URBIS

7-15 Horne Street Elsternwick

Economic Benefits Assessment

March 2026
Prepared for Auyin Property Development

Acknowledgement of Country

Urbis acknowledges the Traditional Custodians of the lands we operate on.

We recognise that First Nations sovereignty was never ceded and respect First Nations peoples continuing connection to these lands, waterways and ecosystems for over 60,000 years.

We pay our respects to First Nations Elders, past and present.

The river is the symbol of the Dreaming and the journey of life. The circles and lines represent people meeting and connections across time and space. When we are working in different places, we can still be connected and work towards the same goal.

Title: Sacred River Dreaming
Artist: Hayley Pigram
Darug Nation
Sydney, NSW

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Executive summary

Auyin Property Development are proposing a mixed-use development at 7-15 Horne Street, Elsternwick comprising a 13-storey building with 40 apartments. The project will integrate residential and retail uses across the site.

The project will deliver significant employment and value-added outcomes for the City of Glen Eira and the broader Victorian economy.

With a total construction cost of $62.8 million (incl. GST), construction of the proposed development will generate $27.2 million value added per annum to the State economy and support an estimated 170 full-time equivalent (FTE) direct and indirect jobs per annum over the two-year construction period.

It is estimated that the project will support 11 direct FTE jobs when constructed. These direct jobs are estimated to induce a further three indirect FTE jobs within Victoria as a result of flow-on effects. Ongoing on-site employment will include roles in the retail space. There will be an estimated $1.8 million value added per annum to the Victorian economy from the retail uses within the site.

The development is expected to deliver a range of benefits, including the provision of new apartments that will contribute to Victoria's short-term housing targets. Additional benefits include ongoing retail spending by future residents estimated at $1.9 million per year, and activation of the precinct.

Potential contribution of the 7-15 Horne Street, Elsternwick development

New housing

40

Apartments

Construction cost

$62.8M

Over an 18-month program, incl. GST

Economic benefits

170

Total FTE jobs supported per annum on average during construction

$27.2M

Value added to the Victorian economy per annum during construction

14

Total FTE jobs supported per annum through ongoing operation and maintenance

$1.8M

Value added to the Victorian economy per annum during operation

Other benefits

Increased housing diversity in the area

Ongoing **retail spend of $1.9 million per year**

Precinct activation

FTE = Full-Time Equivalent Jobs
Source: Auyin Property Development; REMPLAN; Urbis

Introduction

Auyin Property Development are preparing a DFP application to Invest Victoria for their 7-15 Horne Street, Elsternwick development. Urbis has been engaged to provide advice and assist in the preparation of the DFP application.

As part of the DFP application, Auyin Property Development is required to demonstrate the economic benefits associated with the proposed development.

This report:

- Assesses the number of jobs and gross value added to the economy from the construction and ongoing use of the proposed development. This includes direct impacts from the investment, and the in-direct, flow-on impacts through supply-chain effects.
- Outlines alignment with government objectives.

