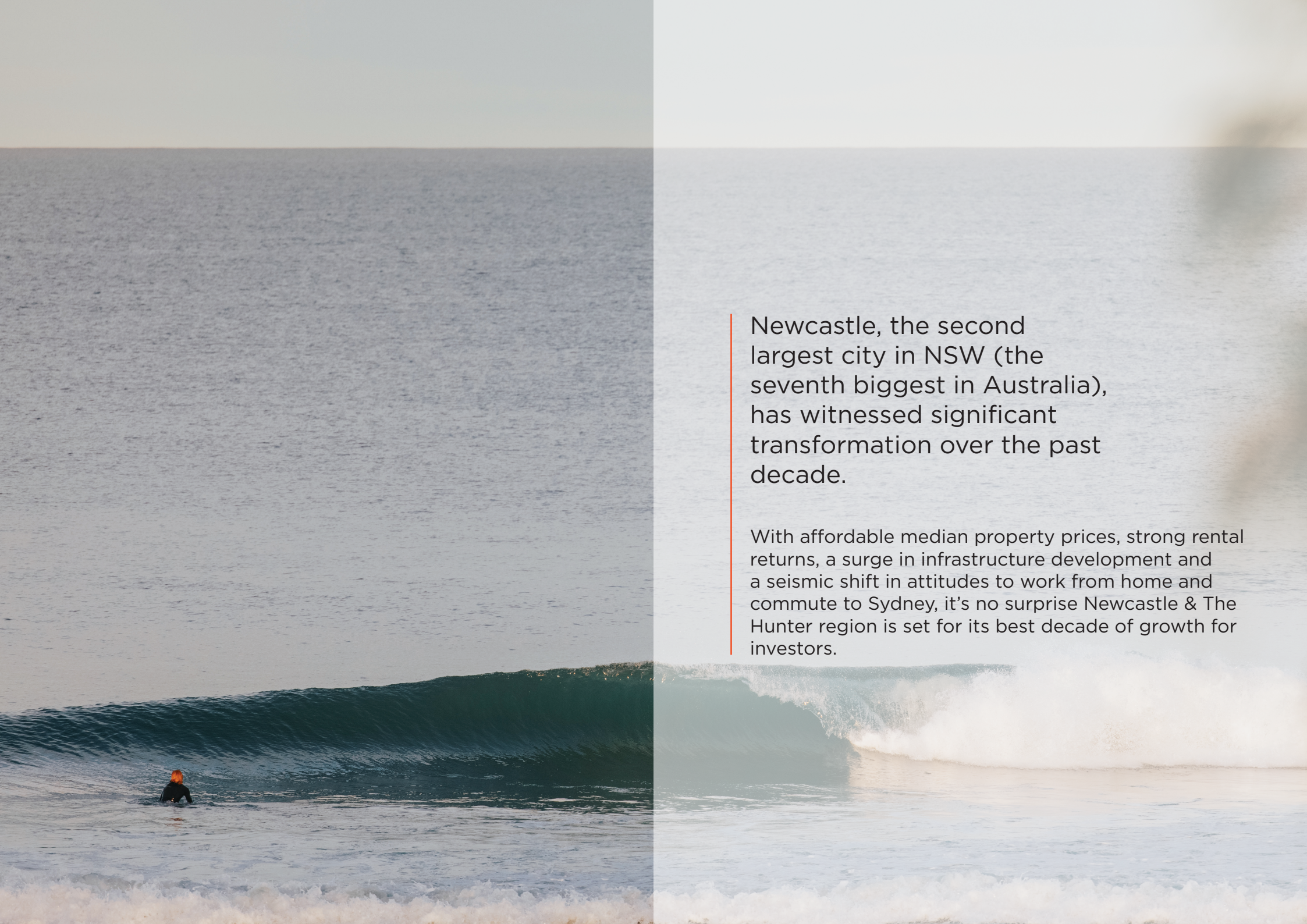


WEST
END
NEWCASTLE

NEWCASTLE 2.0 INVESTING IN NEWCASTLE





Newcastle, the second largest city in NSW (the seventh biggest in Australia), has witnessed significant transformation over the past decade.

With affordable median property prices, strong rental returns, a surge in infrastructure development and a seismic shift in attitudes to work from home and commute to Sydney, it's no surprise Newcastle & The Hunter region is set for its best decade of growth for investors.

An aerial photograph of a group of surfers riding waves in clear, turquoise water. The surfers are scattered across the frame, with some in the foreground and others further back. The water's surface is textured with small ripples and white foam from the breaking waves.

NEWCASTLE AT A GLANCE

LOCATION

Located on the NSW coastline approximately 160kms directly north of Sydney and at the mouth of the Hunter River, Newcastle is known for having the largest coal-exporting harbor in the world. The best vineyards Australia has to offer are only a 45 minute drive away.

Directly inland are several areas home to the country's largest and most prosperous mining operations - from coal to gas based production.

POPULATION

The Greater Newcastle region consists of four Local Government Areas including, Cessnock, Lake Macquarie, Maitland and Port Stephens. These areas combine to make up Australia's 7th largest population, with over 600,000 people living and working in the region.

POWERHOUSE ECONOMY

POWERHOUSE REGION



AUSTRALIA'S **LARGEST**
REGIONAL ECONOMY

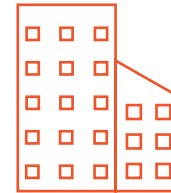


ECONOMY OUTPUT OF
AROUND **\$57 BILLION**



POPULATION OF
747,000+

URBAN ECONOMY



7TH LARGEST CITY IN
AUSTRALIA



\$18.2 BILLION
ECONOMIC OUTPUT



HOUSEHOLD INCOME **20%**
OVER NATIONAL AVERAGE

THE NEWCASTLE MARKET

MARKET COMMENTARY

Over the past few decades the market has changed a lot. Not so long ago it was an area of NSW synonymous with mining and not much else. However, over time the once small town has developed into a fully fledged city with substantial offerings from port facilities to education, healthcare, retail trade and tourism.

As the city developed over time, so too did the property market as it transformed into a popular coastal destination for families to live outside of Sydney. Jobs are readily available as there is such a diverse economy, which over time has only grown and created a strong “pull” for people to move to the area.

It has now shaken the title of “mining town” and is received by the masses as a fully functional and vibrant city. In conjunction with the diversity of economy and commercial growth, the stigma of the area being so heavily dependent on the mining industry has faded and with it. This is evidenced in recent times with the growing property prices running side by side to a slowing commodities economy.

Whether it's sprawling areas 20km from the CBD or inner city pockets just moments from the beach, it is evident that change is happening. People are moving to the area and changing the real estate canvas for the better.

Older houses are being renovated or knocked down to pave way for new homes, units or townhouses. In the city, older commercial/industrial premises are being transformed into high-density unit developments, which cater for additional amenities like cafes and shops, bringing about the area's transformation into a thriving inner city metropolis.

In conjunction with its population growth and commercial evolution, the property market has seen some exciting growth to date with more growth anticipated.

