

Cordell Construction Monthly

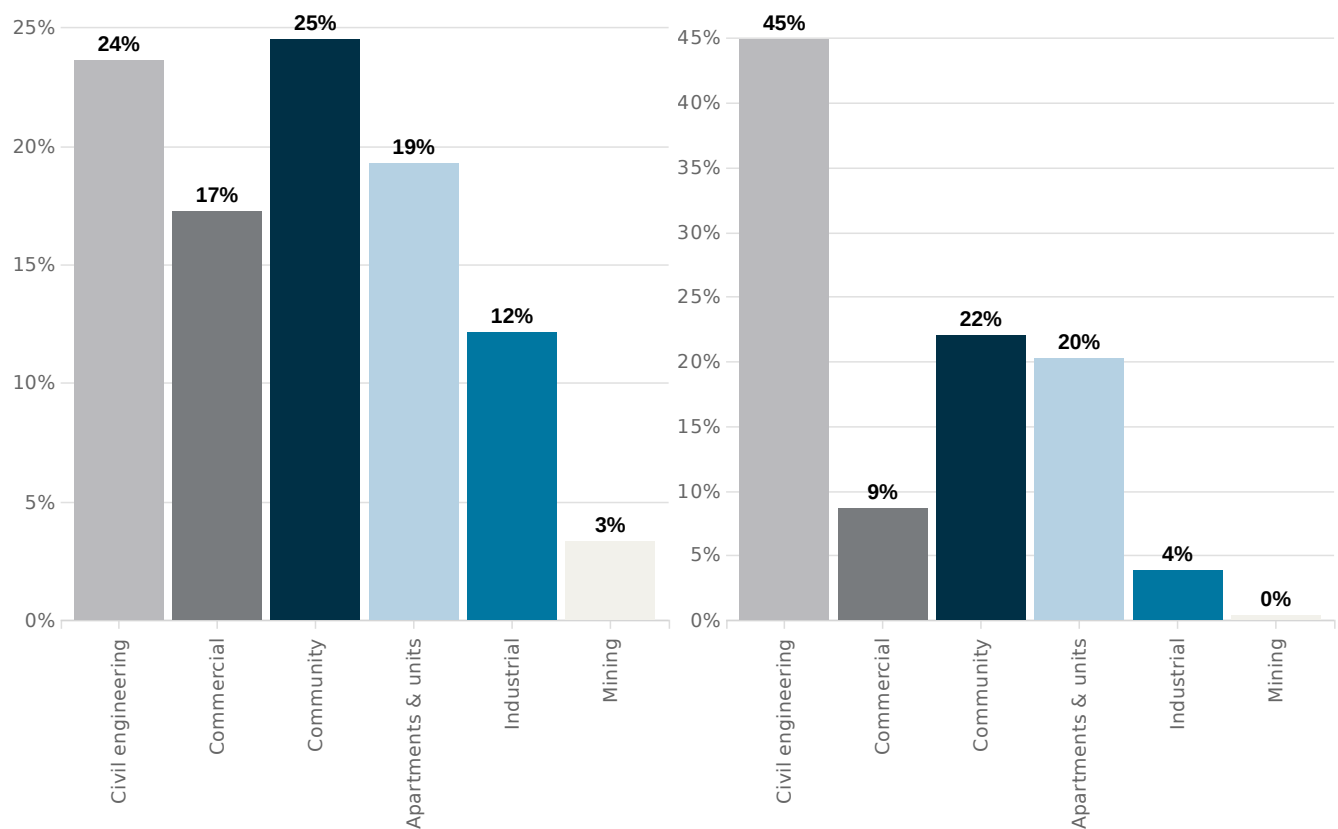
July 2019



Pipeline - Australia

The number and value of new projects collected by CoreLogic over June was down on the previous month. The number of new projects added to the pipeline of construction over the month was 1,424 with an estimated total value of \$18.2 billion. At a national level, the number of new projects reported for the last month is lower than the three-year median, however the total project value is \$3.3 billion higher than its corresponding three-year median and 37% higher on a rolling twelve-month basis. The total value of new projects for New South Wales is over \$80bn on a rolling twelve-month basis an increase of 83% on the preceding period. Queensland is the only state where the rolling total project value is recorded as lower relative to the prior 12 months.

Recent interest rate cuts and further macro-prudential changes should help to support activity in the construction industry, however the headwinds of lower business confidence and a slowdown in economic momentum nationally could continue to dampen the performance of the development sector over the second half of the year.



