



**Preston
Rowe
Paterson**

National Property Consultants

TRANSACTIONS *IN* REVIEW

About This Report

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

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

We regularly undertake valuations of commercial, retail, industrial, hotel and leisure, residential and special purpose properties for many varied reasons, as set out later herein.

We also provide property management services, asset and facilities management services for commercial, retail, industrial property as well as plant and machinery valuation.

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Sales

Commercial

30 Alfred Street, Milsons Point, NSW 2060

Centuria Property Fund has sold the Transfield House office tower at 30 Alfred Street, Milsons Point in North Sydney for **\$26.25 million**. The tower has a net lettable area of **3,706 m²** with ground floor retail space, six upper floors of office space and basement parking for 20 cars. The tower also has approval to be converted into 50 apartments with potential to be increased to 80. [AFR 1/8/2013]



380 La Trobe Street, Melbourne, VIC 3000

Invesco has moved into due diligence on a 23-storey office tower at 380 La Trobe Street, Melbourne CBD which it is negotiating to purchase for **\$115 million** from the Cromwell Property Group. The tower consists of **22,000 m²** of office space and is delivering an **investment yield of 8%**. [AFR 1/08/2013]

161 Collins Street, Melbourne, VIC 3000

The Mirvac group is reportedly negotiating to purchase a 27,000 m² office tower at 161 Collins Street in the Melbourne CBD for **\$200+ million**. The office tower is being purchased from SachsenFonds. No further details were released. [The AU 8/8/2013]



Industrial

62 Creel Street, Bundamba in Ipswich, QLD

Independent Timber Importers has purchased a **10 ha** industrial site at 62 Creel Street, Bundamba in Ipswich, Queensland for **\$5.2 million**. The company was previously located in Carole Park, in Brisbane, but has relocated in order to cater for expansion. The subject property is situated approximately 35 km south-west of Brisbane's CBD. [The AU 8/8/2013]

Melbourne Sales Wrap

Three petrol stations have been sold around Melbourne for a total of **\$10.5 million**. All three petrol stations are over **5,000 m²** and boast their own unique features. The station at Wantirna adjoins the Wantirna Mall Shopping Centre and reached \$4.8 million. The second site at Croydon is connected to the Dorset Gardens hotel, motel and gaming complex and sold for \$3.05 million and will be redeveloped for housing. The third property sold for 2.8 million, do further details were released about this property. [AFR 22/08/2013]

Industrial Investment Sale, Rydalmere, NSW 2116

The Dexus property group has sold an industrial investment in the suburb of Rydalmere in Sydney's western suburbs. Kingsmede, a private property investment group purchased the property for **\$43.25 million**. The new tenants have boosted occupancy to 93% and increased the **yield** to an extraordinary **8%**. [AFR 23/08/2013]

16 Eagle Drive Jandakot WA 6164

Metcash, food marketing and Distribution Company has sold an industrial property to Perth Based Property Group Ascot Capital in Adelaide's inner west, approximately 23 km from the CBD. The sale price for the 33,900 m² property was **\$12,720,000** with a yield of **9.6%**. [The AU 29/08/2013]

Retail

454 Toorak Road, Toorak, VIC3142

An offshore group has paid **\$7,425,000** for a retail and office building in Melbourne's south-east. The property which is occupied by 5 tenants including architect Nicholas Day and international fashion houses



Max Mara and marina Rinaldi sold after an auction that more than 100 people attended. The sale of this 744 m² elegant property displayed a **yield of 5.25%** and a rate **per m² of \$9,979**. Toorak is situated approximately 7 km south-east of the CBD. [The AU 15/08/2013]

Residential

Brisbane Sales Wrap

More than **\$17 million** in prestige waterfront apartments have sold off the plan in the new **160 Macquarie Tower** development in **St Lucia, Brisbane**. Place Projects has been appointed to market the development, which is the first new high rise in the exclusive Macquarie Street precinct in 20 years. The project which consists of 22 apartments of 11 levels priced **each apartment from \$1.5 million**. [AFR 20/08/2013]

