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THE SUNSHINE COAST

Australia's Most Compelling Growth Story

October 2019

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THE SUNSHINE COAST

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“The growth metrics of the region are all coming together at this time and it’s all in the planning. There’s a decade of planning gone into getting to this point and now the Sunshine Coast is realising these opportunities creatively.”

SunCentral Maroochydore CEO John Knaggs

THE SUNSHINE COAST

Executive Summary

The Economy

The Sunshine Coast has a \$17.7 billion economy, making it one of the largest regional economies in Australia.

It has achieved a growth rate of more than 4% per year over the past 15 years, well above national averages.

The Sunshine Coast is in the Top 10 leading regions in the country for employment generation, adding more than 20,000 jobs over five years.

The Sunshine Coast economy has diversified and strengthened. This has been achieved through proactive action from the Sunshine Coast Council and through extensive spending on major new infrastructure.

Part of the economic evolution of the Sunshine Coast has come from its growing reputation for innovation and technology - a reputation certain to grow when the Sunshine Coast International Broadband Network is established in 2020.

Education has played a major part. The ongoing evolution of the University of the Sunshine Coast has been a key part of the expansion of the Sunshine Coast region's economy - and its growing reputation for innovation.

The university, which opened with 524 students in 1996, now has almost 1,000 academic staff and caters for 17,000 students. It has won a five-star rating for teaching quality from the independent Good Universities Guide for 10 years in a row.

The \$1.8 billion Sunshine Coast University Hospital opened in April 2017, creating nearly 5,000 jobs. SCUH opened with about 450 beds, with plans to grow to 738 beds by 2021. It is the cornerstone of the \$5 billion health precinct at Kawana.

The Sunshine Coast's largest retail centre, Sunshine Plaza, underwent a \$440 million expansion which opened in March 2019. The expansion added 35,000m² of retail space, with 114 new retail outlets, creating the first "super-regional shopping centre" north of Brisbane and generating 2,300 additional retail jobs, as well as 2,900 construction jobs.

Part of the economic evolution of the Sunshine Coast has come from its growing reputation for innovation and technology - a reputation certain to grow when the Sunshine Coast International Broadband Network is established in 2020.

The expanded shopping centre has 107,000m² of retail space, with 345 retail outlets.

Youi insurance has relocated its global headquarters to the Sunshine Coast. Youi officially opened its new Sunshine Coast headquarters building at the Sippy Downs technology precinct in November 2017.

Sunshine Coast Airport has direct flights to Sydney and Melbourne through Qantas, Jetstar, Tiger Airways and Virgin. There are also direct flights to Auckland, New Zealand. The facility is undergoing a \$350 million upgrade, including a new runway, as part of a plan to become an international airport.

Renowned demographer and author Bernard Salt has referred to the Sunshine Coast as the "entrepreneurship capital of Australia".

In February 2019, the Sunshine Coast was recognised by the global Intelligent Community Forum (ICF) as one of the Top7 Intelligent Communities of 2019 from a pool of hundreds of entries.

The Sunshine Coast was the only Australian city named in this year's Top7 and shares the global spotlight with communities from Canada, Taiwan and the US.

Figures published in July 2019 showed that a record number of domestic tourists spent more than ever before on the Sunshine Coast in the year to March 2019. National Visitor Survey data showed 3,855,000 visitors spent more than \$2.5 billion on the Sunshine Coast - a 22% rise in spending year-on-year.

THE SUNSHINE COAST

Executive Summary

Property Profile

The evolution and growth of the Sunshine Coast economy has translated into significant uplift in the residential property market. The Sunshine Coast has been the strongest property market in Queensland for the past two years. It has out-performed other more high-profile markets like Brisbane and the Gold Coast on market activity and price growth.

The Winter 2019 survey of sales activity conducted by hotspotting.com.au has found that the Sunshine Coast continues to be the leading market in Regional Queensland. It is the No.1 centre for house price growth is the Sunshine Coast: 10 of the 21 Queensland locations up by 10%-plus are Sunshine Coast suburbs. Those recording strong growth include Sunshine Beach (37%), Twin Waters (21%), Doonan (19%), Woombye (17%) and Mooloolaba (14%).

Apartment markets overall are doing particularly well in Regional Queensland and the Sunshine Coast is prominent here as well – headed by the iconic Noosa market which is up 24%, while Noosaville has risen 15%. In the southern part of the Sunshine Coast, Golden Beach and Warana are both up 15%. Noosa's rise was the strongest of any apartment market in the nation, according to Domain.

Strong evidence of the impact of economic growth on property values is provided by record-breaking sales in a new Maroochydore development. The \$103 million Avalon development on a waterfront site in Duporth Avenue has sold two whole-floor penthouses for \$6 million and \$5.65 million.

Population forecasts revised in March 2019 indicate growth is accelerating and the combined population of the Sunshine Coast and Noosa local government areas is now expected to reach 580,000 by 2041 - up from previous forecasts of 558,000.

The region is now tending towards a shortage of new dwellings. There have been recent warnings from the Property Council of Australia that the Sunshine Coast is at risk of not keeping up with demand.

"With an additional 9,000 people calling the Sunshine Coast home every year, it will be very easy for the supply of new housing stock to fall behind demand," Property Council Queensland executive director Chris Mountford said in March 2019.

Future Prospects

The Sunshine Coast's economic and real estate fortunes have risen dramatically, as the city expands and diversifies its economy. The region has strong prospects for investment and ongoing capital growth, boosted by infrastructure developments such as:-

- The new Central Business District, which is being established through a 20-year project in Maroochydore.
- The \$1.8 billion tertiary teaching hospital, which opened in April 2017 as the centrepiece of a broader medical precinct.
- The Sunshine Coast Airport, which is being upgraded (including a new runway) to deliver Australia's newest international airport by 2020.
- An \$81 million expansion of the University of the Sunshine Coast which has been recently completed, with further extensions in planning.
- Upgrades to the Bruce Highway costing more than \$1 billion, which are now under way.
- The new Sunshine Coast International Broadband Network, to be delivered in 2020.

The Broadband Network is projected to deliver over 800 jobs and bring \$900 million into the region's economy.

Sunshine Coast Mayor Mark Jamieson says: "This is truly connecting the Sunshine Coast to the world."

The broadband project will provide the east coast of Australia's fastest international data connection to Asia, giving the region a competitive advantage over Sydney where the other cables land.

This game-changer will transform the Sunshine Coast by creating new business opportunities for the region. To be completed in 2020, the cable project is expected to deliver more than 800 new jobs and bring \$900 million into the region's economy.

Sunshine Coast Mayor Mark Jamieson says: "This is truly connecting the Sunshine Coast to the world."

THE SUNSHINE COAST

Executive Summary

Future Prospects (continued)

The Sunshine Coast University Hospital (SCUH) forms part of the Oceanside Health Hub, a \$5 billion health district estimated to create 3,000 jobs every year for 15 years and 12,000 ongoing jobs. Since the hospital opened, the Sunshine Coast has been named among the top three boom areas in Australia for health and social assistance jobs (the others being Newcastle and the Gold Coast).

In the State Budget in June 2019, funding was allocated to begin Stage 3 of the SCUH development, scheduled to be completed in 2021.

A core element of the Sunshine Coast Council's plan for the region is the makeover of a major site in central Maroochydore to create a defined CBD for the Sunshine Coast. Nowhere else in Australia is a major city creating a CBD from the ground up.

A \$350 million upgrade of the Sunshine Coast Airport, now well under way, will deliver international flights to the region. Currently the airport has only seasonal flights to New Zealand, in addition to domestic connections, but the upgrade will allow 787 Dreamliners to fly in from Asia. Work on a new 2,450-metre runway and terminal facility is scheduled to be completed by the end of 2020.

In 2016 the Sunshine Coast Council began a feasibility study for a light rail facility. It is hoped that construction of the first stage between Maroochydore and Kawana could start by 2025. It is projected that a two-stage light rail facility would cost approximately \$2 billion, create economic benefits totalling \$3.6 billion and generate around 9,000 jobs.

Population growth on the Sunshine Coast has been above the national average since 2001. It has been one of the fastest-growing areas in the country over the last decade and this is expected to continue. The Sunshine Coast's population is expected to grow to 580,000 people by 2041, representing the fourth fastest growth in the State.

The Sunshine Coast is one of the top three areas in Australia for health and social assistance jobs.

The Queensland Government State Budget in June 2019 allocated \$6.6 billion to the Sunshine Coast-Moreton Bay region.

The Budget flagged spending of \$1 billion on the Gympie bypass (Section D of the Cooroy-Curra Bruce Highway upgrade in the Sunshine Coast region).

The Government also announced in June 2019 it will build the next stage of Bruce Highway upgrades for the Sunshine Coast in its \$3.13 billion, four-year road infrastructure map for the region.

