

FINANCIAL REVIEW

SE **Property**
HD **Greenland grabs city site for \$45m**
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Chinese real **estate** developer Greenland has snatched up a high-profile hectare of land in Leichhardt in Sydney's inner-west for a believed price of around \$45 million.

The former Kolotex hosiery and Labelcraft factory at 22 George Street has an indicative architectural scheme for about 244 apartments. It was put up for **sale** by JGL Investments, a private investment vehicle of the Liberman family.

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The **sale** makes JGL the latest in a wave of inner-city land owners to cash in on growing demand for **residential** development sites, against a backdrop of house price growth tipping 14.2 per cent across the city in 12 months.

Colliers International's Guillaume Volz and Ryan Bennetts were the selling agents but both declined to comment when contacted by The Australian Financial Review.

It is understood that the very active and asset hungry Greenland is the **company** running due diligence on the Leichhardt **site**. The **group** declined to comment when contacted.

Harry Triguboff's Meriton Apartments, which last week bought a \$47.5 million **residential** development **site** in Sydney's Zetland, was the believed underbidder on the asset. Two additional **Chinese** developers are also understood to have been in contention for the **property**.

Meriton has also been quick to respond to the demand for apartments by buying prime parcels of land in Sydney middle ring suburbs, including Rosebery and Homebush.

Colliers International told the Financial Review when it was marketing the land that it was located in one of Sydney's most undersupplied markets. There have only been 22 new apartments built in Leichhardt since 2009, agents said.

Located 8 kilometres from the Sydney CBD and 300 metres from Sydney's \$178 million new light railway extension, the former factory **site** was occupied by apparel manufacturer Pacific Brands until 2003.

It was rezoned to mixed-use, medium density from industrial in a controversial decision by the NSW Department of Planning and Infrastructure in 2012. More than 600 residents rallied against the rezoning and accompanying **apartment** development application, while Mayor Darcy Byrne branded the plan an 'overdevelopment' which would cripple the suburb with congestion.

While the number of apartments approved is not expected to change, the new owner will have to submit plans to the local council outlining its final form for review and approval.

The **Chinese** state-owned developer Greenland already has a handful of ambitious **apartment** projects on the go, and is a prominent presence scouting most brownfield sites on both Sydney and Melbourne's middle rings.

Greenland's highest profile development is the former Water **Board site** in Sydney's CBD, which will be the city's tallest tower. Greenland will also build a 171-room boutique **hotel** next to it, to be called the Greenland Primus **Hotel**.

In Melbourne, the **group** inked a deal worth more than \$45 million in October for a slab of land at Flemington owned by Victorian Racing Club, with capacity for more than 1000 apartments.

CO jglinv : J G L INVESTMENTS

IN ireest : Real Estate | icre : Real Estate/Construction

NS ccat : Corporate/Industrial News

RE austr : Australia | greenl : Greenland | sydney : Sydney | apacz : Asia Pacific | ausnz : Australia/Oceania | namz : North America | nswals : New South Wales

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