

MARKET OUTLOOK

BOX HILL

Box Hill has been undergoing unprecedented change with its designation as a Metropolitan Activity Centre and could serve as a second CBD in Melbourne.

MELBOURNE

- 01 Why Melbourne?
- 02 Plan Melbourne

BOX HILL

- 03 Walkability & Accessibility
- 05 Population & Demographics
- 06 Infrastructure & Investment
- 07 Employment
- 08 Education
- 09 Residential Market
- 10 Rental Market

Prepared exclusively for
MAB Corp
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Images: Adobe Stock

WHY MELBOURNE?

Melbourne is the most liveable city in the Asia Pacific region and currently the world's 2nd most liveable city after 7 consecutive years of holding the record as number 1.

The Economist Intelligence Unit ranks cities based on their healthcare, education, stability, culture, environment and infrastructure. In 2018, Melbourne was voted the world's second most liveable city after 7 consecutive years as the first.

EIU GLOBAL LIVEABILITY RANKINGS

-  **#1** Vienna
-  **#2** Melbourne
-  **#3** Osaka
-  **#4** Calgary
-  **#5** Sydney



Source: Economist Intelligence Unit

MAJOR EVENTS

Melbourne is the major events capital of Australia, offering food, retail and sporting events that engage locals and tourists alike.



Australian Open
Tennis Grand Slam



Melbourne Formula 1
Grand Prix



Melbourne Cup
Carnival



Melbourne Food
& Wine Festival



AFL Grand Final

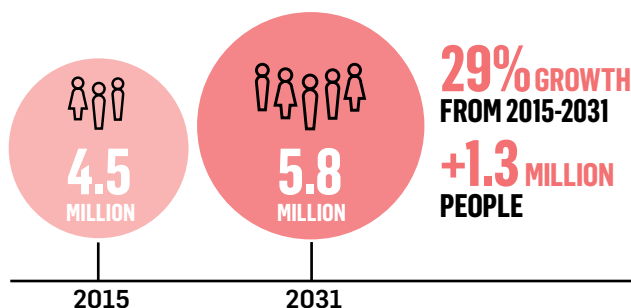


White Night

POPULATION & EMPLOYMENT GROWTH

Greater Melbourne is set to become Australia's most populated metropolitan area by 2053. The city is forecast to see annual growth of 1.6% and reach 5.8 million people by 2031. Job opportunities are expected to increase in line with population growth. Across all regions and employment sectors, an additional 690,000 jobs are anticipated to service the increasing population.

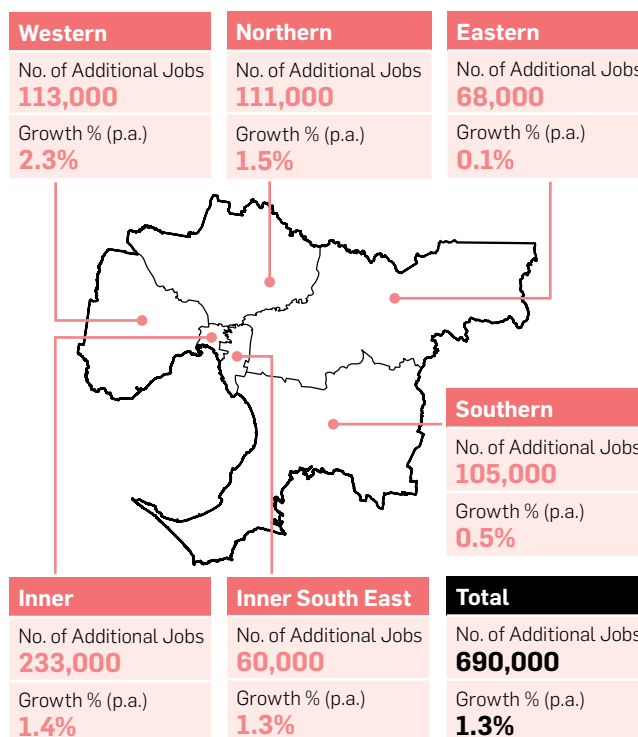
METROPOLITAN MELBOURNE POPULATION FORECAST



