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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, specialized 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.

MARCH 2015

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Sales

Commercial

81 Flinders Street, Adelaide, SA 5000

A local private syndicate has purchased an office block for **\$41.3 million**, in what is one of the first major real estate deals in Adelaide this year. The 9812 m2 building which also includes one level of basement parking and a roof-top entertaining area reflects a **rate of**

\$4,209.13 psm. The sale of the 11-storey commercial building will show a **yield of 8.69%**. The property has two major tenants, *Finlaysons* and recruitment firm *Hender Consultants*, along with other tenants including, gas pipe-lines company *Investra* and insolvency firm *Ferrier Hodgson*.

[AFR 03/03/2015]



44 Sydney Avenue, Forrest, ACT 2603

360 Capital Group has sold an office building to boutique property fund manager *Quintessential Equity* for **\$32 million**. The 6367 m2 site reflects a **rate of \$5,025.91 psm** and 35% of the space is vacant. The major tenant in the building is the Department of Foreign Affairs and Trade. Forrest is located 5km south of the Canberra CBD.

[The AU 03/03/2015]

383 King Street, Melbourne VIC 3000

Haileybury College has purchased a 10-level office building from Singapore-listed *Aspial* for **\$52,000,000**. The 13,000 m2 property will be used as a new city campus for the privately run secondary school. The sale reflects a **rate of \$4,000 psm**.

[SMH 04/04/2015]

627 Chapel Street, South Yarra, VIC 3141

Fridcorp, a Melbourne-based private developer has snapped up an office building for around **\$40 million**, says market sources. The prominent six-level office tower was acquired from private investors the Henkell Brothers. The 2000m2 site reflects a **rate of \$6,666.67 psm**, and has 6000 m2 of space. The building is *Fridcorp's* headquarters. South Yarra is located about 6km south-east of the Melbourne CBD.

[AFR 06/03/2015]

23-31 Lincoln Square South, Carlton, VIC 3053

Singapore-listed *KLW Holdings* has bought a five-storey office building on the city fringe for **\$12.5 million**. The sale of the 3745 m2 building reflects a **rate per m2 of \$3,338**. Carlton is located 500m north of the Melbourne CBD.

[The AU 10/03/2015]



555 Swanston Street, Melbourne, VIC 3000

The **Maltstore building** on the former **CUB Brewery Site** has been sold to a private syndicate for **\$17 million**. The five level building is currently undergoing refurbishment and consists of 3,334 m2 of retail and office space. The sale reflects a **rate of \$5,098.98 psm**. [AFR 11/03/2015]

410 Collins Street, Melbourne, VIC 3000

Vaughan Constructions has sold the Melbourne headquarters of *China Construction Bank* to a local private investor for **\$28.25 million**.

The 14 level, B-grade office building will need significant capitals works done but sold in an area record of **\$7200 psm** and on a **passing yield of 4.59%**.

[The AU 19/03/2015]

446 Collins Street, Melbourne, VIC 3000

A private Asian investor has bought a partly vacant office building for about **\$34 million**. Most leases will expire over the next 18 months and the **initial yield on the sale was a very tight 4.47%**. [The AU 19/03/2015]

6-7 Eden Park Drive, Macquarie Park, NSW 2113

The *Investa Commercial Property Fund (ICPF)* has agreed to sell a Macquarie Park, Sydney office building to *Atlis Property Partners* for **\$81.8 million**. The 18,131 m2 A-grade office building reflects a **rate of \$4,511.61 psm**. The

yield was in the mid-6% but could be as high as 9% if fully leased. Tenants include, Nobel Biocare, CA Pacific and Du Pont. Macquarie Park is located 18.4 km north-west of the Sydney CBD.

[AFR 23/03/2015]



63 Myrtle Street, Chippendale NSW 2008

A three-level office warehouse has been sold by architecture firm *Tzannes Associates* at auction for **\$5.11 million**. The office sits on a 234 m2 site with 700 m2 of office space. The sale **reflects a rate of \$21,827.61 psm**. Chippendale is located about 2.3 km south of the Sydney CBD.

