



Preston
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International Property Consultants

TRANSACTIONS IN REVIEW

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, specialized 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.

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Commercial

267-270 Church Street, Parramatta, NSW 2150



Westpac have renewed their long-standing position in the heart of the Parramatta CBD, signing a lease, commencing March 2020, for a 506 sqm commercial space in a standout

position. The lease will run for **seven years** with options. Landlords *Urban Tactical* will receive **\$506,000 per annum gross** upon commencement of the term, whilst the two years prior will see *Westpac* pay a reduced temporary gross rental of \$150,000 per annum for the c.1874 building. The renewal lease was agreed at a **rate of \$1,000 psm lettable area**. Parramatta is located 23 km west of Sydney. The building recently sold with an adjoining lot for \$14 million (See: March TIR; commercial sales) (AFR 24.04.18)

Level 2, 55 Harrington Street, Sydney, NSW 2000

Singaporean firm *Far East Organisation* have successfully let out 1,553 sqm of office space in The Rocks for **six years** at a **gross annual rent of \$1,164,750** or **\$750 psm per annum** to research and development group *Capital Markets CRC*. The premises sits opposite long-standing bar and restaurant, The Argyle. (AFR 24.04.18)

441 Murray Street, Perth, WA 6000

An 8-level office building has sold to *Redhill Partners*, a Singaporean private equity firm, for **\$22 million**. The building is located in the west end of the CBD and has a 3.5 star NABERS rating, end of trip facilities, 39 basement car spaces and is currently undergoing a refurbishment to common areas. It was bought as part of *Redhill's* counter-cyclical investment strategy (i.e. buy low, sell high). *Centuria* sold the 5,849 sqm building on a **rate of \$3,761 psm lettable area**. (AFR 16.04.18)

1B Oxley Road, Hawthorn, VIC 3122

Creative Cubes, a co-working office space provider, has opened a second centre in Melbourne's inner east after signing a new **10 year lease**. The agreement will see the company pay in the **high \$300's psm lettable area net** for the 1,366 sqm office space. Co-working space grew by 62% last year, according to Knight Frank. Hawthorn is located 7 km east of Melbourne's CBD. (AFR 24.04.18)

Cnr of Central Parkway & Paramount Boulevard, Cranbourne West, VIC 3977

A 28-hectare vacant site in Melbourne's outer-south east has been picked up for **\$19.1 million** by *Paul Little*, whose net worth exceeds \$900 million. The site is zoned for residential, commercial and industrial use; *Little* intends to undertake a mixed use development. The sale was done at a **rate of \$68 psm site area**. Cranbourne West is located 46.5 km south east of Melbourne's CBD. (AFR 04.04.18)

220 Bourke Street, Melbourne, VIC 3000

A corner building in the heart of the CBD has sold after 661 bids for **\$15.205 million**. The five storey building is set on 201 sqm of prime retail land, positioned metres from Bourke Street Mall. It has a laneway frontage which leads to Little Bourke St's Chinatown precinct. The building, which has a rooftop terrace in addition to the 1,170 sqm floor space, receives income from multiple tenancies amounting to \$453,950 net per annum, anchored by **Cotton On Body**. *Spiros Alysandratos* purchased the building on a **3.06% net yield**, whilst the price paid reflects a **rate of \$12,996 psm lettable area**. (AFR 30.04.18)



25 Green Square Close, Fortitude Valley QLD 4006



The *City of Brisbane* council has offloaded the last development site in Green Square Close for **\$15 million** to a private buyer. Situated adjacent to a 4-line railway, this site is currently used as a warehouse and yard space. The site was sold with council approval to build a 15-level office tower, containing 20,000 sqm of commercial space. The property sold on **rate of \$4,889 psm site area**. Fortitude Valley is located 2.1 km south west of Brisbane's CBD. (AFR 04.04.18)

The *City of Brisbane* council has offloaded the last development site in Green Square Close for **\$15 million** to a private buyer. Situated adjacent to a 4-line railway, this site is currently



699 Bourke Street, Melbourne, VIC 3000



Morgan Stanley has joined Mirvac as joint owners of an A-grade office tower built above Southern Cross Station, acquiring a 50% stake in the building for **\$102 million** from global fund manager *TH Real Estate*. The building features a 5-star NABERS rating, 19,303 sqm NLA, 86 parking bays and is fully let to **AGL** with a WALE of 7.8 years. *Morgan Stanley* will add the property to its Prime Asia fund, which holds over \$1 billion in equity in the Asia-Pacific region. This sale reflects a **gross yield of 5.94%**, whilst generating a **rate of \$10,568 psm lettable area** (adjusted to reflect 50% interest). (AFR 17.04.18)

