

Strong apartment demand encourages Bouvard to assess Mounts Bay options.

Private developer Cape Bouvard Investments is reassessing the options for developing its prime 54 Mounts Bay Road site following recent strength in the inner-city apartment market.

The Sarich family company has been scouting for an anchor tenant for a possible office development on the site but is now crunching numbers to see if an apartment development would be more viable. Marketing and Sales Manager Greg Byrne said high prices achieved for apartments in Adelaide Terrace had encouraged the developer to rethink its plans for the site during the past few weeks.

"Nothing's set in concrete - we have options," Mr Byrne said.

The weight of development around the river, the new southern suburbs railway and the convention centre were encouraging for inner-city housing, he said.

At Adelaide Terrace development Infinity, by Finbar, the 111 apartments fetched between \$290,000 and \$570,000 while all 150 apartments at Saville Property Group's Saffron project, which were priced between \$285,000 and \$845,000, sold shortly after being put on the market.

Mr Byrne said the collapse of developer Westpoint, which had planned to build more than 1000 apartments on the former Emu Brewery site, had also prompted the change in thinking.

In the early 2000s, Cape Bouvard planned to build the city's tallest apartment block, known as Icon Apartments, on the site but later changing its plan to incorporate a mix of commercial and residential development due to low demand for inner-city housing.

The cashed-up developer, which sold Wesfarmers House to Melbourne fund manager SAITEysMcMahon for \$47.5 million late last year and Emirates House to property group Charter Hall for \$14.5 million in January, is expected to have a busy 2006, with several developments in WA and Queensland expected to come to fruition.

The 15 three-bedroom, two-bathroom, terrace homes in stage one at Cape Bouvard's Lynn Street shopping centre redevelopment in Trigg sold out last week, just days after being put on the market, fetching prices of up to \$620,000. A further nine terrace homes will be released in stage two of the development.

The 300sqm of retail space in the development, which will house current shopping centre tenants, sold for \$1.55 million.

The company is waiting on Planning and Infrastructure Minister Alannah MacTiernan to approve a City of Stirling planning scheme amendment before submitting new plans for its eight-level, \$90 million Brighton on Scarborough development to the city for consideration.

The development will incorporate ground-floor retail or commercial space and 85 apartments, including between 30 and 35 short-stay units.

Cape Bouvard's \$70 million, 13-storey apartment project at the Brighton Hotel in Mandurah, which is expected to include 52 dwellings, retail and office space, is awaiting council approval.

Stage one of a \$400 million, four-star resort and 140 apartment development at Noosa in southern Queensland is expected to go on the market this month.

The developer is also working on a 36 terrace-home joint venture with Landcorp at Noalimba, near Bull Creek, and eco-tourism opportunities at Lake Clifton, south of Mandurah.