



**Preston
Rowe
Paterson**

International
Property Consultants
and Valuers



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Transactions in Review

October 2019



ABOUT THIS REPORT

Preston Rowe Paterson prepare research reports covering the main markets within which we operate in each of our capital cities and major regional locations.

This report summarises major transactions within these markets whilst adding transactional analysis to provide greater market insight.

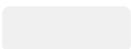
The markets covered in this research report include the commercial office market, industrial market, retail market, specialised property market, hotel and leisure market, residential market and significant property fund activities.

We regularly undertake valuations of commercial, retail, industrial, hotel and leisure, residential and special purpose properties for many varied reasons, as set out later herein.

We also provide property management services, asset and facilities management services for commercial, retail, industrial property as well as plant and machinery valuation.



Sales Transaction



Rental Transaction



Brisbane Commercial

The *Queensland Investment Corporation's* real estate arm has sold the Q&A Centre for \$395 million, making it the third largest transaction in the Brisbane office market this year

Sydney Retail

Joint venture partners *Frasers Property Australia* and *Sekisui House Australia* have sold three retail properties in one line for \$174.5 million.

Melbourne Industrial Development

Asia-based logistics platform ESR has sold a freehold industrial site in Melbourne's south for \$19.75 million.

HIGHLIGHTS



Commercial

1-3 Fitzwilliam Street, Parramatta NSW 2150



- \$80 million
- 5% Yield
- \$8,317 per sqm lettable area

A subsidiary of private education provider *Raffles Education Corporation* has sold its six-storey tower in Parramatta's CBD to *Wenruth Pty Ltd.* Following the 2015 closure of Raffles Parramatta campus the group had the property on the market for sale. During interim the education provider set up shop in North Sydney before subsequently closing down at the beginning of this year. The 9,619 sqm building is currently leased to **Education Centre of Australia** with its joint venture partner **Swinburne University** as well as **Parramatta Council** who use the space as a library. Several investors had shown interest in the property including Propertylink and the Education Centre of Australia. Parramatta is continuing to see strong interest from investors who are attracted to the precincts infrastructure spend and the persistent yield compressions in the Sydney CBD pushing capital to non CBD markets. Parramatta is located approximately 24 km west of the Sydney CBD.
(AFR 01.10.19)

55 Exhibition Street , Melbourne VIC 3000

- \$4.75 million
- \$19,388 per sqm lettable area

Property consultant *Hodgson Partners* has set the record for the highest price paid per square metre of strata office space in the Melbourne CBD, beating out the previous record of \$15,288 per sqm at 100 Collins Street. The 245 sqm strata office space spans a whole floor plate with in the ACCI House building. The property was sold by a local family after 25 years of ownership.
(AFR 10.10.19)

254 Wellington Road, Mulgrave VIC 3170

- \$110.9 million
- 5.8% Yield
- \$6,376 per sqm lettable area

Joint venture partners *ESR and Frasers Property Australia* have sold a suburban office property currently under development to Singapore real estate giant *Ascendas REIT*. The yet to be built eight level building will comprise 17,393 sqm of lettable area and will house **Nissan** as its major tenant who will occupy 65% of the new building on a 10 year lease. The remaining rental income will be secured by a three year rental guarantee provided by the vendor. Ascendas REIT now owns more than 170 office, industrial and retail assets in Singapore, Australia and the UK worth around \$11.9 billion. Mulgrave is located approximately 21 km from the Melbourne CBD.
(AFR 08.10.19)

40 King Street, Sydney NSW 2000

- \$1,050 gross psm lettable area
- 3 Years
- \$216,300 p.a.

New Zealand based *Bledisloe Property Group* has signed up tech group, **Fusion Lab** in its eight level heritage building on the corner of King and Kent Street along the western corridor of the CBD. The group will occupy 206 sqm in the building on a three year lease term.
(AFR 29.10.19)

14D Oleander Drive, Mill Park VIC 3082



- \$9.045 million
- 4.67% Yield
- \$7,614 per sqm lettable area

An investor has acquired a two level freestanding medical property leased to a subsidiary of The Royal Melbourne Hospital, **Melbourne Health**. The property comprises 1,188 sqm of lettable area on a 1,380 sqm site which provides approximately 22 car spaces. The property yields a current net rent of \$422,155 per annum with fixed annual 3% increase on a long term 15 + 5 + 5 year lease which commenced in June 2018. Mill Park is located approximately 18 km north of the Melbourne CBD.
(AFR 10.10.19)

