Northeast Business Park - Attached Dwelling Demand

September 2007

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Prepared for Northeast Business Park Pty Ltd

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MAPS:

Executive Summary

The proposed Northeast Business Park mixed use development incorporates a significant proportion of attached dwellings. This report assesses the net demand for attached dwellings in the proposed development in terms of an estimated development time frame and annual take up rates as well as estimates indicative price points and dwelling mixes.

Introduction

1. Based on preliminary development yields provided by Northeast Business Park Pty Ltd a total of 927 low, medium and high rise apartments are proposed for the subject site. It is also proposed that 85 water villas and 120 resort apartments will be developed on the site and sold as strata title tenure.
2. The attached dwelling study area includes Caboolture local government area (LGA) excluding the statistical local areas (SLA) of Caboolture (S) – Pt B, and Caboolture (S) Bal in BSD; the Pine Rivers LGA excluding the Pine Rivers (S) – Bal SLA; and the Redcliffe LGA.

Demand Considerations

3. The study area's proportion of attached (other) new dwelling approvals grew from 12.2% in 1996/97 to 26.0% in 2005/06. Over the last three years each local government area (study area component) has had approximately 800 attached new dwelling approvals.
4. The total study area's attached dwellings have increased from averaging 360 New Dwelling Approvals (NDA's) per year from 1996 to 2001 to averaging almost 630 NDA's per annum for the 2001-06 period, although the proportion of new dwelling approvals represented by attached dwellings has remained relatively stable, around 18%.
5. Due to the fact the study area is a coastal region and benefits from relatively high levels of amenity (waterfront, golf courses) and the natural increase of people living in higher density residences, we have estimated that in 2007 approximately 20% of residents aged 55 years and above will choose to live in attached dwellings, whilst 12% of people aged 0 to 55 years will live in attached dwellings.
6. Total household size for attached dwellings in 2001 was 1.66 people per dwelling, whilst for all dwellings it was 2.54 persons per dwelling. Average household size in the study area has decreased at a rate of 0.7% per annum over the last 10 years. We have forecast that this trend will continue and average household size will decrease by 0.1 persons per household every 10 years.
7. The study area population is forecast to grow from 297,675 residents in 2006 to 440,287 people by 2026, representing an average of 2.0% or 7,130 residents per year.
8. Study area residents aged 55 years and over are forecast to increase at a far greater rate than the rest of the study area population. In 2006 72,549 study area residents were aged 55 years and over, representing 24% of the total population. This is forecast to increase to 30% in 2016 and 34% by 2026.
9. A key objective of Caboolture's Economic Development plan is the creation of employment and the self containment of those jobs with 2 out of every 3 new employees living in the Shire. If Council's target is achieved this would represent an additional 12,500-17,700 persons residing in Caboolture Shire as a result of the Northeast Business Park development alone. Additional employment will be created through the development and operation of the golf course, marina, hotel, and other commercial elements of the proposed development.

In both Varsity Lakes and Redcliffe case study areas, take up is slow in the early stages of development. The highest approval rates are achieved in the middle stages of the development before returning to similar rates as were experienced at the start. Take up for the attached residential component for the Northeast Business Park is forecast to follow a similar trend in its development life cycle to that of the case studies.

Supply Considerations

1. A total of 18,700 infill (attached) dwellings are expected to occur in the three shires between 2004 and 2026. The study area is expected to receive approximately 16,200 infill dwellings from 2007 to 2026. The proposed development represents approximately 7.0% of the expected attached residential development that will occur over the next 20 years.
2. Current achieved sales rates in the area range from $2,700 per sq.m for a large two bedroom unit in Redcliffe to as much as $7,888 per sq.m for a 3 bedroom apartment.

Net Demand

1. Northeast Business Park Pty Ltd has advised the earliest possible time for attached development to occur in the Northeast Business Park will be situated around the marina in July 2011 due to construction timeframes of the marina basin. For the report we have assumed 2012 to be the start date for selling attached dwellings. In 2012, expected take up for the proposed development will be approximately 37 dwellings, representing an initial 4% market share.
2. Demand for attached dwellings is forecast to come from three main groups of the population being, current residents demanding more dwellings as average household size decreases, new residents aged 55 years and over, and new residents aged 0-54 years.
3. The development cycle of the attached residential component for the proposed Northeast Business Park is expected to take 13.6 years and yield 1,132 apartments, water villas and resort apartments.
4. Assuming the development has a high level of amenity, expected take up rates will reach in excess of 150 dwellings by 2021, before declining to 60 dwellings per year by the close of the project.
5. We envisage the development would have 10%-20% high density product (4+ storeys) and 80%-90% medium density attached dwellings (1, 2 and 3 storey buildings).
6. Apartment mix for the development will incorporate approximately 20% of 3 bedroom attached dwellings, 55% to 65% of 2 bedroom apartments and 15% to 25% 1 bedroom apartments.
7. The proposed attached residential development will range in type, size and surrounding amenity. We have estimated the average attached dwelling (2 bedroom unit) at the mid to high range product (water and or golf course views) would achieve a selling price of $350,000 to $400,000. Attached product (2 bedroom) with limited water and golf course views would be expected to achieve a sale price of $250,000 to $300,000 whilst the 85 water front villas, regarded as the premium attached residential product are likely to achieve $700,000 to $750,000 if sold in today's market.

Flexible Planning

The key to achieving the necessary diversity of uses for a location such as the proposed Northeast Business Park appears to be in the flexibility of the relevant land use planning guidelines. This approach is the way of the future and should governments have objectives of minimising trips and promoting employment in closer proximity to residents then these types of policies must be implemented. This approach could be achieved to great effect in the Northeast Business Park.

1 Introduction

Northeast Business Park Pty Ltd has requested Urbis to undertake an attached dwelling demand assessment as part of their development investigations

The proposed Northeast Business Park mixed use development incorporates a significant proportion of attached dwellings. This report assesses the net demand for attached dwellings in the proposed development in terms of an estimated development time frame and annual take up rates.

This section outlines the form of the proposed dwellings, identification of existing and future supply of medium and high density residential dwellings in the area of relevance and reviews the historical and forecast demand for attached dwellings within the study area.

This report is of relevance to the Environmental Impact Statement terms of reference section 2.1.

1.1 Proposed Development

Attached dwellings for the project will be in the form of resort apartments, conventional apartments and water villas.

Based on preliminary yields provided by Northeast Business Park Pty Ltd a total of 927 low, medium and high rise apartments are proposed for the subject site. It is also proposed that 85 water villas and 120 resort apartments will be developed on the site and sold as strata title tenure.

The attached dwelling component of the proposed development will include 1, 2 and 3 bedroom apartments and villas. It is envisaged the development will benefit from a high level of amenity including golf course frontages and water frontages. It is expected the site will also be pedestrian friendly and benefit from attractive masterplanning and open spaces. This is important if the proposed development is to maximise its development potential and achieve commercially viable take up rates.

In order to determine an appropriate level of take up for the development it is essential to consider competing developments within the surrounding study area.

1.2 Proponent

The proponent for the development is Northeast Business Park Pty Ltd, a Queensland registered company with shares held by the shareholders of Port Binnli Pty Ltd, Laing O'Rourke Caboolture Developments Pty Ltd and a number of smaller shareholders.

1.3 Project Description

Northeast Business Park (NEBP) is a multi-use marina and business park concept that will integrate marina facilities, appropriate business, industry, commercial, residential, heritage and recreational green space precincts providing a place to live, to work and to play in a master planned riverside precinct on the Caboolture River.

The Northeast Business Park's Values Statement together with diagrams which depict the locality and the development proposal are provided in the Appendices.

Situated on the southern bank of the Caboolture River approximately 8km inland from the coastline, adjacent to the Bruce Highway and 43km north of Brisbane CBD, the NEBP site encompasses 793 hectares of property which includes the following six land parcels (“the project area”).

- Lot 2 on RP902075
- Lot 10 on RP902079
- Lot 24 on SP158298
- Lot 7 on RP845326
- Lot 15 on RP902073
- Lot 12 on RP145197

The following components are incorporated into the NEBP development.

- Marina basin.
- Marine industry.
- Industrial.
- Commercial/mixed use.
- Residential.
- Apartments.
- Townhouses.
- Hotels.
- Golf residential.
- Environmental open space.
- Golf course.
- Recreational areas and sporting fields.
- Heritage park.

Of the 793 hectares, 44% (350 ha) will be developed. The remaining area (443 ha) will be set aside for open space, and active and passive recreational uses, including a heritage park. The project area is located on 9 kilometres of river frontage which will provide public access to parts of the Caboolture River.

The development provides an integrated mixed-used business park and marine precinct which combines land uses making the development more viable and sustainable. The business park will be capable of attracting local, national and international businesses, incorporating clusters of mixed and complementary industry and businesses, underpinned by a high quality residential development, and a state of the art marina and marine industries precinct.

The development will provide an important community and business focus for Caboolture and help to address a significant undersupply of marine facilities and associated uses. There is an identified lack of marina berths within Queensland, Southeast Queensland and particularly the immediate area.

Major landform adjustments that will occur to establish the NEBP will involve excavation of the marina basin to 3.5 metres below AHD. This will be undertaken using dry excavation techniques followed by inundation of the marina area. Fill obtained from the excavation of the marina basin and additional cuts within the property bounds will be used to raise ground levels within residential precincts to protect against flooding and storm surge. Additional flooding mitigation strategies include channels (grass managed) and diversion banks with no changes to flow velocities within the Caboolture River expected.

