	115	133	165	129	138	207	204	164	43
Other	11	10	10	9	14	13	13	11	11	0
<b>Continuing</b>										
<b>Domestic – Local</b>										
Undergraduate	1,764	1,859	1,928	2,056	2,100	2,073	1,847	1,643	1,401	-363
Postgraduate	130	147	135	140	148	158	149	117	98	-32
<b>Domestic – Regional and Interstate</b>										
Undergraduate	588	620	643	685	700	691	616	548	467	-121
Postgraduate	67	76	70	72	76	81	77	60	50	-17
<b>International</b>										
Undergraduate	174	180	174	188	193	202	218	208	212	38
Postgraduate	92	80	83	98	132	144	157	195	200	108
Other	2	2	1	1	2	2	2	2	2	0
<b>Total</b>	<b>4,890</b>	<b>5,043</b>	<b>5,291</b>	<b>5,587</b>	<b>5,978</b>	<b>5,920</b>	<b>5,380</b>	<b>4,894</b>	<b>4,091</b>	<b>-799</b>

Source: Department of Education and Training; Western Sydney University; Urbis

# STUDENT ACCOMMODATION – FORECAST ENROLMENTS

## KEY FINDINGS

- The data shown in **Table 2.4.2** has been estimated using full-time on-campus enrolments at the Western Sydney University Bankstown campus based on Department of Education and Training data (DET), WSU annual reports, historical growth rates, Government population projections by age cohort and Department of Home Affairs projections on inbound foreign students arrivals.
- The forecasts take into consideration the new WSU campus, set to open in 2023 at the earliest, and the significant increase in regional and international cohorts this is expected to attract. This is through the offering of courses in business, accounting, IT and non-clinical health areas as well as the integration of The College throughout the campus which offers bridging courses for domestic and international students transitioning from secondary school to degree programs or into a postgraduate program.
- As the campus only has capacity for 10,000 students, we do not currently expect enrolments to surpass 10,000 students as there is no known plans for WSU to expand the new campus. Although we note this may change in the future. We have based the projected take-up of enrolments at the new campus on the historical take-up of the recently opened and similar WSU Liverpool and Parramatta City Campuses.
- Overall student enrolments are projected to grow at a rate of 4.3% between 2019 and 2041. This equates to an average increase of 280 students per annum over the 21-year period. This includes a considerable injection of students between 2023 to 2035 with the opening of the new campus.

## WESTERN SYDNEY UNIVERSITY BANKSTOWN CITY CAMPUS – FORECAST ENROLMENTS

Table 2.4.2

TYPE	2019	2021	2024	2026	2031	2036	2041	2019-41
<b>Commencing</b>								
<b>Domestic - Local</b>								
Undergraduate	890	696	1,197	1,523	2,067	2,176	2,176	1,286
Postgraduate	91	99	122	155	210	222	222	131
<b>Domestic – Regional and Interstate</b>								
Undergraduate	281	220	378	481	653	687	687	406
Postgraduate	35	38	47	60	82	86	86	51
<b>International</b>								
Undergraduate	189	85	254	323	439	462	462	273
Postgraduate	164	84	221	281	382	402	402	238
Other	11	7	14	18	25	26	26	16
<b>Continuing</b>								
<b>Domestic – Local</b>								
Undergraduate	1,401	1,271	1,883	2,397	3,253	3,424	3,424	2,023
Postgraduate	98	138	132	168	227	239	239	141
<b>Domestic – Regional and Interstate</b>								
Undergraduate	467	424	628	799	1,084	1,141	1,141	674
Postgraduate	50	71	68	86	117	123	123	73
<b>International</b>								
Undergraduate	212	170	284	362	491	517	517	306
Postgraduate	200	163	269	342	464	488	488	289
Other	2	2	3	4	6	6	6	4
<b>Total</b>	<b>4,091</b>	<b>3,468</b>	<b>5,500</b>	<b>7,000</b>	<b>9,500</b>	<b>10,000</b>	<b>10,000</b>	<b>5,909</b>

