



Preston
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International Property Consultants

TRANSACTIONS IN REVIEW

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 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, 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.

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Commercial

2 Chifley Square, Sydney, NSW 2000

The bar continues to be raised in the Sydney premium office market with a private financial group securing a 125 sqm office space in **Chifley Tower** at a **gross rent of \$1,575 psm lettable area**. The space includes harbour views, kitchen space, workstations and a boardroom. The rental price highlighted the ongoing willingness of corporate tenants to pay exorbitant rates for premium commercial space in the CBD, where vacancy has firmed to 4.6%, its lowest in 10 years. The deal is a boost for the owners, *GIC*, a Singaporean sovereign wealth fund, who recently placed a 50% stake of the tower on the market, with price expectations of around \$900 million. The deal equates to a **total annual gross rent of \$196,875**. (AFR 02.10.18)

131 Macquarie Street, Sydney NSW 2000

Financial Business *Money Me* has moved from North Sydney to the CBD committing to a five-year lease on level three of **Hudson House**. The whole 520 sqm floor has a large terrace with views towards the Royal Botanical Gardens. A rate of **\$1,100 psm gross** was agreed upon, which equates to a **gross annual rent of \$5,720,000**. (AFR 30.10.2018)

111-117 Devonshire Street, Surry Hills, NSW 2010

A seven-level office building in the city fringe has sold at auction for **\$21.1 million** (\$2.5 million over reserve for a price). The 405 sqm block with 2,085 sqm net lettable area was sold to a private local investor on a **tight 3.2% yield**. The fully leased property has a **WALE of 1.66 years** and comes with basement car parking for 18 spaces. The annual income on the property equates to **\$675,200 per annum** and was sold at a **rate of \$10,120 psm of lettable area**. Surry Hills is located 3 km south-east of the Sydney CBD. (AFR17.10.18)



100 Pacific Highway, North Sydney, NSW 2060

Mortgage Choice has renewed its lease for another **five years** at the *ISPT* owned property. The decision was made as the North Sydney office market continue to



see record low vacancy rates and heightened demand. The renewed lease will see a payment of **\$890 psm gross** for the 1,221 sqm office space. This reflects a **gross annual rent of \$1,086,690** on the North Sydney property. North Sydney is 3.8 km north of the Sydney CBD. (AFR 16.10.18)

8 Cunningham Street, Haymarket, NSW 2000

A three-level commercial building has been sold at auction to a local investor for **\$5.6 million**. The buyer plans to convert the 434 sqm building to a creative working space to attract higher rents. The site is located near the Chinatown retail precinct and is in close proximity to the inner-west light rail. The deal concluded at a rate of **\$12,903 psm of lettable area**. (AFR 18.10.18)

60 Union Street, Pyrmont, NSW 2009



Parkview Constructions has secured a **five-year lease** on level seven of the recently renovated A Grade office building in Pyrmont. Owners *AFIAA* spent \$30 million on renovations for the property, which

is anchored by *Coles* and *Liquorland* on the Ground Floor. *Parkview* will be paying **\$780 psm gross** on the 1141 sqm top floor office space, which equates to **\$889,980 gross per annum**. Pyrmont is located 2 km west of the Sydney CBD. (AFR 30.10.18)

91 Phillip Street, Parramatta, NSW 2150

Maurice Blackburn has secured a commercial office lease of 346 sqm from *Capital Property Funds*. The deal was struck at a **net annual rent of \$475 psm**, which equates to **\$164,350 net per annum**. Parramatta is located 23 km west of the Sydney CBD. (AFR 23.10.18)



12-14 Mckillop Street, Melbourne, VIC 3000



An extremely rare freestanding New York style building has sold in the Melbourne CBD for **\$14.5 million** at auction to the *Mantzis Family*. The five level 1,529sqm property has the opportunity to be used as retail, hospitality, office and/or residential uses plus opportunities for development. Previous owner *Jeff Xu* paid \$10.5 million for the property back in September 2015 with plans to install a rooftop karaoke bar, which was later abandoned. The deal was done at a **rate of \$9,483 psm of the lettable area** as the property has significant development potential and is located in the heart of the CBD.

