

# MARKET OUTLOOK

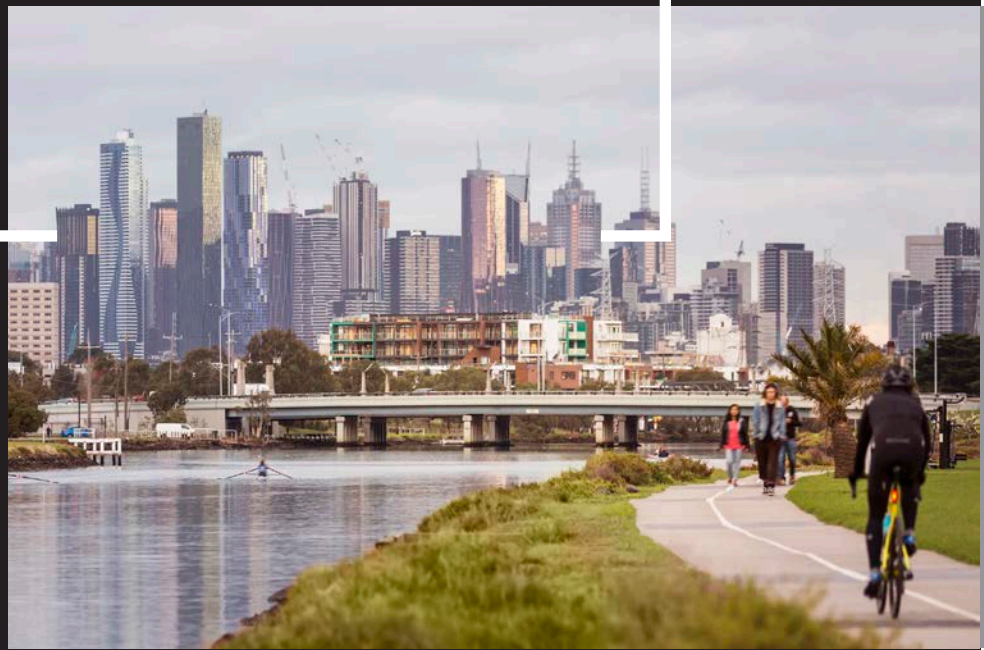
## FOOTSCRAY

Footscray offers residents accessibility to major educational, health and retail precincts, while being located only 5 kilometres from Melbourne's CBD.

- 02 Walkability & Accessibility
- 04 Infrastructure & Employment
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- 07 Rental Market

Prepared exclusively for  
**Bensons Property Group**

August 2019




Top: Maribyrnong River and City; Bottom left: 'Small Graces' Cafe; Bottom right: Footscray Railway Station


# WALKABILITY & ACCESSIBILITY

Footscray is located 5 kilometres west of the Melbourne CBD with accessibility to major employment, retail and educational precincts in the suburb.

Footscray is one of nine Metropolitan Activity Centres (MAC) in Melbourne. MACs are crucial to the development of Melbourne outside of the CBD and provide a range of services to local residents and workers. In addition, they connect the surrounding suburbs.

