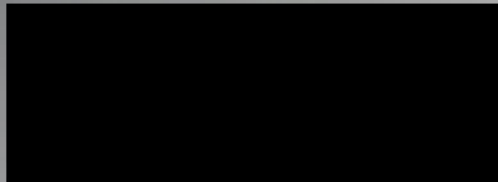


PARK STREET AFFORDABLE HOUSING REPORT

This copied document to be made available for the sole purpose of enabling its consideration and review as part of a planning process under the Planning and Environment Act 1987. The document must not be used for any purpose which may breach any copyright



This report is dated **April 2026 (Data to October 2025)** and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Urbis Ltd's (Urbis) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of **Park Street Development Partnership Pty Ltd** (Instructing Party) for the purpose of an **Economic Benefits Assessment** (Purpose) and not for any other purpose or use. Urbis expressly disclaims any liability to the Instructing Party who relies or purports to rely on this report for any purpose other than the Purpose and to any party other than the Instructing Party who relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

In preparing this report, Urbis was required to make judgements which may be affected by unforeseen future events including wars, civil unrest, economic disruption, financial market disruption, business cycles, industrial disputes, labour difficulties, political action and changes of government or law, the likelihood and effects of which are not capable of precise assessment.

All surveys, forecasts, projections and recommendations contained in or made in relation to or associated with this report are made in good faith and on the basis of information supplied to Urbis at the date of this report. Achievement of the projections and budgets set out in this report will depend, among other things, on the actions of others over which Urbis has no control.

Urbis has made all reasonable inquiries that it believes is necessary in preparing this report but it cannot be certain that all information material to the preparation of this report has been provided to it as there may be information that is not publicly available at the time of its inquiry.

In preparing this report, Urbis may rely on or refer to documents in a language other than English which Urbis will procure the translation of into English. Urbis is not responsible for the accuracy or completeness of such translations and to the extent that the inaccurate or incomplete translation of any document results in any statement or opinion made in this report being inaccurate or incomplete, Urbis expressly disclaims any liability for that inaccuracy or incompleteness.

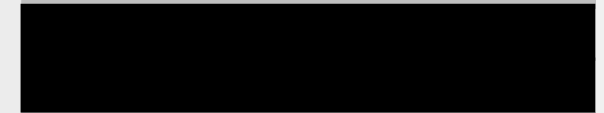
This report has been prepared with due care and diligence by Urbis and the statements and opinions given by Urbis in this report are given in good faith and in the belief on reasonable grounds that such statements and opinions are correct and not misleading bearing in mind the necessary limitations noted in the previous paragraphs. Further, no responsibility is accepted by Urbis or any of its officers or employees for any errors, including errors in data which is either supplied by the Instructing Party, supplied by a third party to Urbis, or which Urbis is required to estimate, or omissions howsoever arising in the preparation of this report, provided that this will not absolve Urbis from liability arising from an opinion expressed recklessly or in bad faith.

This copied document to be made available for the sole purpose of enabling its consideration and review as part of a planning process under the Planning and Environment Act 1987. The document must not be used for any purpose which may breach any copyright

Urbis acknowledges the important contribution that Aboriginal and Torres Strait Islander people make in creating a strong and vibrant Australian society.

We acknowledge, in each of our offices, the Traditional Owners on whose land we stand.

Urbis staff responsible for this report were:



Project code P0057025

Report number V5.0



All Rights Reserved. No material may be reproduced without prior permission.

You must read the important disclaimer appearing within the body of this report.

CONTENTS

Executive Summary	4
Introduction	5
Economic Benefits Assessment	6
Economic Value of the Contribution	9
Appendix	14

This copied document to be made available for the sole purpose of enabling its consideration and review as part of a planning process under the Planning and Environment Act 1987. The document must not be used for any purpose which may breach any copyright

EXECUTIVE SUMMARY

Park Street Development Partnership Pty Ltd are proposing delivery of a 22-storey mixed-use development at 60 - 70 Park Street, South Melbourne (**the subject site**). The development will include construction of 297 dwellings, 128 sq.m of retail space, and 108 sq.m of co-working space.

The project will deliver significant employment and value-added outcomes for the City of Port Phillip and broader Victorian economy:

- \$125 million + GST investment in construction, supporting 300 FTE jobs and \$89 million in gross value added over the construction period of 22-months.
- Upon completion, 20 jobs on site, in addition to \$3.3 million in gross value added per year during operations.
- Additional benefits such as providing more housing supply, with extra capacity needed to help moderate prices and rents, housing diversity, and ongoing expenditure by future residents estimated at \$12.3 million per year.

