

SE News
HD **Developer's \$2b mini city plans in the west**
BY Aisha Dow
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Asian buyers are poised to secure a piece of Yarraville's industrial history to build a \$2 billion mini-city.

It is believed a record price will be paid for the prime **site**, abutting the West Gate Freeway in Melbourne's west. Sources say the owners of the old Bradmill denim manufacturer recently struck an exclusive deal to sell 24 hectares to a south-east Asian developer for more than \$120 million.

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It will be the most lucrative inner-city **residential** land **sale** in Melbourne's history if it is seen through.

The new precinct, dubbed Yarraville Gardens, is likely to have about 1500 houses and a neighbourhood centre including two supermarkets, a restaurant, service station and a medical centre. A master plan by Melbourne architects Peddle Thorp includes two "landmark" towers and a series of **apartment** buildings with city and bay views. A website spruiking the development says such a significant landholding on the CBD's doorstep was "unprecedented over the past 50 years" in Melbourne.

CBRE director Mark Wizel marketed the **property** internationally and said he received interest from local and overseas developers, including from Malaysia, Singapore and **China**. "I can confirm that an exclusive position has been reached with a major conglomerate from south-east Asia who have a diversified portfolio of businesses, [of] which large-scale **property** development forms a part," he said.

The De Lutis **Group** paid about \$10 million for the denim manufacturing business in 2002. Since then the **company** has acquired two neighbouring blocks for \$16 million. Manufacturing ceased at the **site** after fabric weaving was sent overseas in 2007.

De **Group** director Colin De Lutis previously had denied plans for the home of the 87-year-old textile mill to be converted into a luxury **estate**. Yesterday Mr De Lutis said he had been committed to running a successful manufacturing business, up until 2007. The land was rezoned to allow **residential** development in 2011.

"[The mill] was losing a million a month. I spent five years trying to turn it around," he said. "In despair in 2007 I reluctantly closed the mill. It cost us \$12 million in entitlements that I paid out fully."

Mr De Lutis' **company** will retain about 2.4 hectares bordered by Francis Street, the Newport goods rail line and McIvor Reserve where he plans to start building the community precinct in July or August this year. As part of that project, the **company** will build a library for the City of Maribyrnong.

Mr De Lutis dubbed the development "the most exciting thing to happen in the west forever".

"Currently there's a heap of trucks that power up and down Francis Street and drive the residents crazy and that will all be gone, so it's positive for a community sense."

Michele O'Neil, national secretary of the Textile Clothing and Footwear Union, said she believed the **company** "always wanted to make their money out of **property** development rather than in innovative textile manufacturing".

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