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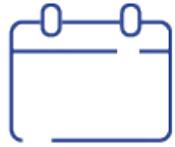
The real winner of the 2032 Olympics The Queensland Property Market

 Brisbane is off the blocks and on the home stretch to take out the 2032 Olympics, which will create considerable opportunities for the QLD property sector.

Accelerating success.

Key Facts

2032 Brisbane Olympic and Paralympic Games Proposal



Olympic Games
23 July to 8 August 2032

Paralympic Games
24 August to 5 September 2032



Olympic Stadium
The Gabba

Olympic Villages
**Hamilton Northshore and
Gold Coast Zone at Robina**



Tourist uplift
US\$15.3 billion
in overnight visitation expenditure



Major venues
Brisbane, Gold Coast, Sunshine Coast

Other venue locations
Toowoomba, Townsville, Cairns, Sydney and Melbourne

28 sports at 32 venues and 16 sports including disciplines
within 5km of Brisbane CBD

*use of at least 84% existing / temporary venues

This paper has been prepared sourcing data and analysis from the 2032 Olympic and Paralympic Games Value Proposition Assessment 2019 (VPA), the 2032 SEQ Olympic and Paralympic Games Feasibility Study dated February 2019 and prepared by the Council of Mayors SEQ (SEQ Feasibility Study), the International Olympic Committee Feasibility Assessment Olympic Games Feb 2021 (IOC Feasibility Assessment) and the IOC Future Host Commission Questionnaire response Final Submission – May 2021 (Final Submission).

As at time of writing and release of this paper, the announcement of Brisbane becoming the hosting city for the 2032 Olympic Games has not yet been made but is expected to be on July 21st 2021.



Budget and
projected revenue
AU\$4.94 billion



Australian economic benefit
US\$13.4 billion

Queensland economic benefit
US\$6.1 billion
*excludes benefits and costs associated
with transport infrastructure



Total job creations
Queensland: 91,600
Australia: 122,900



Overview

The Queensland economy has entered an era of growth with several economic and demographic indicators distinctly demonstrating its long-term potential.

The Queensland employment market has recovered rapidly, acknowledging there is still a fair way to go to reach full employment. The May 2021 employment data has revealed that the number of employed people has reached historical high levels of 2.64 million underpinning a contraction in the unemployment rate to 5.4% which is below the pandemic peak of 8.7% (July 2020). Queensland has also been a benefactor of internal migration, being the preferred State for interstate relocations. This represents a competitive advantage for the Sunshine State compared to other States and territories in Australia particularly when considering the limited overseas migration driven by the global health crisis. The overall State economic performance, measured as the State Final Demand, has technically overcome the recent National economic recession, reporting an annual growth of 2.5% over 2020, up by 2% in the December quarter and 6.8% growth over the September quarter. Over the first quarter of 2021, Queensland State Final Demand grew by 0.3% to be 3.0% higher annually.

The State's 4-year infrastructure program remains solid at A\$52.2 billion according to the recently announced 2021-22 state budget. The public-sector infrastructure program along with various private-sector investment projects supports the renewal of the Brisbane CBD and fringe areas. The State infrastructure program also covers the provision of improved transport connectivity across the regions; and has placed a strong focus on improving the social infrastructure needed to support a growing population.

Within this context, the Sunshine State is in a very strong position to continue a path of economic recovery and growth, with a number of major infrastructure projects approaching completion over the next 3-5 years offering the prospect to transform Brisbane into a global city and supporting improved State transport connectivity.

Having made these observations, we see a successful Brisbane 2032 Olympic bid as the final step for Brisbane to consolidate its global presence and worldwide visibility with the ultimate goal to raise the city's business and investment profile, potentially to similar levels than Sydney and Melbourne. Even better and taking into account that the proposal has been prepared having a strong focus on achieving legacy outcomes and the realisation of benefits before, during and after the Games; the selection of Brisbane as a host city in 2032 has the potential to accelerate an era of growth at a State level and support a more inclusive and diverse society.



“The selection of Brisbane as a host city in 2032 has the potential to accelerate an era of growth at a State level.”

An aerial night photograph of Brisbane, Australia, showing the city skyline, the Brisbane River, and the surrounding urban landscape. The city lights are illuminated, and the river reflects the lights. The title text is overlaid on a dark blue rectangular background in the upper right portion of the image.

The 2032 Olympic & Paralympic Bid Proposal

In late February 2021, the International Olympic Committee (IOC) announced the selection of Brisbane as preferred host for the 2032 Summer Olympic Games.

In practical terms this means that the IOC and the Australian Olympic Committee commenced targeted dialogue to ensure the Brisbane bid meets the requirements to host the Olympic Games in 2032. In mid-June, the IOC Executive Board decided to propose Brisbane 2032 to the IOC next session to host the Games. A final decision from the committee is anticipated to be announced at the 138th Session in Tokyo on 21 July 2021.

