

# Cordell Construction Monthly

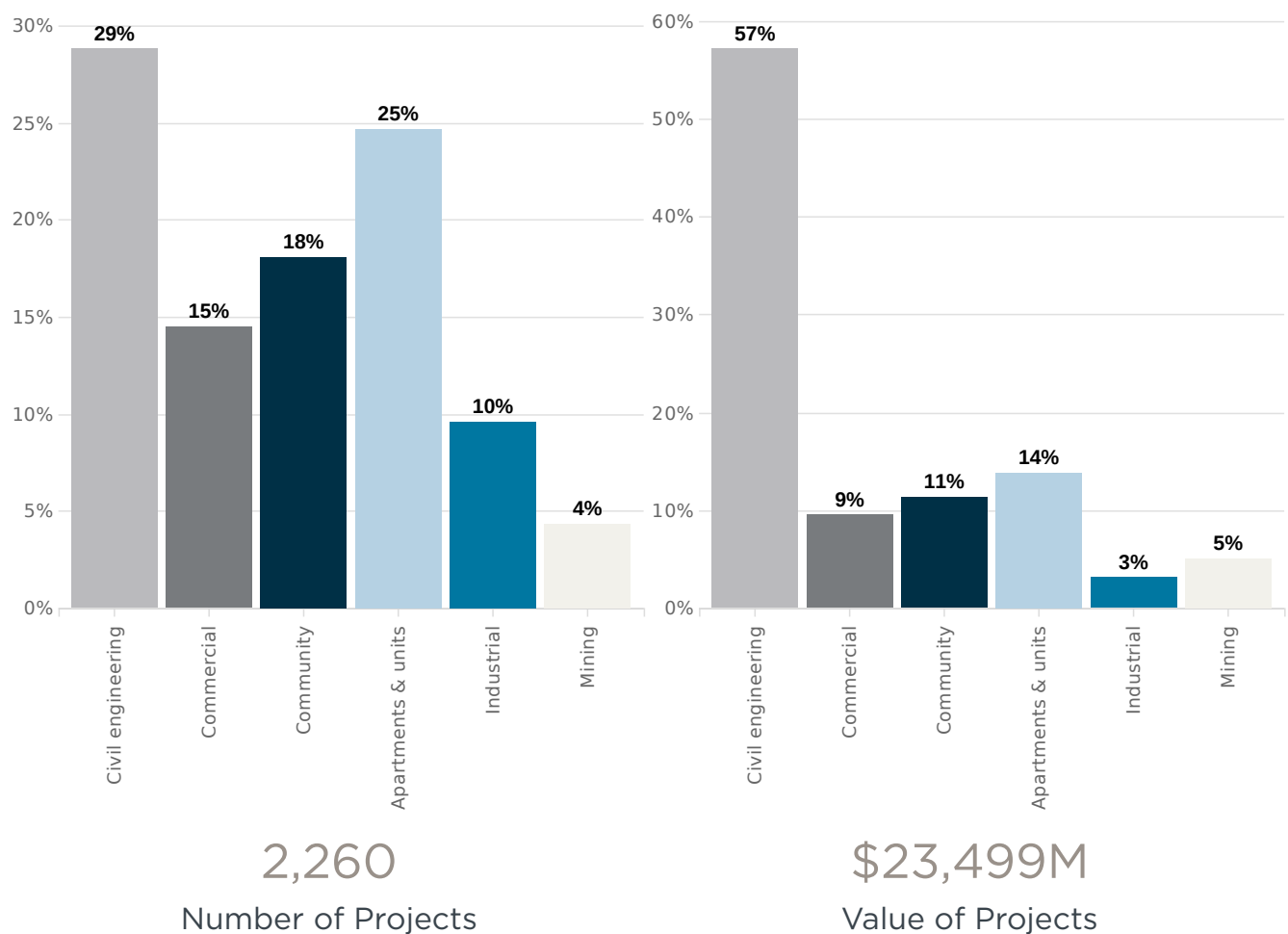
September 2018





## Pipeline - Australia

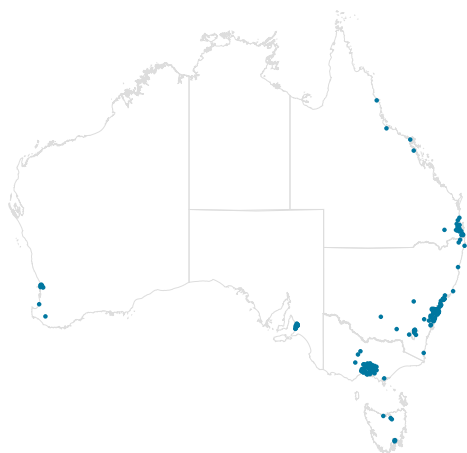
2,260 new construction projects were announced in August, a 15% jump month-on-month. This was the largest number of new projects since August last year when 2,385 projects entered the construction pipeline. Despite the recent surge, year on year the number of new project announcements is down 13%. Although the number of new projects is down year on year, the value has held firm, in fact rising 0.4%. On a monthly basis, the total value of new projects reached a fourteen month high, totaling \$23.5 billion. 57% of the monthly value was concentrated within the civil engineering sector, with the second highest proposed construction value in the apartments sector, comprising 13.9% of pipeline projects.



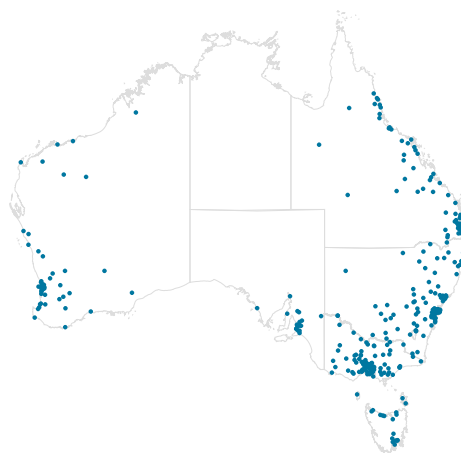
### Median Project Value

Civil Engineering	\$500,000
Commercial	\$500,000
Community	\$800,000
Apartments & Units	\$1,200,000
Industrial	\$750,000
Mining	\$1,000,000