(AFR 17.10.18)

12-14 Claremont Street, South Yarra, VIC 3141

The whole fourth floor of a commercial building in the popular inner south-east of Melbourne has been leased to *S&C Electric Australia* for **seven years**. S&C will pay **\$616,720 gross per annum** for the space, equating to **\$520 psm lettable area**. The 1,186 sqm space comes fully furnished and includes two balconies. South Yarra is positioned 4.7 km south-east of Melbourne’s CBD.

(AFR 02.10.18)

1 Chapel Street, Blackburn, VIC 3130



News Corp has sold a near vacant low rise commercial asset in Melbourne’s east for **\$30.2 million**. The site was the former headquarters of News Corp’s ‘Leader’ community newspaper, which closed in 2016. *Vantage Property Investments* picked up the site off-market and have quickly secured leases over 65% of the buildings 6,059 sqm lettable area. The site also provides solid land value beneath the income-generating asset. The property is sitting on a 7,225 sqm lot close to Blackburn Railway Station and sold at a **rate of \$4,984 psm lettable area**. Blackburn is located 17.9 km east of Melbourne’s CBD.

(AFR 10.10.18)

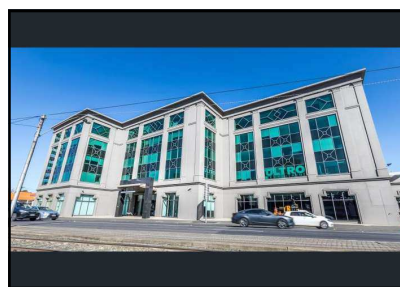
577-579 Church Street, Richmond, VIC 3121

Residential builder *Maybach Property Group* extended its lease on the 302 sqm office space at a **net annual rent of \$156,000**. The deal equates to a **rate of \$516 psm of lettable area**. Richmond is located 3.8 km east of the Melbourne CBD.

(AFR 23.10.18)

210 Kings Way, South Melbourne, VIC 3205

A fully leased South Melbourne office building was put up for sale by *Clantot PTY LTD* who originally bought the property in 2005 for \$11.4 million. The property has now been sold to local property developer and investor *Steven Lai* for **\$32 million at a yield of 4.8%**. The property



contains 5,000 square metres of office space and 86 car spaces, on a 2,795 sqm site. The was property sold at a **rate of \$6,409 psm lettable area**. South Melbourne is located 2.4 km south of the Melbourne CBD.

(AFR 16.10.18)

45 Grosvenor Street, Abbotsford, VIC 3067

A Chinese investor has purchased a two level office and industrial facility for **\$37 million** at a tight **yield of 5%**. The 8,145 sqm building was sold by veteran Melbourne developers *Micheal Lasky and the Herzog family*. The property is leased to **Australia Post** and **Honeywell**, with leases expiring in 2028 and 2021 respectively. With a yield of 5%, the sale suggests a **net income of \$1,850,000 per annum**. The deal was struck at a **rate of \$4,543 psm of lettable area**. Abbotsford is located 4.5 km south-west of the Melbourne CBD.

(AFR 17.10.18)





Level 21, 50 Cavill Avenue, Surfers Paradise, QLD 4217

Landlords *GDI Property Group* has taken their Gold Coast commercial asset to near full occupation after leasing the whole top floor to property group *Ernst Body Corporate Management*. The 674 sqm refurbished space attracted a price of **\$450 psm lettable area**, or **\$300,300 net per annum**. The parties signed a **seven year** lease with options. GDI Group have now placed the tower on the open market with price expectations of \$105 million.
(AFR 02.10.18)

161 Wakefield Street, Adelaide, SA 5000

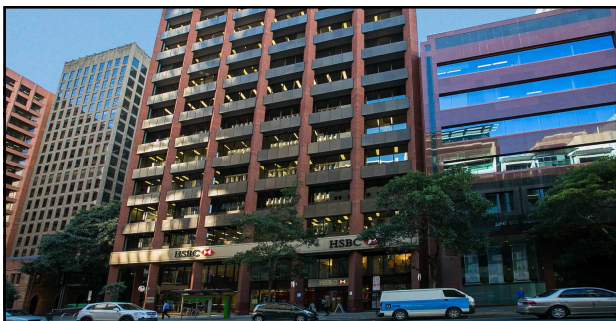
Commercial construction company *Built Environs* has moved into 661 sqm of NLA of a warehouse now converted office space on a **5 year lease** with options. The company will use the old warehouse with red brick and saw tooth facade as its main office in the Adelaide CBD. They will pay **\$355 per sqm gross per annum**, which equates to an **annual gross rent of \$234,655**.
(AFR 16.10.18)

