June 2024

Gurner Avenue, Austral

Supermarket Potential Assessment

Prepared for Woolworths

locationiq.com.au

Contents

Introduction

This report presents an independent assessment of the need and demand for supermarket and retail floorspace within the Austral Study Area as part of the South West Priority Growth Area in Sydney. Woolworths plan to develop supermarket based shopping centres in Austral as follows:

- Austral North: The subject application - located at the south-east corner of Fourth Avenue and Gurner Avenue (495 Fourth Avenue).
- Austral South: A development application has been lodged for the zoned site at 260 Eighth Avenue.

In addition, there are other zoned and planned/designated supermarket sites across the Austral growth area that could support supermarkets. For the purposes of this assessment, the defined Austral Study Area reflects the likely draw of current and future supermarkets to serve the growing population and extends from Bringelly Road in the south to Kemps Creek Nature Reserve in the north.

This report is structured and presented in **four (4) sections** as follows:

- **Section 1** provides an overview of the South West Priority Growth Area and the current and planned infrastructure.
- **Section 2** presents the defined Austral Study Area, including the 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. An overview of the planned/designated supermarket sites is also provided.
- **Section 3** outlines the potential for supermarket and retail floorspace. This includes the likely timing of supermarkets.
- **Section 4** provides an assessment of the implications for delivery of new full-line supermarkets to serve the current and future population of the Austral Study Area.

Executive Summary

The key points to note from this report regarding the market potential for supermarkets within the defined Austral Study Area are as follows:

i. Austral is an emerging suburb within South West Sydney, and forms part of the South West Priority Growth Area (SWPGA) which encompasses 18 precinct with 17,000 hectares of land designated for residential development. Ultimately, the SWPGA is estimated to incorporate some 110,000 new dwellings, housing around 300,000 persons.

ii. The suburb of Austral falls within the Austral/Leppington North Precinct Plan area, which was designated in 2013 by the New South Wales Department of Planning and was estimated to ultimately include at least 17,350 dwellings (54,300 persons). Numerous retail sites are zoned throughout the precinct, including neighbourhood retail facilities at Eighth Avenue and Gurner Avenue.

iii. The subject site for the proposed Gurner Avenue Woolworths development is 495 Fourth Avenue, at the south-eastern intersection of Gurner Avenue and Fourth Avenue. The site is zoned Neighbourhood Centre and is planned to include a full-line Woolworths supermarket of 3,856 sq.m, retail specialty floorspace of 1,825 sq.m, and 1,729 sq.m of commercial uses across three levels, to be serviced by some 348 parking spaces.

iv. The defined Austral Study Area, which generally extends from Bringelly Road in the south to Kemps Creek Nature Reserve in the north, has been split into smaller Sectors (1 – 9) that assists in assessing demand and timing. These Sectors largely incorporate the rezoned Austral/Leppington North precinct. Sector 1 and Sector 7 overlap the North Rossmore, part of Kemps Creek, and Rossmore precincts that are longer term area for population but will be serviced in the short to medium term by facilities in Austral.

v. The Austral Study Area population is currently (2023) estimated at 14,822 and is projected to increase to nearly 100,000 by 2041, reflecting an average annual growth rate of 12.5%. The ultimate population that is likely within the Austral Growth Area is in the order of 126,540 persons.

vi. The supermarket expenditure levels generated by the Austral Growth Area population is currently estimated at $51.6 million and is projected to increase at an average annual rate of 12.1% to $400.5 million by 2041 (constant dollars and excluding GST).

vii. A major full-line supermarket is at least 3,000 sq.m in size, however modern major full-line supermarkets are typically larger, at 3,700 sq.m, with Direct-To-Boot (DTB) facilities. These large format stores are generally operated by major chains such as Woolworths or Coles.

viii. There are currently two IGA supermarkets of circa-1000 sq.m within the Austral Study Area which do not have the scale to provide a full weekly offer. As such, a significant proportion of supermarket expenditure is likely to escape the Austral Study Area. Based on inspection and the industry average trading levels for smaller IGA supermarkets of around $8,000 per sq.m, the two IGA supermarkets in Austral are estimated to achieve combined sales in the order of $15 - $20 million. On this basis, some $31 - $36 million in Austral Study Area supermarket spend it currently directed to the larger supermarket beyond the Austral Study Area.

ix. Typically, one major full-line supermarket is provided for every 8,000 - 10,000 persons in metropolitan areas of Australia and will locate across a wide variety of centres including neighbourhood, sub-regional, and regional centres, as well as (less commonly) free-standing locations.

x. Conservatively, assuming one full-line supermarket for every 10,000 persons, two full-line supermarkets would be supportable in the Austral Study Area by FY2026/27, increasing to over four full-line supermarkets by FY2031. Based on the population growth of circa 4,700 persons each year over the period from 2023 to 2041, one new full-line supermarket will be supportable every two years.

xi. Ultimately, the Austral Study Area would support 12 – 13 full-line supermarkets. The Austral/Leppington North Precinct Plan designated four sites (excluding Leppington Town Centre) and would indicatively support up to seven full-line supermarkets in the longer term, with the balance of demand across the future areas in Sectors 1 and 7 that are longer term opportunities. Not all supermarket demand will be catered for within the Austral Study Area, but as outlined earlier, given the size of the Austral Study Area and the location of existing supermarkets, it would be expected that most of the current and future supermarket demand should be catered from locally.

xii. Across the defined Austral Study Area, there are currently five designated supermarket sites. With existing IGA supermarkets and shops at the **Fifteenth Avenue site (Austral Town Centre)** and **Edmondson Avenue (Austral Shopping Centre** site, the logical short – medium term full-line opportunities based on current and planned population are the **495 Fifth Avenue site** and the **260 Eighth Avenue site** (Woolworths DA submitted).

xiii. With a population of more than 30,000 persons by FY2027, there would still be potential for the two, incumbent smaller IGA supermarkets at Austral. The new full-line supermarkets to the north and south would go some way to reducing the significant escape supermarket spending to full-line supermarkets beyond the Austral Study Area which will continue to increase in the future.

xiv. Ultimately, assuming the two incumbent IGA supermarkets remain as is for the short term, full-line supermarkets at the Gurner Avenue and Eighth Avenue sites would be supportable by FY2027. Should redevelopment of the existing IGA-anchored centres within Austral occur prior, then supermarkets at the Eighth Avenue and Gurner Avenue sites would be supportable circa-2031, pending the scale of redevelopment.

1 South West Priority Growth Area

This section of the report provides an overview of the South West Priority Growth Area and the current and planned infrastructure.

1.1. Overview

i. The South West Priority Growth Area (SWPGA) is provided across three Local Government Areas LGA's); namely Camden, Campbelltown and Liverpool; and encompasses 18 precincts. With 17,000 hectares of land designated for residential development, it is estimated that upon completion the SWPGA will incorporate some 110,000 new dwellings, housing around 300,000 persons (refer Map 1.1).

ii. To accommodate the significant growth projected for the SWPGA, major long-term infrastructure projects are planned or under construction within the broader South Western Sydney area. In addition, significant employment land is planned to be provided and is projected to generate 57,000 jobs over the next 30 years.

iii. The Australian and New South Wales Governments are investing $4.4 billion over 10 years in the Western Sydney Infrastructure Plan (WSIP), with the Australian Government providing over $3.5 billion (refer Figure 1.1). Key road projects include:

- Around 35 km of The Northern Road is planned to be upgraded from a two to four lane undivided road to a six to eight lane divided road between The Old Northern Road at Narellan and Jamison Road at South Penrith. The upgrade will occur across six sections.
- Bringelly Road has recently been upgraded to a minimum four lanes between Camden Valley Way at Leppington and The Northern Road at Bringelly.
- A new motorway is planned that will provide direct access link to the future Western Sydney Airport at Badgerys Creek. The motorway will link 16 km east-west from the M7 Motorway at Cecil Hills to The Northern Road at Luddenham, providing better regional accessibility to the SWPRA.

iv. The WSIP will provide better road linkages within the western Sydney region and benefit the region's growing population. This investment will relieve pressure on existing infrastructure and unlock the economic capacity of the region by easing congestion and reducing travel times. The plan will deliver a quality surface transport network, ensuring the efficient movement of passengers, employees, and freight, when Western Sydney International (Nancy-Bird Walton) Airport opens in 2026. The WSIP is expected to support 4,000 direct and indirect jobs over the life of the plan.

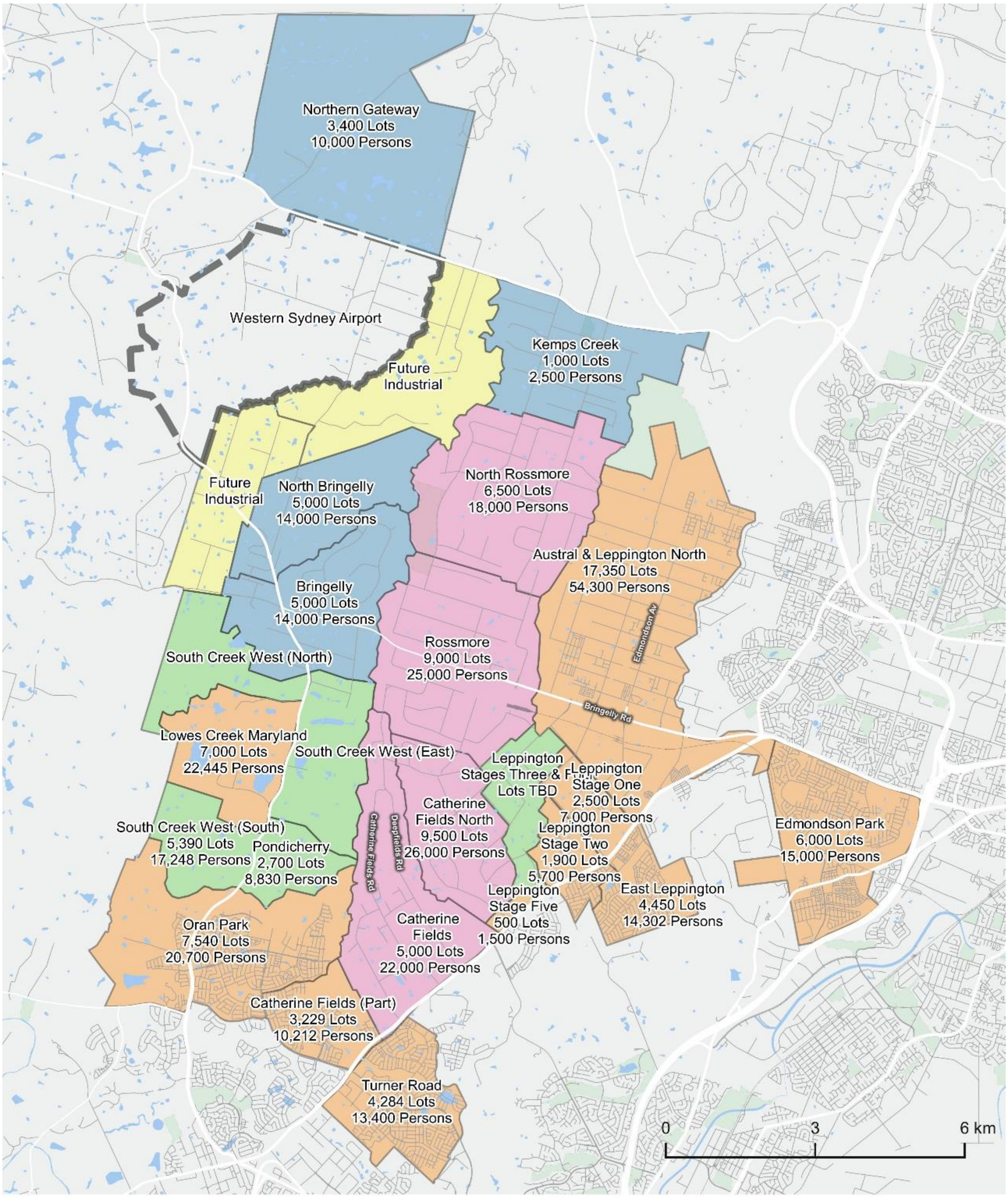
v. Key supporting current and planned infrastructure include (refer Map 1.2):

- The Western Sydney Airport is due to open in 2026 and will be located at Badgerys Creek, some 45 km west of the Sydney CBD. The airport is expected to support almost 28,000 direct and indirect jobs by 2031. This large employment generating project is likely to boost demand for housing within the broader region. Rail options are currently being explored, including a possible South West link from Leppington to the airport via proposed interchange at the future Badgerys Creek Aerotropolis.

- Along with the new Western Sydney International (Nancy-Bird Walton) Airport, federal, state, and local governments are planning to invest $20 billion in a new airport city at Badgerys Creek, being referred to as Badgerys Creek Aerotropolis. The project focuses on a 10,000-hectare Greenfield site around the new airport with plans to create more than 12,000 jobs in Western Sydney, focusing on health, education, transport and logistics.

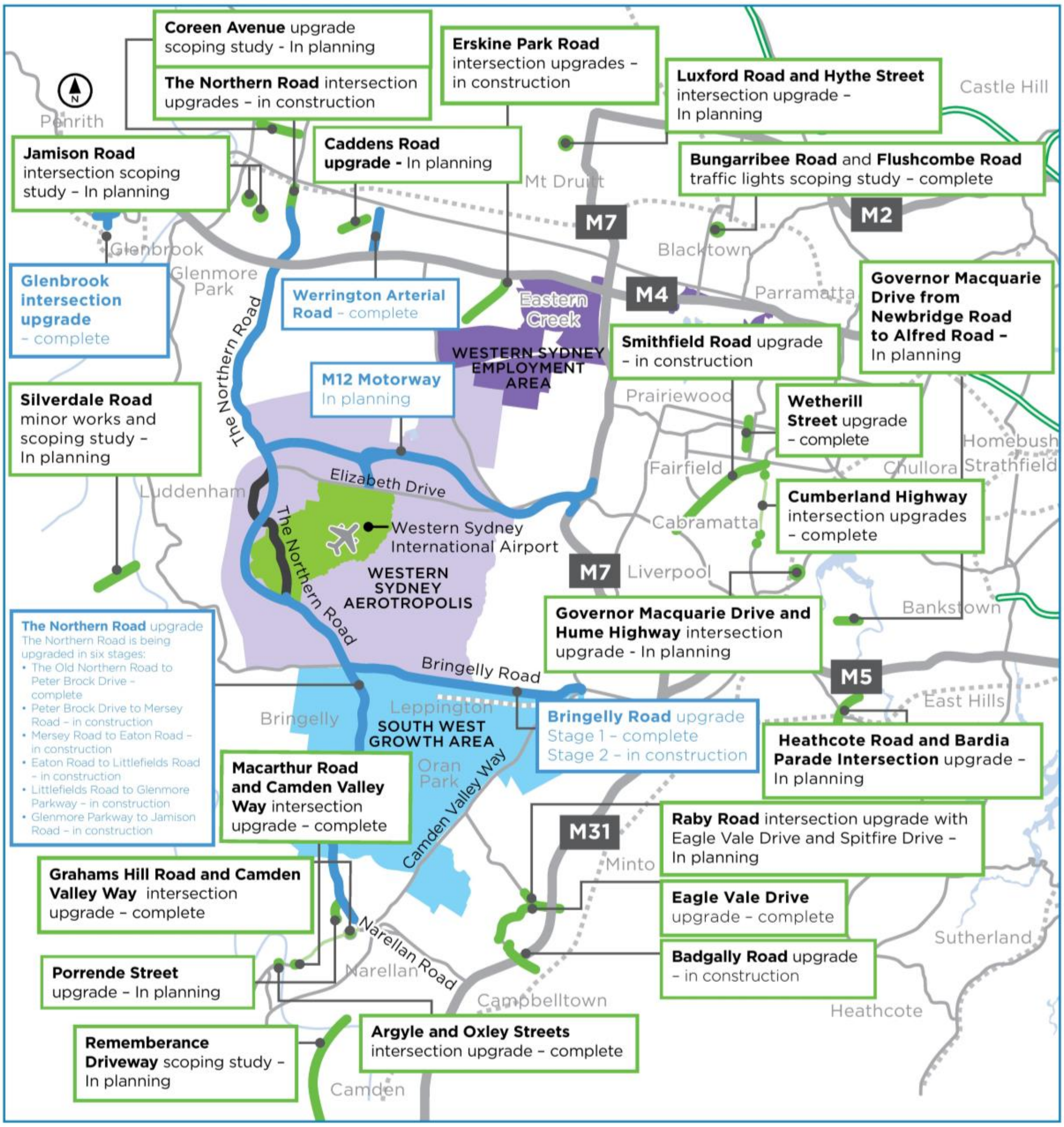
- Early planning is currently underway to provide an extension to the recently completed South West Rail Line that will link to the existing St Marys Railway Station in the north and to Macarthur Railway Station in the south (near Macarthur Square), via an exchange created at the planned Badgerys Creek Aerotropolis. Two new stations would be created in the South West Sydney area at Narellan and Oran Park.

MAP 1.1. SOUTH WEST PRIORITY GROWTH AREA

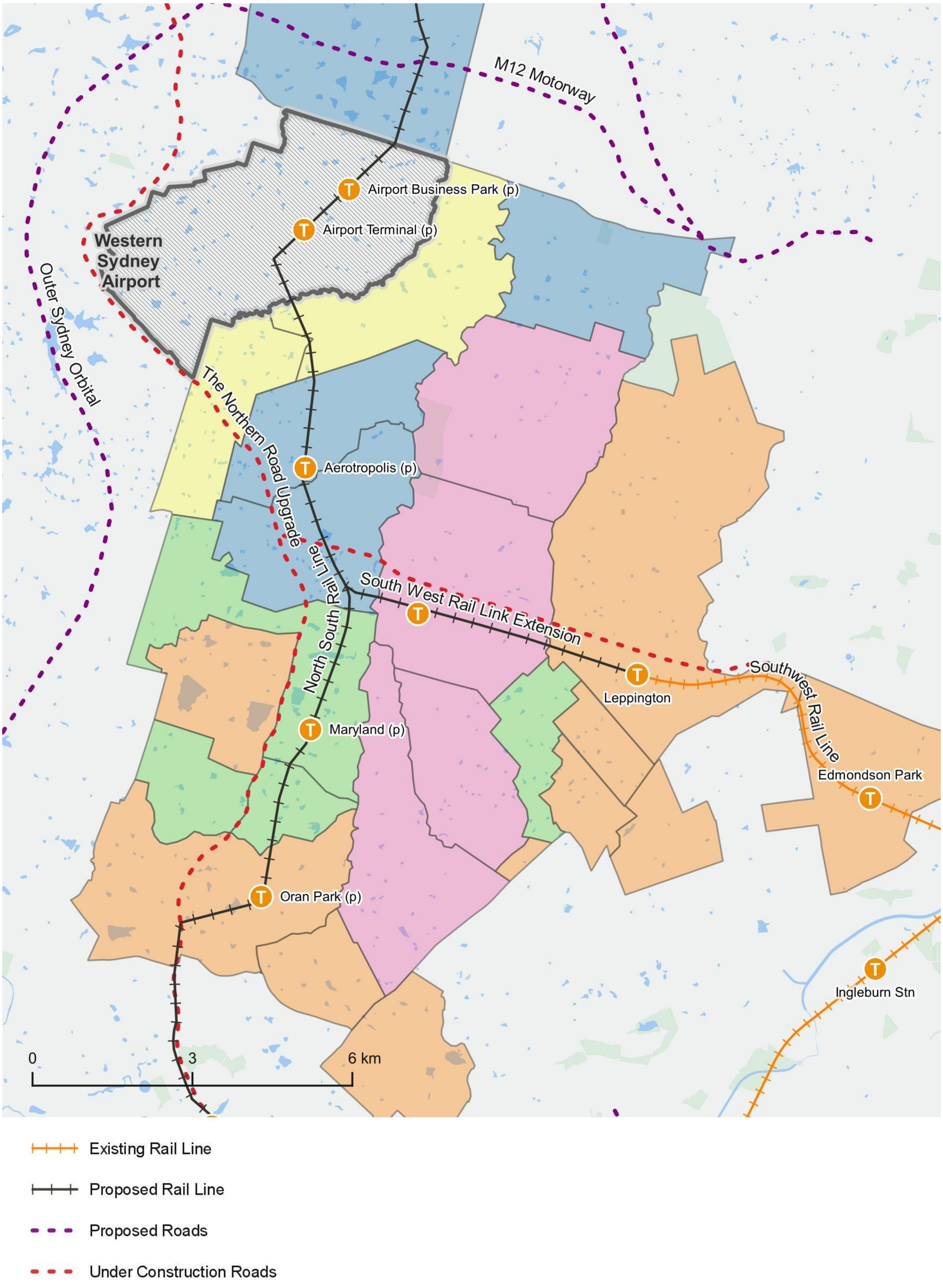


Industrial
Priority Growth Area
Released
Under Construction/Rezoned
Not Released
Airport

FIGURE 1.1. WESTERN SYDNEY INFRASTRUCTURE PLAN



MAP 1.2. SOUTH WEST PRIORITY GROWTH AREA – INFRASTRUCTURE



1.2. Defined Priority Growth Areas

i. The New South Wales Department of Planning originally identified 18 precincts within the South West Priority Growth Area, with this having been expanded based on the split or definition of several sub-precincts.

ii. Table 1.1 shows the status of each precinct, as well as the minimum dwelling yield and resulting estimated population. Austral/Leppington North is the largest single precinct with an estimated 17,350 dwellings planned, or in-excess of 54,000 persons.

