

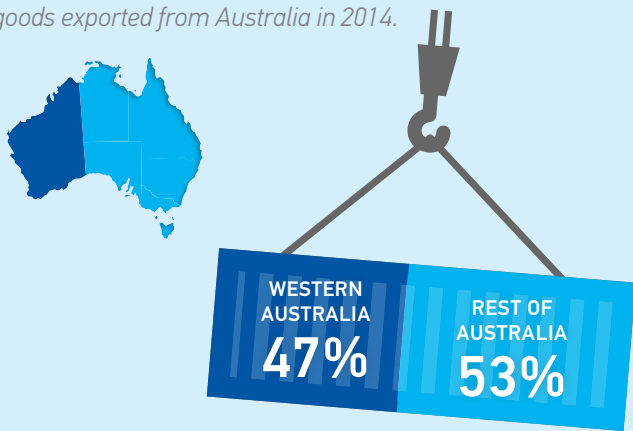
- A OVERVIEW**
WA has been Australia's strongest economy for the last ten years.
- B POPULATION & DEMOGRAPHICS**
Perth recorded the greatest population growth of any Australian capital city over the five years to June 2014.
- C EMPLOYMENT**
The mining sector plays a major role in the state's economy however ranks sixth in terms of employment numbers.
- D RESIDENTIAL MARKET**
Over the 12 months to March, Perth recorded a lower median unit price and a higher gross rental yield than both Sydney and Melbourne.

Perth is Australia's western gateway and the country's closest and most accessible capital city to the world's strongest economic growth regions.

With a Mediterranean climate and consistently ranked as one of the world's most liveable cities, Perth's population has been growing at a faster rate than Australia's other capital cities. In recent years, the state's economy has been the strongest performer in the nation and contributed close to 50% of the total value of all exports. Significant government investment in a variety of major projects is benefitting the entire metropolitan population.

THRIVING EXPORTS

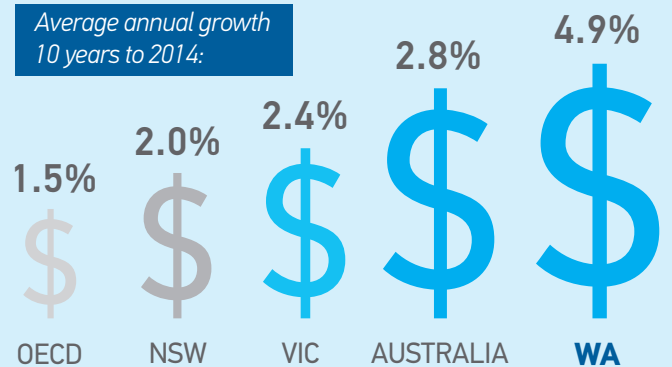
Western Australia accounted for 47% of the total value of all goods exported from Australia in 2014.



Source: ABS

ECONOMIC GROWTH

Western Australia was the strongest performing economy in the nation over the past ten years.



WA's GSP per capita was \$103,731 in 2013/14

53% HIGHER than the national equivalent of \$67,931

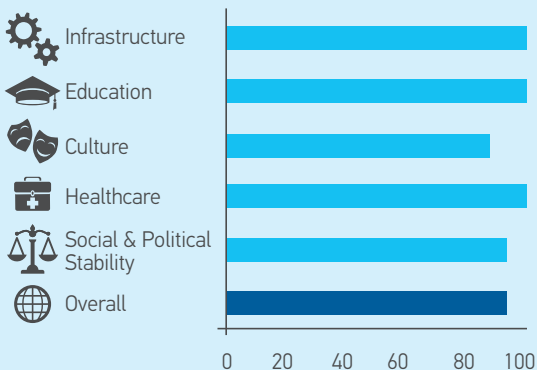
Source: ABS, OECD (constant prices)

HIGHLY LIVEABLE

Perth has been rated amongst the world's top 10 most liveable cities every year for the past decade.

PERTH'S LIVEABILITY SCORES (2014)

City Rank Overall - (100=ideal, 0=intolerable)



