

Sale of Bradmill Yarraville site stalls

Simon Johanson

One of Melbourne's largest inner-city land deals, the \$120 million sale of the former Bradmill denim factory in Yarraville, has stalled, with parties bogged down in negotiations.

Fairfax Media reported in March that Asian buyers were preparing to swoop on the 24-hectare site, set to become a \$2 billion mini suburb.

But the lack of progress has led to persistent rumblings in Melbourne's property market that the deal has fallen through, claims rejected by

the site's owner, De Group director Colin De Lutis

He admitted, however, that the group was now talking to two different potential buyers.

"We're still in negotiations. At this stage it's not done but we're still talking. There's a million conditions we are working our way through. We've got another party interested now. It's not over."

The prime site, abutting the West Gate Freeway in Melbourne's west, was expected to change hands for a speculated \$120 million, ranking it

alongside last year's acquisition of the 16-hectare Amcor paper mill in Alphington by developers for a similar price.

CBRE's Mark Wizel confirmed no parties were in exclusive due diligence, saying negotiations were in an advanced stage. "Big sites take longer to sell because of their complexity," he said.

Perth-based Satterley Property Group purchased a much larger, 125-hectare parcel of government-owned land in Point Cook for \$100 million about the same time.

The Bradmill site, dubbed Yarraville Gardens, has planning approval to become a new precinct with 1500 houses and a neighbourhood centre with two supermarkets, shops, gymnasium, childcare centre and library. The land was rezoned to allow residential development in 2011.

De Group will retain a portion of the subdivided site between Francis Street, the Newport goods rail line and McIvor Reserve, which it will develop into a \$45 million Woolworths and Aldi-anchored shopping centre to service the new estate.

ClarkeHopkinsClarke architect Jordan Curran said Yarraville's red-brick textile boiler houses and chimneys would be a theme in the precinct's design, which will include a historic walkway as a tribute to the former factory.

"Graphic and concrete facade panels will represent denim textures and jean zippers," he said. "Industrial elements such as exposed steel posts and panels will reference the angles of historic sawtooth roofs on the site, and will be used within the supermarket facade."