



Melbourne Residential Overview

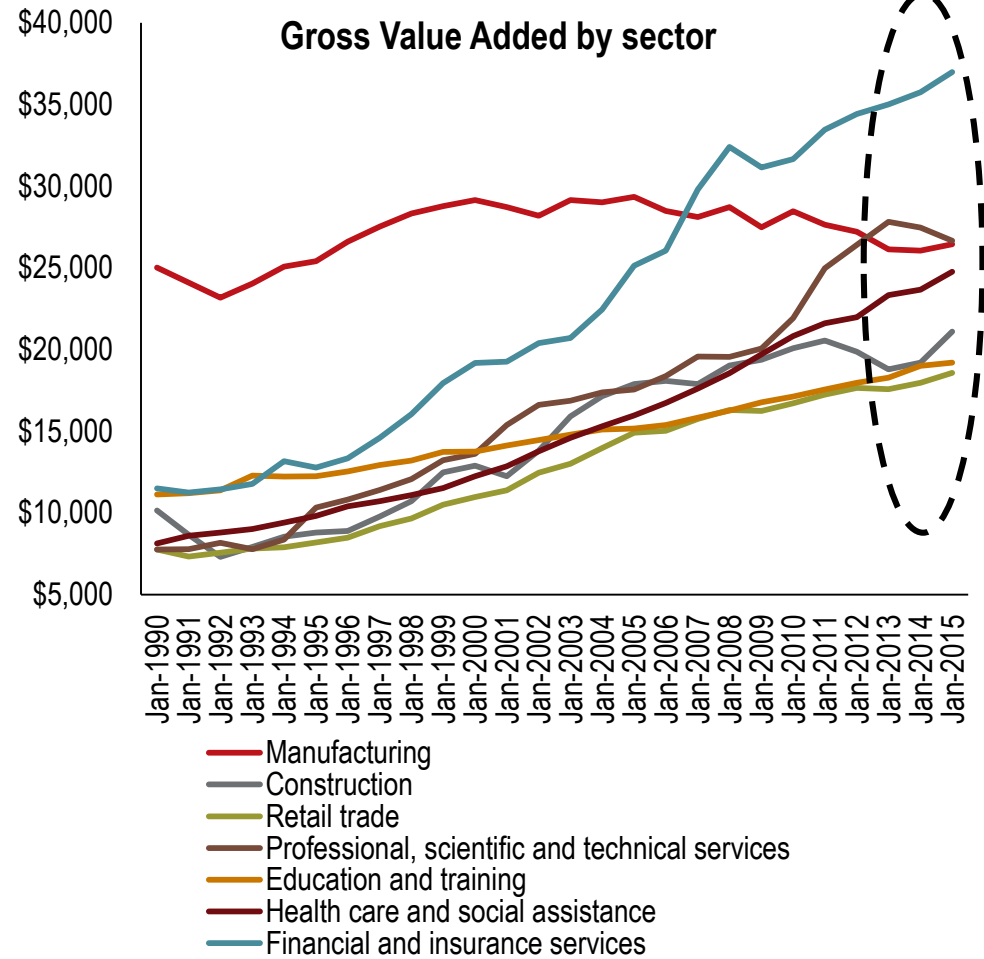
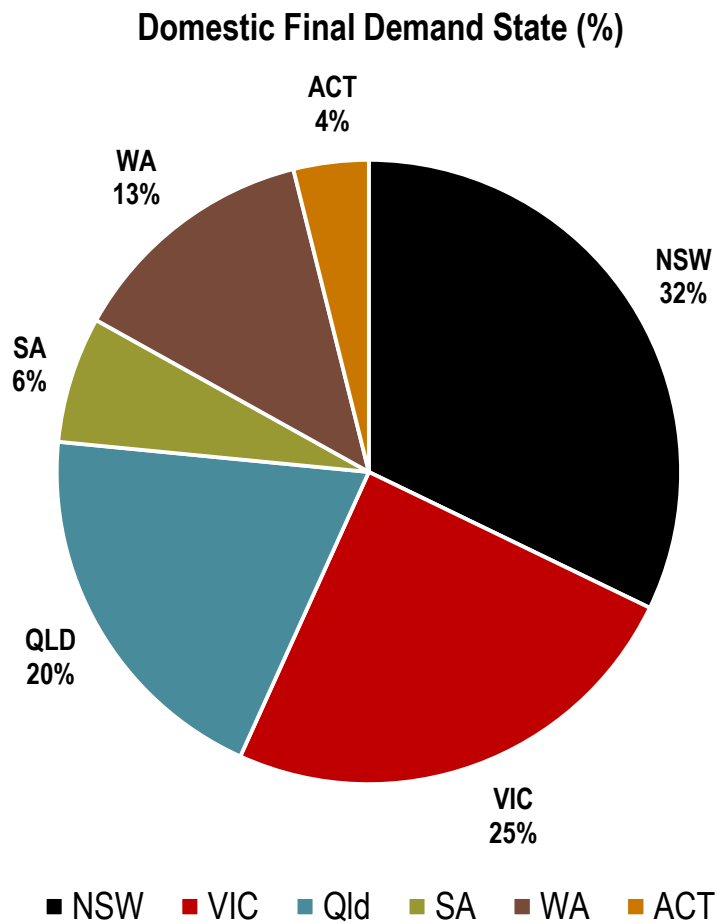
Annabel McFarlane

