

# Cordell Construction Monthly

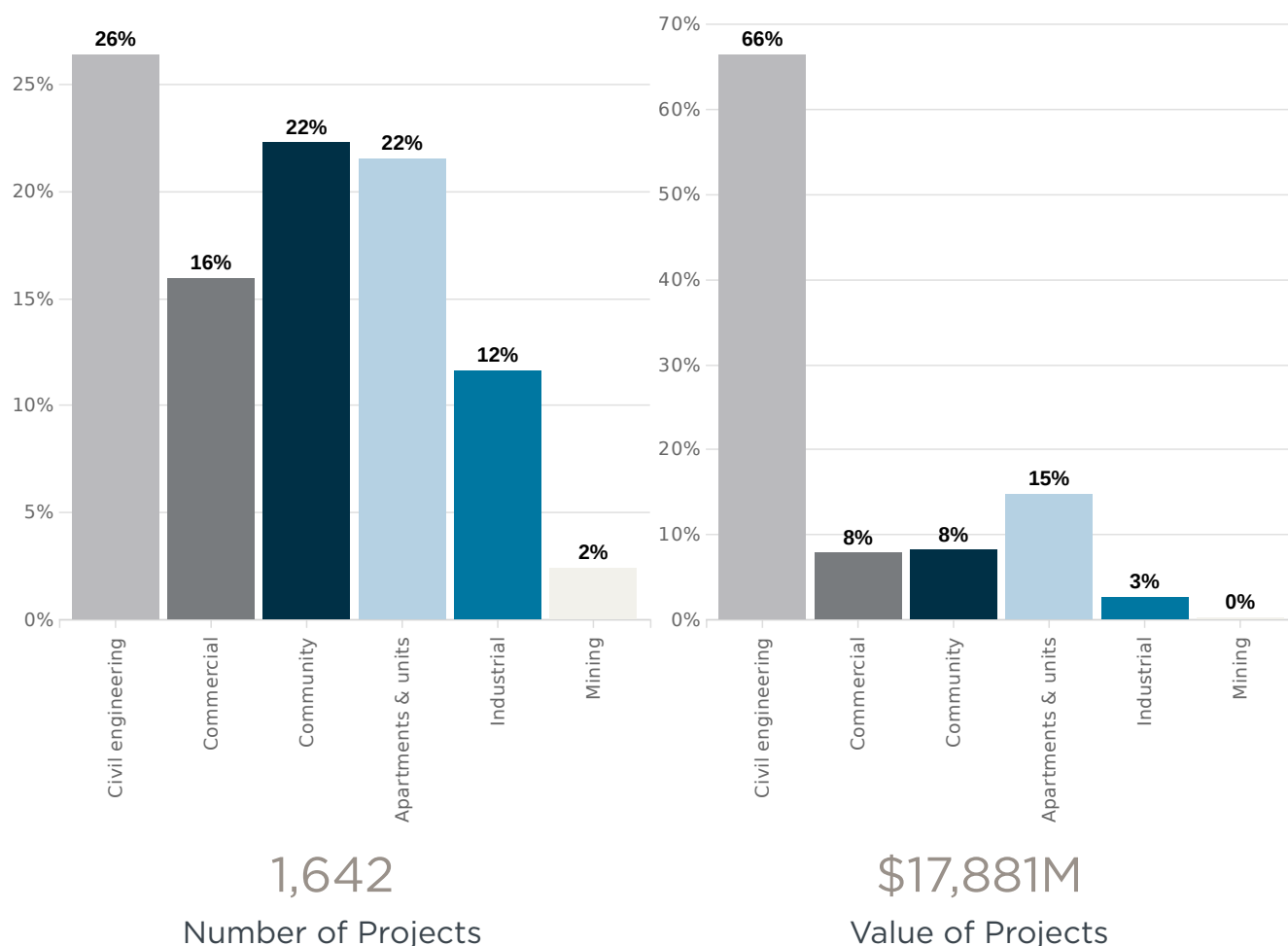
August 2019





# Pipeline - Australia

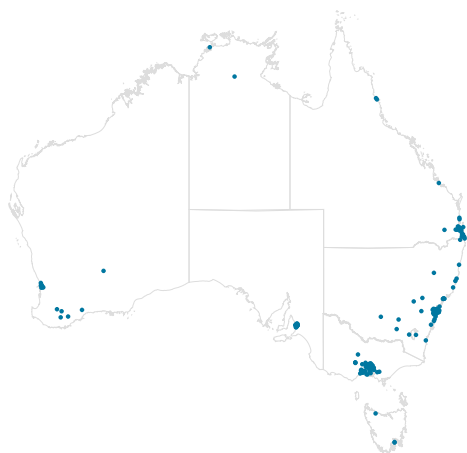
The number and value of new projects which have been announced but not yet commenced increased by 16 per cent month-on-month, with 1,642 new projects added to the pipeline in July. The estimated total value of those projects was \$17.9 billion, down -2 per cent when compared to the previous month. At a national level, the number of new projects recorded over the 12 months to July increased by around 4 per cent when compared to the previous 12 month period, while the total value of new projects increased by 39 per cent over the same period. New South Wales saw the total value of new projects increase by 58 per cent year-on-year, with \$75 billion worth of new projects recorded over the 12 months to July 2019. Queensland was the only state where the rolling total project value is recorded as lower relative to the prior 12 months, down -7 per cent year-on-year.



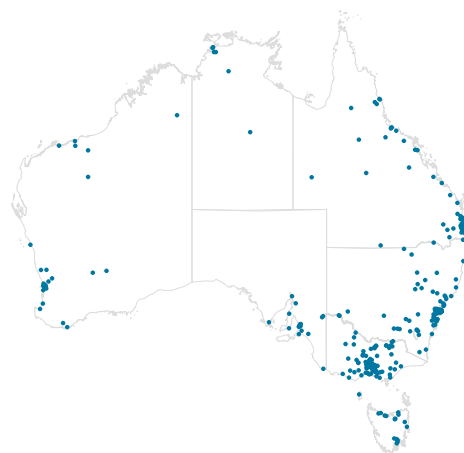
## Median Project Value

Civil Engineering	\$500,000
Commercial	\$1,000,000
Community	\$800,000
Apartments & Units	\$1,200,000
Industrial	\$600,000
Mining	\$1,000,000

