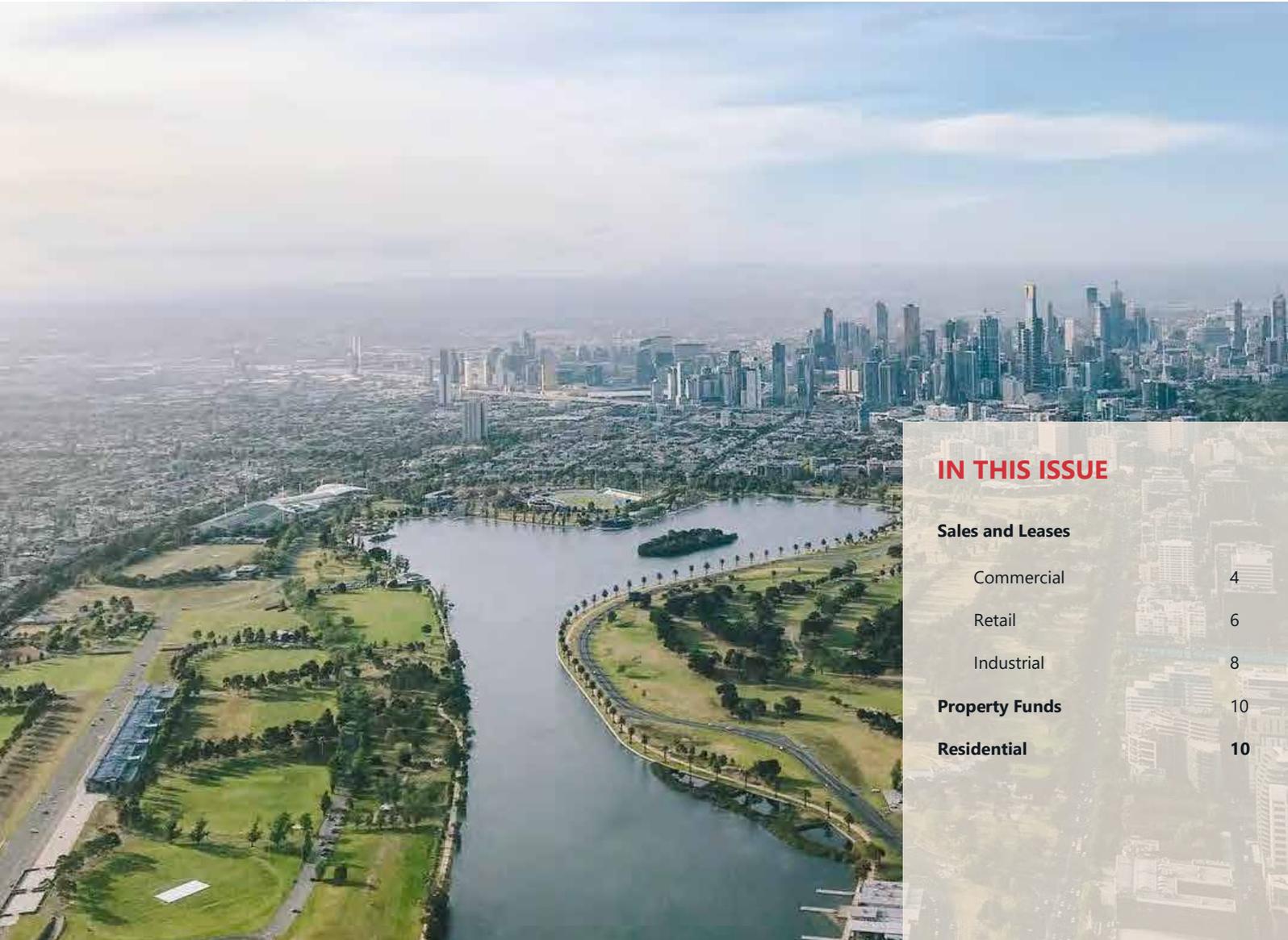




**Preston  
Rowe  
Paterson**

International  
Property Consultants  
and Valuers



## IN THIS ISSUE

### Sales and Leases

Commercial	4
Retail	6
Industrial	8

### Property Funds

Residential	10
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**Transactions in Review**

**September 2020**



## 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.

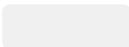
The markets covered in this research report include the commercial office market, industrial market, retail market, specialised property market, hotel and leisure market, residential market and significant property fund activities.

