

Information Memorandum

5 Mona Street, Allawah





5 MONA STREET

Location and outline indicative only

INTRODUCTION

5 Mona Street (also known as 6 Illawarra Street), Allawah NSW. The sale of this site represents an exceptional opportunity for boutique developers and boarding house providers to make their mark in southern Sydney, the heart of St George area. The property is offered for sale.

The property is improved by a development approval, designed by the renowned awardwinning architectural firm A+ Design Group, for the demolition of the existing structures and the construction of a 7 storey boarding house containing 47 rooms over a single level basement. For a short term return, there is a single level dwelling divided into two(2) flats ensuring a recurring income stream prior to demolition and construction.

The affluent area of Allawah forms part of the St George area and is conveniently located only 100m* from Allawah Station. This DA approved boarding house will benefit the astute investor and developer by being one of the last remaining boarding houses permitted under the existing SEPP in a highly sought after area of Sydney with vacancy in this location having tightened to a low of just 0.9%**.

Additional highlights of the asset include:

- DA approved for 47 room self-contained boarding house plus common room
 - Site area - 667.1m2*
 - 0.9% vacancy rate** in the surrounding area evidencing a strong demand for rental opportunities
 - Zoning R4 - High Density Residential
 - FSR - 2 : 1
 - Height Limit - 21m
 - 100m* to Allawah Station
 - 1km* to Westfield Hurstville
 - 1.2km* to Hurstville Station
 - Easy access to Sydney, Hurstville & Rockdale CBDs
-



Artist Impression Only



Artist Impression Only



EXECUTIVE SUMMARY

ADDRESS	5 Mona Street, Allawah NSW 2218 (LOT 266 DP7182)
SITE AREA	667.1m2*
LEP	Georges River Local Environmental Plan 2021
ZONING	R4: High Density Residential
HEIGHT LIMIT	21m
DA APPROVAL	DA (2021/0465) approved for the demolition of existing structures and construction of boarding house building consisting of 47 boarding rooms. <ul style="list-style-type: none">• 47 x boarding rooms• 9 x bicycle parking• 9 x motorcycle parking• 24 x car parking
OUTGOINGS	<ul style="list-style-type: none">• Land Tax: \$6,622.65 pa*• Council Rates: \$2,775.59 pa*• Water Fixed Charge Rates: \$708.12 pa*• Total Outgoings: \$10,106.36 pa*
CURRENT LEASE	5 Mona Street: <ul style="list-style-type: none">• Current Rental Income - \$27,560 pa* 5a Mona Street: <ul style="list-style-type: none">• Current Rental Income - \$28,860 pa