170 Froome Street, Adelaide, SA 5000

Infrastructure consultancy firm *Tonkin* has entered a new lease agreement for an office in Adelaide's CBD, moving from the city fringe. Tonkin will be paying **\$600,000 net annual rent** for the 1,500sqm A Grade office space. The represents a **net annual rent of \$400 psm**.
(AFR 23.10.18)

190 St Georges Terrace, Perth, WA 6000

Harvis Corp have entered a five-year lease agreement for Level-nine of an A Grade commercial office space in Perth's CBD. It was reported that the agreement comes with market term incentives on a **net annual face rent of about \$525 psm**. The tenant will pay **close to \$73,500 per annum** for the 140 sqm of space.
(AFR 16.10.18)



Retail

92 Parramatta Rd, Lidcombe, NSW 2141

The Lidcombe Centre in Sydney's west has been sold to a high net worth Sydney based investor for **\$145 million**. The shopping centre anchored by **K-Mart, Woolworths, Aldi**, 10 mini-major stores and 59 speciality retailers was sold by the *Vicinity Enhanced Retail Fund*. The deal was struck on a fully leased **6.9% yield** with 32,911 sqm of lettable area and parking for 1,061 vehicles. The site located off the very busy Parramatta Road is in a prominent position to continue to attract customers in. The property was sold at a rate of **\$4,406 psm gross lettable area**. Lidcombe is located 17 km west of the Sydney CBD.
(AFR 18.10.18)



304-308 Chapel Road, Bankstown, NSW 2200

A Vietnamese investor has won an auction battle for a mixed-use building in Sydney's south-west, cashing out **\$8.7 million** for the 1,179 sqm building. The property is located along what is known as "Saigon Place", a bustling retail strip for Asian fresh food grocers. The building contains 521 sqm of ground floor retail space and two upper levels of 23 commercial suites, measuring 658 sqm. The building generates a current gross income of \$468,849 p.a., giving this sale a **gross yield of 5.34%**. It sold at a **rate of \$7,379 psm lettable area**. Bankstown lies 18.4 km south west of Sydney's CBD.
(AFR 04.10.18)

16 O'Connell Street, Sydney, NSW 2000

An Asian investor has bought a prominently positioned ground floor retail property for **\$6 million**. The 706 square metre property was sold at a **net yield of 5.19%**. The circa 1939 art deco building with gothic vaulted ceilings is currently leased until 2027 with options to **The Carter**, which is a restaurant and bar. The property is located within the heart of the financial district and is in close to the Martin Place metro station. The deal was struck at a **rate of \$8,499 psm lettable area**.
(AFR 18.10.18)



225H Forest Road, Hurstville, NSW 2220

Hurstville Central has sold to a US private equity firm for **\$119.5 million**. The leasehold property has 42 years remaining until it reverts to NSW Government ownership, however selling agents advised the government are willing to renegotiate the leasehold with the new purchaser. The centre is occupied by a **Coles** supermarket, 4 mini majors and 27 specialty tenancies, spread over 15,000 sqm of GLAR and with a WALE of 7.6 years. The shopping centre saddles Hurstville train station and has two major bus interchanges directly integrating with the property. The deal reflected a **passing yield of 6.07%** and a **rate of \$7,967 psm lettable area**. Hurstville is located 16.4 km south west of Sydney's CBD.

(AFR 10.10.18)



8 Griffin Street, Heatherbrae, NSW 2324

Sentinel Property Centre has bought the **Bunnings** anchored homemaker centre for **\$23.3 million** at a **passing yield of 7.94%**. Bunnings occupies 77% of the property and is responsible for 66% of the property's passing income. The centre is located north of Newcastle and will be the third addition to the Sentinel Homemaker Trust along with centres in Sunshine, Victoria and Geraldton, Western Australia. The 17,181 sqm property on a 4.2ha site was bought at a **rate of \$1,356 psm gross lettable area**. Heatherbrae is located 162 km north of Sydney.

