

# Meeting of Management Committee

Thursday 18 March 2021

## AGENDA

### Notice of Meeting

Councillors of the Tamala Park Regional Council Management Committee are advised that a meeting will be held in the Challenger Room, City of Stirling at 25 Cedric Street, Stirling on Thursday 18 March 2021 at 6:30pm.



**TONY ARIAS**  
Chief Executive Officer

## TABLE OF CONTENTS

MEMBERSHIP .....	4
PRELIMINARIES.....	5
1. OFFICIAL OPENING .....	5
DISCLOSURE OF INTERESTS .....	5
2. PUBLIC STATEMENT/QUESTION TIME.....	5
3. APOLOGIES AND LEAVE OF ABSENCE.....	5
4. PETITIONS.....	5
5. CONFIRMATION OF MINUTES.....	5
5A BUSINESS ARISING FROM MINUTES .....	5
6. ANNOUNCEMENTS BY CHAIR (WITHOUT DISCUSSION).....	5
7. ADMINISTRATION REPORTS AS PRESENTED (ITEMS 7.1 – 7.8) .....	5
7.1 BUSINESS REPORT – PERIOD ENDING 11 MARCH 2021 .....	6
7.2 PROJECT FINANCIAL REPORT – JANUARY 2021 .....	9
7.3 SALES AND SETTLEMENT REPORT – PERIOD ENDING 11 MARCH 2021 ..	11
7.4 REVIEW OF PROJECT FORECAST 2020 .....	15
7.5 STAGE 18C (CATALINA CENTRAL) SUBDIVISION PLAN .....	20
7.6 PROJECT BUDGET FYE 2022 – PRELIMINARY CONSIDERATIONS .....	24
7.7 CATALINA GROVE UPDATE .....	27
7.8 CATALINA GREEN DESIGN GUIDELINES .....	33
8. ELECTED MEMBERS MOTIONS OF WHICH NOTICE HAS BEEN GIVEN .....	36
9. QUESTIONS BY ELECTED MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN.....	36
10. URGENT BUSINESS APPROVED BY THE CHAIR.....	36
11. GENERAL BUSINESS.....	36
12. DECISION TO MOVE TO CONFIDENTIAL SESSION.....	36
12.1 CONFIDENTIAL: CATALINA SOCIAL STRATEGY.....	36
This item satisfies the requirements of Section 5.23 c) and e) of the Local Government Act 1995, enabling it to be considered at a meeting, or part of a meeting, that is closed to members of the public, on the grounds that it deals with:	
c)A contract entered into, or which may be entered into, by the TPRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and	
e)A matter that if disclosed, would reveal –	
i) Information that has a commercial value to a person; or	
ii) Information about the business, professional, commercial or financial affairs of a person where the information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).	

12.2 CONFIDENTIAL: REVIEW OF DEVELOPMENT MANAGER APPOINTMENT  
TO STAGE 3.....36

This item satisfies the requirements of Section 5.23 c) and e) of the Local Government Act 1995, enabling it to be considered at a meeting, or part of a meeting, that is closed to members of the public, on the grounds that it deals with:

c) A contract entered into, or which may be entered into, by the TPRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and

e) A matter that if disclosed, would reveal –

i) Information that has a commercial value to a person; or

ii) Information about the business, professional, commercial or financial affairs of a person where the information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).

## MEMBERSHIP

OWNER COUNCIL	MEMBER
Town of Cambridge	Cr Andres Timmermanis (CHAIR)
City of Joondalup	Cr John Chester
City of Vincent	Cr Joanne Fotakis
City of Stirling	Cr Karen Caddy Cr David Lagan Cr Suzanne Migdale Cr Bianca Sandri
City of Wanneroo	Cr Brett Treby

*Representatives from the Satterley Property Group will be in attendance at the meeting.*

**Note:** There will be a briefing session at 6:00pm (prior to the Management Committee meeting) on:

- Preliminary Project Budget FYE 2022 considerations - vision and objectives, key activities and optional infrastructure; and
- Grove Precinct – status on key elements such as subdivision design, market research and branding proposals.

The briefing will involve a presentation by Satterley, followed by questions/discussions on the matters. The briefing is open to all TPRC Councillors.

## **PRELIMINARIES**

### **1. OFFICIAL OPENING**

## **DISCLOSURE OF INTERESTS**

### **2. PUBLIC STATEMENT/QUESTION TIME**

### **3. APOLOGIES AND LEAVE OF ABSENCE**

### **4. PETITIONS**

### **5. CONFIRMATION OF MINUTES**

That the Management Committee CONFIRMS and the Chair signs the minutes from the Management Committee meeting held, 17 September 2020 as a true and accurate record of proceedings.

### **5A BUSINESS ARISING FROM MINUTES**

### **6. ANNOUNCEMENTS BY CHAIR (WITHOUT DISCUSSION)**

### **7. ADMINISTRATION REPORTS AS PRESENTED (ITEMS 7.1 – 7.8)**

## 7.1 BUSINESS REPORT – PERIOD ENDING 11 MARCH 2021

---

**Responsible Officer:** Manager Project Coordination

**Attachments:** Nil

**Voting Requirements:** Simple Majority

---

### RECOMMENDATION

**That the Management Committee RECEIVES the Business Report to 11 March 2021.**

---

### PURPOSE

To advise the Management Committee of matters of interest not requiring formal resolutions.

### RISK MANAGEMENT IMPLICATIONS

<b>Risk Ref: 2</b>	<b>Risk Rating:</b>
Strategic - Stable and effective governance environment.	Moderate
<b>Action:</b>	
SPG and TPRC provide reports/information to Council Meetings.	

The report provides information to the Management Committee on key activities, programs and milestones.

### BACKGROUND

The business of the Council requires adherence to many legislative provisions, policies and procedures that aim at best practice. There are also many activities that do not need to be reported formally to the Council but will be of general interest to Council members and will also be of interest to the public who may, from time to time, refer to Council minutes.

In the context of the above, a Business Report provides the opportunity to advise on activities that have taken place between meetings. The report will sometimes anticipate questions that may arise out of good governance concerns by Council members.

### COMMENT

#### 1. Civil Construction - Status

##### Stage 27

Stage 27 (20 lots) in Catalina Beach achieved titles on 24 February 2021.

##### Stage 28

Construction of Stage 28 (35 lots) commenced in November 2020 and is due to be completed late June 2021. Titles are expected to issue early August 2021.

##### Connolly Drive/Aviator Boulevard Roundabout

The Connolly Drive/Aviator Boulevard roundabout is anticipated to be completed by August 2021.

Portofino Promenade/Longbeach Promenade

Construction of the Portofino Promenade and Longbeach Promenade extensions are programmed to commence in May 2021 and be completed by October 2021.

**2. Landscape Works – Status**

BCA - Marmion Avenue

The City of Wanneroo has identified several matters that it requires to be addressed prior to accepting handover of the northern Biodiversity Conservation Area (BCA), adjacent to Marmion Avenue in Catalina Central, including fire access works to mitigate bushfire risk and the submission of rehabilitation completion and other environmental compliance reporting. These requirements are presently being reviewed in consultation with the City.

Aviator Boulevard Verge Landscape

Landscape design for the Aviator Boulevard verge landscapes from Roulettes Parade to Connolly Drive in Catalina Central is currently being finalised. Commencement of landscape works is anticipated in May 2021.

Portofino Promenade

Landscape design for the Portofino Promenade extension is in progress and works are expected to commence in September 2021 following completion of civil works.

**3. Housing Construction**

The following table provides an overview of the current progress of housing construction to 11 March 2021:

Stage	Total Lots	Under Construction	Completed	Vacant
Stages 1 - 13	660	0	655	5
Stage 14	73	0	72	1
Stage 15	55	0	54	1
Stage 17A	25	0	23	2
Stage 17B	36	4	13	19
Stage 18A	29	0	29	0
Stage 18B	31	2	23	6
Stage 25 (Display Village)	15	0	15	0
Stage 25	34	5	27	2
Stage 25B	7	0	7	0
Stage 25 (Builders Release)	7	3	3	1
Stage 26	38	4	0	34
<b>Total</b>	<b>1010</b>	<b>18</b>	<b>921</b>	<b>71</b>

**4. Community Events**

The 'Summer Splashdown' community event has been re-scheduled for 13 March 2021 at the Catalina Beach Park. This event is open to the general public and will feature a range of water-based play activities.

A residents-only 'Simply Circus' event is to be held during the school holidays on 15 April 2021 at Drimmie Park (Stage 11) in Catalina Central. The event will offer a range of circus-related activities for children of all ages, such as juggling, hula hoops and plate spinning, a stilt walker, face painting, totem tennis and other games and creative crafts.

**5. Catalina Beach Access Road / Carpark**

Development approval from the Western Australian Planning Commission, a Clearing Permit from the Department of Water and Environmental Regulation and civil construction approval from the City of Wanneroo have been obtained for the Beach Access Road and Carpark. Final approval of the landscaping and revegetation plans by the City of Wanneroo is expected by late March 2021. Construction is planned to commence in April 2021 and be completed by September 2021.

**6. Coastal Dual Use Path, Burns Beach – Mindarie**

Subdivision approval has been obtained by Peet Limited for the portion of the Burns Beach Estate through which the remaining segment of the coastal dual use path (DUP) is to be constructed. The approval sets the alignment of the DUP, with the timing of completion subject to Peet's construction program.

## 7.2 PROJECT FINANCIAL REPORT – JANUARY 2021

---

<b>Responsible Officer:</b>	Chief Executive Officer
<b>Attachments:</b>	Letter from Satterley Property Group dated 25 February 2021 with Financial Report
<b>Voting Requirements:</b>	Simple Majority

---

### RECOMMENDATION

**That the Council RECEIVES the Project Financial Report (January 2021) submitted by the Satterley Property Group.**

---

### PURPOSE

To consider the Project Financial Report for January 2021 submitted by the Satterley Property Group.

### POLICY REFERENCE

N/A

### LOCAL GOVERNMENT ACT/REGULATION

N/A

### PREVIOUS MINUTES

N/A

### FINANCIAL/BUDGET IMPLICATIONS

Review of Project Financial Report for December 2020.

### RISK MANAGEMENT IMPLICATIONS

<b>Risk Ref: 2</b>	<b>Risk Rating:</b>
Strategic - Stable and effective governance environment.	Moderate
<b>Action:</b>	
SPG and TPRC provide reports/information to Council Meetings.	

The report provides information to Council on Catalina Project financial outcomes in particular, revenue, expenditure and variances to ensure transparency and governance of financial activity.

### BACKGROUND

At its meeting of 18 June 2020, the Council approved the Project Budget FYE 2021, submitted by the Satterley Property Group, as the basis of financial planning for the TPRC Budget FYE 2021.

The Development Manager's Key Performance Indicators 2020 - Governance, requires the preparation of monthly progress reports.

**COMMENT**

The Satterley Property Group has prepared a Financial Report for January 2021 for the Project. The report has been prepared on a cash basis and compares actual expenditure to approved budget expenditure for the period up to 31 January 2021, and is attached at Appendix 7.2.

The Financial Report identifies the following main areas of variance:

1. Settlement revenue was \$18.51M, which is \$5.60M unfavorable to budget due to 22 less residential settlements for the year to date.
2. Expenditure was \$10.05M under budget, in the following areas:
  - Lot Production \$7.9M;
  - P&L expenditure \$1.13M.
  - Infrastructure \$0.81M
3. Lot Sales Value was \$22.91M which is \$1.18M unfavourable to budget due 13 fewer lot sales year to date, partially offset by higher selling price.

The Satterley Property Group Financial Report provides detail on the variations.

Satterley Property Group representatives will be in attendance to present the report.

### 7.3 SALES AND SETTLEMENT REPORT – PERIOD ENDING 11 MARCH 2021

---

**Responsible Officer:** Manager Project Coordination

**Attachments:** Staging Plan

**Voting Requirements:** Simple Majority

---

#### RECOMMENDATION

**That the Management Committee RECEIVES the Sales and Settlement Report to 11 March 2021.**

---

#### PURPOSE

To advise the Council of the status of sales, settlements and sales releases.

#### POLICY REFERENCE

N/A

#### LOCAL GOVERNMENT ACT/REGULATION

*Local Government Act 1995: Sect 3.58 – Disposal of Property.*

#### PREVIOUS MINUTES

N/A

#### FINANCIAL/BUDGET IMPLICATIONS

Income under this matter will be posted under item I145011 (Income on Lot Sales):

Budget Amount:	\$ 30,462,568
Received to Date:	\$ 20,465,061
Balance:	\$ 9,997,507

#### RISK MANAGEMENT IMPLICATIONS

<b>Risk Ref: 2</b>	<b>Risk Rating:</b>
Strategic - Stable and effective governance environment.	Moderate
<b>Action:</b>	
SPG and TPRC provide reports/information to Council Meetings.	

The report provides information on Catalina Project on sales/settlements and variances to ensure to Council is well informed on sales and market trends.

## BACKGROUND

The Sales and Settlement Report provides the Management Committee with a status update of sales and settlements for the Project.

The Staging Plan provided under Appendix 7.3 identifies the extent of the stage boundaries referenced within the report.

## COMMENT

Table 1 provides a summary of the Catalina Estate Sales and Settlement position for lots released up to 11 March 2021.

**Table 1: Summary of Sales and Settlement of Lots – Catalina Estate**

Stage/ Release Date	Release Date	Lots Released	Lot Sizes (m <sup>2</sup> )	Sold*	Stock	Settled
Completed Stages	-	935	174 - 658	966	0	966
Stage 16A	Aug-20	17	375 - 450	15	2	9
Stage 17B (2)	Sep-19	8	245 - 450	8	0	6
Stage 17B (3)	Apr-20	10	300 - 450	10	0	8
Stage 26 (3)	Dec-19	7	367 - 481	7	0	6
Stage 26 (4)	Dec-19	9	315 - 539	9	0	8
Stage 27A (1)	Aug-20	12	225 - 450	11	1	1
Stage 27A (2)	Sep-20	8	300 - 450	8	0	0
Stage 28 (1)	Nov-20	10	357 - 450	8	2	0
Stage 28 (2)	Feb-21	10	370-450	5	5	0
<b>Total</b>		<b>1,057</b>	<b>174 - 658</b>	<b>1,047</b>	<b>10</b>	<b>1,004</b>

**Table 2: Summary of Net Sales for FYE 2021 against Budget – Catalina Estate**

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YTD	Apr	May	Jun	FYE 21
<b>Budget#</b>	34	3	17	6	6	6	3	4	4	<b>83</b>	4	4	4	<b>95</b>
<b>Actual</b>	34	3	16	10	6	3	-2	9	7*	<b>86</b>				
<b>Variance</b>	0	0	-1	4	0	-3	-5	5	2	<b>3</b>				

\* Includes three sales contracts pending advertising and acceptance.

# Budgeted sales reflect the amended Project Budget FYE 2021, approved by the Council in December 2020 as part of the mid-year review.

The Project currently holds 42 contracts, 16 unconditional, 23 conditional and three pending acceptance. Of the 16 unconditional contracts, eight are scheduled to settle in the week commencing Monday 15 March 2020.

The Project has a current released stock position of 10 lots, comprised of the following:

- Stage 16A (Central Precinct) – 2 lots (titled)
- Stage 27A (Beach Precinct) – 1 lot (titled)
- Stage 28 (Beach Precinct) – 7 lots (under construction)

**Table 3: Summary of Settlements for FYE 2021 against Budget – Catalina Estate**

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YTD	Apr	May	Jun	FYE 21
<b>Budget#</b>	3	9	11	2	1	7	8	13	12	<b>66</b>	11	11	7	<b>95</b>
<b>Actual</b>	3	9	11	18	6	3	6	8	4	<b>68</b>				
<b>Variance</b>	0	0	0	16	5	-4	-2	-5	-8	<b>2</b>				

# Budgeted settlements reflect the amended Project Budget FYE 2021, approved by the Council in December 2020 as part of the mid-year review.

### Northern Corridor Estates Analysis

Table 4 provides a summary of sales at developments in the northern corridor.

**Table 4: Summary of Sales in Northern Corridor (February 2020 to January 2021)**

ESTATE	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	12 Month Total Sales
<b>NORTH-WEST METRO</b>													
Alkimos Beach (Alkimos)	1	3	2	8	43	20	5	0	7	5	7	5	106
Alkimos Vista (Alkimos)	1	4	0	1	28	17	13	3	2	7	7	3	86
Allara (Eglinton)	1	4	1	2	29	9	14	13	2	3	-3	3	78
Amberton (Eglinton)	8	1	3	13	41	30	24	15	18	10	10	5	178
Beaumaris (Iluka)	12	0	0	0	5	2	0	0	2	1	3	1	26
Burns Beach (Burns Beach)	3	0	1	1	86	0	0	0	0	0	0	0	91
<b>Catalina (Clarkson-Mindarie)</b>	3	3	1	4	6	<b>34</b>	3	16	10	6	3	<b>-2</b>	<b>87</b>
East of the Beach (Eglinton)	5	2	0	2	32	18	4	0	-1	3	3	8	76
Eden Beach (Jindalee)	21	6	0	11	32	20	22	7	8	7	13	12	159
Shorehaven (Alkimos)	14	10	8	12	62	14	26	5	10	7	8	10	186
Trinity (Alkimos)	6	5	5	5	43	20	25	20	8	11	1	12	161
<b>TOTAL</b>	75	38	21	59	407	<b>184</b>	<b>136</b>	<b>79</b>	<b>66</b>	<b>60</b>	<b>52</b>	<b>57</b>	<b>1,234</b>
<b>CATALINA SHARE (%)</b>	<b>4 %</b>	<b>7.9 %</b>	<b>4.8 %</b>	<b>6.8 %</b>	<b>1.5 %</b>	<b>18.5 %</b>	<b>2.2 %</b>	<b>20.3 %</b>	<b>15.2 %</b>	<b>10.0 %</b>	<b>5.8 %</b>	<b>0%</b>	<b>7%</b>

Note 1: Satterley reporting is based on 'mid-month' sales period.

Note 2: Satterley has expressed caution that these sales results are indicative only based on information obtained in the marketplace and supplied on a voluntary basis.

Table 5 provides a summary of available stock in the northern corridor. The 375m<sup>2</sup> lots available in Catalina Beach range in price from \$355,000 to \$370,000. The two lots available in Catalina Central are 375m<sup>2</sup> and 432m<sup>2</sup> and are priced at \$265,000 and \$282,000 respectively.

**Table 5: Summary of Price of Available Lots in Northern Corridor Estates**

Estate	225sqm Price (\$)	300sqm Price (\$)	375sqm Price (\$)	450sqm Price (\$)	500sqm + Price (\$)	Total Dwellings	Stock
Allara	133,000	153,000	190,000	215,000-220,000	225,000-270,000	3,405	28
Alkimos Beach	n/a	n/a	262,000	285,000	310,000	2,413	24
Amberton	n/a	n/a	214,000-259,000	248,000-296,000	269,000-309,000	2,500	18

Burns Beach	n/a	n/a	640,000	n/a	n/a	1,580	16
Catalina Central	n/a	n/a	265,000	n/a	n/a	2,480	2
Catalina Beach	n/a	n/a	355,000-370,000	n/a	n/a		8
Eden Beach	185,000	n/a	n/a	316,000	n/a	1,100	7
Shorehaven	182,000	215,000	249,000-265,000	285,000	275,000-315,000	2,800	45
Trinity	n/a	190,000-225,000	210,000-248000	235,000-282,000	n/a	2,500	29

**Lot Releases**

**Stage 16A – Catalina Central**

17 lots in Stage 16A were released for sale in August 2020 (eight lots) and September 2020 (nine lots). The lots range in area from 375m<sup>2</sup> to 450m<sup>2</sup> and two remain available for sale. Titles issued on 25 January 2021.

**Stage 27A - Catalina Beach**

20 lots in Stage 27A were released in August 2020 (12 lots) and September 2020 (eight lots). The lots range in area from 225m<sup>2</sup> to 450m<sup>2</sup>. One lot remains available for sale. Titles issued on 24 February 2021.

**Stage 28 – Catalina Beach**

20 lots in Stage 28A were released for sale in November 2020 (10 lots) and January 2021 (10 lots). The lots range in area from 357m<sup>2</sup> to 450m<sup>2</sup>. Seven lots remain for sale. The lots are under construction and expected to title in August 2021.

Stage 28 includes nine lots to be allocated for a new builders’ display village fronting Marmion Avenue and seven lots for public release. An Expression of Interest (EOI) process is currently being advertised to the builders and it is anticipated that allocations will be made and contracts offered to builders by the end of April 2021. The extent and timing of release of the remaining public release lots will be dependent on the outcome of the EOI process and sales of released Stage 28 lots.

**Marketing**

Current project marketing is focussed on lead generation and brand awareness campaigns through social media advertising (primarily Google and Facebook). A refreshed digital campaign landing page has been prepared and new advertisements were launched this week. Catalina’s search engine optimisation (SEO) program is continuing to drive strong organic traffic to the Catalina website.

A Brand Strategy Review has been completed for Catalina Grove and the insights and recommendations have informed the Grove marketing strategy. Additional details are provided in Item 7.7.

## 7.4 REVIEW OF PROJECT FORECAST 2020

<b>Responsible Officer:</b>	Manager Project Coordination
<b>Attachments:</b>	CBRE Review (December 2020) of Catalina Estate Project Forecast (2020)
<b>Voting Requirements:</b>	Simple Majority

### RECOMMENDATION

That the Council:

1. **RECEIVES** the CBRE report (December 2020) on the review of Project Forecast (July 2020).
2. **REQUESTS** the Satterley Property Group to provide an updated Project Forecast for consideration at the Council's June 2021 meeting that accounts for changing market conditions experienced in the later part of 2020 and early 2021.

### PURPOSE

To consider a review undertaken by CBRE of the Project Forecast (July 2020), as prepared by the Satterley Property Group (Satterley).

### POLICY REFERENCE

N/A

### LOCAL GOVERNMENT ACT/REGULATION

N/A

### PREVIOUS MINUTES

- Council Meeting – 18 June 2020 (Item 9.5 – Project Forecast 2020)
- Council Meeting – 21 June 2018 (Item 9.10 – Review of Project Forecast 2017)

### FINANCIAL/BUDGET IMPLICATIONS

Input into TPRC project and financial planning.

### RISK MANAGEMENT IMPLICATIONS

<b>Risk Ref: 1 &amp; 2</b>	<b>Risk Rating:</b>
1. Strategic – Common vision	Moderate
2. Strategic – Stable and effective governance environment	Moderate
<b>Action:</b>	
Council to determine Project Forecast 2020 (Scenarios) which will provide a guide to the long term cashflow direction of the Project and to provide the basis of Project and financial planning and Project profit.	

This report details the outcomes of an independent review of the Project Forecast (2020) to assist the Council to determine its suitability as a guide to Project and financial planning.

## BACKGROUND

At its meeting of 20 June 2018, the Council approved the Project Forecast (2018).

The Project Forecast is intended as a general guide to the long term cashflow direction of the Project and to provide the basis of project and financial planning and the forecasted profit and distributions for the TPRC and member local governments.

The preparation of a Project Forecast every three years was a requirement of the Development Manager's Key Performance Indicators (KPIs). Satterley prepared Project Forecasts in 2014 and 2017 in accordance with requirements of the KPIs. In February 2020, the Council endorsed revised Development Manager's KPIs, which did not include a formal requirement for the preparation of a Project Forecast by Satterley, however the TPRC Risk Register (2020) includes a requirement for the Council to determine Project Forecast 2020 (Scenarios) as a basis for Project planning.

At its meeting of 18 June 2020, the Council considered the Project Forecast (May 2020), as prepared by Satterley, which contained three long-term scenarios to assist the Council in determining the strategic direction of the Catalina Project, particularly in relation to lot sales rates and pricing.

The following table provided an analysis of the three Project Forecast (May 2020) scenarios and a comparison to the Project Forecast (2018), indicating a substantial reduction in Project profit and distributions under each scenario.

CATALINA   Scenario Outcome Matrix				
Metric	2018 Project Forecast 10-16 sales per month	Scenario 1: 5 sales per month Pricing 1	Scenario 2: 8 sales per month Pricing 2	Scenario 3: 10 sales per month Pricing 3
Gross income:	\$681.8m	\$700.1m	\$614.5m	\$565.2m
Development costs:	\$341.3m	\$396.6m	\$358.2m	\$346.6m
Project Cashflow:	\$340.5m	\$303.4m	\$256.3m	\$218.6m
Profit per lot:	\$136,800	\$121,136	\$102,309	\$87,252
Capital IRR:	16.4%	8.3%	9.1%	8.6%
Project IRR:	18.4%	12.4%	13.6%	13.3%
Final settlement:	Aug-28	Oct-47	Aug-37	Mar-34
NPV @ 6%:	n/a	\$67.1m	\$74.3m	\$61.3m
Cashflow after TPRC administration costs:	n/a	\$277.5m	\$240.0m	\$206.1m
NPV @ 6% after TPRC administration costs:	n/a	\$55.9m	\$65.2m	\$53.5m

At its meeting of 18 June 2020 the Council resolved to defer consideration of the Project Forecast (May 2020) and request Satterley to update the Project Forecast Scenarios (2020) in light of amended lot pricing and supporting analysis.

It also authorised engagement of an independent consultant with the relevant experience to review the Project Forecast (2020), undertake a benchmarking exercise on key project elements and provide advice and recommendations to the Council, primarily due to the substantial reduction in project Profit and distributions between the Project Forecast (2018)

and the Project Forecast (2020) Scenarios, noting the \$84.2M cashflow reduction between the Project Forecast (2018) and the preferred Scenario 2 of the Project Forecast (2020).

In October 2020, CBRE was engaged to undertake an independent review of the Project Forecast (July 2020), undertake a benchmarking exercise on key project elements and provide advice and recommendations to the Council.

**COMMENT**

CBRE’s review of the Project Forecast (July 2020) involved undertaking a benchmarking exercise on key project elements, including:

- Key project assumptions;
- Sale prices and rates;
- Lot production costs;
- Direct selling costs;
- Development costs;
- Landscaping costs;
- Sales incentive packages;
- Lot production, sales and marketing;
- Contingency rates; and
- Sales and cost escalation rates.

CBRE’s scope of works also included providing advice on current market conditions and the accuracy of the sales rate scenario of eight sales/month, which was Council’s preferred rate of sales, as a general guide for project and financial planning.

It should be noted that CBRE’s review was of Project Forecast (2020), as updated in July 2020 by Satterley, which incorporated amended lot pricing and a sales rate based on Scenario 2 (8 sales/month).

<b>CATALINA   Project Forecast Outcome</b>		
<b>Metric</b>	<b>2018 Project Forecast 10-16 sales per month</b>	<b>2020 Project Forecast 8 sales per month</b>
Gross income:	\$681.8m	\$642.2m
Development costs:	\$341.3m	\$355.0m
Cashflow:	\$340.5m	\$287.3m
Profit per lot:	\$136,800	\$114,681
Capital IRR:	16.4%	10.1%
Project IRR:	18.4%	15.0%
Final settlement:	Aug-28	Sep-36
NPV @ 6%:	n/a	\$99.0m
Cashflow after TPRC administration costs	n/a	\$272.1m
NPV @ 6% after TPRC administration costs	n/a	\$90.3m

The key findings of CBRE’s review of the Satterley Project Forecast (July 2020) are summarised as follows:

- CBRE's assessment of lot pricing is 1.2% higher than the Project Forecast (July 2020).
- CBRE's forecast rate of sale is slightly more conservative than the Project Forecast (July 2020) for FYE 2021 and 2022, however it is less conservative for the period between 2025 and 2031 when it forecasts 10 sales/month compared to 8 sales/month. CBRE anticipates completion of the Project in 2034, compared to 2036 in the Project Forecast (July 2020).
- CBRE's adopted revenue escalation of nil for FYE 2021 and 2022 and 3% p/a for FYE 2023 to 2025 is consistent with the Project Forecast (July 2020), however its adopted escalation of 3.5% for FYE 2026 onwards is 0.5% higher than the Project Forecast (July 2020).
- CBRE's longer-term development cost escalation from FYE 2023 onwards at 2.5% is higher than the 2% assumed in the Project Forecast (July 2020). CBRE has also factored in allowance for cost escalation of 1.5% compared to nil for FYE 2022 to reflect recent increased demand for lot production and civil works.
- Allowances made for incentive packages and contingency rates in the Project Forecast (July 2020) are reasonable.
- Allowances made for sales and marketing at 4.3% of revenue in the Project Forecast (July 2020) is towards the upper end of benchmarked estates, particularly the marketing component of 2.2% relative to a somewhat conservative long term sales rate of eight sales/month.
- Development costs in the Project Forecast (July 2020), including lot production, bulk earthworks and landscaping are generally towards the upper end of benchmarked estates, though this is reasonable given the additional cost of providing landscaping and other enhancements throughout the estate to a high specification, in addition to cost implications of managing rock in earthworks stages, foreshore works at Catalina Beach and tree retention in Catalina Grove.
- Prior to the outbreak of COVID-19, the Perth housing market was beginning to show signs of recovery after four to five years of soft market demand and declining prices. Government building stimulus incentives led to strong market activity in the second half of 2020 and other positive factors have contributed to a buoyant market, including historically low interest rates, residential vacancy rates of less than 1% and a strong resources sector supported by high commodity prices. Perth house prices are predicted to experience moderate to strong growth in 2021 and land price growth is expected to continue, though moderation is possible by mid-year as stimulus measures switch off. Affordability may become an issue in the months ahead and regulators may look to reintroduce measures to keep prices in check. There may be some uncertainty of demand late in 2021 given the extent to which purchase decisions have been brought forward to take advantage of the government subsidies.

CBRE advises that the Project Forecast (July 2020) represents an appropriate general guide for Project and financial planning, noting only a slight bias to conservatism with lot prices and escalations.

Satterley has reviewed CBRE's report and notes that CBRE's assumptions are for the most part aligned with the assumptions Satterley made in preparing the Project Forecast (July 2020). It also notes the following:

- CBRE's long-term sales rate of 120/annum is higher than Satterley's projection of 96 sales/annum. Satterley's estimates were based on pre-COVID population growth projections and Satterley questions the basis for the higher sales rate CBRE has projected.

- If Satterley was to undertake a new project forecast, it would likely include higher short-term development cost escalation due to the high level of construction activity occurring and lot price escalation starting sooner due to recent price growth and sales activity.
- CBRE's report does note the current constraint on stock availability in the Project.

While it is open to the Council to approve the Project Forecast (July 2020) as the basis for Project and financial planning, it should be noted that Satterley will be updating the Project Forecast as part of its preparation of the Project Budget FYE 2022, which is due to be presented to the Council for consideration in June 2021. Given how dynamic the land sales market and construction industry have been in recent months, this provides opportunity for the preparation and consideration of an updated Project Forecast, taking into consideration the latest market conditions, lot pricing, expectations on development costs and Project direction and may lead to a more favourable Project profit estimate.

## **CONCLUSION**

The key objective of the Economic pillar of the Strategic Community Plan (2020), adopted by the Council at its February 2020 meeting, is to maximise returns for member Councils whilst delivering environmental, social and economic objectives.

The Project Forecast is a general guide to the long term cashflow direction of the Project due to the inherent uncertainties associated with forecasting over the lengthy timeframe of the Project's lifecycle. However, there is a reasonable expectation that the Project Forecast can be used by the TPRC as the basis of project and financial planning and that the forecasted project profit and distributions can be relied upon by the member local governments.

CBRE's review concluded that the Project Forecast (July 2020) is an appropriate general guide for Project and financial planning, providing only a very slight bias to conservatism with lot prices and escalations. This conclusion supports the Council's decision at its 18 June 2020 meeting not to reduce lot prices to the extent that was recommended by Satterley at that time.

CBRE's commentary on the outlook of the market indicates the prospect for buoyant conditions in the short to medium term.

Satterley will be updating the Project Forecast as part of its preparation of the Project Budget FYE 2022, which is due to be presented to the Council for consideration in June 2021 and provides the opportunity for the Council to consider a Project Forecast based on updated advice on general direction of the Project and current market conditions, lot pricing and expectations on development costs.

## 7.5 STAGE 18C (CATALINA CENTRAL) SUBDIVISION PLAN

---

<b>Responsible Officer:</b>	Manager Project Coordination
<b>Attachments:</b>	Satterley Property Group report (dated 2 March 2021)
<b>Voting Requirements:</b>	Simple Majority

---

### RECOMMENDATION

That the Council:

1. **RECEIVES** the Satterley Property Group report (dated 2 March 2021) in respect to the proposed subdivision concept plan for the Stage 18C site in Catalina Central.
  2. **APPROVES** the proposed subdivision concept plan for the Stage 18C site, as contained in the Satterley Property Group report (dated 2 March 2021).
- 

### PURPOSE

To consider a report prepared by Satterley Property Group (Satterley) in respect to the proposed subdivision of the Stage 18C site in Catalina Central.

### POLICY REFERENCE

N/A

### LOCAL GOVERNMENT ACT/REGULATION

N/A

### PREVIOUS MINUTES

- Council Meeting – 10 December 2020 (Item 13.1 – Tender 05/19 Built Form Partnership – Stage 18 – Update)
- Council Meeting – 19 April 2018 (Item 9.8 – Central Precinct Stage 18 Group Housing Sites (Lots 995 and 996))

### FINANCIAL/BUDGET IMPLICATIONS

As detailed in this report.

### RISK MANAGEMENT IMPLICATIONS

<b>Risk Ref: 3</b>	<b>Risk Rating:</b>
Development Project – Development Manager ability to deliver.	Moderate
<b>Action:</b>	
Development Manager required to prepare for approval strategies and plans.	

This report relates to a proposed plan of subdivision for the Stage 18C site in Catalina Central.

## BACKGROUND

At its meeting of 19 April 2018, the Council approved a subdivision concept for the Stage 18C site, subject to a final design being presented for the Council’s consideration and optimised to achieve built form objectives that include single and two-storey small lot product, create housing diversity, include measures to limit acoustic attenuation on the built form and optimise financial returns to the TPRC.

The approved Catalina Housing Strategy (July 2019) and Annual Plans FYE 2020 and 2021 identified the opportunity to develop the site to showcase innovative housing design that has a focus on liveability, sustainability and affordability in order to add to the diversity of available housing in Catalina.

At its meeting of 10 December 2020, the Council agreed to cease negotiations with the preferred party on a potential built form partnership for the Stage 18C site. The Council also resolved that Satterley prepare an appropriate subdivision and development option that can achieve the Council’s objectives of sustainability and innovative built form for the site.

Satterley has provided a report addressing the Council’s request for an appropriate subdivision and development option. A copy of the Satterley report is contained in Appendix 7.5 and includes the subdivision concept approved in 2018 and the recently updated plan.

## COMMENT

A subdivision concept plan has been prepared consistent with the Council’s decisions of April 2018 and December 2020. It provides for the subdivision of the site into 28 green title lots ranging in area from 150m<sup>2</sup> to 558m<sup>2</sup>.

Satterley advises that the subdivision concept plan has considered survey information, lot mix, building trends and servicing and acoustic requirements. It also advises that the new plan retains the intent and objectives of the subdivision plan approved by the Council in 2018, but provides greater efficiency.

### Comparison between 2018 and 2021 Subdivision Plans

Item	2018 Plan	2021 Plan
Lot Yield	29 (22 green title, 7 strata)	28 (all green title)
Lot Range	116m <sup>2</sup> to 406m <sup>2</sup>	150m <sup>2</sup> to 558m <sup>2</sup>
Average Lot Size	223m <sup>2</sup>	300m <sup>2</sup>
Public Open Space	984m <sup>2</sup>	Nil
Road Configuration	Loop road and common property driveway	Two culs-de-sac

### Lot Mix

All proposed lots will have front street access and cater for a mix of single and double-storey house designs. Three lot types are proposed:

- 7.5m frontage compact lots – with a depth of 20m, these lots can accommodate single and double-storey homes being constructed by the major project home builders, which include single and double garage options and offer affordability.
- 12.5m frontage compact lots – with a depth of 15m, these lots can similarly accommodate single and double-storey homes being constructed by the major project home builders and will present to the street as a traditional design, but with the ability to achieve design

efficiencies afforded by the site's Residential R60 coding. Corner lots in this configuration can incorporate side street-accessed garages.

- 10.5m or greater frontage and deeper lots – with depths ranging from 25m to 44m, these lots can accommodate larger homes consistent with housing constructed throughout Catalina Central and provide for diversity of choice.

### Built Form/Sustainability

Satterley proposes the use of a Local Development Plan (LDP), design guidelines, and purchaser incentives to achieve the Council's built form and sustainability objectives for the site, which are to be developed while the subdivision application is under consideration of the Western Australian Planning Commission (WAPC).

### Financial Implications

Satterley has provided a preliminary cashflow analysis for the proposed plan, comparing it against the Project Budget FYE 2021, which indicates an improved profit position of \$1,035,272.

<b>CATALINA   Stage 18C Preliminary Cashflow Analysis</b>				
<b>CATEGORY</b>	<b>INPUT</b>	<b>PROPOSED</b>	<b>BUDGET (FY21 MID-YEAR)</b>	<b>VARIANCE</b>
Residential Lots		28	36	(8)
Residential Area		8,410m <sup>2</sup>	6,531m <sup>2</sup>	1,879m <sup>2</sup>
Average Residential Lot Size		300m <sup>2</sup>	181m <sup>2</sup>	119m <sup>2</sup>
<b>TOTAL SALEABLE AREA</b>		<b>8,410m<sup>2</sup></b>	<b>6,531m<sup>2</sup></b>	<b>1,879m<sup>2</sup></b>
<b>GROSS INCOME</b>				
Income - Lots		5,363,000	4,545,375	817,625
<b>TOTAL INCOME</b>		<b>5,363,000</b>	<b>4,545,375</b>	<b>817,625</b>
GST	\$4,545 /Lot	127,273	163,636	36,364
Selling Commission	2.10%	112,623	95,453	(17,170)
Project Management	2.25%	120,668	102,271	(18,397)
Settlement Fees	\$800 /Lot	22,400	28,800	6,400
Rebates	\$12,800 /Lot	358,400	460,800	102,400
<b>TOTAL DIRECT SELLING COSTS</b>		<b>741,363</b>	<b>850,960</b>	<b>109,597</b>
<b>GROSS INCOME</b>		<b>4,621,637</b>	<b>3,694,415</b>	<b>927,222</b>
<b>DEVELOPMENT COSTS</b>				
Lot Production		1,623,800	1,426,705	(197,095)
Landscape		100,000	400,000	300,000
Contingency	5.00%	86,190	91,335	5,145
<b>DEVELOPMENT COSTS</b>		<b>1,809,990</b>	<b>1,918,040</b>	<b>108,050</b>
<b>CONTRIBUTION TO PROFIT</b>		<b>2,811,647</b>	<b>1,776,375</b>	<b>1,035,272</b>

#### Notes

1. Development costs above exclude project wide costs such as consultants, marketing, community development and administration

It is noted that the projected contribution to profit of the 2018-approved plan was assessed by Satterley in August 2020 as \$2,245,282, as reported to the Council's meeting of 20 August 2020. The projected profit associated with the new subdivision plan is \$566,365 more than that projected for the 2018-approved plan.

### **CONCLUSION**

The proposed subdivision plan is considered to be acceptable on the basis that it is:

- Consistent with the intent of the Annual Plan FYE 2021 and Built Environment Strategy (2020) to achieve an appropriate form of development of the Stage 18C site.
- Consistent with the design configuration of the 2018-approved subdivision plan, albeit with a reduction in lot yield of one lot, but an increased average lot size of 77m<sup>2</sup>, broader range of lot sizes, more-efficient road layout and an increased contribution to profit of \$566,365.

- Providing a range of lot sizes to enable housing diversity, choice and affordability and the ability to achieve a desirable built form that incorporates sustainability features through a LDP, design guidelines and purchaser incentives, consistent with the Council's objectives for the site.
- Providing for an innovative built form outcome that would be compatible with existing development in adjoining parts of Catalina and addresses acoustic attenuation considerations associated with traffic noise from Neerabup Drive.
- Projected to provide increased financial returns to the TPRC, compared to those anticipated in the Project Budget FYE 2021, in the order of \$1.04M.

Approval of the proposed subdivision plan will enable a subdivision application to be prepared and lodged with the WAPC for approval. Obtaining WAPC approval will enable lots to be released and assist to address the current limited supply of available stock in Catalina Central.

## 7.6 PROJECT BUDGET FYE 2022 – PRELIMINARY CONSIDERATIONS

---

<b>Responsible Officer:</b>	Manager Project Coordination
<b>Attachments:</b>	Budget Considerations FYE 2022 (Satterley Property Group dated 10 March 2021)
<b>Voting Requirements:</b>	Simple Majority

---

### RECOMMENDATION

That the Council **RECEIVES** the preliminary report on the Project Budget FYE 2022, prepared by Satterley Property Group (dated 10 March 2021).

---

### PURPOSE

To enable preliminary consideration of options for the content of the Project Budget FYE 2022.

### POLICY REFERENCE

N/A

### LOCAL GOVERNMENT ACT/REGULATION

N/A

### PREVIOUS MINUTES

Council Meeting – 20 August 2020 (Item 9.7 - Project Budget FYE 2021)

### FINANCIAL/BUDGET IMPLICATIONS

Input into TPRC project and financial planning.

### RISK MANAGEMENT IMPLICATIONS

<b>Risk Ref: 3</b>	<b>Risk Rating:</b>
Development Manager ability to deliver	Moderate
<b>Action:</b>	
Development Manager required to provide an Annual Plan, Annual Budget for approval.	

This report relates to options for the content of the Project Budget FYE 2022.

### BACKGROUND

At its meeting of 20 August 2020, the Council approved the Project Budget FYE 2021 as the basis for Project and financial planning and the TPRC Budget.

Satterley Property Group (Satterley) has provided a report that outlines potential items for inclusion in the Project Budget FYE 2022. The purpose is to provide an opportunity for discussion on key activities and infrastructure options in order to set the direction for the Project

for FYE 2022 and aid development of the Project Budget. Satterley's report is contained in Appendix 7.6.

It is noted that Satterley will provide a briefing to elected members prior to the Management Committee meeting.

## **COMMENT**

As indicated, the purpose of the Satterley report is to provide an opportunity for elected members to have more direct input in the direction of the Project Budget and the consideration of infrastructure options.

Satterley has proposed the following items for consideration for inclusion in the Project Budget FYE 2022:

### Sales Forecast

Given improved market conditions forecast sale of 111 lots comprised of:

- 43 lots in Catalina Beach (Stage 27B and Stage 29);
- 23 lots in Catalina Central (Stage 18C);
- 45 lots in Catalina Green.

Sales could also be achieved from:

- Development of two grouped housing sites in Stage 25 in Catalina Beach (\$3.1M revenue);
- Local Centre site (\$6.6M revenue).

### Civil Construction

- Stage 27B – Catalina Beach;
- Stage 29 – Catalina Beach;
- Stage 18C – Catalina Central;
- Phase 1 – Catalina Green, including display village.

### Infrastructure

Works (already committed to in FYE 2021):

- Portofino Promenade extension;
- Longbeach Promenade extension;
- Foreshore Access Road and Carpark;
- Connolly Drive/Aviator Boulevard roundabout.

The following works could also be considered:

- Train station connection/Greenlink in Catalina Green (\$3.4M).

### Landscaping

Works (already committed to in FYE 2021):

- Aviator Boulevard Greenlink landscaping;
- Portofino Promenade extension;
- Foreshore Access Road and Carpark.

The following works could also be considered:

- Foreshore Park (\$4.3M);

- Catalina Beach Park (\$0.8M);
- Central Park in Catalina Green (\$4.0M);
- Neerabup Road Park and verge, Connolly Drive verges and entry roads landscaping in Catalina Green.

## **CONCLUSION**

Satterley's report is intended for discussion and information to assist Council's consideration of options for the Project Budget FYE 2022. This is intended to inform preparation of the Project Budget FYE 2022, which will be considered at the Council's June 2021 meeting.

It is recommended that the Council receives Satterley's report (dated 10 March 2021).

## 7.7 CATALINA GROVE UPDATE

<b>Responsible Officer:</b>	Manager Project Coordination
<b>Attachments:</b>	Catalina Grove Market Research (Painted Dog - December 2020) Catalina Grove Brand Strategy Review (The Brand Agency - February 2021) Catalina Grove Brand Development (Of Note Design – February 2021) Catalina Grove Marketing Strategy (Satterley Property Group – March 2021) Catalina Grove Stage 1 Subdivision Plan (Draft)
<b>Voting Requirements:</b>	Simple Majority

### RECOMMENDATION

**That the Council RECEIVES the Catalina Grove update.**

### PURPOSE

To provide an update for the Council’s information on preparations being made for the commencement of development, marketing and sale of land in Catalina Grove.

### POLICY REFERENCE

N/A

### LOCAL GOVERNMENT ACT/REGULATION

N/A

### PREVIOUS MINUTES

- Council Meeting – 20 August 2020 (Item 9.6 - Catalina Grove Development Strategy)
- Council Meeting – 10 December 2020 (Item 8.12 - Catalina Grove Development Strategy Additional Information)

### FINANCIAL/BUDGET IMPLICATIONS

The Project Budget makes provision for the marketing and development costs associated with the initiatives detailed in this report.

### RISK MANAGEMENT IMPLICATIONS

<b>Risk Ref: 3</b>	<b>Risk Rating:</b>
Development Project – Development Manager ability to deliver.	Moderate
<b>Action:</b>	
Development Manager required to prepare for approval strategies and plans.	

This report relates to plans for the development, marketing and sale of land in Catalina Grove.

## **BACKGROUND**

At its meeting of 20 August 2020, the Council approved the Catalina Grove Development Strategy provided by the Satterley Property Group (Satterley) to guide the development, marketing and sale of land in Catalina Grove. It identifies the first phase of development in the north-western corner of Catalina Grove.

At its meeting of 10 December 2020, the Council received additional information regarding the implementation of the Strategy and noted that reports on market research, design guidelines and potential innovation and sustainability initiatives would be presented to the Council for consideration in the second half of FYE 2021.

A report of the proposed design guidelines for Catalina Grove is provided in Item 7.7. An update on various other elements of the planned development of Catalina Grove follows.

## **COMMENT**

Various work has been completed in recent months in preparation for the commencement of development, marketing and sale of lots in Catalina Grove, as follows.

### Market Research

Painted Dog Research was engaged in November 2020 to undertake market research to clarify key target markets for Catalina Grove, understand the considerations important to these markets and inform optimal product mix for the development. It undertook surveys of the general population and contacts from Satterley's database of prospective purchasers (EOI).

Painted Dog Research undertook market research for the Catalina Project in 2018 and has been able to benchmark the latest findings against the 2018 research result. Its key findings are as follows:

- The market has grown significantly since 2018, with two-thirds of respondents surveyed looking to buy a property in the next five years. 31% of are looking to buy in the next two years, up from 19% in 2018, with first home buyers (36%) driving much of the demand. There are also more upgraders (53%, up from 41% in 2018) looking to purchase.
- 84% of Satterley's EOI contacts remain in the market, with 54% looking to purchase in the next 12 months. 79% that are still looking to purchase already own a home and around half of these are looking to upgrade.
- 38% of respondents are looking to purchase in the northern coastal suburbs (up from 35% in 2018). 58% of those living in the immediate catchment of Catalina (within 20km) would consider staying in the area.
- Awareness of Catalina has improved since 2018, but ranks 6<sup>th</sup> compared to other estates in the northern coastal area. Awareness was highest among 2<sup>nd</sup> home buyers, but lowest among first home buyers and 'SINKS and DINKS'. Jindalee, Eden Beach and Alkimos Beach appear to be the main competitors to Catalina.
- Consideration of Catalina compared to other estates in the area increased significantly since 2018%, 9% up from 5%. 74% of Satterley's EOI contacts still in the market are considering Catalina.

- Perceptions of Catalina are positive (56%), led by an increase in proximity to the beach, however 45% hold negative perceptions due to location-related concerns including proximity to the landfill site.
- 60% of respondents indicated that the product to be offered in Catalina Grove is appealing, but 46% indicated that the location is less appealing. 23% of north of the river respondents are considering buying in Catalina Grove (up from 19% in 2018). First home buyers and investors are the most interested in purchasing, particularly those residing in nearby suburbs.
- Potential Catalina Grove purchasers are most interested in single-storey homes (67%), though this is at a similar level to those not interested in the Estate. 47% are interested in a unit, townhouse or apartment. 73% of potential purchasers are open to house and land packages, or building generally.
- There is a wide range of budgets among potential buyers, which is considered to be an opportunity to offer a diverse product range. 70% with an interest in buying in Catalina Grove have a budget above the likely base lot price.
- Catalina Grove will offer lot sizes that meet the preferences of at least 62% of potential purchasers. While traditional home types and sizes attracted the most interest, there is good interest and a market for smaller options.
- To maximise sales, Painted Dog Research recommends continuing to elevate awareness of Catalina Grove, particularly among younger first home buyers, and to promote its affordability, proximity to the beach and key amenities and access to greenery and nature.

Painted Dog Research's report is contained in Appendix 7.7.

### Brand Strategy Review

The Brand Agency was engaged in January 2021 to review the Catalina Grove sub-brand to inform the marketing strategy and optimise brand identity. Its key findings are as follows:

- Current trends influencing the market have arisen from the COVID-19 experience, including:
  - Government building stimulus grants that have encouraged younger home owners prepared to trade-off proximity to the Perth CBD for getting into the market.
  - Work/life balance being altered by working from home and trading-off a longer, less frequent commute for a more affordable home.
  - Downsizers motivated by the lifestyle benefits of less maintenance.
  - Enhanced appreciation of the benefits of the Perth lifestyle where residents have enjoyed relatively few constraints compared to elsewhere in the world.
  - Many taking to opportunity to reduce debt to enable a more agile lifestyle.
- Other market influences relevant to Catalina include its proximity to lifestyle opportunities in the region and continued investment in amenities in the northern suburbs, including Stirling City Centre and improvements to the Mitchell Freeway.
- Catalina is in a competitive market with a large number of competing estates offering a coastal lifestyle.
- The review suggests that prospective Catalina buyers are not characterised by their demographics or life stage, but have a united mindset with an emphasis on a range of values and that the target audience profile is for 'life enthusiasts'.

- Recommendations are made for key messaging around amenities and the coast. The current Grove naming is suggested as being off-tone and a move away from 'land without compromise' messaging is also recommended.
- In respect to visual branding, the review suggests that there is opportunity to move away from stock photos of families in parks or on the beach and focus on visceral, emotive imagery and snippets of individuality.

The Brand Agency's report is contained in Appendix 7.7.

### Brand Development

Of Note Design Studio (Of Note) was engaged in February 2021 to develop naming and brand concepts for Catalina Grove with the aim of differentiating it from its competitors, refreshing the brand and communicating a strong sense of place, personality and energy. It was provided the market research and brand review reports summarized above.

Of Note devised three new naming concepts, with a tagline and creative design palettes for each:

- Catalina Green – Sustainable Urban Style Living
- Catalina Junction – Where Urban Living Meets Convenience Meets Adventure
- Catalina Veridian – Sustainable Living Made Easy

Satterley has selected 'Catalina Green' and its associated creative design palette, as this is considered to best reflect the focus on tree canopy and themes of nature and sustainability. It also fits well with established branding for Catalina and the Beach and Central sub-brands. 'Where Urban Living Meets Convenience' is preferred as the tagline, as it represents a good fit with the areas proximity to nearby amenities and the form of development intended.

Of Note's report is contained in Appendix 7.7.

### Marketing Strategy

Satterley has prepared a Marketing Strategy that outlines the key marketing and communication activities in preparation for the launch of Catalina Grove. It has been informed by the market research, brand strategy review and brand development work summarised above and sets out the following marketing initiatives:

- Brand Identity refresh – based on the new name Catalina Green and associated tagline and design palette.
- Asset Development – will include a brochure, 3D computer generated renders, video content (fly through and 360-degree virtual tour), signage, sales office interior update, website landing page and digital marketing campaign assets.
- Pre-launch and Launch Campaign – using search engine optimisation, digital advertising, and content, email and event marketing.
- Builder Partnerships and Promotions – develop home and land packages with builders, produce printed sales collateral and hold a builder sales launch event targeting sales consultants operating in the northern coastal area.
- Sales Incentives and Promotions – sales incentives may be required to generate leads, depending on market conditions, such as rear landscaping and solar packages or settlement rebates.

Satterley has identified that a budget of \$200,550 is required to implement the above initiatives (excluding sales incentives), which can be met in part by the Project Budget FYE 2021 and will require further allocation in the Project Budget FYE 2022. Satterley has provided the following timeline for the marketing launch.

### Launch Timeline



The Marketing Strategy is contained in Appendix 7.7. Satterley representatives will provide a presentation to the Management Committee on its content.

### Subdivision Plan – Stage 1

Creative Design and Planning (Project planning consultants) has prepared a subdivision concept plan for the first stage of development of Catalina Grove, which is contained in Appendix 7.7 and is to form the basis of an application for subdivision to be submitted to the Western Australian Planning Commission.

The preparation of the plan has been guided by the following principles, consistent with the Catalina Grove Development Strategy:

- Configuring development design to maximise existing tree retention in public open space and streetscapes.
- Achieving a tree canopy target of 20% or above.
- Providing a range of housing options, supported by amenity provided by the Clarkson train station, the local centre to be developed adjacent to Connolly Drive and landscaped parks and streetscapes, consistent with density targets set through State Government and City of Wanneroo strategic documents.
- Strong connections to the Clarkson train station and other facilities and attractions in the surrounding area.

The plan indicates the subdivision of 134 lots ranging in area from 145m<sup>2</sup> to 537m<sup>2</sup>, in addition to a two-hectare commercial site for development of a neighbourhood centre. The lot mix is as follows:

<b>LOT SUMMARY</b>		
<b>Size</b>	<b>No. Lots</b>	<b>% Total Lots</b>
99m <sup>2</sup> - 159m <sup>2</sup>	4	2.99%
180m <sup>2</sup> - 234m <sup>2</sup>	36	26.87%
235m <sup>2</sup> - 319m <sup>2</sup>	21	15.67%
320m <sup>2</sup> - 449m <sup>2</sup>	46	34.33%
450m <sup>2</sup> - 499m <sup>2</sup>	25	18.66%
500m <sup>2</sup> - 549m <sup>2</sup>	2	1.49%
<b>Total Residential Lots</b>	<b>134</b>	

Minimum Lot Size 145m<sup>2</sup>  
 Maximum Lot Size 537m<sup>2</sup>  
 Average Lot Size 330m<sup>2</sup>  
 Total Lot Area 4.4290ha

Road connections are provided to Neerabup Road and Connolly Drive. Internal road alignments and reserve dimensions and the location of public open space in the northern portion of the site have been configured to maximise retention of trees with identified medium to high retention value.

Preliminary feedback from City of Wanneroo officers is supportive, particularly in respect to the design approach and intent to retain existing trees.

## **CONCLUSION**

The work undertaken in respect to market research, branding, the marketing strategy and plan for the first stage of subdivision provides a sound basis upon which to progress the development, marketing and sale of land in Catalina Grove, which is consistent with the direction set out in the Catalina Grove Development Strategy approved by the Council at its meeting of 20 August 2020 and the supplementary information provided to the Council at its 10 December 2020.

It is recommended that the Council receives the information provided.

## 7.8 CATALINA GREEN DESIGN GUIDELINES

<b>Responsible Officer:</b>	Manager Project Coordination
<b>Attachments:</b>	Catalina Green Design Guidelines (March 2021)
<b>Voting Requirements:</b>	Simple Majority

### RECOMMENDATION

**That the Council APPROVES the Catalina Green Design Guidelines.**

### PURPOSE

To consider proposed design guidelines provided by Satterley Property Group (Satterley) for residential development in Catalina Green.

### POLICY REFERENCE

N/A

### LOCAL GOVERNMENT ACT/REGULATION

N/A

### PREVIOUS MINUTES

- Council Meeting – 20 August 2020 (Item 9.6 - Catalina Grove Development Strategy)
- Council Meeting – 10 December 2020 (Item 8.12 - Catalina Grove Development Strategy Additional Information)

### FINANCIAL/BUDGET IMPLICATIONS

N/A

### RISK MANAGEMENT IMPLICATIONS

<b>Risk Ref: 3</b>	<b>Risk Rating:</b>
Development Project – Development Manager ability to deliver.	Moderate
<b>Action:</b>	
Development Manager required to prepare for approval strategies and plans.	

This report relates to proposed residential development design guidelines for Catalina Green.

### BACKGROUND

At its meeting of 20 August 2020, the Council approved the Catalina Grove Development Strategy provided by the Satterley Property Group (Satterley) to guide the development, marketing and sale of land in the Catalina Grove Precinct.

At its meeting of 10 December 2020, the Council received additional information regarding the implementation of the Catalina Grove Development Strategy and noted that reports on market research, design guidelines and potential innovation and sustainability initiatives would be presented to the Council for consideration in the second half of FYE 2021.

As reported in Item 7.7, Satterley has supported a brand development recommendation made by Of Note Design Studio to rename Catalina Grove to Catalina Green.

Satterley has provided the proposed Catalina Green Design Guidelines, which are contained in Item 7.8, for the Council's consideration.

## **COMMENT**

The construction of homes in Catalina Beach and Catalina Grove are subject to design guidelines that specify the form of residential development required to achieve sustainability, built form and aesthetic outcomes.

The Catalina Grove Development Strategy proposes design guidelines to encourage best practice, sustainable and energy efficient housing.

The proposed Catalina Green Design Guidelines set out a range of mandatory and encouraged requirements, addressing the following dwelling design elements:

- Front elevations, including provisions for corner and laneway lots;
- Colours and materials;
- Roof pitch, materials and colours;
- Crossover, driveways and garages;
- Lot levels and retaining walls;
- Fencing and letterboxes;
- Outdoor areas and landscaping;
- Ancillary buildings and services.

Most of the requirements are mandatory, however several elements have optional requirements that aim to achieve improved aesthetic outcomes.

Satterley recommends that the Council adopt the Catalina Green Design Guidelines and that they be included in sales contracts for residential lots to be sold within the first stage of development, as is the arrangement for Catalina Beach and Catalina Central.

Satterley advises that the Catalina Green Design Guidelines provide a balance between achievement of the sustainability, built form and aesthetic development objectives and project home builder preferences and purchaser budgets. Satterley has liaised with a number of home builders to ensure this balance is achieved. Satterley also advises that the style and format of the Catalina Green Design Guidelines is consistent with those applied in many of its other estates throughout Perth, having been drafted as an easy to read and comprehend document for lot purchasers.

## **CONCLUSION**

The Catalina Green Design Guidelines reflect a change in approach to the design guidelines that apply in Catalina Beach and Catalina Central. They present as a less technical and easier to interpret document, while articulating requirements for built form that is consistent with the Council's objectives for delivering best practice sustainability and built form outcomes.

Compliance with the Catalina Green Design Guidelines is to be achieved through a restrictive covenant, which includes a requirement for lot purchasers to submit their building plans to Satterley for approval prior to lodging for a building permit through the City of Wanneroo. Eligibility for purchaser incentives, such as for solar panels or WELS (water efficient appliances and fittings) rebates, is also dependent on compliance with design guidelines. This is consistent with the current approach in Catalina Beach and Catalina Central.

The requirements of the Catalina Green Design Guidelines are not binding on the City of Wanneroo in its determination of building permit applications, but in any event are not considered to be in conflict with any provisions of the Residential Design Codes or the Building Code of Australia.

Additional or separate design guidelines are likely to be required for future stages of Catalina Green for grouped or multiple dwellings or mixed-use and commercial development.

The Catalina Green Design Guidelines are considered to be acceptable and it is recommended that they be approved by the Council.

8. ELECTED MEMBERS MOTIONS OF WHICH NOTICE HAS BEEN GIVEN
9. QUESTIONS BY ELECTED MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN
10. URGENT BUSINESS APPROVED BY THE CHAIR
11. GENERAL BUSINESS
12. DECISION TO MOVE TO CONFIDENTIAL SESSION

**That the Council:**

Move into Closed Session and exclude members of the press and public from the meeting of the Closed Session and access to the correspondence and reports relating to the items considered during the course of the Closed Session be withheld. This action is taken in accordance with Section 5.23 of the *Local Government Act 1995*, as the items listed come within the following provisions:-

**12.1 CONFIDENTIAL: CATALINA SOCIAL STRATEGY**

*This item satisfies the requirements of Section 5.23 c) and e) of the Local Government Act 1995, enabling it to be considered at a meeting, or part of a meeting, that is closed to members of the public, on the grounds that it deals with:*

- c) *A contract entered into, or which may be entered into, by the TPRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and*
- e) *A matter that if disclosed, would reveal –*
  - i) *Information that has a commercial value to a person; or*
  - ii) *Information about the business, professional, commercial or financial affairs of a person where the information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).*

**12.2 CONFIDENTIAL: REVIEW OF DEVELOPMENT MANAGER APPOINTMENT TO STAGE 3**

*This item satisfies the requirements of Section 5.23 c) and e) of the Local Government Act 1995, enabling it to be considered at a meeting, or part of a meeting, that is closed to members of the public, on the grounds that it deals with:*

- c) *A contract entered into, or which may be entered into, by the TPRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and*
- e) *A matter that if disclosed, would reveal –*
  - i) *Information that has a commercial value to a person; or*
  - ii) *Information about the business, professional, commercial or financial affairs of a person where the information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).*

**13. FORMAL CLOSURE OF MEETING**

# APPENDICES

# Appendix 7.2

25 February 2021

Mr Tony Arias  
Chief Executive Officer  
Tamala Park Regional Council  
PO Box 655  
INNALOO WA 6918

Dear Tony

### **Catalina Financial Report for January 2021**

Please find attached the Catalina Financial Report for January 2021. This report has been prepared on a cash basis and compares actual income and expenditure to the July 2020 approved budget for the period 1 January 2021 to 31 January 2021.

Residential settlement revenue for the year to date to 31 January 2021 is \$18.5m which is \$5.6m unfavourable to the approved 'July 2020' budget due to 22 less settlements.

Sales for FYE2021 are \$1.2m behind budget due to 13 fewer sales to date, partly offset by a more favourable mix of sales to date.

Overall FYE2021 expenditure is \$10.0m under budget per the approved 'July 2020' budget, with \$4.8m spent against a budget of \$14.9m. The main areas of variances are summarised below:

- Lot Production is \$7.9m under budget, noting the following variances:
  - Stage 16A \$1.6m under budget due to re-configuration of the stage;
  - Stage 18C \$0.3m under budget as works yet to commence;
  - Stage 27A \$1.3m under budget due to timing of invoice payments;
  - Stage 28 \$1.5m under budget due to timing of invoice payments;
  - Clearance Bonds not yet required \$3.0m;
  - \$0.2m combined minor variances.
- Landscaping is \$76k under budget due to minor variances across multiple jobs.
- Infrastructure Spend is \$809k under budget, noting the following variances:
  - Connolly Drive Greenlink Intersection \$305k under budget due to timing of invoice payments;
  - West Beach Access \$241k under budget due to timing of invoice payments;
  - \$263K combined minor variances
- Indirect Consultants \$96k under budget due to timing of invoice payments.



- P&L expenditure is \$1.1m under budget, noting the following variances:
  - Sales & Marketing \$92k under budget due to favourable selling conditions;
  - Community and Development \$57k under budget due timing of invoice payments;
  - Maintenance \$110k under budget due to timing of invoice payments;
  - Rates & Taxes \$174k under budget as full provisional amounts not yet required;
  - Contingency \$533k not required;
  - \$167k Combined minor variances for other Overheads.

Please refer to the attached Cashflow Analysis for a more detailed analysis of actual to budget variances. Should you have any queries on this report, please do not hesitate to contact me.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Ross Carmichael'.

