



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 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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Sales

Commercial

30 Ross Street, Glebe, NSW 2037

TPG Telecom has purchased a building that has the potential to be developed into apartments in Sydney's inner suburb of Glebe. The company paid **\$30.07 million** for the 3,655 m2 property which has parking for 74 vehicles and is located only 2.8 km south-west of the Sydney CBD. It is also a short walk to the University of Sydney and the University of Technology. The sale reflects a **rate per m2 of \$8,227**. TPG Telecom has strong interest in the redevelopment opportunities of the property.

[AFR 01/10/2014]

301 Flinders Lane, Melbourne, VIC 3000

Listed Singaporean door maker KLV Holdings has secured a place in the Melbourne property boom after purchasing a seven level university building for **\$23.6 million**. The Singaporean manufacturer acquired the building which was owned by Victoria University on a **yield of 5.3%**, which is well below the 6% range that premium commercial buildings are trading at and signifies the asset's development potential. The property occupies an 895 m2 site with three street frontages; the sale reflects a **rate per m2 of \$26,368**.

[AFR 02/10/2014]

60 Brougham Street, Geelong, VIC 3220

Impact Investment Group, a start-up syndicator backed by the Liberman family, has purchased the Transport Accident Commission headquarters in Geelong, its largest asset yet. The group paid **\$95.8 million** for the 15,000 m2 building on an **initial yield of 7.5%** reflecting a **rate per m2 of \$6,387**. The building currently has a 5-star Green Star and NABERS rating, which Impact Investment Group intends to improve to at least 5.5-stars. Brougham Street is located within walking distance to Geelong's CBD.

[AFR 15/10/2014]

350 Queens Street, Melbourne, VIC 3000

A private Malaysian investment group has sold Melbourne Office Tower for a price that is around **\$130 million - \$140 million**. The 22,000 m2, 21 storey office tower was completed in 1990, with a further two stages of the development that did not proceed. No further details were released.

[AFR 22/10/2014]

75 Elizabeth Street, Sydney, NSW 2000

A Chinese investment group has paid more than **\$64 million** for a Sydney office building owned by the Uniting Church. The sale of 75 Elizabeth Street, Sydney reflects a **yield of about 6.5%** and is one of the many deals that are anticipated in the race to secure a Sydney office building before Christmas. The property was bought by Chinese group who beat offshore developers and local high net worth investors to secure the property.

[AFR 23/10/2014]



101 Miller Street, North Sydney, NSW 2060

TIAA Henderson Real Estate has paid more than **\$300 million** for a half stake in North Sydney's tallest commercial tower. The 50% interest, which includes the connecting Greenwood Plaza Retail complex, was offloaded by Eureka Funds Management. The sale, which is TIAA Henderson's second purchase this month, reflected a **blended yield of 6.5%**. North Sydney is 5.2 km North of Sydney's CBD.

[AFR 31/10/2014]

Industrial

230 Hoxton Park Road, Prestons, NSW 2170

JLAB Investments has sold an industrial site for **\$9 million** to a private offshore investor. The 6,533 m2 building is currently leased for a net annual rent of \$685,965 with a WALE of 6.84 years and a net yield of 7.62%. The sale price reflects a **rate per m2 of \$1,378**. Prestons is situated around 42 km south-west of Sydney's CBD.

[AFR 02/10/2014]

202-214 Milperra Road, Milperra, NSW 2214

The Luzon Pty Ltd AFT Calautti Family Trust III has purchased a 20,469 m2 industrial property in Sydney's West. The trust paid **\$6.3 million** for the property which will be leased out. The property comprises a 3,611 m2 building, which the owner has plans to develop in the future. The sale reflects a **land value per m2 of \$308**, and a **rate per m2 of building area of \$1,745**. Milperra is located around 35 km south-west of the CBD.

