

MARKET OUTLOOK

MORDIALLOC

Low vacancy rates, strong connectivity to transport infrastructure and a significant presence of local businesses and services will set the scene for further growth in Mordialloc's industrial sector.

02

Location & Amenity,
Infrastructure

03

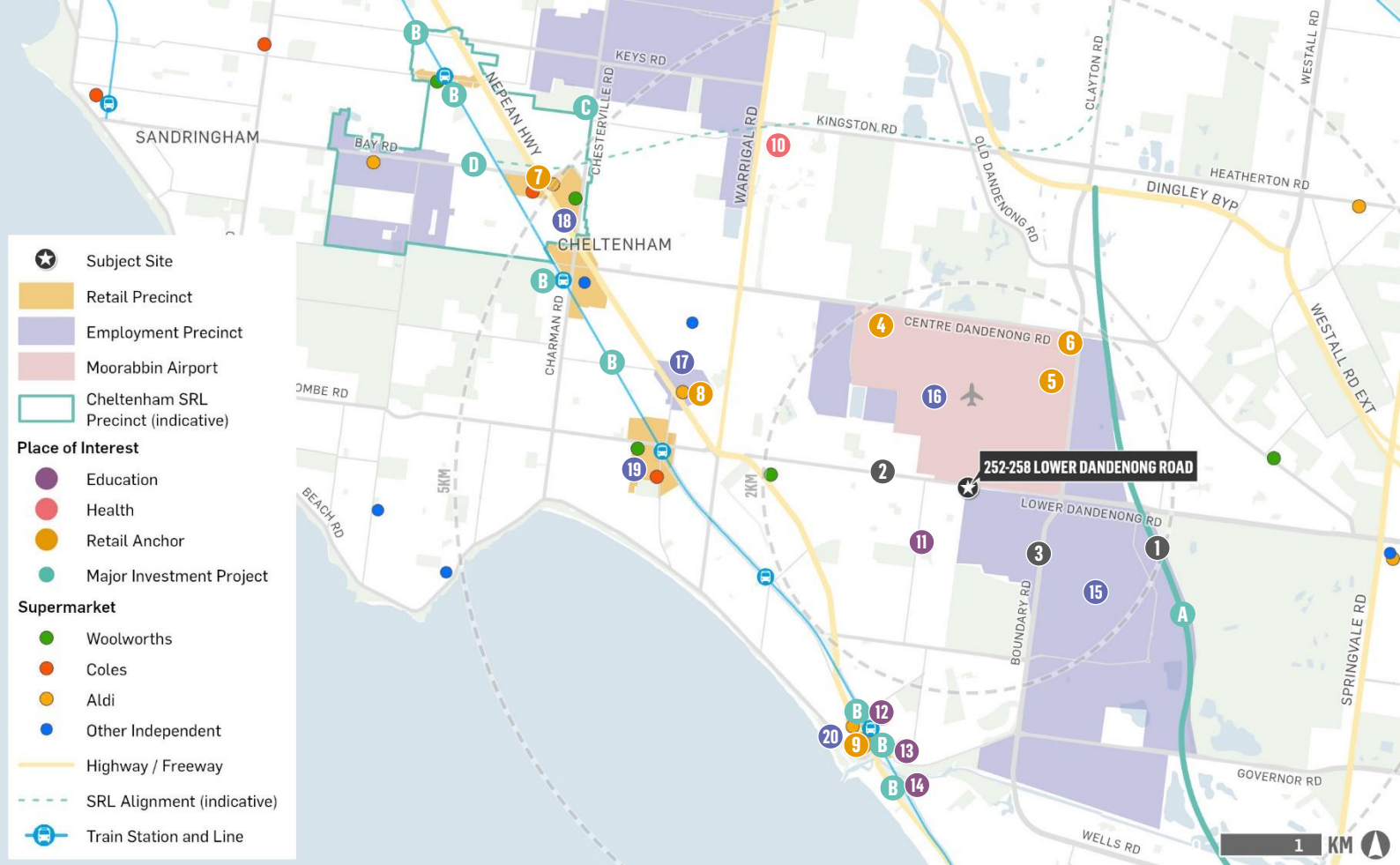
Population,
Demographics &
Businesses/Services

04

Industrial Market
Overview & Recent
Market Evidence



Prepared exclusively for
Brix Property Group
December 2024



As a business hub of regional significance, Mordialloc benefits from strong connectivity to existing and future infrastructure and a diverse range of services and amenities.

