



13-17 Demand Avenue . . . for sale by expression of interest

Room aplenty at Arundel offering

by Travis Lye
business property editor

A NOVELTY-goods distributor is on the hunt for a development site after listing its Arundel base for sale in an expression of interest campaign.

Company Papermoon, which supplies promotional material for major events, is looking to downsize from its present 2834sqm premises, at 13-17 Demand Avenue.

The company is linked to Morris Kuper who bought the distribution centre through vehicle Vajetin in 2001 at a cost of \$600,000.

Agent Ken Clark, of National Commercial Realty, said Papermoon was looking to build a new warehouse and administration building at Nerang or Yatala and was selling the Demand Avenue holding to finance the project.

"The company needs the funds to build," he said.

Mr Clark said Papermoon would consider a lease-back deal as part of the sale, or a deferred settlement.

"Effectively, it is selling a property with an immediate earning possibility," he said.

"The Demand Avenue property is too big for the company's needs and provides the buyer with potential for further development."

Mr Kuper has had plans drafted for a second building, measuring 1888sqm, to be developed on the 8182sqm parcel.

However, the development plan does not have city council approval.

Mr Clark said the opportunity to further develop the Demand Avenue holding was unique in the Arundel area.

He said Arundel's industrial precinct was close to being built out and further development of the block would create high returns for any buyer.

"There is only 26 per cent of the land used at the moment, so there is great potential for the block."

Mr Clark said the property would suit an owner-occupier.

The parcel carries an Industry One zoning.

The holding has more than 5300sqm of compacted-blue-metal hardstand area, which is used for truck parking.

Mr Clark said the existing factory and office building was able to house a large-scale manufacturing, transportation or distribution operation.

The tilt-panel building includes an airconditioned 406sqm administration area with slate floor across two-levels; partitioned offices, separate amenities and a reception area.

It has three 5.5m-high rollerdoors, internal clearance of up to 6.4m and two gated access points.

Mr Clark said the property had attracted strong inquiry from across the Gold Coast.

The expression of interest campaign closes December 12.

Brissie house prices

Frizelle Group buys at Arundel



342 Brisbane Road... earmarked by the Frizelle Group for its parts distribution business

GOLD Coast automotive group James Frizelle has snapped up a property at Arundel three days after it was put to the market.

Frizelles has entered into an unconditional cash contract for the prominent 1.6ha site, at 342 Brisbane Road, which was formerly home to Vision Cabinets.

Group general manager Brett Frizelle said the property would house the company's parts distribution business and provide space for the preparation of new and used vehicles.

Mr Frizelle said the purchase would free-up precious space at the group's Southport headquarters where vehicle servicing, showroom and parking areas would be expanded.

"The Brisbane Road property solves a lot of growing-pain issues that we have at the moment," he said.

Mr Frizelle said it had been difficult to find a large landholding with established buildings that suited the group's requirements.

"We did not want to go through the two-year or three-year process of finding land, obtaining approvals and then building," he said.

"We wanted something that would suit us from day one."

"It was nearly impossible to find."

Mr Frizelle said part of the Brisbane Road property, which is on an elevated corner at the junction with Captain Cook Drive, would be used for vehicle sales in the future.

"There is fantastic exposure there," he said. The value of the deal was not disclosed but is understood to be in excess of \$10 million.

Seller John Dillon last month launched an expression of interest campaign to find a tenant or a buyer for the large industrial holding.

The property, a release to the market followed a sudden move before Christmas to wind up the former tenant, Vision Cabinets.

Agent Ken Clark, of National Commercial Realty, negotiated the deal but declined to reveal the selling price.

"It was an offer too good to refuse," he said. Offers above \$10 million had been sought for the property.

Mr Clark said Frizelles had made one of four genuine offers received within a day of the campaign being launched.

He said the strong response to the campaign revealed pent-up demand among owner-occupiers seeking large industry holdings.

The property has about 6400sqm of floorspace under roof including two factory-warehouses and 815sqm of refurbished office-showroom space.

Vision Cabinets had been about 18 months into a five-year lease when it ran into difficulties.

Mr Dillon, who with others established Vision Cabinets and sold the business several years ago, had held the property for almost 20 years.

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Fri 22nd Feb. 2008.

Medical use parcel assembled for \$7m

A PRIME corner holding in Southport's medical precinct is tagged for redevelopment down the track after being assembled in two offmarket deals worth more than \$7 million.

The transactions have placed a 2709sqm holding at the corner of Nerang and Cougal streets, and positioned directly opposite Gold Coast Hospital, under the control of Singaporean interests.

State Government records show that company GJ Lim bought 129 Nerang Street, which houses the Southport Specialist Centre, for an outlay of \$1.4 million in July.

The seller was Christopher Holst who acquired the property in April, 2000, for \$510,000.

It is understood that the company has since paid about \$6 million to acquire the adjoining corner parcel, at 127 Nerang Street.

That property houses the Gold Coast Specialist Medical Centre.

It has been sold by the Hill family of Mudgeeraba, which had held the property since 1987 when it was bought for \$936,000.

The Gold Coast Specialist Medical Centre is fully leased, has a net lettable area of around 1215sqm and returns a net income of \$338,000.