Source: Plan Melbourne, Urbis

PROJECTED EMPLOYMENT GROWTH

Metropolitan Melbourne, 2015-2031



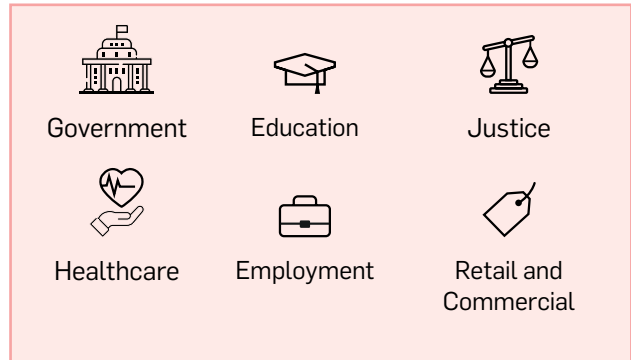
Source: Plan Melbourne, Urbis

PLAN MELBOURNE

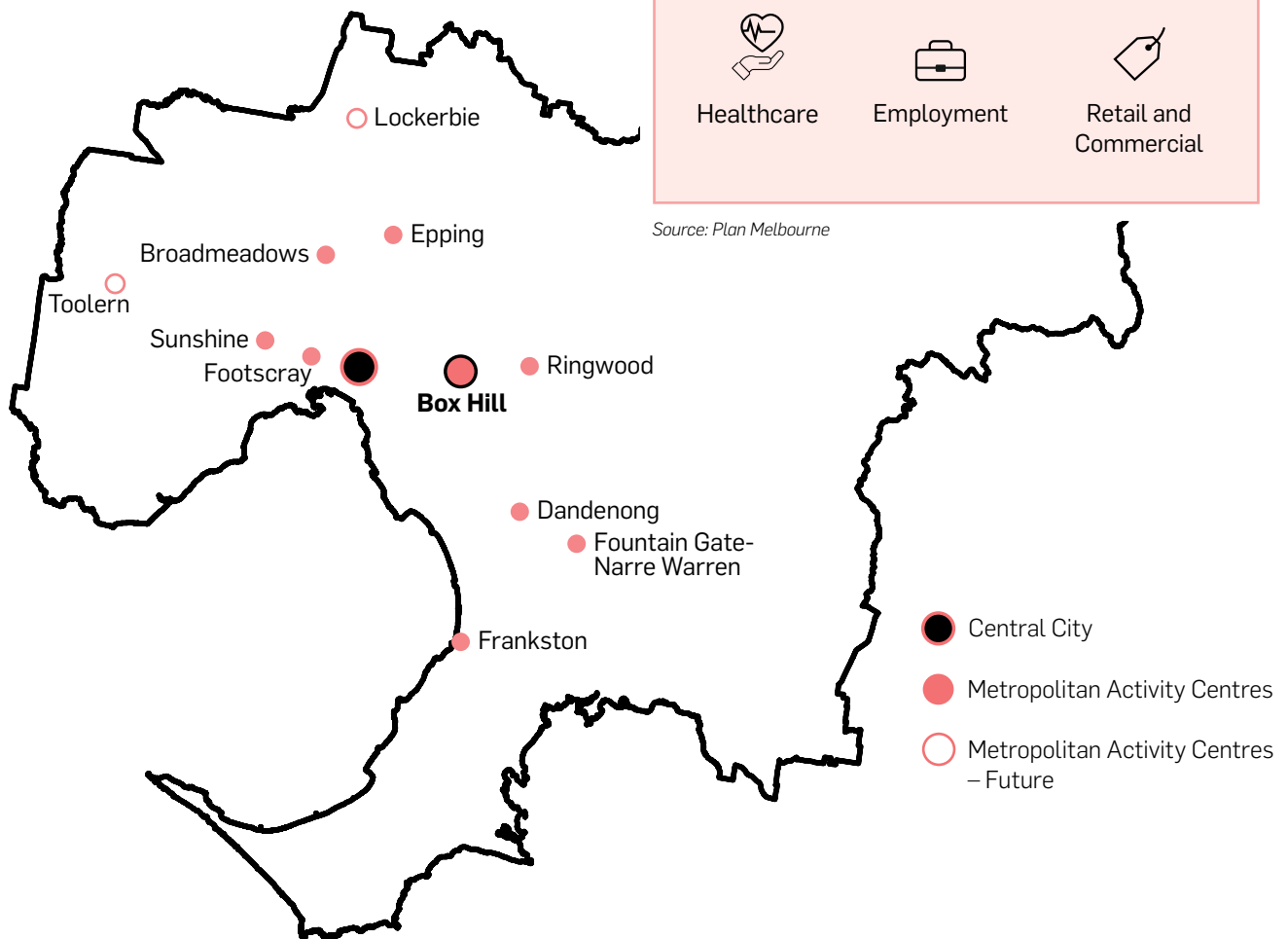
Box Hill is the fastest growing city centre outside of the CBD and is crucial in providing employment, education, infrastructure and amenity for the local population in the region.

Metropolitan Activity Centres (MACs) are integral to the development of Melbourne outside of the CBD. Box Hill is one of nine existing MACs in Melbourne. These areas are crucial in providing a range of services to local residents and workers, as well as connectivity to and from other areas.

