

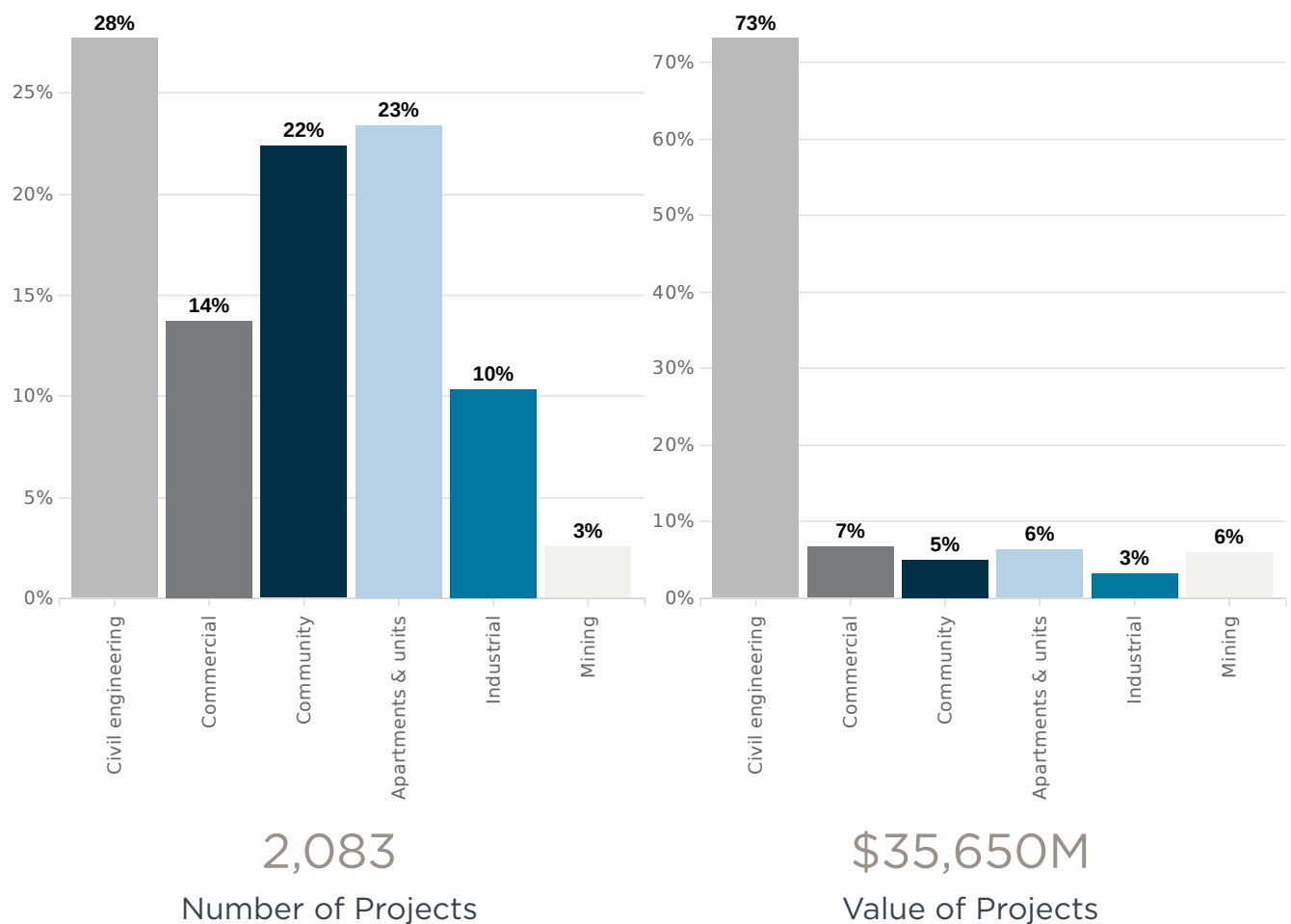
Cordell Construction Monthly

March 2019



Pipeline - Australia

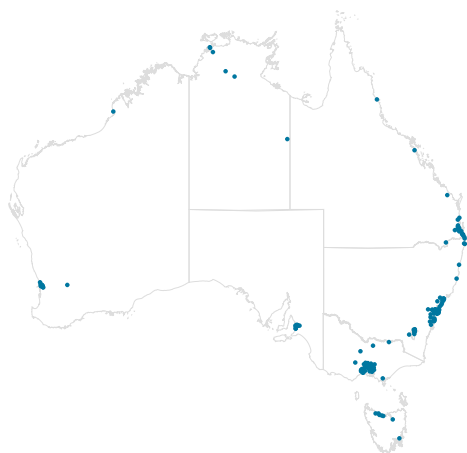
Australia's construction pipeline value surged upwards in February reaching an all time historic high of over \$35bn. The NSW Government plan to build the city's next underground metro railway was the major contributor, described as a once in a century infrastructure investment, the project is due to commence in 2024 at an estimated cost of \$19bn. The number of projects added to the development pipeline continued to push upwards from the historic low in December 2018. There were a total of 2,075 new projects recorded. All sectors had a positive uplift on a month on month basis with civil engineering accounting for the highest proportion.



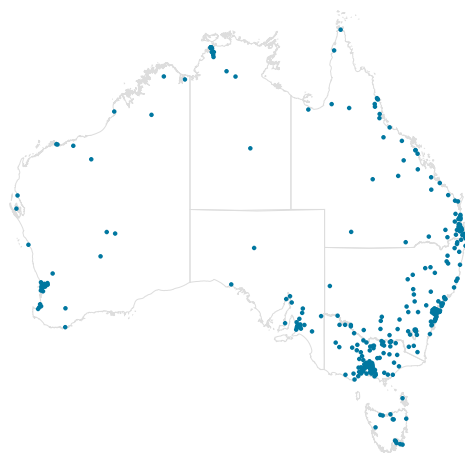
Median Project Value

Civil Engineering	\$500,000
Commercial	\$900,000
Community	\$700,000
Apartments & Units	\$1,225,000
Industrial	\$600,000
Mining	\$2,000,000