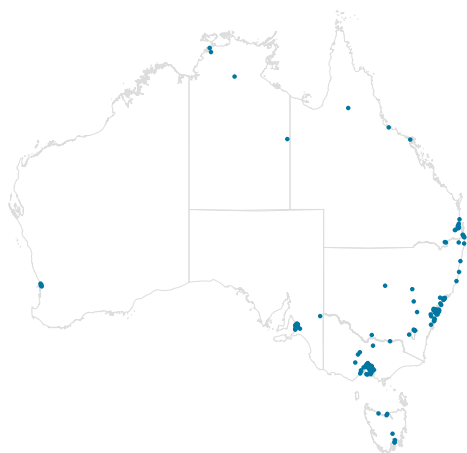
1,424
Number of Projects

\$18,231M
Value of Projects

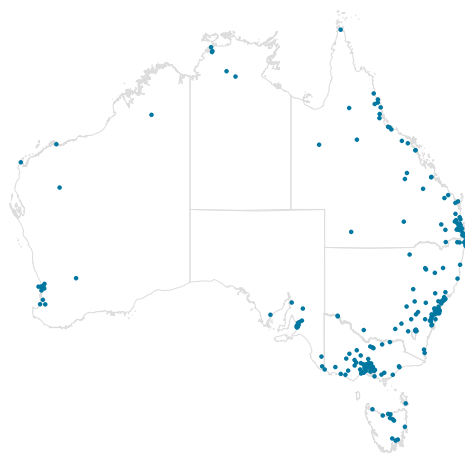
Median Project Value

Civil Engineering	\$547,000
Commercial	\$1,000,000
Community	\$1,000,000
Apartments & Units	\$1,300,000
Industrial	\$600,000
Mining	\$1,000,000

