

FINANCIAL REVIEW

SE **Property**
HD **Metro flips Uniting Church site, books \$4.2m profit ...**

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Demand for quality suburban development sites in Melbourne has delivered a big windfall to David Devine's Metro **Property Development group**.

The private developer has almost doubled its money on a 3200 square metre **site** in Ivanhoe, 10 kilometres north-east of the city, which it bought in December last year as part of the Uniting Church **property** fire **sale**.

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Metro paid \$5 million for the **site** at 1-5 Westley Avenue, one of six sites it bought from the Uniting Church for a combined \$25 million. The deal settled at the end of June.

Less than four months later, the **site** has been re-**sold** to the Westley **Property Group** Pty Ltd for \$9.2 million, delivering an 84 per cent gross profit to Metro owners Mr Devine, chief executive Luke Hartman and marketing director Ken Woodley.

The deal settled in mid-October.

Westley **Property Group** is controlled by Mark Stevens, managing director of the Kokoda **Property Group**, which is marketing a seven-storey **apartment** development on the **site** featuring 157 units with an end value of \$32 million. Flip style rollAn application for a planning permit on the **site** was submitted to the City of Banyule in July.

It's the second time in two months that Metro has flipped a development **site** and booked a big profit. In September, Metro more than doubled its money after selling the former TAFE college **site** in south Brisbane to the **Hong Kong**-listed R&F Properties for \$46 million. Metro paid \$22 million for the **site** when it **purchased** it from the state government last year.

Melbourne agent Fred Nucara, a director at Beller TBM **Commercial**, said there was still very strong demand from local buyers for **property** sites priced under \$8 million.

"There have been several examples where Asian buyers have been outbid by local developers for key sites at this price point," Mr Nucara said.

Above \$8 million, Beller found that these sites were generally too much of a funding risk for local developers and were going to an entirely different set of buyers – mostly from **China**.

Metro's other Uniting Church **site** acquisitions were in Ivanhoe, Doncaster East, South Yarra and Balwyn.

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