



SE Business - Commercial Property
 HD Builder fashions Fitzroy Glowave factory deal
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 WC 1055 words
 PD 21 November 2015
 SN The Age
 SC AGEE
 ED First
 PG 12
 LA English
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 LP Capital Gain

Another slice of industrial Fitzroy is set to be repurposed with burgeoning high-rise builder Kahlon Group buying the heritage-listed Glowave factory - on an enormous square site with four street frontages, one to the valuable Smith Street retail strip.

TD The Fairfield-based builder, which is behind a 10-level property at the Kew Junction, is paying a speculated \$20 million for the 2700-square-metre site at 425 Smith Street, which has the flexibility to make way for a shopping centre and several major apartment towers.

The factory is the second on the busy road for Kahlon Group, which also controls 424-426 Smith Street, on the eastern side of Smith Street, which is zoned as Collingwood.

The Glowave site would be worth about 20 per cent less, agency sources say, if it, too, were on the cheaper Collingwood side of Smith Street.

Not far away, Banco Group and Freeman Developments are completing a controversial mixed-use village with mid-rise apartment towers at the site of the first Melbourne Coles store in Smith Street, Collingwood.

Another Melbourne builder, Spec Property Developments, is planning a mid-level apartment building on a site it has just bought for about \$10 million at 466 Smith Street, Collingwood, opposite Glowave.

In nearby Johnston Street, Fitzroy, adjoining factories the subject of a seven-level residential tower are also in the process of selling to a local developer.

Vision Real Estate director Tim Bindley sold 425 Smith Street for private investors who had bought it in 2003. At present, the 4600-square-metre factory, with a 70-bay rooftop car park, returns \$625,000 in annual rent.

Elsewhere in Melbourne, Kahlon Group is building residential villages at 863-865 Doncaster Road, Doncaster East, and an industrial park near its headquarters, in Sparks Avenue.

Golf course sold

The Mornington Peninsula's Eagle Ridge Golf Club is selling to a Chinese conglomerate for about \$9 million.

The 18-hole championship course and clubhouse at 215 Browns Road, Boneo, about an hour's drive from town, was known as the Carlogie Golf Course until a major redesign by Australian amateur golf champion Kevin Hartley 16 years ago.

Covering 47 hectares, Eagle Ridge has the potential to be repositioned as a major resort-style conference centre capable of accommodating large functions, including weddings. The course currently competes for players with the nearby Moonah Links, The Dunes and St Andrews.

CBRE's Lewis Tong, Scott Callow and Mark Wizel declined to comment about the Eagle Ridge campaign.

Profitable moves

Two wealthy Melbourne developers are, respectfully, set to profit handsomely from selling commercial components of sites they bought for their residential development potential.

In Port Melbourne, Harry Stamoulis is selling a heritage-protected building, part of the former Symex soap factory he bought for \$25 million in 2013, days before a landmark rezoning affecting it and 240 hectares of Fishermans Bend land.

Mr Stamoulis is building 258 townhouses on most of the former factory site, opposite the Port Melbourne Cricket Oval.

However, the art deco building that could not be demolished, at 164 Ingles Street, was recently offered in a campaign touting its office or hotel potential. Agency Dawkins Occhiuto was asking between \$4 million and \$4.5 million for the property on a 1155-square-metre block.

Meanwhile, in Caulfield North, Max Moar - part of the Lustig & Moar architect and boutique developer - has just listed an as yet unbuilt supermarket which will form the ground floor of a major mixed-use project proposed at 356-364 Orrong Road.

The retail investment, leased for 17.5 years to [Woolworths](#), which will pay annual rent starting at \$530,000 upon completion, is expected to sell for about \$10 million, according to selling agency CBRE.

[Lustig & Moar](#) paid \$8 million in mid-2014 for the 1307-square-metre Caulfield North site that will form its proposed Orr complex.

Brothel offer

Adult entertainment entrepreneur Ivan Gneil has listed South Melbourne's Pleasure Dome brothel for private sale after it failed to sell at auction.

The three adjoining factories between 36 and 48 Gladstone Street, within the pocket of Fishermans Bend zoned for high-density redevelopment, cover 340 square metres of land abutting the light rail. A permit allowing for escort services is both unusual and valuable.

Not far away, the state government plans to build a primary school, while a park is proposed to replace the Map Coffee factory over the road from Pleasure Dome.

Medical centre

Sydney-based Barwon Property Funds Management is paying \$9.7 million for a near-new medical facility in Croydon, about 27 kilometres east of town.

The Healthscope Medical Centre at 24-26 Dorset Road is a purpose-built 1623-square-metre hospital on a 3002-square-metre block with 55 car parks. Returning annual rent of around \$737,000, with fixed rental increases, the investment also offered substantial depreciation allowances.

With lease options, Healthscope Medical Centres Pty Ltd may occupy the building until 2036. Healthcare Real Estate's Phillip Apelbaum marketed the medical investment, also accessible from the Maroondah Highway.

SCA sale in Cowes

Woolworths spin-off SCA Property Group is understood to have sold a Cowes shopping centre for about \$18 million - slightly more than the value attached to the asset during mid-year reporting.

Built on a former caravan park, the 4820-square-metre complex with 217 car parks is majority occupied by [Woolworths](#), which is on a long-term lease, with options, expiring in 2035 - but which can be extended until 2075.

Though the complex's speciality stores have not all been leased, the Cowes centre has the potential, according to CBRE selling agents, to return almost \$1.6 million in annual rent.

Justin Dowers and Mark Wizel marketed the complex in Thompson Avenue, Phillip Island's chief retail strip.

Elsewhere on the island, the Knox School has sold the historic Newhaven boys' home site to residential developers for about \$1.5 million after deciding against using the waterfront site as a campus. Fitzroys agent Peter Weatherby represented the Melbourne-based independent school.

Next door to the boys' home, Newhaven College has also banked about \$2.8 million, sources say, selling its outgoing 2.8-hectare campus to builders.

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