[AFR 24/03/2015]

309 George Street, Sydney, NSW 2000

A private Hong Kong investor has purchased an office tower from *Abacus Property Group* and joint-venture partner *AM Alpha* for **\$112.3 million**. It is understood that the private *HK Realway* has bought the tower but it is still subject to Foreign Investment Review Board approval. The sale reflects a **rate of more than \$10,170 psm** and a **passing yield of about 6%**. 45% of the income from the 9044 m2 building comes from retail tenants such as Commonwealth Bank, Priceline and Anytime Fitness.

[AFR 24/03/2015]





600 Collins Street, Sydney NSW 2000

A small group of investors with connections to Germany, China and Malaysia has acquired an 2400 m2 four-storey retail and office building for **\$60 million** from private syndicator *Henkell Brothers Investment Management*. The sale reflects a rate of about **\$25,000 psm** and a **yield believed to be a little above 3%**. The large site has significant development potential.
[AFR 24/03/2015]

21-23 Solent Circuit, Baulkham Hills, NSW 2153

Investec Australia Property Fund (IAPF) has paid **\$38.9 million** for a 11,610 m2 office building which is 85% occupied. The sale reflects a **rate of \$3,350.56 psm**. Current tenants include PwC and Clarendon Homes. Baulkham Hills is located about 30.9 km north-west of the Sydney CBD.
[The AU 26/03/2015]



South Australia Commercial Sales Wrap

Property syndicator *Ascot Capital*, along with Adelaide-based financial group *Finance Mutual Australia*, has bought two office buildings from the South Australian government for **\$37.5 million**. The two buildings are adjacent to one another at **60 Wakerfield Street** and **21 Divett Place** and are connected by a foot-bridge. The 6-level Wakefield Street site offers 6900m2 of building area, while the 10-level Divett Place site occupies 9620 m2 of net lettable area. The properties are both fully leased to the **South Australian Police Department** on a 12-year leaseback deal.
[AFR 26/03/2015]

90 Maribyrnong Street, Footscray VIC 3011

Impact Investment Group has acquired a 4-level office building on a **yield of 13%** for **\$13.5 million**. The building comprises 7,300m2 of floor space and the sale reflects a **rate of \$1,849 psm**. Footscray is located about 5 km west of Melbourne's CBD.
[AFR 26/03/2015]

415-417 Collins Street, Melbourne, VIC 3000

The founder of Melbourne construction firm *Probuild*, Phil Mehrten, former Probuild business partner and ex-AFL player Wayne Judson and fellow Probuild director Edward Yencken, have sold a three-level office building to a Chinese family for **\$8,888,888**. The property sold for \$2.5 million above reserve on a **yield of just 2.2%**. The partially vacant property sold at a rate of nearly **\$10,300 psm of net lettable area**.
[AFR 27/03/2015]

Eagle Street, Brisbane, QLD 4000

Dexus Property has paid **\$630 million** for the **Waterfront Place** and adjoining **Eagle Street Pier** office buildings from the *Future Fund* and *Stockland*. Both assets were sold on a **tight overall yield of between 6.24-7%**.
[AU 31/03/2015]

Industrial

Australian Industrial Sales Wrap

Listed Singapore crane rental company *Tat Hong* has sold four industrial properties to Perth-based wholesale property syndicator and developer *Primewest* for **\$23.3 million** in a sale-and-leaseback deal. The properties will be leased from Primewest at an average rental starting at \$1.91 million a year to Tat Hong's Australian subsidiary Tutt Bryant Group for 12 years. Two of the buildings are in Western Sydney, one in the Gold Coast hinterland and one in Perth.
[AFR 05/03/2015]

Harris Road, Brisbane, QLD 4000

United Petroleum has paid **\$12.5 million** for an 8.4 ha industrial site. The sale reflects a **rate of \$148 psm**.
[AFR 05/03/2015]

5-7 Garema Circuit, Kingsgrove, NSW 2208

A 3765 m2 freestanding facility has been bought for **\$5.8 million**, \$1.28 million above reserve. The sale reflects a **rate of \$1,540.50 psm**. The site has high-clearance, clear-span warehousing throughout, two levels of office space and 46 car spaces. Kingsgrove is located around 21km south-west of the Sydney CBD.
[AFR 05/03/2015]

