

# Suburb Profile

## WALLAN

### OVERVIEW

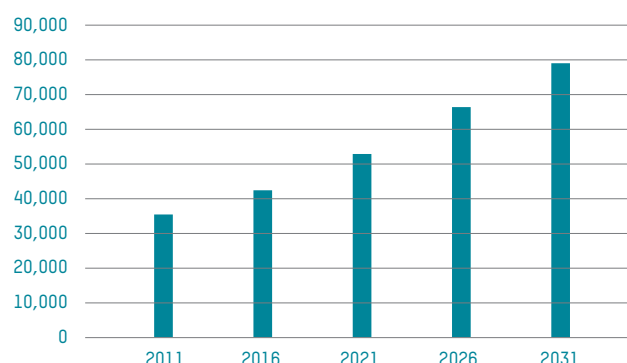
The suburb of Wallan is located in the northern fringes of Melbourne, approximately 50 kilometres from the Melbourne CBD. The suburb is located within the Shire of Mitchell which is the fastest growing Local Government Area in Victoria outside of Melbourne's CBD. Although close to metropolitan Melbourne the Shire offers a relaxed, semi-rural lifestyle affording residents a unique quality of life.

### ACCESSIBILITY

Wallan is located approximately 45 minutes from Melbourne by private vehicle via the Hume and Northern Highways. The suburb is well connected with key Victorian regional centres including Bendigo and Shepparton and the North East via a comprehensive network of major roads and the Melbourne to Sydney Rail Line.

The Wallan Train Station is located within the centre of Wallan and is serviced by the Melbourne-Seymour VLine linking the suburb with the Melbourne CBD via a 45 minute journey. Express services operate from to and from Wallan Station during peak periods.

### MITCHELL SHIRE – POPULATION PROJECTIONS 2011 TO 2031



Source: Resolution Research, Mitchell Shire Council, .id – November 2013

The Wallan Town Service bus route operates from the terminus at the Wallan Train Station affording residents a level of connectivity with major employment nodes and educational, sporting and retail facilities within the wider Mitchell Shire.

### KEY GROWTH AREA

In December 2010 the southern part of Mitchell Shire, focussed around Wallan was brought in to the Victorian Urban Growth Boundary. The Victorian Government has identified eight key growth areas including Mitchell Shire which will create greater employment opportunities, improved health and education services and more choices for Victorians about where they live and work. The Regional Growth Plan covering Mitchell Shire, with a focus on Wallan will ensure the development of infrastructure in order to cater to the needs of the rapidly growing population base.

### POPULATION AND DEMOGRAPHICS

According to the latest data released by the Mitchell Shire Council, the Shire is estimated to currently be home to 37,633 persons which is forecast to grow by 111.6% to reach around





The Regional Growth Plan covering Mitchell Shire, with a focus on Wallan will ensure the development of infrastructure in order to cater to the needs of the rapidly growing population base.

79,640 residents by 2031. This massive growth in population is forecast to translate into demand for more than 15,000 new dwellings.

At the time of the 2011 Census Wallan<sup>1</sup> was home to just over 12,000 persons. The suburb is principally a family area with the majority of the population comprised of couples with children at home. Consistent with this is a dwelling landscape which is dominated by detached houses, accounting for more than 90% of all dwellings within the area.

Residents of Wallan are typically more affluent with the 2011 Census reflecting both the median weekly household and median weekly personal incomes as higher than those recorded across Victoria and Australia.

## INFRASTRUCTURE & AMENITY

### RETAIL

The Wellington Square Shopping Centre is located in the heart of Wallan and is anchored by a Coles supermarket and is home to a diverse range of speciality retailers and food outlets which cater to the needs of the local community. A large Woolworths supermarket is also located within the town centre in addition to a number of professional services and food and beverage outlets. Plans are proposed for a new supermarket, medical centre, childcare centre, bistro and gym adjacent to the Hume Freeway in Wallan to be delivered in line with future population growth within the suburb.

Westfield Airport West is located a 30 minute drive from Wallan. The Centre is home to major department stores Kmart, BigW, Target, JB Hi-Fi and Harris Scarfe together with a Coles supermarket and more than 160 speciality stores. The state-of-the-art Village Cinema Complex is also located within the centre.

The Wallan Markets run on the second Saturday of every month and are a popular community event featuring a diverse range of stalls offering fresh produce, arts and crafts, a variety of locally produced goods and family entertainment.

### EDUCATION

Residents of Wallan are offered a wide choice of child care facilities and educational institutions located within the suburb and its immediate surrounds.

Mitchell Shire Council currently operates eight kindergartens within the shire including the Wallan Kindergarten and Wellington Street Kindergarten, Wallan. Consistent with the large number of young families within the area is a significant offering of private child care centres and kindergartens including Eclipse Early Education, Wallan and Killara Child Care Centre, Wallan.