Following excavation of the marina basin, a lock will be established to connect the marina basin to the Caboolture River. Some dredging of the Caboolture River will be required with dredging occurring within the defined navigation channel.

The majority of the project area previously supported exotic pine plantations and was utilised for forestry purposes, however it does contain some areas of ecological value, including remnant terrestrial vegetation, marine vegetation, Caboolture River frontage and tidal creeks. Environmental considerations incorporated into the design, construction and operation of the development to protect environmentally sensitive areas within and surrounding the project area will be analysed as part of the EIS process, with particular emphasis on marina design, construction and operation. Overall the development will be designed, constructed and operated with a net benefit to the environment and community through the implementation of sustainable development principles and practices.

Supporting infrastructure, such as wastewater, electricity, telecommunications and roads, associated with the NEBP development will require upgrading and in some cases extensions to existing infrastructure will be necessary. Proposed improvements to infrastructure include additional sewerage and electricity provisions to be incorporated into NEBP and internal roads through the development to service industrial and commercial precincts.

1.4 Project Location Description

The NEBP project area is vacant privately owned land that is bound:

- to the north by 9km of Caboolture River frontage, with land on the opposite side of the river being primarily rural and used for forestry activity;
- to the west by the Bruce Highway, with land on the opposite side of Bruce Highway developed with residential and open space areas; and
- to the south and east by privately owned rural residential properties with lot sizes ranging from 1-20 ha, bushland, open grassland areas and limited agricultural and recreational land uses.

The project area is surrounded by areas of conservation significance as follows.

- The Deception Bay Declared Fish Habitat area, which extends along the entire length of the northern boundary, within the bounds of the Caboolture River. This area is protected by the *Fisheries Act 1995* due to the estuarine habitats that support commercial and recreational fisheries in close proximity to developing communities.
- The Habitat Protection Zone of the Moreton Bay Marine Park which is located within the Caboolture River and begins at the mid-northern boundary of the site then extends eastward along the Caboolture River. This area is protected by the *Marine Parks Act 2004* in order to:
  (a) conserve significant habitats, cultural heritage and amenity values of the marine park;
  (b) maintain the productivity and diversity of the ecological communities that occur within the marine park; and
  (c) provide for reasonable public use and enjoyment of the zone consistent with the conservation of the marine park.
- The Moreton Bay RAMSAR wetlands which traverse the same area within the Caboolture River as the Moreton Bay Marine Park. The Moreton Bay RAMSAR wetlands are protected pursuant to international conventions as they are one of only three extensive intertidal areas of seagrass, mangroves and saltmarsh on the eastern coast of Australia that provide habitat for water birds.
- South East Queensland Wader Bird Sites are mapped approximately 500m to the east of the site. This area is protected via the JAMBA and CAMBA convention to protect habitats of Migratory Birds.

1.5 Project Area Description

The NEBP project area is relatively flat ranging in elevation from 3m AHD at the northern boundary to a knoll at 16.5m AHD towards the southern area of the site. Tidal levels of the Caboolture River, adjacent to the site are approximately 1.34m AHD for Highest Astronomical Tide and 0.81m AHD for Mean High Water Springs.

Raff Creek traverses the site and flows from the north east to the southwest boundary.

The site previously supported exotic pine plantations and was utilised for forestry purposes. As such, with the exception of a 1.3 ha area of endangered remnant vegetation located at the south west corner of the site, the majority of the site is devoid of native vegetation. The site is characterised by large expanses of disturbed grassland, some scattered trees, Paperbark (*Melaleuca quinquenervia*) communities, Eucalypt open forest and areas of marine vegetation which fringe the Caboolture River and associated waterways and constructed drainage channels that are tidally influenced.

The northern parts of the project area are mapped under the Caboolture Shire Plan 2005-2026 as containing the following areas of conservation significance.

- Catchment Protection Areas for the Protection of Waterways and Declared Fish Habitat Areas.
- Ecological Corridors to strengthen and improve links between areas of state, regional, local and other conservation significance and areas of conservation significance that may be degraded.
- Regional and State Conservation areas.
- Scenic Amenity Areas in which development is to be regulated such that adverse impacts on the scenic qualities of the area are minimised.

1.6 Key Development Themes

The development will provide the Caboolture community with access to natural watercourses, bushland and parklands whilst developing much needed marina berths and vessel maintenance facilities north of the Brisbane River in an ecologically sustainable manner by:

- commissioning technical studies to inform the design, construction and operation of the development to minimise adverse impacts on surrounding environmentally sensitive areas;
- providing managed mooring and boat maintenance facilities;
- restoring degraded river banks and wetlands;
- rediscovering historic cultural elements and providing access to the public;
- attracting tourism and multinational operators; and
- satisfying government agendas for environmental rehabilitation, marine industry reform, increased local employment, and balanced environmental, social and economic objectives.

1.7 Study Area

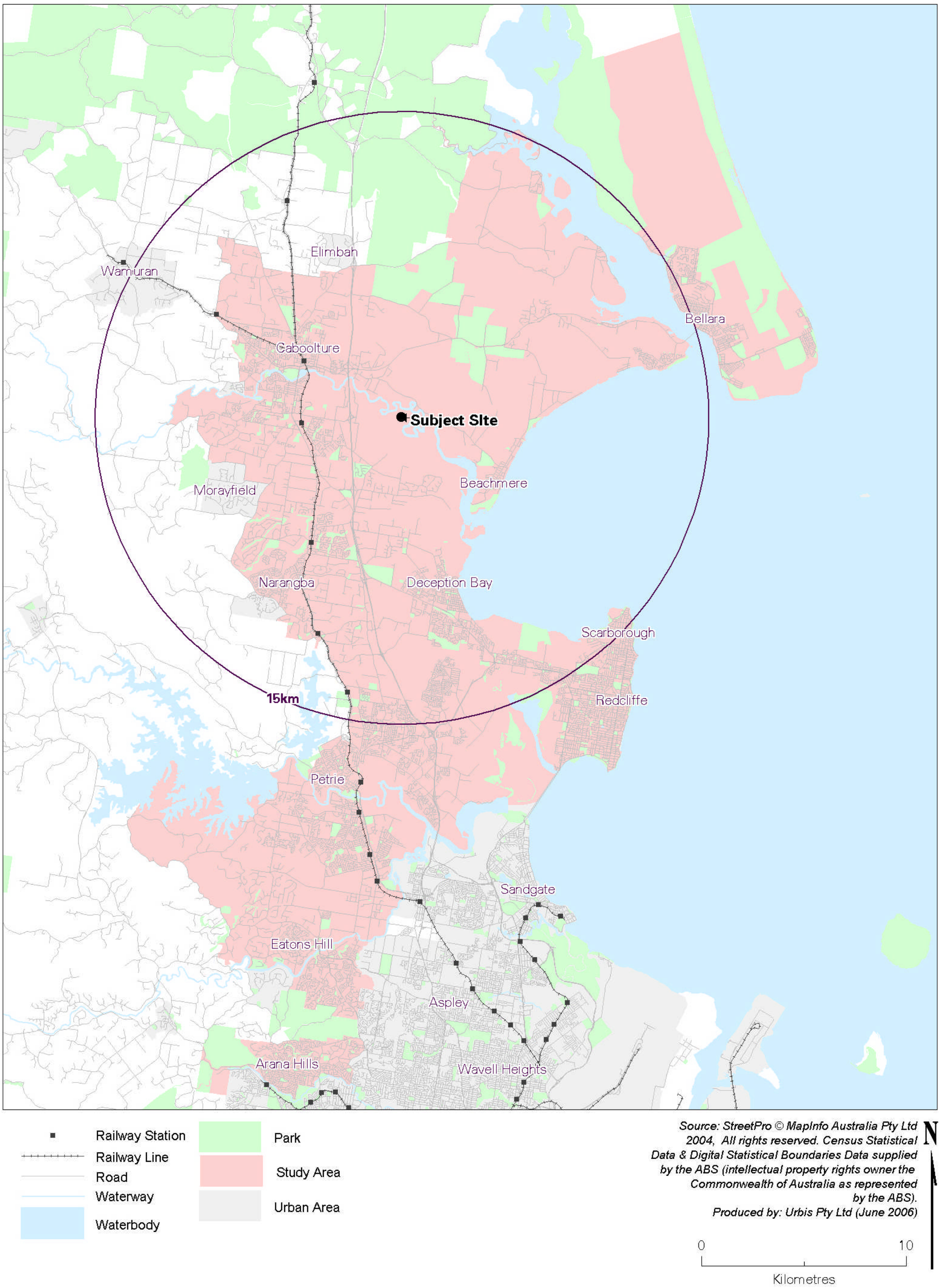
The study area includes Caboolture local government area (LGA) excluding the statistical local areas (SLA) of Caboolture (S) – Pt B, and Caboolture (S) Bal in BSD; the Pine Rivers LGA excluding the Pine Rivers (S) – Bal SLA; and the Redcliffe LGA. The catchment (study area) for the attached residential component of the development is shown in map 1.1.

1.8 Report Outline

The report includes 4 sections as outlined below;

- **Section 1 –** The **introduction** outlines the proposed development and the relevant study area.
- **Section 2 –** Reviews the **demand considerations** for attached residential dwellings within the study area.
- **Section 3 –** Outlines the current and future **supply** of attached residential product within the study area.
- **Section 4 –** Forecasts the **net demand** for attached dwellings and estimates the life of the project.

