



# terrano<sup>vis</sup>

## Reporter



- Property Development and Investments
- Focused on Exceeding Client Expectations
- Unique Off Market Opportunities
- Delivering Better Environments
- Competitive Fee Structures

Issue 1: 2013

Welcome to the Autumn 2013 edition of the Terranovis reporter.. In this issue we are pleased to provide you with an update regarding activity at our estates, and inform you about some of the plans that we currently have underway for the future

## 'Perfect storm' forecast for Perth property market

Australian Property Monitors senior economist Andrew Wilson has described the Perth property market as a 'perfect storm', with demand for properties from both investors and homebuyers set to collide.

In an article recently published in the Australian Financial Review (March 9-10), Mr Wilson claimed that the Perth market is poised to deliver close to double-digit price growth in 2013. The paper noted reports that first-homebuyers are more active in Perth than in any other Australian capital city, with homes in the 350k – 500k price range holding the greatest potential for price growth.

In the last edition of the Reporter we cited forecasts that the housing shortage in Perth was likely to increase dramatically in 2012, tightening the rental market and resulting in higher rents, ultimately driving home prices upward.

As it happened, the average price for homes sold in the Perth metropolitan area during the 2012 December quarter increased by 3.3%. Rents also increased by up to 20% in some areas during 2012 and REIWA's preliminary data for the December quarter indicated the rental vacancy rate was a very low 1.9 per cent.

It appears that our confidence in the market recovery was well founded: Terranovis is now primed to deliver increased returns for our investors as we continue to develop estates that fulfill the needs and aspirations of the most active sector of the Perth real estate market.

## Avalon stands out in Balddivis

The Balddivis area enjoyed heightened sales activity during 2012 and Project Manager for Avalon Julia Nelson said that the estate continues to be an outstanding performer.

"We have been selling between five and six home sites a week over the past few months, so our sales have really been performing well," said Julia.

"Avalon is one of our larger estates at 469 lots, so we have really come a long way: We now have only 78 lots left to be developed."

While sales activity at Avalon has been impressive, construction is underway which will see a number of major features of the estate completed.

"Construction on the last three remaining parks from the estate's original design has begun, which will be completed by the end of 2013," said Julia.

"In even better news for families, construction of the local primary school is due to begin in early 2014, with an opening scheduled for 2015.

"Avalon offers a winning combination of large home sites, tree-lined streets, open spaces and a handy location all at a competitive market price, so it's not surprising that it has been such a popular estate," said Julia.

"With all of these other elements on the horizon, Avalon is well on its way to becoming the community we planned at the beginning."

For more information about Avalon visit the estate's web site at [www.avalonatbalddivis.com.au](http://www.avalonatbalddivis.com.au).



## New apartment development for Beelihar

Planning is currently underway for a prime development site in Beelihar recently acquired by Terranovis. The site will feature a development of approximately 54 apartments consisting of a range of competitively-priced one, two and three bedroom apartments and townhouses

Terranovis Director Anthony Mylonas said that the development will be an innovative step for the company.

"The site that we have acquired is handy to the shops, facilities and transport options on offer at Cockburn Central," said Anthony.

"This higher-density development will address the needs of groups such as first homebuyers looking for a comfortable and affordable urban lifestyle, as well as investors seeking a quality, easily-maintained property that will stand out in the home rental market.

"We are excited about this opportunity and confident that it will have a lot of appeal."

The sales launch for the project is scheduled to take place in mid-2013, with apartments available for settlement approximately 18 months later.

## Wandi syndicate closes fully subscribed.

Terranovis recently completed capital-raising to fund the \$13.1M purchase of a development site in Wandi. Located adjacent to the Satterley group's Honeywood estate in the Kwinana Freeway southern corridor, planning is underway to develop the 11.57 hectare site into a 135-lot residential estate, which will also feature a higher-density development of 28 apartments.

This project is expected to take place over a two-year period. Returns of 54 per cent are expected over the life of the project, plus return of capital.

The capital-raising for the project was fully subscribed, which indicates strong confidence among investors in Terranovis's capacity to deliver competitive returns.



## Riverbank exceeds expectations

Sales at our Riverbank Estate in Southern River have continued to exceed expectations, with Stages One to Five now completely sold out and just a few home sites remaining in Stage Six.

Project Manager for Riverbank Cade Taylor said that the estate had enjoyed a busy sales period in the latter half of 2012.

"Sales went well at Riverbank during 2012 and we saw interest build up even more in the traditionally busy spring period," said Cade.

"While sales for the estate have been impressive we have also been closely managing our construction schedule, with Stage Five commencing just prior to Christmas. Construction for Stage Six is also due to begin soon."

Sales for Stage Seven of Riverbank, which will consist of approximately 48 home sites, are due to launch in April 2013. Considering the estate's past sales history, it is expected that Stage Seven will be just as well received by the market and interest is expected to be strong. In fact we already have "Holds" on a number of the lots.

"Our 14-home display village is now fully open, so people can drop by and look at some stunning new home designs and see how they fit into the Riverbank setting," said Cade.

"Stage Seven offers a great selection of family-sized home sites, so we expect to soon be welcoming a whole new wave of families to the Riverbank community."

For more information about Riverbank, visit the estate's web site at [riverbankestate.com.au](http://riverbankestate.com.au).

