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HD Air-con maker strikes a blow

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LP [AUX Group](#), a large Chinese manufacturer of air conditioners, has joined the wave of Chinese developers in the apartment development boom by buying two residential sites in Sydney's northwest.

As a new entrant, AUX is making the purchase when the central bank has just cut the cash rate to a record low of 1.75 per cent, a positive sign for property owners and investors.

TD It is also defying speculation that Chinese developers might slow down or cease their acquisitions in Australia in the wake of moderating market conditions.

"AUX still believes the fundamentals of the Sydney market are healthy and steady, and we will be mainly focusing on Sydney," Simon Liang, development manager at AUX Property, told The Australian.

"We have an annual budget of about \$100 million to \$200m to buy sites here, if the right opportunities arise," he said.

AUX bought two residential development sites at Caddies Boulevard in Rouse Hill, northwest of the Sydney CBD, from the [GPT Group](#) for \$23 million last month.

The two sites, vacant land spanning a combined 4366sq m, have development approval for 152 residential units altogether. The sites are close to Rouse Hill town centre and the planned Rouse Hill train station, which is expected to open in 2019.

AUX bought the sites through agent PRD Norwest, which has also been appointed in a joint venture with Colliers to market the project worth about \$90m.

It is only the second purchase AUX has made in Australia's property market, following a smaller site in Willoughby on Sydney's north shore for about \$6.2m. The company is negotiating a third deal, Mr Liang said, as it looks for more development sites in Sydney, including those suitable for apartments, townhouses, houses and land-and-house packages.

CO auxgr : Aux Group | gnprop : GPT Group

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