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# 8000 new units in pipeline for ACT

## Boom in high-rise dwellings

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On the site of the Rex Hotel, work is under way on 145 units in the Astin complex, while seven major projects along Flemington Road, Gungahlin, are worth about \$300 million in retail terms according to Colliers International.

At Woden Green, the Hindmarsh-Land Development Age joint venture has 170 units under construction and plans for 600 to 700 more worth an additional \$400 million.

At Molonglo, three major apartment projects comprising 350 units worth about \$200 mil-

lion are planned. At Kingston more than \$300 million worth apartments are under way about to begin along the lake a island, as well as retail development.

Land would be released so along Constitution Avenue Campbell which could lead to 5 units coming into the pipeline but there was not a lot of land Tuggeranong, where developers had opted to use available sites for office accommodation.

Property analyst Cameron Kisher said lower affordability eased renewed focus on units they were \$45,000 more affordable than detached homes.

By John Thistleton  
Business Editor

More than 8000 residential flats worth \$2 billion are in Canberra's construction pipeline over the next three years.

Strong demand for Canberra apartment living is in line with a national trend of high-density living becoming more popular as single homes become too expensive.

Colliers International ACT chief executive Paul Powderly said historically Canberra developers had been doing small-scale projects with shorter delivery times.

Land releases for high-rise projects and easing of credit had created a surge in large-scale development in the city, Canberra's north, Belconnen, Woden and Molonglo.

The additional supply would not be delivered until 2013-14, leaving Canberra with a shortage of rental accommodation for at least another year.

Research from PRDNationwide says investors have been drawn by Canberra's low vacancy rate, but many low-income earners have been priced out of the market and are likely to remain in the rental market for the short to medium term.

PRDNationwide figures show Braddon, the city, and Kingston have been the most active for unit sales, while Bruce was another hot spot because it was close to the University of Canberra and the refurbished Westfield Shopping Centre.

Mr Powderly said these suburbs would continue to see more high-rise development.

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FOR SALE

"Out of the current projects delivered over the next two years, 65 to 70 per cent of those products have been sold," he said.

Canberra's annual take up of apartments was 2000 to 2500 a year.

"We've got a wave of supply, it is not that far out of kilter to what the market is demanding. It is just unfortunate that it is not being delivered evenly."

In Belconnen, the Morris Property Group is building a 20-storey tower for 250 units worth \$120 million in retail terms, while the Sarris and Katheklakis families are developing 400 units over three stages near Belconnen's sport and aquatic centre, worth between \$160 million to \$180 million.

Canberra property funds manager PrimeSpace's redevelopment of the Marquee Hotel on Northbourne Avenue will create 230 apartments worth a retail value of \$140 million.

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