In late April 2021, the Federal Government offered the Queensland State Government the guarantee to fund half of the cost to be incurred if the Olympic bid is successful. Furthermore, the bid proposes to create the Olympic Coordination Authority (OCA) to be responsible for legacy oversight and delivery. This structure has the goal to ensure the effective delivery of legacy over the 10+10+ year programme.

The Final Submission paper to the IOC identifies at least 84% of the competition venues as existing or temporary venues. National engagement and economic benefits are expected to be achieved through the proposal to host football preliminary games in the former Olympic host cities of Sydney and Melbourne.

Some of the proposed new venues include Brisbane Olympic Stadium at Woolloongabba, Brisbane Olympic Village, Gold Coast Olympic Village, Athlete Day Village in the Sunshine Coast, Chandler Indoors Sports Centre (Gymnastics), Sunshine Coast Mountain Bike Centre (which requires the acquisition of land for development), Brisbane Arena (as an aquatic centre and proposed replacement to the Brisbane Entertainment Centre), and Redland Whitewater Centre (Canoe Slalom). The Queensland State Government has proposed to redevelop the Gabba so it could become the Brisbane 2032 Olympic Stadium. The proposed redevelopment of the Stadium has the goal to expand its capacity from 42,000 seats to 50,000 seats.

The Final Submission paper estimates a total cost for venue infrastructure of A\$689.68 million which is expected to be fully covered by different types of Olympic revenue streams as per the proposed budget. Some of the key venue infrastructure expenditure include A\$605.79 million allocated to temporary infrastructure, A\$390.96 allocated to competition venues and A\$73.58 allocated to the Olympic/Paralympic Village. A dedicated Legacy Stimulus Fund will be established within 6-months after the bid announcement having the goal of sourcing funding for the primary legacy initiatives.

One of the main goals of the Olympic Games, as identified by the May 2021 Final Submission to the IOC is to accelerate the delivery of long-term plans needed to support growth across Queensland, particularly for the SEQ (South East Queensland) region which is expected to grow by 1.9 million residents and 800,000 homes over the next 20 years. The work to be undertaken by the OCA is paramount to ensure the Olympic opportunity achieves legacy outcomes at economic, financial and social levels; and delivers a final Olympic infrastructure plan that fully aligns with the infrastructure needs of the region and with the ability to accelerate the final endorsement and delivery of the SEQ City Deal.

“Over the next decade, SEQ infrastructure investment will be at the forefront nationally in anticipation to plan ahead for the Olympic Games. The multiplier effect on the Qld economy extends to several sectors yet the civil construction sector delivering better logistics infrastructure will support further greater confidence and investment in the industrial property market.

The recovery of net interstate migration to Qld along with the systematic boom of ecommerce has kicked off an upward trend on industrial property values underpinning demand on all industrial precincts in Brisbane but also regionally. A successful bid to host the 2032 Olympic Games in Brisbane will accelerate logistics leasing demand from a wide group of industrial occupiers and service providers, while investors will see an opportunity to reweight their investment portfolios in favour of Qld industrial real estate.”

Simon Beirne
State Chief Executive, Queensland



Proposed Legacy Outcome

The proposal for Brisbane to become a Summer Olympics host city in 2032 has multiple benefits that could consolidate the transition of Brisbane into a well-known global city. At a high-level, the proposal has the goal to enhance the liveability of the region, support a healthier and more integrated community and create financial and economic prosperity for Queenslanders.

The VPA prepared by the State's 2032 Taskforce, the SEQ Feasibility Study and the May 2021 Final Submission to the IOC have identified the following key benefits and legacy outcomes:

- Estimated State economic benefits of around US\$6.1 billion. Colliers estimate that this is equivalent to about 2% of the 2020 State Final Demand.
- Estimated national benefits of around US\$13.1 billion (including export uplift).
- Creation of 91,600 FTE for Queensland and 122,900 FTE nationally. Colliers estimate that 91,600 job opportunities represent about 3.5% of the number of State employed people reported in April 2021.
- Delivery of several qualitative social and community benefits over a 20-year period.
- Regional distribution of social, financial, and economic benefits as several hosting opportunities are proposed in several locations outside the capital city like the Gold Coast, Sunshine Coast, Toowoomba, Townsville and Cairns.
- National distribution of benefits as Sydney and Melbourne are proposed to host the preliminary football games
- The games, particularly the Paralympic Games, will create new standards for accessibility to take a step further towards a fully inclusive and open society
- Opportunity to build new and improved fixed and mobile telecommunications infrastructure and services at different event venues.
- Accelerated negotiation and implementation of the SEQ City Deal which remains in strategic planning stage. The deal aims to enhance alignment of the three levels of government to agree on key priorities including transport infrastructure. It also aims to improve regional connectivity to enable residents to access a range of essential services and daily needs within 30 minutes, and have easy access to high quality jobs, key economic clusters, and major lifestyle opportunities within 45 minutes.

