



Striking a Balance – Property and Economic Diversity in Joondalup



PANEL MEMBERS

Striking a Balance



Moderator:
Damian Stone
Principal
Y Research



John Hackett
General Manager
Metropolitan and Industrial
LandCorp



Gemma Hannigan
Centre Manager
Lakeside Joondalup
Shopping City



David Schwartz
Director
Primewest



Gavin Hegney
Property Commentator

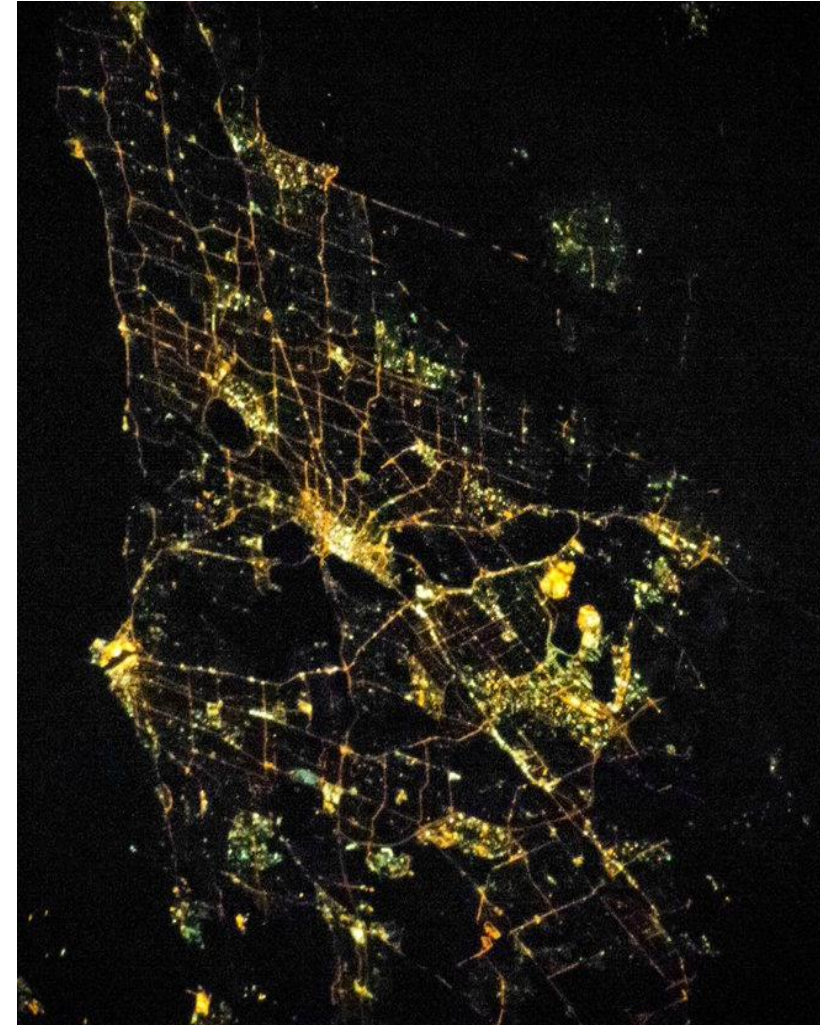
Perth: Our (Sprawling/Evolving/Urbanising) City

Sprawling City: Perth is now spread out over 150 km from Yanchep in the North through to Dawesville in the South and east to the Hills.

Evolving City: Historically the Central Business District was the State's hub for business and destination venue for retail. Perth's dormitory suburbs provided housing, convenience retail and public infrastructure. Over time, more residents were added to the inner city with suburbs becoming home to shopping centres, offices, large format retail and apartments.

Urbanising City: The boom has delivered record supply to Perth's property markets – CBD and suburban. There is now over 4 million sq m of office space across Perth. Over 210,000 homes, including over 13,000 apartments, have been completed across metropolitan Perth over the past decade.

Future City: To accommodate expected population and employment growth, Perth's property silos – industrial areas, shopping centres, office parks - are being torn down with moves to add greater diversity of property use at existing suburban hotspots. Connecting where people work with where people live and with expanded infrastructure.



Joondalup: The northern CBD

How big is the Joondalup Activity Centre?

Joondalup: 434 hectares

The Perth CBD: 483 hectares



Study Area

The Study reviewed current property diversity across the 24 Strategic and Secondary Activity Centres.

