

Tooled-up Brookfield Multiplex hungry for work

Turi Condon, Property editor | *June 25, 2009*

Article from: [The Australian](#)

DEVELOPER and builder Brookfield Multiplex is seeking more construction work despite expecting the federal government's fiscal stimulus package to boost its workbook by an estimated 20 per cent next year.

"We have an appetite for more than we are doing, our order book is not full by any means," chief executive Ross McDiven said.

A Multiplex veteran who has spent his career at the company, Mr McDiven said the builder had a \$3.5billion workbook with an annual turnover of \$1.5bn.

"Government and infrastructure work are a priority," he said.

Government contracts and public-private partnerships (PPPs) account for 30 per cent of the builder's work book, but Mr McDiven expects this to increase to about 50 per cent in the next 12 months.

Multiplex, which was bought by Canadian giant Brookfield Asset Management at the height of the market in 2007 for \$4.3bn, last month restarted work on the failed Raptis Group's stalled \$700million Hilton Surfers Paradise Hotel and Residences project on the Gold Coast.

ANZ Bank, reported to be owed \$200m by Raptis, will fund the project to completion and Brookfield Multiplex is the developer and contractor.

Mr McDiven said work from banks following company collapses were an opportunity for the company.

The builder is also marketing the apartments in the two-tower project and is targeting offshore buyers.

Brookfield Multiplex expects to sell half of the 410 apartments overseas and is marketing the property heavily in Asia.

Eight apartments, listed at more than \$720,000 each, were sold in Singapore last weekend.

Overseas buyers are mostly from Singapore, Indonesia, China and Hong Kong, with a smaller percentage from Russia, Europe and the Middle East.

Half of the first 186-apartment tower, which is fully sold, went to offshore buyers.

About half the 224-unit second tower has been pre-sold, with completion of the buildings set for late 2011.

The Gold Coast apartment market has been among the hardest hit during the downturn, with sales slowing to a trickle of 79 in the three months to May, down from 248 in the same period last year, according to the Midwood Queensland Investment Report, which assesses the region's residential market.

However, report author Bill Morris has flagged the bottom of the market, with the May tally still well above the two previous quarters.