Anthony Ferraro

November 2016

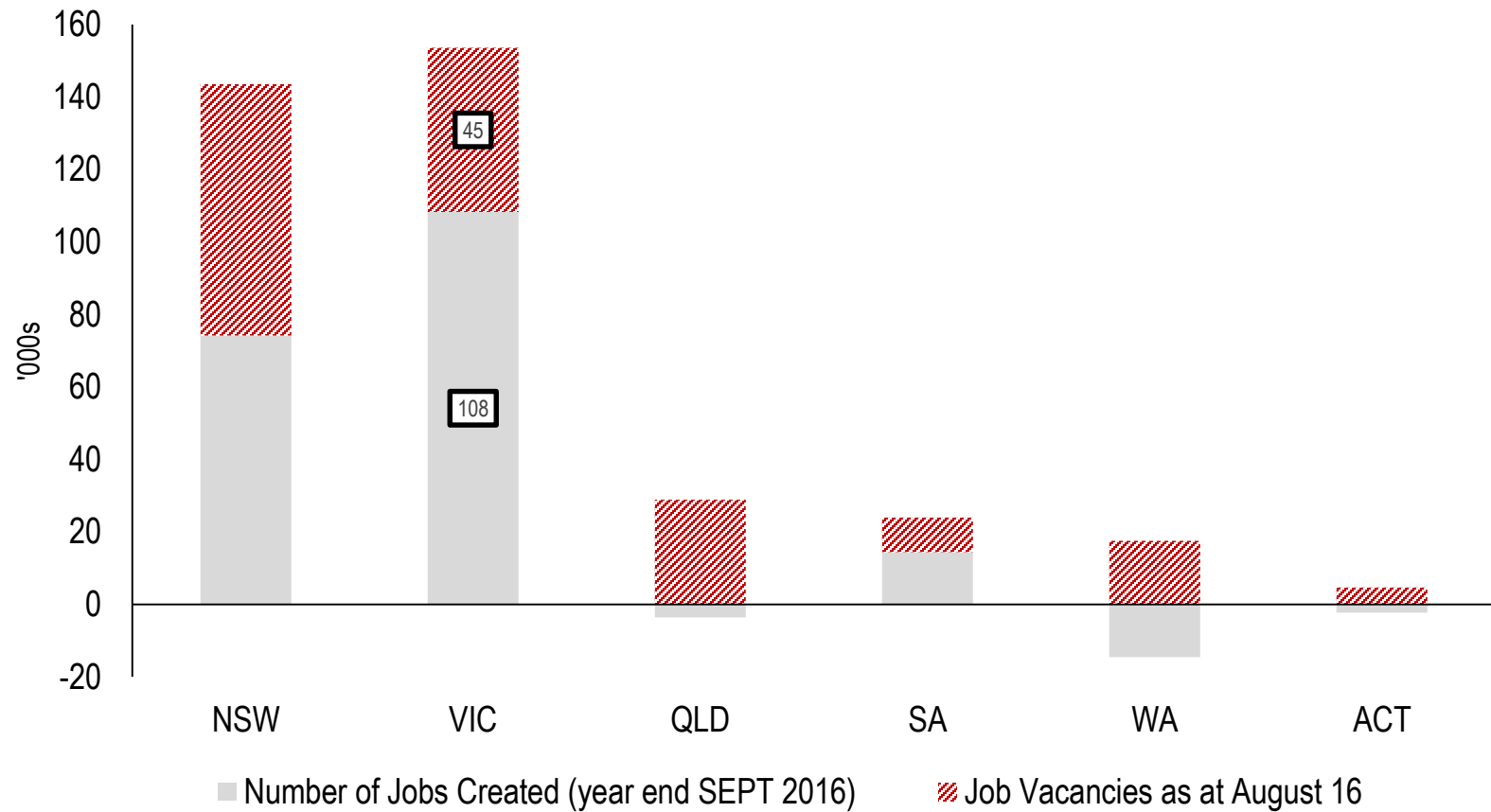
A strong and diverse economy

Victoria State Final Demand increased 4.0% in the year to June 2016, outperforming all other states



