

# — Salta Properties

## VPA Leading Practice Series #2

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Suburban Renaissance –  
Urban Renewal and  
Jobs in the Suburbs



For more than 45 years, a focus on stability and diversification has seen Salta Properties flourish. Our breadth of property development projects and investments across multiple sectors has helped us become one of Australia's largest, privately owned companies.

— The Salta development division is responsible for commercial buildings, retail centres, industrial facilities and exclusive residential properties across the country.

Forging a reputation for a capacity to efficiently deliver large scale projects at a high standard, our developments division has a project book value exceeding \$4 billion.

Salta Properties has successfully executed both urban regeneration and ‘greenfield’ developments, on single sites and across large precincts with multiple land titles. We aim to create meaningful environments that provide a sense of community.

## **Australia as a whole has seen a trend in decentralisation in the office market.**

More and more corporations are seeing the benefits of decentralisation within suburban or city fringe business parks and campuses.

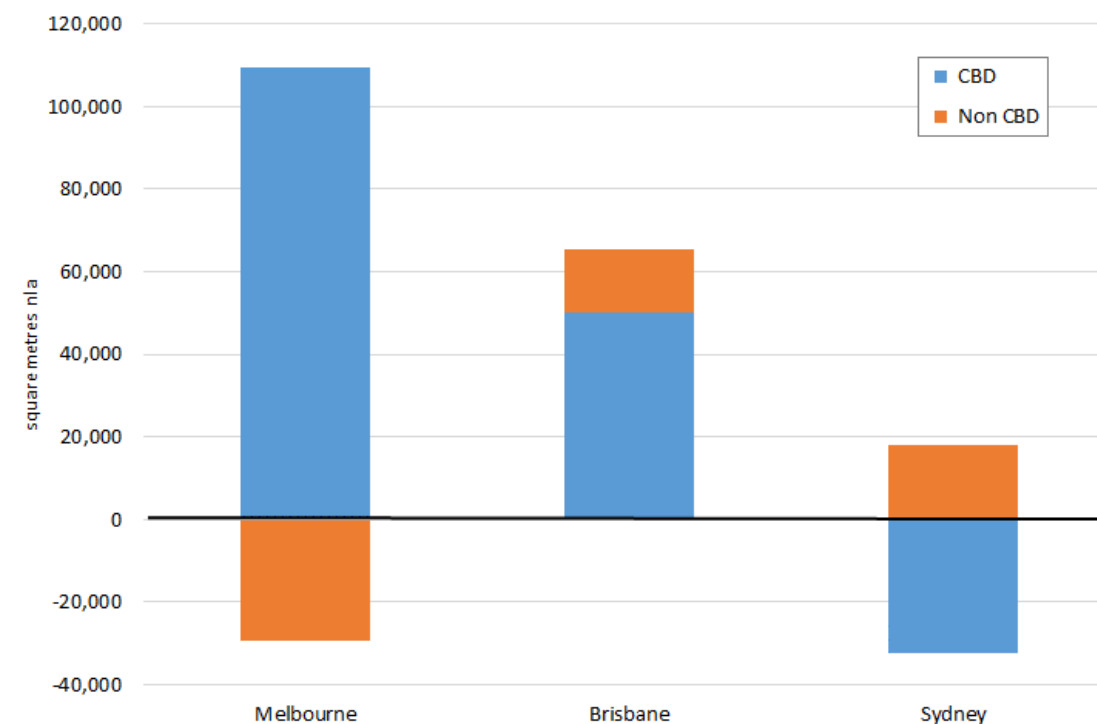
Sydney and Brisbane are leading this change:-

- Sydney
  - Non CBD office space leasing increasing by approx 20,000sqm (Aug 2016-Jan 2017)
  - CBD office space leasing decreasing by approx 30,000sqm (Aug 2016-Jan 2017)
- Brisbane
  - Non CBD office space leasing increasing by approx 20,000sqm (Aug 2016-Jan 2017)
  - CBD office space leasing increasing by approx 50,000sqm (Aug 2016-Jan 2017)

Melbourne has not yet joined the trend, however Salta Properties' experience and data has shown that even though greater Melbourne still shows a trend towards CBD office centralisation, A Grade suburban commercial business parks and campuses are still in high demand over the inner and outer eastern suburbs.

### **CBD & Non CBD net absorption, 6 months to January 2017**

*Melbourne is the only major city where occupied Non CBD office space is still contracting*



SOURCE: CBA Office Market Report February 2017. Property Council Australian January 2017

# NEXUS

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Salta Properties' position as one of Australia's most respected owners and developers of commercial and industrial spaces is exemplified by **Nexus Corporate in Mulgrave.**

## FLYOVER (VIDEO)



**7.12 hectare site was acquired in 2002.** Former use at Nexus Corporate was Trellope, Silverwood and Beck (Warehouse and Manufacturing for Shopfitters).