[AFR 02/10/2014]

Dursley Road, Yennora, NSW 2161

Charter Hall Group's Core Logistics Partnership (CLP) has purchased an industrial asset in the wealthy Scheinberg family's \$350 million portfolio. CLP paid **\$46 million** for the 137,600 m2 property in Sydney's western suburbs. The site comprises a large warehouse and distribution centre currently leased to Woolworths, it adjoins the Yennora Distribution Centre and has special features including a lease until 2023, under which the lessee must repair and maintain the condition of the building throughout the lease term. The sale price of the property reflects a **rate per m2 of \$334**. Yennora is located around 29 km north-west of Sydney's CBD.

[AFR 02/10/2014]

522 Yaamba Road, North Rockhampton, QLD 4701

Specialist self-storage investor and developer StoreInvest has added to its portfolio by purchasing the North Rockhampton Storage King. StoreInvest paid **\$8.95 million** for the 6,000 m2 building that is built on a 1.45 ha site. The property is situated alongside Masters, Super A-Mart, McDonald's and a neighbourhood shopping centre. The asset shows strong growth and a strong return forecast of 9% for the company's investors. The sale reflects a **rate per m2 of building area of \$1,492** and a **land value per m2 of \$617**. North Rockhampton is located 6km north-east of the Rockhampton CBD.

[AFR 14/10/2014]



Murwillumbah, NSW Industrial Sales Wrap

An industrial estate located in Murwillumbah in the NSW Tweed region with established tenants has sold for **\$5.05 million** on a **12% yield**. The sale includes 13 industrial buildings across 3.091 ha. No further details were released. Murwillumbah is located around 32.3 km south-west of Coolangatta QLD.

[AFR 23/10/2014]

Retail

Corner Beenleigh-Redland Bay Road, Cornubia, QLD 4130

A private Chinese investor has acquired The Riverlakes Shopping Village in Cornubia, Brisbane. The Shopping Village, which attracted more than 150 inquiries sold for **\$11.5 million** on a **yield of 8.2%**. The 14,439 m2 village is on the Beenleigh to Redland Bay Road and adjoins the Logandale residential estate, which comprises 450 housing units. The 2,813 m2 building is anchored by an IGA supermarket and has medical, childcare and fitness centre facilities as well as 186 car parking spaces. The property was refurbished in 2011. The sale reflects a **building value per m2 of \$4,088** and a **land value per m2 of \$796**. Cornubia is located around 31 km south-east of the Brisbane CBD.

[AFR 09/10/2014]

19 Roseby Street, Drummoyne, NSW 2047

Mirvac Group has purchased the Birkenhead Point Shopping Centre and Marina in Sydney's inner west from partners Abacus Property Group and Kirsh Group. Mirvac paid **\$310 million** for the shopping centre which is one of a wave of shopping centre transactions that have recently occurred across Australia. The previous owners purchased Birkenhead Point for \$147 million and turned it into an institutional grade outlet centre. Birkenhead Point sits on a prime waterfront site of about 3.7ha, with a total gross lettable area of over 33,100 m2 and parking for 1,395 vehicles. The sale of this property reflects a **value of lettable area per m2 of \$9,366**. The property also has the potential to develop 220 apartments over a number of towers. The Birkenhead centre leases approximately 70% of its space to national and international brands including Coles, Aldi, Nike, Cotton On and Hugo Boss. Drummoyne is located around 6 km north-west of the CBD.



[The AU 10/10/2014]

115-119 Takalvan Street, Bundaberg, QLD 4670

Stockland has acquired a 50% stake in Sugarland Shoppingtown in Bundaberg. Stockland purchased the 50% stake off AMP Capital fund for **\$59.25 million**. The acquisition includes management, leasing and development rights. The transaction of the retail centre which generates speciality sales of \$9,566 per m2 reflected a **capitalisation rate of 7.5%**. Comprising 22,795 m2 the sub regional centre is 98% leased with more than 80% of the tenants national retailers such as Woolworths, Big W and JB HiFi. Stockland also has plans to purchase the remaining half of the Queensland centre over the next six months to two years.

