

Hamton widens horizons of apartment living

Report Ainslie Chandler

Small apartments, lots of facilities and a fresh approach to funding has created a \$1 billion empire for Melbourne developers Paul Hameister and Steve Buxton.

The pair, joint managing directors of Hamton, joined forces five years ago to push the boundaries of apartment living a little bit further.

"[We] came together out of a frustration about the way things had been done in the past," Hameister says.

"The days of just building boxes as apartments are going to be over pretty soon, they need to be seen as vertical villages, to ensure better capital growth."

They practise what they preach. Each of their offerings reflects research about the area and its demographic. While the apartments are small, the price point is also relatively low and the buildings have a suite of facilities

designed to engender a sense of community.

Their latest product, the \$170 million 50 Albert development in South Melbourne, is targeted at the older Generation X and younger baby boomer market. Features include a lobby bar, movie room, day spa and staff including personal trainer, yoga instructor, concierge, poker ambassador and art curator.

Buyers showed strong interest in the 294 apartments, priced between \$371,000 and \$890,000. Two-thirds sold in the first three weeks of the sales campaign. The units range from 46.5 square metres to 77.5 sq m, plus balconies.

A previous product, Society South Yarra, was aimed at a younger demographic, with features including a fleet of bikes, launderette and a cafe.

"We undertake a lot of research up front, with the terrific team we've built up," Hameister says.

"We look at the area . . . and what's missing. Whether . . . it's an investor or owner occupier is irrelevant." Next on the cards is a 586-apartment development at Abbotsford.

Hameister says Hamton looks to mature apartment markets, including London, New York and Paris, for inspiration for the design and features of projects.

Aside from attempting to put a more refined spin on apartment development, the company has also developed a new funding model, partnering with the Industry Superannuation Property Trust on four projects.

Hameister says the company was founded, in part, to tap into the superannuation fund's cash.

When the pair joined forces, Buxton, son of Max Buxton of developer MAB, was running his own firm, Buxton Development Projects with four staff and \$150 million in projects underway.

While Buxton has a traditional



Steve Buxton, left, and Paul Hameister.

Photo Jessica Shapiro

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property background, Hameister is a former investment banker and lawyer. He says the pair play to their strengths when running the business. Hameister says he and Buxton are happy with the current size of the business and have no plans to build it further.

"In terms of where the business

is at, we've got 31 staff and \$1.2 billion [in work] completed or underway," he says.

"We've got no interest in getting any bigger. The business is youthful and vibrant, everyone knows each other's name. If we got much bigger it would change.

"We've both done our hard

yards and been able to build up a terrific team," he says, noting that the founders' predominant role is now value-adding.

"The business doesn't need us any more."

► Property strategies and tips, *Smart Money*, pages 42-43