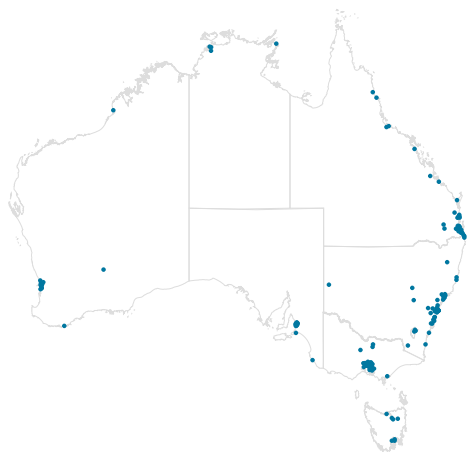
# Pipeline - Location



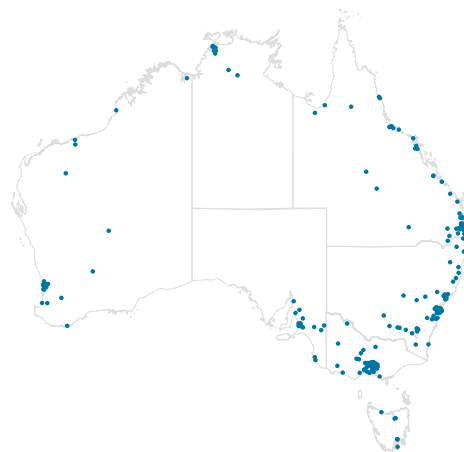
**Apartments & Units**



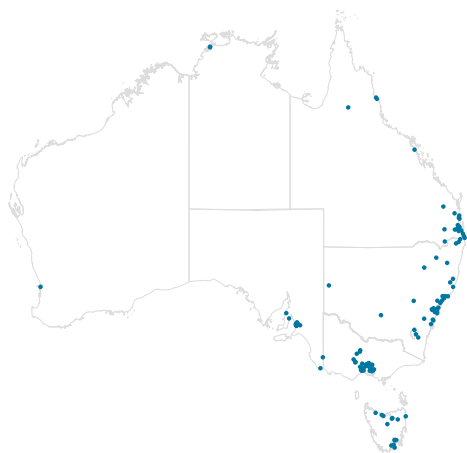
**Civil Engineering**



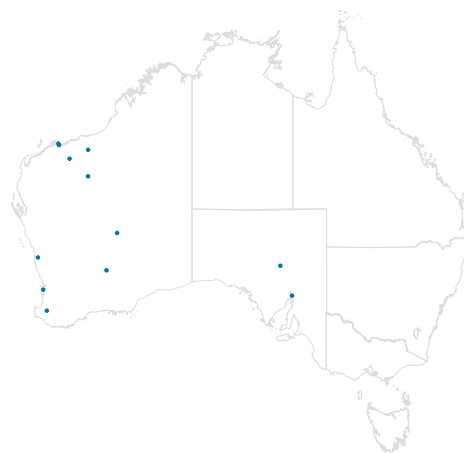
**Commercial**



**Community**



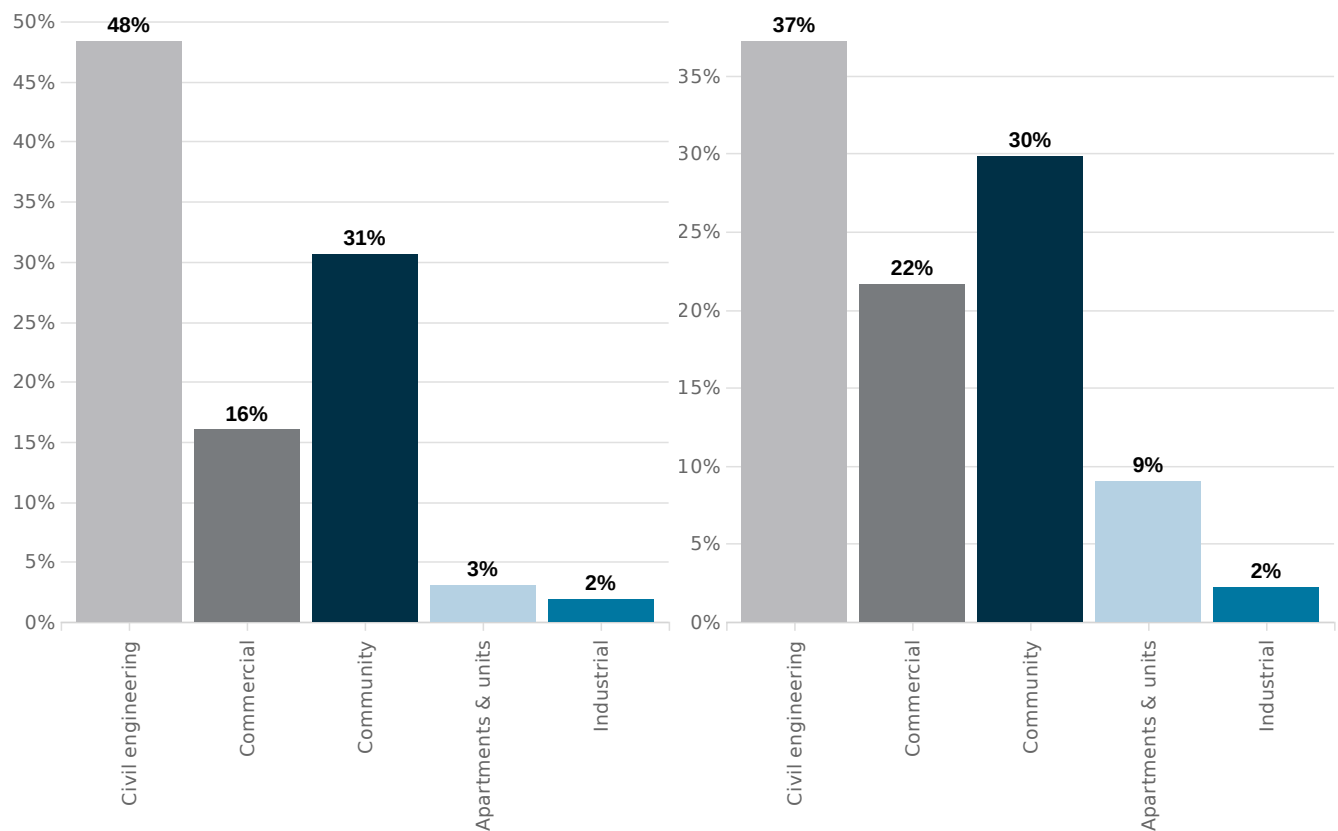
**Industrial**



**Mining**

# Moving into construction - Australia

The number of projects moving into the construction phase increased over the month of July with 467 projects recorded, up 21 per cent month-on-month. Despite the rise in active projects, the total value of projects entering the build stage in July was \$747 million, -7 per cent lower than the previous month. To put this into perspective, the 5 year monthly median is \$3.4 billion. Over the 12 months to July 2019, the total value of projects starting construction was \$24.5 billion, down -64 per cent year-on-year. Overall, while we are seeing a growing pipeline of approved projects, the transition from approval to commencement remains weak.