Newcastle is a location undergoing lots of change, which brings about a lot of supporting infrastructure projects. Through combining efforts from State and Local Governments the region is set to see billions of dollars worth of investment over coming years. This type of investment into a region and across multiple sectors such as lifestyle, commerce and transport pave the way for growth and support a flourishing community.



YEAR ON YEAR GROWTH SINCE 2012



RENTAL RETURNS SOME OF THE STRONGEST IN NSW



SUPPORTING VALUATION FOR OFF THE PLAN
PROPERTY



NEW DEVELOPMENTS RAISING STANDARDS OF
LIVING ACROSS THE CITY



BILLIONS OF DOLLARS IN INVESTMENTS WILL PUSH
THE CITY FORWARD

WHY INVEST IN NEWCASTLE?

DIVERSE ECONOMY

The biggest employers in Newcastle LGA to date are health care, education/training, retail trade, and accommodation/food services. This has transformed Newcastle into specialised employment market which attracts talent from all over Australia.

The strongest rate of growth can be seen in the health care, construction, accommodation/food services, and education/training. These sectors are expected to grow in the future at a similar rate as now.

WHAT DOES THIS MEAN FOR INVESTORS?

As we know, markets heavily reliant on only one sector to provide jobs and stimulate the economy are high risk. Diverse economies provide a backbone to an economy and safe-guard the market from falls if one sector declines.

If Newcastle was the 'mining town' that people perceive it to be, property prices would have crumbled as the commodity prices dropped post 2012, and prosperity in mining production slowed. However, property prices stayed true, continuing in a positive direction. Thus, the market and its economy composition helps to safe-guard investors from future adverse fluctuations. From the information in this report there is a clear emergence of context as to how the property prices will continue to rise: industry growth, population pressures, infrastructure projects, value orientation and relatively constrained supply.

LIFESTYLE

In order for an area to attract populations to either move or stay there, it needs to have "pull" factors to do so. In addition to offering employment and great value orientation, Newcastle offers an array of lifestyle factors to compound the attraction of potential migrants (see right).

SYDNEY

For people moving interstate or even from Sydney, comfort can be taken in the fact that Sydney CBD is only 1.5 hours away once on the freeway.

PORT STEPHENS

Just a short drive to the North of Newcastle is the Port Stephens Region, which is home to more beaches and inland boating opportunities.

LAKE MACQUARIE

Just a short drive to the south of Newcastle CBD is the Lake Macquarie Region, which plays host to one of the largest inland bodies of water in Australia.

BEACHES

Newcastle is home to some of the most beautiful beaches on the NSW Coastline. It is one of only a couple of coastal cities that literally lie on the beach.

HUNTER REGION

Just 30-45 minutes drive from Newcastle is the Hunter Valley Wine Region, which is a famous destination for tourists from around Australia and the globe.

EMPLOYMENT

As Newcastle continually transforms into a thriving city with a diversified economy, it attracts new business and many corporations are moving in to set up office. Mining and related services along with the port servicing those activities, are an integral part of the region's commerce but not solely relied upon.

As the mining sector experienced its slowdown in recent years, its effects were offset by growth in other sectors. The strongest growing sectors in the area are now healthcare and the professional services sector, which is helping to create a more centralised workforce in the city and nearby major employment hubs like John Hunter Hospital and Newcastle University.

Education, health and defence are crucial economic drivers. Hunter Health has several development projects across various medical facilities such as the redevelopment of John Hunter Children's Hospital pediatric and neonatal intensive-care units.

Newcastle University is a major employer and helps Newcastle to reach into regional, national and international education/business sectors. The RAAF employs over 3,500 people and its proposed capital works for the next decade total over \$1billion including base redevelopment costing, new air-combat works and runway extensions, all worth hundreds of \$millions.

Upgrades of Newcastle Airport (valued at \$66m), will create 4,400 jobs which will cover the expansion of the terminal. This has been undertaken to meet the needs of growth for business and tourism which expects to bring in around 850,000 visitors to the region, injecting \$12.7b into the economy over the next 20years.

Financial services and tourism are also important in the regional economy. The region is paving way to become somewhat of a tech-hub, as more and more youthful start-ups are calling Newcastle home. All of this supports development of new industry, creates links to external business and promotes a future of employment opportunities.

SOME OF NEWCASTLE'S LARGEST EMPLOYERS



Health
Hunter New England
Local Health District



THE UNIVERSITY OF
NEWCASTLE
AUSTRALIA



NEWCASTLE IN A POST COVID WORLD

A silhouette of a person walking on a coastal path at sunset, with a view of Newcastle in the background. The person is walking from left to right, carrying a bag. The background shows a coastal town with houses and a beach, all bathed in the warm orange light of the setting sun.

COVID-era migration patterns are underscored by an increasing preference for regional areas: capital-city dwellers are moving to the regions in greater numbers, while regional people are electing to stay in place in greater numbers. Over the past two years Newcastle migration grew 14% in 2020/21 vs 2019/2020 and was the 5th most migrated to regional city in Australia 2020/2021- this upward trending pattern is expected to continue to gain momentum even in a post-COVID world.

COVID has allowed workplaces to become much more comfortable with employees working remotely. As a result of Newcastle's close proximity to Sydney, it has become and even more attractive option for those looking to take advantage of living in a city with all the same lifestyle benefits but much more affordable.

Experts are predicting a wave of younger profiled buyers and downsizers interested in making the move and renting before they buy. This gives them the opportunity to explore the city before they make a bigger commitment.

It's diversity, not mining that is the driving force of Newcastle's employment.

The city of Newcastle is home to over 73,000 jobs and is one of the most diverse in Australia. Many people have the misconception that Newcastle's fortunes rise and fall with mining.

TOP 10 SECTORS OF EMPLOYMENT

(showing their the percentage and numbers of the
work force compared to mining)



HEALTH CARE
18% / 13,411



PUBLIC ADMIN & SAFETY
7% / 5,125



EDUCATIONAL TRAINING
10% / 7,310



PROFESSIONAL SERVICES
7% / 5,125



RETAIL TRADE
9.4% / 6,891



MANUFACTURING
5.5% / 4,025



**ACCOMMODATION &
FOOD SERVICES**
8.6% / 6,285



**FINANCIAL & INSURANCE
SERVICES**
3.4% / 2,458



CONSTRUCTION
7.5% / 5,512



**ADMINISTRATIVE & SUPPORT
SERVICES**
3% / 2,164

SURROUNDING INFRASTRUCTURE & AMENITY

Key factors supporting growth and jobs in Wickham:

