



**Preston
Rowe
Paterson**

Valuation, Advisory &
Property Management
Intelligence

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Transactions in Review

December 2023



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

55 Elizabeth Street
Brisbane QLD 4000

Elanor Investors has acquired an A-grade office building from *Credit Suisse* for \$172 million on a yield of 10%.

Industrial

32-40 Garden Street
Kilsyth VIC 3137

Dexus Industrial REIT has divested an industrial warehouse property for \$31.5 million on a yield of 4%.

Retail

310 Ross River Road
Aitkenvale QLD 4814

Haben Property Fund has acquired the half stake in a shopping centre from *Stockland* for \$123.5 million on a yield of 8%.



Commercial

55 Elizabeth Street Brisbane QLD 4000



\$172 million



10% Yield



\$8,935 per sqm lettable area

Elanor Investors has acquired a 15 storey A-grade office building from *Credit Suisse* for **\$172 million**. Located in the Queens Wharf precinct in the Brisbane CBD, the property was purpose built in 2013 to service the long-term requirements for the Australian Taxation Office who occupies 97% of the building. It is situated near the Queen Street Mall and the new Alber Street Station which is due for completion in 2025. The transaction was struck on a **yield of 10% at a rate of \$8,935 per sqm of NLA**. (AFR 11.12.23)

54 Miller Street North Sydney NSW 2060



\$72.1 million



\$10,219 per sqm lettable area

AEW Capital has divested a 14 storey office building for **\$72.1 million**. The building has 80% of its space leased to tenants such as 54 Beans, ACA Research and Sharp & Carter. It has a 4 star NABERS Energy rating and 74 car parking spaces. The building is located about 230m from North Sydney train station and 50m from Greenwood shopping centre. The transaction was struck at a **rate of \$10,219 per sqm of NLA**.

(MSCI RCA 22.12.23)

273-289 Elizabeth Street & 350-360 Lonsdale Street Melbourne VIC 3000



\$56 million



4.2% Yield



\$11,743 per sqm lettable area

Krongold Family has divested the six-storey art deco-styled Mitchell House and a neighbouring building known as Milledge House to a *Chinese syndicate* partnered with a local investor for **\$56 million**. Located in the Melbourne CBD, the building comprises 11 retail shops and multiple office suites which are fully leased. It has over 85m of corner retail frontage and additional rear access from Heape Court. The transaction was struck on a **yield of 4.2% at a rate of \$11,743 per sqm of NLA**.

(MSCI RCA 23.12.23)





Residential Development

74-88 Botany Road Alexandria NSW 2015

- Circa \$38 million
- \$16,920 per sqm of site area

Botany Road Development Trust has acquired a residential development site from *City West Housing* for circa **\$38 million**. The site is located within the Botany Road Precinct directly across from Waterloo Station, approximately 3km from the Sydney CBD and approximately 5 km from Sydney Airport. It has Development Approval approved for 64 apartments. The transaction was struck at a **rate of \$16,920 per sqm of land area**.
(MSCI RFCA 14.12.23)

Specialised Property

279 Bannister Road Canning Vale WA 6155

- \$16 million
- 7.34% Yield
- \$5,999 per sqm of lettable area

Wagil Pty Ltd has acquired a bus depot from *St Property No 2 Pty Ltd* for **\$16 million**. Located in an industrial hub near Perth CBD and Perth Airport, depot is fully leased to Public Transport Authority WA until April 2025. It is in close proximity to major arterial roads including Roe Highway and Kwinana Freeway. The transaction was struck on a **yield of 7.34% at a rate of \$5,999 per sqm of lettable area**.
(MSCI RCA 04.12.23)

Hotels & Leisure

81 Great Eastern Highway Rivervale WA 6103

- \$40 million
- \$202,020 per room

Real estate group *Hiap Hoe* has acquired Great Eastern Motor Lodge from *S & C Christie Family Trust* for **\$40 million**. The property occupies a freehold site of 11,892 sqm and has 198 rooms with 180 car park spaces spread around the site. It is situated on the Great Eastern Highway, the main road that connects the Perth CBD to the domestic and international terminals at Perth Airport. The transaction was struck at a **rate of \$202,020 per room**.
(MSCI RCA 19.12.23)

1715-1753 Melton Highway Bonnie Brook VIC 3335

- \$26 million
- \$210 per sqm of site area

An *undisclosed buyer* has acquired a residential development site for **\$26 million**. It has a central location near the Melton Highway, Western Freeway and Rockbank Railway station, 36km from Melbourne CBD, with 300 metres of frontage on Melton Highway. It plans to provide 252 residential lots on net developable area of 11.77 ha with Urban Growth Zone zoning. The transaction was struck at a **rate of \$210 per sqm of land area**.
(MSCI RCA 22.12.23)

