MONTHLY HIGHLIGHTS

PROJECT ADVANCEMENT · TEAM COHESION · VISION IN ACTION

Foreword

For DDDI Group, September was marked by vitality and steady growth. Several projects successfully crossed key approval milestones and formally entered the construction stage, signalling the ongoing optimisation of our development processes and the fruitful outcomes they bring. Meanwhile, on-site learning sessions brought our teams closer to construction practice, integrating project management with first-hand experience and strengthening our command of quality and detail.

On the market front, we went beyond surface-level observations to conduct an in-depth analysis of the trending “5% Low-Deposit Policy.” Our research revealed both opportunities and risks behind this initiative, offering partners insights that transcend market appearances. We firmly believe that only by thoroughly understanding the underlying logic of policy and market dynamics can we seize opportunities with precision and face emerging risks with confidence.

Highlights of This Issue:

- **Project Updates:**
Several projects have successfully obtained approvals and entered the construction stage, accelerating overall progress.
- **On-Site Learning:**
On site, the team gained practical insights into light steel structures, soundproofing, and safety standards, enhancing project management.
- **New Extension System Launched:**
The “company landline + virtual extension” model has been officially launched, enhancing professionalism and efficiency in external communications.
- **Special Report | Market and Policy Insights**
Analysing the market landscape and future outlook through the lens of the 5% low-deposit policy and the challenges of supply constraints.

Project Progress Update

This month, DDDI Group projects progressed smoothly overall, with key milestones as follows:

◆ **One project entered demolition stage**
Marden project is currently demolishing old houses and preparing the land.

◆ **One project entered building construction stage**
Valley View project has moved into building construction, with foundation pouring underway.

◆ **One project entered interior fit-out stage**
Gilles Plain project has begun interior works, with wall painting largely completed.

◆ **Two projects completed design drafts, pending Council preliminary review**
Para Hills and Morphett Vale have finalised design sketches, awaiting initial Council assessment.

◆ **Two projects submitted formal design plans, awaiting Council approval**
Keswick and Clovelly Park projects, after several rounds of design revisions, have submitted finalised design schemes and are awaiting Council's decision.

◆ **Several projects completed construction drawings and submitted for building permit approval**
Old Reynella, Modbury Heights, and Morphett Vale projects have finalised construction drawings and structural design documents, submitted for permit approval, with results expected soon.

◆ **Several projects entered final pre-construction preparation**
Pooraka, Ingle Farm, and Gepps Cross projects are now in their last pre-construction phase, with ground-breaking expected in mid-October.

LANDLINE SYSTEM OFFICIALLY LAUNCHED

Following last month's launch of mobile virtual extensions, this month marks another upgrade — the company landline system has been officially launched.

This means that when external clients call, their calls will first be directed to the company landline. If unanswered, the calls will then be automatically transferred to the relevant colleague's virtual extension. This not only helps separate work and personal calls more effectively but also ensures a more professional and seamless communication process.

We have allocated dedicated numbers for the Group and its two subsidiaries, making it easier for clients to call directly:

- **DDDI Group:** 08 7110 0111
- **Cyberate Project Management:** 08 7110 0555
- **Cyberate Construction:** 08 7110 0666

This upgrade brings several key benefits:

Clear separation of work and personal calls
Incoming calls are first filtered through the company landline before being transferred to personal extensions, helping colleagues easily distinguish between business and private calls.

Enhanced professional image
All client calls are unified through the company landline, strengthening our corporate presence and professionalism in external communications.

Improved efficiency
If the landline is unanswered, the system automatically forwards the call to the relevant virtual extension, ensuring that no important messages are missed.

As the system continues to improve, we look forward to this "company landline + virtual extension" model further enhancing the Group's communication efficiency and service experience.

PROJECT SPOTLIGHT | ON-SITE LEARNING: EXPLORING THE DETAILS BEHIND CONSTRUCTION

Beyond project management and data analysis, DDDI Group places great importance on the team's understanding of real construction sites. This month, we stepped onto the front line, gaining first-hand knowledge of light steel structures, timber framing systems, soundproofing applications, and on-site safety practices.