- New lease of Newcastle Port has seen the State Government promise \$650m+ towards the revitalisation of the CBD.
- Connecting the CBD and the harbour foreshore area, showcasing Wickham as the home of the light rail terminal, was a key revitalisation concept
- Substantial funding to uplift the Hunter Street precinct, seeing it transform into the hub of dining and retail for Novocastrians.
- In early 2019, \$780 million was committed to the redevelopment of the John Hunter campus. This will deliver increased and improved clinical capacity and facilitate an enhanced health, education and research precinct servicing the region and Northern NSW. It will meet increasing demand for a broad range of health services and contribute significantly to the development of the region's knowledge sector, driving employment growth and economic diversification.
- Just down the road, Honeysuckle HQ is strategically positioned to support Newcastle's emerging CBD. The recently opened Registrations of Interest (ROI) has an allowance for mixed-use zoning and is poised to become the 'go-to' precinct where professionals, locals and tourists can work, live and play.
- A runway upgrade and further terminal expansion at Newcastle Airport will open new opportunities for trade, tourism, employment and economic investment at this key global gateway as well as boosting the recovery of the sectors hardest hit by the pandemic and supporting the region's economic diversification. This project was also named as a Priority Initiative on the 2021 Infrastructure Australia Priority List.
- Japan's Nihon University has recently completed their \$41 million Campus. A transformation of the former Newcastle courthouse, this is the first international campus for the university and is expected to have students arriving early 2022.
- Newcastle Council has moved their administrative HQ, bringing 400 public servants to the West End, in addition to a new 5 level building in the centre of Newcastle.
- Heritage listed building, The Store, is being tendered for redevelopment by the NSW Government to include 10,000m² of commercial space, and the addition of a new bus interchange to increase the transport nodes connecting the region.
- The University of Newcastle is continuing to expand their CBD presence over the next 10+ years, which is set to attract an additional 10,000 students daily. In 2018, they released their 'Concept Master Plan' for the Honeysuckle site. This plan proposes to deliver a mix of innovative research and education spaces, places to collaborate with industry and community, and accommodation for students to enjoy the best of living and working in the heart of the city.

An aerial photograph of a city at sunset. The sky is filled with soft, orange and pink clouds. The city below is a mix of low-rise and mid-rise buildings, with some lights already on. A large body of water is visible in the background, with a few boats and a small island. In the foreground, there are some commercial buildings, including one with a 'Suzuki' sign and another with a 'Kennards Self Storage' sign. Light trails from cars are visible on a road in the lower right. The text 'THE WESTEND IS WHERE IT'S AT' is overlaid in large, white, sans-serif capital letters on the left side of the image.

THE
WESTEND
IS WHERE
IT'S AT



WEST END PROFILE

WICKHAM STANDS OUT AS
A TARGETED INVESTMENT
HOTSPOT WITH ALL THE RIGHT
FUNDAMENTALS.

KEY REASONS TO INVEST

- Gentrification
- New Property Supply
- Strong demographic structure
- Surrounding amenity
- Current and planned infrastructure
- Vacancy rates of just 2.6% - new apartments are in high demand amongst tenants
- Current investors are experiencing above 4% gross returns or higher
- Property growth and re-sales are experiencing up to a 17% gain within a 9 month period.

URBAN RENEWAL



WestEnd is located in the popular inner city suburb of Wickham, Newcastle, roughly 2kms from the city centre. It is in the heart of several major infrastructure project locations and, as such, is going through an extensive amount of gentrification.

The property landscape is changing as West End is earmarked for drastic urban renewal due to its central location. The old industrial sheds or small commercial premises are being transformed into new commercial hubs or beautiful residential developments. Due to the location and the subsequent demand on the city, areas like Wickham are forced to adapt.

Key items making West End an area of Urban Renewal:

- Location to main roads
- Transport interchange
- Close to waterfront
- Honeysuckle
- Hunter St shopping & retail
- Proximity to law courts
- Proximity to Uni campus & TAFE

DEMOGRAPHIC

Wickham is an emerging suburb that has gone through immense change, as is the typical household composition. Across all of our major cities we are seeing the trend of shrinking household sizes. This is evident in Newcastle with an average household size of just 2.4 persons. The “vertical community” and centralisation of population is in effect in Newcastle as families are choosing central locations over suburban housing areas.

New unit supply in areas like Wickham are paving the way for change. Inner city locations are dominated by modern residential complexes to cater for the single executive, young executive couple/DINKS (Double Income, No Kids), small families, and downsizers.

One of the prevailing age groups in Wickham is 25-34: a target demographic for the investor being the perfect workforce age. Locals are moving to the emerging districts of Newcastle, like Wickham where there is new property supply, new amenities, commerce close by, at an affordable rate.

This continued movement sees more demand to the area and helps to influence property prices in the right direction.



WHY INVEST IN THE WESTEND?

There will be no place quite like Newcastle's West End. Once the beating heart of the city's heavy industry, the WestEnd is emerging as Newcastle's newest cultural hub, packed with an eclectic mix of history and character with an urban nature.

Here you'll be living or investing amongst part of the district's unique fusion of art, live music, shopping, cafes and restaurants. Thirdi Group is excited to offer four exceptional investment opportunities that are located in the heart of WestEnd: Eaton on Union, Stella on Hannell, Dairy Farmers Towers, and West Apartments.



