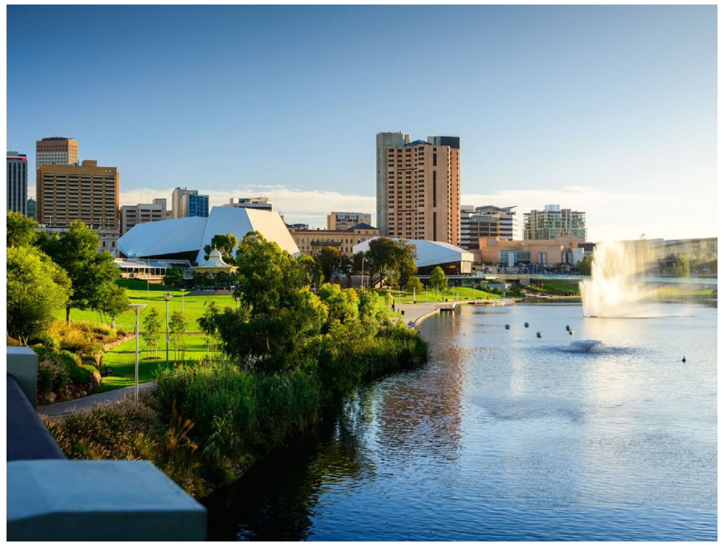
M3 PROPERTY

SPECIALIST
INDEPENDENT
VALUATION

SOUTH AUSTRALIAN MARKET SNAPSHOT H2 2023

MARCH 2024

CONTENTS



SOUTH AUSTRALIAN MARKET SNAPSHOT H2 2023

Strong fundamentals in the South Australian property market, including steady demand, a stable economy and a lack of supply, continues to drive overall growth albeit with reduced transactional activity reflective of broader national trends. As confidence returns to the market, we anticipate transactional activity to increase moving into the second half of 2024.

In our latest South Australian Market Snapshot - H2 2023, representatives from each of our valuation sectors share their insights into 2023 as well as opportunities and challenges for the year ahead.

CHILDCARE

MICHAEL SCHWARZ
Director | Specialised Assets

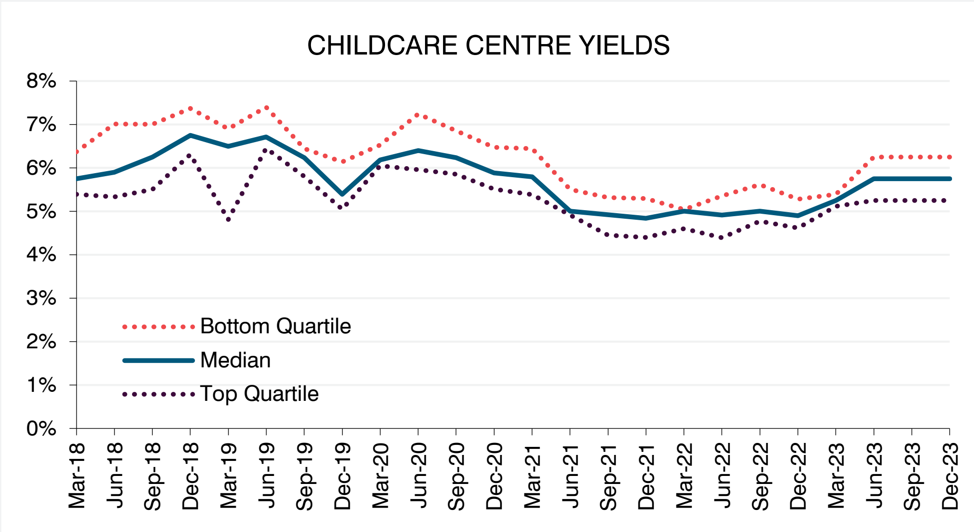
> “We’re continuing to see a strong rate of increase in rents and fees in the childcare sector, driven by inflationary pressures. The increasing commitment of the Federal government to support the sector is creating a positive outlook for this asset class.
>
> The sector will see increasing demand for childcare centres as the number of children aged 0 to 5 years increases nationally, and as labour force participation rates are anticipated to trend upwards in most states and territories over the medium to longer-term.”

CURRENT STATE OF PLAY

- There is strong bipartisan government support for the childcare sector that will see continued funding to the sector.
- Early Childhood Education and Care assets remain a popular real estate investment, with properties typically having long-term leases, within an industry which has strong governmental support.
- With increases in interest rates in the past 6-12 months, there has been a softening in demand and resulting prices/yields for Early Childhood Education and Care (ECEC) assets in recent months with caution due to oversupply in some areas.

CHILDCARE CENTRE YIELDS

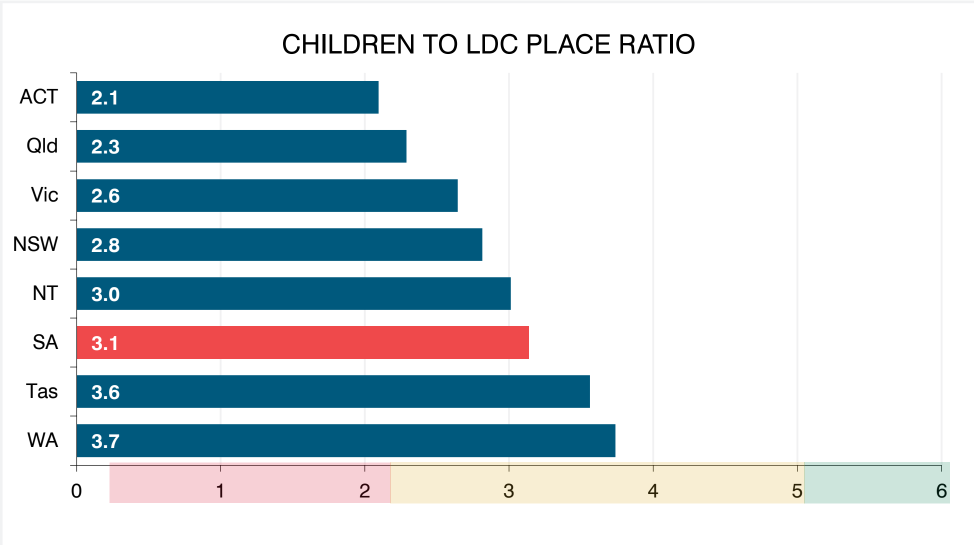
- Yields for prime freehold interests are in the band of 5.50% to 6.50%. Yields tightened over recent years until early 2022. However, we have seen demand soften for some assets since mid-2022, yields have pushed upwards as a result.
- Childcare investors include small and medium-sized operators, and small-scale passive investors along with large investment trusts and owners. Ownership in the childcare market is becoming increasingly consolidated.



Source: STR, M3 Property

SUPPLY DEMAND RATIO

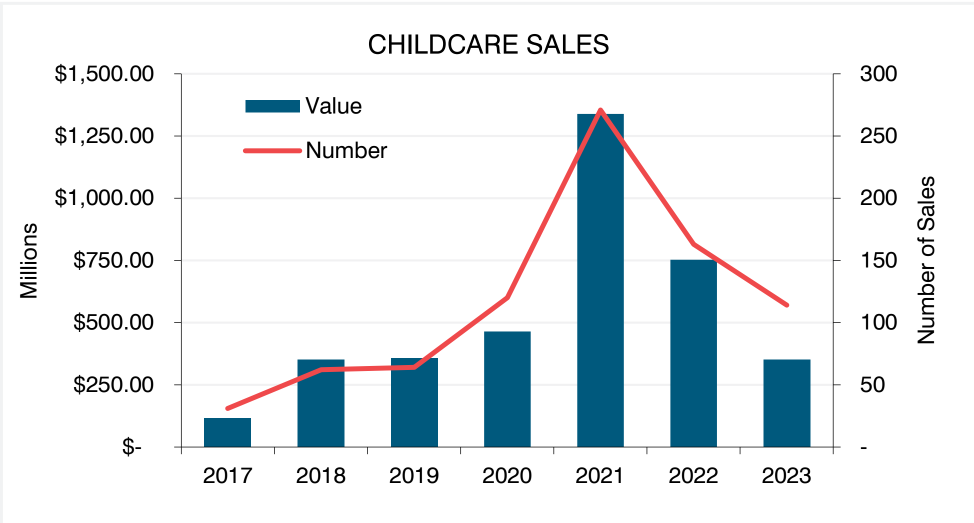
- Approximately 50,560 children use Centre Based Day Care in South Australia. This equates to 43.09% of all children aged 0-5 years having attended Centre Based Day Care in the State in the past year.
- Currently South Australia has a ratio of Children to Licensed Child Place of 3.1.
- A location with a balanced level of supply and demand will have a ratio of between 2.20 and 3.00 children per licensed place.
- Increasing supply in recent years has resulted in some areas of Adelaide now being oversupplied.
- Regional South Australia remains, generally, under supplied.



Source: STR, M3 Property

INVESTMENT MARKET

- Childcare centre values are dependent on location, supply/demand, competition, centre size and tenant covenant.
- The childcare investment market showed a high level of resilience during the COVID-19 pandemic. Childcare investment activity reached a record high in 2021, with $1.34 billions in sales (271 properties) recorded nationally. Activity slowed significantly in 2023, with $351 million of childcare sales recorded (114 properties) during the year.
- Activity has remained more subdued in 2023, with sales tracking at comparable levels to 2019 and 2020.



