

Flexibility the new trend in offices



Flexible office provider Victory Offices is banking on people wanting to work near where they live

EXCLUSIVE

ELIZABETH REDMAN
PROPERTY

Flexible office provider Victory Offices is pushing ahead with four new locations across Melbourne's suburbs and another in the Perth CBD, defying the rollout of US juggernaut WeWork and other co-working operators.

The group, chaired by former Victorian premier Steve Bracks, is banking on strong demand from small businesses, consultants and professional services staff who want to work near where they live and avoid the hassle of a daily commute into the city.

Co-working spaces have been springing up around the country, often to cater for technology

entrepreneurs or freelancers who prefer to be around a like-minded community than in their home office.

But Victory Offices chief executive Dan Baxter is "not at all" worried about the aggressive local rollout of venture capital-backed WeWork, which has four locations in Sydney and two in Melbourne either open or in the pipeline.

"I wouldn't like to be sitting there with music blaring and beer on tap, but that's their model and it's working fine for them," Mr Baxter told *The Australian*. "Our competition would be something like Servcorp. Luckily Servcorp is not expanding much in Australia, they're expanding overseas."

Victory Offices has 11 sites across Melbourne, Brisbane and Sydney and is about to open its first location in Perth, taking

1100sq m on the Esplanade in the CBD, and will then roll out a 3000sq m space on Melbourne's St Kilda Road.

Further locations in Melbourne's suburbia — at Dandenong, Sunshine, and a second for Box Hill — are set to follow, Mr Baxter added.

His clients prefer to work close to where they live and not to travel into the city because of the traffic and their family commitments, but still like to be part of a community at work, he said.

Options include hot desks, cubicles, or private offices, with training rooms and meeting rooms also available, in an "unbranded" professional environment that contrasts with the inspirational slogans plastered on WeWork's walls.

His small business clients also appear more credible if they have

a street address and landline phone number, with someone to answer calls while they are out, he said.

Colliers International associate director Kevin Tutty had seen rising tenant demand for shared office space over the past year.

"While some private landlords offer small suites from 500sq m upwards, they are both rare and expensive.

"In this era of 'access over ownership', tenants tell us that they want access to all the mod cons, such as the audio/visual capabilities, collaboration zones and breakout areas, without committing to the 24/7 costs.

"While the tight commercial property market is leading to increased popularity of shared spaces, it is these fundamentals of shared spaces that is driving popularity," Mr Tutty said.