



GILEAD, NSW

Market Potential Assessment

Prepared for Lendlease
June 2022

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INTRODUCTION

This report presents an independent assessment of the ultimate potential for retail and complementary non-retail floorspace at the proposed Gilead Town Centre site including recommendations in relation to timing and composition.

This report is structured and presented in **six** (6) sections as follows:

- **Section 1** reviews the regional and local context of the Gilead site and provides a summary of the proposed development scheme.
- **Section 2** details the trade area likely to be served by the proposed development, including current and projected population and retail spending levels over the period to 2041. The socio-economic profile of the trade area population is also outlined.
- **Section 3** summarises the current and future competitive retail environment within the surrounding region.
- **Section 4** provides a comparison between a range of similar developments throughout Australia, which share some of the key attributes of the prospective development.
- **Section 5** reviews the ultimate potential for retail and non-retail floorspace to be provided at the site.
- **Section 6** provides a summary of the recommended composition and timing for the prospective uses at the site.



EXECUTIVE SUMMARY

The key points to note from this report regarding the market potential for retail and complementary non-retail floorspace at the Gilead Town Centre site include the following:

- i. Lendlease's Gilead land holdings are located between the Hume Highway and Appin Road, immediately adjoining the existing suburb of Rosemeadow. The land interest consists of two main land parcels, namely Figtree Hill and Gilead, with the Mount Gilead Homestead sitting in between.
- ii. The development will deliver a broad range of community infrastructure, to support the new Gilead community and the broader Macarthur region.
 - **Figtree Hill** was rezoned for urban development in September 2017 and is planned to yield a total of 1,700 dwellings across 215 hectares.
 - **Gilead** is in the initial phases of master planning and planned to comprise up to 3,300 dwellings across 495 hectares.
 - **Mount Gilead Homestead** and surrounding landscape is excluded from the urban development of the site. The 150-hectare heritage precinct is currently under consideration for listing on the NSW State Heritage Register.
- iii. Lendlease is in the process of obtaining various development consents to deliver their master planned community known as Figtree Hill and are now embarking on the process of rezoning the Gilead (Stage Two) land for residential development in-line with State Governments' Greater Macarthur 2040 Plan.
- iv. Lendlease lodged a Planning Proposal with intent to secure one of the centres within the Figtree Hill development, that was recently gazetted by DPE. A Market Potential Assessment was previously prepared by Location IQ for the Figtree Hill Village Centre site, on behalf of Lendlease. This development is referred to as the Figtree Hill Village Centre, comprising up to 4,000 sq.m of floorspace and likely anchored by a small supermarket (around 1,200 sq.m).
- v. This report represents a Retail Demand Assessment to inform the master plan for Gilead only, detailing the appropriate delivery of retail opportunities and support of the draft structure plan. The subject retail centre is assumed to represent the Mount Gilead Town Centre for the purposes of this report.
- vi. The trade area likely to be served by the future retail centre at the Gilead site has been defined taking into consideration the following:



- Regional and local accessibility.
 - The pattern of urban development throughout the region.
 - Significant physical barriers.
 - The provision of existing and future competitive retail facilities throughout the surrounding area.
- vii. The total trade area population is currently estimated at 3,086 (2022), including 466 persons in the primary sector. Over the forecast period to 2041, the total trade area population is projected to increase to 39,896, representing an average annual growth rate of 14.4%, or 1,937 persons. Growth is also projected to continue beyond this period.
- viii. Overall, around 27,100 dwellings/lots (81,300 persons) are currently planned, across the total trade area. Based on the projected rate of development, almost half of these lots (12,527) are anticipated to be developed over the period to 2041 – equating to an additional 37,000 persons over this time.
- ix. Total trade area retail spending is currently estimated at \$48.6 million and is projected to increase to \$715.7 million by 2041 at a rate of 15.2%. All figures presented in this report are in constant 2021/22 dollars and include GST (i.e. excluding inflation).
- x. Taking all of the findings of this report into account, Table 1 presents a summary of our key recommendations in relation to proposed timing and composition of facilities at the Mount Gilead Town Centre site – to be delivered in the Gilead project.

Mount Gilead Town Centre Stage One – 2028/29

- A **total centre of some 7,500 – 8,500 sq.m** should be considered as part of Stage One, provided a full-line supermarket could be secured at the site.
- This would indicatively include a **retail component of around 5,200 sq.m**, comprising a supermarket (3,400 sq.m), mini-major (400 sq.m) and specialty space of some 1,400 sq.m.
- Around **4,000 - 6,000 sq.m of non-retail floorspace** in total would be supportable regardless of the retail offer – but again dependent on tenant/operator demand.
- Based on comparable developments of this size, an indicative land size of around 3 hectares may be required for Stage One.

Mount Gilead Town Centre Stage Two – 2034/35

- A **total centre of some 15,000 – 20,000 sq.m** should be considered as part of Stage Two, provided a second full-line supermarket and possibly Aldi could be secured at the site.
- If Aldi were not to be secured at the site (or not show interest), the timing of this second stage could be brought forward to align with the second full-line supermarket operator interest (possibly as early as 2032/33).
- This would indicatively include an expanded **retail component of around 11,500 – 13,500 sq.m**, comprising two or more supermarkets (up to 8,500 sq.m), two or more mini-majors (800 sq.m) and specialty space of around 3,000 – 3,500 sq.m.
- Around **4,000 - 6,000 sq.m of non-retail floorspace** would be supportable regardless of the retail offer – but dependent on tenant/operator demand.
- Based on comparable developments of this size, an indicative land size of around 6 - 8 hectares (cumulative) may be required for Stage One and Two. This would also depend on car parking arrangements.

TABLE 1. MOUNT GILEAD TOWN CENTRE, ULTIMATE SUPPORTABLE FLOORSPACE

Tenant/ Category	Stage One - 2028/29	Stage Two - 2034/35
	GLA (sq.m)	GLA (sq.m)
Majors		
Full-line Supermarket	3,400	3,400
Full-line Supermarket	-	3,400
Aldi	-	<u>1,700</u>
Total Majors	3,400	Up to 8,500
Mini-majors (> 400 sq.m)		
Mini-major One	400	400
Mini-major Two	-	<u>400</u>
Total Majors	400	800
Retail Specialties		
Food & Liquor	250	500
Food Catering	450	1,200
Apparel	0	200
Household Goods	0	100
Leisure	150	200
General Retail	250	500
Retail Services	<u>300</u>	<u>650</u>
Total Retail Spec.	1,400	3,350
Total Retail	5,200	11,500 - 13,500
Non-retail		
Non-retail Shopfronts	250	500
Medical	300	600
Childcare	1,000	1,000
Gym/Fitness Studio	200	400
Tavern	0	500 - 1,000
Petrol Station / Fast Food PAD Sites	500	1,000
Entertainment	0	400
Commercial Suites	250 - 750	1,000 - 2,000
Total Centre	7,500 - 8,500	15,000 - 20,000

1 LOCATION & CENTRE COMPOSITION

This section of the report reviews the regional and local context of the proposed Gilead Town Centre and provides a summary of the proposed development.

1.1. Regional & Local Context

- i. Lendlease controls land being marketed as Figtree Hill (previously known as the MDP land), which is a major residential development comprising some 1,700 lots to the south of Rosemeadow in Sydney's outer south-western suburbs. Lendlease has a development interest in additional land known as Gilead, which could accommodate some 3,300 lots.
- ii. The site is located some 65 km south-west of the Sydney CDD and some 7 km south of the Campbelltown City Centre – falling within the Campbelltown City Council Local Government Area (LGA) and Greater Macarthur Growth Area.

“Greater Macarthur is a proposed Growth Area incorporating Glenfield to Macarthur urban renewal precincts and the land release precincts to the south of Campbelltown. The Department of Planning and Environment has prepared Greater Macarthur 2040: An Interim Plan for the Greater Macarthur Growth Area which sets out the strategic planning framework for the Growth Area. When finalised, Greater Macarthur 2040 will guide precinct planning within the Growth Area.”

- iii. The site is located within the Gilead Growth Area Precinct (refer Figure 1.1):

“Gilead could provide around 15,000 homes within a scenic landscape. Conservation of biodiversity corridors and waterways will provide high amenity for future residents. A central transport corridor will connect Campbelltown-Macarthur and the rail network. This spine would provide further connection to Appin and Douglas Park, where higher density housing, employment and services will be located.”

- iv. Both the Figtree Hill and Gilead sites are located on the western side of Appin Road, which is a major arterial route through the area, connecting Appin (in the south) with Campbelltown and the Hume Motorway.

- v. Based on a review of the most recent traffic counts provided by Transport New South Wales, some 7,468 vehicles travel along Appin Road (south of Kings Street) on an average day (2022 figures). This equates to an annual passing traffic volume of around 2.7 million vehicles.
- vi. Map 1.2 illustrates the local context of the Gilead and Figtree Hill sites, with key points to note including:
- The two sites are provided between Appin Road in the east, and the Hume Motorway in the west.
 - The estate/s occupy large parcels of land, which are currently rural in nature and yet to be developed.
 - Menangle Park is located on the other (western) side of the Hume Motorway, as well as two train stations and the Menangle Park Racetrack.
 - A range of education facilities are provided to the north of the site, within the established residential suburbs of Rosemeadow, Glen Alpine and Ambarvale.
 - The nearest major retail and non-retail facilities are also located in this urban area and further north within the Campbelltown City Centre and surrounds.
 - The Mount Gilead Estate retirement village is also located immediately north of Figtree Hill and has developed in stages over the past decade.
- vii. Map 1.3 provides a guide as to existing and future infrastructure upgrades planned throughout the region. In order to accommodate the future population, an intricate road network will be developed, including significant upgrades to several surrounding arterial routes. This includes Appin Road being upgraded to four lanes, intersections to be added, and an arterial connection (four lanes) to link Appin Road to the Hume Motorway. Spring Farm Parkway will also connect Appin Road to Menangle Road along the northern extent of the trade area.
- viii. The pattern of infrastructure development would suggest that access to the Gilead project would be facilitated from the western portion of the site in initial years before linking with Appin Road in the east thereafter.
- ix. Overall, the Figtree Hill and Gilead sites represent a natural extension of Sydney's south-west urban area and occupy a high-profile location along Appin Road.

MAP 1.1. REGIONAL CONTEXT

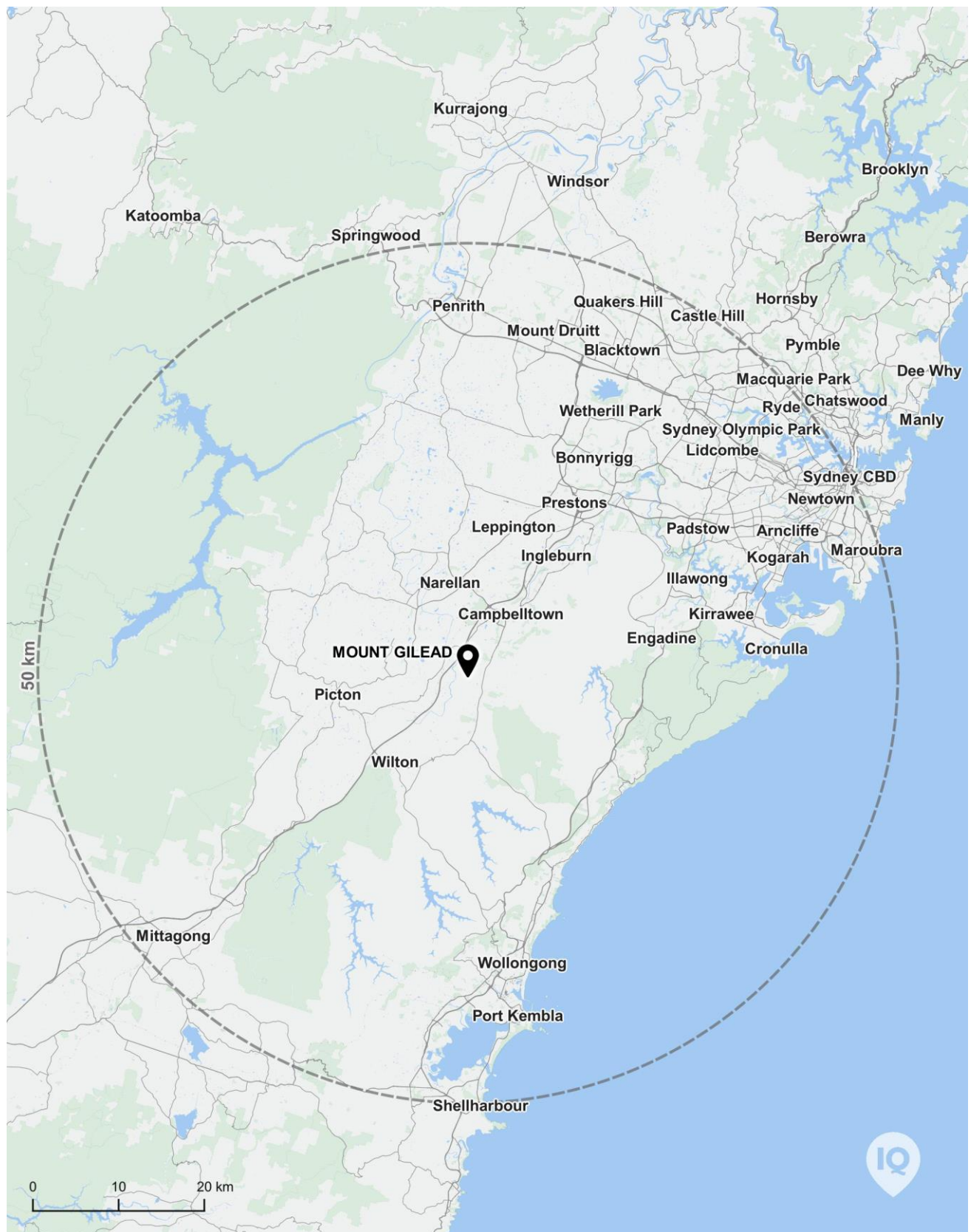
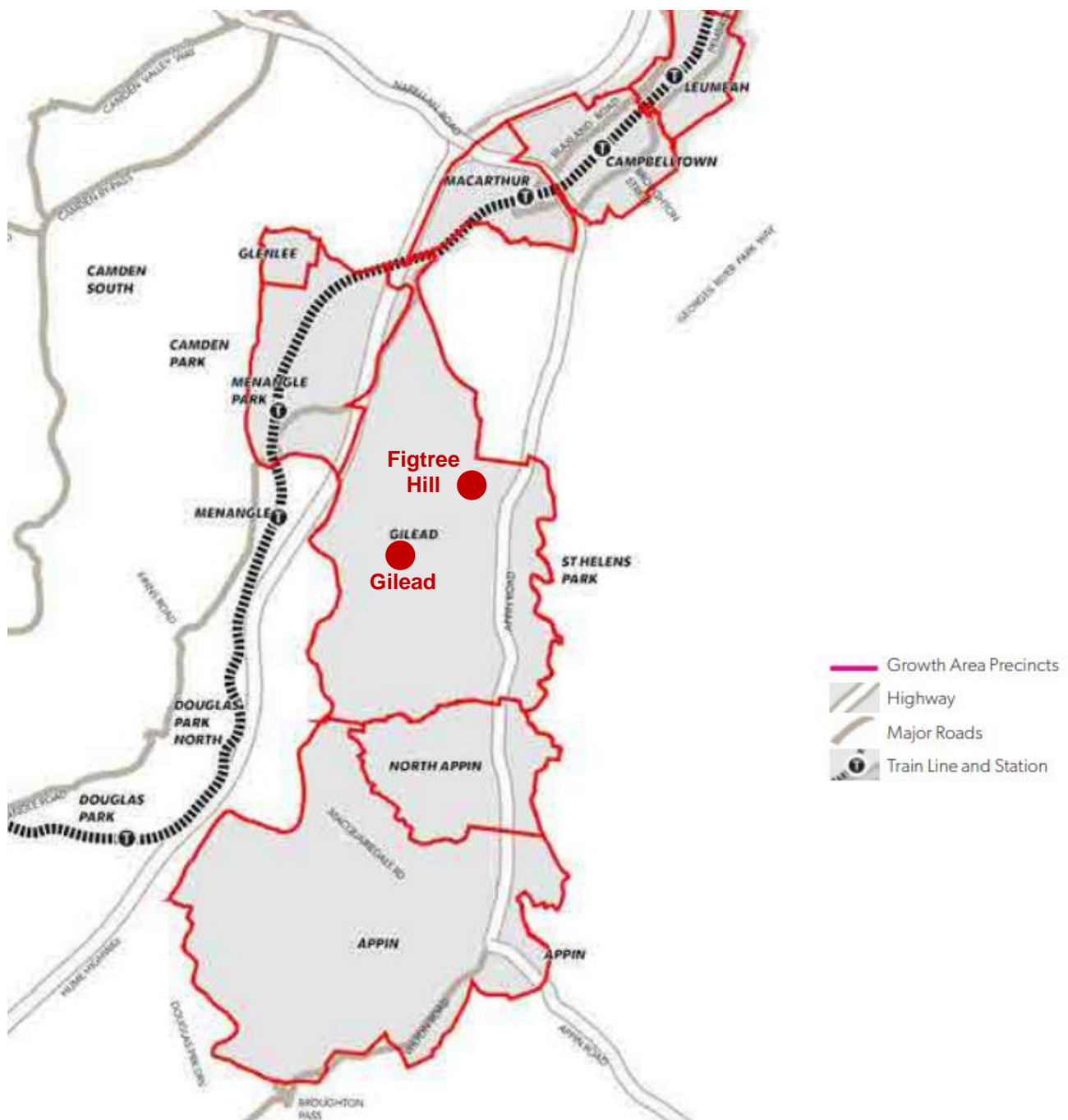
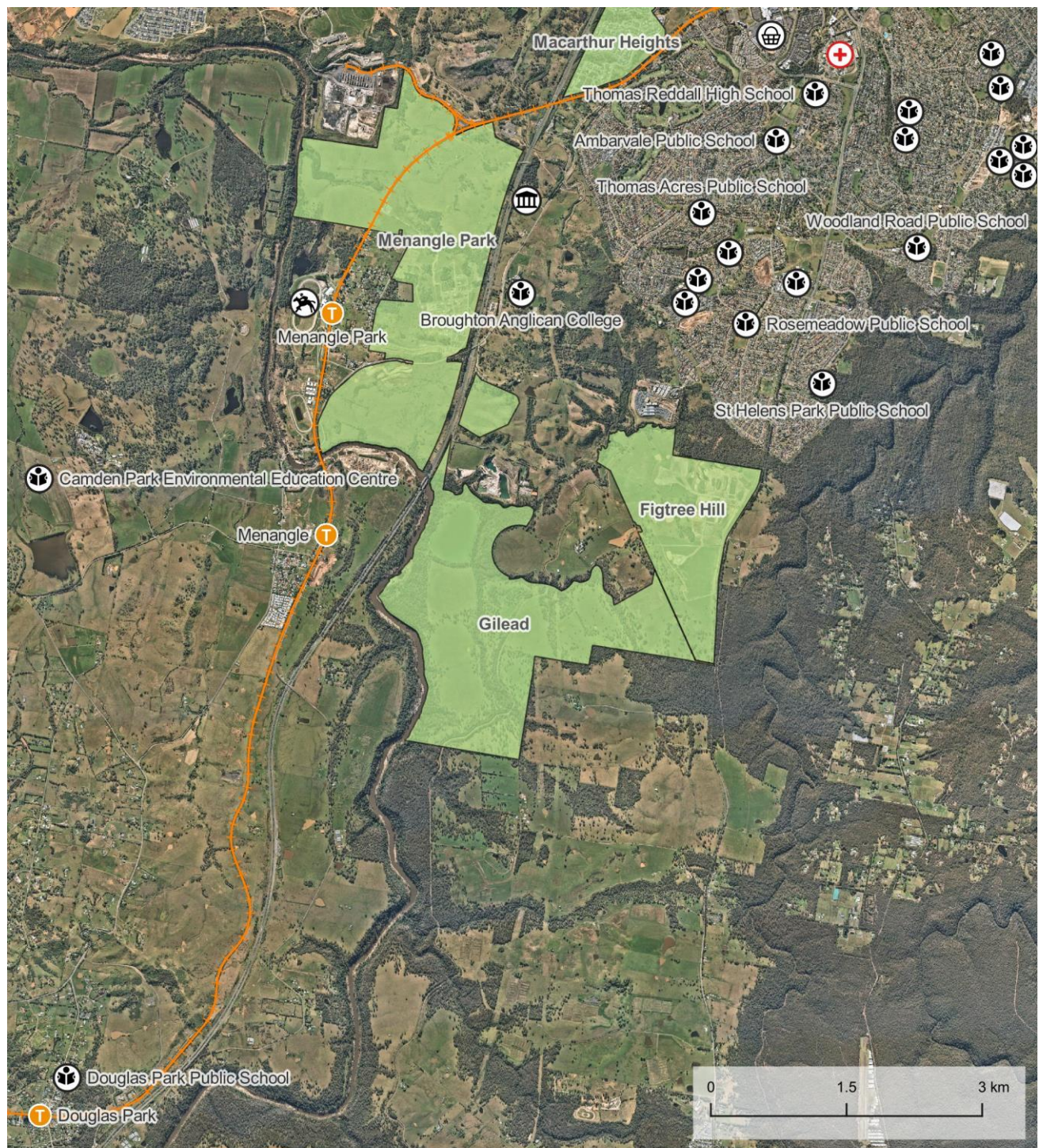