Source: Real Capital Analytics (RCA), M3 Property
Note: Sales over $5 million

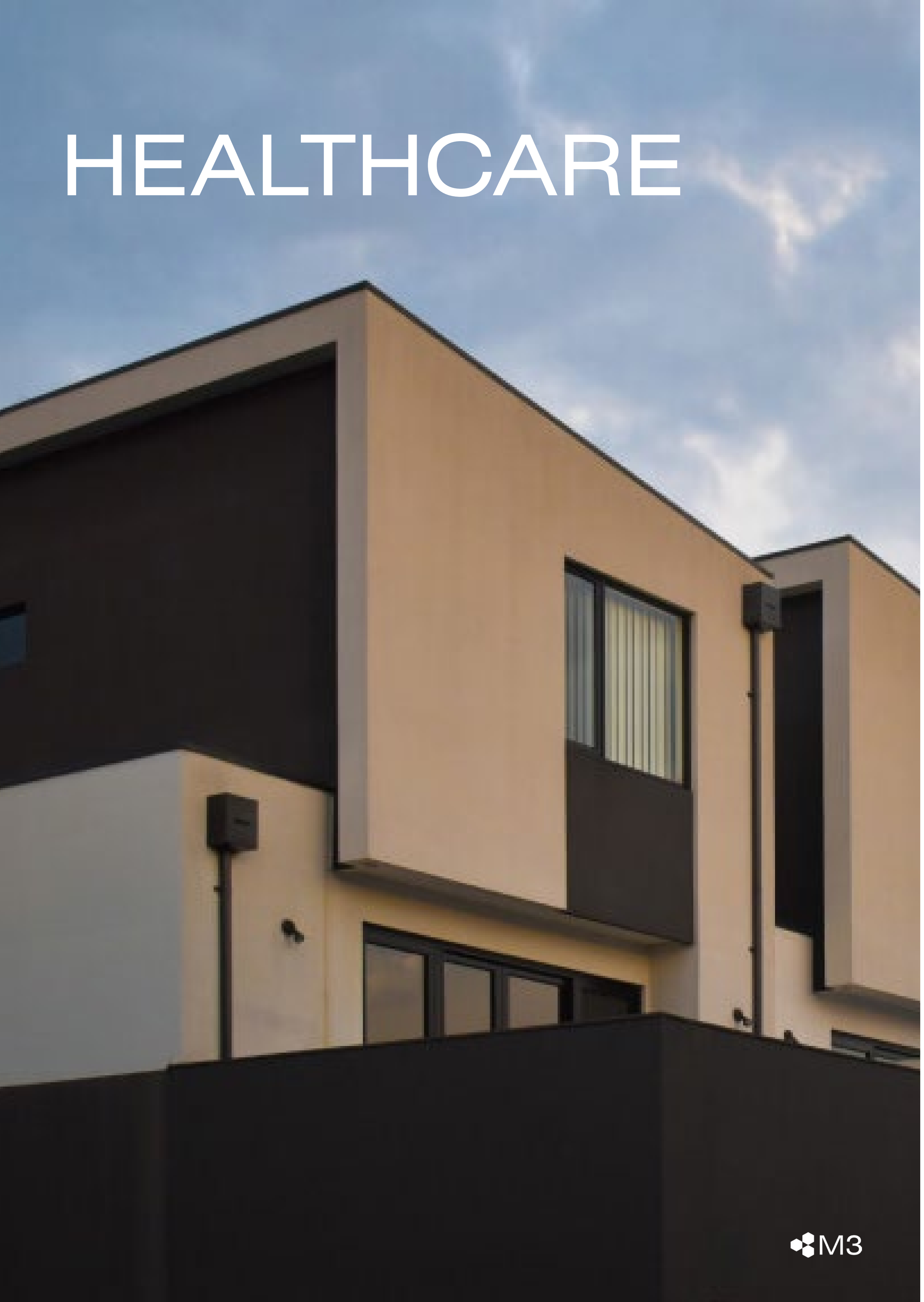
OPPORTUNITIES AND CHALLENGES

- The sector continues to face labour shortages which has resulted in some childcare centres having to place a cap on enrolments, despite being licensed for a higher number of children.
- With increasing construction costs, there has been upward pressure on rents with new centres setting new benchmarks. This has placed increased operational pressure on services, which has resulted in a corresponding upward pressure on daily fees and financial pressure on families.
- Wages are the most significant cost of any childcare business, and yet there is an acceptance that wages need to rise to attract workers to the sector. As a result, centre owners and the industry union have, in an unprecedented move, joined together to lobby the federal government to assist in funding the much-needed wage increase of workers in the sector. The outcome of this is expected to play out over the next 12 months.

OUTLOOK

- In late 2022 it was announced that the ACCC was conducting an inquiry into the supply of childcare services and childcare pricing nationally. The final report was released 29th January 2024, highlighting major issues within the Childcare service sector and recommending 8 solutions to the government, mainly around restructuring of the subsidising system, re-prioritising government goals and boosting labour force incentives.
- Ownership of childcare centres is expected to become more consolidated as major institutional groups continue acquiring centres and portfolios of centres. We also expect to see further activity from private equity firms over the medium-term.

HEALTHCARE



SIMON HICKIN
Director | Health, Aged Care & Seniors Living

> "South Australia's healthcare sector continues to experience positive investment demand despite the current economic climate due to their 'recession proof' investment characteristics and key underlying fundamentals.
>
> This, coupled with the headwinds facing other core commercial property sectors - along with the significant amounts of capital allocated to the healthcare sector - means we expect healthcare yields to be resilient, yet not immune to higher interest rates.
>
> Mixed results have been achieved for assets offered to the market over the previous 18 months, with some yield softening evident. We anticipate increased activity to return to the market as investor confidence returns once interest rates start to decrease."

INVESTMENT MARKET

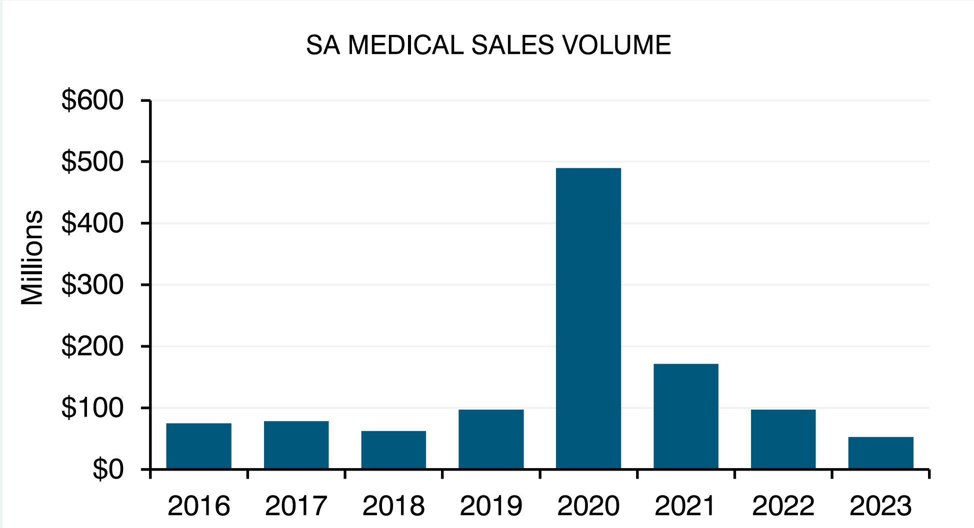
- Sales volume for 2023 was $53 million from 25 transactions.
- The 2023 sales volume is down on the $97.6million of sales recorded in 2022.

TRANSACTIONS

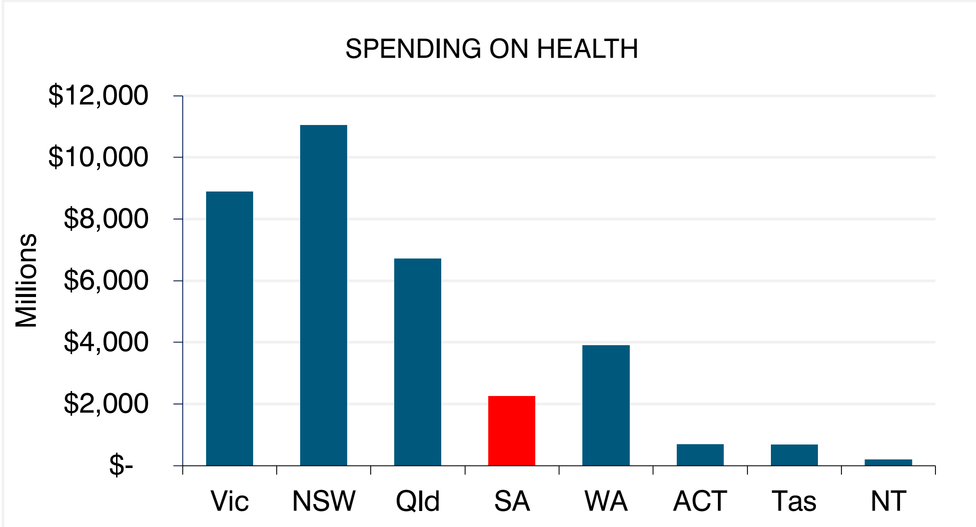
- Sales transactions were more subdued during 2023 compared to past years.
- Institutional investors, REITs, and private buyers have been the most active buyer groups over recent years.

