

MARKET OUTLOOK

BLACKTOWN

Blacktown is located in Western Sydney and is an emerging apartment market driven by infrastructure investment, housing affordability and access to public transport, employment, education, health and recreational amenity.

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LOCATION & ACCESSIBILITY

SHOPPING

The Westpoint Shopping Centre anchors the Blacktown CBD with over 250 specialty stores with major retailers including Myer, Big W, Woolworths, Coles and Target as well as a Hoyts Cinema entertainment precinct. There is a diverse retail and multicultural dining offer in the Blacktown CBD with several other shopping centres including Seven Hills Plaza and Blacktown MegaCentre.

EDUCATION

Blacktown is home to multiple schools including St Patrick's Primary School, Blacktown Public School, Blacktown Boys High School and Michell High School. Residents also have access to local tertiary education institutions including the new Australian Catholic University Blacktown Campus, Western Sydney Nursing & Midwifery Research Centre and TAFE NSW Blacktown.

MEDICAL

Blacktown Hospital has been recently redeveloped with the award winning hospital comprising 534 beds and provides 24-hour emergency service and a wide range of health services. Blacktown is also located less than 10km from the world renowned Westmead Health Precinct.

PARKS AND RECREATION

There are numerous parks and reserves throughout Blacktown and the surrounding area, which provide residents with access to an outdoor lifestyle. These include Bungarrabee Park, Nurragingy Reserve and the nearby International Peace Park. Residents also have access to recreational facilities including the Blacktown Aquatic Centre and Stonecutters Ridge Golf Club.

TRANSPORT CONNECTIVITY

Blacktown railway station is located on the T1 Western Line and T5 Cumberland Line, providing direct access to the Sydney CBD (46 min) and Parramatta CBD (14 min). Blacktown is also serviced by large network of bus routes connecting Mt Druitt, Marsden Park, Huntingwood and Castle Hill. Residents can also easily access the M4 and M7 Motorways and the Great Western Highway as part of the arterial road network.



Blacktown is located around 35km west of the Sydney CBD and is in close proximity to business parks, educational institutions and recreational amenity.



RETAIL AND ENTERTAINMENT

- 01. Westpoint Shopping Centre
- 02. Blacktown MegaCentre
- 03. Seven Hills Plaza
- 04. Westfield Mt Druitt
- 05. Westfield Parramatta

COMMERCIAL

- 06. Seven Hills Business Park
- 07. Kings Business Park
- 08. Bungarribee Industrial Estate
- 09. Powers Business Park

HEALTH

- 10. Blacktown Hospital
- 11. Westmead Hospital
- 12. Westmead Private Hospital
- 13. Kildare Road Medical Centre

EDUCATION

- 14. St Patrick's Primary School
- 15. Blacktown South Public School
- 16. Blacktown North Public School
- 17. Blacktown West Public School
- 18. Walters Road Public School
- 19. Blacktown Girls High School
- 20. Blacktown Boys High School
- 21. Bert Oldfield Public School
- 22. Patrician Brothers' College, Blacktown
- 23. Mitchell High School
- 24. TAFE NSW Blacktown
- 25. Australian Catholic University, Blacktown Campus
- 26. Western Sydney Nursing & Midwifery Research Centre

PARKS AND RECREATION

- 27. Bungarribee Park
- 28. Nurragingy Reserve
- 29. International Peace Park
- 30. Lynwood Park
- 31. Faulkland Crescent Reserve
- 32. William Lawson Park
- 33. Blacktown Showground
- 34. Max Webber Library
- 35. Pro Evolution Indoor Sports & Recreation
- 36. Blacktown Aquatic Centre
- 37. Stonecutters Ridge Golf Club
- 38. Cumberland Country Golf Club
- 39. Featherdale Wildlife Park

INFRASTRUCTURE & EMPLOYMENT

Blacktown will benefit from several major infrastructure projects across education, health and civic facilities totalling around \$17 billion.

