Preston Rowe Paterson

Valuation, Advisory & Property Management Intelligence

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Transactions in Review

February 2024

Preston Rowe Paterson

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

18 Flour Mill Way
Summer Hill NSW 2130

EG Funds Management have divested Mungo Scott Building for $23.8 million on a yield of 6.7%.

Industrial

10-36 Abbotts Road
Dandenong South VIC 3175

Aware Super has acquired a recently completed industrial property from *Goodman Group* for c$79 million.

Retail

Cnr McLeod Street
and Spence Street
Cairns City QLD 4870

Fawkner Property has acquired a regional shopping centre from *Lendlease* for $390 million on a yield of 7.5%.

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Commercial

18 Flour Mill Way
Summer Hill NSW 2130

$23.8 million

6.70% Yield

$6,781 per sqm lettable area

EG Funds Management has divested Mungo Scott Building to *private investors* for **$23.8 million**. A six-storey, heritage office building with the original signage, located 6.3km from the Sydney CBD, was originally constructed in 1922. It was redeveloped and repositioned along with several other heritage buildings in 2019. As of 1 November 2023, it had a WALE of 3.6 years. The transaction was struck on **a yield of 6.7%** at **a rate of $6,781 per sqm of NLA**.
(MSCI RCA 14.02.24)

14 Highfields Circuit
Port Macquarie NSW 2444

$14.2 million

6.00% Yield

$13,100 per sqm lettable area

Australian Unity Healthcare Property Trust has divested a purpose built office building for **$14.2 million**. Constructed in 2019, 1,084 sqm purpose built medical, pathology and nuclear imaging facility on a 3,527 sqm landholding, is leased to Lumus Imaging, a subsidiary of ASX listed Healius Ltd, on a net lease. It is located within Port Macquarie's major healthcare and education precinct. The transaction was struck on **a yield of 6.0%** at **a rate of 13,100 per sqm of NLA**.
(MSCI RCA 20.02.24)

306 Ipswich Road
Annerley QLD 4103

$6.38 million

5.80% Yield

$6,639 per sqm lettable area

Ola Kala Qld Pty Ltd, Gkids Qld Pty Ltd, Means Qld Pty Ltd and Pethia Qld Pty Ltd have acquired an office building from *Bluetrack Holdings Pty Ltd* for **$6.38M**. Sitting on 1,434 sqm District-Centre zoned corner land, the building is fully leased to QLD State Government – Department of Youth Justice Brisbane, on a recently renewed 6-year lease with a 4 year option. It has 18 carparking spaces. The transaction was struck on **a yield of 5.80%** at **a rate of $6,639 per sqm of NLA.**
(MSCI RCA 08.02.24)

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Residential Development

4-8 Mackie Road
Bentleigh East VIC 3165

$3.55 million

$1,866 per sqm of site area

Dyc Australia Ltd has acquired a residential development site from *Melbourne Anglican Trust Corporation* for **$3.55 million**. The site is zoned neighbourhood Residential Zoning (NRZ1) and is comprising former church, hall and existing parking. It is in close proximity to amenities including Links Shopping Centre, Chadstone Shopping Centre, Yarra Yarra golf course, and Duncan Mckinnon Reserve. The transaction was struck at **a rate of $1,866 per sqm of land**.
(MSCI RCA 15.02.24)

91 Lytton Road
Balmoral QLD 4171

$30.25 million

$1,300 per sqm of site area

Developer *Skyhold Commercial Pty Ltd* has acquired a residential development site for **$30.25 million**. It used to be the Brisbane headquarters of the Plymouth Brethren Christian Church. The site is an inner-city land of 23,265 sqm, located 5km from the CBD. The developer intends to construct 191 units and townhouses in three buildings. The transaction was struck at **a rate of $1,300 per sqm**.
(MSCI RCA 07.02.24)

Specialised Property

570 Royal Esplanade
Manly QLD 4179

$33 million

9.00% Yield

MA Financial Group has acquired a private marina from *ECM Pty Ltd* for **$33 million**. Located 20km from the Brisbane CBD, the East Coast Marina is the only private marina in the 1,800-berth Manly Harbour, which is Australia's largest, occupying 5.65 ha of state leases along Moreton Bay. It has 330 berths, dry storage for 240 vessels, 595 sqm of commercial space and a 160 carparking spaces. The transaction was struck on **a yield of 9.0%**.
(AFR 14.02.24)

588 Redbank Plains Road
Redbank Plains QLD 4301

$23 million

$14,260 per sqm of site area

Westbridge Funds Management has acquired Redbank Plains Travel Centre from *Charter Hall Long WALE REIT* for **$23 million**. Located 24km from the Brisbane CBD, the retail convenience centre is positioned on a 4-way intersection with access to Springfield and Ripley, and has 152m frontage to Redbank Plains Road. It is leased to retailers including Ampol, Krispy Kreme, Carl's Jrs and Zarraffa's Coffee on a WALE of 6.9 years. The transaction was struck at **a rate of $1,503 sqm of site area**.
(MSCI RCA 29.02.24)