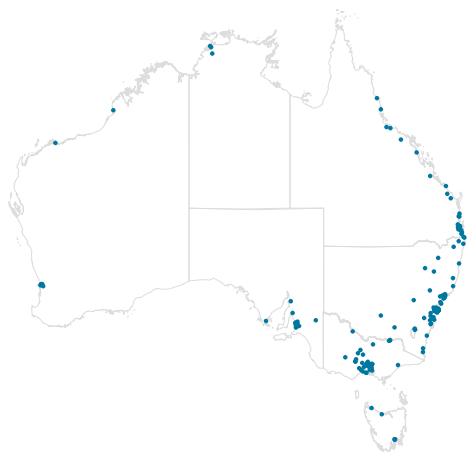
Pipeline - Location



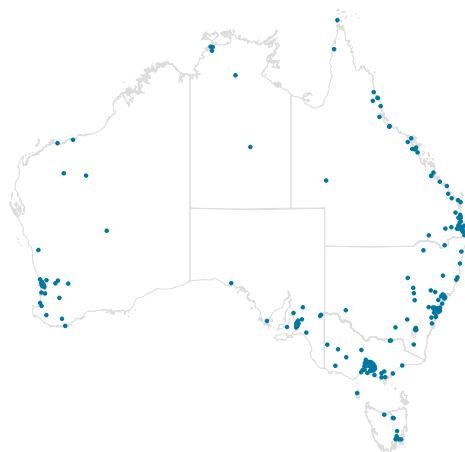
Apartments & Units



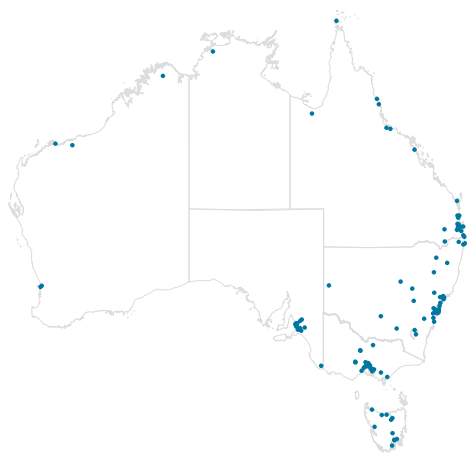
Civil Engineering



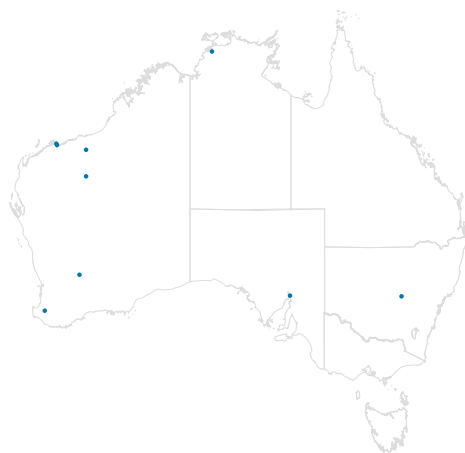
Commercial



Community



Industrial

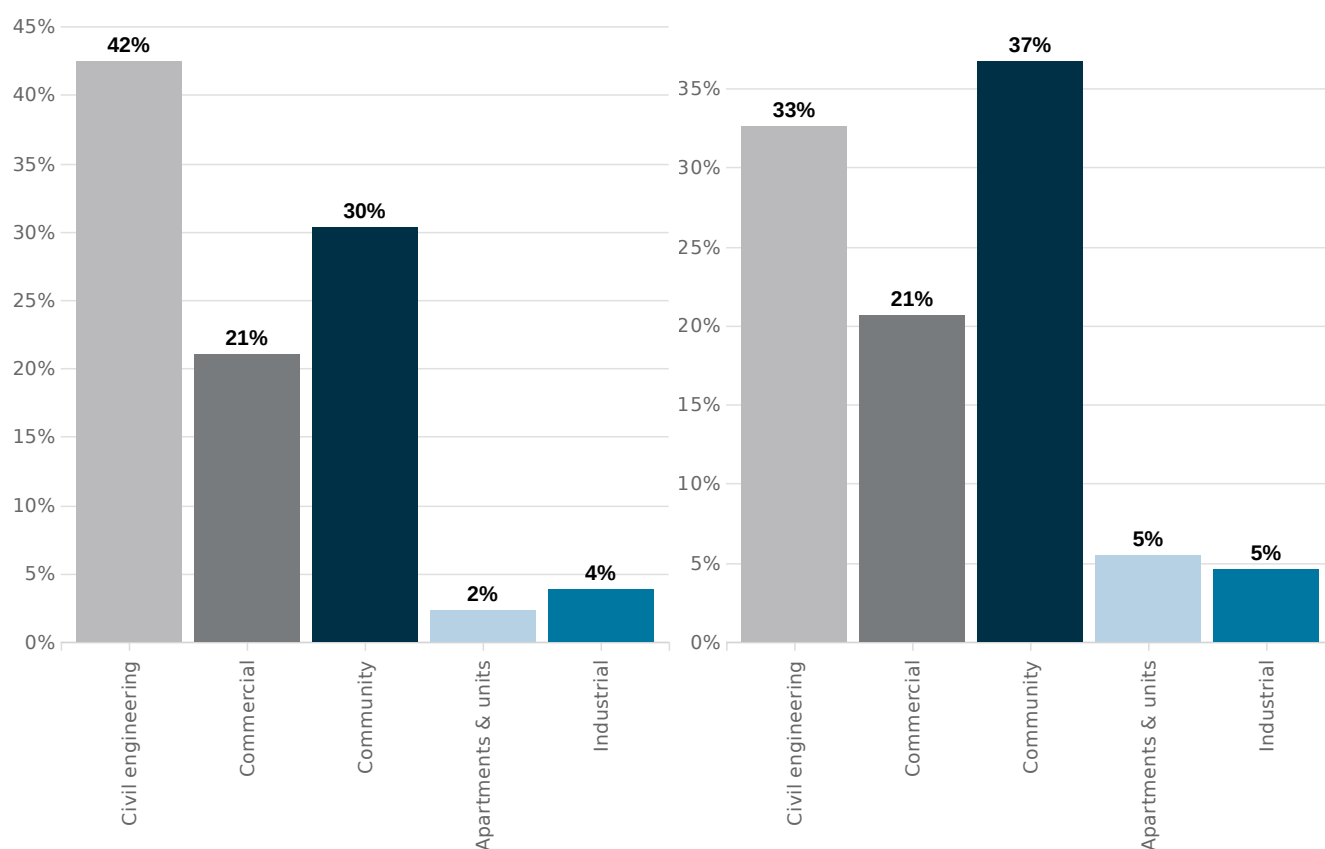


Mining

Moving into construction - Australia

The decline in the number of projects moving into the construction phase continues to trend downward. Just 386 projects were recorded as commencing building, a drop of 32% compared to the previous month and well below the five-year median calculated at 847. The total value of projects entering the build stage in June was \$800 million. While this figure was only 3% lower than the previous month, it is substantially less than the 5 year median of \$3.5 billion.