Light Steel and Timber Frames: The Skeleton of Structures

Senior engineer Peter introduced us to two structural systems. Light steel frames are renowned for their speed of construction, lightweight properties, high strength, and durability — making them a key guarantee for high-quality housing. Timber frames, on the other hand, are valued for their flexibility. Both systems are widely used in the Australian market, with different cities adopting them in varying proportions depending on climate conditions. Peter's explanation gave us a clearer understanding of their differences and suitable applications.

Insulation: The Key to Comfort

Soundproofing is not only vital to living comfort but also a requirement under building regulations. Through Peter's session, we learned how insulation is applied between walls and ceilings to effectively reduce noise transmission, significantly enhancing residential comfort.

Site Safety: The Most Important Rule

Above all, safety is the uncompromising cornerstone of every construction site. During our learning session, we focused on the correct use of protective equipment, as well as safety standards for working at heights and using temporary passages, ensuring that construction teams can advance projects efficiently in a secure environment.

Why Go On-Site?

For us, only by combining the macro perspective of management with the micro details of construction can we truly understand the full scope of a development project. Looking ahead, we will continue to organise similar learning sessions, allowing the team to move beyond "paper-based planning" and gain more exposure to "real construction." This experience will enable us to make more scientific and well-informed decisions in project management.

Meeting Our Clients: The Responsibility of Dream Builders

On site, we met buyers who came to check on the progress of their future homes. At that moment, we were reminded that what we are building is not just cold structures of concrete and steel, but the ideal homes envisioned in our clients' hearts. Only through solid craftsmanship and genuine commitment can we truly respond to the shining expectations in their eyes.

CYBERIDGE

Special Report | The Hardest Part of Building a House Isn’t the Construction Itself

In the public imagination, building a house seems simple: buy a piece of land + hire a construction team. Yet, what truly troubles developers is not the construction itself, but the “invisible pre-approval processes.”

According to the **Productivity Commission’s latest Housing Construction Productivity report:**

- For most development projects, the pre-approval stage is the most time-consuming.
- Constructing an apartment building typically takes only 1–2 years, but securing land and approvals can stretch to 5–7 years.
- Before construction even begins, half or more of the time and cost may already be consumed.

Why do the “invisible steps” take longer?

Although the process may appear linear — land purchase → design → construction — in reality, each stage is interdependent. Any delay in one step cascades through the entire project.

Key bottlenecks include:

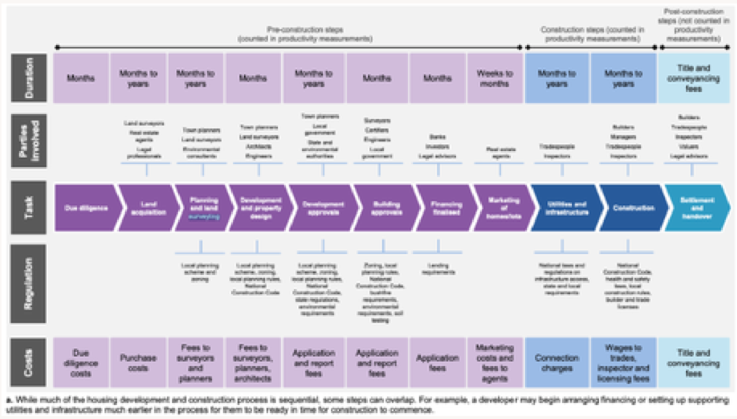
- Land and due diligence: Land purchase is only the beginning, involving feasibility studies, surveying, and planning assessments.
- Planning and approvals: Local, state, and federal regulations — plus environmental assessments and public consultations — can take years.
- Design and documentation: Compliance is required with the 2,000+ page National Construction Code (NCC) and local building guidelines.
- Financing and pre-approvals: Banks must confirm compliance and manage risk, demanding complete documentation before release of funds.

Hidden costs and risks

Complex procedures not only slow down projects but also fuel cost blowouts:

- Regulatory requirements vary across government levels and frequently change.
- Lack of unified, transparent information keeps smaller developers out of the market.
- Industry fragmentation makes it difficult to achieve economies of scale.

