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Preface

Small-scale property developers have the gentle touch when it comes to creating inviting homes and appealing public spaces.

# LESS IS MORE

## MILIEU PROPERTY Melbourne

For a long time the Inner North district of Melbourne suffered from an image problem. It was seen as an area blighted by crime, drugs and seedy bars. But over the past three decades things have changed. Suburbs such as Fitzroy, Collingwood and Carlton now epitomise a lifestyle that is at the heart of Melbourne's identity: their streets are full of cafés, vintage furniture shops and high-end bistros. Bicycles line the footpaths, the smell of coffee permeates the air and at night it's easy to find a good glass of wine.

Such an incredible rejuvenation has come at a cost though. Surging property prices have made it increasingly hard for creative types to purchase

houses in the area. The average cost of a residence has risen to about AU\$1m (€50,000) and the market is being skewed by deep-pocketed investors, many from overseas, who care little about maintaining the district's unique character. This has forced many smaller developers to rethink the way they cater to younger buyers and those who actually want to live in the Inner North. And of all these operators looking for a solution, there are few more innovative than Milieu Property.

Founded in 2010, the company has gained a reputation for acquiring buildings and sites that other developers wouldn't touch and converting them into beautifully designed dwellings. Almost 90 per cent of the company's business is with owner-occupiers.

"It all started when I was looking for a house in Collingwood but wasn't finding anything that fit my budget," says Milieu's 34-year-old co-founder Michael McCormack. "It made me see an opportunity. I thought about creating smaller-scale developments, places where my friends or I would want to live."

The idea struck a chord. When McCormack, who used to be a carpenter, began telling others about his business concept, he was inundated with interest. The problem was that it was almost impossible to find good



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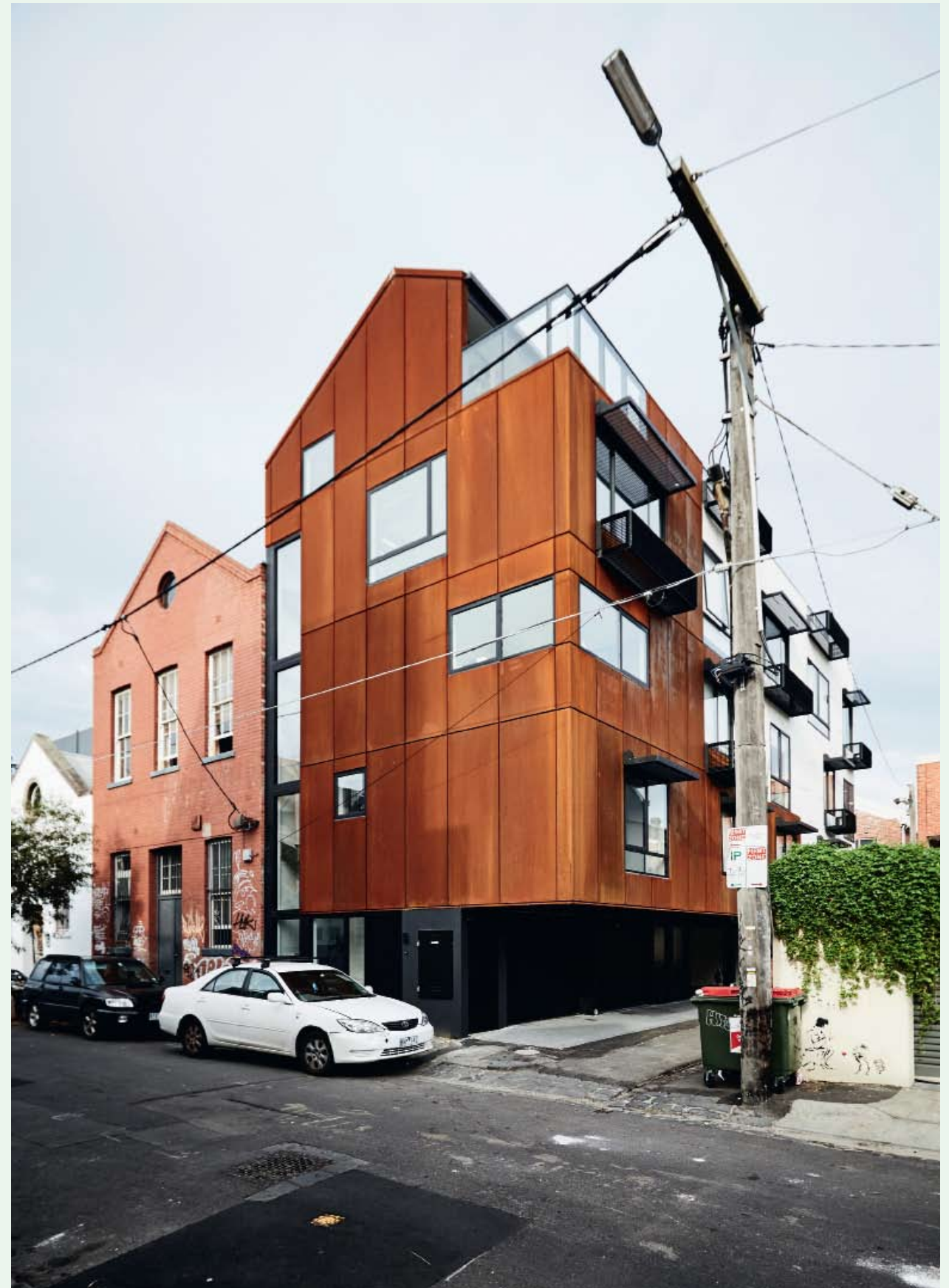
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- 01 Michael McCormack
- 02 Plans are afoot
- 03 Construction work at Milieu's Carlton property
- 04 McCormack inspecting a construction site in Collingwood
- 05 Milieu's Bedford Street development