Proposed Infrastructure Legacy

An efficient and effective public transport system is a must to host the Olympic Games in Brisbane in 2032. At present there are several infrastructure projects under construction or at feasibility stage that will support the delivery of the Games if the bid is successful. This includes the Cross River Rail, Brisbane Metro, Gold Coast Light Rail Stage 3, M1 Pacific Motorway Upgrade program, the Bruce Highway Upgrade program, Coomera Connector and Eastern Transitway Busway. A definitive infrastructure legacy plan is expected to be announced within 12 months of appointment as host city when the OCA will publish its first report. The report will include an outline of monitoring methodology mapped to a detailed legacy delivery programme and specific quantifiable targets alongside appropriate quality measures.

Improved regional transport infrastructure and mobility within the Gold Coast and Sunshine Coast regions is expected to be a priority for the OCA and the IOC. Within this context, some of the significant public-transport infrastructure projects that will be accelerated or have the potential to be accelerated if the Olympic bid is successful are listed on the following page:

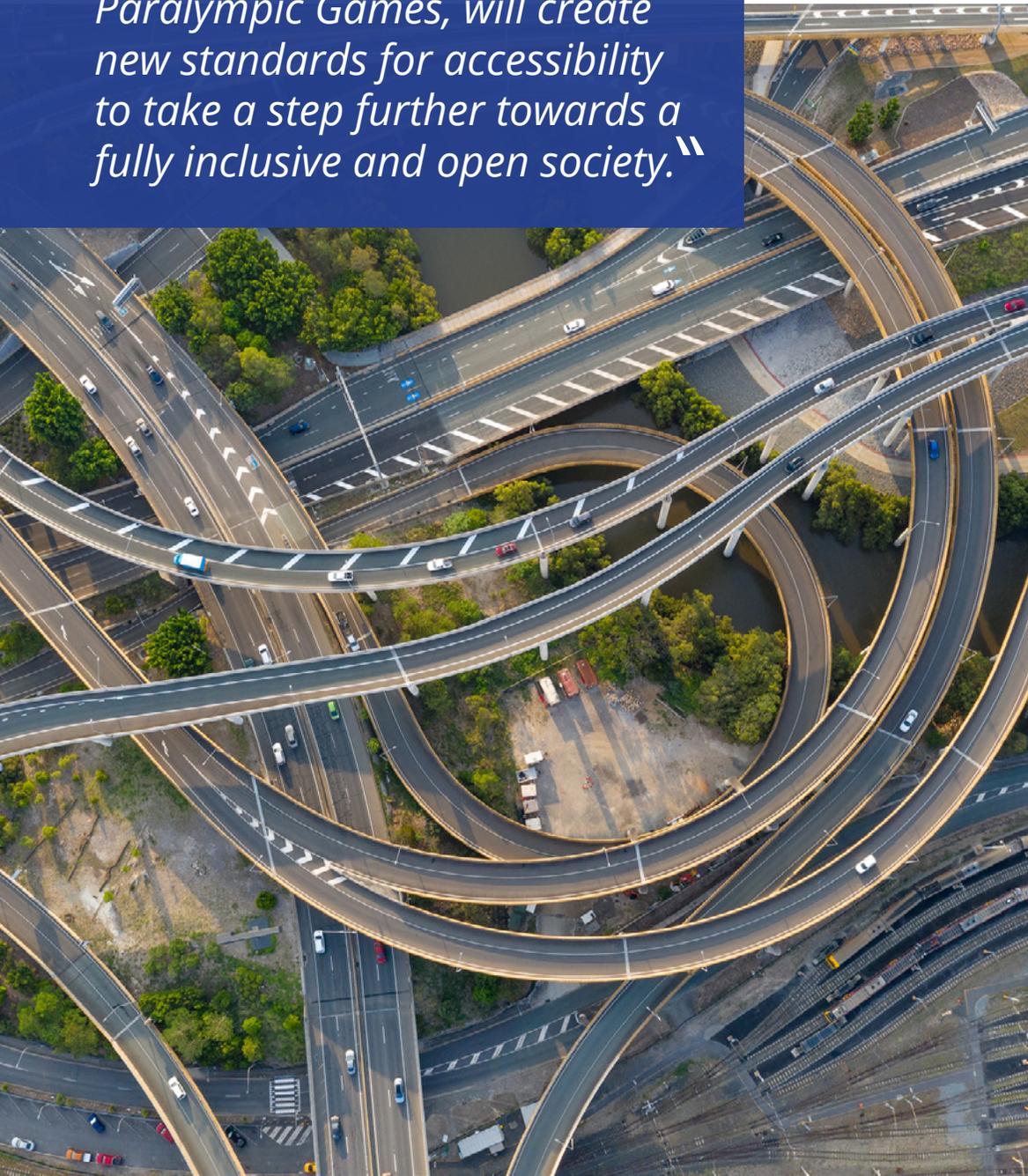
“Hosting the 2032 Olympic Games will really endorse the appeal of our region as an idyllic destination to live, work and play. With this in mind, Brisbane has an unbelievable opportunity to leap-frog Sydney and Melbourne as the true gateway city to Australia.”

