

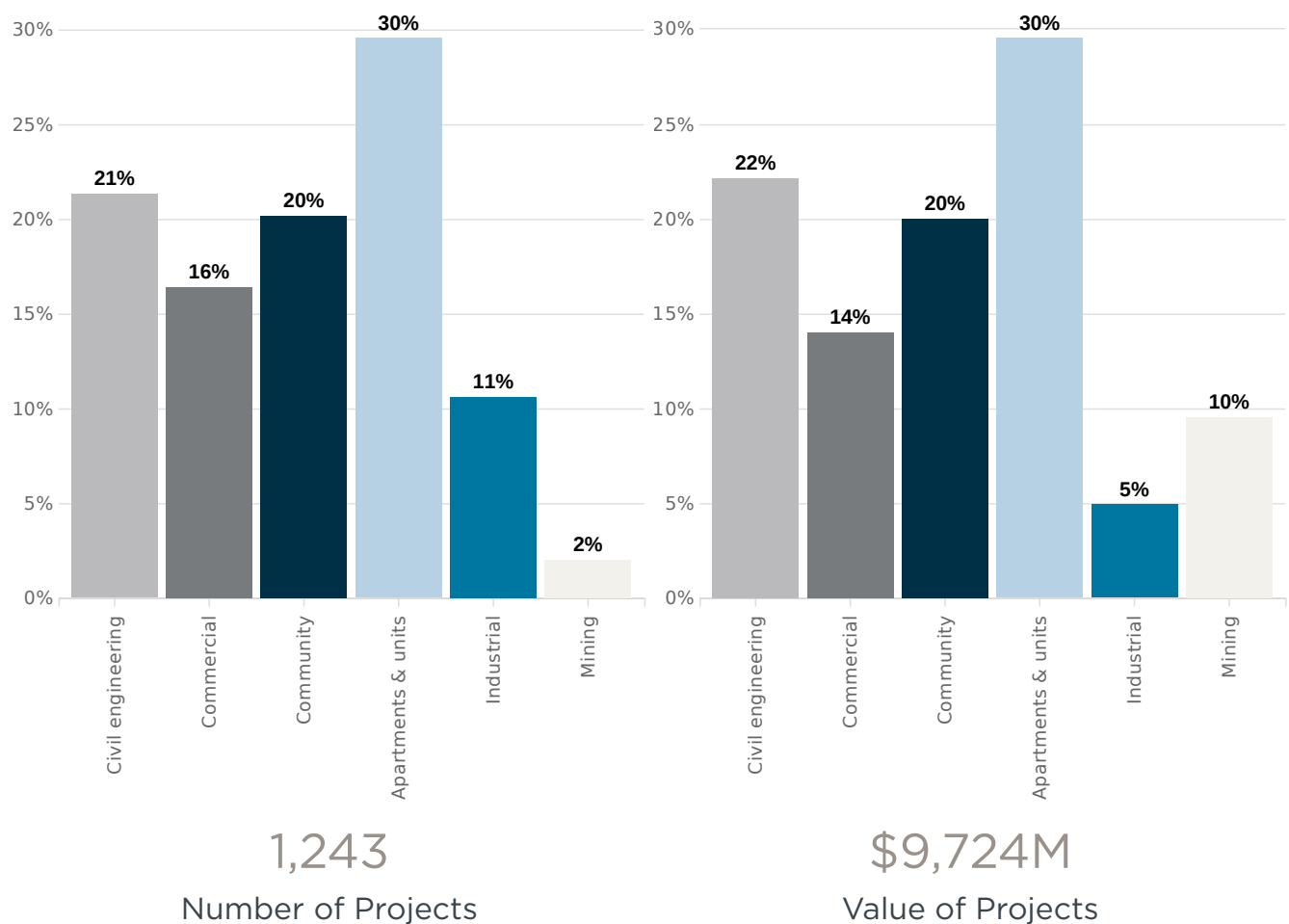
Cordell Construction Monthly

July 2018



Pipeline - Australia

The number and value of new projects collected by CoreLogic over June were down on the previous month, off the back of a series of high value mining applications in the month of May. The number of new projects added to the pipeline of construction over the month were 1,243, valued at a combined \$9.7 billion worth of construction work. This is far lower than the \$20.3 billion worth of work across the 1,730 projects submitted last month. This is also below the 5-year, monthly average, of 1,794 projects valued at \$14.2 billion. As month-to-month figures are volatile, it is worth noting the annual growth in the value of new construction work added to the pipeline has increased 8% from the year to June 2017.