**Ross Carmichael**  
General Manager Finance

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2021		Actual MTD Vs Budget Jan 2021			Year to date Vs Budget to Jan 2021			Full Year		Project to date Vs Budget to Jan 2021			Bud Comparison: Jul 20 Approved
Job Description	Account Description	Actual 1 month to Jan 2021	Budget 1 month to Jan 2021	Variance	YTD to Jan 2021	YTD budget	Variance	Budget 2021	YTD Act vs Full Year Budget Variance	PTD to Jan 2021	PTD budget	Variance	Comments regarding variance
<b>REVENUE</b>													
Settlements	Settlement revenue	2,511,000	3,394,520	(883,520)	18,508,000	24,107,071	(5,599,071)	34,688,724	(16,180,724)	262,891,500	268,490,571	(5,599,071)	56 settlements YTD ex GST Margin scheme. GST Margin as detailed in Burgess Rawson valuations
Margin GST	Margin GST	(25,202)	(63,636)	38,435	(178,043)	(354,545)	176,503	(531,818)	353,775	(3,762,679)	(3,947,580)	184,902	
Direct Selling Costs		(111,962)	(158,862)	46,899	(844,757)	(1,111,058)	266,301	(1,602,560)	757,803	(12,005,446)	(12,238,724)	233,278	Includes Commission and Management Fees Penalty interest income on settlements
Interest Income		0	0	0	3,887	0	3,887	0	3,887	89,000	85,114	3,887	
Forfeited Deposits		0	0	0	4,545	0	4,545	0	4,545	27,273	22,727	4,545	
Other Income	Special sites revenue	0	0	0	0	0	0	0	0	3,728,594	3,728,594	0	
Rebate Allowance		(15,350)	(35,340)	19,990	(129,625)	(522,900)	393,275	(757,320)	627,695	(6,068,135)	(8,431,138)	2,363,004	Construction Recycling, Fencing, Landscape, Shared Bore, Solar, and Display Builder Rebates
		<b>2,358,486</b>	<b>3,136,682</b>	<b>(778,196)</b>	<b>17,364,008</b>	<b>22,118,568</b>	<b>(4,754,560)</b>	<b>31,797,026</b>	<b>(14,433,018)</b>	<b>244,900,108</b>	<b>247,709,563</b>	<b>(2,809,455)</b>	
<b>LOT PRODUCTION</b>													
<b>Completed Earthworks</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,529,541</b>	<b>13,529,541</b>	<b>(0)</b>	
Earthworks Stages 25-27	Siteworks / Earthworks	0	0	0	0	0	0	0	0	3,603,087	3,603,087	(0)	
	Direct Consultants	0	0	0	0	0	0	0	0	186,216	192,859	6,643	
<b>Total Earthworks Stage 25-27</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,789,303</b>	<b>3,795,945</b>	<b>6,643</b>	
Earthworks Stages 28-31	Siteworks / Earthworks	0	0	0	0	0	0	1,366,981	1,366,981	0	0	0	
	Direct Consultants	0	16,988	16,988	0	118,592	118,592	118,592	118,592	0	121,925	121,925	
<b>Total Earthworks Stage 28-31</b>		<b>0</b>	<b>16,988</b>	<b>16,988</b>	<b>0</b>	<b>118,592</b>	<b>118,592</b>	<b>1,485,573</b>	<b>1,485,573</b>	<b>0</b>	<b>121,925</b>	<b>121,925</b>	
Earthworks Stages 36-40	Siteworks / Earthworks	0	0	0	0	0	0	737,323	737,323	0	0	0	
	Direct Consultants	0	11,875	11,875	0	40,625	40,625	95,000	95,000	0	40,625	40,625	
<b>Total Earthworks Stage 36-40</b>		<b>0</b>	<b>11,875</b>	<b>11,875</b>	<b>0</b>	<b>40,625</b>	<b>40,625</b>	<b>832,323</b>	<b>832,323</b>	<b>0</b>	<b>40,625</b>	<b>40,625</b>	
<b>Completed Stages</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46,092,294</b>	<b>46,092,295</b>	<b>1</b>	
Stage 14B	Siteworks / Earthworks	0	0	0	0	0	0	0	0	482,855	500,850	17,995	
	Authorities Fees	0	0	0	0	0	0	0	0	110,991	110,991	0	
	Direct Consultants	0	0	0	0	0	0	0	0	17,639	17,639	0	
<b>Total Stage 14B</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>611,485</b>	<b>629,480</b>	<b>17,995</b>	
Stage 16A	Siteworks / Earthworks	445,602	530,280	84,678	1,295,844	2,651,400	1,355,556	2,651,400	1,355,556	1,295,844	2,651,400	1,355,556	
	Authorities Fees	0	0	0	121,461	336,256	214,796	336,256	214,796	131,304	214,796	83,492	
	Direct Consultants	5,661	0	(5,661)	68,125	76,077	7,952	76,077	7,952	85,730	144,400	58,670	
<b>Total Stage 16A</b>		<b>451,264</b>	<b>530,280</b>	<b>79,016</b>	<b>1,485,429</b>	<b>3,063,733</b>	<b>1,578,304</b>	<b>3,063,733</b>	<b>1,578,304</b>	<b>1,512,878</b>	<b>3,141,900</b>	<b>1,629,022</b>	
Stage 16B	Direct Consultants	0	0	0	0	0	0	0	0	26,000	26,000	0	
<b>Total Stage 16B</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>26,000</b>	<b>26,000</b>	<b>0</b>	
Stage 17A	Siteworks / Earthworks	0	0	0	0	0	0	0	0	732,033	732,033	0	
	Authorities Fees	0	0	0	0	0	0	0	0	161,279	161,279	0	
	Direct Consultants	0	0	0	0	0	0	0	0	110,250	115,250	5,000	
<b>Total Stage 17A</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,003,563</b>	<b>1,008,563</b>	<b>5,000</b>	
Stage 17B	Siteworks / Earthworks	0	0	0	0	0	0	0	0	1,273,015	1,273,015	0	
	Authorities Fees	0	0	0	0	0	0	0	0	194,411	194,411	0	
	Direct Consultants	0	0	0	0	4,245	4,245	4,245	4,245	180,869	192,189	11,320	
<b>Total Stage 17B</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,245</b>	<b>4,245</b>	<b>4,245</b>	<b>4,245</b>	<b>1,648,295</b>	<b>1,659,615</b>	<b>11,320</b>	
Stage 18B	Siteworks / Earthworks	0	0	0	0	0	0	0	0	1,486,381	1,968,290	481,909	
	Authorities Fees	0	0	0	0	0	0	0	0	267,438	270,948	3,510	
	Direct Consultants	0	0	0	0	0	0	0	0	191,390	191,390	0	
<b>Total Stage 18B</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,945,209</b>	<b>2,430,628</b>	<b>485,419</b>	
Stage 18C	Siteworks / Earthworks	0	152,650	152,650	0	152,650	152,650	915,900	915,900	0	152,650	152,650	
	Authorities Fees	0	0	0	0	0	0	281,100	281,100	0	0	0	
	Direct Consultants	0	0	0	4,250	144,933	140,683	144,933	140,683	4,250	217,400	213,150	
<b>Total Stage 18C</b>		<b>0</b>	<b>152,650</b>	<b>152,650</b>	<b>4,250</b>	<b>297,583</b>	<b>293,333</b>	<b>1,341,933</b>	<b>1,337,683</b>	<b>4,250</b>	<b>370,050</b>	<b>365,800</b>	
Stage 25	Siteworks / Earthworks	0	0	0	0	0	0	0	0	5,523,981	5,587,247	63,266	
	Authorities Fees	0	0	0	0	0	0	0	0	212,929	212,929	0	
	Direct Consultants	0	0	0	0	0	0	0	0	280,279	297,991	17,713	
<b>Total Stage 25</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,017,188</b>	<b>6,098,167</b>	<b>80,979</b>	
Stage 26	Siteworks / Earthworks	0	0	0	2,202	0	(2,202)	0	(2,202)	1,273,228	1,199,122	(74,106)	
	Authorities Fees	0	0	0	0	0	0	0	0	239,777	498,507	258,729	
	Direct Consultants	0	0	0	0	6,830	6,830	6,830	6,830	144,968	162,500	17,532	
<b>Total Stage 26</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>2,202</b>	<b>6,830</b>	<b>4,628</b>	<b>6,830</b>	<b>4,628</b>	<b>1,657,973</b>	<b>1,860,129</b>	<b>202,155</b>	
Stage 27A	Siteworks / Earthworks	238,499	353,199	114,700	541,627	1,765,993	1,224,366	1,765,993	1,224,366	541,627	1,765,993	1,224,366	
	Authorities Fees	0	0	0	121,204	205,450	84,246	205,450	84,246	131,379	205,450	74,071	
	Direct Consultants	5,946	0	(5,946)	63,812	65,433	1,621	65,433	1,621	63,812	104,750	40,938	
<b>Total Stage 27A</b>		<b>244,445</b>	<b>353,199</b>	<b>108,754</b>	<b>726,643</b>	<b>2,036,876</b>	<b>1,310,234</b>	<b>2,036,876</b>	<b>1,310,234</b>	<b>736,818</b>	<b>2,076,193</b>	<b>1,339,375</b>	
Stage 27B	Direct Consultants	0	13,239	13,239	0	39,717	39,717	105,911	105,911	0	39,717	39,717	
<b>Total Stage 27B</b>		<b>0</b>	<b>13,239</b>	<b>13,239</b>	<b>0</b>	<b>39,717</b>	<b>39,717</b>	<b>105,911</b>	<b>105,911</b>	<b>0</b>	<b>39,717</b>	<b>39,717</b>	
Stage 28	Siteworks / Earthworks	133,429	470,520	337,092	171,574	1,411,561	1,239,987	2,352,602	2,181,028	171,574	1,413,197	1,241,624	
	Authorities Fees	440	286,100	285,660	58,357	286,100	227,743	286,100	227,743	58,357	286,100	227,743	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2021		Actual MTD Vs Budget Jan 2021			Year to date Vs Budget to Jan 2021			Full Year		Project to date Vs Budget to Jan 2021			Bud Comparison: Jul 20 Approved
Job Description	Account Description	Actual 1 month to Jan 2021	Budget 1 month to Jan 2021	Variance	YTD to Jan 2021	YTD budget	Variance	Budget 2021	YTD Act vs Full Year Budget Variance	PTD to Jan 2021	PTD budget	Variance	Comments regarding variance
	Direct Consultants	13,021	16,989	3,968	90,496	118,922	28,426	118,922	28,426	90,496	152,900	62,404	
<b>Total Stage 28</b>		<b>146,890</b>	<b>773,609</b>	<b>626,720</b>	<b>320,427</b>	<b>1,816,583</b>	<b>1,496,156</b>	<b>2,757,624</b>	<b>2,437,197</b>	<b>320,427</b>	<b>1,852,197</b>	<b>1,531,770</b>	
Stage 36	Direct Consultants	0	0	0	0	0	0	61,574	61,574	0	(0)	(0)	
<b>Total Stage 36</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>61,574</b>	<b>61,574</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	
Various Stages	Clearance Bonds	0	0	0	653,287	3,689,650	3,036,363	350,000	(303,287)	896,155	3,832,275	2,936,120	
<b>TOTAL LOT PRODUCTION</b>		<b>842,598</b>	<b>1,851,839</b>	<b>1,009,241</b>	<b>3,192,238</b>	<b>11,114,434</b>	<b>7,922,196</b>	<b>12,046,623</b>	<b>8,854,385</b>	<b>79,791,379</b>	<b>88,605,244</b>	<b>8,813,865</b>	Within budget
<b>LANDSCAPING</b>													
<b>Completed Landscaping</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,149,264</b>	<b>7,149,264</b>	<b>0</b>	
Stage 11 Landscape Consultancy	Landscape Construction	0	0	0	0	0	0	1,332,634	1,328,968	1,332,634	1,328,968	(3,666)	Within total FY21 Landscaping budget
Stage 11 Landscape Consultancy	Landscape Consulting	0	0	0	570	0	(570)	0	(570)	162,929	154,949	(7,980)	
Stage 12 Landscaping	Landscape Construction	0	0	0	0	0	0	0	0	236,650	243,203	6,553	
Stage 12 Landscaping	Landscape Consulting	0	0	0	0	0	0	0	0	27,377	27,377	0	
Stage 14A Landscaping	Landscape Construction	0	0	0	0	0	0	0	0	553,652	553,652	0	
Stage 14A Landscaping	Landscape Consulting	0	0	0	0	0	0	0	0	12,013	8,430	(3,583)	
Stage 14B Landscaping	Landscape Construction	0	0	0	0	0	0	0	0	216,700	216,700	0	
Stage 14B Landscaping	Landscape Consulting	0	0	0	0	0	0	0	0	15,457	15,457	0	
Stage 15 Landscaping	Landscape Construction	0	0	0	0	0	0	0	0	115,933	115,933	0	
Stage 15 Landscaping	Landscape Consulting	0	0	0	0	0	0	0	0	18,838	18,838	0	
Stage 16A Landscaping	Landscape Construction	0	0	0	0	0	0	568,933	568,933	0	0	0	
Stage 16A Landscaping	Landscape Consulting	0	0	0	0	0	0	0	0	11,303	11,303	0	
Stage 17 Landscaping	Landscape Construction	0	0	0	10,542	0	(10,542)	0	(10,542)	213,992	314,317	100,326	
Stage 17 Landscaping	Landscape Consulting	0	0	0	0	0	0	0	0	2,720	2,720	0	
Stage 10 Biodiversity Conservation Area	Landscape Construction	0	0	0	0	6,160	6,160	6,160	6,160	228,092	265,053	36,961	
Stage 10 Biodiversity Conservation Area	Landscape Consulting	0	0	0	0	0	0	0	0	28,012	28,012	0	
Seed Collection	Landscape Construction	0	0	0	10,697	0	(10,697)	0	(10,697)	22,797	0	(22,797)	
School Oval	Landscape Construction	0	0	0	0	0	0	0	0	44,219	44,219	0	
Marmion Ave Eastern Verge Upgrade	Landscape Construction	0	0	0	0	0	0	0	0	269,451	292,707	23,256	
Marmion Ave Eastern Verge Upgrade	Landscape Consulting	0	0	0	0	0	0	0	0	19,688	19,688	0	
Western Cell POS2	Landscape Consulting	0	0	0	0	0	0	0	0	64,091	87,253	23,162	
Catalina Beach Greenlink Stage 25	Landscape Construction	0	0	0	0	0	0	0	0	3,941,448	4,107,543	166,095	
Catalina Beach Greenlink Stage 25	Landscape Consulting	0	0	0	2,000	0	(2,000)	0	(2,000)	120,249	118,508	(1,741)	
Preliminary Landscaping Consultancy	Landscape Consulting	450	2,686	2,236	49,690	19,805	(29,885)	151,791	102,101	312,433	340,558	28,124	
Northern Biodiversity Conservation Area	Landscape Construction	0	0	0	5,735	0	(5,735)	0	(5,735)	354,111	405,802	51,691	
Northern Biodiversity Conservation Area	Landscape Consulting	0	0	0	0	0	0	0	0	19,093	19,093	0	
Public Open Space - Lot 8009	Landscape Construction	0	0	0	0	0	0	0	0	166,728	170,896	4,168	
Public Open Space - Lot 8009	Landscape Consulting	0	0	0	0	0	0	0	0	11,504	11,504	0	
Streetscape To Stage 1	Landscape Construction	0	0	0	0	50,842	50,842	50,842	50,842	251,365	351,437	100,072	
Public Art	Landscape Construction	0	0	0	15,000	0	(15,000)	200,000	185,000	171,764	170,400	(1,364)	
Public Art	Landscape Consulting	0	0	0	0	0	0	0	0	13,105	13,105	0	
Fauna Relocation	Landscape Construction	0	0	0	0	0	0	0	0	37,080	0	(37,080)	
Stage 11 Landscape Phase 2	Landscape Construction	0	0	0	47,579	48,179	600	65,679	18,100	743,690	744,290	600	
Catalina Grove Initial Scoping Works	Landscape Consulting	0	0	0	0	0	0	0	0	16,803	20,000	3,197	
Catalina Central Landscape Upgrade	Landscape Construction	0	14,865	14,865	0	14,865	14,865	59,458	59,458	821,012	910,199	89,187	
Catalina Central Landscape Upgrade	Landscape Consulting	0	0	0	0	0	0	0	0	63,128	63,128	0	
Stage 12/13 Greenlink New Bore	Landscape Construction	0	0	0	0	0	0	129,646	129,646	70,354	70,354	0	
Marmion Ave Shrub Planting	Landscape Construction	0	0	0	0	0	0	0	0	17,282	56,910	39,628	
Bore 6	Landscape Construction	0	0	0	0	0	0	42,274	42,274	30,906	30,906	0	
Catalina Beach Stage 26 Landscaping	Landscape Construction	0	0	0	42,000	42,000	42,000	42,000	42,000	40,000	42,000	2,000	
Catalina Beach Stage 27 Landscaping	Landscape Construction	0	0	0	0	0	0	272,917	272,917	0	0	0	
Catalina Beach Stage 28 Landscaping	Landscape Construction	0	0	0	0	0	0	20,000	20,000	0	0	0	
Aviator Blvd Roundabouts Upgrade	Landscape Construction	0	12,000	12,000	0	36,000	36,000	60,000	60,000	0	36,000	36,000	
<b>TOTAL LANDSCAPING</b>		<b>450</b>	<b>29,551</b>	<b>29,101</b>	<b>141,812</b>	<b>217,850</b>	<b>76,038</b>	<b>1,669,700</b>	<b>1,527,887</b>	<b>17,947,865</b>	<b>18,580,674</b>	<b>632,809</b>	Within budget
<b>INDIRECT CONSULTANTS</b>													
Planning - indirect	Planning	401	21,281	20,880	101,376	148,969	47,592	255,375	153,999	2,483,161	2,643,690	160,529	
	Architect	0	620	620	0	4,339	4,339	7,439	7,439	15,100	35,317	20,217	
	Environmental	0	1,577	1,577	9,571	11,041	1,470	18,927	9,356	347,460	381,764	34,304	
	Geotechnical	0	535	535	0	3,745	3,745	6,421	6,421	12,300	17,770	5,470	
	Title - Survey & Legal fees	0	1,250	1,250	1,500	8,750	7,250	15,000	13,500	156,420	191,910	35,490	
	Engineering fees	14,130	4,204	(9,926)	28,541	29,425	883	50,442	21,901	267,801	326,688	58,887	
	Traffic planning	0	76	76	0	529	529	907	907	84,181	85,573	1,391	
	Landscaping consultancy	0	0	0	0	0	0	0	0	1,000	0	(1,000)	
	Miscellaneous Consultants	0	2,082	2,082	748	14,577	13,829	24,990	24,242	6,260	68,659	62,400	
	Planning - fire & safety	0	208	208	4,475	1,458	(3,017)	2,500	(1,975)	4,625	26,608	21,983	
	Planning - Hydrology	0	1,870	1,870	448	13,092	12,644	22,444	21,996	119,523	172,839	53,316	
	Planning - Sustainability	0	781	781	0	5,469	5,469	9,375	9,375	26,805	68,274	41,469	
	Acoustic & Noise Consult	0	0	0	0	0	0	0	0	0	20,000	20,000	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2021		Actual MTD Vs Budget Jan 2021			Year to date Vs Budget to Jan 2021			Full Year		Project to date Vs Budget to Jan 2021			Bud Comparison: Jul 20 Approved
Job Description	Account Description	Actual 1 month to Jan 2021	Budget 1 month to Jan 2021	Variance	YTD to Jan 2021	YTD budget	Variance	Budget 2021	YTD Act vs Full Year Budget Variance	PTD to Jan 2021	PTD budget	Variance	Comments regarding variance
	Tree Mapping	0	167	167	0	1,167	1,167	2,000	2,000	1,616	28,973	27,357	
<b>TOTAL INDIRECT CONSULTANTS</b>		<b>14,531</b>	<b>34,652</b>	<b>20,120</b>	<b>146,659</b>	<b>242,561</b>	<b>95,902</b>	<b>415,819</b>	<b>269,160</b>	<b>3,526,253</b>	<b>4,068,066</b>	<b>541,814</b>	Within budget
<b>INFRASTRUCTURE</b>													
<b>Completed Infrastructure</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,110,854</b>	<b>11,110,854</b>	<b>-0</b>	Within total FY21 Infrastructure budget
Neerabup Rd Maroochydyore Way Intersection		0	0	0	0	0	0	0	0	1,498,274	1,480,279	(17,995)	
Neerabup Rd Maroochydyore Way Intersection		0	0	0	0	0	0	0	0	97,321	97,321	0	
Connolly Drive Green Link Intersection		0	396,320	396,320	93,119	396,320	303,201	1,981,600	1,888,481	102,519	405,720	303,201	
Connolly Drive Green Link Intersection		0	6,590	6,590	5,203	6,590	1,387	32,948	27,746	104,822	106,208	1,387	
Asbestos and rubbish removal - Gen Allowance		0	0	0	0	0	0	0	0	25,801	63,928	38,127	
West Beach Access		0	213,673	213,673	0	213,673	213,673	1,282,040	1,282,040	2,600	219,634	217,034	
West Beach Access		0	5,581	5,581	10,524	39,069	28,546	55,813	45,290	37,584	66,976	29,392	
Aviator Blvd Extension St 25 to Long Beach Prom incl services extensions (exc Beach Access Tr		0	129,750	129,750	0	129,750	129,750	778,500	778,500	1,500	131,250	129,750	
Aviator Blvd Extension St 25 to Long Beach Prom incl services extensions (exc Beach Access Tr		0	1,401	1,401	2,363	9,804	7,441	14,005	11,643	42,292	46,498	4,206	
Catalina Beach North/South Dual Use Path		0	0	0	680,742	730,000	49,258	730,000	49,258	680,742	730,000	49,258	
Catalina Beach North/South Dual Use Path		0	0	0	0	35,000	35,000	35,000	35,000	0	35,000	35,000	
Catalina Beach LED Lighting		0	0	0	0	0	0	810,000	810,000	0	0	0	
Catalina Beach LED Lighting		0	5,850	5,850	0	40,950	40,950	52,650	52,650	0	40,950	40,950	
Rubbish removal - General Allowance		0	0	0	0	0	0	0	0	17,314	17,314	(0)	
<b>INFRASTRUCTURE</b>		<b>0</b>	<b>759,165</b>	<b>759,165</b>	<b>791,950</b>	<b>1,601,156</b>	<b>809,206</b>	<b>5,772,557</b>	<b>4,980,607</b>	<b>13,778,643</b>	<b>14,551,931</b>	<b>773,288</b>	Within budget
<b>INFRASTRUCTURE REFUNDS</b>													
Neerabup Road Reimbursement		0	0	0	0	0	0	0	0	(432,548)	(432,548)	0	
Waste Water Pump Station (West)		0	0	0	0	0	0	0	0	(1,397,613)	(1,392,655)	4,958	
<b>INFRASTRUCTURE REFUNDS</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,830,161)</b>	<b>(1,825,203)</b>	<b>4,958</b>	
<b>TOTAL INFRASTRUCTURE</b>		<b>0</b>	<b>759,165</b>	<b>759,165</b>	<b>791,950</b>	<b>1,601,156</b>	<b>809,206</b>	<b>5,772,557</b>	<b>4,980,607</b>	<b>11,948,482</b>	<b>12,726,728</b>	<b>778,246</b>	Within budget
<b>SPECIAL SITES &amp; FIXED ASSETS</b>													
Lot 1 Group Housing Site Construction		0	0	0	0	0	0	0	0	172,782	172,782	0	
Removal of temp sales office		0	0	0	0	0	0	0	0	8,636	8,636	0	
Sales Office Building		0	0	0	0	0	0	0	0	573,050	573,981	932	
Sales Office Retrofit		0	0	0	0	0	0	0	0	11,186	3,440	(7,746)	
Sales Office Carparks		0	0	0	0	0	0	0	0	98,087	98,087	0	
Temp Sales office services		0	0	0	0	0	0	0	0	3,812	3,812	0	
Sales Office Construction Western		0	0	0	0	0	0	0	0	624,762	625,505	744	
Sales office carparks Western		0	0	0	0	0	0	0	0	240,000	237,239	(2,761)	
Security Cameras		0	0	0	0	10,000	10,000	10,000	10,000	19,560	34,560	15,000	
<b>TOTAL SPECIAL SITES &amp; FIXED ASSETS</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>1,751,875</b>	<b>1,758,043</b>	<b>6,169</b>	Within budget
<b>TOTAL CONSTRUCTION</b>		<b>857,580</b>	<b>2,675,207</b>	<b>1,817,627</b>	<b>4,272,660</b>	<b>13,186,001</b>	<b>8,913,341</b>	<b>19,914,698</b>	<b>15,642,038</b>	<b>114,965,853</b>	<b>125,738,755</b>	<b>10,772,901</b>	Within budget
<b>LAND</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,103,000</b>	<b>5,103,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>PROFIT &amp; LOSS EXPENDITURE</b>													
<b>Sales &amp; Marketing</b>													
Brand Development		12,200	8,333	(3,867)	29,117	38,333	9,217	80,000	50,883	248,971	321,674	72,703	
Sales Office & Builder Rel.		0	1,786	1,786	906	8,214	7,308	17,143	16,237	111,667	140,522	28,855	
Brochures		1,100	1,667	567	6,030	7,667	1,637	16,000	9,970	145,923	161,502	15,579	
Advertising		1,234	20,357	19,124	54,004	93,643	39,639	195,429	141,425	917,154	1,037,790	120,636	
Signage		3,048	7,143	4,095	9,673	32,857	23,184	68,571	58,898	451,540	493,573	42,033	
Website		0	2,381	2,381	0	10,952	10,952	22,857	22,857	9,891	41,803	31,913	
Promotions		0	0	0	0	0	0	0	0	19,550	28,903	9,353	
Public Relations		0	0	0	0	0	0	0	0	7,124	13,198	6,075	
<b>Total Sales and Marketing</b>		<b>17,581</b>	<b>41,667</b>	<b>24,085</b>	<b>99,730</b>	<b>191,667</b>	<b>91,936</b>	<b>400,000</b>	<b>300,270</b>	<b>1,911,819</b>	<b>2,238,964</b>	<b>327,145</b>	Within budget
<b>Total Community Development</b>	<b>Comm Dev - Resident Dev</b>	<b>1,085</b>	<b>18,594</b>	<b>17,509</b>	<b>28,254</b>	<b>85,531</b>	<b>57,277</b>	<b>178,500</b>	<b>150,246</b>	<b>455,479</b>	<b>562,916</b>	<b>107,437</b>	Within budget
<b>Administration</b>													
Audit and Tax		420	0	(420)	4,506	20,000	15,494	20,000	15,494	254,586	274,245	19,660	
Cleaning		563	1,000	437	4,223	7,000	2,777	12,000	7,777	42,787	47,631	4,844	
Computer Costs		0	500	500	0	3,500	3,500	6,000	6,000	0	7,960	7,960	
Couriers		0	300	300	0	2,100	2,100	3,600	3,600	1,338	13,198	11,860	
Electricity & Gas		1,729	1,000	(729)	6,192	7,000	808	12,000	5,808	117,657	115,555	(2,102)	
Insurance		0	500	500	0	3,500	3,500	6,000	6,000	3,184	9,184	6,000	
Legal fees		0	4,167	4,167	0	29,167	29,167	50,000	50,000	199,392	244,453	45,061	
Licenses & Fees		0	500	500	0	3,500	3,500	6,000	6,000	470	7,282	6,812	
Postage, Print & Stationery		0	500	500	0	3,500	3,500	6,000	6,000	2,244	34,991	32,748	
Rent - Sales Office & Cprk		0	0	0	0	40,000	40,000	40,000	40,000	467,350	540,683	73,333	
Sundry Office Expenses		0	1,500	1,500	0	10,500	10,500	18,000	18,000	1,076	25,277	24,200	
Training		0	2,083	2,083	0	14,583	14,583	25,000	25,000	0	35,417	35,417	
Valuations		0	3,333	3,333	6,000	23,333	17,333	40,000	34,000	173,563	220,730	47,167	
Rates & Taxes		207	0	(207)	108,580	282,420	173,840	282,420	173,840	700,826	1,316,526	615,700	
Maintenance		86,218	60,000	(26,218)	310,432	420,000	109,568	720,000	409,568	2,186,465	2,525,326	338,862	
Maint- Carpark Makegood		0	0	0	0	0	0	0	0	53,798	53,798	0	
Security		0	3,000	3,000	320	21,000	20,680	36,000	35,680	28,877	65,057	36,181	

**Catalina Actual vs Budget Analysis**

Tamala Park Cashflow FY2021		Actual MTD Vs Budget Jan 2021			Year to date Vs Budget to Jan 2021			Full Year		Project to date Vs Budget to Jan 2021			Bud Comparison: Jul 20 Approved
Job Description	Account Description	Actual 1 month to Jan 2021	Budget 1 month to Jan 2021	Variance	YTD to Jan 2021	YTD budget	Variance	Budget 2021	YTD Act vs Full Year Budget Variance	PTD to Jan 2021	PTD budget	Variance	Comments regarding variance
<b>Total Administration</b>		89,137	78,383	(10,754)	440,253	891,103	450,850	1,283,020	842,766	4,233,612	5,537,315	1,303,703	Within budget
<b>Finance</b>	Contingency	0	140,693	140,693	0	533,233	533,233	1,326,461	1,326,461	2,175,330	675,583	(1,499,747)	Actual Contingency spend applied to cost types above.
	Contingency Offset Transfer	0	0	0	0	0	0	0	0	(2,175,330)	0	2,175,330	
<b>Total Finance</b>		0	140,693	140,693	0	533,233	533,233	1,326,461	1,326,461	0	675,583	675,583	
<b>Total P&amp;L Expenditure</b>		107,803	279,336	171,533	568,238	1,701,534	1,133,296	3,187,981	2,619,743	6,600,910	9,014,778	2,413,867	
<b>Grand Expense Total</b>		965,383	2,954,543	1,989,160	4,840,897	14,887,535	10,046,637	28,205,679	23,364,781	121,566,763	134,753,532	13,186,769	Within budget

Contingency Summary	
YTD Budget	533,233
Contingency Transferred (Actual & Budget)	0
Contingency not yet used	<u>533,233</u>
List of Contingency items transferred year to date	
<u>Period</u>	<u>Job Description</u>
	<u>Amount</u>
	<u>0</u>

Note: Actual Contingency spend in prior years is reported against the job that the spend relates to.

**CATALINA**  
**FINANCE REPORT**  
**JANUARY 2021**

**1.0 Management Accounts**

**1.1 KEY STATISTICS**

**1.1.1 RESIDENTIAL LOTS & DISTRIBUTIONS**

	<u>Lots Produced (titles)</u>		<u>Sales</u>		<u>Settlements</u>		<u>Distributions</u>	
	<u>Actual</u>	<u>Budget (Jul-20)</u>	<u>Actual</u>	<u>Budget (Jul-20)</u>	<u>Actual</u>	<u>Budget (Jul-20)</u>	<u>Actual</u>	<u>Budget (Jul-20)</u>
Prior Years	1,004	1,004	960	960	935	936	78,000,000	78,000,000
Jul-2020	-	-	34	35	3	7	-	-
Aug-2020	-	-	3	15	9	5	-	-
Sep-2020	-	-	17	9	11	10	-	-
<b>Sep Qtr</b>	-	-	<b>54</b>	<b>59</b>	<b>23</b>	<b>22</b>	-	-
Oct-2020	-	-	10	7	18	11	-	-
Nov-2020	-	-	6	6	6	22	-	-
Dec-2020	-	37	3	5	3	9	-	-
<b>Dec Qtr</b>	-	<b>37</b>	<b>19</b>	<b>18</b>	<b>27</b>	<b>42</b>	-	-
Jan-2021	17	-	(2)	7	6	14	-	-
Feb-2021	-	35	-	7	-	12	-	-
Mar-2021	-	-	-	7	-	11	-	-
<b>Mar Qtr</b>	<b>17</b>	<b>35</b>	<b>(2)</b>	<b>21</b>	<b>6</b>	<b>37</b>	-	-
Apr-2021	-	-	-	7	-	4	-	-
May-2021	-	35	-	7	-	5	-	-
Jun-2021	-	-	-	7	-	7	-	3,000,000
<b>Jun Qtr</b>	-	<b>35</b>	-	<b>21</b>	-	<b>16</b>	-	<b>3,000,000</b>
<b>PTD</b>	<b>1,021</b>	<b>1,041</b>	<b>1,031</b>	<b>1,044</b>	<b>991</b>	<b>1,014</b>	<b>78,000,000</b>	<b>78,000,000</b>
<b>Full 2019/20 Year</b>	<b>17</b>	<b>107</b>	<b>71</b>	<b>119</b>	<b>56</b>	<b>117</b>	-	<b>3,000,000</b>
<b>2021/22</b>		<b>78</b>		<b>96</b>		<b>86</b>		<b>3,000,000</b>
<b>2022/23</b>		<b>91</b>		<b>96</b>		<b>92</b>		<b>27,000,000</b>

- There were 2 cancellations and 6 residential settlements for January.

**1.2 Sales & Settlements**

	<u>MTH Act</u>	<u>MTH Bgt</u>	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>PTD Act</u>	<u>PTD Bgt</u>
		<u>(Jul-20)</u>		<u>(Jul-20)</u>		<u>(Jul-20)</u>
<b>Residential</b>						
- Sales #	(2)	7	71	84	1,031	1,044
- Sales \$	(522,000)	2,009,985	22,906,000	24,086,478	274,588,000	275,888,478
- Sales \$/lot	261,000	287,141	322,620	286,744	266,332	264,261
- Settlements #	6	14	56	78	992	1,014
- Settlements \$	2,511,000	3,394,520	18,508,000	24,107,072	262,891,500	268,490,572
- Settlements \$/lot	418,500	242,466	330,500	309,065	265,012	264,784
<b>Special Sites</b>						
- Sales #	-	-	-	-	4	4
- Sales \$	-	-	-	-	3,772,000	3,772,000
- Sales \$/lot	-	-	-	-	943,000	943,000
- Settlements #	-	-	-	-	4	4
- Settlements \$	-	-	-	-	3,772,000	3,772,000
- Settlements \$/lot	-	-	-	-	943,000	943,000
<b>Lots Under Contract</b>						
- Unsettled sales #	39			7		Titled
- Unsettled sales \$	11,696,500			32		1,026 incl. Spec sites
- Unsettled sales \$/lot	299,910					

**1.3 Cashflow - MTD Actuals to budget**

	<u>MTD Act</u>	<u>MTD Bgt</u> (Jul-20)	<u>Variance</u>
<b><u>Income</u></b>			
Settlement Revenue	2,511,000	3,394,520	(883,520)
Margin GST	(25,202)	(63,636)	38,435
Direct selling costs	(111,962)	(158,862)	46,899
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(15,350)	(35,340)	19,990
	<u>2,358,486</u>	<u>3,136,682</u>	<u>(778,196)</u>
<b><u>Development costs</u></b>			
WAPC Land Acq.	-	-	-
Lot production	842,598	1,851,839	1,009,241
Clearance Bonds	-	-	-
Landscaping	450	29,551	29,101
Consultants	14,531	34,652	20,120
Infrastructure	-	759,165	759,165
Sales office building	-	-	-
	<u>857,580</u>	<u>2,675,207</u>	<u>1,817,627</u>
<b><u>Overheads</u></b>			
Sales & marketing	17,581	41,667	24,085
Community Develop.	1,085	18,594	17,509
Administration	89,137	78,383	(10,754)
Finance/Contingency	-	140,693	140,693
	<u>107,803</u>	<u>279,336</u>	<u>171,533</u>
<b>Net Cashflow</b>	<b><u>1,393,103</u></b>	<b><u>182,139</u></b>	<b><u>1,210,964</u></b>

**1.4 Cashflow - YTD Actuals to budget**

	<u>YTD Act</u>	<u>YTD Bgt</u> (Jul-20)	<u>Variance</u>
<b><u>Income</u></b>			
Settlement Revenue	18,508,000	24,107,071	(5,599,071)
Margin GST	(178,043)	(354,545)	176,503
Direct selling costs	(844,757)	(1,111,058)	266,301
Interest Income	3,887	-	3,887
Forfeited Deposits	4,545	-	4,545
Other Income	-	-	-
Rebate Allowance	(129,625)	(522,900)	393,275
	<u>17,364,008</u>	<u>22,118,568</u>	<u>(4,754,560)</u>
<b><u>Development costs</u></b>			
WAPC Land Acq.	-	-	-
Lot production	2,538,951	7,424,784	4,885,833
Clearance Bonds	653,287	3,689,650	3,036,363
Landscaping	141,812	217,850	76,038
Consultants	146,659	242,561	95,902
Infrastructure	791,950	1,601,156	809,206
Sales office building	-	10,000	10,000
	<u>4,272,660</u>	<u>13,186,001</u>	<u>8,913,341</u>
<b><u>Overheads</u></b>			
Sales & marketing	99,730	191,667	91,936
Community Develop.	28,254	85,531	57,277
Administration	440,253	891,103	450,850
Finance/Contingency	-	533,233	533,233
	<u>568,238</u>	<u>1,701,534</u>	<u>1,133,296</u>
<b>Net Cashflow</b>	<b><u>12,523,111</u></b>	<b><u>7,231,033</u></b>	<b><u>5,292,077</u></b>

**1.5 Bonds**

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	242,868	896,155	896,155
	<u>242,868</u>	<u>896,155</u>	<u>896,155</u>

Bonds relate to stages 25, 16A & 27A early clearances.

**CATALINA**  
**FINANCE REPORT**  
**JANUARY 2021**

**2.0 PROFIT & LOSS**

	<u>MTH Act</u>	<u>MTH Bgt</u> (Jul-20)	<u>Var</u>	<u>YTD Act</u>	<u>YTD Bgt</u> (Jul-20)	<u>Var</u>	<u>PTD Act</u>	<u>PTD Bgt</u> (Jul-20)
- Revenue \$ (Stlmnts)	2,511,000	3,394,520	(883,520)	18,508,000	24,107,072	(5,599,072)	262,891,500	268,490,572
- Revenue \$/lot	418,500	242,466		330,500	309,065		265,012	264,784
- Selling & GST \$	229,464	406,365	176,900	2,224,600	2,490,001	265,402	23,737,214	24,717,207
- Selling & GST \$/lot	38,244	29,026		39,725	31,923		23,929	24,376
- Cost of sales \$	688,378	1,903,905	1,215,527	5,368,319	7,982,240	2,613,921	92,680,273	95,288,403
- Cost of sales \$/lot	114,730	135,993		95,863	102,336		93,428	93,973
- Gross profit \$	1,593,158	1,084,250	508,908	10,915,081	13,634,831	(2,719,749)	146,474,013	148,484,961
- Gross profit \$/lot	265,526	77,446		194,912	174,806		147,655	146,435
- Gross profit Mgn %	63.45%	31.94%		58.97%	56.56%		55.72%	55.30%
- Special Sites \$	-	-	-	-	-	-	2,091,959	2,092,428
- Other income \$	-	-	-	8,432	-	8,432	263,843	255,411
- Sales & Marketing \$	18,526	60,758	42,232	125,370	279,487	154,117	2,348,767	2,746,268
- Administration \$	52,155	101,869	49,713	363,545	771,790	408,246	4,682,784	5,573,529
- Finance/Other \$	-	-	-	-	-	-	198,181	224,674
- Contingency \$	-	140,693	140,693	-	533,233	533,233	-	675,584
<b>- Net profit \$</b>	<b>1,522,476</b>	<b>780,931</b>	<b>741,545</b>	<b>10,434,599</b>	<b>12,050,320</b>	<b>(1,615,721)</b>	<b>141,600,083</b>	<b>141,612,745</b>
<b>- Net profit \$/lot</b>	<b>253,746</b>	<b>55,781</b>		<b>186,332</b>	<b>154,491</b>		<b>142,742</b>	<b>139,658</b>

- Year to date Gross profit is \$2.7m unfavourable to budget due to 22 less settlements to date.
- Year to date Overheads are \$1.1m below budget due to:
  - Marketing \$154k favourable due to favourable selling conditions;
  - Admin \$408k favourable (full provisional amounts for Rates & Taxes and Repairs & Maintenance not yet required);
  - Unused Contingency \$533k.

**YEAR TO DATE VERSUS FULL YEAR BUDGET**

	<u>YTD Act</u>	<u>FY20</u> <u>Full Year Bgt</u>	<u>Var</u>
- Revenue \$ (Stlmnts)	18,508,000	34,688,726	(16,180,726)
- Revenue \$/lot	330,500	296,485	
- Selling & GST \$	2,224,600	3,732,201	1,507,601
- Selling & GST \$/lot	39,725	31,899	
- Cost of sales \$	5,368,319	13,220,251	7,851,932
- Cost of sales \$/lot	95,863	112,994	
- Gross profit \$	10,915,081	17,736,274	(6,821,193)
- Gross profit \$/lot	194,912	151,592	
- Gross profit Mgn %	58.97%	51.13%	
- Special Sites \$	-	-	-
- Other income \$	8,432	-	8,432
- Sales & Marketing \$	125,370	583,277	457,907
- Administration \$	363,545	1,281,133	917,588
- Finance \$	-	-	-
- Contingency \$	-	1,071,313	1,071,313
<b>- Net profit \$</b>	<b>10,434,599</b>	<b>14,800,551</b>	<b>(4,365,952)</b>
<b>- Net profit \$/lot</b>	<b>186,332</b>	<b>126,500</b>	

**2.1 GROSS PROFIT ANALYSIS**

**Actual**

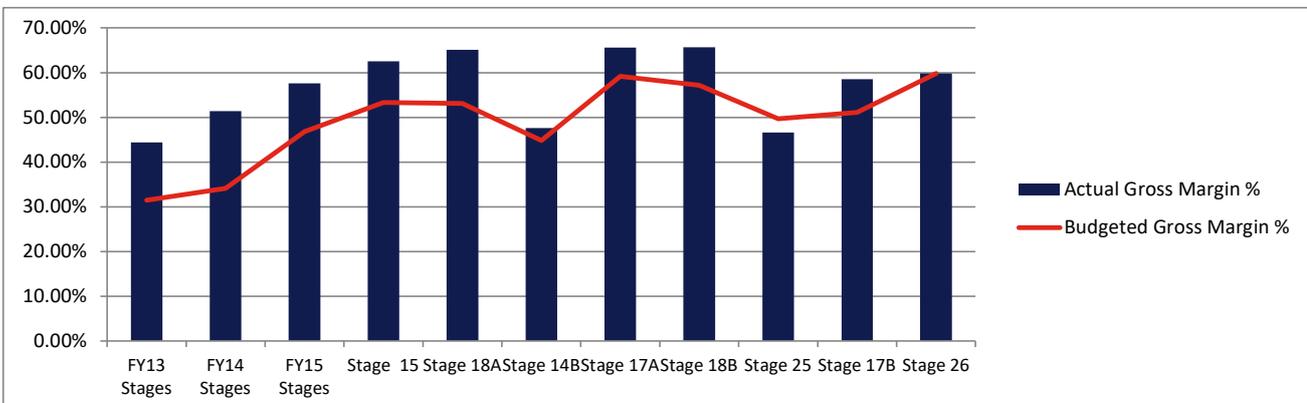
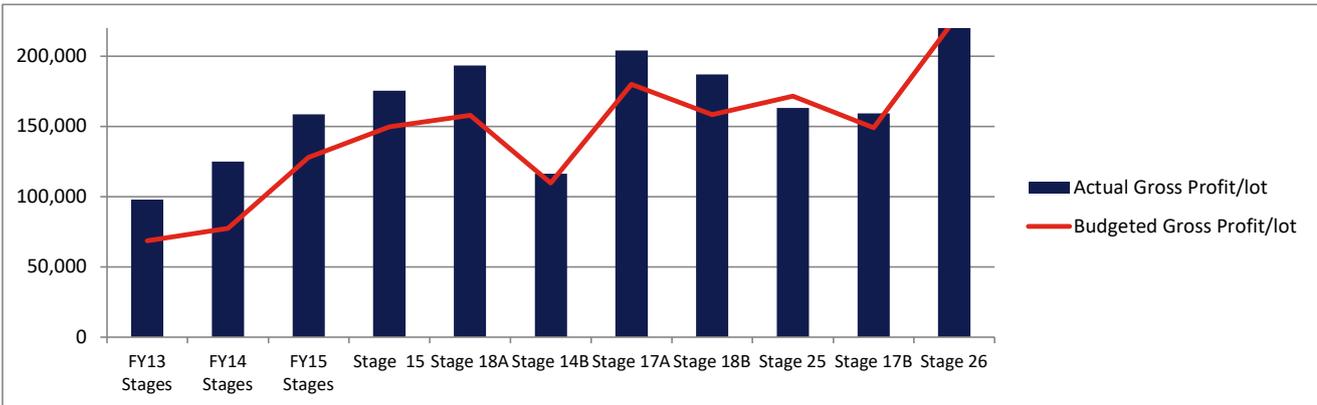
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Actual Gross Profit	Actual Gross Profit/lot	Actual Gross Margin %
Incentives Writeback				-4,253,385		4,253,385		
FY13 Stages	2012 / 2013	51,375,500	220,496	28,570,159	122,619	22,805,341	97,877	44.39%
FY14 Stages	2013 / 2014	50,325,000	243,116	24,477,309	118,248	25,847,691	124,868	51.36%
FY15 Stages	2014 / 2015	77,688,000	275,489	32,963,408	116,892	44,724,592	158,598	57.57%
Stage 15	15-Dec-15	15,444,000	280,800	5,791,567	105,301	9,652,433	175,499	62.50%
Stage 18A	27-May-16	8,626,000	297,448	3,015,429	103,980	5,610,571	193,468	65.04%
Stage 14B	28-Oct-16	2,444,000	244,400	1,281,011	128,101	1,162,989	116,299	47.59%
Stage 17A	20-Feb-17	7,774,000	310,960	2,674,295	106,972	5,099,705	203,988	65.60%
Stage 18B	13-Jun-17	8,557,000	285,233	2,942,399	98,080	5,614,601	187,153	65.61%
Stage 25	8-Aug-17	18,901,000	350,019	10,093,140	186,910	8,807,860	163,109	46.60%
Stage 17B	22-May-18	8,714,500	272,328	3,617,497	113,047	5,097,003	159,281	58.49%
Stage 26	26-Sep-19	13,042,500	372,643	5,244,658	149,847	7,797,842	222,795	59.79%
		<u>262,891,500</u>		<u>116,417,486</u>		<u>146,474,014</u>		

- Values for actuals are based on 'settled lots only' for the relevant stages.

**Budget**

Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Budgeted Gross Profit	Budgeted Gross Profit/lot	Budgeted Gross Margin %
FY13 Stages	May-12	51,358,953	217,623	35,200,675	149,155	16,158,278	68,467	31.46%
FY 14 Stages	Jun-13	46,931,935	226,724	30,917,421	149,360	16,014,514	77,365	34.12%
FY 15 Stages	Aug-14	76,167,089	273,000	40,469,170	145,051	35,697,919	127,950	46.87%
Stage 15	Aug-15	15,433,000	280,600	7,203,599	130,975	8,229,401	149,625	53.32%
Stage 18A	Jun-16	8,626,000	297,448	4,048,854	139,616	4,577,146	157,833	53.06%
Stage 14B	Jun-16	2,448,087	244,809	1,352,232	135,223	1,095,855	109,585	44.76%
Stage 17A	Jun-16	9,427,756	304,121	3,845,430	124,046	5,582,326	180,075	59.21%
Stage 18B	Jun-16	8,584,690	276,925	3,677,414	118,626	4,907,276	158,299	57.16%
Stage 25	Aug-17	19,696,448	345,552	9,915,141	173,950	9,781,307	171,602	49.66%
Stage 17B	Dec-17	10,496,494	291,569	5,131,807	142,550	5,364,687	149,019	51.11%
Stage 26	Jun-19	14,347,000	377,553	5,766,060	151,738	8,580,940	225,814	59.81%
		<u>263,517,452</u>		<u>147,527,804</u>		<u>115,989,649</u>		

- Values for budget are based on 'total lots' for the relevant stages.



# Catalina

## Finished Lots & Cost of Lots Sold calculations to 31 Jan 2021

Title date:	Completed	Completed	7-Nov-12	28-Oct-16	20-Feb-17	13-Jun-17	8-Aug-17	8-Aug-17	8-Aug-17	22-May-18	26-Sep-19	7-Nov-12	TOTAL
	Spec Sites	Resi Stages	Stage 2	Stage 14B	Stage 17A	Stage 18B	Stage 25	Stage 25 Sales Office	Stage 25 GHS Lot 2179	Stage 17B	Stage 26	Central Cell Sales Office	
<b>Direct costs</b>													
Civil Contruction			3,312,998	633,835	795,104	794,550	4,918,686	83,260	253,163	968,747	1,238,569	89,540	
Sewer headwks			209,432	51,015	116,369	136,672	261,837	4,514	4,514	174,117	183,682	5,660	
Local authority fees			161,433	1,911	6,839	10,835	35,653	615	615	12,684	12,947	4,363	
Local authority scheme costs			100,077	27,000	67,500	83,700	156,600	-	-	97,200	13,620	2,705	
Survey & legal fees			37,093	13,139	25,550	29,762	54,801	945	945	35,586	34,200	1,003	
Engineering fees			205,607	18,200	85,250	97,962	159,500	2,750	12,341	100,839	104,500	5,557	
Sales Office Build Cost												330,780	
Finished Goods Adjustments	- 31,206	- 1,282,787	- 1,044,810	- 11,250	- 25,549	- 39,478	- 220,060				<b>82,824</b>	- 28,238	
	420,826	43,233,645	2,981,830	733,850	1,071,063	1,114,003	5,367,017	92,084	271,578	1,389,173	1,670,342	411,370	
Earthworks Allocation	260,179	11,806,198	447,375	50,570	123,078	152,616	1,077,304	18,574	66,681	166,059	672,342	12,091	
<b>Indirect Costs</b>													
Land	-	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure	84,898	6,012,456	265,106	70,224	235,295	282,496	620,746	7,879	31,674	351,671	521,532	7,165	
Landscape	118,628	8,518,643	333,226	154,123	495,646	594,017	1,308,860	16,613	66,785	871,324	1,270,179	9,006	
<b>TOTAL COST</b>	<b>884,530</b>	<b>69,570,942</b>	<b>4,027,536</b>	<b>1,008,767</b>	<b>1,925,082</b>	<b>2,143,132</b>	<b>8,373,927</b>	<b>135,150</b>	<b>436,718</b>	<b>2,778,227</b>	<b>4,134,395</b>	<b>439,633</b>	
Lots	3	769	37	10	25	31	58	1	1	36	38	1	
<b>COST PER LOT</b>	<b>294,843</b>	<b>90,469</b>	<b>108,852</b>	<b>100,877</b>	<b>77,003</b>	<b>69,133</b>	<b>144,378</b>	<b>135,150</b>	<b>436,718</b>	<b>77,173</b>	<b>108,800</b>	<b>439,633</b>	
Lots settled	3	769	37	10	25	30	54	-	-	32	35	1	996
<b>COST OF LOTS SETTLED</b>	<b>884,530</b>	<b>69,570,942</b>	<b>4,027,536</b>	<b>1,008,767</b>	<b>1,925,082</b>	<b>2,073,999</b>	<b>7,796,415</b>	<b>-</b>	<b>-</b>	<b>2,469,535</b>	<b>3,807,995</b>	<b>439,633</b>	<b>94,004,434</b>
Stage Area (m2)	10,900	261,394	13,161	2,926	10,128	11,236	11,236	255	1,795	13,154	15,904	320	
<b>Cost per m2</b>	<b>81</b>	<b>266</b>	<b>306</b>	<b>345</b>	<b>190</b>	<b>191</b>	<b>745</b>	<b>530</b>	<b>243</b>	<b>211</b>	<b>260</b>	<b>1,374</b>	
Avg lot size	3,633	340	356	293	405	362	194	255	1,795	365	419	320	
<b>Other cash expenditure</b>													
Direct Selling & Proj Mgt Costs													24,093,093
Marketing costs													2,348,767
Administration													4,682,784
Finance													198,181
Contingency													0
<b>TOTAL COSTS</b>													<b>125,327,259</b>

PERIODIC ANALYSIS	Month	YTD	PTD	PY Jun-20
Lots settled	6	56	996	917
Cost of lots settled	688,378 *	5,368,319	94,004,436	88,636,117
Direct selling costs	229,464	2,224,600	24,093,093	21,868,493
Marketing costs	18,526	125,370	2,348,767	2,223,397
Administration	52,155	363,545	4,682,784	4,319,240
Finance	-	-	198,181	198,181
Contingency	-	-	-	-
<b>TOTAL COSTS</b>	<b>988,524</b>	<b>8,081,833</b>	<b>125,327,261</b>	<b>117,265,429</b>

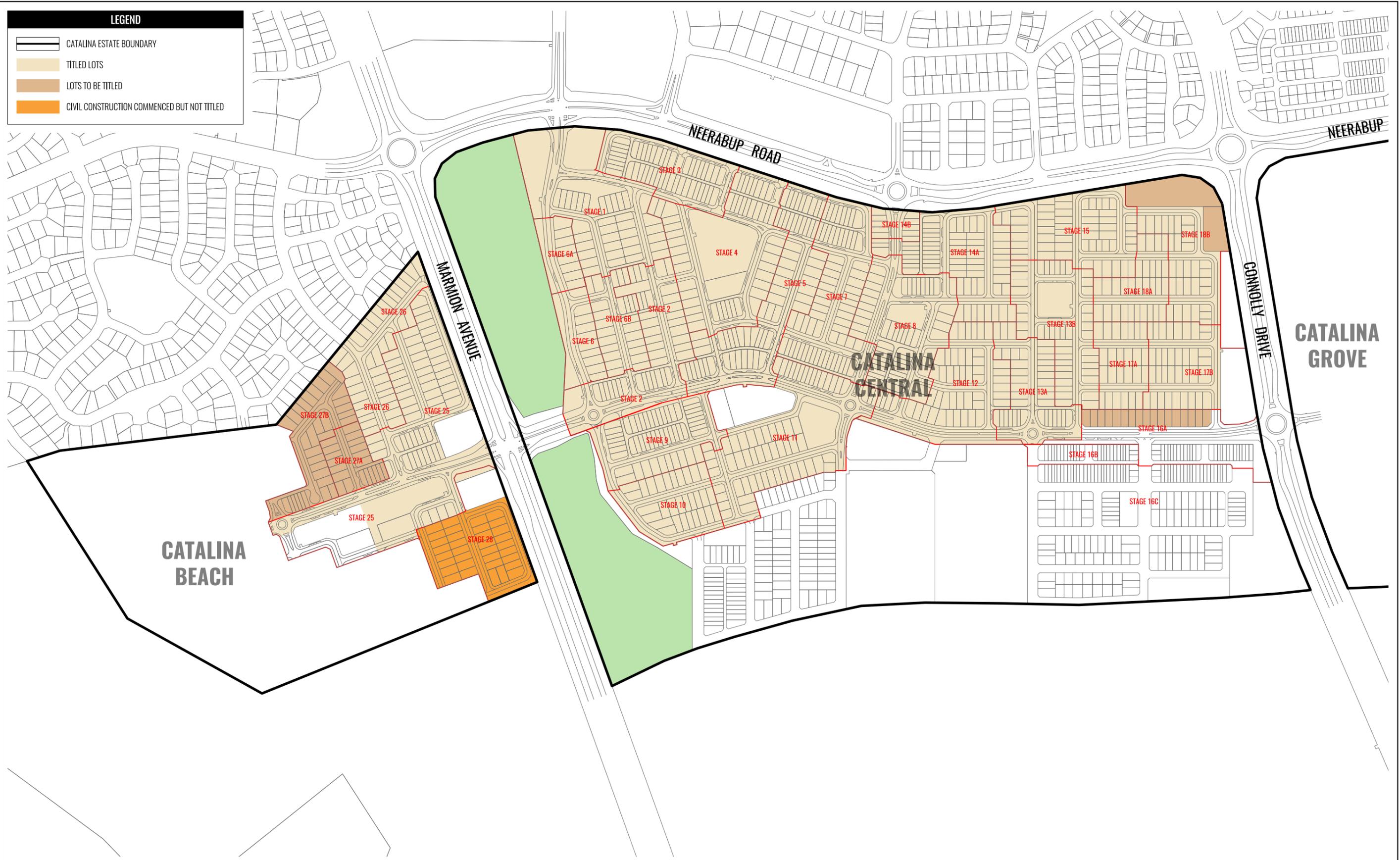
\*Stage 26 late cost increase from additional retaining walls.

**Catalina COGS Calc**

31-Jan-21

Job	Titled Date	Direct Cost	Indirect Cost	COGS Total	Lot #	Titled	Untitled	COGS/Lot	Settled Lots	PTD COGS	Finished Goods	FG/Lot
140-01-001	17-Oct-2012	4,004,839	637,443	4,642,282	35	35	-	132,637	35	4,642,282	-	-
140-01-002	7-Nov-2012	3,429,204	598,332	4,027,537	37	37	-	108,852	37	4,027,537	-	-
140-01-003	14-Jan-2013	3,002,658	554,241	3,556,899	43	43	-	82,719	43	3,556,899	-	-
140-01-004	20-Mar-2013	3,371,482	800,585	4,172,067	47	47	-	88,767	47	4,172,067	-	-
140-01-005	20-May-2013	4,894,899	968,068	5,862,967	63	63	-	93,063	63	5,862,967	-	-
140-01-06A	18-Jan-2013	483,435	179,725	663,160	8	8	-	82,895	8	663,160	-	-
140-01-06B	19-Jan-2015	1,100,352	510,130	1,610,482	24	24	-	67,103	24	1,610,482	-	-
140-01-06C	3-Apr-2014	671,286	211,296	882,581	10	10	-	88,258	10	882,581	-	-
140-01-007	31-Oct-2013	4,146,749	938,488	5,085,238	63	63	-	80,718	63	5,085,238	-	-
140-01-008	16-Jan-2014	4,389,068	881,805	5,270,874	53	53	-	99,450	53	5,270,874	-	-
140-01-009	8-May-2014	4,640,905	814,395	5,455,300	51	51	-	106,967	51	5,455,300	-	-
140-01-010	8-May-2014	2,460,031	595,126	3,055,157	30	30	-	101,839	30	3,055,157	-	-
140-01-011	1-Oct-2014	4,797,823	1,320,873	6,118,696	64	64	-	95,605	64	6,118,696	-	-
140-01-012	3-Dec-2014	3,225,081	1,064,585	4,289,666	49	49	-	87,544	49	4,289,666	-	-
140-01-13A	30-Mar-2015	2,965,498	717,571	3,683,069	37	37	-	99,542	37	3,683,069	-	-
140-01-13B	11-May-2015	2,739,324	986,155	3,725,479	45	45	-	82,788	45	3,725,479	-	-
140-01-014	4-Jun-2015	3,619,629	1,347,229	4,966,858	63	63	-	78,839	63	4,966,858	-	-
140-01-015	15-Dec-2015	3,073,171	1,243,145	4,316,316	55	55	-	78,478	55	4,316,316	-	-
140-01-18A	27-May-2016	1,453,614	760,239	2,213,853	29	29	-	76,340	29	2,213,853	-	-
140-01-14B	28-Oct-2016	784,420	224,347	1,008,767	10	10	-	100,877	10	1,008,767	-	-
140-01-017	20-Feb-2017	1,194,140	730,941	1,925,081	25	25	-	77,003	25	1,925,081	-	-
140-01-18B	13-Jun-2017	1,266,620	876,513	2,143,133	31	31	-	69,133	30	2,073,999	69,133	69,133
140-02-025	8-Aug-2017	6,444,321	1,929,606	8,373,927	58	58	-	144,378	54	7,796,414	577,512	144,378
140-01-17B	22-May-2018	1,555,232	1,222,995	2,778,227	36	36	-	77,173	32	2,469,535	308,692	77,173
140-02-026	26-Sep-2019	2,342,687	1,791,711	4,134,398	38	38	-	108,800	35	3,807,998	326,400	108,800
140-70-001	7-Nov-2012	423,461	16,171	439,633	1	1	-	439,633	1	439,633	-	-
140-70-004	12-Dec-2013	20,322	41,798	62,119	1	1	-	62,119	1	62,119	-	-
140-70-005	8-Aug-2017	110,657	24,492	135,149	1	1	-	135,149	-	-	135,149	135,149
140-70-007	17-Oct-2012	222,150	87,611	309,761	1	1	-	309,761	1	309,761	-	-
140-70-008	1-Oct-2014	438,532	74,117	512,649	1	1	-	512,649	1	512,649	-	-
140-70-028	8-Aug-2017	338,259	98,459	436,718	1	1	-	436,718	-	-	436,718	436,718
<b>73,609,847</b>		<b>22,248,193</b>		<b>95,858,040</b>	<b>1,010</b>	<b>1,010</b>	<b>-</b>		<b>996</b>	<b>94,004,436</b>	<b>1,853,605</b>	

# Appendix 7.3



# CATALINA FYE 2021 OPERATIONS

Catalina Estate. TAMALA PARK

A Tamala Park Regional Council Project

**NORTH**

Scale: 1:6000 @ A3

0 60 120 180m

PLAN: TAMCA-1-033  
DATE: 18/11/2020  
PROJECTION: PCG 94  
DATUM: AHD

REVISION:  
DRAWN: JP  
PLANNER: TV  
CHECK: JH



Unit 2, 464 Murray Street  
Perth WA 6000  
(08) 6333 1888  
info@cdpau.com.au  
www.cdpau.com.au

**Copyright CDP.** No part of this plan may be reproduced in any form without prior consent from CDP. All care has been taken in preparation of this plan but no responsibility is taken for any errors or omissions and is subject to change. Areas and dimensions shown on plan are subject to final survey. This plan is a diagrammatic only.

# Appendix 7.4

# CONSULTANCY REPORT

Catalina Estate Project Forecast

*Tamala Park Regional Council*

December 2020

**CBRE**

## Contents

	<i>Page</i>
<b>1 INTRODUCTION .....</b>	<b>3</b>
<b>2 LOT YIELD .....</b>	<b>4</b>
<b>3 LAND RELEASE AND LOT SALES .....</b>	<b>8</b>
3.1 Residential Lots .....	8
3.2 Group Housing Sites .....	18
3.3 Commercial Sites .....	19
<b>4 SALES RATES .....</b>	<b>22</b>
<b>5 ESCALATION RATES .....</b>	<b>25</b>
<b>6 DEVELOPMENT COSTS .....</b>	<b>27</b>
<b>7 INCENTIVE PACKAGES .....</b>	<b>30</b>
<b>8 SALES AND MARKETING .....</b>	<b>31</b>
<b>9 CONTINGENCY RATES .....</b>	<b>32</b>
<b>10 CURRENT MARKET CONDITIONS .....</b>	<b>33</b>
<b>11 CONCLUSION .....</b>	<b>35</b>
<b>APPENDICES .....</b>	<b>37</b>
<b>A LETTER OF INSTRUCTION .....</b>	<b>38</b>

## 1 Introduction

Catalina Estate is a 2,500 lot master planned urban development in the suburbs of Clarkson and Mindarie. It is being developed by the Tamala Park Regional Council (TPRC). The project manager and exclusive selling agent is Satterley Property Group (SPG).

Catalina Estate was initially launched in 2012 and to date over 1,000 lots have been constructed and titled. The estate is divided into western, central and eastern cells. The western cell is positioned to the west of Marmion Avenue and to the east of the Indian Ocean coastal foreshore reserve and is known as "Catalina Beach". The central cell is positioned to the east of Marmion Avenue and to the west of Connolly Drive and is known as "Catalina Central". The eastern cell is positioned to the east of Connolly Drive and to the west of the Mitchell Freeway and is known as "Catalina Grove".

Catalina Estate is situated some 33 kilometres north west of the Perth CBD. The regional centre of Joondalup is situated some 6 kilometres (by road) to the south east.

The SPG has prepared a Budget Review July 2020 (2020 to 2036) for Catalina Estate as part of its obligations to the TPRC. We have been instructed to undertake an independent review of the Budget Review July 2020 (2020 to 2036) and consider the following key project assumptions:

- Sales rates and values
- Development costs
- Lot production costs
- Landscaping costs
- Sales incentive packages
- Sales and marketing
- Contingency rates
- Sales and cost escalations
- Direct selling costs

We have also been instructed to comment on current market conditions and forecasts for the period of the Budget Review July 2020 (2020 to 2036) and the accuracy of such project forecast as a general guide for project and financial planning.

## 2 Lot Yield

Based upon the Budget Review July 2020 (2020 to 2036) and a Yield Analysis plan prepared by town planning consultants, CLE the estimated residential lot yield for the balance englobo land holding (ie. excluding stages already developed and titled) is as follows:

Catalina Estate  
Project Forecast

LOT YIELD											
Lot Type:	Front	Rear									
Number of Lots	17.0m	10.5m	15.0m	10.5m	12.5m	15.0m	17.0m	30.0m	7.5m	10.5m	4.5m
Frontage (m):	20.0m	25.0m	25.0m	30.0m	25.0m	30.0m	30.0m	16.0m	16.0m	16.0m	28.0m
Depth (m):	340m <sup>2</sup>	263m <sup>2</sup>	313m <sup>2</sup>	375m <sup>2</sup>	375m <sup>2</sup>	315m <sup>2</sup>	510m <sup>2</sup>	120m <sup>2</sup>	120m <sup>2</sup>	168m <sup>2</sup>	126m <sup>2</sup>
Std Area (sqm):											
<b>Central Cell</b>											
Stage 16A					13	4			2	1	8
Stage 16B									2	1	8
Stage 18C											
Stage 19											
Stage 20	1	2	1	8	3	8					
Stage 21	2	9	5	14	19	14					
Stage 22	3	1		1	9	1					
Stage 23	12	5		9	26	9					
		7		14	6	14					
<b>Sub Total</b>	<b>18</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>76</b>	<b>50</b>	<b>0</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>16</b>
<b>Western Cell</b>											
Stage 27A											
Stage 28											
Stage 27B											
Beach Balance	4	15	15	54	80	35	6				
<b>Sub Total</b>	<b>4</b>	<b>0</b>	<b>15</b>	<b>16</b>	<b>114</b>	<b>58</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Eastern Cell</b>											
Catalina Grove	74										
<b>Sub Total</b>	<b>74</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>149</b>	<b>74</b>	<b>37</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>96</b>	<b>13</b>	<b>15</b>	<b>16</b>	<b>339</b>	<b>182</b>	<b>47</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>16</b>



Catalina Estate  
Project Forecast

Rear	Micro	Demo A	Demo B	Demo C	Demo E	Total								
6.0m	9.0m	6.0m	7.5m	8.5m	10.0m	12.0m	10.0m	10.0m	10.0m	7.5m	10.0m	9.0m	17.5m	45
28.0m	28.0m	30.0m	30.0m	30.0m	30.0m	30.0m	30.0m	15.0m	15.0m	18.0m	14.3m	18.0m	30.0m	27
168m <sup>2</sup>	252m <sup>2</sup>	180m <sup>2</sup>	225m <sup>2</sup>	255m <sup>2</sup>	300m <sup>2</sup>	360m <sup>2</sup>	300m <sup>2</sup>	150m <sup>2</sup>	150m <sup>2</sup>	135m <sup>2</sup>	143m <sup>2</sup>	162m <sup>2</sup>	525m <sup>2</sup>	35
15	2									25	4	3	3	48
14	2				9	2								50
	1		21		8									41
			23		1	2								47
			2		15									60
			15											353
<b>29</b>	<b>5</b>	<b>0</b>	<b>61</b>	<b>0</b>	<b>18</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>353</b>
			6											20
			4		1		1							35
		4	36	8										32
		50												318
<b>0</b>	<b>0</b>	<b>54</b>	<b>43</b>	<b>8</b>	<b>1</b>	<b>0</b>	<b>405</b>							
		149	74				37							743
<b>0</b>	<b>0</b>	<b>149</b>	<b>74</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>37</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>743</b>
<b>29</b>	<b>5</b>	<b>203</b>	<b>178</b>	<b>8</b>	<b>19</b>	<b>4</b>	<b>37</b>	<b>25</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>1501</b>

Central Cell

Western Cell

Eastern Cell

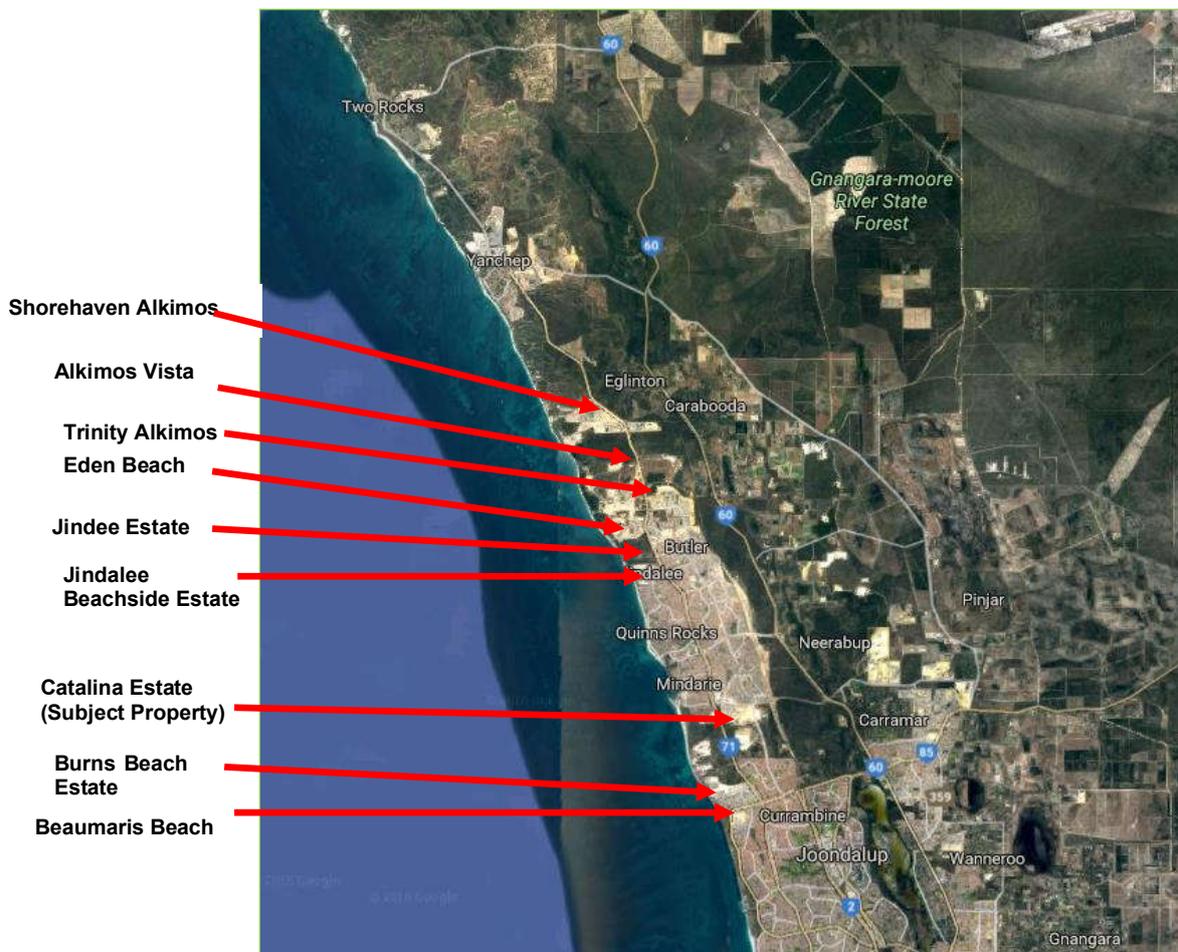


In addition to the residential lots there are a number of potential group housing sites and a 1.90 hectare retail site.

### 3 Land Release and Lot Sales

#### 3.1 Residential Lots

We have identified and researched what we consider to be the most recent and comparable land sales within the North West Sector. Each of these estates is within a 10 kilometre radius of the subject property. The position of the estates in relation to the subject property is illustrated on the map as follows:



More detailed estate descriptions plus lot pricing information is provided below.

#### Trinity at Alkimos, Alkimos

Trinity at Alkimos is situated approximately 42 kilometres north west of the Perth CBD. The Township of Yanchep is situated some 9 kilometres to the north and the Indian Ocean is approximately 1.5 kilometres to the west.

The most recent release is summarised as follows:

Stage	Release Date	Land Area sqm		Prices	
		lower	upper	lower	upper
Atelier Stage 1	Current	262	286	\$170,000	\$177,000
Atelier Stage 1	Current	306		\$198,000	
Atelier Stage 1	Current	314	350	\$190,000	\$203,000
Atelier Stage 1	Current	371	412	\$207,000	\$223,000
Aura Stage 32A	Current	295	300	\$222,000	\$225,000
Aura Stage 32A	Current	364	375	\$230,000	\$248,000
Aura Stage 32A	Current	450		\$282,000	

The Aura stage release is on the western side of Marmion Avenue.

Incentives currently on offer include front landscaping, and side and rear fencing.

The longer-term sales average over the past 9 to 10 years has been approximately 13 to 14 lots per month. Sales rates throughout 2018 and the first half of 2019 averaged about 5 to 7 lots per month, with sale rates in the latter half of 2019 increasing to 10 lots per month. Sales rates throughout the first half of 2020 decreased to between 5 to 6 lots per month. The introduction of the Government stimulus package in June 2020 saw a strong increase to an average of some 25 lots per month post June 2020.

#### Eden Beach, Butler

Eden Beach is located 39 kilometres north of the Perth CBD between Marmion Avenue and the Indian Ocean coast. The potential yield upon completion is 1,400 residential lots, a primary school and a beachside café.

The most recent release is summarised as follows:

Stage	Release Date	Land Area sqm		Prices	
		lower	upper	lower	upper
Stage 9	Current	224	225	\$184,000	
Stage 20	Current	326		\$250,000	
Stage 21 - Titled early 2021	Current	315		\$240,000	
Stage 21 - Titled early 2021	Current	462	510	\$320,000	\$338,000
Stage 22 - Titled early 2021	Current	445	510	\$321,000	\$359,000
Stage 23 - Titled early 2021	Current	315	331	\$259,000	\$265,000
Stage 23 - Titled early 2021	Current	375	394	\$291,000	\$301,000
Stage 23 - Titled early 2021	Current	450	472	\$334,000	\$353,000
Stage 23 - Titled early 2021	Current	510	540	\$365,000	\$399,000

Incentives on offer include fencing and front landscaping. Sales rates throughout the second half of 2019 were in the order of 5 lots per month. During the first half of 2020 lot sales decreased to an average of 3 lots per month. There has only been 5 settled sales post June 2020. There is a lag in supply, with Stages 21 onwards due for titling early 2021.

#### Shorehaven at Alkimos, Alkimos

Shorehaven at Alkimos is situated approximately 42 kilometres north west of the Perth CBD. The Township of Yanchep is situated some 6 kilometres to the north. The north east corner of the estate has a narrow frontage to and access from Wanneroo Road. The estate runs in an east/west direction to the Indian Ocean over a distance of approximately 4.6 kilometres. The parcel is dissected north/south by Marmion Avenue.

The land splays out as it approaches the coast and has a direct frontage to the Indian Ocean of over 1.7 kilometres.

Prices within the most recent releases are as follows:

Stage	Release Date	Land Area sqm		Prices	
		lower	upper	lower	upper
Boardwalk	Current	375	498	\$265,000	\$279,000
Foreshore	Current	217	225	\$222,000	
Port	Current	225		\$182,000	
Seaboard	Current	324	375	\$235,000	\$249,000
Seaboard	Current	409	420	\$265,000	\$270,000
Seaboard	Current	432	450	\$274,000	\$279,000
Seaboard	Current	463		\$259,000	

Sales rates throughout 2018 and early 2019 were in the order of 5 to 6 lots per month, increasing slightly to be in the order of 7 lots per month in the second half of 2019. During 2020 sales rates were in the order of some 5 to 6 lots per month.

#### Alkimos Vista, Alkimos

Alkimos Vista is situated approximately 40 kilometres north of the Perth CBD along the eastern side of Marmion Avenue, and being approximately 500 metres south of Shorehaven at Alkimos Estate. The estate is a joint venture between DevelopmentWA and Lendlease.

Prices within the most recent releases are as follows:

Stage	Release Date	Land Area sqm		Prices	
		lower	upper	lower	upper
Stage 1 & 2 - Hot Lots*	Current	307	375	\$152,000	\$207,000
Stage 3 - Hot Lot*	Current	548		\$265,000	
Stage 5 Release 1 - Mar 21	Current	292		\$195,000	
Stage 5 Release 1 - Mar 21	Current	293		\$175,000	
Stage 5 Release 1 - Mar 21	Current	300		\$182,500	\$195,000
Stage 5 Release 1 - Mar 21	Current	315		\$194,000	
Stage 5 Release 1 - Mar 21	Current	317	375	\$177,500	\$223,000
Stage 5 Release 1 - Mar 21	Current	437	446	\$245,000	
Stage 5 Release 1 - Mar 21	Current	450		\$255,000	\$258,000
Stage 5 Release 1 - Mar 21	Current	515		\$278,000	

\* Hot Lots - Includes \$10,000 discount

The estate commenced marketing in February 2018, initially achieving 7 to 8 lots sales per month. Average sale rates throughout 2019 decreased to about 3 to 4 lots per month. Sales rates have further slowed in 2020, achieving 1 to 2 lot sales per month. Only 5 lots remain from the original stages, with Stage 5 expecting titles in March 2021.

#### Jindee Estate, Jindalee

Jindee Estate is situated some 37 kilometres north of the Perth CBD, on the western alignment of Marmion Avenue and adjoins the established Jindalee Estate to the north.

Prices within the most recent stages are as follows:

Stage	Release Date	Land Area sqm		Prices	
		lower	upper	lower	upper
Release 1A	Current	635	776	\$399,000	\$440,000
Release 2	Current	300	320	\$255,000	\$266,000
Release 2	Current	346	359	\$279,000	\$292,000
Release 2	Current	360		\$285,000	\$289,000
Release 2	Current	384	419	\$301,000	\$324,000
Release 2	Current	420		\$315,000	\$321,000

The estate was launched in mid-2017. Stage 1A comprises some 26 lots of which only 2 lots are still available for sale. Stage 2 comprises some 40 lots of which about 60% have sold.

Sales rates from June 2019 to May 2020 were in the order of 1 to 2 lots per month, with an average of 1 lot sold per month post June 2020.

Stage 1A is situated some 750 metres from the Indian Ocean foreshore reserve.

#### Beaumaris Beach, Iluka

Beaumaris Beach Estate adjoins the southern border of Burns Beach Estate within the suburb of Iluka. It is some 27 kilometres north of the Perth CBD.

Prices within the most recent stages as follows:

Stage	Release Date	Land Area sqm		Prices	
		lower	upper	lower	upper
Beaumaris Estate	Current	453	558	\$490,000	\$495,000
Beaumaris Estate	Current	592	652	\$565,000	\$620,000
Beaumaris Estate	Current	694		\$600,000	

Throughout 2019 sales rates were in the order of 3 to 5 lots per month. Sales rates throughout 2020 have decreased to be in the order of 1 to 2 lots per month. Beaumaris Beach only release a limited number of lots each year.

#### Jindalee Beachside Estate, Jindalee

Jindalee Beachside Estate is situated to the north of Quinns Beach and west of Marmion Avenue and Brighton, some 35 kilometres north of the Perth CBD. The estate is of a high standard including a main boulevard, landscaped public open space areas, beachfront node and community facilities. It is expected to yield some 900 home sites.

Prices with the most recent stages are as follows:

Stage	Release Date	Land Area sqm		Prices	
		lower	upper	lower	upper
Stage 16	Current	642	656	\$495,000	
Stage 14	Current	598		\$510,000	
Stage 13	Current	241	283	\$275,000	\$320,000

Incentives include fencing, landscaping and reticulation. Over the past 18 months sales rates have remained steady at 1 to 2 lots per month on average.

#### Burns Beach Estate, Burns Beach

Burns Beach Estate is situated some 27 kilometres north west of the Perth CBD. It is positioned on the north western corner of Burns Beach Road and Marmion Avenue, and has a 1.3 kilometre frontage to the Indian Ocean coast. The project commenced in 2005 and is expected to yield some 1,592 residential lots.