We will see a supercharged acceleration of infrastructure projects in SEQ in preparation for the Games. These fundamentals lead to strong economic growth and increased white collar employment which will be very beneficial for our office market.”

Matt Kearney
National Director, Office Leasing



“The games, particularly the Paralympic Games, will create new standards for accessibility to take a step further towards a fully inclusive and open society.”



- Gold Coast Light Rail Stage 4 aims to connect Burleigh Heads to Coolangatta via the Gold Coast airport. This project is a game changer for the region as it provides the ability to support regional growth due to the proposed direct connectivity from various Gold Coast suburban areas to the airport. The Gold Coast airport is also expected to support international connectivity to the 2032 Olympic Games. The International Railway Journal reported project costs of A\$2.5 billion.
- Sunshine Coast Mass Transit network is needed to support a fast-growing region that has experienced an average population growth of 2.6% annually over the past decade. The Sunshine Coast Mass Transit Draft Options Analysis estimates project costs in the range of A\$400 million to A\$1.6 billion depending on the proposed transport system.

As these two projects are key priorities within the SEQ City Deal and the Strategic Transport Road Map for SEQ, they are already under feasibility stage. A successful bid is expected to play a catalytic influence on the feasibility analysis and their transition to construction stage. These two projects are expected to generate remarkable transport benefits for these regions that have become preferred destinations for internal migration in Australia and are in high-need to improve the existing public-transport infrastructure to support the current and growing population.



Hidden benefits from the 2000 Olympics

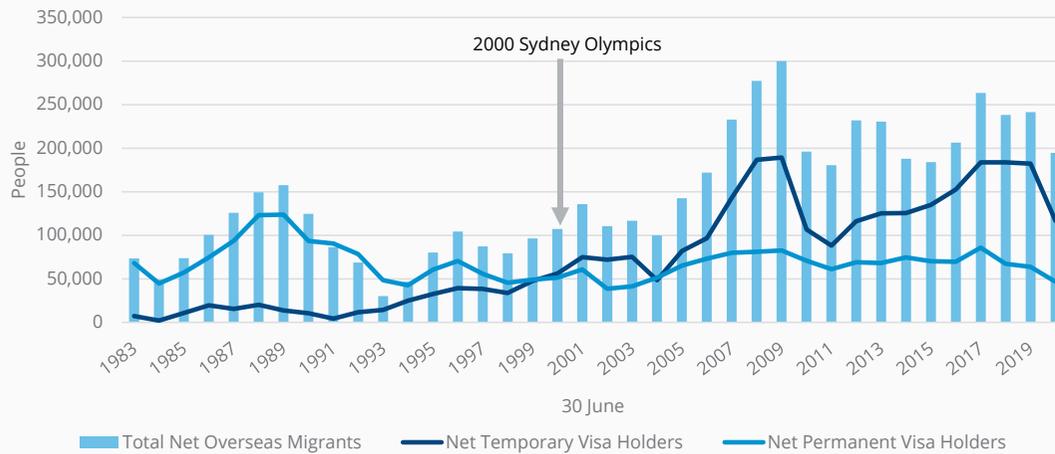
There are several studies on the economic impact of the Sydney 2000 Olympics. The majority of these reports measured the economic benefits based on the induced tourism (which covers additional international business visitors as well as holiday makers) resulting from the Games.

These reports generally disregard the long-term impact on overseas migration and consequent multiplier effect on the national economy resulted from global exposure and visibility. Historical IOC data indicates that the Olympic Games audience per event have ranged between 3 billion to 4.3 billion people worldwide over the past two decades, showcasing the hosting city to a range of 55% to 65% of the global population.

Colliers have completed a high-level historical trend analysis of overseas migration to Australia. Without disregarding the influence of migration policy, our analysis has revealed that the 2000 Sydney Olympics seems to have underpinned a significant growth in overseas migration nationally during the period of 1999 to 2001, from 79,162 net overseas migrants in 1998 to 135,673 net overseas migrants in 2001, with NSW receiving

the largest share of net overseas migration over the period. This growth was largely supported by the increase in the number of temporary visa holders providing evidence as to how global exposure gained before and during the Games sets up the pillars for solid temporary overseas migration growth to Australia in the new millennium.