Source: Department of Education and Training; Western Sydney University; Urbis



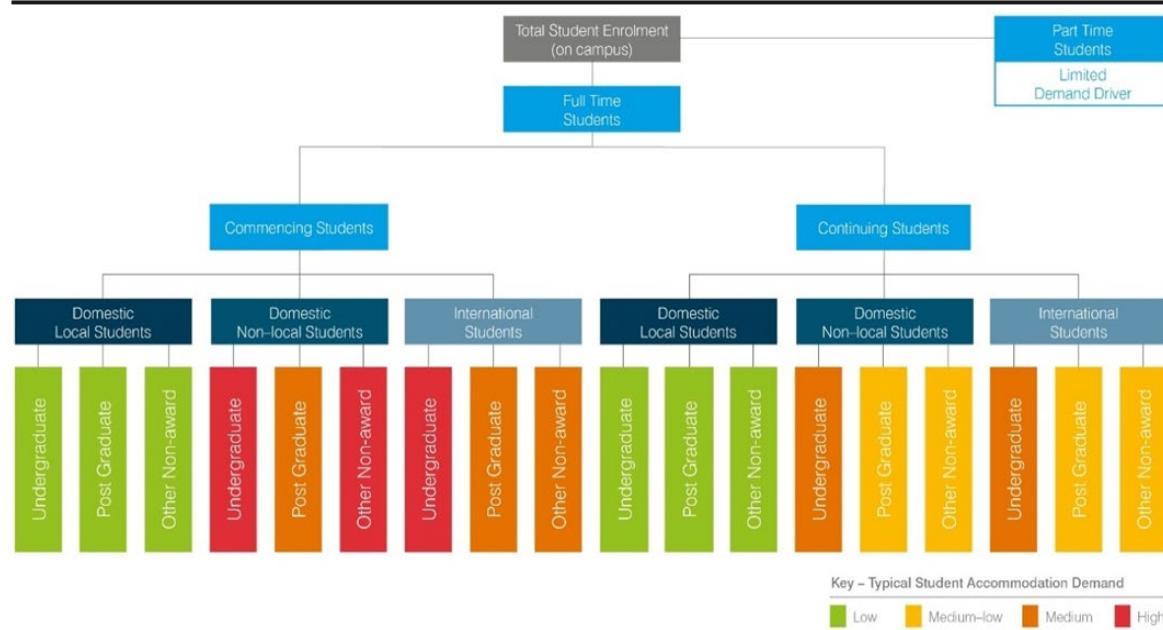
# STUDENT ACCOMMODATION - FORECAST DEMAND

## KEY FINDINGS

- Our propensity approach for student accommodation demand, forecasts student enrolments by a range of cohorts, recognising that different student groups will have different propensities to seek purpose-built student accommodation (e.g. a first year international undergraduate student will generally have a higher preference for on campus accommodation compared to a local domestic postgraduate student).
- The propensities adopted within this assessment have been estimated based on a review of propensity data from comparable universities in Australia.
- **Chart 2.4.1** outlines the different demand levels typically associated with each key student cohort.
- International commencing and continuing students, as well as commencing regional students, have the highest propensity for PBSA and are major drivers of overall demand.
- Propensities can be adjusted to account for changing variables under different scenarios.

## PROPENSITY APPROACH

Chart 2.4.1



Source: Urbis

# STUDENT ACCOMMODATION – FORECAST DEMAND

## KEY FINDINGS

- Adopted propensities have been estimated based on work undertaken for both suburban and regional city universities as comparable institutions. The propensities also reflect the opening of the new world-class high-rise WSU campus in 2024 in the Bankstown CBD which is anticipated to increase interest from regional and international students.
- The propensities adopted for this assessment have regard to the residential market in Sydney that is generally tighter and less affordable over the long term than most other capital cities in Australia, making student accommodation an attractive option.
- Based on forecast student numbers and applied propensities, there is estimated to be **demand for 838 student accommodation beds within the catchment by 2031, growing to 931 beds by 2041.**
- With 694 beds, the subject site would represent 83% of total demand by 2031 and 75% by 2041.** This is not uncommon in the student accommodation market as large student accommodation providers monopolise the market in particular areas through owning one larger or several smaller facilities, attracting a significant proportion of the market.

