

# Cordell Construction Monthly

June 2019

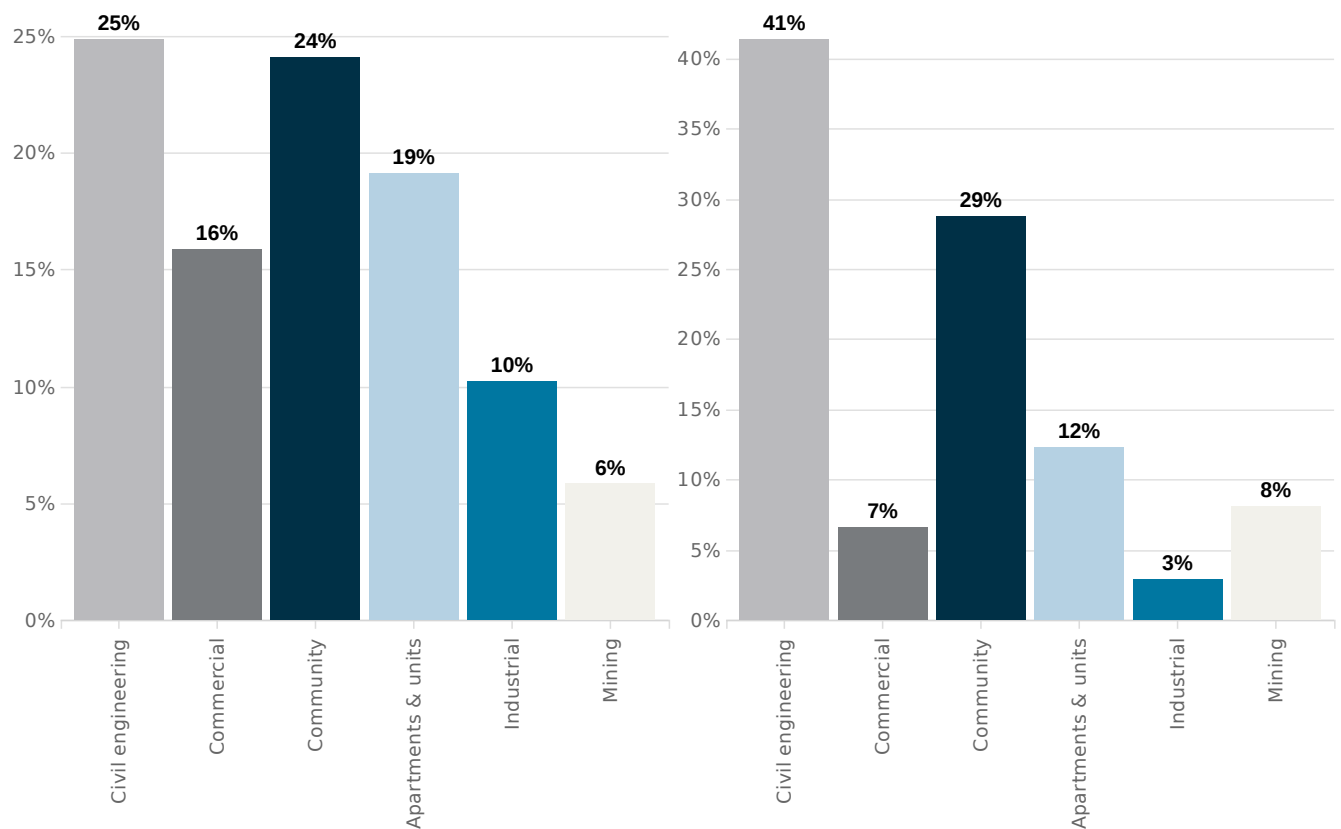




# Pipeline - Australia

Australia's construction pipeline increased in terms of the number and value of planned projects for a third consecutive month. There were 1,998 new construction projects recorded in May 2019, with a total estimated value of \$21.2bn. On a rolling 12 month basis, the number of new projects is equal to; while the total project value is 21% higher than the preceding 12 months. Looking longer term, the volume and value of new projects this reporting period were greater than both the three and five year medians.

Infrastructure and Community projects continue to account for the majority of new project work in both number and value, while funding of the planned projects is to be provided mainly by State Governments (\$10.4bn) and Private Enterprise (\$9bn).