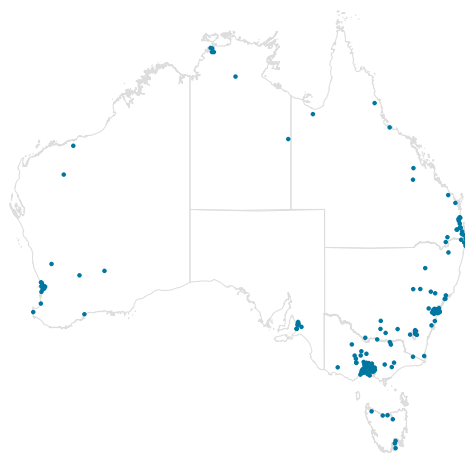
Median Project Value

Civil Engineering	\$700,000
Commercial	\$900,000
Community	\$900,000
Apartments & Units	\$1,200,000
Industrial	\$775,000
Mining	\$2,000,000

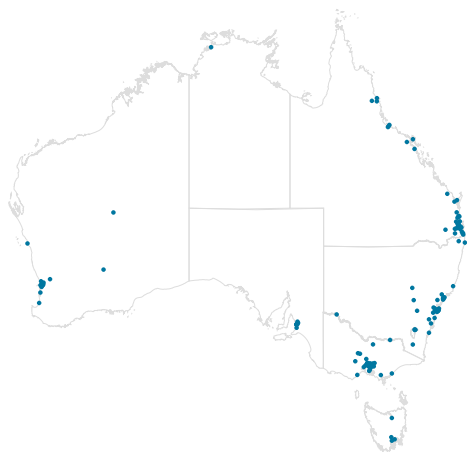
Pipeline - Location



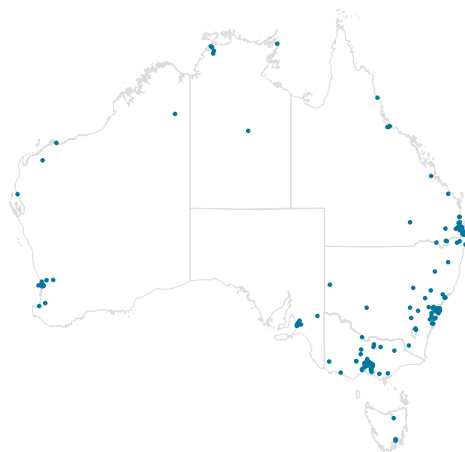
Apartments & Units



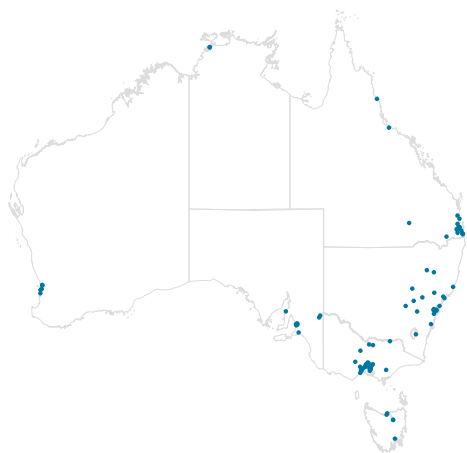
Civil Engineering



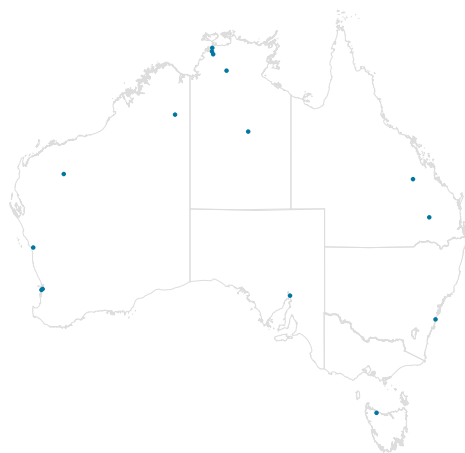
Commercial



Community



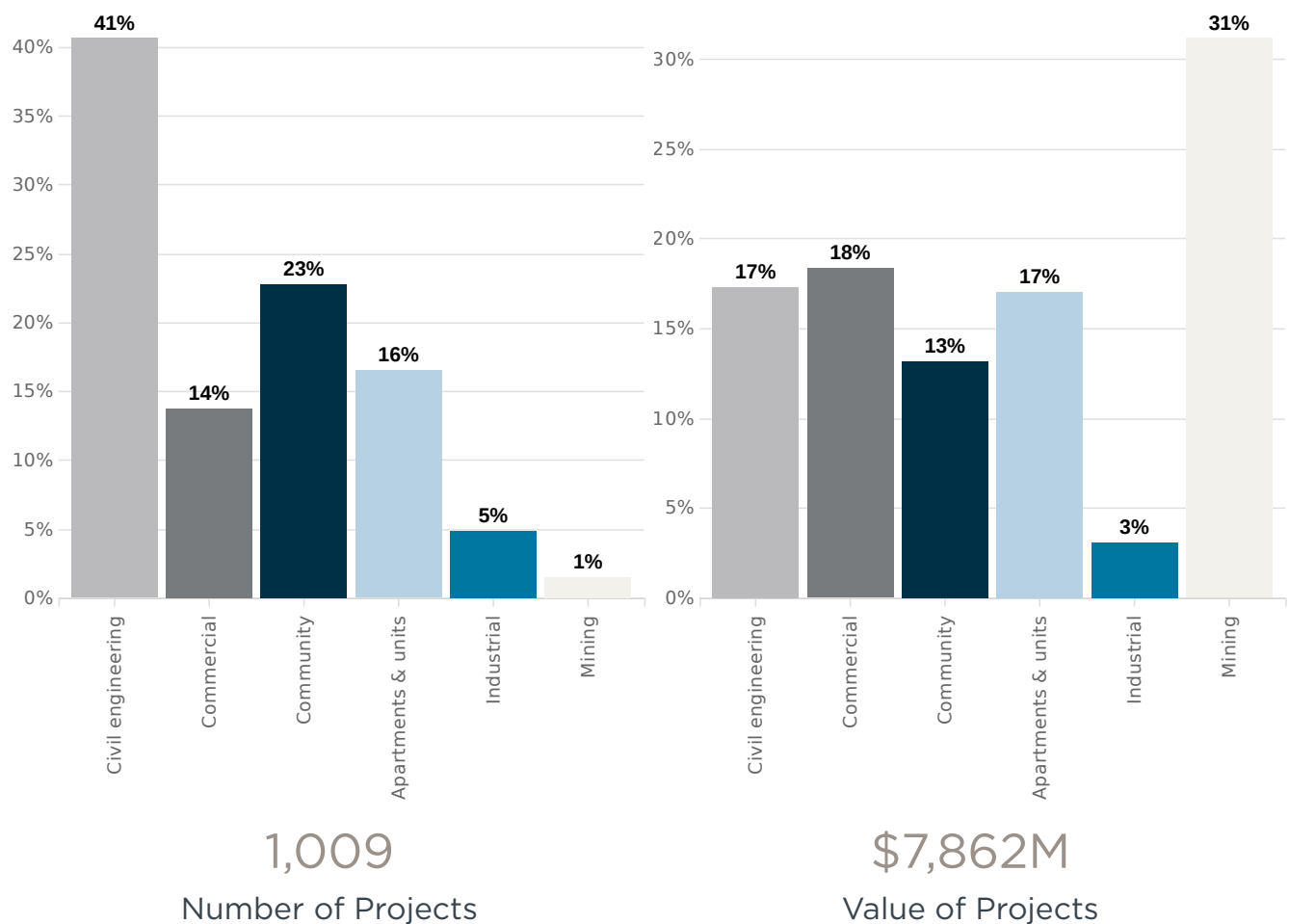
Industrial



Mining

Moving into construction - Australia

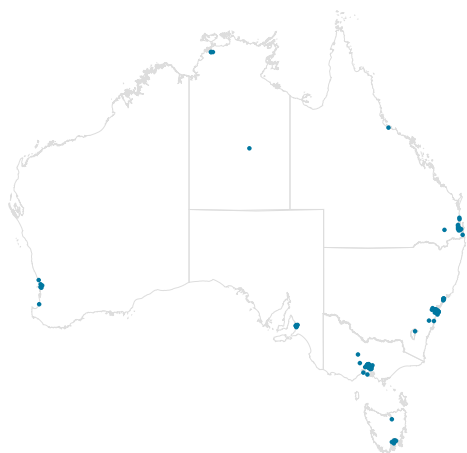