## ADOPTED PROPENSITIES

Table 2.4.3

COHORT	BENCHMARK MINIMUM	BENCHMARK MAXIMUM	BENCHMARK AVERAGE	ADOPTED PROPENSITIES
<b>Commencing</b>				
<b>Local Domestic</b>				
Undergraduate	0.7%	3.0%	1.3%	<b>1.0%</b>
Postgraduate	1.0%	6.0%	2.0%	<b>2.0%</b>
<b>Domestic – Interstate</b>				
Undergraduate	29.4%	85.0%	52.4%	<b>50.0%</b>
Postgraduate	4.0%	68.2%	29.5%	<b>30.0%</b>
<b>International</b>				
Undergraduate	2.5%	45.0%	16.6%	<b>15.0%</b>
Postgraduate	4.3%	11.1%	8.4%	<b>10.0%</b>
<b>Continuing</b>				
<b>Local Domestic</b>				
Undergraduate	0.3%	2.6%	1.0%	<b>1.0%</b>
Postgraduate	0.1%	8.0%	1.6%	<b>1.0%</b>
<b>Domestic – Interstate</b>				
Undergraduate	18.4%	35.0%	25.0%	<b>25.0%</b>
Postgraduate	0.0%	61.1%	15.9%	<b>15.0%</b>
<b>International</b>				
Undergraduate	5.1%	20.0%	9.7%	<b>10.0%</b>
Postgraduate	1.0%	8.0%	4.0%	<b>5.0%</b>

Source: Urbis

# STUDENT ACCOMMODATION COMPETITIVE POSITIONING

## LOCATION DRIVERS FOR STUDENT ACCOMMODATION

Table 2.4.4

LOCATION DRIVER	IMPACT	IMPLICATIONS FOR SUBJECT SITE	RATING
<b>I. Safe and Attractive Surrounding</b>	High	<ul style="list-style-type: none"> <li>The site is located at the core of the centre where day and night activities take place. This provides natural surveillance and helps maintain a high level of security around the living environment.</li> </ul>	Positive
<b>II. Amenities and Services</b>	Very High	<ul style="list-style-type: none"> <li>The site is located at the core of Bankstown Strategic Centre, where major retail, amenities and services are located. Bankstown Central itself is the only retail centre servicing Bankstown. Bankstown Central is home to major retailers such as Woolworths, Myer and Kmart. It also offers broad range of specialty stores, food and beverages, amenities and services. A Coles will also open in November 2022.</li> <li>Broader range of other retail offering including cafes, restaurants, bars and specialties are distributed around 500 metres walking distance from the site.</li> <li>The site is accessible to several public recreational space including Paul Keating Park and other community facilities such as Bankstown Library and Knowledge Centre.</li> <li>The site is highly accessible to both Bankstown TAFE NSW and the new WSU Bankstown City Campus (within 5-10 minutes walking distance)</li> </ul>	Positive
<b>III. Transport Accessibility and Infrastructure</b>	Very High	<ul style="list-style-type: none"> <li>The site is highly accessible via different modes of travel with its' location within Bankstown Station Precinct.</li> <li>Bankstown station and bus interchange are located at the immediate south of the subject site, providing convenient train and bus services to Sydney CBD, Parramatta and major regional centres including Strathfield and Sydney Olympic Park.</li> </ul>	Positive
<b>IV. Employment Opportunities</b>	High	<ul style="list-style-type: none"> <li>The site is located within the cluster of retail services and businesses, where students have potential access to retail jobs.</li> <li>The site benefits from the location in proximity to Bankstown Station and bus interchange, with access to key employment areas within 20 minutes including Cabramatta, Lidcombe and Sydenham.</li> </ul>	Positive
<b>V. Availability of Choice and Competing Supply</b>	Moderate	<ul style="list-style-type: none"> <li>The site is located in an area with high residential demand and limited supply of rental units or purpose-built student accommodation (PBSA).</li> <li>The supply pipeline indicates that no PBSA has been proposed in the catchment area, and the proposed student accommodation at the subject site will be an ideal location for student living.</li> <li>It is still important to note the possible competition from the availability of rental units and boarding homes in the catchment area.</li> </ul>	Moderate
<b>Overall Outlook</b>		<ul style="list-style-type: none"> <li><b>Ease access to Bankstown TAFE and the new WSU Bankstown City Campus</b></li> <li><b>Extensive range of retail, facilities, services and public amenities right at the doorstep</b></li> <li><b>Excellent access to major transport interchange that provide access to key employment centres</b></li> <li><b>No competing large scale development in catchment</b></li> </ul>	

# STUDENT ACCOMMODATION SUPPORTABLE MARKET SHARE

## MARKET DEMAND

- The subject site can meet **75% of the total student accommodation bed demand in the catchment by 2041.**
- The subject site will be the only PBSA facility of its size within the catchment, with only one other competing facility.
- The new WSU Bankstown campus is expected to attract a high number of international and regional students who have a high propensity for student accommodation.
- It is not uncommon for a large student accommodation provider to monopolise the market in particular areas through owning one large or several smaller facilities, attracting a significant proportion of the market.

