

Main Drive Kew Residents Protesting against Walker Corporation and the Victorian State Government

**Main Drive
Buyers
Beware**



- **What you see may not be what you get.**
你看见的也许将不是你能得到的
- **What you pay for may not be what you get.**
你支付的也许也将不是你能得到的
- **Defects/Contractual issues outstanding after 2 years.**
我们房屋施工的质量和合同中的问题已经持续了两年没有得到全部解决
- **Developer stonewalls and uncooperative.**
发展商对目前问题的解决采取拖延和不合作的态度
- **Questionable developer's tactics - Confidential Deeds required to continue resolution of matters.**
发展商令人生疑的手段；每个业主必须无条件地与其签署单独

Claim, counter claim in scheme for Kew Cottages

(reproduced from The Age Newspaper) ROYCE MILLAR July 29, 2008

THE controversial redevelopment of Kew Cottages is mired in a bitter legal stoush between two property moguls that may expose the Government to claims it ripped off upmarket home buyers. Supreme Court documents indicate billionaire developer Lang Walker last year ordered changes to the design of homes already bought off-the-plan in a bid to cut costs and increase returns from redevelopment of the cottages site. In the documents, Walker Corporation claims it stood to lose millions in stage one of the eight-year project because of overly elaborate design and construction by his erstwhile business associate and frontman Kevin Hunt. The court case was initiated by Mr Hunt, a former Victorian boss of developer Mirvac, who has been fighting Mr Walker's scuttling of their partnership last year, just months into a seven-year consultancy, and who has claimed the Sydney-based Walker Corporation owed him millions. Walker Corporation has responded by accusing Mr Hunt of mismanaging the project. In one document, Walker claims to have lost \$7 million on the first stage of the project, which included construction of 55 private dwellings and 20 units for intellectually disabled residents. A later statement modifies this to say profits from stage one would be "substantially less" than allegedly forecast by Mr Hunt. In the documents, Walker complained the private homes, sold for up to \$1.8 million in 2007, were individually designed, preventing builders from "obtaining cost and time efficiencies". The designs also included "substantial quantities of architectural steel, which was both unnecessary and costly". And, says Walker, rather than engaging a head sub-contractor to do work across all homes, Mr Hunt hired day labour to work on individual houses. The documents revealed that in October "refinements" were made to the design of the homes, "with the object of reducing the cost of construction" and allowing them to be built by the scheduled deadline. What the refinements were has not been made clear. But the documents reveal that, at the time, Mr Hunt allegedly warned that the changes could lead to disputes with purchasers, which "would embarrass the Government as the vendor of the land". The claims about the design changes are contained in an amended statement of claims by Walker Corporation. These do not appear in a later amended statement of claims. Last night it was not clear if any of the purchasers at Kew had been notified of design changes but one buyer said they had not. Neither Walker Corporation nor Mr Hunt would comment about the matter, which was due in court this week. The Government last night issued a written statement in which it appeared to acknowledge changes to the houses but played down their scope. "The KRS (Kew Residential Services) project is a joint venture between the state and Walker Corporation. As with any housing development minor design changes are made throughout the life of the project. The state is satisfied that any changes comply with building plans and specifications," the statement said. In the documents, Walker accuses Mr Hunt of tipping off the Government about the redesign of the dwellings in October and allegedly warned that such changes would "embarrass the state". This, says Walker's statement, was "detrimental" to the Walkers' business interests and in breach of Mr Hunt's contract with Walker. Under the agreement with Walker - the detail of which is confidential - the Government is guaranteed payment for the Kew land, and shares in profits once a specified level of return is reached. The other stages of the project, which will produce about 400 more homes, do not include additional disabled housing and, positioned in better locations with views, look likely to generate healthy returns for Walker and the Government. Mr Walker is one of Australia's richest business figures and, with a personal wealth of \$2.04 billion, has been ranked seven on the *Business Review Weekly's* rich list. Together in 2006 the duo won the right to develop Kew, long-time home for Victoria's intellectually disabled, in partnership with the Government, a project opposed by some resident

Lang Walker settles developer claim

Maurice Dunleavy From: [The Australian](#), June 17, 2010

A SUPREME Court action by a former Victorian chief executive of Mirvac against property billionaire Lang Walker has been settled out of court.

High-profile Melbourne developer Kevin Hunt, a former consultant to Walker Corporation's \$400 million Kew Cottages development, claimed he was owed millions of dollars after being dumped from the luxury housing project in mid-2007. Walker Corporation, which had earlier employed Mr Hunt as its Victorian business development manager, later hired him as a consultant to lead the controversial inner-east redevelopment of the disabled persons facility, a joint venture between Walker and the Victorian government. However, Walker subsequently terminated the Hunt consultancy agreement, claiming the initial 44 homes built as part of the first 55-property stage one of the project were behind schedule and over budget.

According to Walker defence documents, Mr Hunt allegedly failed to properly manage the project, and did not have the skills and abilities he represented.

The documents alleged not enough construction workers were used, consultants were employed on an hourly rate rather than paid a lump sum and money was wasted on expensive finishes.

They further alleged Mr. Hunt had initially forecast a \$5.45m profit for the houses, while there had been a loss of more than \$7m. That claim has been subsequently supported by the state government's disclosure in April this year that it lost \$17m on the sale of all 55 homes in the first stage of the development. Mr. Hunt, Mirvac's Victorian chief executive between 1994 and 2002, is now residential manager for Melbourne development group the MAB Corporation. Court documents revealed Walker Corporation was to pay him \$400,000 a year for his seven-year consultancy, as well as a \$1m interest-free loan. He was also to receive a \$250,000 success fee for the first stage of the Kew project, as well as 10 per cent of net profit for the entire project, minus a sum of \$2.8m.

Attempts to reach Mr Hunt for comment were unsuccessful. Alex King, a spokesman for Walker Corporation lawyer Arnold Bloch Leibler, confirmed there had been a pre-trial out-of-court settlement.