Highest number of full time jobs created

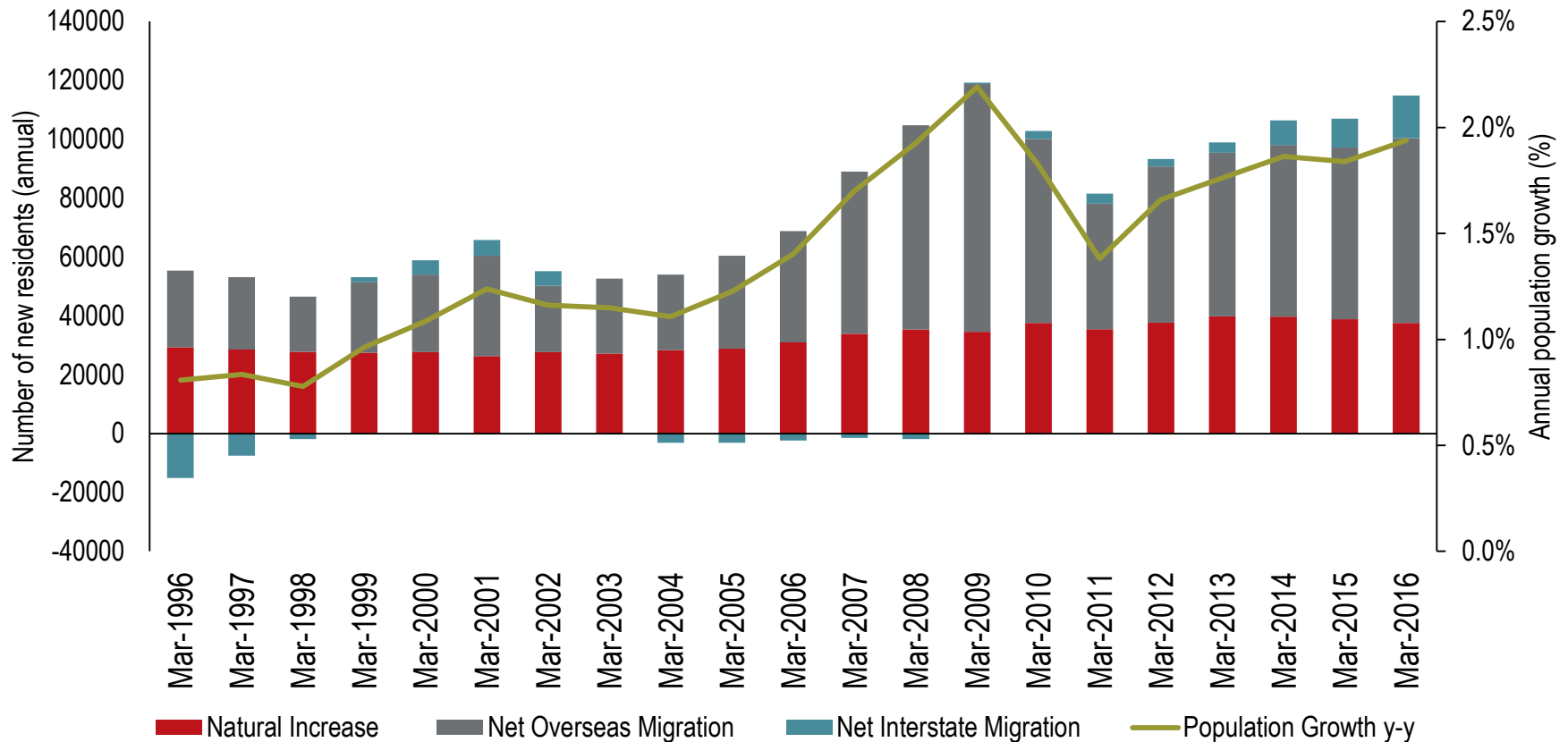
Jobs created and job vacancies in Australia August 2016



Source: JLL Research, ABS

Victoria is Australia's fastest growing state (+ 1.9% p.a)

Components of population growth

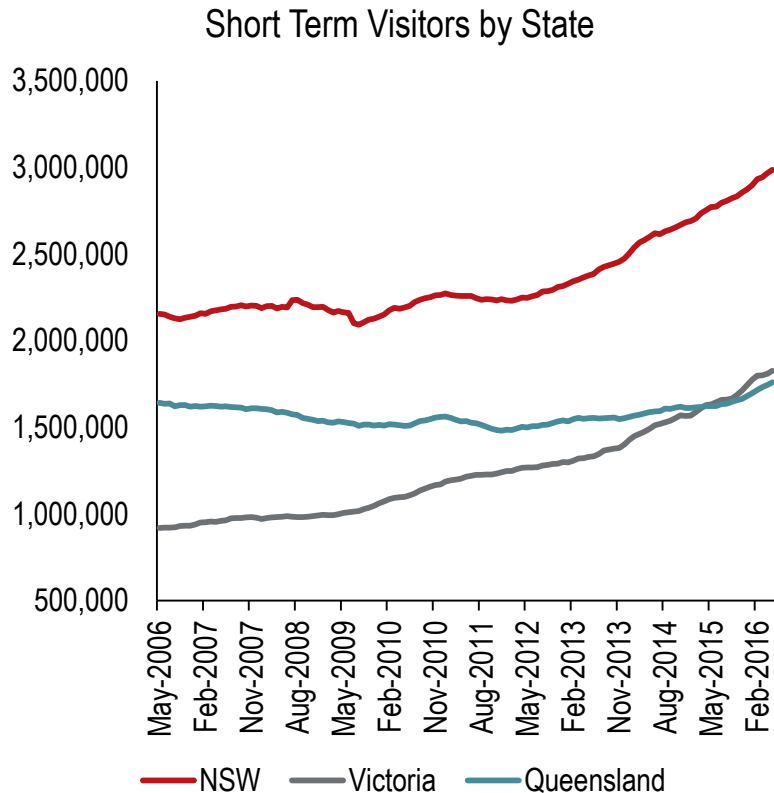


The ABS Forecasts Greater Melbourne's population to increase by an average of 107,000 new residents per year from 2016-2030, to overtake Sydney at 6.12 million as Australia's largest city

Source: JLL Research, ABS

Melbourne -2.3 million visitors in 2015

International visitor numbers increased 14% in Melbourne in 2015, above 12.9% in Brisbane and 6.3% in Sydney