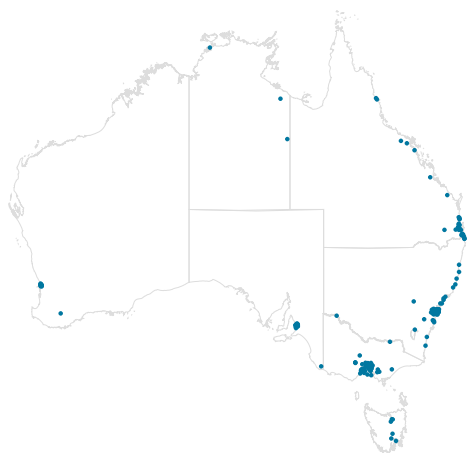
**1,998**  
Number of Projects

**\$21,283M**  
Value of Projects

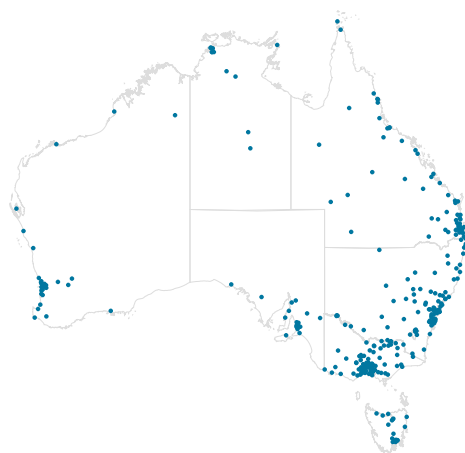
## Median Project Value

|                    |             |
|--------------------|-------------|
| Civil Engineering  | \$500,000   |
| Commercial         | \$900,000   |
| Community          | \$842,000   |
| Apartments & Units | \$1,238,000 |
| Industrial         | \$600,000   |
| Mining             | \$1,000,000 |