470 Bourke Street, Melbourne VIC 3000

Long-term owner occupier, *The Law Institute of Victoria*, has sold their 9-level office tower for **more than \$30 million** to a private investor. The building fronts both Bourke and Little Bourke Street in an area popular with law firms. It contains 3,339 sqm of office floor space which appears slightly dated. The *LIV* purchased the building in 1978 for \$1.5 million. This purchase was struck at a **rate of \$8,985 psm lettable area**. (AFR 04.04.18)

451 St Pauls Terrace, Fortitude Valley, QLD 4006

Pro Leaders Academy has signed a **three year** deal for a newly fitted office space in Brisbane for **\$153,000 gross per annum**. The first floor premises occupies



a 360 sqm space, in close proximity to Fortitude Valley station. This transaction reflects a **rate of \$425 psm gross per annum**. Fortitude Valley is located 2.1 km north east of Brisbane's CBD. (AFR 17.04.18)

72-74 The Parade, Norwood, SA 5067



A heritage c.1884 two storey commercial building in Adelaide's inner eastern suburbs has traded for **\$3.53 million**. The property rests on a 428 sqm corner site. It has two ground floor and one first floor commercial

tenancies, measuring 620 sqm. It sold at a **rate of \$5,694 psm lettable area**, at a **return of 4.2%**. Norwood is located 4 km east of Adelaide's city centre. (AFR 19.04.18)

464 St Kilda Road, Melbourne, VIC 3004

Abacus Property Group and Singaporean *Wing Tai* have jointly acquired a city-fringe 8-level office building for **\$95.38 million**. The building known as **VACC House** is fully leased to the **Victorian Automobile Chamber of Commerce**, who pay \$4.9 million per annum on a WALE of 2.4 years. *Abacus* has positioned its assets in east coast, city-fringe locations, looking to harvest long-term growth from gentrifying areas, driven by infrastructure spending. With 13,827 sqm of floor area, this sale gives a **rate of \$6,871**, whilst generating a **yield of 5.16%**. St Kilda is situated 6.6 km south east of Melbourne's CBD. (AU 05.04.18, AFR 18.04.18)

Industrial

33-49 Glenbarry Road, Campbellfield, VIC

A 2.833 hectare site in Melbourne's north has leased to piping specialist *Enviropipes* for **seven years** plus options at a **net rental of \$500,000 per annum**. The site, previously occupied by Ford's high performance vehicle branch, features 4,404 sqm of office, warehouse and workshop area, giving a **rate of \$114 psm lettable area p.a.** Campbellfield is positioned 15.3 km north of Melbourne's CBD. (AFR 24.04.18)

442-540 Dohertys Road, Truganina, VIC 3029

A 61.19-hectare vacant land site in Melbourne's outer-west has been acquired by *Charter Hall* for **\$55.35 million**. The mammoth corner site is regularly shaped and mostly level in topography, making it prime for a large-scale industrial development. The property will be held in the Charter Hall Prime Industrial Fund, which currently manages \$2.8 billion worth of assets. *Singaporean investors* offloaded the site at a **rate of \$90 psm site area**. Truganina is located 23.5 km west of Melbourne's CBD. (AFR 04.03.18)



9 Liberty Road, Huntingwood, NSW 2148

A freestanding office and warehouse building has been traded between private investors for **\$8.086 million**. The property spans some 3,595 sqm NLA, featuring high-bay roller shutter doors, a 5-tonne gantry crane in addition to modern office accommodation at the front of the premises. The site sold with a **passing net yield of 5%**, whilst returning a **rate of \$2,249 psm lettable area**. Huntingwood is located 33.6 km west of Sydney's CBD.
(AFR 05.04.18)

44 Clunies Ross Street, Greystanes, NSW 2145

A 12.89 hectare land parcel, currently used as a brick production facility, has sold to super fund investor *ISPT* for **about \$60 million**. The land has major potential as an industrial strata development or similar, given the scale of the area, its IN1 zoning and its proximity to both M7 and M4 motorways. The site includes 1.32 hectares of built area and has a lease in place that expires in December 2020. The site sold on a **rate of \$465 psm site area**. Greystanes is positioned 26.8 km west of Sydney's CBD.
(AFR 26.04.18)

