

HD **Apartments up as sales fall**

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Developers are still rolling out significant new **apartment** projects across the metropolitan area, despite statistics showing multi-unit dwelling sales decreasing steadily as more supply comes to market.

One of the latest **apartment** projects to hit Perth will be a \$70 million luxury project in South Perth, part of a \$100 million mixed-use development by **Chinese** developer JianHe Jian **Group**.

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The **company's** Australian subsidiary, Zone Q Investments, won approval last week to build a 20-storey luxury tower on the corner of Charles Street and Labouchere Road, as well as a \$30 million, seven-storey **commercial** office tower.

Construction is set to begin within months, with the project scheduled to be complete by 2016.

The **apartment** tower was designed by Hassell, while sales will be coordinated by Colliers International and Dempsey Real **Estate**.

Zone Q's project is the second large **apartment** development launched in South Perth in recent weeks, with Finbar **Group** announcing a \$300 million plan at the Civic Triangle **site**, also on Labouchere Road.

Finbar is planning a 30-storey, 295 **apartment residential** tower with **commercial** and retail space on the ground level, including a 2,500 square metre supermarket.

The **apartment** developer bought the Civic Triangle development **site** for \$27.3 million, in a **transaction** brokered by JLL.

In the City of Perth, a development application was received last week for a \$38 million, 21-level mixed-use development comprising 136 apartments at 74 Stirling Street.

The development application has been put forward by Planning Solutions, on behalf of the project's developer, the identity of which it declined to disclose.

Outside of the inner city, Mirvac **Group** recently began the sales process for its Latitude at Leighton project, which will consist of four five-storey buildings, comprising a total of 208 apartments.

The development will also include retail and hospitality outlets to increase the amenity of the beachside suburb.

Mirvac was also appointed in June to construct 230 apartments at Claremont on the **Park**, forming the second stage of the LandCorp-facilitated project at Claremont Oval.

Georgiou **Group** is building the first stage of the project, comprising 70 apartments.

More **apartment** developments are to be launched shortly at Canning Bridge, with a master plan for the area compiled by GHD Woodhead to be released for public comment in coming weeks.

Currently under construction at Canning Bridge is Precinct on Ogilvie - a \$40 million, 34-**apartment** project on Ogilvie Road.

Developer Norup + Wilson is planning to follow up that project with a \$250 million, 20-level **apartment** building, Precinct on Canning.

However, the raft of new **apartment** projects comes at the same time sales are falling.

Real **Estate** Institute of Western Australia statistics showed there were 647 unit sales in Perth in July, down 7.7 per cent on June and 12.2 per cent year on year.

Landgate figures for multi-unit dwelling sales paint a similar picture, with 364 apartments **sold** in East Perth over 2013-14 - a 27.8 per cent fall on 2012-13.

In the City of Perth, the results were similar - 355 sales and a 24.8 per cent drop on the previous year.

Rental listings are also on the rise, REIWA said, increasing 4 per cent in the June quarter and 2.4 per cent on the same time last year, a sign investors in **apartment** projects could struggle to find tenants once developments are complete.

CO lomdm : Finbar Group Ltd

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