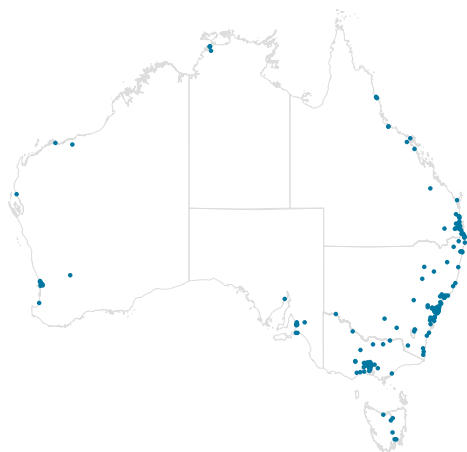
# Pipeline - Location



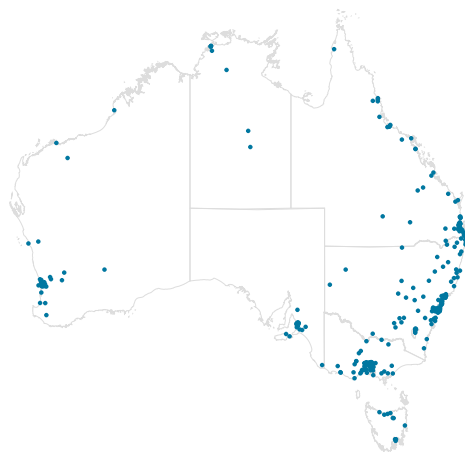
**Apartments & Units**



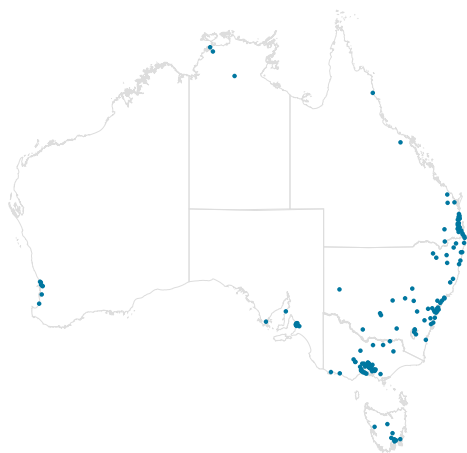
**Civil Engineering**



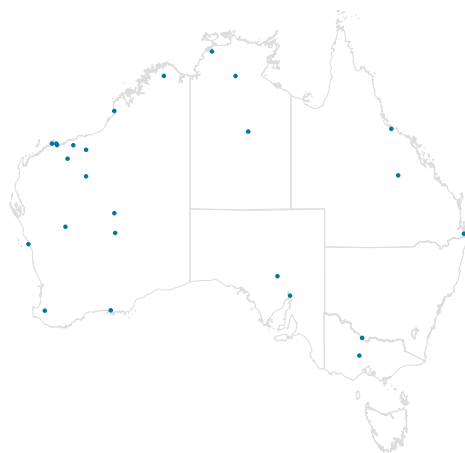
**Commercial**



**Community**



**Industrial**

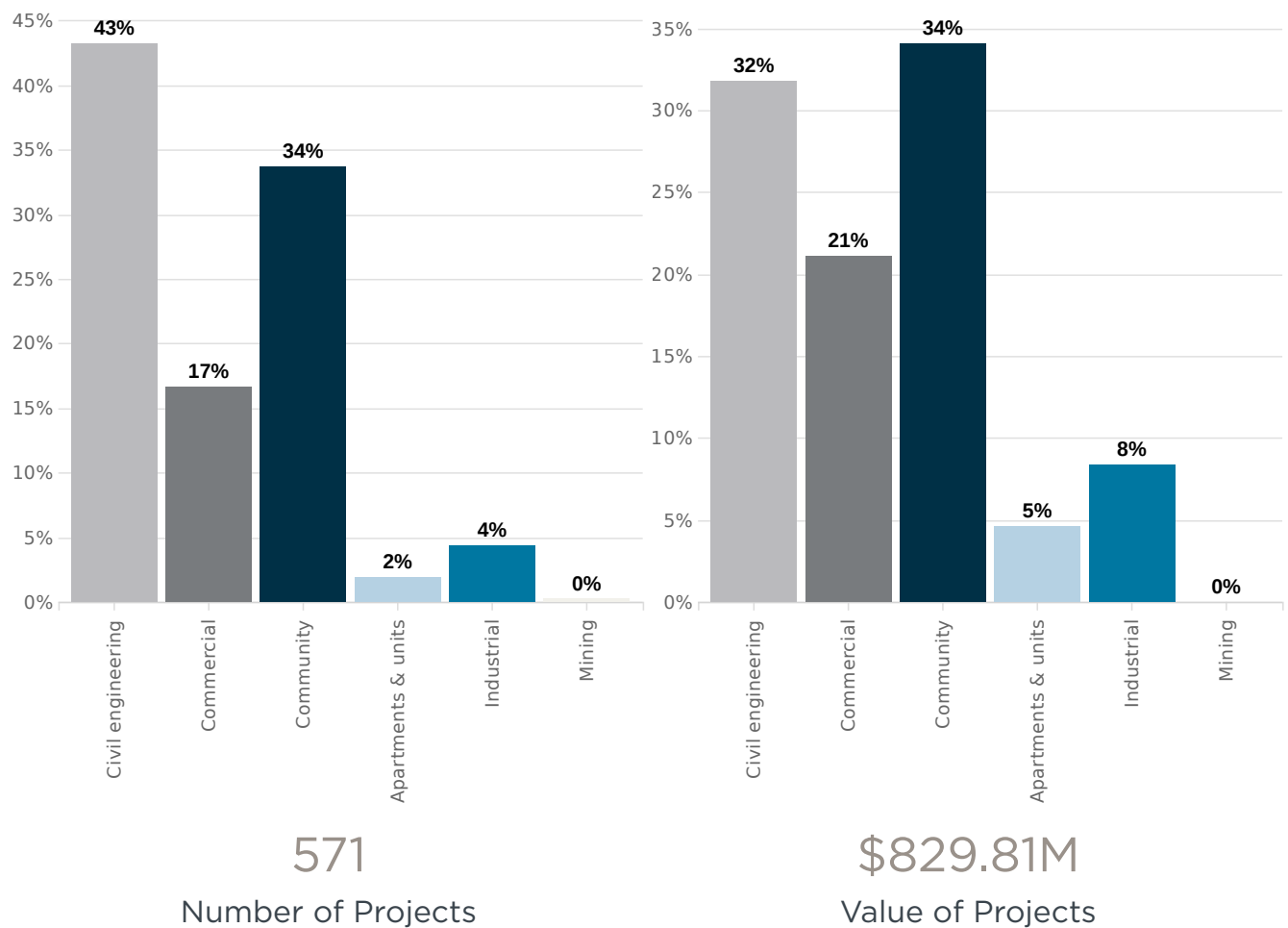


**Mining**

# Moving into construction - Australia

The market reacted favourably to the recent Federal election result as the value of projects shifting to construction surged upward in May 2019. The total cost of projects recorded as starting to build was \$828m, the highest monthly figure since May 2018 and over double the 5-year monthly median.

In contrast to the total project value increase, the number of projects commencing building was 571, slightly lower than the previous month and due primarily to a decrease in the construction of apartments and units. Of the projects starting construction, Private Enterprise is providing the most substantial funding at \$353m followed State Government at \$242m.



