

WATERLOO SOUTH RETAIL MARKET DEMAND ASSESSMENT

Prepared for Stockland on behalf of Homes NSW
March 2026

This report is dated **March 2026** 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 **Stockland** (Instructing Party) for the purpose of a **Retail Market 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 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 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.

Urbis staff responsible for this report were:

Director	Elissa Stewart
----------	----------------

Associate Director	Ryan Wallis
--------------------	-------------

Senior Consultant	Declan Foley
-------------------	--------------

Project code	P0061728
--------------	----------

Report number	4
---------------	---

© Urbis Pty Ltd

ABN 50 105 256 228

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

Introduction	4
Retail Market	9
Visitor Market Research	19
Retail Recommendations	22

INTRODUCTION

This Retail Market Demand Assessment is submitted to the Department of Planning, Housing and Infrastructure (the Department) on behalf of Stockland and NSW Land and Housing Corporation “LAHC” (the Applicant) to accompany the State Assessed Rezoning Proposal and Concept State Significant Development Application (SSDA) for the redevelopment of the site within the Waterloo South Precinct Area, hereby known as “Waterloo South”.

In this report reference to “Homes NSW” or “the Applicant” shall also be taken to mean “New South Wales Land and Housing Corporation (LAHC)” who is the registered owner of 93 per cent of land within the Waterloo South Precinct Area. Any reference to “Waterloo South” in this report should be read as the redevelopment of land owned by NSW Land and Housing Corporation and associated public land (such as roads) throughout the Precinct Area.

The concept development is categorised as State Significant Development (SSD) as per Section 26,

Schedule 1 of *State Environmental Planning Policy Planning Systems 2021* (Planning Systems SEPP) as the project includes housing development carried out by or on behalf of the LAHC, with an estimated development cost (EDC) of more than \$30 million.

The concept, in summary, aims to deliver:

- High quality mixed tenure housing in the context of a rapidly transforming area.
- Approximately 3,300 new dwellings, of which a minimum 30% will be social housing, approximately 20% will be affordable housing, and a maximum of 50% will be market housing (measured as a percentage of residential gross floor area).
- Publicly accessible open space and public realm activation.
- An authentic mixed-use precinct, with housing co-located with non-residential uses, community facilities, essential services, and access to public transport.

The Concept SSDA will guide the detailed design of

future buildings, open spaces, and the public realm within the Waterloo South site. The Concept SSDA seeks development consent for key planning metrics, including maximum building envelopes, building heights, setbacks, vehicular access points and road network, and the distribution of floor area across different land uses and residential tenure types.

A state-assessed rezoning application has also been prepared and submitted concurrently to give effect to this Concept SSDA. The state-assessed rezoning application seeks amendments to the *Sydney Local Environmental Plan 2012* (SLEP 2012) and the *Waterloo South: Design Guide 2022* (2022 Design Guide) to align with the maximum building envelopes sought in this Concept SSDA. Notably no additional gross floor area (GFA) or density is sought under the state-assessed rezoning application than is currently permissible on the site under the SLEP 2012.

THE SITE AND SURROUNDING CONTEXT

The Waterloo South Precinct Area comprises approximately 123,149m² across 10 street blocks in the City of Sydney Local Government Area (LGA), generally bounded by Cope, Raglan, George, Wellington, Gibson, Kellick, Pitt and McEvoy streets. The Waterloo South site area, excluding any privately owned properties within the Waterloo South Precinct Area, comprises approximately 114,822m², or just over 93 per cent of the land within the Precinct Area. The legal description of Waterloo South Precinct Area is detailed in **Table i.1**.

The suburb of Waterloo is located with the City of Sydney Local Government Area (LGA) and is located 3km south of Sydney CBD. The site is part of the broader Waterloo Estate, which comprises the northern, central, and southern precincts and accommodates a significant community residing in social housing.

The Waterloo South Precinct Area is predominantly owned by LAHC, however, as outlined in **Table i.2**, the site, the subject of this report, excludes several privately owned lots located within the boundary of the broader Waterloo South precinct outlined in **Figure i.1**. The privately owned lots are currently used for residential, office, light industrial, and infrastructure uses. The LAHC owned sites are currently used almost exclusively for the provision of social housing, with ancillary offices and community facilities. Overall, Waterloo South currently contains a total of 750 social housing dwellings and 120 private dwellings.

