

Southeast Adelaide's Onkaparinga has all the foundations set in place for future growth

**W**ith 31 kilometres of coastal beach frontage to the west, mountain ranges to the south and river systems to the north, Onkaparinga is as geographically diverse as it is demographically.

Spanning 520km<sup>2</sup> and situated in southeast Adelaide, Onkaparinga is the largest local government area in South Australia.

With a current population exceeding 164,000 people, and an expected 40,000 new residents in the next 20 years, the area has been tipped for widespread future growth.

Considerable upgrades in transport combined with progressive council initiatives are driving factors of the region's expansion, making suburbs accessible and attractive to investors.

Including the wine region of McLaren Vale

and the hills of Adelaide, the City of Onkaparinga is "cheap compared to anywhere else so close to the CBD," mayor Lorraine Rosenberg says.

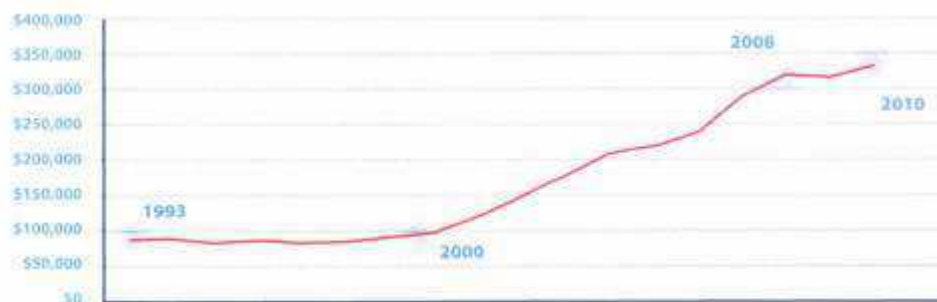
"Everything is happening here; when the electric rail is finished it will be 25 minutes to the city while feeling like we live in the country."

#### INFRASTRUCTURE

The notable \$291.2 million Seaford rail extension, for which construction began in January 2011, will see its first passengers in 2013.

This infrastructure will include a 1.2km bridge across Onkaparinga Valley, which will be the longest bridge in the state.

"There is no doubt that all of the new infrastructure will be of benefit in time. It's very much a growing area, there's a lot of development around the Seaford area and also Aldinga is hugely developing," Raine & Horne





Morphett Vale principal and property consultant Jennifer Drabic says.

“I’ve actually got a property that just recently was bought in Seaford by a Sydney buyer, who lives in Bondi, for investment sight unseen,” Ms Drabic says.

She also points to the newly built suburb of Seaford Meadows for growth.

“It’s quite a new suburb, being only a few years old, and it’s near to where the extension will be coming through and pretty much at the end of the extension line.

“It’s probably only a couple of years old, maybe three at the most, and there have been a lot of homes built in that area just recently, and a high percentage are bought for rental.”

Seaford Meadows and the Seaford District Centre will both have new stations.

Another infrastructure development worth noting is the \$445.5 million duplication of the Southern Expressway. Announced in 2010, this road is a key part of realising the vision to create a free-flow north-south corridor between Gawler and Old Noarlunga.

Construction of the 18.5 kilometre expressway between Bedford Park and Old Noarlunga started in late 2011 and will take until 2014 to be completed.

## THE FUNDAMENTALS

Population growth forecasts predict that over the next 30 years around 54,500 local jobs will be generated in the Greater Adelaide area, along with the construction of 258,000 homes.

Destiny founder and property adviser Margaret Lomas says that the projected population growth, the infrastructure and the

variety in the Onkaparinga region are all strong signs that the fundamentals are in place for a good investment.

“It’s close to the sea, it’s 20 minutes out of the city, so they’re duplicating the freeway to make the commute easier, they’re putting in new rail structure as well and the population is growing faster than any other shire in Adelaide,” says Ms Lomas.

Underpinning the growth are policy

guidelines under the South Australian government’s strategic ‘30-Year Plan for Greater Metropolitan Adelaide.’

This plan proposes increases in housing densities around rail and tram stations, as well as a diversifying of the types of dwelling provided.

The southern corridor area, reaching to Noarlunga and Seaford as well as Christies Downs, has been identified by the state government as a ‘State Significant Area.’ These areas will be looked at for infill urban development.

Property Prosperity property development consultant Darren Standish says that this will increase the supply of smaller accommodation.

“This represents an unprecedented opportunity to predict where growth will occur and property investors can maximise their benefit from it,” says Mr Standish.

The 30 Year Plan ensures that seven out of every 10 new properties built will be within established areas, particularly near transport corridors.

“Seaside property, when you combine it with a whole lot of other factors, can actually make quite a unique and a great investment area,” Ms Lomas says.

“Onkaparinga satisfies all of those things so it stacks up really nicely under all of those growth rises and things you need in an area to make it grow not today, nor yesterday, but tomorrow.”



## PROPERTY OPTIONS

Currently a family-oriented area, with 30 per cent renters to 70 per cent owner-occupiers, the council has been trying to attract a younger mid-20s demographic.

“In order to encourage this, the council has on their planning board a lot of development in units and the kind of living that younger singles or couples will want.

“So it’s interesting to invest in that sort of property at the moment because there will be an increasing demand for it, but I don’t see that

demand immediately,” Ms Lomas says. “It’s going to take a while for that to filter through. At the moment houses are going to be the better option.”

And, according to RP Data, with an average five year house price growth across the region of 42 per cent – and 56 per cent in Seaford – steady capital gains are already being seen.

Yields of between five and six per cent are standard across the Onkaparinga LGA.

“In Onkaparinga, property can definitely achieve growth,” says Ms Lomas.

“However, nothing has boomed... yet.” ■

**KEY DATA**

Median house prices in Onkaparinga (RP Data):

- Entire region: \$334,323
- Seaford: \$350,000
- Seaford Meadows: \$366,000

**Lifestyle:**

- **Income:** 40.2 per cent of the population earn between \$400 and \$799 a week (ABS)
- **Separate houses:** 83.4 per cent (compared to 71 per cent in Adelaide) (ABS)
- **Population:** Over 164,000 people currently and over 170,000 expected by 2016 (Government of SA, Dept of Planning and Local Government)

**Developments:**

- In 2009: 1,344 residential developments to a total value of \$235 million (CorpData)
- \$291.2 million Seaford Rail (Dept of Planning and Local Government)
- \$445.5 million duplication of the Southern Expressway (Dept of Planning and Local Government)