(AFR 23.10.18)

349 Elizabeth Street, Melbourne, VIC 3000

An inner-city retail asset has changed hands on a **2.37% yield**. Private investors agreed on an exchange price of **\$6.81 million**, \$1.3 million above reserve, for the two storey, 237 sqm building in Melbourne's north end, sitting opposite Melbourne Central Shopping Centre. The property is leased to an MMA sportswear provider and a Japanese restaurant. The sale shows a **sharp rate of \$28,692 psm building area**.

(AFR 11.10.18)

241A Flinders Lane, Melbourne, VIC 3000

Kiss Kill, an up-market lingerie brand, will move from Little Collins Street to a 24 sqm retail property for its new shop in the Victorian Capital. The business will pay **\$66,000 gross per annum** for the property, or **\$2,750 psm**, on a **three year** lease with options to the private landlord.

(AFR 09.10.18)

Millhouse Road, Aveley, WA 6069

A private investor has picked up the **Woolworths Aveley shopping centre** in north east Perth for **\$26.925 million**. The sale recorded the lowest yield for a West Australian neighbourhood shopping centre above \$20 million, coming in at **5.8%**. **Woolworths** were the vendor of their self-anchored shopping centre, which also includes tenancies to **BWS** and eight specialty stores. The 4,919 sqm centre was built in 2016 and complements a master-planned community adjacent to the centre. The deal reflects a **rate of \$6,424 psm lettable area**. Aveley is located approximately 25 km north of Perth's CBD.

(AFR 10.10.18)

11 Injune Way, Joondalup, WA 6027

The former Masters Home Improvement site, repurposed as a mixed-use large format shopping centre, has found a new tenant in **RSEA Safety**, a safety workwear and gear provider. The new tenant will occupy the 1,024 sqm shop on a **seven year** lease at a **rate of \$248 psm net per annum, equating to \$254,245 per annum**. Joondalup is located 26 km north of Perth's CBD.

(AFR 09.10.18)

4 Olive Road, Falcon, WA 6210

Redcliffe Holdings has divested a regional liquor outlet for **\$7.65 million**. The property is currently leased to **First Choice Liquor** until 2027 with three 10 year options. **First Choice** liquor occupies the



2,945 sqm corner site with a 1,234 sqm single storey retail shop. Western Australian property syndicate **Mair Property Funds** acquired the site on a **7.45% net yield** and at a **rate of \$6,199 psm lettable area**. Falcon is located 80 km south of Perth's CBD, south of Mandurah.

(AFR 11.10.18)



1419-1423 Albany Highway, Cannington, WA 6107

Local Perth investors *Warren John Martin and Sunbay enterprises* sold the recently insolvent toy retailer *Toy's 'R' Us* site for **\$9.2 million**. Property syndicator *Primewest* has bought the property alongside a



neighbouring retail asset for a combined \$15.35 million. *Primewest* have already secured **Toy Mate** on a 10-year lease for 1,550 sqm at a rate of \$220 psm and **Baby Bunting** for the remaining 1,940 sqm on an 8 year lease. *Primewest* now has \$3.5 billion assets under management, which is spread across a diversified funds management business. The sale reflects a rate of **\$2,611 of gross lettable area**. Cannington is located 13km south-west of Perth's CBD.

(AFR 24.10.18)

87 Armadale Road, Jandakot, WA 6164

Adore Homes living has signed a five year lease at *Primewest's* 'South Central' Centre. The new 1,200 sqm large format retail lease was secured at a **net annual rent of \$259,200**. This equates to a **rate of \$216 psm** for the retail space. Jandakot is located 20.4 km south of Perth's CBD.

(AFR 30.10.18)

1930 Gold Coast Highway, Miami, QLD 4220

The **Coles**-anchored **Miami One Shopping Centre**, south of the Gold Coast CBD, has sold to *SCA Property Group* for **\$32 million** through an expressions of interest campaign. The centre sold on a **6.9% yield**, with



further leases to **Australia Post, Liquor Land, ANZ Bank** and 26 other tenants. Miami One is a single level plaza style development, containing 4,669 sqm of GLAR, spread over a 7,800 sqm site with 205 basement parking bays. Of the total floor area, 2,248 sqm is attributable to the **Coles** supermarket, which trades at \$17,000 per square metre. *SCA* recently raised \$262.4 million to fund the purchase of 10 Vicinity Centre malls, taking an optimistic view over the Gold Coast region as a whole. The sale generates a **rate of \$6,854 psm lettable area**. Miami is located 8 km south of Surfers Paradise.