## TRANSPORT

 **Train:** 15 minute ride commute to CBD via Sunbury, Werribee or Williamstown lines.

 **Car:** 17 minute drive to CBD via M1 Freeway and arterial roads.



## RETAIL & ENTERTAINMENT

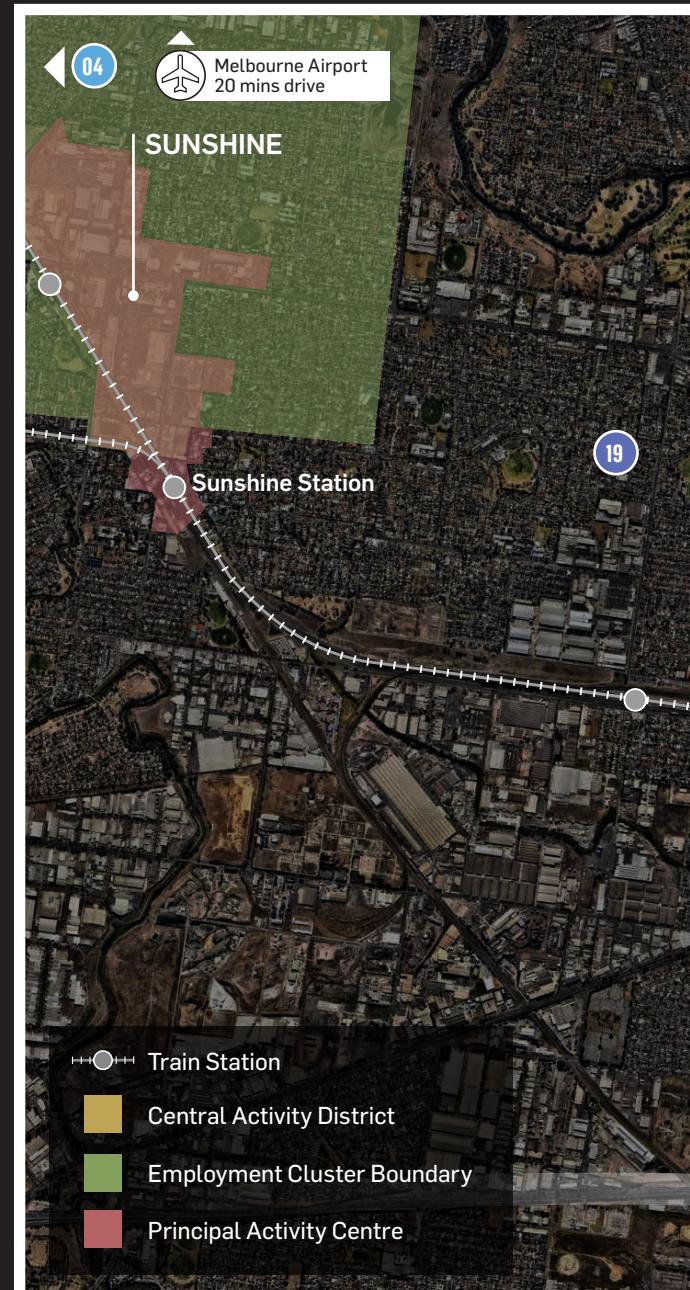
Footscray's major shopping precincts include the Nicholson Street Mall, Footscray Market and Little Saigon Plaza and offer residents over 120 shops. Highpoint Shopping Centre features 500 stores and is the largest shopping centre in Melbourne's west. The suburb also neighbours the Flemington Racecourse which hosts many events including the Melbourne Cup.



## OPEN SPACE & LEISURE

Footscray residents can access over 65 hectares of open space including:

- Footscray Park
- Quarry Park
- Burndap Park
- Maribryning River Reserve
- River Boardwalk



## HOSPITALS

- 01 Royal Dental Hospital
- 02 Western Hospital
- 03 Royal Melbourne Hospital
- 04 Sunshine Hospital
- 05 The Royal Childrens Hospital
- 06 The Royal Womens Hospital
- 07 New Footscray Hospital



Footscray residents can take advantage of retail, health and education facilities within the suburb, as well as the accessibility to the CBD and surrounding suburbs via multiple public transport networks.



**PRIMARY SCHOOLS**

- 08 St John's School
- 09 Footscray City Primary School
- 10 Footscray Primary School
- 11 Footscray West Primary School
- 12 Yarraville West Primary School
- 13 Ascot Vale West Primary School
- 14 St Monica's School
- 15 Footscray North Primary School

**SECONDARY SCHOOLS**

- 16 Maribyrnong Secondary College
- 17 Gilmore College For Girls
- 18 Footscray City College
- 19 Caroline Chisholm Catholic College

**OPEN SPACE & LEISURE**

- 20 Footscray Park
- 21 Quarry Park
- 22 Burndap Park

**RETAIL & ENTERTAINMENT**

- 23 Footscray Market
- 24 Nicholson Street Mall
- 25 Little Saigon Market



# INFRASTRUCTURE & EMPLOYMENT

Footscray will benefit from over \$21 billion worth of infrastructure projects being developed in Melbourne's west.

