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Fillip for Hervey Bay tourism

Lisa Allen

Queensland entrepreneur Kevin Seymour has beaten rival real estate group Meridien to develop much of the Hervey Bay waterfront in an \$800 million deal signed yesterday with the state government.

Deputy Premier Paul Lucas announced that the Seymour Group and listed construction company Watpac, which Mr Seymour chairs, would create a "world-class facility" and boost the area's tourism industry and economy.

All up, the project will take five years to complete and will be funded internally by the Seymour Group and Watpac, one of Queensland's largest builders, with a market capitalisation of up to \$300 million. Mr Seymour owns about 21.4 per cent of the building group.

Queensland's Minister for Sustainability and member for Hervey Bay, Andrew McNamara, said the expansion of the boat harbour and the associated commercial and residential development represented an investment of more than \$800 million by the Watpac and Seymour joint venture.

Mr Seymour said the development would bring a major transformation of the boat harbour and provide world-class facilities for local residents and visitors.

Over the next five years the development will add 235 more marina berths, a new dry storage



Kevin Seymour has strong faith in the potential of Hervey Bay.

Photo: PETER BRAIG

facility for 200 boats, a new tourist terminal, a 50 per cent increase in trailer parking capacity, additional car-parking spaces, extra boat ramps and new facilities for government agencies and the Volunteer Marine Rescue.

Under the deal, the Seymour Group and Watpac will buy about \$40 million of land from the state government that Mr Seymour stressed would be acquired at "market prices".

Watpac and Seymour Group already control two marinas and \$60 million of land adjoining the Hervey Bay harbour area, north of Brisbane.

Mr Seymour said he had strong faith in Hervey Bay because of its historically high population growth, new direct flights from Sydney and protected waterways.

"Unlike north Queensland, there are no stingers," he said. "[And] the

KEY POINTS

- The waterfront project will take five years to complete.
- It will be funded internally by the Seymour Group and Watpac, one of Queensland's largest builders.
- The expansion of the boat harbour and other development represents an investment of more than \$800m.

fishing is pretty good."

Mr Seymour said he would fund the project, to be known as the Urangan Boat Harbour redevelopment, in progressive stages from the Watpac and Seymour Group balance sheets. He expects it will take 12 to 18 months to secure the regulatory approvals and five years to build.

Meridien managing director Russell McCart said he did not know what the Seymour Group had offered in its redevelopment plan for the site but he hoped it was a "great scheme". "We look forward to the government disclosing it as soon as the agreement is struck with Seymours so we can have a look at it," he said.

The Brisbane-based Meridien develops property, marinas, student accommodation and retirement villages.

Watpac went into a trading halt before yesterday's announcement. Its shares closed up 10¢ to \$2.38 after the halt was lifted.

Developer sues CEC over venture

Lisa Allen

Queensland developer Consolidated Properties is suing Cairns engineering group CEC over a collapsed joint venture proposal to develop more than 8000 housing lots in north Queensland.

Consolidated Properties lodged a statement of claim in the Federal Court yesterday claiming it was pursuing losses from a "representation that was misleading or deceptive, or likely to mislead or deceive in contravention of section 52 of the Trade Practices Act".

Consolidated had struck a 50-50 joint venture with CEC Group to develop the land in Cairns, Townsville and Mackay. Under the deal, Consolidated Properties was to acquire all of CEC's residential land with the purchase price to be determined after obtaining independent valuations. The price range was set between \$80 million and \$120 million. But in a surprise move, CEC Group subsequently said it had ceased negotiations with Consolidated.

Consolidated Properties managing director Don O'Rorke claimed in a statement to the exchange last night that he "firmly believed, and still believes, that the heads of agreement between the two companies was in the best interest of shareholders of both groups".