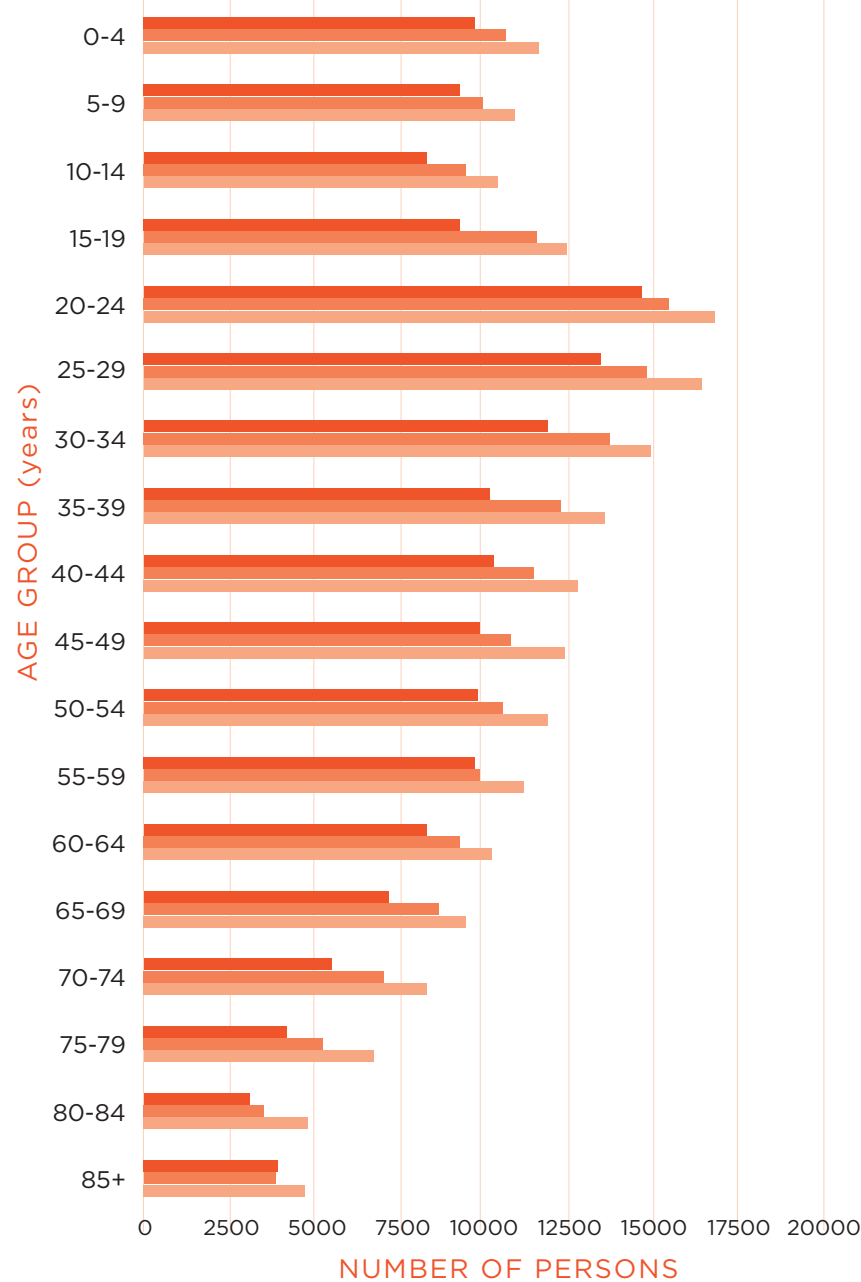
WELCOME TO THE WEST END



FORECAST AGE STRUCTURE

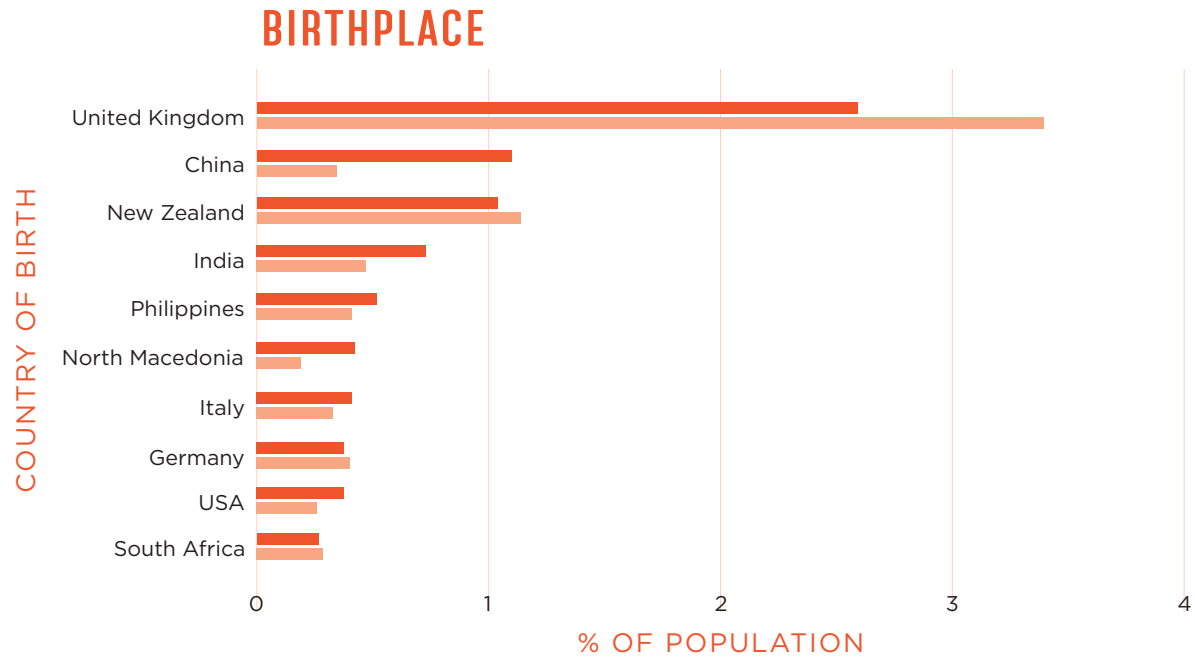
(5 year age groups)

CITY OF NEWCASTLE
TOTAL PERSONS



Whilst there is currently a younger based audience within Newcastle (aged 20 – 50), there is approximately an 18.2% forecasted increase in retirement aged in the next 5 years.

