

# FINANCIAL REVIEW

SE Property

HD Hengyi snaps up Melbourne **site**

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LP **Giant Chinese property** developer Hengyi has emerged as the buyer for a massive development project on the edge of the Melbourne CBD, which has a permit for more than 1000 apartments.

Hengyi, a subsidiary of Shandong HYI **Group**, a powerful player in **China's** Shandong province, has significant exposure through two other **residential** projects in Melbourne's CBD.

TD The **Chinese group** acquired the **site** at 170 Victoria Street from listed Singaporean developer Chip Eng Seng for \$64.8 million last month.

The deal attracted considerable attention in the market. The Singaporean seller doubled its money in just two years after gaining a planning permit under the previous state government.

A hiatus in the approval of planning permits after the change of government and market uncertainty over how readily new Planning Minister Richard Wynne will dispense permits have added a premium to good sites with permits.

Chip Eng Seng acquired the corner **site** - a 2927-square-metre parcel of the former Carlton & United brewery - from Grocon only two years ago for \$32 million. Through its Australian subsidiary, CES Victoria, the Singaporeans won approval for a 72-storey Elenberg Fraser-designed tower comprising 1035 apartments.

The **transaction** is thought to have set a record for the Carlton area, just north of the CBD, with a land rate of just over \$22,000 per square metre.

It was handled by Colliers International's Trent Hobart and Bryson Cameron, who were not available for comment.

Hengyi is embarking on a 607-**apartment** project in Elizabeth Street called the Light House. Nearby, it has redeveloped two neighbouring towers in William Street into **residential** accommodation.

IN ireest : Real Estate | icre : Real Estate/Construction

RE singp : Singapore | austr : Australia | china : China | melb : Melbourne | victor : Victoria (Australia) | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dypcoz : Developing Economies | easiaz : Eastern Asia | seasiaz : Southeast Asia

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