



## CAPITAL GAIN

# Historic hotel comes with hefty price tag

An grand, historic Italianate South Yarra hotel on a key Toorak Road block is on the market with a hefty \$20 million-plus price tag.

The Hotel Claremont, built in 1886, neighbours two properties that were recently acquired by the Oresana Group for a combined \$48 million.

Owned and operated by hotelier Michael Renzella, the property comes with a permit for a 12-level mixed-use project above its three levels. Teska Carson agents Michael Ludski and Luke Bisset are handling expressions of interest for 189 Toorak Road, which close on August 11.

The 81-room hotel is on a large, 906 sq m parcel of land on the corner of Claremont Street.

It has two ground-floor shops, which are leased to Chemist Warehouse and Sirrco with termination clauses included in case of imminent development.

Mr Renzella bought the property a couple of decades ago when it was still a boarding house.

Mr Ludski said there had been 150 enquiries about the property so far, including some from built-to-rent groups.

In May, Oresana paid \$35 million for South Yarra Square, a 1980s-era development at 177 Toorak Road. Later that month, it splashed out \$13.1 million for the row of faux-Tudor shops next door. Will Oresana make it a hat-trick and control the block?

## TOYS "R" US

Global toy retailer Toys "R" Us is back with a bang, signing up for a 19,650 sq m head office and warehouse at ESR Australia's Clayton Business Park.

The 10-year deal means the business park is now fully leased ahead of its anticipated completion.

The new building, with state-of-the-art logistics technology, will be completed in mid-2022.

ESR bought the 6.5 hectare property at 45-49 McNaughton Road in 2019, paying a bullish \$31.55 million.

The developer has spent the past 18 months turning it into a new estate with a 5-Star Green rating. It's close to Monash University, the hospital and the Monash National Employment Cluster.

Toys "R" Us joins another ASX-listed company, BWX, which has also taken a long-term lease on 18,000 sq m of land.

## SURREY HILLS

Eastern suburbs accounting firm Trident Financial Group has snapped up a Surrey Hills office building, paying \$9.7 million.

Trident will undertake a new fit-out of the two-storey 1550 sq m

NATASHA BOTT

Nicole Lindsay



office at 268 Canterbury Road and aim to move in at the end of the year. It's on a 1950 sq m prime corner site near Chatham station.

Colliers agents Peter Bremner, Ted Dwyer and Alex Browne did the deal with Gross Waddell ICR's Andrew Greenway, Michael Gross and Andrew Waddell.

"At least 20 different buyers inspected over the six-week campaign, the majority of which were local owner-occupier, white-collar service businesses involved in industries like financial, retail, legal and medical," Mr Bremner said.

Meanwhile, an office in the city-fringe suburb of Carlton has also sold to an owner-occupier, who has paid \$5.85 million for the two-level 508 sq m building.

The buyer is planning to move in after the lease held by the current tenant, the University of Melbourne, runs out in the next 12 months.

The office at 11-15 Argyle Place is on 413 sq m of land and faces Argyle Square, a tree-lined park on Lygon Street that was recently packed with football fans watching the European Cup final.

The deal was negotiated by Gross Waddell ICR agents Andrew Waddell, Danny Clark and Alex Ham.

## OFFICE COMPLEX

Boutique fund manager United Property Fund is selling a huge Chirnside Park office complex.

The urban fringe property is expected to fetch about \$19 million. Dawkins Occhiuto agents Walter Occhiuto and Tim Grant are handling expressions of interest, which close on August 5.

The 4429 sq m building at 1 East Ridge Drive is on the corner of Maroondah Highway, on the road out to the Yarra Valley. It returns a passing income of \$1,255,000 a year.

The three-level property was built in 2009 on a 1.42ha site. It includes four shops and 23 tenants, including the Field Group and the Victorian Aboriginal Child Care Agency.

The perceived risks post-COVID of travelling into the city for work are boosting interest in urban fringe and regional properties.

Up the road, Stonebridge Property Group is selling a row of shops at 260-262 Maroondah Highway in Healesville.

The shops, leased to a financial adviser, a wine retailer and a spice merchant, are on 1250 sq m of land



Clockwise from top: The Hotel Claremont in South Yarra; United Property Fund Ltd has put its Chirnside Park office and retail complex on the market; Trident Financial Group has snapped up a Surrey Hills office.



in the Healesville Village and return \$191,149 a sq m.

Stonebridge agents Rory James, Nic Hage and Kevin Tong are handling the transaction.

"Without sounding like a broken record, the impact COVID is having on overseas travel is having a positive impact on regional and outer metro Melbourne commercial property," Mr Hage said. "Our most recent shop transactions in Sale, Bendigo and Mornington reflected yields between 5.2 per cent and 4 per cent - about 75 basis points sharper from where they sat 12 to 18 months ago."

## LEASE DEAL

A state government agency is making a rare foray out of the Treasury precinct with a leasing deal in the centre of the CBD.

The newly formed Apprenticeships Victoria has signed a four-year lease on the Mozzanline at 271 Collins Street.

The deal was negotiated by Fitzroys agent Rob Harrington. The 2700 sq m space is one of the biggest floors in the city and faces both Elizabeth Street and Flinders Lane and is close to Flinders Street railway station and plenty of tram routes.

Apprenticeships Victoria executive director Cameron Baker said the agency, which manages a 1500-strong apprenticeships and traineeship program, will have a public-facing aspect.

"Apprentices and trainees can just walk in and meet with our teams," Mr Baker said.

## HOWLER BAR

The freehold of Brunswick

nightclub and music venue Howler Bar is up for sale.

Punters might be more familiar with its Dawson Street entrance through a council carpark and plant-filled courtyard, but the official address of the nightclub is 16 Michael Street.

On 905 sq m of land, the property has a fresh five-year lease to Howler Bar, with a five-year option. Rent is about \$104,500 a year.

It's in a mixed-use zone, and a 2017 heritage report declared it not significant.

JLL agents Nick Peden, Jesse Radisch and Mingxuan Li - who have just made the leap from rival agency Savills - are handling the April 12 auction.

The property is expected to sell in the mid-\$3 million range - a tidy profit for the vendors who, records show, paid \$450,000 in 2003.