LOCATION

Allawah - Overview

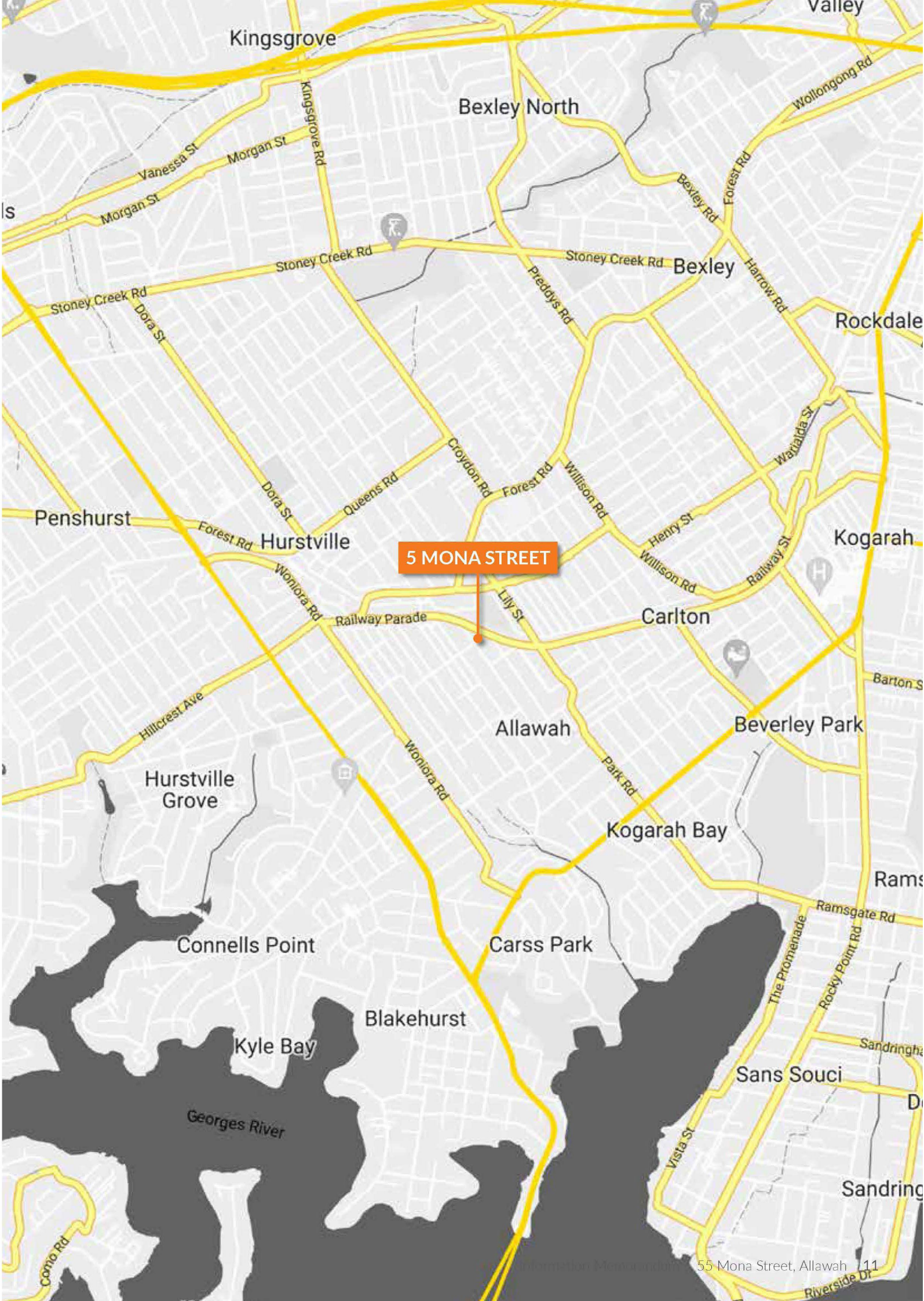
Allawah, situated in the family-friendly St George region of Sydney South, is conveniently located just 16 km south of Sydney CBD. This prime location has attracted both professionals and families due to its proximity to major employment hubs, including the Sydney CBD, Sydney Airport, Port Botany, Illawarra and Port Kembla.

In this land-constrained market, opportunities for residents are limited, which continues to drive demand for affordable residential accommodation that is close to essential amenities. Residents of Allawah have the added benefit of enjoying nearby beaches, such as Brighton-le-Sands, Monterey, and Ramsgate, all just a short drive away. Allawah has a charming retail strip that offers everyday convenience, dining options, and essential services. Additionally, the Allawah Hotel provides entertainment options for its residents.

Allawah offers all the advantages of living in close proximity to Hurstville, which features a major commercial area and prominent retail centres, including Westfield Hurstville and Hurstville Central, without the hustle and bustle. The Site enjoys a prime location, being situated less than

2 km from Hurstville, which offers an extensive array of major retail options, public amenities, public transportation, dining establishments, and employment opportunities. Recognised as the CBD of the St George area, Hurstville City Centre has evolved into a vibrant fusion of retail and commercial activities. Forest Road, in particular, has become a focal point for Asian shopping and dining, solidifying its status as a District Centre in the South District Plan. Hurstville's ongoing transformation is shaping it into one of Sydney's dynamic cultural and corporate centres. This evolution presents new and exciting prospects, which will benefit the neighbouring areas including Allawah.

Local residents also benefit from good public transport connectivity, with Allawah train station conveniently located on the T4 line. This station provides easy access to key destinations, such as the Sydney CBD, Sydney Airport, Bankstown Airport, Port Botany, the Illawarra region, and Port Kembla. Allawah truly offers a balanced and appealing lifestyle for its residents, making it a sought-after neighbourhood in the Sydney South region.



CONTEXT STUDY



CONTEXT STUDY

EXISTING CAMPUS LOCATION

ST. GEORGE CHRISTIAN SCHOOL

GEORGES RIVER COLLEGE HURTSVILLE

SYDNEY TECHNICAL HIGH SCHOOL

CEMELOT PRESCHOOL ALLAWAH

CARLTON PUBLIC SCHOOL



LOCATION(CONT.)

