

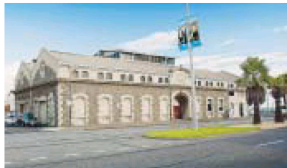
Institutional investors hit hard

THE global financial crisis created an “unambiguous dichotomy” between private and institutional investors, new research from Savills Australia shows. In the six years to last December, institutional investors spent almost \$10 billion, more than \$1.6 billion a year on average. In 2009 they spent only \$270 million, a six-year low. Savills research national head Tony Crabb said the GFC had taken “a huge toll” on institutions. “The cost of debt went up, the value of property dropped, they were carrying too much debt and creditors wanted their money back,” Mr Crabb said.

“It basically turned them into sellers, mainly to private investors, rather than the buyers from private investors they had been for the previous three years.” But the GFC provided “a real window of opportunity for cashed-up private investors”, he said. In the six years to last December, they spent \$4.7 billion, or \$784 million a year, but in 2009, private investors spent \$1.5 billion. Mr Crabb said institutions made a strong comeback last year, in the office market in particular, spending \$961 million.

HISTORIC BUILDING FOR LEASE

THE former Port Melbourne headquarters of the *Trading Post* and one-time Morley’s Coal Depot is up for lease as one or two tenancies.



The historic *Trading Post* building in Port Melbourne up for lease.

Lemon Baxter’s Luke Conquest is the leasing agent for the property, which can be leased as a whole 1182sq m building or two separate tenancies — one 595sq m and one 587sq m. Mr Conquest said there were distinctive office fit-outs in place, high ceilings, lots of natural light and secure car parking spaces. The owners were looking at an indicative leasing figure of \$340-\$360 gross a sq m, Mr Conquest said.

THERE’S PLENTY IN STORES

THREE Victorian 7-Eleven stores in a national portfolio of eight sold at auction at the end of last month.

Four of the eight properties were in Victoria. Jones Lang LaSalle Victorian director David

Bowden said the Thomastown (corner Main St and Edgars Rd), Clifton Hill (422 Hoddle St) and Noble Park (corner Princes Highway and Corrigan Rd) 7 Elevens all sold, while the Ringwood store (corner Loughnan and Warrandyte roads) was under negotiation. Mr Bowden said the five properties that sold across Victoria, NSW and Queensland fetched between \$2 million and \$4 million each, and on average, had yields of 7 to 8 per cent. They were each sold with new 15-year leases to 7-Eleven.

DEVELOPER HAS HUGE PLANS

A MELBOURNE developer is planning a \$42 million showroom and industrial development at a 6ha Deer Park site. Savills Australia industrial divisional director Michael Green, who negotiated the developer’s purchase of the Leighton Properties Westlink Business Park property, said the proposed development would comprise 14,000sq m of showroom space — divided into about eight showrooms — and 16,000sq m of industrial space — or about 45 units. Bunnings recently opened a 10,000sq m store next to the proposed development. Mr Green said any new retail and industrial development would be on a “sound footing”, with nearby Caroline Springs’ population

of 5,000 expected to grow to 23,000 by 2013.

HELP FOR YOUNG HOMELESS

COLLIERS International has joined forces with the Property Industry Foundation to raise money for young homeless people. Colliers is the principal sponsor of PIF’s inaugural Melbourne Charity Sailing Challenge at Brighton last week.

The race, which involved about 20 yachts and more than 200 participants, raised funds for the Lighthouse Foundation’s Boronia Lighthouse, which supports four homeless young people.

PIF also supports two Victorian charities that benefit homeless children and children at risk of homelessness.

Last year, it raised more than \$1.7 million nationally for such charities.

Colliers has also backed children’s charity, Starlight, with national industrial director David Morris and Queensland industrial director Troy Whalan riding 1150km for the 11th annual Tour de Kids.

Mr Morris and Mr Whalan joined 31 other riders in the Adelaide-to-Melbourne ride on March 27 to raise money for Starlight, which helps sick children’s wishes come true. Colliers has been the Tour de Kid’s major sponsor since the first ride.