

Nine site will go to R Corp, not Lend Lease

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Sales

PROPERTY giant Lend Lease has missed out on Melbourne's Channel 9 site.

Lend Lease had been one of two shortlisted bidders, but it is understood the Nine Network is set to announce the sale of its Richmond studio complex to the R Corp consortium, which includes Charter Hall and John Crane's private Cranecorp development and investment group.

While the price is undisclosed, it is expected to be in excess of the \$85 million most recently touted for the 3ha inner-city property.

The network would not comment yesterday but is expected to announce buyers for its Melbourne and Sydney studio sites before the New Year.

The sales were approved at a meeting of Nine's board of directors on Monday.

Andrew Rettig's R Corp is one of Melbourne's most active private developers.

The boutique group specialises in sensitive redevelopments, which have included the \$64 million conversion of the former St Kilda Railway Station to an apartment and retail complex and a similar project at East Melbourne's historic Victoria Brewery.

The brewery project had an end value of \$240 million and involved designer Philippe Starck. R Corp is also developing the 5ha Botanica business park at Burnley, not far from the Channel 9 site.

The \$260 million business park is close to the city and some of Melbourne's most affluent suburbs.

Nine's choice of R Corp will please the Yarra City Council, which has taken a proactive approach to the sale of the Bendigo Street television complex.

When the council learnt of the likely sale of the site in August it conducted a preliminary design

assessment which, among other things, recommended breaking up the site into smaller blocks to re-create the original street grid.

This, according to the council, will ensure the expected new housing development will be accessible and well connected to surrounding neighbourhoods, retail strips and public transport.

The council wants existing heritage buildings to be retained and will encourage some affordable housing to be built on the prime site.

The land is currently zoned Industrial 1 and is partly covered by a heritage overlay that relates to the former Wertheim piano factory facing Bendigo Street.