Source: Tourism Australia

The world's most liveable city for the 6th consecutive year

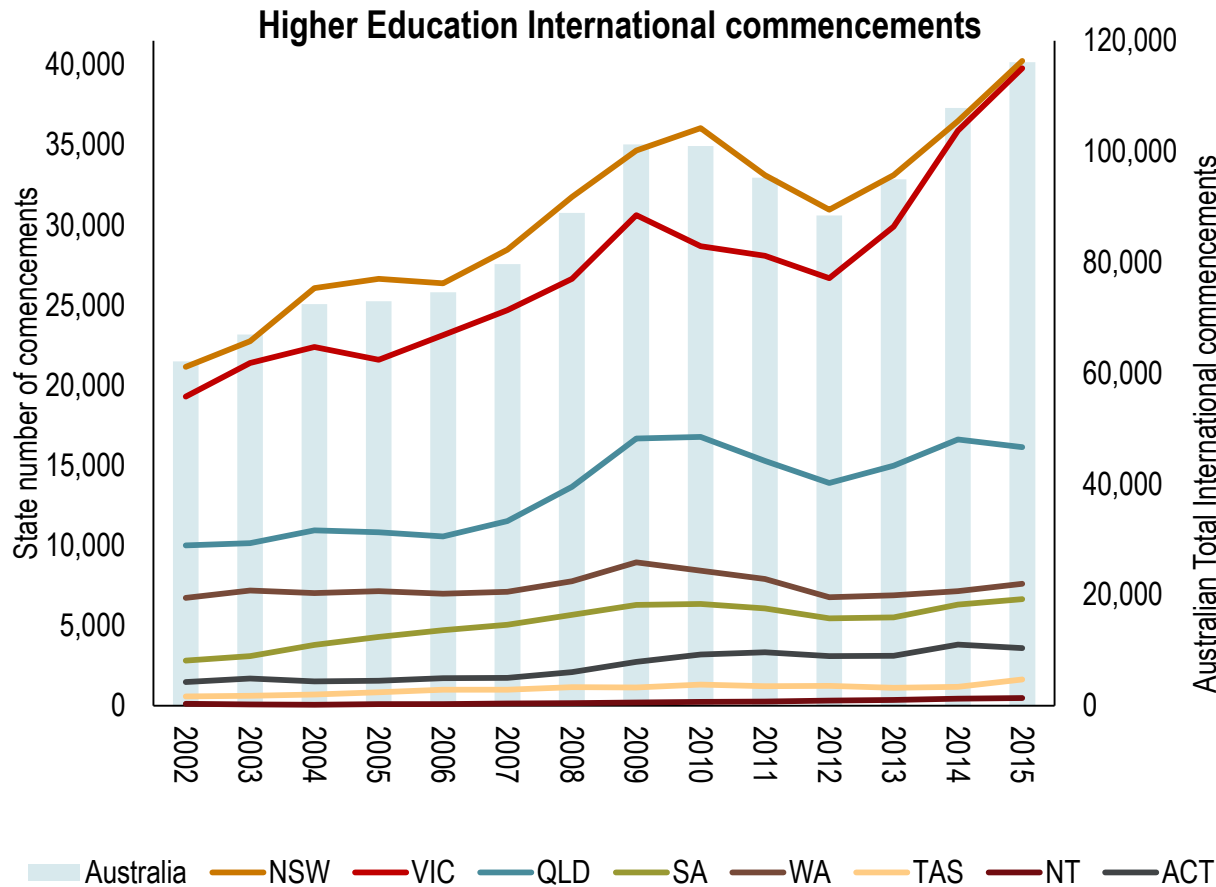
A hub for education, infrastructure, healthcare, stability and environment

- Infrastructure
- Education
- Healthcare
- Stability
- Environment



Victoria's international student enrolment numbers

110,420 international students (commenced in 2015)



All education commencements	VIC
Chinese commencements of (YTD 2015) – all educational commencements	29% 31,500



Source: Australian government department of education and training

Innovation themes

Monash Precinct: The Monash Employment cluster

Concentration of leading education, health and research facilities

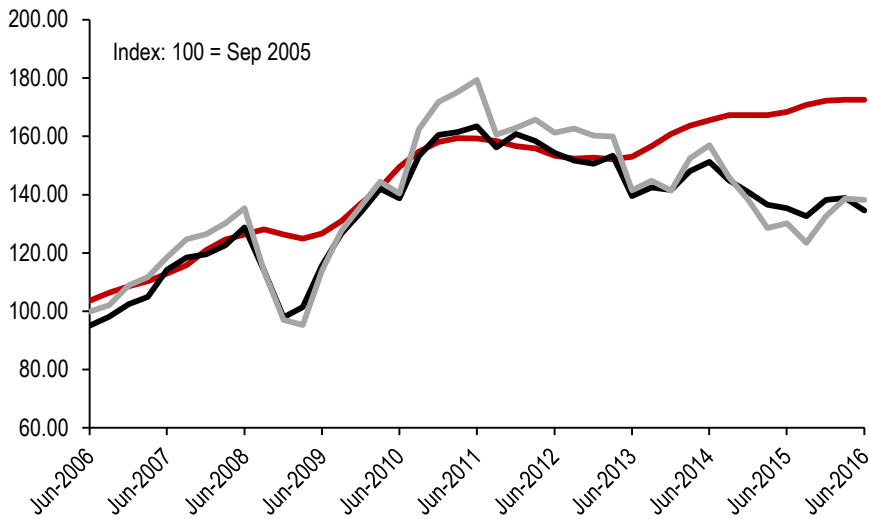
- Monash University:
 - Australia's largest university
 - Group of 8
 - Top 5 ranking in Australia
 - Top 50 in the world for clinical and pre-clinical health and engineering and technology
- Australian Synchrotron and CSIRO's largest site in Victoria.
- New Monash Children's Hospital at Clayton, to be completed in early 2017

