

# Cordell Construction Monthly

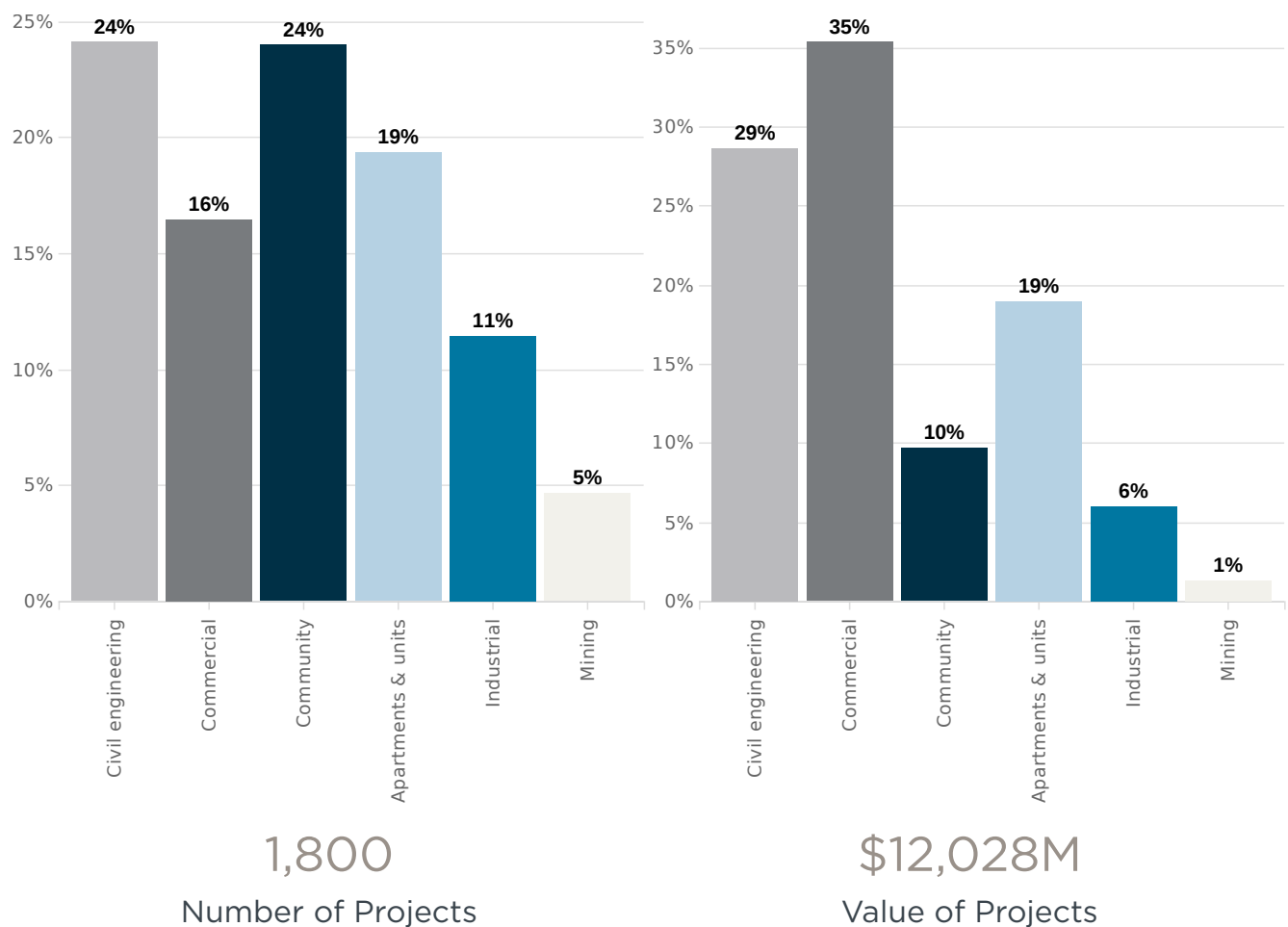
May 2019





## Pipeline - Australia

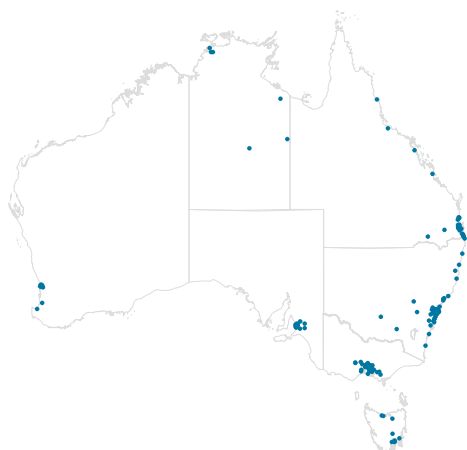
The number and value of new projects collected by CoreLogic over April were higher than the previous month for all construction categories except for mining, which was flat. There were 1,790 new projects added to the pipeline of construction with a combined construction value of over \$12bn. Compared to the three-year median, the number and value of projects reported for April are slightly lower. However, it is worth noting on a rolling 12-month basis, the value of new projects is 23% higher than the preceding 12 months. Headlining new projects reported in April is a planned country club and equestrian centre in Townsville at an estimated cost of \$1bn.



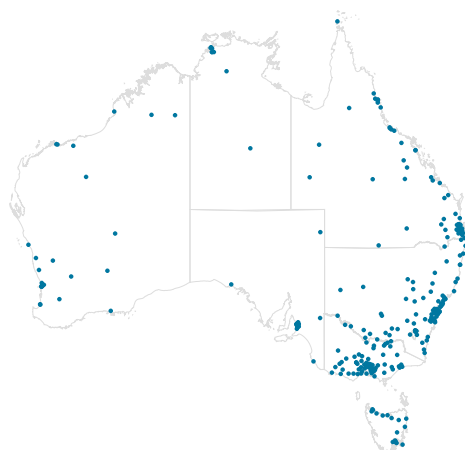
### Median Project Value

Civil Engineering	\$500,000
Commercial	\$1,000,000
Community	\$575,000
Apartments & Units	\$1,350,000
Industrial	\$709,000
Mining	\$100,000