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



Rental Transaction



### Sydney Commercial

Keppel REIT has purchased the Pinnacle Office Park from Goodman in a \$306 million deal.

### ACT Retail

Listed real estate fund manager *Elanor Investors Group* has joined the rush of institutional players buying supermarket-anchored malls, acquiring the Riverside Plaza in Queanbeyan for \$60 million .

## HIGHLIGHTS

### Melbourne Industrial

Melbourne developer CostaFox has sold a prime Footscray site to listed data centre group NextDC for \$21.8 million.





# Commercial

## 227 Elizabeth Street, Sydney NSW 2000

\$863 gross psm lettable area

3 Years

\$116,444 p.a.

Capstone Realty has leased 135 sqm of office space in a newly refurbished office building overlooking Hyde Park in the Sydney CBD. The **three year** deal was struck on a **gross rate of \$863 psm of lettable area**, equating to **\$116,444 per annum**.

(AFR 01.09.20)

## 55 Harrington Street, The Rocks NSW 2000

\$750 net psm lettable area

3 Years

\$1,164,750 p.a.

Spanish group, Acciona has sub-leased 1,553 sqm of office space in The Rocks precinct from Rozetta. The **three year** deal was struck on a **net rate of \$750 psm of lettable area**, equating to **\$1,164,750 per annum**.

(AFR 22.09.20)

## 51-55 & 61 Bolton Street, Newcastle NSW 2300

\$35.3 million

6.5% Yield

\$5,747 per sqm lettable area

Sydney based fund manager Marprop has acquired two neighbouring commercial buildings in Newcastle for **\$35.3 million**. Vendors, Eagle Property Group sold the property fully leased on an initial **yield of 6.5%** and a **rate of \$5,747 psm of lettable area**. The two buildings have a total lettable area of 6142sq m, weighted average lease expiry of 8.7 years, and 85 car spaces. The building is anchored by a new 15-year lease to the federal government along with separate tenancies to Legal Aid, WSP, Braye Cragg Solicitors and DXC Technologies.

(AFR 08.09.20)

## 45-53 Kembla Street, Wollongong NSW 2500

\$57 million

5.5% Yield

\$8,431 per sqm lettable area

Private Wollongong consortium Black Opal Bay has sold a five storey office building in the Wollongong CBD to property fund manager Castlerock for **\$57 million**. The building, leased to the ATO, ANZ and Red Cross comprises 6,761 sqm of lettable area and 93 car parking spaces. The property attracted interest from both local and offshore investors, receiving 13 bids over the expressions of interest campaign. The deal was struck on a **yield of 5.5%** and a **rate of \$8,431 psm of lettable area**.

(AFR 11.09.20)



**6 Giffnock Avenue,  
Macquarie Park NSW 2113**

- \$306 million
- 5.25% Yield
- \$8,710 per sqm lettable area

*Keppel REIT* has purchased the Pinnacle Office Park from Goodman in a **\$306 million** deal. The business park comprises three office buildings with a total net lettable area of 35,132 sqm occupying a land holding of approximately 2.35 hectares. One of the buildings has the potential to be re-developed into a new office building with higher NLA in future, subject to approval by local authorities. The property reportedly sold on an initial **net yield of 5.25%** and a **rate of \$8,710 psm lettable area**. The office park currently has an occupancy of 96.3% and is leased to Aristocrat Technologies, Konica Minolta and Coles with a weighted average lease expiry of 4.8 years by NLA, and fixed annual rental escalations of between 3% and 4%. (AFR 15.09.20)

**1 Giffnock Avenue,  
Macquarie Park NSW 2113**

- \$167.2 million
- 6.1% Yield
- \$8,626 per sqm lettable area

Singapore's *Ascendas REIT* has struck a **\$167.2 million** deal to acquire a planned 9 storey commercial building to be developed by joint venture partners *Frasers Property Industrial & Winten Property Group*. The sale reflects a rate of **\$8,626 psm of lettable area** and an approximate **yield of 6.1%** for the first year. The property will stand on a 3,308 sqm site and on completion will comprise a nine-storey building with a total net lettable area of 19,384 sqm including 17,753 sqm of office and 1,631 sqm of retail space, as well as 204 car parking spaces. The joint venture partners will provide a three-year rental guarantee from completion of the office building in the event of vacancy, with the provision for a capital adjustment dependent on securing leasing outcomes. (APJ 21.09.20)

