



HOLTZE INDUSTRIAL ESTATE | NEW LAND RELEASE

EXPRESSION OF INTEREST

JULY 2024

EXCITING NEW OPPORTUNITY - RELOCATE OR ESTABLISH YOUR BUSINESS AT THE CENTRALLY LOCATED HOLTZE INDUSTRIAL ESTATE

The next land release of Holtze Industrial Estate will deliver land for business activities across a number of industries, including civil contractors, Defence support (industrial activities, maintenance or storage), construction trades, fabrication and general industry, with a range of lot sizes available.

The Opportunity

LDC is undertaking an expression of interest process and inviting interest from a range of industry sectors to establish new premises at the Holtze Industrial Estate. LDC welcomes non-binding submissions of interest from:

- Industry and Investors (to purchase or lease land for business activities); and
- Civil Contractors (to deliver the civil and subdivision works).

Interest from civil contractors to undertake works will only be considered where the contractor wishes to acquire land in exchange for works and material provided in the Estate.

Partial submissions from the construction industry (for example fill materials) will not be considered. LDC will consider submissions on merit and having regard to strategic objectives and commercial outcomes.



CIVIL CONTRACTORS

With an existing business currently constructing a base for their civil contracting business, Holtze Industrial Estate is an ideal location for civil contractors. Large lots, a well-developed road network and a central location provide for a great home base for the civil contracting industry.



DEFENCE SUPPORT

Located less than one kilometre from Robertson Barracks, Holtze Industrial Estate is an ideal location to store, support and maintain vehicles for the Australian Army or allied forces. The RGM Maintenance facility currently maintains a range of vehicles for the Australian Army, including the Bushmaster.



CONSTRUCTION TRADES

Well located near the Northern Territory's fastest growing city of Palmerston and directly adjacent to the new Holtze residential estate which will see the development of up to 11,000 new homes over the next 8-9 years, Holtze Industrial Estate is Darwin's new location for a range of construction businesses.



GENERAL INDUSTRY

Holtze Industrial Estate provides an ideal location for general industry with its central location and well-developed road network. Zoned DV for Development under the NT Planning Scheme, the Estate is capable of accommodating a very wide range of users.

SERVICED LOTS

THE LAND AT HOLTZE

Strategic Objectives

Holtze Industrial Estate is centrally and strategically located to provide industry support to prime and sub-contractors for Defence's requirements.

Holtze Industrial Estate is located less than 10kms from East Arm Wharf and is easily accessible to the cities of Darwin and Palmerston and key precincts, including Darwin International Airport and the Australian Army's Robertson Barracks.

Current anchor tenant RGM Maintenance occupies a purpose-built mechanical workshop which services defence vehicles, buses and other vehicles/machinery. Apex Steel is a long-standing occupant in the estate and supply steel building products and supplies to local business. In addition, Ioannou Contracting are currently constructing a new business premises for its civil contracting operations, with works expected to be completed late-2024.

LDC's role is to develop the Estate for businesses to take advantage of its strategic location. With over 50 hectares available for future development, lot sizes are flexible and can be customised to meet business needs.

Land Details

Stage 1 of Holtze Industrial Estate was developed and titled in 2013, comprising four lots (two of which are developed and occupied by RGM and Apex Steel, as well as two lots currently being constructed on by Ioannou Contracting).

Future stages of Holtze Industrial Estate for development comprises part of Section 6189 and Section 7864 Hundred of Bagot. The site is bordered by Thorngate Road to the west, and undeveloped land to the north, south and east.

The site is currently an unimproved englobo allotment. The general topography of the site indicates a low ridge on the western boundary, with the highest point at the south-east corner of the parcel, sloping in a westerly direction towards Thorngate road and generally to the north-west corner.

LDC has freehold ownership of Sections 6189 and 7864 and is open to both leasehold and freehold tenure arrangements for the next land release at Holtze Industrial Estate.



Staging Concepts

LDC has undertaken concept planning for a number of land sizing and timing scenarios. Those scenarios aim to maintain optimal flexibility in future land use and can be adapted to meet the needs of industry.

The Base Case (refer image below) offers a master-planned approach to estate planning, however there is flexibility within this concept to accommodate alternative lot sizing to meet individual needs.