2 Lincoln Street, Lane Cove, NSW 2066

A private investor has acquired a 9,438m2 industrial building on a **yield of 9.75%** for **\$16.9 million**. The sale reflects a **rate of \$1,790.63 psm**. Lane Cove is located 10 km south-east of the Sydney's CBD.
[The AU 09/03/2015]

5-9 Bridges Road, Moorebank, NSW 2170

A private developer has purchased an industrial building for **\$25 million**. The 41,840 m2 site is leased to Joyce Foam until November, 2015. The sale reflects a **rate of \$602.70 psm**.
[The AU 09/03/2015]

90 Mills Road, Braeside, VIC 3195

An industrial asset in Victoria has been sold to *Propertylink* and investment bank *Moelis' Significant Investment Visa* for **\$36.6 million**. The 40,000 m2 **Kingston Distribution Centre** is located within the Woodlands Industrial Estate and is fully leased to logistics, warehousing and distribution firm Simon National Carriers. The sale reflects a **rate of \$915 psm**. The purchase reflects an **acquisition yield of 7.9%**. Braeside is located about 33 km south-west of the Melbourne CBD.
[AFR 10/03/2015]





100 Harris Street, Pyrmont, NSW 2009

Veteran property developer Michael Teplitsky has purchased a century-old warehouse and lot for **\$90 million** from the Wakil family. The property near The Star casino is a massive converted woolstore and will likely be converted into apartments or into a fringe commercial asset if refurbished. Pyrmont is located about 2 km west of the Sydney CBD.

[AFR 12/03/2015]

1-3 Como Street, Malvern, VIC 3144

A local developer had bought an industrial property for **\$6 million** with plans for a medium density residential development. The property sits on a 934 m2 land holding, reflecting a **rate of \$6,423.98 psm**. Malvern is located 11 km south-east of the Melbourne CBD.

[AFR 12/03/2015]

Simblist Road, Port Botany, NSW 2036

Atlas Property Partners has snapped up an industrial asset for **\$44 million** to start its third real estate fund. The site located at the largest logistics facility at the major NSW container port was acquired from *NSW Ports*. The 9.8 ha site sale reflects a **rate of \$448.98 psm**. The property is currently leased to *Australian Container Freight Services* and the deal will show an **initial yield of 11%**. The net lettable area of the site is just under 40,000 m2. Port Botany is located about 14.7 km south of the Sydney CBD.

[AFR 17/03/2015]

Carter Street, Sydney Olympic Park, NSW 2127

Industrial property powerhouse *Goodman Group* has sold a large site to billionaire apartment developer Harry Triguboff's *Meriton Group* for **\$250 million** in the group's biggest purchase yet. It is likely that Meriton will take up about a quarter of Goodman's industrial precinct and the site could hold about 1300 apartments. Sydney Olympic Park is located about 15.9km west of the Sydney CBD.

[The AU 26/03/2015]

16 Dawson Street, East Arm, NT 0822

An industrial site has been purchased by a *Charter Hall Group*-managed fund and will become a **\$27 million** transport and logistics facility. The property is currently preleased to transport and logistics provider *Northline*, one of Australia's largest privately owned and fastest growing logistics operations, on a 12-year term. The area has emerged as a new export hub for Australian businesses. East Arm is located 17km east of the Darwin CBD.

[AFR 31/03/2015]

Retail

Anzac Parade, Maroubra, NSW 2035

Charter Hall has expanded its retail portfolio and created a new retail partnership with RP6 in order to buy the **Pacific Square Shopping Centre** for **\$137 million**. Maroubra is located 9 km south-east of the Sydney CBD.

[SMH 05/03/2015]



Cnr Town View Terrace and Willmott Avenue, Margaret River, WA 6285

Perth-based private equity firm *Sirona Capital* has acquired the **Margaret River Shopping Centre** from *SCA Property Group* for **\$18 million**. The 5730 m2 site reflects a **rate of \$3,141.36 psm**. The deal gives Sirona the mall on a **passing yield of 9.3%**. The major tenant, Woolworths, occupies 3800 m2 on a 20-year tenancy deal. Margaret River is located about 268 km south-west of the Perth CBD.