4 Bronti Street, Mascot, NSW 2020

A high-bay warehouse building with internal mezzanine office space, a container-height roller shutter door and 6 parking bays has been leased to *Pacific Waves Australia* for a **gross annual rent of \$150,000 per annum**. The 500 sqm NLA premises forms part of a 7-unit industrial complex, located just east of Sydney Airport. The lease will span **five years** plus options. The lease generates a **gross rate of \$300 psm lettable area p.a.** Mascot lies 7 km south of Sydney's CBD.
(AFR 17.04.18)

13 Crompton Way, Dandenong, VIC 3175

Atomik Motorsport will locate to a new distribution centre in a newly inked **three year** deal worth **\$122,670 net per annum**. The building comprises a new high clearance, clear span warehouse of 1,180 sqm and two floors of modern office space, totalling 183 sqm. The site is close to major arterial roads and offers ample on-grade parking. The lease was agreed at a **net rate of \$90 psm lettable area p.a.** Dandenong is positioned 30 km south east of Melbourne's CBD.
(AFR 18.04.18)

10-12 Fairford Road, Padstow, NSW 2211

Overlook Tiles has agreed to lease a portion of a warehouse building for the next **four years**. The area is 4,700 sqm of clear span, high bay industrial warehousing containing roller shutter doors and covered loading areas. It is situated on a main arterial road, giving good exposure, whilst vehicular access is through a quiet battle-axe handle. The deal was struck on a **gross rent of \$400,000 p.a.**, giving a **rate of \$85 psm lettable area p.a.** Padstow is positioned 21.3 km south west of Sydney's CBD.
(AFR 03.04.18)

2 Lincoln Street, Lane Cove, NSW 2066

Joint owners *Bricktop* and *Trumen Corp* have sold their industrial complex for **\$28.075 million** to fund managers *Aviator Capital* after purchasing the site in December 2014 for \$16.88 million. The property is well located to major linking roads and contains 5-levels of modern office space, parking for some 115 vehicles and expansive warehousing with multiple roller shutter doors, loading awnings and concrete hard standing. The complex is 95% leased to **SLR Consulting, Kastle Australia** and **Key Pharmaceuticals**, giving a 3.25 year WALE. Expectation of rising rental rates combined with withdrawals of North Shore warehouse and office space have driven investment demand for these types of assets. The property sold on a **6.91% passing yield** and gives a **rate of \$3,031 psm lettable area**. Lane Cove is situated 9.3 km north west of Sydney CBD.
(AFR 03.04.18)

169 Australis Drive, Derrimut, VIC 3030



Singaporean REIT *Ascendas* has paid **\$34 million** to *Abacus Property Group* for a warehouse facility in an industrial estate west of Melbourne. The modern, high clearance warehouse space measures a total area of 31,048 sqm and includes 12 recessed loading docks, internal clearance of 13 metres and parking for some 220 vehicles. It is fully leased to three tenants, generating \$2.328 million net annual income and a WALE of three years. The sale was done on a **return of 6.84%** and at a **rate of \$1,095 psm lettable area**. Derrimut is positioned 19.4 km west of Melbourne's CBD.
(AFR 26.04.18)

59-65 Wedgewood Road, Hallam, VIC 3803

An industrial corner site has been let to manufacturer *Zip Industries* for **five years** at a **gross annual rent of \$136,202**, reflecting a **rate of \$82 psm lettable area**. The site, owned by a private landlord, has 861 sqm of office space set over two levels and an 800 sqm high-bay warehouse with a roller shutter door. Hallam is located 38.7 km south-east of Melbourne's CBD.
(AFR 24.04.18)



99 Cook Street, Port Melbourne, VIC 3207

Nu Group Rail Solutions, a rail focussed technology and logistics company, have agreed terms on a new **three year** deal with options for a clearspan, high-clearance warehouse plus office for a **net annual rent of \$200,000**. The property is on a corner lot, with exposure to Westgate Freeway. It contains 1,230 sqm of building area, giving this deal a **rate of \$163 psm building area per annum**. Port Melbourne lies 5 km south west of Melbourne's CBD.
(AFR 17.04.18)