The result: extended timelines, compounding interest payments, and for many developers, profits are eroded before construction even begins.



Real Estate Development Cycle Flowchart(Productivity Commission, 2025)
Figure Source: *https://www.pc.gov.au/research/completed/housing-construction/housing-construction.pdf*

Simplifying Complexity Enabling Delivery

At Cyberate Project Management, we help clients navigate these “invisible black holes” every day:

- Assessing project feasibility in advance to set realistic expectations
- Streamlining approval processes to minimise rework and wasted time
- Optimising decision-making chains to align financing, approvals, and design
- Transforming lengthy pre-approval stages into efficient and manageable processes

The real challenge in building homes is not the construction, but the preparation.

Without systematic planning and professional support, the dream blueprint can easily turn into a prolonged wait. Cyberate Project Management helps you simplify complexity and turn ideas into reality.

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Special Report | Australia's 5% Deposit Homebuyer Policy: Pain Relief or Hidden Risk?

In Australia, saving for a home deposit has never been easy. Data shows that an average household takes nearly seven years to save a 20% deposit, while property prices continue to rise each year, pushing the dream of homeownership further out of reach.

To help first-home buyers "get on the ladder," the government has recently accelerated the rollout of the **5% Deposit Scheme (expanded Home Guarantee Scheme)**. On the surface, this policy enables younger buyers to purchase sooner — but is it a long-term solution, or merely a short-term painkiller?

The Apparent Benefits: Shorter Time, Lower Barriers

- Deposit saving time reduced from 10 years to just 3–4 years
- Avoiding costly LMI (Lenders Mortgage Insurance) — saving AU$21,000–28,000 on a AU$700,000 property
- Higher income and property price caps — making more people eligible

For many families who once thought homeownership was out of reach, this policy truly brings the dream closer.

The Hidden Risks: Surging Demand, Unchanged Supply

However, the fundamental problem in Australian real estate is a shortage of homes. Land scarcity, slow approvals, and high construction costs remain unresolved.

According to research by **Lateral Economics:**

- The 5% deposit scheme is expected to add **20,000–39,000 new buyers** in its first year
- With no increase in supply, house prices could rise an additional **3.5%–6.6%**
- In capped-price regions, price growth may approach **10%**

As one former Reserve Bank of Australia expert bluntly put it: launching this scheme in the spring housing market is like **"pouring petrol onto the fire."**

Micro Level: The Vulnerability of Highly Leveraged Households

For a AU$900,000 home, a 5% deposit equals AU$45,000, leaving a loan of AU$855,000. If property prices fall by 5%, the home's value would equal the loan balance. A 10% decline would immediately push the household into negative equity of –AU$45,000.

Under such high leverage, new homeowners have virtually no buffer — any market adjustment sharply increases financial risk.

Macro Level: Short-Term Gains, Long-Term Risks

In the short term, the policy stimulates market demand and boosts political scores for the government. But in the long run, without reforms on the supply side — faster approvals, land release, and lower construction costs — any "buying incentives" risk inflating prices further and worsening the underlying problem.

Conclusion

The 5% deposit policy is a painkiller: it offers temporary relief but does not address the root cause. The real solution lies in expediting approvals and increasing housing supply.

The good news is that South Australia has begun piloting **AI-based automatic approvals**, with some residential applications expected to be shortened from weeks to just minutes. Approaches like these, which tackle inefficiencies at the process level, represent the true path forward.

Turning Policy into Real Opportunity

At **Cyberate Project Management**, we understand that policies do not automatically translate into results — the key lies in how they are implemented.

We help our clients:

- Clarify project feasibility to avoid misjudgements
- Overcome approval bottlenecks to accelerate progress
- Control costs and risks across the entire process
- Transform policy benefits into tangible project outcomes

Published by: DDDI Group
Writing and editing: Hailey Fu, Candice Chen, Kinjal Chauhan, Lin Yuan, William Jiang, Jax Jin
Additional design: Bo Cui, Jiacan Tan