Commercial

Office

Adelaide church aspires higher with office tower for health precinct

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What will be one of Adelaide's tallest buildings is slated to rise above one of its oldest, with a plan for a \$450 million, 28-storey office tower to be developed on land behind Trinity Church, on the corner of North Terrace and Morphett Street.

The site's location means the proposed 40,000 square metre development, Trinity City, will form a key element in Adelaide's emerging \$4.2 billion biomedical precinct, home to the Royal Adelaide Hospital, the Women's and Children's Hospital that will be built next door as well as education and research institutions.



The Trinity City tower will rise 28 storeys and encompass 40,000 square metres.

"The one thing missing from the biomedical precinct is state-of-the-art office," developer Jason Di Iulio, of 1835 Capital, told *The Australian Financial Review*.

"What we've now got is a building, a precinct which links right into the heart of the forward vision for the broader area, which is [one of] scientists, medical professionals, mental health professionals [coming] from all over the globe."

Driving the project are local players 1835 Capital and Marlborough Capital, which have struck an agreement with the Trinity Church, whose congregation is evangelical Anglican, to develop the North Terrace site.

Trinity Church, South Australia's oldest church, will be restored along with two other historic buildings at the site, while the tower itself will include 173 EV-enabled car parks – extra parks are a boon for Sunday congregations – a 70-place childcare centre and a 200-person auditorium. Under the agreement, the church receives ground-rent from the tower site.

"Since 1836, Trinity Church has served and nurtured the people of Adelaide and South Australia. The proposed Trinity City development will enhance our ability to continue our mission for decades and generations to come," Paul Harrington, senior pastor of the Trinity Network, said.

The project has been expanded from a 25,000-30,000 square metre building initially envisaged and has been endorsed by the State Commission Assessment Panel.

With construction expected to begin next year, it will be one of the first of the post-pandemic buildings in the CBD, with features such as touchless entry points and access to fresh air through louvres down the building's spine.

South Australia's minister for trade and investment Nick Champion also backed the project which, he said, would be the "perfect addition" to the Adelaide BioMed City precinct, a focus in the state's efforts to cultivate a data-driven precision medicine sector.

"Our government is working with the largest pharmaceutical and digital health companies in the world to undertake research and cutting-edge product development in our state," he said.

"Trinity City will provide some of the best accommodation in the world for medtech and other companies looking to work collaboratively with Adelaide BioMed City."

JLL are advising on leasing and capital partnerships associated with the project.



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Mr Di Iulio said the proposed tower was garnering plenty of interest already from healthcare players and other large corporates.

"We are well underway with conversations with global health corporations on entering the Adelaide market using Trinity as their base. They are significant commitments and significant companies," he said.

The developers were also open to bringing on board capital partners, with interest already being shown by major investors, according to Mr Di Iulio.

Adelaide is proving to be an attractive market for the rapidly growing assets class of healthcare real estate, [https://www.afr.com/property/commercial/life-sciences-drive-real-estate-deals-20210629-p5854m] with fund managers such as ASX-listed Dexus [https://www.afr.com/property/commercial/dexus-snares-adelaide-medical-research-20201020-p566tf]and Canada's NorthWest Healthcare Properties [https://www.afr.com/property/commercial/northwest-eyes-expansion-in-93m-adelaide-healthcare-deal-20211013-p58zhs] investing in major facilities there.

<u>Nick Lenaghan</u> edits the property section, which covers all aspects, from residential real estate and housing and construction to commercial property – office, retail, industrial – and major ASX-listed developers and real estate investment trusts. *Connect with Nick on Twitter*. *Email Nick at nlenaghan@afr.com*