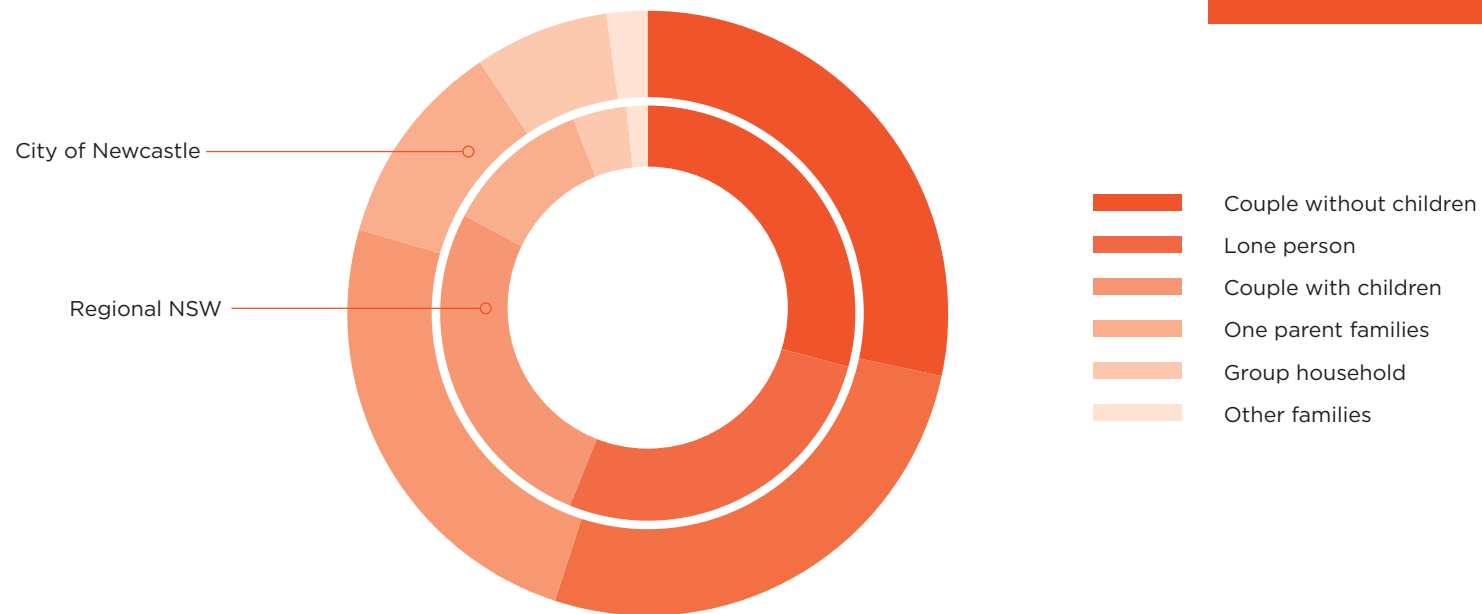
2016
2026
2041



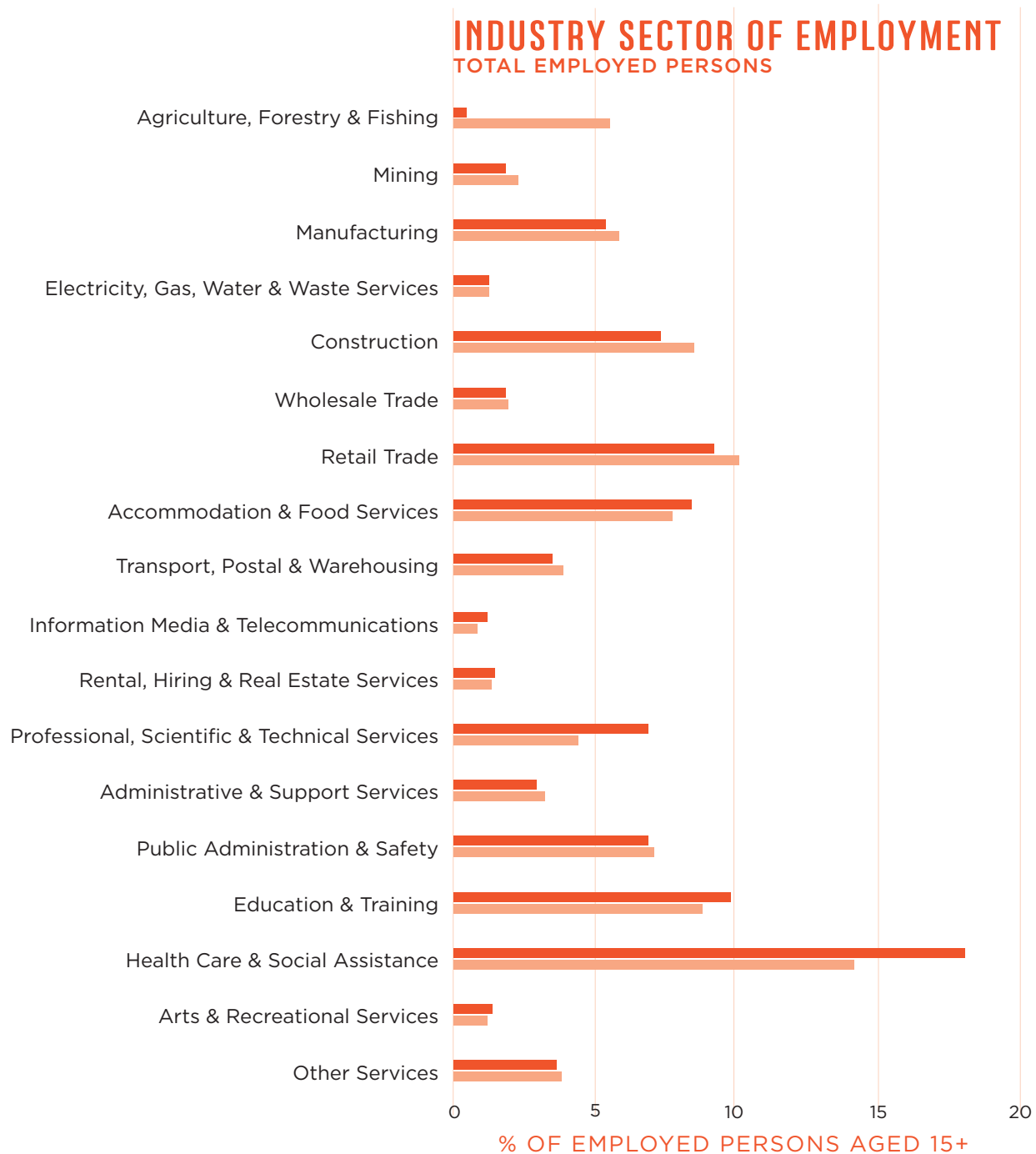
City of Newcastle
Regional NSW

13.9% of people in the City of Newcastle were born overseas, compared with 11.2% in Regional NSW.

