

# Hines snaps up Melbourne site for first local build-to-rent project

**Larry Schlesinger** Reporter

Aug 24, 2021 – 2.43pm

Global investment manager Hines has set its sights on becoming a major player in Australia's burgeoning build-to-rent sector after acquiring its first site in Brunswick in Melbourne's inner north.

Hines paid \$16.5 million for the 4247-square-metre site at 10 Ballarat Street, where it plans to develop a 250-unit BTR apartment complex with an end value of \$250 million.



Brunswick has become a sought-after destination for rental apartment projects. *Darrian Traynor*

Sam Bisla, who joined Hines in June from Grocon to head up its new BTR and co-living business in Australia, said the investment manager had a large BTR platform in Europe and the US, but Asia was a “big, blank area”.

“We have the IP, global experience and track record to fill those gaps,” Mr Bisla told *The Australian Financial Review*.

He said the acquisition in Brunswick was not a one-off but the start of what would be a big business in Australia for Hines, which manages \$113 billion of assets globally.

“We see an investment window in Australia and are strategically building our pipeline and are expecting to scale up the Hines Australian BTR portfolio in the short term.” said Mr Bisla, whose new title is Hines head of living, Australia.

While the likes of ASX-listed Mirvac has initially targeted a 4.5 per cent return on its own BTR projects, Mr Bisla said he could not be too specific on the yield it anticipated on its first Australian project. He said the asset class would deliver “defensive, stable cash flow” for investors.

## **Good for transport and other amenities**

Brunswick, which is only six kilometres from the centre of Melbourne, is also where Mirvac and Milieu Property are developing a [large BTR project at 395 to 403 Albert Street with more than 500 rental apartments.](#)

As a location, Brunswick offered highly attractive demographics in terms of public transport, amenity and rental demand, Mr Bisla said.

“We hope to get cracking on the project within six to nine months. It has a DA in place, which only requires minor amendments,” he said.

The site is now home to a warehouse leased to Bell Plaster Supplies. It sold with a permit for an eight-level building of 163 apartments.