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Savills Research
South Australia

Quarter Times Adelaide Industrial

Q4/2016



Key Market Indicators

Inner West – Beverley, Thebarton, Adelaide Airport, Hindmarsh

	Prime		Secondary	
	Low	High	Low	High
Rental Net Face (\$/sq m)	80	140	50	80
Yield- Market (%)	7.50	8.25	8.50	9.50
IRR (%)	8.25	9.00	9.25	10.25
Outgoings – Total (\$/sq m)	15	25	10	15
Capital Values (\$/sq m)	970	1,870	525	950
Land Values 3,000 – 5,000 sq m (\$/sq m)	300	400	200	250

Source: Savills Research

North West – Regency Park, Wingfield, Port Adelaide, Gillman, Dry Creek, Outer Harbor

	Prime		Secondary	
	Low	High	Low	High
Rental Net Face (\$/sq m)	80	110	40	70
Yield- Market (%)	8.00	8.75	9.00	10.00
IRR (%)	9.00	9.75	10.00	11.00
Outgoings – Total (\$/sq m)	15	25	10	15
Capital Values (\$/sq m)	915	1,375	400	800
Land Values 3,000 – 5,000 sq m (\$/sq m)	225	275	125	175

Source: Savills Research

North – Edinburgh, Burton, Salisbury, Direk

	Prime		Secondary	
	Low	High	Low	High
Rental Net Face (\$/sq m)	70	100	40	60
Yield- Market (%)	8.25	9.00	9.50	11.00
IRR (%)	9.25	10.00	10.50	12.00
Outgoings – Total (\$/sq m)	15	25	10	15
Capital Values (\$/sq m)	780	1,215	365	630
Land Values 3,000 – 5,000 sq m (\$/sq m)	75	110	60	80

Source: Savills Research

South West – Edwardstown, St Marys, Plympton

	Prime		Secondary	
	Low	High	Low	High
Rental Net Face (\$/sq m)	90	125	50	80
Yield- Market (%)	8.00	8.75	9.00	10.00
IRR (%)	8.75	9.50	10.00	11.00
Outgoings – Total (\$/sq m)	15	25	10	15
Capital Values (\$/sq m)	1,025	1,565	500	890
Land Values 3,000 – 5,000 sq m (\$/sq m)	400	500	200	300

Source: Savills Research

South – Lonsdale, Seaford

	Prime		Secondary	
	Low	High	Low	High
Rental Net Face (\$/sq m)	70	90	45	60
Yield- Market (%)	9.00	10.00	10.00	11.00
IRR (%)	10.50	11.50	11.00	12.00
Outgoings – Total (\$/sq m)	15	25	10	15
Capital Values (\$/sq m)	720	1,000	410	600
Land Values 3,000 – 5,000 sq m (\$/sq m)	75	120	60	80

Source: Savills Research

Major Leasing Activity**Select Adelaide Industrial Existing Facilities**

Date	Property	GLA (sq m)	Rent (\$/sq m)	Tenant
Aug-16	30 Bedford St, Port Adelaide	10,000	42	Chemist Warehouse
Sep-16	608 Grand Junction Rd, Regency Park	2,935	85	United Food Co Australia
Sep-16	605-607 South Rd, Regency Park	2,167	108	Routleff Motor Bodies
Sep-16	163-165 William St, Regency Park	2,012	na	Altus Traffic Pty Ltd
Nov-16	17 Stock Rd, Cavan	1,500	100	Leartek
Nov-16	159-161 Cormack Rd, Wingfield	1,895	na	Heatcraft Australia Pty Ltd

Source: Savills Research na = not currently available or not able to be disclosed

Select Adelaide Industrial Pre-commitments

Date	Property	GLA (sq m)	Rent (\$/sq m)	Tenant
Sep-16	Gallipoli Dr, Regency Park	10,440	na	Northline

Source: Savills Research na = not currently available or not able to be disclosed

Major Sales Activity

Select Adelaide Industrial Investment Sales

Date	Property	Price (\$m)	GLA (sq m)	\$/sq m	Yield (%)
Aug-16	1258-1260 South Rd, Clovelly Park	1.73	759	2,273	6.72*
Aug-16	3 Streiff Rd, Wingfield	1.77	1,630	1,086	8.20**
Aug-16	122-132 Purling Ave, Edinburgh#	~15.30	28,832	531	16.7*
Sep-16	21 & 23 Golden Grove Rd, Ridgehaven	1.15	658	1,748	7.30*
Sep-16	24-26 Douglas Dr, Mawson Lakes	1.99	688	2,885	8.06*
Nov-16	74 Hanson Rd, Woodville Gardens	1.08	202	5,322	5.50*

Source: Savills Research ~approximate range #sold as part of a portfolio; individual price not confirmed **after allowing for land tax *passing

Select Adelaide Industrial Vacant Possession Sales

Date	Property	Price (\$m)	GLA (sq m)	\$/sq m
Aug-16	95 Harrison Rd, Dudley Park	1.00	794	1,259
Aug-16	340 Diment Rd, Burton	1.50	6,000	250
Aug-16	16-18 Sunbeam Rd, Glynde	1.18	873	1,346
Aug-16	96 Grand Junction Rd, Kilburn	3.83	4,470	943
Sep-16	76-86 West Ave, Edinburgh	9.50	11,896	799
Oct-16	7 Islington Crt, Dudley Park	3.00	1,712	1,752
Oct-16	72 Nelson St, Stepney	1.12	470	2,383
Oct-16	591 Grand Junction Rd, Gepps Cross	2.50	2,578	970
Nov-16	26-28 Pambula St, Regency Park	1.20	1,379	870

Source: Savills Research

Select Adelaide Industrial Land Sales

Date	Property	Price (\$m)	Area (sq m)	\$/sq m
Aug-16	Gallipoli Dr, Regency Park	4.20	29,400	143
Sep-16	107 Mooringe Ave, Camden Park	3.59	16,190	222

Source: Savills Research

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