



CAPITAL GAIN

Historic Flinders Lane building on the market

The Poulakis family, owners of luxury clothes retailer Harrolds, are selling an old Victoria University CBD campus which fronts one of the city's coolest new laneway bars is up for sale.

The historic seven-level building at 301 Flinders Lane was vacated by VU in 2022.

The office, formerly Reliance House, runs almost the entire length of Mill Place, where a bar, optimistically labelled a speakeasy, opened a few months ago.

Mill Place Merchants is entered via a foyer decked out as a vintage tailor's workshop with access to the bar through a hidden door disguised as a full-length mirror.

The Poulakis family also own the freehold of the bar at 2 Mill Place which they bought at auction in 2015 for \$4.02 million.

A year later they bought the VU campus for \$34.2 million. Built in 1913, it was designed by Nahum Barnett, the architect responsible for many of the city's historic buildings, many showing "a glorious fluorescent Italian style," according to the Australian Dictionary of Biography.

Nicole Lindsay



VU moved out of the 4755-square-metre building in 2022 for a new tower built by ISPT on Little Lonsdale Street behind the majestic former Land Titles and Births, Deaths and Marriages buildings. ISPT acquired those properties for \$82 million in 2018, as part of the deal with VU.

The Flinders Lane building is on a 895-square-metre site. No longer vacant, it has three tenants occupying more than half the space, including the Engineering Institute of Technology and Genesis International College.

On the other side of the old mill, and providing direct access to Flinders Street and the railway station is VU's second former campus in the precinct. The 13-storey building at 300 Flinders Street was bought by Marprop Real Estate Investors and Futuro Capital in 2022 for \$80.8 million.

JLL agents Nick Peden, Josh

Rutman and MingXuan Li are handling the expressions of interest campaign. It's expected to fetch about \$35 million.

HIGHLANDER II

The former Highlander nightclub is back on the market and waiting for a fresh 2020s reinvention.

Up Flinders Lane and down another alley near the King Street nightclub strip, the historic three-storey warehouse neighbours the Highlander Mews townhouse complex which is part of a Flinders Street facing development site.

Colliers agents Nick Garoni and Matt Stagg have picked up the listing for No.11a on the back of their campaign for the neighbouring site which has a permit for a 24-level tower.

The now vacant nightclub comes with a coveted 3am liquor licence. It is expected to fetch around \$5.5 million. Records show it last changed hands during the depths of the 1990s recession in 1996 for just \$360,000.