# Pipeline - Location



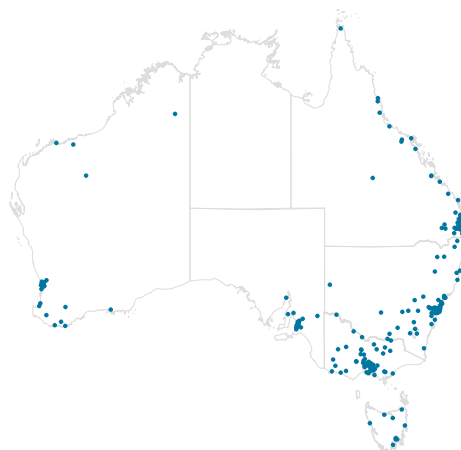
**Apartments & Units**



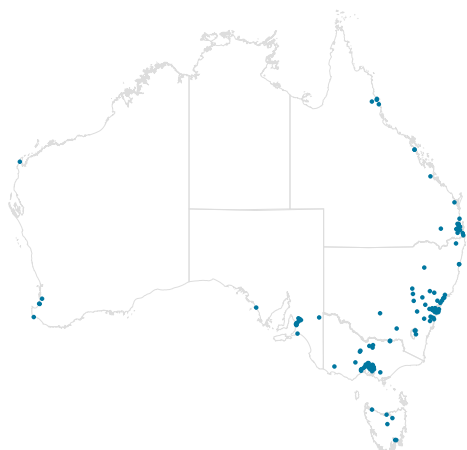
**Civil Engineering**



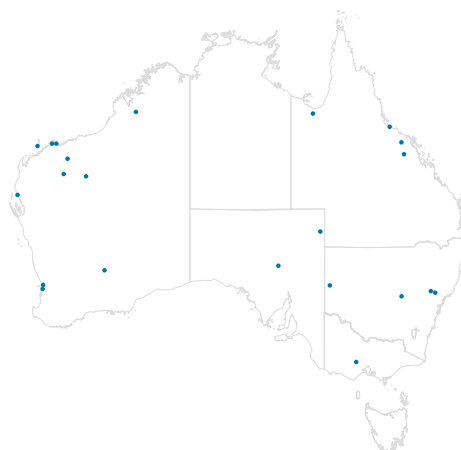
**Commercial**



**Community**



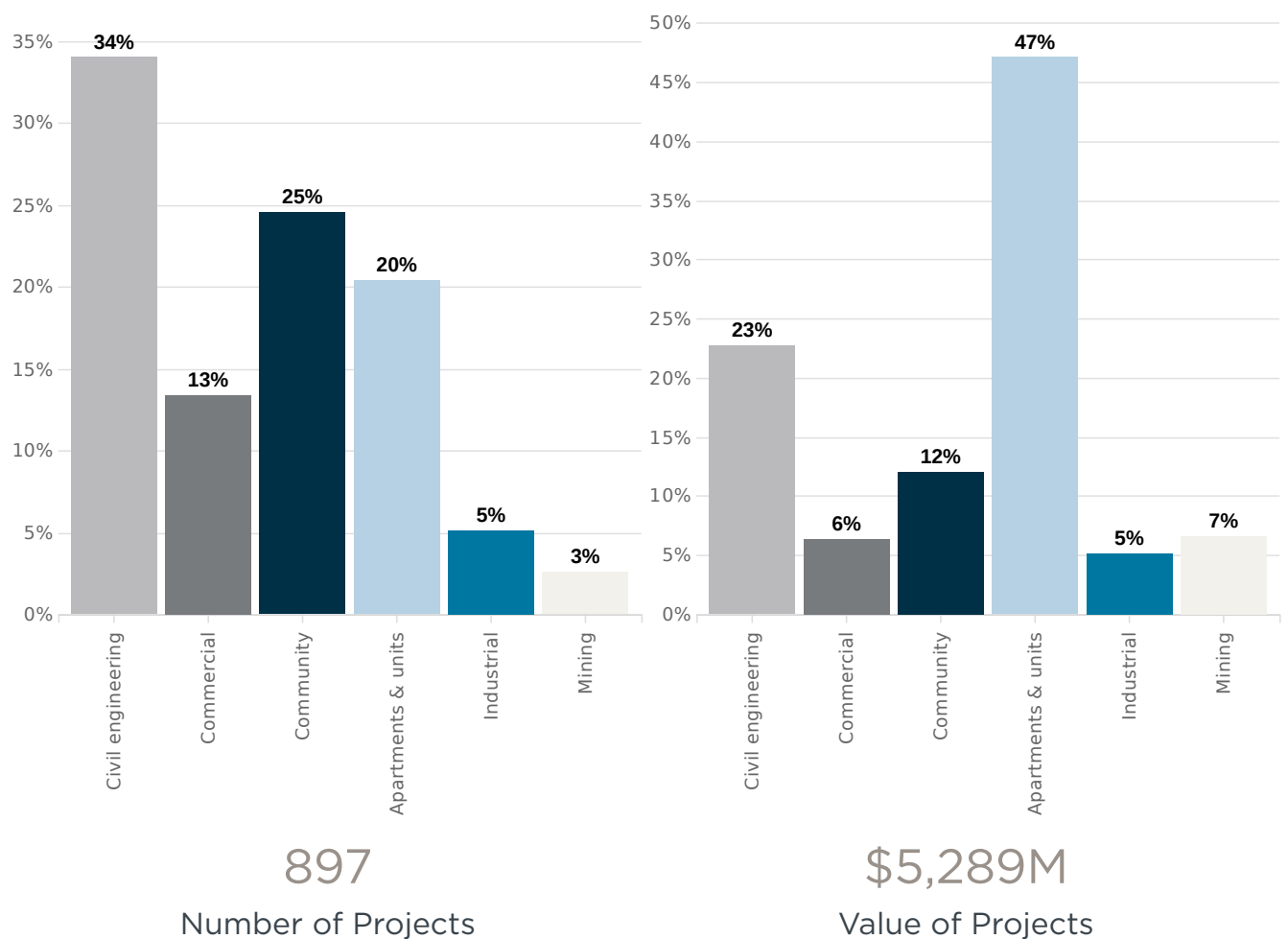
**Industrial**



**Mining**

## Moving into construction - Australia

The number of projects entering the construction phase was steady over the month, with 897 projects moving into construction. The apartments sector recorded the biggest month-on-month rise, with 183 projects commencing over the month, an increase of 34 projects relative to July. Year on year, the number of projects moving into construction was down 3%, while the value of projects was up 14%, highlighting an increase in the overall value of construction activity despite the reduction in volume. Apartment projects comprised the most substantial proportion of newly active construction projects at 47% of the total value of all projects, followed by civil engineering projects which comprised 23% of the total value.



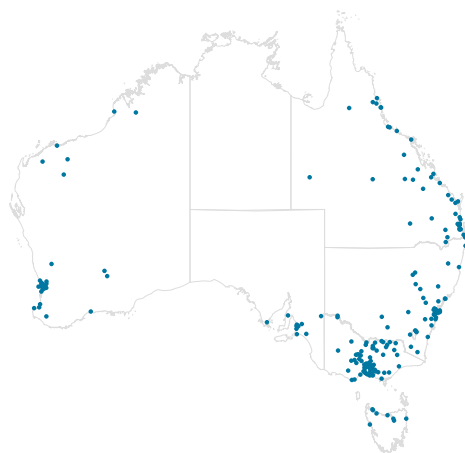
### Median Project Value

Civil Engineering	\$500,000
Commercial	\$1,000,000
Community	\$901,500
Apartments & Units	\$2,000,000
Industrial	\$939,500
Mining	\$1,000,000