**2 Luton Lane,
Hawthorn VIC 3122**



- \$55 million
- 5.3% Yield
- \$9,717 per sqm lettable area

Zagame Luton Lane has struck a deal with Sydney based investment firms *Truman Corp and Bricktop Group* to sell a suburban office building in Melbourne's east for \$37 million more than what they paid for back in 2015. The building leased to **Swinburne University** serves as the education providers head administration office and comprises four levels of campus style floor plates totalling 5,660 sqm in lettable area. The circa 1980's property was offered subject to a new lease to the university operator. The building rate struck close to \$10,000 a square metre represents one of the highest rates for a metropolitan Melbourne office asset in 2019 and highlights the confidence of investors in the current market for commercial assets irrespective of a CBD locale. Other benefits of the property include basement car parking and proximity Glenferrie Train Station and retail strip. Hawthorn is located approximately 6 km east of the Melbourne CBD. (AFR 03.10.19)

**141 Queen Street & 140 Elizabeth
Street Brisbane, QLD 4000**

- \$395 million
- 6.25% Yield
- \$12,457 per sqm lettable area

The *Queensland Investment Corporation's* real estate arm has sold its mixed use commercial real estate asset, the Q&A Centre to Tawainese backed developer *Shayer Group*, in the third largest transaction in the Brisbane office market this year behind 'The Complex' and 400 George Street. The property, which comprises 24,425 sqm of office space and 7,283 sqm of retail space, is spread out over two commercial towers located adjacent to each other. The sales campaign attracted both local and offshore investors including Altis, Charter Hall and Hines. (AFR 16.10.19)

**140 Creek Street,
Brisbane QLD 4000**

- \$425 million
- 6.4% Yield
- \$8,131 per sqm lettable area

Fund manager *AsheMorgan* has bought a cluster of three buildings in Brisbane's CBD known as 'The Complex' from Investa's Office Fund, which Canada's Oxford Properties acquired at the end of last year and earmarked for divestment at the beginning of the year. The property, standing on a 5,471 sqm site comprises 52,268 sqm of net lettable area and a 5-star NABERS Energy rating. The property is located opposite from Central Station and adjacent to ANZAC Square. (AFR 16.10.19)

**348 Edward Street,
Brisbane City QLD 4000**

- \$89 million
- 6.5% Yield
- \$8,001 per sqm lettable area

Centuria, through an unlisted single asset fund has snapped up an A Grade office building in Brisbane's CBD on a yield around 6.5%. The vendors, US based property group *Hines* made a \$40 million windfall on its 2016 investment through the sale. The office building known as **IBM Tower** comprises 11,123 sqm of net lettable area over 15 storeys standing on a 1,394 sqm site. At the time of sale the building was operating at 81% occupancy and had a weighted average lease expiry of 5.1 years. Upon the launch of *Centuria's* unlisted single asset fund the managers will forecast a distribution yield of 6.25% in fiscal 2020, increasing to 6.5% in 2021. The fund manager attributed Brisbane's good net absorption levels and good effective rental growth as factors behind the purchase. (AFR 09.10.19)

**25 Montpelier Road,
Bowen Hills QLD 4006**

- \$65.4 million
- \$8,451 per sqm lettable area

An A-Grade office building located on Brisbane's city fringe has been acquired by *Centuria* through its unlisted Diversified Property Fund. The fund has upped its stake in the recovering Brisbane market with growth expected to ramp up in the next six to 12 months. The property comprises 7,739 sqm of net lettable area and sold fully leased with a six-year WALE. Bowen Hills is located 3 km north-east of the Brisbane CBD. (AFR 16.10.19)

Retail

197 Castlereagh Street, Sydney NSW 2000

- \$19.85 million
- 6.5% Yield
- \$7,571 per sqm lettable area

Sydney based fund manager *Fife Capital* has acquired a four level strata property known as the Castlereagh Club in a deal struck on a 6.5% yield. The 2,622 sqm property located at the bottom of the Victoria Tower residential complex in Sydney's CBD generated a lot of interest from local and offshore buyers throughout the sales campaign. The recently refurbished property comprises a ground floor bar with poker machines, a restaurant, 12 car spaces, a squash court and 1,600 sqm of space currently leased to World Gym.
(AFR 21.10.19)

99 Burwood Road, Burwood NSW 2134

- \$6.9 million
- 2.46% Yield
- \$40,588 per sqm lettable area

A private buyer has acquired a freehold retail shop nearby the Burwood Train Station on a 2.46% yield. The 170 sqm shop leased to **HCF** for \$170,000 net per annum sold at auction for the first time in 35 years. The property stands on a 215 sqm site and has a 70 metre height limit. Burwood is located approximately 10 km west of the Sydney CBD.
(AFR 10.10.19)