Victoria Sales Wrap

A residential project in **Eynesbury Victoria** has sold for **\$60 million** to a private offshore consortium. The sale included all undeveloped land in the **500 ha estate**, as well as the Eynesbury golf course business. To date 950 of 4,500 lots have been sold in the 11-stage, master planned project which is approximately 40 km west of Melbourne. The land which is located approximately 49 km west of the Melbourne CBD -will house more than 4,000 dwellings, a town centre and a school. [AFR 22/08/2013]

Hotel/Leisure

15 Flame Tree Crescent, Airlie Beach, QLD 4802

Summit Apartments in the Whitsundays has been bought by Abacus Property Group for **\$9,700,000**. The property includes 56 two bedroom and five one bedroom apartments. The 9,177 m² property displays a **rate per m² of approximately \$1,057**.

[The AU 29/08/2013]



2663 Gold Coast Highway, QLD 4218 & 48-50 Surf Parade, Broadbeach, QLD 4218

Local Developers Anthony Moreton Group and the Pryde Group have joined forces to buy The Beach Hotel and adjoining land on the Gold Coast for a total of **\$6,000,000**. The property is built on a 2,982 m² block of land displaying a **rate per m² of \$2,012**. The two properties are situated approximately 80 km north of the Gold Coast CBD.

[The AU 29/08/2013]

Leasing

Commercial

88 Cumberland Street, Sydney NSW 2000

Government Property Australia has taken out a five year lease over **2,140 m²** of office space over 2 levels at **88 Cumberland Street, Sydney**. The space has been leased at a rate of **\$740 per m²**, displaying a **net rental of \$1,583,600**.

[The AU 1/8/2013]



1 Market Street, Sydney, NSW 2000

Credit insurance and risk management company Atradius has leased a new office in the heart of the Sydney CBD. The company leased 1 Market Street, Sydney for an **annual rent of more than \$764,400** on a **10 year term**. The 1,092 m² office space displays a **rate per m² of more than \$700**.

[The AU 15/08/2013]

Industrial

34 Fourth Avenue, Blacktown, NSW 2148

Kele Formwork and Scaffolding has leased a **1,830 m²** warehouse at 34 Fourth Avenue, Blacktown, for a gross annual rental of **\$170,700**, showing a **rate per m² of approximately \$94**. The 4,770 m² site is owned by Endeavour Energy. 34 Fourth Avenue is situated approximately 43 km north-west of the CBD.

[AFR 6/8/2013]

16 Londor Close, Hemmant, QLD 4174

Japanese restaurant chain Sushi Sushi has leased a **1,650 sqm** office/warehouse facility split between 1,350 m² of warehouse space and 300 m² of office space located at **16 Londor Close, Hemmant in Brisbane**. The property has been leased for a five year term with an option to extend. Sushi Sushi will pay an annual net rental of approximately **\$115 per sqm**. The suburb of Hemmant is located around 19 km east of the Brisbane CBD.

[AFR 6/8/2013]

Industrial Warehouse Subleasing, Lytton, QLD 4178

Buccini Transport, Sea and airfreight specialist has sub-leased a **1,250 m²** portion of an industrial warehouse in Brisbane's east. The lease is a secure term for one year, costing Buccini Transport **\$146,250 pa**. The space has been leased to use as an overflow space for contract based work.

[AFR 20/08/2013]

Unit 14/38-46 South Street, Rydalmere, NSW 2116

AMP Capital has leased a **1,130 m²** office warehouse space in Sydney's Rydalmere to Industrial printing specialist Mimaki. The facility comprises a high office to warehouse ratio, displaying a **net rate per m² of \$135**, and a net income of \$152,550. The warehouse is located 20 km north-west of the Sydney CBD.

[AFR 20/08/2013]



101 Ewing Street, Welshpool, WA 6106

Australian Machinery Engineering has leased a **6,829 m²** industrial facility located 12 km south-east of the CBD. The property includes a warehouse, canopy space and a large hardstand area as well as street frontage to Ewing Street. The lease is for a term of five years providing a net rental rate of approximately **\$200,000 pa**.

[15/08/2013]

Unit 17, Slough Business Park Silverwater, NSW 2128

Goodman has leased a **1,027 m²** office and warehouse in Silverwater to Climate Technologies. The property is located 20 km west of the Sydney CBD. The rental displays a net **annual rate per m² of \$120** and includes features such as high clearances and modern offices.