339 Woodpark Road, Smithfield, NSW

A warehouse in Sydney's west spanning 1,500 sqm NLA has been let for **five years** to *Diversipak Packaging Solutions* for **\$172,500 net per annum**. The property has elevated office space, front parking both on -grade and undercover as well as two roller shutter doors of container height. The off-market deal was secured immediately following the departure of the building's previous tenants, a rare windfall to the owner. The deal reflects a **rate of \$115 psm lettable area p.a.** Smithfield is located 28.9 km west of Sydney's CBD.
(AFR 17.04.18)

36-42 Hydrive Close, Dandenong South, VIC 3175



Industrial logistics provider *LOGOS* has sold an office and warehouse building in the highly popular Dandenong South region for **\$19.45 million** to *Investec*.

The property features modern office space, high-bay warehousing and high-clearance roller shutters with loading awnings, spread over approximately 1.36 square hectares gross building area. The site is positioned at the end of an industrial cul de sac, a few turns from major roads and highways. The sale was done on an **initial 6.3% yield** and shows a **rate of \$1,430 psm gross building area**. Dandenong South is located 31.3 km south east of Melbourne's CBD.
(AFR 10.04.18)

59-65 Wedgewood Road, Hallam, VIC 3803

An industrial corner site has been let to manufacturer *Zip Industries* for **five years** at a **gross annual rent of \$136,202**, reflecting a **rate of \$82 psm lettable area p.a.** The site, owned by a private landlord, has 861 sqm of office space set over two levels and an 800 sqm high-bay warehouse with a roller shutter door. Hallam is located 38.7 km south-east of Melbourne's CBD.
(AFR 24.04.18)

Retail

7 Penong Street, Westlake, QLD 4074

The **Hub Westlake**, a neighbourhood shopping centre in Brisbane's south west, has sold for **\$10.5 million**. It features an **IGA Supermarket** anchor tenancy in addition to 9 specialty stores including a **BWS Liquor** and **F45 Training**. It was purchased by fund managers *Real Asset Management* in an off-market deal with *A&P Property Holdings*. The 4,848 sqm site is zoned for a development of up to three storeys. It sold at a **rate of \$2,166 psm site area** and with an **initial annual return of 7.1%**. Westlake is located 15 km south west of Brisbane's CBD.
(AFR 05.04.18)



63 Majors Bay Road, Concord, NSW 2137

A suburban retail corner site has traded for **\$7.65 million** between private investors. The two-storey building, which enjoys a combined frontage of 60 metres, is fully let to **Priceline Pharmacy** on ground floor and a physiotherapy studio on the first floor. Both are on long leases with 3% and 3.5% increases, respectively, generating a combined \$327,457 p.a. net income. This sale reflects a **4.28% net yield**, whilst showing a **rate of \$19,416 psm lettable area**. Concord is positioned 12.1 km west of Sydney's CBD.
(AFR 05.04.18)

27-49 Browns Plains Road, Browns Plains, QLD 4118

A group of investors have sold their 50% interest in the **Grand Plaza Shopping Centre** in Brisbane to *Invesco* for **\$215 million**, at a **near 6% yield**. The centre houses 53,412 m² of retail space including tenancies from **Woolworths, Coles, Aldi, Target, Big W**, four mini-majors and special tenancies. It has a parking capacity for some 2500 vehicles. It's a deal which follows the trend of retail focused groups siding with large capital investment partners. Managers of the centre, *Vicinity*, will retain a 50% share in the asset. The purchase reflects a **rate of \$8,051 psm lettable area**. Browns Plains is positioned 24 km south of Brisbane's CBD. (Adjusted to reflect 50% stake).
(AFR 11.04.18)





400 Churchill Road, Kilburn, SA 5084



In an off-market deal, fund managers *Inheritance Capital Asset Management (ICAM)* and *Accord Property* have jointly acquired a 50% interest in the large format **Churchill Centre North** shopping centre for **\$42.5 million** from vendors *Axiom Properties*. The sub-regional centre was built in 2014 and refurbished in 2016. Tenants in the 7,500 m² centre include **Costco, Coles, Kmart, McDonalds, Australia Post, Commonwealth Bank** and **Westpac**. *Axiom* will retain a performance kicker on the outcome of remaining development land. This sale reflects a **rate of 11,333 psm lettable area** (Adjusted to reflect half stake). Kilburn lies 9 km north of Adelaide's CBD. (AFR 09.04.18)

