

# \$50m boost for industrial market

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**M**AJOR industrial developments, together worth almost \$50 million, are under way after the finalisation of two major lease deals north of the CBD.

Automotive Holdings Group subsidiary Rand will set up shop at a \$35 million office, chiller and freezer facility within the Vicinity industrial estate at Direk.

The 10,500sq m facility will be built on a site of almost 6ha, by Melbourne-based Vaughan Constructions, which acquired the land and negotiated the lease on behalf of the property's developer. The project is due for completion in October.

Meanwhile, workplace products supplier Blackwoods has ended a six-year search for new premises, signing up to a new \$12 million facility at Regency Park.

A 9200sq m facility is being developed by Emmett Property for the Wesfarmers subsidiary, on approximately 2.5ha of land.

Leedwell Property's Steve Smith, who facilitated the deals, said they represented a continuing flight to quality in the industrial property sector.

"Both deals are on significant lease terms and for these businesses represents long-term commitments to their Adelaide businesses," he said. "Our industrial market is really maturing – we're now developing buildings

that address businesses' needs to find operational efficiencies. That means volume, quality of space and staff amenity."

Mr Smith said the industrial market was showing some signs of life. "There have definitely been some businesses that have held back, re-calibrated their business plans and taken time to decide what's the best option for them," he said.

"But we're seeing much more positive sentiment across our industrial market – not only development, but vacant possession sales and we're even seeing some land sales occurring." Former Knight Frank consultant Ben Heritage will join Leedwell's industrial team later this month.



**VICINITY:** An artist's impression of the \$35 million Rand facility at Caribou Drive, Direk.