MAC - SERVICES

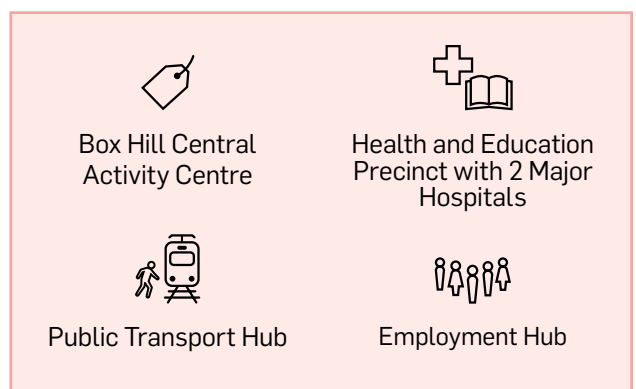


Source: Plan Melbourne



BOX HILL MAC

Between 2006-2016, the Box Hill MAC recorded the highest increase in population across all MACs within Greater Melbourne. Its design supports a diverse employment hub, co-located health and education precinct, all three modes of public transport and housing options for residents. Box Hill's designation as a MAC is expected to bring further investment into the core services supporting the population in the region.



WALKABILITY & ACCESSIBILITY

Box Hill is located 14 kilometres east of Melbourne's CBD, within the City of Whitehorse Local Government Area. The City of Whitehorse has an abundance of open space, with more than 350 parks catering for nature lovers, walkers, cyclists, children and adults.

DINING

Box Hill Central Shopping Centre has become one of Melbourne's most authentic Asian dining precincts, with a variety of restaurants and grocers on offer. With over 30 fresh food retailers, greengrocers, butchers and fishmongers, it is home to a host of speciality stores including a traditional herbalist, Chinese delicatessen and handmade fresh noodle bar.

ENTERTAINMENT

Box Hill is the home to several events and festivals throughout the year. It is renowned for its Chinese New Year Festival which attracts approximately 80,000 visitors each year. Other festivals include the Moon Festival and Whitehorse Global Festival which celebrate a diverse range of cultures.

TRANSPORT

Box Hill Station and Transit Interchange is the fourth busiest suburban station in Melbourne. It incorporates all three modes of public transport and is centred in the suburb of Box Hill, making it easily accessible for residents.



Train: 25 minute commute to CBD via Belgrave and Lilydale Lines



Tram: Route 109 to the CBD accessible every 10 minutes.



Bus: 15 minute commute to Deakin University via routes 732, 767 and 281.



Car

- 25 minute drive to CBD via the Eastern Freeway.
- Connectivity to Eastern suburbs via the Eastern Freeway and arterial roads such as Whitehorse Road and Barkers Road.



Box Hill is a vibrant and dynamic suburb well serviced by public transport, education, employment, retail, commercial and food services.



OPEN SPACE & LEISURE

- 01 Box Hill Gardens
- 02 Box Hill Golf Club
- 03 Box Hill City Oval
- 04 Whitehorse Reserve
- 05 Surrey Park Swimming - Aqualink
- 06 RHL Sparks Reserve

RETAIL & DINING PRECINCTS

- 07 Box Hill Central
- 08 Westfield Doncaster
- 09 Forest Hill Chase Shopping Centre

HEALTH & WELLBEING

- 10 Jetts Fitness Box Hill
- 11 Anytime Fitness Box Hill
- 12 Whitehorse Diving Club
- 13 Celestial Tai Chi College
- 14 Box Hill Action Indoor Sports

HEALTHCARE

- 15 Box Hill Hospital
- 16 Epworth Eastern Hospital

EDUCATION

- 17 Box Hill Institute of TAFE
- 18 Deakin University
- 19 Box Hill High School
- 20 Sir Francis Xavier Catholic Primary School
- 21 Our Lady of Sion College

TRANSPORT

- 22 Box Hill Railway Station
- 23 Box Hill Bus Interchange
- 24 Tram Terminus for route 109

POPULATION & DEMOGRAPHICS

Box Hill is home to an established Chinese community, with 46% of the current population having Chinese ancestry. Looking forward, the suburb's population is projected to almost double by 2031.

POPULATION

Box Hill's population has grown 32% between 2008 to 2018, with an estimated population of 13,050 in 2018. As a Metropolitan Activity Centre in Melbourne's east, Box Hill's growth path is anticipated to continue, almost doubling in population by 2031.

In terms of age, 39% of the population are aged between 20-34, with 16% of the total population currently undertaking tertiary education. Deakin (Burwood campus) university currently enrolls over 30,000 students, 28% of which are Chinese students.

