



**Preston
Rowe
Paterson**

International
Property Consultants
and Valuers

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Transactions in Review

December 2022



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 reported 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



HIGHLIGHTS

Commercial

Quintessential Equity has acquired Telstra House from *Unity Office Fund* for \$73 million.

Retail

Sentinel Property Group has acquired a regional shopping centre from *Lendlease* for \$280 million on a yield of 7.7%.

Industrial

Morgan Stanley has acquired a 50% stake in eight CIP-owned industrial assets from *Centuria Industrial REIT* for \$180.9 million on a yield of 4.7%.



Commercial

260 Queen Street Brisbane QLD 4000



\$140 million



\$10,857 per sqm lettable area

Coal billionaire *Sam Chong* has acquired Brisbane's ex-Westpac headquarters from *Goldman Sachs* and *Hines* for **\$140 million**. The 24-storey, A-grade office building is located within the Golden Triangle of the Brisbane CBD with Queen Street frontage and direct access to Post Office Square. The 3.0 star NABERS Energy rating building is leased to WeWork on a WALE of 6.4 years. The transaction was struck at a rate of **\$10,857 per sqm of net lettable area**. (RCA 20.12.22)

30 Pirie Street Adelaide SA 5000



\$73 million



\$2,946 per sqm lettable area

Quintessential Equity has acquired Telstra House from *Unity Office Fund* for **\$73 million**. The 23-storey, A-grade office is located within the Adelaide CBD. The building was refurbished in 2012. The building is anchored and predominantly leased to Telstra which will vacate the property during 2023. The transaction was struck at a rate of **\$2,946 per sqm of net lettable area**. (AFR 19.12.22)

13 Goode Street Gisborne VIC 3437



\$23.17 million



7.06% Yield



\$3,068 per sqm lettable area

A private Melbourne investor has acquired Nexus Business Centre for **\$23.17 million**. The three-level structure with two satellite buildings on a single title is situated on the edge of outer metro Melbourne about 45km northwest of the CBD. It is anchored to Suncorp, the Country Fire Authority, the Victorian State Government, Bendigo Bank, and others. The transaction was struck on a yield of **7.06% at a rate of \$3,068 per sqm of net lettable area**. (RCA 05.12.22)





Residential Development

10-32 Terry Road Box Hill NSW 2765



\$200 million



\$647 per sqm of site area

WST Property Group has acquired a residential development site from McCall Community Gardens Foundation Limited for **\$200 million**. The 30.9 Ha site within the Box Hill precinct is located 38km northwest of the Sydney CBD. It is situated adjacent to the new Box Hill Town Centre which is currently under construction. The site has a development application proposed for 1,153 dwellings. The transaction was struck at **a rate of \$647 per sqm of site area**. (RCA 14.12.22)

Specialised Property

709 Princes Highway Port Augusta SA 5700



\$70 million



\$28.45 per sqm of site area

Centuria Capital has acquired a vegetable-growing glasshouse facility from Morrison & Co Limited for **\$70 million**. The 246-ha property is located about 300km north of Adelaide. It is leased to Sundrop Farms for 20 years. The facility produces 17,000 tonnes of truss tomatoes a year. It also comprises an onsite desalination plant and 12.5-ha solar plant. The transaction was struck at **a rate of \$28.45 per sqm of site area**. (AFR 15.12.22)

Hotels & Leisure

11 The Esplanade St Kilda VIC 3182



\$64 million



4.9% Yield



\$19,988 per sqm site area

The Cohen Family has acquired a landmark heritage building from Sand Hill Road for **\$64 million**. The Espy was sold with a new 20-year lease in place to Australian Venue Co. The Espy was originally built as a luxury seaside hotel. It was transformed into a jazz and dance venue in the 1920s and became a disco in the 1970s, then a live entertainment palace after. The transaction was struck on **a yield of 4.9% at a rate of \$19,988 per sqm of building area**. (RCA 12.12.22)

303 Golden Four Drive Bilinga QLD 4225



\$16 million



\$13,180 per sqm of site area

Chuan Hup Holdings and Siera Property Group have acquired a residential development site for **\$16 million**. The site is located 2km north of the Gold Coast airport having direct access to Bilinga Beach. It is currently approved for an eleven-storey residential building comprising 19 residential apartments. The transaction was struck at **a rate of \$13,180 per sqm of site area**. (RCA 14.12.22)

3765 Pacific Highway Slacks Creek QLD 4127



\$9.3 million



\$1,549 per sqm of site area

Capgrow Pty Ltd has divested a service station for **\$9.3 million**. The corner position asset sitting on 6,004m2 land is situated between the Gold Coast and Brisbane, adjacent to the Pacific Motorway. It is anchored by BP Australia, Wild Bean Café and Zarraffa's coffee having projected net income of \$715,000 per annum. The property was redeveloped in 2013 with modern double walled fuel tanks. The transaction was struck on **a yield of 7.7% at a rate of \$1,549 per sqm of site area**. (RCA 09.12.22)

