

DEALS&DEEDS



\$7.85m Port Melbourne sale shows a ‘sharp’ industrial yield

THE Mercedes-Benz office warehouse in Port Melbourne, which was purpose-built last year by Salta properties, has been sold to a private Melbourne investor for \$7.85 million.

The Wharf Road property is leased to Mercedes-Benz for 10 years and has an income of about \$603,000 — reflecting a relatively low yield of 7.6 per cent.

Agent Joseph Carbone, director of Vinci Carbone Property, said the yield was “one of the sharpest for an industrial investment” that he had seen in the Australian market recently.

“This time last year we would have been talking about yields about 8 per cent,” Mr Carbone said.

“This is evidence of a strong investment market and strong demand from private investors for premium quality assets,” he said.

Salta managing director Sam Tarascio said the sale showed that buyers were not just looking for a lucrative yield, but were interested in the lease over the property and the quality of the building.

Salta will use the proceeds of the sale to start one of its development projects, but declined to say which.