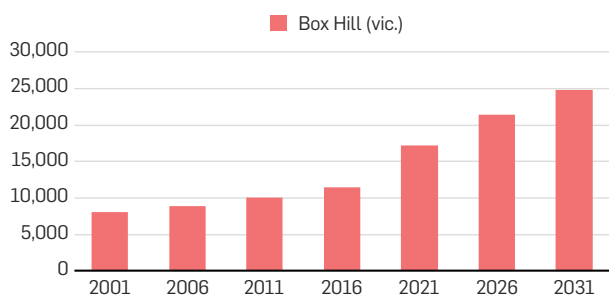
Between 2006 and 2016, the average household income in Box Hill increased by 28%. The growing affluence throughout Box Hill is also being reinforced by an increasing proportion of households earning at least \$104,000. Over the same period, 56% more households entered this household bracket.

LOCAL COMMUNITY

Across all Melbourne suburbs, Box Hill has the largest proportion of residents who are Chinese. A large proportion of Box Hill's population speak a form of Chinese language at home, with 30% speaking Mandarin, and 10% speaking Cantonese. Almost half of all residents in Box Hill are Chinese having almost doubled from a decade ago. This growth has been prominent in recent years, with a large retail and dining precinct being influenced by the Chinese culture.

HISTORIC & FORECAST POPULATION

Box Hill



Source: ABS, SaFi, Urbis








CHINESE ANCESTRY

Box Hill



Source: ABS, Urbis

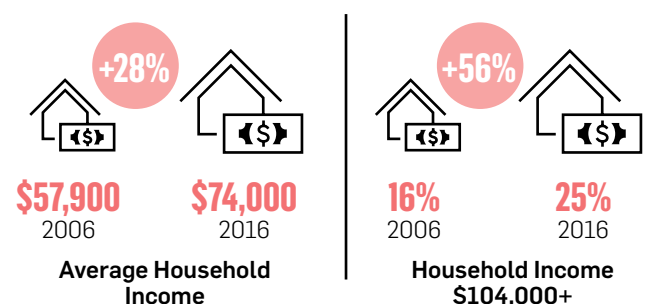
WHO LIVES IN BOX HILL?

	Box Hill	Greater Melbourne
 % Aged 20-34	39%	24%
 % Born Overseas	62%	36%
 % Flat. Unit or Apartment	41%	15%
 % Chinese Ancestry	46%	8%
 Resided Elsewhere 5 Years Ago	61%	43%
 Tertiary Education	16%	8%
 White Collar Professionals	77%	72%

Source: ABS, Urbis

HOUSEHOLD INCOME GROWTH

Box Hill



Source: ABS, Urbis

CHINESE LANGUAGES SPOKEN

Box Hill

Language	2006	2016
Mandarin	15%	30%
Cantonese	11%	10%
Other	1%	3%
Chinese Language – Total	27%	43%

Source: ABS, Urbis

INFRASTRUCTURE & INVESTMENT

Box Hill and its neighbouring suburbs will be bolstered by over \$16.5 billion worth of infrastructure projects that will assist the suburb's continuing growth.

Significant infrastructure investment in Box Hill and nearby suburbs will continue to support Box Hill's economic and social growth.



THE NEW CHINATOWN

Est. Completion 2022 - \$450 Million

Melbourne's second Chinatown is expected to include 10,000 sq.m of retail and commercial space, a childcare centre, a Chinese language school and a "Hawker Hall" style basement comprising approx. 4,000 sq.m of traditional street-style offerings. The project will emphasise the cultural diversity in Box Hill whilst providing economic, social and cultural benefits.



BOX HILL REDEVELOPMENT (Proposed)

Vicinity Centres is anticipated to redevelop Box Hill Central into a mix-used driven precinct to match the population growth of Box Hill. Catering to a large Asian community, Box Hill Central straddles two precincts with capacity for a 300,000 sq.m expansion.



WESTFIELD DONCASTER (Approved) - \$500 Million

Located 4 kilometres North of Box Hill, Westfield Doncaster has recently had approval for a \$500 million expansion. This will add an additional 43,000 sq.m of retail to make Westfield Doncaster one of the largest shopping centres in the country.

