

SE PrimeSpace  
 HD **Chinese** linked to coastal deal  
 BY Rosanne Barrett, Development  
 WC 620 words  
 PD 12 June 2014  
 SN The Australian  
 SC AUSTLN  
 ED Australian  
 PG 30  
 LA English  
 CY © 2014 News Limited. All rights reserved.

LP

The Australian arm of a **Chinese** developer has won preliminary approval to convert the prime Star of the Sea convent **site** on the **Gold** Coast into a high-density **residential** high-rise and **commercial** precinct.

Development application documents lodged with the **Gold** Coast City Council show plans for interlinked **apartment** blocks, a **hotel**, retail centres and pedestrian pathways for the 15,000sq **m** Southport **site**.

TD

The Marine Parade **site**, formerly a campus of Central Queensland University, a church **site** and bank block, **sold** this year for more than \$25 **million** to Garuda GC Corporation, an Australian **company** registered in March. It is understood to be the Australian arm of **Chinese company** Xi'an WenHua Industrial Co.

The **site** is among a handful of parcels recently **sold** to international companies, in a renewal of the **Gold** Coast's central business districts.

Jones Lang LaSalle **Gold** Coast director John Muchall said Asian developers — especially the **Chinese** — were eager to secure big development sites across the city.

"The **Chinese** are here to stay," Mr Muchall said. "I think the general consensus in the market is it is different to the Japanese investors of the 80s.

"They're selective, they've obviously got plenty of money, and they're tending to be here to stay and live." Local authorities said half the 22 approvals for developments this year in Southport — recently designated the city's central business district — were for Asia-based companies.

These include a 30-storey and 47-storey tower proposal from **China**-based Sanbano **Group**; a 41-storey high-rise from the Singaporean Ho Bee **Group** in Surfers Paradise; and a plan for a five-star luxury **hotel** from Singaporean Banyan Tree on the Esplanade, also in Surfers Paradise.

Savills **Gold** Coast director Kevin Carmody, who managed the Star of the Sea **sale**, said he had signed a confidentiality agreement and refused to name the buyers. "It is subject to an unconditional **sale**," he said.

Under the preliminary approval, the city council has sought further information from proponents about traffic studies, density and heights, before going to public consultation.

Mr Carmody said **Chinese** investors were becoming increasingly interested in the **Gold** Coast, following activity in Sydney, Melbourne and Brisbane. "They like the **Gold** Coast as a place," he said. "The local market has been hamstrung by a lack of finance. There is opportunity for cashed up international developers." **Property** analysts Urbis reported that **Chinese** developers were behind 47 per cent of the foreign funds flowing into the Glitter Strip, outstripping investors from Malaysia (10 per cent), Singapore (8 per cent) and Japan (8 per cent) last financial year.

Local councillor Dawn Critchlow welcomed the new developments, especially those destined for Southport, a designated state government priority development area.

“What it has meant is surety for the person who is prepared to outlay money,” she said. “That has given confidence for the developers.” The **Gold** Coast is on track for a slow rebound in growth — albeit just 0.3 per cent in the **residential** sector — after two years of declines in the aftermath of the global financial crisis.

**Residential** sales have increased for the past four quarters in the city and the median house price has ticked up 4.2 per cent to \$500,000 over the March quarter.

Research from PRDNationwide found **residential** sales for **Gold** Coast city were rising this year, with sales volumes double that of the gloomy years following the global financial crisis.

Infrastructure for the 2018 **Gold** Coast Commonwealth Games is also helping the region’s development. Almost \$1.4 **billion** in works are under way and almost half the spend will go into infrastructure or industrial developments.

**CO** gcstty : Gold Coast City Council

**NS** greg : Regional Politics | gplan : Urban Planning/Development | gcat : Political/General News | gpir : Politics/International Relations | gpol : Domestic Politics

**RE** austr : Australia | china : China | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

**PUB** News Ltd.

**AN** Document AUSTLN0020140611ea6c00020