INFRASTRUCTURE



WESTERN SYDNEY INTERNATIONAL AIRPORT \$5.25+ billion (Expected completion 2026)

The Western Sydney International Airport is under construction in Badgerys Creek, with the first stage due to be completed by late 2026. The new airport will be a key gateway to the Western Sydney region and is expected to accommodate 10 million passengers a year.



SYDNEY METRO-WESTERN SYDNEY AIRPORT LINE \$11 billion (Expected completion 2026)

A new metro railway line connecting the Western Sydney International Airport to the T1 Western Line at St Marys. The project comprises six new stations with potential for future extensions of the line.

EMPLOYMENT

Employment growth is an important driver of residential demand with workers looking to live near where they work. Employment growth in nearby employment centres has the potential to drive residential demand from new workers.

The Blacktown CBD will continue to grow as a major employment centre supported by new office, health and education development. Blacktown residents also have direct access by rail to major commercial centres such as the Sydney, Parramatta and Penrith CBDs.

Blacktown residents have considerable employment opportunities within nearby employment estates such as the Bungarribee Industrial Estate, Kings Business Park, Seven Hills Business Park and Powers Business Park.

The NSW Government estimates the Western Sydney Airport will deliver approximately 28,000 new jobs to the South West Sydney region making it a major catalyst for employment growth. Of these jobs, 7,720 will be in the new Aerotropolis precinct. Future infrastructure projects including the North-South Rail Link will connect directly to the new Aerotropolis and create more jobs.



INTERNATIONAL CENTRE OF TRAINING EXCELLENCE \$100 million (Expected completion 2023)

The International Centre of Training Excellence at the Blacktown International Sportspark is under construction and will provide high performance training facilities, sports medicine and rehabilitation services.



AUSTRALIAN CATHOLIC UNIVERSITY BLACKTOWN \$220 million (Expected Completion 2024)

ACU's Blacktown campus in the Blacktown CBD opened in March 2021 with a permanent campus currently under construction. The new campus includes two high-rise buildings in the Warrick Lane precinct, which will be home to the education and arts, health sciences, law and business and theology and philosophy faculties.

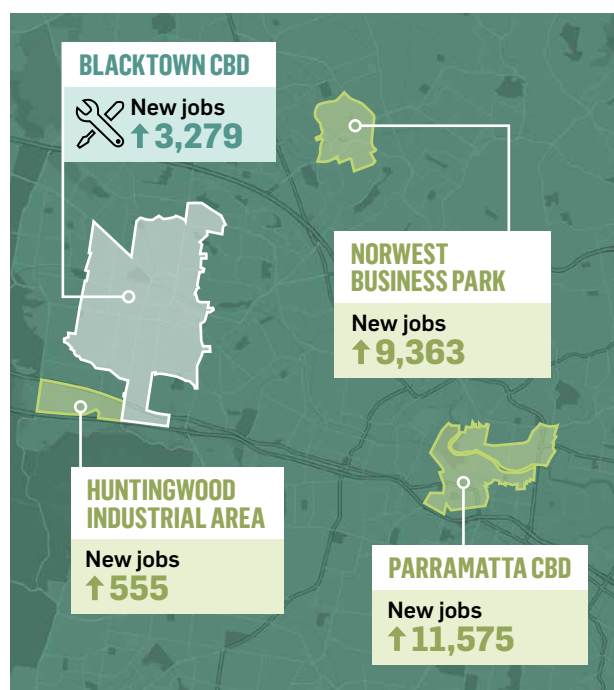


BLACKTOWN BRAIN AND SPINAL INSTITUTE \$800 million (completion TBC)

The Blacktown Brain and Spinal Institute includes 150,000 sq.m. of floorspace that will be home to a university partnered medical research institute, private hospital, medi-hotel, retail space and residential apartments.

