

# Century draws energy tenants

**Julie-anne Sprague**

The 24-level Century City office and retail tower under construction in the centre of Perth's CBD is shaping up to be an oil and gas hub – with US-headquartered Apache Energy expected to join Japan's INPEX in the new development.

Property sources have told *The Australian Financial Review* that Apache has committed to taking 7000 square metres of space in the tower at about \$690 a sq m.

Neither Apache nor leasing agent Knight Frank would comment on the proposed deal.

It is understood a lease was close to being finalised this week.

Apache will join INPEX, which has 7000 sq m of space spread across the top four floors, National Offshore Petroleum Safety Authority, which has secured 1000 sq m, and the National Australia Bank. NAB has leased about 10,000 sq m of office and retail space at the site.

Century City, which is being developed by Industry Superannuation Property Trust, is on schedule for practical completion on June 1, 2009 while retailers are expected to open in its ground floor malls as early as December.

The 30,000 sq m of office space sits above 8500 sq m of retail tenan-

## KEY POINTS

- The Perth office and retail tower has attracted businesses keen on consolidating dispersed offices.
- Tenants are paying a premium to rent in the city's space-starved CBD.

cies, which have been marketed to mid-level to upmarket retailers. Several big-name groups understood to be finalising leasing deals to open up alongside Hardy Brothers Jewellers and Woolworths.

The development is one of many towers under construction across Perth. It has been jumped on by businesses eager to consolidate expanding operations under one roof.

Apache staff are now spread between 256 St Georges Terrace and 88 Colin Street in West Perth.

The tight vacancy market in the CBD, which is sitting at about 0.5 per cent, has put enormous pressure on rents and has also meant those businesses that have not been quick to secure space are paying a hefty price.

Property sources told *The Australian Financial Review* that the little remaining office space in the tower is being offered at about \$800 a sq m – roughly 15 per cent more than leases settled a few months ago.