

SE PrimeSpace
 HD \$40m **buy** signals end to Triguboff's spree
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ACQUISITIONS: Billionaire Harry Triguboff's Meriton has spent more than \$40 million picking up another **site** in Sydney's Mascot, but says his buying spree is coming to an end.

The 7820sq m parcel at 1-5 Kent Street marks the 12th **purchase** since January last year, with the **group** spending more than \$600m on sites as it aggressively built its land bank.

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The pace of Meriton's **site** acquisitions would ease as the tougher economic conditions ahead dampened the housing market, Mr Triguboff said.

The slowdown in mining as the growth engine of the economy, the tough federal budget and increasing levels of **apartment** development would keep a lid on the heady price rises of the past year, he said.

Meanwhile, **China**'s housing market had come off the boil, which "is not good for us", Mr Triguboff noted. He also expects the next interest rate move to be a cut rather than a rise, though this would be after a period of unchanged rates.

Minutes from the Reserve Bank's last meeting, released this week, confirmed expectations that the central bank was unlikely to move the cash rate from the historic 2.5 per cent low until it better understood the direction of inflation and employment. Mr Triguboff noted that a quarter of a per cent rise or fall would have little impact on buying decisions given the low level of rates.

Rent growth for apartments had also eased as more supply came on to the market, with Mr Triguboff expecting rents to fall by about 5 per cent over the next six months. However, this was unlikely to affect **Chinese purchasers**, who were interested more in capital gain, he said.

"We expect interest rates to come down and bring the dollar down, and this will make our properties more attractive to the **Chinese**," he said.

In its latest **purchase** Meriton expects to start work on a 250-unit project late next year or early 2016. The **property, sold** by Knight Frank, has a tenant in place until November 2015. Last month Meriton **purchased** a Sydney CBD office building at 234 Sussex Street for about \$60m with a likely **hotel** conversion in mind.

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