Prices within the most recent stages are as follows:

Stage	Release Date	Land Area sqm		Prices	
		lower	upper	lower	upper
Turquoise - 15B	Current	375		\$400,000	
Turquoise - 15B	Current	450	525	\$490,000	\$530,000
Cyan - 14A	Current	625		\$520,000	
Aqua - 5C	Current	688		\$635,000	

The average rate of sale since 2005 has been in the order of 90 lots per annum. Sales rates during 2016/17 averaged about 2 lots per month with only limited stock being made available. Sales rates during 2017 increased to be in order of 4 to 5 lots per month. Sales rates in 2019 were about 2 to 3 lots per month, increasing in 2020 to about to 3 to 4 lots per month.

#### Catalina Estate (subject estate)

Catalina Estate is situated some 33 kilometres north west of the Perth CBD. It is positioned on the south eastern corner of Marmion Avenue and Neerabup Road and is bordered by established estates with beach and preserved dunes to the west. The project is expected to yield some 2,500 residential lots plus a number of group housing sites.

Prices with the most recent stages are as follows:

Stage	Release Date	Land Area sqm		Prices	
		lower	upper	lower	upper
Stage 16A	Current	425	432	\$280,000	\$282,000
Stage 17B	Current	333		\$250,000	
Stage 25 & DV3	Current	357		\$342,000	
Stage 26	Current	375		\$358,000	
Stage 27A	Current	370	375	\$344,000	\$350,000
Stage 28	Current	375	450	\$355,000	\$400,000

Incentives include landscaping, side and rear fencing, and a solar package.

Catalina was initially launched in 2012 with releases during the first couple of years selling out instantly. Up until June 2019 some 914 lots have sold and settled (settlements between 2017 and 2019 averaged about 50 lots per annum). The rate of sale throughout 2017 was in the order of 6 to 7 lots per month. Sale rates decreased significantly throughout the 2019/20 financial year at about 1 to 2 lots per month. The introduction of the Government stimulus package has seen a

significant increase in lot sales post June 2020, with 47 lots settled between July and November, with a further 47 lots under contract of sale.

#### Clarkson Settled Sales

We have conducted a search for vacant residential land sales in Clarkson over the past 2 years. Settled sales data from Landgate for 2019 and 2020 Year to Date (YTD) is as follows:

Suburb	Area Category	2019			
		Sales	Min Sale Price	Max Sale Price	Average Sale Price
Clarkson	100 - 199 sqm	-	-	-	-
	200 - 299 sqm	6	\$181,000	\$242,000	\$211,833
	300 - 399 sqm	6	\$250,000	\$279,000	\$266,333
	400 - 499 sqm	2	\$310,000	\$340,000	\$325,000
	500 - 599 sqm	1	\$263,000	\$263,000	\$263,000
	600 - 699 sqm	-	-	-	-
	700 - 799 sqm	-	-	-	-
	800 - 899 sqm	-	-	-	-
	900 - 1000 sqm+	-	-	-	-
			15	\$181,000	\$340,000

Settled sales data from Landgate for 2020 is as follows:

Suburb	Area Category	2020			
		Sales	Min Sale Price	Max Sale Price	Average Sale Price
Clarkson	100 - 199 sqm	1	\$160,000	\$160,000	\$160,000
	200 - 299 sqm	2	\$196,000	\$200,000	\$198,000
	300 - 399 sqm	15	\$240,500	\$299,000	\$265,600
	400 - 499 sqm	7	\$275,000	\$329,000	\$306,143
	500 - 599 sqm	2	\$330,000	\$355,000	\$342,500
	600 - 699 sqm	1	\$270,000	\$270,000	\$270,000
	700 - 799 sqm	1	\$318,000	\$318,000	\$318,000
	800 - 899 sqm	-	-	-	-
	900 - 1000 sqm+	-	-	-	-
			29	\$160,000	\$355,000

#### Mindarie Settled Sales

We have also conducted a search for vacant residential land sales in the nearby coastal suburb of Mindarie over the past 2 years. Settled sales data from Landgate for 2019 and 2020 YTD is as follows:

2019					
Suburb	Area Category	Sales	Min Sale Price	Max Sale Price	Average Sale Price
Mindarie	100 - 199 sqm	-	-	-	-
	200 - 299 sqm	3	\$258,000	\$322,500	\$290,167
	300 - 399 sqm	6	\$308,000	\$385,000	\$346,500
	400 - 499 sqm	11	\$392,000	\$750,000	\$460,636
	500 - 599 sqm	2	\$385,000	\$520,000	\$452,500
	600 - 699 sqm	-	-	-	-
	700 - 799 sqm	1	\$430,000	\$430,000	\$430,000
	800 - 899 sqm	1	\$600,000	\$600,000	\$600,000
	900 - 1000 sqm-t	-	-	-	-
		24	\$258,000	\$750,000	\$414,646

Settled sales data from Landgate for 2020 is as follows:

2020					
Suburb	Area Category	Sales	Min Sale Price	Max Sale Price	Average Sale Price
Mindarie	100 - 199 sqm	-	-	-	-
	200 - 299 sqm	-	-	-	-
	300 - 399 sqm	12	\$294,500	\$540,000	\$361,958
	400 - 499 sqm	8	\$390,000	\$425,000	\$404,125
	500 - 599 sqm	4	\$385,000	\$550,000	\$439,375
	600 - 699 sqm	1	\$535,000	\$535,000	\$535,000
	700 - 799 sqm	-	-	-	-
	800 - 899 sqm	-	-	-	-
	900 - 1000 sqm-	1	\$725,000	\$725,000	\$725,000
		26	\$294,500	\$725,000	\$407,462

The above Landgate data is for sold and settled lots only. It therefore excludes any lots that have been sold/contracted but not yet settled. This is particularly relevant to vacant land sales as there is often a significant lag with lots being sold prior/during development. Settlements only occur once clearances are obtained, and titles issued.

Having regard to developer asking and sale prices recently achieved within nearby estates plus the settled land sales within nearby suburbs, we have assessed, and consider reasonable, the average selling price for potential lots at Catalina Estate, gross of incentives and rebates, to be as follows:

Catalina Estate  
Project Forecast

AVERAGE PRICE												
Lot Type:	Front	Rear	Rear									
Number of Lots	15.0m	17.0m	10.5m	12.5m	15.0m	10.5m	12.5m	15.0m	17.0m	10.5m	7.5m	10.5m
Frontage (m):	20.0m	20.0m	25.0m	25.0m	30.0m	30.0m	30.0m	30.0m	30.0m	30.0m	16.0m	16.0m
Depth (m):	300m <sup>2</sup>	340m <sup>2</sup>	263m <sup>2</sup>	313m <sup>2</sup>	375m <sup>2</sup>	315m <sup>2</sup>	375m <sup>2</sup>	450m <sup>2</sup>	510m <sup>2</sup>	168m <sup>2</sup>	120m <sup>2</sup>	168m <sup>2</sup>
Std Area (sqm):												
<b>Central Cell</b>												
Stage 16A					258,000		293,000				105,000	135,000
Stage 16B											105,000	135,000
Stage 18C												
Stage 19	240,000				265,000	235,000	300,000	300,000				
Stage 20	240,000	255,000			265,000	235,000	300,000	300,000				
Stage 21					265,000	300,000	300,000	300,000				
Stage 22	240,000	255,000			265,000	235,000	300,000	300,000				
Stage 23	240,000	255,000			265,000	235,000	300,000	300,000				
<b>Sub Total</b>	<b>240,000</b>	<b>255,000</b>	<b>0</b>	<b>0</b>	<b>265,000</b>	<b>235,000</b>	<b>299,440</b>	<b>263,803</b>	<b>0</b>	<b>105,000</b>	<b>135,000</b>	<b>100,000</b>
<b>Western Cell</b>												
Stage 27A					352,500	298,000	350,000	395,000				
Stage 28					352,500	298,000	350,000	395,000				
Stage 27B					305,000	298,000	350,000	395,000	435,000			
Beach Balance	297,500		255,000		352,500	305,000	350,000	395,000	435,000			
<b>Sub Total</b>	<b>297,500</b>	<b>0</b>	<b>255,000</b>	<b>305,000</b>	<b>352,500</b>	<b>298,000</b>	<b>350,000</b>	<b>395,000</b>	<b>435,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Eastern Cell</b>												
Catalina Grove					217,500		270,000	285,000				
<b>Sub Total</b>	<b>217,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>220,000</b>	<b>0</b>	<b>270,000</b>	<b>285,000</b>	<b>285,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>225,052</b>	<b>255,000</b>	<b>255,000</b>	<b>305,000</b>	<b>333,056</b>	<b>254,174</b>	<b>317,923</b>	<b>282,327</b>	<b>316,915</b>	<b>105,000</b>	<b>135,000</b>	<b>100,000</b>



Catalina Estate  
Project Forecast

Rear	Micro	Demo A	Demo B	Demo C	Demo E	CBRE Adopted	Project Cashflow	Difference									
6.0m	9.0m	6.0m	7.5m	8.5m	10.0m	12.0m	10.0m	10.0m	10.0m	10.0m	7.5m	10.0m	9.0m	17.5m	172,800	169,438	1.95%
28.0m	28.0m	30.0m	15.0m	18.0m	14.3m	18.0m	30.0m	116,111	112,460	3.14%							
168m <sup>2</sup>	252m <sup>2</sup>	180m <sup>2</sup>	225m <sup>2</sup>	255m <sup>2</sup>	300m <sup>2</sup>	300m <sup>2</sup>	300m <sup>2</sup>	360m <sup>2</sup>	360m <sup>2</sup>	150m <sup>2</sup>	135m <sup>2</sup>	143m <sup>2</sup>	162m <sup>2</sup>	525m <sup>2</sup>	229,479	231,451	-0.86%
	190,000		195,000		230,000	245,000	230,000	245,000	245,000		105,000	107,500	110,000	325,000	268,200	264,803	1.27%
	190,000		195,000		230,000	245,000	230,000	245,000	245,000						219,756	215,458	1.96%
			195,000		230,000	245,000	230,000	245,000	245,000						264,681	262,260	0.91%
			195,000		230,000	245,000	230,000	245,000	245,000						246,833	246,404	0.17%
<b>115,000</b>	<b>190,000</b>	<b>0</b>	<b>195,000</b>	<b>0</b>	<b>230,000</b>	<b>245,000</b>	<b>0</b>	<b>245,000</b>	<b>245,000</b>	<b>0</b>	<b>105,000</b>	<b>107,500</b>	<b>110,000</b>	<b>325,000</b>	<b>215,173</b>	<b>213,033</b>	<b>1.0%</b>
			235,000		280,000	280,000	280,000	280,000	280,000						315,050	313,262	0.57%
		185,000	235,000		280,000	280,000	280,000	280,000	280,000						359,557	354,088	1.52%
		185,000	235,000	255,000	280,000	280,000	280,000	280,000	280,000						344,078	343,261	0.24%
<b>0</b>	<b>0</b>	<b>185,000</b>	<b>235,000</b>	<b>255,000</b>	<b>280,000</b>	<b>280,000</b>	<b>0</b>	<b>280,000</b>	<b>280,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>300,417</b>	<b>299,484</b>	<b>0.31%</b>
		150,000	180,000		230,000	245,000	125,000	245,000	245,000	125,000					209,226	206,515	1.30%
<b>0</b>	<b>0</b>	<b>150,000</b>	<b>180,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>125,000</b>	<b>0</b>	<b>0</b>	<b>125,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>209,226</b>	<b>206,515</b>	<b>1.3%</b>
<b>115,000</b>	<b>190,000</b>	<b>159,310</b>	<b>198,427</b>	<b>255,000</b>	<b>232,632</b>	<b>245,000</b>	<b>125,000</b>	<b>245,000</b>	<b>245,000</b>	<b>125,000</b>	<b>105,000</b>	<b>107,500</b>	<b>110,000</b>	<b>325,000</b>	<b>237,735</b>	<b>235,523</b>	<b>0.9%</b>



Our adopted average selling prices have been compared with the prices in the Budget Review July 2020 (2020 to 2036). Our adopted average pricing for remaining stages at Catalina Central is some \$2,140 or 1.0% higher than the SPG Budget Review. Our adopted average pricing for remaining stages at Catalina Beach is some \$1,357 or 0.4% higher than the SPG Budget Review. Our adopted average pricing for Catalina Grove is some \$2,711 or 1.3% higher than the SPG Budget Review.

On an overall basis our adopted average pricing for the residential lots over the remaining balance of englobo land at Catalina Estate is \$237,735, which is some \$2,212 or 0.9% higher than the Budget Review July 2020 (2020 to 2036).

### 3.2 Group Housing Sites

We have conducted a search for sales evidence of group housing sites within localities that are situated in the outer rings of the Perth metropolitan area. Sales evidence we have considered includes the following:

Lot	Street	Suburb	Land Area (sqm)	No. Unit Sites (max)	Density	Sale Price (inc. GST)	Sale Date	\$ Rate per Unit	\$ Rate per sqm (inc. GST)
Lot 10337	Annie's Landing Stage 15	Ellenbrook	3,333	6	R40	\$750,000	Asking	\$125,000	\$225
Lot 10815	Lexia Stage 9B	Ellenbrook	1,560	6	R40	\$715,000	Asking	\$119,167	\$458
L499	Yelverton Drive	Midland	2,271	7	R30	\$1,754,500	Aug 2020	\$250,643	\$773
L3	Statesman Parade	Baldivis	5,196	20	R40	\$2,200,000	Jan 2020	\$110,000	\$423
20	Linkage Avenue	Cockburn Central	4,646	124	R160	\$3,368,000	Apr 2019	\$27,161	\$725
61	Delaronde Drive	Success	1,680	16	R60	\$715,000	Jul 2019	\$44,688	\$426
3	Biloxi Loop	Success	1,192	10	R40	\$800,000	Apr 2019	\$80,000	\$671
Lot 3	Cnr Delta Rd & Woolamai Rd	Baldivis	5,196	20	R40	\$990,000	May 2019	\$49,500	\$191
Lot 10851	Lexia Stage 9A	Ellenbrook	1,542	6	R40	\$715,000	Oct 2018	\$119,167	\$464
Lot 11106	Drummond Precinct Stage 1	Ellenbrook	1,200	10	R80	\$600,000	Mar 2018	\$60,000	\$500
Lot 11129	Drummond Precinct Stage 2	Ellenbrook	1,600	8	R50	\$770,000	Jan 2018	\$96,250	\$481
Lot 10627	Annie's Landing Stage 15	Ellenbrook	1,686	6	R40	\$710,000	Jan 2018	\$118,333	\$421
Lots 547 & 548	Shorehaven Boulevard	Alkimos	1,503	6	R40	\$700,000	Dec 2017	\$116,667	\$466
Lot 1813	Longstaff Avenue	Alkimos	3,049	18	R60	\$1,100,000	Dec 2017	\$61,111	\$361
Lot 1294	Portside Promenade	Alkimos	2,715	27	R100	\$3,003,000	Nov 2017	\$111,222	\$1,106
30	Bewick Avenue	Yanchep	4,000	24	R60	\$950,000	Oct 2017	\$39,583	\$238
65	Delaronde Drive	Success	1,203	11	R60	\$600,000	Oct 2017	\$54,545	\$499
Lot 3	Johnson Road	Ellenbrook	4,069	16	R40	\$1,650,000	Jun 2017	\$103,125	\$406
Lot 7245	Elmridge Parkway	Ellenbrook	2,597	9	R40	\$848,500	May 2017	\$94,278	\$327
Lot 7246	Elmridge Parkway	Ellenbrook	3,180	12	R40	\$980,000	May 2017	\$81,667	\$308
Lot 3539	Exchange Avenue	Harrisdale	1,306	5	R40	\$550,000	Mar 2017	\$105,283	\$421

The above sales disclose rates of between approximately \$191 and \$1,106 per square metre. The wide variation in rates is due to several factors including lot size, number of dwellings, density and location.

We have adopted the following indicative prices/values for the group housing sites and have provided a comparison to the SPG Budget Review:

	Site Area (Sqm)	Dwelling Units	R Code	CBRE Adopted Value	Rate Per Sqm	Rate Per Dwelling	Project Forecast	Rate Per Sqm	Difference
<b>Group Housing Sites</b>									
GHS - Stage 17B	6,921	41	60	1,900,000	275	46,341	1,730,250	250	9.81%
GHS - School Site 1	7,189	43	60	2,325,000	325	54,070	1,797,250	250	29.36%
GHS - School Site 2	1,436	8	60	650,000	450	81,250	359,000	250	81.06%
GHS - Stage 25	4,559	27	60	2,175,000	475	80,556	1,732,420	380	25.55%
GHS - Stage 25	1,795	10	60	1,075,000	600	107,500	682,100	380	57.60%
GHS - Stage 28	3,769	22	60	1,875,000	500	85,227	1,432,220	380	30.92%
GHS - Stage 28	1,795	10	60	1,075,000	600	107,500	682,100	380	57.60%
GHS - Catalina Grove 1	15,300	153	100	4,200,000	275	27,451	4,590,000	300	-8.50%
<b>Total</b>	<b>42,764</b>	<b>314</b>		<b>15,275,000</b>	<b>357</b>	<b>48,646</b>	<b>13,005,340</b>	<b>304</b>	<b>17.45%</b>

### 3.3 Commercial Sites

We have investigated commercial and retail site sales in order to assess the potential gross realisation of the 1.90 hectare retail site within Catalina Estate. A selection of commercial/retail site sales we have analysed is outlined as follows:

Property	Sale Price	Sale Date	Description / Zoning	Land Area (sqm)	Spsm Land
Lot 7385 The Promenade, Ellenbrook	\$6,265,700	Jul 2019	The property is situated on the northern alignment of The Promenade and with extensive road frontage. The site is zoned "Special Use (4) Zone - Ellenbrook Estate" under the City of Swan LSP 17 and is classified as "Commercial Enterprise" under the Ellenbrook Town Centre Development Plan.	17,865	\$351
Lot 7386 The Promenade, Ellenbrook	\$6,518,750	Jun 2019	The property is situated on the northern alignment of The Promenade and with extensive road frontage. The site is zoned "Special Use (4) Zone - Ellenbrook Estate" under the City of Swan LSP 17 and is classified as "Commercial Enterprise" under the Ellenbrook Town Centre Development Plan.	18,625	\$350
Lot 7197 The Broadway, Ellenbrook	\$5,383,250	Jun 2019	The property comprises a 21,500 sqm slightly regular shaped site situated on the corner of The Broadway and Bordeaux Lane. The property is zoned "Special Use" under the City of Swan Local Planning Scheme No. 17. The subject property is classified as Retail, which proposes the provision of between 4,500sqm and 6,500 sqm of retail floor space.	21,500	\$250
Dayton Business Commercial Area, Repton and Cranleigh Streets, Dayton	\$6,780,000	Jul 2018	The land comprises Lot 7 Cranleigh Street, 44 Repton Street, 21 Repton Street, 29 Repton Street, 36 Repton Street and 20 Repton Street, Dayton. The Dayton Service Commercial/ Business precinct was assembled by a single purchaser over the 2016 to 2018 period and is being re-subdivided and developed in 2019. This was contiguous un-serviced, (Former Special Rural Land titled as below) which also has scheme costs outstanding on all the land at \$76/sqm. <b>The rate indicated is before scheme costs, in adding scheme costs the rate reflects \$220 per sqm post scheme cost.</b> Development commenced in 2019 with a Service Station and Childcare Centre on site now, LFR and possibly some retail is proposed over a 2 to 4 year timeframe.	46,944	\$144
135 Mortimer Road, Casuarina	\$3,100,000	Sep 2017	Large irregular shaped allotment located on the northern alignment of Mortimer Road, and only some 500 metres east of Kwinana Freeway. Zoned 'Development' under the City of Kwinana Local Planning Scheme No 2. We understand that the site is designated for a neighbourhood shopping centre under a preliminary subdivision concept plan, and we also understand that at the date of sale there is no draft or any approved structure plans pertaining to the site in place. The property is predominantly covered by bushland, and there is a 4 bedroom 2 bathroom house on the lot, built in circa 1988. The property has generous frontage to Nicolas Drive and Mortimer Road.	19,800	\$157
3 Jewel Way, Banksia Grove	\$3,000,000	Feb 2016	The site is located to the immediate north of the existing Banksia Grove Village Shopping Centre. Zoned "Urban Development" under Wanneroo District Planning Scheme No. 2. and zoned "Retail Core and Employment Mixed Use Precinct" under Approved Structure Plan 65. The site was purchased by Aldi for owner occupation. Lower rate to apply to the larger subject land.	8,666	\$346
Corner Marmion Avenue & Santorini Promenade, Alkimos (Trinity Estate)	\$6,927,040	Dec 2015	Rectangular shaped site of around 2.1 hectares located on the north eastern corner of the Marmion Avenue and Santorini Promenade intersection in Alkimos being an elevated site on the eastern or inbound side of Marmion Avenue with access only available off Santorini Promenade. High Exposure site. Contract agreed in 2014.	21,647	\$320
Lot 1 Mandurah Road, Karnup	\$8,250,000	Jul 2015	High exposure vacant irregular shaped allotment with generous frontage to Mandurah Road. The site is situated on the south-eastern alignment of Mandurah Road and Redwood Avenue. The site is zoned Development under the City of Rockingham TPS 2 and 'Commercial R60' under the Singleton Village Neighbourhood Activity Centre Detailed Area Plan. We note that the site was originally purchased by Coles Group in 2012 for \$291 per sqm, but then sold again most recently in July 2015 for \$329 psm excluding GST.	25,052	\$329

The above sales of commercial/large retail sites disclose rates of between approximately \$144 and \$351 per square metre. For the 1.90 hectare Retail site we consider an appropriate rate to be in the order of \$300 per sqm.

Our indicative price/value assessment for the Retail site, including a comparison to the SPG Budget Review, is as follows:

	Site Area (Sqm)	CBRE Adopted Value	Rate Per Sqm	Project Forecast	Rate Per Sqm	Difference
<u>Eastern Cell (Catalina Grove)</u>						
Retail Site	19,000	5,700,000	300	6,650,000	350	-14.29%
Total	19,000	5,700,000	300	6,650,000	350	-14.29%

## 4 Sales Rates

In determining sale rates, we have also considered the increasing competition in the North West Coastal Corridor. The completion of the extension to Marmion Avenue in 2008 has opened up large tracts of land to the south of Yanchep suitable for urban development. The development of several large estates, such as Shorehaven at Alkimos, Amberton, Escarpment Alkimos Beach, Trinity at Alkimos, Eden Beach and Allara are now all well established. Other more recent estates include East of the Beach and Alkimos Vista. Furthermore, there are also other large developments between Alkimos and Yanchep anticipated to commence sales over the next few years.

Most of these new estates are situated in the suburbs of Alkimos and Eglinton being some 8 to 12 kilometres north of the subject (Clarkson and Mindarie). They are therefore not as well located in terms of proximity to the Perth CBD and the regional Joondalup city centre.

The ongoing extension to the northern railway line and Mitchell Freeway is likely to continue to have a positive influence on lot demand in the North West Corridor. Butler Railway Station was opened in 2014. Under the State Governments Metronet Policy, the rail is proposed to be extended to Yanchep (14.5 kilometres with 3 additional stations) with major works to begin shortly. The Mitchell Freeway was extended in 2019 from Burns Beach Road to Hester Avenue, with future expansion to Romeo Road planned to commence in 2021.

Development of Catalina Estate commenced in 2012 and during the first 7 years has averaged approximately 130 lots settlements per annum (average of about 160 to 165 lots per annum in the first 5 years and about 50 lots per annum from 2017 to 2019).

Medium to long term sales rates within other estates in the North West Corridor include Trinity at Alkimos Estate at about 160 lots per annum since 2010 and Capricorn Yanchep at 100 lots per annum since 2005. Shorehaven at Alkimos has achieved a sales rate of 110 to 115 lots per annum since commencement in December 2009.

Burns Beach Estate being a premium estate positioned between the Indian Ocean coast and Marmion Avenue has averaged some 80 lot sales per annum since the project commenced in 2005. The sales rate over the past 5 years has averaged only about 2 to 3 lots per month with only limited stage releases being made available. Sales rates between 2005 to 2015 averaged about 100 lot sales per annum. The limited release of lots over the past few years has been a deliberate strategy. Most remaining stages (particularly Stages 15 to 20) comprise some of the most prime land within the estate and they will be primarily marketed when the residential market has improved/strengthened in order to maximise future returns/profits

The adopted lot sales rate in the Budget Review July 2020 (2020 to 2036) is as follows:

Year	Catalina Beach	Catalina Central & Catalina Grove	Total
<b>Project Cashflow</b>			
2021	62	28	90
2022	28	68	96
2023	24	72	96
2024	24	72	96
2025	24	72	96
2026	24	72	96
2027	24	72	96
2028	24	72	96
2029	24	72	96
2030	24	72	96
2031	24	72	96
2032	24	72	96
2033	18	82	100
2034	12	84	96
2035	19	77	96
2036	12	18	30
<b>Total</b>	<b>391</b>	<b>1077</b>	<b>1468</b>
<b>Average</b>	<b>24.44</b>	<b>67.31</b>	<b>91.75</b>

Our adopted lot sales rate, including a comparison or difference to the Project Forecast, is as follows:

Year	Catalina Beach	Catalina Central & Catalina Grove	Total	Difference to Project Cashflow
<b>CBRE Adopted</b>				
2021	50	30	80	-10
2022	30	50	80	-16
2023	30	60	90	-6
2024	30	75	105	9
2025	35	85	120	24
2026	35	85	120	24
2027	35	85	120	24
2028	35	85	120	24
2029	35	85	120	24
2030	35	85	120	24
2031	25	90	115	19
2032	16	90	106	10
2033		90	90	-10
2034		82	82	-14
2035				-96
2036				-30
<b>Total</b>	<b>391</b>	<b>1077</b>	<b>1468</b>	
<b>Average</b>	<b>32.58</b>	<b>76.93</b>	<b>104.86</b>	

Our adopted selling rates consider current residential market conditions and demand drivers (i.e. population growth, real wages growth, consumer confidence, employment rate, etc) over the medium term.

The rate of sale also takes into account supply constraints in that Stages 19 to 23 of Catalina Central are unlikely to be available until about 2029 to 2030 based on the operational life of the Tamala Park Refuse Facility and the lifting of the buffer and "Urban Deferral" under the MRS. It also assumes that Catalina Grove sales will commence in 2022.

Our adopted selling rates equates to an average of some 92 lots per annum over a 16-year period and assumes marketing and co-ordination between the three submarkets. The average selling rate for Catalina Beach is 24 lots per annum and for Catalina Central and Catalina Grove a combined rate of 67 lots per annum.

## 5 Escalation Rates

Our adopted escalation rates for lot prices and development costs, including a comparison to the Project Forecast, are as follows:

Year	Lot Prices/Revenue	Difference	Development Costs	Difference
<b>Project Cashflow</b>				
2020/21	0.0%		0.0%	
2021/22	0.0%		0.0%	
2022/23	3.0%		2.0%	
2023/24	3.0%		2.0%	
2024/25	3.0%		2.0%	
Thereafter (pa)	3.0%		2.0%	
<b>CBRE Adopted</b>				
2020/21	0.0%	0.0%	0.0%	0.0%
2021/22	0.0%	0.0%	1.5%	1.5%
2022/23	3.0%	0.0%	2.5%	0.5%
2023/24	3.0%	0.0%	2.5%	0.5%
2024/25	3.0%	0.0%	2.5%	0.5%
Thereafter (pa)	3.5%	0.5%	2.5%	0.5%

In terms of price escalations, we have had some regard to long term historical trends in the North West Sector. We do, however, note that this location is relatively immature with the major estates only mainly established in 2009 and 2010 such as Shorehaven at Alkimos, Trinity at Alkimos and Jindowie. We have therefore also considered Brighton Estate in Butler and Jindalee. This large master planned estate initially commenced in 2001 and was substantially completed in about 2015. An analysis of generally like with like pricing in 2004 and 2005 and then compared to 2014 and 2015 (ie. over a 10-year period) indicates an approximate doubling in pricing or a compound escalation rate of about 7% per annum. The appreciation in pricing mainly occurred up until about 2010 and was generally stagnant thereafter.

We have also considered price escalations within several other estates such as Capricorn Yanchep, Trinity at Alkimos, Jindalee Beachside and Amberton between 2010 to 2020. Price movement have been mixed over this 10-year period with prices up between 5% and 10% at Capricorn Yanchep and Alkimos at Trinity, static/flat at Jindalee Beachside and down about 10% at Amberton.

The current and forecast short to medium interest and inflation rates are extremely low by historical standards. This coupled with only nominal or limited real wages growth and significant volume of supply in the North West sector is likely to result in future land price escalations being only moderate. We consider a medium-term outlook to be in the order of 3.0% per annum, however only nominal or nil in the immediate short term. For years 1 and 2 we have adopted nil escalation. From 2025/26 onward, we have adopted slightly higher escalation at 3.5% per annum. Over say a 10-year period this escalation profile equates to a compound increase of

2.6% per annum, being slightly above forecast CPI over this period at about 2% per annum.

Nil escalation has been applied to development costs for year 1 and 1.5% for year 2. For year 3 and beyond we have adopted an escalation of 2.5% per annum being approximately 50 basis point higher than inflation (CPI) rate forecasts.

## 6 Development Costs

The lot production and bulk earthworks costs in the Budget Review July 2020 (2020 to 2036) are as follows:

	No. of Lots	Lot Production Cost	Cost Per Lot	Bulk Earthworks Per Lot	Total Costs Per Lot
<b>Central Cell (Catalina Central)</b>					
Stage 16A	45	3,147,877	69,953		69,953
Stage 16B	27	1,834,037	67,927		67,927
Stage 18C	35	1,426,705	40,763		40,763
Stage 19	48	3,123,201	65,067	28,508	93,574
Stage 20	50	3,253,235	65,065	28,508	93,572
Stage 21	41	2,668,084	65,075	28,508	93,583
Stage 22	47	3,058,185	65,068	28,508	93,575
Stage 23	60	3,903,401	65,057	28,508	93,564
<b>Sub Total</b>	<b>353</b>	<b>22,414,724</b>	<b>63,498</b>	<b>19,867</b>	<b>83,364</b>
<b>Western Cell (Catalina Beach)</b>					
Stage 27A	20	2,083,224	104,161	10,282	114,443
Stage 28	35	2,805,543	80,158	10,282	90,440
Stage 27B	32	2,156,439	67,389	10,282	77,670
Beach Balance	318	22,180,482	69,750	10,282	80,032
<b>Sub Total</b>	<b>405</b>	<b>29,225,688</b>	<b>72,162</b>	<b>10,282</b>	<b>82,444</b>
<b>Eastern Cell (Catalina Grove)</b>					
Catalina Grove	743	41,314,011	55,604	13,624	69,228
<b>Sub Total</b>	<b>743</b>	<b>41,314,011</b>	<b>55,604</b>	<b>13,624</b>	<b>69,228</b>
<b>Total</b>	<b>1,501</b>	<b>92,954,423</b>	<b>61,928</b>	<b>14,190</b>	<b>76,119</b>

With respect to the bulk earthworks costs these have been apportioned to each cell (ie, western, central and eastern) and then averaged over each stage in the relevant cell.

The average per lot landscaping costs for the Western Cell (Catalina Beach) and the Eastern Cell (Catalina Grove) is as follows:

Cell	No. of Lots	Overall Landscaping Costs	Cost Per Lot
Western Cell - Catalina Beach	405	7,407,880	18,291
Eastern Cell - Catalina Grove	743	11,815,350	15,902
<b>Total</b>	<b>1,148</b>	<b>19,223,230</b>	<b>16,745</b>

The estimate of development costs and bulk earthworks in the Budget Review July 2020 (2020 to 2036) is based upon advice from consulting engineers, Cossill and Webley. The landscaping costs are based upon advice from Plan E. A finite review and analysis of such costs is beyond the scope of the expertise of a Land Valuer.

We have however, undertaken a benchmark analysis of these costs compared to several other residential estates in the North West Corridor. We have considered a variety of other estates such as Trinity at Alkimos, Shorehaven at Alkimos, Burns Beach Estate, Amberton Estate, East of the Beach and Yanchep Golf Course Estate. Specific details for each estate are confidential and we have therefore provided the information in the following table without naming or identifying each estate.

North West Sector Estates - Benchmarks			
	Earthworks & Lot Production Costs	Landscaping Costs	Total Costs
Estate A	72,725	11,202	83,927
Estate B	63,634	5,610	69,244
Estate C	67,720	16,226	83,946
Estate D	89,555	10,000	99,555
Estate E	66,682	17,068	83,750
Estate F	66,904	6,222	73,126

Note: Estates B and C have already been substantially earthworked. Estate B has a higher component of smaller lot product.

The comparison reflects the average development cost (bulk earthworks and lot production) and average landscaping cost. It excludes infrastructure works. The costs are based on Opinion of Probable Costs (OPC) undertaken for various and recent valuation assignments from these benchmark estates.

The development costs in the benchmark sample range from \$63,500 to \$89,500 per lot and landscaping costs range from \$5,600 to \$16,200 per lot. The respective total development costs and landscaping costs for the subject property as per the Project Forecast is at \$76,119 and \$16,745 per lot. These costs are generally towards the top of the range of the benchmark sample, particularly in relation to landscaping.

It is our understanding that lot production works for Catalina Estate are at a high specification in terms of roads, pavements and general treatments, as well as extensive use of retaining walls to accommodate the topography. There is also a requirement for the retention of existing trees at Cataline Grove which results in higher bulk earthworks and retaining wall costs. Within the Central Cell the works relating to the school site includes a considerable volume of excess cut which skews the per lot earthworks cost. By excluding the earthworks for the school site, the bulk earthworks for the Central Cell reduces from an average of \$28,508 per lot to \$20,032 per lot.

For the purposes of the OPC it is assumed that rock is encountered in all works (earthworks and underground service installation) which reflect “maximum guaranteed quantities”. When a Contractor is awarded a stage of construction, they can claim up to the guaranteed maximum quantities if rock is encountered everywhere. However, typically they don’t encounter these maximum quantities and are only paid for the quantity of rock encountered.

The OPC excludes a contingency allowance, however this is separately accounted for in the Budget Review July 2020 (2020 to 2036) at a rate of 5%.

With respect to the final contract sums we note that the most recent stages, being Stages 26, 17B and 25 have collectively been slightly lower by some 1.4% compared to the OPC cost included in the civils contract.

## 7 Incentive Packages

The incentives and rebates in the Budget Review July 2020 (2020 to 2036) include fencing and landscaping at \$8,500 per lot and solar package at \$2,000 per lot. They also include WELS rebate at \$1,000 per lot and sustainability/energy audit rebate at \$1,000 per lot for Catalina Beach and Catalina Grove only. The estimated take up rate for WELS rebate and sustainability rebate is 80%.

There is also provision for construction rebates and campaign incentives of \$10,000 per lot up until December 2022.

Standard incentive packages at other estates in the North West Coastal Corridor are mainly in the order of \$7,000 to \$10,000.

Over the past few years and up until the government stimulus building incentives announced and implemented at the beginning of June 2020, most estates also provided additional promotional rebates/incentives on selected lots, sometimes at levels of \$10,000 per lot or greater.

Given the location, product lot mix and targeted rate of sales we consider that the incentives and rebates in the Budget Review July 2020 (2020 to 2036) to be appropriate. We also consider that additional construction rebates and/or campaign incentives may be required from the second half of 2021 onwards for say up to two years as government stimulus measures are removed.

## 8 Sales and Marketing

Selling Commissions in the Budget Review July 2020 (2020 to 2036) are at 2.1%.

The marketing costs from the beginning of 2020 to the end of the cashflow period in the Budget Review July 2020 (2020 to 2036) equate to about 2.2% of gross realisations.

Total selling and marketing costs therefore equate to about 4.3% of gross realisations.

We consider an appropriate benchmark for such costs to be within a range of 3.5% to 4.0%.

## 9 Contingency Rates

The adopted contingency allowance within the Budget Review July 2020 (2020 to 2036) is at 5% on overall development costs.

We consider the adopted contingency allowance at 5% is appropriate given the established nature of Catalina Estate with historical benchmark development costs.

## 10 Current Market Conditions

The North West Corridor will continue to play an integral role to the future development of the Perth Metropolitan Region in terms of population and economic growth. Locational attributes include:

- Good existing demand from locational amenity;
- Relative affordability;
- Land availability for residential and employment developments;
- Rail and road infrastructure; and
- Large existing population.

The North West Corridor of Perth has long been the preferred Corridor due to its amenity, beaches and connectivity to existing high valued coastal suburbs. Most of this growth is projected to take place in the City of Wanneroo, the majority of which is set to take place in a narrow coastal strip stretching from Tamala Park in the south to Two Rocks in the north.

Over the past decade there has been significant new supply in the North West Corridor, although the bulk of this is in locations some 8 to 18 kilometres to the north in the periphery or urban frontal suburbs of Alkimos, Eglinton and Yanchep.

The government stimulus building incentives announced and implemented at the beginning of June 2020, (Federal \$25,000 and State \$20,000) above the existing \$10,000 FHOG have led to strong sales activity and the removal of rebates within most residential estates throughout the second half of 2020. Even prior to the COVID-19 virus outbreak, the WA housing market had started to show signs of recovery. Increased sales activity has been boosted by higher land sales as government subsidies bias buyer decisions towards new builds and many construction purchase decisions are brought forward before subsidies end.

The State government \$20,000 building program grant has further been extended, allowing Western Australia homebuilders an additional 6 months to commence their build and access this grant. Initially slated to end on 31 December 2020, the Federal Grant scheme has now been extended an additional 3 months now expiring at the end of March 2021, but at a lower rate of \$15,000.

Prior to the government stimulus measures, there had been a softening in demand and decline in lot prices over the past 4 to 5 years. Incentives or rebates for residential lot sales were at elevated levels over the past few years, although recently removed due to government stimulus measures.

In addition to the stimulus measures there are a number of other positive factors including historically low interest rates, relaxation in lending controls, residential vacancy rate of less than 1%, positive migration levels due to COVID-19 travel

restrictions (including return of expat-Australians) , and a buoyant resources sector with key commodity prices such as iron ore and gold performing strongly.

It is widely predicted that Perth house prices will disclose moderate to strong growth in 2021 with the availability of stock (i.e. listings) tightening and selling periods being shorter.

The RBA governor has also made it clear that they are unlikely to target house prices, in their monetary policy decisions, as there are other tools available outside of interest rates, that can be used to address any future concerns that may come from rapidly rising prices.

While price growth is expected to continue during 2021, some moderation of the strong growth trend by mid-year is possible as stimulus measures (HomeBuilder, JobKeeper, JobSeeker) end. These changes, however, are unlikely to lead to any significant pull back, given most of the other key drivers of demand remain strong.

Affordability for both purchasers and renters, therefore, looks set to become a more prominent issue in the months ahead. The possibility of federal government election later in the year would likely see affordability become a key policy matter.

A note of caution heading into 2021 is still relevant however, covering two broad aspects. The first of these will be how markets adjust as the various stimulus packages and support, both direct and indirect, gradually switch off. Some levelling off of activity and growth should be expected post March. At the same time, should growth conditions persist or even strengthen, it would not be unreasonable to expect regulators may look to subtly reintroduce some measures to at least tap the brakes a little to keep the balance.

In the medium term we consider there may be some uncertainty of demand levels in late 2021 given that some house and land package purchase decisions have been brought forward before government subsidies expiry/reduce by the end of March 2021.

## 11 Conclusion

We have undertaken a review of the Budget Review July 2020 (2020 to 2036) as prepared by SPG. Our review has considered the estimated residential lot yield for the balance englobo land holding. In terms of residential lot prices our estimate is marginally higher (less than 1%) than the SPG Budget Review. Our assessment for group housing sites was higher than the SPG Budget Review, whilst our assessment of value for the large Retail site was lower. On an overall basis our pricing is some 1.2% higher than the Project Forecast.

In terms of rate of sale, we have forecast a project end period in some 14 years' time (ie. 2034) which is some 2 years prior to the SPG Budget Review timeline. Our rate of sale is slightly more conservative in 2021 and 2022 compared to the SPG Budget Review, however between the period 2025 to 2031 we have adopted a higher forecast rate of sale at an average of 10 lots per month compared to the SPG Budget Review at 8 lots per month.

Our adopted revenue escalation rate at nil for 2020/21 and 2021/22, and 3% per annum from 2022/23 to 2024/25 is consistent with the SPG Budget Review. Our adopted revenue escalation rate at 3.5% per annum from 2025/26 is slightly higher (i.e. 50 basis points higher) than the SPG Budget Review.

Our longer-term development cost escalation from 2022/23 onwards at 2.5% per annum is slightly higher than the SPG Budget Review escalation rate of 2.0% per annum. Our adopted rate reflects real growth above forecast CPI of some 50 basis points. We have also made some allowance for cost escalations to flow into civil contracts from 2021/22 at 1.5% compared to nil in the SPG Budget Review, reflecting the recent greater demand for lot production and civil works contracts.

Incentive packages and contingency rates adopted in the SPG Budget Review all appear to be reasonable. Sales and marketing at 4.3% of gross revenue is towards the upper end of benchmarks, particularly the marketing component of about 2.2% of gross revenue and relative to a somewhat conservative long term budget selling rate of 8 lots per month.

Development costs including lot production costs, bulk earthworks and landscaping are generally towards the top of the range of a benchmark sample of other residential estates in the North West Corridor. The average lot production cost is almost \$62,000 per lot and average bulk earthworks are about \$14,000 per lot. Landscaping costs over Catalina Beach and Catalina Grove combined average almost \$16,750 per lot. The high landscaping cost is partially due to foreshore works requirements at Catalina Beach and the high specification level of enhancements and landscaping treatments throughout the estate.

A finite review and detailed cost analysis of development and landscaping costs is beyond the scope of the expertise of a Land Valuer, however we make the observation that on balance they reflect and are consistent with other benchmarks

taking into account the high specifications, allowances for rock and specification of landscaping treatments (including retention of existing trees and foreshore works).

A review of historical costings indicates that for most recent stages over the past couple of years that the final contract sums are collectively only marginally lower than the OPC cost included in the civils contract.

On balance, we consider that the Budget Review July 2020 (2020 to 2036) represents an appropriate general guide for project and financial planning. It provides only a very slight bias to conservatism with sale prices and rate of future escalation being only marginally below our forecasts. Development costs are towards the upper end of benchmarks, although on balance are considered appropriate, particularly given that they also incorporate "maximum guaranteed quantities".

With respect to selling rates, we consider a project life until 2036 (or almost 16 years) to be conservative particularly reflecting the location of the estate, being much closer to the Perth CBD compared to other North West Coastal Corridor estates; multiple development/marketing cells; and affordability of the lot product, particularly within the Catalina Grove cell. The adopted rate of sale is lower than long term benchmarks from other estates.

In the short term, we note that there are a number of potential influences that are difficult to accurately predict such as ongoing or extended government stimulus measures associated with COVID-19 (whether it be Jobkeeper/Jobseeker and home building incentives), low residential vacancy rate coupled with expiry of rent increase moratorium in March 2021, and population influences from returned residents (both interstate and international). As seen from the sharp increase in sales rates during the second half of 2020, these influences can have a material and sudden impact on demand.

## **APPENDICES**

## **A Letter of Instruction**

Our Ref: D-20-0001479

3 September 2020

Stewart Nuttall  
Senior Director  
CBRE Australia  
Level 2  
216 St Georges Terrace  
PERTH WA 6000

Transmitted via email: [stewart.nuttall@cbre.com.au](mailto:stewart.nuttall@cbre.com.au)

Dear Stewart

**RE: REQUEST FOR QUOTATION  
REVIEW OF CATALINA ESTATE FORECAST SCENARIO (2020)**

The Tamala Park Regional Council (TPRC) is developing the Catalina Estate, a 2,500 lot urban development in the suburbs of Clarkson and Mindarie. The Satterley Property Group (Satterley) has been appointed as project manager and exclusive selling agent.

It is anticipated the site will be developed at a rate of 100 - 150 lots per annum. To date over 1,000 lots have been constructed and sold at Catalina.

Satterley has prepared Project Forecast Scenarios (2020) for Catalina as part of its obligations to the TPRC and recommended endorsement of Scenario 2. The TPRC has resolved to engage an independent consultant to review the Project Forecast Scenario 2 and to undertake a benchmarking exercise on key project elements and provide advice and recommendations. It invites your company to submit a proposal to undertake this Scope of Works.

The Scope of Works for the review of the Project Forecast Scenario 2 requires the benchmarking of industry standards/practice on key project elements, including (but not limited to) the following:

- Key project assumptions;
- Sale prices and rates;
- Lot production costs;
- Direct selling costs;
- Development costs;
- Landscaping costs;
- Sales incentive packages;
- Sales and marketing;
- Contingency rates; and
- Sales and cost escalation rates.

The Scope of Works is to also include the following:

- Advice on current market conditions and forecasts for the period of Project Forecast Scenario 2;
- Advice as to accuracy of Project Forecast Scenario 2 as a general guide for project and financial planning;
- Recommendations for achieving beneficial outcomes for the Catalina Project;
- The review and report should be completed eight (8) weeks from formal engagement.

The proposal should provide for the following:

- Two meetings with Satterley;
- Two meetings with the TPRC;
- Preparation of a detailed report for Council consideration;
- Attendance at a TPRC Management Committee meeting;
- Attendance at a TPRC Council meeting;
- A lump sum fee, inclusive of ALL disbursements.

The proposal should include the following:

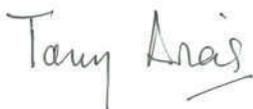
- Information demonstrating the experience and capability of the company and nominated individuals to undertake the Scope of Works;
- Details of any conflicts of interest;
- Confirmation in writing that the review and report will be completed eight (8) weeks from formal engagement;
- A lump sum fee, inclusive of ALL disbursements.

Proposals are to be placed in a sealed envelope and marked "Request for Quotation – Review of Catalina Forecast Scenario – Confidential" and addressed to Tamala Park Regional Council, PO Box 655, Innaloo WA 6918 or sent via email, subject line marked "Confidential", to [mail@tamalapark.wa.gov.au](mailto:mail@tamalapark.wa.gov.au) and must be received by the TPRC by 24 September 2020.

Additional information with respect to the consultancy and the requirements of the brief can be obtained by contacting:

Mr Simon O'Sullivan  
Manager Project Coordination  
Tamala Park Regional Council  
**via email only:** [simon.osullivan@tamalapark.wa.gov.au](mailto:simon.osullivan@tamalapark.wa.gov.au)

Yours sincerely



Tony Arias  
CHIEF EXECUTIVE OFFICER

# Appendix 7.5

2 March 2021

Mr Tony Arias  
Chief Executive Officer  
Tamala Park Regional Council  
Unit 2, 369 Scarborough Beach Road  
INNALOO WA 6018

Via email: [simon.osullivan@tamalapark.wa.gov.au](mailto:simon.osullivan@tamalapark.wa.gov.au)

Dear Tony

RE: CATALINA CENTRAL STAGE 18

In December 2020, the Council received advice regarding the built form tender and development options for Stage 18 within Catalina Central. The Council noted that the negotiations with the built form partner had failed to reach agreement and resolved to cease negotiations. Furthermore, the Council requested Satterley Property Group to prepare an appropriate subdivision and development option that is consistent with the Council's objectives to achieve sustainable and innovative built form within the development of the Stage 18 site and cognisant of market conditions. The advice and details contained within this document will provide the subdivision design and development option requested by Council.

Prior to preparing the revised development option and development option Satterley reviewed the previous resolutions made by Council on the site to ensure all objectives are met. Satterley noted that at its meeting held on 19 April 2018 the Council received the Catalina Central Group Housing Sites Report. The Council resolved to approve the re-subdivision of Lots 995 and 996 in accordance with the Concept Plan attached to the Satterley Property Group's Group Housing Sites Report (dated November 2017). In addition the Council advised that the subdivision design is to be optimised to achieve built form outcomes that include single and two-storey small lot product, creates housing diversity, includes measures to limit acoustic attenuation on the built form and optimises financial returns to the TPRC.

Based on the December 2020 and April 2018 resolutions Satterley have reviewed the previously approved subdivision design to prepare an appropriate subdivision and development option that meets all the requested objectives for the site. The original design can be found in Annexure A and consists of 29 lots ranging in size from 120sqm to 370sqm. All lots are front loaded and seek to produce a mix of single and two storey homes. The lot mix sought to provide a low-cost green titled option whilst achieving the built form outcomes desired by TPRC. Satterley along with the project consultancy team believe that the plan endorsed in April 2018 provides a solid base to prepare a refined design that can meet the Council's objectives.

The refined design has considered additional survey data regarding lot levels, changes in built form innovation and designs, changes to planning framework, and changes to acoustic requirement and regulations. The refined design keeps the original intent and objectives but includes greater efficiency. The revised design includes 28 green titled lots ranging in size from 150sqm to 558sqm. All lots are front loaded and seek to produce a mix of single and two storey homes. A copy of the design can be found in Annexure B and details that have informed the design are provided below.

## Housing Diversity and Built Form Outcomes

The refined design will provide a greater diversity of housing choices and built form outcomes due to the greater range in lot sizes from 150sqm to 558sqm. These can be grouped in to three sub categories which in turn all provide diversity within them. These categories are;

### 7.5m compact

All lots have been designed to have a 20m depth. These compact lots can accommodate the more recent single and two storey designs being constructed by the major project home builders. They range from a two storey 4 bed 2 bathroom option to a 3 bedroom 1 bathroom single storey design. Most designs incorporate a single garage with some two story options providing a double garage option. All designs are affordable and include the latest innovations in design.

### 12.5m compact

These compact lots differ from the previous by providing a wider frontage but shorter 15m depth. These homes present to the street as a more 'traditional' design whilst still maximising the design benefits and efficiencies that can be achieved under the destiny coding (R60). Designs for these lots are largely two storey with some single storey options. House designs range from a 4 bedroom 2 bathroom design down to a 2 bedroom 1 bathroom design. Designs from all the major builders differ for these lots with some innovative side loaded garage options available for corner lots.

### 10.5m (or greater) traditional

These are more traditional homes that are already constructed in Catalina Central. By incorporating a number of these homes within the design they soften the incorporation of the more compact designs and also provide traditional stock for the project to sell.

## Optimise Financial Returns

A preliminary cashflow analysis has been completed for the refined design and has been compared against the FY21 mid-year budget.

<b>CATALINA   Stage 18C Preliminary Cashflow Analysis</b>				
<b>CATEGORY</b>	<b>INPUT</b>	<b>PROPOSED</b>	<b>BUDGET (FY21 MID-YEAR)</b>	<b>VARIANCE</b>
<i>Residential Lots</i>		28	36	(8)
<i>Residential Area</i>		8,410m <sup>2</sup>	6,531m <sup>2</sup>	1,879m <sup>2</sup>
<i>Average Residential Lot Size</i>		300m <sup>2</sup>	181m <sup>2</sup>	119m <sup>2</sup>
<b>TOTAL SALEABLE AREA</b>		<b>8,410m<sup>2</sup></b>	<b>6,531m<sup>2</sup></b>	<b>1,879m<sup>2</sup></b>
<b>GROSS INCOME</b>				
Income - Lots		5,363,000	4,545,375	817,625
<b>TOTAL INCOME</b>		<b>5,363,000</b>	<b>4,545,375</b>	<b>817,625</b>
GST	\$4,545 /Lot	127,273	163,636	36,364
Selling Commission	2.10%	112,623	95,453	(17,170)
Project Management	2.25%	120,668	102,271	(18,397)
Settlement Fees	\$800 /Lot	22,400	28,800	6,400
Rebates	\$12,800 /Lot	358,400	460,800	102,400
<b>TOTAL DIRECT SELLING COSTS</b>		<b>741,363</b>	<b>850,960</b>	<b>109,597</b>
<b>GROSS INCOME</b>		<b>4,621,637</b>	<b>3,694,415</b>	<b>927,222</b>
<b>DEVELOPMENT COSTS</b>				
Lot Production		1,623,800	1,426,705	(197,095)
Landscape		100,000	400,000	300,000
Contingency	5.00%	86,190	91,335	5,145
<b>DEVELOPMENT COSTS</b>		<b>1,809,990</b>	<b>1,918,040</b>	<b>108,050</b>
<b>CONTRIBUTION TO PROFIT</b>		<b>2,811,647</b>	<b>1,776,375</b>	<b>1,035,272</b>

#### Notes

1. Development costs above exclude project wide costs such as consultants, marketing, community development and administration

The refined design offers an improved cashflow position of greater than \$1.0m.

### **Sustainability and Innovation**

Catalina is already a leader in sustainability having achieved the highest accreditation possible from the Urban Development Institute of Australia. Stage 18 is proposed to be no different and will incorporate all the sustainability initiatives that have enabled this accreditation. In addition to this it is proposed that during the time it takes for the planning approval to be achieved on this site the Catalina Grove design guidelines and incentives packages will be finalised. This site would be a great location to test these guidelines and initiatives, particularly on small lot product.

Once subdivision is lodged a Local Development Plan (LDP) will be prepared and submitted that will ensure the built form requirements on the site meet the Council's objectives.

The use of incentives, design guidelines and an LDP will protect Council's interests in the site and ensure sustainability and innovation is achieved.

Satterley are now seeking endorsement of the refined design and for the subdivision application to be lodged on the site immediately. Based on the delays to this site through the builder tender negotiations the ability to bring this site to the market in line with the Annual Plan are unlikely. However, should prompt approval be granted the possibility to bring the site to market at the end of this financial year might be achieved.

Should you have any questions or require any further information please do not hesitate to contact the undersigned.

Yours sincerely

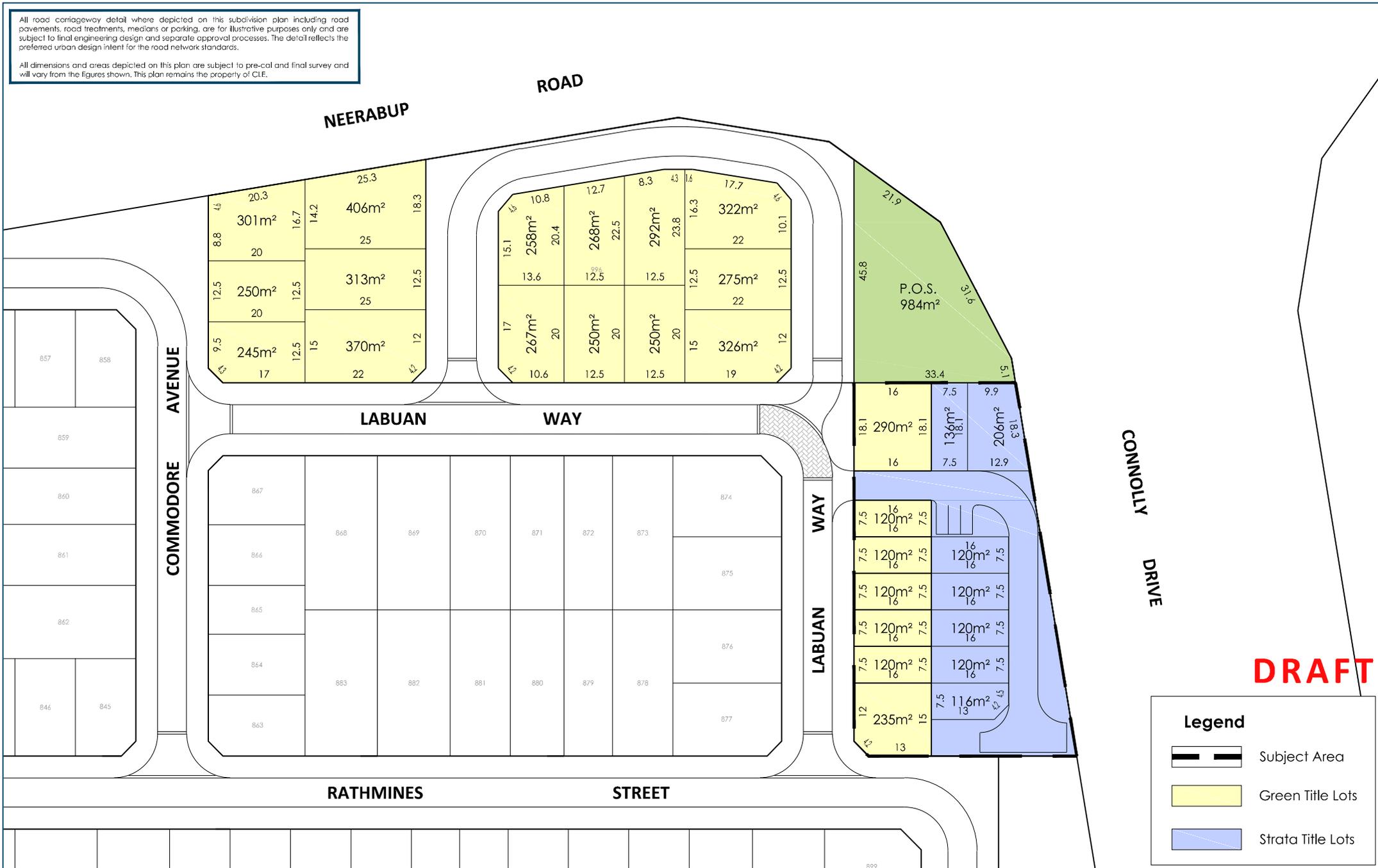


**Carl Buckley**  
Project Director

# ANNEXURE A

All road carriageway detail where depicted on this subdivision plan including road pavements, road treatments, medians or parking, are for illustrative purposes only and are subject to final engineering design and separate approval processes. The detail reflects the preferred urban design intent for the road network standards.

All dimensions and areas depicted on this plan are subject to pre-cad and final survey and will vary from the figures shown. This plan remains the property of CLE.



**DRAFT**

**Legend**

- Subject Area
- Green Title Lots
- Strata Title Lots



**SUBDIVISION CONCEPT PLAN**  
 Stage 18B - Catalina Central  
 Lot 995 Labuan Way, Tamala Park



plan no: **2228-541-02**

date: 23 March 2018

Appendix Page 63 Scale: 1:1000 @A4

# ANNEXURE B



# PROPOSED SUBDIVISION CONCEPT

Stage 18B, CATALINA CENTRAL

For Satterley Property Group (A Tamala Park Regional Council Project)

**DRAFT**



Scale: 1:750 @ A3

0 10 20 30m

PLAN: TAMCA-1-036  
 DATE: 03/02/2021  
 PROJECTION: PCG 94  
 DATUM: AHD

REVISION: A  
 DRAWN: JP  
 PLANNER: BK  
 CHECK: JH



Unit 2, 464 Murray Street  
 Perth WA 6000  
 (08) 6333 1888  
 info@cdpau.com.au  
 www.cdpau.com.au

**Copyright CDP:** No part of this plan may be reproduced in any form without prior consent from CDP. All care has been taken in preparation of this plan but no responsibility is taken for any errors or omissions and is subject to change. Areas and dimensions shown on plan are subject to final survey. Copyright is the property of CDP. Diagrammatic only.

# Appendix 7.6

10 March 2021

Mr Tony Arias  
Chief Executive Officer  
Tamala Park Regional Council  
Unit 2, 369 Scarborough Beach Road  
INNALOO WA 6018

Via email: [simon.osullivan@tamalapark.wa.gov.au](mailto:simon.osullivan@tamalapark.wa.gov.au)

Dear Tony

**RE: FY22 BUDGET CONSIDERATIONS**

As per your request below outlines the high level inputs proposed for the Catalina FY22 Budget for council consideration. This document will also outline additional items for consideration to be included. The purpose of this information is to provide the framework for Satterley to prepare the FY22 budget for presentation to the Tamala Park Regional Council (TRPC) Management Committee meeting in May and the subsequent council meeting held in June.

**Catalina Beach**

The main focus for Catalina Beach will be completing the works that commence in FY21 to establish a connection to the foreshore, maintain sales through the continuation of adjoining stages and establish a new display village fronting Marmion Avenue that will assist in sales for later part of FY22 and FY23+.

**Sales: 43**

Sales for Catalina Beach are proposed to come from Stages 27B and Stage 29. The product mix is similar to the already constructed lots within the precinct. Catalina Beach has the largest average lot size of all the precincts and the sales of this product mix have been strong. The premium homes being constructed are providing a strong streetscape for the precinct moving forward. These two stages offer and potential yield of 77 which will enable additional sales should the opportunity arise.

**Infrastructure and Amenity:**

FY22 will see the completion of several major infrastructure items that were committed to in FY21. These being the extension Portofino Boulevard to the west of the project, the constriction to the established Mindarie suburb to the north through Long Beach Promenade, and the creation of the projects foreshore connection down to the beach.

**Further Budget Considerations for FY22:**

Foreshore Park	
Overview	The project has the provision to create a significant park at the western most point of the project. The park will create a focal point within Catalina Beach, help drive traffic into the development and elevate the premium appeal of Catalina Beach.

Budget Value	\$4.3m cost (excludes all associated consultancy costs)
Comments	<ul style="list-style-type: none"> <li>• Will act as a drawcard for the precinct and drive traffic.</li> <li>• Enhance the premium appeal of Catalina Beach.</li> <li>• Provides amenity without surrounding residents.</li> <li>• Defer to analyses foreshore usage, once established.</li> <li>• Extended handover and maintenance periods are likely.</li> <li>• Locks in drainage and design of future stages</li> </ul>
Satterley Recommendation	Low – this item is premature and should be investigated at a later date

<b>Group Housing Sites (Stage 25)</b>	
Overview	Two large group housing sites are located at the entry of Catalina Beach (Cnr Portofino and Marmion). The northern site contains the carpark and landscaping for the current display village. The southern site is being held back from creation to enable the project to open up and present to Marmion.
Budget Value	\$3.1m revenue
Comments	<ul style="list-style-type: none"> <li>• Minimal cost to create</li> <li>• May inhibit the appeal and sales within Catalina Beach.</li> <li>• Demand will be greater when the precinct is more mature.</li> </ul>
Satterley Recommendation	Low – this item provides a short-term cashflow gain but at the cost of the long term appeal of Catalina Beach.

<b>Catalina Beach Park</b>	
Overview	The western section of the Catalina Beach park has been held back to assist cashflow and due to the road and surrounding homes not being completed. The extension of Portifino and the development front closing may justify the completion of this park. Beatification works, passive recreation and mainly a drainage function.
Budget Value	\$800k cost (excludes all associated consultancy costs)
Comments	<ul style="list-style-type: none"> <li>• Minimal cost to create</li> <li>• May inhibit the appeal and sales within Catalina Beach.</li> <li>• Demand will be greater when the precinct is more mature.</li> </ul>
Satterley Recommendation	Medium – This item would assist the development in FY22 and beyond due to the extension of Portofino Boulevard and the development fronts progression to the west. However, this item is not essential.

### **Catalina Central**

Due to the deferral of stages south of Aviator Boulevard opportunities to develop land or infrastructure in Catalina Central are limited in FY22. Works committed to in FY21 will be finalised in FY22 and include a connection through to Connolly Drive and the associated Roundabout. Landscaping works along this major east /west connector road are forecast in FY22.

The subdivision of previously proposed group housing sites offer the only opportunity for sales.

**Sales: 23 sales**

Subject to approval, the development of Stage 18 into a stage of approximately 30 lots should be progressed and provide a small number of sales at the end of FY21 and start of FY22. It is anticipated that the remainder of this stage (forecast 23 lots) will be sold in FY22. The forecast also includes the sale of a 6,907sqm group housing site. However, based on the success of Stage 18 a subdivision design over this area could be explored.

**Infrastructure and Amenity:**

The completion of Aviator Boulevard will be achieved in FY22 along with a connection to Connolly Drive. These works will be landscaped and finalise the ‘green link’ within Catalina Central and provide a critical east west connection for the precinct.

**Further Budget Considerations for FY22:**

Group Housing Site (Stage 17)	
Overview	Based on the success of the Stage 18 subdivision an opportunity may exist to subdivide a 6,907sqm group housing site in Stage 17.
Budget Value	\$unknown
Comments	<ul style="list-style-type: none"> <li>• May improve the project cashflow.</li> <li>• The site could provide additional stock for the project in Catalina Central.</li> <li>• The residential market as a whole is buoyant and an outright purchase of the site for group housing might be achieved without the need to subdivide.</li> </ul>
Satterley Recommendation	Low – This may provide upside for the project, it is recommended that this is explored once Stage 18 is taken to the market. Locking this approach into the budget represents a risk.

**Catalina Green (Grove)**

FY22 represents a significant milestone for the development of Catalina Green. It is proposed that earthworks for Phase 1 and the construction of the first stage are completed. Along with this construction landscaping works to the entry of Neerabup Road and Connolly Drive are landscaped to assist in establishing the vision and thematic of this new precinct.

**Sales 30 sales**

FY22 will see the launch of Catalina Green to the market. In line with the approved development plan the first stage is forecast to include a display village to assist in setting the building aspirations for the precinct and provide high quality homes to frame the project to both Neerabup Road and Connolly Drive. Whilst the exact stage one boundary has not been confirmed it is anticipated to include approximately 45 lots. This offers opportunity to achieve greater sales should the opportunity present. In addition the forward bulk earthworks will be completed for the whole of Phase 1 (approximately 135 lots) enabling further stages to be brought to market if required.

**Infrastructure and Amenity:**

The completion of Aviator Boulevard will be achieved in FY22 along with a connection to Connolly Drive. These works will be landscaped and finalise the 'green link' within Catalina Central and provide a critical east west connection for the precinct.

**Further Budget Considerations for FY22:**

Local Centre Site	
Overview	Catalina Green includes a 2ha commercial site located at the entry to the precinct along Connolly Drive. The project could prepare the site to be taken to the market.
Budget Value	\$6.6m revenue
Comments	<ul style="list-style-type: none"> <li>• The project may not be mature enough to achieve the highest price for the site.</li> <li>• Potential buyers are currently active in the market.</li> <li>• Securing an early sale will assist the project cashflow.</li> <li>• The site may be activated early once secured by a developer.</li> <li>• Early activation would assist sales and amenity for the project.</li> </ul>
Satterley Recommendation	High - The site may not achieve the highest price due to the infancy of the precinct, but should a sale be secured it provides a number of benefits to the project.

Green Link - Train Station and Bus Route Connection	
Overview	The project will ultimately provide a continuous connection from the Clarkson Train Station through to the foreshore via a landscaped green link. The opportunity exists to finish this connection ahead of the development front within Catalina Green.
Budget Value	\$3.4m cost (excludes all associated consultancy costs)
Comments	<ul style="list-style-type: none"> <li>• The Perth Transit Authority has indicated their desire to start a bus service through Catalina Green and Catalina Central upon completion of this major east/west connector road.</li> <li>• It is a large commitment that will lock in future levels and lot designs within Catalina Green</li> <li>• Limits future design of Catalina Green</li> <li>• Provides a significant service to the residents of Catalina Green and Catalina Central.</li> </ul>
Satterley Recommendation	Medium - The future design of Catalina may be compromised by the early construction of this link. The connection represents a strong commitment to the original vision of the project and will assist sales in Catalina Green.

Green Major Park	
Overview	The project has the provision to create a significant park in the middle of Catalina Green. The park will create a focal point within precinct, help drive traffic into the development and elevate the appeal of Catalina Green.

Budget Value	\$4.0m cost (excludes all associated consultancy costs)
Comments	<ul style="list-style-type: none"> <li>• Will act as a drawcard for the precinct and drive traffic.</li> <li>• Enhance the appeal of Catalina Green.</li> <li>• Provides amenity without surrounding residents.</li> <li>• Extended handover and maintenance periods are likely.</li> <li>• Locks in drainage and design of future stages</li> </ul>
Satterley Recommendation	Low - this item is premature and should be investigated at a later date

A plan has been produced to help visualise the FY22 budget inputs and further budget considerations. This plan can be found in Annexure A.

Satterley look forward to receiving feedback on the above and will prepare the FY22 budget once this has been received.

Should you have any questions or require any further information please do not hesitate to contact the undersigned.

Yours sincerely



**Carl Buckley**  
Project Director

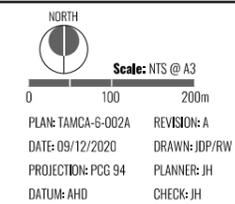
# ANNEXURE A



# MASTERPLAN

## BURNS BEACH

Peet Limited



Unit 2, 464 Murray Street  
Perth WA 6000  
(08) 6333 1888  
info@cdpau.com.au  
www.cdpau.com.au

Copyright CDP. No part of this plan may be reproduced in any form without prior consent from CDP. All care has been taken in preparation of this plan but no responsibility is taken for any errors or omissions and is subject to change. Areas and dimensions shown on plan are subject to final survey. This plan is a design proposal and is not a diagrammatic only.

# Appendix 7.7

# Catalina Grove Market Sizing & Profiling

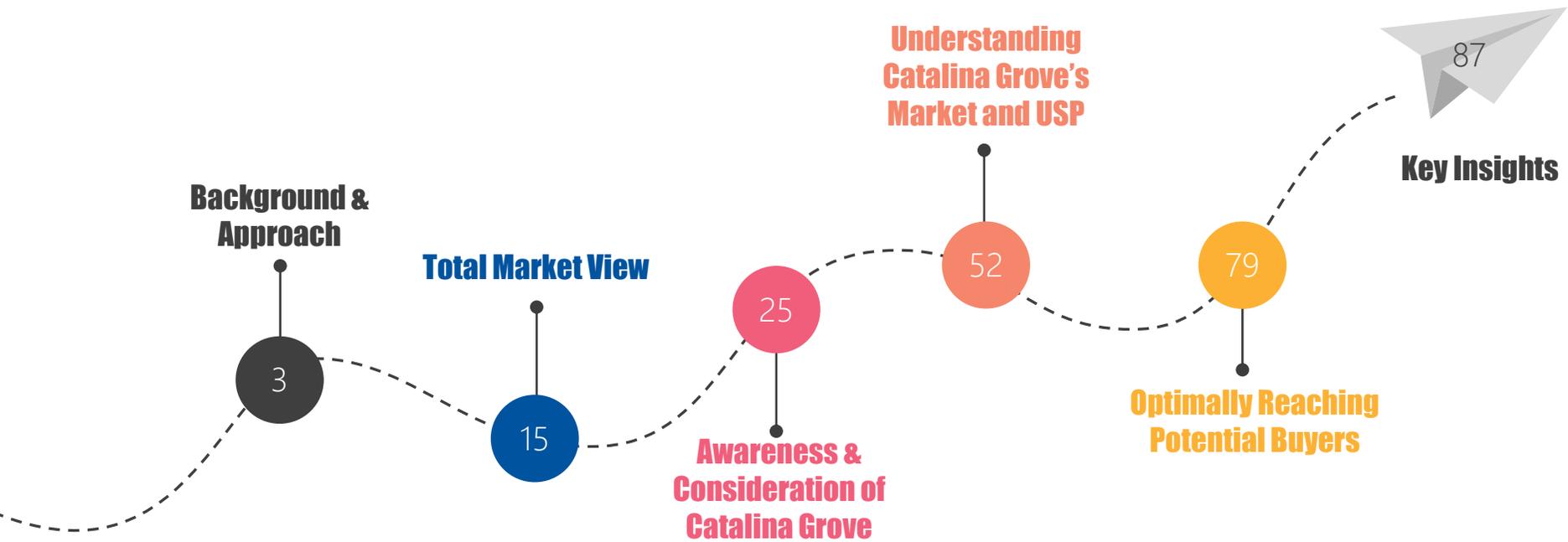
**Satterley**

21<sup>st</sup> December 2020

Prepared by Painted Dog Research



# Contents



# Background & Approach



# Background

Catalina Grove is an upcoming release for Catalina Estate, one of Satterley's developments located in Mindarie and Clarkson.

Catalina is located in a highly competitive area, and while sales have been strong in recent times on the back of government homebuyer grants, this will not last forever. Satterley needs to ensure its future brand positioning for Catalina Grove resonates with future potential buyers in order to maximise sales opportunities and market share.

To achieve this, Satterley sought research to confirm its key target markets and understand what property considerations and assets for Catalina Grove are most important to these markets, as well as inform the optimal product mix for the stage.