HOUSEHOLD TYPE

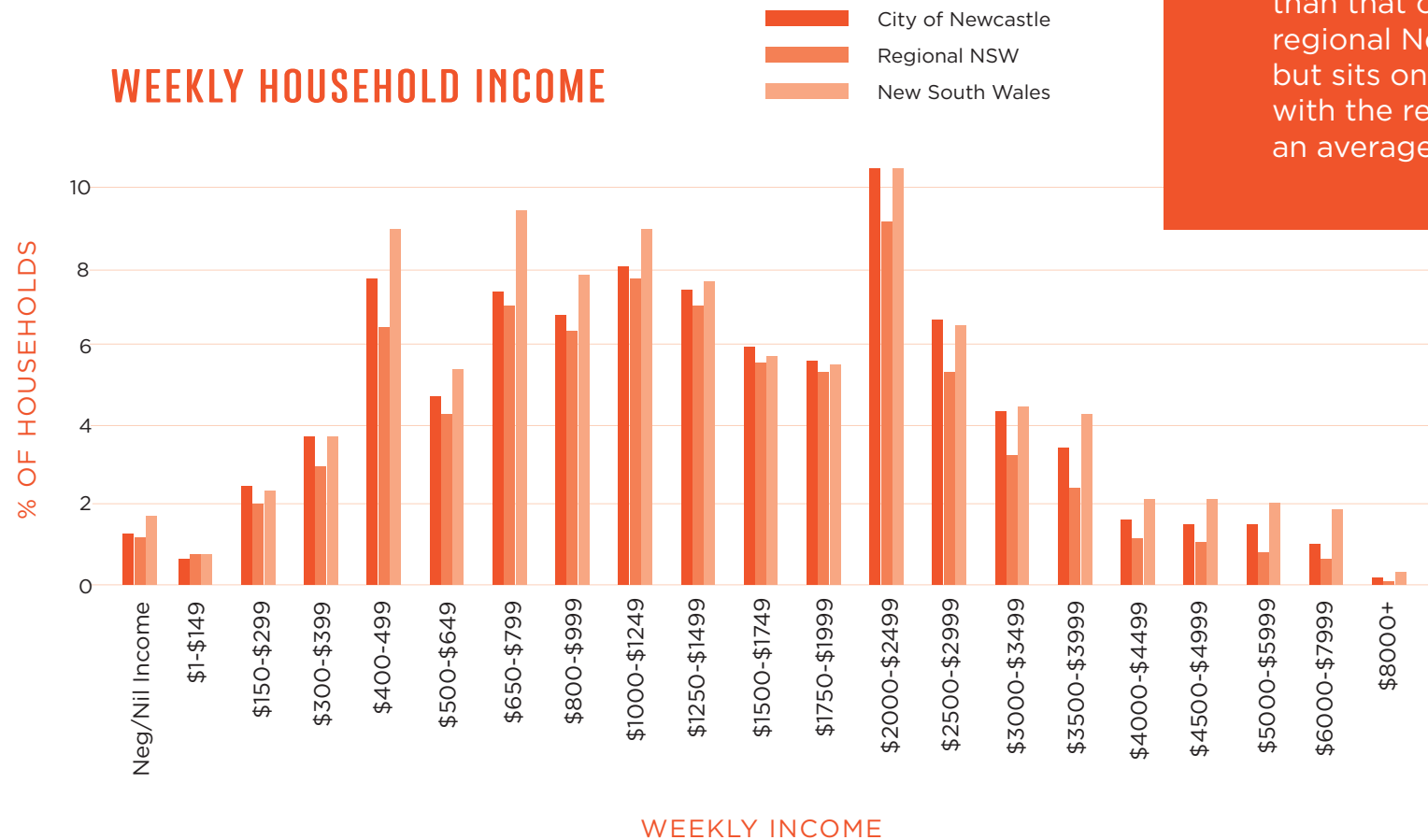


Couples with Children, Couples without Children and Lone Persons are the largest audience sizes in the area. One Parent Families also account for 11% of the audience in Newcastle.



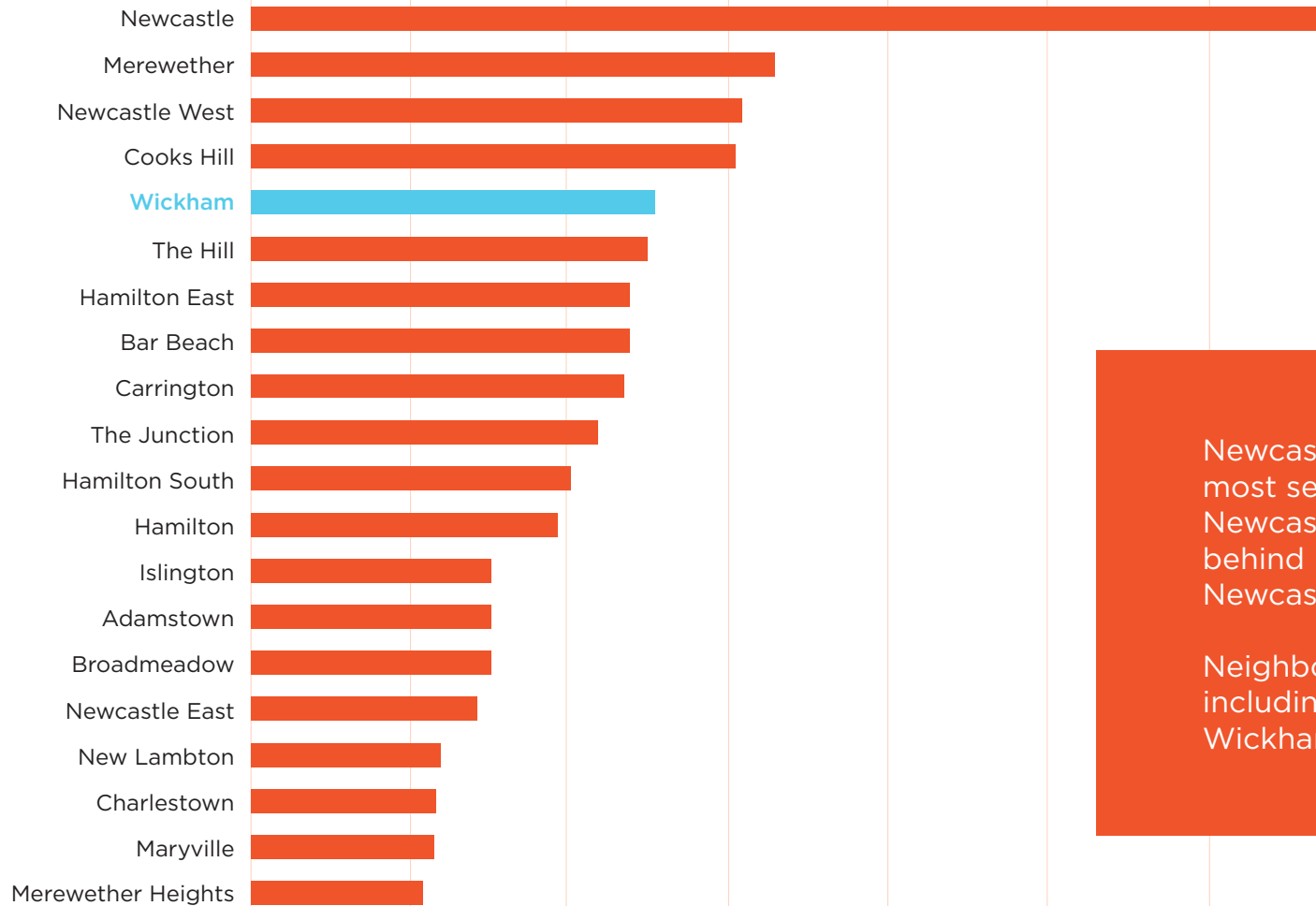
Healthcare, Education, Retail Trade and Construction are the leading areas of employment in the area. Healthcare in particular over-indexes compared to Regional NSW as a whole.

City of Newcastle
Regional NSW



In general, the income in Newcastle is higher than that of the broader regional Newcastle area, but sits on a complete par with the rest of NSW as an average.