YIELDS

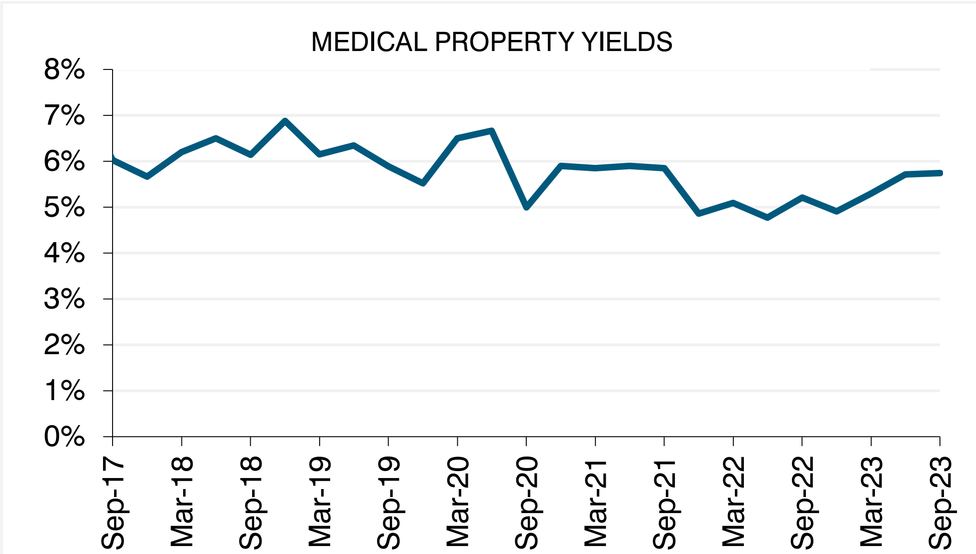
- Yields have undergone a period of compression over recent years, dropping as low as 4% for prime medical yields.
- However, yields have since eased and are expected to soften further in 2024.
- Yields are now averaging around 5.25% for prime medical assets and 7.50% for secondary medical assets (predominantly regionally located).



Source: Real Capital Analytics (RCA), M3 Property
Note: Sales over $1 million. Includes Medical and Hospital sales



Source: GapMaps, M3 Property



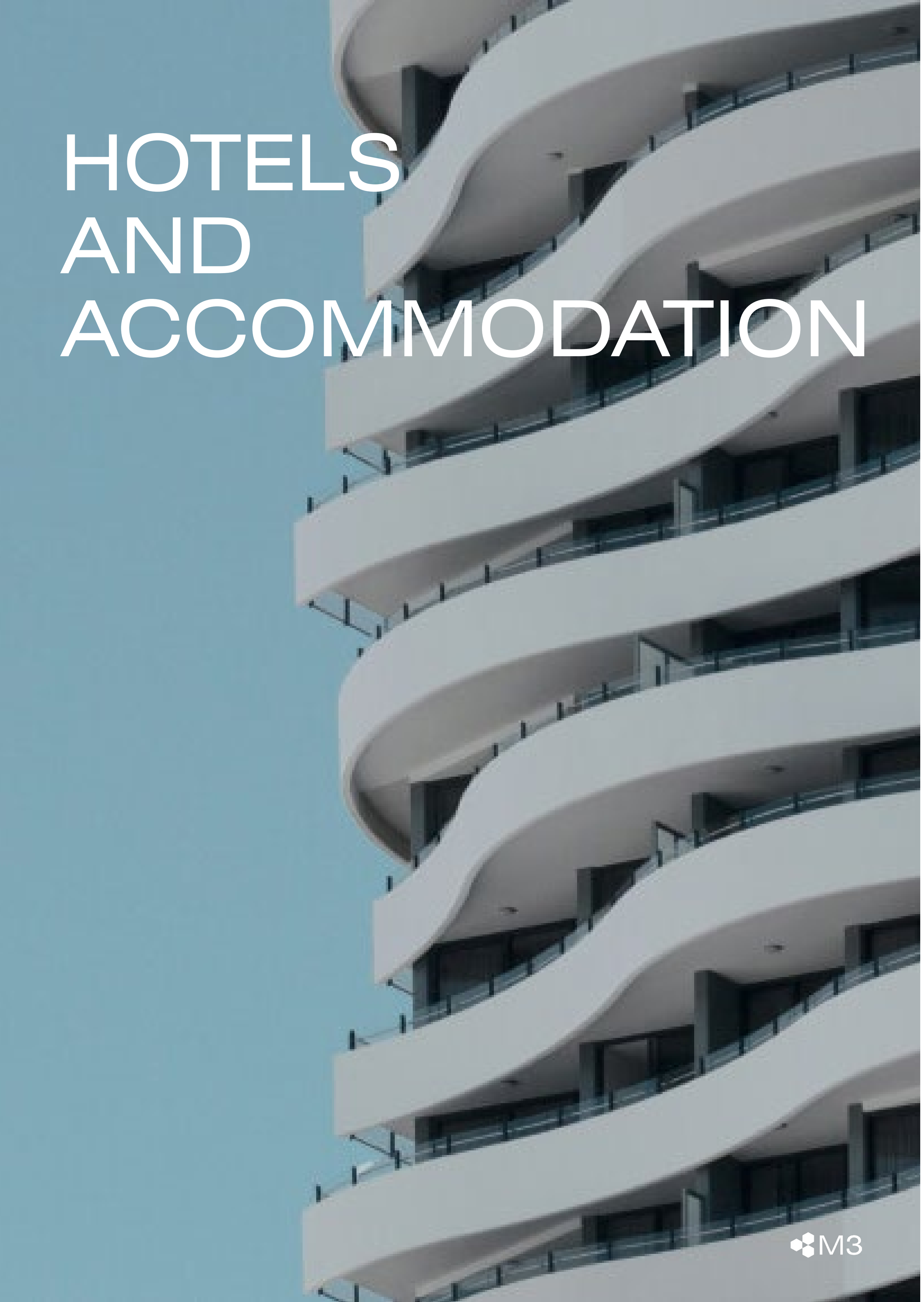
Source: Real Capital Analytics (RCA), M3 Property
Note: Sales over $1 million. Includes Medical sales only

OPPORTUNITIES AND CHALLENGES

- As anticipated, the rising interest rate environment has translated into slowed investment activity in the healthcare market. There is continued strong demand from institutional-grade investors, however there is a lack of quality stock.
- Mental health and well-being is becoming an emerging health issue, with 43.7% of people aged between 16 and 85 experiencing a form of mental disorder in their life and 21.4% of people experiencing a mental disorder for at least 12 months.
- Demand for medical services by a growing and ageing population is expected to continue increasing. Unhealthy lifestyles, obesity rates and increasing focus on wellbeing and mental health continue to drive demand for medical services and medical suites and centres.

OUTLOOK

- The healthcare sector will likely continue to grow as a core asset class as it is supported by key market fundamentals, has significant investment growth opportunities and particularly as other core sectors face strong headwinds from rising inflation and the current interest rate environment.
- The sector will continue to benefit from strong investment interest as new and existing institutional capital is drawn to the asset class off the back of its key fundamentals; population growth, aging population demographics, government funding and private healthcare.
- Investment demand for high-quality medical assets will remain strong over the medium-term, despite interest rate pressures coming into play. The healthcare market is still highly fragmented and there are significant opportunities for consolidation.



HOTELS AND ACCOMMODATION

“Since the end of border closures and COVID-19 lockdowns, although there has been continued upward movement on room rates and occupancies, this has been counterbalanced to some degree by rising operational costs for operators. Yields have continued to remain stable. Overall, there has been modest capital value growth in the hotels sector, which we expect to continue looking forward.

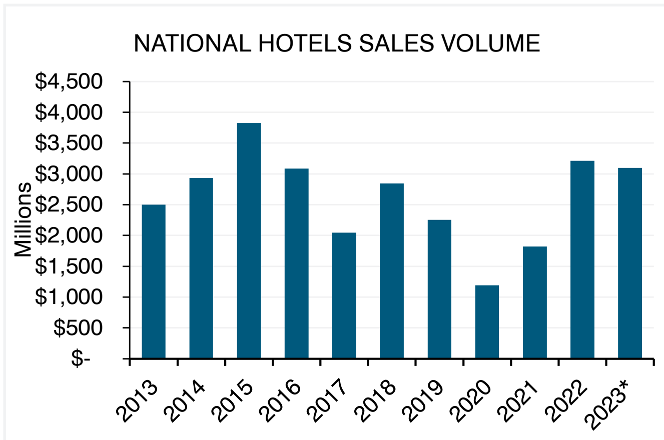
In the current financing and development environment, the delivery of new hotels has been challenging and is likely to remain so in the short to medium-term.”

JAMES RUBEN

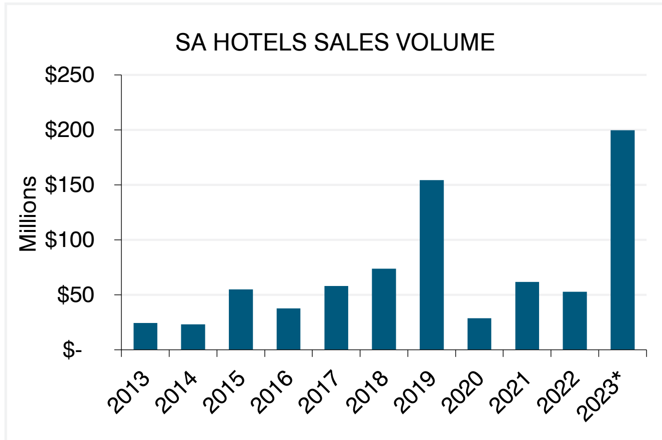
National Director | Specialised Assets

TRANSACTIONS

- Nationwide hotel transactions were slightly lower in 2023 due to reduced investment demand. According to RCA, there has been just 84 transactions of hotel assets totalling $3.09 billion nationwide. This compares with 84 transactions totalling $3.21 billion for 2022.
- Hotel transaction activity was steady in South Australia in 2023. According to RCA, there were 11 transactions totalling a record $199.7 million of hotel assets across South Australia.
- This compares with 16 transactions totalling $52.6 million for 2022.
- The largest sale was the sale of the Sofitel Adelaide Hotel for $154 million in July 2023. This sale contributed the majority of the 2023 sales total. Once it is removed, the 2023 sales figure was lower than 2022.