**209 Robina Town Centre Drive,  
Robina QLD 4226**

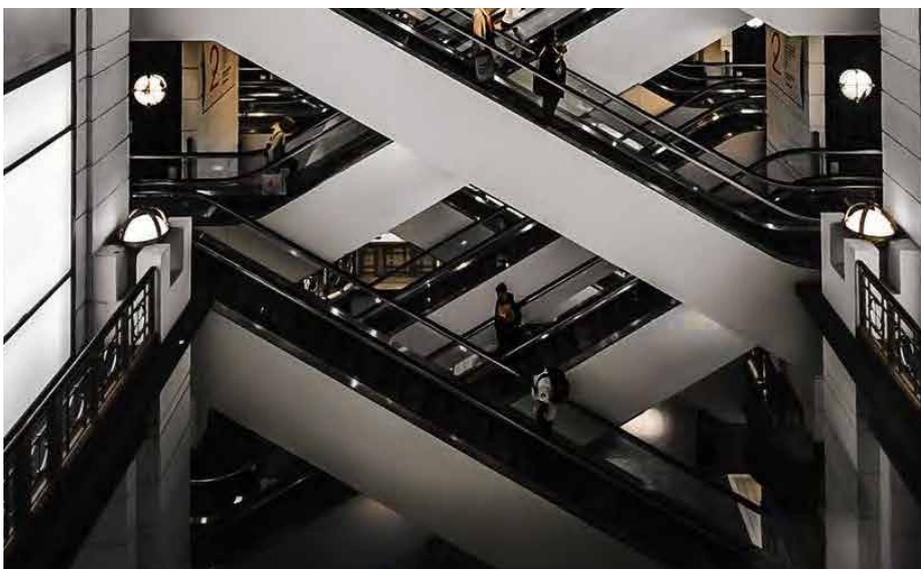
- \$41.3 million
- 6.5% Yield
- \$6,817 per sqm lettable area

*Alceon* has pre-sold a Gold Coast office building to a private purchaser for **\$41.3 million**. The property is being developed by Alceon in partnership with Graystone. Construction of the business park began in early 2019 and will comprise three stand alone office buildings. Building 1 comprises a four level structure with 6,050 sqm of net lettable area, which sold on an initial **6.5% yield**. Metricon have pre-committed to a lease of 75% of the building. (APM.News 16.09.20)

**1211-1213 Toorak Road,  
Camberwell VIC 3124**

- \$6.9 million
- \$5,633 per sqm of lettable area

A two level office building in Melbourne's inner east has sold for **\$6.9 million** to a *local owner occupier*. High end kitchen and laundry importer, *Eurolinx Pty Ltd* sold the property with vacant possession. Accommodation comprises showroom and warehouse space on the ground floor with unfitted office space above. The 1,225 sqm freehold property sold on a **rate of \$5,633 psm of lettable area**. (AFR 24.09.20)





## Retail

### 2 Lexington Drive, Bella Vista NSW 2153

- \$6.65 million
- 3.1% Yield
- \$2,305 per sqm site area

A McDonald's investment property situated on the outskirts of the Bella Vista commercial precinct has sold for **\$6.65 million**. A Melbourne investor purchased the 2,885 sqm property on a **6.65% yield** and a **rate of \$2,305 psm site area**. McDonald's have a long term ground lease in place over the site. (AFR 17.09.20)

### Glenmore Park Town Centre, Glenmore Park NSW

- \$150 million (approx.)

Home Consortiums Daily Needs REIT has purchased the Glenmore Park Town Centre in Sydney's west from Village Fair Shopping Centres for approximately **\$150 million**. The property will become a seed asset in the new REIT which will comprise 16 properties at IPO worth approximately \$800 million, generating a 5% distribution yield. The transaction remains subject to final board approvals and third party consents. (AFR 25.09.20)

### 173-183 Murray Street, Colac VIC 3250

- \$3.72 million
- 7.4% Yield
- \$1,991 per sqm lettable area

A *private investor* has acquired a leased retail investment property in rural Victoria for **\$3.72 million**. The 1,868 sqm shop, leased to variety store Cheap as Chips sold on an **initial yield of 7.4%** and a **rate of \$1,991 psm of lettable area**. (AFR 17.09.20)