From a value perspective the proposed development could provide a significant contribution to the community either through a cash contribution or affordable housing dwellings.

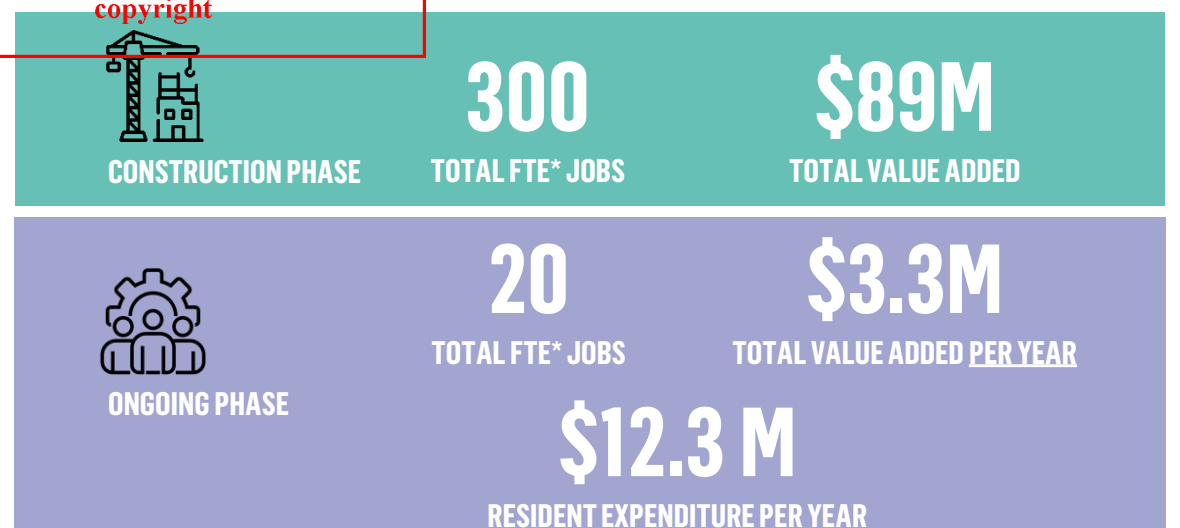
We estimate the development could contribute the equivalent of \$4.7 million through a cash contribution equivalent to 3.73% of the estimated development cost for the residential component or \$11.3 million in value to the local community if a range of apartment typologies are provided within the 37-apartment contribution, at a 30% discount to market value to a community housing provider.

ECONOMIC VALUE OF AFFORDABLE HOUSING CONTRIBUTION

	Proposed 22-storey Development Scheme		
	Standard contribution	Additional contribution associated with additional 3-storeys	Total Contribution
Voluntary cash contribution			
Construction cost estimate*		\$125 million	
Share of construction cost contributed	3.00%	0.73%	3.73%
Economic value of contribution	\$3.8 million	\$0.9 million	\$4.7 million
Discounted sale to registered provider			
Development yield	279	18	297
Affordable allocation	10%	50%	12.5%
Affordable yield	28	9	37
Average market value of each dwelling		\$1,020,000	
Discount on sale price		30%	
Economic value of contribution	\$8.6 million	\$2.8 million	\$11.3 million

This copied document to be made available for the sole purpose of enabling its consideration and review as part of a planning process under the Planning and Environment Act 1987. The document must not be used for any purpose which may breach any copyright

TOTAL ECONOMIC BENEFITS ASSOCIATED WITH THE PROPOSED DEVELOPMENT



* FTE = Full-Time Equivalent of 35 hours per week, GVA = Gross Value Added, Indirect benefits refer to Supply Chain effects, but not Consumption Effects. See Appendix

Source: REMPLAN; Time and Place; Urbis

INTRODUCTION

Park Street Development Partnership Pty Ltd are preparing a DFP application to Invest Victoria for their Park Street development. Urbis has been engaged to provide advice and assist in the preparation of the DFP application.

As part of the DFP application, Park Street Development Partnership Pty Ltd is required to demonstrate the economic benefits associated with the proposed development and the value of the affordable housing contribution.

This report provides an evidenced-based assessment that demonstrates the economic benefits, quantifying the employment and economic value added associated with the development.

The scope of this report includes an assessment of 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.

Proposed Development – 60 – 70 Park Street, South Melbourne

A 22-storey mixed use building is proposed with a total residential yield of 297 apartments, 128 sq.m of retail space, and 108 sq.m of co-working space.

