

WA fund banks on retail

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PERTH-based fund manager Mair Property Funds (MPF) has ramped up its Queensland presence by acquiring its second retail centre.

MPF paid \$14.2 million for the Castle Hill Village Shopping Centre at 264 Dohles Rocks Rd, Murrumba Downs, north of Brisbane, which will be the first asset for its MPF Retail Fund.

MPF acquisition manager Peter Melling, who worked with colleague David Ellwood on the deal, said the Fund was attracted to the property's dynamic tenant mix, which ensured a diversified income stream with the potential to increase.

The property comprises three buildings accommodating 19 tenants and anchored by national tenants McDonald's, IGA and BWS. It also includes a medical practice and a diverse range of smaller speciality stores.

The McDonald's lease runs until 2033 and includes a series of 10-year options, while the IGA lease runs until 2024.

Overall, the property, which has a land area of 9733sq m and a gross lettable area of 2773sq m, offers a



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weighted average expiry of 6.8 years.

The deal was struck by CBRE's Joe Tynan, Dillon Murphy and Michael Hedger and follows MPF's \$4.675 mil-

lion purchase of a two-level IGA-anchored retail centre at Maroochydore, which is part of its MPS Diversified Trust.

Mr Tynan said CBRE identified MPF as a potential

buyer after it bought the Maroochydore retail centre.

"This property is in a high exposure location which has a projected population growth of 4 per cent a year," he said.

"This precinct is being fast tracked by the Queensland government."

The MPF Retail Fund is projected to provide initial distributions of 7.5 per cent.