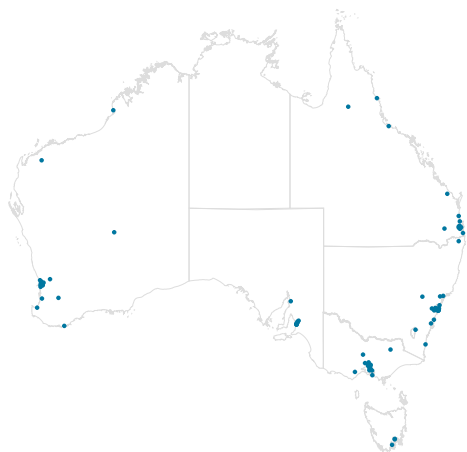
# Moving into construction - Location



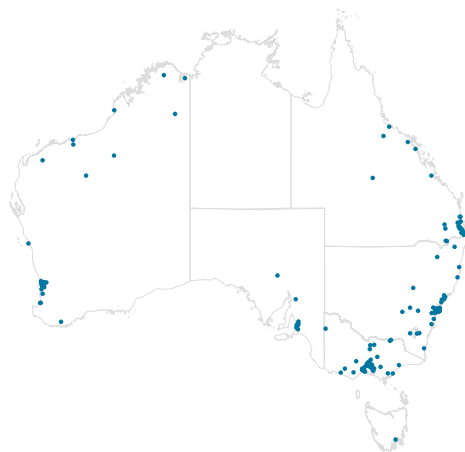
**Apartments & Units**



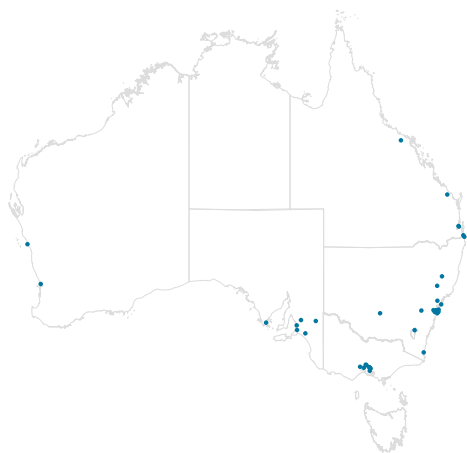
**Civil Engineering**



**Commercial**



**Community**



**Industrial**



**Mining**

## NSW

NextDC has acquired a 1.25 hectare site near Gore Hill Park on the north shore from Lindsay Bennelong. The masterplanned site affords 53,250sqm of commercial space. NextDC operates data centres throughout Australia, the company recently said it intended to start purchasing sites in Sydney, Melbourne and Perth.

The NSW Government has unveiled three options for the Waterloo social housing estate redevelopment. Community consultation is being sought for development of a preferred masterplan. The three options – Waterloo Estate, Waterloo Village Green and Waterloo Park – all offer more new social and affordable housing, more green space, better shops and community facilities, as well as improved access to public transport that will include the new Sydney Metro. The Waterloo precinct will be redeveloped as part of the NSW Government's Communities Plus program and will contain a mix of social, affordable and private housing. All three options for Waterloo allow for at least five per cent of the new dwellings to be delivered as affordable housing. The redevelopment of Waterloo will be staged over 15-20 years.

Australian technology giant Atlassian announced the decision to join forces with the NSW government in a project expected to create thousands of jobs. The government will support the creation of a technology precinct between Central Station and Eveleigh with a task force appointed to design and develop the precinct.

Hewlett Packard Enterprise's 3.5 hectare site in Rhodes will be transformed into a mixed use precinct that will include HPE's new corporate headquarters, new office space, residential accommodation and public space. The masterplan will be designed by Daniel Libeskind, the architect behind New York's Ground Zero & Berlin's Jewish Museum. This will be the first Australian project for Mr Libeskind, who is developing the masterplan along with local architects Fitzpatrick Partners and Rob Nation.

The first sod has been turned on the \$30 million first stage of the Inverell District Hospital redevelopment, to be built by Richard Crookes Constructions. The \$30 million second stage of the redevelopment, secured in the recent NSW Budget, is being designed by NSW Health Infrastructure and tenders are expected to go out for the works prior to the end of the year. Stage 2 will see the GP clinic

revamped, a new dental clinic, onsite accommodation for visiting specialists and allied health services such as physiotherapy and oncology.

The NSW Government has approved to progress to Stage 2 of the Unsolicited Proposals process a proposal by Dexu and Frasers Property Australia to redevelop the Henry Deane Plaza at Lee Street. There are three stages of the USP framework - initial submission (Stage 1), detailed proposal (Stage 2), and Final Binding Offer (Stage 3). The Henry Deane Plaza proposal has completed stage one and has now progressed to stage two.

Despite diminishing confidence in Sydney's residential market, Meriton remains bullish about western Sydney, with the submission of a \$228.8 million development application for a dual tower project designed by Woods Bagot in Parramatta. The 57 and 66 storey development comprises 767 residential units, 216 serviced apartments, 2,329sqm of retail floor space, a child care centre, commercial gymnasium and five basement levels of car parking. Meriton has also recently submitted a development application for a site purchased from Goodman in 2016 at Macquarie Park for a 27-storey tower, The DKO-designed project comprises 212 residential apartments and a child care centre.

The Veriu Hotel & Suites chain is planning a further 17-storey, \$30 million hotel in the Sydney CBD, opposite Wynyard Park.

## ACT

According to a new report by the Housing Industry of Australia, Canberra's apartment boom is starting to slow down with the record number of new apartments diminishing in the first six months of 2018. This trend is expected to continue over the next couple of years.

Construction is finally expected to commence in October on the derelict Giralang Shopping Centre site. The developer Nikias Diamond Property Developments submitted new plans for a 4 storey development comprising a 1000sqm supermarket and 50 apartments. The developer first submitted plans in 2006.

