

# PDSGROUP

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## Successful Property Projects

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Australia China Business Council  
澳大利亚中国工商业委员会

[www.pdsgroup.com.au](http://www.pdsgroup.com.au)

# INTRODUCTION

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# PROJECT SUCCESS

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# WHAT DOES PROJECT SUCCESS LOOK LIKE?

Establishment of a Industry Network,  
Creation and/or Enhancement of Reputation,  
Positive Community and Industry opinion,  
Brand Awareness,  
Community and Urban Contribution,  
Profitable.

**VISION**  
**STRATEGY**  
**PEOPLE**

# VISION





# VISION

Clear, Vision and Brief:

- / Reference Material,
- / Benchmarks and Positioning,
- / Current Planning environment,

Realistic Budgets & Revenue:

- / PM, Architect and QS to assist,
- / Without You and Project lose creditability,

With the above, the Project can move forward with speed.

# CURRENT PLANNING

## Amendment C262:

- / Melbourne CBD and Southbank
- / Constraints on density and height
- / Here for 12 months, but likely to stay
- / Projects of State Significance are exempt

MCC and DELWP very busy,  
Permits harder to achieve,

## Important to:

- / Present well. Make it easy to assess,
- / Contribute to the urban context,
- / If you want better planning outcomes, you need to offer something special:
  - / Better Design with outstanding common amenity,
  - / High ESD and new Initiatives,
  - / Contribute to external environs.



# STRATEGY

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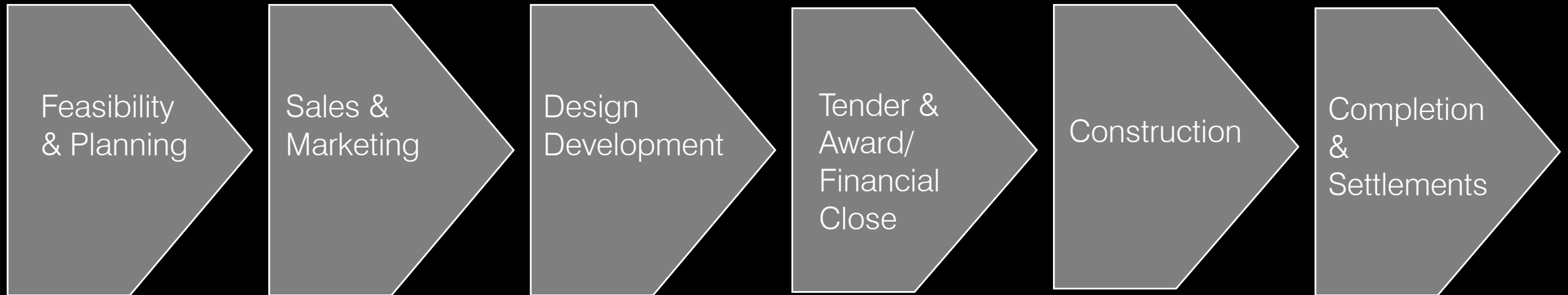
# STRATEGY

A clear development strategy must be prepared and agreed,  
Strategy must be shared with key partners (PM, Architect, etc),  
Must consider all phases of the development,

- / Planning – Timing, product, contribution, lobbyist, community give
- / Sales and Marketing – Network and Retail Sales, On-Shore and Off-Shore, Selection of Agent, Commission Structure, and Finance
- / Finance – Australian Banks, Overseas Banks, 'Club' arrangements, Equity / Mezzanine / Debt
- / Delivery – Builder procurement (ECI v Tender), Contract, Risk Allocation

# METHODOLOGY

## STRATEGY FOR EACH PHASE OF DEVELOPMENT



# SALES AND MARKETING

Must consider funding and finance – Best to leave options open for local funding,

Strategy and Marketing Budget must align – avoid budget overruns when sales get tough,

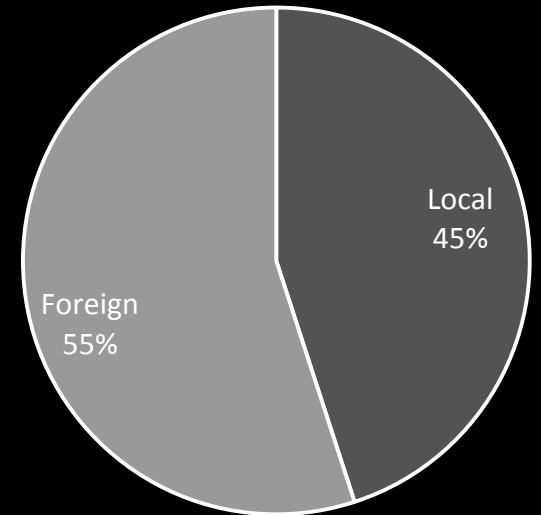
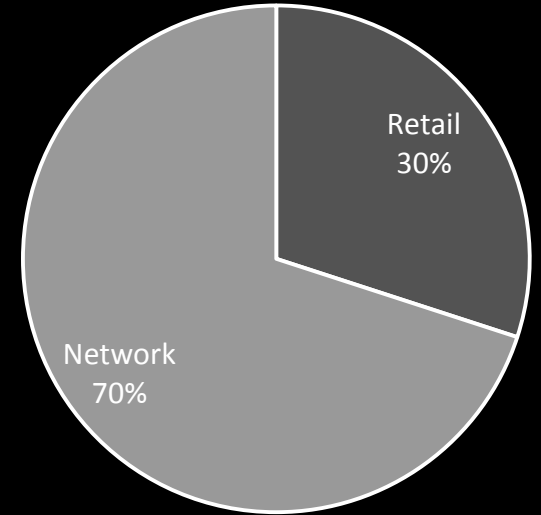
Agent selection must include the ability and strategy to sell 100% within an agreed program,

Sales Channels – Networks, Off-shore, On-shore, Retail,

Display Suite – Yes or No,

Must have a back-up or contingency plan,

Realistic revenue forecast,



# FINANCE

Entering into a difficult funding period,  
New banking regulations – APRA,  
Australian Banks very conservative,  
Banking Relationships are critical,  
'Club' arrangements possible,  
Off-shore,

## Likely Banking Terms

- / 45-50 % Loan to Value Ratio (LVR) – Net of GST
- / 65-70% Loan to Cost Ratio (LCR)
- / 110-120% Pre-sales coverage
- / Up to 30% of Pre-sales to be Foreign

# PEOPLE

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# PEOPLE

Surround yourself with reputable people and firms,

They are / will be your closest advisers and trusted partners,

They will bring credibility and bankability to the project,

The 'A-team' will genuinely add value; not just talk about,

Not all consultants are the same; nor do all consultants provide the same level and quality of service; cheapest is often not the best.



# PEOPLE

## CREDIBILITY

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Strong Industry relationships  
Demonstrated reputation  
Trustworthy

## ACCURACY

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Attention to detail  
Precision  
Efficiency

## INTEGRITY

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Honesty and openness at all times  
Strong principles  
Honorable

## TRANSPARENCY

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Partnering approach  
Regular reporting  
Incisive

## INTELLIGENCE

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Market Knowledge and Trends  
Comprehension  
Perceptive

**P**ERFORMANCE

**D**ELIVERY

**S**UCCESS

# SUCCESS

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**THANK YOU**