

5 February 2019

The Zenith to be sold with price expectations of over \$400 million

Headline summary:

- **Situated on Sydney's North Shore, the landmark office complex comprises two A grade towers with a total NLA of 44,102 sqm**

The Zenith, located in Chatswood on Sydney's North Shore, is to be sold by Knight Frank and CBRE on behalf of owners Centuria and a private fund managed by BlackRock.

Comprising of two buildings situated on a site of approximately 7,990 square metres the property has price expectations of over \$400 million.

The Zenith is a prominent A-grade asset with circa 44,102 square metres of NLA set across 21 levels. 100% occupied and with a strong WALE of 4.4 years with quality tenants including Property NSW, Commonwealth Government of Australia, Lendlease and Sage.

According to **Knight Frank's Tyler Talbot, Partner, Institutional Sales, Sydney Metro, NSW** The Zenith is expected to receive significant interest from both local and offshore investors.

"The Zenith provides a unique opportunity to acquire a premium landmark asset with a strong tenancy profile and significant untapped growth and value add potential"

"The investment will show a purchaser a significant yield premium to both Sydney and North Sydney CBD's, while also capitalising on the continued strong Sydney Metropolitan rent growth, driven by increased demand and the Government's record infrastructure spending"

"Australia remains an attractive global investment destination with new capital inflows remaining solid for quality assets" concluded **Mr Talbot**.

The Zenith is strategically located at 821 Pacific Highway, with access to Chatswood's excellent public transport links and surrounding amenities, said **Michael Andrews, NSW State Director, CBRE**.

"Chatswood has evolved into a dynamic mixed-use precinct, characterised by major commercial, retail and residential developments, while the Government's continued investment into infrastructure has reinforced the suburb's position as a major centre on the Sydney's North Shore. Prime office rents are 50% less than similar assets in the Sydney CBD and the soon to be completed Sydney Metro, located within 150m of the Zenith will decrease travel time to Barangaroo by 66% to only 11 minutes. Trains will depart every four minutes making Chatswood the most connected location across Metropolitan Sydney."

"We have seen the area becoming increasingly popular amongst multi-national companies due to it's unrivalled retail amenity, with over 200,000 sqm of high quality retail being a strong drawcard for corporate tenants. The office vacancy in Chatswood is at it's lowest levels since the year 2000 at circa



5.5%, however, with strong tenant demand and no new major commercial projects in the pipeline, vacancy is expected to continue to fall below 5% by 2020'

"This is a rare opportunity to buy one of Australia's best metropolitan assets that will offer the new owner a tremendous opportunity to access the continued strong Sydney rental growth story" concluded **Mr Andrews**.

The property is being marketing for sale by **Knight Frank's Tyler Talbot and Ben Schubert** and **CBRE's Michael Andrews and Scott-Gray Spencer**.

For further information, please contact:

Knight Frank

Tyler Talbot, Partner, Institutional Sales, Sydney Metro, NSW
Tyler.Talbot@au.knightfrank.com +61 401 797 804

Tammy Clinch, PR Executive, Australia
Tammy.Clinch@au.knightfrank.com +61 410 714 135

CBRE

Michael Andrews, NSW State Director, CBRE.
CBRE | Capital Markets, Institution & International Investments

michael.andrews@cbre.com.au +61 411 500 016

Kathryn House, Director, Communications, Pacific
Kathryn.house@cbre.com.au +61 402 465440

Ends

Notes to Editors

Knight Frank LLP is the leading independent global property consultancy. Headquartered in London, Knight Frank has more than 18,000 people operating from 523 offices across 60 markets. The Group advises clients ranging from individual owners and buyers to major developers, investors and corporate tenants. For further information about the Company, please visit knightfrank.com.

About CBRE

CBRE Group, Inc. (NYSE:CBRE), a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world's largest commercial real estate services and investment firm (based on 2017 revenue). The company has more than 80,000 employees (excluding affiliates) and serves real estate investors and occupiers through approximately 450 offices (excluding affiliates) worldwide. CBRE offers a broad range of integrated services, including facilities, transaction and project management; property management; investment management; appraisal and valuation; property leasing; strategic consulting; property sales; mortgage services and development services. Please visit our website at www.cbre.com.