FIGURE 1.1. GREATER MACARTHUR 2040 GROWTH AREA PRECINCTS



MAP 1.2. LOCAL CONTEXT

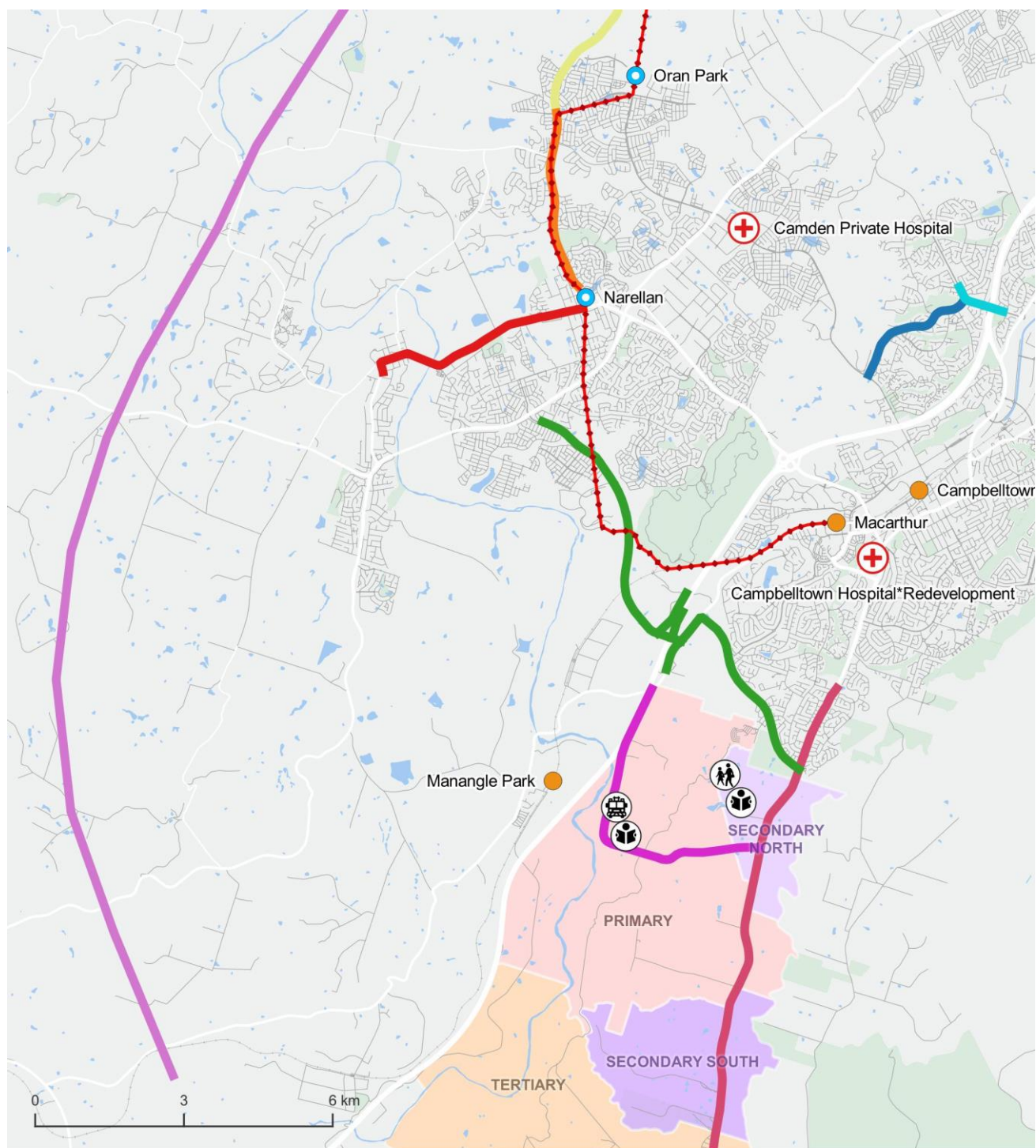


- | | | | |
|--|---|--|----------------------------|
| | Campbelltown Hospital | | School |
| | Macarthur Square | | Planned Residential Estate |
| | Menangle Trackside | | |
| | The Campbelltown Steam & Machinery Museum | | |

PhotoMap by nearmap.com



MAP 1.3. FUTURE INFRASTRUCTURE



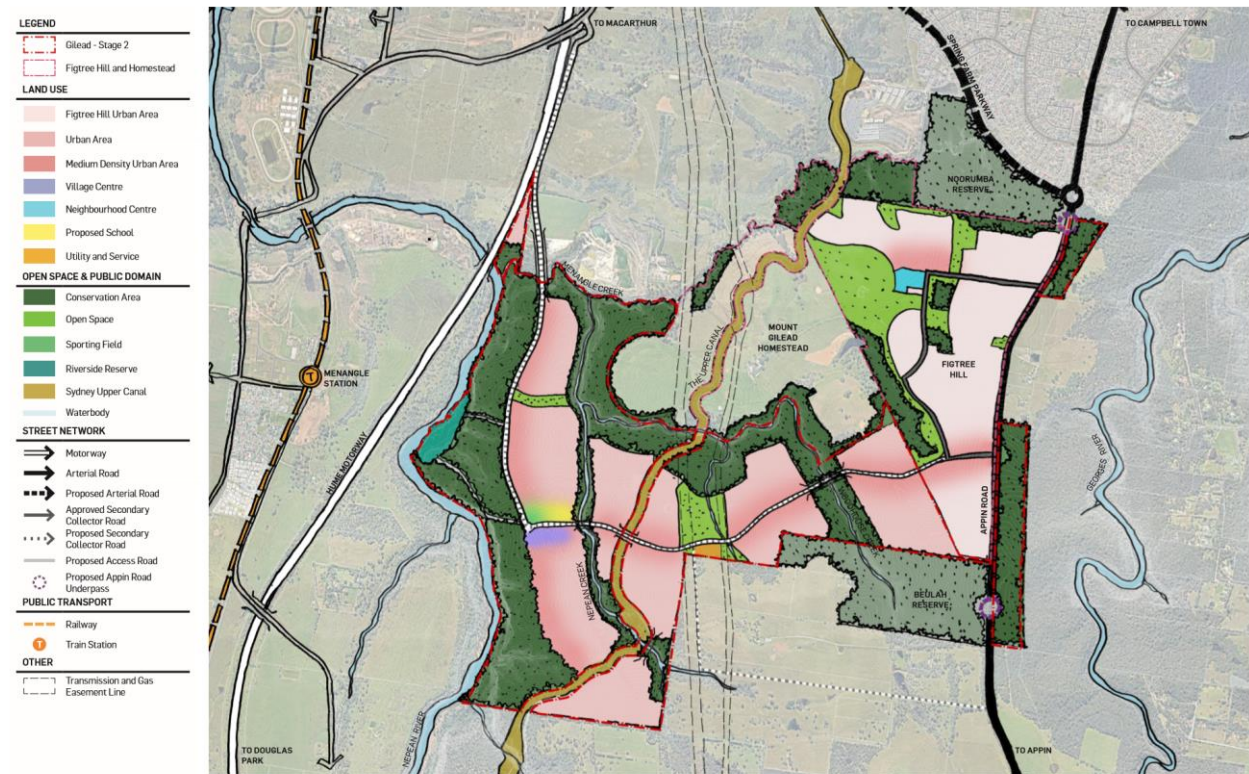
1.2. Proposed Development

- i. Lendlease's Mount Gilead land holdings are located between the Hume Highway and Appin Road, immediately adjoining the existing suburb of Rosemeadow. The land interest consists of two main land parcels, namely Figtree Hill and Gilead, with the Mount Gilead Homestead sitting in between.
- ii. The development will deliver a broad range of community infrastructure, to support the new Mount Gilead community and the broader Macarthur region.
 - **Figtree Hill** was rezoned for urban development in September 2017 and is planned to yield a total of 1,700 dwellings across 215 hectares.
 - **Gilead** is in the initial phases of master planning and planned to comprise up to 3,300 dwellings across 495 hectares.
 - **Mount Gilead Homestead** and surrounding landscape is excluded from the urban development of the site. The 150-hectare heritage precinct is currently under consideration for listing on the NSW State Heritage Register.
- iii. Lendlease is in the process of obtaining various development consents to deliver their master planned community known as Figtree Hill and are now embarking on the process of rezoning the Gilead (Stage Two) land for residential development in-line with State Governments' Greater Macarthur 2040 Plan.
- iv. Figure 1.2. provides a preliminary guide as to the master plan for the Gilead land, with key points to note including:
 - The development will be provided along a north-south alignment at the western portion of the site, as well as east-west through the centre of the development.
 - The proposed Mount Gilead Town centre would likely be provided centrally within the development, with exposure/proximity to one or more arterial roads.
 - A range of community facilities are also planned as part of the estate, including schools, sports and recreation areas, emergency services and more.
- v. To support the rezoning of the land, consultation and technical advice is currently being sought to shape the masterplan for the land.
- vi. This report is also supplemented by a separate body of work on employment demand and strategy. In considering the broader Greater Macarthur Growth Area, the Department of Planning and Environment (DPE) engaged Urbis in 2016 to prepare the Greater Macarthur and Wilton Retail Market Analysis. The assessment establishes a retail and centre hierarchy for both the Greater Macarthur

and Wilton Growth Areas with the higher-level centre positions adopted within the *Greater Macarthur 2040 – Interim Plan*.

- vii. The assessment identified two centres within the Gilead land, being:
 - The Mount Gilead Town Centre (8,700 sq.m), to be anchored by a full-line supermarket, and:
 - Menangle Environs (4,400 sq.m)
- viii. Lendlease have lodged a Planning Proposal with intent to secure one of the centres within the Figtree Hill development. This Planning Proposal was recently gazetted by DPE, securing the centre within Figtree Hill. A Market Potential Assessment was previously prepared by Location IQ for the Figtree Hill Village Centre site, on behalf of Lendlease. This development is referred to as the Figtree Hill Village Centre, comprising up to 4,000 sq.m of floorspace and likely anchored by a small supermarket (around 1,200 sq.m).
- ix. This report represents a Retail Demand Assessment to inform the master plan for Gilead only, detailing the appropriate delivery of retail opportunities and support of the draft structure plan. The subject retail centre is assumed to represent the Mount Gilead Town Centre for the purposes of this report.
- x. This report also includes an allowance for the delivery of the Figtree Hill Village Centre development.

FIGURE 1.2. GILEAD STAGE TWO MASTER PLAN



URBIS GILEAD STAGE 2 MASTER PLAN
STRUCTURE PLAN

DATE: 31 MAY 2022
JOB NO: P0036355
REV: A
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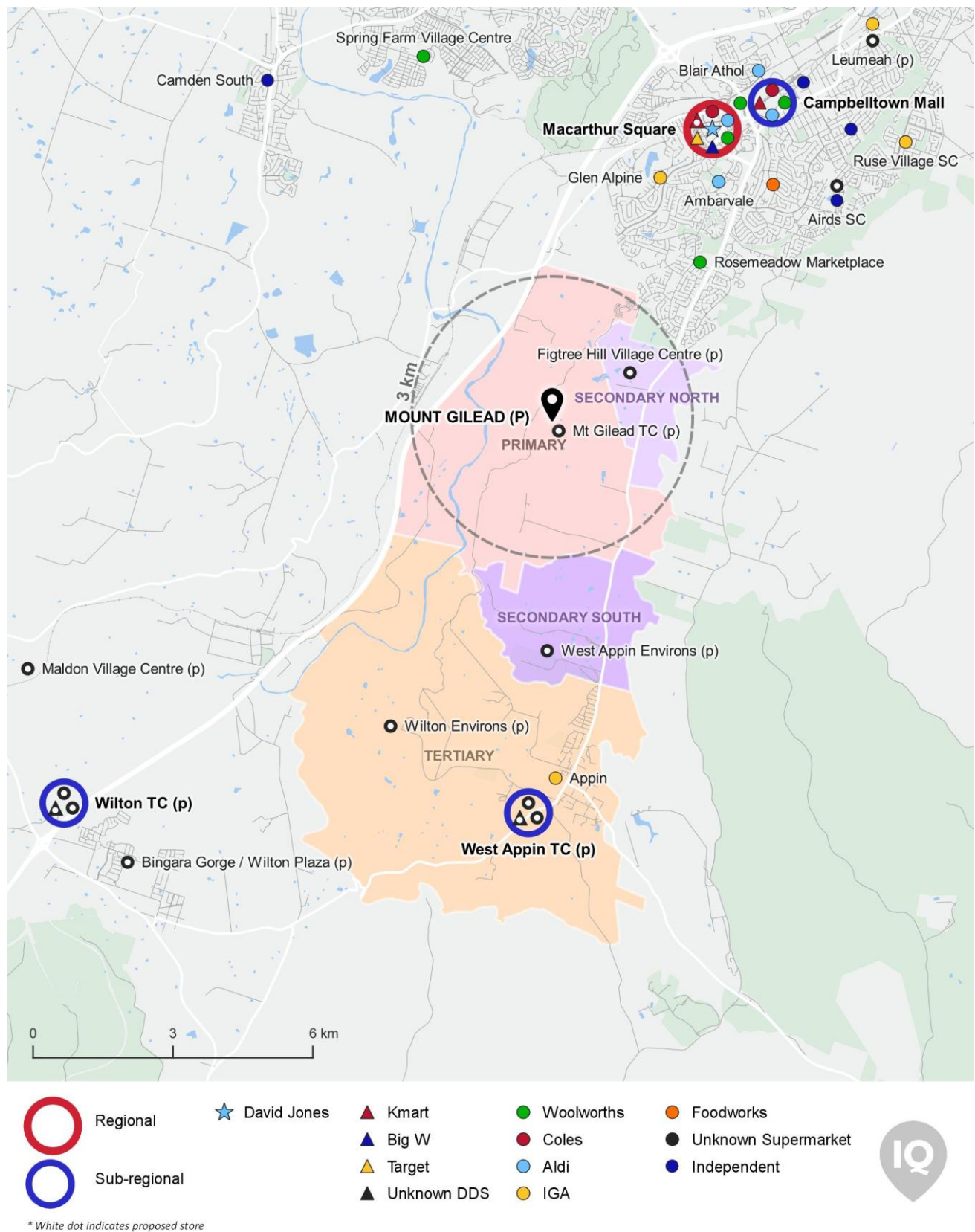
2 TRADE AREA ANALYSIS

This section of the report provides a review of the trade area likely to be served by prospective retail facilities as part of the Mount Gilead Town Centre, including current and projected population and retail spending levels over the period to 2041. A review of the socio-economic profile of the trade area population is also provided.

2.1. Trade Area Definition

- i. The trade area likely to be served by the future retail centre on Gilead land has been defined taking into consideration the following:
 - Regional and local accessibility.
 - The pattern of urban development throughout the region.
 - Significant physical barriers.
 - The provision of existing and future competitive retail facilities throughout the surrounding area.
- ii. Map 2.1 illustrates the defined trade area to be served by the Mount Gilead Town Centre, which includes one primary sector, two secondary sectors, and one tertiary sector, as follows:
 - The **primary sector** encompasses the entire Gilead parcel, extending approximately 3 km to the north and south, and bounded by Appin Road in the east, and the Hume Motorway in the west.
 - The **secondary north sector** incorporates the Figtree Hill development and additional land east of Appin Road.
 - The **secondary south sector** comprises the North Appin Growth Area Precinct.
 - The **tertiary sector** generally reflects the Appin growth area precinct and includes to Appin township.
- iii. The combination of the primary and secondary sectors is referred to as the main trade area throughout the remainder of this report. The inclusion of the tertiary sector is referred to as the total trade area.

MAP 2.1. MOUNT GILEAD TOTAL TRADE AREA



2.2. Trade Area Population

- i. Table 2.1 details the total trade area current and projected population by sector. This information is sourced from the following:
 - The 2011 and 2016 Census of Population and Housing undertaken by the Australian Bureau of Statistics (ABS).
 - New dwelling approvals sourced from the ABS over the period from 2011/12 to 2020/21 (refer Chart 2.1), which indicates an average of 27 new dwellings were approved for the main trade area annually over this timeframe. This will increase substantially upon commencement of development within the region.
 - Official population projections prepared at by NSW Planning.
 - Information on projected development pipelines provided to this office by Lendlease.
 - Investigations by this office into residential developments in the region.
- ii. The total trade area population is currently estimated at 3,086 (2022), including 466 persons in the primary sector. Over the forecast period to 2041, the total trade area population is projected to increase to 39,896, representing an average annual growth rate of 14.4%, or 1,937 persons. Growth is also projected to continue beyond this period.
- iii. Future population growth is likely to be driven by a number of residential estates which are currently planned or under construction across the main trade area (refer Table 2.2 & Map 2.2). Key developments are described as follows:
 - **Gilead (Primary Sector):** based on information provided to this office, the development is anticipated to yield a total of some 3,300 dwellings (9,900 persons). Construction is projected to proceed at an average rate of 400 dwellings per year over the 2027 – 2034 period, as indicated by the development schedule provided.
 - **Primary Sector Balance:** the balance of primary sector land is understood to comprise Samaha/Bloom landholdings that are projected to yield some 2,100 lots (6,300 persons) over the 2026 – 2035 period.
 - **Figtree Hill (Secondary North Sector):** based on information provided to this office, the Figtree Hill Estate development will yield 1,700 lots (5,100 persons), with first residents expected from 2023. Development is projected to proceed at a rate of 240 dwellings per annum until completion in 2029.

- **North Appin Precinct (Secondary South Sector):** based on the *Greater Macarthur 2040: Interim Plan*, the North Appin growth area precinct has a projected total dwelling yield of up to 5,000 lots or around 15,000 persons. For the purposes of this assessment, this is assumed to commence as northern sectors have achieved significant development progress (from 2031).
 - **Appin Precinct (Tertiary Sector):** the *Greater Macarthur 2040: Interim Plan* also indicates that the Appin growth area precinct has a projected total dwelling yield of up to 15,000 lots or around 45,000 persons. This is inclusive of Appin Grove Estate, which will yield 477 dwellings. Siteworks have commenced at Appin Grove Estate, and first homes have been assumed from 2024. Further development of the Appin Precinct, however, is likely to progress from 2036 (longer term).
- iv. Overall, around 27,100 dwellings/lots (81,300 persons) are currently planned, across the total trade area. Based on the projected rate of development (Table 2.2), almost half of these lots (12,527) are anticipated to be developed over the period to 2041 – equating to an additional 37,000 persons over this time.
- v. It is important to note that the population projections in this report are based on current market conditions and the latest available information collected or provided to this office. If market conditions change, this would impact population and sales projections outlined in this assessment.

TABLE 2.1. TRADE AREA POPULATION, 2011 – 2041

Population	Actual		Estimated		Forecast			
	2011	2016	2021	2022	2026	2031	2036	2041
Primary Sector	300	466	466	466	986	10,286	16,536	16,536
Secondary Sectors								
• North	7	7	7	7	2,287	4,537	4,537	4,537
• South	<u>37</u>	<u>37</u>	<u>37</u>	<u>37</u>	<u>37</u>	<u>787</u>	<u>4,987</u>	<u>9,487</u>
Total Secondary	44	44	44	44	2,324	5,324	9,524	14,024
Main Trade Area	344	510	510	510	3,310	15,610	26,060	30,560
Tertiary Sector	1,737	2,576	2,576	2,576	2,936	3,686	4,836	9,336
Total Trade Area	2,081	3,086	3,086	3,086	6,246	19,296	30,896	39,896

Average Annual Change (No.)	Actual			Forecast			
	2011-2016	2016-2021	2021-2022	2022-2026	2026-2031	2031-2036	2036-2041
Primary Sector	33	0	0	130	1,860	1,250	0
Secondary Sectors							
• North	0	0	0	570	450	0	0
• South	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>150</u>	<u>840</u>	<u>900</u>
Total Secondary	0	0	0	570	600	840	900
Main Trade Area	33	0	0	700	2,460	2,090	900
Tertiary Sector	168	0	0	90	150	230	900
Total Trade Area	201	0	0	790	2,610	2,320	1,800

Average Annual Change (%)	Actual			Forecast			
	2011-2016	2016-2021	2021-2022	2022-2026	2026-2031	2031-2036	2036-2041
Primary Sector	9.2%	0.0%	0.0%	20.6%	59.8%	10.0%	0.0%
Secondary Sectors							
• North	0.0%	0.0%	0.0%	325.1%	14.7%	0.0%	0.0%
• South	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>84.3%</u>	<u>44.7%</u>	<u>13.7%</u>
Total Secondary	0.0%	0.0%	0.0%	169.6%	18.0%	12.3%	8.0%
Main Trade Area	8.2%	0.0%	0.0%	59.6%	36.4%	10.8%	3.2%
Tertiary Sector	8.2%	0.0%	0.0%	3.3%	4.7%	5.6%	14.1%
Total Trade Area	8.2%	0.0%	0.0%	19.3%	25.3%	9.9%	5.2%

All figures as at June and based on 2016 SA1 boundary definition.