Located on Park Street, South Melbourne, the site is approximately 1.7km from the Melbourne CBD. The opportunity for residential development at the site is underpinned by good access to public transport, retail amenities, green space, and road connections.

This copied document to be made available for the sole purpose of enabling its consideration and review as part of a planning process under the Planning and Environment Act 1987. The document must not be used for any purpose which may breach any copyright

ECONOMIC BENEFITS ASSESSMENT

This copied document to be made available for the sole purpose of enabling its consideration and review as part of a planning process under the Planning and Environment Act 1987. The document must not be used for any purpose which may breach any copyright

CONSTRUCTION PHASE BENEFITS

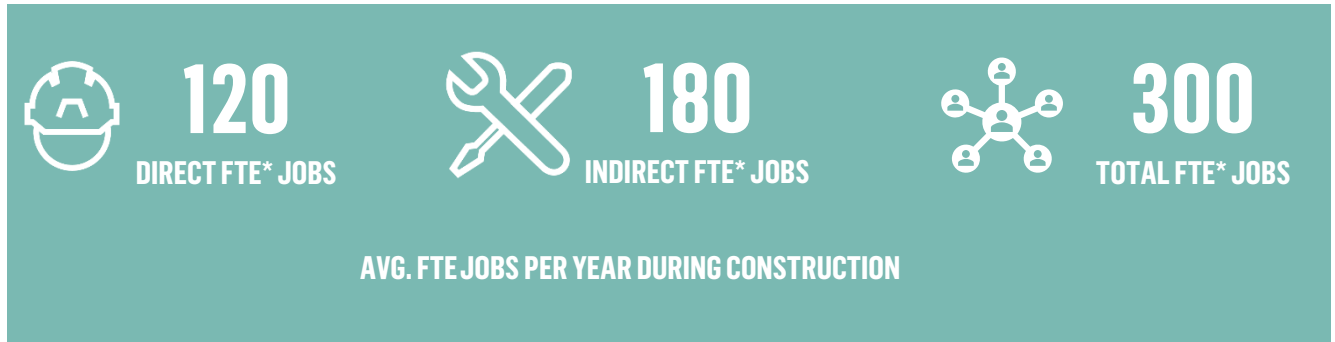
Construction of the proposed Park Street Development is estimated to cost \$125 million + GST including demolition of the existing structure and construction of the proposed residential building. Works are expected to be completed over a period of 22-months.

Overall, the project will support substantial employment outcomes and generate value for the Victorian economy from the commencement year; estimated at:

- A total of 300 average FTE jobs supported per year of construction.
- Total GVA per year of construction of \$48.6 million or approximately \$89 million over the construction period.

This copied document to be made available for the sole purpose of enabling its consideration and review as part of a planning process under the Planning and Environment Act 1987. The document must not be used for any purpose which may breach any copyright

AVERAGE FULL-TIME EQUIVALENT JOBS SUPPORTED



ANNUAL GROSS VALUE ADDED TO THE STATE ECONOMY



* FTE = Full-Time Equivalent of 35 hours per week, GVA = Gross Value Added, Indirect benefits refer to Supply Chain effects, but not Consumption Effects. See Appendix

Source: REMPLAN; Time and Place; Urbis

ONGOING BENEFITS

Ongoing impacts from the development include the provision of more housing supporting the broader supply of housing in Melbourne and retail turnover activity from the ground floor retail space.

This high-level assessment focuses on providing an understanding of the potential activity from the operation of the ground floor retail space at the development.

Employment and gross value added to the Victorian economy as a result of this activity are estimated at:

- A total of 20 average ongoing FTE jobs supported per year in the economy.
- Total GVA created per year of \$3.3 million.

Beyond the impact of the on-site retail space, the development will be home to residents who generate retail expenditure, much of which will go to local businesses.

Based on the South Melbourne (ABS, Census 2021) average household size of 1.9, the development will be home to some 560 future residents, and based on the Greater Melbourne average retail spend per capita of \$21,960 (Commbank IQ, 2024), total expenditure is estimated at \$12.3 million per year.

As noted above, the development will also:

- Provide additional dwellings that will support population growth.
- Help to address wider housing affordability issues (greater supply = greater competition and greater capacity = constraints on price growth).