## Strategic Aim

The overall strategic aim is to assist Satterley in the planning and marketing of the Catalina Grove release by:

1. Evaluating perceptions of Catalina Grove and its brand value proposition relative to competitors among potential buyers
2. Determining the potential market size for Catalina Grove and the profile of potential buyer segments

...in order to maximise take-up and profitability of the release.



# What We've Done

Two surveys were conducted between 23<sup>rd</sup> November – 8<sup>th</sup> December 2020.

## General Population Survey

- Conducted online with Perth metropolitan residents north of the river, sourced from a reputable WA-based research panel.
- Average survey duration was 15 minutes
- **Total sample of n=606**
  - n=333 from immediate catchment area (within 20km of Mindarie)
  - n=273 from secondary NOR catchment
- Overall sample margin of error =  $\pm 4\%$  at the 95% confidence interval (within the acceptable range of  $\pm 5\%$ )
- Results from the general population survey are indicated throughout the report with the symbol displayed above.

## EOIs

- Conducted with contacts from Satterley's EOI database for Catalina.
- 1,228 contacts were sent a PDR-hosted survey link by Satterley.
- Average survey duration was 15 minutes
- **Final sample of n=32:**
  - n=28 Previous Purchasers
  - n=4 Non-Purchasers
- Results from the EOI survey are indicated throughout the report with the symbol displayed above.
- *Note: Sample size for this survey is small and all results should be interpreted with caution.*

# Analytical Notes



## Weighting

The GP Survey data has been post-weighted by age and gender proportionate to ABS Census (2016) statistics to be reflective of the population within the total catchment area.



## Significant differences

All data has been significance-tested at the 95% level of confidence. Differences between the 2018 Catalina Estate research and the latest survey results are indicated with arrows: ▲▼  
Differences between sub-groups for the latest survey results are indicated with stars: ★☆☆



## Base sizes

May vary due to respondents being excluded from certain questions based on segment or disqualifying answers at previous questions



## Figures

Values shown in the charts are percentages (%), unless otherwise indicated and may not always add up to 100% exactly due to rounding.  
Where sample sizes are lower than n=15, raw counts of respondents have been indicated with the following symbol: 

# Who We Spoke To

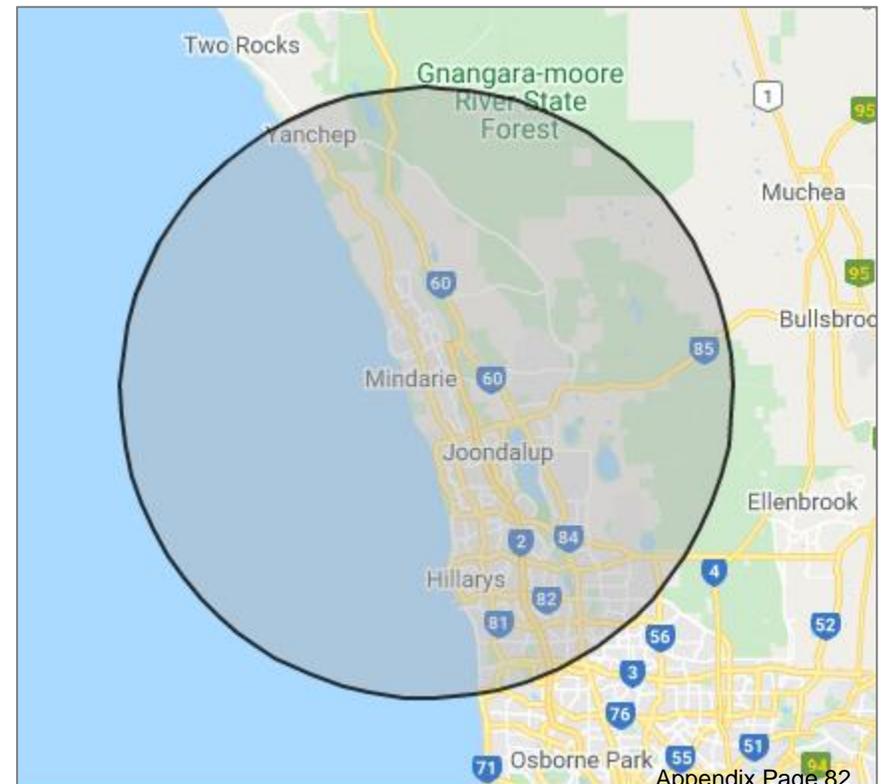


# The Catchment Areas

## Immediate Catchment Area (Primary)

20km radius around Mindarie, including:

Alkimos	Hamersley	Neerabup
Ashby	Heathridge	North Beach
Banksia Grove	Hillarys	Nowergup
Beldon	Hocking	Ocean Reef
Burns Beach	Iluka	Padbury
Butler	Jandabup	Pearsall
Carabooda	Jindalee	Pinjar
Carine	Joondalup	Quinns Rocks
Carramar	Kallaroo	Ridgewood
Clarkson	Kingsley	Sinagra
Connolly	Kingsway	Sorrento
Craigie	Kinross	Tamala Park
Currambine	Madeley	Tapping
Darch	Marangaroo	Wangara
Duncraig	Mariginiup	Wanneroo
Edgewater	Marmion	Warwick
Girrawheen	Merriwa	Woodvale
Gnangara	Mindarie	Yanchep
Greenwood	Mullaloo	



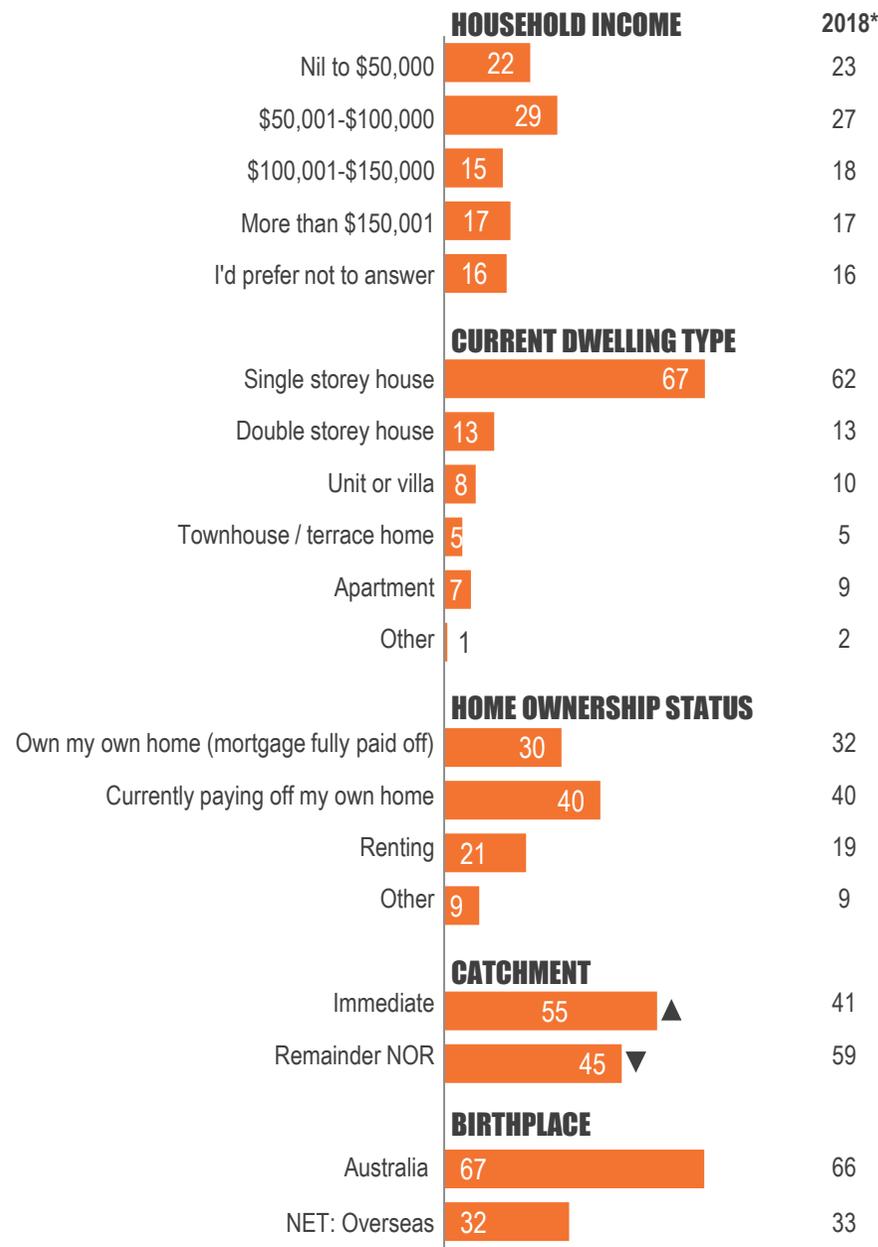
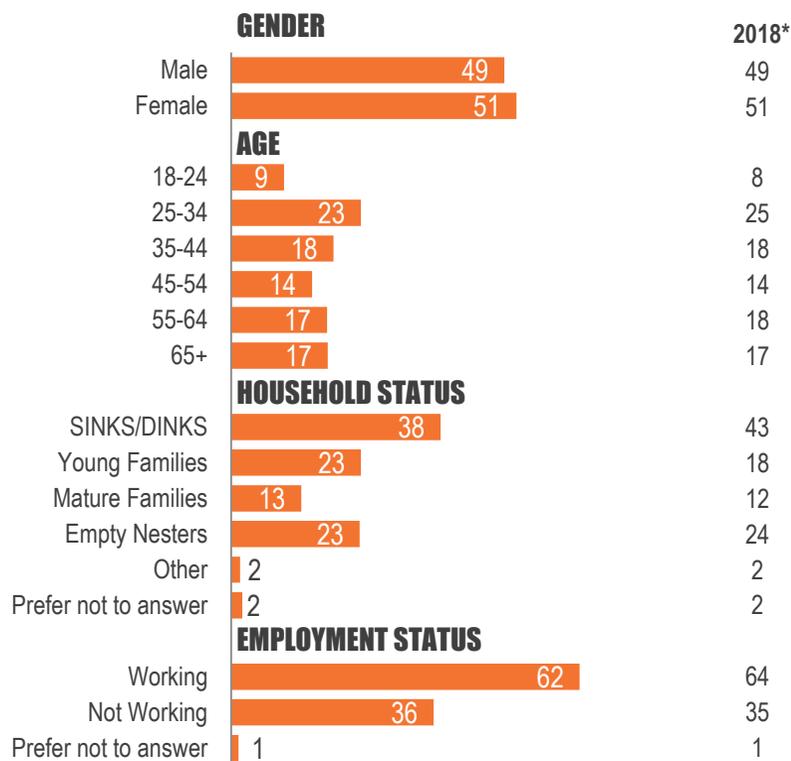
## Remainder Perth NOR (Secondary)

The rest of Perth Metro located North of the River (NOR).

# General Population

n=606

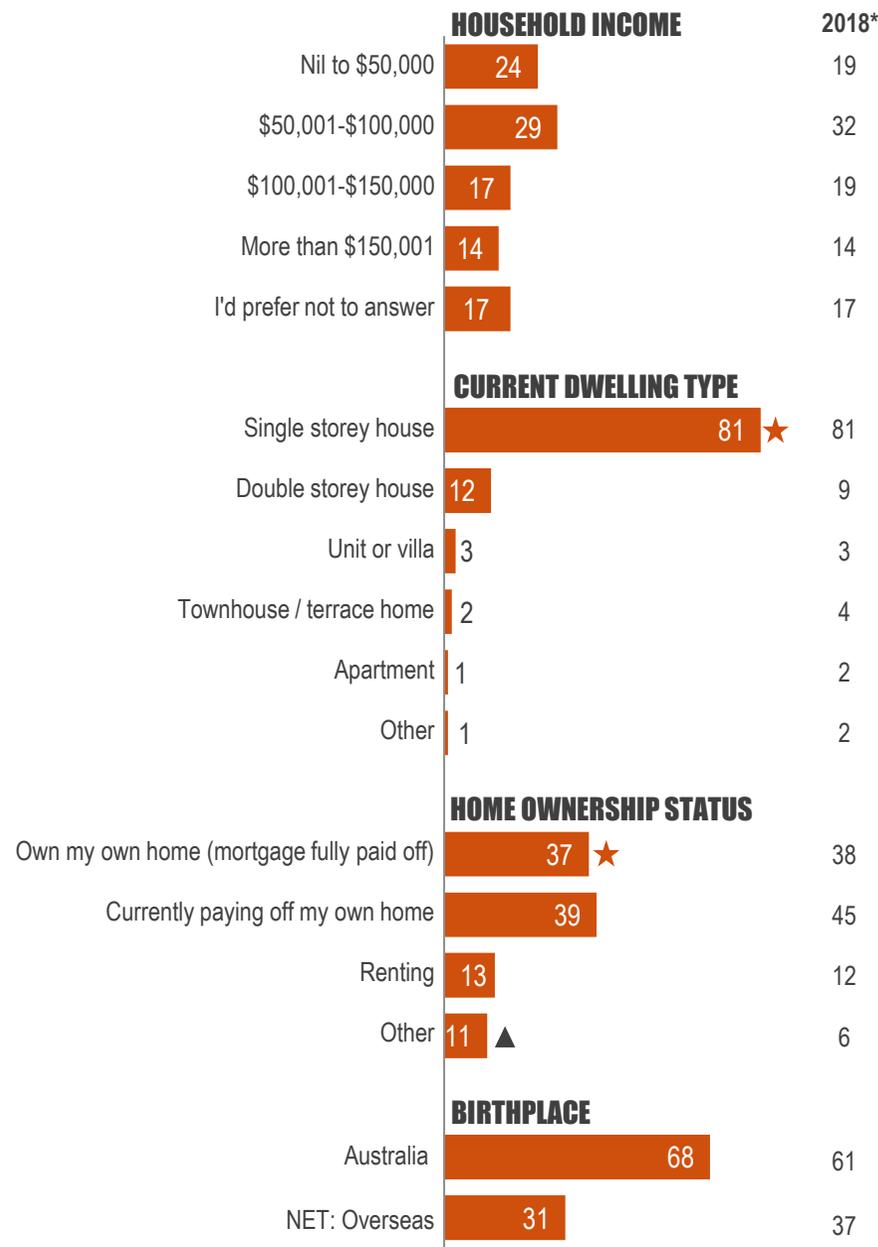
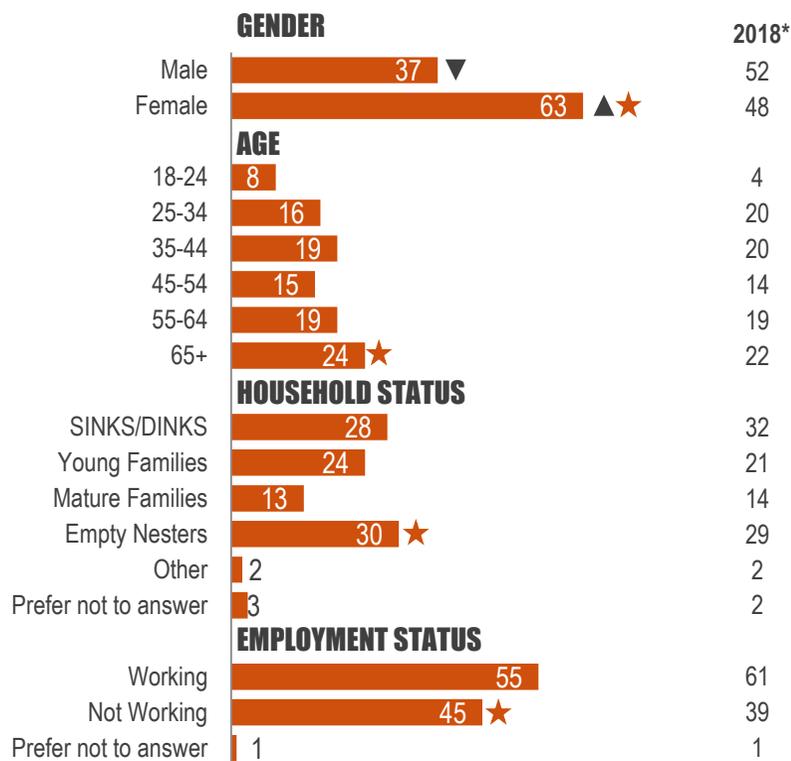
The general population sample collected is very consistent with the 2018 Catalina Estate research study, except for a significantly higher proportion of those living with the immediate catchment area.



# Immediate Catchment Area

n=333

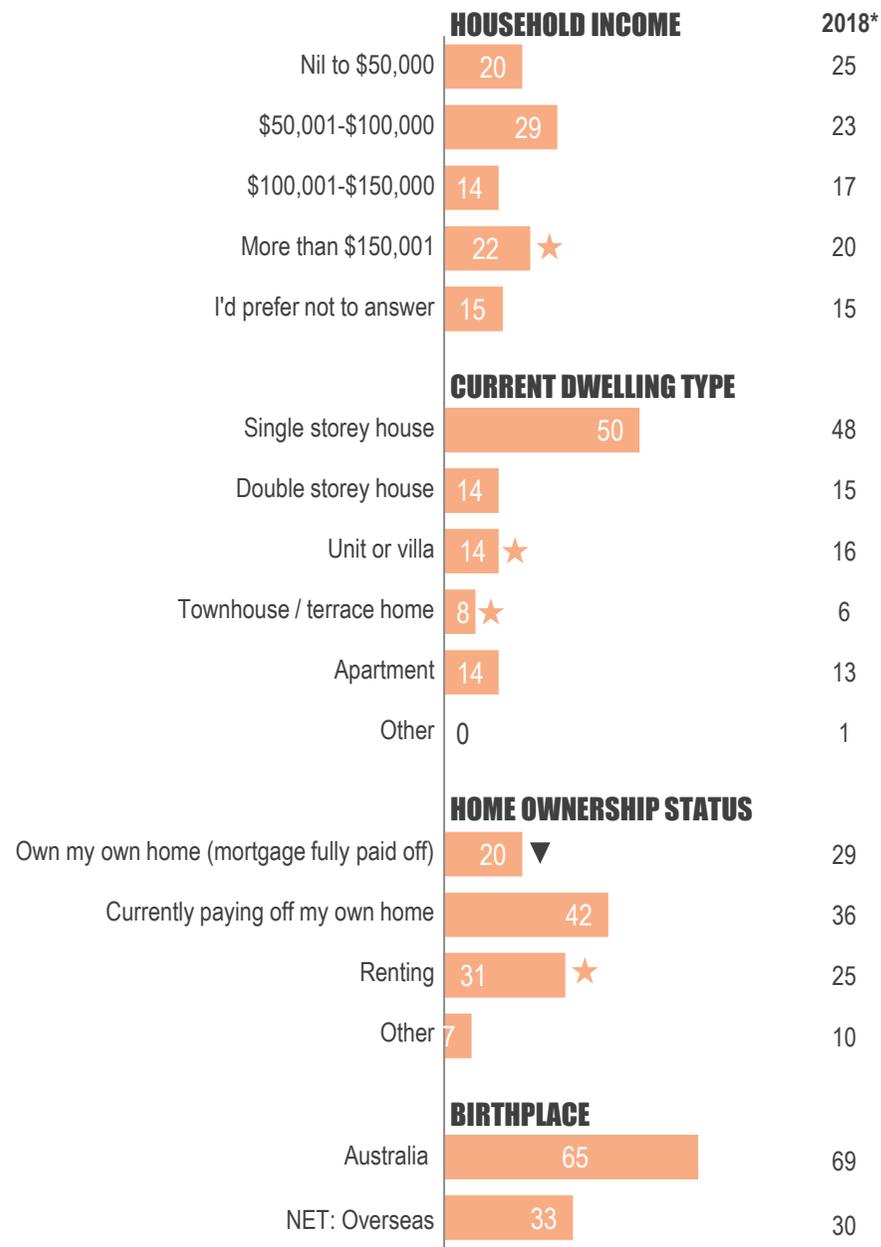
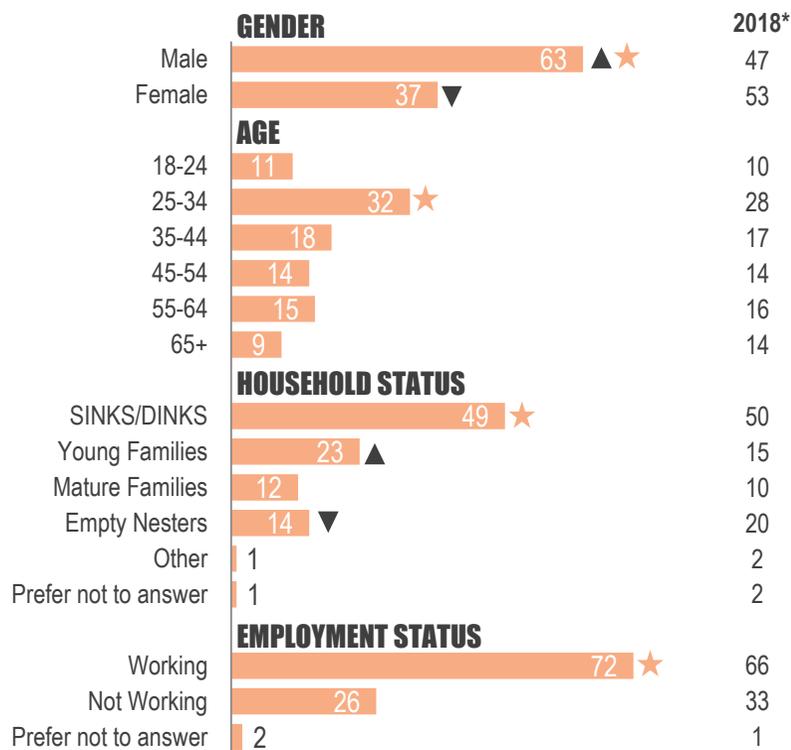
The immediate catchment area sample collected is very consistent with the 2018 Catalina Estate research study, except for a significantly higher proportion of females.



# Remainder NOR

n=273

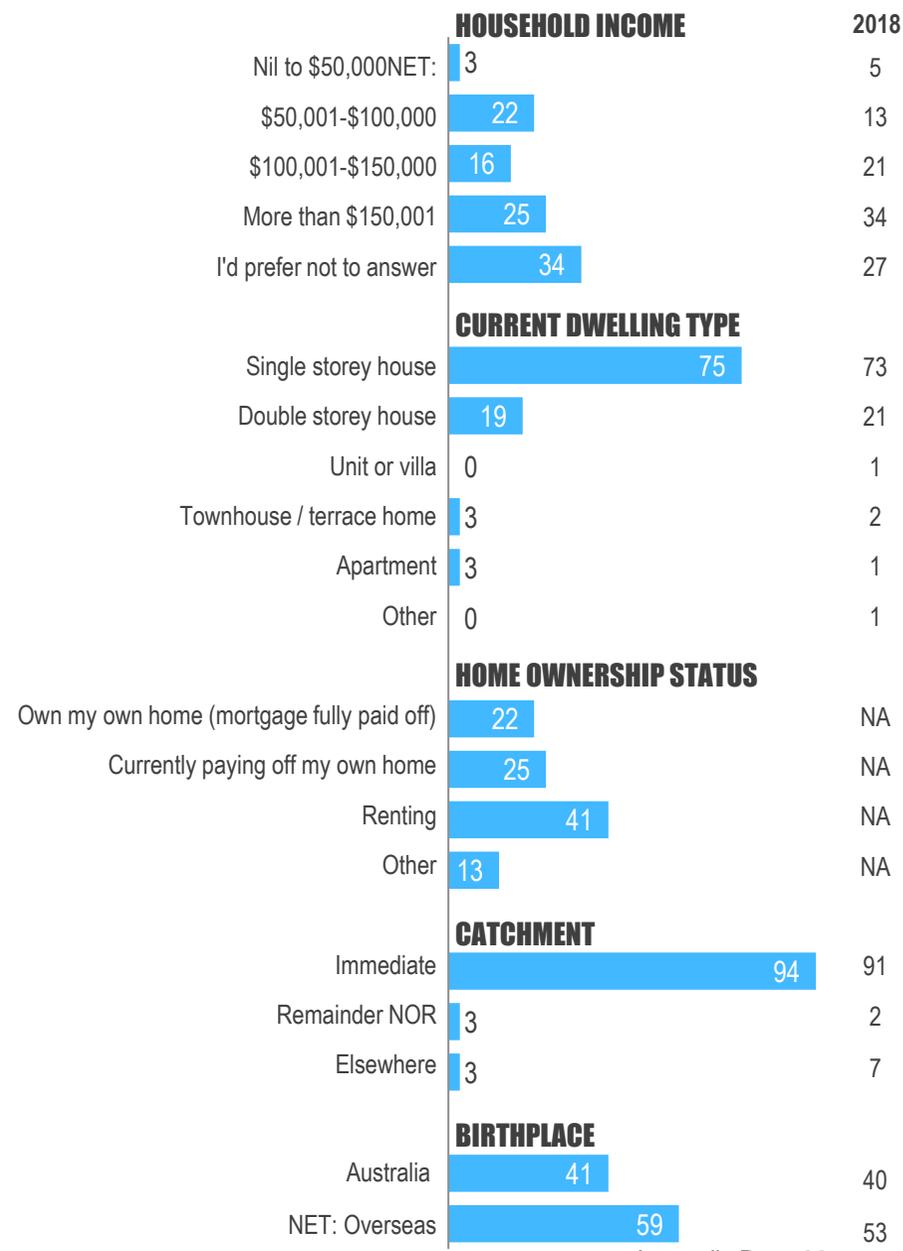
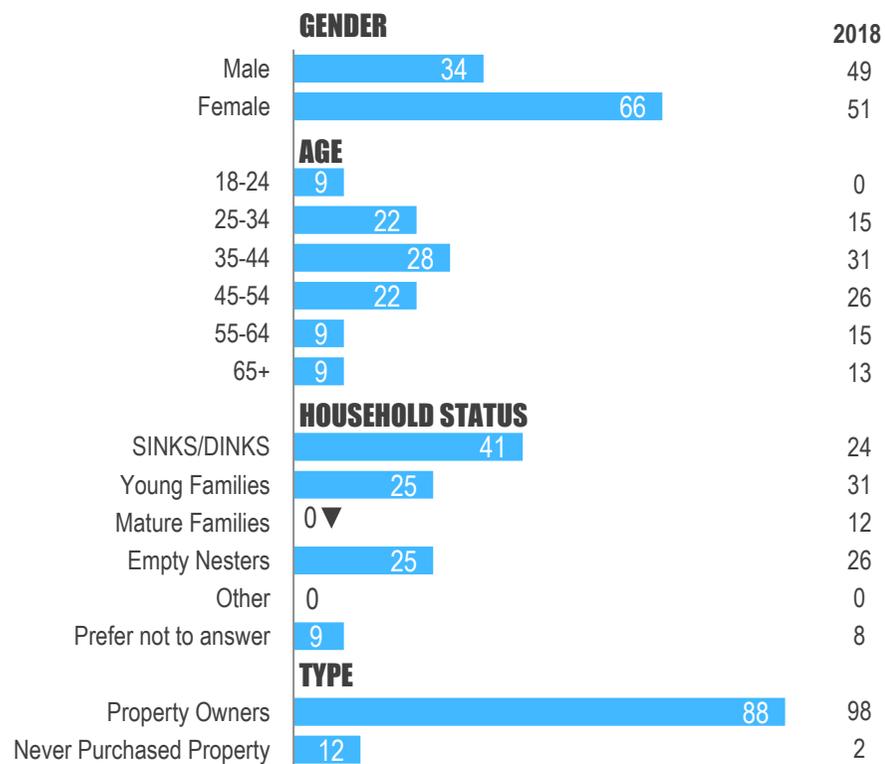
The remainder NOR sample is also mostly consistent with the previous 2018 study, except for a higher proportion of males and Young Families and smaller proportion of Empty Nesters and fully paid off homeowners.



# EOIs

n=32

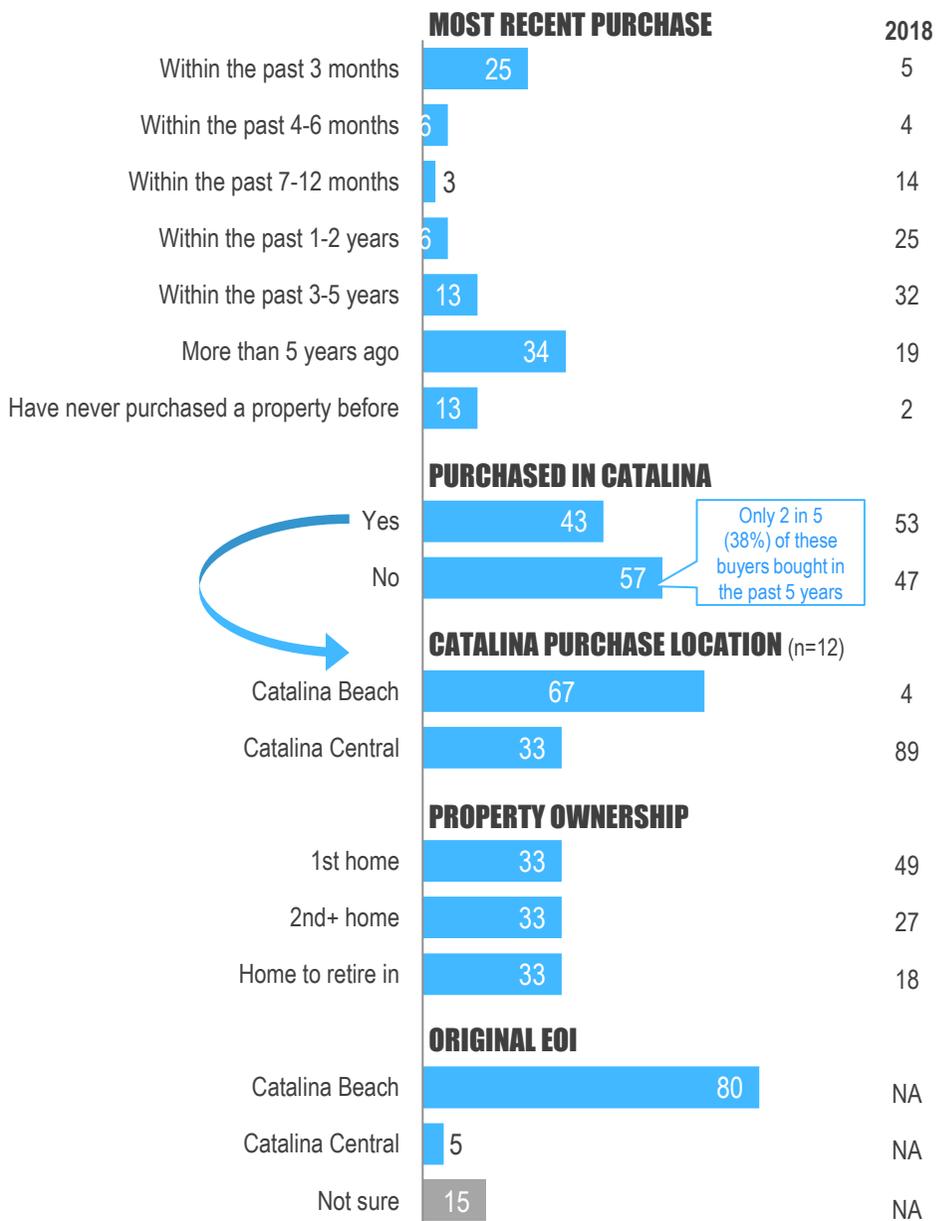
Similarly, there are no significant differences between the EOI sample profile between 2020 and 2018. More than 9 in 10 have come from the immediate catchment area.



# Property Owners

n=28

Almost half of the EOI sample that own property ended up buying in Catalina, with two thirds of these buying in Catalina Beach.



# Total Market View



How many are looking to buy?

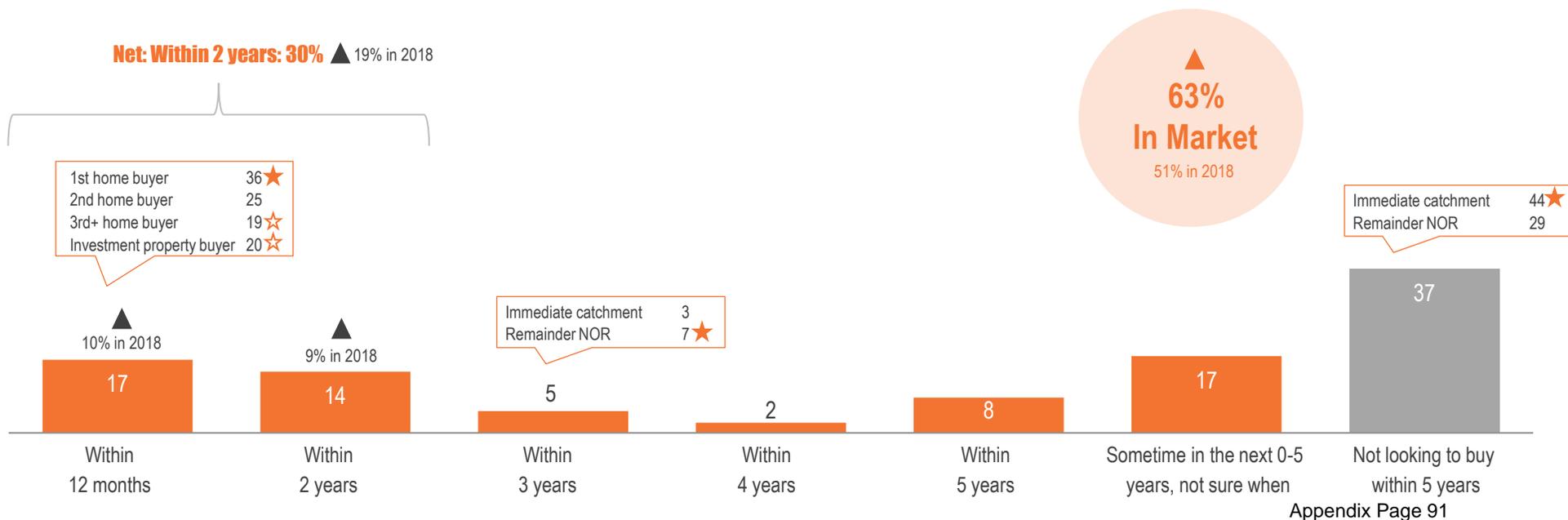


The market has grown significantly since 2018, with almost two thirds of households now looking to buy.



# One third are also looking to buy in the next two years.

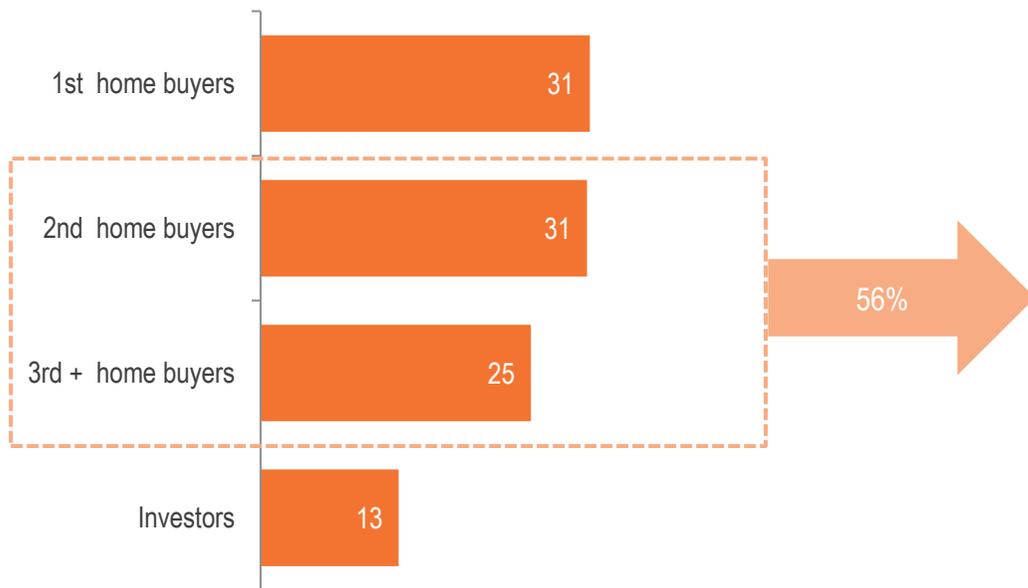
This is up from 19% in 2018. Of those looking to buy in the next 12 months, 1<sup>st</sup> home buyers are driving demand.



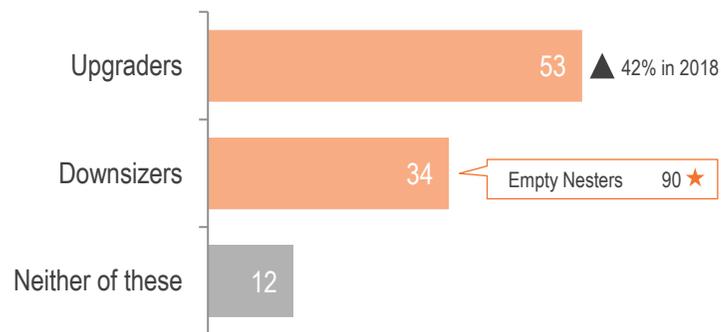
Q1. When are you next considering buying a property (either land or home)? Base: All General Population Respondents (n=606)

# There are more upgraders in the market than two years ago.

Of those looking to buy their 2<sup>nd</sup>+ home, more than half are now looking to purchase a larger and/or higher quality home.



Total market consideration of double-storey homes has also increased since 2018 – from 27% to 35%.

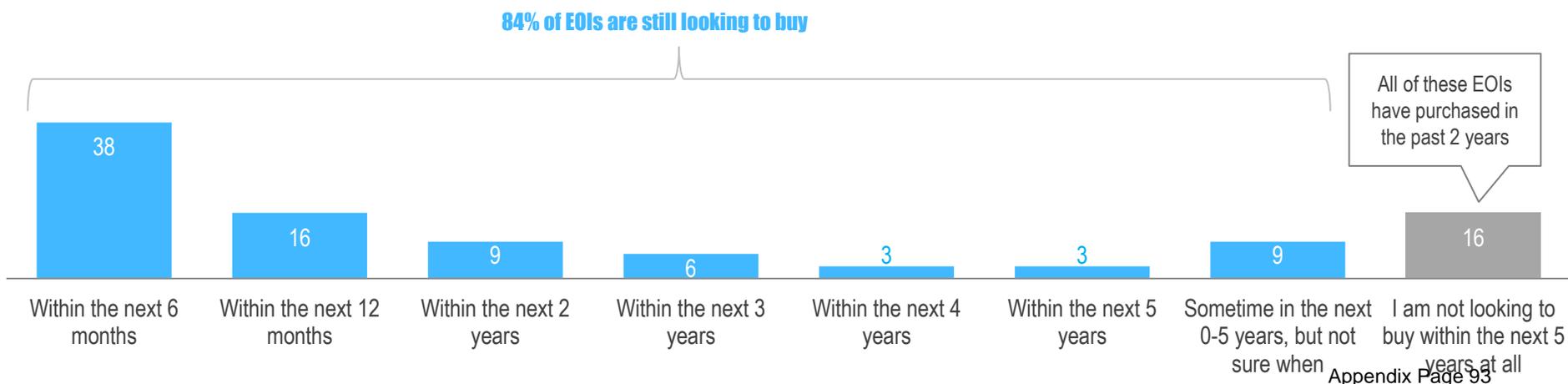


Q2. And are you looking to buy...Base: General Population In Market (n=379)

Q3. And would you classify yourself as a(n)... Base: Those General Population Owner/Occupiers In Market (n=214)

The majority of EOIs remain in the market, including 2 in 5 looking to buy in the next six months.

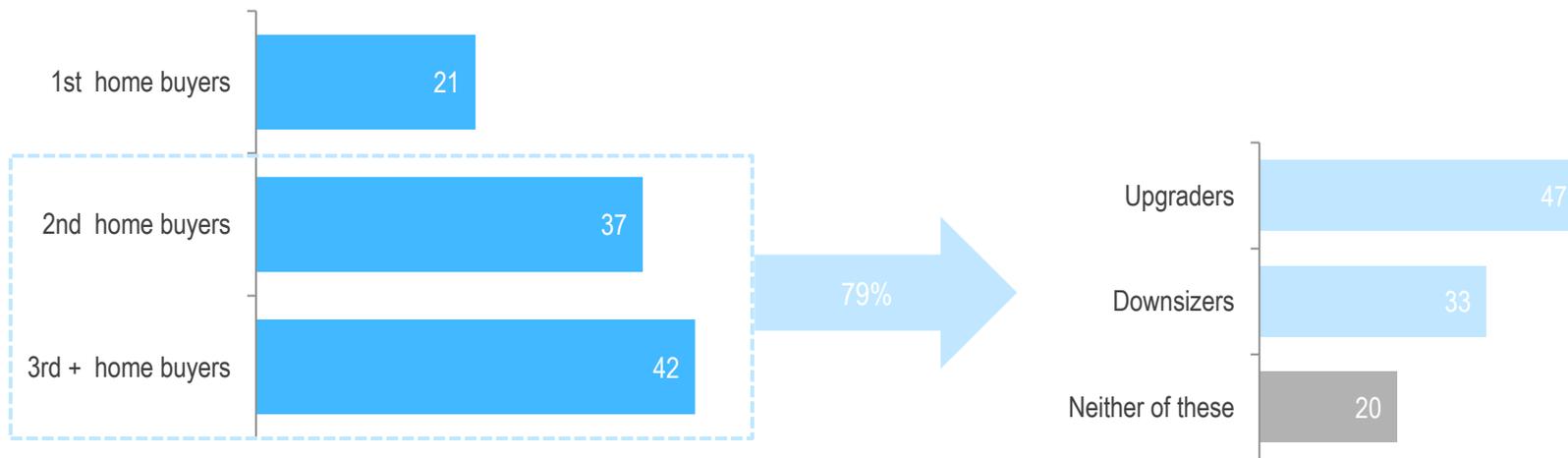
They are further along their purchase journey than the General Public buyers, with twice as many looking to buy within the next 6 months (38% of EOIs vs 17% of the GP). This suggests they are the low hanging fruit to target to convert to sales.



Q10. When are you next considering buying a property (either land or home)? Base: All EOIs (n=32).

Over 4 in 5 EOIs still in the market are looking to buy their 2<sup>nd</sup>+ home.

And around half of these are looking to upgrade.



Q24. And are you looking to buy...Base: EOIs In Market that have not recently purchased property (n=19) Caution: Small sample size

Q25. And would you classify yourself as a(n)...Base: EOIs In Market and buying second or third home (n=15) Caution: Small sample size

Where are those in the market looking to buy?



Catalina is well-positioned in the highly sought after north coastal suburbs.

The north coastal suburbs are the most popular with over almost 2 in 5 considering this area, followed closely by the western suburbs, Perth inner city and northern suburbs.

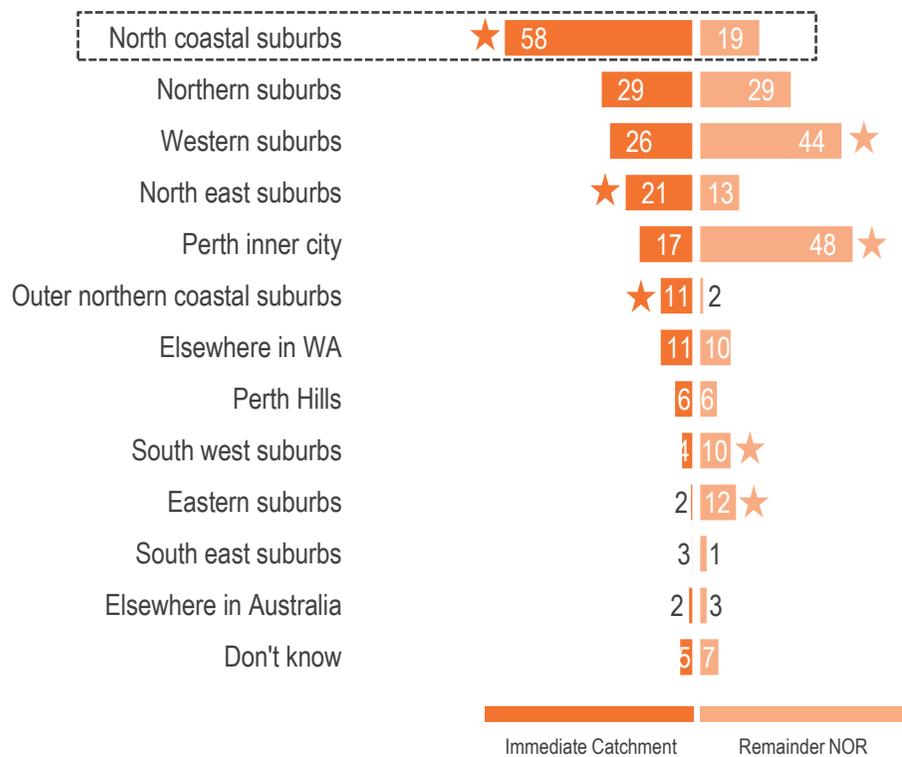


Q15. Which of the following areas are you considering for your next property purchase? Base: General Population In Market (n=382)

\*Note, area boundaries slightly adjusted in 2020 (North Coastal Suburbs and Western suburbs both extended further north).

# Consideration of the north coastal suburbs is driven by those living in the immediate catchment.

Almost 3 in 5 would consider staying in the area. The northern and western suburbs are our main 'competitors' in terms of considered areas for those within the catchment area.



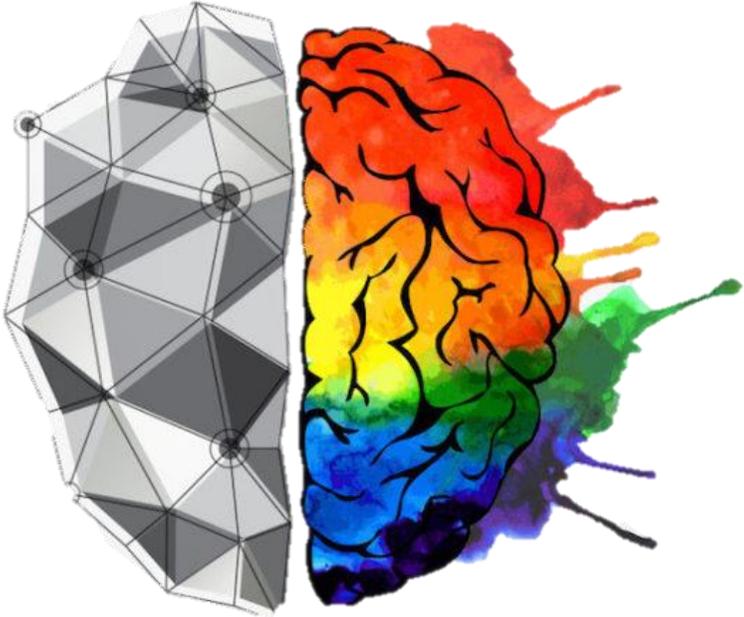
# Awareness and Consideration of Catalina



How many are aware of  
Catalina, and who is  
aware?



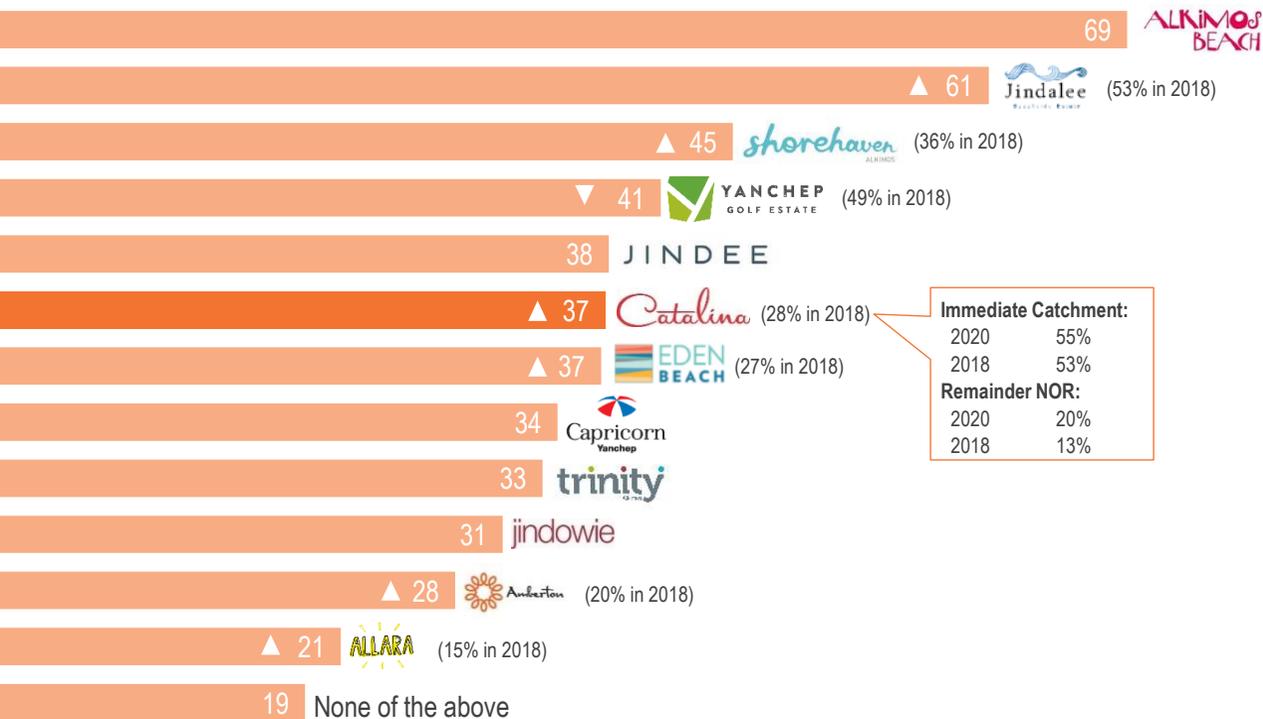
Although awareness and consideration of Catalina has improved since 2018, we still have ground to make up on other nearby estates.



Catalina is now placed 6<sup>th</sup> in awareness compared to other estates in the northern coastal area.

...Versus 7<sup>th</sup> in 2018. Awareness gains have mostly come from those living outside the immediate catchment area. Alkimos Beach and Jindalee continue to dominate in awareness.

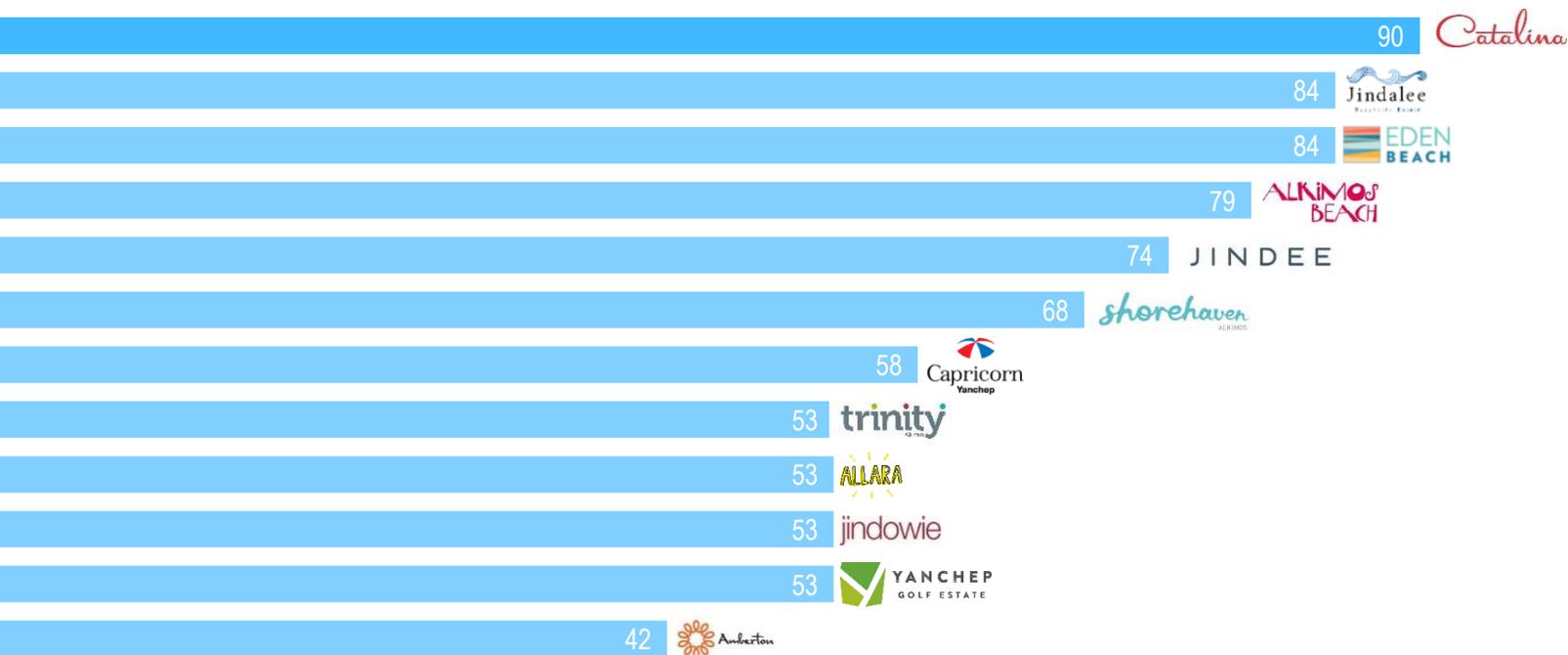
## Awareness



90% of EOIs still recall Catalina.

Jindalee, Eden Beach and Alkimos Beach appear to be the main competitors.

**Awareness\***



0 None of the above

# Three EOIs have already gone on to purchase in competitor estates.

Namely Jindalee, Eden Beach and Shorehaven. Two EOIs purchased elsewhere – in Carramar and Pearsall.

## Purchased In (estate or suburb)



  
2<sup>nd</sup> or subsequent home



  
First home



  
A home to retire in

Carramar

  
Other

Pearsall

  
First home

Q17. Thinking about your most recent property purchase, was it... (n=6). Caution: Small sample size

Q18. Was your purchase in any of the following estates? Base: All non-Catalina purchasers who purchased a property in the past 5 years (n=5). Caution: Small sample size

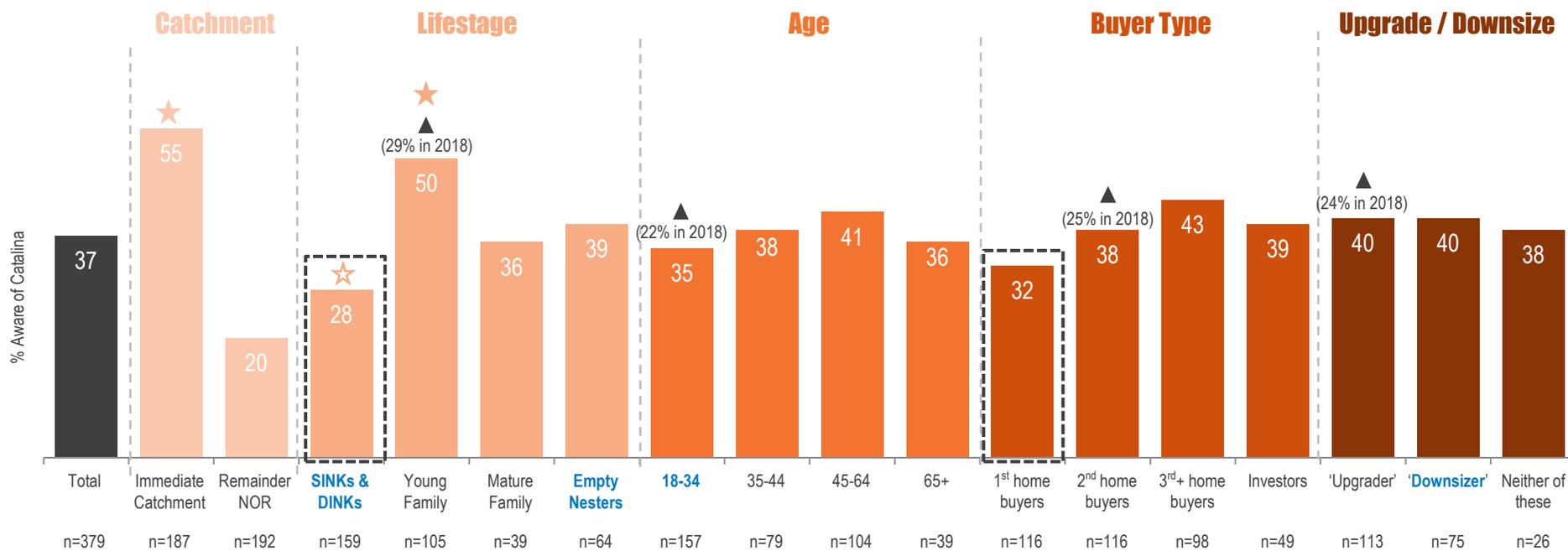
Q19. In which suburb did you end up purchasing? Base: All who selected 'none of the above' in Q18.

Who's aware of Catalina?



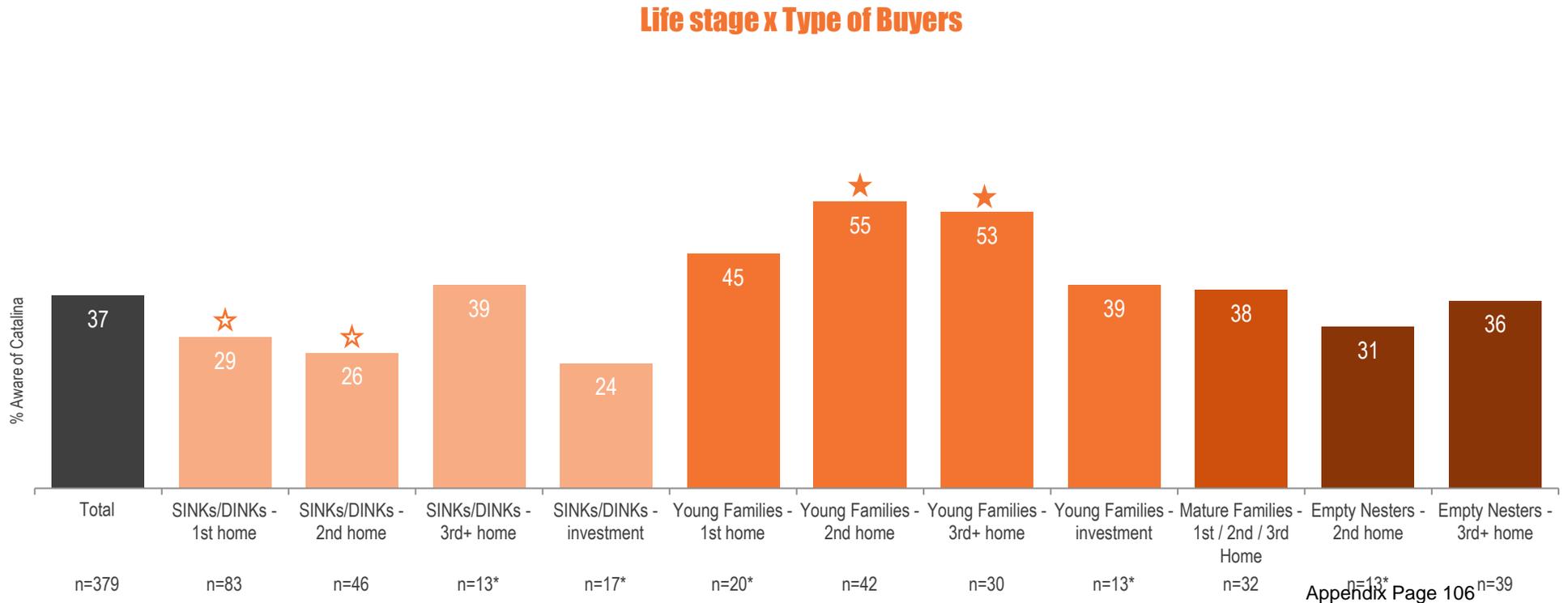
Those from the immediate catchment are most aware of us.

Young families, 18-34 year olds, 2<sup>nd</sup> home buyers and Upgraders are more aware of Catalina than they were in 2018. SINKs/DINKs and first home buyers are among those least aware.



Young Families looking for their 2<sup>nd</sup> or subsequent home are most aware of Catalina.

SINKS and DINKS buying their 1<sup>st</sup> or 2<sup>nd</sup> home are least aware.



Q18. Before today, were you aware of the following residential land developments in the Northern coastal area? Base: General Population In Market (n=379) \*Caution: Small base size. Groups with base <10 not shown.

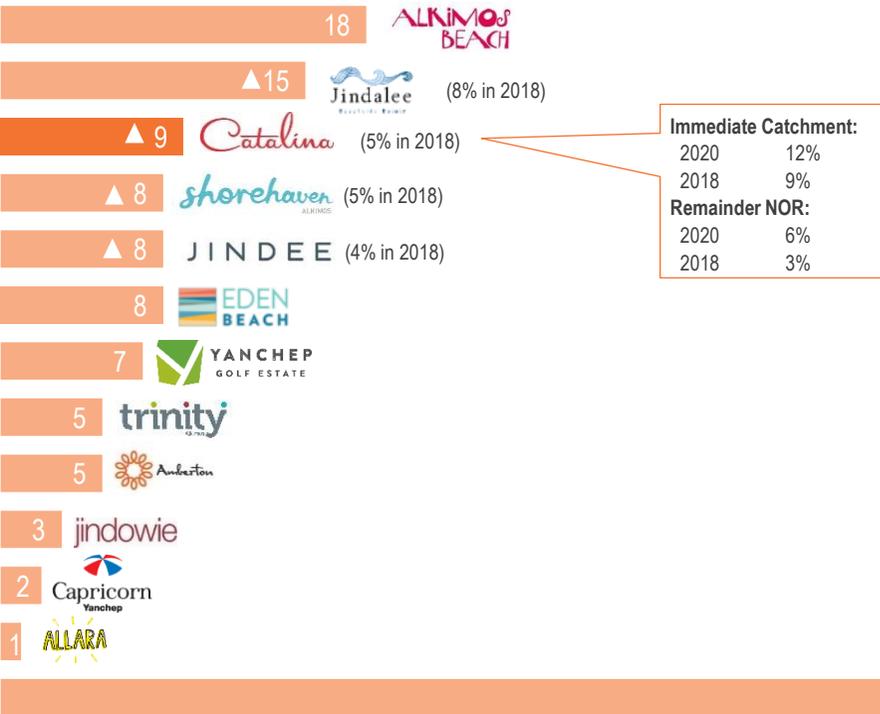
How many have  
considered Catalina?



Catalina is now placed 3<sup>rd</sup> in consideration compared to other estates in the northern coastal area.

Consideration of Catalina has increased significantly from 2018, up to 9% from 5%. Like with awareness, Alkimos Beach and Jindalee continue to dominate in consideration.

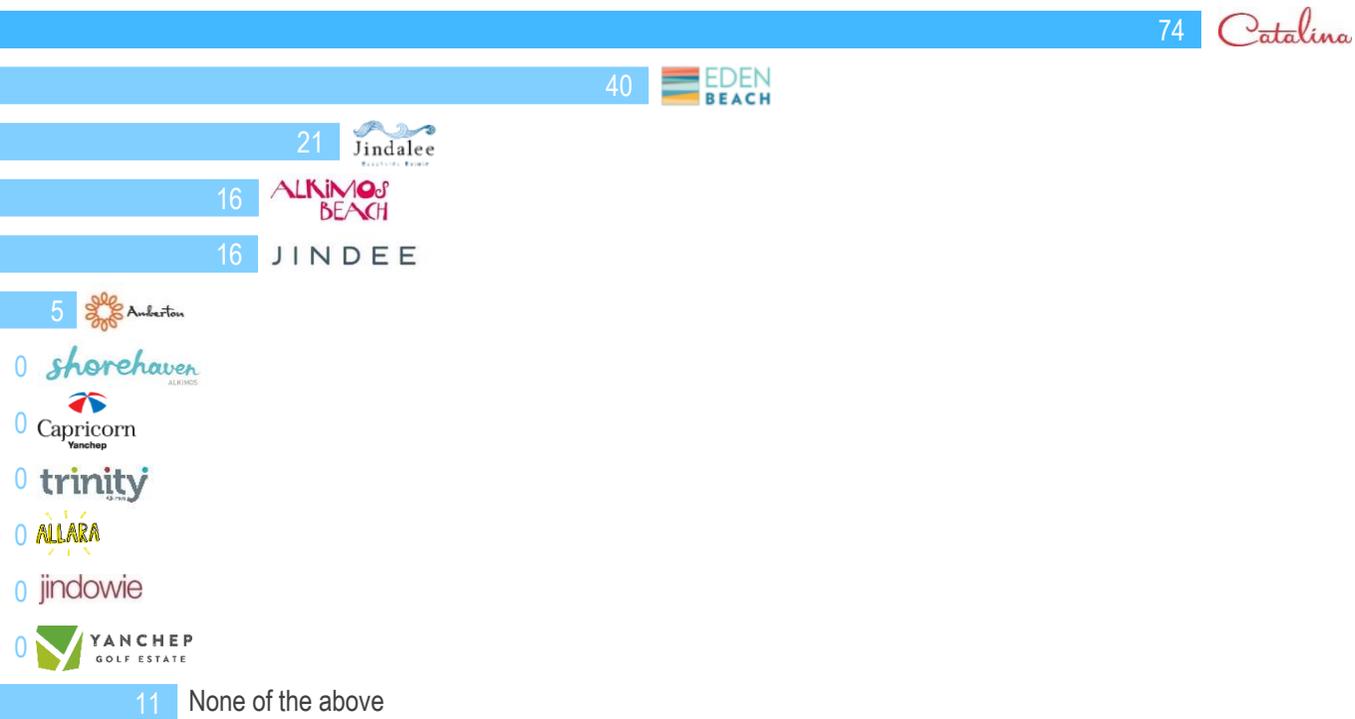
### Consideration



EOIs still in market have strong consideration of Catalina.

3 in 4 EOIs who are still looking to buy a property are considering Catalina.

**Consideration\***



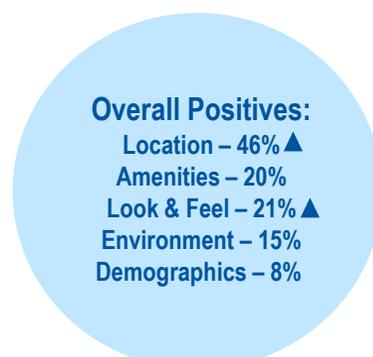
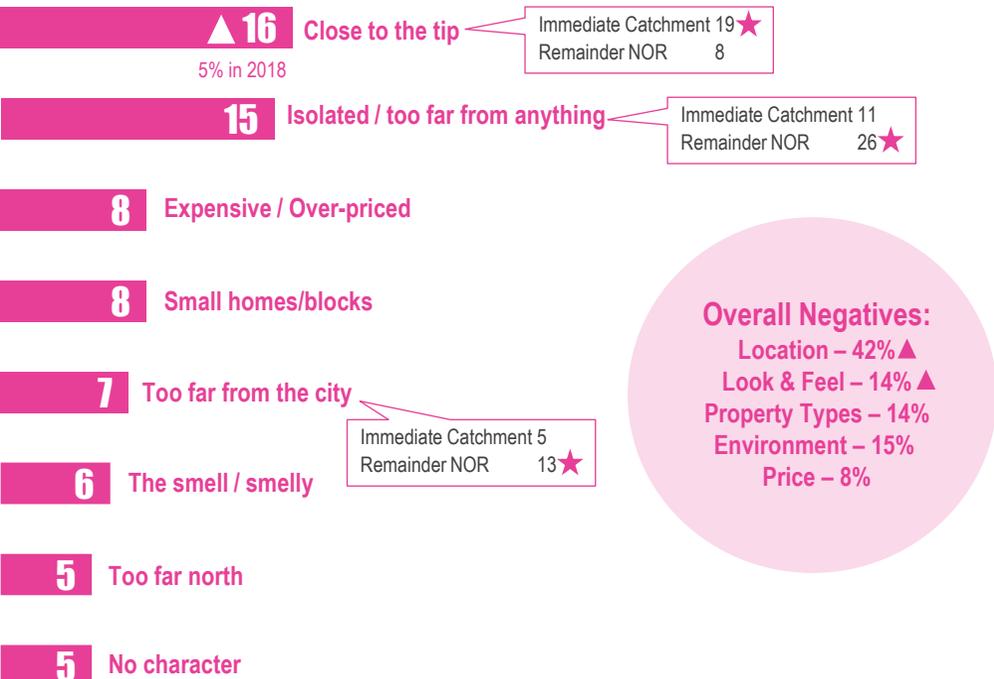
What are potential buyers' top-of-mind perceptions of Catalina?



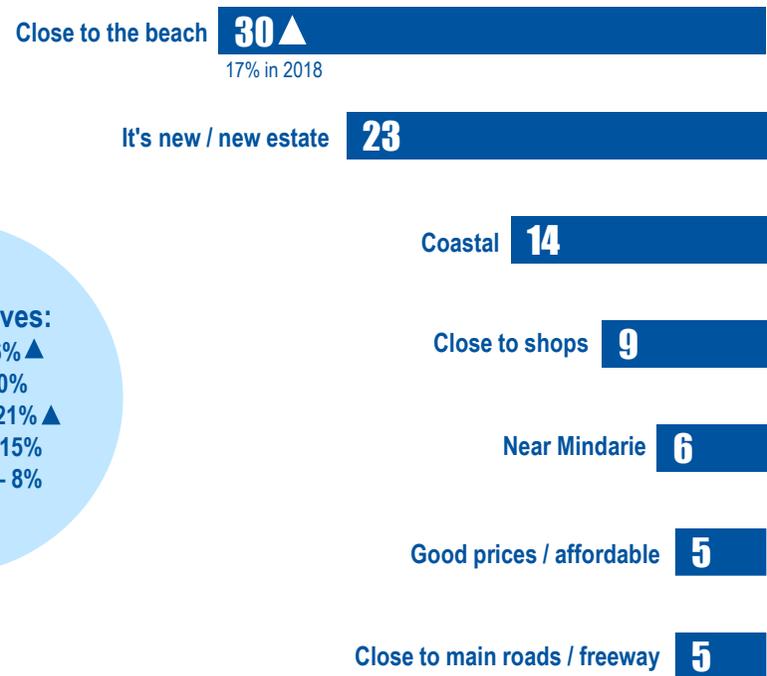
# Top-of mind perceptions of Catalina continue to be polarised.

Like in 2018, associations of Catalina estate continue to lean in a positive direction, led by an increase in thinking about its proximity to the beach. However, almost half continue to hold negative perceptions, of which the top two are also location-related.

## 45% NEGATIVE:



## 56% POSITIVE:



When prompted with more information, how appealing is Catalina Grove to potential buyers?



Respondents were given the following information...

Catalina is a master planned coastal community located just 30 minutes north of Perth that brings a fresh approach to estate design and sustainability. It has all the amenities you need close by including primary and secondary schools, ECU, parks, shopping centres, cafes, a train station as well as medical, sporting and entertainment facilities. The beach, Mindarie Marina and the Joondalup Golf Course are also all a stone's throw away.