Legal Description of Waterloo South

Table i.1

Address	Lot/DP
Lots owned by NSW Land and Housing Corporation (land is subject to both The Rezoning Proposal and The Concept SSDA)	
209-219 Cope Street, Waterloo	Lot 1 DP 217386
238-246 George Street, Waterloo	Lot 1 DP 225159
229-231 Cope Street Waterloo	Lot 3 DP 10721
6 John Street, Waterloo	Lot 1 DP 533762
97-109 Cooper Street, Waterloo	Lot A DP 105916, Lot B DP 105916, Lot C DP 105916, Lot 14 DP 10721,
248-254 George Street, Waterloo	Lot 2 DP 533678
232 Pitt Street, Waterloo	Lot 11 DP 635663, Lot 10 DP 635663
74-76 Wellington Street, Waterloo	Lot 1 DP 224728
331-337 George Street, Waterloo	Lot 3 DP 533680
247-251 Cope Street, Waterloo	Lot 1 DP 533679
339-341 George Street, Waterloo	Lot 1 DP 77168
250 Pitt Street, Waterloo	Lot 313 DP 606576
Cooper Street, Waterloo	Lot 3 DP 217386
Lots owned by others (land that does <u>not</u> form a part of the Concept SSDA)	
221-223 Cope Street, Waterloo	Lot 6 DP 10721, Lot 7 DP 10721, Lot 9 DP 10721, Lot 8 DP 1147179
225-227 Cope Street, Waterloo	Lot 5 DP 10721, Lot 4 DP 10721
233 Cope Street, Waterloo	Lot 12 DP 1099410, Lots 1-41 SP 79210
116 Wellington Street, Waterloo	Lot 10 DP 10721, Lot 11 DP 10721
111 Cooper Street, Waterloo	Lot 15 DP 10721
291 George Street, Waterloo	Lot 10 DP 1238631, Lots 1-20 SP 96906
110 Wellington Street, Waterloo	Lot 101 DP 1044801, Lots 1-58 SP 69476
336 George Street, Waterloo	Lot 3 DP 10686
213-215 Cope Street, Waterloo	Lot 2 DP 217386

THE SITE AND SURROUNDING CONTEXT

As shown in **Figure i.2**, surrounding suburbs include Redfern to the north, Green Square to the south, Alexandria to the west and Zetland to the east. This broader area has been subject to significant change over the last 10 years with projects such as South Eveleigh, Redfern North Eveleigh Precinct Renewal, Waterloo Metro Quarter and Over Station Development (OSD) all contributing to the changing character of the area.

These broader renewal projects are supported by proximity to a range of public transport services, including Redfern Station, Green Square Station, and Waterloo Metro Station, all of which are within walking distance of Waterloo South.

Waterloo South Project Area

Figure i.1



Source: SJB

Aerial View of the Waterloo Estate and the Waterloo Estate (South) Precinct Area

Figure i.2



Waterloo South Precinct Area

NOT TO SCALE 

Source: Six Maps, modified by Beam Planning

PROJECT VISION AND INTENDED OUTCOMES

The vision for the site is to create a unique and vibrant mixed-tenure housing precinct that supports the needs of the community and delivers much needed housing in response to National and State Government priorities. Through consultation with Homes NSW, the concept aims to deliver a project that:

- High quality mixed tenure housing in the context of a rapidly transforming area.
- Approximately 3,300 new dwellings, of which a minimum 30% will be used for the purposes of social housing, approximately 20% will be used for affordable housing, and a maximum of 50% will be used for the purposes of market housing (measured as a percentage of residential gross floor area).
- Publicly accessible open space and public realm activation.
- An authentic mixed-use precinct, with housing co-located with non-residential uses, community facilities, essential services, and access to public transport.

The proposed redevelopment seeks to create a unique and vibrant destination that can deliver significant social benefits to residents, visitors, and workers in the Waterloo area and broader City of Sydney LGA. The co-location of community and health services with housing and employment uses will ensure the redevelopment is an integrated, accessible and connected precinct that supports the social needs of community.

Proposed Concept SSDA

The concept SSDA seeks concept approval in accordance with section 4.22 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) for the comprehensive redevelopment of the Waterloo South site. The concept proposal, if approved, will guide the detailed design of future buildings, public open spaces, and the public realm within Waterloo South. It will seek concept development consent for key planning metrics for the precinct as generally described in **Table i.2** (indicative figures).

Key Development Metrics

Table i.2

Descriptor	Project Details
Project Area	<ul style="list-style-type: none"> • Waterloo South has a developable site area of 114,822sqm / 11.5ha • The Waterloo South Precinct Area, including all LAHC owned and privately owned properties and roads within the precinct, has a site area of 123,149sqm / 12.3ha
Project Description	<p>Maximum building envelopes, including maximum building heights, street-wall heights and setbacks.</p> <ul style="list-style-type: none"> • Distribution of gross floor area across the Waterloo South development blocks. • Indicative allocation of floor space between social housing, affordable housing, community uses and other non-residential uses across the Waterloo South Precinct Area. • Loading, vehicular, pedestrian, and active transport access arrangements. • Public domain upgrades and new public domain and publicly accessible areas. • Indicative subdivision plan, staging plan and delivery sequencing for development. • Approval of the following management plans and strategies to inform future stages of the development: <ul style="list-style-type: none"> • Updated Design Excellence Strategy <ul style="list-style-type: none"> • Preliminary Public Art Strategy • Contamination Strategy • Flood Management Strategy • Stormwater Management and Drainage Strategy • ESD Strategy • Strategies for utilities and service provision including service infrastructure lead-in enabling works • Tree Retention Strategy
Land Uses	<ul style="list-style-type: none"> • Social housing: no less than 30% of residential GFA • Affordable housing: ~20% of residential GFA (balance between the delivery of minimum 30% social housing, and the maximum 50% market housing)Market housing: no greater than 50% of residential GFA • Non-residential floor space: a minimum 10,000m2 non-residential land uses (in addition to the 5,000m2 referred to as 'community uses' below. • Community uses: a minimum 5,000m2
Gross Floor Area	Up to 282,485m ²
Building Heights	Between 2 and 33 storeys
Car Parking	Approximately 1,500 spaces (across all land uses), excluding on-street car parking spaces
Staging/ Phasing	The indicative staging of the redevelopment is outlined in the concept SSDA. It is expected that the redevelopment will occur in seven (7) stages (inclusive of the delivery of the large park on Block 1).

