Preston Rowe Paterson

Valuation, Advisory & Property Management Intelligence

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Transactions in Review

March 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

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HIGHLIGHTS

Commercial

41 George Street
Brisbane City QLD 4000

Marquette Properties has acquired a 27-storey commercial tower from *Al Rajhi Group* and *AEP Investment Management* for $120 million.

Industrial

93-103 Pacific Drive
Keysborough VIC 3173

Centuria Capital Ltd has acquired a logistic facility from *Madad Investments Pty Ltd* for $20.6 million on a yield of 5.0%.

Retail

197-215 Condamine Street
Balgowlah NSW 2093

HomeCo Daily News REIT has acquired Kellyville Grove Shopping Centre from *Woolworths* for $78.4 million on a yield of 5.4%.

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Commercial

41 George Street
Brisbane City QLD 4000

$120 million

$4,073 per sqm lettable area

Marquette Properties has acquired a 27-storey commercial tower from *Al Rajhi Group* and *AEP Investment Management* for **$120 million**. It was at a 25% discount to the price it last traded for eight years ago. The tower has become vacant after its sole tenant, the Queensland government vacated. Marquette intends to convert the office tower into a student accommodation. It is located on the southern periphery of Brisbane CBD. The transaction was struck at **a rate of $4,073 per sqm of NLA**. (AFR 13.03.24)

12 Moore Street
Canberra ACT 2601

$50 million

8.00% Yield

$4,164 per sqm lettable area

Dexus Wholesale Property Fund has divested a 14-storey commercial building for **$50 million**. The building comprises a ground floor and 13 levels of office space with two levels of basement car parking. It has a recently refurbished foyer, entrance and forecourt. It is leased to 20 tenants, predominantly federal government arms, on a WALE of 3.4 years. It is located on the intersection of Moore Street and Rudd Street. The transaction was struck on **a yield of 8.0%** at **a rate of $4,164 per sqm of NLA**. (MSCI RCA 26.03.24)

33 Herschel Street
Brisbane City QLD 4000

$13.2 million

4.50% Yield

$7,547 per sqm lettable area

First Commercial Property Pty Ltd has acquired a three-storey office building from *Maple Development Group* for **$13.2 million**. The building is sitting on 911 sqm site with 20.1m frontage. It has a 3.0-star NABERS Energy Rating. It is located near the future Roma Street Station, Brisbane Live and Queens Wharf Casino and Integrated Resort. The transaction was struck on **a yield of 4.5%** at **a rate of $7,547 per sqm of NLA**.
(MSCI RCA 15.03.24)

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Residential Development

215 Centre Dandenong Road Dingley Village VIC 3172

$220 million

$412 per sqm of site area

Satterley Property Group has acquired a residential development site from *AustralianSuper* for **$220 million**. The former Kingswood Golf Course was rezoned to residential use land in October 2023. The estate, with the capacity for about 800 homes, would include lower-priced townhouses for first home buyers and larger housing on smaller blocks. It is located 21km south-east of the Melbourne CBD. The transaction was struck **at a rate of $412 per sqm of the land**.
(AFR 04.03.24)

23-34 Berry Road, 21-31 Holdsworth Avenue and 42-46 River Road St Leonards NSW 2065

$110.5 million

$12,617 per sqm of site area

Sekisui House has acquired a residential development site from *CIFI Group* and *Greaton* for **$110.5 million**. The vendors had plans to develop existing 16 houses to five buildings rising to nine storeys which comprise more than 200 units, a total gross floor area of around 22,800 sqm. The site was also expected to have communal open space, a swimming pool, kids paddle pool, a public walkway, and carparks. The transaction was struck at **a rate of $12,617 per sqm of the land**.
(MSCI RCA 18.03.24)

Specialised Property

46 Dendy Street Brighton VIC 3186

$17.5 million

5.19% Yield

$7,353 per sqm of GLA

A local private investor has acquired one of Victoria's largest childcare centres for **$17.5 million**. The centre was purpose-built in 2019 on a landholding of 1,839 sqm. It is licenced for 171 Long Day Care (LDC) places and is fully leased to the Learning Sanctuary, part of ASX listed G8 Education on 15-year triple net lease plus two further ten year options to 2054. It is located 11km from the Melbourne CBD. The transaction was struck on **a yield of 5.19%** at **a rate of $7,353 per sqm of GLA.**
(MSCI RCA 09.03.24)