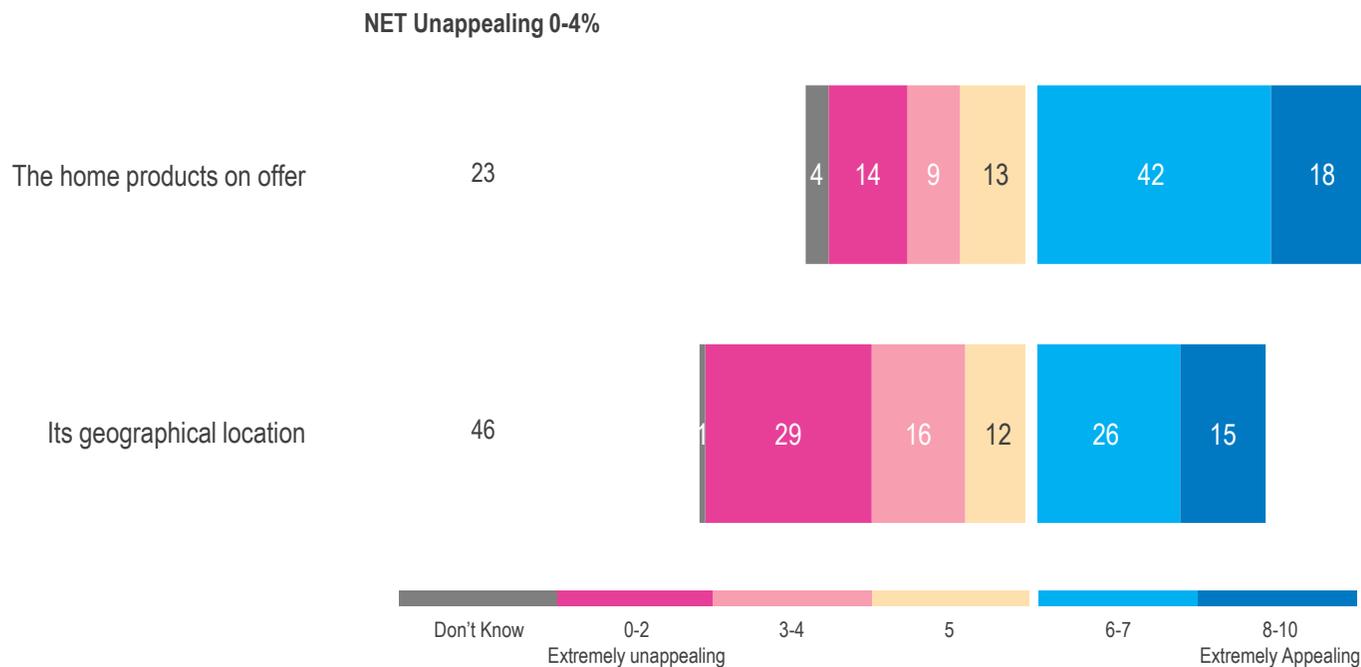
Catalina offers a choice of three distinct precincts, all connected by a 'green link', a cycle and pedestrian corridor that winds its way through the estate. To date, over 1000 lots have been sold at Catalina and it is now preparing to launch the final precinct, Catalina Grove.

**Catalina Grove** is located on the **eastern side of the estate** with easy access to the train station and freeway. It has a fresh, urban design and will have its own shopping village with a choice of terrace homes, townhouses and apartments in the area near the train station, with prices starting from \$275,000. It will also offer green titled residential lots which will range from 80sqm to 520sqm. Catalina Grove will also aim to create a connection to the natural environment through tree retention.

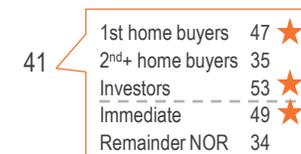


# The home products on offer appeal to 3 in 5 of those in market.

However, the geographical location of Catalina Grove is less appealing, with only 2 in 5 rating it appealing. This is driven by those living outside of the immediate catchment and 2<sup>nd</sup>+ home buyers.



**NET Appealing 6-10%**





When we take the growth in the total market into account, the sales potential for Grove is higher than 2018.

Overall, 23% of NOR residents are considering buying in Catalina Grove, compared to 19% in the estate two years ago.



Q1. When are you next considering buying a property (either land or home)? Base: All GP respondents 2018 (n=600); 2020 (n=606)

Q23. If the type of property you're looking for was available in your price range, how likely is it that you would purchase property in Catalina Grove? Base: General Population In Market (n=379).

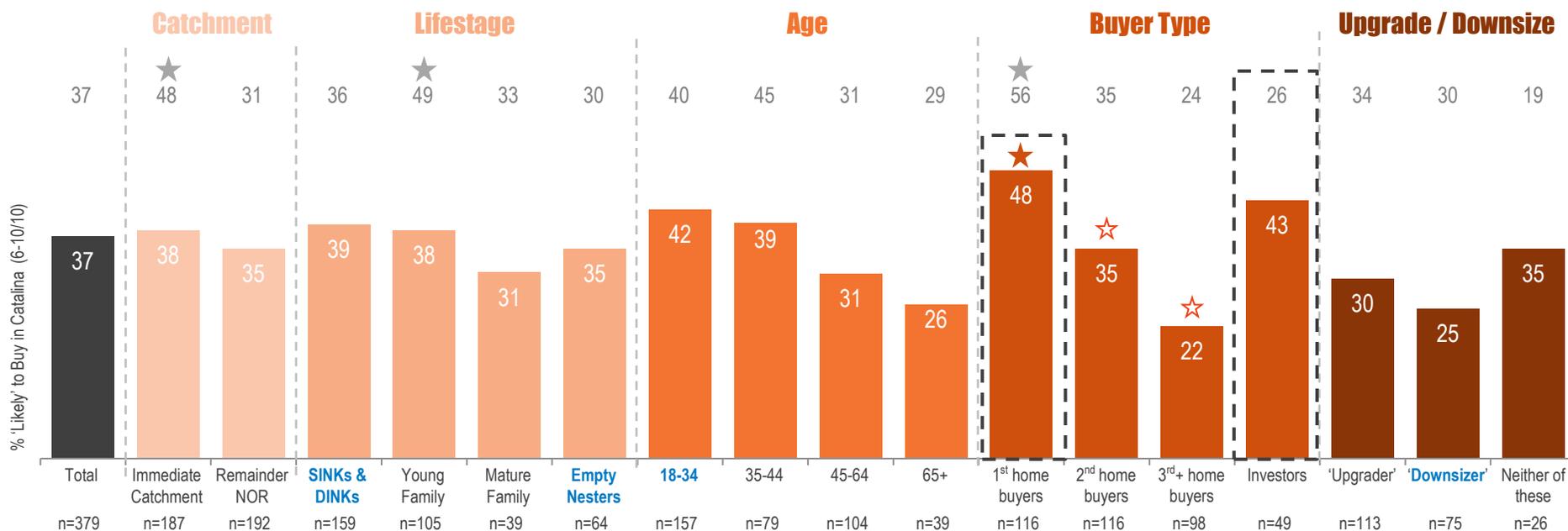
Who's most likely to buy in  
Catalina Grove?



# First home buyers are most interested in buying in Catalina Grove, along with investors.

While there no significant shifts within segments from 2018, there does seem to be indicatively greater interest from investors. 2018 saw young families and those in the immediate catchment feeling significantly more likely to purchase in Catalina than other segments, which is not the case for Grove.

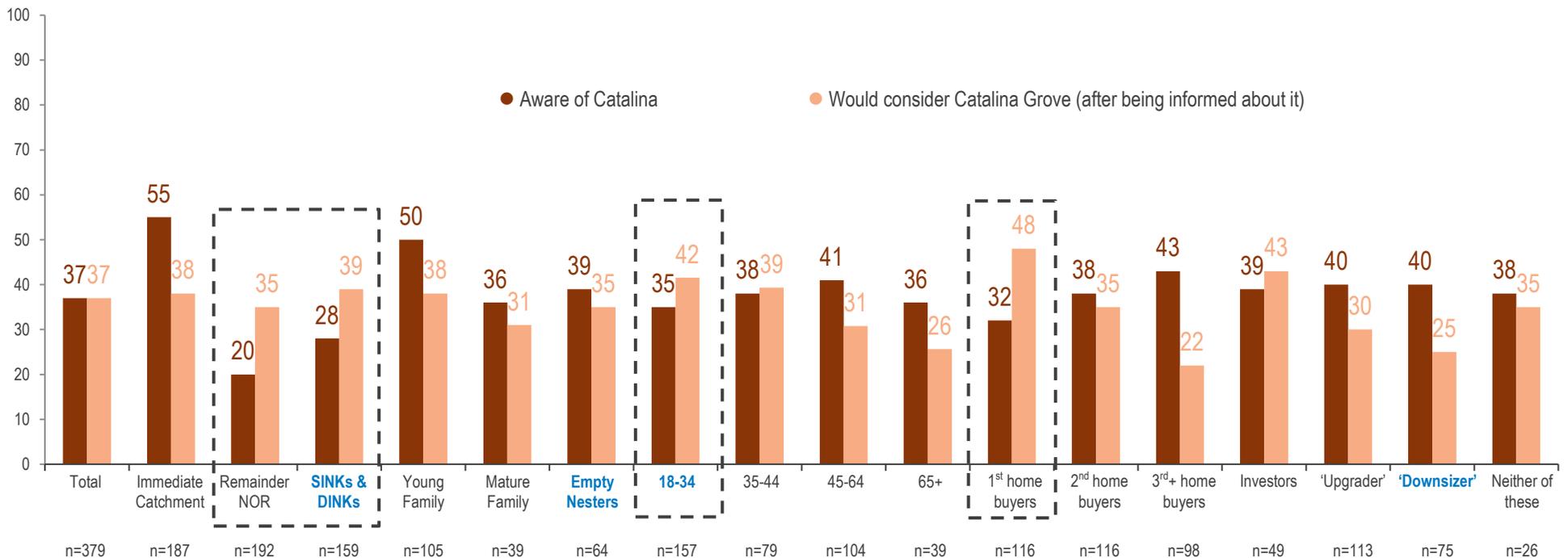
2018





Using gap analysis, we can see where there is an opportunity to increase awareness of Catalina Grove in order to increase the likelihood of purchase.

Those outside the immediate catchment area NOR, SINKs/DINKs, 18-34 year olds, and 1<sup>st</sup> home buyers all have prompted consideration levels of Catalina Grove which are higher than their awareness. Targeting these groups with more information and increasing awareness could lead to an increase in sales.



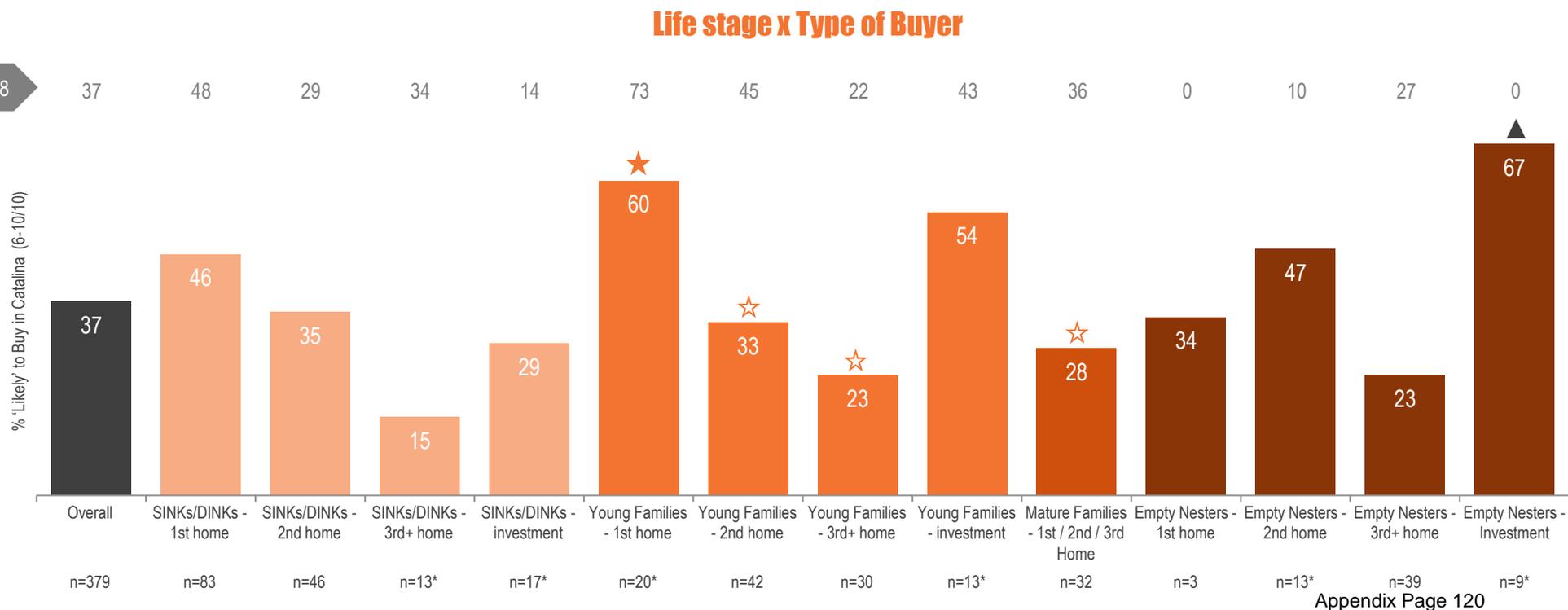
Q18. Before today, were you aware of the following residential land developments in the Northern coastal area? Base: General Population In Market (n=379)

Q23. If the type of property you're looking for was available in your price range, how likely is it that you would purchase property in Catalina Grove? Base: General Population in market (n=379).

# Young Families looking for their first home remain most likely to purchase in Catalina\*.

Empty Nester investors have also entered the market since 2018.

2018

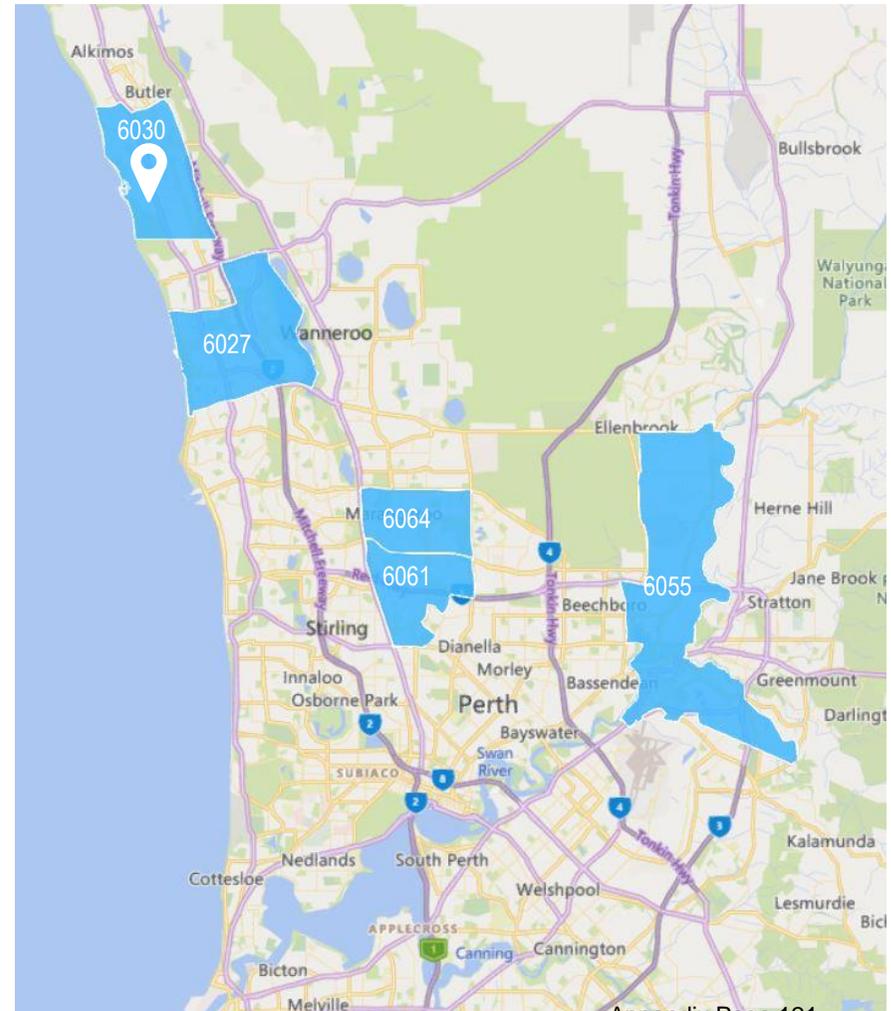


Appendix Page 120

Q23. If the type of property you're looking for was available in your price range, how likely is it that you would purchase property in Catalina Grove? Base: Those General Population in market (n=379). \*Caution: Very small sample sizes

Those living in surrounding postcodes are most interested.

As expected, those living in the postcodes immediately surrounding Catalina (6030, 6027) show high likelihood to buy, along with postcodes stretching down the Mitchell Freeway on the south east side (6064, 6061) and further east (6055) – suggesting Catalina’s proximity to the beach is a major drawcard.

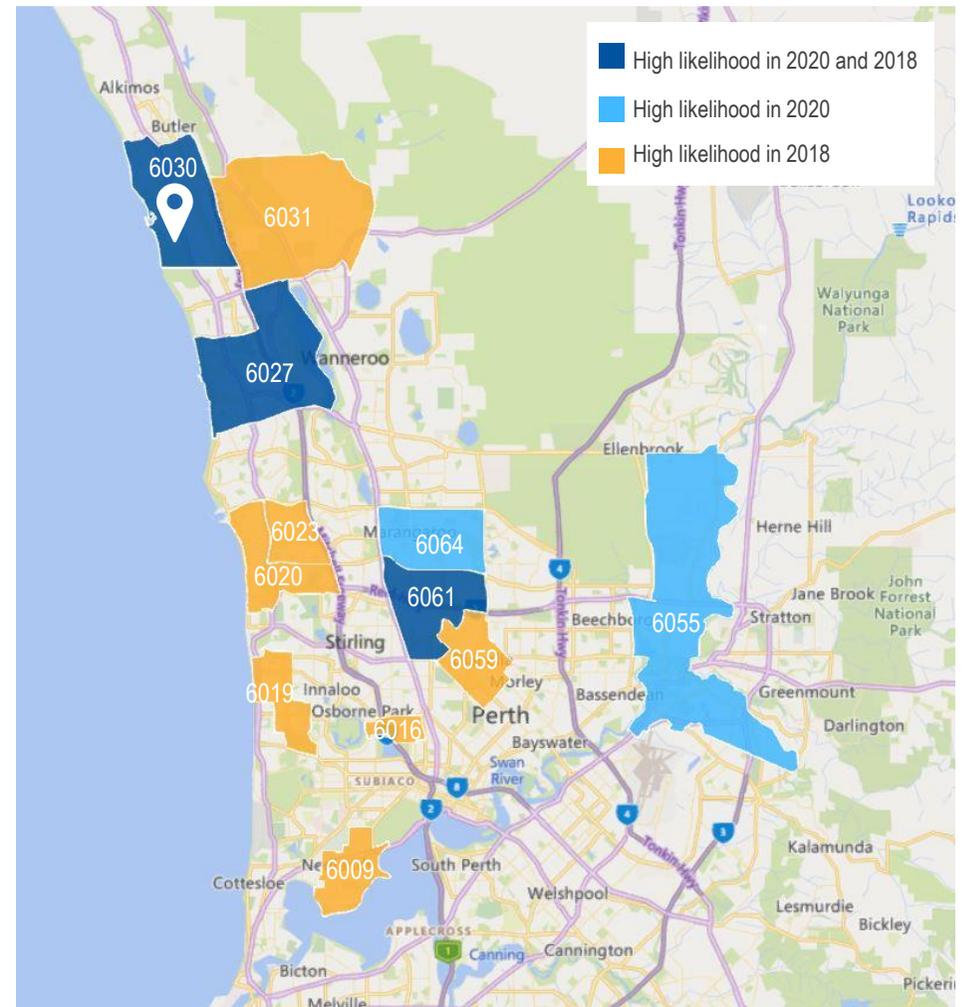


Appendix Page 121

Q23. If the type of property you're looking for was available in your price range, how likely is it that you would purchase property in Catalina? Base: Those in market 2020 (n=379); 2018 (n=302). \*Blue postcodes denote areas where likelihood to buy in Catalina (% 6-10 / 10) is higher than non-likelihood (% 0-5 / 10). Postcodes <n=10 omitted from analysis.

Some of these 'eastern' postcodes are new markets.

Postcodes 6064 and 6055 didn't show much interest in Catalina in 2018, but are now among the areas most likely to buy in Catalina Grove. Three areas have consistently shown interest in Catalina – nearby 6030 and 6027, as well as 6061.



Appendix Page 122

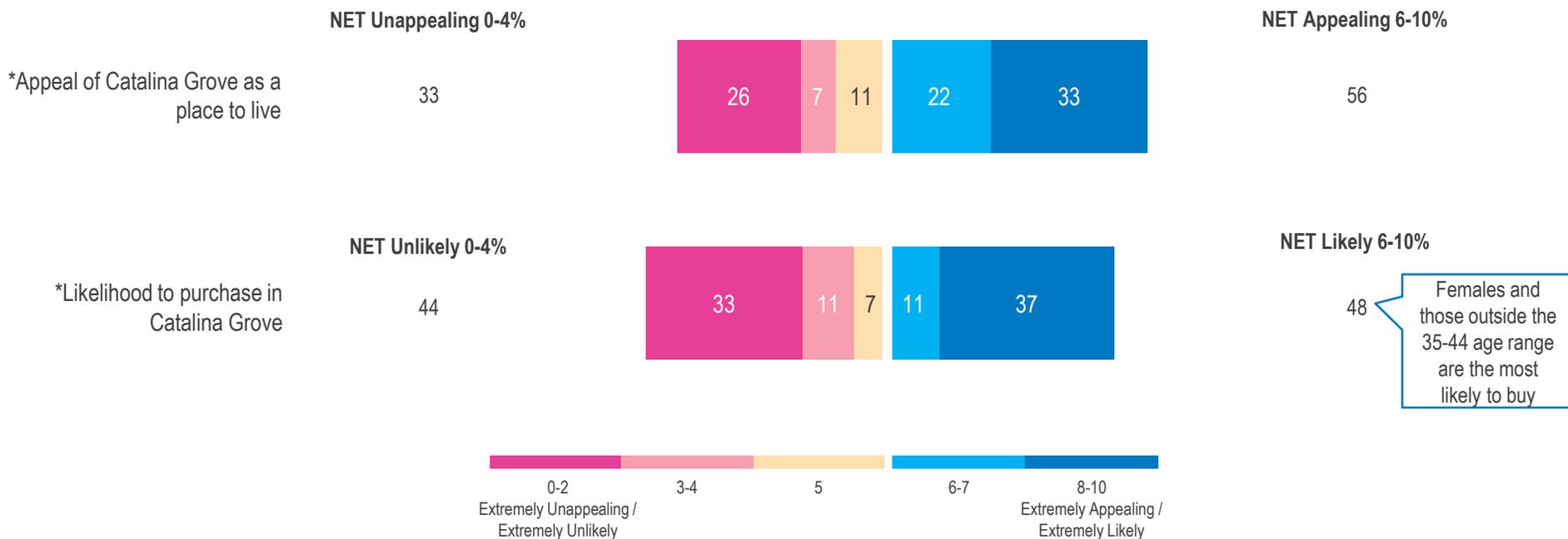
Q23. If the type of property you're looking for was available in your price range, how likely is it that you would purchase property in Catalina? Base: Those in market 2020 (n=379); 2018 (n=302). \*Shaded postcodes denote areas where likelihood to buy in Catalina (% 6-10 / 10) is higher than non-likelihood (% 0-5 / 10). Postcodes <n=10 omitted from analysis.

What about our EOs who  
are still in market?



# Around half of EOIs in market find Catalina Grove an appealing place to live and feel likely to purchase there.

This includes around 2 in 5 who rate themselves extremely likely to purchase in Catalina Grove.



Q12. Based on the information we've just given you, overall how appealing is Catalina Grove to you personally as a place to live? Base: EOIs in market (n=27). \*Caution: Small sample size

Q13. If the type of property you're looking for was available in your price range, how likely is it that you would purchase property in Catalina Grove? Base: EOIs in market (n=27). \*Caution: Small sample size

# Understanding Catalina Grove's Market and Unique Selling Proposition

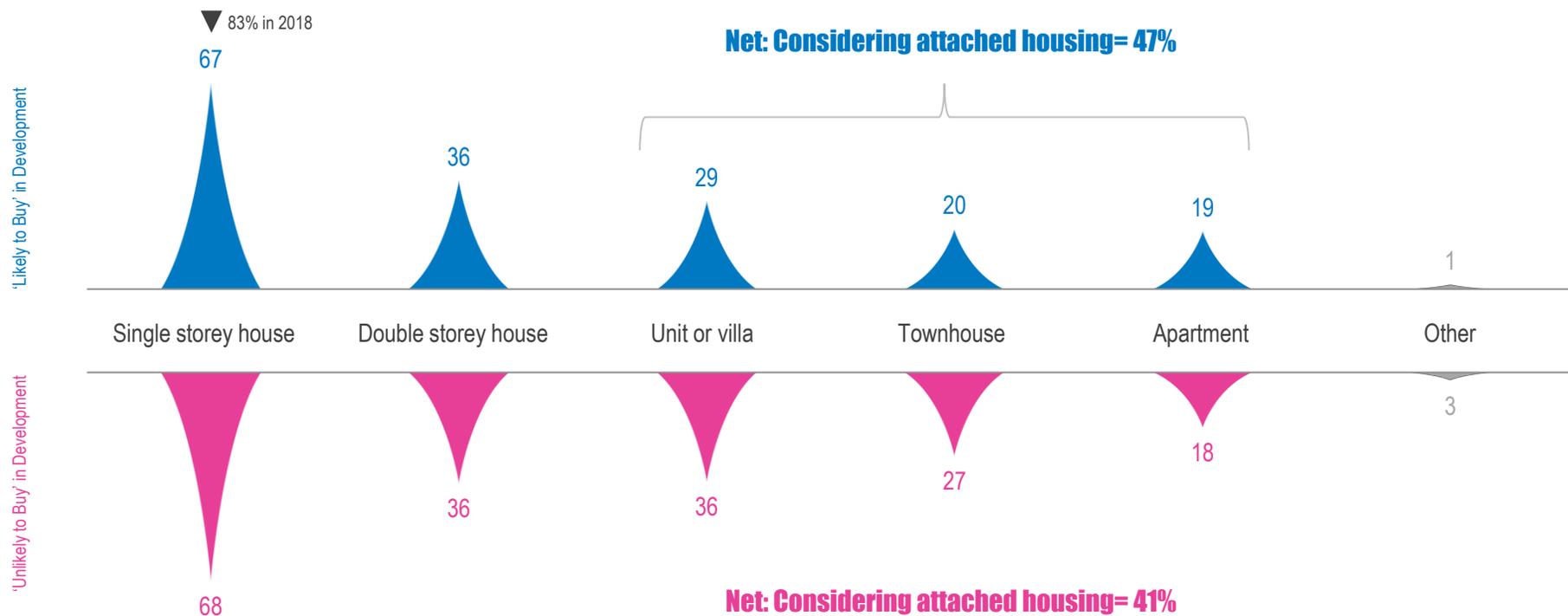


What property types are potential Catalina Grove buyers after? And how much are they willing to pay?



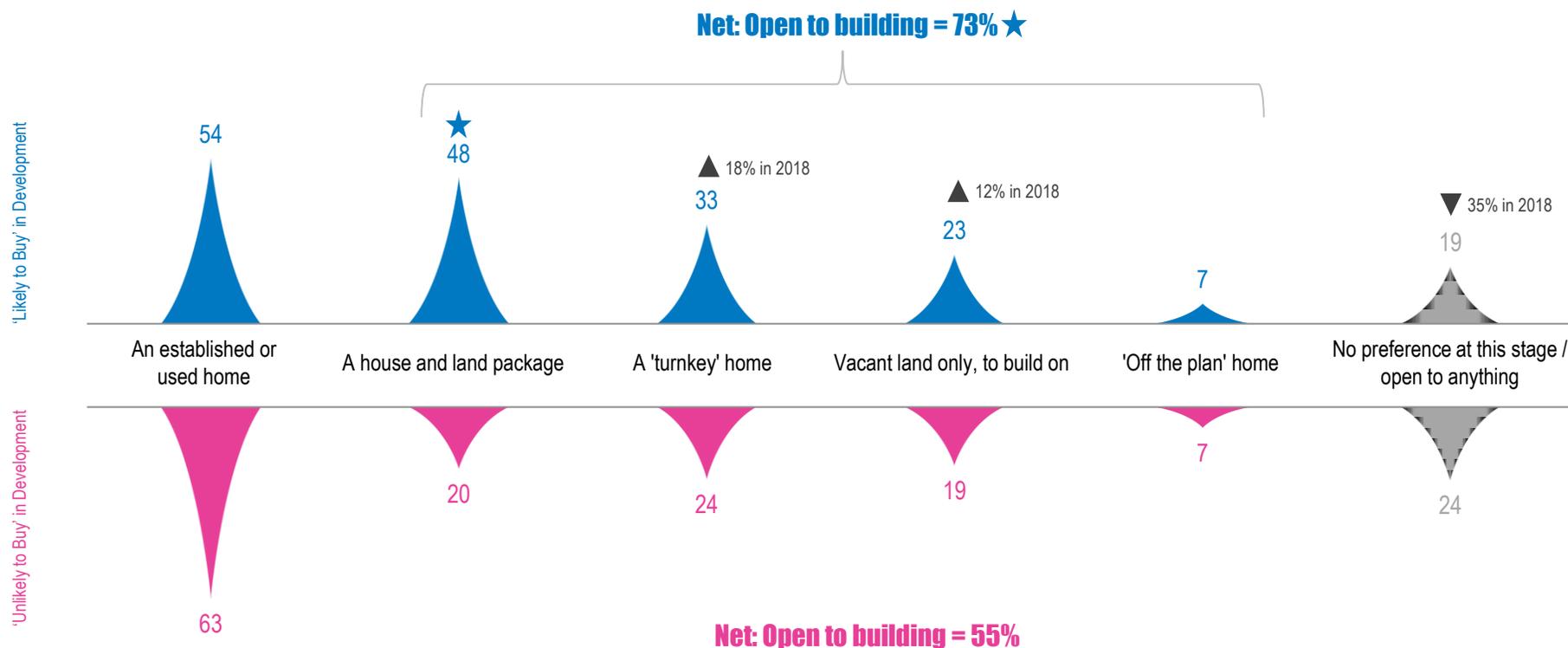
# Potential Catalina Grove buyers are most interested in single-storey houses.

Around 2 in 3 are considering a single storey house. There is also interest in smaller housing types, with 47% considering a unit, townhouse or apartment. Potential Catalina Grove buyers show a similar preference for home types as those who are unlikely to buy in Catalina.



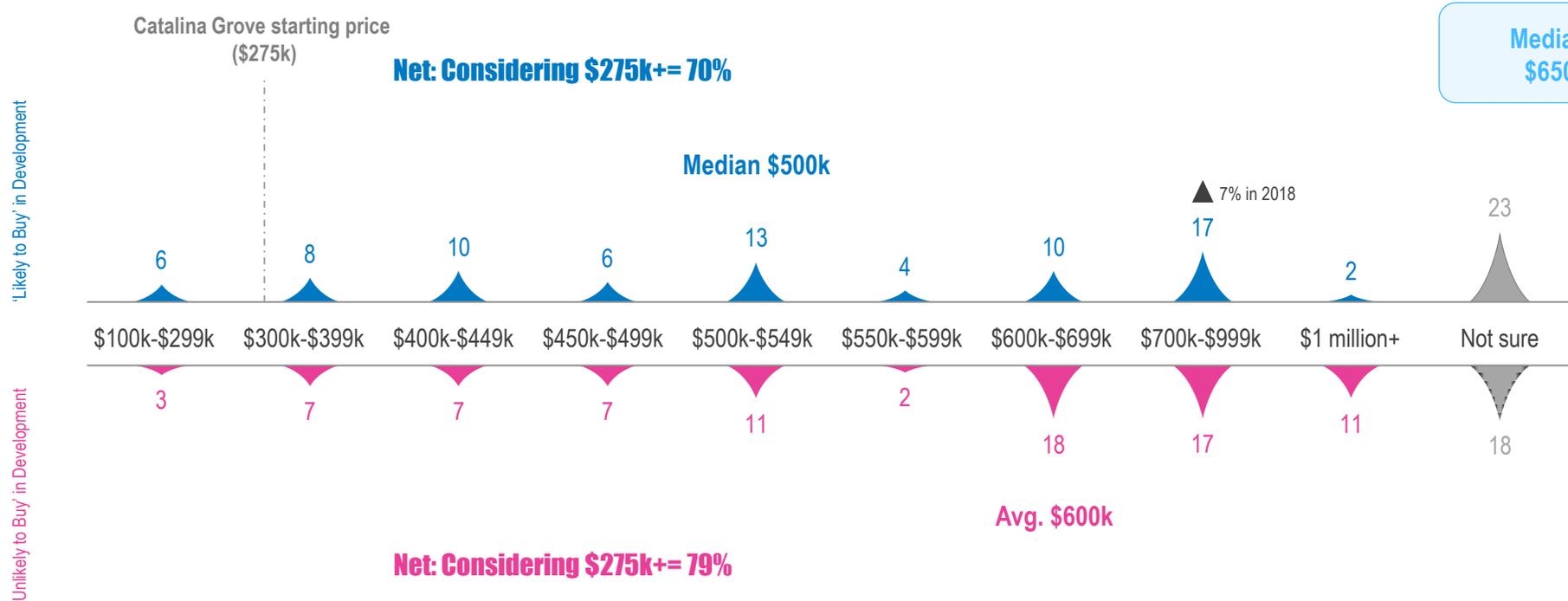
Potential buyers are more open to house and land packages and building in general compared to those not interested in the development.

3 in 4 potential Catalina Grove buyers are open to building and 1 in 2 are considering a house and land package, which is significantly higher than those not considering the development. Potential buyers' interest in turnkey homes and vacant land has also increased since 2018.



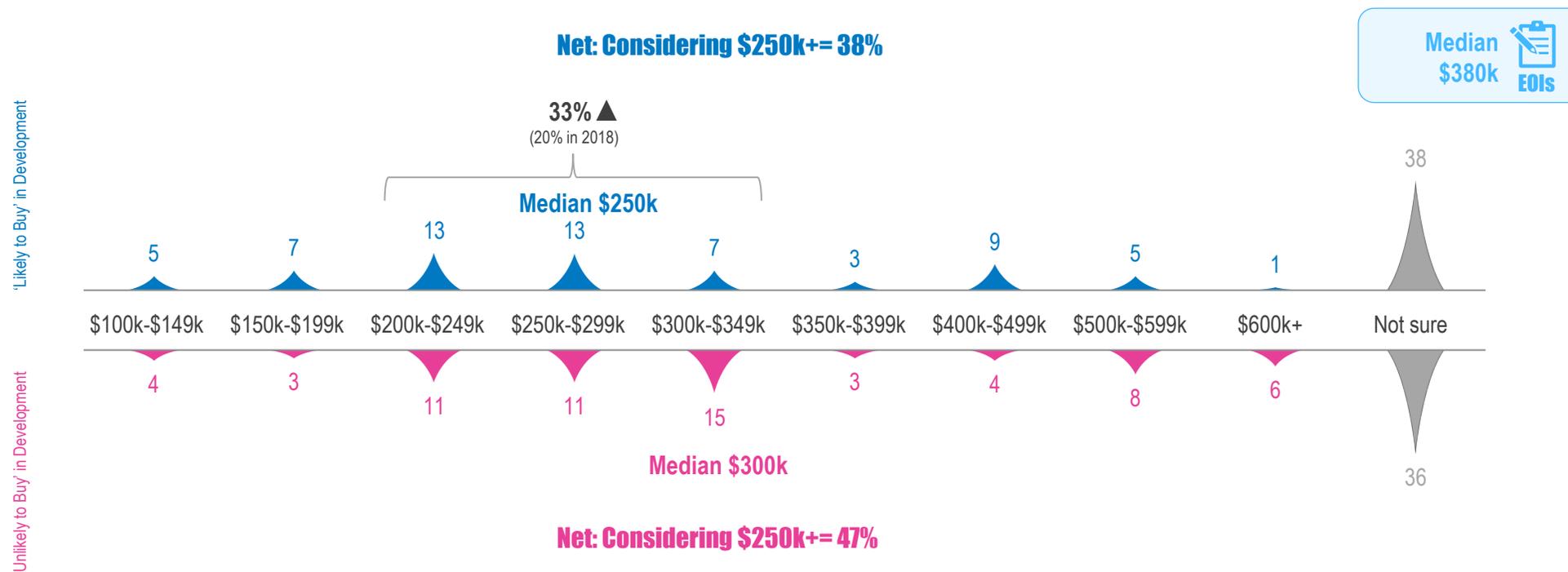
There is a wide range of budgets among potential buyers which is an opportunity to offer a diverse product range.

The median budget for potential buyers is \$500k. Nearly 1 in 5 are looking to spend \$700k-\$999k and this has increased from 2018. Of note, potential Catalina Grover purchasers have lower budgets than those looking to buy elsewhere (\$100k lower on average).



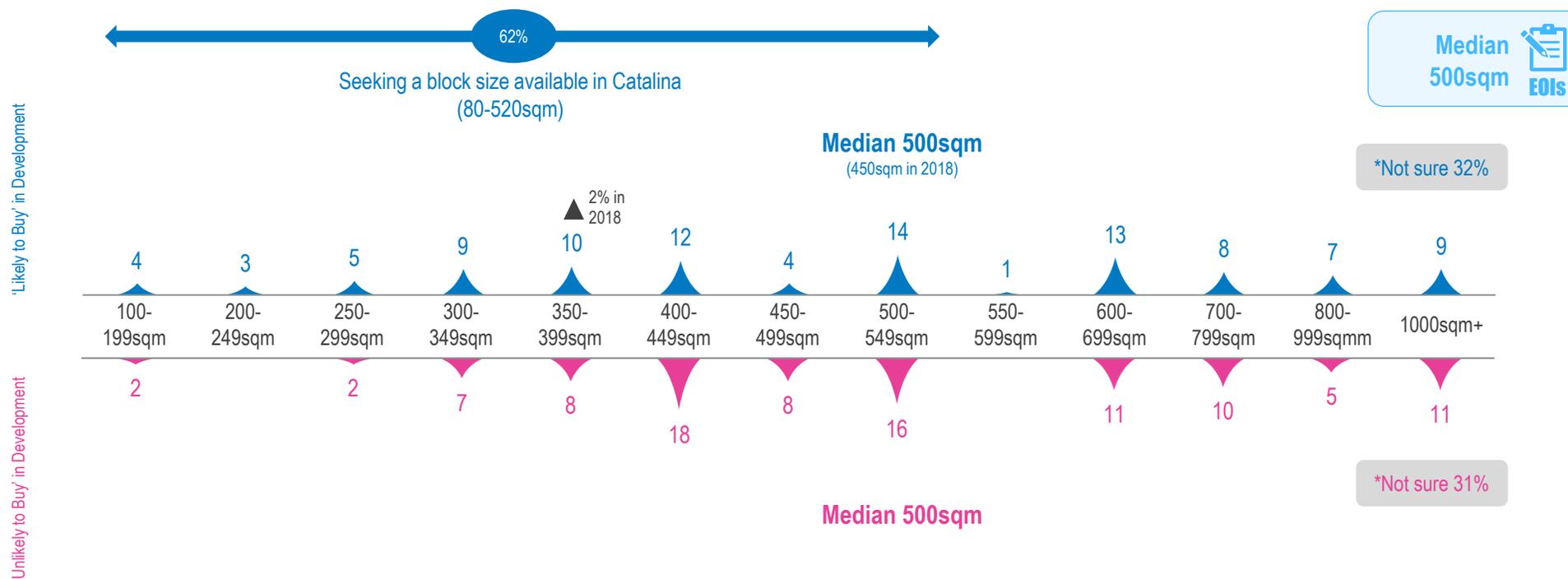
# Potential buyers' land budgets span a wide range, with a median of \$250k.

Among potential buyers who know how much they want to spend on just land, 38% have a budget of at least \$250k which is Catalina's current minimum. The same number are still unsure of their budgets. Compared to 2018, potential buyers are significantly more likely to have land budgets of between \$200k to \$349k. Potential buyers have lower average land budgets compared to those unlikely to buy in Catalina Grove (\$250k vs \$300k).



# Catalina Grove will offer block sizes that meet the preferences of at least 3 in 5 potential buyers.

Around 1 in 3 are unsure of the block size they're after so they may be looking at their housing type first and will look for land size second.



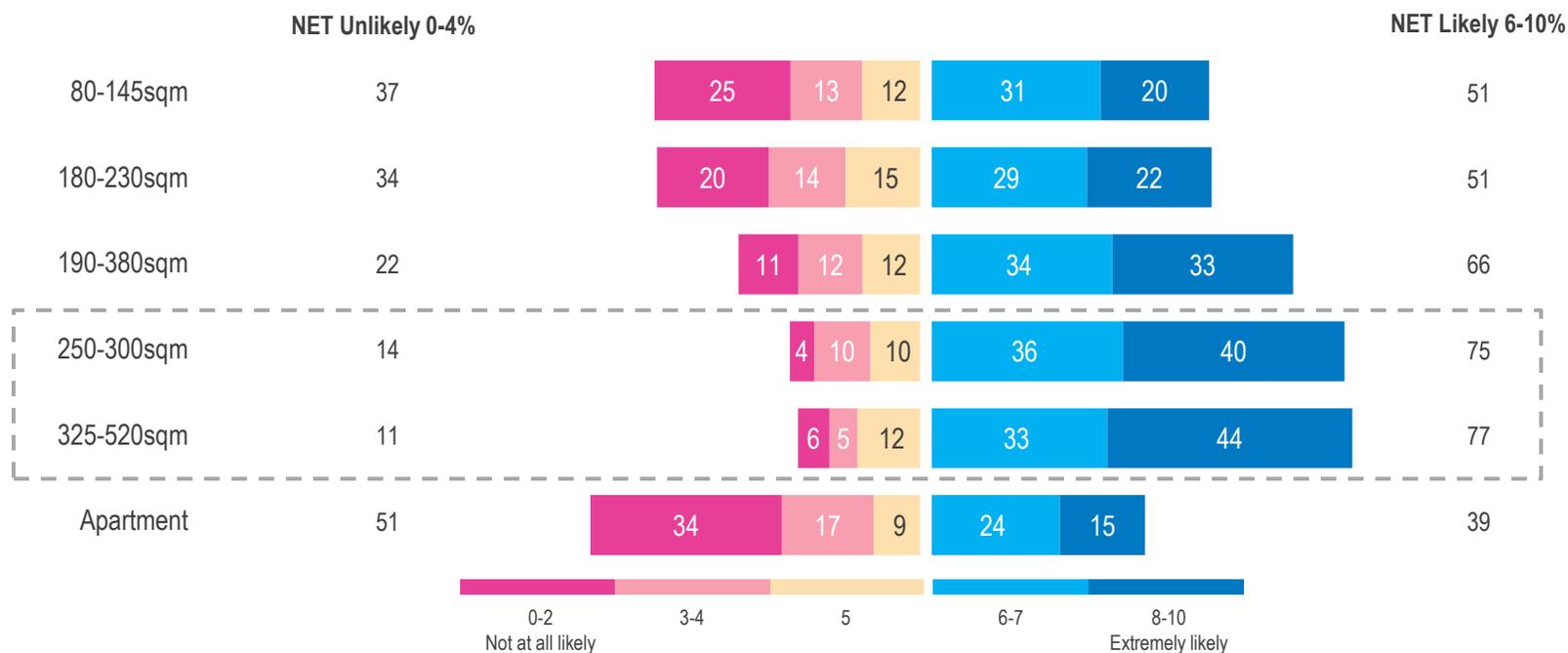
Potential buyers were prompted to rate their likelihood to purchase a range of different home packages that might be sold in Grove...

<p><b>80-145sqm</b> - Minimum price \$330,000</p> 	<p><b>180-230sqm</b> - Minimum price \$405,000</p> 	<p><b>190-380sqm</b> - Minimum price \$335,000</p> 
<p><b>250-300sqm</b> - Minimum price \$370,000</p> 	<p><b>325-520sqm</b> - Minimum price \$390,000</p> 	<p><b>Apartment</b> - Minimum price \$275,000</p> 

\*Respondents were told prices were indicative only and subject to change.

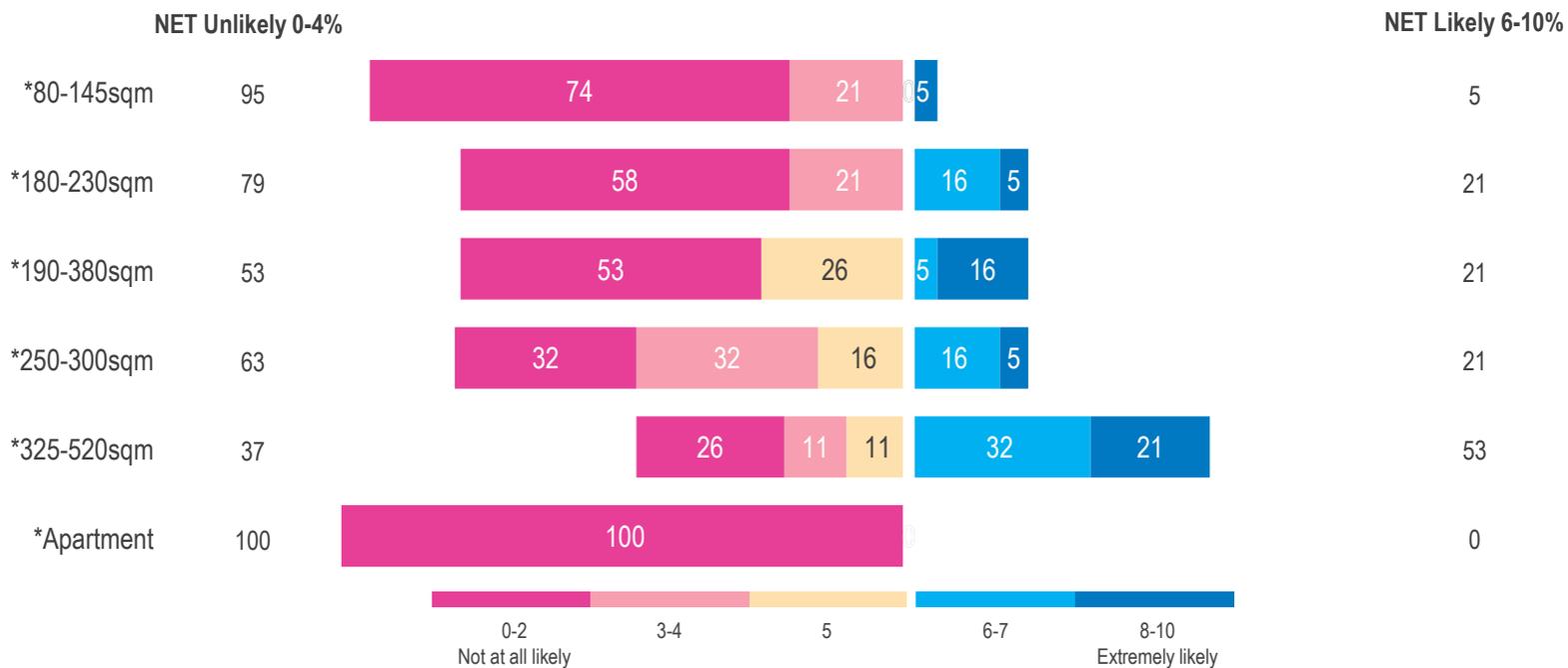
Unsurprisingly, the more 'traditional' home types and sizes attracted the most interest.

However the smaller, built form property types still attracted a decent amount of interest from potential buyers, with over half rating themselves as likely to strongly consider purchasing one. Apartments were the least likely to be considered but still had interest for nearly 2 in 5.



Among EOIs still in market, the 325-520 sqm home package is by far the most likely to be considered.

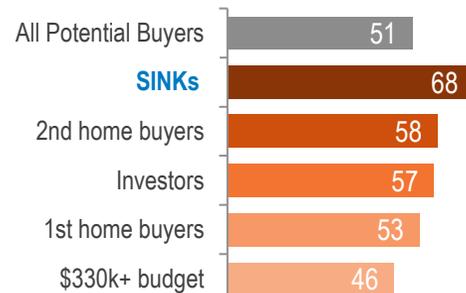
Over 1 in 2 would consider this home package, suggesting this package should be promoted to the EOI database. Only 1 in 5 that would consider anything on a 180-380sqm lot. None would consider apartments.



# Which types of buyers are most interested in each home package?

One of Grove's key target audiences – SINKs – are among those most interested in the home packages on smaller lots. However, those with smaller budgets than the currently planned price entry points tend to have highest interest for each package.

## 80-145sqm Min. price \$330k



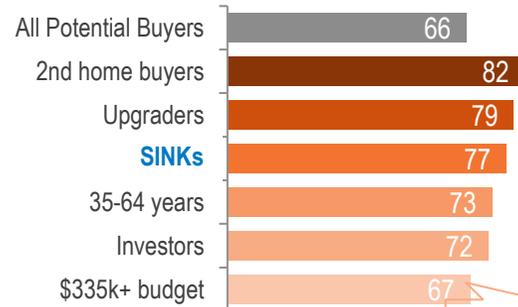
62% for those with a <\$330k budget

## 180-230sqm Min. price \$405k



53% for those with a <\$405k budget

## 190-380sqm Min. price \$335k

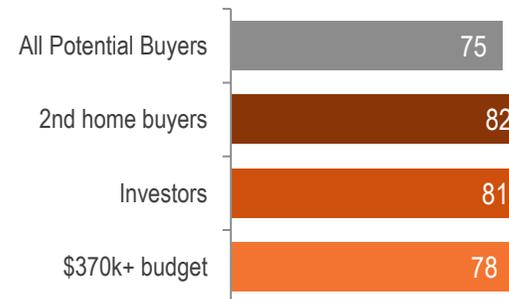


70% for those with a <\$335k budget

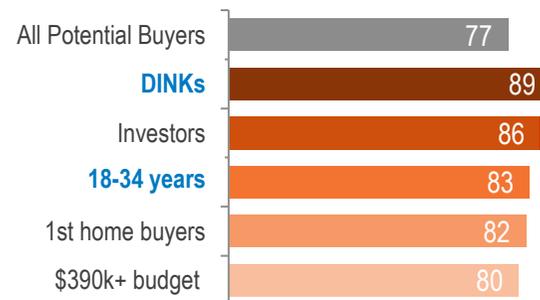
# Which types of buyers are most interested in each home package?

The 250-300sqm package appeals broadly to lots of segments but particularly 2<sup>nd</sup> home buyers and investors. 18-34 year olds are among those most interested in both the 325-520sqm package and also apartments.

## 250-300sqm Min. price \$370k

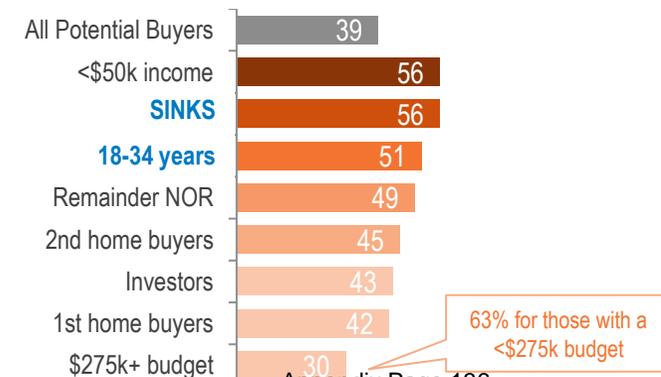


## 325-520sqm Min. price \$390k



## Apartment

Min. price \$275k



Appendix Page 136

Q50. Below is an example home package that might be available to purchase in Catalina Grove. How likely would you be to **strongly consider purchasing** this if you bought in Catalina Grove? Net consideration (6-10 / 10 shown).

Base: General Population 'likely' to buy in development (n=139) **\*Target Audience for Catalina Grove**

What are Catalina Grove's main points of appeal?

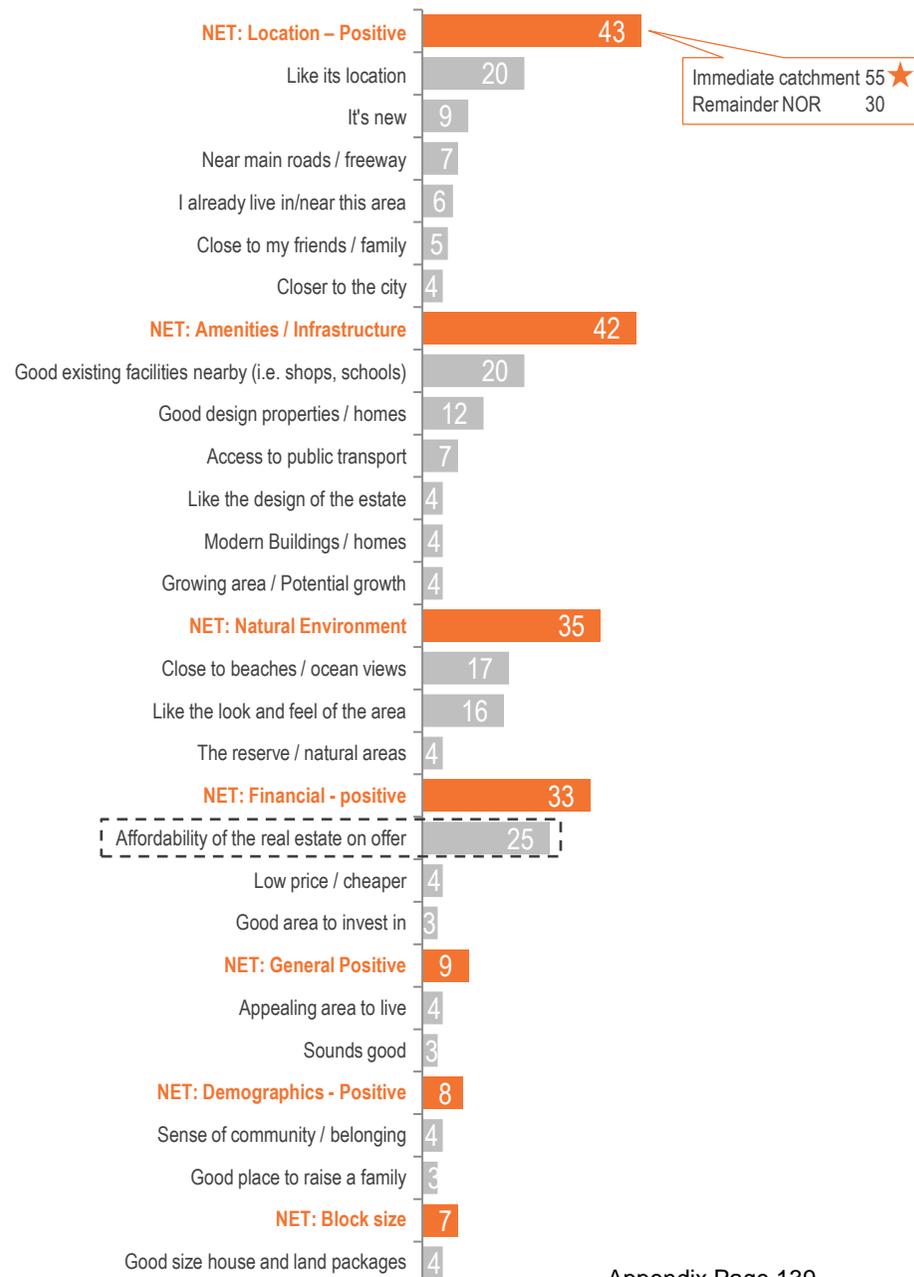


Catalina Grove's location, amenities and affordability are its main points of appeal.



Around 2 in 5 of those likely to buy mentioned either the location or nearby amenities as reasons for doing so.

The affordability of the real estate on offer was the most common singular reason for being likely to buy in the development.



## In their own words...

*The area around there is nice and close to the beach. Prices are modest and considerable.*

- 1<sup>st</sup> Home Buyer, Remainder NOR

*It seems to be in a good location with plenty of facilities available.*

- 1<sup>st</sup> Home Buyer, Immediate Catchment

*I don't mind Clarkson - close to beaches, nice shopping complex, and train station and freeway are a stone's throw away*

- 2<sup>nd</sup> Home Buyer, Remainder NOR

*Because of the location being closer to the city than the other development sites and still relatively close to the beach.*

- 2<sup>nd</sup> Home Buyer, Remainder NOR

*The pricing is decent - affordable. It has great features - transport close by, cafes, schools and other facilities like doctors.*

- 1<sup>st</sup> Home Buyer, Remainder NOR

*The area is nice and modern and is close to many valuable amenities including cafes, train stations and shopping centres.*

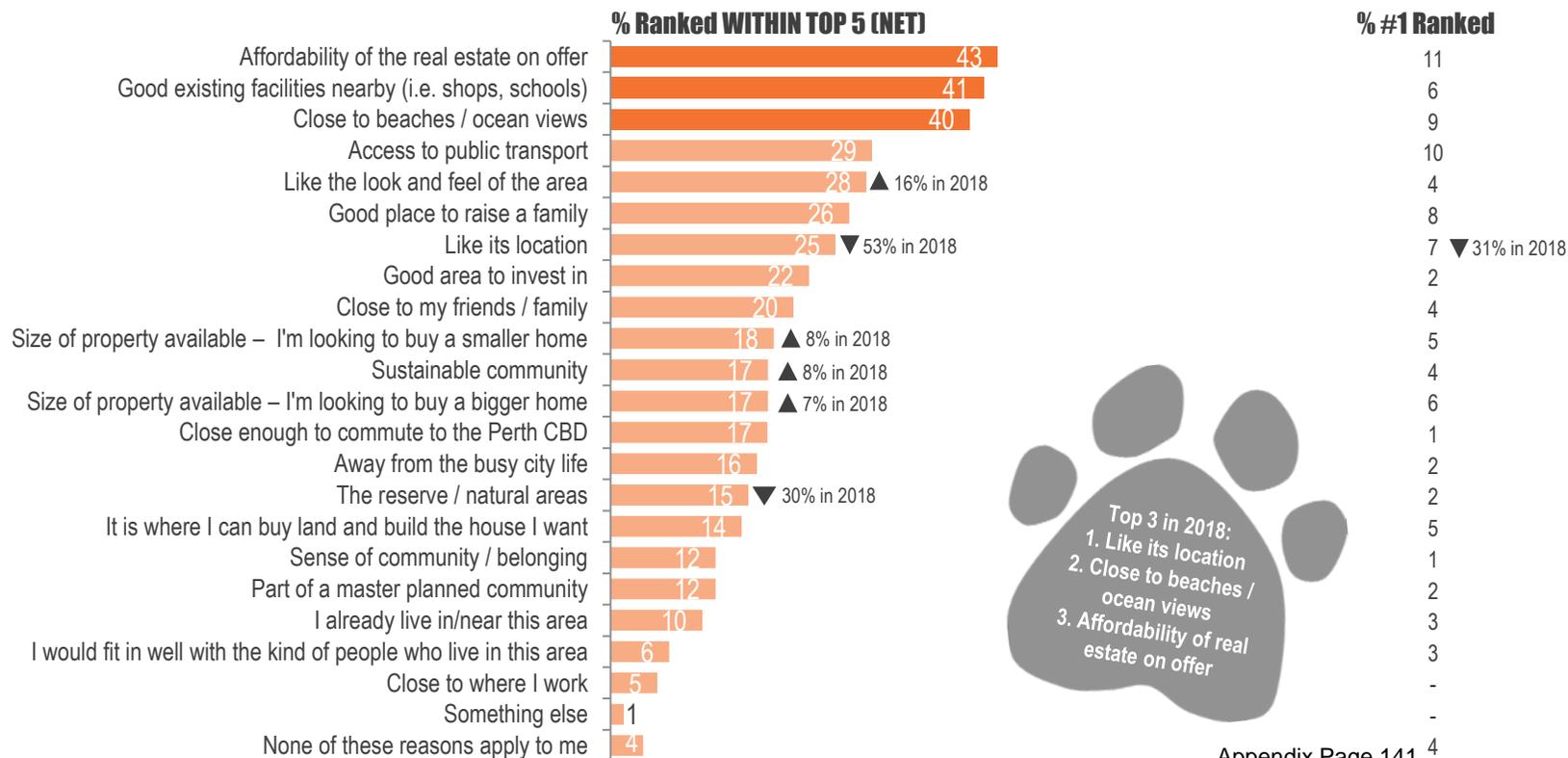
- 1<sup>st</sup> Home Buyer, Remainder NOR

*Nice, pleasant looking neighbourhood.*

- 2<sup>nd</sup> Home Buyer, Immediate Catchment

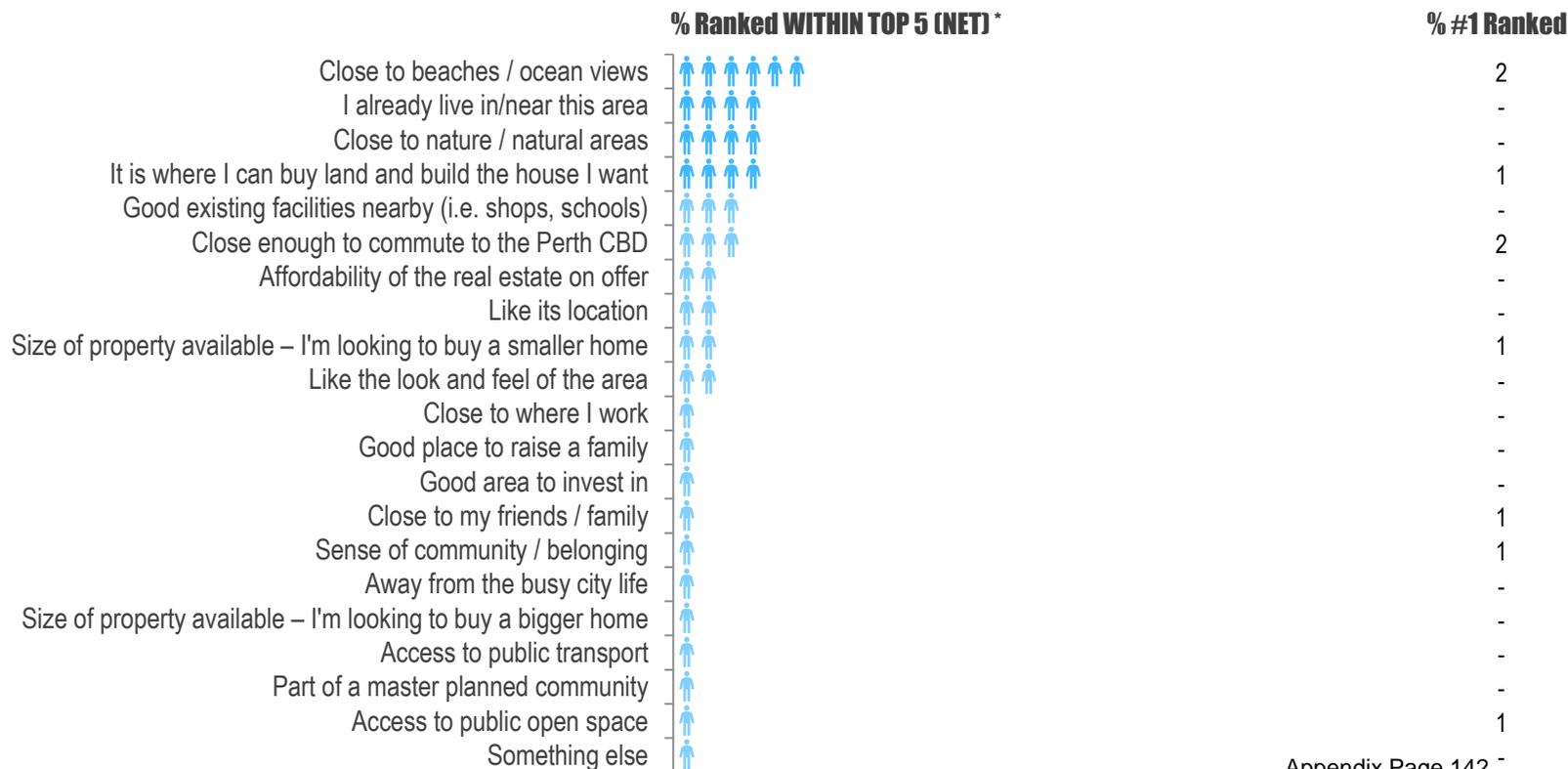
# Affordability is the main reason for considering purchasing when prompted.

Affordability was placed in the top five reasons for considering purchasing in Catalina Grove by 2 in 5, along with having good facilities nearby and being close to the coast. The look and feel of the area, the property sizes available and its community sustainability are new drawcards compared to 2018.



Among EOIs, being close to the coast was the top reason for consideration when prompted.

Already living in the area, being close to nature and having the opportunity to build the ideal house followed.



What are the barriers to consideration?



Catalina's location remains  
the main barrier to those  
unlikely to buy there.



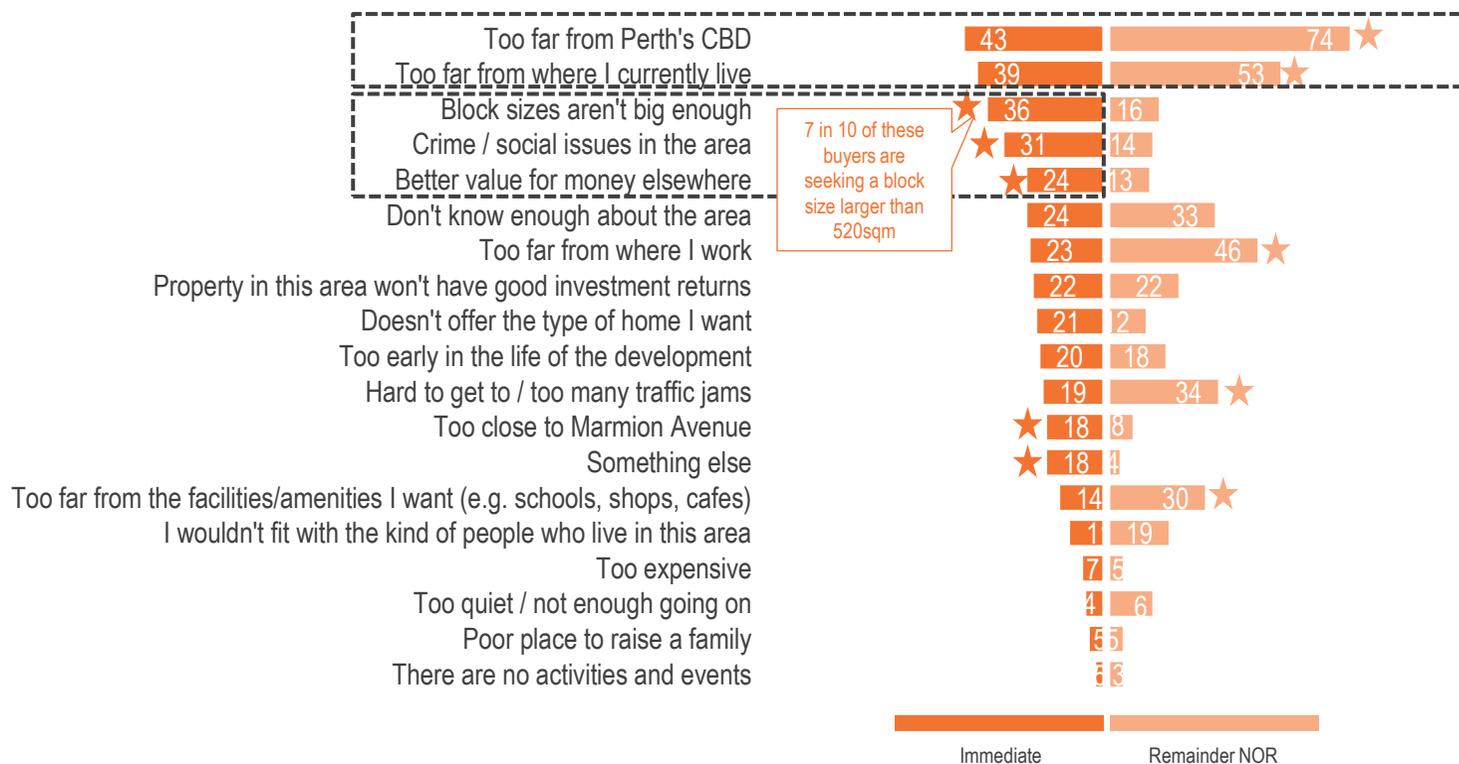
# When prompted, distance from the CBD is the greatest barrier to consideration.

SINKS are more likely to cite this as a barrier. Other location barriers such as being far from where they currently live or from work were also in the top 3. Those buying investment homes were more likely to cite 'too early in the life of the development' than other home buyer types.



# Distance barriers are of greater concern to those living outside the immediate catchment area.

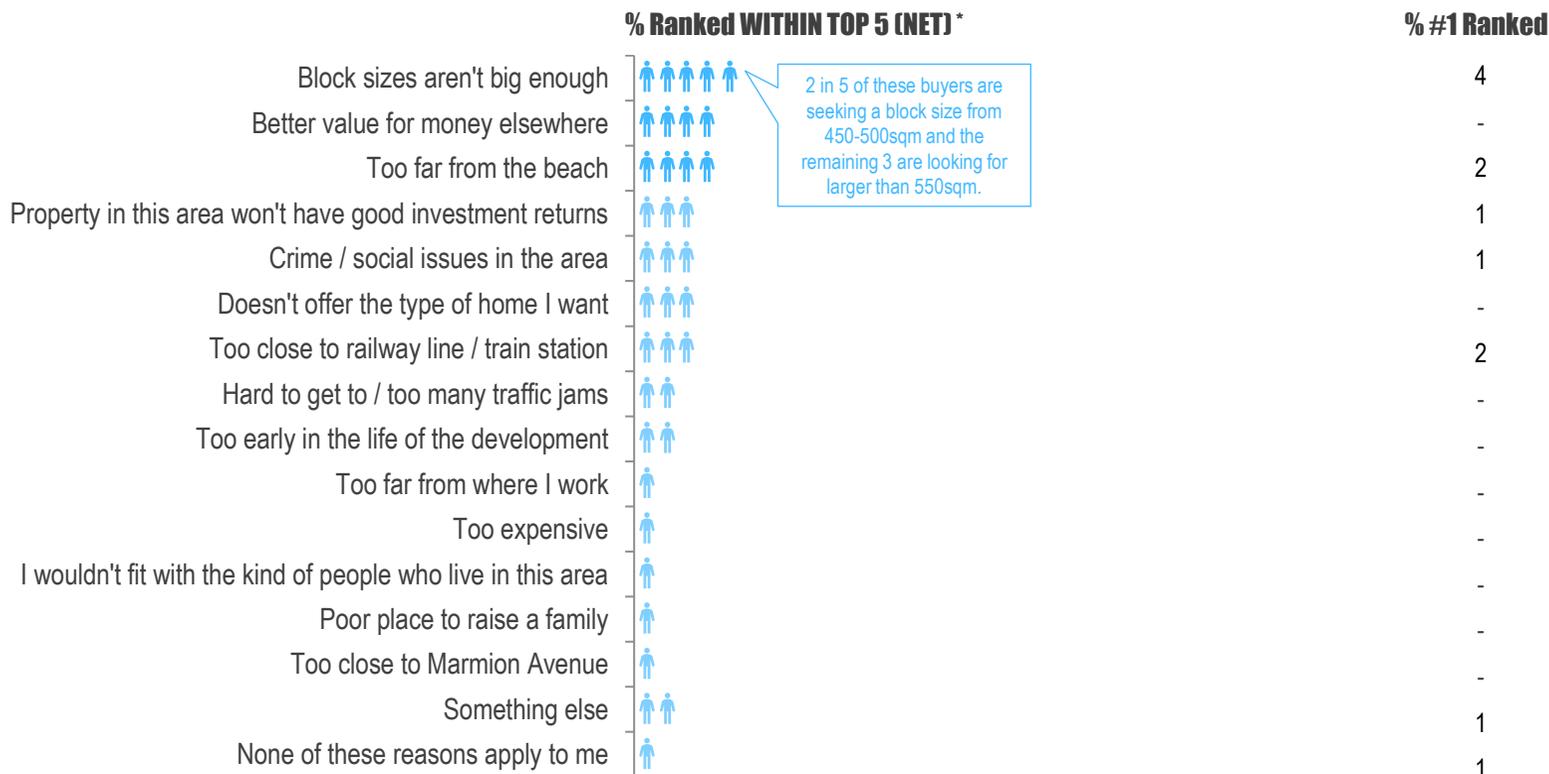
However, being 'too far from where I currently live' and 'too far from Perth's CBD' are still the top two barriers for those living in the immediate catchment. Crime / social issues, block sizes being too small and perceived better value for money elsewhere are the other key barriers for those living closer by.