## SUPPLY

- The subject site will represent **71% of the total supply in the catchment by 2041.**
- There is only one facility currently operating within the catchment with 290 student beds.
- There are no proposed facilities aside from the subject site currently in the pipeline.

## COMPETITIVE SHARE

- The subject site offers a central location with proximity to retail and transport which are important factors for students.
- With the opening of the WSU Bankstown City Campus in 2024, the subject site will be within walking distance for students.
- It is likely the Bankstown Village facility will not continue to operate beyond the closing of the old WSU Bankstown campus as it offers an inaccessible location away from campus and the centre of Bankstown.

## MARKET SHARE SUPPORTABILITY

- **The construction of 694 student accommodation beds on the subject by 2041 is supportable. This considers the following:**
  - A mix of bed types will be offered to suit market demand
  - The facility is able to partner with the university and a major PBSA operator to leverage existing market brand, provide greater certainty of accommodation quality to students and create higher visibility in the market
- The development will offer a high level of internal and external amenity and student supports
- There is no comparable competition of this quality and scale within the catchment either existing or proposed, therefore it is likely the subject site will be able to capture a high market share.





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# APPENDIX

**FUTURE SUPPLY PIPELINE**

# APPENDIX A – RESIDENTIAL FUTURE SUPPLY PIPELINE

## RESIDENTIAL FUTURE SUPPLY PIPELINE

Table A.1

Project Name	Address	Estimated Completion Year	Stage	Units (No.)
The Mason	27-35 Punchbowl Rd, Belfield	2022	Construction	111
The Boulevard Units	108 The Boulevard, Wiley Park	2022	Construction	60
Chertsey Avenue Rental Housing	39-41 Chertsey Avenue, Bankstown	2022	Construction	38
Georges Cr Mixed Development	38 Georges Crescent, Georges Hall	2022	Construction	25
Cross St & Stanley St Units	4 Cross Street, Bankstown	2023	Development Approval	70
Canterbury Rd Mixed Use	901 Canterbury Road, Lakemba	2023	Construction	70
South Parade Shop Top Housing	46 South Parade, Campsie	2023	Development Approval	68
Percy St Apartments	47 Percy Street, Bankstown	2023	Development Approval	60
Harp Street Units	2-12 Harp Street, Campsie	2023	Development Approval	60
Haldon Street Mixed Use Development	1-7 Haldon Street, Lakemba	2023	Development Approval	42
Alfred Street Units	1-5 Alfred St, Clemton Park	2023	Construction	32
Hume Highway Mixed Development	324 Hume Highway, Bankstown	2023	Development Approval	31
11 Burwood Rd	11 Burwood Road, Belfield	2023	Development Approval	31
LAHC - Campsie	24-28 Vicliffe Avenue, Campsie	2023	Construction	28
147-151 Canterbury Rd Mixed Development	147 Canterbury Road, Canterbury	2023	Development Approval	26
287 Canterbury Road Mixed Use Development	287 Canterbury Road, Canterbury	2023	Development Approval	26
1408 Canterbury Rd	1408 Canterbury Road, Punchbowl	2023	Development Approval	25
Broadway Units	39-43 Broadway, Punchbowl	2023	Construction	25
Poly Bankstown - Spring Square	32 Kitchener Parade, Bankstown	2024	Construction	417
Virtu	350 Hume Highway, Bankstown	2024	Development Approval	290
Novita	348 Hume Highway, Bankstown	2024	Development Approval	230
Canterbury Rd Mixed Development	1600 Canterbury Road, Punchbowl	2024	Development Approval	185
677-687 Canterbury Road	677-687 Canterbury Road, Belmore	2024	Development Application	184
821-855 Canterbury Road	821-855 Canterbury Road, Lakemba	2024	Development Approval	123
Canterbury Road Mixed Use Development	2 Dreadnought Street, Roselands	2024	Development Approval	98
Rookwood Road Units	25A & 29B Rookwood Road, Yagoona	2024	Development Approval	87
Meredith Street Mixed Use Development	46 Meredith Street, Bankstown	2024	Development Approval	68
Beamish Street Mixed Use Development	398 Beamish Street, Campsie	2024	Development Approval	67
Sixth Avenue Mixed Development	13 & 17 Sixth Avenue, Campsie	2024	Development Approval	61
Canterbury Road Units	754-774 Canterbury Road, Belmore	2024	Development Approval	59
Canterbury Rd Mixed Development	388-392 Canterbury Rd, Canterbury	2024	Development Approval	58
Beamish Street Mixed Use Development	349 & 355-357 Beamish Street, Campsie	2024	Development Approval	47
Drummond Street Mixed Use Development	45-47 Drummond Street, Belmore	2024	Development Approval	41