[AFR 05/03/2015]



25 Sunderland Drive, Banksia Beach, Qld 4507

A Brisbane-based investor has purchased the **Bribie Harbour Shopping Village** for **\$13.15 million**. The 1.7 ha site has 4500 m2 of retail space anchored by a Woolworth's supermarket, leased until 2023 with further options. The sale reflects a **rate of \$773.53 psm** and the **passing yield was 8.7%**. The shopping centre also includes 16 specialty stores and parking for 316 cars. Banksia Beach is located around 72 km north-west of the Brisbane CBD.

[AFR 05/03/2015]

330 King Street, Newtown, NSW 2042

The **Newtown Central Shopping Centre** has been sold to the *Australian Investment Fund* for **\$26.4 million** in an off the market deal. Major tenants include Optus, Foodworks, Fitness First, and Cellarbration. Newtown is located 4 km south-east of the Sydney CBD.

[AFR 15/03/2015]



33 Hollywell Road, Biggera Waters, QLD 4216

Intrasia Oxley RE has purchased the 6,980 m2 **Metro Markets** shopping centre for **\$23.05 million**. The site, which has potential for additional high-density development, was sold on a **yield of 8.36%** and the sale reflects a **rate of \$3,302 psm**. The centre is anchored by Drakes Super IGA and has 34 specialty stores and 5 offices. It has a WALE of 5.9 years with a net income of \$2.575 million a year.

[AU 16/03/2015]

Birkdale Road, Birkdale, QLD 4159

Fort Street Real Estate Capital's second *Australian Property Opportunities Fund* has bought the **Birkdale Fair** shopping centre from a private investor for **26.4 million**. The Birkdale Fair shopping centre takes up a 20,990 m2 site, reflecting a **rate of \$1095.76 psm**. The shopping centre is anchored by Woolworths Supermarket but also includes 19 specialty stores with a total of 5390 m2 of gross lettable area. National tenants include Foodworks, Fitness First, Cellarbrations and Optus. Birkdale is located 19 km south-east of Brisbane's CBD.

[AFR 17/03/2015]

401-415 Maroondah Highway, Croydon North, VIC 3136

A private investor has paid **\$13.3 million** for the **Maroondah Village Shopping Centre** on a **passing yield of 5.4%**. The 3092 m2 centre is anchored by Coles with 11 specialty stores and 113 car spaces. The sale reflects a **rate per m2 of \$4,301**. Croydon North is located 36.1 km north-west of the Melbourne CBD.

[AFR 26/03/2015]

Residential

19 Hope Street, South Brisbane, QLD 4101

Metro Property Development has paid **\$18.75 million** for a residential site from vendor *Urban Construct*.

The site will allow for 375 apartments and will be named **Brisbane Casino Towers**. This reflects a **rate of \$50,000 per apartment**. The project will likely cost \$205 million and apartments will be sold from \$425,000 up to \$1.05 million. South Brisbane is located about 1km south-west of the Brisbane CBD.

[AFR 10/03/2015]



74-80 Restwell Street & 1-9 Leonard Street, Bankstown, NSW 2200

A developer from Sydney's south-west has purchased a key development site at auction this week for **\$17.85 million**. Bankstown City Council sold the 6355 m2 site, reflecting a **rate of \$2,808.81 psm**. The site has a residential B zoning, with a floor space ratio of 2:1 and a height limit of 25 metres. Bankstown is located around 20km south-west of the Sydney CBD.

[AFR 12/03/2015]

4-6 Cressy Street & 13-15 Mentmore Avenue, Rosebery NSW 2018

A private group has sold a residential development site to *Kratos* for **\$13 million**. The prime-corner location site is 2341 m2 in size, reflecting a **rate of \$5,553.18 psm**. A recent zoning change to the area has meant that the site has strong development opportunity. Rosebery is located 11km south of the Sydney CBD.

[AFR 12/03/2015]

26-34 Hutchinson Street, Surry Hills, NSW 2010

Bridgeline Property Group has paid **\$8 million** from a private investor for a residential development site. The 622 m2 property is a two-storey, freestanding building zoned mixed use. This sale reflects a **rate of \$12,861 psm**. The site has the potential for 23 apartments. Surry Hills is located around 5km south-east of the Sydney CBD.