# EVOLUTION OF THE SITE





# EVOLUTION OF THE SITE



- Built Business Park Units
- Built 37 Dunlop

**2005**



Acquisition of  
McDonalds Lane

**2012**



Acquisition of former  
NEC site Springvale Rd

**2015**

**2009**

Built 1 Nexus Court



**2012/13**

Built 2,4,6  
Nexus Court



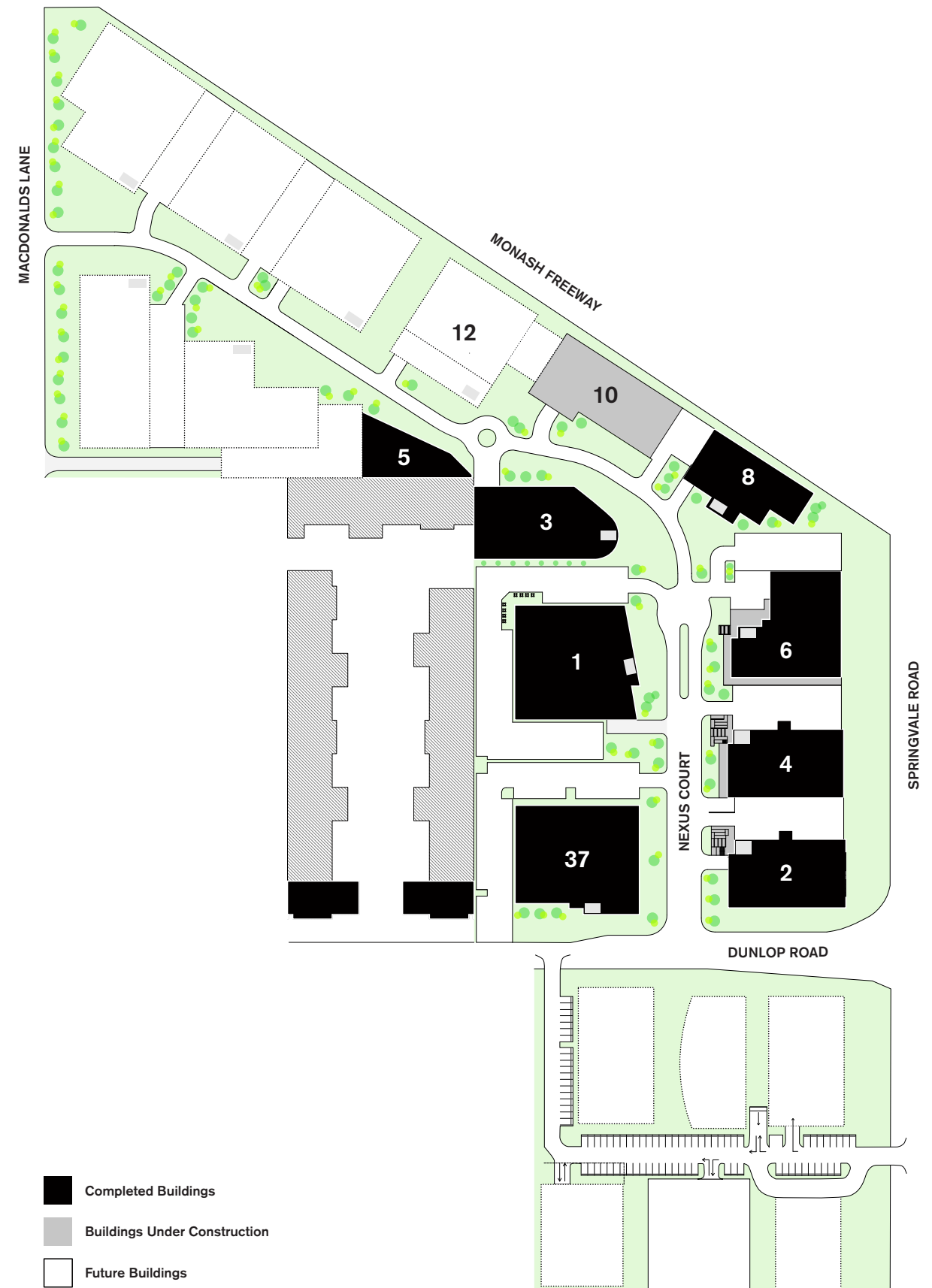
**2015/16**

Built 3,8,5  
Nexus Court



# FUTURE DEVELOPMENTS

- 10 Nexus Court
- 12 Nexus Court
- Approx 5 future sites not yet designed
- Approx 4-6 future sites on NEC site – Springvale Rd



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Nexus now comprises  
**13 hectare site**

Currently houses  
**49,000sqm office space**

|  
When complete Nexus will  
house approx. **120,000sqm  
of premium office space**

## Place Making

There is a high demand for amenity and facilities in A/B Grade office space in suburban commercial campuses.