[AFR 14/10/2014]

Newcastle Retail Sales Wrap

A private investor has purchased two car dealership properties in Newcastle, NSW. The investor paid **\$20.21 million** for both dealerships, one located at 934 Hunter Street, Newcastle and the other at 2-14 Sturt Road, Cardiff. The Hunter Street property is on a 2,852 m2 site while the Sturt Road property is on 8,819 m2 site. Both properties are leased to multiple dealerships on new 10 year contracts with options to extend, providing a **blended yield of about 8%**. The Cardiff property is 13 km south-west of Newcastle and offers exposure to high traffic flow from commuters into Newcastle and is located in a car dealership hub. The Newcastle property is located in the main shopping street of the Newcastle CBD.

[AFR 16/10/2014]

310 Ross River Road, Aitkenvale, QLD 4814

Stockland has sold half of the Stockland Townsville Shopping Centre to the AMP Capital-managed AMPCSCF for **\$228.7 million**. The sale which included some land was in line with Stockland's book value. The 58,681 m2 shopping centre has a **capitalisation rate of 6.25%**, while the separate Coles and Kmart component of the investment has a capitalisation rate of 7.25%. The sale reflects a **rate per m2 of approximately \$3,897**. The centre is located in Townsville's urban growth area and houses the region's only full-line Myer department store, Big W, Woolworths, 180 speciality stores, four mini-majors and a 750 seat casual dining terrace.

[AFR 17/10/2014]

280 Queen Street, Brisbane, QLD 4000

A consortium of investors including Bricktop, Ashe Morgan and Marquette Properties has purchased Post Office Square in Brisbane. The investors paid **\$67 million** for the shopping centre which sits near the Queen Street Mall on Adelaide and Queen Streets. The centre covers 1,756 m2 and comprises one of the busiest car parks in the Brisbane CBD, accounting for nearly 50% of the asset's gross income. The centre has 29 speciality stores, 6 ATM's and 316 car spots. The sale reflects a **rate per m2 of building area of approximately \$38,155**.



[AFR 17/10/2014]

14 King Street, Melbourne, VIC 3000

Spearmint Rhino strip club on Melbourne's King Street has sold to a private Melbourne investor for **\$7.73 million**. The Gentlemen's Club was one of 11 properties out of 19 that sold at auction as part of a Burgess Rawson portfolio auction, generating \$41 million in sales and a clearance rate of 58%. Bidding for the property started at \$6.7 million and increased rapidly as two investors fought for the property. The 2,076 m2 building that sits on an 820 m2 site sold on a **yield of 5.5%**, reflecting a **building value per m2 of \$3,724** and a **land value per m2 of \$9,427**. The three level brick building, completed in 1917 was previously a nightclub prior to its conversion into a Gentlemen's



Club. Spearmint Rhino have a **20 year lease** with options for the property until 2042. The property, which falls under Melbourne's capital city zone, was offered with a 12 month landlord termination clause, providing the option for redevelopment of residential or office use

properties subject to a permit being obtained. The property is located close to the Rialto Towers and Melbourne Aquarium.

[AFR 30/10/2014]

Central Coast Retail Sales Wrap

Altis Property Partners have purchased a homemaker centre on the NSW Central Coast paying **\$40.5 million** for the retail MegaCentre. The sale reflected an **initial yield of 8.74%**. No further details were released.

[AFR 30/10/2014]

Residential

12 Langston Place, Epping, NSW 2121

Cbus Property has significantly boosted its apartment development pipeline with the purchase of a major development site in Sydney's west. The property group purchased the site which has an area of more than 50 ha for **\$85 million**, reflecting a **rate per m2 of approximately \$170**. The site which currently holds a four storey office building with more than 8,787 m2 of space and more than 240 parking spaces was rezoned by the NSW government in March this year for housing and retail. Epping is located 23 km north-west of the CBD.
[AFR 15/10/2014]