Q29. Below is a list of potential reasons someone might give for not considering Catalina Grove. If you could choose just five of your most important reasons for not considering Catalina Grove, what would they be? Base: General Population In Market unlikely to buy in development (n=228); Immediate catchment (n=108); Remainder NOR (n=120)

# Small block sizes are also the top barrier for EOIs not considering Catalina Grove.

This is closely followed by 'better value for money elsewhere' and 'too far from the beach'.

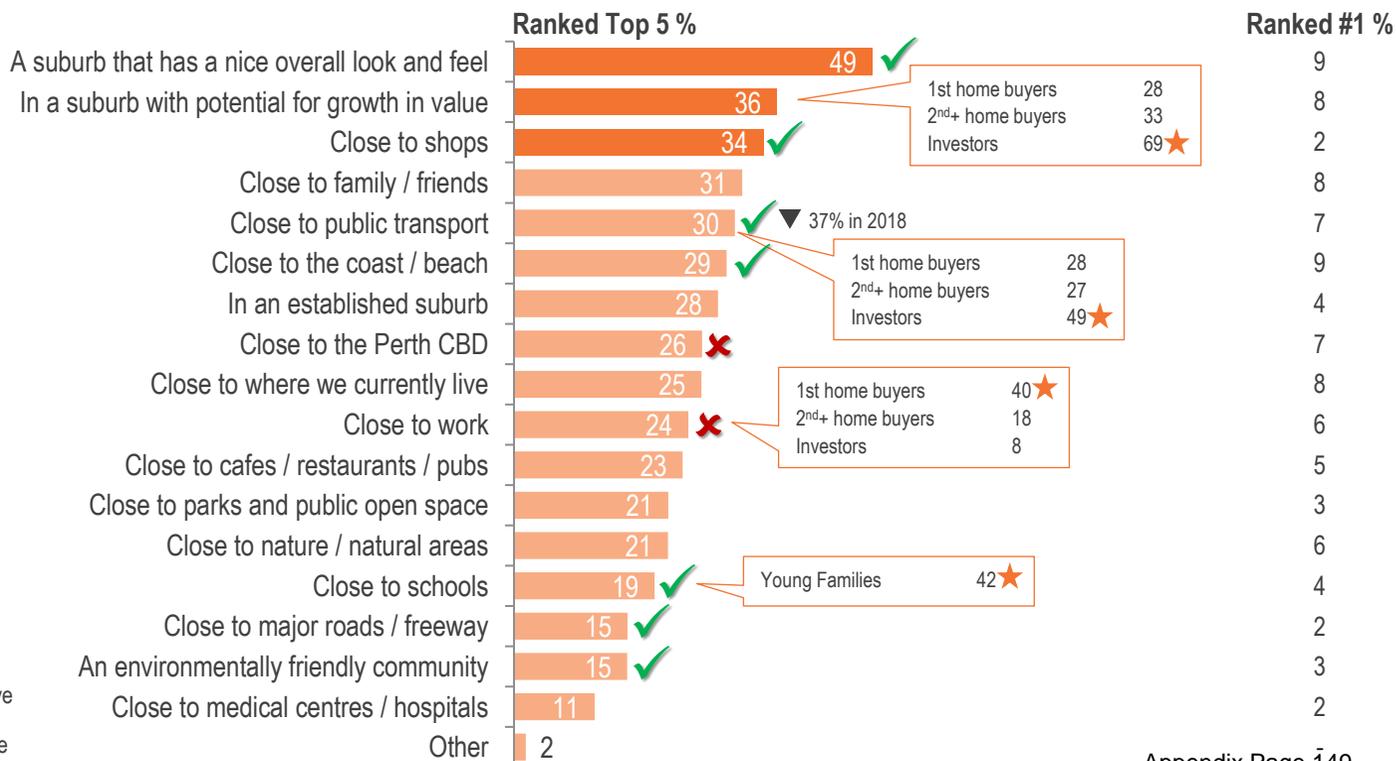


How do Catalina Grove's strengths and barriers align with what's important to buyers?



# A nice overall look and feel and being close to the shops are important strengths for Catalina.

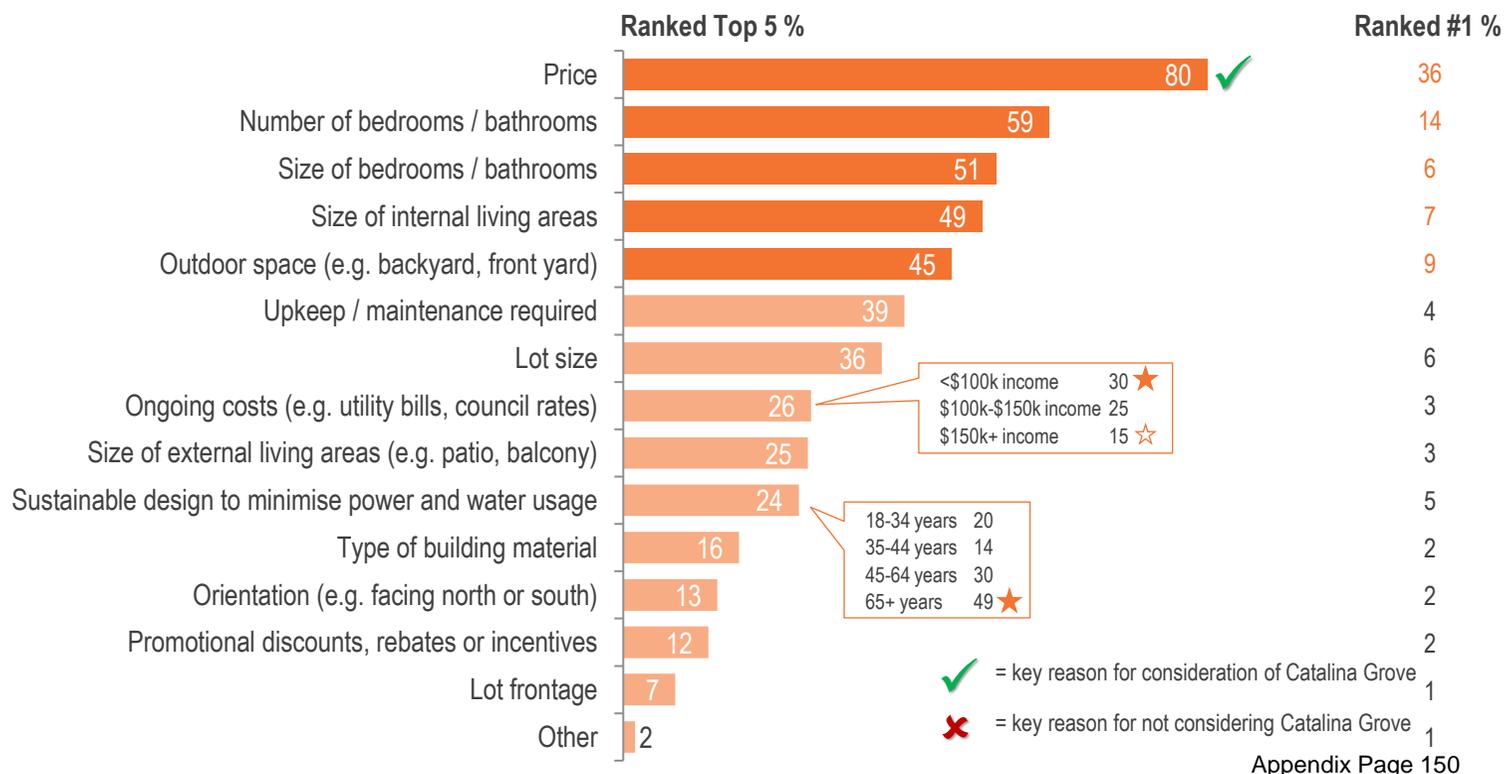
A suburb that has a nice overall look and feel remains the top factor in influencing where buyers choose to buy (46% in 2018) and this has become a strength for Catalina this year. Being close to the shops was also among the top three factors that influence where people chose to buy in 2018. Being close to public transport also remains a strength for Catalina, however it has declined in importance since 2018.



✓ = key reason for consideration of Catalina Grove  
 ✗ = key reason for not considering Catalina Grove

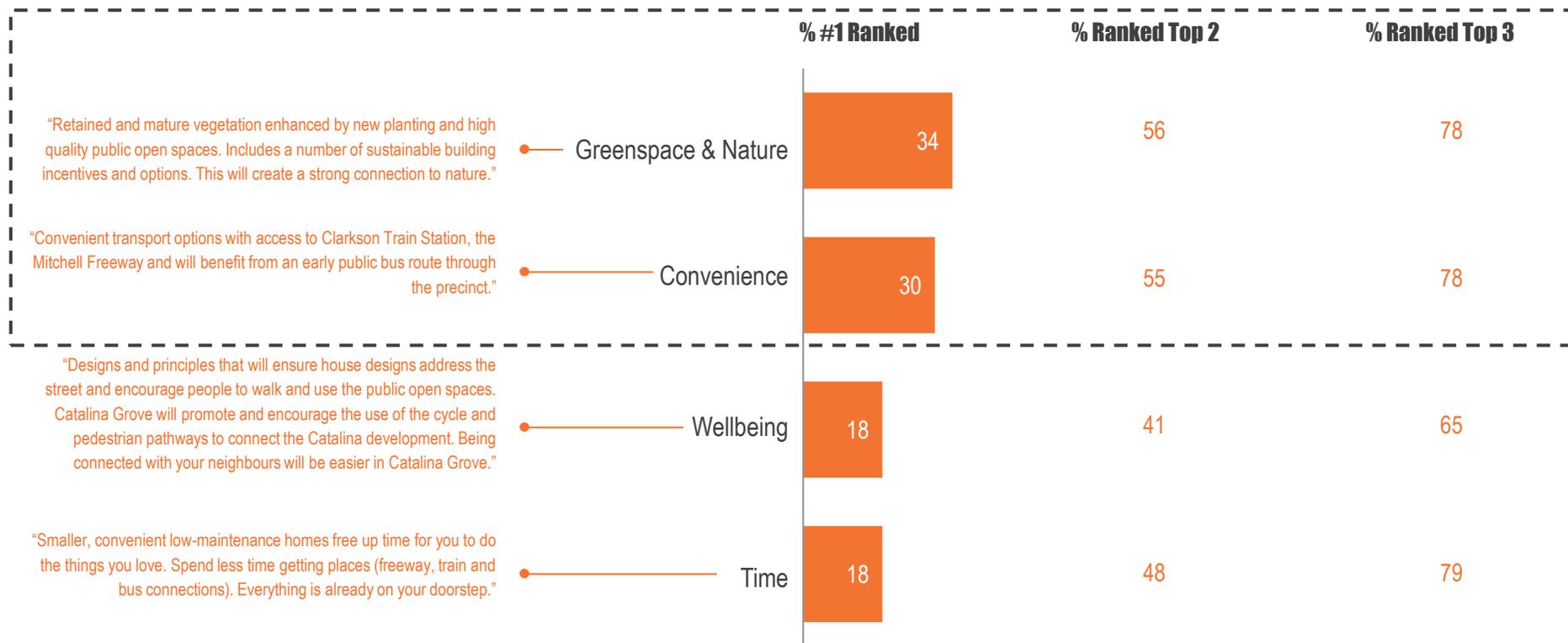
# The affordable prices of Catalina Grove should be emphasised in promotions.

This is a major strength of Catalina Grove, and price is the most important factor influencing what type of property people buy. The diverse mix of property types on offer should also be a focus, given the size and number of bedrooms and bathrooms is also very important.



# Convenience and nature are the most favoured points of difference.

Around a third rank each of these as their #1 attribute. Both are also placed in the top 2 of more than half of potential buyers.



# Optimally Reaching Potential Buyers

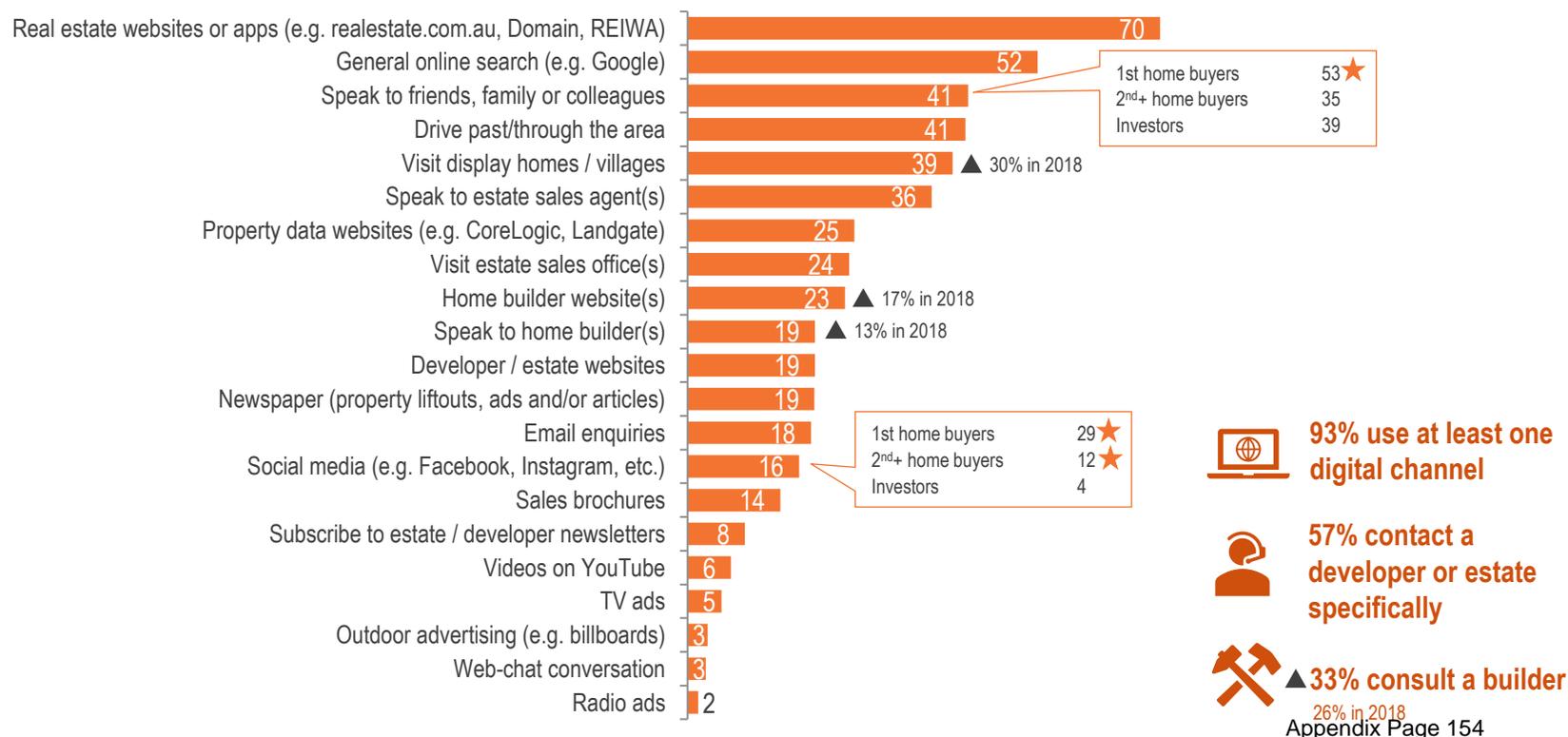


Where do buyers go to  
find out info about  
property?



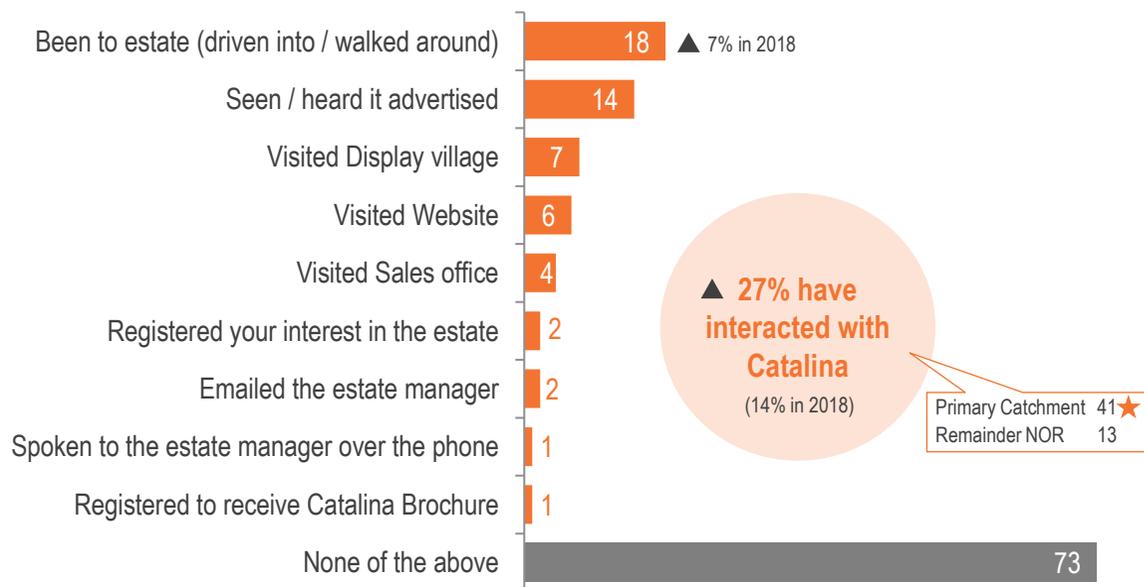
# Home builders have elevated as an information source since 2018.

Significantly more buyers in the market are now visiting display homes & villages, visiting home builder websites and speaking to home builders compared to two years ago. This is a likely reflection of the home building grants that have increased the market's consideration of building new. Real estate websites and general online search continue to be the top 2 sources used and digital channels are used by nearly all (93%).

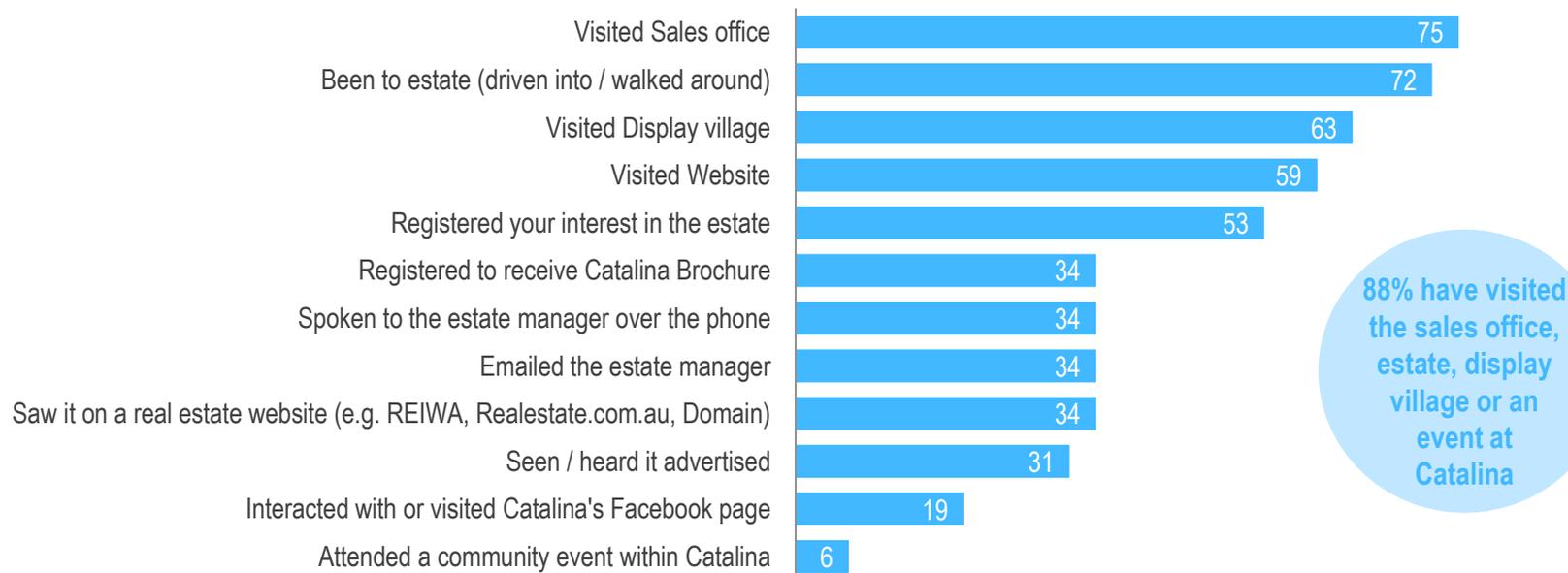


# Over 1 in 4 potential purchasers in the market have interacted with Catalina.

Interactions with Catalina are significantly higher than in 2018 and almost 1 in 5 have visited the estate – more than twice that of those who were in the market in 2018. Those in the primary catchment are particularly likely to have interacted with Catalina (41%).

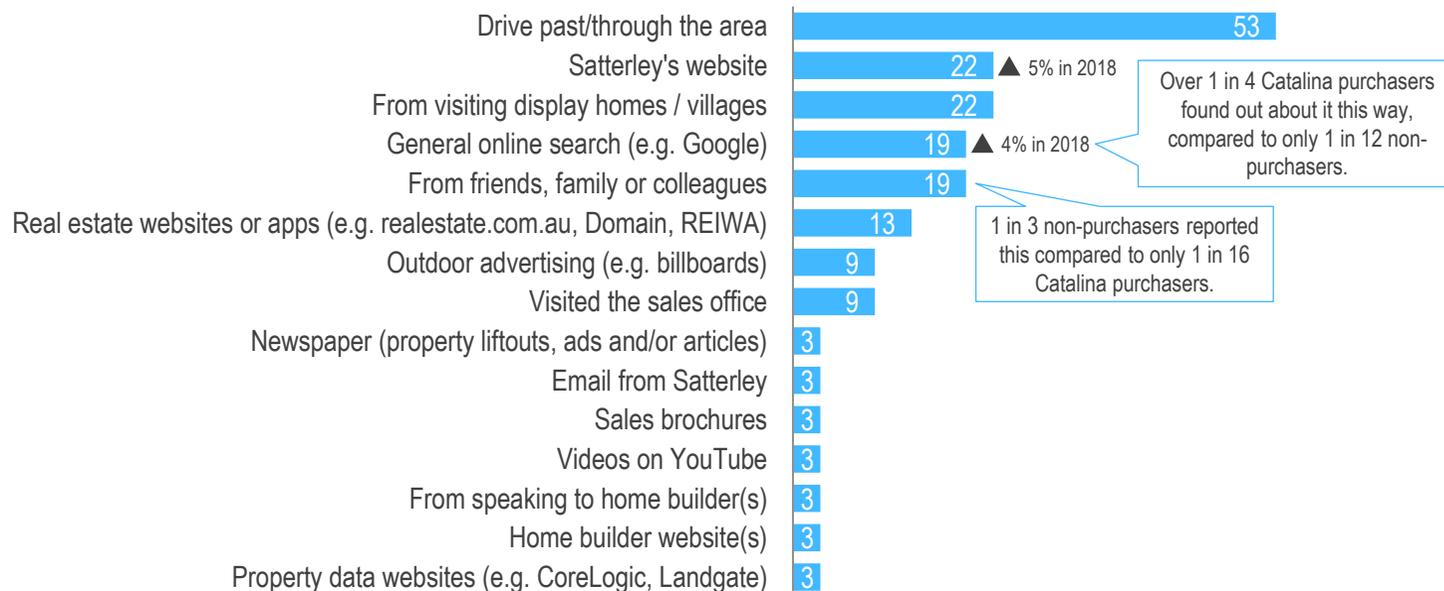


As we'd expect, most EOIs have engaged directly with Catalina by visiting the estate.



# Driving past/through the area remains the top source of initial info for EOIs.

This highlights the importance of well-placed signage to attract interest. For those that end up purchasing in Catalina, a general online search is a primary initial information source – suggesting our SEO strategy is working well.

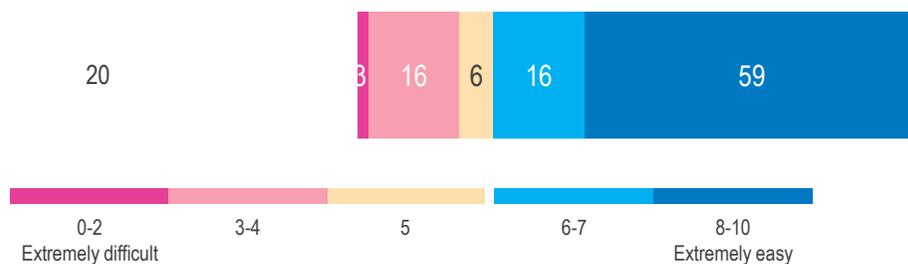


# EOIs still find it quite easy to find the information they need on Catalina.

No significant changes since 2018.

NET Difficult 0-4%

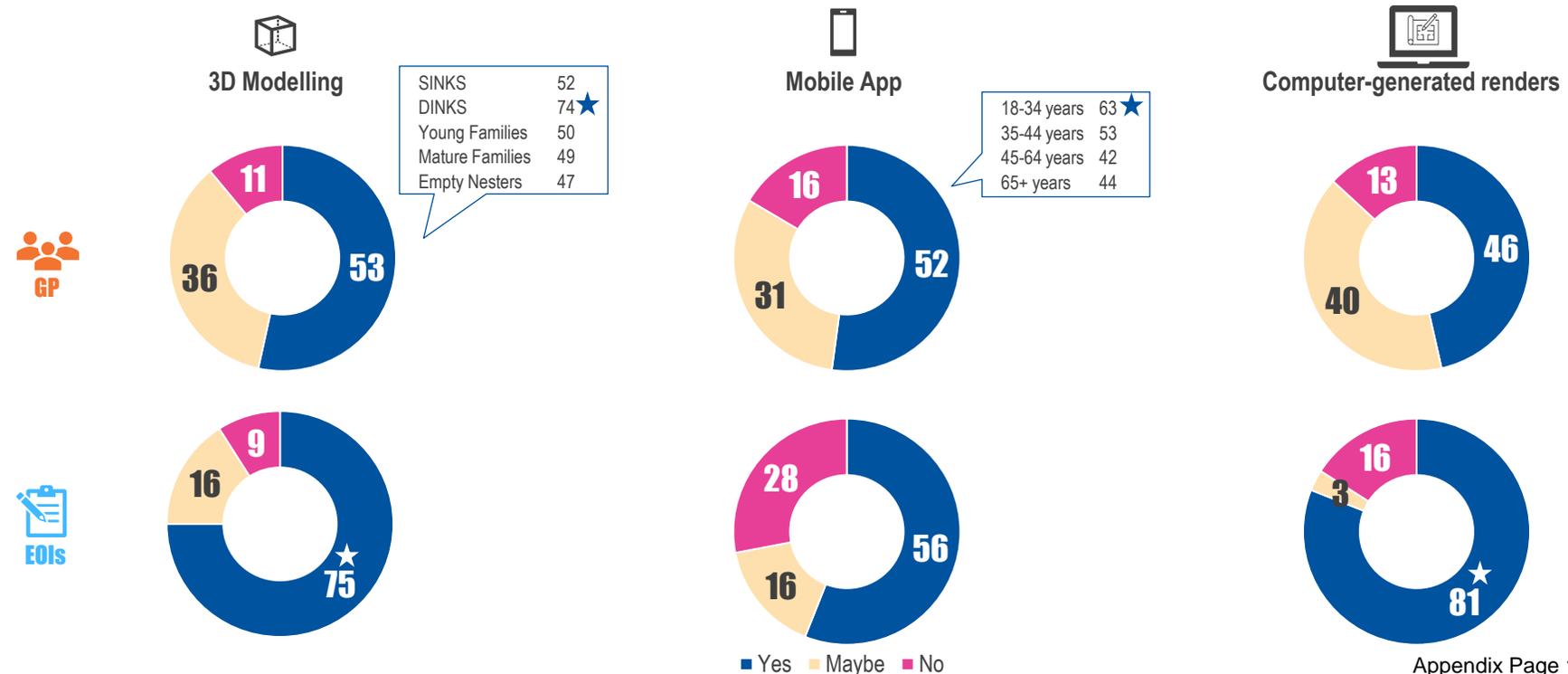
NET Easy 6-10%



75

# There is strong interest in potential new ways to find information about purchasing property.

At least half the market would consider using all three technologies.  
3D modelling and computer-generated renders are more popular among EOs.



# Key Insights & Recommendations



# The market has grown.

The overall size of the NOR property market has increased significantly from 51% to 63% since 2018. This has likely been strongly influenced by generous home building grants, with more considering building a home and land package, turnkey home and/or vacant land to build on - particularly those looking to buy in the next two years.

There are also more upgraders in the market which may be a reflection of buyers' higher purchasing power.



The Catalina brand is gaining in strength.

Awareness and consideration of Catalina has improved significantly since 2018. Much of the awareness gains have come from buyers currently living outside of the immediate catchment area, although those living within it remain almost three times more aware.

Catalina is now ranked 3<sup>rd</sup> for consideration among competitor estates, but still has ground to make up on the market leaders Alkimos Beach and Jindalee. Eden Beach is also a key threat based on EOIs' consideration sets, ranked 2<sup>nd</sup> behind Catalina.

It remains a hotly competitive market, but Catalina seems to be growing in standing as it becomes more developed and as marketing efforts cut through.

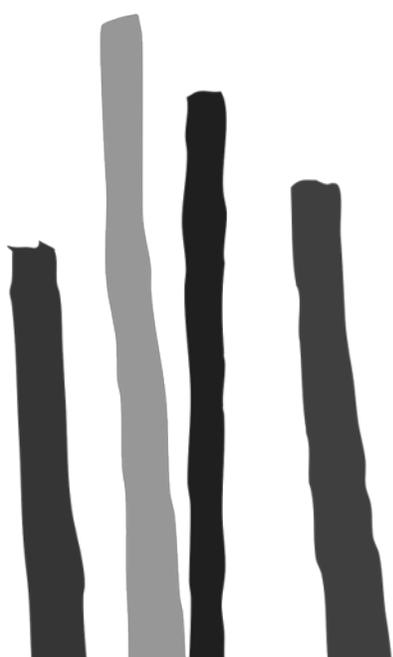


There is far-reaching market interest in Catalina Grove.

Almost 2 in 5 (37%) in those in market would consider purchasing in Catalina Grove. This is unchanged from 2018 for the rest of the estate, but now equates to almost 1 in 4 (23%) of all NOR residents when taking the expanded market size into account.

Reflecting its diverse product mix, Grove is appealing quite evenly to a broad cross-section of buyers. This includes its intended target audiences (young SINKS/DINKs, Empty Nesters and Downsizers), but also Young Families, 34-44 year-olds and Upgraders. Unlike the rest of the estate two years ago, it's also now appealing relatively equally to those living inside *and* outside the immediate catchment area, with those living further south and east of the freeway particularly showing interest.

First home buyers remain Catalina's most interested buyer segment with almost 1 in 2 open to buying. Over 2 in 5 Investors would also consider buying in Grove so they are now an important secondary market.



‘Traditional’ home types remain most in demand, but there is definitely a market for smaller options.

Three quarters of buyers interested in Catalina Grove would strongly consider the 250-300sqm and 325-520sqm home packages, and the 325-520sqm home package is by far the most appealing to EOIs still in the market. Of these EOIs, 2 in 5 are looking to buy within the next year, so releasing these traditional home types first could help capture these ‘low-hanging fruit’ and gain sales momentum.

However, there is also adequate market interest in smaller, built form home packages on smaller lots – at least half of those considering Catalina would strongly consider purchasing double-storey packages in the 80-380sqm ranges. Apartments show the lowest interest, but they still appeal to 2 in 5 of the market and particularly to some of Catalina Grove’s most interested segments, including first home buyers and investors.

Combined with the increased appetite for turnkey homes, it’s likely that these smaller home products would sell well – although their base pricing may need to be reviewed, with each desired more by those with budgets under the current planned entry price points. That aside, building these while larger land lots are developed and sold will be an ideal way to release product to market sooner and capitalise on the sizeable immediate market for property.

What do we need to do to  
maximise sales?



We need to continue to elevate awareness of Catalina, particularly among younger first home buyers.

While gains have been made since 2018, it's important we continue to improve the market's awareness of Catalina and Catalina Grove so that we can increase consideration and therefore sales.

In particular we need to target young SINK/DINK 1<sup>st</sup> home buyers, who are most likely to buy in Grove once aware of it, yet currently least aware of the estate! There's also plenty of opportunity to reach potential buyers living outside the immediate catchment area, who likewise show strong consideration for Grove once they know about it.

Online sources remain crucially important so continuing to invest in our digital marketing is key. First home buyers are significantly more likely to use social media as an information source, so this should in particular be leveraged.

Continuing to leverage home builders, who have increased as an information source, will also be critical.



Catalina Grove's affordability, proximity to the beach and key existing amenities should continue to be prioritised in communications – along with its access to greenery and nature.

Catalina Grove has a lot going for it – its affordability whilst being close to the beach and key existing amenities such as shops and schools tick some of the most important boxes for buyers. The overall look and feel of an area is the most important factor for buyers and perceptions that Catalina offers this have improved since 2018, but continuing to promote this is important.

The potential for growth in value is another critical factor for buyers, but so far Catalina has mixed market perceptions on this front, so this should be kept front of mind in promotions.

On that front, 'Greenspace/Nature' is the leading 'point of difference' important to potential buyers, so Grove's focus on creating a natural environment through tree retention and canopy cover should also be emphasised. Access to public transport has lowered in importance for buyers since 2018, so although 'Convenience' also ranked highly, this might be better placed as a supplementary selling point.



# Appendix



# Additional Total Market Findings



Single storey houses remain most popular and are considered by more than two thirds of those in market.

Double storey houses follow and are now considered by a larger proportion than they were in 2018. Apartments are the least considered and their consideration has fallen significantly from almost 1 in 3 to under 1 in 5.



Single storey house



Double storey house



Unit or villa

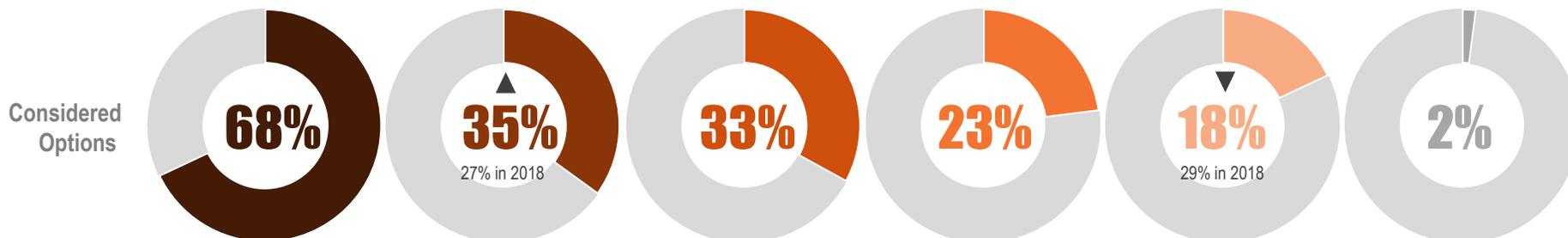


Townhouse



Apartment

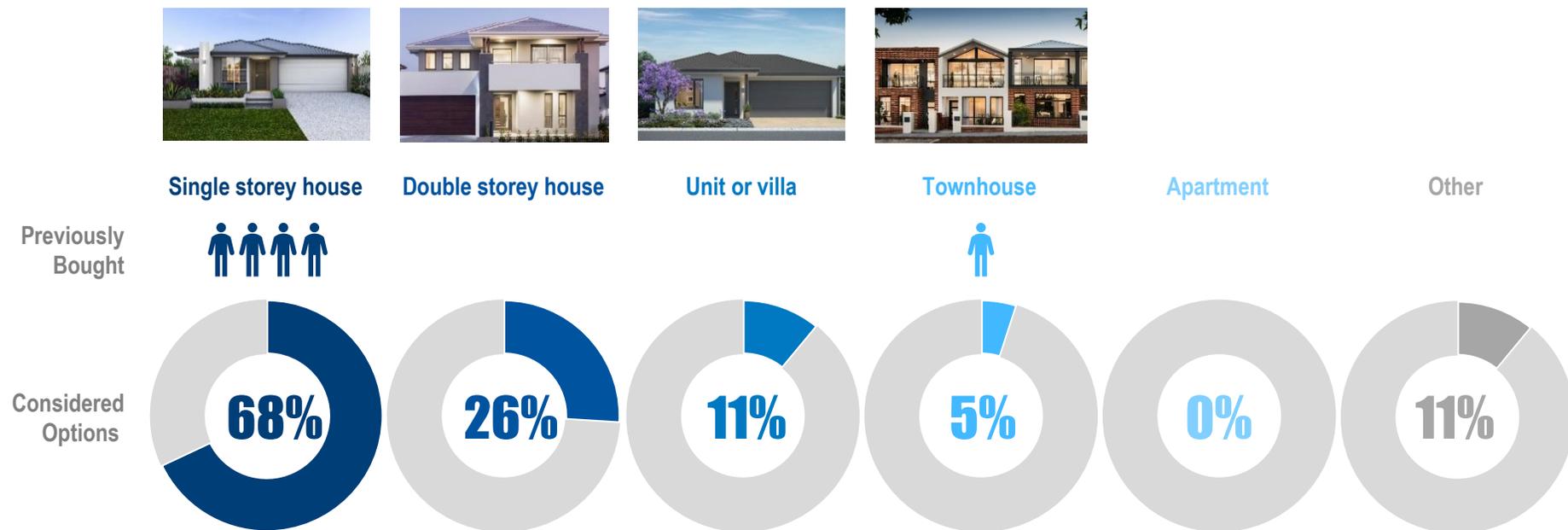
Other



# EOIs in market show similar preferences, with 2 in 3 favouring single storey houses.

Single storey houses are also the most common previous purchase among non-Catalina purchasers that have already purchased a property.

Apartments were again the least popular, with no EOIs considering one.

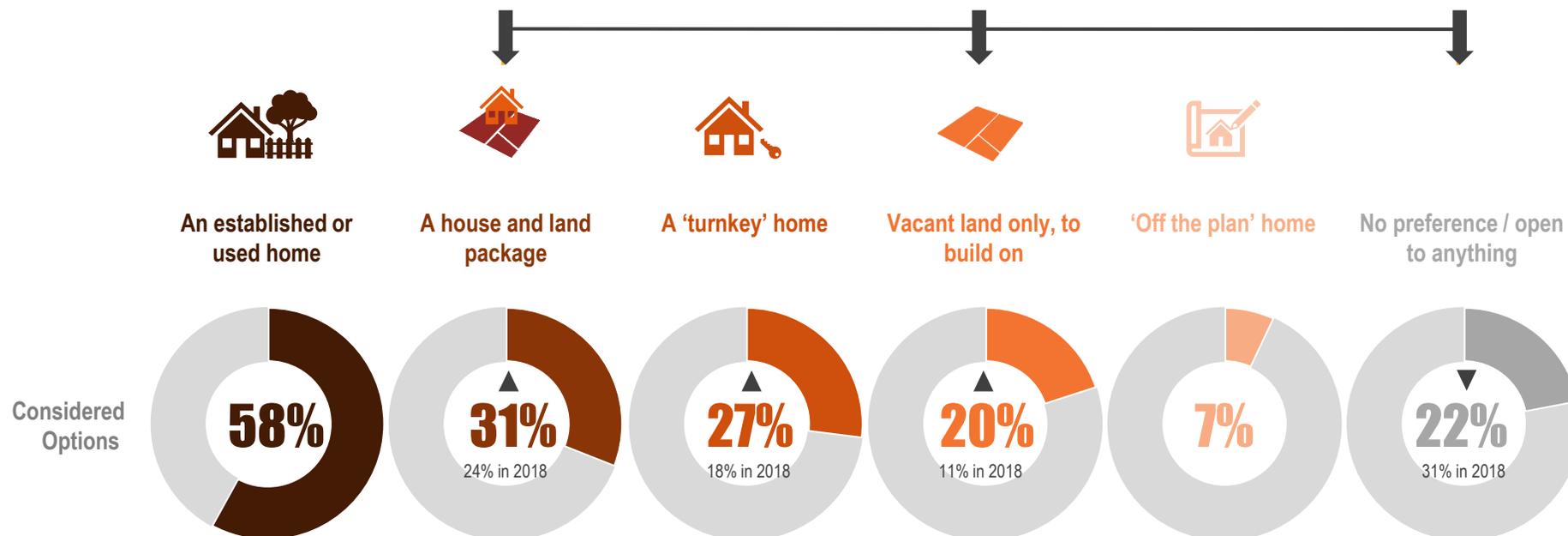


An established home remains the most considered option for those in market.

Consistent with 2018, almost 3 in 5 are considering this option. However, compared to 2018, a greater proportion is considering a house and land package, 'turnkey' home or vacant land only. The total proportion open to building has remained consistent at around 3 in 5.

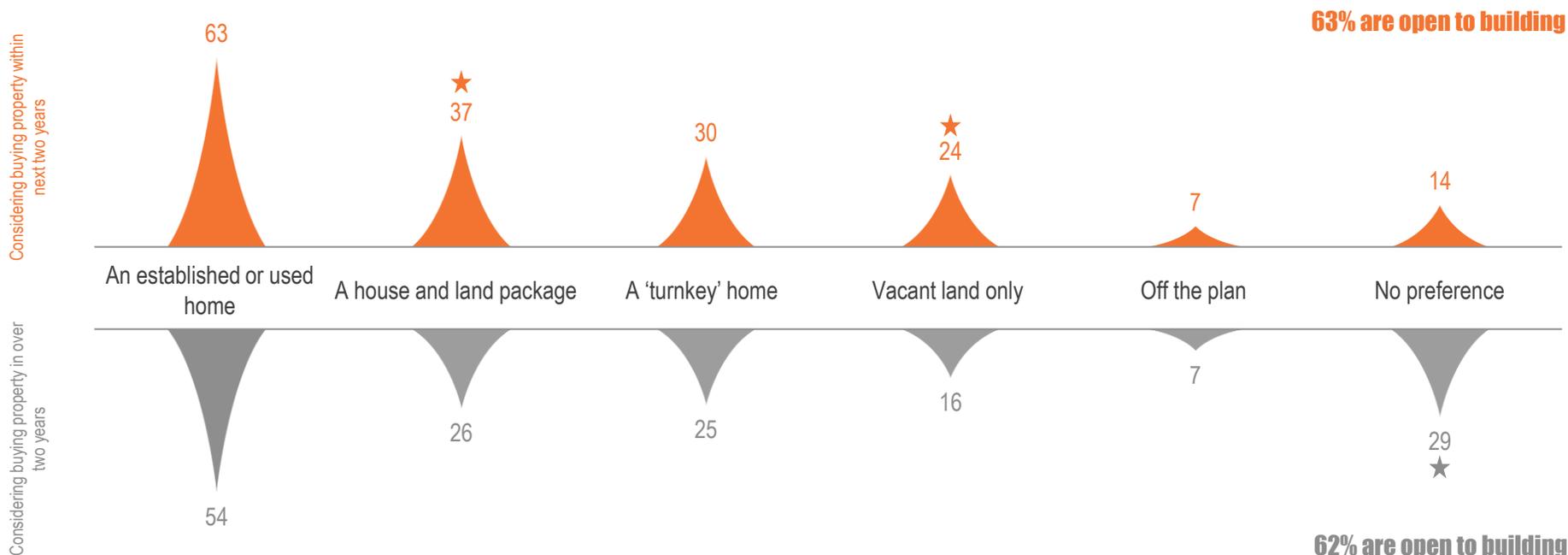
Government homebuilding grants have clearly had an impact on consideration of building new homes.

62% are open to building



Those in the market to buy in the next two years feel more likely to buy a package or vacant land only.

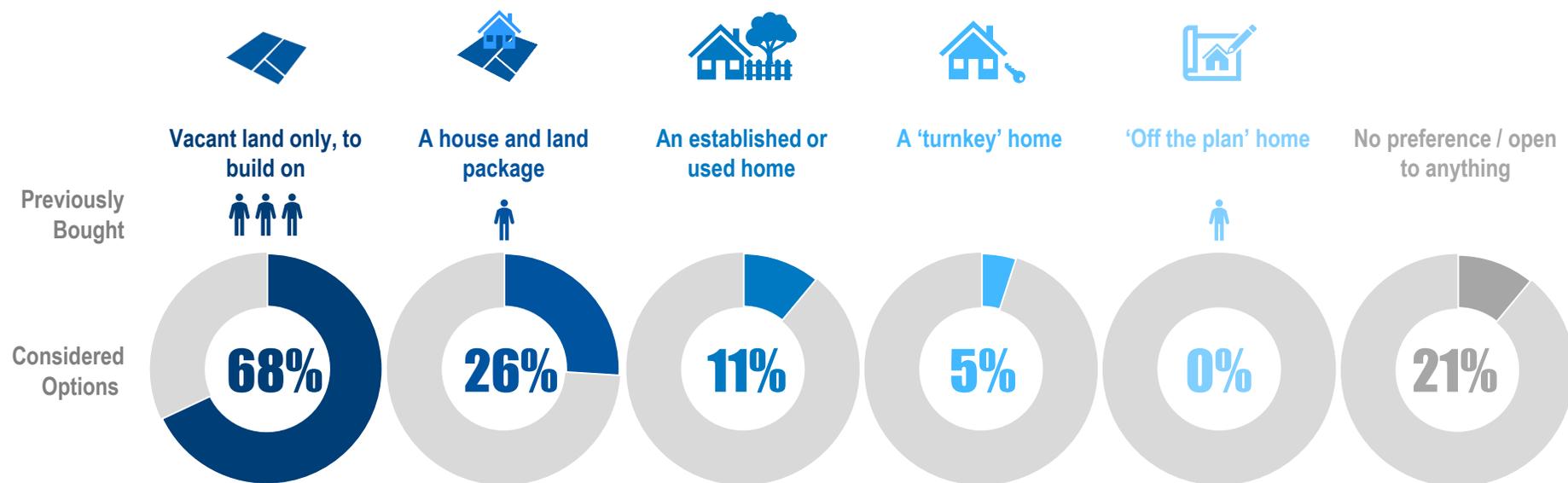
However, those in the market to buy in more than two years are just as open to building due to their greater likelihood of not having any preference.



**62% are open to building**

For EOIs still in market, vacant land is their most considered option.

Over 2 in 3 are considering it. This has also been the most popular choice for recent non-Catalina purchasers.



Appendix Page 174

Q27. Below are some different ways of purchasing property. Which of these are you open to considering? Base: EOIs still in Market (n=19) Caution: Small sample size

Q21. And was the home you bought a...? Base: Non-Catalina EOIs who purchased a property in the past 5 years (n=5). Caution: Small sample size

How much are potential buyers willing to pay?



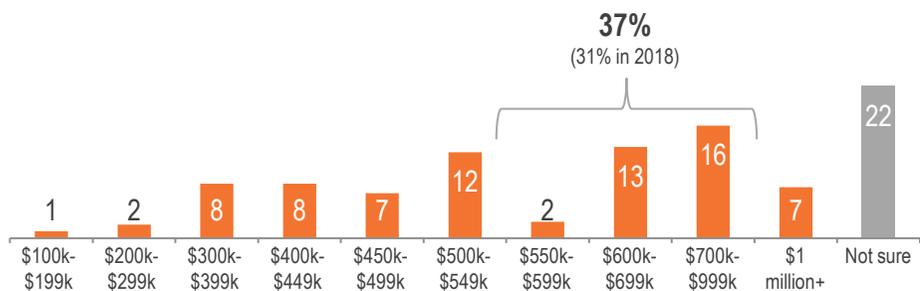
# Median budgets in the market are unchanged since 2018.

The median total budget for buyers is \$550k, including a \$250k median spend on land – the same as 2018.

However, there has been a slight (non-significant) increase in the proportion of those with higher budgets, including 37% now with a budget of \$550k or higher, versus 31% in 2018.

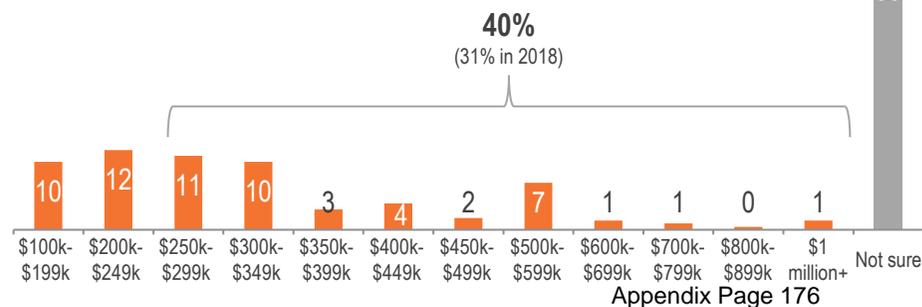
## Total Spend

**Median \$550k**  
(\$550k in 2018)



## Land Only Spend

**Median \$250k**  
(\$250k in 2018)



Q7. How much are you realistically expecting to spend in total on your new home? Base: General Population In Market (n=379)

Q8. And if you purchased vacant land, how much would you realistically look to spend on the land only? Base: General Population open to purchasing Vacant Land (n=238)

Almost 2 in 5 EOIs still in market have a budget of \$600k or higher.

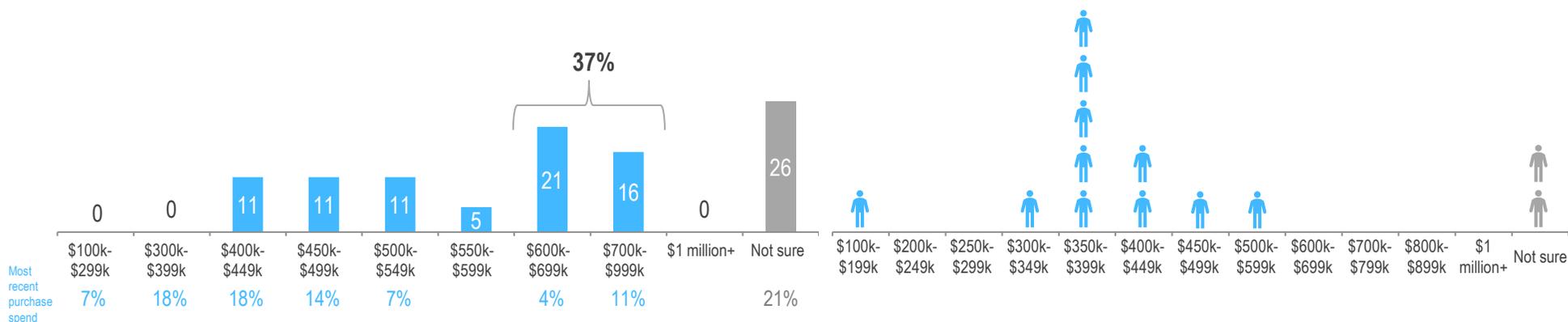
Overall median spends of those that have registered interest in Catalina are much higher than the wider market, including a median total spend of \$650k.

### Total Spend

Median \$650k

### Land Only Spend

Median \$380k



Q28. How much are you realistically expecting to spend in total on your new home? Base: Those EOIs In Market that haven't recently purchased property. (n=19) Caution: Small sample size

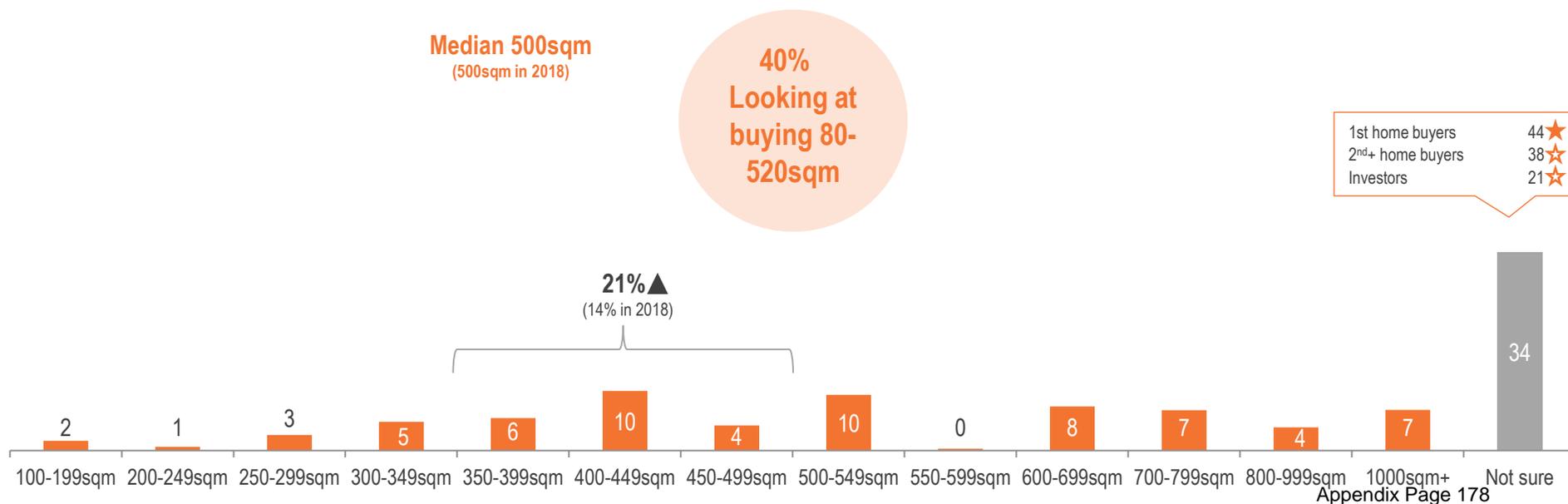
Q29. And if you purchased vacant land, how much would you realistically look to spend on the land only? Base: All EOIs open to purchasing Vacant Land (n=13) Caution: Small sample size

Q23. How much did you spend in total on your most recent property purchase? Base: All EOIs that purchased a property within the past 5 years (n=28). Caution: Small sample size

# Catalina Grove's lot mix is meeting the needs of 2 in 5 buyers.

40% of the market are looking to buy a block between 80-520sqm. Overall, the median block size desired is 500sqm, the same as 2018.

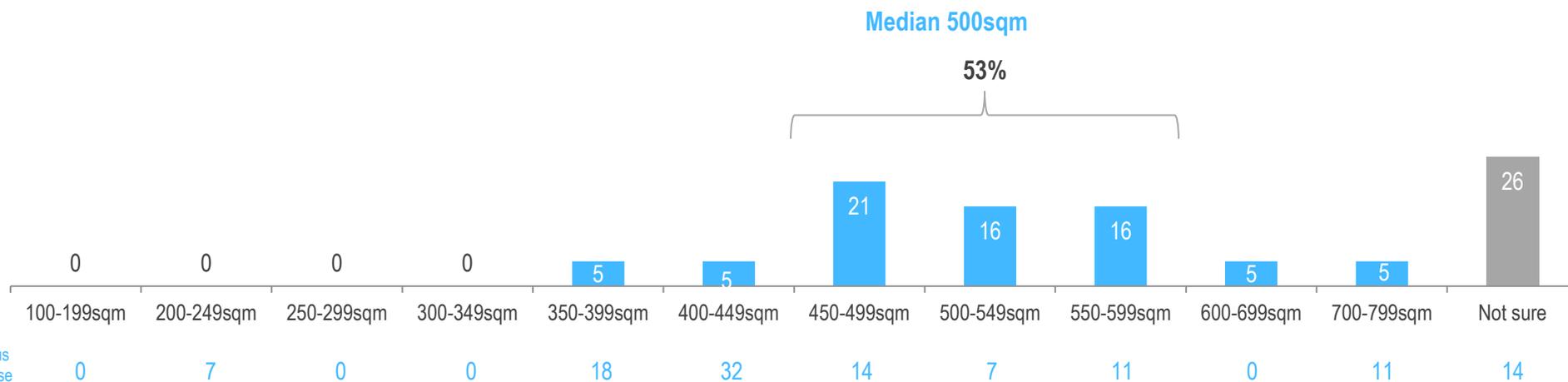
As we've seen before, over a third still aren't sure what block size they're after, with 1<sup>st</sup> home buyers the most likely to be uncertain.



Appendix Page 178

# All EOIs still in market are seeking a block of 350sqm or larger.

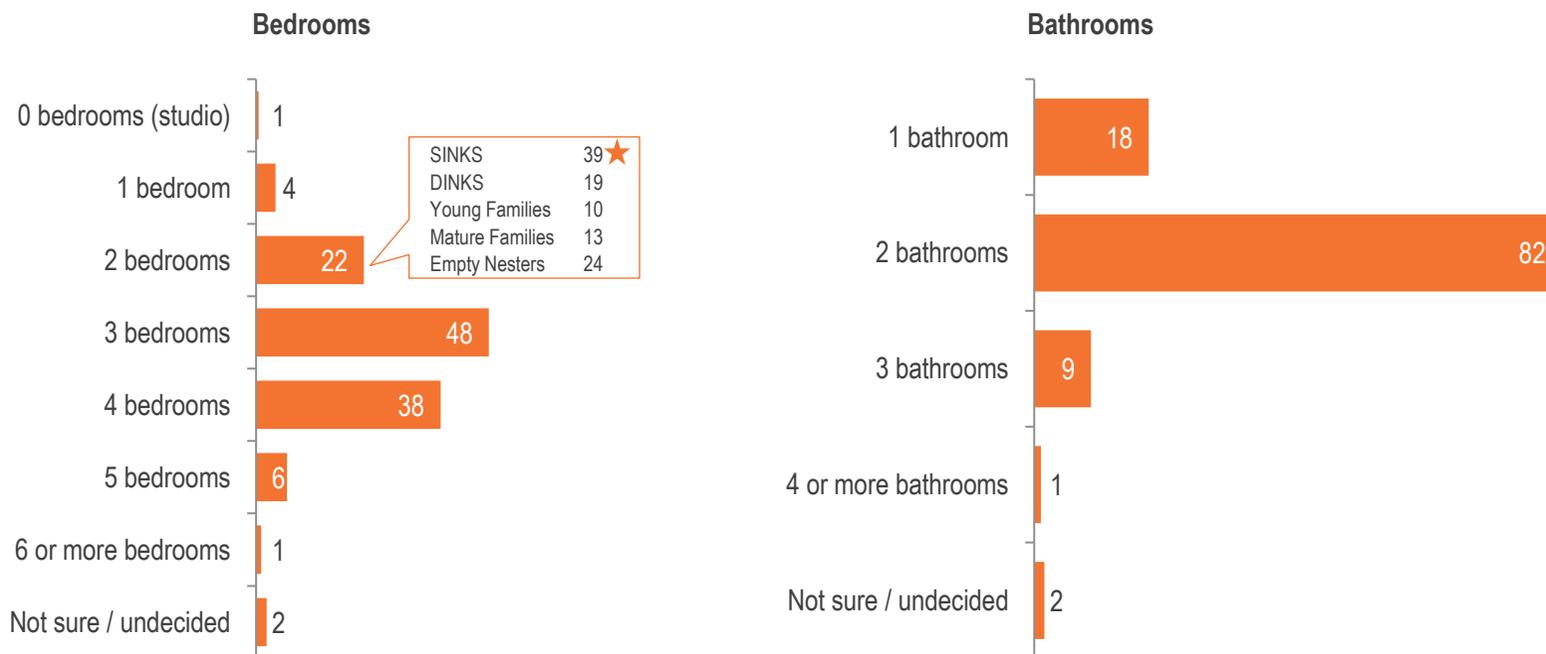
This includes 1 in 2 looking for a block between 450sqm and 599sqm. However, 1 in 4 are still unsure.



Almost 1 in 2 of those in market are seeking a home with three bedrooms.

Four-bedroom households are also quite popular – sought by 2 in 5. Single income households without kids are more likely to want a two-bedroom home than other family types.

More than 4 in 5 of those in market want two bathrooms.



# A 3x2 or 4x2 home remains most preferred by the market.

Around 4 in 5 (79%) are considering a home with one of these combinations.  
 Around 1 in 3 (33%) are considering something smaller (2x2, 2x1, 1x2 or 1x1).



3x2 and 4x2 homes also dominate preferences for EOIs still in market.

94% are seeking this option.



# Hunt Smarter.



# Catalina Grove Brand Identity

Satterley | February 2021

the **brand** agency

Catalina Grove is the third precinct in the Catalina estate and has a different product offering and personality compared to the Beach and Central precincts that are currently selling. Catalina Grove will feature predominantly smaller lot sizes, town homes, and apartment housing.

### **The Challenges:**

- Remove the stigma around the smaller lot sizes (<350sqm).
- Differentiate the Catalina Grove brand from the other two Catalina precincts, to effectively communicate to the Grove target audience.
- Ensure the sub-brand retains a complementary relationship with Catalina Beach and Central brands.

Develop a brand identity for the Catalina Grove precinct that defines a *strong sense of place*; and is

*Brave* in nature;

*Compelling* to the target market;

*Distinctive* in its offering; and

*True* to the intent of the project.

It should provide focus and clarity to inform the marketing strategy and tactics, including recommendations for optimisations to visual identity for the sub-brand.

# Market Context

## Younger Home Owners Push Outwards

Perth has recently experienced its biggest land boom ever thanks to the government grants. After years of downturn in the property market, more blocks of land were sold in Perth than ever before, with 3,322 lots going in just four weeks. This has resulted in an injection of young, first-home buyers into far-reaching land estates along the coastal corridor, who are trading off proximity to the CBD in favour of the long-term security promised from getting their foot in the real estate door.

Ben Gregory, 23, had been looking to build a home long before he was able to sink \$55,000 of government stimulus cash into his first home.

"Typically, younger people want to be close to the city. But I think (due to the grants) we're going to find in a lot of these areas where younger people wouldn't typically build in, you're now going to be getting younger homeowners mixed in."

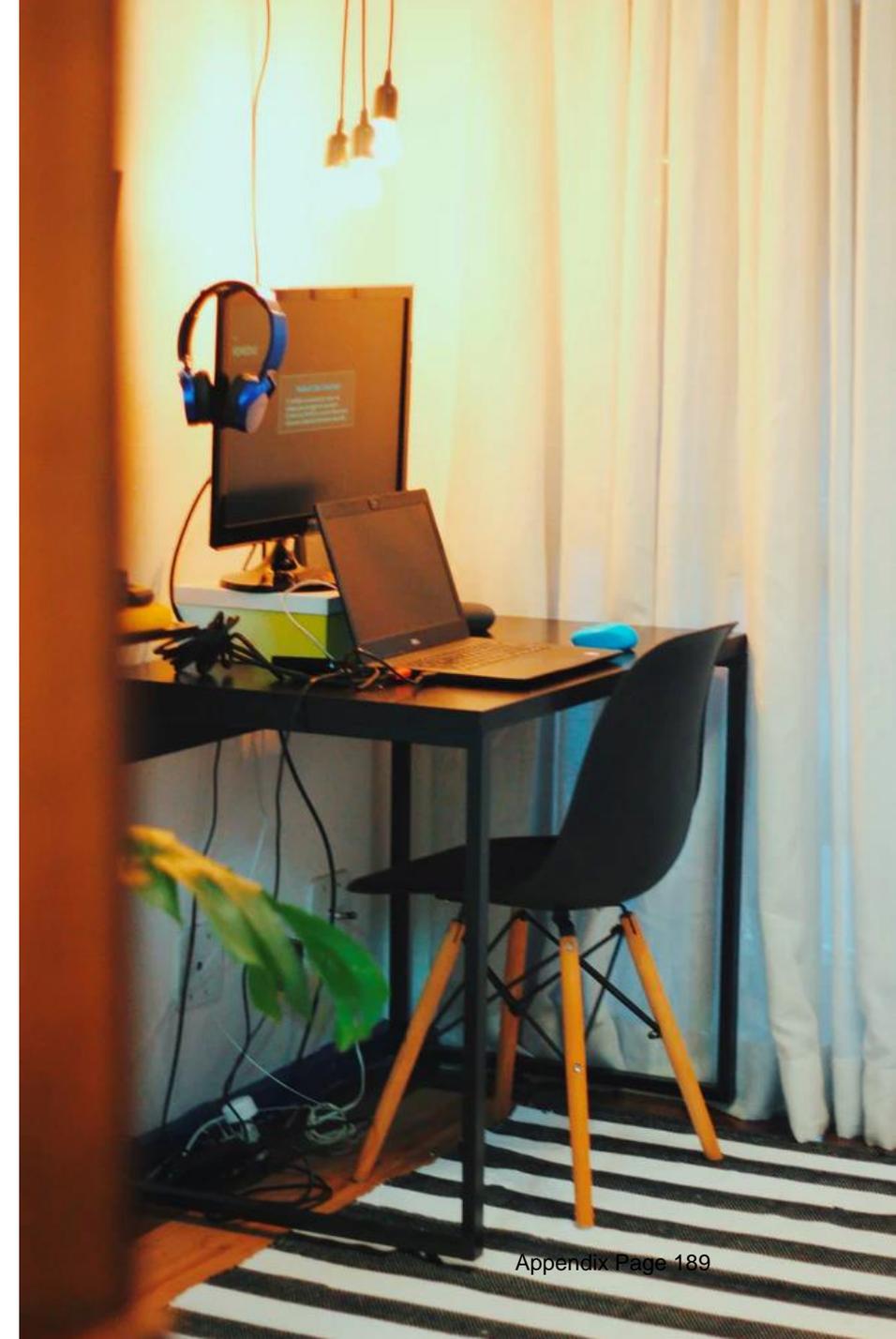


## Work/Life Balance Forever Altered

Curtin University urban planning lecturer Dr Courtney Babb said he believed a shift towards working from home favoured suburban living.

"Over a long period of time, it might change the dynamics about where people decide to buy a house," he said. "They might trade off a longer commute for a more affordable home if they can work from home for a couple of days a week."

With more time spent at home, people want to love where they live. Access to amenities, nature, friends and transport will be key drivers of decision making – over and above commute times.



## Downsizers Shedding the Stress of Homemaking

A recent study has revealed that majority of downsizers over 55 are motivated to downsize for lifestyle, rather than financial reasons. To them downsizing represented less maintenance, with smaller gardens just as important as fewer bedrooms.

One respondent said “I don’t have the weight hanging around my neck of, 'Oh, I can’t go for a weekend away because the garden’s a mess. If I want to go away for the weekend, or a month overseas, I can.”



## A Barely Felt Pandemic Deepens Lifestyle Love

As the world grapples with the impacts of COVID-19, Western Australian's have been fortunate to have had very few encumbrances on their lifestyles – with mask wearing, social distancing, cocooning and isolation pushed to the backs of minds for many.

While global trend watchers predict that residents of virus affected cities will spend more on the trappings for their homes rather than services and experiences involving public spaces and crowds, this is hardly the case for Perth residents, who are able to lap up the coastal urban lifestyle they've become accustomed to.

The Perth-felt pandemic has only deepened our appreciation for place, reminding us how much we love our lives both inside and outside of our homes.



## The New North CBD

Major infrastructure projects are developing Stirling into a hub of activity, with over \$250 million worth of infrastructure projects underway or planned for the Stirling area.

With the Mitchell Freeway northbound widening works between Cedric and Hutton now complete, travel times are reduced and those who live in Perth's northern corridor can look forward to benefiting from continued development of world-class facilities, transport solutions and migration of businesses.

Premier Mark McGowan said, "Our northern suburbs continue to grow so it's important we deliver the infrastructure we need for tomorrow."

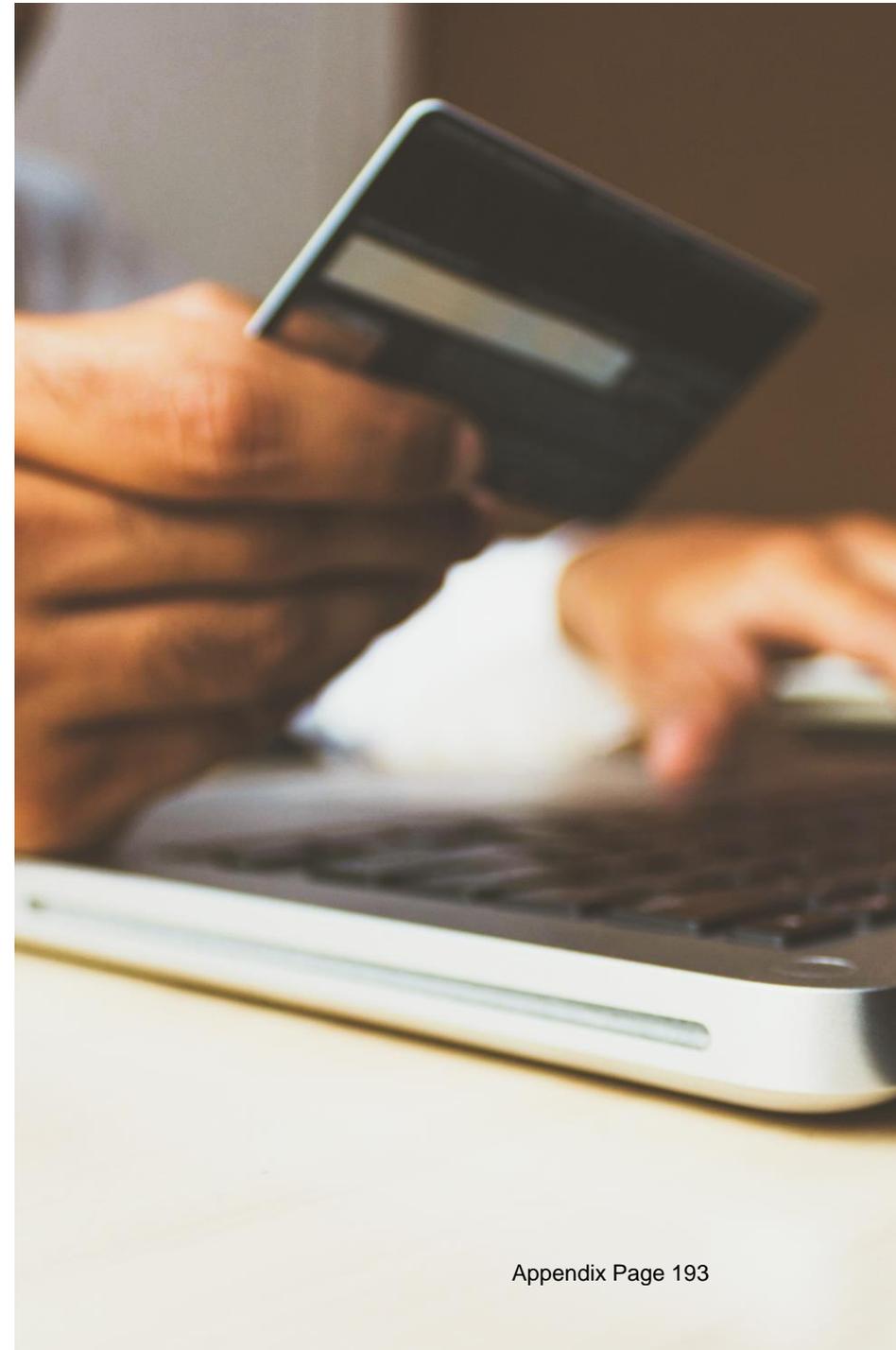
Catalina may be 30 minutes from Perth CBD, but it's only 20 from the cosmopolitan Stirling metropolis.



## Less Debt, More Freedom

As of August 2020, Australians had wiped \$4.2 billion dollars off the national credit card debt accruing interest and closed almost 400,000 credit card accounts since the COVID pandemic hit.

