

# Market Leader

Bringing you the latest news, facts and figures from the world of commercial real estate.

## New construction on the increase

The news for the Australian construction for the March 2016 quarter was mainly positive, according to the recently released Cordell Construction Marketing Movement Report.

With 4302 projects worth over \$76 billion entering the construction phase during the period, in comparison to 3931 for the same time last year, the scale of development coming on-stream is hardly chicken feed.

Speaking of which, a chicken farm capable of producing five million chickens per year, and injecting \$13 million into the Carrathool Shire in Victoria, was one of the major industrial projects entering construction phase in 2016's first quarter.

However, it was the civil engineering sector which drove the strong indicator during the quarter, with 1424 projects worth \$5.9 billion entering construction, compared to 1183 projects for the same time last year.

Two of the larger projects including the South Road Corridor Darlington Upgrade in Adelaide worth \$620 million, and the Citylink/Tullamarine Freeway Widening Project in Melbourne worth \$230 million.

The community sector was the other strong performer for the quarter, with 856 projects worth \$3.6 billion entering construction phase, representing a 22% increase of total project value from the same period last year.

The \$340 million maritime Patrol Aircraft Replacement Facility in Edinburgh, South Australia and the 300 million reconstruction of Parramatta/Pirtek Stadium were two of the bigger community projects initiated during the quarter.

Commercial construction held steady during the quarter, with 516 projects starting construction, representing a 2% increase in number of projects and a 6% decrease in terms of value.



The \$800 million Manuka Green, a multiple use precinct in Griffith, New South Wales, and the \$200 million Southport Tower 3 were two of the bigger commercial projects to get underway.

The mining sector experienced a dramatic increase in new projects during the quarter, with 139 new projects beginning (up from 78 last year), 125 projects being located in Western Australia. The biggest is the \$54 billion Chevron gas project on Barrow Island.

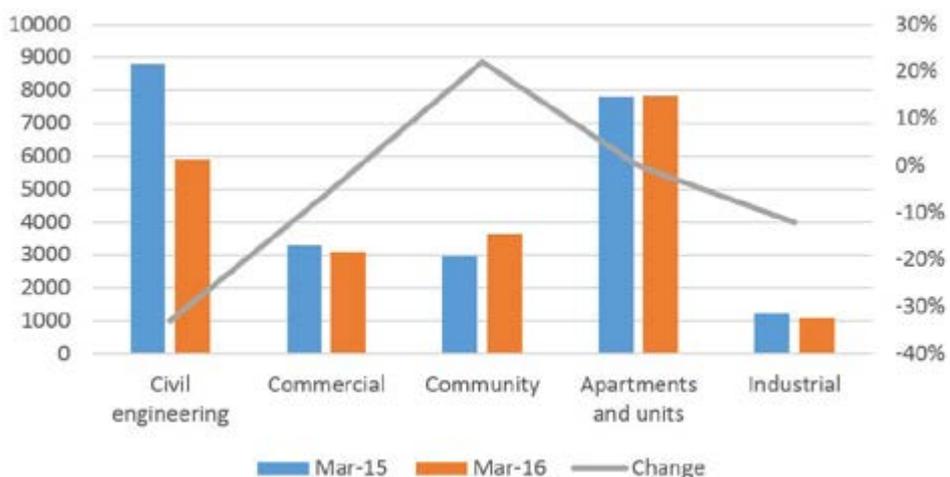
While projects entering new construction took a leap in the March quarter, so did pipeline activity, with 4830 projects worth \$50 billion reported, compared to 4597 at \$27 billion for the same time last year. The big movers again were the civil engineering and community sectors.

On the flip side, the number of deferred projects rose in comparison to the same time last year, with 411 projects put on hold compared to 375, representing \$3.6 billion compared to \$3.1 billion. This figure included 153 apartment and unit projects worth over \$1 billion now on hold, but this value still represents a 37% decrease in deferrals over 12 months.