2000 Sydney Olympics largely underpinned the growth of temporary overseas migration to Australia in the new millennium



Source: ABS dataset, 2004-2005 Migration Report ABS

Similarly, the 2032 Brisbane Olympics has the potential to accelerate the consolidation of Brisbane as a global city, with the capacity to compete globally, potentially at a similar status to Sydney and Melbourne. A successful Olympic bid is expected to showcase SEQ and Queensland as a world-class destination globally reaching at least 50% of the population around the world.

“2000 Sydney Olympics seems to have underpinned a significant growth in overseas migration nationally during the period of 1999 to 2001”





Opportunities for the Property Sector

A successful Olympic bid has been strategically planned based on legacy outcomes. It has the potential to accelerate an era of growth across the State and create a number of opportunities for property investors and developers. Colliers have assessed the long-term opportunities for the property sector across different asset classes if the bid proposal is successful.

Capital Markets

International exposure and visibility resulted from planning and hosting the Olympic Games provides the opportunity to globally showcase the Sunshine State as a region having solid market fundamentals including a diversified and strong economy, modern and convenient infrastructure, an efficient public-transport system, and a growing region attracting internal migration.

This exposure has the potential to consolidate Brisbane and SEQ as an attractive geographical location for global capital looking at diversifying their investment portfolio across Asia Pacific markets. It also could also enhance the business investment profile of the region at a global level demonstrating its potential to become a location for transnational companies to operate and compete at a similar status with Sydney and Melbourne.

A successful bid would assist with the execution of the Queensland Trade and Investment Strategy 2017-2022 which has the vision to “position Queensland as Australia’s most innovative and dynamic trading economy and a magnet for global investment”. Colliers have analysed the composition of the top private-sector Australian companies by state and source of capital referenced from IBISWorld Australia Company Wizard. The analysis has revealed that NSW and Victoria are the place of business of 445 and 220 foreign companies respectively. This is equivalent to a total of 82% of the number of foreign capital companies listed as top businesses in Australia. In comparison Queensland is the place of business of 58 large foreign companies or the equivalent to 7% of the total of top foreign companies operating in Australia. Based on this comparison analysis, we have the view that there are significant opportunities for the Sunshine State to lift its global investment profile and attract more transnational companies to operate within the State and attract higher offshore weight of capital into the property market.

Urban Development (Residential, Office and Retail)

Historically the Olympic Games have allowed for urban regeneration and renewal of various host cities. In Barcelona 1992, the urban legacy was significant because it allowed for the redevelopment of the waterfront precinct wherein the Olympic Village was located. Similarly, the 2012 London Olympics was the catalytic event that made a reality the regeneration of East London.

In the case of a successful bid for Brisbane 2032, there are several geographical locations across SEQ that could benefit from the implementation of urban regeneration strategies, noting that the Inner Brisbane region is proposed to be the core area of the Games with 16 sports and disciplines located 6 km to the CBD.



Source: IBISWorld Australia Company Wizard

“SEQ residential property market has entered an era of accelerated growth underpinned by the lifestyle on offer and its affordability. Median house prices in Brisbane, Gold Coast and Sunshine Coast have already surpassed A\$750,000 this year coming from a range of A\$450,000 to A\$550,000 about a decade ago.

A successful bid to host the Olympic Games coupled with the unprecedented low interest rates and the solid interstate migration will change the landscape of the SEQ property market, transforming it into the best place to live in Australia offering second-to-none lifestyle and amenity. This means that property prices will continue to grow at rates above their historical averages, making it a good location for investment and development activity.”

Andrew Scriven
Director, Residential

Brisbane

In the case of Brisbane LGA, the Gabba has been proposed as the Olympic Stadium. If a decision is made to redevelop the Gabba to become the Olympics Stadium, the Cross River Rail station precinct at Woolloongabba is expected to be one of the first station precinct to attract private-sector capital to support the development of a mixed-use precinct. The State Government precinct master plan includes over-station development opportunities in residential, office and retail.

The Gabba Stadium is located within the Inner South commercial precinct, in proximity to the commercial area operating along Logan Road, Ipswich Road, Old Cleveland Road and Balaclava Street. Whilst the majority of office and retail property assets on these streets are secondary grade assets, the redevelopment of the Gabba and consequent development of the over-station mixed-use precinct could encourage landlords and investors in the area to explore redevelopment and re-positioning opportunities.



The Brisbane Olympic Village is proposed to be developed at Hamilton Northshore due to the extensive underutilised area (300 ha), the proximity to the city and its status as a Priority Development Area. The site is owned by Economic Development Queensland, and a public-private partnership (PPP) has been proposed as a delivery model. According to the SEQ Feasibility Analysis, the Olympic and Media Villages could be transformed into affordable housing stock post-games, hence we have the view that there may even be opportunities for build-to-rent operators to support the development of the Olympic Village to rent it to the State Government in the first instance and then transform it into build-to-rent stock post-games. This development would assist to meet demand resulting from the anticipated 46% increase in the population of the inner Brisbane area between 2016 and 2041 as highlighted within the Final Submission report.