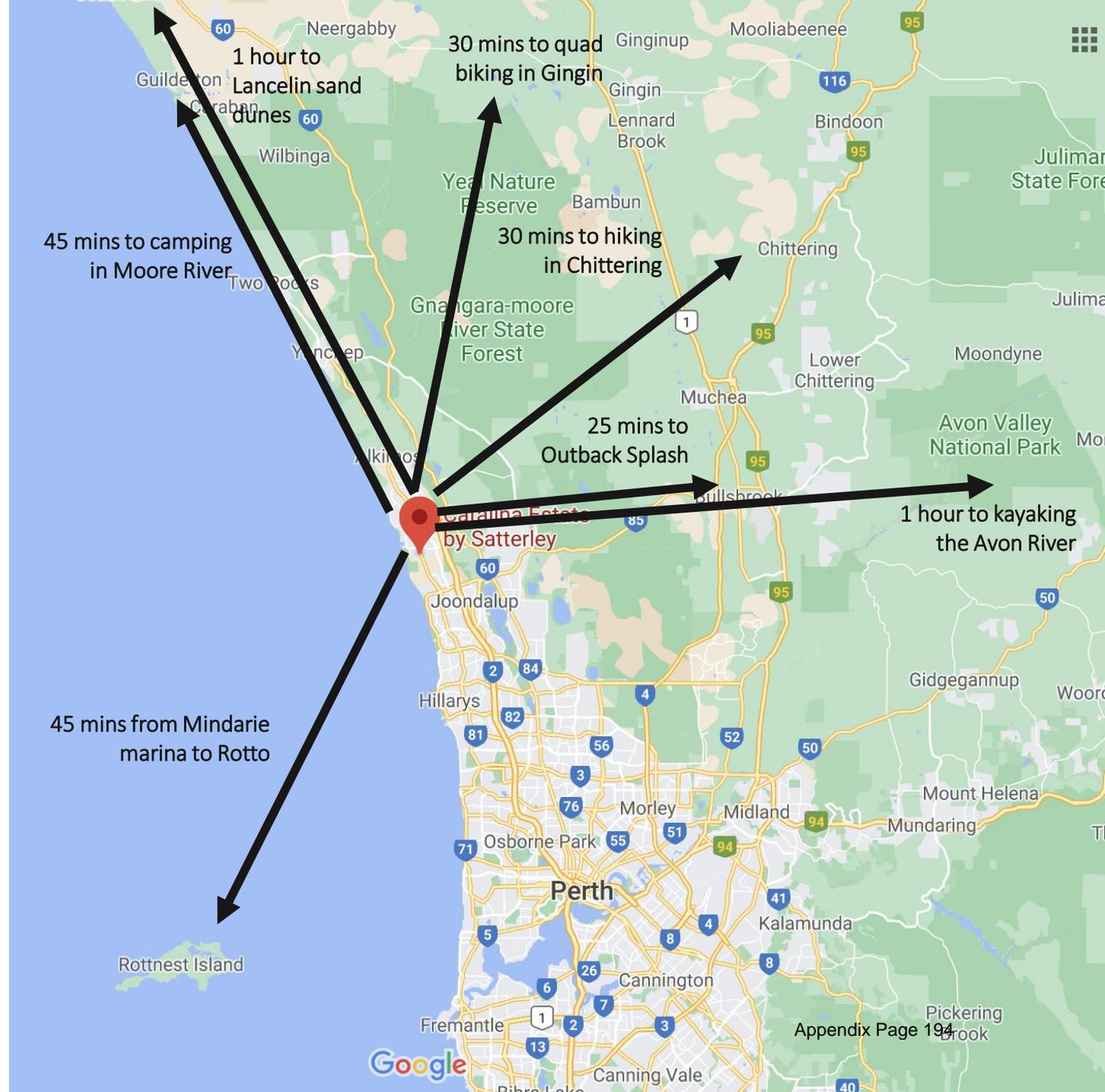
People are choosing to ditch debt to free themselves up for a more agile lifestyle; ongoing debt and global uncertainty are just too stressful.



## On the Doorstep of Adventure

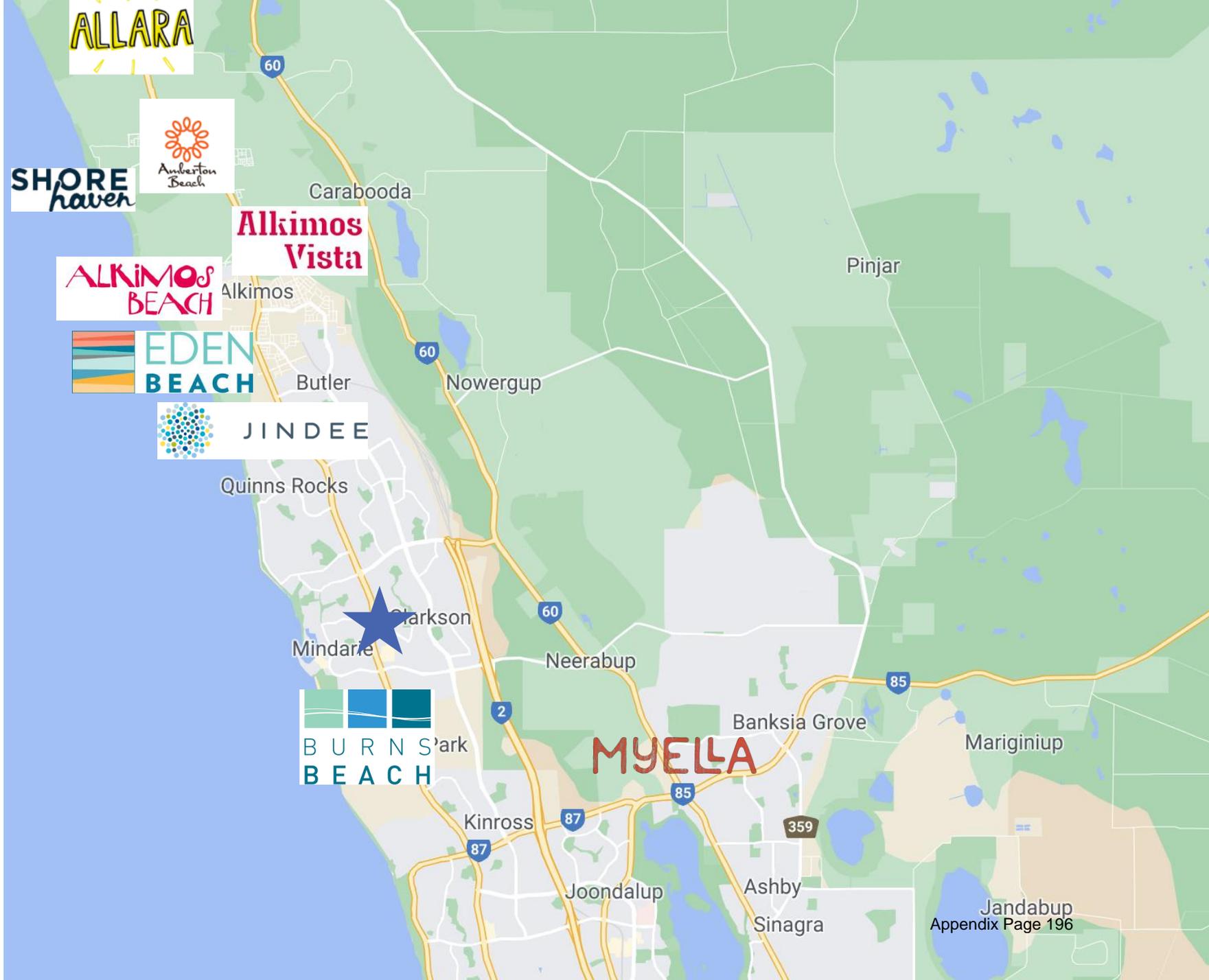
Why do we obsess about proximity to Perth?

What about proximity to all of the epicness of our City?



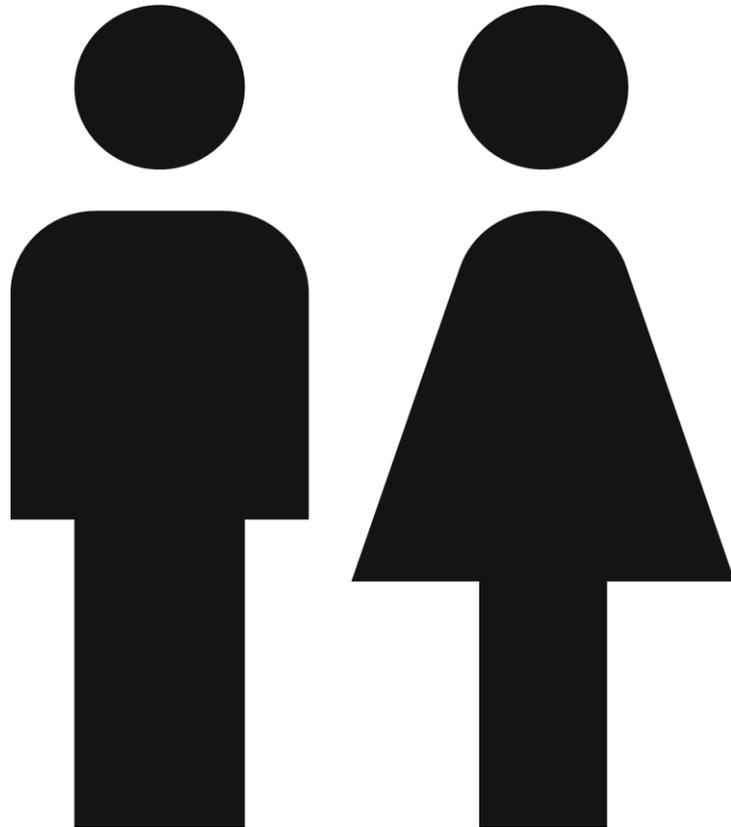
# Competition

COMPETITIVE  
CONSIDERATIONS



# Positioning

# AUDIENCE PROFILING



## The lifestyles and people of Mindarie

The lifestyle of a suburb is often influenced by who lives there.

Top 3

Details

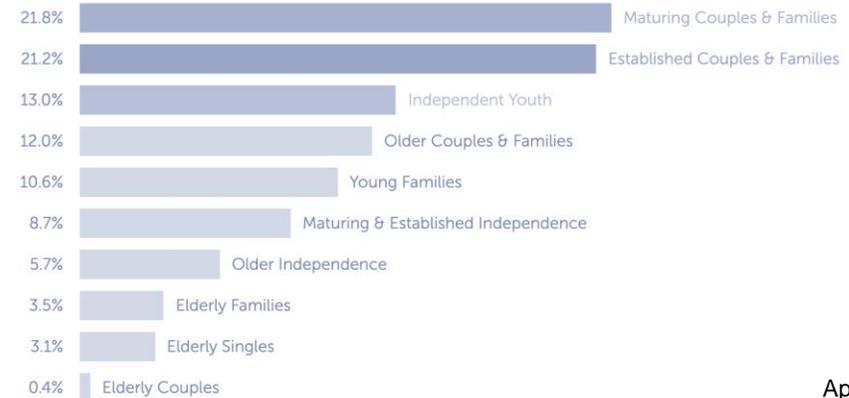


## The lifestyles and people of Clarkson

The lifestyle of a suburb is often influenced by who lives there.

Top 3

Details

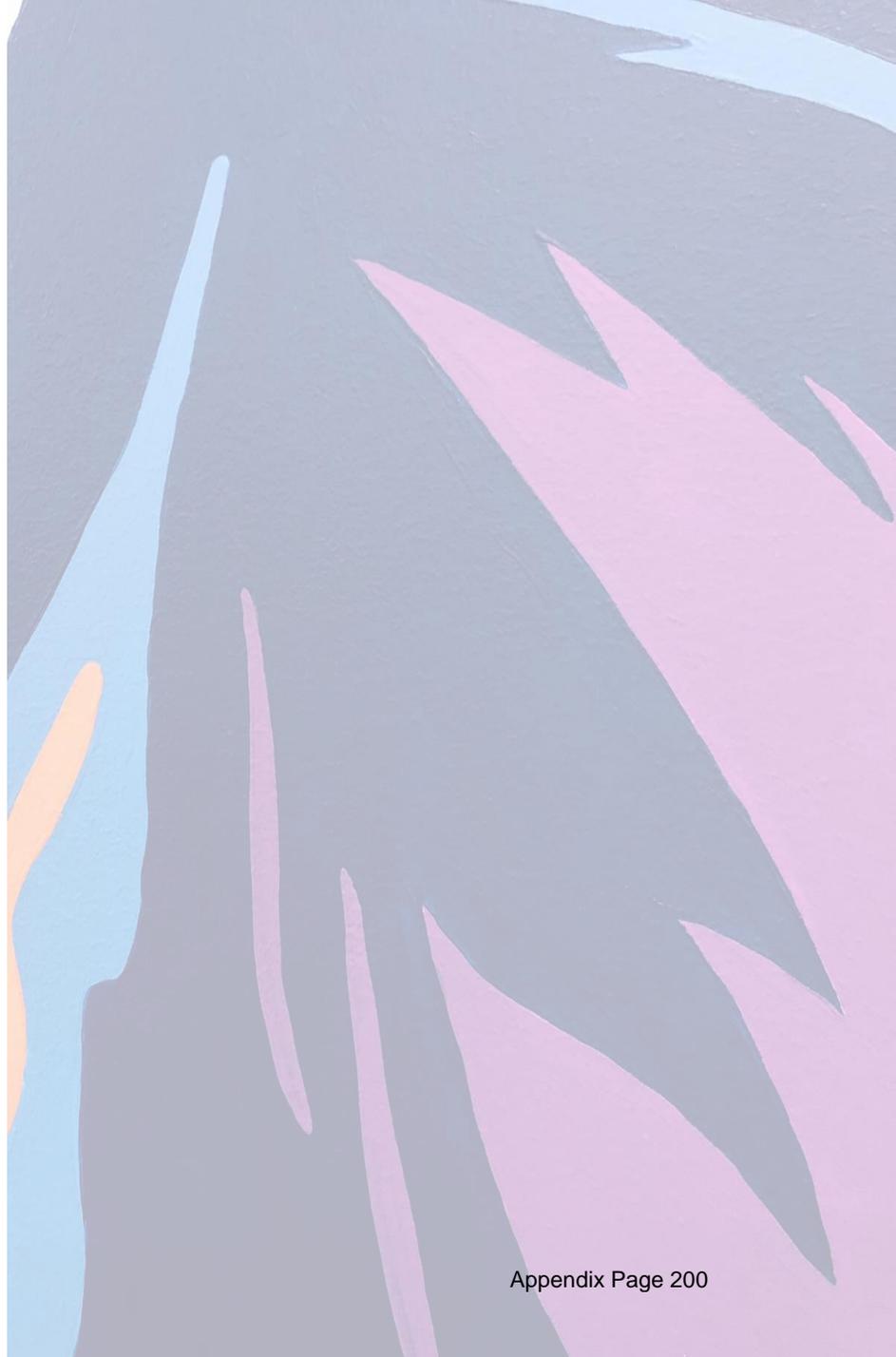
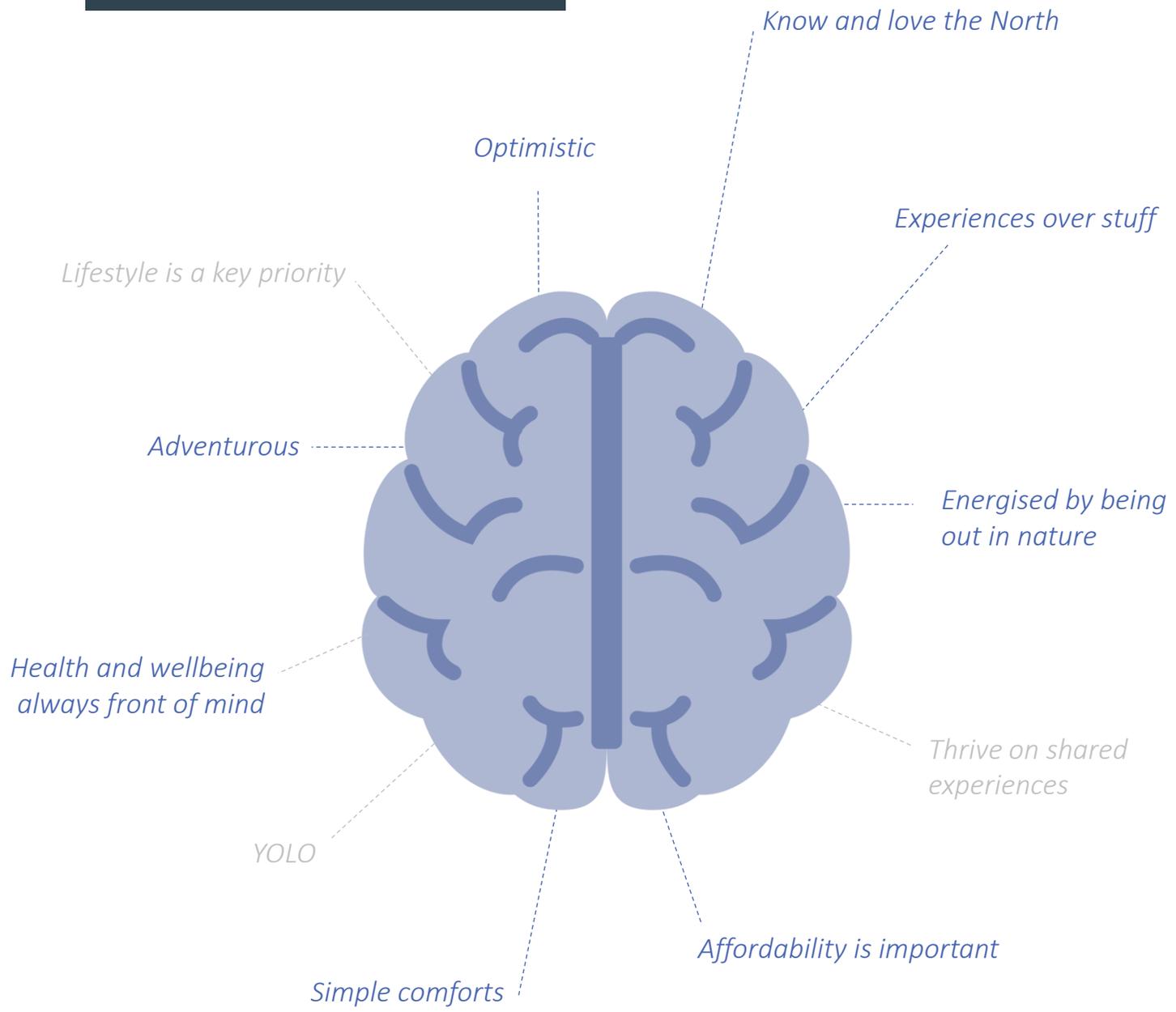


Demand is being driven by all types of buyers; from first home buyers looking to purchase a home to fit their lifestyle, to people looking to upgrade their family home in the same area, to people looking to downsize their place to enjoy the next phase of their life.

It's not demographics or a life stage that characterises our target audience, **it's a mindset that connects them.**

We've identified the key lifestyle elements and beliefs that define the ideal Catalina Grove buyer.

# UNITING MINDSET



## DEFINING OUR AUDIENCE

LIFESTYLE MIGRATION  
AWAY FROM CITY

ON THE DOORSTEP  
OF ADVENTURE

REJECTION OF  
HOUSING HASSLE  
(GARDENS, MAINTENANCE)

YOUTH PUSH  
OUTWARDS

CDB COMMUTE  
TIMES DEPRIORITISED

WORK TO LIVE, NOT  
LIVE TO WORK

STIRLING TO BECOME  
A NEW NORTHERN  
CBD

LESS DEBT, MORE  
FREEDOM

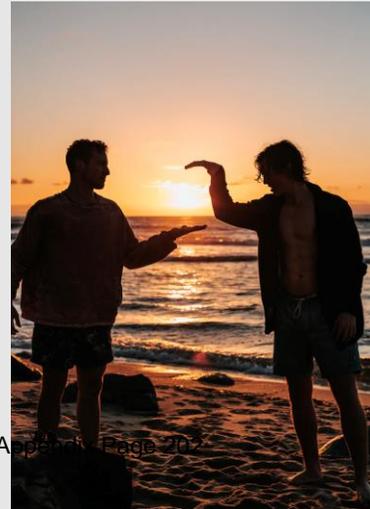
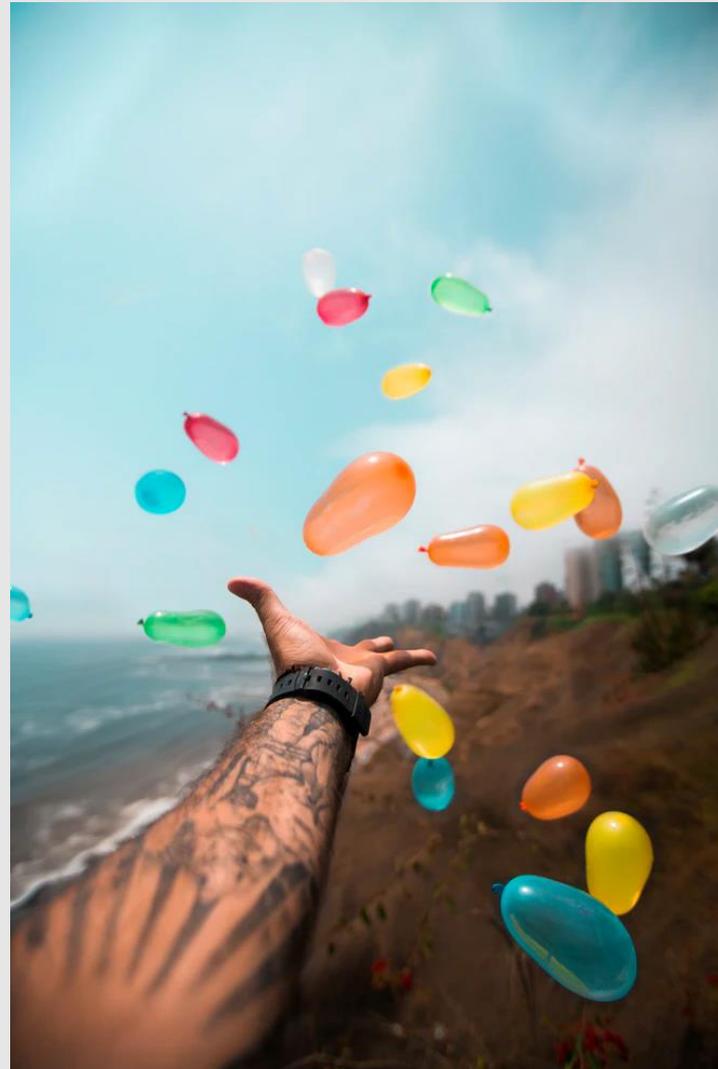
Our trends and news scanning reveals a profile for our audience:

# LIFE ENTHUSIASTS

*An insatiable zest for life, Life Enthusiasts relish in the simple pleasures – the visceral, tactile, immersive experiences that give us goosebumps, dimples and belly laughs. Home is a place for decompressing, reflecting and planning their next adventure.*

AUDIENCE

# LIFE ENTHUSIASTS



# WHAT WE OFFER

LIFE CHANGING

Enrichment

Freedom

Gratitude

EMOTIONAL

**Liberation**

Shake the stuff and find joy in the small and simple pleasure of life

**Cool factor**

A cool urban hub away from the CBD

**Comfort**

A home base to find quiet, find self and to feel safe

**Inspired space**

Freedom of expression, a space to be oneself and dream freely

FUNCTIONAL

**The right amount of home**

Smaller homes = less hassle = more time to enjoy life

**A sweet, salty life**

A stone's throw from the beach and Mindarie Marina, dappled in the hues of an Indian Ocean sunset

**Everything you need to live**

Close to parks, shops, schools, the freeway and train – and only 20 mins to some of Perth's best dining and shopping

**Gateway to the weekend**

On the doorstep of the best of Perth's North – camping, fishing, surfing, hiking

# WHAT WE OFFER

LIFE CHANGING

**Enrichment**

**Freedom**

**Gratitude**

EMOTIONAL

**Liberation**

Shake the stuff and find joy in the small and simple pleasure of life

**Cool factor**

A cool urban hub away from the CBD

**Comfort**

A home base to find quiet, find self and to feel safe

**Inspired space**

Freedom of expression, a space to be oneself and dream freely

FUNCTIONAL

**The right amount of home**

Smaller homes = less hassle = more time to enjoy life

**A sweet, salty life**

A stone's throw from the beach and Mindarie Marina, dappled in the hues of an Indian Ocean sunset

**Everything you need to live**

Close to parks, shops, schools, the freeway and train – and only 20 mins to some of Perth's best dining and shopping

**Gateway to the weekend**

On the doorstep of the best of Perth's North – camping, fishing, surfing, hiking

*Simple pleasure. Shed the stuff, focus on what matters – exactly what our audience is focused on*

Sandy feet, salty hair, deep breaths. When did you last feel alive?

**Catalina Grove\*** is home base for life enthusiasts.

Enough space to live fully and everything you need to inspire your next adventure.

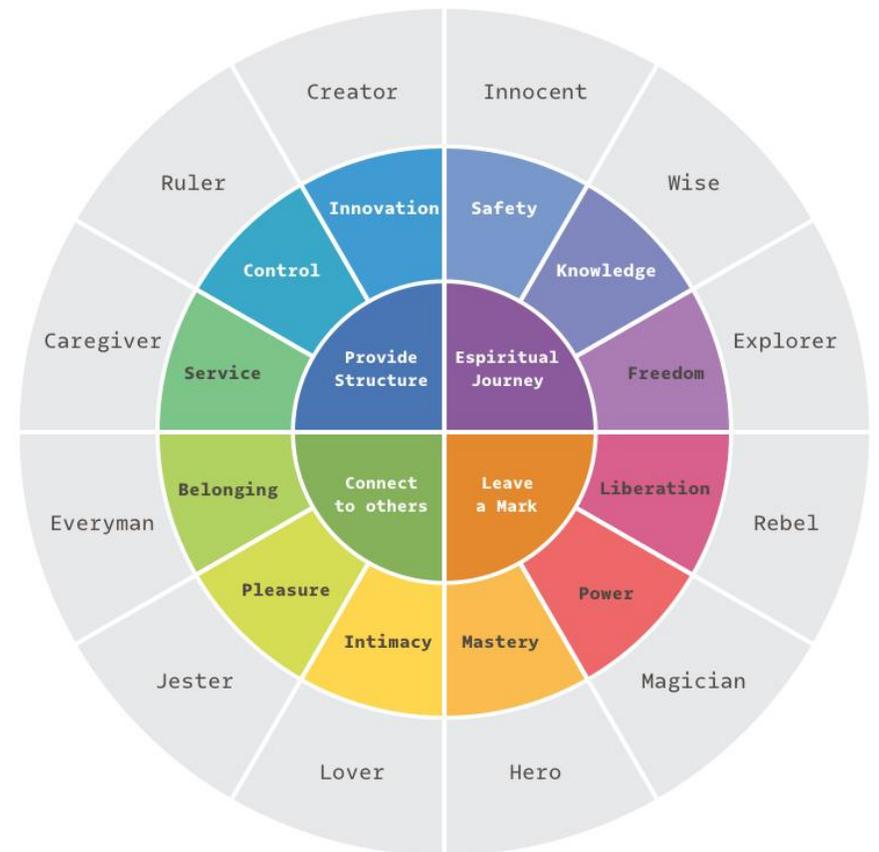
*A positive framing of smaller lot sizes – space that enriches, not depletes*

Rather than a literal interpretation of the brand, the archetype provides inspiration and guidance

Archetypes are a valuable tool that anchor brand personality and tone against something iconic and familiar, adding depth, context and colour.

Archetypes represent universal patterns of human behaviour that manifest in a set of 'typical characters'.

They help shape a brand's personality, determine the role the brand plays in the market, and helps guide decisions.



### THE MATCHMAKER

The Matchmaker is open minded and humble, generally staying behind the scenes and maintaining a high degree of discretion.

Successful matchmaking is seen as a type of human alchemy facilitated by attention, energy and intention.

A service archetype resolving the human struggle of separatism.

Colloquial  
Energetic  
Diplomatic

[Satterley]

### THE GENERALIST

Enchanted by the diversity of great stimuli available from nature, culture, science and the arts, The Generalist possesses an underlying belief that life is a treasure trove of experiences. "So little time, so many [fill in the blank]."

The Generalist fuels the discovery of true passion from the smorgasbord that is life. The underlying belief is that the simplest and most true benefits of experience come from making an attempt and not achieving perfection. Breadth does not equate to superficiality but to an expansive understanding of how the world works.

This archetype possesses a hunger for life.

Curious  
Adventurous  
Joyful

[Catalina Grove\*]

ARCHETYPE

### THE MATCHMAKING GENERALIST

## Archetype

### THE MATCHMAKING GENERALIST

PASSIONATE | ADVENTUROUS | CHEEKY | CURIOUS

Hungry for all life has to offer, the Matchmaking Generalist creates a unique environment to bring like-minded people together. They inspire and prompt, creating a sense of urgency to enjoy the treasure trove of experience on your doorstep; people, nature, the arts, and culture.

## Tone

### What we are:

We see opportunity in everything and everyone; we aim to fuel those connections.

We are fiercely curious; we want you to ask questions and look closer.

We excite easily at the smorgasbord of opportunity on our doorstep.

We crave nature.

We like the feeling outside our comfort zone, that's where the magic happens.

We are low key, larger than life.

### What we aren't:

We're not selfie takers.

We aren't just focussed on amenity. We see and talk about what competitors miss.

We aren't stuffy or set in our ways.

We don't overstate our own importance.

## Single minded proposition

Life enthusiasts live here

'Grove' feels tonally off for this audience.

Consider introducing new language that helps tell the brand story. Some examples could include:

Catalina Eastside (cool factor, street/big city edge)

The Lina (Play off established Catalina brands)

Even if 'Grove' is a mandatory, there are ways to incorporate nicknames and language into the messaging to explore this opportunity further.

### Messaging

We recommend moving away from 'land without compromise' messaging. This 'have it all' messaging is prevalent in the competitive set, and although true, will struggle to differentiate our position in market.

There is opportunity to expand on amenity proof points and talk about the proximity to other great experiences nearby. Most competitors talk about shopping, schools and proximity to business hubs but few explore the adventure on your doorstep and experiences that await.

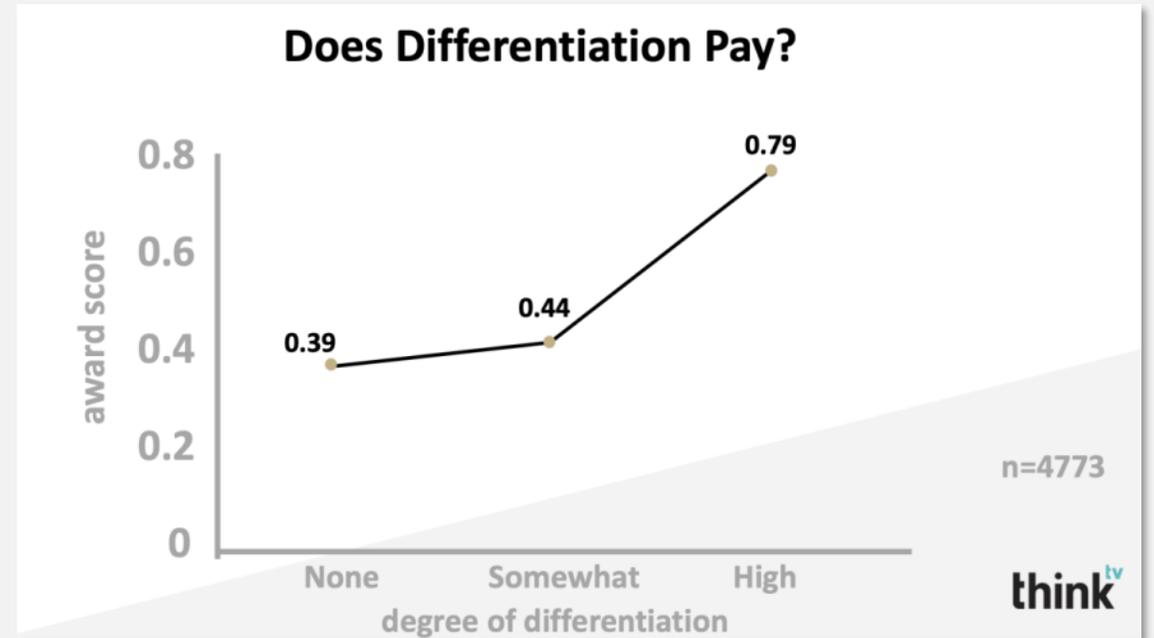
Even though Grove is the least coastal estate in the Catalina set, it is still a huge draw card. Coastal messaging should still be strong throughout our proof points.

### Visual Branding

Competitive imagery often includes stock-esk photos of happy families wandering the park or walking hand in hand on the beach. There is opportunity to bring in more visceral, emotive elements to paint a deeper picture. Sand on skin, wind in hair, hands on nature. Snippets of individuality; tattoos, expressive clothing, mess.

Brands that are perceived to be **relatively different** to competitors will deliver **more effective** marketing.

We need to create a clear strategic position in market by combining the right associations with the right execution, ideally powered by the distinctiveness that comes from clear and well applied brand codes.



Top 10 Drivers of Effectiveness, Mark Ritson, Think TV [https://thinktv.ca/wp-content/uploads/2019/11/ThinkTV-ritson\\_summary.pdf](https://thinktv.ca/wp-content/uploads/2019/11/ThinkTV-ritson_summary.pdf)

## NEXT STEPS

- TPR to provide strategy feedback
- Visual identity development (*Optional: \$4k*)
- Application of brand to marketing collateral including: (*\$6.4k*)
  - Language guide with vocabulary for key amenities within the estate
  - 2x EDMs
  - 2x social posts
  - 2x letters

# the brand agency



**CLIENT:** Satterley & TPRC

---

**PROJECT:** Catalina Grove Brand Development

---

**DATE:** 2nd March, 2021

---

*Phase 1*

## THE BRAND

---

The Catalina residential estate is based in the North West coastal corridor region (Mindarie/Clarkson) and upon completion will contain approximately 2,350 dwellings and a population of around 6,600 people. Catalina Grove is the third precinct in the Catalina estate and has a different product offering and personality compared to the Beach and Central precincts that are currently selling.

### TARGET MARKET

Downsizers

Young Professionals (SINKS/DINKS)

First Home Buyers

### AIMS

Satterley aims to differentiate Catalina Grove from its competitors by giving it a brand identity refresh. The brand should communicate a strong sense of place and give more of personality and energy to the Catalina Brand.

## BRAND WORDS

---

OPTIMISTIC

ADVENTUROUS

ENERGETIC

ENVIRONMENTAL

STRESS-FREE

CURIOUS

JOYFUL

CHEEKY

PASSIONATE

COMFORTABLE

## PERSONALITY

---

### THE VIBE

The Catalina Grove brand personality is energetic, adventurous and inviting. Life is for living, not planning.

# Catalina

---

Concept One

## THE NAME

---

# Catalina Green

## TAGLINE

---

Sustainable urban  
style living

## PITCH

---

Catalina Green is inspired by the ‘urban greens’ or common spaces of London. Think urban areas like the charmingly named Goose Green on the border of East Dulwich and Peckham, it’s a high density, vibrant and vibrant neighbourhood in South London. Fun fact: Peckham was voted one of the coolest suburbs in the world in 2019; It’s a mix of young professionals and established immigrant communities, old-school pubs, hip bars and trendy eateries.

## RESEARCH:

---

Catalina is derived from a Spanish girl's name meaning 'pure'. Green is obviously green, and together, the names tie in beautifully with the sustainable aspects of the development.

The name Catalina Green is available to purchase and register on the ASIC business name register.

The Australian Trademark Search shows no results for or association with Catalina Green (it is strongly recommended that Satterley engage an IP specialist for further advice should they proceed with the name Catalina Green).

Catalina Green is the name of a Taubman Paint colour and that is the top result on Google. Catalina Green is also the name of a beautiful high-end guitar and that guitar, and the paint colour, comprise the front page of Google when searching Catalina Green.

The following domains are available for purchase and use:

- [www.catalinagreen.com.au](http://www.catalinagreen.com.au)
- [www.catalinagreen.com](http://www.catalinagreen.com)
- [www.catalinagreen.net](http://www.catalinagreen.net)
- [www.catalinagreen.org](http://www.catalinagreen.org)

Instagram has one user with the name/handle @catalinagreen. The account is private and has 166 followers; the user profile pic is 'wannabe influencer.' The handle @catalinagreen is available on Instagram. The hashtag #catalinagreen is used 43 times on Instagram; all the posts show either the guitar or the Taubman's paint colour.

On Facebook, searching Catalina Green shows several women with that name. There is also one (very small scale) artist called Catalina Green who runs a group called Catalina Green Paintings with 49 members.

MOOD BOARD *Catalina Green*

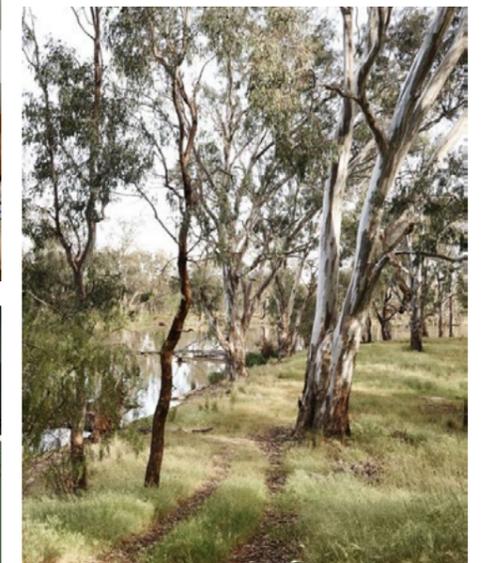
PRIMARY



SECONDARY



**BASIL**  
HEALTH AZ



cira



CLIENT: Satterley & TPRC

PHASE ONE: Naming & Brand Concepts

# Catalina





# Sustainable urban style living





Aa

Filson Pro - Medium

ABCDEFGHIJKLM  
NOPQRSTUVWXYZ  
abcdefghijklmnopqrstuvwxyz

Aa

Filson Pro - Regular

ABCDEFGHIJKLM  
NOPQRSTUVWXYZ  
abcdefghijklmnopqrstuvwxyz

Aa

Filson Pro - Light

ABCDEFGHIJKLM  
NOPQRSTUVWXYZ  
abcdefghijklmnopqrstuvwxyz

CATALINA GREEN

Catalina



BUSHWALK



SALTY SKY

WARM OCHRE

STORM

EARTH GREY

SOFT SAND





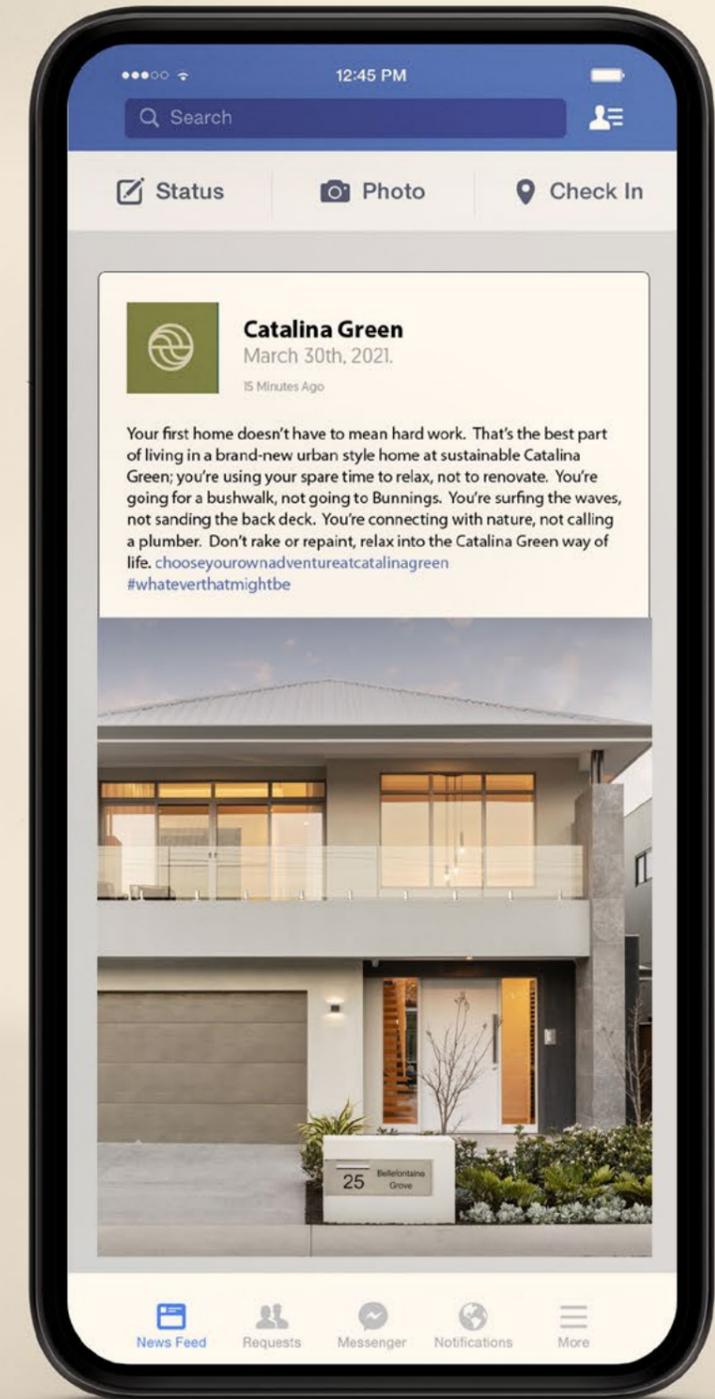
Catalina

 GREEN

Sustainable urban style living

 SATTERLEY





## RATIONALE:

---

With the notion of sustainable living and connecting with the land at its core, Catalina Green features earthy tones and bold green hues as its primary colour palette. The icon and Primary logos fit right into the existing Catalina story; however, the visual branding is a fresh take with bright, coastal and inspirational imagery, which reflects the modern new builds, fresh starts and Western location of this beautiful Northern Suburb.

The icon, a combination of simplistic shapes, builds a story of where the sea meets the sky, where the land meets the sea, and where the bush meets the city. A reflection of roads that lead you on a full circle journey.

When filled with colour the icon transforms, connecting to the notion of sustainability, and a new conscious way of life.

The icons body can be used in a variety of ways, the shape's minimal enough to reflect rolling hills when stacked, or to simply form modern geometric assets, reflecting the engaged and socially conscious audience.

Overall Catalina Green is modern, urban and unique. It is the new culture of sustainable living in the North, where you can do anything or go anywhere, and your journey, whether just beginning or ending, is simple and Green.

# Catalina

---





## OTHER NAME SUGGESTIONS

---

*Catalina* Common  
*Catalina* Heath  
*Catalina* Walk  
*Catalina* Collective

## CONCEPT VERSATILITY

---

Drawing on inspiration from sustainability, Australian bush and vibrant community, we feel the Catalina Green concept is quite versatile. Here are some other name suggestions we feel could still fit this overall brand direction.

Catalina

---

Concept Two

THE NAME

---

# Catalina Junction

TAGLINE

---

Where the beach meets  
convenience meets adventure

PITCH

---

Hit the beach? Or go on an adventure in the WA bush? What about a shopping spree at Lakeside Joondalup or a round of golf at Joondalup Resort? Your convenient location means you don't have to choose. Because, after all, a junction is a joining point, and Catalina Junction allows you to join the very best of beaches, adventures, shopping and entertainment.

## RESEARCH:

---

The name Catalina Junction is not currently being used in any commercial context in Australia. It is not registered on the ASIC business name register and can be purchased. The Australian Trademark Search shows no results for or association with Catalina Junction (it is strongly recommended that Satterley engage an IP specialist for further advice should they proceed with the name Catalina Junction).

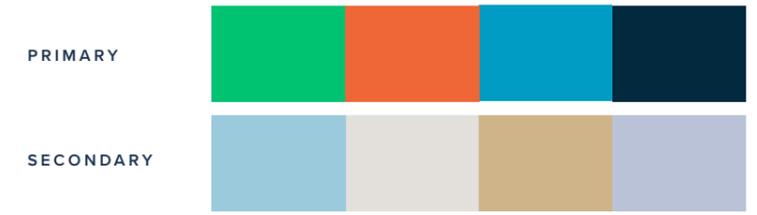
Google results for Catalina Junction primarily show results for Catalina Restaurant in Rose Bay, Sydney. The website for independent artists, Red Bubble, provides one Google result for a piece of art titled 'Catalina Junction'; the piece depicts a vintage car and pair of dice.

The following domains are available for purchase and use:

- [www.catalinajunction.com.au](http://www.catalinajunction.com.au)
- [www.catalinajunction.com](http://www.catalinajunction.com)
- [www.catalinajunction.net](http://www.catalinajunction.net)
- [www.catalinajunction.org](http://www.catalinajunction.org)

The account name or handle @catalinajunction is available on Instagram. The hashtag #catalinajunction is not being used, there are zero posts using this hashtag on Instagram. The name Catalina Junction is not being used on Facebook, there are no pages, groups or individuals using this name.

MOOD BOARD *Catalina Junction*



CLIENT: Satterley & TPRC

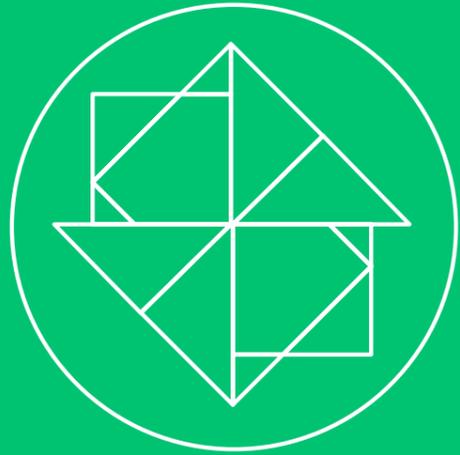
PHASE ONE: Naming & Brand Concepts

*Catalina*

**JUNCTION**







**WHERE URBAN LIVING  
MEETS CONVENIENCE  
MEETS ADVENTURE**

# Catalina JUNCTION

**Aa**

Spartan MB - Bold

ABCDEFGHIJKLM  
NOPQRSTUVWXYZ  
abcdefghijklmnopqrstuvwxyz

Aa

Spartan MB - Light

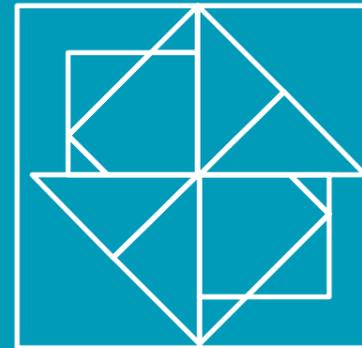
ABCDEFGHIJKLM  
NOPQRSTUVWXYZ  
abcdefghijklmnopqrstuvwxyz

Aa

Spartan MB - Light

ABCDEFGHIJKLM  
NOPQRSTUVWXYZ  
abcdefghijklmnopqrstuvwxyz

CERULEAN WAVE



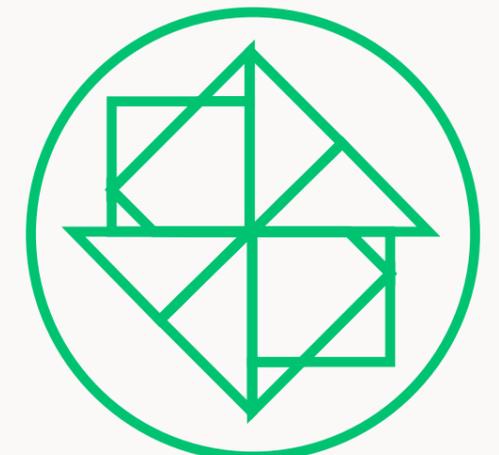
CITY BLUE

CROSSWAY

BURNT SAND

DEEP SEA NAVY

CRIMSON ADVENTURE

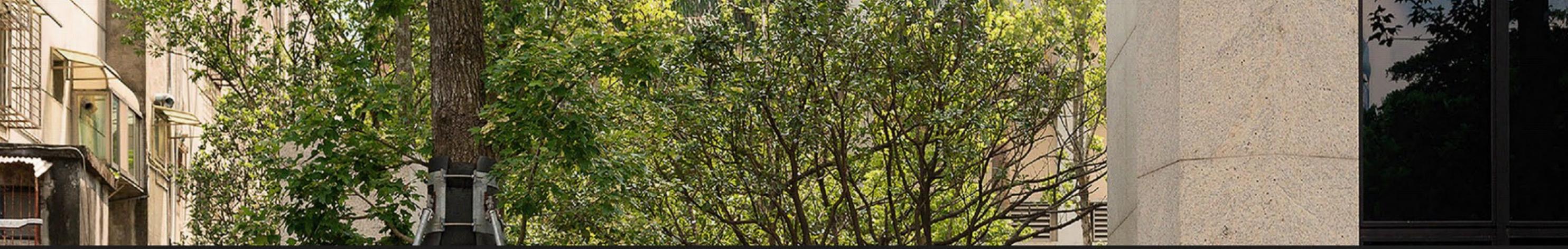




*Catalina*  
JUNCTION

WHERE URBAN LIVING  
MEETS CONVENIENCE  
MEETS ADVENTURE

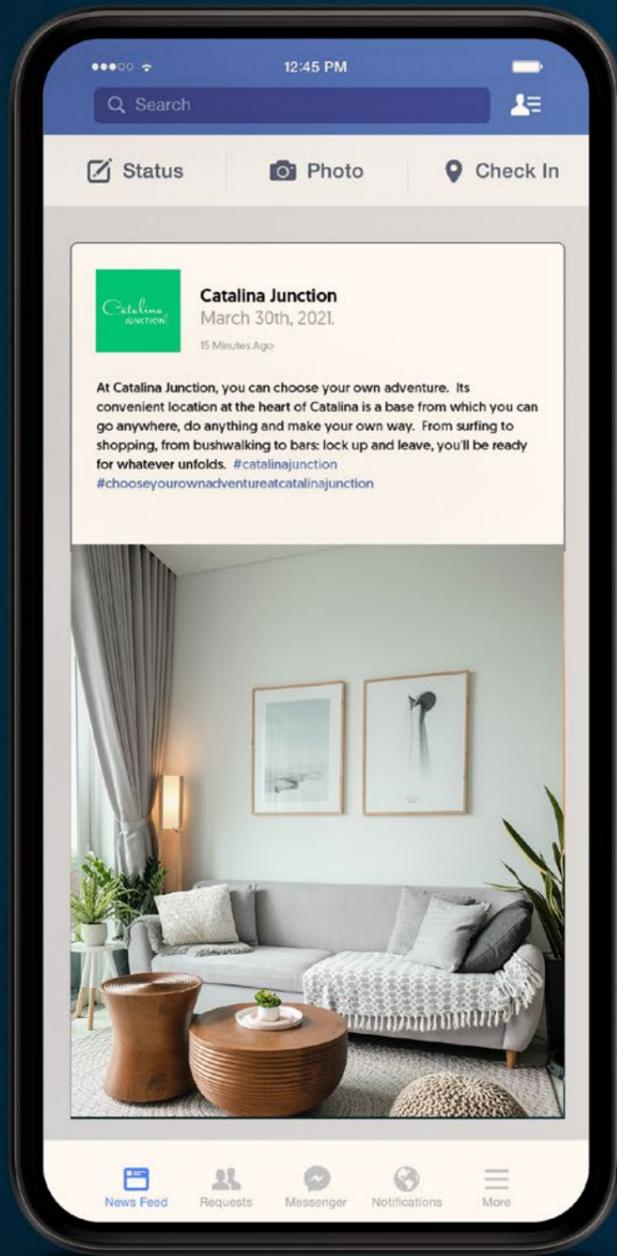




Catalina  
JUNCTION

WHERE URBAN LIFE  
MEETS CONVENIENCE  
MEETS ADVENTURE





## RATIONALE:

---

Catalina Junction, the meeting point of convenience. Catalina Junction's Northern location is perfect for its cross between the beach, bush and city, which is the core of its visual identity. A bold and impactful brand that interlaces geometric and angular shapes that overlap like crossroads, yet combine and meet to create structured forms, just like Catalina Junction.

The logo is strong standing next to Catalina's own, with a bold font choice to tie in the contemporary notion of its audience. The logo incorporates line work in this directional arrow motif, to symbolise a progression, a sign of future thinking and dream building.

The colours involve high impact hues of orange, purple and blue, forming a trifecta of contrast, for highly visible and impactful designs. The colour way adds a playfulness to the feeling of Catalina Junction, and though abstract, the colours and elements feel cohesive.

The icon for Catalina Junction integrates these angular triangles forming a unique stamp for the development. Its line work reflects the logo itself, and forms elements of a house in a subtle and abstract way. This visual identity offers a fun, modern and unique stamp for Catalina.





# Catalina

---

Concept Three

THE NAME

---

# Veridian By Catalina

TAGLINE

---

Sustainable living  
made easy

PITCH

---

Veridian stems from the words 'verdant,' which means green and fresh. With its fresh approach to design and sustainability and its access to nature, Veridian lets you live a greener life. The name is as natural as living green.

## RESEARCH:

---

ASIC databases show that the stand-alone name Veridian is not available for use; there are also 18 business that have registered business names that include the word Veridian.

The Australian Trademark Search shows five results for and associations with Veridian; four of these have lapsed but one is active and in use by a paint company. However, the name 'Veridian by Catalina' is available.

Should Satterley proceed with the name Veridian by Catalina, it is strongly recommended that Satterley engage an IP specialist to provide advice and direction around trademark.

A Sydney based IT company trades under the name Veridian, as does a management consultancy, a US aerospace/defence company and an aged care consultancy; these all dominate Google results for Veridian.

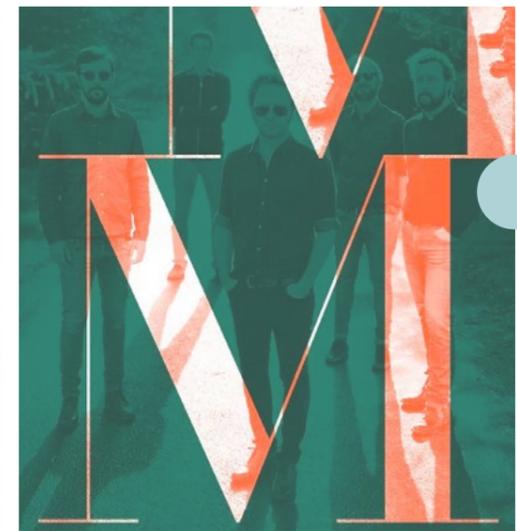
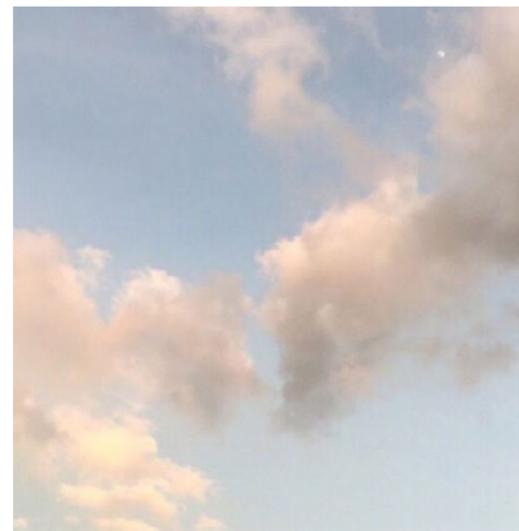
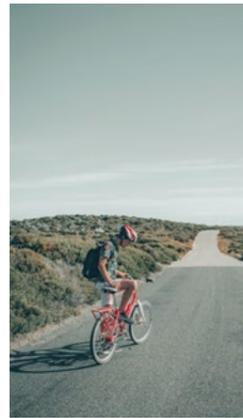
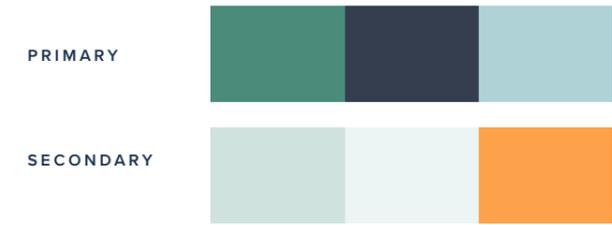
There are few domain options available for Veridian, the best of which is:

- [www.veridian.org.au](http://www.veridian.org.au)

On Instagram, @veridian as a stand-alone account name is available, however, @veridiana is currently in use. @veridianhomes is being used by a developer in the US.

The hashtag #veridian is active and is primarily used by opera companies and opera accounts when posting about La Traviata by Verdi. Veridian is also a Pokémon term and Pokemon players also use the hashtag. On Facebook, name/page and group Veridian is owned by a UK metal band.

MOOD BOARD *Veridian*



CLIENT: Satterley & TPRC

PHASE ONE: Naming & Brand Concepts



Catalina  
veridian



**SUSTAINABLE  
LIVING  
MADE EASY**

Catalina  
veridian

Aa

Neutra Text - Book  
ABCDEFGHIJKLM  
NOPQRSTUVWXYZ  
abcdefghijklmnopqrstuvwxyz

Aa

Neutra Text - Bold  
ABCDEFGHIJKLM  
NOPQRSTUVWXYZ  
abcdefghijklmnopqrstuvwxyz

Aa

Charoe - Medium  
ABCDEFGHIJKLM  
NOPQRSTUVWXYZ  
abcdefghijklmnopqrstuvwxyz

CHARCOAL

SEA SAND

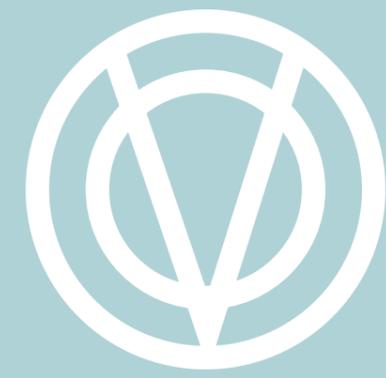
LIGHT CYAN

SOFT GREY

MINT CREAM

POWDER BLUE

DEEP SAFFRON

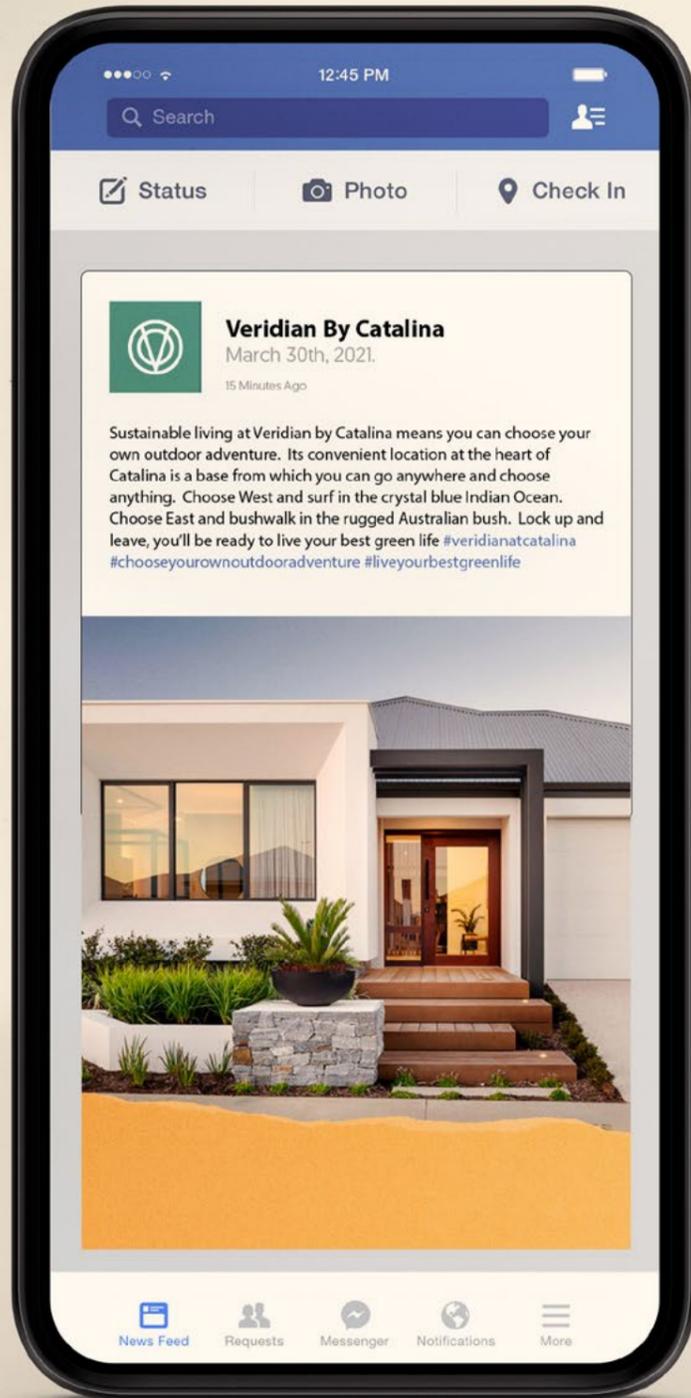




LAND  
NOW  
SELLING  
from \$190K

Catalina  
veridian

 SATTERLEY



## RATIONALE:

---

Sustainable living at Veridian by Catalina means you can choose your own outdoor adventure. Its convenient location at the heart of Catalina is a base from which you can go anywhere and choose anything. The brand reflects a contemporary, youthful appearance, without being too jarring for a more mature buyer.

The logo type is curved, approachable and friendly, suggesting the estate may be attainable to the common first home buyer or downsizer. The mixture of lower and uppercase lettering creates a unique composition and ensure the Catalina brand name sits neatly on top, creating an asymmetrical yet balanced design.

Veridian Green is a soft, muted, teal aqua-green with a jewel undertone. It is a perfect paint color for a kitchen wall or kitchen cabinets. The green is the primary colour, with a complimentary orange chosen to create vibrancy against the soft tones.

The icon has been developed to fit within the Catalina brand suite. The design features a 'V' within two circles to symbolising the location of the estate being central to everything you could want within reach. The coast is West, the bush is East and the city is South. An ideal location for any buyer looking to live in a home with so much within reach.

Torn paper textures have been used in this brand suite to give a tactile, natural feel to the brand collateral.



Catalina  
veridian

Catalina  
VERIDIAN

Catalina  
@ BEACH

Catalina  
@ CENTRAL

# Catalina

## Catalina Grove Marketing Strategy

# **Contents**

- 1.0** Introduction
- 2.0** Audience Profile – Leads & Sales
- 3.0** Market Research Insights
- 4.0** SWOT Analysis
- 5.0** Marketing Objectives
- 6.0** Target Audience
- 7.0** Brand Positioning
- 8.0** Marketing Strategies
- 9.0** Marketing Activity Plan & Budget
- 10.0** Timeline
- 11.0** Future Considerations

# 1.0 Introduction

This Marketing Strategy outlines the key marketing and communication activities for the pre-launch and launch of Catalina Grove (1 January 2021 – 30 June 2021 period).

The key objectives and strategy for the launch of Catalina Grove have been driven by Catalina market research and Brand Strategy Review insights, conducted by Painted Dog and The Brand Agency, respectively. The Catalina Grove Development Strategy (July 2020) and Grove’s unique offering have been used to determine the precinct’s target audience, key messages and positioning of the Catalina Grove precinct.

To launch Catalina Grove, a Brand Identity Refresh, Grove-specific asset development, ongoing lead generation, lead nurture, SEO, content marketing and signage will be put in place to drive awareness of the precinct and encourage conversions.

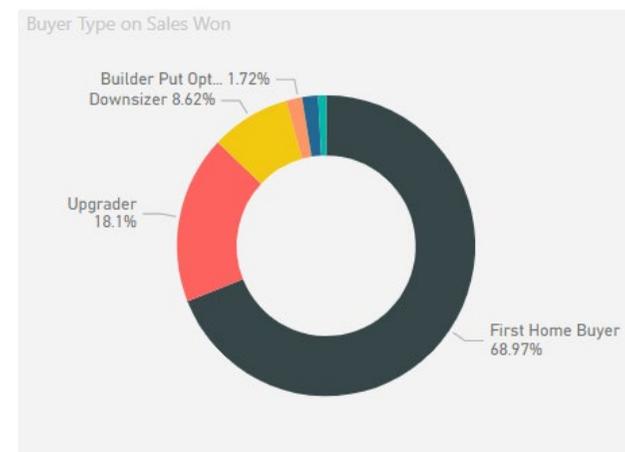
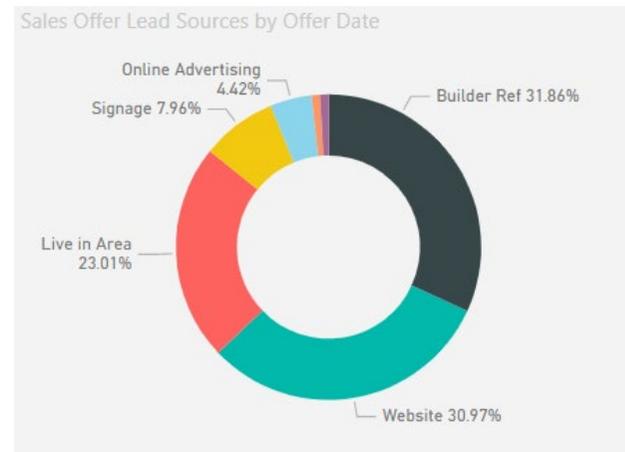
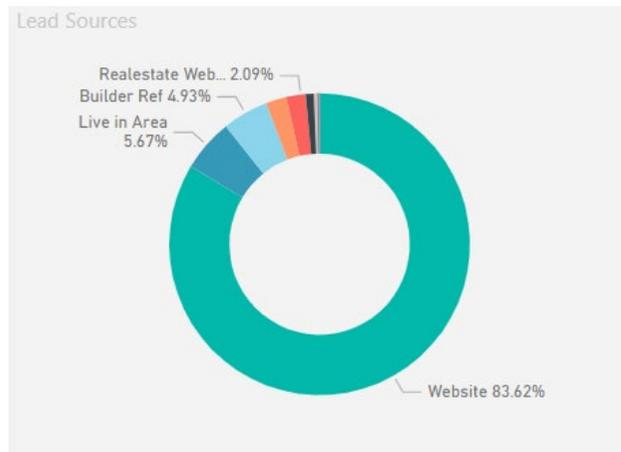
These objectives are specific to Catalina Grove and are set in addition to the overarching Catalina objectives, such as brand awareness, lead generation, digital visibility, community development and market research.

This Catalina Grove Marketing Strategy is subject to approval by the Tamala Park Regional Council (TPRC) and achievement of the key project milestones.