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plots of land; larger developers were just snapping them up. So McCormack started to look around the suburbs for hidden opportunities and was pleasantly surprised by what he found.

These days he oversees a team of 10 and the development of 15 properties, in varying stages of completion, ranging from a mid-sized apartment block to a duplex that has a footprint no larger than the size of six parking spots. Two further developments have already been built and rented out.

One of Milieu's newest projects is an apartment block being built on the site of an old petrol station. The property, which is still in the sales phase, has a display suite not far from where the pumps used to be and a pop-up nursery is planned for one of the garages. Another is an abandoned warehouse in Carlton. When McCormack found it the place didn't look like much and its red bricks were covered in graffiti. However, two years on and Milieu is almost finished converting it into five townhouses. The dwellings feature comfortable living areas, studies and roof gardens.

The success of such projects can be put down in part to Milieu's willingness to collaborate. The company makes a point of enlisting Melbourne's most exciting architecture firms, such as DKO and Fieldwork, and letting them interpret the space without much interference. The result is a portfolio of properties that are cleverly laid out and have interiors that often feel deceptively large.

Working with these firms has given McCormack an understanding of what makes an effective floor plan. "The guys we work with always talk about negative space," says McCormack. "It's important to carve out parts where there is nothing. It just feels nicer to live in."

Another thing that McCormack swears by is paying attention to small details, something that is easier for Milieu

- 01 Oak stairs at 50 Moor Street in Fitzroy
- 02 Airy living room of a 50 Moor Street home
- 03 Clever kitchen design means there is plenty of space
- 04 Properties blend seamlessly with the surrounding Victorian terraces
- 05 Façade of 50 Moor Street

to achieve thanks to the fact that all of its constructions are led by a team of in-house building managers. Milieu's most vital design consideration, however, relates to the exterior. McCormack and his team always make an effort to ensure every building's façade is sympathetic to its environment. This philosophy is particularly evident at 50 Moor Street, one of the two projects that Milieu has fully completed. Made up of five townhouses, the property has a frontage that blends seamlessly with the surrounding Victorian terraces. "Whenever we build we don't want to just plonk something on a site," says McCormack. "We want it to positively contribute to the context."