EXECUTIVE SUMMARY

Key Assumptions and Recommendations

Key points for the assessment of retail as part of the redevelopment of the Waterloo South are as follows:

- The Retail Trade Area for Waterloo South extends to Redfern in the north, Bourke Street in the east, Alexandria in the south and to the train line in the west.
- The uplift in the on-site resident population is incorporated into the primary trade area.
- The worker trade area captures the core employment precincts within Waterloo, extending up to Redfern Street in the north and down to Green Square train station in the south.
- Stockland have advised that the staged redevelopment of the site, anticipated to occur progressively over a period of approximately 10 to 15 years. Our modelling has assumed the first stage to be delivered in 2031 and the final stage in 2035.
- The scheme assessed is in line with the tenancy mix provided to Urbis by Stockland in January 2026 and adjusted to align with the retail demand assessment.
- The retail scheme is assumed to be anchored by a supermarket ranging in size from 1,600 sqm to 2,000sqm (Retail GLAR), up to two mini major tenants, health and education spaces throughout the masterplan.
- The supportable retail (incl supermarket) and commercial non-retail floor space is deemed to be between 8,600 – 9,340 sq.m GLA across the Waterloo South development area. This is in line with the 10,000 sq.m GFA proposed for non-residential uses and in addition to the proposed 5,000sqm GFA of community uses.

01

RETAIL MARKET



RETAIL TRADE AREA (RESIDENTS)

The resident retail trade area defined for the Waterloo South precinct is outlined in **Figure 1.1** and reflects the core area retailers are anticipated to draw trade from. In addition to this defined resident trade area, the demand modelling has consideration for turnover generated from beyond the trade area.

The trade area comprises:

- **Primary** – covers most of Waterloo and the southern portion of Redfern. The primary includes uplift from the proposed Waterloo South development (on-site residents).
- **Secondary North** – covers most of Redfern, extending to the rail line to the west, Cleveland Street in the north and Baptist Street to the east.
- **Secondary East** – covers the eastern part of Waterloo, extending to Bourke Street.
- **Secondary South** – covers the northern part of Alexandria and is bounded by Green Square Station to the east and the rail line to the west.

Figure 1.1 also provides the location of the existing and proposed supermarkets (assessed in more detail in page 17) along with established and planned retail precincts which exist in and around the defined trade area.

The degree to which Waterloo South attracts visitors from beyond this area will be dependent on the ultimate positioning of the offer delivered onsite.