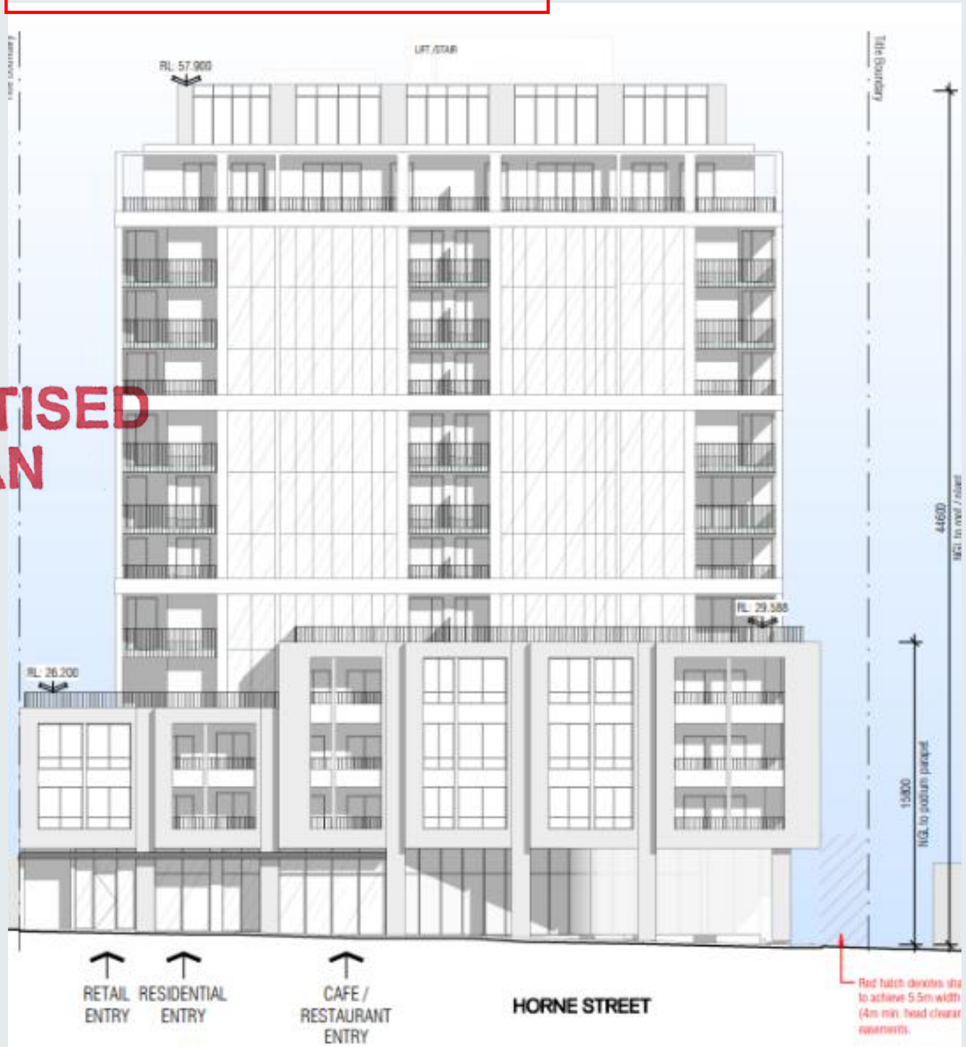
Proposed Development – 7-15 Horne Street, Elsternwick

A 13-storey mixed use development incorporating residential, and retail uses.

Located near the corner of Horne Street and Glen Huntly Road in Elsternwick, approximately 8km from the Melbourne CBD and at the border of the Elsternwick Activity Centre, the site offers strong potential for mixed-use development. Its appeal is supported by excellent access to public transport, retail amenities, and major road connections.

Key development components include:

- 40 apartments
- Ground floor retail – NLA: 82.5 sq.m
- Ground floor Café/Restaurant – NLA: 117 sq.m
- Car parking (60 spaces)



Source: Auyin Property Development

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Economic Benefits Assessment

Construction phase benefits

The estimated construction cost of the proposed development is approximately $62.8 million (including GST), with an expected construction period of roughly 18-months.

Construction of the proposed development will stimulate broader economic activity and create substantial employment opportunities across both the construction sector and the wider economy. This will particularly benefit the construction industry and the building materials supply chain.

Construction of the proposed development will support 70 direct and 100 indirect full-time equivalent (FTE) jobs per annum over the 18-month construction timeframe. As these are FTE job estimates, the actual number of workers employed on the site at some point in the construction period will be much greater.

Over the course of construction, direct and indirect Gross Value Added (GVA) to the State economy is estimated at roughly $27.2 million per annum.

Annual average economic benefits from construction phase

Construction - related jobs

170 total FTE jobs p.a.

70
Direct FTE jobs

100
Indirect FTE jobs

Gross value added to the State economy

$27.2 million total GVA p.a.

$11.2 million
Direct GVA p.a.

$15.9 million
Indirect GVA p.a.

**Note: FTE = Full-Time Equivalent Jobs; GVA = Gross Value Added, Indirect benefits refer to Supply Chain effects but not Consumption Effects. A full description of the methodology and key assumptions applied are included in Appendix A.*

Source: Auyin Property Development; REMPLAN; Urbis

Ongoing operation benefits

Mixed use developments typically generate higher ongoing employment on site than residential developments due to retail and commercial staffing.

The ongoing operation of the retail component within the 7-15 Horne Street development is expected to sustain 14 full-time equivalent (FTE) onsite positions. Of these, 11 direct jobs are projected to generate a further three indirect FTE jobs elsewhere in Victoria through flow-on effects.

The ongoing operating and management of the development is estimated to contribute $1.8 million per annum in direct and indirect GVA to the Victorian economy on an ongoing basis.

Beyond these economic impacts, a range of other broader benefits are expected to be derived from the development and operation of the site. These include the following:

- Supporting deliver of more housing supply and diversity.
- Supporting the local economy from future on-site resident's retail spending, estimated at $1.9 million per year.
- Alignment with strategic government objectives.

