

Industrial Property News

BAWDENS
INDUSTRIAL

Edition 90 – November 2016
02 9630 8000

Longer Leases by SME's For Industrial Property in 2017

Leading Industrial Asset Management and Sales and Leasing Specialists, Bawdens have released for private clients, a further research note providing some insight into emerging leasing trends in the SME sector, likely to continue in 2017.

The new report follows a summary of their initial research note released in the October edition of Industrial Property News (that report is reprinted in this edition) where examined transactions identified a fall in the average number of weeks of incentive lessors have provided lessees over the past financial year.

Building on that trend and further analysis of the sampled transaction lease terms, the study also observed a sharp decline in the number of one (1) year leases on space with an

area of less than 500sqm.

The research reveals that during 2016, in particular, lessors and lessees have recognised that longer lease terms benefit both parties.

Lessors secure more cash flow for the same or reduced incentives and lessees avoid revisiting an industrial market in which the right space for them is not easily sourced and rentals are increasing.

This is a trend that Bawdens expect to continue during 2017.

As this is the last edition of Industrial Property News, we wish all our readers a Merry Christmas and a festive holiday season.

MONTHLY TRANSACTION FOCUS

Church Buyer "Got it all" with Smithfield Property

Grace Point Community Church was one of 13 parties who requested a contract to purchase 34 Chifley Street. Bawdens Senior Negotiator Phil Higgins secured \$2,450,000.00 at the onsite Auction on October 4.

Situated on 2,593sqm of land, the functional high clearance building of 933sqm offered two (2) street access, multiple container door access and yard storage options.

Included in the sale were 2x5 tonne cranes, gantries and small jib cranes.

Phil commented the shortage of opportunities such as this available to purchasers saw the property sell for in excess of \$100,000.00 over the reserve.

Creative Package Up Seven Hills Facility

Successful promotional products company, Creative Enterprises have purchased 21 Anvil Road, Seven Hills.

In a deal completed by Bawdens, the purchaser has purchased a modern freestanding building of 824sqm.

Comprising high quality fitted offices, boardroom, kitchen and amenities over 258sqm on a mezzanine level, the company will utilise this for administration, ground floor areas will be utilised for showroom and distribution purposes.

Paying \$1,650,000.00 the property was sold on behalf of a Bawdens private client.

FOR LEASE

PENDLE HILL



1,135sqm

- Approved for food processing
- Gas & Pallets racking for cool rooms
- Container access via two roller doors
- Available February 2017

Contact: Terry Saba 0416 175 009

Ref: 38482

**FOR LEASE
NORTH ROCKS**



110sqm

- Premium small units
- 6m clearances
- Secure site
- Units 10 & 20 Available in complex

**Contact:
Terry Saba 0416 175 009**

Ref: 21872

FOR LEASE

ROSEHILL



400sqm

- Competitive office space
- Exclusive entry & foyer/reception
- Fully carpeted & air-conditioned
- Parramatta CBD at your door step
- Minutes' walk to railway station

Contact: Barry Cawthorn 0417 288 975

Ref: 34432

NEWS

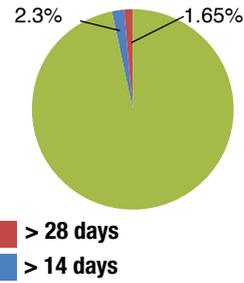
MHA Industries Pty Ltd Upgrade to Seven Hills

Materials handling company MHA Industries Pty Ltd have leased 27 Prince William Drive. Introduced to the property by Bawdens Director Robert Ally, the building has a total area of 1,162sqm. Situated on 1,912sqm of land, the property offers good access via one (1) container sized roller door. Inclusive of 207sqm of quality carpeted and air-conditioned office space, MHA Industries secured a lease term of four (4) years.

The negotiated commencing rental reflected \$136,440 per annum (\$120psm) Net plus outgoings.

RESEARCH

% Of Businesses in Arrears



Too busy to manage your property?

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NEWS

Aubert Furniture move to North Rocks

With quality space in short supply, successful furniture company Aubert recognised an opportunity to secure a longer lease over small space.

The two (2) year term provides the company operational stability.