There was a decline in the value of projects moving into construction over June, with \$7.9 billion worth of work commencing over the month. There were 1,009 projects moving into construction over June, representing a 6% month-on-month increase in the number of projects. Despite the decline in the value of commencing projects, the combined value of work moving into construction was up 17% year-on-year, with a combined \$66.1 billion worth of work moving into construction in the year to June.



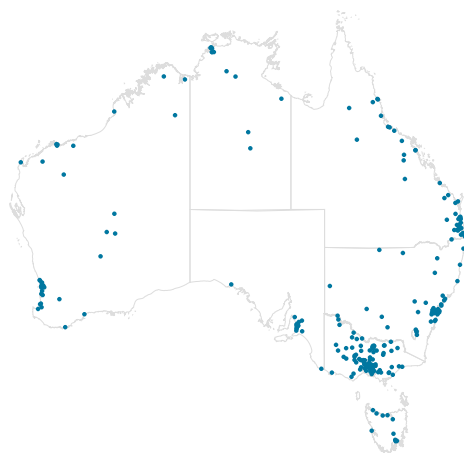
Median Project Value

Civil Engineering	\$500,000
Commercial	\$1,200,000
Community	\$872,500
Apartments & Units	\$2,280,000
Industrial	\$1,000,000
Mining	\$2,000,000