Strategic Metropolitan Centres

Armadale, Cannington, Fremantle, Joondalup, Midland, Morley, Rockingham and Stirling.

Secondary Metropolitan Centres

Belmont, Booragoon, Claremont, Clarkson, Cockburn Central, Ellenbrook, Karrinyup, Kwinana, Leederville, Maddington, Mirrabooka, Subiaco, Victoria Park, Wanneroo, Warwick and Whitfords.



How to Measure Diversity? Y Research Activity Centres Diversity Index

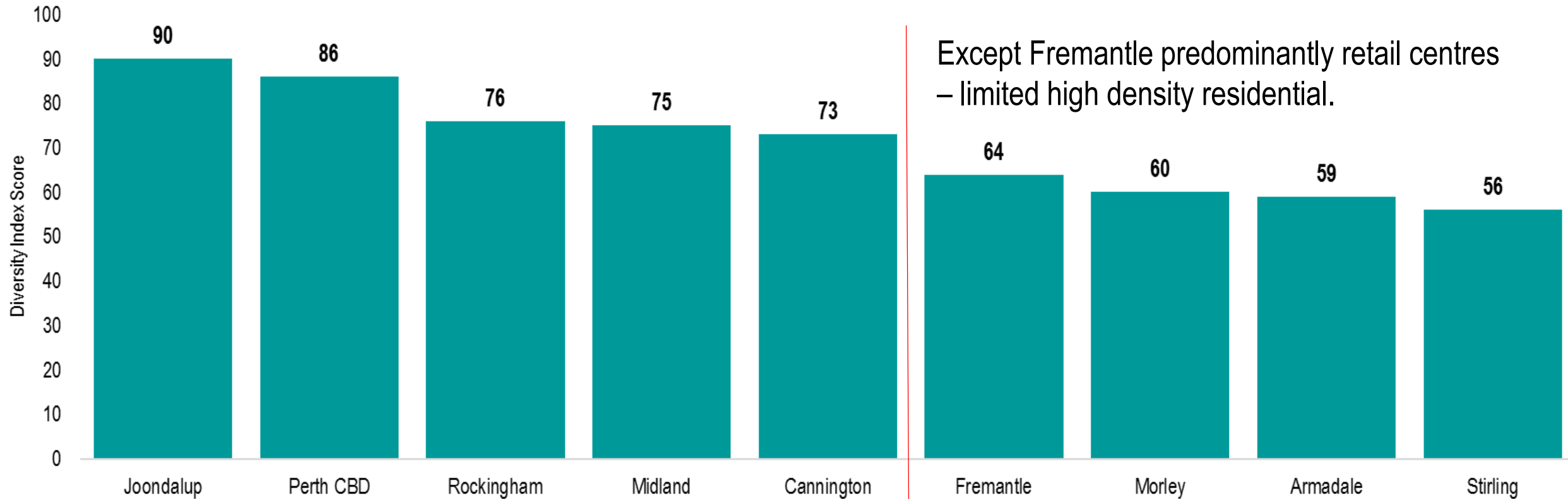
To measure the diversity of property uses in these centres, Y Research developed the Activity Centres Diversity Index, a 100 point system based on 19 individual measures. Points are allocated based on property use and the scale of that use.

In terms of the points allocation system:

- **55 points** were allocated to retail property use. Retail points were allocated to shopping centres with centres scoring points based on their number of department stores, supermarkets, discount department stores, international retailers and specialty stores. Points were also allocated if the Activity Centre has cinemas, a food court, a tavern, a service station, a gym and a childcare centre. Points were allocated based on the scale of large format retail development at the Activity Centre as well as the scale of strip retail.
- **15 points** were allocated based on the size of the office market in the Activity Centre.
- **15 points** were allocated based on the size of the apartment market in the Activity Centre.
- **5 points** were allocated based on civic uses at the Activity Centre - Local Government Head Office, library or community/recreation Centre.
- **5 points** were allocated based on public transport links to the Activity Centre - stronger weighting was given to train stations over bus depots.
- **3 points** were allocated for medical use.
- **2 points** were allocated to tourism use.