Alfred Road Werribee, VIC 3030

The \$9.8 billion unlisted property fund manager, ISPT has sold a 37 ha development site in Melbourne's outer south-west. The parcel, comprising three adjacent sites sold for **\$25 million**, reflecting a **rate per m2 of approximately \$67.57**. The sites were sold with a permit in place for 500 dwellings with an end value of around \$150 million reflecting a **rate per proposed dwelling of \$30,000**. Werribee is located approximately 35 km south-west of Melbourne's CBD
[AFR 15/10/2014]

23-27 Lindfield Avenue, Lindfield, NSW 2070

Chinese backed developer Aqualand has purchased an apartment and shopping centre development site at Lindfield train station on Sydney's upper north shore for **\$27 million** in an off market deal. The property which was formerly owned by private developer Anka Group is a 3,399 m2 site with DA approval for more than 100 apartments and a ground floor retail complex. The site, which is located opposite Lindfield railway station will form an integral part of a broader town centre upgrade improving retail amenities and the village atmosphere in the area. The sale reflects a **land value per m2 of approximately \$7,944**. Lindfield is located around 14.6 km north-west of Sydney's CBD.
[AFR 22/10/2014]

Specialised Properties

20-28 La Trobe Street, Melbourne, VIC 3000

LaSalle Investment Management has sold an eight level, strata titled, 706 bay Melbourne car park to a private investor. The property sold for **\$17.5 million** on a record **yield of 2.78%** reflecting a **rate per car space of \$24,788**. Located at the north-east end of the city, the car park is fully leased to Secure Parking, on a term that expires at the end of this year. It has been said that the record low yield is an indication of the exceptionally strong byer demand that exists for car parking assets within the Melbourne CBD precinct.
[AFR 01/10/2014]

Hotel & Leisure



178 Campbell Parade, Bondi Beach, NSW 2026

The Bondi Hotel has sold for more than **\$43 million** to publican Kim Maloney. The pub has 30 gaming machines, a bottle shop, 37 hotel rooms and a car park. The publican beat 14 groups including neighbouring developer

Capit. El for the iconic pub, which has been in business since the 1980's. Bondi is located 7.7 km south-east from Sydney's CBD. No further details were released.

[AFR 16/10/2014]



15 Parap Road, Parap, NT 0820

Australian Leisure and Hospitality (ALH) have purchased the Parap Tavern in Darwin for more than **\$9 million**. The 70 year leasehold and operating business operates modern bars as well as 10 gaming machines. The Tavern has a total area of 1,500 m2

reflecting a **rate per m2 of \$6,000**. Parap is located 4 km north of the Darwin CBD.

[AFR 30/10/2014]

Leasing

Commercial

Level 3, 12 Wesley Court, Burwood East, VIC 3151

Electronic document exchange business Leadtec Systems has leased a new office in Melbourne's Burwood East. The property was formerly rented by software company MYOB. Leadtec have agreed to a 7 year lease for the 1,000 m2 office space paying an annual net rent per m2 of \$250. Burwood East is located around 28 km south-west of Melbourne's CBD.

[AFR 14/10/2014]

1 Eagle Street, Brisbane, QLD 4000

St. George has a new headquarters in Brisbane after striking a deal for a 1,792 m2 office space in Stockland and Future Fund's Waterfront Place office tower. St. George is expected to take signage rights for the 40 storey landmark tower overlooking the Brisbane River. The property is currently for sale and is believed to be worth about \$575 million. No further details were released.

[AFR 15/10/2014]

271 Collins Street, Melbourne, VIC 3000

Monash College, a diploma level institution tied to Monash University has leased 6,500 m2 over two levels in an office building along Collins Street in Melbourne's CBD. The building is a part of a two tower complex offering 23,700 m2 of office space comprising a block stretching from Colling Street to Flinders Lane. Monash College struck two separate deals, a **5 year lease** covering 3,470 m2 and a **10 year lease** covering 3,100 m2. These leasing deals leave just 1,100 m2 of vacant space on level 10 of the Collins Street building. It is understood that the rent for the property was struck at a **gross annual rent of \$2.8 million** reflecting a **gross rate per m2 of \$430**.