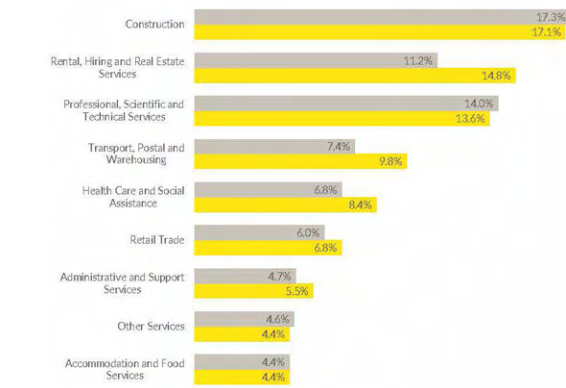
Allawah - Local Economy

The Georges River Local Government Area (LGA) achieved a Gross Regional Product (GRP)¹ of \$8.079 billion during the 2021/22 financial year. This vibrant local economy provides 45,745 jobs and supports 16,544 local businesses. The largest employment sector in the area is healthcare and social assistance, which accounts for almost 13,000 jobs, representing a substantial 27.6% of total employment. Following closely, the second most prominent sector is education and training, contributing to 10.1% of employment, while retail trade and professional, scientific, and technical services sectors follow, with 9.4% and 7.3% of employment, respectively². This diversity in employment sectors reflects a wellrounded and robust local economy in the Georges River LGA.

Allawah - Residential Property Market

Housing affordability remains a persistent challenge across Sydney, and the recent increases in interest rates have only exacerbated this issue, making home ownership more elusive for many. Consequently, the rental market has reached record highs, characterised by low vacancy rates, robust rental price growth, and a shortage of new housing supply recorded over the past two years.

In this challenging environment, boarding houses are emerging as a popular asset, capitalising on the current dynamics of the market. Tenant demand for this type of affordable accommodation has been strong, especially in an undersupplied rental market with significant rental price growth. The Allawah area has experienced a notable surge in rental rates over the past two years, primarily



driven by heightened demand and a shortage of available rental properties. In the quarter ending June 2023, the total median rent for units surged to \$568 per week, marking a substantial 7.2%³ increase from the previous quarter.

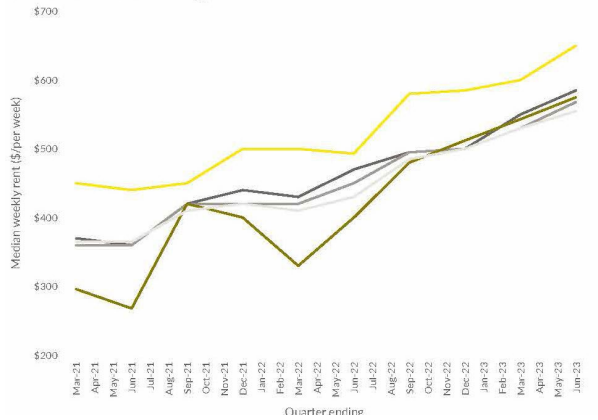
One-bedroom units in Allawah have demonstrated even more rapid growth, with rents doubling to \$575 per week over a two-year period. This segment has maintained an impressive average quarterly growth rate of 11.8% since June 2021. Given the combination of escalating house prices, interest rate rises, and limited housing stock, it is unlikely that the pressure on rental rates in Allawah will ease in the near future.

Since late 2021, there has been a substantial reduction in total vacancy rates, mainly attributed to a rise in individuals entering the rental market driven by housing affordability concerns and interest rate hikes. By September 2023, the total vacancy rate had fallen to a mere 0.9%⁴, highlighting a gap between the availability of rental properties and the strong demand from prospective tenants.

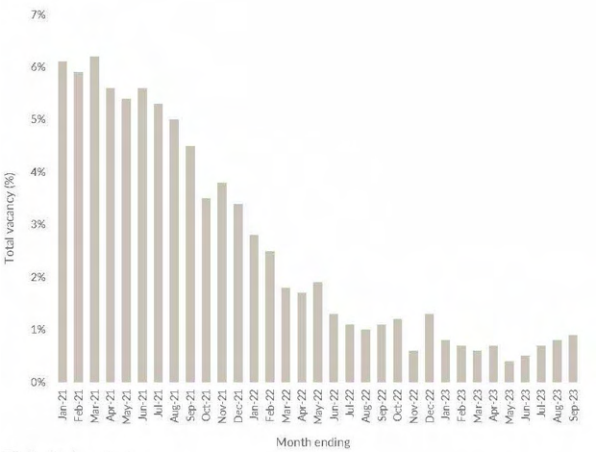
LOCATION(CONT.)

This shortage of available rental inventory presents a compelling opportunity for new residential developments that prioritise affordability to help alleviate the current market shortage.

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The Site presents a valuable opportunity to address the rental market gap in Allawah, driven by the combination of affordability challenges and limited housing supply. Boarding Houses cater to a diverse tenant market and have become increasingly attractive as an investment asset due to low establishment cost, stable long term income cash-flow and high occupancy rates.