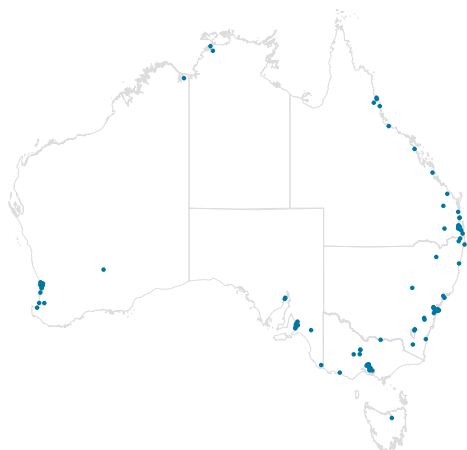
Moving into construction - Location



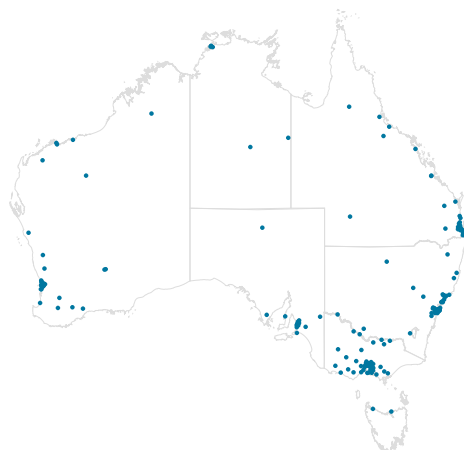
Apartments & Units



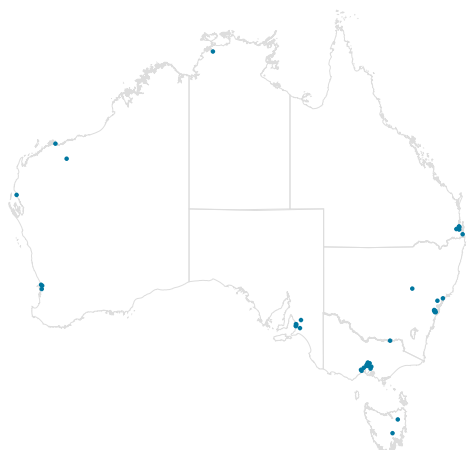
Civil Engineering



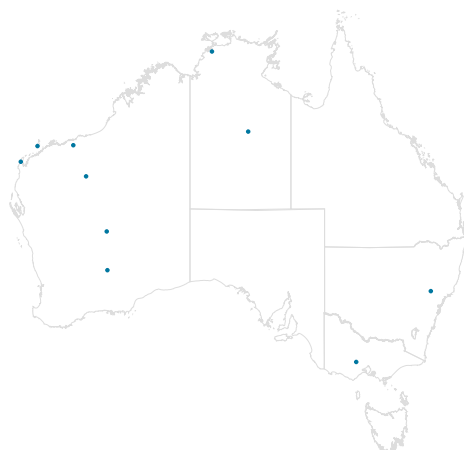
Commercial



Community



Industrial



Mining

NSW

By far, New South Wales saw the most value of work moving into construction over June, with \$3.3 billion worth of construction starts across the state over the month. This was driven a \$2 billion project, the Mount Pleasant Coal Project. Located between the Bengalla and Dartbrook mines, approval of the project was based on a Resource Estimate of 459 million tonnes (Mt) of thermal coal.

Dexus will transform a business park near Sydney Airport into a business and lifestyle hub, Botany Quarter. The project will be developed at the Lakes Business Park South. The precinct is designed by Nettletontribe Architects, incorporating more than 200 strata offices, retail outlets and eateries and industrial storage units. Two existing buildings will be repurposed for mixed use, and a third building will include industrial units with loft showrooms, commercial suites and storage units.

Boyuan Group will lead a consortium to develop a 344 hectare masterplanned development at Badgerys Creek. The Northern Gateway development will be a health, retail and logistics development at Sydney's second airport. Also included are plans for 9,000 new dwellings to support the housing of aeronautical industry workers. The medical precinct will be a centrepiece of the project, and will include a Wellness Centre of Healthcare Excellence and Centre for Cognitive Enhancement, comprising a medi-hotel and aged care facility.

The consortium for the Northern Gateway is made up of Boyuan, Western Sydney University, Professor Charlie Teo, Scentre Group and logistics firm LOGOS, which will operate The Northern Gateway Logistics Estate. The site was sold by the Ron and Roy Medich brothers last year, who in turn purchased the site from the CSIRO in 1996. Scentre's role in the consortium include a 200,000 sqm mixed-use precinct including hotels, retail and public spaces.