Map 1 – Northeast Business Park – Study Area



2 Demand Considerations

There are a number of key factors that will influence the demand for attached residential dwellings at the proposed development. These are reviewed in this section and include the profile of new dwelling approvals in the study area; population growth, particularly for persons aged 55 years and over; economic development in the Caboolture Shire; and the mix of activities incorporated in the proposed development.

2.1 Dwelling Profile

New Dwelling Approvals

The majority of development in the study area is detached housing with the proportion of attached development increasing over the last 10 years. New Dwelling approvals for the study area are shown in the table below.

Study Area New Dwelling Approvals **Table 2.1**
Study Area, 1996-2006

	Caboolture[1]	Redcliffe	Pine Rivers[1]	Total Study Area	% of Total
New Houses					
96/97	887	161	944	1,992	87.8%
97/98	1,039	110	950	2,099	81.5%
98/99	549	174	663	1,386	80.8%
99/00	397	199	629	1,225	82.3%
00/01	259	187	936	1,382	75.4%
01/02	704	289	1,935	2,928	90.9%
02/03	1,710	303	1,627	3,640	89.8%
03/04	1,763	183	1,505	3,451	80.3%
04/05	1,112	102	1,011	2,225	72.1%
05/06	743	197	1,146	2,086	74.0%
Total	**9,163**	**1,905**	**11,346**	**22,414**	**81.9%**
Attached & Other Dwellings					
96/97	102	70	105	277	12.2%
97/98	327	82	67	476	18.5%
98/99	77	105	147	329	19.2%
99/00	108	118	38	264	17.7%
00/01	95	143	214	452	24.6%
01/02	101	126	66	293	9.1%
02/03	205	161	47	413	10.2%
03/04	254	301	290	845	19.7%
04/05	269	356	235	860	27.9%
05/06	265	160	307	732	26.0%
Total	**1,803**	**1,622**	**1,516**	**4,941**	**18.1%**
Average Annual NDA's (Attached & Other)					
1996-01	142	104	114	360	18.2%
2001-06	219	221	189	629	18.0%
1996-06	180	162	152	494	18.1%

1. Caboolture and Pine Rivers Shire excludes the hinterland SLA's

Source : ABS Building Approvals; Urbis

New dwelling approvals provided by the ABS are broken down into separate houses (detached) and "other" residential buildings. "Other" residential buildings include semi-detached, row or terrace house or townhouse and flat, unit or apartment. For the remainder of the report we refer to 'other' dwellings as attached residential dwellings.

The study area's proportion of attached (other) new dwelling approvals grew from 12.2% in 1996/97 to 26.0% in 2005/06. Over the last three years each local government area (study area component) has had approximately 800 attached new dwelling approvals. The total study area's attached dwellings have increased from averaging 360 dwellings per year from 1996 to 2001 to averaging almost 630 dwellings per annum for the 2001-06 period, although the proportion of new dwelling approvals represented by attached (other) dwellings has remained relatively stable, around 18%.

Dwelling Structure & Household Size

The type of dwellings people choose to live in varies depending on their life cycle stage. This is particularly relevant for the proposed development which will incorporate a significant proportion of attached dwellings. In 2001 15.1% of Queensland residents aged 56 years and over lived in attached dwellings with a further 3.7% in the same age cohort living in nursing and retirement facilities. Whilst 11.3% of residents aged between 0 and 55 years were living in attached dwellings. Table 2.2 shows the dwelling structure in Queensland by the age of residents.

Dwelling Structure by Age Group **Table 2.2**
Queensland, 2001

	Age (years)								
	0-25	25-35	36-45	45-55	**0-55**	56-65	66-75	76+	**56+**
Separate House	86.3%	81.4%	87.7%	86.6%	**85.7%**	84.0%	79.1%	64.1%	**77.7%**
Attached Dwelling[1]	10.8%	15.6%	9.6%	10.3%	**11.3%**	12.1%	16.0%	19.5%	**15.1%**
Nursing Home & Aged Accom	0.0%	0.0%	0.0%	0.1%	**0.0%**	0.3%	1.4%	13.1%	**3.7%**
Other[2]	2.9%	3.0%	2.7%	3.0%	**2.9%**	3.6%	3.5%	3.3%	**3.5%**
Total	100.0%	100.0%	100.0%	100.0%	**100.0%**	100.0%	100.0%	100.0%	**100.0%**

1. Includes semi detached, row or terrace house, townhouse, flat, unit or apartment
2. Includes not stated, caravan, cabin, houseboat, house or flat attached to a shop or office, public housing, boarding schools, university colleges etc.
Source : ABS Census of Population and housing 2001; Urbis

Due to the fact the study area is a coastal region and benefits from relatively high levels of amenity (waterfront, golf courses) and the natural increase of people living in higher density residences, we have estimated that in 2007 approximately 20% of residents aged 55 years and above will choose to live in attached dwellings, whilst 12% of people aged 0 to 55 years will live in attached dwellings.

80.4% of study area dwellings were detached separate houses with 11.6% in 2001 being attached as shown in table 2.3.

Study Area Dwelling Structure **Table 2.3**
Study Area, 2001

	Dwellings		Residents		Household Size
	No.	%	No.	%	
Separate House	76,893	80.4%	222,215	91.4%	2.89
Attached Dwelling	11,127	11.6%	18,459	7.6%	1.66
Other	7,596	7.9%	2,444	1.0%	n.a.
Total	**95,616**		**243,118**		**2.54**

Source : ABS Census of Population and housing 2001; Urbis

Total household size for attached dwellings in 2001 was 1.66 people per dwelling, whilst for all dwellings it was 2.54 persons per dwelling. Average household size in the study area has decreased at a rate of 0.7% per annum over the last 10 years. We have forecast that this trend will continue and average household size will decrease by 0.1 persons per household every 10 years.

2.2 Population Growth

The proposed development is ideally located in proximity to two of the fastest growing regions, Caboolture and Pine Rivers Shires, in South East Queensland, in terms of population growth (historical and forecast).

Total Study Area

In order to estimate the demand for attached dwellings for the proposed development it is essential to understand the study area's population size and past and future growth rates. Table 2.4 shows the historical and forecast population of the study area and is discussed below.

Redcliffe[2], Caboolture[3] and Pine Rivers Shire Forecast Population Study Area, 1991-2026 **Table 2.4**

	Estimated Resident Population[1]							
	Actual				Forecast			
SLA	1991	1996	2001	2006	2011	2016	2021	2026
Pine Rivers (S)[2]	79,936	93,074	106,362	129,450	153,452	171,216	186,108	197,461
Caboolture (S)[3]	61,111	86,130	96,623	114,568	132,664	150,866	167,675	180,152
Redcliffe (C)	48,631	49,611	49,891	53,657	56,267	58,747	60,914	62,673
Total Study Area	**189,678**	**228,815**	**252,876**	**297,675**	**342,383**	**380,829**	**414,697**	**440,287**
Brisbane SD	**1,357,990**	**1,519,991**	**1,650,422**	**1,844,606**	**2,020,698**	**2,196,754**	**2,369,616**	**2,533,359**

	Average Annual Change (No.)						
	1991-96	1996-01	2001-06	2006-11	2011-16	2016-21	2021-26
Pine Rivers (S)	2,628	2,658	4,618	4,800	3,553	2,978	2,271
Caboolture (S)	5,004	2,099	3,589	3,619	3,640	3,362	2,495
Redcliffe (C)	196	56	753	522	496	433	352
Total Study Area	**7,827**	**4,812**	**8,960**	**8,942**	**7,689**	**6,774**	**5,118**
Brisbane SD	**32,400**	**26,086**	**38,837**	**35,218**	**35,211**	**34,572**	**32,749**

	Average Annual Change (%)						
	1991-96	1996-01	2001-06	2006-11	2011-16	2016-21	2021-26
Pine Rivers (S)	3.1%	2.7%	4.0%	3.5%	2.2%	1.7%	1.2%
Caboolture (S)	7.1%	2.3%	3.5%	3.0%	2.6%	2.1%	1.4%
Redcliffe (C)	0.4%	0.1%	1.5%	1.0%	0.9%	0.7%	0.6%
Total Study Area	**3.8%**	**2.0%**	**3.3%**	**2.8%**	**2.2%**	**1.7%**	**1.2%**
Brisbane SD	**2.3%**	**1.7%**	**2.2%**	**1.8%**	**1.7%**	**1.5%**	**1.3%**

1. as at June
2. Pine Rivers LGA excludes the SLA if Pine Rivers (S) - Bal
3. Caboolture LGA excludes the SLA's of Caboolture (S) - Pt B and Caboolture (S) - Bal in BSD
Source : PIFU SLA Forecasts March 2007; ABS ERP's; UrbisJHD

The main points to note from the study area population growth estimates are:

- The study area has grown at 3.1% per annum over the last 15 years, well above the Brisbane benchmark of 2.1%.
- Caboolture has provided the highest level of population growth within the study area averaging over 3,500 people per annum, just ahead of Pine Rivers at 3,300 people.
- The study area is forecast to grow from 297,675 residents in 2006 to 440,287 people by 2026, representing an average of 2.0% or 7,130 residents per year.

The study area is forecast to grow at a higher rate than that of the Brisbane statistical division (SD) and is forecast to receive 21% of the total growth for the Brisbane SD.

Aged Population

An important aspect for higher density living is the demographic profile and more particularly the age of prospective residents it was estimated previously that people aged 55 years and above have a greater propensity to live in higher density housing. Table 2.5 shows the historical and forecast growth of study area residents aged 55 years and above.