Occupier	Address	Fortune 500		Sector
		Rank / ASX /	Origin	
Johnson & Johnson	6-8 Compark Circuit, Mulgrave	37 US	US	Pharmaceuticals
Bristol-Myers Squibb	4 Nexus Court, Mulgrave	195 US	US	Pharmaceuticals
Lockheed Martin	307 Ferntree Gully Road, Mount Waverley	64 US	US	Aerospace and Defence.
General Cable	205 Forster Road & 501 Blackburn Road, Mount Waverley	443 US	US	Electronics and Electrical
QBE	540 Springvale Road, Glen Waverley	ASX	AUS	Insurance
MYOB	235 Springvale Road, Glen Waverley	ASX	AUS	Accounting Software
Lycopodium Limited	245 Wellington Road, Mulgrave	ASX	AUS	Engineering
Godfreys	540 Springvale Road, Glen Waverley	ASX	AUS	Retail
McPherson's	540 Springvale Road, Glen Waverley	ASX	AUS	Consumer retail

Melbourne offers relative affordability

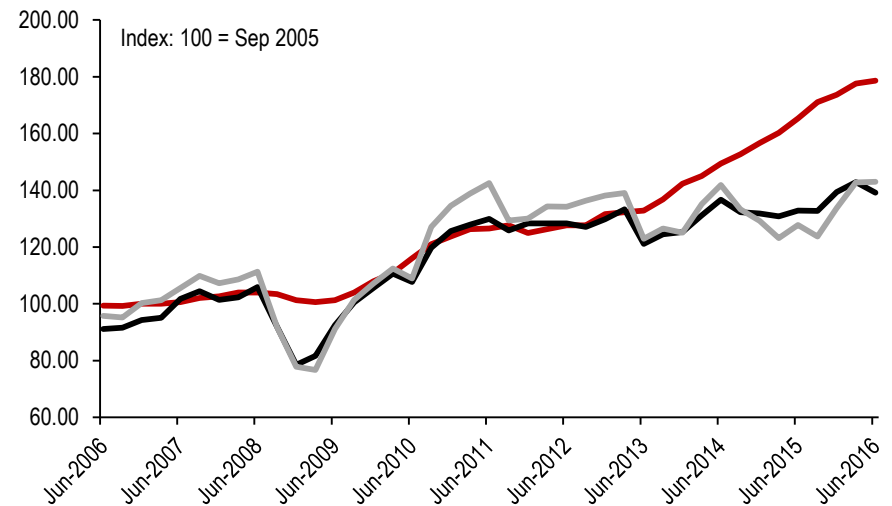
-23% cheaper for a Chinese buyer to buy a Melbourne apartment today than it was 5 years ago, compared to 0.32% for the average Sydney apartment

Greater Melbourne



	% change price from 2Q14
AUD	+4.3%
SGD	-11.1%
CNY	-12%

Greater Sydney



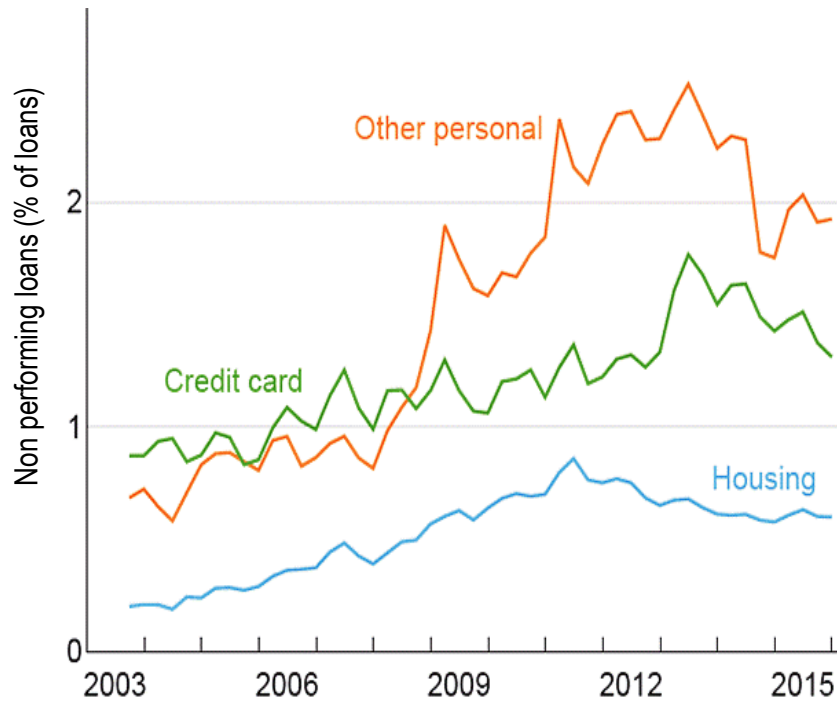
	% change price from 2Q14
AUD	+19.5%
SGD	+1.9%
CNY	+0.9%