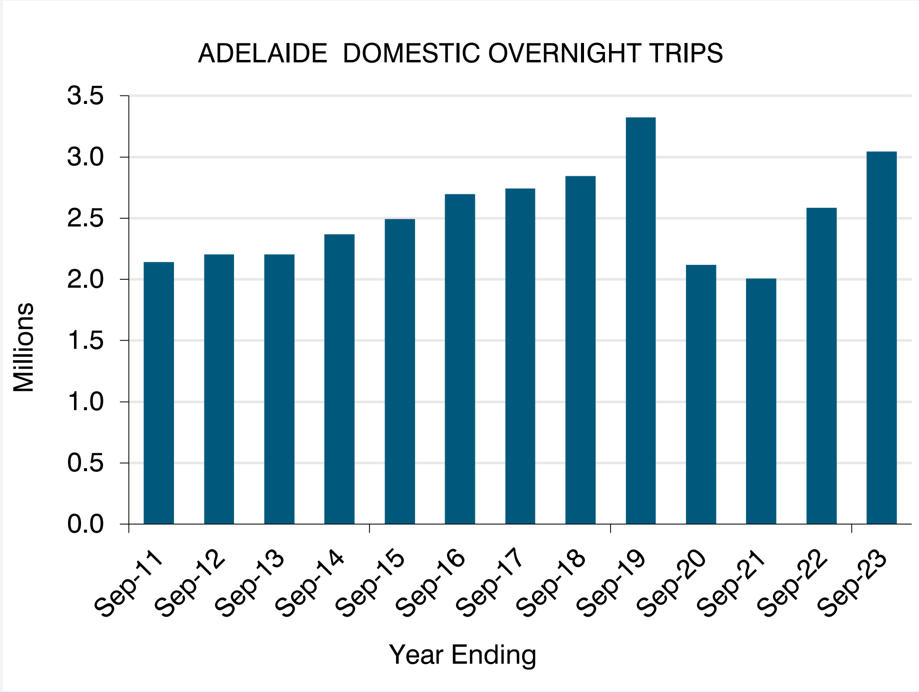


Source: Real Capital Analytics (RCA), M3 Property

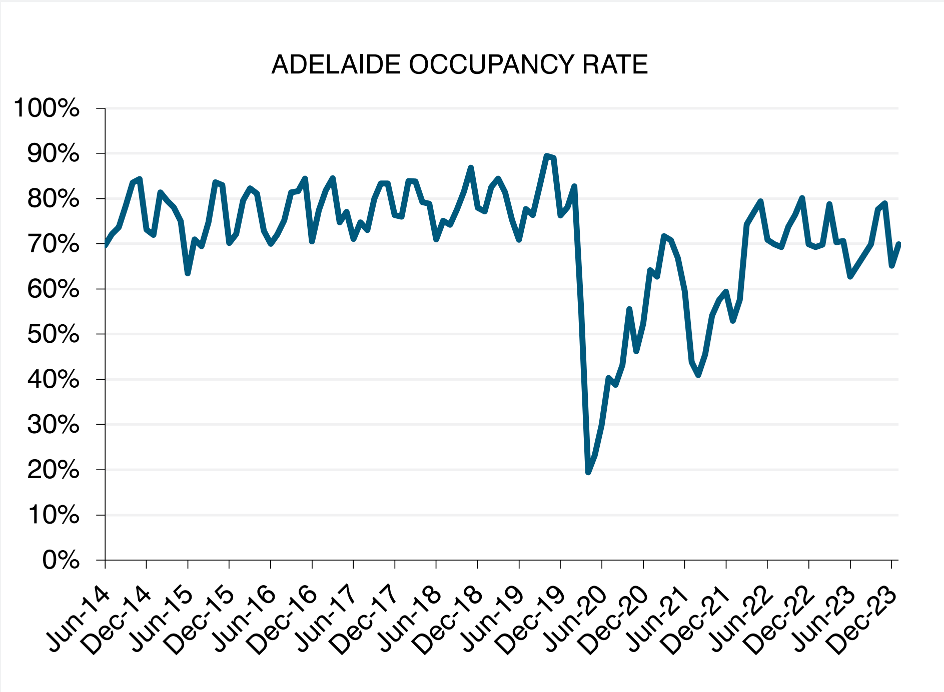


Source: Real Capital Analytics (RCA), M3 Property

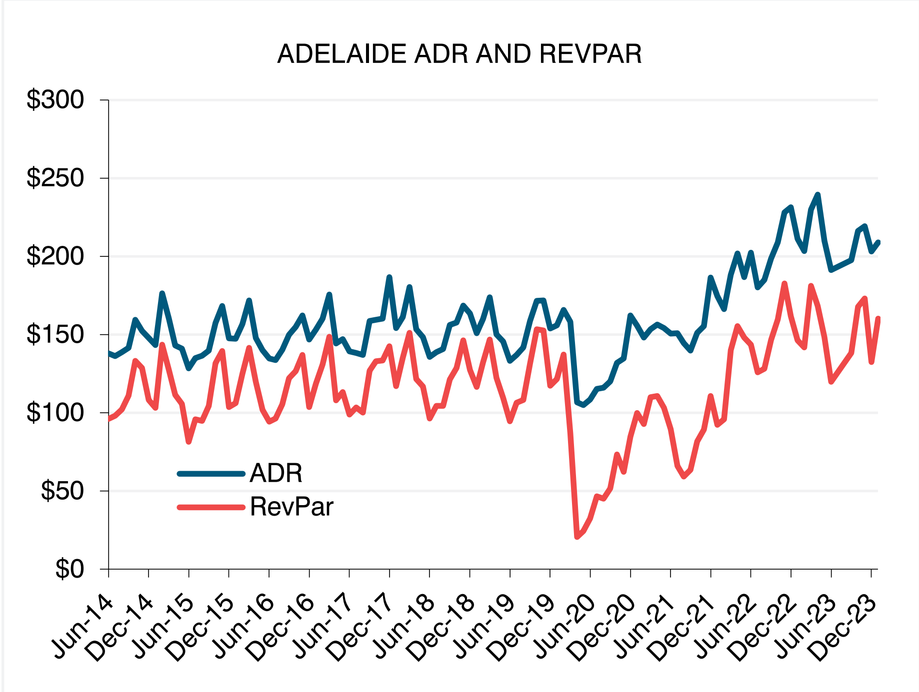
Source: TRA, M3 Property



Source: TRA, M3 Property



Source: STR, M3 Property



Source: STR, M3 Property

CURRENT STATE OF PLAY

- Occupancy rates per room are largely stable in Adelaide with 69.9% occupancy rates in January 2024, comparable year on year with the 69.3% from January 2023. This is above the rates recorded in January 2021 and 2022, but around 5-6% lower than January 2019 and 2020.
- Revenue per available room has recovered to pre-pandemic levels, which is a result of significant ADR growth. ADR growth has been influenced by a number of factors including strong inflation, with operators passing on increases in outgoings; an increased quality of stock driving premium rates; and evolving travel trends increasing demand.
- International visitor rates to the Adelaide market remain below pre-pandemic levels but are showing significant year-on-year gains.
- Interstate visitor rates to the Adelaide market have returned to pre-pandemic levels.

OPPORTUNITIES AND CHALLENGES

- Construction costs continue to place pressure on new hotel development, however, conversion and refurbishment/ repositioning opportunities exist within the market to repurpose alternate use properties or older/tired accommodation assets.
- Evolving consumer expectations and travel trends around sustainability and social governance will continue to influence both consumer decision making and investment.
- Demand for good quality, sustainable assets is expected to grow, together with consumer demand for higher-quality accommodation products and services.
- Evolving technology continues to improve efficiency in hotel management, with potential to reduce staffing levels and improve margins.
- New trends such as leisure travel, digital nomadism, eco-tourism, wellness tourism and boutique product positioning are all contributing to the transforming market.

INDUSTRIAL

NEIL BRADFORD
Director | Industrial

> “Market fundamentals remain strong in South Australia’s Industrial sector. Although we are seeing continued investor and rental demand, there remains a lack of quality stock on the market. Despite an increase in vacancy rates, they remain at historically low levels, and thus continue to underpin modest rental growth.
>
> Limited transactional activity occurred during the second half of 2023, with a ‘wait and see’ approach by investors taking a cyclical outlook due to an expectation of lower interest rates and reduced yields to follow.
>
> With the potential for greater confidence returning to the market, transactional activity is expected to increase in the second half of 2024 with a normalised supply pipeline coming onto the market in 2025, reflecting a high level of pre-commitments.”