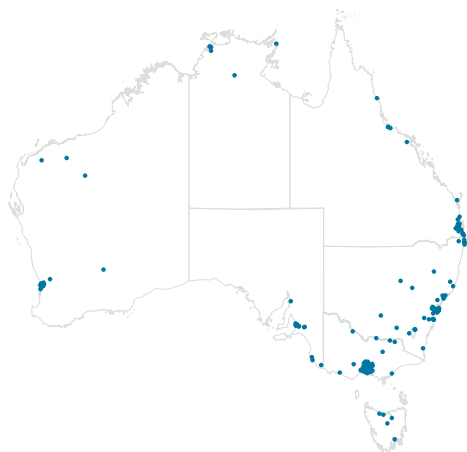
Pipeline - Location



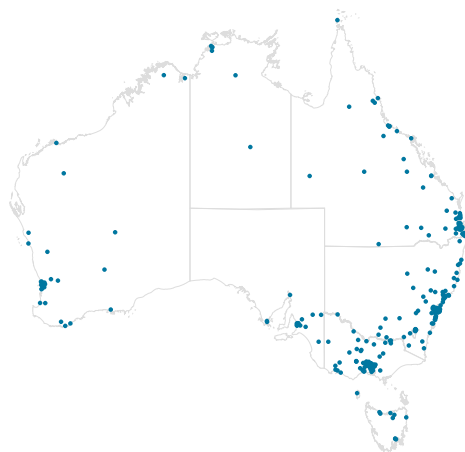
Apartments & Units



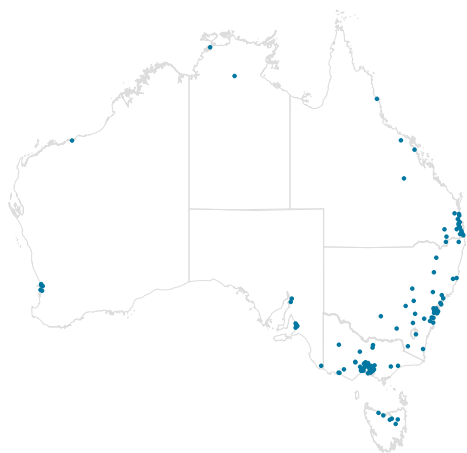
Civil Engineering



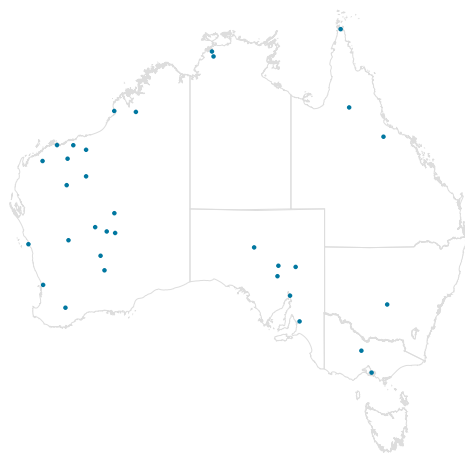
Commercial



Community



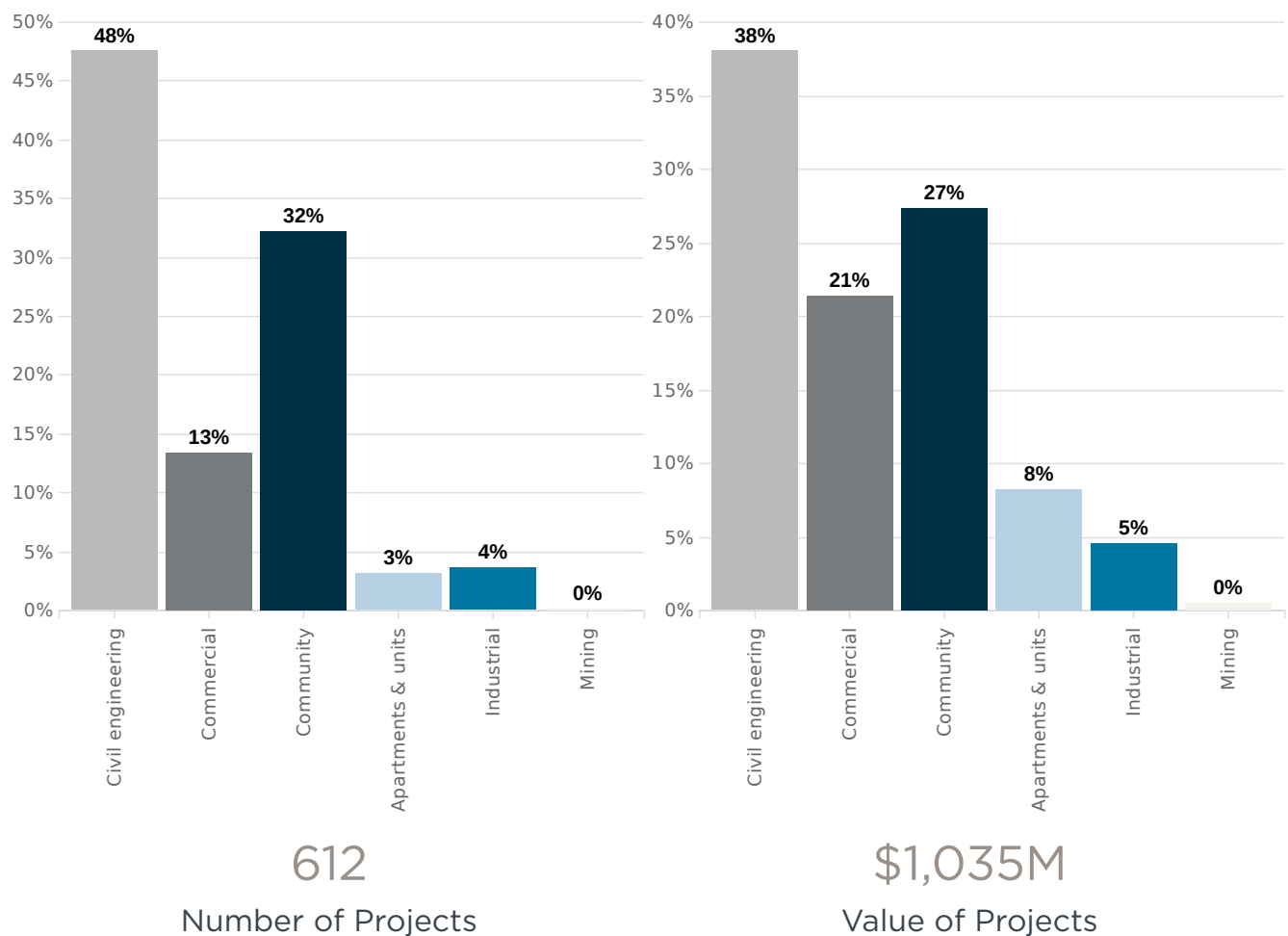
Industrial



Mining

Moving into construction - Australia

Projects moving into construction stage also continued to push upwards with both the number and value of projects recording an increase of approximately 30% on a month on month comparison. Of the 610 projects moving into construction, civil engineering accounted for 48% and recorded 38% of the total value. The largest project that started construction in February 2019 was stage 2 of Echuca Twin River School at Echuca VIC with an estimated construction cost of \$16m.



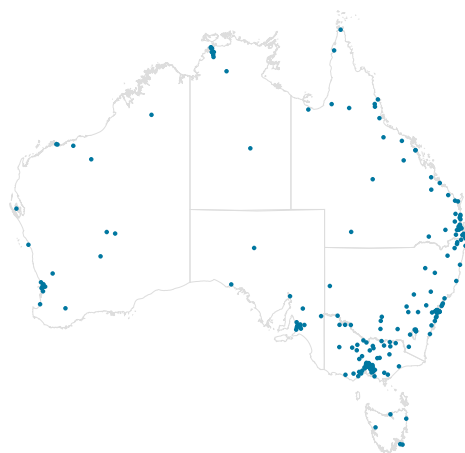
Median Project Value

Civil Engineering	\$400,000
Commercial	\$1,000,000
Community	\$500,000
Apartments & Units	\$2,090,000
Industrial	\$325,000
Mining	\$5,000,000