### 139 Monaro Street, Queanbeyan NSW 2060

- \$60 million
- 7.9% Yield
- \$1,980 per sqm lettable area

Listed real estate fund manager *Elanor Investors Group* has joined the rush of institutional players buying supermarket-anchored malls, acquiring the Riverside Plaza in Queanbeyan for **\$60 million** from a wholesale fund run by Vicinity Centres. Elanor acquired the Coles-anchored mall for a new managed fund called the Riverside Plaza Syndicate on a passing **yield of 7.9 per cent**. The deal is in line with its strategy to reposition town centre retail real estate. In addition to the Coles anchor tenancy, the 21,533 sqm sub regional shopping centre comprises 47 specialty stores, including a Priceline pharmacy and Liquorland. (Urban Developer 29.09.20)





# Industrial

## 19-23 Industrial Drive, Sunshine West VIC 3020

\$86 net psm lettable area

5.5 Years

\$250,000 p.a.

AUGRC has signed a **five and a half year** lease over a 2,900 sqm office and warehouse property in Melbourne's west. The property stands on a 5,400 sqm site and comprises multiple overhead jib cranes and five motorised roller shutter doors. The deal was completed on an initial **net annual rental of \$250,000**, equating to a rate of **\$86 psm of lettable area**.

(AFR 01.09.20)

## 407 Victoria Street, Wetherill Park NSW 2164

\$115 net psm lettable area

10 Years

\$440,450 p.a.

The *Mapletree Logistics Trust* have leased their 3,830 sqm industrial building in Sydney's west to a *local manufacturing company* for a **10-year term** with a 10 year option. The deal was struck on a **net rate of \$115 psm lettable area**, equating to an **annul rent of \$440,450 per annum**. The fully sprinkled warehouse offers and internal clearance up to 8.8 metres and comprises four container size roller doors.

(AFR 15.09.20)

## 44 Marshall Court, Altona VIC 3018

\$82 net psm lettable area

5 Years

\$598,600 p.a.

LOGOs has secured their final tenant within the Altona Logistics Estate after agreeing to terms with family owned and operated freight and logistics company, *Tony Inaimo Transport*. The deal was struck on an initial **net rate of \$82 psm of lettable area**, equating to **\$598,600 per annum**. The logistics company will lease the 7,300 sqm of office and warehouse space for a **five year term**.

(AFR 15.09.20)



**100 Martin Road,  
Badgerys Creek NSW 2555**

\$5.37 million

\$233 per sqm of site area

A 2.3 hectare site located in the Western Sydney Aerotropolis has sold for **\$5.37 million**. Receivers and managers were appointed to sell the property, which was taken to auction. The deal was struck on a **rate of \$233 psm of site area**.

(AFR 17.09.20)

**25 Indwe Street,  
West Footscray VIC 3012**

\$21.8 million

\$377 per sqm of lettable area

Melbourne developer *CostaFox* has sold a prime Footscray site to listed data centre group *NextDC* in a deal worth **\$21.8 million**. The developers originally intended to develop a business park on the site although decided to pursue the sale of the land. The 5.78 hectare site sold on a **rate of \$377 psm site area**.

(APM.News 25.09.20)

**182 Bowhill Road,  
Willawong QLD 4110**

\$41.5 million

\$195 per sqm of site area

*Stockland* in a joint venture partnership with *Fife Group* has acquired a 21.25 hectare parcel of land in Brisbane's south for **\$41.5 million**. The industrial development site was sold by *Hastings Deering*, who use the property to store machinery equipment. The transaction includes a short term lease back to Hasting Deering. The deal was completed on a **rate of \$195 psm of site area**

(APM.News 05.09.20)





## Property Funds

## Residential

### BP Convenience and Retail Portfolio New Zealand

\$490 million

6.25% Yield

Fund manager Charter Hall through a 50/50 partnership with its *Long WALE REIT* and its *Retail REIT* have acquired a **49% stake** in the BP fuel and convenience retail outlets in New Zealand. The **\$490 million portfolio** was acquired through a sale and leaseback style deal struck on an **initial 6.25% yield**. The 70-property portfolio comprises an average lease expiry of 20 years. The Long WALE REIT will launch a \$70 million equity raising to fund the acquisition. Majority of the service stations are located in New Zealand's three major cities.  
(AFR 11.09.20)