257-277 Hancock Road Banksia Park SA 5091

$6.4 million

5.74% Yield

$9,104 per sqm of GLA

A private investor has acquired a childcare centre for **$6.4 million**. Completed in late 2023, this purpose-built childcare facility is licensed for 98 LDC places with 24 designated on-site car spaces. It is leased to Guardian Childcare on a new 20 year net lease plus two further ten year options to 2063. It is located within an educational catchment area where three schools are within 1km of the centre and a further 15 schools are within 3km radius. The transaction was struck on **a yield of 5.74%** at **a rate of $9,104 per sqm of GLA**.
(MSCI RCA 27.03.24)

Hotels & Leisure

33 Cross Street Double Bay NSW 2028

$215 million

$1,535,714 per room

A consortium including Mervyn Basserabie, Allen Linz and Eduard Litver has acquired the InterContinental Sydney Double Bay hotel from *Fridcorp* and *Piety Investments* for **$215 million**. They plan to redevelop the 140-key hotel into a luxury apartment block with a gross end value of up to $700 million, seeking to capitalise on the top end residential market. The hotel would also remain open in some way. The transaction was struck at **a rate of $1,535,714 per room**.
(MSCI RCA 26.03.24)

69-71 Clarence Street Port Macquarie NSW 2444

$9 million

4.34%

$236,842 per room

Eracheen Pty Ltd has acquired the Mid Pacific Motel for **$9 million**. The motel has 38 guest rooms on a 2,119 sqm site with waterfrontage and dual street access. A 'Buy Back clause starting in 2025 secures the full freehold going concern. It is located within Port Macquarie's CBD on the Mid-North Coast of NSW, a 4-hour drive from Sydney and 5.5 hours from Brisbane. The transaction was struck on **a yield of 4.34%** at **a rate of $236,842 per room**.
(MSCI RCA 01.03.24)

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Industrial

323 Chisholm Road
Auburn NSW 2144

$25.1 million

$4,328 per sqm of site area

Local developers *Trueman* and *Norman Property Partners* have acquired an industrial warehouse property from *DIC Australia* for **$25.1 million**. It occupies a 16,674 sqm regular-shaped site with an 80m frontage to Chisholm Road. The land is zoned E4 General Industrial and is located 17km west of the Sydney CBD, with proximity to major arterial roads including the M4 Motorway and WestConnex. The transaction was struck at **a rate of $1,505 per sqm of site area**.
(MSCI RCA 31.03.24)

93-103 Pacific Drive
Keysborough VIC 3173

$20.6 million

5.0% Yield

$2,353 per sqm of GLA

Centuria Capital Ltd has acquired a logistic facility from *Madad Investments Pty Ltd* for **$20.6 million**. Completed in 2017, the facility comprises up to 10.9-m clearance warehouse, four on-grade and two recessed docks and a hardstand with dual access. It is leased to HIS Design on a WALE of 2 years. It is located 30km southeast of the Melbourne CBD, with proximity to major arterial roads including Greens Road and the Eastlink Freeway. The transaction was struck on **a yield of 5.0%** at **a rate of $2,353 per sqm of GLA**. (MSCI RCA 13.03.24)

111 Munibung Road
Boolaroo NSW 2284

$17.867 million

6.72% Yield

$2,559 per sqm of GLA

Livaroo Properties Pty Ltd has acquired industrial facility from *Sb Properties Pty Ltd* for **$17.867 million**. Completed 2021, the facility comprises 1,715 sqm office area, high clearance warehouse, showpiece reception, boardroom, conference room and display showroom. It is leased to Sheffield Group on a new ten year lease plus two further five year options. It is located 11km to the M1 Motorway and 15km to the Port and Newcastle CBD. The transaction was struck on **a yield of 6.72%** at **a rate of $2,559 per sqm**. (MSCI RCA 01.03.24)

Retail

197-215 Condamine Street Balgowlah NSW 2093

$155 million

5.50% Yield

$12,084 per sqm of GLAR

Revelop has acquired Stockland Balgowlah from *Stockland* for **$155 million**. This 12,805 sqm neighbourhood shopping centre was developed by Stockland in 2002 as a part of a large luxury mixed-use development. It is anchored by Coles and Harbor Growers Market and supported by 54 specialty shops including Fitness First. It is located on the northern beaches near Manly. The transaction was struck on **a yield of 5.50%** at **a rate of $12,084 per sqm of GLAR**.
(MSCI RCA 01.03.24)

