

WHAT YOU
NEED
TO KNOW ABOUT
WESTCONNEX

Dib Chidiac

Raine&Horne®



At the end of February 2015, 2 ½ years after the WestConnex project was announced, the \$15billion motorway was given the green light by Infrastructure Australia - the federal government's assessment agency. The largest ever urban transport project in NSW history, WestConnex will have far-reaching consequences for the way residents of Western Sydney live and work. So, what is WestConnex and how will it impact Concord residents and local property prices? This book is aimed at answering these important questions.



WestConnex – what is it?

WestConnex is a major element of the Federal and State Government’s Western Sydney Infrastructure Plan – a long-term strategy geared towards redefining how people in Western Sydney - Australia’s third largest economy with a projected population growth

from 2 to 3 million over the next 20 years – live and work. The 33km WestConnex motorway will link the M4 and M5 to provide better connections for Western Sydney to the CBD, airport and Port Botany. Due for completion in 2023, it will be delivered in 3 stages:

Stage 1 - WestConnex M4 – Parramatta to Haberfield

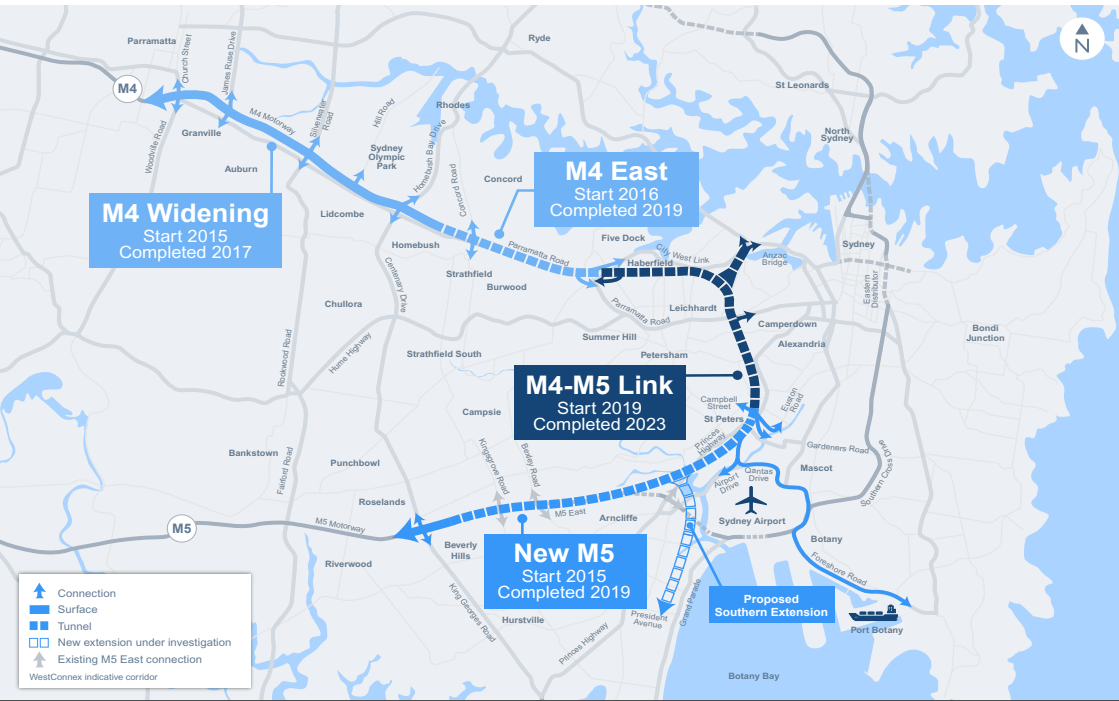
Having commenced in early 2015, stage 1 involves a widening of the M4 motorway from Parramatta to North Strathfield from 3 lanes to 4 ('M4 Widening'). It also involves construction of a 4km tunnel, with 3 lanes in each direction, under Parramatta Road from approximately 800m west of Concord Road to Parramatta Road and City West Link, Haberfield ('M4 East'). The current M4 connections to Concord Road and Parramatta Road will be retained.

Stage 2 - WestConnex M5 – Beverly Hills to St Peters

Due to commence in 2015, stage 2 involves widening the M5 between Beverly Hills (King Georges Road) & the M5 tunnel, plus construction of another tunnel from Beverly Hills to St Peters ('New M5').

Stage 3 - WestConnex M4–M5 Link

Due to commence in 2019, stage 3 involves linking the M4 and M5 from Haberfield to St Peters ('M4-M5 Link').



What does WestConnex mean for Concord residents?

WestConnex was a political battleground in the 2015 NSW State Election. Opinion is divided as to whether the motorway will deliver the benefits the current Federal and State governments are claiming. For residents of Concord, the touted benefits include the following.