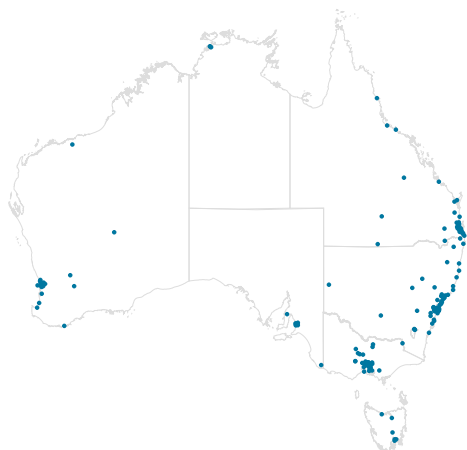
# Pipeline - Location



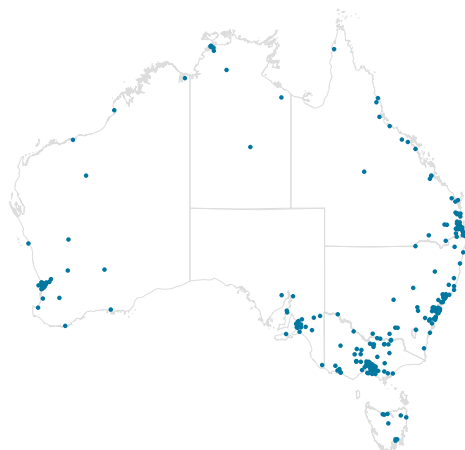
**Apartments & Units**



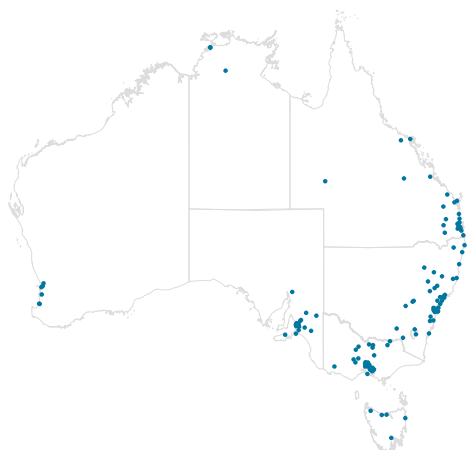
**Civil Engineering**



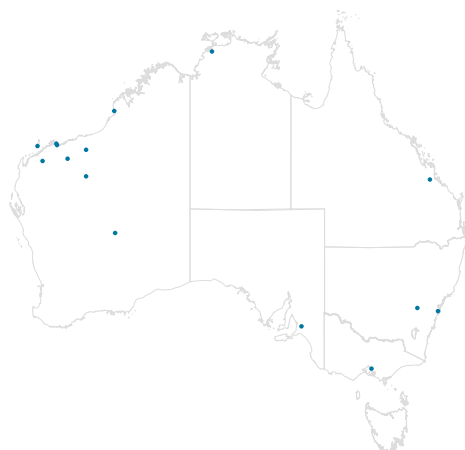
**Commercial**



**Community**



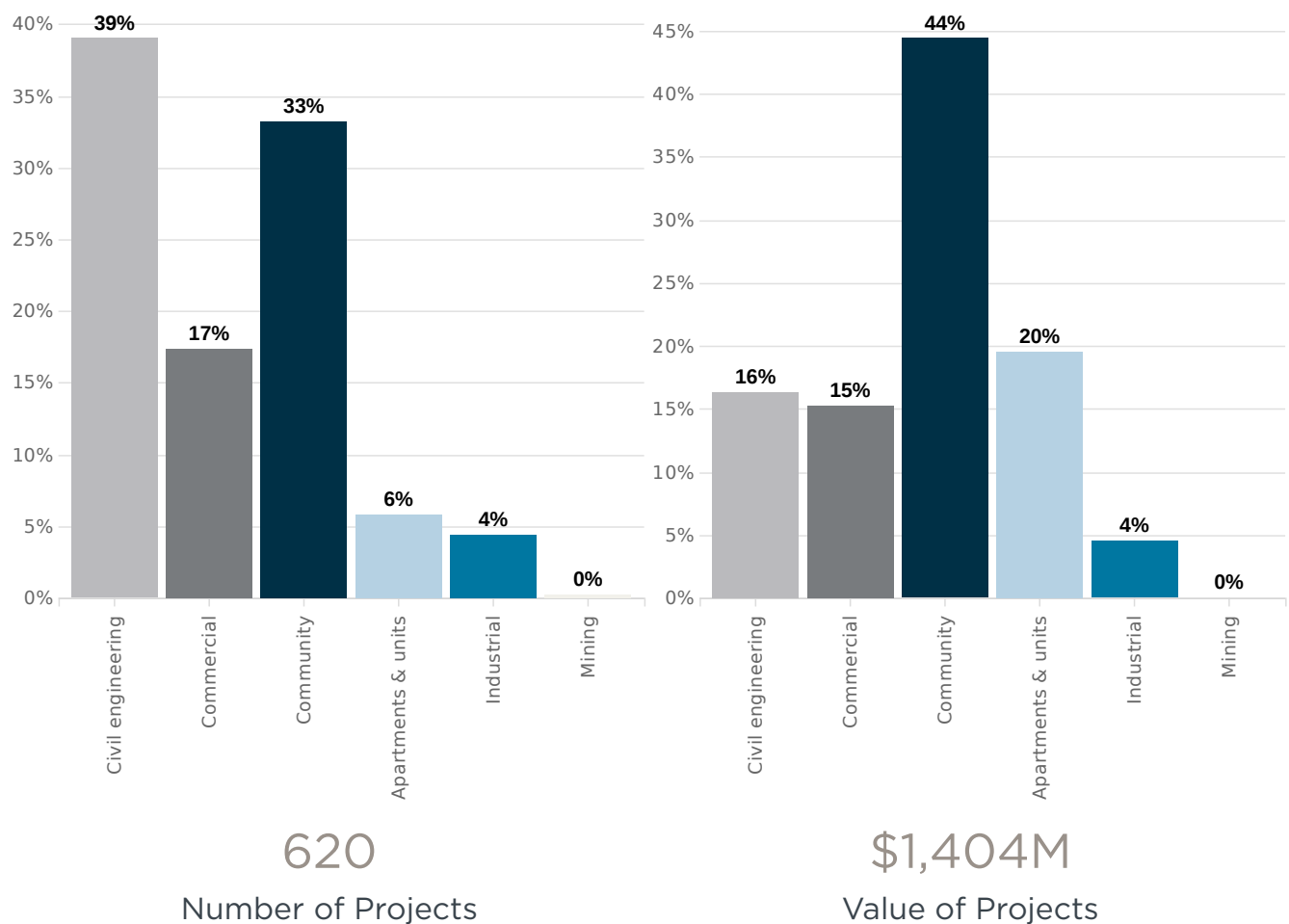
**Industrial**



**Mining**

## Moving into construction - Australia

Projects moving into construction were also recorded as higher in April in terms of both the number of and project value. There were 620 reported as moving into construction during April while this figure was 23% higher than the previous month it is almost 30% lower than the five-year