

Meeting of Management Committee

Thursday, 18 May 2023

Agenda

Notice of Meeting

Councillors of the Tamala Park Regional Council Management Committee are advised that a meeting will be held ELECTRONICALLY on Thursday 18 May 2023 at 6:00pm.



CHRIS ADAMS
Chief Executive Officer

MEMBERSHIP

| OWNER COUNCIL | MEMBER |
|----------------------|---|
| City of Joondalup | Cr John Chester Cr Nige Jones |
| City of Stirling | Cr Tony Krsticevic Cr Suzanne Migdale (CHAIR) Cr Karlo Perkov Cr Bianca Sandri |
| City of Vincent | Cr Ashley Wallace |

1. OFFICIAL OPENING
 - DISCLOSURE OF INTERESTS
 2. PUBLIC STATEMENT/QUESTION TIME
 3. APOLOGIES AND LEAVE OF ABSENCE
 4. PETITIONS
 5. CONFIRMATION OF MINUTES
 - 5.1. CONFIRMATION OF MINUTES
 6. ANNOUNCEMENTS BY CHAIR (WITHOUT DISCUSSION)
 7. ADMINISTRATION REPORTS AS PRESENTED
 - 7.1. BUSINESS REPORT – MONTH ENDING 30 APRIL 2023
 - 7.2. PROJECT FINANCIAL REPORT - MARCH 2023
 - 7.3. SALES AND SETTLEMENT REPORT – MONTH ENDING 30 APRIL 2023
 - 7.4. PROJECT BUDGET FYE 2024 (MAY 2023)
 - 7.5. REVISION TO CATALINA GREEN DEVELOPMENT STAGING - STAGES 39 & 40
 - 7.6. NEERABUP ROAD BUS UNDERPASS AND SUPPORTING ROAD NETWORK
 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
 - 12.1. ANNUAL PLAN FYE 2024

This item satisfies the requirements of Section 5.23 (2) of the *Local Government Act 1995* for 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:

 - i) *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*
 - ii) *A matter that if disclosed, would reveal a trade secret or information that has a commercial value to a person or relates to the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).*
 13. FORMAL CLOSURE OF MEETING
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5.1. CONFIRMATION OF MINUTES

Responsible Officer: Chief Executive Officer

Attachments: None

Voting Requirement: Simple Majority

Recommendation

That the Management Committee CONFIRMS and the Chair signs the minutes from the Management Committee meeting held on 16 March 2023 as a true and accurate record of proceedings.

7.1. BUSINESS REPORT – MONTH ENDING 30 APRIL 2023

Responsible Officer: Manager Project Coordination
Attachments: None
Voting Requirement: Simple Majority

RECOMMENDATION

That the Management Committee RECEIVES the Business Report for the month ending 30 April 2023.

PURPOSE

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

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

| | |
|---|---------------------|
| Risk Ref: 2 | Risk Rating: |
| Strategic - Stable and Effective governance environment. | Moderate |
| Action: | |
| SPG and TPRC provide reports/information to Council Meetings. | |

The report provides information to ensure the Management Committee is well informed on the progress of key components of the Catalina Project.

BACKGROUND

The business of the Management Committee 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 Management Committee but will be of general interest to Management Committee members and will also be of interest to the public who may, from time to time, refer to Management Committee 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

The following tables detail the status of all current civil works stages to 30 April 2023. The highlights of the past month include:

- Further progress towards practical completion of Stage 29, albeit with some delays to completion of finishing elements of roadworks, including kerbing and footpaths, and final lot trimming. The practical completion date has been revised to 4 May 2023.
- Further progress towards practical completion of Stage 37, remaining on target to achieve practical completion on 1 June 2023.
- Completion of Stage 31 earthworks to 70%. While approximately two-weeks behind program, the contractor considers that it will be able to make this time up to still achieve the targeted practical completion date of 14 September 2023.
- Good progress with the services installation (sewer, drainage, power, water and gas) associated with the Longbeach Promenade extension, remaining on target to achieve practical completion on 8 June 2023.
- Award of construction of 37 lots in Stage 38 (Catalina Green), with works set to commence late May 2023 and be completed just prior to Christmas 2023.

Details of civil construction progress for each current stage are provided in the following tables:

| Stage 29 | | 43 lots | |
|------------------------------------|-------------------|---------------------------------|---|
| Contractor Possession of Site | | 12 April 2022 | |
| Original Practical Completion Date | | 16 September 2022 | |
| Revised Practical Completion Date | | 5 May 2023 | |
| Construction Status | | | |
| Item | % Complete | Change since last report | Comments |
| Earthworks | 100 | 0 | Complete |
| Sewer | 100 | 0 | Complete |
| Drainage | 100 | 0 | Complete |
| Water/Gas | 100 | 0 | Complete |
| Power/Comms | 100 | 0 | Complete |
| Walls | 100 | 0 | Complete |
| Roads | 99 | 24 | Complete - only final verge trim remaining. |

| Stage 31 | | 66 lots | |
|------------------------------------|-------------------|---------------------------------|----------------------------------|
| Contractor Possession of Site | | 9 January 2023 | |
| Original Practical Completion Date | | 26 July 2023 | |
| Revised Practical Completion Date | | 14 September 2023 | |
| Construction Status | | | |
| Item | % Complete | Change since last report | Comments |
| Earthworks | 70 | 60 | In progress. |
| Sewer | 0 | 0 | Commencing mid to late May 2023. |
| Drainage | 0 | 0 | |
| Water/Gas | 0 | 0 | |
| Power/Comms | 0 | 0 | |
| Walls | 0 | 0 | |
| Roads | 0 | 0 | |

| Stage 37 | | 48 lots | |
|------------------------------------|-------------------|---------------------------------|-----------------|
| Contractor Possession of Site | | 30 September 2022 | |
| Original Practical Completion Date | | 3 March 2023 | |
| Revised Practical Completion Date | | 1 June 2023 | |
| Construction Status | | | |
| Item | % Complete | Change since last report | Comments |
| Earthworks | 100 | 0 | Complete |
| Sewer | 100 | 0 | Complete |
| Drainage | 100 | 0 | Complete |
| Water/Gas | 100 | 0 | Complete |
| Power/Comms | 90 | 90 | Well progressed |
| Walls | 80 | 15 | Well progressed |
| Roads | 75 | 35 | Well progressed |

| Stage 38 | | 37 lots | |
|------------------------------------|-------------------|---------------------------------|-----------------|
| Contractor Possession of Site | | 24 May 2023 | |
| Original Practical Completion Date | | 21 December 2023 | |
| Revised Practical Completion Date | | NA | |
| Construction Status | | | |
| Item | % Complete | Change since last report | Comments |
| Earthworks | 0 | 0 | |
| Sewer | 0 | 0 | |
| Drainage | 0 | 0 | |
| Water/Gas | 0 | 0 | |
| Power/Comms | 0 | 0 | |
| Walls | 0 | 0 | |
| Roads | 0 | 0 | |

| | | | |
|--------------------------------------|-------------------|--|-----------------------|
| Longbeach Promenade Extension | | | |
| Contractor Possession of Site | | 20 September 2021 | |
| Original Practical Completion Date | | December 2021 - works recommenced on 7 March 2023 after an 18-month hiatus, completion revised to 31 May 2023. | |
| Revised Practical Completion Date | | 8 June 2023 | |
| Construction Status | | | |
| Item | % Complete | Change since last report | Comments |
| Earthworks | 95 | 0 | |
| Sewer | 99 | 79 | |
| Drainage | 95 | 95 | |
| Water/Gas | 95 | 95 | |
| Power/Comms | 25 | 25 | |
| Walls | 0 | 0 | Starting 8 May 2023 |
| Roads | 0 | 0 | Starting mid-May 2023 |

2. Landscaping Works - Status

The status of various landscape construction works in progress in Catalina is summarised in the table contained in the attachment.

Current highlights are detailed below.

CATALINA BEACH

Catalina Beach Park - Phase 2

Earthworks for the park extension were completed as part of the Stage 29 civil works.

Landscaping works have commenced, with walls constructed and plant stock ordered. Practical completion is forecast for 16 June 2023.

Foreshore Park

Landscape design drawings for a new park at the end of the Portofino Promenade extension and adjacent to the coastal conservation reserve are complete. Initial assessment of the drawings by the City of Wanneroo has been completed and the Project team has been responding to City queries relating to urban water management plan considerations and land tenure and management arrangements for the wastewater pump station site. The current program anticipates City of Wanneroo approval in June 2023 and works commencing almost immediately following to achieve completion of the park in December 2023, although there is some risk this completion timeframe will not be achieved if there is a delay in obtaining City approval.

Longbeach Promenade Landscaping

Detailed design was approved by the City of Wanneroo on 14 April 2023. Works are currently being priced by the landscape contractor, LD Total, and subject to pricing acceptability, are expected to commence in July 2023 following completion of civil works.

Stage 29 Landscaping

Streetscape works, which primarily involves landscaping of the southern verge of Stage 29 adjacent to the Bush Forever reserve to the south of Catalina have been awarded to the

landscape contractor and are anticipated to commence in June 2023 to make use of wet conditions for planting establishment and consolidation.

Offset Revegetation Works - Coastal Reserve

A tender for a contractor to undertake revegetation works within the coastal reserve west of Catalina Estate was awarded to Natural Area Management Consulting Services by the Council at its meeting on 20 April 2023. The works are required to satisfy offset revegetation obligations placed on the TPRC by the clearing permit granted for the removal of vegetation to enable construction of the Beach Access Road and Carpark and are due to commence in late May 2023.

CATALINA CENTRAL

Nil.

CATALINA GREEN

Phase 1 Park, Streetscapes and Entry Statements

Streetscape works and entry statements on Connolly Drive and Neerabup Road and first stage of parkland adjacent to Neerabup Road in Catalina Green commenced in January 2023 and are anticipated to be completed in August 2023. Site contouring, paths and some other hardscape works are complete and planting is set to commence in late May 2023.

3. Stage 29 Titles

Titles for 43 lots in Stage 29 issued on 21 April 2023.

4. Housing Construction

The following table provides an overview of the current progress of housing construction to 30 April 2023. Substantial building activity is continuing across Catalina Beach Stages 27, 28 and 30 and the first pads for homes have been laid in Stage 18C in Catalina Central and Stage 36 in Catalina Green.

| Stage | Total Lots | Homes Completed | Homes Under Construction | Lots Vacant |
|---|-------------------|------------------------|---------------------------------|--------------------|
| Stages 1, 3-6B, 7-15, 17A, 18A, 25A, 25B & 25DV | 862 | 897* | 0 | 1 |
| Stage 2 | 38 | 36 | 0 | 2 |
| Stage 16A | 17 | 16 | 1 | 0 |
| Stage 17B | 36 | 35 | 1 | 0 |
| Stage 18B | 31 | 30 | 0 | 1 |
| Stage 18C | 28 | 0 | 6 | 22 |
| Stage 25C | 4 | 2 | 1 | 1 |
| Stage 26 | 38 | 35 | 2 | 1 |
| Stage 27A | 20 | 11 | 7 | 2 |
| Stage 27B | 23 | 1 | 20 | 2 |
| Stage 28 | 34 | 12 | 19 | 3 |

| | | | | |
|--|--------------|--------------|-----------|------------|
| Stage 29 | 43 | 0 | 0 | 43 |
| Stage 30 | 35 | 2 | 22 | 11 |
| Stage 36 | 57 | 0 | 8 | 49 |
| Total | 1,266 | 1,077 | 87 | 138 |
| Change since 31/03/23 | +43 | +3 | +8 | +32 |
| <i>*Homes completed include a 25-unit grouped housing development on a lot in Stage 1 and 13-unit grouped housing development on a lot in Stage 4.</i> | | | | |

5. Community Events

The new 11-home display village in Catalina Beach currently has four homes that have opened. An opening event was being planned for 28 May 2023, however it has been postponed to provide additional time for those homes that are still being built to progress construction. A revised date for the opening event is currently being determined. Further details will be reported to the June 2023 Council meeting.

6. Special Development Sites

Connolly Drive, Catalina Green

The Stage 36 civil works in Catalina Green include the 2ha commercial centre site located at the intersection of Connolly Drive and Expedition Drive.

Settlement of the sale of the site to Lightpoint was executed on 6 April 2023.

Lightpoint has obtained City of Wanneroo approval of a Local Development Plan, which sets parameters for development of the site, and is now preparing a development application. It has advised of its intention to commence construction in 2024.

Rathmines Street, Catalina Central

A tender for the sale of proposed Lot 341 Rathmines Street, located on the corner of Aviator Boulevard and Connolly Drive in Catalina Central was awarded by the Council on 29 September 2022 to Accord Property. The contract for sale provides for Accord to undertake due diligence before confirming the purchase. The due diligence period is due to expire in July 2023.

Aviator Boulevard/Roulettes Parade Local Centre, Catalina Central

Stage 1 of the development of the Catalina Central commercial sites, comprised of a childcare centre, was completed in mid-2022. Stage 2 will include several shop tenancies (300m² nett lettable area) and a 170m² café. The Council at its meeting of 20 April 2023 agreed to an extension to the timeframe for the final completion of the development of, subject to the following stage milestones being met as conditions precedent for acceptance of the revised development completion timeframe:

- Obtaining a building permit for the approved development by 30 June 2023; and;
- Commencing construction by 30 September 2023;

The TPRC's approved completion timeframe extension was communicated to the owner of the site on 21 April 2023. The TPRC will maintain regular communication with the owner to monitor progress towards construction commencing.

Strategic Sites

The Council at its meeting of 20 April 2023 considered an analysis of its remaining strategically-important development sites within the Project and resolved to actively explore/pursue the following sites in the short term:

- Catalina Green Display Village
- Catalina Beach Commercial Site
- Catalina Beach Group Housing South
- Catalina Green 7.5M Lots

Satterley is presently reviewing options for each site. Further progress will be reported in subsequent Management Committee and Council meeting agendas before recommendations for progressing each site are presented to the Council for consideration.

7.2. PROJECT FINANCIAL REPORT - MARCH 2023

Responsible Officer: Chief Executive Officer
Attachments: 1. Attachment - Catalina Mar 23 Finance Report
Voting Requirement: Simple Majority

RECOMMENDATION

That the Management Committee RECEIVES the Project Financial Report (March 2023 submitted by the Satterley Property Group.

PURPOSE

To consider the Project Financial Report for March 2023 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 March 2023.

RISK MANAGEMENT IMPLICATIONS

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

The report provides information to the 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 16 June 2022, the Council approved the Project Budget FYE 2023, submitted by the Satterley Property Group (Satterley). The Budget was reviewed in November 2022 and the Council approved an updated Budget at its meeting of 8 December 2023

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

COMMENT

Satterley has prepared a Catalina Financial Report for March 2023 for the Project. The report has been prepared on a cash basis and compares actual expenditure to approved budget expenditure for the period 1 March 2023 to 31 March 2023.

This report identifies the following main areas of variance:

FYE 2023 - Year to date - Budget v Actual

As tabled below, the overall nett financial position on a year to date basis exceeds the March budget projections.

| | Projected Budget (July - March) | Actual YTD (July to March) | Variance |
|-------------|--|---------------------------------------|-----------------|
| Revenue | 24,400,469 | 17,603,806 | 6,796,663 |
| Expenditure | 26,212,271 | 14,318,262 | 11,894,009 |
| Nett | (1,811,802) | 3,285,544 | 5,097,346 |

Expenditure

- Lot Production (excluding bonds): \$7.92M under budget. While a considerable portion of this under-expenditure is due to delays in the delivery of stages, there are also some 'real' budget savings as project stages are being delivered under budget allocations. This is due to a combination of good project management and the fact that considerable contingencies were included in initial budget estimates that have not been fully utilised.
- Landscaping: \$3.48M under budget. This is primarily due to delays in the delivery of works programs. The vast majority of these under-budgeted funds will be expended, just later than was initially anticipated.
- Infrastructure Spend: \$976K under budget. This primarily due to delays in the completion of Longbeach Promenade (which is under construction) but does include real budget savings, with projects being delivered for costs that are under the allocated budget.
- Clearance Bonds: \$1.08M Unfavourable. Bonds are yet to be released by the City of Wanneroo. These will be returned in due course.

Revenue

- Income: \$6.8M below expectations. This is primarily due to the fact that the Catalina Green Commercial Site (\$5.9M) settled in early April and not earlier in the year as had been expected.

As indicated in previous Project Financial Report updates, the Catalina Project budgets have traditionally been set with very aggressive development and sales targets which have proven to be unattainable due to market conditions and contractor availability. While the targets have not been achieved, the Nett project budget position has always beaten budget expectations. Budget expectations have been bettered as TPRC project budgets have been set conservatively with considerable contingencies, variation budgets and allowances being included. These are regularly under-utilised/not required and hence the actual project budget performance has historically, significantly exceeded the budget from a nett bottom- line position. While achieving a positive nett bottom line when compared to budget is a good result, TPRC staff are working with Satterley to deliver a FY24 Budget that more accurately reflects the likely development and budget parameters for the forthcoming financial year (and beyond).

26 April 2023

Mr Chris Adams
Chief Executive Officer
Tamala Park Regional Council
PO Box 655
INNALOO WA 6918

Dear Chris

Catalina Financial Report for March 2023

Please find attached the Catalina Financial Report for March 2023. This report has been prepared on a cash basis and compares actual income and expenditure to the December 2022 approved budget for the period 1 March 2023 to 31 March 2023.

YTD settlement revenue for FY2023 was \$18.9m which is \$1.9m unfavourable to budget on 12 fewer settlements.

Year to date Sales for FYE2023 was \$10.83m and \$6.55m unfavourable to budget due to 22 less residential sales.

Special site settlements are \$6.5m below budget at 31 March with Lot 3128 (Catalina Green Commercial Site) budgeted to settle in January having now settled on 4 April.

Overall year to date cashflow for FYE2023 is \$5.1m favourable to budget per the approved 'December 2022' budget, with \$3.29m net cashflow against a budgeted net cash outflow of \$1.81m. The main areas of expenditure variances are summarised below:

- Lot Production (excl. Bonds) is \$7.92m under budget, noting the following variances:
 - Stages 36-37 Earthworks \$820k under budget due to savings;
 - Stage 18C \$853k under budget due to delayed works and savings;
 - Stage 27B \$163k under budget due to savings;
 - Stage 29 \$1.44m under budget due to delayed works and savings;
 - Stage 30 \$514k under budget due to savings;
 - Stage 31 \$38k under budget due to delayed works;
 - Stage 32 \$84k under budget due to delayed works;
 - Stage 36 \$2.2m under budget due to delayed works and savings;
 - Stage 37 \$1.76m under budget due to delayed works and savings;
 - Stage 38 \$46k under budget due to minor variances from delays of civil design;

- Landscaping is \$3.48m under budget, noting the following variances:
 - Preliminary Landscaping Consultancy \$314k under budget due to delayed designed and constructions;
 - Environmental landscaping \$51 under budget due to minor timing variances;
 - Central Connolly Drive \$50k under budget due to minor timing variances;
 - Central Green Link \$81k under budget due to minor timing variances;

- Beach Display Village Verge \$2k under budget due to minor timing variances;
- Beach Portofino Verge South \$154k under budget due to minor timing variances;
- Beach Park 2 \$528k under budget due to delays in works program;
- Beach foreshore Access area 1 \$84k under budget due to minor timing variances;
- Beach Mallaca Way Medians \$5k under budget due to minor timing variances;
- Green POS 1 Phase 1 \$2.13m under budget due to delays on site;
- Green Central Bore, Pump & Filtration Unit \$15k under budget due to unused contract sum;
- Water \$68k under budget due to unused contract sums;

- Infrastructure Spend is \$976k under budget, noting the following variances:
 - Connolly Drive Blvd \$225k under budget due to savings;
 - Portofino Extension \$41k under budget due to savings;
 - Longreach Prom Extension \$676k under budget due to delays on site;
 - Rubbish Removal \$34k under budget due to unrequired works;

- Clearance bonds are \$1.08m unfavourable to budget – timing.
- Indirect Consultants are \$102k under budget - timing.

- Special sites are \$114k under budget, noting the following variances:
 - Catalina Green Commercial Site \$9k over budget due to timing of spend;
 - Stage 17B GHS is \$123k under budget due to timing of works;

- P&L expenditure is \$382k under budget, noting the following variances:
 - Sales & Marketing is \$198k under budget due to timing of spend;
 - Community and Development \$71k under budget due timing of spend;
 - Maintenance \$204k under budget due to savings as result of handover and tender;
 - Legal Fees \$25k under budget – no spend required at present;
 - Contingency \$251k under budget – not required
 - Rates & taxes \$425k over budget – budget omission;
 - Security \$18k under budget – no spend required at present;
 - Sundry Office Expenses \$9k under budget – no spend required at present;
 - Training \$13k under budget – no spend required at present;
 - Valuations \$13k under budget due to timing of spend;
 - \$5k under budget - 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



Ross Carmichael
General Manager Finance

Catalina Actual vs Budget Analysis

| Tamala Park Cashflow FY2023 | | MONTH - March 2023 | | | YEAR TO DATE - March 2023 | | | Bud Comparison: Dec 22 Approved | |
|-------------------------------------|------------------------|--------------------|------------------|-----------|---------------------------|------------------|-------------|---|--|
| Job Description | Account Description | MTH ACT Mar 2023 | MTH BUD Mar 2023 | Variance | YTD ACT Mar 2023 | YTD BUD Mar 2023 | Variance | Comments regarding variance | |
| REVENUE | | | | | | | | | |
| Settlements | Settlement revenue | 851,000 | 1,523,852 | (672,852) | 18,864,000 | 20,774,407 | (1,910,407) | 66 settlements YTD ex GST Margin scheme. GST Margin Scheme applied (Burgess Rawson valuations) Includes Commission and Management Fees Penalty interest income on settlements Delay in neighbourhood site settlement Construction Recycling, Fencing, Landscape, Shared Bore, Solar, and Display Builder Rebates | |
| Margin GST | Margin GST | (9,160) | (27,615) | 18,455 | (234,521) | (338,591) | 104,070 | | |
| Direct Selling Costs | | (38,353) | (71,088) | 32,735 | (852,064) | (1,234,437) | 382,373 | | |
| Interest Income | | 0 | 0 | 0 | 2,072 | 658 | 1,414 | | |
| Forfeited Deposits | | 0 | 0 | 0 | 0 | 0 | 0 | | |
| Other Income | Special sites revenue | 0 | 0 | (0) | 0 | 5,909,091 | (5,909,091) | | |
| Rebate Allowance | | (7,679) | (89,589) | 81,910 | (175,681) | (710,659) | 534,978 | | |
| | | 795,808 | 1,335,560 | (539,752) | 17,603,806 | 24,400,469 | (6,796,664) | | |
| LOT PRODUCTION | | | | | | | | | |
| Completed Earthworks | | | | | | | | | |
| Earthworks Stages 25-27 | Siteworks / Earthworks | 0 | 0 | 0 | 0 | 0 | 0 | under budget due to unused contract sums, savings to be reflected in next budget update | |
| | Authorities Fees | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | Direct Consultants | 0 | 0 | 0 | 0 | 0 | 0 | | |
| Total Earthworks Stage 25-27 | | 0 | 0 | 0 | 0 | 0 | 0 | | |
| Earthworks Stages 36-37 | Siteworks / Earthworks | 0 | 0 | 0 | 19,660 | 839,642 | 819,982 | | |
| | Authorities Fees | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | Direct Consultants | 0 | 0 | 0 | 0 | 0 | 0 | | |
| Total Earthworks Stage 36-37 | | 0 | 0 | 0 | 19,660 | 839,642 | 819,982 | | |
| Completed Stages | | | | | | | | | |
| Stage 18C | Siteworks / Earthworks | 66,967 | 66,967 | 0 | 1,118,095 | 1,943,055 | 824,960 | | under budget due to minor timing variance with delayed works along with savings of ~\$600k to be reflected in next budget update |
| | Authorities Fees | 0 | 0 | 0 | 226,406 | 225,587 | (820) | | |
| | Direct Consultants | 1,124 | 7,651 | 6,527 | 31,301 | 60,109 | 28,808 | | |
| Total Stage 18C | | 68,091 | 74,618 | 6,527 | 1,375,802 | 2,228,751 | 852,948 | | |
| Stage 27B | Siteworks / Earthworks | 0 | 0 | 0 | 55,817 | 45,000 | (10,818) | | |
| | Authorities Fees | 0 | 0 | 0 | 0 | 141,841 | 141,841 | | |
| | Direct Consultants | 0 | 0 | 0 | 1,250 | 33,330 | 32,080 | | |
| Total Stage 27B | | 0 | 0 | 0 | 57,067 | 220,171 | 163,103 | | |
| Stage 29 | Siteworks / Earthworks | 391,547 | 356,209 | (35,338) | 1,631,061 | 2,924,120 | 1,293,059 | under budget due to minor timing variance with delayed works along with savings of ~\$500k to be reflected in next budget update | |
| | Authorities Fees | 0 | 427,578 | 427,578 | 314,602 | 427,578 | 112,976 | | |
| | Direct Consultants | 3,938 | 7,209 | 3,271 | 40,507 | 70,178 | 29,671 | | |
| Total Stage 29 | | 395,485 | 790,996 | 395,511 | 1,986,169 | 3,421,875 | 1,435,706 | | |
| Stage 30 | Siteworks / Earthworks | 0 | 0 | 0 | 87,015 | 577,810 | 490,794 | | |
| | Authorities Fees | 0 | 0 | 0 | 0 | 16,314 | 16,314 | | |
| | Direct Consultants | 0 | 0 | 0 | 20,437 | 26,860 | 6,423 | | |
| Total Stage 30 | | 0 | 0 | 0 | 107,452 | 620,984 | 513,531 | | |
| Stage 31 | Siteworks / Earthworks | 32,805 | 0 | (32,805) | 32,805 | 0 | (32,805) | | under budget due to unused contract sums, savings of ~\$500k to be reflected in next budget update |
| | Authorities Fees | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | Direct Consultants | 4,728 | 22,484 | 17,756 | 149,770 | 220,250 | 70,481 | | |
| Total Stage 31 | | 37,534 | 22,484 | (15,049) | 182,575 | 220,250 | 37,675 | | |
| Stage 32 | Siteworks / Earthworks | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | Authorities Fees | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | Direct Consultants | 0 | 28,212 | 28,212 | 0 | 84,078 | 84,078 | | |
| Total Stage 32 | | 0 | 28,212 | 28,212 | 0 | 84,078 | 84,078 | | |
| Stage 36 | Siteworks / Earthworks | 79,724 | 0 | (79,724) | 2,865,318 | 4,737,000 | 1,871,682 | under budget due to minor timing variance with delayed works as not required yet | |
| | Authorities Fees | 346 | 0 | (346) | 351,680 | 682,544 | 330,864 | | |
| | Direct Consultants | 15,065 | 0 | (15,065) | 69,851 | 74,433 | 4,582 | | |
| Total Stage 36 | | 95,134 | 0 | (95,134) | 3,286,849 | 5,493,976 | 2,207,127 | | |
| Stage 37 | Siteworks / Earthworks | 44,525 | 448,129 | 403,604 | 451,135 | 1,792,516 | 1,341,381 | | |
| | Authorities Fees | 0 | 408,836 | 408,836 | 7,639 | 409,369 | 401,730 | | |
| | Direct Consultants | 5,640 | 18,494 | 12,854 | 142,103 | 162,005 | 19,902 | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