At the centre of all this, the Maroochydore City Centre is being developed on 53 hectares of council-owned land.

It has been declared a Priority Development Area by the Queensland Government and will be the principal commercial centre for the Sunshine Coast, while servicing a wider catchment area of over 500,000 people. Independent assessors have estimated the new CBD will create at least 15,000 permanent jobs on the Sunshine Coast.

SunCentral Maroochydore CEO John Knaggs says the plans include ...

- major commercial office buildings,
- a major business convention & exhibition centre,
- a 250-room premium hotel,
- retail and restaurant precincts,
- apartment buildings,
- open space, parkland and waterways,
- a government-gazetted rail corridor/train station terminus, with light rail and bus connectivity.

It is envisaged that the precinct will ultimately offer 150,000m² of commercial space, 65,000m² of retail floor area and 4,000 apartments.

The Federal and State Governments and the Council of Mayors (SEQ) signed the Statement of Intent for the SEQ City Deal in March 2019. "Transforming SEQ" is an agreement to work collaboratively to realise opportunities and to improve competitiveness.

A key focus is improving regional connectivity to support a 45-minute region, including delivery of faster rail links between Brisbane and key regional cities such as the Sunshine Coast.

A successful SEQ bid for the 2032 Olympics would give major impetus to the City Deal plans.

SUNSHINE COAST

Introduction

The Sunshine Coast has become Australia's most compelling economic growth story - an evolution built on infrastructure and innovation.

The Sunshine Coast is one of Australia's fastest-developing economies, growing each year at rates well above national averages, and is expected to expand to \$33 billion by 2033.

The Sunshine Coast, population 350,000, is poised to overtake the NSW Central Coast to become Australia's 9th largest urban area and is projected to achieve a population of 500,000 within 20 years - larger than the current populations of Canberra and Newcastle.

The region's growth is being built on extraordinary levels of spending on infrastructure - higher than any other regional city in Australia and more than many of the nation's capital cities. In terms of investment in new infrastructure, the Sunshine Coast is out-performing Canberra, Hobart and Darwin, and challenging Adelaide and Perth. Projects recently completed, under construction or approved total more than \$20 billion.

Renowned demographer and author Bernard Salt has referred to the Sunshine Coast as the "entrepreneurship capital of Australia".

The region's growing reputation for proactive innovation and ambitious action has been recognised internationally, with the Sunshine Coast named by the global Intelligent Community Forum as one of the Top7 Intelligent Communities of 2019.

The new \$5 billion health precinct, based around the \$1.8 billion Sunshine Coast University Hospital, has contributed significantly to the region's global status.

This reputation will be enhanced in 2020 when the Sunshine Coast International Broadband Network is established, providing the east coast of Australia's fastest data connection to Asia.

"It would be difficult for the region to grab the opportunities being presented if the City Centre site did not exist. All roads, all the public transit infrastructure, lead to this place. This is 53ha of urban infill, job opportunities and growth for the community."

SunCentral CEO John Knaggs

It will advance further through the Maroochydore City Centre development, which will create a new Central Business District for the region. Nowhere else in Australia is a new CBD being created from the ground up.

The 53ha site for this nation-leading enterprise is fundamental to the success of the Sunshine Coast economy. As SunCentral Maroochydore CEO John Knaggs says: “It would be difficult for the region to grab the opportunities being presented if the City Centre site did not exist. All roads, all the public transit infrastructure, lead to this place. This is 53ha of urban infill, with significant job opportunities and growth for the community.”

Knaggs says all the preparatory work has been done and individual projects are ready to begin. “We have all the up-zoning done, development rights have been conferred and the transport corridor is coming into the site,” he says. “It’s quite literally shovel-ready. In fact, the shovels are already at work.”

The region’s connectivity to the world will go to another level with the \$350 million upgrade to Sunshine Coast Airport creating Australia’s newest international airport, with direct flights from Asia.

The Sunshine Coast is the economic nerve centre for a growing region - there are more than one million consumers within a 45-minute radius of the Sunshine Coast.

“Noosa Heads has been the top-performing suburb in the nation for apartments this year, with its median price up 24.8% in the year ending June 2019.”

Domain report, June Quarter 2019

Following the creation of the new health precinct, based around the \$1.8 billion University Hospital which opened in 2017 - a game-changer for the region’s economy and property market - the Sunshine Coast has become one of Australia’s top 3 boom areas for health and social assistance employment.

This has effectively created a new industry for the region, broadening and strengthening the local economy.

Sunshine Coast University continues to expand and will soon open a new campus in northern Brisbane.

The Sunshine Coast’s largest retail centre, Sunshine Plaza recently underwent a \$440 million expansion, creating Queensland’s first “super-regional shopping centre” north of Brisbane.

Supported by a robust economy that has grown by an average of 4% per year over the last 15 years, the Sunshine Coast is now Queensland’s strongest real estate market.

Nothing supports property price growth like major new infrastructure spending, which generates jobs, economic activity and improved amenity for residents. In the last five years, 20,000 jobs have been created, bringing new residents to the area.

The Sunshine Coast, including Noosa, is easily the stand-out housing market in the state, out-performing larger and higher-profile markets such as Brisbane and the Gold Coast.

Analysis by *hotspotting.com.au* shows that the Sunshine Coast has more suburbs with growth momentum than any other region in Queensland, including Brisbane.

This has translated into strong price growth at a time when major markets nationwide, notably Sydney and Melbourne, have been in decline.

Annual growth in median prices has been led by the housing markets in Sunshine Beach (37%), Twin Waters (21%), Doonan (19%), Mooloolaba (14%) and Woombye (17%), and apartment markets in Noosa Heads (25%), Noosaville (19%) and Sunshine Beach (14%).

A Domain report found that Noosa Heads has been the top-performing suburb in the nation for apartments this year, with its median price up 24.8% in the year ending June 2019.

The status of the Sunshine Coast market was confirmed by a June 2019 report from national valuation firm Herron Todd White, which found that house values on the Gold Coast were declining but the Sunshine Coast was moving strongly in the opposite direction.

The evolution of the Sunshine Coast economy and property market to this point results from good planning and proactive action.

Knaggs says: “The growth metrics of the region are all coming together at this time and it’s all in the planning. There’s a decade of planning gone into getting to this point and now the Sunshine Coast is realising these opportunities creatively.”



SUNSHINE COAST

Economy & Amenities

The Sunshine Coast has a \$17.7 billion economy, making it one of the largest regional economies in Australia.

It has achieved an average growth rate of more than 4% per year over the past 15 years, well above national averages.

The Sunshine Coast is in the Top 10 leading regions in the country for employment generation, adding more than 20,000 jobs over five years.

Census data indicated that employment growth in the Sunshine Coast region was double that of Brisbane, according to Ross Elliott, director of The Suburban Alliance, speaking at a Sunshine Coast Business Council briefing in April 2019.

The Sunshine Coast economy, traditionally, has been dominated by three sectors:

- tourism
- retail
- construction

This is why the area struggled as an economy and as a property market in the past – locations that are essentially based on tourism and speculative development often fail to produce consistent growth.

But the Sunshine Coast economy has diversified and strengthened - and is now arguably the nation's most compelling growth story.

This has been achieved through proactive action from the Sunshine Coast Council and extensive spending on major new infrastructure, which has created new industries, attracted major businesses to the region and generated new employment.

Part of the economic evolution of the Sunshine Coast has come from its growing reputation for innovation and technology - a reputation certain to grow when the Sunshine Coast International Broadband Network is established.

The Sunshine Coast Council has a particular focus on knowledge-based businesses such as information technology, clean-tech, creative industries, aviation and education.

The creation of major facilities in the \$5 billion health precinct and the ongoing expansion of the University of the Sunshine Coast are key facets of this.

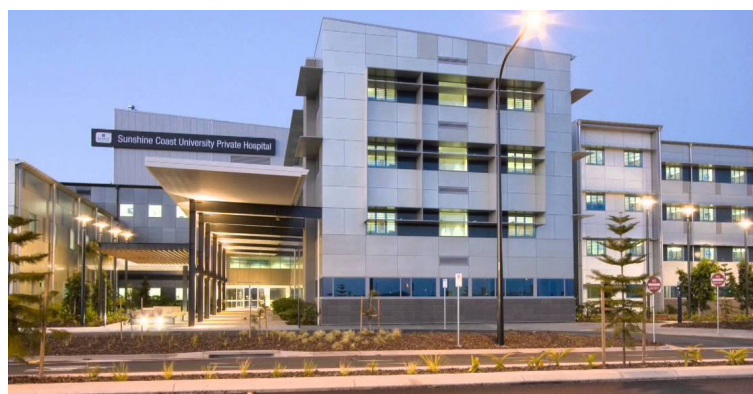
The university campus at Sippy Downs is designated as a "Knowledge Hub" in the State Government's South East Queensland Regional Infrastructure Plan and is destined to become Australia's first university town.

