

# Fanatics founder sells pub for \$40m

Sarah Petty

Warren Livingstone, publican and founder of sports tourism company Fanatics, has sold one of his venues in Sydney's north-west for about \$40 million, more than three times what he paid for it only three years ago.

Through his company Highclere Hospitality, Livingstone offloaded the Australian Hotel in McGraths Hill, for which he paid \$12 million in 2022.

Straddling two titles and spanning nearly 6000 square metres, the extensively renovated venue has several car parks, a drive-through liquor store, outdoor areas, and 30 gaming machine entitlements. Weekly revenue exceeds \$175,000 from its food, beverage, gaming and bottle shop departments.

The McGraths Hill sale is the latest in a run of pub sales across Sydney, including the sale of embattled pub baron Jon Adgemis' Kurrajong Hotel for about \$20 million, the De Angelis family's Bath Arms Hotel in Burwood for \$43 million and hotelier Mark Barry's Firehouse Hotel in North Sydney to Sonnet Hospitality. HTL Property and JLL brokered the latest deal.



The Australian Hotel at McGraths Hill in Sydney's north-west is the latest in a run of pub transactions across the city.

HTL's Dan Dragicevich said the Australian Hotel had been transformed into a high-performing suburban hospitality asset.

"Its sale underlines the continued appetite for quality large-format pubs in Sydney's growth corridors," he said. "There has been a noticeable increase

in buyer engagement and transactional activity, resulting in clear yield compression in recent months and we expect a busy period to finish the year."

JLL's Kate MacDonald said: "Warren has done an outstanding job repositioning the venue during his tenure and the value accretion he has now crystallised

is testament to his foresight and operational expertise."

Livingstone is also the founder of Fanatics Australia, which he formed in 1997 to foster sports fans' passion for local and international sport. Through the Fanatics website, sports lovers buy tour packages to see events for the EPL, the NRL and cricket, among other sports.

Outside the sports tourism company, Livingstone has a portfolio of five venues across NSW through Highclere Hospitality: the Alpine Inn in the Snowy Mountains town of Khancoban, Charing Cross Hotel in Waverley, Hyde Park House and Slims Rooftop in Darlinghurst, and Rose & Crown in Parramatta.

He sold the Captain Cook Hotel in the southern Sydney suburb of Botany for about \$35 million in June last year – more than double the \$17 million he paid for it in 2020, although that pub had also been extensively renovated through his tenure.

In 2022, Livingstone snapped up the Rose & Crown for \$42 million from Damian Kelly's Peak Invest pub fund before it was liquidated following a dispute between Kelly and its major shareholders.

# Rare Toorak mega-site has \$88m price guide

Luxury

Bonnie Campbell

Over half a hectare of prime Toorak turf has hit the prestige market with a price guide of \$80 million to \$88 million, offering a rare and oversized opening in Melbourne's most expensive suburb.

The Lansell Road site is owned by Andy Zhang, managing director of property developer V-Leader, and his wife Miaomiao, who bought the side-by-side properties in two purchases totalling \$39 million, with the plan to bowl them over and create a contemporary mega-compound.

However, it's understood Zhang has since bought elsewhere, and is now divesting the 6336 square-metre site.

In 2015, Zhang acquired the first, larger property – which sits on a 4367-square-metre block – for \$17 million in 2015. That home, sold by Miri and Moshe Meydan, who run high-networth family investment outfit, Meydan Group. That contemporary white mansion features a tennis court, domed ceilings and indoor pool, and has Miaomiao on title.

# Co-ops do their part for housing affordability

Pitching in The model gives members a say in facility management.

Sarah Petty

Could housing co-operatives, which in some European countries account for a sizeable proportion of the residential market, help solve the accommodation crisis here?

Less than 1 per cent of Australia's residential market is dedicated to this housing type. By contrast, in parts of Sweden, Norway and Denmark, co-operatives account for nearly a quarter of all housing, according to analysis by the Australia Institute.

That level of market penetration in Europe is giving hope to veterans of the niche sector that the co-op model has much to offer as home ownership becomes unreachable for many Australians.

"Until now, we haven't had to consider an Australia where home ownership isn't attainable by the majority of our population," Liz Thomas, chair of the Australian Co-operative Housing Alliance, said.

There is a growing number of tenants who weren't eligible for public and community housing, but couldn't afford to buy a home, Thomas said. With rents still high, there wasn't much disposable income left for renters to save.

"That's where housing co-ops [step in]. We've got more and more interest in what they are and what they're doing," she said. "We're delivering these co-ops in really trendy suburbs."