Waterloo South Resident Retail Trade Area

Figure 1.1

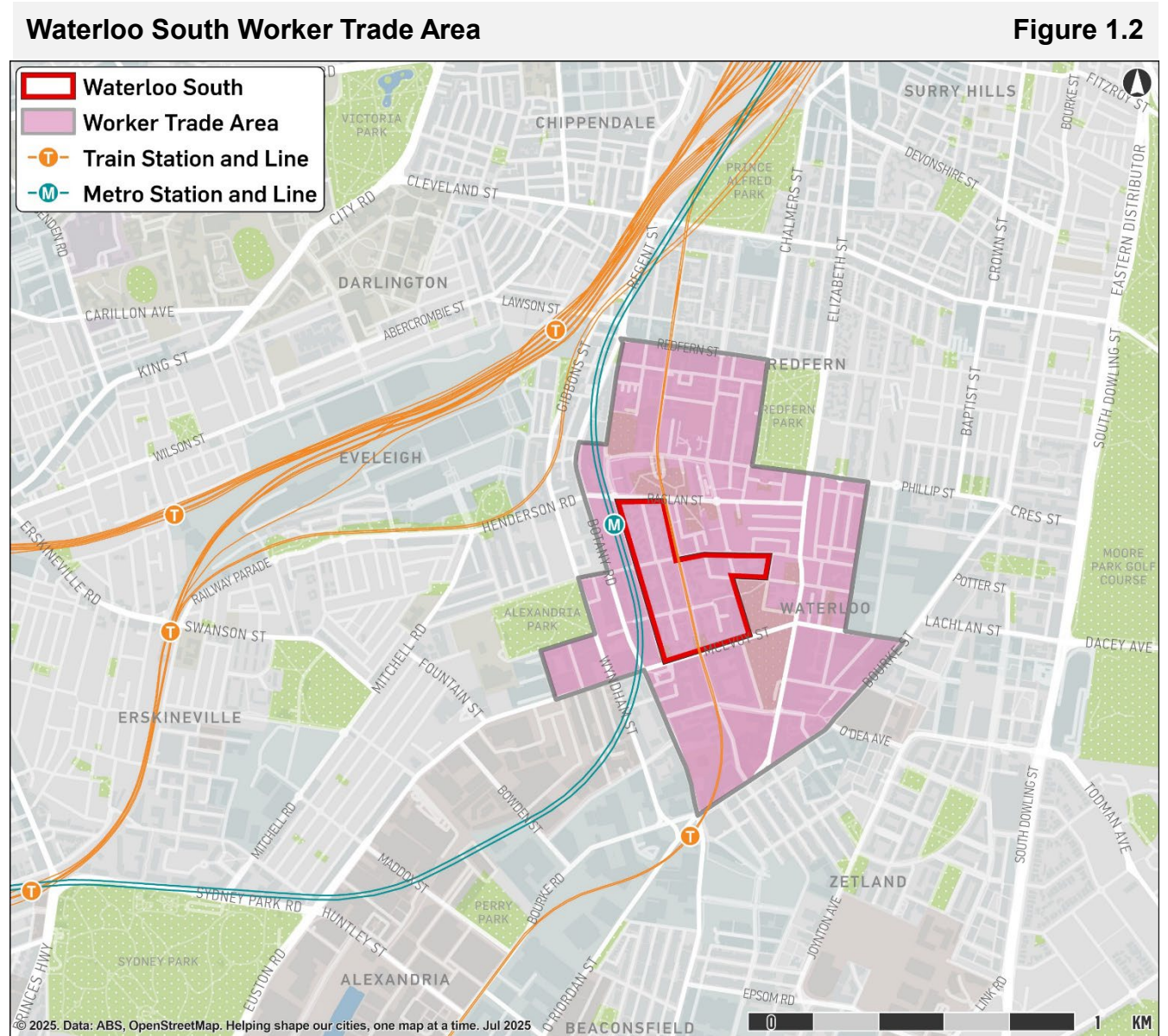


RETAIL TRADE AREA (WORKERS)

Figure 1.2 reflects the area from which the site is likely to draw surrounding workers from.

The trade area defined considers the following factors:

- Core areas of employment around Waterloo South.
- Walking time and distance to Waterloo South.
- Competing existing and proposed retail provision.



POPULATION FORECAST

Table 1.1 outlines population forecast for the various trade area sectors.

The on-site population is based on the staging plan proposed by Stockland and average household size figures as per the Australian Bureau of Statistics (ABS) 2021 Census.

Other resident sectors have been forecast using the 2024 estimated resident population (ERP) from the ABS and state government forecast.

The employment forecast for the worker trade area is based on Transport for NSW (TfNSW) forecasts. Downwards adjustments have been made to account for the amended Waterloo Metro Quarter development plan, assumed to reflect a replacement of the originally proposed office building with residential towers.

The key findings are:

- The resident population contained within the total trade area in 2024 is estimated to be 22,500 people, with the primary trade area recording 12,500 people and the secondary trade area recording 11,000 people.
- The proposed Waterloo South development is expected to increase on-site resident population from ~1,000 in 2024 to ~5,500 once all stages are complete in 2035. This strong growth will result in the primary trade area reaching 21,100 residents by 2036.
- Growth in the resident secondary trade area is expecting to increase population by 2,000 people, reaching 13,000 residents by 2036.
- The worker trade area is currently estimated to employ 6,000 people and forecast to reach 8,300 by 2036.
- There is estimated to be an average of 745 on-site construction workers per day throughout the Waterloo South development phase (Note, this is a high-level estimate).

Population Forecast							Table 1.1	
TRADE AREA SECTOR	2024	2031	2032	2033	2035	2036*	2041	2046
On-Site Market	0	1,200	1,800	1,800	2,800	2,800	2,800	2,800
On-Site Social	0	600	900	1,200	1,400	1,400	1,400	1,400
On-Site Affordable	0	100	100	900	1,200	1,200	1,200	1,200
Total On-Site Residents	1,000	1,900	2,800	3,900	5,500	5,500	5,500	5,500
Waterloo Metro Quarter	200	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Waterloo Central & North	1,200	1,200	1,200	1,200	1,200	1,700	3,900	5,600
Primary Remainder	10,100	11,400	11,400	11,500	11,700	11,800	11,900	11,900
Total Primary	12,500	16,700	17,700	18,800	20,500	21,100	23,400	25,200
Secondary North	6,900	7,300	7,300	7,300	7,300	7,300	7,300	7,300
Secondary East	1,500	2,300	2,400	2,500	2,600	2,700	2,800	2,800
Secondary South	2,600	2,900	2,900	2,900	2,900	2,900	2,900	2,900
Total Secondary	11,000	12,500	12,600	12,700	12,900	13,000	13,000	13,000
Trade Area Residents	22,500	29,200	30,300	31,500	33,400	34,000	36,400	38,200
Trade Area Workers	6,000	7,800	7,900	8,000	8,200	8,300	8,600	N/A
<i>On-Site (South) Construction Workers at any given time.</i>	0	1,100	1,250	950	350			

Note: *2036 figures have been provided to account for the removal of on-site construction workers from the retail spending market and the first full year of operation

Source: ABS; Department of Planning and Environment; TfNSW; Stockland; Urbis

OTHER SEGMENTS

Considering the site location and proposed positioning, Waterloo South is also likely to capture demand from beyond the defined resident and worker trade areas.

Waterloo South is located directly adjacent to the Waterloo Metro Station. The metro station provides a convenient method of travel for visitors to the area.

In addition to the metro station, Waterloo has a strong cluster of hotels and other short term accommodation facilities. Within a 1km radius from Waterloo South, there are eight hotels and nearly 1,000 beds. The nearest hotel to Waterloo South is the Meriton Suites, Waterloo, which has approximately 200 hotel rooms.