TABLE 1.1. SOUTH WEST PRIORITY GROWTH AREA PRECINCT STATUS AND YIELD

Growth Area	Minimum Dwelling Yield	Estimated Population
Rezoned/Under Construction		
Austral/Leppington North	17,350	54,300
Leppington Stage One	2,500	7,000
Leppington Stage Two	1,900	5,700
Leppington Stage Five	500	1,500
East Leppington	4,450	14,302
Edmondson Park	6,000	15,000
Turner Road	4,284	13,400
Catherine Fields (Part)	3,229	10,212
Oran Park	7,540	20,700
Lowes Creek Maryland	7,000	22,445
Pondicherry	2,700	8,830
South West Creek (North)	6,860	22,445
South West Creek (South)	5,390	17,248
Bringelly	5,000	14,000
North Bringelly	5,000	14,000
Northern Gateway	3,400	10,000
Total Rezoned/Under Construction	**83,103**	**251,082**
Not Rezoned		
Kemps Creek	1,000	2,500
Leppington Stage Three & Four	TBD	TBD
Rossmore	9,000	25,000
North Rossmore	6,500	18,000
Catherine Fields	5,000	22,000
Catherine Fields North	9,500	26,000
Total Not Rezoned	**31,000**	**93,500**

Source: NSW DPE

1.3. Austral/Leppington North Precinct Plan

i. The Austral/Leppington North Precinct Plan (refer Figure 1.2) was finalised in March 2013 by the New South Wales Department of Planning and Environment. The masterplan outlines controls which allow for at least 17,350 new homes and the delivery of local amenities close to transport options, including:

- New Major Centre.
- The new Leppington station.
- Three neighbourhood centres.
- 220 hectares of employment land
- 135 hectares of open space and recreation areas.
- Upgrades to major roads.
- New primary and high schools.
- Protection of significant vegetation, and major creek corridors.
- Improved connections to encourage walking and cycling.

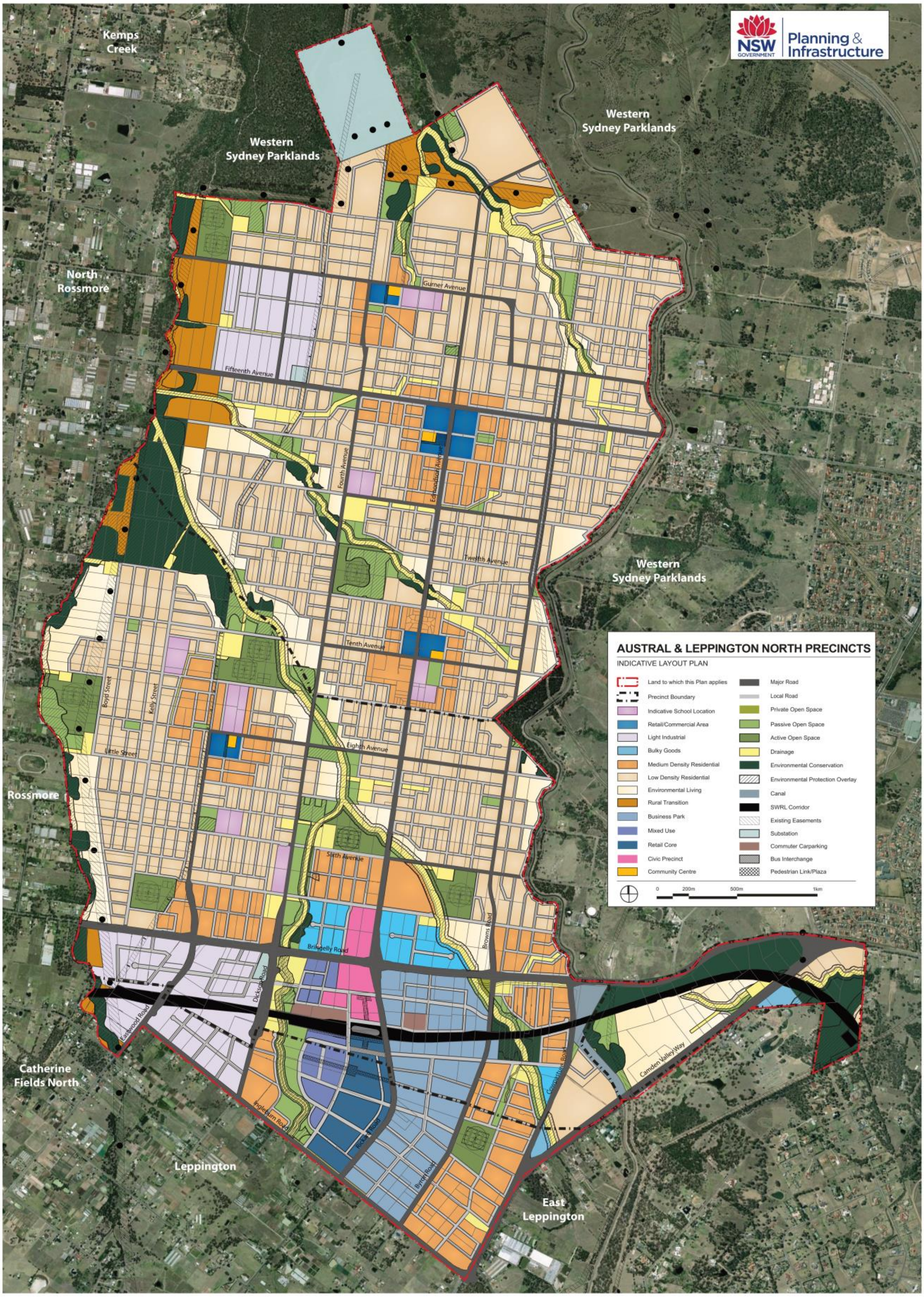
ii. It is worth noting that the Precinct Plan acknowledges that it is possible that more than the stipulated number of homes could be built. The 17,350 dwellings figure identified in the plan serves as a guide based on the dwelling densities assumed by Liverpool City Council across the various residential zones.

iii. The Leppington Town Centre, which generally extends from Ingleburn Road in the south to Sixth Avenue in the north, is currently under review with rezoning of the precinct likely. The rezoning of the Leppington Town Centre was deemed necessary because of changes to the planning and land use framework to the surrounding area since the Austral/Leppington Precinct Plan was initially announced in 2013, including:

- Announcement of the Aerotropolis.
- Planned extension of the rail line to the Aerotropolis.
- Planned high frequency bus corridors.

iv. This will be examined in further detail in Section 2.5.

FIGURE 1.2. AUSTRAL/LEPPINGTON NORTH INDICATIVE LAYOUT PLAN



1.4. Planned Development Scheme

i. Figures 1.3 – 1.5 illustrate the layout of the proposed Gurner Avenue Woolworths development, with Table 1.2 detailing the indicative mix. Key points to note are as follows:

- The total development will comprise 7,410 sq.m, including a retail component of 5,681 sq.m.
- The retail component is anchored by a full-line Woolworths supermarket of 3,856 sq.m including Direct to Boot (DTB). The supermarket will be a modern offer, that would allow for a full weekly shop. The supermarket will be on the on the Upper Ground Level.
- A small provision of specialty shops, namely BWS (liquor) and specialty floorspace of a combined 1,825 sq.m across the Upper Ground Level and Lower Ground Level.
- The balance of floorspace will be commercial uses of 1,450 sq.m on Level One.
- Associated car parking will be at-grade (Upper Ground Level) as well as basement car parking on the Lower Ground Level and decked car parking on Level One. A total of 348 car parking spaces are planned.

ii. Supermarkets are typically defined in planning documents and Courts as:

"Grocery and dry goods stores of at least 500 sq.m, with smaller stores classified as food stores."

iii. Supermarkets offer a broad range of items not typically included in smaller sized stores such as a bakery, butcher, seafood, and fresh produce segments.

iv. Overall, the proposed development would provide a modern, full-line Woolworths supermarket; a small provision of retail shops, and commercial floorspace to meet the current and future demand of residents.

TABLE 1.2. PROPOSED GURNER AVENUE WOOLWORTHS – PLANNED COMPOSITION

Tenant/ Category	**GLA** (sq.m)	**% of Total**
Woolworths (inc. BOH and DTB)	3,856	51.8%
BWS	174	2.3%
Specialty	1,651	22.2%
Total	**5,717**	**76.8%**
Office/Commercial	1,729	23.2%
Total	**7,446**	**100.0%**

Source: Woolworths

FIGURE 1.3. ARCHITECTURAL PLAN – LOWER GROUND

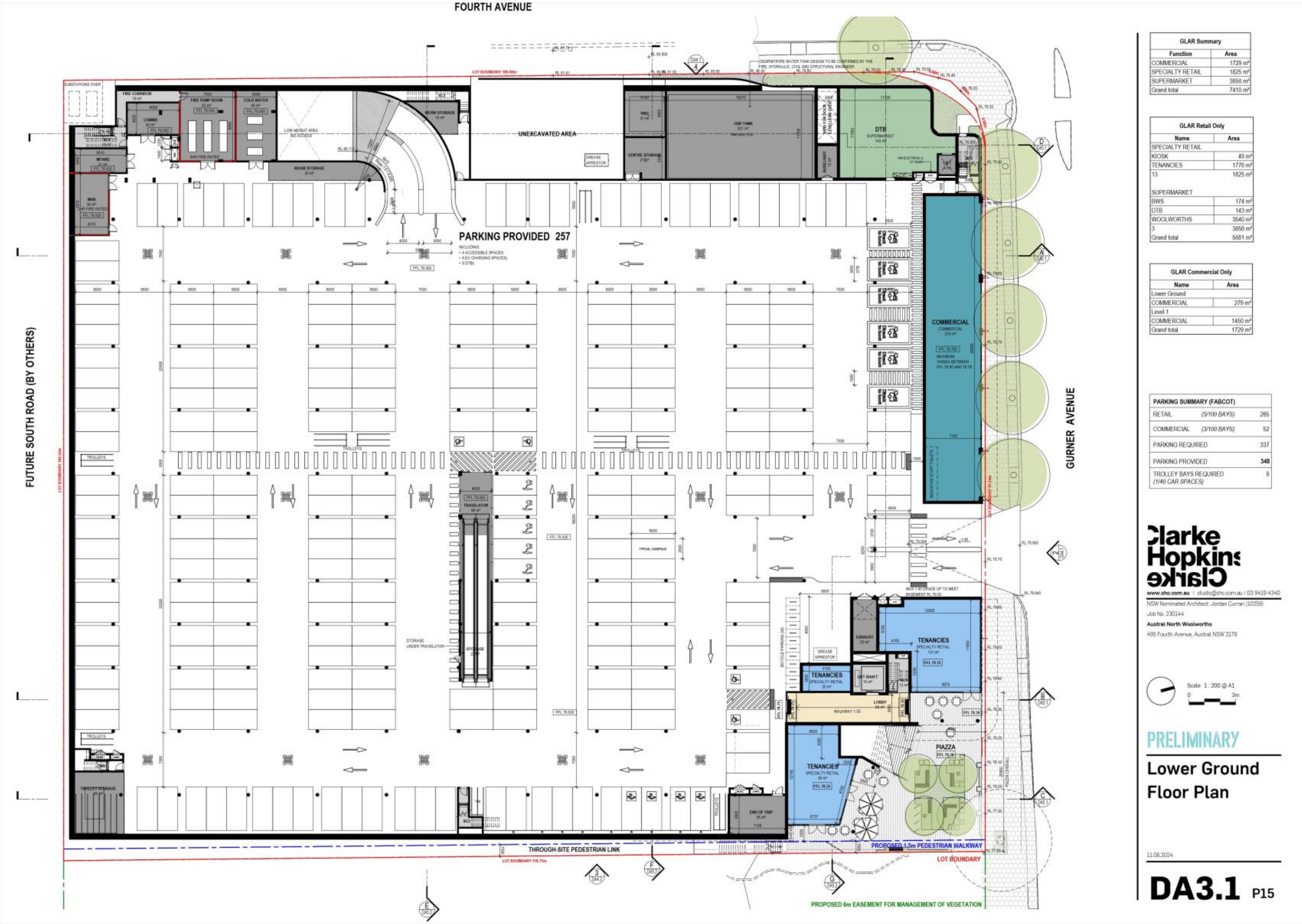


FIGURE 1.4. ARCHITECTURAL PLAN – UPPER GROUND

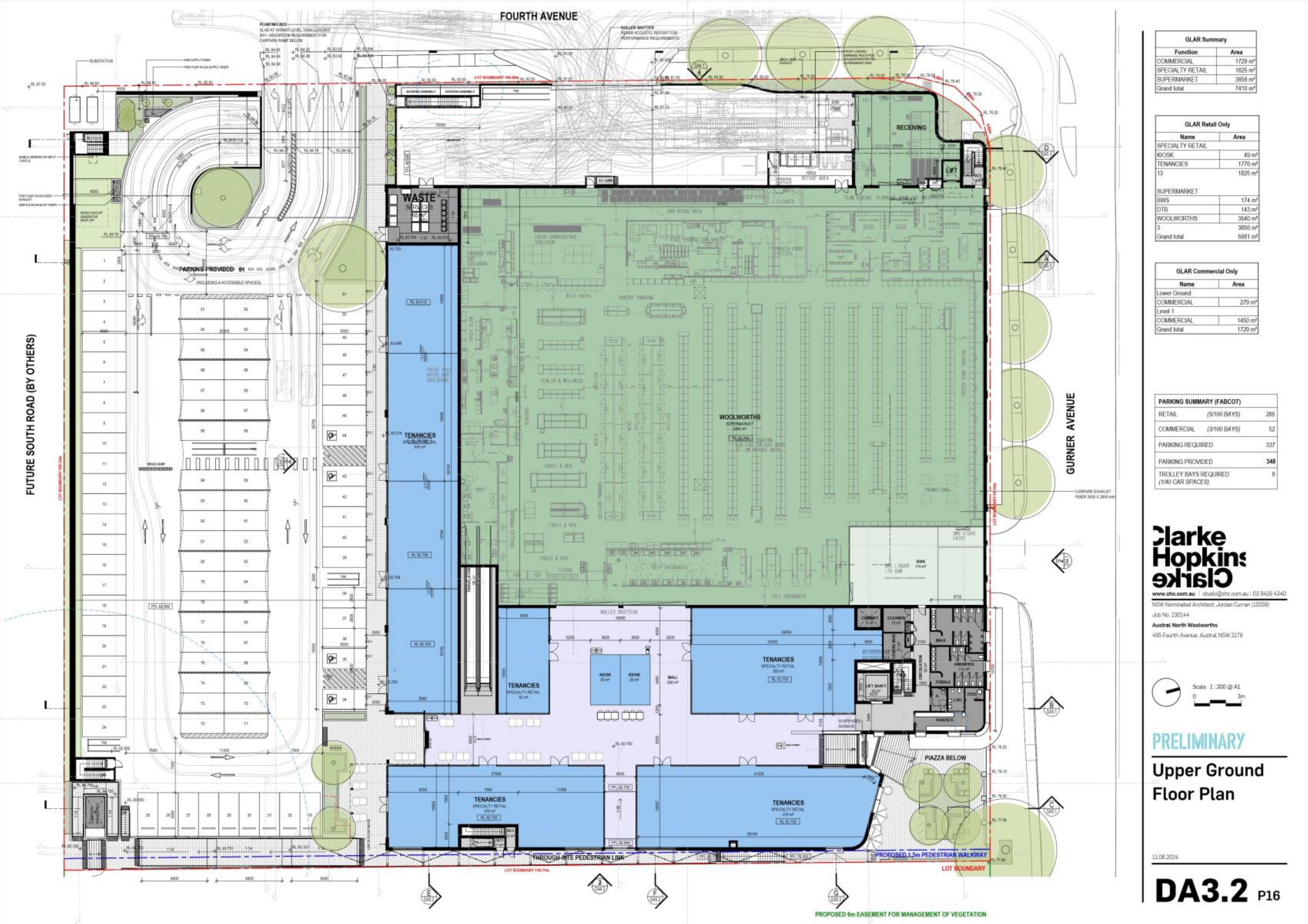
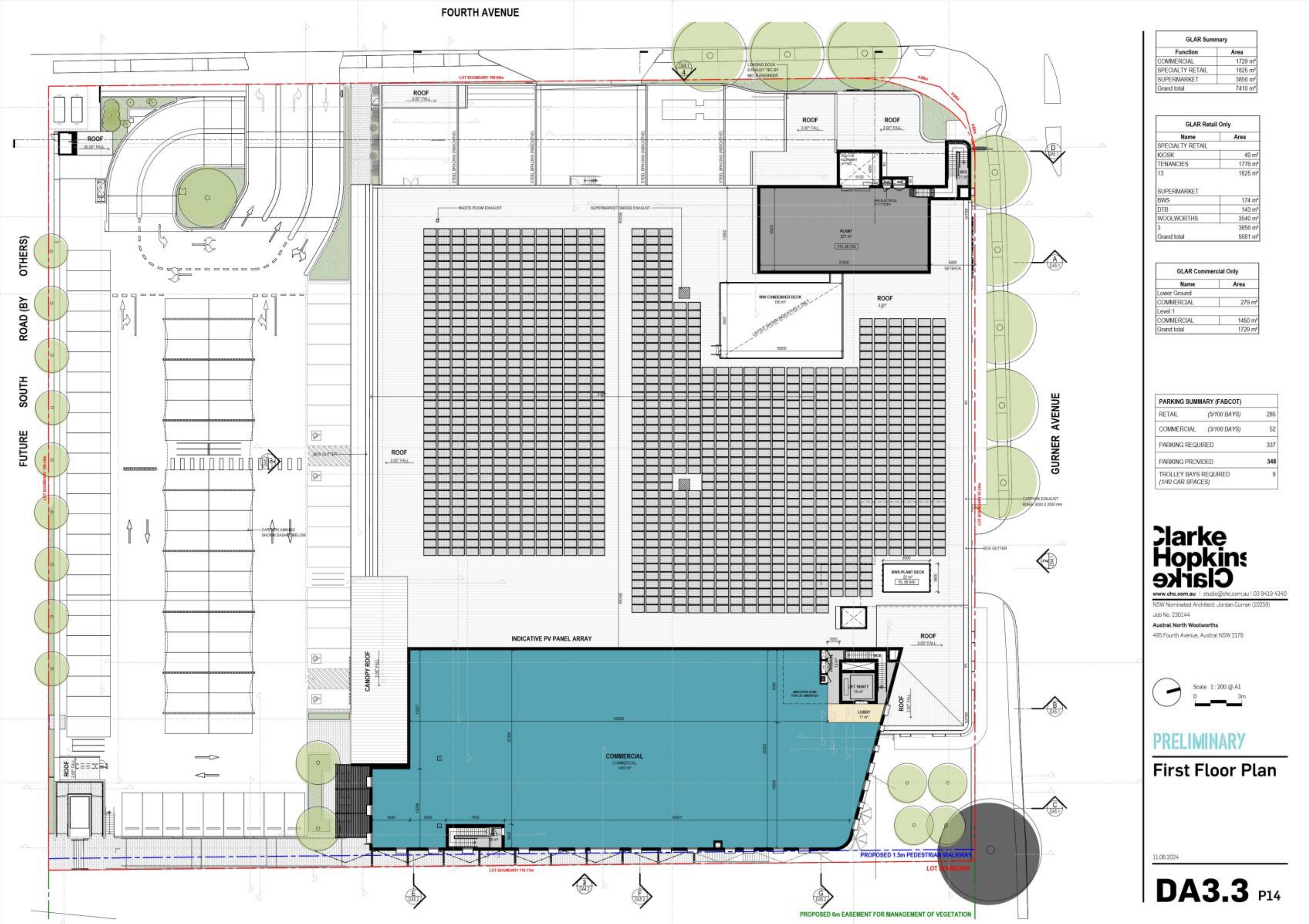