32 The Corso, Manly NSW 2095



- \$20.2 million
- 4.92% Yield
- \$24,785 per sqm lettable area

Manly's pub owning *Peterson family* has sold an 815 sqm commercial property in Manly's 'The Corso' thoroughfare to a local doctor. The two storey freehold property, leased to **Westpac** until 2024 with a 20 year option returns a net income of \$994,380 per annum plus GST with 4% annual rent increases. The property, put on to market via an expressions of interest campaign yielded 300 inquiries and 13 offers. Manly Wharf and Manly beach are located a few hundred metres either side of the property. Manly is located approximately 17 km north-east of the Sydney CBD.
(AFR 14.10.19)

28 Broadway, Chippendale NSW 2008



- \$174.5 million
- 5.5% Yield
- \$11,952 per sqm lettable area

Joint venture partners *Frasers Property Australia* and *Sekisui House Australia* have sold three retail properties in one line at their \$2 billion dollar Central Park development to *Fortius Funds Management* and *SC Capital Partners Group* through their RECAP V Fund. The three properties including Central Park Mall, DUO Retail and Park Lane Retail total 14,600 sqm in gross floor area. The Woolworths anchored Central Park Mall is the largest of the three assets. Fortius and SC Capital noted Central Park's position in a high trade CBD area as the driving force behind the purchase. Chippendale is located approximately 2 km south of the Sydney CBD.
(AFR 11.10.19)

19 Stoddart Road, Prospect NSW 2148

- \$65 million (Approx.)
- 7%
- \$2,522 psm lettable area

Private equity real estate firm *Altis* has sold Homemaker Prospect, a large format retail centre near Blacktown to *Dexus* on a 7% yield. Commercial landlord *Dexus*, acquired to property on the basis of converting the retail centre into an industrial warehouse/distribution centre over the next five years, whilst benefitting from a good holding income in the meantime. As it stands the 25,770 sqm large format retail centre will be one of the first such properties acquired with the intention for repurposing to industrial use. Large format retail centres such as Homemaker Prospect tend to make for ideal industrial sites due to its proximity to densely populated areas and transport nodes. Prospect is located approximately 32 km west of the Sydney CBD.
(AFR 15.10.19)

**450 Miller Street,
Cammeray NSW 2062**

- \$39.05 million
- 7% Yield
- \$8,211 per sqm lettable area

The Cammeray Square shopping centre in Sydney's inner north has changed hands to syndicator *Fortius* on a 7% yield. The decision for *Stockland* to sell after 12 years of ownership was in part due to a larger strategy by the diversified property giant to reweight its portfolio from non-core retail assets to the booming logistics sector. The four level property, comprising 4,756 sqm of gross lettable area is fully leased to Harris Farm Markets, 15 speciality shops, restaurants and five commercial tenancies including a childcare centre and medical services. The 6,815 sqm site stands on the corner of Miller and Amherst Streets and comprises 80 car spaces. Cammeray is located approximately 7 km north of the Sydney CBD.

(AFR 30.10.19)

**697-699 High Street,
Prahran VIC 3181**

- \$552 net psm lettable area
- 7 Years
- \$90,000 p.a.

Dulux Group has leased the former 7-Eleven store along Prahran's High Street for a period of seven years with options. The 163 sqm open plan showroom has seven car spaces at the rear and stands on a 482 sqm corner allotment. Prahran is located approximately 5km south east of the Melbourne CBD.

(AFR 29.10.19)

**Cnr of Queen Street and Hazel Drive,
Warragul VIC 3280**

- \$51 million
- \$2,021 per sqm lettable area

Newmark Capital has settled on a 5.7 hectare corner site with development approval for the construction of a new large format retail centre in the regional Victorian town of Warragul. The 25,238 sqm centre is currently 85% leased to nine tenants including anchor tenants **Bunnings and Kmart**. The property will sit in the Newark Property Trust among three other Bunnings properties in Launceston, Lake Haven and Maroochydore. A 6% initial yield is anticipated on the completed development, which is due to be complete in June next year. Warragul is located approximately 107 km south-east of the Melbourne CBD.

(AFR 31.10.19)

**622 Burke Road,
Camberwell VIC 3124**

- \$525 net psm lettable area
- 5 Years
- \$160,000 p.a.

Sumo Sushi Grill has agreed to a five year lease over a 341sqm retail property in between Camberwell's two major shopping centres, Camberwell Place and Camberwell Central. The property benefits from dual frontage and a large community car park at the rear of the property, Camberwell is located approximately 9 km east of the Melbourne CBD.

