



**Preston
Rowe
Paterson**

National Property Consultants

TRANSACTIONS *IN* REVIEW

About This Report

Preston Rowe Paterson prepare standard research reports covering the main markets within which we operate in each of our capital cities and major regional locations.

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

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.

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Sales

Commercial

200 George Street, Sydney, NSW 2000

AMP Capital has paid **\$317 million** to secure a half stake in Mirvac Group's office development at 200 George Street, Sydney. The 37 storey building located in the heart of Sydney's CBD near Circular Quay, is due for completion in 2016 and has been subsequently pre let to accounting firm Ernst & Young, for term of 10 years from completion. Mirvac is expected to make a development profit between \$40 and \$50 million.
[AFR 02/07/2013]



99 Walker Street, North Sydney, NSW 2060

Investa Office Fund has purchased a 17,200 sqm office tower from GE Capital for **\$124.9 million** on a **yield of 7.9%**. The property which was completed in 1988 also has approximately 1,000 sqm of retail space on the ground floor and a 263 bay car park.
[AFR 02/07/2013]

50 Flinders Street, Adelaide CBD, SA 5000

Cbus Property has acquired an office tower at 50 Flinders Street in the Adelaide CBD for a reported **\$140 million**. The office tower comprises 21,450 sqm of office space and is expected for completion in October 2015. Tenants of the building will include People's Choice Credit Union and Santos.
[AFR 03/07/2013]

Industrial

704-744 Lorimer Street, Port Melbourne, VIC 3207

Centennial Property Group has purchased a **26,023 sqm** industrial property in Lorimer Street, Port Melbourne for **\$26.3 million**. When fully leased the property generates an annual income of approximately \$2.75 million.
[AFR 10/07/2013]

4 Inglis Road, Ingleburn, NSW 2565

The Dexus wholesale Property Fund has purchased an industrial distribution facility in Ingleburn, Sydney for **\$34.45 million**. The property spans **43,442 sqm** and was purchased on an **initial yield of 13.5%**.
[AFR 10/07/2013]

86-102 Whiteside Road, Clayton South, VIC 3169

Virtus Property Group has purchased an industrial investment and development site at Clayton South, in Melbourne's south-east. The **30,730 sqm** site was purchased for **\$7.2 million** on a yield of **8.5%**.
[AFR 25/07/2013]

Retail

25 Main Street, Greensborough, VIC 3088

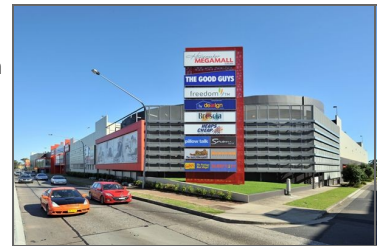
Blackstone Group has finalised a **\$360 million** purchase of Melbourne's north east Greensborough Plaza. Greensborough Plaza, which spans a gross lettable area of approximately **61,924 sqm**, is focused on food, service and convenience based retail. The major tenants of the centre include a two-level Target, Kmart, Coles and Aldi supermarkets along with eight mini majors and 177 speciality and kiosk stores. The sale of Greensborough Plaza, which is situated approximately 20 km north east of the Melbourne CBD, displays a **rate per sqm of \$5,813**.
[AFR 01/07/2013]

251 Maroondah Highway, Healesville, VIC 3777

Moelis Australia Asset Management has purchased the Healesville Walk Shopping Centre for a reported **\$21.2 million** on an initial **yield of 7.63%**. The shopping centre was purchased from joint owners Australand and Bank of Scotland.
[AFR 04/07/2013]

265 Parramatta Road, Auburn, NSW 2144

Primewest, a western Australia based syndicator has purchased the Auburn Homemaker Megamall in Sydney for **\$55 million**. The property was sold by AMP Capital Shopping Centre Fund and Unisuper. The megamall has 35 tenancies and a weighted average lease expiry of approximately 3.1 years. The property spans **32,347 sqm** with anchor tenants including Freedom Furniture, The Good Guys, By Design and Fantastic Furniture. The property was purchased on a **yield of approximately 10.5%**.
[AFR 04/07/2013]



356 Manns Road, West Gosford, NSW 2250

The Harrington Property Group has purchased the West Gosford Hometown centre for approximately **\$20 million**. West Gosford Hometown was completed in 2003 and consists of 17 tenancies across four buildings with a gross lettable area of **15,886 sqm**.
[AFR 04/07/2013]