FIGURE 1.5. ARCHITECTURAL PLAN – LEVEL ONE



2 Austral Study Area Analysis

This section presents the defined Austral Study Area, including the 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. An overview of the planned/designated supermarket sites is also provided.

2.1. Austral Study Area Overview

i. For the purposes of this assessment, the defined Austral Study Area reflects the likely draw of current and future supermarkets to serve the growing population and extends from Bringelly Road in the south to Kemps Creek Nature Reserve in the north (refer Map 2.1).

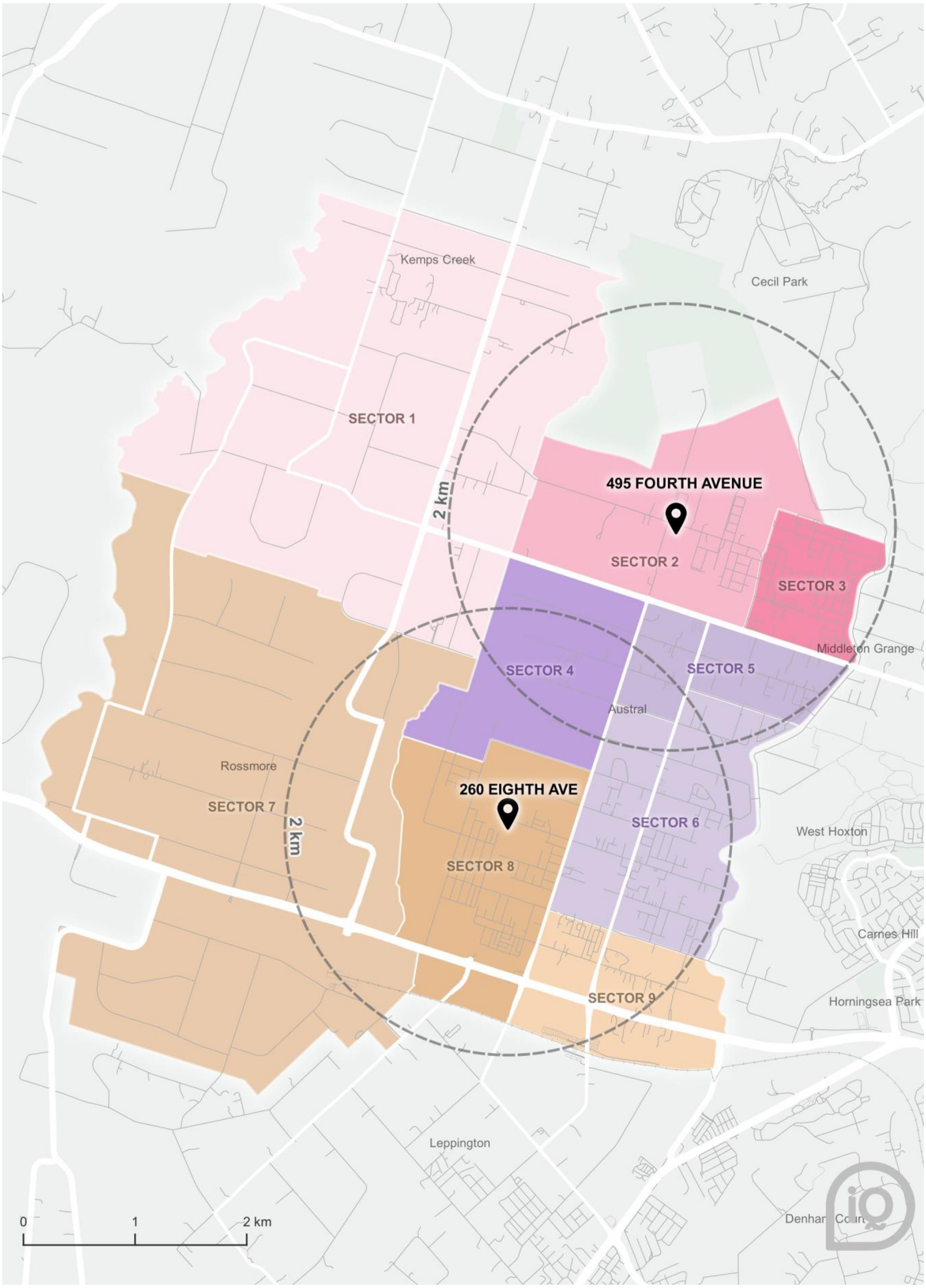
ii. The Austral Study Area has been split into smaller Sectors (1 – 9) to review trends at a level that assists in assessing demand and timing. These Sectors largely incorporate the rezoned Austral/Leppington North precinct, with Sector 1 and Sector 7 overlapping the North Rossmore, part of Kemps Creek, and Rossmore precincts that are longer term area for population but will be serviced in the short to medium term by facilities in Austral.

iii. The Austral Study Area takes into consideration the likely trade areas for supermarkets - which is based on the experience of Location IQ and has been established and refined over many years across many similar assessments. Location IQ has also been provided with existing store customer data (including exit-survey results, transaction data, mobile phone ping data and the like), which assists in the refinement and cross-checking of trade area boundaries for existing networks and can then be utilised for future scenarios.

iv. The Austral Study Area is based on Australian Bureau of Statistics (ABS) SA1 statistical areas, which is common convention for trade area definitions - given SA1s are the smallest unit area released in Census data. SA1s typically have a population of between 200 and 800 persons, with an average population size of approximately 400 persons.

v. In urban areas across Australia, it is acknowledged that overlapping catchments are typical in any retail hierarchy. It is observed in any established population area that residents/customers move freely between different shopping facilities depending on choice, offer, complementary trip purposes, place of work, place of education, place of recreation and the like. It is not unreasonable to expect consumers to make choices about their shopping patterns based on these types of criteria and conversely, it is highly unlikely that residents would just undertake shopping at their closet facility all the time.

MAP 2.1. AUSTRAL STUDY AREA



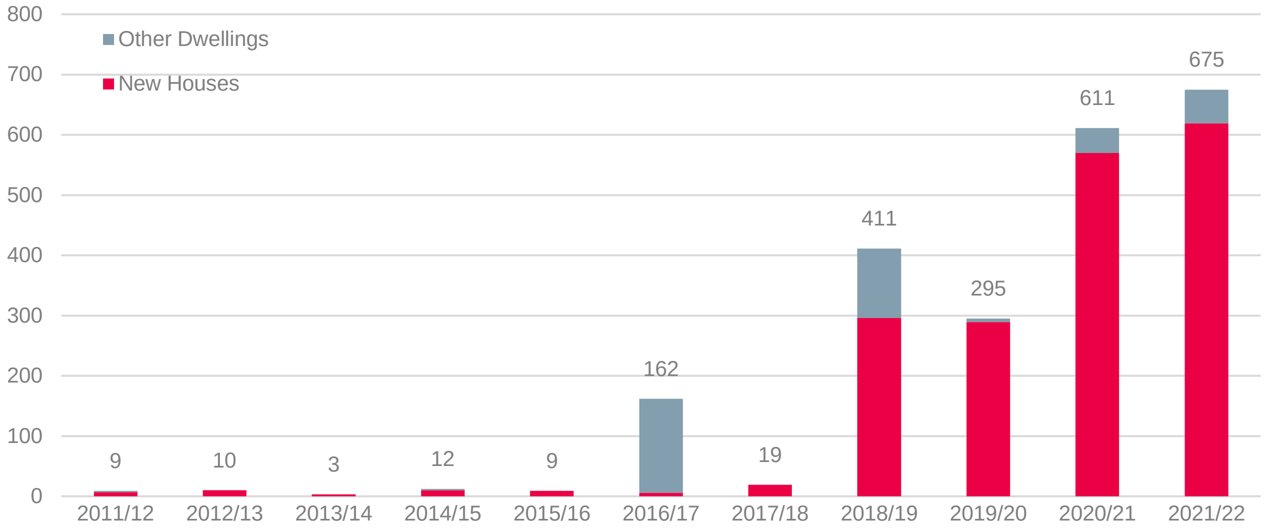
2.2. Austral Study Area Population

i. Table 2.1 details the current and projected population levels by Austral Study Area at the smaller Study Area level over the period to 2041. This information is sourced from the following:

- The 2011, 2016 and 2021 Census of Population and Housing undertaken by the Australian Bureau of Statistics (ABS).
- New dwelling approvals statistics from the ABS from 2011/12 to 2021/22 (refer Chart 2.1), which indicate an average of 201 new dwellings were approved across the Austral Study Area annually over this timeframe.
- The latest population projections prepared at a Statistical Area 2 (SA2) level by the New South Wales Department of Planning and Environment (DPE).
- Investigations by this office into new residential developments in the region.

ii. The remainder of this section presents an in-depth review of the various sources employed to inform the population projections shown in this report.

CHART 2.1. AUSTRAL STUDY AREA NEW DWELLING APPROVALS, 2011/12 – 2021/22



Source: ABS

TABLE 2.1. AUSTRAL STUDY AREA POPULATION, 2011 – 2041

	Actual			Forecast					*Change*	Ultimate
Population	**2011**	**2016**	**2021**	**2023**	**2026**	**2031**	**2036**	**2041**	***2023-41***	**Population**
• Sector 1	1,658	1,592	1,537	1,537	1,537	2,537	6,537	11,537	*10,000*	**17,040**
• Sector 2	321	305	830	1,170	3,270	8,270	13,270	15,770	*14,600*	**14,830**
• Sector 3	280	261	1,256	2,456	4,256	5,756	6,006	6,006	*3,550*	**6,100**
• Sector 4	395	417	388	388	838	4,838	7,338	7,838	*7,450*	**7,900**
• Sector 5	572	533	645	645	945	4,945	7,445	8,445	*7,800*	**9,080**
• Sector 6	610	705	1,165	2,105	3,605	8,605	13,605	15,105	*13,000*	**15,580**
• Sector 7	1,669	1,757	1,630	1,630	1,630	2,630	6,630	11,630	*10,000*	**31,430**
• Sector 8	505	507	1,857	4,057	7,357	13,357	14,857	15,107	*11,050*	**15,580**
• Sector 9	446	392	714	834	1,134	5,134	7,884	7,884	*7,050*	**9,000**
Austral Study Area	**6,456**	**6,469**	**10,022**	**14,822**	**24,572**	**56,072**	**83,572**	**99,322**	***84,500***	**126,540**

	Actual		Forecast					*Change*
Avg. Annual Change (No.)	**2011-16**	**2016-21**	**2021-23**	**2023-26**	**2026-31**	**2031-36**	**2036-41**	***2023-41***
• Sector 1	-13	-11	0	0	200	800	1,000	*556*
• Sector 2	-3	105	170	700	1,000	1,000	500	*811*
• Sector 3	-4	199	600	600	300	50	0	*197*
• Sector 4	4	-6	0	150	800	500	100	*414*
• Sector 5	-8	22	0	100	800	500	200	*433*
• Sector 6	19	92	470	500	1,000	1,000	300	*722*
• Sector 7	18	-25	0	0	200	800	1,000	*556*
• Sector 8	0	270	1,100	1,100	1,200	300	50	*614*
• Sector 9	-11	64	60	100	800	550	0	*392*
Austral Study Area	**3**	**711**	**2,400**	**3,250**	**6,300**	**5,500**	**3,150**	***4,694***

	Actual		Forecast					*Change*
Avg. Annual Change (%)	**2011-16**	**2016-21**	**2021-23**	**2023-26**	**2026-31**	**2031-36**	**2036-41**	***2023-41***
• Sector 1	-0.8%	-0.7%	0.0%	0.0%	10.5%	20.8%	12.0%	*8.4%*
• Sector 2	-1.0%	22.2%	18.7%	40.9%	20.4%	9.9%	3.5%	*16.6%*
• Sector 3	-1.4%	36.9%	39.8%	20.1%	6.2%	0.9%	0.0%	*9.1%*
• Sector 4	1.1%	-1.4%	0.0%	29.3%	42.0%	8.7%	1.3%	*17.7%*
• Sector 5	-1.4%	3.9%	0.0%	13.6%	39.2%	8.5%	2.6%	*14.6%*
• Sector 6	2.9%	10.6%	34.4%	19.6%	19.0%	9.6%	2.1%	*14.6%*
• Sector 7	1.0%	-1.5%	0.0%	0.0%	10.0%	20.3%	11.9%	*8.1%*
• Sector 8	0.1%	29.6%	47.8%	21.9%	12.7%	2.2%	0.3%	*12.2%*
• Sector 9	-2.5%	12.7%	8.1%	10.8%	35.3%	9.0%	0.0%	*14.3%*
Austral Study Area	**0.0%**	**9.1%**	**21.6%**	**18.4%**	**17.9%**	**8.3%**	**3.5%**	***12.5%***
Greater Sydney	*1.7%*	*1.3%*	*0.0%*	*1.3%*	*1.2%*	*1.5%*	*1.3%*	*1.1%*
Australian Average	*1.6%*	*1.2%*	*2.4%*	*1.6%*	*1.3%*	*1.2%*	*1.1%*	*1.6%*

All figures as at June and based on 2021 SA1 boundary definition.

Sources : ABS; NSW DPIE

2.2.1. Sydney Water Growth Servicing Plan 2022 – 2027

i. The delivery of drinking and waste water services are critical in examining the estimated timing of housing across growth areas.

ii. Sydney Water announced the Growth Servicing Plan 2022 – 2027 in July 2022 for a variety of growth areas across Greater Sydney. The plan outlines the staged delivery of drinking and waste water services across the South West Growth Area over the 2022 – 2027 period (see Figures 2.1 and 2.2).

iii. In a more recent update, according to Sydney Water's *Austral Leppington Quarterly Delivery Update - Q3 2023* (see Figure 2.3) published in October 2023, drinking and wastewater services throughout Austral and Leppington are planned for finalisation by December 2023.

iv. From 2024, there will be no drinking and wastewater restrictions on development as the Sectors 2,3,4,5,6,8, and 9 (i.e. excluding study areas 1 and 7) will be serviced. This will likely result in an uplift in the rate of growth.