## The Haven at Beelihar

The syndicate for our 36-lot Beelihar estate The Haven is approaching completion, with development for the project commencing in September 2011 and land titles for both Stage One and Two being issued to purchasers during 2012.

Project Manager Julia Nelson said that home sites at the estate had been snapped up quickly.

"We are fully sold out at The Haven and we expect to wrap the project up soon," said Julia.

"While the landholding was not a large one, The Haven was popular because of its location and we were able to manage the development to suit the market."

Julia said that investors who joined the syndicate in 2010 to fund the development are set to benefit from the successful management of the project and the estate's excellent sales performance.

"Our investors are placed to enjoy a projected return of \$1.50 per share (including \$1 return of share capital) before tax," said Julia.

"We are really pleased that we were able to achieve a successful result for everyone involved."

## Beelihar Edge a success for Terranovis client

Beelihar Edge has proven to be another success story for a Terranovis landowner-developer client, with every home site on their Beelihar development selling prior to construction.

Director Victor Marcelino said that the Beelihar Edge project had shown that even with a relatively small landholding, Terranovis could achieve a successful outcome for clients.

"The current landowners decided that it was time to make the best of their significant investment and approached us to manage the development of their land," said Victor.

"While the owners have decided to retain one lot for their own residence, they have been able to reap the benefits of developing the remaining land into a further eight home sites."

Construction of the estate is expected to be complete by July 2013.





# Henley Brook Apartments

Avonlee Estate in Henley Brook provides its residents with a peaceful semi-rural environment in the idyllic Swan Valley.

Set within a relaxing enclave with major transport routes a few minute's drive away, Avonlee features a wide range of home sites including large lifestyle properties and more compact cottage lots.

Project Manager for the Avonlee apartments, Cade Taylor said that Terranovis now have something unique planned for Avonlee.

"Initial planning is underway for a boutique apartment development of 22 home units at Avonlee," said Cade.

"We plan to offer a selection of one and two bedroom homes which will feature spacious floor plans and configurations designed to take advantage of their location overlooking Avonlee's open parkland."

Cade said that the design and location of Henley Brook apartments will suit buyers such as FIFO workers looking for a 'lock and leave' residence, or for those seeking a low-maintenance property.

"Real estate in the area is really taking off now and we believe that the Henley Brook apartments will offer something special for prospective buyers; the convenience of apartment living in the tranquil surroundings of the Swan Valley."

Sales for Henley Brook apartments are expected to launch in mid-2013. To keep up to date with developments at Avonlee visit the estate web site at [www.avonlee.com.au](http://www.avonlee.com.au)

## New management projects

Terranovis have recently begun work on a number of new management projects, which will see the development of residential estates throughout Perth's southern development corridor.

### Kerosene Lane

Lots 14, 15 and 299 at Kerosene Lane Baldivis are the planned site for a new estate which will eventually accommodate approximately 500 homes.

Project managed by Terranovis on behalf of a single landowner/developer, an application to the WA Planning Commission was recently submitted for a subdivision of 177 home sites.

It is proposed that the development will be split into four stages, with the first stage incorporating 49 home sites, a primary school and a large recreational area of 1.6 hectares.

The area adjacent to the site in Baldivis comprises an established local centre featuring popular fresh food market the Spud Shed, as well as a variety of shops, offices and café premises. Construction on the first stage of the project is expected to begin in July 2013.

### Yangebup Road

Terranovis is project managing a site located at Lots 1 and 2 Yangebup Road, Yangebup on behalf of a single landowner/developer, with a proposed modification to the City of Cockburn's Local Structure Plan submitted in February 2013.

The proposed development is comprised of 62 home sites with 59 green title lots ranging in size from 311sqm to 640sqm, as well as two unit development sites. Subdivision approval for the site is expected to occur in August 2013, with construction of the first stage slated to occur the following August.

### Karnup rezoning

Terranovis has been appointed to facilitate a Metropolitan Regional Scheme rezoning from Rural to Urban on behalf of 24 landowners in Karnup. The rezoning is progressing, with the City of Rockingham preparing a District Structure Plan for the Karnup and South Baldivis area.

A stakeholder reference group has been established to address any issues arising regarding the rezoning, with Terranovis, Landcorp, the Western Australian Planning Commission and the City of Rockingham putting forward representatives.

The proposed rezoning in Karnup consists of approximately 100 hectares of land. Terranovis' role is to progress the zoning for the landowners so they can maximise their capital values.

### Lots 14-18 Ocean Road, Spearwood

A Local Structure Plan is about to be endorsed by the Western Australian Planning Commission for a site located on Ocean Road, Spearwood which Terranovis is project managing on behalf of five separate landowners.

An application to subdivide all five broad acre lots that constitute the site have been submitted to the Western Australian Planning Commission, with approval expected in March 2013.

The proposed development will be comprised of 52 green title lots ranging in size from 320sqm to 521sqm, with construction expected to commence in Winter 2013.

## Investing

If you are interested in investing in land development, please complete the expression of interest, return to Terranovis and we will then send you our Financial Services Guide.

Name

Telephone

Address

Email



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I am interested in investing in land development

\$0 - \$500,000

\$500,000 - \$1,000,000

\$1,000,000 - \$5,000,000

over \$5,000,000

Please return by Fax: 08 9336 4672,

Email: [admin@terrano\*\*vis\*\*.com.au](mailto:admin@terrano<b>vis</b>.com.au) or

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