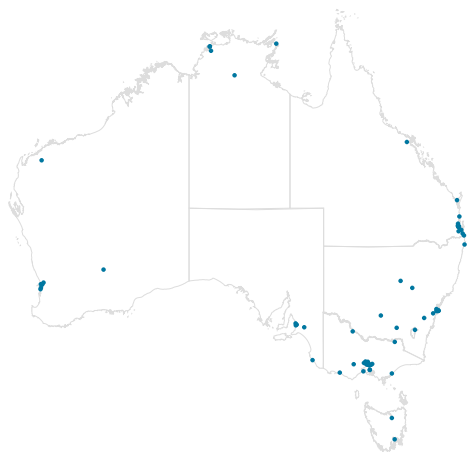
Moving into construction - Location



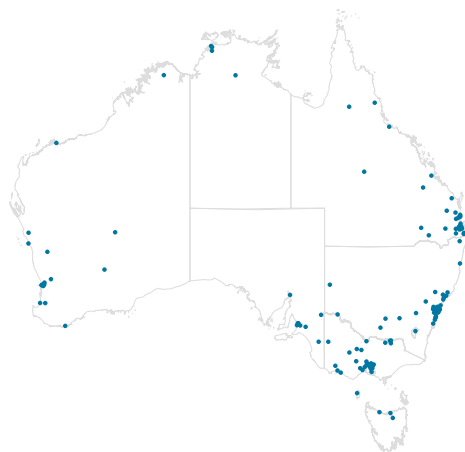
Apartments & Units



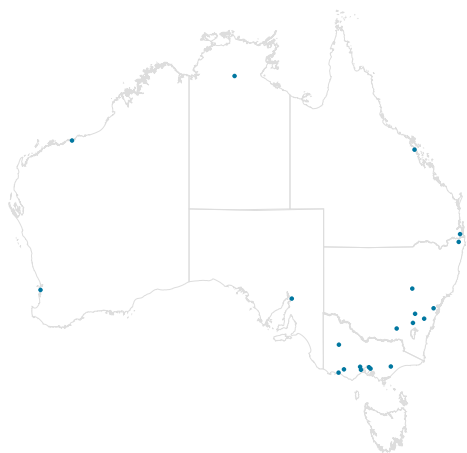
Civil Engineering



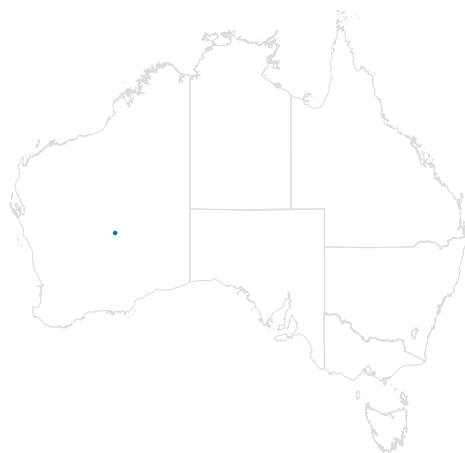
Commercial



Community



Industrial



Mining

NSW

Sydney's 1100-seat Theatre Royal will finally re-open after three years after Dexu announced entering into a conditional agreement for a 45 year lease with the NSW government to refurbish and run Australia's oldest theatre institution. The theatre will now be refurbished with potential seating expansion and activation of the adjacent retail and dining area.

In Potts Point, Abacus has purchased the historic Metro Theatre, one of Sydney's oldest cinemas. The 1255sq m site has the potential to be developed for commercial and retail, a hotel restaurant or residential, although it is approved for commercial office use.

Outback Lightning Ridge will see the construction of a \$34 million opal museum and cultural facility following securing of government funding. The Australian Opal Centre, designed by Glenn Murcutt and Wendy Lewin will house the world's most comprehensive Australian opal collection. Located on a 3.1 hectare site adjacent to the disused Three Mile open cut opal mine, the museum will include subterranean spaces deep into the opal field, with a space suspended inside an open cut mine with its geological strata exposed. A two storey building will provide spaces for exhibitions, curatorial facilities, a library, workshops, research laboratories and theatre spaces.

ACT

Planning is underway for the construction of the new Surgical Procedures, Interventional Radiology and Emergency (SPIRE) Centre. The \$500 million state-of-the-art facility will be located on the north eastern side of the Canberra Hospital. The new centre will boost the number of operating theatres, delivering more capacity for elective and emergency surgery. The centre will also have more inpatient beds and a larger intensive care unit, state-of-the-art surgical, procedural and imaging facilities and a significantly expanded emergency department. The centre will replace existing buildings with construction expected to commence in 2020 with completion anticipated in 2023-24.

VIC