Source: JLL Research

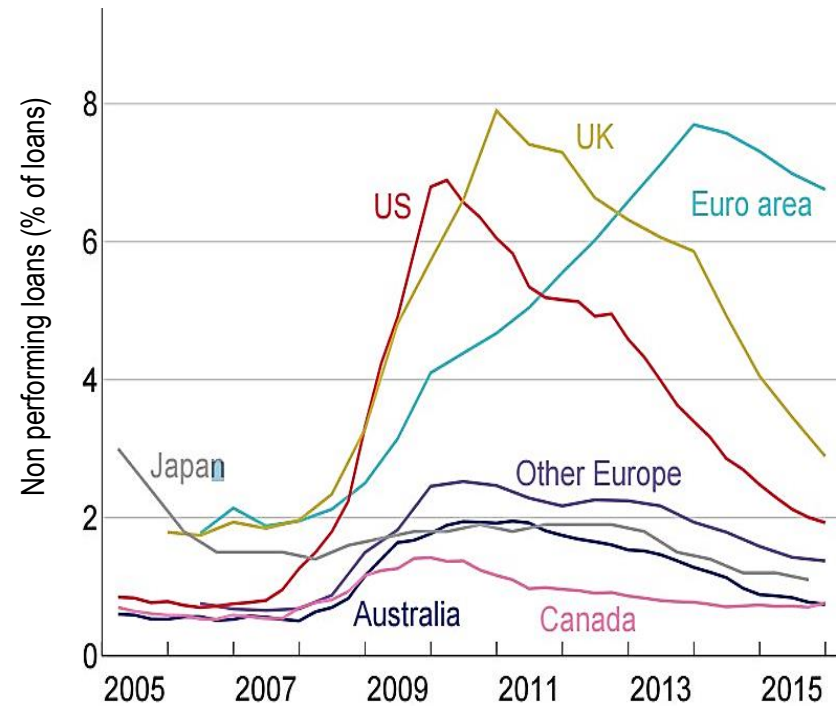
Low interest rate environment good for loan books