FIGURE 2.1. SYDNEY WATER GROWTH SERVICING PLAN SOUTH WEST REGION DRINKING WATER, 2022 – 2027

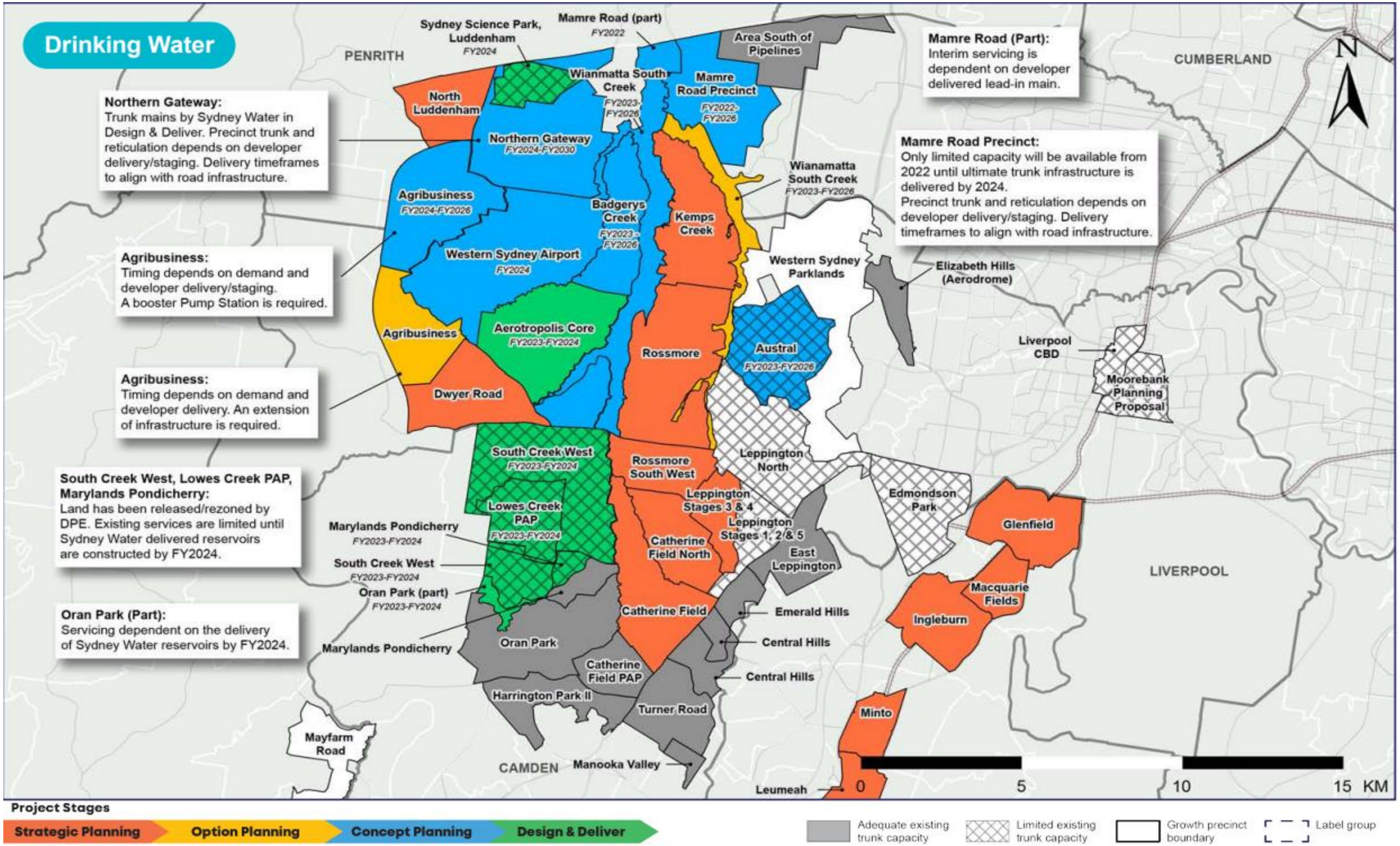


FIGURE 2.2. SYDNEY WATER GROWTH SERVICING PLAN SOUTH WEST REGION WASTEWATER, 2022 – 2027

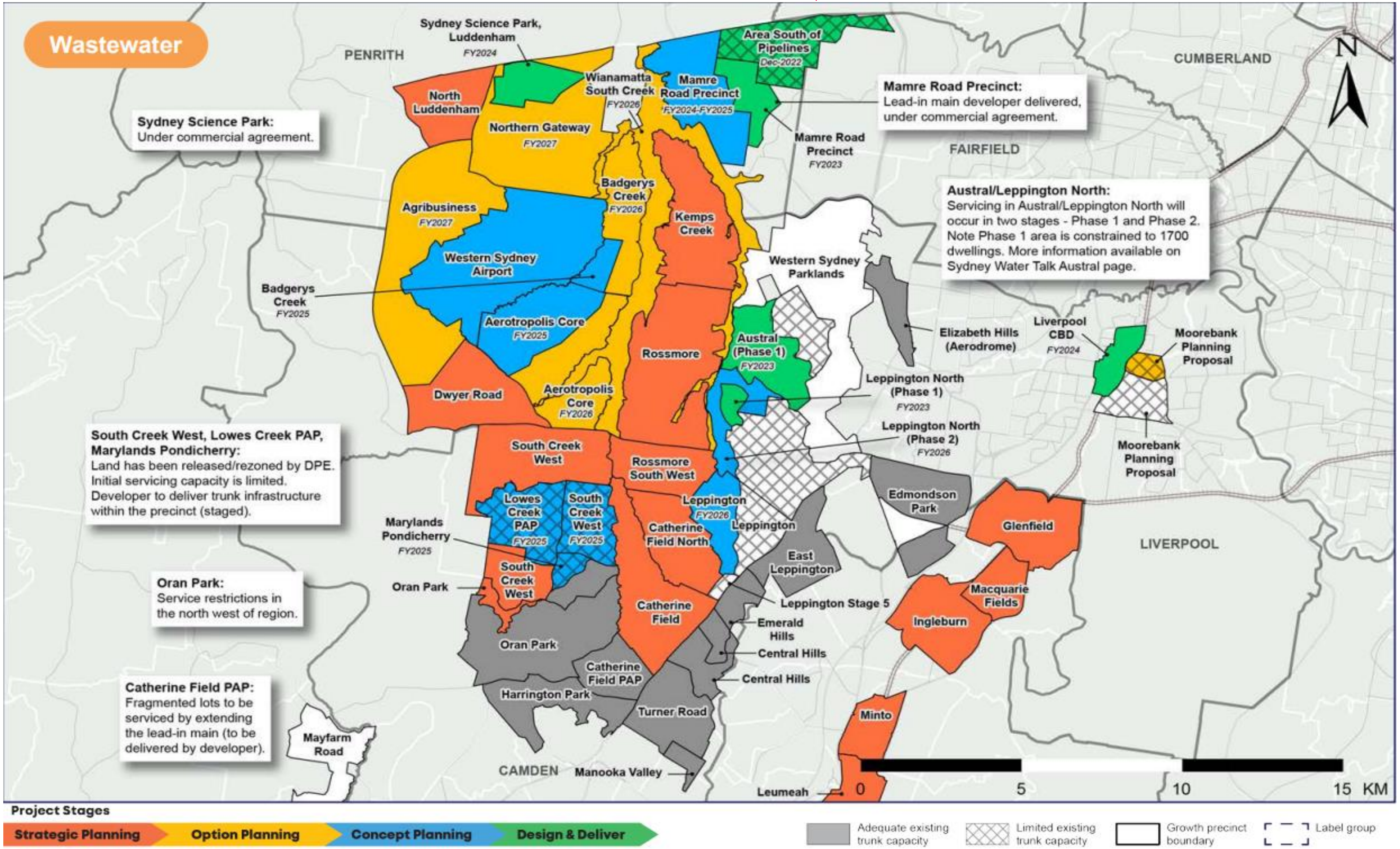
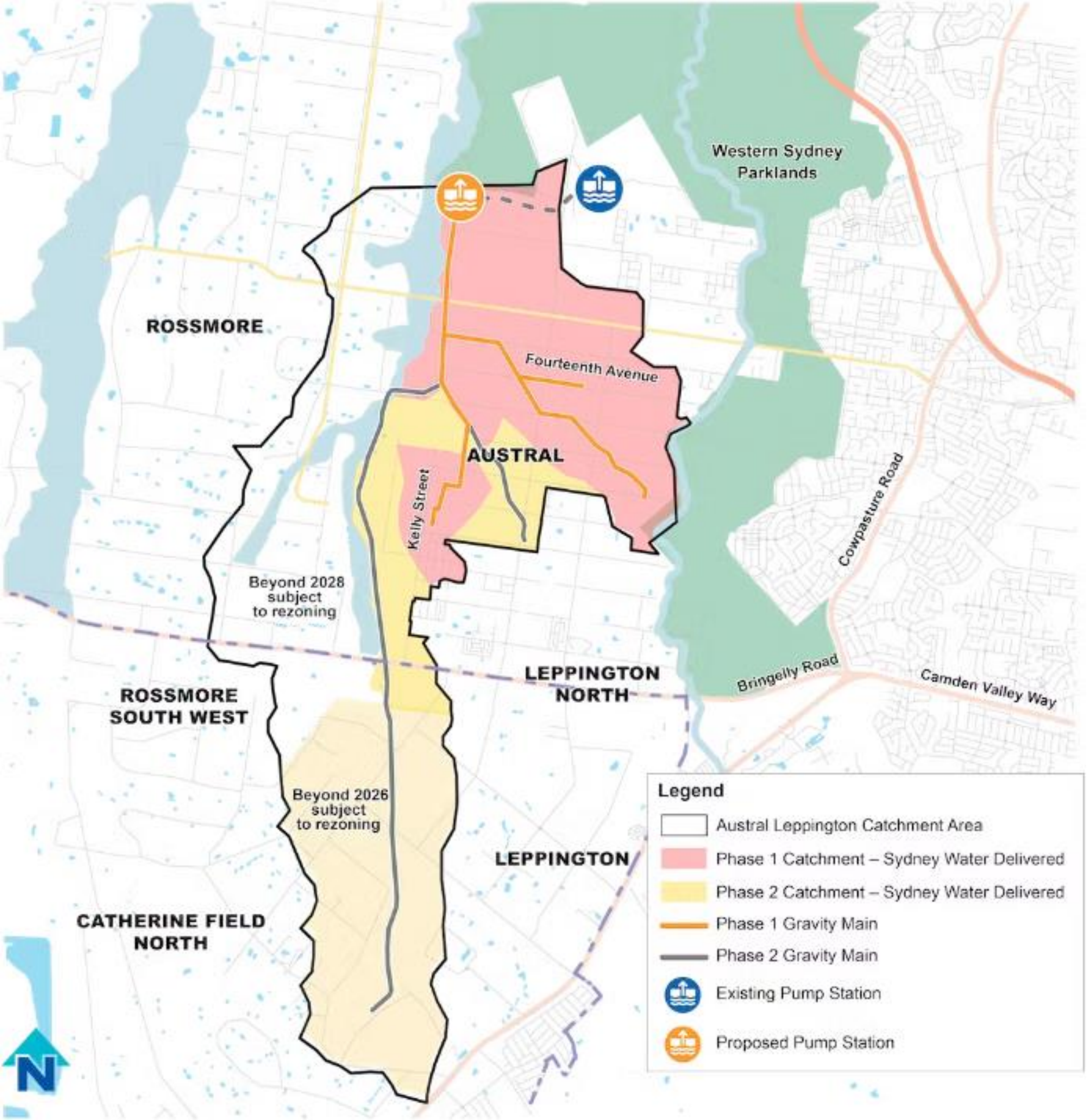


FIGURE 2.3. SYDNEY WATER AUSTRAL TO LEPPINGTON SERVICING AREA



2.2.2. South West Growth Area Precincts

i. Table 2.2 provides a breakdown of the South West Priority Growth Area precincts, including those that fall within the defined Austral Study Area (shown on Map 2.3).

ii. The following South West Growth Area precincts overlap with the Austral Study Area:

- The **Austral/Leppington North** precinct is comprised of Sectors 2,3,4,5,6,8, and 9, in addition to some land to the south of the rail line. The total estimated dwelling yield across the precinct is estimated at 17,350, or 54,300 persons, noting that the yield may be larger with higher density development. As stated previously, drinking and wastewater services throughout the Austral/Leppington North precinct is anticipated for completion in December 2023, with residential development likely to accelerate from 2024. Completion of homes within the precinct is projected to occur post-2041, reflecting the current and projected rate of growth. The precinct also encompasses the Leppington Town Centre Draft Planning Proposal, which is currently on public exhibition, and is proposed to include around 11,000 dwellings (25,000 persons).

- The **Rossmore** precinct overlaps with the majority of Sector 7. The precinct is estimated to provide 9,000 homes, or 25,000 persons. It is noted that this precinct is yet to be zoned and is subject to change upon further investigation of the area. First homes are assumed from 2031, however, this is contingent upon the delivery of drinking and wastewater services, as well as the planning progression of the precinct. In the short term, residents of Rossmore would likely rely on supermarket facilities in Austral.

- The **North Rossmore** precinct overlaps both Sector 1 and Sector 7. North Rossmore is estimated to provide 6,500 homes, or 18,000 persons. The precinct is at the same planning and water infrastructure stage as the Rossmore precinct outlined above.

- The southern portion of the **Kemps Creek** precinct overlaps with Sector 1. Kemps Creek is indicated to include predominantly industrial-type uses, with only 1,000 lots (2,500 persons) planned.

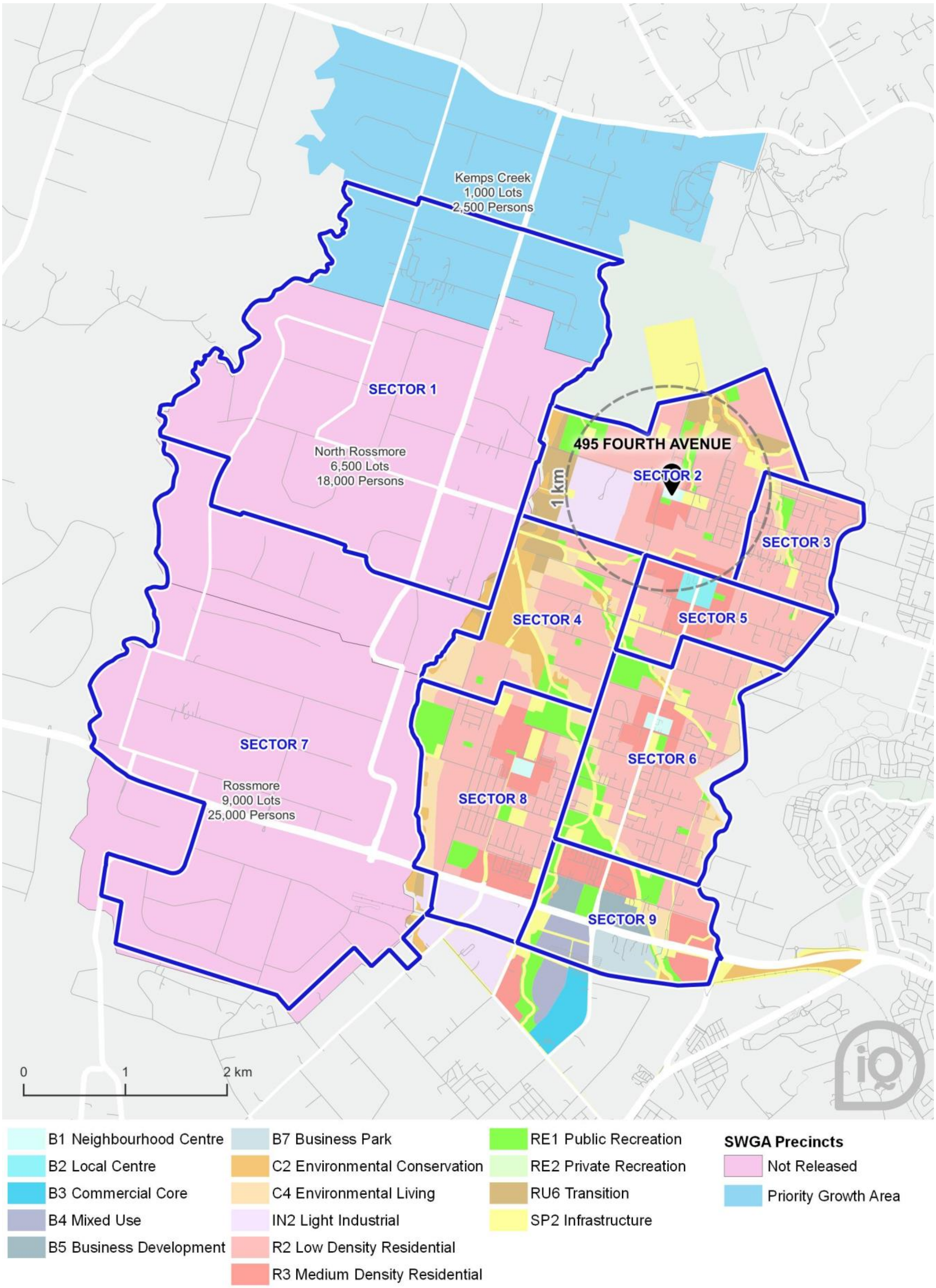
iii. A minimum dwelling yield of 33,850 is observed across the overlapping South West Growth Area precincts, or approximately 100,000 persons. With development currently occurring at a higher density than anticipated, the ultimate population across the Austral Study Area would be ~25% higher. This will be examined in further detail in Section 2.2.6.

TABLE 2.2. SOUTH WEST PRIORITY GROWTH AREA PRECINCTS SUMMARY

Growth Area	Minimum Dwelling Yield	Estimated Population	Drinking Water Status	Waste Water Status	Planning Status	Est. Homes Built*	First Homes	Est. Completion
Rezoned/Under Construction								
Austral/Leppington North	17,350	54,300	Dec-23	Adequate	Under Construction	4,900	2016	Post-2041
Leppington Stage One	2,500	7,000	Limited	Limited	Under Construction	900	2019	2030
Leppington Stage Two	1,900	5,700	Limited	Limited	Earthworks	0	2024	2030
Leppington Stage Five	500	1,500	Limited	Limited	Rezoned	0	2024	2028
East Leppington	4,450	14,302	Adequate	Adequate	Under Construction	3,140	2014	2027
Edmondson Park	6,000	15,000	Limited	Adequate	Under Construction	5,420	2012	2028
Turner Road	4,284	13,400	Adequate	Adequate	Under Construction	2,300	2010	2034
Catherine Fields (Part)	3,229	10,212	Adequate	Adequate	Under Construction	2,230	2017	2026
Oran Park	7,540	20,700	Adequate	Adequate	Under Construction	5,000	2010	2030
Lowes Creek Maryland	7,000	22,445	FY2023-24	FY2025	Rezoned	0	2025	2036
Pondicherry	2,700	8,830	FY2023-24	FY2025	Earthworks	0	2024	2028
South West Creek (North)	6,860	22,445	FY2023-24	Strategic Planning	Rezoned	0	2025	2041
South West Creek (South)	5,390	17,248	FY2023-24	Strategic Planning	Rezoned	0	2025	2041
Bringelly	5,000	14,000	Concept Planning	FY2026	Rezoned	0	2027	2036
North Bringelly	5,000	14,000	FY2023-24	FY2025	Rezoned	0	2027	Post-2041
Northern Gateway	3,400	10,000	Concept Planning	FY2027	Rezoned	0	2028	Post-2041
Total Rezoned/Under Construction	**83,103**	**251,082**				**23,890**		
Not Rezoned								
Kemps Creek	1,000	2,500	Strategic Planning	Strategic Planning	Planning	0	2031	Post-2041
Leppington Stage Three & Four	TBD	TBD	Strategic Planning	FY2026	Planning	0	2028	Post-2041
Rossmore	9,000	25,000	Strategic Planning	Strategic Planning	Planning	0	2031	Post-2041
North Rossmore	6,500	18,000	Strategic Planning	Strategic Planning	Planning	0	2031	Post-2041
Catherine Fields	5,000	22,000	Strategic Planning	Strategic Planning	Planning	0	2031	Post-2041
Catherine Fields North	9,500	26,000	Strategic Planning	Strategic Planning	Planning	0	2031	Post-2041
Total Not Rezoned	**31,000**	**93,500**				**0**		

Source: NSW DPE, Greater Sydney Urban Development Program Dashboard, Sydney Water
**As at March 2023*
Overlaps Study Area

MAP 2.2. AUSTRAL GROWTH AREA AND ZONING



2.2.3. Greater Sydney Urban Development Program

i. The Greater Sydney Urban Development Program is the New South Wales Government's program for monitoring housing and employment land supply and assisting infrastructure coordination in Greater Sydney.

ii. The Urban Development Program Dashboard is an API (Application Programming Interface) incorporated within the program which allows interactive monitoring of the progress across multiple Sydney growth areas.

iii. As at March 2023, it is estimated that 2,030 lots have been created within the suburb of Austral, with a further 2,898 lots created within Leppington.

2.2.4. Nearmap Imagery

i. Nearmap is a satellite imagery subscription tool which captures areas across all of Australia over various, frequent time periods.

ii. The number of homes within each of the Austral Study Area smaller study areas were counted over the July 2021 to July 2023 period to gage the rate of development within Austral since the Census 2021 night (the base number used is most population assessments as it is an actual number).

iii. For instance, approximately 650 additional homes were counted within Study Area 8 over the July 2021 – 2023 period, indicating an average annual growth rate of 1,100 persons (assuming an average household size of ~3.3 persons).