Waterloo South is well positioned to be able to capture a meaningful market from tourists and people staying in nearby hotels, particularly if a unique and destination offer is provided.

Other Market Segments



*Meriton Suites, Waterloo
Around 1km from the Waterloo South, nearly 200 rooms*



*Meriton Suites, Zetland
Around 1km from the Waterloo South, over 300 rooms*



Concept of the Waterloo Metro Quarter residential towers (currently on exhibition)

RESIDENT DEMOGRAPHIC PROFILE

Table 1.2 summarises the existing demographic profile of the Waterloo South residential retail trade area from the ABS 2021 Census.

Key insights are:

- Incomes for the working age population are 29% higher than Greater Sydney, supporting strong retail spend from the trade area.
- The average household size is smaller than Greater Sydney, reflective of the higher share of high-density housing typologies.
- The age profile of the trade area is skewed towards the 25-39 age bracket with almost 40% of the population in this group compared with 23% for Greater Sydney. Consequently, the proportion of children under 15 years is well below the Greater Sydney average.
- There is a higher proportion of white-collar workers living in the trade area compared to Greater Sydney.
- The unemployment rate varies significantly across the trade area sectors, with higher unemployment in the primary and secondary north trade area sectors.
- The low proportion of family households reinforces the fact that the trade area is skewed towards younger, white-collar professionals living in high density dwellings with a low household size.

Resident Trade Area Demographic Analysis

Table 1.2

	PRIMARY	SECONDARY NORTH	SECONDARY EAST	SECONDARY SOUTH	TOTAL SECONDARY TRADE AREA	TOTAL TRADE AREA	GREATER SYDNEY
Average Income (15-64)	\$83,400	\$82,200	\$105,500	\$108,100	\$92,200	\$87,400	\$67,600
Average Household Size	1.8	1.8	1.7	2.1	1.9	1.8	2.7
Average Age	40.9	42	38.1	36.5	40.1	40.5	38.4
0-14	7.3%	6.3%	5.7%	14.0%	8.1%	7.7%	18.4%
15-24	8.5%	9.3%	8.0%	6.9%	8.5%	8.5%	12.2%
25-39	40.2%	37.2%	50.0%	37.7%	39.0%	39.7%	23.4%
40-54	18.4%	20.2%	18.8%	23.1%	20.7%	19.5%	19.7%
55-64	10.4%	11.4%	9.3%	9.7%	10.7%	10.6%	11.1%
65+	15.2%	15.6%	8.1%	8.6%	12.9%	14.1%	15.2%
Unemployment Rate %	6.3%	7.1%	3.2%	3.2%	5.4%	5.9%	5.1%
White Collar %	88.2%	87.2%	93.0%	89.8%	88.9%	88.5%	76.7%
Born in Australia	53.5%	56.2%	53.7%	66.8%	58.7%	55.8%	59.5%
Overseas Born	46.5%	43.8%	46.3%	33.2%	41.3%	44.2%	40.5%
Family Households	43.5%	39.2%	50.7%	56.3%	44.9%	44.1%	72.6%
Non-Family Households	56.5%	60.8%	49.3%	43.7%	55.1%	55.9%	27.4%
Owned outright	7.2%	12.6%	10.0%	16.4%	13.1%	9.8%	28.6%
Owned with a mortgage	20.4%	18.1%	31.4%	33.7%	23.7%	21.9%	34.3%
Rented	72.4%	69.4%	58.6%	49.9%	63.2%	68.4%	37.1%

Source: ABS Census 2021; Urbis

PRIMARY TRADE AREA APARTMENT DEMOGRAPHICS

In order to understand the potential future demographic profile, **Table 1.3** shows the demographic profile of apartment households within the primary trade area for residents who have moved into the area between 2016-2021. Figures are derived from the ABS 2021 Census.

Data for movers (moved into the trade area between 2016 and 2021) have been provided in addition to overall figures.

Key insights are:

- The average household size of different household types (owners, private rent and social rent) helps provide an indication of the household sizes of the market, affordable and social housing components of the Waterloo South development.
- Social apartment households have less residents per unit due to mostly being non-family households (77% amongst movers).
- The demographics of owners and renters are closely aligned, with owners being slightly more affluent and likely to be a family household.
- The main difference between movers and overall apartment households is that apartment households in the area are shifting towards being more non-family households (singles, couples, downsizers and group households).

The demographics on this page and the previous page have informed the on-site population figures and the retail per capita spend assumptions for each trade area sector.