(AFR 11.10.18)

Industrial

62 Belmore Road & 111 Bonds Road, Riverwood, NSW 2210

Austral Bricks has secured a sale and partial lease-back deal with a private buyer over two adjoining brickworks sites in Sydney's tightly held south west. The buyer picked up the 9.05 hectare site for **\$41 million**, while *Austral Bricks* will occupy 13,263 sqm of the site on a 10+5 year lease agreement, generating \$1.62 million net per annum for the new owner. The sale comes at a time when the parent company, ASX-listed *Brickworks*, posted a 5.8% fall in profits, having been heavily affected by the residential building downturn. The property holds substantial future development value due to its size and lack of improvements. The sale **reached a rate of \$453 psm land area**. Riverwood is positioned 19.2 km south west of Sydney's CBD.

(AFR 04.10.18)

1/26 McIlwraith Street, Wetherill Park, NSW 2164

A private industrial investor has secured a wholesale electrical supplier for its 1,111 sqm duplex warehouse for the next **three years**. *Eltech Australia* will pay **\$112 psm lettable area**, equating to **\$124,505 net per annum** for the building which will become the company's Sydney headquarters. Wetherill Park is located 31.9 km west of Sydney's CBD.

(AFR 02.10.18)

32 Britton St, Smithfield, NSW 2164

Malaysian owned *Tien Wah Press Holdings* has sold the Western Sydney manufacturing premises for **\$22 million** after the *Tien Wah Press Holdings* owned *Anzpac Services*



ceased production of the tobacco carton printing business on the property in June last year which was subsequently sold to Hong Kong Investor *Jerome Chan*. It was noted that a decline in cigarette consumption and introduction of plain packaging was the ultimate factor on the sale of the business and the industrial asset. Local investor *CEA Property* bought the mixed office and factory asset of 14,088 square metres with an occupancy rate of 63%, with the current lease expiring in May 2019. The building sold at a **rate of \$1,562 psm on the lettable area**. Smithfield is located 28.9km west from the Sydney CBD.

(AFR 16.10.18)



198-222 Young St, Waterloo, NSW 2017

OMS Commercial PTY LTD has bought an industrial strata unit for **\$3.81 million**. It's previous tenant, The Costume Shop, recently closed down, leaving the 769 sqm two-level showroom vacant at the time of the auction. The property was sold by *Hin Wing Chung* at a **rate of \$4,954 psm of lettable area**. Waterloo is located 3.3 km south of the Sydney CBD.
(AFR 18.10.18)

24-26 Burrows Road, Alexandria, NSW 2015

Beaconsfield Motorcycles has secured a **five-year lease** with options on a 275 sqm industrial strata unit in Sydney's inner south. The **gross annual rent of the unit is \$79,750**, equating to **\$290 psm annually**. Alexandria is located 3.9 km from the Sydney CBD.
(AFR 23.10.18)

1 International Drive, Westmeadows, VIC 3049



Centuria's Industrial Property Fund has acquired 'Cargo Park' in Melbourne's North-West for **\$42 million** from Perth based investment house Warrington Property. According to market sources, Centuria Industrial REIT managed to outbid Propertylink, who recently launched a takeover bid of the fund for \$755 million. The asset consists of 25,866 square metres of multi-tenanted industrial space on a 5.6 hectare freehold site, located less than 5 kilometres from Tullamarine Airport and near the Tullamarine Freeway. The deal was struck at a **capitalisation rate of 7% and rate of \$1,624 psm lettable area**, with 87% of the property occupied along with a WALE of 2.3 years. Westmeadows is located 21.5 km north of the Melbourne CBD.
(AFR 16.10.18)