Sunshine Coast Council's Regional Economic Development Strategy provides a 20-year vision and blueprint for "sustainable economic results".

According to Mayor Mark Jamieson, it will help the region "participate in the global economy to deliver lifestyle and opportunities for local residents and businesses".

Examples of the outcomes being delivered by this strategy are the Sunshine Coast International Broadband Network, which is expected to be in service from mid-2020, and the Maroochydore City Centre development, which is forecast to boost local jobs by 15,000 and make a \$4.4 billion contribution to the economy.

The Sunshine Coast economy has diversified and strengthened - and is now arguably the nation's most compelling growth story.



- Demographics



Location

100km north of Brisbane
Stretches 55km from Caloundra to Noosa

Includes Kawana, Mooloolaba, Maroochydore, Buderim and Coolum. Hinterland towns include: Beerwah, Landsborough and Nambour

LGAs: Sunshine Coast Council and Noosa Council



Employment

- Healthcare/social assistance **15%**
- Construction **12%**
- Retail **11%**
- Education & training **9%**
- Accommodation/food services **8%**

Source: Census 2016



Population

- 9th largest LGA in Australia
- Population 2016 Census: **347,000**
- Projected population 2041: **580,000**
- 10th fastest growing region nationally for employment
- Popular retirement destination.

Source: Census 2016, Sunshine Coast Regional Council & Qld Govt Statistician's Office

- The Education Economy

Education has played a major part in the Sunshine Coast's emergence as a leading regional economy.

Facilities include the University of the Sunshine Coast at Sippy Downs, a campus of Central Queensland University and TAFE campuses at Noosa, Nambour, Maroochydore and Mooloolaba.

The ongoing evolution of the University of the Sunshine Coast has been a key part of the expansion of the Sunshine Coast region's economy - and its growing reputation for innovation.

The university announced in June 2019 the launch of a solar power initiative that would cut nearly half of its grid energy use.

Six thousand solar panels will generate enough energy to cool 4.5 megalitres of water, which will be circulated through the campus airconditioning and save over 40% of grid energy use at the university's Sippy Downs campus.



New carpark covers have been fitted with hundreds of solar panels as part of the project, which will also power the four new electric car charging stations.

The project is expected to save more than 92,000 tonnes of carbon emissions over 25 years after the solar panels are switched on in August 2019.

The university, which opened with 524 students in 1996 as the Sunshine Coast University College, now has almost 1,000 academic staff and caters for approximately 17,000 students.

It has won a five-star rating for teaching quality from the independent Good Universities Guide for 10 years in a row.

The university now has campuses at Hervey Bay, Gympie, Caboolture and South Bank in Brisbane. In 2020 it will open a new full-service campus at Petrie in the northern suburbs of Brisbane.

- Health and Medical Facilities

The \$1.8 billion Sunshine Coast University Hospital opened in April 2017, creating 5,000 jobs.

Sunshine Coast University Hospital (SCUH) is a tertiary, teaching hospital servicing all parts of the Sunshine Coast and Gympie regions.



SCUH saw its first patients on 21 March 2017 and was officially opened on 19 April 2017 by the Queensland Premier. It was the first teaching hospital to open in Australia for 20 years.

SCUH opened with about 450 beds, with plans to grow to 738 beds by 2021.

It is the centrepiece of the \$5 billion medical hub which also include a private hospital and specialist medical facilities.

Sunshine Coast University Private Hospital opened in 2013, offering a comprehensive range of inpatient and day services across a wide range of specialties.

Facilities include six operating theatres, two cardiac catheter laboratories, a minor procedure room, a day surgery unit, an 11 bed intensive care unit/coronary care unit and an 9 chair day therapy unit. Medical consulting suites are located on-site together with comprehensive pathology and radiology services. Other on-site facilities include a retail pharmacy and coffee shop.

Sunshine Coast University Private Hospital is co-located with the Sunshine Coast University Hospital, on the Kawana Health Campus.

Sunshine Coast University Private Hospital is owned and operated by Ramsay Health Care, Australia's largest and most respected private hospital operator.

Nambour Hospital, which was the region's major hospital before the opening of SCUH, still provides relevant health services to the district while there are smaller hospitals at Caloundra and Maleny, plus private hospitals at Buderim, Caloundra, Nambour, Kawana and Noosa

- Retail

The Sunshine Coast region has major shopping precincts including Sunshine Plaza, the seventh busiest shopping centre in Queensland.

A \$440 million expansion welcomed the Sunshine Coast's first David Jones store when it opened in March 2019. The expansion added 35,000m² of retail space, with 114 new retail outlets.

It created the first "super-regional shopping centre" north of Brisbane and generated 2,300 additional retail jobs, as well as 2,900 construction jobs.

The expanded shopping centre has 107,000m² of retail space, with 345 retail outlets.

Kawana Shoppingworld is a regional shopping centre with 38,403m² of retail floor space, which has recently undergone a \$73 million upgrade.

Hastings Street Noosa is known nationally as one of Australia's most expensive and exclusive retail strips. Two million visitors spent \$900 million in Hastings Street shops in FY2018.

In a May 2019 transaction, a 113m² strata-titled retail property on Hastings Street sold for over \$5 million, reflecting a rate of \$44,779 per square metre.

ECONOMIC STATISTICS

The Sunshine Coast economy (\$17.7 billion) is one of the largest regional economies in Australia and has achieved an annual average growth rate of 4% per year over the last 15 years, well above the national rate of economic growth.

(ABS, 2017; NIEIR, 2017; AEC, 2018)

The Sunshine Coast is in the top 10 leading regions in Australia for employment generation, adding 20,000 jobs over the last five years.

(Dept of Jobs and Small Business, 2017)

- Youi Insurance Global Headquarters

Youi insurance relocated its global headquarters to a new building at Sippy Downs in the technology precinct in November 2017.

The completion of Stage 1 of the state-of-the-art four level building provided the rapidly-growing insurer with 12,500m² of high-tech office space and accommodation for up to 1,700 staff.

Stage 2 of the \$73 million project will see a 12,500m² wing added to the new headquarters providing space to accommodate up to 3,000 staff.

Mayor Mark Jamieson said the insurer's commitment to the Sunshine Coast was expected to inject \$1.2 billion into the local economy over the next decade.

- Access and Transport

Sunshine Coast Airport lies 10km north of Maroochydore, with direct flights to Sydney and Melbourne through Qantas, Jetstar, Tiger Airways and Virgin. There are also direct flights to Auckland, New Zealand.

The facility is undergoing a \$350 million upgrade, including a new runway, as part of a plan to become an international airport.

Commuter train links south to Brisbane run through the Sunshine Coast Hinterland towns such as Nambour, Landsborough and Beerwah.

Buses connect to the coastal strip. Bus services on the coast are operated by Sunbus.



- Reputation for Innovation

Renowned demographer and author Bernard Salt has referred to the Sunshine Coast as the “entrepreneurship capital of Australia”.

The Sunshine Coast Council says: “The Sunshine Coast is a tech-savvy region, ranking No.1 for online business growth and winning a Google eTown Award.

“With a reputation for innovation, the Sunshine Coast was named as a Smart21 Community of 2019 and in five of the past six years and in 2019 achieved Top7 status awarded by the Intelligent Community Forum.”

**The Sunshine Coast:
The “entrepreneurship capital
of Australia”**

Bernard Salt

In February 2019, the Sunshine Coast was recognised by the global Intelligent Community Forum (ICF) as one of the Top7 Intelligent Communities of 2019.

Achieving this award from a pool of hundreds of entries, the Sunshine Coast was the only Australian city named in this year’s Top7 and shares the global spotlight with communities from Canada, Taiwan and the United States, including Chicago.

It was the only city in the Southern Hemisphere named in the Top7 finalists for the award.

Co-Founder of the ICF John Jung visited the Sunshine Coast in April 2019 as part of the judging process for the 2019 Intelligent Community of the Year.

Jung toured a number of key sites including the Sunshine Coast Health Precinct and the site where the international broadband submarine cable landing station is under construction.

Jung also addressed local business and industry leaders at the Maroochydore RSL and said the Sunshine Coast was a worthy contender for the top prize.

He said being named in the Top7 was a significant achievement which would have flow-on benefits for years to come.

“A key benefit that communities see from being named in the Top7 is the global networking opportunities this accolade creates,” Jung said.

“There are almost 200 communities across the globe involved in ICF and we invite our Top7 communities to speak at conventions worldwide.”

- Tourism Economy

Tourism remains an important part of the Sunshine Coast economy.