Primary Trade Area Apartment Household Demographics

Table 1.3

	<u>MOVERS</u>			<u>TOTAL HOUSEHOLDS</u>			<u>TOTAL HOUSEHOLDS</u>
	<u>OWNERS</u>	<u>PRIVATE RENT</u>	<u>SOCIAL RENT</u>	<u>OWNERS</u>	<u>PRIVATE RENT</u>	<u>SOCIAL RENT</u>	<u>GREATER SYDNEY</u>
Average Household Size	1.83	1.84	1.34	1.86	1.84	1.39	2.06
Household Income							
Negative - \$51,999 (Low)	10%	7%	92%	4%	6%	90%	26%
\$52,000 - \$103,999 (Low-Moderate)	15%	23%	7%	15%	23%	10%	27%
\$104,000 - \$207,999 (Moderate)	40%	45%	1%	39%	46%	0%	32%
\$208,000 - \$312,000 (High)	33%	24%	0%	39%	23%	0%	14%
\$416,000 + (Very High)	2%	1%	0%	3%	1%	0%	1%
Household Composition							
Family Households	53%	49%	23%	59%	50%	25%	52%
Non-Family Households	47%	51%	77%	41%	50%	75%	48%

Source: ABS Census 2021; Urbis

CITY OF SYDNEY RETAIL HIERARCHY (CITY SOUTH FOCUS)

The City of Sydney's retail planning hierarchy sets out how retail activity is distributed to support sustainable growth, accessibility and the vitality of centres. It defines the tiers of centres within the LGA and the role each plays in meeting community needs. **Within this framework, Waterloo is positioned as a local village centre**, providing day-to-day retail and services for its surrounding community, rather than functioning as a higher-order retail destination.

1. Major Centre (Highest-Order Centre)

- These centres are planned to accommodate **larger retail uses** such as supermarkets and a wider range of services and civic uses.
- The planning framework directs **major retail developments** to locate here to support their role as the focal point for shopping, employment, transport, and community activities.

2. Local Villages

Local villages are next in the hierarchy and serve **local daily retail and service needs** for nearby residential communities.

- These centres are meant to provide a mix of retail, services, and community facilities but at a smaller scale than the major centre.
- Retail planning controls (in the Sydney DCP 2012 supported by Sydney LEP 2012) restrict **larger floor plate shops** (over ~1,000 sqm) outside of these centres to protect centre viability.

3. Neighbourhood Centres & Minor Retail

Below the Local Village tier are:

- Neighbourhood centres:** small clusters of shops serving very local daily needs (generally under 1,000 sqm).
- Independent shops / convenience retail:** allowed elsewhere but limited in size so that broader retail demand stays focused on planned centre locations.

Desired Character of Retail Centres

Table 1.4

CENTRE	FUNCTION
Major Centre: The Green Square Town Centre	The primary retail, commercial and community centre in the City South area. The range of retail and entertainment uses found in the Green Square Town Centre is to be greater than other centres and it should be the most highly-visited and vibrant centre.
Local villages: Victoria Park Danks Street Ashmore Estate George Street, Waterloo Waterloo South	Existing and future local village centres will meet local daily shopping in denser residential areas. These centres are to be accessible via public transport and bikeways and be supported by services and open space.
Small Villages: Botany Road, Rosebery Fountain Street, Alexandria Waterloo Metro	The small village will continue to service the convenience retail needs of local residents and workers. Additional specialty shops and services in this location will consolidate the small village as demand increases.
Neighbourhood Centres Dalmeny Avenue, Rosebery Crewe Place, Rosebery Future locations to be determined by demand	A neighbourhood centre is a group of more than three neighbourhood shops that provide convenience shopping within walking distance of homes and workplaces. They should not provide so wide a range of groceries and food that people do not need to visit a village centre or the major centre. New neighbourhood centres may be developed where they are consistent with other planning controls and will not significantly detract from other centres. A neighbourhood centre is to be provided with minimal car parking spaces.
Expanded Retail Area	A full range of retail uses is encouraged in the expanded retail area including full-line supermarkets, department stores, discount supermarkets, cinemas, markets, specialty shops, fashion, comparison shopping, homewares and fresh food.

Source: Sydney DCP 2012 - December 2012

RETAIL COMPETITION – SUPERMARKETS

Relevant existing supermarkets throughout the trade area are outlined in **Table 1.5**. **Table 1.6** shows proposed supermarket developments within the trade area.

- Within the trade area, there are currently six supermarkets totaling 11,286 sqm. The trade area is generally characterised by smaller supermarkets in the range of 800 - 2,400sqm, with the exception of the recently opened Coles Surry Hills (3,640 sqm).
- The primary trade area has three existing supermarkets (excluding the small Foodworks at Redfern and Woolworths Metro Redfern Station). Woolworths Redfern is the largest at 2,200 sqm and is 500 meters north of the Waterloo South precinct. IGA Waterloo is closest to Waterloo South, across the road from McEvoy Street, with just 814 sqm.
- An application for a 3,200 sqm Woolworths in the Secondary East trade area, was submitted in early 2025, and deferred in September 2025. This store is located around 500 metres east of Waterloo South and should it be approved will likely come online before a new supermarket at Waterloo South.

