

# Prime Site

## Space squeeze

A \$120 million Brisbane CBD office block is not yet built but already more than half booked out.

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# Office space to rise on three Valley sites

Vanessa De Groot

DEVELOPMENT giant Seymour Group has bought three Fortitude Valley properties, and plans to construct office and retail buildings worth a total of \$150 million.

With vacancy rates outside Brisbane's central business district at record lows — reaching just 2.8 per cent in January — the company has jumped at the chance to buy the sites, which

will yield about 25,000sqm of commercial space, for a total of \$16 million.

Redevelopment of the first site — on the corner of Alfred and Constance streets — will begin next February, with completion due in September 2008.

The 750sqm block, backing on to the Valley Metro train station's multi-storey car park, will be transformed into a six-storey office tower, with retail on the ground level.

Space in the building is expected to be leased at about \$415sqm.

A 10,000sqm 10-storey office block, also with retail, will be built at 949 Ann St, opposite the Emporium on the corner of Ann and Chester streets.

The third site, at 757 Ann St — opposite the GPO and next to Kings car park — will house an 8000sqm eight-storey office building with two retail tenants.

The Ann St sites are expected to be completed in early 2009 and space in these buildings will be leased from the low to mid-\$400sqm range.

Seymour Group's development consultant Peter Kelley said Savills — the appointed leasing agent to all three projects — was already getting leasing interest for the planned office buildings.

"Prior to any formal marketing campaigns, Savills are al-

ready fielding interest from businesses planning to relocate in the next 12 to 18 months, including businesses that own existing CBD office space who are considering moving to the Valley to capitalise on climbing CBD rents," he said.

"Compared to the CBD, the Valley offers consistently lower rates per square metre for new office projects.

"The CBD has reached a stage where it has become

almost uneconomical to build buildings with the price of land. "Now with the city council proposing high density in the Valley, it makes the Valley a very interesting prospect as far as office space is concerned."

Mr Kelley said the three buildings to be constructed all had different sized floor plates — 500sqm, 800sqm and 1000sqm — which gave them the capacity to cater for small or large tenants.

# Rush to tennis project

Michelle Hele

TENNIS fans have forked out \$170 million in just four days to secure a piece of Mirvac's residential development next to the new State Tennis Centre.

The results were a record for any Brisbane residential project, said Mirvac Development Queensland chief executive officer Chris Freeman.

While he would not reveal any names, Mr Freeman said a number of people well known from the Queensland tennis fraternity had snapped up apartments in the pre-release sales of Tennyson Reach.

The development will be officially launched by Premier Peter Beattie next week.

Apartments in the first two

buildings of the six-building development sold for between \$935,000 and \$4.85 million.

More than 100 were sold out of 115 when Mirvac did its pre-release to its data base of interested buyers.

"This has got to be a record for any project in Brisbane, if not Queensland," Mr Freeman said.

"We are very pleased with it. A lot of local people that live in the Yeronga and Tennyson area and that southwest corridor, they (the buyers) were generally pretty well all from Brisbane."

Mr Freeman said the huge sales success had followed great excitement that the project had generated.

"This has never been done

"This has got to be a record for any project in Brisbane, if not Queensland"



SPORTS link ... Mirvac CEO Chris Freeman with a model of the apartment complex. Picture: John Wilson

before... a luxury residential project in such a strong sport and lifestyle environment," he said.

The \$675 million Tennyson Reach will be built on the site of the former Tennyson power

station. It is next to the new State Tennis Centre, which is also being developed by Mirvac and is valued at about \$100 million, including the land for the centre.

The State Tennis Centre

should be completed by October or November next year in preparation for tournaments in January 2009.

Once complete the residential development will feature 390 apartments with the first of

those expected to be completed in the second quarter of 2009.

Stage One has 115 apartments, ranging from penthouses of up to 615sqm to two and three-bedroom apartments from 133sqm to 242sqm.

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