**467**  
Number of Projects

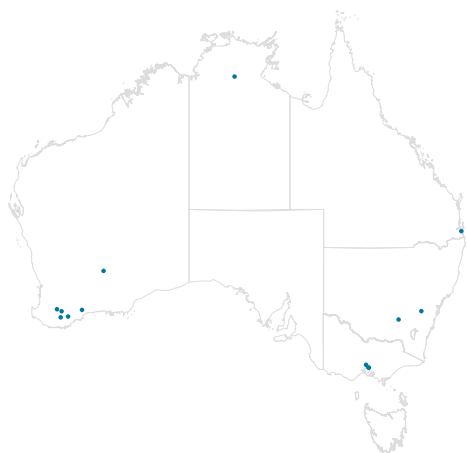
**\$747.36M**  
Value of Projects

## Median Project Value

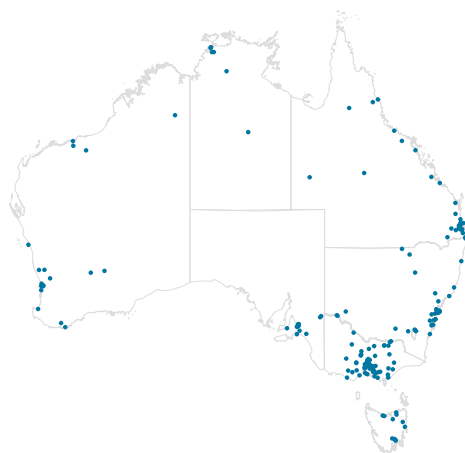
Civil Engineering	\$400,000
Commercial	\$1,000,000
Community	\$500,000
Apartments & Units	\$1,000,000
Industrial	\$1,000,000
Mining	NA



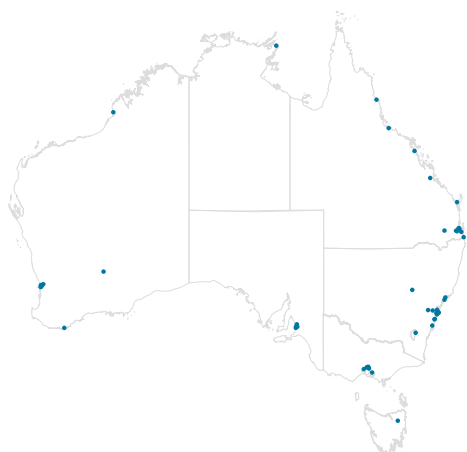
# Moving into construction - Location



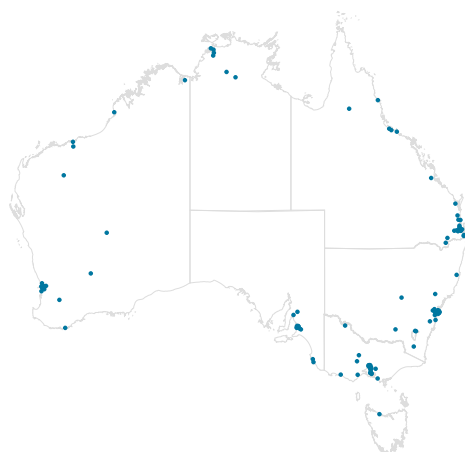
**Apartments & Units**



**Civil Engineering**



**Commercial**



**Community**



**Industrial**



**Mining**

## NSW

Georgiou Group has been awarded a contract to complete the new \$48 million Tabulam Bridge project located between Casino and Tenterfield in regional NSW. Approximately 70% of the project has been completed by a previous contractor. Over the coming months Georgiou will complete piling and pier construction with the previous subcontractors, ahead of remaining girder installation and deck pours.

A boutique, 119 room hotel in Chippendale owned by Wang Management has received development approval. Designed by Place Studio, The Regent Hotel will involve the conversion of three adjoining commercial buildings and will retain the existing facades of the old ECA Graduate Institute and create six new ground floor retail tenancies.

Candalepas Associates has designed a concept building envelope scheme for a 43 storey apartment and hotel tower at 525 George Street in Sydney. The tower contains a retail podium, cinema, 26 storey hotel and 12 levels of apartments.

Mackycorp has received approval for a 23 storey office tower at the corner of Bigge Street and Scott Street in Liverpool. The project will include refurbishment of the heritage-listed Commercial Hotel and a retail laneway known as The Stables.

