



DONE: Neill Read negotiated the deal with Queensland Health.

New lease pointing to a healthy market

Phil Bartsch

QUEENSLAND Health has found a remedy for its additional space needs as construction continues on its \$1.4 billion state-of-the-art children's hospital at South Brisbane.

It has doubled its dose of floor space at 199 Grey St, signing a new lease across four levels within the 12,000sq m building.

Neill Read from Trident Corporation negotiated the deal on behalf of landlord Tribune Properties.

Mr Read said Queensland Health had re-signed for levels four and five, which its administration has occupied since 2008, and expanded into a further 791sq m on levels two and three.

He said the extra requirement was for project office space for the Queensland Children's Hospital under construction on nearby Stanley St.

Queensland Health now occupies a total of 1600sq m and has committed to a three-year lease with a three-year option.

The leasing rate has not been disclosed but industry sources estimated the space would fetch between \$535/sq m and \$545/sq m.

Mr Read said the extra space Queensland Health had taken was previously occupied for a short period by Kellogg Brown & Root, which remains in the building on levels eight to 14.

He said the space was completely fitted out with all

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Trident Corporation's Neill Read

furniture, workstations and white goods already in place.

"Apart from its existing presence in the building and its proximity to the project site, a key factor in the deal was that the space in 199 Grey St was available immediately," Mr Read said.

"There was no down time required because it was already fitted out and the project team could move in quickly without any hassles."

Mr Read said due to the lack of supply in the South Brisbane office market as well as the tenancy presenting well with a modern near new fitout in place, a strong level of interest was fielded.

"South Brisbane is arguably Brisbane's most popular fringe location due to the huge amount of amenity in the area, it's easy access to the CBD via the Goodwill Bridge and good public transport links via bus and rail," he said.

"It remains a very tight market which meant we had a very minimal vacancy period."

Vacancy in the city fringe has fallen since the start of 2011 and now sits around 7.4 per cent.

Mr Read said the fringe office market was expected to tighten further throughout 2012, despite an increase in supply.