Sources : ABS; Lendlease, NSW Planning

CHART 2.1. TOTAL TRADE ARE NEW DWELLING APPROVALS, 2011/12 – 2021/22

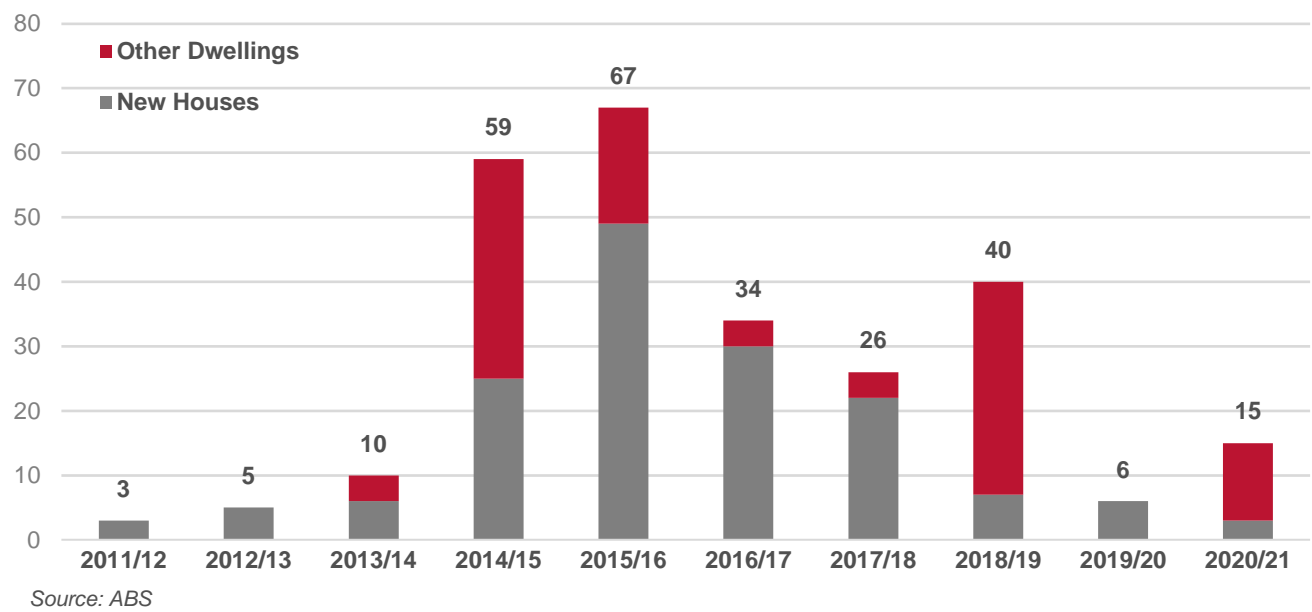


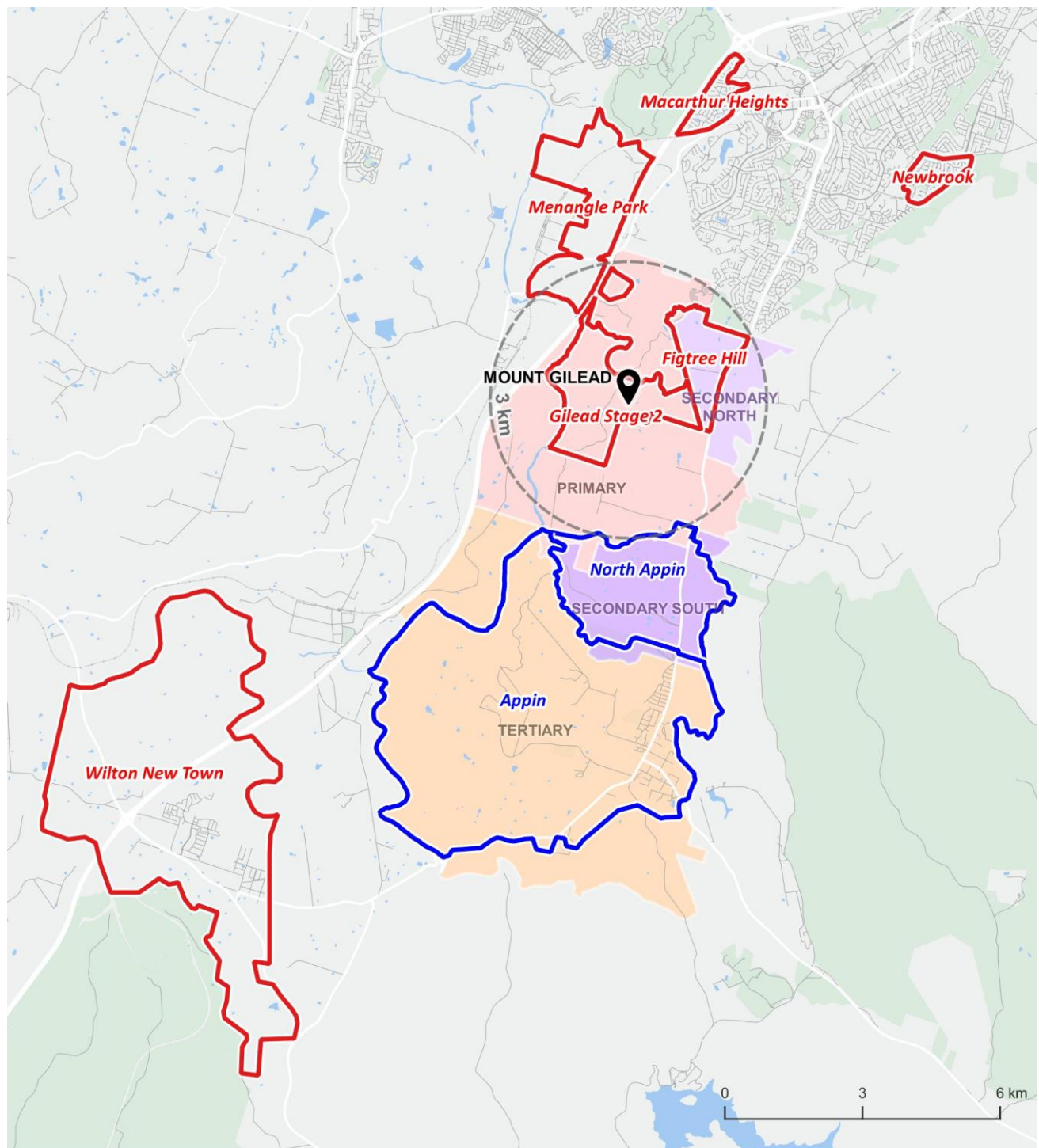
TABLE 2.2. INDIVATIVE RESIDENTIAL DEVELOPMENT TIMELINE

Estate/Development	Trade Area Sector	Developer	Total Yield (no.)	First Homes (year)	To Date (no.)	Remaining (no.)	Financial Year																				
							2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Dwellings																											
Gilead Stage 2	Primary	Lendlease	3,300	2027	0	3,300	-	-	-	-	-	-	715	400	370	280	285	425	460	365	-	-	-	-	-	-	-
Samaha/Bloom	Primary	n.a.	2,100	2025	0	2,100	-	-	-	-	-	210	210	210	210	210	210	210	210	210	-	-	-	-	-	-	
Figtree Hill	Secondary North	Lendlease	1,700	2025	0	1,700	-	-	200	200	250	300	300	250	200	-	-	-	-	-	-	-	-	-	-	-	
North Appin Precinct	Secondary South	n.a.	5,000	2022	0	5,000	-	-	-	-	-	-	-	-	-	-	250	250	250	300	300	300	300	300	300	300	
Appin Grove	Tertiary	n.a.	477	2024	0	477	n.a.	-	-	50	50	50	50	50	50	50	50	27	-	-	-	-	-	-	-	-	
Appin Precinct	Tertiary	n.a.	14,523	2036	0	14,523	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	300	300	300	300	300	
Residents																											
Gilead Stage 2	Primary	Lendlease	9,900	2027	0	9,900	-	-	-	-	-	-	2,145	1,200	1,110	840	855	1,275	1,380	1,095	-	-	-	-	-	-	
Samaha/Bloom	Primary	n.a.	6,300	2025	0	6,300	-	-	-	-	-	630	630	630	630	630	630	630	630	630	-	-	-	-	-	-	
Figtree Hill	Secondary North	Lendlease	5,100	2025	0	5,100	-	-	600	600	750	900	900	750	600	-	-	-	-	-	-	-	-	-	-	-	
North Appin Precinct	Secondary South	n.a.	15,000	2022	0	15,000	-	-	-	-	-	-	-	-	-	-	750	750	750	900	900	900	900	900	900		
Appin Grove	Tertiary	n.a.	1,431	2024	0	1,431	-	-	-	150	150	150	150	150	150	150	150	150	81	-	-	-	-	-	-	-	
Appin Precinct	Tertiary	n.a.	43,569	2036	0	43,569	-	-	-	-	-	-	-	-	-	-	-	-	-	-	900	900	900	900	900	900	

Sources: Lendlease, Greater Macarthur 2040 Assumptions



MAP 2.2. RESIDENTIAL ESTATES & LAND RELEASES



- Residential Estates
- Greater Macarthur 2040 Growth Area Precinct



2.3. Socio-economic Profile

- i. Table 2.3 summarises the socio-economic characteristics of the Gilead total trade area, as compared with the Sydney metropolitan and Australia benchmarks. This information is based on the latest 2016 Census of Population and Housing. The results of the 2021 Census are expected to become available from late June 2022.
- ii. Key points to note are as follows:
 - The total trade area is generally older than the benchmark.
 - The total trade area is predominantly Australian born.
 - A review of the household structure of the total trade area indicates most households comprise traditional families (i.e. couples with dependent children).
- iii. Table 2.4 provides a comparison of the key socio-economic changes within the total trade area over the 2011 – 2016 Census periods. It is noted that as at the 2016 Census, the population accommodated within the main trade area was small, in comparison with projected population levels.
- iv. By way of example, Table 2.5 illustrates the socio-economic profile of the subject total trade area with that of the nearby Spring Farm Shopping Centre main trade area – which was approaching completion at the time of the 2016 Census.
- v. With continued population growth and residential development, the socio-economic profile of the main trade area is expected to increasingly reflect a younger, traditional family-based population who own their own homes – similar to Spring Farm.

TABLE 2.3. TRADE AREA SOCIO-ECONOMIC PROFILE, 2016 CENSUS

Characteristic	Total TA	Syd Metro Average	Aust Average
Income Levels			
Average Per Capita Income	\$34,980	\$42,036	\$38,500
Per Capita Income Variation	-16.8%		
Average Household Income	\$94,358	\$115,062	\$98,486
Household Income Variation	-18.0%		
Average Household Size	2.7	2.7	2.6
Age Distribution (% of Pop'n)			
Aged 0-14	18.9%	18.1%	18.0%
Aged 15-19	6.5%	6.0%	6.1%
Aged 20-29	8.1%	15.1%	13.9%
Aged 30-39	10.2%	15.7%	14.1%
Aged 40-49	12.0%	13.9%	13.7%
Aged 50-59	12.6%	12.3%	12.9%
Aged 60+	31.7%	19.0%	21.3%
Average Age	43.4	37.8	38.9
Housing Status (% of H'holds)			
Owner/Purchaser	84.4%	64.7%	67.9%
Renter	15.6%	35.3%	32.1%
Birthplace (% of Pop'n)			
Australian Born	86.6%	61.9%	72.9%
Overseas Born	13.4%	38.1%	27.1%
• Asia	1.5%	18.6%	10.7%
• Europe	9.7%	7.7%	8.0%
• Other	2.2%	11.8%	8.4%
Family Type (% of Pop'n)			
Couple with dep't children	47.3%	48.8%	45.2%
Couple with non-dep't child.	8.4%	9.2%	7.8%
Couple without children	25.7%	20.2%	23.0%
Single with dep't child.	7.6%	8.0%	8.9%
Single with non-dep't child.	4.3%	4.1%	3.7%
Other family	0.4%	1.2%	1.1%
Lone person	6.2%	8.5%	10.2%

Sources: ABS Census of Population and Housing 2016



TABLE 2.4. TOTAL TRADE AREA SOCIO-ECONOMIC PROFILE COMPARISON

Characteristic	2011	Total Trade Area 2016	Change (%)	2011	Syd Metro 2016	Change (%)
Income Levels						
Average Per Capita Income	\$31,357	\$34,980	11.6%	\$36,941	\$42,036	13.8%
Average Household Income	\$89,860	\$94,358	5.0%	\$99,586	\$115,062	15.5%
Age						
Average Age	39.3	43.4	10.4%	37.2	37.8	1.8%
Birthplace (% of Pop'n)						
Australian Born	85.6%	86.6%	0.9%	63.7%	61.9%	-1.7%
Overseas Born	14.4%	13.4%	-0.9%	36.3%	38.1%	1.7%
Household Size & Structure						
Average Household Size	2.9	2.7	-5.9%	2.7	2.7	1.5%
Couple with dep't children	51.5%	47.3%	-4.2%	48.2%	48.8%	0.6%
Housing Cost (% Income)						
Mortgage Repayments**	26.1%	23.1%	-2.9%	28.4%	25.1%	-3.3%
Rent Payments**	6.6%	16.6%	10.0%	20.2%	21.4%	1.1%
Housing Status (% of H'holds)						
Owner/Purchaser	82.8%	84.4%	1.6%	67.4%	64.7%	-2.7%
Renter	17.2%	15.6%	-1.6%	32.6%	35.3%	2.7%
Labour Force (% of Pop'n)						
Labour Force Participation	63.1%	61.1%	-2.0%	66.6%	65.6%	-1.0%
% Unemployed	2.8%	3.5%	0.7%	3.3%	6.0%	2.7%
% White Collar Occupations	60.9%	60.6%	-0.3%	74.3%	74.7%	0.4%
% Blue Collar Occupations	39.1%	39.4%	0.3%	25.7%	25.3%	-0.4%

Source: ABS Census of Population and Housing 2011 & 2016

TABLE 2.5. SOCIO-ECONOMIC PROFILE COMPARISON (SPRING FARM MTA), 2016

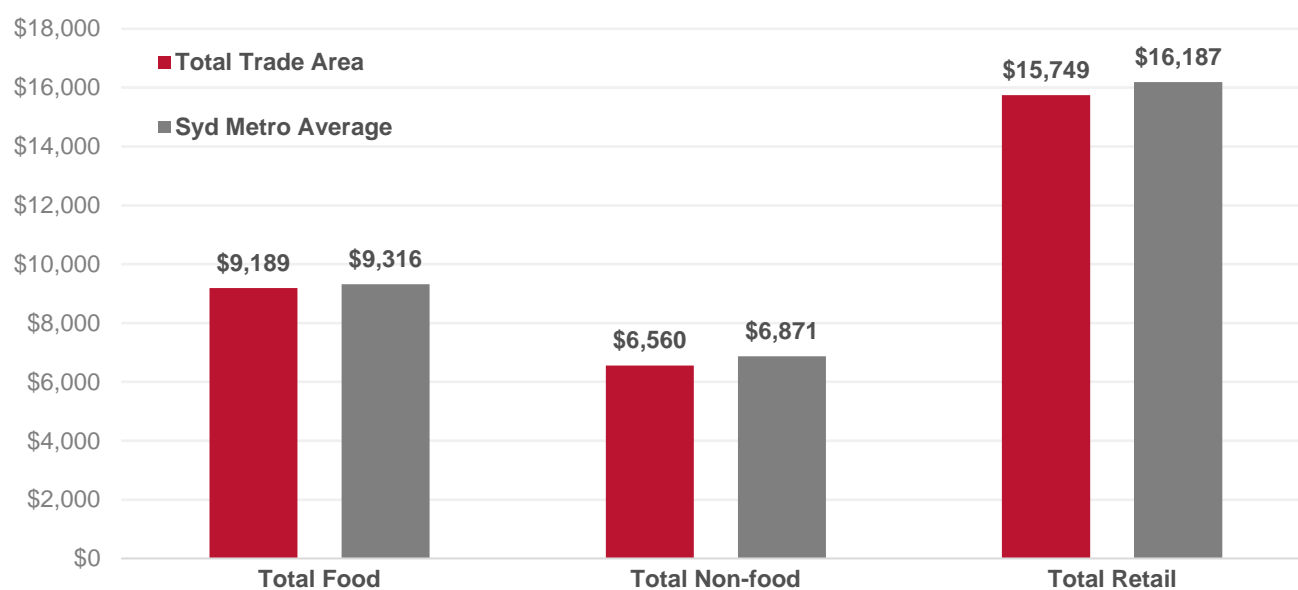
Characteristic	Mt Gilead TTA	Spring Farm MTA	Syd Metro Average	Aust Average
Income Levels				
Average Per Capita Income	\$34,980	\$39,045	\$42,036	\$38,500
Per Capita Income Variation	-16.8%	-7.1%		
Average Household Income	\$94,358	\$117,704	\$115,062	\$98,486
Household Income Variation	-18.0%	2.3%		
Average Household Size	2.7	3.0	2.7	2.6
Age Distribution (% of Pop'n)				
Aged 0-14	18.9%	25.0%	18.1%	18.0%
Aged 15-19	6.5%	7.1%	6.0%	6.1%
Aged 20-29	8.1%	14.2%	15.1%	13.9%
Aged 30-39	10.2%	16.8%	15.7%	14.1%
Aged 40-49	12.0%	14.0%	13.9%	13.7%
Aged 50-59	12.6%	10.3%	12.3%	12.9%
Aged 60+	31.7%	12.5%	19.0%	21.3%
Average Age	43.4	32.6	37.8	38.9
Housing Status (% of H'holds)				
Owner/Purchaser	84.4%	77.5%	64.7%	67.9%
Renter	15.6%	22.5%	35.3%	32.1%
Birthplace (% of Pop'n)				
Australian Born	86.6%	87.2%	61.9%	72.9%
Overseas Born	13.4%	12.8%	38.1%	27.1%
• Asia	1.5%	2.2%	18.6%	10.7%
• Europe	9.7%	5.5%	7.7%	8.0%
• Other	2.2%	5.1%	11.8%	8.4%
Family Type (% of Pop'n)				
Couple with dep't children	47.3%	56.1%	48.8%	45.2%
Couple with non-dep't child.	8.4%	8.0%	9.2%	7.8%
Couple without children	25.7%	17.6%	20.2%	23.0%
Single with dep't child.	7.6%	9.4%	8.0%	8.9%
Single with non-dep't child.	4.3%	3.6%	4.1%	3.7%
Other family	0.4%	0.8%	1.2%	1.1%
Lone person	6.2%	4.5%	8.5%	10.2%

Sources: ABS Census of Population and Housing 2016

2.4. Trade Area Retail Expenditure Capacity

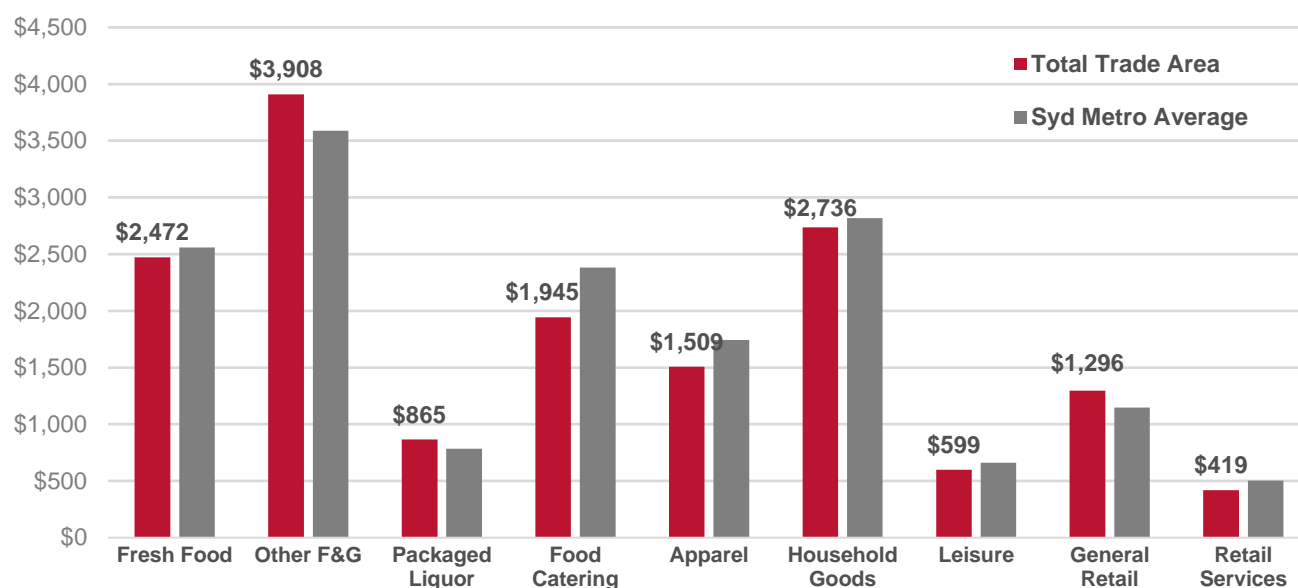
- i. The estimated retail expenditure capacity of the main trade area population is based on information sourced from Market Data Systems (MDS). MDS utilises a detailed micro-simulation model of household expenditure behaviour for all residents of Australia.
- ii. The MDS model considers information from a wide variety of sources, including the regular ABS Household Expenditure Survey, the National Accounts Data, Census Data and other information. MarketInfo estimates used in this analysis are based on the 2016 release, benchmarked against the latest National Accounts Data, released by the ABS. Throughout Australia, the MarketInfo estimates of retail spending that are prepared independently by MDS are commonly used by all parties in economic assessments.
- iii. It is important to note that, given the low population levels recorded across the primary and secondary sectors as at the 2016 Census, per capita expenditure levels from the nearby Spring Farm main trade area have been used as a proxy.
- iv. Charts 2.2 – 2.3 illustrate the retail spending levels per person across the total trade area, as compared with the Sydney metropolitan averages in 2021/22.
- v. Table 2.6 details the retail expenditure levels generated by the total trade area population. Total trade area retail spending is currently estimated at \$48.6 million and is projected to increase to \$715.7 million by 2041 at a rate of 15.2%. All figures presented in this report are in constant 2021/22 dollars and include GST (i.e. excluding inflation).
- vi. The projected growth rate in retail spending of 15.1% per annum for the total trade area considers the following:
 - Real growth in retail spending per capita of 0.0% is assumed over the period to 2023, reflecting the impact of the COVID-19 pandemic on the economy. From 2024 real growth per capita is assumed at 0.5% annually for food retail and 1.0% for non-food retail over the period to 2041.
 - Total trade area population growth, which is projected at around 14.4% per annum.
- vii. Table 2.7 details the total trade area retail expenditure generated by key commodity group. The largest spending market is food and liquor at \$22.4 million, or 46% of the total spending market.