TRANSPORT INVESTMENT



NORTH EAST LINK PROJECT

Est. Completion 2027 - \$16 Billion

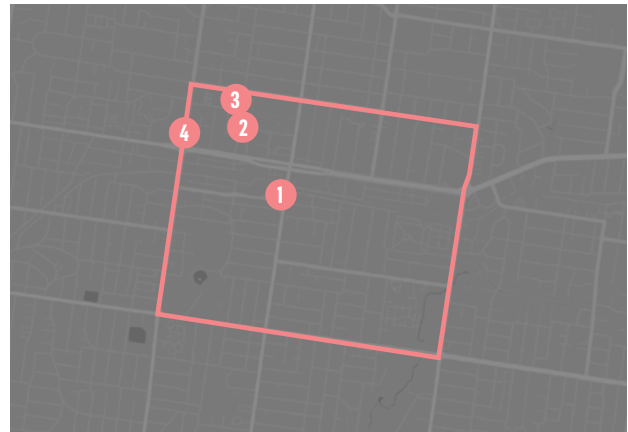
The Northeast Link project will connect the Eastern Freeway to the Metropolitan Ring Road. As the northern and south-eastern regions continue to grow, this connection will be crucial to reducing congestion and travel times.



BOX HILL TRANSPORT INTERCHANGE REDEVELOPMENT

Est. Completion 2024 - \$40 Million

The transport interchange redevelopment will increase accessibility and safety of passengers through additional pedestrian crossings and ramps. A bus route to Deakin University has also been introduced.



SUBURBAN RAIL LOOP (PROPOSED)

Est. Completion 2050 - \$50 Billion

The proposed Suburban Rail Loop is an underground rail link connecting Melbourne's middle suburbs. It will connect all major rail lines from east to west via Melbourne Airport, with a proposed stop at Box Hill. It is estimated that a trip from Box Hill to the airport could take just 25 minutes. Work on the first stage is expected to begin by the end of 2022.

HEALTHCARE INVESTMENT



EPWORTH HOSPITAL DEVELOPMENT

Est. Completion 2023 - \$50 Million

The development of a new hospital facility will include a new emergency department, 2 operating theatres, 75 overnight and rehabilitation patient beds and 20 consulting suites. The Peter MacCallum Cancer Centre will also be redeveloped.



BOX HILL HOSPITAL UPGRADES

Est. Completion 2019 - \$11 Million

Upgrades to Box Hill Hospital will include new Neurodiagnostic and Respiratory Clinics and an MRI and Nuclear Medicine facility.



NURSE TRAINING FACILITY

Est. Completion 2023 - \$100 Million

The Box Hill Institute is developing a high-quality nurse training facility and becoming the sole educational provider for the Epworth Eastern. The site comprises around 2,600 sq.m and will cater for the growing demand from the Epworth Eastern Hospitals.

EMPLOYMENT

With 37% of Box Hill's working population employed by healthcare industries, Box Hill has become a major satellite city in Melbourne's east.

Recognised as both a Metropolitan Activity Centre (MAC) and Education/Health Precinct by The Victorian Government, Box Hill plays a significant role as an employment hub. The healthcare industry employs 37% of the current worker population of Box Hill.

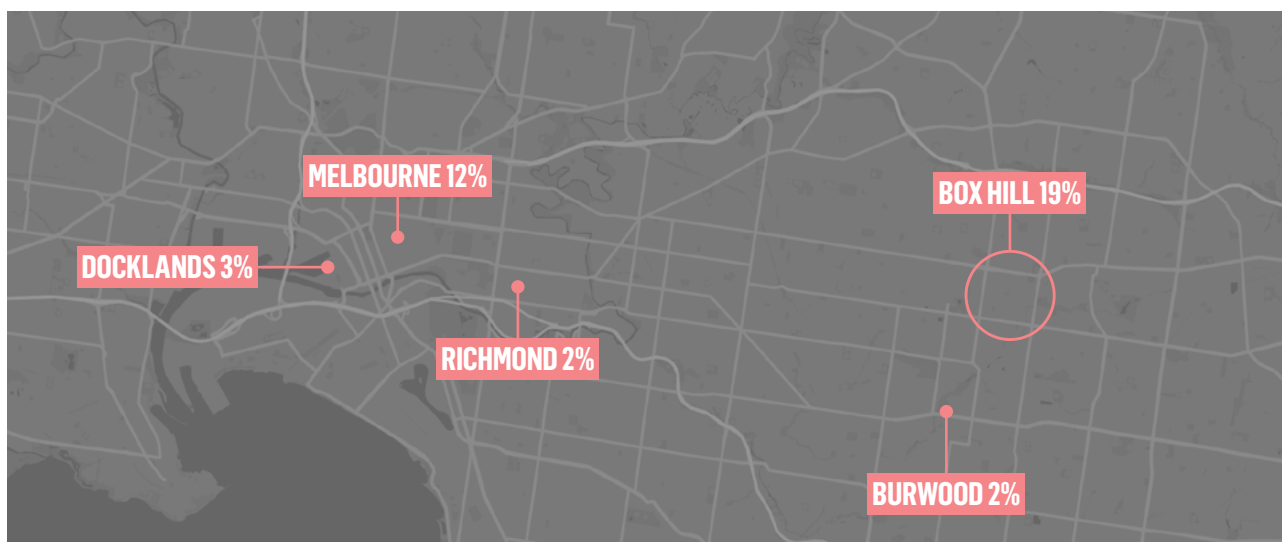
Box Hill has a high level of job containment, with 19% of the working population residing within the suburb. With surrounding suburbs on average containing only 12% of residents, Box Hill remains a self-sufficient employment hub.

