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STRAIGHT SHOOTERS
Sentinel Property Group puts its faith in retail, buying Springwood Central for almost \$15 million
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Sentinel rounds up more retail stock in Springwood



BULK BUY:
Warren Ebert
and Michael
Sherlock at
Springwood.

CHRIS HERDE

SYNDICATOR Sentinel Property Group has lassoed its fifth retail property in Queensland and ninth in Australia, paying almost \$15 million for a bulky goods asset in Brisbane's south.

Sentinel managing director Warren Ebert said the purchase of the Springwood centre was a demonstration of the Brisbane-based group's confidence in the sector.

"This is our ninth retail asset which shows we have a positive outlook for the retail market, in particular the bulky goods sector in which we have been most active," he said.

"The fundamentals of a large 'big box' retail site such as this, positioned directly on a major motorway in a high-growth location, are undeniable and will always be in demand from major retailers seeking space, exposure and access."

The property, on the corner of Logan Rd and the M1 Motorway, was previously owned by the Centuria Funds management.

Market sources say Jones Lang LaSalle's Sam Hatcher and Jacob Swan negotiated the \$14.925 million deal.

It was acquired by the Sentinel Springwood Retail Trust which has a forecast first-year

distribution of 11.50 per cent increasing to 14 per cent by the third year. On a 2.29ha site with a net lettable area of 10,289sq m, it has 258 car parks and future redevelopment opportunity with potential for up to 20 storeys.

The property has a diverse tenancy mix that includes Ontic Health & Fitness, Sam Riley Swim Schools, Lollipops Playland, RSPCA Superstore, Veterinary Specialist Services and Stratco.

Former Brumby's Bakeries managing director and Sentinel chief marketing officer Michael Sherlock said there were a number of healthy signs for the local retail sector, includ-

ing increased turnover growth, a positive Christmas trade period, stronger housing construction and improving consumer confidence.

"One of the clear messages from overseas is 'do not count retail out'. People are still shopping in big numbers and the retail experience remains a key fabric in society," Mr Sherlock said.

"Also, the threat from online shopping is far greater for catalogue retailers than bricks-and-mortar stores.

"A strong trend is for shoppers to purchase online and then pick up at stores. In fact, many online retailers now realise they also need conven-

tional retail stores to survive."

The Springwood purchase brings Sentinel's total national portfolio to 20 office, industrial and retail properties with a combined value of more than \$400 million.

Sentinel secured a total of eight new properties in 2013, including five properties in NSW, one in Victoria and two in Queensland, and is eyeing further opportunities.

"We are at the coalface looking at new properties every day but only those that fit with our buying strategy, value-adding skills and ability to consistently maximise returns for investors make the cut," Mr Ebert said.