2.2.5. Forecast .id

i. Forecast .id is a population forecasting service delivered under the .id Consulting brand. The service conducts population forecasts at the request of over 130 Council areas across Australia, including Liverpool City Council.

ii. Forecast .id conduct population forecasts across non-ABS-defined geographies which approximately align with suburb boundaries. Map 2.3 illustrates the Forecast id. Austral area, as compared with the overlapping main trade area Sectors defined by this office, noting that Sectors 8 and 9 extend south of the Forecast .id Austral area to the rail line.

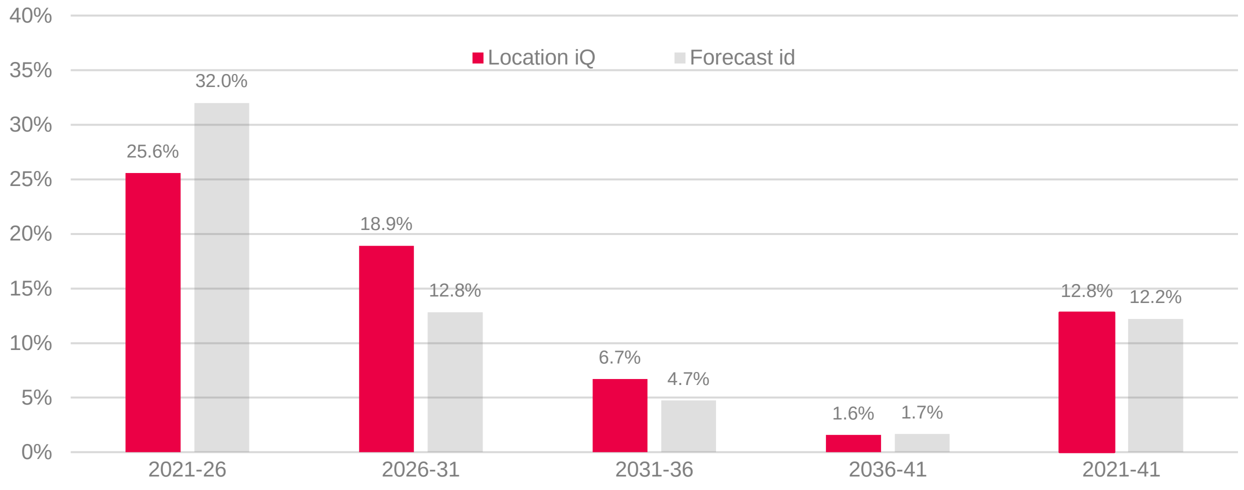
iii. Chart 2.2 provides a comparison between the projected average annual population growth rates presented in this report with the official projections released by .id Consulting (Forecast .id). The Liverpool City Council population projections were last reviewed in January 2023. Key points to note include:

- The projected average annual growth rate across the overlapping main trade area is generally consistent with the Forecast .id projections over the 2021 to 2041 period (12.8% vs 12.2%).

- Forecast id. population projections are much more aggressive over the 2021 to 2026 period and taper off lower than the Location iQ projections over the 2026 to 2036 period.

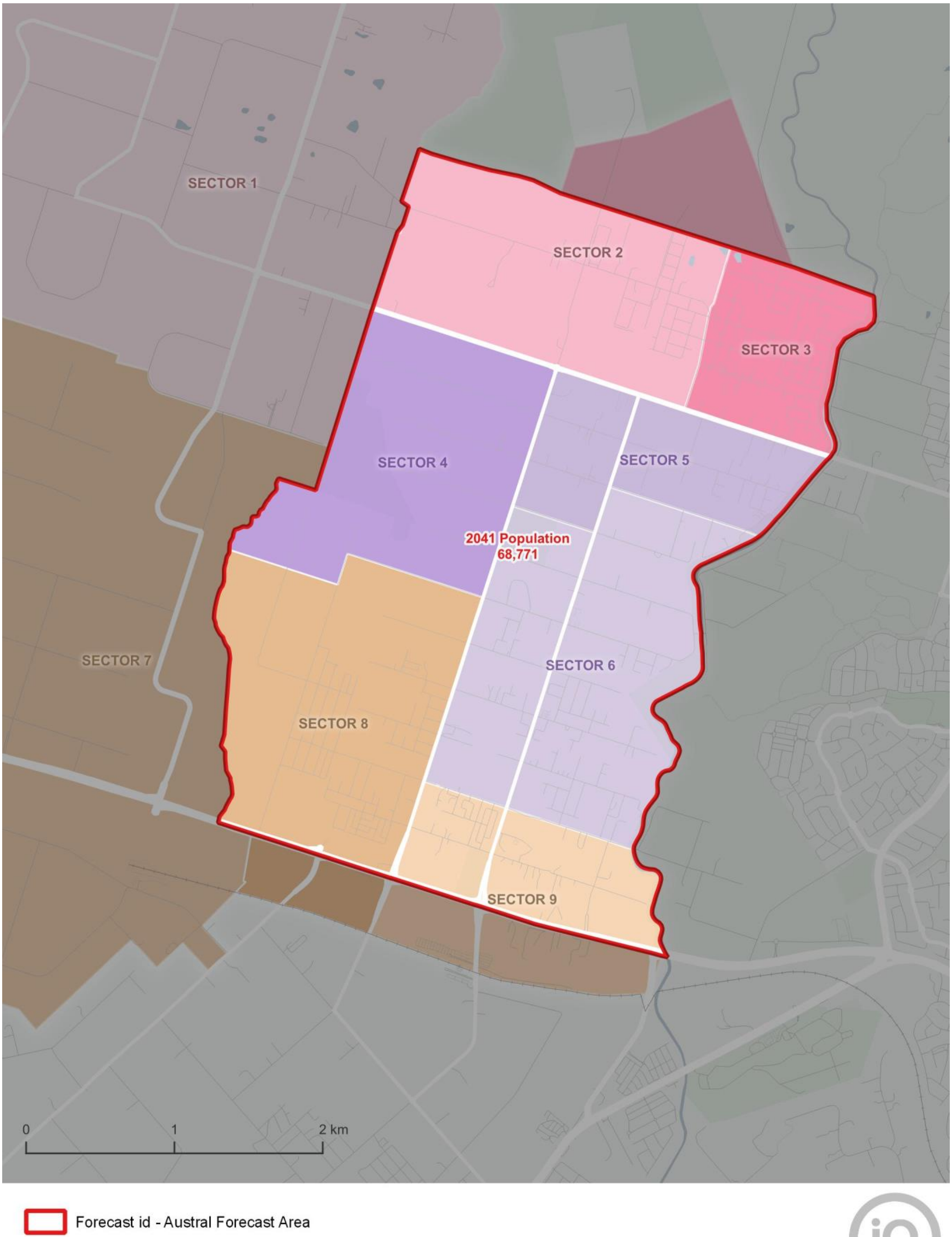
- The higher overall average annual growth rate observed in the Location iQ population projections can also be attributed to the inclusion of higher density zoned land to the south of Bringelly Road – which is likely to develop post-2026.

CHART 2.2. POPULATION PROJECTION GROWTH RATES VS. OFFICIAL FORECASTS, 2021 – 2041



Source: Forecast i.d. projections undertaken on behalf of Liverpool City Council

MAP 2.3. AUSTRAL LOCATION IQ VS FORECAST I.D. POPULATION PROJECTION BOUNDARY



2.2.6. Dwelling Density

i. Table 2.3 outlines the zoning capable of residential development across the Austral Study Area. Key points to note are summarised as follows:

- Nearly 780 hectares of low density residential and 161.8 hectares of medium density residential is observed throughout the Austral Study Area.
- Study Area 6 comprises the largest indicative dwelling capacity within the Austral Precinct, at over 4,722 potential homes.
- In total, the Austral Study Area is estimated to accommodate capacity for some 38,454 homes.
- The assumed dwelling density of zoned land across the Austral Study Area is based on a sample of areas captured across completed residential developments throughout the precinct. Further, it is common in growth areas for very small lot sizes in the range of 200 sq.m to 400 sq.m which, even accounting for road infrastructure, often equates to a dwelling density of over 20 dwellings per hectare.

ii. It is noted in the Austral/Leppington North Precinct Plan that low density residential zones are defined to incorporate a dwelling density in the order of 10 - 20 dwellings per hectare. However, it is acknowledged within the Precinct Plan that development at higher densities than the range specified are possible and would result in higher yields. For instance, based on a sample of over 3,700 subdivided cadastres within the low density residential zone across the Austral Study Area, the median lot size was 322 sq.m. Dividing 10,000 sq.m by 322 sq.m indicates a density of over 31 homes per hectare. Conservatively, 22 dwellings per hectare have been applied to allow for road infrastructure, comprising nearly 30% of low density residential zoning.

iii. Demand for housing within the designated growth areas of Sydney is very high, meaning that developers who subdivide lots within these areas will seek to maximise the number of lots possible by minimizing lot size. 10 – 20 dwellings per hectare would represent a sub-optimal yield for development within these zones and is not consistent which what has been provided since development of Austral begin in 2016.

TABLE 2.3. AUSTRAL GROWTH AREA ZONING SUMMARY

Study Area Sector	Residential Zoning (ha) Low Density[1]	Medium Density[2]	Mixed Use (ha)[3]	Indic. Dwel
Study Area 1*	n.a.	n.a.	n.a.	5,164
Study Area 2	175.6	18.0	0	4,495
Study Area 3	85.2	0.0	0	1,875
Study Area 4	107.2	0.2	0	2,364
Study Area 5	75.9	30.9	0	2,752
Study Area 6	180.0	21.8	0	4,722
Study Area 7*	n.a.	n.a.	n.a.	9,524
Study Area 8	140.2	46.8	0	4,721
Study Area 9	15.0	44.2	16.0	2,837
Total	779.2	161.8	16.0	38,454

[1] Assuming 22 homes per hectare
[2] Assuming 35 homes per hectare
[3] Assuming 60 homes per hectare
**Applying dwelling estimate of Rossmore and North Rossmore*

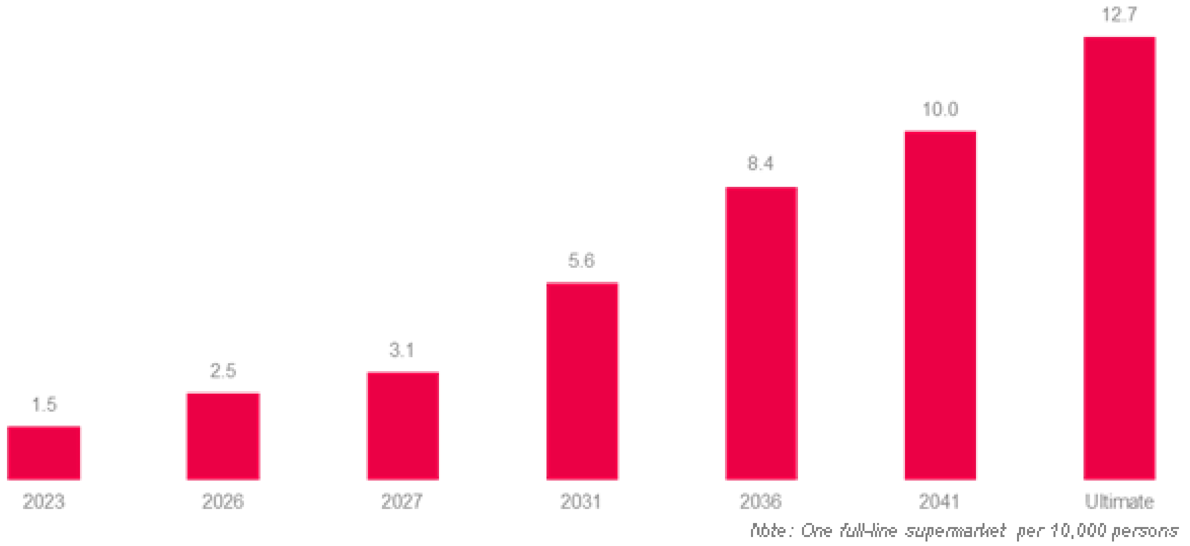
2.2.7. Summary

i. The Austral Study Area population is currently estimated at 14,822 (2023), and is projected to increase to 99,322 by 2041, reflecting an average annual growth rate of 4,694 persons, or 11.1%. This is well above the Greater Sydney and Australian benchmarks over the same period. Other key points to note include:

- The Austral Study Area population has more than doubled since 2011.
- The largest population is accommodated in Study Area 7, with almost 2,000 persons.
- There are five Sectors with a current population of more than 1,000 persons.
- Over the period to 2041, five Sectors will accommodate more than 10,000 persons, namely Sectors 1, 2, 6, 7, and 8.
- Based on the indicative land use, an ultimate population of over 126,000 persons is estimated across the Austral Study Area.

ii. One full-line supermarket of 3,000 sq.m and larger is typically provided for every 8,000 – 10,000 persons. On this basis, the main trade area current population (14,822) would support 1 – 2 full-line supermarkets, with 6 – 7 full-line supermarkets by FY2031, 9 – 10 full-line supermarkets by FY2041, and ultimately 12 – 13 full-line supermarkets (refer Chart 2.2). Over the period to 2041, based on population growth, one full-line supermarket is supportable every two years.

CHART 2.3. MAIN TRADE AREA FULL-LINE SUPERMARKET DEMAND, 2023 – 2041 (CUMULATIVE NUMBER OF SUPPORTABLE FULL-LINE SUPERMARKETS)



2.3. Socio-economic Profile

i. Tables 2.4 – 2.5 summarise the socio-economic characteristics of the Austral Study Area population by smaller Study Area, compared with the metropolitan Sydney benchmarks. This information is based on the 2021 Census of Population and Housing. It is worth noting that significant variations are observed by Study Area due to the limited number of persons reported in some of the smaller Sectors as at the 2021 Census.

ii. Sectors 2, 3, and 8 experienced strong population growth over the 2016 and 2021 Census periods. As such, these sectors likely reflect the future socio-economic profile of the Austral Study Area. Key points to note regarding these smaller Sectors are as follows:

- More than a quarter of the population is under the age of 15.
- A significant Asian born population is present, with notable variations in the North Africa and Middle East, and Southern and Central Asian demographics.
- The dominant household type is traditional families, with more than 60% of all households across the three Sectors (i.e. 2,3, and 8) comprising couples with dependent children.

iii. As at the 2021 Census, the remaining study area sectors included a sizeable established population. It is likely that with continued development throughout Austral that the socio-economic profile of these study area sectors would continue to reflect that of study area sectors 2,3, and 8.

TABLE 2.4. AUSTRAL STUDY AREA SOCIOECONOMIC PROFILE 2021 (1)

Characteristic	Study Area 1	2	3	4	5	6	7	8	9	Total Study Area	Greater Sydney Average	Australia Average
People												
Age Distribution (% of Pop'n)												
Aged 0-14	16.5%	27.4%	25.4%	20.4%	19.7%	27.2%	17.1%	28.0%	19.7%	**22.6%**	18.3%	18.0%
Aged 15-19	7.5%	7.2%	4.8%	8.4%	3.3%	5.5%	8.1%	3.9%	5.6%	**6.0%**	5.6%	5.7%
Aged 20-29	15.0%	13.8%	17.6%	11.4%	18.1%	13.2%	12.7%	18.0%	12.9%	**15.1%**	14.2%	13.3%
Aged 30-39	10.7%	18.9%	25.1%	11.4%	15.4%	27.3%	8.8%	27.4%	19.4%	**18.9%**	16.0%	14.6%
Aged 40-49	13.5%	13.2%	11.4%	14.4%	11.6%	10.4%	14.3%	9.7%	8.4%	**11.8%**	13.6%	13.0%
Aged 50-59	14.3%	7.6%	7.1%	13.6%	14.3%	4.8%	11.7%	6.9%	6.9%	**9.4%**	12.0%	12.5%
Aged 60+	22.5%	11.8%	8.6%	20.2%	17.7%	11.5%	27.2%	6.0%	27.1%	**16.2%**	20.4%	23.0%
Average Age	39.3	31.5	30.1	37.7	37.5	30.8	41.2	28.4	41.8	**34.8**	38.4	39.5
Birthplace (% of Pop'n)												
Australian	70.2%	54.8%	53.2%	68.0%	68.8%	55.6%	70.0%	52.3%	39.2%	**59.2%**	60.6%	72.0%
Overseas	29.8%	45.2%	46.8%	32.0%	31.2%	44.4%	30.0%	47.7%	60.8%	**40.8%**	39.4%	28.0%
• Asia	6.0%	15.2%	17.6%	9.0%	6.8%	24.8%	6.1%	28.2%	20.0%	**15.7%**	20.3%	12.1%
• Europe	10.5%	5.0%	3.1%	13.4%	11.6%	4.1%	9.4%	2.3%	19.8%	**7.5%**	6.9%	7.2%
• Other	13.4%	25.0%	26.1%	9.6%	12.8%	15.5%	14.6%	17.2%	21.0%	**17.5%**	12.2%	8.7%
Family												
Average Household Size	3.2	3.6	3.2	3.0	2.8	2.9	3.4	3.2	3.1	**3.2**	2.7	2.5

Sources: ABS Census of Population and Housing 2021

TABLE 2.5. AUSTRAL STUDY AREA SOCIOECONOMIC PROFILE 2021 (2)

Characteristic	Study Area 1	2	3	4	5	6	7	8	9	Total Study Area	Greater Sydney Average	Australia Average
Family												
Family Type (% of Pop'n)												
Couple with dep't children	45.3%	63.6%	62.5%	42.4%	46.0%	56.9%	45.2%	60.9%	55.2%	**53.9%**	47.8%	44.2%
Couple with non-dep't child.	16.4%	8.4%	8.6%	9.9%	11.8%	4.8%	15.7%	5.4%	7.0%	**10.0%**	8.9%	7.7%
Couple without children	17.9%	13.8%	18.3%	20.3%	18.4%	18.4%	19.8%	18.2%	17.9%	**18.1%**	21.1%	23.8%
Single with dep't child.	9.0%	7.1%	4.6%	14.7%	7.4%	8.7%	8.7%	8.5%	10.9%	**8.3%**	7.7%	8.6%
Single with non-dep't child.	5.1%	3.0%	3.0%	6.8%	8.8%	3.9%	5.7%	2.6%	2.1%	**4.3%**	4.2%	4.0%
Other family	1.4%	0.6%	0.6%	0.0%	1.1%	1.2%	0.4%	1.0%	0.8%	**0.9%**	1.1%	1.0%
Lone person	5.0%	3.4%	2.5%	5.9%	6.7%	6.1%	4.4%	3.4%	6.2%	**4.5%**	9.2%	10.8%
Employment												
Income Levels												
Average Per Capita Income	$45,645	$47,470	$51,700	$43,258	$46,834	$56,227	$43,411	$55,921	$52,932	**$49,583**	$60,644	$55,301
Per Capita Income Variation	-24.7%	-21.7%	-14.7%	-28.7%	-22.8%	-7.3%	-28.4%	-7.8%	-12.7%	**-18.2%**	n.a.	n.a.
Average Household Income	$113,368	$119,260	$126,334	$116,908	$107,278	$122,332	$110,169	$120,626	$122,177	**$117,839**	$125,158	$109,594
Household Income Variation	-9.4%	-4.7%	0.9%	-6.6%	-14.3%	-2.3%	-12.0%	-3.6%	-2.4%	**-5.8%**	n.a.	n.a.
Housing												
Tenure Type (% of Dwellings)												
Owned	62.5%	79.4%	79.4%	63.4%	68.4%	72.8%	69.5%	65.4%	52.7%	**68.8%**	62.3%	67.4%
Rented	33.7%	19.2%	19.8%	31.7%	30.1%	21.0%	28.0%	34.0%	42.5%	**28.5%**	36.1%	30.8%
Other Tenure Type	3.8%	1.4%	0.8%	5.0%	1.6%	6.2%	2.5%	0.6%	4.8%	**2.7%**	1.6%	1.8%

Sources: ABS Census of Population and Housing 2021

2.4. Austral Study Area Retail Expenditure

i. The estimated retail expenditure capacity of the Austral Study Area population is based on information sourced from CommBank iQ Retail Spend Insights.

ii. CommBank iQ Retail Spend Insights is a new dataset that was first released in April 2023 (Calendar Year 2022) and is to be released for each Financial Year and Calendar Year going forwards (i.e. released every six months). The dataset has initially been adopted by the four leading economic property consultants in Australia.

iii. Retail Spend Insights is a modelled view of retail spend per capita across Australia. It is provided at the granularity of SA1 allowing for the creation of bespoke catchments to facilitate a view on resident spend by category for the area. The dataset is based on de-identified, privacy treated retail banking transactions, normalised to be representative of the Australian population. Transactions may include purchases and refunds from credit card, debit card, EFTPOS cards, BPay and direct debit. Adjustments have been made for the inclusion of cash payments.

iv. CommBank iQ Retail Spend Insights excludes cash and buy now pay later services (CBNPL). The data provides the average annual (for FY2023) spend across 81 categories for people aged 18 years and older. The data is also split out by instore and online transactions.

v. Reflecting the rapid population growth, the spending profile of the main trade area sectors that currently include largely rural lots will evolve. Sector 8 experienced the strongest population growth of all main trade area sectors over the period since 2016, and as such, the per capita spending profile of Sector 8 residents has been applied to all main trade area sectors.

vi. Table 2.6 outlines the supermarket expenditure levels generated by the Austral Study Area population. Total supermarket expenditure is currently estimated at $51.6 million and is projected to increase at an average rate of 12.1% to $400.5 million by 2041. All figures presented in this report exclude GST and are in constant dollars.

vii. The projected growth rate in retail spending for the study 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.