median. The total combined value of projects that commenced building for this reporting period was \$1.4bn. While this figure was 10% higher than March, it is less than half the five-year median. With a stable federal government and the high probability of lower interest rates and a lower Australian dollar, we may start to see the growing pipeline of approved projects converting to active construction projects.

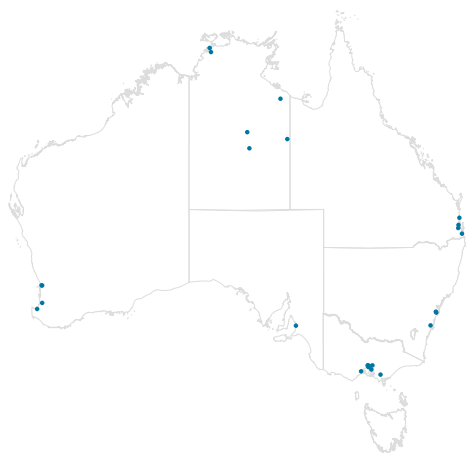


### Median Project Value

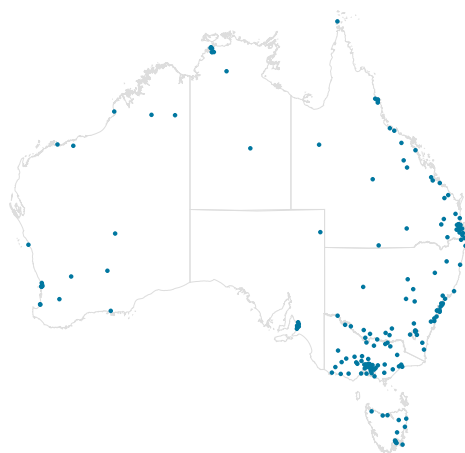
Civil Engineering	\$400,000
Commercial	\$850,000
Community	\$500,000
Apartments & Units	\$3,307,500
Industrial	\$500,000
Mining	\$100,000