## Median Project Value

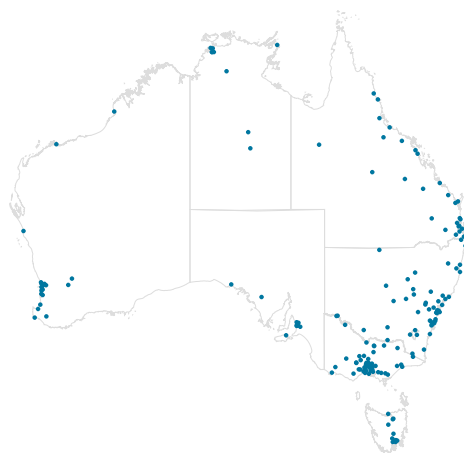
|                    |             |
|--------------------|-------------|
| Civil Engineering  | \$450,000   |
| Commercial         | \$750,000   |
| Community          | \$450,000   |
| Apartments & Units | \$3,500,000 |
| Industrial         | \$800,000   |
| Mining             | \$300,000   |



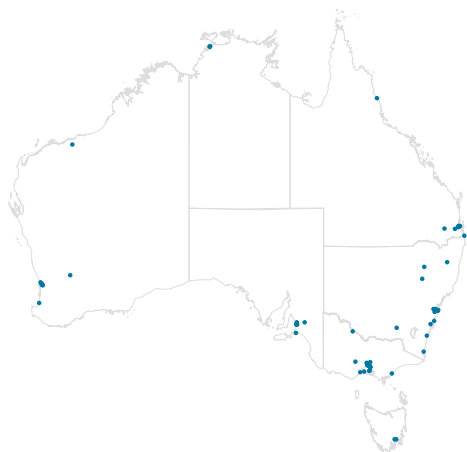
# Moving into construction - Location



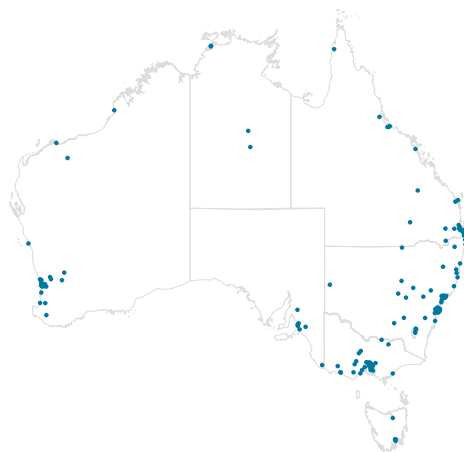
**Apartments & Units**



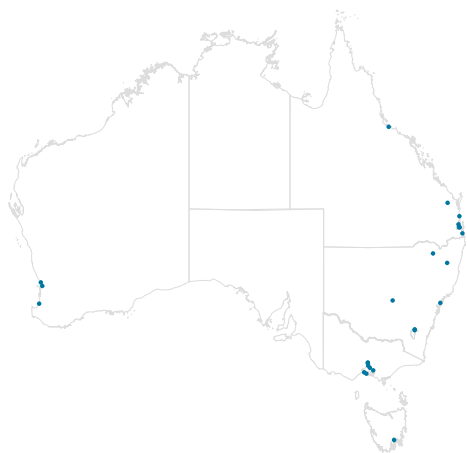
**Civil Engineering**



**Commercial**



**Community**



**Industrial**



**Mining**

## NSW

A new selective school will be built in the key growth area of south-west Sydney, following an announcement by the State Government. Community consultation is underway to determine an appropriate location.