Expressions of Interest are open for sale of the iconic Sirius building at The Rocks. The building has been used for social housing for more than 30 years, and has the potential for apartment or hotel redevelopment. The international expressions of interest campaign by Savills

will lead into a tender.

Poly Australia has acquired a 3.7 hectare development site in Rouse Hill from Ingenia Communities. The site currently supports a lifestyle cabin park. Although there is an existing development application for seven residential unit buildings with the Sydney West Central Planning Panel, Poly will instead develop the site into 138, three to four bedroom townhouses. The townhouse development will include facilities such as a pool, gym, clubhouse and barbecue areas.

Multiplex has been appointed by Winten Property Group to build its commercial office tower in North Sydney. The tower, which will be the tallest within the North Sydney CBD, will be the new home for the Nine Network. Nine Network have committed to 17,000 sqm for their new newsroom and studios. Notable features of the tower design include a side core, providing large contiguous floorplates of 2,000 sqm, and natural light from all sides with panoramic views of Sydney Harbour from the upper levels. The high level of sustainability design features will meet 5 Star Green Star, and 5 Star NABERS ratings. The project was delayed earlier this year following the termination of former builder Grocon's contract.

ACT

Geocon commenced construction this month on the Midnight development in Braddon. The nine-storey building will include an Abode hotel, 258 apartments and commercial tenancies.

Geocon's intention to fast track delivery of its \$1 billion mixed use Republic Precinct in Belconnen, was announced this month, following strong demand for residential apartments in the capital. It will comprise Canberra's largest residential development. Originally slated to be built over 10 years, the Fender Katsalidis-designed project will be completed in just over three years. Construction of the precinct's Republic, Dusk and High Society buildings will run concurrently. The buildings will deliver the first 1,000 apartments, a hotel, boutique office space and expansive public gardens with a restaurant quarter.