NAME	SUBURB	SECTOR	GLA
IGA Alexandria	Alexandria	Primary	1,032
IGA Waterloo	Waterloo	Primary	814
Woolworths Redfern	Redfern	Primary	2,200
Woolworths Alexandria	Alexandria	Secondary South	2,400
Harris Farm Redfern	Redfern	Secondary North	1,200
Coles Surry Hills	Redfern	Secondary North	3,640
Woolworths Metro Park Sydney	Erskineville	Beyond	1,600
Woolworths Metro Green Square	Green Square	Beyond	2,000
Aldi Waterloo	Waterloo	Beyond	1,475
Coles Waterloo	Waterloo	Beyond	2,693
Coles East Village	Zetland	Beyond	4,015
Romeo's IGA South Eveleigh	Eveleigh	Beyond	1,200
Within Trade Area			11,286
Beyond			12,983
Total			24,269

Source: Urbis

NAME	SUBURB	SECTOR	GLA	EXPECTED COMPLETION	STAGE
Woolworths Waterloo	Waterloo	Secondary East	3,200	NA	Development Deferred
Total			3,200		

Source: Cordell Connect; Urbis

RETAIL COMPETITION – RETAIL PRECINCTS

Table 1.7 provides commentary on the competing retail precincts highlighted in **Figure 1.1** on page 10 of this report. **Table 1.8** provides details of the proposed Waterloo Metro OSD development (Waterloo Metro Quarter).

Existing Retail Precincts				Table 1.7
NAME	SUBURB	SECTOR	TYPE OF OFFER	
Waterloo East (Dank Street)	Waterloo	Beyond	Meriton led mixed use residential development with an indoor and open-air shopping, dining and lifestyle precinct.	
McEvoy & McCauley	Alexandria	Secondary South	Converted warehouse tenancies for casual eats, cafes, bakeries, restaurants along with a brewery, Chemist Warehouse and axe throwing.	
The Grounds Alexandria	Alexandria	Beyond	Repurposed industrial precinct featuring a variety of boutique shops and artisan vendors across homewares, fashion and specialty foods. Also features several functions venues.	
South Eveleigh	Eveleigh	Beyond	A commercial office precinct with a supermarket, , a large selection of F&B tenancies ranging from casual eats to fine dining restaurants, a brewery, retail services and fitness studios / gyms. Also features two The Grounds function venues.	
Carriage Works	Eveleigh	Beyond	A creative industry hub in a converted railway workshop which regularly hosts events, performances and exhibitions. It also features a weekly Saturday farmers market open from 8am to 1pm.	
Crown Street Surry Hills	Surry Hills	Beyond	A destinational high street with a wide variety of pubs, bars, restaurants, food retail, apparel, fashion boutiques and retail services. Often closed for Sydney Streets events run by City of Sydney with pop ups, live music, activities and alfresco dining.	
Surry Hills Village	Redfern	Secondary North	Recently opened open-air laneway (Wunderlich Lane) and indoor shopping centre anchored by Coles and Harris Farm as part of a mixed-use residential development. Also features extensive F&B options, rooftop bars, services and a luxury hotel.	
King Street Newtown	Newtown	Beyond	A destinational high street swell known for having a funky, hipster and retro edge with an endless options of pubs, F&B, fashion, op shops, boutique furniture, services, art galleries and other entertainment and nightlife options over a 2.5km stretch.	
Central Park – Spice Alley	Chippendale	Beyond	A CBD based shopping centre, open laneway retail offering and a new park delivered as part of the One Central Park mixed use development. Spice Alley features as a destinational hawker style F&B precinct.	
Glebe Point Road	Glebe	Beyond	A high street which serves as a boutique shopping strip with restaurants and cafés, with additional foot traffic generated on Saturday mornings due to the Glebe Markets.	

Proposed Retail Precincts						Table 1.8
NAME	SUBURB	SECTOR	GLA*	EXPECTED COMPLETION	STAGE	
Waterloo Metro Quarter	Waterloo	Primary	~2,750 sqm	~2027+	SSDA	

*Note: *indicates retail is indicative and is currently being reinvestigated.
Source: Cordell Connect; Urbis*

02

An aerial photograph of a city skyline, likely Toronto, featuring a prominent tower (the CN Tower) and a body of water (Lake Ontario) in the background. The image is overlaid with a semi-transparent dark blue gradient on the left side, where the text is located.

VISITOR MARKET RESEARCH

VISITOR MARKET RESEARCH

The ability for Waterloo South to attract a visitor market from beyond the defined trade area will have significant impacts on the performance of retail across the precinct. Employing a Human Movement Data (HMD) framework, Urbis has undertaken a comprehensive examination of various locations to understand the draw and behaviour of visitors to these precincts.

Key metrics include an examination of visitation patterns across different times of the week and day and seasonal variations. We have segmented the local visitor market into workers and residents, Beyond the local market, we have segmented the visitor market into intrastate, interstate, and overseas segments.

Six case studies have been selected to benchmark the visitor markets for inner-suburban residential areas. These areas were selected for their similarities to the expected Waterloo South Precinct in terms of location, transport accessibility, scale of offerings, and tenant mix. The case studies are:

1. **Burwood, NSW**, with a focus on the southern side around Burwood Chinatown to prevent data being skewed by activity in Westfield Burwood.
2. **Glebe Point Road in Glebe, NSW**, ensuring coverage of the public school where weekend markets are held
3. **Plant 4 in Bowden, Adelaide, SA**,
4. **The Cannery in Rosebery, NSW**, capturing the entirety of the block for a holistic perspective
5. **The Dairy in Fyshwick, ACT**
6. **West Village in West End, QLD**

These case studies were used to determine the likely flow of visitors to the Waterloo South Precinct from outside the usual trade area. Usually, visitors beyond the trade area are limited in number and only account for around 10% - 15% of visitation and a lower spend. The case studies assisted in determining the effect of the destination characteristics of Waterloo (South) on the percentage of visitation from beyond the trade area.



