



2022 Research Report

Roma Street



South Bank



Northshore Hamilton



The Gabba



Precincts of Gold

The Brisbane 2032 Olympics is the accelerator for creating the next generation of CBD and inner-city real estate precincts

Summary & Key Findings

1

The Olympics is the accelerator for urban renewal across identified key priority precincts within Brisbane and the catalyst for creating a next generation of inner-city economic hubs.

2

The sporting venues are only one aspect of the successful delivery of the games. The regeneration and creation of vibrant inner-city activity centres is a key component of ensuring that visitors experience and engage with the city outside of the sporting venues.

3

The four priority precincts in this report being Woolloongabba, South Bank, Northshore Hamilton and Roma Street have always been ripe for redevelopment with their proximity to the CBD and existing infrastructure, identified as growing employment hubs and contain hot spots of underdeveloped high value sites.

4

New infrastructure and investment into these precincts will unlock development sites with potential across all asset classes.

5

Investment into key legacy goals for the games is crucial to ensure that the Games help to create long-term benefits to support higher levels of population growth expected for Queensland.

6

We can learn from previous Games such as London 2012 which is a prime example of bringing future planning to the forefront of the Games planning and execution to ensure the Olympic legacy can continue to deliver economic activity in the decades preceding it.

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“The 2032 Olympics and Paralympics are the perfect catalyst to deliver much needed well planned infrastructure and investment capital to transform Brisbane into a world class city.

Real property in the CBD and near city Olympic precinct locations will see tremendous regeneration and accelerated growth as a consequence of these games.”

Simon Beirne - State Chief Executive | Queensland, Colliers



01. Introduction

On 21st July 2021, the International Olympic Committee (IOC) selected Queensland (QLD) as the host of the 2032 Olympic and Paralympic Games (Brisbane 2032), making it the largest event ever staged in Queensland. Now that the euphoria of being selected has settled, the focus now shifts to actioning the planning and development required to ensure that the city of Brisbane is ready to host a successful games' and to ensure the promised legacy outcomes are achieved long after the Olympic flame has been extinguished at the closing ceremony.

A report¹ by KPMG (written before the announcement) analysed the potential economic, social and environmental benefits of hosting an Olympic Games and the benefits to QLD and Australia. These included:

- \$8.1 billion in total benefits for Queensland and \$17.61 billion total benefits for Australia broken down by
 - Social benefits of up to \$3.5 billion for Queensland and \$9.11 billion nationally through factors such as health benefits and volunteering benefits.
 - Economic benefits of up to \$4.6 billion for Queensland and \$8.5 billion for Australia.
- The creation of 91,600 Queensland full-time equivalent (FTE) jobs and 122,900 FTE nationally an uplift in international tourism and trade worth an estimated \$4.6 billion for Queensland and \$8.5 billion nationally.

In addition to the quantifiable benefits, qualitative social benefits include an enhanced sense of community and pride, encouraging positive change towards sustainable policies and best practices, improving elite sporting pathways and ensuring an inclusive Games is delivered.

1. KPMG Brisbane 2032 Olympic and Paralympic Games - Preliminary economic, social and environmental analysis (Department of Tourism, Innovation and Sport). - June 2021.

Also, prior to the announcement and anticipating that Brisbane would be selected as the 2032 host city, the Colliers research team published a report 'The real winner of 2032 Olympics - The Queensland Property Market' which outlined not only the proposed legacy outcomes as outlined above, but also the opportunity a successful Games bid could create for the QLD property sector. These included:

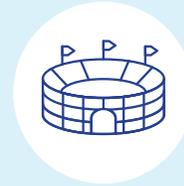
- **Enhanced Global Profile** – hosting the Olympics is expected to increase the international profile of Brisbane and potentially increase Queensland's share of both overseas migrants and international companies and brands looking to operate in Australia.
- **Jobs growth is set to create positive office demand** – particularly for new developments or refurbished assets to meet the growing demand for prime office space to attract and retain talent in the workforce.
- **Urban Renewal** – development opportunities will be present across all real estate asset class sectors due to the regeneration of existing commercial and residential precincts.
- **The Acceleration of infrastructure projects** – the Olympics is expected to kick-start a number of current infrastructure projects and further new announcements providing a more connected city, as well as land-banking and development opportunities in key infrastructure growth corridors.



Why was Brisbane successful in its Olympic bid?



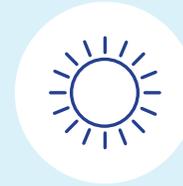
The bids support from all levels of Government as well as the Private sector



The high percentage of existing venues that can be utilised that will probably make the Brisbane Olympics the most sustainable held in the history of the event.



Brisbane's experience in handling major sporting events such as the Commonwealth Games.



The favourable weather conditions with average temperatures in Brisbane in July/August a pleasant 22 degrees Celsius.

Now that the bid has been locked in, the planning, development and delivery of the proposal is underway and will continue to evolve to ensure a successful Games' is delivered. Whilst the Games will be hosted across Brisbane, the Gold Coast and the Sunshine Coast, in this report we place a spotlight on Brisbane and four of the key priority precincts for the Games. These precincts have already and will continue to receive funding for development and urban renewal in order to play a major part in staging the Olympics and Paralympics. We look at the opportunities that these precincts may have for real estate in the lead up and post the Games, as well as explore the legacy of the London 2012 Olympics and what legacy outcomes emerged and still exist.

Important events since the announcement of the successful bid

Announcement of the City Deal Funding Pact

In March 2022, the City Deal Funding pact was signed in a landmark \$1.8 billion deal that secures funding from the Commonwealth Government (\$667.77m), Queensland Government (\$618.78m) and the Council of Mayors SEQ (\$501.62m). The cross-government agreement is aimed to prepare the region for growth. The successful Olympic bid placed more urgency on the finalisation and execution of this agreement to plan and develop much needed infrastructure and development to cater for hosting the games in 2032.



Image source: Brisbane Times





02. Precincts of Gold

In this report, we are taking a closer look at the urban renewal and infrastructure benefits highlighted in the previous Colliers Olympic report. This report, however, will explore the opportunity these benefits will create within four of the Olympic ‘priority precincts’ across the Brisbane CBD and inner-city locations. These precincts are South Bank, Woolloongabba, Northshore Hamilton and Roma Street/North Quarter CBD.

The four precincts are centred around major sporting venues and are highlighted as key activity zones for people attending the games including both local and international tourists. Creating world-class and successful sporting venues is only one aspect of the Games, but this must be coupled with the successful strategic planning and development of the overall precinct where these venues will be located and a cohesive and forward-thinking approach by both the public and private sector.

This will be a vital component in ensuring that the people attending the Games will also experience and engage with world-class amenity and experiences outside of the sporting venues, as well as create the same experiences for the local community, residents and tourists in the years following the Games.

These precincts have been ripe for redevelopment prior to any mention of Brisbane being a potential Olympic host city due to

- Their proximity to the CBD and existing infrastructure
- Already exist as growing employment hubs
- Contain clusters of potential development hot spots and sites within areas of ageing real estate and underdeveloped high value sites.

Government and local planning strategies have been in progress prior to the announcement of the Games; however, the Olympics will be the catalyst for the urban renewal process of these precincts and an accelerator in creating a next generation of inner-city economic hubs.



