

# FINANCIAL REVIEW

SE **Property**  
HD **Developers salivate at \$4b Melbourne site**  
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WC 521 words  
PD 28 October 2014  
SN The Australian Financial Review  
SC AFNR  
ED First  
PG 33  
LA English  
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A 20-hectare development **site** next to Melbourne's CBD has been offered to the market in one lot, the first step in creating a \$3 billion-\$4 billion suburb at E-Gate, a rail yard in the city's inner west.

Expressions of interest officially opened on Monday, but The Australian Financial Review understands several Asian developers – mainland **Chinese** and Malaysian – have already signalled their interest, some submitting unsolicited bids before the EOI launch.

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The land has been earmarked for medium-to-high density development and has the potential to attract major national and international developers or consortiums.

Development is expected to take about 20 years and the suburb will be home to about 10,000 people.

Victorian deputy premier and minister for state development Peter Ryan said the development would create more than 5000 jobs.

MacroPlan Dimasi chairman Brian Haratsis, who is also on the **board** of Victoria's Metropolitan Planning Authority **board**, said E-Gate would appeal to international developers who have access to cheaper credit than Australian developers.

Mr Dimasi said E-Gate offered the chance to develop anchor assets, such as a business **park**.

"It won't be a vanilla **residential** area like Docklands was – it will have to be a project of considerable scale to stack up," he said.

Mr Haratsis said the scope for higher-density projects meant it would add to the broader area's critical mass and boost customer numbers for nearby Docklands businesses.

Expressions of interest were called a little more than a month before the Victorian election, to be held November 29.

Labor's planning spokesman Brian Tee described the EOI campaign as a "pre-election thought bubble" which appeared ill-considered and rushed.

Mr Tee said E-Gate was a better **site** for urban redevelopment than Fishermans Bend given the bulk of land was publicly owned and was close to transport and infrastructure.

"There is no doubt this is an opportunity for urban infill but offering it in one lot is not the way to go, it's just a last-minute flash in the pan before the election," he said.

Wayne Redman, the regional director of CBRE's structured **transactions** and advisory services team, said E-Gate would receive "exceptional" interest from private developers and said it was the best master planning redevelopment opportunity since Docklands.

Mr Redman said the **site** offered scope for global leaders in design and development and was a chance to capitalise on the positive inner city development market and the Victorian government's straightforward planning process.

"Its location is exceptional in terms of public transport connectivity and proposed pedestrian and cycle linkages to adjoining precincts," he said.

"The development industry has already expressed strong preliminary interest in the project which will be a 'game changer' for this part of Melbourne.

Mr Redman said the **site** was a continuation of Melbourne's market strength and ability to accommodate growth through re-useing obsolete sites.

E-Gate has been earmarked for infill development along with Fishermans Bend and Richmond Station, as well as Federation Square East.

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