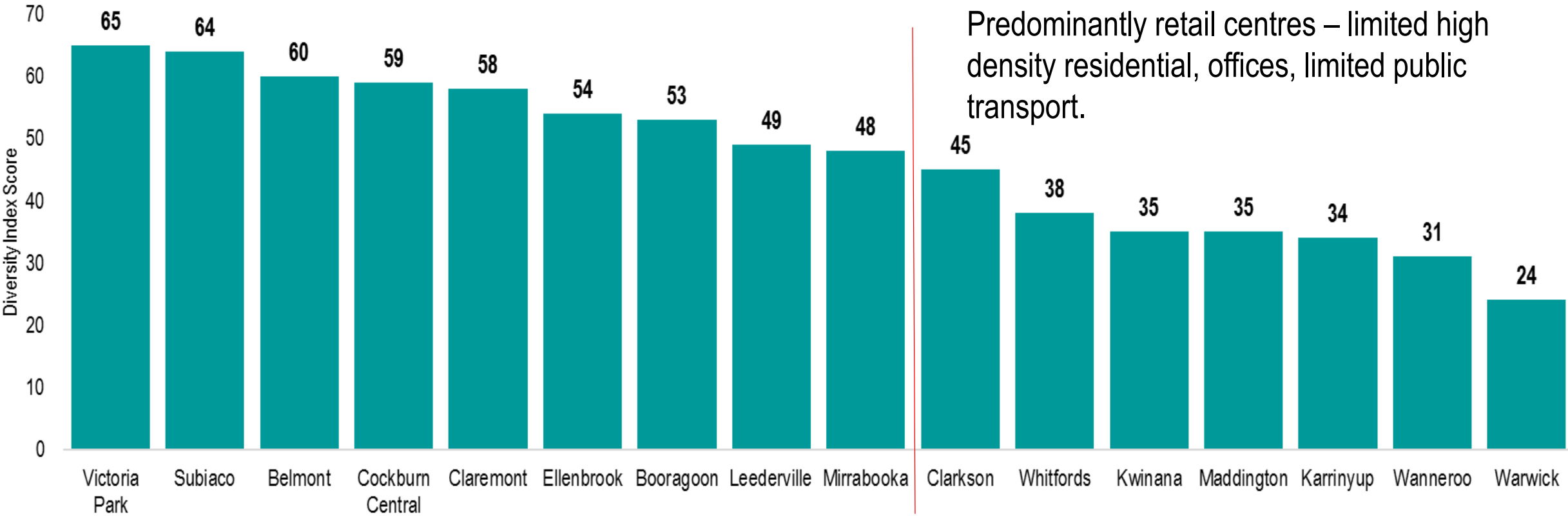
Points were deducted for a lack of use at the Activity Centre as well as high vacancies in property types.

Y Research Activity Centre Diversity Index Scores Strategic Metropolitan Centres



On average, secondary centres are 33.8% less diverse than Strategic Metropolitan Activity Centres.

Y Research Activity Centre Diversity Index Scores Secondary Centres



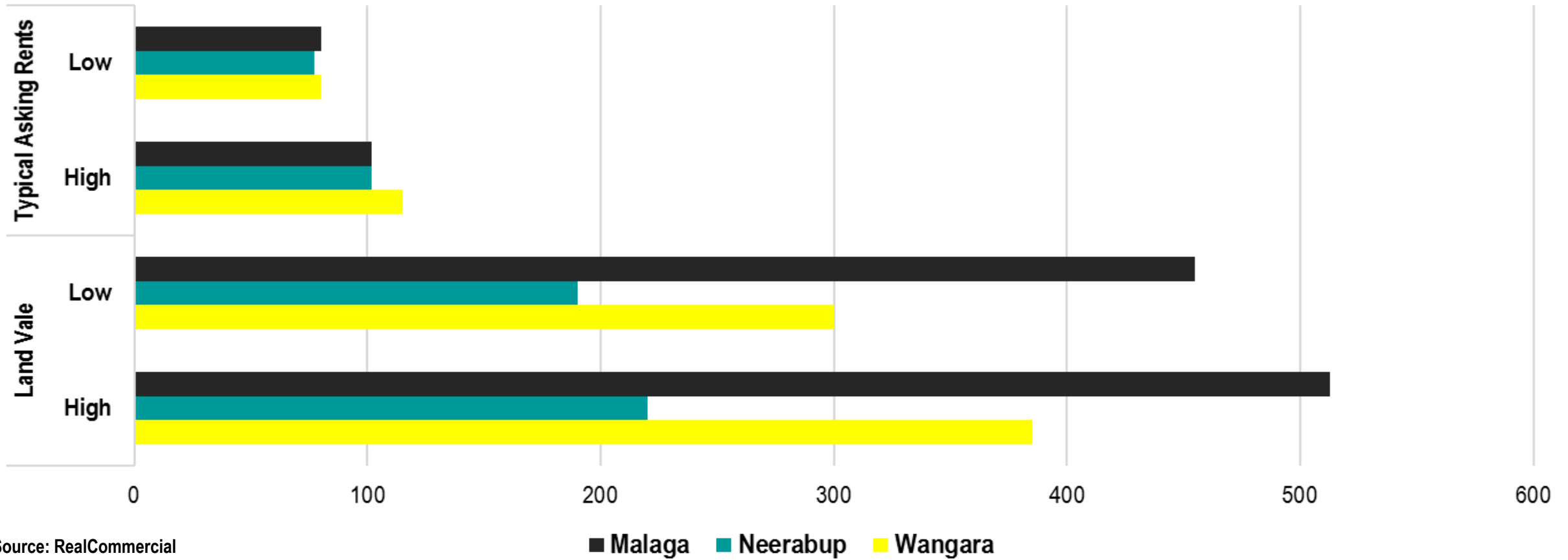
Predominantly retail centres – limited high density residential, offices, limited public transport.