AVERAGE FULL-TIME EQUIVALENT JOBS SUPPORTED



GROSS VALUE ADDED TO THE STATE ECONOMY PER YEAR




ANNUAL RETAIL SPENDING FROM FUTURE RESIDENTS



* FTE = Full-Time Equivalent of 35 hours per week, GVA = Gross Value Added, Indirect benefits refer to Supply Chain effects, but not Consumption Effects. See Appendix

Source: REMPLAN; Time and Place; Urbis

ECONOMIC VALUE OF THE CONTRIBUTION

A photograph of a young man and woman in a kitchen. The man, wearing glasses and a blue denim shirt, is smiling and holding a set of keys. The woman, wearing a white sweater, is also smiling and looking at the keys. The background is a blurred kitchen with white cabinets and a countertop.

This copied document to be made available for the sole purpose of enabling its consideration and review as part of a planning process under the Planning and Environment Act 1987. The document must not be used for any purpose which may breach any copyright

DTP AFFORDABLE HOUSING REQUIREMENTS

The following section seeks to address Clause 53.23-3 Application requirements. Time and Place will comply with one of the contribution options detailed below in the Section 173 Agreement. Calculations of different contribution options are shown on slides 12 and 13.

Section 173 Agreement - Affordable Housing

5. Prior to the commencement of the development, the owner of the land (or another person anticipated to become the owner of the land) must enter into an agreement with the Responsible Authority pursuant to section 173 of the Planning and Environment Act 1987 (the Agreement) to provide for the delivery of affordable housing (the Affordable Housing Contribution).

The Agreement must include terms that provide for the manner in which the Affordable Housing Contribution is to be made, including when and how the contribution is to be made. The Agreement must specify that the Affordable Housing Contribution will be delivered by one or a combination of the following methods, all to the satisfaction of the Responsible Authority:

- a) sale of not less than 10 per cent of the total number of approved dwellings at a discount to market value of not less than 30 per cent:
 - i. to a Registered Housing Agency; or
 - ii. to Eligible Households in accordance with an Affordable Housing Management Plan approved pursuant to Condition 7 below; or
- b) A cash contribution equal to 3% of the estimated development cost for the residential component of the development to the Social Housing Growth Fund (SHGF) (Payment to be made to the Department of Treasury (DTF) and Finance accounts receivable prior to occupation.
- c) translation of the value of the Affordable Housing Contribution that would otherwise be provided by the landowner under option at Condition 5(b), to:
 - i. provision of land or dwellings at a discount to market value to a registered housing agency;
 - ii. long-term leasing of dwellings to eligible households at a discount to market rent, overseen by a registered housing agency; and or
 - iii. any other model as agreed by the responsible authority.

For the purposes of the above requirements and Agreement:

- 'Eligible Household' means a household that meets the threshold for a very low income household, low income household or moderate income household, consistent with Section 3AB of the Planning and Environment Act 1987.
- 'Affordable Housing' has the same meaning as any definition of that phrase contained within the Planning and Environment Act 1987.
- 'Market Value' means the value of a Dwelling as determined by an independent qualified Valuer.
- The translation of the value of the Affordable Housing Contribution is to be calculated by reference to the dwellings that are agreed to be sold at a discount as agreed with a registered provider.

This copied document to be made available for the sole purpose of enabling its consideration and review as part of a planning process under the Planning and Environment Act 1987. The document must not be used for any purpose which may breach any copyright

DTP AFFORDABLE HOUSING REQUIREMENTS CONTINUED

Affordable Housing Management Plan

7. Prior to issue of a certificate of occupancy for the development, an Affordable Housing Management Plan (the Plan) must be submitted to and approved by the responsible authority. When approved, the Plan will form part of this permit. The Plan must include the following detail, all to the satisfaction of the responsible authority:

- a) delivery of Affordable Housing managed, leased and sold in accordance with Condition 5(a) and 5(c) through an appropriately monitored management arrangement;
- b) a framework for regular reporting to the responsible authority annually to demonstrate ongoing compliance with the Plan;
- c) detail of all dwellings leased by the landowner as affordable housing, including the quantity and type of dwellings (e.g. 1 bedroom), including details of any changes to the pool of leased dwellings;
- d) detail on the annual cost of rent for each dwelling and a demonstration that the rental rate is consistent with the prescribed income ranges declared under Section 3 AB of the Planning and Environment Act 1987; and
- e) any other details required to demonstrate compliance with any Section 173 Agreement applying to the land that relates to affordable housing.

This requirement does not apply to affordable housing sold or leased to a Registered Housing Agency in accordance with Condition 5(b).

**This copied document to be made available
for the sole purpose of enabling
its consideration and review as
part of a planning process under the
Planning and Environment Act 1987.
The document must not be used for any
purpose which may breach any
copyright**

MARKET SALE PRICE OF PROPOSED DEVELOPMENT

The project is expected to be delivered as a high-end development and achieve prices broadly consistent with other high-quality residential developments.