119 Studley Court, Derrimut, VIC 3030

Freight forwarding business Sampson Express has leased a 3,010 sqm industrial unit within the Paramount Industrial Estate. The space includes offices, high clearance span warehousing and a loading area. The lease that was agreed upon was for a period of four years with options on an **annual rent of \$240,800**. This deal equates to a **rate of \$80 psm lettable area**. Derrimut is located 19.4 km west of Melbourne's CBD.
(AFR 30.10.18)

800 Wellington Road, Rowville, VIC 3178

An 8,140 sqm office and warehouse has sold off market for **\$13 million**. The two hectare site has a warehouse area of 7,366 sqm and office area of 774 sqm. The site has excellent access to the Monash Freeway and other major arterials. The distribution centre consists of 9.5 metre clearance, three recessed loading docks and two on grade roller doors. The private investors sold the property at a rate of **\$1,597 psm lettable area**. Rowville is located 30.4 km south-east of the Melbourne CBD.
(AFR 18.10.18)



388 Heidelberg Road, Fairfield, VIC 3078

Bed for Backs has committed to a **three year lease** with options for a recently refurbished showroom in Melbourne's north-east. The 550 sqm property features an open-plan layout and roller door access. The local bedding giant will pay **\$90,000 in net annual rent** on a rate of **\$164 psm of lettable area per annum**. Fairfield is 6 km North-East of the Melbourne CBD.
(AFR 23.10.18)

2 Kingsbury Street, Brendale, QLD 4500

Kingsbury St Pty LTD has sold the recently developed industrial facility in an off market acquisition for **\$6.205 million**. A private Sydney based buyer bought the property on a **net yield of 6.32%** with a \$205,000 incentive. French flooring wholesaler Gerflor has a lease for the whole 3,240 sqm on the 6,267 sqm site. A **rate of \$1,915 of lettable area** was struck in order to complete the deal. Brendale is located 19.4 km North-West of Brisbane's CBD.
(AFR 25.10.18)

49 Patriarch Drive, Huntingfield, TAS 7055



The warehouse/office building has sold for **\$1.96 million** on a **6.7% yield**, well below the 8% average yield for this type of property in Hobart. Lightning Protection International lease the site as their headquarters until 2021 with a further five year option. The c.2009 building made from pre-cast concrete, has technical workshops, two floors of office space, a high clearance warehouse and substantial hardstand area. The 1,095 building sold at a **rate of \$1,790 psm lettable area**. Huntingfield is located approximately 14 kilometres south of Hobart.
(AFR 11.10.18)



Residential Development

290 Gunns Gully Road, Beveridge, VIC 3753

Toorak-based investors the *Zhang family* have outlaid around **\$50 million** for a greenfield development site in Melbourne's outer northern suburbs. The property could yield up to 1,400 homes, giving this sale a **rate of \$35,714 per home site**. The 160 hectare site is awaiting approval of the Beveridge South-West Precinct Structure Plan from the Victorian state government to determine the capacity of the site. The site sold on a **rate of \$31 psm of site area**. Beveridge is located 43 km north of Melbourne's CBD. (AFR 03.10.18)

6 & 6A Darling Street, South Yarra, VIC 3141

A 646 sqm site opposite South Yarra Railway Station has sold via an expression of interest campaign for **\$4.95 million**. A local developer picked up the site which came with approval for seven luxury townhouses, equating to a **price of \$707,143 per townhouse site**. Two residential dwellings will provide short-term holding income for the purchaser. The sale was executed at a **rate of \$7,663 psm of land area**. South Yarra is located 4.7 km south east of Melbourne's CBD. (AFR 04.10.18)

936-938 Toorak Road, Camberwell, VIC 3124

A development site has been bought for **\$4.25 million** at auction by a local private developer. The prominent 1,647 sqm corner landholding was sold with a permit approved for 20 large boutique apartments. The property is close to popular retail, dining and café amenities along with public transport. The deal was completed at a **rate of \$212,500 per unit**. Camberwell is located 10.6 km south-east of the Melbourne CBD. (AFR25.10.2018)