### 42 Vaucluse Road, Vaucluse NSW 2030

\$24.6 million

\$22,673 per sqm of lettable area

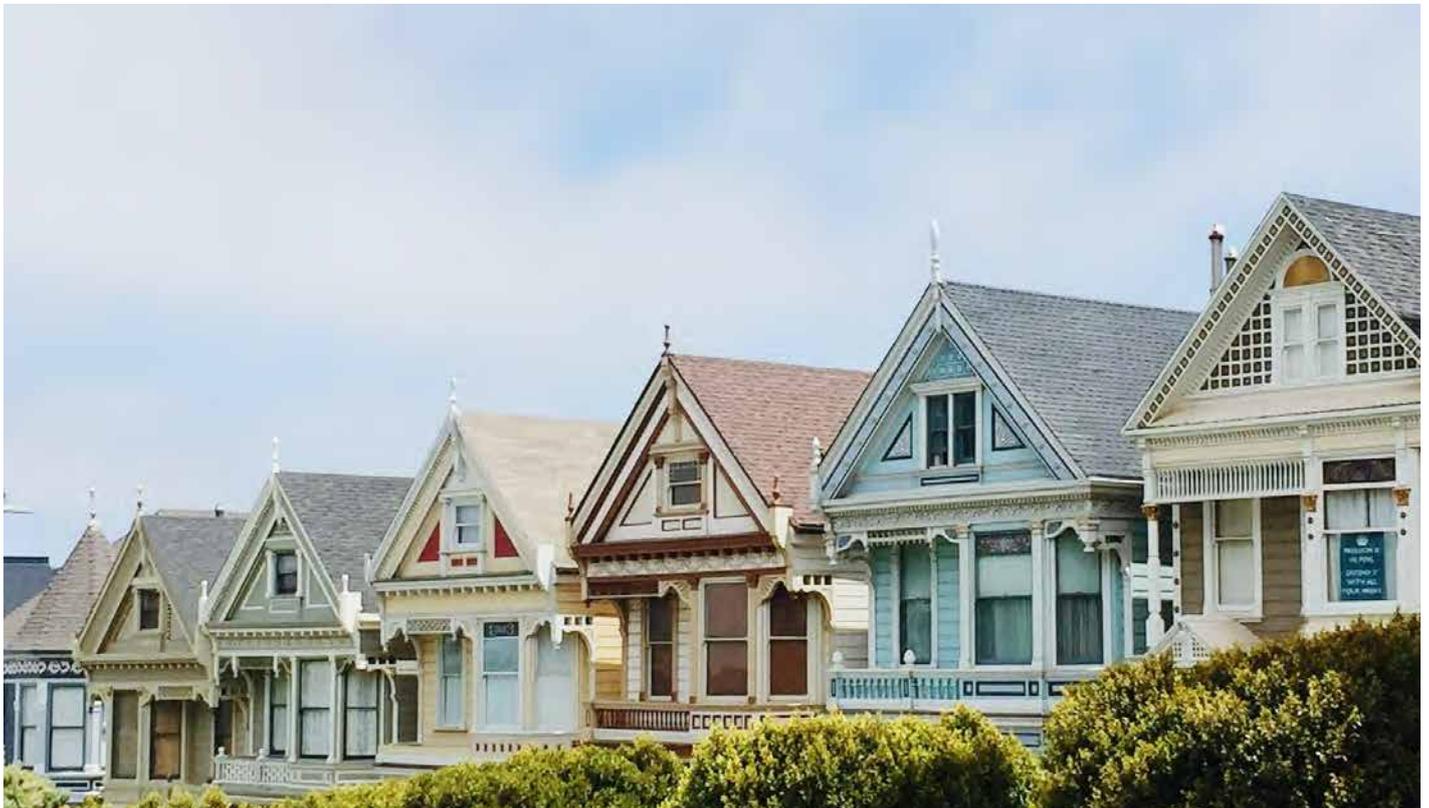
A five bedroom house in Vaucluse has sold for **\$24.6 million**, smashing its reserve by \$10.6 million and making it the most expensive house sold at auction in Australia. The three level house stands on a 1,085 sqm block, which features a tennis court. The deal which was struck on a **rate of \$22,673 psm of site area** sold to a young couple who were underbid by a local and Chinese buyer.  
(AFR 29.09.20)