(AFR 22.10.19)

**155 Winzor Street,
Salisbury Downs SA 5108**

- \$12.95 million
- 7.57% Yield
- \$1,603 per sqm lettable area

Moelis Australia has sold the Hollywood Plaza Large Format Retail Centre in Adelaide's outer north to a private South Australian investor on a 7.57% yield. The fully leased, 8,080 sqm (GLA) centre stands on a 3.68 hectare site returning an annual net income of \$980,000 from six separate tenants including **Cheap as Chips, Supercheap Auto, Salvation Army and Anytime Fitness** with a WALE of 5.8 years. The property, sold through an expression of interest campaign, garnered significant local and international interest, which culminated in seven formal offers. Salisbury Downs is located approximately 20 km north of the Adelaide CBD.

(AFR 01.10.19)

**401 Scarborough Beach Road,
Innaloo WA 6018**

- \$230 net psm lettable area
- 6 Years
- \$219,900 p.a.

Shredded Health and Performance has expanded its gym after moving in to a larger property in Perth's north-western suburb of Innaloo. Landlord, *Broadview Enterprises* will lease the 958 sqm showroom-retail space out for a period of six years. Innaloo is located approximately 9 km north west of the Perth CBD.

(AFR 29.10.19)

Industrial

60-62 Alexander Avenue, Taren Point NSW 2229

\$5.1 million

\$1,469 per sqm FSRA

Private owner *Radiate* has sold a development site in Sydney's Sutherland Shire to private group *Alexander Investment Holdings* with plans to build a multi-level warehouse development with smaller factory units. The 2,314 sqm site has a floor space ratio of 1.5:1 and maximum building height of 16 metres. Taren Point is located approximately 20 km south of the Sydney CBD. (AFR 10.10.19)

1A Bessemer Street, Blacktown NSW 2148

\$130 net per sqm lettable area

4 Years

\$199,810 p.a.

Air conditioning business *Cool Breeze Rentals* has signed on as the lessee of an office/warehouse property in Sydney's west from the Lendlease managed *Australian Prime Property Fund Industrial*. The 1,537 sqm property has an 8.2 metre clearance and parking on the site. The deal was struck on a four year lease with options. Blacktown is located approximately 34 km west of the Sydney CBD. (AFR 15.10.19)

45 Sturt Street, Smithfield NSW 2164



\$5.05 million

4.99% Yield

\$3,601 per sqm lettable area

Clayton Road Investments has sold a warehouse in Sydney's west for \$5.05 million. The 1,650 sqm warehouse is leased at a net annual rental of \$252,000 per annum equating to a yield on the sale of 4.99%. The property was sold off-market. Smithfield is located approximately 30 km west of the Sydney CBD. (AFR 24.10.19)

81-83 Corish Circle, Banksmeadow NSW 2019



\$6.15 million

\$2,479 per sqm site area

Cosmetic surgeon and hotel mogul *Jerry Schwartz* has acquired a freehold industrial site in south Sydney with plans to develop into an office and industrial development. The private vendor had drawn up a scheme for either an industrial strata or warehouse and office project but decided to sell instead. The selling agents for the deal noted that it was a record sale rate for an industrial site in the Botany area. Banksmeadow is located approximately 11 km south of the Sydney CBD. (AFR 02.10.19)

17 Lisbon Street, Fairfield East NSW 2165



\$6.5 million

4.31% Yield

\$6,075 per sqm lettable area

A private investor has acquired a 1,070 sqm warehouse in Sydney's west. The property, standing on a 5,574 sqm site sold on a 12 month leaseback deal to private company *Carways* at a net rent of \$280,000 per annum. The site comprises concrete hardstand throughout and a single entry and exit point. Fairfield East is located approximately 28 km west of the Sydney CBD. (AFR 31.10.19)

36 Orange Grove Road, Warwick Farm NSW 2170

\$92 gross per sqm lettable area

3 Years

\$340,400 p.a.

E-waste recycler *MRI* has signed a three year lease over a 3,700 sqm warehouse in Sydney's south-west. The property has a high clearance of up to 9.9 metres, four on grade roller doors and three docks whilst also having exposure to the Hume Highway and Cumberland Highway. Warwick Farm is located approximately 30 km south-west of the Sydney CBD. (AFR 15.10.19)

**16 Industrial Avenue,
Wacol QLD 4076**

\$9.5 million

\$1,885 per sqm lettable area

Investor and property manager, *City of Brisbane Investment Corporation* has sold a 5,039 sqm industrial property standing on a 2.2 hectare site to ASX listed *Desane Group*. The office and warehouse property is currently leased to the **Brisbane City Council** on a 10 year lease expiring June 2020 with a further 5 + 5 year option. Located in an established industrial precinct, the property benefits from good road network connections to the Ipswich Motorway and Centenary Highway via Progress Road. The property itself comprises 639 sqm of office space and a 4,400 sqm high bay portal framed warehouse whilst also benefiting from 8,782 sqm of surplus land at the rear with separate access that could be developed as further hardstand or a separate warehouse. Wacol is located approximately 18 km south west of the Brisbane CBD.