What Underpins Joondalup's Diversity Score

- Lakeside Joondalup shopping centre, Perth's largest, which includes Myer Department Store, is the only centre in Perth with 4 supermarkets, home to international retailer H + M, 3 DDS, Cinemas, a food court and over 300 speciality retailers.
- Established large format retail market highlighted by the growth at the Quadrangle as well as Winton Road. Strip retail, east of the town centre.
- Maturing office market – set to grow by over 25% by 2018.
- Significant apartment market, largest apartment market north of Scarborough. Predominately low rise.
- Public transport links. Common user parking facilities.
- Civic facilities.
- Medical facilities, highlighted by the Joondalup Health Campus.
- Low level of vacancy across property markets.



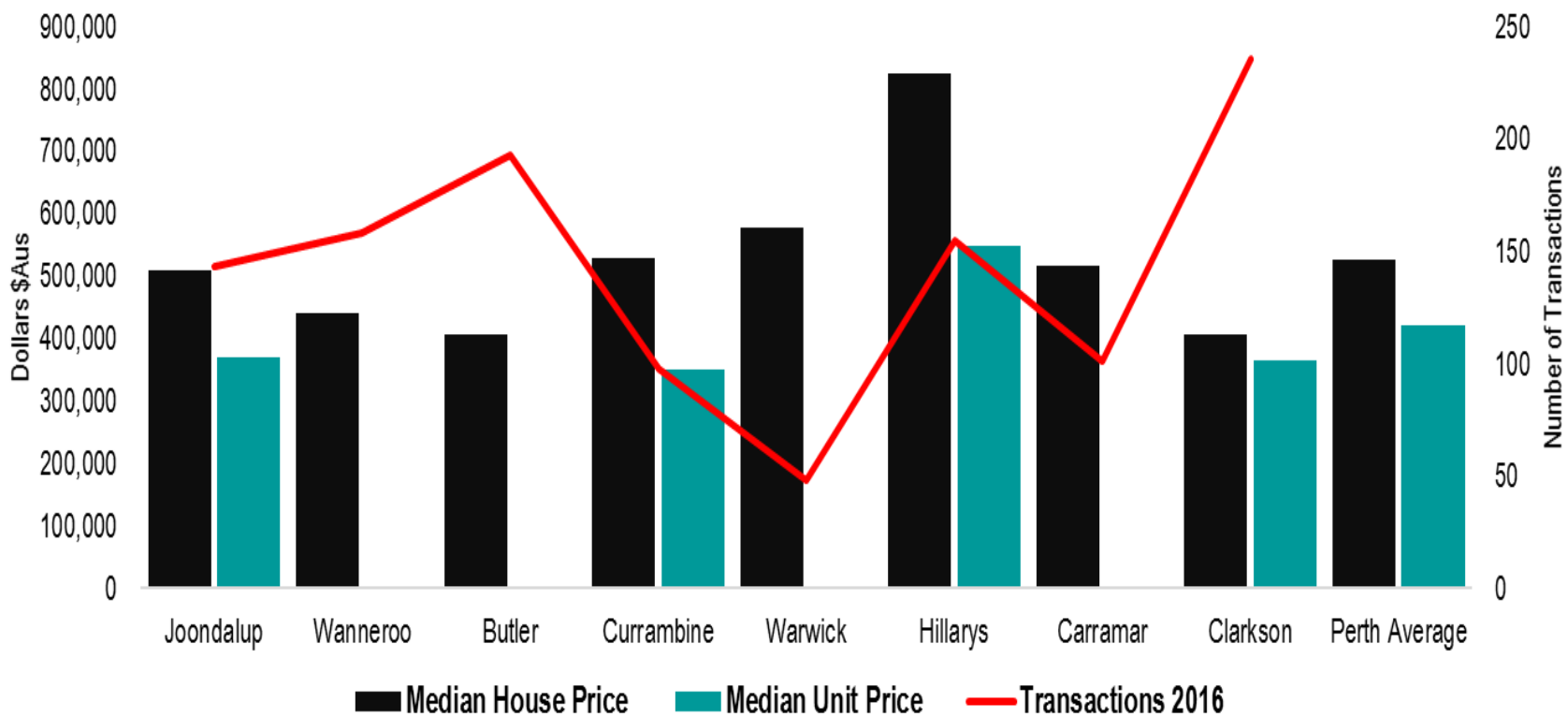
Northern Suburbs Industrial Market - Current Pricing