55 Fulton Drive, Derrimut, VIC 3030

Rebar Prefab MKSW has leased a **6,731 m²** manufacturing facility in Melbourne's west. The lease represents a **rate per m² of \$64** and an **annual rent of \$430,784**. The subject property is situated approximately 20 km west of the CBD.

[The AU 29/08/2013]



103 Enterprise Circuit, Prestons, NSW 2170

ALP Products has commenced a five-year lease in an industrial building in Sydney's southwest. The lease displays an **annual rental of \$426,240**. The tenants pre-committed to the lease before the buildings construction had commenced. Prestons is located approximately 40 km south-west of Sydney's CBD.
[The AU 29/08/2013]

Capital Raisings

Poinciana Place Property Trust has raised **\$6.25 million in equity** for a Woolworths-anchored shopping centre at Tewantin on Queensland's Sunshine Coast, valued at \$12.36 million. Strength of the raising was due to solid cash returns, quality assets and no acquisition, sale or performance fee according to Stockwell Group senior development manager Andrew Dalton.
[AFR 15/08/2013]

Trafalgar Corporate Group has purchased fund manager 360 Capital through a **\$70.8 million capital raising**. The offering of 120 million new units at 59c apiece was several times oversubscribed. The managing director of 360 Capital, Tony Pitt will own 25% of the new company which will have a market capitalisation of approximately \$150 million.
[AFR 21/08/2013]

Glengarry Shopping Centre, which is located 17 km north west of the Perth CBD on the corner of Glengarry Drive and Arnisdale Road in Duncraig, sold in an off market transaction to an offshore investor for \$11.5 million on a passing yield reflecting 8.01%. The single level property is situated on 10,900 sqm of land and comprises 2,314 sqm of GLAR. The centre is anchored by an IGA supermarket (38% of GLAR) with a passing rent of \$268 per sqm net, includes 22 specialty stores with an average passing rent of \$609 per sqm net, and has two ATM's. The IGA negotiated a new 15-year lease commencing at the time of the sale, with two further option periods.

Scharmman Holdings has purchased 362 Rokeby Road, in the Perth fringe suburb of Subiaco for \$2.65 million on a yield reflecting 6.1%. The relatively low yield associated with the sale is indicative of its sought after location and high underlying land value. The recently refurbished, two level office building comprises 299 sqm of NLA with a current passing rent of approx. \$480 per sqm net. The property is fully leased to Watermark Australasia, whose lease is due to expire in January 2016. The building comprises a modern fit-out over two levels with reception, board room, meeting room, kitchen amenities, a mixture of partitioned and open plan offices and four parking bays at the rear. The sale reflects a building rate of \$8,863 per sqm.

Perth property developer, Nigel Satterly, has purchased a 4,080 sqm riverfront mansion in Perth's prestigious suburb of Peppermint Grove for \$17.5 million.

Our Research

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

We have *property* covered

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

We have all *real estate* types covered

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

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

We have all types of *plant & machinery* covered

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

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

We have all *client profiles* covered

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

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

We have all *locations* covered

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

We have *your needs* covered

Our clients seek our property (real estate, infrastructure, plant and machinery) services for a multitude of reasons including:

- Acquisitions & Disposals
- Alternative use & highest and best use analysis
- Asset Management
- Asset Valuations for financial reporting to meet ASIC, AASB, IFRS & IVSC guidelines
- Compulsory acquisition and resumption
- Corporate merger & acquisition real estate due diligence
- Due Diligence management for acquisitions and sales
- Facilities management
- Feasibility studies
- Funds management advice & portfolio analysis
- Income and outgoings projections and analysis
- Insurance valuations (replacement & reinstatement costs)
- Leasing vacant space within managed properties
- Listed property trust & investment fund valuations & re-valuations
- Litigation support
- Marketing & development strategies
- Mortgage valuations
- Property Management
- Property syndicate valuations and re-valuations
- Rating and taxing objections
- Receivership, Insolvency and liquidation valuations and support/advice
- Relocation advice, strategies and consultancy
- Rental assessments and determinations
- Sensitivity analysis
- Strategic property planning

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