Redcliffe[2], Caboolture[3] and Pine Rivers Shire Forecast Population (55+ years) Study Area, 1991-2026 — **Table 2.5**

	Estimated Resident Population[1]							
	Actual				Forecast			
SLA	1991	1996	2001	2006	2011	2016	2021	2026
Pine Rivers (S)[2]	7,232	9,786	14,844	23,828	32,196	40,301	48,029	54,895
Caboolture (S)[3]	12,225	16,991	22,231	30,665	39,824	50,040	60,135	68,095
Redcliffe (C)	13,217	13,843	15,068	18,056	20,483	22,878	25,206	27,164
Total Study Area	**32,674**	**40,620**	**52,143**	**72,549**	**92,503**	**113,219**	**133,369**	**150,154**
	Average Annual Change (No.)							
		1991-96	1996-01	2001-06	2006-11	2011-16	2016-21	2021-26
Pine Rivers (S)		511	1,012	1,797	1,674	1,621	1,546	1,373
Caboolture (S)		953	1,048	1,687	1,832	2,043	2,019	1,592
Redcliffe (C)		125	245	598	485	479	466	392
Total Study Area		**1,589**	**2,305**	**4,081**	**3,991**	**4,143**	**4,030**	**3,357**
	Average Annual Change (%)							
		1991-96	1996-01	2001-06	2006-11	2011-16	2016-21	2021-26
Pine Rivers (S)		6.2%	8.7%	9.9%	6.2%	4.6%	3.6%	2.7%
Caboolture (S)		6.8%	5.5%	6.6%	5.4%	4.7%	3.7%	2.5%
Redcliffe (C)		0.9%	1.7%	3.7%	2.6%	2.2%	2.0%	1.5%
Total Study Area		**4.4%**	**5.1%**	**6.8%**	**5.0%**	**4.1%**	**3.3%**	**2.4%**

1. as at June
2. Pine Rivers LGA excludes the SLA if Pine Rivers (S) - Bal
3. Caboolture LGA excludes the SLA's of Caboolture (S) - Pt B and Caboolture (S) - Bal in BSD
Source : PIFU SLA Forecasts March 2007; ABS ERP's; UrbisJHD

Study area residents aged 55 years and over are forecast to increase at a far greater rate than the rest of the study area population. In 2006 72,549 study area residents were aged 55 years and over, representing 24% of the total population. This is forecast to increase to 30% in 2016 and 34% by 2026.

2.3 Caboolture Economic Development Drivers

Whilst Caboolture Shire experienced strong employment growth over the period 1991 to 2001 (5.3% p.a.) over 60% of the workforce commute outside the Shire (Caboolture Shire Council, 2004). There is subsequently a high ratio between employment and population with one job per 2.77 residents. For Queensland overall this is around one job per 1.95 residents.

In its Economic Development Action Plan, 2004-2008, Caboolture Shire Council identified an Industrial Land/Industry Cluster Facilitation Project to partially address this employment leakage by drawing on the regions economic strengths to develop industry clusters. A key component of this strategy is the provision of suitable and appropriate land. The supporting study identified the need to provide an additional 450ha of business and industrial land in Caboolture Shire to 2018. The development of the Northeast Business Park is an important component of this strategy.

A particular industry of interest to Caboolture Shire is the Marine Industry which as identified as a major project in the Economic Development Action Plan 2004-2008. With its proximity to waterways and major road infrastructure the Northeast Business Park represents an ideal opportunity for the development of a Marine Industry cluster.

The development of the business park employment generators will further encourage people to live in the Northeast Business Park development.

2.4 Development Mix

The proposed development will incorporate a range of high quality components which will help diversify the attached residential dwellings from potential competitors. The development will include a marina with associated marine industry commercial, retail and allied services, 160 hectares business and light industrial uses, 100 hectares mixed density residential, 365 hectares of active and passive recreational space including a 50 hectares heritage park and leisure facilities including a golf course. The proposed mix of uses will aid in achieving a higher attached residential market share and lower development time frame than an average development of similar size. The project is recognised to be of state significance.

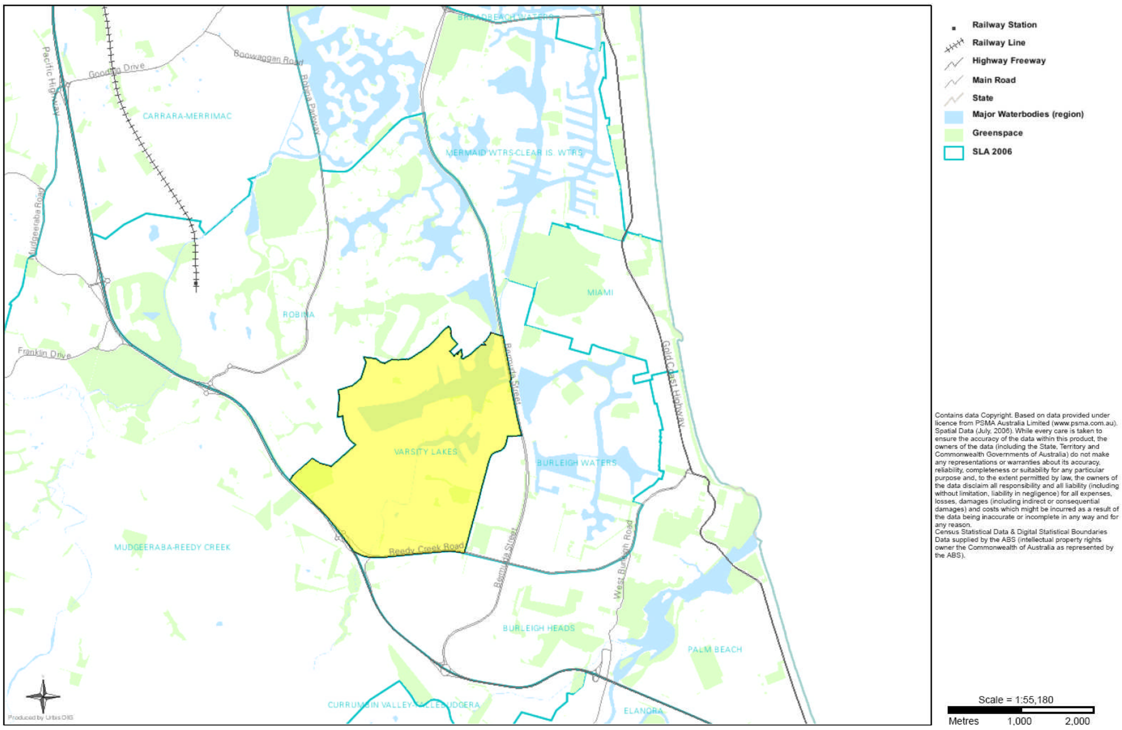
2.5 Case Studies

In order to understand the development life cycle and help forecast take up rates, it is useful to analyse previous comparable developments. Both Varsity Lakes and Redcliffe (coastal strip) have similar amenity and dwelling mix to that proposed at the subject site.

Varsity Lakes

Varsity Lakes is located on the Gold Coast approximately 80 kms south of the Brisbane Commercial Business Precinct. It has similar features to the proposed development such as a golf course, water views and easy access to the coast, although it also benefits from close proximity to Bond University.

Map 2 – Varsity Lakes Study Area

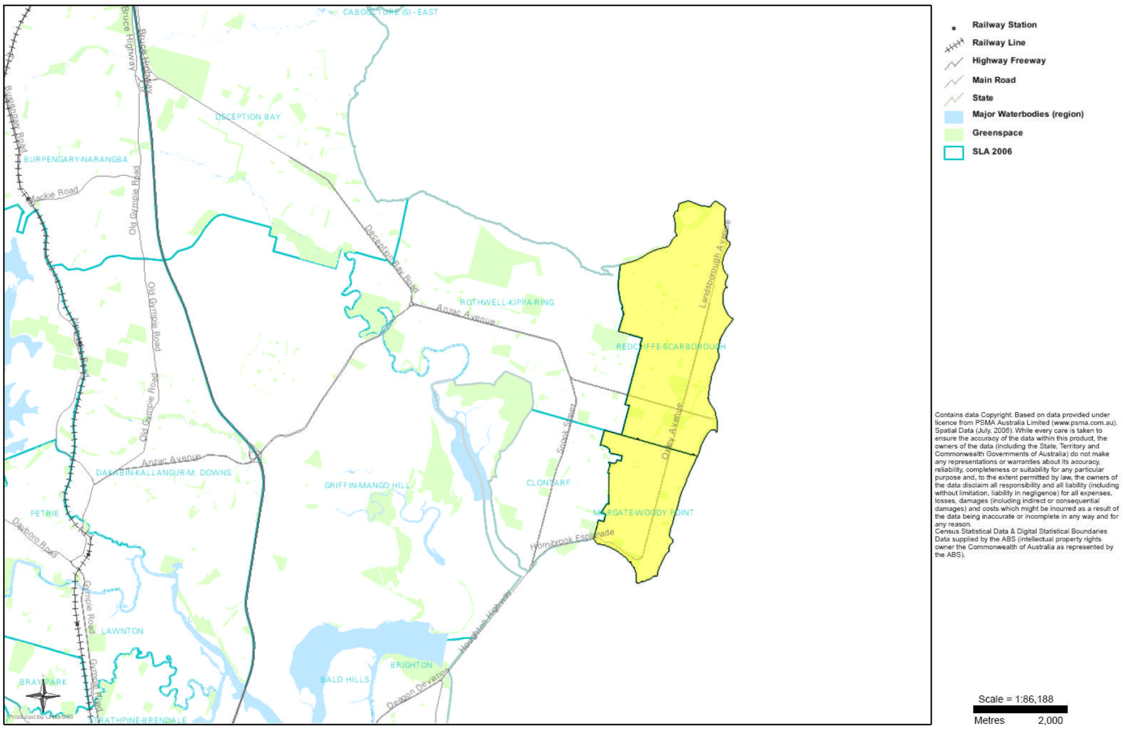


Varsity Lakes has a similar dwelling profile to that proposed at the subject site.