Figures published in July 2019 showed that a record number of domestic tourists spent more than ever before on the Sunshine Coast in the year to March 2019. National Visitor Survey data released by the Federal Government showed 3,855,000 visitors spent more than \$2.5 billion on the Sunshine Coast.

Queensland Tourism Minister Kate Jones said this represented a 22% rise in spending year-on-year.

Data from Tourism Research Australia shows that international visitors to the Sunshine Coast spent \$246.5 million in 2018, a 4.8% rise on the previous year, thanks to a 3.5% increase in visitor numbers.

Visit Sunshine Coast CEO Simon Latchford said 71,000 visitors were from New Zealand, 61,000 were from the UK, 23,000 from the US and 31,000 from Asia (up 40% on the previous year).

The Sunshine Coast has a subtropical climate with 52km of beaches, freshwater rivers and lakes, subtropical forests and national parks.

The region’s world-renowned beaches (Mooloolaba has Australia’s No.4 rated beach, says Trip Advisor in 2019) are complemented by an array of natural attractions including the heritage-listed Glasshouse Mountains and the Ramsar-listed Pumicestone Passage. There are also the themed attractions of Australia Zoo, Underwater World and Aussie World while visits from cruise ships are now more frequent.

Tourism - Fast Facts

- 3.855 million domestic visitors
- 311,000 international visitors
- \$2.75 billion in total tourist spending

Source: Tourism Research Australia

Tourism creates 17,500 direct jobs and a further 8,200 indirect jobs with the combined total representing 16.1% of the regional workforce.

Tourism has grown to the extent that Noosa Council said in June 2019 it was considering placing a limit on the number of people able to access key attractions such as the national park.

The council has formed a sustainable tourism reference group and said it would engage a university to conduct an assessment of acceptable limits on locations such as Main Beach and the national park.

SUNSHINE COAST

Property Profile

The evolution and growth of the Sunshine Coast economy has translated into significant uplift in the residential property market.

The Sunshine Coast has been the strongest property market in Queensland for the past two years. It has out-performed other more high-profile markets like Brisbane and the Gold Coast on market activity and price growth.

A June 2019 report from national valuation firm Herron Todd White found that house values on the Gold Coast were declining but the Sunshine Coast was moving strongly in the opposite direction.

On the "National Property Clock" published by HTW, the Gold Coast was placed at the "Starting to Decline" phase of the cycle, which means this market had passed its peak and was trending downwards. The Sunshine Coast, by contrast, was positioned at the "Approaching Peak of Market" phase, which means the market was trending upwards.

Property Observer reported on 17 June: "The Sunshine Coast market has continued its steady rise having been approaching the peak of the market since October 2017."

The Winter 2019 survey of sales activity conducted by hotspotting.com.au found that the Sunshine Coast continues to be the leading market in Regional Queensland.

The report said:

"Regional Queensland is becoming one of the nation's most compelling markets. Rising numbers of locations have growth symptoms, both in terms of sales activity and price movements. Over 60% of Regional Queensland markets have median prices higher than a year ago, with apartment markets a standout.

"The Sunshine Coast remains the No.1 market in the state ..."

"The other key feature is the number of Regional Queensland markets with price growth. We analysed price movements in 293 markets and found 179 (61%) have median prices higher than a year ago.

Of the 179 growth markets, 77 have recorded median price growth of 5% or more, while the other 102 markets have increased by less than 5%.

"Of the higher growth markets, 21 have increased by more than 10%, headed by the Central Queensland mining-related centre of Emerald (up 27%). But the No.1 centre for house price growth is the Sunshine Coast: 10 of the 21 locations up by 10%-plus are Sunshine Coast suburbs, led by Eumundi (28%), Sunshine Beach (15%), Twin Waters (15%) and Wurtulla (15%).

"Apartment markets overall are doing particularly well in Regional Queensland. Two-thirds of unit markets have median prices higher than a year ago. The Sunshine Coast is prominent here as well – headed by the iconic Noosa market which is up 24%, while Noosaville has risen 15%. In the southern part of the Sunshine Coast, Golden Beach and Warana are both up 15%.

"Our analysis of sales activity confirms the status of the Sunshine Coast: 10 suburbs have rising buyer demand, while another 13 have consistent sales activity."

Large infrastructure projects such as the Sunshine Coast Airport expansion, the Maroochydore CBD development and the University Hospital, combined with beautiful beaches and a relaxed lifestyle, are attracting new residents and investors from the southern states.

Vacancies are low and, unlike some other locations in Regional Queensland, houses are being sold at a profit, according to CoreLogic's *Pain and Gain* report.



HOME OWNERSHIP - Sunshine Coast LGA

- 33% own their homes
- 33% have mortgages
- 30% rent their homes
- 74% live in houses
- 24% live in units

Source: 2016 Census

HOME OWNERSHIP - Noosa LGA

- 39% own their homes
- 31% have mortgages
- 25% rent their homes
- 79% live in houses
- 19% live in units

Source: 2016 Census

- Sales and Price History

Historically, long-term growth in house prices in many Sunshine Coast suburbs has been below national levels. Until recently, many averaged less than 4% per year.

But strong price growth in the last 2–3 years has begun to push several suburbs well above those levels of performance. Domain's June Quarter 2019 national price report found that Noosa Heads was the top-performing suburb in the nation for units, with its median apartment price rising 24.8% in the 12 months to June 2019.

Major infrastructure spending since 2014 has helped to transition the local economy from tourist resort to well-rounded regional city, leading to a property market revival.

- Houses

In the last 12 months, numerous locations have delivered double-digit annual growth in their median house prices.

Suburbs recording strong growth include Sunshine Beach (up 37%); Twin Waters (up 21%); Doonan (up 19%); Woombye (up 17%); Mooloolaba (up 14%); Wurtulla (up 11%) and Peregian Beach (up 10%).

The better rental returns are to be found on the southern end of the coast with yields of 5.2–5.6% recorded at Kawana, Nambour and Sippy Downs.

After a 10-year hiatus, the Noosa property market is making a comeback with investors from Sydney and Melbourne showing renewed interest.

The Noosa precinct, including the Sunshine Coast's most expensive suburb, Sunshine Beach, is also attracting buyer demand from new residents,

including medical professionals working in the new hospital precinct.

As completion of the Sunshine Coast International Airport in 2020 nears, local agents are reporting that expats are buying now with a view to be able to commute from Noosa to Hong Kong and Singapore.

Noosa Heads as a local government area had Queensland's highest capital growth over the past 37 years with house prices growing at an average annual compound rate of 9.3%, according to the Real Estate Institute of Queensland.

- Apartments

Strong evidence of the impact of economic growth on property values is provided by record-breaking sales in a new Maroochydoore development.

The \$103 million Avalon development on a waterfront site in Duporth Avenue has sold two whole-floor penthouses for \$6 million and \$5.65 million.

Other sales in the project by developer Mosaic Property Group include eight sales of half-floor apartments ranging in price from \$2.6 million to \$3 million.

Data published in the Domain Price Report in February 2019 found that Noosa apartments had the third-highest capital growth of all markets nationwide in 2018.

Domain said the median apartment price for Noosa had risen 30% to \$745,000 in 2018. Other significant growth was recorded by Noosa houses (up 17% to \$1.125 million) and Sunshine Beach houses (up 19% to \$1.395 million).

- Population and Building Approvals

From FY2003 to FY2007 inclusive, the Sunshine Coast Regional Council (SCRC) approved almost 20,000 dwellings.

That included 6,650 apartments/townhouses, which led to over-supply that took years to absorb.

Dwelling approvals fell away sharply after FY2007 as the market grappled with the surplus and only 1,783 new dwellings were approved in FY2012 and 1,693 in FY2013.

The region is now tending towards a shortage of new dwellings. There have been recent warnings from the Property Council of Australia that the Sunshine Coast is at risk of not keeping up with demand for new dwellings.

"With an additional 9,000 people calling the Sunshine Coast home every year, it will be very easy for the supply of new housing stock to fall behind demand," Property Council Queensland executive director Chris Mountford said in March 2019.

Under the SEQ Regional Plan, another 87,000 dwellings would be needed on the Coast by 2041, confirming the ongoing demand for property.

However, population forecasts revised in March 2019 indicate population growth is accelerating and that the combined population of the Sunshine Coast and Noosa local government areas is now expected to reach 580,000 by 2041 - up from previous forecasts of 558,000.

The Property Council is warning that if population expectations continue to accelerate, dwelling targets and local planning settings for the Coast will need to be revised accordingly.

BUILDING APPROVALS

FY2016: 4,395

FY2017: 4,883

FY2018: 4,449

Source: ABS, .id and Regional Devt Australia - Sunshine Coast

"Even if we meet the current Sunshine Coast dwelling construction targets in 2041, the forecasts now say we'll still be short of homes for 22,000 residents," says Mountford.