Pricing for the residential apartments in the development are estimated at between \$500,000 and \$2.0 million, averaging around \$1,020,000 (Park Street Development Partnership Pty Ltd).

This is broadly consistent with market evidence of off-the-plan sales at other developments in Inner Melbourne.

Accordingly, we have adopted the average of sales value of \$1,020,000 to calculate an indicative contribution value of affordable housing in the project.

Active Project Apartment Market Sales (Q2 2025)

Active Projects	Average Sale Price
Aspire Melbourne	\$643,290
BLVD Melbourne Square - Stage 2	\$1.4 million
Melbourne Square - Stage 1	\$1.5 million
West Side Place - Stage 2 (Gold Release)	\$910,750
Average	\$1.2 million

Source: Urbis Apartment Essentials

This copied document to be made available for the sole purpose of enabling its consideration and review as part of a planning process under the Planning and Environment Act 1987. The document must not be used for any purpose which may breach any copyright

ECONOMIC VALUE OF CONTRIBUTION

The proposed development has a 12.5% affordable housing allocation, this translates to 37 dwellings out of the 297 total apartment yield and comprises:

- 28 dwellings: 10% affordable housing adopted for the 279 apartments (mandatory building height of 60 metres).
- 9 dwellings: 50% affordable housing adopted for the additional height (18 apartments, 3-storeys above the mandatory height).

Our analysis evaluates the economic value of :

- A cash contribution to the Social Housing Growth Fund equivalent to 3.73% of the development cost of the residential component. The 0.73% above the minimum DFP requirement of 3% reflects the construction cost associated with the affordable housing allocation for the additional 3-storeys (9 dwellings). (5b and 5c of the Section 173 agreement for affordable housing under clause 53.23)
- Providing these dwellings at a 30% discount to the market rate. (5a of the Section 173 agreement for affordable housing under clause 53.23)

Based on the estimated construction cost of \$125 million for the residential component, a 3.73% cash contribution would be approximately \$4.7 million.

For the purposes of this assessment, we have adopted the estimated average sales value of apartments in the proposed development (\$1,020,000) to calculate an indicative contribution value of affordable housing in the project. This average is broadly consistent with active projects in the local area.

On that basis, the proposed 12.5% allocation to affordable housing would provide an estimated \$11.3 million contribution to the community.

This copied document to be made available for the sole purpose of enabling its consideration and review as part of a planning process under the Planning and Environment Act 1987. The document must not be used for any purpose which may breach any copyright

Economic Value of Affordable Housing Contribution

Proposed 22-storey Development Scheme

	Standard contribution	Additional contribution associated with additional 3-storeys	Total Contribution
Voluntary cash contribution			
Construction cost estimate		\$125 million	
Share of construction cost contributed	3.00%	0.73%	3.73%
Economic value of contribution	\$3.8 million	\$0.9 million	\$4.7 million
Discounted sale to registered housing provider			
Development yield	279	18	297
Affordable allocation	10%	50%	12.5%
Affordable yield	28	9	37
Average market value of each dwelling		\$1,020,000	
Discount on sale price		30%	
Economic value of contribution	\$8.6 million	\$2.8 million	\$11.3 million

Source: Urbis Apartment Essentials

APPENDIX

This copied document to be made available for the sole purpose of enabling its consideration and review as part of a planning process under the Planning and Environment Act 1987. The document must not be used for any purpose which may breach any copyright

APPENDIX: REMPLAN METHODOLOGY AND DEFINITIONS

Analysis presented in the Economic Benefits 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 level. Construction and Ongoing impacts for the development utilise the Victorian dataset.

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

REMPPLAN 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.
- Outputs from the model include employment generated through the project at both the local and the state level.
- Employment generated is calculated over the life of the construction phase.
- Both the direct and indirect employment are modelled:
 - Direct refers to the effect felt within the industry as a result of the investment. For example, the construction phase may 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.

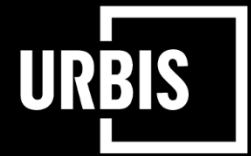
Definitions

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 in this report 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 (Source: ABS).

This copied document to be made available for the sole purpose of enabling its consideration and review as part of a planning process under the Planning and Environment Act 1987. The document must not be used for any purpose which may breach any copyright



**This copied document to be made available
for the sole purpose of enabling
its consideration and review as
part of a planning process under the
Planning and Environment Act 1987.
The document must not be used for any
purpose which may breach any
copyright**