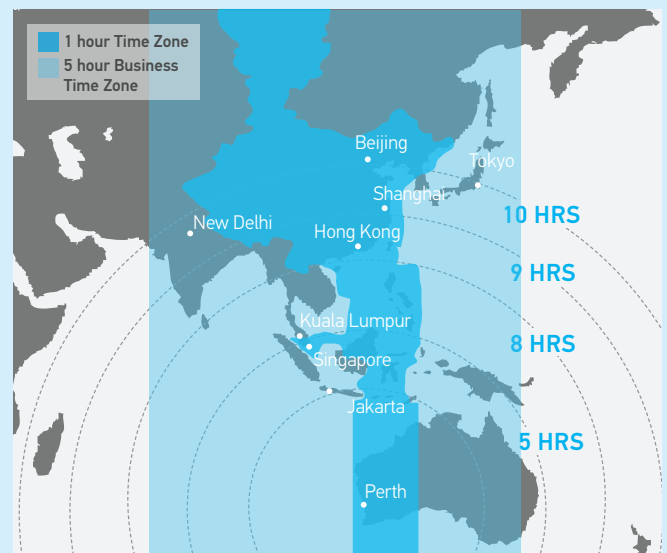
PERTH AIRPORT TRAFFIC



Source: Economist Intelligence Unit, Perth Airport

IMPORTANT TIMEZONE

Perth shares an approximate time zone with 60% of the world's population.



Source: Department of State Development

PERTH

POPULATION & DEMOGRAPHICS

The Australian Bureau of Statistics projects Perth's population will outnumber that of Brisbane from 2028, making Perth Australia's third most populous city.

A MULTICULTURAL CITY

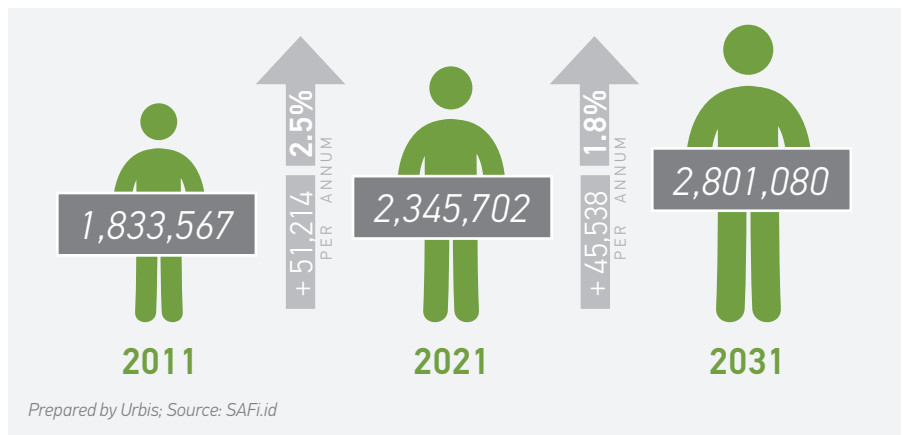
The city's social fabric reflects over 200 nationalities speaking 270 languages. In FY14, overseas migrants accounted for 64% of Western Australia's population increase.

According to the Department of Education and Training, 37,000 international students were studying in Western Australia in 2013. These students add an estimated \$1.2 billion to the local economy and create direct and indirect employment for 14,000 Western Australians.

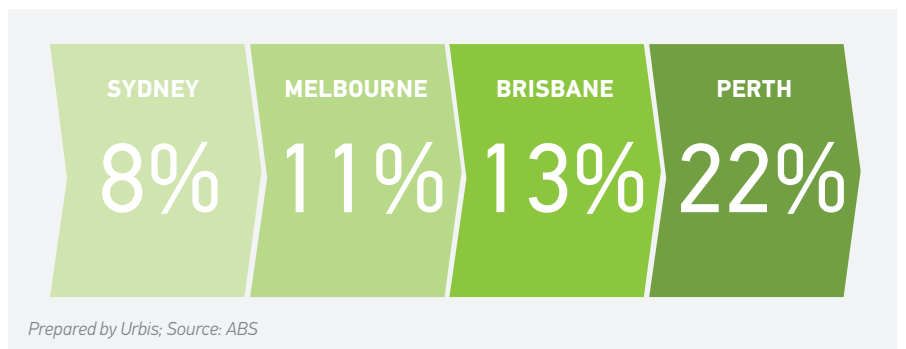
SHIFTING DEMOGRAPHICS

Between 2011 and 2026, the WA Planning Commission forecasts that the strongest growth in age groups will be from people aged over 55 years (a 59% increase in population). The proportion of people aged 25-34 years will also rise, with forecast growth of 17% over the same time frame. These age groups have the highest propensity to live in apartments and will drive demand.

GREATER PERTH KEY POPULATION INSIGHTS



ESTIMATED RESIDENT POPULATION GROWTH FIVE YEARS TO JUNE 2014



DEMOGRAPHIC SHIFT – THE KEY DRIVERS

GEN Y

24% OF PERTH'S POPULATION

LIFESTYLE, AMENITIES AND MODERN CONVENIENCES ARE KEY FOCUSES IN HOUSING CHOICE

Gen Y will represent a driving force behind Perth's apartment market as they continue to form independent households, advance their earning potential and play a bigger role as apartment occupiers (both renters and purchasers).