In the year to February 2019, 3,250 dwellings have been approved, according to Regional Development Australia - Sunshine Coast.

"That's a housing requirement shortfall on the magnitude of another Nambour," says Mountford.

With stock running low, SCRC is looking to rezone former rural areas into residential.

Suburbs under consideration include: Palmview, Yandina, Mapleton, Montville, Maroochy River, Palmwoods, Beerwah and Glass House Mountains.

Typically, houses make up around 70-75% of all new dwellings, while units comprise 20-25%.

- Vacancy Rates

At present, all postcodes throughout the Sunshine Coast region have vacancy rates well below 3% (refer table below). Vacancy rates have been generally below 3% for the last two years.

This confirms that the Sunshine Coast, in its current growth phase, is avoiding the oversupply issues of the past and is providing good opportunities for investors.

SUNSHINE COAST VACANCY RATES

Postcode	Suburbs	Vacancy rate
4556	Buderim, Sippy Downs	1.6 %
4575	Birtinya, Kawana, Buddina, Wurtulla, Minyama	1.8 %
4551	Caloundra, Moffat Beach, Golden Beach, Pelican Waters	1.3 %
4573	Coolum, Peregian	1.3 %
4558	Maroochydore, Kuluin	1.3 %
4557	Mooloolaba	1.3 %
4567	Noosa Heads, Sunshine Beach	2.0 %

Source: sqmresearch.com.au

The suburbs listed below are a sample of the Sunshine Coast house market:-

Location: Houses	No. of sales	Median Price	1yr Growth	10yr average	Median yield
Birtinya	61	\$660,000	3 %	2 %	4.4 %
Bli Bli	165	545,000	2 %	3 %	4.6 %
Buderim	558	670,000	3 %	3 %	4.2 %
Caloundra West	126	495,000	5 %	2 %	4.8 %
Coolum Beach	143	700,000	6 %	4 %	3.6 %
Currimundi	90	545,000	5 %	2 %	4.5 %
Doonan	86	1,005,000	19 %	5 %	3.1 %
Golden Beach	99	585,000	5 %	3 %	4.1 %
Kawana	42	280,000	1 %	-1 %	5.6 %
Little Mountain	192	560,000	4 %	2 %	4.7 %
Maroochydore	197	650,000	8 %	4 %	4.2 %
Mooloolaba	80	835,000	14 %	5 %	3.5 %
Mount Coolum	79	600,000	-4 %	3 %	4.3 %
Nambour	234	400,000	5 %	1 %	5.2 %
Noosa Heads	131	1,140,000	9 %	5 %	2.9 %
Noosaville	160	945,000	5 %	2 %	4.5 %
Palmwoods	123	545,000	5 %	2 %	4.6 %
Parrearra	66	695,000	3 %	3 %	4.3 %
Pelican Waters	167	760,000	6 %	3 %	3.8 %
Peregian Beach	88	865,000	10 %	4 %	3.3 %
Peregian Springs	207	640,000	3 %	1 %	4.3 %
Sippy Downs	172	500,000	1 %	2 %	5.2 %
Sunrise Beach	79	835,000	5 %	4 %	3.6 %
Sunshine Beach	67	1,600,000	37 %	10 %	1.8 %
Tewantin	223	585,000	7 %	3 %	4.2 %
Twin Waters	65	945,000	21 %	4 %	3.9 %
Warana	56	630,000	-5 %	3 %	4.1 %
Woombye	58	531,000	17 %	3 %	4.5 %
Wurtulla	92	605,000	11 %	4 %	4.2 %

Source: CoreLogic – “growth average” is the average annual growth in median house prices over the past 10 years. “median yield” is the typical rental return achieved in each suburb.

The suburbs listed below are a sample of the Sunshine Coast unit market:-

Location: Units	No. of sales	Median Price	1yr Growth	10yr average	Median yield
Alexandra Hd.	127	390,000	0 %	2 %	5.1 %
Birtinya	32	425,000	-7 %	Snr	5.1 %
Buderim	169	395,000	-1 %	1 %	5.3 %
Caloundra	130	435,000	1 %	-1 %	4.8 %
Coolum Beach	122	395,000	3 %	1 %	5.2 %
Golden Beach	89	440,000	11 %	3 %	4.5 %
Marcoola	90	375,000	0 %	2 %	5.4 %
Maroochydore	364	420,000	0 %	2 %	4.9 %
Mooloolaba	261	400,000	-4 %	2 %	5.2 %
Mount Coolum	63	410,000	6 %	2 %	4.9 %
Nambour	62	265,000	-6 %	1 %	6.0 %
Noosa Heads	211	780,000	26 %	2 %	3.3 %
Noosaville	228	495,000	19 %	4 %	4.6 %
Sunrise Beach	52	535,000	8 %	5 %	4.1 %
Sunshine Beach	68	700,000	14 %	1 %	3.3 %

Source: CoreLogic – “growth average” is the average annual growth in median unit prices over the past 10 years. Snr: “statistically not reliable”



SUNSHINE COAST

Future Prospects

The Sunshine Coast's economic and real estate fortunes have risen dramatically, as the city expands and diversifies its economy.

The region has strong prospects for investment and ongoing capital growth, boosted by infrastructure developments such as:-

- The new Central Business District, which is being established through a 20-year project in Maroochydore.
- The \$1.8 billion tertiary teaching hospital, which opened in April 2017 as the centrepiece of a broader medical precinct.
- The Sunshine Coast Airport, which is being expanded to deliver Australia's newest international airport.
- An \$81 million expansion of the University of the Sunshine Coast which has been recently completed, with further extensions in planning.
- Upgrades to the Bruce Highway costing more than \$1 billion, which are now under way.
- The new Sunshine Coast International Broadband Network, which will be delivered in 2020.

In total, over \$20 billion in major infrastructure projects and private investment is feeding into the Sunshine Coast economy - including projects that are recently completed, under construction or in the planning pipeline.

Impact of Broadband Network

“Across the world, cable landings are a boost to local business and consumers. Wherever a cable lands, it becomes a revenue magnet for the area, as demand for data remains insatiable and growing at a 40% compound annual growth rate in recent years.”

Sunshine Coast Council, 2018

- Maroochydore City Centre

A core element of the Sunshine Coast Council's plan for the region is the regeneration of a major site in central Maroochydore to create a defined CBD for the Sunshine Coast.

Nowhere else in Australia is a major city creating a CBD from the ground up.

The Maroochydore City Centre is being developed on 53 hectares of council-owned land. It has been declared a Priority Development Area (PDA) by the Queensland Government and will be the principal commercial centre for the Sunshine Coast, while servicing a wider catchment of over 500,000 people.

PDAs are parcels of land “identified for land development to deliver significant benefits to the community”. The Department of State Development says: “The Maroochydore City Centre PDA will create a new central business district for the Sunshine coast, support economic development and build much needed infrastructure.”



Independent assessors have estimated the new CBD will create at least 15,000 permanent jobs on the Sunshine Coast. The construction component of the Maroochydore City Centre is expected to generate \$5.9 billion in output and \$2.3 billion in value-add to the Queensland economy over the project's life span of 15 to 20 years.

Construction began in 2016 with on-site works and basic site infrastructure - roads, footpaths, kerbing, landscaping and smart-city infrastructure - has been completed for the first stage, including a large public park and other important public realm features.

SunCentral Maroochydore CEO John Knaggs says the plans include ...

- major commercial office buildings,
- a major business convention & exhibition centre,
- a 250-room premium hotel,
- retail and restaurant precincts,
- apartment buildings,
- open space, parkland and waterways.
- a government-gazetted rail corridor/train station terminus, with light rail and bus connectivity.

It is envisaged that the precinct will ultimately offer 150,000m² of commercial space, 65,000m² of retail floor area and 2,000 to 4,000 apartments.

The Sunshine Coast Council will relocate 600 employees to a new nine-storey commercial building within the City Centre in 2022.

Longer term, the Sunshine Coast University is looking to establish a campus there.

The new CBD is being dubbed “The HQ with IQ” because it will offer Australia’s fastest and most reliable connectivity to key global markets, via the Sunshine Coast International Broadband Network.

Construction on the city centre’s first buildings started in July 2019, with an eight-storey commercial property by developer Evans Long, while a two-tower 152-unit residential complex by Brisbane’s Habitat Development Group is expected to start in February 2020.

The Evans Long development, to be called Foundation Place, will have a Nabers 5-star energy rating, with ground floor retail, parking for 77 cars in two podium levels and five levels of offices totalling 5,006m².

Habitat Development Group will build a two-tower project of 152 apartments on a 4,158m² site. The \$83 million development was approved by Economic Development Queensland in August 2019, with work to start in February 2020.