*Catalina Grove needs to reinvent its brand identity to differentiate its position within the market.*

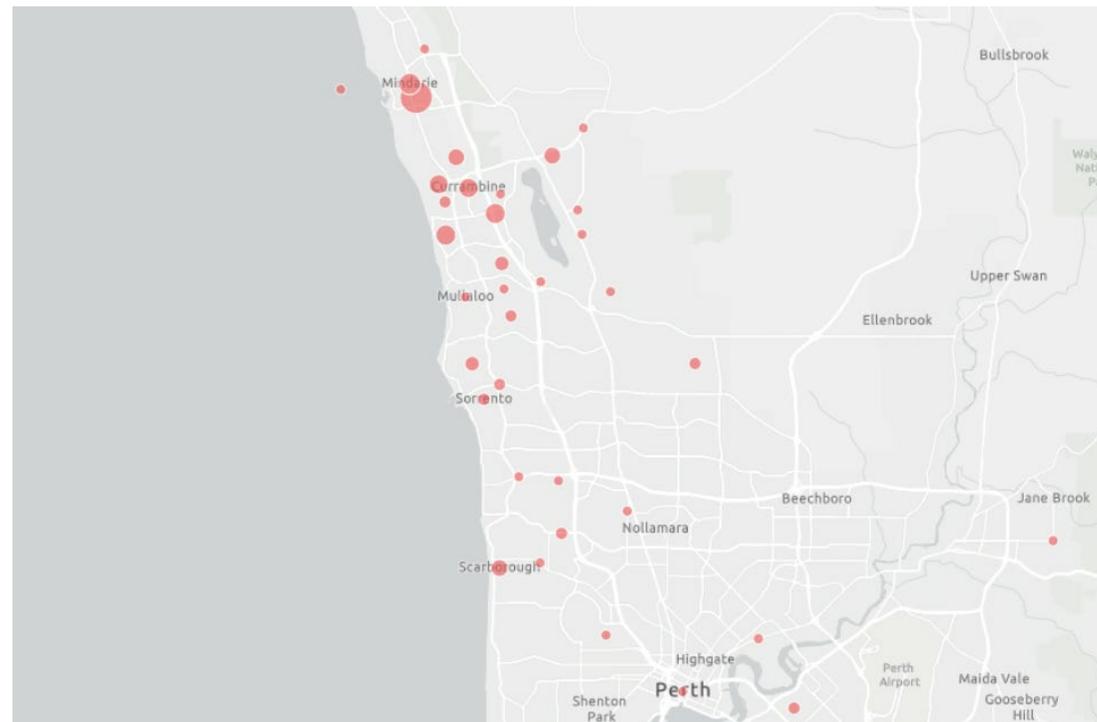


## 2.0 Audience Profile - Leads & Sales



Source: Catalina Estate - Satterley Customer Relationship Management System  
 Period: 01/01/20 – 31/12/20

Sales by Suburb 01/01/20 – 31/12/20	
1	Clarkson
2	Mindarie
3	Joondalup
4	Ocean Reef
5	Burns Beach



Sales by Suburb  
 Period: 01/01/20 – 31/12/20

## 2.0 Audience Profile – Digital Campaign Leads

BUYER TYPE	COUNT
FIRST HOME BUYER	40
UPSIZER	39
DOWNSIZER	27
INVESTOR	10
DIDN'T SPECIFY	29
<b>TOTAL</b>	<b>145</b>

TIMEFRAME TO PURCHASE	COUNT
1 - 3 MONTHS	48
3 - 6 MONTHS	37
6 - 12 MONTHS	28
12+ MONTHS	32
DIDN'T SPECIFY	0
<b>TOTAL</b>	<b>145</b>

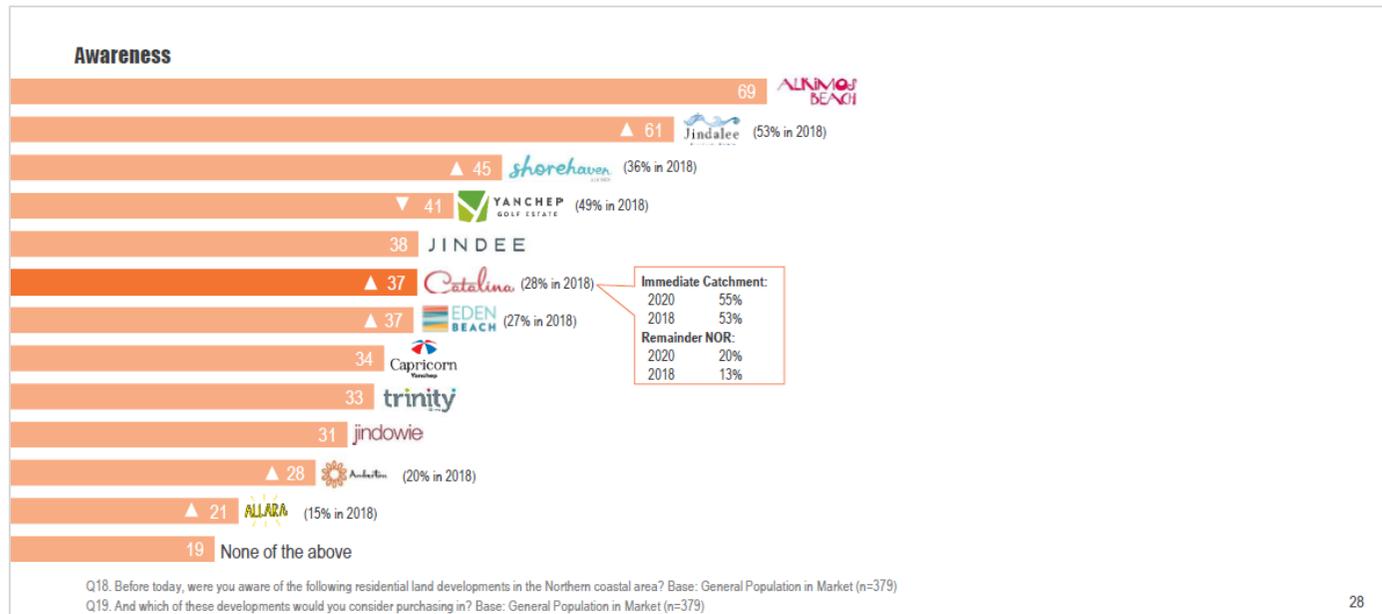
FINANCIAL STATUS	COUNT
FINANCE APPROVED	25
HAVE DEPOSIT, NOT YET APPROVED	45
STILL SAVING	46
DIDN'T SPECIFY	29
<b>TOTAL</b>	<b>145</b>

BUDGET	COUNT
\$150K - \$249K	0
\$250K - \$349K	12
\$350K - \$449K	6
\$450K - \$549K	37
\$550K - \$649K	32
\$650K - \$749K	18
\$750K+	11
DIDN'T SPECIFY	29
<b>TOTAL</b>	<b>145</b>

*Catalina 3-month Digital Marketing Campaign – Lead Profile  
Period: 26/10/20 – 25/01/21*

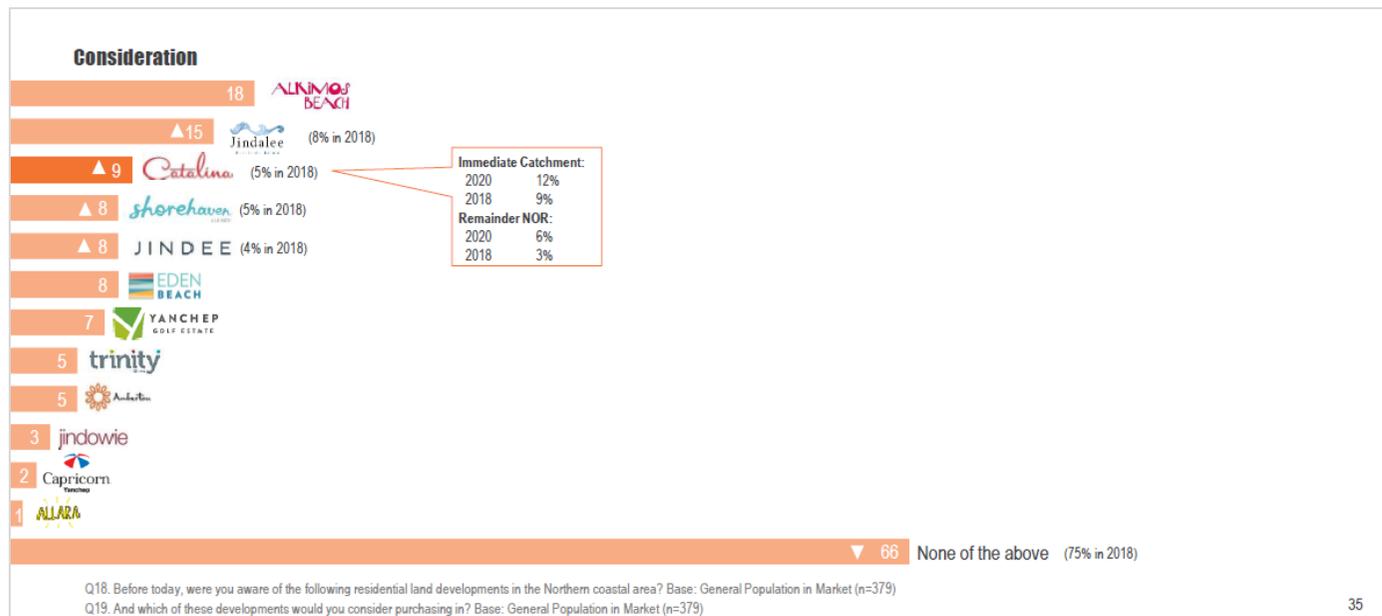
# 3.0 Painted Dog Market Research Insights

## Catalina Estate Awareness & Consideration



**Key Insights:**

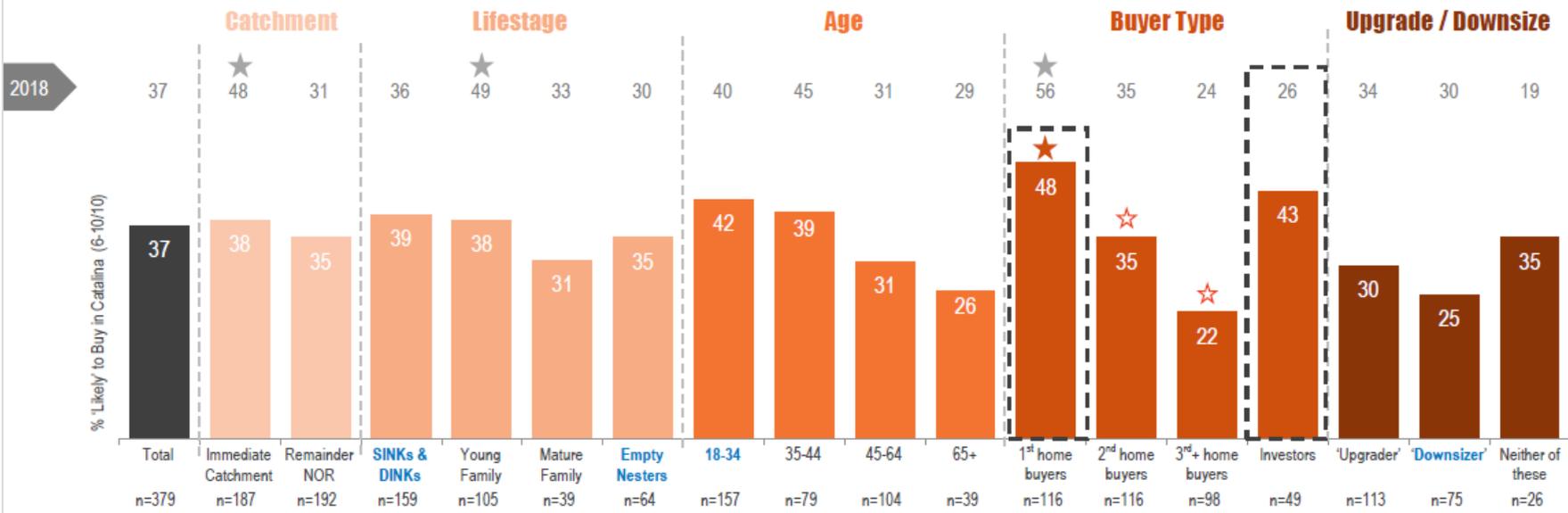
- Awareness of Catalina has improved since 2018, however there is still opportunity to elevate awareness amongst **SINKs/DINKs** and **First Home Buyers**.



### 3.0 Painted Dog Market Research Insights

First home buyers are most interested in buying in Catalina Grove, along with investors.

While there no significant shifts within segments from 2018, there does seem to be indicatively greater interest from investors. 2018 saw young families and those in the immediate catchment feeling significantly more likely to purchase in Catalina than other segments, which is not the case for Grove.

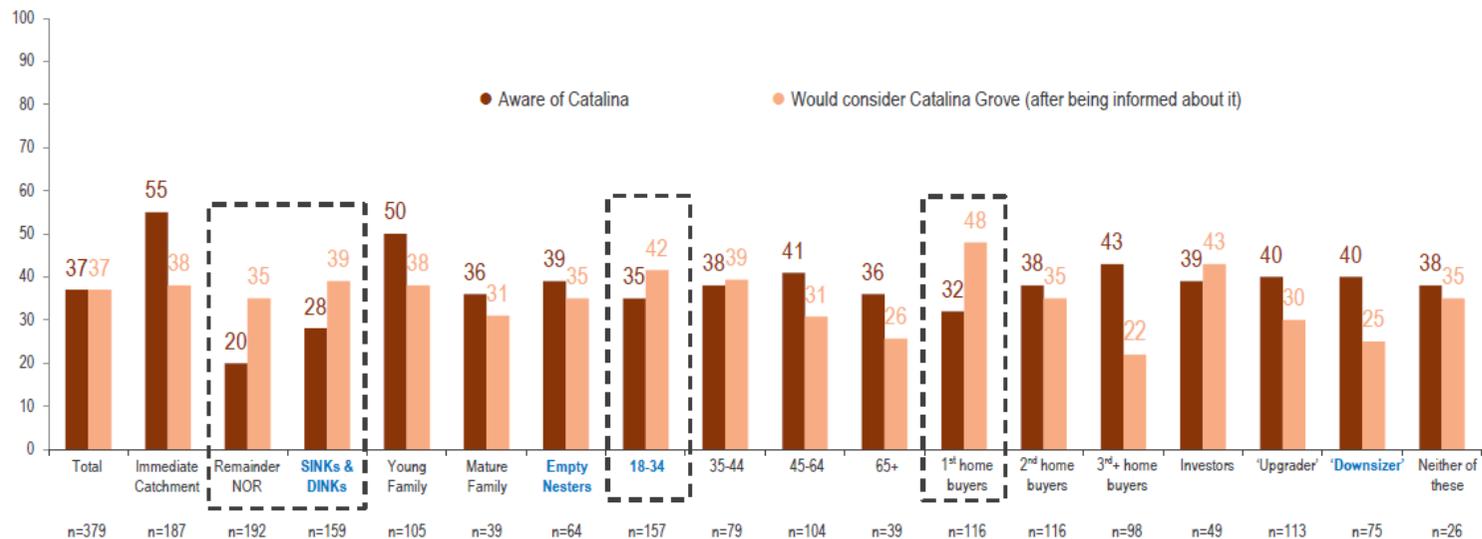


Q23. If the type of property you're looking for was available in your price range, how likely is it that you would purchase property in Catalina Grove? Base: General Population in market (n=379). \*Target Audience for Catalina Grove

### 3.0 Painted Dog Market Research Insights

Using gap analysis, we can see where there is an opportunity to increase awareness of Catalina Grove in order to increase the likelihood of purchase.

Those outside the immediate catchment area NOR, SINKS/DINKs, 18-34 year olds, and 1<sup>st</sup> home buyers all have prompted consideration levels of Catalina Grove which are higher than their awareness. Targeting these groups with more information and increasing awareness could lead to an increase in sales.



Q18. Before today, were you aware of the following residential land developments in the Northern coastal area? Base: General Population In Market (n=379)

Q23. If the type of property you're looking for was available in your price range, how likely is it that you would purchase property in Catalina Grove? Base: General Population in market (n=379).

\*Target Audience for Catalina Grove

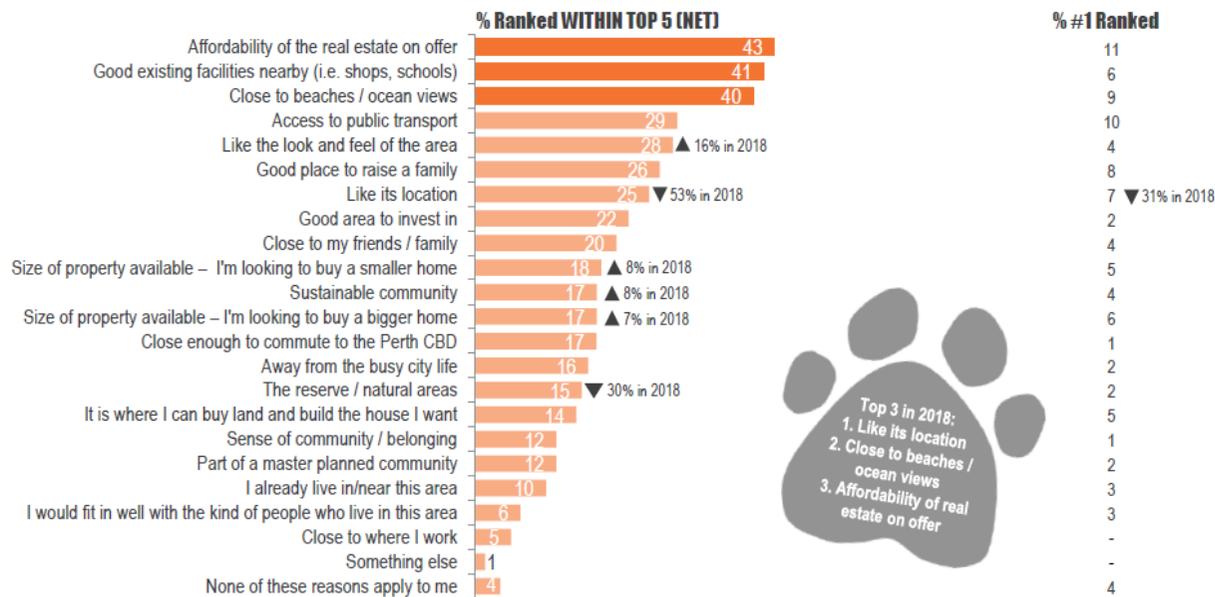
#### Key Insights:

- To effectively target young **SINKS/DINKs** and **first home buyers**, we need to differentiate Catalina from our competitors.
- **3 in 4** potential Catalina Grove buyers are open to building.
- **1 in 2** are considering a house & land package.

### 3.0 Painted Dog Market Research Insights

Affordability is the main reason for considering purchasing when prompted.

Affordability was placed in the top five reasons for considering purchasing in Catalina Grove by 2 in 5, along with having good facilities nearby and being close to the coast. The look and feel of the area, the property sizes available and its community sustainability are new drawcards compared to 2018.



Q27. Below is a list of potential reasons someone might give for considering purchasing in Catalina Grove. If you could choose just five of your most important reasons for considering Catalina Grove, what would they be? Base: General Population In Market 'likely' to buy in development (n=139)

68

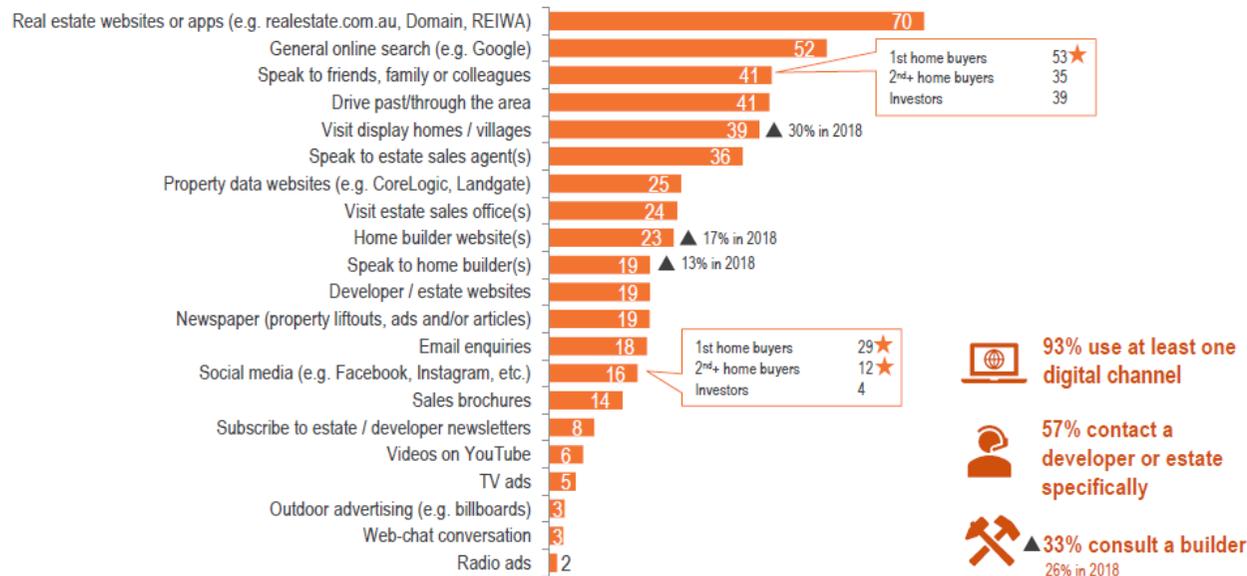
#### Key Insights:

- A nice overall look and feel and being close to the shops are important strengths for Catalina.
- **Affordability** should be emphasised in advertising.
- **Convenience** and **nature** are Catalina's most favoured points of difference.

### 3.0 Painted Dog Market Research Insights

Home builders have elevated as an information source since 2018.

Significantly more buyers in the market are now visiting display homes & villages, visiting home builder websites and speaking to home builders compared to two years ago. This is a likely reflection of the home building grants that have increased the market's consideration of building new. Real estate websites and general online search continue to be the top 2 sources used and digital channels are used by nearly all (93%).



Q13. When you want information about purchasing property, where do you look or who do you speak to? Base: General Population In Market (n=379)

81

#### Key Insights:

- **Digital channels** remain a key source of information.
- Driving through the estate/area remains a top source, highlighting the importance of **signage and estate presentation.**
- More buyers in the market are **visiting display homes/ villages and speaking to home builders**, suggests we should leverage builder partnerships/promotions.

## 4.0 SWOT Analysis

### STRENGTHS

Surrounding amenities  
Proximity to the beach and Mindarie marina  
Estate/precinct visibility  
Affordability  
Sustainability focus, POS & tree retention  
Connections and accessibility (Green link, freeway and train station)  
Future planned amenities  
Satterley brand

### WEAKNESSES

Brand/precinct awareness  
No established amenities within the precinct  
Noise due to proximity to Freeway and trainline  
Tamala Park Landfill  
Negative perceptions of Clarkson area  
No beach access

### OPPORTUNITIES

Increasing number of baby boomers looking to downsize  
Product diversity provides ability to appeal to a range of purchasers  
Leverage surrounding amenities  
Leverage Catalina Beach and Central precincts to cross-sell  
Sales incentives to establish momentum  
Partner with builders specialising in smaller lot home designs  
Display village fronting Connolly Drive

### THREATS

High competition within the corridor  
Negative perception of smaller lot sizes  
Established homes  
Further amenity to the north reduces the impact of surrounding amenity  
Competing estates amend prices quickly to capture sales

## 5.0 Marketing Objectives

---

To create a sustainable urban community offering diverse housing choice, social connectivity and employment opportunities.

---

### 1. Build brand equity of the Catalina brand

Differentiate Catalina's and specifically Catalina Grove's position in the market and improve brand awareness.

#### STRATEGIC FIT



### 2. Create and launch the Catalina Grove brand/precinct

Design and roll out Grove brand assets and brand value proposition.

Develop a launch marketing plan to promote the commencement of the precinct and communicate the precinct's unique offering.



### 3. Drive brand awareness and generate leads for Catalina Grove

Plan and implement a Catalina Grove marketing campaign and landing page to build a Grove-specific database.



## 6.0 Target Audience

- Young professional couples and singles (most likely without kids)
- Downsizers
- Empty Nesters/Low-maintenance property seekers
- Investors

Based on values, beliefs and attitudes, Grove has the potential to target the following two personas:

### 208 Future Focus:

*A mix of singles and young families, the Future Focus Persona is intent on working hard to build the foundation for a successful life. The majority live in semis or townhouses, and just over half are renting.*

*They are less likely to be out and about than some of their more gregarious peers, preferring to be homebodies. As moderate spenders, they aren't easily seduced by the glimmer and glitter of brands unless they really love it. Health and fitness is important to them, particularly sport.*



### REACH ME:

**We're likely to be heavy internet users...**

...so you'll find us online on some of my favourite news media from established media brands through to digital-only players.

### TALK TO ME:

**Lifestyle is important to me, but I'm not driven by status and prestige like some of my counterparts...**

...so be 'real' with me, authenticity is my sweet spot.

**I love to discover new things...**

...so show me things I can't find myself but avoid using novelty or anything gimmicky to hook me, because I pride myself on not falling for that kind of thing.

The key messages for this target audience are the **affordability**, **connectivity** and **lifestyle benefits** of Catalina Grove.

## 6.0 Target Audience - Continued

### 304: Lifestyle Seekers

*The majority are Australian born. Likely married, this Persona skews older – a significant number are aged 50+, and as a result this Persona boasts a high proportion of outright homeowners, and a similar proportion paying a mortgage.*

*They enjoy entertaining and embrace the lifestyle advantages that come with having the demands of a young family largely behind them. That means more time and money for eating out, socialising with friends and indulging in their passion for culture.*

*While prosperity and security are important to them, they are also driven by a desire to have experiences.*



#### REACH ME:

**You'll likely find us online...**

...the majority of us fall into the 'heavy' and 'medium' Internet consumption categories.

**Despite this time online we still enjoy hardcopy media...**

...especially reading local and community newspapers.

#### TALK TO ME:

**Flaunt your social responsibility credentials...**

*"I care about social issues so show me what are you doing to help make the world a better place."*

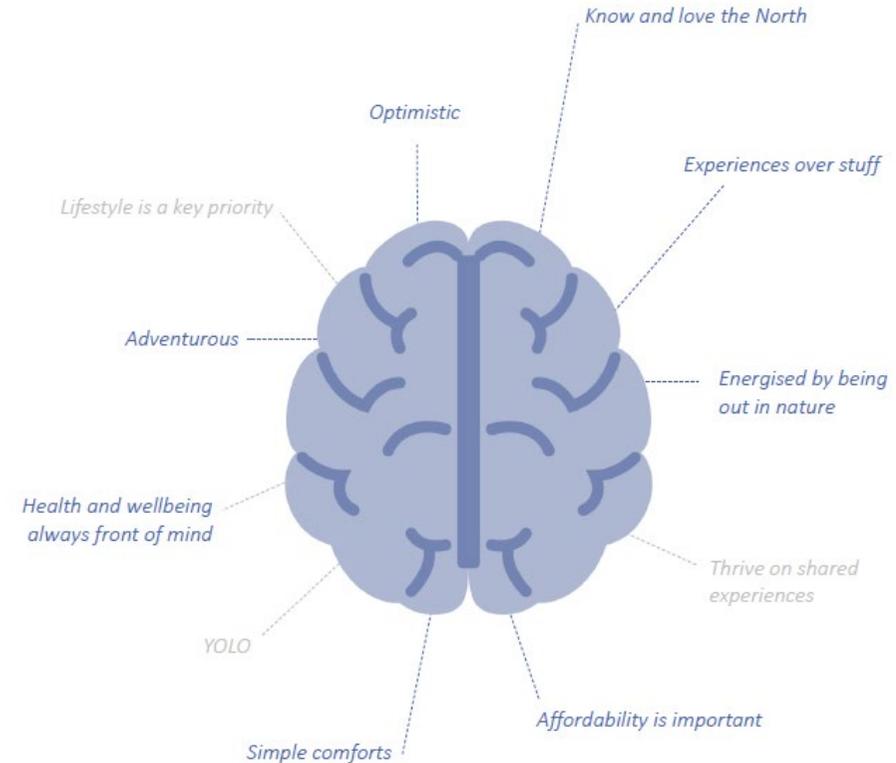
The key messages for this target audience are **sustainability, tree retention/greenspace** and **low-maintenance living**.

## 7.0 Brand Positioning

The ideal Catalina Grove buyer is:

PASSIONATE | ADVENTUROUS | CHEEKY | CURIOUS

Hungry for all life has to offer, they create a unique environment to bring like-minded people together. They inspire and prompt, creating a sense of urgency to enjoy the treasure trove of experience on your doorstep; people, nature, the arts, and culture.



**Key lifestyle elements and beliefs of the ideal Catalina Grove buyer**

### **What we are:**

We see opportunity in everything and everyone; we aim to fuel those connections.

We are fiercely curious; we want you to ask questions and look closer.

We excite easily at the smorgasbord of opportunity on our doorstep.

We crave nature.

### **What we aren't:**

We're not selfie takers.

We aren't just focused on amenity. We see and talk about what competitors miss.

## 7.1 Catalina Grove's Unique Offering

LIFE CHANGING	Enrichment	Freedom	Gratitude	
EMOTIONAL	<b>Liberation</b> Shake the stuff and find joy in the small and simple pleasure of life	<b>Cool factor</b> A cool urban hub away from the CBD	<b>Comfort</b> A home base to find quiet, find self and to feel safe	<b>Inspired space</b> Freedom of expression, a space to be oneself and dream freely
FUNCTIONAL	<b>The right amount of home</b> Smaller homes = less hassle = more time to enjoy life	<b>A sweet, salty life</b> A stone's throw from the beach and Mindarie Marina, dappled in the hues of an Indian Ocean sunset	<b>Everything you need to live</b> Close to parks, shops, schools, the freeway and train – and only 20 mins to some of Perth's best dining and shopping	<b>Gateway to the weekend</b> On the doorstep of the best of Perth's North – camping, fishing, surfing, hiking

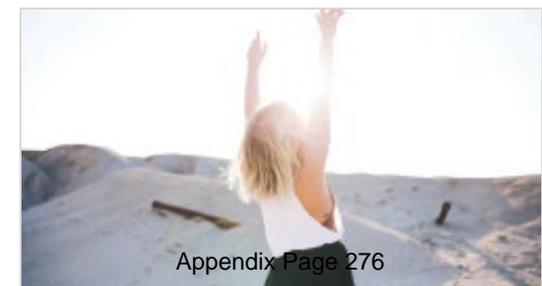
## 7.2 Brand Strategy Review

### Market Insights:

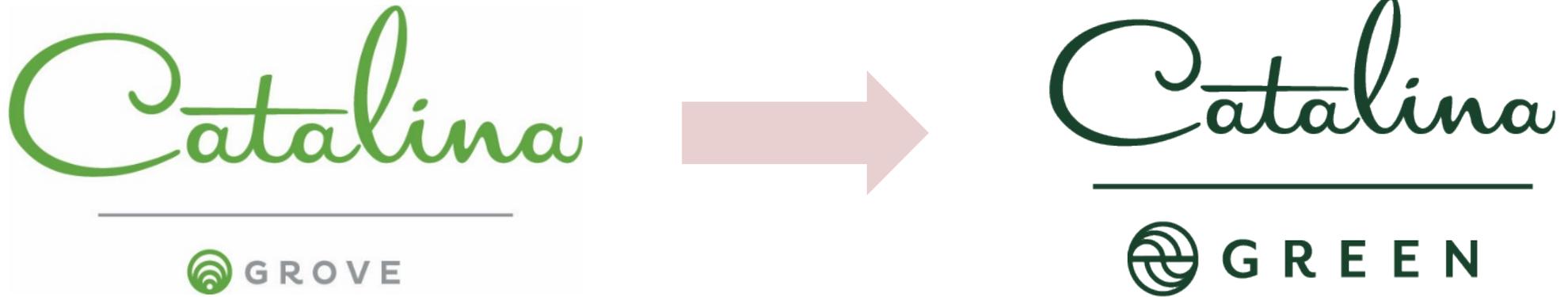
- The Covid-19 pandemic has deepened West Australians' appreciation for place, reminding us how much we love our lives both inside and outside of our homes.
- Downsizers over 50 motivated to downsize for lifestyle, rather than financial reasons.
- Australians choosing to ditch debt to free themselves up for a more agile lifestyle.

### Recommendations:

- 'Grove' feels tonally off for the target audience. Consider introducing a new precinct name and brand language that helps tell the brand story.
- Moving away from the 'land without compromise' messaging. This messaging is prevalent in the competitor set and will make it a struggle for Catalina to differentiate our position in the market. There is opportunity to expand on coastal messaging and highlight the adventure and experiences on our doorstep.
- Refresh visual branding/imagery to introduce more emotive elements, such as sand on skin, hands on nature, etc to differentiate from competitors.



## 7.3 New Catalina Grove name



***Catalina Green** is inspired by the 'urban greens' or common spaces of London. Think urban areas like the charmingly named Goose Green on the border of East Dulwich and Peckham, it's a high density, vibrant and vibrant neighbourhood in South London.*

*Fun fact: Peckham was voted one of the coolest suburbs in the world in 2019; It's a mix of young professionals and established immigrant communities, old-school pubs, hip bars and trendy eateries.*

## 7.4 Catalina Green Visual Identity

With the notion of sustainable living and connecting with the land at its core, Catalina Green features earthy tones and bold green hues as its primary colour palette.

The icon and Primary logos fit right into the existing Catalina story; however, the visual branding is a fresh take with bright, coastal and inspirational imagery, which reflects the modern new builds, fresh starts and Western location of this beautiful Northern Suburb.

The icon, a combination of simplistic shapes, builds a story of where the sea meets the sky, where the land meets the sea, and where the bush meets the city. A reflection of roads that lead you on a full circle journey.

Overall Catalina Green is **modern, urban and unique**. It is the new culture of sustainable living in the North, where you can do anything or go anywhere, and your journey, whether just beginning or ending, is simple and Green.



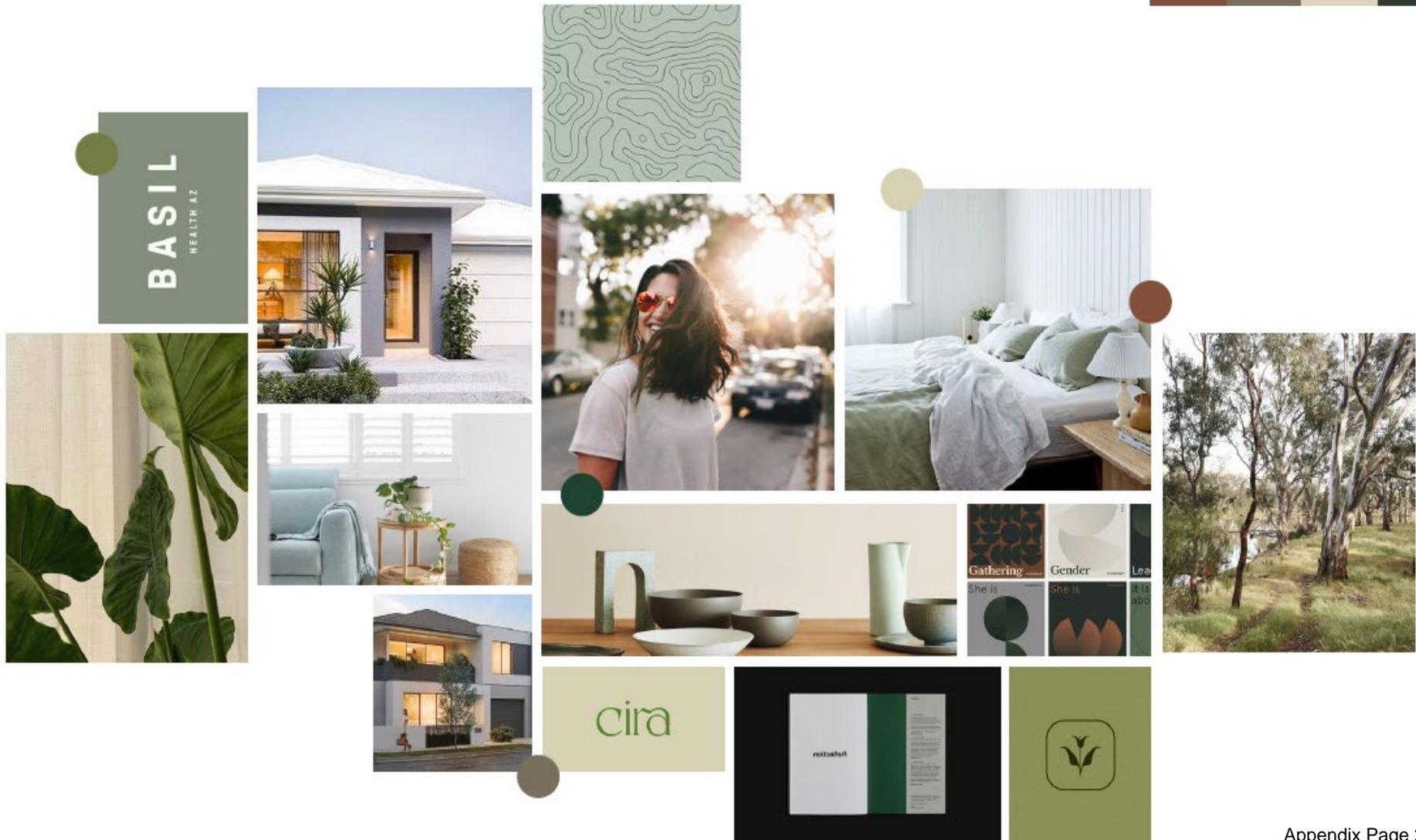
# 7.4 Catalina Green Visual Identity

MOOD BOARD *Catalina Green*

PRIMARY



SECONDARY

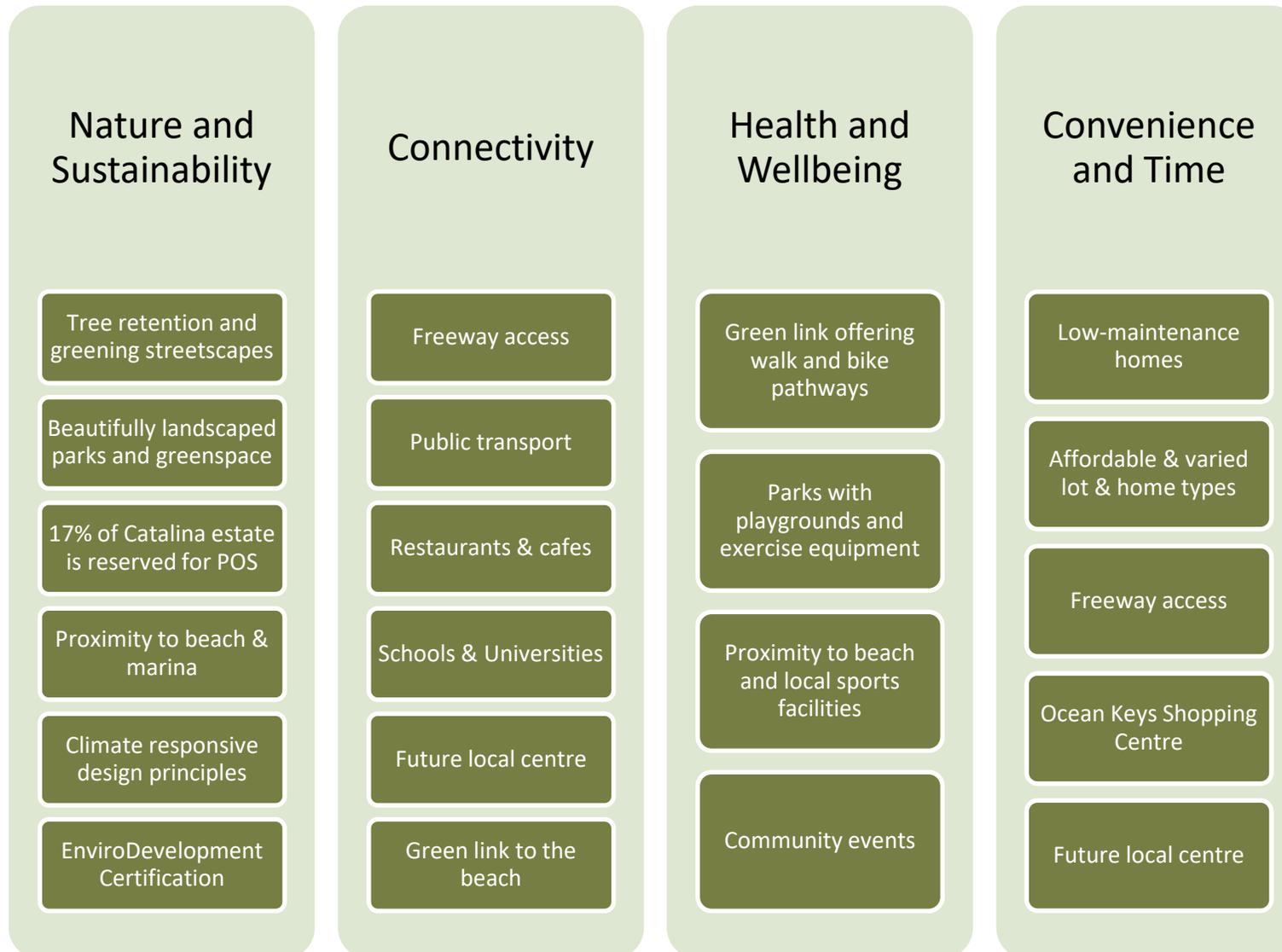


## 7.4 Catalina Green Visual Identity



## 7.5 Key Messages

To establish a strong and defined position within the market, Catalina Green's messaging will follow four key pillars, designed to resonate with target audiences.



# 8.0 Marketing Strategies

## 1. Brand Identity Refresh

Driven by the Catalina market research and Brand Strategy Review and aligned to the economic pillar of the project’s vision:

- introduce a new name for the Green precinct which is tonally aligned with the target audiences and reflects the vision of the precinct.
- refresh the Catalina Grove brand, tone of voice and visual identity.

The refreshed identity will reinvigorate the brand, differentiate Catalina Grove from its competitors, and amplify the launch of the precinct within a competitive market.

## 2. Asset Development

Following development of the brand, update of existing marketing assets and creation of Catalina Green specific assets will be instrumental during the early stages of the customer journey to help prospects understand the brand and project vision. These will be long-term assets that can be updated as the precinct develops.

- Catalina Grove brochure
- 3D computer-generated renders (showcasing the beautiful streetscape, tree retention, amenity & home types)
- Update Catalina video content (fly through video & 360-degree virtual tour) and photography
- Estate signage - Including installation of an Information/Tourist Bay allowing prospects to read about the precinct vision and collect a brochure whilst driving through the estate.
- Sales Office update - Refresh the Catalina sales office interior with Green vision signage and marketing materials.
- Website landing page & Digital marketing campaign assets/copy.



*\*Example imagery only.*

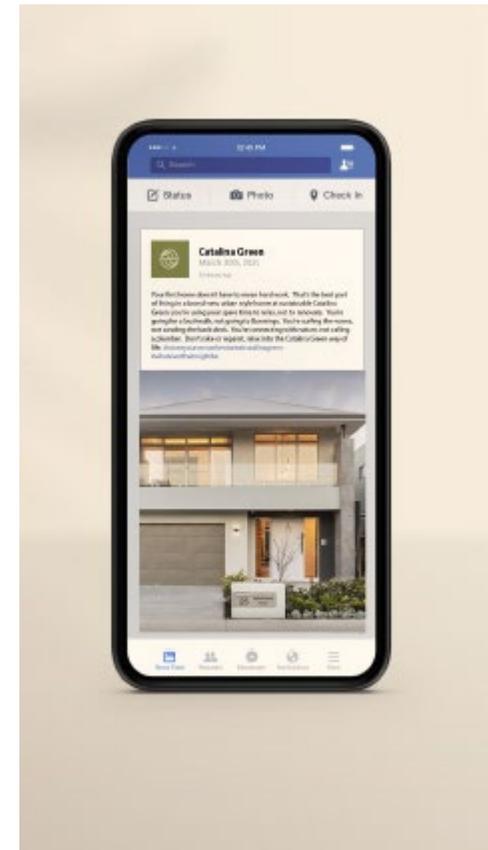
## 8.0 Marketing Strategies - *Continued*

### 3. Pre-Launch & Launch Campaign

Develop and implement a brand awareness and lead generation campaign to drive registrations for lots and House & Land packages that are coming soon. This will allow us to build a Green-specific database in the lead up to the Stage 1 release. For sales launch/Stage 1 release, the messaging will transition from 'coming soon' to 'now selling'.

Based on the target audience's media consumption, the campaign will highlight Catalina Green's unique offering and focus heavily on digital channels and signage:

- **SEO** - Increase digital visibility with search words and content pages relevant to target audiences.
- **Digital Advertising (Lead generation and remarketing)** - Google, Facebook, YouTube and Realestate.com.au. These channels will be used in the lead acquisition and lead conversion stages enabling direct customer response and lead tracking/reporting. As the Green product mix and target audience is vastly different to the Beach and Central precincts, a dedicated digital marketing campaign and landing page will be created for Catalina Grove.
- **Content Marketing** - Create engaging content to expand Catalina's digital footprint and inform target audiences. This strategy works closely with the SEO, Sales Promotion and Advocacy strategies. The output of this strategy is estate-specific content of various formats (blog articles, video testimonials, etc.) and aims to capture audiences at different stages of the buyer journey, stimulating conversion.
- **Database Engagement/Email Marketing** – Reengage the Catalina leads database to communicate the launch of Catalina Green, followed by monthly lead nurture emails.
- **Experiential/Event Marketing** – Deliver a public launch event for the Catalina Green precinct, leverage Catalina estate community events to advertise Green, and generate additional brand exposure and community engagement through sponsorship of third-party events.



## 8.0 Marketing Strategies - *Continued*

### 4. Builder Partnerships and Promotions

Due to 1 in 2 prospects considering House & Land packages and the increase in buyers visiting home builder websites, developing strong partnerships with builders who specialise in smaller-lot housing (such as *TERRACE Homes & Homebuyers Centre*) will increase awareness of the precinct and improve lead generation and conversion. Collaborating with these builders to develop Home and Land packages designed specially for Grove, will improve the customer experience and provide access to product imagery for use in advertising, enabling prospects to visualize the home and minimise potential barriers to purchase due to lot size.

Printed sales collateral and a builder sales launch event will drive builder engagement and target sales consultants operating within the northern coastal corridor.

### 5. Sales Incentives & Promotions

A discount off the sale price incentive has been most effective in the past for Catalina as the market remains price-driven. With the end of the stimulus government grants, there may be a need for sales incentives and promotions to drive leads and conversions. Eg. Backyard landscaping packages, solar packages and sales rebates could be utilised if/as needed.



# 9.0 Marketing Activity Plan & Budget

January – June 2021



## CATALINA GROVE LAUNCH

PERIOD FY21  
 DATE REVISED 25/02/2021  
 VERSION 1

ITEM	DESCRIPTION / NOTES	JANUARY					FEBRUARY				MARCH				APRIL				MAY					JUNE				Cost
		3	10	17	24	31	7	14	21	28	7	14	21	28	4	11	18	25	2	9	16	23	30	6	13	20	27	
<b>KEY PROJECT MILESTONES</b>																												
Connolly Drive Roundabout																												
Brand Development																												
Sales Launch/Stage Release 1	Jun-21																											
Stage Release 2	TBC																											
Sales Incentive Promotion	Incentive to be developed as required																											
Community Event - Easter School Holidays Event	15 April 2021																											
Community Event - Welcome Residents Event	2 May 2021																											
<b>BRAND DEVELOPMENT</b>																												
Market Research	Painted Dog research complete (Dec 2020)																											
Brand Identity	Brand concept and design work for estate logos, estate branding elements, style guide development and/or new collateral.																											
Brand Photography	Budget provision - Estate Photography & Grove Renders																											
Brand Videography	Budget provision - Update Catalina fly through & virtual tour																											
<b>BROCHURES</b>																												
Estate Brochures & Folders	Budget provision - Design and print of Catalina Grove brochure. In the case of a Grove name change, budget provision for Catalina masterbrand brochure update and reprint.																											
Print Material	Budget provision - Updates and Printing of sales plans, estate flyers, design guidelines, amenities maps, etc																											
<b>SIGNAGE</b>																												
Signage Strategy & Approvals	Budget provision - To obtain signage council approvals/drawings. Council applications: 3 x signs @ \$1,000 + GST each Engineering drawings: 3 x signs @ \$850 + GST each																											
Estate Signage	Budget provision - For design and installation as per signage strategy.																											

# 9.0 Marketing Activity Plan & Budget - Continued

January – June 2021

ITEM	DESCRIPTION / NOTES	JANUARY					FEBRUARY				MARCH				APRIL				MAY					JUNE				Cost
		3	10	17	24	31	7	14	21	28	7	14	21	28	4	11	18	25	2	9	16	23	30	6	13	20	27	
<b>ADVERTISING &amp; DIRECT MARKETING</b>																												
Media - Press	As required																											\$5,000.00
Media - Radio	As required																											\$10,000.00
Advertising Production	Budget provision - Development of media and/or campaign materials. Plus the production of advertising collateral.																											\$5,000.00
<b>ONLINE ADVERTISING</b>																												
Digital Meal - Search Engine Optimisation (SEO)	FY21 budget provision.																											\$3,250.00
Social Garden - Brand Awareness	FY21 budget provision.																											\$14,000.00
Social Garden - Lead Generation	FY21 budget provision.																											\$28,000.00
REA Project Profile	6 month campaign (Clarkson only)																											\$16,000.00
EDM - Design, Distribution & Reporting	Email marketing to database																											-
<b>WEBSITE</b>																												
Website Updates	Catalina Grove content build & website update																											-
<b>SALES OFFICE &amp; BUILDER RELATIONS</b>																												
Sales Office Interior	Budget provision - Interior & signage updates for Grove.																											\$5,000.00
Builder Relations	Builder events hosted by the Sales Team																											\$2,000.00
Sales Plans	Budget provision - Creation of MNG sales plans.																											\$1,200.00
<b>PROMOTIONS</b>																												
Functions/Events	Budget provision - Grove launch event/activation																											\$5,000.00
Sponsorship	Budget provision - Sponsorship support in line with CD Team sponsorship recommendation																											\$5,000.00
<b>PUBLIC RELATIONS</b>																												
Consultant Fees	Budget provision - Communication Coordinator to run press advertorial as required.																											-

TOTAL	\$200,550.00
GST	\$20,055.00
TOTAL INCL GST	\$220,605.00
FY21 BUDGET REMAINING	\$232,344.00

Note: This budget includes marketing activity & costings for the entire Catalina estate.

# 10.0 Timeline



## Launch Timeline



## 11.0 Future Considerations

### Catalina Sales Office

As the interior of the sales office is quite generic and currently features creative and messaging pertaining to all three precincts, we don't anticipate the physical location of the sales office will cause any barriers to purchase. However, in preparation for the launch of Grove, the sales office interior will be refreshed and fit out with additional Catalina Green-specific signage and marketing collateral.

We will gather feedback from the sales team and work with the team ongoing to refine the sales office messaging as required.

Once the Connolly Drive roundabout/Aviator Blvd work is complete, the installation of an Information Bay on Aviator Blvd will also allow people driving through to collect a brochure any time of the day.

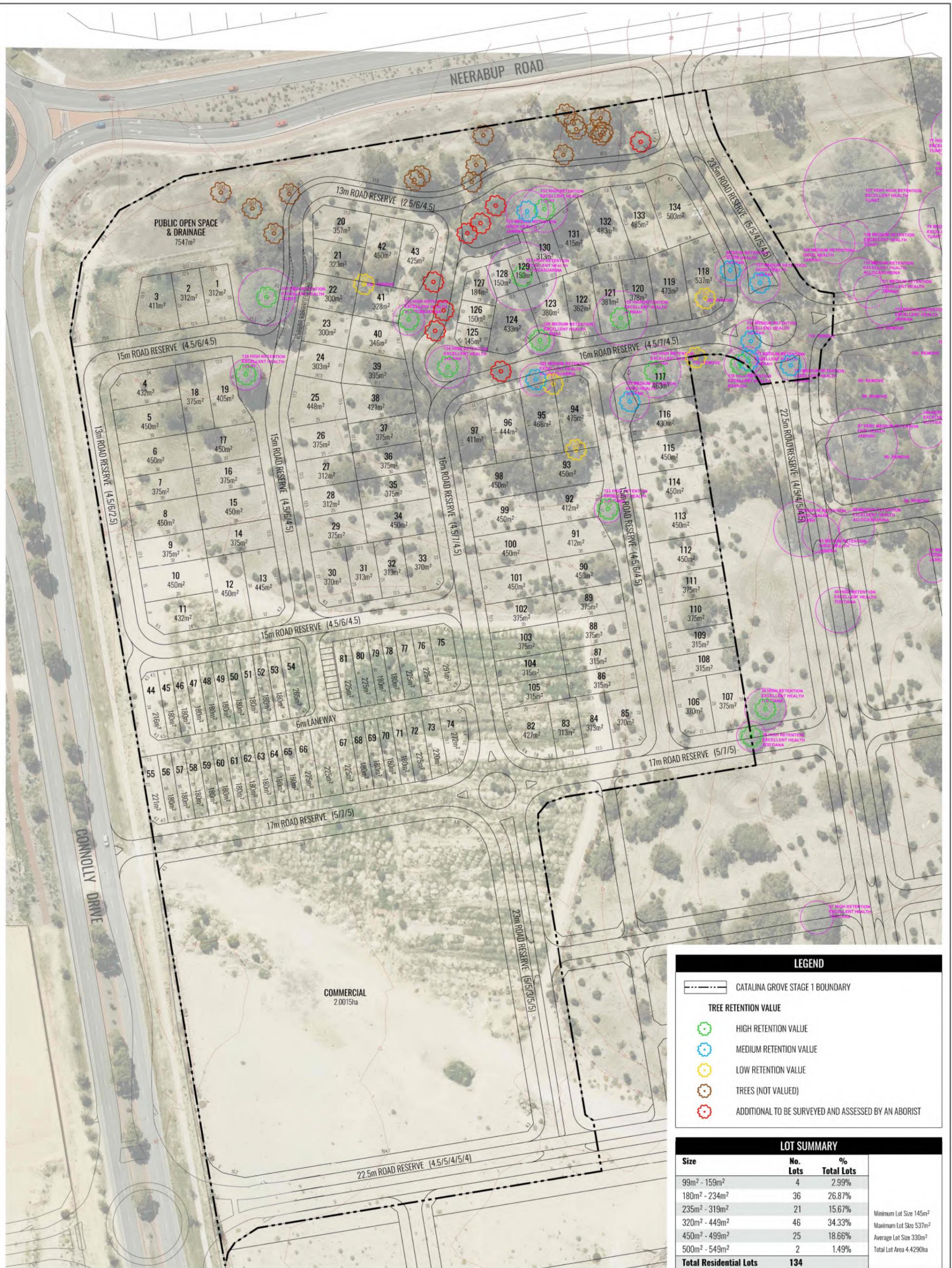
### Catalina Grove Display Village (2022)

The development of the future Display Village will be a key milestone for the precinct and will provide a major opportunity to capitalise on this brand marketing opportunity. By leveraging relationships with relevant first-home builders, a launch event will provide the ability to engage the existing leads database and invite them to explore the estate prior to buying. The highly visible location fronting Connolly Drive and signage updates will drive traffic to the Display Village.

### Ongoing

Following the Green launch, development of key project milestones and leads/sales conversion rates will influence the direction of ongoing marketing activity. The *always-on* digital advertising of the overarching Catalina brand will continue to build Catalina's brand equity, delivering strong leads for Catalina Green.





**LEGEND**

- CATALINA GROVE STAGE 1 BOUNDARY
- TREE RETENTION VALUE**
  - HIGH RETENTION VALUE
  - MEDIUM RETENTION VALUE
  - LOW RETENTION VALUE
  - TREES (NOT VALUED)
  - ADDITIONAL TO BE SURVEYED AND ASSESSED BY AN ABORIST

**LOT SUMMARY**

Size	No. Lots	% Total Lots	
99m <sup>2</sup> - 159m <sup>2</sup>	4	2.99%	
180m <sup>2</sup> - 234m <sup>2</sup>	36	26.87%	
235m <sup>2</sup> - 319m <sup>2</sup>	21	15.67%	
320m <sup>2</sup> - 449m <sup>2</sup>	46	34.33%	Minimum Lot Size 145m <sup>2</sup>
450m <sup>2</sup> - 499m <sup>2</sup>	25	18.66%	Maximum Lot Size 537m <sup>2</sup>
500m <sup>2</sup> - 549m <sup>2</sup>	2	1.49%	Average Lot Size 330m <sup>2</sup>
<b>Total Residential Lots</b>	<b>134</b>		Total Lot Area 4.4290ha

# CONCEPT SUBDIVISION

Stage 1, CATALINA GROVE

For Satterley Property Group (A Tamala Park Regional Council Project)

**DRAFT**

NORTH

Scale: 1:1500 @ A3

0 15 30 45m

PLAN: TAMCA-1-035 REVISION: C  
 DATE: 03/02/2021 DRAWN: JP  
 PROJECTION: PCG 94 PLANNER: CM  
 DATUM: AHD CHECK: JH

**cdp**

Town Planning & Urban Design

Unit 2, 464 Murray Street  
 Perth WA 6000  
 (08) 6333 1888  
 info@cdpaus.com.au  
 www.cdpaus.com.au

Copyright CDP. No part of this plan may be reproduced in any form without prior consent from CDP. All care has been taken in preparation of this plan but no responsibility is taken for any errors or omissions and is subject to change. Areas and dimensions shown on plan are subject to final survey. This plan is for illustrative purposes only.

# Appendix 7.8

# Catalina

---



---

## DESIGN GUIDELINES



## Contents

### Introduction

- 1.1 Welcome to Catalina Green
- 1.2 Purpose of the Design Guidelines
- 1.3 How to use the Design Guideline Document
- 1.4 Local Development and Structure Plans
- 1.5 Compliance
- 1.6 Approval Application

### House Design and Appearance

- 2.1 Front Elevations
- 2.2 Corner Lots
- 2.3 Colour and Materials
- 2.4 The Roof
- 2.5 Crossovers, Driveways and Garages
- 2.6 Laneways
- 2.7 Lot Levels and Retaining Walls
- 2.8 Fencing and Letterboxes
- 2.9 Outdoor Areas and Landscaping
- 2.10 Other Buildings and Services

### Checklist

## 1.1 Welcome to Catalina Green

Sustainability and connections are at the core of Catalina Green.

Through advanced planning and design the estate has embraced the existing landform and sought to nestle the development among the existing trees and vegetation. This unique approach allows you to built your dream home among new infrastructure with a natural backdrop.

Access to transport is easy with a vast bike and foot path network that will provide connections to Ocean Keys Shopping Centre, Clayton Beach, Mindarie Marina and Clarkson Train Station. With all this on your doorstep why would you want to be anywhere else? But should you want to venture further afield the freeway and train station are right there for you.

Catalina Green offers the perfect location that balances beach, bush, shops and city.

**WHERE URBAN LIVING  
MEETS CONVENIENCE**



## 1.2 Purpose of the Design Guidelines

The Design Guidelines apply to residential lots within Catalina Green and will help you and your chosen builder to design a high quality home that fits in with the aesthetic of the estate.

The appearance of housing, front yards and verges contribute to community pride and property values. The Design Guidelines provide helpful information to assist you to design your new home.

The Design Guidelines are a framework for design decisions and provide for:

- A cohesive community
- Attractive streetscapes
- Quality housing design
- Appropriate architectural Styles
- Individuality
- Community safety and security
- Climate responsive design
- Confidence in your investment

## 1.3 How to use the Design Guidelines

To ensure your home meets the requirements of the Design Guidelines, your Contract of Sale specifies that you must submit your preliminary design for Satterley's approval prior to lodging plans with the City of Wanneroo. A checklist for mandatory requirements has been included at the end of this document.

**The Design Guidelines include mandatory elements that must be complied with and recommended design elements that you are strongly encouraged to consider.**

## 1.4 Local Development and Structure Plans

In addition to these Design Guidelines, a Local Structure Plan (LSP) and Local Development Plans (LDP's) have been prepared over some lots within Catalina Green. The LSP and LDP's set out permissible variations to the Residential Design Codes that have been adopted by the City of Wanneroo. Compliance with the LSP and LDP's is assessed by the City of Wanneroo as part of your application for Development Approval and/or Building Licence.

The LSP and LDP's identify requirements for a number of items, including but not limited to the following;

- Dwelling orientation
- Building setbacks
- Public open space interface
- Private open space and outdoor living areas
- Vehicle access and garage locations
- Boundary Walls
- Visual Privacy
- Design for Climate

## 1.5 Compliance

Satterley's approval ensures all homeowners meet the Design Guidelines mandatory requirements. Compliance with mandatory design measures (Design Requirements) is a contractual obligation. City of Wanneroo approval ensures compliance with statutory and policy requirements.

Individuality, architectural expression and innovation are promoted. Alternative designs will be considered where the vision of Catalina Green is main-

tained. Approval of alternative designs does not set a precedent.

The Design Guidelines must be read in conjunction with Catalina Green Local Development Plans as approved by the City of Wanneroo, local laws and policies, Residential Design Codes of Western Australia (R Codes) and other statutory requirements. Satterley does not warrant the City of Wanneroo will approve a house plan if it satisfies these Design Guidelines.

## 1.6 Approval Application

Building plans must provide the following and should be lodged electronically in PDF format to [plans@satterley.com.au](mailto:plans@satterley.com.au)

### SITE PLAN

Include levels, location of dwelling and garage, boundary setbacks, all fences, retaining walls and other outbuildings.

### FLOOR PLAN

The proposed house design and room layout, including window and door locations, alfresco areas, etc.

### ELEVATIONS

Materials and colours schedule for walls, the roof and trims. Ceiling heights are to be shown as well as roof pitch.

Purchasers are responsible for checking whether any of the following items apply prior to design;

- Local Development Plans;
- Existing infrastructure such as retaining walls, fences, utilities, or similar; and
- Bushfire management plans



# House Design and Appearance

These Design Guidelines set a number of mandatory and encouraged requirements that you and your chosen builder will need to meet when designing your new home. These act as a guide to ensure a high-quality home is built that is in keeping with the estate and your neighbours.

Sustainability is at the core of Catalina Green and we encourage you to continue this within your house design. A home designed to suit the lot and local conditions can enhance comfort, ease household energy and water costs and provide long term environmental benefit.

Catalina Green is proud to have been awarded the highest possible sustainability accreditation from the Urban Development Institute of Australia. Catalina Green has been awarded for its sustainability in Ecosystems, Waste, Energy, Materials, Water and Community. To find out more visit;

[www.envirodevelopmentliving.com.au](http://www.envirodevelopmentliving.com.au)

We encourage you to investigate sustainable building options and climate responsive design including solar access, natural ventilation, thermal and water efficiency. Further information on this can be obtained from:

[www.water.wa.gov.au](http://www.water.wa.gov.au)

[www.yourhome.gov.au/technical](http://www.yourhome.gov.au/technical)



Catalina Green benefits from good access to natural light and cooling breezes. Simple items to consider when planning your home include:

- Orientating important internal living areas such as the kitchen, family room or lounge to have access to northern winter sun;
- Protecting north and west facing rooms from summer sun through shading devices, deeper eaves or appropriate plantings;
- Placing window openings to increase natural airflow, particularly through key living spaces;
- Zoning internal living and sleeping areas to allow for localised heating and cooling; and
- Locating hot water systems as close as possible to the kitchen and main bathroom.

Satterley reserves the right to amend the Catalina Green Design Guidelines at any point in time.

## 2.1 Front Elevation

The front elevation is your home's public face and makes the greatest contribution to maintaining a consistent visual aesthetic across the estate. This can be achieved by ensuring that the following requirements are incorporated in the design of your new home.

### Mandatory requirements

#### ADDRESSING THE STREET

- The front of your home must contain the front door and have window/s with a clear view of the street. The front door must not be accessed from the garage.

#### ENTRY FEATURE

- A veranda, portico or porch must be provided to the front of the house to create an open and welcoming entry for your home. This should be a minimum of 1.5m in covered depth.



#### MATERIALS

- At least three of the following materials must be provided in the front elevation of your home (excludes roof, door and window treatments) each comprising no less than 15% of total front elevation wall:
  - \* Face brickwork;
  - \* Rendered brickwork;
  - \* Contrasting rendered brickwork;
  - \* Stone pattern render;
  - \* Feature tiling;
  - \* Stone cladding;
  - \* Timber garage door;
  - \* Timber cladding, weather boarding, or reconstituted materials;
  - \* Other materials to be approved on a case by case basis by Satterley.

Note: No colour repetition permitted.

#### ELEVATION FEATURE

- On the primary street elevation, at least one of the following architectural elements are to be incorporated:
  - \* Gable or gambrel;
  - \* Roof gable (dutch gable, gablet, gambrel);
  - \* Planter box (minimum 1.5m width);
  - \* Bay window;
  - \* Balcony;
  - \* Blade wall; or
  - \* Other feature wall.
- In addition to any porch/portico the front elevation must have eaves with a minimum depth of 450mm, except the garage and where a boundary wall is proposed; and
- Excluding the garage, the front elevation must contain at least one indentation or projection in the floor plan, also mirrored in the roof plan to provide visual interest. This articulation must be at least 450mm deep.

Individuality, architectural expression and innovation are promoted. Alternative designs will be considered where Catalina Green's vision is maintained. Approval of alternative designs does not set a precedent.

## 2.2 Corner Lots

Providing 'eyes on the street' is an important contributor to people's perception of their safety.

### Mandatory requirements

The following requirements need to be incorporated into the design of your home:

- The main colour and materials used on the primary elevation must 'wrap' around the corner for the portion of the home visible from the street (two metres from the building line) with the same design qualities and character to enhance street appeal. No additional elevation features are required.
- The exposed secondary street façade must incorporate at least one window.

### Encouraged requirements

- Verandas extending from the front of the home around to the secondary elevation, and windows that increase neighbourhood security are encouraged.

## 2.3 Colours and Materials

Variations in colour and texture are promoted. Colour tones should be complimentary, take cues from the local landscape and express individuality through carefully chosen accents.

### Mandatory requirements

- Avoid the use of primary and vivid colours as well as reflective surfaces.

### Encouraged requirements

- The use of lighter tones is promoted. Bold and dark colours are best used in small sections against a neutral or subdued backdrop.

## 2.4 The Roof

The roof is a key element of your home's architectural character. If designed effectively it will improve the environmental performance of your house, as well as providing space for solar hot water units and photovoltaic panels.

### Mandatory requirements

To provide a more consistent appearance across the estate, your roof design should be simple and uncluttered. To achieve this it must meet the following criteria:

- Skillion roofs to have a minimum pitch of five degrees and a maximum pitch of 15 degrees;
- Traditional pitched hip and valley roofs:
  - \* Lots with a frontage greater than 10m to the primary street - roof form pitched at an angle greater than 22 degrees; or
  - \* Lots with a frontage equal to or less than 10m to the primary street - roof form pitched at an angle greater than 24 degrees.
- Must be constructed in a single material and colour.
- Highly reflective roofs such as zincalume are not permitted.

### Encouraged requirements

- A light coloured roof is encouraged to reduce solar absorbency and energy usage;
- Simple forms reflecting the setting, with generous eave overhangs to shade windows are encouraged; and
- Pre-finished corrugated metal sheeting and low profile roof tiles are encouraged.

## 2.5 Crossovers, Driveways and Garages

Streetscape and security is enhanced through the careful design of your crossovers, driveways and garages .

### Mandatory requirements

The following requirements need to be incorporated into the design of your home:

- Your driveway must be constructed from brick paving, liquid limestone or exposed aggregate concrete. Grey or painted concrete is not permitted;
- Public footpaths take priority over private vehicular access therefore driveways must not cut-through paths;
- The location of your garage must take into account where the crossover and driveway will go to avoid the removal of street trees and not conflict with service infrastructure such as power domes;
- Laying an appropriate pipe under the driveway and paved areas must be included in your plans to ensure landscape irrigation can be installed;
- Streetscape and security is enhanced when garages are to be setback a minimum of 4.5m from the primary street and are not to be forward of the dwelling alignment, unless reduced further by the LDP. Garages may be aligned with the dwelling provided they do not exceed the garage setback line. Garages are to be setback 1.5m metres from the secondary street;
- Garages may be forward of the front building line to a maximum of one metre for two storey dwellings where the garage alignment complies with the primary setback;
- All garages shall be enclosed with a door and installed prior to occupation; and
- Car ports are not permitted.

### Encouraged requirements

- Internal garage storage is encouraged.



## 2.6 Laneways

Security is enhanced through the careful design of laneway homes.

### Mandatory requirements

If your home is located on a laneway lot, you will need to consider the following requirements when designing your home:

- Vehicle access must be from the laneway;
- The garage door must not project into the laneway when opened or closed; and
- The front of your home overlooks the adjoining street or park, not the laneway.

### Encouraged requirements

- The laneway elevation should complement the rest of your home, with the same design qualities and character; and
- Where possible, provide a major opening from a habitable room to overlook the laneway.

## 2.7 Lot Levels and Retaining Walls

Your lot levels and retaining walls have been designed, constructed and certified taking into account site classification and drainage requirements.

### Mandatory requirements

- Lot levels are set as part of estate works and are not to be modified; and
- Modifications to retaining walls installed by the developer are not allowed unless for maintenance or where written approval by Satterley and City of Wanneroo has been granted;

## 2.8 Fencing and Letterboxes

To help create a friendly, open and welcoming street it is important for the following to comply.

### Mandatory requirements

- Installing a front fence is not permitted;
- Some laneway lots may have a visually permeable fence provided by the developer. Modifications to fences installed by the developer are not permitted unless for maintenance or where approved by Satterley in writing;
- Fencing is not permitted within the front setback area of a lot (including forward extensions of side boundary fencing and fencing on corner truncations);
- Side and rear boundary fencing must be 1.8m high, estate Woodland Grey Colorbond fencing. The finish of any side or rear boundary gates should complement the fence (except where a pillar has been constructed by the developer, in which case side fencing is not permitted forward of the pillar); and
- Corner lots side fencing must be installed two metres back from the forward most point of the closest wall of your home to the boundary.

## 2.9 Outdoor Areas and Landscaping

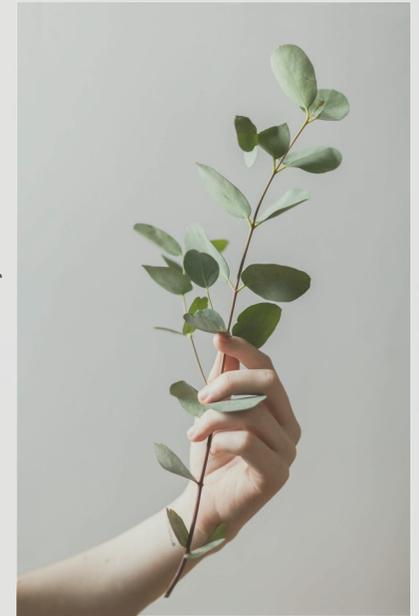
Your outdoor living area should be designed to receive northern winter sun whilst providing protection from rain, winter breezes and the hot summer sun. Well-designed front yard and verge areas can increase security, privacy, energy efficiency, water efficiency and improve the presentation of your home.

Your landscape design and plant selection should respond to local conditions and homeowners are encouraged to consider native and water-wise options. Decking and the use of aggregates can reduce turf and garden areas.

### Mandatory requirements

- Provide reticulation to verge areas, complete landscaping prior to occupation and continue to maintain lawn and garden areas.

By submitting your plans and gaining Satterley's approval (and meeting the terms and conditions of your contract), will allow you to claim the Catalina Green front landscaping rebate. Once installed the front landscaping package should not be removed or significantly altered.



## 2.10 Other Buildings and Services

Sheds and other enclosures should be considered when planning your site to minimise the impact on outdoor living spaces and visual amenities.

### Mandatory requirements

- Studios and ancillary accommodation should be constructed in complementary materials and colours to your home;
- Any shed, storeroom, outbuilding or other freestanding structure should be located in your backyard to minimise visibility from adjacent streets, laneways and parks and constructed in materials and colours that complement your home;
- For corner lots, sheds and outbuildings shall not extend 500mm above fences and shall not be greater than 10sqm in floor area;
- Building services such as air-conditioning units, satellite dishes, TV antennae, solar hot water units, photovoltaic

panels and down pipes must be screened from public view or located in the least visibly obtrusive location from adjacent streets and parks;

- Clothes drying areas must be screened from view from adjacent streets and parks. They should be well located to access sunlight and breezes; and
- Bin storage areas must be screened from view from adjacent streets and parks. It is recommended to install a water tap adjacent to your bin storage area.

### Encouraged requirements

- Photovoltaic panels and solar hot water units should be positioned to access northern and western sunlight and should be integrated with the roof profile of the home and not elevated at any angle to the roof pitch; and
- Building services should be finished in a similar colour to the roof and located to minimise potential nuisance, such as noise to neighbouring properties.

# Checklist

To be submitted with building plans to Satterley for approval.

## Mandatory Requirements

### Addressing the Street

- The front of your home must contain the front door and have window/s with a clear view of the street. The front door must not be accessed from the garage.

### Entry Feature

- A veranda, portico or porch must be provided to the front of the house to create an open and welcoming entry for your home. This should be a minimum of 1.5m in covered depth.

### Materials

- At least three of the following materials must be provided in the front elevation of your home (excludes roof, door and window treatments) each comprising no less than 15% of total front elevation wall:
  - \* Face brickwork;
  - \* Rendered brickwork;
  - \* Contrasting rendered brickwork;
  - \* Stone pattern render;
  - \* Feature tiling;
  - \* Stone cladding;
  - \* Timber garage door;
  - \* Timber cladding, weather boarding, or reconstituted materials;
  - \* Material approved by Satterley.

Note: No colour repetition permitted.

### Elevation Feature

- On the primary street elevation, at least one of the following architectural elements are to be incorporated.
  - \* Gable or gambrel;
  - \* Roof gable (dutch gable, gablet, gambrel);
  - \* Planter box (Minimum 1.5m width);
  - \* Bay window;
  - \* Balcony;
  - \* Blade wall; or
  - \* Other feature wall.
- In addition to any porch/portico the front elevation must have eaves with a minimum depth of 450mm, except the garage and where a boundary wall is proposed; and
- Excluding the garage, the front elevation must contain at least one indentation or projection in the floor plan, also mirrored in the roof plan to provide visual interest. This articulation must be at least 450mm deep.

### Corner Lots

- The main colour and materials used on the primary elevation must 'wrap' around the corner for the portion of the home visible from the street (two metres from the building line) with the same design qualities and character to enhance street appeal. No additional elevation features are required.
- The exposed secondary street façade must incorporate at least one window.

### The Roof

- Skillion roofs to have a minimum pitch of 5 degrees and a maximum pitch of 15 degrees.
- Traditional pitched hip and valley roofs:
  - \* Lots with a frontage greater than 10m to the primary street - roof form pitched at an angle greater than 22 degrees; or
  - \* Lots with a frontage equal to or less than 10m to the primary street - roof form pitched at an angle greater than 24 degrees.
- Must be constructed in a single material and colour.
- Highly reflective roof tops such as zincalume are not permitted.

# Checklist (Continued)

## Mandatory Requirements

### Colours and Materials

- Avoid the use of primary and vivid colours and reflective surfaces.

### Crossovers, Driveways and Garages

- Your driveway must be constructed from brick paving, liquid limestone or exposed aggregate concrete. Grey or painted concrete is not permitted.
- Public footpaths take priority over private vehicular access therefore driveways must not cut-through paths.
- The location of your garage has taken into account where the crossover and driveway will go to avoid the removal of street trees or conflicts with service infrastructure such as power domes.
- Laying an appropriate pipe under the driveway and paved areas has been included in your plans to ensure landscape irrigation can be installed.
- Garages are to be setback a minimum of 4.5m from the primary street and are not to be forward of the dwelling alignment. Garages may be aligned with the dwelling provided they do not exceed the garage setback line. Garages are to be setback 1.5m from the secondary street.
- Garages may be forward of the dwelling alignment to a maximum of one metre for two storey dwellings where the garage

alignment complies with the primary setback.

- All garages shall be enclosed with a door and installed prior to occupation.
- Car ports are not permitted.

### Laneways

- Vehicle access must be from the laneway.
- The garage door must not project into the laneway when opened or closed.
- The front of your home overlooks the adjoining street or park, not the laneway

### Lot Levels

- Lot levels have not been modified.

### Front Fencing and Letterboxes

- Fencing is not permitted within the front setback area of a lot (including forward extensions of side boundary fencing and fencing on corner truncations).
- Side and rear boundary fencing must be 1.8m high, estate Woodland Grey Colorbond fencing. The finish of any side or rear boundary gates should complement the fence (except where a pillar has been constructed by Satterley, in which case side fencing is not permitted forward of the pillar).

### Other Buildings and Services

- For corner lots, sheds and outbuildings shall not extend 500mm above fences and shall not be greater than 10sqm.
- Building services such as air-conditioning units, satellite dishes, TV antennae, solar hot water units, photovoltaic panels and downpipes must be screened from public view or located in the least visibly obtrusive location from adjacent streets and parks.
- Clothes drying areas must be screened from view from adjacent streets and parks. They should be well located to access sunlight and breezes.
- Bin storage areas must be screened from view from adjacent streets and parks. It is recommended to install a water tap adjacent to your bin storage area.

### Other Important Items

- Checked for the existence of Local Development Plans, special geotechnical requirements, Bushfire management plans, BAL ratings and/or infrastructure items that may impact design.
- Site plan, floor plan and elevations included within the application for Satterley's approval.