Catalina Actual vs Budget Analysis

| Tamala Park Cashflow FY2023 | | MONTH - March 2023 | | |
|--|-----------------------------|--------------------|------------------|------------------|
| Job Description | Account Description | MTH ACT Mar 2023 | MTH BUD Mar 2023 | Variance |
| Total Stage 37 | | 50,165 | 875,459 | 825,293 |
| Stage 38 | Siteworks / Earthworks | 0 | 0 | 0 |
| | Authorities Fees | 0 | 0 | 0 |
| | Direct Consultants | 27,378 | 22,384 | (4,994) |
| Total Stage 38 | | 27,378 | 22,384 | (4,994) |
| Various Stages | Clearance Bonds | 0 | 0 | 0 |
| TOTAL LOT PRODUCTION | | 673,787 | 1,814,153 | 1,140,366 |
| LANDSCAPING | | | | |
| Completed Landscaping | | 0 | 0 | 0 |
| Preliminary Landscaping Consultancy | Landscape Consulting | 3,349 | 79,699 | 76,350 |
| Environmental Landscaping | Landscape Construction | 0 | 9,143 | 9,143 |
| Central Connolly Drive | Landscape Construction | 0 | 223,788 | 223,788 |
| Central Green Link | Landscape Construction | 0 | 0 | 0 |
| Beach Display Village Verge | Landscape Construction | 0 | 2,912 | 2,912 |
| Beach Portofino Verge - South | Landscape Construction | 16,427 | 152,713 | 136,287 |
| Beach Park 2 | Landscape Construction | 22,421 | 0 | (22,421) |
| Beach Foreshore POS Area 1 | Landscape Construction | 0 | 0 | 0 |
| Beach Foreshore Access Area 1 | Landscape Construction | 0 | 15,805 | 15,805 |
| Beach Mallaca Way Medians | Landscape Construction | 0 | 5,101 | 5,101 |
| Green Connolly Drive Phase 1 | Landscape Construction | 0 | 0 | 0 |
| Green POS 1 Phase 1 | Landscape Construction | 55,590 | 176,441 | 120,851 |
| Green POS 1 Phase 2 | Landscape Construction | 0 | 0 | 0 |
| Green Central Bore, Pump & Filtration Unit | Landscape Construction | 25,619 | 10,201 | (15,418) |
| Water | Landscape Construction | 0 | 11,477 | 11,477 |
| TOTAL LANDSCAPING | | 123,405 | 687,278 | 563,873 |
| INDIRECT CONSULTANTS | | | | |
| Planning - indirect | Planning | 0 | 26,354 | 26,354 |
| | Architect | 1,140 | 552 | (588) |
| | Environmental | 6,550 | 3,343 | (3,207) |
| | Geotechnical | 0 | 865 | 865 |
| | Title - Survey & Legal fees | 960 | 3,396 | 2,436 |
| | Engineering fees | 6,090 | 7,077 | 987 |
| | Miscellaneous Consultants | 0 | 950 | 950 |
| | Planning - fire & safety | 0 | 0 | 0 |
| | Planning - Hydrology | 0 | 2,966 | 2,966 |
| | Planning - Sustainability | 0 | 1,514 | 1,514 |
| | Acoustic & Noise Consult | 0 | 111 | 111 |
| | Tree Mapping | 0 | 0 | 0 |
| TOTAL INDIRECT CONSULTANTS | | 14,740 | 47,129 | 32,388 |

| YEAR TO DATE - March 2023 | | |
|---------------------------|-------------------|------------------|
| YTD ACT Mar 2023 | YTD BUD Mar 2023 | Variance |
| 600,877 | 2,363,890 | 1,763,013 |
| 0 | 0 | 0 |
| 0 | 0 | 0 |
| 88,366 | 134,555 | 46,189 |
| 88,366 | 134,555 | 46,189 |
| 2,070,189 | 987,899 | (1,082,290) |
| 9,775,008 | 16,616,070 | 6,841,063 |
| 0 | 0 | 0 |
| 132,171 | 445,726 | 313,555 |
| 99,031 | 149,864 | 50,833 |
| 1,055,387 | 1,105,670 | 50,282 |
| 843,653 | 924,529 | 80,876 |
| 8,400 | 10,112 | 1,712 |
| 694,390 | 848,047 | 153,657 |
| 46,782 | 575,256 | 528,474 |
| 44,800 | 44,800 | 0 |
| 209,349 | 292,867 | 83,517 |
| 0 | 5,101 | 5,101 |
| (171,741) | (171,741) | 0 |
| 75,590 | 2,203,512 | 2,127,922 |
| 15,446 | 15,446 | 0 |
| 25,619 | 40,402 | 14,783 |
| 0 | 67,952 | 67,952 |
| 3,078,879 | 6,557,543 | 3,478,664 |
| 93,815 | 176,287 | 82,471 |
| 9,075 | 7,235 | (1,840) |
| 30,478 | 30,300 | (178) |
| 0 | 5,124 | 5,124 |
| 30,427 | 25,147 | (5,280) |
| 25,046 | 49,466 | 24,421 |
| 23,057 | 7,243 | (15,814) |
| 2,500 | 2,500 | 0 |
| 5,385 | 18,673 | 13,288 |
| 7,000 | 8,962 | 1,962 |
| 0 | 656 | 656 |
| 3,100 | 0 | (3,100) |
| 229,884 | 331,594 | 101,711 |

| Bud Comparison: Dec 22 Approved | |
|--|--|
| Comments regarding variance | |
| under budget due to timing variance with delayed works along with savings of ~\$450k to be reflected in next budget update | |
| minor variance with delay in civil design invoicing | |
| Within budget | |
| majority of variance due to delay in stage 36 and Beach park 2 landscaping as result of delay in civils, costs to normalise over coming months. Minor savings across several line items within landscaping | |
| minor variance due to timing of works, timing of invoicing and unused budget | |

Catalina Actual vs Budget Analysis

| Tamala Park Cashflow FY2023 | | MONTH - March 2023 | | |
|---|-------------------------|--------------------|------------------|-----------|
| Job Description | Account Description | MTH ACT Mar 2023 | MTH BUD Mar 2023 | Variance |
| INFRASTRUCTURE | | | | |
| Completed Infrastructure | | 0 | 0 | 0 |
| Connolly Drive Aviator Blvd Intersection | | 0 | 0 | 0 |
| Additional allowance to scheme underpass | | 0 | 0 | 0 |
| Foreshore Access Road | | 0 | 0 | 0 |
| Portofino Extension | | 0 | 0 | 0 |
| Portofino Extension | | 0 | 0 | 0 |
| Longreach Prom Extension | | 0 | 165,714 | 165,714 |
| Longreach Prom Extension | | 0 | 5,177 | 5,177 |
| Rubbish removal - General Allowance | | 0 | 7,633 | 7,633 |
| INFRASTRUCTURE | | 0 | 178,524 | 178,524 |
| INFRASTRUCTURE REFUNDS | | | | |
| Neerabup Road Reimbursement | | 0 | 0 | 0 |
| Waste Water Pump Station (West) | | 0 | 0 | 0 |
| INFRASTRUCTURE REFUNDS | | 0 | 0 | 0 |
| TOTAL INFRASTRUCTURE | | 0 | 178,524 | 178,524 |
| SPECIAL SITES & FIXED ASSETS | | | | |
| Catalina Green Commercial Site | | 0 | 0 | 0 |
| Stage 17B GHS - Lot 341 | | 0 | 33,494 | 33,494 |
| TOTAL SPECIAL SITES & FIXED ASSETS | | 0 | 33,494 | 33,494 |
| TOTAL CONSTRUCTION | | 811,933 | 2,760,579 | 1,948,646 |
| LAND | | | | |
| PROFIT & LOSS EXPENDITURE | | 0 | 0 | 0 |
| Sales & Marketing | | | | |
| Brand Development | | 3,175 | 5,167 | 1,992 |
| Sales Office & Builder Rel. | | 0 | 15,517 | 15,517 |
| Brochures | | 0 | 4,133 | 4,133 |
| Advertising | | 17,383 | 12,675 | (4,709) |
| Signage | | 2,280 | 10,005 | 7,725 |
| Website | | 0 | 1,770 | 1,770 |
| Promotions | | 0 | 1,111 | 1,111 |
| Public Relations | | 0 | 2,222 | 2,222 |
| Total Sales and Marketing | | 22,838 | 52,601 | 29,762 |
| Total Community Development | Comm Dev - Resident Dev | 0 | 15,395 | 15,395 |

| YEAR TO DATE - March 2023 | | |
|---------------------------|-------------------|-------------------|
| YTD ACT Mar 2023 | YTD BUD Mar 2023 | Variance |
| 0 | 0 | 0 |
| 0 | 225,000 | 225,000 |
| 0 | 0 | 0 |
| 1,193 | 0 | (1,193) |
| 3,990 | 45,150 | 41,160 |
| 41,023 | 40,838 | (185) |
| 500 | 656,799 | 656,299 |
| 0 | 20,505 | 20,505 |
| 10,740 | 45,196 | 34,456 |
| 57,447 | 1,033,487 | 976,040 |
| 0 | 0 | 0 |
| 0 | 0 | 0 |
| 0 | 0 | 0 |
| 57,447 | 1,033,487 | 976,040 |
| 8,660 | 0 | (8,660) |
| 9,576 | 132,653 | 123,076 |
| 18,236 | 132,653 | 114,416 |
| 13,159,454 | 24,671,347 | 11,511,894 |
| 0 | 0 | 0 |
| 7,172 | 34,500 | 27,328 |
| 346 | 93,449 | 93,103 |
| 6,695 | 29,600 | 22,905 |
| 101,472 | 89,976 | (11,495) |
| 57,017 | 99,984 | 42,967 |
| 11,045 | 14,689 | 3,644 |
| 0 | 6,667 | 6,667 |
| 0 | 13,333 | 13,333 |
| 183,746 | 382,198 | 198,451 |
| 32,959 | 103,815 | 70,856 |

| Bud Comparison: Dec 22 Approved | |
|---------------------------------|---|
| | Comments regarding variance |
| | |
| | under budget due to unused contract sums, savings to be reflected in next budget update |
| | |
| | under budget due to delay in commencement of the works |
| | unused budget |
| | within budget |
| | |
| | Within budget |
| | |
| | Within budget |
| | Within budget |
| | |
| | Within budget. Overall marketing spend below forecast |
| | Within budget |

Catalina Actual vs Budget Analysis

| Tamala Park Cashflow FY2023 | | MONTH - March 2023 | | | YEAR TO DATE - March 2023 | | |
|----------------------------------|-----------------------------|--------------------|------------------|------------------|---------------------------|-------------------|-------------------|
| Job Description | Account Description | MTH ACT Mar 2023 | MTH BUD Mar 2023 | Variance | YTD ACT Mar 2023 | YTD BUD Mar 2023 | Variance |
| Administration | Audit and Tax | 1,054 | 0 | (1,054) | 6,433 | 1,078 | (5,355) |
| | Cleaning | 1,050 | 1,020 | (30) | 7,020 | 8,770 | 1,750 |
| | Computer Costs | 0 | 510 | 510 | 0 | 3,020 | 3,020 |
| | Couriers | 0 | 306 | 306 | 0 | 1,812 | 1,812 |
| | Electricity & Gas | 0 | 1,020 | 1,020 | 11,003 | 7,457 | (3,546) |
| | Insurance | 0 | 510 | 510 | 0 | 3,020 | 3,020 |
| | Legal fees | 0 | 4,251 | 4,251 | 0 | 25,167 | 25,167 |
| | Licenses & Fees | 0 | 510 | 510 | 3,977 | 5,464 | 1,487 |
| | Postage, Print & Stationery | 0 | 510 | 510 | 0 | 3,020 | 3,020 |
| | Sundry Office Expenses | 0 | 1,530 | 1,530 | 0 | 9,060 | 9,060 |
| | Training | 0 | 2,125 | 2,125 | 0 | 12,584 | 12,584 |
| | Valuations | 1,250 | 3,400 | 2,150 | 12,100 | 25,284 | 13,184 |
| | Rates & Taxes | 1,363 | 0 | (1,363) | 460,125 | 34,944 | (425,180) |
| | Maintenance | 63,838 | 86,099 | 22,262 | 441,445 | 645,078 | 203,633 |
| | Security | 0 | 3,060 | 3,060 | 0 | 18,121 | 18,121 |
| Total Administration | | 68,554 | 104,853 | 36,298 | 942,103 | 803,880 | (138,223) |
| Finance | Contingency | 66,967 | 152,793 | 85,827 | 701,790 | 952,820 | 251,031 |
| | Contingency Offset Transfer | (66,967) | (66,967) | 0 | (701,790) | (701,790) | 0 |
| Total Finance | | 0 | 85,827 | 85,827 | 0 | 251,031 | 251,031 |
| Total P&L Expenditure | | 91,393 | 258,675 | 167,283 | 1,158,809 | 1,540,924 | 382,115 |
| Grand Expense Total | | 903,325 | 3,019,254 | 2,115,923 | 14,318,262 | 26,212,271 | 11,894,009 |

| Bud Comparison: Dec 22 Approved | |
|---|--|
| Comments regarding variance | |
| savings as result of handovers and tender | |
| Due to rates & taxes variance. Rest combined is below budget. | |
| under budget as not required | |
| Within budget | |

| | | | | | | |
|---------------------|------------------|--------------------|------------------|------------------|--------------------|------------------|
| NET CASHFLOW | (107,537) | (1,893,894) | 1,576,176 | 3,285,544 | (1,811,802) | 5,097,345 |
|---------------------|------------------|--------------------|------------------|------------------|--------------------|------------------|

Contingency Summary

| | |
|---|------------------|
| YTD Budget | 952,820 |
| Contingency Transferred (Actual & Budget) | <u>(701,790)</u> |
| Contingency not yet used | <u>251,031</u> |

List of Contingency items transferred year to date

| Period | Job Description | Amount |
|--------|----------------------------------|----------------|
| Oct-22 | Stage 29 Civils & Earthworks CL5 | 161,725 |
| Nov-22 | Stage 29 Civils & Earthworks CL6 | 168,300 |
| Dec-22 | Central Green Link Landscape | 82,740 |
| Jan-23 | Stage 18C Civils CL 10 | 84,493 |
| Feb-23 | Stage 18C Civils CL 11 | 137,565 |
| Mar-23 | Stage 18C Civils CL 12 | 66,967 |
| | | <u>701,790</u> |

Budget Transfers

List of Budget items transferred year to date

| Period | Job Description | Amount |
|--------|----------------------------|---------------------|
| Oct-22 | Contingency | <u>(369,587.80)</u> |
| Oct-22 | Stage 29 Civil | 369,587.80 |
| Dec-22 | Green Neerabup Rd Phase 1 | <u>(607,710.00)</u> |
| Dec-22 | Green Connolly Dr Phase 1 | <u>(729,103.47)</u> |
| Dec-22 | Green POS 1 Phase 1 | 1,851,798.77 |
| Dec-22 | Green Streetscapes Phase 1 | <u>(514,985.30)</u> |
| | | <u>0</u> |

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

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</u> (Dec-22) | <u>Actual</u> | <u>Budget</u> (Dec-22) | <u>Actual</u> | <u>Budget</u> (Dec-22) | <u>Actual</u> | <u>Budget</u> (Dec-22) |
| Prior Years | 1,138 | 1,138 | 1,200 | 1,200 | 1,112 | 1,112 | 97,000,000 | 97,000,000 |
| Jul-2022 | - | - | 7 | 7 | 10 | 10 | - | - |
| Aug-2022 | - | - | 2 | 2 | 6 | 6 | - | - |
| Sep-2022 | - | - | 6 | 6 | 2 | 2 | - | - |
| Sep Qtr | - | - | 15 | 15 | 18 | 18 | - | - |
| Oct-2022 | 28 | 28 | - | - | 1 | 1 | - | - |
| Nov-2022 | 57 | 48 | 5 | 8 | 22 | 12 | - | - |
| Dec-2022 | - | - | (2) | 8 | 10 | 17 | 10,000,000 | 10,000,000 |
| Dec Qtr | 85 | 76 | 3 | 16 | 33 | 30 | 10,000,000 | 10,000,000 |
| Jan-2023 | - | - | 4 | 8 | 6 | 12 | - | - |
| Feb-2023 | - | - | 4 | 8 | 6 | 12 | - | - |
| Mar-2023 | - | - | 7 | 8 | 3 | 6 | - | - |
| Mar Qtr | - | - | 15 | 24 | 15 | 30 | - | - |
| Apr-2023 | - | 91 | - | 8 | - | 3 | - | - |
| May-2023 | - | - | - | 8 | - | 15 | - | - |
| Jun-2023 | - | - | - | 8 | - | 14 | - | 10,000,000 |
| Jun Qtr | - | 91 | - | 24 | - | 32 | - | 10,000,000 |
| PTD | 1,223 | 1,214 | 1,233 | 1,255 | 1,178 | 1,190 | 107,000,000 | 107,000,000 |
| Full 2022/23 Year | 85 | 167 | 33 | 79 | 66 | 110 | 10,000,000 | 20,000,000 |
| 2023/24 | | 144 | | 149 | | 136 | | 20,000,000 |
| 2024/25 | | 191 | | 144 | | 148 | | 17,000,000 |

- There were 7 sales and 3 settlements for March.

1.2 Sales & Settlements

| | <u>MTH Act</u> | <u>MTH Bgt</u> (Dec-22) | <u>YTD Act</u> | <u>YTD Bgt</u> (Dec-22) | <u>PTD Act</u> | <u>PTD Bgt</u> (Dec-22) |
|----------------------------|----------------|----------------------------|----------------|----------------------------|------------------------|----------------------------|
| Residential | | | | | | |
| - Sales # | 7 | 8 | 33 | 55 | 1,233 | 1,255 |
| - Sales \$ | 2,201,500 | 2,692,659 | 10,827,500 | 17,377,852 | 340,632,000 | 347,182,352 |
| - Sales \$/lot | 314,500 | 336,582 | 328,106 | 315,961 | 276,263 | 276,639 |
| - Settlements # | 3 | 6 | 66 | 78 | 1,178 | 1,190 |
| - Settlements \$ | 851,000 | 1,523,852 | 18,864,000 | 20,774,406 | 324,218,500 | 326,128,906 |
| - Settlements \$/lot | 283,667 | 253,975 | 285,818 | 266,339 | 275,228 | 274,058 |
| Special Sites | | | | | | |
| - Sales # | - | - | 2 | 1 | 6 | 5 |
| - Sales \$ | - | - | 9,900,000 | 6,500,000 | 13,672,000 | 10,272,000 |
| - Sales \$/lot | - | - | 4,950,000 | 6,500,000 | 2,278,667 | 943,000 |
| - Settlements # | - | - | - | 1 | 4 | 5 |
| - Settlements \$ | - | - | - | 6,500,000 | 3,772,000 | 10,272,000 |
| - Settlements \$/lot | - | - | - | 6,500,000 | 943,000 | 2,054,400 |
| Lots Under Contract | | | | | | |
| - Unsettled sales # | 55 | | | 11 | Titled | |
| - Unsettled sales \$ | 16,413,500 | | | 44 | 1,226 incl. Spec sites | |
| - Unsettled sales \$/lot | 298,427 | | | | | |

Special sites under contract:

| | <u>Bud</u> <u>Settlement</u> | <u>Est</u> <u>Settlement</u> | |
|-------------------|---------------------------------|---------------------------------|-----------------------|
| Lot 3128 (Stg 36) | 7,150,000 | Jan-23 | Settled on 4 April 23 |
| Lot 341 (Stg 17B) | 2,750,000 | Jun-23 | |
| | 9,900,000 | | |

1.3 Cashflow - MTD Actuals to budget

| | <u>MTD Act</u> | <u>MTD Bgt</u> <i>(Dec-22)</i> | <u>Variance</u> |
|---------------------------------|-------------------------|-----------------------------------|-------------------------|
| <u>Income</u> | | | |
| Settlement Revenue | 851,000 | 1,523,852 | (672,852) |
| Margin GST | (9,160) | (27,615) | 18,455 |
| Direct selling costs | (38,353) | (71,088) | 32,735 |
| Interest Income | - | - | - |
| Forfeited Deposits | - | - | - |
| Other Income | - | 0 | (0) |
| Rebate Allowance | (7,679) | (89,589) | 81,910 |
| | <u>795,808</u> | <u>1,335,560</u> | <u>(539,752)</u> |
| <u>Development costs</u> | | | |
| WAPC Land Acq. | - | - | - |
| Lot production | 673,787 | 1,814,153 | 1,140,366 |
| Clearance Bonds | - | - | - |
| Landscaping | 123,405 | 687,278 | 563,873 |
| Consultants | 14,740 | 47,129 | 32,388 |
| Infrastructure | - | 178,524 | 178,524 |
| Special Sites | - | 33,494 | 33,494 |
| | <u>811,933</u> | <u>2,760,579</u> | <u>1,948,646</u> |
| <u>Overheads</u> | | | |
| Sales & marketing | 22,838 | 52,601 | 29,762 |
| Community Develop. | - | 15,395 | 15,395 |
| Administration | 68,554 | 104,853 | 36,298 |
| Finance/Contingency | - | 85,827 | 85,827 |
| | <u>91,393</u> | <u>258,675</u> | <u>167,283</u> |
| Net Cashflow | <u>(107,517)</u> | <u>(1,683,694)</u> | <u>1,576,176</u> |

1.4 Cashflow - YTD Actuals to budget

| | <u>YTD Act</u> | <u>YTD Bgt</u> <i>(Dec-22)</i> | <u>Variance</u> |
|---------------------------------|-------------------------|-----------------------------------|-------------------------|
| <u>Income</u> | | | |
| Settlement Revenue | 18,864,000 | 20,774,407 | (1,910,407) |
| Margin GST | (234,521) | (338,591) | 104,070 |
| Direct selling costs | (852,064) | (1,234,437) | 382,373 |
| Interest Income | 2,072 | 658 | 1,414 |
| Forfeited Deposits | - | - | - |
| Other Income | - | 5,909,091 | (5,909,091) |
| Rebate Allowance | (175,681) | (710,659) | 534,978 |
| | <u>17,603,806</u> | <u>24,400,469</u> | <u>(6,796,664)</u> |
| <u>Development costs</u> | | | |
| WAPC Land Acq. | - | - | - |
| Lot production | 7,704,818 | 15,628,171 | 7,923,353 |
| Clearance Bonds | 2,070,189 | 987,899 | (1,082,290) |
| Landscaping | 3,078,879 | 6,557,543 | 3,478,664 |
| Consultants | 229,884 | 331,594 | 101,711 |
| Infrastructure | 57,447 | 1,033,487 | 976,040 |
| Special Sites | 18,236 | 132,653 | 114,416 |
| | <u>13,159,454</u> | <u>24,671,347</u> | <u>11,511,894</u> |
| <u>Overheads</u> | | | |
| Sales & marketing | 183,746 | 382,198 | 198,451 |
| Community Develop. | 32,959 | 103,815 | 70,856 |
| Administration | 942,103 | 803,880 | (138,223) |
| Finance/Contingency | - | 251,031 | 251,031 |
| | <u>1,158,809</u> | <u>1,540,924</u> | <u>382,115</u> |
| Net Cashflow | <u>3,285,544</u> | <u>(1,811,802)</u> | <u>5,097,345</u> |

1.5 Bonds

| | <u>Last Year</u> | <u>Last Month</u> | <u>This Month</u> |
|------------------|------------------|-------------------|-------------------|
| City of Wanneroo | 823,255 | 2,443,846 | 2,893,444 |
| | <u>823,255</u> | <u>2,443,846</u> | <u>2,893,444</u> |

Bonds relate to stages 18C, 21, 25, 29, 30, 36 & Connolly Drive early clearances.

2.0 PROFIT & LOSS

| | MTH Act | MTH Bgt | Var | YTD Act | YTD Bgt | Var | PTD Act | PTD Bgt |
|------------------------|-----------------|----------------|----------------|------------------|------------------|--------------------|--------------------|--------------------|
| | <i>(Dec-22)</i> | | | <i>(Dec-22)</i> | | | <i>(Dec-22)</i> | |
| - Revenue \$ (Stlmts) | 851,000 | 1,523,852 | (672,852) | 18,864,000 | 20,774,406 | (1,910,406) | 324,218,500 | 326,128,906 |
| - Revenue \$/lot | 283,667 | 253,975 | | 285,818 | 266,339 | | 275,228 | 274,058 |
| - Selling & GST \$ | 87,013 | 181,263 | 94,250 | 1,851,636 | 2,325,064 | 473,428 | 28,494,527 | 28,967,955 |
| - Selling & GST \$/lot | 29,004 | 30,210 | | 28,055 | 29,809 | | 24,189 | 24,343 |
| - Cost of sales \$ | 252,458 | 901,808 | 649,350 | 7,748,109 | 10,921,218 | 3,173,109 | 114,393,535 | 117,566,644 |
| - Cost of sales \$/lot | 84,153 | 150,301 | | 117,396 | 140,016 | | 97,108 | 98,795 |
| - Gross profit \$ | 511,529 | 440,781 | 70,748 | 9,264,255 | 7,528,125 | 1,736,130 | 181,330,438 | 179,594,307 |
| - Gross profit \$/lot | 170,510 | 73,464 | | 140,368 | 96,514 | | 153,931 | 150,920 |
| - Gross profit Mgn % | 60.11% | 28.93% | | 49.11% | 36.24% | | 55.93% | 55.07% |
| - Special Sites \$ | - | - | - | - | 4,381,261 | (4,381,261) | 2,091,959 | 6,473,220 |
| - Other income \$ | - | - | - | 2,072 | 658 | 1,414 | 288,959 | 287,545 |
| - Sales & Marketing \$ | 25,526 | 134,535 | 109,009 | 216,403 | 906,360 | 689,957 | 2,893,021 | 3,582,979 |
| - Administration \$ | 105,731 | 104,270 | (1,460) | 870,953 | 800,431 | (70,522) | 6,801,709 | 6,731,187 |
| - Finance/Other \$ | 1,903 | - | (1,903) | 26,297 | 9,724 | (16,573) | 224,478 | 207,905 |
| - Contingency \$ | 41,006 | 152,794 | 111,788 | 41,006 | 952,824 | 911,818 | 45,097 | 956,915 |
| - Net profit \$ | 337,364 | 49,182 | 288,182 | 8,111,669 | 9,240,705 | (1,129,036) | 173,747,050 | 174,876,087 |
| - Net profit \$/lot | 112,455 | 8,197 | | 122,904 | 118,471 | | 147,493 | 146,955 |

- Year to date Gross profit is \$1.74m favourable on 12 less settlements due to lot mix, favourable selling costs and cost of sales per lot.
- Year to date Overheads are \$1.51m below budget due to:
 Marketing \$690k favourable - savings & timing variances;
 Admin \$71k unfavourable - timing (mainly Rates & Taxes);
 Unused Contingency \$912k.