The proposed development of the Brisbane Arena above the Roma Station transport hub has the potential to revitalise the commercial market within Spring Hill and Petrie Terrace. The Final Submission paper indicates that the Gold Coast Aquatic Centre could become an alternate venue if the Brisbane Arena is not delivered. As such, it is still uncertain if this project will go ahead. It is the role of the OCA to ensure the legacy of the proposed project outweighs the costs prior to making a final decision. We have the view that the proximity of the Brisbane Arena to the CBD and the long-term purpose of the project to replace the Brisbane Entertainment Centre in Boondall would attract growth and economic development to the city centre complementing the wave of investments currently seen within the CBD.



Gold Coast is set to be one of regions seeing a boost in urban regeneration projects

“If Brisbane is selected to host the 2032 Olympic Games, SEQ will be on the spotlight worldwide over the next decade. In the case of the Gold Coast, its appeal to offshore investors will consolidate beyond the residential and hotel markets creating more competition within the tightly-held commercial and industrial property markets.”

Gold Coast as one of the proposed venue clusters for the Olympic Games will see solid investment on transport infrastructure projects which will enhance the connectivity with SEQ and boost commercial and retail development activity in key locations for the Games like Robina selected as the preferred location for the Gold Coast Village.”

Steven King
Director in Charge Gold Coast

Gold Coast

The Final Submission document proposes the location of the Gold Coast Village within the Gold Coast Zone at Robina owned by QIC. A public-private partnership (PPP) involving the Queensland Government, QIC and a third-party private sector partner is the proposed delivery model. The location of this proposed project adjacent to a major shopping centre, Robina Town Centre, and within the Robina-Varsity Lakes office precinct make the project very attractive for residential and build-to-rent developers looking for investment opportunities suitable for low-to-medium income earners.

We have identified the southern area along Burleigh Heads, Palm Beach and the Gold Coast airport as potential locations for urban regeneration and expansion, considering that the transition of stage 4 of the light rail project to construction would enhance public-transport services along this corridor.

Over the past two years, the southern beaches in the Gold Coast have experienced significant growth in demand driving a solid increase in property prices of high-quality boutique apartments offering prime location in proximity to the beach. This trend is expected to continue over the medium term, and the southern beaches region is expected to consolidate as one of the most-prestigious beachfront locations in Australia when the light rail connectivity to the airport becomes a reality.

The extension of the Gold Coast Light Rail to the airport is also expected to offer significant opportunities for retail activity within the airport precinct over the medium term. The future direct connectivity from the Gold Coast airport to the Southport and Surfers Paradise commercial precincts would benefit landlords and investors holding assets in these locations.

Recently the Gold Coast council revealed plans to build a two-tower high rise in Southport using the Mal Burke carpark as the land and subject to maintain the current availability of public-car spaces. The proposed development is planned to become the main location of the Gold Coast courts and potentially the location of other State and Federal Government agencies. Colliers have market insights that various institutional investors including superannuation funds have expressed interest on this development that aims to consolidate the Southport commercial precinct as the government hub. The potential improved connectivity from the regional airport to the Southport precinct is most likely one of the many reasons underpinning an enhanced confidence on the project from institutional investors.

Sunshine Coast

The construction of a massive public-transport network in the Sunshine Coast has been a topic of conversation for decades. The Sunshine Coast has experienced solid population growth over the past decade in the vicinity of 2.6% annually; hence the need to improve public-transport infrastructure has become more relevant.

In April 2021, the Sunshine Coast local council released a draft of the Sunshine Coast Mass Transit Options Analysis report which was under consultation stage until 22nd of June 2021. An accelerated construction of this project resulting from a successful Olympic Bid is expected to support commercial redevelopment opportunities in key locations like Maroochydore CBD and Sippy Downs which are planned as key locations for the proposed transport network. Maroochydore CBD is a 53ha Priority Development Area that is going through a renewal process, attracting A\$2.5 billion investment from Walkers Corporation which is an Australian private-sector developer.

The project has the goal to develop 160,000 sqm of Prime grade commercial and retail and 4,000 residential apartments over a period of 15 to 20 years. A successful Olympic bid is expected to drive take-up of commercial space within this new development.

The proposed Sunshine Coast Satellite accommodation or Day Village at Maroochydore City Centre has also the potential to be an attractive investment opportunity for build-to-rent investors with the goal to rent the stock to the State in the first instance and subsequently rent to regional residents post-games.

Future regional population growth resulting from planning and building the infrastructure needed to run the Olympic Games is expected to find housing opportunities within new master planned communities like Aura being developed by Stockland. The A\$5 billion Aura development is forecast to provide housing opportunities to 20,000 people over the medium term.