Situated at 12a Loyalty Road, unit 1 provides some 155sqm. Secured at a commencing rental of \$176.00 per square metre per annum, the space offers excellent natural lighting, six (6) metre clearance and easy access.

The deal was secured for a Bawdens private client by Director, Terry Saba.

FOR LEASE

BLACKTOWN



1,470sqm - FREE STANDING

- Modern warehouse/office
- Ample concrete yard and parking
- Fully secure site
- Fantastic location

Contact: **Barry Cawthorn 0417 288 975**
Ben Lindsay 0421 248 587

Ref-30142

Industrial Leasing Incentives over SME Space Falling in 2016.

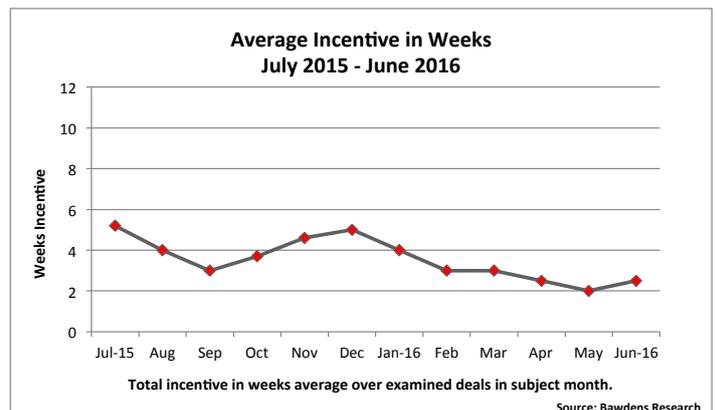
Industrial SME Investment and Asset Managers, Bawdens Industrial recently released for private clients a research paper examining industrial vacancy incentives for property in the sector with a gross lettable area of less than 500sqm.

The company this month examined for Industrial Property News a series of lease transactions completed in the last financial year identifying the length of rental free periods negotiated against each deal.

The findings can be seen right:

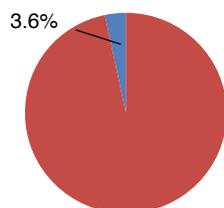
The research reveals the average incentive of just over five (5) weeks in July 2015 has reduced to 2.5 weeks approximately in June 2016.

The company notes these findings are consistent with the sustained falls in available space under 1,000sqm over the past two (2) years.



RESEARCH

Vacancy Rate by m2



Vacant Space Managed
Total Space Managed

FOR SALE

LIDCOMBE



230sqm

- Quality industrial unit
- Refurbished office area
- Fast east access to Sydney arterial network
- Close to Lidcombe & Auburn Station

Contact: **Phil Higgins 0414 608 143**

Ref: 10207

NEWS

Investor Secures Quality Cash Flow

A private investor has purchased unit 2, 12 Stanton Road, Seven Hills. With immediate income from an initial one (1) year lease back from the vendor, the 112sqm strata unit was sold for \$380,000.00.

The deal was negotiated by Director Terry Saba at Bawdens.

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www.linkedin.com/company/bawdens-industrial

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FOR LEASE

BLACKTOWN



956sqm

- Modern office building
- Two storey office block
- Air-conditioned & partitioned offices
- Ample parking
- Cheap rent!

Contact: Robert Ally 0413 758 658

Ref: 30282

FOR LEASE

SEVEN HILLS



877sqm - HIGH CLEARANCE WAREHOUSE

- Quality clearspan warehouse
- 8.5m clearance (approx.)
- Small dispatch office plus amenities
- Flexible lease term

Contact: Ben Lindsay 0421 248 587

Ref: 38246

**FOR LEASE
NORTH ROCKS**



74sqm - 150sqm

- Presentable office
- Easy Access
- Internal partitioning
- Minutes to M2 & Parramatta CBD

Contact: Robert Ally 0413 758 658

Ref: 28694

DEALS DONE



SEVEN HILLS



WETHERILL PARK



SEVEN HILLS



PADSTOW



NORTHMEAD



BAULKHAM HILLS



BLACKTOWN



NORTHMEAD



CHIPPING NORTON



SEVEN HILLS

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FOR SALE

SEVEN HILLS



345sqm

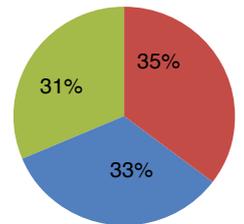
- *Well maintained unit with street frontage
- *Excellent truck access
- *Air-conditioned office
- *Under cover parking

Contact: Terry Saba 0416 175 009

Ref: 29621

RESEARCH

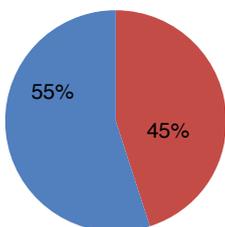
Space Demand



- 0-500 sqm
- 500-2000 sqm
- > 2000 sqm

RESEARCH

Leasing or Buying?