78-92 Bulla Road Bulla VIC 3428

- \$15.12 million
- 4.77% Yield
- \$6,036 per sqm of site area

An *undisclosed investor* has acquired Bulla Hub Service Centre for **\$15,12 million**. The Mixed-use investment consists of a BP Service Station, a Hungry Jack's Restaurant, the Black Horse Hotel & Motel and more than 5,754 sqm of land for future development. It is the only service station in the area for many kilometres around and located on the main road between Tullamarine Airport and Sunbury. The transaction was struck on a **yield of 4.77% at a rate of \$6,036 per sqm of GFA**.
(MSCI RCA 05.12.23)

1982 Newman Drive Newman WA 6753

- \$10 million
- \$120,482 per room


Acure has acquired the Red Sands Newman from *Red Sands Nominees Pty Ltd* for **\$10 million**. The property spans two sites of 10,159 sqm and offers 83 rooms, a spacious tavern, restaurant, café and bottle shop. Newman is in the Pilbara Region of WA, and has about 5,000 permanent residents, as well as a bigger fly in fly out workforce supported by the world's biggest open cut Iron Ore Mine, Mt Whaleback. The transaction was struck at a **rate of \$120,482 per room**.
(MSCI RCA 19.12.23)




Industrial

CapitaLand Ascendas Aus Industrial Portfolio 2023


 \$73 million


 5.90% Yield


 \$1,986 per sqm of GLA

AsheMorgan has acquired three logistics properties in Queensland from *CapitaLand Ascendas REIT* for **\$73 million** at a 6.2% Premium above the total market value as at 31 August 2023. These are 77 Logistics Place in Larapinta, about 20 km from the Brisbane CBD to the southwest, and 62 Sandstone Place and 92 Sandstone Place in the Southlink Business Park in Parkinson, about 21 km from the Brisbane CBD to the south. The transaction was struck **on a yield of 5.9% at a rate of \$1,986 per sqm of GLA.** (MSCI RCA 20.12.23)

32-40 Garden Street Kilsyth VIC 3137

 \$31.5 million

 4.40% Yield


 \$2,959 per sqm of site area

Dexus Industrial REIT has divested an industrial property for **\$31.5 million**. The property is situated about 30 kilometres east of the Melbourne CBD. It has a two storey office building and a high clearance warehouse, 150 car spaces and new additions of factory, warehouse, and hardstand, and vacant land that could be used for future development. The property is leased to Radio Frequency Systems. The transaction was struck **on a yield of 4.4% at a rate of \$2,959 per sqm of GLA.** (MSCI RCA 29.12.23)

