

Peninsular

R E S I D E N C E S

Construction Update
21st June 2019



HCAP
DEVELOPMENTS

M
MARQUEE
DEVELOPMENT
PARTNERS

CONSTRUCTION UPDATE – June 2019

Date: 21/06/2019

Prepared by: Marquee Development Partners

Builder/Contractor: Rawcorp

Project Address: 5-7 Peninsular Drive, Surfers Paradise

Construction Commencement Date: 18th June 2018

Anticipated Completion Date: late August 2019

Lodge Finance Application - NOW

Settlement is approaching – now approximately two months away.

If you haven't already started or lodged your finance application to assist with settlement, we **strongly urge you** to do it now as **no settlement extensions will be granted**.

As outlined in last month's Construction Update, all purchasers were advised to immediately start their finance application process. Buyers should now have lodged their finance application and be well progressed in preparation for settlement.

Buyers should be regularly liaising with their financial advisor, bank or broker to ensure that all required paperwork and supporting documentation are in order, supporting the lodged finance applications.

If you have not applied for finance recently you need to be aware that banks and financial institutions are taking much longer to process finance applications, which is why it is critical to act with urgency. If an application has not yet been lodged, we strongly urge you to lodge no later than by the end of June, as no settlement extensions will be granted.

Valuation Process

As outline in last month's Construction Update, financiers will require a Mortgage Security Valuation to be prepared, which usually involves an inspection of the property. To gain access to the property, valuers will require an authorised escort, as it remains an active construction site until completion.

Ben Crossan from Marquee Development Partners is the point of contact for valuer inspections. To arrange inspections, Ben can be contacted on 0409 648 580 or ben@marqueedp.com.au. At this stage we estimate that the valuer inspections will be able to commence in mid July.

For our own internal reporting purposes, HCAP has engaged JPM Valuers and Property Consultants (JPM), whom are well regarded in the valuation industry, to prepare an independent market valuation of each apartment within Peninsular Residences. This report is expected to be completed in the weeks ahead and will be provided to you prior to calling for settlements. It is important to note that while JPM undertake valuations for several lenders and are registered valuers in Queensland, this valuation cannot be used for your finance purposes, as your lender will have their own preferred panel of independent valuers.

Update on Building Manager and Letting Manager

Over the past six months, the development team has been working hard to secure the best on-site operator to undertake the caretaking and property management letting roles at Peninsular Residences. We have interviewed over 20 potential candidates and have reduced these to a shortlist of two first class operators. Engaging a professional on-site manager is a critical milestone for the buyers of Peninsular Residences, as a dedicated property manager that resides on site will ensure delivery of a superior quality of service and real value. We are pleased to advise that we are in the final stages of negotiating the terms of our preferred operator and will be making an introduction in the near future, along with the necessary Form 6 agreement to appoint them as property manager.

Developer Paid Upgrades

Our development team is working hard to ensure delivery of the very best value for money for purchasers. Through the course of the construction, we identified certain aspects of the building to add upgrades and to add value, **at no additional cost to our purchasers**. These are items that did not form part of the original building design nor were required to satisfy Council's development approval. The development team made such decisions to provide upgrades to the building as an added bonus to our customers, which include the following:

- **Artwork Upgrade** – We identified an area of the lower level façade that is suitable for an tasteful artwork installation, which will make the building even more attractive from first impressions. In line with this, we engaged an artist from Miami in the USA to prepare an appropriate design. We have also engaged local contractors to fabricate and install the artwork, including subtle LED lighting to compliment the artwork at night.
- **Solar Power Upgrade** - We have installed a series of solar panels to the roof, providing renewable power to the common area facilities. Although this was not required to meet sustainability targets, we see this as a way to add value to the project, to reduce the body corporate levies for the long-term benefit of unit owners and to contribute to preserving the environment.
- **Customised Common Area Furniture Upgrade** - Typically when a building is completed, the body corporate is required to furnish the common areas with an array of loose furniture items - generally on a limited budget. These are commonly cheap, off-the-shelf items. However, for Peninsular Residences, we have engaged a local manufacturer to custom design and craft a bespoke furniture package worth over \$100,000, tailored to the character and coastal outdoor environment of Peninsular Residences' common areas. Our interior design specialist, Trish Szonert, has collaborated with specialist designers to specify and deliver a unique collection of fabrics, that suitably compliment the amazing residents' rooftop layout and views.

- **Mature Landscaping Upgrade** - The development team has worked with landscape architects to increase the size and quantity of plants previously approved in the development application. This ensures that the development makes the very best first impressions for future owners and tenants, as well as speed up the time to create a lush landscape surrounding the building.

Defect Management

The builder has commenced their defect inspections of the completed lower units and promptly arranged for contractors to rectify any identified issues. Separately we have organised a professional building inspection company (Handovers.com) to commence their own independent third-party defect inspections, starting on lower levels. Handovers.com inspections are carried out as a complimentary service to the purchasers, with the cost covered by the developer. The development team will also oversee these inspections and make sure that defects are rectified as soon as possible.

Construction Update

The construction site has had favourable weather over the past month, allowing external works to progress on program. External painting is complete, and installation of the external architectural screening has commenced. Inside the building, tilers are currently laying the extensive natural stone flooring to the rooftop's common areas, along with completing tiling in apartments on level 8.

Key activities over the past month:

- Internal apartment fit-outs completed to level 7.
- Lift installation has continued.
- Dismantling of scaffolding has progressed.
- Lobby and rooftop common area fitout is progressing.

Key activities for the coming month:

- Continue with fitout of lobby and rooftop common areas.
- Continue fitout of apartments on level 8.
- Dismantle external hoist.
- Installation of transformer and commissioning of power to the site.



HCAP Developments CEO, Steve Howell and Marquee Development Partners CEO, Mark Spedding on site, inspecting progress at Peninsular Residences



Aerial view of Peninsular Residences looking south west over the Nerang River



Rooftop common area view, south east towards Surfers Paradise



Rooftop common area water view, south west



Aerial view of Peninsular Residences looking north east towards Surfers Paradise

Project Renders

