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High-rise neighbour for Crown complex

ASingaporean developer plans to build a \$200 million high-rise **hotel** and **apartment** complex in a burgeoning pocket of Southbank opposite Crown Casino's eastern entrance.

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A low-rise showroom at 87-89 Queensbridge Street, snapped up this week for \$18 million, will be demolished to make way for the 50-plus level tower.

The **property** was put to market late last year with a planning scheme (not a permit) for a 370-unit complex. It's speculated the new owner will propose a taller project but this could not be confirmed.

Any redevelopment of the 1006-square-metre **site** would offer postcard CBD and Yarra River views once it rises above the neighbouring Southbank Towers **apartment** building, which is 28 levels.

This pocket of Southbank accommodates two of Melbourne's most exclusive skyscrapers - the 91-level Eureka Tower and 60-level Freshwater Place. Joint venture developers Schiavello and PDG are currently building a 72-level tower, Prima Pearl, at 31-49 Queensbridge Street.

Late last year a 3096-square-metre **site** known as 38 Freshwater Place **sold** for \$30 million and is now the subject of a 71-level, 270-metre **residential** skyscraper application. A **Chinese** investor also paid \$22 million for the 1284-square-metre Hanover House **site** at 158 City Road.

Conquest Dowlings' Luke Conquest and Simon Conquest and Knight Frank's Marcus Quinn and Langton McHarg marketed 87-89 Queensbridge Street for vendors who owned the showroom since 1991. The **sale** price equates to a land rate per square metre of almost \$18,000 - considered healthy seeing the **site** was not offered with a permit, Luke Conquest said.

Deal for TV studios

Producers of television shows including Dancing with the Stars, Deal or No Deal and Million Dollar Minute may soon need to find another studio from which to film.

Property stalwarts Michael Buxton and Max Beck - who own the premises leased to Global Television Studios - have lodged an application with Planning Minister Matthew Guy to redevelop the adjoining properties known as 26-66 Dorcas Street and 49-61 Coventry Street.

The application seeks to replace the studio with two 23-level buildings, each rising about 76 metres. The towers will offer a total of 492 flats.

The Global Television Studio building was for years, until 2003, one of several buildings in the area owner-occupied by Channel Seven.

The network's holding has since been **sold** down to various developers.

Iloura Plaza **sold**

Melbourne's Werdiger family has quietly **sold** a low-rise building at the prominent junction where Kings Way connects to St Kilda and Toorak roads.

Iloura Plaza is a six-level retail and office building leased to a variety of small tenants. The older-style building occupies a block twice the size of most other St Kilda Road or Queens Road holdings. It also has frontage to Queens Lane.

One of many **commercial** investments owned by the family's Juilliard Corporation, Iloura Plaza is expected to make way for at least two high-density **residential** buildings after selling to an offshore developer for a speculated \$45 million. It is next door to 5 Queens Road, an office owned by Sydney-based developer Charter Hall which controls a managed fund, the PFA Diversified **Property** Trust, which **sold** an asset at nearby 390 St Kilda Road for \$56 million this week.

Suburban bonanza

Some recent suburban land rezonings are set to make two large developers wealthier this year.

In St Albans, 17 kilometres west of the CBD, Perth-based developer Cedar Woods has successfully rezoned to **residential** use a 6.9-hectare industrial **property** it bought in 2012 for \$12 million.

The move allows Cedar Woods to proceed with a medium density development on the **site** at 10 Mckechnie Street. The builder recently completed the Banbury Village in Footscray West.

Meanwhile, across town, entrepreneur Brett Blundy is one step closer to expanding his massive Cranbourne Homemaker Centre on the South Gippsland Highway.

The Casey City Council has rezoned from **commercial** to **residential** part of a massive block known as 1280 Thompsons Road. The move paves the way for a new Masters Hardware store to be developed in Cranbourne.

Mr Blundy is the country's largest private owner of homemaker centres. His **company**, BB Retail Capital, also owns retail companies including Adairs, Bras n Things and Diva. Mr Blundy, who recently relocated to Singapore, also has a **commercial** interest in beef breeding.

Malaysian **buy**

A Malaysian investor has paid \$14.35 million for a refurbished office at 1 Palmerston Crescent in South Melbourne.

The four-level, 2794-square-metre building, developed in 1986 and renovated last year, includes 43 car bays. The **property** was attractive for its **residential** redevelopment potential - the **site** spreads 1283 square metres and is zoned **commercial** 1, allowing buildings up to 60 metres tall.

The asset was offloaded by joint venture owners - Alpha Partners, owned by former Macquarie executive director Guy Nelson, and JAK Investment **Group**, run by former Macquarie colleagues Adam Jane and Daniel Knights. They paid \$9 million for the vacant office 18 months ago and fully leased it after the refurbishment.

Colliers International's Peter Bremner and Jeremy Gruzewski marketed the **property** with Lemon Baxter's Paul O'Sullivan.

Mr Bremner said the passing yield of 7 per cent is one of the lowest recorded in the metropolitan Melbourne market for several years.

Inner-city development

One of the inner-city's largest development sites is quietly being marketed for **sale**.

At 20-22 Queens Road, about two kilometres south of the CBD, the 4598-square-metre **site** is expected to sell for between \$26 million and \$30 million and make way for two **residential** buildings.

The **site** is for **sale** with a planning scheme, but not a permit, for two 14-level towers. Combined, the towers are capable of accommodating hundreds of apartments.

The **property** is being offloaded by a New Zealand investment fund which paid local investors Henkell Brothers \$24 million for it in 2007.

A low-rise office on the block is leased to insurer AIG.

Lemon Baxter's Chris Curtain and Jay Pavey are managing the off-market **sale** campaign.

Last year saw many development sites **sold** on Queens Road, which connects Kings Way to the Princes Freeway and is opposite Albert **Park** Lake.

Among the sales were 12 Queens Road (which **sold** for \$15.2 million), number 77 (\$13.5 million) and number 14 (\$13 million). At number 10 a 19-level office building was **purchased** by Dodo founder turned **property** developer Larry Kestelman for \$21.3million in May.

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