

SE PrimeSpace
HD Coombes **group** raises curtain on cinema development

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EXCLUSIVE THE private Coombes **Property Group** is poised to develop its George Street cinema **site**, joining a slew of high-rise **residential** developments in central Sydney.

The **company** is in talks with City of Sydney planners with a view to launching one of the city's tallest towers, with reports that the proposal could rival the nearby 66-storey Greenland Centre.

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Coombes bought the George Street cinema **site** from the listed Challenger Financial Services **Group** in 2009 for \$85 **million** and the area has since surged as **apartment** developers target the southern end of the central business district. Industry sources speculated that the proposed building could be up to 235m tall, with 600 apartments, putting it in the same ballpark as the Greenland Centre on nearby Bathurst Street.

China's state-owned Greenland tower on the old Sydney Water **Board** building will be 235m high with 470 apartments when complete in 2017.

Greenland has had two releases, selling out the 370 apartments offered to date, and will soon release the top units for **sale**.

More than 5000 apartments are proposed in Sydney's CBD, according to Deep End Services principal Kevin Stanley, although only 500 are under construction. "What we're finding about this cycle is that there is a lot more proposed than are being built, and it remains to be seen if they will be built," he said.

Mr Stanley said the bulk of the proposed apartments were in the middle to upper price range of the market. "That's pretty safe territory, but it's important that developers' price expectations don't rise too high. That was the issue that cropped up in the **Gold Coast**, and there wasn't the market for it." Other high-rise developments in Sydney include the \$400m conversion of the Sir Stamford at Circular Quay into apartments.

A nearby development by AMP Capital and Mirvac **Group**, 71 Macquarie Street, is already taking registrations for apartments.

Even the city's best office towers are being targeted. Dexus and Perron **Group** have fielded interest from developers wanting to convert the landmark 201 Elizabeth Street.

However, interest in GDI **Property Group's** 233 Castlereagh Street from a **Chinese** investment **group** is thought to have cooled. Singapore's GIC Real **Estate** is also cashing in with plans to sell 175 Liverpool Street, considered one of the city's best **residential** conversion plays.

CO fxtru : Challenger Ltd.

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