

# FINANCIAL REVIEW

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HD **Longbow shoots for Sydney's Octagon in \$83m deal**  
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**Hong Kong's** Longbow Holdings has bought the Octagon in Sydney's Parramatta for about \$83 million.

The asset, at 110 George Street in the heart of the Parramatta central business district, is a seven-storey office building spread across eight interlinked pods, and was **sold** on a yield of close to 8.5 per cent.

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It was **sold** by Charter Hall **Group's** PFA Diversified **Property** Trust and co-owner Brisbane-based Westlawn **Property** Trust. The pair bought the asset in 2007 from Investa **Property Group** for \$78 million.

Both Charter Hall and Westlawn declined to comment on the **sale**.

The **purchase** is Longbow Holdings' second in Australia to date. The **Chinese group** entered the market with a \$37.9 million play for an office building at 171 Clarence Street in the Sydney CBD earlier this year.

John McCann and Jon Chomley of Colliers International brokered the deal on behalf of the vendors while Rick Butler of CBRE negotiated on behalf of Longbow. It was a long-running sales process for the office **property**, which was at the cutting edge of office design when completed in 1990.

The Octagon is an A-grade **commercial** building with a net lettable area of 20,841 square metres and more than 300 car parks. Its last external valuation was \$75 million. Key tenants include Michael Page and the Police Credit Union.

A-grade stock accounts for nearly 40 per cent of the total Parramatta office market and is tightly held. The vacancy rate in the area is very low at about 0.2 per cent.

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