CHART 2.2. TRADE AREA PER CAPITA RETAIL SPENDING, 2021/22



Source: Marketinfo

CHART 2.3. TOTAL TRADE AREA PER CAPITA SPENDING, 2021/22



Source: Marketinfo

TABLE 2.6. TOTAL TRADE AREA RETAIL EXPENDITURE, 2022 – 2041

Y/E June	Primary Sector	Secondary Sectors		Main TA	Tertiary Sector	Total TA
		North	South			
2022	7.5	0.1	0.6	8.3	40.3	48.6
2023	8.3	0.2	0.6	9.1	41.0	50.1
2024	10.1	1.0	0.6	11.7	42.7	54.4
2025	12.2	4.3	0.6	17.1	44.5	61.6
2026	14.9	18.4	0.6	33.9	46.3	80.2
2027	20.8	40.9	0.8	62.5	48.5	111.0
2028	33.5	47.3	1.6	82.3	51.2	133.5
2029	54.0	54.6	2.9	111.5	54.0	165.5
2030	87.0	63.1	5.4	155.5	56.9	212.4
2031	140.1	73.0	10.0	223.1	60.0	283.1
2032	187.2	78.8	16.4	282.4	63.6	346.0
2033	207.5	79.4	24.0	310.8	67.6	378.5
2034	230.0	80.0	34.9	344.9	72.0	416.9
2035	254.9	80.6	50.9	386.4	76.6	463.0
2036	282.5	81.3	74.3	438.0	81.5	519.5
2037	298.5	81.9	96.0	476.5	90.1	566.6
2038	300.9	82.6	110.1	493.5	103.6	597.1
2039	303.3	83.2	126.1	512.6	119.0	631.7
2040	305.7	83.9	144.6	534.1	136.8	671.0
2041	308.1	84.5	165.7	558.4	157.3	715.7
Expenditure Growth						
2022-26	7.3	18.3	0.0	25.6	5.9	31.5
2026-31	125.3	54.6	9.4	189.2	13.7	202.9
2031-36	142.3	8.3	64.3	214.9	21.5	236.4
2036-41	25.6	3.3	91.5	120.4	75.8	196.2
2022-41	300.5	84.4	165.1	550.1	116.9	667.0
Average Annual Growth Rate						
2022-26	18.5%	256.9%	0.6%	42.3%	3.5%	13.3%
2026-31	56.6%	31.8%	74.7%	45.8%	5.3%	28.7%
2031-36	15.0%	2.2%	49.4%	14.4%	6.3%	12.9%
2036-41	1.8%	0.8%	17.4%	5.0%	14.1%	6.6%
2022-41	21.6%	0.0%	0.0%	24.8%	7.4%	15.2%

**Constant 2021/22 dollars & including GST
Source : MarketInfo*

TABLE 2.7. TTA RETAIL EXPENDITURE BY KEY COMMODITY GROUP, 2022 – 2041

Y/E June	Food & Liquor	Food Catering	Apparel	H'hold Goods	Leisure	General Retail	Retail Services
2022	22.4	6.0	4.7	8.4	1.8	4.0	1.3
2023	23.0	6.2	4.8	8.7	1.9	4.1	1.3
2024	24.9	6.7	5.2	9.5	2.1	4.5	1.5
2025	28.0	7.7	6.0	10.8	2.4	5.0	1.7
2026	36.0	10.1	7.9	14.3	3.1	6.5	2.2
2027	49.4	14.0	11.2	20.0	4.4	8.9	3.2
2028	59.0	17.0	13.5	24.2	5.3	10.7	3.8
2029	72.7	21.1	16.9	30.1	6.7	13.2	4.8
2030	92.7	27.2	21.8	38.9	8.6	16.9	6.2
2031	122.8	36.4	29.3	52.1	11.6	22.5	8.4
2032	149.4	44.7	36.0	64.0	14.2	27.5	10.3
2033	163.0	49.0	39.5	70.1	15.6	30.1	11.3
2034	178.9	54.1	43.6	77.4	17.2	33.2	12.4
2035	198.1	60.2	48.6	86.2	19.2	36.9	13.9
2036	221.5	67.7	54.7	97.0	21.6	41.5	15.6
2037	240.9	74.0	59.7	106.0	23.6	45.3	17.1
2038	253.4	78.1	63.0	111.9	24.8	48.0	18.0
2039	267.5	82.7	66.7	118.5	26.3	50.9	19.0
2040	283.6	88.0	70.9	126.0	28.0	54.3	20.2
2041	301.9	94.0	75.7	134.5	29.8	58.1	21.6
Expenditure Growth							
2022-26	13.7	4.1	3.3	5.8	1.3	2.5	0.9
2026-31	86.8	26.4	21.4	37.9	8.4	16.0	6.1
2031-36	98.6	31.3	25.3	44.9	10.0	19.0	7.3
2036-41	80.5	26.3	21.0	37.5	8.3	16.6	5.9
2022-41	279.6	88.0	71.0	126.1	28.0	54.1	20.3
Average Annual Growth Rate							
2022-26	12.7%	13.8%	14.2%	14.0%	14.1%	12.9%	14.5%
2026-31	27.8%	29.3%	29.9%	29.6%	29.8%	28.2%	30.3%
2031-36	12.5%	13.2%	13.3%	13.2%	13.3%	13.0%	13.3%
2036-41	6.4%	6.8%	6.7%	6.8%	6.7%	7.0%	6.7%
2022-41	14.7%	15.6%	15.8%	15.7%	15.8%	15.1%	16.0%

*Constant 2021/22 dollars & including GST

Source : MarketInfo

3 COMPETITIVE ENVIRONMENT

This section of the report provides a summary of the existing and future competitive developments within the region.

Retail facilities within the surrounding region form a typical hierarchy as described by economists, including regional and sub-regional shopping centres at Campbelltown, Macarthur, and a range of supermarket-based centres to serve the local convenience needs of the population.

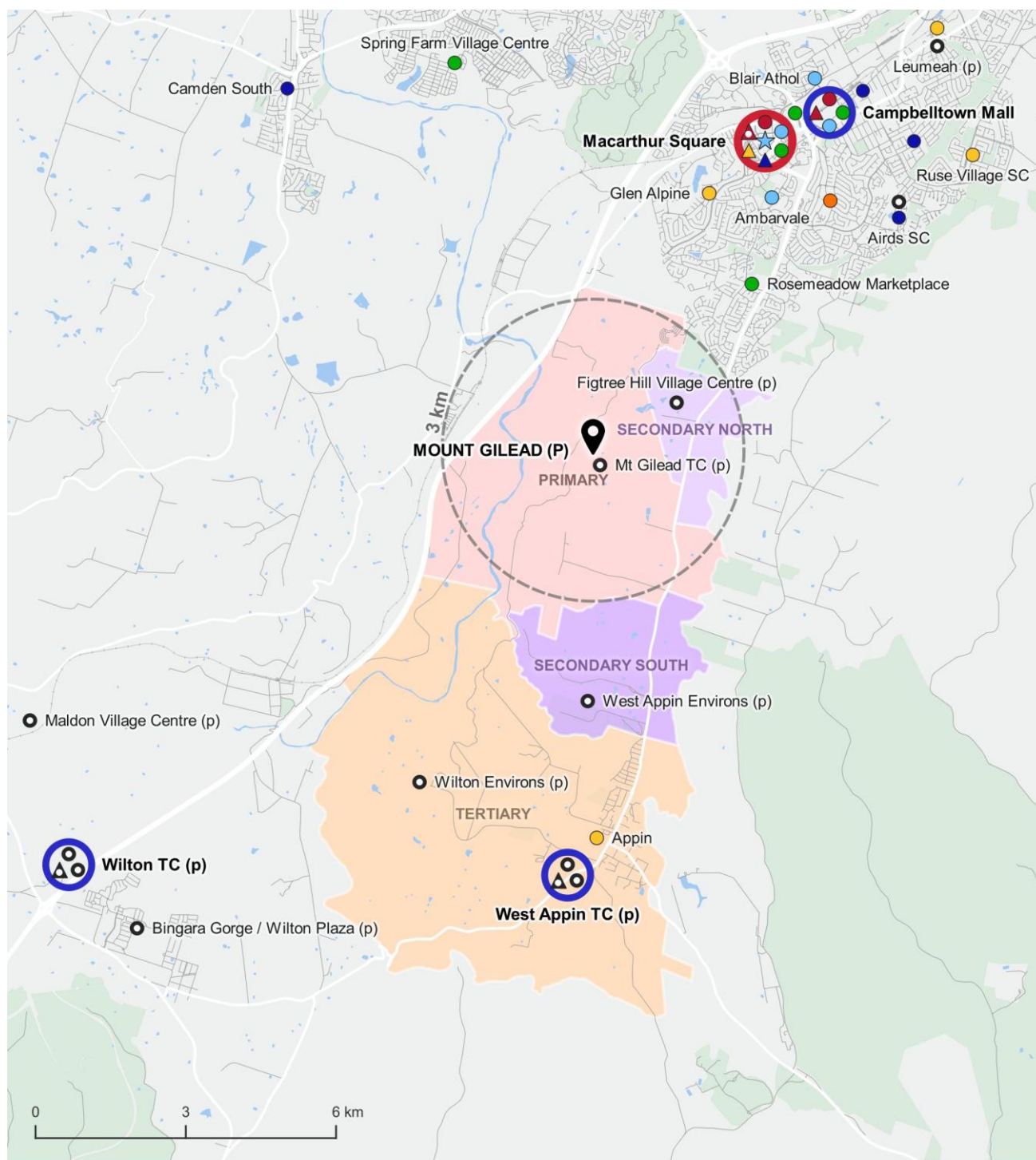
The key competitive facilities provided throughout the main trade area and surrounding region are illustrated on Map 3.1, with the composition of these facilities summarised in Table 3.1.

TABLE 3.1. EXISTING COMPETITIVE CENTRES

Centre	Shopfront GLA (sq.m)	Anchor Tenants	Dist. From Site (km)
Regional Shopping Centres			
<u>Campbelltown CBA</u>	<u>193,700</u>		<u>10.0</u>
• Macarthur Square	108,300	David Jones (6,900), Big W (8,800), Target (5,400), Aldi (1,500), Coles (4,600), Woolworths (4,200)	
• Campbelltown Mall	42,400	Kmart (8,200), Coles (4,100), Woolworths (4,000), Aldi (1,500),	
• Marketfair Campbelltown	9,200	Woolworths (3,700), TK Maxx (1,900)	
• Other CBA	35,000		
Supermarket Based Shopping Centres			
Rosemeadow Marketplace	7,500	Woolworths (3,600)	5.0
Bradbury SC	3,500	Foodworks (1,500)	7.0
Appin	4,000	Supa IGA (1,500)	7.5
Ambarvale Shopping Centre	1,900	Aldi (1,800)	7.5
Glen Alpine	200	IGA Xpress (180)	7.5
Ruse Village SC	2,800	IGA (1,200)	12.0
Spring Farm Village	6,000	Woolworths (3,700)	20.0
Wilton Plaza	1,700	IGA - X-Press (150)	23.8

Source: Location IQ Database

MAP 3.1. MOUNT GILEAD MAIN TRADE AREA AND COMPETITION



* White dot indicates proposed store



3.1. Existing Retail Competition

3.1.1. Within the Total Trade Area

- i. There is currently very limited retail floorspace located within the total trade area, including a small provision of shopfronts along Appin Road in Appin. This includes a free-standing Supa IGA of 1,500 sq.m, as well as around ten specialty offers comprising takeaway shops, a bakery, barber, bottle shop and the like.

3.1.2. Beyond the Total Trade Area

- i. Beyond the main trade area, the nearest major retail facilities are generally provided within the Campbelltown City Centre.
- ii. Macarthur Square is the largest component of the Campbelltown Central Business Area (CBA) and is a major regional shopping destination for residents of South West Sydney. The centre is anchored by a David Jones, Big W, Target, and triple-supermarket offer (Coles, Woolworths and Aldi) across a GLA of some 108,300 sq.m. Other major components of the Campbelltown CBA include:
 - Campbelltown Mall is a sub-regional shopping facility located at the southern extent of the Queen Street retail strip. The two-level centre incorporates 42,400 sq.m of floorspace and is anchored by Kmart and Target discount department stores and Woolworths, Coles and Aldi supermarkets. The centre also includes nine mini-major tenants and 108 specialty shops. According to Little Guns 2021 (Shopping Centre News), the centre recorded sales of \$229 million.
 - Marketfair Campbelltown is a convenient supermarket-based centre of 9,100 sq.m, anchored by a Woolworths supermarket of 3,700 sq.m. The centre includes TK Maxx and Chemist Warehouse mini-major tenants, as well as a number of food catering and convenience based retail specialty shops.
 - A number of large format retail traders are provided throughout the area, including a Bunnings Warehouse along Blaxland Road.
 - The Queen Street retail strip is primarily located between Allman Street and Railway Street intersections. The strip includes primarily independent food catering and convenience based tenants.
- iii. Supermarkets are typically defined as grocery and dry goods stores of at least 500 sq.m, with smaller stores classified as foodstores. A major full-line supermarket is the largest format supermarket totalling 3,200 sq.m or larger and generally provides the full grocery shopping needs of customers.

- iv. Rosemeadow Marketplace comprises the nearest full-line supermarket – namely a Woolworths supermarket of 3,600 sq.m, as well as a small provision of shops some 5 km north of the subject site.
- v. The next closest supermarket-based shopping centres are provided more than 7 km to the north, including:
 - Aldi has a free-standing site at Ambervale.
 - Bradbury Shopping Centre (3,356 sq.m) includes a Foodworks of 1,513 sq.m.
 - An IGA Xpress foodstore is located at Glen Alpine.
- vi. The only other major full-line supermarket based shopping centre within the main trade area is located at Spring Farm, which is anchored by a Woolworths supermarket. Supermarkets that are located more than 7 km away would serve residents in their immediate catchment and are not of major competitive significance for the proposed retail facilities at Mount Gilead.
- vii. Residents of the total trade area would likely travel north to shopping centres in Campbelltown and Macarthur to undertake their regular supermarket-based shop currently.

3.2. Proposed Retail Developments

- i. Given the significant level of anticipated population growth throughout the region, several retail facilities are currently planned. Table 3.2 (and Map 3.1 previously) highlight the proposed retail developments within the total trade area and surrounds.
- ii. In considering the broader Greater Macarthur Growth Area, DPE engaged Urbis in 2016 to prepare the Greater Macarthur and Retail Market Analysis. The assessment establishes a retail and centre hierarchy for both the Greater Macarthur and Wilton Growth Areas with the higher-level centre positions adopted within the *Greater Macarthur 2040 – Interim Plan*. These future centres, as well as other major proposed retail developments are described as follows:

Primary & Secondary North Sectors

- The Greater Macarthur and Retail Market Analysis assessment identified two centres within the Gilead land, namely the **Mount Gilead Town Centre** (8,700 sq.m) and **Menangle Environs** (4,400 sq.m). Each of these centres are now planned to form part of the Gilead land holding, namely as:
 - **Figtree Hill Village Centre (Menangle Environs):** a neighbourhood centre of some 4,000 sq.m, which will be anchored by a non full-line supermarket of around 1,200 sq.m.

- **Mount Gilead Town Centre (*subject site*)**: this report assesses the ultimate potential for the Town Centre, which is assumed to form part of Stage Two of development.
- Based on population and development yield projections outlined previously in this report, a Figtree Hill Village Centre (4,000 sq.m) has been assumed from 2025/26.

Secondary South Sector

- **West Appin Environs** is proposed within the secondary south sector, with the centre to indicatively support a full-line supermarket and shops across some 6,100 sq.m. As outlined previously, development within the sector is anticipated over the longer term and indicative timing for the centre was previously outlined as 2054. As such, no development is assumed at the site over the forecast period (2041).

Tertiary Sector

- **West Appin Town Centre** is indicated to have capacity to support a sub-regional shopping centre offer, anchored by a discount department store and full-line supermarket/s. This would be assumed to be completed across a minimum of two stages, with the first stage being a full-line supermarket and shops over the longer term (post-2036). Secondary stages are not assumed to proceed over the forecast period.
- **Wilton / West Appin Environs** could comprise a full-line supermarket and specialty shops over time but is not assumed prior to 2041.

Beyond the Total Trade Area

- **Menangle Park** will provide a range of residential, retail, commercial, community and employment uses, including a major Town Centre and smaller Village Centre. The proposed Major Centre layout is proposed to be in a 'main street' style format, with a range of retail stores possessing active frontage to the street. The town centre could potentially be anchored by a discount department store, full-line supermarket(s) and a range of specialty stores.

Again, the development of the town centre is assumed to be staged, with initial stages to represent a neighbourhood offer anchored by a full-line supermarket and specialty shops. For the purposes of this assessment, this is assumed from 2025/26.

Later stages would elevate the retail centre to a sub-regional offer, including a discount department store, mini-majors and additional retail specialty floorspace. This has been assumed from 2030/31.

- **Macarthur Square** is mooted to undergo a redevelopment of the existing ELP offer that may include an upgraded cinema, additional entertainment uses, mini-majors, food and beverage tenants, as well as a broader refurbishment.
- A development application was recently refused (at Land & Environment Court) for the redevelopment of **Airds Village Shopping Centre**. The redevelopment was proposed to include a large full-line supermarket some 13 specialty shops across two levels. For the purposes of this report, this has not been assumed to proceed.
- Retail facilities are proposed as part of the Wilton Priority Growth Area. Wilton is proposed to contain five retail centres (two already existing). The largest, **Wilton Junction Major Town Centre** is proposed to contain more than 50,000 of retail floorspace and is envisaged to be based on a 'main street' format.

The Wilton Junction Major Town Centre will be the retail and commercial core, located on the southern side of the main east-west collector road, adjacent to the proposed school site and major public open space. The precinct could potentially incorporate a department store and/or discount department stores as the anchor tenant as well as contain several major full-line supermarkets.

Development of the centre is likely to occur over a series of stages and is highly dependent on population growth in the region. Population growth within Wilton is projected to lag behind developments at Menangle Park and as such a discount department store is unlikely to be supportable over the medium term.