Large banks non-performing loan rate by type

Non-performing loans



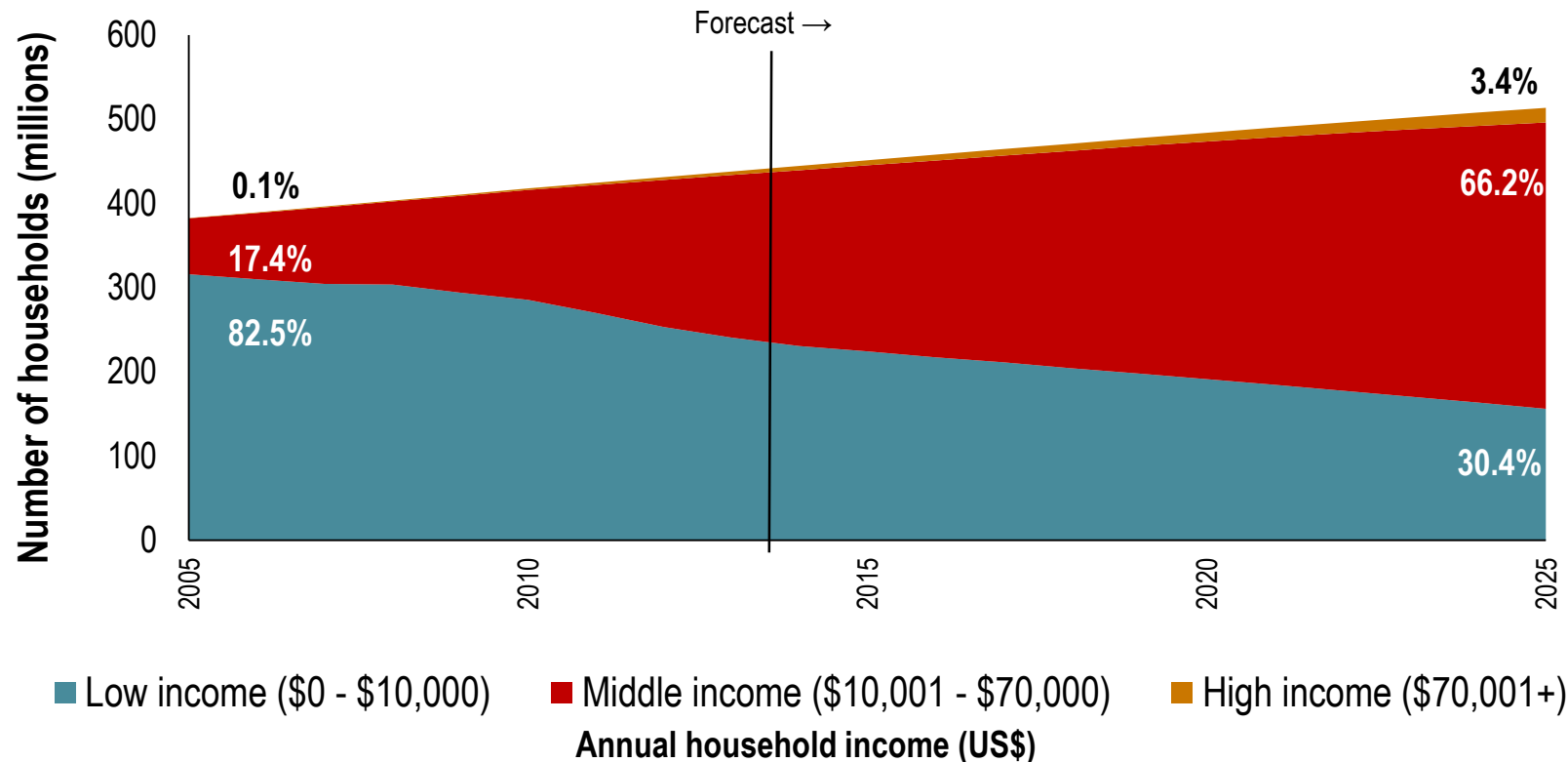
International comparison



Source: APRA, RBA

Chinese HNWI to drive residential and retail

Chinese household income by category, constant 2012 \$US prices



High – 0.41 million
Middle – 66.40 million
Low – 315.72 million

High – 4.04 million
Middle – 192.93 million
Low – 240.70 million

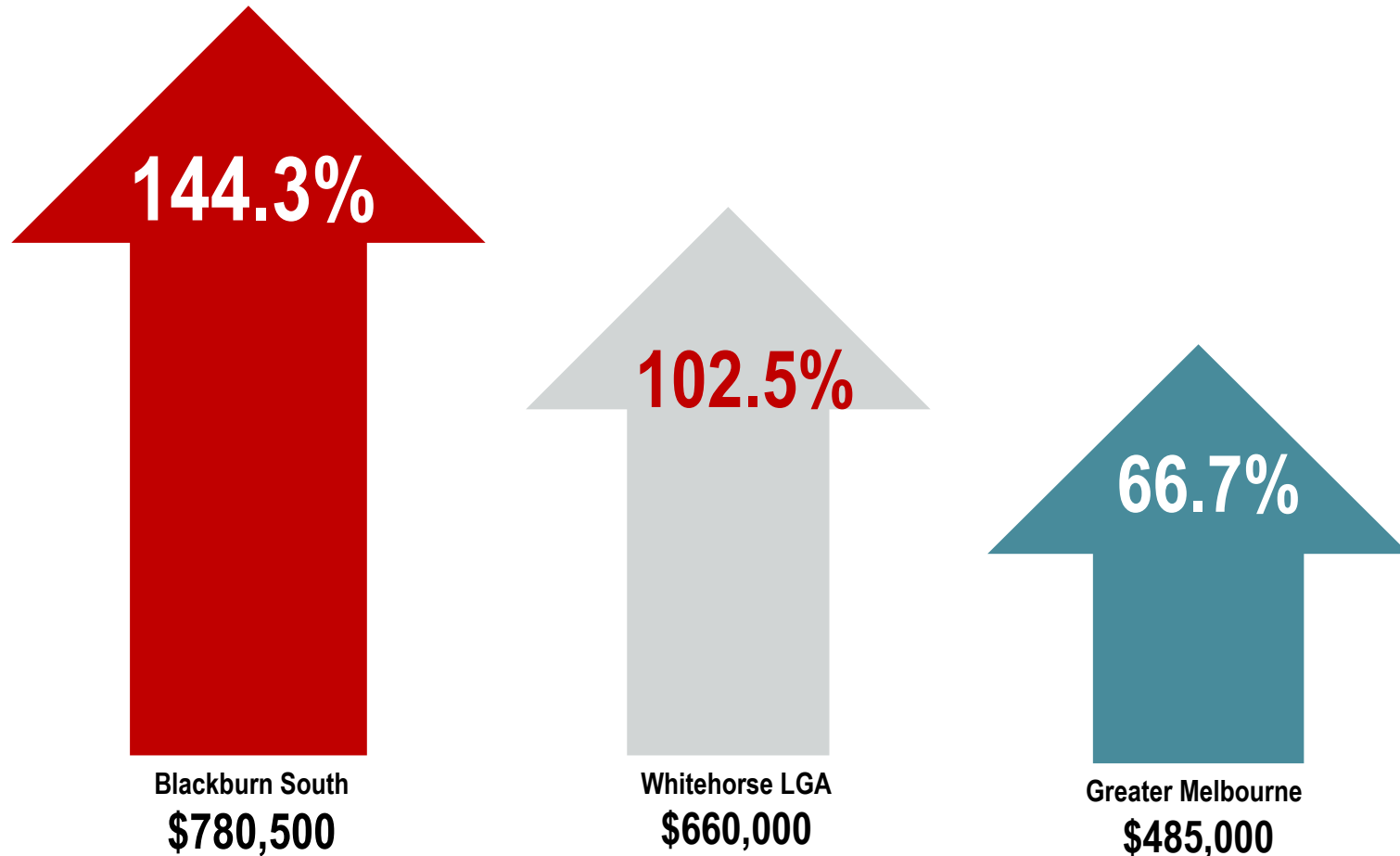
High – 17.43 million
Middle – 339.90 million
Low – 156.09 million

Source: JLL Research, Oxford Economics, National Bureau of Statistics China

Blackburn South

Apartment Price growth over the past decade

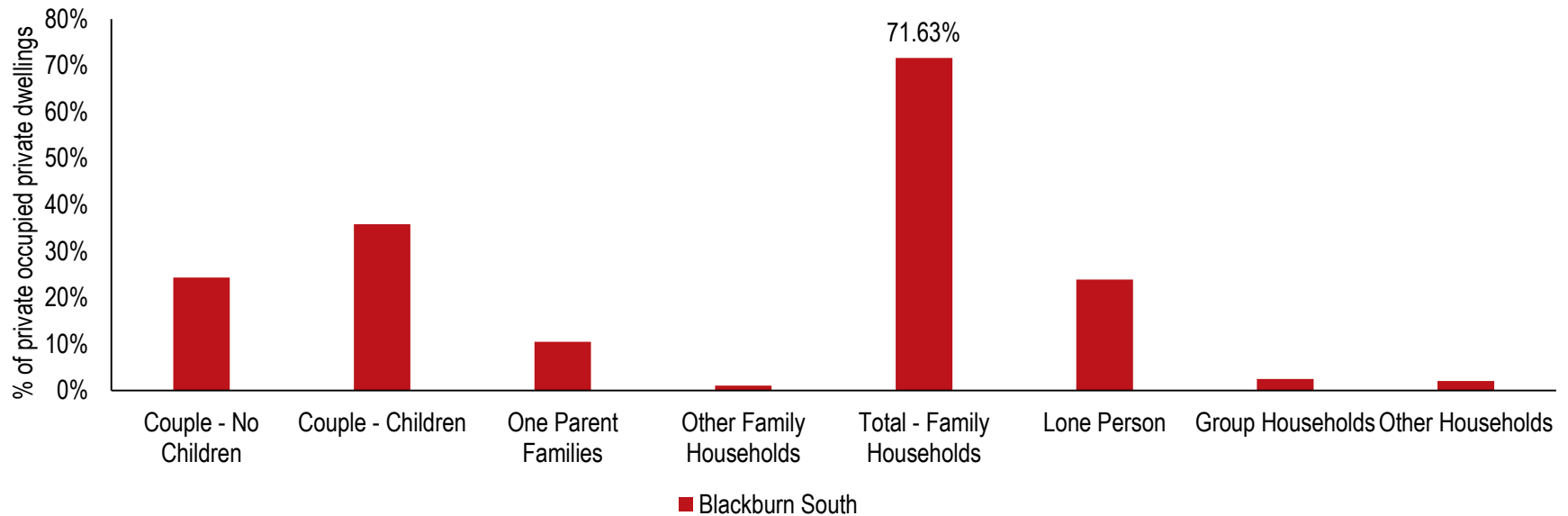
Blackburn South median unit price in the 10 years to June 2016 has increased from \$317 K → \$780.5K