A town planning application has been considered and recommended for approval by the Future Melbourne Committee for a Barocco and Wright-designed open air hospitality venue under a sloping canopy on a Little Bourke Street car park site in Melbourne's Chinatown. The site would be covered with a plywood board and rubber membrane roof with openings allowing daylight into a garden dining area and courtyard on the roof.

The Future Melbourne Committee has also recommended ministerial approval for a revised scheme for Salta Properties' hotel and build-to-rent tower in La Trobe Street, Docklands. The Fender Katsalidis-designed tower now includes 276 apartments, 197 hotel rooms and 26 serviced apartments.

Cann Group has entered into a non-binding Heads of Agreement to purchase a site located within the Mildura region to construct a state-of-the-art greenhouse for large scale cultivation and production of medicinal cannabis to service both domestic and export markets.

QLD

A raft of projects have received funding under Round 4 of the Palaszczuk Government's Building our Regions (BoR) program:

Munro Martin Parklands in Cairns will undergo a \$1.3 million revamp of the park's performance space. Upgrades will be jointly funded with \$650,000 from BoR and Cairns Regional Council and will see the construction of back-of-house facilities and a permanent box office, upgrades to Minnie Street Gate and improved power distribution.

The North Mackay Rotary Lookout is set to become a major tourist attraction, a \$1,389,375 upgrade will be jointly funded by state and local governments, with \$694,687 provided through BoR and \$694,688 from Mackay Regional Council.

The Queensland government has invited Air Freight Handling Services (AFHS) to submit a business case for a possible multimillion-dollar agricultural export distribution



centre at Cairns Airport. The government has also invited Wagner Group Holdings to submit a business case for a possible multimillion-dollar agricultural export distribution centre at Toowoomba Wellcamp Airport.

Approval has been granted for Res Australia's \$450 million Dulacca Renewable Energy Project, a 240 MW wind farm with up to 56 wind turbines, battery storage and ancillary infrastructure. When built, the project is expected to generate enough clean energy to power the equivalent of 150,000 homes.

