



**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.

JUNE 2013

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Sales

Commercial

Richardson Street, South Perth, WA 6151

A large mixed use development site in South Perth has sold to local developer Dvest Group for **\$9.9 million**. It is intended to demolish the units on the 2,298 m² site and develop a mixed use office and apartment complex. The site forms part of the design area within the Scott Richardson Street precinct and allows for residential or mixed use developments of up to 13 storeys. The sale displays a **rate per m² of \$4,308**, with the property is situated approximately 4 km south of the CBD.

[AFR 13/06/2013]

Industrial

40 Coulson Street, Wacol QLD, 4076

Allmet Engineering has bought an industrial property for **\$9 million** to house its south western Brisbane operations. The 16,100 m² site features two bays, five gantry cranes and two entry points. The property is divided into 575 m² of office space and 6,395 m² of warehouse space displaying a **rate per m² of \$1,292**. Wacol is situated approximately 22 km south west of Brisbane's CBD.



[The AU 13/06/2013]

Retail

312-316 Victoria Avenue, Chatswood NSW, 2067

A locally based investor has sold a retail property in Chatswood, on Sydney's north shore to an offshore Chinese investor for **\$14 million**. The corner property is located halfway between Chatswood Chase and Westfield Shopping centres. It boasts 50 m of street frontage, stretching across six shops and a large first floor restaurant. The 537.4 m² site has been identified as a site with development potential up to a height of 14 m, subject to council approval. The current property presents 670.5 m² of lettable area. 312-316 Victoria Avenue, Chatswood is located approximately 12 km north of the Sydney CBD. The site displays a **rate per m² of \$20,880**.

[AFR 06/06/2013]

Shopping Centre Sales Wrap, Australia

Financial services group Challenger has purchased a third tranche of shopping centres from Federation Centres. Challenger, who was acting on behalf of a private Middle East Investor, believed to be Abu Dhabi Investment Corporation, has paid **\$602 million** for a half stake in six shopping centres, including Sydney's Roselands and Bankstown centres as well as stakes in Centro Toormina and Lennox both in NSW, Sunshine Marketplace in Victoria and Karratha in WA. The portfolio sold on a **passing yield of 7.42%**.

[AFR 06/06/2013]

300 Murray Street, Perth WA, 6000

Raine Square shopping and office tower in inner-city Perth has sold to Charter Hall Group for **\$458 million**, displaying an **initial yield of 6.4%**. The major tenant of the property is Bankwest, which pays a rental amount equal to market levels with a **capatilisation rate at around 7.6%**. Raine Square includes a 22 level, 44,000 m² office tower and one of Perth's largest retail centres. [AFR 20/06/2013]

Residential

315-319 Burwood Highway, Burwood VIC, 2134

A local developer has paid **\$5.25 million** to German supermarket giant Aldi, for a high profile, mixed use development site in Melbourne's Burwood East. The property is a 6,013 m² vacant site with an 82 m frontage to Burwood Highway and a secondary 73 m frontage to Mahoneys Road. The property is zoned as mixed use and presents a **rate per m² of \$873**. 315-319 Burwood Highway is situated approximately 17 km east of Melbourne's CBD.

[AFR 06/06/2013]

Residential development site, Fortitude Valley QLD, 4006

Melbourne based Abcor Property Holdings has purchased a development site in Brisbane from construction group Watpac.

The sale price for the 5,393 m² property was **\$13 million**, displaying a **rate per m² of \$2,410**. The Fortitude Valley site has development approval for two residential towers and ground floor retail. The property is located approximately 2 km north-east of Brisbane's CBD.

[AFR 13/06/2013]



Wollongong Estate Sales Wrap, NSW

The Oakland Village Home Estate at Wollongong has been sold to investment and capital solutions firm Alceon for **\$13.4 million** in an off-market transaction. The 6.2 ha site has approval for 258 manufactured home sites on waterfront land at the ocean entrance to Lake Illawarra. The sale represents a **rate per m² of \$216**, or a rate per proposed home site of 451, 938. The Oakland Village Home Estate is the ninth manufactured home part asset managed by Alceon and its operating entity Gateway Lifestyle Residential parks. The portfolio is valued at more than \$115 million.

[The AU 17/06/2013]

Development Site, corner of Richardson Street & Melville Parade, Perth WA, 6151

A site with an underutilised block of units on it, in South Perth has been purchased by local developer Devwest for **\$9.9 million**. A mixed use office and apartment complex will be developed on the 2,298 site. The sale of the existing units, displays a **rate per m² of \$4,308**. Richardson Street is located approximately 5 km south of the Perth CBD.