Source: CoreLogic RP Data

Blackburn South – A family community

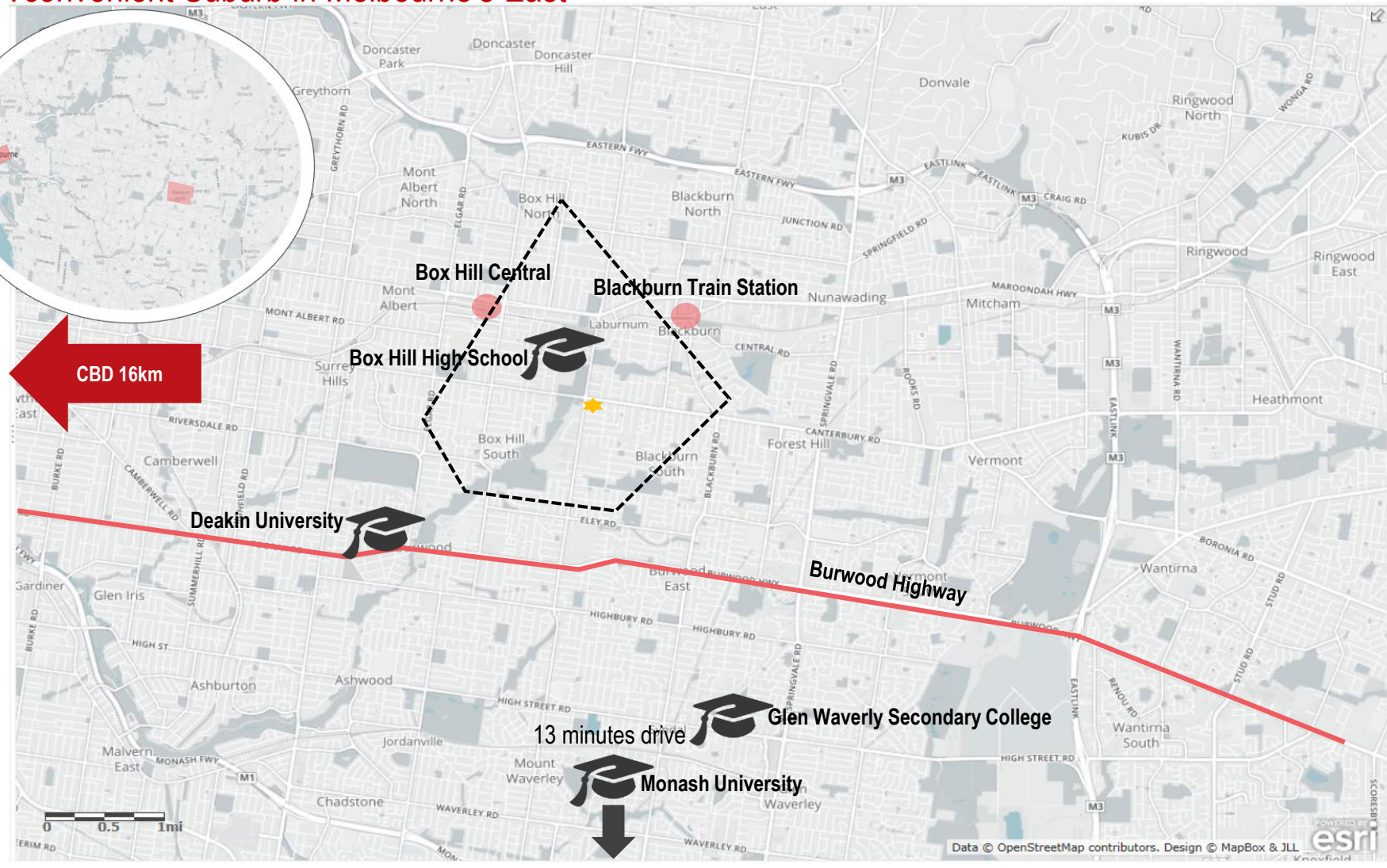
Household type - Number of Private Occupied private dwellings



- Close to the highly reputable school zone
 - Good medical facilities
 - Monash University
 - Box Hill Shopping Precinct
- Close proximity to transport nodes

Blackburn South / Blackburn

A convenient Suburb in Melbourne's East





Annabel McFarlane

Associate Director
Strategic Research - Victoria
+61 3 9672 6683
annabel.mcfarlane@ap.jll.com

Thank you



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