The Wallan Primary School and Wallan Secondary College are centrally located within the town and are the primary providers of education for families residing within the area. The prestigious Assumption College – Kilmore Campus provides co-educational schooling for day students and boarders between years 7 and 12 and is considered one of the region's premier educational institutions. Further afield is the Hume Anglican Grammar School providing a high level of private, co-educational tuition from primary through to year 12.

The Kangan Institute of TAFE's Craigieburn Flexible Learning Centre is located just over 15 minutes from Wallan and is the area's major tertiary learning facility. The Centre offers a mix of online, face to face and flexible-mode delivery programs across a variety of disciplines. Public transport services are in place linking Wallan with the Craigieburn campus. RMIT's Bundoora campus is located within a 30 minute drive

<sup>1</sup> Wallan Statistical Area Level 2



The Mitchell Shire Region is home to 11 recreation and sporting reserves and approximately 40 local parks and reserves.

from Wallan. The campus specialises in providing engineering, biosciences, education and medical sciences. The campus is one of the largest tertiary education providers in the state.

## SPORTING AND RECREATION

The Mitchell Shire Region is home to 11 recreation and sporting reserves and approximately 40 local parks and reserves. Wallan itself is home to a number of parks and open spaces which facilitate both passive and active recreational pursuits. The popular Wallan Recreational Reserve is one of the most significant parks in the region complete with a children's playground, tennis courts, an indoor recreational centre, skate park, BMX track, picnic tables, BBQs and walking paths. Additionally the suburb contains the Danaher Reserve and the Wallan Community Park which provides a green link between residential areas via a walking track.

Wallan's Hidden Valley Golf Course and Country Club is a world-class sporting, recreation and social complex located in the heart of Wallan. In addition to its championship golf course and country club are tennis and swimming facilities together with horse riding and walking trails. The Hidden Valley Golf Course is widely recognised as the most superior course in Melbourne's north.

The Shire is home to seven leisure and aquatic centres including the Kilmore Leisure Centre which is one of the region's major largest providers of aquatic training and associated activities in the area. The Centre is also equipped with a Gymnasium offering group fitness classes, personal training and a crèche.

Many other sporting facilities and clubs are located within Wallan including the Wallan Scout Group, the Wallan and District Netball Association, the Wallan Football Club, the Wallan & District Junior Basketball Association, the Wallan District Cricket Club and the Wallan Tennis Club.

## HEALTH

The Northern Hospital in Epping is located 20 minutes from Wallan and is the major service provider of acute and subacute specialist healthcare in Melbourne's northern region. The Northern Hospital also operates a Health Service in nearby Craigieburn which provides a range of day procedures and outpatient visits to the local community. The Kilmore & District Hospital provides a range of general medical, surgical, maternity and palliative care services in addition to outpatient and aged care services. These major health care providers are key contributors to dwelling demand in the area.

A number of medical centres are located in the local area including the Wallan Medical Centre, Mediq Medical Centre the Wandong Medical Centre and Modern Medical. These facilities provide a high level of medical and health infrastructure which provide extensive support to service a range of medical needs of the local community. Additional health and medical services within the area include Wallan Complete Care Physio, Wallan Dental and Kilmore Chiropractic.

## EMPLOYMENT

Over recent years, Wallan has developed into a fully serviced activity centre recognised as a focal community, recreation, business and economic centre within the Mitchell Shire. Neighbouring Puckapunyal is home to the largest military training centre in Victoria and one of the region's major employers.

The State Government's Craigieburn Employment Area North precinct is located in Melbourne's North Growth Corridor within close proximity of Wallan. Over time the North Growth Corridor is forecast to provide 83,000 to 105,000 new jobs. The development of the Craigieburn Employment Area will inevitably fuel continued demand for new dwellings within the local area and its surrounds.



Preliminary data for the September quarter 2013 shows a continued lift in median price of 2% indicating that the platform has been set for median price growth across the detached housing market...

There are a number of additional major employment nodes located within a 20 to 30 minute drive from Wallan which are significant contributors to dwelling demand in the area. These nodes include the Melbourne Airport, the Mickleham North Employment Node and existing industrial areas and business parks from Campbellfield extending along the Hume Freeway. These areas combined have the potential to support a significant number of jobs; Melbourne Airport is anticipated to support over 55,000 jobs and Mickleham North Employment Node is expected to support over 30,000 jobs. In addition the Broadmeadows Central Activity District has been designated as an area of significant employment growth in the future .