650 Wickham Street, Fortitude Valley, QLD 4006

GPT Group has sold the last of its bulky goods retail investments with the sale of the Fortitude Valley Homemaker Centre for a reported **\$103 million**. The buyer is unknown, however is believed to have been represented by Altis Property Partners. GPT plans on using the proceeds of the sale to pay off debt and to fund future purchases.
[The AU 04/07/2013]

3525 Pacific Highway, Slacks Creek, QLD 4127

The **26,995 sqm** Logan MegaCentre on the Pacific Highway has been purchased by the Blackstone Group from Mirvac for a reported **\$52 million**. Major tenants include Spotlight, Anaconda and Freedom.
[AFR 9/07/2013]

165 Phillip Street, Sydney, NSW 2000

The NSW Leagues Club building has been purchased by property investor Greg Shand for **\$15.5 million**. Building is located between Phillip Street and Elizabeth Street in the Sydney CBD.

[AFR 9/07/2013]

372-394 Whitehorse Road, Nunawading, VIC 3131

Arkadia has purchased the Home HQ Nunawading in Melbourne's east from Charter Hall Group and Charter Hall Retail REIT for **\$48 million**. The **22,871 sqm** property's three anchor tenants are Nick Scali, The Good Guys and Bev Marks Beds, and includes another 17 outlets. The sale price reflected a **capitalisation rate of 10.7%**.

[AFR 16/07/2013]

Terralong Street, Kiama, NSW 2533

A private investor has purchased Centro Kiama for a reported **\$22.7 million**. The **5,200 sqm** centre has

experienced 3.5% sales growth, is fully occupied and was purchased on a capitalisation rate of 8.75%. The major tenant of the centre is Woolworths.

[AFR 23/07/2013]



Hotel/Leisure

15 Thomsons Road, Pokolbin, NSW 2320

Minor International, a Thai hotel group has purchased the Cypress Lakes resort in the Hunter Valley for **\$10 million**. The property is on a 100 hectare site and comprise 146 villas. The deal included the golf course, a club house and two pieces of development land, which have been approved for a 120 room hotel and 225 apartments and villas.

[AFR 23/07/2013]

Residential

640 Bourke Street, Melbourne, VIC 3000

The 1925 three storey Eliza Tinsley building, together with other buildings at 640 Bourke Street have been purchased by a private Chinese developer for **\$22 million**. The sale of this **2,764 sqm** building struck a **rate per sqm of almost \$8,000**, with a tight **gross yield of 2.5%**. Considerable value was added to the property prior to its sale as a result of obtaining a permit to develop a 42 level tower behind the historic brick façade fronting Bourke Street. Planning permission for a 563 unit apartment tower, along with four ground level shops and a 249 bay above ground level car park also come with the property.

[AFR 01/07/2013]

Lindsay Avenue, Darling Point, NSW 2027

A Darling Point waterfront mansion has sold to retired investment banker and sailor Matt Allen for over **\$30 million**. The property was first listed in 2011 with the hope to achieve over \$50 million.

[AFR 04/07/2013]

Residential Site, Melbourne, VIC 3000

Listed company Amcor sold their 16.5 hectare site to a consortium headed by Guy Nelson's Alpha Partners for **\$120 million**. This sale happens to be Melbourne's largest ever residential infill site. The sale displays a **rate per sqm of \$727**. No further details were released.

[AFR 02/07/2013]

9-25 Commonwealth Street, Surry Hills, NSW 2010

The NSW governments' State Property Authority has sold a **792 sqm** site for a reported **\$20.1 million** and is earmarked to be developed into residential apartments. The site at 9-25 Commonwealth Street in Surry Hills is close to Central Station, Hyde Park and Oxford Street.

[AFR 16/07/2013]

161-165 Clarence Street, Sydney CBD, NSW 2000

Crown Group has released plans for a **\$58 million** residential tower in the Sydney CBD. Construction on the 220-apartment tower is expected to start in mid 2014.

[AFR 24/07/2013]

Rural

Mobandilla Cotton Farm, Outside Goodiwindi, South West Queensland

A local farmer with backing from a domestic fund has purchased the 5,400 hectare Mobandilla Cotton farm for **\$12 million**. The property was taken over by insolvency experts PPB advisory earlier in the year as a result of floods, high debt and collapsed managed investment scheme.