YEAR TO DATE VERSUS FULL YEAR BUDGET

| | YTD Act | Full Year Bgt | Var |
|------------------------|------------------|----------------------|--------------------|
| - Revenue \$ (Stlmts) | 18,864,000 | 32,145,059 | (13,281,059) |
| - Revenue \$/lot | 285,818 | 292,228 | |
| - Selling & GST \$ | 1,851,636 | 3,439,443 | 1,587,807 |
| - Selling & GST \$/lot | 28,055 | 31,268 | |
| - Cost of sales \$ | 7,748,109 | 16,056,745 | 8,308,636 |
| - Cost of sales \$/lot | 117,396 | 145,970 | |
| - Gross profit \$ | 9,264,255 | 12,648,872 | (3,384,616) |
| - Gross profit \$/lot | 140,368 | 114,990 | |
| - Gross profit Mgn % | 49.11% | 39.35% | |
| - Special Sites \$ | - | 5,540,864 | (5,540,864) |
| - Other income \$ | 2,072 | 658 | 1,414 |
| - Sales & Marketing \$ | 216,403 | 1,309,965 | 1,093,562 |
| - Administration \$ | 870,953 | 1,117,431 | 246,478 |
| - Finance \$ | 26,297 | 9,724 | (16,573) |
| - Contingency \$ | 41,006 | 1,291,655 | 1,250,649 |
| - Net profit \$ | 8,111,669 | 14,461,619 | (6,349,951) |
| - Net profit \$/lot | 122,904 | 131,469 | |

2.1 GROSS PROFIT ANALYSIS

Actual

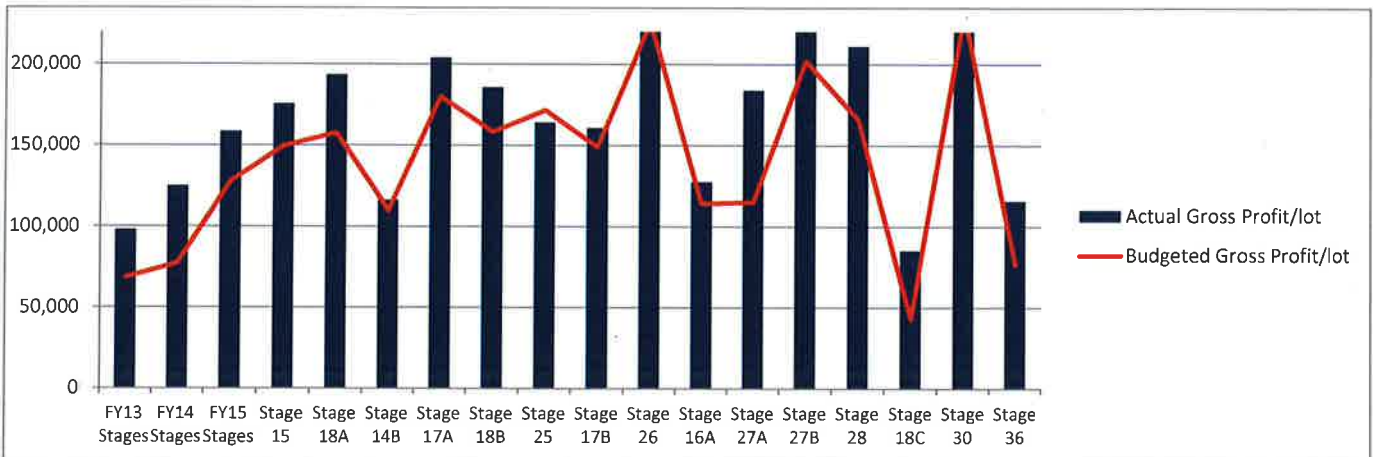
| Stages | Title Issue Date | Revenue | Revenue/lot | Direct Selling & COGS (incl. GST) | | Direct Costs/lot | Actual Gross | Actual Gross | Actual Gross |
|----------------------|------------------|--------------------|-------------|-----------------------------------|--------|------------------|--------------------|--------------|--------------|
| | | | | GST | Profit | | Profit/lot | Margin % | |
| Incentives Writeback | | | | -5,276,851 | | | 5,276,851 | | |
| 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 | 8,792,000 | 283,613 | 3,035,185 | | 97,909 | 5,756,815 | 185,704 | 65.48% |
| Stage 25 | 8-Aug-17 | 20,323,000 | 350,397 | 10,802,146 | | 186,244 | 9,520,854 | 164,153 | 46.85% |
| Stage 17B | 22-May-18 | 9,827,500 | 272,986 | 4,037,425 | | 112,151 | 5,790,075 | 160,835 | 58.92% |
| Stage 26 | 26-Sep-19 | 14,125,500 | 371,724 | 5,669,441 | | 149,196 | 8,456,059 | 222,528 | 59.86% |
| Stage 16A | 25-Jan-21 | 4,514,000 | 265,529 | 2,344,352 | | 137,903 | 2,169,648 | 127,626 | 48.06% |
| Stage 27A | 24-Feb-21 | 6,341,000 | 317,050 | 2,661,467 | | 133,073 | 3,679,533 | 183,977 | 58.03% |
| Stage 27B | 20-Apr-22 | 9,355,000 | 406,739 | 4,017,669 | | 174,681 | 5,337,331 | 232,058 | 57.05% |
| Stage 28 | 1-Sep-21 | 12,770,000 | 375,588 | 5,591,783 | | 164,464 | 7,178,217 | 211,124 | 56.21% |
| Stage 18C | 26-Oct-22 | 3,942,000 | 219,000 | 2,407,600 | | 133,756 | 1,534,400 | 85,244 | 38.92% |
| Stage 30 | 25-May-22 | 13,225,000 | 388,971 | 4,740,362 | | 139,422 | 8,484,638 | 249,548 | 64.16% |
| Stage 36 | 2-Nov-22 | 7,327,000 | 261,679 | 4,084,307 | | 145,868 | 3,242,693 | 115,810 | 44.26% |
| | | <u>324,218,500</u> | | <u>142,888,062</u> | | | <u>181,330,438</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 | Budgeted Gross | Budgeted Gross |
|--------------|----------------|--------------------|-------------|-----------------------------------|--------|------------------|--------------------|----------------|----------------|
| | | | | GST | Profit | | Profit/lot | 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 18C | Oct-22 | 5,563,000 | 198,679 | 4,363,541 | | 155,841 | 1,199,459 | 42,838 | 21.56% |
| 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% |
| Stage 16A | Dec-20 | 4,498,002 | 264,588 | 2,555,841 | | 150,344 | 1,942,161 | 114,245 | 43.18% |
| Stage 27A | Dec-20 | 6,251,840 | 312,592 | 3,951,378 | | 197,569 | 2,300,462 | 115,023 | 36.80% |
| Stage 27B | Feb-22 | 9,345,000 | 406,304 | 4,698,534 | | 204,284 | 4,646,466 | 202,020 | 49.72% |
| Stage 28 | Jul-21 | 12,669,500 | 372,632 | 7,027,024 | | 206,677 | 5,642,476 | 165,955 | 44.54% |
| Stage 18C | Oct-22 | 5,563,000 | 198,679 | 4,363,541 | | 155,841 | 1,199,459 | 42,838 | 21.56% |
| Stage 30 | Dec-21 | 13,520,000 | 386,286 | 5,434,179 | | 155,262 | 8,085,821 | 231,023 | 59.81% |
| Stage 36 | Oct-22 | 18,086,000 | 231,872 | 12,110,457 | | 155,262 | 5,975,543 | 76,610 | 33.04% |
| | | <u>339,013,794</u> | | <u>192,032,299</u> | | | <u>146,981,495</u> | | |

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



Catalina

Finished Lots & Cost of Lots Sold calculations to 31 Mar 2023

| Title date: | Completed | Completed | 7-Nov-12 | 8-Aug-17 | 8-Aug-17 | 25-Jan-21 | 24-Feb-21 | 20-Apr-22 | 1-Sep-21 | 25-May-22 | 26-Oct-22 | 2-Nov-22 | 27-Feb-23 | TOTAL |
|---------------------------------|----------------|-------------------|---------------------------|-----------------------|-----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|--------------------|
| | Spec Sites | Resi Stages | Central Cell Sales Office | Stage 25 Sales Office | Stage 25 GHS Lot 2179 | Stage 16A | Stage 27A | Stage 27B | Stage 28 | Stage 30 | Stage 18C | Stage 36 | Stage 36 Lot 3128 | |
| Direct costs | | | | | | | | | | | | | | |
| Civil Construction | | | 89,540 | 83,260 | 253,163 | 932,193 | 707,388 | 901,496 | 2,223,532 | 792,261 | 1,769,211 | 3,773,787 | - | |
| Siteworks | | | | 75,529 | 245,432 | 926,000 | 652,600 | 838,353 | 2,165,633 | 706,851 | 1,701,800 | 3,633,649 | - | |
| URD Power | | | | 7,731 | 7,731 | 2,403 | 27,152 | 40,143 | 57,899 | 60,410 | 42,411 | 121,869 | - | |
| Third Pipe | | | | | | | | | | | | | | |
| General | | | | | | 3,790 | 20,000 | 23,000 | | 25,000 | 25,000 | 18,269 | | |
| MATV | | | | | | | 7,636 | | | | | | | |
| Sewer headwks | | | 5,660 | 4,514 | 4,514 | 101,201 | 113,955 | 138,339 | 196,552 | 213,570 | 171,524 | 249,566 | 7,463 | |
| Local authority fees | | | 4,363 | 615 | 615 | 28,623 | 17,424 | 6,930 | 14,962 | 9,466 | 18,412 | 31,691 | | |
| Local authority scheme costs | | | 2,705 | | | | | 8,954 | | 14,405 | 10,426 | 21,225 | | |
| Survey & legal fees | | | 1,003 | 945 | 945 | 16,150 | 21,000 | 25,428 | 31,487 | 39,574 | 35,227 | 65,579 | 1,196 | |
| Engineering fees | | | 5,557 | 2,750 | 12,341 | 77,057 | 58,349 | 88,238 | 116,545 | 98,586 | 87,167 | 271,035 | | |
| Sales Office Build Cost | | | 330,780 | | | | | | | | | | | |
| Finished Goods Adjustments | 31,206 | 1,282,787 | 28,238 | | | | 14,482 | 60,165 | 32,920 | 437,720 | | | | |
| | 420,826 | 57,553,106 | 411,370 | 92,084 | 271,578 | 1,155,224 | 932,598 | 1,229,550 | 2,615,998 | 1,605,582 | 2,091,967 | 4,412,883 | 8,659 | |
| Earthworks Allocation | 260,179 | 14,495,542 | 12,091 | 18,574 | 66,681 | 112,605 | 303,183 | 542,975 | 642,426 | | 131,588 | 539,279 | 569,141 | |
| Indirect Costs | | | | | | | | | | | | | | |
| Land | | | | | | | | | | | | | | |
| Infrastructure | 84,898 | 8,359,526 | 7,165 | 7,879 | 31,674 | 176,806 | 245,746 | 511,942 | 381,466 | 731,652 | 201,965 | 477,101 | 255,846 | |
| Landscape | 118,628 | 13,546,018 | 9,006 | 16,613 | 66,785 | 409,039 | 568,530 | 975,581 | 725,814 | 1,394,271 | 587,095 | 1,386,889 | 752,534 | |
| TOTAL COST | 884,530 | 93,954,192 | 439,633 | 135,150 | 436,718 | 1,853,674 | 2,050,057 | 3,260,048 | 4,365,704 | 3,731,505 | 3,012,615 | 6,816,152 | 1,586,180 | |
| Lots | 3 | 1,004 | 1 | 1 | 1 | 17 | 20 | 23 | 34 | 35 | 28 | 57 | 1 | |
| COST PER LOT | 294,843 | 93,580 | 439,633 | 135,150 | 436,718 | 109,040 | 102,503 | 141,741 | 128,403 | 106,614 | 107,593 | 119,582 | 1,586,180 | |
| Lots settled | 3 | 1,004 | 1 | - | - | 17 | 20 | 23 | 34 | 34 | 18 | 28 | - | 1,182 |
| COST OF LOTS SETTLED | 884,530 | 93,954,192 | 439,633 | - | - | 1,853,674 | 2,050,057 | 3,260,048 | 4,365,704 | 3,624,891 | 1,936,681 | 3,348,285 | - | 115,717,696 |
| Stage Area (m2) | 10,900 | 332,827 | 320 | 255 | 1,795 | 6,632 | 6,615 | 9,933 | 13,721 | 13,416 | 8,396 | 21,808 | 20,012 | |
| Cost per m2 | 81 | 282 | 1,374 | 530 | 243 | 280 | 310 | 328 | 318 | 278 | 359 | 313 | 79 | |
| Avg lot size | 3,633 | 332 | 320 | 255 | 1,795 | 390 | 331 | 432 | 404 | 383 | 300 | 383 | 20,012 | |
| Other cash expenditure | | | | | | | | | | | | | | |
| Direct Selling & Proj Mgt Costs | | | | | | | | | | | | | | 28,850,406 |
| Marketing costs | | | | | | | | | | | | | | 2,893,021 |
| Administration | | | | | | | | | | | | | | 6,801,709 |
| Finance | | | | | | | | | | | | | | 224,478 |
| Contingency | | | | | | | | | | | | | | 45,097 |
| TOTAL COSTS | | | | | | | | | | | | | | 154,532,407 |

| PERIODIC ANALYSIS | Month | YTD | PTD | PY Jun-22 |
|----------------------|----------------|-------------------|--------------------|--------------------|
| Lots settled | 3 | 66 | 1,182 | 1,116 |
| Cost of lots settled | 252,458 | 7,748,109 | 115,717,698 | 107,969,589 |
| Direct selling costs | 87,013 | 1,851,636 | 28,850,406 | 26,998,770 |
| Marketing costs | 25,526 | 216,403 | 2,893,021 | 2,676,619 |
| Administration | 105,731 | 870,953 | 6,801,709 | 5,930,756 |
| Finance | 1,903 | 26,297 | 224,478 | 198,181 |
| Contingency | 41,006 | 41,006 | 45,097 | 4,091 |
| TOTAL COSTS | 513,636 | 10,754,404 | 154,532,409 | 143,778,709 |

Catalina COGS Calc

31-Mar-23

| Job | Titled Date | Direct Cost | Indirect Cost | COGS Total | Lot # | Titled | Untitled | COGS/Lot | Settled Lots | PTD COGS | Per Accounts | Variance | 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 | 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 | 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 | 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 | 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 | 5,862,967 | - | - | - | |
| 140-01-06A | 18-Jan-2013 | 483,435 | 179,725 | 663,160 | 8 | 8 | - | 82,895 | 8 | 663,160 | 663,160 | - | - | - | |
| 140-01-06B | 19-Jan-2015 | 1,100,352 | 510,130 | 1,610,482 | 24 | 24 | - | 67,103 | 24 | 1,610,482 | 1,610,482 | - | - | - | |
| 140-01-06C | 3-Apr-2014 | 671,286 | 211,296 | 882,581 | 10 | 10 | - | 88,258 | 10 | 882,581 | 882,581 | - | - | - | |
| 140-01-007 | 31-Oct-2013 | 4,146,749 | 938,488 | 5,085,238 | 63 | 63 | - | 80,718 | 63 | 5,085,238 | 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 | 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 | 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 | 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 | 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 | 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 | 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 | 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 | 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 | 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 | 2,213,853 | - | - | - | |
| 140-01-14B | 28-Oct-2016 | 784,420 | 224,347 | 1,008,767 | 10 | 10 | - | 100,877 | 10 | 1,008,767 | 1,008,767 | - | - | - | |
| 140-01-017 | 2-Feb-2017 | 1,194,140 | 730,941 | 1,925,081 | 25 | 25 | - | 77,003 | 25 | 1,925,081 | 1,925,081 | - | - | - | |
| 140-01-18B | 13-Jun-2017 | 1,266,620 | 876,513 | 2,143,133 | 31 | 31 | - | 69,133 | 31 | 2,143,133 | 2,143,133 | - | - | - | |
| 140-01-18C | 26-Oct-2022 | 2,223,555 | 789,060 | 3,012,615 | 28 | 28 | - | 107,593 | 18 | 1,936,681 | 1,936,681 | - | 0 | 1,075,934 | 107,593 |
| 140-02-025 | 8-Aug-2017 | 6,444,321 | 1,929,606 | 8,373,927 | 58 | 58 | - | 144,378 | 58 | 8,373,927 | 8,373,927 | - | - | - | |
| 140-01-17B | 22-May-2018 | 1,555,232 | 1,222,995 | 2,778,227 | 36 | 36 | - | 77,173 | 36 | 2,778,227 | 2,778,227 | - | - | - | |
| 140-02-026 | 26-Sep-2019 | 2,334,871 | 1,791,711 | 4,126,582 | 38 | 38 | - | 108,594 | 38 | 4,126,582 | 4,126,582 | - | - | - | |
| 140-01-16A | 25-Jan-2021 | 1,267,829 | 585,845 | 1,853,674 | 17 | 17 | - | 109,040 | 17 | 1,853,674 | 1,853,674 | - | - | - | |
| 140-02-27A | 24-Feb-2021 | 1,235,782 | 814,276 | 2,050,058 | 20 | 20 | - | 102,503 | 20 | 2,050,058 | 2,050,058 | - | 0 | - | - |
| 140-02-27B | 20-Apr-2022 | 1,772,525 | 1,487,523 | 3,260,048 | 23 | 23 | - | 141,741 | 23 | 3,260,048 | 3,260,048 | - | - | - | - |
| 140-02-028 | 1-Sep-2021 | 3,258,423 | 1,107,280 | 4,365,703 | 34 | 34 | - | 128,403 | 34 | 4,365,703 | 4,365,703 | - | - | - | - |
| 140-02-030 | 25-May-2022 | 1,605,582 | 2,125,923 | 3,731,505 | 35 | 35 | - | 106,614 | 34 | 3,624,891 | 3,624,891 | - | 0 | 106,614 | 106,614 |
| 140-03-036 | 2-Nov-2022 | 276,308 | 1,863,990 | 6,816,153 | 78 | 57 | 21.00 | 119,582 | 28 | 3,348,286 | 3,348,286 | - | 0 | 3,467,867 | 119,582 |
| 140-70-001 | 7-Nov-2012 | 423,461 | 16,171 | 439,633 | 1 | 1 | - | 439,633 | 1 | 439,633 | 439,633 | - | - | - | - |
| 140-70-004 | 12-Dec-2013 | 20,322 | 41,798 | 62,119 | 1 | 1 | - | 62,119 | 1 | 62,119 | 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 | 309,761 | - | - | - | - |
| 140-70-008 | 1-Oct-2014 | 438,532 | 74,117 | 512,649 | 1 | 1 | - | 512,649 | 1 | 512,649 | 512,649 | - | - | - | - |
| 140-70-009 | 27/2/23 | 577,801 | 1,008,380 | 1,586,181 | 1 | 1 | - | 1,586,181 | - | - | - | - | 1,586,181 | 1,586,181 | - |
| 140-70-028 | 8-Aug-2017 | 338,259 | 98,459 | 436,718 | 1 | 1 | - | 436,718 | - | - | - | - | 436,718 | 436,718 | - |
| 85,819,837 | | 32,030,469 | | 122,526,162 | 1,246 | 1,225 | 21.00 | | 1,182 | 115,717,698 | 115,717,698 | -0 | 6,808,464 | | |

7.3. SALES AND SETTLEMENT REPORT – MONTH ENDING 30 APRIL 2023

Responsible Officer: Manager Project Coordination
Attachments: 1. Attachment - Staging Plan
Voting Requirement: Simple Majority

RECOMMENDATION

That the Management Committee **RECEIVES** the Sales and Settlement Report for the month ending 30 April 2023.

PURPOSE

To advise the Management Committee 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 from settled sales is posted under item I145011 (Income on Lot Sales):

| | | |
|-------------------|----|------------|
| Budget Amount: | \$ | 32,145,059 |
| Received to Date: | \$ | 21,101,242 |
| Balance: | \$ | 11,043,817 |

The Budget Amount reflects the TPRC adjusted mid-year Budget Review, approved by the Council at its February 2023 meeting. The Received to Date amount is current to 30 April 2023.

RISK MANAGEMENT IMPLICATIONS

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

The report provides information on Catalina Project sales/settlements and variances to ensure the Management Committee 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 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 30 April 2023.

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

| Stage | Precinct | Release Date | Lots Released | Lot Sizes (m ²) | Sold | Stock | Settled |
|-----------------------------------|----------|--------------|---------------|-----------------------------|---------------|-----------|--------------|
| Completed Stages | | - | 1124 | 174 - 658 | 1,124 | 0 | 1,124 |
| Stage 17 (Lot 341) | Central | Aug-21 | 1 | 6,907 | 1 | 0 | 0 |
| Stage 18C (1) | Central | Sep-21 | 21 | 183 - 558 | 21 | 0 | 18 |
| Stage 18C (2) | Central | Nov-21 | 4 | 150 – 155 | 4 | 0 | 3 |
| Stage 18C (3) | Central | Mar-22 | 3 | 150 -157 | 3 | 0 | 0 |
| Stage 29 (1) | Beach | May-22 | 14 | 315 - 450 | 12 | 2 | 0 |
| Stage 29 (2) | Beach | Sep-22 | 12 | 315 - 470 | 7 | 5 | 0 |
| Stage 29 (3) | Beach | Mar-23 | 17 | 294 -485 | 5 | 12 | 0 |
| Stage 30 (3) | Beach | Dec-21 | 9 | 375 - 450 | 9 | 0 | 8 |
| Stage 36 (1) | Green | Oct-21 | 21 | 313 - 591 | 20 | 1 | 13 |
| Stage 36 (2) | Green | Dec-21 | 14 | 300 - 450 | 13 | 1 | 12 |
| Stage 36 (3) | Green | Feb-22 | 7 | 188 - 484 | 6 | 1 | 5 |
| Stage 36 (4) | Green | Apr-22 | 5 | 313 - 410 | 5 | 0 | 5 |
| Stage 36 (NC) | Green | Dec-21 | 1 | 20,000 | 1 | 0 | 1 |
| Stage 37 (1) | Green | July-22 | 19 | 303 - 450 | 19 | 0 | 0 |
| Stage 37 (2) | Green | Feb-23 | 13 | 313 - 475 | 5 | 8 | 0 |
| Stage 37 (3) | Green | Feb-23 | 3 | 328 - 370 | 0 | 3 | 0 |
| Stage 37 (4) | Green | Apr-23 | 13 | 188-595 | 2 | 11 | 0 |
| Total | | | 1,301 | 150 – 20,000 | 1,257* | 44 | 1,189 |
| Change since 31 March 2023 | | | +13 | | +15 | -2 | +11 |

* 'Sold' includes 11 lots pending advertising and acceptance.

At 30 April 2023, the Project had 68 lots under contract: seven unconditional, 50 conditional and 11 pending advertising and acceptance.

Sales for FYE 2023 to date are shown in Table 2.

Table 2: Summary of Sales for FYE 2023 against Budget – Catalina Estate

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | YTD | May | Jun | FYE 2023 |
|-------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----------|-----|-----|-----------|
| Budget Nett Sales | 7 | 2 | 6 | 0 | 8 | 8 | 8 | 8 | 8 | 8 | 63 | 8 | 8 | 79 |
| Actual Gross Sales | 10 | 6 | 10 | 6 | 8 | 4 | 7 | 12 | 14 | 17 | 94 | | | |
| Cancellations | 3 | 4 | 4 | 6 | 7 | 2 | 3 | 1 | 3 | 2 | 35 | | | |
| Actual Nett Sales | 7 | 2 | 6 | 0 | 1 | 2 | 4 | 11 | 11 | 15 | 59 | | | |
| Net Sales Variance to Budget | 0 | 0 | 0 | 0 | -7 | -6 | -4 | +3 | +3 | +7 | -4 | | | |

* Actual Nett Sales include 11 contracts that are pending advertising and acceptance.

Nett sales results achieved over the past three months have been above budget. For FYE 2023 to date, net sales were tracking four lots below budgeted sales rates.

Settlements

Settlements for FYE 2023 to 30 April 2023 are shown in Table 3.

Table 3: Summary of Settlements for FYE 2023 against Budget – Catalina Estate

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | YTD | May | Jun | FYE 2023 |
|-----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----------|-----|-----|------------|
| Budget | 10 | 6 | 2 | 1 | 12 | 17 | 12 | 12 | 6 | 3 | 81 | 15 | 14 | 110 |
| Actual | 10 | 6 | 2 | 1 | 22 | 10 | 6 | 6 | 3 | 11 | 77 | | | |
| Variance | 0 | 0 | 0 | 0 | +10 | -7 | -6 | -6 | -3 | +8 | -4 | | | |

* Budget figures reflect the revised Project budget adopted by the Council at its December 2022 meeting as part of the mid-year budget review.

11 lots settled in April 2023, comprised of stock in Stage 18C (Catalina Central) and Stage 36 (Catalina Green), including the Catalina Green Neighbourhood Centre site. 75% of lots released in Stages 18C and 36 have settled. The first settlements of Stage 29 lots are expected to commence in mid-May 2023, following the release of titles on 21 April 2023.

Available Stock

The fourth and final release of lots in Stage 37 Catalina Green occurred on 19 April 2023. 13 lots were included in the release, ranging in area from 188m² to 595m²

Available stock as at 30 April 2023 is set out in Table 4.

Table 4: Summary of Available Stock – Catalina Estate

| Stage | Precinct | Stock | Change since 31-Mar-23 | Title Status | Anticipated Title Date |
|--------------|----------|-----------|------------------------|--------------|------------------------|
| Stage 29 | Beach | 19 | -5 | Titled | N/A |
| Stage 36 | Green | 3 | -2 | Titled | N/A |
| Stage 37 | Green | 22 | +5 | Untitled | July 2023 |
| Total | | 44 | -2 | | |

It is not anticipated that any new sales release will be made in the next month given the current stock level of 44 lots. If required, new stock could be released in Stage 31 (66 lots) or Stage 38 (37 lots).

Northern Corridor Estates Analysis

Tables 5 and 6 provide a comparison summary of sales, available stock and lot pricing between Catalina and other developments in the north-west corridor.

Catalina’s available lots decreased by two to 44 lots between reporting periods, while competitors’ stock decreased by 32 lots (14.5% decrease). Catalina’s market share of 11% in April 2023 exceeded the nominal 10% target for the fourth consecutive month.