Commenting on the Cordell report, CoreLogic spokesperson Greg Dickason said the overall results to the March 2016 quarter were positive with civil engineering projects in roads and infrastructure leading the way.

This report is provided by NAI Harcourts as a quick overview of the comprehensive report supplied by Cordell Information (now owned wholly by CoreLogic Australia).

	MARCH 15	MARCH 16	CHANGE
Civil Engineering	8810	5913	-33%
Commercial	3303	3102	-6%
Community	2992	3649	22%
Apartments and Units	7815	7849	0%
Industrial	1240	1097	-12%



# Commercial Sales and Leasing textbook released

The release of NAI Harcourts' first Commercial Sales and Leasing Textbook is a clear indication of the group's commitment to delivering the very best of service to their customers.

Released by the Harcourts Academy for NAI Harcourts, the textbook is a concise, definitive guide, covering all aspects of working as a commercial real estate agent in Australia.

The result of two years' work, research and collaboration with some of the most successful and experienced commercial property specialists from Australia and New Zealand, the textbook fills a crucial, long-standing training gap within the industry.

CEO of NAI Harcourts, Richard Laery, said that the textbook represents the group's commitment to providing the very best in training and tools for all its growing commercial team.

"Traditionally, many commercial property specialists have learned most of their craft through the 'school of hard knocks', or a one-on-one approach where they are upskilled by another professional, but we thought it time to train the next generation of specialists with a more methodical approach," said Richard.

"Excellence in client service only happens with the very best training and support, and this textbook is designed to provide a solid foundation of understanding for those people who have chosen a career in commercial real estate.

"It really is a giant step forward for the industry and great news for anyone looking to enter and establish themselves in the exciting world of commercial real estate."

The textbook covers all the basic aspects of commercial and industrial real estate sales and leasing, everything from lead generation and signage to high profile marketing and art of negotiation.



# Congratulations to our Annual Award Winners for 2016



Top NAI Harcourts Office – Gross Commercial Revenue, NAI Harcourts Gold Coast, Queensland



Top NAI Harcourts Office – Commercial Auction/Tender Listings, NAI Harcourts Platinum, Victoria

# NAI Harcourts opens in Noosa



NAI Harcourts has expanded into the Sunshine Coast market with the group opening its latest office in Noosa Heads. The office, specialising in commercial sales and leasing, officially opened in early May with NAI Harcourts CEO Richard Laery present.

Business Owner of NAI Harcourts Noosa, Nathan O'Neill, who leads a team of six commercial property specialists said NAI Harcourts were hitting the ground running, looking forward to serving the Sunshine Coast business community.

"We have a great team of commercial property specialists on board, with a combined total of over 100 years' experience, with a broad product knowledge. As a team, we are also very familiar with the local area and understand local issues," said Mr O'Neill.

Located in downtown Noosa Heads, the new NAI Harcourts office is strategically positioned in order to take full advantage of current and future commercial developments within the region, and to also extend into the residential market in the near future.

CEO of NAI Harcourts Australasia, Richard Laery, said the opening of the Noosa office was a great step forward for the group.

"We now have a local team in Noosa, as well as being locally owned. The opening of our office in Noosa is strategic for several reasons. It represents the continued growth of the business nationally, the addition of great people to the group, as well as broadening our presence in Queensland."

Business owner Nathan O'Neill, who also operates the successful Harcourts Gympie office, is excited about the new venture, seeing the expansion as natural growth of his business.

"We're looking forward to working with our new team members who will bring even more expert commercial real estate knowledge to the office," Mr O'Neill said.

The office is located Level 1, 23 Sunshine Beach Road, Noosa Heads.

In other news, after operating as a Landmark Harcourts office for a number of years in Horsham, Victoria, business owner Mark Clyne last year opened a residential Harcourts office out of the same location, and now has the trifecta, opening an NAI Harcourts office in April.