Southport Specialist Centre is also fully leased with 437sqm of floorspace returning \$98,000 gross a year.

For redevelopment purposes, the assembled parcel can accommodate a building with seven storeys as of right.

Under the Gold Coast City Council planning scheme for the Southport medical precinct, the property can be developed at a maximum density of one bedroom per 33sqm of net site area.

The scheme calls for uses that are complementary to the nearby hospital. However non-medical uses, such as apartments, can be integrated within buildings as long as there are medical uses at ground level.

Agent Ken Clark, of National Commercial Realty, handled both deals but was unable to disclose the selling price.

Mr Clark said the buyer intended to take advantage of the holding income the properties provided and to redevelop the adjoining sites in the longer term.



129-127 Nerang Street... acquired by Singapore interests for redevelopment down the track

Fr: 13th Oct 2007

Fri 7th Sept. 2007.

BUSINESS FRIDAY Property

Demand Ave offers room for expansion

A GOLD Coast civil works firm has outlaid \$1.95 million to buy a larger headquarters at Arundel.

JFM Contracting acquired the property, at 5 Demand Avenue, in a deal handled by Ken Clark, of National Commercial Realty, that is due to settle on Tuesday.

The property's 2010sqm site houses a 980sqm building.

Mr Clark has sold 5 Demand Avenue four times and has handled at least five other deals in the popular industrial street where, he said, owner-occupiers were now predominant.

"Owner-occupiers are driving the market at the moment," he said.

Another end-user, a group encompassing Superior Jetties and Superior Plastech, recently paid \$4.3 million for 20 Demand Avenue, which it plans to make its base.

JFM director John McFaul said the company would start moving into 5 Demand Avenue soon after settlement.

Mr McFaul said the firm had outgrown its present location, in nearby Evergreen Court.

"Suburbia has taken over and we have to move to an industrial site," he said.

JFM undertakes infrastructure work and counts the city council as a client. It was established in 1984 with four staff and now employs 40 people.

Its 5 Demand Avenue



Ken Clark with John McFaul . . . room to grow

premises has a clear-span warehouse with vehicle entry at rear, 160sqm of airconditioned office space and a security system.

Seller Burleigh Industrial Park No 3 refurbished the holding after buying it in February for \$1.87 million.

The property was put on the market at \$2.1 million during the

refurbishment period and later became the subject of an expression of interest campaign.

JFM bought the holding in the first week of the campaign.

The property has an Industry 1 zoning and parking for 18 vehicles.

It was previously home to plastic-bottle maker Sunplas, which has moved to Yatala.

NO one in retirement play

Fri. 3rd Aug. 2007

Property

BUSINESS FRIDAY

Superior businesses positioned for growth

by Tracey McBean
business property
editor

GOLD Coast companies Superior Jetties and Superior Plastech have outlaid \$4.3 million for a significant industrial premises at Arundel to house their ongoing expansion.

5258sqm property is at 20 Demand Avenue and is occupied by a 2610sqm tilt-slab building that is partly leased to an importer.

The purchasing companies are linked to John and Jackie Hogan.

The couple took over Superior Jetties in 2002 and formed Superior Plastech in the same year.

Superior Jetties builds commercial and domestic marine berthing systems while Superior Plastech specialises in the manufacture of rotomoulded and CNC-machined plastic products.

Mr Hogan said the Demand Avenue premises would provide significantly larger production facilities for Superior Plastech and house the headquarters of both companies.

"Our commercial and marina division is continuing to expand, with the start of major local and international projects," he said.

"And, with our Superior Plastech business



Agent Ken Clark with John and Jackie Hogan ... new premises a platform for growth

growing rapidly - we have purchased additional machinery to broaden our product range - we had to find a large facility to provide a platform for growth of our businesses."

The production facilities of Superior Jetties will remain at Jade Drive, in Molendinar.

The companies will move into about 1600sqm at Demand Avenue in September.

The deal, which settled this week, is the fourth in five years involving the Demand Avenue property.

The Hogans' companies acquired the property from Sydney investor Steven Pongrass who bought it in November, 2005, at a cost of \$3 million.

Agent Ken Clark, of National Commercial Realty, said Mr Pongrass had been seeking a ten-

ant for the vacant space when the Hogans indicated that they wished to buy the property.

Laminate products importer Durostyle occupies about 980sqm of the premises on a recently signed three-year lease that reflects a rental of \$125/sqm net.

Mr Clark, who has handled the past four sales of the property, said Demand Avenue lived up to its name because of its proximity to Smith Street, Brisbane Road and the Pacific Motorway.

He said the street's generous width provided easy access for B-double trucks.

In May, Superior Plastech announced it was expanding after buying production technology that enables it to increase the range and complexity of products.

Plastech products include everything from water tanks to custom-moulding of specialist marina components, port-a-loos and commercial lighting systems.

Formed to supply to the Superior Group, the company has filled a void in the market for quality plastic products.

Superior Plastech clients include Coast boatbuilders Riviera and Mustang Marine.

Superior Jetties manufactures marina berthing and boat-lift systems, and pontoons.