Table 5: Summary of Sales in Northern Corridor (May 2022 to April 2023)

| ESTATE | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | 12 Month Total Sales |
|-------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|----------|-----------|----------------------|
| Alkimos Beach (Alkimos) | 2 | 8 | -4 | 7 | 0 | 3 | 3 | 9 | 1 | 2 | 3 | 8 | 42 |
| Alkimos Vista (Alkimos) | -2 | 12 | 5 | 1 | 3 | 1 | 3 | 3 | 0 | 2 | 0 | 12 | 40 |
| Allara (Eglinton) | 6 | 7 | -2 | 9 | 3 | 1 | 2 | 3 | 7 | 7 | 13 | 10 | 68 |
| Amberton (Eglinton) | 9 | 14 | 23 | 16 | 20 | 33 | 14 | 4 | 5 | 4 | 23 | 18 | 183 |
| Catalina (Clarkson Mindarie) | 1 | 6 | 7 | 2 | 9 | 0 | 1 | 2 | 4 | 11 | 8 | 11 | 54 |
| Eden Beach (Jindalee) | 17 | 1 | 5 | -3 | -1 | 9 | 8 | 2 | 9 | 6 | 8 | 14 | 75 |

| | | | | | | | | | | | | | |
|---|-------------|-------------|--------------|-------------|--------------|-----------|-------------|-------------|--------------|--------------|-----------|------------|-------------|
| Elevale | 9 | 6 | 2 | 4 | 4 | 19 | -2 | 7 | 3 | 11 | 3 | 7 | 73 |
| Jindowie Estate | 5 | 28 | 15 | 1 | 0 | -3 | 6 | 6 | 3 | 10 | 10 | 5 | 86 |
| Shorehaven (Alkimos) | 12 | 3 | 4 | 9 | 2 | 6 | 5 | 3 | 3 | 6 | 7 | 5 | 65 |
| Trinity (Alkimos) | 11 | 8 | 8 | 8 | 5 | 2 | 9 | 13 | 3 | 3 | 3 | 10 | 93 |
| TOTAL | 70 | 93 | 63 | 54 | 45 | 71 | 49 | 38 | 38 | 72 | 78 | 100 | 779 |
| CATALINA SHARE (%) | 1.4% | 6.5% | 11.1% | 3.7% | 20.0% | 0% | 2.0% | 5.3% | 10.5% | 15.3% | 10.3 | 11.0% | 6.9% |
| Catalina Market Share March 2022 to April 2023 | | | | | | | | | | | | | 6.9% |

NB: The TPRC and Satterley are currently reviewing available data sources for sales results and examining if sales achieved in other estates could be reported to provide a broader comparison against what is achieved at Catalina. This table may change in future agendas following completion of this review.

Table 6: Average of Price of Available Lots in Northern Corridor Estates

| Estate | 225sqm Price (\$) | 300sqm Price (\$) | 375sqm Price (\$) | 450sqm Price (\$) | 500sqm + Price (\$) | Total Dwellings | Available | Last Report |
|------------------|-------------------|-------------------|-------------------|-------------------|---------------------|-----------------|------------|-------------|
| Allara | \$145,000 | \$167,500 | \$207,000 | \$240,000 | \$255,000 | 3,405 | 57 | 34 |
| Alkimos Beach | \$165,000 | \$220,000 | \$267,000 | \$300,000 | \$320,000 | 2,413 | 18 | 28 |
| Amberton | n/a | \$217,000 | \$242,000 | \$457,000 | \$305,000 | 2,500 | 10 | 37 |
| Banksia Grove | \$140,000 | \$180,000 | n/a | n/a | n/a | 1,580 | 3 | 4 |
| Catalina Central | n/a | n/a | n/a | n/a | n/a | 2,480 | 0 | 0 |
| Catalina Beach | n/a | \$335,000 | \$400,000 | \$510,000 | n/a | | 19 | 24 |
| Catalina Green | \$154,000 | \$240,000 | \$270,000 | \$313,000 | \$300,000 | | 25 | 22 |
| Eden Beach | \$178,000 | \$310,000 | \$340,000 | \$395,000 | \$392,000 | 1,100 | 36 | 23 |
| Elevale | n/a | \$205,000 | n/a | \$269,000 | \$310,000 | 197 | 4 | 20 |
| Jindowie | n/a | n/a | \$155,000 | n/a | \$228,000 | 1,800 | 4 | 23 |
| Shorehaven | \$222,000 | \$243,000 | \$276,000 | \$305,000 | \$341,000 | 2,800 | 26 | 9 |
| Trinity | \$171,000 | \$212,000 | \$197,000 | \$281,000 | \$253,000 | 2,500 | 24 | 21 |
| Total | | | | | | | 226 | 260 |

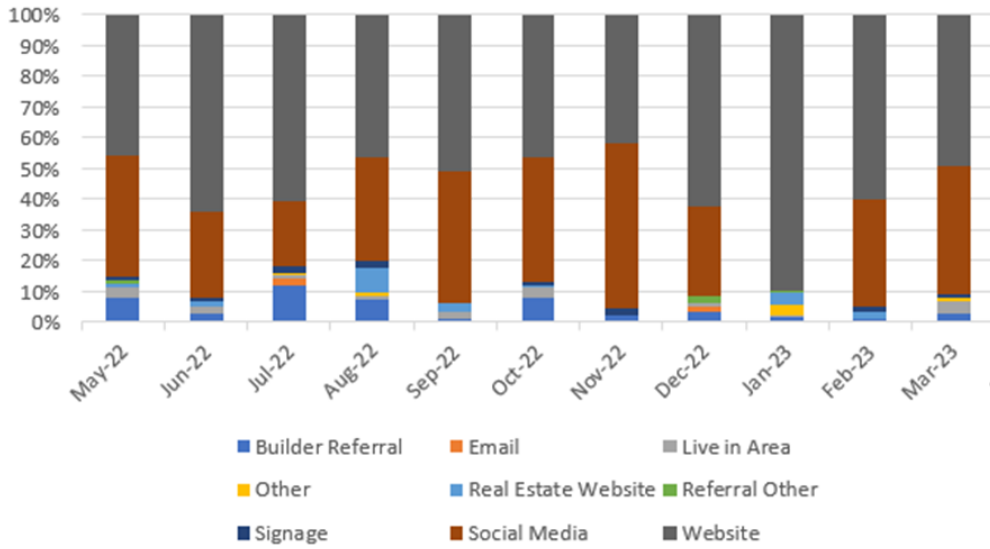
Marketing

Catalina’s website traffic in March 2023 was strong, with the Summer advertising campaign contributing to an increase in website visits. The majority of website traffic continues to be sourced from social media and direct enquiry. Website leads have been a good contributor to the good sales achieved in February and March.

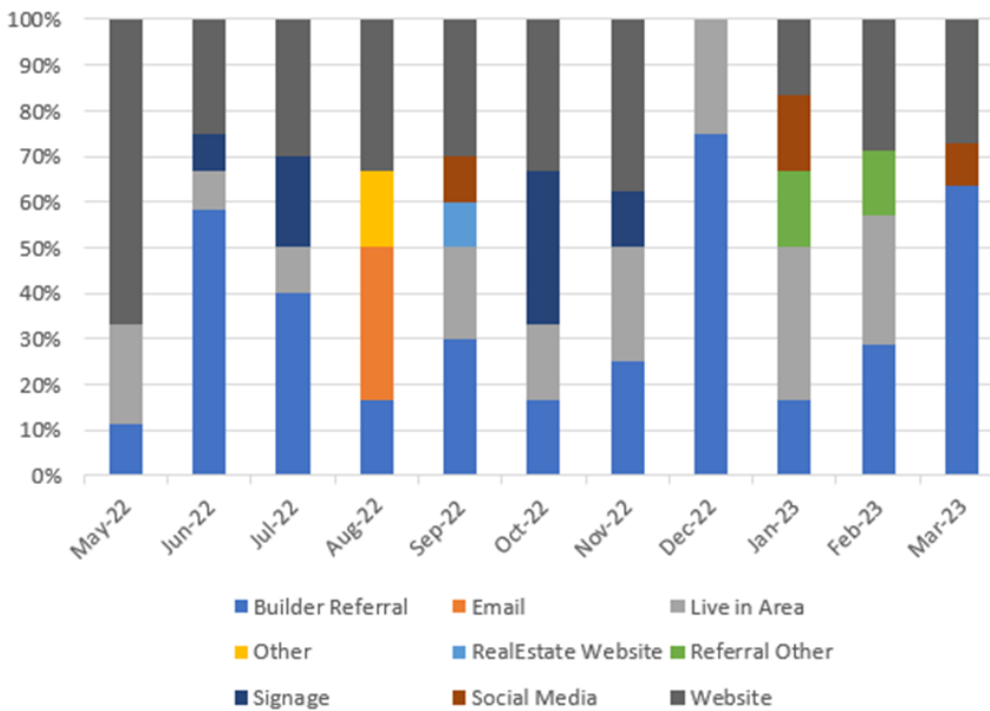
Although total leads decreased in March, builder referral was the main source of gross sales.

The percentage of sales to first homebuyers continued to increase in March, reflecting the current state of the rental market in Perth.

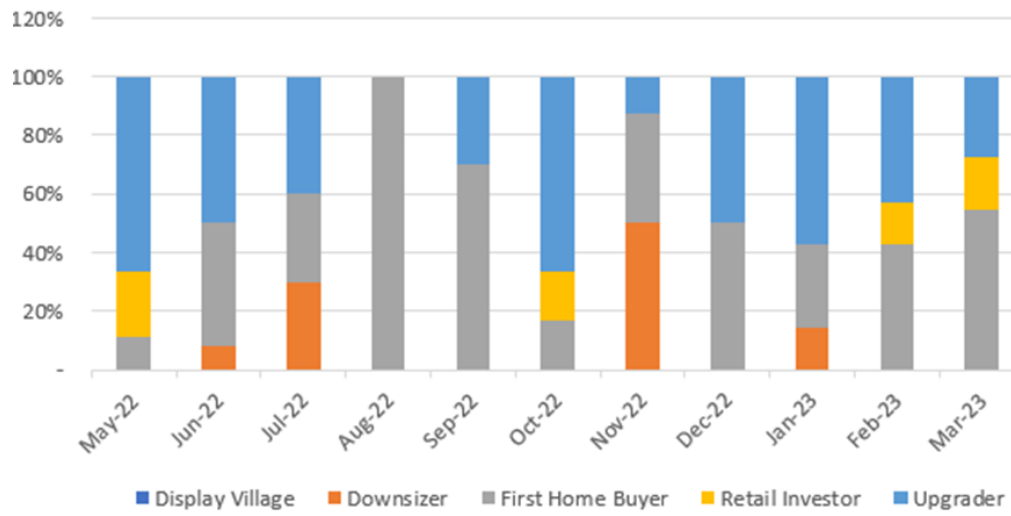
Lead Source - CRM LEADS



Lead Source Gross Sales








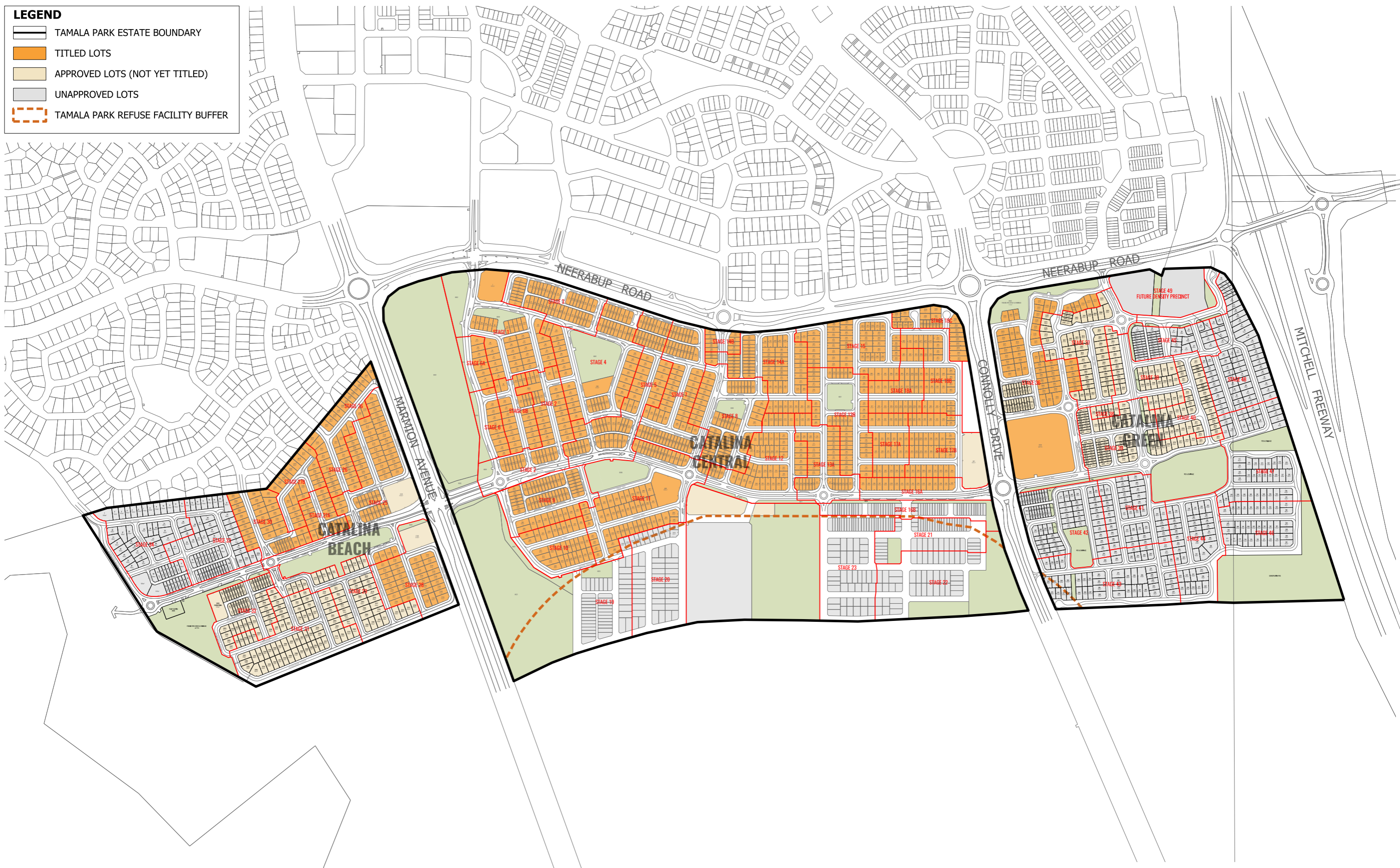
Buyer Type Gross Sales



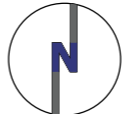
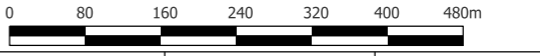
Satterley CRM Data 01/03/22 - 31/03/23

LEGEND

-  TAMALA PARK ESTATE BOUNDARY
-  TITLED LOTS
-  APPROVED LOTS (NOT YET TITLED)
-  UNAPPROVED LOTS
-  TAMALA PARK REFUSE FACILITY BUFFER



ESTATE LAYOUT & STAGING PLAN
Catalina Estate, TAMALA PARK

| | | | |
|---|---|---|--|
| <p>Aerial supplied by: Aerial Date Stamp: Survey supplied by: MNG Plan Number: NPS1059 - 023 Revision Number: A Drawn By: JP Client: Tamala Park Regional Council</p> |  |  Scale: 1:8000 @A3 Date Issued: 15.03.2023 ©Niche Planning Studio | <p>DISCLAIMER: Town Planning compliance is subject to approval from the Tamala Park Regional Council and a suitable town planner will need to be appointed. All Dimensions, Areas and Calculations are subject to Detailed Survey and Design before Town Planning Permit application. This Form is illustrative only and subject to Architectural Design and approval from an RATA qualified architect. This plan has been prepared for illustrative purposes only and should not be used as a means to judge any properties value or yield potential.</p> |
|---|---|---|--|



7.4. PROJECT BUDGET FYE 2024 (MAY 2023)

Responsible Officer: Manager Project Coordination
Attachments: 1. Attachment - Project Budget FYE 2024_Satterley Ltr
2. Attachment - Project Budget FYE 2024_Budget Pack
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council **APPROVES** the Project Budget FYE 2024 (May 2023), submitted by the Satterley Property Group, including the updated long-term Project Forecast, to be used for the purposes of project and financial planning and as the basis for preparation of the TPRC Budget FYE 2024.

PURPOSE

To review the Project Budget FYE 2024 (May 2023) prepared by the Satterley Property Group (Satterley).

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

- Council Meeting – 20 April 2023 (Item 8.9 Project Budget FYE 2023 Assumptions)
- Council Meeting – 8 December 2022 (Item 9.1 – Project Budget FYE 2023 – Mid Year Review)
- Council Meeting – 16 June 2022 (Item 8.1 – Project Budget FYE 2023)

FINANCIAL/BUDGET IMPLICATIONS

Input into TPRC project and financial planning.

RISK MANAGEMENT IMPLICATIONS

| | |
|--|---------------------|
| Risk Ref: 2 | Risk Rating: |
| Development Manager ability to deliver | Moderate |
| Action: | |

Development Manager required to provide an Annual Plan, Annual Budget for approval.

This report relates to the draft Project Budget FYE 2024 (May 2023) provided by Satterley and includes market commentary and advice on potential risks for the TPRC.

BACKGROUND

At its meeting of 16 June 2022, the Council approved the Project Budget FYE 2023 as the basis for project and financial planning and preparation of the TPRC Budget. The Project Budget FYE 2023 also included an updated Project Forecast (June 2022) for the purposes of long-term project and financial planning.

At its meeting of 8 December 2022, the Council received the FYE 2023 Mid-Year Project Budget Review and resolved that it be used as the basis for financial planning, including for the TPRC Mid-Year Budget FYE 2023 review.

At its meeting of 20 April 2023, the Council supported a set of assumptions for preparation of the Project Budget FYE 2024 as follows:

Income

- Sales: Nett 80 residential sales for FYE 2024.
- Special Sites: No new 'special site' sales in FYE 2024. (NB - Income for Lot 341 (Grouped Housing site in Catalina Central) to be received in FYE 2024).

Expenditure

- Project Operating Expenditure: Maintenance expenditure at FYE 2023 actual rates or contracted rates from TPRC suppliers.
- Consultants: Community development, marketing and other consultant budgets to be set at historical average expenditure levels.
- Lot Development Costs: Complete development stages currently under construction or contracted (Stages 29, 31 and 37) and commence delivery of Stage 38 Catalina Green – 37 Lots.
- Design/Approvals: Undertake design/approvals processes for Stage 39 (Catalina Green – 65 Lots) and Stage 32 (Catalina Beach – 44 Lots).
- Planning: Commence planning for delivery of the following Special Sites within the Catalina Estate:
 1. Catalina Beach Entry Grouped Housing Site.
 2. Catalina Beach Commercial Site.
 3. Catalina Green Display Village.
 4. Catalina Green: 7.5m Front loaded lots.
- Landscape Construction: Complete currently approved works (New Catalina Beach Foreshore park, Catalina Green Entry Park/Landscaping, Portofino Promenade: Park extension). No new landscaping projects to commence.

- Land Acquisition: Nil. No allocation of funding for acquisition of Part Lot 711 (WAPC Land).
- Distribution to Members: \$20M in distributions to members with \$10M payments scheduled in December 2023 and June 2024.

COMMENT

Satterley has prepared a draft Project Budget FYE 2024 and supporting correspondence of 9 May 2023 that sets out the context for the Budget's preparation, as contained in the attachment.

The Project Budget FYE 2024 includes:

- Review of forecast FYE 2023 outcomes;
- Budget for operations for FYE 2024;
- Forecast Budget for operations for FYE 2025;
- Updated long-term Project Forecast.

Market Conditions

Satterley advises that the Project Budget FYE 2024 (May 2023) has been prepared in the light of the following market conditions:

- Relatively flat lot pricing over the past 12 months. The majority of lots in Catalina are above \$300,000; \$75,000 above the Perth average.
- Interest rate rises have effectively reduced prospective buyers borrowing capacity by over \$100,000 and have been a big contributor to an increase in contract cancellations.
- 5,277 vacant land settlements across Perth in 2022, down -41% on the previous year. Additionally, first home owner grants were down 52% year on year.
- Although flattening, building cost increases continued to impact the industry over the past 12 months shifting demand to more affordable product.
- Median new build house and land price \$530,000, reported in December 2022 by UDIA.
- BGC closed doors to any new sales in April 2023, further tightening builder capacity.
- Median Perth house rent at \$550 per week.
- Median Perth house price \$550,000.
- Perth rental vacancy rate 0.4%, tightest in 17 years.
- April 2023 total listings 7,015 (balanced market 12,000) (REIWA).

Review of Project Budget FYE 2023

Satterley has forecast outcomes for the current year FYE 2023 and variances to the approved Project Budget FYE 2023 (December 2022), having regard to the current sales/settlement rates, works progress and costs and expectations for revenue and expenditure for the remainder of FYE 2023. The following table shows a comparison for Gross Income, Development Costs, Cashflow and Distributions:

| | Forecast FYE 2023 (May 2023) | Budget 2023 (Dec 2022) | Variance |
|--------------|---|-----------------------------------|-----------------|
| Gross Income | \$32.85M | \$36.72M | (\$3.87M) |

| | | | |
|----------------------|-----------------|-----------------|------------|
| Development Costs | \$23.68M | \$32.45M | \$8.77M |
| Cashflow | \$9.17M | \$4.27M | \$4.90M |
| Distributions | \$20.00M | \$20.00M | \$0 |

Key points to note include:

- Nett sales expected to be 65 lots, 14 less than the approved budget;
- Gross income to be \$3.89M lower, due to settlements reducing from 110 lots to 97 lots;
- Development costs to be \$8.77M lower than budgeted due to:
- Infrastructure costs \$1.3M lower due to \$0.9M in savings for Longbeach Promenade extension, Connolly Drive and deferral of costs, including developer contribution charges to FYE 24.
- Lot production is \$3.8M lower due to \$2.2M in savings across current Stages 18C, 29, 30, 36, and 37, \$0.7M savings for Stage 36-37 bulk earthworks and \$0.8M of costs remaining in stage 37 deferred to FY24E.
- Landscaping costs \$2.9m lower due to deferral of works: \$1.0M for Catalina Green POS and streetscapes, \$0.7M for Foreshore POS, \$0.2M for Portofino Park extension and \$0.4m in landscape consultancy. These works will now fall into early FYE 24.
- Due to timing of bonds paid/received, Finance/Bonds are (\$0.7m) higher in FYE23 but are offset the following year.
- \$1.0m reduction in unused and deferred contingency.
- Cashflow before distributions forecast to be \$9.17M, \$4.90M higher than the approved budget; and
- Distributions to member Councils in FYE 2023 to remain unchanged at \$20M.

Operations for FYE 2024

The Project Budget FYE 2024 has been prepared on the basis of the Council-approved April 2023 assumptions detailed above. When compared to the December 2022 forecast Budget FYE 2023, there are some substantial revisions as follows:

Sales/Settlements/Titles:

- 93 sales – reduced by 56. This is 13 more than the approved April 2023 assumption, but has been adjusted to add the sale of display village lots in Catalina Green.
- 114 settlements – reduced by 22, reducing lot income by \$6.9M.
- 103 titles lots (Stage 31 Catalina Beach – 66 lots, Stage 38 Catalina Green – 37 lots).

Cashflow:

Net cashflow before distributions of \$15.56M, \$7.33M higher.

Direct selling expenses:

\$1.6M lower due to the combined effects of lower settlement volumes, removal of campaign incentives and reduced provision for rebates and packages for previously settled lots to align to the accounting provision.

Infrastructure:

Costs are \$0.2M lower at \$1.4m and will provide for completion of the Longbeach Promenade extension and first \$1M payment for developer contributions to City of Wanneroo. Catalina Green pump station costs removed to align with the recently approved revised sewer strategy.

Lot Production:

Costs are \$6.5M lower, with lower sales over FYE 2023 and FYE 2024 bulk earthworks and stage production costs are deferred given sufficient stock levels going into FYE 2024. Key items for FYE 2024 include:

- \$3.9M for the completion of Stage 31 in Catalina Beach;
- \$0.2m for initial surveying and engineering design in Stage 32 in Catalina Beach;
- \$0.8M in final invoices for Stage 37 in Catalina Green;
- \$3.7M for Stage 38 construction in Catalina Green;
- \$0.3M for Stage 39 initial surveying and engineering design in Catalina Green.

Landscaping:

Works will focus on Catalina Beach (Foreshore POS, Longbeach Prom) and Green (Phase 1 POS and streetscapes) and Offset Revegetation works in the coastal reserve to the west of Catalina. Costs have decreased by \$0.9M to \$9.4M due mainly to timing of works.

Marketing and Community Development:

Budget has been reduced by a combined \$0.9M, to \$0.2M and \$0.1M respectively.

Administration:

\$0.1M lower at \$1.45M. The main component is Estate maintenance which has been set at \$1m to uphold good presentation and achieving the sales forecast.

Bonds:

Due to the timing of bond payments and refunds, bonds are \$1.0m lower.

Contingency:

Set at the lower level of \$0.5M for FYE24, a reduction of \$1.0M.

Distributions:

Distributions are forecast at \$20M, unchanged. A closing cash balance of \$41.8m is forecast.

The following table shows the variance between the proposed Project Budget FYE 2024 (May 2023) and the FYE 2024 Forecast (December 2022) for Income, Development Costs, Cashflow and Distributions.

| | Project Budget FYE 2024 (May 2023) | FYE 2024 Forecast (Dec 2022) | Variance |
|----------------------|---|-------------------------------------|-----------------|
| Gross Income | \$36.31M | \$38.89M | \$2.58M |
| Development Costs | (\$20.74M) | (\$30.65M) | \$9.91M |
| Cashflow | \$15.56M | \$8.23M | \$7.33M |
| Distributions | \$20.0M | \$20.0M | \$0.0M |

Key Risks for Achieving FYE 2024 Budget

Satterley has identified the following items as key risks to achieving the Project Budget FYE 2024 outcomes:

- Delay obtaining timely City of Wanneroo approval of the Catalina Beach Urban Water Management Plan in late FYE2023, which may prevent progress of construction of Stage 31.
- Catalina Green Display Village tender fails achieve the forecast 10 sales.
- Title dates and therefore settlement revenues not achieved.

Title dates are based on the following key assumptions:

- Approvals are achieved within statutory timeframes or better;
- Construction contracts are awarded on engineering design prior to City of Wanneroo Approval;
- Pre-award budgets are provided to the civil contractor to commence pre-work plans (traffic, safety etc) prior to the stage being awarded;
- No allowance made for further extension of construction periods caused by shortages of labour or materials;
- Assumes a cross-over of earthworks and civil works is allowed within Catalina Green;
- Settlement of the Lot 341 group housing site occurs as budgeted - \$2.75M in March 2024;
- No significant delays or deferrals of the \$9.4M landscape works budgeted in FYE 2024;
- The project is not impacted by delays associated with the new Aboriginal Cultural Heritage Act, which comes into place on 1 July 2023.

The risks identified would be considered typical for a project such as Catalina, which is heavily influenced by market conditions. These risks will continue to be managed by project supervision and management, monthly financial review and reporting, application of construction triggers and monitoring market and economic conditions. The specific project risks are actively being managed to minimise potential exposure to the TPRC and to achieve budget predictions.

Forecast Budget FYE 2025

Satterley has prepared a forecast Budget for FYE 2025 for financial planning purposes and information. It is not intended to be endorsed by the Council at this time.