TABLE 3.2. PROPOSED RETAIL DEVELOPMENTS

Name	Additional Retail GLA (sq.m)	Components	Status	First Full Year
Within Total Trade Area				
Mount Gilead Town Centre (subject site)	8,700	Full-line supermarket & spec. shops	Early Planning	2029/30
Figtree Hill Village Centre (Menangle Environs)	4,000	Supermarket & spec. shops	Planning	2025/26
Secondary South Sector				
West Appin Environs	6,100	Full-line supermarket & spec. shops	Early Planning	n.a.
Tertiary Sector				
<u>West Appin Town Centre</u>	<u>32,600</u>	<u>DDS, Full-line supermarket/s & spec. shops (staged)</u>		
• Stage 1	10,000	Supermarket & Spec. Shops	Planning	2037/38
• Stage 2	22,600	Possible DDS and/or supermarket	Planning	n.a.
Wilton / West Appin Environs	6,100	Full-line supermarket & spec. shops	Early Planning	n.a.
Beyond the Main Trade Area				
<u>Menangle Park Town Centre</u>	<u>35,000</u>			
• Stage 1	10,000	Supermarket & Spec. Shops	Planning	2025/26
• Stage 2	25,000	Possible DDS and/or supermarket	Planning	2030/31
Macarthur Square	2,323	ELP redevelopment, mini-majors, spec. shops	Mooted	n.a.
Marketfair Campbelltown	n.a.	Redevelopment as part of Kellicar Precinct to include mixed-use precinct including ground floor retail	Planning	n.a.
Airds Village Shopping Centre	5,150	Redevelopment of Airds Village to include large supermarket (5,400 sq.m), and 16 specialty shops over 2 levels	DA Refused	n.a.
Woolworths Leumeah	3,200	Woolworths (3,200 sq.m)	DA Approved ¹ - Unlikely	n.a.
Bangara Gorge / Wilton Plaza	8,700	Full-line supermarket & spec. shops	Early Planning	n.a.
Wilton Junction Major Town Centre	52,600	DDS, Full-line supermarket/s & spec. shops (staged)	Early Planning	n.a.
Wilton Environs	6,100	Full-line supermarket & spec. shops	Early Planning	n.a.
Maldon Village Centre	3,000	Smkt & Spec. Shops	Planning	n.a.

Source: Location IQ Database

4 COMPARABLE DEVELOPMENTS

This section provides a comparison between a range of predominantly greenfield shopping centre developments, which share some of the key attributes of the prospective Mount Gilead Town Centre site. These centres are relevant to understand the scale of centre and offering that may be delivered at the Gilead site.

4.1. Overview of Comparable Developments

- i. Tables 4.1 and 4.2 provide a comparison between the composition of several key offers, which are reviewed as follows:

4.1.1. Smaller Developments (< 8,000 sq.m GLA) – Short Term

Ropes Crossing Village (Sydney)

- Ropes Central is a small neighbourhood centre (4,580 sq.m) anchored by a Coles supermarket of 2,800 sq.m.
- The centre includes a range of internal and external facing tenancies with a provision of at-grade car parking. Ingress and egress to the centre is provided from Ropes Crossing Boulevard, a major arterial road throughout the Ropes Crossing release area.
- A range of community and education facilities are provided within the surrounding area to enhance the offering, including medium-high density residential dwellings, Ropes Crossing Public School, Ropes Crossing Community Hub and Ropes Crossing Reserve.

Brighton Village (Perth)

- Brighton Village in Butler is another 'town centre' type development which spans both sides of Kingsbridge Boulevard. The centre is anchored by a Coles supermarket and four shops on the southern side of the road, while the retail strip on the northern side includes predominantly food catering and retail services offers, as well as a bank.

Prestons Place (Sydney)

- Prestons Place is a small neighbourhood shopping centre that opened in December 2018, anchored by a full-line Woolworths of some 3,400 sq.m.

- The centre is provided in an external L-shape format, fronting a significant provision of shaded, at-grade car parking.

Willowdale Shopping Centre (Sydney)

- Willowdale Shopping Centre is provided in a predominantly external format, fronting a significant provision of shaded at-grade car parking. The large Coles supermarket is provided behind an airlock system, with an attached Liquorland.
- The centre comprises eight retail specialty shops, of which three are in the food catering category. The non-retail offer comprises a medical centre, dentist and two small commercial suites.
- A range of convenience-focused amenities are also included on-site, including electrical charging stations, Coles Click & Collect express pick-up and shade sail coverage across much of the car park.

Harvest Lakes Village (Perth)

- Harvest Lakes in the southern suburbs of Perth opened in 2014 and is provided over a single level, open air 'high street' town centre format, with shopfronts facing onto Lyon Road.
- Harvest Lakes includes a retail component of 5,486 sq.m, anchored by a Woolworths supermarket (3,917 sq.m) and a provision of specialty floorspace totalling 1 369 sq.m across 13 shops.
- Destination health tenants such as a physiotherapist and optometrist are also located at the centre, complementing the adjacent medical centre, while Kumon is located nearby to the adjacent childcare centre.
- Some 229 car spaces are provided within the main car park, with 283 bays across the total development. This level of car parking equates to a provision of 5.2 car spaces per 100 sq.m of retail floorspace.

Spring Farm Shopping Centre (Sydney)

- Spring Farm Shopping Centre is a Woolworths anchored neighbourhood centre which opened in May 2016 and includes 4,935 sq.m of floorspace.
- Woolworths is provided at the southern end of the site and a sleeve of shopfronts facing onto at-grade car parking to the north. Ingress and egress to the centre is provided from Richardson Road with the development located within the town centre of the Spring Farm Estate.

- Seven convenience-based retail shops are provided, including three food catering tenants. Three non-retail tenants are also located in the centre, including a gym, dentist and medical centre. A community centre is under construction on an adjacent site and a range of facilities are provided in the immediate vicinity, including a free-standing McDonald's and KFC, as well as a Woolworths Caltex service station along Richardson Road.

Singleton Village (WA)

- Woolworths of 4,000 sq.m opened at Singleton Village in Karnup in late 2017. The shopping centre was developed by Woolworths (Fabcot) and is located as part of The Vista residential estate.
- The retail offer totals around 6,000 sq.m with 10 shops and three PAD sites along Mandurah Road. Specialty shops predominantly front at-grade parking with the supermarket provided behind a small airlock. Car parking is partly-covered with shade sails.

Wellard Square (Perth)

- Wellard Square is provided in a 'town centre' format across both sides of 'The Strand' - totalling around 6,300 sq.m. The development is anchored by a Woolworths supermarket (3000 sq.m), which trades modestly by way of a growing residential population and convenience issues such as limited car parking in close proximity to the store.
- Some 11 retail specialty shops are provided across the development, which the largest component (5) being food catering. Wellard train station is also located in the precinct.

North Kellyville Square (Sydney)

- North Kellyville Square is a neighbourhood shopping centre which opened in July 2017. The centre is provided over two levels, with the retail component provided on the upper level, anchored by a full-line Woolworths supermarket of 4,204 sq.m (including BWS).
- The centre is provided in an L-shaped format fronting upper-level car parking. A small provision of retail and non-retail shopfronts are also provided with street frontage to Withers Road on the lower level.
- The centre also reflects a convenience offer, with six food catering tenants and three retail service operators. Again, the non-retail offer is centred around a gym (Anytime Fitness) and medical centre, which is complemented by ancillary uses such as a dentist and chiropractor.

Dalyellup Town Centre (WA)

- Dalyellup Shopping Centre opened in 2015 and is anchored by a Woolworths full-line supermarket and some eleven retail specialty shops.
- Convenient, at-grade parking is provided with four ingress and egress points from Norton Promenade, Portobello Road and Tiffany Centre.
- McDonalds and Hungry Jacks PAD sites are provided at the northern portion of the shopping centre precinct, along with Gravity Trampolining Centre and other retail and commercial tenancies that front Norton Promenade.

Jordan Springs Shopping Centre (Sydney)

- Jordan Springs Shopping Centre near Penrith in Sydney opened in early 2014 and is provided over 6,915 sq.m. The centre is anchored by a full-line Woolworths (4,200 sq.m).
- The centre is typically provided in an L-shaped layout with specialty retailers fronting onto at-grade car parking with shade sails. A small provision of shops are also street facing, with street parking in front.
- The centre is located near a range of amenities within the Jordan Springs Estate, with medical, community and educational facilities in the immediate vicinity.
- A total of 19 retail specialty shops are provided, of which ten are food catering and the remainder in convenience-based retail, generally in the retail services, general retail and leisure categories. A fitness centre is also located in the centre, with a range of non-retail uses in the immediate vicinity of the shopping centre.

The Ponds Shopping Centre (Sydney)

- The Ponds Shopping Centre is a neighbourhood shopping centre anchored by a full-line Woolworths supermarket of 4,000 sq.m. The centre opened in May 2015 and is provided in a straight line, open-air format, within a small pedestrian mall.
- A provision of at-grade and underground car parking is also provided, accessible via Riverbank Drive in the north.
- The centre has a convenience focus, with specialty shops predominantly made up of food retail and retail services-type tenants. National brand tenants include Priceline and BWS, with non-retail tenants such as a medical centre and F45 Fitness also provided.

Treendale Shopping Centre (WA)

- Treendale Shopping Centre is a Woolworths supermarket-based shopping centre, located in the northern suburbs of Bunbury. Some 15 retail specialty shops are provided, with the majority of these being food catering or general retail offers.
- The shopping centre and adjacent development surround a large provision of at-grade car parking, which is partially shaded. A range of pad site uses are also located in close proximity.

Highlands Shopping Centre (Melbourne)

- Highlands Shopping Centre is within the Stockland Highlands Estate in Craigieburn. The neighbourhood shopping centre is provided over a single level and is anchored by a full-line Woolworths supermarket of some 3,900 sq.m.
- A provision of at-grade parking is mainly provided on the western portion of the site.
- A McDonald's PAD site is provided to the north-east of the site, as well as a Caltex service station and Jetts Fitness to the south. A tavern is also provided south of the subject site on the opposite side of Grand Boulevard.

TABLE 4.1. COMPARABLE DEVELOPMENTS (< 8,000 SQ.M)

Metric	Ropes Crossing Village	Brighton Village	Prestons Place	Willowdale SC	Harvest Lakes Village	Spring Farm SC	Singleton Village	Wellard Square	North Kellyville Square	Dalyellup Town Centre	Jordan Springs SC	The Ponds SC	Treendale SC	Highlands SC
Location														
Suburb	Ropes Crossing	Butler	Prestons	Denham Court	Atwell	Spring Farm	Karnup	Wellard	Kellyville	Dalyellup	Llandilo	The Ponds	Australind	Craigieburn
State	NSW	WA	NSW	NSW	WA	NSW	WA	WA	NSW	WA	NSW	NSW	WA	VIC
Dist. to CBD (km)	47	40	42	48	26	63	64	41	44	180	62	42	160	42
Dist. To nearest Full-line Smt (km)	5	4	4	4	6	4	3	3	3.9	6	3	2.4	3	2.5
Centre GLA (sq.m)	4,600	4,600	5,200	5,400	5,700	6,000	6,000	6,300	6,300	6,500	6,900	7,400	7,400	7,770
Design	Int/External	Town Centre	Int/External	Int/External	Town Centre	Int/External	Int/External	Town Centre	Int/External	Int/External	Town Centre	Traditional SC	Int/External	Traditional SC
Est. Land Size (ha)	1.5	2.5	1.6	2.1	2.5	3.0	2.0	3.0	1.5	3.5	3.0	1.7	3.7	3.7
Resident Population (3km radius)														
2016	27,876	38,507	43,037	5,407	33,409	28,276	10,332	23,313	37,035	15,743	37,378	68,130	14,953	38,997
2036 (p)	45,935	58,104	58,856	46,858	70,997	32,698	22,311	48,468	59,919	24,773	65,061	100,921	21,305	58,684
Ave. Annual Growth (%)	2.5%	2.1%	1.6%	11.4%	3.8%	0.7%	3.9%	3.7%	2.4%	2.3%	2.8%	2.0%	1.8%	2.1%
Discount Department Store														
DDS Brand/s	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DDS GLA (sq.m)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ind. Total Sales (\$M)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supermarket														
Supermarket Brand/s	Co	Co	Wow	Co	Wow	Wow	Wow	Wow	Wow	Wow	Wow	Wow	Wow	Wow
Supermarket GLA (sq.m)	2,795	2,802	3,400	4,445	4,117	3,665	3,200	3,000	4,204	4,200	4,200	4,000	3,200	3,946
Ind. Total Sales (\$M)	\$25 - 30	\$45 - 50	\$45 - 50	\$35 - 40	\$50 - \$55	\$45 - 50	\$20 - \$25	\$20 - \$25	\$45 - 50	\$45 - 50	\$45 - 50	\$45 - 50	\$35 - 40	\$35 - 40
Retail Specialty Shops														
Food & Liquor	1	-	-	1	2	1	2	2	1	2	3	4	2	4
Food Catering	4	4	5	3	6	3	2	5	6	5	9	8	4	6
Apparel	-	-	-	-	-	-	-	-	-	-	-	-	1	-
Household Goods	-	-	-	-	-	-	-	-	-	-	-	-	1	-
Leisure	1	1	-	-	1	-	-	-	3	2	1	1	1	2
General Retail	1	-	1	2	1	2	1	3	1	2	2	2	4	4
Retail Services	2	2	2	2	3	2	1	1	4	2	4	6	2	2
Total	9	7	8	8	13	8	6	11	15	13	19	21	15	18
Other Non-retail														
<u>Non-retail Shopfront</u>														
• Banks	-	2	-	-	-	-	-	-	-	-	-	1	-	-
• Travel Agent	-	-	-	-	-	-	-	-	-	-	-	-	-	-
• Post Office	-	-	-	-	-	-	-	-	-	-	-	-	-	1
• Other	2	2	-	-	3	-	-	-	-	1	1	2	-	1
Gym	1	-	-	-	-	1	-	1	1	2	1	1	1	1
Childcare	1	-	-	-	1	-	1	-	-	-	-	-	-	-
<u>Medical</u>														
• GP	-	-	1	1	-	1	-	1	1	-	-	1	-	1
• Other	1	1	1	1	1	-	-	2	2	1	-	1	1	-
Tavern	-	1	1	-	-	-	-	1	-	-	-	-	-	1
Petrol PAD site	-	-	-	-	-	1	-	-	-	-	-	-	1	1
Fast Food PAD site	-	-	-	-	-	2	-	-	-	2	-	-	2	1
Car Wash	-	-	-	-	-	-	-	-	1	-	-	1	-	-
Commercial/Office	-	-	-	2	-	-	-	-	-	1	-	-	-	-
Community	-	-	-	-	-	-	-	1	-	-	-	1	-	-

Source: Location IQ Databases



4.1.2. Larger Developments (> 8,000 sq.m GLA) – Longer Term

Oran Park Podium

- Oran Park Podium is a multi-level, enclosed shopping centre supported by a provision of at-grade and underground car parking. The centre is provided within the commercial centre of Oran Park with a number of facilities currently provided and under construction, including Oran Park Public School and Oran Park High School.
- Woolworths of 4,616 sq.m anchors the site, which also includes The Reject Shop as a mini-major tenant. Aldi is also located as a freestanding, adjacent offer.
- A variety of retail specialty shops are also provided, the majority of which are food catering and retail services-based. Food catering tenants enjoy frontage and external seating along Holden Drive.
- The non-retail component of the development is significant, comprising a gym and several medical tenancies, as well as several commercial office suites. Oran Park Podium is larger than typical greenfield neighbourhood centres as a result of its central location within the core Town Centre, and with plans to continue to be developed over time (recent application lodged for Kmart and Aldi).

Banksia Grove (Perth)

- The Banksia Grove Village Centre comprises four key components, including two neighbourhood shopping centres anchored by Coles and Woolworths, respectively, a free-standing Aldi supermarket, and a commercial centre to the north-east of the site which includes a Repco and a MercyCare Early Learning Centre.
- Convenient at-grade parking is provided across the site, at the entrance of each centre, with some covered parking. A range of facilities are provided on PAD sites, including four fast food sites, two childcare centres, two service stations, a car wash, and a gym.

Manor Lakes Central (Melbourne)

- Manor Lakes Central is a single-level, sub regional shopping centre anchored by a Kmart discount department store (5,200 sq.m) and a Coles supermarket (4,000 sq.m), along with 27 retail specialty shops. Nine of these include food catering tenants and eight are retail service tenants such as hairdressers, optometrists, and dry cleaners.

- A fast food PAD site is located to the east of the site along Ballan Road, as well as a childcare centre to the south along Manor Lakes Boulevard. The Wyndham Valley Fire Station is also located outside of the shopping centre along Ballan Road to the east.
- A range of convenient, at-grade parking is provided on the northern, south-eastern and southern portions of the site with two access points from Ballan Road and Manor Lakes Boulevard.

Williams Landing (Melbourne)

- Williams Landing is a growth suburb in Melbourne's western suburbs. The vision for the Williams Landing Town Centre is to become a major activity and employment centre, which is focussed around a train station. The area has been one of Melbourne's most popular residential growth areas in recent years, reflected in strong lot sales and significant dwelling price rises.
- Williams Landing Shopping Centre is located to the immediate north-west of the station, provided over a GLA of 15,500 sq.m. The centre is anchored by a Woolworths supermarket of 4,200 sq.m and 21 retail specialty shops. The centre is planned to expand in the short term, likely to include a Big W discount department store, an Aldi supermarket, a Dan Murphy's and specialty shops.
- Land surrounding the shopping centre is earmarked for future medium-high density residential and commercial developments. Target recently opened the head office of this chain as part of the commercial component, adjacent to the shopping centre.

Mount Annan Centre (Sydney)

- Mount Annan Centre comprises three components, including two neighbourhood shopping centres anchored by Coles and Woolworths, respectively, and a free-standing Aldi supermarket.
- At grade parking is provided as well as four fast food PAD sites, a service station, and a tavern. Main Street runs through the centre and provides ingress and egress to parking as well as access to Waterworth and Holdsworth Drives.

Stanhope Village

- Stanhope Village is in Stanhope Gardens, a growing residential community in outer north-west Sydney. The village is a sub-regional centre anchored by a Kmart discount department store, and Coles and Aldi supermarkets over a single-level format - with at-grade parking.
- The centre is surrounded by community uses including Stanhope Anglican Church to the west, and the Dennis Johnson Library and leisure centre to the east.

Tarneit Central (Melbourne)

- Tarneit Central recently opened in the western suburbs of Melbourne during 2019. The shopping centre totals 22,000 sq.m and is based on Kmart, Coles, Aldi and Harris Scarfe. The provision of specialty shops includes limited apparel brands, with the focus on services and food retail, food. catering and retail services.

CS Square (Melbourne)

- CS Square is a single level, sub-regional shopping centre of 26,500 sq.m anchored by a Target discount department store, and Aldi, Coles and Woolworths supermarkets as well as 62 retail specialty shops.
- The centre anchors a broader Town Centre and serves a growing population in Melbourne's north-western suburbs, and expanded in 2019 to accommodate for this growth. A range of destination facilities are provided within proximity to the centre, including a tavern, education facilities, a McDonald's, a police station and a veterinary hospital.

Warriewood Square (Sydney)

- Warriewood Square is a sub-regional shopping centre on Sydney's Northern Beaches, anchored by a Kmart, as well as Coles, Woolworths, and Aldi supermarkets.
- The centre is provided with multi-level car parking and is easily accessible from Jacksons Road which connects to Pittwater Road, a major arterial route throughout the locality. There are several sites which share some of the key attributes of the proposed Mount Gilead Town Centre, namely a supermarket-based offer with a small provision of shops that have developed in greenfield areas.

