

Adelaide



As at August 2018, South Australian annualised retail spending growth of 3.4% remains well above national growth of 2.6%. The take-home and dining out food retailing sub-sectors continue to drive demand.



There were no completions recorded in 3Q18. Over the remainder of 2018, two projects are expected to reach practical completion; An extension at Westfield Tea Tree Plaza (13,572 sqm) and new neighbourhood centre Saints Road Shopping Centre (7,443 sqm).

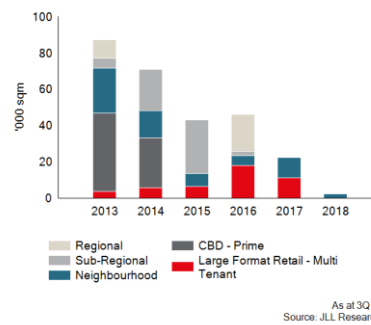


Overall vacancy across Adelaide's retail sub sectors was mixed in 1H18. A decrease in vacancy was recorded in the CBD and neighbourhood sub sectors. Vacancy in the sub-regional and large format retail sub sectors increased. Regional centre vacancy was unchanged at 2.5%.

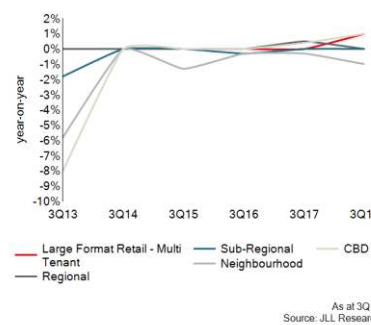
There was one transaction recorded in 3Q18, totalling AUD 5.5 million. A high street retail asset at 4-6 Jetty Road, Glenelg comprising retail, restaurant and function space was purchased by local investor, The Duke Group.



Completions by Category - Adelaide Retail



Rents - Adelaide Retail



Yields - Adelaide Retail



+3.4%

Turnover:

Spending in SA's largest retail spending category, supermarket and grocery stores, continues to trend upwards. Annualised growth reached 4.0% in August 2018 for the first time in three years (August 2015, 4.3%).

6.50%

Yields:

The weighted average yield across all enclosed shopping centre formats in 3Q18 was 6.50%.

4.6%

Vacancy:

The JLL retail vacancy survey is conducted twice a year in June and December. Overall vacancy rate across all sub-markets in Adelaide was 4.6% at 1H18.

52,900 sqm

Construction:

There are five projects under construction, totalling 52,900 sqm. This includes the major extension of regional Westfield Tea Tree Plaza (13,572 sqm), a new Bunnings in Edwardstown (17,008 sqm) and a refurbishment of Port Canal Shopping Centre (10,394 sqm).