Danias Holdings has received approval for its \$48.2 million Creative Arts Hub project in Marrickville which will accommodate 460 artists, designers and start-ups. The development will comprise 10,000sq m of commercial office and 3,000sq m of public space, including markets, a central courtyard, cafes and outdoor events space.

Multiplex and John Holland will now be in the running for construction of the Allianz stadium after Lendlease walked away from the project in late July. The venue is due to be rebuilt by 2022 with the NSW Minister for Sport claiming the project is on time and on budget.

## ACT

A five storey hotel development by Liangis Investments designed by Cox Architecture at Franklin Street in Manuka can now proceed following a mediation hearing at the ACT Civil and Administrative Tribunal to allow removal of a plane tree. The hotel will feature a 15 metre green wall as part of the agreement.

Meriton has acquired a 1,734sq m site at Allara Street in Canberra currently housing a six storey government office building, with plans to build a 17 level, five-star Meriton Suites hotel. This will be the first venture into the ACT for Meriton.

## VIC

Beulah International has submitted a town planning application for two twisting geometric towers at Southbank to be known as Green Spine, designed by Dutch UNStudio and Cox Architecture. The taller of the two towers will contain apartments and reach to 356.2 metres, making it the tallest in the southern hemisphere. The shorter of the two will comprise commercial offices, hotel, restaurants and bars with indoor and outdoor green terraces. BMW will lease back 1,500sq m of space for a BMW Experience Centre.

San Remo has been announced as the location for the new Bass Coast Junior Secondary School by the Minister for Education. The new school will be a Years 7-9 campus of Wonthaggi Secondary College and is in addition to the existing two campuses. The exact site will be finalised after discussions with landowners in the next months. An architect will be appointed in the coming weeks and consultation will be undertaken on the new name and design of the school.

Early works will soon commence by John Holland on the Victorian Heart Hospital which will be Australia's first dedicated heart hospital. A collaborative partnership between the Victorian Government, Monash Health and Monash University, the \$564 million project will deliver a full range of outpatient and inpatient cardiac care facilities,





cardiac catheterisation laboratories and cardiac intensive care beds.

A town planning application has been submitted for a new \$150 million, 12 storey complex designed by Woods Bagot for the Melbourne Business School at the University of Melbourne's Carlton campus. The proposal is for a Six Green Star building with multipurpose spaces for a research, teaching, research and socialising hub.

Kokoda Property has been granted development approval for its Malvern Collective development opposite Malvern Station. The 265 apartment complex designed by Jackson Clements Burrows Architects will comprise two towers of up to 17 storeys. The Angel Tavern will be retained and restored to include 14 retail tenancies designed by Techné Architects.

## QLD

The Queensland Government will partner with Cruise Whitsundays to build the \$8 million Reefworld pontoon at Hardy Reef in the Whitsundays. The floating reef pontoon will include an underwater observatory and will provide accommodation for 32 overnight guests either on the upper deck or in an underwater reef suite.

Millinium Capital will submit a development application in the near future for a \$180 million redevelopment of the heritage-listed Walton's building in Fortitude Valley. The project will comprise two stages, the first to be the refurbishment of the Overells and Lincoln Mills buildings for a Torrens University campus, and the second being demolition of the former Waltons building and part of the Braggs building, retention of their facades and construction of a 30 storey tower comprising a co-working hub in the podium, student accommodation and co-living space above.

The State Government has entered into an agreement with Silverstone Developments for the redevelopment of Fortitude Valley PCYC. A development application has been submitted for a 14 storey commercial tower designed by Rothelowman of over 8,000sq m and a 4 storey PCYC of 1,555sq m designed by Red Door.

Crown Group has delayed construction of its waterfront residential development in West End until 2022. Amended plans will be submitted next month to reduce the 463 apartment development to 455 apartments within four 12 storey towers over a common podium and 4,200sq m of open space.

## NT

Arrernte organisation Akeyulerre Inc has received a \$5 million grant to build a new Arrernte Living Culture Centre in Alice Springs. The new centre will allow Akeyulerre Inc to expand its healing projects, cultural activities, teaching

work, and social enterprise activities, including its bush medicine business.

The Northern Territory Government has granted Major Project status to Sun Cable's Australia-Singapore Power Link (ASPL) project at Tennant Creek, which with a 10GW solar farm and a 20-30GW hour storage facility would be the world's largest solar farm. The facility would supply loads in the Darwin and Singapore markets via a high voltage direct current transmission. A Project Development Agreement will now be negotiated between the Northern Territory Government and Sun Cable.

