

Suburbs of Opportunity

The U Series – Underwood

Underwood is a mixed-use suburb in the northern region of Logan City. It covers an area of 4.2 square kilometres.



The southern end of Underwood joins on to the Slacks Creek industrial area and is home to a range of businesses. The Underwood Marketplace Shopping Centre sits in the heart of the suburb and is surrounded by a diverse array of retail, industrial and commercial businesses.

There are a number of parklands and recreational spaces located throughout Underwood including Brookvale Park, Charles Barton Park, Concourse Park and Springvale Park. Lowe Oval is one of Logan's major sporting facilities and is approximately 6.1 hectares in size. The oval is home to the Springwood AFL Club, the Logan North Aquatic and Fitness Centre and the Logan North Library.

Economy and Employment

Underwood has a large employment base of 6,648 jobs. The largest industry of employment is construction (1,298 jobs), followed by retail trade (1,008 jobs), transport, postal and warehousing (732 jobs) and manufacturing (591 jobs).¹

A \$25 million Bunnings Warehouse recently opened its doors in Underwood, with greater floor space than the previous Bunnings in the suburb. Approval has been granted by Council for the \$50 million Centa Underwood development containing 198 residential units, retail, commercial and health care spaces. However, an appeal has been lodged against the approval, which is yet to be resolved. Approval has also been given for a \$3 million childcare centre and commercial building which is earmarked to start construction later this year.

Population

The latest data shows the Underwood area is home to 6,783 people, up 113 people from the previous year.² By 2021 the area's population is projected to increase by 414 people to reach 7,197 and by 2026 it is projected to grow by another 513 people to reach 7,712.³ This equates to a projected expansion of the area's population of 927 which will generate

demand for an additional 310 new dwellings by 2026.

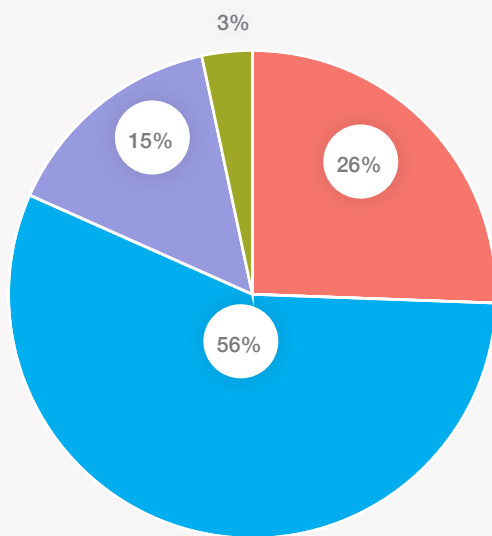
Demographics

Underwood's dwelling landscape is dominated by detached houses which make up 84% of dwellings. A further 15% of dwellings are townhouses and the remaining 1%, units.

Underwood is a popular address for families who occupy 56% of homes in the suburb. Couples account for a further 26%, followed by single-person households (15%). The remaining 3% of homes households are group/share arrangements. The population is relatively young with a median age of 33, one year lower than Logan median.

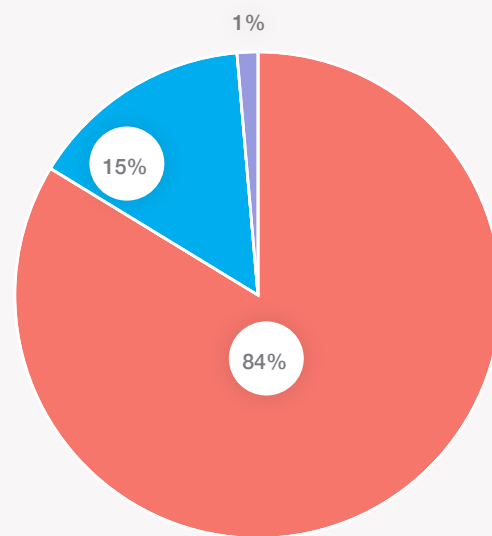


Underwood – Household Composition



- Couples
- Families
- Lone parent
- Group / share

Underwood – Dwelling Composition



- Separate house
- Semi detached
- Other

Source: Resolution Research, Australian Bureau of Statistics 2016 Census

Homes with four or more bedrooms make up almost half (49%) of all dwelling stock within Underwood. Three-bedroom homes account for a further 43% of all dwellings with the remaining 8% made up of smaller dwelling types. With 41% of the population living in one- or two-person households, there may be an opportunity to deliver smaller dwelling types to cater for these households.

Underwood is a popular location for homeowners and renters alike. Homes occupied by people paying off a mortgage make up 45% of all dwellings, with homes owned outright accounting for 22% of all dwelling types. Renters occupy a significant 30% of all households.⁴

Underwood's population are earning median incomes which are higher than those recorded throughout the City of Logan. The median weekly personal income of \$689 is \$54 per week higher than the Logan median, the family median weekly income of \$1,741 is \$195 per week higher and the median weekly household income of \$1,648 is \$232 per week higher.

Residential Market Fundamentals

Over the past five years, Underwood's median house price has grown by an average of 2.8% per annum to reach \$545,000 for the year ended December 2018. In 2018 Underwood's median house price was 27% higher than the Logan median of \$430,000. In total the median house price in Underwood has grown by 11% (or \$60,000). Homes in Underwood are tightly held with an average of just 101 sales recorded each year since 2014.

Underwood's attached dwelling market (townhouses/villas/apartments) has witnessed peaks and troughs in median values over the past five years. Since 2014, the median value in this market has declined at an average annual rate of -0.8%. This decline has not translated to any major downwards trends of values with the median price declining by a total of \$500 over the five years to December 2018 to sit at \$375,000. The market makes up only a small part of

Underwood's total residential market, with an average of just 25 sales each year, over the past five years.

Underwood's vacant land market has been a standout performer with the median price rising by an average of 6.9% per annum to reach \$526,000 for the year ended December 2018 which is largely in line with the suburb's median house price. Over the past year, just 9 homes were sold, a significant fall from an average of 34 sales per year in the preceding 4 years, pointing to an environment of declining available supply.

1 Logan City Council, REMPLAN data incorporating Australian Bureau of Statistics' (ABS) 2016 Census Place of Work Employment Data, 2014/2015 National Input Output Tables and June 2017 Gross State Product.

2 Australian Bureau of Statistics – Regional Population Growth Australia 2017 – August 2018

3 Queensland Government Statistician's Office – Population Projections 2018 Edition

4 3% of dwellings with tenure type "not stated"