

Property Commercial Market

Duo takes a punt on Burnley

Susannah Petty

Nine buildings of up to seven storeys will be built next to Burnley Gardens from spring as part of a new \$200 million commercial development.

The controversial Botanica Corporate Park project, an equal joint venture between Macquarie Bank and R. Corporation, will include major transport facilities and eventually house up to 4000 workers.

The detailed plans are the first to come to light since Macquarie and R. Corporation, through their new vehicle RMAC Australia, won State Government planning approval for the five-hectare Swan Street site in February.

The bulk of the 70,000 square metres of floor space is committed to sitting tenants currently in existing buildings on the site, GE Consumer Finance and biotech outfit Amrad Corporation.

GE will lease three buildings while Amrad, the previous site owner, will lease back one building. The largest of these buildings will have 14,000 sq m of floor space.

RMAC paid \$47.5 million for the parcel last year. The cost of the construction project remains undisclosed.

Two other commercial buildings of 6000 sq m and 8000 sq m, plus 1000 sq m of retail space across three buildings are yet to be leased.

RMAC hopes to attract operators for a cafe, restaurant, gym and creche as well as banking and convenience shopping.

The development is unusual both for its speculative nature and its size in a suburban area.

R. Corporation chief executive Andrew Rettig and Macquarie property director Guy Nelson believed demand for commercial space was now higher in the suburbs than the city.

"To have an office park in a location that is three minutes from Toorak, Hawthorn,



Botanica Corporate Park in Burnley, a nine-building complex eventually housing up to 4000 workers.

Camberwell and Kew and to be surrounded by parkland and have a tram super-stop out the front and pedestrian links means it's got a lot of attributes and a number of unique points of difference," Mr Rettig said.

"We're confident that finding tenants won't be a problem."

Leighton Properties is another recently to dive into speculative suburban development with plans for four office buildings in Mulgrave. Indications point to a general rise in suburban rents.

Community groups and former Yarra City Council mayor Greg Barber initially opposed the RMAC scheme because of its proximity to parklands and the Yarra River.

But Mr Rettig said elements of the original proposal had been

redesigned to "ensure minimal impact on neighbours".

"I think it's very important to hear those people," Mr Rettig said. "We've designed the buildings so they have limited impact on the gardens."

"Once people see the final design and layout I think the original anxieties about what is going on there will be put to rest."

Botanica's offices are designed with large, flexible floor plates and will be connected by glass-enclosed air bridges.

The offices have been designed around a central courtyard, set back behind the three retail buildings at the site entrance.

The site will also feature bike paths, a tram "super-stop" on



Swan Street, a pedestrian link to Heyington station and 1650 car spaces, including 1290 underground.

The project is the first joint venture for R. Corporation and

Macquarie. Mr Rettig and Mr Nelson signalled they would consider further joint ventures.

Total construction is expected to take 15 months.