Hotels & Leisure

443 Docklands Drive
Docklands VIC 3008

$96 million

$351,648 per room

MA Financial Group has acquired the Four Points by Sheraton Docklands for **$96 million**. The 4.5-star hotel, which opened in 2017, comprises 273 rooms, conference facilities, pool, restaurant, and bar. It was sold at vacant possession. MA Financial Group will rebrand the property as a Vibe hotel. It is situated close to Marvel Stadium, the waterfront entertainment precinct, and the District Docklands Shopping Mall. The transaction was struck at **a rate of $351,648 per room**.
(AFR 05.02.24)

117-121 Grafton Street
Cairns City QLD 4870

$6 million

$171,429 per room

Grafton Street Holdings Pty Ltd has acquired a resort style hostel from *Backpacker Property Holdings Pty Ltd* for **$6 million**. Bounce Cairns is located within the Cairns City, a short walk from the Esplanade and Marlin Marina. The hostel comprises 35 rooms, outdoor pool area, outdoor bar, and on-site parking. It accommodates singles, couples, groups or backpackers. The transaction was struck at **a rate of $171,429 per room**.
(MSCI RCA 28.02.24)

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Industrial

10-36 Abbotts Road
Dandenong South VIC 3175

$78.987 million

$2,631 per sqm of GLA

Aware Super has acquired a recently completed industrial property from *Goodman Group* for **circa $79 million**. Located at Eumemmerring Business Park, 30km from the Melbourne CBD, the property on a 6.4ha landholding comprises an industrial warehouse with a GLA of 30,021 sqm over 4 tenancies, high clearance, multiple loading bays, internal offices, and onsite car parking. The transaction was struck at **a rate of $2,631 per sqm of GLA**.
(MSCI RCA 14.02.24)

65-67 Batt Street
Jamisontown NSW 2750

$13.25 million

5.10% Yield

$5,446 per sqm of GLA

Rpg1 Pty Ltd has divested an industrial warehouse for **$13.25 million**. The property is leased to Reece Limited with new 10 year net lease to 2034 plus 6 further 5 year options to 2064. Sitting on 4,199 sqm freehold land, it comprises a recently refurbished 2,433 sqm industrial warehouse with 35 onsite carparking spaces. It is in close proximity to Great Western Highway and M4 Motorway. The transaction was struck on **a yield of 5.1%** at **a rate of $5,446 per sqm of GLA**.
(MSCI RCA 20.02.24)