[23/10/2014]

611 Flinders Street, Docklands, VIC 3008

The Academy of Interactive Entertainment has leased 2,545 m2 of office space in Tower 4 of the Melbourne World Trade Centre owned by private developer and landlord Assetl. The property has just had a \$50 million refurbishment and is now fully occupied. The Academy of Interactive Entertainment is relocating from its office space located on the city fringe in Queen Street. The not-for-profit organisation will pay a **net rent of \$290 per m2 on a 10 year term** for the first three levels of Tower 4. This reflects a **net annual rent of \$738,050**. Docklands is located around 2 km south-west of Melbourne's CBD.

[AFR 23/10/2014]



Industrial

127-161 Cherry Lane, Laverton North, VIC 3026

VIP Plastic Packaging has leased a 26,000 m² storage facility signing an **8 year deal** earlier this month. The deal which is worth **\$1.5 million net per year** represents a **rate per m² of \$58**. The B-grade industrial facility owned by Chicago based, Equity Commonwealth and is located around 18 km west of the Melbourne city centre. The property comprises 24,534 m² warehouse and a 1,346 m² office component. [AFR 01/10/2014]

99/45 Gilby Road, Mt Waverley, VIC 3149

Not for profit health service provider Cabrini Health will relocate its head office to an A-grade high tech facility in Mt Waverley, Melbourne. The property comprises a 1,394 m² office and lab space, a 773 m² warehouse and over 70 car spaces. The company will pay an annual rent of **\$190 per m²** over a **5 year term**. Mt Waverley is 23.3 km south-west of the CBD. [AFR 07/10/2014]

South Brisbane, Redbank Motorway Estate & Rochedale Motorway Estate Sales Wrap

TNT Australia and Beaumont Tiles have both been secured by Goodman Group as tenants for two of their new warehouse developments in Brisbane's South worth around \$72 million. The two deals represent a positive outlook for Brisbane. In one of the largest pre-commitments in Brisbane this year TNT has agreed to a **15 year lease** of a 27,781 m² warehouse and office facility situated in Goodman's Redbank Motorway Estate. The second leasing deal Goodman has secured is with ceramic tile and bathroom ware distributor Beaumont Tiles. Beaumont will occupy a 13,000 m² warehouse and office facility at Goodman's newly acquired Rochedale Motorway Estate, which it operates in a joint venture with Brickworks. [AFR 09/10/2014]

2/205 Abbots Road, Dandenong South, VIC 3000

Packaging company and Visy offshoot Visy Boxes and More has secured a new lease at an industrial facility along Abbots Road in Dandenong South, Melbourne. The company will lease the 4,100 m² property for **5 years**, paying a rent somewhere between **\$70 and \$80 per m²**. The property comprises 500 m² of office space over two levels and a 3,600 m² high clearance warehouse with multiple roller doors. Visy has relocated to this property as they required truck access and hardstand. Dandenong South is located 40.8 km south-west of Melbourne's CBD. [AFR 14/10/2014]

400 Sydney Road, Coburg, VIC 3058

Logistics and labour hire company 247 Labour Crew has leased a 1,684 m² warehouse and showroom in Melbourne. The company have agreed to a **4 year lease** with options to extend paying an **annual rent of \$109,490** reflecting a **rate per m² of \$65**. The property is located within close proximity to amenities and transport and is approximately 13 km north of Melbourne's CBD. [AFR 14/10/2014]

2/40 Green Street, Doveton, VIC 3177

Diab Engineering has leased an industrial property from joint lessors Everlove and RGPA Investments. The engineering company had leased a 1,126 m² facility paying an annual net face rent **per m² of \$88.80**. The lease is for **1 year** with options to extend, so the engineering company can expand their national operations. Doveton is located 37 km south-west of the Melbourne CBD. [AFR 14/10/2014]