VIC

Budget pricing for early contractor involvement is now in progress via tender process for the Fishermans Bend South Wharf Towers. The project is currently under Gowdie Management Group on behalf of the ownership, while Ellenberg Fraser are the appointed architect. Located within the South Wharf Fringe Precinct, proposed is the construction of two oval shaped towers at heights of 46 and 48 storeys containing a total of 1,000 one, two and three bedroom apartments. It is yet to be confirmed whether this process will appoint a builder, or if it will proceed to official tender stage. Value is currently estimated at \$300 million and will be confirmed once a builder is appointed.

A development application is currently with Stonnington City Council for redevelopment of the site at 627 Chapel St, South Yarra, for office and commercial opportunities. Cox Architecture were appointed by Goldfields group for the application stage, with the project currently valued at \$90 million.

Construction is now in progress for the Wemen Solar Farm on Hatta Bronvale Road. Contractor RCR Tomlinson was appointed by Wirsol Energy for the construction of a 100mw grid connected solar farm which together with Wirsol's Clermont Solar farm in Queensland is worth a total of \$375 million.

Multiplex have commenced construction on the former Foundry site on Little Collins Street and Bourke Street in Melbourne's CBD. Designed by Woods Bagot, this tower will complement the rising full time employment in Melbourne by providing 42 levels of office space, complemented by 3,000 sqm of retail space. This project is valued at \$378 million and is one of many within Multiplex's global portfolio.

Level crossing removals in Victoria are making major progress. With the aim of 50 crossings removed by 2022, construction blitzes across the state are helping make this goal achievable. It is expected that 25 will have been removed by the end of the month. In addition to the level crossings, new stations at Murrumbeena and Carnegie are expected to be in operation shortly.

QLD

Aurum Aged Care is planning their first expansion into the Queensland aged care market. Aurum currently has facilities in Victoria and New South Wales, and purchased their first site in Queensland in August 2017. The company initially acquired existing aged care facilities and upgraded these facilities and rebranded them under the Aurum Aged Care banner. The company has now expanded into greenfield developments. The first Aurum facility in Queensland will be built in Jephson Street Toowong.

Sunland has purchased a 3.26-hectare development site in Kenmore, with development approval for 96 four-bedroom townhouses.

Cazalys Stadium in Cairns may be in the running for a \$25 million upgrade. Plans for the upgrade include adding corporate boxes, a 250-seat function room and an additional 2,200 undercover grandstand seats. AFL Cairns has lodged a submission to the Federal Government, seeking funding from its Regional Growth Fund for the development.

The State Government has given the green light for Perth-based Lacour Energy's \$1 billion Clarke Creek wind farm in central Queensland, 150 km north of Mackay. The wind farm will comprise up to 195 turbines with the potential to generate more than 800 megawatts of electricity.

Gold Coast-based company Greater Rewards Group has unveiled plans for the revival of the controversial Whitsunday Shores estate south of Bowen. Plans include a residential community of 1,800 dwellings for up to 5,000 people. The concept also includes a range of lot sizes to accommodate traditional dwellings, townhouses, units and potentially tourist accommodation. The proposal also includes a commercial precinct, with a supermarket, cafes and restaurants, aged care retirement living precinct, a child care centre, sporting fields, community club house and tavern.

NT

The first three HomeBuild tenders have been awarded under the government's multi-million-dollar remote housing program. This milestone will see the construction of 10 bush homes worth a combined total of \$5.07 million. The successful tenderers were: SH Build for construction of four homes in Gunbalanya (\$1.77 million); GEBIE Civil for three homes in Angurugu (\$1.75 million); and WTD Constructions for three homes in Maningrida (\$1.4 million). Nine further tenders have been released, which will see a further 21 homes built this year.

An upgrade of the ageing velodrome facility at Bagot Oval is on track, following additional funding of \$1 million by the Territory Government. This is on top of a one-off capital grant given to Council in 2015 for upgrade of the track, including lighting.

