



Business
Market Wrap

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SALES

Caulfield North

Competitive bidding pushed the sale of a three-level office at 73 Kooyong Road to a record land rate. Leased to medical practice the Precision Brain, Spine and Pain Centre, the property sold for \$4,825,000. The previous highest land rate in the area was \$5900 per sq m. The sale set a new rate of \$9600. CBRE's Bianca Butterworth, Sandro Peluso, Josh Twelftree and Kinson Wong said the vendor, neurosurgeon and researcher Richard Bittar, gained a 20 per cent lift after buying it 15 months ago.

Berwick

A strata-titled shop leased to Fit Burger has served up a strong auction result. Fitzroys' James Lockwood said the five-year lease generated significant interest for Shop 3 at 240-246 Clyde Road, which sold for \$745,000. It returned \$42,000 per annum plus GST in rent. Another local investor paid more than \$10,100 per sq m for a boutique shop opposite the Cato Square development in Prahran. Mr Lockwood sold Shop 2 at 119 Izett Street for \$505,000.

Braeside

Raphael Favas and Daniel Wolman from Colliers International negotiated the sale of a petrol station leased to Caltex Woolworths. The property, on the corner of Boundary and Malcolm roads, was contested by local and interstate investors before selling for \$4.15 million.

Clayton South

A warehouse/showroom at 1/80 Fairbank Road has sold for \$4 million on a 6 per cent yield. The property was leased to Trico Products for annual rent of \$240,000. Mark Spigelman from Lawson Real Estate said the market "keeps getting stronger with the lack of quality properties being offered".

Cheltenham

Nearly three-quarters of Cheltenham's Modus Business Estate has sold for prices ranging from \$430,000 to \$938,500, CVA's John Nockles and Seamus Bolst said. The pair also sold half of Moorabbin's newest boutique estate at 35 Levanswell Road. "Local councils report more than 90 per cent of new businesses in the area have three employees or less, so it's not surprising smaller strata buildings are in demand," Mr Nockles said.

Kew

At least three townhouses will be built at 116 Walpole Street after a local developer purchased the site for \$3.3 million, Savills Australia's Jesse Radisich, Nick Peden and Benson Zhou said. "Blue-chip suburbs such as Kew are very resilient and there is always a high level of demand," Mr Radisich said. Another site at 291 Grange Road and 4 Walsh Street in Ormond sold for \$3.38 million to a Chinese developer, Mr Radisich, Mr Peden and Julian Heatherich said. In Camberwell, 1308-1310 Toorak Road sold for \$3.96 million. Mr Peden and Mr Radisich brokered the deal with Woodards Blackburn's Sam Ejtemai and Julian Badenach.

Armadale

The building at 1033 High Street that hosts Chris and Rebecca Judd's Jaggad athletic designer clothes business has sold for \$2,835,000. The street-level shop, commercial office on first floor and penthouse on second level sold to a local investor, Gray Johnson's Rory White said.

LEASES

Melbourne

Drive.com.au is moving from North Melbourne after leasing 250 sq m of office space at 3 Bowen Crescent on a three-year basis for gross annual rental of \$72,000. Knight Frank's Alex Bolton also negotiated another lease in the same building to Rincovitch Engineering which took 445 sq m for eight years at gross annual rental of \$125,000.

Rowville

Plaster Group has leased a 4060 sq m office/warehouse at 891 Wellington Road as its main distribution centre. The 1000 sq m office over two levels and six to eight-metre-high warehouse was taken on a five-year lease valued at more than \$300,000 per annum plus outgoings and GST, JLL's Simon Wellock and Daniel Kelly said. "The incoming tenant was motivated by the location and access to major arterials," Mr Wellock said.

Blackburn

Colliers International's Richard Wilkinson and Andrew Chrapot have leased an office/warehouse to Learning With Technologies. The 550 sq m clear-span warehouse and 112 sq m office was let after being only vacant for one month and with one month rent-free, Mr Wilkinson said. The property at 13 Terracotta Drive leased for \$139 per sq m on a three-year term.

Cremorne

Another IT business is moving to Cremorne. Hospitality software company Redcat has leased a 400 sq m office at Level 2, 51 Stephenson Street. Redcat signed a six-year lease. Net annual rental was undisclosed but is understood to be in the mid \$400s per sq m range. Knight Frank's James Treloar brokered the deal.

Preston

A tilt-slab warehouse at 7 Kerr Street has leased to audio-visual supplier Offshoot Rentals at \$117 per sq m. Gray Johnson's agent Rory White said Offshoot took a 5+5 year option on an initial rent of \$48,000 net plus GST.

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