It was announced in July 2019 that the Sunshine Coast’s first new international brand hotel in three decades would be built in the new CBD. The 167-room Holiday Inn Express & Suites Sunshine Coast will be developed by Pro-Invest.

SunCentral Maroochydore has launched an Expressions of Interest campaign for 19.4 hectares of pre-approved developable land in the City Centre.

Knaggs says the EOI process for the project’s next stages call for experienced development and capital funding partners to help develop key precincts. It offers 67,500m² of commercial space and 25,900m² of retail space, along with 2,990 residential apartments.

“Some of this opportunity is located in the core commercial precinct while the majority is in the area south of the Corso waterway, adjacent to the future rail station and transit plaza and in mixed-use apartment precincts alongside planned waterways and parkland,” he says.

“This is a unique opportunity for experienced developers and institutional capital groups to enter into a long-term partnership with SunCentral Maroochydore and set a benchmark for city centre design and development in one of the fastest-growing regions in the country.”

Knaggs says the first stage of the project, which included an earlier EOI for lots within the core commercial precinct, attracted a range of local, national and international interests, and a number of submissions were being negotiated to commercial close over the next year. For the next stages, larger scale precincts are on offer.

“Offering individual parcels has worked well for the first stage of the commercial precinct,” he says. “However, in response to market feedback these next stages, involving both commercial and mixed-use areas, offer larger precinct-wide approaches.

“We are able to provide a wider platform for capital groups and developers to operate longer term - and I’m sure this approach will help facilitate the development of key parts of the city centre.

“We are looking for the best city-makers to partner with us on this landmark project and look forward to bringing innovative development outcomes and high-quality urban design to life on the Sunshine Coast.”

- International Broadband Network

Sunshine Coast Council has committed to build an international submarine cable, which has the potential to put the Sunshine Coast on the international business map as a leading Australian investment destination for commerce and industry.

The Sunshine Coast International Broadband Network will provide east coast of Australia’s fastest international data connection to Asia, giving the region a competitive advantage over Sydney where the other cables land.

This game-changer will transform the Sunshine Coast by creating new business opportunities for the region. The project will open the door for businesses which may not have considered the Sunshine Coast as a location for their head office or call centre.

The Sunshine Coast Council says: "Council has had a wide array of data centres interested in connecting to Australia's fastest connection to Asia on the east-coast. Examples include financial institutions who have shown an interest in establishing a presence on the Sunshine Coast to take advantage of the cable infrastructure.

"In the short-term we expect a data centre operator to establish on the Sunshine Coast and with them, we will see the migration of high-value jobs in finance, banking and technology to the region."

Currently under construction with completion expected in 2020, the cable project is expected to deliver more than 800 new jobs and bring \$900 million into the region's economy.

The project includes a 550km undersea fibre optic cable that will connect the Sunshine Coast to the 9,600km Japan-Guam-Australia-South submarine cable network. The Sunshine Coast cable will become part of a cable system linking to Hong Kong, Tokyo and Los Angeles.

It will provide business with the fastest data connection from Australia's east coast to Asia - and the second fastest to the United States. Sunshine Coast Mayor Mark Jamieson says: "This is truly connecting the Sunshine Coast to the world.

"With future-proof capacity, the new cable will increase data transmission speed, reduce risk and lead to a reduction in international communication costs for business and consumers."

Jamieson says he expects the project to attract the attention of the world's biggest data users and those looking for a location with superior telecommunications and data infrastructure.

"The Sunshine Coast International Broadband Network will encourage big business to consider the Sunshine Coast as a tech-savvy region and a smart place for business," he says.

Sunshine Coast Business Council chair Sandy Zubrinich says the cable has generated significant excitement in the business community.

"The Network is about connecting the region through fast and affordable international data and telecommunications to Asia, which has huge potential to stimulate further economic development of the region," she says.

"We are extremely fortunate on the Sunshine Coast to have these types of projects under development and supported by government, councils and the private sector."

Impact of Broadband Network

"A project of this calibre has the potential to attract investment in technology-dependent enterprises, regional offices of global companies, innovative design and applications development, and new business in the banking and finance sector."

Queensland Premier Anna Palaszczuk, 2015.

- Sunshine Coast University Hospital

The Sunshine Coast University Hospital project has been described as "the Sunshine Coast's coal mine" - but with economic and community benefits that are far more widespread and far-reaching.

The economic benefit from the construction phase alone was estimated at \$2.3 billion.

The Sunshine Coast University Hospital (SCUH) forms part of the Oceanside Health Hub, a \$5 billion health district which is expected to create 3,000 jobs every year for 15 years and 12,000 ongoing jobs.

The health hub comprises 19 precincts covering commercial, community and residential development.

The SCUH opened in April 2017 with 5,000 staff. Numbers are expected to reach 7,500 staff by 2021.

Since the first stage of the hospital opened, the Sunshine Coast has been named among the top three boom areas in Australia for health and social assistance jobs (the others being Newcastle and the Gold Coast).

The Sunshine Coast is tipped to attract 5,853 new jobs in the sector over the next five years.

Coupled with the employment generated by the private hospital and forecast employment demand from the wider Oceanside Kawana Health Precinct, it is estimated the health industry will add \$250 million annually to gross regional product.

Recent research by CoreLogic found that Birtinya, a suburb next to the health precinct, had the highest percentage of renters of any suburb on the Sunshine Coast, at 72.5%.

- Sunshine Coast Airport

In the State Budget delivered in June 2019, funding was allocated to begin Stage 3 of the SCUH development, scheduled to be completed in 2021.

State Health Minister Dr Steven Miles says work on Stage 3 will begin in the 2019-20 financial year.

The State Budget also allocated funds towards an \$86 million redevelopment of Nambour Hospital, which was the region's principal medical facility before the opening of the SCUH.



- Convention Centre

The Council has analysed plans for a major Sunshine Coast Entertainment, Convention and Exhibition Centre to be built in the Maroochydore CBD development, as a groundswell of support grows for such a facility.

Renowned demographer/social commentator Bernard Salt told the Future Sunshine Coast event in May 2019 a convention centre was essential for the region.

"If you are in this space, you have an international airport, an international hotel and international aspirations, then you should have a convention centre. This is an absolute must-have for this community as quickly as possible," Salt said.

Mayor Mark Jamieson told the Future Sunshine Coast event that a convention centre was "crucial to the region". He said the world-class medical precinct at Kawana had the potential to attract international conventions to the region.

"It really is a critical piece of infrastructure," Jamieson said.

Premier Anna Palaszczuk said in May 2019 that the Sunshine Coast Airport upgrade meant it was the right time to start discussing a convention centre for the Sunshine Coast.

A \$10 million convention centre was opened at the Novotel Twin Waters Resort in May 2019, which will host around 1,000 delegates, but more is needed.

A \$350 million upgrade of the Sunshine Coast Airport, now well under way, will deliver international flights to the region.

Currently the airport has only seasonal flights to New Zealand, in addition to domestic connections, but the upgrade will allow 787 Dreamliners to fly in from Asia.

Work started in 2017 after the Federal Government approved \$181 million concessional loan for a new 2,450-metre runway and terminal facility. It is scheduled to be completed by the end of 2020.

"A world-class tourism destination and a highly desirable place to live like the Sunshine Coast needs a world-class airport," Federal Infrastructure and Transport Minister Darren Chester said in November 2016.

Independent assessment values the economic benefit of the upgrade at \$4.1 billion in the 20 years after it opens.

"It will also be the impetus for a range of investment on the Sunshine Coast potentially unlike we've ever seen before in terms of international hotel opportunities and tourism attractions," Sunshine Coast Mayor Mark Jamieson said.

Independent assessment values the economic benefit of the upgrade at \$4.1 billion in the 20 years after it opens.

Visit Sunshine Coast CEO Simon Latchford said it would also open up export opportunities for local seafood and produce into Asian markets.

"It is another extraordinary result created by Sunshine Coast Council and it is a complete game changer for this region," he said.

Sunshine Coast Airport has delivered its Draft Master Plan document charting the planned evolution of the airport over the next two decades and beyond.

The release of the draft Sunshine Coast Airport Master Plan 2040 in June 2019 will now be followed by a community engagement period, ending on 9 August 2019.

In March 2019 Qantas announced new direct flights between the Sunshine Coast and Sydney, which Sunshine Coast Airport CEO Andrew Brodie said was "a very significant addition to the Sunshine Coast's flight schedule".

- Caloundra Precinct

Sunshine Coast Council has proposed a planning scheme amendment to facilitate a world-class centre for Caloundra.

Council said in April 2019 the implementation of the Caloundra Centre Master Plan supports the community's goals for the area and the master plan's vision to activate a mix of commercial, tourist, community, sport, education and living opportunities.

Division 2 Councillor Tim Dwyer said the amendment would help implement the adopted Caloundra Centre Master Plan which, following community consultation, was endorsed by council in 2017.