(AFR 04.10.19)

**44 Boorea Street,
Lidcombe NSW 2141**

\$140 net psm lettable area

3 Years

\$185,500 p.a.

Wholesaler and distributor *Green Forest International* has agreed to lease a 1,325 sqm industrial property in Sydney's west from *Rathdrum Properties*. The lease was struck on a three year deal. Lidcombe is located approximately 18km west of the Sydney CBD.

(AFR 29.10.19)

**1-5 Lakeside Drive,
Dingley VIC 3172**

\$19.75 million

\$1,133 per sqm lettable area

Asia-based logistics platform *ESR* has sold a large industrial freehold site in Melbourne's south east to private developer *HB+B Property*. The 39,760 sqm site comprises three warehouses with a total lettable area of 17,431 sqm. Located immediately opposite the property is Moorabbin Airport and the Chifley Business Park. Dingley is located approximately 22 km south east of the Melbourne CBD.

(AFR 16.10.19)

**16 Mineral Sizer Court,
Narangba QLD 4504**



\$8.975 million

7% Yield

\$1,807 per sqm lettable area

An industrial property leased to furniture group **Nick Scali** has sold off market to property fund manager *OzProp Capital* on a net passing yield of 7%. The 4,968 sqm clearspan warehouse with nine-metre high clearance roller doors stands 11,440 sqm site, of which 2,100 sqm is hardstand. Nick Scali, who operate the property as a distribution centre have five years remaining on their lease. Narangba is located approximately 34 km north of the Brisbane CBD.

(AFR 03.10.19)

**5 Indy Court,
Carrara QLD 4211**

\$76 gross psm lettable area

7 Years

\$150,000 p.a.

An industrial property in Carrara on the Gold Coast has been leased to cash-for-recycling business *Express Recycling*. The deal for the 1,233 sqm office and warehouse was struck on a seven year lease with options. Express Recycling were attracted to the generous undercover driveway access giving the operator and its customers the ability to drive in and drop off their recyclables undercover. Access to the property is via two concrete crossovers. Carrara is located approximately 75 km south of the Brisbane CBD.

(AFR 01.10.19)

**33-43 Port Road,
Thebarton SA 5031**

\$37.33 million

\$1,066 per sqm site area

Coca-Cola Amital has sold its historic former Thebarton bottling site to local developer *Australasian Property Developments (APD)* as well as two smaller sites nearby. APD will intend to draw holding income from the existing improvements over the short to medium term with the intention to develop the site into a mixed commercial and residential precinct in the future. Coca Cola will relocate their operations to larger facilities in Western Australia and Queensland. Thebarton is located approximately 2 km west of the Adelaide CBD.

(AFR 24.10.19)

Residential Development

37 Gerrale Street, Cronulla NSW 2230

- \$38.2 million
- 1.8% Gross Yield
- \$7,293 per sqm FSRA

Two blocks of flats standing on a 1,746 sqm site zoned B3 Commercial Core has been snapped up by *Pitt Street Real Estate Partners*. The two three storey circa 1950's red brick flats comprise 30 two bedroom apartments, which all sold one line. The rectangular block has three street frontages to Gerrale Street, Surf Road and Surf Land. At the time of sale the units were generating a holding income of more than \$700,000 gross per annum with the prospect of further development potential under the current restrictions of a floor space ratio of 3:1 and a maximum building height of 30 metres. Cronulla is located approximately 26 km south of the Sydney CBD. (AFR 24.10.19)

2-8 Lucas Street, Lutwyche QLD 4030

- \$4.025 million
- \$1,921 psm site area

A residential development site with stage two development approval for 74 apartments has been snapped up by *BGP Developments* through a mortgagee in possession sale. The developers plan to redesign the project and construct 68 apartments on the site. Lutwyche is located approximately 5 km north of the Brisbane CBD. (AFR 03.10.19)

Serenity Cove, Helensvale QLD 4212

- \$50 million
- \$142,857 per lot

Malaysian developer giants *Sime Darby and Brunsfield* have sold their masterplanned community site Serenity Cove on the Gold Coast to Brisbane based developer *Keylin Group*. The 65 hectare waterfront property is earmarked for a \$650 million masterplanned housing community with approval for 350 houses. The project will also have a new mini marina, retirement and commercial precinct. At the time of sale both Sime Darby and Brunsfield had undertaken approximately \$25 million worth of civil works on the site. Keylin will maintain the original masterplan following its purchase from Sime Darby and Brunsfield. Helensvale is located approximately 18km north of Surfers Paradise. (AFR 17.10.19)