Total Vacancy
(Source: SQM Research for postcode 2218)

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Allawah - Demographics

According to the Australian Bureau of Statistics (ABS) Census 2021, the statistical area level 2 (SA2) encompassing Kogarah Bay – Carlton – Allawah has a total population of 16,200 people. This area is characterised by its rich cultural diversity, with over half of its residents (52.7%) born overseas. The top countries of origin for residents in this SA2 are China (excluding SARs and Taiwan) at 10.7%, Nepal at 6.0%, Greece at 2.9%, the Philippines at 2.6%, and Hong Kong (SAR of China) at 1.9%.

LOCATION(CONT.)

Allawah stands out as a family-oriented neighbourhood, with families constituting the majority of households, accounting for 73.6% of total households. Singleperson households make up 22.3% of the housing landscape, while group households represent 4.1%. Investors have shown keen interest in this market, attracted by its strategic location near major centres and employment hubs, as well as its excellen access to public transportation. Investors account for 37.1% of all occupied private dwellings in the area5.

The majority of residents are employed as professionals (27.7%), followed by clerical and administrative workers (14.9%), managers (12.3%), technicians and trade workers (11.0%), community and personal services workers (9.6%) and sales workers (9.5%). Residents earn a median weekly personal income of \$801 per week, with households earning \$2,191 per week 6.

Allawah - Population Projections

The population growth in the Kogarah Bay – Carlton – Allawah SA2 is limited by the scarcity of available land for new developments, which hampers the creation of new housing supply necessary to support substantial population

growth. Projections indicate that by 2041, the total population in this area is expected to reach over 17,500 people, reflecting a moderate increase of 4.5%7. The area is forecast to record an expanding aging population, with people aged 65 years and over increasing by 21.4% to represent 15.9% of the total population in 2041.

The Australian Government's announcement in March 2023 to welcome 650,000 new migrants to Australia over the next 18 months, with a majority expected to settle in Sydney and Melbourne8, will place additional pressure on the availability of affordable housing accommodations. Demand will increase for housing near major employment hubs, accessible public transportation, and nearby leisure destinations. Allawah is strategically positioned to leverage the benefits of this migration influx, offering a central location that provides easy access to major employment precincts, robust public transportation options, and a desirable lifestyle.

LOCATION(CONT.)



\$575
Total median 1 bedroom weekly rent*



43.8%
Growth from previous year*

0.9%
Total Vacancy**



16,200
Population



38
Median age



1 in 5
Aged 25 to 39 years



47.3%
Born in Australia



51.4%
Employed full-time



5.3%
Unemployment rate



48.2%
Couple families with children



27.5%
Households earn > \$3,000 gross per week



\$1,954
Median household weekly income

Source: ABS Census 2021
*FACS Insights June 2023 Quarter
**SQM Research for month ending September 2023 for postcode 2218



Mortdale

Liverpool

Hurstville CBD

Beverly Hills

Lakemba

Parramatta

St George
Christian School

5 MONA STREET
ALLAWAH NSW

Allawah Station

1.5 KM 22 MIN WALK

Outline and locations indicative only



Macquarie Park

North Sydney

Sydney CBD

Arncliffe

Rockdale

Kingsford Airport

Bexley

Sydney Technical High School

Carlton

Allawah Station

5 MONA STREET
ALLAWAH NSW

110 M 2 MIN WALK

Outline and locations indicative only

PLANNING CONTROLS

The property is zoned R4 High Density Residential under George River Local Environmental Plan 2021. A summary of permissible uses within this zoning are outlined below.

ZONE R4 - HIGH DENSITY RESIDENTIAL

OBJECTIVES OF ZONE

- To provide for the housing needs of the community within a high density residential environment.
- To provide a variety of housing types within a high density residential environment.
- To enable other land uses that provide facilities or services to meet the day to day needs of residents.
- To enable other land uses that contribute to the vibrancy of the neighbourhood while ensuring that business centres remain the focus for business and retail activity.
- To encourage development that maximises public transport patronage and promotes walking and cycling

PERMITTED WITHOUT CONSENT

Home occupations

PERMITTED WITH CONSENT

Attached dwellings; Bed and breakfast accommodation; Boarding houses; Business identification signs; Car parks; Centre-based child care facilities; Community facilities; Dual occupancies; Dwelling houses; Early education and care facilities; Educational establishments; Emergency services facilities; Environmental facilities; Environmental protection works; Group homes; Health services facilities; Home businesses; Hostels; Hotel or motel accommodation; Jetties; Local distribution premises; Multi dwelling housing; Neighbourhood shops; Oyster aquaculture; Places of public worship; Public administration buildings; Recreation areas; Residential flat buildings; Respite day care centres; Restaurants or cafes; Roads; Secondary dwellings; Semi-detached dwellings; Seniors housing; Serviced apartments; Shops; Shop top housing; Small bars