"The master plan seeks to capitalise on opportunities to redevelop the city centre, attract new businesses, increase residential and visitor accommodation and improve vehicle and pedestrian access," he said.

"With other centres on the Sunshine Coast, such as Caloundra South, Maroochydore and Kawana and, in the future, Palmview, experiencing steady growth, it is important for Caloundra and its economy to be on a similar path.

"This special attention given to the centre of Caloundra will boost investment confidence and establish Caloundra as a leading business, employment and community service hub.

"In particular, plans for a new town square, Otranto Ave street park, increased mixed use development, a gateway into Bulcock St and improved community facilities will all help to shape our healthy, smart, creative region."

The modernised Caloundra city centre is expected to cater for about 10,500 jobs, 7,800 dwellings and 14,500 people by 2041.

Work on Caloundra South (now known as Aura), a masterplanned city destined to house 50,000, is well under way.

Road infrastructure is in place, residents have moved in, a school has opened and work will soon begin on the Aura city centre, including a supermarket which opened in August 2019.

Caloundra South is not the only part of the southern end of the Sunshine Coast to be receiving attention - the Caloundra CBD is also receiving a makeover.

At nearby Pelican Waters, a new town centre and 125-berth marina are planned. The precinct will include medical facilities, restaurants, retail and commercial outlets.

- Proposed Light Rail

In 2016 the SCRC began a feasibility study for a light rail facility. It is hoped that construction of the first stage between Maroochydore and Kawana could start by 2025.

It is projected that a two-stage light rail facility would cost approximately \$2 billion, create economic benefits totalling \$3.6 billion and generate around 9,000 jobs.

A train station on the light rail route is included in planning for the Maroochydore City Centre.

Light rail has strong support from Sunshine Coast residents, according to the results of consultation published in the working draft of the Sunshine Coast Mass Transit Project Strategic Business Case.

Community consultation from June and July 2018 found 97% of respondents supported the council's actions for further investment in transport and of those 77% supported investment in light rail to help manage the growth impacts and maintain lifestyle.

There are also plans to improve rail connections between Brisbane and the Sunshine Coast. Faster rail links are part of the SEQ City Deal, for which a Statement of Intent was signed by the Federal and State Governments and the Council of Mayors (SEQ) in March 2019.

Duplication of the existing rail line between Beerburrum and Nambour looks likely to proceed, with the Federal Government allocating \$390 million to the project in the 2018 Federal Budget.



- Population Growth & Dwellings

Population growth on the Sunshine Coast has been above the national average since 2001.

It has been one of the fastest growing areas in the country over the last decade and this is expected to continue.

Propertyology research in August 2019 found that the Sunshine Coast gained more from internal migration in FY2018 than any other Australian region except the Gold Coast.

The Sunshine Coast's population is expected to grow to 580,000 people by 2041, representing the fourth fastest growth in the State.

This latest population projection from the State Government is a revision of an earlier estimate of 558,000 people by 2041. It compares with the 2016 Census population of approximately 350,000.

The forecasts have prompted warnings from the Property Council of Australia that the region may not keep up with demand for new dwellings.

"With an additional 9,000 people calling the Sunshine Coast home every year, it will be very easy for the supply of new housing stock to fall behind demand," Property Council Queensland executive director Chris Mountford said in March 2019.

Another perspective is provided by the State Government's South East Queensland Regional Plan, which allows for an additional 197,000 people on the Sunshine Coast by 2031.

That translates to an extra 64,200 homes from infill by 2041 and an extra 35,100 from greenfield sites.

Noosa will have an extra 4,600 homes from infill and 3,500 dwellings from greenfield sites.

One new site, Beerwah East, has been earmarked to accommodate an extra 15,000 homes and 44,000 residents on the Sunshine Coast.

Halls Creek, the Stockland-owned area near Caloundra South, has been identified for "potential future growth" in case housing supply runs out.

Noted demographer and author Bernard Salt suggests that future population growth will have some differences to the recent past.

The current demographics, which lean towards retirees, will begin to change, he says. Growth is more likely to be experienced in the number of younger people, including children and those aged 30-49.

- Employment Growth

The Sunshine Coast has been named among the top three boom areas in Australia for health and social assistance jobs.

The Newcastle & Lake Macquarie Region is tipped to attract 6,585 new jobs in the sector over the next five years, followed by the Sunshine Coast with 5,853 and Gold Coast with 5,802.

The projections, which cover the period until 2023, were contained in the Regional Australia Institute's Healthy Check-Up data announced in March 2019.

Speaking at the National Rural Health Conference in Hobart, RAI co-CEO Dr Kim Houghton said the health and social assistance industry alone would see the biggest growth in job numbers of any industry over the next five years, with 250,000 more jobs projected nationwide by May 2023.

"This presents a huge opportunity for job seekers in regional Australia, with our communities expected to see more than 34 per cent of those jobs — which equates to 85,000 new roles," Dr Houghton said.

"This sector already accounts for 12.5% of high-income jobs in regional Australia, which are those roles paying more than \$104,000."

This factor is already being experienced in the Sunshine Coast region, thanks to the new medical precinct based around the \$1.8 billion Sunshine Coast University Hospital - which will ultimately become a \$5 billion facility.

The high-income jobs provided by this facility have helped to boost the top end of the property market, with prices growing most strongly in the more expensive locations, like Noosa and Sunshine Beach.

The State Government announced in August 2019 that over 3,000 jobs in roadbuilding, engineering and design are up for grabs in the Sunshine Coast and Moreton Bay regions.

Member for Bancroft Chris Whiting said \$3.13 billion would be spent in the two adjoining regions by the State Government.

"Roads and transport not only connect our communities but also create jobs and support industry," he said.

"I want to see as many locals as possible grab the jobs as we build projects like the Bruce Highway Caboolture to Steve Irwin Way duplication and the Maroochydore and Mons roads upgrades."

- State Budget & Highway Upgrades

The Queensland Government State Budget delivered in June 2019 allocated \$6.6 billion to the Sunshine Coast-Moreton Bay region.

The Budget flagged spending of \$1 billion on the Gympie bypass, which is Section D of the Cooroy-to-Curra Bruce Highway upgrade in the Sunshine Coast region (this includes \$800 million from the Federal Government and \$200 from the Queensland Government).

Pre-construction activities are well under way in the bypass corridor.

The Queensland Government also announced in June 2019 it will build the next stage of Bruce Highway upgrades for the Sunshine Coast in its \$3.13 billion, four-year road infrastructure map for the region.

Transport and Main Roads Minister Mark Bailey said the State Government's Budget had secured an additional \$22.8 million in state funding to overhaul the Maroochydore Road and Mons Road interchanges and create more than 380 construction jobs.

It adds to key Budget funding to tackle congestion in the Sunshine Coast region with projects such as:

- the \$662.5 million highway duplication from Steve Irwin Way to Caboolture;
- the \$550 million Beerburrum to Nambour rail upgrade; and
- the \$812 million highway upgrade from Caloundra Road to the Sunshine Motorway.

Bailey said the State Government had committed \$60.25 million to increase the scope of the Maroochydore Road interchange project to include critical upgrades for Mons Road.

"The interchange upgrade will see a new four-lane, eastbound bridge built over the Bruce Highway at Maroochydore Road to accommodate growth in one of Queensland's fastest-growing regions," he said.

The Federal Budget in April 2019 included \$91.4 million to help fund stage one of the upgrade to the Bruce Highway-Maroochydore Road Interchange. The total upgrade is expected to cost \$301 million.

The Queensland Government also announced in June 2019 that four new schools would open on the Sunshine Coast in the next four years.

A new state school and special school at Palmview and a high school at Caloundra South will open for the 2021 school year with a high school for Palmview timed to come online for the start of 2023. The three Palmview schools alone carry a combined establishment budget of \$131 million.

- SEQ City Deal: Transforming SEQ

The Federal Government, the State Government and the Council of Mayors (SEQ) signed the Statement of Intent for the SEQ City Deal on 15 March 2019.

"Transforming SEQ" is an agreement to work collaboratively to realise the significant opportunities in the region and to improve competitiveness. It includes 35 "transformational opportunities".

A key focus is improving regional connectivity to support a 45-minute region, including delivery of faster rail links between Brisbane and key regional cities such as the Sunshine Coast.

A successful SEQ bid for the 2032 Olympics would give major impetus to the City Deal plans. State Premier Anastacia Palaszczuk led a delegation to Switzerland in September 2019 to discuss the bid with the International Olympic Committee.

- Energy Infrastructure

More than \$120 million worth of electrical infrastructure works is underway to keep up with the energy needs of a growing Sunshine Coast.

Energy Minister Dr Anthony Lynham said in April 2019 that the work by Energex and Powerlink would ensure safe, reliable electricity supply for the region.

