

FINANCIAL REVIEW

SE **Property**
HD **CBus taps into Epping**
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Cbus **Property** has significantly boosted its **apartment** development pipeline with the acquisition of a major **site** in Sydney's Epping. The price is understood to be about \$85 million.

Epping, in Sydney's north-west is set to undergo a significant urban renewal. The **site** at 12 Langston Place was **sold** by Phillip Wolanski's Denwol **Group**. Mr Wolanski would not comment.

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The deal was brokered by CBRE's Ben Wicks and Nicholas Heaton.

Sources said the **transaction**, understood to have exchanged on Monday, brings Cbus's pipeline up to about 1200 units. The **site** could accommodate 400 to 500 apartments but is not DA approved.

The **site** is in an area of more than 50 hectares in Epping rezoned by the NSW government for housing and retail in March. Cbus also declined to comment.

Denwol has held the **property** for more than a decade. Currently it **site** has a four-storey office building with more than 8787 square metres of space and more than 240 parking spaces.

It provides an immediate net income of more than \$3.6 million from Westpac Banking Corporation, and is leased until 2018.

But its potential for a high-density, mixed-use project means the **site** was highly sought after by developers. The **site** was hotly contested with about nine or 10 bids. B1 **Group**, AV Jennings and Galileo Japan Trust are all rumoured to have made offers for the Epping **site**. Elsewhere in Epping, Goodman **Group** is selling its Cambridge Office **Park**, which has potential for about 500 apartments.

Competition is strong for **apartment** sites in Sydney. **Chinese** real **estate** giant R&F Properties, Brookfield Multiplex, Fridcorp and Aqualand are just some of the names rumoured to be circling Sydney assets.

Denwol **Group**, a boutique developer, has several other development projects in the works. One of the most significant is the MEZZO Apartments in Glebe in Sydney. Denwol joined up with Oakstand and LaSalle Investment Management for the 190 **apartment** and **commercial** development.

Denwol paid more than \$50 million for the Bay Street development **site** measuring 6555 square metres in 2013.

When they break ground in Glebe, it will not be first time the two groups have collaborated. Denwol and Oakstand completed a Manly development with 38 townhouses and apartments called Spring Cove which was released to the market in September. Nearly all the dwellings **sold** within the month.

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