## VIC

Tenders have been invited from selected builders for the refurbishment of the Langham Hotel in Southbank. The



contract will be a design and construct and will include the upgrade of 388 rooms and suites as well as public spaces such as the reception lobby and function rooms. The project will also include the creation of a 5 star Chinese restaurant, soft refurbishment of spa rooms and amenities. Swanston lift will see fit out works for access to the level 9 bar. Designed by Interior Designers Studioaria, the \$70 million project closing from tender submissions in late September.

Panorama Box Hill development has recently closed its tender submissions from selected builders. Designed by Peddle Thorpe Architect, the \$125 million project will provide Box Hill with 382 new apartments and a ground floor café & restaurant to complement along with 4 levels of basement parking for future residents. Panorama Investment Group have appointed Gallagher Jeffs Consulting to assist with the awarding of the contract.

JD Group will soon see their development off the ground with excavations nearing completion 180 Reynolds Road in Doncaster East. Construction is expected to be commencing shortly with the pour of foundations scheduled for late August. JD The Seasons will include the construction of 4 buildings containing 311 apartments ranging from 1 to 4 bedrooms. The development will include basement car parking as well as external spaces for cars and bicycles. The project concept design and architecture can be attributed to Paul Shaw & Associates and C&K Architecture. The builder appointed is Crema Group.

Expressions of interest have been advertised this month for a design consultant to join the team working on the Jubilee Park indoor Stadium Redevelopment in Frankston. The upgrade is proposed to include works to resurface the existing indoor netball courts, construct 4 additional indoor netball courts, installation of seating of 1000 for the netball show court, construction of 4 indoor cricket nets. The project is also proposed to include facilities upgrades and additions such as the amenities, change rooms and medical rooms.

## QLD

The Oatley family is planning a \$13 million, 3-year redevelopment of the Palm Terrace Hotel on Hamilton Island comprising construction of a new four star, family-based 84 room hotel overlooking Catseye Beach.

Whitsunday Regional Council is discussing concept ideas for a proposed development of a new campus for the Australian Maritime College at Bowen Boat Harbour. The concept involves AMC students spending a portion of their education in the Whitsundays, to undergo practical components of their course, these could include ship building and diesel fitting as well as water activities such as life rafting and escape training.

A development application has been submitted for a mixed use development at Mount Gravatt designed by Peddle Thorpe comprising two commercial and residential towers containing 47 apartments, office, café, health care services and retail.

John Holland has been awarded the contract to deliver safety and accessibility upgrades to Boondall, Strathpine and Morayfield railway stations. Major upgrade at Boondall

station is set to commence this year, upon completion of detailed plans.

## NT

Tenders have been invited for design and construct of Zuccoli Primary School, bringing forward construction of the new school in Palmerston by two years. Construction is set to begin within the coming months and the school is expected to open in Term 1, 2020. Stage one of the major construction project encompasses a pre-school with capacity for up to 88 students and eight primary school classrooms with capacity for more than 200 students.

The NT Government has announced the proposed site for a new Darwin Rehabilitation Precinct. The precinct will incorporate the new Darwin Youth Justice Centre following closure of the Don Dale youth detention centre at Berrimah, as well as an Alcohol and Rehabilitation Centre. The proposed location is Territory Government owned land at Pinelands. The site sits between the Stuart Highway and Tiger Brennan Drive. Before construction commences, public comment will be invited through the rezoning and development consent processes. Construction of the new Youth Justice Centre is expected to commence mid-2019.

The Territory Government and Gundjeihmi Aboriginal Corporation has unveiled the Mirarr Peoples' vision for the town of Jabiru, a masterplan which repositions Jabiru, post-mining, to a tourism and regional services hub. The vision includes a detailed business case for: a World Heritage Interpretative Centre to showcase the Park's natural and cultural values; an expansion of Jabiru lake offering crocodile-free, year-round recreational activities; a five-star lodge and upmarket "glamping"; an Aboriginal Development and Resource Centre to cater for all regional Indigenous groups; and a new Government Services Centre.