[AFR 29/07/2013]

Leasing

Commercial

12 Electronics Street, Eight Mile Plains, QLD 4113

Construction services company Seymour Whyte has signed a \$500,000 per year rental deal to move into the Brisbane Technology Park building. Seymour Whyte pre committed to leasing 1,212 sqm on the first level of this two level 2,400 sqm building. They were also involved in the design and fit-out of the site. Eight Mile Plains is situated around 15 km south east of Brisbane's CBD. This rental displays a **rate per sqm of \$412**.

[AFR 02/07/2013]



120 Collins Street, Melbourne, VIC 3000

Mitsui & Co has signed a **5 year lease** for 1,700 m2 of space at a net rental **per sqm of approximately \$550** at Investa's premium grade 120 Collins Street building in Melbourne's CBD. Other major tenants in the 64,831 sqm building include Standard & Poor's, Legg Mason, Investa, Merrill Lynch and Rio Tinto.

[AFR 02/07/2013]

40 Mount Street, North Sydney, NSW 2060

Meat & Livestock Australia has leased 2 levels in an Investa-managed North Sydney A Grade office building. The 2,470 sqm space was leased at a gross rental of \$645 per sqm for a 10 year term.

[AFR 09/07/2013]

Industrial

Industrial property, Prestons, NSW 2170

Kick Furniture has leased 1,260 sqm of industrial property from Hasell Britton in Sydney's south west, Prestons. The industrial site comprises a modern warehouse, small office and decent truck access. Kick Furniture have agreed to a one year lease, presenting a gross face rental of \$138,600 a year, displaying a **rate per sqm of \$110**. The property is located approximately 40 km south west of the CBD.
[AFR 02/07/2013]

Rocklea Industrial Precinct, Rocklea, QLD 4106

A **3 year lease** has been signed by Eastcoast Development Engineering for 3,600 sqm of space at the Rocklea Industrial Precinct at a rental of approximately \$330,000 per year. This reflects a **rate per sqm of \$91**.
[AFR 05/07/2013]

63-69 Pipe Road, Laverton North, VIC 3026

MR Express, a transport and warehouse business has leased a **3,500 sqm** industrial site in Laverton North, in West Melbourne for a gross face rental of **\$52 per sqm**. The property has been leased from Pipe Road Pty Ltd.
[AFR 10/07/2013]



33-47 Dohertys Road, Laverton North, VIC 3026

Orix has leased a **4,000 sqm** industrial building from the Goodman Group. The property at **33-47 Dohertys Road, Laverton North** in Victoria was leased for a seven year term at a rental of **\$82 per sqm**.
[AFR 16/07/2013]

Gateway Estate, Mount Kuring-Gai, NSW 2080

John S. Hayes Pty Ltd, a paper cleaning, sanitary and medical product supplier has leased **3,233 sqm** of space for a five year term from Industrial Parks of Australia at its Gateway Estate in Mount Kuring-Gai. The industrial space has been leased at a net rental of **\$129 per sqm**.
[AFR 16/07/2013]

Gateway Estate, Mount Kuring-Gai, NSW 2080

Woger Trading, an international importer and internet retailer has leased **1,800 sqm** of industrial and warehouse space at the Gateway Estate in Mount Kuring-Gai. The space has been leased for a one year term at a net rental of **\$115 per sqm**.
[AFR 16/07/2013]

43-63 Princes Highway, Dandenong South, VIC 3175

Savco Logistics has leased a **7,034 sqm** industrial property split 6,920 sqm of industrial space and 144 sqm of office space from Goodman. The lease was for a term of 10 years at a rate of **\$58 per sqm**.
[AFR 23/07/2013]

794 Burwood Highway, Ferntree Gully, VIC 3156

City Farmers has leased a **1,253 sqm** showroom space in Ferntree Gully. The property has frontages onto both the highway and Ferntree Gully Road and consists of a large showroom and access to a carpark for customer parking. Rental is believed to be approximately **\$170 per sqm**.
[AFR 23/07/2013]

115 Frederick Street, Northgate, QLD 4013

SRS Roads has taken out a three year lease with a three year option for a warehouse facility comprising of a **2,000 sqm warehouse, a 3,000 sqm hardstand area and 100 sqm of office space**. The site has been leased at **\$144,000 per annum** plus GST and outgoings.
[AFR 30/07/2013]

205 Queensport Road, Murrarie, QLD 4172

Bayer Australia has leased a brand new office and warehouse space near Brisbane. The 2,762 square metre property has been leased for a 6 year term for a net annual rental between \$370,000 and \$390,000.
[AFR 30/07/2013]