South Bank Precinct

Kangaroo Point Bridge
(under construction)

Kangaroo Point

Merthyr Park

Lyrton Rd

Wynnum Rd

Norman Ave

2km to Brisbane CBD

Secondary Boundary

The Gabba Cross River Rail Site
(under construction / proposed)

Mater Hospital

The Gabba

Stanley Street

Vulture St E

Stanley St E

Secondary Boundary

Gloucester St

Deighton Rd

Park Rd

Deshon St

Logan Road

South East Busway

Eastern Busway

10

41

Stones Corner

Old Cleveland Rd

Pembroke Rd

Woolloongabba



Precinct Description and location

Woolloongabba is a suburb in the City of Brisbane and is located 2 km South of the Brisbane CBD across the Brisbane River and between South Brisbane and Kangaroo Point. It is home to the Brisbane Cricket Ground, commonly known as the Gabba, and is emerging as a new inner-city precinct that contains popular high-quality restaurants and bar precincts and is moving away from its industrial past. Woolloongabba has a residential footprint that is mostly occupied by professional singles and couples without children that are attracted to its proximity to the CBD and medical employment nodes which include Mater Hospital Brisbane and Mater Private Hospital, Queensland Children's Hospital and Princess Alexander Hospital. It has a mix of character residential and apartment buildings and is considered an emerging suburb that is evolving into a vibrant suburb.



Kangaroo Point Green Bridge



What role will it play in the Olympics?

The Gabba will be the main Olympic stadium that will host the opening and closing ceremonies, as well as the athletics competition.



Current and proposed infrastructure upgrades

- **CURRENT** – The South-East Busway is a bus only lane running from the CBD to Eight Mile Plains.
- **NEW - Cross River Rail** - linking Woolloongabba directly into Albert Street and Roma Street Stations in the CBD and will also give access to the major health and education hub through the new Exhibition Station.
- **NEW - \$450 million Brisbane Metro Woolloongabba station** - The Brisbane Metro and Cross River Rail projects will bring an exceptional level of accessibility to Woolloongabba, enabling it to capitalise on its easy links to the city centre and making public transport a convenient choice.
- **NEW - \$190.2 million Kangaroo Point Green Bridge** – a new world class and iconic 460 metre long bridge that will connect the corner of Alice Street and Edward Street in the CBD, and Scott Street at Kangaroo Point. The CBD end of the bridge will contain two food and beverage tenancies and will be an iconic waterfront dining destination. The bridge is currently underway and due complete early 2024.

The lead up to the Olympics will certainly continue to influence a positive change for Woolloongabba and the surrounding suburbs of East Brisbane and Stones Corner. Its industrial past has slowly evolved over the past decade, making way for new businesses and markets looking to capitalise on the precinct's future connectivity, structural uplift, and government investment.

A key factor that is imperative for Brisbane to capitalise on during the Olympics for a positive economic flow on effect will be how Woolloongabba and the surrounding areas will efficiently and maximise both a day and night-time trade when people are entering and leaving the main stadium. A vital opportunity that will no doubt create potential improvements to the retail and hotel accommodation options and social infrastructure of the region between now and the games.

Overall, residential development has been slow compared to regions such as South Brisbane or Newstead and further urban renewal is required to support greater amenity to support and drive residential precinct growth. However, with significant investment underway now with the Cross River Rail and a further billion dollars to be invested in the Gabba, it is likely going to drive demand for new accommodation and thus retail growth. This in turn will further promote new residential development and urban renewal corridors, driving population growth for the precinct.

The substantial increase in footfall and access to the precinct from the addition of the Cross River Rail and Brisbane Metro and the significant investment in public accessibility and civic spaces is crucial to the precinct and will advance the realisation of its potential. The investment into this area will help start the next wave of renewal for Woolloongabba through expanding the existing health and employment functions and the provision of a variety of housing and recreational opportunities.



Unique opportunities within the Woolloongabba Precinct

1. Land availability for development opportunity

The Woolloongabba precinct offers the most redevelopment potential due to the availability of potential land sites. Even though the area has been evolving, there are still many vacant industrial lots and secondary and trade focused industrial sites, particularly along Deshon Street. There are also many low-level retail assets that could see site amalgamation for office and mixed-use developments including residential.

2. Retail re-positioning potential for Stones Corner

Prior to the era of the DFO centre, Stones Corner was known as a fashion precinct, particularly for discount fashion offerings. However, over the last 10-20 years, it has become less of a shopping destination and foot traffic has dwindled. Retail vacancies are common and the area in general has become tired and dated with a lack of retail identity. With its proximity to the CBD, M1 motorway and Busway station and now the addition of being less than 2km from the Olympic stadium precinct at Woolloongabba it has the opportunity to be repositioned.

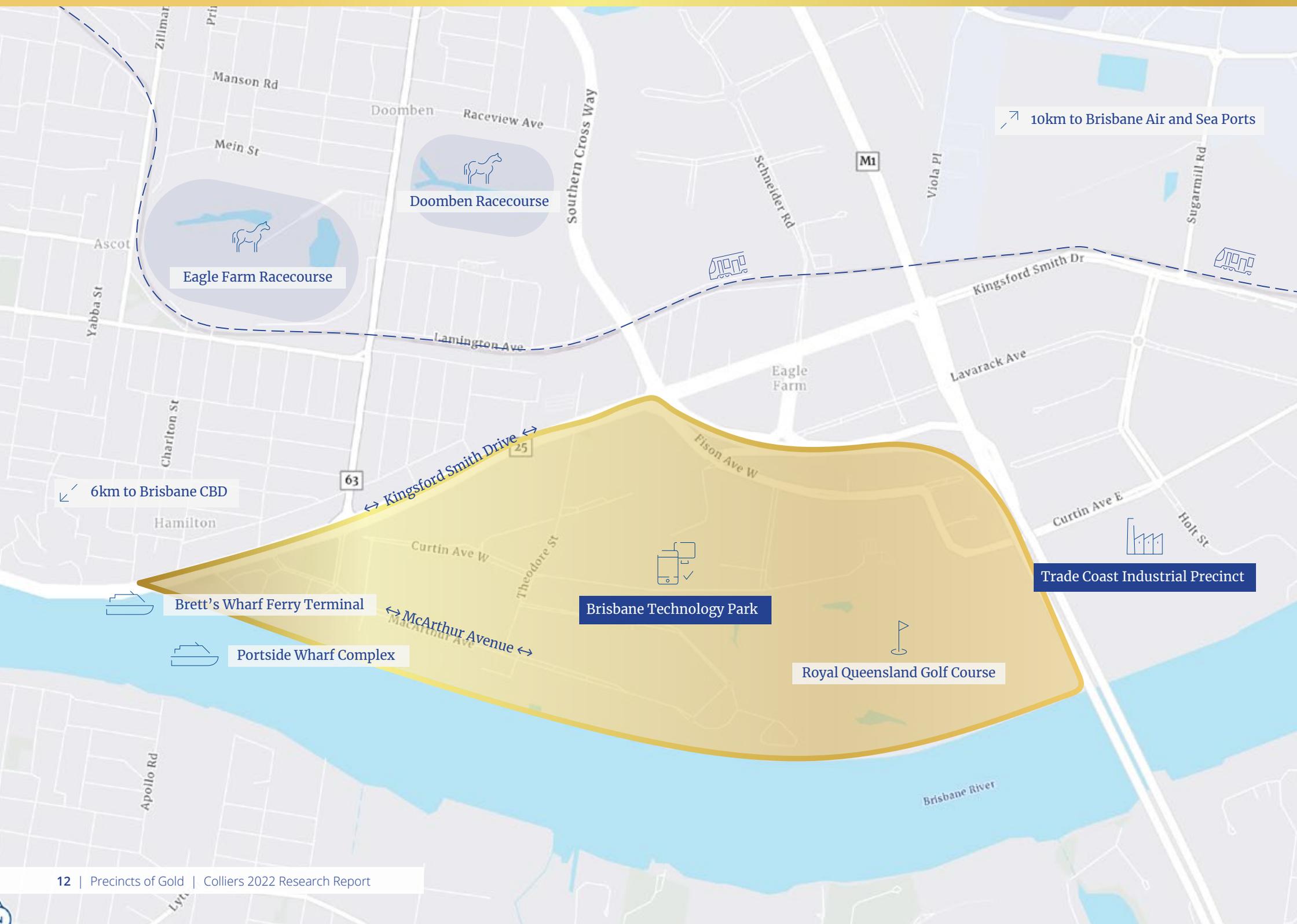
3. Strategic opportunity to develop specialised assets to cater for health and education clusters

The western part of the Woolloongabba precinct is anchored by a well-established health cluster, combined with an emerging allied health corridor along Annerley Road. There is an opportunity to further expand knowledge-based employment generators in the precinct and increase employment opportunities that make the most of the improved accessibility provided by the new Brisbane Metro and Cross River Rail stations.