- Leasing
- Buying

NEWS

AMDC to Provide Leading Services in Norwest

Regional dental practice Norwest Cosmetic Dental Centre Pty Ltd have commenced their "state of the art" fitout at 18 Lexington Drive. The group have secured a 729sqm office and warehouse facility through Bawdens Director Terry Saba.

The space included 205sqm of high quality office space supported by 724sqm of warehousing.

Attached to the space are 18 car spaces which the tenant found very attractive in the support of efficient operation of their business and ease of access for customers.

Leased for a term of five (5) years the negotiated commencing rental was \$137,000 per annum.

**FOR LEASE
SEVEN HILLS**



404sqm

- Modern complex of 8 units
- High office content over two (2) levels
- Situated in the heart of Seven Hills

Contact: Graeme Scott 0418 261 882 Ref: 20504

**FOR LEASE
GIRRAWEE**



427sqm

- Great value factory/warehouse
- Good truck access
- Minutes from Parramatta CBD

Contact:
Terry Saba 0416 175 009

Ref 22459

NEWS

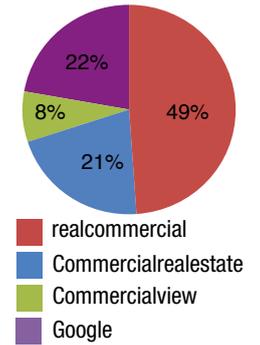
Powers Business Park Rentals Rising in Seven Hills

Located at 45 Powers Road, Bawdens Director Terry Saba has leased unit 31. The unit in the popular estate comprised 260sqm inclusive of 49sqm of mezzanine level office space.

Providing high clearance, the property was leased by a local construction company. Leased for \$36,000per annum plus outgoings, Terry commented that the present shortage of buildings to lease meant users had to be ready to act if they expected to secure space. He further said the net rental reflecting \$138psm per annum, was proof of the shortage of space causing rentals to increase. Something he expects to continue in 2017.

RESEARCH

Which Website Enquiry Came From



NEWS

Quality Sells Fast in Lidcombe

Bawdens Senior Negotiator Phil Higgins has listed and sold within days, unit 41 at 2 Railway Parade. Providing further evidence of the demand for space from owner occupiers, contracts were quickly exchanged at \$660,000.00 (the asking price). Comprising 230sqm, inclusive of 65sqm of office space, the property was attractive to the purchaser due to a further 102sqm installed mezzanine floor. The sale reflected \$2,870.00 per square metre of lettable area.

**FOR LEASE
NORTH PARRAMATTA**



415sqm

- Modern, tidy freestanding property
- High clearance factory
- Additional mezzanine that can stay or be removed

Contact: Graeme Scott
0418 261 882

Ref: 25456

NEWS

The Box Thing Sydney Call Wetherill Park Home

The Box Thing Sydney have leased for two (2) years a small factory unit of 114sqm. The lessee, not wanting to have to potentially move again in the short term and probably pay a higher rental at 63 Newton Road, secured a two (2) year lease. Phil noted that in the immediate past securing a one (1) year term, might have been expected. The commencing rental was \$171.00 per square metre Gross.

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**FOR LEASE
NORTH PARRAMATTA**



250sqm

- Well-presented Freestanding factory
- Suspended ceiling in warehouse
- Bulky goods zoning
- Available January 2017

Contact: Graeme Scott
0418 261 882 Ref 14411

**FOR LEASE
GIRRAWEE**



362sqm

- Rare, functional freestanding building
- Fully secured site
- Close to the M4 Motorway & Great Western Highway

Contact: James Zerefos
0400 326 828 Ref: 12677



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RESEARCH

Where It All Came From