Source: Cordell; Urbis

# APPENDIX A – RESIDENTIAL FUTURE SUPPLY PIPELINE CONTINUED

## RESIDENTIAL FUTURE SUPPLY PIPELINE CONTINUED

Table A.2

Project Name	Address	Estimated Completion Year	Stage	Units (No.)
Fairmount Street Units	36 Fairmount Street , Lakemba	2024	Development Application	39
LAHC - Chester Hill	48-50 Wellington Road , Chester Hill	2024	Development Approval	38
Chapel Road Apartments	226 Chapel Road, Bankstown	2024	Development Approval	37
Canterbury Road Apartments	599-603 Canterbury Road , Belmore	2024	Development Approval	36
Canterbury Road Shop Top Housing	616 Canterbury Road, Belmore	2024	Development Approval	30
Weyland Street Mixed Use Development	1 & 3 Weyland Street, Punchbowl	2024	Development Approval	28
Nicholas Avenue Apartments	13-15 Nicholas Avenue, Campsie	2024	Development Approval	27
Canterbury Road Mixed Development	520-522 Canterbury Road, Campsie	2024	Development Approval	26
813 Canterbury Road	813 Canterbury Road, Lakemba	2024	Development Approval	26
Lakemba St Mixed Development	64 King Georges Road, Wiley Park	2025	Development Approval	210
Sixth Avenue Apartments	2-16 Sixth Avenue, Campsie	2025	Development Approval	125
Campbell Hill Road Shop Top Development	137 Campbell Hill Road, Chester Hill	2025	Development Approval	100
Canterbury Road Mixed Development	1552 Canterbury Road, Punchbowl	2025	Development Approval	66
Evaline Street Shop Top Housing	64-66 Evaline Street, Campsie	2025	Development Application	57
Leonard Street Units	32, 32A & 34 Leonard Street, Bankstown	2025	Development Approval	53
Canterbury Road Mixed Use Development	684-700 Canterbury Road, Belmore	2025	Development Application	42
Canterbury Road Units	773-777 Canterbury Road, Belmore	2025	Development Approval	39
Ninth Avenue & Third Avenues Units	83-87 Ninth Avenue, Campsie	2025	Development Approval	31
15-19 Leonard Street Apartments	15-19 Leonard Street, Bankstown	2025	Development Application	30
Sir Joseph Banks Street Apartments	27-31 Sir Joseph Banks Street, Bankstown	2025	Development Application	27
Burwood Road Shop Top Housing	460-462 Burwood Road, Belmore	2025	Development Application	25
Croydon Street Apartments	5-7, 7A & 9 Croydon Street, Lakemba	2026	Development Application	155
Lakemba Street Shop Top Housing	280-300 Lakemba Street, Wiley Park	2026	Development Approval	142
Banksia Road Apartments	177 Banksia Road , Greenacre	2026	Development Application	71
Canterbury Road Mixed Use Development	1608 Canterbury Road, Punchbowl	2026	Development Approval	62
Waldron Road Apartments	29-31 Waldron Road, Sefton	2026	Development Application	35
977 Hume Highway Mixed Use Development	977 Hume Highway, Lansdowne	2026	Development Approval	31
Precision Audio Australia	676 Canterbury Road, Belmore	2026	Development Application	29
25-27 Waldron Road Apartments	25-27 Waldron Road, Sefton	2027	Development Application	32
<b>Total</b>				<b>4,492</b>

Source: Cordell; Urbis



