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# IT'S OVER FOR NOVA

## WHAT NEXT FOR KEY SITE?

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# WHAT NEXT FOR KEY



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The seven-tower project in Spence St, with structures ranging from 17 to 20 storeys, is now on the scrap heap alongside some of the city's most feted developments that did not pan out. A PRESSING question has hit the city's lips after the \$550m Nova City mega development finally collapsed seven years after it was announced.

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In a case of *deja vu* for many Cairns residents, the company blamed Covid-19 for the project's failure.

"We embarked on Nova City many years ago with a vision to set a new benchmark for residential living in Cairns," WCG said in the buyer statement.

"Our intention has always been to raise the bar and deliver a high quality project that Cairns could be very proud of.

"The Covid-19 pandemic has impacted many facets of development, driving up material costs and impacting both timelines and budgets.

"All these unfortunately have profound implications on the development of Nova City.

"After much careful deliberation, we must painfully acknowledge that our original vision is no longer feasible at this current point in time.

"We understand that this will be disappointing news."

The project is in good company with the billion-dollar global tourism hub development next to the Cairns Reef Casino also declared dead in the water last year.

The State Government blamed the pandemic for that project's demise as well, although it looked doomed long before Covid-19 entered the public consciousness.

The proposed \$8.15bn Aquis Great Barrier Reef Resort planned for Yorkeys Knob was another spectacular failure.

Industry sources say the billionaire businessman behind WCG and its parent company Aspial, Koh Wee Seng, may now try to sell the 2.4ha property – in which case he would be likely to take a significant loss on his investment

He paid about \$18m for the 2.4ha lion's share of the site but later also bought an \$8.05m neighbouring block from Cairns Regional Council for land banking purposes.

It was a huge tract with steep prices in an area many considered less appealing than prime blocks later bought by Crystalbrook Collection hotel developer Ghassan Aboud.

Nonetheless, Mr Wee Seng needed space to realise his vision of building a city within a city – and he had a circle of advisers and consultants helping prosecute that cause.

The apartments were smaller than Cairns was used to, but Mr Wee Seng was hoping to appeal to international university students among the prestige buyers.

There was also talk for a time about CQUniversity setting up a campus.

It is unknown how many units were pre-sold – although the firm was touting \$1.9m apartment sales off the plan as far back as October 2016 – or how those buyers will be reimbursed.

In the end, all it amounted to was some underground infrastructure, foundation work and a showroom on what remains a gargantuan blank slate on the CBD fringe.



WCG has been asked for further comment about the next steps for the site, although it is understood no firm decisions have yet been made.

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