

Industrial Facilities available in NSW, Victoria and Queensland

Valad offers \$145m portfolio

Nick Loughnan

Privately held property trust Valad Group, controlled by US private equity giant Blackstone, is moving to diversify a \$145 million portfolio of industrial properties as deal flow in the sector wanes.

The two office campuses more than 113,000 square metres in facilities in NSW, Victoria and Queensland. Blackstone has been strategically

offloading assets from Valad and its funds since taking control of the struggling fund manager in 2011.

Last year, Valad's 25-storey B-grade office asset at 227 Elizabeth Street in Sydney was sold for \$145 million to a Singaporean developer.

Valad's portfolio is being managed by Colliers International's Tony Iuliano, Gerry Buckley and Simon Deane.

Mr Iuliano said the average yield across the portfolio was now 4 per cent.

"The sector has been busy in recent months as single tenants are being transacted along with portfolio deals."

Listed players and wholesale funds are showing their appetite.

In recent weeks, newly listed GJM Property acquired a seven-asset, mostly industrial portfolio from UGL Ltd on a sale and leaseback basis for \$63.3 million.

In Melbourne, superannuation fund Sunsuper took a \$75 million stake in

its jetty-as-developer, Pellicano's portfolio, through its investment manager, AMP Capital.

As well, Charter Hall's new Logistics portfolio was picked up by Peters as a cargo facility in Melbourne's south-east for \$62 million.

This year, Pils Capital bought a six-asset portfolio from Perpetuum for \$61 million. Meanwhile, Charter Hall is preparing to offload \$150 million worth of industrial assets.

DHA flats selling out

Defence Housing Australia has sold 109 out of 129 apartments in Canopy Reside, two weeks after launching Degrang, Canopy is the latest stage of DHA's Cronson Hill development in Dorrison Green on Sydney's North Shore. Progress stages of the project are sold out. The federal government is considering selling DHA and its \$10 billion portfolio. LA09/05/14/30/1000

Popov purchase

A waterfront home in Hunters Hill designed by architect Alex Popov sold for \$1.85 million on Sunday. The four bedroom house is the first purchase of land on a property developed by Anthony Russo and architect Alex Popov. The house was designed by Popov. Architect Adam Ross and Brent Whitney. Nicholas McEvoy built the house. WWW.HUNTERSILL.COM

Archway boss at DTZ

Property services firm DTZ has appointed Gary Hollis head of capital markets, Asia Pacific. Mr Hollis was previously chief executive and managing director of real estate advisors Archway Capital Partners. LA09/05/14/30/1000

Baxter back at Colliers

Colliers has appointed Paul Baxter chief operating officer for Asia. He has worked with the group after more than 15 years at AMP. Baxter is Colliers' former head of regional services in the Asia region including research, marketing, HR and IT. He first joined the company in 1998 and led Business Development and Real Estate Management. WWW.COOLIERS.COM

AVJ board expands

AV Jennings has appointed David Tilling as a non-executive director to its board. Mr Tilling is managing director of luxury property developer SC Global Investments. LA09/05/14/30/1000

Southern Cross buys NAB headquarters

Matthew Cranston

Adelaide-based syndicator Southern Cross Equity Group has snapped up National Australia Bank's South Australian headquarters for \$41.8 million.

The 14-storey office tower located at 22 King William Street showed a yield of 8.58 per cent and is the largest office asset to sell in Adelaide for more than a year.

CorVal purchased 45 Pirie Street for \$87 million in May 2013 following German fund Real LS's \$100 million acquisition of 400 King William Street in October 2012.

Southern Cross Equity is a private group controlled by Stuart Spencer, Peter Tunno and Michael Ruggiero.

It owns a portfolio of assets, including the Southern Cross Shopping Centre and another office tower, both on King William Street.

It also has a 50 per cent stake in the Churchill Centre, which is due to incorporate a new Costco with developer Axom Properties.

Savills South Australia's managing director Rino Carpinelli and Peter

Isaksson negotiated the sale of 22 King William Street in an off-market transaction on behalf of private vendor MWQ Properties.

MWQ Properties director Shane Quinn said the company was happy with the price paid and that he was proud to be part of regenerating the building.

"It's a fantastic outcome for all concerned as the building was upgraded from 1.5 Star NABERS base building energy rating to 4.5 Stars," he said.

"This regeneration was led by NAB and the SA government's green leasing requirements."

"We worked very closely with the tenants and could not have achieved such a complex refurbishment successfully if there was not strong collaboration between all the parties."

The B-grade building is leased on a 12½-year lease term expiring in 2024, with two further five-year options.

Mr Carpinelli said the sale of 22 King William Street highlighted the strong fundamentals of the Adelaide CBD and would provide a further boost to improving market sentiment and confidence.



Sold: NAB's South Australia HQ at 22 King William Street, Adelaide.

Mr Isaksson said the building had a "strategic position" close to Adelaide's Rundle Mall retail precinct and the newly redeveloped Adelaide Oval.

Mr Isaksson said the building had a "strategic position" close to Adelaide's Rundle Mall retail precinct and the newly redeveloped Adelaide Oval.

Accelerating success

Australian OMP Retirement Village Portfolio

Blue Chip Investment

Colliers

www.colliers.com.au