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HD Chinese linked to mini-suburb

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WC 499 words
PD 5 May 2016
SN [The Australian](#)
SC AUSTLN
ED Australian
PG 30
LA English
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LP A low-profile company backed by China's Yunnan provincial government has proposed a multi-billion dollar development **near Sydney Olympic Park** in what is the largest ever residential development play by a Chinese mainland group in Australia.

The company, **Australia YMCI, is buying the site from industrial property landlord Goodman Group**, which reported this week its urban renewal strategy was running ahead of schedule with \$2.1 billion of sites in Sydney conditionally contracted.

TD **Goodman will sell the site for more than \$660 million — setting an Australian record for a development sale** — in line with a company update this week that said it had settled \$425m of urban renewal deals this financial year, with a further \$700m worth to be done by the end of December.

Australia YMCI, which is also developing a small apartment project in the Sydney suburb of Epping with the Jinyan Group, has called in top designers Woods Bagot for the concept plan for the site, which could accommodate up to 4000 apartments.

The relatively unknown group has proposed a mini-suburb made up of 11 apartment complexes — the highest of which will be 20 storeys — a town centre, a school and parklands in a community likened to inner Sydney's Central Park.

However, at well over 300,000 sq m of gross floor area, the project will be about 50 per cent larger than Central Park and will vault Australia YMCI into the top ranks of local and international developers.

Planning documents put the project's capital investment value at almost \$1.5 billion and, when completed, the project would be worth closer to \$2.5bn.

The project is a further sign that Chinese investment in Australia shows few signs of cooling with state-backed heavyweights like Greenland Group and Poly Group and private players like [Dalian Wanda](#) and Golden Horse still setting the place.

Australia YMCI's ambitions were outlined at a public meeting on Tuesday night. They envisage the Chinese group working alongside Harry Triguboff's Meriton Apartments and Chinese-backed JQZ Group to develop much of the Carter Street precinct.

JQZ is separately seeking to buy a neighbouring site priced at more than \$200m but is yet to submit plans, and Meriton paid about \$250m in March last year for a site in the precinct that can hold 1300 apartments.

It is understood that Michael Crombie of [Colliers International](#) brokered the YMCI transaction.

The previous record for a residential development site sale in Australia was Goodman's sale in 2014 of the Ashmore industrial precinct in Sydney's Erskineville to Golden Horse Australia for \$380m. Mr Crombie also brokered that deal.

Goodman still has a pipeline of 35,000 apartments and is ramping up planning on these sites, with chief executive Greg Goodman nominating Melbourne as the new focus for unlocking value.

YMCI could start work at Carter Street by mid next year.The parties declined to comment last night.

CO magmgrp : Goodman Group

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AN Document AUSTLN0020160504ec550001y

UI Ver:99.1.0 Mod:22:40 ID:FWEb9

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