The following table shows the variance between the forecasts for Income, Development Costs, Cashflow and Distributions.

| | FYE 2025 Forecast (May 2023) | FYE 2025 Forecast (December 2022) | Variance |
|----------------------|---|--|-----------------|
| Gross Income | \$30.50M | \$42.36M | (\$11.86M) |
| Development Costs | (\$21.05M) | \$38.47M | \$17.42M |
| Cashflow | \$9.45M | \$3.90M | \$5.55M |
| Distributions | \$17.0M | \$17.0M | \$0.0M |

The major variances result from the following:

- Gross Income decreased \$11.89M due to 51 fewer settlements;
- Development Costs decreased \$17.42M due to deferral of Western Australian Planning Commission land acquisition in Catalina Green and reduced civil construction program.

Distributions are to remain as previously forecast at \$17M, with an anticipated closing cash balance of \$34.3M.

These estimates should only be considered as a general guide for the Forecast FYE 2025. The budget for FYE 2025 will be next reviewed in light of the Western Australian economy and the residential land market in December 2023 as part of the Mid-Year Budget Review.

Updated Long Term Project Forecast (May 2023)

Satterley has updated the approved Project Forecast (December 2022). The Project Forecast sets out costs and revenue over the rest of the Project's life to guide Project and financial planning.

Project Forecast Assumptions

The updated Project Forecast has been prepared on the following assumptions:

Cost Escalation:

- The updated project forecast has reduced the allowance of 8% increased costs for the first half of FYE 2024 to 5% and 5% increase for the second half of FYE 2024 to 4%. It has also reduced the allowance of 5% increased costs for the first half of FYE 2025 to 2%. From that point, the long-term assumption of 2% cost escalation continues to apply. This assumes some easing of development cost increases seen over the past two years.
- Income escalation rates have been maintained at 5% for FYE 2024 but reduced from 5% to 2% for the first half of FYE 2025. The changes to escalation rates and timing from the approved Project Forecast are shown below:

| CATALINA Escalation Rates | | | | | | |
|-----------------------------|--------|--------|--------|--------|--------|--------|
| INCOME | | | | | | |
| From | Jan-11 | Jan-23 | Jul-23 | Jan-24 | Jan-25 | Jan-26 |
| To | Dec-22 | Jun-23 | Dec-23 | Dec-24 | Dec-25 | End |
| Current | 0.0% | 0.0% | 5.0% | 5.0% | 3.0% | 3.0% |
| Previous | 0.0% | 5.0% | 5.0% | 5.0% | 3.5% | 3.0% |
| COST | | | | | | |
| From | Jan-11 | Jan-23 | Jul-23 | Jan-24 | Jul-24 | Jan-25 |
| To | Dec-22 | Jun-23 | Dec-23 | Jun-24 | Dec-24 | End |
| Current | 0.0% | 0.0% | 5.0% | 4.0% | 2.0% | 2.0% |
| Previous | 0.0% | 8.0% | 8.0% | 5.0% | 5.0% | 2.0% |

Pricing:

The updated Project Forecast is based on the standard base lot pricing shown in the following table and is unchanged from the December 2022 forecast.

CATALINA | Standard Pricing - Future Stages

| LOT TYPE | BEACH | CENTRAL | GREEN |
|--|---------|---------|---------|
| Rear loaded 6m x 30m 180m ² | 225,000 | n/a | 137,500 |
| Rear loaded 7.5m x 30m 225m ² | 260,000 | 185,000 | 167,500 |
| Front loaded 10.5m x 30m 315m ² | 355,000 | n/a | 235,000 |
| Front loaded 12.5m x 30m 375m ² | 390,000 | 285,000 | 275,000 |
| Front loaded 15m x 30m 450m ² | 460,000 | 320,000 | 310,000 |

Yield:

The updated forecast incorporates approved plans for Catalina Beach (north of Portofino) and the balance of Catalina Green. In Beach, 25 residential lots have been replaced by two special sites, and in Green larger lot sizes have reduced residential yield by 81 lots, but for no material change in saleable area.

| CATEGORY | CURRENT | PREVIOUS | VARIANCE |
|--------------------------|-----------------------|-----------------------|------------------------|
| Beach Yield | 474 | 499 | (25) |
| Beach Residential Area | 177,369m ² | 179,311m ² | (1,942m ²) |
| Beach Special Sites Area | 13,186m ² | 10,585m ² | 2,601m ² |
| Green Yield | 638 | 719 | (81) |
| Green Residential Area | 231,219m ² | 231,083m ² | 136m ² |
| Green Special Sites Area | 34,456m ² | 34,456m ² | - |

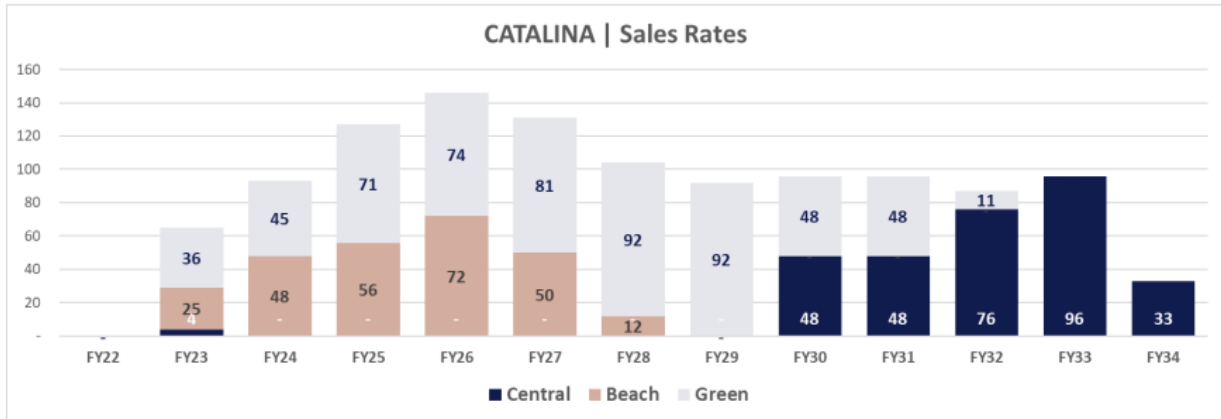
Sales Rates

- The updated project forecast allows for a reduction to sales rates in FY24 until consumer confidence and loan serviceability improves following the period of interest rate rises. Satterley considers that long-term fundamentals for the land market in Perth remain strong, which should see improved sales rates from FYE 2025 onwards.

CATALINA | Sales Rates

| FINANCIAL YEAR | CURRENT JUN-23 | APPROVED DEC-22 | VARIANCE |
|------------------|-------------------|--------------------|--------------|
| PTD FY22 | 1,200 | 1,200 | - |
| FY23 | 65 | 79 | (14) |
| FY24 | 93 | 149 | (56) |
| FY25 | 127 | 144 | (17) |
| FY26 | 146 | 136 | 10 |
| FY27 | 131 | 112 | 19 |
| FY28 | 104 | 101 | 3 |
| FY29 | 92 | 106 | (14) |
| FY30 | 96 | 99 | (3) |
| FY31 | 96 | 105 | (9) |
| FY32 | 87 | 96 | (9) |
| FY33 | 96 | 104 | (8) |
| FY34 | 33 | 41 | (8) |
| Total | 2,366 | 2,472 | (106) |
| Final Sale | Nov-33 | Nov-33 | +0 Mths |
| Final Settlement | May-34 | May-34 | +0 Mths |

- The mix of sales between precincts has changed from previous forecasts due to amended assumptions regarding the landfill site buffer restriction affecting Catalina Central. The resumption of sales from Stages 16B and 19 to 23 has been deferred to FYE 2030 and have been replaced by sales from Catalina Green in the period between FYE 2028 and FYE 2030. Anticipated Project duration is unchanged.



Other Assumptions:

- WAPC land acquisition deferred until required for Stages 46-48. A payment of \$12.3M in Feb 2028 is now assumed.
- To ensure adequate supply, Beach sales equate to approximately a 40-50% split over the remaining years it continues to sell.
- Stage 16B and Primary School GHS deferred until FYE 2030, when the buffer restrictions are expected to be lifted.
- Marketing budgets after FYE 2024 have been set at \$200,000 per annum plus escalation for project duration, community development at \$90,000 per annum plus escalation.
- High quality estate presentation will be key to achieving the sales rates in the Project Forecast. As such, unescalated maintenance budgets have been set at \$990,000 per annum.
- All IRR calculations assume a notional land payment based on historical valuation estimate of \$77.4M at commencement of the Project, consistent with IRR methodology for other residential development projects

Comparison between Project Forecast (December 2022) and Project Forecast (May 2023)

Satterley advises that the May 2023 forecast indicates an overall Project net cash profit of \$282.84M (\$25.17M increase between forecasts) on the basis of:

- Improved escalation – \$10M income escalation reduction offset by \$17M cost escalation improvement.
- Updated revenue assumptions reflecting adopted development strategy for Beach north of Portofino Promenade design, particularly grouped housing sites.
- Removal of certain contingencies in the engineering costings.
- Reduced construction costs driven by reduction in yield after adoption of new design in Green (balance) and Beach (north of Portofino).
- Reduced rebate provisions that are unlikely to be claimed.
- Reduction in overall marketing costs reflecting more appropriate long-term budgets.

Overall, the net present value (NPV) has increased because of the improved cashflow, with no significant project duration change, that is, returns have increased over the same remaining project life as previously forecast.

| CATALINA Summary | | | |
|---------------------------------|---------------------------|----------------------------|------------------------|
| CATEGORY | CURRENT JUN-23 | APPROVED DEC-22 | VARIANCE |
| Total Lots | 2,366 | 2,472 | (106) |
| Residential Area | 828,582m ² | 830,388m ² | (1,806m ²) |
| Special Sites Area | 75,189m ² | 72,588m ² | 2,601m ² |
| GROSS INCOME | | | |
| Income - Lots | 710,570,146 | 729,732,343 | (19,162,197) |
| Income - Special Sites | 30,358,836 | 27,578,061 | 2,780,775 |
| Income - Other | 288,959 | 287,545 | 1,414 |
| Direct Selling Expenses | 72,641,522 | 80,132,182 | 7,490,660 |
| GROSS INCOME | 668,576,419 | 677,465,767 | (8,889,348) |
| DEVELOPMENT COSTS | | | |
| Land | 12,265,200 | 12,265,200 | - |
| Consultants | 9,519,639 | 10,075,776 | 556,136 |
| Infrastructure | 18,982,211 | 16,144,568 | (2,837,643) |
| Special Sites/Other Development | 6,554,965 | 4,703,970 | (1,850,995) |
| Lot Production | 237,203,756 | 260,894,299 | 23,690,543 |
| Landscape | 60,549,702 | 63,916,539 | 3,366,837 |
| Marketing | 5,414,340 | 11,079,677 | 5,665,337 |
| Community Development | 1,722,027 | 2,534,860 | 812,833 |
| Administration | 23,297,477 | 25,104,045 | 1,806,568 |
| Finance/Bonds | - | - | - |
| Contingency | 10,226,785 | 13,078,447 | 2,851,662 |
| DEVELOPMENT COSTS | 385,736,102 | 419,797,380 | 34,061,278 |
| CASHFLOW | 282,840,317 | 257,668,387 | 25,171,930 |
| Capital IRR | 10.6% | 10.4% | 0.1% |
| Project IRR | 16.9% | 16.2% | 0.8% |
| Profit on Cost | 73.3% | 61.4% | 11.9% |
| Profit /Lot | 119,544 | 104,235 | 15,309 |

| CATALINA NPV Analysis | | | |
|--|----------------|----------------|----------------|
| DISCOUNT RATE | 6% | 8% | 10% |
| Current NPV of cashflows Oct-22 onwards | \$102.5m | \$93.3m | \$85.3m |
| Previous NPV of cashflows Oct-22 onwards | \$81.3m | \$73.0m | \$66.0m |
| Variance | \$21.3m | \$20.2m | \$19.3m |

Given the current interest rate environment, higher discount or hurdle rates are more appropriate for NPV analysis.

Distributions

Distributions to the member Councils are forecast in the following table and maintain a \$15M minimum cash reserve. Distributions are to be maintained in line with the December 2022 forecast for FYE 2024 and 2025, before increasing from FYE 2026 to FYE 2032.

| CATALINA Distributions | | | | |
|---------------------------------|---------------------------|----------------------------|-------------------|--------------------------------|
| FINANCIAL YEAR | CURRENT JUN-23 | APPROVED DEC-22 | VARIANCE | CUMULATIVE VARIANCE |
| PTD FY22 | 83,700,000 | 83,700,000 | - | - |
| FY23 | 20,000,000 | 20,000,000 | - | - |
| FY24 | 20,000,000 | 20,000,000 | - | - |
| FY25 | 17,000,000 | 17,000,000 | - | - |
| FY26 | 15,000,000 | 12,000,000 | 3,000,000 | 3,000,000 |
| FY27 | 14,000,000 | 10,000,000 | 4,000,000 | 7,000,000 |
| FY28 | 14,000,000 | 10,000,000 | 4,000,000 | 11,000,000 |
| FY29 | 14,000,000 | 10,000,000 | 4,000,000 | 15,000,000 |
| FY30 | 14,000,000 | 10,000,000 | 4,000,000 | 19,000,000 |
| FY31 | 11,000,000 | 10,000,000 | 1,000,000 | 20,000,000 |
| FY32 | 17,000,000 | 7,000,000 | 10,000,000 | 30,000,000 |
| FY33 | 8,000,000 | 9,000,000 | (1,000,000) | 29,000,000 |
| FY34 | 21,000,000 | 26,000,000 | (5,000,000) | 24,000,000 |
| FY35 | - | - | - | 24,000,000 |
| FY36 | 14,140,317 | 12,968,387 | 1,171,930 | 25,171,930 |
| Total | 282,840,317 | 257,668,387 | 25,171,930 | 25,171,930 |

CONCLUSION

Satterley has prepared a Project Budget for FYE 2024 that is consistent with assumptions approved by the Council for its preparation in April 2023. It recommends a conservative lot production and infrastructure program given current stock constructed and under construction and anticipated sales rates. Allowance is made for several landscaping works to be completed to boost Estate amenity and appeal.

The Project Budget FYE 2024 prepared by Satterley reflects a sales and revenue position that is considered appropriate given the position of the land sales market and the condition of the Western Australian economy. It forecasts that the TPRC can meet all cashflow obligations without the need to call upon member local government funds to meet any operating or capital expenditure and will be able to increase distributions to the member local governments.

The Project Budget FYE 2024 includes an updated Project Forecast to provide a general guide to the long term cashflow direction. The latest iteration follows a period during which there has been considerable review and revision of key Project assumptions in a time when the market and construction environment has been dynamic.

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 while delivering environmental, social and economic objectives.

Despite the inherent uncertainties associated with forecasting over the lengthy timeframe of the Project's lifecycle, it is considered that the Project Forecast (May 2023) is a reasonable basis for Project and financial planning and that the forecasted Project profit and distributions can be relied upon by the member local governments.

It is recommended that Council approves the Project Budget FYE 2024 (May 2023), submitted by Satterley including the long term Project Forecast (May 2023) as the basis of project and financial planning for FYE 2024 and beyond.

9 May 2023

Mr. Chris Adams
Chief Executive Officer
Tamala Park Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6019

Dear Chris,

Catalina FY24 Budget

Please find attached the FY24 Catalina Budget and revised Project Forecast. The review is discussed under the following headings:

1. Market Observations
2. Budget Comparisons
3. Financial Year Ending 2023 (FY23)
4. Review of Financial Year Ending 2024 (FY24)
5. Key Risks for Achieving FY24 Budget
6. Overview of Financial Year Ending 2025 (FY25)
7. Project Forecast
8. Assumptions
9. Cash Requirement, Capital Return and Profit Distribution Capacity

1. Market Observations

- › Average lot price in March 2023 was ~\$225,000. The average lot price has remained relatively flat over the past 12 months. The majority of lots in Catalina are above \$300,000.
- › Reserve Bank interest rate rises have effectively reduced prospective buyers borrowing capacity by well over \$100,000.
- › Interest rate rises have been a big contributor to an increase in cancellations.
- › 5,277 vacant land settlements to December 2022, -41% 12-month change. Additionally, FHOG down 52% YoY.
- › Although flattening, building cost increases continued to impact the industry over the past 12 months shifting demand to more affordable product. Median new build house and land price \$530,000, reported in December 2022 by UDIA.
- › BGC closed doors to any new sales in April 2023, further tightening builder capacity.
- › Median house rent at \$550 per week
- › Median house price \$550,000
- › Vacancy rate 0.4%, tightest in 17 years
- › April 2023 total listings 7,015 (balanced market 12,000) (REIWA)

2. Budget Comparisons

Budget review and analysis in this document compares all cashflow years to the budget and Project Forecast approved in December 2022.

3. Financial Year Ending 2023 (FY23)

The key outcomes for the 2023 financial year as forecast in this review are as follows:

This review forecasts a cashflow before distributions of \$9.2m, which is \$4.9m higher than the budget approved in December 2022. The high-level areas of variance are summarised below:

- 65 net sales are forecast in FY23, (14) lots lower than the approved budget.
- Gross income is forecast to be (\$3.9m) lower, which is driven by (13) fewer lot settlements and deferral of the stage 17B group housing site (Lot 341 - \$2.75m).
- Development costs are forecast to be \$8.8m lower than the budget approved in December 2022, driven by the following:
 - Net infrastructure costs are \$1.3m lower driven by \$0.9m in savings for Long Beach Extension, Connolly Drive and deferral of scheme road costs, in addition to \$0.4m of final Long Beach costs deferred to FY24.
 - Lot production is \$3.8m lower driven by \$2.2m in savings across current stages 18C, 29, 30, 36, and 37, \$0.7 of savings for stage 36-37 bulk earthworks and \$0.8m of costs remaining in stage 37 deferred to FY24.
 - Landscaping costs are \$2.9m lower due to a deferral in costs across Beach and Green, most notably \$0.7m for Foreshore POS Area 1, \$0.2m for Beach Park 2, \$0.1m for Foreshore Access Area 1, \$1.0m for Catalina Green POS and streetscapes and \$0.4m in landscape consultancy. Most of these works will now fall into early FY24.
 - Due to timing of bonds paid/received, Finance/Bonds are (\$0.7m) higher in FY23 but are offset the following year.
 - The FY23 forecast sees a \$1.0m reduction in unused and deferred contingency.
- Distributions for FY23 are forecast as \$20m as per the budget approved in December 2022.

4. Review of Financial Year Ending 2024 (FY24)

This review forecasts a net cashflow before distributions of \$15.6m for the year to 30 June 2024, which is \$7.3m higher than the approved budget. The main areas of variance are summarised below:

- Annual sales have been reduced by (56) lots for FY24, reflecting a more conservative forecast on the back of a challenging market following successive interest rate rises and construction constraints in FY23. The annual budget allows for ten (10) display village sales in Jan-24.
- Following the reduction in sales achieved in FY23 and forecast for FY24, expected settlements are (22) lower at 114 which in-turn has reduced expected lot income by (\$6.9m).
- Special site income is \$2.75m higher due to the stage 17B group housing site in Catalina Central deferred from FY23.

- Direct selling expenses are \$1.6m lower due to the combined effects of lower settlement volumes, removal of campaign incentives and reduced provision for rebates and packages for previously settled lots to align to the accounting provision.
- FY24 infrastructure costs are \$0.2m lower at \$1.4m. Infrastructure works for FY24 will include the completion of the Long Beach Extension and first \$1m payment for scheme road costs, with the Catalina Green pump station costs now removed to align with the new sewer strategy.
- Overall lot production costs are \$6.5m lower than previous, with lower sales over FY23 and FY24 resulting in bulk earthworks and stage production costs being deferred and sufficient stock on hand going into FY24. Key items for FY24 include:
 - \$3.9m for the completion of stage 31 in Catalina Beach, with \$0.2m budgeted for initial survey and engineering in stage 32
 - \$0.8m in final invoices for stage 37 in Catalina Green
 - \$3.7m for stage 38 construction (titles Nov-23)
 - \$0.3m for stage 39 initial survey and engineering costs
- Landscaping works will focus on Beach and Green and have decreased by \$0.9m from the approved budget to \$9.4m with the following key movements:
 - Landscape consultancy is \$0.1m lower due to overall lower costs forecast for the financial year.
 - In Catalina Beach there is a (\$0.4m) increase of works forecast to \$5.6m due to works carried over from FY23 being greater than the works deferred to FY24. The budget includes \$4.6m for Foreshore POS Area 1 and \$0.7m for the initial Offset Area Revegetation.
 - With development for initial stages of Catalina Green deferred, landscape works for this precinct have also been deferred with a total of \$2.6m now forecast for FY24 compared to \$3.5m previously. Key budget items include \$1.4m for POS 1 and \$1.2m in streetscape works for stages 36-38 (previously \$2.3m).
- Marketing and community development budgets have been reduced by a combined \$0.9m to \$0.2m and \$0.1m respectively.
- The administration budget for FY23 is \$0.1m lower at \$1.45m. The main component of administration costs is the maintenance provision which has been set at \$1m and is key to upholding a good estate presentation and achieving the sales forecast.
- Due to the timing of bonds and bond returns, Finance/Bonds are \$1.0m lower than previously forecast, reversing the FY23 variance.
- Contingency has been set at the lower level of \$0.5m for FY24, a reduction of \$1.0m from the previous forecast.
- Distributions for FY24 have been budget at \$20m per the previous approved, with a closing cash balance of \$41.8m.

5. Key Risks for Achieving FY24 Budget

The following are key risks to achieving the outcomes in this review:

- CoW provides prompt approval of the Beach UWMP in FY23 allowing construction of Stage 31 to progress.
- Successful Green Display Village tender to achieve the forecast 10 sales.
- Achieving title dates and therefore settlement revenues is based on the following key assumptions:
 - Approvals are achieved within statutory timeframes or better
 - Construction contracts are awarded on engineering design prior to City of Wanneroo Approval
 - Pre-award budgets are provided to the civil contractor to commence pre-work plans (traffic, safety etc) prior to the stage being awarded
 - No allowance has been made for further extension of construction periods caused by shortages of labour or materials
 - Assumptions have been made to allow a cross-over of earthworks and civil works within Catalina Green
- Settlement of the Lot 341 group housing site occurs as budgeted - \$2.75m in Mar-24.
- There are no significant delays or deferrals of the \$9.4m in landscape works budgeted in FY24.
- The project is not impacted by delays associated with the new Aboriginal Cultural Heritage Act which comes into place on 1 July 2023.

6. Overview of Financial Year Ending 2025 (FY25)

This review forecasts cashflow before distributions of \$9.4m for the year to 30 June 2025, which is \$5.6m higher than the budget approved in December 2022. The high-level areas of variance are summarised below:

- Gross income has decreased by (\$11.9m) driven by (51) fewer settlements resulting in a decrease in lot revenue of (\$13.7m).
- Overall development costs are \$17.4m lower in FY25 than previously forecast driven by the deferral of the \$12.3m WAPC land acquisition in addition to the reduced construction program in response to lower forecast sales rates.
- Forecast distributions for FY25 are as per the December 2022 approved budget at \$17m, with a closing cash balance of \$34.3m.

7. Project Forecast

The summary outcome of the updated overall project forecast is as follows:

| CATALINA Summary | | | |
|---------------------------------|---------------------------|----------------------------|------------------------|
| CATEGORY | CURRENT JUN-23 | APPROVED DEC-22 | VARIANCE |
| Total Lots | 2,366 | 2,472 | (106) |
| Residential Area | 828,582m ² | 830,388m ² | (1,806m ²) |
| Special Sites Area | 75,189m ² | 72,588m ² | 2,601m ² |
| GROSS INCOME | | | |
| Income - Lots | 710,570,146 | 729,732,343 | (19,162,197) |
| Income - Special Sites | 30,358,836 | 27,578,061 | 2,780,775 |
| Income - Other | 288,959 | 287,545 | 1,414 |
| Direct Selling Expenses | 72,641,522 | 80,132,182 | 7,490,660 |
| GROSS INCOME | 668,576,419 | 677,465,767 | (8,889,348) |
| DEVELOPMENT COSTS | | | |
| Land | 12,265,200 | 12,265,200 | - |
| Consultants | 9,519,639 | 10,075,776 | 556,136 |
| Infrastructure | 18,982,211 | 16,144,568 | (2,837,643) |
| Special Sites/Other Development | 6,554,965 | 4,703,970 | (1,850,995) |
| Lot Production | 237,203,756 | 260,894,299 | 23,690,543 |
| Landscape | 60,549,702 | 63,916,539 | 3,366,837 |
| Marketing | 5,414,340 | 11,079,677 | 5,665,337 |
| Community Development | 1,722,027 | 2,534,860 | 812,833 |
| Administration | 23,297,477 | 25,104,045 | 1,806,568 |
| Finance/Bonds | - | - | - |
| Contingency | 10,226,785 | 13,078,447 | 2,851,662 |
| DEVELOPMENT COSTS | 385,736,102 | 419,797,380 | 34,061,278 |
| CASHFLOW | 282,840,317 | 257,668,387 | 25,171,930 |
| Capital IRR | 10.6% | 10.4% | 0.1% |
| Project IRR | 16.9% | 16.2% | 0.8% |
| Profit on Cost | 73.3% | 61.4% | 11.9% |
| Profit /Lot | 119,544 | 104,235 | 15,309 |

| CATALINA NPV Analysis | | | |
|--|-----------|-----------|------------|
| DISCOUNT RATE | 6% | 8% | 10% |
| Current NPV of cashflows Oct-22 onwards | \$102.4m | \$93.1m | \$85.1m |
| Previous NPV of cashflows Oct-22 onwards | \$81.3m | \$73.0m | \$66.0m |
| Variance | \$21.1m | \$20.0m | \$19.1m |

Overall, the project forecast has improved by \$25.2m driven by the following:

Satterley Property Group Pty Ltd
 Level 3, 27-31 Troode Street, West Perth WA 6005
 PO Box 1346, West Perth WA 6872

T 08 9368 9000
 F 08 9368 9003

ABN 38 009 054 979

Licensee: Satterley Property Group Pty Ltd. (Inc in WA). Licensed Real Estate Agent trading as Satterley Real Estate.

SATTERLEY.COM.AU

- Improved escalation – (\$10m) income escalation reduction offset by \$17m cost escalation improvement.
- Updated revenue assumptions reflecting adopted development strategy for Beach north of Portofino design, particularly grouped housing sites.
- Removal of certain contingencies in the engineering costings.
- Reduced construction costs driven by reduction in yield after adoption of new design in Green (balance) and Beach (north of Portofino).
- Reduced rebate provisions that are unlikely to be claimed.
- Reduction in overall marketing costs reflecting more appropriate long-term budgets.

Overall, the net present value (NPV) has increased because of the improved cashflow, with no significant project duration change, that is, returns have increased over the same remaining project life as previously forecast.

8. Assumptions

Escalation

The updated project forecast assumes cost escalation within the industry has peaked and will start to moderate over the next 12 months, heading toward more normal levels of ~2% by FY25.