EMPLOYMENT GROWTH WITHIN KEY SURROUNDING CENTRES

2021 to 2036



Source: TfNSW 2020; Prepared by Urbis

POPULATION AND DEMOGRAPHICS

Blacktown is projected to experience population growth of around 1% per annum to 2036.

Blacktown has grown by around 6,000 additional residents over the last decade, equating to an average annual growth rate of 1.3%. The population of Blacktown is expected to see steady average annual growth of 1.9% through to 2036 driven by increased apartment density around the CBD. This growth is well above the Metropolitan Sydney average of 1.4%. The wider Blacktown LGA is projected to grow by over 200,000 residents from 2021 to 2036 which will further drive the growth and development in the Blacktown CBD as an important commercial and administrative centre.

Blacktown has a large proportion of residents (33%) aged between 25-44 and an average household size of 3.0 in 2016. The lower household size reflects the relatively high proportion of lone person households (19%) and couples (28%) living in the region. These household segments are a key driver of apartment demand and is highlighted by 42% of households renting in the area.

Blacktown is multicultural community with over half of residents born overseas. This is reflected in the Blacktown CBD which boasts a diverse range of retailers and restaurants. The area is becoming more educated, with over 20% of residents having a tertiary degree and reflected in higher household incomes.

With growing incomes, a high proportion of renters and a large number of single person and couple households, Blacktown has a large potential tenant pool underpinned by population growth and a vibrant multicultural CBD.

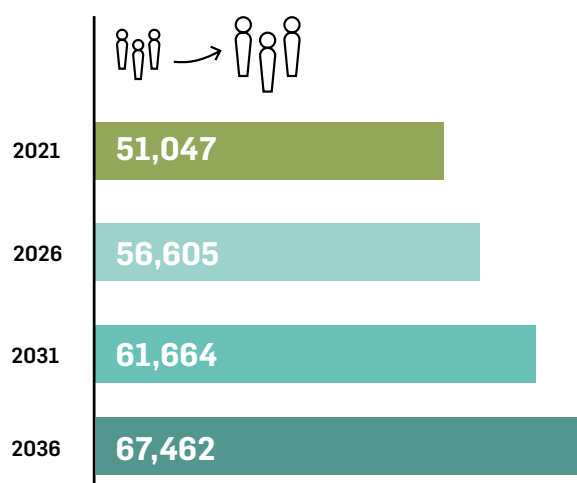


WHO LIVES IN BLACKTOWN?

	2011	2016
Average Age of Residents	35	35
Average Household Size	2.9	3.0
Average Per Capita Income	\$35,056	\$38,537
Household Income Above \$104,000	23%	33%
Residents Aged 25-44	32%	33%
Overseas Born	47%	51%
Couple Family with no children	29%	28%
Lone Person Households	20%	19%
Proportion of Renters	35%	42%
Employed in White Collar Jobs	61%	61%
Managers and Professionals	24%	25%
Bachelor's Degree or Higher	17%	22%
Undertaking Tertiary Education	5%	6%

Source: ABS Census 2016; Prepared by Urbis

BLACKTOWN POPULATION GROWTH



Source: TfNSW 2021; Prepared by Urbis

APARTMENT MARKET OVERVIEW

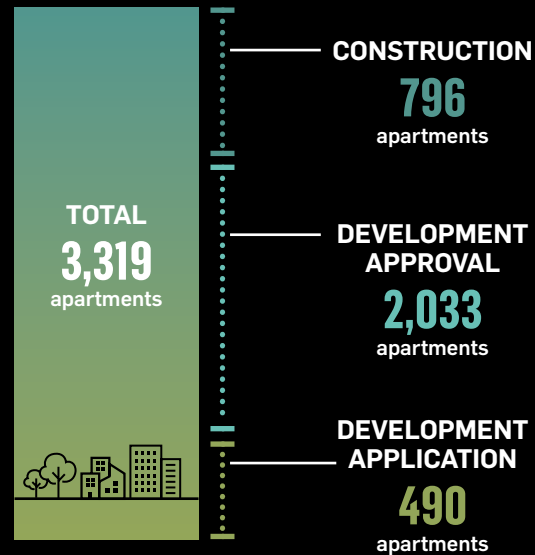
The Blacktown housing market has recorded strong price growth over the last ten years and outperformed the Sydney market.

