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<b>MARKET</b>	S&P/ASX 200		
S&P/ASX 200 <b>+0.76%</b> 5176.1000	AUD/USD <b>+0.53%</b> \$0.71	TOP GAINER BKN <b>+10.76%</b> \$1.24	TOP LOSER GXL <b>-13.51%</b> \$6.08

## Apollo in syndicate behind Tim Gurner's Fortitude Valley development

ROSANNE BARRETT THE AUSTRALIAN APRIL 11, 2015 12:00AM



Luxury apartment developer Tim Gurner. Source: News Corp Australia

### **Hedge fund giant Apollo Global Management is among an international syndicate backing Young Rich-lister Tim Gurner's ambitious Brisbane development.**

The US-based company has provided \$20 million to finance Mr Gurner's triple-tower development in Fortitude Valley.

Apollo holds interests in businesses as diverse as Nine Entertainment and Leighton's new services and construction joint venture within its international assets under management of \$160 billion.

Mr Gurner established a joint-venture arrangement with Singapore-listed Thakral last year for the \$600m project.

Its \$220m finance facility is being underwritten by ANZ Bank for \$180m and Australian property

debt provider MaxCap, which facilitated the finance, for the remaining \$20m.

MaxCap managing director Wayne Lasky said the international investment in the development, dubbed FV, reflected Apollo's confidence in the "Australian marquee" project.

"It's not every day there is a \$220m global syndicate come to fruition, especially in Brisbane," Mr Lasky said.

"Apollo and other global investment houses are increasingly interested in Australian real estate. This is a trend in recent times, and I believe we're only seeing the tip of the iceberg." Mr Lasky said FV was an iconic building with "another level" of amenity, and Brisbane's population growth as well as macroeconomic factors were underpinning the attraction of the investment.

An official sod turning to start construction was launched on Thursday, after all 651 apartments sold out in the first two buildings, Flatiron and Valley House. The \$150m building contract, won by Brookfield Multiplex, is tipped to create 2500 jobs.

Thakral's managing director for investments and corporate, Jaginder Singh Pasricha, said the company had been working with Apollo on a number of projects for four years.

"We actually invest capital from our balance sheet, we are an upfront risk taker," he said. "We take the risk, and people like Apollo like that.

"Our biggest problem is we have not been able to give them big enough projects."

Mr Pasricha said Thakral was attracted to the Gurner development for its ambition and scale.

"When Tim (Gurner) was looking at this project in the Valley, I looked at it, and said: 'We cannot build an ordinary development, it has to be iconic. It has to be, or we are not going to be with you'.

"We committed all of the equity required for this project."

Gurner founder and director Mr Gurner said the international backing reflected confidence in the project and the brand.