“Brisbane is now on the radar for many new entrants to the market, both from National and international retailers. Enquiry is therefore gaining momentum well-ahead of the Olympics as retailers look to ensure they secure sought after prime locations.”

Ishbel Jones
Executive | Retail Leasing, Colliers





↗ 10km to Brisbane Air and Sea Ports

Eagle Farm Racecourse

Doomben Racecourse

↙ 6km to Brisbane CBD

63

↔ Kingsford Smith Drive ↔

25



Brisbane Technology Park

Trade Coast Industrial Precinct



Brett's Wharf Ferry Terminal



Portside Wharf Complex

↔ McArthur Avenue ↔

Royal Queensland Golf Course

Brisbane River

Northshore Hamilton



Precinct Description and location

The Northshore Hamilton area stretches 2.5km along the northern side of the Brisbane River and around 6km from the Brisbane CBD. It sits between the suburb of Hamilton (to the West) which is a prime residential area and Eagle Farm/Pinkenba to the East which is a thriving industrial precinct. Due to its location and underutilised prime riverfront land (304 ha), this area was declared as a Priority Development Area (PDA) in 2008 by the Queensland Government to transform the area from predominantly industrial to a vibrant retail and lifestyle precinct, as well as a destination for innovation, enterprise and creativity. It is the largest waterfront urban renewal project in Queensland and is close to the Brisbane Airport and the Australian Trade Coast precinct.

Portside Wharf is located within the Northshore Hamilton precinct contains high-end retail and dining, a cinema and holds regular markets.



What role will it play in the Olympics?

The Northshore Hamilton area has been selected as the location for the main Athletes Village for the Brisbane 2032 Olympic and Paralympic Games. The village will be home to more than 10,000 athletes and team officials and more than 5,000 for the Paralympics. The Athletes Village will be on Economic Development Queensland-owned land within the Northshore Hamilton Priority Development Area.

“The Olympics will do for Northshore Hamilton what Expo 88 did for South Bank. Village construction will crystallise the area’s long-term plan and rejuvenate the existing industrial land”.

Steven Miles

Deputy Premier and Minister for State Development, Infrastructure, Local Government and Planning

(Source: Article published on 29/07/21 yourneighbourhood.com.au)





Current and proposed infrastructure upgrades

- **CURRENT** - Northshore is well-connected with easy access to the CBD via CityCat, bus, train, car and bicycle. Close to all major arterials, and adjacent to the Gateway Motorway, the precinct is easily accessible from the Gold and Sunshine Coasts, and around 10 minutes from Brisbane International Airport.
- **NEW** - MacArthur Road upgrades (\$14m) – road upgrades to the eastern end of the Northshore precinct that will upgrade existing industrial road infrastructure into a new generation of urban streets.
- **NEW** - Breakfast Creek Green Bridge (\$257m) - a new 80m pedestrian and cyclist bridge that will improve accessibility from the North into Newstead and through to the CBD.

The transformation of the Northshore Hamilton precinct will create a truly unique opportunity for mixed-use development bringing together residential community, recreation, retail and hospitality and commercial and industrial real estate offerings. A development scheme has identified that the ultimate development capacity for the PDA is projected to be up to:

- 14,300 dwellings for an estimated 24,500 residents
- 820,000 sqm of commercial office, retail and industrial floor space supporting up to 25,500 jobs
- Significant open space network focused on the riverfront and includes a community facilities hub.

“The Eagle Farm/Pinkenba industrial precinct adjacent to Northshore Hamilton is already a blue-chip industrial area. The Northshore Hamilton precinct will provide further opportunities for new high-tech industrial development to cater for the demand for infill development opportunities.”

Anthony White - National Director | Industrial, Colliers

Although the redevelopment of the Northshore Priority Development Area (PDA) is expected to create land value uplift through the PDA, Colliers believes that the industrial precincts through Eagle Farm will continue to be protected by their zoning, in that Brisbane City Council acknowledges the value of the employment which is generated by this precinct and will subsequently protect it from undue residential encroachment. Eagle Farm/Pinkenba is already considered to be a blue-chip industrial precinct due to its proximity to the Brisbane CBD, Brisbane Airport and Gateway Arterial and commands some of the highest industrial land values in the Brisbane LGA. The additional infrastructure upgrades as part of the Northshore PDA will provide ancillary benefits through the provision of improved infrastructure to the precinct.

Northshore is also set to be the home of a new biomedical facility for Vaxxas to manufacture its world-leading needle-free vaccines. The facility is being located within a refurbished warehouse that is being transformed into a state-of-the-art biomedical manufacturing facility. The facility is under construction and expected to be complete by early 2023.



Unique opportunities within the Northshore Hamilton Precinct

- 1. Transition from brownfield redevelopment to higher value industrial development** with a specific focus on last mile service industries due to the proximity to key arterial road infrastructure.
- 2. Residential development** to capitalise on the potential land value uplift created from the renewal of the area and the additional amenity and desirability created from the area's redevelopment. Also, the repurposing of the Athletes Village to potential Build-to-rent product or converted to strata residential will assist in creating a new residential community hub that will benefit from new amenity such as neighbourhood shopping centres and dining.
- 3. Portside Wharf retail repositioning** - being within such a key priority precinct, there is an opportunity for a strategic re-positioning of tenancy mix within the Portside Wharf area to cater for the growth in workers and residents in the area and an uplift in tourists and visitors.
- 4. Life sciences asset development** - the new Vaxxas facility could be the catalyst to create further demand for Life Sciences assets with Life Sciences industries generally looking to cluster to leverage a growing skilled worker pool and to generate the cross pollination of innovation and ideas. Supporting industries to the Vaxxas facility may also look to be located within close proximity to the manufacturing plant that may create the need for specialised real estate assets within this precinct.



Industrial Insight for Northshore Hamilton

Industrial land within and surrounding the Northshore Hamilton precinct is highly prized given its access to major transport infrastructure such as the Brisbane Airport and the Gateway Motorway. In turn, this has seen industrial land values within the precinct increase by 40% over the past 12 months as developers actively target greenfield and infill redevelopment opportunities. The further investment in infrastructure as part of the 2032 Olympics will further accentuate the precinct as one of Brisbane's premier industrial locations.

Industrial stock within the precinct is tightly held, reflective of the current vacancy rate of just 1.1% (Q2 2022). With most stock considered secondary grade, it presents a significant redevelopment opportunity to deliver new warehouse options to the market. Given its central location, the area has the potential to capitalise on its proximity to a large population base and cater towards 'last mile' logistics and higher-order industrial uses, similar to what has occurred in South Sydney in recent years. Within 15 minutes of the precinct, approximately 750,000 residents reside, and with transport accounting for up to 50% of the overall supply chain cost, the area has and will continue to be a preferred location for transport and logistics operators.

The rapid growth of e-commerce has amplified the demand for warehouse space in central locations that offer immediate access to consumers. From a logistics perspective, the benefits of positioning products close to demand (higher population density locations) can translate into significant savings in last-mile transportation costs. The desire for tenants to lease space within the precinct is reflected in rental growth rates, with prime rents

increasing by 15.9% over the past 12 months, which was the highest among the Brisbane submarkets.