Redcliffe

The Redcliffe study area includes the SLA's of Redcliffe-Scarborough and Margate-Woody Point. This area is comparable to the proposed development at Caboolture due to the level of amenity and the demographic characteristics of the residents.

Map 3 – Redcliffe Study Area



Redcliffe is approximately a 55 minute (40 km) bus trip from the Brisbane CBD, and has limited train access. The lack of transport infrastructure in Redcliffe demonstrates that an area can still achieve high density without the need of a major transport node.

Case Study Insights

Both study areas have recently undergone a significant proportion of attached development and represent a close comparison to the dwelling mix and level of amenity expected to be achieved at the Northeast Business Park development. Chart 2.1 shows new dwelling approvals for attached dwellings over the last ten years for Varsity Lakes and Redcliffe study area.

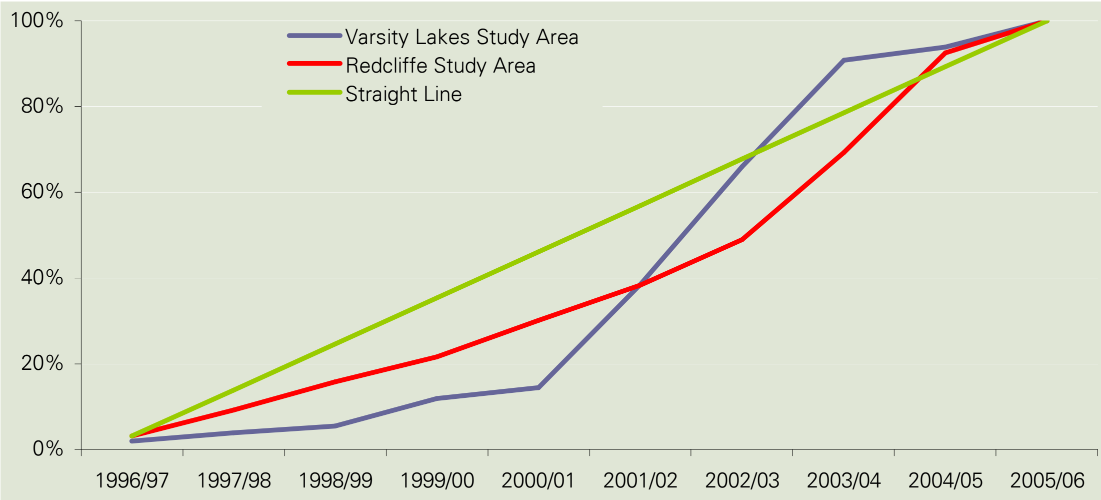
Case Study New Dwelling Approvals Varsity Lakes & Redcliffe, 1996-2006				**Table 2.6**
	Varsity Lakes		**Redcliffe Study Area**	
	No.	**% of Total**	**No.**	**% of Total**
New Houses				
96/97	92	73.6%	76	65.0%
97/98	53	60.9%	38	31.7%
98/99	81	75.7%	87	49.7%
99/00	155	58.5%	80	51.0%
00/01	287	87.2%	89	44.1%
01/02	590	59.1%	143	56.5%
02/03	450	49.1%	108	43.5%
03/04	290	40.8%	75	21.7%
04/05	121	69.9%	35	10.2%
05/06	99	48.5%	61	37.9%
Total	**2,218**	**56.6%**	**792**	**37.3%**
Attached & Other Dwellings				
96/97	33	26.4%	41	35.0%
97/98	34	39.1%	82	68.3%
98/99	26	24.3%	88	50.3%
99/00	110	41.5%	77	49.0%
00/01	42	12.8%	113	55.9%
01/02	409	40.9%	110	43.5%
02/03	467	50.9%	140	56.5%
03/04	420	59.2%	270	78.3%
04/05	52	30.1%	309	89.8%
05/06	105	51.5%	100	62.1%
Total	**1,698**	**43.4%**	**1,330**	**62.7%**
Average Annual NDA's (Attached & Other)				
1996-01	49	26.8%	80	52.0%
2001-06	291	48.4%	186	68.8%
1996-06	170	43.4%	133	62.7%

Source : ABS Building Approvals; Urbis

New dwelling approvals for Varsity Lakes study area have been substantially higher in the years from 2001 to 2004, representing a peak halfway through the development. Varsity Lakes achieved attached NDA’s in excess of 400 for three years, representing four times as many as any other year of the development.

In the last five years Redcliffe study area has experienced a high level of attached NDA’s (68.8%) compared with the previous five year period (52.0%). The total number of attached dwellings that were developed over the ten year period were 1,330, slightly larger than the expected yield at the subject site.

Varsity Lakes and Redcliffe Study Area **Chart 2.1**
Attached New Dwelling Approvals, 1996-2006



Source: ABS New Dwelling Approvals; Urbis

In both case studies take up is slow in the early stages of development. The highest approval rates are achieved in the middle stages of the development before returning to similar rates as were experienced at the start. Take up for the attached residential component for the Northeast Business Park is forecast to follow a similar trend in its development life cycle to that of the case studies.

3 Supply Considerations

When considering the future demand for attached dwellings it is necessary to analyse the current and forecast supply in order to determine achievable market shares for the proposed development.

3.1 Competitive Supply

Current supply in the study area has been sourced from a number of sources including Rpdata, the Midwood Report and Real Estate Institute of Queensland. The table below shows current developments within the study area and achieved sale prices and asking prices.

Competing Attached Developments **Table 3.1**
Caboolture Study Area, 2007

Name & Developer	Location	Construction Type	Unit Size	Sq/m	Selling Price ($)	$ per Sq/m	Total Units
The Bay by Seymour Group	Prince Edward Pde, Scarborough	Medium Rise	2bed/2bath	118	$420,000	3,559	34
			3bed/2bath	167-181	$695,000 - $750,000	3,840 - 4,491	
Bayswater by Emerald Group (owner holding 24 units)	64 Landsborough Ave, Scarborough	Medium Rise	3bed/2bath	135-164	$440,000-$715,000	3,041 - 4,360	39
			1bed/1bath	82	$300,000	3,659	
Scarbourough Beach Resort	89 Landsbough Ave, Scarborough	Medium Rise	3bed/2bath	171-196	$539,000 - $720,000	2,750 - 4,211	72
Beach House on Sutton by marine View/Lj Hooker	41 Marine Pde, Redcliffe	Medium Rise	3bed/2bath	162-212	$543,000 - $639,000	2,701 - 3,420	32
Mona Vie by Lj Hooker	16 Prince Edward Pde, Redcliffe	Medium Rise	3bed/3bath	187	$1,475,000	7,888	15
Watermark South by FADL Group	70-74 John St, Redcliffe	Medium Rise	2bed/2bath	83-100	$405,000-$450,000	4,500-4,880	53
Eclipse on the Point by Woody Point Developments (On Hold)	Woody Point	Medium Rise	4bed/2bath	178-201	$665,000 - $815,000	3,736 - 4,055	84
Calm By Usher Powell Developments	25 Dix St, Redcliffe	Medium Rise	3bed/2bath	131	$475,000	3,626	35
Infinity Blue b y Infinity Blue/ Lj Hooker	8 Oxley Avenue, The Peninsula, Woody Point	Medium Rise	3bed/2bath	191-198	$850,000 - $890,000	4,293-4,660	34
Ella Moreton Bay by Bezzina/Colliers (on hold till Dec 07)	149 Landsborough Ave, Scarborough	Low Rise	3bed/2bath	144-151	$550,000 - $560,000	3,709-3,819	18
Island View By Woody Point Developments	30 Gayundah Esplanade, Woody Point	Low Rise	3bed/2bath	217	$975,000	4,493	15
			2bed/2bath	126	$680,000	5,397	
Riveredge Caboolture	26 Edward St, Caboolture	Medium Rise	2bed/2bath	56-82	$269,000-$320,000[1]	3,902	63
Total							**494**

1. Asking Price
Source : Millwood Australia; UrbisJHD

Riveredge Caboolture. The development is located close to the Caboolture business centre, on the western side of the Bruce Highway. The development will include 62 two bedroom units and 1 one bedroom unit. Units are being marketed from $269,000 to $320,000. Whilst the development is located on the river, it is considered to be a lower quality product than the subject site.

The majority of other attached development is occurring in the Redcliffe LGA. Stock in the area varies from 1 bedroom apartments to 3 bedroom apartments. Achieved sales rates in the area range from $2,700 per sq.m for a large two bedroom unit in Redcliffe to as much as $7,888 per sq.m for a 3 bedroom apartment. Redcliffe is a more mature market than the Caboolture market and represents the higher end of achieved sales rates.

3.2 Forecast Attached Residential Supply

The supply of attached residential dwellings is based on the South East Queensland regional plan infill targets by local government area. Table 3.2 shows attached dwelling targets for the study area and market share estimates.