The apartment market in Blacktown has experienced significant price growth averaging 7.0% per annum over the last 10 years to September 2021. Prices were impacted during the wider Sydney market downturn from 2018 to 2019 though have since rebounded considerably. The median price reached a high in September 2021 at \$570,500 though still offers relative affordability compared to nearby areas in Sydney.

Apartment price growth in Blacktown has outperformed Greater Sydney (4.4%) over the last decade, which reflects the strength of suburban markets in the last two years. While Covid-19 caused a contraction in the Sydney apartment market, the Blacktown market has been more resilient and recorded strong demand.

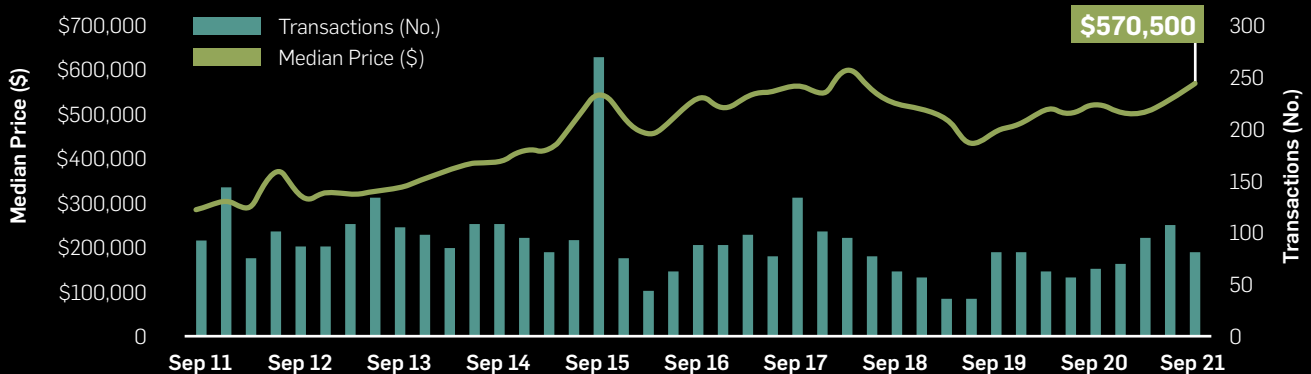
Data from Urbis and Cordell Connect indicates that around 3,319 apartments are proposed to be completed in Blacktown. Of the total development pipeline, 2,033 units have received development approval with 796 units currently under construction. The remaining 490 apartments are in the development application stage with greater uncertainty regarding their likelihood to proceed. The pipeline reflects the transformation of the Blacktown City Centre and the significant infrastructure investment.