For residents that decide to travel for work to the CBD, the availability of public transport is a highlight.

Based on employment projections from the State Government's strategic growth plan, Plan Melbourne, it is anticipated that the Eastern Region of Melbourne will see an additional 68,000 jobs by 2031. Key industries that will experience growth include Retail Trade, Healthcare, Education and Professional Services.

TOP 5 EMPLOYMENT LOCATIONS

% of Employed Box Hill Residents









Source: ABS, Urbis

Note – Localities are defined as Statistical Area Level 2.

KEY INDUSTRIES OF EMPLOYMENT

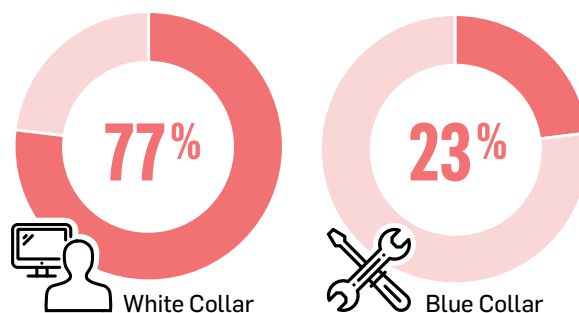
Box Hill Suburb

Industry	%
 Healthcare	37%
 Public Administration	12%
 Professional Services	8%
 Retail Trade	6%
 Education	6%
 Administration Services	6%

Source: ABS, Urbis

KEY WORKFORCE

Box Hill



Source: ABS, Urbis

EDUCATION

Box Hill and its neighbouring suburbs are located in the City of Whitehorse which features 52 primary and secondary schools. With 38% of families within Box Hill having children and 34% of residents engaged in full or part time studies, these schools are ideal in location and provide a quality educational offering.

PRIMARY AND SECONDARY EDUCATION

The school zoning system allows residents to attend any of the three schools outside of the immediate suburb. There are three prominent schools located in Box Hill, one of which is Box Hill High School which falls within both the suburb and the catchment zone, where priority is given to residents living within zone. Box Hill High School provides an International Student Program catered specifically for international students in years 10-12 from a variety of areas including China, Hong Kong, Malaysia and Vietnam.

Box Hill is surrounded by a range of primary, secondary and tertiary educational opportunities, ideal for the student population which comprises 34% of residents.

TERTIARY EDUCATION

Box Hill also has tertiary education options, including the Box Hill Institute of TAFE which supports 40,000 to 60,000 students each year. Deakin University's Burwood Campus is also in proximity to the suburb and is one of Australia's leading public universities. The university is accessible by all modes of transport from Box Hill Station.

HOW TO GET TO BOX HILL INSTITUTE OF TAFE AND DEAKIN UNIVERSITY



Bus: 15 minute commute via routes 767 & 732



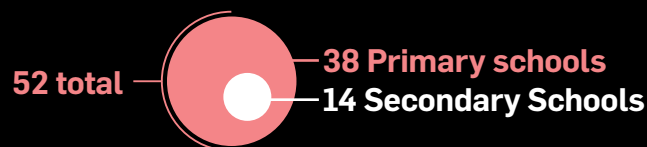
Car: 6 minute drive down Station Street



Bike: 11 minute bike ride down Station Street

Source: Department of Education and Training Australia.