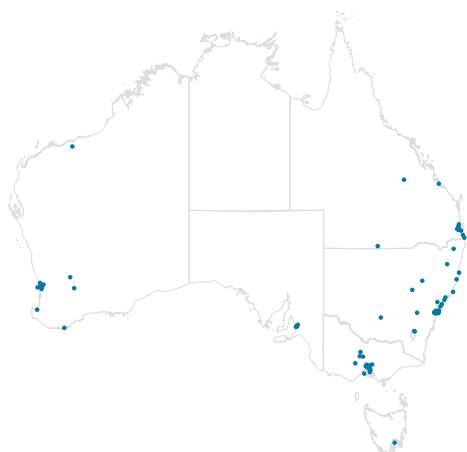
# Moving into construction - Location



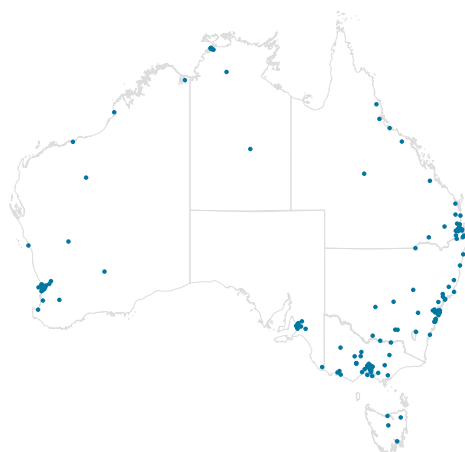
**Apartments & Units**



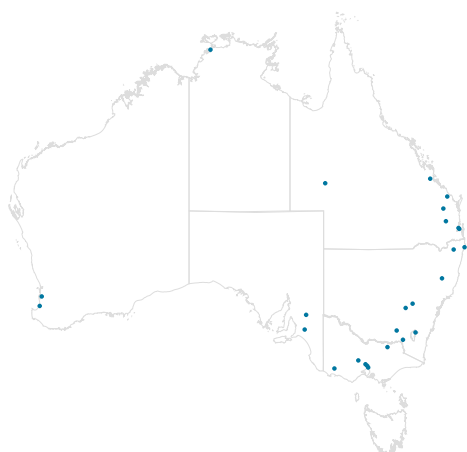
**Civil Engineering**



**Commercial**



**Community**



**Industrial**



**Mining**

## NSW

Approval has been granted by the Independent Planning Commission for Brookfield, GPT and AMP Capital's \$649 million Cockle Bay Wharf development comprising 75,000sq m office space over 40 levels, up to 14,000sq m for retail (including food and beverage) and between 5,500sq m and 12,000sq m of new publicly accessible open space. An international design competition will be held for the project.

The NSW Land and Environment Court will determine the fate of the heritage Roxy theatre in Parramatta following refusal by the Sydney West Planning Panel last September. Developer K Capital proposes to restore and refurbish the theatre with licensed venues and a commercial tower atop with a 33 storey building envelope.

World Square plaza will undergo a \$13 million transformation with a planned rooftop canopy showcasing indigenous-inspired public artwork and an awning made up of transparent glass shelves each with an LED screen.

Starryland has completed its acquisition of a 5150sq m site at Good and Cowper Streets in Granville and will now submit a planning proposal for 374 units.

The Australian Turf Club and Racing NSW have announced construction of a new two tier grandstand to be named in honour of the racehorse Winx on the Leger Lawn at Randwick. The project will be valued between \$20 million and \$25 million.

AirTrunk will develop a \$216.4 million data centre in Lane Cove. The facility will comprise 35,144sq m of gross floor area with an ancillary office area of 3,964sq m.

Stockland has submitted a development application for a \$70.6 million, 145 apartment project at 5-15 Dunning Avenue in Rosebery. Designed by Rothelowman and to be built across three buildings of seven storeys, the upper levels will contain 2 storey sky terraces providing a house-like configuration in an apartment building format.

## ACT

Geocon will lodge amended plans for its 14 storey apartment and commercial project at the corner of Gozzard Street and Gundaroo Drive in Gungahlin to divide its three bedroom apartments into one bedroom to cater for growing buyer demand. The new proposed scheme would increase the number of one bedroom apartments from 123 to 140 and decrease the three bedroom from 28 to 19.

Geocon will also submit a third amended application for the Garema Place hotel development, this time incorporating an adjacent block and Gus's Cafe. Following the acquisition of neighbouring Block 1 Section 47, the developer is now planning an 11 storey development at 60-70 Bunda Street designed by Fender Katsalidis comprising 215 luxury hotel rooms, office space, a wellness centre, function space and bars, cafes and restaurant, ballroom and roof terrace pool.