Office Demand

Forecast employment growth of 91,600 jobs before, during and after the Olympics is expected to have a positive impact on white-collar employment and base office demand primarily across the Brisbane CBD, Brisbane Metro, Gold Coast and Sunshine Coast office markets located in proximity to the venue clusters. Over the 10-years prior to the Games, the SEQ Feasibility Study estimated that 5,000 new jobs annually may be created in SEQ. Assuming white-collar employment has historically represented about 65% of the total employment within the State, we expect a successful Olympic bid will create 3,250 new white-collar jobs annually in SEQ over the next decade. This means that SEQ office net absorption has the potential to increase by 45,500 sqm annually for the next 10 years. These are preliminary and high-level estimations subject to change.

Industrial

Potential infrastructure investment in public-transport and the urban development trend resulting from a successful Olympic bid are expected to have a positive impact on business activity of construction operators over the medium term. This increasing construction business activity would favour industrial property landlords and owners across different precincts in SEQ.

Assuming the construction of massive transport networks in the Gold Coast and Sunshine Coast have a higher chance to be accelerated if the bid is successful, we expect industrial investors owning prime industrial assets within these regions experience an increase in demand from occupiers within the construction sector.



“We expect a successful Olympic bid will create 3,250 new white-collar jobs annually in SEQ over the next decade”

“There will be significant economic long-term benefits from the Games as SEQ is showcased to the world. However, we must also focus on the small business owner and how they can economically benefit in the lead up, during and post games whilst also looking to maximise the economic benefit post games to the retail sector overall.

It’s vital that organisers and governments work closely to promote residents to participate and attend activities before during and after the games. We must concentrate on encouraging locals to stay and look at how to spread the economic influx from the Olympic attractions to the wider economy.”

Luke McGrath
Director, Retail Leasing



Similarly, and depending on the Gold Coast and Sunshine Coast industrial stock available when these infrastructure projects approach construction stage (potentially in 2-5 years), developers may see increasing opportunities to expand industrial development activities within these regions to service the growing industrial demand and growing population.

The Yatala Enterprise Area (YEA) located along the M1 Motorway corridor within the Gold Coast region would most likely benefit from increasing industrial development activity if the Olympic bid is successful. Industrial land-banking opportunities within YEA are expected to offer solid capital value growth over the medium term considering the strong internal migration and population growth to the region and the growth potential resulting from a successful Olympic bid. We are aware that a diverse pool of investors including institutional, private and syndicates are currently actively looking for investment opportunities within this industrial precinct. The weight of capital being directed to industrial land within YEA is expected to increase significantly subsequent to a winning bid announcement.

Due to the small scale of industrial operations within the Sunshine Coast compared to the largest capital cities and other more developed regional cities in Australia, the largest industrial parks in the Sunshine Coast are

generally developed by Economic Development Queensland which is a State Government Agency and part of the Department of State Development, Manufacturing, Infrastructure and Planning. A successful Olympic bid accelerating the construction of a massive transport network has the potential to raise the scale and investment profile of the regional industrial market, attracting capital from institutional investors that remains minimal on the Sunshine Coast industrial market. The largest industrial parks in the region known as Sunshine Coast Industrial Park and Coolum Eco Industrial Park do not have industrial developable land available for expansion at present. Future industrial expansion is expected to be located at Stage 2 Coolum Industrial park potentially offering 30ha of State Government owned land, and Stage 2 of Sunshine Coast Industrial Park offering 20ha.

According to the April 2021 Colliers APAC report, the Brisbane logistics and industrial sector ranked number eight by deal volume within the APAC region in 2020. We expect the increasing international visibility and exposure of the city resulting from planning and hosting the Olympic Games, expands the pool of global investors looking at industrial opportunities in SEQ and enhances its ranking within the APAC region.

Student Accommodation

Based on the SEQ Feasibility Study, student accommodation stock may be needed to provide accommodation services during the Games. We acknowledge that under the current global health crisis, the international student sector has suffered significant financial impact. However, looking forward Australia is in a very strong position to consolidate its presence and contribution to the international education system leveraging from the second-to-none and safer lifestyle on offer. The timing in organising and planning for the Olympics is actually in favour for Brisbane to leverage from future international exposure when the world reaches a new norm of living with the COVID virus.



As at February 2020, Australia was the third most popular education destination around the world providing education to about 7% of the international student population globally and driving A\$37.6 billion of revenue annually. Whilst the short-term outlook of the sector is still subdued, the medium-term outlook is promising considering Australia offers world class education with 7 Australian universities ranked top 100 by the QS university Ranking 2021.

Overview

The proposal for Brisbane to become a Summer Olympic and Paralympic host city in 2032 has multiple benefits that could consolidate the transition of Brisbane into a well-known and inclusive global city; and provide a range of opportunities for property investors and developers over the next decade.