105 Boundary Road, Laverton North, VIC 3026

Coalition Logistics has leased an office and warehouse space in Melbourne's western suburbs. The 1,700 sqm warehouse building has been leased for a three year term at a net annual rental of \$96,500.
[AFR 30/07/2013]

Retail

The Ponds Boulevard & Riverbank Drive, Blacktown, NSW 2148

Woolworths has pre-committed to leasing **4,000 sqm** of retail space at the Ponds Shopping Centre in Blacktown for a **20 year term**. The centre is due for completion in late 2014 and will be approximately 7,000 sqm with 25 specialty stores.
[AFR 9/07/2013]

Corner Queen Street and Flinders Street, Melbourne CBD

Culture Kings has leased a **1,338 sqm** retail space on the corner of Queen Street and Flinders Street. The lease is for a 5 year term with a five year option at an annual rental of **\$200,000** reflecting a rate of \$149 per sqm.
[AFR 30/07/2013]

Our Research

At Preston Rowe Paterson, we pride ourselves on the research which we prepare in the market sectors within which we operate. These include Commercial, Retail, Industrial, Hotel & Leisure and Residential property markets as well as infrastructure, capital and plant and machinery markets

We have *property* covered

- Investment
- Development
- Asset
- Corporate Real Estate
- Mortgage
- Government
- Insurance
- Occupancy
- Sustainability
- Research
- Real Estate Investment Valuation
- Real Estate Development Valuation
- Property Consultancy and Advisory
- Transaction Advisory
- Property and Asset Management
- Listed Fund, Property Trust, Super Fund and Syndicate Advisors
- Plant & Machinery Valuation
- General and Insurance Valuation
- Economic and Property Market Research

We have all *real estate* types covered

We regularly provide valuation, property and asset management, consultancy and leasing services for all types of Real Estate including:

- CBD and Metropolitan commercial office buildings
- Retail shopping centres and shops
- Industrial, office/warehouses and factories
- Business parks
- Hotels (accommodation) and resorts
- Hotels (pubs), motels and caravan parks
- Residential development projects
- Residential dwellings (individual houses and apartments/units)
- Rural properties
- Special purpose properties such as: nursing homes; private hospitals, service stations, oil terminals and refineries, theatre complexes; etc.
- Infrastructure

We have all types of *plant & machinery* covered

We regularly undertake valuations of all forms of plant, machinery, furniture, fittings and equipment including:

- Mining & earth moving equipment/road plant
- Office fit outs, equipment & furniture
- Agricultural machinery & equipment
- Heavy, light commercial & passenger vehicles
- Industrial manufacturing equipment
- Wineries and processing plants
- Special purpose plant, machinery & equipment
- Extractive industries, land fills and resource based enterprises
- Hotel furniture, fittings & equipment

We have all *client profiles* covered

Preston Rowe Paterson acts for an array of clients with all types of real estate, plant, machinery and equipment interests such as:

- Accountants
- Banks, finance companies and lending institutions
- Commercial and Residential non bank lenders
- Co-operatives
- Developers
- Finance and mortgage brokers
- Hotel owners and operators
- Institutional investors
- Insurance brokers and companies
- Investment advisors
- Lessors and lessees
- Listed and private companies corporations
- Listed Property Trusts
- Local, State and Federal Government Departments and Agencies
- Mining companies
- Mortgage trusts
- Overseas clients
- Private investors
- Property Syndication Managers
- Rural landholders
- Self managed super funds
- Solicitors and barristers
- Sovereign wealth funds
- Stock brokers
- Trustee and Custodial companies

We have all *locations* covered

From our central office location within the Sydney Central Business District we serve our clients' needs throughout the Sydney CBD, greater Sydney metropolitan area, throughout the state of New South Wales. For special purpose real estate asset classes, infrastructure, and plant & machinery we operate throughout Australia and globally either directly or through our relationship offices.

We have *your needs* covered

Our clients seek our property (real estate, infrastructure, 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 and outgoings projections and analysis
- Insurance valuations (replacement & reinstatement costs)
- Leasing vacant space within managed properties
- Listed property trust & investment fund valuations & re-valuations
- Litigation support
- Marketing & development strategies
- Mortgage valuations
- Property Management
- Property syndicate valuations and re-valuations
- Rating and taxing objections
- Receivership, Insolvency and liquidation valuations and support/advice
- Relocation advice, strategies and consultancy
- Rental assessments and determinations
- Sensitivity analysis
- Strategic property planning

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