Image 1: Base Case Layout



Smaller or larger lots can be accommodated and considered in the Alternate Layout Scenarios (see relevant section). However, alternative lot sizing opportunities are not limited to only these options, and interested purchasers are encouraged to enter submissions outlining their specific needs.

LDC will consider staging and deliver timing more fully once the level of purchaser commitment is known post- this process.

Lot Pricing

To assist prospective purchasers, LDC provides the following lot pricing for each of the proposed lots:

Table 1: Base Case Lot Pricing

Lot No.	Size (sqm)	Price psm (Ex GST)	Purchase Price (Ex GST)
1	7,258	\$190	\$1,379,020
2	7,258	\$190	\$1,379,020
3	16,659	\$165	\$2,748,735
4	18,058	\$165	\$2,979,570
5	5,487	\$255	\$1,399,185
6	5,233	\$225	\$1,177,425
7	10,395	\$180	\$1,871,100
8	9,336	\$180	\$1,680,480
9	9,397	\$175	\$1,644,475
10	8,095	\$175	\$1,416,625
11	11,521	\$170	\$1,958,570
12	10,058	\$170	\$1,709,860
13	8,788	\$175	\$1,537,900
14	9,042	\$185	\$1,672,770
15	15,257	\$165	\$2,517,405
16	UNDER OFFER		

The above pricing (as well as Tables 2 and 3) reflects 'off the plan' incentives, available to purchasers who provide purchase commitment (via a Heads of Agreement) before the end of November 2024. Pricing following this date may differ and will not reflect the 'early mover' nature of commitment.

Alternate Layout Scenarios

LDC has considered the following Alternate Layouts, to offer a broader variety of lot sizes for industry use. LDC will be guided by industry and purchaser commitment in determining the ultimate layout and timing of future stages.

Image 2: Smaller Lot Layout



Table 2: Smaller Lot Pricing

Lot No.	Size (sqm)	Price psm (Ex GST)	Purchase Price (Ex GST)
5A	2,796	\$250	\$699,000
5B	2,689	\$260	\$699,140
13A	4,576	\$230	\$1,052,480
13B	4,466	\$230	\$1,027,180
14A	4,395	\$235	\$1,032,825
14B	4,393	\$240	\$1,054,320

**For simplicity, only the revised lots from the Base Case have alternate pricing shown. Pricing for lots which are unchanged from the Base Case can be considered in Table 1.*

Image 3: Larger Lot Layout



Table 3: Larger Lot Pricing

Lot No.	Size (sqm)	Price psm (Ex GST)	Purchase Price (Ex GST)
17	52,000	\$120	\$6,240,000

**For simplicity, only the revised lots from the Base Case have alternate pricing shown. Pricing for lots which are unchanged from the Base Case can be considered in Table 1.*

Approvals

LDC has a Development permit to subdivide Stage 2, however the current lot 'Base Case' development scenario will require resubmission to align the initial permit with more recent layout updates. LDC will seek to undertake this process once purchaser interest is confirmed and committed.

The site is currently zoned DV for Development under the NT Planning Scheme. In addition, LDC has undertaken a number of environmental consultancies to gain an understanding of the land attributes and to inform any environmental development considerations. LDC's response to each submission may provide commentary in this regard.

Secured Lots

LDC has entered into a Heads of Agreement with a purchaser for Lot 16 with a civil contractor, encompassing an area of 2.9 hectares. This lot is therefore not available to other purchasers at this time.

Development Timing

LDC's target timeline reflects the following:

- 20 August 2024 – Submissions close.
- August/September 2024 – LDC considers submissions and prepares shortlist.
- October/November 2024 – LDC seeks pre-purchase commitment from purchasers and finalises delivery arrangements.
- September to March 2025 - Undertake detailed design of Stage 2 lots for construction.
- April 2025 to late-2025 – Undertake civil construction works.
- From late-2025 – titled land ready for incoming proponents to commence built-form construction.

Pathway to Ownership

LDC has specific tenure options applicable for each precinct.

For Holtze, LDC offers either a long-term ground lease option or freehold land via a sale agreement provided by a development lease and land title transferred after construction is completed. This works to ensure timely and appropriate development of the land.