[AFR 12/03/2015]

431-429 Burwood Highway, Vermont South, VIC 3133

A high-density residential site has been sold to a syndicate of local and Chinese investors for **\$8.5 million**. The 5207 m2 site has the potential to accommodate 100 residential units, subject to planning approval. The sale reflects a **rate of \$1,632 psm**. Vermont South is located 20km east of the CBD of Victoria.

[The AFR 16/03/2015]

5-7 Harper Terrace, South Perth, WA 6151

Perth listed apartment developer, *Finbar*, has purchased 14 strata apartments for **\$7.25 million**. Finbar will likely develop the 1,782 m2 land into a mixed use project with approximately 56 luxury residential apartments and approximately 1,800 m2 of ground floor retail and level one office space. The proposed project has an estimated end value of approximately \$60 million. The sale reflects a **rate of \$4,068.46 psm**. South Perth is located around 5km south of the Perth CBD.

[AFR 20/03/2015]



Queensland Residential Development Site Sales Wrap

William O'Dwyer's *Ralan Group* has bought a site at Budds Beach for \$19 million from *Canadian giant Brookfield*. The group is now planning on developing 2300 residential apartments across a couple of blocks in Surfers Paradise after recently purchasing another site in close proximity. The property encompasses 1.2 ha and is occupied by six houses and a car park. The sale reflects a **rate of \$1,583.33 psm**.

[The AU 26/03/2015]

170 Victoria Street, Melbourne, VIC 3000

A private investor has purchased a development site for **\$64.8 million**. The 2,927 m2 site has approval for a 72-storey tower comprising 1,035 apartments. The sale reflects a **rate of \$22,139 psm**.

[AFR 30/03/2015]

27-29 Gordon Street, Burwood NSW 2134

A foreign investor has snapped up a 933 m2 residential development site for **\$5.8 million**. The sale reflects a **rate of \$6,217 psm**. Burwood is located around 11.1 km west of the Sydney CBD.

[The AU 31/03/2015]

Rural

Great Northern Highway, Pardoo WA 6721

Graeme and Judith Rogers have sold a 198,000 ha cattle station and tourism operation to a Singaporean investor, *Pardoo Beef Corporation*, for **\$13.5 million**. The **Pardoo Station** was sold at a of **\$68.18 per ha**. The sale comes with plans to ramp up cattle production and eco-tourism. The cattle station also features 56 accommodation rooms, 140 camp sites with water and electricity access, 4 self contained accommodation houses, the Pardoo store, restaurant for up to 70 seatings, swimming pool, 4 communal bathroom blocks, communal laundry, BBQ area and camp kitchen.

[The AU 11/03/2015]



Specialised Properties

172-176 Parramatta Road, Homebush, NSW 2140

Three former car yards have been bought by a local developer for **\$12.6 million**. The 2200 m2 site now has approval for 84 apartments. The sale reflects a **rate of \$5,727.27 psm**.

Homebush is located about 13.7 km west of the Sydney CBD.

[AFR 27/03/2015]





Hotels

2 Koplick Rd, Chambers Flat, QLD 4133

The **Chambers Pines Lifestyle Resort** has been bought by modular home park owner *Ingenia* for **\$17.6 million**. The resort features 78 housing lots, a 9-hole golf course, 2 rink bowling green, pool, spa, BBQ area and community clubhouse over 11 acres of land.

Chambers Flat is located around 43.9 km south-east of the Brisbane CBD.

[AFR 03/03/2015]

30 Ingleside Rd, Ingleside, NSW 2101

A Chinese property group has purchased the **Sydney Conference and Training Centre** from a few investors, including John Simmonds, for what is believed to be around **\$12 million**.



The 3.5 ha property features 6 six conference rooms, nine breakout syndicate rooms, 56 resort-style accommodation rooms, a restaurant, kitchen and various recreational facilities, including a tennis court and sports field. The property reflects a **rate of \$342 psm**. The property will continue to be used as a conference centre and will retain its existing staff. A refurbishment and technology upgrade is planned in the short term. Ingleside is located 37 km north-east of the Sydney CBD.