CURRENT STATE OF PLAY

- The fundamentals of the South Australian industrial market remained strong in H2 23, reflecting limited stock and continued demand.
- Leasing demand remains buoyant although stock take-up for H2 was slightly below long-term averages. Reflecting tight supply, occupiers continue to be compromised in terms of the space they can secure as tenants adjust to rising rents.
- Low vacancy rates have driven rental growth, although this is expected to moderate with tenants focusing on cost control.
- Industrial purchasing decisions are being reassessed in response to rising interest rates, tighter lending procedures and the elimination of superannuation lending has reduced a small segment of the buying market.
- Banks continue to look for quality investments and have a reduced appetite for risk. This is likely to create a widening of yields between primary and secondary assets which is yet to materialise.
- Reflecting the lack of developable land and minimal englobo parcels to be released, there remains strong demand with growth in certain areas expected.
- Growth in the Transport, Postal and Warehousing, Manufacturing, and Wholesale Trade industries is expected to strengthen over the coming five years which, together with defence spending, will provide a long-term income base to keep the industrial sector moving.

RENTAL MARKET

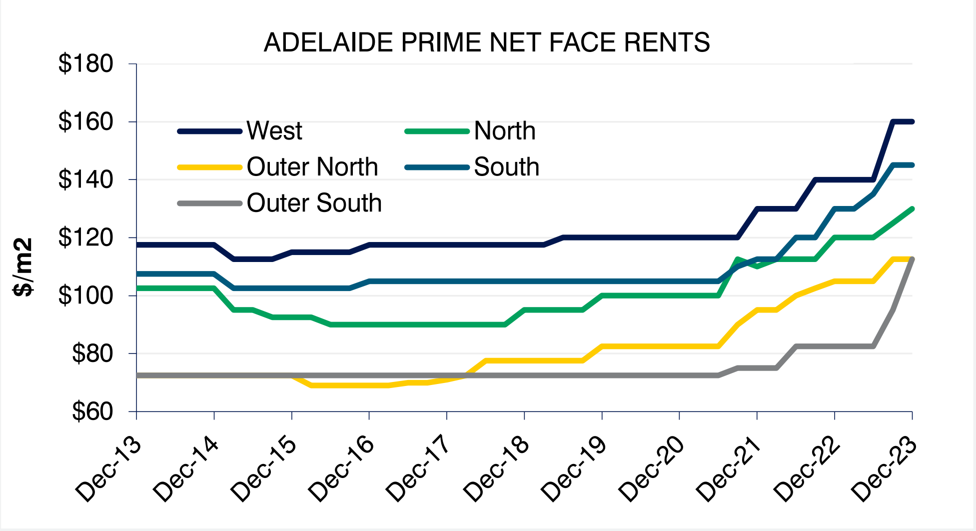
- Across the Adelaide metro, prime net face rents are ranging between $100 and $190 per square metre. Prime rents increased by a record 14.3% over the twelve months to December 2023.
- Leasing activity continues to be the strongest in the Outer North and West, with several large-scale projects in the area. These precincts include Renewal SA's Edinburgh Park precinct; the adjacent Vicinity estate at Direk developed by the Walker Corporation; Charles Sturt Industrial Park, and Lionsgate Estate (former GM's headquarters). These projects have benefited from State Government incentives to bring employment to South Australia.

YIELDS

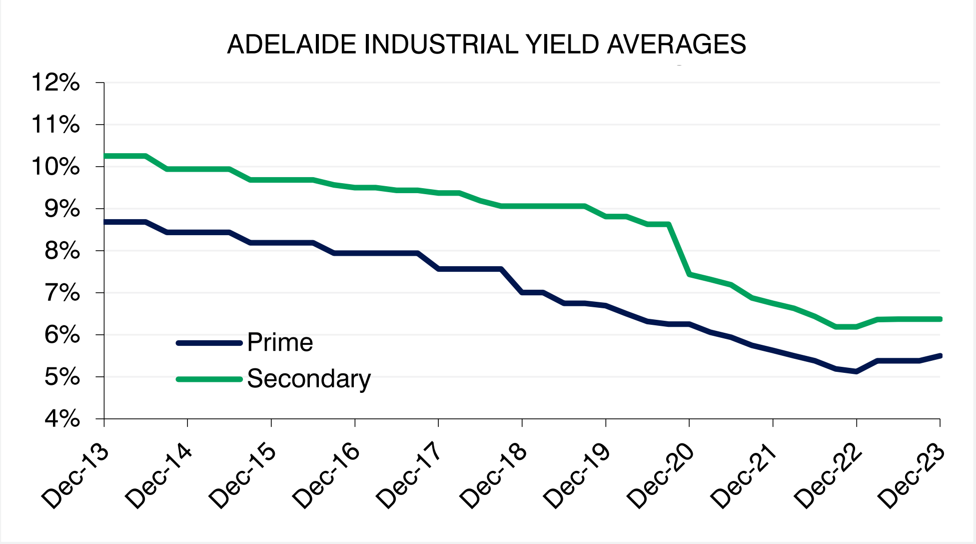
- There remains a spread between Adelaide's industrial yields and other eastern seaboard industrial yields, making the market attractive to investors looking for yield and geographic diversification, whilst also obtaining a competitive return.
- Yields have softened over the year of 2023. Prime industrial yields are typically ranging between 4.75% and 6.50%, averaging at 5.48%. Secondary yields between 5.50% and 8% with an average of 6.4%.
- Properties with greater than average WALEs are continuing to see strong demand and trading at lower-than-average rates because of the lower income risk associated with the investment.

INVESTMENT MARKET

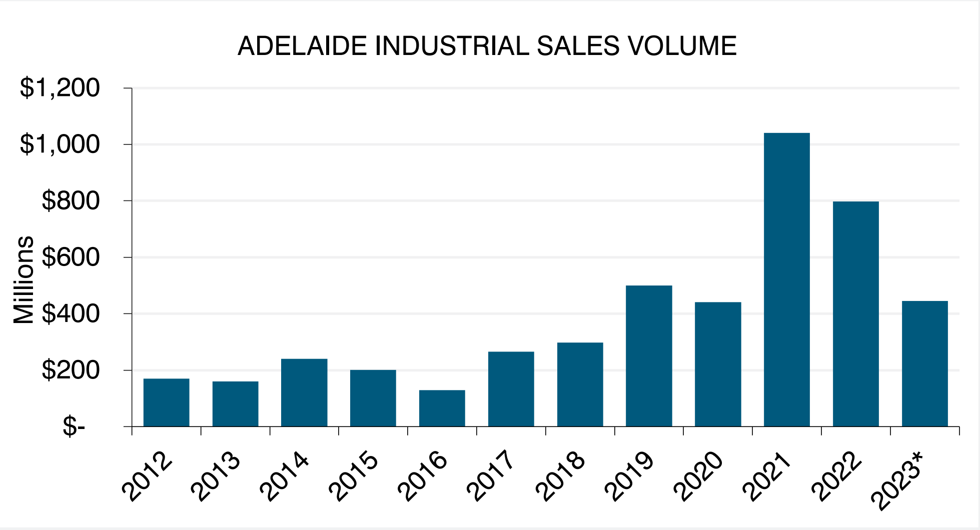
- There was an estimated $445 million of industrial properties transacted across South Australia in 2023. This compares with $797.5 million for 2022.
- Private investors were the primary transactors during 2023, accounting for 67% of purchases and 70% of sellers.
- Listed funds and REITs have stopped purchasing in the SA Industrial market while offloading a small percentage of their portfolio. Majority of transactions are with Private investors, with a small portion of Institutional Investors' activities in the market.



Source: M3 Property



Source: M3 Property



Source: Real Capital Analytics (RCA), M3 Property
Note: Sales over $5 million

OPPORTUNITIES AND CHALLENGES

- Vacancy remains tight, particularly for prime-grade properties where vacancy is below 1%. This is expected to continue in the short-term, providing a moderated yet positive outlook for rental growth. As the market changes in response to softening economic conditions, supply shortages may potentially hide any signs of weakening demand as the supply / demand equilibrium is progressively restored.
- A continued scarcity of suitable developable land prevails with a concerning lack of future englobo opportunities, thus presenting increased opportunities for the gentrification of older industrial precincts.

OUTLOOK

- The industrial property investment market cycle is considered to have peaked in late 2022, with sales activity having declined over recent months, and yields expected to continue softening in the short-term going into 2024.
- The supply pipeline is thinning in part - reflecting rising construction costs and supply chain challenges.
- The fundamentals of the industrial sector remain strong, although a cautious approach is likely for 2024, pending a more positive outlook on inflation and stabilisation of the cash rate.

CBD OFFICE

SIMON HICKIN
Director | Health, Aged Care & Seniors Living

> “The second half of 2023 saw limited transactions in South Australia’s Institutional-grade office market, with a gap between vendor and purchaser expectations as a result of macroeconomic conditions and the increase in interest rates.
>
> The office vacancy rate in the prime end of the market has increased due to significant new supply coming to the market, however much of this supply is seeing a high level of pre-commitment so vacancy levels will likely start trending down from next year.
>
> As confidence returns to the market, and interest rates start to trend down, expectations are that transaction activity may start to increase moving into the second half of 2024.”

CURRENT STATE OF PLAY

- Since the interest rate increases from mid 2022, the office sector has seen a slowing in transactional activity - especially for higher-priced assets - and a softening in investment returns. The degree of softening differs significantly depending on the quality of the asset and lease expiry profile.
- The recent wave of new supply from CBUS, Charter Hall and Walker Corp is being driven by major commitments to government departments.
- There is limited new supply after 2024, with an expectation that net face rents will increase over the medium term. Vacancy is expected to increase slightly over the short term as new supply for 2024 hits the market, before dropping in 2025.
- Tenants continue to see value opportunities in the CBD due to proximity to restaurants, events and more, contributing to a shift in fringe and suburban tenants moving into the CBD.
- Corporate occupiers continue to show demand for flexible space that can be expanded or contracted during the term of the lease, buildings with high energy and wellness ratings, outdoor areas, building third space, and natural lighting.