Nexus Corporate currently offers:-

- 3 x onsite cafes
- 1 x sporting supplies and clothing
- End of Trip facilities include bike racks, showers, change rooms and lockers within each building
- Outdoor terrace and seating areas
- Onsite childcare operator

Nexus Corporate proposed future plans include:-

- Greater number of healthy food options
- Convenience store
- Hotel (onsite accommodate option)
- Running track
- Green space

## **Leasing Facts & Figures**

- 49,000sqm total office space
- 8 completed buildings for lease
- 1 existing building for lease
- 43,500sqm of total leased tenancies (95%)
- Average leasing campaign time frame – 6 months on completed buildings

## **Projects Direct Community Benefits**

The community benefits are varied and include:-

- 4,000 FTE jobs within Nexus Corporate, Mulgrave
- Close to \$198 million value in development and infrastructure to date
- Significant 13.3ha urban renewal precinct
- Location adjacent to a major arterial - Monash Freeway
- Creation of a suburban commercial district within the Monash Technology Precinct

## **Employment**

The project has increased employment substantially within Mulgrave to date, specifically:-

- 900 additional construction jobs
- 18 additional retail jobs
- 4,000 additional commercial jobs
- 35 additional service jobs
- Total employed by development – 4,953 to date



# **Nexus Corporate is home to blue-chip tenants including:**

- adidas
- Carlisle Homes
- Renault
- IAG
- Bristol Myers Squibb
- Nestle Heath Sciences
- GS1
- ADP

# VICTORIA GARDENS

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**In the heart of Richmond**, close to the CBD, Victoria Gardens comprises three office buildings with flexible commercial space as well as a major shopping centre and multiple high-density residential communities.

An aerial photograph of an industrial site, likely a former railway or manufacturing area. The foreground and middle ground are dominated by large, rectangular industrial buildings with flat roofs. Some buildings have corrugated metal roofs. To the left, there are several long, narrow structures that look like train cars or storage units. The background is filled with a dense residential area with many small houses and trees. The overall tone is dark and grainy, suggesting an older photograph.

Site Acquisition in 1995

Former use of the Victoria Gardens  
Site: Charles Ruwolt Pty Limited -  
Richmond Works

