

WA syndicate buys Brooklyn industrial on 9.23pc yield

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WESTERN Australian syndicate, GM Property Group, has bought an industrial facility at Brooklyn in Melbourne's west from Marks Henderson for \$19.65 million on an initial passing yield of 9.23%.

The off-market sale was brokered by Savills' industrial directors Chris Jones and Ben Hegerty, on behalf of Marks Henderson.

Located at 600 Geelong Rd, the property

comprises five buildings and one café with a total GLA of 31,610 sqm and 5,000 sqm of heavy duty hardstand on a 7.27ha allotment.

Jones said the property was sold subject to leases to multiple tenants, including Storage Depot, Crown Limited, Avanti Bicycle Company and TTL Holdings on a weighted average lease expiry (WALE) of approximately two years and a passing income of circa \$1.8 million per annum net.

"This was a strong result for the vendor given the two year WALE. It was also a fantastic investment opportunity for the purchaser with a solid lease profile and significant potential upside in a very good location with regard to prime road transport options and market growth," Jones said.

Hegerty said Savills had witnessed a recent surge in enquiry and transactional volume for large scale assets in the inner west which had logistical benefits, being in close proximity to major transport infrastructure,

Melbourne Ports and within close proximity of the CBD.

This is the third major industrial asset sale negotiated by Savills' investments team in recent weeks.

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