

# W cashes in on fringe benefits

Tina Perinotto

Michael Williams's W Property has bought a building in Sydney's Strawberry Hills for \$6.75 million, adding to its growing stable of fringe offices pitched to independent businesses, mostly in the creative fields.

Last month, W Property emerged as the buyer of the iconic Valhalla theatre in inner-city Glebe for \$2.95 million.

It plans to convert the theatre into 30 square metre offices that would rent for about \$200 a week, retaining the look and feel of an art deco cinema and the concept of an artistic or like-minded creative community.

It has also adapted into offices the historic Cooperage building in inner-city Pyrmont, where CSR once made its rum barrels, and other buildings strong on character such as 35 and 55 Holt Street in Surry Hills.

W Property's latest purchase is at 191 Cleveland Street, where it will recycle a five-level building previously occupied by the Independent Commission Against Corruption that still features bulletproof glass and other security features.

With the basement, ground and three upper floors, total floor space is about 3200 sq m — 889 sq m on each level.

The sale was negotiated by Nicholas Drake of Drake Properties. The vendor was 191 Cleveland St, a company associated with Peak Property Holdings.



The National Trust has called for the Valhalla conversion in Glebe to be reversible.

Photo: STEVEN SIEWERT

The building's sales history highlights market fluctuations. In 1989, it sold for \$10.5 million. In 1999, it went for \$7.2 million and in 2001 for \$6.162 million.

While most of W Property's previous buildings have been strata titled and sold, Mr Williams said he hoped to lease this one to two or three tenants, or even to a single tenant and to retain it as an investment.

The space would be "studio style",

aimed at attracting creative businesses such as advertising agents, architects and designers, or perhaps private colleges or government departments.

"There are a few enquiries floating around for the whole building," Mr Williams said.

"We will probably strip it back [and incorporate] polished concrete floors and exposed ceilings."

Originally built for a printer, the building features high ceilings and

large round columns that mushroom outwards at the top.

Mr Williams said rents would be about \$300 a sq m, which would be highly competitive compared with typical nearby Surry Hills rents of \$350 a sq m.

Mr Williams is working with Tanner Architects to convert the Valhalla in a sensitive redevelopment that the National Trust has suggested could be reversible in the future.