240 Adelaide Terrace, Perth WA 5000

- \$6.5 million
- \$958 psm FSRA

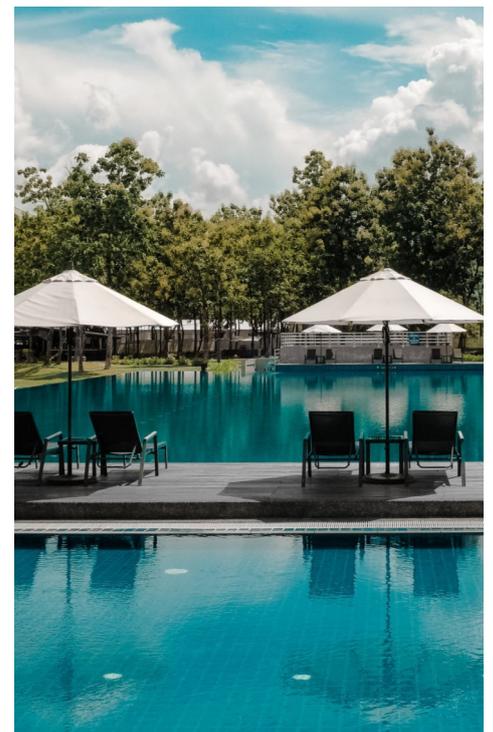
West Australian developer *Finbar* has acquired a 1,697 sqm regular shaped site with 30 metres of frontage to Adelaide Terrace on a rate of \$958 per square metre of floor space ratio area. The property, zoned for residential and commercial has a 4:1 plot ratio equating to potential gross floor space area of 6,788 sqm. Currently the property is improved with a vacant 62-room hostel, a three level building to the rear along with 24 on-site car spaces. The site will be Finbar's fourth development in the Perth CBD. (AFR 31.10.19)

Hotels & Leisure

177 Station Street, Burwood VIC 3125

- \$5.95 million
- 2.95% Yield
- \$1,472 per sqm site area

A 23 room Box Hill Motel in Melbourne's east has sold nearly \$2 million above price expectations for close to \$6 million. The property is leased to a motel operator on three year lease expiring in May 2020 with a further one year option. At the time of sale the property was producing a net income of \$175,534 per annum plus GST. The motel, which stands on a 4,041 sqm site offers significant residential redevelopment potential under the provisions of General Residential Zone 3. Burwood is located approximately 14km east of the Melbourne CBD. (AFR 10.10.19)





Residential

**'Bomera' 1 Wylde Street,
Potts Point NSW 2011**



\$35 million



\$15,165 psm site area

British billionaire *Sanjeev Gupta* has bought the historic Potts Point mansion "Bomera" from *Leanne Catelan*, the daughter of late property data pioneer Ray Catelan. The Italianate mansion standing on a 2,308 sqm block sold after a seven month off-market sales campaign. The property comprises eight bedrooms, five bathrooms and overlooks the Royal Botanical Gardens, Sydney Harbour and the city skyline. Potts Point is located approximately 2 km east of the Sydney CBD.
(AFR 16.10.19)

**111 Victoria Road,
Bellevue Hill NSW 2023**



\$10.1 million



\$10,446 psm site area

A circa 1916 two level house previously used as strata titled duplex units sold at auction for \$2.1 million above the \$8 million price guide. Bidding at the auction started at \$7 million with six registered bidders. The property comprising 180 degree views from Rose Bay to Bondi Beach has seven bedrooms, four bathrooms, three car spaces, a pool and two kitchens. Bellevue Hill is located approximately 5 km east of the Sydney CBD.
(AFR 30.10.19)

**1 Stonnington Place,
Toorak VIC 3142**



\$6.005 million



\$10,178 psm site area

A three bedroom house standing on a 590sqm site has sold at auction \$1 million more than the \$5 million reserve. The single storey brick property comprises three bathrooms, double lock up garage, a pool and a low maintenance garden. Toorak is located approximately 5 km south east of the Melbourne CBD.
(AFR 30.10.19)



Specialised Properties

95 Elizabeth Drive, Liverpool NSW 2170

- \$5.75 million
- 3.8% Yield
- \$24,059 per sqm lettable area
- Service Station

A portfolio of 15 7-Eleven fuel and retail convenience centres has been sold by *Russell Withers* at auctions held by Burgess Rawson in Sydney and Melbourne. The portfolio sold with a 100% clearance rate totalling \$70 million in sales. The 243 sqm property standing on a 4,234 sqm corner site included 993 sqm of vacant land for potential development. 7-Eleven have signed a brand new 12 year lease plus options to 2031 with fixed annual 3% increases. The property comprises 11 on-site car spaces and four bays. Liverpool is located approximately 27 km south west of the Sydney CBD.
(AFR 31.10.19)