Similar to the South Sydney industrial market, the precinct has the potential to cater for non-traditional and higher-value industrial occupiers, including creatives, furniture showrooms, gyms, education centres and independent coffee roasters. In addition, with medical technology being brought into the spotlight following the events of the past two years, the precinct has the potential to house more high-tech medical and research and development uses, capitalising on its immediacy to the Brisbane Airport.

Long term, as industrial land values and rents rise further, there is the potential that the precinct could accommodate multi-storey warehousing, particularly as the area is a land-constrained and infill market. In doing so, this would allow occupiers to maintain operations and a footprint in this location while also providing more efficient outbound logistics cost savings.

Looking ahead, strong occupier demand and only modest levels of supply are expected to drive the continued outperformance of rents within the precinct and the broader Australia Trade Coast (ATC) submarket. Over the next five years, prime rents within the ATC are forecast to increase by an average of 5.0% per annum and compares to 4.0% per annum for the Southern submarkets where the supply pipeline is greater. Delivering warehouse options that are suitable to the needs of today's occupiers will be critical in meeting this demand.

Luke Crawford
Director | Industrial Research, Colliers



Brisbane

International Broadcast Centre Site
(under construction / proposed)

Queensland Performing Arts Centre

Brisbane Convention & Exhibition Centre

South Bank Piazza

↗ 3km to Brisbane CBD

Woolloongabba Precinct

The Gabba

South Bank



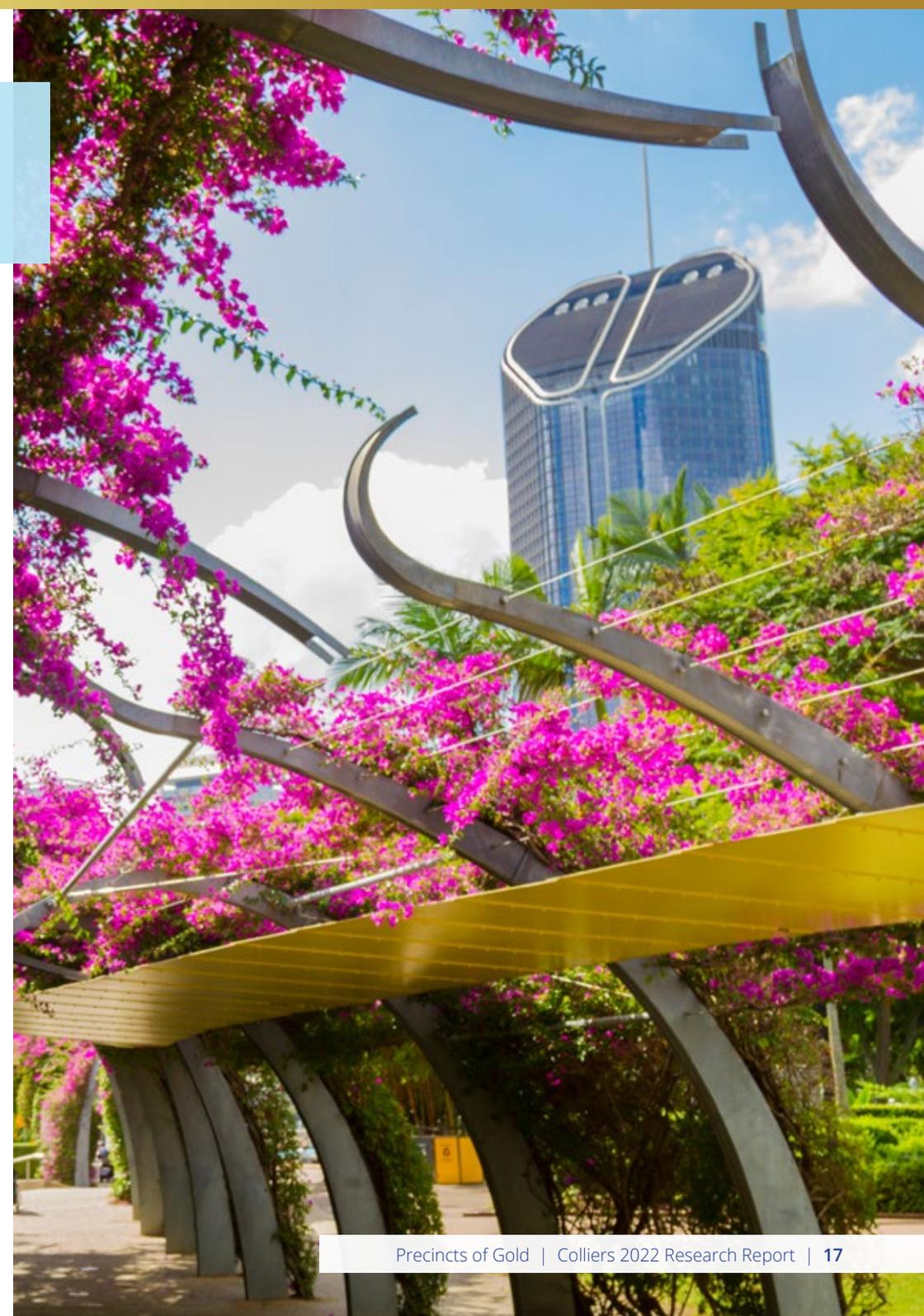
Precinct Description and location

The South Bank precinct is located on the Southern bank of the Brisbane River and is part of the suburb of South Brisbane. It is located adjacent to the CBD, across the Brisbane River connected by the Victoria Bridge for vehicles and pedestrians as well as the Kurilpa pedestrian/cyclist only bridge. It is known as the cultural epicentre of Brisbane with the Brisbane Convention and Exhibition Centre located here, as well as the Queensland Cultural Centre. The South Brisbane area is already home to an established office precinct and a popular area for restaurants and shopping along Grey Street and Little Stanley Street. Once full of warehouses, factories and wharves, South Brisbane has transformed as a popular area for restaurants, bars, shopping and street art as well as a destination to live in with the area boasting some of Brisbane's best boutique apartments.



What role will it play in the Olympics?

The Brisbane Convention and Exhibition Centre will host a number of sports (table tennis, badminton, fencing and Taekwondo and Paralympic judo, table tennis, wheelchair fencing, badminton and Taekwondo) and Main press centre, South Bank Plaza, South Bank Cultural Forecourt, International Broadcast centre. The redevelopment of the area will see the regeneration and extension of the South Bank precinct dubbed South Bank 2.0. With its proximity to the main stadium, this area will also be a haven for tourists who have travelled to the games.





Current and proposed infrastructure upgrades

- **NEW** - The City Deal Funding pact includes \$1million investment for Brisbane Metro – South Bank Transport Study.
- **NEW** – purchase of industrial land for the International Broadcast Centre that will then be developed into Parkland.
- **NEW** - Neville Bonner Bridge - The Neville Bonner Bridge is a pedestrian footbridge being built across the Brisbane River. The bridge will connect the suburb of South Bank with the Brisbane CBD. It is named after Neville Bonner, Australia's first Indigenous member of the Parliament of Australia.

South Bank will be extended and transformed by repurposing industrial land and will create another legacy for South Brisbane, West End and the greater Brisbane community. Investments like this just create more desirability for the precinct and as a result unlocks greater capital values in existing and future residential markets that surround the site. The South Bank precinct has lost some of its desirability with locals and the new investment and regeneration of this area is being dubbed the catalyst for South Bank 2.0 which is set to create greater engagement with both locals and tourists.

Due to its proximity to the main stadium as well as the CBD, the retail and dining offering at the time of the Olympics within this area will be vital to ensure that this precinct capitalises from tourists and visitors travelling to and from venues.