## WALLAN RESIDENTIAL MARKET FUNDAMENTALS

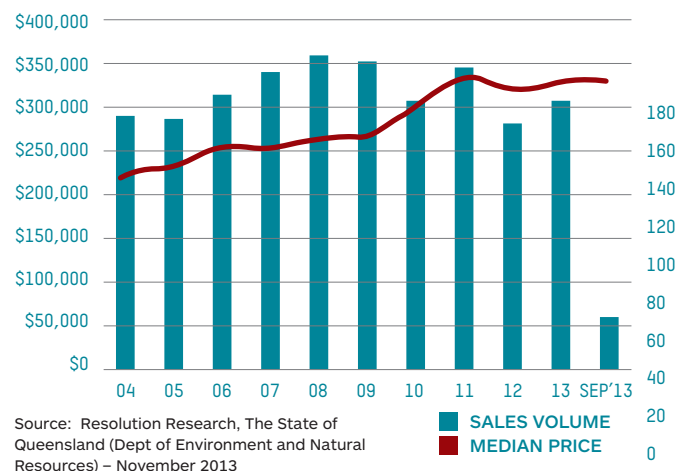
### DETACHED HOUSING MARKET

Over the past five financial years there has been an average annual demand for 145 detached houses within Wallan. Demand over the medium term (5 years) and over the longer term (10 years) has remained consistent indicative of a market where there is a steady level of underlying demand throughout the market.

Median price growth across the detached housing market has been strong at 4.7% per annum over the past financial years to June 2013 to reach a prevailing median house price of \$328,000. Preliminary data for the September quarter 2013 shows a continued lift in median price of 2% indicating that the platform has been set for median price growth across the detached housing market which is likely to return a strong result for the 2014 financial year.

The quantum growth in median house price over the past five years has been \$60,000 (or 18%). Over the longer term, median values have grown by a total of \$106,000 (or an impressive 32%).

### WALLAN DETACHED HOUSING MARKET – SALES VOLUMES AND MEDIAN PRICE GROWTH 2004/05 TO 2012/13



On a linear trend basis, Wallan's detached housing market has recorded a lift in median values of \$11,780 per annum over the ten years to June 2013.

### VACANT LAND MARKET

Demand for vacant land for the construction of new urban dwellings within Wallan has averaged 215 allotments over the past ten years to June 2013. More recently, average annual demand has risen to 280 lots per annum which has been a direct consequence of injections of new supply into the market place. Of particular note (as detailed in the graph below) is the period between the 2009 and 2011 financial years when the market saw a high volume of new land released to market which was rapidly absorbed. This is clear indicator of a strong underlying level of demand for new product in the market – reflecting a market in state of growth. More recently (over the past three years) demand has dropped below the long term average which has a direct correlation a distinct absence of new supply releases into the market. This may suggest, based on historic trends that the market is in a state of undersupply.

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RENTAL GROWTH PER ANNUM

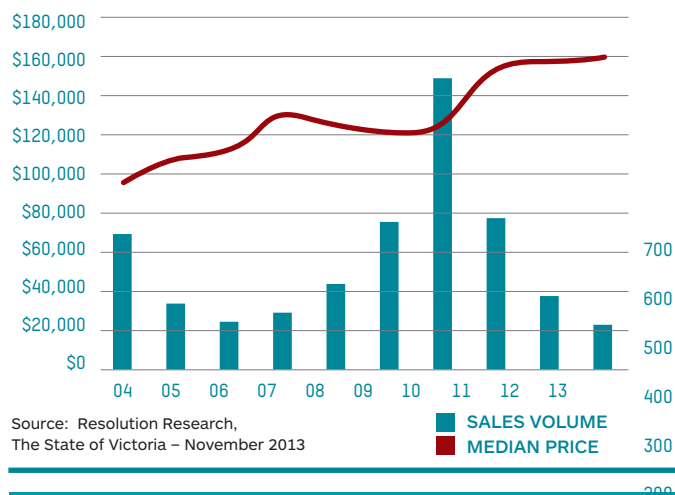
5%

Over the past five years, median land values have grown by an average of a solid 6.3% per annum to reach \$159,000 for the year ended June 2013. Over the longer term (10 years), the growth in median land values has been recorded at 5.3%. With a lift in demand over the past five years over and above the long term average corresponding with a lift in median price, again, over and over the long term average supports the notion that demand for new land for the construction of new dwellings is placing upward pressure on land values.

RENTAL MARKET

Growth across Wallan’s rental market has been strong averaging 5% per annum over the past ten September quarters to 2013. Currently, three bedroom houses are achieving a median weekly rent of \$330 and the latest data for four bedroom houses reflects a median weekly rent of \$350 is in place across the market. Our research shows that new three bedroom homes within Wallan are achieving weekly rents largely in line with median, or at a slight premium (\$340 per week) and four bedroom homes are achieving premiums of between \$5 and \$20 over and above the prevailing median.