Rio Indygen is planning a 22 Megawatt solar farm at Martins Creek, near the historic township of Vacy. The company has secured an option to lease a 50 hectare parcel of grazing land.

The Department of Planning and Environment is inviting community feedback for Nihon University's new campus in Newcastle. The former law courts will be transformed into a new campus for the Japanese university which will also include a 108 bed student accommodation building.

Joint venture partners Lotus Group and Hong Kong-based Euro Properties have shortlisted a number of buyers for the 2.9 hectare Channel Nine site in Willoughby. The site received masterplan approval for 460 apartments across nine buildings in January.

Construction is expected to commence late this year on developer Potter George's The Mavis Quad industrial development in Revesby. The project, which is yet to gain development approval, will comprise 44 industrial and 90 storage units.

## ACT

The ACT Budget 2019-20 has provided for two new public schools in Canberra's north. A \$47 million primary school for Throsby is set to open in 2022 with the capacity for 450 students and 132 pre-schoolers. The school will feature all electric heating and cooling systems and high quality learning environments incorporating indoor and outdoor learning areas. A high school in Kenny planned for 2023 will cater for 800 students from Years 7-10.

## VIC

GHD Woodhead has been selected as the architect for a \$35.5 million upgrade of TAFE Gippsland Morwell campus

for a Future Skills Training Centre and Technical Training Centre of Excellence and also for a new \$25 million campus at Port of Sale.

Riverlee has begun marketing its Swan Street commercial project in Richmond. The 14 storey building designed by Techne will contain 15,963sq m of office area for up to 2,000 workers, with construction expected to start early next year for completion in 2022.

BKK Architects and Kerstin Thompson Architects together with landscape architect Aspect Studios have won a design competition for the redevelopment of the Whitehorse Centre in Nunawading for a new cultural and performing arts centre. The new facility will include a 600 seat auditorium, 200 seat studio theatre, multipurpose rehearsal and function rooms, and an outdoor sound shell.

A planning permit has been granted for a 19 storey office tower designed by Christopher Connell Design atop the heritage former German Club in Melbourne.

A prime development site at 200 Wells Street in South Melbourne is listed for sale by expressions of interest. The site has existing approval for a landmark mixed use development designed by Ewert Leaf Architects.

Designs by Wood Marsh Architecture have been unveiled for the new Moreland and Coburg Stations as part of the Bell to Moreland Level Crossing Removal Project which will involve removal of four level crossings. The existing heritage listed station buildings will be retained and repurposed. Construction is due to commence later this year.

A further level crossing removal project at Toorak Road, Kooyong is a step closer following the award of an \$89 million works contract to an alliance of Laing O'Rourke, Jacobs and Metro (MTM). Early works will start in the coming weeks with the level crossing to be removed by 2021.

Hickory has been appointed to build two new office towers





in Mulgrave. Carlisle Homes has been secured as the anchor tenant taking up 8000sq m in one of the buildings.

## QLD

Cbus and Nelson Properties are planning an office tower on a prominent 3000sq m riverfront site at 205 North Quay and 30 Herschel Street. To be known as 205 North Quay, the tower will comprise 50,000sq m of net lettable space.

Watpac has started earthworks on the first stage of the new \$10.2 million Townsville Waterfront Promenade. The new promenade will transform the area along the Ross Creek for those visiting the Stadium Precinct.

Concept designs by Cottee Parker Architects have been released for a new 10 storey, 9400sq m civic and administration building for Sunshine Coast Council. Sunshine Coast City Hall will be located in the new Maroochydore City Centre and will target a 5 star Green Star rating.

Construction will commence shortly following award of the tender to Watpac on a new \$30 million Innovation Centre for James Cook University. The centre will be a collaborative setting for business people, entrepreneurs, community organisations, researchers, educators and students to work together. The building has been designed to meet the highest environmental and sustainability standards, with central atrium featuring a full height green wall, floating staircase and mesh fabric screen wrapping the facade, with images projected onto the building's exterior.