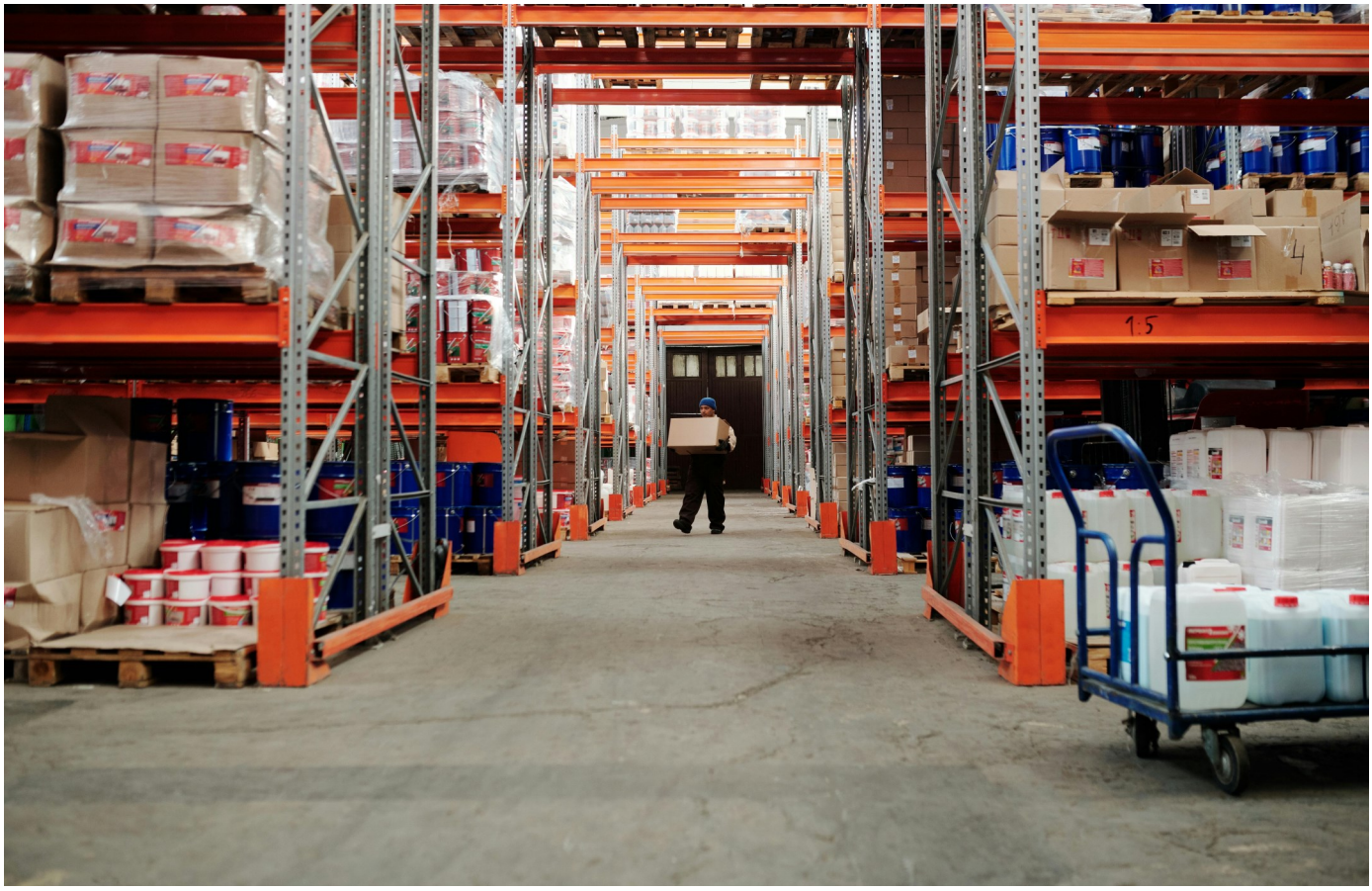
306 Ipswich Road
Annerley QLD 4103

$6.38 million

5.80% Yield

$6,639 per sqm of GLA

Ola Kala Qld Pty Ltd, Gkids Qld Pty Ltd, Means Qld Pty Ltd, Pethia Qld Pty Ltd have acquired an office building from *Bluetrack Holdings Pty Ltd* for **$6.38M**. Sitting on 1,434 sqm District-Centre zoned corner land, the building is fully leased to QLD State Government – Department of Youth Justice Brisbane, on a recently renewed 6-year lease with a 4 year option. It has 18 carparking spaces. The transaction was struck on a **yield of 5.80%** at **a rate of $6,639 per sqm of NLA**.
(MSCI RCA 08.02.24)



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Retail

Cnr McLeod Street and Spence Street, Cairns City QLD 4870

$390 million

7.5% Yield

$7,440 per sqm of GLAR

Fawkner Property has acquired a regional shopping centre from *Lendlease* for **$390 million**. Cairns Central Shopping Centre is the only regional shopping centre in the Far North Queensland region within 350km. It has a GLAR of 51,972 sqm and occupies a 9.4ha site, directly connected to Cairns railway station. The centre is anchored by Myer, Woolworths, Coles, Kmart, Target and Event Cinemas supported by a retail mix of over 186 tenants. The transaction was struck on **a yield of 7.5%** at **a rate of $7,440 per sqm of GLAR**. (MSCI RCA 29.02.24)

71 Spring Street Bondi Junction NSW 2022

$125 million

6.24% Yield

$8,268 per sqm of GLAR

Mercer Australia and *Charter Hall Group* have acquired a sub-regional shopping centre from *ISPT* for **$125 million**. Eastgate Bondi Junction is one of only three sub-regional shopping centres in Sydney's Eastern suburbs, located 5km to Sydney CBD and near Bondi Junction bus and train station. It is anchored by Coles, Kmart, Aldi and Dan Murphy's. It has 887 car parking spaces. The transaction was struck on **a yield of 6.24%** at **a rate of $8,268 per sqm of GLAR**.
(MSCI RCA 16.02.24)

22 Empire Street Branxton NSW 2335

$33 million

$7,137 per sqm of GLAR

A Sydney-based private investor, Tan Cuong Tran, has acquired a neighbourhood shopping centre from *Coles Group* for **$33 million**. Located within the Hunter Valley wine region, a recently constructed Huntlee Shopping Centre is anchored by a full-line Coles and Liquorland store supported by a non-discretionary tenant. The centre is fully leased on a WALE of 8.4 years. It has approximately 230 on-grade car parking spaces. The transaction was struck at **a rate of $7,137 per sqm of GLAR**.
(MSCI RCA 13.02.24)

95-103 Pakington Street Geelong West VIC 3218

$31 million

5.50% Yield

$5,817 per sqm of GLAR

APH Holding has divested a neighbourhood shopping centre to *a local private investor* for **$31 million**. Pakington Strand Shopping Centre is sitting on the Mixed Use zoned land of 2.1 ha on Geelong West's retail strip. It is anchored by a full-line Woolworth supermarket supported by 13 specialty tenants on a WALE of 12.4 years. The transaction was struck on **a yield of 5.50%** at **a rate of $5,329 per sqm of GLAR**.
(MSCI RCA 12.02.24)

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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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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