- Austral Study Area population growth is projected at 11.1% per annum.

TABLE 2.6. AUSTRAL STUDY AREA SUPERMARKET EXPENDITURE, 2023 – 2041

Y/E June	Supermarket Expenditure
2023	51.6
2024	61.9
2025	72.8
2026	86.7
2027	102.4
2028	119.7
2029	141.0
2030	167.4
2031	200.6
2032	229.2
2033	248.4
2034	269.9
2035	294.1
2036	321.2
2037	342.1
2038	355.0
2039	369.0
2040	384.1
2041	400.5
Expenditure Growth	
2023-26	35.0
2026-31	113.9
2031-36	120.6
2036-41	79.3
2023-41	348.8
Average Annual Growth Rate	
2023-26	18.8%
2026-31	18.3%
2031-36	9.9%
2036-41	4.5%
2023-41	12.1%

**Constant 2022/23 dollars & including GST*

Source : CommBank IQ, Location IQ

2.5. Designated Supermarket Sites

i. Across the defined Austral Study Area, there are currently five designated supermarket sites (refer Map 2.4). Details are as follows:

495 Fourth Avenue (Gurner Avenue Site)

i. The 495 Fourth Avenue site (refer Map 2.5) is at the south-eastern intersection of Gurner Avenue and Fourth Avenue, directly opposite Al-Faisal College – a K-12 School which incorporated some 1,193 students (as of 2022).

ii. The neighbourhood centre zone land spans 2.39 hectares and enjoys 115 metres of frontage onto Fourth Avenue to the west and 200 metres to Gurner Avenue to the north.

iii. Population growth surrounding the Gurner Avenue site is focused to the east with easy connection to the site, with little development currently occurring immediately around the site.

Fifteenth Avenue

i. The Fifteenth Avenue site (refer Map 2.6) is along the spine of Edmondson Avenue, bounded by Fifteenth Avenue to the north and Fourteenth Avenue to the south. The site is the largest designated centre within the Austral/Leppington North precinct.

ii. The local centre zoned land spans 9.4 hectares, including ~4.9 hectares in the western portion and ~4.5 hectares in the eastern portion.

iii. Within the Austral/Leppington North Precinct Plan, the centre is ultimately planned for ~25,000 – 30,000 sq.m, including a discount department store, supermarket, specialty retail, and local commercial offices.

iv. The site currently incorporates small scale retail uses in the north-western portion of the site, including Austral Town Centre - a neighbourhood shopping centre of approximately 3,000 sq.m that is anchored by a small IGA supermarket (1,100 sq.m). The centre is somewhat dated and fragmented across multiple buildings on the site. Redevelopment of the centre is likely over time. There is an adjacent service station and Home Timber and Hardware of circa 2,000 sq.m (to be rebranded Mitre 10).

Edmondson Avenue

i. The Edmondson Avenue site (refer Map 2.7) is to the north of Tenth Avenue, split to the east and west of Edmondson Avenue.

ii. The neighbourhood centre zoned land spans across two parcels of 2.4 hectares and 1.2 hectares, to the east and west, respectively. It is stated in the Austral/Leppington North Precinct Plan that the eastern block provides a size that is:

> *"Suitable for redevelopment to include a full-line supermarket and associated specialty retail and car parking".*

iii. Austral Shopping Centre (2,900 sq.m) is currently provided on the designated site and is anchored by an IGA supermarket of 1,050 sq.m. Again, this centre is somewhat dated, and would only cater to the day-to-day top up shopping needs of residents in the immediate area.

iv. St Anthony of Padua Catholic College is 300 metres to the east and is currently undergoing an expansion to allow for up to 2,480 students and 200 staff. As at 2022, 871 students were enrolled.

v. Residential development is scattered around the Edmondson Avenue site, however, is predominantly occurring to the south.

260 Eighth Avenue

i. The 260 Eighth Avenue site (refer Map 2.8) is on the southern side of Eighth Avenue among emerging residential uses.

ii. The neighbourhood zoned land spans over three hectares, reflecting a more than suitable size to accommodate a full-line supermarket. As stated in the Austral/Leppington North Precinct Plan, the site has been chosen to form a square shape to enable development of a supermarket and specialty retail facilities, along with a community centre and associated car parking facilities.

iii. The 260 Eighth Avenue site currently incorporates the largest number of completed homes within a 1 km radius of any of the designated supermarket sites.

iv. Limited retail and community facilities are currently provided in the surrounding area of the site.

Leppington Core/Town Centre

i. The Leppington Town Centre precinct is currently under review by the New South Wales Department of Planning, with current zoning shown on Map 2.9 likely subject to future change.

ii. Figure 2.4 illustrates the Draft Indicative Layout Plan of the Leppington Town Centre, published in June 2023. As shown, the core of the Leppington Town Centre – i.e. around the train station - is planned to be zoned predominantly for mixed uses.

iii. On Page 46, Section 3.2 of the 'Justification' of the Leppington Town Centre Draft Planning Proposal, it is stated regarding supermarket floorspace that:

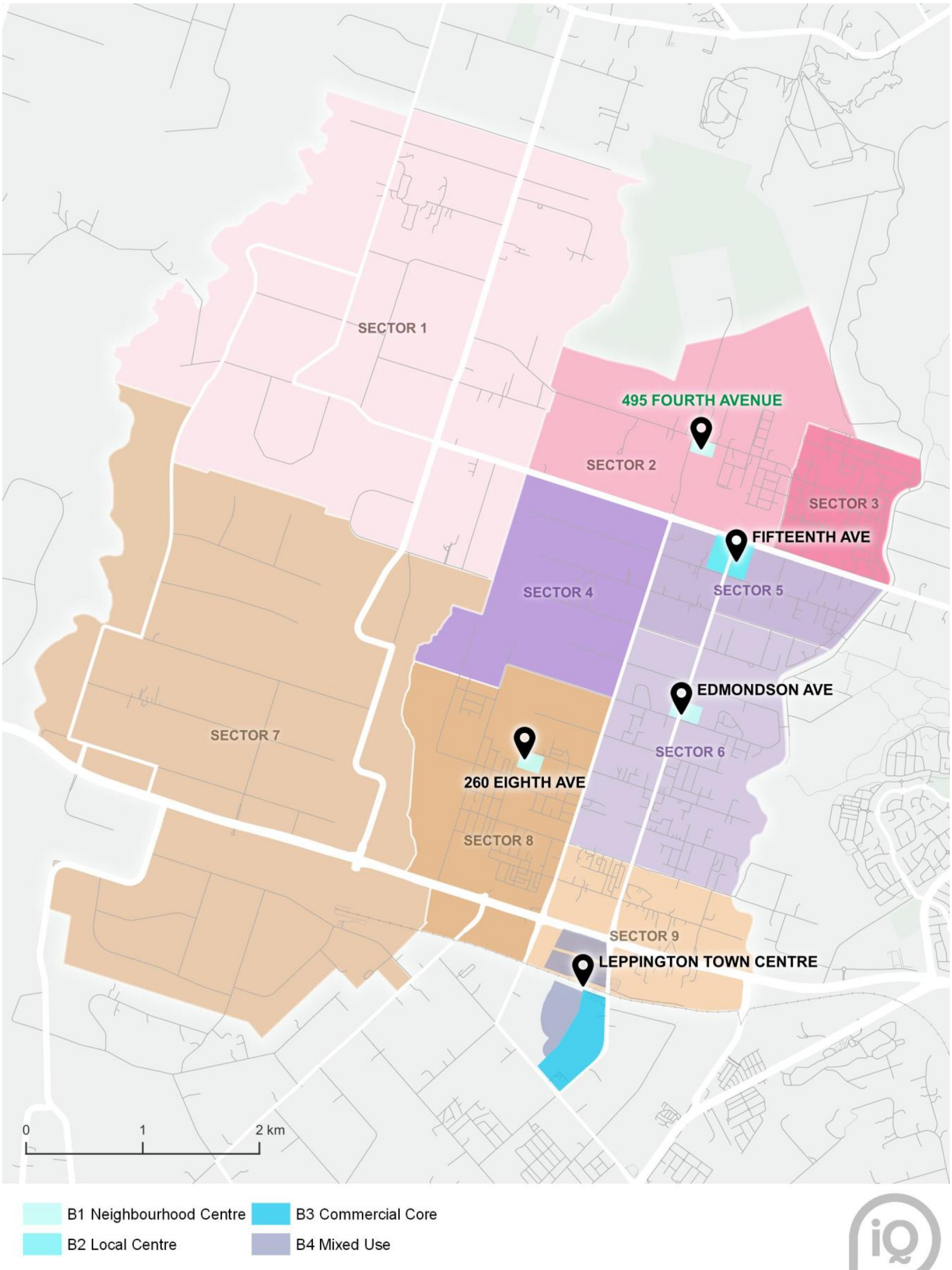
> *"There are significant gaps in supermarket floorspace within the Liverpool LGA, particularly in the City Centre District and new release areas. In response, this Strategy highlights the need to review and amend planning controls and continue to progress planning proposals to support the development of new local centres…."*
>
> *"…The planning proposal for the Leppington Town Centre will not solve this significant gap in supermarket floorspaces, it will act as a supportive centre, providing access to retail and supermarket floorspace."*

iv. Retail floorspace within the Leppington Town Centre will intend to serve a supportive role to the local centres. With significant employment floorspace planned, the Town Centre will be positioned above the neighbourhood and local centres designated elsewhere within the Austral Leppington North Precinct Plan.

v. Mixed Use and high density development within the Leppington Town Centre is likely to occur post-2026, or after the expected opening of the Western Sydney Airport and completion of most low density and medium density residential development elsewhere within the precinct.

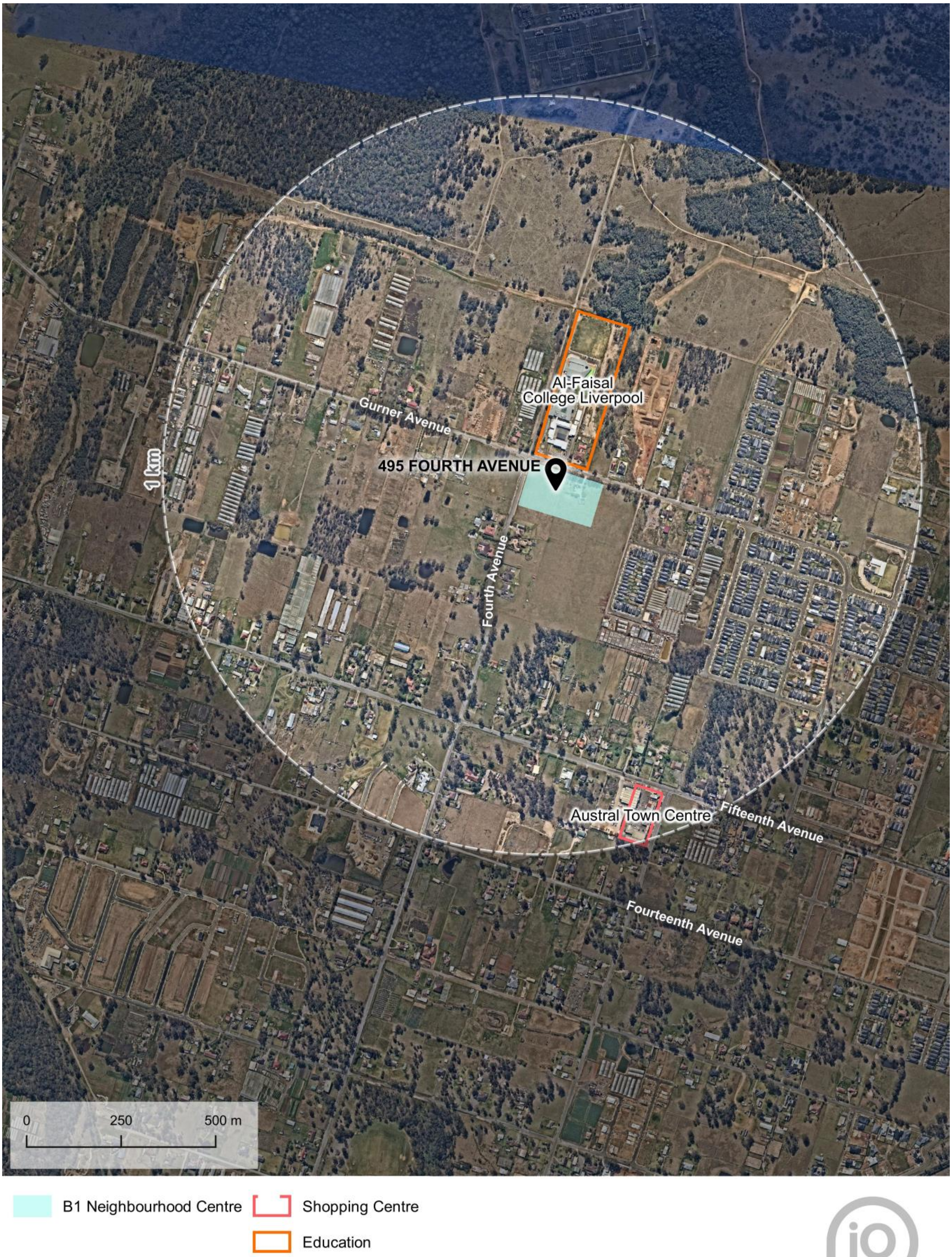
vi. It is worth noting that Coles have recently purchased a site at 120-130 Fifth Avenue – likely with the intent of providing a supermarket anchor at the site. This address is positioned within the B5 Business Development zone which is currently under review for the Leppington Town Centre plan. As per the Leppington Town Centre Indicative Layout Plan, the site is located within a high density residential zone and is therefore unlikely to eventuate.

