

Deutsche purchase keeps North Ryde pot boiling

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The spending spree in Sydney's North Ryde continues, and a \$22.5million purchase by Deutsche Diversified Trust has taken deals in the area to about \$340 million since the start of the year. DDT acquired the property, located at 40 Talavera Road, from owner/occupier defence technology company BAE Systems.

The 2.5 hectare property has 14,200 square metres of offices and a warehouse and includes 379 car spaces.

BAE still occupies the building and is in discussions with DDT as to whether it will enter into a lease for a third of the space.

DDT general manager David McFadyen said the two parties would come to an agreement on this point within a month.

DDT plans to refurbish the building at a cost of about \$8 million immediately following settlement, and will enter into medium-term leases for the property.

"We already have about four or five enquiries," Mr McFadyen said.

After five years, the trust plans to substantially redevelop the site, which it believes has room for a further 10,000sqm development.

One factor driving DDT's interest in North Ryde is the anticipated Chatswood to Parramatta rail link, which would greatly increase accessibility to the area.

Traditionally a high-tech market, the area has recovered from the so-called "tech wreck" and is experiencing strong interest from both buyers and lessees across a range of industries, according to Colliers International's Malcom Tyson, who negotiated the DDT deal.

Macquarie Goodman Industrial Trust has been another active buyer in North Ryde in recent months. Earlier this month, MGIT bought the adjoining site to DDT's acquisition for \$24.6 million from Gwynvill Trading. And last month it bought the ResMed Holdings offices and warehouse in Waterloo Road for \$34 million.

In March, MGIT announced the \$76 million purchase of the Binary Centre from the East Asia Property Group.

Other buyers have also shown strong interest in the North Ryde region. Late last month, ICA Property Group bought an office building at 5 Byfield Street for \$3.3 million.

In March, property syndicator **Century Funds Management** acquired an office building at 80 Waterloo Road for \$18.835 million.

In February, Fujitsu Australia reportedly bought a North Ryde data centre, which had been constructed at a cost of \$75 million, from failed internet application hosting company Exodus Inc.

Also in February, Deutsche Industrial Trust bought a 75 per cent stake in Foundation Macquarie Park Trust, the owner of high-tech business park Foundation Macquarie Park in North Ryde, for \$83.25 million.

Units in DDT closed yesterday unchanged at \$1.17.