This mission goes beyond simply commissioning beautiful architecture. Milieu's business model also includes a plan to start a string of cafés and wine bars, the idea being to create spaces within its buildings that both occupants and visitors can enjoy.

Milieu's success hasn't gone unnoticed: rival developers have shown signs of replicating its approach. But McCormack isn't worried. He says he's always inspired to see new buildings pop up around him: "There's something about Melbourne and building small-scale property developments; we're a city that is just weirdly good at it." — (M)



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### Shared vision

Milieu has managed to stand out from its competitors by working with Melbourne's most innovative businesses.

#### Loose Leaf

This high-end florist operates out of a warehouse in Collingwood. It recently opened a small nursery on the site of a Milieu North Fitzroy development. [looseleafstore.com.au](http://looseleafstore.com.au)

#### Gorman

Lisa Gorman's womenswear brand is known for its striking prints and high-quality materials. Not too long ago she was enlisted to demonstrate how she would furnish one of Milieu's apartments. [gormanshop.com.au](http://gormanshop.com.au)

#### Jardan

This family-owned business has been making furniture since 1987. It's crafted a window seat that is designed to fit perfectly into Milieu's Peel project in Collingwood. [jardan.com.au](http://jardan.com.au)

#### Studio Hi Ho

Wesley Waddell and Patrick Scanlan run the studio that looks after all of Milieu's branding. The pair have also helped the developer create a one-off broadsheet, along with a number of other handsome publications. [studiohiho.com](http://studiohiho.com)

IMAGE: SHAWN RECORDS

## PROJECT Portland, Oregon

Tom Cody, the managing partner of Project, a property developer based in Portland, Oregon, knows his profession does not always acquit itself with grace. "Development is a draconian business at times, often very volume-driven," says Cody, who is a veteran of architect Frank Gehry's Santa Monica office. By contrast, he says, Project is selective. "We want to create new

spaces that make a contribution to their cities."

Cody says this while sitting across the street from Portland's Union Way, a wood-paneled, sky-lit corridor of small shops and cafés that Project developed in 2013. The little arcade is typical of this development firm, which is less concerned with scale than with sharply focused ideas. Often, as with Union Way's flood of light and woody allusion to the Pacific Northwest's forests, its designs are particularly concerned with fusing nature and civic life.

The eight-person firm has expanded into retail, flats, offices and even university dormitories. The unifying factor is an ambition to redefine places. Union Way, for example, punched through a moribund, warehouse-like block to create an inviting passage between Powell's Books – by some reckonings the world's largest bookshop – and lively Stark Street. A 68-flat student hall of residence at Oregon State University, built in 2013, put a clever spin on the often-grim



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- 06 Project developed a former warehouse into an open-plan office called Canopy
- 07 Hayashi townhouses integrate nature with modern architecture
- 08 Canopy exterior
- 09 Hayashi homes have been built to the highest environmental standards



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genre with sustainable materials and sunlit communal areas. “We don’t specialise in one niche,” says Cody. “We try to operate with a curiosity that is rare in other developers.”

A case in point is Hayashi, Project’s set of Japanese-inspired low-profile townhouses in the Williams-Vancouver corridor, a thoroughfare on Portland’s north side in the middle of rapid development. The design, which Cody describes as “modest but beautiful”, broke away from the prevailing pattern in the neighbourhood of new four and five-storey apartment blocks.

Another major initiative on the horizon for Project is a 12-storey city-centre tower called Framework; it would be Portland’s first high-rise to use cross-laminated timber, an environmentally friendly structural element still nascent in the US. Designed by Portland architect Thomas Robinson, this proposal won a \$1.5m (€1.35m) government grant last autumn, largely due to the prospect of a new market for Oregon’s rural regions that rely on timber production.

“Cities are where ideas are born and Portland in particular is known for planning well,” says Cody. “Individual buildings and places are how we can be part of that.” — (M)



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- 01 Project’s Union Way, a pedestrian mall
- 02 Union Way is a unique retail corridor
- 03 The 10-shop development is carved from two existing buildings
- 04 The walkway is illuminated by a series of skylights that provide natural light
- 05 Union Way exterior



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