## SA

German supermarket chain Kaufland has submitted a proposal to the State Commission Assessment Panel to build a supermarket and 3 supporting tenancies at Munno Para. The \$24 million development will be located at the former Munno Para Bowling Club site on Mingari Street.

A further \$34.6 million Kaufland supermarket at the Le Cornu site in Forestville has been recommended for development plan consent at this month's State Commission Assessment Panel meeting.

The Marshall Liberal Government has announced funding for a new \$100 million high school in Whyalla to accommodate 1500 students. The new 7-12 facility will replace Whyalla's existing three ageing high school campuses. The new school is expected to be open by 2022.

## TAS

Cumulus studio has put forward concept plans for a new publicly accessible waterfront precinct that includes a public swimming pool on the River Derwent, a maritime museum and a year-round market at the Castray Esplanade district currently occupied by CSIRO.



Fragrance Group has submitted revised plans for its 256 room hotel in Collins Street. The 4-star hotel will now be 15 storeys with a 1000 seat conference facility wellness centre and spa, with three levels of podium car parking.

A new set of proposed height limits for Hobart buildings will go before Hobart City Council's planning committee next week, with proposed amendments to the planning scheme that allow for future growth while maintaining Hobart's small scale. The proposed new standards will increase the 45m maximum height limit under the 2015 Hobart Interim Planning Scheme to a possible 65m within the an inner core of the CBD with the potential of a 75m limit in some locations without impacting on views.

## WA

Tenders have been invited from selected builders for the construction of a new "all in one" abalone processing facility in Augusta. Tender submissions are closing late September for the project estimated at \$2.5 million. Developed by Ocean Grown Abalone (OGA), the site will be home to an export seafood processing facility that will offer new tourism opportunities for the region.

A development application has been submitted to Kondinin Council for the construction and operation of a wind and solar farm along Notting-Karlgarin Road. Developer Lacour Energy have proposed to include up to 46 wind turbines, 4 temporary and 4 permanent wind monitoring towers, 2 new substations, 2 permanent site offices, workshops and warehouses on the 3105 hectare site that is suggested to contribute positively to the region dominated by agricultural activities.

Water Corporation are in the planning stage for the Metropolitan Wastewater Pipeline in Rockingham. The project will include the construction of a 3.8 kilometre sewerage pipeline aligned through road reserves as well as construction of a 22.7 metre high transition tower. The construction process will also require the excavation of a 5 metre trench between 5 and 14 metres wide to accommodate the new section of pipeline.

## Mining

Senex Energy's Western Surat Gas project located 30km north of Roma in Queensland has been granted environmental approval. The project spans an area of approximately 915sq km with targeted gas production of up to 50 terajoules per day.

Copper Chems has received approval to develop the \$290 million Stockman base metals project near Benambra in Victoria. Once operational, the mine is expected to extract 150,000 tonnes of copper & zinc over the next decade and is expected to create 250 jobs. The development will include a 44 metre high tailings dam at Lake St Barbara in order to contain the liquid spoil coming from the mine.



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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.





# Everyone is talking about Big Data

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.

CoreLogic is the provider of Australia and New Zealand's most comprehensive residential and commercial property data. Our acquisition of Cordell in 2015 means we are also now proud to be able to provide the most extensive construction data available.

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.

Big Data that does not tell a story or provide you with actionable insights is just a pile of numbers. At CoreLogic, we pride ourselves on our tools and analytics that help our clients understand their markets, improve their workflows, save time, make money and make better decisions. We'd love to work with you, too.

## 6 Ways Big Data Can Help You Succeed



### Identify new opportunities

Be alerted to zoning changes and see detailed zoning information with **Blockbrief**.



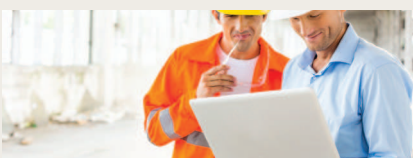
### Identify properties to purchase

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### Identify pricing and future sweet spots

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### Receive insights into construction

See what is planned, out to tender and under construction in detail together with contact details of developers and key contractors with **Cordell Projects**.



### Understand your CBD

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