



Wheels turn: cyclists had their spin on Eastlink this month; now operators of companies in the southeast are eagerly awaiting the opening of the tollway.

Growing exodus to Nexus

Nicole Lindsay

SALTA Properties is planning to start speculatively building a \$10 million, 4000sq m office building at its Nexus Corporate Park in Mulgrave.

The move follows leasing of the park's first office building and reflects growing tenant demand in the outer east.

According to research by Colliers International, tenant demand has been boosted by construction of EastLink.

There has been a steady decline in the overall vacancy rate for the outer east office market to 8.48 per cent from 11.33 per cent.

The vacancy rate at Mulgrave has fallen by 18 per cent from a high of 18.71 per cent in July 2007 to the current 15.34 per cent.

In the latest deal at Nexus, Melbourne residential developer Carlisle Homes has agreed to lease 552sq m on the top floor of the 4449sq m building.

The undisclosed rent is believed to be around \$250 a sq m.

According to Colliers International leasing agent Travis Myerscough, the new lease will provide Carlisle with expansion space on top of the 1600sq m the firm leased at the building in June last year.

Salta is now expected to proceed with a new \$10 million, development confident that there's sufficient tenant demand for both the product and its environs, Mr Myerscough said.

"The successful leasing of the first spec building, along with IMA Insur-

ance's pre-commitment to a seven year lease over a 7000sq m building at the park, and the strong inquiry we have for similar space, have all proven Salta has a winning formula," Mr Myerscough said.

IMA will relocate staff from the city to establish a call centre at the park.

Mr Myerscough said the availability of new stock, relatively cheaper

'THE SUCCESSFUL LEASING OF THE FIRST SPEC BUILDING, ALONG WITH IMA INSURANCE'S PRE-COMMITMENT TO A SEVEN-YEAR LEASE OVER A 7000SQ M BUILDING AT THE PARK (PROVE) SALTA HAS A WINNING FORMULA.'

rents, and EastLink had driven a strong rise in leasing activity in the outer east with more than 29,000sq m leased this year.

The lack of alternative and affordable options in the tight inner east and city fringe regions and the "flight to quality" office space had also been important factors, he said.

Located in the Monash technology precinct, the 7.1ha Nexus Corporate Park will eventually include 55,000sq m of campus style office and hi-tech space.