

## Site dirt cheap by Stockland standards

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Airservices Australia was paid \$15 million for its 181-hectare site at Cranebrook - \$82,873 a hectare for land that is not yet zoned to allow residential development.

But according to property records, the developer Stockland has been busy spending much more than that in the same area for similarly zoned land. It recently bought two parcels of land on nearby Cranebrook Road, neither of which is zoned residential. It paid \$842,477 for 6.8 hectares in February and \$540,000 for 2.7 hectares last year, or an average of \$145,524 a hectare. If that amount was applied to the Airservices Australia site, it would be worth \$26.3 million, \$11.3 million more than Infracorp paid for the previously publicly owned land.

Stockland has also bought 34.7 hectares of nearby undeveloped land in a series of purchases in the same road over the past year, all zoned residential, for a total of \$75.6 million - at \$2.18 million a hectare. Using that figure as a benchmark, if the Airservices site was rezoned to residential, it could be worth \$395 million, more than 26 times what was paid by Infracorp.

If the land was subsequently developed, it would be worth exponentially more.

Last year, a house on a 425-square-metre lot near the site sold for \$282,000. If the 181-hectare site was subdivided into about 4000 similar-sized lots and houses built on those lots, the total value of the site after development could be more than \$1.1 billion, or more than 73 times the amount the taxpayer received.

**Tim Dick**