

Sentinel circles DFO Cairns

CHRIS HERDE

SENTINEL Property Group is closing in on a landmark addition to its growing north Queensland portfolio with the planned acquisition of the DFO Cairns retail complex.

Sentinel executives are believed to have visited the big format shopping centre, which sits on an 8.15ha site just outside the Cairns CBD.

Sources says the price tag for the centre is about \$50 million but while Sentinel managing director Warren Ebert confirmed his interest, he would not be drawn on the financial details or timing of the planned acquisition.

It is understood that Sentinel, which is increasingly focusing its acquisitions on the rebounding tourism regions, will launch an investor capital

raising for the DFO Cairns property in coming weeks.

ASX-listed company Perpetual Ltd put the Mulgrave Rd property on the market last year through JLL's Sam Hatcher and Simon Rooney.

DFO Cairns has a total floor area of about 25,000sq m and parking for more than 1500 cars.

It is the only DFO outlet centre north of Brisbane and is

home to an array of national and international tenants, including Coles, Hungry Jacks, Trade Secret, Bonds, EB Games, Ralph Lauren and Royal Doulton.

According to CoreLogic RP Data DFO bought the 8.5ha centre in 2006 for \$45 million from Trinity Fund Management Ltd.

Sources say the property was valued at more than \$100

million after an extensive redevelopment during the pre GFC boom in 2007-2008.

Sentinel has been steadily growing its presence in north Queensland in recent years.

It already owns properties in Townsville, Atherton, Airlie Beach, Mackay and Emerald.

The purchase of DFO Cairns would be in line with its tourism region focused acquisitions last year of the Port of

Airlie Maritime Terminal in Airlie Beach and the Rocket office tower on the Gold Coast.

* This week Shopping Centres Australia paid \$23 million for the Woolworths-anchored Greenbank Shopping Centre and \$10 million for an adjoining development site in Brisbane's south. The deal was struck by JLL's Sam Hatcher and Jacob Swan on a passing yield of 6.61 per cent.