

# THE AUSTRALIAN

## Consolidated Properties looks south for next urban project

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Don O'Rorke says Consolidated Properties has a \$2.1 billion pipeline of projects, much of which is residential.  
Picture: Claudia Baxter

**Don O'Rorke's Brisbane-based Consolidated Properties has a major urban renewal project in Sydney or Melbourne in its future sights after earlier this year winning preferred tenderer status for the Queensland government's \$850 million urban renewal of Yeerongpilly Green project in Brisbane.**

"We would like to do a project in Sydney or Melbourne, and would like to do a large government project," Mr O'Rorke told *The Australian*.

The developer, which has bounced back from the lean GFC years, has a \$2.1 billion pipeline of projects, much of which is residential.

About 3100 residential lots — mostly apartments — were in the company's workbook, he said.

The Yeerongpilly Green, backed by Melbourne's wealthy Liberman family, will eventually deliver 1200 apartments with another 1200 units in the Cornerstone Living project — another Queensland government tender — at Sunnybank in Brisbane.

"It's the busiest we have ever been," Mr O'Rorke said.

Consolidated Properties also had an active commercial pipeline, Mr O'Rorke said, with a \$250m office site at 900 Ann Street and two office sites at Yeerongpilly Green along with \$150m of shopping centre projects across four centres in Queensland and northern NSW.

"We have a clear objective to significantly expand the retail component of our business and the sweet spot for us is supermarket-based centres that allow us to capitalise on our strong relations with Coles, Woolworths and IGA," he said.

The step-up in work has been aided by three main backers, CVS Lane, which manages the Liberman family's real estate investments, the Schwartz family backed Qualitas and IMA, a venture between PRD founders Gordon and Archie Douglas and New Zealand businessman John Benton.

"IMA has been a partner for 30 years," Mr O'Rorke said.

Consolidated Properties, which in May flagged an ambition to list on the ASX, has worked with government before completing the Ikon apartment and mixed-use project for Victrack on an 1800sq m site at Melbourne's Glen Waverley.

On the residential market, Mr O'Rorke said the group was seeing solid presales.

"If a project doesn't, then we don't proceed," he said. However, it was a difficult market to analyse.

Demand had previously been defined by supply, but little work had been done in trying to identify the drivers of demand, he said.

"There is Gen X and Gen Y's preference for lifestyle leads them to rent rather than buy, which provides demand for new apartments and also creates investment for the likes of self-managed super funds," Mr O'Rorke said.

He also noted the impact of baby boomers, the increasing demand for student accommodation, the rise of Chinese buyers and changing migration and immigration patterns. The increasing level of demand from local and overseas students was resulting in a chronic undersupply of student accommodation in Brisbane, he noted.

The company has started work on the \$94m Spire residential tower on Ann Street in the city in a partnership with Qualitas.

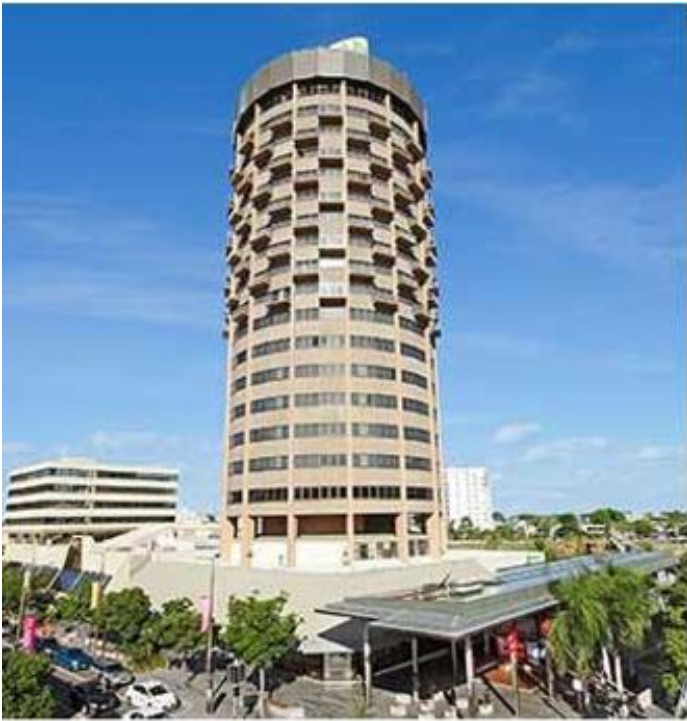
The project, with units averaging \$700,000, is aimed at the investor market.

"The rental market wants the shiny and the new. Gen X and Y want to be in the city centre near restaurants and cafes," Mr O'Rorke said. "You can buy a massive house at Kenmore (suburban Brisbane) for \$1 million, but a small apartment in the city will still cost \$600,000 or \$700,000.

“There is a shift in what people want.”

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