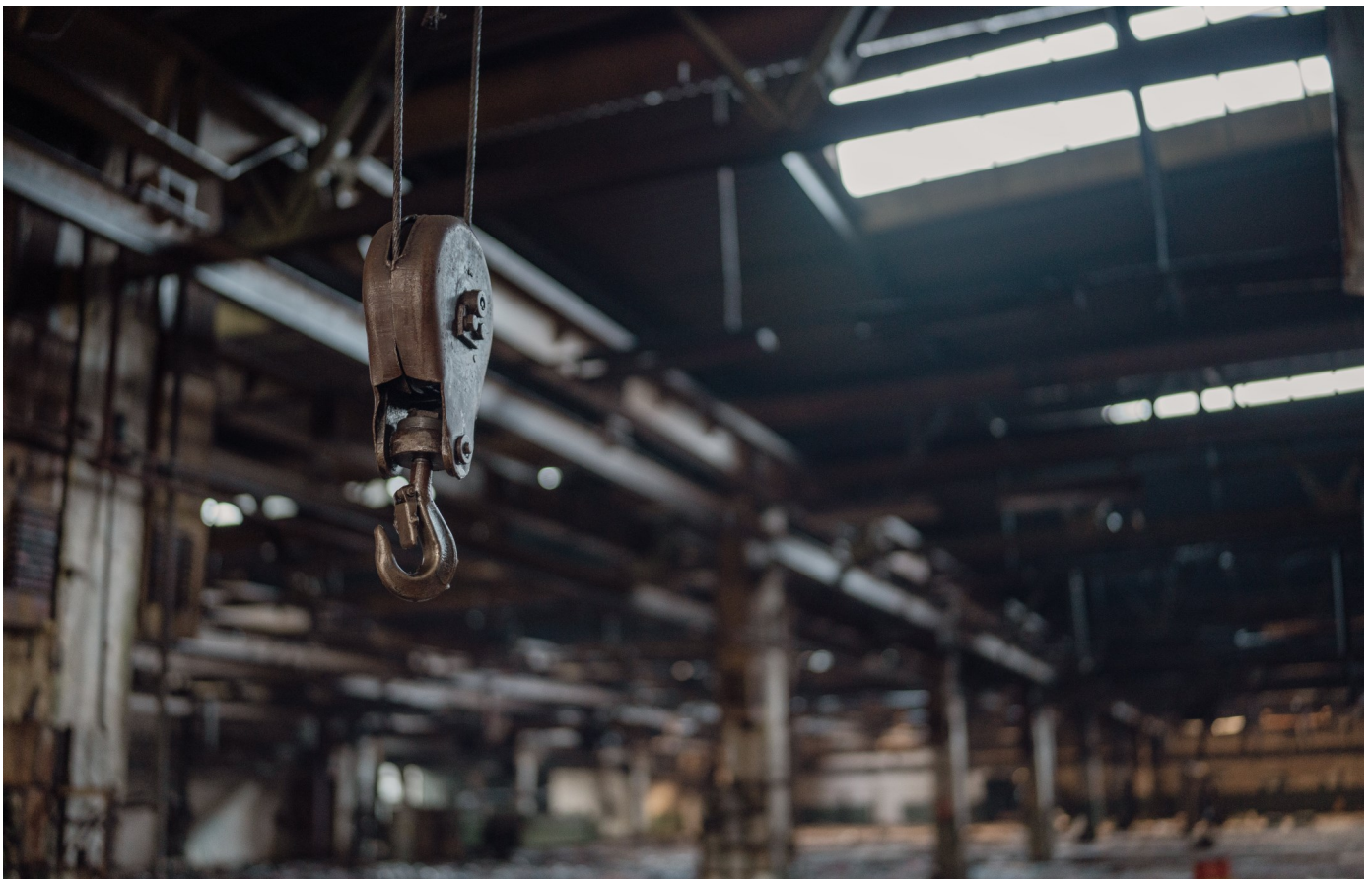
273 Edgar Street Condell Park NSW 2200

 \$25.6 million

 5.25% Yield

 \$2,952 per sqm of GLA

CP Property Corp Pty Ltd and *CP Estate Pty Ltd* have acquired an industrial property from *John Heine & Son Pty Ltd* for **\$25.6 million**. Located approximately 19km southeast of Sydney CBD, the property is sitting on 16,200 sqm General Industrial zoned land. It comprises a freestanding office, two warehouse buildings, 14 overhead cranes and 9 jib cranes. The transaction was struck **on a yield of 5.25% at a rate of \$2,952 per sqm of GLA.** (MSCI RCA 05.12.23)



Retail

310 Ross River Road Aitkenvale QLD 4814

- \$247 million
- 8.00% Yield
- \$4,209 per sqm of GLAR

Haben Property Fund has acquired the other half interest in the Stockland Townsville shopping centre from *Stockland* for **\$123.5 million**, to own the whole mall. The deal comes after Haben's initial acquisition of Dexus' half interest in the mall for \$115 million in September. The shopping centre has Myer, Woolworths, and Big W, as tenants, along with seven mini majors and 128 specialty shops. The transaction was struck on a **yield of 8.00%** at a **rate of \$4,209 per sqm of GLAR**.
(AFR 12.12.23)

Captain Cook Highway Smithfield QLD 4878

- \$140 million
- 7.50% Yield
- \$4,035 per sqm of GLAR

Alceon and *CPRAM Investment* have acquired a subregional shopping centre from *Lendlease* for **\$140 million**. Located 11km north of Cairns, Smithfield Shopping Centre is sitting on a 12.4 ha site. It has Coles, Woolworths, Kmart, and Event Cinemas as anchor tenants, along with six mini majors including Dan Murphy's and more than 90 specialty shops on a WALE of 5 years. The transaction was struck on a **yield of 7.5%** at a **rate of \$4,035 per sqm of GLAR**.
(MSCI RCA 15.12.23)

37 McCombe Street Rosebud VIC 3939

- \$134.5 million
- 6.00% Yield
- \$5,472 per sqm of GLAR

Charter Hall Retail REIT has divested a sub-regional shopping centre for **\$134.5 million**. About 90km south of Melbourne CBD, Rosebud Plaza has been redeveloped with a \$30 million investment that included a new Woolworths alongside an existing Coles and Kmart. The centre is tenanted by Woolworths, Coles, Kmart and Dan Murphy's, as well as nine apparel and footwear retailers. Transaction was struck on a **yield of 6%** at a **rate of \$24,581 per sqm of GLAR**.
(MSCI RCA 01.12.23)

366 Grand Promenade Dianella WA 6059

- \$76.3 million
- 6.65% Yield
- \$4,451 per sqm of GLAR

Greenpool Capital has acquired a neighbourhood shopping centre from *Vicinity Centres* for **\$76.3 million**. Located 8km north of the Perth CBD, Dianella Plaza is sitting on 79,250 sqm metropolitan land on the corner of Grand Promenade and Alexander Drive. The centre is anchored by Woolworths, Coles, The Reject Shop and 54 specialities and kiosks. It has 934 car parking spaces. The transaction was struck on a **yield of 6.65%** at a **rate of \$4,451 per sqm of GLAR**.
(MSCI RCA 21.12.23)



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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