Tenders have been called for consultants to prepare a feasibility study for establishment of a walking trail in Nitmiluk National Park.

C and R Constructions has been awarded the \$8.5 million contract for Katherine Fire Station. The initial plan was to refurbish the existing station, however additional funding announced April last year allowed the new fire station to be relocated to a new site opposite the existing police station.

Sunbuild was the successful tenderer for the new \$15.9 million state-of the art STEAM Centre at Darwin High

School. Demolition works are expected to begin over the school holidays, with construction scheduled for completion in mid-2019.

SA

A development application has been submitted for a 45-storey tower in King William Street, which is set to become Adelaide's second tallest building. Designed by Loucas Zahos Architects, the project will comprise apartments, hotel suites, ground-level commercial and retail uses with 3 levels of basement car parking.

A site is listed for sale by expressions of interest at Kangaroo Island, on Telegraph Road in Kingscote. The site has current development approval for a holiday cabin complex.

A proposal by DeLorean Energy has been submitted for a \$66.7 million anaerobic digestion plant. If approved, the proposal may see a bioenergy plant, capable of turning agricultural waste into energy, operational within the next three years. The proposed site of the plant is at the Edinburgh Parks Food Park, in the northern suburbs of Adelaide. The 15 megawatt plant will convert up to 200,000 tonnes of agricultural and household waste. The idea was inspired by the DeLorean car in the Back to The Future movies, taking food and organic waste and converting it into energy. Types of waste accepted would be from food stores, farms, restaurants, dairy processing facilities, fruit and vegetable markets and breweries.

Planning approval has been granted for a \$14 million, five storey, 58 room hotel and 22 townhouse development on the former Marble House of Australia site at 78-88 Rundle St, opposite the Kent Town Hotel.

TAS

The Tasmanian government will sound out expressions of interest for a public-private partnership to undertake the redevelopment of the Cradle Mountain visitor centre as part of the world-heritage gateway precinct. Colliers International's hotel experts Karen Wales and Guy Wells will manage the campaign with marketing expected to

commence in a few weeks.

The Federal Government will allocate \$461 million in the budget for a new Bridgewater Bridge, downriver of the existing bridge north of Hobart, which will retain rail transport.

Work has commenced by Hazell Bros on the \$25.6 million St Peters Pass to South of Tunbridge project, part of the Midland Highway 10 Year Action Plan to improve safety on the key north-south road corridor.

WA

Developer Oryx Communities has been appointed to join Landcorp's Claremont on the Park development as developer of The Queenslea. Proposed for the coveted 5,473 square metre site is construction of an aged care complex, to include up to 126 dwellings, as well as childcare services that will accommodate up to 80 children. The \$107 million development will include services such as dementia care, respite care and assisted living for the elderly and those living with disabilities.

BMD Constructions have been appointed for the \$49 million Kwinana Freeway design and construct contract that will deliver the additional works from Russell Road to south of Roe Highway. Widening of this Freeway section will allow for additional capacity of 1,800 vehicles per hour. It is designed to improve traffic flow and reduce congestion. Work is expected to commence shortly with the overall Kwinana Freeway widening project expected to be completed by the end of 2019.

\$184 million over four years has been committed in the state budget for the Metronet Housing package. The package will see the construction of 1,390 social and affordable homes. These will centre on transit focused locations, including the new Metronet and existing heritage-line train precincts in established communities. In addition to the housing boost, this will also create over 2,350 new jobs through construction and redevelopment.

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Aggregate value estimates and median project values are based on raw data from the Cordell Connect database. Data from Cordell Connect includes project values as advised by the project managers, or are estimates provided by Cordell researchers.



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Big Data is fundamentally changing the way builders, developers and professionals involved in commercial real estate go about their jobs. Detailed real time data collection is providing the industry with more accurate and efficient tools to understand the best performing potential markets, analyse the best types of products to build with, identify leads and new sales opportunities and to quickly estimate and quote.

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Collectively, our data covers more than 4 billion decision points across residential, commercial, building and construction costing, collected from more than 660 sources. This includes the real estate industry, all levels of government, data partners, media and our own team of researchers creating analytics and insights that fuel decisions from first home buyers right through to federal government.

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