MAP 2.4. AUSTRAL DESIGNATED SUPERMARKET SITES

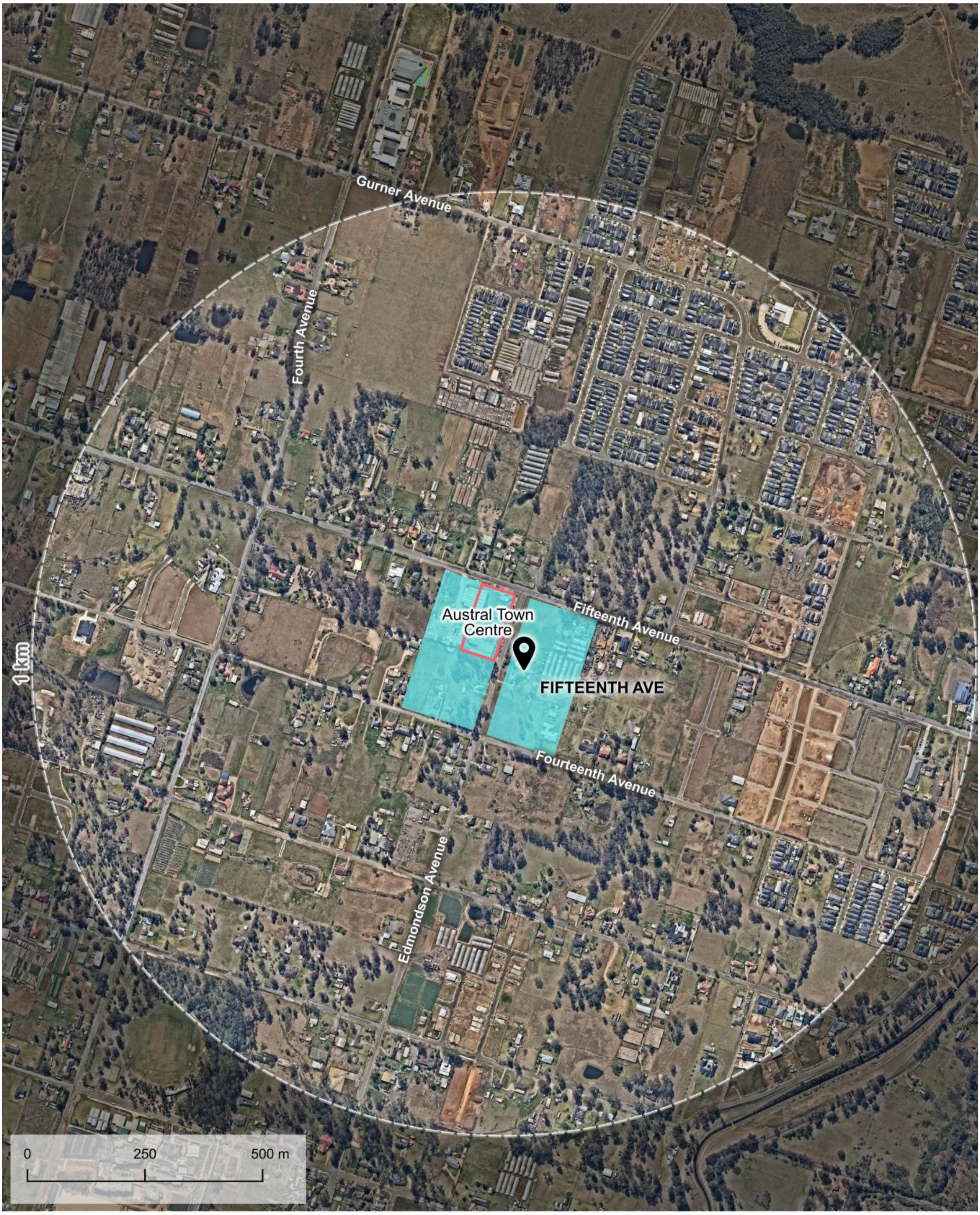


* White dot indicates proposed store

MAP 2.5. 495 FOURTH AVENUE SITE



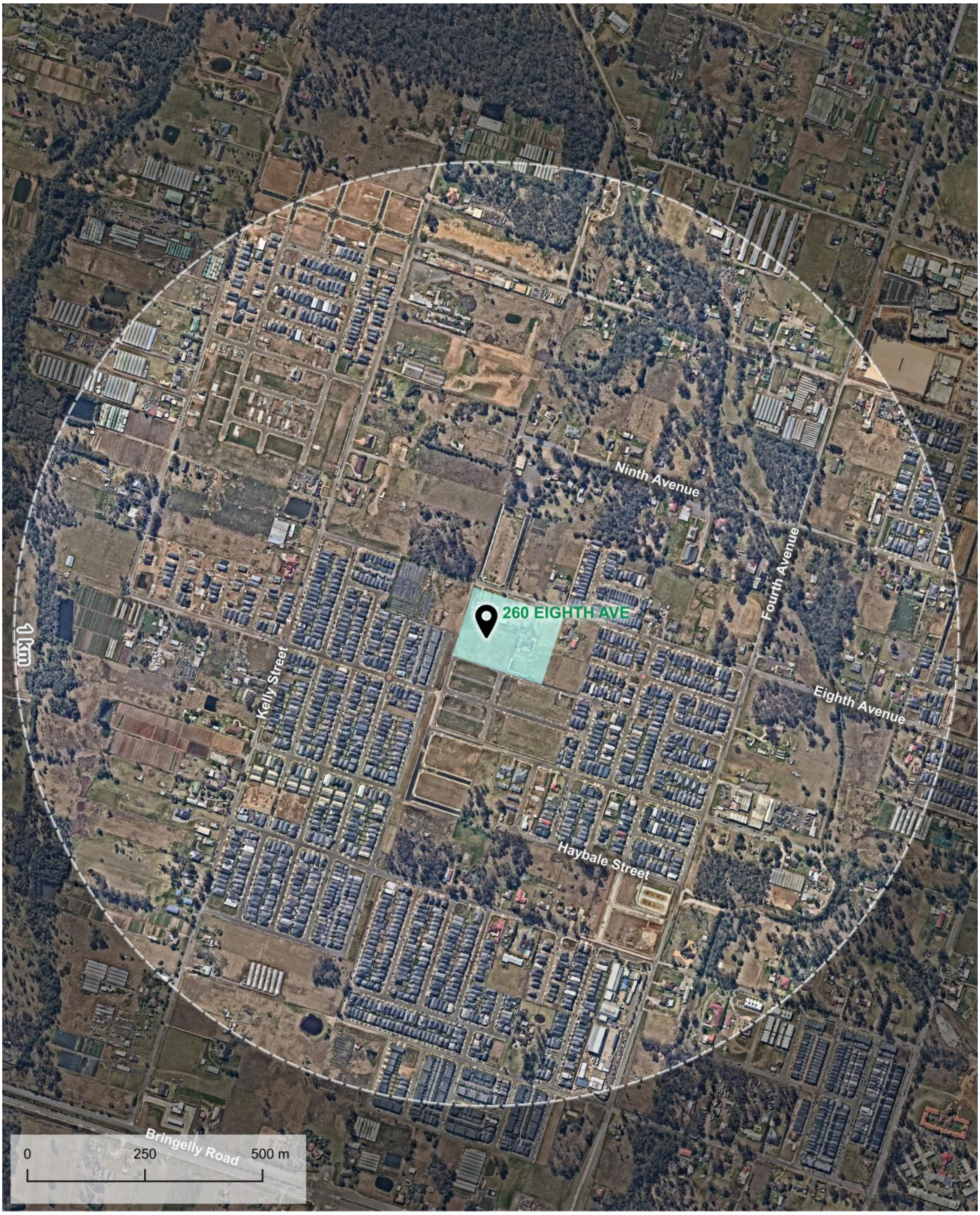
MAP 2.6. FIFTEENTH AVENUE SITE



Shopping Centre

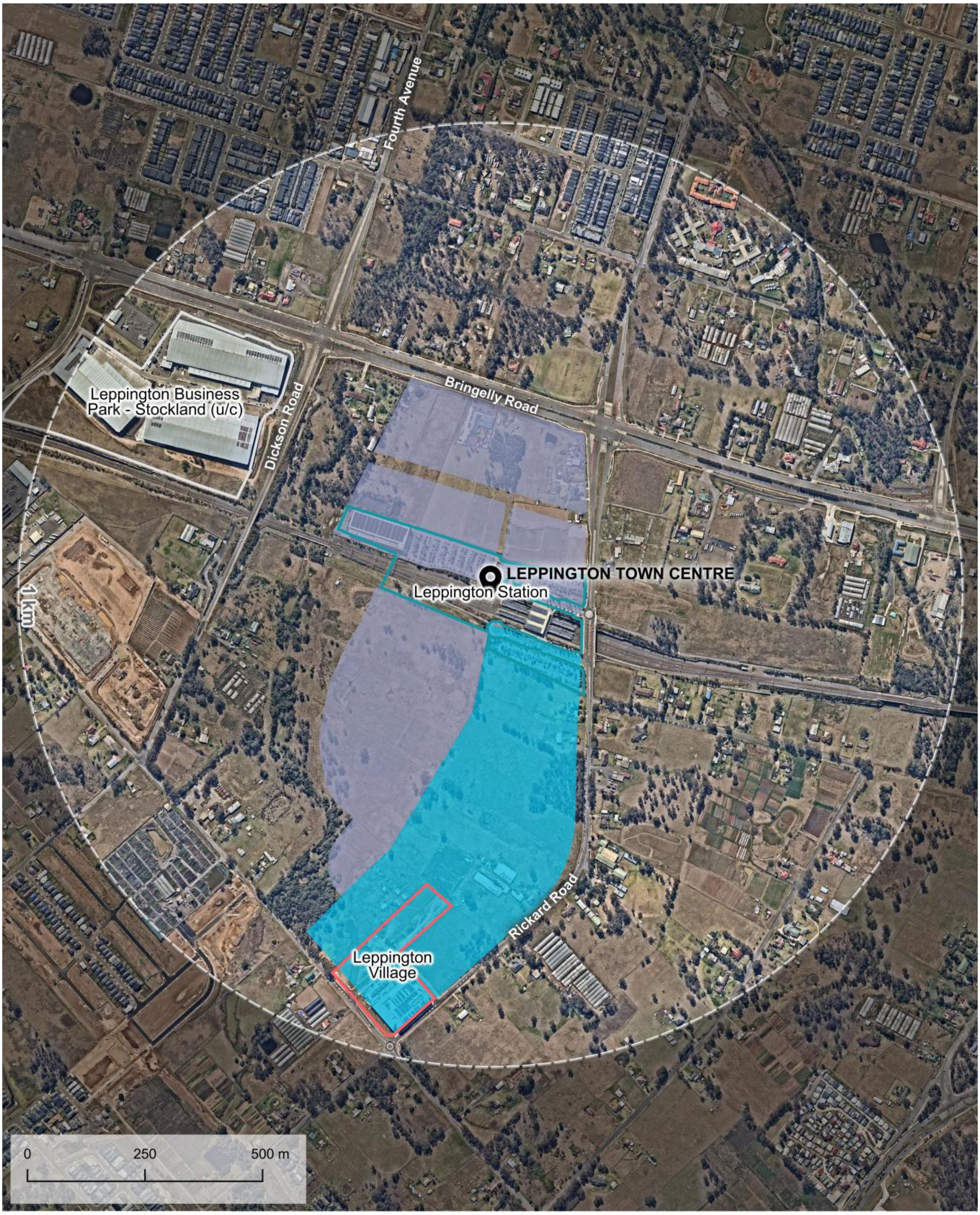
MAP 2.7. EDMONDSON AVENUE SITE

MAP 2.8. EIGHTH AVENUE SITE



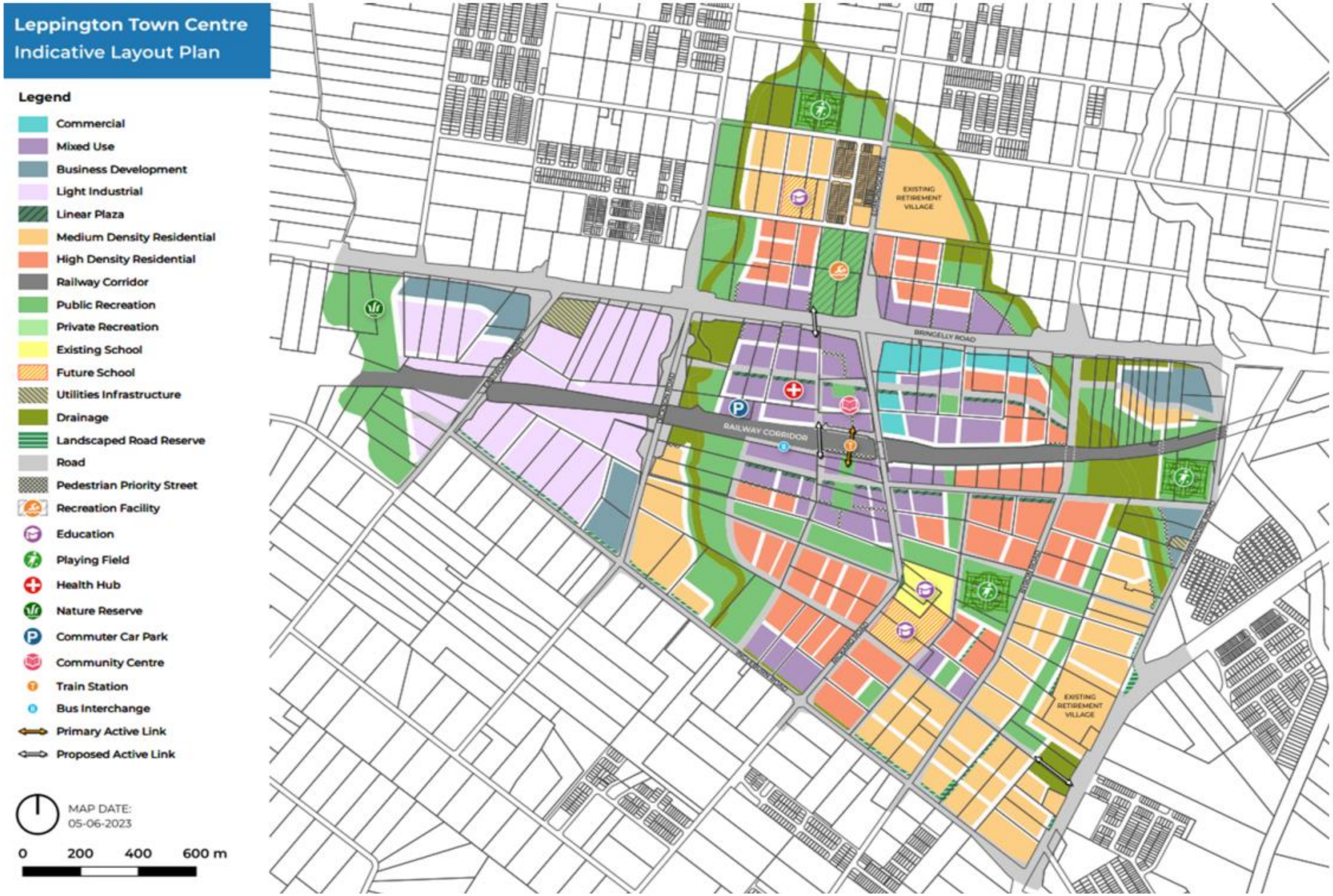
B1 Neighbourhood Centre

MAP 2.9. LEPPINGTON CORE SITE



B3 Commercial Core
B4 Mixed Use
Shopping Centre
Transport
Industrial

FIGURE 2.4. LEPPINGTON TOWN CENTRE INDICATIVE LAYOUT PLAN, JUNE 2023



2.6. Existing Supermarkets

i. Existing supermarkets within the region are illustrated on Map 2.10 and summarised in Table 2.7.

TABLE 2.7. SUPERMARKET NETWORK

Centre	Shopfront GLA (sq.m)	Supermarket Tenants
Within Study Area		
• Austral Town Centre	5,000	IGA (1,100)
• Austral Shopping Centre	2,900	IGA (1,050)
Beyond Study Area		
Leppington Village	8,000	Woolworths (3,950)
Willowdale Shopping Centre	5,440	Coles (4,445)
Horingsea Park	20,000	
• Carnes Hill Marketplace	18,000	Woolworths (4,415)
• Other	2,000	Aldi (1,750)
HomeCo Prestons	5,200	Woolworths (3,400)
Village Square Edmonson Park	5,000	Aldi (1,600)
Ed.Square	25,000	Coles (4,025)

Source: Location IQ Database

ii. There are two supermarkets currently provided within the Austral Study Area, namely:

- IGA (1,050 sq.m) also anchors Austral Shopping Centre at the intersection of Edmondson Avenue and Tenth Avenue. Austral Shopping Centre is provided within the designated Neighbourhood Centre zone, and is stated within the Austral/Leppington North Precinct Plan to

  > *"Provide a block size suitable for redevelopment to include a full-line supermarket and associated specialty retail and car parking on the land comprising the existing shops and the adjoining block."*

- IGA (1,100 sq.m) anchors the Austral Town Centre at the south-western intersection of Edmondson Avenue and Fifteenth Avenue. The IGA supermarket is positioned within the designated Local Centre zone, which is indicated to incorporate between 25,000 – 30,000 sq.m of retail floorspace as per the Austral/Leppington North Precinct Plan. This would suggest that redevelopment of the site to include at least one full-line supermarket would be suitable.

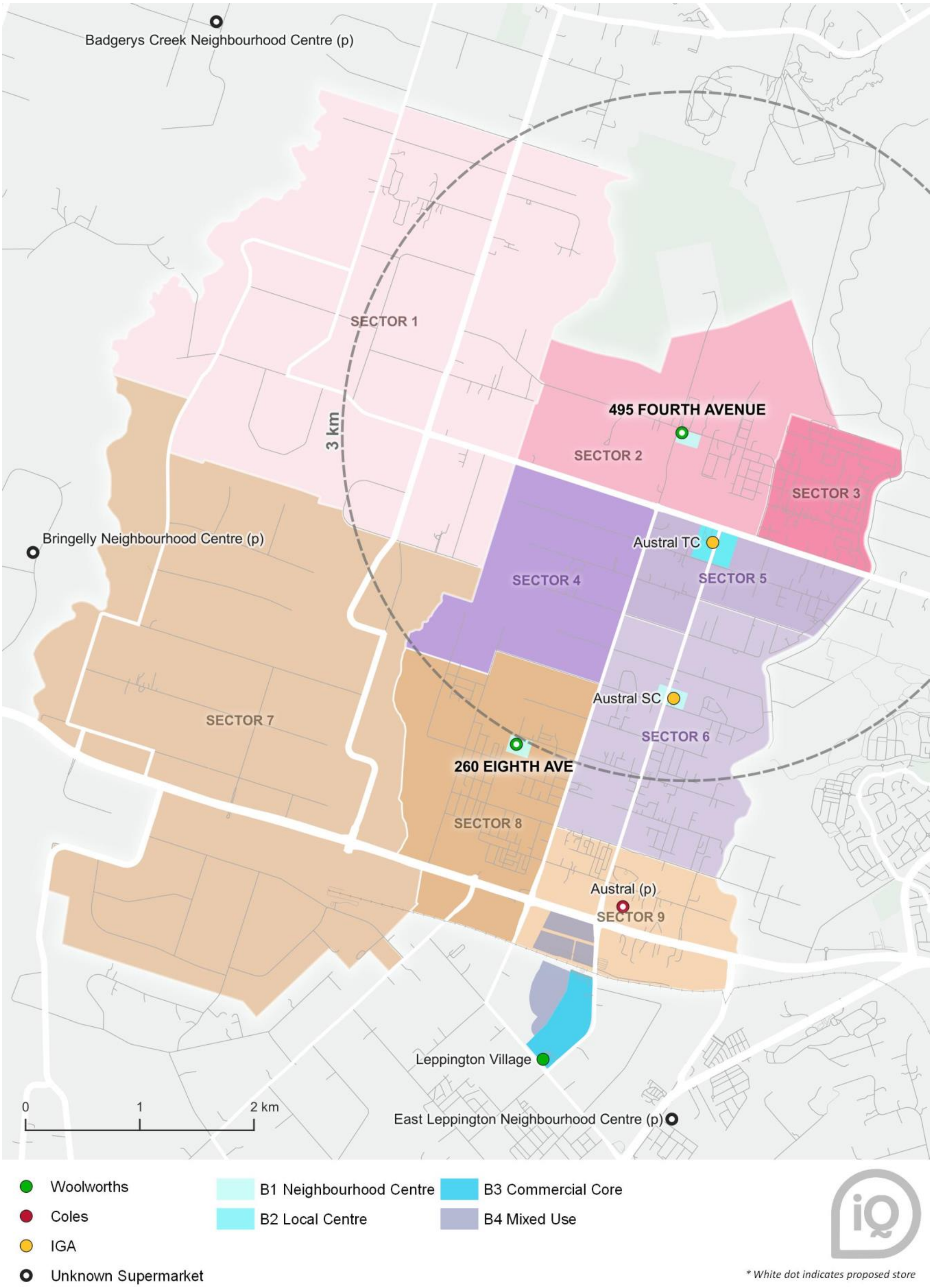
iii. Based on inspection and the industry average trading levels for smaller IGA supermarkets of around $8,000 per sq.m, the two IGA supermarkets in Austral are estimated to achieve combined sales in the order of $15 - $20 million. As shown in Table 2.6, the Austral Study Area supermarket spending is currently more than $51 million. On this basis, some $13 - $68 million in Austral Study Area supermarket spend it currently directed to the larger supermarket beyond the Austral Study Area.

iv. Supermarkets beyond the Austral Study Area include:

- Woolworths (3,950 sq.m), which opened at Leppington Village in August 2023. The supermarket is the closest full-line offer to most Austral Study Area residents.
- Coles (4,445 sq.m) at Willowdale Shopping Centre, which is in the suburb of Denham Court to the south of Camden Valley Way.
- Woolworths (4,415 sq.m) at Carnes Hill Marketplace. An Aldi supermarket is also provided at an adjacent site.

v. As shown, the focus for supermarkets in the surrounding area is concentrated to the east, within and around the more established suburbs of Horningsea Park, Denham Court, Edmondson Park, and the like.

MAP 2.10. AUSTRAL GROWTH AREA AND SUPERMARKETS



3 Floorspace Demand

This section of the report outlines the potential for supermarket and retail floorspace across the Austral Study Area. This includes the likely timing of supermarkets.