2 Titahi Bay Rd, Porirua, 5022, New Zealand

The **North City Shopping Centre** has sold to Adelaide-based *Nick DiMauro* for **\$AUD95 million**. The purchase is *DiMauro's* second venture into the New Zealand shopping centre market, having bought the Westfield WestCity in Auckland's west in 2017. The centre contains 25,403 sqm of retail space spread over three levels and includes anchor tenants **Kmart, Farmers (Department Store), Reading Cinemas** as well as a **McDonalds, Flight Centre** and **Vodafone**. All up, it has over 100 separate tenancies and parking for some 1,102 vehicles. The sale reflects a **rate of \$3,740 psm lettable area**. The property is located 25 km north of Wellington's CBD. (AFR 16.04.18)

40 Market Street, Melbourne, VIC 3000

A ground floor retail shop in Melbourne's CBD, just south of Collins Street, has been secured for the next **5 years** by *Simpsons Burgers* for a **gross rent of \$80,000 per annum**. The shop has 100 square metres of space in addition to an outdoor dining area. This lease represents a **rate of \$800 psm gross p.a.** (AFR 10.04.18)



132 Muller Road, Greenacres, SA 5086

Graham Investments has sold the **Greenacres Shopping Centre** in North West Adelaide for **\$10.5 million**, reflecting a **fully leased yield of 7.25%**. Property syndicate *PPI Funds Management* picked up the centre, directly adjacent to their Coles-anchored bulky goods retail centre, giving them a 4.3 hectare land holding in the area. The 2,987 sqm building contains tenants such as **Bank SA** and **National Pharmacies**. It sold at a **rate of \$3,515 psm lettable area**. Greenacres is positioned 12 km north east of Adelaide's CBD. (AFR 19.04.18)



51 McGinn Road, Ferny Grove, QLD 4055

A neighbourhood shopping centre in Brisbane's western suburbs, **The Ferny Grove Village shopping centre**, has changed hands for **\$16.2 million**. The 4,408 sqm property is anchored by a **Coles supermarket** and has 19 specialty tenants, including **Dominos** and **BWS**. The property, which generates a net annual income of \$1,245,194, was picked up by a WA-based syndicator *Kerching Capital* on a **net yield of 7.6%**. The deal reflects a **rate of \$3,721 psm lettable area**. Ferny Grove lies 11 km north west of Brisbane's CBD. (AFR 26.04.18)

179-181 Harris Street, Pyrmont, NSW 2009

Two adjoining buildings have sold in one line for **\$9.11 million**. No. 179 is a c.1880 two storey commercial building with 324 sqm of floor space and balcony area. No. 181 is a converted warehouse office building with ground floor retail space of 104 sqm (leased for 3+3 years) and 264 sqm of office space which was vacant upon sale. All



areas are furnished with a blend of modern and heritage features. The properties sold at a **rate of \$13,165 psm lettable area**. Pyrmont is located 2 km west of Sydney CBD. (AFR 05.04.18)



580 Springvale Road, Wheelers Hill, VIC 3150

Vicinity and their partner, believed to be *Telstra Super*, have offloaded the **Brandon Park Shopping Centre** for **\$135 million** to property syndicate *Newmark Capital*, as part of a wider sell-off of non-core assets. The centre is 98.6% occupied with a 3.3 year WALE (GLA) and includes 23,122 sqm of retail space and parking for some 1,432 vehicles. *Newmark Capital* has been increasingly busy in Melbourne's south-eastern markets, picking up key assets as the Jam Factory development in South Yarra, a \$1.2 billion entertainment and retail precinct, amongst others. The sale reflects a **yield of 7.11%** and a **rate of \$5,839 psm lettable area**. Wheelers Hill is 24.5 km south east of Melbourne's CBD.

(AFR 19.04.18)

Cnr Aitken and Grand Boulevards, Cragieburn, VIC 3064

Stockland have sold the **Highlands Shopping Centre** to investor *Laura Wong* for **\$43 million**. The neighbourhood centre is anchored by a **Woolworths supermarket** with a lease expiry in 2032. It is further underwritten by national tenants such as **Woolworths Petrol, Subway, Australia Post, Nandos** and **The Reject Shop**. The centre comes fully leased at \$2,344,000 per annum net income. It rests on a 3.282 hectare land parcel with 7,396 sqm floor area and on-grade parking for some 352 vehicles. The appetite of retail investors for neighbourhood centres is strong due to their perceived insulation from the growing e-commerce sector, surrounding population growth and substantial underlying land value. This is reflected in the **5.4% yield**. It sold at a **rate of \$5,814 psm lettable area**. Cragieburn is located 24.5 km north of Melbourne's CBD.