Construction is well advanced on Energex's \$100-plus million 132KV powerline between Powerlink's Palmwoods substation and the West Maroochydore substation on Jones Rd.

The Sunshine Coast Regional Council is Australia's first local government to offset its entire electricity consumption across all its facilities and operations from renewable energy, generated at the 15MW Sunshine Coast Solar Farm. This includes administration buildings, aquatic centres, community and performance venues, as well as holiday parks, libraries, art galleries and sporting facilities. "The Solar Farm will provide \$22 million in savings, after costs, over a 30-year period based on today's electricity costs," the council says.

SUNSHINE COAST

Current Projects



INFRASTRUCTURE - HEALTH AND MEDICAL FACILITIES

Project	Value	Status	Impact
Oceanside Kawana Health Hub Stockland	\$5 billion A major health and residential precinct	Under construction Completion expected around 2021	Jobs: 3,000 per year for 15 years Includes the \$2 billion Sunshine Coast University Hospital opened in 2017
Nambour General Hospital expansion	\$86 million	Approved Construction is expected to begin in 2019 and be finished by 2022	Jobs: 70 during construction

INFRASTRUCTURE – GENERAL

Project	Value	Status	Impact
Maroochydore City Centre (Principal Activity Centre or PAC) Regional Council & State Government	\$5 billion Education services, retail, dining, 5-star hotel, offices, apartments and a convention centre	Under construction	Jobs: 15,000 The value of the CBD project on completion is expected to be more than \$5 billion
New transmission line, Palmwoods–West Maroochydore Energex & Powerlink	\$100 million	Under construction Completion expected in mid-2019	The line's life will be extended for 20 years



INFRASTRUCTURE – TRANSPORT

Project	Value	Status	Impact
Sunshine Coast Airport upgrade Regional Council	\$350 million New runway and control tower	Under construction Completion expected in 2020	Jobs: 2,200 Economic benefit: \$4.1 billion
Sunshine Coast light rail State Govt	\$2 billion Stage 1: \$1.3 billion Stage 2: \$710 million	Proposed Feasibility study under way. May be delivered by 2025	Jobs: 9,000 Economic benefit: \$3.6 billion
Bruce Highway upgrade, Sunshine Coast	\$820 million Pine Rivers to Caloundra Rd will be widened to six lanes	Proposed Federal Govt will chip in \$760mil	
Bruce Highway: Maroochydore Road Interchange Upgrade State Govt	\$301 million Funding: Federal Govt \$241mil; State Govt \$60mil	Proposed Work is expected to begin in 2020	Will improve network efficiency
Mooloolah River Interchange State Govt	TBA	Proposed Business case will be finalised in 2020	The upgrades will better connect Caloundra, Kawana, Mooloolaba and Maroochydore
Bruce Highway - Caloundra Rd to Sunshine Coast Mwy State Govt	\$1 billion 7km to be widened to six lanes and major upgrades at both intersections	Under construction Work to be finished in 2020	Jobs: 700
Nicklin Way upgrade Stockland	\$19 million	Completed	The project will improve the service to Oceanside Bokarina Beach estate
Beerburum to Nambour rail upgrade Dept of Transport	\$550 million Upgrade and duplicate 40km of train line	Approved The Federal Govt will invest \$390mil, the State Govt \$160 million	Jobs: 600
New link to Maroochydore CBD Regional Council	\$15 million	Under construction, with completion in August 2019	A new road at Aerodrome Road will become a major link to the new CBD

COMMERCIAL DEVELOPMENT – GENERAL

Project	Value	Status	Impact
Expansion, Sunshine Plaza, Maroochydore Lendlease and the GPT Group	\$440 million New David Jones, expanded Myer, 114 specialty stores	Completed Opened in March 2019	Jobs: 6,900 construction; 2,300 retail The expansion added 35,000m ² of retail space to the centre
Mooloolaba Wharf redevelopment Evans Long	\$100 million	Under construction	The old site to be demolished and transformed into residential/ commercial
5-Star Beachfront Resort, Yaroomba Sekisui House	\$900 million Includes the 5-star Westin Coolum Resort and Spa, and 1,225 dwellings	Approved	Jobs: 3,400 during construction; 1,400 operational
Kawana Shoppingworld extension Mirvac	TBA New retail and 10 cinemas will be added	Completed	Jobs: 200 retail
Badderam Eco Luxe Resort and Spa, Box Street, Buderim Carroll & Meyer	\$95 million 125 hotel rooms, restaurants, conference facility on a 4ha site	Approved	Jobs: 2,000 Economic benefit: \$35 million
Birtinya town centre shopping precinct Stockland	\$830 million Include commercial, retail, entertainment and hotel	Under construction Stage 1 opened in December 2018	Jobs: 550 during construction
Mixed-use project, Brisbane Rd, Mooloolaba Abacus Funds Management	TBA Includes shopping centre, hotel, units and an aged care facility	Approved	Jobs: 600
Aura business park, South Caloundra Stockland	\$222 million The project includes two business parks to be developed in two stages	Under construction	Jobs: 5,000

COMMERCIAL DEVELOPMENT – GENERAL

Project	Value	Status	Impact
Sundale Aged Care redevelopment, Nambour	\$250 million The old facility would be replaced with 750 units, coffee shops and medical centres	Approved	Jobs: 150 construction jobs a year for 10 years
Stockland Caloundra redevelopment	TBA Cinemas, a tavern and new retail shops	Proposed Approved in 2014; amended plans lodged in April 2018	
Big Pineapple redevelopment	\$150 million Would become a tourism precinct divided into themed precincts	Proposed	Jobs: 800 during construction; 600 operational
Holiday Inn Express & Suites Sunshine Coast hotel Pro-invest	TBA 167-room hotel	Proposed Devt application announced in July 2019; expected to open in late 2020	Will include pool, bar, conference facilities, dining venues, retail.

INFRASTRUCTURE – SPORT AND ENTERTAINMENT

Project	Value	Status	Impact
Adventure, water park and lifestyle hub, Steve Irwin Way, Glenview SANAD Capital	\$450 million 4-star hotel, water sports, function centre and cabins on a 14ha site	Approved Site works expected to begin in the second half of 2019	Jobs: 2,000 Economic benefit: \$60 million per year
Sports Hub Sunshine Coast, Bokarina	\$27 million	Under construction Stage 1 opened in August 2019	A sports hub and 84-room hotel being built in three stages



RESIDENTIAL DEVELOPMENTS

Project	Value	Status	Impact
Buderim Forest residential project Michael Cullen	\$90 million 221 apartments to house 800 people	Under construction Completion expected by 2020	Jobs: 6,900 construction; 1,350 retail
Parklakes Estate, Bli Bli (Stages 1 & 2)	TBA 1,100 homes and school for 1,500 students	Under construction	Jobs: 859 construction 271 operational
Aria Mooloolaba Aria Property Group	\$250 million Five-star hotel and residential units	Proposed	Proposed for a site opposite the Mooloolaba Surf Club
Birtinya residential development Stockland	\$454 million 800 dwellings are completed, another 200 are to yet to be built	Under construction	Part of the \$5 billion Oceanside Kawana development
Birtinya retirement village Stockland	\$63 million 140 units	Under construction	
Oceanside Bokarina Beach Stockland	\$500 million Residential, retail and tourism hub; 800 units, 300 homes	Under construction Completion expected in 2020	
Aura (Caloundra South) Stockland	\$7 billion 20,000 dwellings and 25 school for 50,000 residents	Under construction Construction on the 2nd phase of the Grand Linear Park started in July 2019.	Jobs: 20,000 Aura Central will provide a 90ha city centre for the new community
Harmony, Palmview AVID Property Group	\$3 billion 4,800 dwellings and three schools	Under construction	Jobs: 9,000 The 378ha site will include 100ha of open space
Beach Life Alex Alexandra Headland Cube Devts	\$70 million 58 apartments, sky homes and penthouses on a 2276m ² site	Approved Construction contract was awarded local builder McNab in April 2019	Jobs: 1,000

RESIDENTIAL DEVELOPMENTS cont.

Project	Value	Status	Impact
Mixed-use residential development Ocean St TWM Pty Ltd	TBA 12-storey high-rise with rooftop gym and pool	Proposed Application put to Council in June 2019	44 serviced apartments and 66 residential units, plus 257 parking spaces
Twin Water West development North Shore Stockland	\$300 million 530 houses within 5 multiple dwelling precincts	Proposed Public submissions on the project closed 5 July 2019.	Planned for a site bounded by Sunshine Motorway, Maroochy River, David Low Way and Ocean Drive.
Hillside Mooloolah Valley Urbex (BMD Group)	TBA 136 homes on a 41ha site	Proposed Project was announced in May 2019, with the first land release in the second half of 2019	

