

# Tycoons tapped for \$200m centre sale

Sydney's Birkenhead Point shopping centre will be the first sale for a boutique agency

BRIDGET CARTER

PROPERTY tycoon Bob Ell and billionaire developer Lang Walker are among the potential buyers approached for the \$200 million Birkenhead Point shopping centre in Sydney, two weeks before expressions of interests close for the sales campaign.

Birkenhead Point shopping centre and marina, owned by Singaporean tycoon Denis Jen, is the first property to be sold by the new real estate agency set up by Dan McVay and his son, Sam.

The father-and-son team have recently launched the small boutique firm, McVay Real Estate, after years of working in large, corporate real estate agencies.

Sam McVay said Mr Jen purchased the Birkenhead Point shopping centre in 2004 for \$111m from CDL Hotels New Zealand.

Mr Jen has spent almost \$50m so far on the first stage of a re-development program, which includes expansion of the Coles supermarket and improvements to the food court.

An anchor tenant was still to be found in the upper level of the centre, Mr McVay said.

"He has spent the money on a lot of the hard stuff," he said, referring to work carried out on parts of the centre, such as lifts and roofs.

"Birkenhead still has some value-add."

Mr Jen, who owns the Market City shopping centre complex in Sydney's Chinatown, and the Kenmore Village and Tavern and Q Super Centre in Queensland, is to use the proceeds from the sale to invest in Tokyo-based office assets as a counter-cyclical play.

Industry sources say Mr Walker and Mr Ell, as well as local listed companies, have been approached about buying the centre, although an acquisition of the



ALAN PRIDE

Sam McVay, left, and his father, Dan, will concentrate on commercial properties along the nation's eastern seaboard

centre by an Asian private investor was not an unlikely scenario.

The waterfront centre at Drummoyle, 5km from Sydney's CBD, has office, carparking and marina space, as well as 120 speciality shops and anchor tenants, including a David Jones warehouse, Spotlight and Coles.

There are 1395 carparks and a 187-berth marina, which could be offloaded separately.

Expressions of interests close on April 15

"It is not your typical regional shopping centre," Mr McVay said.

"It doesn't have a Myer or your Big W, but what it has is a waterfront location. The rent is cheap and there is a good yield."

And there was the capacity to add a residential element to the development.

The waterfront precinct also had approval for restaurants and promenade extensions.

Mr McVay, 31, originally from Toowoomba, began in real estate

when he left school, studying part time at Bond University on the Gold Coast. "I realised real estate was for me," he said.

He has worked as a real estate agent for CB Richard Ellis and in London for three years at Deutsche Bank, after which he returned to CB Richard Ellis as an associate director in Brisbane before spending 18 months in the US, where he completed a masters in real estate.

That led to a stint working in

San Francisco, before returning home to join his father with the new business venture.

Mr McVay says both he and his father saw an opportunity for a new real estate agency where there were not other add-on services such as valuation and property management.

Mr McVay said his father had been selling real estate in Queensland for 25 years and more recently had worked for himself.

"He is still in Brisbane and I

have moved to Sydney," he said. "He has been a managing director at CB Richard Ellis."

Dan McVay did about \$400m worth of sales last year.

"There weren't too many sales last year," he says.

He is in the process of setting up a new office, but since the start of the year has "literally been working out of the boot of his car."

The work would involve sales across all sectors of commercial property on the eastern seaboard.