



**Preston
Rowe
Paterson**

International
Property Consultants
and Valuers

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Transactions in Review

September 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

*333 Queen Street
Melbourne VIC 3000*

Shuka Land Pty Ltd has acquired an B-grade office building from Michael Coppel and George Blau for \$35 million on a yield of 4.62%.

Industrial

*1 International Drive
Westmeadows VIC 3049*

Svaf li Property Co Pty Ltd has acquired a multi-tenanted industrial estate from Centuria Industrial REIT for \$59.1 million on a cap rate of 7.00%.

Retail

*274 Great Eastern Highway
Midland WA 6056*

Fawkner Property and PAG has acquired a regional shopping centre from CPP Investment Boards, Future Fund, Commonwealth Bank Group Super and Vicinity Centres for \$469.99 million.



Commercial

333 Queen Street Melbourne VIC 3000



\$35 million



4.62% Yield



\$5,878 per sqm lettable area

Shuka Land Pty Ltd has acquired a B-grade office building from *Michael Coppel* and *George Blau* for **\$35 million**. This seven-storey building is situated on 1,028 sqm site, positioned on the corner of Queen and La Trobe Street at the northern end of the Melbourne CBD. It has dual street frontages of 71 metres and 23 basement car parks. Tenants include Bayside English College, several law firms, and the Victorian Law Reform Commission. The transaction was struck on a **yield of 4.62% at a rate of \$5,878 per sqm of NLA**. (AFR 17.09.23)

2-6 Shea Street Phillip ACT 2606



\$17.4 million



9.11% Yield



\$4,242 per sqm lettable area

Arcana Capital has acquired an office property from Bremon Group Investments Pty Ltd for **\$17.4 million**. Positioned on a corner site spanning 4,487 sqm with dual frontages to Athllon Drive and Shea Street, the property is located adjacent to the forthcoming development of the Woden Bus Depot. The property is leased to tenants including Suncorp, Feros Care, and Aboriginal Hostels, with a WALE of 2.74 year. The transaction was struck on a **yield of 9.11% at a rate of \$4,242 per sqm of NLA**. (MSCI RCA 14.09.23)

11 Newton Street Cremorne VIC 3121



\$11.6 million



4.72% Yield



\$7,760 per sqm lettable area

Napier 301 Superfund Investment has acquired three-storey office building from *Collective 300 Pty Ltd* for circa **\$11.6 million**. Occupying a 1,063 sqm site with a 22 metres frontage to Newton Street, the property is located in the Cremorne precinct. It is fully leased to Figurehead Construction, Energy Locals and Rober Luxmoore Project Management with a WALE of 1.4 year. The transaction was struck on a **yield of 4.72% at a rate of \$7,760 per sqm of NLA**. (MSCI RCA 06.09.23)





Residential Development

44-48 and 52D O'Dea Avenue Waterloo NSW 2017



\$121 million



\$7,151 per sqm of site area

Altis Property Partners and Aware Super have acquired a residential development site from *Crown Group* for **\$121 million**. The site, already approved for mixed-use development, includes consent for the construction of 368 apartments alongside retail spaces. Early development activities are underway, with the site cleared and partially excavated. The project has the flexibility to be staged across the approved five towers, with total 34,537 sqm of GFA. The transaction was struck at a **rate of \$7,151 per sqm of site area**.
(MSCI RCA 03.09.23)

Specialised Property

100 Cecily Street Kallangur QLD 4503



\$11.915 million



5.00% Yield



\$6,770 per sqm of lettable area

Herrick Salvatore Pty Ltd has acquired a newly constructed premium childcare facility from *Qualitas* for **\$11.915 million**. This purpose-built facility is designed to accommodate 206 LDC places. The property is leased to Lead Childcare on a brand-new 15-year lease with two further options of ten years. It is located in a schooling catchment area encompassing five schools. The transaction was struck on a **yield of 5% at a rate of \$6,770 per sqm of lettable area**.
(MSCI RCA 29.09.23)

Hotels & Leisure

457 Captain Cook Drive Woollooware NSW 2230



\$21.85 million



\$307,746 per room

Australian Ruby League Commission has acquired Quest Woollooware Bay Hotel from *Novm* for **\$21.85 million**. Located adjacent to PointsBet Stadium, the home of the Cronulla Sharks, the hotel is positioned in the centre of Sydney's Sutherland Shire. The property is a part of Woollooware Bay mixed-use development. Leased to Quest Hotels, it can accommodate up to 71 rooms as well as conference facilities, a business lounge, and a gym. The transaction was struck at a **rate of \$307,746 per room**.
(AFR 12.09.23)

24-23 Fishburn Crescent & 2-12 Sexton Avenue Castle Hill NSW 2154



\$50 million



\$4,041 per sqm of site area

Meriton has acquired a residential development site from *KWG Property Holdings* for **\$50 million**. The site has approval for the construction of seven residential flat buildings, ranging between eight and nine storeys in height, accommodating a total of 295 dwellings. Encompassing 29,889 sqm of GFA, the development will be situated above a two-level basement for parking convenience. The transaction was struck at a **rate of \$4,041 per sqm of site area**.
(MSCI RCA 27.09.23)

