

HD **Stirling Street a winning recipe for apartments**

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The eastern edge of Northbridge is emerging as Perth's next hotspot for **apartment** development, driven largely by owner-occupiers seeking to live close to the city.

Four separate development applications have been lodged with the City of Perth in recent weeks, which would potentially deliver more than 440 apartments and 180 **hotel** rooms on the edge of the CBD.

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All four proposals will be evaluated by the City of Perth development assessment panel either next month or in November.

The largest project, in scale and value, is slated to be located at 220 to 224 Pier Street, on a **site** owned by **China**-backed privately held **firm**, Yuanlong Investment **Group**.

The \$145 million proposal, put forward on behalf of Yuanlong by TPG Town Planning Urban Design and Heritage, comprises a 29-storey, 180-room **hotel** and a 16-storey, 9,400 square metre office tower.

The project will also include a cafe and three retail tenancies to activate a landscaped public space on the western edge of the **site**.

However, Y Research chief problem solver Damian Stone told Business News that, with 85,369 square metres of office space already in the precinct, 20 per cent of which was vacant, there was no certainty the office component of the proposal would be able to attract a tenant.

The other three projects are **residential** proposals located on Stirling Street, two of which have been put forward by Subiaco-based **property** investment **firm** Stirling Capital.

At 108 Stirling Street, Stirling Capital is planning a \$55 million, 21-storey, 168-**apartment** tower, while further down the road at 74-78 Stirling Street the developer is planning a \$38 million, 21-level, 136-**apartment** project.

The final project is located at 105 Stirling Street and is slated to become a \$40 million, 21-storey, 137-**apartment** project with two **commercial** tenancies.

The new projects are in addition to a number of proposals either already approved or previously announced to be in the planning pipeline.

QUBE **Property Group** is set to officially launch sales for its Sentral **apartment** project at 295 Stirling Street this weekend, while the developer behind a \$500 million, triple-tower plan at the Mega Mart **site** on Beaufort Street has recently revised its plans to prioritise **residential** rather than office space.

Plans for a 38-storey **apartment** tower at the **site**, which would be Perth's tallest, are reportedly set to be lodged for assessment by landowner Northbridge Centre Custodian Service by the end of the month.

Colliers International director of **residential** Jo-Anne **Chin** said the catalyst for the wave of development was Finbar **Group's** St Marks **apartment** project in Highgate.

"That was a highly successful project and it's well known among developers that there was a waiting list for people to **buy** units there once it was completed," Ms **Chin** told Business News.

Ms **Chin** said Blackburne **Property Group**'s Monarc Apartments on Beaufort Street quickly followed the Finbar project, while Psaros **Property Group** had also rolled-out two significant **apartment** projects - M Square and Metropol - in the past two years.

Psaros also recently started construction on its Edge apartments, near the Stirling Street precinct on Newcastle Street, while Diploma **Group**'s One on Aberdeen project was also recently completed.

Chinese developer Zone Q Investments, which last month launched its \$100 million Pinnacle project in South Perth, also recently **purchased** a Beaufort Street **site** and was in the process of formulating a development plan, Ms **Chin** said.

"The perception is, and rightly so, that there is demand for people to live within that area," she said.

"It seems to attract a broad spectrum from a range of different suburbs into the area, and it's a lifestyle decision as well.

"That's why suddenly you have lots of applications going in, to maximise the interest in the area."

Ms **Chin** said she didn't believe there was any danger of oversupply, simply because banks would not lend on a **property** development without a significant amount of pre-sales.

"If you see any of this product starting to be built, it's probably close to 70 per cent **sold** out," she said.

However Realmark managing director John Percudani was more cautious when quizzed about the large amounts of supply set to come online in inner-city areas.

"We're not in the project selling market, that's the developers market, but we're doing the re-sales for these people," Mr Percudani told Business News.

"We're consistently finding it difficult to achieve the prices they paid for the units originally, and in some cases we've seen some very significant price differentials."

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