[AFR 03/03/2015]

295 Boat Harbour Drive, Scarness, Hervey Bay QLD 4655

The **Australiana Top Tourist Park** has been sold for **\$6.3 million**. The tourist park features 54 camping sites with power and water outlets, 14 cabins, pool, BBQ area and communal kitchen. The sale of the 2.35 ha site reflects a **rate per m2 of \$268.09**. Scarness is located around 292 km north of the Brisbane CBD.

[AFR 06/03/2015]

122 Ferny Avenue, Surfers Paradise QLD 4217

The Zagame and Pellicano families' **Paradise Resort** has been sold for more than **\$70 million** to Sydney-based *Ralan Group*. The site has planning approval for more than 1500 apartments and occupies an entire city block with a site area of 2.5 ha. This sale reflects a **rate of \$2,800 psm**.

[AFR 12/03/2015]

2 Kalinya Street, Newport, NSW 2106

Wayne Bayfield has sold the famous **Newport Arms Hotel** to Justin Hemmes of hospitality group *Merivale*, for about **\$47 million**. There were a wide-range



of interested parties after the 11,000m2 waterfront land holding and a substantial overhaul of the property is now likely. The hotel features Australia's largest beer garden, 2 playgrounds, 5 bars, 3 dining outlets and 9 accommodation rooms. The sale reflects a **rate per m2 of \$4,272.73**. Newport is located around 35 km north-east of the Sydney CBD.

[The AU 19/03/2015]

Queensland Hotel Sales Wrap

Privately owned Hawaii-based Outrigger Resorts group has sold four of its Queensland resorts to Mantra Group for **\$29.5 million**. The four properties were the Outrigger Surfers Paradise, Outrigger Twin Towns Resorts, Coolangatta, Outrigger Little Hastings Street Resort and Spa and Noosa Bouthouse Apartments.

[The AU 26/03/2015]

72 Queen Street, Brisbane, QLD 4000

Challenger has acquired the 4.5 star **NEXT Hotel** for **\$133 million** from *SilverNeedle Hospitality*. The hotel completely refurbished hotel and retail asset features 304 rooms, large club floor with an outdoor pool, over 1,300 sqm of food and beverage, recreation and meeting facilities, and the international fashion retailer Forever 21 on the 2,000 sqm ground floor retail space. Both hotel and retail tenants have 10 year leases.

[AFR 27/03/2015]



Leasing

Commercial

399 Lonsdale Street, Melbourne, VIC 3000

A 4760 m2 office space has been leased by education group *Australian Technical and Management College* at former **Taylor's House**. They will pay a **gross annual rent of \$400 psm** for five floors in the building on a **3-year lease**. The ground floor has recently been refurbished with three retail units. A private landlord was the vendor of the property.

[AFR 03/03/2015]



143 Turbot Street, Brisbane, QLD 4000

A deal has been struck between education-company *Pragmatic Training* and a private landlord for two floors of office space to accommodate its growing vocational training business. Pragmatic Training will pay a **gross annual rent of \$520 psm** for the 1406m2 space. Increased government funding and subsidies has seen the company continue to grow from its first school in Melbourne. The lease is on a **7-year deal**.

[AFR 03/03/2015]

555 Bourke Street, Melbourne, VIC 3000

Yarra Trams has leased 5,100 m2 of office space in Melbourne's Central Business District for **\$390 psm net per annum**.

[AFR 03/03/2015]

551 Blackburn Road, Mount Waverley, VIC 3149

Aged Care Organisation has leased office space to be its Melbourne headquarters on a **five-year deal**. The gross annual rent of the 1800m2 property will be **\$576,000**. This reflects a **rate of \$320 psm**. Mount Waverley is located about 23.3 km south-east of the Melbourne CBD.