## INFRASTRUCTURE



### WEST GATE TUNNEL PROJECT

Est. Completion 2022 - \$8.1 Billion

The West Gate Tunnel endeavours to facilitate the journey from Melbourne's west to the city and surrounding suburbs.

The project will include four new lanes on the M80 freeway, additional tunnels on the West Gate Freeway and new connections from the port to the CBD. These additions will seek to decrease congestion and provide greater accessibility and convenience.



### METRO RAIL

Est. Completion 2025 - \$11 Billion

The \$11 billion project will create a new rail line from Sunbury in the west to Cranbourne/Pakenham in the south-east, including five new underground stations. The tunnel is expected to improve peak capacity by 60% on the Sunbury Line which includes Footscray Railway Station.



### FOOTSCRAY HOSPITAL

Est. Completion 2025 - \$1.5 Billion

The new hospital will include over 500 inpatient beds, acute and specialist facilities in addition to training and research spaces. The hospital is expected to service 15,000 additional patients each year and cater to the growing demand for healthcare in Melbourne's West.



### FOOTSCRAY LEARNING PRECINCT

Est. Completion 2020 - \$64 million

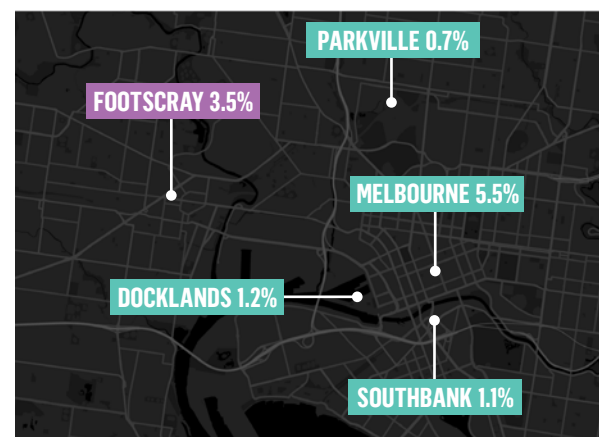
The precinct will include a secondary school with three campuses and two primary schools. The Learning Precinct will enforce the increased importance on education in Melbourne's West and offers local residents additional education opportunities.

## EMPLOYMENT

Footscray residents primarily work in the Melbourne CBD, Docklands and Footscray, which lends itself to the high proportion of white collar workers in the suburb. Melbourne's west is forecast to grow an average of 2.3% each year, providing an additional 113,000 job opportunities by 2031.

### WHERE FOOTSCRAY RESIDENTS WORK

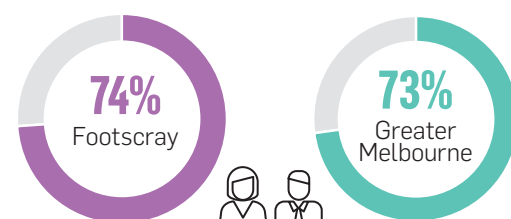
Proportion of Working Residents



Source: ABS, Urbis

### WHITE COLLAR WORKERS

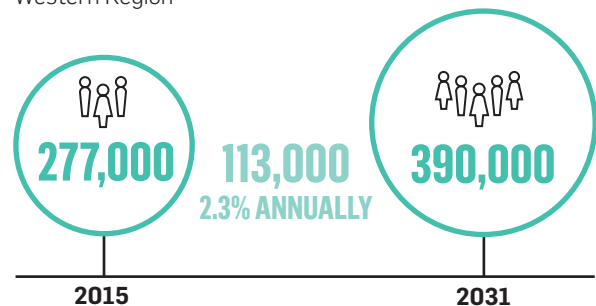
2016



Source: ABS

### EMPLOYMENT PROJECTIONS

Western Region








Source: Plan Melbourne, Urbis

# POPULATION & DEMOGRAPHICS

Footscray is characterised by a relatively young population, and forecast to grow by 91% from 2019 to 2031.

