

Preston has taste for high life

Nicole Lindsay

WORK has started on the \$120 million second stage redevelopment of the PANCH Hospital site in Bell St, Preston.

David Deague's Asian Pacific Building Corporation bought the site in 1999 with the intention of redeveloping it as a student accommodation project.

The 2.5ha site is less than 10km from the city. The hospital closed in 1996.

APBC renamed the site Bell City and transformed the hospital's former nurses' home into student accommodation and a Rydges Hotel as stage one of the project. That section was completed in 2002.

"We always said we would wait until we got it right before we started on the next phase," said APBC director Will Deague.

Stage two will involve transforming the former hospital into 308 serviced apartments, a 1089sqm business centre, a 175-seat conference centre, a medical centre and a restaurant.

There will be 250 car spaces, many of which will be underground and a further 75 student accommodation units.

As with stage one, two new floors will be built on top of the existing building to form eight-storeys.



Learning curve: an artist's impression of the Bell City student accommodation.

"We are extremely pleased with the success of phase one. The hotel and student accommodation have both been running at around 90 per cent occupancy," Mr Deague said.

"These figures demonstrate that there is a market for this type of development in Preston," he said.

The Le Student 8 student accom-

modation project offers 353 units which are pitched at students attending RMIT and La Trobe University in nearby Bundoora.

Initially, APBC had expected the parents of foreign students to use the hotel.

But Mr Deague said it was more popular with local businesses, such

as Amcor in Fairfield, Grocon in Preston and the nearby hospitals and universities.

Mr Deague said there had been some doubt about the viability of student accommodation and a hotel when the project was proposed but the market had shifted since then. "And bars and cafes on High St are getting closer and closer," he said.