165 Walker Street, North Sydney, NSW 2060

Sony Australia is relocating to North Sydney, into a 2,400 m² refurbished office building owned by Charter Hall Fund. The electronics giant will occupy nearly half of the assets net lettable area on a **7 year lease** which includes naming and rooftop signage rights. The rent has not been disclosed, however, industry sources say the net rent would be in the **\$480-\$500 per m² range**. North Sydney is situated 4 km north of the Sydney CBD. [AFR 16/10/2014]

163 Viking Drive, Wacol, QLD 4076

L&H group have committed to a 5,800 m² warehouse and office space in Propertylink's industrial facility in Wacol, Brisbane. The deal is worth around **\$670,000 pa.** in net rent with a small rent free period incentive included in the **5 year deal**. The building is a free standing A-Grade industrial property developed by DEXUS. It features 10 m internal warehouse clearance, B-double access, a large concrete hardstand, three container height roller doors with six metre awnings, ESFR sprinklers and a loading dock. Wacol is located around 18 km south west of the Brisbane CBD. It has good access to the Logan and Ipswich motorways, Brisbane Airport and Port of Brisbane. [AFR 22/10/2014]

Australian Industrial Property Sales Wrap

M&G Real Estate and Propertylink have teamed up to purchase Valad Property Group's industrial portfolio. The joint venture paid around **\$138 million** for the portfolio which has been split in two. M&G purchased two logistics assets in NSW and Victoria for about \$85 million. 9-10 John Morphett Place, Erskine Park, NSW located at the junction of the M5 and M7 motorways is a year old logistics facility and is 100% leased to Blue Star Global Logistics until 2025. 65-75 Strezlecki Avenu, Sunshine, VIC is fully leased to Northline until 2022. These properties will be managed by Propertylink. The other four higher yielding core-plus assets in NSW and Queensland were purchased by Propertylink Australian Industrial Partnership. Propertylink picked up two property in Sydney's western suburbs of Smithfield and Wetherill Park and two Brisbane assets in Richlands and Kingston for a combined value of **\$52.7 million**. The majority of the Valad portfolio was leased to premium tenants and had a total net passing income of more than \$10 million. [AFR 23/10/2014]

Property Funds

Despite the poor results in September, the **REITs market** has outperformed the equity market. According to JP Morgan, the REITs grew by 4.4% over the quarter and 6.5% against the broader market. Year-to-date REITs have delivered 13.9%, outperforming the broader market by 11.5%. Direct REIT transactions had increased from August transaction total of \$900 million to \$2.6 billion.

[AFR 07/10/2014]

Discovery Parks Group has put on hold on the \$217 million capital raising for the takeover of the unlisted **Aspen Park Property Fund**. The Aspen unlisted fund holds 21 tourist, resources and near-city caravan parks across the country.

[ASX 03/10/2014, AFR 07/10/2014]

Centuria Capital plans to set up an IPO for the Centuria Diversified Property Fund which holds \$110 million worth of property with high gearing and \$43 million of equity. If shareholders approve of the proposal, Centuria will buy 3 other assets, two industrial and one office properties, and raise \$110 million in equity and list the REIT by December. Centuria is currently raising one of four IPOs with a potential of raising \$750 million.

[AFR 09/10/2014]

Lend Lease share prices had increased by more than 2% to close at a six year high of \$15.04 after delivering a bullish outlook report on investors day presentation. Lend lease also highlighted moves into the Unites States, parts of Asia and London markets.

[AFR 10/10/2014]

Lend Lease is planning to reduce its issued shares by \$400.5 million in a bid to reshuffle its capital to invest in its \$37 billion development pipeline. The decision is to be voted on by shareholders at the company's annual meeting on November 14.

[AFR 16/10/14]

The Lowy family had increased their stake in the **Westfield Corporation** for \$177.3 million at a price of \$7.46 per security. The Lowy family had increase their stake in the Westfield Corporation from 8.36% to 9.5%.

[AFR 17/10/2014]

DEXUS Property Group will undertake a one for six consolidations of its securities in a capital restructure and lower stock price volatility. DEXUS targets to have 8.5% growth in funds from operations and dividend payout in 2015. The consolidation will decrease the number of current 5.4 billion securities to approximately 905 million.