Infill Dwelling Supply **Table 3.2**
North East Study Area, 2007

Area	Dwellings
Infill Dwelling Targets [1] (2004-2026)	
Caboolture	6,000
Pine Rivers Shire	8,100
Redcliffe City	4,600
Total	**18,700**
Less Infill Dwellings developed (2004-2006)	
Caboolture Hinterland[2]	4
Caboolture Coast[3]	788
Pine Rivers Shire Hinterland[2]	3
Pine Rivers Shire Coast[3]	832
Redcliffe City	835
Total	**2,462**
Less Forecast Hinterland Infill Development (2007-2026)	
Caboolture Hinterland (2007-2026)	26
Pine Rivers (2007-2026)	19
Redcliffe City	0
Total	**45**
Forecast Infill Supply (2007-2026)	
Caboolture Coast	5,182
Pine Rivers Shire Coast	7,246
Redcliffe City	3,765
Total	**16,193**
North East Business Park Development Yield	**1,132**
Attached Dwelling Pro Rata Share	7.0%

1. As per South East Queensland Regional Plan - Amendment 1
2. Caboolture hinterland includes the statistical local area's (SLA) of Caboolture (S) - Pt B and Caboolture (S) Bal in BSD
Pine Rivers hinterland includes the SLA of Pine Rivers (S) - Bal
3. Caboolture and Pine Rivers Shire Coast includes the total Caboolture LGA less the Hinterland
Source : South East Queensland Regional Plan Ammendment 1 Oct 2006, ABS NDA Data; Urbis

Infill dwelling targets within the three shires are shown in table 3.2 A total of 18,700 infill (attached) dwellings are expected to occur in the three shires between 2004 and 2026. The study area is expected to receive approximately 16,200 infill dwellings from 2007 to 2026. The proposed development represents approximately 7.0% of the expected attached residential development that will occur over the next 20 years.

4 Net Demand

Through the above supply and demographic analysis we are able to determine demand for attached residential for the study area.

4.1 Demand Assessment Assumptions

The following assumptions have been made regarding demand for attached residential dwellings within the study area.

- In 2007 20% of new residents aged 55 years and above will live in attached dwellings, growing to 26% by the completion of the project, some 10-15 years later.
- The proportion of new residents aged 0-54 years that will live in attached accommodation is estimated to be 12% in 2007, growing to 18% by 2019.
- Average household size for attached dwellings is currently 1.6 people per dwelling and is forecast to decrease slightly over the life of the project as outlined in section 2.

Northeast Business Park Pty Ltd has advised the earliest possible time for attached development to occur in the Northeast Business Park will be situated around the marina in July 2011 due to construction timeframes of the marina basin. For the report we have assumed 2012 to be the start date for selling attached dwellings. In 2012, expected take up for the proposed development will be approximately 37 dwellings, representing an initial 4% market share.

4.2 Market Share

In order to determine a realistic market share we initially analysed future infill dwelling targets for the study area as outlined by the South East Queensland Regional Plan Amendment 1 and determined what percentage the proposed development represented of future supply. Through this process we were able to determine that the subject sites pro rata share would represent 7.0% (1,132 proposed dwellings/16,193 dwellings expected in the study area) of attached dwellings in the study area.

Due to the development cycle as discussed in section 2.5, we determined that the Northeast Business Park development would achieve low market shares (4%) at the start of development, increasing to its pro rata share of 7% after 5 years of development. Due to the high level of amenity and the significant employment generators proposed at the site we would expect the development would achieve a market share of 14% by the mid to later stages of development.

4.3 Net Demand Assessment

Demand for attached dwellings is forecast to come from three main groups of the population being, current residents demanding more dwellings as average household size decreases, new residents aged 55 years and over, and new residents aged 0-54 years.

4.3.1 Increased Demand from Current Residents (table 4.1)

As the average household size declines in the study area, current residents will demand more dwellings. As outlined in section 2 we forecast the study area household size will decrease by 0.1 persons per household every ten years.

The decreasing household size means that an additional 500 dwellings per year will be required from current residents of the study area. As per the current dwelling structure, attached dwellings would make up 12% of this demand growing to 18% by 2019. By 2012 the proposed development is forecast to receive 4.0% of this additional demand which equates to 3 dwellings. As the development life cycle continues and Northeast Business Park establishes itself, the forecast market share for dwellings demanded by existing trade area residents will grow to 14% or 13 dwellings in 2021.

4.3.2 Attached Demand from 55+ year olds (table 4.2)

New attached dwelling demand from residents aged 55+ is forecast to be in the order of 530 to 680 dwellings by the time the development starts in 2012. The Northeast Business Park is forecast to achieve approximately 730 dwellings by 2025.

4.3.3 Attached Demand from 0-54 year olds (table 4.3)

Population growth is forecast to be significantly lower in the 0-54 year age cohort, and will therefore achieve a lower dwelling demand. Total attached dwelling demand from this age group is expected to be 5,972 dwellings from 2007-2025 of which the Northeast business Park development is forecast to receive 323 by 2025.

Infill Dwelling Demand (Current Residents) **Table 4.1**
North East Study Area, 2007

Area	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Current Study Area Population	297,675	297,675	297,675	297,675	297,675	297,675	297,675	297,675	297,675	297,675	297,675	297,675	297,675	297,675	297,675	297,675	297,675	297,675	297,675	297,675
Current & Forecasted Demand for Dwellings	117,449	117,921	118,394	118,870	119,347	119,826	120,308	120,791	121,276	121,763	122,252	122,743	123,236	123,731	124,228	124,727	125,228	125,731	126,235	126,742
Forecast Household Size[1]	2.53	2.52	2.51	2.50	2.49	2.48	2.47	2.46	2.45	2.44	2.43	2.43	2.42	2.41	2.40	2.39	2.38	2.37	2.36	2.35
Dwelling Demand from Decreasing Household Size		472	474	475	477	479	481	483	485	487	489	491	493	495	497	499	501	503	505	507
% of Attached		12.0%	12.0%	13.0%	13.0%	14.0%	14.0%	15.0%	15.0%	16.0%	16.0%	17.0%	17.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%
Attached Dwellings Demand from current residents		57	57	62	62	67	67	72	73	78	78	83	84	89	89	90	90	91	91	91
Forecasted share of the market		0.0%	0.0%	0.0%	0.0%	0.0%	4.0%	4.0%	5.0%	5.0%	6.0%	7.0%	9.0%	11.0%	13.0%	14.0%	14.0%	11.0%	7.0%	7.0%
Dwelling forecasts per year		0	0	0	0	0	3	3	4	4	5	6	8	10	12	13	13	10	6	6
Dwelling Forecasts		**0**	**0**	**0**	**0**	**0**	**3**	**6**	**9**	**13**	**18**	**24**	**31**	**41**	**53**	**65**	**78**	**88**	**94**	**101**

1 Average household size decreases at 0.5% per year, slightly higher than that of the 10 year average.
Source: ABS Census of Population and Housing; Urbis

Infill Dwelling Demand (55+ years) **Table 4.2**
North East Study Area, 2007

Area	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Study Area Population Aged 55+	72,549	76,162	79,954	83,936	88,115	92,503	96,318	100,291	104,428	108,735	113,219	116,990	120,886	124,911	129,071	133,369	136,569	139,845	143,200	146,636
Increase in Study Area Population Aged 55+		3,613	3,793	3,981	4,180	4,388	3,815	3,973	4,136	4,307	4,485	3,770	3,896	4,026	4,160	4,298	3,200	3,276	3,355	3,435
% of people living in an attached dwelling		20.0%	20.0%	21.0%	21.0%	22.0%	22.0%	23.0%	23.0%	24.0%	24.0%	25.0%	25.0%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%
Increase in population requiring attached residential		723	759	836	878	965	839	914	951	1,034	1,076	943	974	1,047	1,082	1,118	832	852	872	893
Average Attached Household Size		*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.5*	*1.5*	*1.5*	*1.5*	*1.5*	*1.5*
Demand in dwellings		452	475	525	553	609	531	580	605	659	688	604	626	674	698	723	540	554	569	584
Pro rata share	7.0%																			
Forecasted share of the market		0.0%	0.0%	0.0%	0.0%	0.0%	4.0%	4.0%	5.0%	5.0%	6.0%	7.0%	9.0%	11.0%	13.0%	14.0%	14.0%	11.0%	7.0%	7.0%
Dwellng forecasts per year		0	0	0	0	0	21	23	30	33	41	42	56	74	91	101	76	61	40	41
Dwelling forecasts		**0**	**0**	**0**	**0**	**0**	**21**	**44**	**75**	**108**	**149**	**191**	**248**	**322**	**412**	**514**	**589**	**650**	**690**	**731**

1 Average household size decreases at 0.5% per year, slightly higher than that of the 10 year average.
Source: ABS Census of Population and Housing; Urbis

Infill Dwelling Demand (Residents aged 0-54 years) **Table 4.3**
North East Study Area, 2007

Area	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Study area population aged 0-54 years	225,126	229,962	234,857	239,810	244,819	249,880	253,430	256,981	260,530	264,074	267,610	270,384	273,145	275,891	278,619	281,328	283,124	284,904	286,666	288,410
Increase in study area population aged 0-54		4,836	4,895	4,953	5,008	5,061	3,550	3,551	3,549	3,544	3,535	2,774	2,761	2,746	2,728	2,708	1,796	1,780	1,762	1,743
% of people living in an attached dwelling		12.0%	12.0%	13.0%	13.0%	14.0%	14.0%	15.0%	15.0%	16.0%	16.0%	17.0%	17.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%
Increase in population requiring attached residential		580	587	644	651	709	497	533	532	567	566	472	469	494	491	487	323	320	317	314
Average Attached Household Size [1]		*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.6*	*1.5*	*1.5*	*1.5*	*1.5*	*1.5*	*1.5*
Demand in dwellings		363	367	402	407	443	311	333	333	354	354	295	293	309	307	305	202	200	198	196
Pro rata share	7.0%																			
Forecasted share of the market		0.0%	0.0%	0.0%	0.0%	0.0%	4.0%	4.0%	5.0%	5.0%	6.0%	7.0%	9.0%	11.0%	13.0%	14.0%	14.0%	11.0%	7.0%	7.0%
Dwellng take up per year		0	0	0	0	0	12	13	17	18	21	21	26	34	40	43	28	22	14	14
Dwelling forecasts		**0**	**0**	**0**	**0**	**0**	**12**	**26**	**42**	**60**	**81**	**102**	**128**	**162**	**202**	**245**	**273**	**295**	**309**	**323**

1 Average Household Size for detached dwellings is forecast to decrease by 0.25% per annum
Source :ABS Census of Population and Housing; Urbis

By 2018 the proposed project is forecast to achieve 7% share of attached dwellings demanded within the study area, equating to 70 dwellings.