WALLAN VACANT LAND MARKET – SALES VOLUMES AND MEDIAN PRICE GROWTH 2004/05 TO 2012/13



STRONG GROSS RENTAL YIELD

5.2%

According to the latest data provided by Australian Property Monitors the prevailing gross rental yield across Wallan’s detached housing market sits at a strong 5.2% evidently demonstrating that strong rental returns across the investment market are being achieved.

## WALLAN - AT A GLANCE

- // The suburb of Wallan is located in the northern fringes of Melbourne, approximately 50 kilometres from the Melbourne CBD.
- // Wallan is located within the Shire of Mitchell which is the fastest growing Local Government Area in Victoria outside of Melbourne's CBD.
- // The Wallan Train Station is located within the centre of Wallan and is serviced by the Melbourne-Seymour VLine linking the suburb with the Melbourne CBD via a 45 minute journey. Express services operate from to and from Wallan Station during peak periods.
- // The Victorian Government has identified eight key growth areas including Mitchell Shire which will create greater employment opportunities, improved health and education services and more choices for Victorians about where they live and work.
- // The Regional Growth Plan covering Mitchell Shire, with a focus on Wallan will ensure the development of infrastructure in order to cater to the needs of the rapidly growing population base.
- // Mitchell Shire Council's population is forecast to grow by 111.6% to reach around 79,640 residents by 2031.
- // This massive growth in population is forecast to translate into demand for more than 15,000 new dwellings.
- // Wallan is principally a family area with the majority of the population comprised of couples with children at home.
- // Residents of Wallan are typically more affluent with the 2011 Census reflecting both the median weekly household and median weekly personal incomes as higher than those recorded across Victoria and Australia.
- // The Wellington Square Shopping Centre is located in the heart of Wallan and is anchored by a Coles supermarket and is home to a diverse range of speciality retailers and food outlets which cater to the needs of the local community.
- // The Wallan Markets run on the second Saturday of every month and are a popular community event featuring a diverse range of stalls offering fresh produce, arts and crafts, a variety of locally produced goods and family entertainment.
- // Residents of Wallan are offered a wide choice of child care facilities and educational institutions located within the suburb and its immediate surrounds.
- // The Mitchell Shire Region is home to 11 recreation and sporting reserves and approximately 40 local parks and reserves.
- // The popular Wallan Recreational Reserve is one of the most significant parks in the region complete with a children's playground, tennis courts, an indoor recreational centre, skate park, BMX track, picnic tables, BBQs and walking paths.
- // Wallan's Hidden Valley Golf Course and Country Club is a world-class sporting, recreation and social complex located in the heart of Wallan. The Course is widely recognised as the most superior course in Melbourne's north.
- // The Shire is home to seven leisure and aquatic centres. Many other sporting facilities and clubs are located within Wallan.
- // There are three major hospitals servicing the area including The Northern Hospital in Epping, the Craigieburn Health Service (operated by the Northern Hospital) and The Kilmore & District Hospital. These major health care providers are key contributors to dwelling demand in the area.
- // A number of medical centres are located in the local area which provide a high level of medical and health infrastructure which provide extensive support to service a range of medical needs of the local community.
- // Over recent years, Wallan has developed into a fully serviced activity centre recognised as a focal community, recreation, business and economic centre within the Mitchell Shire.
- // The State Government's Craigieburn Employment Area North precinct is located in Melbourne's North Growth Corridor within close proximity of Wallan. Over time the North Growth Corridor is forecast to provide 83,000 to 105,000 new jobs.
- // There are a number of additional major employment nodes located within a 20 to 30 minute drive from Wallan which are significant contributors to dwelling demand in the area.
- // Median price growth across the detached housing market has been strong at 4.7% per annum over the past financial years to June 2013.
- // Preliminary data for the September quarter 2013 shows a continued lift in median price of 2% indicating that the platform has been set for median price growth across the detached housing market which is likely to return a strong result for the 2014 financial year.
- // Demand for vacant land for the construction of new urban dwellings within Wallan has averaged 215 allotments over the past ten years to June 2013. More recently, average annual demand has risen to 280 lots per annum which has been a direct consequence of injections of new supply into the market place.
- // More recently (over the past three years) demand has dropped below the long term average which has a direct correlation a distinct absence of new supply releases into the market. This may suggest, based on historic trends that the market is in a state of undersupply.
- // Over the past five years, median land values have grown by an average of a solid 6.3% per annum to reach \$159,000 for the year ended June 2013.
- // Growth across Wallan's rental market has been strong averaging 5% per annum over the past ten September quarters to 2013.
- // According to the latest data provided by Australian Property Monitors the prevailing gross rental yield across Wallan's detached housing market sits at a strong 5.2% evidently demonstrating that strong rental returns across the investment market are being achieved.

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