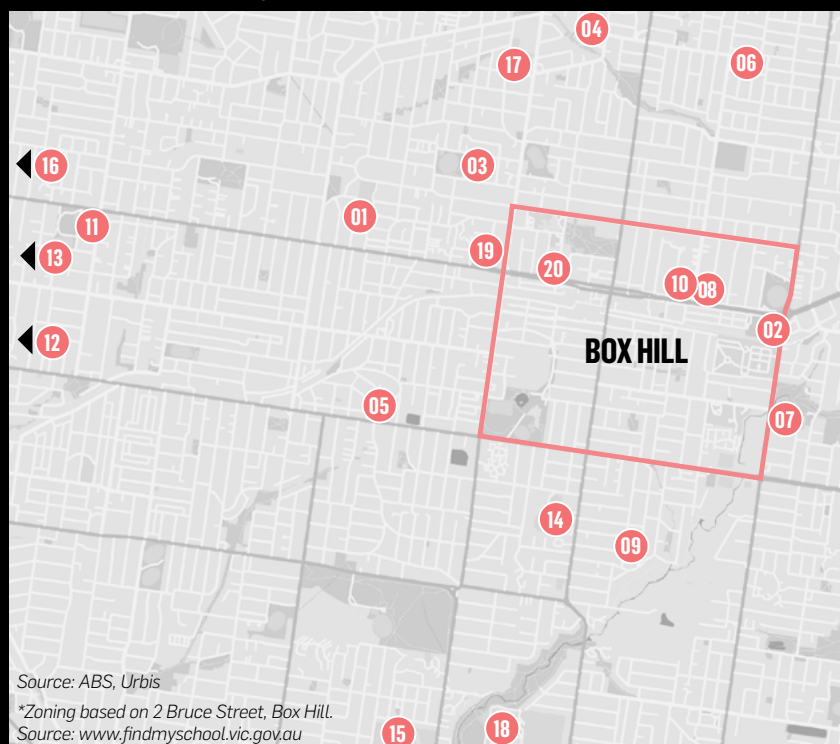
NUMBER OF SCHOOLS IN WHITEHORSE



Source: City of Whitehorse Council

PRIMARY AND SECONDARY EDUCATION

Box Hill and Surrounding Suburbs



Source: ABS, Urbis

*Zoning based on 2 Bruce Street, Box Hill.
Source: www.findmyschool.vic.gov.au

ZONED PRIMARY AND SECONDARY*

- 01 Mont Albert Primary School
- 02 Box Hill High School
- 03 Box Hill Senior Secondary College

SCHOOLS IN NEIGHBOURING AREAS

- 04 Box Hill North Primary School
- 05 Surrey Hills Primary School
- 06 Kerrimuir Primary School
- 07 Laburnum Primary School
- 08 Sir Francis Xavier Catholic Primary School
- 09 Roberts McCubbin Primary School
- 10 Our Lady of Sion College
- 11 Fintona Girls School
- 12 Camberwell Girls Grammar
- 13 Camberwell Grammar
- 14 Kingswood College
- 15 Presbyterian Ladies College
- 16 Genazzano College
- 17 Koonung Secondary College

TERTIARY AND TAFE

- 18 Deakin University - Burwood Campus
- 19 Box Hill Institute - Elgar Campus
- 20 Box Hill Institute - Nelson Campus

RESIDENTIAL MARKET

Box Hill is fast becoming an attractive residential destination for property purchasers, recording over 200 sales in the year to March 2019.

TRANSACTION VOLUME

A high volume of sales reflects upon the suitability of Box Hill as a suburb for apartment development. This is evident in Box Hill having experienced 63% more sales than the average of the surrounding suburbs in the year to March 2019. Key drivers supporting this market are local amenity, a variety of education options, good healthcare, retail amenity and employment opportunities.

MEDIAN PRICE

There is a substantial gap between the median price of units and houses in Box Hill. The median unit price is 68% more affordable than the median house price. For those with affordability as a key factor driving their purchasing decision, Box Hill presents well. Particularly given the economic principles that envelope the suburb.

AFFORDABILITY GAP

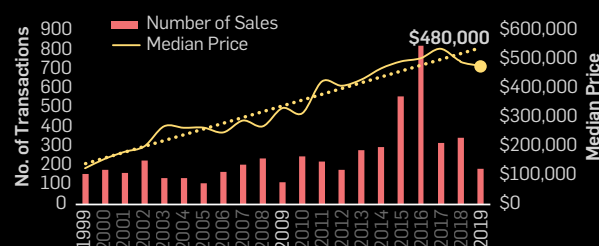
Box Hill Median Prices of Units and Houses - Year to March 2019



Source: APM PriceFinder, Urbis

MEDIAN PRICE & TRANSACTION VOLUMES

Units



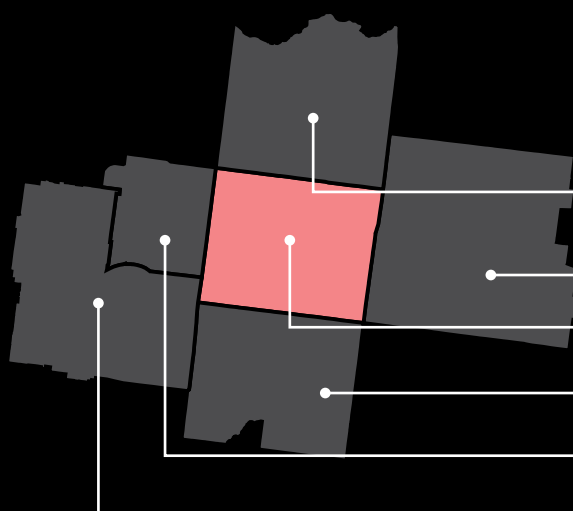
Source: APM PriceFinder, Urbis

SUBURB COMPARISON

Apartment/Units (Year to March 2019)

