

Schlumberger lured to Jandakot City estate

Larry Schlesinger

Perth-based property group Ascot Capital has lured another big-name tenant to its 150-hectare Jandakot City business estate in Perth, with oil and gas technology giant Schlumberger leasing an 11,000-square-metre industrial facility in a deal worth about \$1.3 million in annual rent.

New York-listed Schlumberger, which reported global revenue of \$US48.58 billion (\$64.09 billion) in 2014, will amalgamate its Western Australia operations into a new warehouse and office building on a five-hectare site, joining other players

in the oil and gas sector including Halliburton, GE and Sandvik that have facilities at Jandakot Airport, in Perth's southern suburbs.

Perth prime grade industrial rents average \$124 a square metre with a 5 per cent incentive, the latest LJ Hooker Industrial Property monitor shows.

The deal is the second big lease announcement at the business park in recent weeks, after discount retailer Kmart committed to a 41,700-square-metre, \$35 million, office and warehouse complex on a long-term lease in March. That followed Reece Plumbing's 15-year commitment to a 25,000-square-metre office and

warehouse complex in December. Supermarket group Aldi plans to build a 48,000-square-metre warehouse and distribution centre in the business park to support its Western Australia expansion plans, while another retailer, Super A-mart, has just completed construction of a 23,000-square-metre warehouse.

Two-thirds of the Jandakot City estate – under development since being bought by Ascot Capital for \$43.5 million in 2010 – is now either occupied, under construction, or earmarked for construction.

Leasing agents James Condon and Mathew Hopkins, of Savills Australia,

said the identity of the tenant was confidential and declined to comment on the deal. Mr Condon said Jandakot City was in demand because of a shortage of industrial land and because of its location close to important freeways and the Port of Fremantle.

The deals, concluded in quick succession, were bound to drive a new intensity around options for the remaining space at what was one of Perth's two key industrial precincts, he said. The other big precinct is the Western Australian state government's Australian Marine Complex at Henderson, where BHP Billiton and Rio Tinto have facilities.