The co-op model varies across states. In Victoria, members pay a portion of their income as rent, part of which goes towards the upkeep and management of the co-op property, while the remainder goes to the co-op provider as common equity.

Around the country, there are broad-based co-ops as well as those designed to accommodate specific communities. There are co-ops for artists, for elderly Vietnamese people and for the LGBTQ+ community, among others.

The European approach differs. In Switzerland, for example, incoming residents buy shares to gain admission



Home, sweet home: Kylie Lawson at her housing co-op in inner-city Melbourne. PHOTO: EAMON GALLAGHER

to their co-op building. The co-op uses the money to maintain the building, keep rents below market rate and in some cases provide communal amenities such as childcare. When a resident moves out, their shares are returned at face value and there is no capital gain.

Investment is pouring into co-ops globally. Canada last year launched a \$1.6 billion program, while the UK government this year announced \$40 million in funding for community-led housing projects.

Australia's largest co-op housing provider, Common Equity Housing, has more than 2000 properties across 90 communities, where members participate in meetings to support the management and operation of their co-op.

Among them is Kylie Lawson and her two sons, who live in a Common Equity-run property in Melbourne's inner north. The experience has been life-changing, she said, after years of sitting on a waiting list for social housing and bouncing between private rentals, she is now in a four-bedroom townhouse just five kilometres from the CBD.

The property is one of a group that

forms a single co-op with 16 other members.

A member's rent is determined mainly by their household's gross income. On a sliding scale, they can pay rent at a level based on the market value of their home or no more than 25 per cent of their salary.

That has allowed Lawson to support her family and pursue her passions: she works part-time as a screen printer and is studying to become a counsellor, an ambition that wasn't feasible before she joined a co-op.

It's a drastic change from when the 53-year-old was privately renting. When her relationship with the father of her children broke down, cost-of-living pressures meant they had to continue living together. On top of this, their youngest son was diagnosed with leukaemia. He's subsequently gone into full remission.

Even after Lawson and her children were able to move out, they had to move nearly every two years as rents rose. She ended up registering for social housing.

Her work as a house painter brought her into contact with a co-op property

in need of painting. After meeting some of its members, she was eventually accepted into the community once space became available.

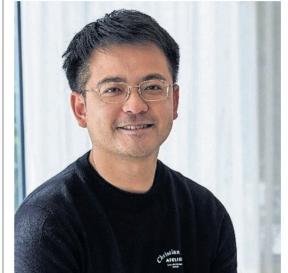
It came just in time. Lawson had just been evicted from a rental nine months into her two-year lease as her landlord had to sell the property.

"I can't really explain it to you that sense of foreboding, of not really knowing where I was going to be able to afford to live," she said. "It's just completely changed my life for the better, really, and my kids."

Thomas is also the managing director at Common Equity Housing, which opened its first purpose-built co-op in Victoria in more than 14 years in inner-city Brunswick. It's called Mosaic and has 16 apartments.

"We have more people interested in living in co-op housing than we have properties available, so we had very strong interest," she said.

"People applied and were interviewed for their suitability for living in a co-op. Co-ops are about people living in a working relationship ... so it's important people have an understanding of that."



The Toorak mega site is being sold by property developer Andy Zhang.

Then, in 2021, the Zhangs acquired the house next door for \$22 million, purchased from Phillip Scanlan, former Australian consul general to New York. That older-style property sits on 1969 square metres.

The Lansell Road site is being sold via Kay & Burton's Ross Savas, Nick Kenyon and Jamie Mi. Savas said the block offered a rare chance to acquire a significant block of land in Toorak without heritage restrictions.

"As one of the largest and most prestigious landholdings to come to market in Toorak in recent memory, 38 & 38A Lansell Road represents a truly generational opportunity," said Savas, Kay & Burton managing director.

"We expect strong demand, particularly from those with the vision and capability to deliver something extraordinary in Melbourne's premier residential address."

While the block is roughly half the size of Toorak's largest estates – including the Myer retail dynasty's Cranlana at 1.12 hectares and Paul Little's sold but yet-to-settle Coonac estate which spans 1.08 hectares – the site does not have heritage restrictions, allowing for construction of a brand-new residence.

To see what might be possible on the site, a deep-pocketed buyer could cast their eyes to nearby St Georges Road where crypto entrepreneur Ed Craven is constructing a \$150 million-plus compound on the site of a demolished mansion.

Craven paid just over \$80 million for the 7187-square metre site complete with vacant "ghost mansion" on Toorak's St Georges Road in 2022.