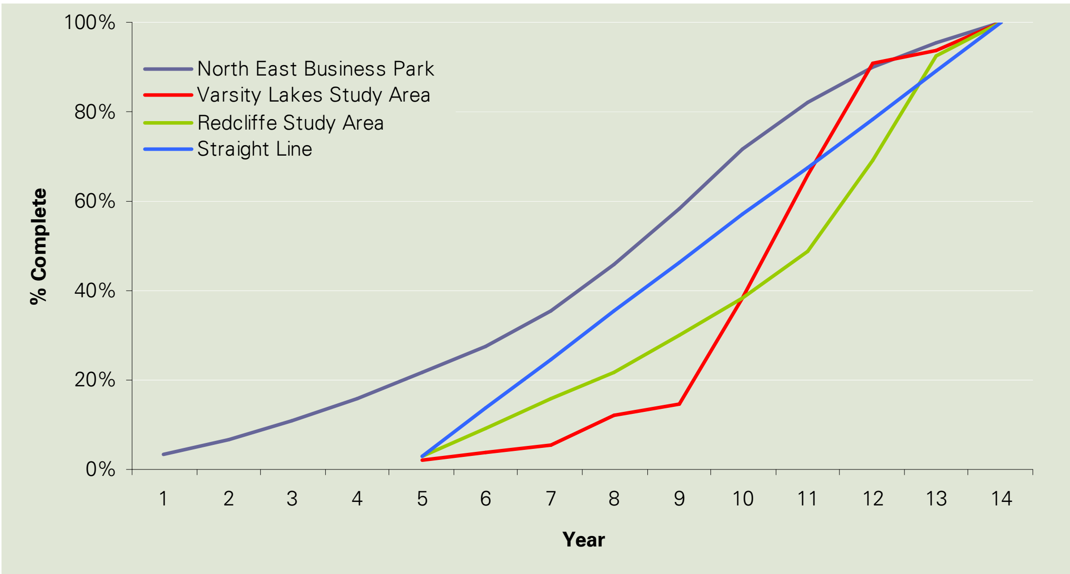
Infill Dwelling Demand Summary **Table 4.4**
North East Study Area, 2007

Area	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Dwellng take up per year		0	0	0	0	0	36	39	51	55	67	69	90	118	142	156	116	93	60	61
Dwelling forecasts		**0**	**0**	**0**	**0**	**0**	**36**	**76**	**126**	**181**	**248**	**317**	**407**	**525**	**667**	**824**	**940**	**1,033**	**1,093**	**1,154**
Yield (attached dwellings)	**1,132**																			
Estimated take up (years)	**13.6**																			

Source :ABS Census of Population and Housing; Urbis

The attached component of the proposed Northeast Business Park is expected to be fully occupied by the end of 2025, 13.6 years after 2012 (start date). The take up rate for the development varies from 36 in the first year to 156 in 2021.

Northeast Business Park **Chart 4.1**
Development Lifecycle, 1996-2006



Source: ABS New Dwelling Approvals; Urbis

The development cycle of the attached residential component for the proposed Northeast Business Park is expected to take 13.6 years and yield 1,132 apartments, water villas and resort apartments.

Assuming the development has a high level of amenity, expected take up rates will reach in excess of 150 dwellings by 2021, before declining to 60 dwellings by the close of the project.

4.4 Proposed Dwelling Mix and Price Points

Through research into previous large scale developments, new attached developments currently being marketed and sold in the study area and average unit and townhouse sale price growth we have been able to determine indicative price points and approximate dwelling mixes for the Northeast Business Park development.

We envisage the development would have 10%-20% high density product (4+ storeys) and 80%-90% medium density attached dwellings (1, 2 and 3 storey buildings).

The higher density product would be 2 to 4 buildings (depending on storeys) of 6 to 10 storeys. A 10 storey building would consist of 8 floors with 6 units, 1 floor of 4 units and 1 floor of 2 units.

In terms of apartment mix, it is appropriate that the proposed development will incorporate approximately 20% of 3 bedroom attached dwellings, 55% to 65% of 2 bedroom apartments and 15% to 25% 1 bedroom apartments. This is a high level of single bedroom apartments, however we believe it to be suitable given the high number of aged residents forecast in the study area.

The proposed attached residential development will range in type, size and surrounding amenity. We have estimated the average attached dwelling (2 bedroom unit) at the mid to high range product (water and or golf course views) would achieve a selling price of $350,000 to $400,000, whilst attached product (2 bedroom) with limited water and golf course views would be expected to achieve a sale price of $250,000 to $300,000 if sold in today's market. It is our understanding that the 85 water front villas, representing the premium level product, could achieve $700,000 to $750,000 in today's market.

4.5 Flexible Planning

The key to achieving the necessary diversity of uses for a location such as the proposed Northeast Business Park appears to be in the flexibility of the relevant land use planning guidelines. Norwest is a particularly successful example of how flexibility in planning guidelines has facilitated the development of a major mixed use development that provides substantial employment across a range of industries and a broad range of associated land uses. This is achieved through a mix of land use zonings across a range of precincts.

This approach is the way of the future and should governments have objectives of minimising trips and promoting employment in closer proximity to residents then these types of policies must be implemented. This approach could be achieved to great effect in the Northeast Business Park.

Appendices

Appendices A1 Value Statement

Value Statement

Northeast Business Park is committed to socially, economically and ecologically sustainable development. The company promotes a distinctly Queensland style of design advocating sustainable and responsible development with a community focus.

Our vision encompasses:

Ecological

1. <u>Responsible</u> development which satisfies Government agendas for Environmental rehabilitation, Marine Industry reform, Increased local

   employment, and balanced environmental social and economic objectives.

2. <u>Regenerative</u> development repairing Caboolture River's river bank ecology, wetlands plains, natural bushland and rediscovering historic Cultural elements of the site. Encouraging public access to these areas for the enjoyment of all.

Economic

3. <u>World class</u> development creating the best industry, employment and community spaces creatively linked through innovative physical & social infrastructure.

4. <u>Industry focused</u> development creating the first purpose designed marine industry precinct in response to Government agenda bringing marine industry clusters, jobs and training

5. <u>Sustainable</u> development through creation of 17,000 permanent local jobs by Global, National and local businesses which will locate to NBP, assisting to stem the outflow of commuters who leave Caboolture Shire to work elsewhere.

6. <u>Tourist</u> development created through leisure craft berthing, Championship class golf course, regenerated Heritage precinct and supporting retail and dining experience.

Social

7. Psychographic development through creation of diverse residential formats which reflect the emerging trends in family living in Australian society (multi level, high density low rise, combined work& live, first family detached & larger detached residential formats).

8. Inclusive development through Integration with Caboolture town centre of public transportation, education & learning and local public facilities.

9. Community development through communication networks, town centre creation, life long learning, skills & learning hubs for youth and adults.

The following presents more details of each of the above areas.

Ecological

- NBP will satisfy Queensland Government development policy and provide a net benefit to the Caboolture Shire and the Moreton Bay region by (1) improving the polluted water quality of Caboolture River and Moreton Bay (2) restoring degraded river banks and wetlands (3) eradicating noxious weeds and contaminated land (4) providing the first planned marine industry precinct (5) providing local jobs for local diverse communities in a sustainable development.

- Less than half of the total available land will be developed making this development one of the most environmentally balanced communities in Australia providing access to large areas of natural watercourses, bushland and open space to the wider community.

- The site is currently environmentally degraded and the development will restore the site for the enjoyment of all including Caboolture River bank restoration, wetlands restoration, provision of riparian buffer zones.

- The Caboolture River has high levels of pollutants from an upstream water treatment plant – this development will assist in decontaminating the Caboolture River which will benefit the Moreton Bay Marine Park. This will be done through utilizing high nutrient water from the treatment plant into NBP and using it for irrigation and grey water supply.

- The development will be responsible to its environment by creating zero impact on flooding to surrounding property.

Economic

- NBP will create and combine individual industries, communities, employment opportunities and leisure pursuits in such a way that the resultant development will contribute more to the community than the sum of the individual parts.

- The project will directly address Government's concerns over the maritime industry and provide a unique location for marine industry and marine leisure with over 3,000 jobs and $230m of value adding to Queensland.

- The industrial sites offer the best transportation links to both Brisbane and the Sunshine Coast available with direct access to the motorway.

- Master planning of the industrial precinct will ensure that commercial/ industrial activity is developed in such a way as to become an asset to the overall development and not a detractor. Road treatment, setbacks, landscaping strips, buffer zones and use of the natural topography will create the environment where residents, marine industry employees, marine leisure and car or public transport visitors and commercial employees can integrate and enjoy the facilities.