32 Himalaya Crescent Seven Hills NSW 2147



\$7.575 million



5.20% Yield



\$12,198 per sqm of land area

Floreat Pica Investments has divested a childcare facility through auction for **\$7.575 million**. The purpose-built childcare centre, completed in 2021 and spanning 621 sqm, holds licensing for 90 LDC places. It is leased to Guardian Childcare on a 15 year net lease to May 2036 with one further 10-year option and one further 5-year option to May 2051. The centre is located in a schooling catchment area encompassing 23 schools within a 3 km radius. The transaction was struck on a **yield of 5.20% at a rate of \$12,198 per sqm of lettable area**. (MSCI RCA 12.09.23)

3 Lytton Road East Brisbane QLD 4169



\$19 million






\$4,500 per sqm of site area

Tiley & Wills Hotels has acquired the Shafston Hotel from *Redcape Hotel Group* for **\$19 million**. Located in East Brisbane, the hotel is in close proximity to the Brisbane River and the Gabba Stadium complex. This freehold hotel has a 4,222 sqm corner location and 34 gaming machines. The transaction was struck at a **rate of \$4,500 per sqm of site area**.
(MSCI RCA 07.09.23)

Industrial




1 International Drive Westmeadows VIC 3049

-  \$59.1 million
-  7.00% Cap Rate
-  \$2,285 per sqm of GLA

Svaf li Property Co Pty Ltd has acquired a multi-tenanted industrial estate from *Centuria Industrial REIT* for **\$59.1 million**. Located in close proximity to Melbourne Airport and Tullamarine, the property is sitting on a 5.6 ha freehold site. It is occupied by tenants including Xtreme Freight, Globelink, Summit Global Logistics, Logwin, Australia Worldwide Logistics on a WALE of 2.3 years. The transaction was struck on a **reported cap rate of 7.00%** at a **rate of \$2,285 per sqm of GLA**.

(MSCI RCA 08.09.23)




15 Britton Street Smithfield NSW 2164

-  \$47.05 million
-  4.98% Yield
-  \$12,797 per sqm of site area

APPF has acquired an industrial warehouse from *Starwood Capital* and *Arrow Capital Partners* for **\$47.05 million**. Located 24km west of the Sydney CBD, the property encompasses food production and manufacturing facility across three freestanding building and has 270-metre frontage to Britton Street. It is currently leased to Snackbrands with a remaining WALE of 0.8 year. The transaction was struck on a **yield of 4.98%** at a **rate of \$3,677 per sqm of GLA**.

(MSCI RCA 27.09.23)

15 Litoria Court Epping VIC 3076

-  \$37.69 million
-  5.00% Yield
-  \$2,344 per sqm of GLA

Cabot Properties has acquired a part of the Biodiversity Business Park from *Flight Centre* for **\$37.69 million**. Located in Epping, 20 kms from the Melbourne CBD, the property encompasses a warehouse and distribution facility with attached offices. The entire property is currently under a lease to 99 Bikes, with an initial lease term of five years. The transaction was struck on a **yield of 5.00%** at a **rate of \$2,344 per sqm of GLA**.

(RCA 31.08.23)



Retail

274 Great Eastern Highway Midland WA 6056

- \$469.99 million
- \$6,851 per sqm of GLAR

Fawcner Property and *PAG* have acquired a regional shopping centre, Midland Gate Shopping Centre, from *CPP Investment Boards*, *Future Fund*, *Commonwealth Bank Group Super* and *Vicinity Centres* for **\$469.99 million**. Situated in Perth's north-eastern metropolitan corridor, the shopping centre is anchored by Coles, Woolworths, Aldi, Kmart, Big W and Target, and an eight-screen Ace Cinemas complex. The transaction was struck at a rate of \$6,851 per sqm of GLAR.
(AFR 20.09.23)

310 Ross River Road Townsville QLD 4814

- \$230 million
- 8.00% Yield
- \$3,920 per sqm of GLAR

Haben Property Fund has acquired a 50% stake in a regional shopping centre, Stockland Townsville, from *AMP Capital Investors* for **\$115 million**. Situated on a 9.4ha corner land in Townsville, the shopping centre is tenanted by Myer, Woolworths, and Big W, in addition to seven mini-majors and 128 specialty shops. The centre underwent a \$180 million refurbishment a decades ago. The transaction was struck on a **yield of 8.00% at a rate of \$3,920 per sqm of GLAR**.
(AFR 17.09.23)

320 Princes Highway Bomaderry NSW 2541

- \$40 million
- 5.43% Yield
- \$7,338 per sqm of GLAR

Woolworths Ltd has divested a neighbourhood mall to a private investor for **\$40 million**. Constructed in 2020, Woolworths Bomaderry Shopping Centre is sitting on a 19,140 sqm land. The centre is fully leased to tenants including a Woolworths, a gym, medical centre, pharmacy and four other specialty shops. The transaction was struck on a **yield of 5.43% at a rate of \$7,338 per sqm of GLAR**.
(AFR 27.09.27)

1/21 McLeod Street Cairns City QLD 4870

- \$400 million
- 7.00% Yield
- \$7,631 per sqm of GLAR

Haben Property Fund has acquired a regional shopping centre, Cairns Central Shopping Centre, from *Lendlease* for **\$400 million**. Located in Cairns, Far North Queensland, the shopping centre is anchored by Myer, Kmart, Target, Coles, Woolworths and Event Cinemas. The centre is sitting on a 9.4ha site, directly connected to Cairns railway station. The transaction was struck on a **yield of 7.00% at a rate of \$7,631 per sqm of GLAR**.
(MSCI RCA 01.09.23)





**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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