On a rolling 12 month basis, the current total value of projects starting construction is \$31.4bn which is tracking at half the total for the previous 12 month period with all project construction types showing heavy falls in total project value.



386
Number of Projects

\$800.1M
Value of Projects

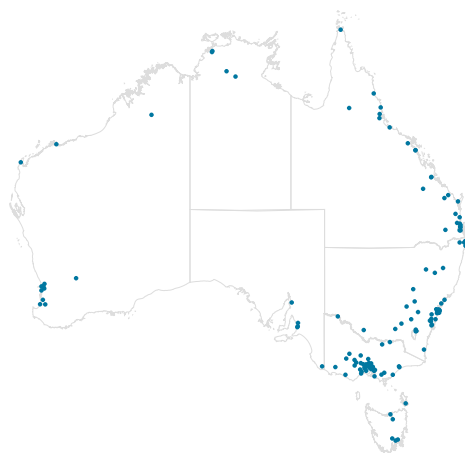
Median Project Value

Civil Engineering	\$400,000
Commercial	\$1,000,000
Community	\$500,000
Apartments & Units	\$2,500,000
Industrial	\$750,000
Mining	NA

Moving into construction - Location



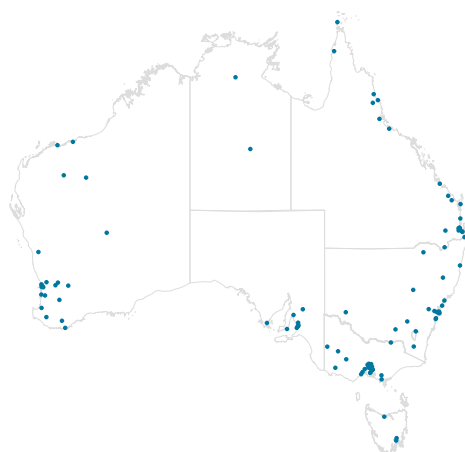
Apartments & Units



Civil Engineering



Commercial



Community



Industrial



Mining

NSW

Construction has started on a \$37.7 million project for new facilities for the NSW Police Aviation Support Branch (Polair) at Bankstown Airport. Taylor was awarded the ECI contract for the project which includes a 2 storey base with command and operational facilities, training rooms, mechanical and avionics workshops and associated staff pilot offices, and 7,500sq m hangar space.

A \$96 million proposal to renovate and refurbish the Heritage-listed Roxy Theatre in Parramatta, and to add an office tower above designed by Rudolfsson Alliker Associates Architects, has been rejected by the Land and Environment Court as it would have an "unacceptable impact on its identified heritage significance".

Funding has been allocated in the 2019-20 State Budget for planning of the \$80 million redevelopment of Moree District Hospital and \$20 million upgrade of Glen Innes District Hospital.

Greenfield Development Company is seeking expressions of interest from experienced developers for either joint development or outright purchase of its 48 apartment Metro Oran Park Town project.

Hutchinson Builders has turned the first sod on Cbus Property's The Langston landmark mixed use development in Epping. This is the first time Hutchinson has worked with the developer. The Architectus-designed project features three towers of 19, 24 and 29 storeys with 463 apartments and ground floor commercial and retail precinct of 1,681sq m and 1,921sq m of open space, scheduled for completion in 2021.

Five architectural teams have been shortlisted to participate in Western Sydney International (Nancy-Bird Walton) Airport's design competition for the airport's terminal. The architectural teams that have been invited to participate in the design competition are: Design Inc and Foster + Partners; Architectus, Gensler, SAA and Surbana Jurong; Cox and Zaha Hadid; Woods Bagot and RSHP; and Hassell and Pascall Watson.

The iconic brutalist former social housing Sirius building at The Rocks has been sold for \$150 million to Sirius Developments Pty Ltd, owned by investment company JDH Capital. The existing building will be retained and refurbished for 89 apartments and commercial space.

ACT

An 11,560sq m site in Barton near Parliament House that has remained undeveloped for decades as it is home to the endangered golden sun moth has been sold by the federal government to local developers Doma and Goodwin and Kenyon Group. The Department of Finance was granted environmental approval to clear the site provided it used Commonwealth-owned land in Hall to offset the loss of the moth habitat.

