

SE PrimeSpace
 HD **Chinese** investor eyes CBD tower for **residential** play
 BY GREG BROWN, SITES
 WC 351 words
 PD 16 October 2014
 SN The Australian
 SC AUSTLN
 ED Australian
 PG 29
 LA English
 CY © 2014 News Limited. All rights reserved.
 LP

EXCLUSIVE SYDNEY office towers with potential for **residential** conversion continue to catch the eye of **Chinese** investors, with a syndicate led by **Chinese**-born local Howard Cao running the ruler over 338 Pitt Street in the CBD.

The tower, which is being **sold** by AMP's wholesale office fund, will likely fetch about \$105 million.

TD

Mr Cao is a director of Option Investment Australia, which created the syndicate that bought part of the Magenta Shores Golf and Country Club **estate** in NSW in 2011. Under the umbrella name of **China** Investment Options, the **group** also has offices in Shanghai and Beijing. CIO was set up to provide a platform of managed funds to help **Chinese**-based investors to comply with Australia's significant investor visa system.

It also has a stake in the Stirling Bridge **Property** Fund, which looks for development opportunities in major Australian cities.

The parties and the agents on the deal, CBRE and Savills, declined to comment yesterday.

In July, AWOOF fund manager Nick McGrath said the building was well suited for **residential** conversion. "(It) is a good quality, A-grade building that is located in a part of Sydney proving very attractive to **property** developers looking for **residential** conversion opportunities," he said.

AWOOF announced yesterday that it had concluded a \$1.2 billion refinancing, bringing its cost of debt to about 5 per cent. About \$300m was raised though seven-year medium term notes on fixed interest of 4.75 per cent.

"This is a great outcome for investors and the improved cost of capital will significantly enhance the fund's performance in the future," Mr McGrath said yesterday.

Meanwhile, on the same block as 338 Pitt Street, three development groups are circling GDI **Property Group**'s office tower at 233 Castlereagh Street. The 24-level building, valued at \$129m, has been earmarked for **sale** by the landlord for more than a year. It is thought **Chinese group** Visionary Investment **Group** has shown interest, while local and Singaporean parties are also looking at the tower.

NS c182 : Asset Transactions | c18 : Ownership Changes | cactio : Corporate Actions | ccat : Corporate/Industrial News | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter
 RE austr : Australia | china : China | sydney : Sydney | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia | nswals : New South Wales
 PUB News Ltd.
 AN Document AUSTLN0020141015eaag0003x