20 Mort Street, Braddon ACT 2612

- \$7.1 million
- 4.1% Yield
- \$29,098 per sqm lettable area
- Service Station

Russell Withers has sold a portfolio of 15 7-Eleven fuel and retail convenience centres as part of a portfolio auction held across Sydney and Melbourne by Burgess Rawson. Among those sold was the 7-Eleven in Canberra's CBD, which sold on a tight 4.1% yield. The property sold with a brand new 12 year lease plus options to 2031 with fixed annual 3% increases. The 244 sqm property stands on a 2,783 sqm site with 10 onsite car spaces and eight bays. Braddon is located within the Canberra CBD.
(AFR 31.10.19)

493 Ballarat Road, Sunshine VIC 3020

- \$8.6 million
- 7% Yield
- \$8,600 per sqm lettable area
- Medical Centre

Melbourne doctor *Ian Folk* has sold a fully leased day hospital in Melbourne's west to a private investor through an expressions of interest campaign. The hospital, occupied by two tenants who specialise in gastroenterology and hepatology are on 10 year leases with options and occupy a combined total of 1,000 sqm in lettable area. The property also benefits from 21 onsite car spaces and a significant underlying landholding of 2,130 sqm. Sunshine is located approximately 12 km west of the Melbourne CBD.
(AFR 03.10.19)

1593 Western Highway, Rockbank VIC 3335

- \$6.8 million
- 4.84%
- \$19,101 psm lettable area
- Service Station

A portfolio of 15 7-Eleven fuel and retail convenience centres has been sold by *Russell Withers* at auctions held by Burgess Rawson in Sydney and Melbourne. The portfolio sold with a 100% clearance rate totalling \$70 million in sales. The 356 sqm property stands on a 1.73 hectare island site with 526 metres of frontage to the Western Freeway and Derrimut Road. 7-Eleven agreed to terms on a new 12 year lease plus options to 2031 with fixed annual 3% increases. The property comprises two separate canopies, 18 on-site car spaces and 12 dedicated truck bays. Rockbank is located approximately 29 km west of the Sydney CBD.
(AFR 31.10.19)

49-51 Vennachar Drive, Hallett Cove SA 5158

- \$4.325 million (Approx.)
- 6.44%
- \$48,056 per place
- Childcare Centre

A purpose built childcare centre leased to **Paisley Park Early Learning Centres** on a 20 year lease with a current net passing income of \$278,518 has sold to a private investor. Vendor, *Accord Property* sold the 685 sqm centre on a 2,390 sqm site at a 6.44% yield. The centre, licensed for 90 places comprises an indoor and outdoor play area along with 20 on site car spaces. Hallett Cove is located opposite Hallett Cove East Primary School and approximately 21 km south of the Adelaide CBD.
(AFR 03.10.19)

Property Funds & Capital Raisings

Investec Australia Property Fund

\$81 million—Acquisition Price

7.3% Combined

The newly listed *Investec Australia Property Fund* has acquired three industrial assets in the unlisted *Charter Hall Prime Industrial Fund* on a combined initial yield of 7.3%. The properties located in South Australia, Western Australia and the Northern Territory will increase Investec’s portfolio to 31 properties and will be funded by an \$84 million institutional placement of new shares. The sale of **103 Wleshpool Road, Wleshpool WA** was completed on a 6.6% initial yield and sale price of \$26.5 million. The 31,899 sqm property is leased to agribusiness company Milne Feeds, who have occupied the site for over 100 years and currently have 8.7 years remaining on the lease. **46-70 Grand Trunkway, Gillman in South Australia** was acquired for \$25.5 million on an initial yield of 6.8%. The 65,060 sqm property is leased to Australian Wool Handlers on an 8.3 year WALE. **16 Dawson Street, East Arm in the Northern Territory** sold for \$29 million on an initial yield of 8.4%. The 39,990 sqm property located in close proximity to Darwin’s main industrial freighting port is leased to freight and warehousing company Northline on a 7.9 year WALE. Two other assets in the same Charter Hall portfolio remained unsold. (AFR 01.10.19)