Source: RealCommercial

■ Malaga ■ Neerabup ■ Wangara

Northern Suburb Housing Markets 2016



Source: REIWA

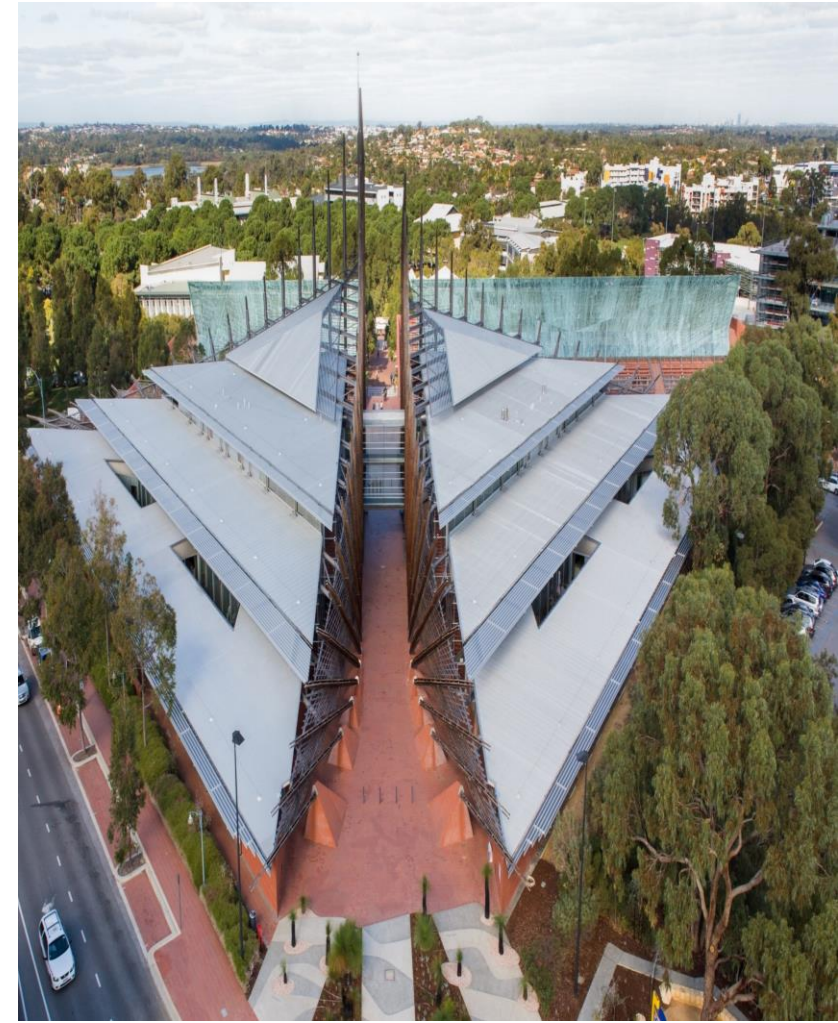


What is Next for Joondalup?



How does innovation impact property markets?

Joondalup's success is linked to past planning. What needs to be planned for now to grow in 2017 and beyond?





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