A site has been selected for the new Darwin Youth Justice Centre out of seven considered for the new \$60 million facility to replace the existing Don Dale Youth Detention Centre. The site is located on 15 hectares of vacant Crown Land at Holtze.

## SA

As South Australia transitions to green power several large-scale renewable energy projects have received development approval, including the Crystal Brook Energy Park. French company Neoen will develop a 125MW wind farm and 130MW lithium-ion battery storage facility with 26, 240m-high turbines in the Southern Flinders Ranges near Crystal Brook. Construction is expected to commence in the second half of 2020.

A further renewable energy project for the state, the \$350 million Pallamana Solar Farm at Murray Bridge, has also received development approval. The RES project comprises a 176MW solar farm and a 66MW lithium-ion battery storage facility. Financial close is anticipated the first half of 2020. RES is also planning the 183MW Twin Creek Wind Farm at Kapunda but the State Commission Assessment Panel deferred a decision to determine the development application in May.

Finally, EPS Energy's Bungama Solar Farm has been given the green light from the State Government. The \$650 million project near Port Pirie includes a 280MW solar farm and 140MW battery storage facility.

Expressions of interest have been invited for three major regional road projects with a total value of over \$300 million: the Joy Baluch AM Bridge Duplication; the Port Wakefield Overpass and Highway Duplication; and the Penola Northern Bypass Project. The South Australian and Federal Governments have funded the projects on an 80:20 basis. The \$200 million Joy Baluch AM Bridge Duplication will upgrade and duplicate the existing bridge to allow for two lanes of travel in each direction across the upper Spencer Gulf. The \$90 million Port Wakefield Overpass and Highway Duplication will duplicate the Port Wakefield Highway from south of the Port Wakefield township to the Augusta Highway. The \$14.6 million Penola Northern Bypass will comprise construction of approximately 2.2 km of undivided sealed rural arterial road, including sealed

shoulders and intersection upgrades within a new road reserve between Robe Road and Riddoch Highway (north), located to the west of the township.

## TAS

A luxury hotel designed by Cumulus Studio at Port Arthur may now no longer go ahead after the Federal Group announced its intention to explore several other alternative proposals after conducting market testing.

A development application has been submitted for a new \$50 million 4 storey private hospital in New Town. The Tasman Private Hospital, to be operated by Nexus Group, will be located at the old WIN TV site and will include operating theatres and an overnight ward, pharmacy, radiology, conference area, doctors' rooms and health support services.

## WA

Plans have been announced for a new comprehensive cancer facility at St John of God Murdoch Hospital. The \$17 million private radiation oncology facility will be developed under an agreement between St John of God Hospital and GenesisCare.

Stirling Capital has marked the commencement of construction of its Treehouse development in Jolimont in a ground breaking ceremony early this month. The project will comprise 48 luxury apartments designed by MJA Studio with fitness centre and swimming pool within LandCorp's Parkside Walk urban redevelopment.

The Western Australian Premier has announced \$11.8 million for the Bunbury Hospital redevelopment, this is in addition to the \$11.8 million allocated in the State Budget. The redevelopment will include an additional operating theatre, reconfiguration of the emergency department Fastrack area, establishment of an acute medical assessment unit, implementation of a mental health observation area and expanded capacity of the intensive care unit. Construction is expected to start the second half of next year.

## Mining

Regis Resources' McPhillamy Gold Project in Orange NSW has progressed with the submission of the state significant development application and environmental impact statement to the Department of Planning and Industry. The project will comprise a large scale open-cut gold mine, carbon-in-leach processing facility and 400mm diameter pipeline.

A pre-feasibility study underway for a battery metals refinery in Townsville to be developed by Pure Minerals subsidiary Queensland Pacific Metals. The project comprises a battery materials refinery that will process nickel-cobalt ore sourced from third parties via an ore supply agreement to produce battery grade nickel and cobalt sulphate, 600ktpa battery materials refinery with an annual production of approximately 25,400tpa nickel sulphate and 3,000tpa cobalt sulphate over a 25 year project life, annual co-product production of approximately 221,000tpa hematite, 8,700tpa alumina and 4,600tpa magnesium oxide.



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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**.



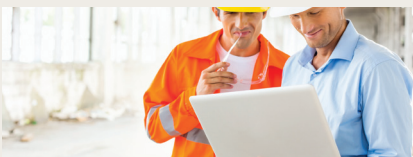
### Identify properties to purchase

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### Identify pricing and future sweet spots

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### Receive insights into construction

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