Given the significant production cost increases experienced across the industry, and with strong underlying demand for well-located land, there will still be opportunities for price growth in coming years. Income escalation has been set at 5% for the next 18 months, returning to 3% beyond that.

The changes to escalation rates and timing from the approved Project Forecast are shown below:

| CATALINA Escalation Rates | | | | | | | |
|-----------------------------|--------|--------|--------|--------|--------|--------|--|
| INCOME | | | | | | | |
| From | Jan-11 | Jan-23 | Jul-23 | Jan-24 | Jan-25 | Jan-26 | |
| To | Dec-22 | Jun-23 | Dec-23 | Dec-24 | Dec-25 | End | |
| Current | 0.0% | 0.0% | 5.0% | 5.0% | 3.0% | 3.0% | |
| Previous | 0.0% | 5.0% | 5.0% | 5.0% | 3.5% | 3.0% | |
| COST | | | | | | | |
| From | Jan-11 | Jan-23 | Jul-23 | Jan-24 | Jul-24 | Jan-25 | |
| To | Dec-22 | Jun-23 | Dec-23 | Jun-24 | Dec-24 | End | |
| Current | 0.0% | 0.0% | 5.0% | 4.0% | 2.0% | 2.0% | |
| Previous | 0.0% | 8.0% | 8.0% | 5.0% | 5.0% | 2.0% | |

Pricing

Standard base prices used in the updated project forecast are as shown below, which is unchanged from the previous forecast:

CATALINA | Standard Pricing - Future Stages

| LOT TYPE | BEACH | CENTRAL | GREEN |
|--|---------|---------|---------|
| Rear loaded 6m x 30m 180m ² | 240,000 | n/a | 137,500 |
| Rear loaded 7.5m x 30m 225m ² | 280,000 | 185,000 | 167,500 |
| Front loaded 10.5m x 30m 315m ² | 370,000 | n/a | 235,000 |
| Front loaded 12.5m x 30m 375m ² | 400,000 | 285,000 | 275,000 |
| Front loaded 15m x 30m 450m ² | 490,000 | 320,000 | 310,000 |

Yield

The updated forecast incorporates approved plans for Catalina Beach (north of Portofino) and the balance of Catalina Green. In Beach, 25 residential lots have been replaced by two special sites, and in Green larger lot sizes have reduced residential yield by 81 lots, but for no material change in saleable area.

| CATEGORY | CURRENT | PREVIOUS | VARIANCE |
|--------------------------|-----------------------|-----------------------|------------------------|
| Beach Yield | 474 | 499 | (25) |
| Beach Residential Area | 177,369m ² | 179,311m ² | (1,942m ²) |
| Beach Special Sites Area | 13,186m ² | 10,585m ² | 2,601m ² |
| Green Yield | 638 | 719 | (81) |
| Green Residential Area | 231,219m ² | 231,083m ² | 136m ² |
| Green Special Sites Area | 34,456m ² | 34,456m ² | - |

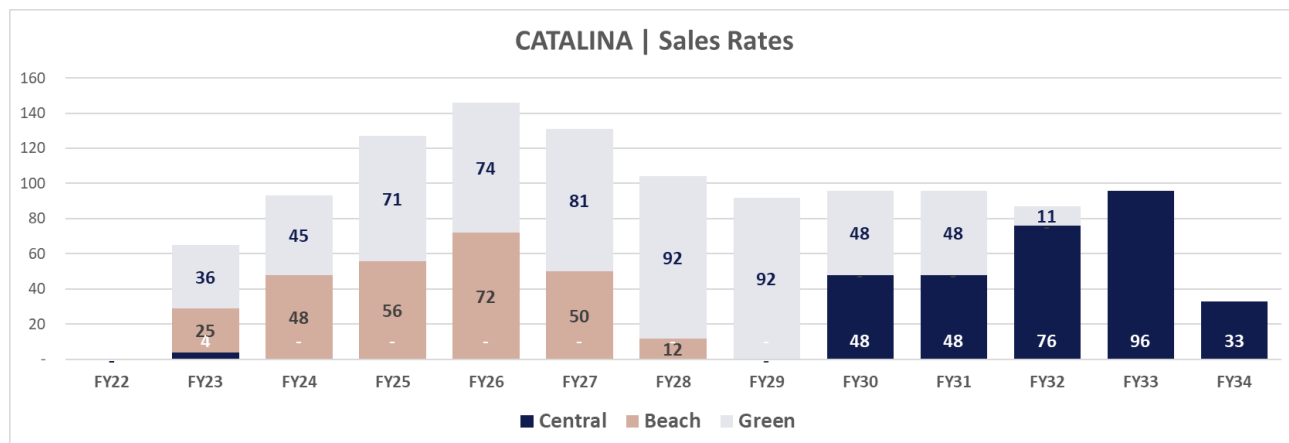
Sales Rates

The updated project forecast allows for a reduction to sales rates in FY24 until consumer confidence and loan serviceability improves following the period of interest rate rises. Long-term fundamentals for the land market in Perth remain strong, which should see improved sales rates from FY25 onwards.

CATALINA | Sales Rates

| FINANCIAL YEAR | CURRENT JUN-23 | APPROVED DEC-22 | VARIANCE |
|------------------|-------------------|--------------------|--------------|
| PTD FY22 | 1,200 | 1,200 | - |
| FY23 | 65 | 79 | (14) |
| FY24 | 93 | 149 | (56) |
| FY25 | 127 | 144 | (17) |
| FY26 | 146 | 136 | 10 |
| FY27 | 131 | 112 | 19 |
| FY28 | 104 | 101 | 3 |
| FY29 | 92 | 106 | (14) |
| FY30 | 96 | 99 | (3) |
| FY31 | 96 | 105 | (9) |
| FY32 | 87 | 96 | (9) |
| FY33 | 96 | 104 | (8) |
| FY34 | 33 | 41 | (8) |
| Total | 2,366 | 2,472 | (106) |
| Final Sale | Nov-33 | Nov-33 | +0 Mths |
| Final Settlement | May-34 | May-34 | +0 Mths |

The mix of sales between precincts has changed from previous budgets due to assumptions regarding the buffer restriction affecting Catalina Central. The resumption of sales from Central stages 16B and 19-23 has been deferred to FY30, which have been replaced by sales from Catalina Green in the period between FY28 and FY30.



Other Assumptions

The following assumptions have been used in the revised project forecast:

- › WAPC land acquisition deferred until required for stages 46-48. A payment of \$12.3m in Feb-28 is now assumed.
- › To ensure adequate supply, Beach sales equate to approximately a 40-50% split over the remaining years it continues to sell.

- › Stage 16B and Primary School GHS deferred until the project returns to Catalina Central once buffer restrictions have been lifted in FY30.
- › Marketing budgets after FY24 have been set at \$200,000 per annum plus escalation for project duration, community development at \$90,000 per annum plus escalation.
- › High quality estate presentation will be key to achieving the sales rates in the Project Forecast. As such, unescalated maintenance budgets have been set at \$990,000 per annum.
- › All IRR calculations assume a notional land payment based on historical valuation estimate of \$77.4m at commencement of the project, consistent with IRR methodology for other residential development projects.

9. Cash Requirement, Capital Return and Profit Distribution Capacity

This review forecasts a minimum cash balance for the project of \$34.3m in FY24, with \$20m forecast to be distributed over the financial year in line with the approved budget.

Should you have any queries on this report, please do not hesitate to contact me.

Yours sincerely



Drew Tomkins
Project Director

CATALINA | Summary

| CATEGORY | CURRENT JUN-23 | APPROVED DEC-22 | VARIANCE |
|---------------------------------|-----------------------|-----------------------|------------------------|
| Total Lots | 2,366 | 2,472 | (106) |
| Residential Area | 828,582m ² | 830,388m ² | (1,806m ²) |
| Special Sites Area | 75,189m ² | 72,588m ² | 2,601m ² |
| GROSS INCOME | | | |
| Income - Lots | 710,570,146 | 729,732,343 | (19,162,197) |
| Income - Special Sites | 30,358,836 | 27,578,061 | 2,780,775 |
| Income - Other | 288,959 | 287,545 | 1,414 |
| Direct Selling Expenses | 72,641,522 | 80,132,182 | 7,490,660 |
| GROSS INCOME | 668,576,419 | 677,465,767 | (8,889,348) |
| DEVELOPMENT COSTS | | | |
| Land | 12,265,200 | 12,265,200 | - |
| Consultants | 9,519,639 | 10,075,776 | 556,136 |
| Infrastructure | 18,982,211 | 16,144,568 | (2,837,643) |
| Special Sites/Other Development | 6,554,965 | 4,703,970 | (1,850,995) |
| Lot Production | 237,203,756 | 260,894,299 | 23,690,543 |
| Landscape | 60,549,702 | 63,916,539 | 3,366,837 |
| Marketing | 5,414,340 | 11,079,677 | 5,665,337 |
| Community Development | 1,722,027 | 2,534,860 | 812,833 |
| Administration | 23,297,477 | 25,104,045 | 1,806,568 |
| Finance/Bonds | - | - | - |
| Contingency | 10,226,785 | 13,078,447 | 2,851,662 |
| DEVELOPMENT COSTS | 385,736,102 | 419,797,380 | 34,061,278 |
| CASHFLOW | 282,840,317 | 257,668,387 | 25,171,930 |
| Capital IRR | 10.6% | 10.4% | 0.1% |
| Project IRR | 16.9% | 16.2% | 0.8% |
| Profit on Cost | 73.3% | 61.4% | 11.9% |
| Profit /Lot | 119,544 | 104,235 | 15,309 |

CATALINA | NPV Analysis

| DISCOUNT RATE | 6% | 8% | 10% |
|--|----------|---------|---------|
| Current NPV of cashflows Oct-22 onwards | \$102.4m | \$93.1m | \$85.1m |
| Previous NPV of cashflows Oct-22 onwards | \$81.3m | \$73.0m | \$66.0m |
| Variance | \$21.1m | \$20.0m | \$19.1m |

Given the current interest rate environment, higher discount or hurdle rates are more appropriate for NPV analysis.

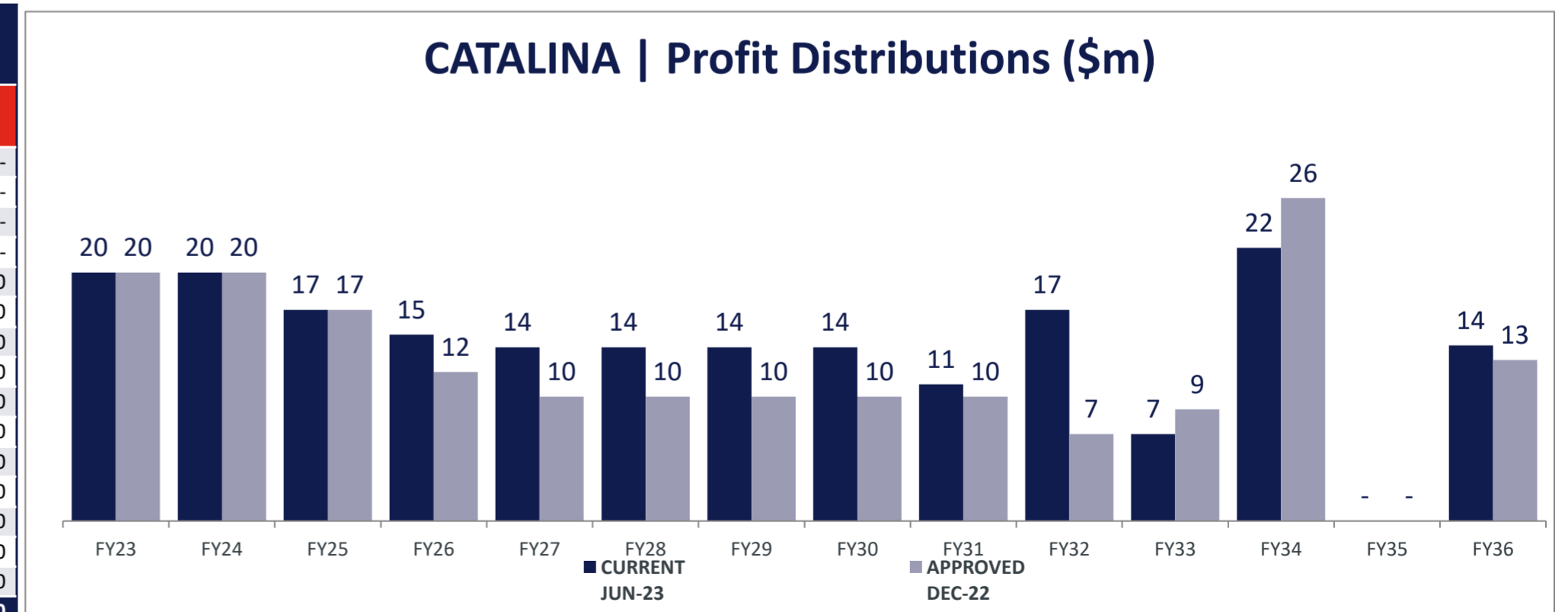
CATALINA | Distributions

| FINANCIAL YEAR | CURRENT JUN-23 | APPROVED DEC-22 | VARIANCE | CUMULATIVE VARIANCE |
|----------------|--------------------|--------------------|-------------------|---------------------|
| PTD FY22 | 83,700,000 | 83,700,000 | - | - |
| FY23 | 20,000,000 | 20,000,000 | - | - |
| FY24 | 20,000,000 | 20,000,000 | - | - |
| FY25 | 17,000,000 | 17,000,000 | - | - |
| FY26 | 15,000,000 | 12,000,000 | 3,000,000 | 3,000,000 |
| FY27 | 14,000,000 | 10,000,000 | 4,000,000 | 7,000,000 |
| FY28 | 14,000,000 | 10,000,000 | 4,000,000 | 11,000,000 |
| FY29 | 14,000,000 | 10,000,000 | 4,000,000 | 15,000,000 |
| FY30 | 14,000,000 | 10,000,000 | 4,000,000 | 19,000,000 |
| FY31 | 11,000,000 | 10,000,000 | 1,000,000 | 20,000,000 |
| FY32 | 17,000,000 | 7,000,000 | 10,000,000 | 30,000,000 |
| FY33 | 7,000,000 | 9,000,000 | (2,000,000) | 28,000,000 |
| FY34 | 22,000,000 | 26,000,000 | (4,000,000) | 24,000,000 |
| FY35 | - | - | - | 24,000,000 |
| FY36 | 14,140,317 | 12,968,387 | 1,171,930 | 25,171,930 |
| Total | 282,840,317 | 257,668,387 | 25,171,930 | 25,171,930 |

| CURRENT JUN-23 PER LOT | APPROVED DEC-22 PER LOT | PER LOT VARIANCE |
|------------------------|-------------------------|-------------------|
| 2,366 | 2,472 | (106) |
| 350m ² | 336m ² | 14m ² |
| 3,759m ² | 3,629m ² | 130m ² |
| | | |
| 300,326 | 295,199 | 5,126 |
| 12,831 | 11,156 | 1,675 |
| 122 | 116 | 6 |
| 30,702 | 32,416 | 1,714 |
| 282,577 | 274,056 | 8,521 |
| | | |
| 5,184 | 4,962 | (222) |
| 4,024 | 4,076 | 52 |
| 8,023 | 6,531 | (1,492) |
| 2,770 | 1,903 | (868) |
| 100,255 | 105,540 | 5,285 |
| 25,592 | 25,856 | 265 |
| 2,288 | 4,482 | 2,194 |
| 728 | 1,025 | 298 |
| 9,847 | 10,155 | 309 |
| | | |
| 4,322 | 5,291 | 968 |
| 163,033 | 169,821 | 6,788 |
| 119,544 | 108,905 | 10,639 |

Note: All IRR calculations assume a notional land payment of \$77.4m at commencement of the project.
 Note: All IRR calculations assume a notional land payment of \$77.4m at commencement of the project.

| FEASIBILITY | VARIANCE |
|-----------------------|----------------------|
| 2,310 | 56 |
| 828,075m ² | 507m ² |
| 7,826m ² | 67,363m ² |
| | |
| 797,371,531 | (86,801,385) |
| 2,997,655 | 27,361,181 |
| - | 288,959 |
| 130,908,852 | 58,267,330 |
| 669,460,334 | (883,915) |
| | |
| - | (12,265,200) |
| 5,672,600 | (3,847,039) |
| 26,107,961 | 7,125,750 |
| 935,121 | (5,619,844) |
| 245,536,927 | 8,333,171 |
| 36,363,281 | (24,186,421) |
| 11,234,127 | 5,819,786 |
| 2,904,656 | 1,182,629 |
| 11,881,589 | (11,415,888) |
| | |
| - | - |
| 17,031,813 | 6,805,028 |
| 357,668,075 | (28,068,027) |
| 311,792,259 | (28,951,942) |
| | |
| 17.4% | (6.8%) |
| 18.2% | (1.3%) |
| 87.2% | (13.8%) |
| 134,975 | (15,431) |



CATALINA | Escalation Rates

| INCOME | | | | | | |
|----------|--------|--------|--------|--------|--------|--------|
| From | Jan-11 | Jan-23 | Jul-23 | Jan-24 | Jan-25 | Jan-26 |
| To | Dec-22 | Jun-23 | Dec-23 | Dec-24 | Dec-25 | End |
| Current | 0.0% | 0.0% | 5.0% | 5.0% | 3.0% | 3.0% |
| Previous | 0.0% | 5.0% | 5.0% | 5.0% | 3.5% | 3.0% |
| COST | | | | | | |
| From | Jan-11 | Jan-23 | Jul-23 | Jan-24 | Jul-24 | Jan-25 |
| To | Dec-22 | Jun-23 | Dec-23 | Jun-24 | Dec-24 | End |
| Current | 0.0% | 0.0% | 5.0% | 4.0% | 2.0% | 2.0% |
| Previous | 0.0% | 8.0% | 8.0% | 5.0% | 5.0% | 2.0% |

CATALINA | Sales Rates

| FINANCIAL YEAR | CURRENT JUN-23 | APPROVED DEC-22 | VARIANCE |
|------------------|-------------------|--------------------|--------------|
| PTD FY22 | 1,200 | 1,200 | - |
| FY23 | 65 | 79 | (14) |
| FY24 | 93 | 149 | (56) |
| FY25 | 127 | 144 | (17) |
| FY26 | 146 | 136 | 10 |
| FY27 | 131 | 112 | 19 |
| FY28 | 104 | 101 | 3 |
| FY29 | 92 | 106 | (14) |
| FY30 | 96 | 99 | (3) |
| FY31 | 96 | 105 | (9) |
| FY32 | 87 | 96 | (9) |
| FY33 | 96 | 104 | (8) |
| FY34 | 33 | 41 | (8) |
| Total | 2,366 | 2,472 | (106) |
| Final Sale | Nov-33 | Nov-33 | +0 Mths |
| Final Settlement | May-34 | May-34 | +0 Mths |

| FEASIBILITY | VARIANCE |
|--------------|-----------|
| 1,872 | (672) |
| 180 | (115) |
| 180 | (87) |
| 78 | 49 |
| - | 146 |
| - | 131 |
| - | 104 |
| - | 92 |
| - | 96 |
| - | 96 |
| - | 87 |
| - | 96 |
| - | 33 |
| 2,310 | 56 |
| Dec-24 | +107 Mths |
| Mar-25 | +110 Mths |

CATALINA | Annual Cashflow (June 2023)

| CATEGORY | PROJECT TOTAL | PTD FY22 | FY23 | FY24 | FY25 | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 |
|---------------------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| STOCK | | | | | | | | | | | |
| Sales Release | 2,366 | 1,222 | 153 | 37 | 107 | 138 | 135 | 92 | 174 | 62 | 48 |
| Sales | 2,366 | 1,200 | 65 | 93 | 127 | 146 | 131 | 104 | 92 | 96 | 96 |
| Titles | 2,366 | 1,133 | 176 | 103 | 64 | 141 | 175 | 55 | 108 | 103 | 110 |
| Settlements | 2,366 | 1,112 | 97 | 114 | 97 | 145 | 136 | 96 | 117 | 100 | 88 |
| Closing Stock | - | 22 | 110 | 54 | 34 | 26 | 30 | 18 | 100 | 66 | 18 |
| Contracts on Hand | - | 88 | 56 | 35 | 65 | 66 | 61 | 69 | 44 | 40 | 48 |
| AVERAGE SETTLEMENT PRICE | 300,326 | 274,599 | 295,589 | 327,444 | 341,436 | 289,284 | 355,735 | 348,180 | 288,206 | 295,835 | 302,444 |
| GROSS INCOME | | | | | | | | | | | |
| Income - Lots | 710,570,146 | 305,354,500 | 28,672,166 | 37,328,630 | 33,119,327 | 41,946,177 | 48,379,903 | 33,425,236 | 33,720,052 | 29,583,517 | 26,615,050 |
| Income - Special Sites | 30,358,836 | 4,479,500 | 7,150,000 | 2,750,000 | 1,515,579 | 2,093,566 | 4,418,673 | 2,416,952 | 3,325,306 | 423,324 | 1,285,937 |
| Income - Other | 288,959 | 286,887 | 2,072 | - | - | - | - | - | - | - | - |
| Direct Selling Expenses | 72,641,522 | 25,751,384 | 2,976,530 | 3,772,577 | 4,137,881 | 4,245,830 | 5,391,093 | 4,080,153 | 4,403,930 | 3,608,860 | 3,310,987 |
| GROSS INCOME | 668,576,419 | 284,369,502 | 32,847,709 | 36,306,053 | 30,497,024 | 39,793,912 | 47,407,483 | 31,762,035 | 32,641,427 | 26,397,981 | 24,590,000 |
| DEVELOPMENT COSTS | | | | | | | | | | | |
| Land | 12,265,200 | - | - | - | - | - | - | 12,265,200 | - | - | - |
| Consultants | 9,519,639 | 4,170,078 | 478,589 | 484,377 | 420,209 | 456,197 | 459,301 | 451,732 | 469,869 | 471,904 | 476,065 |
| Infrastructure | 18,982,211 | 16,572,783 | 645,609 | 1,397,072 | 1,652,447 | 100,000 | 100,000 | 100,000 | 100,000 | (2,085,700) | 100,000 |
| Special Sites/Other Development | 6,554,965 | 1,798,873 | 18,236 | 388,984 | 657,097 | 1,173,259 | 204,105 | 200,006 | 1,552,839 | 408,407 | 153,158 |
| Lot Production | 237,203,756 | 88,701,579 | 13,954,121 | 9,616,444 | 12,784,206 | 18,082,270 | 13,944,496 | 9,102,166 | 18,379,406 | 14,767,832 | 11,197,541 |
| Landscape | 60,549,702 | 20,702,537 | 4,930,760 | 9,404,829 | 2,084,651 | 8,445,220 | 3,219,844 | 301,844 | 757,927 | 6,320,361 | 945,203 |
| Marketing | 5,414,340 | 2,830,192 | 236,000 | 200,000 | 211,468 | 215,736 | 220,091 | 224,533 | 229,065 | 233,689 | 238,406 |
| Community Development | 1,722,027 | 595,360 | 70,000 | 90,000 | 95,161 | 97,081 | 99,041 | 101,040 | 103,079 | 105,160 | 107,282 |
| Administration | 23,297,477 | 5,529,601 | 1,279,154 | 1,448,562 | 1,473,010 | 1,484,018 | 1,485,418 | 1,488,077 | 1,498,437 | 1,504,218 | 1,513,248 |
| Finance/Bonds | - | 2,697,485 | 1,839,709 | (2,788,020) | 700,000 | (283,284) | (350,000) | 350,000 | - | (350,000) | - |
| Contingency | 10,226,785 | - | 228,506 | 500,000 | 968,912 | 1,502,689 | 986,615 | 1,211,730 | 1,154,531 | 1,086,294 | 736,545 |
| DEVELOPMENT COSTS | 385,736,102 | 143,598,487 | 23,680,684 | 20,742,246 | 21,047,161 | 31,273,187 | 20,368,910 | 25,796,328 | 24,245,154 | 22,462,165 | 15,467,450 |
| CASHFLOW | 282,840,317 | 140,771,016 | 9,167,025 | 15,563,807 | 9,449,863 | 8,520,725 | 27,038,573 | 5,965,707 | 8,396,273 | 3,935,816 | 9,122,550 |
| Capital Calls | (13,300,000) | (13,300,000) | - | - | - | - | - | - | - | - | - |
| Capital Returns | 13,300,000 | 13,300,000 | - | - | - | - | - | - | - | - | - |
| PROFIT DISTRIBUTIONS | 282,840,317 | 83,700,000 | 20,000,000 | 20,000,000 | 17,000,000 | 15,000,000 | 14,000,000 | 14,000,000 | 14,000,000 | 14,000,000 | 11,000,000 |
| Cash Balance at Year End | - | 57,071,016 | 46,238,041 | 41,801,847 | 34,251,710 | 27,772,435 | 40,811,008 | 32,776,716 | 27,172,989 | 17,108,805 | 15,231,355 |

| CATALINA Annual | | | | | | | | | | | |
|---------------------------------|-------------------|-------------------|-------------------|--------------------|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| CATEGORY | FY32 | FY33 | FY34 | FY35 | FY36 | FY37 | FY38 | FY39 | FY40 | FY41 | FY42 |
| STOCK | | | | | | | | | | | |
| Sales Release | 91 | 107 | - | - | - | - | - | - | - | - | - |
| Sales | 87 | 96 | 33 | - | - | - | - | - | - | - | - |
| Titles | 50 | 88 | 60 | - | - | - | - | - | - | - | - |
| Settlements | 93 | 90 | 81 | - | - | - | - | - | - | - | - |
| Closing Stock | 22 | 33 | - | - | - | - | - | - | - | - | - |
| Contracts on Hand | 42 | 48 | - | - | - | - | - | - | - | - | - |
| AVERAGE SETTLEMENT PRICE | 347,316 | 343,479 | 360,643 | - | - | - | - | - | - | - | - |
| GROSS INCOME | | | | | | | | | | | |
| Income - Lots | 32,300,405 | 30,913,080 | 29,212,103 | - | - | - | - | - | - | - | - |
| Income - Special Sites | - | - | 500,000 | - | - | - | - | - | - | - | - |
| Income - Other | - | - | - | - | - | - | - | - | - | - | - |
| Direct Selling Expenses | 3,296,624 | 3,279,946 | 3,211,940 | 1,173,787 | - | - | - | - | - | - | - |
| GROSS INCOME | 29,003,781 | 27,633,135 | 26,500,163 | (1,173,787) | - | - | - | - | - | - | - |
| DEVELOPMENT COSTS | | | | | | | | | | | |
| Land | - | - | - | - | - | - | - | - | - | - | - |
| Consultants | 487,955 | 344,275 | 349,088 | - | - | - | - | - | - | - | - |
| Infrastructure | 100,000 | 100,000 | 100,000 | - | - | - | - | - | - | - | - |
| Special Sites/Other Development | - | - | - | - | - | - | - | - | - | - | - |
| Lot Production | 8,448,691 | 13,813,790 | 4,411,214 | - | - | - | - | - | - | - | - |
| Landscape | 87,228 | 2,885,536 | 463,762 | - | - | - | - | - | - | - | - |
| Marketing | 243,218 | 248,127 | 83,817 | - | - | - | - | - | - | - | - |
| Community Development | 109,448 | 111,657 | 37,718 | - | - | - | - | - | - | - | - |
| Administration | 1,524,642 | 1,534,768 | 907,019 | 468,908 | 158,396 | - | - | - | - | - | - |
| Finance/Bonds | 350,000 | - | (2,165,889) | - | - | - | - | - | - | - | - |
| Contingency | 550,059 | 951,908 | 317,631 | 23,445 | 7,920 | - | - | - | - | - | - |
| DEVELOPMENT COSTS | 11,901,240 | 19,990,062 | 4,504,359 | 492,353 | 166,316 | - | - | - | - | - | - |
| CASHFLOW | 17,102,541 | 7,643,073 | 21,995,804 | (1,666,140) | (166,316) | - | - | - | - | - | - |
| Capital Calls | - | - | - | - | - | - | - | - | - | - | - |
| Capital Returns | - | - | - | - | - | - | - | - | - | - | - |
| PROFIT DISTRIBUTIONS | 17,000,000 | 7,000,000 | 22,000,000 | - | 14,140,317 | - | - | - | - | - | - |
| Cash Balance at Year End | 15,333,896 | 15,976,969 | 15,972,773 | 14,306,633 | - | - | - | - | - | - | - |

