Marquette buys Taringa site for Singapore's Edition

Matthew Cranston

A subsidiary of the Singapore-listed Edition Development has snapped up a commercial office building – Taringa Central – in Brisbane for a discount to what the vendor had paid several years ago.

The subsidiary – TG Development – was represented locally by partner Marquette Properties. It purchased the 3478 square metre building for $18 million in an off-market deal. The private Melbourne-based vendor had purchased the property for $19.5 several years earlier.

Taringa Central, at 165 Moggill Road, is the inner-west suburbs' premier commercial building, with Finance Administrators Australia – the financiers behind Cash Converters – leasing the majority of the building.

The deal represented an initial passing yield of 6.48 per cent and about 8 per cent on a fully leased basis.

Marquette Properties' Toby Lewis declined to comment on specifics of the deal, but said the property was ultimately suited for apartment development in the long term. Contracts had been drawn up with the tenants, indicating possible demolition of the building. Mr Lewis also said there may be some reworking of the allowable apartment development size into the future.

Darren Lucchese from Tewksbury Commercial Real Estate represented the vendor, while Sam Byrne from JLL Metro Sales and Investments team represented the purchaser.

"Taringa Central is the area's most prominent and recognisable commercial asset, and had been held by the vendor for nearly a decade."

Mr Lucchese said the building had 188 car parks, an elevated position, stunning views and access to public transport.

"It's a high-profile location with huge development potential in an affluent suburb only 4.5km from the CBD."

Mr Byrne said that with Marquette Properties, the new Singaporean owner would first look to grow the income profile through "proactive asset management and creative value-add strategies".

"The sale reflects the unprecedented levels of domestic and offshore capital seeking income-producing assets with the ability to capture rental uplift or take advantage of future development potential in core locations," Mr Byrne said.

"We are working with a number of groups sourcing opportunities such as this and expect increased off-market transactions as these buyers become more aggressive in their pricing."