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Retailers seek out bargains in South Sydney

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South Sydney has consolidated its reputation as the city's rag trade hub following a series of major lease deals to retailers including Zimmermann, Seafolly, Between the Flags and Gordon Smith.

CBRE Industrial & Logistics Services divisional head for South Sydney, Stuart Rodriguez, said attractive rents were continuing to draw interest in areas such as Rosebery, Alexandria, Mascot and Waterloo with the precinct having fast become a magnet for retailers offering discount and wholesale fashion items.

"While Surry Hills has traditionally been the main rag trader precinct for the eastern suburbs, retailers have been turning their sights to lower priced options in South Sydney," Mr Rodriguez said.

"We have been receiving constant enquiry from retail type tenants looking to either relocate to South Sydney or to upgrade their existing premises to capitalise on rents which are less than half that of competing options in Surry Hills."

Retailers such as Puma, New Balance, Marcs, Oxford Clothing, Victoria's Basement, Ron Bennett and Lonsdale are already well established in South Sydney, with the area now a well recognised hub for wholesale and discount fashion.

Mr Rodriguez said competitive rentals had been one of the main drawcards, with retailers able to secure premises at typical industrial rates of between \$180/sqm and \$220/sqm gross - as opposed to rentals more in the order of \$450/sq m in areas such as Surry Hills.

South Sydney also offered the benefit of easier access, better parking and access to a growing residential catchment, Mr Rodriguez said.

Larger recent deals in the precinct include a commitment by swimwear and clothing designer Zimmermann to leases 1,370sqm of space in a new Platino development at 2 Hayes Road, Rosebery.

Mr Rodriguez said Zimmermann had taken the opportunity to relocate from a nearby site to secure larger, higher quality premises in the four-unit Platino development.

Zimmermann is one of a number of retailers who have recently expanded their operations in South Sydney.

In other moves, leading swimwear designer Seafolly has upgraded within its current location at 247 King Street, Mascot to a larger building within the same estate.

Fashion group Events has meanwhile relocated its South Sydney headquarters from 204-208 Botany Road, Alexandria to 201 Botany Road, Alexandria while retailer Gordon Smith has centralized its operations at 10-20 McEvoy Street, Waterloo,

New arrivals to South Sydney include beach and lifestyle apparel retailer Between the Flags, with the group having recently leased a 460sqm unit at 69 O'Riordan Street, Alexandria.

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