LOCATION & AMENITY



TRANSPORT & CONNECTIVITY

- 1 Mordialloc Freeway
- 2 Lower Dandenong Road
- 3 Boundary Road



RETAIL

- 4 DFO Moorabbin Airport
- 5 Costco Moorabbin
- 6 Decathlon Moorabbin
- 7 Westfield Southland
- 8 Bunnings Mentone
- 9 Mordialloc Plaza



HEALTH

- 10 Monash Health - Kingston Centre



EDUCATION

- 11 Mordialloc Secondary College
- 12 Parkdale Secondary College
- 13 Mordialloc Beach Primary School
- 14 St Brigid's Parish Primary School



BUSINESSES & SERVICES

- 15 Braeside Industrial Precinct
- 16 Moorabbin Airport Precinct
- 17 Mentone Centre
- 18 Cheltenham Major Activity Centre
- 19 Mentone Neighbourhood Activity Centre
- 20 Mordialloc Neighbourhood Activity Centre

MAJOR INVESTMENT PIPELINE

A

Mordialloc Freeway

\$50 Million | Completed 2021

The 9-kilometre freeway links the Mornington Peninsula Freeway to the Dingley Bypass, increasing Mordialloc's road efficiency.

B

Level Crossings Removal

\$531 Million | Est. completion 2026

The ongoing Level Crossing Removal projects including the Bear Street and McDonald Street removals will improve traffic flow for both residents and businesses.

C

Kingston Aquatic & Leisure Centre

\$87.5 Million | Est. completion 2026

Will include a 50-metre pool and other leisure facilities to serve local residents and workers.

D

Suburban Rail Loop East

\$34.5 billion | Est. completion 2035+

Linked via Cheltenham Station and the Frankston line, the wider Mordialloc region will benefit from improved accessibility to other key activity centres including Box Hill, Clayton and the wider Melbourne's East

Mordialloc enjoys convenient access to a sizeable and wealthy resident market across the wider South East region, and is serviced by a well-established local supply chain.

POPULATION

The Mordialloc area has a sizeable population base of just under 22,000 as per the latest official statistics. This is forecast to grow further at a steady pace of 1% over the next decade or so, reaching around 25,000 by 2036. This growth is expected to be supported by higher density residential developments.

HISTORICAL & FORECAST POPULATION

▼ Mordialloc*			
2023	2036	Total growth	Annual growth
21,900	25,000	+3,100	+1.0%
▲ City of Kingston			
163,700	183,600	+19,900	+0.9%

* Based on the Mordialloc-Parkdale Statistical Area Level 2 (SA2)
Source: ABS; VIF 2023; Urbis

DEMOGRAPHICS

According to the latest ABS 2021 Census, and compared with the Greater Melbourne benchmark, residents in and around Mordialloc are underpinned by the following demographic characteristics:

- Higher household and per capita income levels
- This is reflective of the more established nature of the area where residents are slightly older
- Low unemployment rate
- Higher home ownership (i.e. higher proportion of homes owned outright); and
- Higher representation of residents in white collar occupations

WHO LIVES IN MORDIALLOC?

	Mordialloc*	City of Kingston	Greater Melbourne
Average Household Income	\$145K	\$129K	\$128K
Average Per Capita Income (15+)	\$65K	\$57K	\$55K
Average Age	41	41	38
Unemployment Rate	4.0%	5.4%	5.3%
Home Owned Outright	34%	36%	31%
White-Collar	81%	76%	74%