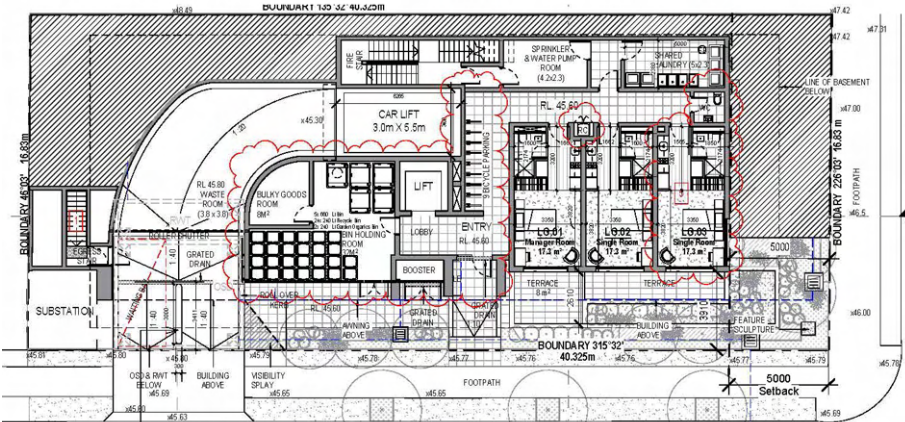
PROHIBITED

Any other development not specified in item 2 or 3

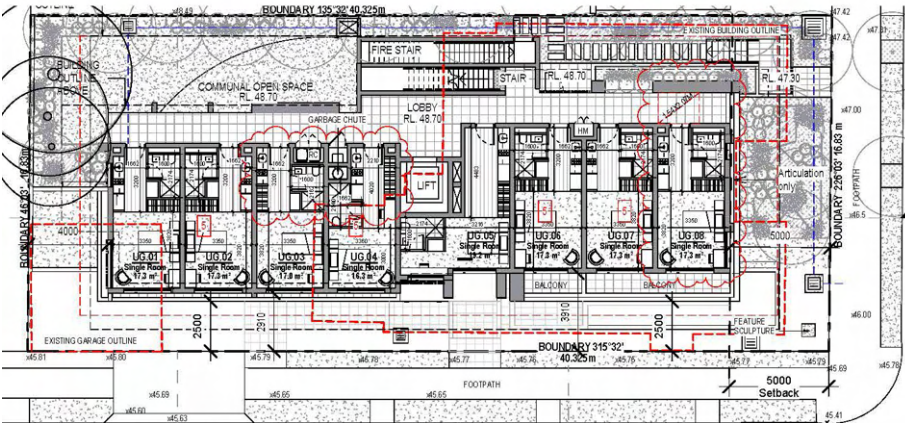
DESIGN EFFICIENCY

The building's design ethos revolves around a strategic fusion of cost-effectiveness and operational efficiency, meticulously executed to optimize both aspects. This approach is manifest in the deliberate simplification of unit typologies and the incorporation of modular planning, ensuring streamlined construction processes without compromising quality. In the basement, innovative car lift systems replace traditional ramps, efficiently maximizing parking capacity while minimizing construction costs. This forward-thinking solution not only optimizes spatial utilization but also obviates the necessity for additional basement levels, enhancing the project's economic viability and user convenience in a singular stroke.