PORSCHE DEALERSHIP

In a first for the automotive retail industry, two Porsche dealership

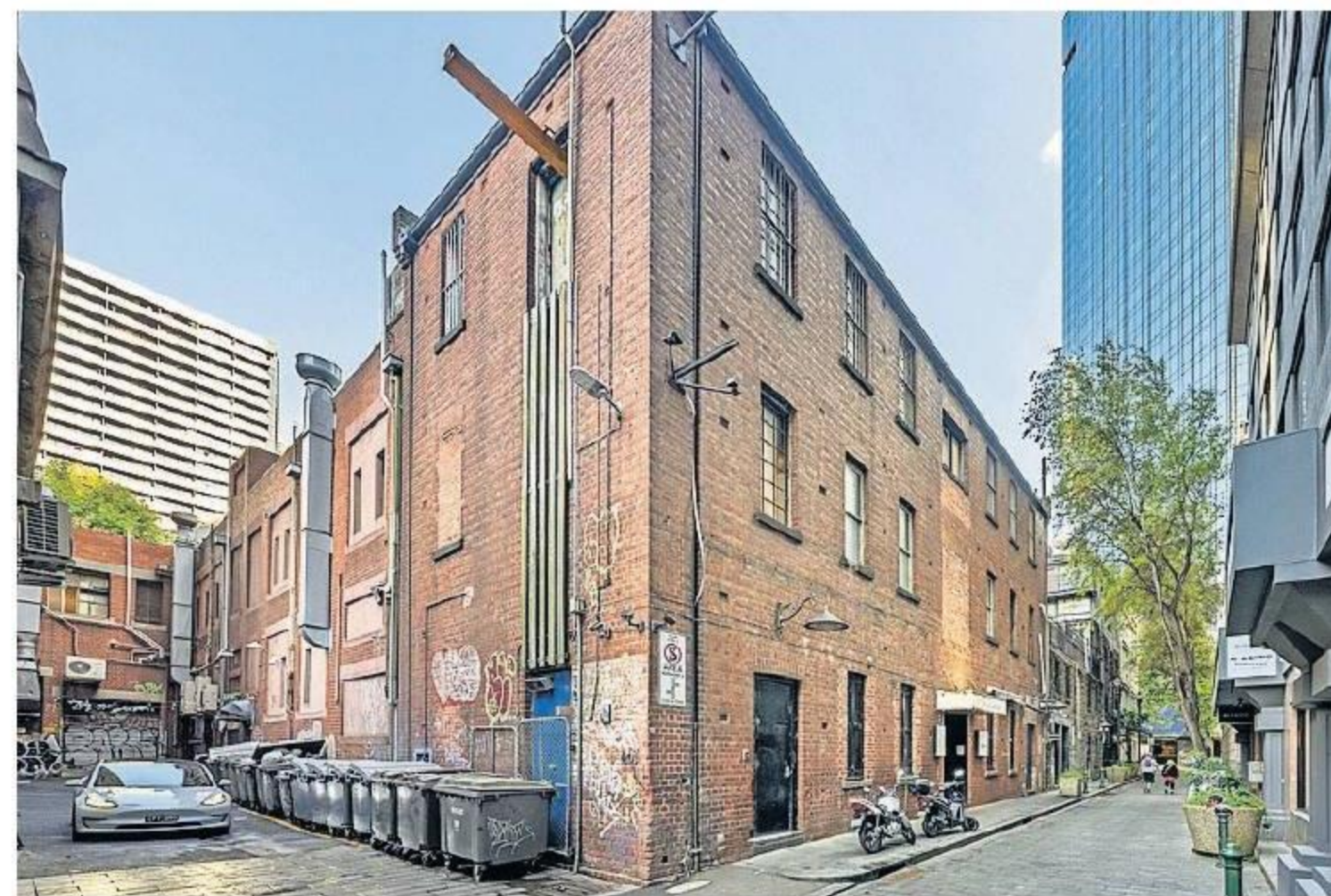


freeholds are on the market. Porsche Centre Brighton and Porsche Centre Doncaster – covering petrol heads north and south of the Yarra – have hit the market following purchase of the dealerships by US auto giant Penske in April.

Their former owner, the Preston Motor Group, is now selling the freeholds, which come with fresh 12-year leases.

Porsche Centre Brighton has a plum spot on the Golden Mile at 855-859 Nepean Highway, on a 4049-square-metre parcel of land. Further down the road is Brighton's Mazda and Audi dealerships.

In the north, the Porsche Centre at 839 Doncaster Road is on a 1674-square-metre plot on the eastern side of shopping centre behemoth, Westfield Doncaster.



Clockwise from main: The old Victoria University CBD campus at 301 Flinders Lane; the former Highlander nightclub is back on the market; the Porsche Centre Brighton at 855-859 Nepean Highway is for sale.

redevelop the remainder in the future.

Telling and Code have also sold a rare main road property in Dandenong South for \$16.95 million on a tight yield of 4.54 per cent. The property covers only 16 per cent of the 20,690-square-metre parcel of land 65-75 Princes Highway.

SUBURBAN OFFICE

Listed property fund Centuria is bowing out of its Mulgrave office investments five years after paying \$27.8 million for 13-15 Compark Circuit.

The two office buildings make up almost 10 per cent of Centuria's unlisted \$215 million Diversified Property Fund and have a book value of \$21 million.

The acquisition was the Centuria fund's first foray into the Melbourne market back in 2019 when suburban offices in the Monash Innovation Cluster seemed like a safe bet.

Centuria Head of Funds Management Jesse Curtis said the fund is rebalancing its portfolio to provide "a greater exposure to industrial and social infrastructure sectors."

The partly leased buildings have a 4.5 Star NABERS energy rating and are on separate titles on an 8339-square-metre landholding with 226 car parking spaces. They have been recently refurbished.

Colliers agents Alex Browne, Ben Baines and Eddie Foulkes, with JLL's Tim Carr, Mark Stafford and MingXuan Li have the listing.

JLL's Stuart Taylor, Tom Noonan, Jarrod Herscu, and MingXuan Li have the listing, with Mark Wizel's Advise Transact are acting as transaction manager.

PM Group chairman James Bergmuller, who opened the Brighton business in 2009, said: "We are not in the property investment business, we are in the automotive business, and since our interest in the dealerships has

been divested, the property has become non-core."

The two properties together are expected to change hands for about \$50 million but are available individually.

SALE YARDS SELL

Meanwhile, another automotive group is getting into the property business, paying \$25 million for the Victorian Livestock Exchange's

6.8 hectare sale yard in Pakenham.

Records show HFH Automotive Group's Jonathan Hardwick has slapped a caveat on the property at 39 Exchange Drive. The sale yard there was one of Victoria's biggest sale yards, running more than 100,000 head of cattle through its pens every year.

It closed this month with all its gear transported to the Leongatha sale yard in south-east Gippsland.

The deal means graziers will no longer have a sale yard close to the city to sell their cattle. The VLE, which is owned and operated by players in the cattle industry, had built and operated the Pakenham sale yard since 1999. It had replaced a facility in Dandenong which operated for 20 years after the closure of the Kensington sale yards. Now an inner-city suburb, it was one of the smellier inner-city industrial sites of the mid-20th century.

Other sale yards in Victoria are located in Ballarat, Hamilton, Swan Hill and Wodonga.

The deal was negotiated by Colliers agents Daniel Telling and Gordon Code, with Facey Property.

It's understood, HFH Automotive, which has several dealerships in nearby Berwick, will occupy part of the site and