



Clough takes bigger slice of space at office tower

CATHY SAUNDERS

Engineering and construction company Clough has upped the ante on its leasing deal at the \$220 million Alluvion building in the CBD, raising its commitment to almost half of the tower.

It has signed to lease an extra two floors of office space, and it now will take 10 of the 21 storeys.

The new deal means the A-grade tower, being built by joint venture partners Charter Hall's Opportunity Fund No. 4 (CHOF4) and Cape Bouvard Investments, is 95 per cent leased well ahead of the scheduled completion date of April next year.

Clough undertook a year ago to lease 12,560sqm of office for a 12-year term but the latest contract brings its total premises to 15,700sqm in the building situated at 58 Mounts Bay Road. It is centralising its workforce which is scattered across several CBD buildings.

Other tenants who have leased whole floor space in the Alluvion over long lease terms include Euroz Securities, North West Shelf Shipping Company and Cape Bouvard Investments, each securing 1570sqm. The project leasing agent, Savills, has also taken space within the building.

Charter Hall joint managing director David Southon said the rents ranged

from \$500/sqm to \$630/sqm.

"They are very sustainable rents, not the headline rents you see for sitting tenants who are paying \$850/sqm to \$900/sqm," he said.

In all, the tower has 22,400sqm of net lettable office space and three levels of secure parking.

Clough's decision means all there is available to lease is half a typical floor or almost 800sqm, which is likely to rent for about \$650/sqm, and the top floor, which is boutique space of 372sqm, tipped to lease for up to \$850/sqm.

Alluvion's main access will be from St Georges Terrace via the Westralia Plaza laneway and across a pedestrian bridge to the elevated main lobby on level three. The three-storey lobby, which will feature a cafe/restaurant, breaks out into a piazza area.

There will also be access from Mounts Bay Road through a smaller lobby, up past the carpark to the main lobby and offices above.

"Every office floor will essentially have a view out over the top of the Convention Centre down to the Swan River," Mr Southon said.

The design of the building has incorporated the latest environmental design initiatives, with the developers aiming to achieve 4 Star Green Star Office Design v2 and a 4.5-star NABERS Energy

ratings.

Cape Bouvard's general manager, Lee Pinkerton, said the long-term commitment by major tenants demonstrated a high level of confidence in Perth office markets.

Mr Southon said the Clough deal came on the back of another significant deal by Charter Hall in Brisbane recently, where it leased 10,344sqm in its building in George Street to Queensland Gas Corporation, bought recently by British Gas.

The major part of the building, 41,000sqm, has been taken by Telstra. "So now essentially that tower is 100 per cent leased," Mr Southon said.

The Brisbane and Perth leasing deals were significant in the current market, which was full of negativity.

"There are a number of major groups, like Clough, that very much have an eye on the future," he said.

"Clough were in a number of different locations in Perth and to be able to bring it all together under one roof at sensible commercial rents and new fit-outs makes it pretty good for them."

Alluvion will form part of the proposed key CBD office and retail precinct that will include Westralia Plaza, Brookfield Multiplex's City Square which will be home to BHP Billiton, and Westralia Square.



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Nearly full: The Alluvion is scheduled to be completed in April next year.