

WEDNESDAY, MAY 11, 2016 THE AGE

**BUSINESSDAY | 31**

Brisbane-based Sentinel picked up the fully-leased Home Quarter complex in Melbourne's south-east.

## Sentinel snaps up retail centre

**Simon Johanson**

Brisbane-based Sentinel Property Group has beefed up its Melbourne portfolio acquiring a large format retail centre in Dandenong for \$29.8 million.

The busy property syndicator has picked up the fully-leased Home Quarter complex in Melbourne's south-east, anchored by nine national retail tenants.

The deal, which market sources say was struck on a yield around 8 per cent, was negotiated by Leiba Commercial's Marc Leiba. It is Sentinel's third retail acquisition in Melbourne.

Last year the syndicator, which controls a diversified portfolio of property funds across the eastern seaboard, purchased the City West Plaza homemaker centre in Sunshine. Another syndicate fund owns 138 Bourke Street in the CBD leased to Virgin Active health club.

The Dandenong centre will be held as a standalone asset in the Sentinel Dandenong Trust, which has a forecast distribution of 9 per cent in the first year, Sentinel managing director Warren Ebert said.

The centre's tenants include Super Retail Group, Fantastic Furniture, The Good Guys, Clark Rubber, Officeworks, Godfreys, Sub-

way and Chipmunks Playland.

Mr Ebert said last week's drop in interest rates would bolster the fund's prospects, providing a "leg up" for income producing assets.

Growth in turnover at big box retailers was driving rental growth and, in turn, property prices which would continue to steer the group's focus on retail assets, particularly in Victoria, he said.

Last month, Sentinel bought the DFO Cairns retail centre in north Queensland for \$39.7 million.

Since being established by Mr Ebert in 2010, it has grown a portfolio of 45 retail, industrial, office, land and tourism assets.