[The AU 20/06/2013]

647-659 Murray Street, Perth WA, 6005

Finbar Group, a local residential developer has purchased a vacant site in West Perth for **\$10.5 million**. The developer plans to develop up to 240 apartments on the 12,200 m2 site, displaying a **rate per proposed apartment of \$43,750**. The property is located within close proximity of rail and bus links, the CBD and Perth Arena.

[The AU 20/06/2013]

Residential development site, Addison Avenue, Bulimba QLD, 4171

De Luca Corporation has purchased Watpac's 2,734 m2 riverfront site for **\$6.4 million**. The property has Development approval for 24 apartments and 18 private marina berths. According to Watpac's chief executive Martin Monro, 60% of the intended development has been pre-sold. The sale shows a **rate per proposed apartment of \$266,666**. Bulimba is located approximately 10 km north-east of Brisbane's CBD.

[The AU 20/06/2013]

69-81 Foveaux St, Surry Hills NSW, 2010

Legion Cabs headquarters in Sydney's Surry Hills has sold to Sydney based developer RDA Property Group for **\$18 million**. RDA Property Group is planning a redevelopment of the site. The 1,370 m2 property is one of the largest ready to develop sites in Surry Hills. The sale represents a **rate per m2 of \$13,138**. Surry Hills is situated approximately 4 km south of the CBD.

[AFR 24/06/2013]

Rural

Glenparrairie Station, QLD

Sir Graham McCamley has sold his Glenparrairie Station to cattleman Peter Camm. The property is located north of Rockhampton and is situated on a 27,000 ha block. Glenparrairie and the unsold adjoining three properties were once value at \$82 million by Herron Todd White. No further details were released.

[AFR 11/06/2013]



Leasing

Commercial

1 Martin Place, Sydney NSW, 2000

DLA Piper has secured one of the largest leasing deals in Sydney City this year. The law firm will occupy 6,000 m2 in mid-2014, in the No. 1 Martin Place building in Sydney. No further information was released.

[AFR 04/05/2013]

12 Electronics Street, Eight Mile Plains QLD, 4113

Seymour Whyte has pre-committed to leasing a 1,212 m2 office space in Brisbane's Technology Park, Eight Mile Plains. The lease is worth \$500,000, displaying a **rate per m2 of \$412**. The property is situated approximately 15 km south east of the Brisbane CBD.

[AFR 17/06/2013]

32 Georges Terrace, East Perth WA, 6000

Legal Aid will be the anchor tenant at the Holden Group's commercial property, signing a lease with a net annual rent of about \$4 million. Legal Aid will occupy the first six levels, which amounts to approximately 6,000 m2 of the 15,000 m2 within the new building. The **net rent will be between \$650 and \$700 per m2**. Golden Group will be redeveloping the building into a modern A-grade office building, expected to be completed by March 2015. Legal Aid will move into the premises three to four months later. The property is located in the heart of Perth's central business district.

[AFR 18/06/2013]

Darling Island Road, Pyrmont NSW, 2000

Google is set to sub-lease the second floor of Fairfax's five floor office building in Sydney's CBD. Fairfax leases the entire building with more than 22,000 m2 of space, valued at \$180 million. Fairfax are in the midst of switching to an activity based working environment which is less intensive on desk and floor space, which is how Google struck this deal. The total rent including outgoings is over \$12 million as at June 30 2013, displaying a **rate per m2 of over \$551**.

[AFR 20/06/2013]

1 Clunies Ross Ct, Eight Mile Plains QLD, 4113

The Queensland government's health department has signed off as the key tenant for developer Gary Stone's new \$14.5 million office facility to be built at Brisbane technology Park in the city's south. The 3,000 m2 office facility due to be completed next year will target a 5 Star NABERS and Green star ratings. No further details were released.



[AFR 20/06/2013]

Industrial

17 Ormsby Place, Wetherill Park NSW, 2164

Civil engineering firm Fleetwood Urban has leased a 2,500 m2 office and warehouse space. 2,000 m2 of the property is office and warehouse space, and an extra 500 m2 of office space has being added to the lease terms. The net annual rental is \$275,000, displaying a **rate per m2 of \$110**. The freestanding warehouse is about 10 years old and has internal clearances between 7.5 metres and 9 metres. Wetherill Park is located approximately 35 km west of Sydney's CBD.