3.1. Full-line Supermarket Definition

i. Supermarkets are typically defined in planning documents and Courts as:

> *"Grocery and dry goods stores of at least 500 sq.m, with smaller stores classified as foodstores."*

ii. A major full-line supermarket is at least 3,000 sq.m in size, however modern major full-line supermarkets are typically larger, at 3,500 sq.m. These large format stores are generally operated by major chains such as Woolworths or Coles.

iii. Typically, one major full-line supermarket is provided for every 8,000 - 10,000 persons in metropolitan areas of Australia and will locate across a wide variety of centres including neighbourhood, sub-regional and regional centres as well as (less commonly) free-standing locations.

iv. In growth areas, one full-line supermarket is supportable for every 6,000 persons, considering the large number of young families that have high average spending on supermarket; limited other retail floorspace; and the rapid population growth.

v. Currently in the Austral Study Area, both IGA supermarkets are circa 1,000 sq.m in size and do no have the scale to provide a full weekly offer. As such, Austral Study Area residents would direct significant supermarket spending to the existing larger, more modern supermarkets beyond the Austral Study Area.

vi. The implications of this large and growing supermarket escape expenditure include:

- Residents not able to stay local for a range of needs.
- Limited convenience that can delay new home buyers.
- Greater travel distances travelled and costs incurred.
- Traffic.
- Lack of amenity.
- Limited investment.

vii. It is noted than in an established area with a typical supermarket hierarchy, the distinction and synergies between supermarket formats is important, as full-line and smaller supermarkets together create a comprehensive shopping ecosystem. This collaboration ensures that customers can access a range of shopping experiences tailored to their specific requirements.

3.2. Full-line Supermarket Potential

i. Table 3.1 outlines the current and projected supportable supermarket floorspace across the Austral Study Area that takes into consideration the following:

- The current and projected population levels.
- An assumption of one full-line supermarket for every 10,000 persons. Typically in growth areas one new full-line supermarket is provided for every 6,000 persons, with 8,000 – 10,000 persons supporting one full-line supermarket across established urban areas. On this basis, the adoption of one full-line supermarket for every 10,000 persons is conservative.
- The analysis does not consider escape expenditure to supermarkets beyond the Austral Study Area or spending attracted from beyond the Austral Study Area. Ideally, in an area of this size, supermarket spending should be largely contained.

ii. A summary of the key findings are as follows:

- One full-line supermarket is currently supportable.
- By FY2026, which is the likely earliest a new full-line supermarket could be provided based on approvals, and construction etc., two full-line supermarkets would be supportable.
- By FY2031, or less than seven years from now, the Austral Study Area population of more than 56,000 persons would indicatively support five full-line supermarkets.
- By FY2041, a total of up to 10 full-line supermarkets would be supportable by the projected population of almost 100,000 persons.
- Excluding Sectors 1, 7, and 9 (i.e. Leppington, Rossmore, and Kemps Creek), approximately seven full-line supermarkets would ultimately be supported within Austral.
- Based on the population growth of circa 4,700 persons each year over the period from 2023 to 2041, one new full-line supermarket will be supportable every two years.
- More than 12 full-line supermarkets could ultimately be supported.

iii. Not all supermarket demand will be catered for within the Austral Study Area, but as outlined earlier, given the size of the Austral Study Area and the location of existing supermarkets, it would be expected that most of the current and future supermarket demand should be catered from locally.

iv. A second approach to confirm the likely supportable number of full-line supermarkets across the Austral Study Area is a supermarket spending approach.

v. Established full-line supermarkets across Australia generally trade in the order of $10,000 - $11,000 per sq.m. Assuming the average full-line supermarket achieves sales of around $35 million, this indicates that 11 - 12 full-line supermarkets could be supported by 2041 within the total growth area (i.e. $418.4 million divided by $35 million).

vi. Aldi would also seek sites in the Austral Study Area. One Aldi supermarket is typically provided for every 20,000 persons and likely smaller convenience based supermarkets, the demand for Aldi is in addition to full-line supermarket demand. In the order of 4 – 5 Aldi supermarkets would be supportable within the Austral Study Area by 2041, or 15 – 17 supermarkets in total.

vii. Table 3.2 presents a similar analysis but splits the Austral Study Area into north (Sectors 1 – 5) and south (Sectors 6 – 9) areas to assist in identifying the likely supermarket opportunities and timing. Supermarkets in established urban areas typically serve a core population catchment (main trade area) that falls within a 2 – 3 km radius of the supermarket site.

viii. As shown, by FY2026, at least one full-line supermarket is supportable in each of the north and south areas. By FY2031, there will be potential for 2 – 3 full-line supermarkets across each of the north and south areas (i.e. a total of 5 – 6 full-line supermarkets).

TABLE 3.1. AUSTRAL GROWTH AREA CURRENT AND FUTURE SUPERMARKET DEMAND

	Actual			Forecast					Ultimate
Population	**2011**	**2016**	**2021**	**2023**	**2026**	**2031**	**2036**	**2041**	**No.**
• Sector 1	1,658	1,592	1,537	1,537	1,537	2,537	6,537	11,537	**17,040**
• Sector 2	321	305	830	1,170	3,270	8,270	13,270	15,770	**14,830**
• Sector 3	280	261	1,256	2,456	4,256	5,756	6,006	6,006	**6,100**
• Sector 4	395	417	388	388	838	4,838	7,338	7,838	**7,900**
• Sector 5	572	533	645	645	945	4,945	7,445	8,445	**9,080**
• Sector 6	610	705	1,165	2,105	3,605	8,605	13,605	15,105	**15,580**
• Sector 7	1,669	1,757	1,630	1,630	1,630	2,630	6,630	11,630	**31,428**
• Sector 8	505	507	1,857	4,057	7,357	13,357	14,857	15,107	**15,580**
• Sector 9	446	392	714	834	1,134	5,134	7,884	7,884	**9,000**
Austral Study Area	**6,456**	**6,469**	**10,022**	**14,822**	**24,572**	**56,072**	**83,572**	**99,322**	**126,538**

	Actual			Forecast					
Supermarket Demand	**2011**	**2016**	**2021**	**2023**	**2026**	**2031**	**2036**	**2041**	**2046**
• Sector 1	0.2	0.2	0.2	0.2	0.2	0.3	0.7	1.2	**1.7**
• Sector 2	0.0	0.0	0.1	0.1	0.3	0.8	1.3	1.6	**1.5**
• Sector 3	0.0	0.0	0.1	0.2	0.4	0.6	0.6	0.6	**0.6**
• Sector 4	0.0	0.0	0.0	0.0	0.1	0.5	0.7	0.8	**0.8**
• Sector 5	0.1	0.1	0.1	0.1	0.1	0.5	0.7	0.8	**0.9**
• Sector 6	0.1	0.1	0.1	0.2	0.4	0.9	1.4	1.5	**1.6**
• Sector 7	0.2	0.2	0.2	0.2	0.2	0.3	0.7	1.2	**3.1**
• Sector 8	0.1	0.1	0.2	0.4	0.7	1.3	1.5	1.5	**1.6**
• Sector 9	0.0	0.0	0.1	0.1	0.1	0.5	0.8	0.8	**0.9**
Austral Study Area	**0.6**	**0.6**	**1.0**	**1.5**	**2.5**	**5.6**	**8.4**	**9.9**	**12.7**

** Assuming one full-line supermarket for every 10,000 persons.*

MAP 3.1. AUSTRAL STUDY AREA

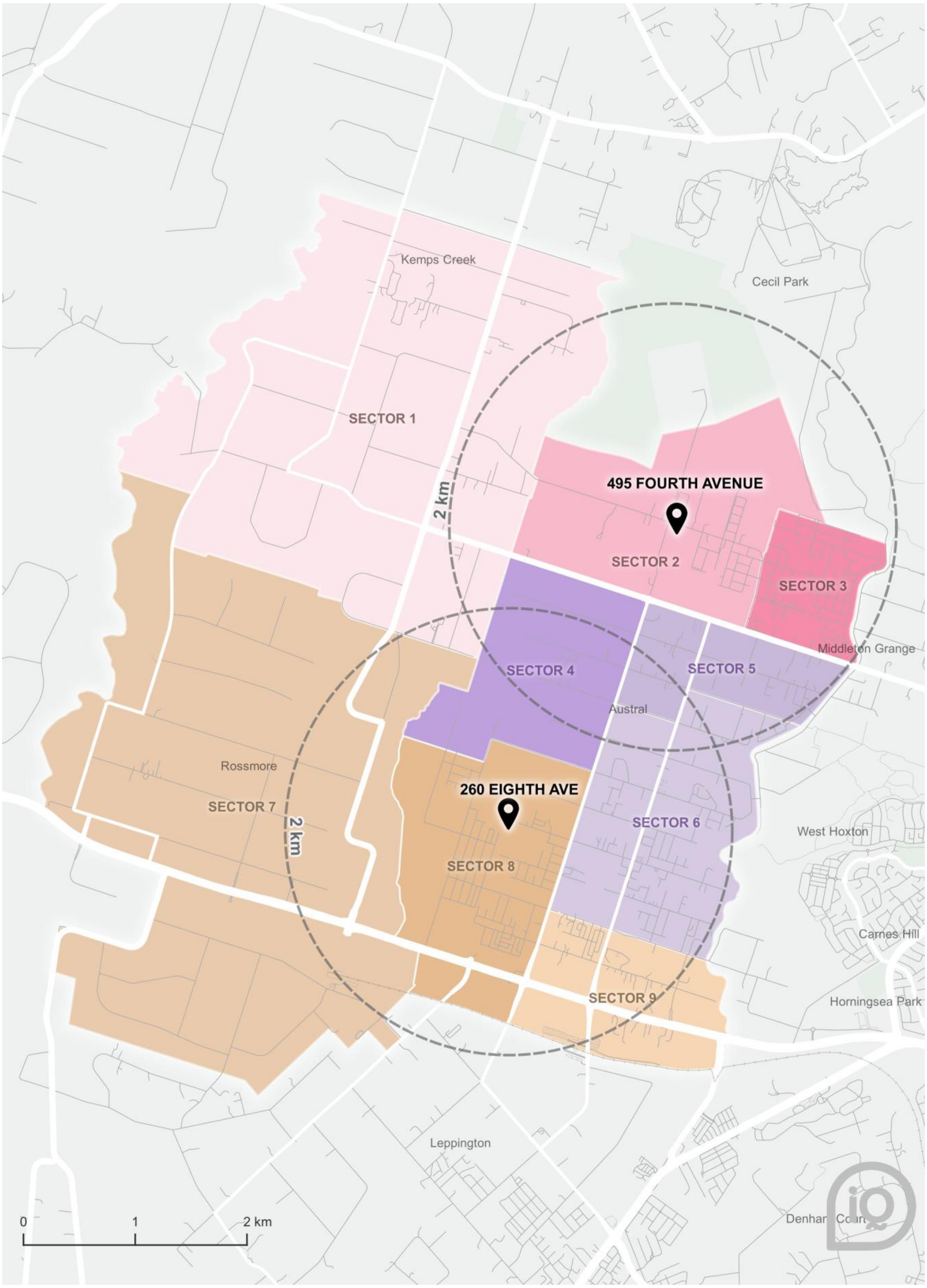


TABLE 3.2. AUSTRAL GROWTH AREA CURRENT AND FUTURE SUPERMARKET DEMAND (NORTH AND SOUTH AREAS)

Population	Actual			Forecast					Ultimate
	2011	2016	2021	2023	2026	2031	2036	2041	No.
• Sectors 1 - 5	3,226	3,108	4,656	6,196	10,846	26,346	40,596	49,596	**54,950**
• Sectors 6 - 9	3,230	3,361	5,366	8,626	13,726	29,726	42,976	49,726	**71,590**
Austral Study Area	**6,456**	**6,469**	**10,022**	**14,822**	**24,572**	**56,072**	**83,572**	**99,322**	**126,540**
Supermarket Demand	**Actual**			**Forecast**					
	2011	**2016**	**2021**	**2023**	**2026**	**2031**	**2036**	**2041**	
• Sectors 1 - 5	0.3	0.3	0.5	0.6	1.1	2.6	4.1	5.0	**5.5**
• Sectors 6 - 9	0.3	0.3	0.5	0.9	1.4	3.0	4.3	5.0	**7.2**
Austral Study Area	**0.6**	**0.6**	**1.0**	**1.5**	**2.5**	**5.6**	**8.4**	**9.9**	**12.7**

** Assuming one full-line supermarket for every 10,000 persons.*

3.3. Retail and Complementary Non-retail Potential

i. The provision of specialty floorspace that is supportable at any shopping centre is typically determined by the amount and sales of major and mini-major (i.e. retail tenants of 400 sq.m and larger) tenant floorspace. These major and mini-major tenants act as the key customer generators to a shopping centre, with specialty floorspace drawing business from the customer flows.

ii. Table 3.3 outlines the average floorspace (GLA – Gross Lettable Area) for Australian single and double supermarket based shopping centres based on the *Urbis Retail Averages 2021/22.* Key points to note include:

- The single-supermarket based shopping centres total GLA including pad sites is 6,536 sq.m, with the total GLA for double-supermarket based shopping centres at 15,644 sq.m.
- The average provision of leased retail specialty floorspace at single-supermarket based shopping centres is 1,344 sq.m (14 shops).
- The average provision of leased retail specialty floorspace at double-supermarket based shopping centres is 3,647 sq.m (37 shops).
- A provision of mini-majors and non-retail floorspace makes up the balance of the composition.

iii. It is observed in growth areas where there is a more limited supply of retail and non-retail floorspace, that shopping centres can often be larger than what is typically provided in established population areas given the lack of nearby competition and strip-based retail and non-retail floorspace.

iv. The opening of new supermarkets will support a range of complementary retail floorspace. Across Australia, there is around 2.2 sq.m of retail floorspace per person. Excluding large format retail floorspace (0.6 – 0.7 sq.m per person), with indicates around 1.5 – 1.6 sq.m of traditional retail floorspace per person.

v. The Austral Study Area population of almost 15,000 persons would indicate demand for around 23,000 sq.m of traditional retail floorspace, increasing to around 154,000 sq.m by 2041. The projected increase in demand by the new population over the period from 2023 to 2041 would be more than 130,000 sq.m. This is significantly higher than the floorspace guidelines allocated across the various local and neighbourhood centres with Austral/Leppington North, totalling 60,000 sq.m. Leppington Town Centre is indicated to include around 160,000 sq.m of GLAR or shopfront space, including large format retail and other uses that would serve the wider region population.

vi. Higher-order, non-food retail spending is unlikely to be retained within the Austral Study Area over the short-medium term with this directed to larger regional and sub-regional shopping centres. In the longer term, if a discount department store is provided, some of this higher-order retail spending will be retained within the Austral Study Area.

TABLE 3.3. SINGLE AND DOUBLE SUPERMARKET BASED SHOPPING CENTRE COMPOSITION BENCHMARKS

Category	Single Smkt GLA (sq.m)	Single Smkt % of Retail	Double Smkt GLA (sq.m)	Double Smkt % of Retail
Majors				
Supermarket	3,632	66.7%	6,998	58.4%
Total Majors	**3,632**	**66.7%**	**6,998**	**58.4%**
Mini-majors	**468**	**8.6%**	**1,340**	**11.2%**
Retail Specialties				
Food & Liquor	228	4.2%	788	6.6%
Food Catering	401	7.4%	1,034	8.6%
Apparel	154	2.8%	416	3.5%
Household Goods	32	0.6%	87	0.7%
Leisure	67	1.2%	169	1.4%
General Retail	250	4.6%	502	4.2%
Retail Services	214	3.9%	653	5.4%
Total Retail Spec.	1,344	24.7%	3,647	30.4%
Total Centre - Retail	**5,444**	**100%**	**11,985**	**100%**
Non-retail				
Cinemas/Entertainment	78		771	
Non-retail (Reporting)	87		85	
Non-retail (Non-Reporting)	359		1,248	
Vacant	309		1,069	
Total Centre	**6,277**		**15,158**	
External (Reporting)	69		251	
External (Non-Reporting)	190		235	
Total Property	**6,536**		**15,644**	

**Urbis Retail Averages 2021/22*

4 Retail Hierarchy Implications

This section of the report provides an assessment of the implications for delivery of new full-line supermarkets to serve the current and future population of the Austral Study Area.

i. A major full-line supermarket is at least 3,000 sq.m in size. These large format stores are generally operated by major chains such as Woolworths or Coles.

ii. Typically, one major full-line supermarket is provided for every 8,000 - 10,000 persons in metropolitan areas of Australia and will locate across a wide variety of centres including neighbourhood, sub-regional and regional centres as well as (less commonly) free-standing locations.

iii. Currently in the Austral Study Area, both IGA supermarkets are circa 1,000 sq.m in size and do not have the scale to provide a full weekly offer. As such, Austral Study Area residents would direct significant supermarket spending to the existing larger, more modern supermarkets beyond the Austral Study Area.

iv. Three centre designations are observed across the Austral/Leppington North Precinct Plan, namely:

- **Neighbourhood Centre**: which incorporates up to 10,000 sq.m.
- **Local Centre**: which spans 25,000 – 30,000 sq.m, including a discount department store.
- **Leppington Town Centre**: In 2021, HillPDA released the most recent market demand analysis for the Town Centre stating that:

  "By 2036 to 2041, LTC (Leppington Town Centre) could provide as much as 160,000 sq.m of GLAR or shopfront space…""

  "We would also expect at least two large full-line supermarkets as well as several metro-style supermarkets near the train station."

v. This study has assessed future demand for up to 10 full-line supermarkets across the Austral Study Area by 2041. Ultimately (i.e. post-2041), 12 – 13 full-line supermarkets could be supported within the Austral Study Area. Excluding Sectors 1 & 7, the ultimate population would be 78,070, which would indicate potential for 7 – 8 full-line supermarkets. The Austral/Leppington North Precinct Plan designates four supermarket sites (excluding Leppington Town Centre).

vi.

vii. The planned centres/designations are appropriate to cater to the future full-line supermarket network that will be demand by the Austral Growth Area population, with the key question being around the likely timing of new full-line supermarkets.

viii. There is substantial demand now for at least one full-line supermarket in the Austal Growth Area and likely two based on the approval and construction timing that would indicate the realistic first full year for a supermarket to open is FY2027 – a total projected population of more than 30,000 persons.

ix. Based on the current and planned population growth over the next five years (short term), in addition to the two existing IGA supermarkets that would continue to serve an important role in the retail hierarchy, ideally new full-line supermarkets would be provided nearby to where residents live.

x. Based on the small Study Area population projections and the as illustrated in Maps 2.5 – 2.9, both 459 Gurner Avenue and 260 Eight Avenue are best located to serve short term supermarket demand. With a population of more than 30,000 persons by FY2027, there would still be potential for the two, incumbent smaller IGA supermarkets at Austral. The new full-line supermarkets to the north and south would go some way to reducing the significant escape supermarket spending to full-line supermarkets beyond the Austral Study Area which will continue to increase in the future.

xi. By FY2031, 5 – 6 full-line supermarkets would be supportable across the Austral Study Area, indicating that redevelopment of both IGA sites, as well as three other full-line supermarkets would be supportable.

xii. Ultimately, assuming the two incumbent IGA supermarkets remain as is for the short term, full-line supermarkets at the Gurner Avenue and Eighth Avenue sites would be supportable by FY2027. Should redevelopment of the existing IGA-anchored centres within Austral occur prior, then supermarkets at the Eighth Avenue and Gurner Avenue sites would be supportable circa-2031, pending the scale of redevelopment.

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