APARTMENT/UNIT SEARCHES

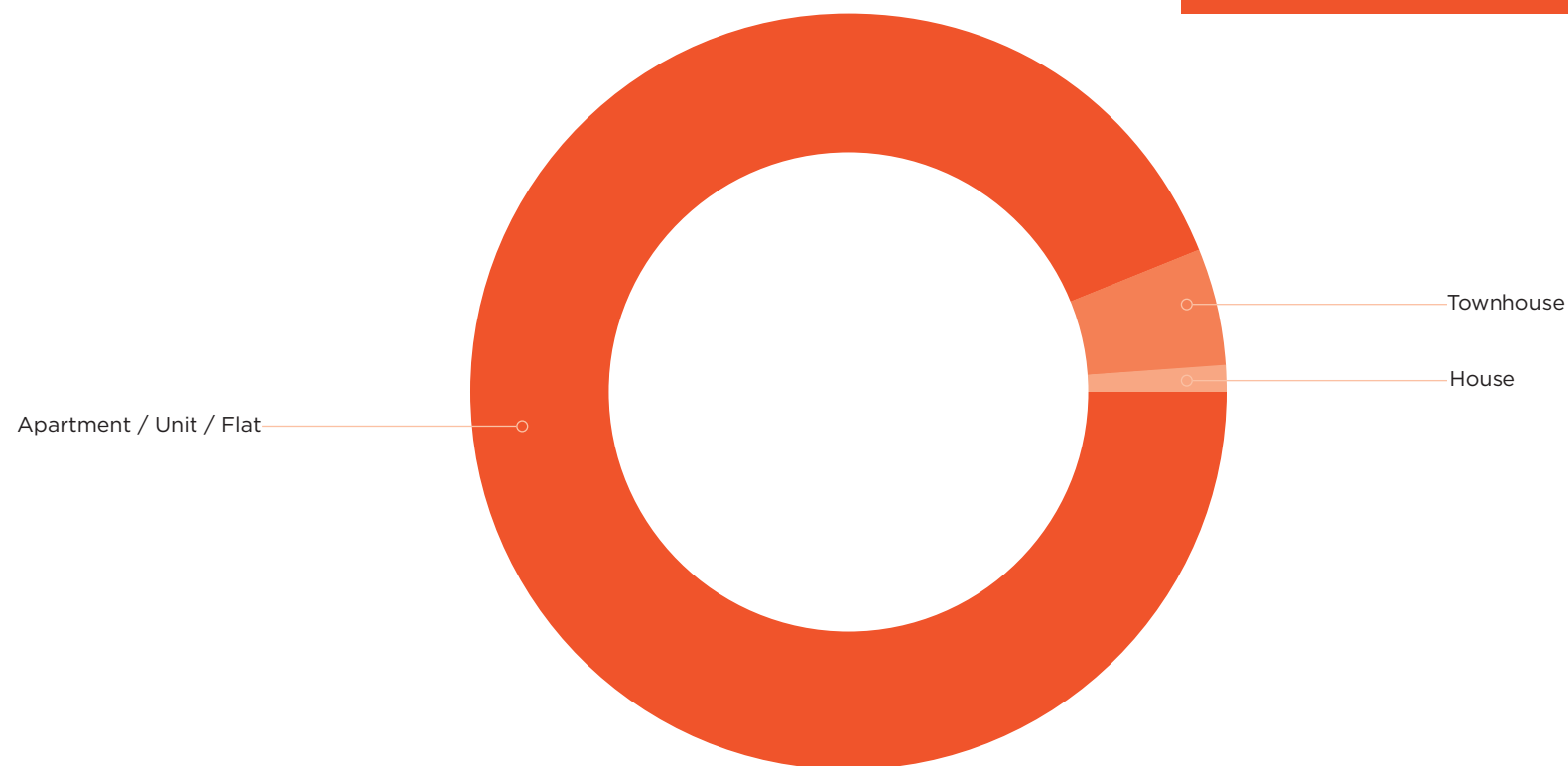


Newcastle West is the third most searched area in the Newcastle Region, just behind Merewether and Newcastle.

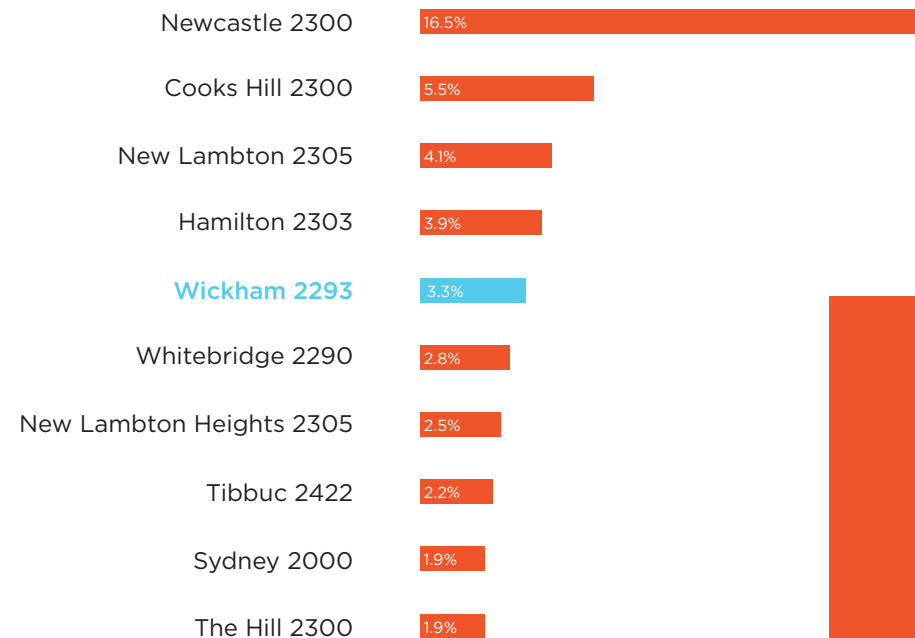
Neighbouring suburbs including Cooks Hill and Wickham also rank high.

ENQUIRIES

94% of the enquiries which are made through Domain are for Apartments and Units which shows how popular / competitive the location is.



INCOMING PEOPLE INTO THE NEWCASTLE AREA



Based on Aus post data, we can see that a only 38.6% of people who move into the Newcastle come from the local area which is much lower than other suburbs, implying that the area is attracting new residents from outside the area.

KEY REASONS TO INVEST

MACRO LOCATION
NEWCASTLE

Newcastle is strategically located to capture Sydney's overflow as it continues to grow and expand in Australia's largest capital city. Newcastle is also a desirable location for many regional NSW residents that choose to relocate for work opportunities, education, health services and lifestyle benefits making it one of the fastest growing regional cities in Australia.



POPULATION GROWTH

Newcastle is one of Australia's fastest growing cities with a record number of people migrating to Newcastle since COVID-19 due to outdoor lifestyle, access to amenities and beaches.



EDUCATION

Newcastle University is walking distance from the WestEnd and has a 10-year expansion plan for the campus. Nihon Japanese University has set up their first international campus in Newcastle.



DIVERSITY OF EMPLOYMENT

Newcastle has a multi-layer of industries that support large and small employers operating across a number of sectors. It has an enormous opportunity to expand & invest in its transport infrastructure (Rail, Land, Port, Air) that will further drive investment and diversity in its employment sector.