[ASX 29/10/2014, AFR 30/10/2014]

The property services group **Ausin** has launched a \$150 million Significant Investor Visa real estate fund. Ausin primary business is selling apartments and house and land packages on behalf of Stockland, Lend Lease, Mirvac and others through networks in China. The SIV fund will offer returns of 8-12% a year, with investors sharing development profit.

[AFR 30/10/2014]

Capital Raisings

Eureka Group Holdings \$1.4 million Capital Raising

Eureka Group Holdings has raised **\$1.4 million** from sophisticated and professional investors. The money will help fund the purchases of the Elizabeth Vale 1 and Bundaberg seniors villages. After the purchase of these properties Eureka will own 309 seniors' rental units, manage another 1,419 units and gain a rise in earnings per share.

[AFR 02/10/2014]

GPT Group \$225 million Capital Raising

GPT Group will move to create a range of new funds following the success of its **\$225 million** capital raising for the GPT Metro Office Fund. The strategy behind the raising was to increase the earnings contribution from its funds management business. GPT Metro will hold six office buildings outside the central business districts, with a total value of \$376 million. Four are in Sydney's Homebush Bay, one in Melbourne's Hawthorn and one in Fortitude Valley, Brisbane. All properties are fully leased, with a 6.3 year weighted average lease expiry and regular rental increases. All are A-grade assets with an average age of 3.5 years. With gearing of 35%, the fund will deliver an annualised distribution yield of 7.4% up until June 2015 and 7.65% for the next six months. The securities are priced at a premium amount of \$200 per unit.

[AFR 02/10/2014]

Australian Prime Property Fund (APPF) Commercial \$400 million Capital Raising

Lend Lease's Australian Prime Property Fund (APPF) Commercial has raised **\$400 million** in new equity from existing domestic investors and new offshore investors. The raising was oversubscribed with APPF Commercial initially targeting \$200 million. The funds will be used to reduce gearing and look for further opportunities within the market. The portfolio currently includes an investment in the first two commercial towers at Lend Lease's Barangaroo development in Sydney.

[AFR 02/10/2014]

Charter Hall raise \$150 million

Charter Hall aims to raise \$150 million for a third direct industrial fund with a forecast annual return of 7.5% annually to June 2016. The Direct Industrial Fund 3 was seeded with two distribution centres leased to Coles.

[AFR 15/10/2014]

Investec Australian Property Fund \$120 million Capital Raising

The Investec Australian Property Fund has raised around **\$120 million** in a fully subscribed rights issue from current investors. This raising will complete the purchase of 757 Ann Street tower in Brisbane and pay off all the funds debt, leaving it ungeared and with an acquisition capacity of \$135 million.

[AFR 22/10/2014]

GPT Group \$872 million Capital Raising

GPT Group has raised **\$872 million** in new equity for its unlisted office and shopping centre vehicles as it moves ahead with a campaign to lift revenue from funds management. The capital came from existing investors, with just 4% coming from the fund's offshore investors. It includes a \$250 million initial raising to back the acquisition of three office properties in Melbourne purchased from a Commonwealth Property Office Fund that was taken over by DEXUS. GPT is working towards growing active earnings by 10% and increasing funds under management by \$10 billion.

[AFR 29/10/2014]

Blackstone Group \$15.7 billion Preparation

Blackstone Group LP is preparing a capital raising of \$15.7 billion (\$US13 billion) for its next flagship global real estate fund. The firm will launch its eighth global real estate fund in early 2015.

[AFR 30/10/2014]

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 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
- 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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Capital City Offices

Adelaide

Brisbane

Hobart

Melbourne

Sydney

Regional Offices

Albury Wodonga

Ballarat

Bendigo

Cairns

Central Coast/Gosford

Geelong

Gold Coast

Gippsland

Griffith

Horsham

Mornington

Newcastle

Wagga Wagga

Warrnambool

Relationship Offices

Canberra

Darwin

Perth

Other regional areas