

Goulburn Post

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HD **From hub to housing ...**
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AGENTS have **sold** land once pegged for the Southern Distribution Hub.

Local agent Peter Mylonas and CBRE settled **sale** of the 263- hectare **property** last Thursday, following a lengthy marketing campaign.

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Goulburn investor and developer, Neville Burrows has bought the **site** off Mountain Ash and Windellama Roads for an undisclosed price.

His family **company** hopes to rezone the land and subdivide it into about 100 five-acre rural **residential** lots.

"Its proximity to Goulburn was one thing (that attracted us)," Mr Burrows said.

"We have also **sold** 140 blocks at Run-O-Waters **estate** and we felt there was a need for five-acre blocks. We will ask the government to look at that."

The **property** is currently zoned industrial.

Mr Burrows believed there was already too much industrial land in Goulburn, enough to service the city "for the next 40 years."

This included his parcel in Common St and some 90 acres in Ducks Lane.

"There will always be a need for semi-rural blocks," he said.

"This is a beautiful piece of land close to town and it's not flood prone. There is a need for it as Goulburn is experiencing strong growth."

The **company**'s town planning consultant is working on the land's rezoning. Mr Burrows said work would start soon after this happened.

He declined to disclose the price, only to say that the Hub originally paid \$11 million for the land but he "didn't pay that much."

The rural block proposal dashes chances of realising the Hub plan.

A \$1 billion business **park**, focusing on freight and logistics, was proposed for the land some eight years ago. But while some approvals were secured, the project had not taken off due to what **company** director and Goulburn man Bob Stephens described as low investor interest.

Southern Distribution Hub Pty Ltd was placed in receivership by insolvency **firm** Macquarie Gordon last December, after major creditor, Goldman Sachs Bank called in a large debt. The debt was not revealed but was believed to be millions of dollars.

Goldman Sachs bank had taken over the debt from Suncorp in August 2013 and within a month called it in.

Agents called for expressions of interest over two months, ending on March 5.

Hub project director and investor, Bob Stephens hoped a party would carry on the original vision.

Mr Mylonas said agents received six submissions to **buy** the **site** as one, including from a **Chinese company** wanting to realise the business **park** plan.

"We negotiated with them but they wanted a delayed settlement," he said.

"They wanted to keep it as a hub and work with the local airport.

There were also numerous offers to **buy** individual lots."

But agents and receivers were more attracted to Mr Burrows' offer because it was "straightforward and uncomplicated." In addition, receivers were not interested in dealing with a multitude of individual sales.

Mr Burrows said he did not consider the Hub idea due to the "oversupply" of industrial land.

"I always admire people who come up with ideas and take risks but unfortunately on this occasion it didn't work," he said.

Hub project director and investor Bob Stephens told the Post that he was glad to see that a local developer had bought the **site**.

"It's good to see a local has stepped up and bought the **site**," he said.

"I have a lot of time for Neville, and I'm sure his plans for it will benefit Goulburn into the future."

Mountain Ash Road resident Robert Lawrence opposed the original hub plan's location stating that there were issues with the proposal such as its visual impact and light pollution, but says he is happy about Mr Burrows' plans for the **site**.

"There is definitely no doubt that zoning the land and subdividing it into 100 five acre rural **residential** lots is much more preferable than the hub plans," he said.

"The land actually borders on the old Goulburn city boundary and was bound to be developed eventually."

Angus Gordon from Macquarie Gordon Receivers, the **company** that dealt with the Southern Distribution Hub receivership told the Post that the **sale** price didn't cover all of the debts owed to Goldman Sachs Bank.

"It's fair to say that the hub was an ambitious plan from the outset," he said.

"There will be some residual debt left over, but that leaves some room on the table for the **purchaser** to "land bank" it or do whatever they think is the best thing for them."

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