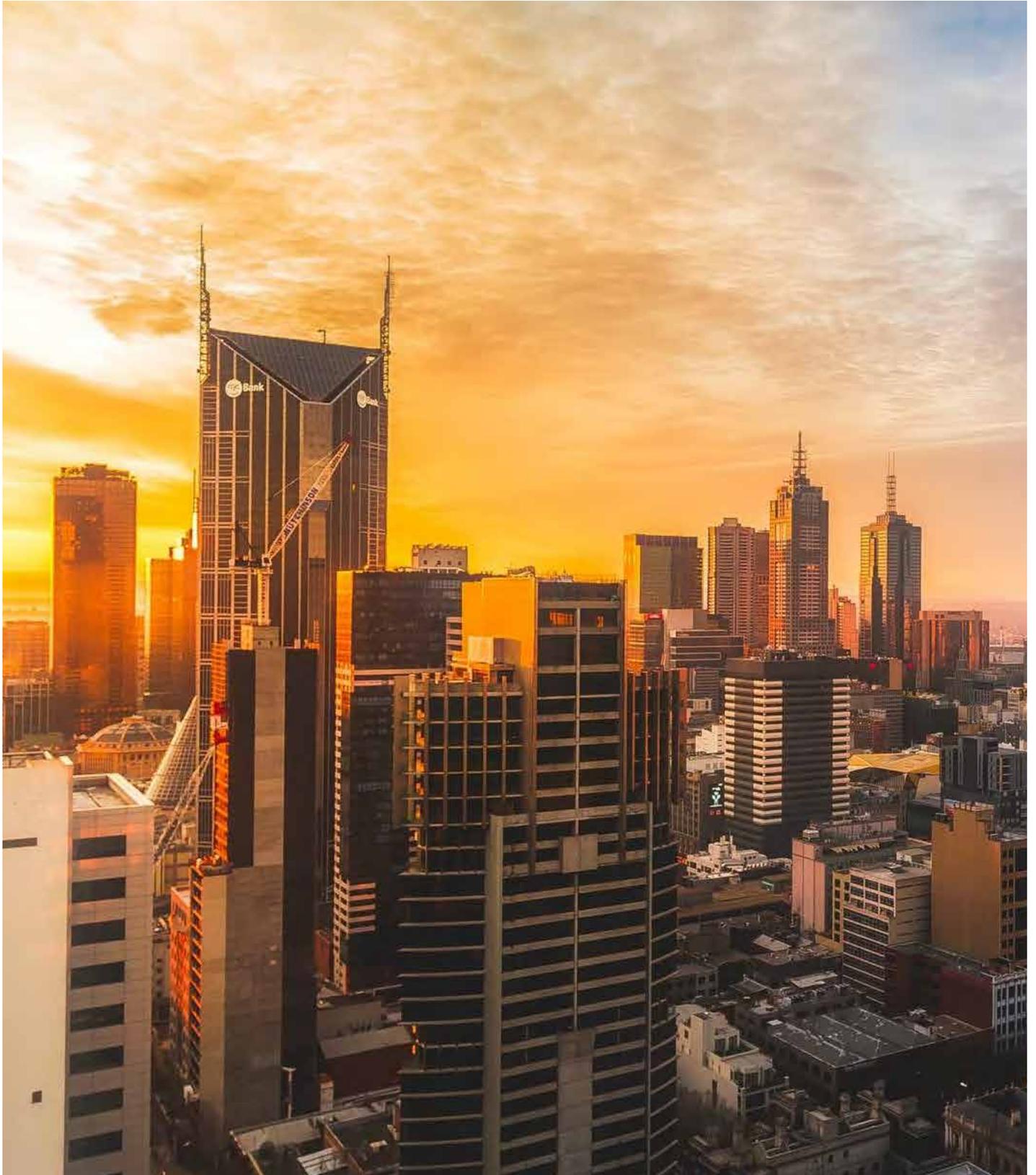
### 32 Sentential Court, Sunshine Coast QLD 4163

\$8.5 million

\$3,653 per sqm of lettable area

A five bedroom house on the Sunshine Coast has sold to a local buyer for **\$8.5 million**. The two level house stands on a 2,327 sqm block, which overlooks the Endless Bay. The deal which was struck on a **rate of \$3,653 psm of site area** smashed previous price records in the region. All five bedrooms comprise ensuites with the house also comprising a pool spa and parking for seven cars.  
(Domain 01.09.20)







**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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### 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/>





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