Footscray is well placed to capitalise on:

-  Proximity to Employment
-  Community and Networks
-  Walkability and Connectivity
-  Access to Amenity
-  Proximity to Green Space

The population of Footscray has experienced continued growth at an average of 4.6% per annum from approximately 14,000 residents in 2011 to around 17,500 people in 2016.









By 2031, the population of Footscray is projected to more than double to approximately 42,500 residents. The highest growth is anticipated between 2016 to 2021 at an average of 8.4% per annum.

Footscray is characterised by a younger demographic, with 46% of residents aged between 25 and 44 years. Footscray's close proximity to major employment precincts in the Melbourne CBD and Docklands lends itself to the large proportion of white collar workers (74%) and couples without children (46%).

Over the decade to 2016, average household income has grown by 55%, further reflecting the gentrification that Footscray has been going through.

## WHO LIVES IN FOOTSCRAY?

2016

|  | Footscray | Greater Melbourne |
|--|-----------|-------------------|
|  Average Household Size     | 2.3       | 2.7               |
|  Aged 25-39                 | 35        | 37                |
|  2 beds                     | 43%       | 21%               |
|  Lone Person                | 33%       | 23%               |
|  White Collar Workers       | 74%       | 73%               |
|  Aged 25-44 years           | 46%       | 31%               |
|  Couples with Children     | 34%       | 49%               |
|  Couples without Children | 46%       | 35%               |

Source: ABS

## AVERAGE HOUSEHOLD INCOME GROWTH

Footscray



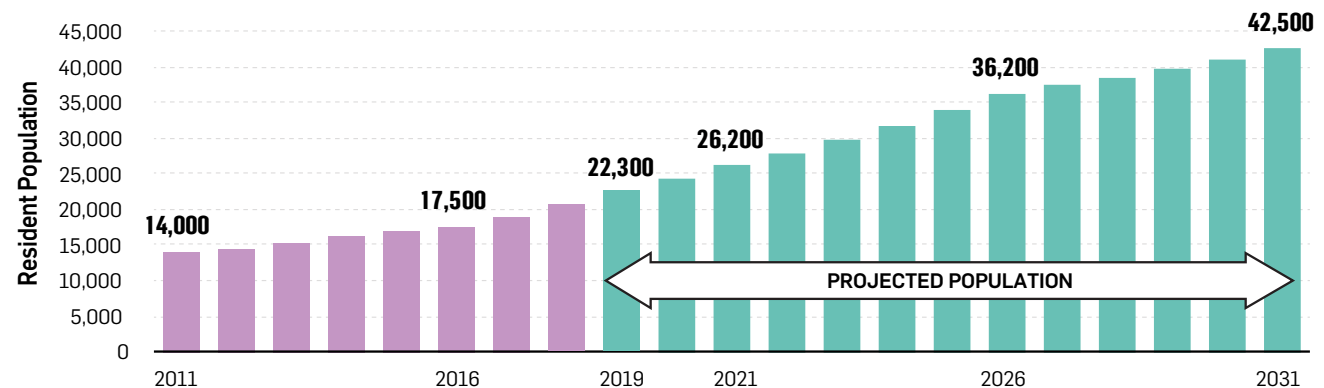
Source: ABS, Urbis

## EDUCATION

Residents benefit from an array of education facilities with 23 primary and secondary schools within Footscray and surrounding suburbs. The 15% of Footscray residents undertaking tertiary study is likely to reflect upon the location of Victoria University's Footscray Campus, as well as the proximity to Melbourne's CBD which offers the University of Melbourne and RMIT University.

## POPULATION FORECAST

Footscray



Source: ABS, SAFI, Urbis

# RESIDENTIAL MARKET

Footscray has seen consistent median price growth of 4.5% per annum over the past decade.

Apartments / units comprise 48% of the housing stock in Footscray. This is significantly higher than that across Greater Melbourne, at 15%.

