

SE Business - **Commercial Property**
HD **Singapore developer out to make his mark**
BY Marc Pallisco
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Capital Gain

A listed Singaporean developer is making its first foray into the Australian **property** market, paying about \$28.5 million for a 483-square-metre Collins Street **site** with a ministerial-approved permit for a 55-level office and **apartment** tower.

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The Makers Mark building at 464-466 Collins Street is being offloaded by Equiset Grollo, which bought it for \$10.5 million late 2012 then lobbied the state government to approve a super high-density proposal unveiled seven months later.

When the building traded 10 years ago, it was worth just \$3.5 million.

Equiset's proposed \$200 million tower would be configured with 37 levels of apartments. The balance of the building includes 3000 square metres of office space and a 70-bay car **park**.

CBRE's Mark Wizel, Josh Rutman and Tom Tuxworth represented Equiset.

Also this week Singapore's Figtree Holdings bought a **residential** development **site** at 293-299 La Trobe Street for \$14 million. The **site** of the renowned Bennetts Lane Jazz Club also **sold** to a **China**-based developer for more than \$10 million.

He's a busy Guy

It has been a particularly busy week for the Planning Minister, with six skyscraper applications landing on his desk.

The latest submission seeks to rebuild 63 Exhibition Street in the CBD as a 67-level mixed-use tower containing 328 flats, 225 **hotel** rooms but just 20 car parks.

The 14-level, 6048-square-metre building on the **site** is known as the MOFS Centre - an acronym for a tenant that also leases naming rights, the Melbourne Oral and Facial Surgery.

Some may recall the building as ASF House or Citicorp House. In 2001, a permit was granted to replace the **property** between Collins and Flinders streets with a 33-level **apartment** complex.

Instead it was bought by private investor Sam Suleman in 2002 for \$12.5 million. He **sold** it off-market for \$28 million in March. The plot is 849 square metres.

This week, Planning Minister Matthew Guy also received an application for a 28-level, 274 unit **residential** tower at 68-70 Dorcas Street, South Melbourne. Another four buildings, the tallest rising 34 storeys, were also submitted for a **site** at 7-23 Spencer Street, behind the 13-level Crowne Plaza **hotel**.

Bagel HQ shifts

The owners of one of Melbourne's most successful family businesses - Glick's Cakes and Bagels - have **sold** to a **Chinese** developer the Carnegie **site** that for 30 years was **company** headquarters.

At 1056-1060 Dandenong Road, and on a 4147 sq m block, the **property sold** in May for \$9.4 million. It listed last August on expectations of about \$7 million.

Glick's was established in Balaclava in the late 1960s. With outlets in Melbourne and Sydney, Glick's has relocated its office and industrial operations to the Clayton area, even further south-east than Balaclava and Carnegie.

CBRE's Justin Clarkson and Mark Wizel represented the vendors in last year's campaign. The **site** was listed with a permit for a 10-level, 172-unit **apartment** complex.

Docks of the bays

A Melbourne investor has paid \$5.3 million for 110 strata-titled car parks across three levels of the Aquavista building at 401 Docklands Drive in Docklands.

Developer MAB pays annual rent of just over \$430,000 to occupy the bays. The **sale** reflects a yield of 8.2 per cent. The price values each bay at about \$48,200.

Knight Frank's Marcus Quinn and Langton McHarg marketed the investment with **Property** Edge Australia's Chris Lang.

Aquavista, a mid-rise office MAB developed within the **group's** New Quay precinct of Docklands, includes 400 undercover car parks.

Banking on land

Prominent eastern suburbs real **estate** agent Paul Walker is continuing to land-bank adjoining **commercial** sites in Balwyn that have the potential to be replaced as major **apartment** buildings - or at least on-**sold** at a profit.

This time the investor has paid \$3.56 million for a double-storey office at 1A Weston Street, on a 1132-square-metre block. It is next door to another Weston Street office that Walker already owns.

The properties are at the corner of two quiet **residential** streets behind busy Whitehorse Road, which is serviced by a tram route. GormanKelly's Sandro Peluso confirmed the **sale** of 1A Weston but refused to comment on the vendor or **purchaser**.

Also in Balwyn, last year, Walker paid \$2.9 million for a Midas outlet at 267 Whitehorse Road, near his First National real **estate** head office at 279 Whitehorse Road.

Tracking stops

On whether there is merit using the Melbourne Airport Rail Link as a passenger track with new stops, including one at Airport West's Shoppingtown, the government developer has responded to Westfield's "no comment" with a warning it would now amend legislation to prevent it happening.

But an interventionist minister could override that decision if a case is made in future.

The proposed ARL will use a substantial portion of the existing Albion-Jacana freight line, which snakes through Melbourne's north-west. It will then turn into the airport only a few hundred metres from Westfield's shopping centre, which is also a major local tram and bus interchange.

Westfield chose not to comment on the potential for a train stop at Airport West Shoppingtown.

But a Melbourne Rail Link spokeswoman said additional stations along the proposed route would risk the promised "reliable 25-minute journey" to Southern Cross. Trains from the airport will depart every 10 minutes.

"The Moving Victoria Rail Office will work with Public Transport Victoria to identify appropriate future proofing should there be a longer term consideration regarding [new train station] development of this corridor," she said.

SGS Economics and Planning Principal Marcus Spiller agreed nothing should compromise the efficiency of the rail link in delivering people to and from the airport.

"But allowing for commuter stations between the airport and Sunshine would offer a number of benefits," he said. "The Keilor corridor already has a relatively strong profile in terms of skilled labour force. Giving the Melbourne CBD and Footscray better access to these skills would boost the productivity of the central city."

Earlier this year Westfield contributed land at its Southland shopping centre for the development of a new train station.

marcpallisco@gmail.com

Twitter: @marcpallisco

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