MEDIA RELEASE
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Finbar Group completes Civic Heart structure

Western Australia's leading apartment development company, Finbar Group Limited (ASX:FRI) (Finbar or the Company), is pleased to confirm it has completed structural construction at the landmark Civic Heart apartment development in South Perth.

A topping out ceremony attended by executives from Finbar, project financiers Commonwealth Bank, and building company Hanssen was conducted today on the sky deck of the project's Mill Point tower – the highest residential tower in Perth and the highest tower outside the CBD.

Civic Heart has 309 residential apartments spread over 36 levels in the Mill Point tower and 21 levels in the Mends Street tower. There are 26 commercial lots situated on the ground floor of the precinct.

The project is Perth's biggest apartment development, with an estimated end value approaching $440 million.

Finbar has sold 253 apartments and commercial lots at the development, valued at $265.4 million.

Construction at Civic Heart commenced in early 2021 and the project is expected to be fully completed and ready for residents to move in before June next year. Finbar's long-term partner – Hanssen – was the builder.

Residents will enjoy world class amenities at Civic Heart, with levels three and four including a range of premium facilities and outdoor spaces such as swimming pools and lounges, theatrettes, and fitness centres with two private dining rooms and a sky deck located on the very top of the tallest tower at level 37.

The apartments at Civic Heart will be completed and delivered into a market that is desperate for new supply of quality product. CoreLogic data shows the rental vacancy rate for Perth houses and units is less than 0.6 per cent.

Perth dwelling values have led the country in growth, increasing by 13.5 per cent in the past 12 months. The median value for Perth apartments has increased approximately 11 per cent for the year.

Perth apartment prices are expected to outperform other cities in 2024 due to interstate migration rates, low supply, and better affordability. Apartment values are also tipped to outperform relative to houses, given the cheaper price points and chronic undersupply across the medium to high density sector.

Finbar managing director Darren Pateman said with developers dealing with rising construction and labour costs, as well as rising interest rates, many large-scale residential projects have been cancelled or deferred, and there was a severe shortage of new and forecast supply of apartments in Perth.

“Finbar was able to commence Civic Heart and other projects around Perth because of its commitment to delivering apartments in all market conditions and its reputation with local buyers and investors, as well as the support of our lenders and development partners,” Mr Pateman said.

“As a result we will be delivering the remaining apartments at Civic Heart next year in an environment where there is strong demand for new, luxury apartments. We are confident they will be well received as Civic Heart transforms the Mends Street precinct in South Perth.

“Civic Heart has been our biggest and most comprehensive mixed use project to date and has already become one of Perth’s most recognisable residential developments, bringing amenity and life to South Perth’s gateway and heart.”

Ends