# EVOLUTION OF THE SITE

FEBRUARY –  
1995





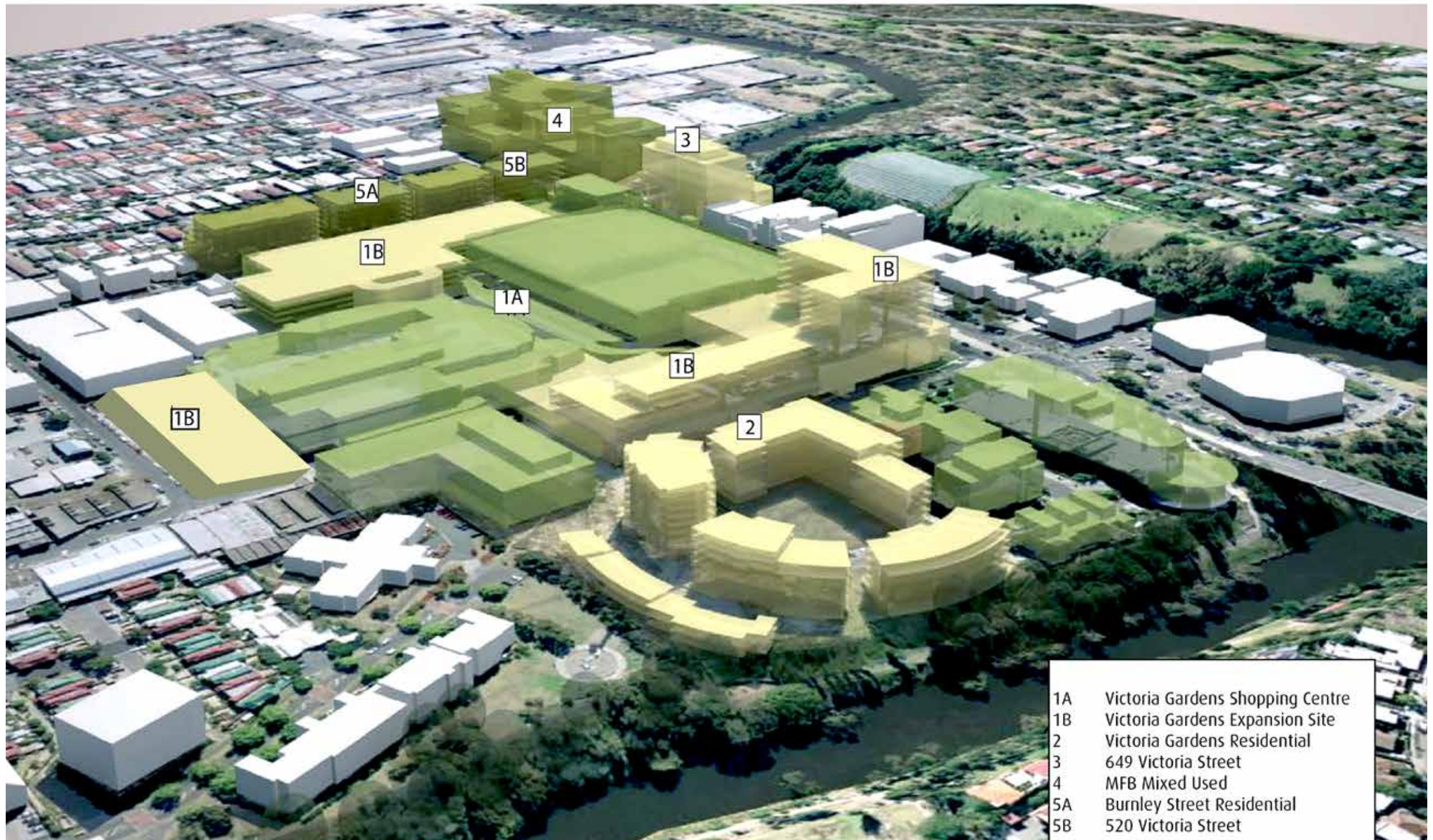
# EVOLUTION OF THE SITE

MAY –  
2014





# MASTERPLAN FOR THE SITE - FURTHER DEVELOPMENT





# EVOLUTION OF THE SITE



Courtyard Apts  
**2000**

678 Victoria St  
Commercial Offices  
**2002**



Victoria Garden  
Shopping Centre  
**2004**



Richmond  
A Place to Live Apts  
**2012**



A Place  
to Live Apts  
**2016**

**1999**

- Riverside Apts
- Boulevard Apts



**2003**

600, 610 Victoria St  
Commercial Offices



**2009**

40 River Blvd  
Commercial Offices



**2014**

Green Square Apts

**2016/2017**

678 Victoria Street  
Commercial Office  
Refurbishment



## FUTURE DEVELOPMENTS

2016

### — The Park House Apts

*(Residential - now selling off the plan)*

### — Walmer Street Apts

*(Residential - planning)*

### — River Boulevard Apts

*(Residential - design)*

### — Victoria Gardens Shopping Centre Expansion

*(Retail, Commercial and Residential)*



Current Residential Dwellings — **1,042**

Estimated Residential Dwellings  
once complete — **2,650**

Current Commercial Office Space —  
**30,000sqm**

Current Retail Space — **45,000sqm**

Estimated Retail Space once Victoria  
Gardens East expansion complete —  
**52,300sqm**

## Place Making

The Victoria Gardens Precinct has evolved over the last 15 years within the commercial, retail and residential property sectors.

There is high demand for A Grade commercial office facilities located on the city fringe.

Victoria Gardens currently offers:-

- Victoria Gardens Shopping Centre
- A multitude of cafes and restaurants
- End of Trip facilities include bike racks, showers, change rooms and lockers
- Bicycle storage
- Access to Yarra Trail bicycle tracks
- Approx 1,100 apartments
- Commercial, Retail and Residential property offerings

Victoria Gardens proposed future plans include:-

- Extension to the retail offering including the Victoria Gardens Shopping Centre and addition retail showroom
- Greater cafe and restaurant offering
- Approx 1,000 apartments

## **Leasing Facts & Figures**

- 30,000sqm of total office space
- 3 completed buildings for lease
- 22,500sqm of total leased tenancies (75%)
- Average leasing campaign time frame – 6 months

## **Projects Direct Community Benefits**

The community benefits are varied and include:-

- 3,000 FTE jobs within Victoria Gardens Precinct
- Close to \$564 million value in commercial/retail development and infrastructure including Victoria Gardens Shopping Centre, Victoria Gardens Corporate, widening Victoria Street, straightening the tram tracks, telecommunications works, bike path entry to Walmer Street, and future works to Walmer Street Plaza to date
- Significant 15ha urban renewal precinct
- Located on the Melbourne city fringe
- Fully integrated mixed use precinct

## **Employment**

The project has increased employment substantially within Richmond, specifically:-

- estimated 2,500 additional construction jobs
- 1,500 additional retail jobs including 380 Ikea jobs
- 1,500 additional commercial jobs
- Total employed by development – 5,500 jobs to date

# Thank you