Annual average ongoing economic benefits from operation

Jobs owing to operations

14 total FTE jobs

11
Direct FTE jobs

3
Indirect FTE jobs

Gross value added to the State economy

$1.8 million total GVA p.a.

$1.3 million
Direct GVA p.a.

$0.6 million
Indirect GVA p.a.

**Note: FTE = Full-Time Equivalent Jobs; GVA = Gross Value Added, Indirect benefits refer to Supply Chain effects but not Consumption Effects. A full description of the methodology and key assumptions applied are included in Appendix A.*

Source: Auyin Property Development; REMPLAN; Urbis

Annual retail spending from future residents

Ongoing annual retail expenditure to the State economy

$1.9 million total p.a.

A significant share of this expenditure is expected to be realised in the local area, supporting local businesses. This in turn will support additional employment and economic value.

Source: CommBank iQ Spending Insights; Urbis

Alignment with government objectives

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There is clear consistency with and support from State Government objectives and policies for the proposed development.

Alignment of the proposed development with State, and Local Government objectives has been assessed and there is clear consistency and support with a wide range of policies.

Policy Document	Policy Objective	Project Impact
✓ **Victoria Economic Growth Statement 2024**	Stimulating economic growth across the state by supporting business investment/expansion/innovation, cutting red tape, supporting workforce development, and supporting regional economies and businesses.	Provides a significant investment into the Victorian economy of approximately $62.8 million, facilitating the creation of 70 jobs on site and supporting up to 100 jobs in the broader economy.
✓ ▪ **Victorian Government Housing Targets 2025** ▪ **National Housing Targets 2024** ▪ **Glen Eira Strategy 2022**	• Deliver +63,500 dwellings in the City of Glen Eira by 2050. • Ensure adequate housing supply to accommodate projected population growth.	Delivering 40 additional dwellings in the City of Glen Eira; equivalent to approximately 2% of all dwellings approved in June 2025, reflecting a substantial contribution to local dwelling supply.
✓ **Glen Eira Housing Strategy 2022**	• Diverse housing to support a diverse community. • Sustainable land use and walkable neighbourhoods.	Increases housing choice in Glen Eira through the delivery of apartments and retail spaces in a high-density mixed-use development that is also well located along the transport corridor and bordering the Elsternwick Activity Centre.

Appendices

Appendix A: Methodology, definitions & assumptions

The REMPLAN Methodology

Analysis presented in the Economic Impact Assessment section uses REMPLAN economic modelling to assess current and potential economic impacts. REMPLAN is an Input-Output model that captures inter-industry relationships within an economy. It can assess the area-specific direct and flow-on implications across industry sectors in terms of employment, wages and salaries, output and value-added, allowing for analysis of impacts at the State of Victoria level.

Key points regarding the workings or terminology of the model are as follows:

- REMPLAN uses either the value of investment or employment generation as the primary input. For this analysis, the value of total upfront investment has been used as the key input to assess the benefits of the construction phase.
- Outputs from the model include employment generated through the project and economic Gross Value Added (GVA) at the State level.
- Employment and GVA are presented on an annualised basis. Construction phase benefits accrue each year the project is under construction. On-going benefits accrue each year of operation.
- Employment generated is calculated on a full-time equivalent (FTE) basis over the life of the construction phase; or in terms of the ongoing operations, total ongoing jobs generated.
- Both the direct and indirect benefits are modelled for employment and value added:
  - *Direct* refers to the effect felt within the industry as a result of the investment. For example, the construction phase will directly result in the creation of construction jobs.
  - *Indirect* effects are those felt within industries that supply goods to the industries directly affected.
- It should be noted that the results presented in this report are estimates only based on the existing state of economic activity in the area. Due to the static nature of input-output modelling, they have the potential to overstate the actual effects. Nonetheless, the analysis still reflects the fact that employment growth will be positive for the State and the local area.
- Urbis consider that in the absence of the investment package it is unlikely that similar projects would be undertaken within the same period, and therefore the investments can be considered *additional*.

Definitions

Construction cost is the estimated investment value for the development over the anticipated delivery period, measured in constant 2025 dollars (i.e. excluding inflation) including GST.

Gross Value Added or GVA is a measure of the value of goods and services produced in an area, industry or sector of an economy during a certain period of time. In this case, GVA represents the total economic contribution of the investment (wages, gross operating profit and net taxes). GVA is measured in constant dollars (i.e. excluding inflation) including GST.

Full-Time Equivalent or FTE is defined as a full-time employee who works 35 hours or more in a week, or who are employed in two or more part-time jobs and in total work more than 35 hours.

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