PROPOSED RESIDENTIAL DEVELOPMENT IN BLACKTOWN



Source: Cordell Connect; Prepared by Urbis

BLACKTOWN APARTMENT MARKET

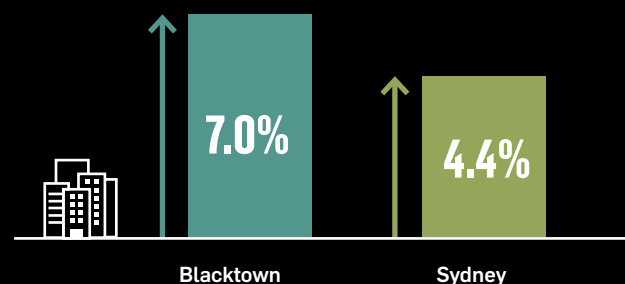


Source: Pricerfinder; Prepared by Urbis



MEDIAN UNIT PRICE GROWTH

10 year growth to Sep 2021



Source: Pricerfinder; Prepared by Urbis

RENTAL MARKET OVERVIEW

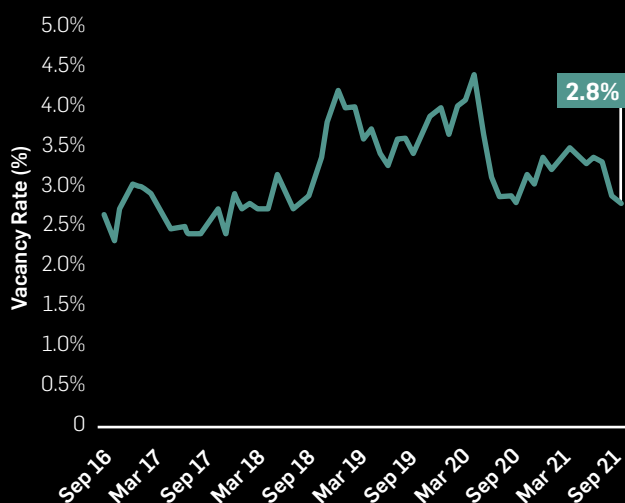
Rents in Blacktown recorded a median weekly rent of \$350 for one-bedroom apartments. Since 2011, median weekly rents for one-bedroom units in Blacktown have grown at 4.3% per annum, significantly higher than the Greater Sydney average of 0.6%. Two bedroom rents have been more stable and have not been significantly impacted by COVID-19.

The residential vacancy rate in Blacktown is generally moved in line with the Greater Sydney average over the last 5 years. The vacancy rate has remained relatively stable at around 3% over the last two years despite new apartments being completed and the challenges posed by COVID-19.

Gross rental yields for units in Blacktown averaged 3.5% in June 2021, which is higher than the Greater Sydney average of 3.3%. This highlights the strong rental market in Blacktown relative to sales prices.

BLACKTOWN RESIDENTIAL VACANCY RATE

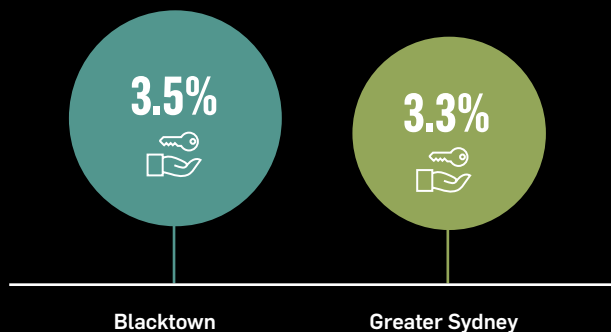
Sep 2016 to Sep 2021



Source: SQM research

UNIT GROSS RENTAL YIELD

June 2021



Source: Pricefinder

THE BLACKTOWN RENTAL MARKET HAS PERFORMED WELL DUE TO THE RELATIVE AFFORDABILITY WITH MEDIAN TWO-BEDROOM UNITS IN BLACKTOWN AT \$360 COMPARED TO \$500 ACROSS GREATER SYDNEY.

MEDIAN 2-BEDROOM UNIT RENTS

June Quarter 2021



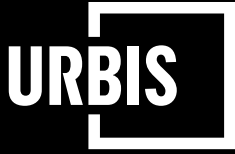
Source: Pricefinder; Prepared by Urbis

SUMMARY

Blacktown is emerging as an apartment market and will benefit from multi-billion-dollar infrastructure investment including the Western International Airport, new metro rail line and Australian Catholic University campus. Blacktown residents have easy access to local amenity including Westpoint Shopping Centre, multiple schools, TAFE and University campuses as well as numerous parks. These assets provide residents with high quality of life that has

made the region attractive to younger residents and families.

The residential market has recorded strong price growth and rental yields that have outperformed the Greater Sydney average. Blacktown will continue to evolve and grow off the pack of major catalyst infrastructure projects, which will be critical drivers for the local apartment market.



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