[AFR 04/06/2013]

Industrial Property Leasing, Villawood NSW, 2163

A 1,730 m² industrial property has been leased to Kingspan Insulation in Villawood, in Sydney's west. The lease displays a gross annual rent of approximately \$160,000, and a **rate per m² of \$92**. The lease is for a **5 year period**. The property is located approximately 29 km west of the Sydney CBD.
[AFR 04/06/2013]

Industrial property, Winston Hills NSW, 2153

Pencil and pen giant Faber-Castell has leased 5,317 m² of office and warehouse space in Winston Hills, in Sydney's west. The company has leased the facility for an annual net rent of around \$640,000 displaying a **rate per m² of \$120** agreeing to a **5 year lease**. Winston Hills is situated approximately 33 km west of the Sydney CBD. The property has a warehouse with three roller doors and clearances above 10 metres.
[AFR 04/06/2013]

2-4 Dunlop Street, Strathfield South NSW, 2136

Mango & Chubb have leased 2,000 m² of office/warehouse space to Coleman Group. The **one year lease** display a rental **rate per m² of \$100 gross**. The property has clearances of 6 metres, truck and container access, as well as onsite parking. South Strathfield is located around 15 km west of the Sydney CBD.
[The AU 13/06/2013]

16 Bessemer Drive, Dandenong South VIC, 3175

Davis Food Ingredients has leased a new industrial building in Melbourne's south east for a **five year term**. The property is located 40 km south east of the Melbourne CBD and boasts a double storey office warehouse of 2,473 m². The lease displays a **rate per m² of \$90** and rate per annum of \$219,330.
[The AU 13/06/2013]

Unit 29-31 O'Riordan Road, Alexandria NSW, 2015

S&P Liquor has leased a 1,500 m² rear warehouse unit in Sydney. The property features high clearances and onsite parking. S&P Liquor have agreed to a **7 year lease** at a gross annual rental of \$125,000 which shows **rate per m² of \$83**. Alexandria is located approximately 5 km south of the CBD.
[The AU 13/06/2013]

48 Smith Road, Springvale VIC, 3171

Washroom product manufacturer and distributor ASI JD MacDonald has leased a new office and warehouse space in Springvale, in Melbourne's south east. The 4,000 m² site includes a 350 m² of modern office space and a 1,300 m² warehouse space. The long term lease displays an annual rental of \$139,400 and a **rate per m² of \$84**. The Melbourne CBD is approximately 30 km south east of the property.
[AFR 11/06/2013]

184 Gilmore Road, Queanbeyan ACT, 2620

Recycling and waste management company SITA Australia has finalised a **10 year lease** at an industrial building in Queanbeyan. This 4,570 m² space comprises a high clearance warehouse with office facilities and amenities as well as a concrete hardstand. The lease displays a **rate per m² of \$100**. Queanbeyan is located approximately 13 km south of Canberra's CBD.
[The AU 20/06/2013]

Container Handling Facility, Tottenham VIC, 3012

SCF Group has signed a **10 year sublease** for a 50,000 m² container handling facility in Tottenham, west of Melbourne's CBD. The lease presents a **face rent per m² of \$20**. The subject property is located approximately 13 km west of the CBD.
[AFR 27/06/2013]

Retail

2 Mastracolas Road, Coffs Harbour NSW, 2450

Aussie Living Furniture has signed a **5 year lease** for a new retail showroom on the NSW north coast from Queensland-based property company Newlands. The lease of the 1,420 m² showroom presents a gross annual rental of around \$280,000 and a **rate per m² of \$197**.
[AFR 04/06/2013]

12 Longford Court, Springvale VIC, 3171

Speciality children's furniture retailer Parenthood Baby & Child has signed a **5 year lease** for a 1,720 m² office warehouse property, at a starting annual rent of \$135,000. The rent is reviewed at **4% p.a.** and has one further three year option to renew the lease and a commencement **rate per m² of \$78**. The property is situated approximately 28 km south east of Melbourne's CBD.
[AFR 218/06/2013]

6B St Martins Crescent, Blacktown NSW, 2148

European furniture retailer POCO has leased a 7,500 m² store in the Blacktown Mega Centre. POCO have occupied the former Bunnings Warehouse property, owned by the Arkadia Retail Property group. No further details were released.
[The AU 20/06/2013]

Our Research

At Preston Rowe Paterson, we pride ourselves on the research which we prepare in the market sectors within which we operate. These include Commercial, Retail, Industrial, Hotel & Leisure and Residential.

Our Corporate Property Services 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

Types of Real Property 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.

Types of Plant & Machinery 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

Our Clients 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
- Solicitors and barristers
- Stock brokers
- Trustee and Custodial companies

Our Service Area

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.

Reasons for our Services

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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