IMMIGRATION

OVERSEAS MIGRATION ACCOUNTS FOR 59% OF THE STATE'S POPULATION GROWTH IN LAST 5 YEARS

60% OF IMMIGRANTS TO WA AGED 20-34 YEARS 2010-2014

These young migrants are often coming from countries with much higher development densities and are looking for a vibrant, inner city lifestyle.

BABY BOOMERS

23% OF PERTH'S POPULATION

TRANSITION FROM FULL-TIME EMPLOYMENT AND PREFER LOW MAINTENANCE DWELLINGS

With more empty nesters considering downsizing, equity rich Baby Boomers are increasingly considering apartment living in well-designed, larger apartments.

The effects of the Baby Boomer market will be seen far more over the next ten years.

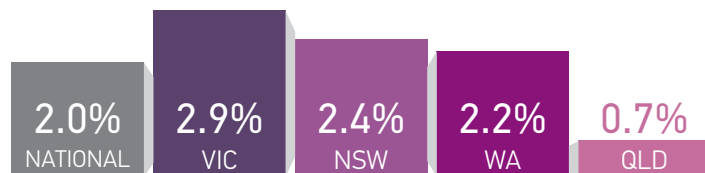
Note: % of population based on 2011 ABS Census. Perth area is based on Greater Perth which includes Mandurah.

Over the last 12 months, WA has seen employment growth of over 30,000 people and continued to have an unemployment rate below the national level.

Western Australia's unemployment rate in June 2015 was 5.8% which was below the national level of 6.0% and the equal lowest of any state (along with New South Wales). Over the 12 months to June 2015, WA's employment growth of 2.3% (or 30,904 people) was only just behind the equivalent rates for New South Wales and Victoria.

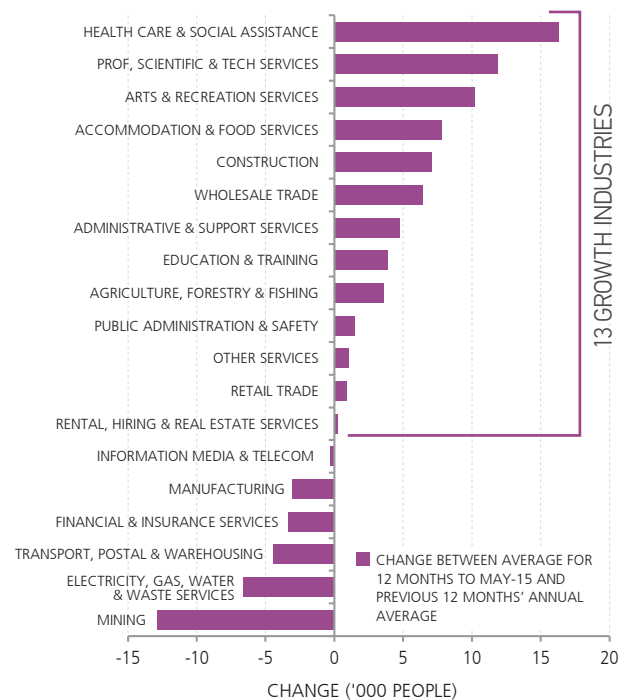
In the 12 months to May 2015, employment grew in 13 industry sectors which account for 77% of all employment in the state. This compares to falls in employment levels in six sectors (including mining which saw the largest fall) that account for 23% of the state's employment.

EMPLOYMENT GROWTH - 12 MONTHS TO JUNE 2015



Prepared by Urbis; Source: ABS

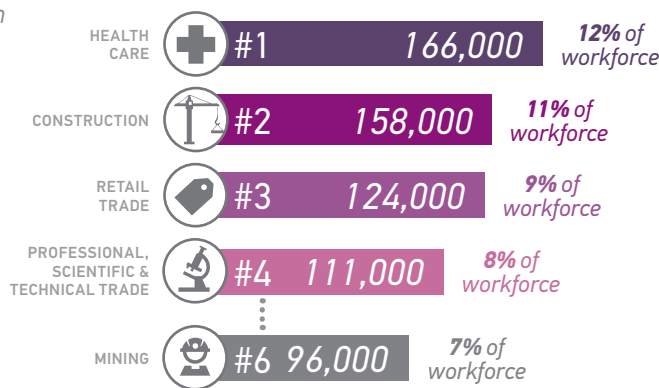
EMPLOYMENT FORECASTS ACROSS PERTH'S REGIONS



Prepared by Urbis; Source: ABS

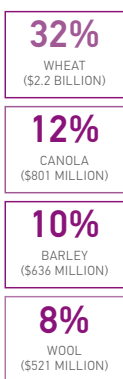
PERTH HAS A BROAD EMPLOYMENT BASE

WA's total workforce has grown by 8% over the last three years to 1.4 million people (ABS May 2015). The state now has a broad employment base with the top employment sectors shown to the right. Whilst mining is a major part of the WA economy, it ranks sixth in terms of the number of people employed by sector.



