



Commercial Real Estate

CAPITAL GAIN

Swanston House sale to test the spring market

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The temperature of this spring's market will be tested in the next month as some long held CBD properties come up for sale.

On Swanston Street, in a plum position near the Bourke Street Mall, the Conos family is giving up the seven-storey Swanston House after 37 years.

It's one of only a handful of properties that has changed hands on the strip in the past 10 years. Some properties on Swanston Street have been in the same family since the 1920s and 1930s.

Built in 1922, Swanston House was designed by one of the city's most active architects Nahum Barnet, who was born on the street in 1855.

Alexander Robertson's Kristian Peatling and Warwick Bramich, along with Collier's Oliver Hay, Daniel Wolman and Leon Ma, will auction 163 Swanston Street on October 21.

Current pricing is between \$15-\$20 million. The Conos family's father Theo Conos and grandfather Michael Economides helped transform Melbourne during the 20th century, pioneering Greek cafes and restaurants in the city and suburbs.

The success of multi-level bar and restaurant complexes like Curtin House at 248 Swanston Street and HER at 270 Lonsdale Street could attract like-minded entertainment entrepreneurs.

LONSDALE STREET

Speaking of HER, the building next door, at 272-282 Lonsdale Street is also on the market.

The two-storey building doesn't have quite the architectural or historical chops as Swanston House.

Positioned next door to Melbourne Central and opposite Emporium, it was completed in 1978 and is on 406 square metres of land in a burgeoning part of the CBD.

It last changed hands in 2003 for \$5.56 million but is now expected to fetch \$25-\$30 million.

The property is leased to six tenants and returns about \$1 million a year in rent.

JLL agents Josh Rutman, Nick Peden and Mingxuan Li and Colliers agents Oliver Hay, Daniel Wolman and Matt Staggs are handling expressions of interest.

Peden said all leases have been structured to allow vacant possession by 2027 giving any new owner plenty of time to sort out new designs and planning.

Next door at 300 Lonsdale Street, GPT has started work on its new 10-level timber office building dubbed Frame.

GOLDEN AGE

Developer Golden Age is selling off its trophy Box Hill foodie precinct at the foot of the Sky One residential tower.

Completed at the start of 2020 the tower boasts 438 apartments over 36 levels in central Box Hill.

The 3396 sq m Sky One Plaza is on the first three floors of the tower and anchored by the Bank of China and Hai Di Lao Hotpot. It pulls in a



Clockwise from main: The Conos family is selling the seven-storey Swanston House after 37 years; 272-282 Lonsdale Street is expected to fetch \$25-\$30 million; Sky One Plaza in Box Hill is for sale.

stonking \$3.8 million in rent. That level of income and a conservative retail yield of around 4.5 per cent suggests a likely price of \$80 million.

The move comes as Golden Age Group starts work on the \$435 million Sky Square, just one block away.

One of a number of Box Hill highrises, Sky One is the tallest residential building outside of Melbourne's CBD and dominates the suburban skyline.

JLL's Stuart Taylor, Tom Noonan, Mingxuan Li and Josh Rutman and Stonebridge's Kevin Tong, Justin Dowlers and Chao Zhang are handling the

expressions of interest campaign. They declined to comment on the expected price.

LONGRIVER EXITS

The move comes as fellow developer Longriver seeks to exit one of its Box Hill development sites.

The 1219 sq m site at 25-29 Ellingworth Parade is south of the railway line so it's a bit off of the main drag.

Longriver has a permit for a \$100 million 13-level strata office project on the corner block and is expecting around \$12 million for the site.

It cost Longriver \$10.85 million in 2018. However, records show a trio of other investors now control

the holding company that owns the land. Longriver's owner Andrew Yu remains a director.

Gorman Allard Shelton agents Tom Maule and Jonathan McCormack and JLL agents Josh Rutman and Jesse Radisich are taking expressions of interest.

OVISS' SHOPS

Spring auction season is well under way and the fourth and final auction disposing of the Harry Oviiss retail portfolio is scheduled for October 13.

The final 11 includes shops in St Albans, Cremorne, Glenroy, Mount Eliza and Preston.

Gross Waddell ICR's Danny Clark, Alex Ham and Michael Gross will be putting them under the hammer.

To date, 47 shops and a swag of modern art and furniture have fetched around \$70 million.

Oviiss, who died in 2021, aged 97, spent more than 70 years investing in retail and modern art.

AUCTION ACTION

The Australian Property Institute's seaside headquarters sold last Friday during a sunny but bitterly cold lunchtime auction.

The double-storey Port Melbourne building – former sugar factory – fetched \$4.76 million after slow bidding between two parties.

Eleet Property Group's Saahil Gupta and Vikas Kalra were the victors.

The property is on 385 sq m of land at 10 Beach Street and the only waterfront office in the area.

API paid just \$723,000 more than 30 years ago. Greville Pabst acted as transaction adviser, while Colliers' Anthony Kiran, Daniel Wolman, Alexander Leggo and Joff Mithen handled the auction.

Meanwhile, a Melbourne developer has snapped up 301-310 Main Street Morningson for \$3.25 million on a razor-sharp 1.9 per cent yield. The 1948 sq m site is opposite Alexandra Park in Morningson's medical precinct. Stonebridge Property Group agents Rorey James, Jacob Biviano and Chao Zhang ran the campaign.