## MEDIAN APARTMENT GROWTH




Footscray distinguishes itself as an affordable yet competitive suburb. Over 10 years, the median unit price has increased at an average of 4.5% each year. With various transport options and employment opportunities increasing in Melbourne's west and in Footscray itself, the suburb is a favourable destination outside of the CBD for residents and workers.

## APARTMENT AFFORDABILITY

In comparison to suburbs of similar distance from the CBD, Footscray remains affordable with a median unit sales price of \$405,000 for the year March 2019. Footscray also outperforms these similarly distanced suburbs over the long term whilst remaining in line with the Melbourne average (4.6%).

On average, the median price for an apartment in Footscray is 52% less than a detached home. This benefits buyers who are seeking an affordable living arrangement at an inner-city suburb.

## DWELLING STRUCTURE

|  | Footscray | Greater Melbourne |
|--|-----------|-------------------|
|  House          | 35%       | 68%               |
|  Townhouse      | 17%       | 17%               |
|  Apartment/unit | 48%       | 15%               |

Source: ABS, Urbis

## APARTMENT VS HOUSE PRICE GAP\*

Footscray

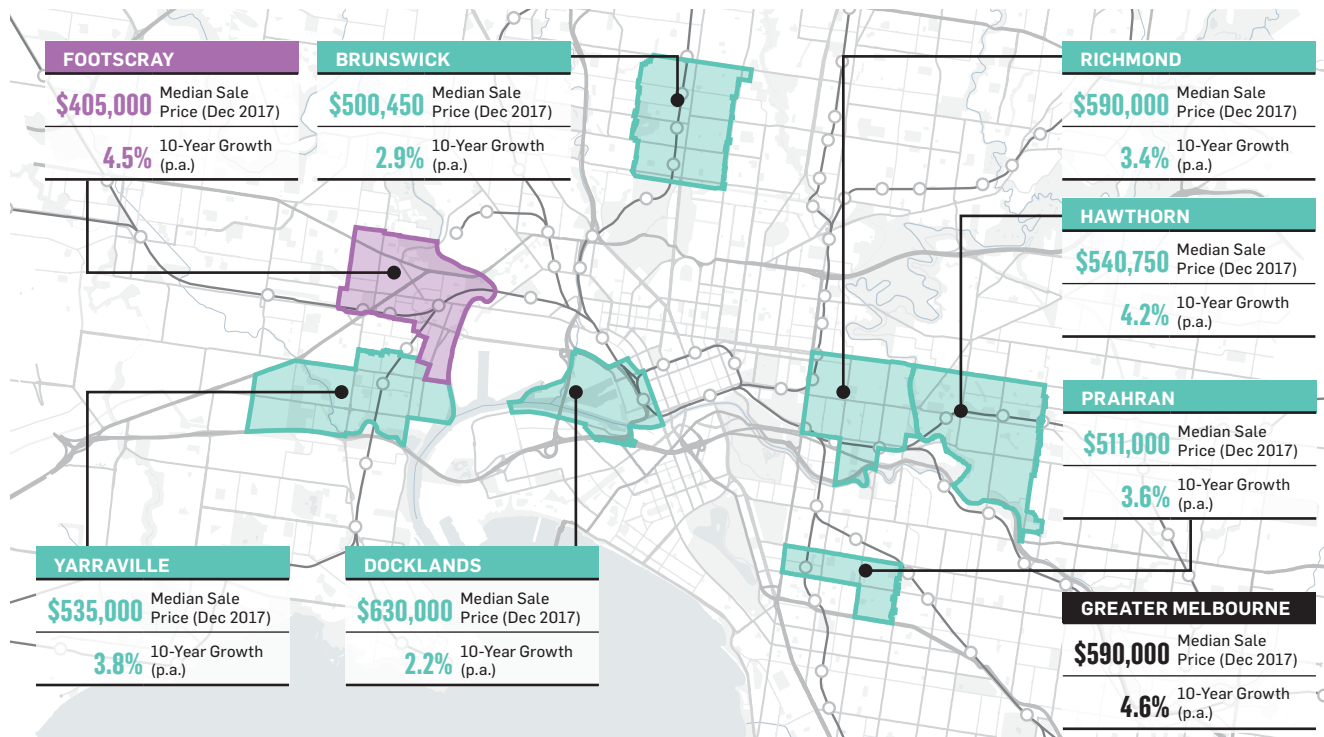


\*Year to March 2019

Source: APM Price Finder, Urbis

## MEDIAN PRICE COMPARISON

Units



Source: APM PriceFinder, Urbis

# RENTAL MARKET

Strong yields and growth in rental prices support the 11% increase to the proportionate share of renters in Footscray over the past decade.

