

# Quintessential strikes again

Simon Johanson

Boutique fund manager Quintessential Equity has acquired another Canberra office building as it diversifies away from Melbourne's "over-heated" market.

The unlisted fund has exchanged contracts with Dexis for an 11,500-square-metre office at 14 Moore Street for about \$23 million, a rate of \$2000 a square metre.

The purchase follows the June 2012 acquisition of Penrhyn House at 2-6 Bowes Street, a 12,600-square-metre office undergoing a 5-star regeneration that previously traded in 2006 for \$37.5 million.

Quintessential handed over \$14 million for the asset.

Director Shane Quinn, referring to the federal government's planned public service cutbacks, said Canberra has "definitely got a lot of pain and suffering coming but that's reflected in the purchase price".

"If you buy in Melbourne at the moment we don't think the risk, the softness of the leasing market, is factored in."

Large incentives offered to tenants and soaring demand for residential development sites were skewing the city's office market.

"I haven't inspected property for probably six months in Melbourne



\$28 million-deal: An office complex at 93 George Street, Parramatta, sold by Quintessential Equity in recent deals.

for the simple reason it's too hot. There's a lot of offshore investors coming in and buying on metrics I can't make work," Mr Quinn said.

Quintessential's Canberra acquisition is one of a recent string of deals. Two weeks ago the syndicator acquired an A-grade industrial asset at 1 Inglis Road, Ingleburn, on Sydney's outskirts for \$13.8 million from AMP. Earlier, it sold a commercial office complex at 93 George

Street, Parramatta for \$28.75 million.

Another fund manager Forza Capital was also looking interstate. Director Ashley Wain said Forza was exploring commercial investments in Brisbane, particularly those that had exposure to the residential market.

Brisbane's residential market was "coming off a low ebb" while the city's commercial sector was

softening which was "providing some interesting opportunities," he said. Colliers International industrial services director Andrew O'Connell said syndicates and REITs were active in the sector chasing higher returns and development potential of assets. Asian money was also starting to focus on the sector, particularly large scale assets and portfolios of properties, he said.

## Without reserve



## Big lease

Fortius Funds Management's property syndication business' new asset at 91 Phillip Street, Parramatta (pictured) has had leasing success. The asset was bought in December last year for \$2800 per square metre with a 24 per cent vacancy rate. Last week Fortius secured the commitment of Knight Frank's Parramatta office for all of Level 2, after the agent relocated from an adjacent property. The lease terms were not disclosed.

## Birthday bash

Aside from raising significant cash for children in need at the annual Property Industry Foundation sailing regatta, the guests on the swanky super yacht Mastekka II were also treated to very nice chocolate cake. The occasion was to celebrate and toast CBRE director and industry stalwart Scott Gray-Spencer's 50th birthday. Helping to cheer loudly were fellow CBRE directors.

Accelerating success.



### Eight Grand Terraces In-One-Line - Boarding Houses

**AUCTION**  
**70-84 City Road, Chippendale**

- 5 x 5 self-contained flats each with one bedroom/ensuite and living/kitchen (70-78)
- 1 x 4 bed with open plan living (80) private house
- 2 x 3 bed with shared facilities (82-84)
- 99% consistent occupancy levels
- Huge opportunity to invest, occupy, value-add or develop (STPA)
- Heralded the latest hot spot for residential living
- Total land area: 1,703m<sup>2</sup> (approx)

Auction Wednesday 2 April at 10.30am  
[www.colliers.com.au/au](http://www.colliers.com.au/au)

Brian McNulty 0409 838 982 Matthew Meynell 0413 988 875

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### FOR SALE

AUCTION: 10.30am April 29th  
 50 Margaret Street, Sydney

### FOR SALE



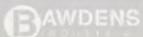
AUSTRALIAN GOVERNMENT TENANTED INVESTMENT - WINDSOR

- ✓ Net income \$217,557pa (approximately)
- ✓ Single level freestanding building
- ✓ Building area 854m<sup>2</sup>

Tony Sands: 0431 095 824  
 Barry Cawthorn: 0417 288 975  
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### Arndell Park

- 3,020sqm (approx)
  - Land 5,354sqm (approx)
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## INFILL RESIDENTIAL DEVELOPMENT SITE



**LAKE MACQUARIE**  
**50 ADA STREET, CARDIFF**

OUTSTANDING DEVELOPMENT\*  
 SITE OF 5.536 HECTARES (approx)

- Located in strong residential area close to shopping centre
- Flexibility in zoning allows mix of lot sizes and some medium-density development\* (NCC)
- Non-residential uses\* incl. hotel, motel, club, education, aged care
- Short's distance to Charlestown, Macquarie Park, Rydges, etc.

Indicative site plan

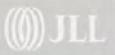
## RESIDENTIAL SITE

**LISMORE** 3.08 hectares (approx)

INVESTMENT OPPORTUNITY

- Ideal staged residential 30+ lot development\*
- Also suit retirement/school/medical centre\*
- Adjacent to all infrastructure

\*NCC



## Investment Sale

**3/14 Rodborough Rd, Frenchs Forest**

- 5 year lease term (Commenced Feb 2014)
- Leased to a global medical company
- 2100m<sup>2</sup> N.B.H. unit