

WTC filling up fast

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ONE of the office towers within Melbourne's World Trade Centre will shortly put up the no vacancy sign following a flurry of leasing deals.

In excess of 4,000 sqm has been leased in tower 4 to four tenants with two further leases,

now under offer, making the 12,000 sqm building fully occupied in coming weeks.

Savills' divisional director Phillip Cullity and Matthew Kent negotiated the transactions at the 18 - 38 Siddeley St tower along with Colliers as joint agents.

The leases included Academy of Interactive Entertainment (AIE) which has agreed terms on a 2,545 sqm space, not-for-profit Rural Workforce Agency Victoria (550 sqm), Connect Furniture (250 sqm), and Compass Serviced Offices (733 sqm), totalling 4,078 sqm.

Cullity said rentals ranged from \$290 a sqm net for low rise space up to \$340 a sqm net for high rise. All leases were between five and 10 years. He added that the AIE deal was struck at \$290 a sqm net on a 10 term for Atrium and levels 1, 2 and 3.

WTC was recently re-launched following a \$50 million plus refurbishment. Cullity said the refurbishment resulted in 12,000 sqm of office space in Tower 4 leased in just over 12 months from the completion of works.

"This has been a stunning result, in what has otherwise been a tough leasing market, in tapping into what was previously a virtually unknown office market.

"We identified early on our key market and the refurbishment was really the key, along with the waterfront and accessibility in transforming WTC into what is now a thriving retail and commercial hub," Cullity said.

The WTC complex comprises five office towers ranging from eight to 12 stories, offering 70,000 sqm of office space. Current anchor tenants include Thales Australia and Victoria Police.

Two months ago, Clement Lee's Asset1 WTC sold a 70% stake in Towers 2, 3 and 4 to Abacus Property Group and global private equity firm KKR for \$120.4 million on a 9.3% yield.

It was KKR's first real estate investment in Australia.

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