(AFR 30.14.18)



1297-1299 Sydney Road, Fawkner, VIC 3060

A site previously used as a car sales yard has been secured by *Krispy Kreme* for **10 years** on a net ground lease generating **\$115,000 per annum**. The donut retailer will construct their second concept drive-through store on the site, in addition to outdoor dining space, customer parking and offices. The 1,823 sqm corner site lies adjacent to a KFC drive-through on a main arterial road. The lease was carried out for **\$64 psm site area**. Fawkner is situated 12 km north of Melbourne's CBD.

(AFR 10.04.18)

Residential Development

138-152, Victoria Road, Rozelle, NSW 2039

With financial support from Chinese and Malaysian groups, the **former Balmain Tigers Leagues Club** has been picked up by Chinese developers *Hewood* for **\$65.62 million**. *Rozelle Village* offloaded the site after years of refused development applications, public scrutiny and legal battles, whilst the new owners may have inherited more of the same issues, due to the NSW Government considering a compulsory acquisition of the site for further tunnel projects. Malaysian based infrastructure and real estate investors *Mulpha* provided finance for *Hewood*, in the absence of traditional lending sources. The 7,330 m2 site sold at a **rate of \$8,952 psm**. Rozelle is located 4.4 km west of Sydney's CBD.

(AU 05.04.18)

254-258 Burwood Highway, Burwood, VIC 3125



A Chinese developer has picked up a pre-approved development site for **\$6.5 million**. The new owner intends to take advantage of the site's location, opposite Deakin University (26,000

students), by constructing student accommodation. The lot sold with approval for 66 residential apartments on a site area of 2,122 m2. This shows a **rate of \$98,485 per apartment site** and **\$3,063 psm site area**. Burwood is located 14 km east of Melbourne CBD.

(AFR 12.04.18)

159 Allen Street, Leichhardt, NSW 2040

Developer **Desane Group** has purchased an inner-city warehouse site, slated for 50 new apartments, for **\$21 million**. The group join Chinese developers Changfa in the master-planned Allen Street precinct, mentioning the inner-city location and undersupply of new homes in the area as key factors that will boost the project's appeal to prospective purchasers. The sale was done at a rate of **\$420,000 per unit site** and a **land rate of \$7,521 psm**. Leichhardt is positioned 6 km south west of Sydney's CBD.

(AFR 09.04.18)

725 Wellington Street, Perth, WA 6000

Residents have banded together to sell 29 townhouses in one line for **\$33.5 million** on a mixed-use development site opposite Perth Arena. The block measures a total 5,160 sqm and was picked up by Singaporean-listed *Bonvests Holdings*. The strategy of selling in-one-line has become popular in Sydney where large, well located development land is in short supply. The sale reflects a **rate of \$6,492 psm site area**.

(AFR 18.04.18)



Residential

3808 Point Nepean Road, Portsea, VIC 3944

High net worth individuals have exchanged a clifftop, waterfront villa on a tightly held, prime strip of real estate for **\$13.5 million**. *Jonathan Munz*, having purchased the property in 2016 for \$10.7 million, sold the house to *Russell Knowles* with a lengthy 12 month settlement period. **Rovina** is a c.1960's, five bedroom Mediterranean villa style dwelling featuring a cluster of living areas set around a central courtyard, leading to a sprawled clifftop balcony that overlooks Weerona Bay on a 1,996 sqm north facing allotment. The sale reflects a **land rate of \$6,764 psm**. Portsea is positioned 95 km south of Melbourne's CBD.

(AFR 26.04.18)

Rural

Portland Downs, Isisford, QLD, 4727

A 99,990 square hectare prime grazing property in Central Queensland has been purchased by *North Australian Pastoral Company* for **\$23 million**. *Salentein*, a Dutch investment company with global interests in beef, grain and wine, sold the estate with 1500 heads of cattle plus calves and some plant, whilst the property features 38 equipped dams and has a double frontage to Barcoo River. The property is roughly equivalent to the size of the Sydney metropolitan area, east of Parramatta. The deal was done at a **rate of \$230 per square hectare**. Isisford is located in central Queensland, 1,160 km north west of Brisbane.