Charter Hall Prime Industrial Fund

\$725 million—Capital Raise

The *Charter Hall Prime Industrial Fund (CPIF)* has raised \$725 million worth of capital as they sought to reduce their exposure to retail property and put more money in to the industrial sector and more specifically e-commerce facilities. Logistic hungry domestic institutions and local investors who for the most part are underweight on logistics compared to their overseas counterparts provided a majority of the capital. The oversubscribed raise tipped the wholesale fund from a 60-40 weighting to offshore investors into a 50-50 split. The fund over the past three years to September 30 has made total annualised returns of 10.1%, which gives the \$3.9 billion fund with a target gearing of 30% the capacity to grow more than \$5 billion in size. In financial 2019, CPIF had a weighted average lease expiry of 10 years with 85% of the portfolio on a value basis located in Sydney, Melbourne and Brisbane. The existing land holdings also have the capacity to develop more than 650,000 sqm of new core logistics facilities with a \$1.5 billion value on completion. Demand for prime industrial properties continues to be driven by companies seeking supply chain efficiencies through new automated facilities, record infrastructure spending and the continued growth of the e-commerce. (AFR 17.10.19)





**Preston
Rowe
Paterson**

Our Research

At Preston Rowe Paterson we take pride in the extensive research we prepare for the market sectors within which we operate in. These include Commercial, Retail, Industrial, Hotel and Leisure and Residential property markets, as well as Infrastructure, Capital, Asset, Plant and Machinery markets.

We have **property** covered.

We have **clients** covered

Preston Rowe Paterson acts for a diverse range of clients with all types of property needs, covering real estate, infrastructure, asset, plant and machinery interests, these include:

- Accountants, auditors & insolvency practitioners
- Banks, finance companies & lending institutions
- Commercial & residential non-bank lenders
- Co-operatives
- Developers
- Family Offices
- Finance & mortgage brokers
- Hotel owners & operators
- Institutional investors
- Insurance brokers & companies
- Investment advisors
- Lessors & lessees
- Listed & private companies & corporations
- Listed & unlisted property trusts
- Local, state & federal government departments & agencies
- Mining companies
- Mortgage trusts
- Overseas clients
- Private investors
- Property syndication managers
- Real Estate Investment Trusts (REITS)
- Rural landholders
- Solicitors & barristers
- Sovereign wealth funds
- Stockbrokers
- Superannuation funds
- Trustee & custodial companies.

We have **real estate** covered

We regularly provide valuation, advisory, research, acquisition, due diligence management, asset and property management, consultancy and leasing services for all types of Real Estate, including:

- Metropolitan & CBD commercial office buildings
- Retail shopping centres & shops
- Industrial, office/warehouses & factories
- Business parks
- Hotels (accommodation) & resorts
- Hotels (pubs), motels & caravan parks
- Residential developments projects
- Residential dwellings (houses/apartments/units)
- Property Management
- Rural properties
- Hospitals & aged care
- Special purpose properties
- Extractive industries & resource based enterprises
- Infrastructure including airports & port facilities.

We have **asset, plant and machinery** covered

We regularly undertake valuations of all forms of asset, plant and machinery, including:

- Mining & earth moving equipment/road plant
- Resort & accommodation, hotel furniture, fittings & equipment
- Office fit outs & equipment
- Farming equipment
- Transport equipment
- Industrial/factory equipment
- Licensed club furniture, fittings & equipment
- Building services equipment (lifts, air conditioning, fire services & building maintenance equipment).

We have your **needs** covered

Our clients seek our property (real estate, infrastructure, asset, plant and machinery) services for a multitude of reasons, including:

- Acquisitions & Disposals
- Alternative use & highest and best use analysis
- Asset Management
- Asset Valuations for financial reporting to meet ASIC, AASB, IFRS & IVSC guidelines
- Compulsory acquisition and resumption
- Corporate merger & acquisition real estate due diligence
- Due Diligence management for acquisitions and sales
- Facilities management
- Feasibility studies
- Funds management advice & portfolio analysis
- Income & outgoings projections and analysis
- Insurance valuations (replacement & reinstatement costs)
- Leasing vacant space within managed properties
- Listed property trust & investment fund valuations & revaluations
- Litigation support
- Marketing & development strategies
- Mortgage valuations
- Property Management
- Property syndicate valuations & re-valuations
- Rating and taxing objections
- Receivership, Insolvency & liquidation valuations & support/advice
- Relocation advice, strategies and consultancy
- Rental assessments & determinations
- Sensitivity analysis
- Strategic property planning.

We have all **locations** covered

From our capital city and regional office locations we serve our client's needs throughout Australia. Globally, we have three offices located in New Zealand, as well as associated office networks located in the Asia-Pacific region.

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<http://www.appraisalchina.com/>

Japan via Daiwa Realty Appraisal
<http://daiwakantei.co.jp/eng/about>

Thailand via Capital and Co.
<http://www.cpmcapital.co.th/>

Philippines via Cuervo Appraisal Incorporated
<http://cuervoappraisers.com.ph/>





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