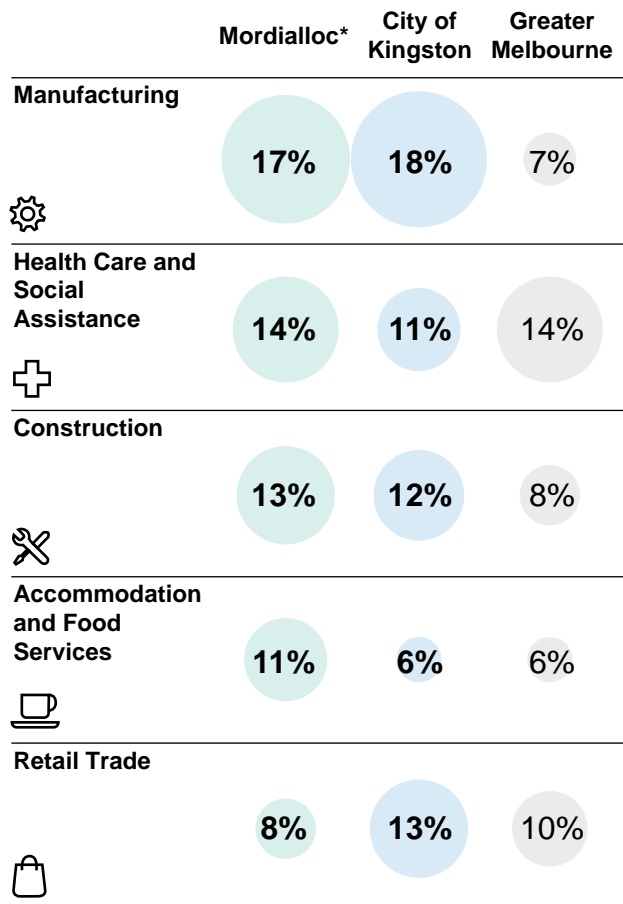
* Based on the Mordialloc-Parkdale Statistical Area Level 2 (SA2)
Source: ABS Census 2021; Urbis

BUSINESSES & SERVICES

The Mordialloc area plays a critical role as a regionally significant business hub. Dedicated employment precincts such as the Braeside Industrial Precinct, Moorabbin Airport Precinct and a number of major/neighbourhood activity centres (refer page 2) support a substantial critical mass of local businesses and services. Key local industries include manufacturing, building construction, healthcare, hospitality, retail, etc (table below). These businesses have continued to expand in recent years, as evidenced by the robust growth in local jobs (lower table), providing services to the large local resident population base while at the same time supporting new businesses via the well established local/regional supply chain.

TOP 5 INDUSTRY OF EMPLOYMENT

% Total Jobs



EMPLOYMENT GROWTH

▼ Mordialloc*			
2016	2021	Total growth	Annual growth
6,190	7,350	+1160	+3.5%
▲ City of Kingston			
73,840	83,750	+9,910	+2.6%

* Based on the Mordialloc-Parkdale Statistical Area Level 2 (SA2)
Source: ABS Census 2021; Urbis

The Mordialloc industrial market is uniquely poised for continued growth, bolstered by a mere 0.8% vacancy rate. The region's persistent demand for industrial/commercial space is evident in the growth of rents and sales prices in recent period.

INDUSTRIAL RENTAL MARKET

Average comparable rents in the region reached around \$200 per sq.m, underpinned by the low vacancy of under 1% currently prevailing in the market. Rents in the region have performed strongly, growing by around 5% per annum between 2018 and 2024.

Low vacancy and competitive rents also indicate the potential for strong return on investment.

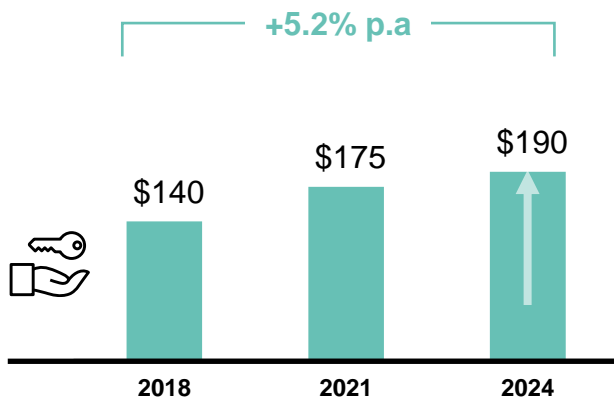
INDUSTRIAL SALES PERFORMANCE

Sales prices for comparable warehouses in South East region grew by 4% between 2018 and 2024. Kingston outperformed many surrounding municipalities including Greater Dandenong and Knox.

Recent transactions indicate an average sales price in the range of \$4,000-\$5,000 per sq.m, in line with the regional trends.