Hutchinson Builders has been awarded the construction contract for the \$55 million Cairns Airport Domestic Terminal 2 upgrade. The upgrade will include expansion of the terminal to 10,000sq m with the departure halls featuring extra seating and an improved layout and an additional 2,000sq m dining and retail space. The entire project is scheduled for completion by the end of 2020.

NT

Open tenders have been advertised for the \$49.9 Keep River Plains Road. The upgrade for up to 28 kilometres of road will provide improved flood immunity, and freight capacity to a number of North Australia's cattle producers. Stage 1 will deliver the initial 13 kilometres from the WA border to a two-lane standard towards Legune Station, and a bridge over the Keep River. Stage 2 will deliver the remainder and a bridge over sandy Creek.

Stage 1 works by McMahon Services Australia in conjunction with its sister company Intract have started on the Westin Darwin Hotel. Stage 1 works include minor road widening, construction of new sea wall, installation of stormwater management infrastructure & relocation of telecommunications services. The developer Landbridge will hold an industry briefing later this year to provide more information for all interested contractors for the construction of the next stages of the landmark hotel.

SA

Cox Architecture in collaboration with Thompson Rossi has been awarded the contract to design a new \$100 million secondary school in Whyalla which will accommodate 1500 students. The school will combine three existing school campuses and will include an entrepreneurial hub and contemporary STEM facilities.

Tenders have been invited from consultants for architectural services for an Innovation Centre at Lot Fourteen on the site of the former Adelaide Hospital. \$20 million funding was announced as part of the City Deals program. The innovation hub will bring together all levels of government, research institutes, global industries, scientists and entrepreneurs to create the next generation of businesses for Adelaide. The hub will be available for tenants and the public alike and is expected to include clusters of deep learning, defence techno-campus, security, coding, gaming and immersive media together with shared services. Digital infrastructure, smart lighting and safety controls will be integrated throughout the hub to support

these endeavours.

TAS

George Town Council this week voted unanimously to approve a wood processing facility at an existing industrial site previously used as a logistics warehousing facility at Bell Bay in the north east. The veneer, plywood and woodchip processing plant to be developed by WA-based Patriarch and Sons will include modifications to existing buildings and new works including construction of a 14.7 metre high boiler plant and log yard. The mill would have production volumes up to 96,000 cubed metres of veneer and plywood per annum and up to 80,000 tonnes of woodchips per annum.

Funding allocated under the Hobart City Deal, signed by federal, state and local governments will expedite the construction of the new \$576 million Bridgewater Bridge. The proposed bridge would replace the current bridge linking the Brooker and Midland Highways. Design and approvals are expected to start later this year with construction expected to commence in 2022 and completion anticipated in 2024.

WA

Construction has commenced on Risen Energy's 132 MW Merredin Solar Farm, Western Australia's largest solar farm which is expected to deliver 281 GWh of clean electricity when operational. The farm is located on 460 hectares of former farming and grazing country. Battery storage will be added when the plant is fully operational.

The \$7.5 million Esperance Tanker Jetty Replacement project received \$4 million funding under Round 3 of the better Building Fund Infrastructure Projects program. The new jetty will include fishing sections, dive platform and a wide jetty head for events.

The Shire of Chittering is another winner under Round 3 of the better Building Fund Infrastructure Projects program after receiving \$4.7 million to progress Stage 1 of the Lower chittering Sport & Recreation Facility. The project will deliver a sport and recreation complex, including indoor courts and seating, function centres, commercial kitchen and outdoor sports fields to provide the community with shared use infrastructure. The project will be developed using a multi-stage approach, with this funding contributing towards the completion of stage 1 which incorporates 2,784sq m of space and valued at an estimated \$9.7 million.

Mining

Arrow Energy's \$10 billion Surat Gas project has received approval for the Queensland government. Construction is expected to commence this year with first gas expected

in 2020. The project is expected to create up to 800 construction jobs and 200 continuing operations jobs. Construction will commence subject to a final investment decision by Arrow Energy



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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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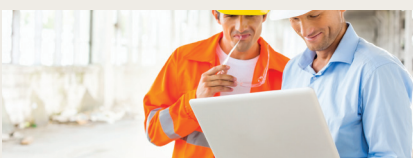
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