TABLE 4.2. COMPARABLE DEVELOPMENTS (>8,000 SQ.M)

Metric	Gregory Hills TC	Oran Park Podium	Banksia Grove	Manor Lakes Central	Williams Landing	Mt Annan	Stanhope Village	Tarneit Central	CS Square	Warriewood Square	Ellenbrook Central	Craigieburn Central
Location			combined			combined						
Suburb	Gregory Hills	Oran Park	Banksia Grove	Manor Lakes	Williams Landing	Mt Annan	Stanhope Gardens	Tarneit	Caroline Springs	Warriewood	Ellenbrook	Craigieburn
State	NSW	NSW	WA	VIC	VIC	NSW	NSW	VIC	VIC	NSW	WA	VIC
Dist. to CBD (km)	60	61	34	37	24	61	42	27	29	31	28	33
Dist. To nearest Full-line Smkt (km)	5.7	6.2	2.5	2.1	2.8	3.5	3.7	2.0	1.6	2.6	2.2	2.8
Centre GLA (sq.m)	8,500	9,800	12,700	15,400	15,500	17,100	18,071	22,000	26,500	30,276	36,700	63,900
Design	Int/External	Traditional SC	Separate Dev.	Traditional / TC	Traditional SC	Separat Dev.	Traditional SC	Traditional SC	Traditional SC	Traditional SC	Traditional SC	Traditional / TC
Est. Land Size (ha)	3.8	4.0	6.9	7.5	5	8.5	5.2	8.0	12.0	7.0	13.5	
Resident Population (3km radius)												
2016	18,244	11,396	27,698	26,795	48,356	39,152	87,304	48,228	63,618	37,001	31,674	57,546
2036 (p)	36,831	52,953	42,329	66,012	61,269	54,652	101,932	97,074	76,975	42,001	39,783	84,513
Ave. Annual Growth (%)	3.6%	8.0%	2.1%	4.6%	1.2%	1.7%	0.8%	3.6%	1.0%	0.6%	1.1%	1.9%
Discount Department Store												
DDS Brand/s	-	Kmart (p)	Unknown (p)	Kmart	Big W (p)	-	Kmart	Kmart	Target	Kmart	Big W Kmart	Big W Target
DDS GLA (sq.m)	-	6,500	6,000	5,200	7,700	-	5,100	8,500	5,400	7,800	15,100	15,200
Ind. Total Sales (\$M)	-	n.a.	n.a.	\$25 - 30	n.a.	-	\$30 - 35	\$20 - 25	\$10 - 15	\$30 - 35	\$50 - 55	\$35-40
Supermarket												
Supermarket Brand/s	Wow	Wow	Wow Co Aldi	Co	Wow	Wow Co Aldi	Co Aldi	Co Aldi	Wow Co Aldi	Wow Co Aldi	Wow Co Aldi	Wow Co Aldi
Supermarket GLA (sq.m)	4,006	4,800	9,785	4,000	4,200	9,700	4,800	40,125	8,200	8,800	9,970	12,088
Ind. Total Sales (\$M)	\$35 - 40	\$50 - 55	\$100 - 110	\$45 - 50	\$25 - 30	\$100 - 110	\$75 - 80	\$50 - 55	\$100 - 110	\$100 - \$110	\$120 - 130	\$120 - 130
Retail Specialty Shops												
Food & Liquor	2	2	2	3	4	6	5	6	4	5	4	8
Food Catering	10	10	12	9	7	13	24	10	22	12	20	29
Apparel	-	1	-	1	-	2	9	3	5	29	15	33
Household Goods	-	-	-	-	-	-	-	-	2	4	1	6
Leisure	2	2	2	2	2	3	3	4	4	7	7	5
General Retail	1	3	3	4	2	3	6	6	8	11	7	12
Retail Services	1	8	5	8	8	11	11	11	17	19	20	25
Total	22	26	24	27	21	38	58	40	62	87	74	118
Other Non-retail												
<u>Non-retail Shopfront</u>												
• Banks	-	2	-	1	-	-	2	2	3	4	5	6
• Travel Agent	-	-	-	-	-	-	1	-	2	2	1	1
• Post Office	-	-	-	-	-	1	3	-	1	1	1	1
• Other	2	1	2	2	6	5	5	3	3	4	2	15
Gym	-	-	1	-	2	3	-	1	-	-	1	2
Childcare	-	-	2	1	-	-	-	-	-	-	-	-
<u>Medical</u>												
• GP	1	1	1	1	1	4	1	1	-	1	-	1
• Other	-	-	1	1	1	2	2	1	1	1	1	1
Tavern	-	-	-	-	-	1	-	-	1	-	1	-
Petrol PAD site	1	-	2	-	-	1	-	-	-	-	1	-
Fast Food PAD site	-	-	4	1	-	2	-	-	-	-	2	-
Car Wash	-	-	1	-	-	1	-	-	1	1	1	1
Commercial/Office	1	-	-	-	4	-	-	-	-	-	-	4
Community	-	-	-	1	-	-	1	2	-	-	-	1

Source: Location IQ Databases

4.2. Key Success Factors & Considerations

- i. Based on a review of similar developments as outlined above, a range of key success factors are observed as follows:
- **High-Profile Site:** most developments are located along major roads providing them with exposure to passing traffic.
 - **Access:** typically, two ingress/egress points are provided facilitating convenient access
 - **Anchor Tenants:** all developments are anchored by a major supermarket brand (Coles or Woolworths), with most being full-line offers (at least 3,200 sq.m) that then provides an opportunity for specialty retailers to benefit off customer flows. Additionally, destination and other non-retail tenants such as a pharmacy, medical centre or gymnasium can also serve as key customer attractors to help support the specialty floorspace.
 - **Distance to Competing Supermarkets:** the majority of developments are located at least 3 – 5 km from the nearest competing full-line supermarket offer.
 - **Shopping Centre Floorspace:** centres typically range from 4,500 to in-excess of 30,000 sq.m in size. Total land areas also vary significantly, from 1.5 hectares to over 13 hectares.
 - **Strong Initial Supermarket Sales:** incumbent supermarkets typically trade strongly in greenfield areas if a critical mass of residential development has occurred (at least 6,000 persons in primary sector with growth). Average supermarket sales across the comparable centres is around \$35 - \$40 million.
 - **Car Parking:** having a significant provision of at-grade car parking is still important for the success of these precincts, to support the supermarket anchors at the site. In particular, maximising the number of bays in close proximity to the supermarket entrance is crucial.
 - **Mini-major tenants:** given the convenience focus of these centres, mini-major tenants (greater than 400 sq.m) are not always provided. Of those tenants which can operate larger tenancies, pharmacies are most common, particularly where there is also on-site medical facilities.
 - **Strong Population Growth:** the average population growth rate surrounding the comparable centres is approximately 3.0% – 3.5% over the period from 2016 – 2036, noting that many of these localities are more established than the subject site and newer developments (less established growth areas) are likely to grow even faster.

- **Convenience focused specialty mix:** the number of specialty tenants ranges from 6 – 118 shopfronts. On average, around two thirds of specialty floorspace is accounted for in the food catering (32%), retail services (22%) and food retail (9%) categories, highlighting the convenience-focus of these centres. A total provision of 1,000 – 1,500 sq.m of retail specialty floorspace is typical for smaller centres.
- **Non-retail:** on average, around five non-retail tenancies are provided at smaller comparable centres, while larger centres include an average of around ten operators in non-retail categories. The most common non-retail uses include gyms, medical centres, commercial offices (typically real estate agencies), banks and childcare.
- **Customer amenities:** a number of comparable centres included additional amenities to enhance the convenience focus of the centres, including click and collect (for the supermarket anchor), electrical charging stations, 24/7 parcel lockers (Australia Post) and quick turnover parking nearby to the entrance.
- **Design:** town centre designs can be difficult to execute and often disadvantage either the supermarket anchor, specialty shops, or both – given limited proximity to car parking and hindered customer flows. The design of the centre is critical, including the consideration of customer flows and staging of development. Accessibility, signage, car parking and expansion potential (if planned) are each critical to the success of a development in the early years. Retail precincts should be designed with convenience in mind, particularly in early stages when a single supermarket is generally developed. As the centre expands, convenience should be retained in order to generate regular visitation/shopping from the catchment.

5 FLOORSPACE POTENTIAL ASSESSMENT

This section of the report provides an assessment of the ultimate potential for retail floorspace at the Mount Gilead Town Centre, including recommended composition, projected sales and gross rents.

5.1. Retail Floorspace Demand

- i. The estimated provision of retail floorspace in Australia has increased from around 1.5 sq.m in 1985/86 to around 2.3 sq.m currently, representing an average annual growth rate of around 1.5%.
- ii. The growth in retail floorspace per person has largely been driven by real growth in income levels throughout Australia and consequently increases in retail spending capacity. In addition, new retail formats have been introduced as the retail industry has evolved.
- iii. Consequently, during this period, Australia has witnessed the extensive development of super regional and regional shopping centres, many more neighbourhood centres (anchored by supermarkets), homemaker centres and outlet centres.
- iv. The major supermarket chains, namely Woolworths and Coles, continue to search for new store opportunities, particularly throughout metropolitan areas. The preferred store size for Woolworths and Coles has increased in recent years, with both chains now typically seeking stores of 3,400 sq.m and larger. The major supermarket chains target a population of 8,000 – 10,000 persons to support one major full-line supermarket.
- v. Table 5.1 outlines an analysis of retail floorspace demand within the total trade area based on current and projected population growth over the period to 2041, with key assumptions as follows:
 - The provision of discount department store and supermarket floorspace is based on metropolitan Sydney benchmarks,
 - Retail floorspace demand does not consider the provision of retail facilities located just beyond the main trade area, in particular, at Campbelltown and southern surrounds.
 - This assessment does not take into consideration other customer segments such as workers and visitors from beyond the trade area. These customer segments would add to demand, but likely in a limited way at the subject site.

vi. As shown, this methodology would indicate that:

Retail Floorspace Demand

- Typically, 2.3 sq.m of retail floorspace is provided per person throughout Australia, indicating that around 91,301 sq.m of retail floorspace will be demanded by total trade area residents in 2041. Having determined the total retail floorspace need generated by residents within the main trade area, the proportion of retail floorspace which can reasonably be allocated to each type of Activity Centre across the retail hierarchy needs to be quantified.
- Retail floorspace demand is normally allocated across the various levels of the retail hierarchy, which in Sydney is generally structured as follows:
 - The Capital City Activity Centre/CBD typically account for 5% – 10% of retail floorspace needs.
 - Regional Activity Centres, typically being regional or large sub-regional centres, generally account for 20% – 25% of retail floorspace needs.
 - District Activity Centres, typically being sub-regional in nature, generally account for around 15% – 20% of retail needs.
 - Centres at the Local and Neighbourhood levels in the hierarchy generally account for around 20% – 25% of total retail needs.
 - Dedicated large format retail (bulky goods centres) typically accommodate 25% – 30% of the total retail floorspace needs.

The above hierarchy is a reasonable representation (i.e. not relevant to all situations) of the general pattern of activity centres within Sydney and reflects the typical situation for well-established parts of the metropolitan area.

- Taking the above into account, the proportion of retail floorspace which can reasonably be allocated to the retail developments within the total trade area be around 35% (local and district levels in combination) or 31,955 sq.m in 2041.

Discount Department Store Demand

- Across the Sydney, the average discount department store floorspace provision is currently around 115 sq.m per 1,000 persons, having fallen in-line with the closure of many Target and other stores in the past 12 months.
- Based on this benchmark, there is likely to be demand for around 4,500 sq.m of discount department store floorspace over the forecast period. Based on a preferred size of around 6,500

sq.m, as well as the replication of key brands within the Campbelltown City Centre resulting in escaped spending, there is considered to be insufficient floorspace demand to support a discount department store within the trade area over the forecast period to 2041. Further, any discount department store would likely need significant apparel specialty shop floorspace and with most tenants at Campbelltown, they are unlikely to seek another store at Gilead.

Supermarket Floorspace Demand

- The major supermarket chains, namely Woolworths and Coles, continue to search for new store opportunities, particularly throughout metropolitan areas.
- The preferred store size for Woolworths and Coles has increased in recent years, with both chains now typically seeking stores of 3,400 sq.m and larger. The major supermarket chains target a population of 8,000 – 10,000 persons to support one major full-line supermarket or around 6,000 persons in areas with strong growth.
- Across the Sydney, the average supermarket floorspace provision is currently around 266 sq.m per 1,000 persons – noting that it is difficult to acquire large sites in the metropolitan area (and particular in the inner-city of eastern suburbs). The average provision of supermarket floorspace is higher across Australia, at 354 sq.m per 1,000 persons. The national benchmark is considered to better-reflect the urban fringe location.
- As shown, across the trade area population is anticipated to support a full-line supermarket over the 2026 – 2031 period, with a second full-line offer likely to become supportable by 2036.
- This is likely to reflect the timing of the Figtree Hill and Mount Gilead Town Centres, as follows:
 - **Figtree Hill Village Centre (Menangle Environs):** anchored by a small supermarket of around 1,200 sq.m by around 2025/26.
 - **Mount Gilead Town Centre (Mount Gilead Town Centre):** a full-line supermarket from 2029/30, with additional supermarket floorspace supportable from around 2034/35.
- Over the longer term, a range of other retail centres are designated throughout the southern sectors and surrounds, to serve planned future population growth. While at least one of these retail centres is likely to proceed over the forecast period, prospective retail facilities at the Mount Gilead Town Centre will primarily serve the defined primary and secondary north sectors, which will accommodate a significant population of more than 20,000 persons.
- These future retail developments are likely to develop over the long term once an established resident population is provided within the secondary south and tertiary sectors – with a full-line supermarket anticipated from around 2037/38 or later.

- As a priority, the proposed Gilead Town Centre should cater for the majority of supermarket floorspace demand of main trade area residents (primary and secondary sectors).
- vii. Given the location of competitive facilities in the surrounding area, particularly large non-food-based shopping centres such as within the Campbelltown City Centre, it is likely that a sizable proportion of the non-food spending of trade area residents both now and in the future will be directed to these larger facilities.

TABLE 5.1. TOTAL TRADE AREA INDICATIVE RETAIL FLOORSPACE DEMAND

	Demand Benchmark	Existing Provision	Population					Ultimate Yield
			2022	2026	2031	2036	2041	
Population								
Primary Sector			466	986	10,286	16,336	16,336	16,336
Secondary Sectors			44	2,324	5,324	9,524	14,024	19,574
Main Trade Area			510	3,310	15,610	25,860	30,360	35,910
Tertiary Sectors			2,576	2,936	3,686	4,836	9,336	47,505
Total Trade Area			3,086	6,246	19,296	30,696	39,696	83,415
Retail Floorspace Demand								
Main Trade Area	2.3 sq.m per person		1,173	7,613	35,903	59,478	69,828	82,593
• 35% Retained	District & Local Centre		411	2,665	12,566	20,817	24,440	28,908
Total Trade Area	2.3 sq.m per person		7,098	14,366	44,381	70,601	91,301	191,855
• 35% Retained	District & Local Centre		2,484	5,028	15,533	24,710	31,955	67,149
Supportable DDS Floorspace		Metro Sydney						
Main Trade Area	115 sq.m per 1,000 persons	0	59	381	1,795	2,974	3,491	4,130
Total Trade Area	115 sq.m per 1,000 persons	0	355	718	2,219	3,530	4,565	9,593
Supportable Smkt* Floorspace		Australia						
Main Trade Area	354 sq.m per 1,000 persons	0	181	1,172	5,526	9,154	10,747	12,712
• Full-line Supermarkets	3,400 sq.m per store	0.0	0.1	0.3	1.6	2.7	3.2	3.7
Total Trade Area	354 sq.m per 1,000 persons	1,400	1,092	2,211	6,831	10,866	14,052	29,529
• Full-line Supermarkets	3,400 sq.m per store	0.0	0.3	0.7	2.0	3.2	4.1	8.7

*Supermarkets < 500 sq.m

5.2. Discount Department Store Potential

- i. A discount department store is typically around 6,500 sq.m in size, with the major chains being Big W, Kmart and Target. Discount department stores generally require a population of around 40,000 – 50,000 persons to be supportable, with the lower threshold achievable in outer suburban areas.
- ii. As outlined in Section 3, the nearest discount department stores are currently located within the Campbelltown CBA, where each brand is represented.
- iii. The total trade area population is not projected to reach 40,000 persons until after 2041, indicating limited potential for a discount department store over the short to medium term. Even in the long term, there are several factors that may make it difficult to incorporate a discount department store at the site, including:
 - Significant market shares would need to be attracted from the broader trade area, particularly the southern sectors.
 - Kmart is currently the most aggressive of the three discount department store retailers (including Big W and Target) in terms of new store openings but could have a network of two stores within some 10 km over the long term.
 - Apparel floorspace of at least 1,500 – 2,000 sq.m is generally required to support a discount department store, with such a quantum likely difficult to secure.
 - Discount department stores have large floorspace requirements and pay low rents. The type of specialty stores which locate with discount department stores are not likely to appeal significantly to the surrounding population or align with a convenience offer.
 - The strongest discount department stores are usually provided on sites with major road access. The Mount Gilead Town Centre is likely to be relatively internalised within the estate, as compared with competing offers, but should compete on proximity to residential growth.
 - Proposed discount department stores at Menangle Park or Wilton may be trading, or open before any prospective discount department store offer at the site.
 - Target has closed a number of stores across Australia, including at Campbelltown Mall.
- iv. On this basis, a discount department store is not recommended as part of the Town Centre. Under an ultimate potential scenario, a discount department store could be considered only if there was significant tenant demand and whether nearby Town Centres such as Appin, Wilton and Menangle Park are developed to include a discount department store. For the purposes of this assessment, however, no discount department store has been assumed.

5.3. Supermarket Potential

- i. As outlined previously, there are two identified centres within the Gilead land, being Figtree Hill Village Centre (Menangle Environs) and Mount Gilead Town Centre (subject site). The Figtree Hill Village Centre is assumed to comprise up to 4,000 sq.m of floorspace, anchored by a small supermarket (around 1,200 sq.m) from 2025/26.
- ii. Generally, one full-line supermarket is supportable for every 8,000 – 10,000 persons in metropolitan areas. A population of around 6,000 persons (as a minimum benchmark) is required, assuming population growth over future years.

Mount Gilead Town Centre

- **First full-line Supermarket (2029/30):** The primary sector population is estimated to reach around 7,000 persons by 2029/30, which would indicate support for a full-line supermarket.

By this stage, the Figtree Hill estate will have reached completion and growth will be focused around the primary sector (having transitioned from the secondary north sector).

- **Aldi supermarket (2034/35):** across the major metropolitan areas, one Aldi store is typically provided for every 50,000 persons, with the nearest Aldi store is currently located at Ambervale.

Aldi supermarkets tend to draw more thinly from a broader catchment than traditional full-line supermarket offers but can serve concentrated catchments of around 20,000 persons. Based on projected population levels and demand, there is likely potential for an Aldi supermarket within the main trade area by 2034/35, once the population surpasses 20,000 persons.

- **Second Full-line Supermarket (2034/35):** a second full-line supermarket at the site is likely to be supportable by 2034/35, assuming the brand would compete with the incumbent offer (i.e. one Woolworths and one Coles). If Aldi were not to be secured at the Town Centre, there is a possibility that the second full-line supermarket could open earlier (as early as 2032/33).

Woolworths and Coles typically target sales for new stores of around \$35 million or a net gain of at least \$25 million (i.e taking into account impacts on existing stores). A large portion of prospective sales for the second full-line supermarket would result from impacts on the incumbent offer.

Generally, as supermarket sales approach \$15,000 per sq.m (in 2020 dollar terms) and are growing strongly, a second full-line supermarket would likely be supportable.

- iii. Supermarkets at the Mount Gilead Town Centre would be expected achieve strong sales growth in initial years based on population growth when the secondary north and primary sectors.

5.4. Mini-major Potential

- i. Mini-major tenants are retail tenants with a floorspace greater than 400 sq.m. The provision of mini-major tenants provided at shopping centres in Australia has increased over the past decade, reflecting new tenants in the category, changing consumer preferences and shopping centre owners looking to provide these types of tenants to increase customer flows.
- ii. National mini-major tenants that are typically included in supermarket-based or sub-regional shopping centre developments include:
 - **A large format fresh produce trader**, which would complement the supermarket offer and help create a fresh food precinct.
 - **A large format liquor store**; which typically require around 50,000 persons as a catchment size.
 - **A large format pharmacy**, which are generally high trading tenants, which complement the convenience offer at the centre.
 - **A discount variety trader**, such as The Reject Shop or Daiso.
- iii. Other mini-major tenants such as apparel and homewares retailers are unlikely to be supportable at the site given the lack of non-food major floorspace (i.e. department store/discount department stores) at the site.
- iv. Based on the *Urbis Retail Averages 2020/21*, the average provision of mini-major floorspace at key centres include:

• Single-supermarket Shopping Centre:	508 sq.m
• Multi-supermarket Shopping Centre:	1,375 sq.m
• Single DDS Sub-regional Shopping Centre:	1,841 sq.m
- v. As a result, and based on a review of comparable developments, a mini-major tenant may be supported in initial stages of the Mount Gilead Town Centre development, with up to three tenants ultimately recommended.
- vi. Customer trends across Australia continue to preference retail specialty shops that specialise in a product class, with many mini-major brands strengthening their position within the retail hierarchy. Several mini-major tenants should be pursued at the site to add to major/mini-major tenant attraction to support customer flows for retail specialty floorspace.

5.5. Retail Specialty Floorspace Potential

- i. The provision of specialty floorspace that is supportable at any retail centre is typically determined by the amount and sales of major and mini-major tenant floorspace. These major and mini-major tenants act as the key customer generators to a centre, with specialty floorspace drawing business from the customer flows.
- ii. Several of the comparable development outlined previously in Section 4 of this report provide good examples of modern, supermarket-based shopping centres that could offer guidance as to the possible tenant mix and design for the subject site.
- iii. Based on the *Urbis Retail Averages 2020/21*, the average provision of mini-major floorspace at key centres include:
 - **Single-supermarket Shopping Centre:** 1,968 sq.m
 - **Multi-supermarket Shopping Centre:** 5,548 sq.m
 - **Single DDS Sub-regional Shopping Centre:** 6,401 sq.m
- iv. With strong anchor tenant sales at the Mount Gilead Town Centre over time, together with a design of format which would be attractive to a broader audience, a provision of supportable specialty space would likely include:
 - **Single-supermarket Shopping Centre (2029/30):** 1,000 – 2,000 sq.m
 - **Multi-supermarket Shopping Centre (2034/35):** 3,000 – 4,000 sq.m
- v. The overall retail specialty offer should reflect the convenience-based nature of the prospective Mount Gilead Town Centre, with a key focus being food retail, food catering and retail services.
- vi. Other non-food categories, especially apparel, will be difficult to attract without a non-food anchor (discount department store) at the site.