RENTAL MARKET

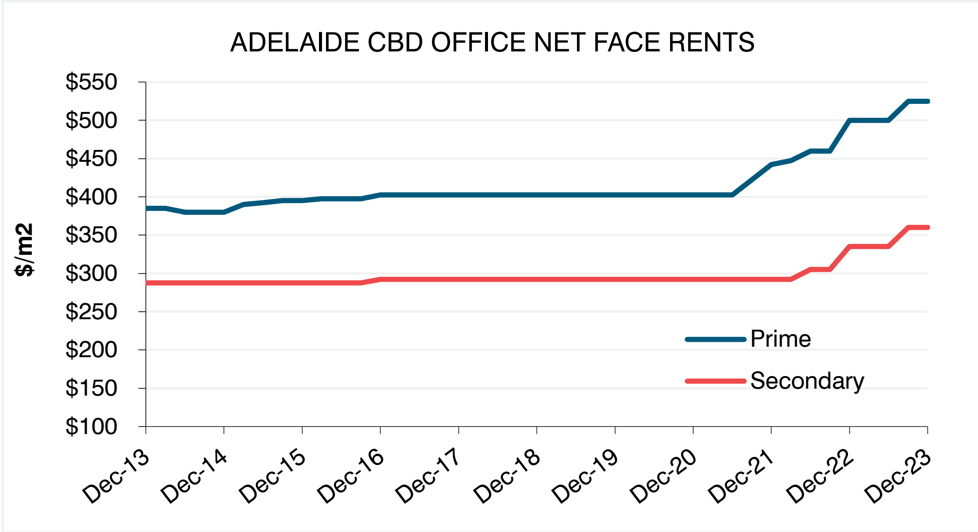
- There is a reasonably large number of options available in the CBD for tenants entering the leasing market as well as for those whose leases are close to expiry.
- Whilst prime net face rents have experienced strong growth over the past two years, rental growth in the secondary market lagged in comparison, with movement seen during the second half of 2022.
- As at the December quarter 2023, prime net face rents ranged from $450 to $600 per square metre and secondary net face rents ranged between $270 and $450 per square metre.
- Prime incentives range between 30% and 45%. Secondary incentives range between at 25% and 40%.

YIELDS

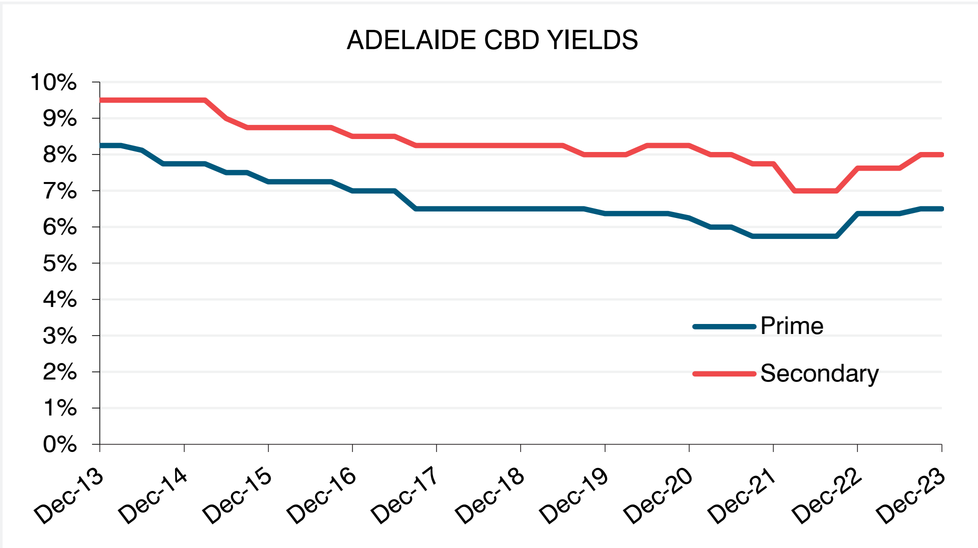
- Purchasers continue to have a greater focus on pricing risk, income security and strength of tenant covenants.
- The attractive spread between office yields in Adelaide and other eastern seaboard yields fueled investor interest and sales volumes over recent years.
- Investment activity has slowed in 2023. Yields softened in the first half of 2023 before stabilising, with prime yields ranging between 6.00% and 7.00% and secondary yields ranging between 7.50% and 8.50% in the December 2023 quarter.

INVESTMENT MARKET

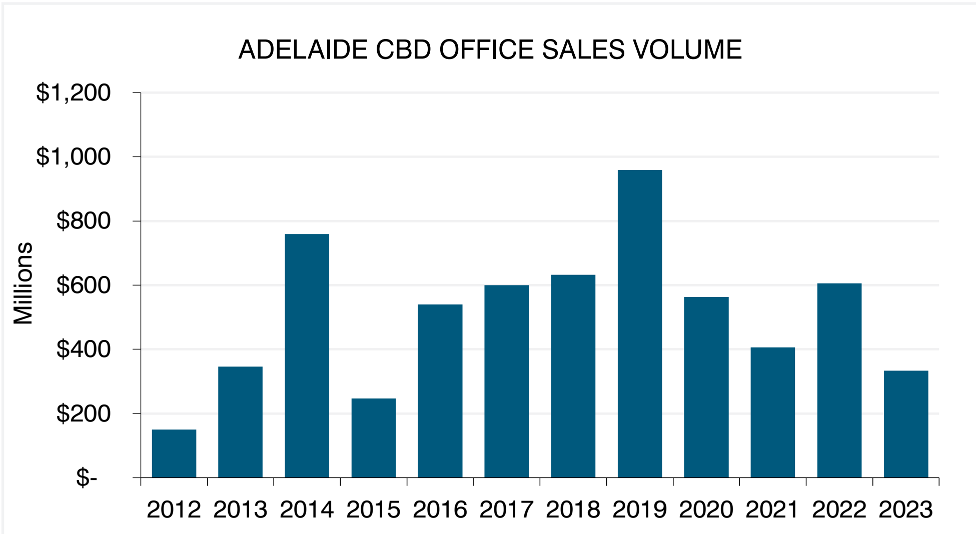
- There was $333.6m transacted across 12 sales in the Adelaide CBD office sector. This compares with $605.4 million across 13 transactions in 2022.
- Private investors were the largest group of buyers in 2023, accounting for 71.2% of all purchases. The next largest group were institutional investors at 23.4% of all transactions.
- The largest transaction to occur in 2023 was the sale of GHD Building (211 Victoria Square), acquired for $130.5 million by a syndicate facilitated by Harmony Property Investments.



Source: M3 Property



Source: M3 Property



Source: Real Capital Analytics (RCA), M3 Property
Note: Sales over $5 million

OPPORTUNITIES AND CHALLENGES

- The CBD has an ageing stock profile, with a large proportion being greater than 30 years and an inability to recycle old buildings.
- There remains a greater ability for new/modern developments to achieve superior effective rental growth compared to older stock which will likely be impacted by reduced demand as new stock is added to the market.
- Whilst a substantial portion of new supply to be added to the market this year is pre-committed, the relocation of tenants will leave a sizeable amount of backfill space in the market.
- Employment growth in white-collar employing industries* is forecast to strengthen over the medium-term with annual growth of 3.1% forecast by BIS Oxford Economics between 2022 and 2027.

OUTLOOK

- Net face rental growth is expected to remain subdued due to the elevated vacancy rate.

** Includes Administrative and Support Services; Finance and Insurance; Information Media and Telecommunications; Professional, Scientific and Technical Services; Public Administration and Safety; and Rental, Hiring and Real Estate Services.*