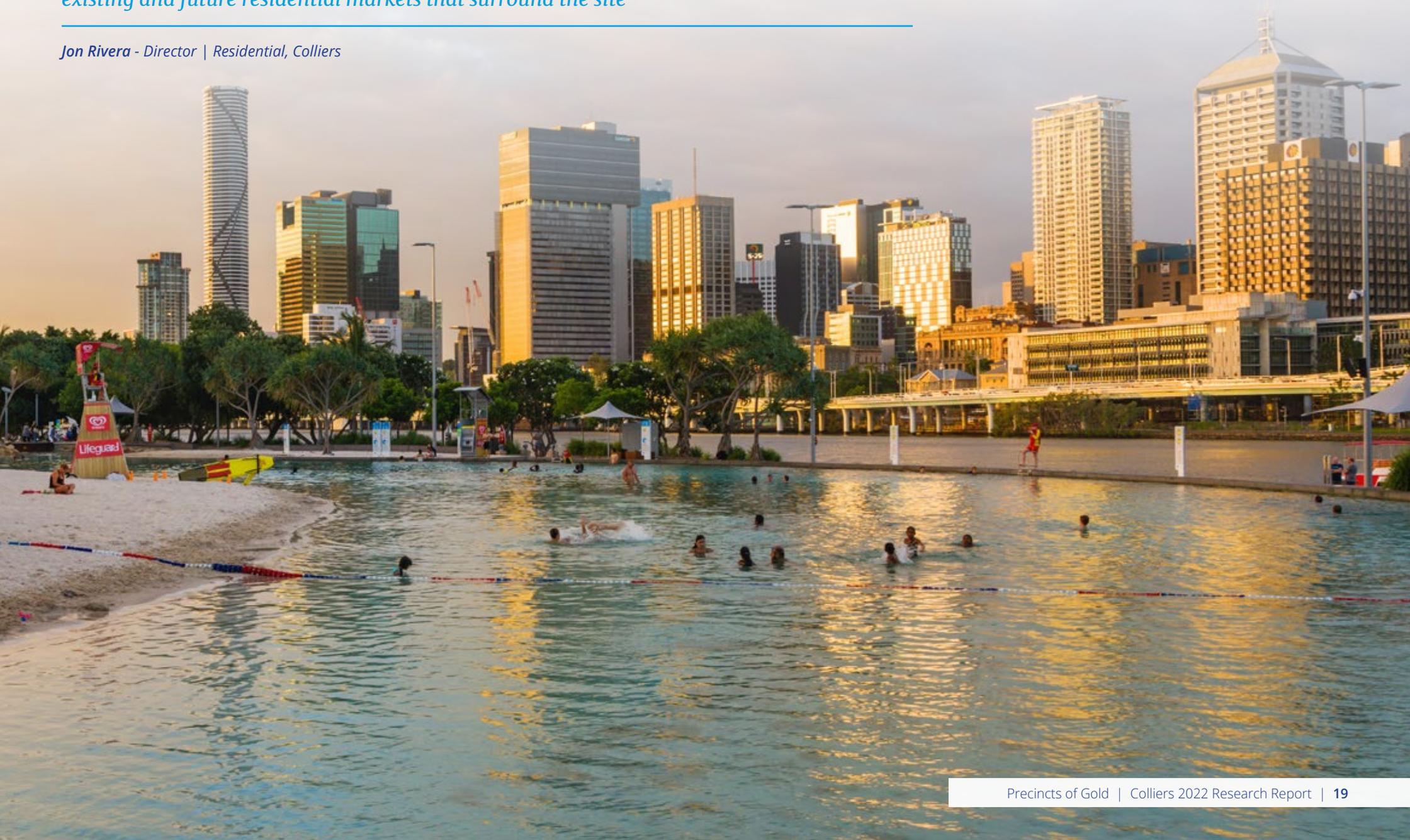
Unique opportunities within the South Bank Precinct

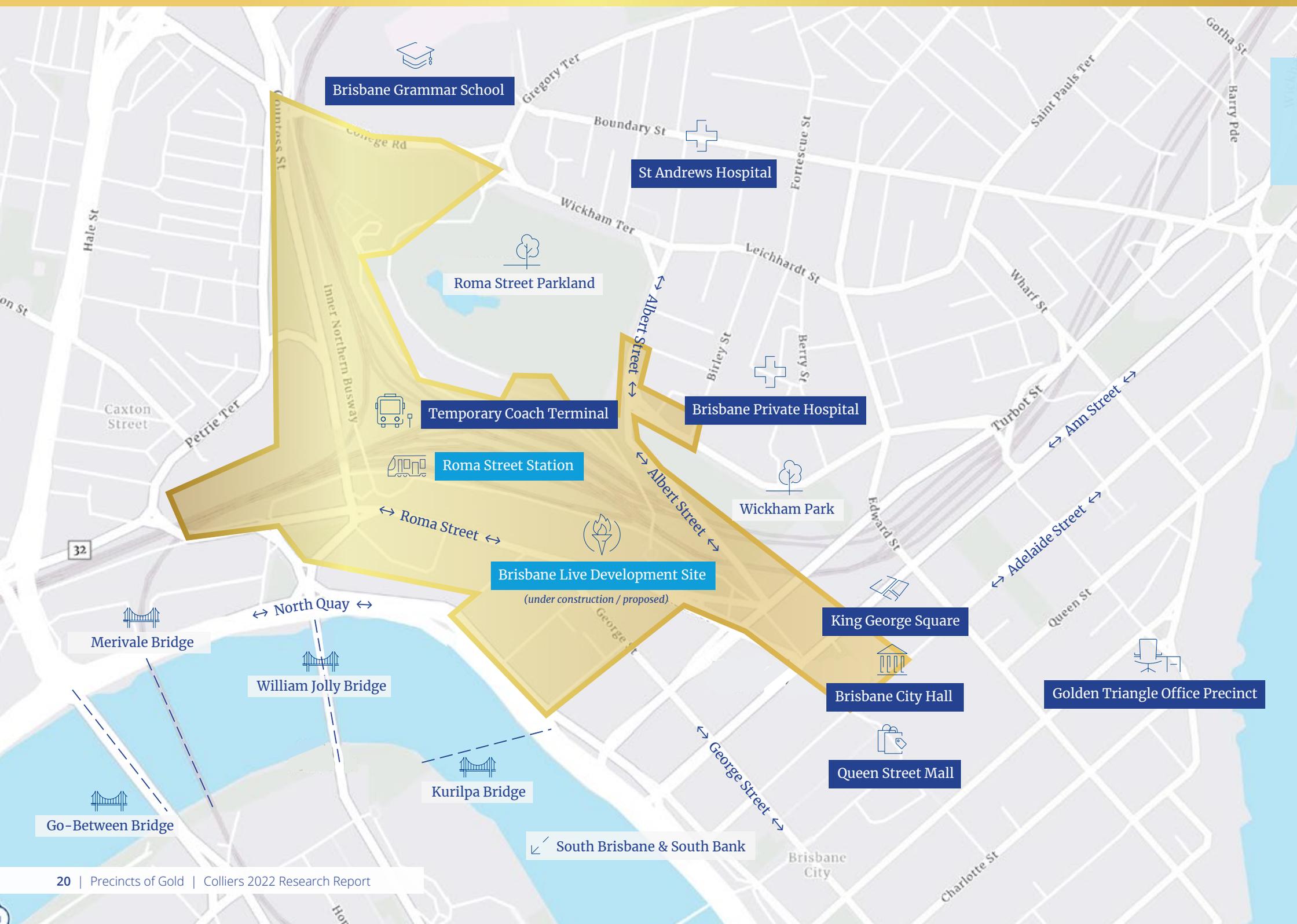
- 1. Retailers to lock in prime sites** sooner rather than later before more competition exists to secure prime sites with the vision to be established before the onset of the Olympics.
- 2. West End residential development** - amenity created from the revitalisation and added amenity to the South Bank area will create more demand for residential product within the surrounding residential precincts, particularly West End.
- 3. Unlocking secondary industrial sites for residential or mixed use development** - with the old Visy Glass factory site being redeveloped into the International Broadcast Centre for the Olympics, the surrounding industrial used land is ripe for redevelopment for high density residential and mixed used commercial.