A \$30 million Catholic high school will be built on the Smithfield campus of James Cook University. The Year 7-12 college is expected to open in 2022 for Year 7 enrolments and is expected to cater for 800 students when fully developed.

The Queensland Government has announced a new \$618.863 million men's prison near Gatton. The facility has been funded in the Queensland State Budget 2019-20 and is expected to be completed in 2022-23.

## NT

The tender for covered basketball courts at Haasts Bluff and Papunya has been awarded to Harvey Developments, with works expected to start in July with completion in October.

The Northern Territory Government has abandoned plans to build a new detention centre to replace its aging Alice Springs facility and will now instead spend \$10 million refitting the old one.

A masterplan for the WWII era Batchelor Airfield will facilitate a transformation over the next two decades into an aviation hub with the development of commercial

aviation activities and taxiways and staged construction of hangars.

## SA

Thomas Foods International is planning a new multi-million dollar state-of-the-art abattoir at Murray Bridge after its previous plant was destroyed by fire. The new plant will be built in stages, with initial production expected to start by November 2020.

A new major railway station will be built to replace the existing Tonsley Railway Station at Mitchel Park which will be repositioned as part of the Flinders Link project. Community consultation will be sought on the location and design.

The State Budget 2019-20 has provided \$51 million to upgrade three intersections in Adelaide's northern suburbs: \$19 million to upgrade the intersection of Main North Road and Nottage Terrace; \$13 million for Main North, Kings and McIntyre Roads; and \$19 million for Grand Junction, Hampstead and Briens Roads.

The masterplan has been released for Flinders Village, a massive new urban village by Flinders University to be developed around the new train station. The development will commence with a new health research facility, and when fully realised will deliver retail, recreation and entertainment facilities, student spaces, community gardens, innovation incubators and co-working spaces, health and wellness clinics and consulting suites, child care facilities, a hotel and serviced apartments, conference facilities and accommodation including new and upgraded student accommodation, short-term stay for patients' visitors and families and aged care and retirement living.

Construction is set to commence in October on a new 205 room Ramada Hotel in Adelaide's Playford Boulevard in central Elizabeth. The hotel will include a swimming pool, restaurant and sports bar and conference facilities.

## TAS

Tenders have been advertised for the Wirksworth Estate Integrated Aged Care Project, which is part of the Tasmanian Government's Affordable Housing Strategy. The Housing Tasmania project will be the first of its kind for Tasmania, providing affordable high-quality care and accommodation for 50 elderly Tasmanians who are homeless or at risk of being homeless.

## WA

Decmil has commenced construction on the \$46 million Reid Highway Dual Carriageway project which will upgrade a four kilometre stretch from Altona Road to West Swan Road and see the construction of a new bridge over Reid Highway.

CBRE has been appointed as agent for sale of a development approved mixed-use site at 867, 871, 875

and 877 Beaufort Street in Inglewood. The site is directly next to the proposed Woolworths supermarket on the ex-Bunnings site. Offers to purchase close 4th July 2019.

The City of Melville has released designs for the Shirley Strickland Reserve Redevelopment by Donovan Payne Architects. The redevelopment will include a community hub, sports field lighting upgrade, new picnic and playground facilities, a fitness path looping around the reserve and outdoor fitness equipment.

Construction has commenced by Built on Mirvac's Compass Latitude Beach apartments in North Fremantle. Designed by Cameron Chisholm Nicol, the five storey complex will take 18 months to complete and is the final stage in Mirvac's involvement in LandCorp's Leighton Beach redevelopment.

## Mining

The China Stone Coal Project, a \$6.7 billion mega mine planned next to the Adani Venture has been shelved following termination of the developer MacMines Austasia's mining lease applications with the Queensland Government. The project, which would have created 3900 construction and 3400 operational jobs, was to comprise open cut and underground mines, coal handling and preparation plant, airstrip, accommodation village, and power station.

Multiplex has started construction on the 604 bed Bay Village FIFO accommodation facility in Karratha for Woodside Petroleum's fly-in fly-out workers.



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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.

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