162 Flinders Street Paddington NSW 2021



\$13 million






\$12,037 per sqm lettable area

Brus Mathieson has acquired the Captain Cook Hotel from F H T Nominees Pty Ltd for **\$13 million**. The four-storey building with a rooftop, sitting on a 544sqm corner position, is situated on the fringe of the Sydney CBD. The hotel comprises 22 accommodation rooms, a rooftop area adjoining a private bar, a ground floor bar and two dining spaces. The transaction was struck at **a rate of \$12,037 per sqm of net lettable area**. (RCA 09.12.22)

Industrial


CIP AUS Industrial Portfolio 2022

-  \$180.9 million
-  4.7% Yield
-  \$1229 per sqm of total site area

Morgan Stanley has acquired a 50% stake in eight CIP-owned industrial assets from *Centuria Industrial REIT* for **\$180.9 million**. The partnership between Morgan Stanley and Centuria enables CIP to bolster its balance sheet by reducing gearing and interest costs while maintaining its exposure to the high-performing assets. These assets are situated in NSW, Victoria, and Queensland. The transaction was struck on a **yield of 4.7%** at a **rate of \$1,229 per sqm of total site area**.

(RCA 15.12.22)



32 Cawarra Road Caringbah NSW 2229

-  \$20.2 million
-  6.2% Yield
-  \$2,980 per sqm of GLA

Leda Holdings has divested an industrial asset for **\$20.2 million**. The regular-shaped 5,495m² corner land has maximum exposure of 145m frontage to Wurrook Circuit and Cawarra Road offering access to major arterial roads including Taren Point Road, Captain Cook Drive, and Princes Highway. It comprises recently refurbished 2,980m² improvements. It was sold leased on a WALE of 6.5 years. The transaction was struck on a **yield of 6.2%** at a **rate of \$6,779 per sqm of GLA**.

(RCA 20.12.22)

230 Captain Cook Drive Kurnell NSW 2231

-  \$60 million
-  \$3,761 per sqm of GLA

Centuria Capital has acquired a warehouse with an office facility from *Garda Property Group* for **\$60 million**. The freestanding asset is situated 10km from Taren Point and 25km from Sydney Airport. It comprises two separate office spaces, a high clearance warehouse component with three bays, and onsite parking for 143 car parking spaces. The transaction was struck at a **rate of \$3,761 per sqm of GLA**.

(RCA 02.12.22)



Retail

Mangrove Road Mackay QLD 4740

- \$280 million
- 7.7% Yield
- \$4,245 per sqm of GLAR

Sentinel Property Group has acquired a regional shopping centre from *Lendlease* for **\$280 million**. Caneland Central Shopping Centre is located at the fringe of the Mackay CBD. It is in close proximity to the Bruce Highway and Mackay Airport. The asset is anchored by Myer, Coles, Woolworths, Target, Big W, and a variety of specialty shops on a WALE of 5.7 years. The transaction was struck on a **yield of 7.7% at a rate of \$4,245 per sqm of GLAR**.

(AFR 08.12.22)

Railway Street Woy Woy NSW 2256

- \$112 million
- 6.5% Yield
- \$6,154 per sqm of GLAR

Dexus has divested a sub-regional mall to a *local investment group* for **\$112 million**. Deepwater Plaza is located in Woy Woy town centre. It is the largest sub-regional mall on the Central Coast. The 18,200 sqm GLAR mall is anchored by Coles, Kmart, Best & Less, Service NSW, and more than 45 specialty stores. The transaction was struck on a **yield of 6.5% at a rate of 6,154 per sqm of GLAR**.

(AFR 20.12.22)

1397 Wanneroo Road Wanneroo WA 6065

- \$26 million
- 7.7% Yield
- \$1,587 per sqm of GLAR

Baron Vanilla Management has acquired a large format retail centre from *Ray Jackson* for **\$26 million**. Drovers Marketplace sitting on 1.64ha of land is located about 25km north of the Perth CBD. The 16,388 sqm GLAR shopping centre is leased to tenants including Dan Murphy's, Drovers Self Storage, Surge Fitness and a variety of specialty stores on a WALE of 7.5 years. The transaction was struck on a **yield of 7.7% at a rate of \$1,587 per sqm of GLAR**.

(RCA 21.12.22)

114-118 George Street Beenleigh QLD 4207

- \$85 million
- \$4,197 per sqm of GLAR

Mintus has acquired a sub-regional shopping centre from the *Dexus Wholesale Property Fund* for **\$85 million**. Beenleigh Marketplace is situated 32km southeast of Brisbane. The asset comprises an office building, over 1,000 car parking spaces, and 4,390 sqm of surplus land. The 20,252 sqm GLAR shopping centre is leased to tenants including Woolworths, Big W, and over 55 specialty stores and services. The transaction was struck at a **rate of \$4,197 per sqm of GLAR**.

(AFR 14.12.22)





**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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Asia-Pacific Region

Associated office networks throughout:

China via China Appraisal
<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/>

United Arab Emirates via Windmills Real Estate Valuation Services
<https://www.windmillsgroup.com/>





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We have **property** covered.

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