[The AU 04/03/2015]



55-57 Wentworth Avenue, Surry Hills, NSW 2010

Education business *EF International* has leased a 2000 m2 building in order to accommodate more students. EF International will pay **\$580,000** on a **1-year deal**. This reflects a **rate of \$290 psm**. The existing commercial building is being demolished to make way for the construction of an 18 storey mixed use development consisting of basement storage and bicycle parking, ground floor retail use, hotel accommodation (60 rooms) and 88 residential apartments. Surry Hills is located around 5 km south-east of the Sydney CBD.
[AFR 10/03/2015]

480 Queen Street, Brisbane, QLD 4000

Law firm *DLA Piper* has leased office space in Brisbane's newest office tower from *Dexus Property Group* and *Dexus Wholesale Property Fund*. The law firm will take up 2800 m2 of space on a single floor. Other tenants that have recently signed up are BHP Billiton, Herbert Smith Freehills, PwC, Allens, HWL Ebsworth and The Executive Centre.
[The AU 11/03/2015]

110 Eagle Street, Brisbane, QLD 4000

Melbourne-based educational provider *Impact English College* has agreed to lease an office tower in Brisbane's Golden Triangle district on a **7-year lease**. The property will house English language classrooms and was marketed at the **gross rent of between \$500 psm and \$550 psm** across 1,240 m2. The space will be getting a new fitout, will have 14 classrooms with natural light and views, offices for the administrative and academic departments, a library and study area, a student lounge, and a multipurpose room.
[AFR 31/03/2015]

Industrial

180 Holt Street, Pinkenba, QLD 4008



Charter Hall has leased a soon-to-be-empty warehouse to listed car dealer *AP Eagers* on an **\$18 million lease deal**. AP Eagers will occupy 8200 m2 of space on an **annual rent of \$1.3 million per year**. This reflects a **rate of \$158.54 psm**. Charter Hall purchased the facility in 2013 knowing that the existing tenant, Toll Holdings' subsidiary NQX, was moving out and had committed elsewhere. Pinkenba is located around 12 km north-west of the Brisbane CBD.
[AFR 05/03/2015]

116 Rothschild Avenue, Rosebery, NSW 2018

Building products company *CSR* has struck a deal with *Mentmore 60* to lease a 1562 m2 building. The building will be used for a trade centre for CSR's glass division Viridian. CSR agreed to a **3-year lease** paying a net annual rent of \$228,052. This reflects a **rate of \$146 psm**. Rosebery is located 11km south of the Sydney CBD.
[AFR 10/03/2015]

26-32 Cosgrove Road, Enfield, NSW 2136

Parcel Freight Logistics has leased a 1,674 m2 warehouse for **\$175,770 net per annum**. The lease is for **4 years** and reflects a **rate of \$105 psm**. Enfield is located 13.7 km south-west of the Sydney CBD.
[The AU 13/03/2015]

31 Technology Circuit, Hallam, VIC 3803

Air-conditioning supplier *Cool Breeze Rentals* has agreed to a lease deal for a warehouse and office at the **Hallam Central Business Park** to accommodate expansion. Cool Breeze will pay a **net annual rent of \$160,640** for the



2008 m2 property, reflecting a **rate of \$80 psm**. The site includes a 1704 m2 high-clearance warehouse and a 304 m2 with the lease term being for **5 years**. Hallam is located around 39.7 km south-east of the Melbourne CBD.
[AFR 17/03/2015]

6B Phiney Place, Ingleburn, NSW 2565

US refrigeration manufacturer, *True Food International*, has leased a 1965 m2 industrial property from *Rio Developments*, as its first Australian branch to carry out repairs and assemble products. True Food will pay a gross annual rent of **\$121 psm** on a lease term of **5 years**. The property has modern offices, high internal clearances, a large awning and three roller doors. Ingleburn is located around 50.3 km south-west of the Sydney CBD.
[AFR 17/03/2015]

New South Wales Industrial Leasing Wrap

Fordham Industrial Enterprises and warehousing and storage company, *GM Kane & Sons* have agreed to a deal for an industrial site in Narellan NSW so that GM Kane can expand their operations. GM Kane will pay an **annual gross rent of \$105.50 psm** for the 15,034 m2 site. Narellan is located about 64 km south-west of the Sydney CBD.
[AFR 24/03/2015]

Western Australia Industrial Leasing Wrap

Kmart has agreed to lease a 41,700 m2 warehouse and office complex on a 10 ha site in a deal that could be worth in **excess of \$5,000,000 a year**. This lease reflects a **rate of \$119.90 psm**. The site at Ascot Capital's Jandakot City business park will serve as the retailer's major distribution centre for Western Australia and construction will likely be finished by mid-2016.
[AFR 25/03/2015]