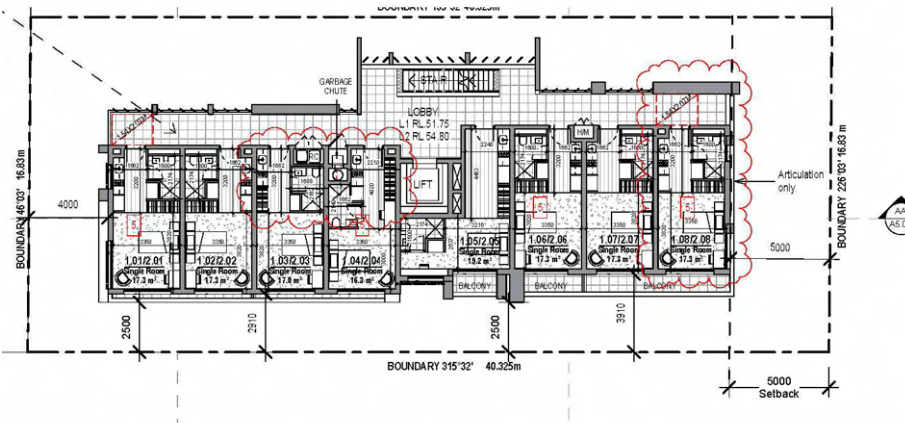
APPROVED ARCHITECTURAL DRAWINGS



APPROVED LOWER GROUND FLOOR



APPROVED UPPER GROUND FLOOR



APPROVED TYPICAL FLOOR

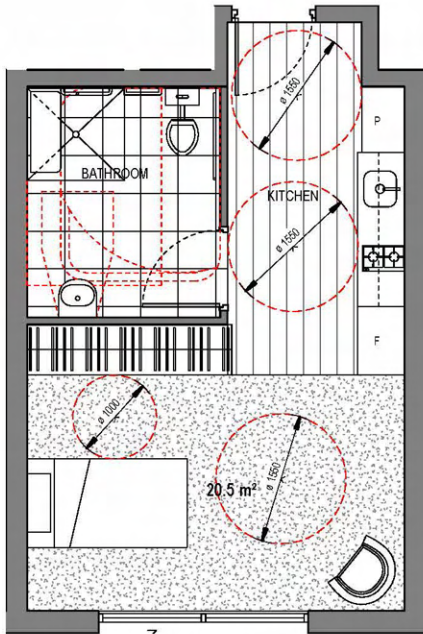
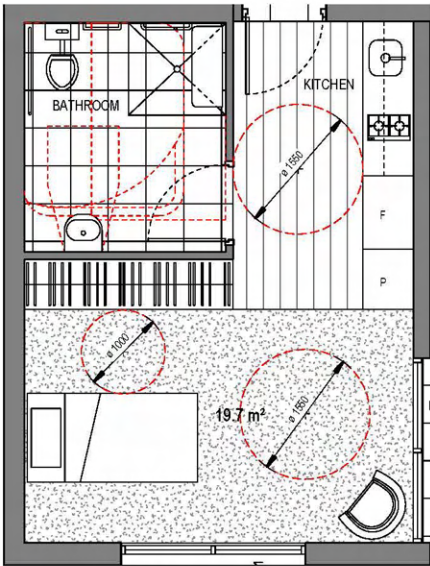
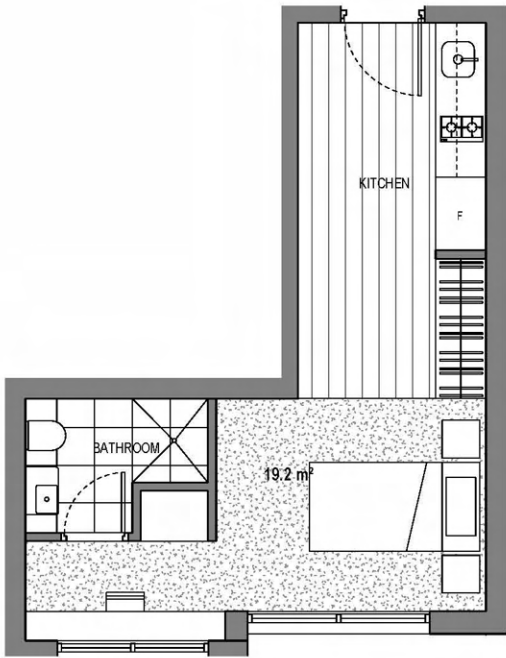
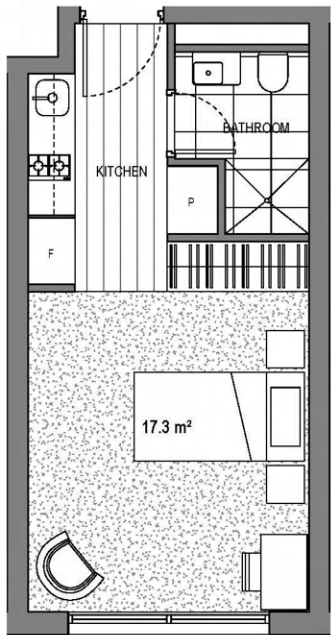
The information on the 'Approved Plans' is provided as an indication only. All information should be reviewed subject to the disclaimers outlined herein together with the detailed conditions in the contract of sale. We note specifically:

- a. the buyer must make and rely on their independent enquiries in respect of the Approved Plans and CGI;
- b. the CGI and Approved Plans constitute marketing material and the buyer has not relied on any marketing material provided by the Vendor or its agent and has made its own independent assessment of the commercial viability of the site; and
- c. the buyer cannot requisition, object, claim or end the contract for any matter in connection with the CGI/ Approved

APPROVED ARCHITECTURAL DRAWINGS



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SUBJECT SITE



SUBJECT SITE
(5 Mona St, Allawah)



Approved boarding house

47 rooms

POTENTIAL ADDITIONAL FSR AND HEIGHT

Housing SEPP

In-fill affordable housing provides opportunities for the delivery of new affordable housing in well-located areas to meet the needs of a wide range of households on very low to moderate incomes.