5.6. Non-retail Floorspace Potential

- i. This section of the report reviews the potential for complementary non-retail facilities that could be provided at the subject site. A variety of non-retail uses could potentially be considered and would typically be classified into three categories:
 - Tenants that occupy a shopfront and are typically provided at shopping centres, including travel agents, real estate agents, post office, banks, lottery kiosks, Medicare/Centrelink, insurance services and the like. These types of tenants are generally located within the centre and are interspersed between retail shopfronts.
 - Destinal non-retail tenants, such as gyms, childcare, medical, entertainment and the like.
 - Commercial office floorspace.
- ii. Non-retail specialty tenants add to the destinal appeal of the centre and reinforce the location for the local and surrounding population, with possible tenants for the Gilead site including:
 - Banks
 - Travel Agents
 - Lottery Kiosks
 - TAB
 - Real Estate Agent
 - Post Office
 - Health Insurance
 - Professional Service Suites

- iii. Across comparable benchmarks, the provision of floorspace across these categories varies from 489 sq.m (single supermarket shopping centre) to 1,153 sq.m for single DDS sub-regional shopping centre)
- iv. For the Mount Gilead Town Centre, a provision of between 250 sq.m – 1,000 sq.m is considered supportable and appropriate.
- v. The provision of destinational non-retail floorspace within town centre style precincts is typically determined by the level of retail floorspace provided, as well as the ability to serve customer segments in a destinational location. Uses that can cluster in one location reinforce the destinational appeal for the betterment of the town centre.
- vi. Based on a sample of similar centre/town centre type precincts, key points to note regarding the provision of other destinational non-retail uses within these precincts include:
 - **Community Facilities:** the majority of localities include community facilities, such as a library, community hall, recreation centre and the like.
 - **Childcare:** at least one childcare centre is typically provided.
 - **Medical Facilities:** providing one central location for a range of medical and ancillary uses is common, benefiting from the everyday customer visits to the shopping centre.
 - **Gyms:** typically, a small gym is provided, often a 24-hour operator.
 - **Commercial/Office:** very few include a provision of commercial floorspace in the early stages, unless near to key employment precincts and/or good public transport connectivity.
 - **Tavern:** a tavern that appeals to a family-based population can sometimes be supported.
 - **Education:** the majority of town centres include nearby education facilities. This increases visitation to the site, with parents collecting their children each day. In addition, this could potentially have cross benefits with other uses at the site such as childcare.

5.6.1. Medical Centre

- i. 'Medical centre' is a term used for a collection of medical services provided at the same site, typically including General Practitioners (GPs) and other services such as a dentist, pharmacist, pathology, and the like.
- ii. Typically, successful medical centres are situated within high profile locations, either along main roads or within proximity to a retail/commercial centre or transport node. Thereby facilities receive maximum exposure to passing traffic, but more importantly, are easily recognisable and accessible for the surrounding population.
- iii. Map 5.1 illustrates the location of medical facilities throughout the surrounding region. The largest medical centres are currently within the Campbelltown city centre and surrounds.
- iv. Table 5.2 provides a snapshot of the benchmark number of Australian Institute of Health and Welfare (AIHW) workers across the State and nationally per 10,000 persons, as well as the indicative demand for these professionals that is likely to be generated by the projected total trade area population across the forecast period.
- v. The listed professions represent those that typically form part of medical centres/precincts. Medical facilities at the Mount Gilead Town Centre would predominantly serve the main trade area population, and consequently, the indicative demand for health professionals generated by this population is also illustrated.
- vi. The key implication is that the addition of almost 30,000 persons across the main trade area over the forecast period is likely to support a significant number of medical and ancillary uses, of which several should be provided within the Mount Gilead Town Centre.
- vii. Based on this information, as well as a review of comparable greenfield developments around Australia, the prospective stages, as follows:
 - **Stage One (2029/30):** total floorspace of around 300 - 600 sq.m, including a medical centre (around 150 – 250 sq.m), as well as 1 – 2 ancillary professionals (100 – 150 sq.m each).
 - **Stage Two (2034/35):** demand for a doubling of the above health services to around 600 - 1,000 sq.m in total, including a larger medical centre (250 – 500 sq.m), and some 2 – 4 ancillary professions (100 – 150 sq.m each). Alternatively, a single operator (e.g. IPN, Medical One, Myhealth) may elect to provide a range of services within the same centre.
- viii. In this sense, a medical centre of at least 500 sq.m would likely be supportable from 2029/30, and as population increases, additional floorspace could be considered, up to some 1,000 sq.m.

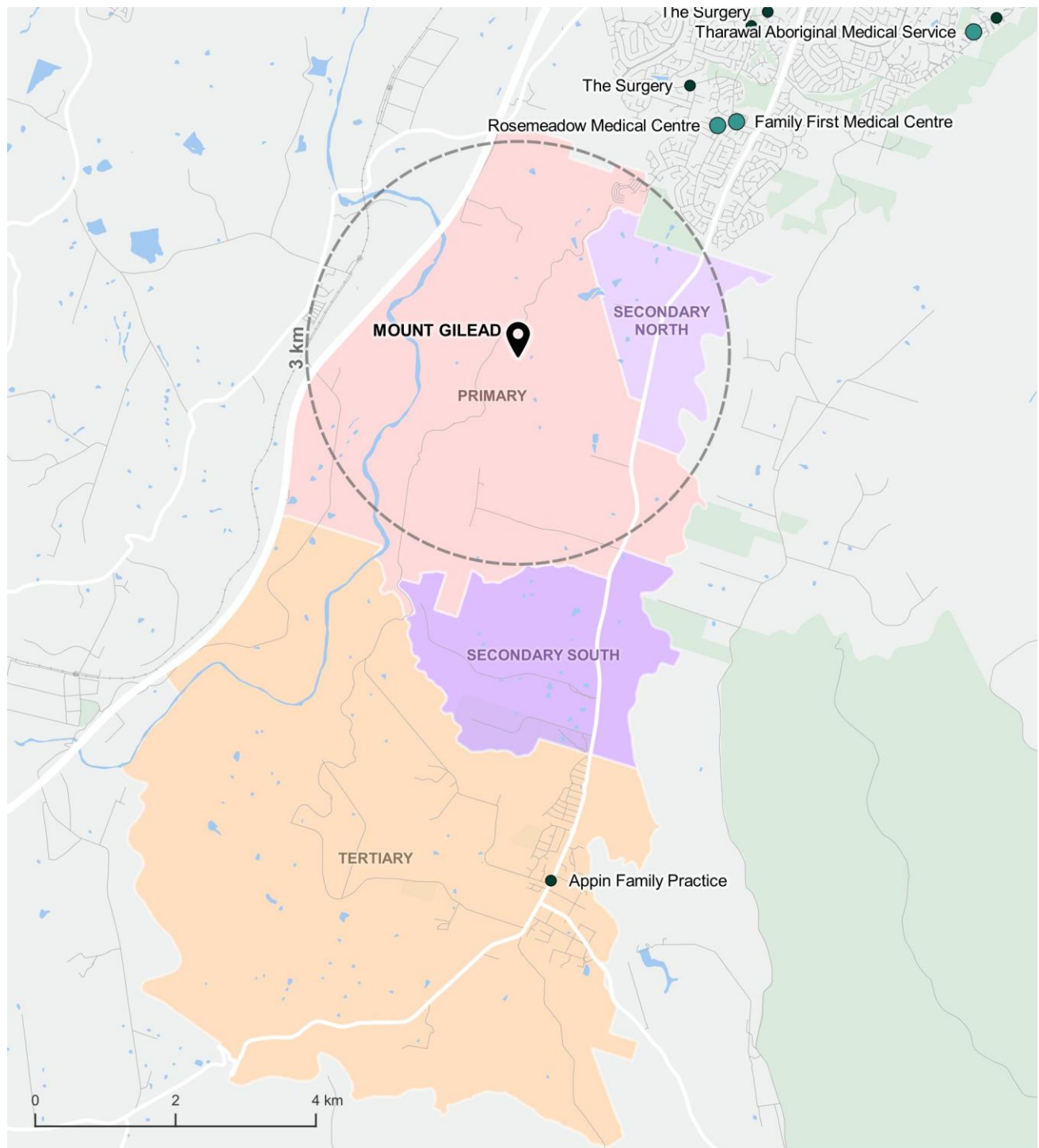
TABLE 5.2. INDICATIVE DEMAND FOR HEALTH PROFESSIONALS

	Health Professionals per 10,000 persons*	2022	2026	2031	2036	2041	Change (2022 - 2041)
Main Trade Area Population		510	3,310	15,610	25,860	30,360	29,850
Practitioners							
Chiropractors	2.3	0	1	4	6	7	7
Dental Practitioners	8.9	0	3	14	23	27	27
GP's	11.9	1	4	19	31	36	35
Nurses and Midwives	136.2	7	45	213	352	413	406
Occupational Therapists	8.1	0	3	13	21	24	24
Optometrists	2.4	0	1	4	6	7	7
Pharmacists	12.0	1	4	19	31	36	36
Physiotherapists	12.6	1	4	20	32	38	37
Podiatrists	1.9	0	1	3	5	6	6
Psychologists	<u>15.2</u>	<u>1</u>	<u>5</u>	<u>24</u>	<u>39</u>	<u>46</u>	<u>45</u>
Total	211	11	70	330	546	641	631
Total Trade Area Population		3,086	6,246	19,296	30,696	39,696	36,610
Practitioners							
Chiropractors	2.3	1	1	4	7	9	8
Dental Practitioners	8.9	3	6	17	27	35	33
GP's	11.9	4	7	23	37	47	44
Nurses and Midwives	136.2	42	85	263	418	541	499
Occupational Therapists	8.1	2	5	16	25	32	30
Optometrists	2.4	1	2	5	7	10	9
Pharmacists	12.0	4	7	23	37	47	44
Physiotherapists	12.6	4	8	24	39	50	46
Podiatrists	1.9	1	1	4	6	7	7
Psychologists	<u>15.2</u>	<u>5</u>	<u>9</u>	<u>29</u>	<u>47</u>	<u>60</u>	<u>56</u>
Total	211	65	132	408	649	839	774

Source: AIHW

*Assuming NSW State Average of Health Professionals per 10,000 persons in 2019

MAP 5.1. MEDICAL CENTRES



● 1 - 4 doctors ● 5 - 9 doctors



5.6.2. Childcare Centre

- i. Map 5.2 illustrates the location of childcare centres within the surrounding region. There are currently just two childcare centres provided within total trade area, and one proposed, each at Appin in the tertiary sector.
- ii. There are a range of early childhood education and care services available to Australian children, including childcare centres (long day care), family day care, outside school hours care and occasional care. Childcare centres are the largest component of the childhood education & care services market, making up 58%.
- iii. Childcare centres provide care for children under school age (up to 6 years of age) within facilities built (or adapted) for early childhood education and care services. Childcare centres can offer all-day or part-time care and can be operated by private operators, community and non-profit organisations.
- iv. The main trade area would be the core catchment for childcare facilities at Mount Gilead Town Centre. Assuming 7.0% of the population is to be aged 0 – 5 years (in-line with Sydney benchmark), there is projected to be some 2,125 children across the main trade area by 2041 (refer Table 5.3).
- v. These children (aged 0 – 5 years) would indicatively demand around 638 full time equivalent childcare places by this time, or around 9 facilities of an average 70 places (assuming full occupancy). Several of these should be located within the Gilead development, and specifically in the Town Centre.
- vi. The Mount Gilead Town Centre site will have many desirable attributes that are associated with quality childcare facilities, including proximity to workplaces, a convenient location for local residents, a growing population and nearby education facilities. A childcare centre would be strongly recommended - and should look to retain the majority of this indicative demand.
- vii. Co-locating childcare facilities with retail and other non-retail facilities at the site would increase the destination appeal of the precinct and generate a higher level of traffic around the site (e.g. parents visiting when dropping off/picking up their children).
- viii. Childcare centres are large floorspace users, requiring a minimum of 3.25 sq.m of unencumbered indoor space and 7 sq.m of unencumbered outdoor space per child. While facilities can vary in size, they are often in-excess of 1,000 sq.m (not including play areas and car parking).

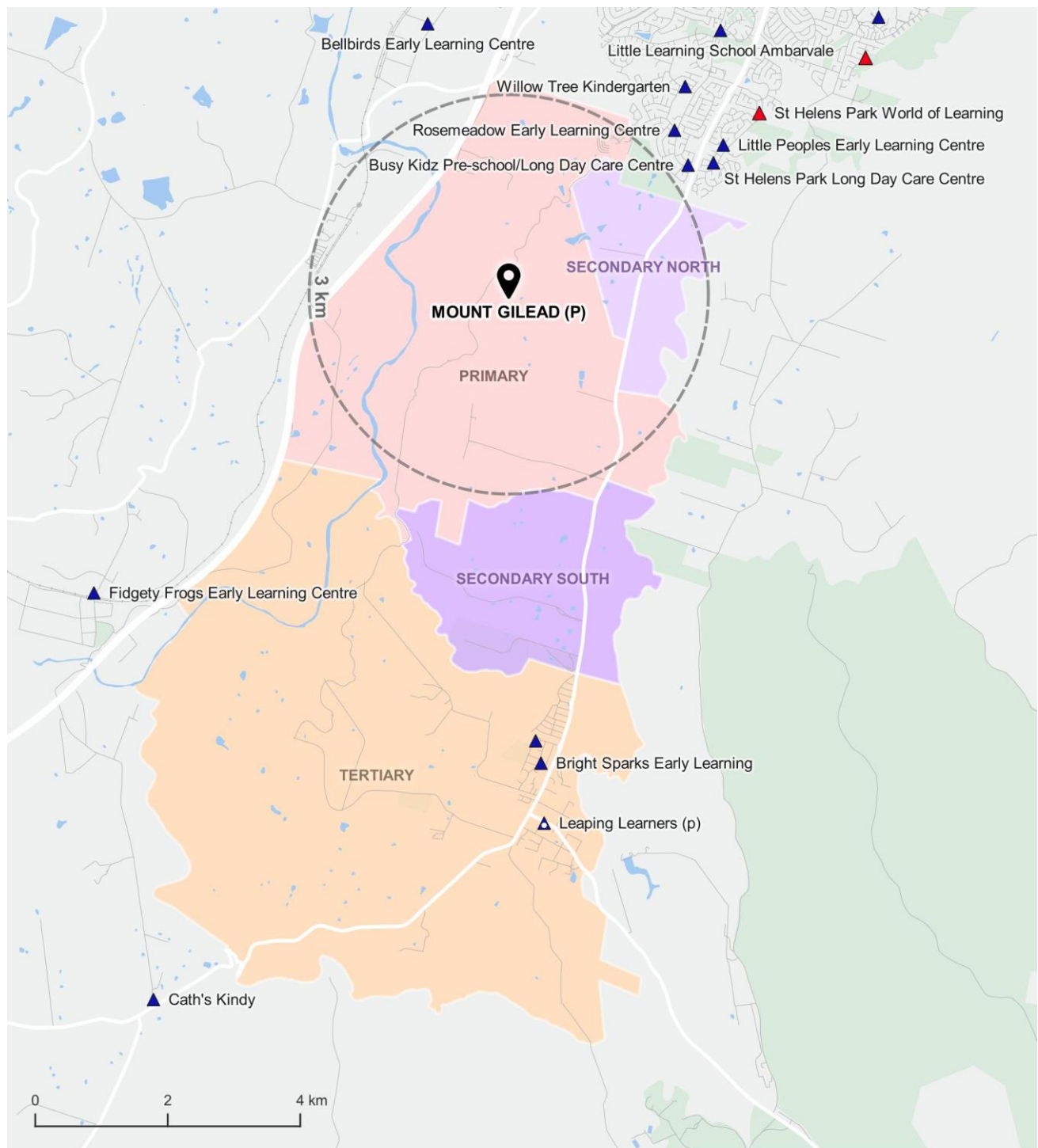
TABLE 5.3. MAIN TRADE AREA CHILDCARE DEMAND

	2022	Projected Supply / Demand			
		2026	2031	2036	2041
Resident Population					
Main Trade Area Population	510	3,310	15,610	25,860	30,360
Main Trade Area Proportion of 0 - 5 Years	7.0%	7.0%	7.0%	7.0%	7.0%
Main Trade Area Children Aged 0 - 5 Years	36	232	1,093	1,810	2,125
Resident Demand for Childcare Places					
Children Aged 0 - 5 Years in Childcare*	50.0%	50.0%	50.0%	50.0%	50.0%
Average Days Per Week*	3.0	3.0	3.0	3.0	3.0
FTE Demand (Children Aged 0 - 5 Years)	11	70	328	543	638
Supply of Child Care Places (All)					
Total Supply	0	0	0	0	0

*Source: ABS: Childhood Education & Care, 2017

*Source: Department of Education and Training, Early Childhood and Childcare in Summary

MAP 5.2. EXISTING CHILDCARE CENTRES



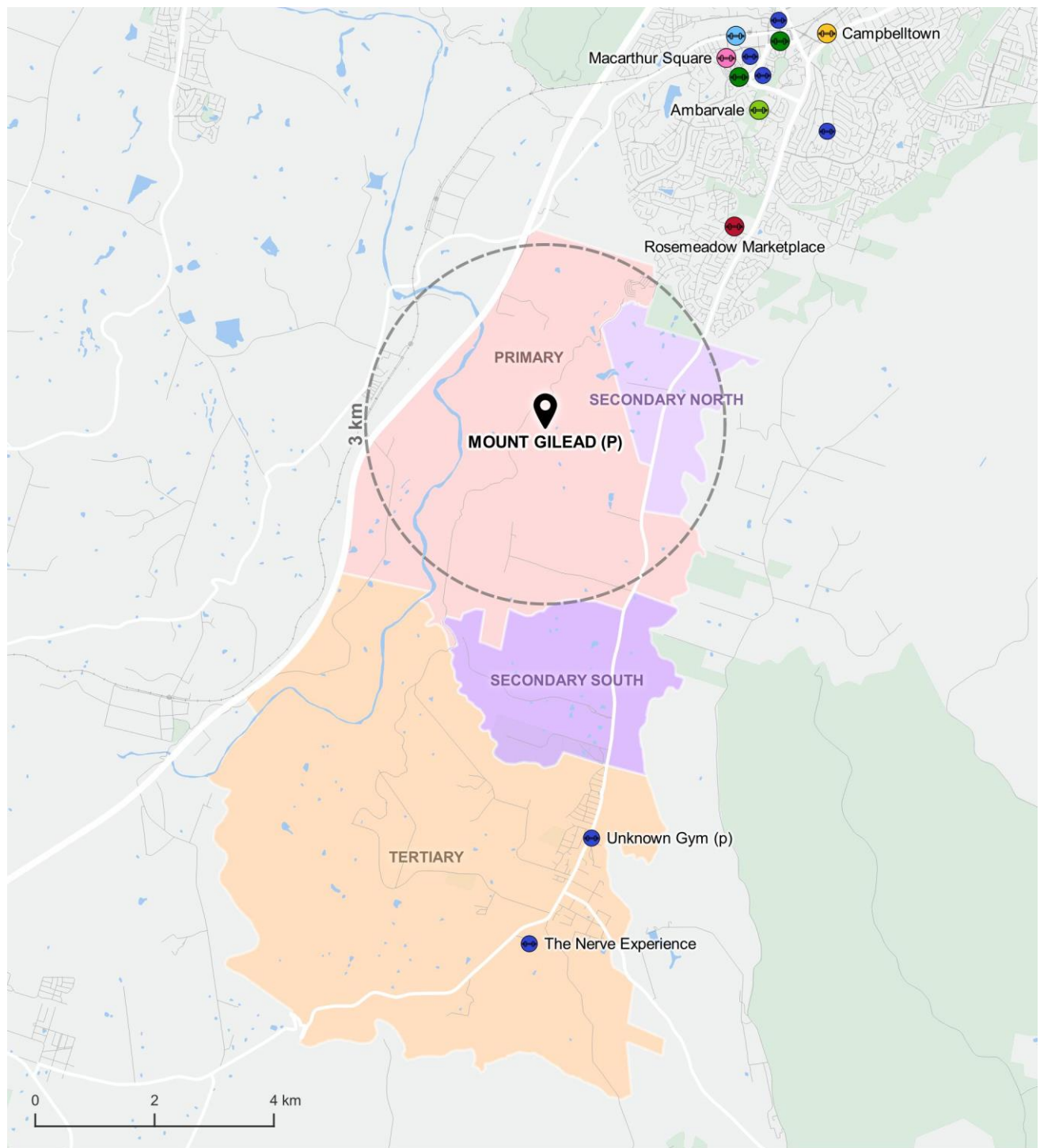
- ▲ G8 Education
- ▲ Other Childcare



5.6.3. Gym

- i. There are many different sizes and forms of gyms provided throughout Australia as follows:
 - The well-known brands and health clubs such as Fitness First and Virgin Active typically operate large sized gyms of around 1,000 sq.m and serve a catchment of approximately 50,000 – 70,000 persons.
 - Local gyms which are typically around 200 sq.m in size serve a catchment of around 10,000 persons.
- ii. Memberships generally account for around half of a gym's total revenue stream. Based on a 2015 survey conducted by Fitness Australia, 60% of gyms had less than 1,000 members, while the largest gyms (with over 5,000 memberships) made up just 6%.
- iii. Map 5.3 illustrates the existing provision of gyms throughout the region, indicating no facilities within the main trade area currently
- iv. According to the IBISWorld publication '*Gyms and Fitness Centres in Australia*', there are currently 6,620 gyms and fitness studios in Australia in 2021. This equates to 3,880 people per gym in Australia but includes an array of ancillary fitness (circuit gyms, Crossfit etc).
- v. Based on this benchmark, the main trade area population would be sufficient to support a gym by Stage One (2028/29) and up to two gym or ancillary fitness facilities by Stage Two (2034/35).
- vi. Health and wellness uses are emerging as a popular and important component of mixed-use precincts. The range of health and wellness-type uses incorporated in such developments is extensive and can generally be categorised as follows:
 - **Health:** including day surgeries, as well as other medical and allied health services.
 - **Wellness:** while these uses vary significantly, key uses within the category include gyms, day spas, clubs, massage, nail bars, yoga, Pilates, personal training, mothers' groups, and the like.
- vii. These types of uses have proven particularly popular in other modern town centres and often appeal strongly to the local demographic. Approximately half of all supermarket-based shopping centres include gyms or fitness centres, with an average GLA of 532 sq.m for those with such facilities.