“What’s not to like about the removal of riverfront industrial land and creating another legacy for the South Brisbane, West End and the greater Brisbane community. Investments like this just create more desirability and with that it unlocks greater capital values in existing and future residential markets that surround the site”

Jon Rivera - Director | Residential, Colliers





Brisbane Grammar School

St Andrews Hospital

Roma Street Parkland

Temporary Coach Terminal

Brisbane Private Hospital

Roma Street Station

Brisbane Live Development Site
(under construction / proposed)

King George Square

Brisbane City Hall

Golden Triangle Office Precinct

Queen Street Mall

South Brisbane & South Bank

Roma Street – North Quarter



Precinct Description and location

Roma Street is located at the northern boundary of the Brisbane CBD. It is a major transport artery with Roma Street Station being the junction for the North Coast, Main, Gold Coast and NSW North Coast lines.



What role will it play in the Olympics?

As part of the Brisbane City Cluster the area will host two key venues – the new inner city Brisbane arena (Brisbane Live) and new Brisbane football stadium (rugby and football finals). The Brisbane Live arena is a proposed 17,000 seat sports and entertainment venue to be built in the heart of the CBD. It will contain a temporary swimming pool to host the swimming and water polo events for the Games which will be dismantled after the games and will leave a next generation of entertainment venue which will be a game-changer for the revitalisation of the northern end of the CBD.



Current and proposed infrastructure upgrades

- **UNDERWAY** - Roma Street Cross River Rail Station – with the addition of a new high-capacity underground station, Roma Street will become Queensland's most significant interchange and Brisbane's 'Grand Central'. The Brisbane Transit Centre has been demolished to make way for a new station plaza and entry point to all public transport services.



Unique opportunities within the Roma Street Precinct

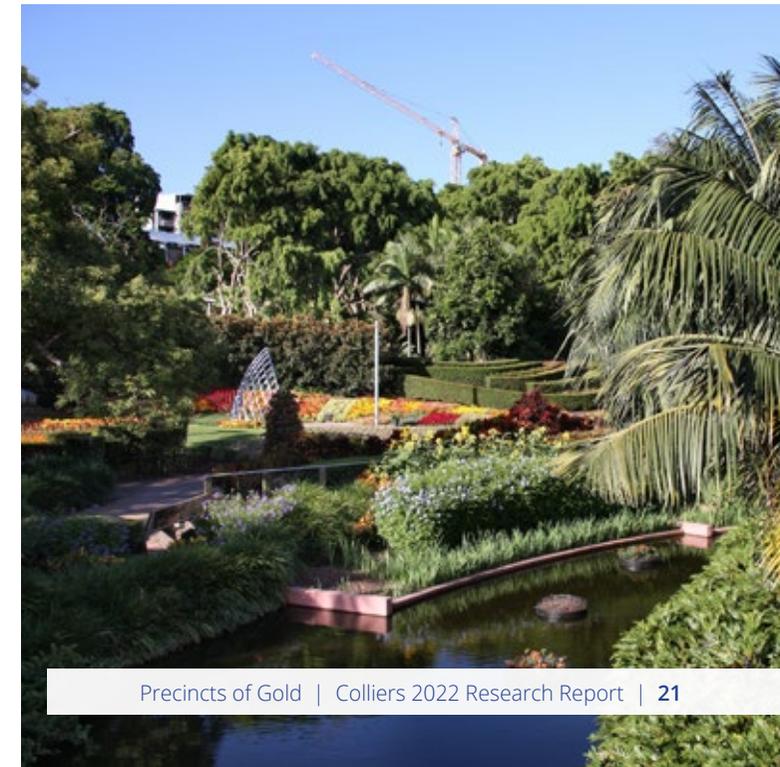
1. **Lower quality secondary office assets primed from redevelopment** - with the flight to quality thematic continuing to play out as occupiers look for well-located, high-end office asset to attract their staff back to the office, secondary assets are ripe for either refurbishment or demolition and re-build to a high-end office asset.

2. **Opportunity for Education facilities.**

Griffith University has announced plans for a new 55 storey campus office tower to be located above the new Roma Street Cross River Rail Station. The endorsement of the precinct by Griffith University may attract further education occupiers or supporting businesses to the area that will benefit from being part of a growing knowledge precinct within a key transport hub.

“Brisbane’s North Quarter office precinct is expected to be a key beneficiary of the development in this area that has been accelerated by the Olympics. Opportunities will radiate out from the transformation of Roma Street Station and addition of the Cross River Rail.”

Hunter Higgins - National Director, Brisbane City & Metro Sales | Investment Services, Colliers





03. Legacy Outcomes from Previous Games

London 2012 - Learning from London



What can we learn from previous Olympic games such as London? 10 years since the London 2012 games economic activity at the Queen Elizabeth Olympic Park is still ongoing.

The Stratford precinct encompasses a thriving area of a 226-hectare park attracting six million visitors a year, world class sporting facilities, over 10,000 homes already complete, and two of five new neighbourhoods under construction: amounting to over 55,000 people living on and around Queen Elizabeth Olympic Park by 2031.

The Westfield Stratford City Shopping Centre, which opened in 2011, is one of the largest urban shopping centres in Europe. Westfield attracts 50 million yearly visitors and generates annual retail sales of more than £1.2 billion. Stratford Train Station is now the 6th busiest station in London.

More recent development includes the nearly completed area called East Bank; where buildings for the Victoria and Albert Museum, University College London, the London College of Fashion, Sadler's Wells and the BBC are all under construction. Outside the boundaries of the Olympic site itself, neighbouring areas such as Hackney Wick are now bursting with life, with canals in this area busy as never before.

There is also a thriving network of global heavy-weight companies setting up Stratford bases. Transport for London, Cancer Research, the Financial Conduct Authority, Unicef and the British Council all have a sizeable presence in the area.

There is also planning in place to bring 'Madison Square Garden' to Stratford; with plans under review for a spherical shaped building next to Stratford Station, that would provide an auditorium (capacity for up to 21,500 people), a music venue, nightclub, members lounge, restaurants, bars, and new bridges to create pedestrian connections across the site amongst other things.

The London Olympics is a prime example of bipartisan collaboration with local council and government to achieve the best long-term solutions as the result of an Olympic Games. This coupled with continuing legacy events such as the Anniversary Games athletics competition and facilitating the usage of purpose-built facilities that allowed for the relocation of West Ham Football Club, professional boxing at the 'Copper Box' and use of the area for music festivals.

Whilst other cities have seen the Olympics costs many billions just to put on these short-lived festivals of sport, with no guarantee of any additional benefit to the places where they are held, London showed that when done properly, investment will continue to be placed in and around the precinct to foster long-term growth.

London is a prime example showing that when executed with well thought out future planning, the promise of Olympic legacy can continue to deliver economic activity in the decades preceding it.



Looking back at the **London 2012** plan

The London 2012 summer Olympics had a strong sense to instil legacy outcomes from the outset of its Olympic bid. It strived to foster long term benefits for London's East End, the UK's wider population and economy and even for people who would visit from overseas following the games. The main aims of London 2012 were:



Increasing public participation across multiple sports



The urban transformation of East London where the games were largely based



Boosting both sustainability and economic opportunities in the city and beyond.

“The vision for London 2012 was to transform the area for growth purposes, for inward investment and , critically, to benefit local people over the long-term. It’s going to create amazing opportunities for a whole new generation.”

*Lyn Garner
CEO London Legacy Development Corporation
International Olympic Committee*

(Source: London 2012 - Legacy Stories YouTube video posted 13 March 2021.)