(AFR 16.04.18)

Gundaline Station, Carrathool, NSW 2711

An irrigated property spanning 15,000 square hectares on the edge of the Murrumbidgee River, in NSW's Riverina region, has sold to Dutch fund *Optifarm* for a reported price of **\$65 million**. The property is one of the largest producers of cotton in the region, whilst there are plans to expand operations into almond, citrus or avocado crops, utilising 9000 hectares of spare land and a 16,000 megalitre groundwater entitlement. The sale is subject to both FIRB approval



(AFR 16.04.18)

and the harvesting of the current cycle of cotton plantations. The sale **represents a rate of \$4,333 per square hectare**. Carrathool is located in Central NSW, 674 km south west of Sydney.

270-720 Walkerville Road, Tarwin Lower, VIC 3956

Two adjoining rural estates in the South Gippsland region have been sold by the *Rawson Family*, (i.e. the family of the co-founder of Burgess Rawson) for **about \$20 million**. Together the sites measure 1,252 square hectares of cattle grazing land, including direct coastal frontage of over 1 km, giving the purchasers, a Melbourne-based couple, an opportunity to develop the site into a resort or eco-tourism style retreat. According to agents Elders Real Estate, the "price achieved would also be a record in South Gippsland". The Rawson family sold out of the company in 2010. This sale reflects an **approximate rate of \$15,974 per square hectare**. Tarwin Lower is located 175 km south east of Melbourne's CBD.

(AFR 30.04.18)



Specialised properties

650-652 Hoxton Park Road, Hoxton Park, NSW 2171

A *Vietnamese investor* has acquired the **Hoxton Park Service Centre** for **\$13.88 million**, the largest service station deal in NSW so far in 2018. The centre is positioned on the corner of two main carriageways, on a 7,242 sqm site near the M7 freeway. It is fully leased to a **Hungry Jacks, Shell Service Station & Coles Express Convenience Store**, and a **Coles Car Wash** for a net rental of \$781,313 per annum. The deal was struck on a **5.6% passing yield** and at a **rate of \$1,917 psm site area**. Hoxton Park is located 42.5 km south west of Sydney's CBD.

(AFR 19.04.18)

Hotels and Leisure

53 Railway Street, Griffith, NSW 2680

The **Quest Apartment Hotel** in Griffith has changed hands for **\$15.25 million**. *Railway Street Holdings* sold the 4.5 star, 40 apartment hotel which opened in November 2016. The hotel's value is underwritten by a long term lease to **Quest Hotels** which finished in 2031 with options until 2046 and with 4% fixed annual increases. Currently renting for \$1.12 million per annum, this sale was done on a **7.34% yield** and reflects a **rate of \$381,250 per room**. Griffith is located 597 km west of Sydney.

(AFR 04.04.18)



2-8 Sarah Street, Mascot, NSW 2020

An industrial site next to Sydney Airport with DA approval for hotel construction has sold for a sum of **\$12.2 million**. A private hotel developer and operator bought the 1,498 sqm site. The DA permits construction of an 8-level, 169 room hotel containing a gym, business centre and a 'sky bar'. It sold with a **site rate of \$8,141 psm** and **\$72,189 on a per room site basis**. Mascot is located 7 km south of Sydney's CBD. (AFR 05.04.18)

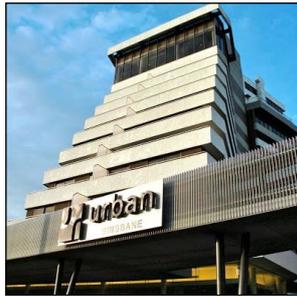


4327 Anzac Parade, Wodonga, VIC 3690

A wealthy local investor has purchased the **Blazing Stump Hotel** on the outskirts of Albury for **\$6 million**. The hotel will retain current management in a lease-back deal which generates a **yield of 6.76%**. The recently refurbished hotel is set over a 5,708 m2 site area and features a range of outdoor and alfresco dining areas, TAB facilities, a drive-through bottle shop, surplus on-grade parking, a crèche area and 25 EGMs. Given a floor area of 1,780m2, this sale shows a **rate of \$3,371 psm lettable area**. Wodonga is located 305 km north east of Melbourne CBD. (AFR 12.04.18)