A detailed business case has been prepared for a \$200 million plan to revitalise facilities at the Australian Institute of Sport. Facilities identified for renewal include a need for a flexible space that accommodates advances in research such as rehabilitation of athletes and accommodation on site.

## VIC

Funding in the 2019/20 State budget will enable Victoria's largest maximum security prison at Lara. Chisholm Road Prison was initially to hold 700 inmates but now this figure has been increased to 1248. A managing contractor is expected to be appointed mid this year.

The women's prison at Ravenhill in Melbourne's west will also receive \$237 million in funding for an upgrade and an extra 100 new beds. In addition, \$5 million has been allocated towards planning, design and community consultation for a new custody and courts complex on





land owned by the State Government near the Melbourne Assessment Prison. The budget also includes \$50.3 million to reconstruct St Kilda pier, incorporating a new curved design into the bay with a penguin viewing area and tiered seating.

Alcoa and the developer of Cornwall's Eden Project have partnered to transform Alcoa's disused mine site at Anglesea into a \$150 million eco-tourist attraction. Community consultation is ongoing for the concept which will showcase the natural world, focusing on science, ecology and sustainability.

Lendlease has been appointed to manage delivery of the \$271.55 million Stage 3 redevelopment of Melbourne Park. Demolition of the old function room and media centre started last month, paving the way for new 1,000 seat function space, a 200 seat auditorium, broadcasting studios and a multi-purpose 5,000 seat sunken show court.

## QLD

A new development application has been submitted for Perry Lane, a 24 storey luxury residential tower in Brisbane CBD's Ann Street. Designed by Bureau Proberts, the tower features just 19 single floor apartments over a 5 storey podium for parking and retail. A scheme by the previous developer comprised 72 apartments over 40 storeys.

A design team has been appointed for the Queensland Performing Arts Centre. Norwegian practice Snøhetta and Brisbane's Blight Rayner Architecture beat 23 other teams to win the design competition. The new facility will feature a glass façade, two new studio spaces, transparent foyer spaces and a single balcony auditorium.

Funding of \$5 million has been granted for the Gold Coast Dive Attraction with the State Government to provide half. The dive site will be located 2.5 kilometres offshore from Main Beach. The design and construct contract is expected to be awarded in June.

Designs have been unveiled by the Cairns and Hinterland Hospital and Health Service for its \$25 million Cairns South Health Facility. Designed by Peddle Thorp, the facility is designed to withstand and function in a category five cyclone and to provide interim emergency care should the Cairns Hospital Emergency Department be unable to function, with full hospital facilities including operating theatre, emergency bays and helipad. However, the day to day use of the facility will provide community health services to Cairns South in conjunction with the Edmonton Community Health Centre.

## NT

The Northern Territory Government will build a playground precinct at Myilly Point after plans for a \$50 million museum were abandoned last year. A tender has been

released for design and construction of the project, which is valued at \$3 million.

The Federal Coalition Government has pledged \$10 million for construction of a homeless hostel to provide 70 temporary beds at a site yet to be determined in the Darwin CBD.

Concept designs are in progress for a new Maningrida Arts and Culture precinct. The community-focused cultural precinct will co-locate three existing Maningrida cultural institutions operated by the Bawinanga Aboriginal Corporation – the Maningrida Art Centre, Djomi Museum and the Babbarra Women's Centre.

## SA

The SA Planning Commission has approved Axiom Properties' \$180 million, 198 room QT Adelaide Hotel to be built in Currie Street. The building which is designed by Hames Sharley will feature a three storey brickwork and glass podium and a single tower form with expressed concrete frame.

Twin Creek Wind Farm is a step closer to approval with the State Commission Assessment Panel resolving to grant conditional consent. The 183 MW wind farm would support 51 turbines and a battery storage component of around 1.1 hectares.