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## MEDIAN WEEKLY RENT

Footscray has experienced steady growth in unit rental prices, with a median weekly rent of \$350 as at March 2019. Footscray achieved a rental yield at 4.5%, higher than suburbs a comparable distance from the CBD, such as Hawthorn (4.0%) and Prahran (4.2%) and Melbourne overall (4.0%).

## RENTAL CONTRACT VOLUME

Across all units, rental contract volume has grown annually by 8.5% over the past decade. More specifically, one, two and three bedroom units recorded annual contract growth of 6.4%, 10% and 13% respectively. This indicates a strong and continued preference for rental properties.

## VACANCY RATES

As at July 2019, Footscray recorded a 1.5% vacancy rate which remains tighter than the Melbourne average of 3.0%. Low vacancy rates and a significant proportion of residents renting suggests continued demand in the suburb.

Demand for rental apartments in Footscray is driven by the growing number of students attracted by affordability and proximity to Victoria University. Young professionals are also drawn by the suburb's proximity to the Melbourne CBD and accessibility to employment and various modes of public transport.

## VACANCY RATE - JULY 2019

Footscray vs Greater Melbourne

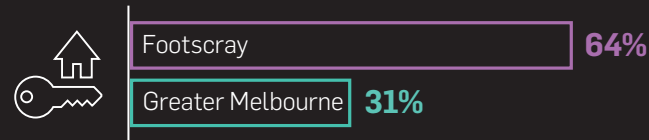


**FOOTSCRAY** 1.5%

**GREATER MELBOURNE** 3.0%

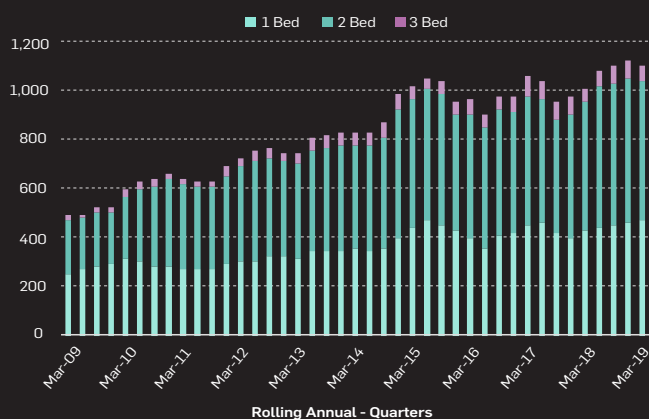
Source: SQM Research

## SHARE OF POPULATION RENTING 2016



## RENTAL CONTRACT VOLUME

Footscray – Units



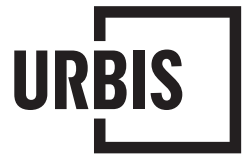
Source: Department of Human Services; Urbis

## MEDIAN WEEKLY RENT & YIELD

Footscray vs Comparative Suburbs

|                   | Median Weekly Rent | Yield       |
|-------------------|--------------------|-------------|
| <b>Footscray</b>  | <b>\$350</b>       | <b>4.5%</b> |
| Brunswick         | \$430              | 4.5%        |
| Docklands         | \$590              | 4.9%        |
| Yarraville        | \$453              | 4.4%        |
| Prahran           | \$410              | 4.2%        |
| Hawthorn          | \$420              | 4.0%        |
| Richmond          | \$490              | 4.3%        |
| Greater Melbourne | \$420              | 4.0%        |

Source: Price Finder, Urbis



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