

# The Courier Mail

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## Top deal for Qld retailers

By Michelle Hele

QUEENSLAND retailers are getting a better deal with their occupancy costs than their southern counterparts, new research has revealed. The research, by **Leasing Information Services**, had previously covered only NSW centres, but has now been expanded to enable comparison with other areas -- and Queensland comes out on top. LIS has a database of more than 15,000 leases from shopping centres and key retail strips in NSW, Queensland and the ACT.

Director of **leasing information services** Simon Fonteyn said research found there was a large discrepancy in occupancy costs across the states.

He said rents in metropolitan centres in Queensland were lower and sales growth was high; as a result, occupancy costs were lower. In sectors such as takeaway food, sales growth on a same-store basis has been very strong -- between 50 per cent and 100 per cent a year for the past two years in Queensland.

Retailers with stores in Queensland, NSW and the ACT were more positive about their Queensland outlets which were more likely to deliver greater returns.

But despite the current rosy picture, Mr Fonteyn warned that rents were on the increase in Brisbane. "And in some circumstances (they) are close to their Sydney counterparts," he said.

He believes there is a number of reasons for this. For some, it is because major centre owners are now interested in offering the same types of rentals across their portfolios, as opposed to state-based rents -- "rather than looking at individual stores or centres", he said.

He also said he believed that some Brisbane landlords were taking the opportunity to set higher rents because of the current market situation.

Meanwhile, rents in regional Queensland are already higher than those in regional NSW.

Mr Fonteyn said this was because Queensland's regional centres were much bigger than NSW, because of larger populations and catchment areas.

**Caption:** SHOPPING around . . . Queensland tops nation's retailer value stakes.

**Illus:** Photo

**Column:** Prime Site

**Section:** REAL ESTATE

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