

# Parker ready for day in the sun

SCOTT MURDOCH  
TRADING ROOM



Morgan Parker is confident that his company's development on the Sunshine Coast will help the area find a central business district and the region overcome its problem of not having a big city focus.

Parker, 41, is on the board of SunCentral, the group in charge of rebuilding the Maroochydore inner-city area as part of a plan that will eventually help create 40,000 jobs.

The project will start later this year, with Parker in Brisbane last week saying he has plans to return to the region after finishing another of his current jobs developing Dubai's Mall of the World project, valued at \$US29 billion. It's considered one of the largest developments under construction in the world at present.

The project is a new CBD for Dubai, contained beneath domed structures with its own metro system and covering 75 city blocks.

It will include retail, residential, office, hospitality, and entertainment developments in almost 300 buildings and have a daytime population of around 300,000 people.

Parker was appointed chief operating officer two years ago in Dubai and took the reins of the project last year after spending the past 20 years working across Asia as a real estate developer, investor and banker for Morgan Stanley, Macquarie Bank, Lend Lease, US-REIT Taubman Centers and the Rockefeller family. But during this time in Asia it was not all just work. Parker built the Wheel to Wheel charity and rode from Hong Kong to Australia.

The career trajectory has been



GLENN HUNT

Morgan Parker believes Maroochydore can shrug off its malaise and emerge as the CBD of the Sunshine Coast

sharp with his first job at an ANZ Bank on the Sunshine Coast close to the current Maroochydore development. Almost a case of *deja vu*. But now, while based in Dubai, his sights are set on both the Middle East and Australia. The Sunshine Coast, he says, is well positioned for commercial and residential development given its proximity to Brisbane.

"The area has always been looking for an urban centre, it's been such a disparate spread over 100km, so its an area that is still struggling to find its core," he says.

"The Gold Coast struggled with the same issues as well when it was first being built up. Southport was considered the business centre, but other areas began popping up too."

Parker believes Maroochydore's new centre will deliver economic growth in the region. The SunCentral board was put together last year by the Sunshine Coast Regional Council.

"One of the Sunshine Coast's main appeals is its distance from Brisbane is just that little bit further than the Gold Coast. But there has been a lot of underin-

vestment in infrastructure, a lot of businesses have been leaving and now it's a town based on small business and single operators."

In a wide-ranging interview, Mr Parker said Australian investors, should do more to embrace infrastructure development of major public-private projects. Local investors, he says, should become more ambitious and follow the

trend of some of their international rivals who regularly back major projects.

"The Australian funding and financial markets are very sophisticated, so a lot of companies when they are considering projects work it out to the last decimal point.

"In a lot of countries, you see investments are made in some cases more on instinct."

## Boom year as investor spend jumps 35pc

**OFFICES:** Investors splashed nearly \$18 billion on Australian office property in the year to June, a jump of almost 35 per cent on the five-year average, with foreign investors the main drivers, says Savills Australia.

Foreign groups took a 48 per cent share of overall investments and an extraordinary 68 per cent in central business districts, according to the firm's latest research.

The \$17.9bn total, comprising \$9.8bn worth of CBD office deals and \$8.1bn worth of non-CBD assets, was \$4.6bn above the five-year average.

The main focus was Sydney, which had the most transactions by value at \$4.6bn, while Melbourne was also strong with 28 sales.

Savills national head of research Tony Crabb said that with the exception of 2012, it was the seventh consecutive year that Australian office sales had seen year-on-year rises.

"This has been an extraordinary run which is unprecedented locally and there is no reason to believe we won't see the upward trend continue given the current global economic and political status quo," Mr Crabb said.

Mr Crabb said the familiar pattern of offshore investment further stamped its footprint last year with \$8.6bn of the total purchases and an unprecedented \$6.6bn of CBD purchases across 44 transactions.

Savills director, cross border and capital transactions, Ben Azar, said Australia would continue to attract a huge amount of foreign investment.

"In an extremely low interest rate environment with global capital starved for yield, Australia is seen as a transparent, secure market with some of the highest yields in the world," he said, adding that Sydney and Melbourne were regarded as global gateway cities offering very good lease terms and strong covenants.

"As long as Australia's economic and political environment remains stable, any turbulence in the US, UK and Europe will mean more offshore capital will be attracted to Australia because of its safe haven status, transparent market practices and growth potential," Mr Azar said. "As long as interest rates and bonds yields are low or dropping, the scope for further yield compression is real."

BEN WILMOT

## Trust grabs medical properties

**HEALTH:** The billion-dollar Australian Unity Healthcare Property Trust has snapped up two medical properties in Robina, Queensland for \$30 million, bringing its total investment in the area's health hub to \$64m.

The Campus Alpha building at 2 Investigator Drive, Robina, was purchased for \$26.225m from developer Robina Group. The fully occupied building has a lettable area of 4404sq m and an initial net property income of \$2.02m per annum, which represents a yield of 7.7 per cent.

The building was developed as a medical and government services office building and is over three levels. It has 142

purchased for \$3.77m.

The new acquisitions follow the purchase of neighbouring land at Lot 1, Campus Crescent, Robina, in April, for \$3.92m from Robina Group, and is in addition to HPT's ownership of the Robina Private Hospital, which is undergoing a \$30m development scheduled for completion in September.

Chris Smith, head of healthcare property, said the latest acquisitions brought together plans for developing a significant healthcare precinct at Robina.

"The healthcare precinct at Robina, currently anchored by the Robina Hospital and Queensland Health's Robina