

SE Business  
HD **Offshore buyers snap up Melbourne landmarks**

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### **Commercial property**

Singaporean developer World Class Land, a subsidiary of Aspal Corporation, has confirmed it paid \$42.3 million for the Southbank tower Australia 108 **hotel** and **apartment** complex in Melbourne.

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It is the latest **sale** to overseas interests and agents are expecting more deals, boosted by the lower Australian dollar and favourable financing conditions.

On Wednesday, the private **Chinese** investor Fu Wah International made its first significant foray into the local Australian **property** market with the **purchase** of Melbourne's landmark **Park Hyatt hotel**.

It was understood the price paid was about \$135 million, but the agents declined to comment.

The new owners of Australia 108 have an approval to build up to 312 metres, after the project was forced to scale back from 388 metres to avoid the emergency flight path into Essendon airport.

The chief executive of Aspal, Wee Seng Koh, said his **group** was reviewing plans, which originally included apartments, a **hotel** and some retail. He was still interested in a mixed-use aspect of the project.

People who have registered interest in an Australia 108 **apartment** will be contacted with an update on designs for the tower once plans are advanced.

If the **site** includes a **hotel** there will be about 450 apartments, but excluding a **hotel** there will be nearly 700 apartments, and it will be the tallest **residential** tower in Melbourne.

"We are very pleased with our **purchase** of this premium **site**, which adds to the development portfolio in Australia we have already acquired. We plan to continue to develop Australia 108 as Melbourne's tallest and most significant **residential** and **commercial** tower, with a launch planned for 2014," Mr Koh said.

The deal received Foreign Investment Review **Board** approval on January 20, and settlement will take place on March 24.

The **sale** was negotiated by selling agents Mark Wizel and Josh Rutman, of CBRE Melbourne City Sales, who acted for the vendors.

"Several major **site transactions** were negotiated in 2013 on the city fringe which represent the maturity of the Melbourne **apartment** market and the confidence that active, offshore-based developers now have in projects in non-CBD locations," Mr Wizel said.

Offshore interest in Melbourne development prospects remained strong in 2013 with an estimated \$688 million in development sites changing hands, predominantly to Malaysian and Singaporean developers.

This included Aspiat Corp's **purchase** of an office building at 383 King Street, and multiple acquisitions by Singapore's Hiap Hoe.

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