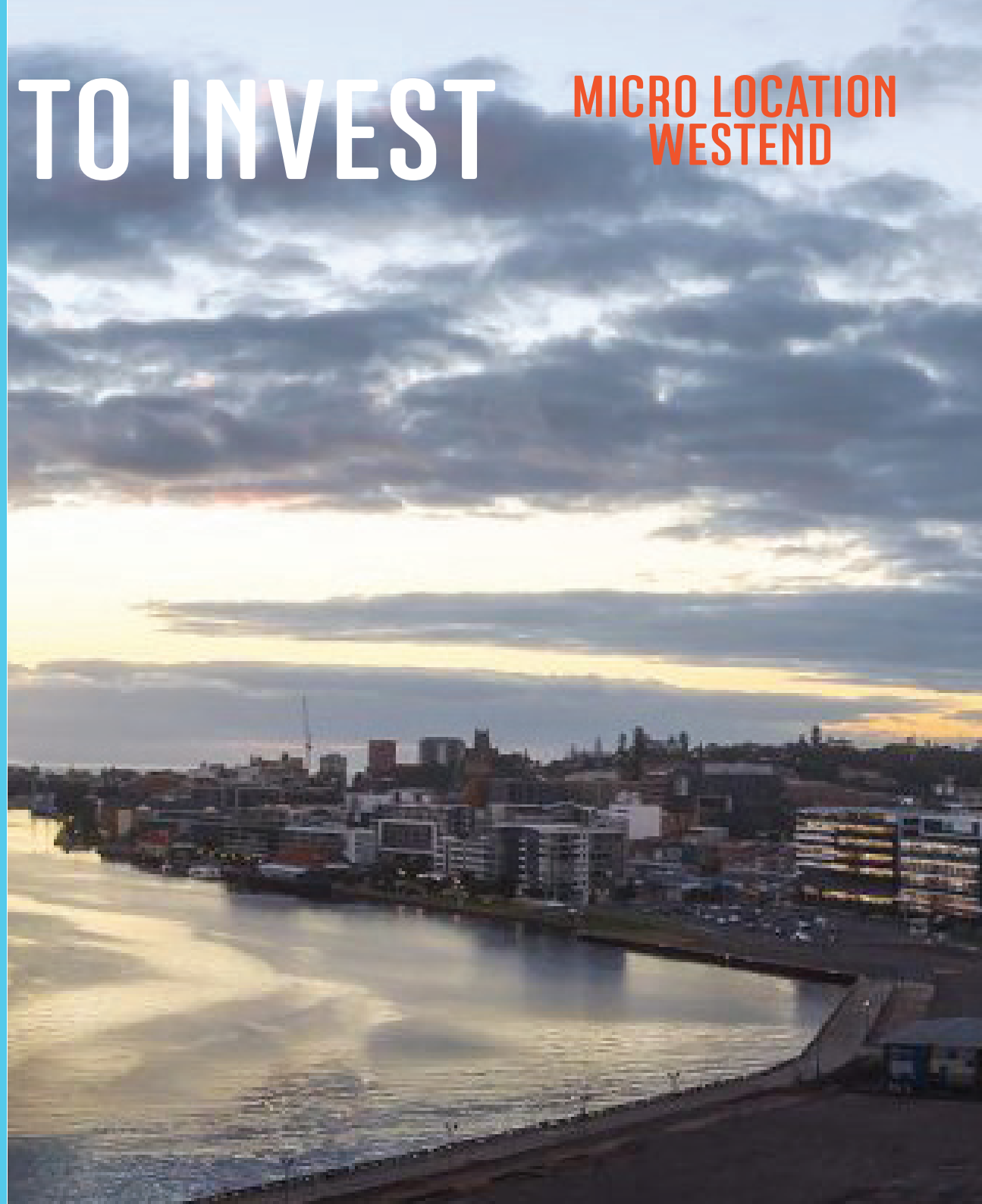
INFRASTRUCTURE INVESTMENT

Newcastle Airport Expansion, CBD Revitalisation to a smart city, public transport expansion (new tram, train and bus interchange), tram will extend in the future.

KEY REASONS TO INVEST

**MICRO LOCATION
WESTEND**

- After significant investment by the NSW State Government and Newcastle City Council to relocate their offices to WestEnd, this part of the CBD is set to grow significantly
- The precinct will have thousands of employees and consultants visiting this area daily making one of the more vibrant parts of the CBD and a desirable location to live, work and play.
- The WestEnd is home to the Newcastle Transport Interchange and will become one of the most connected precincts in the city. Access to world class beaches
- Via the Transport Interchange The WestEnd will have easy access to Sydney via train, world class beaches via light rail and the rest of the city suburbs via the Bus Interchange.
- On its door step is a range of cafes, restaurants, bars, waterfront entertainment precincts, shopping that all combine to make it one of the best places to live or own a property in.



KEY REASONS TO INVEST IN DAIRY FARMERS TOWERS



REGISTER YOUR INTEREST NOW

dairyfarmerstowers.com.au

LOCATION

DFT is a corner stone development in WestEnd and will benefit greatly from the continued investment in the precinct.

PANORAMIC VIEWS

DFT is one of the tallest towers in Newcastle with views across the CBD, harbour and ocean.

WORLD CLASS DESIGN

Designed by leading architect CKDS, DFT has large open plan floor plans catering for 1, 2, 3 and 4-bedroom apartments with outdoor areas.

HIGH LEVEL OF AMENITIES

Residents of DFT will have exclusive access to co-working space, outdoor pool, gymnasium, Pilates studio, dining room, wine cellar.

HIGH STANDARDS OF FINISHES

DFT will include a standard of finish rarely offered in Newcastle. This includes Miele appliances, oak timber flooring, engineered stone benchtops and splash back, home automation, AC in all living and bedrooms, floor to ceiling windows

STRONG RENTAL RETURNS / TAX DEPRECIATION BENEFITS

As demand for apartment living continues to grow in Newcastle, and is expected to grow further due to people moving out of Sydney due to COVID, there has never been a better time to invest in Newcastle.

FIRST HOME BUYER OFF THE PLAN INCENTIVES

There a range of government and Third.i developer incentives available to first home buyers that make Dairy Farmers a very attractive option to this buying profile.

Please reach out to Third.i for more details.

SOLD OUT PROJECTS

EATON ON UNION

SOLD OUT

Eaton on Union, where style and sophistication meets urban city edge. 1, 2 & 3 bedroom apartments many with stunning views of Newcastle's Harbour and districts.

Eaton on Union is a part of the WestEnd Precinct, right in the heart of thriving WestEnd Wickham. WestEnd is fast becoming the most liveable and connected area of Newcastle's CBD.

With the Newcastle transport interchange and the light rail system outside your door you're immersed in all that Newcastle has to offer.



EATON
ON UNION



STELLA ON HANNELL

SOLD OUT

Welcome to Stella, on Hannell. This beautiful two tower development has set a new standard of apartment living on the Wickham foreshore. With unmatched North East harbour views, this building is the result of thoughtful planning and a dedicated architectural team in LJM Architecture.

Newcastle is one of the most visually stunning places in the world so Stella makes sure you can take in as much of it as possible.

Partnered with exceptional design and quality construction, Stella's 1, 2 & 3 Bedroom apartments are the pinnacle of affordable luxury living in the WestEnd.

stella
ON HANNELL



WEST APARTMENTS

SOLD OUT

With the completion of 'Tattersalls on Watt' in Newcastle's CBD and 'The Huxley'. West Apartments, in The WestEnd Precinct, offers owner-occupiers and investors alike a chance to secure a masterfully designed and constructed property from this successful partnership.

At the forefront of Wickham's urban renewal, West has provided some of the best 1,2 & 3 bedroom apartments Newcastle has to offer. All apartments are elevated, offering unique views of Newcastle's skyline and will feature large open-planned living areas flowing onto generous outdoor entertaining areas. It's this integration of indoor and outdoor living areas that Thirdi Group and Base Build are renowned for.



WESTEND IS WHERE IT'S AT.

If you would like to secure an apartment in one of Newcastle's best performing suburbs, an emerging CBD supported by hundreds of millions in new infrastructure investment and job creation, register your details with us at the below address.

WWW.WESTENDNEWCASTLE.COM.AU

**WEST
END**
NEWCASTLE