Olympic Goals

1 Achieve a long-term government strategy to enlarge London to the east
Planners had been trying to develop east London for more than 50 years. Stratford was underutilised, but it is now a vibrant, attractive area with a very different future that places it at the heart of London rather than on the periphery.

2 Build the infrastructure that is needed to accommodate London's growth as the population swells from 6m to 7m.

Long-term strategy of regeneration

Urban regeneration scheme in Stratford comprised of:



1,316 affordable new housing units



Local highway network widening, and **improvement** works



Post-games **community facilities** including:



Construction of a **multi-storey car park** to support the new Stratford International rail



New bridges over **railways, rail enclosures** and **underpass connections**



4 bridges for the **Westfield** area **connecting** the existing Stratford town centre

Key Legacy Goals

- 1 Lasting commitment** from planning authorities and other agencies, including Central Government, to ensure the evolution of communities rather than simply the construction of more housing units.
- 2 Investment in transport infrastructure**, delivering a broad range of public services and facilities, retaining the focus on environmental improvement and reshaping the area into one where businesses wish to locate, and households wish to live.
- 3 Focusing capital investment** on projects of durable benefit and seeking to integrate the Olympics area with the rest of the urban structure and other key nodes within it.
- 4 Delivery by market mechanisms.** The Olympics provide the opportunity to secure these benefits for future generations.



Impacts to commercial property in the London Olympics area and potential synergies for Brisbane.

The regeneration of inner-city precincts allows for many development opportunities to add new and innovative property assets to these precincts and the surrounding area. The revitalisation of these areas also provides potential value uplift for existing property assets.

Charts 2, 3 and 4 show the change in headline rental values in key London suburbs from West to East, from 2006 to 2012 with Stratford being the home to the London 2012 Olympics.

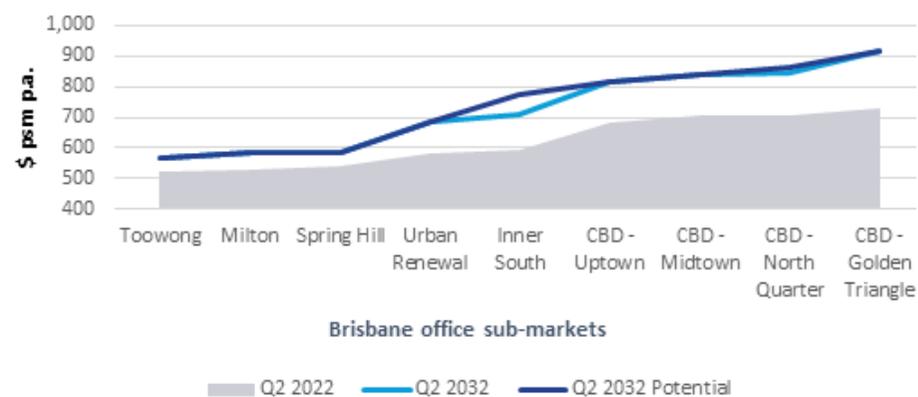
The analysis shows:

- **Prime office headline (face) rents** in Stratford increased by 58% in the three years leading up to the London 2012 Games, compared to Prime rents in the centre of London (West End) increasing by only 34%. Also notably, the differential between Prime rents in Stratford and the key office markets in London's Docklands, City and West End decreased considerably with the newest precinct Docklands sitting 150% above Prime rents in Stratford in 2006 compared to only a 17% premium by 2012.
- If we take the London impact as an example, the Brisbane Olympics could have a similar effect to the existing Inner South office precinct which covers the South Bank and South Brisbane area and the North Quarter precinct of the CBD. Prime gross face rents which are currently averaging \$595 per sqm p.a. (as at Q2 2022), could record a lift from Colliers' projected average of \$700 per sqm to just under \$800 per sqm by 2032. Similarly, office rents in the North Quarter of the CBD precinct, which were an average of \$706 per sqm p.a. for Q2 2022, could reach an average of \$865 per sqm instead of \$845 per sqm by 2032, due to the impact of the Olympics.

- Similarly, **Prime industrial headline (face) rents** in Stratford increased by 25% in the three years leading up to the London 2012 Games, compared to Prime rents in the neighbouring Park Royal precinct increasing by only 11%. Interestingly for industrial the nearby industrial area of Woolwich also benefited from the uplift experienced in Stratford with Prime rents also increasing by 25% over the same period. In Brisbane, The Australia Trade Coast (ATC) industrial precinct already commands on average the highest industrial rents in Brisbane. However, the infrastructure upgrades and potential inclusion of new high-tech industrial assets within the Northshore Hamilton area could have a knock-on-effect to rents within the existing ATC precinct.
- **Retail rents** in Stratford did not experience the same trend as witnessed across office and industrial. There is a fundamental reason for this as the new Westfield Stratford shopping centre opened its doors in 2011 just prior to the Olympics and would have created additional competition for existing retail locations in the area. Westfield Stratford is what in Australia we would classify as a Super-regional centre and would therefore capture the majority of footfall and retail spend in the local community.



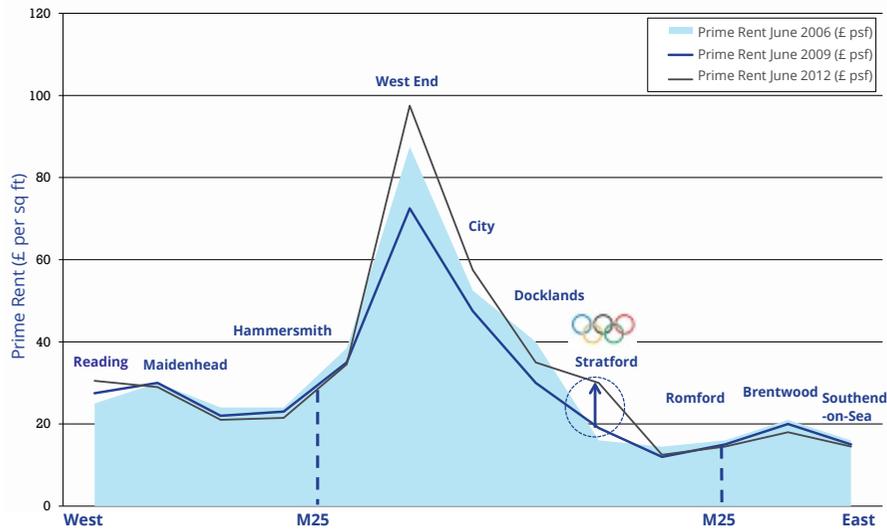
1. Brisbane Office Sub-markets - Gross Face Rents



Source: Colliers

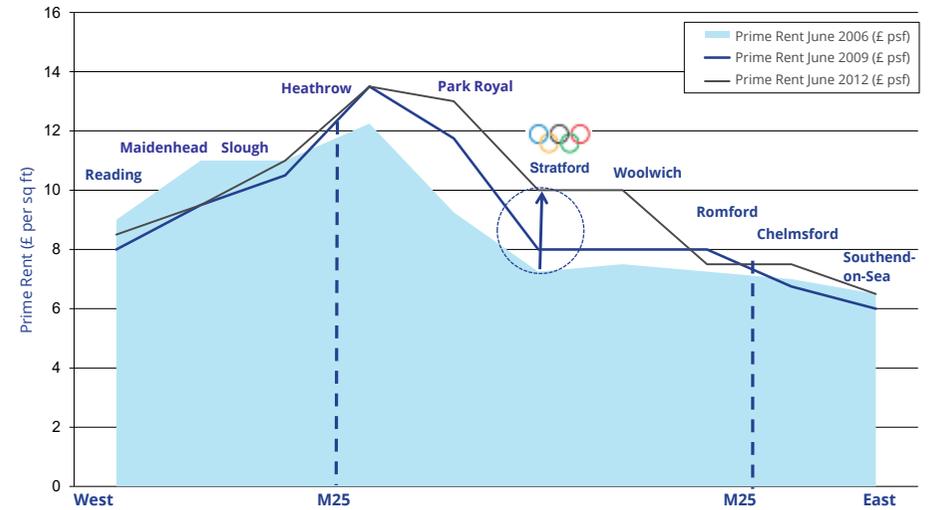
London commercial property rental comparison charts