2 Hector Court Kellyville NSW 2155

$78.4 million

5.40% Yield

$10,058 per sqm of GLAR

HomeCo Daily Needs REIT has acquired Kellyville Grove Shopping Centre from *Woolworths* for **$78.4 million**. This new development by Woolworths supermarket opened in December 2023. It is anchored by a full line Woolworths supermarket and 23 retailers and has 300 car parking spaces. It is located within the Northwest Growth Centre, approximately 29km from the Sydney CBD. The transaction was struck on **a yield of 5.40%** at **a rate of $10,058 per sqm of GLAR**.
(MSCI RCA 29.03.24)

100 Overton Road Williams Landing VIC 3027

$60 million

$5,492 per sqm of GLAR

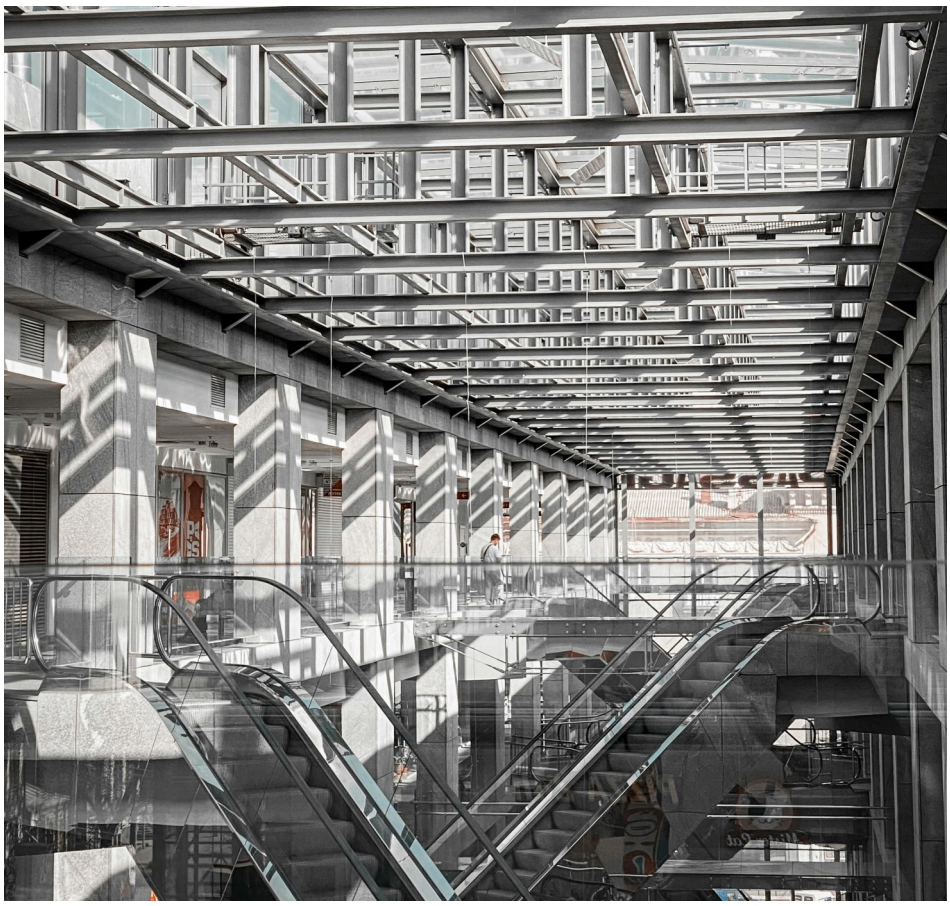
Cedar Woods has divested Williams Landing Shopping Centre with 2.39 ha of expansion land for **$60 million**. This neighbourhood shopping centre is anchored by a Woolworths supermarket and BWS. It also comprises 26 specialty shops, 4 kiosk, 12 office suites and a childcare centre. It is located within Williams Landing Town Centre, with proximity to the Princes Freeway and Williams Landing Station. The transaction was struck at **a rate of $5,492 per sqm of GLAR**.
(MSCI RCA 18.03.24)

48-50 Victor Crescent Narre Warren VIC 3805

$12 million

$5,817 per sqm of GLAR

Assemblies of God Dandenong Inc has acquired a retail property from *Fountain Gate Holdings Pty Ltd* for **$12 million**. The 2,315 sqm retail building with over 50m of street frontage to Victor Crescent has been recently renewed its lease to The Good Guys, a subsidiary of ASX listed JB Hi-Fi. It has over 500 at grade carparking space. It is positioned directly opposite Westfield Fountain Gate. The transaction was struck at **a rate of $5,184 per sqm of GLAR**.
(MSCI RCA 18.03.24)



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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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