- The scale of the industrial development site means that individual company's needs concerning size, aspect, infrastructure and layout can be accommodated in the development. The site is envisaged to become home for major multinational operators as well as medium sized entities and small businesses.

- Global, National and Local commercial and industrial companies will make NBP the location of their latest facilities providing employment opportunities for 14,700 jobseekers during construction and 17,000 permanent employees on completion.

- A world class golf course, excellent marina berthing and servicing facilities, café society dining facilities and mixed use development will ensure NBP becomes an attractor to tourists by road and sea.

- Special measures will be applied to maximize the number of people who work and live in the new community in an effort to reduce the current exodus of workers who commute out of Caboolture daily.

Social

- The development will take the best ideas from around the world and apply them to a large and unique development site to create a world class community.

- This will be achieved firstly through excellence in the execution of each individual precinct and secondly by providing excellent infrastructure (physical and social) that links precincts together.

- A community in excess of 8,000 permanent residents will be established

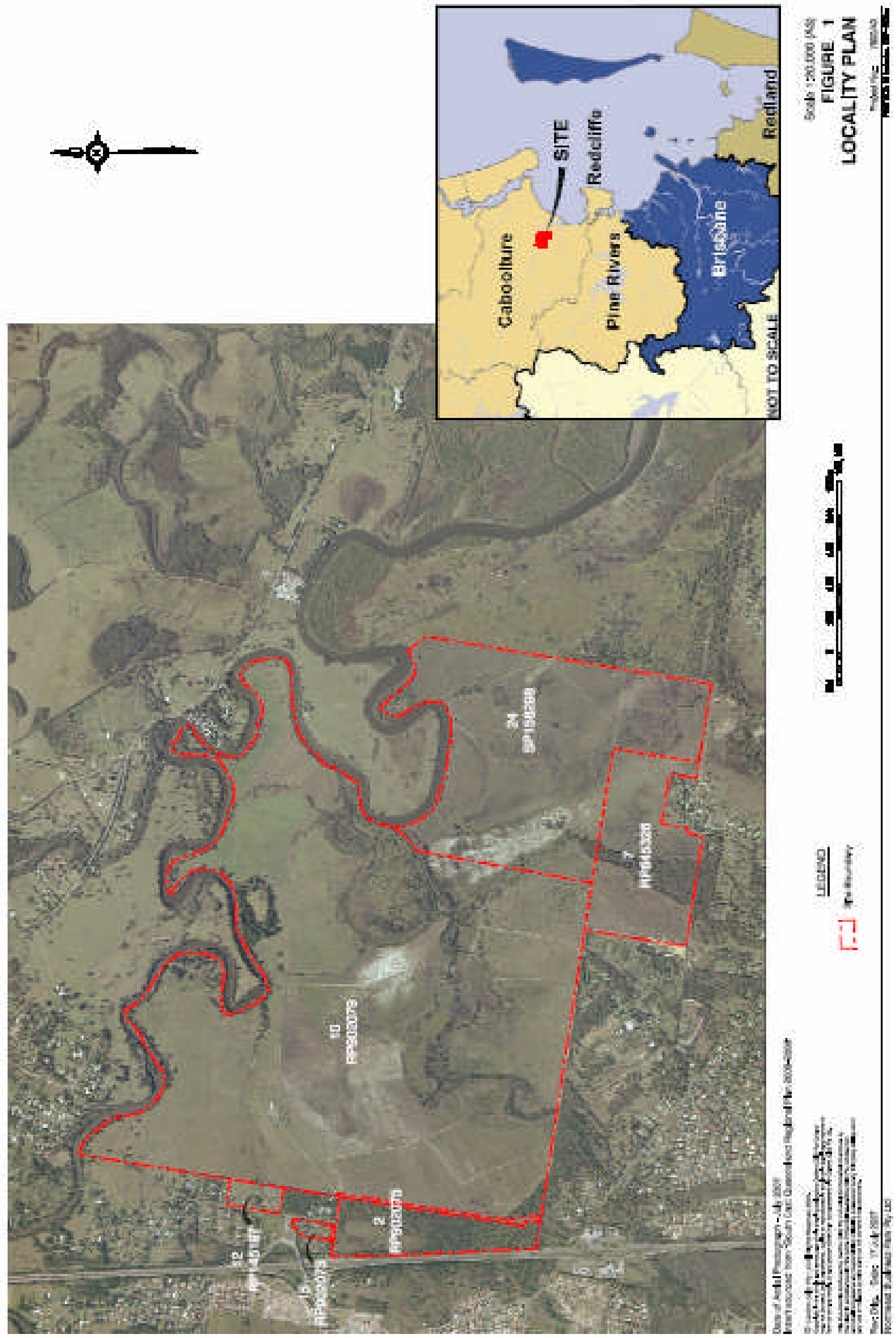
- The project aims to be attractive to a wide cross section of residents through the provision of multi level apartments, low rise apartments and both small and large housing blocks for single dwellings.

- For the resident seeking to works from an attractive home environment and house marine leisure craft locally, NBP will present one of the only opportunities in Queensland to do so.

- Social infrastructure will be provided in unison with Caboolture City, whether it is provision for facilities on NBP or contributing to the expansion of off site facilities.

- Transportation links will ensure residents and the workforce will be integrated into the Caboolture community and access to NBP from rail and bus links is integrated into the local public transportation infrastructure.

The diagrams on the following pages depict the locality of the site and the proposed development.


SITE
Redcliffe
Caboolture
Pine Rivers
Brisbane
Redland
NOT TO SCALE
FIGURE 1
LOCALITY PLAN
LEGEND

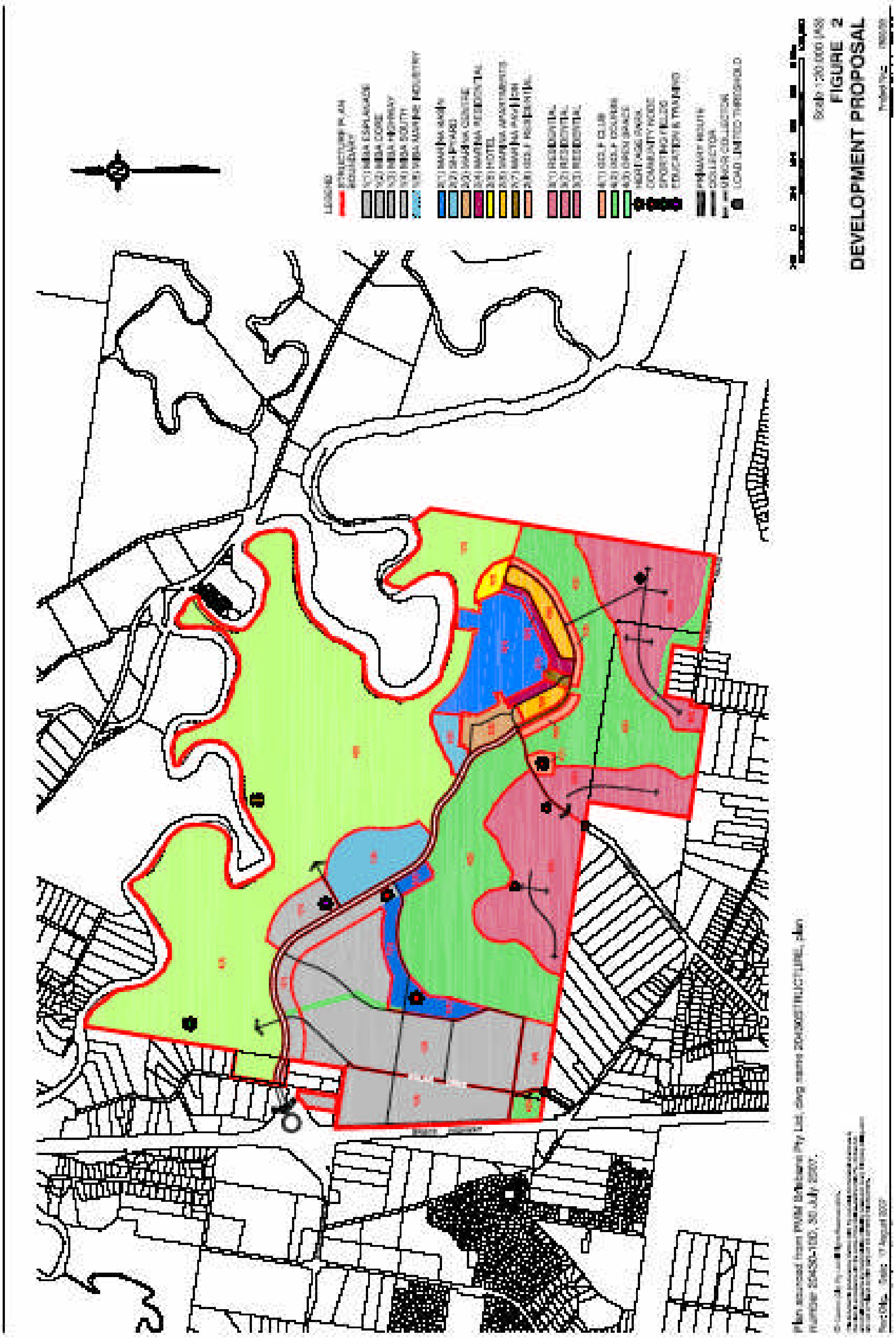


FIGURE 2
DEVELOPMENT PROPOSAL