345 Wickham Terrace, Spring Hill, QLD 4000

Facilimate Group has paid **\$31 million** for the 4-star **Hotel Urban Brisbane**. The hotel offers 179 rooms and suites, a restaurant, bar, pool, gymnasium and corporate facilities. *Facilimate* will undertake a \$10 million renovation and re-positioning exercise that will see the hotel upgraded to 4.5 stars to attract more visitors. The 11-level hotel sold at a **rate of \$173,184 per room**. Spring Hill is located 1.4 km north of Brisbane's CBD. (AU 12.04.18)



345 Parramatta Road, Leichhardt, NSW 2040

Marvan Hotels has disposed of inner-west pub, the **Bald Faced Stag** for a price of **\$7.98 million**. The 1,300 sqm property is a popular live music venue and includes a ground floor bar, beer garden and 11 hotel rooms on the first floor. The property sold on a **rate of \$6,138 psm site area**. Leichhardt is located 6 km south west of Sydney's CBD. (AFR 19.04.18)

PROPERTY FUNDS & CAPITAL RAISINGS

50 Bridge Street, Sydney, NSW 2000

Super fund *Rest* have taken a one-third, **\$900 million position** in *AMP Capital's* mixed use development **Quay Quarter Tower**. The \$2.7 billion project on the banks of Circular Quay is designed by Danish architects 3XN and will feature five stacked sections with varying aspects to maximise sunlight and views to its apartments and offices. The deal is thought to have been done on a **sub 4.75% return**. Multiplex have begun developing the 50-storey building this month, of which AMP will take a one-third anchor tenancy upon completion in late 2021. (AFR 06.04.18)

Finbar raises \$31 million for two high-rise projects.

Finbar has raised **\$30 million** to fund two projects; a \$350 million mixed-use project in Applecross known as **Sabina**; and the \$108 million **Palmyra Apartments Estate**. The company will ask shareholders for a further \$5 million so it can begin works on the two projects immediately. (AFR 16.04.18)



Our Research

At Preston Rowe Paterson, we pride ourselves on the research which we prepare in the market sectors within which we operate. These include Commercial, Retail, Industrial, Hotel & Leisure and Residential property markets as well as infrastructure, capital and plant and machinery markets

We have property covered

- . Investment
- . Development
- . Asset
- . Corporate Real Estate
- . Mortgage
- . Government
- . Insurance
- . Occupancy
- . Sustainability
- . Research
- . Real Estate Investment Valuation
- . Real Estate Development Valuation
- . Property Consultancy and Advisory
- . Transaction Advisory
- . Property and Asset Management
- . Listed Fund, Property Trust, Super Fund and Syndicate Advisors
- . Plant & Machinery Valuation
- . General and Insurance Valuation
- . Economic and Property Market Research

We have all real estate types covered

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

- . CBD and Metropolitan commercial office buildings
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- . Industrial, office/warehouses and factories
- . Business parks
- . Hotels (accommodation) and resorts
- . Hotels (pubs), motels and caravan parks
- . Residential development projects
- . Residential dwellings (individual houses and apartments/units)
- . Rural properties
- . Special purpose properties such as: nursing homes; private hospitals, service stations, oil terminals and refineries, theatre complexes; etc.
- . Infrastructure

We have all types of plant & machinery covered

We regularly undertake valuations of all forms of plant, machinery, furniture, fittings and equipment including:

- . Mining & earth moving equipment/road plant
- . Office fit outs, equipment & furniture
- . Agricultural machinery & equipment
- . Heavy, light commercial & passenger vehicles
- . Industrial manufacturing equipment
- . Wineries and processing plants
- . Special purpose plant, machinery & equipment
- . Extractive industries, land fills and resource based enterprises
- . Hotel furniture, fittings & equipment

We have all client profiles covered

Preston Rowe Paterson acts for an array of clients with all types of real estate, plant, machinery and equipment interests such as:

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- . Hotel owners and operators
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- . Listed Property Trusts
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- . Mortgage trusts
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- . Property Syndication Managers
- . Rural landholders
- . Self managed super funds
- . Solicitors and barristers
- . Sovereign wealth funds
- . Stock brokers
- . Trustee and Custodial companies

We have your needs covered

Our clients seek our property (real estate, infrastructure, 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 and 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 and re-valuations
- . Rating and taxing objections
- . Receivership, Insolvency and liquidation valuations and support/advice
- . Relocation advice, strategies and consultancy
- . Rental assessments and determinations
- . Sensitivity analysis
- . Strategic property planning



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