The ACT budget has allocated \$90,000 for a feasibility study into a proposed world class six-seven star hotel at the National Arboretum in Canberra.

Plans for Doma Group's Foothills development at the former CSIRO site in Limestone Avenue, Campbell have been released for public comment. The development has been the subject of discussion since Doma purchased the 4.1 hectare site in 2016. The proposal comprises 112 apartments in 7-8 storey apartment buildings and 129 three storey townhouses.

Solarshare has secured full funding for its 1MW community solar farm in Majura paving the way for construction to start in early August.

A new theatre complex seating approximately 2000 people could be built at the ACT Legislative Assembly car park site in Canberra following the award of contract to ARM to provide design and technical advice in the development of the business case for the new complex.

VIC

A \$100,000 million wind farm near Cobden Airport is unlikely to go ahead following the refusal by the Victorian Civil and Administrative Tribunal. Developer Alinta Energy's Naroghid Wind Farm was to have comprised 12, 1800 meters high turbines that would produce between 43.2-48 megawatts but was refused due to its close proximity to the airfield.

Expressions of interest for design, construction, finance and maintenance have been invited for the \$1.5 billion Footscray Hospital. The new hospital will feature 504 inpatient beds, including palliative care and a major expansion of mental health care services, emergency



department with a crisis hub, specialist facilities, clinical support spaces, car parking, teaching, training and research spaces.

Construction has started by Hansen Yuncken on the Victorian Pride Centre. The centre will be the first of its kind in Australia and will provide a flexible, multi-purpose hub for LGBTQI groups, health service providers, youth groups and community events.

PDG Corporation has acquired the former JH Boyd Girls' school site at Kavanagh Street in Southbank from the City of Melbourne for construction of a 32 storey mixed use development, including an 80 room hotel, 176 apartments and 40 affordable housing units, and 1,000sq m of community space over two levels to be owned and operated by the City of Melbourne.

Golden Age has acquired the Uniting Church Centre building in Melbourne's Little Collins Street owned by the Uniting Church Synod of Victoria and Tasmania and developer John Hallinan, with previous approval for a 27 storey, 184 room hotel designed by Elenberg Fraser.

Construction has started on The Port Campbell Pedestrian Bridge designed by Denton Corker Marshall at the Shipwreck Coast following award of the tender to Simpson Construction Company.

Vaughan Constructions has been appointed by Kaufland to build its first distribution centre, the 110,000sq m distribution centre in Mickleham.

QLD

A development application has been submitted for one the world's most narrow towers on The Esplanade at Surfers Paradise. The project by Chinese developer Vividly will comprise 20 four bedroom apartments on a 433sq m site, with the tower to occupy just 282sq m of the block.

Broad Construction Services has been awarded the \$73.9 million tender for redevelopment of Kingaroy Hospital. Work is expected to commence in July 2019 with the project expected to be finalised in 2021.

Resources Industry Network (RIN) is partnering with Mackay Regional Council to build a Resources Centre of excellence which will include a simulated underground coal mine for skills training and education, with potential for tourism.

A three level pontoon will be built off Lady Musgrave Island following provision of 1 million dollars funding by the Queensland Government through its tourism infrastructure fund. The pontoon will contain an underwater observatory, upper decks providing for diving, snorkeling and environmental data collection, and accommodation for 24 bunk beds.

Sarina State High School received \$11 million for a state-of-the-art multi-purpose performing arts and sports hall in the 2019-20 State Budget. Glenella State School's classroom block will also be refurbished at a cost of \$500,000 while Mackay Central State School will receive \$450,000 to refurbish the old timber windows. There was

also \$8 million for a new building housing administration and a resource centre and refurbishment of the existing administration area into classrooms at Cannonvale State School.

NT

A new aged care facility with 32 ensuite rooms and a palliative unit will be built in Nhulunbuy following the Federal Government's announcement it would provide \$20 million in funding. Construction is expected to start in late 2019 with completion in 2021.

The \$58 million tender to upgrade Keep River Road has been awarded to Exact Constructing. Works will be delivered in two stages, with Stage 1 works including the upgrade of 13.4 kilometres from the WA border to a two-lane standard towards the Legune Station and a bridge over the Keep River, whilst Stage 2 will include a bridge over Sandy Creek.