CATALINA | FY23 Cashflow (June 2023)

| CATEGORY | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | FY23 TOTAL | APPROVED DEC-22 | VARIANCE |
|--|------------------|------------------|--------------------|------------------|------------------|------------------|------------------|------------------|-----------------|------------------|------------------|------------------|-------------------|-------------------|--------------------|
| Sales - Stage 18C | 3 | (2) | 1 | (1) | 3 | - | (1) | (1) | - | 1 | 1 | - | 4 | 4 | - |
| Sales - Stage 29 | - | - | 2 | 2 | 4 | (3) | 2 | 2 | 2 | 4 | 4 | 3 | 22 | 24 | (2) |
| Sales - Stage 30 | 2 | 1 | - | (1) | - | - | - | - | 1 | - | - | - | 3 | 3 | - |
| Sales - Stage 36 | 2 | - | - | (1) | (3) | (1) | 2 | 2 | (1) | 3 | 1 | 1 | 5 | 8 | (3) |
| Sales - Stage 37 | - | 3 | 4 | 1 | - | 2 | 1 | 1 | 5 | 3 | 8 | 3 | 31 | 40 | (9) |
| Total Sales | 7 | 2 | 6 | - | 5 | (2) | 4 | 4 | 7 | 11 | 14 | 7 | 65 | 79 | (14) |
| Titles | - | - | - | 28 | 57 | - | - | - | - | 43 | - | 48 | 176 | 167 | 9 |
| Settlements | 10 | 6 | 2 | 1 | 22 | 10 | 6 | 6 | 3 | 10 | 14 | 7 | 97 | 110 | (13) |
| Contracts on hand | 85 | 81 | 85 | 84 | 67 | 55 | 53 | 51 | 55 | 56 | 56 | 56 | 56 | 57 | (1) |
| Average Settlement Price | 346,000 | 446,667 | 307,500 | 445,000 | 235,091 | 272,500 | 239,500 | 246,500 | 283,667 | 230,192 | 362,485 | 347,351 | 295,589 | 274,810 | 20,779 |
| GROSS INCOME | | | | | | | | | | | | | | | |
| Income - Stage 18C | - | - | - | - | 2,400,000 | 823,000 | 205,000 | 514,000 | - | 459,750 | 362,083 | 171,833 | 4,935,667 | 5,409,557 | (473,890) |
| Income - Stage 27A | - | - | - | - | - | 395,000 | - | - | - | - | - | - | 395,000 | 395,000 | - |
| Income - Stage 27B | 825,000 | - | - | - | - | - | - | - | - | - | - | - | 825,000 | 825,000 | - |
| Income - Stage 29 | - | - | - | - | - | - | - | - | - | - | 3,795,000 | 1,734,773 | 5,529,773 | 7,168,926 | (1,639,153) |
| Income - Stage 30 | 2,635,000 | 2,680,000 | 615,000 | 445,000 | - | - | - | - | - | - | 370,000 | - | 6,745,000 | 6,375,000 | 370,000 |
| Income - Stage 36 | - | - | - | - | 2,772,000 | 1,507,000 | 1,232,000 | 965,000 | 851,000 | 1,842,167 | 547,708 | 524,852 | 10,241,727 | 10,055,628 | 186,099 |
| Income - Stage 37 | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,915,949 | (1,915,949) |
| Income - Lots Total | 3,460,000 | 2,680,000 | 615,000 | 445,000 | 5,172,000 | 2,725,000 | 1,437,000 | 1,479,000 | 851,000 | 2,301,917 | 5,074,792 | 2,431,458 | 28,672,166 | 32,145,059 | (3,472,893) |
| Income - Special Sites | - | - | - | - | - | - | - | - | - | 7,150,000 | - | - | 7,150,000 | 9,101,682 | (1,951,682) |
| Income - Other | - | 658 | - | - | - | 1,414 | - | - | - | - | - | - | 2,072 | 658 | 1,414 |
| Direct Selling Expenses | 217,322 | 168,538 | 73,205 | 47,816 | 329,141 | 180,754 | 98,291 | 92,008 | 65,192 | 1,163,571 | 346,948 | 193,745 | 2,976,530 | 4,525,759 | 1,549,229 |
| GROSS INCOME | 3,242,678 | 2,512,120 | 541,795 | 397,184 | 4,842,859 | 2,545,660 | 1,338,709 | 1,386,992 | 785,808 | 8,288,346 | 4,727,844 | 2,237,714 | 32,847,709 | 36,721,641 | (3,873,932) |
| DEVELOPMENT COSTS | | | | | | | | | | | | | | | |
| Land | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Consultants | 24,569 | 4,141 | 23,837 | 59,603 | 27,653 | 36,772 | 22,943 | 12,125 | 33,608 | 77,779 | 77,779 | 77,779 | 478,589 | 474,874 | (3,715) |
| Infrastructure | 500 | - | - | 25,939 | - | - | 10,740 | - | 16,527 | 197,301 | 197,301 | 197,301 | 645,609 | 1,992,501 | 1,346,892 |
| Special Sites/Other Development | - | - | - | - | 2,393 | - | 917 | 14,927 | - | - | - | - | 18,236 | 200,313 | 182,077 |
| Catalina Green Cell Bulk Earthworks Stgs 36-37 | - | - | - | - | - | - | - | 19,660 | - | 36,117 | 36,117 | - | 91,894 | 839,642 | 747,748 |
| Scheme costs - Stages 1-18 | - | - | - | - | - | - | - | - | - | - | - | - | - | 333,215 | 333,215 |
| Lot Production - Stage 18C | 184,605 | 50,579 | 358,754 | 329,748 | 85,682 | 465 | 137,139 | 160,739 | 68,091 | 46,529 | 46,529 | 9,917 | 1,478,777 | 1,973,073 | 494,297 |
| Lot Production - Stage 25 | - | - | - | - | - | - | - | - | - | - | - | - | - | 20,894 | 20,894 |
| Lot Production - Stage 26 | - | - | - | - | - | - | - | - | - | - | - | - | - | 13,689 | 13,689 |
| Lot Production - Stage 27A | - | - | - | - | - | - | - | - | - | - | - | - | - | 7,205 | 7,205 |
| Lot Production - Stage 27B | 750 | 12,500 | - | 43,817 | - | - | - | - | - | 2,659 | 2,659 | 80,631 | 143,016 | 220,171 | 77,155 |
| Lot Production - Stage 28 | - | - | - | - | - | - | - | - | - | - | - | - | - | 12,248 | 12,248 |
| Lot Production - Stage 29 | 171,744 | 10,058 | 302,531 | 186,078 | 208,615 | 5,528 | 477,608 | 228,522 | 881,456 | 12,647 | 563,023 | 672,703 | 3,720,512 | 4,197,884 | 477,372 |
| Lot Production - Stage 30 | 11,794 | 19,308 | 52,301 | 8,671 | - | - | 4,813 | 10,566 | - | 3,212 | 5,667 | 18,769 | 135,099 | 633,592 | 498,493 |
| Lot Production - Stage 31 | 17,114 | 9,780 | 60,227 | 15,958 | 33,689 | 3,546 | 1,773 | 2,955 | 85,642 | 7,051 | 638,349 | 651,949 | 1,528,034 | 288,607 | (1,239,427) |
| Lot Production - Stage 32 | - | - | - | - | - | - | - | - | - | - | - | - | - | 169,848 | 169,848 |
| Lot Production - Stage 33 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Lot Production - Stage 36 | 317,981 | 363,394 | 554,423 | 902,674 | 440,543 | 1,135 | 245,278 | 366,286 | 479,319 | 3,623 | 354,749 | 685,613 | 4,715,019 | 5,522,075 | 807,055 |
| Lot Production - Stage 37 | 4,884 | 21,978 | 26,174 | 106,585 | 124,354 | 15,006 | 190,429 | 61,302 | 212,718 | 18,390 | 818,322 | 424,662 | 2,024,804 | 3,333,664 | 1,308,860 |
| Lot Production - Stage 38 | - | 2,020 | - | - | - | 27,378 | 18,954 | 12,636 | 27,378 | 9,533 | 9,533 | 9,533 | 116,966 | 202,606 | 85,640 |
| Landscape | 798,748 | 14,508 | 568,704 | 258,587 | 59,151 | 856,603 | 169,150 | 230,023 | 123,405 | 574,360 | 594,123 | 683,398 | 4,930,760 | 7,833,277 | 2,902,517 |
| Marketing | 24,006 | 32,483 | 10,104 | 12,172 | 18,074 | 7,703 | 20,824 | 18,677 | 24,094 | 22,621 | 22,621 | 22,621 | 236,000 | 540,000 | 304,000 |
| Community Development | 8,325 | - | 3,119 | 2,229 | 6,224 | 8,696 | 2,015 | 3,693 | 1,470 | 11,409 | 11,409 | 11,409 | 70,000 | 150,000 | 80,000 |
| Administration | 56,705 | 69,483 | 56,862 | 104,745 | 81,094 | 44,366 | 41,159 | 459,512 | 68,578 | 98,883 | 98,883 | 98,883 | 1,279,154 | 1,122,651 | (156,503) |
| Finance/Bonds | - | 849,330 | 976,781 | - | - | (205,520) | 6,944 | 591,266 | (37,153) | 350,000 | 172,387 | (627,811) | 2,076,224 | 1,337,899 | (738,324) |
| Debtor/Creditor Movement | (186,152) | 7,435 | (53,790) | (677,817) | 788,932 | (69,381) | 24,374 | (75,423) | (1,194,695) | 1,200,000 | - | - | (236,515) | (256,615) | (20,100) |
| Contingency | - | - | - | - | - | - | - | - | 41,006 | 62,500 | 62,500 | 62,500 | 228,506 | 1,291,652 | 1,063,146 |
| DEVELOPMENT COSTS | 1,435,574 | 1,466,997 | 2,940,027 | 1,378,990 | 1,876,405 | 732,298 | 1,375,059 | 2,117,466 | 831,444 | 2,734,615 | 3,711,951 | 3,079,857 | 23,680,684 | 32,454,964 | 8,774,281 |
| CASHFLOW | 1,807,103 | 1,045,123 | (2,398,232) | (981,807) | 2,966,455 | 1,813,363 | (36,350) | (730,474) | (45,636) | 5,553,731 | 1,015,892 | (842,144) | 9,167,025 | 4,266,676 | 4,900,349 |
| Capital Calls | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital Returns | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Profit Distributions | - | - | - | - | - | 10,000,000 | - | - | - | 10,000,000 | - | - | 20,000,000 | 20,000,000 | - |
| Cumulative Cash Balance | 58,878,119 | 59,923,242 | 57,525,010 | 56,543,203 | 59,509,657 | 51,323,020 | 51,286,670 | 50,556,197 | 50,510,561 | 46,064,292 | 47,080,184 | 46,238,041 | 46,238,041 | 41,337,692 | 4,900,349 |

CATALINA | FY24 Cashflow (June 2023)

| CATEGORY | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | FY24 TOTAL | APPROVED DEC-22 | VARIANCE |
|--|--------------------|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|--------------------|
| Sales - Stage 29 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | - | - | - | - | 15 | 13 | 2 |
| Sales - Stage 31 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 4 | 4 | 4 | 4 | 33 | 53 | (20) |
| Sales - Stage 36 | 2 | - | - | - | - | - | 10 | - | - | - | - | - | 12 | - | 12 |
| Sales - Stage 37 | 1 | 3 | 3 | 1 | 1 | - | - | 2 | 2 | 2 | 2 | - | 17 | 8 | 9 |
| Sales - Stage 38 | - | - | - | 2 | 2 | - | - | 2 | 2 | 2 | 2 | 4 | 16 | 36 | (20) |
| Sales - Stage 39 | - | - | - | - | - | - | - | - | - | - | - | - | - | 39 | (39) |
| Total Sales | 7 | 7 | 7 | 7 | 7 | 4 | 14 | 8 | 8 | 8 | 8 | 8 | 93 | 149 | (56) |
| Titles | - | - | 66 | - | 37 | - | - | - | - | - | - | - | 103 | 144 | (41) |
| Settlements | 10 | 7 | 6 | 8 | 6 | 8 | 12 | 17 | 12 | 9 | 8 | 11 | 114 | 136 | (22) |
| Contracts on hand | 53 | 53 | 54 | 53 | 54 | 50 | 52 | 43 | 39 | 38 | 38 | 35 | 35 | 70 | (35) |
| Average Settlement Price | 218,647 | 218,840 | 217,453 | 267,654 | 329,129 | 247,416 | 165,265 | 217,079 | 146,105 | 194,807 | 271,042 | 234,856 | 219,739 | 170,921 | 48,818 |
| GROSS INCOME | | | | | | | | | | | | | | 38,885,713 | |
| Income - Stage 18C | 171,833 | 171,833 | 171,833 | 171,833 | - | - | - | - | - | - | - | - | 687,333 | 198,443 | 488,890 |
| Income - Stage 29 | 1,763,636 | 890,699 | 898,214 | 904,573 | 909,953 | 914,506 | 918,358 | 921,618 | 923,112 | 923,112 | 923,112 | 923,112 | 11,814,004 | 6,233,330 | 5,580,674 |
| Income - Stage 31 | - | - | - | 830,152 | 830,152 | 830,152 | 830,152 | 830,152 | 830,152 | 830,152 | 1,245,227 | 1,660,303 | 8,716,591 | 14,527,652 | (5,811,061) |
| Income - Stage 32 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Income - Stage 36 | 250,998 | 469,344 | 234,672 | 234,672 | 234,672 | 234,672 | 234,672 | 1,938,571 | - | - | - | - | 3,832,273 | 2,285,777 | 1,546,496 |
| Income - Stage 37 | 1,093,037 | 546,523 | 546,535 | 546,546 | 273,275 | 273,276 | 1,366,382 | 819,829 | 2,186,243 | 819,857 | 273,290 | 819,883 | 9,564,675 | 11,201,551 | (1,636,876) |
| Income - Stage 38 | - | - | - | - | - | 542,751 | 542,751 | - | - | 542,751 | 542,751 | 542,751 | 2,713,754 | 9,755,000 | (7,041,246) |
| Income - Lots Total | 3,279,504 | 2,078,399 | 1,851,255 | 2,687,776 | 2,248,051 | 2,795,356 | 3,892,314 | 4,510,170 | 3,939,506 | 3,115,871 | 2,984,380 | 3,946,048 | 37,328,630 | 44,201,753 | (6,873,123) |
| Income - Special Sites | - | - | - | - | - | - | - | - | 2,750,000 | - | - | - | 2,750,000 | - | 2,750,000 |
| Income - Other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Direct Selling Expenses | 250,686 | 186,235 | 172,646 | 218,821 | 185,333 | 219,385 | 289,916 | 414,006 | 701,327 | 359,991 | 400,288 | 373,944 | 3,772,577 | 5,316,040 | 1,543,463 |
| GROSS INCOME | 3,028,818 | 1,892,165 | 1,678,609 | 2,468,955 | 2,062,719 | 2,575,972 | 3,602,397 | 4,096,163 | 5,988,180 | 2,755,880 | 2,584,092 | 3,572,104 | 36,306,053 | 38,885,713 | (2,579,660) |
| DEVELOPMENT COSTS | | | | | | | | | | | | | | | |
| Land | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Consultants | 39,506 | 39,671 | 39,836 | 40,002 | 40,169 | 40,336 | 40,471 | 40,606 | 40,741 | 40,877 | 41,013 | 41,150 | 484,377 | 525,306 | 40,929 |
| Infrastructure | 198,123 | 198,949 | - | - | - | 1,000,000 | - | - | - | - | - | - | 1,397,072 | 1,645,454 | 248,382 |
| Special Sites/Other Development | - | - | - | - | - | - | 64,292 | 64,507 | 64,722 | 64,938 | 65,154 | 65,371 | 388,984 | - | (388,984) |
| Catalina Beach Bulk Earthworks Stgs 33-34 | - | - | - | - | - | - | - | - | - | - | - | - | - | 980,195 | 980,195 |
| Catalina Green Cell Bulk Earthworks Stgs 39-40 | - | - | - | - | - | - | - | - | - | - | - | - | - | 863,727 | 863,727 |
| Catalina Green Bulk Earthworks Stgs 41-44 | - | - | - | - | - | - | - | - | - | - | - | - | - | 21,978 | 21,978 |
| Lot Production - Stage 29 | 218,075 | - | - | - | - | - | - | - | - | - | - | - | 218,075 | - | (218,075) |
| Lot Production - Stage 31 | 651,949 | 1,269,893 | 651,949 | 651,949 | 651,949 | - | - | - | - | - | - | - | 3,877,690 | 6,404,724 | 2,527,034 |
| Lot Production - Stage 32 | - | - | - | - | - | - | 37,804 | 37,930 | 38,056 | 38,183 | 38,311 | 38,438 | 228,722 | 59,023 | (169,699) |
| Lot Production - Stage 37 | 424,738 | 406,271 | - | - | - | - | - | - | - | - | - | - | 831,009 | - | (831,009) |
| Lot Production - Stage 38 | 425,261 | 425,301 | 425,341 | 726,650 | 425,421 | 425,462 | 425,494 | 415,688 | - | - | - | - | 3,694,616 | 3,631,800 | (62,817) |
| Lot Production - Stage 39 | 52,886 | 53,106 | 53,328 | 53,550 | 53,773 | 53,997 | - | - | - | - | - | - | 320,640 | 3,471,248 | 3,150,607 |
| Lot Production - Stage 40 | - | - | - | - | - | - | - | - | - | - | - | - | - | 201,031 | 201,031 |
| Lot Production - Stage 41 | - | - | - | - | - | - | - | - | - | - | - | - | - | 25,504 | 25,504 |
| Landscape | 1,467,243 | 1,427,806 | 1,302,753 | 1,389,522 | 1,003,061 | 1,007,240 | 930,078 | 122,665 | 200,110 | 184,169 | 184,783 | 185,399 | 9,404,829 | 10,258,693 | 853,864 |
| Marketing | 16,667 | 16,667 | 16,667 | 16,667 | 16,667 | 16,667 | 16,667 | 16,667 | 16,667 | 16,667 | 16,667 | 16,667 | 200,000 | 1,012,422 | 812,422 |
| Community Development | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 90,000 | 223,500 | 133,500 |
| Administration | 99,295 | 99,709 | 331,250 | 100,542 | 100,961 | 101,381 | 101,719 | 102,058 | 102,399 | 102,740 | 103,082 | 103,426 | 1,448,562 | 1,594,717 | 146,155 |
| Finance/Bonds | - | - | (1,010,141) | - | - | - | (577,105) | - | (850,774) | - | - | (350,000) | (2,788,020) | (1,811,155) | 976,865 |
| Debtor/Creditor Movement | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Contingency | 41,667 | 41,667 | 41,667 | 41,667 | 41,667 | 41,667 | 41,667 | 41,667 | 41,667 | 41,667 | 41,667 | 41,667 | 500,000 | 1,545,966 | 1,045,966 |
| DEVELOPMENT COSTS | 4,088,600 | 3,986,539 | 1,860,149 | 3,028,048 | 2,341,167 | 2,694,250 | 1,088,587 | 849,286 | (338,913) | 496,740 | 498,176 | 149,617 | 20,742,246 | 30,654,134 | 9,911,887 |
| CASHFLOW | (1,059,782) | (2,094,375) | (181,540) | (559,094) | (278,448) | (118,278) | 2,513,811 | 3,246,877 | 6,327,092 | 2,259,140 | 2,085,916 | 3,422,487 | 15,563,807 | 8,231,579 | 7,332,227 |
| Capital Calls | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital Returns | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Profit Distributions | - | - | - | - | - | 10,000,000 | - | - | - | - | - | 10,000,000 | 20,000,000 | 20,000,000 | - |
| Cumulative Cash Balance | 45,178,259 | 43,083,884 | 42,902,344 | 42,343,251 | 42,064,803 | 31,946,525 | 34,460,335 | 37,707,212 | 44,034,305 | 46,293,445 | 48,379,361 | 41,801,847 | 41,801,847 | 29,569,271 | 12,232,576 |

CATALINA | FY25 Cashflow (June 2023)

| CATEGORY | Jul-24 | Aug-24 | Sep-24 | Oct-24 | Nov-24 | Dec-24 | Jan-25 | Feb-25 | Mar-25 | Apr-25 | May-25 | Jun-25 | FY24 TOTAL | APPROVED DEC-22 | VARIANCE |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|------------------|------------------|-------------------|-------------------|---------------------|
| Sales - Stage 31 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 1 | - | - | - | 33 | 13 | 20 |
| Sales - Stage 32 | - | - | - | - | - | - | - | - | 5 | 6 | 6 | 6 | 23 | 43 | (20) |
| Sales - Stage 33 | - | - | - | - | - | - | - | - | - | - | - | - | - | 16 | (16) |
| Sales - Stage 37 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sales - Stage 38 | 3 | 3 | 3 | 6 | 6 | - | - | - | - | - | - | - | 21 | - | 21 |
| Sales - Stage 39 | - | - | - | - | 1 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 50 | 3 | 47 |
| Sales - Stage 40 | - | - | - | - | - | - | - | - | - | - | - | - | - | 42 | (42) |
| Sales - Stage 41 | - | - | - | - | - | - | - | - | - | - | - | - | - | 27 | (27) |
| Total Sales | 7 | 7 | 7 | 10 | 11 | 11 | 11 | 11 | 13 | 13 | 13 | 13 | 127 | 144 | (17) |
| Titles | - | - | - | - | - | - | - | - | - | 64 | - | - | 64 | 85 | (21) |
| Settlements | 11 | 11 | 8 | 7 | 7 | 12 | 12 | 6 | 6 | 4 | 5 | 8 | 97 | 148 | (51) |
| Contracts on hand | 31 | 27 | 26 | 29 | 33 | 32 | 31 | 36 | 43 | 52 | 60 | 65 | 65 | 66 | (1) |
| Average Settlement Price | 234,856 | 234,856 | 207,538 | 237,186 | 237,186 | 138,359 | 138,359 | 276,717 | 276,717 | 415,076 | 332,061 | 51,884 | 211,594 | 316,306 | (104,712) |
| GROSS INCOME | | | | | | | | | | | | | | | |
| Income - Stage 29 | 923,112 | 923,112 | - | - | - | - | - | - | - | - | - | - | 1,846,223 | 5,787,744 | (3,941,521) |
| Income - Stage 31 | 1,660,303 | 1,660,303 | 1,660,303 | 1,660,303 | 1,660,303 | 1,660,303 | 1,660,303 | 1,660,303 | 1,660,303 | 1,660,303 | 1,660,303 | 415,076 | 18,678,409 | 12,867,348 | 5,811,061 |
| Income - Stage 32 | - | - | - | - | - | - | - | - | - | - | - | - | - | 9,698,240 | (9,698,240) |
| Income - Stage 37 | 819,883 | 273,294 | 273,294 | - | - | 546,588 | 546,588 | 546,588 | 546,588 | - | - | - | 3,552,825 | - | 3,552,825 |
| Income - Stage 38 | 542,751 | 1,085,502 | 814,126 | 814,126 | 814,126 | 1,628,252 | 1,628,252 | - | - | - | - | - | 7,327,135 | - | 7,327,135 |
| Income - Stage 39 | - | - | - | - | - | - | - | - | - | - | 214,099 | 1,500,635 | 1,714,734 | 10,215,185 | (8,500,451) |
| Income - Stage 40 | - | - | - | - | - | - | - | - | - | - | - | - | - | 8,244,745 | (8,244,745) |
| Income - Lots Total | 3,946,048 | 3,942,210 | 2,747,723 | 2,474,429 | 2,474,429 | 3,835,144 | 3,835,144 | 2,206,891 | 2,206,891 | 1,660,303 | 1,874,402 | 1,915,711 | 33,119,327 | 46,813,262 | (13,693,936) |
| Income - Special Sites | - | - | - | - | - | - | 1,515,579 | - | - | - | - | - | 1,515,579 | 1,341,518 | 174,061 |
| Income - Other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Direct Selling Expenses | 406,062 | 371,482 | 293,308 | 399,853 | 278,232 | 388,487 | 637,444 | 385,509 | 283,303 | 214,221 | 212,711 | 267,271 | 4,137,881 | 5,789,641 | 1,651,759 |
| GROSS INCOME | 3,539,986 | 3,570,728 | 2,454,415 | 2,074,576 | 2,196,198 | 3,446,657 | 4,713,279 | 1,821,383 | 1,923,589 | 1,446,082 | 1,661,692 | 1,648,440 | 30,497,024 | 42,365,139 | (11,868,115) |
| DEVELOPMENT COSTS | | | | | | | | | | | | | | | |
| Land | - | - | - | - | - | - | - | - | - | - | - | - | - | 12,265,200 | 12,265,200 |
| Consultants | 34,698 | 34,755 | 34,813 | 34,871 | 34,929 | 34,988 | 35,046 | 35,104 | 35,163 | 35,222 | 35,280 | 35,339 | 420,209 | 486,966 | 66,757 |
| Infrastructure | - | - | 100,000 | 25,399 | 25,441 | 25,484 | 244,997 | 245,406 | 245,815 | 246,224 | 246,635 | 247,046 | 1,652,447 | 638,461 | (1,013,986) |
| Special Sites/Other Development | 130,960 | 131,179 | 131,397 | 131,616 | 65,918 | 66,028 | - | - | - | - | - | - | 657,097 | - | (657,097) |
| Catalina Beach Bulk Earthworks Stgs 33-34 | - | - | - | - | - | - | - | - | - | - | - | - | - | 970,792 | 970,792 |
| Catalina Green Cell Bulk Earthworks Stgs 39-40 | 304,354 | 304,861 | 305,369 | 305,878 | 306,388 | 306,899 | - | - | - | - | - | - | 1,833,750 | - | (1,833,750) |
| Catalina Green Bulk Earthworks Stgs 41-44 | - | - | - | - | - | - | - | 3,533 | 3,539 | 3,545 | 3,551 | 3,557 | 17,725 | 1,772,641 | 1,754,916 |
| Lot Production - Stage 32 | - | - | - | - | - | - | - | - | 702,051 | 703,221 | 704,393 | 1,277,080 | 3,386,746 | 4,941,048 | 1,554,302 |
| Lot Production - Stage 33 | - | - | - | - | - | - | 33,545 | 33,601 | 33,657 | 33,713 | 33,769 | 33,825 | 202,111 | 2,267,590 | 2,065,479 |
| Lot Production - Stage 34 | - | - | - | - | - | - | - | - | - | - | - | - | - | 114,961 | 114,961 |
| Lot Production - Stage 39 | - | - | - | - | - | 1,103,881 | 1,105,721 | 1,107,564 | 1,668,731 | 1,111,259 | 1,113,111 | - | 7,210,267 | 650,717 | (6,559,551) |
| Lot Production - Stage 40 | - | - | - | - | - | - | 22,175 | 22,212 | 22,249 | 22,286 | 22,323 | 22,361 | 133,607 | 4,024,274 | 3,890,667 |
| Lot Production - Stage 41 | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,924,480 | 2,924,480 |
| Lot Production - Stage 42 | - | - | - | - | - | - | - | - | - | - | - | - | - | 157,807 | 157,807 |
| Landscape | 278,653 | 279,117 | 279,582 | 280,048 | 280,515 | 280,982 | 85,580 | 85,723 | 56,230 | 56,324 | 60,898 | 60,999 | 2,084,651 | 2,042,815 | (41,836) |
| Marketing | 17,461 | 17,490 | 17,520 | 17,549 | 17,578 | 17,607 | 17,637 | 17,666 | 17,696 | 17,725 | 17,755 | 17,784 | 211,468 | 909,615 | 698,147 |
| Community Development | 7,858 | 7,871 | 7,884 | 7,897 | 7,910 | 7,923 | 7,937 | 7,950 | 7,963 | 7,976 | 7,990 | 8,003 | 95,161 | 216,000 | 120,839 |
| Administration | 103,598 | 103,771 | 322,315 | 104,117 | 104,291 | 104,464 | 104,639 | 104,813 | 104,988 | 105,163 | 105,338 | 105,513 | 1,473,010 | 1,648,906 | 175,896 |
| Finance/Bonds | - | - | - | - | 350,000 | - | - | 350,000 | - | - | - | - | 700,000 | 350,000 | (350,000) |
| Debtor/Creditor Movement | - | - | - | - | - | - | - | - | - | - | - | - | - | 283,505 | 283,505 |
| Contingency | 43,879 | 43,952 | 59,944 | 45,369 | 42,149 | 97,413 | 82,864 | 83,179 | 144,904 | 117,133 | 117,552 | 90,575 | 968,912 | 1,801,614 | 832,702 |
| DEVELOPMENT COSTS | 921,461 | 922,997 | 1,258,825 | 952,745 | 1,235,119 | 2,045,670 | 1,740,141 | 2,096,751 | 3,042,985 | 2,459,791 | 2,468,595 | 1,902,083 | 21,047,161 | 38,467,392 | 17,420,230 |
| CASHFLOW | 2,618,525 | 2,647,732 | 1,195,590 | 1,121,831 | 961,079 | 1,400,987 | 2,973,138 | (275,368) | (1,119,396) | (1,013,709) | (806,904) | (253,643) | 9,449,863 | 3,897,748 | 5,552,115 |
| Capital Calls | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital Returns | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Profit Distributions | - | - | - | - | - | 10,000,000 | - | - | - | - | - | 7,000,000 | 17,000,000 | 17,000,000 | - |
| Cumulative Cash Balance | 44,420,372 | 47,068,104 | 48,263,695 | 49,385,526 | 50,346,605 | 41,747,592 | 44,720,730 | 44,445,362 | 43,325,966 | 42,312,257 | 41,505,353 | 34,251,710 | 34,251,710 | 16,467,019 | 17,784,691 |