Retail

Rossack Drive, Waurin Ponds, VIC 3216

Ashpark Nominees has leased a 1000 m2 retail space to automotive retailer *Autobarn* on a **7-year deal**. *Autobarn* will pay a **net annual rent of \$205 psm** and will likely open in March. The **Waurin Ponds Plaza** has recently been renovated and also houses *Petbarn*, *Boating Camping and Fishing* and *Furniture Galore*. *Waurin Ponds* is located around 85 km south-west of the Melbourne CBD. [AFR 03/03/2015]



360 Capital new retail fund

360 Capital has launched a **\$70.9 million retail fund** called the *360 Capital Retail Fund No 1*. The new unlisted fund will offer investors an 8% distribution yield for the 2016 financial year. There are two shopping centre assets in the fund, the **Windsor Marketplace** in New South Wales and the **City Centre Plaza** in Rockhampton, Queensland. [AFR 9/03/2015]

No deal between Mirvac and ANZ

Mirvac has walked away from a \$200 million deal to redevelop **Sydney's City Tattersalls Club** after reaching a standstill with the club's financiers, *ANZ bank*. The developer and the bank could not reach an agreement in regards to *Mirvac's* long-term security on the site in the event the club falls into insolvency. [AFR 11/03/2015]

Rural

Tocabil Station, Hillston NSW 2675

Australia's biggest almond grower, Singapore-based *Olam International*, has struck a **22 year lease** agreement with the listed *Rural Funds Group* to develop 600 ha of new almond orchards. *Rural Funds Group* will raise \$15 million of which \$8.9 million will fund the first year of development of the *Tocabil* almond orchards. The fund bought the 6,900 ha property in August 2014 for \$5.2 million to part-convert the cotton and grazing property into 'high value' almonds orchard at a cost of \$27 million. The property is located in the Central West region of NSW near Hillston. [AFR 09/03/2015]

Macerich rejects Simon's \$US16 billion bid

US retail giant *Macerich* has rejected an unsolicited offer of about **\$US16 billion** (\$20.9 billion) from *Simon Property Group*. *Macerich* says that *Simon* has grossly undervalued them when such transaction would have been valued at about \$US22.4 billion in a statement published on 9th March. [AFR 19/03/2015]

TIAA Henderson plans for new global fund

UK-based global investment company *TIAA Henderson Real Estate* is hinting to Australian super funds that there will be a new global property fund investing in shopping centres, offices and logistics facilities in a selected group of European cities. *TH Real Estate* will raise an initial €500 million (\$700 million) this year to make its first acquisitions at the end of the year or early 2016. Over the next five years, *TH Real Estate* hopes to raise between €3 billion and €5 billion to grow the portfolio. [AFR 26/03/2015]

Capital Raisings

Abacus raises \$97 million

Abacus Property Group has raised \$97million capital through an offer of one share per 12 existing shares at a fixed price of \$2.82. The raising will be used to reduce debt following the settlement of the *Oasis Shopping Centre* on the Gold Coast. [17/03/2015]

National Storage raising \$57.5 million

The self-storage property trust *National Storage REIT* is raising \$57.5 million in equity to reduce existing debt. *National Storage* plans to acquire more storage facilities. [27/03/2015]

Property Funds

Sunland Group pockets \$3.3 million

The Brisbane-based developer, *Sunland*, has netted a first-half profit of **\$3.3 million**, up from the 2014 first-half profits of \$3 million. High rise development and residential site acquisitions were the focus in the first-half of 2015. *Sunland* share gained a 6.3% over the past 12 months and were trading at \$1.75 after announcement. [AFE 2/03/2015]

AustralianSuper buys stake in London

AustralianSuper has taken a **25% stake** in London mix-use development *King's Cross*. This will be *AustralianSuper's* first direct investment in London. The 27 hectare site will include offices, homes, hotels, shops, restaurants, galleries, school and a university. [AFR 9/03/2015]

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
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- 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)
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- Special purpose properties such as: nursing homes; private hospitals, service stations, oil terminals and refineries, theatre complexes; etc.
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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
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- 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 capital city and regional office locations we serve our client's needs throughout Australia. Globally, we operate directly or via our relationship offices for special purpose real estate asset classes, infrastructure and plant & machinery.

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
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- 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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