- More than doubling the capacity on the M5 corridor east of King Georges Road will help bring Concord **closer to the CBD**, port and airport precincts, making it an even more desirable place for CBD-workers to live.
- If carried out in a proper manner, the construction of the M4 East will provide significant **reduction of traffic delays, noise & pollution caused by significant congestion** at the current termination point at Parramatta Road, North Strathfield.
- The M4 East will provide the opportunity to reduce the on-surface traffic on Parramatta Road to a more manageable volume, allowing space for **public transport and urban design improvement** to Parramatta Road, as well as a significant reduction in traffic in the Queens Road link to improve the important east west cycle link from Sydney's CBD to the Mountains.
- Improvement of the current traffic sewer on the Parramatta Road and (to a lesser extent) Queens Road links will **enable more road-facing development** in these areas.
- The reduction in traffic on Parramatta Road will provide **better access** from the various medium to high density Canada Bay peninsula developments **to the regional centre of Burwood**. This means that delays on roads

such as Burwood Road and Broughton Street will be reduced and bus services will be able to be increased and be more reliable.

- It will provide **access from Concord's residential areas to Parramatta Road on an even basis**, eliminating delays at Burwood Road, Burton Street and around Crane Street.
- Improving current levels of congestion on Parramatta Road between Concord Road and the east will allow for a more **integrated and frequent public transport system** within the inner west. Most bus routes currently avoid this area due to the difficulty accessing and crossing Parramatta Road.
- Constraints to Canada Bay's significant network of on and off-road bicycle paths and footpaths in some areas as a result of heavy traffic densities on Parramatta Road, Queens Road and Lyons Road West will be reduced, enabling **greater public access to amenities**.

More broadly, the government argues that WestConnex will afford Sydneysiders the following benefits.

- The fleets of trucks transporting goods from Port Botany to the large distribution centres in western Sydney will be able to do so quicker, more reliably and at a lower cost.
- It will boost the local economy, create jobs and help motorists bypass up to 52 sets of traffic lights by completion in 2023.
- It will significantly reduce regional traffic congestion on local roads, effectively containing Regional and State traffic to State roads and motorways.

TRAVEL TIME BETWEEN CONCORD ROAD & SYDNEY CBD *



Current travel time Approx. 33 mins

Travel time after completion of WestConnex
Approx. 18 mins

*According to WestConnex Delivery Authority. Travel time savings are based on average peak hour trips in 2031 taken with and without WestConnex.

On the other hand, it's argued that WestConnex will be detrimental for the following reasons.

- One of the major goals of the M4 East tunnel is to direct traffic away from Parramatta Road and improve the urban design and amenity along that corridor. This redevelopment and renewal of Parramatta Road will result in significantly **increased demand on our local open space and recreational facilities**.
- Redevelopment of Parramatta Road, including development of high-rise, high-density apartments, will also increase supply of property in the local area. Increased supply has the potential to place **downward pressure on property prices** in the long term, resulting in lower yields.
- If not carried out in the proper manner, it has great potential to wreak **detrimental environmental effects** -including air pollution, noise pollution and vibration- during both the construction and post-construction phases. In particular, residents are concerned about the location of tunnel smoke stacks, which could choke the atmosphere with tunnel emissions and be particularly damaging to the surrounding environment.
- By creating more road space, it will improve travel times. This will in turn, however, attract more drivers to the road and **build congestion levels again over time**.
- Motorists will engage in 'rat running' in our local streets in order to avoid WestConnex tolls and motorway accidents, **leading to more congestion**.
- Residents in some pockets of Concord face the cumulative issues of the loss of some of their long term neighbours due to **compulsory acquisition of land** by the government to make way for the motorway corridor, together with the new impacts of a **motorway in their immediate neighbourhood**.
- The extremely costly project is **diverting government funding from** areas which would better address the State traffic problem, including **public transport**.

What does WestConnex mean for Concord property owners?

Major infrastructure initiatives typically have a considerable impact on real estate values, particularly in areas most affected. For WestConnex, this undoubtedly includes Concord and its neighbouring suburbs.

Some industry commentators, including me, believe WestConnex will drive up local real estate values. By reducing traffic congestion in and around the entrance to the M4, effectively removing much of it from the road and putting

in underground, it will free-up secondary roads including Queens Road, Lyons Road and Parramatta Road, thereby reducing travel times to Sydney CBD and Parramatta.

In addition, it will shorten the commute for Concord residents to and from the CBD and airport, acting as a powerful drawcard for CBD-based professionals looking to relocate or invest who may have previously considered Concord to be 'too far' from the CBD.