A new multi storey car park will be built at Alice Springs Hospital. The old pathology and CDC building will be demolished to make space for the car park.

SA

The South Australian government has granted approval for NSW-based EPS Energy's \$1.2 billion solar and storage project east of Robertstown. The 500MW Robertstown Solar Farm also comprises 250MW/1000MWh of battery storage. Construction is expected to begin in mid-2020.

The 2019-20 State Budget will provide \$402 million funding for two grade separation projects; the \$231 million Torrens Road Grade Separation in Ovingham and the \$171 million grade separation on Brighton Road in Hove. Both projects are equally and jointly funded by the State and Australian Governments.

Tenders have been advertised for an upgrade of approximately 2.4km of Golden Grove Road from One Tree Hill Road to the southern side of the signalised intersection of Golden Grove Road/Yatala Vale Road/The Grove Way.

The Bird in Hand Winery has announced plans for a \$30 million upgrade of its Woodside Property. The upgrade will include a 40 seat wine and culinary experience, art gallery, increased cellar door space, underground cellars, tasting rooms and landscaped gardens.

UnitingSA has announced that Kennett Builders has been contracted to build the 5 storey, 108 bed aged care facility

TAS

The City of Hobart has rejected a proposal by Hexa Group for a 13 storey building containing 52 apartments on the Welcome Stranger Hotel site in Harrington. The development was refused on seven specific grounds under the Hobart Interim Planning Scheme 2015.

Tenders have been advertised for design and construct for the strengthening of six bridges as part of the freight Access Bridge Upgrade program. The six bridges to be upgraded are Bridport Road's Pipers River bridge crossing Pipers Brook and Little Forester River flood opening in

State's north east together with Humphrey Rivulet bridge and Berriedale rail underpass on Brooker Highway; North West Bay River bridge near Sandfly; and Leslie Road underpass at Leslie Vale on Huon Highway in the State's southern region.

WA

Axiom Properties has entered into a conditional agreement with Woolworths to purchase a 3 hectare site in Butler for a large format retail centre with approximately 15,000sq m of showroom tenancies. Designs are well underway and a development application is expected to be submitted shortly. The site adjoins the Woolworths-anchored supermarket and shopping centre on the corner of Butler Boulevard and Cambourne Parkway.

Georgiou Group has been awarded a \$51 million contract for the design and construction of a new interchange at Roe Highway and Kalamunda Road. Detailed design is underway, with construction expected to commence in late 2019 for completion in early 2021.

A \$15.8 million contract has been awarded to Highway Construction for a two kilometre section of dual carriageway on the Great Eastern Highway in Kalgoorlie between Anzac Road and Gatacre Drive.

Construction has started on Hilton Hotel's first Australian property under its Garden Inn brand in Albany. To be built by Pindan, the five storey, 180 room hotel which also features three function rooms, restaurant, bar and gym was designed by Hodge Collard Preston Architects.

Development approval has been granted for G Living's Flower Markets project in West Leederville. The \$57 million project will comprise an 8-10 storey development in two towers with 43 apartments and 36 single studio apartments with communal laundry facilities and communal rooftop amenities including swimming pool and common dining areas. At ground level there is a plaza/forecourt area for pop up vendors.

The Armadale Access Alliance - a consortium comprising Laing O'Rourke and BG&E, has been awarded a \$146 million contract following a competitive tendering process for the delivery of the Armadale Road to North Lake Road Bridge project. The Alliance will enter into a period of detailed design. This will be followed by service location work and geotechnical investigations, with construction anticipated to be underway by the end of the year.

Mining

The green light has been given for preliminary construction works to commence at Adani's Carmichael Coal Mine in the North Galilee Basin, approximately 160 kilometres north-east of Clermont, following final environmental approval by Queensland's Department of Environment and Science of the groundwater management plan. The project could deliver up to 1800 direct and 6750 indirect jobs, with figures based on modelling by the Queensland Resources Council. Adani expects to be exporting coal within two years.

The WA Environmental Protection Authority has recommended environmental approval for Hastings Technology's \$427 million Yangibana Rare Earths Project, 270 km northeast of Carnarvon.



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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



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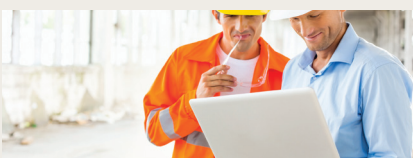
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