The in-fill affordable housing provisions were transferred from State Environmental Planning Policy (Affordable Rental Housing) 2009 to the [Housing SEPP](#) when it was made in November 2021.

On 14 December 2023 the NSW Government implemented in-fill affordable housing reforms to encourage private developers to boost affordable housing and deliver more market housing. The reforms include:

- A floor space ratio (FSR) bonus of 20–30% and a height bonus of 20–30% for projects that include at least 10-15% of gross floor area (GFA) as affordable housing. The height bonus only applies to residential flat building and shop-top housing. The FSR and height bonuses are proportional to the affordable housing component.
- The former in-fill affordable housing bonuses are still available for development by Land and Housing Corporation (LAHC), the Aboriginal Housing Office (AHO), Landcom and registered Community Housing Providers (CHPs) on land with a maximum permissible FSR of 2:1 or less. These agencies and CHPs are now able to apply the more generous of the two formulae for calculating the FSR bonus under sections 16 or 17 of the Housing SEPP.
- The accessible area definition has been amended to increase the walking distance from a light rail station from 400 m to 800 m and include metro stations.

The in-fill affordable housing provisions:

- apply to land in:
 - the Six Cities Region (with the exception of the Shoalhaven LGA) within an accessible area
 - other areas within 800 m walking distance of land zoned E1 Local Centre, MU1 Mixed Use, B1 Neighbourhood Centre, B2 Local Centre or B4 Mixed Use.
- require a minimum of 10% of the development to be used for affordable housing, with the provisions encouraging the delivery of 15%
- include built form bonuses to encourage the development of affordable housing
- requires the affordable housing portion of the development to remain affordable and be managed by a registered community housing provider for a minimum of 15 years
- include non-discretionary development standards for lot size, dwelling sizes, deep soil zones, car parking and others
- require the consent authority to consider the character of the local area or the desired future character for areas under transition.

SOURCE: <https://www.planning.nsw.gov.au/policy-and-legislation/housing/housing-sepp/in-fill-affordable-housing>

A NSW Government website



Planning

[Home](#) > [Policy and legislation](#) > [Housing](#) > Housing SEPP

Housing SEPP

The housing needs of people across NSW are changing. Our reforms provide for more affordable homes and more choice, and create new types of homes to meet new needs.

In-fill affordable housing

For more information email housingpolicy@planning.nsw.gov.au or phone [02 8289 6700](tel:0282896700).