Residential

46 The Grove, Mosman, NSW 2088



Sydney-based hedge fund manager *Robert Luciano* has sold a seven bedroom, 10 bathroom mansion near Balmoral Beach for **\$11 million**, after purchasing the property for \$10.5 million in November last year. Luciano

had intended to extensively renovate the c.2000 property, however after buying an \$18 million weekender in Palm Beach in July he was devastatingly forced to sell. The property has sweeping harbour and ocean views, an indoor swimming pool and parking for eight vehicles. On a 883 sqm inside allotment, the sale gives a **rate of \$12,457 psm of land area**. Mosman lies 6.5 km north-west of Sydney's CBD. (AFR 02.10.18)

360 High Street, Windsor, VIC 3181

A block of six apartments has sold to a private investor for **\$6.6 million** at a **yield of 2.2%**. The property comprises of six large two bedroom apartments with a dual street frontage. All six apartments on the 1,308 sqm site are currently leased with the property offering development potential. The rate of the sale was **\$1.1 million per unit and \$5,046 of the site area**. Windsor is located 5.9 km south-east of the Melbourne CBD. (AFR 25.10.18)

2 Belmore Terrace, Sunshine Beach, QLD 4567

A luxurious five-bedroom mansion overlooking Sunshine Beach has sold for **\$14 million** as Noosa's top end market has seen record sale numbers. The beachfront property spans two lots on 1,280 sqm of land. The property sold in an off market transaction to interstate buyers back in August. The sale represents a rate of **\$10,938 psm of site area**. Sunshine Beach is located 119 km north of the Brisbane CBD. (AFR 30.10.2018)





Rural

Lot 3 Sturt Highway, Cullulleraine, VIC 3496

Millewa Vineyard, located in the Sunraysia district of Victoria has been bought by *Fresh Country Farms Australia* for **\$16 million**, which is an entity owned by the Public Sector Pension Investment Board (Canadian Pension Fund).



The 519 hectare property with 370 hectares of vines on it was heavily restored by the vendor *Bright Light Pipeline Pty Ltd* after it was bought for \$232,000 back in 2011. Through extensive investment, the vines were restored to full capacity. The new owner has reportedly entered into a long term lease with a prominent Australian wine company. The deal reflects a **rate of \$30,829 per hectare**. Cullulleraine is located 503 km North-West of Melbourne.

(AFR 15.10.18)

10 Martin Road, Badgerys Creek, NSW 2555

A Sydney buyer has bought a 2.03 ha rural site for **\$5.75 million**. The site is located opposite Mirvac's "Elizabeth Enterprise" and within 1 km of Sydney's second airport, which has now commenced construction. The property sold on a **rate of \$283 psm of land area**. Badgerys Creek is located 51 km west of the Sydney CBD.

(AFR 25.10.18)

Hotels and Leisure

40 Beach Rd, Auckland, 1010, New Zealand



The tourism boom in New Zealand has seen Malaysian conglomerate *Mulpha* buy the Waldorf Stadium Apartment Hotel for **\$NZ65 million (\$AUD59)** making it the largest commercial transaction in Auckland over the last twelve years. With the hotel market in Auckland not being very liquid *Mulpha* snapped up the 178-

unit strata title development on a **6.99% yield**. The Waldorf was sold with a new 11 year lease with Japanese serviced apartment firm **Daiwa House Group**. The deal reflects a **rate of \$AUD331,461 per unit**. The property is located within the Auckland CBD.

(AFR 11.10.18)

Specialised Properties

2 Spry Street, Coburg North, VIC 3058

Moreland City Council has picked up a 4,364 sqm site for **\$3.9 million**. Whilst originally pitched as a residential townhouse development site, the council will purpose the site towards public open space. The development will complement the 178 metre frontage to Merri Creek which already has a public walking trail along the creek. It is possible that the steep pitch of the site down to the riverbank and associated rules surrounding developing next to a waterway presented too great a risk to developers; the site sold well below the 'indicative range' of \$3.8 million to \$4.18 million. As a rate, this property sold **for \$894 psm land area**. Coburg North is located 11 km north of Melbourne's CBD.



(AFR 04.10.18)

59 Painted Hills Road, Doreen, VIC 3754

A mixed use property that includes a childcare centre, seven retail shops and 66 undercover parking spots has sold on a tight **5.8% yield for \$15 million** in a growth area of Melbourne. Despite concerns of an oversupply of childcare centres in the market, the property was snapped up by Singapore investor in conjunction with a local partner after the development of the centre in early 2018. The childcare centre on the property is licensed for 132 places and is operated by **Guardian Childcare**. The 2,780 sqm property generates \$871,324 of net rent annually and is fully leased with fixed annual rental growth. It sold at a **rate of \$5,396 psm of gross lettable area and \$113,636 per placement** inclusive of the retail area. Doreen is located 37 km north of Melbourne's CBD.