MAP 5.3. GYMS



- | | | | |
|---------------|-----------------|------------------|-----------------|
| Jetts Fitness | F45 Training | Fernwood Fitness | Independent Gym |
| Plus Fitness | Anytime Fitness | Fit N Fast | |



5.6.4. Tavern

- i. Taverns are often located adjacent or nearby large retail hubs and vary in size from around 300 sq.m to larger taverns of around 2,000 sq.m.
- ii. Taverns typically require a population of around 6,000 – 7,000 persons to be supportable, which would indicate potential for such an offer as part of either stage at the Mount Gilead Town Centre.
- iii. Popular restaurants and bars tend to attract customers from a broad region, particularly residents aged under 35 years. Attracting a portion of this wider population is highly reliant on securing popular/high profile restaurants and bars, as well as the creation of an active and engaging precinct. Providing a quality local bar operator at the site would also help to elevate the cultural association with the centre, as well as providing after-hours activation.
- iv. Similar uses currently being developed around Australia include on-site microbreweries, which also provide a unique offer with destination appeal. A family-oriented tavern would be ideal, however, given this would appeal to the local resident demographic.
- v. Taverns typically average around 500 – 750 sq.m in size and would be subject to a liquor licensing application. A significant provision of car parking is also required.

5.6.5. Petrol

- i. The Australian Industry of Petroleum (AIP), the key body representing Australia's oil industry, indicates:

“The most significant trend in the retail fuel sector over the last decade has been the reduction in the number of retail service station sites, and the move to higher volume outlets located in busy areas and on highways where there is greater traffic volume, thus achieving economies of scale. The number of sites has reduced from around 20,000 sites in 1970 to around 6,300 sites now.

The average customer base per service station is around 2,000 people in regional areas (and well below in many towns) whereas metro/city sites have a customer base of around 4,000 to 5,000”

(refer Facts about the Australian Retail Fuel Market and Prices, published in January 2018)

- ii. In addition, the AIP notes that with the reduction in the number of service stations, the average volume sold at each site has increased, along with the reliance on revenue from non-fuel products such as convenience sales and car washing.
- iii. The location of service stations in Australia is typically characterised by one or more of the following:

- Heavily trafficked roads and deriving business primarily from passing traffic.
 - Within a village/urban community and primarily serving local residents and businesses.
 - Associated with a supermarket, although not necessarily co-located.
- iv. An offer at the subject development would be considered a service station within an urban community, serving predominantly local residents, and passing traffic if positioned along Appin Road.
 - v. Throughout Australia, there is typically one petrol station for every 4,000 - 5,000 persons in a metropolitan area. Based on the projected main trade area population of 30,000 persons by 2041, several petrol stations are assumed to be required for local residents, while additional stations would also be demanded by way of visitor traffic and passers-by.
 - vi. Petrol stations have traditionally applied a turn-in rate (i.e. a percentage of passing cars) to project petrol volumes for a new outlet. This figure is usually between 1.5% - 2% of passing traffic. A number of petrol outlets which are located along major roads attract turn-in rates of over 5% for passing traffic.
 - vii. Petrol stations within urban developments often have a partnership with the supermarket operator, thereby allowing customers to easily gain access to petrol at discounted rates through the use of shopper vouchers.
 - viii. It is also important to note that petrol station PAD sites such as these generally require significant floorspace as well as ingress and egress infrastructure.
 - ix. Taking the above into consideration, a service station should be considered for the Mount Gilead Town Centre site.

5.6.6. Cinema

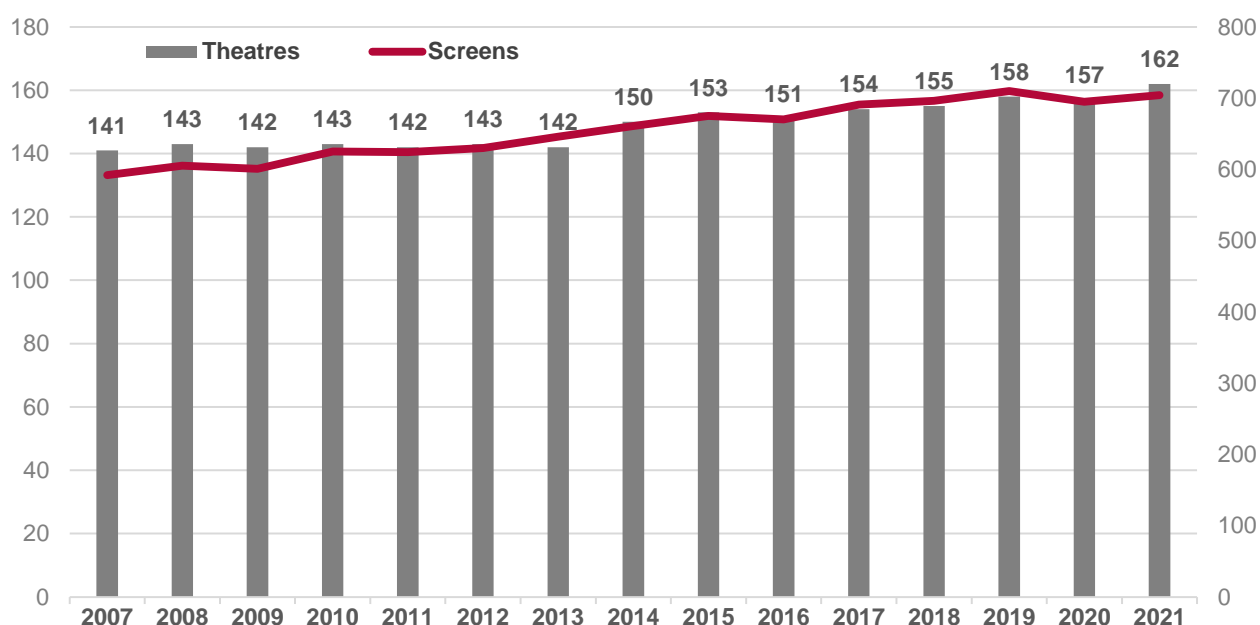
- i. There are currently no cinema complexes provided across the total trade area, with the nearest offers being at Macarthur Square and Dumaresq Street in the Campbelltown City Centre.
- ii. Across New South Wales/ACT there are approximately 704 cinema screens across 162 theatres, equating to a provision of 8.6 screens per 100,000 persons. Assuming the benchmark level, the total trade area population could indicatively support just 3 – 4 screens over the forecast period to 2041, however, this does not consider the provision of large cinema complexes beyond the total trade area.
- iii. Given the significant provision of cinemas surrounding the total trade area and their regional attraction, it is unlikely that a cinema complex would be supportable at the Mount Gilead Town Centre.
- iv. The best cinema complexes are those that have strong integration with food catering and other entertainment facilities, with recent examples including Broadway Shopping Centre, Westfield

Carousel, Westfield Whitford City, Pacific Werribee, Highpoint Shopping Centre, Westfield Kotara, Charlestown Square and Westfield Miranda.

TABLE 5.4. CINEMA PROVISION BENCHMARKS

Metric	New South Wales/ACT	Australia
Cinema Provision		
Cinema Theatres	162	501
Screens	704	2,290
Average Screens per Theatre	4.3	4.6
Theatre Capacity (seats)	126,533	404,556
Average Capacity per Screen	180	177
Screens per 100,000 Persons	8.6	8.9

Cinema Timeline New South Wales/ACT



Top 5 Cinema Operators New South Wales/A	Theatres	Total Screens
1. Event	24	198
2. Hoyts	19	160
3. Palace	6	44
4. Reading	6	43
5. Dendy	2	19
Independents	103	230

Source: Screens Australia 2021

5.6.7. Entertainment

- i. A review of comparable developments shows that cinema complexes are often co-located with a significant food catering offer, with at least one larger restaurant also operating. Other entertainment tenants such as laser tag and games arcades are also common within these precincts.
- ii. Entertainment facilities are generally spread throughout the region and surrounds and are generally categorised as follows:
 - **Traditional Shopping Centre Entertainment:** uses such as ten pin bowling, laser tag, games arcades and more tend to collocate with cinema complexes, restaurants and the like within shopping centre entertainment precincts. The nearest examples for the subject site would again be within the Campbelltown City Centre.
 - **Large Format Entertainment:** across Australia, entertainment-type operators are increasingly common within large format or light-industrial precincts given these types of tenants generally operate from larger floor plates, pay low rents and require good parking and access. Examples of these type of entertainment include ice skating rinks, rock climbing gyms, trampoline parks, mini golf and the like. Within the total trade area these uses tend to be situated within light-industrial precincts and shopping centres. Uses such as paintball and go-karting tracks are generally located in outer-suburbs.
- iii. Key entertainment uses that could be considered include:
 - **Large Format Arcade:** such as Archie Brothers Cirque Electric (Alexandria, Toombul and Melbourne), which includes bowling, laser tag, bumper cars and food catering services, in addition to arcade games. Other alternatives include Kingpin.
 - **Children's Soft Play:** major brands in Australia include Chipmunks Playland & Café and Lollipops Playland, neither of which are located within the total trade area. The closest facilities include The Shine Shed, Monkey Mania and Inflatable World at Campbelltown.
 - **Edutainment:** Legoland has a discovery centre store in Chadstone, while Kidzania is an interactive city made for children that is growing in popularity around the world. Along the same line, Dreamcity is provided at South Wharf DFO in Melbourne.
 - **Indoor Sky Diving:** iFLY
 - **Mini Golf:** Holey Moley (various).
 - **Escape Room:** generally independent operators.

- **E-Sports Lounge:** FBI Gaming Centre (various).
 - **Flight Simulation:** Flight Experience Sydney.
 - **Virtual Reality Simulations:** VR Kingdom, X Golf
 - **Indoor Ice Skating or Roller-Skating Rink:** Rollerfit
- iv. These types of facilities are generally targeted towards young families, young adults and tourists. They are most popular on weekends and generally have significant size requirements of up to 1,500 sq.m.
 - v. Providing a point of difference to the other shopping centres, these types of facilities would also expand the hours of operation of the Mount Gilead Town Centre. However, it would be important that a cinema operator was secured for the centre in order to support a significant provision of entertainment uses.
 - vi. Without a cinema complex or major commercial and transport hub, the opportunity for a significant entertainment offer would be limited. A play centre and/or games arcade may be more appropriate.
 - vii. A possible alternative would be for community and recreation facilities, which are commonly provided on the periphery of town centre precincts and help residents to identify strongly with a locality and bring regular visitation to the area. Often, these types of facilities are funded by Council and include uses such as libraries, aquatic and/or leisure centres, community centres and other recreation facilities such as a large-scale children's playground.

5.6.8. Commercial

- i. Within the region, there are two distinct leasing office markets:
 - Larger commercial and light-industrial lots.
 - Smaller tenants (typically less than 1,000 sq.m), which operate as part of mixed-use buildings or precincts. These tenants tend to locate along major arterial routes, or within town centre precincts like Campbelltown.
- ii. The requirements of tenants to co-locate with other similar tenants and in precincts with a high level of amenity and public transport also means that established office precincts are growing in strength as compared with standalone suburban locations. The key attributes of these sites include:
 - Good accessibility by train (two stations within walking distance) and car.
 - Ability to offer flexible floorspace.
 - Affordable rents.

- Availability of onsite car parking.
 - Access to a skilled workforce.
- iii. Although the Mount Gilead Town Centre site would also have many of these attributes, is not the optimal location in terms of the opportunity for multiple users to be located in one area or characterised by excellent transport links.
- iv. In addition, there are several commercial offices and business parks nearby, within the Campbelltown City Centre.
- v. In our view, there is limited potential for any significant commercial office component at the subject site. A smaller provision of commercial floorspace (i.e. one or two tenants) could potentially be developed, however, such tenants would be unlikely to enhance the attractiveness or destination appeal of the site and would not typically pay high rents.
- vi. While smaller tenancies are likely to attract higher gross rents than larger tenants, attracting a single, larger operator to the site may present the opportunity for a wholistic offering that better integrates with the range of additional uses (retail, residential and the like) at the site and reflects a simpler leasing model.
- vii. Large commercial tenants may prove more difficult to secure and would involve a higher degree of risk, likely requiring a pre-commitment. To this end, casual leasing tenants such as WeWork would be an attractive prospect for the site and should be targeted, although unlikely.
- viii. As such, large scale commercial facilities are not likely to be supported at the site unless the following were to occur:
- Council offices were relocated to the site.
 - State Government offices were interested in office floorspace at the site.
 - A one-off major tenant is secured, like at Williams Landing in Melbourne (Cedar Woods) where Target relocated their head office from Geelong.
- ix. It is unlikely that any significant provision of commercial floorspace would be supportable prior by Stage One (2028/29), with up to 1,000 sq.m assumed and likely made up primarily smaller commercial suites. A similar quantum may be added as part of Stage Two (2034/35).

6 ULTIMATE POTENTIAL

This section of the report provides an assessment of the ultimate potential for the Mount Gilead Town Centre site, including recommended composition, size, timing, and location for prospective uses.

6.1. Summary

- i. Taking all of the findings of this report into account, Table 6.1 presents a summary of our key recommendations in relation to proposed timing and composition of facilities at the Mount Gilead Town Centre site.

Stage One – 2028/29

- A **total centre of some 7,500 – 8,500 sq.m** should be considered as part of Stage One, provided a full-line supermarket could be secured at the site.
- This would indicatively include a **retail component of around 5,200 sq.m**, comprising a supermarket (3,400 sq.m), mini-major (400 sq.m) and specialty space of some 1,400 sq.m.
- Around **4,000 - 6,000 sq.m of non-retail floorspace** in total would be supportable regardless of the retail offer – but again dependent on tenant/operator demand.
- Based on comparable developments of this size, an indicative land size of around 3 hectares may be required for Stage One.

Stage Two – 2034/35

- A **total centre of some 15,000 – 20,000 sq.m** should be considered as part of Stage Two, provided a second full-line supermarket and possibly Aldi could be secured at the site.
- If Aldi were not to be secured at the site (or not show interest), the timing of this second stage could be brought forward to align with the second full-line supermarket operator interest (possibly as early as 2032/33).
- This would indicatively include an expanded **retail component of around 11,500 – 13,500 sq.m**, comprising two or more supermarkets (up to 8,500 sq.m), two or more mini-majors (800 sq.m) and specialty space of around 3,000 – 3,500 sq.m.

- Around **4,000 - 6,000 sq.m of non-retail floorspace** would be supportable regardless of the retail offer – but dependent on tenant/operator demand.
 - Based on comparable developments of this size, an indicative land size of around 6 - 8 hectares (cumulative) may be required for Stage One and Two. This would also depend on car parking arrangements.
- ii. Typically, for supermarket-based neighbourhood shopping centres, this involves major tenants acting as the key customer generators and the specialty stores benefiting from the customer flows generated by these majors. The design of retail centres is often such that customers must bypass the specialty stores before accessing the major tenants.
 - iii. Placemaking will also be important to provide a point of different and attraction for the various customers segments the site would serve. A contemporary, high-level of quality in terms of the built design and fit out will ensure the local population has a strong affinity with the site and the retail component can function optimally.
 - iv. Landscaping and placemaking will provide a point of different and attraction for the customer segments the site would serve. A contemporary, high-level of quality in terms of the built design and fit out will ensure the local population has a strong affinity with the site and the retail component can function optimally.
 - v. In retail, the concept of a 'third place' refers to destinations such as cafes, bars and restaurants where customer spend time between home (first place) and work (second place). Third places provide residents and visitors with a variety of informal settings where people can meet or be comfortably alone while still engaging socially with the community. Securing and developing a quality offer is crucial to establishing the development as a viable 'third place' for local residents and possibly visitors.
 - vi. Critical success factors for both retail and non-retail floorspace within Mount Gilead Town Centre precinct include:
 - **Population Growth:** around 30,000 additional residents assumed to locate within the key main trade area by 2041. This additional population would demand additional retail and non-retail facilities. Any changes to the projected number of dwellings in the main trade area will impact on the supportable provision of retail space.
 - **Staging and Design:** the design of the centre is critical, including the consideration of customer flows and staging of development. Accessibility, signage, car parking and expansion potential will be critical to the success of the development in the early years.

- **Convenience:** retail precincts should be designed with convenience in mind, particularly in early stages when a single supermarket is generally developed. As the centre expands, convenience should be retained in order to generate regular visitation/shopping from the catchment.
 - **Tailoring offer to customers:** the retail and non-retail offer should cater for both
- vii. The development of town centres throughout Australia has mainly been driven from the planning perspective, seeking to provide a more holistic solution than an enclosed retail shopping centre. The development of town centres is aimed at providing a range of facilities that can complement each other and operate for extended hours whilst also accommodating a number of different uses including but not limited to residents, workers, visitors and students.
- viii. Key terms often used to describe the ultimate objective or goal of a town centre include:
- Village environment
 - Walkable
 - Public domain
 - Mixed use
 - Main street
 - Vibrant
 - Extended hours of activation
 - Well planned
 - Density
- ix. Key factors typically identified by consumers in terms of shopping centre development include
- Amenity
 - Car parking
 - Comfort of environment
 - Convenience
 - Range of facilities
 - Destination
 - One-stop shop
- x. There is some overlap between a range of the factors identified from both a planning perspective and a consumer perspective in relation to town centres, however, it can be seen that the planning description terms are mainly focused around the built environment and the overall outcome whereas from a customer perspective, critical factors all relate back to the ease of undertaking the shopping experience.
- xi. A balancing act between the best built form outcome and consumer expectations must be at the forefront of town centre development in Australia. Ultimately, the town centres that are likely to be

successful in the longer term will be those that are able to provide a balance between built form, public space, mix of uses and meeting the needs of customers in an efficient manner.

xii. There has been mixed performance of town centre style retail developments that have opened in Australia over the past decade with the layout and design of these town centres playing critical roles in success. In addition, other key factors that go to determine the performance of the town centres include:

- The ability to generate significant customer flows past specialty shops which are fronting onto the main streets.
- The location and amenity of car parking as it relates to major tenants in particular.
- Weather protection and the ability to control the climate including wind, rain and heat while still maintaining a town centre style development.
- Activating food catering floorspace. This can take some time to realise and is heavily dependent on the tenant mix.
- Major tenant performance is critical from day one to attract customers to shopping centres. If amenity and access are not of a high standard, and there are available more convenient alternatives, customers will be unlikely to frequent a less convenient development.
- Town centre developments typically work best when there is significant density provided both on and immediately around the site
- Town centres require activation across extended hours of operation and the layout and design are critical to achieve this.

xiii. In addition to the design and layout, other key factors to consider in relation to greenfield retail development include:

- It is important to secure two strong trading supermarkets, namely Woolworths and Coles. This serves to both reinforce the shopping centre as the main supermarket destination in the surrounding area both now and in the future but also deter Woolworths and Coles from opening other supermarkets in the short term that may impact on sales at the subject site.
- Securing Aldi is also recommended where possible to concentrate the day-to-day convenience shopping.
- The initial focus should be day to day retail and convenience items as well as food catering. Providing non-retail uses (i.e. gym, childcare, medical etc.) is also important.
- A limited non-food offer.

TABLE 6.1. MOUNT GILEAD TOWN CENTRE, ULTIMATE SUPPORTABLE FLOORSPACE

Tenant/ Category	Stage One - 2028/29	Stage Two - 2034/35
	GLA (sq.m)	GLA (sq.m)
Majors		
Full-line Supermarket	3,400	3,400
Full-line Supermarket	-	3,400
Aldi	-	<u>1,700</u>
Total Majors	3,400	Up to 8,500
Mini-majors (> 400 sq.m)		
Mini-major One	400	400
Mini-major Two	-	<u>400</u>
Total Majors	400	800
Retail Specialties		
Food & Liquor	250	500
Food Catering	450	1,200
Apparel	0	200
Household Goods	0	100
Leisure	150	200
General Retail	250	500
Retail Services	<u>300</u>	<u>650</u>
Total Retail Spec.	1,400	3,350
Total Retail	5,200	11,500 - 13,500
Non-retail		
Non-retail Shopfronts	250	500
Medical	300	600
Childcare	1,000	1,000
Gym/Fitness Studio	200	400
Tavern	0	500 - 1,000
Petrol Station / Fast Food PAD Sites	500	1,000
Entertainment	0	400
Commercial Suites	250 - 750	1,000 - 2,000
Total Centre	7,500 - 8,500	15,000 - 20,000



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