A proposed new \$14 million hotel at the Tonsley Innovation District will include 17 postpartum suites to provide accommodation for new mothers and visiting professionals. The suites will provide space for new mothers to rest and care for their newborns in serviced apartments with support from visiting midwives, with separate reception and suites on level 1 and 87 standard hotel rooms on above levels.

## TAS

Tenders have been advertised for a \$3.95 million project to add an extra 2 storeys on top of the Launceston General Hospital multi-storey car park to provide an extra 129 spaces, primarily for use of staff.

Tenders have also been released for the first stage of works for the \$70 million Southern Remand Centre. The scope of work includes removal of topsoil from the construction area for the new facility, construction of a temporary site access road and installation of temporary site fencing.

Funding has been provided in the state budget for a new 270 bed Northern Prison, which is expected to cost about \$270 million. The first stage will comprise 140 beds. The facility will be built on a greenfield site yet to be determined. A shortlist of sites for the prison has been finalised but not released. Public consultation for the

preferred site is expected to commence later this year.

## WA

Developer Far East Consortium has made the decision to defer construction of its Perth Hub mixed use hotel project after pre-sales of only around 120 apartments out of 304, citing a decline in overseas buyers in the WA market.

R.J. Vincent & Co has been awarded the \$33 million contract for the demolition of Subiaco Oval. Work will start in July on the 11 month process to tear down 100,000 tonnes of concrete and other materials, which may be one of the biggest demolition jobs in WA history.

Georgiou Group has won a \$24 million design and construction contract to upgrade a section of Karel Avenue to a dual carriageway between Farrington Road and Berrigan Drive, including widening of the Karel Avenue bridge over Roe Highway.

Construction has commenced by Encon on the former Fremantle Synagogue to transform the heritage-listed building into a hospitality venue with a beer garden, restaurant, alfresco dining, basement cocktail bar and rooftop bar.

The Environmental Review document for the massive Asian Renewable Hub project in the East Pilbara is now open for public submissions at the EPA. Major Project Status was granted by the WA Government for the project in 2018. A financial investment decision is expected in 2022/3 with construction anticipated in 2023/4.

Cedar Woods is the preferred purchaser of the 1.4 hectare former TAFE site in Subiaco. The developer plans to build a mixed use townhouse and apartment project.

The State Government has committed \$230 million towards construction of a new Fremantle Traffic Bridge to replace the old bridge. Plans potentially include rail options which would allow more freight to be transported to Fremantle Port by rail.

## Mining

Pembroke Resources has received environmental approval for its \$1 billion Olive Downs Coal project. The mine will be located 40 kilometres south-east of Moranbah in the Bowen Basin and is expected to create 1,000 operations jobs and 500 jobs during construction. It is estimated that the mine will contribute \$8 billion to the local economy and more than \$10 billion to the Queensland economy. Once operational the mine will produce up to 15 million tonnes of metallurgical coal per year for export. Infrastructure will include coal handling and crushing facilities, a rail link, water pipeline and power transmission line.

Australian Industrial Energy has received approval from the NSW government to construct a Liquefied Natural Gas (LNG) import terminal at Port Kembla. The \$250 million project will consist of a LNG carrier vessel, floating storage and regasification unit (FSRU), wharf facilities and a pipeline connection to the existing east coast gas transmission networks. Once completed, the terminal could supply up to 70% of the state's annual gas demand and help reduce the cost of business and household energy bills.



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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**.



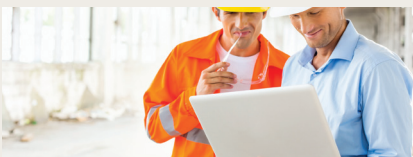
### Identify properties to purchase

Look up properties – both on and off the market – that are suitable for development and understand their value with **RP Data Professional**.



### Identify pricing and future sweet spots

Understand the market performance of existing stock to ascertain supply and understand what's in demand with **Infill and Greenfield reports**.



### 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

See the shape of the market, when leases are coming up and recent sales in commercial property with **Cityscope and Lease Expiry Diary**.



### Produce accurate quotes and estimates

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