Suburb	No. of Sales (Year to Mar-19)	Avg Sales over last 5 years (p.a.)	Median Unit Price (\$)
Box Hill North	75	100	\$722,000
Blackburn	119	152	\$638,000
Box Hill	202	446	\$484,800
Box Hill South	74	75	\$717,250
Mont Albert	30	44	\$750,000
Surrey Hills	81	111	\$738,000

Source: APM PriceFinder, Urbis



RENTAL MARKET

Students, young professionals and medical workers continue to drive demand and absorption, creating a strong rental market for investors.

RENTAL MARKET

Box Hill has a strong rental market with 59% of the population renting - nearly double the Melbourne average of 31%. New apartment buildings have seen higher median rents in comparison to the market median across all product groups. One-bedroom apartments are achieving a median rent of \$395, 29% higher than the market median, indicating that these newer apartments achieve a premium.

Overall, median weekly rents have seen strong growth, with rents increasing by 5.3% for units in the year to March 2019. In comparison, Box Hill is outperforming Greater Melbourne's rental market for units, which has only seen a 2.4% increase over the same period.

RENTAL YIELD


Box Hill recorded an indicative gross rental yield of 4.3%, performing stronger in comparison to its neighbouring suburbs and the Melbourne average (4.0%). Surrounding suburbs experience rental yields ranging from 3.1%-3.6%, cementing Box Hill as a favourable rental market for investors.

RENTAL CONTRACT GROWTH

New rental contracts submitted have grown considerably over the past decade in Box Hill, growing by an annual rate of 9% for one bedroom apartments, 12% for two bedroom apartments and 9% for three bedroom apartments. This growth is a by-product of the increasing volume of supply to match the market's strong demand for apartments and a preference for renting in the area.

INDICATIVE GROSS RENTAL YIELD

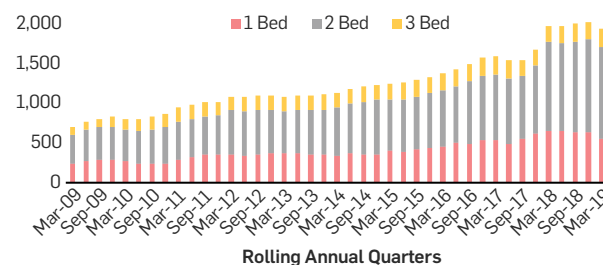
Box Hill (Apartment/Unit) – March 2019

	Box Hill 4.3%
Box Hill North 3.2%	Mont Albert 3.1%
Box Hill South 3.6%	Surrey Hills 3.2%
Blackburn 3.3%	Greater Melbourne 4.0%

Source: DHS, Urbis

RENTAL CONTRACT VOLUME – APARTMENT/UNIT

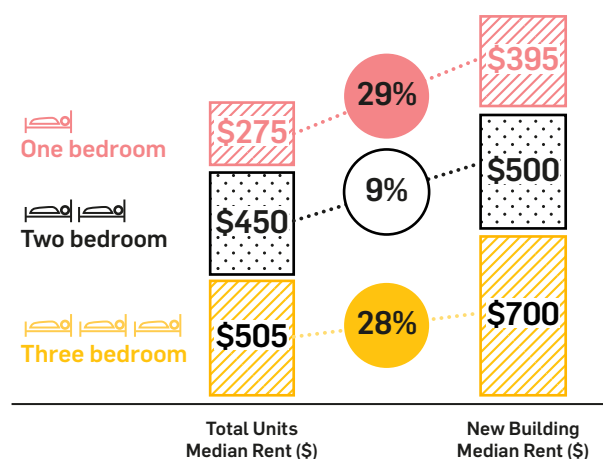
Box Hill



Source: DHS, Urbis

MARKET MEDIAN WEEKLY UNIT RENTS VS NEW BUILDINGS – YEAR TO MARCH 2019

Box Hill



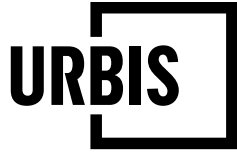
Source: DHS, Urbis

MEDIAN RENT GROWTH FOR UNITS

Year to March 2019



Source: APM Price Finder, Urbis



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