

# Dotting Is and crossing Ts, Mirvac forgets its Ps and Kews

The first rule about running a principality is that you have to be flexible. The size of your empire will wax but it will also wane. And sometimes it will be better for it.

Like the deal that Mirvac announced in November 2006 to buy a \$1.124 billion property portfolio from **Lang Walker's** Walker Corporation. Sometimes less is more.

That's what Mirvac's half-year accounts seem to be telling us. The Prince's failing eyesight might have missed something, but it looks like Mirvac has a little less property in Victoria than it did at June 30.

The difference seems to be the

\$312 million that was ascribed to the Kew Cottages project in Victoria. There's been a little awkwardness about that.

When the Victorian government put the land out to tender, Mirvac ended up the under-bidder, with Walker coming out as the government's preferred choice. Turning around to sell the development a month after the contract was signed caused a little unhappiness among restive sorts in Melbourne, who rather pedantically point out that parts of the Kew development contract required government approval for any change.

An upper house inquiry by the opposition has largely focused on the Kew deal, particularly the role played by Walker Corp's lobbyist, **Graham Richardson**. The Select Committee on Public Land Development, chaired by **David Davis**, has put out some feelers to Our Richo about having the pleasure of his company at the inquiry. Sadly, his appointment book appears to be full for the next 135 years. At least that seems to be the conclusion the committee is drawing.

In the meantime, the Kew investment does not seem to grace Mirvac's latest half-year report. It could well be that Mirvac has put the

property back to Walker. The sale was always conditional and no funds had been advanced, Walker chief executive **John Hughes** told the committee last October. If so, perhaps even further down the line Mirvac might be thinking of a call option to buy it back.

There was a little uncertainty about Richardson's role. Hughes said Walker Corp had "offered the services of Richardson [to Mirvac], if they thought that made sense". Richo ended up working for both companies but thankfully it was on different matters so there was no crossover. That's flexibility again.

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