RESIDENTIAL DEVELOPMENT

KYM DREYER

Director | Residential Development

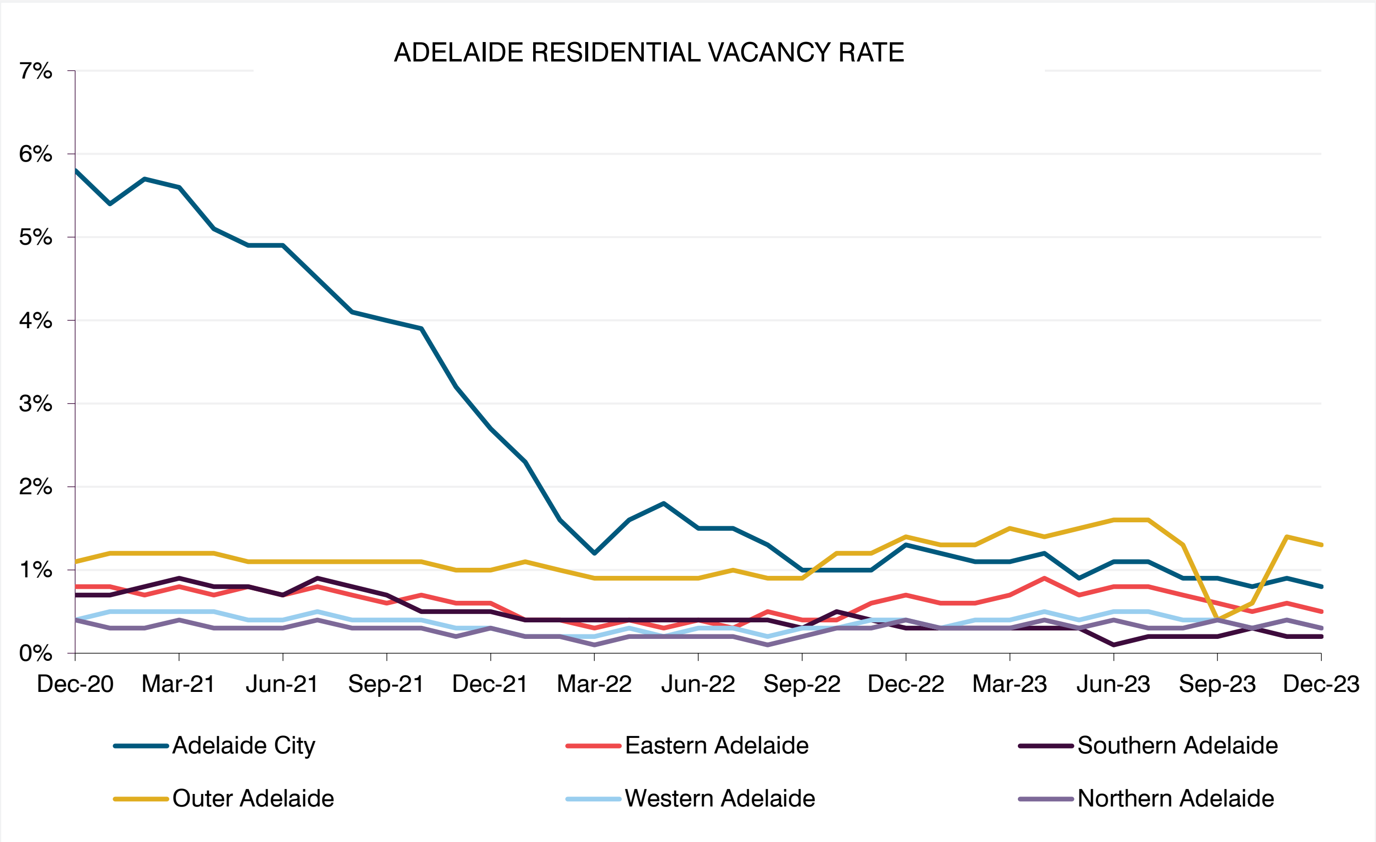
"Adelaide's residential market remains stable with continued growth. Strong prices are being driven by a lack of stock and continued steady demand. Like most areas in Australia, affordability is an increasing issue. This has driven increased activity in the apartment market, with a number of new apartment projects mooted, underway or nearing completion with apartment prices increasing to support higher construction costs and development feasibility.

Allotment sale rates have eased however demand remains strong with those in the market actively pursuing land. The emergence of interstate and non-traditional developers within the market continues to drive strong price growth for greenfield development sites across metropolitan Adelaide which may lead to higher allotment pricing where it can be supported in the market.

In order to ease affordability issues within Adelaide's growth suburbs, the South Australian government has committed to rezoning significant tracts of government and privately-owned land in order to fast-track future development across different sections within the Adelaide metropolitan area. However, future development programs may be limited by the requirement to extend service infrastructure."

CURRENT STATE OF PLAY

- Adelaide was a standout performer of the residential market through the pandemic, with strong residential demand and a shortage of dwellings for sale resulting in strong price growth.
- The median house price for the Adelaide had annual growth of 10.2% to reach $774,969 in February 2024. The median unit price increased 11.1% to reach $490,313 by February 2024.
- However, strong price growth in the absence of comparable wages growth has resulted in a sharp and substantial deterioration in housing affordability in both the metropolitan and non-metropolitan markets.
- Vacancy across Adelaide's metropolitan residential market continues to be well below the benchmark equilibrium rate of 3.0%, indicating that the market is significantly undersupplied.
- The tight vacancy rate continues to drive strong growth in rental rates. Over the year to the February 2024, rental rates for houses increased by 14.5% across the Adelaide Metropolitan area to reach $638 per week.
- Rents for units / flats also saw robust growth, with rent increasing by 11.9% to reach $451 per week.



Source: M3 Property, SQM

OPPORTUNITIES AND CHALLENGES

- South Australia has benefitted from positive net interstate migration flows during much of the pandemic. Whilst net interstate migration into South Australia is likely to slow, strong overseas migration is forecast to continue during 2024.
- Despite affordability having deteriorated over the past year, the Adelaide residential market remains one of the more affordable capital cities of Australia.
- Tight vacancy rates across the city are expected to push rental rates up further.

OUTLOOK

- Dwelling prices are expected to stabilise over the short-term, with the unit market likely to be more insulated than the established house market due to tight rental market conditions.
- It is apparent that given strong growth in purchaser demand for established allotments, demand for englobo land parcels continues to be strong with record prices being reported for greenfield sites across metropolitan Adelaide with a number of pending transactions expected to settle within ensuing months that will confirm the strong level of market sentiment and development appetite.
- The SA Government's 2022 Land Supply Report shows there to be circa 21,650 development ready greenfield lots across Greater Adelaide. The Outer North region has the largest supply of development ready greenfield lots (12,400 lots) together with the largest estimated supply of undeveloped zoned and future urban growth lots.

RETAIL

SHAUN O'SULLIVAN
Director | Retail

"There was limited sales activity in 2023 in South Australia's Retail sector due to broader macro-economic conditions and limited on-market campaigns, largely as a result of continued misaligned expectations between vendors and buyers. The two largest sales occurred late in 2023, being Southgate Plaza ($91m) and Kurralta Central ($74m).

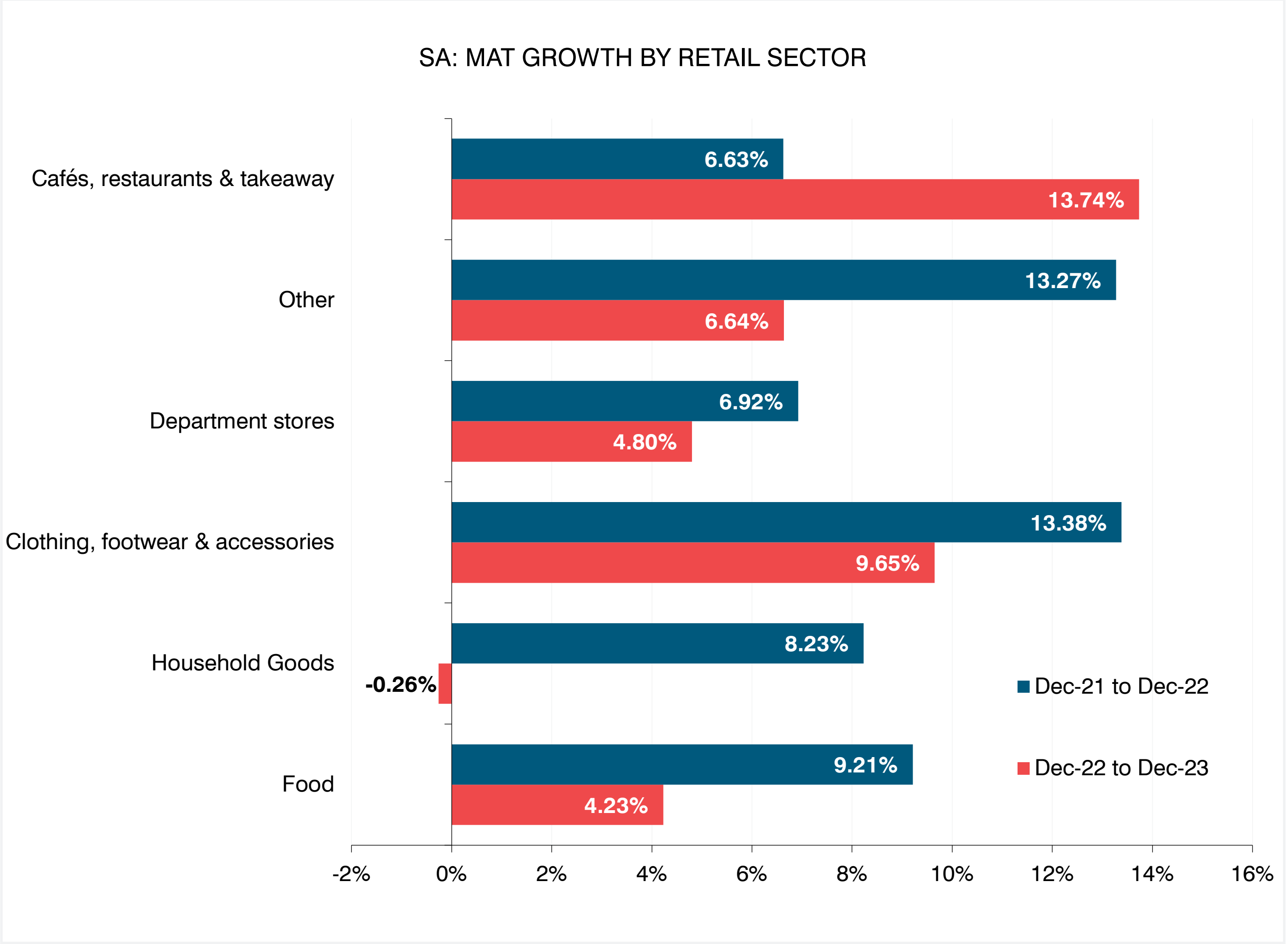
Sales activity is largely being driven by institutional owners selling neighbourhood and sub-regional assets, which are being purchased primarily by private investors, syndicators and fund managers. Nationally, sales that have occurred have shown a softening and stabilisation in capitalisation rates from the market peak as vendors readjust to current pricing.

In 2024, we anticipate an increase in transactions and on-market campaigns, given vendor and buyer expectations are becoming more aligned. As we see more certainty around interest rates, it is likely there will be an increase in activity in the market."

