

Como sale may yield Mirvac \$200m

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The Como Centre in South Yarra.

Mirvac Group could pocket more than \$200 million from the sale of Melbourne's Como Centre in prestigious South Yarra, as it focuses on developing larger office and residential projects.

The development giant has listed the multi-use Como Centre after coming close to selling it for \$150m two years ago when a sale to local Melbourne developer Fridcorp, which undertook due diligence, was in prospect.

Mirvac has appointed Colliers International and McVay Real Estate to sell the centre with the agents billing the asset in the heart of Melbourne's fashion precinct as one of Australia's finest mixed-use complexes.

Occupying a two hectare site with more than 300 metres of street frontage to Chapel Street, Toorak Road and River Street the property generates more than \$14m of net income from more than 25,000 sqm of office space, 6600 sqm of retail space, as well as a 113-room luxury hotel which is operated by Accor on a lease expiring in June 2021 with a five year option. The centre also sports a car park for 614 vehicles.

But it is the office component that accounts for most of the income. Spread across four towers, including three Chapel Street frontages and a Toorak Road frontage, the office block accounts for more than 60 per cent of the asset's net income.

Office tenants include Channel Ten at 620 Chapel Street while 650 Chapel Street has been completely repositioned and is home to advertising agency Clemenger, which has occupied the building since 2013.

Mirvac is completing a capital expenditure program across the Como Centre's offices including extensive accommodation upgrades and plant replacement. It has also recently received development approval allowing it to reposition the Como Centre, an angle likely to be pursued by offshore groups.

Operated by Wilson Parking on a lease expiring in late August, the Como Centre's large car park is a key asset of the entire operation according to Colliers selling agent, Nick Rathgeber.