Prepared by Urbis; Source: ABS

Although not a large direct employer, agriculture plays an important and growing part of the WA economy. In 2012-13, the gross value of agricultural production (GVAP) in Western Australia was \$6.7 billion, which was 14% of Australia's total GVAP.



INFRASTRUCTURE INVESTMENT

Perth is enjoying significant government investment in a variety of major projects. In its latest budget, the Western Australian government has allocated **\$24.1 billion** to infrastructure projects throughout the state over the four years to 2019. This investment will create over 67,000 jobs and facilitate the delivery of projects out to 2023.

	PERTH ARENA \$548 MILLION COMPLETED 2012		GATEWAY WA \$1 BILLION COMPLETION 2015+ (STAGED)		NEW MUSEUM \$428 MILLION COMPLETION 2019
	PERTH CITY LINK \$1.3 BILLION COMPLETION 2012+ (STAGED)		ELIZABETH QUAY \$440 MILLION COMPLETION 2015+ (STAGED)		FORRESTFIELD-AIRPORT LINK \$2 BILLION COMPLETION 2020
	FIONA STANLEY HOSPITAL \$2 BILLION COMPLETED 2013		PERTH STADIUM OVER \$1 BILLION COMPLETION 2017		RIVERSIDE \$141 MILLION COMPLETION 2020
	PERTH CHILDREN'S HOSPITAL \$1.2 BILLION COMPLETION 2015		PERTH FREIGHT LINK \$1.6 BILLION COMPLETION 2019		METRO AREA EXPRESS \$2 BILLION COMPLETION 2022

Perth's Structural Change: In 2014, only 17% of new dwelling approvals in Perth were apartments. This compares with 37% in Melbourne and 55% in Sydney. Brisbane's proportion of apartment approvals has increased from 18% to 40% over the last five years. Perth is in the early stages of the shift towards more density.

NATIONAL UNIT COMPARISON

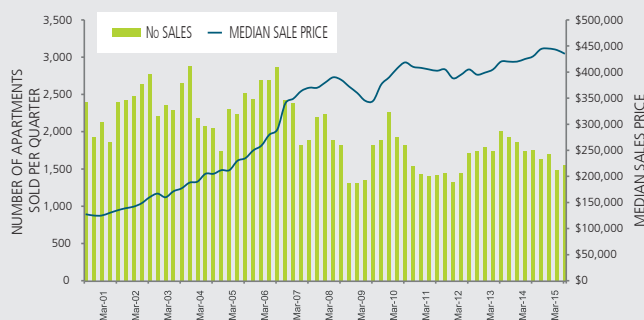


	PERTH	MELB	SYD	BRIS
MEDIAN UNIT SALE PRICE (12 Months to March 2015)	\$440,000	\$455,000	\$595,650	\$392,000
ANNUAL CHANGE IN MEDIAN PRICE (10 Years to March 2015)	6.9%	5.1%	4.6%	4.4%
INDICATIVE GROSS RENTAL YIELD (12 Months to March 2015)	5.0%	4.2%	4.3%	5.2%

Prepared by Urbis; Source: RPData Suburb ScoreCard, Corporate Edition

METROPOLITAN PERTH UNIT SALES CYCLE

MEDIAN PRICE FOR 12 MONTHS TO QUARTER'S END



Prepared by Urbis; Source: RP Data / Landgate Sales Records

MEDIAN PRICE COMPARISON (MARCH 2015)

MEDIAN OFF-PLAN APARTMENT PRICES



INNER CITY
\$632,522



WESTERN SUBURBS
\$744,444

17.7%

PRICE PREMIUM

Prepared by Urbis; Source: Urbis' March Quarter 2015 Apartment Essentials

MEDIAN SALE PRICE GROWTH

UNITS ACROSS METROPOLITAN PERTH



CHANGE IN MEDIAN PRICE
(12 MONTHS TO MARCH 2015)

0.7%



CHANGE IN MEDIAN PRICE
(3 YEARS TO MARCH 2015)

7.6%



CHANGE IN MEDIAN PRICE
(5 YEARS TO MARCH 2015)

10.0%

Prepared by Urbis; Source: RPData Suburb ScoreCard, Corporate Edition

MEDIAN HOUSE PRICES



CLAREMONT
\$1,385,000



METROPOLITAN PERTH
\$550,000



NORTH FREMANTLE
\$1,295,000

+151.8%

PRICE PREMIUM

+135.5%

(Suburb versus Metropolitan Perth)

Prepared by Urbis; Source: RPData Suburb ScoreCard, Corporate Edition

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