From a quantitative perspective, the Games have the potential to create economic benefits of US\$6.1 billion that are equivalent to 2% of the 2020 State Final Demand. This includes positioning Brisbane as a trading gateway in the Asia Pacific region. Forecast new direct job opportunities in Queensland of 91,600 represent about 3.5% of the current number of employed people. At a national level, the proposal to host the preliminary football games in Sydney and Melbourne (amongst other benefits) is expected to support the delivery of US\$13.4 billion economic benefits.

Without disregarding the influence of migration policy on the growth of net overseas migration at the beginning of the millennium, one of the main hidden benefits resulting from the 2000 Sydney Olympics was the enhanced international profile of the country that drove a strong increase in temporary overseas migrants in search of studying and working opportunities abroad. A similar benefit may happen in SEQ in the bid is successful, considering that the region is in the process of being transformed into a to global city with infrastructure projects that started even before the Olympic proposal was submitted.



“The Council of Mayors (SEQ) started investigating a regional Olympic and Paralympic Games to bring forward the infrastructure needed to support our region.

The 2032 Games are about so much more than hosting the world’s largest sporting event; beyond the medals and competition, it will create a decade of opportunity and position the region as a global force in investment, tourism and business confidence.

This unprecedented confidence and global attention will create the perfect opportunity to deliver region-shaping infrastructure, not just for the Games, but more importantly to help local families get around the region safer and faster.

To deliver that infrastructure we need certainty and collaboration and we have been working with the State and Federal Government on an SEQ City Deal that will give our communities and investors the confidence they need in the future of the region.

The region’s Mayors are proud of the fact that we began this journey and we are committed to ensuring it leaves our communities with a positive legacy.”

Scott Smith
Chief Executive Officer
Council of Mayors, South East Queensland

If planned and funded properly, the Games has the potential to drive long-term legacies across social, economic, and financial levels. The role of the OCA is paramount to support a successful bid and also to drive long-term legacy outcomes for the region and the State. Within this context, significant opportunities would eventuate for property investors and developers to engage in various urban renewal projects in Queensland (if the bid is successful). We envisage SEQ would be the region most benefited from infrastructure funding injection with various investment and development opportunities materialising in Brisbane, Gold Coast and Sunshine Coast.

Colliers actively support the Brisbane 2032 Olympic bid on the grounds of legacy alignment of the Games with the strategic direction of the region. We believe that hosting the 2032 Olympic Games in Brisbane will accelerate an era of State growth and provide a range of opportunities for property investors over the next 10-15 years.

This paper has the purpose to provide a high-level analysis of the impact of the Olympics on the regional economy and the property sector. As more information and decisions become available, Colliers have committed to update this analysis to provide a clear pathway of opportunities for the property sector.

“We believe that hosting the 2032 Olympic Games in Brisbane will accelerate an era of State growth and provide a range of opportunities for property investors over the next 10-15 years.”

Property Market Benefits

2032 Brisbane Olympic and Paralympic Games Proposal

Urban Renewal

Development opportunities will be present across all sectors within SEQ, with Inner Brisbane, Gold Coast and Sunshine Coast being the main beneficiaries. The regeneration of existing commercial precincts such as Inner South, Spring Hill and Petrie Terrace in Brisbane metropolitan area and Robina in the Gold Coast has an increased likelihood to become a reality. A particular opportunity is present for the Build-to-Rent asset class with the potential conversion of Olympic Village accommodation to new Build-to-Rent product.

Acceleration of Infrastructure Projects

If the Olympic bid is successful, the acceleration of some infrastructure projects such as Gold Coast Light Rail Stage 4 and the Sunshine Coast Mass Transit Network will provide a lasting legacy to the area and provide industrial land-banking opportunities in key infrastructure growth corridors. Venue upgrades and new venue infrastructure will drive new commercial and retail precinct opportunities.

Job Creation

Employment growth from a successful Olympic bid is estimated to underpin approximately 45,500 sqm of SEQ office net absorption annually for the next 10-years. Opportunities for new office development or refurbishment activity may be present to meet positive demand and provide a new generation of office building to attract and retain talent to the Brisbane and SEQ workforce.



Enhanced Global Profile

The enhanced international profile from hosting the Olympics is expected to increase Queensland's share of both overseas migrants and transnational companies looking to operate in Australia. Areas such as the Gold Coast southern beaches is set to become one of the most prestigious residential markets in Australia with an enhanced international profile coupled with an uptick in interstate migration to Queensland.

Attraction of Capital

The enhanced global profile and exposure of hosting the Olympic Games will provide an opportunity to showcase Brisbane and SEQ as an attractive proposition for global capital looking to diversify their investment portfolio across the Asia Pacific region.

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