CITY OF CANADA BAY COUNCIL MEDIAN PROPERTY SALE PRICES*

September 2012 - \$1,040,000

September 2014 - \$1,425,000

The median property sale price in the Canada Bay local government area (including Concord) increased 37% in the 2 years following September 2012 when WestConnex was first announced **
Additional factors separate to the WestConnex have also contributed to property prices.

* Data taken from Housing NSW Rent and Sales Report, Issue 110, December 2014. Data relates to non-strata dwellings, which includes separate houses and any multi-unit dwelling with a Torrens Title.

CITY OF CANADA BAY COUNCIL MEDIAN PROPERTY RENTAL PRICES**

September 2012 - \$650pw

September 2014 - \$700pw

The median property rental price in the Canada Bay local government area (including Concord) increased 7.7% in the 2 years following September 2012 when WestConnex was first announced **
Additional factors separate to the WestConnex have also contributed to property prices.

* Data taken from Housing NSW Rent and Sales Report, Issue 110, December 2014. Data is for separate houses (all bedroom numbers).

** Sydney-wide property prices climbed over this period due to additional factors.

On the other hand, some argue WestConnex will lead to uncertainty and a reduction in local real estate prices. The basis of this argument is that buyers will be wary about purchasing in areas close to the motorway, including parts of Concord. The State government is continuing to buy properties to make way for the M4 East corridor, including some in Concord, and this selective purchase of properties creates confusion and leads to a depression in property prices in these areas.

Additionally, residents who live in the immediate areas to the planned WestConnex corridor, including some whose properties will not be bought by the State government but who may end up having to live next to a motorway ramp or exhaust tower, fear a dramatic fall in the value of their properties if their homes

become islands surrounded by motorway. Indeed, I have been engaged by several Concord property owners wishing to sell their homes in order to move away from uncertainty before construction of the M4 East is underway.

Another argument supporting a fall in local real estate prices is that, as mentioned above, the simultaneous redevelopment and renewal of Parramatta Road, including the development of 100,000 planned apartments, will increase supply of property in the local area leading to downward pressure on property prices in the long term.

Whether you are in favour of or against WestConnex, both sides must agree that the \$15billion motorway will impact local property prices.

WestConnex – fast facts *

- **WestConnex is Australia's biggest ever transport project**
- **The NSW Government is providing \$1.8 billion in funding for WestConnex and the Federal Government \$1.5 billion, in addition to a concessional loan of up to \$2 billion to fast-track Stage 2 of WestConnex from Beverly Hills to St Peters (New M5)**
- **WestConnex is due for completion in 2023**
- **It will provide more than \$20 billion in economic benefits to NSW, create 10,000 jobs and help motorists bypass up to 52 sets of traffic lights once complete**
- **Upon completion, an estimated 3,000 trucks per day will be off Parramatta Road and into the M4 East tunnel**
- **WestConnex will provide the catalyst for the urban renewal of Parramatta Road, including the planned development of 100,000 new apartments, new cycleways and light rail**
- **More than 100 properties through Sydney's west and inner-west will need to be purchased by the government to make room for the first stages of WestConnex**

*According to the State and Federal Governments

Learn more about how WestConnex will impact your property

If you wish to find out more about how WestConnex will impact your property, contact **Dib Chidiac**, your local real estate expert on **0415 657 331** or **dib@rhconcord.com.au**.

Dib is a Licensed Real Estate Agent and Auctioneer at Raine & Horne Concord. He is a Concord property expert, having lived in Concord his whole life and recently earned the accolade of **Concord's Number 1 Agent – Number of sales, Total Sales Value & Most Recommended Agent** on ratemyagent.com.au, Australia's number 1 agent rating site.

Dib has an eye for detail and a commitment to achieving the best result for his clients. His passion for real estate is reflected in his impressive list of professional accolades, including being **ranked 9th in the entire Raine & Horne Network of salespeople – NSW/ACT and ranked the number 1 salesperson at Raine & Horne Concord** for the past 2 years.

Find out more about Dib by **CLICKING HERE**

Dib Chidiac

- 📞 0415 657 331
- ✉️ dib@rhconcord.com.au
- 🌐 dibchidiac.com.au



References

- WestConnex website – www.westconnex.com.au
- City of Canada Bay Submission - Review of WestConnex Concept Design, Stage 1 M4 East, February 2014
- NSW Housing, Rent and Sales Report Issue 110 (December 2014) “Sales, Trend March 1991 – September 2014, Metropolitan LGAs Median Sale Price”
- Saulwick, J., “WestConnex: Infrastructure Australia gives thumbs up to motorway’s business case”, Sydney Morning Herald, 28 February 2015.

DISCLAIMER: The information provided in this e-book is intended for educational and informational purposes only. It is not appropriate for individuals seeking financial planning advice or options.

Dib Chidiac

 0415 657 331

 dib@rhconcord.com.au

 dibchidiac.com.au