RENT & GROWTH – WAREHOUSES

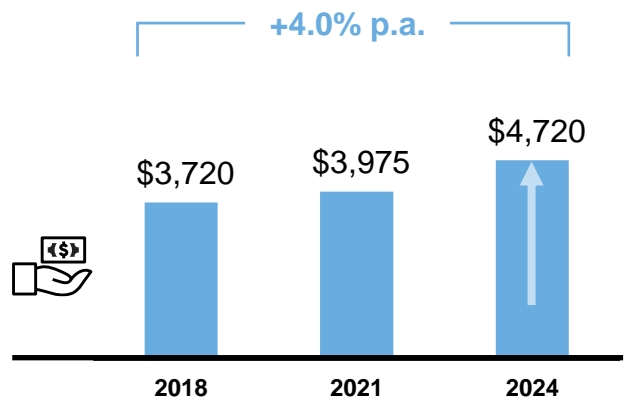
Year to June – South East Region



Note: data for comparable rents. Source: RP data, Urbis

SALES PRICES – WAREHOUSES

Year to June – South East Region



Note: data for comparable sales. Source: RP data, Urbis

RECENT MARKET EVIDENCE



5/309 Boundary Road, Mordialloc

Unit Leased for a 2-year Term at ~\$27,200 Annual Rent

Leasing History

Apr-22	155 sq.m	\$175 per sq.m	
Dec-11	155 sq.m	\$110 per sq.m	

Source: RP Data; Arealytics; Urbis



1/13-17 Spray Avenue, Mordialloc

59% growth in value over a 4-year timeframe

Transaction History

Apr-24	\$880,000	\$3,520 per sq.m	
Jan-20	\$555,000	\$2,220 per sq.m	

RECENT MARKET EVIDENCE (CONT'D)



5/34 Havilland Road, Mordialloc

8.1% p.a. growth in value over a 22-year timeframe

Transaction History

2024	188 sq.m	\$3,457 per sq.m	
2002	188 sq.m	\$622 per sq.m	



45 Malcolm Road, Braeside

15.7% p.a. growth in value over a 9-year timeframe

Transaction History

2024	940 sq.m	\$3,000 per sq.m	
2015	940 sq.m	\$936 per sq.m	



33 Boundary Road, Mordialloc

8.5% p.a. growth in value over a 19-year timeframe

Transaction History

2024	270 sq.m	\$4,333 per sq.m	
2005	270 sq.m	\$926 per sq.m	



3A Heland Place, Braeside

6.8% p.a. growth in value over a 9-year timeframe

Transaction History

2024	325 sq.m	\$3,169 per sq.m	
2015	325 sq.m	\$1,754 per sq.m	



25 Boundary Road, Mordialloc

6.2% p.a. growth in value over a 19-year timeframe

Transaction History

2024	500 sq.m	\$2,498 per sq.m	
2005	500 sq.m	\$803 per sq.m	



6 Century Drive, Mordialloc

7.3% p.a. growth in value over a 21-year timeframe

Transaction History

2024	560 sq.m	\$2,723 per sq.m	
2003	560 sq.m	\$625 per sq.m	

Source: RP Data; Arealytics; Urbis

RECENT MARKET EVIDENCE (CONT'D)

Sale Date	Address	Suburb	Building Area (in sq.m)	Car Spaces	Sale Price (\$)	Rate (\$ / sq.m)
Apr-24	37/28-36 Japaddy Street	Mordialloc	125	2	530,000	\$4,240
Jan-24	23/10-20 Christensen Street	Cheltenham	223	3	1,100,000	\$4,933
Oct-24	13/10-20 Christensen Street	Cheltenham	210	4	1,050,000	\$5,000
Sep-24	19/248 Wickham Road	Moorabbin	152	2	770,000	\$5,067
Aug-24	2/73 Tulip Street	Cheltenham	185	2	1,110,000	\$6,000
May-24	11/73 Tulip Street	Cheltenham	230	2	930,000	\$4,044
Jul-24	12/34 Christensen Street	Cheltenham	177	2	913,000	\$5,158
Sep-24	22 Hamlet Street	Cheltenham	380	4	1,849,000	\$4,866
Feb-24	1/17 Chandos Street	Cheltenham	228	3	1,182,000	\$5,184
Oct-24	7/17 Chandos Street	Cheltenham	155	2	845,000	\$5,452
Oct-24	29/1 Kingston Road	Heatherston	224	4	825,000	\$3,683
Nov-23	7/28-36 Japaddy Street	Mordialloc	179	3	660,000	\$3,687
Aug-23	11/28-36 Japaddy Street	Mordialloc	194	3	690,000	\$3,557
Average			205			\$4,682

Source: CVA Property Consultants

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