DEVELOPMENT SUMMARY

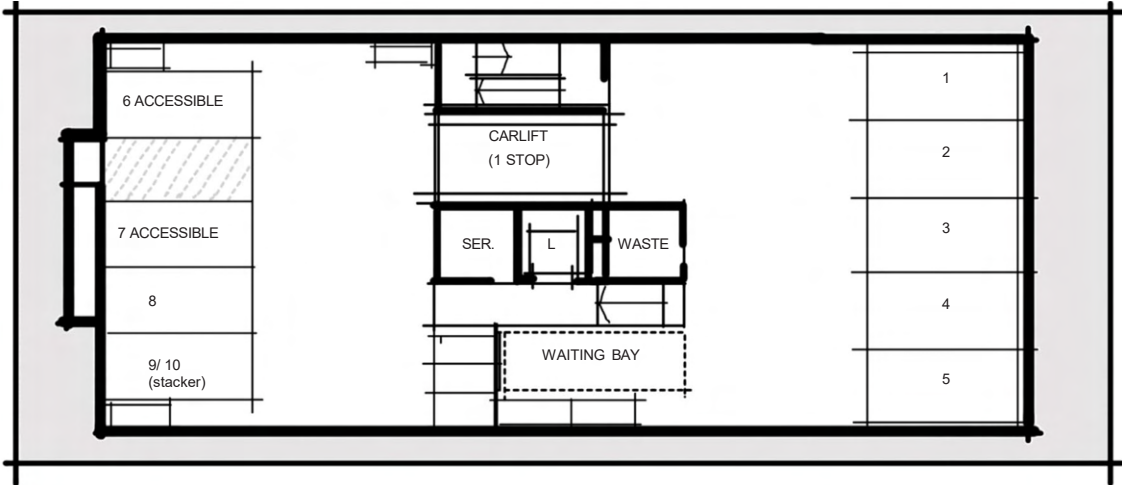
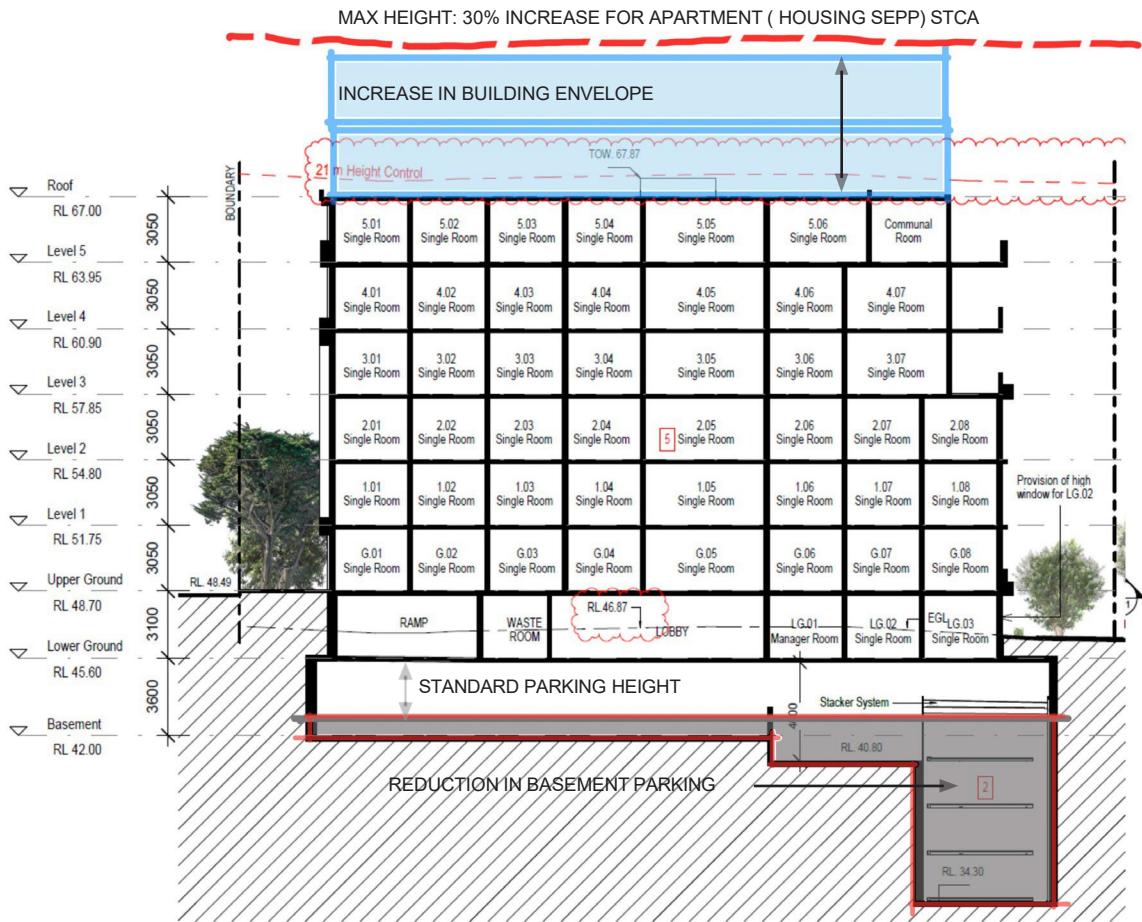


DEVELOPMENT SUMMARY		
Site Area	677.1	m2
Council Max FSR	2	
Council Max GFA	1354.2	m2
HOUSING SEPP bonus (In-fill hous	30%	
HOUSING SEPP GFA (In-fill housin	1760.46	m2
Current Approval	1659.2	m2
	47	rooms
Based on 0.5 per room	24	parking bays
Additional GFA under housing SEPP (in-fill housing)	101.26	m2
Total Apartment Increase	2	Apartment
<i>Car parking adjustment using new rate of 0/2 instead of 0.5(accessible area)</i>		
<i>This mean no stacker and additional basement parking will be required</i>		

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The Housing SEPP infill housing provision allows for an increase of 30% in height and 30% in FSR. The design explores the possibility of adding a two-storey apartment over the existing boarding house.



BASEMENT 1

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EXECUTIVE SUMMARY

Building envelopes increase up to two storeys.



Reduction of basement parking to a single level.

The new Housing SEPP permits a 30% increase in both height and Floor Space Ratio (FSR) for in-fill housing.

This adjustment allows for the potential addition of a two-storey apartment (STCA) through the increased building envelope.

Additionally, a new parking rate of 0.2 per room has been introduced for sites that are accessible and close to train stations. This adjustment significantly reduces the parking requirement from 24 bays to 10 bays, eliminating the need for multi-level stacking systems.

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