7.5. REVISION TO CATALINA GREEN DEVELOPMENT STAGING - STAGES 39 & 40

Responsible Officer: Manager Project Coordination
Attachments: 1. Attachment - Catalina Green Revised Staging Plan
Voting Requirement: Simple Majority

RECOMMENDATION

That the Management Committee **APPROVES** a revision to the Catalina Green Staging Plan as shown on the plan contained in the attachment to this report.

PURPOSE

To consider a proposed change proposed by Satterley Property Group (Satterley) to the development staging plan for Catalina Green.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

Council Meeting: 16 February 2023 (Item 8.6 – Catalina Green Development Strategy)

FINANCIAL/BUDGET IMPLICATIONS

As discussed in this report.

RISK MANAGEMENT IMPLICATIONS

| | |
|---|---------------------|
| Risk Ref: 3 | Risk Rating: |
| Development Project – Development Manager Ability to deliver | Moderate |
| Action: | |
| Development Manager to prepare for approval strategies and plans. | |

The staging plan for Catalina Green is an important tool to guide development sequencing in this precinct.

BACKGROUND

At its meeting of 16 February 2023, the Council considered a report on the implementation of the Catalina Green Development Strategy. Among the Council's resolutions was a decision to support an updated Concept Plan for Catalina Green and a revised staging approach for the balance future development in this precinct as a result of changes to the sewer strategy and a likely delay in acquiring land currently owned by the Western Australian Planning Commission (WAPC).

COMMENT

Satterley has recommended a revision to the staging plan for development in Catalina Green. The revision involves an adjustment to the boundary between Stages 39 and 40 and a reversal of the sequencing of development of these stages.

An extract from the approved staging plan, with Stages 39 and 40 highlighted, is shown below.



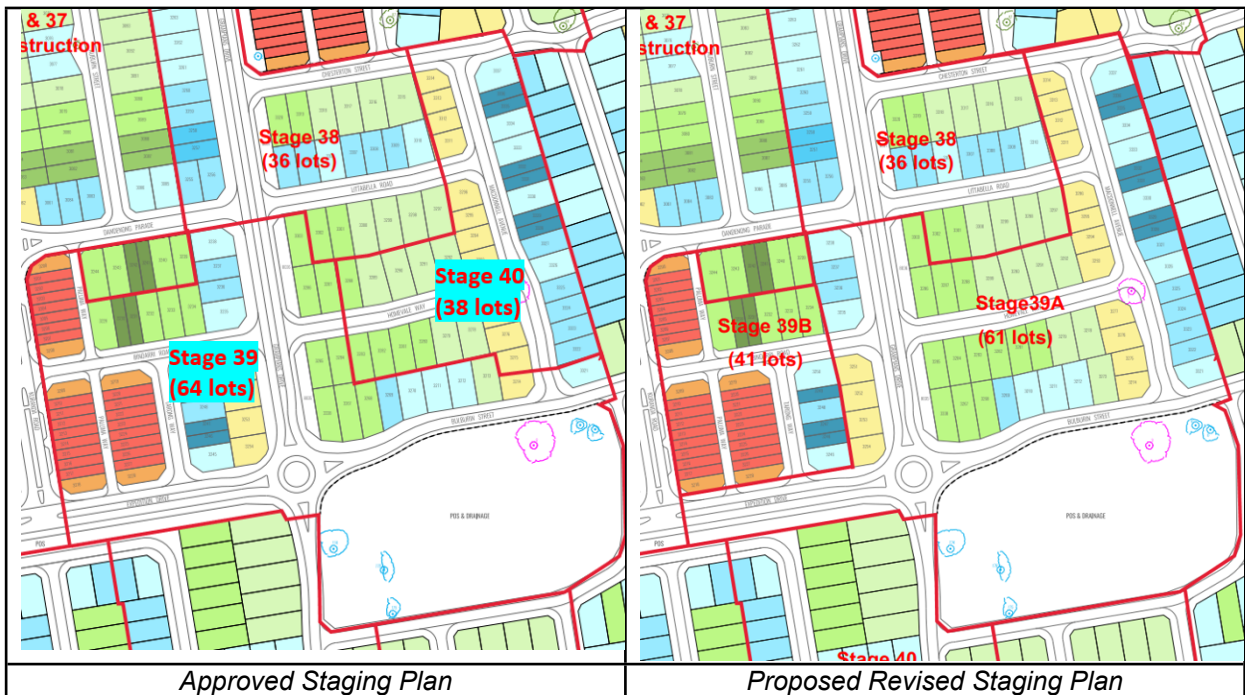
Satterley proposes that Stage 39 comprise of 41 lots instead of 64 lots and be renumbered to Stage 39B. It also proposed that Stage 40 comprise of 61 lots instead of 38 lots and be renumbered Stage 39A, with Stage 39A to be constructed ahead of Stage 39B. Subsequent stages (from the revised Stage 40 thereon) are proposed to be renumbered accordingly.

The rationale for the proposed change is largely driven by changes recently made by the State Government to the Residential Medium Density (RMD) Design Codes. The RMD Codes have been revised with the aim of, among other objectives, providing for improved solar orientation of dwellings and sufficient private open space within lots for tree planting to maximise canopy coverage.

Under the approved subdivision plan that applies to the current Stage 39 area, 23 laneway lots with a frontage of 6 metres are to orientate in an east-west direction. Preliminary review of the RMD Codes and their impact on the development potential of these lots has brought into question whether these lots will be saleable in their approved configuration, as they may not be able to be developed in a manner that is compliant with the new provisions or there may not be an adequate number of standard building plans available that are suitable for lots with this particular orientation and dimension. While there is a two-year transition period for the revised RMD Codes to fully take effect, this may not provide sufficient time to allow the civil construction, titling and home building approvals processes in Stage 39 to be completed for dwellings to be approved in accordance with the revised planning provisions.

It is necessary to undertake a more detailed review of the impact of the revised RMD Codes on the smaller lot product in Stage 39 (and other stages in Catalina) to help determine whether it would be appropriate to proceed to subdivide in accordance with the current approval or instead alter lot dimensions to create a more development-ready and therefore saleable product.

The approved and the proposed revised staging boundaries of Stages 39 and 40 are shown below:



Satterley advises of the following considerations with the proposed Stage 39/40 boundary revision:

- The revised staging does not impact the proposed FYE 2024 budget, as there is negligible impact on engineering design costs as the approved and revised stages are of comparable area and no civil construction is proposed to commence until FYE 2025.
- Proposed Stage 39A is likely to deliver a better profit margin than the current Stage 39 and more market acceptable front-loaded product.

- Proposed Stage 39A will still include the central parkland earthworks, Greenlink and part of the future bus route road network to enable early delivery of key amenity in Catalina Green.
- Bringing forward some of the 'squat' lot product that is in the approved Stage 40 into the new Stage 39A will bring to the market affordable lots, which are currently attractive to investor market.
- Given strong sales in Catalina Green over the past three months, it is necessary to design the proposed Stage 39A area to inform the new civil construction contract that is to be tendered in the first quarter of FYE 2024.

The Council has delegated authority to the Management Committee to approve modifications to stages of subdivision, including the number of lots, lot sizes and configuration, mix and location, subject to modifications being consistent with TPRC Objectives, Strategies, Policies, approved Annual Plan and Budget.

It is considered that the proposed Stage 39/40 boundary revision is generally consistent with the TPRC strategic framework, however the impact on lot diversity to cater for different purchase price-points and household types requires consideration.

The following table outlines the options that are open to the Management Committee and the respective advantages and disadvantages of each.

| No. | Option | Advantages | Disadvantages |
|-----|---|---|--|
| 1 | Approve the Stage 39/40 boundary revision, as proposed. | <ul style="list-style-type: none"> • Avoids risking developing lots that may be unsaleable due to their development potential being significantly hampered by new planning provisions. • Provides additional time to fully determine the impact of the new planning provisions on the smaller laneway lot product. • Brings lot product to the market that is currently most in demand (that is 375m² to 450m² lots), while still providing some smaller lots for product diversity. • Minimises the time between Stage 38 and the revised Stage 39A being completed, providing a more-complete road network to the east of Stage 38 sooner (minimising temporary cul-de-sac and interim construction fencing arrangements). • Provides for the early construction of the Greenlink, future bus route road network and central parkland. | <ul style="list-style-type: none"> • Revised Stage 39A would be predominantly comprised of 45 lots ranging from 375m² to 500m², with only 16 lots smaller than 375m², potentially not achieving strategic objectives for lot product diversity, particularly the more-affordable smaller lot product. • May result in lots in the eastern part of the revised Stage 39A being assigned a bushfire attack level rating (anticipated to be BAL12.5, adding around \$7,000 to \$10,000 additional building costs, which may need to be offset by an equivalent lot discount) due to proximity to uncleared land owned by the WAPC – risk could be mitigated by obtaining WAPC approval to clear vegetation on its land to remove the potential bush fire hazard. |

| | | | |
|---|---|---|--|
| | | <ul style="list-style-type: none"> Provides certainty for the engineering design scope for the revised Stage 39A. | |
| 2 | Not approve the Stage 39/40 boundary revision. | <ul style="list-style-type: none"> Maintains the ability to bring a variety of lot product to the market, including small laneway lots. Still provides for the early construction of the Greenlink, future bus route road network and central parkland. | <ul style="list-style-type: none"> May result in the development of lots that are unsaleable due to their development potential being significantly hampered by new planning provisions, causing financial and reputational risk for the TPRC. May result in limited supply of the most in-demand lot types and over-supply of the smaller laneway lots, and therefore result in a failure to achieve sales targets. |
| 3 | Defer consideration on the matter pending more detailed advice on the impact of the RMD Codes on the Stage 39 laneway lots. | Potentially provides greater certainty on the developability of the Stage 39 laneway lots before committing to the approval of any stage boundary change. | May necessitate delaying engineering design for either the approved Stage 39 or the proposed revised Stage 39A until the detailed planning advice is obtained – potentially delaying the timeframe for construction and the limiting the ability to bring additional lots to the market. This is a significant risk should the trend of increased buyer demand in Catalina Green in recent months continue. |

CONCLUSION

In considering the respective advantages and disadvantages of the canvassed options, Option 1 is preferred as it provides the best balance of achieving sales, design, development and other strategic objectives, while minimising development, financial and reputational risk.

It is therefore recommended that the Management Committee approves the proposed revision to the Stage 39 and 40.

LOT TYPOLOGY SUMMARY

| Catalina Green Approved Subdivisions | | Catalina Green Balance | | Catalina Green Overall | |
|--------------------------------------|------------|-------------------------------|------------|-------------------------------|------------|
| Lot Size | No. Lots | Lot Size | No. Lots | Lot Size | No. Lots |
| 6 x 30m TERRACE (RL) | 40 | 6 x 30m TERRACE (RL) | 36 | 6 x 30m TERRACE (RL) | 76 |
| 7.5 x 30m TERRACE (RL) | 10 | 7.5 x 30m TERRACE (RL) | 7 | 7.5 x 30m TERRACE (RL) | 17 |
| 7.5 x 25m TERRACE (FL) | 13 | 7.5 x 25m TERRACE (FL) | - | 7.5 x 25m TERRACE (FL) | 13 |
| 7.5 x 30m TERRACE (FL) | 4 | 7.5 x 30m TERRACE (FL) | 5 | 7.5 x 30m TERRACE (FL) | 9 |
| 15 x 20m SQUAT | 28 | 15 x 20m SQUAT | 13 | 15 x 20m SQUAT | 41 |
| 10.5 x 25m COTTAGE | 3 | 10.5 x 25m COTTAGE | 8 | 10.5 x 25m COTTAGE | 11 |
| 12.5 x 25m COTTAGE | 34 | 12.5 x 25m COTTAGE | 41 | 12.5 x 25m COTTAGE | 75 |
| 15 x 25m COTTAGE | 32 | 15 x 25m COTTAGE | 54 | 15 x 25m COTTAGE | 86 |
| 10.5 x 30m CONVENTIONAL | 6 | 10.5 x 30m CONVENTIONAL | 6 | 10.5 x 30m CONVENTIONAL | 12 |
| 12.5 x 30m CONVENTIONAL | 48 | 12.5 x 30m CONVENTIONAL | 85 | 12.5 x 30m CONVENTIONAL | 133 |
| 15 x 30m CONVENTIONAL | 47 | 15 x 30m CONVENTIONAL | 118 | 15 x 30m CONVENTIONAL | 165 |
| Total Residential Lots | 265 | Total Residential Lots | 373 | Total Residential Lots | 638 |

LEGEND

- Catalina Green Subject Site
 - Subdivision Approval Boundary
 - MRS Urban Deferred Boundary
- Tree Retention Value**
- Very high retention value
 - High retention value
 - Medium retention value
 - Tree Canopy Extent
- Note: Total lot yield excludes future mixed use precinct.

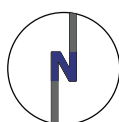


Option 1 Staging Strategy

LOT TYPOLOGY PLAN

Catalina Green, TAMALA PARK

Aerial supplied by: Nearmap
 Aerial Date Stamp:
 Survey supplied by: MNG
 Plan Number: NPS1059 - 014
 Revision Number: E
 Drawn By: JP
 Client: TPRC



0 30 60 90 120 150 180m

Scale: 1:3000 @A3 Date Issued: 14.12.2022 ©Niche Planning Studio

DISCLAIMER: This Concept Plan has been prepared based on the Catalina LSP. Town Planning compliance is subject to approval from the Tamala Park Regional Council and a suitable town planner will need to be appointed. All Dimensions, Areas and Calculations are subject to Detailed Survey and Design before Town Planning Permit application. Built Form is illustrative only and subject to Architectural Design and approval from an RAAI qualified architect. This plan has been prepared for illustrative purposes only and should not be used as a means to judge any properties value or yield potential.



7.6. NEERABUP ROAD BUS UNDERPASS AND SUPPORTING ROAD NETWORK

Responsible Officer: Manager Project Coordination
Attachments: None
Voting Requirement: Absolute Majority

RECOMMENDATION

That the Council:

- 1. COMMITS to funding the design and construction of the remaining future Clarkson train station to Mindarie Marina bus route road network within Catalina by FYE 2025, subject to reasonable design and construction costs being achieved.**
 - 2. INFORMS the Perth Transport Authority of its plans to achieve 1. above and ADVOCATES that it allocate funds to construct the Neerabup Road bus underpass in FYE 2025.**
-

PURPOSE

To consider a report on options to achieve the timely construction of the Neerabup Road bus underpass near Clarkson train station and the required road network within Catalina Estate that is intended to support a future bus service.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Report relates to consideration of a future Budget expenditure commitment.

RISK MANAGEMENT IMPLICATIONS

| | |
|---------------------------|---------------------|
| Risk Ref: 1 | Risk Rating: |
| Strategic - Common Vision | Moderate |

Action:

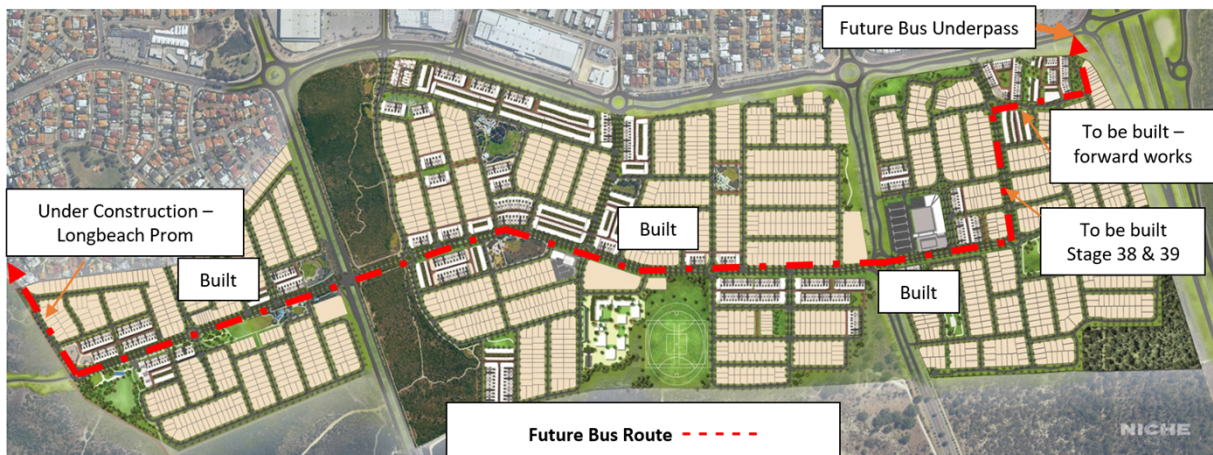
Corporate Business Plan which aligns financial outcomes with the Vision and Objectives

This report concerns the achievement of strategic objectives to provide Catalina Estate with a functioning movement network, with good access to public transport and cycle and walking paths.

BACKGROUND

The Perth Transport Authority (PTA) has long-held plans to add a bus service to its network to link Clarkson train station and Mindarie Marina, through Catalina Estate. Commencement of the service is dependent on the TPRC constructing the road network through Catalina and the PTA constructing the bus underpass beneath Neerabup Road and its connection with the station. It also requires adequate funding being allocated by the PTA to operate a regular bus service.

Provision for the future construction of the underpass was made when the Neerabup Road/Mitchell Freeway interchange was built in 2016. A substantial proportion of the road network for the bus service has either since been completed or is under construction. With the completion of the first stage of development in Catalina Green and additional stages underway, the Catalina Project is reaching a level of maturity that warrants the Council’s consideration of the timing for the construction of the remaining road network in Catalina Green needed to provide for the commencement of the bus service.



COMMENT

The Project Budget FYE 2024, which is the subject of Item 7.4 of this Agenda, proposes the allocation of funds to complete the road design for the remaining sections of the bus route road network that are still to be built. This includes Stage 38, which is about to commence construction and be completed by the end of 2023, design work that is soon to commence in for the construction of Stage 39 and forward works for the road connection between Stage 39 and the underpass.

Funds are allocated for this design work in recognition of the approved Catalina Built Environment and Social Strategies, which both identify opportunities to create a strong walking and cycling network through the Project, activate important connections and provide early access to amenities and infrastructure like the Clarkson rail station.

The PTA has completed comprehensive design for the underpass but has yet to allocate funding for its construction. It advises that is has estimated the cost of the underpass works to be in the

order of \$2.5M. The earliest opportunity for further consideration for funding by the PTA will be in late 2023 when it undertakes a mid-year review of its FYE 2024 budget. The PTA has advised that while there is a prospect that funding could be allocated for the underpass construction to commence in late FYE 2024 through this process, the higher likelihood is that funding will be allocated in its FYE 2025 budget, particularly if there is a strong commitment by the TPRC to construct the linking road network in early FYE 2025.

Assuming that the Council adopts the Project Budget FYE 2024 to commence design and allocates funding in FYE 2025 to build Stage 39 and forward works on the connection to the underpass and will be able to secure a construction contract for these works at a reasonable price, the Council should be in a position to commit to completing the remaining section of the bus route network in early FYE 2025. This prompts consideration of options to best achieve the timely the construction of the bus underpass to either coincide with or follow soon after completion of the Catalina roadworks. The following options are open to the Council in relation to this matter:

| No. | Option | Advantages | Disadvantages |
|-----|---|--|---|
| 1 | <p>Collaborate with the PTA - Design and construct the remaining bus route road network within Catalina by FYE 2025.</p> | <ul style="list-style-type: none"> • Completes the remaining sections of the bus route road network within Catalina Green by FYE 2025. • Should result in bus services commencing late FYE 2025 or early FYE 2026. • Should achieve the Council’s strategic objectives for good public transport, cycling and pedestrian connections between the Clarkson train station, marina and beyond. | <ul style="list-style-type: none"> • Requires the Council to allocate funds to design the remaining sections of the bus route in FYE 2024 and complete construction in FYE 2025. • Relies on the PTA to allocate funds to construct the underpass at the same time or soon after – achievement of advantages 2 and 3 will be delayed if this does not occur. • There is no guarantee bus services will commence upon the bus route road network and underpass being completed – as this is dependent of PTA funding. |
| 2 | <p>TPRC Prefund Underpass - Design and construct the remaining bus route road network within Catalina and construct the bus underpass for the PTA by FYE 2025.</p> | <ul style="list-style-type: none"> • Completes the remaining sections of the bus route road network within Catalina Green by FYE 2025, as well as the underpass at the same time. • Bus underpass costs likely to eventually be recouped from PTA. | <ul style="list-style-type: none"> • Requires the Council to allocate funds to design the remaining sections of the bus route in FYE 2024 and complete construction in FYE 2025, as well as the bus underpass and carry the holding costs until |

| | | | |
|---|---|--|--|
| | | <ul style="list-style-type: none"> • Should result in a higher likelihood that bus services will commence late FYE 2025 or early FYE 2026 than would be the case with Option 1. • Potentially achieves the Council's strategic objectives for good public transport, cycling and pedestrian connections between the Clarkson train station, marina and beyond sooner than could result under Option 1. | <p>reimbursed by the PTA.</p> <ul style="list-style-type: none"> • Such arrangements are not commonly undertaken – would require extensive liaison and agreement with the PTA to facilitate. |
| 3 | <p>Wait for PTA – Design the remaining bus route road network within Catalina, but not construct it until the bus underpass is constructed by the PTA.</p> | <p>Does not require the Council to allocate funding for the bus route road network or the bus underpass construction for several years.</p> | <ul style="list-style-type: none"> • Delays completion of the remaining sections of the bus route road network within Catalina Green and commencement of bus services for an undetermined timeframe. • Lack of intent by the Council to construct the bus route road network would be unlikely to encourage the PTA to fund the bus underpass. • Delays achieving the Council's strategic objectives for good public transport, cycling and pedestrian connections between the Clarkson train station, marina and beyond for an undetermined timeframe. |
| 4 | <p>Do Nothing – Not progress any design work of the remaining road network to be built to connect to the underpass, or take any advocacy action with the PTA to build the underpass.</p> | <p>Does not require the Council to allocate any immediate funding for the bus route road network.</p> | <p>As for Option 3.</p> |

CONCLUSION

Options 3, Wait for PTA, and 4, Do Nothing, are not recommended as they would significantly delay achievement of key Council strategic objectives.

Option 1, Collaborate with the PTA, is recommended on the basis that it would complete the remaining sections of the bus route road network within Catalina Green by FYE 2025 and in doing so likely provide impetus to the PTA to allocate funds to construct the bus underpass, resulting in bus services commencing late FYE 2025 or early FYE 2026 and achieving TPRC strategic objectives for good public transport, cycling and pedestrian connections between the Clarkson train station, marina and beyond in a timely manner.

Option 2, TPRC Prefund Underpass, would likely result in better advantages than Option 1, however the Council would incur greater upfront costs funding construction and bearing these costs until reimbursed by the PTA. While it may eventuate that proposing a pre-funding arrangement in itself may prompt the PTA to bring forward plans for constructing the bus underpass, Option 1 is preferred on the basis that the deliverables are achievable given the position of the Project and the Council's resources, without incurring additional un-envisaged costs.

Option 1 could also be accompanied by advocacy efforts to demonstrate the Council's intent to put the road network in place to support the bus route and encourage PTA to take timely action to put the bus route infrastructure in place and the bus service into operation.