

SE Features  
HD **Apartment** sites snapped up EXCLUSIVE: OVERSEAS DEVELOPERS STRIKE

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INTERNATIONAL developers are snapping up **apartment** development sites in Sydney with booming prices allowing seasoned local players to cash in or ride the market themselves.

In the most prominent deal, **property** billionaire Bob Ell has cashed in on the **Chinese** investment boom by selling an office tower in Milsons Point on Sydney Harbour for about \$80 million to successful mainland developer Bridgehill.

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The Australian **property** legend will reap a gain of about \$30m on the **sale** of the tower, 52 Alfred Street, which he bought just four years ago from a Colonial First State-managed fund.

In a sign of the market shift, the highest value use of the 13 storey A-grade tower leased to top US **company** Kimberly-Clark, is seen as conversion into apartments.

Bridgehill managing director Yi Bin Xu confirmed he would pursue a **residential** scheme and said he was keen to present his ideas to local authorities.

Bridgehill is among the top buyers of **apartment** sites and its luxury projects have also won backing from local and offshore buyers. It paid \$82m last August for an old council depot in Zetland just south of the Sydney CBD, where it is advancing plans for six towers with about 800 apartments.

It is also developing a three-tower project in Mascot that it will launch midyear. Bridgehill recently pre-**sold** all the units in a luxury **apartment** conversion of the nearby TAL building in Milsons Point.

Agents CBRE's Justin Brown and Tim Rees brokered the deal, revealed by The Australian online, on Tuesday night. "Developers are taking a view on the inner city markets of Sydney which is that high rates per square metre can be achieved for apartments without parking," Mr Brown said. "That is driving the value of the regeneration sites."

An Asian investor last Friday forked out almost \$50m for an amalgamated **site** in North Sydney at 144-154 Pacific Highway and 18 Berry Street. It carries a fresh approval for a 23-storey mixed use tower, with the bulk devoted to 181 apartments, and work could start this year. Mike Stokes of Chesterton International is believed to have brokered that **sale** but could not be contacted.

Savvy locals are also looking to feed demand for apartments from Asian buyers. Developer Allen Linz of Rebel **Property Group**, one of the backers of the \$450m The Pacific complex on Bondi Beach, is rumoured to be looking at buying a tower in the Sydney suburb of Burwood, as part of a **group** of wealthy investors.

The Michael Easson-led EG **Property Group** has been looking to sell the tower for more than \$35m for some months and it would suit **Chinese** buyers. EG just **sold** a Macquarie **Park site** to a **Chinese** fund manager for a shade over \$25.17m via Colliers.

Listed Australian players are active with the next major project to be launched in Sydney likely to be at Lend Lease's Darling Harbour Live where about 500 apartments are planned.

On the development side, veteran investor Greg Shand's Milsons Point office tower is tipped to sell to a **residential** developer for about \$90m. The 19-level tower in Lavender Street carries approval for 95 units and is to be offered by CBRE's Scott Gray-Spencer and Jones Lang LaSalle's Rob Sewell and James Aroney.

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