This purchase agreement structure (LDC's traditional approach) has the following key particulars:

- A Heads of Agreement is entered to confirm key terms,
- Shortly after, an Agreement for Sale and Development is executed by the parties and deposit paid,
- The balance of the purchase price is paid once construction is complete and title is issued. The Development Lease commences on this date for a period of 18 to 24 months. The purchaser is required to commence construction within 12 months and complete their development by lease expiration,
- Upon construction completion, freehold title is transferred to the purchaser.

LDC has experience with lenders being comfortable with this arrangement. Should a lender require, a mortgage can be registered on the lease dealing on title. On many occasions LDC has entered a simple form Tripartite Deed between the purchaser, the lender and LDC. This gives comfort to the Lender that they will be notified if the purchaser does not fulfil its obligations and allows the Lender to 'step in' in certain circumstances for breach.

THE PROCESS

Stage 1 – Submissions & Shortlisting

This stage aims:

- To identify those interested parties with suitable proposed uses and objectives
- To shortlist one or more potential civil delivery contractors and invite them to proceed to the second stage

The assessment criteria to be used by LDC in determining the shortlisted respondents are (in no particular order):

For Purchasers

- Respondent Details: information clearly establishing the business activities of the entity
- Land Requirements: size, shape and other required attributes, with respect to concept planning options.
- Strategic Uses: to consider the proposed use in line with strategic objectives.
- Timing: proposed timing for construction commencement and completion of built-form on the land.

For Civil Contractors

- Respondent Details: information clearly establishing the business activities of the entity and proposed activities on the lot
- Experience and Capacity: information showing capability and demonstrated experience in delivering land subdivision projects of a similar type.
- Commercial terms: to consider the commercial aspects to delivery.
- Timing: proposed timing for civil construction and completion of the operational base built-form on the land.

As part of the engagement, LDC may select multiple responses to progress in various ways, which may vary depending on the nature of the submission. For example, LDC will engage with interest from prospective purchasers and civil contractors differently through this and later stages.

Stage 2 – Commercial Terms & Delivery Arrangements

During this stage, shortlisted submissions will be considered with a more specific lens. LDC will work to support a bespoke outcome for each preferred response and will endeavour to cater to the different interest types. Purchasers considered suitable will be offered a Heads of Agreement to confirm terms of a land transaction.

For civil contractors, this stage may involve a more detailed proposal which considers construction costs, methodology and commercial aspects.

Where additional information is required to enable LDC to more fully consider the submission, LDC will engage with respondents to request and/or clarify any required information.

LODGEMENT AND ENQUIRIES

How to Lodge

Submissions are to be made electronically to sales@landdevcorp.com.au **by 5.00pm on 20 August 2024**.

Required Submission Information

Respondents are encouraged to include the following information in their submission:

For Purchasers

- Proposed land use and activity (and any specific land use requirements)
- Entity details (including business activities)
- Proposed timing of built-form on the land
- If available, any concept site plans for its built-form elements.

For Civil Contractors

- Experience and Capability in delivering comparable industrial subdivisions
- Proposed land use and activity (and any specific land use requirements)
- Entity details (including business activities)
- Proposed timing and capacity to deliver civil and subdivision works and proposed completion of built-form.
- If available, any concept site plans for its built-form elements (on the land site).

Communications & Enquiries

Communication of enquiry must be made to:

A/Executive Director, Operations
Hannah Barraza
08 8944 0909
sales@landdevcorp.com.au

LDC may, in its absolute discretion, determine whether the question asked is specific to the commercial or intellectual property of that proponent, or whether it affects other proponents. If it is determined that all proponents may be affected, LDC may offer the proponent asking the question the opportunity to withdraw it.

This Expression of Interest process and any information within is not intended to form an 'offer to treat' or enter LDC into any binding arrangements. LDC reserves the right to change, withdraw or cancel the process at any time, including after the close date.

SUPPLEMENTARY INFORMATION

Who is the Land Development Corporation?

The Land Development Corporation (LDC) is the Northern Territory Government's strategic land development agency. Since its inception in 2003, LDC has been developing strategic industrial land to support the needs and activities of industry. In 2009, the LDC commenced its first residential Bellamack Gardens.

LDC is keen to strengthen its links with the private sector. It aims to unlock development benefits by coordinating complementary strengths with the public and private sectors to deliver strategic land and economic growth that benefit the people that live here.

LDC is required to act in a commercial manner and pay taxes and dividends on profits, to ensure a level playing field with private developers and uphold the principles of competitive neutrality.



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