'IN 2024, WE ANTICIPATE AN INCREASE IN TRANSACTIONS AND ON-MARKET CAMPAIGNS, GIVEN VENDOR AND BUYER EXPECTATIONS ARE BECOMING MORE ALIGNED.''

CURRENT STATE OF PLAY

- Adelaide has attracted growing interest from international retailers over recent years, with TAG Heuer opening a store in 2023.
- New retail space coming to the market is generally part of mixed-used projects and in new / growing residential communities.
- Total retail spending growth in South Australia from the year to Dec 2023 was 5.25%, down from 9.51% from the year to December 2022.
- The strongest growth by retail category was recorded in Cafés, restaurants & takeaway (13.7%).



Source: ABS, M3 Property

RENTAL MARKET

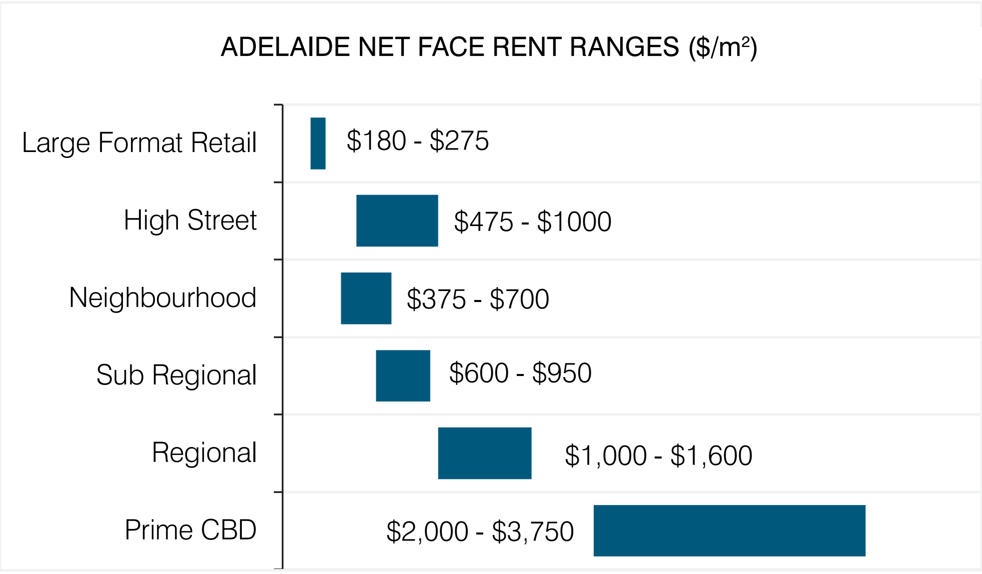
- Due to ongoing vacancies, there are a number of options available in the CBD for tenants entering the leasing market as well as for those whose leases are close to expiry.
- Net face rents were steady across most retail property types in South Australia during the year to December 2023.
- Incentives remained steady across all retail types in the year to December 2023.

YIELDS

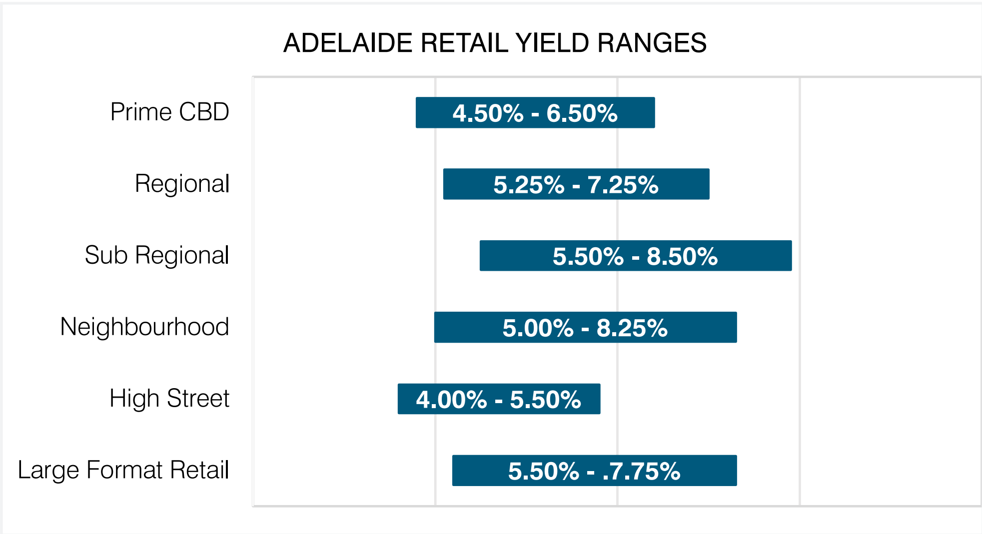
- Yields for most retail property types in South Australia began to soften in the second half of 2022 and continued into the first half of 2023, although the lack of transactions has hampered pricing disclosure.
- The yield spread between primary and secondary assets has been widening reflecting a flight to quality and purchasers seeking appropriate risk-adjusted returns for non-core assets.

INVESTMENT MARKET

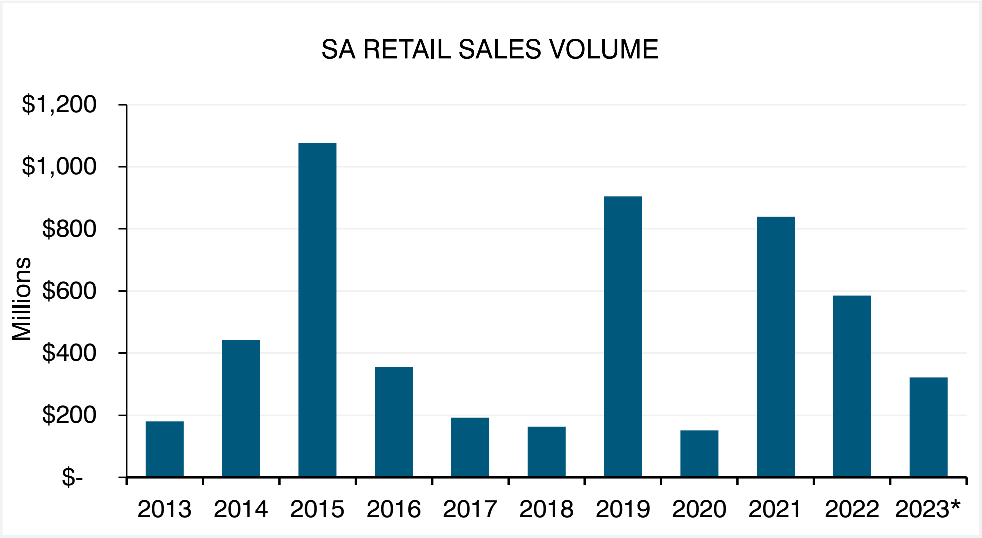
- Sales volumes are significantly down on the previous two years. SA retail space recorded 16 sales, equating to $321 million transacted in 2023. This compares with $585 million transacted across 28 sales in 2022.
- The most significant transaction to occur was the sale of South Gate Plaza for $91m and Brickworks Marketplace for $85m; both being offloaded by Charter Hall.
- Nationally, commercial real estate investment activity has slowed whilst vendor and purchaser expectations attempt to align.



Source: M3 Property



Source: M3 Property



Source: Real Capital Analytics (RCA), M3 Property

OPPORTUNITIES AND CHALLENGES

- Office occupancy rates in the CBD are at about 82% of pre-pandemic levels while the total number of weekday visitors to the CBD is at 93% of pre-pandemic levels, resulting in increased foot traffic positively impacting CBD retailers.
- Employment in white-collar industries is expected to grow steadily and outpace blue-collar employment over the next decade - a positive for CBD retailers.
- In the current environment, centres with strong exposure to discretionary spending, in catchments with high mortgage stress, will face more challenging trading conditions.
- Whilst purchasers have been cautious with acquisitions, reflective of not knowing how much further the market will soften, some purchasers have seen this as an opportunity to acquire assets with fewer active buyers in the market.
- New and proposed residential and commercial developments are expected to positively drive foot traffic in some retail precincts of Adelaide. The Rundle Mall precinct is expected to benefit from Charter Halls 60 King William Street (recently completed), Lot 14's Entrepreneur and Innovation Centre and the Tarrkarri Centre for First Nation's cultures.

OUTLOOK

- Household consumption in 2023 was stagnant due to increased mortgage costs, economic uncertainties etc.
- Over the short-term, retail turnover will be elevated by consumer price inflation. Sales volumes are expected to drop as cash rate movement remains uncertain.

KEY CONTACTS

MICHAEL LEECH
Managing Director
michael.leech@m3property.com.au
+61 439 354 522

FRANK RICCIO
Director | Residential Development
frank.riccio@m3property.com.au
+61 412 237 544

KYM DREYER
Director | Residential Development
kym.dreyer@m3property.com.au
+61 418 856 258

JAMES RUBEN
National Director | Specialised Assets
james.ruben@m3property.com.au
+61 408 497 038

MICHAEL SCHWARZ
Director | Specialised Assets
michael.schwarz@m3property.com.au
+61 8 7099 1808

NEIL BRADFORD
Director | Industrial
neil.bradford@m3property.com.au
+61 412 100 874

SHAUN O'SULLIVAN
Director | Retail
shaun.osullivan@m3property.com.au
+61 418 644 330

SIMON HICKIN
Director | Healthcare & Office
simon.hickin@m3property.com.au
+61 401 773 814

M3 PROPERTY

m3property.com.au