(AFR 17.10.18)





54, 56 and 58 Thompsons Street, Bulleen, VIC 3105

A private developer has bought three residential lots in Melbourne's east as a development site for **\$3.25 million**. The new owner who was represented by *Mollard Investments* plans to build a childcare centre on the 1,931 sqm site. The attraction of the site was the sites proximity to the Westfield Doncaster. The deal was struck at a **rate of \$1683 psm of site area**. Bulleen is located 13 km north-east of the Melbourne CBD.

(AFR 18.10.18)

14-18 Venture Way, Braeside, VIC 3195

A private land owner has sold an infill block for **\$1.64 million**. The 3,339 sqm vacant land is surrounded by industrial development and was bought by a local business as it looks to expand its enterprise. It is not understood what purpose the land specifically will be used for, although it was bought at a **rate of \$484 psm of site area**. Braeside is located 26 km south-east of the Melbourne CBD.

(AFR 18.10.18)

24 Thompson Street, Abbotsford, VIC 3067



The old Carlton Brewhouse has sold for **\$10 million** to a locally based Asian investor. Melbourne developer Joseph Chahin's *Peregrine Projects* bought the 1,035 sqm brew house and a neighbouring 2,500 sqm carpark for \$10.5 million back in May 2016. Chahin has now sold both assets individually for a combined \$17 million, representing a capital gain of 66% in over two years. The brew house which sits on 2,291 sqm of land is currently leased to **Carlton United Brewery** until December 2019 for \$363,000 per annum and the lease will not be renewed. The site offers enormous development upside in an historical industrial area, which has been gentrified in recent years due to the development of apartments in the area. The property was sold on a **rate of \$4,365 psm of site area**. Abbotsford is located 4.5 km east of the Melbourne CBD.

(AFR 25.10.18)

Property Funds and Capital Raisings

Redcape Hotel Group

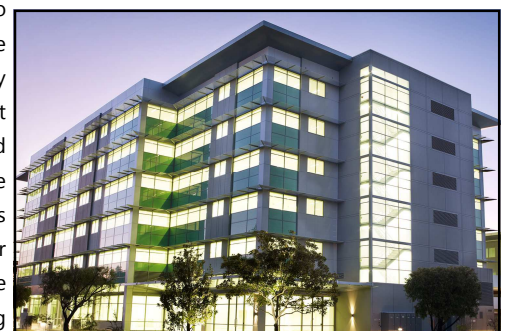
The *Moelis* managed hotel group has added three pubs to its regional NSW pub portfolio before the fund is expected to float with a \$1 billion portfolio value. Private consortium *Denfish Hotels* sold the three Wollongong pubs for **\$50 million**. If Redcape does float it will make it the second largest listed pub portfolio behind the ALE Group in terms of value. It was reported that the fund expected to seek a **capital raise of \$150 million**. The acquisition of the three pubs increases their weighting in the NSW market to 83% of the portfolio.

(AFR 17.10.18)



Charter Hall Long WALE REIT

The Charter Hall fund has further invested into the office and industrial space in Perth and Sydney, which is currently worth **\$117.8 million** combined. **UBS** have a \$60 million placement underwritten for the investment. The purchases align with the funds mandate to hold the assets with a long term WALE in the commercial property sector. The two deals are the latest ones by the fund as it recently sold 50% of its stake in Adelaide's ATO building for \$135 million. The trust is buying half the stake in



the *Optima Centre* in Perth for \$62.6 million, representing a **yield of 7.1%** for the two A grade properties in Perth's CBD. The major tenant of the property is the Western Australian government whose lease expires in 13.7 years. In Sydney the fund has taken a 100% stake in the *National Archives Building* at Chester Hill from a private investor for \$54.1 million. The Federal Government has 20 years remaining on the lease term as the deal represents a **yield of 6.6%**.

(AFR 18.10.18)



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

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