2. London Office Costs - West to East - 2006 v 2009 v 2012



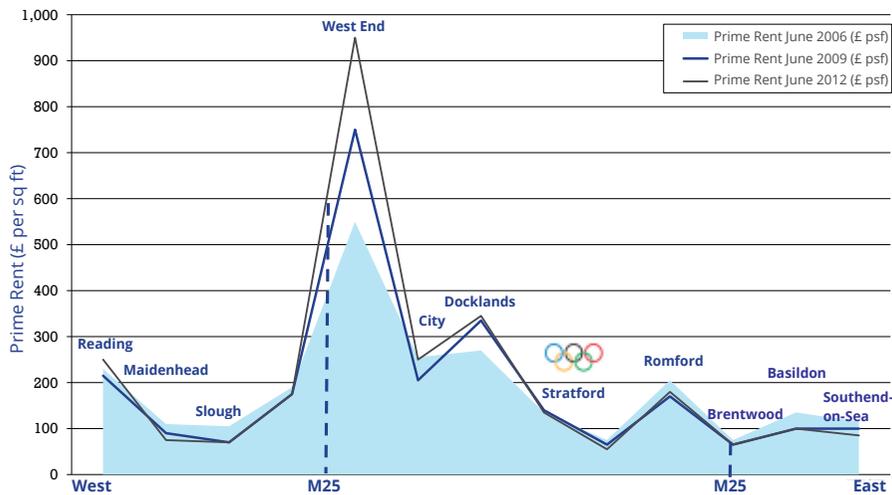
Source: Colliers

3. London Industrial - West to East - 2006 v 2009 v 2012



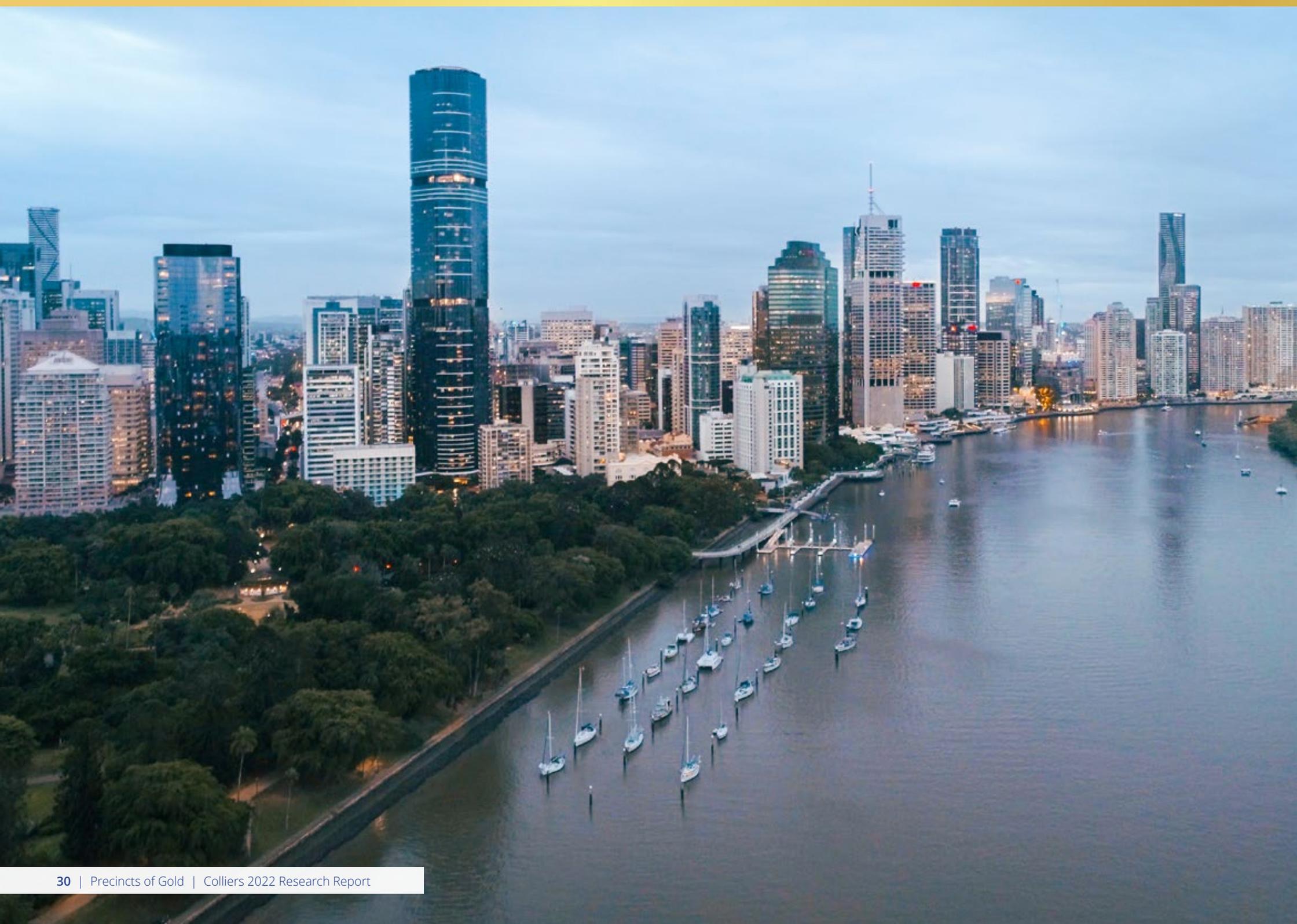
Source: Colliers

4. London Retail - West to East - 2006 v 2009 v 2012

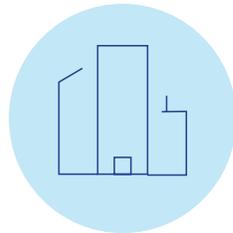


Source: Colliers





04. Potential across Brisbane's Asset Classes



Office

New office development to meet the growing demands of today for a prime office product in prime locations.



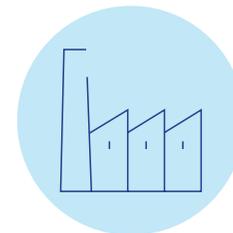
Retail

Repositioning of tired retail areas and competition for key pockets surrounding key Olympic locations.



Residential

Unlocking key sites for high density development, particularly around new infrastructure and amenity nodes to support additional population density in these areas.



Industrial

High-tech industrial to cater for a growing population and growing demand for last mile logistic space.

Author



Joanne Henderson

National Director | Research

+61 2 9257 0285

joanne.henderson@colliers.com

Brisbane Experts

Simon Beirne

State Chief Executive | Queensland

+61 7 3370 1784

simon.beirne@colliers.com

Matt Kearney

National Director | Office Leasing

+61 7 3370 1768

matt.kearney@colliers.com

Anthony White

National Director | Industrial

+61 7 3370 1732

anthony.white@colliers.com

Bo Veivers

National Director | Office Leasing

+61 7 3370 1760

bo.veivers@colliers.com

Jon Rivera

Director | Residential

+61 7 3908 9959

jon.rivera@colliers.com

Hunter Higgins

National Director, Brisbane City &

Metro Sales | Investment Services

+61 7 3370 1710

hunter.higgins@colliers.com

Ishbel Jones

Executive | Retail Leasing

+61 7 3370 1762

ishbel.jones@colliers.com

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