SUMMARY OF THE VISITOR MARKET RESEARCH

The analysis of visitation across the case studies reveals that with an appropriately positioned offer Waterloo South could attract reasonable share of spend and visitation from beyond the defined trade area. It is important to note that visitation % does not equate to spend proportions given that local residents and workers likely have a significantly higher frequency of visit, and therefore spend, when compared against domestic and international visitors. The case studies highlight the opportunity to create a destination in a densely populated inner-city area.

Visitor Metrics					Table 2.1
CASE STUDIES	LOCAL	DOMESTIC BEYOND (%)	INTERNATIONAL BEYOND (%)	FACTORS INFLUENCING BEYOND CATCHMENT	COMPARABILITY TO WATERLOO (SOUTH) DEVELOPMENT
Burwood, NSW	12.3%	87.2%	0.6%	Burwood has a high proportion of visits beyond the local area as it has a cultural draw for authentic Asian street food.	Moderate
Glebe Point Road, Glebe, NSW	16.4%	82.8%	0.8%	33% of total visits occur on Saturdays driven by Glebe Primary School and its Saturday markets featuring over 200 stalls, the appeal extends beyond local residents.	Moderate to Weak
Plant 4 Bowden, Adelaide, SA	20.5%	79.3%	0.1%	The inner-city location significantly contributes to its domestic appeal. The venue stands out with its distinctive offerings, providing not only event spaces, including weddings, but also markets and ample greenery for visitors to enjoy and relax.	Moderate to Strong
The Cannery, Rosebery, NSW	16.0%	83.6%	0.4%	The Cannery Rosebery has a destinational appeal as a food, design and lifestyle destination. Housed in an 11,200 sqm revived warehouse.	Strong
The Dairy, Fyshwick, ACT	11.5%	88.2%	0.2%	Due to its isolated setting, local residents account for only 0.3% of visits, while local workers contribute around 11%. The site experiences a strong domestic appeal, with visitors coming from across the ACT seeking diverse offerings such as recreation, dining, and wellness.	Weak
West Village, West End, Qld	29.1%	69.7%	1.2%	West Village shares similarities with Waterloo South as it is situated in an inner-city location within a densely populated residential catchment area, explaining its significant local patronage. While serving as a community-focused recreational space, it also attracts a higher international audience due to its strategic location, drawing in passing tourists in Brisbane's CBD.	Strong
Average	17.6%	81.8%	0.5%		

03

RETAIL RECOMMENDATIONS

RETAIL FLOORSPACE (GROSS LETTABLE AREA) DEMAND ASSESSMENT (WATERLOO SOUTH)

Table 3.1 outlines the **market demand** for retail and non-retail commercial uses (represented as Gross Lettable Area (GLA) required), by category and staging year at Waterloo South. (Note, this total area differs slightly from the area outlined in **Tables 3.3** and **3.4** as these tables reflect the area aligned with the spatial plans as provided by Stockland)

These figures have been reached by completing a supermarket capacity assessment and retail demand assessment.

Generally, the approach comprised of:

- Determining the retail spending market of each trade area sector by year and category.
- Applying an appropriate Waterloo South market share for each category to reach the potential retail spending at Waterloo South.
- Applying average trading levels (sales per square metre) based on the Urbis Shopping Centre Benchmarks to the potential total spending at Waterloo South for each category and making an allowance for spending from beyond, to reach the supportable floorspace at Waterloo South.
- An upside scenario for food catering assuming 40% of trade is generated from beyond the catchment compared to a base assumption of 15% to account for the potential of Waterloo South to have destination appeal.
- A non-retail benchmark as a share of total floorspace based on the Urbis Shopping Centre Benchmarks was also applied to reach the supportability of complimentary non-retail uses.
- **Under this approach, there is demand for between 8,600 – 9,340 sqm (GLA) of retail and commercial non-retail floorspace across the Waterloo South development area. This is within the proposed 10,000sq.m GFA for non-residential usages and is in addition to the 5,000 sqm of community uses required under the LEP.**

CATEGORY	2031 (GLA)	2032 (GLA)	2033 (GLA)	2035 (GLA)
Supermarket	1,880	1,990	2,100	2,300
Food Retail	560	590	630	740
Food Catering*	1,340 – 1,890	1,440 – 2,040	1,540 – 2,190	1,880 – 2,620
Apparel / Homewares	740	770	810	880
Leisure / General	810	870	930	1,080
Retail Services	340	360	390	460
Total Retail (Base case)	5,670	6,020	6,400	7,340
Total Retail (Upper range)	6,220	6,620	7,050	8,080
Non-Retail Commercial	1,000	1,060	1,130	1,260
Total Precinct Retail and Commercial Non-Retail (Upper Range)**	7,220	7,680	8,180	9,340**

*Note: *A range of supportable Food Catering GLA has been provided with the lower end of the range being the 'base case' and the upper end of the range reflecting an offer with a stronger destination appeal.*

***Note, this total area differs slightly from the area outlined in tables 3.3 and 3.4 as these tables reflect the area aligned with the spatial plans as provided by Stockland*

Source: ABS, Transport for NSW, Commbank IQ, NSW DPHI, Stockland, Urbis

