



Staff Reporter | 23 January 2017

Centuria divests from office tower in Brisbane CBD for \$38.7 million



Centuria Property Funds announced it has sold its commercial office tower in Brisbane's Spring Hill for \$38.7 million to Sentinel Property Group.

The 200 Creek Street A-grade building has 10 stories and is a prominent office tower in the northern precinct of the CBD. It had been expected to fetch around \$40 million.

The sale was managed by Peter Court and Mike Walsh from CBRE and Seb Turnbull and Luke Billiau at JLL.

Jason Huljich, CEO of Unlisted Property at Centuria, said, "We purchased the property in 2011, and since then we have carried out a series of upgrades and refurbishments designed to make the building more appealing to tenants. As a result, the property was taken to market with an occupancy rate of over 95%, with a weighted average lease expiry of almost four years, which made it particularly attractive to buyers."

It has nearly 7,603 sqm of net lettable area spread over three ground floor tenancies and nine upper levels of office accommodation.

The property is close to the Central train station and just outside the Golden Triangle.

Huljich added that the tower was well-located from a potential re-development perspective, as a result of the planning provisions included within Brisbane City Plan 2014 and the proposed Draft Spring Hill Neighbourhood Plan.

He concluded by saying that he foresees good opportunities for commercial property investors in 2017.

“Looking forward into 2017, we are confident there will be some good opportunities in the major metropolitan markets - in particular Sydney and Melbourne, although we are also looking carefully at our options in Brisbane and Canberra.

“Our investment strategy has always been primarily asset-driven, which means we are open to all markets and properties where we see the potential to buy well, add value and achieve strong long term returns for our investors,” said Huljich.